

CHAPTER – ONE

INTRODUCTION

1.1 Background

Nepal is one of the poorest developing countries in the world. Around one fourth (23.8% Economy Survey FY 2072/73) people are poor. It has been facing political instability for long time and also suffered from socio-economic problems such as mass poverty, high unemployment, high population growth rate, low per capita income, income inequality and high dependency on subsistence agriculture etc. People are facing lots of problem in their daily life and affecting livelihood also. Most of the people (almost 2 thirds) people are engaged in agricultural work. Because of subsistence agriculture practice it has been contributing only one third (32.12% Economy Survey, FY 2072/73) to the gross domestic production from agriculture due to low investment. Remaining others is contributing from trade, remittance, and service sectors etc.

1.2 Statement of the Problems

Nepal is known as one of the poorest developing country in the world. Nepalese are suffering from vicious circle of poverty mainly because of their traditional occupations. For this reason people are unable to meet their basic needs. Their livelihood is very difficult. Unequal distribution of resources is another major cause in creating social inequality in Nepal in general and people of Dubiya in particular.

The structure of agrarian economy of traditional Tharu community trends to contribute towards the rural poverty. The government investment on agriculture and income generative activities is not sufficient. In spite of the government efforts to uplift the living condition of rural people, people's livelihood is in a poor condition. They are not being able to join the main stream of national development. These are common scenario at study area as well. Hence, local youth of Dubiya have taken initiative to come out from that problem through Adharbhut SACCOS. The social, religious, casts, ethnics, economic, geographic diversities of Tharu community have some positive and negative aspect in rural development process.

The study area is located at north of the district have many potentialities of cash crop and animal husbandry. But farmers were not being able to catch because of the financial support and training facilities problem. The income from remittance is investing in housing sectors and celebrating festival also.

Cooperative institutions are playing vital role in rural development. They are providing saving and loan facilities. Through financial support and increase awareness cooperative improved the living standard of rural people. Cooperatives are being successful resort to make fulfill of community needs.

1.3 Research Questions

The cooperative system is considered as a powerful means to achieve the goal of good governance and overall sustainable development process of Nepal in general and in study area particular. Without improving living standard of rural people, the country cannot achieve its goal of sustainable development. To achieve the targeted objectives the following research questions have been used in the present case study-"The Role of Cooperative in Livelihood Improvement" of Dubiya in Kapilvastu.

- a. What are the changes through cooperative in study area?
- b. What is the socio-economic impact of co-operative in study area?
- c. What are the present and potential activities related with cooperative?
- d. How the co-operative generate income and improve livelihood of its members?
- e. How the cooperative supports to increase linkage and coordination between and among its members?
- f. How the cooperative develops the capacity and leadership of its members?

1.4 Objective of the Study

General objective of this study is to analyze the present role of cooperative activities in income generation and livelihood improvement in the study area. The specific objectives of the study are as follows.

- a. To analyze the financial status and living standard of target people.

- b. To evaluate the role of cooperative on livelihood improvement process.
- c. To find out the potential activities related to cooperative.

1.5 Significance of the Study

The importance of cooperative program is increasing day by day in the process of socio-economic progress thereby rural development. As a source of capital formation, saving and loan providing facilities cooperatives are playing a vital role in economic development. It is also contributing to create employment opportunities. It has generated economic as well as social benefits to those people who are directly and indirectly involved in cooperative program.

This study will help to determine the role of cooperative for income generate and livelihood improvement. It's providing basic information and general guideline to the local people, planner, policymaker and other concerned agencies. The study as a research work which can make clear on the following significance;

- a. The study has explored the major impact of cooperative in rural area.
- b. The study has answered about the importance of cooperative in the study area.
- c. The study has finds out the potential co-operative activities in the study area.
- d. The study has examined the livelihood in the study area.
- e. This study has mostly concern about the cooperative activities and its role of livelihood improvement.
- f. The study will be helpful for rural people, policymaker, planner, and government and NGO/INGO who are concerned with cooperative development activities. Therefore the research works in this topic concern with the subject in role of cooperative in rural development.
- g. This study will also helpful to finds out other relevant area for developing cooperative institution and activities.

1.6 Limitation of the Study

This study's objective is fulfilling the partial requirements of MA in Rural Development at Tribhuvan University. The findings of this study may be useful for the policy makers and planners. It will be helpful to the researchers who are involved

in research field and matter. It is also useful for the implementations and the scholars on cooperative activists.

Because of limited time, condition and resources, small number of sample areas and variables are not taken into consideration. So only one cooperative (Adharbhut SACCOS) and its working areas Buddhabatika Municipality ward no 6 to 11 wards were under the study area. Some major limitations are as follows.

- a. The study has concentrated to the Adharbhut Saving and Credit Cooperative Ltd of Buddhabatika Municipality 8, Kapilvastu only.
- b. This study has mainly based on field survey data; they were respondent's basis and secondary data.
- c. There was limited budget and time schedule.
- d. The study has concerned only about the subject matter of cooperative and livelihood improvement.

1.7 Organization of the Study

This study consists five chapters including introduction to research findings. First Chapter covers introduction of study, Chapter Two includes literature reviews, Chapter Three comprises the methods of study, Chapter Four and Chapter Five consist field study report based on objectives of the study.

CHAPTER – TWO

LITERATURE REVIEWS

2.1 Cooperative

Cooperative is globally practiced collective economic institution as a tool to improve livelihood and economic development of community people. Cooperation philosophy evolved around 18th century in Europe with the notion of protecting economically poor people from exploitation of economically powerful (Subburaj, 2003).

The word Co-operative is derived from two different words 'co' and 'operate'. The word 'co' means together and 'operates' means to work (*oxford dictionary 2007*). So, the meaning of co-operative is working together in a group with common objectives.

2.2 Meaning of Cooperative

Generally, cooperative means those groups of people their financial status is equal and they are working together for common interests. It always intends on the favor and development of individuals and communities. Different philosopher defined cooperative as different ways.

Economist: - It is commercial organization. There is no any exploitation from middleman.

Layers: - Cooperative is such kind of organization; their members are getting special rights as per law.

Socialist: - It is a social order. There is not any class struggle.

Sociologist: - Cooperative is socio economic movement.

Cooperative is independents organization; people having common interests, aspects and needs are organizing there.

- a. It based on some certain rules, values and principle.
- b. It based on justice and equity.
- c. It is strong mechanism for poverty resiliency.

A cooperative is a legal entity owned and democratically controlled by its members. Members often have a close association with the enterprise as producers or consumers of its products or services, or as its employees.

2.3 What is Cooperative?

There are various definitions about cooperative. Cooperative experts, researchers and some leading scholars have been defined through various ways. The most famous definitions are following.

According to the International Co-operative Alliance (ICA),"a cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspiration through a jointly owned and democratically controlled enterprise." Cooperative leaders around the world recognize the ICA, a non-governmental organization with over 230 member organizations from over 100 countries, as a leading authority on cooperative definition and values. The ICA definition recognizes the essential element of cooperatives membership is voluntary. *(Kimberly, A. Z. & Robert, C.)*

Another widely accepted cooperative definition is the one adopted by the United States Department of Agriculture (USDA) in 1987:"A cooperative is a user-owned, user-controlled business that distributes benefits on the basis of use."This definition captures what are generally considered the three primary cooperative principles: user ownership, user control and proportional distribution of benefits. The "user-owner" principle implies that the people who use the coop (members) help finance the coop and therefore own the coop. Members are responsible for providing at least some of the cooperative's capital. The equity capital contribution of each member should be in equal proportion to that member's use (patronage) of the coop. The "user control" concept means that members of the coop govern the business directly by voting on significant and long-term business decisions and indirectly through their representatives on the board of directors. Cooperative statutes and bylaws usually dictate that only active coop members (those who use the coop) can become voting directors, although non-members sometimes serve on boards in a non-voting advisory. *(Fredrick, D.A.)*

According to communist philosopher Karl Marx, "Cooperative is a creation of individuals combining together to secure self interest through common action".(*Wikipedia*). He has emphasis on common interest and common action of individuals.

According to Harrick, Cooperative is an act of poor persons voluntarily united of utilizing reciprocally their own for as resources of both, under their mutual management to their common profit or loss. (*Badal Keshab, 2062 B.S.*).

Calvert defined as "Cooperation is a form of organization where is persons voluntarily association together as human beings on a basis of equality for the promoter of economic interest of themselves. (*Calkins and Ngo, 2005*)

The definition given by International Labor Organization has covered the most of the principles of cooperative as such it can be considered to be the most comprehensive one. Cooperative society is "An association of the economically weak who voluntarily associate on the basis of equal right and equal responsibility transfer to an undertaking one for several of their functions, corresponding to one of several of their economic needs which are common to them all but which each of them is unable fully to satisfy by his own individual efforts and manage and use such undertaking in mutual collaborations to their common material and moral advantage. (*ILO, 2003*)

Indian cooperative act (1912) "A cooperative society is a society which has its objects the promotion of the economic interest of its members in accordance with cooperative principles". Japan Law (1921) "A cooperative society is an association having legal existence, formed by persons of modest means on order to promote and develop according to the principles of mutuality exercised by members of their occupations and for the improvement of their economic conditions". Indian banking regulation act (1949) "Co-operative credit society means a cooperative society which is to provide financial accommodation to its members and includes a cooperative land". (*ICA, 1995*) "A cooperative is an autonomous economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise".

2.4 History of Cooperative

Cooperative is regarded as one of the most effective and important sectors in rural development process. The formal concept of co-operative was developed from

England and Germany in 1844 AD. The Rochdale Society of Equitable Pioneers, founded in 1844, is usually considered the first successful co-operative enterprise, used as a model for modern co-ops, following the 'Rochdale Principles'. A group of 28 weavers and other artisans in Rochdale, England set up the society to open their own store selling food items they could not otherwise afford. Within ten years there were over 1,000 co-operative societies in the United Kingdom. (ICA, 1995)

The Rochdale Principles are a set of ideals for the operation of cooperatives. The implications of the Rochdale Principles are focusing on study in co-operative economics. The original Rochdale Principles were officially adopted by the International Co-operative Alliance (ICA). The Rochdale Principles of cooperative according to the 1996 ICA revision are detailed below.

1. Voluntary and open membership
2. Democratic member control
3. Member economic participation
4. Autonomy and independence
5. Education, training, and information.
6. Cooperation among cooperatives
7. Concern for community

2.5 Development of Cooperative

The formal concept of co-operative was developed from England and Germany in 1844 AD. It was the turning point for development of cooperative. The success of The Rochdale Principles, it's began to replicate all over the world in different time stage. Simultaneously, it has developed all over the world.

a.) Great Britain

In Great Britain, Robert Owen at first propounded the concept of co-operative. The idea of co-operative was brought into light at beginning of the 19th century. William King, who was the follower of Owen, publicized the ideology of co-operative later and initiated in education as movement for co-operative development. The reformist, Robert Owens's ideas and principles have been continued to inspire the cooperative movement. These principles are:

- a. Abolition of private profits
- b. Voluntary association
- c. Common ownership of the means of production
- d. Utilization of wealth of the community for increasing the happiness

Given weaknesses were pointed out in the Owens's co-operative principles:

- a. Capital sink because of credit sale
- b. Unfair competition took place because of selling the goods at lower price in the market
- c. Co-operative store did not succeed enough as member didn't believe it

After then, Rochadale pioneers, the real founder of the modern co-operative movement developed co-operative rules and philosophy. The co-operative society established by Rochadale pioneers has been known as "The Consumer Society". This was a successful co-operative society, which spread all over Great Britain. This society sold goods only for its members in the beginning. Later, it started to sell goods to other people also. In 1860, Rochadale pioneers formulated ten principles of cooperative which are still relevant and useful in modern co-operative.

In Manchester, the first co-operative college in the world was established in 1919. It was administered by the educational committee of the co-operative, opened for the students from all parts of the world. After the co-operative society was recognized in 1994, the government of 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 co-operative citizens within Great Britain. In this way, Robert Owen has been known as the father of co-operative and Great Britain is the origin country of the co-operative movement of the world (*Bhattarai, 2014*).

b.) Germany

F.W. Raiffesen and Franz Schulze were two reformists in Germany. They worked to eliminate the poverty and exploitation through norm of mutual help and self help in the form of co-operative. The working areas were different. Raiffesen centered his reforms in rural areas whereas Schulze in city areas; they started cooperative works purely on a humanitarian basis, quite independently by providing credit facilities on

co-operative basis in respective areas. The aims and objectives of both initiatives were identical but the ways of operating them were different.

Schuize set up a co-operative bank to help German people and Raiffersene established an agriculture credit co-operative society to help poor German peasants in the village. Both of those co-operatives were run smoothly and successfully (*Bhattarai, 2014*).

c.) USA

The **history of cooperatives in the United States** extends to pre-independence times. With the exception of credit unions and mutual banking institutions, most cooperatives have held a comparatively light footprint on the economic history of the United States in comparison to the economies of Europe.

Colonial era: - The earliest mutual organization established in the British North American colonies was created in 1735 in Charleston, South Carolina, but was liquidated following a 1740 fire which gutted much of the city's buildings and had left the company unable to recoup the losses. The Philadelphia Contribution ship mutual insurance company, founded by Benjamin Franklin in 1752, is the oldest continuing mutual insurance company in the continental United States.

19th century: - The Boston Mechanics' and Laborers' Mutual Benefit Association was founded in 1845 as a mutual organization styled after the British Rochdale Pioneers. **20th century:** -By 1920, there were 2,600 consumer co-ops in the United States – all but eleven were general stores – and 80% were in towns with populations of less than 2,500. Combined sales volume for these stores was about \$260 million USD.

Great Depression: -Upton Sinclair's EPIC movement became one of the leading proponents for the establishment of self-help cooperatives in California during the Great Depression, as was Japanese pacifist Toyohiko Kagawa, who advocated for "brotherhood economics" as an alternative to communism and fascism on both sides of the Pacific. This advocacy for cooperatives, combined with then-president Franklin Roosevelt's New Deal, culminated in the establishment of cooperatives in Berkeley, California, Palo Alto, Eau Claire, Wisconsin, Hanover, New Hampshire, Hyde Park, Chicago, and Greenbelt, Maryland. While all these cooperatives lasted to at least their

fiftieth anniversaries, the Consumers' Cooperative of Berkeley ultimately closed down, the Eau Claire and Palo Alto cooperatives scaled back their activities, and the Hanover, Hyde Park, and Greenbelt cooperatives have survived to this day.

Credit unions, in particular, were established throughout the United States and have remained one of the most visible and productive legacies of the New Deal period.

21st century: -In the healthcare reform debate, health insurance cooperatives were, at one point, proposed as an alternative to the public option, and indeed in some states were instituted as the ACA became law. In 2009, the United Steelworkers signed an agreement with the Basque Country-based Mondragon Corporation in order to further the establishment and expansion of unionized worker in North America.

The National Cooperative Business Association identifies over 29,000 cooperative businesses employing more than 2 million people and accounting for over \$650 billion in annual revenue. (*Wikipedia, 2016*)

d.) China

The Chinese cooperative movement started from the 1920s and has gone through the three historical development stages.

The first period was from the 1920s to the 1949. During this period the cooperative movement divided into three branches. The one was the cooperative movement launched by the people; the second was the cooperative movement launched by the Kuomintang government and the third was the cooperative one launched by the Chinese Communist Party. The cooperatives at this stage were established as the main agricultural marketing cooperatives and credit ones and the most of them were at the scattered and experimental stage.

The second development period was from 1949 to 1952. Cooperatives were mainly set up on the basis of agricultural production cooperatives. Meanwhile, the Supply and Marketing Cooperative and Rural Credit Cooperative were also established.

