

CHAPTER-ONE

INTRODUCTION

1.1 General Background

The word co-operative is derived from the Latin word 'cooperative' which means to work together with another or others. Thus, the literal meaning of co-operative indicates mutual help among people. Almost all the material achievements of the world are the results of cooperation among people. Besides keeping this literal concept in it, the widely used term cooperatives, however, has its own well-defined and distinct boundaries. It has become an important movement in the economic world. Cooperative movement has become a clear reply to such dark aspects of capitalism as irrational economic inequality, rise in price due to the artificial shortage of goods, inequitable distribution of goods and services, etc and safeguards mainly the interests of the poorer sections. (BK, 2004:18)

The cooperative model has been introduced to Nepal in 1956 when the government of Nepal has established thirteen cooperatives in the Chitwan district to provide access to the financial services for flood victims as part of the recovery effort. Cooperatives provides a wide range of the microfinance and non-financial service to the households in peri urban and rural areas. Nearly all cooperative collect funds through shareholder funded through their shareholder saving and equity. These cooperatives are regulated by the department of the cooperatives, Ministry of the Agriculture and Cooperative, under the "cooperative act 1991" which states that a group of the 25 person from a community can form a cooperative by applying on the Division Cooperative Office for the registration. Cooperatives always aim in equal participation and development of its member for their equitable development. By act of cooperative organization. Many NGOs and INGOs are taking the cooperative as suitable means of the sustainable development and inclusion of the disadvantage and marginalized group. The majorities of SCCs in rural-based and target community members irrespective of their social status and on average, have a membership of one hundred (100) per institution. As mentioned microfinance industry report 2009, there were 2,692 SCCs serving 358,312 people in Nepal. SCCs provide a wide range of microfinance and non-financial services to households in peri-urban, urban, and rural areas. SCCs are not regulated by the NRB and are only required to complete

both and internal and external audit and submit the final audit reports to the Department of Cooperatives. (Sivalingam, 2010)

The concept of the social inclusion figured prominently in the policy discourse in the France on the mid 1970s. the concept was later adopted by the European union in the late 1980s as a key concept in social policy and in many instances replaced the concept of poverty. The debates surrounding inclusion/exclusion have ascended to conspicuous importance in the present political transition in the Nepal with several groups such as Dalit, women, ethnic communities, Madhesies communities and region voicing their demands for an inclusive state by virtue of which the issues has now core to be a part of the popular public discourse (Rawal).

The terms 'social inclusion' have, over recent years, become increasingly widely used by politicians, practitioners and the public. To define social inclusion, we should know the meaning of social exclusion. Social exclusion refers to a process through which individuals or groups wholly or partially deprived of full participation in the society in which they live (Jajal, 2000, cited in BK 2004). "Social exclusion" is often described as the process by which individuals and groups are wholly or partly closed out from participation in their society, as a consequence of low income and constricted access to employment life. Social exclusion is a shorthand term for what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime environments, bad health and family breakdown. (BK, 2004)

The socially excluded population cannot meet the standards of economic status and consumption that are promoted within society. Social inclusion is a strategy to combat social exclusion, but without making reparations or amends for past wrong as in Affirmative Action. It is the coordinated response to the very complex system of problems known as social exclusion. Social exclusion can refer to a state or situation, but it often refers to process, to the mechanisms by which people are excluded. The focus is on the institutions that enable and constrain human interaction (de Haan, 1998 cited in B.K., 2004:40).

A social exclusion framework is compatible with human capital and life course approaches to youth but encompasses and transcends them. "Social exclusion is a multidimensional process of progressive social rupture, detaching groups and individuals from social relations and institutions and preventing them from full participation in the normal, normatively prescribed activities of the society in which they live" (Silver and Miller 2006; cited in Silver 2007:17). Silver argues that exclusion varies across contexts and therefore has a situated or spatial aspect. Inaccessibility to the means of social participation may result from segregation or sheer physical distance. "Residential segregation further accentuates the pernicious consequences of poverty by limiting interaction between lower and middle classes, thereby perpetuating the cycle of social exclusion that stymies the life chances of even the most industrious youth" (Tienda and Wilson 2002, cited in Silver 2007:17). Whereas poverty and inequality refer to distributions of valued resources, social exclusion refers to a social relationship. This means exclusion involves two parties, excluders and excluded. Unfortunately, much research, especially analyzing micro data, focuses only on the latter. It is instructive to examine other data sources that examine relations between included and excluded groups. For example, unfavorable public attitudes, incidents of violence or disorder, segregation of minority groups, and harassment of women also are useful indicators of exclusion (Silver, 2007:28).

The definition of a European Commission report in this sense has been elaborated by Bhalla and Lapeyre (1997) in the following words; "The European Commission emphasizes the idea that each citizen has the right to a certain basic standard of living and right to participate in the major social and occupational institutions of the society-employment, housing, health care, education and so on. Social exclusion occurs when citizens suffer from disadvantage and are unable to secure these social rights." On this regard Steward (2003) makes the point that "lack of power, or unequal power relations, is at the root of every type of exclusion" (B.K, 2004:41).

The notion of social inclusion can vary, according to the types of strategies organizations adopt for a "peaceful, inclusive, just, and prosperous New Nepal" is in place. The interim constitution of Nepal 2007, Article 13 includes provisions for gender equality, social

inclusion and human rights. It sets forth the right to equality and on ending caste-based discrimination and exploitation (e.g. forced labor). It also authorizes the state to implement measures for the 'protection empowerment and advancement of women, Dalits, indigenous nationalities and Madhesies".

The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India. The number of women entrepreneurs has grown over period of time, especially in the 1990s. microfinance programs have significant potential for contributing to women's economic, social and political empowerment. Access to saving and credit can initiate or strengthen a series of interlinked and mutually reinforcing 'virtuous spirals; of empowerment. Microfinance development has emerged as major strategy to combat the twin issues of poverty and unemployment that continue to pose a major threat to the polity and economy of both the developed and developing countries. A number of agencies- Government as well as Non-Government organizations are, today involved in microfinance development initiatives. A women's participation in a credit program raiser her "bargaining power" or "empowerment" in the household. (Basu, 2006:2)

This study aims to explore the participation of women in cooperative management in Gaindakot VDC. This study is focused to find the impact of cooperative in women empowerment and how the women perceived on it. At the same time this study focused to explore the access of women in decision making process and major barriers on it.

1.2 Statement of the Problem

Three year interim plan 2009/10 has its strategies a to ensure inclusion of the deprived communities including women, indigenous groups, Adibasi Janajati, Madhesies, person with physical disability, conflict affected people and Muslims through cooperatives. The interim plan has clearly mentioned on its major programs "Women will be encouraged to play a leadership role in co-operative federations for gender empowerment. A separate gender unit will be established in the Department of Co-operatives to manage gender Empowerment Special Concessions and Facilities will be provided for the promotion of women managed co-operatives". (Three year interim plan, 2009/10)

Cooperative is a business enterprises organized, funded and managed by and for its member-patrons. The main purpose behind the establishment of a cooperative is to protect the interest of the people from low and medium level incomes by providing goods and services when required at fair prices. Producers can get the equitable prices of their products from cooperative societies established and run by them. People can get loans from the credit cooperatives for the specified purpose, people who need house could join Housing Cooperatives, and farmers with small plots of land can join the joint farming cooperatives and so on. It has so far not been possible to define co-operative precisely because the movement was born out of adversity. The circumstances which gave rise to adversity have however, been different in different countries. It assumes therefore, diverse shape indifferent countries according to environment and circumstances prevailing there, which gave birth to the movement. Different types of the cooperatives has been established, such as saving and credit, multipurpose, agriculture based, health, education, communication and herbal production cooperative in Gaidakot VDC till the date however, most of them are saving and credit cooperatives. (Division Cooperative Office Annual Report, 2067).

Gaidakkot VDC has been proposed to announced as the "Cooperative Model Village" in near future, in this regards researcher would aims to explore whether the cooperatives are inclusive or not ? How the cooperatives are including women in the cooperative management? What is the level of empowerment of women ? Who are participant in cooperative management ? What is the perception of women ? If not what is the barriers/opinion?

1.3 Objectives of the Study

The general objective of the study is to identify the pattern of women inclusion in cooperative management.

Specific objectives are as follows:

1. To assess the socio-economic status of women involved in cooperatives.
2. To assess the participation of women in decision making process in the cooperatives.
3. To identify the participation of women in cooperative management.

1.4 Importance of the Study

Gaindakot has been proposed to announce the first model cooperative village in Nepal in 2065 (National Cooperative Union). More total 28 cooperatives have established in Gaindakot among them most of the cooperatives are saving and credit cooperative, and rest are multipurpose, milk production, herbal product, communication, education and health, however these all are focusing to equitable development of the society (Division Cooperatives Office's annual profile, Nawalparasi). These cooperative are playing vital role for the development of the Gaindakot VDC. Most of these cooperatives have established on the initiation of NGOs and INGOs during their program period aiming the Equitable development of the society were. In cooperatives there are equal rights to its share member however it ignores the numbers of the shares. That is why cooperatives are known as the inclusive organization although there has not been authentic source of verification of their inclusiveness. There has not been proper study about the inclusiveness of the cooperatives in Gaindakot VDC. This study aims to find out the how cooperatives of the Gaindakot VDC are including women or not ? This study would suggest the practical ways to encourage women in the cooperatives so that their practical needs are identified and addressed.

1.5 Limitation of the Study

Each and every research study has its own limitations. This study proposes to focus on the how the cooperatives mostly saving and credit cooperatives is contributing for the inclusion of women, this study how the women became empowered after they involved in cooperative management and how the women feel more inclusive in the community after getting financial support from the saving and credit cooperatives to generate the resources. This study is limited only to Gaindakot VDC focusing saving and credit cooperatives. So the present study intended to focus of inclusion of women in cooperative management in Gaindakot VDC, Thus, finding of this study may not be generalized for the women in other communities and places.

1.6 Organization of the Study

This study has to be completed within a five chapters. The chapter one includes general background, statement of the problem, objective of the study, importance of the study, limitation of the study and organization of the study., where as chapter two includes review of literature related to study it has included history of the cooperatives development of cooperatives in Nepal, cooperatives movement in different period of Nepal and cooperatives physical plan of Nepal. Chapter three includes the research methodology, it has two parts. The first part is selection of the study area, research design, sample, source and nature of the data, universe sampling, techniques of data collection and second part is analysis of tools and techniques and data presentation. The research design consists both primary and secondary data based. Chapter four includes presentation and analysis data, the study is concern primary and secondary data analysis and briefly presented in the form of table, figure and various statistical presentation and analyzing the collected data from different sources and last chapter of the study includes summary, conclusion and recommendation.

CHAPTER-TWO

LITERATURE REVIEW

The review of literature is a crucial aspect because it denotes planning of the study. The main purpose of literature review is to find out what works have been done in the area of the research problem under study and what has not been done. It helps to find out already discover things. Review of relevant literature implies putting new spectacle in old eyes to think in new way by posing the problem with new data and information to see that what results are derived. "The primary purpose of literature is to learn and it helps researcher to find out what research studies have been conducted in one's chosen field of study, and what remains to be done" (Poudyal, Basnet and Pant, 2013). For review study, the researcher uses different books and journal, reviews and abstracts, indexes, reports, and dissertation or research studies published by various institutions, Encyclopedia etc. it is divided into two headings:

-) Theoretical/Conceptual Framework/Policy Review
-) Review of Related Studies

2.1 Conceptual Review

The term 'cooperation' is derived from the Latin word 'cooperari'. 'Co' meanstogether and "operari' means work which means working together. But in broader sense, it means the system in which people voluntarily associated and working together for achieving mutual goal. The motto behind cooperation is "each for all and all for each" and its system for selfhelp through mutual help (Dahal, 1989). The cooperative organization has been defined in different ways by the thinkers and scholars. Bhide has defined "cooperative represents itself as a happy means between the focuses of extreme individualism on one hand and socialism and communism on the other. It stands for individual rights tempered by consideration of justice, equity and fair dealing between man and man and its great aim is to prevent exploitation by the stronger party" (Bhide, 1930).

The international cooperative alliances meeting held at Manchester England in 1995 defined "A cooperative is an autonomous economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprises (*Cooperative Training Center 1992*)

Cooperative is a user-owned and user-controlled business that distributes benefits on the basis of use. According to patronage proportionality -'a co-operative is a private business organized and joined by members to fulfill their mutual economic needs as patron of the business, with the key control, ownership, and income distribution decision based on patronage proportions; namely, member voting equity capital investment by patrons, and distribution of net income to patrons are proportional to use of the co-operative. The terminology used to describe co-operative and other firms differs widely. Co-operatives are also commonly called non-profit corporations or patron-owned cooperations. The distinction between co-operative and other business is that co-operatives return net income to users or to patrons, while other business firms return net income to users or to investment (Cobia 1989).

2.1.1 History of Co-operatives

The first recorded formal cooperative began in England, in 1844. This cooperative was founded by a group of 28 weavers. The group names their cooperative Rochdale Pioneers of England. The subsequent success of the Rochdale Pioneers of England began the spread of cooperative throughout world. Credit cooperative is pioneered in Germany by Franz Schulze (1809-1883). Franz first established credit committee in 1850 to provide credit to the members in urban area of Germany. This committee was established as a cooperative in 1852. In 1856 he published book called cooperative banking which help to expand the cooperative in other part of Germany. Due to his effort cooperative act was came into operation in 1867 (*Cooperative Message, 2003*).

