

ROLE OF GRAMEEN BIKAS BANK FOR WOMEN DEVELOPMENT

(A case study of Bahayerghari Branch of Walling, Syangja)

A Thesis

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RECOMMENDATION LETTER

This Thesis entitled *Role of Grameen Biksh Bank for Women Development: A Case Study of Bahayergharee Branch Of Walling, Shyangja* is prepared by Dipak Raj Regmi, for the partial fulfillment of the requirements of Master of Arts in Rural Development, under my supervision I therefore, recommend this report for the evaluation and acceptance.

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Date:

APPROVAL LETTER

This is to certify that the Thesis submitted by Dipak Raj Regmi entitle *Role of Grameen Biksh Bank for Women Development: A Case Study of Bahayergharee Branch Of Walling, Shyangja* has been approved by the department in the prescribed format of the faculty of Humanities and Social Sciences.

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Mistake and errors do occur in human activities and work, for which I would like to apologize.

Mr. Dipak Raj Regmi

Date:

EXECUTIVE SUMMARY

The majority of women in Nepal is illiterate and engaged in agricultural activities for their livelihood the status of women is very low to that of male. So the status of women is a vital issue. Half of the total population should not be neglected from the national development programme. Women participation needs to be promoted. It is the main requirement of development. Considering this fact the eight five years plan of Nepal government has prepared a programme which seeks to develop of women in rural areas. So, alleviating their poverty does uplift the living standard of the rural poor women. The government has set up Grameen Bikash bank on the model adopted by Prof. Mohammad Yunus. In his opinion when a woman earns some income, the immediate beneficiary of the income is the child. Children are at the top of priority of mothers'. The second priority of women is her household. She wants to buy some utensils, she want to improve the livelihood, she want to put a little stronger roof .so, she uses her earning in a more rational way.

The aim of GBB is women development through granting loan in-group durance of women, but in case of field study it was found that loans are given under the guarantee or witness of relative (husband, son, father-in-law). The analysis of the study based on the cross sectional data collected through direct interview during the year 2006. There is two ward selected on the basis of random sampling methods.

The branch of office of rural development bank established in walling municipality in 2054/1/10 has been playing vital role with in up lift meant of poor rural women by providing loan for animal's husbandry, cottage industry, agriculture and hence increase in the income generation endeavors.

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ABBREVIATIONS

ADB	: Asian Development Bank
CBS	: Central Bureau of Statistics
DDC	: District Development Committee
e.g.	: For Example
GB	: Grameen Bank
GBB	: Grameen Bikash Bank
GDP	: Gross Domestic Product
HMG/N	: His Majesty Government of Nepal
i.e.	: That is
INGOs	: International Non Governmental Organizations
MA	: Masters in Arts
MCPW	: Micro-credit Project for Women
NGOs	: Non Governmental Organizations
NRS	: Nepali Rupees
PCRW	: Production Credit for Rural Women
US \$: US Dollar
VDC	: Village Development Committee
Vol.	: Volume
www	: World Wide Web

CHAPTER - I

INTRODUCTION

1.1 General Introduction

Nepal is a developing south Asian country crawling on the path of determined by the first decade of the 21st century. In the context of Nepal, low level of per capita income is considered to be one of the serious problems as in any of other third world countries in respect to economic development per capita income of Nepal is only US \$310. (Nepal budget speech 2063-2064) and about 30.85 percent of the total population of Nepal falls under absolute poverty line. More than 68 percent of the total population depends on agriculture (Economic survey 2062). The rural areas of Nepal are backward due to the low economic standard of the people. Thus, the rural people need more sustainable assistance to enable them to stand their own legs. In the Construction of rural physical infrastructures, donor countries provide some assistance, but the alone cannot provide sustainable employment and income. They need more assistance, exclusively targeted for social development, creative, skill development, technology transfer and marketing to provide long-term employment opportunity (Nepal, 1998).

Nepal is one of the poorest and least developed countries in the world. Human poverty index shows Nepal ranks 76 out of the 88 developing countries, (HDR, 2002). This is reflected in various social and economic indicators, Nepal's current HDI rank is 140 out of 177 countries world wide in the Human Development Index (HDI/HDR, 2004). The countries HDI value stood at 0.490 slightly above Bhutan and Bangladesh but below the

others of the south Asia sub region. Using somewhat different data sources the Nepal Human Development report (NHDR) 2002 estimates Nepal's HDI at 0.446. According to this report Nepal's rank is the 139th (UNP/NHDR, 2002).

Considering rural urban disparities the HDI for urban areas for outstrips that of rural areas because of better access to services, infrastructure and opportunities. Hence Nepal's development is widely urban biased; the investigation in rural development faces a growing urgency.

In Nepal, about 85 percent of the total population is living in rural areas. In this area all of economic activities are guided by traditional agricultural system. Farming and allied occupation are the major sources of living. Small and marginal farmers dominate the rural agricultural sector. The socio-economic condition of people is poor and lacks infrastructure development. The people are less educated. Health, irrigation, banking facilities, transportation, electricity etc. also are not well developed. Therefore, absolute and relative poverty are widely spread in the rural areas. Similarly, there is gender disparity also.

The burden of poverty is spread unevenly among the regions of the developing world, among localities with in those countries. It is estimated that more than one billion people in the developing world live in absolute poverty. Nearly half of the world's poor live in South Asia, a region that accounts for roughly 30 percent of the world's population. In this context Nepal's rural sector needs modernization, diversification and commercialization of production and distribution system. Even among the rural people, the poorest of the poor and more sustained assistance to enable

them to stand on their own feet. Construction of rural physical infrastructure would provide some assistance temporarily, but that alone cannot provide sustained employment and income. They need assistance, exclusively targeted at them, for social development asset creation, skill development, technology transfer and marketing to provide long-term employment opportunities. A properly designed and effectively implemented financial system could thus help the rural poor to create productive assets as well as increase employment and income.

With the realization that credit can play very important role to increase production, income and employment for the low income people the Nepal Rastra Bank directed commercial banks, in 1975, to provide five percent of their deposit liabilities to low income families under the priority sector programme. But later it was not properly utilized; neither did it flow towards the low-income group. As a result, repayment rate was very low. Because of this realization, Nepal Rastra Bank redesigned the priority sector programme into the intensive banking programme (IBP) and directed commercial banks to invest at least 12 percent of their loans and advances under this programme. But because of commercial and urban orientation and emphasis on collateral by the commercial banks, the programme failed to achieve the desired objectives, although initially it made some positive impact on poor households enabling them to accessibility of credit. The small farmer development programme (SFDP) of the agricultural development bank also deviated from its basic mandate of providing credit to small farmers and landless families. Over the period, SFDP shifted its focus on upper group of small farmers with more emphasis on collateral.

The landless and poorer section of small farmers was thus largely neglected by the SFDP, which was in fact designed to cater their needs.

In this situation, need was felt for a programme which is targeted effectively towards the poorest of the poor. Such type of programme was being implemented and had good performance by professor Muhammad Yunus at Chittagaon, Bangladesh. That programme was named as “Grameen Bank” and it was based on Grameen Bank Financial System (GBFS). This programme was replicated in Nepal in 1991 in the form of an NGO; namely, NIRDHAN, which started initial work in January 1993 in Rupandehi District, Western Nepal and first loan, was distributed on March 14, 1993.

Rural Nepal’s economy is basically subsistence economy. Most of the financial institutions and commercial banks are located in urban areas, which provide loans mostly to the business sectors. So, to improve the economic condition of the rural poor, it is necessary to establish small financial institutions to provide loan, on no collateral, to the borrowers. Thus, there is a need for a programme targeted towards the poorest of the poor. The Grameen Bikash Bank programme could be a good model in this respect.

Grameen Bank Nepal is a semi government organization registered under company Act 2001, with the objective to provide micro credit services to the rural poor under group guarantee basis, five rural development bank were established one each in development regions of the country.

Grameen means “Village” in the Bengali, so “Grameen Bikas Bank” is “Village Development Bank”. It is an appropriate name because it is conducted in the villages of the borrowers at weekly “Centre” meetings.

