

CHAPTER ONE

INTRODUCTION

1.1 General Background

The credit to the rural poor is the ultimate weapon to counter the self aggravating poverty and it has long ago been recognized by the government. Nepal Rastra Bank (NRB), the central bank has since its establishment in 1956, been actively involved in the management of rural credit. Its policies have generated a stream of innovative micro credit programmes such as : Small Farmers Development Programme (SFDP), Production credit for Rural Women (PCRW), Micro Credit Project for Women (MCPW).

In 1992, Government of Nepal set up two of five Grameen Bikas Banks as a replication of the Bangladesh Grameen Model of micro - credit delivery system.

Many programmes have been implemented for the poverty alleviation in Nepal. But among them only micro-credit program is seen as a poor targeted rural based program. Grameen Bikas Bank is such type of bank which provides loan to the rural poor women without collateral securities.

Nepal's rural people, specially the women, are lacking banking facilities essential for their social economic development and upliftment of their own standard of living. Although a large number of organized and non organized financial institutions are investing in priority sectors, the outcome of credit flow is not satisfactory. There is still a great demand of banking services.

The villagers want to take credit from organized financial systems in non-complex way. That is why the need of Grameen Bank was felt in Nepal. Grameen Bank gives credit to the poorest of the poor people in a very easy way.

The concept of Grameen Bikas Bank (GBB) was first practically developed by Professor Mohammad Yunus at Chittatong of Bangladesh. This program was replicated in Nepal in the form of NGO named "NIRDHAN" which started its initial work in January 1993 in Rupandehi district of western Nepal and the first loan was sanctioned on 14th March 1993.

After the restoration of democracy in Nepal the government decided to introduce two rural development banks in the line of Grameen Bank of Bangladesh, namely Purwanchal Grameen Bikas Bank (PGBB) and sudoor Pashchimanchal Grameen Bikas Bank (SPGBB) in July 1992. The total number of Grameen Bikas Bank (GBB) has reached five in July 1996 with one in each development region.

Grameen Bikas Bank is a big institution to provide direct employment opportunities to unemployed rural mass. Establishment of Grameen Bank has opened enumerable prospects and probabilities in rural areas. Grameen Bank is also playing an important role to institutionalize democracy. Grameen Bank aims to build up confidence and self-respect to each member involved in the bank which creates a pressure for social justice. In this circumstance, Grameen Bank tries to solve rural problems. Grameen Bank convinces over fundamental human rights to everybody to get a loan and gives several loans without collateral because they have nothing to deposit except the rural confidence and prestige in the society.

Grameen Bank has mission of uplifting the economic as well as social condition of the rural poor by providing credit. Grameen Bank is a gender based programme which is focused in women. In a way, such micro finance programme has made it possible for rural women to have access and control over income. This has played a vital positive role in women devleopment.

1.2 Statement of the Problems

A major factor behind low per capita income and widespread poverty in Nepal is the high dependency ratio resulting from a very low participation of women in economic activities. Thus, no government can be indifferent on the issue of "women" which constitute more than 50 percent of the total population. But women especially of rural areas have minimum access to resources, information and services both within and outside the household sphere. This shows rural women suffer from hard work and face difficulties in society. Their status in economic, social and legal aspects is lower. Their low status in society is mainly due to their lesser involvement in income generating activities. Despite their heavy involvement in agricultural works, women are generally unemployment in rural areas. Such common problems related to women are lack of ownership of land, low level of education, low level of skill, low income and limited scope to generate income. The above mentioned problems and low status are in correlated and circular in nature.

Although contribution of women in Nepalese context is considered unimportant: there is a belief that given opportunities women are capable to do all works efficiently. Recent studies in developed countires indicate that "Poorer" households are more dependent on the earning of women

and in order to service the engage in a much greater diversity of income generating activities.

GBB is now one of the major contributors on this sphere by bringing all the rural people in participation. Women's participation is also its much emphasized aspects i.e. to make the women economically strong by handling the rural level saving and other programmes viz. weekly meeting, loan proposal, repayment, compulsory deposit, attending in different training and workshops at the local level. Such income generating programmes and activities seem to play an out standing role in honing entrepreneurship talent of an individual, raising her economic standard and bringing about overall development changes in every nook and corner of the rural areas.

But in our country women's literacy rate is very low. They cannot utilize their loan in proper way. If loan will be misused, it will become burden. It can further be enhanced by involving more participants and resources. Therefore, the attention of concern authorities should go towards these issues. This research is to measure the effectiveness of PGBB on INCOME GENERATION of RURAL WOMEN in the area situated for the study and suggest for improvements in our male dominated society where women aren't practically free either in choosing economic and income generating activities or to dispose her earned income.

1.3 Objectives of the Study

The general objective of this study is to examine the effectiveness of Pashchimanchal Grameen Bikas Bank (PGBB) programme in Parroha VDC while the functional objectives have been identified as follows:

- * To analyze the impact of PGBB on income generation of rural women.
- * To examine the status of economic condition of the rural women before and after participating in PGBB.
- * To evaluate the role of PGBB in poverty alleviation programme.

