

**IMPACT OF MICRO CREDIT ON EMPOWERMENT OF WOMEN:
(A Case Study of Gaidakot Municipality, Nawalparasi)**

A Thesis

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Submitted By:

Susma Panday

Exam Roll No: 2990013/069

T. U. Regd. No: 9-2-232-103-2007

Kumarwanti Multiple Campus

Kawasoti-2, Nawalparasi

2073/11/10

LETTER OF RECOMMENDATION

This is to certify that this thesis entitled **Impact of Micro Credit on Empowerment of Women (A Study of Gaidakot Municipality, Nawalparasi)** has been prepared by **Susma Panday** under my guidance and supervision. I hereby forward this thesis to the evaluation committee for final evaluation and approval.

.....
Guru Prasad Subedi
Thesis Supervisor
Department of Sociology/Anthropology

2073/11/25

APPROVAL LETTER

The thesis entitled **Impact of Micro Credit on Empowerment of Women (A Study of Gaiindakot Municipality, Nawalparasi)** submitted by **Susma Panday**, in partial fulfillment of the requirements for the Master's Degree (M.A.) in Sociology has been approved by the evaluation committee.


Evaluation Committee

Signature

Mr. Jhab Bahadur Sunar
(Head of the Department)

.....

Mr. Lil Bahadur Bhandari
Shaheed Smarak College, Chitwan
(External Examiner)


.....

Mr. Guru Prasad Subedi
(Thesis Supervisor)

.....

DECLARATION

I hereby declare that the thesis entitled **Impact of Micro Credit on Empowerment of Women (A Study of Gaidakot Municipality, Nawalparasi)** submitted to the Kumarwari Multiple Campus, Faculty of Sociology, Tribhuvan University is entirely my original work prepared under the guidance and supervision of my supervisor. I have made due acknowledgements to all ideas and information borrowed from different sources in the course of writing this thesis. The results of this thesis have not been presented or submitted anywhere else for the award of any degree or for any other purposes. I assure that no part of the content of this thesis has been published in any form before.

Susma Panday
Kumarwari Multiple Campus

Date:

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This thesis entitled 'Impact of Micro Credit on Empowerment of Women (A Study of Gaidakot Municipality, Nawalparasi)' is prepared in partial fulfillment of the requirements for Master's Degree of Arts in Sociology Department, Tribhuvan University, Kumarwanti Multiple Campus, Kawasoti, Nawalparasi. First of all I would like to express my sincere gratitude and heartily thanks to my thesis supervisor Mr. Guru Prasad Subedi (Head of the Department) for their invaluable guidance, inspiration and supervision.

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Susma Panday
Kumarwanti Multiple Campus
Kawasoti-2, Nawalparasi

ABSTRACT

The study analyses the Impact of Micro Credit on Empowerment of Women (A Case Study of Gaidakot Municipality, Nawalparasi) was conducted to acquire the information. The general objectives are to study the impact of micro credit on employment of women and specific objectives are, to identify the socio-economic status of women at the study area and to analyze the problems being faced by the participants.

This study is descriptive research design. The purpose of the study is to describe the impact of micro credit on empowerment of rural women. Out of total individual 60 individuals have chosen as sample population for the study purpose. Out of 468 individual of 30 samuha, 60 individuals are taken as a sample population. This study has utilized both qualitative and quantitative techniques for data collection. Randomly, to those women who are involving in samuha were selected for study and they are interviewed using structured questionnaire.

Most of the women came to know about the samuha from women development office as well as Municipality office. Women are wanted to be self dependent through samuha and economically they wanted to be sound. Monthly income is increasing after joining samuha. Saving habits has been improved after joining samuha. Due to the strength of group formation, most of the women especially widows are feeling proud for various social activities. Only 22 percent reported that last year's income is sufficient to maintain daily expenses. There was great change in their perspective, attitude, authority, prestige, knowledge, ability and social relationship and so the programme had also helped them to fight against the dreary and social evils in the society. It has provided them an opportunity to identify their power, think differently about their situation, hold their duties and carry their responsibility very well.

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LIST OF ABBREVIATIONS/ACRONYMS

ADB/N	=	Asian Development Bank/ Nepal
ARCM	=	Asia Resource Centre for Microfinance
CBS	=	Central Bureau of Statistics
CMF	=	Center for Microfinance
IBP	=	Intensive banking program
INGOs	=	International Non governmental Organizations
IRDP	=	Integrated Rural Development program
MCPW	=	Micro credits program for women
MFI	=	Micro Finance Institutions
NPC	=	National Planning Commission
PCRW	=	Production Credit for Rural Women
PDDP	=	Participatory District Development Program
PSCP	=	Priority Sector Credit Programs
SFDP	=	Small Farmers Development Program
WDD	=	Women Development Division

CHAPTER-ONE

INTRODUCTION

1.1 Background of the Study

Women play very important role in the economy of the country. Nevertheless, the ideology of male domination, which pervades our lives, is changing only slowly and it is hampering development all sectors. The Government measures have attempted to help the poor by implementing different poverty alleviation programmes but with little success. Since most of them are target based involving lengthy procedures for loan disbursements, high transaction costs, and lack of supervision and monitoring. Since the credit requirements of the rural poor can not be adopted on project lending approach as it is in the case of organized sector, there emerged the need for an informal credit supply through self help groups. The rural poor with the assistance from NGOs have demonstrated their potential for self help to secure economic and financial strength. Various case studies show that there is a positive correlation between credit availability and women's empowerment.

They are extensively engaged in agricultural activities but hold the triple work responsibility of reproduction, house holding and employment. With the limited educational skills and few formal oppertunities, majority of women in Nepal are primarily involved in self employed activities as a means of supporting their families. Most of these activities provide them insufficient income to alleviate their poverty. Women lack technical knowledge how, capital and managerial skills and accesses to credit, market and resources to make any significant improvement in their economic condition. Access of women to credit is severely limited due to lack of tangible collateral with them, high transaction costs and misconceptions about women capability as potential burrower, low literacy rate leading to procedural barriers, low profit margin of the activities in which usually involved, limited time available to women due to their involvement in time consuming household activities and ritual performances etc.

Credit has proved to be an important resource for those in self employment including land based forms, self employment but along with other sections of the poor, socially

excluded groups have either found difficult to access finance or only been able to access such finance on usurious terms (Kabeer, 2010:58).

Micro-credit is expected to accelerate agricultural growth, reduce poverty and yield better status for women. It is argued that credit programmes empower women by strengthening their economic roles, increasing their ability to contribute to the family's income, helping them establish their identity outside the family and giving them experience and self confidence in public sphere. Patriarchy society in developing countries precludes women's empowerment through provision of credit and under some circumstances, may even worsen their situations. Often women's income is controlled by their men (Bhattarai, 2013:114).

Under prevailing condition, women have limited or almost no control over property and poor access to institutional credit services and facilities, restricting them in their ability to generate income and improve their socio economic status. Women have played a significant role in human civilization but their role in the context of Nepalese society has been minimized. This bitter truth is virtually a characteristic of poor Nepal one women in the third world countries (Sedhai, 2014:74).

1.1.1 An Overview of Microfinance Sector in Nepal

Since Nepal is an agricultural based nation in which more than 76 percent of the labour force participation is in agriculture, agriculture based programs such as credit cooperatives were initiated as a first step in microfinance in the 1950s with the aim of providing credit to poor villagers for agriculture purposes (Center for Microfinance, 2013). Several other organizations such as Small Farmer Development Programmes were started under Asian Development Bank/Nepal (ADB/N) in 1975. The Intensive Banking Programme (IBP) was established in the 1981 with an aim of providing loans to all types of work force, and tried to involve commercial banks in micro-credit. In 1992, the Grameen Banks model of microfinance was adopted in Nepal. Several other micro-credit organizations were opened later on by the central Bank as well as government of Nepal (Center of Microfinance, 2013).