Grameen Bank is popular and has got consideration functioning for the benefit of the rural poor. After the restoration of democracy HMG/Nepal decided to create “Grameen Model” programme of Bangladesh, which is suitable for the socio-economic condition of the country. In the beginning HMG/Nepal established to rural development banks, namely purbanchal GBB and sudur paschimanchal GBB. They were established for uplifting economic prosperity through income generation of rural women by providing micro credit without any security basis (collateral). After some years, government initiated to create GBB in remaining regions. Three GBBs have been established in July 1994, and at present, the numbers of GBBs are five.

Five Grameen Bikas and two non-governmental organizations (Nirdhan and centre for self-help development) are currently operating in the country which has been established on the outreach model of the Grameen Bank a financial system of Bangladesh for providing banking services to the rural hard core poor. Besides this, there are other two credit programmes for women implemented in Nepal, eg. Production credit for rural women (PCRW) and micro-credit project for women (MCPW). The main objectives of these programmes are to improve the socio-economic status of Rural Women Through social preparation, skill training, credit and institutional support from non-governmental organizations.

Grameen Bikas Bank is a rural bank established according to two distinctive approaches. First the geographical approach and second the functional approach.

i. The Geographic Approach

The geographic approach involves establishment of a bank in rural area and rural banking transaction undertaken by such banking and confined to rural area.

ii. The Functional Approach

The functional approach involves banking service like (credit, productive activities, self-employment programmes and technology transformation in rural areas. The main function of the rural bank in this context is to provide service for the small and marginal farmers, agricultural laborers, rural artisans and other small entrepreneurs working in rural area. In this way, Rural Banking provides financial assistance to certain well-defined target group in the rural area. Establishment of GBB has incorporated both approaches.

There are two economic sectors in Nepal. Subsistence sector (in rural area) and market oriented modern sector in urban areas. Urban economy sector is more developed as compared to the rural economy. Most of the commercial Banks and financial institutions are located in urban centers, which provide loan mostly to the business sector. But it improve the economic condition of the people. It in needed to develop the rural area. In Nepal, rural people are small severing. So, in these areas it is found necessary to established small financial institution those providing loan without security to borrowers in this perspective need for a programme, which is targeted effectively towards the poorest of the poor caused for the adoption of the model of GBB.

In Nepal women constitute half of both the total and economically active population. They occupy important place in every household, society and the country at large. They constitute the major share of labour force and play greater role in agriculture. Although the contribution of women in social and economic activities is paramount they have limited access to all kinds of resource including financial resource which makes them vulnerable to the effects of poverty. They are lagging behind men in every aspect due to lack of education, training opportunity and credit. There exists the discrimination against women. These calls for an appropriate policy and programmes for empowering women to help to achieve social and economic independence one of the status of women. There are many credit programmes for women implemented in Nepal, they are:

- i. Production credit for rural women (PCRW).
- ii. Micro-credit project for women (MCPW)
- iii. Grameen Bikash Bank (GBB)

In order to improve the status of women and involve them in the overall development process special financing program directed towards them was introduced in 1982 with the financial assistance of UNICEF in the form of production credit for rural women by the women's development. Division (WDD) of the ministry of local development in 5 districts PCRW programme was linked with IFAD in 1988, which has now been extended in 67 districts.

There are 5 Grameen Bikash Banks and two non-governmental organizations operating in the country, which have been established on the

outreach model of Grameen Bank; a financial system of Bangladesh for providing banking service to the rural hard-care poor.

The micro-credit project for Rural Women (MCPW) was launched in 1994 with Asian Development Bank's financial assistance as the supplement of existing PCRW program. The project aims at improving the socio-economic status of women through social preparation, skill training. Credit and institutional support to non-governmental organizations to undertake income-generating activities both in rural and urban areas. Women's development division in collaboration implements the program with two participating banks. Nepal Bank Ltd. and Rastriya Banijya Bank. It involves NGO's as intermediaries for group formation, skill training and credit facilities of women beneficiaries. The Loan limit is Rs. 40 thousand for agriculture and micro-enterprises and Rs. 250 thousand for small business in business in urban areas. This programme is spread over in 9 districts.

1.2 Statement of the Problem

Nepal is one of the least developed countries in the world. National income is mainly derived from agriculture and about 68 percent people are engaged in agriculture. Underemployment and disguised employment are the main features in this sector. The contribution is not accounted in the economy. Women's role in socio-economic development has not been properly recognized. In our country, women are as the traditional producers and managers of the domestic and subsistence sector.

More than half of the total populations of Nepal are women. Without their contribution, national development cannot be uplifted. To provide them

self-employment, GBB started the programme. GBB was introduced in 1992. It provided loan for group of five people (women) living in the same geographic areas with a similar socio-economic background. Such income generating programmes and activities could play a vital role to the people and raise their economic standard and bring about overall changes in every nook and corner of the rural areas.

In Nepal women's literacy rate is very low. That is why; they can't utilize their loan in a proper way. When the loan is misused. It becomes burden. So the aim of this research is to measure the effectiveness of GBBs programme in the areas selected for the study.

Nepal is one of the least developed countries in the world. Poverty is major problem of developing countries like Nepal. About 30.85 percent people in Nepal are living below absolute poverty (eco-survey 2004). The percentage of poor Nepali people is 88 percent, particularly in rural areas, where more than 80 percent of population live (UN 1998). In the past, many programs were launched for the purpose of alleviating poverty. However, the result of these programs did not meet the targeted groups. The development programmes did not address the rural poor and national budget was not equally allocated and distributed to rural areas compared to urban areas. The contribution of the women in agriculture is more than that of men. But their contribution is not accounted in economy. Women's role in socio-economic development has not been properly recognized. In our country, women are as the traditional producers and managers of the domestic and subsistence sector.

More than half of the total population of Nepal is women. Without their contribution, national development cannot be uplifted. To provide them self-employment, GBB started the programme. GBB was introduced in 1992. It provided loan for group of five people (women) living in the same geographic areas with a similar socio-economic background. Such income generating programs and activities could to play a vital role to the people and raise their economic standard and being about overall changes in every book and corner of the rural areas. In Nepal women's literacy rate is very low. That is why they cannot utilize their loan in a proper way. When the loan is misused it because burden. So the aim of this research is to measure the effectiveness of GBBs programme in the areas selected for the study.

GBB was established in July, 1992 to provide loan for those persons who have not more than 0.5 hectare lands in hill and mountain 0.6 hectare and in Terai without collateral. Specially, it concerns with the poorest of the poor women. In Nepal, women are even poor than men, because they do not get adequate education, health care and access to resources. In light of this situation, GBB is facilitating rural women's participation in development mainstream by providing credit facilities to them. The purpose of this study is to analyze the role of GBB in income generation and poverty reduction of rural women in synapse. Also the study aims to understand the perception of the beneficiaries about operational and management system of GBB. Therefore, this study will attempt on how the GBBs programme is effective to achieve its objectives.

1.3 Objectives of the Study

The general objective of the study is to assess the role of GBB for the women development. The specific objectives are as follows:

- a. To study the functioning of GBB in walling municipality.
- b. To assess the role of GBB's program in extending the banking facilities to women.
- c. To examine the change brought by GBB activities on the socio-economic condition of the women of the study area.

1.4 Significance of the Study

The significance of the study will be to see whether the income generating activities would definitely increase the economic status of rural women in the family and society. GBB provides support assistance to the rural poor and enable them to move towards self-reliance through gainful employment and income generating activities. It also provides community development programme such as different kinds of training, organizing the adult literacy classes to its members. This study has to analyze the poverty ridden rural women in synapse and to analyze the status of real poverty stricken women of the rural area without collateral securities. So we can say that one of the most important services of the GBB is to provide loan for the poorest of the poor rural women.

The important activities of GBB are the group saving scheme in which each member of the group is required to have saving deposit. Such scheme resulted women's propensity to save by which women's life can be uplifted. This aspect has been assessed in the research study. Another significance of this study is to observe the condition of rural women before

and after the intervention of Grameen B.B. This study depicts the economic condition of the rural poor women in Syangja. It tries to present the functional progress of GBB in the study area. This study measures the extent of income generating process and shows its relationship with other economic factors like income, employment, expenditure and landholding. It attempts to present the recent information about the intervention of Paschimanchal Grameen Bikash Bank in Syangja in income generating programme and also observe the basic causes of poverty among the people.