Since 1982 the third development period has began. For this period China has extensively carried out the system of land contracted and run by the households in the countryside on the basis of the collective ownership. Under the condition of the

households engaging in agricultural production and management the original agricultural production cooperatives of the collective ownership disintegrated one after another. At the same time the farmer's specialized technical associations and farmer's specialized cooperatives have appeared on the farmer voluntary basis. These two organizations are main patterns of the Chinese farmer's cooperatives at present. (*Yintang, 2006*)

e.) India

The co-operative movement was introduced in the form of credit society in 1904. Indian government has emphasized in all the five year plans to the agricultural co-operative in the sector of economic development. India has a wide net work 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-operative sugar factories and co-operatives spinning mills and oilseed co-operatives are having very strong positions in the sphere of production of sugar, cotton yarn and edible oils. The agricultural co-operative is yet to respond effectively to the emerging and opportunities of market economy and new economic reforms.

The co-operative movement took place in different countries. International cooperative Alliance (ICA) was established in London on August 1895 by the International Co-operative Congress. ICA is an independent worldwide international association of co-operative organizations of all types. ICA has the affiliation in 102 countries with 256 national and 4 international level organizations as members serving well over 800 million individual members worldwide (Achary, Nabin:2007). ICA collaborates with several United Nations agencies, including the in International Labor Organization (ILO), Food and Agriculture Organization (FAO) and the United Nation Council for Trade and Development (UNCTAD). ICA enjoys category consultative status within the United Nations Economic and Social council. Similarly, in the early 1970 s World Council of Credit Unions was established. It has become the world's leading advocate, platform for knowledge exchange, and developmental level, delivers the "Sound and safe" credit union message to government legislators, regulators, donors, credit union organizations and credit union members as well as implements credit union projects with proven, tangible results (*Badal, 2062 BS*).

2.6 Objectives of Cooperative

The main objective of the cooperative is maintained social justice and equity of low class people in the society through economic resilience. Economy of individuals, community and increase spirit of self-help among the group is also the objective of cooperative. Overlay, there are following objectives of cooperative.

- a. Economic Objective
- b. Social Objective
- c. Judicial Objective
- d. Educational Objective

2.7 Principle of Cooperative

Maria Elena Chavez (2003) Cooperatives are defined by the Values and principles under which they operate. They are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In tradition, their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others. In addition, co-ops put their values into practice by following the seven internationally recognized co-operative principles which are:

a) Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

b) Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives and they are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and cooperatives at other levels are also organized in a democratic manner.

c) Member's Economic Participation

Members contribute equitably and democratically control the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited return on share capital. Surpluses are allocated for any or all of the following purposes, developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible, benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

d) Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter to agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

e) Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public particularly young people and opinion leaders about the nature and benefits of co-operation.

f) Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through, local, national, regional and international structures.

2.8 Values and Norms of Cooperative

Values means sets of believe and norms means ought's of behavior. Democracy is believes of cooperative. All of cooperative members believe that, any institution run through without democracy could not success. That's why democracy is value and the system of one person, one vote is norms. There are two types of values.

2.8.1 Basic Values

Basic values inter related between cooperative and its shareholders.

- a. Self-help
- b. Self-responsibility
- c. Democracy
- d. Equality
- e. Equity
- f. Solidarity

2.8.2 Ethical Values

These types of values are related between cooperative organization and society.

- a. Honesty
- b. Openness
- c. Social Responsibility
- d. Caring for others

2.9 Cooperative Development in Nepal

The co-operative concept in the form of Guthi, Parma, Dhikuri, Dharmabhakari etc has been used from a very beginning in Nepalese societies. Characteristics of these historical social institutions are almost resembled with primary form of co-operatives. For the institutional development of such societies, the then government aimed to adopt co-operative system as a means for economic social and cultural development of the people as well as an appropriate and effective tool for rural development. The government has established the Department of Co-operative under the Ministry of Planning, Development and Agriculture in 1953 A.D (2010 B.S).

The modern cooperative movement initiated from Rapti Valley (Chitwan District) as a part of flood relief and resettlement program. At the first time 13 credit cooperative societies established in 2013B.S. were provisionally registered under the executive order of the then government which got legal recognition after the enactment of Cooperative Societies Act 2016B.S.(1959A.D.). The first Co-operative Societies Act was revised several times and it was replaced by the Sajha Societies Act in 2041B.S.(1984A.D.). After the restoration of multiparty democracy the Sajha Societies Act was replaced again by the Co-operative Act 1992.

This Act recognized cooperative as people's organization with an autonomous body. On the basic of the Act as on awaited National Cooperative federation came into

existence. High level of National Cooperative Confederation Advisory Committee was formed by the interim government soon after the restoration of democracy. The committee's 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 a result, a new Cooperative Act was promulgated in 1992. The legislation recognized the democratic character of cooperative movement ensure the operational autonomy of cooperative and defined the role of Department of Cooperative in a transparent way. The Department of Co-operative has provided the authority for registration and regulations of co-operative societies/unions/federations under the Acts. Then co-operative activities are developing in rapid manner.

The interim Constitution of Nepal, 2063 has considered Cooperative sector as one of the three pillars for national development. Several types of cooperatives societies operated in the country are Saving and Credit, Multipurpose, Dairy, Agriculture, Fruits and Vegetables, Bee Keeping, Tea, Coffee, Consumers, Energy, Communication etc. including production, financial and service. Nepal has initiated its cooperative movement after 1950 AD. Policy and programs launched by the government have emphasized importance of Cooperative modality to maintain peace in the society by means of self employment and to expedite the development works. Nepal government encourages to cooperative institution through cooperative act 2048 BS. The government of Nepal provides financial and technological support to develop cooperative development, "Shuphath Mulyako Sahakari Pasal" is an example of financial support through national level. Now days, so many cooperative institutions are running with difference sectors. They are working like saving money, providing loan, running small scale industry, transportation, education, agriculture development, production and distribution of small hydropower, rural tourism development, women empowerment, encourage the marginalized people, communication facilities, milk collection and distribution, training facilities in various sectors, employment facilities, support in animal husbandry and bee keeping etc. Government of Nepal has accepted the cooperative as 3 of one pillar for economic development.

Major Events of Co-operative Movement in Nepal

1953		Establishment of Department of Cooperatives (DOC) under the Ministry of Agriculture for Planning and Development
1954		Realizing need of cooperatives for the resettlement programme initiated for the flood-stricken people through Multipurpose Development Plan of Government of Nepal.
1956	a.	Promulgation of the Executive Order of Government of Nepal and recognition of cooperative society under it.
	b.	Credit Cooperative Society for the first time, was established in Chitwan District.
1958		The district level staff of DOC under the administrative control of Rural Development Block carried out cooperative activities.
1959	a.	DOC was kept under the Ministry of Food, Agriculture and Forestry
	b.	Cooperative Society Act, 1959, came into effect
1961	a.	Cooperative Society Rules, 1961, came into effect
	b.	The first amendment of Cooperative Society Act, 1959
	c.	Establishment of Cooperative Development Fund
	d.	Establishment of Sajha Society (Sajha Central Office)
1962	a.	Establishment of Cooperative Training Center
	b.	Establishment of Credit and Marketing Cooperative Union.
	c.	Cooperative Bank Act, 1962, came into effective
	d.	DOC was transferred to the Ministry of Panchayat
1963	a.	Establishment of Cooperative Bank
	b.	Conversion of Rural Development Blocks into District Panchayat Cooperative section was kept under the District Panchayat
1964	a.	Initiation of Agriculture Re-organization Programme
	b.	Initiation of Supervised Credit System
	c.	Transfer of Staff members in Cooperative activities to the Land Reforms programme
	d.	Publication of "Sahakarita" (Cooperation).
1966	a.	DOC was kept under the Ministry of Land Reforms, Agriculture and Food.
1967	a.	Formation of Central Investigation Committee on cooperatives
	b.	Emphasis on 'Sajha Management' in the 7 th point in the Back to the Village National Campaign
	c.	Conversion of Cooperative Bank into Agricultural Development Bank (ADB)
1968		Transfer of administrative and developmental works being carried out by DOC to the Department of Land Reforms.
1969	a.	DOC was kept under the control of the Ministry of Land Reform.
	b.	Implementation of the Coordinated Agricultural Development Programme
	c.	Compulsory Saving for the first time converted into shares in Bhaktapur
	d.	Credit and Marketing Cooperative Union was converted into District Cooperative Union
	e.	Return of Cooperative promotional and strengthening of activities undertaken by the Department of Land Reform to DOC
	f.	Introduction of guided cooperative programme emphasizing qualitative growth through reorganization and amalgamation.
1970	a.	The second amendment of the Cooperative Society Act, 1959.
	b.	Introduction of Cooperative Strengthening Programme.
	c.	Establishment of Central Cooperative Strengthening Committee.
	d.	Establishment of District Cooperative Strengthening Committee.
	e.	Transfer of management of Cooperatives to ADB.
1971		The first amendment of Cooperative Societies Rules, 1961
1973		Implementation of Cooperative Education Programme regularly

1976	a	Integration of Population Education with Sajha
	b.	Implementation of Sajha Programme emphasizing Sajha in a wider scale
	c.	The second amendment of Cooperative Society Rules, 1961
	d.	Compulsory Savings was converted into the share capital of Sajha Society
1977		Introduction of Sajha Society Administrative and Financial Regulation, 1977
1978	a.	Transfer of Sajha Societies' Management handled by ADB to the managing committee of cooperatives.
	b.	Introduction of Sajha Society Financial and Administrative Regulation, 1978
	c.	More emphasis on the qualitative growth of Sajha Societies than on quantitative growth
1980	a.	Implementation of Small Farmer Cooperatives
	b.	Introduction of Sajha Society Financial and Administrative Regulation, 1980
	c.	Special focus on co-operative system in the Constitution of Nepal.
1984		Enactment of Sajha Society Act, 1984, for making the cooperative development campaign effective
1985	a.	Conversion of DOC into Sajha Development Department
	b.	Conversion of Cooperative Training Center into Sajha Development Training Center
	c.	Conversion of the Regional Cooperative Office into Regional Sajha Development Office
	d.	Conversion of the Cooperative Section into Sajha Development Section
1986		Announcement of Sajha Sanstha Rules, 1986,
1987	a.	Formation of a 17-member 'High Level Central Coordination Commission for making the Sajha campaign more strong and effective
	b.	Sajha Development Department was transferred to the Ministry of Agriculture
1988		Announcement of compulsory savings to be refunded to the depositors
1990	a.	Remittance was announced by Government of Nepal up to the interest and compensation exceeding the principle amount in case of a full payment of principal paid by debtors within July, 1991.
	b.	Formation of an <i>ad hoc</i> committee for National Sajha Cooperative
1991	a.	Formation of a seven-member National Cooperative Federation Consultative Committee for submitting its opinion in order to strengthen the Sajha campaign and make it effective. The report presented by the Committee.
	b.	Dissolution of Sajha Central Office
	c.	Formation of a 11-member National Cooperative Development Board for the preparation of policy based norms, organizational structure its mobilization system, activities of cooperative movement for the preparation of necessary rules, bye-laws and other infrastructure in order to establish organizations from village level to central level.
1992	a.	Enactment of Cooperative Act, 1992.
	b.	Formation of District Cooperative Implementation Committee and an <i>interim</i> steering committee for continuation of cooperatives until January, 1992
	c.	Conversion of Sajha Development Department into DOC.
	d.	Conversion of Sajha Development Training Center into CTC.
	e.	Conversion of Regional Sajha Development Office into Regional Cooperative Office
	f.	Conversion of Sajha Development Section into District Cooperative Office.
1993	a.	Enactment of Cooperative Society Rules, 1993.
	b.	Dissolution of Regional Cooperative Office
	c.	Nationwide election of cooperative societies/unions.
	d.	Establishment of National Cooperative Federation
	e.	Establishment of Central Consumer Cooperative Union.
	f.	Establishment of Central Milk Producers Cooperative Union.
	g.	Formation of a large number of Single-purpose Cooperatives such as Consumers Cooperatives, Milk Producers Cooperatives, Saving and Credit Cooperatives throughout the

		country.
1994		Publication of "Sahakari Sandesh" (Co-operative Message).
1995	a.	Distribution of Rs. 31.8 million to the old cooperative employees by NCF as benefits received from Government of Nepal for only one time.
1997	a.	Reception of the membership from the International Cooperative Alliance (ICA).
	b.	Initiative taken by NCF for observance of International Cooperative Day.
1998	a.	Nepal (NCF/N) was elected for the post of Vice-Chairman of the Agriculture Committee for ICA, Asia and the Pacific Region.
2000	a.	Nepal (NCF/N) was elected for the post of Chairman of the Agriculture Committee for ICA, Asia and the Pacific Region.
	b.	Conversion of Ministry of Agriculture into the Ministry of Agriculture and Cooperatives.
	c.	Establishment of the National Cooperative Award by NCF.
	d.	Formation of the National Cooperative Development Advisory Working Team and submission of report.
	e.	The first amendment in the Section 26 of the Cooperative Act, 1992.
2001	a.	Announcement of observance of International Cooperative Day by the Government.
	b.	Republication of "Sahakari Sandesh " weekly.
2002	a.	Cooperative Ministers' Conference hosted by Nepal organized by International Cooperative Alliance, Regional Office for Asia and the Pacific, New Delhi in collaboration with National Cooperative Federation of Nepal.
	b.	The Ministry of Agriculture and Cooperatives has issued a circular, saying that there is no restriction for the eligibility of 'civil servant' as shareholder of cooperative although the Sec. 14 of the Anti-corruption Act refers to civil servant not eligible to become the shareholder of cooperatives.
	c.	Nepal elected for the member of ICA ROAP Standing Committee.
2003	a.	Establishment of National Cooperative Bank Ltd.
	b.	Seventh General Assembly of Network for Development of Agricultural Cooperatives' (NEDAC) was held in Nepal from 29 th Oct. to 1 st Nov.. In which Nepal was elected as Co-Chairman for two years.
2004	a.	National Cooperative Federation of Nepal established "National Cooperative Development Fund, NCDF
	b.	Nepal Government constituted a high level cooperative sector improvement consultative committee under convenorship of the Minister of Agriculture and Cooperatives submitted its report to the Government of Nepal.
	c.	Ministry of Finance constituted to study the legal frame work and institutional development of the savings and credit cooperative society and National Cooperative Bank under the convenorship of then Member of Ghanashaym Khatiwada submitted it's report to the Ministry of Finance.
	d.	Government of Nepal announced the policy of GOAN-GOANMA SAHAKARI GHAR GHAR GHAR MA ROJGARI through it's budget of the current fiscal year 2061-62
2005	a.	Completion of Second National Women Cooperative Congress held at Kathmandu.
	b.	Change of Name of MOAC.
	c.	Change of name of CTC into Central Cooperative Training Centre.
	d.	Change of name of District Cooperative Office into Division Cooperative Office.
	e.	Establishment of Regional Level Cooperative Training Office combining with Division Cooperative Office in Kailali, Surkhet, Kaski and Chitawan.
	f.	Grant of the sum Rs. 1. Million by Government of Nepal to NCF as a token for NCDF
2006	a.	Change of Agriculture Policy Unit into Agriculture and Cooperative Policy Unit in MOAC for coordination and establishing contact about cooperative policy-making.
	b.	Election of Nepal as Standing Committee Member of ICA/AP.
	c.	Establishment of Central Coffee Producers Cooperative Union
	d.	Establishment of Central Fruits and Vegetables producers Cooperative Union.