1.1.2 Current State of Microfinance in Nepal

Many microfinance institutions have been established in Nepal with the mission of providing financial services to the poor. Commercial banks, development banks, Non Governmental Organization Banks and community based financial companies are the

four major institutional sources of micro-credit in Nepal. Financial intermediaries like saving and credit cooperatives, saving and credit groups and traditional savings and credit groups are also involved in providing micro-credit to poor. The microfinance sector in Nepal can be divided into following heading.

- a) Semiformal sector: It comprises approximately 2300 saving and credit cooperatives societies and 44 financial intermediary NGOs form the semiformal sector.
- b) Informal sector: It comprises of innumerable community based organization and individual or group programmes like dhukuti, traditional group; its formation is popular in ethnic group communities for saving and credit purposes; dharam bhakari, grain associations in with each number provides an equal contribution of grain at harvesting time and can draw from it in time of need; and guthi, similar to dhukuti but the funds are used for communities welfare activities (Acharya, 2011).

A joint venture of more than 4200 NGOs and 167 International Non Governmental organizations (INGOs) have launched more than 8600 saving and credit companies in total around the country, which add up to millions of dollars of financial assistance from donor countries and institutions (Rankin, 2014).

Women face multiple inequalities. They are discriminated against in laws, act and economically by limitations on their access to resources. Although they formally enjoy equal political rights as citizens, they are discriminated against regarding citizenship and nationality. Further they are not able to avail even the available rights fully because of inequalities in the social and economic spheres. They are unable to avail themselves of educational opportunities or to move ahead in public sphere. Efforts to promote women to decision-making positions have been marginal. However, the new declaration by parliament on these issues will be shaped legally is yet to be seen (Acharya, 2011).

1.1.3 Cooperative Organization

Co-operative refers to work together for common benefit. A cooperative organization is such an organization which is established by economically weak person. This organization functions under their mutual cooperation of all the members. Especially cooperative organization is such autonomous organization which is established

voluntarily by the group of persons for the fulfillment of the social, economic and cultural expectations with the democratic control and management. If we analyze the history of it, we can find that it is the organization established by economically and socially exploited people from the rich businessman.

At the outset, cooperative organization came into existence after the establishment of consumer's cooperative society named as Rochdale society of equitable pioneers in England by Ribert Owen with the objectives of saving poor people from the economic exploitation to eliminate middle men and to make out the ideal society. After that, such cooperative organizations are established in Germany, Italy France and Japan. To save the farmers from exploitation of money lenders, in 1850 AD, Suji established the first cooperative organization in Germany and Refisen establish loan cooperative into rural areas of Germany to provide loan to the farmers at lower interest. A cooperative Bank was established in 1866 with the active participation of Lujati and a Rural Development Bank was established in 1833 AD with the active participation of Olemberg in Italy. As a result in 1895, International cooperative Alliance was established in England (Sedhai, 2014).

We can say that cooperative is the organized activities of similar interest group for their shake with some objectives. Their main objective is to canalize to the number of people in an organization to protect their financial interest. It is not capitalist and social into concept but it is an equitable concept. Entire profit or loss of cooperative organization is distributed among all the members on the basis of their investment.

1.1.4 Women Cooperative Organization

For women empowerment, some of the Governmental Organization and Non Governmental Organization have started the concept of cooperative organization. By which most of the women in village has benefited from this program. In our society firstly the Non governmental organization Participatory District Development Program (PDDP) initiated the program. Most of the women are participating in that program.

The main objectives of such cooperative were to improve the socio economic status of women in Nepal and promote their participation and integration in national development there by contributing towards poverty reduction. The objective was to increase opportunities to poor women in selected urban and rural area (Shrestha, 2010).

1.1.5 Micro-credit Program Particularly for Women

Numerous studies and evaluations have demonstrated a rise in incomes and other indicators of standard living from micro credit programs. A large number of these programs have focused on supporting women, who bear the burnt of poverty and have been left out of most poverty reductions programs in the past. In many programs women make up as many as 90 percent of borrowers. Lending to women is also assumed to result in a greater multiplier effect because women pass on the benefits to children, through increased spending on the household, education and nutrition. In many cases, micro credit has contributed to change in attitude about women's contribution and role specifically; micro credit has resulted in increased recognition of women's productive role.

Micro credit programs have increased the mobility and strengthened networks among women who were previously confined to the home. Borrowers build solidarity through their participation in lending circles and village organization. There are also studies that suggest even more far reaching social impact, including decreases in fertility rates, assumed to be linked to increased financial self reliance. The growth and expansion of micro credit programs has been impressive (Maskey, 2010).

1.2 Operational Definition of the Terms Micro Credit

In this study, micro credit constitutes a circle of borrowing, saving and investing in order to help the poor to climb out of poverty. It is designed to meet the needs of poor with the very low interest rate and no collateral requirements. The size of loans depending on the burrower's needs and collected money.

For this study, micro-credit is viewed as a woman co-operative in rural areas known as "samuha". They can burrow required amount of loans without any deposits according to their needs and collected amount of money. They are able to run small scale business. The major impact of this samuha is that they have realized their strength. Due to this, they are able to raise voices against anti-social activities. Women are able to contact directly with different stakeholders about their issues and are enabled to run their own group very smoothly.

1.3 Statement of the Problem

Nepalese women who constitute more than half of the total population are under privileged and disadvantaged in terms of their socio economic status if compared with

their male counterparts. They have minimal access to resources, information and services both within and outside the household sphere. This shows the majorities of women in Nepal are suffering from hard work and have almost need for launching of effective development programmes. Improving the situation of rural poor who form the major part of population should clearly be a prime concern, where in, the most under-privileged classes like women are to be especially targeted, can be an effective way for overall poverty alleviation of the country.

Various programs have been launched for raising the socio economic condition in Nepal. Such as Priority Sector Credit Program (PSCP), Small Farmers Development Program (SFDP), Integrated Rural Development Project (IRDP), Production Credit for Rural Women (PCRW) which are intended to uplift the rural poor. Since 1994 for twelve district and five urban areas, the government has launched Micro Credit Project for Women (MCPW) to increase the substantial potential for the development of the rural poor women.

The women of Gaidakot Municipality of Nawalparasi district are laden with greater household responsibility than men. The ownership right over the family properties rest with the son and not with the daughter. In a community with a low income, low saving and low capital formation are found.

Partially considering with this fact in Gaidakot Municipality, samuhas are undertaken for women in Gaidakot. Such cooperative provide the micro credit for income generating activities to the poor women in group even without any deposits as such and they could develop their skill in life time.

Such samuhas were made by the initiation of PDDP program in the beginning. Women were actively participated in the beginning but later as the time went by, some loan provided by samuha appeared as bad debts. But also, the problem of such loan defaulters was removed by collective forces of women participation. Most of the women of Gaidakot Municipality were participated in any one of the samuha. Some of the women are related with two or more than two samuha also. Nowadays they are being farsighted than previous. Most of the women thought that deposits at present will secure them in future. So that such programs influence them a lot.

In this regard, the volume of loan disbursement, the degree of repayment and the strong as well as weak areas of investment are to be identified. Benefits received by the

target population are to be assessed. Beneficiaries, problems, perceptions and desires are to be examined; their prospects and potentials are to be explored.

In short, some research questions can be raised.

- i. What is the situation of credit disbursement and repayment of samuha?
- ii. Is the program effective for improving the overall status of women?
- iii. What are the problems being faced by the participants?