1.5 Limitation of the Study

All studies have their own limitation. No study can be free from constraints, such as courses, time, money etc. This is only a sample study and the survey of the stratified areas is limited to 52 percent out of 19 women groups (in Walling Municipality, ward no. 7/8). So the result of this study may not be sufficient to conflict the effects of women land disbursement programme of GBB as a whole. This study is concerned with the role of GBB in women development in Walling Municipality. Therefore, this study has excluded viability and sustainability of the GBB in the study areas.

1.6 Organization of the Study

This study is divided into seven chapters. The first chapter is introduction, which contains general background, statement of the problem, objective of the study, limitation of the study and organization of the study. Second chapter is literature review. Third chapter contains methodology of the study. Chapter four contains Grameen Bikash Bank in Nepal, chapter five contains the introduction of study area, similarly chapter six is finding of the study and chapter seven is related to the summary recommendation and conclusion of the study.

CHAPTER - II

REVIEW OF LITERATURE

Attempt has been made to deviant some literature available from the different sources. There are very low literatures related to the GBB in Nepal because GBB is activities in view of poverty alleviation through the women development programs were developed recently.

Bennet (1980) States those women have to depend upon totally their husband after marriage because the right to the family property is only through husbands. So, women should be encouraged to participate in income generating activities in accordance with their existing social norms, customs and values.

Khanna (1991) in this article "rural Development in South Asia (Bangladesh) policies programmes and organization" stated that the Grameen Bank in Bangladesh had extremely succeeded for the benefit of the rural poor with repayment and coverage by covering about one-third of country. It has noted that the women had made equally good production using the credit facilities made available by the bank.

SAARC (1993) stated that sixty nine percent of the male are economically active in comparison with forty six percent of women work more than ten hours a day for drinking water, fodder and firewood collection, cooking and child bearing, agricultural work and managing the household. Women work longer house than male, they are the first to rise in the morning; they eat only after they have fed their children, husband and in-laws, and they are the last to sleep.

Yunus (1995) has expressed that the concept of GBB in Bangladesh is not the outcome of a single days efforts, it is the outcome of a tremendous performance over along time by him and his associates. Moreover, he has also stated that all number of GBB should be dedicated and honest in dealing with deprived poor people. Every staff should have the power of endurance and patience and be willing to work under hardship and pressure in the remote areas.

Gibbon (1995) has published an article on the topic of "Grameen Bank system is not simple as it appears" and concluded that, the GBB system is difficult evolving towards a full understanding of credit for income generating as a means of reduction of poverty and emancipation of poor women.

Sharma (1996) in the economic journal of Nepal states that in the decade of seventies the over-all rural development programme including a number of rural development programmes such as District Development programmes and the integrated Rural Development Programmes were initiate. But all these past efforts have been turned out to be ineffective to uplift the living standard of the poorest people, because the concerned small and marginal farmers are efficient, tradition bound, illiterate, irresponsive to economic opportunities and unwilling to adopt new ideas or information. Under such circumstances that benefits of development had largely been derived by the relatively well to do sector. Thus the gap between large and small farmers had continued to wider and the poor because poorer and the number of poverty ridden people continued to increase.

Adhikari, Nabaraj (2001) have found that majority of GBB beneficiaries are economically and socially under privileged poor families of different castes, most of the members have increased their incomes saving, living standard and social statue after intervention of GBB programmes. Most of the participants have spent their income for household consumption. Child education and loan repayment and some few are investing on fixed property of them, 50 percent are saver. There is a vast majority of the respondents who have taken loan for small trade. It is proved that there is increase in income, increase in property, utilization of saving, increase in education, living standard, occupation etc.

Literature in the Context of Nepal

Desauja (1980) has concluded that, between 70-80 percent of the female force is still employed in agricultural sectors either as a cultivator or as a farm labour in south Asia. According to him, large number of rural women is still engaged in household and agricultural activities than the others activities in Nepal.

Benner (1980) in his article "Traditional change in the legal status of Nepalese women" concluded that, the concept of women before and after her marriage will be remarkably change. Before marriage, they want to participate in income generating activities for their survival. However, after marriage, they are totally depended upon their husband because of right to the family property is only through husband. He has also suggested that, the women should be encouraged to participate in income generating activities in according with their existing social norms customs and values after her marriage.

Gibbons (1995) in the Grameen Reader, evaluated that more than 1.6 million formerly very poor rural households in Bugladesh, one of the poorest countries in the world, have improved their level of living significantly through Grameen Bank approach. The reduction of extreme poverty involves the disbursement of small loans on reasonable terms, without requiring collateral or guarantees, exclusively to poor households to finance additional income generation activities.

Ghimire (1996) has concluded that the living standard of the rural poor is significantly improved after they borrowed loan. Before borrowing more than 61 percent of total members was engaged in agricultural activities and less than 21 percent was engage in non- agricultural activities, but after borrowing more than 41 percent members have started animal in non-agricultural activities she has also found that before borrowing loan, more than 65 percent of the total members had income less than NRs 600 per month, but after borrowing only 16.66 percent borrowers come within this income group.

The government must take strength steps to build infrastructure such as transportation makes etc and also arrange to provide training to the rural poor people.

Dhakal (1996) stated that the Grameen Bank has been felt very much essential as an alternative financial organization in Nepal to provide credit to the members on group liabilities credit to the without collateral securities.

DEVA (1997) carried out 'A regional analysis of Bhojpur and Sankhuwasavha District' they use the women status as a major indictor for measuring poverty and deprivation in Nepal. Women status has been

measured by employing four indicators, namely, literate female population, and female population with formal education, off-farm female population and female participation in the social activities. The report concluded that, the spatial pattern of women status confirm very closely to the spatial pattern of poverty and deprivation. The worse women status regions are comparable broadly with that of lagging region with regard to poverty and deprivation in Nepal.

Upadhaya, Ranjita (2004) in her research concluded that even rural women seem to be taking interest in their work. Moreover, they devote their time by working. The bank should increase its lending capacity largely by borrowing loans from international economic and financial organization and institutions at very low interest rate.

CHAPTER -III

RESEARCH METHODOLOGY

3.1 Research Design

This study is mainly based on the credit programme of GBB. The major focus of this study is to analyze the role of GBB in income generation and poverty reduction of rural women. For this purpose, the following aspects are covered.

-) Changes in Socio-economic status of the respondents.
-) Changes in income level.
-) Changes in saving habit.
-) Changes in occupation.
-) Changes in property etc.

3.2 Sources of Data

This study is based on both primary and secondary information.

Primary Source: The primary information is necessary to fulfill the objectives of the study collected from sample (fields) survey and detail observation in the concerned field. The data is collected from loaner, Bank staffs and relevant persons.

Secondary Sources: The secondary information is obtained from journals books, bulletins, previous studies, census, survey reports etc.

3.3 Populations and Sample

The population under this study area is 95 individuals in the forms of 19 groups under the GBB programme in walling. Out of the 95 borrowers, 50 women borrowers have been chosen as the sample population for the detail study. 50 women borrowers have been chosen as a sample, applying simple random sampling. Firstly, each selected household was enumerated and finally from each household and individual was selected for interviews.

3.4 Data Collection Procedure

The data for the study "Role of Grameen Bikash Bank for women development" collects by the help of these types of techniques and tools.

3.4.1 Data Collection Techniques

The techniques of data collection procedures are Field survey/observation.

-) Personal interview
-) Household survey
-) Group discussion

3.4.2 Data Collection Tools

The tools of data collection procedures are as follows:

-) Individual questionnaire
-) Semi-structured questionnaire
-) Check list.

3.5 Data Processing and Data Analysis

The questionnaires used in the field survey are presented in self-made table by the researcher, which are necessary for computations. Data collected during the field study period are analyzed. The objectives of this study are mainly based on descriptive analysis. After analyzing the information conclusion and necessary recommendation are made.