F.W. Raiffeisen (1818-1888) has started the cooperative principle called "each for all and all for each". In 1877 The Grand Union of Rural Cooperative Societies which was also called Raiffeisen Union. It was found that the organizational structure provided by cooperatives allowed for exponential growth development of both economic and social activities. The rapid growth was the result of community members effectively organizing themselves and their resources to realize mutual goals.

The idea of accomplishing more through people working together toward a common purpose was taken a step further on August 18, 1895, with the foundation of the International Cooperative Alliance (ICA). The ICA sought to organize the efforts of individual cooperatives at the international level. Through the exchange of information and experience the ICA was able to make its member organization stronger and more effective. The other major objective of the ICA was to expand the cooperative movement to other areas of the world (Cooperative Movement, 2003).

2.2 Historical Background and Policies of Cooperative in Nepal

2.2.1 Global Perspective

Robert Owen first propounded the concept of cooperative in 1792 in Great Britain. The idea of cooperative was brought into light in the beginning of the 19th century. The follower of Owen, Dr. William King, publicized the ideology of cooperative later on who initiated an education movement for cooperative development. The reformist Robert Owen's ideas and principles have continued to inspire the cooperative movement. These principles are (i) Abolition of private profit (ii) Voluntary association (iii) Common ownership of the means of production (iv) Utilization of wealth of the community for increasing the happiness of mankind (Hajeta 1994).

But the following weaknesses were pointed out in Owen's cooperative later on:

- i. Capital sunk because of credit sales.
- ii. Unfair competition took place because of selling the good at lower price in the market.
- iii. Cooperative society did not succeed enough, as members did not believe it.

After the Rochdale Pioneers' the real founder of the modern cooperative movement developed cooperative rules and philosophy. The cooperative society established by Rochdale Pioneers has been known as 'The Consumer Society'. This was a successful cooperative society, which spread all over Great Britain. This society sold goods only for its members in the beginning but later started to sell goods to non-members also. In 1860 Rochdale Pioneers' formulated the following rules of cooperative, which are still relevant and used in modern cooperatives to some or more extent.

- i. Religious and political neutrality
- ii. Sale of goods at market price
- iii. Cash sale

- iv. Limited interest on share capital
- v. Distribution of surplus in proportion to purchase
- vi. One man one vote
- vii. Open membership
- viii. Democratic control
- ix. Sale of quality products
- x. Certain percentage of expenses of profit
- xi. Regular meeting
- xii. Book-keeping and auditing (Hajeta, 1994).

In 1919 the first cooperative college in the world was established in Manchester. It was administered by the educational committee of the cooperative union, opened for the students from all part of the world. After the cooperative society was recognized in 1944, the from all parts of the Great Britain decided that boys and girls must attend a country college after leaving the school. The main objective of this was to produce good cooperative citizens within the Great Britain.

In the middle of 19th century, two reformists emerged German who worked to eliminate the poverty and exploitation through the norm of mutual help and self-help in the form of cooperative. They were F.W. Refisen and Franz Schulze. Their working areas were different. Refisen centered is reforms in rural areas where as Schulze in city area. But both started their cooperative to free the poor from the exploitation of moneylenders and land lords in 1849 and both were successful to their aim. The successful cooperative movement in Germany and Great Britain was followed y other countries as well as developed countries felt that cooperative might be one of the best measure for uplifting the rural poor people and liberating them fromthe exploitation of landlords and moneylenders.

Poland is also a large peasant country. Most of the citizen of this country lived in villages and they were poor. The housing cooperative society was established in 1928 through peasant self-aids. The government had given them with the test of dialing up extra land, which was taken from the big rate amount of the peasants because peasants self aids were run on cooperative lines they were long before interpreted into cooperative movement.

In Denmark, cooperative movement started from 1866 as consumer society as per the principles of Rochdale. However Denmark made exemplary success in agricultural cooperative in the world especially in dairies cooperatives of Denmark and which are food examples of successful cooperatives in the world.

In Israel, cooperative were begun from 1910 as a part of Jewish labors movement. Israel being a dynamic country, its cooperative movement is also dynamic. Today, the cooperative societies its cooperatives movement is also dynamic. Today, the cooperative societies of Israel are highly developed in the world.

In Switzerland, Daisies started the cooperative movement. Swiss agriculture is organized by the various cooperatives. Cooperative movement contributes a lost for the development of Switzerland. In 1847 and 1848 establishment of cooperative stores and a number of food societies were formed and at the same time Zurich consumers' society was also formed.

In 1851 a general union of Swiss Cooperative store was formed at Barla and at the end of the century a wholesale cooperative store was established in Switzerland Cooperative gave job opportunities to youth. By all these, people of Switzerland realized that cooperative provides many things to them.

In Canada, cooperative movement stated by Lancashire Coal miners and iron and steelworkers. The government of Canada organized cooperative butter and cheese factories in 1891 and United Fruit Company also established in Nova-Scotia. But there was no progress until 1930. When the priests and teacher of St. Frances Xavier University stated to study on cooperative for adults, cooperative wholesales had many new cooperative stores were opened in 1937. One of the remarkable and successful contributions of Canadian cooperative is British Canadian cooperatives is British Canadian Cooperatives Society of Nova Scotia.

In Japan cooperatives movements seemed to have been started after the second half of the 19th century. Though there was tradition of making a collective fund and taking loan from the fund in the 14th century also but real cooperative movement took place in Japan after the establishment of consumer society in 1879. The cooperative movement of Japan seems to have been influenced by the European Cooperative movement. The credit cooperatives of Japan are like that of Germany and consumer cooperative like that of British Cooperative (*Cooperative Training Center 1992 A.D.*)

After the establishment of consumer cooperative in 1879 for controlling the increasing price of the goods, other such consumer cooperative and credit cooperative also started to establish rapidly. After the war between Japan and China, large industries grew up heavily where as small and cottage industries become weaker and weaker. In this situation, a great need and essence of cooperative was felt. As a result, cooperative bill was passed in 1900 for the development of different types of cooperative in Japan. After this bill was passed, many cooperatives established in Japan.

These cooperatives had the objectives of liberating the people from the exploitation of the capitalists and providing farmers with necessary fertilizers, seeds and other necessary helps in agriculture. In 30 years period, cooperatives opened from local or primary to national level. But unfortunately they could not be untouched from the global crises in agriculture. Up 1930, the production of farmers increased in half but loan increased more. The government launched special program to make reform in agriculture. Various economic activities of the government started being performed under cooperative, which gave rise to the rural development. Different development works started being performed through cooperatives. The government of Japan started using agriculture cooperative to keep control in the economy. In this situation the cooperatives nearly lost their identity. But after the Second World War, these cooperatives organizations were able to regain their democratic value and flourished again. In 1947, Agricultural Cooperative Act was passed. After this, rural cooperatives ran as per their own principles. Integrated cooperatives came into existence in the field of agriculture, forestry and fish farming. In this way Japan initiated cooperative campaign. In this way the tradition of providing all possible services and good to the members through multiple cooperatives is an important achievement of Japanese cooperative movement (*Cooperative Training Centre, 1992 A.D*)

In China, it is assumed that cooperatives started in 1912. That time, China was an agricultural country. Though there were enough resources and possibilities but resources were not being used in industries. China was trapped in poverty. Flood and starvation was very common. The farmers were exploited by the loan of landlords. After Dr. Sun Yat Sen had taken the authority of the government he applied cooperative to improve its economy greatly. In Chinese constitution, in clause 34 the following has been stated which is relevant to mention here.

"The government shall guide the peasants step by step to organize various forms of labor, mutual aid and production, cooperation according to the principle of voluntary of mutual benefit and that every step of the agricultural production" (*Cooperative Training Center 1992 A.D.*)

After the establishment of the republication government in China, the ownership of the land went to the farmers and a program of land reform was executed. The central committee of the Chinese Communist Party managed three different types of organization for more production.

a. Mutual aid teams -

Mutual Aid Teams emphasized on communal labor, division of labor and maximum production. It was of two types - Temporary organization and Cast organization. Temporary organization means for specific work and cast organization was for operating both agricultural and professional works.

b. Agricultural producers cooperatives:

Agricultural producers' cooperative is established containing personal and social features. The members collect their labor and resources to a place without losing their personal ownership in this system. The member families use their land collectively and make collective effort to increase the production. The main principle of this system is that farmers cannot produce much when they perform farming separately. To yield more production, mutual effort, togetherness and cooperation is better, is the norm of this system.

c. Advance Produces Cooperative or People's Commune:-

It is the advance form of cooperative when the members have accepted the communal ownership of land. This is the last step from socialism to communism. Different organizations are united under the direction of the central committee of the communist party. In this was Chinese try to reach to communism through cooperatives.

Like in the other countries of the world, the cooperative movement of India began to find way out to many social problems like scarcity, grief and dissatisfaction. In India, the co-operative movement was introduced in the form of credit society in 1904. For the development of cooperative movement has emphasized in all the five-years plans to agricultural co-operative in the sector of economic development. India has wide network of agricultural co-operative in the field of credit and banking, marketing and processing and production of fertilizers. Agro processing co-operatives consisting of co-operatives sugar factories and co-operative spinning mills and oilseed co-operative are having very strong position in the sphere of production of sugar cotton yarn and edible oils. Agricultural co-operative marketing federation of India is a business organization and involved in domestic as well as international marketing of agricultural co-operative is yet to respond effectively to the emerging challenges and opportunities of market economy and new economic reforms (B.K. 2004 B.S.).

2.2.2 Development of Cooperatives in Nepal

The concept of working together for mutual benefit was in practice in Nepal from the very ancient times. In ancient times, the concept of co-operative emerged in the form of parma in hilly region, adhikari in western part and Mankakhala and guthi in Kathmandu valley and in some places dharm bhakari (Pokhrel,2009). Dharm Bhakari means a religious store, a kind of grain bank in which each family in the village puts aside certain quantities of grain after the end of the harvest season. At the time of scarcity the quantity of grains is distributed on advance to the farmers. Loan is advance from the grain banks only to the villages who have contributed to the bank only to the villagers who have contributed to the bank and agree to play the loan in kind with interest.

'Parma' is another types of traditional rural cooperative. Historically, it is the first co-operative in Nepal. It is such system under which framers; neighbors, friends and relatives work together to promote their economic and social interests.

Likewise '*dhukuri*' is a best example of voluntary co-operation, which is very much popular in *Thakali* society. It is formed by a group of people for specific work. In this system, the members prepare the rules and regulations. Every member is required to contribute certain amount of capital to the fund of *Dhikuri*. The fund is used by the members under pre-determined rules and regulations.

'Manka Guthi' is practiced as group farming in Kathmandu valley. Each group is called 'Mankakhala' and the head of that group is called 'Thakuli' which means the chairman of that group. Informal groups of farmers are formed for doing agricultural works like cultivation, sowing and harvesting. In this way the concept of co-operative in Nepal is not very new.

In began together with the human civilization to live together is a society or community. But it has not been possible to fix the time from when co-operative begin. The history of organized co-operative in Nepal began after the establishment co-operative department in the year 1953, under the Ministry of Agriculture for the establishment, promotion, supervision and evaluation of co-operative societies. The establishment of this department marked the beginning of the cooperative movement in Nepal. The beginning co-operative societies in 1956 as a part of the resettlement program for the flood affected people in Rapti Besi under the active support of United States Agency for International Development (USAID) on experimental basis. These co-operatives were previously registered under an executive order of Government of Nepal. Then in 1956, the first saving and credit cooperative was established, in the Chitwan district named *Bakhan Singh Saving and Credit Cooperative*. Following this due to fundamental lack of understanding of cooperative, Nepal Government issued legislation to control the cooperative's operations. This legislation included the cooperative act and cooperative rules of 1959 three different ministries. The shifting of the VDC from ministry to ministry further illustrates the governmental struggle to effective use of the cooperative system in this country.

In 1956 the first five-year plan (1956-61) was formulated which identified that co-operative movement is developed in healthy and efficient manner, it would progressively abolish excessive indebtedness and contributes significantly in rising the living standard of the member of co-operative societies. Considering the importance of necessary rules and regulations for managing and guiding co-operatives effectively and efficiently, the first co-operative Act was passed in 1959, which not only provided a sound legal basis for organizing co-operatives but also recognized all co-operative so far previously registered under an executive department of the government.

Consequently cooperative society rules 1961 was promulgated which spurred the cooperative movement in the country. With the introduction of the first cooperative act, numerical growth of the cooperative boomed up. In the mean time, the cooperative were tied up with the so-called revolutionary many land reform programs. A cooperative bank was established in 1963 for providing credit to cooperative as well as agro business or industries. Cooperative Bank was converted into Agricultural Development Bank in 1967. Agricultural Development Bank was considered as a specialized bank for providing credit to cooperatives, individual's agro-business and marketing etc. Later on cooperatives training center was established in order to provide training on cooperatives within the country. In 1976 the cooperatives were redesigned as Sajha. The cooperative societies were also subjected to various agencies regarding management and control. In the early seventies they were handed over back to the cooperatives Development that has remained under different ministries. For whatever purpose the cooperatives societies were established the could not work satisfactorily was for providing basic facilities like agricultural credit, agricultural inputs and consumer goods to individual peasants. The objectives of Sajha institution were set as supply of daily agricultural production and make necessary consumers goods, supply of improved seeds, pesticides and fertilizers, purchase of agricultural production and make necessary arrangements for storage, mobilize saving by establishing banking facilities in rural areas and providing raw materials, credit develop cottage industries. As a result all the cooperatives and village committees were converted into Sajha institution in Nepal.