1.4 Objectives of the study

The general objectives are to study the impact of micro credit on employment of women and specific objectives are as follows:

- i. To identify the socio-economic status of women at the study area.
- ii. To examine the change in socio-economic condition of the rural women after participating in micro-financing program.
- iii. To analyze the problems being faced by the participants.

1.5 Significance of the study

The income generating activities would definitely enhance the economic status of women in the family and the society. It provides support and assistant which enable them to move towards self reliance through gainful employment and the income generating activities and develop confidence to become independent.

Semi formal sources of finance in society are the small size of deposits formed by mutual cooperation among women called “Mahila Samudayic Sanstha” or “Mahila Samuha”. Most of the women are participating in any one of the samuha. In this Municipality, while forming samuha, it was very difficult to establish in society because of lack of knowledge of samuha. But nowadays the time being changed, everyone is being attracted by the samuha. It has solved daily problem of women and has furnished them quietly. The development of samuha is related with development of women in society.

The impact of the program on its intended beneficiaries depends on the qualities of its performance, which in turn depends on the integration of all related factors. So through the study on the impact of the project appears vital so that based on its findings attempts could be made to rectify possible defects and strengthen the

prospects for success. The findings may also indicate target group members perception, desires, and problems. The knowledge of which could enables officials concerned to formulate the program accordingly. This research has its role in the context of poverty alleviation and improving the status if women of Nepal. So it has theoretical and practical relevance as well.

Although some studies were concerned about MCPW by related agencies like Asian Development Bank (ADB), Women Development Division (WDD) but there is no single detailed about the impact of the small cooperatives institution for women of the particular place in Nepal. So in the hidden philosophy of microfinance, plenty of research paper is available on micro-credit in the foreign context. So this research has its rational for fulfilling the scarcity on the semiformal sources of finance in the women development and related information as well as it gives the information of mechanism of such types of other institution and it can suggest to the forthcoming researcher about the women development.

As we know that our society is the male dominated society. Most of the women are working at home. It is not thought that women are the sources of income in the households. So there is necessity of income earning program for women and a women organization that would make them organized and self dependent. From the last decades such cooperative are formed continuously it has been working. Now most of the women become literate, efficient for economic progress. This would be the matter for the forthcoming researchers too and this study may be useful to further researcher.

1.6 Organization of the study

This study is organized with five chapters which includes:

The first chapter is concerned with introduction of the study dealing with the statement of the problem, objectives, significance, limitation of the study and operational definition of the micro credit.

The relevant literatures have been reviewed in second chapter for this study. Many books, journals and previous researcher theoretical and imperial literature were reviewed.

The third chapter deals with the methodology used in this study. Research design, population and sample, data collection procedure and tools used.

In the fourth chapter, an introduction to the study area is presented, deal with the social, economic and demographic characteristics of sample population, analyses the

differential condition of people before and after participating in micro credit programs and the impact analysis of micro-credit.

Finally, the fifth chapter provides the main findings, summarizing the study as well as conclusion and recommendation. Some case studies are also illustrated in the appendix for comprehensive information about micro credit for women.

CHAPTER-TWO

LITERATURE REVIEW

Micro-finance refers to small scale financial services primarily credit and saving provided to people who farm or fish or herb; who operate small enterprises or micro enterprises where goods are produced, recycled, repaired or sold; who provide services; who work for wage or commissions; who gain income from renting out small amount of land, vehicles, draft animals or machinery and tools; and to other individuals and groups at local level of developing countries, both rural and urban. Many such households have multiple sources of income (Robinson, 2010).

Micro-credit has been emphasized for the upliftment of the status of women. It is recognized that women's participation is invaluable to the development process. Although they are considered important and productive workers, their access to productive resources has remained limited. Several factors are responsible for the degrading status of women i.e. education, health, values, socio economic conditions, their legal status etc, but several efforts have been made to bring women together into the mainstream of development process and these programs have been formulated and executed to improve the status of women. According to this report, in order to enhance women's participation in the economic and social sector, Credit backed by technical knows how and entrepreneurship training has to be extended. Government should ensure programs that support on farm income earning activities which put more income in the hands of women (NPC, 2011).

The population of micro credit for the poor as a part of overall development process of a country has spread worldwide. There is an almost a global consensus on the importance of the micro credit services for the poor. Most bilateral and multilateral donors are keen on funding the micro-credit projects of both governmental and non governmental organizations. With the popularity of micro-credit having reached global proportions any policy changes regarding credit for the poor inevitably has an impact on any remote micro-credit institution in any developing countries (Wood, et.al, 2007).

As the micro credit project for women has been implemented successfully in Nepal. All the components of projects have been made the excellent progress except

Rehabilitation of Training Centre under the Local Development Training Academy which has been concealed by the bank following the request from the government, the efforts made to implement MCPW is not only an initiative from which new modalities of micro-credit delivery will stem but also a unique opportunity to test new model of cooperation between the government and NGO, it has been observed that more and numbers of beneficiaries are involved in the project activities every year within the project areas and considering the performance and impact of ongoing project activities, there is a strong need to approve the second phase of the project. However the experience and lessons learned during the first phase need to be considered while developing the implementation mechanism for second phase.

PCRW extended as credit facilities especially to rural women supposed to be an initial boost for them involve in income generating activities and subsequently achieve sustained self reliance has not been significant in its overall performances. Yet it is considered as a major breakthrough in the status of poor rural women (WDD, 2004).

2.1 Impact on Poverty Reduction of Women

The impact of micro-credit programmes on poverty is difficult to measure. Targeting credit to poor is one of the many instruments for poverty reduction. Broad based economic growth policies, for work and targeted wage employment schemes are noncredit instruments that also help reducing poverty (Sinha, 2008).

There are different views on micro-credit as a powerful development tools regarding its success in developing the lives of poor and sometimes these views are contradictory. However poverty is a global issues; it is the problem that even the wealthiest nation is facing. At government level and also at international level, many strategies are made everyday to control poverty. But now Dr. Younis gave a formula of micro-credit that successfully worked in all over the world (Mushtaq, 2008)

Micro-credit programs not only help families move out of poverty and improve their standards of living but also serves as a “bottom-up” tools for socioeconomic development of a nation.

On average in Bangladesh, a loan of 100 taka to a female borrower after it is repaid allows net consumption increases of 18 taka. In terms of poverty impact it is estimated that 5 percent of participant households are pulled above the poverty line annually (Khandkar, 2008).

2.2 Impact on empowerment of women

It is argued that credit programs empower women by strengthening their economic roles increasing their ability to contribute to the family's income, helping them to establish their identity outside of the family and giving them experience and self confidence in public sphere. For example, Hasheime, etal. (2006) viewed that the participation in Grameen Bank is positively associated with women's level of empowerment defined as a function of her relative physical mobility, economic security, ability to make various purchases on her own, involvement in major household decisions, relative freedom from domination within the family, political and legal awareness and participation in public protests and political campaigning. The study concluded that involvement in credit program does empower rural women (Sinha, 2008).

A study from Bangladesh confirms improvements in women's physical mobility, economic security, ability to make own purchases, freedom from family domination and violence, positive participation as a result of more stable integration into microfinance circuits (Schuler and Hashemi, 2004).