CHAPTER - IV

GRAMEEN BIKASH BANK IN NEPAL

Grameen Bikash Bank is a semi government organization registered under company act (2021 B.S.) of Nepal. GBB came in to existence in Nov. 1992 (209B.S.) as a replication of GB financial system from GB Bangladesh. It has been established with the aim it uplift the socio-economic status of the people below poverty line under the light plan of Nepal with the philosophy "equal opportunity may bring equal efforts". Every human being has survival skill which are invisible due to the lack of proper guidelines, opportunities ad infrastructure of the development of the society also have equal right to live with dignity so as to others in society. They get little opportunity to make effort for utilizing their skills and taunts to minimize their needs and minimize the fulfillment, every one in the society can live without hunger and play active role in the field of development.

The nature of work of GBB is different from those of commercial bank though it has established under the condition of 'Company Act, 2021' and operated by 'Commercial Bank Act 2031'. Being different in the nature of work from commercial banks or having purely social banking activities. It was felt different for GBB to operate within the conditions of commercial bank act. That is why, it was felt necessary to operate it within condition of a different act and in this way, by 2052 chairta, GBB was operated according to Development Bank Act 2052.

First, in 2049/08/05 B.S. eastern GBB and Far-western GBB were registered. Nepal Rastra Bank has given them permission paper in 2049/1/1. First, far-western GBB loan disbursement was held in 2050/3/4 and eastern GBB in 2050/4/24.

4.1 Objective of the GBB

GBB is a financial institution working with poor people, established within the framework of Grameen Bank Financial System. The basic objectives of GBB are,

1. To provide banking facilities to the poorest of the poor in the society.
2. To create income –employment generating opportunities through credit facilities and alleviate poverty prevailing among the poor people.
3. To enhance the awareness level of the poorest of the poorest through training and literacy classes.
4. To develop intuitional mechanism from the grass-root level to link saving with credit and initial self-reliant economic activities for strengthening rural economy.
5. To uplift the socio-economic status of the poor people through community based programme and credit.
6. To conduct action research on mobilizing resources to support the economic activities of the poor people.

4.2 Policies of the GBB

1. Provide service to poor and marginal people having less than bigha (0.6hectare) of landing terai and 10 ropani of land (0.5 hectare) in hilly areas,
2. Provide credit and banking services to poor women on priority basis,

3. Disburse credit with primary focus on using traditional skill and physical assets, and assist to increases income within a short period of time
4. Organize the members into groups and provide credit on group liabilities without any collateral securities.
5. Loan repayment schedule in fixed for every week and installment are colleted as per repayment schedule.
6. Beneficiaries must participate on the regular saving scheme and savings scheme and saving should be collected every week.
7. Develop co-ordination among the line agencies to transfer technology in rural areas.
8. Involve women with first priority for the participation in banking programme.

4.3 Strategies of the GBB

GBB has adopted participatory strategies in order to implement above policies. Some of the strategies are.

1. Beneficiaries are organized into group. Each group comprises of five members either six from different household. So, beneficiaries are exclusively women members.
2. Training is considered as an entry point and integral part of the programme to change the knowledge status of the beneficiaries. Training on banking programme and procedure, literacy-class, creating awareness, skill development, child immunization, health and sanitation are organized on regular basis to enhance the existing knowledge.

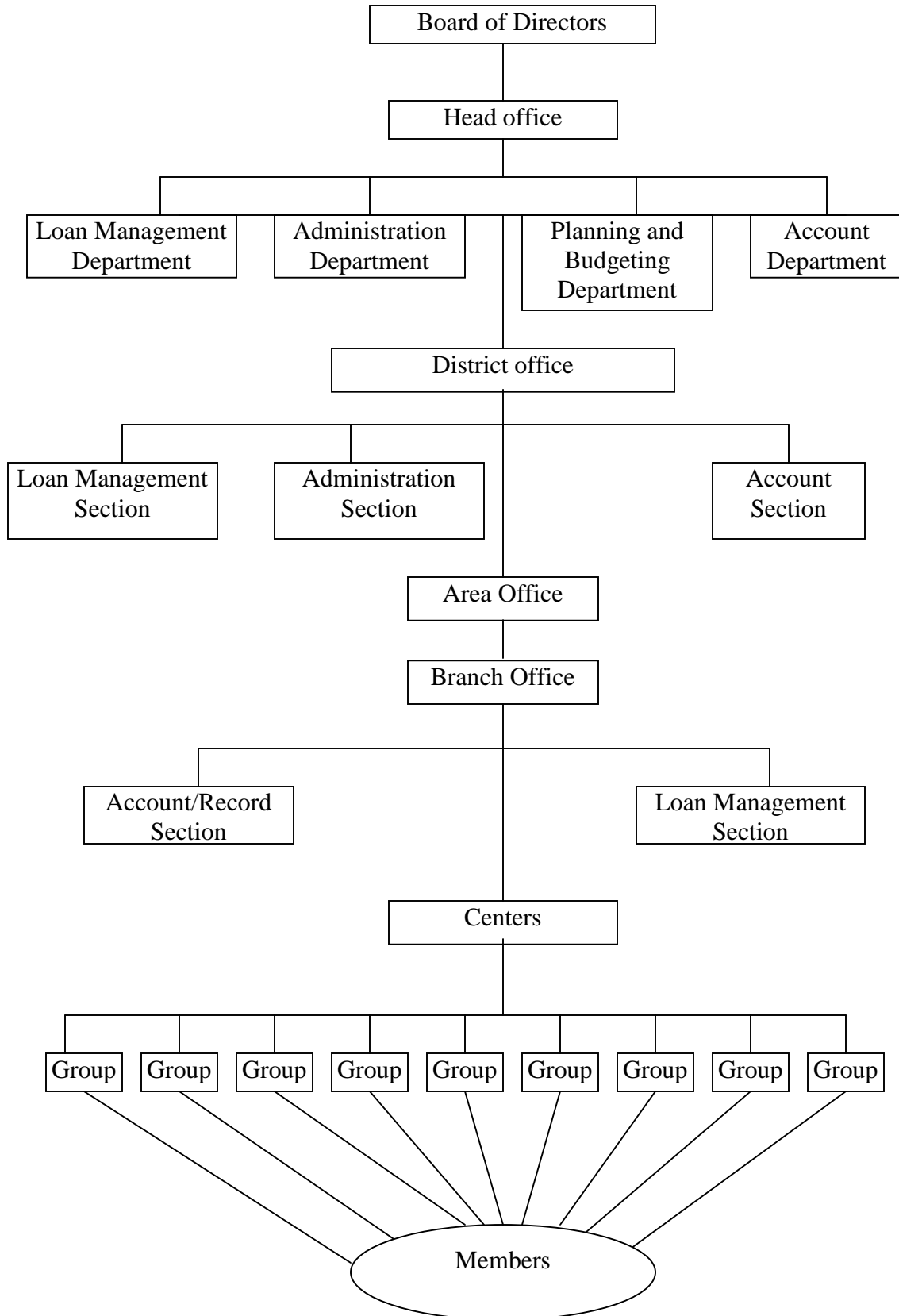
3. Group member must deposit Rs. one per day for nine days during the training period.
4. Borrowers are obliged to deposit 5 % of the credit amount in the group fund. A member can use group fund for emergency needs.
5. Besides, the compulsory saving each member must deposit Rs. one every week as their individual saving. The saving should be deposited in-group meeting is held every week.
6. Member should pay loan borrowed every week. Amount repaid pre week is 2 percent of the principal amount, i.e. amount borrowed should be repaid in 50 equal installments.

4.4 Outreach of GBB in Nepal

No of Center	4980
No of group	34782
No of member	161747
No of borrowers	146523
General lone disbursed (Rs)	10597440
General loan repaid (Rs)	9378558
General loan outstandrsing (Rs)	1218882
Other loan disbursed (Rs)	1317228
Other loan repaid (Rs)	1105513
Other loan outstanding (Rs)	211715
Total loan disbursed (Rs)	11914668
Total loan repaid (Rs)	10484071
Total loan outstanding (Rs)	1430597
Personal saving balance (Rs)	52889
Group fund balance (Rs)	392159
Group fund loan balance disbursed R)	309857
Group fund loan repaid (Rs)	291570
Group fund loan outstanding (Rs)	18287
Staff (No)	1029
No of branch	142
VDC covered	1007
Districts covered	43

Source: NRB 2005 Rs'000'

Organizational Chart of Grameen Bikash Bank



CHAPTER – V

INTRODUCTION OF THE STUDY AREA

5.1 A Short Profile of Syangja District

Syangja is one of the hilly districts in western development region of Nepal. The district is bounded on the west by Parbat and Gulmi district, on the east by Tanahu district, on the north by Kaski district, and the south by Palpa district bound the district on the west. This district covers an area of 130.687 hectares, and is divided into 68 village development committees. The district headquarters is at Syangja Bazaar.