Despite the long experience in the formation of multi-purpose societies, the position of the cooperative did not improve up to the desired level. Many co-operative societies remained multi-purpose only in name. almost all the cooperative societies suffered from the lack of capital and poor volume of business.

Soon after the restoration of democracy in 1990, a high level National Cooperative Confederation Advisory Committee (NCCAC) was formed by the interim government. The committee made on an in-depth analysis of the problems faced by cooperative movement and laid emphasis of the need for promoting cooperatives online with cooperative principles and democratic values. The committee' report was studied by the government and subsequently, National Cooperative Development Board was formed for working out a new legislation as well as policy guidelines and for creating the necessary foundation for reorienting the cooperative movement. As result, a new cooperative act was promulgated in 1992. The new legislation recognized the democratic character of cooperative movement and ensured the operational autonomy of cooperatives and defined the role of Department of cooperative in a transparent way.

A major change in the sector or cooperative of Nepal took place in 1992, when Nepal government changed its policy for cooperatives. The cooperative act stipulated that Nepal government would no longer directly promote or manage cooperatives. The government would limit its rule to support and monitoring activities. The creation of this act freed cooperatives to function as they were designed. As a result, since 1992, cooperatives have flourished. The understanding and importance of cooperative has grown rapidly in Nepal. As of 2002, growth is marked over 7000 registered cooperatives functioning in Nepal. An additional sign of their growing importance was conversion of the ministry of agriculture to the ministry of agriculture and cooperatives, in 2000 (*Cooperative Message, 2003*).

The activities (Innx:1&2) during last 55 years in the history of cooperative movement in Nepal are enough to say that cooperative development passed through many managerial ups and downs causing a high inconsistency. The cooperative movement remained affected by the political changes in the nation that brought the situations among the

people not to believe readily the philosophy of cooperative in practice. Moral objectives, social objectives, service to the members, good quality, cheap pricing, reasonable profit, cooperative principle, inclusion etc. have been the major challenges for cooperative organization in the present context of competition market.

2.2.3 Cooperative Movement During Different Plan Period

2.2.3.1 First Five Years Plan (2013/14-2017/18)

In the first five year plan the cooperative was taken into consideration as an important instrument for the social and economic development of Nepal. "If the cooperative movement is developed in a healthy and efficient manner it would progressively abolish excessive rural indebtedness, contribute significantly to uplift the living standard and develop variability capacity among the members of cooperative societies for organization, self reliance, self respect and ability to conduct their own affairs in an honest and democratic way."

The planners, in the first five years plan, looked at the cooperative movement almost as a panacea for bringing about improvements in the economic condition of the rural people. An ambitious target of establishing 4500 cooperatives society all over the country was set. This included one central level cooperative bank as well as cooperative banks in district. At the end of plan period, however, only 378 cooperative have been established. This represented 8=4% of plan target. The total membership was 11059 with a paid-up capital of Rs. 363000 (Agrawal, 1984).

The achievement of first plan was enactment of cooperative society act 1959, which provided a legal basis to the development of cooperative movement. It also laid the foundation for the development of cooperative movement in Nepal. This was a period of transition in Nepal in the political history, which is characterized mainly by unstable government hence the development of cooperative movement could not get the proper attention.

2.2.3.2 Second Three Years Plan Period (2019/20-2021/22)

The second plan period aim to establish 2200 new cooperative societies with special encouragement to those engaged in marketing, consumption and production. In addition to 14 sales and credit organization, they plan to perform banking functions. Additional 330000 persons were to be associated with the cooperative movement.

During the plan period, a total 542 cooperative societies were established which was the 25% of the target. The membership added during the plan period was 13916, and the share capital was Rs. 1176567. The establishment of *sajha* transport in 1963/64 with a capital of Rs. 1.7 million and *sajha* health society (*sajha swasthya sewa*) with a capital if Rs. 0.65 million were largely responsible for increase in the capital. The cooperative bank was established in 1964 provided a compulsory saving scheme and also gave a boost to the cooperative movement. The programs of cooperative movement however, were not very satisfactory. The main factors responsible for it were poverty and illiteracy of the rural farmers together with the limited members and scope of work of cooperative society. (Agrawal, 1984).

2.2.3.3 Third Five Year Plan Period(2022/23-2026/27)

This plan looked at the cooperative movement as an integral part of the land reform program. A target was set to establish 350 multi-purpose cooperative societies in the selected village *panchayat*, where land reform program had been implemented. 10 consumer cooperative and 75 industrial cooperatives were to be established in urban areas. A provision was made for the distribution or Rs. 350 million of loans to cooperative societies.

In the third plan, a cooperative training centre was established. It proved training on various aspects of cooperative development specially on auditing accounting sales. The cooperative bank was to concentrate its loan activities to cooperative societies in the areas where land reform program had been implemented. In order to provide loan for the people not associated with the cooperative movement, an agriculture bank was to be established.

The number of cooperative societies in the plan period was 366 and the number of members was 41365. During the plan period the management of the cooperative was acted by village committee. The cooperative bank was converted into agriculture bank.

Most of the cooperative societies were organized by the cooperative department of the government grants. Hence, they lacked sufficient funds, members, knowledge and management capabilities. About 1100 societies were concerned with agriculture which were ineffective and were in the process of the liquidation of rest. Some needed promotional increase while other needed amalgamation.

2.2.3.4 Fourth-Five Year Plan Period (2027/28-2031/32)

The forth plan period emphasis the quality rather than quantity for cooperative development it gave priority to development of cooperative in 28 districts. Similarly the intensive agricultural development plan was to be implemented.

During the fourth plan a total of 251 guided cooperative were established 15 in mountain, 92 in hill and 144 in Terai. However 43% of the total was situated in central development region, 25% in eastern development region, 43% in western development region and 16.5% in far western development region. The agriculture development basis provided loan amounting to more than Rs. 110 million to guided cooperatives societies and village committees. However, small farmers received only 32% of this loan, where as 68% was given to medium and big farmers (Saiju, 1972). The activities of the societies included credit on agricultural inputs tools, good of daily necessities as well as food grains. Only one cooperative society was providing services to the village in average.

The guided cooperative societies become very much dependent on the loans and the movements of Agriculture Development Bank. The professional management, however, was lacking and the recovery rate was also very port. The scope of cooperatives also reminded largely to loan operation and the loan performance also remained poor.

2.2.3.5 Fifth Five Year Plan (2032/33-2036-37)

The fifth plan aimed expand the guided cooperatives by establishing 322 new societies. The total number of guided societies was thus expected to be 573, categorizing to the needs of 1719 villages, by the end of the plan. The 453 guided village committees existed in the beginning of the plan were to be more able and dynamics. But they were to be gradually covered into guided cooperative societies on the basis of practicability. Thus more than 3000 villages were to be converted by the guided cooperatives and guided village committees. In addition 20 guided consumer cooperatives stores and 20 guided cottage industry cooperatives were to be established (NPC, 1975).

His majesty government on May 3, 1976 introduced the new "Sajha Program" to replace the then existing guided cooperative societies in all treain district and also in the hill district. Sajha Society was introduced and conceived as the institution arrangement of rural development (Bajracharya, 1980).

The objectives of new Sajha Programs were:

- a. To increase the national production and income level of farmers through the adaptation of improved farming techniques.
- b. To provide loan facilities to the small farmers at the village level.
- c. To provide general banking facilities at the village level, mobilize rural saving and utilize such saving in development.

2.2.3.6 Sixth Plan (2037/38-2041/42)

The sixth plan directed its focus on the coordinated development of sajha program with agricultural creation, extension services, inputs and land reform program. The guiding principle was to fee them from traditional exploitation. The objectives of cooperative development were to provide the framers the basic facilities and consumers goods, and also to boost the production and productivity of the farmers in rural areas for the sake of their betterment.

The sixth plan also laid down the following policy guidelines in respect to cooperatives development.

- 1) Cooperative department of majesty's government will be the only agency to lay down policies and carry out supervision works in relation to sajha institutions.
- 2) District with sajha programs operated will be classified as follows, and the following types of program will be launched in first phase
 -) For 7 district of the terai with irrigation facilities and intensive program.
 -) For the remaining 13 district of the terai, with campaign program.
 -) For the 20 district of the hills with integrated rural development program.
 -) For the remaining 20 district of hill, with normal program.
 -) For 15 district of Himalayan region with normal program.
- 3) Construction of warehouses is based on feasibility study which will be undertaken on the priority basis in rural areas.
- 4) Consumer goods and other daily necessities will be supplied to the rural areas through the sajha institutions only by public sector enterprises.
- 5) Sajha institutions functioning at grass level will be organized separately for small farmers and for other farmers' sub-inspectors of cooperative department will manage the institution until the management capabilities develop at local level. Similarly for district level sajha institutions, sajha officers or senior inspectors will serve as secretaries in order to discharge specific functions.

2.2.3.7 Seventh Five Year Plan (2042//43-2046/47)

The seventh plan emphasized development of cooperative movement with the main aims of village economy, by generating appropriate environment for large number of farmers through cooperatives, by giving emphasis on marketing implements required by the farmers by processing of agricultural products and their marketing for increasing their agricultural products. The main objectives of seventh plan about cooperatives were,

- a) To look after the welfare of small and marginal farmers through the medium of cooperatives by organized them.
- b) To make available necessary facilities required for agricultural development in an organized manner on the basis of local leadership and people participation.

- c) To develop institutional channel at the rural level with the aim of providing to increasing their benefit to the small farmers and other professionals in addition to increasing their productivity.

2.2.3.8 Eighth Plan (2048/49-2053/54)

The eighth plan has recognized the role of cooperatives in the process of nation building and stated policies to foster cooperatives. The emphasis was on people's participation rather than government initiatives on autonomy rather than officialiation and on control from within rather than from outside. In order to insure that cooperative have an easy access to development finance, a cooperative development and fund has been created within the national cooperative development board. The board has also been empowered quality for obtaining finances from national or international financial institutes.

- 1) To extend support to accelerate the social and economic development specially of the deprived class people of the rural areas through the promotion and development of democratic cooperative societies/union by peoples' own initiatives with their participation according to their needs and aspirations.
- 2) To extend support to national economy by augmenting the local economic activities.

2.2.3.9 Ninth and Tenth Five Year Plan

The ninth plan did not give any specific program about cooperative. Cooperative was combined with agriculture. Similarly, tenth plan had formulated plan and policies related with cooperative combined with agriculture. Some of the strategies and policies of tenth plan related to cooperative were as following

Strategies related to cooperative

-) Support the promotion of agriculture market and related infrastructure development by mobilizing cooperative and private sectors as well.
-) Promote cooperative and contract farming.

Policies

For the implementation of agricultural support service program also in cooperative and contract services, The participation of His Majesty's Government and community based organizations, non-government organizations and the private sector will be expanded gradually according to the concept of contract and cooperative farming to enhance the participation of the private sector in the agriculture and livestock extension services. Similarly, institutionalized development will be made to encourage cooperative and contract farming.

For the encouragement to cooperative and contract farming cooperative training and education program will be expanded in the regional level.

Cooperative and contract farming will be encouraged with a policy to ensure ownership and use of the land.

The agriculture and livestock development programme will be implemented in partnership or contract with different cooperatives, farmers or farmers' groups or their committees. For this a system of open competition will be adopted.

Focuses will be laid on income based employment through the expansion of sericulture that flourishes on mulberry. This will be carried out by community participation under the programme of consolidating the areas having promising export potential.

The participation of the private sector will be encouraged in the delivery of veterinary services and artificial insemination.

A policy to seek wide spread participation of the cooperatives and the privates will be taken up to promote the availability of quality improves seeds. The small farmers' group/community based organization in the remote settings will be encouraged to take up this kind of job by providing technical support to them. Seed self sufficiency program in the district will be expanded.

A awareness raising programmes on cooperative, partnership and contract farming will be launched. This apart, environment will be created to deliver even the government services through the provision of contract or partnership basis. Likewise the enterprise development plan for Agriculture Cooperatives and unions will be

formulated and implemented accordingly by bringing improvements in the policies for cooperative enterprise development.

Sixty thousand members will be given training on cooperative management, auditing and enterprise promotion through the cooperative education and training programmes. This would enable to involve them in bringing about growth in the local productions after they are involved in the market orientation to be given by the cooperative system.

2.2.3.10 Three-year Interim Plan (2064/65-2067/68)

Long Term Vision

The long -term vision is to development co-operative as the lead sector for poverty reduction through public welfare oriented economic development.

Objectives

1. Co-operatives will be developed as foundation pillar of the economy, through the economic development of the country, small savings mobilization, operation of agriculture and micro enterprises and development of the concept of co-operatives among the general public.
2. Co-operatives will be developed, as a medium to contribute to fulfilling the economic, social and cultural needs of the general public, by developing it as the mechanism of local development, construction and services delivery.

Strategies

To review the existing legislation and institutional framework, in order to make the operation of co-operatives systematic and effective.

To strengthen the inspection, regulation and monitoring aspects for effective good governance, competent administration and fiscal management of co-operatives.

To increase the share capital and access to other financial resources in order to strengthen the economic condition of co-operatives.

To increase the contribution of co-operatives in the development of production, processing and marketing.

To expand co-operative education, training, and information system.

To ensure inclusion of the deprived communities including women, indigenous groups, Adibasi Janajati, Madhesies, Persons with disability, conflict affected people and Muslims through cooperatives.

Necessary concession and facilities will be provide for the promotion and development of the co-operatives sector.

Policy and Working Policies

Existing legislation and rules related to the co-operatives sector will be analyzed and reviewed and new legislation and rules will be formulated.

Regulation and monitoring system of the co-operative sector will be reviewed.