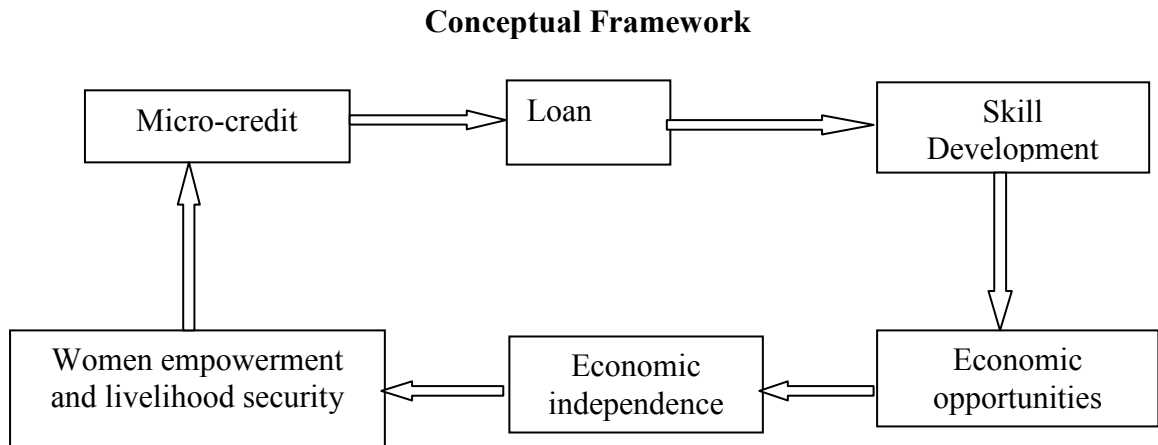
Credit to women has positive effects on schooling of girls, it increases women's asset holding (except land) and is a significant determinant of total household expenditure (Pitt and Khandker, 2005). "Enhance women empowerment, such as increased self confidence and better cooperation with neighbors has also been observed in Thailand.

2.3 Poor Women and Credit

Micro credit programs are expected to raise the welfare of poor especially women. They would help to raise social welfare by promoting human capital investment in childcare and education. However, the micro credit programs cannot be the sole instrument for poverty reduction. Micro credit requires an entrepreneurial skill that few people may have (Khandker, 2008).

2.4 Conceptual Framework

The conceptual framework of this study is based on the above literature review with established relationship of women with MFIs and the economic opportunities, income generating activities provided by the MFIs in the empowerment of women. The conceptual framework of this study is explained in the figure as follows.



CHAPTER-THREE

RESEARCH METHODOLOGY

3.2 Research Design

The present research design of the study is descriptive research. The purpose of the study is to describe the impact of micro credit on empowerment of rural women. Those people were targeted who have taken micro credit so that the comparison of living standard before and after use of micro credit can be made and hence it can be seen that if there is any improvement in their living standard after using micro credit or not.

3.2 Site Selection and Rationale

This study is conducted at Gaidakot Municipality of Nawalparasi district. This Municipality is selected rationally because micro credit program has been launching since long time and most of the women are involve in micro credit programs. The total population of Gaidakot Municipality is 55,205. Among of them 26,550 are male and 28655 are female. Total house holds no are 13024 (Gaidakot Municipality Report, 2068/69).

Nepalese economy is strongly dependent with the foreign country for seeking employment. These problems also affect to this Municipality too. Transportation facilities are available here but the roads are only graveled. Some other infrastructures has to be constructed here which is directly related with its development. Women are still influenced by old customs and tradition and still engaging in unproductive works. Although they contribute hard labour, they do not have any possession in any economic power.

3.3 Universe and Sampling

The total number of micro credit groups formed till 2014 is 30 groups and the number of individuals is 468. Out of total individual 60 individuals has been chosen as sample population for the study purpose. Out of 468 individual of 30 samuha, 60 individuals are taken as a sample population by using simple random sampling methods.

3.4 Sampling Technique

The list of number of participating individuals in ‘samuha’ of the Gaindakot Municipality was provided by community learning center, Gaindakot. From that list, applying simple random sampling without replacements drew a sample of sixty borrowers.

3.5 Nature and Sources of Data

In this study two types of data have been used:

Primary Data: The major source of data for this study is the primary one, which are collected through household survey with the help of questionnaire, prepared prior to the field visit. Besides questionnaire, observations, key informant and focus group discussion will also be the source of primary data collection.

Secondary Data: To make the study more precise, secondary source of data will also be used during the study. Secondary data has been collected from different reports, journals, unpublished dissertations and other relevant literatures.

3.6 Techniques of Data Collection:

The research is field based. To collect the data, the following techniques are used:

a. The Field Survey:

To collect the primary data, field survey has conducted using both structured and unstructured data prepared prior to the field visit. Questionnaire had filled at the time of discussion from the respondents.

b. Observations:

To know the impact of micro credit, the observation method has applied.

c. Focus Group Discussion:

To know the further more information the focus group discussion had conducted through interviews. Different kinds of questions regarding with related persons, visitors, and researchers had to know their actual view towards the micro credit system adopted in the Municipality.

d. Key Informant Interview:

To know the facing problems and their solutions from different aspects, structured interview have been taken with key informants such as related research projects running over there, local clubs etc.

3.7 Data Processing and Analysis

Data were collected through various techniques from the field. They were analyzed by using descriptive statistical tools as well as quantitative presentation. Information related to population structure, ethnic distribution, the proportion of credit distribution and education status were presented in tables. Both qualitative and quantitative data were collected during field work. Both types of data were organized and analyzed in different parts and chapters as required by objectives. Simple mathematical and statistical tools and percentages, bar graph and pie chart have been used to analyze the data for fulfilling objectives and for better evaluation and interpretation. After analyzing the information, the necessary conclusion and recommendations are made.

1.8 Limitation of the Study

This study has the following limitation.

- i. This research is concentrated in Gaindakot Municipality only. This report has been prepared on the basis of research conducted with women who participated in samuha in Gaindakot only and not in Nepal.
- ii. The result of the study will be reliable only for a certain time period due to the rapid growth of population variables.
- iii. Some of the participants hesitated to flash their actual experience, income, and expenditure thus some data regarding the same may be fallacious.
- iv. The study constitutes the women samuha only.
- v. Due to the different condition, recommendation made here may not be applicable for the other areas of the country.

CHAPTER-FOUR

DEMOGRAPHIC AND SOCIO ECONOMIC CONDITION OF RESPONDENTS

In these chapter social, economic and demographic characteristics of selected women who are involving in MFIs is presented through the help of primary sources of data. This indicators help to compare the socio-economic status of study area and sample population.

4.1 Demographic & Socio Economic Characteristics of Sample Population

I) Demographic Characteristics

Demographic characteristics was described by age, family type and marital status in the present study which is demonstrated in below table.

a) Age groups of the respondents

Table 4.1 : Age groups of the respondents

Age Group	Number	Percent	Remarks
25-29	4	6.7	
30-34	7	11.7	
35-39	18	30.0	
40-44	15	25.0	
45-49	9	15.0	
50+	7	11.6	
Total	60	100	

Source: Field Survey, 2073

Table 4.1 shows that majority of women 30% who are involved in MFIs are of 35-39 age group followed by 40-44 age groups were 25%. It may be due to their more responsibility over the age in their household activities and decision making sectors then in their younger ages. Similarly, the age groups 25-29 were 6.7%, 30-34 age groups of respondents were 11.7%. The age groups of 45-49 were 15% and above 50 years age were 11.6%. Women over age 35 are courageous to take loan either from formal or informal sectors then in their younger age.

b) Types of Family

Types of family means nuclear and joint family. The nuclear family is a term used to define a family group consisting of a pair of adults and their children and joint family is a large social group in which the father, mother, their mature and immature children, their brother and parents live together.

