

# CHAPTER I

## INTRODUCTION

### 1.1 Background

The co-operative is a form of organization engaged in economic activities and carries out management functions such as planning organization, controlling and evaluating. The word “co-operative” is said to have been derived from the Latin word “co-operative” which means working together for some common purpose. Co-operation is a forms voluntary organization for a joint organization of some work equal terms and with common objectives. This form of organization has been growing popularity in the sphere of economic activities, particularity among the economically weak members of the community who by definition can't protect their interest on an individual basis. Generally, speaking, co-operation means living, thinking, and working together. It is technical sense; it denotes special method of doing business. In its former sense corporation existent then the man himself, example are not wanting of 'Reflexive' and 'Instinctive' cooperation in the animal world. Formation of social groups is the outcome of reflexive cooperation, while the life of ants, bees, wasps, loons, etc. provides the best example of instinctive cooperation. The practice of principle of cooperation contributed to the development of human role.

An ILO Report defines a co-operative society “as an association of the economically weak who voluntarily associate on the basis of equal rights and equal responsibility, transfer to an undertaking on a several of their function corresponding to one or more of their economic needs, which are common to them all. But which each of them is unable fully to satisfy by their own individual efforts to manage. Use such undertakings in mutual collaboration to their common material and moral advantage. Such association have been tried in one form or another in production, consumption and distribution, Co-operatives is business organization which is gained capitalized and managed by

of and for its member patrons furnishing and/or making at cost goods and for service to patrons.

Co-operative is a form of economic as well as social organization based on certain values. Co-operative effort is ultimately the group instinct in man which enables him to live together, work together and help each other in times of stress. Co-operatives are voluntary oriented and self-help organization. They aim at meeting the human needs through collective action without any exploitation. It is the voluntary and democratic association of human beings, based on equality (of control and opportunity) and equity of distribution and mutuality for the promotion of common interests as procedures or consumers. A co-operative is generally viewed as a socio-economic organization that can fulfil both social and economic objectives of its members, and that has its member's interests truly at heart (Singh, 1999). It directly serves its members interests by meeting their needs but doesn't earn profit for itself as an independent economic unit at their cost (Krishnaswami 1978).

The very motto of co-operatives each for all and all for each signifies loyalty, trust faith and fellowship. Co-operatives provide opportunity to weaker segment of the society by pooling their resources leading to collective and co-operative social action and thereby mitigate their problems and promote development (Tripathy 1998). A co-operative is an autonomous association of persons united voluntarily to achieve their common social and social and cultural needs and aspirations through jointly owned and democratically controlled enterprises.

Nepal has a long standing history of informal community based co-operatives. Traditionally, these groups were based on Kinship, ethnic and religious bonds. Some of the major traditional informal co-operatives are as follows: Parma related to agriculture sector is a free labour exchange among the rural households of particular localities and thus wage savings. Gumba is related to cultural protection in Buddhism. Dharmabhakari literally means a religious

store of grains that is often used to protect social welfare activities and natural calamities. Guthi is an institution of immovable property set aside for religious purpose in the care of some persons without having any kind of alienable rights. Primarily, the Guthi came into existence as a step to provide endowments for upkeep of the temple and domestic observance and rites. In course of time, Guthi developed as an institution which tended to keep social groups and their individual members safe from process of disintegration by providing adequate economic sections against the same. In its original form, Guthis are communal temple and land tenure association, common among the ethnic Newars of Kathmandu valley.

Nepal does not have a long history of modern co-operatives. The co-operative movement began only since the last six decades. It saw the formal co-operatives for the first time in 1953 through establishing the Co-operative Department.

Nepal is a developing country. It has about 51 percent female and about 49 percent male population in Nepal. The data itself shows that without the involvement of half people (women) in development, the development of country will be lame.

It was not realized the difference between men and women in development process the difference between men and women in development process before 1970s. First of all, the analysis of Esther Boserup's research paper women's role in economic development from the concept of "Women in Development" was developed to involve women in social, political, economic empowerment activities. One strategy of women in development is to change social condition and position of women. Because of some weakness of women in Development the concept gender and development tool place in 1980. This concept defined biological and social difference between men and women.

After defining women, the process of bringing forward in social, economic and

political activities from background, is called empowerment. However, the co-operative programme adhering to the globally recognized co-operative principles and values started in the country only in 1956 when 13 credit co-operatives were established in the Chitwan Valley. The objectives of the co-operatives societies (registered under an Executive order of the Government, as there was no Co-operative Act at that time) was to provide agriculture credit to flood-stricken people resettled in the valley. Following the successful delivery of the agricultural credit by these co-operatives, the co-operatives societies Act was promulgated in 1959. After this, many legal and other reforms have been made to continue the co-operative movement in the country.

During the last five decades, the co-operative movement has experienced many difficulties. Prior to the 1990s, the government had used to set a target for registering co-operative societies: This usually restricted the public initiatives to promote co-operatives. Hence, the growth was almost negligible. However, with new act and liberal environment, where government did not restrict co-operatives from being registered, co-operatives were free to promote them. Hence, a mushroom growth was recorded during the 1990s (Mali, 2005). There were 33 district co-operative unions by the year 1990, but there were no national and central federations. After 1992, the mushroom growth took place at all levels of co-operatives societies, ranging from grass root to secondary and central level. The government had celebrated “Co-operative Golden Jubilee Celebration Year 2000” with a slogan “Adapt Co-operative System and alleviate poverty and unemployment”.

The study area lies in the rural part of country having working field of few NGOs and savings and credit co-operatives. Sahara Nepal Saving and Credit Co-operative Limited is located in Saniarjun Municipality Ward No. 8 of Jhapa District. It lies about 25 kilometres north of the district headquarters of Jhapa, Chandragadhi. The co-operative covers 86 VDCs in 3 districts of eastern Nepal.

## **1.2 Statement of the Problem**

More than half of the total population of Nepal are women. Without their contribution national development cannot be uplifted. The contribution of the women in households and agriculture is more than men. But their contribution is not accounted in the economy. Their participation on decision making is very low. Women's role in socio-economic development has not been properly recognized. In our country, women are as the traditional procedures and manager of the domestic and subsistence sector.

Nowadays, the issue of women empowerment is being like the bread and butter for some institutions. Different strategies have been taken for past few years regarding the empowerment of poor including the women but programmes and strategies assessment of such institutional initiatives have been lacked. Women risks were dealt with differently depending on a person's age, marital status, income level, and geographic location (i.e. proximity to medical facilities). Ex post, women were borrowing money from the village lender, selling assets or borrowing from the co-operatives and informal savings groups. Ex ante, women were saving money as a means of risk preparation and investing in their homes, children's education as well as purchasing productive assets.

According to the word Bank record, Nepal is a poor country in the world's economic panorama. It has been extremely necessary that the poverty and underdevelopment of the nation be attacked from all possible directions. Co-operative movement is one such a measure to ease, and lower the blows of poverty and underdevelopment to the country and its people (member). The co-operatives are therefore, established and managed to solve the problems of distribution of goods of daily necessity that of agriculture inputs of facilitate improved farming system and exploitation of the intermediaries to mass people. Moreover, the co-operative can definitely help the farmers to get fair prices to their farm products. Thus, the problem of agricultural production, distribution of goods and services of daily necessity to each and every concern

of the country's marketing the agricultural products, loan disbursement to the member in need, etc. can be solve through the co-operatives. But unfortunately, these important institutions initiated with such high expectation and objectives are not simply working satisfactory. Most of them are not in a position to render goods and services to the people. Many of them are under the unbearable and almost inescapable loads of bank loans and are always looking for the nominal grants from the government. Instead of being an aid to the very uneasy economic situation of this poor country by helping the poverty-stricken people in different ways according to the universal principles of the co-operative movement, most of the co-operatives are still unable to render their services to their government and misleading directions, unnecessary pressure from the politicians inactive implemented factors of co-operative Act 1992, hence within the frame of this pure view the government launched the programme of co-operative movement to improve this sector in the country since 4.5 decade. But very often complains and grievances of the farmers are heard against the service performed by co-operative organization.

The role of the central level and apex level co-operative organization is to tackle with various problems faced by its primaries of different sectors i.e. Multipurpose, Dairy, Consumer, Savings and Credits etc. but the co-operative societies are not only in Nepal but in the SAARC region too. Co-operatives development trend seems to be unsatisfactory. Women's share in total population is greater than male. But women are very back in co-operative field. Gender inequality has been appeared as a big social problem. A large number of co-operatives have emerged with government, non-government and donor initiatives. Co-operatives are so intimately concerned with underdeveloped country like Nepal that improvement in livelihood can become a fundamental strategy for poverty alleviation and empower the people. The programmes of microfinance through the co-operatives have been materialized in different modalities in different regions and parts of the country. So a regular review and evaluation of the programme is necessary to choose and formulate new

programmes that bring positive change in lives and life style of the targeted people. On the other hand, we have come to the point that Nepali agricultural system is largely primitive and traditional. To eliminate the pervasive challenge of poverty, we need transformation of surplus labours of agriculture into entrepreneurs and system of agriculture need to be industrialized to rise per capita income and accelerate economic growth.

Despite this, the majority of women are still left out of institutional microfinance services. Such programmes have only limited impact in terms of increasing the outreach of co-operatives and microfinance to the women. Rural women living in mountains, hills and interior areas of the Terai have no access to institutional micro-finance services. More than 80 percent of the total poor families still depend upon informal sources to meet their credit need or have no access to any source of credit at all.

### **1.3 Objectives of the Study**

The general objective of this study was to assess the role of saving and credit co-operatives in women empowerment.

The specific objectives of the study were:

- i. To find out the socio-economic status of women empowerment.
- ii. To find the savings and credit activities of women.
- iii. To analyze the prospects and challenges of saving and credit co-operatives for the empowerment of women.