	e.	Election of Nepal as Vice-chairman of Housing Cooperative Foundation.
	f.	Beginning of Cooperative Golden Jubilee 2006/7 throughout the country for full year.
2007	a.	Completion of Cooperative Golden Jubilee 2006/07 with four special cooperative publications.
	b.	Recognition of cooperative as basic pillar of socio-economic development as equal footing those of private and government sector.
2008	a.	National conference on cooperative policy organized by NCF/N.
2009	a.	Government of Nepal announced the policy "GAUN GAUNMA SAHAKARI, GHAR GAHRMA BHAKARI."
2010	a.	Establishment of Central Sugarcane Cooperative Union.
	b.	Formation of Cooperative Cooperation Network.
	c.	UN proclaimed 2012 International Year of Cooperatives.
2011	a.	Establishment of Central Tea Cooperative Union
	b.	Completed the Regional and National Workshop on Cooperative Strategic Planning.
	c.	The high level task force constituted by the Government of Nepal under the chairmanship of National Planning Commission (NPC) Vice-chairman decided to submit the 32 points recommendation to the government of Nepal.
	d.	The taskforce formed on the convenorship of the vice-president of National Planning Commission put forward the suggestions about legal, policy level and structural reformation of cooperative sector.
	e.	Formation of Central Communication Cooperative Union, Nepal Health Central Cooperative Union, and Nepal Central Herbal Cooperative Union.
	f.	Nepal government decided to observe International Cooperative Year, 2012 as announced by UN, formed of 51 members National Committee on Chairmanship of Minister of Agriculture and Cooperatives and latter as it was converted into Ministry of cooperatives and Poverty Alleviation, Central Implementation Committee on Chairmanship of Secretary of Cooperative Ministry, and 31 members District Committees on Chairmanship of District Development Committee Chairperson. National Committees rectified the annual programs to celebrate International Year of Cooperatives, 2012.
2012	a.	National Cooperative Federation unanimously elected as the Vice-President in the AGM of Network for the Development of Agriculture Cooperatives in Asia (NEDAC) that was held in Philippines.
	b.	Nepal Federation of Central Cooperative Union (NEFSCUN) elected as the Vice-President of Asian Confederation Credit Unions.
	c.	Registrar of the Department of Cooperatives elected as Vice-President of Asian Credit Unions Regulators Association and working as Acting President of it.
	d.	Inauguration of International Year of Cooperatives, 2012 with special function in the open theatre in Kathmandu followed by the thousands of activities organized by different cooperatives during the whole year 2012.
	e.	NEFSCUN organized the 1st SACCOS Summit on the occasion of international year of cooperatives 2012.
	f.	National Cooperative Federation of Nepal formed a Central Committee to design programs and observe the International Year of Cooperatives, 2012.
	g.	Government of Nepal established the Ministry for Cooperatives and Poverty Alleviation.
	h.	Government of Nepal issued postal ticket imprinting logo and slogan of the IYC and Nepal Rastra Bank minted a coin worth Rs. 50 and Rs.100 with logo and slogan of the IYC on the occasion International Year of cooperatives 2012.
	i.	Establishment of the Central Multipurpose Cooperative Unions Ltd. and Central Seed Production Cooperative Union Ltd.
	j.	International Cooperative Alliance granted the associated and full membership to National Cooperative Development Board and Nepal Central Agricultural Cooperative Union Ltd respectively.
	k.	Network for the Development of Agriculture Cooperatives in Asia & the Pacific granted

		membership to Nepal Central Agricultural Cooperative Union Ltd and National Cooperative Bank Ltd.
2013	a.	Government of Nepal pronounced the National Cooperative Policy 2069.
	b.	National Cooperative Federation of Nepal (NCF/N) felicitated Dr. Chandra Pal Singh, President, National Cooperative Union of India for his invaluable contribution towards the promotion and development of cooperative movement in the region.
2014	a.	First National Cooperative Congress was organized from March 25 to 27, 2014 in the joint collaboration with the Government of Nepal, Ministry of Cooperatives and Poverty Alleviation, National Cooperative Federation of Nepal, National Cooperative Development Board and Department of Cooperatives.
	b.	Cooperative expert of India Dr. Daman Prakash was felicitated in the National Cooperative Congress for his invaluable contribution for the promotion of cooperatives.
2015	a.	18th SAARC summit held in Kathmandu recognized the potential of cooperatives in achieving inclusive, broad-based and sustainable economic growth and development, and called for sharing of experiences, expertise and best practices in this sector.
	b.	Second Amendment of Cooperative Act 1992 through Ordinance.
	c.	The government of Nepal announced "Member from each household" policy through its annual plans and programs.

Source: NCDB, 2015

2.11 Why the Cooperative in Nepal?

As a principle of co-operative "each for all and all for each" it is a new and powerful weapon for rural development process. There are so many sources of income in rural area. They are not effectively utilized by local people and national level. Co-operative helps to encourage the rural people in rural development process. Co-operative is a combination having different ideas, sources, power and visions. It makes effective group of people then apply it as practically in local level development. Agriculture is a main occupation of rural people of Nepal. Lack of financial support, the agriculture system cannot update or modernized in rural area. There is not banking facilities and awareness in rural sectors. The cooperative can play the role of small banking system in rural area. It can provide saving and loan facilities with affordable interest rate.

Cooperative encourages rural people to capital formation and rural development activities. Such types of activities have increase the income and improve the livelihood of people. There are so many potential sectors in rural area to economic development of Nepal. They can lead the country with economic growth and sustainable development. Some comparative role and advantages of cooperative in rural development process are as follows: - (*NCDB, 2015*)

-) Diversity in agriculture in various geographical zones.
-) Milk production and purification.

-) Small cottage industries.
-) Bio-diversity and forest condition.
-) Source of income and economic growth.
-) Social awareness.

2.12 Livelihood and its Linkage with Cooperative

Normally, a livelihood is known by any set of economic activities through which a household meets its basic needs and earns some cash income. When carried out on a repetitive basis, these tend to become a “way of life”. The vast majority of people make a living through self-employment or wage-employment in the informal sector. In broader way, the livelihood comprises of people, their capabilities and means of living including food, income and assets. The tangible assets are income and stores, while the intangible assets are claims and access. The livelihoods should be sustainable environmentally and socially. The livelihood of farmers in Nepal largely depends on agriculture and allied agricultural activities and the agriculture depends on land, water, Agri-inputs, credit, market, Government policies and knowledge base. (*IFFDC 2015*)

Co-operatives are democratically owned and governed enterprises guided by the values of self-help, self-responsibility, democracy, equality, equity and solidarity. They put people at the heart of their activities and allow members to participate in the decision-making (Kimberly & Robert, 2004). Cooperatives generate considerable socio-economic benefits to their members. From the economic stand point, cooperatives improve income and bargaining power of their members. While the social purposes of cooperation are more diverse than economic purposes. They provide a unique opportunity to members to education and training; encourage active participation in meetings, committee membership and leadership positions (Majurin, 2012).

A similarly positive role is generally attributed to **multi-purpose and credit co-operatives**. By providing their members with access to small loans – which otherwise are difficult or impossible to obtain for poor people – they enable individuals to support their own self-employment, be it through retail shop keeping, farming or keeping livestock (Birchall & Simmons (2009); Gicheru, (2012).

Birchall (2003), based on extensive research including 11 case studies in developed and developing countries, comes to the conclusion that self-organization of the poor is a pre-condition for successful anti poverty work, and that **co-operatives in general** can play an important role in this regard.

Wanyama, Develtere, & Pollet (2008) note that co-operatives tend to have multi fold impact on employment and income generation by i) offering wage employment to people working within the co-operative and providing its members with a decent self-employment income, ii) by increasing income-generation through negotiating better prices to improve members' profit margins, and iii) by providing members with loans which are often used for the creation of further employment and income-generation, which, in turn, may spill over to positively affect non-members of the co-operative. However, while not questioning the positive impacts of co-operatives for their immediate members, Pollet (2009) states that based on a survey conducted in nine African countries, data on the direct employment created and/or represented by co-operatives were inadequate, which made it difficult to determine the macroeconomic implications of the co-operative movement.

Cooperative is a business enterprise organized, funded and managed by and for its member patrons, the main purpose the establishment of Cooperative is to protect the interest of the people from low and medium level income by providing goods and services when required at fair prices. Similarly, the farmers and procedures can get the equitable prices of their products from the Cooperative, farmers with small plots of land can join joint farming Cooperatives and so on. For this the international labor organization has conceptualized the term Cooperative as 'An association of persons usually of limited means who voluntarily joined together to achieve a common and through the formation of a democratically controlled business organization, making equitable contribution to the capital required and accepting a fair share of risks and the benefits of the under taking (G.S. Kamat, 1978).

A study carried out by Shaw (2004) examined the causes of income related impact gap and the reasons for differences between earnings of micro enterprises among poor and less poor clients. The study suggested that, financial support for rural entrepreneurs helps to alleviate ill-effects of poverty. The poor in semi-urban locations have a better opportunity to exit poverty via any micro enterprises than their

rural counterparts. The researcher reported that 25% of households that were initially below poverty line came out of poverty after joining the program. The study concluded that it is harder for poor people in rural areas to get out of poverty than other areas.

Adjei and Arun (2009) examine the depth of an NGO program that used group lending method in the provisions of savings, credit, insurance and training services to the clients in Ghana, using human resources, food security and vulnerability, dwelling and related indicators, and ownership of household assets as the four dimensions of poverty with the aid of a standardized poverty assessment tools. The researchers found significant difference between clients and non clients with respect to ownership of sewing machine, refrigerators, radios, beds and mattresses, and expenditure on clothing and footwear. No significant difference was found in acquisition of televisions and gas/electric cookers between the clients and non-clients. They reported that clients have better ownership of accommodation, source of water supply and toilet facility than non-clients. But no difference was noticed in energy for cooking, roofing materials and level of education. In conclusion, the study stated that clients have better standard of living than non-clients. The discussion in the paper suggests a quantitative research in data gathering but the researchers do not specify this.

Ghosh and Maharjan (2001) study in Bangladesh assessed the role of government sponsored cooperatives in improving the socio-economic conditions of their members. They collected data through questionnaire, observation and case study from both cooperatives and non-cooperative members. They reported that household income for members was higher than non-members, and much higher than the national figure, but it was not tested statistically. Larocquetal's (2002) found that the total household income for cooperative member was 2.9 times higher than the poverty line. A cross sectional study by Ramotra and Kanase (2009) examined the impact of cooperatives on members' standard of living with the aid of interviews among cooperative members located in twelve villages in India. Sixteen variables were used for the standard of living criteria such as household income, female literacy, educational attainment, land ownership and condition of toilet facilities. The study found a positive correlation ($r=0.71$) between income and household condition which signify positive changes among members after the establishment of cooperatives. They

reported that per capital income of the members is on the increase, and cooperatives bring improvement into toilet facilities in members' houses. The study used interview which was reported quantitatively without information on how this was achieved, neither do they specify the numbers of members that formed the sample for the study. Findings at each village were scantily reported individually and were not consolidated in the study. As such, the researchers were unable to provide a particular outcome and conclusion of the study at the village or community level.

Simkhada (2004) used cooperatives that offer savings, loans and micro insurance services to their members and found that 62% of members and 20% of non-members increase their income. Adebayo et al. (2010) reported that 70% of the members' income increases but without comparison figure for nonmembers. The findings of Wanyama (2008) reveal that participation in cooperatives leads to increase in members' household income and more employment. Sharma (2005) documented that members' reported higher increase in household income of 61.7% as against 20% by non-members. However, their results were not tested statistically. The study covered too many variables that include savings, health, family planning, human capital, quality of life (toilet and house), food consumption and nutrition, children education, income, assets and enterprise profit. Torfietal. (2011) reported a direct and meaningful relationship between income and social capital. Early members have better income than others who joined the scheme later (Holmgren, 2011).

Cooperative is a business enterprise organized, funded and managed by and for its member patrons, the main purpose the establishment of Cooperative is to protect the interest of the people from low and medium level income by providing goods and services when required at fair prices. Similarly, the farmers and procedures can get the equitable prices of their products from the Cooperative, farmers with small plots of land can join joint farming Cooperatives and so on. For this the international labor organization has conceptualized the term Cooperative as 'An association of persons usually of limited means who voluntarily joined together to achieve a common and through the formation of a democratically controlled business organization, making equitable contribution to the capital required and accepting a fair share of risks and the benefits of the under taking (Kamat,G.S. 1978).Likewise Krishna Swami explains the Cooperative in this way, "It is a voluntary and democratic association of human

beings, based on equality (of control and opportunity) and equity (of distribution) and mutuality for the promotion of their common interest by meeting their needs but doesn't earn profit for itself as an independent economic unit, at their cost. It is just organized or the benefits of its members; it is their organization. Therefore, the Cooperative business is different from other concerns which are owned and run for the personal profits of their owners by rendering services to others (Swami, Krishna 1978). Shaw (2004) examined the causes of income related impact gap and the reasons for differences between earnings of micro enterprises among poor and less poor clients. The study suggested that, financial support for rural entrepreneurs helps to alleviate ill-effects of poverty.

The poor in semi-urban locations have a better opportunity to exit poverty via any micro enterprises than their rural counterparts. The researcher reported that 25% of households that were initially below poverty line came out of poverty after joining the program. The study concluded that it is harder for poor people in rural areas to get out of poverty than other areas. Adjei and Arun (2009) examine the depth of an NGO program that used group lending method in the provisions of savings, credit, insurance and training services to the clients in Ghana, using human resources, food security and vulnerability, dwelling and related indicators, and ownership of household assets as the four dimensions of poverty with the aid of a standardized poverty assessment tools. The researchers found significant difference between clients and non clients with respect to ownership of sewing machine, refrigerators, radios, beds and mattresses, and expenditure on clothing and footwear. No significant difference was found in acquisition of televisions and gas/electric cookers between the clients and non-clients. They reported that clients have better ownership of accommodation, source of water supply and toilet facility than non-clients. But no difference was noticed in energy for cooking, roofing materials and level of education. In conclusion, the study stated that clients have better standard of living than non-clients. The discussion in the paper suggests a quantitative research in data gathering but the researchers do not specify this. The researchers do not mention if the tool used was quantitative, qualitative or combination of both. Cooperative has particular approach to the problem of economic life with two germinal ideas, association and use the significance of Cooperative approach to economic life consistent emphasis on social welfare. Cooperatives approaches man as a whole,

never disassociated from the social and moral aspect. Thus Cooperative thought has broken new ground in the traditional social thought in which as Prof. F.H. Knight has observed individual has been seriously overstressed to the neglect of the social side of mind, of thinking and the appreciative moral life. Cooperative doesn't look upon man as an economic man of the classical school of economics; in a Cooperative association each member must have in view the welfare of the whole body of member forming the association has also of each of its constituents. This spirit is quite in contrast with that of the joint stock concern, which ostensibly works on the motto 'each for himself'. Here is an attitude for selfishness and spirit of competition and therefore of conflict with others carrying on similar business. On the other hand the communists work on the principle of each for all and all for all.