1.4 Significance of the Study

The significance of the study is to see how an income generating activities would enhance the economic status of women in family and society and plays role in poverty alleviation. GBB provides support and assistance to the rural poor and enables them to move towards self-reliance through gainful employment opportunity and income generating activities and develop confidence to become independent. One of the most important services of the GBB is to provide loan for the poorest of the poor people. It also has literacy programme as one of the components which increases the awareness of women on credit programmes. Therefore, the study is an important assessment of the programme.

Another important activity of the GBB is the group saving scheme where each member of the group is required to have savings which may vary with each individuals. Such saving scheme increases women's propensity to save and hence in the long run helps them to lift their living standard.

The poor women must maintain their household economy and social status. The GBB gives loan to the poor women for the poverty alleviation. Therefore, the significance of the study has to found if any change on socio-economic status of the poverty ridden rural women in the family and society.

Though, economic gain is still limited due to small amount of loan available. GBB has helped in increasing participation of women in different social and economic activities and hence has increased their capabilities to change their environment in the family and in the community as a whole. Therefore it has brought change in the socio-economic status of the women in the family and society.

The study depicts the economic condition of the rural poor women of Parroha VDC. It tries to present the functional progress of GBB in the study area. The study measures the extent of income generating process and shows its relationship with other economic factors like income, employment, expenditure, land holding etc. It attempts to present the recent information about the intervention of Pashchimanchal Grameen Bikas Bank of Parroha VDC in Changing socio-economic status of women.

1.5 Limitation of the Study

The study have the following limitations:

- i. The study is confined to parroha VDC of Rupandehi District. Being a micro level study, it represents only the impact of the programs in the VDC and not the overall impacts of the institution. The conclusions cannot be assumed valid to other areas.
- ii. Use of only few methods of data collection is one of the limitations of the study.
- iii. PGBB has number of objectives but this study has covered only the socio-economic status of women after the intervention of the bank.
- iv. It is a micro level study and will not represent the whole impact of Grameen Bikas Bank on rural areas.
- v. The limited time and resources are other constraints.

1.6 Organization of the Study

Chapter one of this study deals with the introduction of the study while chapter two and three are made to analyze the related literature and methodology. Likewise chapter four is related to Grameen Bikas Bank and its operation system. Chapter five and six are socio-economic status and data presentation respectively. Chapter seven is related to summary, conclusion and recommendations. Besides these references and appendix are included at the end.

CHAPTER TWO

REVIEW OF THE LITERATURE

Irrespective of the development level of countries, small and medium sized credit programmes are integral parts of the economy all over the world.

There has been a plethora of studies on women, especially the rural women and the impact of different programmes on their socio-economic condition. Several studies have been directed towards highlighting different aspects of rural life and the challenges the rural people have to encounter in their quest for better livelihood.

We have witnessed a mushrooming of INGOs and NGOs in Nepal in the last decades that have aimed their activities at improving the socio-economic status of the rural poor in the country. Despite the many studies conducted on their socio-economic status of the analysis and advanced as well as microscopic study has not yet been adequate. In this context the establishment of Grameen Bank and the study of the role it plays in the upliftment of women deserves importance.

The publication of SAARC secretariat (1993) clearly highlights the plight of Nepalese women in each and every aspect of the socio-economic lives as compared to men. It states that economically Nepalese women are weak due to low paid unskilled jobs. The females are not treated on equal footing to males such that they have less opportunity towards employment and income generating activities, education, health, nutrition and skill development despite impressive improvement in social and labour legislation and constitutional guarantees favoring women's right to work, employment and education.

The paper states that Nepalese people, especially in rural areas spend long hours on physically demanding labour. Out of Nepalese rural women, 90 percent of them work full time in agriculture and most of the other 10 percent work in shops, lodges and trading. Rural women typically work more than ten hours a day, for fetching water, collecting firewood, cooking, doing agricultural work and managing the household. In spite of the labourious nature of their lives, over half of the population survives below the poverty line, consuming less than 2250 calories per day, women work long hours than males. They get up early in the morning. They eat only after they have fed all the family members and they are the last to go to bed.

Regmi (2001) has described that women have limited or almost no control over their property and poor access to institutional credit services and facilities is restricting them in their ability to generate income and improve their socio economic status.

Limited access to credit is recognized as a major obstacle to the sustained development of the poor. Poor women are generally unable to have access to the formal financial sectors due to the lack of tangible collateral with them. They must rely upon the much more expensive and often exploitative informal money lending sectors such as the rich landlords and other money lenders in the villages. Credit directly addresses the economic dimensions of poverty. It mobilizes the resources and makes them accessible to marginalized communities such that they can tackle the practical problems they have to face.