### **1.4 Significance of the Study**

Given the purpose for which the study was conducted, the study may be considered as a references guide as it described the financial and non-financial services and activities that the selected SCC had implemented and pointed out areas for improvement that this SCC and promoting agencies may address to build the farmer's capability and capacity in meeting its members' needs. The findings of the study or significant only in so far as they provide the SCC and

promoting agencies with the ideas on what types of developmental interventions women-only SCCs need to build their capacity as provider of financial and non-financial services. Thus, this study serves as a reference point for both promoter and the SCC as the latter move to become stronger and more sustainable community-based organizations.

Knowing the similarities as well as differences between before the co-operative and after the co-operative in this study would guide women-only SCCs and promoters in knowing their unique characteristics and help them in determining what their role could or ought to be in enhancing the co-operatives' self-reliance and effectiveness in meeting the co-operative members' practical needs and strategic interests. This study also adds to the literature on the similarities and differences between the present daily life and past life rural woman in the context of Nepal.

About 85 percent of the total population in Nepal live in rural areas and subsistence agriculture is the major occupation. It is associated with low production income, low savings, low economic growth etc. Geographically most of the area consists of Hilly and Terai regions. There is high density of population in Terai regions. Various programmes intended to reduce deep rooted poverty and livelihood, empowerment in the targeted group/areas of the country are launched. Co-operative movement is one of them. Operationally, it will be focused on women especially in rural areas.

### **1.5 Limitations of the Study**

Each and every study has its own limitation likewise. This study too was no exception. This study was confounded with the role of savings and credits co-operative in rural women empowerment of Saniarjun Municipality of Jhapa district. However, it is supposed that this study will prove to be representative. This study was limited only in Saniarjun Municipality. The chief limitations of the study are given below :



- 1 This study covers only Saniarjun Municipality and will not be applicable to all the VCDs or municipalities of Nepal.
- 2 The analysis of this study is based on the primary data collected from the households of the study area and secondary information received from District Development Committee Jhapa and from various sources and Sahara Nepal Saving and Credit Co-operative, Charpane.
- 3 This study covers 30 respondents out of the members of Sahara Nepal Saving and Credit Co-operative Limited in Saniarjun Municipality. Key informant interview will be taken with co-operative members and social women workers of the study area.

## **CHAPTER II**

### **LITERATURE REVIEW**

When we talk about savings, credits or microfinance, the credit goes out the Nobel Peace Prize winner Prof. Mohammed Yunus of Bangladesh. He was the first person who developed the concept and applied it. An economist by profession, he established saving and credits bank in Bangladesh that come to known as Grameen Bank. The Bank was established in the Jobra village of Bangladesh in 1976 as a result of action research project on Chittagong University. The project later became a pilot project and covered throughout an entire district. This was undertaken with the financial support of the Central Bank of Bangladesh. In 1983, an independent financial institution, Grameen Bank was established under a special law passed for its creation. It is owned by the poor borrowers of the bank who are mostly women. It works exclusively them. At present, 94% of the total equity of the bank is owned by the borrower of Grameen Bank and remaining 6 percent by the government of Bangladesh.

Saving services allow savers to store excess liquidity for future use and to obtain returns their investment. Credit services enable the use of anticipated income for current investment or consumptions. Overall co-operatives services can help low income women, reduce risk, improve management, increase empowerment, raise productivity, obtain higher returns on investments, increase their incomes and improve the quality of their lives and those of their dependent. Lack of saving and capital make it difficult for many poor rural women to become self employed and to undertake productive employment generating activities. Providing credit seems to be a way to generating self employment opportunities for the poor women.

Experience and studies have shown that the provision of financial services is not sufficient in meeting the needs of the disadvantaged and the poor. The needs of this particular sector in society or basic yet to diverse are that opportunities to improve their condition must be varied and multifaceted. This

fact is even more pronounced when clients and poor women.

Thus, even if its main role is that of a financial intermediary, a micro finance institution (MFI) has to provide not just financial services but non- financial services as well. This situation is very true for a poor country like Nepal.

The centre for micro finance (CMF) in Nepal had commissioned a number of studies in the past for purposes of determining how best to use micro-finance as a mechanism to empower poor rural women. One of such studies investigated women's control over savings and loans (Selim, G. and Bhadra, C. Dr. 1999) while another examined the role of savings in women's empowerment (Thomas, L 2000). The former study concluded women have control over savings than over loans. The study further pointed out various factors that mitigate women's control over loans. These factors are the women's civil status, their ethnicity, and the actual use of loan among others. This study proved that credit loan is not enough to bring about women's empowerment. The latter study concluded that "women do benefit from participation in mixed- sex SCCs but in a limited way..... presently, mixed-sex. SCCs are not vehicles for women's empowerment because their access and participation as members and in leadership is constrained by their marginal role in decision making and by barriers perpetuated by society as a whole and by local SCC Board. This study therefore supports the view that women only SCC is the better institutional mechanism for women empowerment in Nepal.

Generally, the above mentioned researcher are valuable in their contribution to the body of literature that sheds light on the relationship between micro-finance and women's livelihood, empowerment in the context of Nepal. Their contribution especially to MFIs in the country however, could be a step beyond accumulation of knowledge if it would lead to a resolve among MFIs to implement practical actions that aim at women's livelihood and empowerment.

This study intended to identify some "Best Practices" of women only savings

and credits cooperating (SCCs), if any in providing non financial services to their members, which when linked to improved access to financial (particularly micro- finance) services, can have the most significant development impact on poor households in general and poor women in particular. The study aims to identify and analyze what these non financial services are, the factors that motivated women only SCCs to provide these services, and whether such services met their women members needs. The study will propose some practical action for women only SCCs and promoting agencies to consider in enabling women - only SCCs in meeting financial and non- financial needs of their members.

Saving and credits co-operatives (SCCs) are financial intermediaries. Being financial intermediaries, their function is to provide savings and credits services (only two of several types of financial services) to its member-clients. However, in poor communities SCCs cannot avoid providing more than Just Financial Services to their member-clients due to mainly two factors: 1) expectation from their member-clients for non-financial services, and 2) their success in financial intermediation depends greatly on their ability “to create mechanisms to bridge the gaps created by poverty, illiteracy, gender and remoteness” (Ledgerwood, 1998). These mechanisms created to bridge the gaps caused by economic social, and cultural disadvantage may be the form of non-financial services which may come in the form of : social intermediation, enterprise development services or social services.

The MFI, therefore, may opt but should not be expected to provide any or all of the non-financial services identified by Ledgerwood (1998) other than financial, its core services. Ledgerwood asserts that within the systems framework, there are four categories of services that may be provided to micro-finance clients. These services are:

- a. Financial intermediation, or the provision of financial products services such as savings, credits, insurance, credit cards and payment system;

- b. Social intermediation, or the process of building human and social capital required by sustainable financial intermediation for the poor;
- c. Enterprise development services or non-financial services that assist micro entrepreneurs; and
- d. Social services or non-financial services that focus on the well-being of the poor.

The degree to which an MFI or the SCC in this particular study is willing to provide more than just financial services depend on whether it takes an “minimalist” or “integrated” approach. The minimalist approach involves providing financial intermediation only while the integrated approach involves providing financial and other services.

Women-only SCCs, in particular, are expected by their members to perform more than just a financial intermediation role as women's condition and disadvantaged position in society requires more than just an economic or financial response. Women-only SCCs are almost automatically expected by promoters to perform a social development role as well, that is, to provide what Ledgerwood referred to as social services and enterprise development services.

Researcher has shown that simple extension of credit to poor women does not always generate sustainable benefits. This is generally attributed to three main factors namely:

- Women do not always control investment decisions in the household or the monies generated by such investments.
- Poor households often have limited investment opportunities, and therefore access to savings and insurance services are insurance services are now widely considered more important for managing household vulnerabilities than access to credit.
- Financial services address only one aspect of poverty, the economic and do not generally address other constraints by poor household such as

limited education, poor health, social and political marginalization etc.

The categorization of types of non financial services as presented in the schematic framework developed by Ledgerwood (1998) will be used in the analysis of types of non-financial services provided by the SCCs studied. The author proposes another type of non-financial services of the women-only SCCs, namely; women's empowerment. The author proposes further that the categories be modified to encompass what mainstream co-operative would refer to as mere "activities" and not services as will be explained in the forthcoming paragraphs. Thus, four categories will be used in the analysis of non-financial, developmental services activities that the SCCs implement or provide to their members. Bennett's definition of social intermediation, enterprise development and social services are used in the analysis while the definition of women's empowerment is as follows:

"Women's empowerment services-activities" refer to those that are intended to raise awareness of women's rights and enable women to exercise these rights.

Women's involvement in decision-making in different matters, including household decisions, was taken as a proxy indicator of their empowerment. Involvement of women members in decision-making in various matters, such as opting for family planning, buying and selling assets, participating in community development.

Increasing poverty, shift from subsistence farming to cash crop farming, depleting natural resources, increased migration and growing number of women headed households, due to globalization, are factors that have increased women's vulnerability in recent years. A large percentage of women lack access to productive resource specially land.

In Nepal, 40.4% of women and 59.6% of men over the age of 10 are considered economically active. This indicates that women's economic participation is lower than men. This is due to the fact that subsistence agricultural works,

which almost exclusively performed by women, is not considered to be economic activity and is excluded from surveys. The vast majority of economically active population (81.25%), particularly in rural Nepal, is engaged in agriculture and allied industries. The portion of the persons engaged in this sector is substantially higher among women (90.5%) than among men (74.9%) (Beijing and Beyond, 2004).

The Interim constitution of the Federal Democratic Republic, Nepal (2007) recognizes men and women equally and prohibits discrimination between them. The notion that "women's rights are human rights" is a new phenomenon in Nepal. For the last several decades, women's rights did not get recognition as human rights. Even today there have been reluctances to recognize the concept of land and resources rights for women, granting them separate legal status and a degree of autonomy. Affirmative action programs on behalf of women have rarely been statutorily implemented (Beijing and Beyond, 2004).