The impact of four savings and credit cooperative societies which consists of two self promoted, one program promoted and one government sponsored cooperatives located in both the rural and urban areas of Nepal was carried out by Simkhada (2004). The study was underpinned by social capital theory. The sample consists of members and non-members to determine the impact of the cooperative at individual, household, enterprises and community levels. The researcher reported that the cooperatives used compulsory savings to develop thrift among members and as a result, the members develop capacity to save and repay their loans. Nathan (2004) found in Uganda that savings help rural finance clients to determine their loan amount and how they save in the program. The findings suggest that the poor people are not only interested in credit but they are also interested in how to save their money at regular intervals. It is not the credit obtained that raises the poor out of poverty but their ability to save from income generated from the use of credit given (Buckley,1997). A person that finds it very difficult to save may eventually consume both his capital and income because credit alone is not enough to deliver the poor from poverty. The international labour organizational (ILO) has taken the Cooperative and Cooperative as follows. "Cooperative in the widest sense means the union and the coordination of the resources and endeavors of each individual in a joint effort to achieve the results sought offer by all. A Cooperative society is an association of persons carrying in number who are grappling with the same economic. Difficulties and who voluntarily associated on a basis of equal rights and obligations endeavor to solve those difficulties. Mainly by conducting at their own risk, an under taking to

which they have transferred one or more or such of their economic functions as correspond to their common deeds and by utilizing their understanding in joint Cooperative for their common material and moral benefit. (ILO, 1995).

All the researchers concluded that Cooperative institutions are an important instrument for income generation, improve livelihood and rural development. It is only because these institutions can be helpful for solving the problems of the farmers regarding for the rural development. Having failed in its attempts to promote rural credit Cooperatives along the lines of Nepalese movement having met with plenty of difficulties and having incurred having losses in direct lending to small farmers, the Nepalese government should give a combination of the two schemes with self help and government guidance and great assistance put together. It is hope that Cooperatives will get emerge in the Nepalese as a dominant factor in the solution of many problem including credit. Land reform and supervised credit are now being instituted. The immediate concern is to effect within the shortest time possible improvement in the income and living conditions of the rural population. The present administrative system of Cooperative institution has been set up mainly in village and district level. Therefore, Cooperative institutions in central level should be organized. All the researchers emphasized that Cooperatives should be equipped with all necessary aspects i.e. technical assistance, supplying of inputs, supply of credit and marketing should be included.

The present study has been prepared to ascertain the effectiveness of the Adharbhat Credit and Cooperative Limited. Nobody has got done this study. Hence, this study has been endeavored in which the available literature is of a great help.

2.14 Livelihood and Cooperative in the Context of Nepal

Presently, with about 24% of the population living in poverty, livelihood security for the rural poor farmers continues to be a cause of concern in Nepal. As a majority of the rural population is dependent on agriculture for their livelihood, increasing agricultural production through active involvement of the poor and weaker sections of the society is the most appropriate solution. After the agriculture the other main income resource is remittance. The trend of foreign employment is increasing day

by day. More than 4 million youths are involving in foreign employment. Likewise some of them involve in business, service and micro enterprises for their livelihood. Small and fragmented land holdings, heavy soil erosion resulting in depletion of soil productivity, inefficient use of water resources, out-dated agricultural production technologies, un-availability of agricultural credit and lack of infrastructure for post-harvest management and marketing of agricultural produce, are responsible for lower yield and income. It causes the skipping from agriculture in to foreign employment and others. Livestock is another source of income. However, over 75% of the animals are uneconomical due to severe genetic erosion, inadequate feeding and health care. With lower crop and livestock productivity, the employment opportunities in farming and other related sectors are reduced further, leading to reduction in farm wages, seasonal employment, malnutrition and migration.

Water is a critical input for food production and better quality of life. Neglect of water resources will not only affect the agricultural production and employment opportunities, but also affect the supply of clean potable water. Scarcity of water leads to unemployment, ill-health and hardship for women. This vicious cycle can be broken through improvement in agricultural production.

It is necessary to address the above challenges, particularly to improve the productivity crop yields of low productive non-irrigated areas, owned by small and marginal farmers, which in turn can improve the purchasing power of the poor. This calls for a value chain development approach, where small farmers are supported for backward and forward integration to improve production and add value to produce.

There are many initiatives across the country where small and marginal farmers and tribal families, have excelled in food production in spite of small holdings, poor quality soils, limited resources and poor access to modern technologies, when they were assisted for establishing backward and forward linkages.

2.15 Why Cooperatives in Livelihood Enhancement

Beside the Public and Private sectors, Cooperative being the third economic sector of the country has the important responsibility for improving rural livelihoods by playing major role in improving the agriculture sector as majority of the population depends on it for their livelihood particularly in rural area. Since its introduction, the cooperative movement in Nepal has been considered more as a product of Government Policy rather than a people's movement. It is estimated that there are

33,000 cooperatives functioning with 50,70,207 members and a working capital of Rs. 63,41,00,00,000 who have made significant contribution to the development of institutional infrastructure, formation of private capital, distribution of agricultural inputs, and processing and marketing of the produce, which are the key components of value chain development. (*Kantipur National Daily, 16 Shrawan, 2073*)

Cooperative organizations had several advantages such as easy access to financial and administrative support for developing critical infrastructure and services required to boost agricultural production and to replicate on a wider scale.

Adharbhat SACCOS Ltd is playing vital role on resource mobilization, creation of livelihood opportunities, marketing of production, linkage and coordination, community empowerment in its coverage area towards improving rural livelihood.

2.16 Role of Cooperatives and Their Progress

Different types of cooperative societies operating in Nepal with different activities can be grouped into the following four categories:

1. Production Cooperatives which deal with agricultural and industrial production, such as Farming Cooperatives, Industrial Cooperatives and Processing Cooperatives.
2. Marketing Cooperatives which are engaged in marketing of agricultural produce, such as Agricultural Marketing Societies and Consumer Cooperatives.
3. Service Cooperatives which provide services necessary for their members, such as Cooperative Credit Societies and Cooperative Banks and also Housing Cooperatives,
4. Allied Service Cooperatives which are dealing with activities necessary for daily life and business of the agriculturists, artisans, etc.

CHAPTER– THREE

RESEARCH METHODOLOGY

3.1 Research Design

This study has been carried out on the basis of exploratory as well as descriptive research design because it aims to know more about the components that are more likely to be responsible for the rural livelihood development. The used methodology has measured the positive change of cooperative members in their income generation and livelihood improvement pattern. It will also look into the problem by exploring the views of different set of respondents, as well as by exploring different literatures related with the study. The study was focus on Role of Cooperative in Livelihood Improvement through their resource mobilization in rural areas. It also focuses on their participation and benefit from the credit utilization for the effectiveness work.

3.2 Study Area

This study focused on the role of cooperative on livelihood of people at Adharbhut Saving and Credit Cooperative Limited, Buddhabatika-8. Through its service expected the results in people of target area. Beneficiary share member's households were major focal areas of the study. Study area was familiar with researcher hence data and required information were collected easily on time

3.3 Nature and Source of Data

Qualitative and quantitative types of data have been used for this study. These data have been collected from both primary and secondary sources. Primary sources are the main basis of this study and secondary sources of information also used as per necessary.

Primary Data: In order to collect primary data an interview administered to 64 shareholders (10 percent of 630 HHs and 1,010 shareholders) of the total shareholders of the Adharbhut Saving and Credit Cooperative Limited. On the basis of random sampling, the questions have been asked with sample shareholders.

Secondary Data: The secondary data have been also used in this work. General socio-economic characteristics have been taken from village profile and VDC report.

3.4. Techniques and tools of Data Collection

This study accomplished upon the combination of different innovative attempts pertinent and different level and kind of task. General guideline for developing methodology but not limited to following;

A. Primary Data collection

Following qualitative and quantitative techniques and tools were applied for primary data collection;

Focus Group Discussion (FGD): A Focus Group Discussion was carried out among Study community; elites with fair representation ward/ethnicity, stakeholders, staffs of the cooperative, VDC Secretary and others related person. For this, a FGD guideline was developed (See Annex: A).

Field observation: Walkthrough field observation adhered and assessed the physical situation of the study area and assured the accuracy of acquired information.

Key Informant Interview: Discussion was held with mainly cooperative officials, and local focal persons. Information helped to improve forthcoming cooperative and livelihood policy and strategies. Semi-structure questionnaire was developed for information collection.

Interview: Interview is the main base of primary data collection. In this method, a format of questionnaire having all questions necessary to fulfill the information requirement for the research study is included. In this method, researcher has been contact with concern shareholders and asked them those questions of the questionnaire.

B. Secondary Data Collection

Secondary data like; feasibility study and base line survey reports, design report, monitoring reports, other related records/documents, target and achievement by activities, annual plans and programs, estimated time schedule of each activity and

actual time spent, training modality, level of participation received, efforts towards sustainability were collected from related offices. Which were collected from different offices, bulletins, VDC and DDC report, village profile, school report thesis and existing literature, Division Cooperative Office, Taulihawa, NGO federation Kapilvastu, District Development Committee, Kapilvastu (DDC) and from library sources etc.

3.5 Data Processing, Analysis, and Report Preparation

The collected data has been edited and process through computerized system. The data has been analyzed using both qualitative and quantitative methods.

Quantitative method was applied to analyze the data in order to compare with the previous data and current data, compare before and after cooperative facilities. SPSS program is used for the data analysis.

A qualitative method was used to analyze the qualitative information collected from FGD, literature review, interview with members and observation. The analysis comprises with the facts of the cooperative, relationship between the internal and external, issues, and future plan and policies implications. The qualitative analysis methods are given below;

1. Situation of the cooperative
2. Classify information according to issues
3. Examine relationship among the information
 - Implementation process and input/output
 - Logical relationship between cooperative implementation and effects
 - Relationship between project and beneficiaries.

Necessary chapters have designed that contained major report's contents and required information put in sequential order. All necessary activities performed on personnel field visit and information kept in annex section. Construction of draft was based on the field findings and also the review of various documents. Incorporating comments, feedback and suggestions, thesis has been finalized in given time schedule of assignment and final thesis submitted within the assigned schedule.

3.6 Study Administration

This study conducted through following methodological intervals:

A. Desk Review, Planning and Orientation

The study initiated immediately after the approval of proposal from department of Rural Development. During this period literature review and library consultation made in order to get self-orientation.

B. Checklist and Questionnaire Development

Structured checklist and questionnaire sets were designed and discussed among the researcher and supervisor. This process took as a pre-test and afterwards adjusted based on pre-testing. Any feedback on structure and sequence of questionnaires were readjusted and also if in line with given.

C. Study Orientation

After finalization of the checklist and questionnaire, researcher was oriented on sequential steps of study process, methods of data/ information collection, administration of PRA techniques and segregating gender/ ethnicity related information. Study framework including the travel itinerary made with clearly defined roles and responsibilities, followed afterward. That made researcher committed, result oriented, responsible and accountable at the same time.

D. Field Work

After completion of the preparatory phase, field visit made as per the assignment in study area, for detailed information. All households of cooperative members were covered by using stratified random sampling data collection tools. Researchers filled-up structured questionnaires on one-to-one basis with respondents. With the support of local contact person information acquired from secondary sources; concern official documents etc. those were not clearly derived through questionnaire then return to center and started detailed data analysis

CHAPTER FOUR

DATA ANALYSIS & INTERPRETATION

4.1 Introduction

Kapilvastu District is situated in Terai zone of Western Development Region of the country. Rupandehi in East, Dang in West, Arghakhanchi in North and Uttar Pradesh of India are located. It is least developed district in the Terai. There are 53 VDCs and 6 Municipalities. Mahendra National Highway is crossing through this district. But most of the people in the district are socio-economically marginalized and backward; indigenous group, dalit, madhesi and muslim etc. These communities are facing severe problem of social exclusion, extreme poverty and deprivation. Most of the people in the district depend on agriculture for their food security and livelihood. These groups of people are also excluded from development mainstream activities.

Buddhabatika is newly formed municipality in the district. Three VDCs have been merged in to the municipality. Previously they were Dubiya, Mahendrakot and Jayanagar VDC. The development infrastructure is very poor in Dubiya. As per Municipality office provided data, there are almost 60 percent people are Tharu. Their main occupation is subsistence agriculture. Some of them are involving small business, foreign employment and service in government and nongovernmental sector. Most of them are marginalized small farmers. After realization of limitation on access to finance and better opportunities for livelihood they established an Adharbhut Saving and Credit Cooperative (Adharbhut SACCOS) Ltd.

Adharbhut SACCOS is a group based cooperative. It was established in 2008 A.D. by local indigenous youths. It covers from 5 to 11 wards of Buddhabatika Municipality of Kapilvastu District. Since its establishment, Adharbhut SACCOS is working continuously for support on livelihood activities and transformation of life to their members through financial mobilization. Now Adharbhut SACCOS have 1, 010 share members from 630 HHs with NR.150 million capitals.

Vision

Desire for equal participation of community in developing process and self-reliant sustainable financial institution.

Mission

1. Establishment of development institution based on community.
2. Adaptation of participated development process for socio economic change.
3. Mobilization of maximum resources for community development and their wellbeing.

Objectives

1. To empower target community and women through participation on development process
2. To proper mobilization of local resources for improvement on livelihood.
3. To advocate on right of targeted people.
4. To conduct skill based and income generation activities for their capacity development
5. To financial support and to access on resources
6. To increase linkage and coordination among and between the concern authorities and stakeholders

After the establishment of Adharbhut SACCOS, some significant changes have been come in its coverage areas. Major changes are livelihood improvement and women empowerment of shareholders. They are actively participated on saving and credit mobilization.

Services

- a.) Saving service:* - Each and every shareholder compulsory saves some amount of their income as monthly regular saving. There is other types of saving schemes are also provided by cooperative. They are Optional saving, Child saving, Khutruke saving and Senior citizen saving etc. These all types of saving are getting 6 to 7 percent of interest.

- b.) Loan Service:** - Adharbhut SACCOS is provides loan facilities to own shareholders. The loan is provided on approval from groups. Up to 50,000/- there is no need collateral but if loan amount is more than 50,000/- cooperative needs collateral. The limitation of loan is NR. 2,00,000/-. Home loan, education loan, agriculture loan, livestock loan and health loan etc. are loan providing sectors.
- c.) Remittance Service:** - Almost household's family members are in abroad from its working areas. They are sending their income through various remittance companies. For safe and secured remittances service cooperative is providing all major remittance service at local level. Shareholders are saving time and receiving remittance securely.
- d.) Technical Service:** - Most of the shareholders are farmers. Without shareholders progress cooperative also not gets profit. That's why cooperative providing technical service for agricultural work with coordination stakeholders and other organization.
- e.) Farmer Service Centre:** - Cooperative has operating Farmer Service Centre (FSC). It is proving improved seeds and fertilizers in reasonable price. From FSC shareholders are getting agricultural market information.

4.2: Physical Location and Geographical Characteristics

Kapilvastu district is located in Lumbini Zone in western Development Region of Nepal. Geographically, it has an area of 1,738Sq. Km. Kapilvastu is bounded by Rupandehi District to the east, Dang District to the northwest, Arghakhanchi District to the north, and Uttar Pradesh, India to the south. The district headquarter is Taulihawa.

4.2.1. Demographic Features

The Total population of Kapilvastu district is 5, 70,612 comprising males 2, 84,813 and females 2, 85,799 inhabit in 91,264 households within the district. Population density of the district is 328.15 per square kilometer, while average HH size is recorded 6.25.