Institutional system of the co-operative sector will be reviewed.

Co-operative accounting and auditing standards, performance indicators, branch making, operational and financial self-sufficiency, will be formulated and launched for managing the transactions of cooperatives. Result-oriented monitoring and evaluation mechanism will be established and implemented effectively.

Arrangements will be made for effective information flow, for transparency of transactions of co-operatives. Co-operatives will be established as competitive, accountable and responsible organization by adopting the public hearing system.

The monitoring of large-scale co-operatives in rural areas by maintaining the limits of regulatory concessions through self-regulation standards and transparency process.

Second tier organization will be formed for the regulation and control of co-operatives.

Co-operative federations will be made responsible for the coordinating role between the government and the co-operative sector by reviewing their structures and scope of work for the promotion of co-operative business.

Members will be encouraged to increase the share capital of cooperatives by themselves and to mobilize internal sources, in order to enhance the fiscal capability of co-operatives.

Structure of the co-operatives bank will be strengthened and development as a wholesale lender and as a banking institution.

Arrangements will be made so that banks and financial institutions can lend on a wholesale basis to co-operatives.

Arrangements will be made to mobilize passive saving capital of cooperatives themselves under inter cooperatives cooperation scheme.

Arrangements will be made to conduct programs through cooperatives in a coordinated fashion by mobilizing the resources available in Rural Self Reliance Fund and Poverty Alleviation Fund.

Local development, construction and social service delivery works carried out by different ministries will also be carried out through co-operatives under the government co-operatives partnership program.

Production, processing and marketing of commodities and services will be encouraged through co-operatives.

Employment and income generation will be increased by production, processing and marketing of commodities and services of the agriculture and non-agriculture sector in remote and rural areas through cooperatives.

Cooperatives and its members will be made capable by generation of non-financial resources for effective market management and operation through co-operatives.

Arrangements will be made to increase the use of commodities and services produced by co-operatives in governmental and other government owned agencies.

Access of Nepalese products in the international market will be increased through inter co-operative cooperation.

Co-operative educations, communication and information management system will be strengthened.

Arrangements will be made to effectively implement the function of policy analysis of the co-operative sector by enhancing the functional ability of the National Co-operative Development Board.

Co-operative federations will be made responsible for professional capacity development and good governance of associated cooperatives by the conduction of co-operative education and awareness enhancement programs.

Co-operatives training will be extended through Co-operative Training Centers.

Special program will be launched to establish, operate and promote the co-operatives with the inclusion of the socially deprived geographical regions, *Adibasi Janajati, Dalits*, conflict affected people, physically disabled, Madhesis, and other groups.

Arrangements will be made to provide concessions in lending through co-operatives for the implementation of the programs for social inclusion.

Presence and representations of women, youths, students and children in co-operatives will be encouraged.

Arrangements will be made for special concessions and facilities for the development of community based co-operatives of remote and rural areas.

Preference will be accorded to public agencies on the sale of commodities and services produced by co-operatives.

Facilitative tax policy will be implemented by reviewing the corporate tax derivation process.

Existing concession facility on infrastructure including electricity required for running its business will be maintained.

Emphasis will be placed on the formation of cooperatives having a single objective according to the nature of transaction and business, for the purpose of classification and specialization.

Emphasis will be placed on increasing the number of members rather than the number of co-operatives federations.

Arrangements will be made to launch co-operative insurance for the protection and security of co-operatives and its members.

Operators of co-operatives who work against the co-operative act and rules and the loan defaulters will be black listed. Similarly, the black listed people will be barred from getting involved in any of the co-operative federation or to make any transactions.

Major Programs

Programs will be launched for institutional strengthening and capacity enhancement of the co-operative sector. Department of Cooperatives will be upgraded with the provision of adequate physical financial and human resources. Additional offices will be established under the umbrella of the department after conducting a needs assessment and provision for staff members will be added.

A separate central unit will be established for monitoring and inspection, and arrangement will also be made to conduct monitoring and inspection through concerned co-operative associations, firms and experts.

Process of incorporating co-operative education in the existing curriculum and establishing separate institutes for formal education on co-operatives from the primary level to the higher secondary level will be initiated.

A Co-operatives Promotion and Education Fund will be established and a certain percentage of net saving of every co-operative will be deposited in the fund, along with additional an amount on the part of the government for the development and extension of co-operative education.

Central Co-operative Training Center will focus in the training trainers. Youth who have passed the bachelor's level and certificate level education will be sent to districts after completing the special training as trainers from this fiscal year.

A Co-operative Education, Information and Communication Center will be established and the Co-operative information management system will be strengthened.

Opportunity will be provided to *Dalits, Adibasi Janajati, Madhesis, Women* Physically disabled and other citizens out of the development mainstream, to be involved in employment and income generation programs in remote and rural areas.

Women will be encouraged to play leadership role in co-operative federations for gender empowerment. A separate gender unit will be established in the Department of Co-operatives to manage gender empowerment. Special concessions and facilities will be provided affiliated membership and students will be encouraged to establish a separate co-operative based on educational institutes.

Development works, social services and awareness campaigns to be conducted by the government at the local level will also be arranged to run through co-operatives of the concerned region and sector.

Large-scale model enterprises will be established in all the development regions in the government co-operatives partnership, on the basis of capacity and possibility of sectoral co-operatives and their associations related with agriculture and non-agriculture.

Business will be operated through co-operatives.

Special co-operative program will be conducted in the Karnali zone.

Retails lending will be provided to co-operatives through a cooperative bank. Initiations will be taken to provide commercial lending to the members of co-operatives operating in rural and backward areas, mobilizing the resources available in Poverty Alleviation Fund and Rural Self Reliance Fund and other facilitative funds.

Legal framework for managing the transactions of the co-operative bank will be developed and launched.

Arrangements will be made for resource retail lending, grant and non-economic cooperation to co-operative federations by banks, financial organizations, government, and donor agencies, with the formulation of the required rules.

Programs like "One village: one co-operative", "One co-operative: one product" will be carried out for specializing production and the distribution of commodities and services through co-operatives.

Arrangements will be made to strengthen domestic and external markets by focusing on the products of commercial and organic farming through co-operatives.

Emphasis will be placed on the formation of cooperatives related with food and other agricultural products that are processed in the terai and herbs, seed, vegetables, fruits, livestock and tourism in the Hills and High Hills.

Co-operative farming and co-operative market networks will support commercialization of agriculture.

Co-operatives will be encouraged to be involved in the sale and distribution of construction materials, consumer goods and agriculture inputs (fertilizers, seeds, chemical pesticides and tools) in remote districts.

The Co-operative Development Board, established to promote cooperatives, will be strengthened. The cooperative Rehabilitation and Stability Fund will be formed with the purpose of strengthening co-operatives by protecting co-operatives from being poor, and protecting the interests of the members.

Self-employment program will be launched for the youth through a Co-operatives Volunteer Plan, so as to affiliate the youth in cooperative federations.

Professional self sustaining groups affiliated to various sectors and areas will be encouraged to gradually convert themselves to cooperatives.

Expected Outcomes

Contribution of the co-operative sector in the GDP will be doubled.

Role of the co-operative sector in providing micro credit, micro enterprise credit and employment oriented credit for mobilization of small savings and the creation of income generating opportunities, will be enhanced.

Situation of social inclusiveness will be substantially enhanced. Participation of women in co-operatives will be substantially increased from 33 percent at present to 42 percent.

Number of co-operatives operated by women will be increased substantially and the representation rate of women in the executive committee will be increased from 15 percent at present to 25 percent.

Co-operatives will be operated with values, norms and principles of co-operatives and the regulatory burden will be reduced, as cooperatives are managed and established organization of the society.

Partnership among banks, financial organizations and cooperatives will be initiated availability and use of resources.

Appropriate mechanism will be development for the formation, operation, regulation and promotion of co-operatives.

New institutional framework for the co-operatives sectors within the government will be established.

Co-operative education will be developed.

Development and social service works will be performed in government-co-operatives partnership.

Commercialization of agriculture will be supported by the cooperative collective farming system.

Implementation, Monitoring and Evaluation Arrangement

Detail study will be conducted on institutional reforms, legislation and regulatory reforms, cooperative education and training, inclusion, business promotion, and development of the monitoring system in the first year of the three year interim plan and will be conducted from the second year onwards.

A coordinating mechanism will be developed, comprising of office bearers of the government, cooperatives, banks and the financial sectors at the ministerial level, to implement the program.

An action plan will be developed assigning the clear-cut responsibility of the Ministry/Department of Co-operatives, the National Co-operatives Development Board and the Co-operatives Association.

Arrangements will be made to build a partnership among the government, co-operatives and the private sector for the implementation of targeted programs.

Institutional arrangements will be developed according to the strengthened devolution system.

Co-operative management information system will be developed and utilized for the purpose of monitoring and evaluation.

On site inspection will be carried out on the basis of information gathered from off-site inspection, keeping in view self regulation for monitoring, PEARLS rating and regulatory limits.

National Co-operative Federation, Central Federations and District Federations will be involved and made responsible for good governance of co-operatives./

Arrangements will be made for carrying out on-site and off-site inspection through the Ministry/Department, Co-operative officers themselves and/or also through experts.

Arrangements will be made for the participation of stakeholders in analyzing the progress of annual programs. Effectiveness of programs will be evaluated on the basis of progress analysis.

Website of the co-operative sector will be strengthened and updated and will be made easily accessible to all stakeholders.

Coordination committees will be formed in the Ministry/Department and devolved agencies with the objectives of effective operation of implementation, monitoring and evaluation.

2.3 Review of Related Studies in Nepalese Context

A study undertaken by Pokhrel (1988) aimed at reviewing the overall situation of cooperative movement of Nepal. According to this study, all most all of village of 30 districts, were covered by Sajha societies up to 1983/84. Out those societies 41.20 percent were of Terai region and 58.8 percent were of hilly region. The study concluded the following problems being faced by the cooperatives in Nepal.

- 1) Lack of cooperative education and training
- 2) Lack of fund
- 3) Lack of spontaneity towards cooperation
- 4) Lack of lonely service
- 5) Lack of efficient management
- 6) Political interference
- 7) Public apathy
- 8) Lack of specific and stable policy
- 9) Lack of central level of organization
- 10) Absence of good process of loan disbursement and payment.

This study was an in-depth study performed covering all aspects of cooperative movement in Nepal. This study emphasized on the role of Sajha Societies for rural development in Nepal. The financial resources, utilization of funds and marketing

activities reveal that there is a great need for revitalization in order to make the movement strong and stable.

A study conducted by Koirala(1977) on "development of Nepal through cooperative" has concluded that Nepal would be self sufficient and she need not depend on foreign loan and if cooperative is developed well. The study has pointed out the problems being faced by the cooperatives as such:

- 1) Poor management
- 2) Incomplete records
- 3) Lack of trained personnel
- 4) Failure to interact with cooperatives
- 5) Wrong utilization and wastage of inventories
- 6) Lack of technical guidance

He has suggested that due attention should be given by all concerning authorities and a close supervision and constant guidance should be done by the concerned authorities. He has also suggested for diversifying the pattern of cooperative development as well as strengthens the base of structure. He is very hopeful that there will be all-round development of Nepal through cooperatives in near future.

Ojha (2059 B.S) conducted a research 'Loan Recovery Approach to the Performance Assessment of Micro-credit Projects for Woman in Pokhara' with the objectives of examining the performance and secondary information. The major findings from this study were the success of program by lending to group members than individual in numbers. Training at different level impacts on the execution of professional activities and majority of participating women will get facilities and chance to be literate.

He recommended that NGOs are not able to include the entire target women and failed to meet the required criterion of lean repayment and amount of overdue remained high. But cooperatives are working in rural area and reaching to the grass root level of illiterate, innocent and economically poor women. So to attract the poor people to the productive

sector and to increase the investment in agriculture sector, cooperatives play a vital role. Co-operative can mobilize the rural women in worthy activities and support to increase national income.

Bastola (2008) has written in his article "Purbaki Sahakari Netri" Cooperatives not only generate income to its member but also taken overall responsibility if them. In Nepal multipurpose cooperative are in practice, they inspire the villagers for modern agriculture system, to get off seasonal vegetable and professional animal husbandry. They promote the production in market and arrange the sales at reasonable rate.

Besides this, cooperative is working for social welfare also. It is acting for the development of leadership skills of the women informal education providing health service through health campaign and other skill-oriented training is also given to rural women. Thus cooperative organizations are bringing revolutionary change to the life rural women.

Acharya (2064 B.S) has mentioned in his article "Transparency in cooperatives: Essential for good governance." Cooperatives are crucial to the economically poor and exploited people. In our country more than 80% people live in rural area, which do not have proper and reliable source of income. In such country cooperative is the means to motivate the people to work together for their common benefit. It encourages the people for compulsory saving and takes the responsibility of mobilizing that small saving in productive field. It develops feeling of coordination mutual help for self-help and aids to increase national GDP, per capita income and ultimately support for national development.

In an article Sharma (2064 B.S.) has written that the movement of cooperative started from 2010 B.S. but it has not been successively reached to women yet. But one thing is to be considered that the participation of women in cooperative is a relatively more than that of other government and non-government sectors. The cooperative act 2048 has enhanced inspiration and freedom to cooperatives. Due to this women also started to involve and

participate in cooperatives and also started to make different kinds of women cooperatives and groups to enhance their socio-economic condition. Similarly the cooperatives operated by women are effective and they have low risk in the relation to others.