Ridges interspersed with river valleys the elevation ranges from 336 to 2515 meters dominate the district. The climatic condition varies according to altitude. The district has two types of climate: sub tropical and temperate. The temperature varies from an average minimum of 14.3⁰c in the winter to an average maximum of 26.2⁰c in the summer. The average annual rainfall is 1462.2 ml.

According to the population census of 2001 the total population of the district is 315714 of which 46.4 percent (146570) are male and 53.6 percent (169144) are female. The total number of household size is 5.3 the population density is 271.2 per sq. km. of the total land and is 695 per sq. km of agricultural land.

Of the total land area 56.1 percent is agricultural land, 36.4 percent is under cultivation, 21.5 percent, and 21.5 percent (22300) of the total irrigable land is under irrigation.

The district has two compare and 611 schools (59 secondary, 97 lower secondary and 455 primaries) and one library. The literacy rate is 51.1 percent (66.6 percent male and 38.2 percent female) for improvement of public health and well being of people there were a total the population per health workers is 4,812. Only 32 percent of the people are served by piped drinking water almost 89 percent people are engaged in agriculture, as less than 11 percent of the people are production labors, sales workers, professional, technical workers, and service workers the manufacturing sector employing 41 persons and contributing 9230 thousand rupees to the value added in the district.

The district has 95 km of motor road of which 82 km are blank topped, 3 km are graveled and 10 km are earthier, air service is not available. The district has 34 post offices. Three post offices provide money order services in the district.

5.2 Walling Municipality

Walling municipality is situated in the middle of Shyangja district. The municipality is bounded on the east by Majhakot Shilvalaya and Alladi VDC, on the west by Thum Pokhara and Tindobate VDC, on the north by Kalikakot. Swrak and Chhanchhandi VDC and on the south by Pakawadi, Koware and Jagat-bhangang VDC. It occupies in an areas of 12495.40 hector, and is divided in to 11 wares, 5 rural ward and 6 bazaar ward. The main market areas are Walling, Taillo, Walling, Bhumre, Bhakunda Triyasi, Khahare.

5.2.1 Climate

The climate of this municipality is mild in summer and cold in winter. The area receives rainfall mainly during monsoon (July-September-October) with little shows during (November-December). The average annual rainfall is 2665 mm.

5.2.2 Population

The total population of Walling Municipality is 20414 among them 10972 (53.75%) are female and 94429 (46.25%) are male, with a total of 3610 households, the population density of this area is 0.61 per hector. 59.13 percent are lived in urban area and 40.87 percent lived in rural area with the rate of 1.36 percent.

5.2.3 Education and Literacy Rate

There are 35 educational institutions within the Walling Municipality among them 19 are pre-primary, 2 lower secondary, 5 secondary, 7 higher secondary and 2 campus. The literacy rate of Walling Municipality is 78.58 percent among them male literacy rate 89.76 percent and female 67.40 respectively.

5.2.4 Occupation

Around 80 percent people still depend on agriculture sector, 15 percent are involved in business and remaining 5 percent are engaged in small employment especially in these areas people are involved in business and most of the farmer still depend or practice the traditional agriculture.

Livestock is the part of the occupation. In addition to this service and trade are another major occupation of the study area.

5.2.5 Health

As regard to the passion of health, there is only one primary health, there is only one primary health center, 2 sub-health centers, one homeopathy hospital, 26 private clinics, one optical shop, 2 dental clinics and 2 ambulances. In spite this facilities the municipality needs one good facility hospital.

5.2.6 Land use

Walling municipality is situated at the edge of Aadhikhola River and it is also known as a hilly municipality. The total agriculture land is 2280 hector residential area covered 449.90 hector, forest 4484.80 hector and other are garaging field.

5.2.7 Infrastructure

Walling Municipality is developed in the view of infrastructure. Every ward has connected with motor road, and available electricity. Almost of these area telephone facilities is available, water supply and waste management facilities are also well management.

5.2.8 Cast and Ethnicity

Walling municipality, such as Brahmin, Chhetri, Gurung, Magar, Newar, Damai, Sarki, Kami, etc the following table shows the status and composition of all these caste and ethnic groups.

Table 5.1: Cast/ethnic Group Distribution of Walling Municipality

Cast	Percentage	Cast	Percentage
Brahmin	38.20	Magar	17.95
Gurung	8.47	Chhetri	8.07
Newar	5.76	Sarki	3.08
Kami	3.52	Thakuri	3.28
Damai	2.75	Bhujel	1.96
Sanyasi	1.36	Majhi	1.11
Kumal	1.02	Muslim	0.98
		Others	2.06

Source: Citizen Charter, 2061

Table 5.2: Religious Distribution

Religion	Percentage	Religion	Percentage
Hindu	90.09	Buddhist	7.61
Muslim	0.98	Christian	0.15
Shikha	0.01	Others	0.98

Source: Citizen Charter, 2061

Table 5.3: Distribution of People with Mother Tongue

Mother Tongue	Percentage	Mother Tongue	Percentage
Nepali	76.13	Magar	9.95
Gurung	7.84	Newar	5.10
		Other	0.98

Source: Citizen Charter, 2061

According to citizen charter 2061 the total population of Walling Municipality is 20414 of which 10972 (53.75%) female and 94429 (46.25%) are male population. Agriculture has an important role in the economic of Waling Municipality, 80 percent people in this area depend on agriculture for their Livelihood. Rice, maize, millet and vegetable are also main crops. 15 percent people are employed in business and other 5 percent are employed in teaching, army and police (Nepali, India, British).

The geographical structure of village is sloppy land and with terrace. It is also situated in the edge of Aandhikhola River. Here are a lot of (14484.80 hector) forest and grazing land (2719.99 hector) Grameen Bikash Bank create several women groups involved in buffalo, pig, cow and goat raising activities.

The branch of Grameen Bikash Bank of Shyangja was located in Walling Municipality, now it is located in Dahathum DVC. But this branch provides its facilities in 11 wards and 2 municipalities in Syangaja district. Which helps the poor women to increase their socio-economic status with providing loan for rearing of beasts or cattle.

CHAPTER – VI
ANALYSIS AND PRESENTATION OF DATA

6.1 Demographic and Social Economic Status of Borrowers in Walling Municipality

6.1.1 Family Size of the Borrowers

The size of a family is determined by the number of a family determines the women's awareness about children. The table shows the family size of the borrowers.

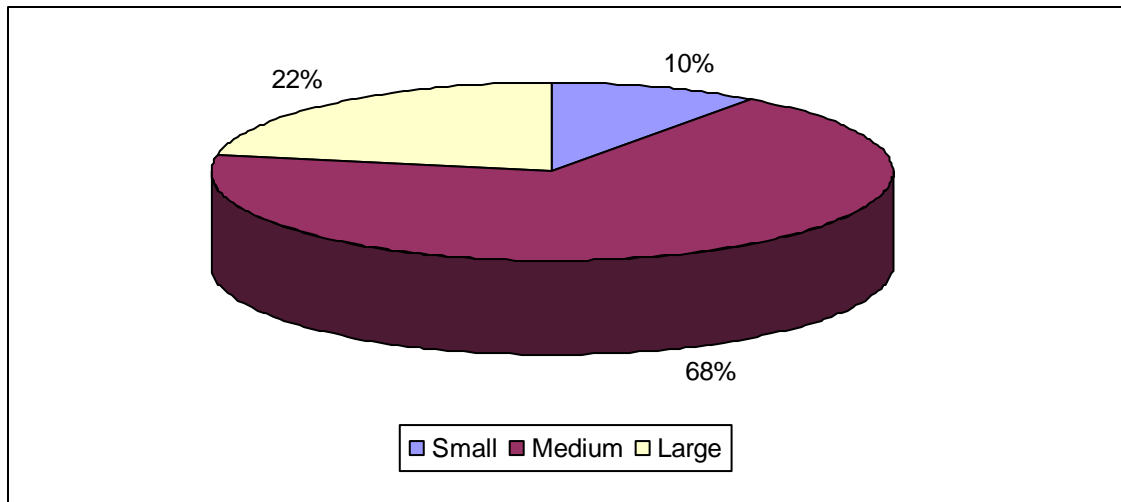
Table 6.1: Family Size Distribution

Family Size	No. of Household	Percentage
Small (up to 4)	5	10
Medium (5 to 9)	34	68
Large (Above 9)	11	22
Total	50	100

Source: Field Survey, 2006

Among the borrowers 25 percent has small size of family (up to 4), while 56.66 percent has medium size (up to 9), It has noted that there are only 18.34 percent barrowers who have more than 9 family size. It is found that large number of borrowers in Walling Municipality has medium size of population.