Khandker (1995) in his article has explained the activities of Bangladesh Grameen Bank thus: Dr. Yunus, an economic professor started the Grameen Bank in 1976 as a research project. He held that rural

people, owning too little land to support themselves make productive use of small loans borrowed without collateral and would repay loans on time. Lack of access to credit was perceived as the biggest constraint for the rural poor. The Grameen Banks believe that with appropriate support, the poor can be productively employed in income generating activities, including processing and manufacturing, transportation, storing and marketing agriculture produce and raising livestock.

The Grameen Bank is a rural bank that provides credit to the rural poor particularly women, who own less than half an acre of land or whose assets do not exceed the value of one acre of land. Unlike traditional commercial loans, Grameen Bank loans need not be secured by collateral. It serves the landless who are left out of the conventional banking system.

Yunus (1994) in his article has described that "Poverty is not created by the poor, poverty is created by the existing world system which denies fair chances to the poor. If we can ensure truly equal opportunities to everybody in the society there is no reason why poverty should linger around us." In the developing countries people demand institutional reforms.

Yunus (1997) in his article described the genesis of a pioneering institution that has encouraged the social and political emancipation of needy women's in Bangladesh. Numerous studies related to the bank, he views, have clearly revealed an increase in the economic as well as social well being of its members. Such studies have also revealed the increasing power of women, their power to challenge the conventional norms discriminating against them and their political renaissance. Although much remains to be done to alleviate poverty to end inequality and gender

discrimination, he views that micro-credit in Bangladesh, as political by Grameen Bank, has provided one strategy that works.

Shehabuddin (1991) in her work views that the bank has not transparent the last Bangali women to cast off her Borkah. The significant achievement, however is that it has refuted many myths about development about banking about poor.

Grameen Bank, she views, has shown that development works better when it is approached through the very people that it claims it wants to help, and that banking is possible without collateral. The writer says on a very confident note that the bank has demonstrated that the poor can be mobilized to work in their own interest, that illiteracy is not the impediment to progress that it is usually through to be she sees that social impact of the bank in gradually changing attitudes among both the landless and rural life.

Pant (1995) has described that the rural sector needs modernization, diversification and commercialization of production and distribution system. Even among the poor needs more sustained assistance to enable them to stand on their own feet. Construction of rural physical infrastructures could provide some assistance temporally, but that cannot provide sustained employment and income. They need assistance. Exclusively targeted at them for social development, asset creation, skill development, technology transfer, marketing and long-term employment. A properly designed and effectively implemented financial system could help the rural poor to some extent though provisions of credit which creates productive assets as well as increase employment and income.

Sharma (1996) conducted a study on Grameen Bikas Bank. In the study, he has found out some remarkable impacts on the social, economic, environment or the rural poor and has also mentioned some drawbacks of the bank. He has listed all of his findings as follows:

- * There is high demand for loan amount in rural area but there is not yet enough supply of the loan amount.
- * There has been satisfactory increase in employment development and in the entrepreneurship talent of the rural poverty ridden people because every borrower has started new business i.e. off - farm activities.
- * There has been significant increase in the income level of the borrowers. Consequently poverty has been alleviated to some extent.
- * Training should be provided for the staffs from time to time.

Kharel (1997) studied on the impact of Grameen Bank. The objectives of her study were to find the impact of GB programmes on the living standard and income generation capability that the SP-GBB had a large impact on the living standard of its members. She further has added that there had been a positive impact in poverty alleviation and the condition of education, health, drinking water, sanitation has been improved. In addition, there have also been improvement in their food, clothing and housing condition.

She, on the basis of her findings, has suggested that the SP - GBB must expand its activities to other parts of the country so that more people can benefit from it. SP - GBB must work together with other organization to extend literacy and other vocational and entrepreneurial trainings. She further recommended that SP - GBB should initiate its operations in

an area where kamaiyas and backward group live to improve their living standard.

Dahal (1998) conducted a study on a role of P- GBB. The main objective of her study was to see the changes in socio-economic development of the rural women, and she has found in her study that GB has played important role for generating income, for raising living standard and in other social status of the borrowers.

Village women have got different types of traditional skills. These skills should be utilized and encouraged by giving trainings on these skills with new techniques such that it will help them selves to income generating activities.

After borrowing from the Grameen Bikas Bank, maximum people have utilized their saving in the same business or activities they were doing before. They could not expand their business or activities they were good at due to lack of fund. In this research it could be seen that more than 50 percent of the total saver had utilized their savings in the same business or activities which they were operating.

Kadayat (2003) conducted a study on a role of far western Development Bank. The main objective of his study was to see the change in socio-economic development of the rural women and he has found in his study that GB has played important role for generating income, living standard and in other social status of the borrowers.

He has also pointed out some recommendations as follows:

There is a high demand for loan amount in the rural area however there is not sufficient supply. Therefore, the bank should increase its lending capacity with low interest rate. If bank increase its lending

capacity and provides loan to more rural poor women, they will be able to be self employed by starting new business and gradually their life standard will be improve.