Table 4.2 : Types of family

Family Type	Number	Percent	Remarks
Joint	15	25.0	
Nuclear	45	75.0	
Total	60	100	

Source: Field Survey, 2073

The table 4.2 shows that majority of respondents 75 percent belong to nuclear family and the respondents, 25 percent belong to joint family that among the respondents of Gaidakot Municipality. In modern time nuclear family is most popular then joint family.

c) Marital Status

Table 4.3: Marital Status of the respondents

Marital Status	Number	Percent	Remarks
Married	53	88.3	
Widow	5	8.3	
Separated	2	3.4	
Total	60	100.0	

Source: Field Survey, 2073

Above table 4.3 presents that majority of respondents were married i.e. 88.3 percent. The number of widow is also remarkable i.e. 8.3 percent and separated respondents were 3.4 percent of the respondents.

II) Socio-economic Characteristics

In this study social characteristics are described in different categories like, caste/ethnicity, religion, occupation, language, household head and educational status. The following table shows all the characteristics of women.

a) Caste/Ethnicity of Respondents

The caste system of Nepal is basically rooted in Hindu religion. On the other hand, the ethnic system has been rooted mainly in mutually exclusive origin myths, historical mutual seclusion and the occasional state intervention (NESAC, 2011).

Table 4.4 : Caste/Ethnicity of Respondents

Caste/Ethnicity	Number	Percent	Remarks
Brahmin/Chhetri	25	41.61	
Chhetri	15	25.00	
Janajati	6	10.00	
Dalit	14	23.33	
Total	60	100	

Source: Field Survey, 2073

Table 4.4 shows that most of the respondents reported Brahmin were 41.61 percent, Chhetri were 25.00 percent, 10 percent of the respondents were Janajati caste and 23.33 percent respondents were Dalit caste. It is concluded that Brahmin/chhetri were majority caste of study area.

b) Religious Status of the Respondents

Table 4.5 : Religious Status of the Respondents

Religion	Number	Percent	Remarks
Hindu	50	83.3	
Buddha	7	11.7	
Christian	3	5.0	
Total	60	100	

Source: Field Survey, 2073

Table 4.5 shows that most of the respondents were Hindu 83.3 percent, 11.7 percent of the respondents were Buddha and only 5 percent respondents were belongs to Cristian. It is concluded that Hindu were majority religious of study area.

c) Educational Status of the Respondents

Table 4.6 : Educational Status of the Respondents

Educational Status	Number	Percent	Remarks
Literate (no schooling)	10	16.7	
Primary	45	75.0	
Secondary and Above	5	8.3	
Total	60	100.0	

Source: Field Survey, 2073

Table 4.6 shows that literacy status of the respondents. Seventy five percent women are primary level, 16.7 percent women have literate but not going any school and 8.3 percent have completed secondary education and above.

d) Land Holding Pattern

Table 4.7 : Land Holding Pattern

Distribution of Land use Pattern	Number	Percentage	Remarks
Own land	39	65.0	
Other land	5	8.3	
Own and given to other	9	15.0	
No land	7	11.7	
Total	60	100	

Source: Field Survey, 2073

Above table 4.7 shows 65 percent of total respondent reported that they have their own land whereas parentage of own having no land is 7.9 percent women have their land to other for cultivation and 5 percent women have others land.

e) Income Status of the Respondents

Table 4.8 : Income Status of the Respondents

Options	Number	Percentage	Remarks
Under 5000	23	38.3	
5000-1000	13	21.7	
10000-15000	11	18.3	
15000-20000	8	13.3	
20000+	5	8.4	
Total	60	100	

Source: Field Survey, 2073

Table 4.8 shows the total respondents 38.3 percent women reported that total yearly amount of production is less than 5000. It may be due to small amount of land holding for most of the member of samuha. Similary, total year production including all items is more than Rs. 20000 is reported by 8.4 percent of total respondents.

4.2 Awareness about the Samuha

Human being is one of the best creatures. Though they have good sense in many more situations, they are backward. The awareness about the samuha inspired by different sectors are given below.

Table 4.9 : Awareness About the Samuha

Awareness about the Samuha	Number	Percentage	Remarks
Family members	5	8.4	
Friends	11	18.3	
Women development office	30	50.0	
Municipality office	14	23.3	
Total	60	100.0	

Source: Field Survey, 2073

Table 4.9 shows that most of the women in Gaidakot Municipality were firstly initiated by Women Development Office to form the samuha. As we know that 50 percent of women were come to close in samuha through WDO and 23 percent were organized by Municipality Office. 18 percent said, they are organized by their friends and 8 percent women were closed by their family member.

4.2.1 Reason for Joining Samuha

For what purpose did they join in samuha? It is the reasonable questions for transformation of their behaviour. So one of the question was asked and different views were taken and listed in table below.

Table 4.10 : Respondents Regarding Reasons for Joining Samuha

Reasons for Joining Samuha	Frequency	Percentage	Remarks
To generate more income	10	16.7	
To be self dependent	43	71.7	
To be organized with friends	5	8.3	
Others	2	3.3	
Total	60	100	

Source: Field Survey, 2073

Out of the 60 individuals, some of the individuals had two or more than two reasons for joining samuha. They were answering boundlessly. So more than one answer were also taken freely. Most of the individuals wanted to be economically strong and self dependent. 16 percent women wanted to generate more income, 71 percent of women

to be self dependents, 8 percent want to give company to their friends and 3 percent of women had other purposes.

4.2.2 Duration of Membership

Table 4.11 : Respondents by Duration of Membership

Duration of Membership of Samuha	Number	Percentage	Remarks
Less than 1 year	2	3.3	
1-5 year	11	18.3	
5-8 year	24	40.0	
8+ year	23	38.4	
Total	60	100.0	

Source: Field Survey, 2073

Most of the members of samuha are being member from 5-8 years. i.e. 40 percent and only 3.3 percent women's duration o membership is less than one year.

4.2.3 Loan Amount

Women borrowed different amount of money for different purposes from samuha. The range of money landed for the income generation was 2000-20000 depending upon the activities of the program.

Table 4.12 : Borrowers by the Amount of Loan

Loan Amount	Number of Borrowers	Percent	Remarks
2000	7	11.7	
5000	13	21.7	
10000	5	8.3	
15000	28	46.6	
20000	7	11.7	
Total	60	100	

Source: Field Survey, 2073

Above table shows the scenario of the loan amount and percentage of total borrowers. Out of the 60 borrowers 8.3 percent have taken the loan amount of Rs. 10,000 and 46.6 percent have taken the loan amount of 15,000 and 11.7 percent has taken the loan amount Rs.20, 000.

4.2.4 Times of Loan Taken

Table 4.13 : Percentage Distribution of Respondents by Times of Loan Taken

Times of loan taken	Number	Percentage	Remarks
No	0	0	
One time	4	6.7	
Two time	9	15.0	
Three time	4	6.7	
More than 3 times	43	71.6	
Total	60	100.0	

Source: Field Survey, 2073

From the above observation we came to know that all individual took the loan at least one time. It seems that each and every individuals benefited by the loan. 71.6 percent of individuals have taken the loan three times, 15 percent have taken the loan two times and 6.7 percent have taken the loan only one time. And none of the individuals are there who have not taken the loan at least one time. They said that they have taken their loan for the household work, business, child education etc. So; all the individuals are fond of the loan of samuha than the bank due to easiness of getting and paying

4.2.5 Repayment of Loan

The loan repayment is another crucial aspect of lending activity of any financial institutions. If the loans are not repaid on time, it will not only affect the turnover capacity of financial institutions but also affect on the sustainability of the financial institution and disturb the borrowing and lending environment between the financial institution and the borrowers and among the borrowers themselves.

Table 4.14 : Respondents Regarding Repayment of Loan

Repayment of loan	No. of respondents	Percentage	Remarks
Totally paid	34	56.5	
Partially paid	17	28.3	
Not paid at all	9	15.3	
Total	60	100.0	

Source: Field Survey, 2073

Although there is lack of accurate data of repayment of loan, among the sample households it is found that 56.5 percent has totally paid, 28.3 percent partially paid and 15.3 percent has not paid at all.