## **CHAPTER III**

### **METHODOLOGY**

Methodology is a process of completing the study. Methods and techniques of data collection and methods of analysis have been consisted in methodology. It describes the essential and experienced view for all academic work of the study. It clarifies the concept and gives the way of the study. This is the comparative study which uses both qualitative and quantitative methods.

#### **3.1 Nature and Sources of Data**

This study has been accomplished with the data and information primarily collected from the field survey. However, information obtained from secondary sources also have been used during discussions of several issues. Secondary data or information were derived from different books, journals, reports, institutional publication and website.

#### **3.2 Rational for Selection of the Study Area**

Saniarjun Municipality is situated in north-eastern part of Jhapa district. Based on the nature of the study Saniarjun Municipality is selected for the study where most of the dwellers are Janajatis, Dalits and people of different ethnic groups. Among them most of the people are women. Moreover, women's empowerment through saving and credit co-operative is different in comparison to other rural women.

#### **3.3 Research Design**

The study was carried out both on the basis of exploratory and descriptive research designs. The study was focused on to investigate the role of co-operatives in rural women empowerment. On the other hand it has tried to describe the existing status, problems and prospects.

#### **3.4 Sampling Procedure**

The universe of this study were the members of Sahara Nepal Saving and



Credit Co-operative in Saniarjun Municipality. Out of 300 (total) members of the co-operative in Saniarjun Municipality, 30 (10%) were selected as respondents. The respondents were sampled to get the intended information. The samples were selected by using simple random sampling method to acquire the desired objectives.

### **3.5 Data Collection Techniques and Tools**

Both qualitative and quantitative data were collected in this study. To collect primary information sample method was used.

#### **3.5.1 Household Questionnaire Survey**

A questionnaire was prepared consisting 26 questions with close and open structure. The researcher herself administered the questionnaires with the selected co-operative members. Socio-economic information with different variables were included in 26 questions. The researcher handed the questionnaire to the respondents and asked for their response. For the respondents who were unable to read the questionnaire by themselves, the researcher read out the questionnaire and translated into Nepali to get their response. Even for those who could not write, the researcher received their oral responses and wrote them out.

#### **3.5.2 Field Observation**

Direct observation was applied in order to get additional information of the activities of co-operative members for the study. Generally, this observation collected women behaviour and information on members with other persons, staff of administration, visitors. Their internal interaction with other women was also observed and it was helpful to understand the dynamic of daily life style in empowerment sites.

#### **3.5.3 Key Informant Interviews**

Local educated persons and administrator were the sources of special information in this survey. To derive some specific information, some key

persons were visited. Generally, teachers, social workers, politicians and senior citizens were key persons. In this survey, ten key persons were interviewed in Sanjarjun for specific information about the study area and role of co-operative in rural women empowerment.

#### **3.5.4 Informal Interview**

During field study, informal interactions with a number of people were made. They were asked about saving and credit business informally. This technique was also useful to provide essential information about the activities of members.

#### **3.5.5 Focus Group Discussion**

Focus group discussion is most essential for collection of qualitative information. Altogether four focus group discussions were carried out in this study. Different issues associated with saving and credit occupation were forwarded to the group for discussion.

#### **3.5.6 Reliability**

Information collected from FGD is reliable. The assessment done by participation was further verified with the records of the concerned local saving and credit co-operative office. Questionnaires were reviewed by affiliated guide and experts. Information and findings were also validated by concerned members during the assessment period.

#### **3.6 Field Note**

Not all the information during the fieldwork was secured systematically and in such cases field notes were proved to be helpful. The field notes helped to remind later on when the subject matter was complex and the pace of flow of information was rapid. During field survey both subjective interpretation of the situations and the raw interpretation of the fact were recorded.

#### **3.7 Method of Data Presentation and Analysis**

Collected information was processed scientifically. Information was analyzed

with the help of computer software like excel as well as manually. Different tables were prepared for different socio-economic variables. Mathematical calculation and statistical operations and tests were performed for quantitative information. Qualitative information was adopted in descriptive way. To present different information, different diagrams and charts were prepared.

## **CHAPTER IV**

### **PRESENTATION AND ANALYSIS OF DATA**

#### **4.1 Introduction**

The study area for this study is Saniarjun municipality of Jhapa district. Jhapa is located in the eastern part of the country in the southern belt of the Eastern Development Region. It borders with West Bengal of India in the east, Bihar of India in the south, Ilam district in the north and Morang district in the west. Jhapa covers the range of the height from 300 m to 1000m. It is located at the latitude of 26<sup>0</sup>20' to 26<sup>0</sup>50' north and the longitude of 87<sup>0</sup>39' to 88<sup>0</sup>12' east (District profile 2007/08). Jhapa district covers an area of 1606 Sq.km of land. (District profile 2007/08). The total population of Jhapa district according to 2011 census is 812650 out of which 385096 are male and 427554 are female (CBS 2011)

Sahara is being operated in this area since 1993. Saniarjun Municipality is one out of the 8 municipalities of Jhapa district. It is situated in the east of Khudunabari VDC, west of Dhajjan VDC, North of Birtamode Municipality and south of Budhabare and Khudunabari VDCs. The total land of this municipality is 12.21 square km. Fulmati, Aduwa, Tangting are the rivers flowing across from this municipality. According to 2011 census, the total number of households in the municipality is 10166. The total population of Saniarjun Municipality, according to 2011 census is 45174 out of which 21414 are male and 23760 are female. The population consists of different castes/ethnic groups such as Brahmin, Kshetry, Limbu, Rai, Tamang, Damai, Kami, Tharu, Danuwar, Rajbanshi (Municipality records, 2016).

Educationally, there are six community high schools and 6 institutional high schools in the municipality. Similarly, there are seven community primary schools and 6 institutional primary schools in this municipality. The main profession of the people is agriculture. More than 90 percent of the total

population is engaged in agriculture sector. The main agro-products are paddy, wheat, maize, vegetables, pulse, mustard, arica nut etc. Besides, people are engaged in different income generating activities such as animal husbandry, cattle trading, wage and salaries, small enterprises and business etc.

Saniarjun Mnicipality lacks developed economic and physical infrastructures. The people of this municipality are poor. Among poor, some are in such a miserable condition that they have insufficient food to feed their children throughout the year. Women are still engaged in unproductive works and only used as reproductive machine. Most of the women of this area are uneducated, poor, untrained or without any vocational training.

## **4.2 Social Status of the Respondents**

In general, the members surveyed have low socio-economic status as can be glanced from the different variables measured. Numbers of variables, namely, are:

- Educational attainment overall: More members have no education and primary education only,
- Main occupation: More farmers, fewer entrepreneurs
- Income from main occupation, from other occupations, from other household income earners, and aggregate household income: lower in this area.

These data confirm the finding of other studies that showed that women are in more marginalized or disadvantaged condition. It also indicates that even if opportunities for membership in Sahara is equal among women from different castes, actual access is still determined by the level of castes, the women belongs to. Women from higher caste feel less constrained to join Sahara, while women from lower caste feel more constrained to join due to their caste.

### **4.2.1 Ethnicity of the Sampled Population**

The study area is not the settlement area of any specific ethnic group of people

and is occupied by the people from different ethnic groups. The ethnicity status of the sample population is presented in the table below :

Table No. 4.1: Ethnicity of the Sample Population

Ethnic Groups	Number	Percentage
Brahmin	5	16.67
Kshetry	3	10
Limbu	2	6.67
Rai	2	6.67
Tamang	2	6.67
Damai	3	10
Kami	4	13.33
Tharu	4	13.33
Rajbanshi	5	16.16
Total	30	100

Source: Field Survey, 2016

#### **4.2.2 Educational Attainment of the Sampled Population**

Education empowers the women; it increases women's status in community and leads to greater input into family and community decision-making. Having knowledge, income and decision-making power can place women on a more equal footing with their male counterparts. Education also provides people with the knowledge and skills to contribute to and benefit from development efforts, especially in area of health, nutrition, water and sanitation and the environment. The educational status of the sampled population is presented in the table below :

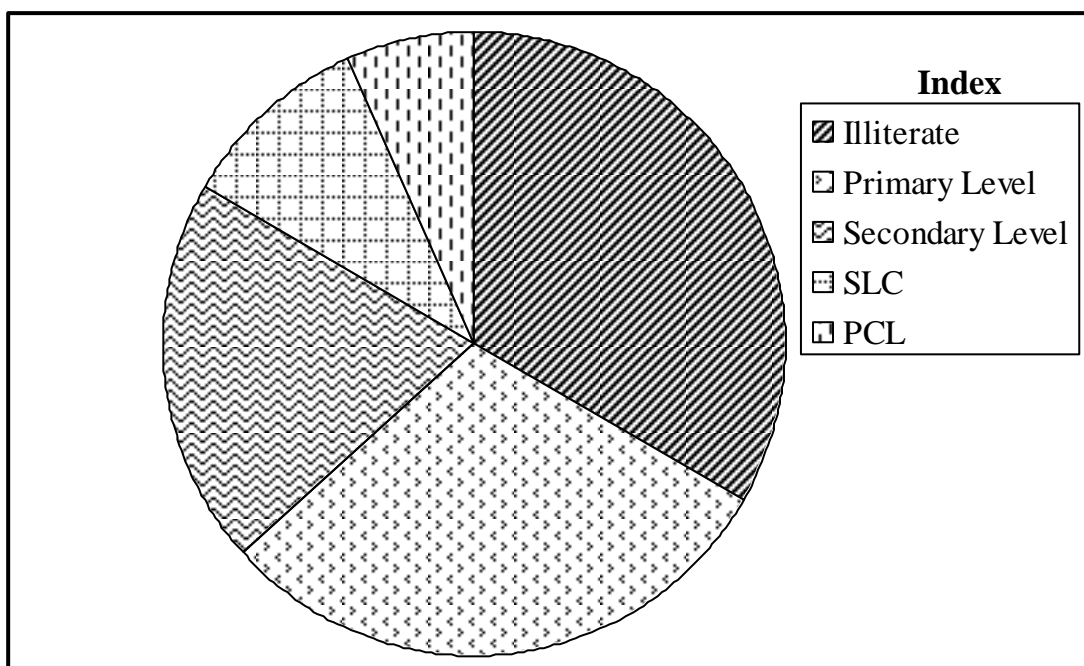
Table No. 4.2: Distribution of Sampled Population by Educational Status