An article written by Pabitra Subba and Devi Dahal (2066 BS) entitle '*Sahakari Sastha Tatha Mahila Sasaktikaran*' represented participation of women in a cooperative named Satasi women agricultural cooperative. The article states that women are engaged in different jobs like bee-keeping, small business and other agricultural works. The article further states that in the structure of Satasidham V.D.C. 2289 are engaged in agricultural work, 34 in productive work, 309 in business 52 in transportation jobs, 310 in services and 289 in other jobs are engaged out of 3292 households. Among them 49 in agriculture, 40 in small business, 53 in bee-keeping and 19 in labour works, are engaged through the Satasi women cooperative.

An article, '*Mahila Sasaktikaran ka lagi sahakari aandolan*' by Muna Ghimire, has presented that in curent situation, women are doing hard to be able and get equal position, but due to family condition, illiteracy, household works etc. women are not able to use their skills and their abilities. The cooperatives have become an inspiring source because it opens the door for the participation for all and stat small and cottage industries and business and self suitable works, which helps to enable their livelihood and to develop the socio-economic condition of nation. If we glimpse over the statistics of women participation in cooperatives it has increasing trends. In FY 2063/64 around 25000 women were involved in different cooperatives of Jhapa. Similarly more than 29 cooperatives are leaded by women.

As envisioned by the Interim Constitution 2063, the cooperative sector has been recognized as one of the three pillars of development along with the public and private sectors. Various policies and programs mentioned in the approach paper of the Interim Plan (2064-67) have considered co-operatives as the medium of economic, social and cultural development through savings mobilization and increase in investments to

restructure and strengthen the cooperative software, aimed at rural development. With this background, this plan, with a long-term vision on the co-operatives sector, has been formulated. At present, Nepal has 9,720 primary co-operatives, 5 central federations, one national co-operative bank and 133 district and sectoral federations. Altogether 1 million and 251 thousand members are associated with those cooperatives and their associations, including 33 percent women members, annual transaction of the co-operative sector amounts to approximately about Rs. 50 billion. The share capital of cooperative societies amount Rs. ,1040 million whereas balance of savings and investments amount Rs. 20 billion and Rs. 24 billion respectively. According to an estimate, the transaction of these cooperatives has a contribution of approximately. 1 percent in the GDP. Some 15 thousand people are directly employed in this sector. The plan has made some strategies for the development of cooperative like, to expand co-operative education, training and information system, to ensure inclusion of the deprived communities including women, indigenous groups, Adibasi Janajati, Madhesis, person with physical disability, conflict affected people and Muslims through cooperatives necessary concession and facilities will be provided for the promotion and development of the co-operatives sector etc.

Bhattacharai *2011), has conducted a study on *"The participation of women decision making process of co-operatives as a study of mangaldeep saving and credit and hatemalo saving and credit cooperative of Budhabare VDC, Jhapa"*. The general objective of this study is to identify the participation of women in decision making process in cooperatives. The study was based on primary as well as secondary sources. Out in the study it is found that the participation of women in cooperatives cooperative is lower than that of male. Similarly the participation of women in cooperative's decision making level is very low. Although the saving and debt situation show comparatively sound situation that all the women member save in cooperative and altogether 78% of women member have borrowed from cooperative for business, agriculture works etc. The cooperative has made the member to unite themselves and increased the feelings of togetherness. This sector has significant impact on the life of the women by proving various facilities such as micro financing-saving and debt, dividends, different training, education about cooperatives, leadership training etc, the cooperatives has been uplifting the socio-

economic status, life standard of members. In this scenario, different sectors like small business, agriculture, cottage industries etc. can be developed through cooperative. Moreover, women and backward people can develop and able to show their talent through cooperative because it is such a institution which is organized on grass root level and by integrating the people of same socio-economic level.

Raskoti (2012) has carried out a study on *"Impact of Siddhartha Multiple Cooperative Limited on Employment of Women as a Case Study of Siddhartha Multiple Co-Operative Organization Limited Birendranagar, Municipality Surkhet."* The overall objective of this study is to assess the present role of Siddhartha Multiple Co-operative Organization Limited. The general objective of this study is to find out the role of micro finance in women empowerment.

From the study it was clear that the most of the population of Surkhet Valley has still remained largely poor, specially 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 in social as well as economic activities before the establishment of Siddhartha Multipurpose Co-operative Organization Limited. Similarly the economically active population (age group 16-59) indicates that the possibility of active participation of female in the areas of economic productivity if the women are given chance. After the implementation of SMCO programme women have an easy access in the economic sector. SMCO 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 possibility than before after the establishment of SMCO. 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 SMCO

CHAPTER-THREE

RESEARCH METHODS

3.1 Selection of the Study Area

Gaindakot has been proposed to announce the first model cooperative village in Nepal in 2065 (National Cooperative Union). Total 28 cooperatives has been established in Gaindakot among them most of the cooperatives are saving and credit cooperative, and rest are multipurpose, milk production, herbal product, cooperative, education and health. However these all focuses to equitable development of the society (Division Cooperatives Office's, annual profile-2067 B.S., Nawaparasi) .

Being myself local inhabitant I am aware that, these cooperative are playing vital roe to the development of the Gaindakot VDC. Most of these cooperatives had established on the initiation of NGOs and INGOs during their program period aiming the Equitable Development of the Society were implemented. In cooperatives there is an equal right on its share member however it ignore the numbers of the share (By law). That is why cooperatives are known as the inclusive organization although there has not been authentic source of verification of their inclusiveness,. At present many of the media and publication have started coverage of news and article about the expansion of cooperatives in Gaindakot, even in national and international level. As per the essence of the demand of the subject, the researcher conducts regarding how these cooperatives in Gaindakot are contributing for inclusion of women to empower then at community and wider level. Therefore, the site is suitable for the researcher to find the pattern of inclusion of women in cooperative management.

Three cooperatives have been selected as the study sites with taking following method. First of all from the data of cooperatives available from Division Cooperative Office, the cooperatives renewed, the cooperatives having less than 100 share members, cooperatives which are approved less than two years ago, that are now discarded from the list with the assumption that these type of cooperative have not significant impact on community. Then, from the remaining list of cooperatives three saving and credit cooperatives are randomly selected by lottery method.

3.2 Research Design

The research design is descriptive and exploratory in nature. It is exploratory because the study has tried to explore existing pattern of women participation in Cooperative Management. On the other hand, it is descriptive research design since it enabled the researcher to present a clear view of the condition and position of women in cooperative.

3.3 Universe and Sampling

The researcher selected Gaidakot VDC for the area of study, three cooperatives are taken as sample. There are 28 cooperatives in Gaidakot VDC out of them 20 are saving and credit cooperatives. Three saving and credit cooperatives, i.e. Vyccu Saving and Credit Cooperative, Kishan Saving and Credit Cooperative, and Gaidakot Saving and Credit Cooperatives are taken as a sample on the basis of their share members, renewable status and coverage. In total 50 women were selected from the three cooperatives for study purpose. Among the 15 women, selected randomly from two cooperatives respectively and 20 women selected by one cooperative. The rational behind the selection is due to the different number of female members of the cooperatives. The sample number constitutes 2% of the total female members of each cooperatives. Some of the key persons of related cooperatives are interviewed for the information. Likewise publication i.e. annual report, browser, bulletin were collected for the secondary data. The researchers got the views of 50 women in order to get the data about the women participation, and their role and perception to respective cooperative and impact.

3.4 Sources and Nature of Data

3.4.1 Primary Data

Study is base on the primary and secondary data, which are collected through questionnaire through by using pre instructed question. Among the 50 Numbers from the three selected cooperatives are the women clients. Structured and semi structured questionnaire has been designed for to explore the level of women participant and level of empowerment of the women in Cooperative Management.

3.4.2 Secondary Data

Secondary data has been collected through published and unpublished report of the Division Cooperative Office, office of related cooperatives, annual reports of the cooperatives, NEFSCUN other relevant NGOs, INGOs Offices and other published and unpublished relevant literatures, related to cooperatives and cooperative management.

3.5 Techniques of Data Collection

Both, quantitative and qualitative data are collected using various methods such as interview, household survey case studies and key informants interview. The techniques for the collection of data of the study are as follows.

3.5.1 Key Informant Interview

For the key informant interview, selected people were interviewed who involving in cooperative management from the selected area. Mostly president and managers of the cooperative has been selected for the key informant interview.

3.5.2 Semi Structure Interview

Target group interviews are carried out for the primary data. All the interviewee were the women who have their membership in the cooperatives. The total numbers of interviewee is 50 from the selected three cooperatives. The interview is carried out by visiting them randomly in household level. Some demographic and socio economic information is collected during the interview along with the interview along with the interview try to scratch perception of women in inclusiveness of the cooperative management and its impact.

3.6. Presentation and the Analysis of the Data

All data information gathered through various sources mentioned were analyzed and interpreted both qualitatively and quantitatively. After the completion of the fieldwork, data analysis and presentation was one of the essential mechanisms off the research. The quantitative analysis has been presented in the simple statistical tools such as graphs, table and percentage, diagram etc. In the same way qualitative data have been presented in descriptive way. Figures and tables have been used in relevant places to present the information

CHAPTER-FOUR

INTRODUCTION OF THE STUDY AREA

4.1 Nawalparasi District

Nawalparasi district, which is 150 K.M. far from the capital city of Kathmandu, belongs to the western development region of Nepal. It is situated at the bank of the Narayani River. Nawalparasi is one of the district of Lumbini Zone where Lord Buddha has born. On the basis of political boundary, it is bounded by Chitwan district in the East Rupandehi district in the West, Palpa and Tanahun district in the North and India's Uttar Pradesh and Bihar in the South.

Paddy, maize, wheat, millet, barley are the main cereal crops and potato, oil seed, sugarcane, garlic etc are the major cash crops. Orange, pineapple, mangoes, banana, guava, papaya etc fruits are the major exports of this district.

Mainly Brahman, Chhatri, newar, Gurung, Magar, Kami, Damai, Tharu, Kumal, Sarki, Thakuri, Kshetri have been dwelling in Nawalparasi district, most of Madheshi are residing in Bhitri Madhesh and Terai Pradesh of this district. In this district Hindu, Buddhist, Muslim, Christian are mainly religion which people follow up.

In spite of, some national and multinational companies, there are good opportunities for job in this district. Mostly people are engaged in agriculture. There are various NGOs/INGOs in this district. They are giving good opportunity of job for the people of this district. They have been organizing many program organized for people like; informal education, women empowerment, HIV/AIDS awareness program, Health, Agriculture, education, sanitation and some program for women and deprived groups.

4.2 Gaidakot V.D.C.

Gaidakot VDC is situated between the high dense forest in the West and North and the same time it is located in the East and South geographically. It touches Narayangarh market of Chitwan District in East. Mahendra Highway passes 9 km. East and west in this VDC. The number of total household in Gaidakot VDC is 4,548 where the total number of population is 21,746 (*VDC Gaidakot*).

There is good facilities like education, health, transportation, drinking, irrigation, electricity and many job opportunities. There are so many schools, boarding and colleges in this VDC. There are 5 primary, 3 lower secondary, 9 secondary, 10 higher secondary school and 3 colleges (*VDC Gaidakot, 2012*).

4.3 VYCCU Saving and Credit Cooperative Ltd.

VYCCU has a sole-purpose, (working in the field of saving and credit) cooperative institute in its infancy. Following the international credit union principles, it has been collecting savings from its shareholders, offering a certain amount of interest on the savings and lending money to its shareholders at reasonable interest rate.

This institution has established on the 5th of Bhadra in 2048 B.S. with the active participation of 26 shareholders. At present, it is running after having been registered under Cooperative Act 2048 and Cooperative Regulation 2049 at the co-operative institute in Nawalparasi in the year 2050.

Established with the ideal motto of 'saving is the seed of development', thus this cooperative has been initiated with 50 paisa daily saving per head. The aim of the institute is to emancipate the society from the prevalent poverty, illiteracy and indulgence and to develop the good habit of saving and thus mobilize the same saving among the shareholders to encourage small-scale entrepreneurship. The institution is managed by an independent body named Executive Committee of eleven members elected from the General Assembly for tenure of three years. The operational head (Manager) is responsible for the VYCCU Saving and Credit Cooperative. Micro Save-Market-led solutions for financial services day to day administration reports to the Executive Committee. General Assembly also elects sub-committees for supervision of accounts and loan. VYCCU had its Head Office at Gaidakot and a service centers at each target VDC. As on June, 2010 VYCCU is operating in five VDC, namely, Gaidakot, Mukundapur, Amarapuri, Rajahar and Kawasoti.

Mission for VYCCU is "Setting up of an institute based on co-operative principle and financial capability. Mobilization of local resources will administrate institute devoid of all social discrimination. Emphasis on social unity and development of humans as well as material prerequisites", where, Vision of VYCCU is "Establishment of pioneer financial institute based on social justice, public credibility and imitable self-reliant community." VYCCU's mission and vision is to utilize the local resources optimally baed on cooperative principles and bring in a positive change within the members by proving affordable saving, credit and other related services. VYCCU believes that "savings is the seed of development" and campaign savings habit among its members. (*Annual report and website, 2012*)

4.4 Kishan Saving and Credit Cooperative

Kishan Saving and Credit Cooperative has been established in 2052. In Gaidakot ward No. 8 of Nawalparasi district through the local peoples initiations. It provides different facilities targeting to pro-poor, poor, as middle class farmers searching the possibilities of development of the community. Vision of the Kishan Cooperative is "Community based qualitative and sustainable financial service provider an excellent SACCOS". "Where the mission of this cooperative is "To provide modern technical based qualitative, competitive, easily available financial and other services for improving Socio-culture and economic status of members". Kishan Cooperative has different women focused program. It provides the vocational training to the women and deprived share members as well as it provides the saving and credit facilities to the share member. (*Kishan annual report, 2012*).