Figure 6.1: Family Size Distribution



6.1.2 Caste/Ethnicity Composition of Borrowers

It has found that the borrower in Walling Municipality is characterized by diverse caste and ethnic groups. The majority is Brahmin caste consisting 25 percent the table 6.2 shows the caste, ethnicity consumption among the sample respondents.

Table 6.2: Caste/Ethnicity Composition of the Borrowers

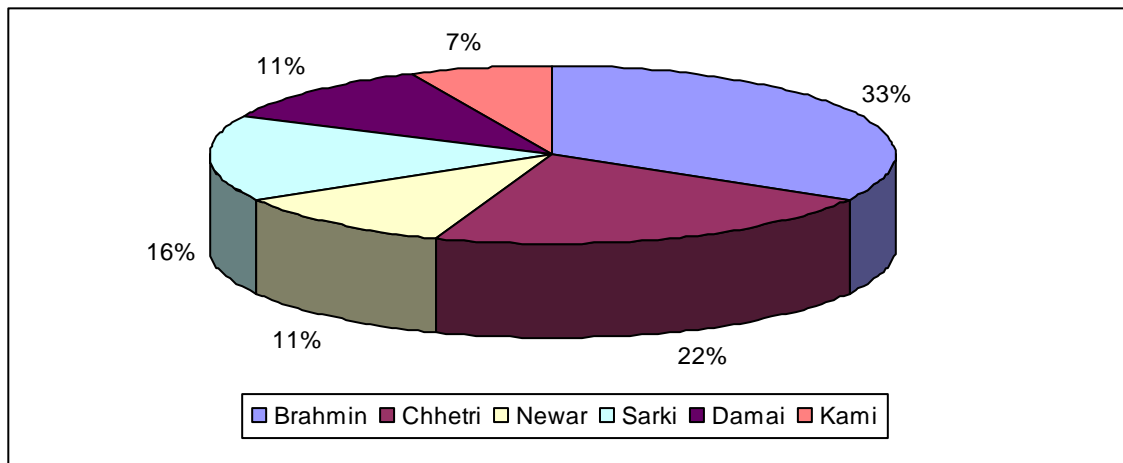
S.N.	Caste/Ethnic	No. of Household	Percentage
1	Brahmin	15	30
2	Chhetri	10	20
3	Newar	5	10
4	Sarki	12	14
5	Damai	5	10
6	Kami	3	6
Total		50	100

Source: Field Survey, 2006

Table 6.2 shows that 30 percent of the total borrowers are Brahmin, It followed Sarki (24%), Chhetri (20%), Others ethnic groups like: Newar, Kami, Damai are significance with compared with compared to the above mentioned ethnic groups the effect of GBB to the deprived ethnic groups is clear seen (Sarki, Damai, Kami) from above table.

Large number of deprived ethnic group are in walling, in which 50% covered GBB facilities in Walling municipality although about 50% borrowers are fall under the supreme cast group (Brahmin and Chhetri) it has no doubt that the socio-economic characteristics among the different ethnic groups are different. The varieties in the socio-economic characters among the ethnic groups are mainly due to the differentiation in literacy rate cultural aspects of respective cast misclassification of activities.

Figure 6.2: Caste/Ethnicity Composition of the Borrowers



6.1.3 Age Structure of the Borrowers

There is about 30% women population of age (20-55) in study area. The highest number of the respondents was from the age of groups of 30-39. Through the table we can say that the lowest number of the groups of 50+.

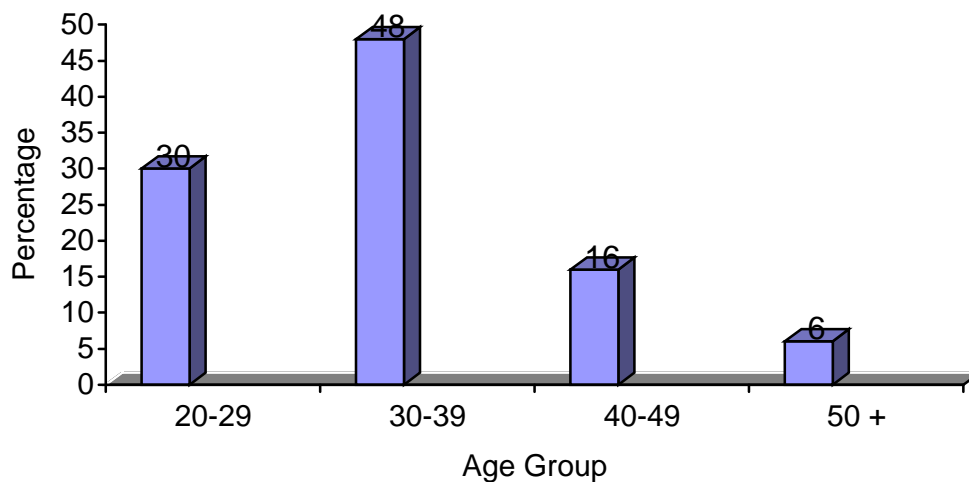
Table 6.3: Age Structure of Respondents

Age Group	No. of Members	Percentage
20-29	15	30
30-39	24	48
40-49	8	16
50 above	3	6
Total	50	100

Source: Field Survey, 2006

Most of the members are adult among the total members 48 percent of 30 of 39 age groups. Similarly, 30 percent contained of 20-29 age groups. 16 percent contained of 40-49, and 6 percent contained of 50+ age groups. Who borrower of age about 50+ is less containing only 6 percent of the total women borrowers. It is found that the women of age 30-39 are more active in income generating activities because they are more responsible to their family's settlement.

Figure 6.3 : Age Structure of Respondents



6.1.4 Education Status of Borrowers

Among the total borrowers in Walling Municipality 14 percent are literate and 6 percent are illiterate of the total members, 20 percent cannot read and write easily. Similarly, 20 percent had completed primary level and 60 percent had obtained secondary level.

Table 6.4: Educational Status of the Borrowers

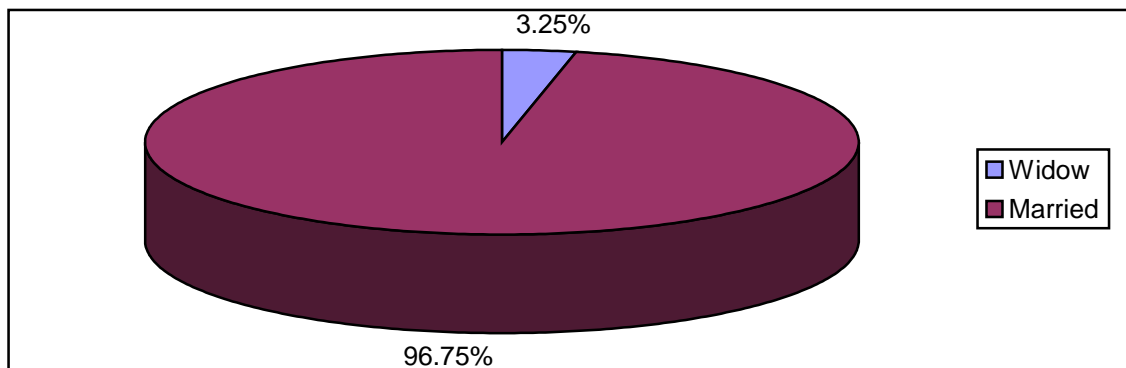
Educational Status	No. of Member	Percentage
Illiterate	3	6
Literate	7	14
Primary	10	20
Secondary (Including SLC)	30	60
Total	50	100

Source: Field Survey, 2006

It is found that large numbers are still illiterate and 30 percent members are acquired above SLC level.