S.N.	Level	Number	Percentage
1	Illiterate	10	33.33
2	Primary Level	9	30
3	Secondary Level	6	20
4	SLC	3	10
5	PCL	2	6.67
	Total	30	100

Source: Field Survey, 2016

The number of literate people in the study area has been found 20 i.e. 66.67 percent of the total sampled population. The percentages of sampled population that are illiterate are 33.33 percent. Only 5 people i.e. 16.67 percent of the sample population are educated in the study area. In the study, the researcher has defined literacy as the ability to read and write; illiteracy as having no ability to read and write and educated as those who have passed SLC and above. The data can be clarified with the pie chart below :

Figure 4.1 : Distribution of Sampled Population by Educational Status



### 4.2.3 Distribution of Respondents by Family Type

The empowerment of rural women depends upon the family types. In the joint family, the woman has less authority and responsibility due to male dominant society and it is very difficult to enhance skill because less opportunity has provided to her for career development.

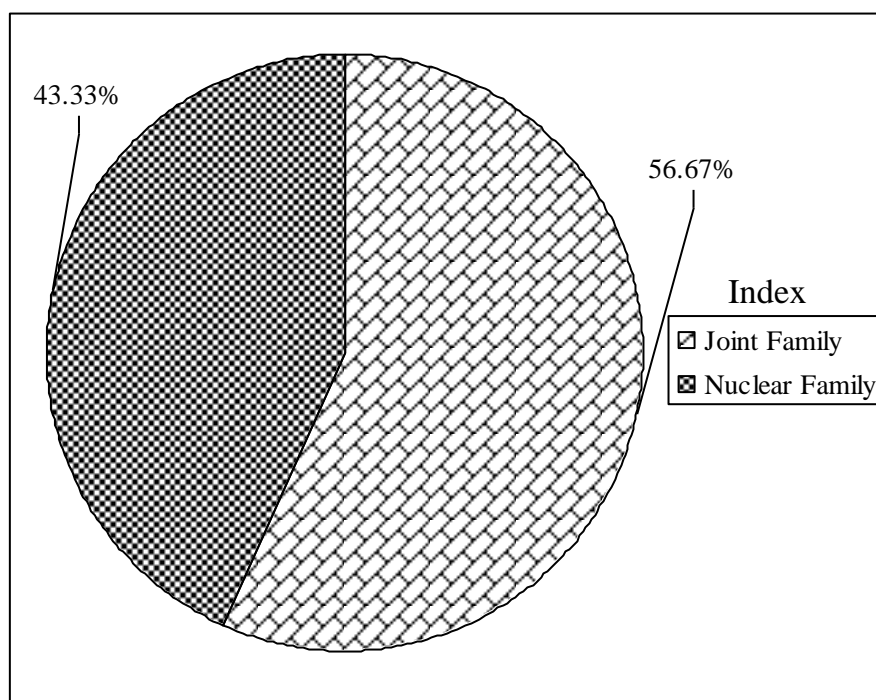
Table No. 4.3 : Distribution of Respondents by Family Type

Family Type	Numbers of HHs	Percentage
Joint Family	17	56.67
Nuclear Family	13	43.33
Total	30	100

Source: Field Survey, 2016

The table shows that 56.67 percent of the families in the study area are found as joint families whereas 43.33 percent as nuclear families. The joint family is still dependent on traditional occupation. The distribution of sample household by family types is shown in the following pie chart :

Figure 4.2: Distribution of Respondents by Family Type





### 4.3 Economic Status of the Respondents

Women make substantial contributions to uphold Nepal's economy. The status of women study completed in early 1980s established that women and girls together contribute more than 53 percent of the household income in rural household of Nepal. Several studies in subsequent years have reconfirmed that women's labor contribution of Nepalese agriculture is substantial and at least equal to that of men.

To foster women's increased participation in the market economy, access to economic opportunities such as secure savings, non-collateral credit, and business skill trainings are vital. Training enables women to access capital and to start or expand their own income generating micro-enterprises. This, in turn, will expand household income. The economic status of the respondents is discussed in different headings as follows :

#### 4.3.1 Size of Landholding

Land is the most important source of wealth of a nation. Without abundant land, it is very difficult for the development of any country. It is argued that landholding is considered as the major indicator for the identification of poverty in Nepal. In the study area, researcher found all most all respondent having less landholding as compared to average national size. The following table and bar diagram depict the average landholding size of the study area.

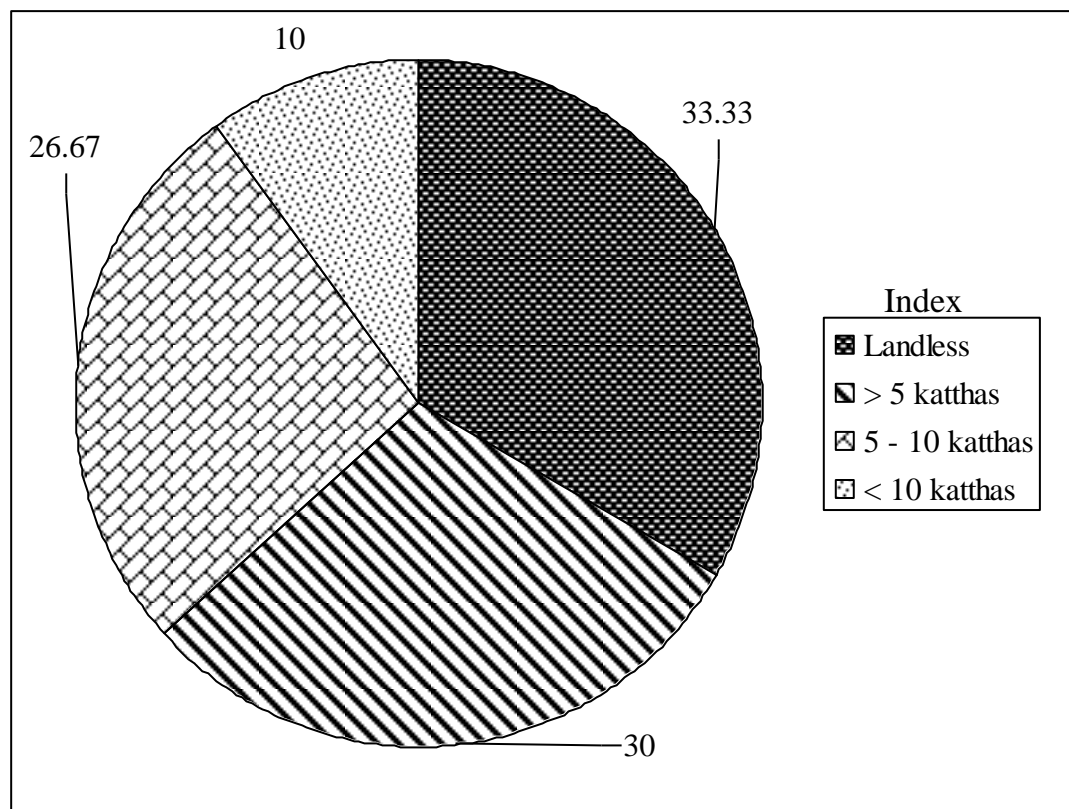
Table No. 4.4: Distribution of Respondents by Size of Landholding

Land Area	No. of Households	Percentage
Landless	10	33.33
> 5 katthas	9	30
5-10 katthas	8	26.67
< 10 katthas	3	10
Total	30	100

Source: Field Survey, 2016

From the above table, it is clear that most of the respondents do not have adequate land for their living. Out of the 30 sampled families, 33.33 percent households are landless and 30 percent have less than 5 kathas which is not enough for yielding food for their family members. The rest 26.67 percent of the households have 5 to 10 katthas and 10 percent households have more than 10 katthas of land. Thus, it is clearly seen that most of the respondents do not have enough land so as to maintain their daily life and fulfil the basic needs of their family members. It has compelled them to rent land from others as the tenants and yield food. The data can be presented in a pie chart as follows

Figure 4.3: Distribution of Respondents by Size of Landholding



#### 4.3.2 Occupational Status

Occupational structure is a good indicator of employment opportunities, both for men and women. The following table illustrates the main occupation of the households and respondents in the study area :