Table 4.1: Summary of Population Distribution

Total Area	1,738 sqm
Total Population as of 2011	5,70,612
Male	2,84,813
Female	2,85,799
Population Growth in percent	1.8
Nos. of Household	91264
Average Household Size	60.3
Population Density per sq.km.	328.15
District Literacy Rate in Percent	55

Source: - DDC, Kapilvastu

Table 4.2: Briefly Introduction of the Study Area (Buddhabatika Municipality)

Total Area	169.3
Total Population as of 2011	23,881
Male	11773
Female	12108
Population Growth in percent	3.5
Nos. of Household	4450
Average Household Size	5.36
Population Density per sq.km.	141

Source: - Buddhabatika Municipality Office

4.2.3: Saving and Credit System

The shareholders can save their money with interest rate 6 percent per annum while they can take loan with interest rate 12 percent. The Cooperative members need to collect at least Rs.100/- per month to at most Rs 500/- per month. The shareholders can get loan 10 times of their saving with the collateral of their own saving for one year. The upper limit of loan at a time is Rs. 2,00,000/- but for productive sector it is

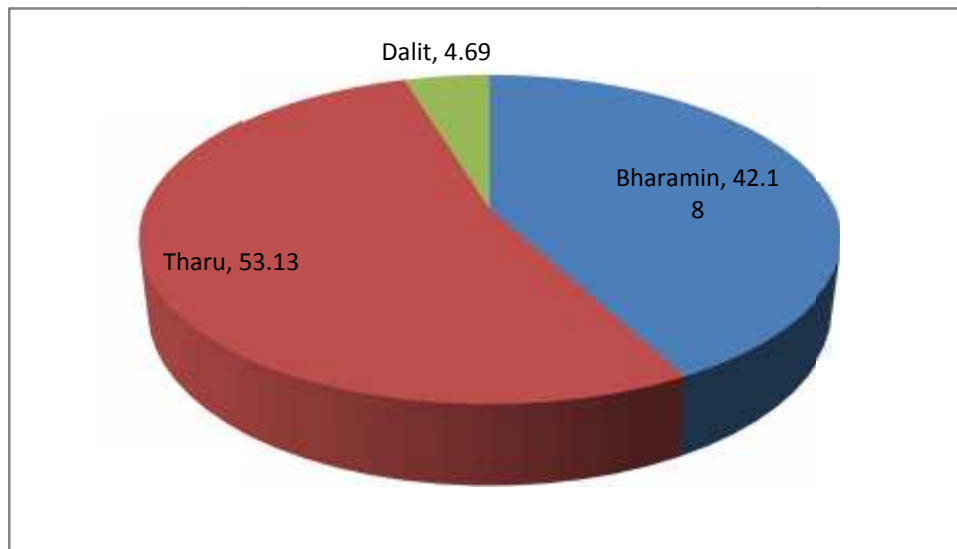
Rs.50,000/- with or without collateral and the time duration is one year. Cooperative provides loan to its members for domestic purpose, agriculture purpose, for business purpose and emergencies only (*Annual Report, 2015*)

4.3: Characteristics of Sample Respondents

4.3.1: Cast/Ethnic Composition

The main inhabitants of the study area were Brahman, Tharu and Dalit. Which has showed with below figure?

Figure No 4.1: Cast composition of Respondents



Source: Field Survey 2016

This Figure 4.1 shows that in the study area most of the respondents were Tharu which is 53.13% of the total respondents taken for this study. Similarly, Bharaman is in the second position which has cover 42.18 percent of the total respondents and remaining 4.69 percent of the total respondents are Dalit.

4.3.2: Sex Composition

Both male and female were actively participating in cooperative. In the study area female were encouragingly involve in cooperative out of 64 respondents, 44 were female and 20 were male. The composition of the respondent by the sex in detail is given below.

Table 4.3: Sex Composition of Respondents

Gender	No. of Respondent	Percentage
male	20	31.25
Female	44	68.75
Total	64	100

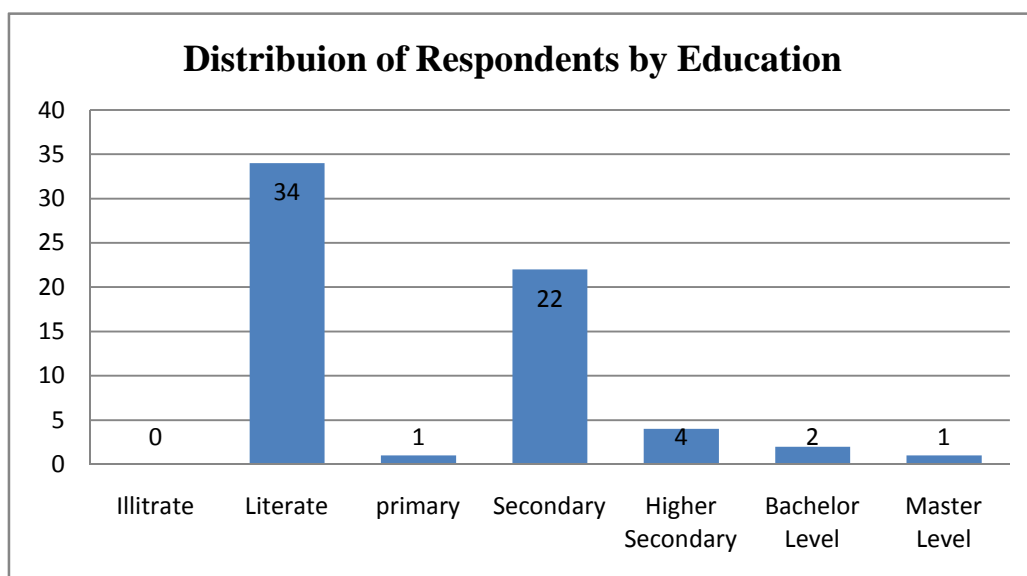
Source : Field Survey 2016

The above table shows that 68.75 percent respondents were female and 31.25 percent respondents were male in the study area female participation seen higher than male.

4.3.3: Education

Education is an important factor that determines the person's attitude, behavior and practice which help to social and economic development. In the study level of education of the respondents were studied to find out the status of respondents level of education. Different levels were found during the research which is discussed below.

Figure No 4.2: Education Status of Respondents



Source: Field Survey 2016

The above figure 4.2 shows that in the field visit out of 64 respondents, no one respondents was illiterate, 34 were literate they could read and write only simple text. Similarly, only one was of primary level educated, 22 were secondary level passed, 4

were higher secondary level, 2 were bachelor and 1 was master level passed. This shows majority of respondents were literate educated and no one were illiterate.

4.3.4: Age

In the study area during the survey different age group of respondents were found from 20 years to 60 above years. The age group of the respondents is detail below.

Table 4.4 : Respondents Age

Age of the Respondents	No. of Respondents	Percentage
Up to 20	0	0
21-40	29	45.31
41-60	31	48.44
Above 60	4	6.25
Total	64	100

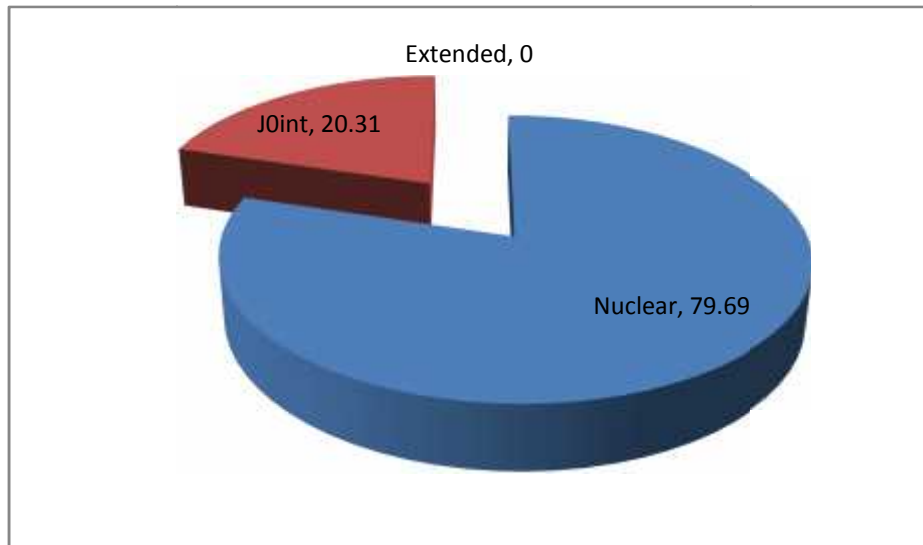
Source: Field Survey 2016

From the above table we find that respondents of age between the 21 to 40 were 29, which is 45.31 percent of the total respondents taken for the study. Similarly, numbers of respondents between years 41 to 60 ages were 31, which cover 48.44 Percent of the total respondents, and 60 above years respondents were very few, which were only 6.25 percent. This shows that mostly respondents of age 41 to 60 were very interested in cooperative than other age group.

4.3.5: Family Pattern

Family is a basic unit of society. It is a group of person of different ages and sex living together under same roof with common provisions, responsibilities and resources. There is sympathy, cooperation and friendliness. If there are problems they collectively solve them. Thus family pattern has affected the socio- economic impact of cooperative. The distribution of respondent by family type is shown in table below.

Figure No 4.3 : Respondents' Family Pattern



Source: Field Survey 2016

The above figure shows that 79.69 percent respondents live in nuclear family. Similarly, 20.31 percent live in joint family and no one live live in extended family. This shows that people living in nuclear family were interested in cooperative and they are effectively participating in the programme.

4.3.6: Marital Status

Among 64 respondents all of them were found married and no one found unmarried. This shows that all of the respondents involved in cooperative are married. This is shows in table below.

Table 4.5: Respondents' Marital Status

Family Types	No. of Respondents	Percentage
Married	64	100
Unmarried	0	0
Total	64	100

Source: Field Survey 2016

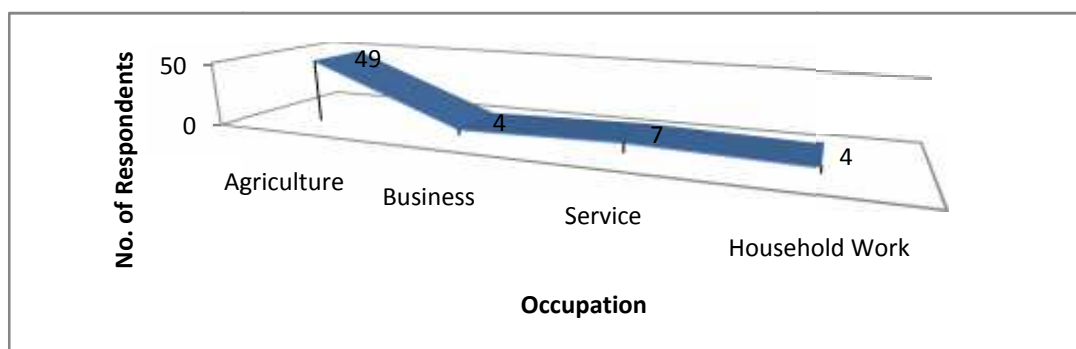
The above table shows that 100 percent respondents out of the total respondents of the study were married and no one were unmarried in the study area. It can be concluded

married people were members of cooperative and they have enough time to get involved in such programme

4.3.7. Occupation

Nepal is an agricultural country where about 74 percent of total population directly dependent on agro based occupation very few are involved in business and other sectors. Income of people depends upon occupation and saving directly depends upon the income of people. This affects the economic and social status of person. The respondents engaged in different sectors are shown in the figure below.

Figure No 4.4 : Respondents' Occupation Status



Source: Field Survey 2016

The above figure reveals that most of the respondents were from Agriculture sector they were 49 out of 64 respondents and very few from the Business and Household work and were engaged in this sector. Similarly, from service sector 7 respondents were become members of cooperative. From this figure we can say that respondents from business occupation become member of cooperative because cooperative provides various types of loan with low interest rate and easy loan thus participation from business were found high.

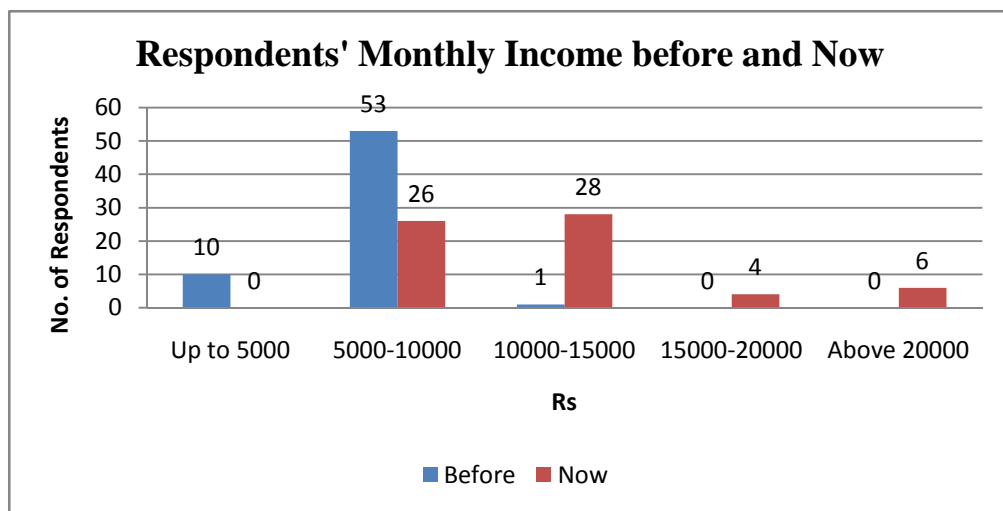
4.4: Financial Analysis

Financial analysis attempts to measure or estimate the change in economic activities in a specified region, caused by a specific policy, programme project, activity or other economic even. it is one of the important parts of any project. Activities like, income, saving, expenditure, education, training, production etc are based on economic activities of Cooperative are analyzed one by one as below.

4.4.1: Respondents' Monthly Income Before and Now

Income is the consumption and saving opportunity gained by an entity within a specified timeframe, which is generally expressed terms. However, for households and individuals, "Income is the sum of all the wage, salaries, profits, interest payments, rents and other forms of earning received in a given period of time. Adharbhut SACCOS provides loan to its members to enhance their family income through some income generating activities. Loan taken by members of Adharbhut SACCOS have played a crucial role to enhance their income level.

Figure No 4.5: Respondents Income Before and Now



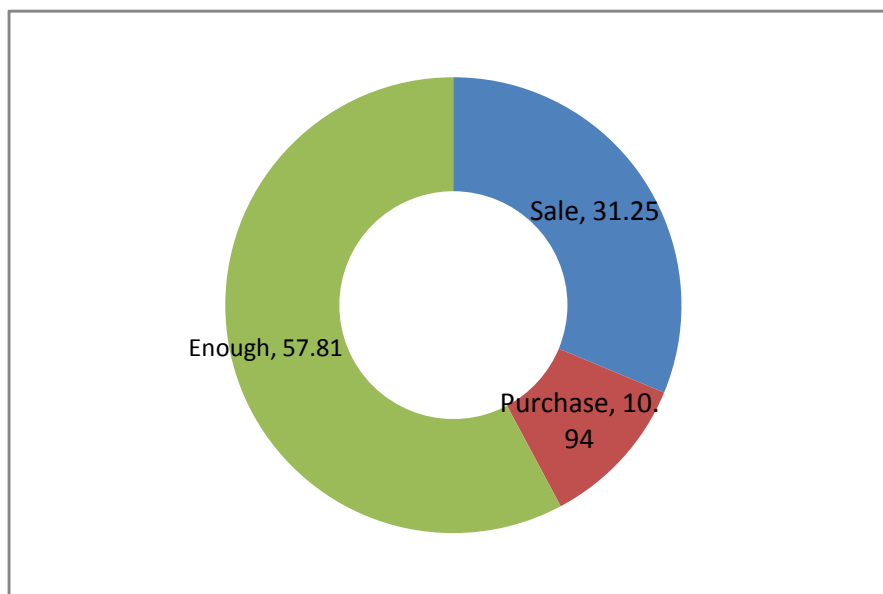
Source: Field Survey 2016

The above figure shows that 10 respondents' monthly income was up to 5000 before but now no one of the respondents is having monthly income up to 5000. Similarly, 53 respondents were having monthly income 5000-10000 before but now 26 respondents' monthly income is 5000-10000. Like this, only one respondent's monthly income was 10000-150000 before but now 28 respondents' monthly income is 10000-150000. And then no one of the respondents was having monthly income 15000-20000 before but 4 respondents are having monthly income 15000-20000 and above 20000 monthly incomes was no one of the respondents before but now it is of respondents.