4.5 Gaidakot Saving and Credit Cooperative

Gaidakot Saving and Credit Cooperative is established in 2050 B.S. at Gaidakot VDC. This cooperative is running on its 19th year of establishment. It has started with Rs. 50 per month saving for share members at the beginning. It has total 1811 share members where 978 are women. It provides different facilities to the share members. Gaidakot Saving and Credit Cooperative has its program based on saving and credit. It organizes awareness program, training to the share members as well exposure visit to the share member.

Gaindakot Saving and Credit Cooperative have been managed by the 11 member's executive committee elected by its share members through the general assembly in democratic way. Open membership to the permanent resident of it working area is applied for the membership distributions. (Annual report, 2012).

4.6 Demographic Information of the Respondent

4.6.1 Distribution of Respondent by Age Group

Of the total respondent maximum which is, nearly 40% of the respondent are age group 35-40 years where minimum of the respondent are from age group 18-25 years and 50 years and above are the same by 3.45% respondent from age group 25-30 years and 40-45 years were same, which is a little bit more than 10% where respondent from age group 30-35 years is 17.24% (See the table 1).

Table 4.1 Distribution of Respondent by Age Group

Age Group	Number	Percentage
18-25 year	2	3.45
25-30 year	5	10.34
30-35 year	9	17.24
35-40 year	19	37.96
40-45 year	5	10.34
45-50 year	8	17.24
50 year above	2	3.45
Total	50	100

Source: Primary field survey 2013

4.6.2 Castewise Distribution of the Respondents

Of the total almost three fourth of the respondent are from the Brahmin where Chhetri and other are very few comparing with the Brahmin. Total respondents are from the Brahmin community were by 72% where Chhetri and other are only 3%. Respondents are from Dalits are more than double comparing with Chhetri and others which is 7%.. at the same time respondents from respondents are from the Janajati Communities were 14% which is double than Dalits.

Table 4.2 Caste wise Distribution of the Respondents

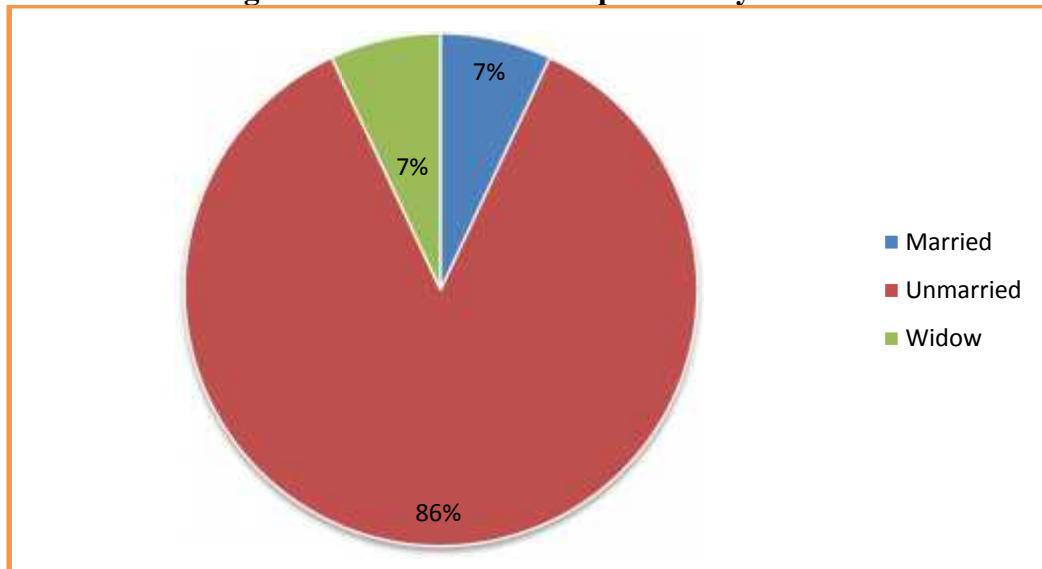
Caste and Ethnicity	Number	Percentage
Brahmin	36	72
Chhetri	2	3.5
Janajati	7	14
Dalit	3	7
Other	2	3.5
Total	50	100

Source: Primary Field Survey, 2015

4.6.3 Marital Status of the Respondents

Of the total, maximum respondents are married which is 86%, where unmarried and widow respectively are 7%.

Figure 1 Distribution of Respondent by Marital Status

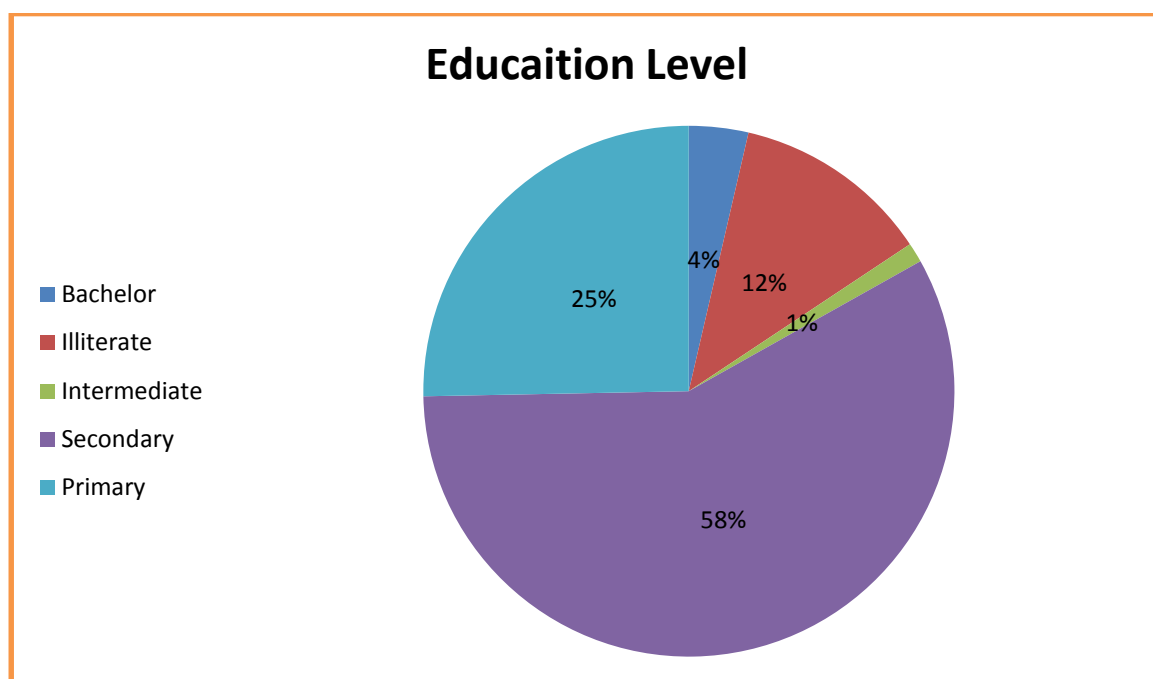


Source: Field Survey, 2013

4.6.4 Distribution of Respondent by Education

Of the total, around 50% of the respondents have secondary level educational qualification where only of the respondent has their qualification of Bachelor's Degree. Respondents who have their qualification of Intermediate Level and Primary Level are nearly equal, where 10% are literate. Respondents who have completed their primary level education were 21%, where respondents who have completed intermediate are represented by only 17%. (See figure no.2).

Figure 2 Distribution of Respondent by Education



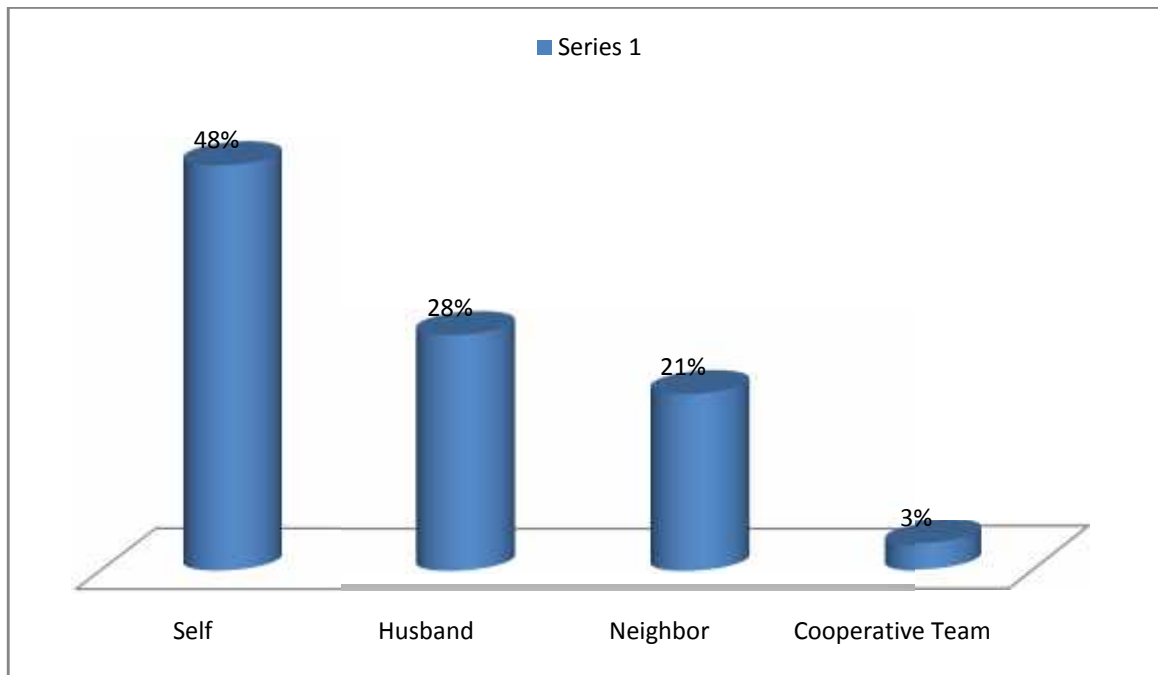
Source: Field Survey, 2013

4.7 Perception of Women on Impact of Cooperative Management

4.7.1 Factor of Motivation to Women in Cooperative Management

Answering the question, who motivated you to get the share membership in cooperative? Almost 50% of the respondents say themselves where 28% respondent says that there is role for their husband to get share member in cooperative. On the same question around one fifth of the respondent took the share membership in cooperative being motivated by neighbor where a very little percentage respondent got motivation by cooperative management team (See Figure 3)

Figure 3 Factor of Motivation to Women in Cooperative Management

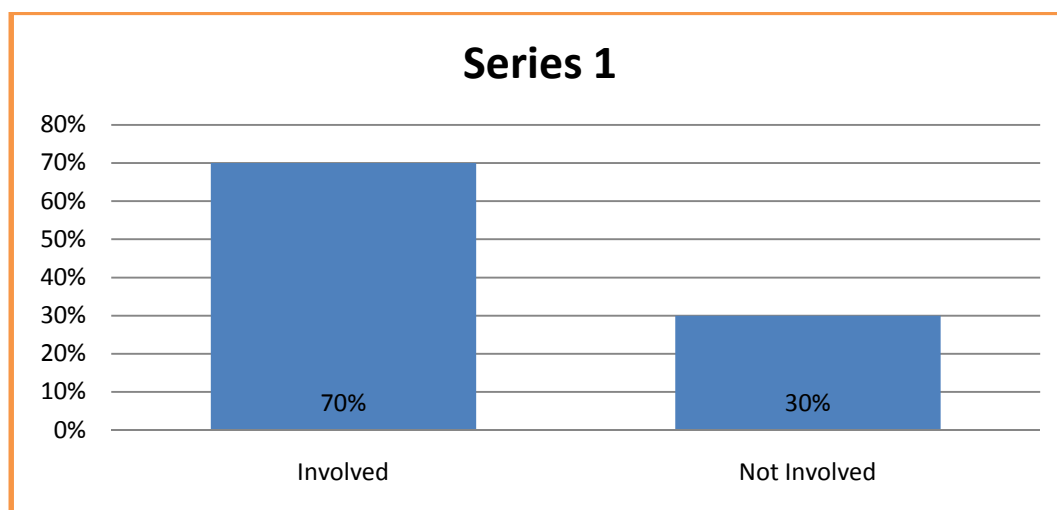


Source: Field Survey

4.7.2 Distribution of Respondent by Involved in Decision Making Process of Cooperative Management

Of the total respondent, maximum people have been involving in cooperative management committee. Only nearly 30% of the respondents say they are in the management committee, where more than 70% of the respondents are never involved in cooperative management committee. At the same time, maximum respondents who are not involving in cooperative management committee say that they lack time because of house work where some of the respondents say lack of idea is the main barriers for them. (See Figure 4)