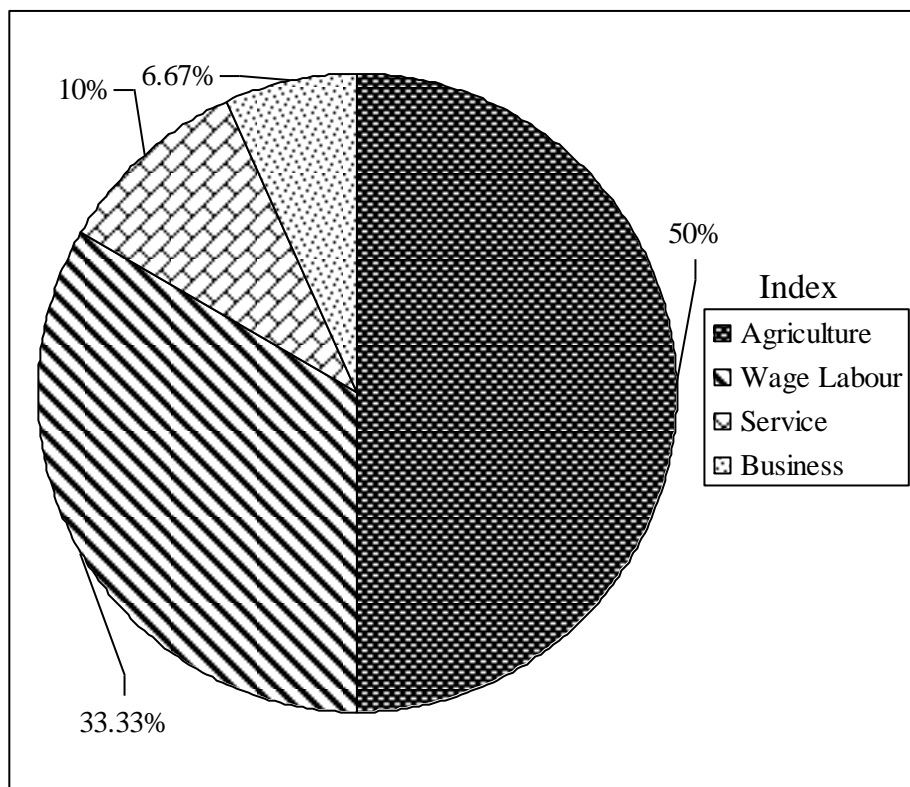
Table No. 4.5 : Distribution of Respondents According to Occupation

Main Occupation	No. of Household	Percentage
Agriculture	15	50
Wage labour	10	33.33
Service	3	10
Business	2	6.67
Total	30	100

Source: Field Survey, 2016

The above table clearly reveals that majority of the respondents' main occupation in the study area is agriculture as 50 percent of the households are engaged in agriculture. The next 33.33 percent of them have been involved in wage labour, 10 percent are engaged in service sector and 6.67 percent have been found engaged in business activities. The occupational status of the respondents is illustrated below in the pie-chart :

Figure 4.4: Occupations of the Respondents



### 4.3.3 Annual Household Income of the Respondents

Usually, income in poor households is contributed by several of its members. Gauging a member's socio-economic status using income as a variable, the annual income from main occupation, her other sources of income and annual income from all other income earners of the household.

Per capita household and family income is an important economic variable. To extract economic characteristics, it is important. When the total family income is divided by the total number of family members, per capita family income is obtained. World development report stated that people struggling below. Yearly per capita income US\$ 365 are poor. The exchange US\$ into NRs is unstable, it varies from 100 to 110. So, average yearly per capita income in Nepalese currency becomes NRs 25000. Those co-operative members, whose yearly per capita income is below NRs25000, are grouped as poor. The income status of the respondents is presented in the table below :

Table No. 4.6 : Annual Household Income of Respondents

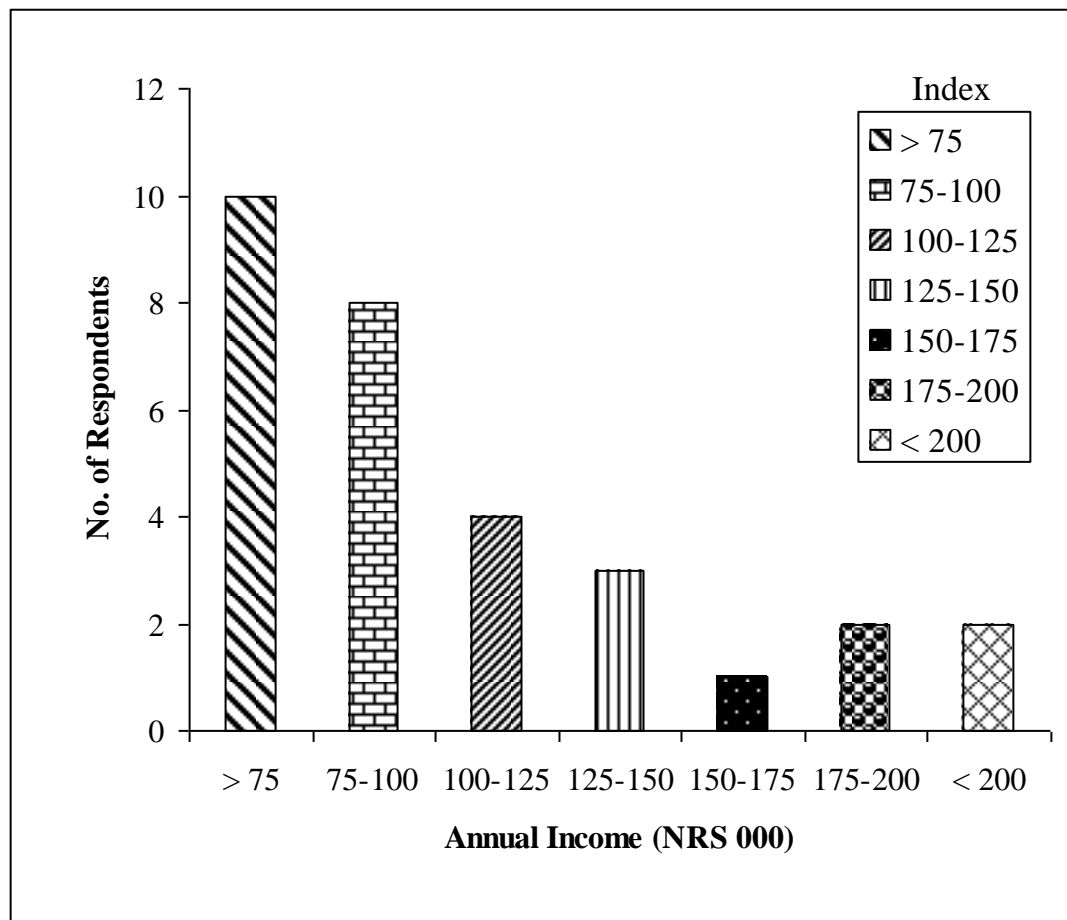
Income in NRs (000)	No. of Respondent	Percent
Less than 75	10	33.33
75-100	8	26.67
100-125	4	13.33
125-150	3	10
150-175	1	3.33
175 - 200	2	6.67
More than 200	2	6.67
Total	30	100

Source: Field Survey, 2016

The table shows the annual income of the respondents. According to the table, out of 30 respondents, 33.33 percent respondents have less than NRs. 75000 annual income. At the same time 26.67 respondents have NRs 75000 to 100000 annual income respectively. The annual income of 13.33 percent respondents is

NRs 100000 to 125000. Similarly, 10 percent have 125000 to 150000, 3.33 percent have 150000 to 175000, 6.67 percent have 175000 to 200000 and only 6.67 percent have more than NRs 200000 annual income. The data show that majority of the respondents cannot earn enough for their family basic needs and lead the life of poverty. The data can be illustrated in a bar graph below :

Figure 4.5: Annual Household Income of Respondents



#### 4.3.4 Income Sources of the Respondents

The income of the respondents is mostly seasonal. The respondents engaged in agriculture have their income at the peak during the harvest season (during the months of November, December and January) and lowest during the dry (April and May) and monsoon (July and August) seasons when extreme weather affects either their farming activities or physical mobility. Stressful periods are during these seasons as well. As most members are engaged in subsistence farming, where production is mainly for purposes of family consumption,

income from this main occupation is almost always not sufficient to feed their households for the whole year. Thus, it is common for households to be engaged in other forms of livelihood to be able to have other sources of income. Other sources like animal husbandry and poultry farming can yield regular income and have helped the respondents in their subsistence. The respondents are to try with various income sources as they are only partially employed in their main occupation and also for that their income from the main occupation is not sufficient. So, they are engaged in vegetable farming, wage labour and so on. The youngsters are found working in Gulf countries as the factory labours and their family members in Nepal subsist. Very few respondents, who either have small business or have a job either in government or private sector, are found comfortable in earning their livelihood. In general, they have higher incomes than the others.

It is also found that the respondents mostly have stressful periods twice a year - once during the festival months and the next during March - April when they have to clear the school fees of their children. Due to the lack of enough income, they are compelled to borrow loan in these two consequences. The main income sources of the respondents are listed below :

Table No. 4.7 : Main Income Source of Respondents

Income Source	No. of Respondent	Percent
Service	2	6.67
Business	3	10
Labour Wages	9	30
Agriculture and Livestock	16	53.33
Total	30	100

Source: Field Survey, 2016

The income of the respondents is mostly seasonal. The respondents engaged in agriculture have their income at the peak during the harvest season (during the months of November, December and January) and lowest during the dry (April

and May) and monsoon (July and August) seasons when extreme weather affects either their farming activities or physical mobility. Stressful periods are during these seasons as well. As most members are engaged in subsistence farming, where production is mainly for purposes of family consumption, income from this main occupation is almost always not sufficient to feed their households for the whole year. Thus, it is common for households to be engaged in other forms of livelihood to be able to have other sources of income. Other sources like animal husbandry and poultry farming can yield regular income and have helped the respondents in their subsistence. The respondents are to try with various income sources as they are only partially employed in their main occupation and also for that their income from the main occupation is not sufficient. So, they are engaged in vegetable farming, wage labour and so on. The youngsters are found working in Gulf countries as the factory labours and their family members in Nepal subside. Very few respondents, who either have small business or have a job either in government or private sector, are found comfortable in earning their livelihood. In general, they have higher incomes than the others.

It is also found that the respondents mostly have stressful periods twice a year - once during the festival months and the next during March - April when they have to clear the school fees of their children. Due to the lack of enough income, they are compelled to borrow loan in these two consequences.

### **4.3 Membership Process**

Sahara has a specific system of acquiring its membership. The people willing to get the membership have to form a group and collectively demand membership of the co-operative. The co-operative awards them membership on the group basis with the terms and conditions that they have to do deposit their compulsory saving, they have to arrange periodic meeting and work on co-operative basis. The members are responsible to the groups and have an access to the co-operative through the group.