Adhikari (1999) conducted a comprehensive research about GBBs in 1999. The main objective of the study were to measure the effectiveness of the GBB programmes as income generation, employment generation and women empowerment of the target group and to analyze the financial viability of these banks on the basis of his analysis, he opined that GBBs have attained special achievement in income generation, employment generation and increment in the level of living of poor people.

He further adds that "despite the political involvement of the bank's staff they are active, courageous, and optimistic. But pitiable condition can be seen in managerial aspect. The employees of GBBs are actively devoted to make success the functions of financial intermediary, social development, income and employment generation but the banks are being pushed towards failure due to politicalisation in management knowingly or unknowingly. Change of Executive director from time to time, political appointment of the key persons in top level management who lacks knowledge in relevant fields and ineffective system of monitoring and evaluation are the main weaknesses of the banks."

Thus, there is a conflict between success and failure of GBBs with regard to programme sustainability. The GBBs have to move into a thin string or rager edge. He presented some points of remedies for the concerned authorities for their improvements:

- * Every GBBs should fix the objectives of cost minimization and outstanding maximization.

- * The total loan outstanding of each branch, which has passed five years, should have at least five times of the branch expenses (including fund costs) and the productivity of employees on group formation should be 40-50.
- * A co-ordination system should be established at the central level to co-ordinate the functions of all GBBs. The management should be altered except in special circumstances.
- * Monitoring and evaluation function should be performed effectively. A new provision to submit the justification of expenditure of every office should be initiated.
- * Unnecessary intervention in management by central bank and government must be demoralized.

Impact of Grameen Bank in Nepal has been obviously observed into rural sectors. Paudel (1994), Executive director of Purwanchal GBB was presented discussion paper for Grameen Bank International Dialogue programme held in Manipur, Dhaka, Bangladesh from 3-15 September 1994. Mr Paudel writes in his paper, the name of Grameen Bank has been taken with respect by people. Bank, within its short period of establishment has been successful to put unprecedented impact in rural economy. Some of the impacts observed are:

- * Over thirty thousand people got direct employment at their own village.
- * Repayment rate of amount disbursed in hundred percent.
- * Large amount of savings have been deposited through earning profit.
- * There is direct impact on health and sanitation.
- * Economic dependency has been gradually shifted from male to female.

- * Homeless people are purchasing a segment of land for settling even in limited scale.

Sharma (1994) NRB has undertaken an evaluation study of the Purwanchal and Sudoor Paschimanchal Grameen Bikas Banks in 1994. The evaluation report revealed that

- * With less than two years of operation the impact of Purwanchal and Sudoor Pashchimanchal Grameen Bikas Bank on the life of their borrowers has been positive. The borrowers have been able to increase their income and saving.
- * They have learned how to sign and earn confidence in themselves. They have been exposed to social development and environment issues as well.
- * They have developed their leadership quality and started looking forward with confidence.
- * The GBBs are infact generating a movement among the poor women to discover and use their potential for earning a better living.
- * The public image that GBBS have created for themselves by this time is remarkable.

In the same paper sharma has listed some main problem faced by the GBBs.

- * Shortage of loanable fund.
- * Lack of co-operation among GBBs.
- * High service delivery cost.
- * Difficulties in convincing the clientele about the provision of group fund.
- * Political interference at the management level.

- * Employees union's interference/pressure on the management to favor them on aspects such as new appointment, promotion, posting, training and other opportunities.

Dhakal (1995) conducted an impact study of Purwanchal Grameen Bikas Bank in 1995 on the title "Impact study of Purwanchal Grameen Bikas Bank". The main objective of his study was to assess the socio-economic effects of Grammen Bank on the rural people. From his study he found that the Grammen Bank Programme had significant impact on income, living standard and in other social status of the borrowers. Housing condition, general awareness and economic activities were also found to be improved.

He also pointed out some recommendations. He recommended that the public work programme and hard and fast policies should be designed and organized to create additional employment opportunities to the poor people who are almost unskilled in nature. In order to make programmes and policies encouragingly efficient, the implementation side should be very strong. He further added that the Grameen Bank Programmes must necessarily and effectively be carried to the door of the actually poor households in order to have them benefited.

Gautam (2005) conducted a study in 2005 on the title "The role of Pashchimanchal Grameen Bikas Bank in poverty Alleviation". The main objective of his study was to find out the role of P-GBB in poverty alleviation in the study area. From his study he found that there has been an increase in income, an increase in savings, utilization of savings, and an increase of the borrowers. He also found that economic dependency has been gradually shifted from male to female and themselves people are purchasing a segment of land for setting in limited scale.

He also made some recommendations for the growths, sound operation, good management and for the best utilization of Grameen Bikas Banking system.

There is high demand of loan in comparison to the supply. So P-GBB should increase its lower and upper loan ceiling amount. Since poverty is mainly concentrates among the lower caste people, the bank should give topmost priority to organize lower caste people and provide them loan. He further added that for the effective utilization of loan, bank should include practical and training course related to skill development activities in agricultural extension, income generation and business promotion as per the need of particular community. For the successful operation of the bank, there should not be political intervention on the bank management and its activities. Co-ordination with other I/NGOs working in this field would be more beneficial for poverty alleviation.