Figure 4 Distribution of Respondents by Involving in Management Committee



Source: Field Survey, 2013

4.7.3 Opportunities Distribution Pattern to the Women

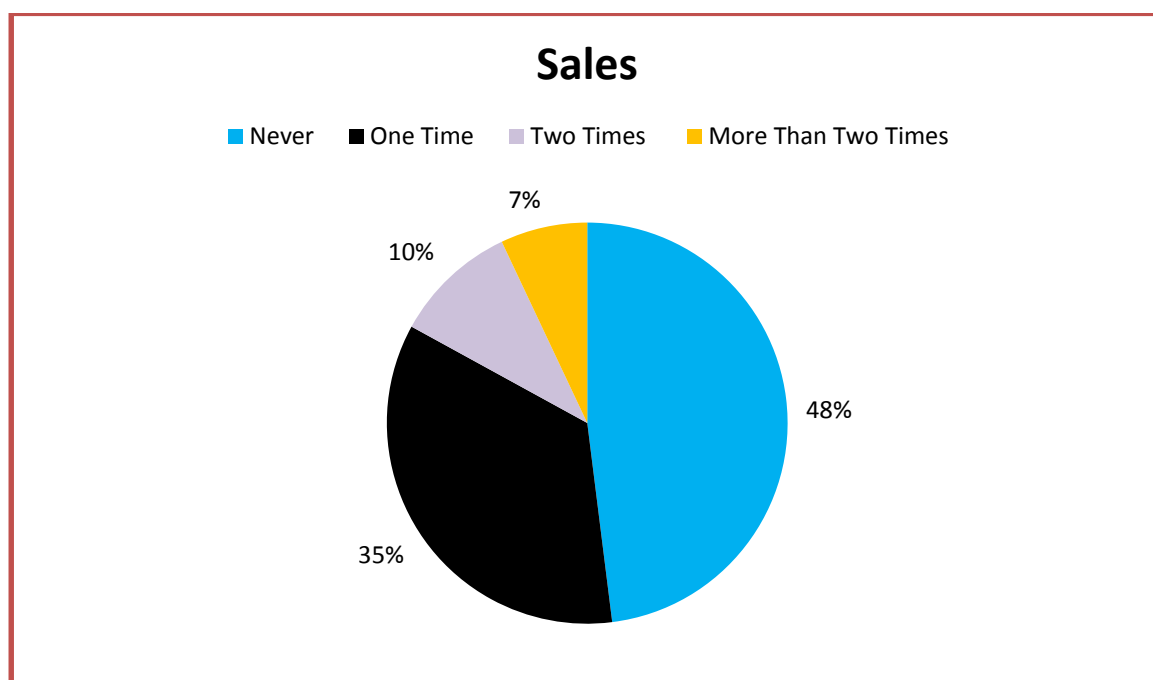
Of the total nearly half of the respondents say that they have never received opportunities of training from their respective cooperative for capacity and skill development. 48 percentage of the respondents told that they did not receive any kind of opportunities of trainings. Very few of the respondents told that they received trainings more than two times. Most of them who received opportunity of training more than two times they were involving in the Management Committee of the cooperatives. Respondents who have received opportunity of trainings only one time is 35% however, only 10% told that they received opportunities from the cooperative. Most of them who never received opportunity of capacity building from the cooperative are those who were not involving in cooperative management committee. It show that women who do not have their access to decision making process they lack from the opportunities. Most of them who received opportunities they have got local trainings only. At the same time most of the respondent told that women are always priorities to the local level however generally for national level trainings, male comes in priority. As respondents claim, the cause of these problems are because of existing patriarchal culture in the society and most of the women have problem that they cannot leave the house always because have to do many house work and they have major respondent of childcare.

Table 4.3 Opportunities Distribution Pattern to the Women

Training Opportunities	Number	Percentage
Never	24	48
One Time	18	35
Two Times	5	10
More Than Two times	3	7
Total	50	100

Source: Primary Field Survey, 2013

Figure 5 Distribution of Respondents Received Opportunities of Trainings



Source: Field Survey, 2013

Bishnu Maya (45 yr) of Gaindakot now have her own business of cosmetic shop and tailoring, her husband and herself are enjoying together on same business, she say" at the beginning I neither have money to run the business nor land for deposit for loan, I got help from my two friends as witness and I took loan from the cooperative Rs. 1500 and bought a tailoring machine and started my business, now I have expanded it and enough for my family need."

4.7.4 Perception of Women on Inclusiveness of Cooperative

Figure No. 6, shows that nearly 80% of the respondent think that their cooperative is inclusive however, only 10% of the respondent told that their cooperative is not inclusive at the same time same numbers of the respondents told that they have no idea on it. Answering the question why do you think that your cooperative is inclusive? Most of the respondent who think that their cooperative is inclusive, told that cooperative provides loan to the women and cooperatives are in the their own community.

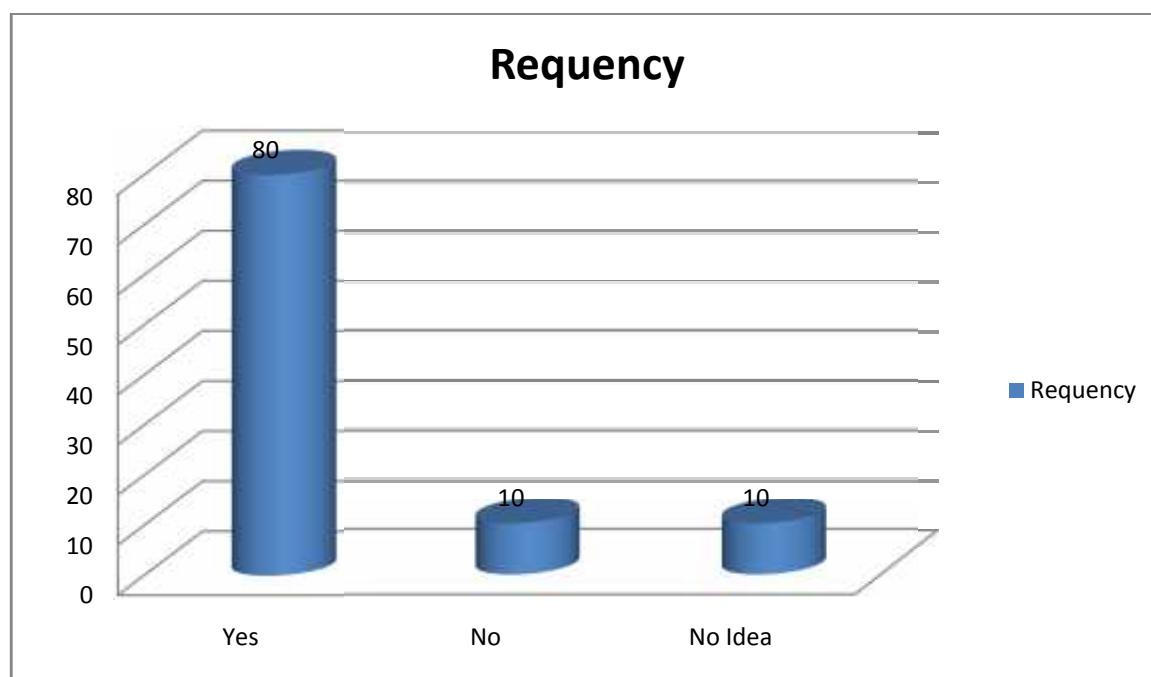
That's why they have easy access on it, even if cooperatives provide loan without any deposit of land or other property, there is facilities of on the witness of other share members. Manager of VYCCU Saving and Credit Cooperative, Mr. Madhav Poudel told " we have facilities of loan to women without any deposit we up to 50 thousand only they have to bring four more share members as witness for the Economic empowerment." Some of the respondents told that cooperative organized many programs from women, and other deprived communities. Saving facilities is also helping them to save their money so that they can bring it any time when it need. They do not have to be worried for protection of their money.

Table 4.4 Women on Inclusiveness of Cooperative

Women on Inclusiveness	Number	Percentage
Yes	40	80
No	5	10
No idea	5	10
Total	50	100

Source: Primary Field Survey, 2013

Figure 6 Perceptions of Women on Inclusiveness in the Cooperative Management



4.7.5 Perception of Women on Impact of Cooperative at Household Level

Figure 7 shows that how the respondent women perceived the changes on their personal life at HHs level after the connected with the cooperative and after getting facilities from cooperatives either that is for capacity building of economic empowerment either using their own saving for income generating (IG) activity or talking loan to invest for the IG activity. Of the total 48% respondent feel that they have good access to resource after they became share member in cooperative where only 14% of respondent had good access to resource at HHs level before. More than 50% women claimed that, before that

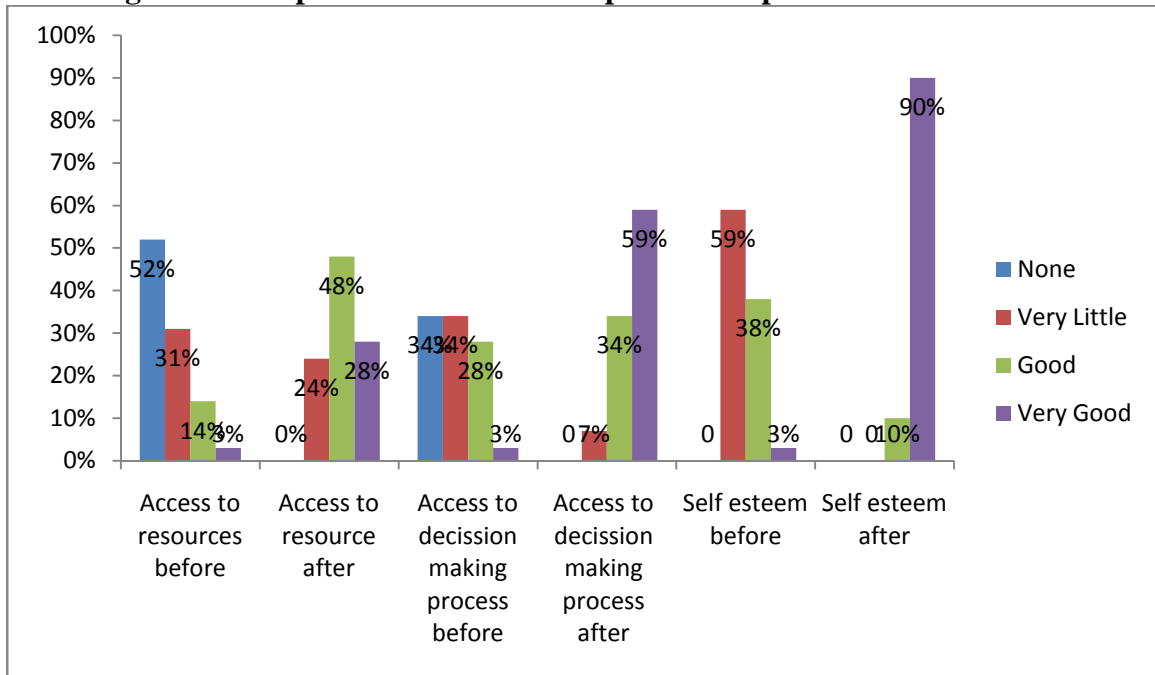
they use to be out of access from the resources at HHs level, where after involvement in cooperative no one in the none category. Figure shows drastic change on decision making process after the involvement in cooperative. Respondents claimed that they have got good respect from the family when they start to contribute HHs expenses through their own income. Nearly 60% of the women feel that they have very good access on decision making process where it was only 3% before. More than that around 90% respondent feel they have very good respect from in HHs level after involvement in connected with cooperative. Where before only 3% of respondent used to feel self respected at HHs level. It shows that cooperative has played good role to empower the women at HHs level.

Table 4.5 Perception of Women on Impact of Cooperative at Household Level

S.N	Description	Very good		Good		Very little		None		Total	
		%	No.	%	No.	%	No.	%	No.	%	No.
1	Access to resource before	52	26	14	7	31	16	3	1	100	50
2	Access to resource after	28	14	48	24	24	12	0	0	100	50
3	Access to decision making process before	34	17	28	14	35	18	3	1	100	50
4	Access to decision making after	59	29	34	17	7	4	0	0	100	50
5	Self eastern before	59	29	38	19	0	0	3	2	100	50
6	Self stern after	90	45	10	5	0	0	0	0	100	50

Source: Field Survey Interview, 2013

Figure 7 Perception of Women on Impact of Cooperatives at HHs level



4.7.6 Perception of Women on Impact of Cooperative at Community/Society Level

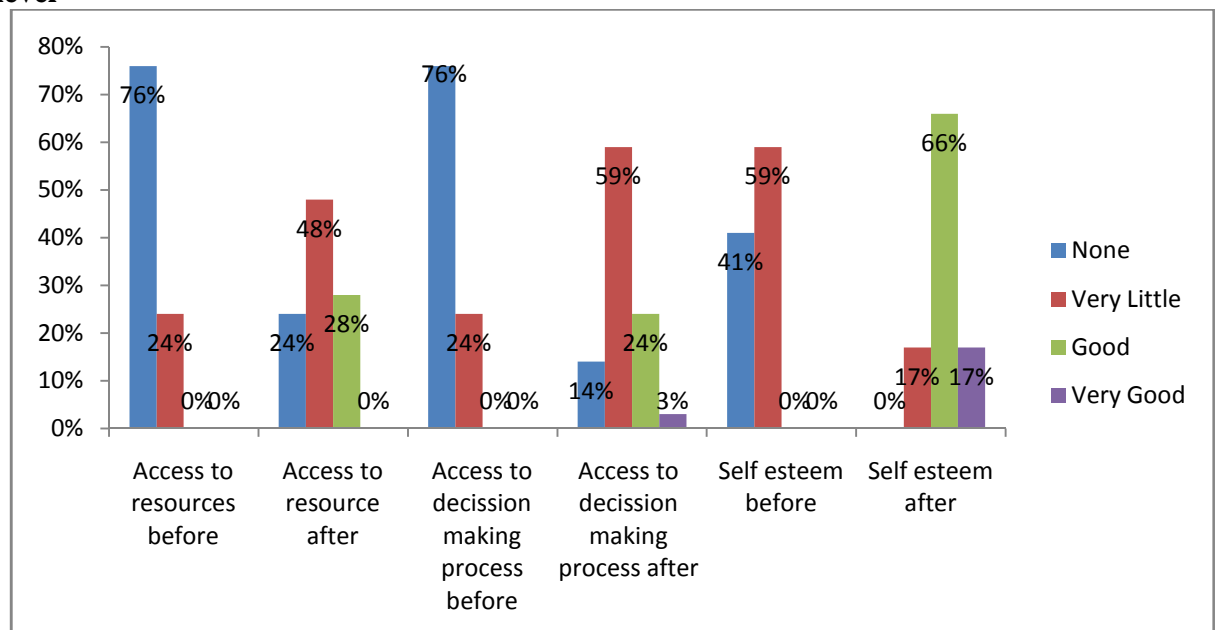
At the time of interview they have got slightly change in the change in the access to resources after they connected with cooperatives, however, there is no drastic change on access to resources at community level, nearly 30% claimed that they have god access in the public resources. Nearly 80% of respondent claimed that they do not of the access on public resources before, which is reduced by around 60% after involved in cooperative. Only 24% claimed that they don't have had any changes on access to public resources even after involvement in cooperative. Of the total respondent 24% have their claim that they gained good access on decision making process after involving on cooperative where, they did not have any access in community level decision making process? They have their claim that now a day they started to get invitation. Most of the respondent told that they became familiar to the community at the time of cooperative visit, where general assembly and meetings of the cooperatives became the mean of introduced each other, friends circle is increased among the share members of the cooperative. Nearly 70% of the respondents have felt that they have got god identity after involved in cooperative, which supports them to develop the leadership in the community/society.