4.3 Impact of Micro Credit

Here impact of micro credit is made from comparative study of situation of women before Joining Samuha and after joining samuha and their qualitative changes. Priority is given to the poverty reduction, improved living standard, their independence which supports for their empowerment.

4.3.1 Impact on Poverty Reduction of Women

Micro credit scheme is being one of the major instrument to reduce poverty in the society and poverty reduction is major prerequisite for measuring empowerment. Though it is not exact possible for the researcher to measure how micro credit programme of Gaidakot Municipality is uplifting women's economic status , it is fact that samuha has played an important role to reduce poverty of women which becomes clear after analyzing data obtained from sample respondents before joining and after joining samuha.

4.3.2 Monthly Income of Women Before and After Joining Samuha

In this study, income denotes the earning of the member of Samuha through any income generating activities. The income may be form of money articles as food grains and other physical products. To know the changes in income before and after joining samuha, personal questionnaire has been used.

Table 4.15 : Differential Monthly Income of Women before & after Joining Samuha

Income Range	Before Joining Samuha		After Joining Samuha	
	Number	Percentage	Number	Percentage
500 -1000	20	33.3	1	1.7
1000 -1500	16	26.7	2	3.3
1500 -2000	8	13.3	7	11.7
2000 -2500	7	11.7	8	13.3
2500 -3000	5	8.3	6	10.0
3000 -3500	4	6.7	6	10.0
3500 -4000	-		9	15.0
4000 -4500	-		8	13.3
4500 -5000	-		6	10.0
5000 -5500	-		3	5.0
Above 6000	-		4	6.7

Source: Field Survey, 2073

Above table shows that income effect before and after joining samuha, in the study area. The income effect is positively changed after joining in Samuha. Before joining Samuha, there were 60 percent of total sample respondent having income below Rs. 1500 per month. Where as, it has declined to 5 percent after joining Samuha. Likewise, before joining Samuha, there was no any member having income of 3500 or above. Where as, it has reached 30 percent after joining Samuha. This fact has proved that the members associating with Samuha have significantly increased their income after implementation of micro-credit program.

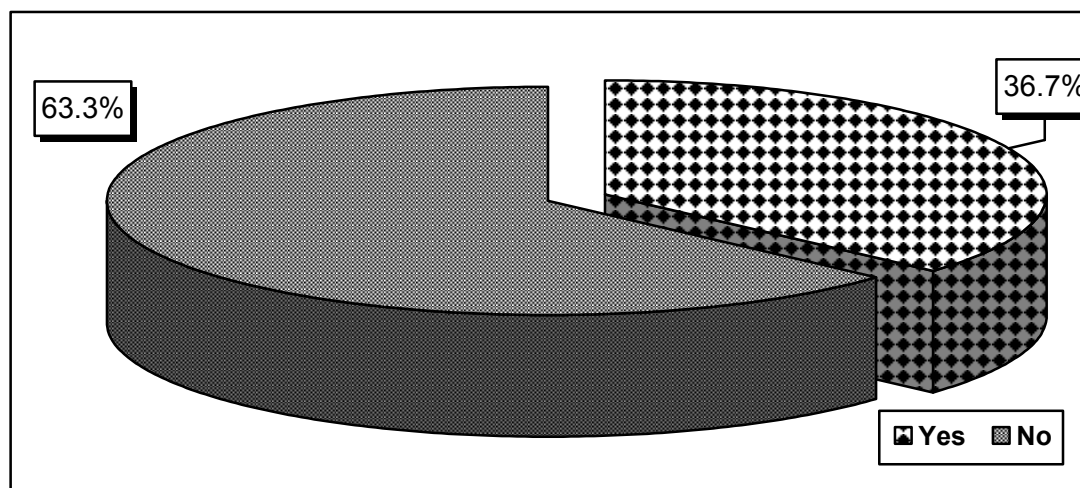
4.3.3 Maintain Daily Expenses before and after Joining Samuha

Table 4.16 : Maintain Daily Expenses before and after Joining Samuha

Income Sufficient to Maintain Daily expenses	Before Joining samuha		After Joining samuha	
	Number	Percentage	Number	Percentage
Yes	22	36.7	45	75.0
No	38	63.3	15	25.0
Total	60	100	60	100

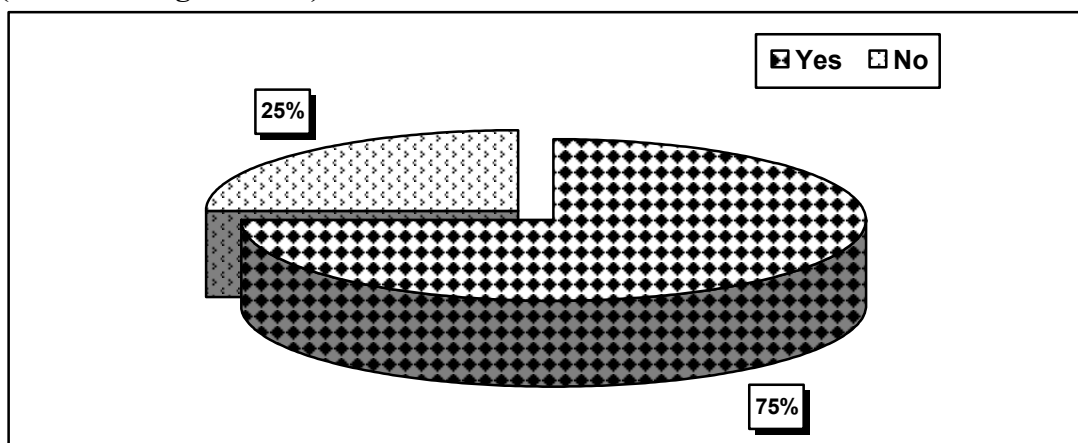
Source: Field Survey, 2073

Figure 4.1 : Income Sufficient to Maintain Daily expenses of Women (Before Joining Samuha)



Source: Table 4.11

**Figure 4.2 : Income Sufficient to Maintain Daily expenses of Women
(After Joining Samuha)**



Source: Table 4.11

Out of total sample respondents 75 percent reported their last month income was sufficient to maintain daily expenses for their households where as only 36 percent women reported their last year income was sufficient to Maintain daily expenses before involving in Samuha. Though, it can not be exactly said that loan of MFIs is important for the sufficiency of daily expenses for their Family members. There may be other reasons behind it. e.g., husband's job and other sources of income. But in this study, there is positive impact of micro-credit for the sufficiency of daily expenses.

4.3.4 Saving of Respondents before and after Joining Samuha

Table 4.17 : Saving of Respondents before and after Joining Samuha

Annual amount of saving	Before joining samuha		After joining samuha	
	Number	Percentage	Number	Percentage
No Saving	45	75.0	0	0
Under 5000	9	15.0	12	20.0
5000 -8000	6	10.0	19	31.7
8000 – 12000	-	-	25	41.7
12000-15000	-	-	4	6.6
Total	60	100.0	60	100.0

Source: Field Survey, 2073

From the table, it is clearly reflected that average income is better after being member of Samuha. 41.7% amount has average annual saving of Rs.8,000 – 12000 after joining Samuha where as there was no any women having annual saving of Rs.8000-12000 before joining Samuha.

Small amount of saving is compulsory for the member of Samuha either weekly or monthly. Similarly, when any member takes loan she has to save 25 percent of total amount of loan yearly. Thus, the saving habit of member of Samuha has been better than before joining Samuha.