6.1.5 Marital Status of the Borrowers

Figure 6.4: Marital Status of the Borrowers



The above figure 5.3 shows that 96.75 percent were married and 3.25 percent were widowed. It proved that most women of the sample borrowers were married but few women's husband and already been dead before they entered the Grammen Bikash Bank.

6.1.6 Land holding by the Sample Borrowers

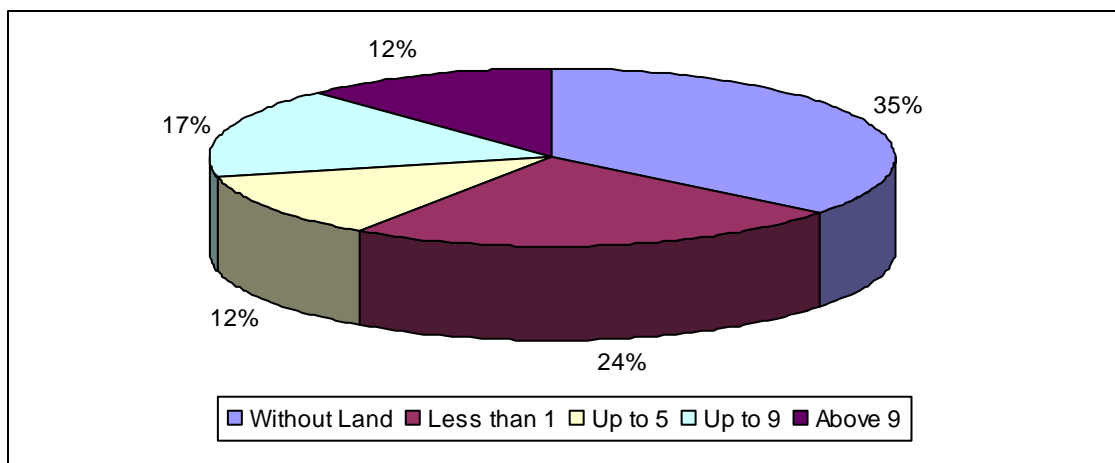
Table 6.5: Land Holding by the Sample Borrowers

Land Holding in Ropani	No. of Borrowers	Percentage
Without Land	0	0
Less than 1	2	4
Up to 5	10	20
Up to 9	30	60
Above 9	8	16
Total	50	100

Source: Field Survey, 2006

The table shows that 4 percent have less than 1 roponi land, 20 percent have up to 5 ropanis land. 60 percent have up to 9 ropanis land and 16 percent have above 9 ropanis of land.

Figure 6.5: Land Holding by the Sample Borrowers



6.1.7 Food Self-sufficiency

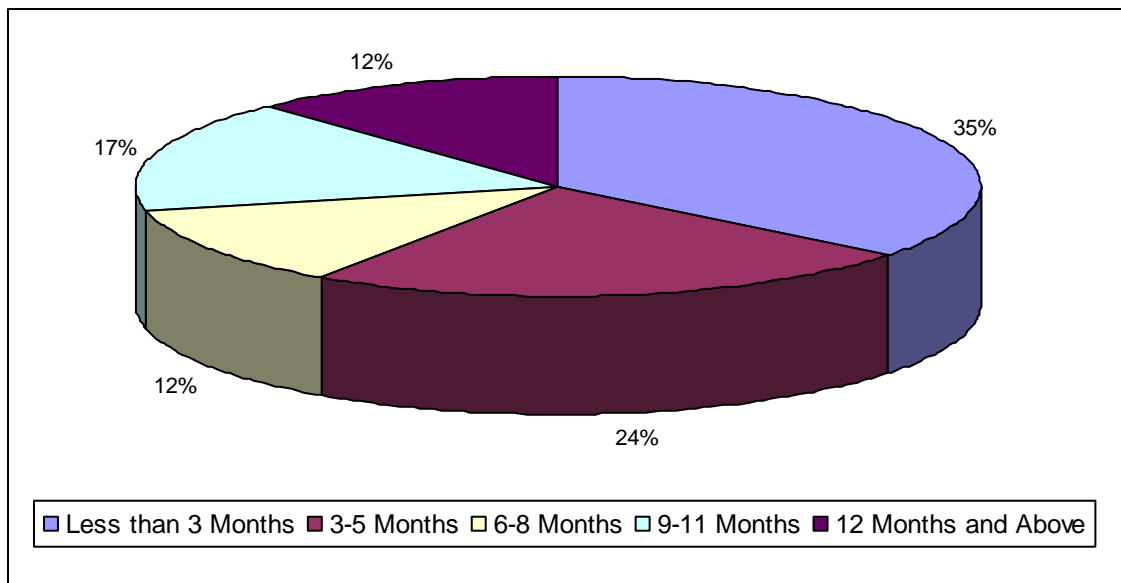
Table 6.6 : Distribution of Sample Borrowers by Food Adequacy

Food Adequacy	No. of Borrowers	Percentage
Less than 3 months	2	4
3-5 months	15	30
6-8 months	26	52
9-11 months	4	8
12 months and Above	3	6
Total	50	100

Source: Field Survey, 2006

The above table shows that among total household surveyed only 6 percent borrowers produce enough food their families. Similarly, 94 percent borrowers produce less then they need to feed their family.

Figure 6.6: Distribution of Sample Borrowers by Food Adequacy



6.2 Loans and Borrowing Frequency and Loan Amount

6.2.1 Loan Borrowing Frequency

Achievement evaluation of GBB is measured in terms of loan borrowing frequency and loan amount. Loan borrowing at different time the member has played a significance role to reduce poverty and economic developments of rural women here researcher try to analyses the frequency of loan borrowing by the members of Walling Municipality.

From the beginning to present 94% member have taken loan two times, while only 6 percent borrowers have taken loan for only one time. It means that, the loan disbursement programme of GBB in walling is successful. The loans taken by the member are mostly used at income generating activities mainly in leading of cattle, footpath shop and cash crops (Vegetables).

6.3 Loan Amount

Table 6.7: Loan Amount

Loan Borrowing Frequency	Loan Amount	No. of Borrowers	Percentage
One	10000	6	12
Two	15000	30	60
	14000	5	10
	13000	6	12
	10000	2	4
	Less than 9000	1	2
Total		50	100

Source: Field Survey, 2006

Among the total number of walling municipality 60 percent have taken up to the Rs 15000 while these are only 2% members who have taken less than Rs 9000 seminally only 12 percent members have taken up Rs 10000. There are great variations of loan amount taken by the affiliated member among the total member 12 percent have taken only one time.

6.4 Investment of Loan

Investment leads to increase in level of income and production by increasing the production the production and purchase of capital goods. It is a production of real capital assets during the certain loan from GBB are invested in a certain types of activities which are more access for their survival. Huge amount of loans have lead to a large scale of investment, while small amount of money leads to the small scale of production. The level of production determined the level of income. Thus there is positive relationship between the amount of investment and the level of income.

GBB provide loan up to Rs 30000 for rural women with varies purpose like agriculture, animal husbandry, commercial sectors and others. Here researcher shows the investment pattern of the borrowers in walling municipality.

Table 6.8: Investment of the Borrowers

S.N.	Particular	No. of Member	Percentage
1	Tea shop/Hotel	8	16
2	Animal Husbandry	15	30
3	Vegetable Trade	9	18
4	Food Grain	6	12
5	Cottage Industry	-	-
6	Agriculture	10	20
7	Others	2	4
Total		50	100

Source: Field Survey, 2006

Of the total members, 30 percent have started animal husbandry, 20 percent have involved in agriculture, 18 percent have stated vegetable trade, 12 percent have involved in food grain, 4 percent borrowers were engaged in others.