Panta (2005) conducted a study on a role of P-GBB in Changing socio-economic status of women. The main objective of his study was to examine the socio-economic condition of the rural women and he has found in his study that P-GBB has played important role for generating income, for changing consumption pattern, sheltering pattern, for increasing saving. He also found that education status of the rural poor women was increased. The GBBs programme has brought drastic change in the lives of rural women.

He has also pointed some recommendations of follows:

It has found that some of he borrowers of the bank are from upper economic class. P-GBB has to pay special attention expanding its programme to rural poor i.e. participants must be the needy of the programme. It is recommended that the adult literacy classes have to

arrange in the site. Training should be provided to the borrowers. The priority should be given to under privileged people while providing loan. It maintains to uplift their economic status and brings equality in the society.

The various literature as mentioned above concluded that women did not have access in financial matters. Creation of new credit and support institutions like GBBs contribute positively to bring rural women in productive economic activities. Both public documents and research findings of independent investigators strongly establish that local institutional support becomes an important ingredient to engage women to local development and improve their family and personal economic well - being.

CHAPTER THREE

RESEARCH METHODOLOGY

This is a descriptive type of research based on primary as well as secondary sources of data.

3.1 Research design

This study is based on the micro level income and expenditure in order to find out the impact of P-GBB in uplifting the socio-economic status of rural women. It includes various variables that support to analyze the socio-economic status of rural women. So the study is descriptive and qualitative in nature which has covered only the Parroha VDC of Rupandehi District. This study analyzes the existing state of income generation pattern with the help of P-GBB in a specific area identified as a case study.

3.2 Nature and Source of Data

The study is based on primary as well as secondary data. The group members of the Area office similar to P-GBB are the major sources of primary information. For secondary information, P-GBB similar Area office, P-GBB Head office, ministry of finance, NRB, CBS, RMDC and other various related publications were consulted.

3.3 Population and Sample

The total group members who have borrowed a loan from P-GBB, similar Area office are the 'universe' or 'population' of the study. So, 350 women borrowers of this office are the population of this research. A sample of 50 borrowers has been randomly drawn as the representative of this population for study purpose.

3.4 Sampling Procedure

The list of the members of GBB was provided by the Area office Semlar. 50 members out of 7 centers were chosen for study purpose. Respondents were selected with simple random sampling as the representative of the centers and total members.

3.5 Process and Tools of Data Collection

The study is based on primary as well as secondary data. The primary data are collected from the field survey. The data are collected through semi-structured questionnaires, focus group discussion and field observation. The tools of data collection are questionnaire and checklist.

Secondary data have been obtained from the P-GBB head office, Area office semlar, NRB, CBS, RMDC and related publications.

3.6 Data Processing

All the information's and filled up questionnaires were tabulated in a master table and necessary small tables were prepared from the master table. The computation was done with the help of statistical and mathematical tools.

3.7 Method and Tools for Data Analysis

The qualitative data are analyzed in a descriptive way and the quantitative data are analyzed with the help of different statistical and mathematical tools such as use of table, figure, mean, percentage etc.

3.8 Definition and Concept of Variables

- a. Household : Household is a private and non-institutional economic unit in which a single individual or more than one family are living together. They earn together and consume together.
- b. Household Heads : In this study the person who manages all the rules and regulations in the family is considered as a household head. He always plays a dominant role in a family. Most of the economic activities in the family depend upon the households head.
- c. Income : The earned income and its transfer by family members from different sources is defined as total household income during the period. In this study total household income is the sum of total net income such as agricultural production, livestock, cottage industry, labour and borrowing etc.
- d. Expenditure : Expenditure includes the expense on food and non-food items made by the family members of a household within the given period of time. Also the annual expenditure on social works, cost of agricultural production, purchase and treatment of livestock, raw materials and other are included in household expenditure. Expenditure is assumed to be the dependent variable, which is determined, by income, wealth and household size. All have positive relationship.
- e. Earner : All the household members who are economically active and contribute in the total households income are considered as earners.
- f. Food Items : The consumption expenditure on food items includes food grains, milk and milk products, vegetables (only purchased),

meat, egg, fruits, oil-seeds, tea, sugar, cigarette, wine, tobacco, salt, pulse etc.

- g. Non-food Items : The consumption expenditure on non-food items includes clothes, foot wear, education, health care, festivals, transportation, entertainment, housing, durable goods and miscellaneous etc.
- h. Educated Population: The people who passed SLC are taken as educated population, while a person who can read and write is defined as literate.

CHAPTER FOUR

GRAMEEN BIKAS BANK AND ITS OPERATION SYSTEM

4.1 An Outline of the Grameen Bank

Professor Muhammad Yunus a 1984 Nobel Peace Award winner describes the genesis of Grameen Bank that has encouraged the social and political emancipation of poor women.