## **4.4 Saving Activities**

Sahara Saving and Credit Co-operative Ltd. has mainly been undergoing saving collection from its clients. In this sense, the co-operative collects the scattered capital from the people and creates the capital. In this heading, the saving schemes of the co-operative and the saving status of the respondents are discussed under two separate sub-headings.

### **4.4.1 Saving Schemes**

Sahara Saving and Credit Co-operative offers a variety of saving schemes to its members. It starts its savings from compulsory savings, and gradually introduces voluntary and other purposive savings. These savings are designed to develop thrift among members, generate internal fund for on-lending and make savings available to members in times of emergency.

Generally, members cannot withdraw compulsory saving up to an agreed term or till they give up its membership. Sahara cannot return compulsory savings because these are their main sources of capital and they are also considered collateral against loans. To fulfil members' financial needs, Sahara gradually introduces other purposive savings schemes. The co-operative issues passbooks to their members once they start depositing savings. Passbooks are filled and signed by the staff concerned. The saving schemes of Sahara Saving and Credit Co-operative are presented in Table No. 4.8 below :



Table No. 4.8: Savings Schemes Offered by Sahara

Scheme	Purpose and Definition	Saving Plan	Interest Rate (Per Annum)
Compulsory Savings	Old age provision and loan guarantee for members and regular sources of investment fund for Sahara. The minimum fixed amount must be deposited each time. These savings can be withdrawn only upon termination of membership.	daily or monthly	8%
Demand Deposit	For emergencies and for lump sum investments. Members can withdraw stated amount mentioned in the policy.	daily or monthly	8%
Daily Savings	Saving services for daily income earners. Must deposit fixed amount thereof per day. Withdrawal after specified period when the amount becomes substantial.	daily	8%
Fixed Deposit	For depositing surplus income of members and higher returns from the savings. Members can withdraw after termination of a pre-negotiated period and can borrow up to 90% of accumulated amount by paying 2-3% extra interest per annum.	once	8%
Educational Savings	To meet future education expenses of children. Must deposit fixed amount each time. Withdrawal when child reaches 16 years.	monthly	8%
Festival savings	To meet festival expenses. Must deposit fixed amount each time. Withdrawal in specified festivals.	monthly	8%
Group savings	Designed for groups of poor women and occupational castes. Each group must save a specified amount or more.	monthly	8%

Source: Field Survey, 2016

Table No. 4.8 shows that Sahara Saving and Credit Co-operative has a variety of saving schemes to offer to the members. Aimed at the financial welfare of

the members, Sahara has set the provision of each of the schemes. These saving schemes can enhance the member to be sure about their future.

#### 4.4.2 Saving Status of the Respondents

As all the respondents were the members of Sahara Saving and Credit Co-operative, they were asked about their saving schemes and saving amount. The information about their saving status is presented in Table No. 4.9 below :

Table No. 4.9 : Saving Status of Respondents

Monthly Saving (Rs.)	No. of Respondent	Percent
Less than 300	3	10
300 - 1000	6	20
1000 - 2000	15	50
2000 - 3000	2	6.67
3000 - 4000	2	6.67
4000 - 5000	1	3.33
5000 - 6000	1	3.33
Total	30	100

Source: Field Survey, 2016

Table No. 4.9 shows the monthly saving status of the respondents. According to the table, 15 (50%) of the respondents save Rs. 1000 to 2000 per month as compulsory saving. Similarly, 3 (10%) respondents save less than Rs. 300, 6 (20%) respondents save Rs. 300 - 1000 and 2 (6.67%) respondents save Rs. 2000 - 3000 per month. The same way, 2 (6.67%) respondents save Rs. 3000 - 4000, 1 (3.33%) Rs. 4000 - 5000 and the same percent Rs. 5000 - 6000 per month. It shows that because of the activities of the co-operative, the respondents are enabled to save something from their earning.

#### 4.5 Credit

Sahara Saving and Credit Co-operative Ltd. has mainly been undergoing dispatch of credit to the clients from the savings of themselves. In this sense,

the co-operative collects the scattered capital from the people and gives it away to the people themselves. In this heading, the credit schemes of the co-operative and the credit status of the respondents are discussed under two separate sub-headings.

#### 4.5.1 Credit Schemes

Sahara Saving and Credit Co-operative offers a variety of loan schemes to its members such as productive, social and emergency loans. Members are eligible to borrow loans three to six months after acquiring membership. In the case of Sahara, more than one member from the same family cannot become a member. The can acquire another loan only after the repayment of the previous loan, but in emergencies, s/he can avail of emergency loans.

In the same way, any member who needs a loan may apply to own group with an application. The group meeting makes decision whether the member needs loan or not. If the group decides that the member needs loan, the group meeting makes a decision to recommend for the loan. The loan sub-committee of Sahara reviews the loan application based on the existing policy and forwards it to Board of Directors (BoD), the final body for approving or disapproving loans, with necessary recommendations. Generally, it takes one week to approve or disapprove a loan application. The loan sub-committee is authorized to approve or disapprove loans up to the amount of Rs. 30,000. The loan schemes are described in detail in Table No. 4.10.

Table No. 4.10 : Loan Schemes Offered by Sahara

Loan Schemes	Purpose and Term	Payment Scheme	Interest Rate
Agriculture loan			
Farm activities	Provided for buying seeds, seedlings, fertilizer, implements and livestock. short term (6 months)	once after 6 months	12%
Vegetable cultivation	Provided for buying seeds, seedlings, fertilizer and implements.	once after 6 months	12%

	short term (6 months)		
Livestock	Provided for medium terms (up to 18 months) long term (more than 18 months).	monthly after 3 months	12%
Fisheries	Provided long term (more than 18 months).	monthly after 3 months	12%
Micro enterprise and trade			
Petty trade	Provided short term and medium term loan as the capital for business	daily	12%
Trading in agriculture products	Provided short term and medium term loan as the capital for business	daily	12%
Agriculture product processing and cottage industry.	Provided long term loan for buying machinery, equipments, raw materials and also for operation expenses	monthly	12%
Miscellaneous Loans			
Housing	Given for building new houses, improving old houses. This loan is for long term.	monthly	12%
Latrine	Given for construction of latrines. This loan is for long term.	monthly	12%
Bio-gas	Given for installing bio-gas. This loan is for long term.	monthly	12%
Social loan	This loan is given for social purpose such as for consumptive purpose and for organizing rituals and festivals.	monthly	12%
Emergency loan	Given for emergency purposes, e.g. during illness of family members, accidents, natural disaster etc. This loan provided only for short period (3-6months)	at once within 3 - 6 months	12%
Loan against collected savings	Given against fixed deposit, compulsory savings and purposive savings of members.	daily	12%

Source: Field survey, 2016

#### 4.5.2 Credit Status of the Respondents

As all the respondents were the members of Sahara Saving and Credit Co-operative, they were asked about the credit schemes of the co-operative and their credit amount along with the purpose of their credit. The information about their credit status is presented in Table No. 4.11 below :

Table No. 4.11 : Credit Status of Respondents

Purpose of the Loan	No. of Respondent	Percent
No Loan	12	40
Agriculture	15	50
Business	3	10
Industry	-	-
Others	-	-
Total	30	100

Source: Field Survey, 2016

Table No. 4.11 shows the monthly saving status of the respondents. According to the table, 12 (40%) of the respondents have not obtained any loan from the co-operative. Similarly, 15 (50%) respondents have borrowed loan from the co-operative for agricultural purpose and 3 (10%) respondents have borrowed loan for business purpose.

#### 4.6 Other Activities of the Co-operative

Sahara Saving and Credit Co-operative has many other provisions concerning the welfare of the members which help to promote the social life standard of the members. Some of the activities are discussed here under :

##### 4.6.1 Insurance

The co-operative has different insurance schemes targeted to the members. Among the various insurance schemes offered, life insurance covers the funeral cost, outstanding loan and transitional costs. Besides this, voluntary and other purposive savings schemes and subsidized emergency loans also help members

to manage both predictable and unpredictable future risks. For the insurance, the members do not have to pay off any amount. This scheme is offered for all the members of the co-operative.

#### **4.6.2 Income Generating Activities**

##### **i. Training in Income Generating Activities**

Sahara organizes different skill based and management trainings for the members. In coordination with different NGOs and district line agencies, mainly with district agriculture office and cottage industry development committee, training in various income-generating enterprises such as seasonal and off-season vegetable cultivation, livestock (e.g. goat, poultry, buffalo) raising, knitting, weaving etc are organized.

##### **ii. Branding and Marketing of the Products**

Sahara helps its members to find the market of their products. It gives the brand of its own to the products of its members and contacts the market as its own products. This activity has helped the members much in their productivity.

##### **iii. Monitoring and Technical Support**

Sahara has a mechanism of monitoring the activities of its members. There are field staff who visit each and every groups frequently. They are the trained manpower in agricultural or industrial sector. They monitor the income generating activities of the members regularly and in need, provide counselling and support to the members. On the demand of the member, they also provide the concerned technical support to the members.

#### **4.6.3 Social Services**

Sahara provides a broad range of social services through its own resources or in coordination with developmental agencies for the benefit of its members. These services can be categorized under the following headings:

##### **i. Preventive and Curative Health Services**

These services include implementation of drinking water projects, granting of

loans for construction Pakka (permanent) latrines and requiring every member household to have a pit latrine and a kitchen garden. It also provides soft loans for health treatment and emergency purpose. The co-operative has the programmes of safe drinking project in the community schools of the settlement area of its members. Time and again, the co-operative manages free health camps in co-ordination with different line agencies. The co-operative has implemented a new health service for the members in the recent years. Each member is provided with an identity card namely 'Jiwan Bardan Card'. In case of any illness, the card holder can get a discount of 25% in the hospital cost of the private and public hospitals of Birtamode. In case any member is to undergo any surgical treatment, the co-operative bears the cost of surgical treatment. This cost is paid off while the member is at the hospital.