4.4.2: Respondent's Agriculture Product Situation

The Agricultural products are main source of food of human being. The productivity of agriculture also determines the human living standard. So the agriculture production situation of the respondents of this study has been analyzed here.

Figure No 4.6: Respondents Agriculture Commodities Production Situation



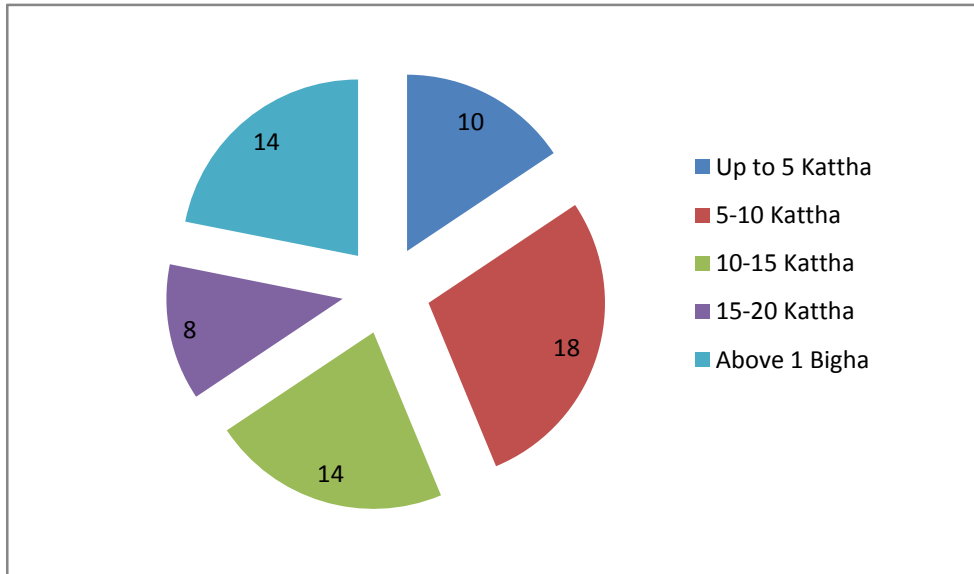
Source: Field Survey 2016

The above figure shows that the agriculture production situation of the respondents. As per the Figure No. 4.6, 31.25 percent respondents of the total respondents of this study sale agricultural products. Similarly, 10.94 respondents of the total respondents purchase the agricultural products for full fill their food insufficiency and 57.81 respondents produce agricultural crops enough for their own family.

4.4.3: Respondent's Land Pattern

Land is considered main of the economic source of well being in Nepal. So about the land pattern of respondents has been analyzed below.

Figure No-4.7: Respondents ownership Land Pattern



Source: Field Survey 2016

The above table shows that up to 5 Kattha land is with 10 respondents. Similarly, 5.10 Kattha land is with 18 respondents. Likewise, 10-50 Kattha land is with 14 respondents, and then 15-20 kattha land is with 8 respondents and above one Bigha land is with 14 respondents.

4.4.4: Time of becoming member of Cooperative

Time determine the change of socio-economic factors after starting any progress or event in this context becoming member of cooperative has been analysis, when the respondents had become member of this Cooperative which has been shown below.

Table 4.6: Respondents time becoming Member of Cooperative

Time	No. of Respondents	Percentage
Recently	4	6.25
2 years before	7	10.94
5 Years before	53	82.81
Total	64	100

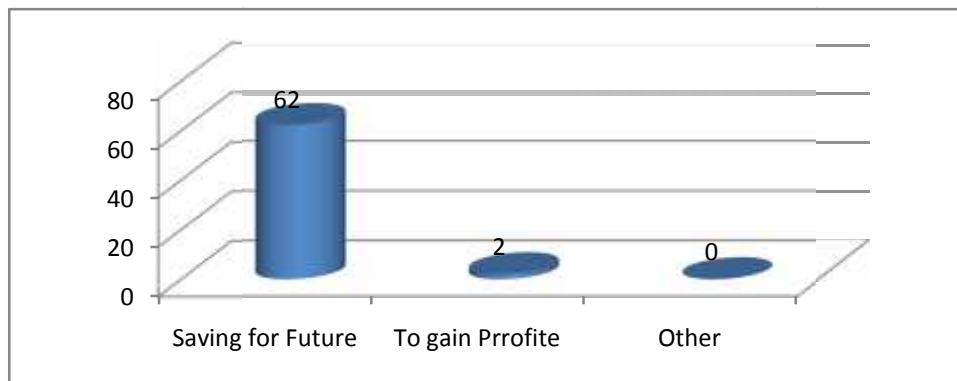
Source: Field Survey 2016

Above table reveals that 4 respondents of the total respondents taken for the study had become member of the cooperative recently which covers 6.25 percent of the total respondents. Similarly, 7 respondents had become member of the cooperative which is 10.94 percent of the respondents. Like this, 53 respondents or 82.81 percent respondents taken for this study had become member of the cooperative before 5 years ago. it means Most of the cooperative members had become before 5 years ago. So there can be seen different types of change on the member's living standard or livelihood.

4.4.5: Causes to become member of Cooperative

People become members of any organization with some cause from the field survey different cause of becoming members of cooperative was found. There were two categories found in this study that is explained below.

Figure No 4.8: Distribution of Member by Causes for becoming member of Cooperative



Source: Field Survey 2016

The above figure shows that why the respondents had become member of the cooperative. As per the above figure 62 respondents out of the total respondents had become member of the cooperative for saving for the future and 2 respondents had become members of the cooperative to gain profit. This concludes that the aim of the majority members' is saving for the future.

4.4.6: Respondents Taken Loan

A loan is debt provided by one organization or person to another organization or person at an interest rate, and evidenced by a note which specifies, among other things, the principal amount, interest rate, and date of repayment. Cooperative provide loan to its member to generate economic activity. Financing loan is main function of saving and credit cooperative. It is the main source of income of cooperative in Adharbhut Saving and Credit Cooperative, number of respondents taking loan was found as below.

Table 4.7: Number of respondents taken Loan from the Cooperative

Status of Loan	No. of Respondents	Percentage
Yes	58	90.63
No	6	9.37
Total	64	100

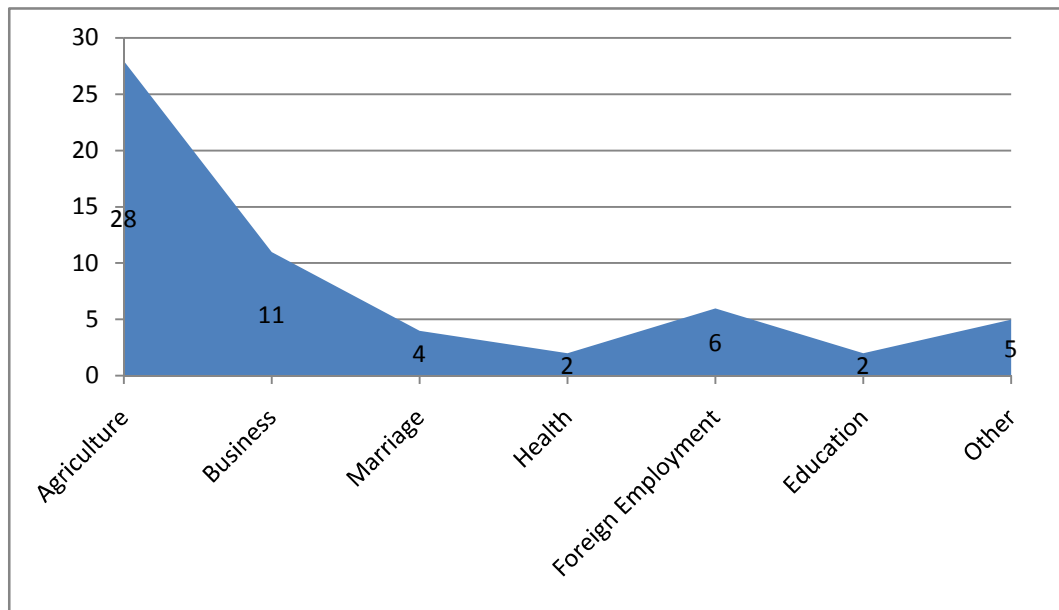
Source: Field Survey 2016

The above table shows that only 90.63 percent respondents have taken loan and remaining 9.37 percent have not take loan. This loan enhances the economic activity of the members.

4.4.7: Purpose of take loan

Members of Cooperative take loan for different purpose as per their need in this study respondents take loan for the following purpose which have been presented below and have been shown in the figure.

Figure No 4.9: Purpose of respondents to be taken loan



Source: Field Survey 2016

Out of the total respondents of the study 58 respondents have taken loan from the Cooperative. Out of the respondents taken loan 28 respondents had taken loan for agriculture. Similarly, 11 respondents out of the total loan taken respondents had taken loan for the business purpose. And then 6 respondents had taken loan for foreign employment. Similarly, 4 respondents had taken loan for marriage purpose and out of the remaining 4 respondents 2 respondents had taken loan for the health treatment other 2 respondents had taken for education purpose.

4.4.8. Respondent's first sources of Loan

Different types of sources of loan are in the society. People take loan from the sources where they find easy access. The first sources of the respondents taken for the study are as per the table below which has been given in the table below.

Table 4.8: Sources of Loan of Respondents

Sources	No. of Respondents	Percentage
Cooperative	62	98.88
Bank	1	1.56
Money lender	1	1.56
Total	64	100

Source: Field Survey 2016

As per the above table 62 respondents' first source of loan is Cooperative. it means that 62 respondents go to the Cooperative for the loan at first. Similarly, one respondent first goes to in Bank for loan and other one respondent goes to money lender at first for loan. The first choice is Cooperative of the people of study area for loan.

4.4.9: Saving Places

People save some of their income for different purpose in the different place. The saving place of the respondents of this study has been given below in the table.

Table 4.9: Income saving place of Respondents

Place	No. of Respondents	Percentage
Cooperative	54	84.38
Bank	9	14.06
Other	1	1.56
Total	64	100

Source: Field Survey 2016

The above table shows that 54 respondents of the study save their some of income in the cooperative. Similarly, 9 respondents out of the total respondents save some of their income in the Bank and only one respondent saves in the other place.

4.4.10. Cooperative Provide Income Generating Training

Income generating training helps to increased income level, they can become self dependent, improve living standard of the people. So Income generating training is need to people of the community recently different types of income generating trainings have been conducted in the communities by different NGO/INGO, Government and Cooperative. Cooperatives provide such income generating training for their members to increase members' income level, to make them self-depended and to improve their living standard. The respondent's perception about such income generating training provided their cooperative is given below in the table.

Table 4.10: Respondents benefitted from the Income Generating Activities provided by Cooperative

	No. of Respondents	Percentage
Yes	46	71.88
No	18	28.12
Total	64	100

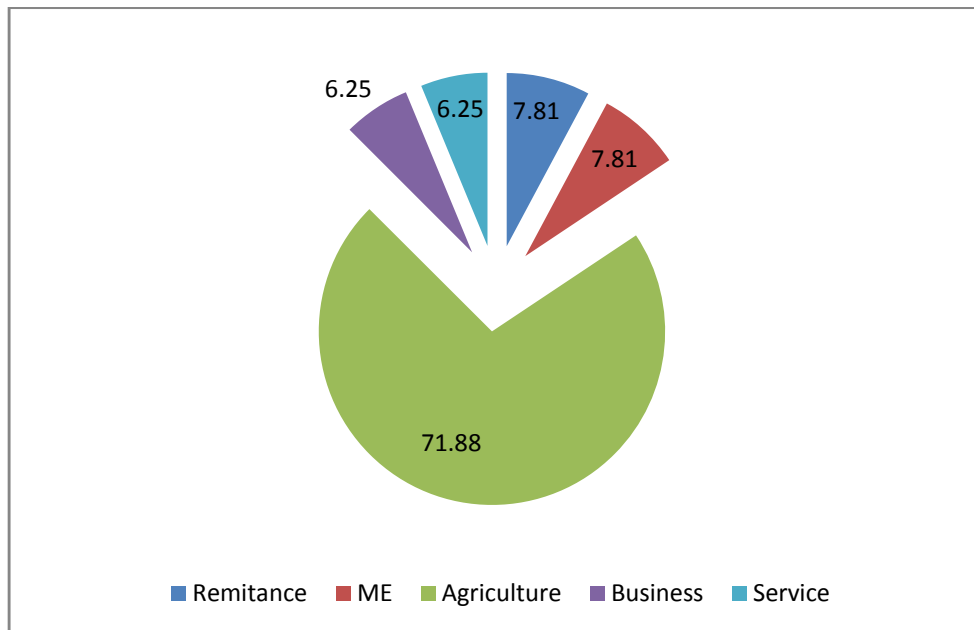
Source: Field Survey 2016

According to the above table 46 respondents said that the cooperative had provided different types of income generating training in the community from such training 46 respondents have benefitted which is the 71.88 percent of the total respondents taken for this study and rest 18 respondents did not get any types of income generating training because they are recently join the cooperative. They are 28.12 percent of the total respondents.

4.4.11: Respondent's main Income sources

Persons' economic and social status determine by their family income Source whose family income source is better place and income level is high those social status is high in the community and society. Everyone respect him due to being good income sources and high income level. The family main income source of respondents' of the study has been analyzed below.

Figure No 4.10: Main Income sources of Respondents Family



Source: Field Survey 2016

The above figure shows that 71.88 percent respondents' main income source is Agriculture. Similarly 7.81 percent respondents' main income source is Micro Enterprises, and then other 7.81 percents' is Remittance. Like this, 6.25 percent respondents' main income source is service and other 6.25 percents' main income source is business. It concludes that most of respondents' main income source is agriculture.

4.4.12: Technical support for Agriculture provide the Cooperative

The main occupation of our country is agriculture. But the agriculture is subsistence means of livelihood. For commercial agriculture technical support is necessary. In later period many cooperatives have been providing technical support to their members to make them depended on agriculture through making modernization and

commercialization. Through technical service in agriculture the income level is increase of their members. Here the technical support provided by cooperative to their members has been analyzed below.

Table 4.11: Respondents perception about Technical support to Agriculture by Cooperative

	No. of Respondents	Percentage
Yes	61	95.31
No	3	4.69
Total	64	100

Source: Field Survey 2016

The above table shows that 61 respondents said that the cooperative has provided technical support for agriculture development which covers 95.31 percent of the total respondents taken for this study and remaining 4.69 percent respondents are not farming agriculture themselves. So they did not require and not taken such type of support.

4.4.13: Respondents Societal Involvement after becoming member of Cooperative

After involving any organization and campaign person behavior is change and his capacity is increased and encourages him to involve in societal activities. Here the respondent's societal condition tried to analyze after become member of cooperative.

Table 4.12: Number of Respondents distribution by social involvement

	No. of Respondents	Percentage
Yes	46	71.88
No	18	28.12
Total	64	100

Source: Field Survey 2016

The above table shows that 46 respondents which are 71.88 percent of the total respondents of the study have involved in societal activities. After becoming the member of cooperative their societal involvement has increased but 18 or 28.12 percent respondents' societal involvement hasn't increased.

4.4.14. Respondents Get Bonus by Cooperative

Bonus means incentives, Cooperatives provide some money to their share members as bonus, which is one of the income resources of cooperative share members. The cooperative whose members are the respondents, how many respondents have got such bonus has analyzed below.