After the independence in 1971, people of Bangladesh were convinced that their lives would change for better, but instead things went downhill. At that time Yunus began to teach at the university of Chittagong. Two years later in 1974, the country was hit by a famine and about one and half million people died in that tragedy. Hundreds of thousands of people were dying of hunger on the streets, railway stations and huts on the villages. In campus he was teaching beautiful and complicated theories of economics impressing upon his students that economic text books have answers to all economic problems. Suddenly the conventional theories for him seemed useless and he left the classroom and went to the villages of Bangladesh. Very soon, he learned from the poor villagers that it is not the shortage of food that makes people go hungry, but it is the lack of money to buy food which made people go without food.

Dr. Yunus started talking to people who are very poor and learned things that he had never encountered in the text books. Among the many things he learned and many people he talked to, one woman's story led him to a series of events which finally culminated into a very special kind of bank. He met a woman who worked hard making bamboo stools. At the end of each day she had made only two pennies, hardly enough to buy two decent meals. He could not understand how anyone could work so

little. He found out that to buy her raw materials she had to borrow from a trader, who took most of the money and left the women with very little. He realized that if the money she needed were available at normal interest rate the women would earn enough to reinvest and make higher profits. She could earn a decent living and escape from poverty.

He asked conventional banking institutions to make loans without collateral to the poor rural women but the bankers laughed at him. He said to himself, why do not he solve the problem by setting up his own bank ? And he asked the central Bank and the government for permission to set up a special bank for poor people. Finally, the government gave permission in 1983 and Grameen Bank was born as an independent bank.

The Grameen Bank is one of the most successful experiments in extending credit to the landless poor. Since 1976, it has empowered over two million villages in Bangladesh, mostly rural women through the provision of small loans. The Grameen Bank idea has already been replicated in forty countries worldwide.

From its inception, the programme had some very innovative features. First, no collateral was required from the poor. Individuals were asked to organize themselves into groups of five. The individuals in the group gave collective assurance for each other so that the loan repayment became a collective responsibility. Second, credit was provided to the rural poor who owned less than half an acre of land, ninety four percent of these were women. Disregarding popular belief, women were considered more bankable and more trustworthy. This trust was rewarded through a recovery rate of ninety eight percent on all loans advanced to women. Third, the loans were small and carried no interest subsidy. Fourth, the poor were required to put aside some saving at least one take

a week. This encouraged that habit of self reliance among the poor. Fifth, the bank went to the poor, rather than waiting for the poor to come to the bank.

4.2 Objectives of Grameen Bikas Bank

Professor Yunus began his action research project which he called Grameen Bank project came being with the following objectives:

- a. To extend banking facilities to poor men and women.
- b. To bring the disadvantaged people within the folds of some organizational format which they can understand and operate and from which they can find socio-political and economic strength through mutual support.
- c. To create opportunities for self employment for the country's vast unutilized and underutilized human resources.
- d. To eliminate exploitation of the poor by money lenders.
- e. To reverse the age-old vicious circle of "low income, low saving, low investment, low income" into an expanding system of "low income, credit, investment, more income, more credit, more investment, more income".

4.3 Grameen Credit Delivery Model

With integrated group organization, the Grameen Bikas Bank delivers credit to assist the rural poor. Separate groups for men and women with five members in each group from the banking units of GBB. Individual receives loan, out entire group is responsible for repayment, if one member defaults, no group member can receive additional credit. This rule compels group members to pressure one another to keep up with regular payment. Six to eight groups are formed into a community which is called centre. Each group elects a chairperson, who responsible for the

discipline of group members. All transactions are carried out at the weekly centre meetings.

GBB provides loan to an individual member for a year. The loan with interest should be repay in 50 equal weekly installements which the poor find easy to meet. The loans are provided for activities selected by each member of the five members group, and members help each other in selecting the activities. Amounts of loans and selection of activities are discussed in group and centre meetings. GBB workers assist each centre by visiting in a weekly basis.

4.4 Efficient Lending and Production Risk

GBB does not follow the traditional banking policies. It has carved out a market by lending to the poor who live in rural areas and also by lending to support reasonably pronounced agriculture production. GBB introduced innovative methods to minimize both behavioral and material risks of lending its group based lending i.e. credit provision to group, not individual repayment behavior mandatory saving that improve the financial strength of borrowers, provision of loan reschedule incases of natural disaster, and introduction of seasonal loans are all geared to minimize risks of lending for both lender and borrowers.

4.5 Saving Mobilization as an Integral part of Lending

GBB considers saving mobilization as an integral part of lending. Each member is required to deposit one take every week at the weekly group meeting. Further, each borrower is required to contribute 5 percent of her borrowed amount to the 'Group Fund'. A borrower is also required to contribute 2.5 percent of the total interest due, on the principle to the emergency fund. The GBB manages this emergency fund for uses

insurance against potential default because of death, disability or other misfortunes. This fund is also used to provide life and accident insurance to all group members, repay bad debts, and under take activities that improve the health, skills, education and investment opportunities of group members.