Table 4.6 Perception of Women on Impact of Cooperative at Community/Society Level

S.N	Description	Very good		Good		Very little		none		Total	
		%	No.	%	No.	%	No.	%	No.	%	No.
1	Access to resource before	0	0	0	0	24	12	76	38	100	50
2	Access to resource after	0	0	28	14	48	24	24	12	100	50
3	Access to decision making process before	0	0	0	0	24	12	76	38	100	50
4	Access to decision making after	3	2	24	12	59	29	17	7	100	50
5	Self eastern before	0	0	0	0	59	29	41	21	100	50
6	Self stern after	17	9	66	33	17	8	0	0	100	50

Source: Field Survey Interview, 2013

Figure 8 Perceptions of Women on Impact of Cooperative in Community/Society level



Source: Field Survey Interview, 2013

4.8 Representation of Women in Cooperative Management

In total (48.13%) 13012 women are participating in the cooperative as a share member out of total (100%) 27035, where male are 14293 (51.87%) in Gaidakot it shows that participation of women in the cooperatives is lower than it is in the district. If we see in the representation of women in cooperative management executive boards it still remains the same as membership. Only 61 (42%) women have their access on decision making process of cooperative management where 84 (58%) are male out of the 145. Out of all 28 cooperatives only 6 women leaded cooperatives is exist where the 22 male lead the rest of the cooperatives. It shows that women have less participation on the decision making process than male in Gaidakot based cooperatives. Same trend shows in the employment opportunities in the cooperative, in total cooperatives of Gaidakot, 145 staffs perform in cooperative management where only 61 women are women in comparing with this 84 male have their opportunities of employment. However, increment of women share member comparing with the in 068/69 is in the same as male in the district opportunities of training provided by the division cooperatives office to the women is very less than to the male from different cooperatives where in the year 0068/069 only 12 women got the opportunities to be participated in the training from the out of district where 30 male have got opportunities to be participated in the trainings. Division Cooperative Officer of Nawalparasi district Bashu Dev Bhattarai says "Most of the women have to handle household management and low literacy rate of the women also the cause of the low level of participation." (See table 3)

Table 3 Overview of Participation in Cooperative Management

Area	Male	Female	Total
Membership of cooperatives in Gaidakot	14293	13012	27305
Staffs of cooperative in Gaidakot	84	61	145
Executive members of Cooperative in Gaidakot	195	89	284
President of Cooperative in Gaidakot	22	6	28
Membership of Cooperative in Gaidakot 067/68	60939	52242	113181
Membership in Cooperatives of Nawalparasi District 0068/69	65478	76370	141848
Participation in Training from out of the out of the District	30	12	42

Source: Division Cooperative Office, Nawalparasi 2069 B.S.

4.8.1 Pattern of Access to Decision Making Process in Cooperative Management

Analyzing related documents of three cooperatives i.e. Vyccu Saving and Credit Cooperative Ltd, Gaindakot Saving and Credit Cooperative and Kishan Saving and Credit Cooperative in Gaindakot. All these three cooperatives are leading by the male presidents where each of them has more female share members in general. Not only the president vice president, secretary, treasurer, and joint secretary which are known as vital posts, all are occupied by male members in these cooperatives. (See the table). Among the members in executive committee, total 11 where, still 19 male members are holding the members position. This scenario shows that women have very low access to decision making process of the cooperatives. Each and every member has equal right to be elected for executive committee (International theory of cooperatives) but, there is lacking of such a practice in the cooperatives of Gaindakot.

Table 4 Current Situation of Position Holding in Cooperative Management Committee

S.N.	Position	Male	Female
1	President	3	0
2	Vice President	3	0
3	Secretary	3	0
4	Treasurer	3	0
5	Joint Sec.	3	0
6	Member	19	11

Source: Annual Report of Three Selected Cooperatives.

4.8.2 Pattern of Leading Position Holding on the Subcommittee

Leading in the different subcommittee is one of good indicator of access to decision making process. Among three selected cooperative, in four subcommittee i.e. account subcommittee, loan subcommittee and education subcommittee are leading by male and only women empowerment subcommittee in all three cooperative are leading by women. This shows that women have limited access in decision making process comparing to the male is like uncountable. (See table 5)

Table 5 Current Situation of Leading Position Holding in Subcommittee

S.N.	Position	Male	Female
1	Account & Supervision	3	0
2	Loan Subcommittee	3	0
3	Education Subcommittee	3	0
4	Women Empowerment Committee	0	3

Source: Annual Report of Three Selected Cooperatives.

CHAPTER-FIVE

SUMMARY AND CONCLUSION

5.1 Summary

By summarizing, this study mainly focuses on the inclusion of women in cooperative management. This study is based on the participation, access to decision making process, and empowerment of the women through. To evaluate these general patterns, it studies where importance is given to show how the cooperatives mainly saving and credit cooperative contributing to empower the women in Gaidakot and how the women of Gaidakot V.D.C. perceived on inclusiveness in cooperative management. This study attempts to highlight the participation of women in cooperative management, situation of access to decision making process and how the cooperative are playing role for empowerment of the women.

This is descriptive as well as expletory research. The research includes the interviews of targeted groups, key informant interview as well as study of some case is carried, which support to find out the perception of women and current practices along with cooperative management.

According to the field data there are 28 cooperatives in different discipline out of them 20 are saving and credit cooperatives. Reputed cooperative in the country VYCCU saving and credit cooperative which has been awarded excellent saving and credit cooperative in the country last year (annual report, 2069 B.S) in contribution the grass root level saving and credit cooperative exist in Gaidakot VDC. 13012 women have their participation as share members in Gaidakot based cooperative where male are 14293. The study shows that most of the cooperatives are leading by the male president where every of them have more female share members in general. Not only the president vice president, secretary, treasurer, and joint secretary which positions is known as vital post, are all occupy by male members in these cooperatives where, total (48.13%) 13012 women are participating in the cooperative as a share member out of total (100%) 27035, where male are 14293 (51.87) in Gaidakot it shows that participation of women in the cooperatives is lower than it is in than male.

Major problem of low participation of women in decision making process is existing patriarchal culture in Gaidakot however it is changing. Many women in Gaidakot have their views that there is no restriction for women to be participating in executive committee although they cannot manage the time because of lack of time. Some of the women told that women are missing in executive committee because general assembly always rung up to late night when women have to go to early to cook and house work, on the other hand women are missing from opportunities of capacity building because study show that mostly women are selected for local level training where male comes on priority for national and international level training its only because women have many problem to left the home.

However, study shows that representation of women in decision making process is very low, most of the women perception shows that cooperatives are playing vital role to empower the women. Contribution of cooperative for the economic and social empowerment has been taken as possibility and appreciative in Gaidakot. Most of the women feel that cooperatives are inclusive because of launching the women focus program in the community as well as being the cooperatives in the community that made to the women easy access on financial service. Cooperative offers loan without deposit of physical property, only people can get loan for IG activity on the witness of other member. Study show that women are feeling positive change in their personal life in terms of access to resources, decision making process, and professional dignity at HHs level and society and community level.

Provision of the loan without deposit became very supportive to the women, because only few numbers of women have their ownership on land and other property. Many of the women found that they are running their business by taking loan from saving and credit cooperatives in Gaidakot. Mostly women are doing general store, cosmetic shop, beauty parlor as well as other. In this sense cooperative are diversifying the occupational pattern of women from farming to other however many of the women took loan for farming as well. Women are being more empowered by regular visit and connected with the

market because of their business. Out of three selected cooperative they have women empowerment committee in each of them, it may take positive initiation of cooperative towards the inclusion of women in cooperative management.

5.2 Conclusion

At the end, there is no doubt to say that cooperative in Gaidakot VDCs mostly saving and credit cooperatives are playing vital role for the development. Many women have been benefited through the cooperatives. Women has been getting opportunities to be empowered and economically and socially. Women have been getting changes in their personal life through the cooperative. There is an easy access to the financial service motive women for involvement in the cooperative. Mostly women have difficulties to manage the time or leave the house for a long time, in this sense cooperatives are providing easy financial service easily in their community that support to inclusion of women. Now women in Gaidakot VDC do not have to go to bank in the city for financial purpose. Provision Loan offering by the cooperatives without deposit of physical property to the share members have support more women on access to loan. Most of the women who do not have their property for deposit felt inclusive for these types of facility. On the other hand cooperative in Gaidakot is organization different skill based training that support for economic empowerment. Beyond it, the study shows there is very low level access of women in decision making process. However, participation in general is equal to male. In this regards there are some recommendation for more inclusiveness of cooperative in Gaidakot VDC.

REFERENCES

- Acharya, Bishow Mohan (2008), "Transparency in Cooperatives: Essential for good Governance." *Sahakari Sambad*, Vol. 4.
- Agrawalm, G.R. (1984). *Planning for Cooperative Development in Nepal*. Kathmandu: CEDA
- Haber, Silver, *Cooperatives development in new era*, 2007, Newyork.
- B.K., Man Bahadur (2004). *Financial Performance of Nepalese Cooperative Societies With Reference of District Cooperative Associations, Banepa*. Master
- Bajracharya, B.B (1980). *A Review of Cooperative Development in Nepal*. Kathmandu: CEDA
- Bastola, Som Nath (208). "Purbaki Sahakari Netri". *Annaourna Post*. June, 2008:8.
- Bhattarai, Urmila (2011). *The Participation of Women in Decision Making Process of Co-operatives as a Study of Mangaldeep Saving and Credit and Hatemalo Saving and Credit Cooperative of Budhabare VDC, Jhapa*. Master Thesis submitted to Central Department of Sociology/Anthropology, T.U., Kathmandu
- Baskota, S. (2004). *Research Methodology*, Kathmandu: New Hira Books Enterprises.
- Basu, (2006). "Globalization and rural poverty", World Development.
- Bhide, V.S. Bhide (1930). *The Place of Co-operative in National Life*, (Bombay: Himalaya Publishing House).
- Bhalla,A.and F. Lapeyre(1997) *UK Social inclusion, Eliminating World Poverty*.
- Cobia, David W. (Ed.) (1989). *Cooperative in Agriculture*. Englewood Cliffs, New Jersey: Prentice Hall
- Dahal, P.C. (1989). *A Text Book of Co-operative Management*, (New Delhi: Konark Publishers Pvt. Ltd.).
- Emanuel Steward, Aug (2003,UK), *Cooperative management in the world*.
- Ghimire, Muna (2064). "Mahila Sasaktikaran Ka Lagi Sahakari Aandolan." *Sahakari Smarika*. Jhapa: District Cooperative Organization.
- Hajeta, T.N. (1994). *Principles, Problems and Practice of Cooperative*. New Delhi: Konark Publishers Ltd.
- Koirala, Thakur Prasad (1997). *Development of Nepal through Cooperative in Nepal*. Master Dissertation, Tribhuvan University, Kathmandu.

- National Planning Commission (2008). *Interim Plan 2008-09*. Kathmandu: NPC.
- NCFN (2003). *Cooperative Message*. Kathmandu: National Cooperative Federation of Nepal
- Pokharel, Bihari Binod (1988). *A Study of the Cooperative Movement of Nepal*. Ph.D. Dissertation, Bihar University, Patna.
- Pokhrel, Gita (2009). *A Comparative Study on Saving and Credit Mobilization and Financial Performance of Royal Cooperative Society Ltd. And Chandikalike Saving Credit Cooperative Society Ltd*. Master Dissertation, Tribhuvan University, Kathmandu
- Saiju, Mohan Man (1972). *Political Implication of the Cooperative System and Tiller Participation in Nepal*. Ph.D. Thesis, North Caroline.
- Sharma, Sarada (2064). "Sahakari Ma Mahila Ko Pahuch". *Sahakari Smarika*. Jhapa: District Cooperative Organization.
- Subba, Pabitra & Dahal, Devi(206). "Sahakari Sastha Tatha Mahila Sasaktikaran." *Sahakari Smarika*. Jhapa: District Cooperative Organization Ltd.
- Tinda, Marta and William J. Wilson, 2002, *Youth in cities*