Table 4.13 Respondents Experience about bonus provided by Cooperative

	No. of Respondents	Percentage
Yes	61	95.31
No	3	4.69
Total	64	100

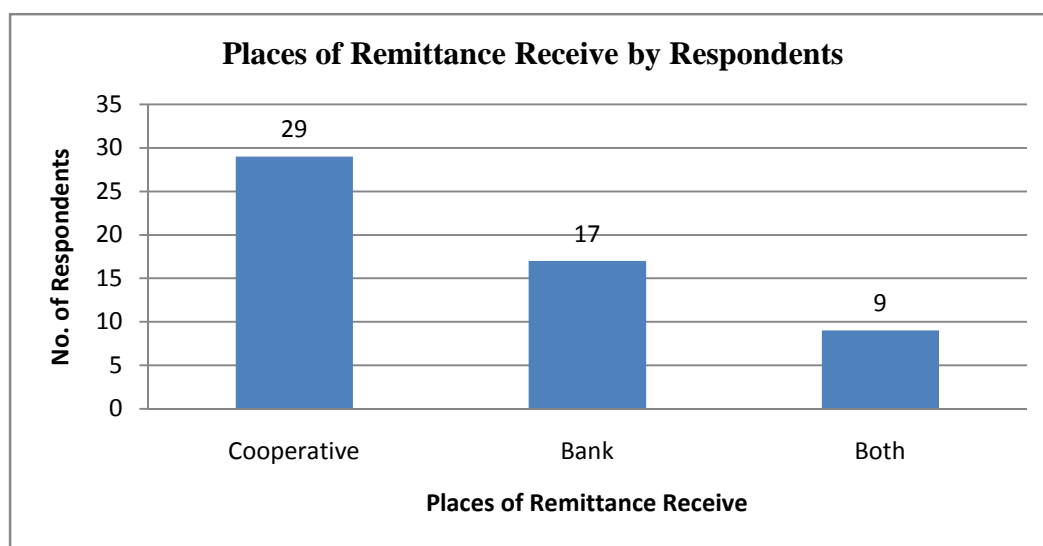
Source: Field Survey 2016

The above table shows that 61 respondents have got bonus from their cooperative which is 95.69 percent of the total respondents and 3 respondents which covers 4.69 percent of the total respondents haven't got any bonus from the cooperative.

4.4.15: Places of Remittance Receive

In later period remittance has become one of the major income sources of Nepalese government as well as many Nepalese people. Many Nepalese youths have gone different foreign country to do job. They are sending their income from there. It is called remittance. Their family members are getting in Nepal. Such type of remittance service has provided by cooperative in study areas. In this context the respondent's remittance receiving place information has been analyzed below.

Figure No 4.11: Places of Remittance Receive by Respondents



Source: Field Survey 2016

The above figure shows that 55 respondents out of the total respondents of the study receive remittance out of the total remittance receiver respondents 29 respondent receive remittance from cooperative. Similarly, 17 respondents receive from Bank and 9 respondents receive remittance from both place bank and cooperative.

4.4.16: Respondents' Income Level after becoming Cooperative Member

Income is the consumption and saving opportunity gained by an entity within a specified timeframe, which is generally expressed terms. However, for households and individuals, "Income is the sum of all the wage, salaries, profits, interest payments, rents and other forms of earning received in a given period of time. Adharbhut SACCOS provides loan to its members to enhance their family income through some income generating activities. Loan taken by members of Adharbhut SACCOS have played a crucial role to enhance their income level.

Table No. 4. 14: Compare Respondents Income Level before and after becoming Member of Cooperative

	No. of Respondents	Percentage
Increased	56	87.50
Not is same like before	8	12.50
Total	64	100

Source: Field Survey 2016

The above table shows that the income level have increased after becoming the member of cooperative of 56 respondents which covers 87.50 percent of the total respondents and 8 respondent's income level have not increased even after becoming the member of cooperative their income level is same as like before. They are newly joined shareholders. It concludes that majority respondent's' income level has increased after becoming member of cooperative.

4.4.17: Purchasing Power status after becoming Shareholder

Person's income status determine by his purchasing power which also determine living standard. The Purchasing power of the respondents of the study has been analyzed below.

Table 4.15: Distribution Respondents by their purchasing Power

	No. of Respondents	Percentage
Yes	45	70.31
No	19	29.69
Total	64	100

Source: Field Survey 2016

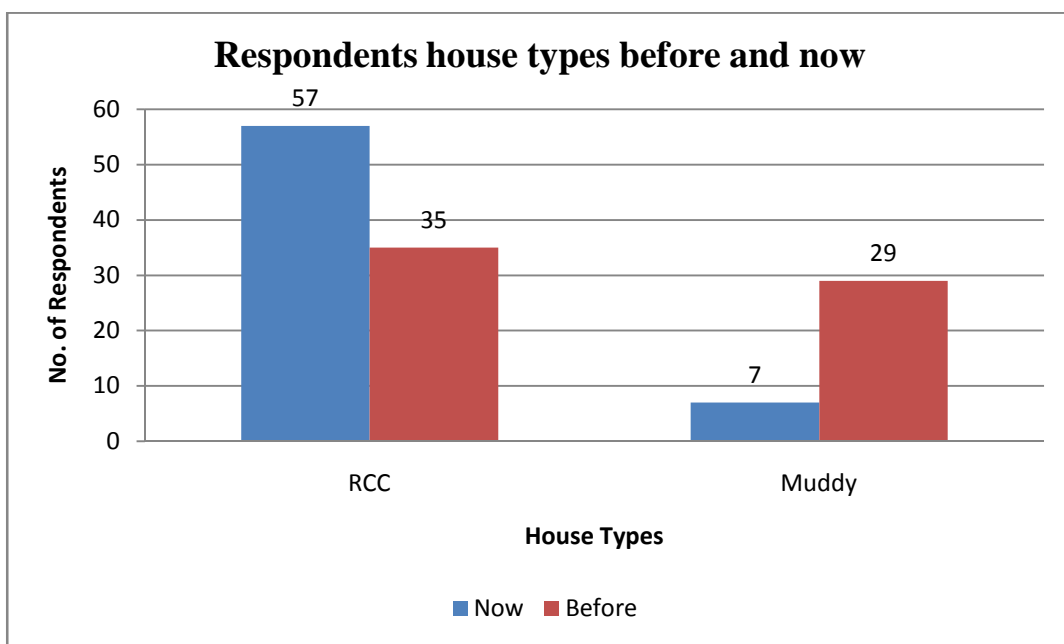
The above table shows that 45 respondents' purchasing power has increased which covers 70.31 percent of the total respondents and 19 respondents or 29.69 percents' purchasing power even though , become member of cooperative, their purchasing power is same like before.

4.5: Evaluation Living Standard of Respondents

4.5.1. Respondents House Type

In Nepal house is considered person's social and economic status. It is one of main variable to evaluate persons' living standard. Respondents' house types have been analyzed below.

Figure No 4.12: Respondents House types before and now



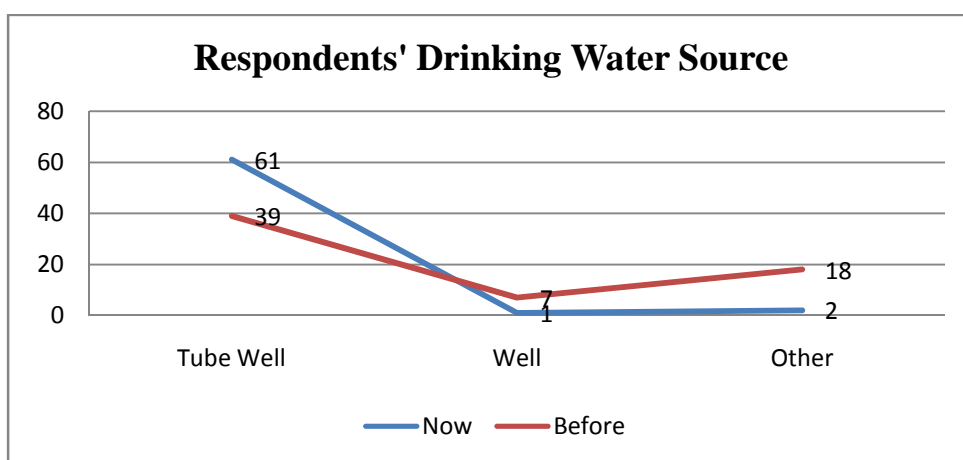
Source: Field Survey 2016

The above figure shows that the respondents' house types as per the figure 57 respondents' house are RCC now but 35 respondents' houses were RCC before and 7 respondents' houses are muddy now but 29 respondents houses were Muddy before.

4.5.2: Respondent's Sources of Drinking Water

Drinking water is another factor of measuring living standard status of drinking water of the study area is given below.

Figure No 4.13: Distribution respondents by their Drinking water Sources



Source: Field Survey 2016

The above figure shows that 61 respondents of the total respondents of this study are used to using drinking water from the tube well but before 39 respondents used to use drinking water from tube well. Similarly, one respondent's of the total respondents is using drinking water from well now but before 7 respondents used to use from well and 2 respondents out of the total respondents of the study are used to using drinking water from other sources now. Other sources mean river, public tube well and neighbors houses etc. but before 18 respondents used to use drinking water from other sources.

4.5.3: Toilet

Access of toilet is also regarding as a measure of living standard. Status of toilet of the study area has been presented below.

Table 4.16: Respondents Toilet types

Toilet Status	Siphon		Open		Other	
	No. of Respondents	Percentage	No. of Respondents	Percentage	No. of Respondents	Percentage
Now	63	98.44	0	0	1	1.56
Before	23	35.94	34	53.13	7	10.94

Source: Field Survey 2016

The above table shows that 63 respondents' which cover 98.44 percent of the total respondents have siphon toilet now but before 23 respondents which is 35.94 percent of the total respondents had siphon toilet before. Similarly, no one have open toilet but before it was with 34 respondents which is 53.13 percent of the total respondents taken of this study and with only one respondents have other types of toilet but before it was with 7 respondents.

4.5.4: Fuel Consumes by Respondents

Fuel consumes is another factors of measuring living standard of respondent's fuel consumes status of respondents is below.

Table 4.17: Distribution Respondents By their fuel consumes

Fuel	Before		Now	
	No. of respondents	Percentage	No. of respondents	Percentage
Wood	60	93.75	52	81.25
Animal Dung	10	15.63	3	4.69
ICS	0	0	19	29.69
Bio Gas	1	1.56	7	10.94
LP Gas	0	0	10	15.63

Source: Field Survey 2016

The above table shows that 60 respondents which cover 93.75 percent of the total respondent would use wood for cooking fuel before but now 52 respondents which cover 81.25 percent respondents use wood for cooking fuel. Like this, 10 respondents which cover 15.63 percent of the total respondents would use animal dung as cooking fuel before but now only 3 persons which cover 4.69 percent out of the total respondents use animal dung as cooking fuel. And then no one would use ICS before as fuel but now 19 respondents or 29.69 percent respondents use ICS as fuel. Like this, only one respondent has use biogas before as fuel but now 7 respondents or 10.94 respondents out of the total respondents using biogas as fuel and no one respondents has used LP Gas as fuel before but now 10 respondents using biogas as fuel.

4.5.5: Health Treatment

Accessibility of health facility is also considered while measuring standard of living respondents' health accessibility is tabulated below.

Table 4.18: Respondents place of Health Treatment

Treatment	Before		Now	
	No. of respondents	Percentage	No. of respondents	Percentage
Traditional	57	89.06	9	14.06
Health Post	7	10.94	57	89.06
Private Hospital	1	1.56	19	29.69

Source: Field Survey 2016

The above table shows that 57 respondents which cover 89.06 percent of the total respondents taken for this study used to adopt traditional method for health treatment but now only nine respondents or 14.06 percent respondents out of the total respondents adopt traditional treatment method. Similarly, 7 respondents which is 10.94 percent respondents of the total respondents used to go health post for health treatment before but now 57 respondents which is 89.06 percent of the total respondents go to health post for health treatment and only one respondents used to go in the private hospital for health treatment before but now 19 respondents or 29.69 percent respondents out of the total respondents go to private hospital for health treatment.

4.5.6: Home Appliances

Home appliances also reflect the persons' prosperity in the community if in whose house different home appliances have they are considered economically able in the society. So about the respondents home appliance has been presented below comparing before and now below.

Table 4.19: Distribution of respondents by use of Home appliances

Home Appliance	Before		Now	
	No. of respondents	Percentage	No. of respondents	Percentage
Refrigerator	0		8	12.50
Washing Machine	0		0	
Grinder	2	3.13	25	39.06

Source : Field Survey 2016

The above table shows that no one had refrigerator before but now with 8 respondents it have. Similarly, the washing Machine neither before nor now has with respondents and grinder was with 2 respondents before but now it is with 25 respondents.

4.5.7: Means of Communication

The means of communication and entertainment also determine the people living standard. Respondent's access on means communication or entertainment has been compared below.

Table 4.20: Means of Communication having in their Home

Communication's Means	Before		Now	
	No. of respondents	Percentage	No. of respondents	Percentage
Mobile	7	10.94	61	95.31
Television	9	14.06	52	81.25
Radio	35	54.69	55	85.94
Internet	1	1.56	24	37.50
Other	2	3.13	3	4.69

Source: Field Survey 2016

According to the above table only 7 respondents or 10.94 percent respondents out of the total respondents of this study was mobile before but now it is with 61 respondents which cover 95.31 percent of the total respondents. Similarly, Television was with 9 respondents before but now it is with 52 respondents which is 81.31 percent of the total respondents. like this, Radio was with 35 respondents or 54.69 percent respondents out of the total respondents before but now it is with 55 respondents or 85.94 percent of the total respondents. And then, the internet access was with only one respondent before but now it is with 24 respondents which cover 37.50 percent of the total respondents and other means was with 2 respondents before but now it is with 3 respondents.

4.5.8: Vehicle

Vehicle also is a factor of person which also regards means of well being. So about it also compared here.

Table 4.21 : Distribution of respondents on the base of their Vehicle

Vehicle	Before		Now	
	No. of respondents	Percentage	No. of respondents	Percentage
Cycle	37	57.81	57	89.06
Motor Bike	3	4.69	25	39.06
Other	0	0	2	3.13

Source: Field Survey 2016

The above table shows that cycle was with 37 respondents or 57.81 percent respondents of the total respondents before but now it is with 57 respondents which cover 89.06 percent of the total respondents taken for this study. Similarly,

Motor Bike was with 3 respondents before but now it is with 25 respondents and no one has the other means of transportation before but now different transportation have with 2 respondents.

4.5.9: School

Schooling of the children also affects the living standard of the people. Mostly there are two types of school in the study area. This is categorized as below.

Table 4.22: Schools of Respondents

School	Before		Now	
	No. of respondents	Percentage	No. of respondents	Percentage
Government School	54	84.38	39	60.94
Private School	0	0	25	39.06

Source: Field Survey 2016

The above table shows that 54 percent respondents would send their children in Government school before which cover 84.38 percent of the total respondents but now 39 percent respondents send their children in the Government school. Similarly, no one would send their children in private school before but now 25 respondents send their children in private school.

4.5.10: Maternal Health Situation

Maternal health situation also affects on the living standard of the people. The maternal health situation of the study area has been analyzed below.