4.6 Replication of GBFS in Nepal

The Grameen Bank Approach (GBA) of credit delivery for the poor is now being replicated in various parts of the world, with replications in developing countries such as Malaysia, Philippines, Indonesia, Sri-Lanka, India, Vietnam, Bhutan, Guinea, Kenya, Malawi, Zambia, Mali, Bolivia, Peru, Nepal and Pakistan. It has also been adopted in Canada, France and the United States, where it is being used to help people on welfare to become income - generators.

This model is being replicated in Nepal since 1993 by five Grameen Bikas Banks (GBBs) and two NGOs. The five GBBs have been established on each in Eastern, Central, Western, Mid Western and Far Western Development region of Nepal. These five GBBs and the two NGOs have been following the Grameen Banking Financial System (GBFS) and providing credits to the poorest of the poor women of the rural areas.

Among these seven replications of Grameen Baking Financial system, Nirdhan, a NGO, was established in 1991 and started its lending operation in January 1993 from Siktahan VDC of the Rupandehi district. The Purwanchal and Sudoor Pashchimanchal GBBs were established in 1992. The centre for self-half development (SHD), another NGO, was established in 1994, Pashchimanchal and Madhya-Pashchimanchal GBBs were established in 1995 and Madhyamanchal GBB was established in

1996. At present these seven replications of GBFS have been greatly endeavoring for the poverty alleviation in their respective areas.

4.6.1 Activities of Rural Development Banks in Nepal

Table 4.1

Activities of Rural Development Bank (As of Mid-January 2005)

S.N.	Items	Regional Grameen Banks					Total
		Eastern	Central	Western	Mid Western	Far Western	
1	No. of VDCs	262	286	272	107	76	1003
2	No. of Centres	1382	1267	1214	560	611	4961
3	No. of Groups	12190	7818	8049	3884	3494	35435
4	No. of Members	50737	37001	39293	19420	19513	16594
5	Borrowers	48687	36105	38755	13422	10980	147949
6	Amount of loan (Rs. 000)	4909646	1971616	2759037	1015295	897266	11552860
7	Recovery of loan (Rs. 000)	4394370	1709907	2402806	878869	774909	10160861
8	Outstanding loan (Rs. 000)	515276	261709	356231	136426	122357	1391999
9	Group saving (Rs. 000)	163334	82569	82934	47941	40054	416832
10	Individual saving (Rs. 000)	37622	7480	4518	3152	1985	54757
11	Total saving (Rs. 000)	200956	90049	87452	51093	42039	471589
12	Employees No.	311	247	228	133	133	1032

Source: Economic Survey, Ministry of Finance, 2005.

Grameen Bikas Bank, One each in development regions to function as Rural Bank Replicator financial institutions, are operating with the objectives of providing financial resources required for different types of income generating activities by forming groups of deprived women of rural areas. By mid January 2005, these banks have already formed 35435 groups through the 4961 centres of 1003 VDCs of 43 districts and forwarded micro credits without collaterals to 147949 members for income generating activities by mobilizing local skills, out of a total of

165964 female members. As of now, these Grameen Banks have provided micro credits totaling Rs. 11.55 billion of this, Rs. 10.16 billion has been recovered with Rs. 1.39 billion as outstanding in credits. Total amount of saving deposits by these groups amounted Rs. 471.60 million including collective savings Rs. 416.80 million and individual savings Rs. 54.80 million by mid January, 2005. Total No. of employees under these five Grameen Banks is 1032.

4.6.2 Need for Rural Banking

A case for a rapid expansion of rural banking in the country can be made out on the following grounds.

* **To correct imbalances**

Characteristic feature of the Nepalese commercial banking system is the existence of marked regional, local and sectorial imbalances in the availability of banking facilities in the country and in the distribution of bank credit with all their adverse effects on the rapid and balanced development of the country's economy.

* **To Provide Institutional credit to Rural Areas**

Expansion of rural banking in the country arises on account of the need of rural areas for an adequate elastic and cheap institutional source of credit.

* **To mobilize Rural saving**

Rural banking is also necessary in order to generate and mobilize the saving of the agricultural and other rural sectors of the economy for productive investment in the non-agricultural sectors of the economy.

*** To Induce Rapid Economic Development**

The urban industrial sector and the rural agricultural sector of an economy are not clear cut competing sectors. On the contrary they are complementary to each other. The development of one sector encourages as well as sustains the development of the other sector through supplying each other's input requirements and by providing market for each other's products. It is possible to bring about a rapid development of an economy only when a strong link is developed between two sectors of the economy.