#### **ii. Community Development Activities**

Sahara has mobilized its members for improving local infrastructure such as construction of village roads, school buildings, community drinking water, establishment of communication services and many other community development activities.

#### **iii. Awareness-Raising Activities**

Sahara organizes adult literacy classes for its members. Besides, it organizes various campaigns and talk programmes on gender equality, girl's education, pre- and postnatal care, etc.

#### **iv. Educational Support Service**

Sahara provides educational support to the children of its members. Every year ten students from the members' families are rewarded on the basis of their SLC results. The children of the members studying technical education receive annual scholarship of Rs. 15000. A child of any member who has joined MBBS course is provided Rs. 100000 as the study support.

## v. Old Age Service

Sahara has a scheme for the old age people. Every old age people over the age of 70 are provided Rs. 6000 a year as their pocket money. The co-operative organizes a meeting of the old age people of the community every 4 months so that the old age people also feel themselves active in social activities.

## 4.7 Prospects of Women Empowerment

For the purpose of this study, empowerment of women was defined as the ability of women to have access to and control over income, expenses, savings and credits, and household decision making.

Women's involvement in decision making in issue related to family planning, buying and selling of assets, community development, community meetings, voting, borrowing and use of loans and use of loan profit was taken as a proxy indicator of empowerment. In this study role of co-operative activities on women's empowerment was arrived at by calculating the percentage of women members involved in various areas.

Table No. 4.12: Involvement of Women Members by Area of Empowerment

S.N.	Area of Empowerment	Respondents (n=30)
1	Family planning	73.3% (22)
2	Buying /Selling Assets	83.3% (25)
3	Community Development	83.3% (25)
4	Community Meetings	30% (9)
5	Voting	93.3% (28)
6	Taking Loans	60% (18)
7	Using Loans	60% (18)
8	Loan's Profit Use	60% (18)

Source: Field Survey, 2016

Table No. 4.12 presents the percentage of findings on the involvement of women members in the study area. The findings indicated higher percentages



of women members involvement in all these areas. During the household respondent survey, the researcher observed that women members were more vocal in giving information on various issues. Moreover, the female members of women-headed households (widows, wives of migrant men and divorced women) were more empowered in various areas. The researcher found that access to financial services can empower women to become more confident, more assertive, more likely to participate in family and community decision.

#### **4.7.1 Level of Awareness of Political and Human Rights**

It was found from the FGDs that the sampled women members were well informed about human rights, including women's rights. Not only they were informed about the women's right issue, but they were also applying their knowledge into practice in their daily lives. Women's involvement in various income-generating activities through better financial services contributed not only to increasing their household income but also to their economic empowerment. As a result, women members' involvement in household decision making in different areas also increased. Table No. 4.12 also supports this finding. Similarly, their participation in Sahara's various exposure programmes and community development activities increased their mobility. This, in turn, helped them to enhance their knowledge of different issues and thereby contributed towards their empowerment.

#### **4.7.2 Increase in Income**

Survey findings indicated increases in the incomes of 100 percent of the sample Sahara members since they joined their cooperative. Sahara's savings and credits services provided an opportunity for its members to undertake different enterprises, including micro-enterprises. This helped the members to generate self-employment and increase their incomes, thereby contributing towards reducing their poverty to some extent. Sahara's policy is to provide loans for productive purpose, such as cereal and cash crop production, micro-enterprises and agro-based trading activities.

### 4.7.3 Increase in Health, Hygiene and Sanitation

Women's health has always been a cause for concern in Nepal, particularly in the context of limited economic resources and socio-cultural factors that give women a low status in our society. Factors like poor sanitation, inaccessible health services, food insecurity, lack of information awareness, difficulty in drinking safe drinking water and over workload have been responsible for women's ill health. The impacts are illustrated in Table No. 4.13 below :

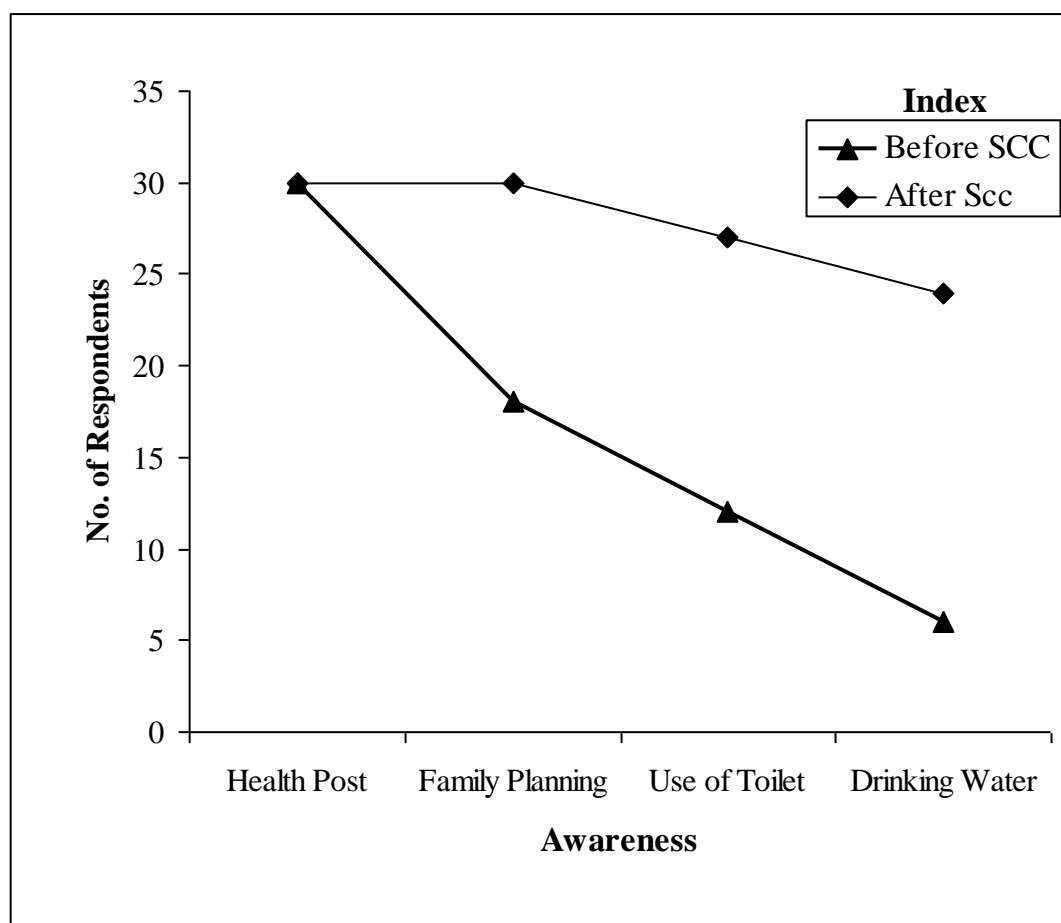
Table No. 4.13 : Increase in Health, Hygiene and Sanitation

S. N.	Particulars	Before SCC programme			After SCC programme		
		Yes	No	Total	Yes	No	Total
1	Health post	30	0	30	30	0	30
2	Family planning	18	12	30	30	0	30
3	Use of toilet	12	18	30	27	3	30
4	Safe drinking water	16	14	30	24	6	30

Source: Field Survey 2,016

Table No. 4.13 shows that before the implementation of this programme only 60 percent of respondents had knowledge of family planning. By now, 100 percent of the women in the study area are found having proper knowledge of family planning and they are using family planning means. The percentage of toilet users after the implementation of this SCC, have reached 90 percent but the percentage of toilet users before this SCC was 40 percent only. The percentage of population having safe drinking water was found 80 percent after the SCC but this figure was only 53.33 percent before the SCC. From the above finding it can be concluded that the knowledge of health, hygiene, sanitation, drinking water and family planning of the respondent has much increased after establishment of Sahara. The data can be presented in a line graph below :

Figure 4.6: Annual Household Income of Respondents



## 4.8 Challenges of Women Empowerment

Although Sahara has been found one of the most successful and popular co-operatives in Jhapa district, it has many challenges and hindrances in implementing its programmes to empower women as well as to advance the community. Some of the challenges concerning women empowerment are mentioned below :

### 4.8.1 Lack of Women Awareness

Most of the rural women, who are the targeted group of Sahara, are illiterate and unaware of their own self and rights. As a result, they are not willing to involve themselves in the programmes of Sahara and get empowered. For this, even though Sahara has a number of programmes concerning women, there is always lack of enough participation of women.

#### **4.8.2 Lack of Appropriate Government Policy**

The co-operatives now-a-days cannot work in the communities freely and deliberately because of the lack of appropriate government policy concerning the co-operatives and social empowerment. Many of the co-operatives are suffering from the failure of their programmes and bad debts for which there is very little provision of recovery. Neither the government has any strong provision to control the co-operatives.

#### **4.8.3 Faith Healing in the Community**

Due to the lack of strong government provision and rules and regulations, many co-operatives have cheated the community members through fraud activities. This has resulted in faith healing in the community members on co-operatives. It has affected Sahara too as people doubt its programmes might be a fraud.

## **CHAPTER V**

### **SUMMARY, CONCLUSION AND RECOMMENDATION**

#### **5.1 Summary**

The co-operative programme of the corporate department of Nepal government has boosted up the bottom up decision making approach instead of top down approach. The research problems were feeling of women on co-operative programmes, level of their participation and effectiveness of the programmes to reduce the poverty through women empowerment.

The objectives of the study are to study status of the women empowerment in Sahara Saving and Credit Co-operative, savings and credit activities of women in the co-operative and the prospects and challenges for the empowerment of women. Different tools and techniques were used for data collection. Descriptive research was carried out as well as both primary and secondary data were collected for this study. Perception of saving and credit co-operative was collected from 30 respondents based on proposed accidental random sampling from Saniarjun Municipality, Jhapa district and anthropological tools were used to analyze the data.