GBB has started its work in Walling Municipality in 2054/1/10 situated in Walling, now it is in Dahathum VDC. But it provided its facilities Walling Municipality also. We can easily say that GBB play the vital role to increase the economic condition of rural poor women of Walling Municipality. (Field Survey, 2006)

6.5 Income and Saving Pattern

6.5.1 Monthly Income of Borrowers before and other Loan

Income is the important factors determine the propensity to consume. It is cash money received from material property or any kind of income generating activities. GBB has provided installment loan to the members for enhance their family income through some income generating of activities. Members of Walling Municipality have taken loan for the certain activities play a crucial role to enhance their income level. The following table shows the comparative study of the monthly income, of borrowers before and after loan in Walling Municipality.

Table 6.9: Monthly Income before and After Loan

Monthly	Before		After	
	Number	Percentage	Number	Percentage
Unknown	20	40	5	10
Less than 1000	10	20	3	6
1001-2000	9	18	12	24
2001-3000	11	22	21	42
3001 and Above	0	0	9	18
Total	50	100	50	100

Source: Field Survey, 2006

GBB in Walling Municipality has played a significant role of enhance income of the members. Among the total members 40% do not know about their income level, before they linked to the GBB programme at present there are 42 percent who have monthly income in between 2001-3000.

Above Rs. 3000 was almost nil before they joined to GBB. After they linked for GBB programme in income level of members increased notably. It is found that there are only 10 percent borrowers we do not know about their monthly income after participating on GBB programme. It is clear that the ratio of unknown members have declared by 75% while, the monthly income level of above N. Rs. 3000 increased significantly, 18 percent borrowers have their income level of about 3000. 42 percent of the total members have income level of Rs. 2001-3000 after they joined the GBB programme only 24 percentage of the total member have income level "Between" 1001-2000 per month, where as it has increased 33% after borrowing.

6.5.2 Saving after and before Borrowing

There is a strong positive relationship between the income level and the propensity to saving is determined by various subjective judgments with an increase in income level of the borrowers saving have also increased.

Table 6.10: Saving after Borrowing

Monthly Saving in Rs.	Number of Borrowers	Percentage
0-0	30	60
1-300	8	16
301-600	6	12
601-900	2	4
Above 900	4	8
Total	50	100

Source: Field Survey, 2006

The above table shows the saving after the borrowing is significantly increased yet, still 60 percent of the total borrowers are not able to make saving. Similarly, 16 percent of the total borrowers are able to make saving of up to 300. 12 percent of the total borrowers have 3001 – 600 monthly saving. it is found that there are only 4 percent of the total borrowers able to make saving above Rs. 9001 per month. In totality, about 40 percent women borrowers in Walling Municipality are able to make monthly saving.

CHAPTER-VII

SUMMARY, CONCLUSION AND RECOMANDATION

This chapter deals with the summary, conclusion and recommendation. Summary mainly focuses on the objective, methods and findings of the overall study. Conclusions are drawn from the findings recommendation consists of suggestions based on the finding of the study.

7.1 Summary

Ward no 7 and 8 of walling municipality was selected as the study Ares in this study on the basis of random sampling, 52 percent groups were chosen as the respondent and they were from different age group, different economic and educational background. Majority of respondents were living in joint family structures and agricultural is the main occupation of almost all of respondents. The main occupation of these respondents was wage labors, services, agriculture and business. Educational status was also not satisfactory 20 percent borrower shouldn't have read and write easily .6 percent of the respondents were still illiterate, high illiteracy rate and traditional culture were the main cause for the larges family size.68% of the total respondents were lived in joint family status (5-9family member). Land tenure system was wrong 4% of the respondents had less then 1 ropani, similarly 20% had less than 5 ropanis among them almost 1/3 of the respondents have facility of partial irrigation people are practicing traditional system of agriculture. Mainly they produce vegetable like tomato, potato, cucumber and animal husbandry (pig, buffalo, goat). And poultry farming this study has focus to find out the role of GBB for women development in walling municipality, it is absurd to find the miserable condition of the

women in the study area even though the territory belongs to the municipality. Inspire of few loan agriculture as a main occupation. Minimum literacy rate, lack of irrigation facilities rural development bank has been launching programme in women development. Infact it is appropriate to provide loan with out any deposit. Provide loan for group security invade in the professional activities with the aim of socio economic condition of the poor rural women.

The branch of office of rural development bank established in walling municipality in 2054/1/10 has been playing vital role with in up lift meant of poor rural women by providing loan for animal's husbandry, cottage industry, agriculture and hence increase in the income generation endeavors.

7.2 Conclusions

The majority of women in Nepal is illiterate and engaged in agricultural activities for their livelihood the status of women is very low to that of male. So the statue of women is a vital issue. Half of the total population should not be neglected from the national development programme. Women participation needs to be promoted. It is the main requirement of development. Considering this fact the eight five years plan of Nepal government has prepared a programme which seeks to develop of women in rural areas. So, alleviating their poverty does uplift the living standard of the rural poor women. The government has set up Grameen Bikash bank on the model adopted by Prof. Mohammad Yunus. In his opinion when a woman earns some income, the immediate beneficiary of the income is the child. Children are at the top of priority of mothers' .The second priority of women is her household. She wants to by some utensils,

she want to improve the livelihood, she want to put a little stronger roof .so, she uses her earning in a more rational way.

The aim of GBB is women development through granting loan in-group durance of women, but in case of field study it was found that loans are given under the guarantee or witness of relative (husband, son, father-in-law). The analysis of the study based on the cross sectional data collected through direct interview during the year 2006. There is two ward selected on the basis of random sampling methods. On the basis of above presented analysis and of the following conclusion can be derived.

1. This study shows that only 12%of total borrowers have taken loan at one time, rest 88% have borrowed for second time also. It shows that the loan disbursement activity of GBB is successful.
2. Before borrowing loan 20% of the total borrowers are able to saving up to Rs1000.aftefr they linked o GBB 42% borrowers are able to saving up to 2001-3000. Similarly, monthly income level was almost nil before they linked to GBB programme in income level of members increased notably. It is found that 18% percent of the total borrowers are able to saving above 3001. This statement shows that the GBB programme has raised the level of saving of the borrowers.
3. Improving level of saving also proves the success of GBB programme although 60% of the total borrowers have no saving. There are only 80% members of walling municipality have able to save more then Rs9000 per month. Therefore it clearly shows there is appositive relation between borrowing and saving.
4. Majority of the women 48% who are involved in GBB are of the age between 30-39 years.

5. In this study it is found that the majority of GBB beneficiaries are Brahmin. They are 30% of the total borrowers.
6. The majority of the borrowers are medium size family (5-9member).it covers 68% women the family size.
7. This study shows the minority of the illiterate women. In this study, only 6% of the total borrowers are illiterate similar 60% women have completed secondary level.
8. No one supports weekly system of the repayment of installment of GBB.
9. This study shows the 52% of total respondents have produced food for 6-8 month, 4% have sufficiency condition reasons have adverse affect of GBB programme of walling municipality.

7.3 Recommendations

On the basis of this study, some recommendations can be made but it is very difficult to make acceptable policy suggestion on the small sample size and limited study area. Although, this analysis will be helpful to make some policy and suggestions in the particular area covered by this study.

) GBB is a bank meant for poverty alleviation among women. It gives loan to deprived poor rural women. They are deprived of loan in the rural areas, but its supply is limited. Therefore, the GBB should increase its capacity yearly by borrowing loans from international economic and financial organization at low rate of interest. GBB should increase its lending capacity and give loan for the poor and deprived rural women by these rural poor women will be able to generate employment and income which will uplift their life standard.

-) Although, the GBB programme in Walling, Municipality is successful, but it is not totally successful to recognize the down trodden people in this study area.
-) Some borrowers are not benefited by the loan amount borrowed from the GBB, because their income level has remained constant even after borrowing and starting new activities i.e. animal husbandry and cottage industry. It is because of the lack of adequate facilities to control some disease of animals, which result to a sudden loss. Therefore GBB should give facilities of credit insurance for the borrowers. If these steps are taken the income level of the borrowers will be increased.
-) Human resource development programme such as expanding primary health services maternity and child health service; nutrition programmes etc. have to be extensively implemented among the backward communities.

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