4.3.5 Occupational Change among the Member Samuha

In the Study area, Women are involved in different income generating activities such as agriculture, laboring, tailoring, trade, tailoring etc.

Table 4.18 : Occupational change before and after joining samuha

Occupation	Before joining samuha		After joining samuha	
	Number	Percentage	Number	Percentage
Agriculture	25	41.67	19	31.67
Business	4	6.67	15	25.00
Wage labor	21	35.00	7	11.67
Salary Job	2	3.33	15	25.00
Foreign Employment	3	5.00	2	3.33
others	5	8.33	2	3.33
Total	60	100	60	100

Source: Field Survey, 2073

Above table shows that member of Samuha were involved in different occupation before joining in Samuha Such as agriculture, business, wage labour, salary job, foreign employment etc. Out of total respondents 41.6 percent in agriculture, 6.67 percent in business, 35 percent in wage labor, 3.33 salary job, 5 percent foreign employment and 8.33 percent others in different work. Where as, after joining Samuha, out of the total respondents 25 percent have started business and salary job respectively, agriculture and wage labor reduce in 31.67 percent and 11.67 percent respectively. Similarly, borrowers having different skill and view point have started different occupation according to their own desire and entrepreneurship talent.

4.3.6 Consumption Pattern

Before joining samuha, most of the people had traditional food. After joining samuha, they were aware of nutritious food. So, they add milk, meat, egg in their consumption pattern. This fact is shown by the table.

Table 4.19 : Consumption Pattern

Daily Consumption Standard	No. of Members	
	Before Joining	After Joining
Increasing	40	45
Decreasing	13	8
Same as before	7	7
Total	60	60

Source: Field Survey, 2073

The table shows that consumption pattern has changed after joining samuha. Before joining 40 people to increased and 45 after joining. Only 13 people had decreasing daily consumption standard then 8 respondent after joining but before and after joining samuha, 7 respondent were same condition.

4.3.7 Clothing Pattern

Previously, most of the borrowers used to wear dirty, rough and cheap quality clothes. But after joining Samuha, the rural poor women used to wear clean and expensive clothes. After receiving microfinance services from samuha, they can able to earn more than previous, by involving different income generating activities. Similarly, samuha provide various types of education for the women. So they realized that used to wear dirty clothes were harmful for their health and social status. So, they have been found to use clean clothes after borrowing loan from samuha It proves that has been significant improve in their clothing and their health. Following table prove that facts.

Table shows that clothing pattern has changed after joining samuha. Before joining, 42 women had worn dirty traditional clothes and only 18 women had worn clean and expensive clothes, but after joining samuha the number of person wearing dirty and traditional clothes is decrease in 12 and wearing clean and expensive clothes is 48.

From the above analysis we can said that there exist positive changes in living standard of the women after joining Samuha.

Table 4.20 : Clothing Pattern

Cloth Description	No. of Members	
	Before Joining	After Joining
Dirty traditional cloth and cheep clothes	42	12
Clean clothes and expensive quality	18	48
Total	60	60

Source: Field Survey, 2073

4.3.8 Benefit after Joining MFIs

In this unit only the situation of women who are members of MFIs are selected to present, benefit after joining MFIs are analyzed. The main objectives of establishing MFIs is poverty reduction i.e to bring out the poor prepare from their absolute poverty. With this major objective micro-credit program has various economic as well as other non economic benefit also like health, sanitation, education and knowledge of family planning.

Table 4.21 : Benefit after Joining MFIs

Economic Benefit from MFI	No. of Women
Easy to take loan	37
Curtail unproductive expenses	10
Develop Saving habit	10
Others	3
Non-Economic Benefit from MFI	No. of Women
Social awareness	42
Lowered social evils	9
Health and sanitation	9
Total	60

Source: Field Survey, 2073

Among the total respondents women reported that one of the major advantage is easy to take loan which is followed by 10 women who reported curtail unproductive expenses as the economic benefit after joining MFIs only 3 Women reported saving mobilization and 1 woman reported other benefits of MFIs. 42 women reported social awareness as the non- economic benefit after joining MEIs, followed by 9 women who reported lowered social evils and the same number reported knowledge of health and sanitation. Most of the widow or separated women reported lowered social evils as the major advantage after joining MFIs. It may be due to their group strength. The group guarantees basis of loan disbursement without deposit of collateral makes the women of group members more helpful and cooperative to each other. In Nepalese society and culture the widow and separated women are neglected and generally accused of witch and other social evils. So, they feel safe from such kinds of

accusation of social evils after joining MFIs, which is one of the major non-economic and positive impacts of micro- credit for the empowerment of poor, helpless women.

4.4 Problems Faced

Table 4.22 : Problems Faced after Joining Samuha

Options	No. of Respondents	Percent	Remarks
Yes	15	25	
No	45	75	
Total	60	100	

Source: Field Survey, 2073

Above table shows out of total respondents only 25 percent were faced any problems after joining samuha and 75 percent were not facing any problems.

4.4.1 Types of Problems

Table 4.23 : Types of Problems after Joining Samuha

Problems	No. of Respondents	Percent	Remarks
Lack of Family Support	6	40	
Time management	5	33.33	
Social Discrimination	4	26.67	
Total	15	100	

Source: Field Survey, 2073

Above table shows out of 15 respondents who faced problems after joining samuha, 40 percent were faced lack of family support, 33.33 percent were can't manage their time house and samuha and 26.67 percent think discrimination in society for women.

4.5 Measuring Empowerment of Women through Micro-Credit

Various Changes on women's status and attitude have been observed after their participation in the programes. The description of empowerment in this case is seen through micro-credit programe's contribution to the women's decision making power, economic independence, increase in mobility, Change in Social, political and psychological situation which were observed from their position in the household and confidence in Community. It was done from the observation whether the women could make the household decisions on their own or do so in consolation with their husband.

I. Economic Independence

Women who are involved in micro-credit program regarded their ability to earn and be independent as a source of empowerment compared to those who are not involved. Women were not dealing directly with cash and had little decision making power before joining where as after joining samuha, women are highly involved in decision making activities either it is related to cash or other household concerns. Their new income generating activities had made more active, confident and enthusiastic.

II. Increased in mobility

One of the indicators to measure the empowerment of women is their increased ability for mobility. Women's confinement to households had made them limited to their thinking and had limited their social interactions AS the women of MFIs came out from the household for group meetings and started new income generating activities, their social contacts had extended, had become more knowledgeable about the external world, were able to speak in public and also know to deal with different people. But such opportunities were rare before joining samuha.

III. Women's Group Work as a Source of Empowerment

One of the indicators to measure the empowerment of women was their participation in community and group activities. According to the respondent women, their joint effort had made them economically strong. Due to their group work, they become able to take loans and do their individual business and hence generate more income. After being member of one samuha they form different community saving groups with different names. Group work provides them a chance to share their ideas and techniques; through group work they got physical and mental support which in return provided them more confidence than before.

IV. Change in Social Situation

It is already reflected that economic status of women of member of samuha has comparatively improved. So it is obvious that on the basis of economic status, social prestige or respect depend. Most of respondents reported that micro credit programme had broadened their external world, where as before joining samuha they were confined within the household activities. The participant of micro credit programmes revealed that their social relationships and level of contact had extended and so they became able to understand the world better and the training and other activities had

made them able to fight against the traditional values. This case had highly impact towards the widows and separated than the currently married women. Besides when they had their own income, they felt proud, confident and prestigious in the society. During the household observation, almost all of them seem quite, open glad and enthusiastic. They seemed ready to face any kind of challenges that came along in their way. On the other hand, before joining samuha they had never got chance for group meeting and there is no oppertunities either for idea sharing or group discussions between other women.