From the study it is clear that the most of the population of Saniarjun Municipality has still remained largely poor, especially women, despite the saving and credit cooperative initiative. The basic indicators those are very vital for the socio-economic development of the society such as education, health hygiene and sanitation, drinking water, occupation etc. play major role for the positive change in the community. From the ethnic composition perspective, most of the respondents of the municipality were poor in social as well as economic activities before the establishment of SCC.

The economically active population (age group 16-59) indicates the possibility of active participation of female in the area of economic productivity if the women are given chance. The overall educational status of the sampled

population of the study area is 66.67 percent.

The sampled household population engaged in agriculture is 50 percent but engaged in services are only 10 percent. Mostly women are directly or indirectly involved in agricultural activities. After the implementation of SCC programme, women have an easy access in the economic sector. The landholding, among the sampled members is little schemed as 10 percent of the members hold more that 10 katthas of land.

Exactly 56.67 percent of sampled members have joint type of family, which might be a major factor for the unequal distribution of landholding.

SCC has been instrumental for considerable successful in terms of community awareness, which has been reflected upon equal opportunity to women in the selection of occupation, education, training and various other social activities. It is evident that women's role and status has been increased positively than before after the establishment of SCC. The level of increase is slow and gradual but has proved significant in terms of household decision making and in economic productivity. The household decision making power and authority of women has been significantly improved and reached after the establishment of SCC.

## **5.2 Conclusions**

The study showed that as financial intermediaries, the SCC was able to meet only some practical financial needs of its members, specifically basic saving and credit services. However members expected their SCC to provide more (in terms of larger amounts) and other types of financial services. The members expected that these financial services come in various forms, namely:

1. Savings accumulated in ways that are more compatible with the seasonality of their income, which in a large majority of members is also limited;
2. Affordable and regularly available credit or loans;

3. Funds that members can access from for specific social purposes such as health (in case of illness, reproductive health), and accident and
4. Funds that increase the stability of their savings and loans. These needs expressed by the respondents members were related more to their practical need for security and strategic interest of owning land.

The study showed that the non-financial, developmental activities carried out in the Sahara with its members as participants and beneficiaries included the following types of activities that are "services" at the same time, namely; social intermediation, enterprise development, social services and women's empowerment. Sahara also carried out community development related activities. These services/activities met the members' practical needs for literacy, good health (particularly nutrition, reproductive health and awareness on family planning) and sanitation, and practical skills needed in livelihoods. The rural women's empowerment services/activities addressed the strategic interests of women, especially those that were related to awareness of women's rights.

The Sahara model was found effective in providing financial and social services for the rural communities. Sahara's financial services helped communities (through direct and spill-over effects) in increasing their incomes, which thereby contributed to reducing their poverty. Similarly, technical services in terms of training provided by Sahara to their members helped in enhancing their skills, which also indirectly contributed to increasing their incomes. In addition, undertaking of adult literacy classes contributed to making illiterate adult literate. Sahara's community development activities were recognized in the community. Increased incomes and knowledge generated by training and exposure programmes helped in empowering the women members. The Sahara has, therefore, a role to play in poverty reduction and development in rural areas.

Although Sahara had good outreach, it had problems in reaching the ultra poor

in its working area. Its membership being voluntary, those women who were aware and literate joined the programme and the poor were left behind. They had no special programme that emphasized motivating the poor to join them.

The activities of Sahara were found effective in generating wider role in its own area of operation in addition to the general role on the livelihood and empowerment of members at individual and household levels. Wider role included but was not limited to the following areas:

- Decrease in existing interest rates, especially of money lenders, in the working area of Sahara,
- Availability of better financial services for the people in the Saniarjun municipality,
- Establishment and expansion of markets in communities,
- Creation of social capital such as group solidarity among members,
- Use of solidarity for exerting pressure against social problems,
- Increase in women's involvement in household decision-making process.

### **5.3 Recommendations**

The following recommendations have been suggested for further improvement of the Sahara programmes in the future.

1. Sahara should strengthen its capability in financial management and investment including the identification, design and delivery of other financial products and services.
2. Sahara should further try to meet member's practical needs for training on caring for and maintenance of livestock, entrepreneur management and conflict management.
3. Members should be encouraged to participate more actively in discussion and deliberations in annual general meetings and monthly meetings of Sahara.
4. Sahara boards should be encouraged to consult member related to non-



financial, developmental activities of the co-operative as they are interested in participating in these activities.

6. The government programmes and/or I/NGOs should continue to promote the poverty focused SCCs model to improve access of financial services to the poor in rural areas.
7. Sahara should diversify its financial products as per the needs of its members for which it should conduct market research.
8. It should raise the required capital internally or by accessing funds from external leading agencies.
9. Sahara should address the problems by developing strategies that would motivate poor people to join it.
10. The follow of credit facilities needs to be reviewed and should be provided as per priority basis at the rate of low interest.
11. Educational awareness programmes should be more focused.
12. Detail feasibility study of the area to be focused should be carried out before hand in order to ensure pay back of seed money and interest rate in the stimulated time period.

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## ANNEX I Questionnaire

1. Name of the Respondent: .....
2. Address: .....
3. Age : ..... 4. Membership year of Sahara .....
5. Educational Status : .....
6. Type of Family :  Joint  Nuclear
7. Detail of household:

Particular	0-14 yrs	14-59 yrs	60 + yrs
Male			
Female			
Total			

8. Level of Education of the Household:

Sex	Illiterate	Primary	Secondary	SLC	+2	Bachelor	Master
Male							
Female							

9. Land Ownership

Land Type	Total Area	Own	Rented
Upland (Unirrigated)			
Lowland (Irrigated)			
Forest			

10. Income from Land (Annual):

Particulars	Annual Income
Cereals	
Vegetables	
Fruits	
Cash Crops	
Timber	

11. Detail of livestock:

Livestock	Number		
	Local	Improved	Total
Buffalo			
Cow			
Goat			
Ox			
Pig			
Chicken			
Other			

12. Income from livestock (Annual):

Particulars	Annual Income
Milk	
Egg	
Meat	
Offspring	

13. Source of Income :

S.N.	Particular	Member/s Engaged	Annual Income
1	Government Service		
2	Private Service		
3	Own Business		
4	Labour wages		
5	Agricultural Products		
6	Livestock		
7	Others		
	Total		

14. How did you get membership of Sahara?

.....  
.....

15. Do you have to deposit any saving?

Yes                       No

If yes, how often?

Daily                       Weekly                       Fortnightly                       Monthly

How much do you save?

.....

What is the rate of interest on your savings?

.....

What is the system of savings?

.....  
.....

16. Have you borrowed any loan from the cooperative?

Yes                       No

17. If yes, for what purpose?

Agriculture : .....

Business : .....

Industry : .....

Others : .....

18. What is the rate of interest on the loan?

.....

19. What is the process of borrowing loan from Sahara?

.....  
.....  
.....  
.....  
.....  
.....

Is it easy or difficult?

.....

20. What is the system of loan repayment?

.....

.....

21. Means of Measuring Living Standard:

A) Luxury goods:

- |                  |                |              |
|------------------|----------------|--------------|
| i) Radio         | ii) Television | iii) Vehicle |
| iv) Refrigerator | v) Computer    | vi) Others   |

B) Drinking Water:

- |           |                 |
|-----------|-----------------|
| i) Well   | iii) Tube Well  |
| iv) River | iv) Piped water |

C) Toilet:

- |              |                  |                      |
|--------------|------------------|----------------------|
| i) No toilet | ii) Local toilet | iii) Hygienic toilet |
| iv) Others   |                  |                      |

D) Fuel consumption:

- |             |                 |             |
|-------------|-----------------|-------------|
| i) Firewood | ii) Electricity | iii) Biogas |
| iv) LP Gas  | v) Others       |             |

E) Schooling:

- |                      |                     |
|----------------------|---------------------|
| i) Government school | ii) Boarding school |
|----------------------|---------------------|

22. Does Sahara co-operatives provide you any training on income generating and personality development? If yes, mention them.

.....

.....

23. Does Sahara have any specific programmes for women? If yes, mention them.

.....

24. What is the impact of the programmes of Sahara for women?

.....

.....

25. Mention the support of Sahara co-operative in the following sectors of your community :

S. No	Support by Sahara co-operative
Drinking water	
Toilets	
School	
Scholarship for student	
Road	
Health & Sanitation	
Other	

26. What is the impact of the support by Sahara in the community?

.....

.....

.....

.....

.....

.....

Thank you for your informative answers!



## **ANNEX II**

### **Checklist**

**Checklist to collect Information from the Sahara Nepal Saving and Credit  
Co-operative Limited, Saniarjun-8, Jhapa**

<b>No.</b>	<b>Questions</b>	<b>Answer</b>
1	Date of establishment of Co-operative	
2	Date of registered of the institution as co - operative	
3	Number of Share holder members of co-operative	
4	Number of staff	
5	Average daily collection of saving (in Rs)	
6	Interest rate on saving	
7	Interest rate on credit	
8	Major Achievements of the cooperatives for the socio economic change of the women	
9	Progress report of the cooperative	
10	Future Plan of the cooperative	

## **ANNEX III**

### **Key informants interview**

1. Are you the member of Sahara Nepal Saving and Credit Co-operative?
2. How can a new membership of the Sahara Co-operative be acquired?
3. What sort of community development activities does Sahara conduct?
4. What sort of programmes does Sahara have for women empowerment?
5. What is the impact of the programmes on women empowerment?

## **ANNEX IV : FOCUSED GROUP DISCUSSION**

1. How effective is the compulsory saving scheme of Sahara?
2. How comfortable and member friendly is the credit policy of Sahara?
3. Are the activities of Sahara enough for women empowerment?
4. What should be done more to empower women so as to stand equal to men in the society?

**ANNEX V**  
**Photographs**



The researcher taking interview with the informants



The researcher conducting focused group discussion