Table 4.23: Service place about Maternal Health of Respondents

Maternal Health Service Place	Before		Now	
	No. of respondents	Percentage	No. of respondents	Percentage
At Home	52	81.25	4	6.25
At Health Post	3	4.69	58	91.63
Trained Sudeni	0	0	1	1.56

Source: Field Survey 2016

The above table shows that 52 respondents of the study which is 81.25 percent of the total respondents used to give birth to the child at home before but now only 4 respondents give birth children at home. Similarly, before only 3 respondents used

to go in health post for delivery but now 58 Respondents go to health post for delivery and no one used to go with trained sudeni for delivery but now one respondents go to with trained sudeni for delivery.

4.5.11: Respondent's Food Security Condition Produced on their own Land

Food is essential thing to live creature in the planet. So food security should be ensured to live creature. Hence, here has been analyzed food security condition of the respondents comparing before and now.

Table 4.24: Respondents' Food Security Situation

Months	Before		Now	
	No. of respondents	Percentage	No. of respondents	Percentage
3 Months	5	7.81	1	1.56
6 Months	4	6.25	4	6.25
9 Months	28	43.75	3	4.69
1 Years	27	42.19	56	87.50

Source: Field Survey 2016

The above table shows that food insufficient of 5 respondents before they will consumes food produced their own land for only three months but now only one respondent is have food insufficient. He consumes food produced their own land for three months. Similarly, food insufficient was of 4 respondents before but even now food insufficient is of 4 respondents they consume food produced their own land for 6 months. Like this, 28 respondents would consume food for 9 months before that would produce their own land but now only three respondents are who consume food for 9 months produced in their own land, and 27 respondents used to consume food for one year before but now 56 respondents are used to consuming food produced in their own land for one year.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter summarizes the whole study, presents the conclusions and forwards the recommendations on basis of major findings.

5.1 Summary of the Findings

A cooperative is an autonomous association of persons who voluntarily cooperate for their mutual, social, economic, and cultural benefit. Saving and credit cooperatives have been established in Nepal to improve the socio economic status of the poor, women and backward people. It also aimed at increasing the financial access to those areas where financial institutions are not reached. Cooperative is also viewed as the tool that can bridge the gap between urban and rural area through rural transformation. Cooperative plays vital role to overcome the problem of capital shortage through capital formation.

The main objective of the study is to analyze the present role of cooperative activities to income generation and livelihood improvement in study area.

The study is mainly based on primary source of data but secondary are also used for analysis. The primary data are taken from questionnaire, field observation, key informant interview, and focus group discussion. The secondary data are taken from journals, reports, books, publications, websites etc. After collecting the data from the different sources, it is analyzed by using financial and statistical tools. Saving and credit are very important variable of the cooperative which helps to increase the economic activities in the society. The collection of the saving must be taken as a crucial factor by the cooperatives so that adequate funds can be available to mobilize it.

Study was carried on Adharbhut Saving and credit Cooperative Among 1010 members (630 HHs) of the cooperative 64 was taken as a sample for study. Various aspects of the sampled members were studied. Monthly income, purpose of taking loan, sources of loan before and after becoming the member of Adharbhut were analyzed to find out the role of cooperative on livelihood. Similarly, change in social status, change in other's behaviour, family problem, role of cooperative in societal

involvement etc. were analyzed through different table, charts and figures to find out the social impact.

The Findings of the Study are as follows:

-) All of the respondents have land, with 18 respondents have 5-10 Kattha, 14 respondents have 10-15 kattha, other 14 respondents have more than one Bigha, with 10 have up to 5 Kattha and with only 8 respondents have 15-20 kattha land.
-) 31.25 percent respondent's sale agriculture production, 10.94 respondents purchase agricultural things to full fill their family's food insufficiency and 57.81 percent respondents produce agricultural products sufficient for their family.
-) Out of the total respondents before there was up to 5000 monthly income of 10 respondents, 5000-10000 was of 53, 10000-15,000 was of only one. But now 5000-10000 monthly income 26 respondents, 10000-15000 income 28 respondents, 15000-20000 income 4 respondents and above 20000 monthly income 6 respondents, which shows that the monthly income of respondents has increased after becoming member of cooperative.
-) Before becoming the member of cooperative 5 respondents were consumed food from their own land products for 3 months, 4 were for 6 months, 28 were for 9 months and 27 respondents were consume food produced on their own land for one year. It tells that there was food insufficient in the study area. But now, only one respondent consumes food from their own land produced for 3 months, 4 for 6 months, 3 for 9 months and 56 respondents consume food products from their own land for one year. It can be concluded that respondent's agriculture production capacity has increased after becoming the member of cooperative.
-) 52 respondents had given birth to child at home before but now only 3 respondents have given birth to child at home, before 3 respondents had given birth to child at health post but now 58 respondents have given birth to child at health post and now only one respondent has given birth to child with trained sudeni.
-) With 37 respondents had cycle before but now with 57 respondents have it, only with 3 respondents had motor bike before but now 25 respondents having motor bike. It shows that respondent's purchasing power and living standard have increased.

- J Mobile was only with 7 respondents before but now it is with 61 respondents which covered 95.31 percent of the total respondents. Similarly radio was with 35 respondents but now it is with 55, and then internet access was with only one respondent before but now it is with 24 respondents. The access on radio and internet has rapidly increasing. Normally, people are using radio and internet supported mobiles.
- J Refrigerator was with no one of the respondents before but now it is with 12.50 percent of the respondents. Similarly, washing machine is not with no one even now. Likewise grinder was with 2 before but now it is with 25 respondents.
- J Traditional method of health treatment had been adopted by 57 respondents but now the method has been adopted by 9 respondents. Only 7 respondents used to go at health post for health treatment before but now 57 respondents are used to going at health post for treatment and only one respondent would go to private hospital before but now 19 respondents go to there.
- J 93.75 percent respondents of the total respondents have used wood as fuel before but now it is used by 81.25 percent; similarly, 15.63 percent respondents have used animal dung as fuel before but now it is used by 4.69 percent. Likewise, ICS was used by no one before but now 29.69 respondents are using it. Biogas was used by 1.56 percent before but now it is used by 10.29 percent and no one used the LP gas before but now 15.63 respondents are using LP gas use.
- J Now with 98.44 percent respondents have siphon toilets but before it was with 35.94 percent, 53.13 percent respondents have used open types of toilet before but now no one uses it.
- J 39 respondents have used drinking water from tube well before but now 61 respondents are using drinking water from tube well. Similarly, 7 respondents have used water of well before but now only one respondent uses from well.
- J RCC type's house is with 57 respondents now but before this types house was with 35 respondents and only one respondent's house is muddy type now but before this type house was with 29 respondents.
- J After become member of Cooperative 70.31 percent respondents purchasing power has increased and remaining 29.69 percents respondents are same as before.

-) 87.50 percent respondents' income level has increased but of 12.50 percent respondents are same as before.
-) 29 respondents receive remittance from the cooperative. Similarly, 17 respondents receive it from Bank and 9 respondents receive from both places.
-) 61 respondents have got bonus from the cooperative.
-) 46 respondent's social work and involvement have increased but of 18 respondents are same as before.
-) 61 respondents have got technical support for agriculture but 3 respondents haven't got because currently they are not farming.
-) 71.88 percent respondents' family's main income source is agriculture. Similarly, Micro Enterprises is of 7.8 percent. Business is of 6.25 percents'. Service is of 6.25 and remittance is of 7.81.
-) 46 respondents have benefitted by income generating programme but 18 are newly entered in cooperative and not yet got it.
-) 54 respondents save money in cooperative, 9 respondents save in Bank and one save in other place.
-) 98.88 percent respondents' loan source is cooperative. Similarly, only 1.56 percent respondents' loan source is Bank and other 1.56 percent's loan source is money lender.
-) 28 respondents have taken loan for agriculture. Likewise, 11 have taken for business. Similarly, 4 respondents have taken loan for marriage, and then 2 have taken for health treatment, 6 respondents have taken for foreign employment, other 2 have taken for education and 5 respondents have taken loan for other purpose.
-) 62 respondents have saved some of their income for future and other 2 have saved for gain profit in cooperative.
-) 82.81 percent respondents had become member of cooperative 5 years ago. Similarly, 7 respondents had become 2 years before and 4 respondents had become recently.

5.2 Conclusions

Cooperative societies are important for economic development of the country. They accumulate the scattered money of micro entrepreneurs, small businessman,

craftsman and general public. They are mobilizing that to the needy person of lower-middle class. They eliminate middleman in rural area and help in the capital formation. Cooperatives have the responsibility of providing financial as well as technical assistance to the poor people for generating income. So, Cooperatives is taken as a device to fill the pit between haves and have not. Cooperatives are regarded as engine of economic development of the country. Many developed and developing countries have adopted the cooperative system in various sectors of the economy. Cooperative has the social and economic impact not only to its members but also on whole society.

In the study of Adharbhat SACCOS, after analyzing the primary data female participants were higher than male member participation. With respect to the education literate were found higher and master degree were very few. Likewise, Majority of the respondents were become member of cooperative to save for future. Regarding the level of monthly income majority of the respondents earn monthly Rs 10000 to 15000. Level of income and level of saving of respondents were seen increasing after becoming member of Cooperative. Majority of the respondents takes loan from the cooperative and used on agriculture development.

With respect to reason behind taking loan from cooperative, majority of the respondents agreed in easy access. Regarding the change in social status after most of the respondents replied they are getting positive response from other. Majority of the respondent said that they send their children in Government school and they go to both private and government hospitals. With respect to luxury goods most of respondents owned radio, television and vehicle. Majority of the respondents use siphon toilet and they use tube well water for drinking purpose. With regard to the fuel consumption for cooking majority of respondents use fire wood.

Cooperative plays vital role to provide financial service to its member and help to generate the economic activities of the society. Transformation of unproductive money to the productive sector is very crucial role played by cooperative. Cooperative creates the environment of cooperation among its members. They work together to achieve mutual objective. Knowledge, skill, behaviour, attitude etc. of the members were increased. Cooperative also play significant role on the society through different social activities like free health camp, blood donation, scholarship for students, cleaning program etc. thus cooperative can be the foundation of the economic

development of the country if proper Acts, rules, regulations, policy, vision etc. are promulgated and implemented through the government level.

5.3 Recommendations

The following recommendations can be prepared on the basis of the study for the further growth and development of cooperative:

-) Cooperative should take initiatives to motivate Dalit, Janajati, women and marginalized people of the society.
-) Cooperative should have balanced gender and other ethnic groups in the executive committee.
-) The interest rate on loan is little bit high; it should as minimize as it can.
-) Principally cooperatives are always responsible to the members; without active members the institution cannot run smoothly. To increase the living standard of members it is necessary to improve economic status. Hence, to meet this purpose client and institute both needs their own business plan. Some business scheme like agro veterinaries and other suitable programs should be prioritized. Only the saving credit program is not sufficient for economic viability and institutional sustainability.
-) The institute should organized some kinds trainings, such as cooperative education, entrepreneurship development, business plan preparation, crop diversification, sustainable agriculture program, agro forestry programs etc.
-) Adharbhat SACCOS has positive impact on livelihood of the members. Therefore the institution needs to expand the social development activities to the community coordinating with DDC, the SFDBL, Federation of SFACL, NGOs as well as INGOs.
-) Members should be encouraged to participate more actively in discussion and deliberation in annual general meeting and monthly meetings of Cooperative.
-) Regulatory body of cooperatives should be empowered by the government.
-) Government has declared cooperative as one of the major pillar for the development of country, sufficient subsidies should be given for the modernization so that all the people can enjoy the cooperative facilities

-) The development plan of cooperatives should be straighten towards the targeted goals such as to uplift the social and economic status of women, dalit, Janajati and other minorities of Nepal.
-) Government can attract more number of student or cooperative knowledge as it is included in the curriculum of +2 levels, so that more number of active age participation will be towards the development of cooperative.
-) Linkage and coordination for shareholders agricultural products marketing.
-) Conduct skill development training for share holders.
-) Planning for merge with others cooperatives in same working areas.
-) Fruitful coordination with governmental authorities and stakeholders.

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Annex

Questionnaires (Model)

Name: -

Age: -

Gender:-

Profession: -

Address: -

Education:-

Family type: -

Cast: -

S.N.	Name	Age	Sex	Relation	Marital status	Education	Occupation
1							
2							
3							
4							
5							
6							

1. Financial Status

Land status

0-5 Kattha	5-10 kattha	10-15 kattha	15kattha to 1 bigha	more than 1 bigha

Income Status (monthly income)

Before	Now

2. When did you become a cooperative member?

a.) Recently.

b.) 2 years before.

c.) 5 years before

3. Why did you become a member of this cooperative?
 - (a) Saving money for future
 - (b) To gain profit
 - (c) Other
4. Have you taken loan from cooperative?
 - a) Yes
 - b) No
5. Is it easy to take loan from cooperative than other bank?
 - a.) Yes.
 - b.) No.
 - c.) Both of them same.
6. Why did you take loan from cooperative?
 - a.) Agriculture.
 - b) Trade.
 - c.) Marriage.
 - d.) Treatment
 - e.) Foreign employment.
 - f.) Education.
 - g.) Others
7. Which source is your first choice for loan?
 - a.) Cooperative.
 - b.) Money lenders
 - c.) Banks
8. Where did you save your money?
 - a.) Cooperative
 - b.) Bank
 - c.) Other
9. Does the cooperative institution give you any training for income generation?
 - (a) Yes
 - (b) No
10. How do you manage your household expense?
 - a.) Remittance
 - b.) ME
 - c.) Agriculture
 - d.) Others.
11. Does cooperative provide technical support for agriculture?
 - a.) Yes.
 - b.) No.
12. Do you think your involvement in social development work has been increase after being a membership of cooperative?
 - a.) Yes
 - b.) No
 - c.) Same as before
13. Did you have bonus from cooperative?
 - a.) Yes
 - b.) No
14. Where do you go for remittance service?
 - a.) Bank
 - b.) Cooperative
 - c.) Other Agency.
15. Do you feel easy and secure to receive remittance from cooperative?
 - a.) Yes
 - b.) No.
16. Do you feel happiness being a cooperative member?

a.) Yes. b.) No.

17. is your linkage and coordination has increased after being a cooperative member?

a.) Yes b.) No.

18. After being a shareholder, do you think cooperation has increase in your community?

a.) Yes b.) No c.) Same

Means of Measuring Improved Livelihood (Quality of Life):

S.No.	Particulars	Means	Before	Now	Remarks
1	House	RCC,			
		Muddy			
2	Drinking Water	Tube well			
		Well			
		Others			
3	Toilet	siphon			
		Open			
		Other			
4	Fuel	Wood			
		Animal Dung			
		ICS,			

		Bio Gas			
		LP Gas			
5	Education	Literate			
		Illiterate			
6	Health	Traditional			
		Health Post			
		Private Hospital			
7	Home Appliances	Refrigerator			
		Washing Machine			
		Grinder			
8	Communication	Mobile			
		Television			
		Radio			
		Internet			
		Others			
9	Vehicle	Cycle			
		Motor Bike			
		Others			
10	School	Government School			
		Boarding School			
11	Food Nutrition	Fruits			

	having ratio	Eggs/Chicken			
		Milk			
12	Maternal Health	Delivery at home			
		Health post			
		Trained Sudeni			
13	Road and Bridge	Muddy Road			
		Gravel			
		Black topic			
14	Facility of	Cooperative			
	Emergency Fund	Community Group			
		VDMC			
15	Employment	Agriculture			
	Opportunity	Trade			
		Other Sectors			
16	Loan	Bank,			
		Money Lender,			
		Cooperative			
17	Remittance	Bank			
		Hundi			
		Cooperative			
		Other Agency			

18	Food Security	3 Months			
	(Own production)	6 Months			
		9 Months			
		1 Year and above			