CHAPTER-FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary

The majorities of women in Nepal are illiterate and engaged in agriculture and agricultural activities for their livelihood. The status of women is very low to that of male. So the improvement of women status is vital issues.

Women are important sources of energy for the development and their groups can be an effective channel funds aimed at meeting the needs of the poorest people in rural areas of third world. Their potential can be realized if they integrated into the whole spectrum of development programs, rather than relegated to the marginal sector currently reserved for man.

In recent years there has been a growing realization in many nations regarding the importance of women's participation in the development process and the need for their advancement. As a consequences numerous national as well as international organization has been established which carry out program varied in native and target at enabling women to become aware of their situation and their potential to gain relative economic independence together with a better position in their household as well as society. Provision of credit is aptly regarded as one of the potentiality strongest forces to propel action towards achieving this goal. Micro finance, since its evolution has been proved as an effective tool to strengthen various programs to poverty alleviation and itself as a way to attract poverty.

In the rural area of Nepal, women are facing different types of economic and social problems. The efforts of the government and international organization to solve these problems and encourage women to participate in the development activities of the nation, have let to effectively mobilize their participation of human resources for development. This study shows that this program to solve this problem as an instrument to the women's development.

Realizing this fact, 'Samuha' are undertaken in most of the rural areas of Nepal and this study is carried out to analyze the comparative study of status of women before joining and after joining samuha. Confidence building, taking leadership, social awareness are some of the major indicators of empowerment.

The factor contributing to the success of samuha lie in its integrated approach to women' s development and the emphasis placed upon mobilizing women to top their existing skills and knowledge to motivate them to improve their lives.

Income alone does not raise the status of women. The problem must tackled both socially and economically by raising the awareness of women and all community members.

5.2 Conclusion

Conclusions of study are given below.

- i. Most of the women came to know about the samuha from women development office as well as Municipality office.
- ii. Women are wanted to be self dependent through samuha and economically they wanted to be sound.
- iii. Monthly income is increase after joining samuha.
- iv. Saving habits has been improved after joining samuha.
- v. Most of the borrowed reported that their ability to run any kind of business has been improved after joining samuha.
- vi. Occupation has changes i.e. from agriculture to non agriculture activities among the borrowed.
- vii. Due to the strength of group formation, most of the women especially widows are feeling proud for hot being accused of various social evils.
- viii. Only 22 percent reported that last year's income is sufficient to maintain daily expenses before joining samuha whereas this percentage has increased and reached to 75 percent after joining samuha.
- ix. There was great change in their perspective, attitude, authority, prestige, knowledge, ability and social relationship and so the programme had also helped them to fight against the dreary and social evils in the society. It has provided them an opportunity to identify their power, think differently about their situation, hold their duties and carry their responsibility very well.

- x. However all the women had not progressed at the same level. Widow from nuclear family much empowered compared to the women from extended families. Likewise the poorest of the poor women had gain more then the so called poor women and the women from lower middle poor women and the women from the lower middle class. The existing domination in these families had limited their progress than the others.
- xi. The research shows that the income alone does not raise the status of women. The problem must be tackled both socially and economically, by raising the awareness of women and that of the community members. This will than bring about change in the attitude of the community people and make them equal partner in development.

5.3 Recommendation

Analyzing and verifying the information obtained from the primary and secondary sources the following recommendation may be applicable to make the program more effective and target oriented.

- i. Institutional development training helps people more aware about the program and make familiar to further problems. Some client during the survey said that they need refresher training. So much training should time to time.
- ii. Right leader can give right direction of development and to move a large number of groups in a way of success. It should be lead by a group of federation. It groups federation is established they can bargain and can give pressure to the related agencies. So, selecting the delegate from each group should make a valid federation.
- iii. After conducting the programme higher level personnel of MFI should regularly evaluate and monitor the activities of women of women whether credit is changing their lifestyle or not.
- iv. To empower as well as reducing poverty MFI should not be limited within more facilitated area of Terai and valley but in other hill and mountain areas identifying the poverty areas where informed credit sectors are dominating.

- v. There is fixed amount of credit ceiling, where is insufficient compare to the willingness of members to start new enterprises. So looking at the interest and feasibility the ceiling should be increased.
- vi. Women cooperative society should be made for further empowering the women.
- vii. Samuha should be legalized.
- viii. Loan must be flowing on other sectors than cattle farming and agriculture for the further empowering and development.
- ix. It has been observed that samuha only provided training on certain field. These training were in health, nutrition and women right. It is recommended to find out what the participants more interested in and what they are good at. This will improve the participants more interest in that field and would decrease the risk factors on the success.
- x. The role of NGOs and INGOs should be studied while examine the impact on micro credit on empowerment of women.
- xi. This study is limited to only Gaidakot Municipality in Nawalparasi District which is not sufficient to generalized whole part of country. Such type of study must be done all over the country to find out the impact of micro credit on empowerment of women.

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QUESTIONNAIRE

1. General Information

- a) Name of the respondent b) Age c) Sex
d) Address e) Occupation f) cast and ethnic group
g) Religion h) Family type i) Education
j) Marital status

2. Name of the household head

3. What was your main occupation?

Before joining samuha After joining samuha

4. Average monthly income (in Rs.)

Before joining samuha After joining samuha :

5. Is income sufficient to maintain daily expenses?

Yes No

6. What is the annual amount of saving?

Before samuha After samuha

7. What are the sources of income of your family?

Before samuha After samuha

8. How did you know about the Samuha?

- I. Family Members II. Friends
III. Women Development Office IV. Municipality Office

9. Why did you join samuha?

- i) To generate more income ii) To be self dependent
iii) To be organized with friends iv) Others (specify)

10. What is the duration of membership of Samuha?

- I. Less than one year II. 1-5 years
III. 5-8 years IV. More than 8 years

11. Have you taken loan from samuha?

Yes

No

12. What was the amount of taking loan?

13. How many times did you take the loan?

Not taken

One time

Two times

Three time

More than three times

14. Did you pay the loan?

Paid

Partially paid

Not paid at all

15. If not what was the problem for paying loan?

Intentionally

Household problem

Others (specify)

16. Are you benefited from loan?

Yes

No

do not know

27. Is the standard of increased after joining samuha?

Yes

No

Same as before

28. What was your clothing pattern? Is it change after joining samuha?

Yes

No

If yes, then mention

Before the program.

After the program:

19. What type of benefit do you get after joining samuha ?

a) Economic benefit

i) Saving mobilization

ii) Easy to take loan

iii) Curtail unproductive expenses

iv) Develop saving habit

b) Non- economic benefit

i) Develop social concept

ii) social awareness

- iii) Lowered social evils
- iv) Health and sanitation
- v) Others

20. Do you think poverty has been reduced by joining samuha ?

- Yes
- No
- Do not know

21. What kinds of change have you felt in the following subject?

- i) Your family perception
- ii) Education
- iii) Health
- iv) Living standard

22. Except income generating activities, what type of other activities do you perform?

- i) Community development activities
- ii) Literacy classes
- iii) Training
- iv) Others (specify)

23. How do you spend your income?

- i) Independently own self
- ii) Depending on others

24. Please mention the decision making

- i) Inside the household
- ii) Out side the household

25. Do you think that, now you can live alone, if you haven't any support?

- Yes
- No

26. Do you thinking of society towards you has changed after joining samuha?

- Yes
- No
- Don't know

27. Are you faced any types of problems after joining samuha?

- Yes
- No

28. If yes, what types of problems being faced after joining samuha?

- i) Lack of Family Support
- ii) Time Management
- iii) Social Discrimination

29. Any suggestion for betterment of Samuha.

Thank You