4.6.3 Grameen Bank Approach of Poverty Alleviation

The Grameen Bank has initiated a credit based poverty alleviation programme for rural poor, who largely depend on their own labour as means of support. The Grameen Bikas Bank evolved from a model that targeted the poor, incorporating the notion that the poor like the rich, must have access to formal credit. Although the Bank's initial plan was to alleviate poverty through credit, it soon realized that credit alone was not enough. They also lack social development. So the Grameen Bikas Bank began providing social development inputs to help the poor become more productive.

4.6.4 Grameen Bank Approach to Social Development

The Grameen Bikas Bank developed a comprehensive social development programme, outlined by the 'Sixteen decisions', in order to promote social financial discipline among the rural poor. These decisions are guidelines for some activities and codes of conduct that members are encouraged to adopt.

The Sixteen Decisions.

1. We shall follow and advance the four principles of Grameen Bank Discipline, unity, courage and hard work - in all walks of our lives.
2. Prosperity we shall bring to our families.
3. We shall not live in dilapidated houses. We shall repair our houses and work towards constructing new houses as soon as possible.
4. We shall grow vegetables all year around. We shall eat plenty of them and sell the surplus.
5. During the plantation season, we shall plant as many seedlings as possible.
6. We shall plan to keep our families small. We shall minimize our expenditures. We shall look after our health.
7. We shall educate our children and ensure that we can earn to pay for their education.
8. We shall always keep our children and their environment clean.
9. We shall build and use pit latrines.
10. We shall drink water from tube wells. If it is not available, we shall boil water or use alum.
11. We shall not take dowry at our sons' weddings, nor shall we give any dowry at our daughter's weddings. We shall keep our centre free from the cause of dowry. We shall not practice child marriage.
12. We shall not inflict any injustice on anyone, nor shall we allow anyone else to do so.
13. We shall collectively undertake larger investments for higher incomes.
14. We shall always be ready to help each other. If anyone is in difficulty, we shall help him or her.

15. If we come to know of any breach of discipline in any centre, we shall go there and help restore discipline.
16. We shall introduce physical exercises in all of our centres. We shall take part in all social activities collectively.

4.7 Grameen Philosophy

The GBB follows some special philosophy as mentioned below:

- i. Poverty is not the creation of the poor. It is the creation of negative social system.
- ii. Every individual has his own surviving skill.
- iii. Poverty is not cause rather than it is effect.
- iv. Credit is the fundamental right of a poor.
- v. charity and Grant make the credit unproductive.
- vi. Female are more closer with various problems of poverty and its effects.

4.8 Objectives of GBB

Grameen Bikas Banks in Nepal has been established with the following objectives:

- i. To provide banking facilities to the poorest of the poor in the society.
- ii. To create income employment generating opportunity through credit and alleviate poverty prevailing among the poor people.
- iii. To enhance awareness level of the poorest of the poor through training and literacy classes.
- iv. To uplift the socio-economic status of the poor people through community based programmes and credit.

- v. To develop institutional mechanism from the grassroots level to link savings with credit and initiate self reliant economic activities for strengthening rural economy.
- vi. To conduct action research on mobilizing resources to support the economic activities of the poor people.

4.9 Policies of GBB

To obtain the objectives stated above, some policies made by the GB are as follows:

- i. Provides services to poor and marginal people having less than 1 Bigha (0.6 hac.) of land in Terai and 10 ropani (0.5 hac.) of land in Hill areas.
- ii. Provide credit and banking services to poor women on priority basis.
- iii. Organize the member into groups and provide credit on group liabilities without any collateral securities.
- iv. Develop financial system through participatory approach for poverty alleviation and provide facilities for infrastructure development for the development of financial system.
- v. Disburse credit with primary focus on using traditional skill and physical assets and assist to increase income within a short period of time.
- vi. Initiate banking activities preferably into the deprived areas based on the norms and values of bank.
- vii. Involve women with first priority for the participation in banking programme.
- viii. Develop co-ordination with line agency to transfer technology in rural areas.

- ix. Bottom up planning under perfect decentralization framework is the primary focus on the planning process. Beneficiaries participate on local level planning, implementation, supervision and monitoring of the programme implemented / to be implemented.
- x. Form groups comprising of 5 women in each group.
- xi. Provide banking services at their door steps through the formation of groups and establishment of the centres.

4.10 Strategies of GBB

Grameen Bank adopted the different strategies in order to carry out the policies stated above which can be listed as follows:

- i. 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 procedures, literacy classes, awareness creating, skill development, child immunization, health and sanitation are organized on regular basis to enhance the existing knowledge.
- ii. Members are psychologically prepared to initiate economic activities to combat poverty. For this, they are trained to follow disciplinary functions of bank.
- iii. Without collateral securities, credit is disbursed on group liabilities. In addition, regular saving is mobilized.
- iv. Group members involve in operating and managing the programme through participatory approach, thereby their institutional capability is enhanced. Operating cost is minimized through smooth operation.
- v. Beneficiaries are organized into groups. Each group comprises of 5 members of women from different households.

- vi. Loan is disbursed on staggered basis i.e. all five members will not receive loan at one time. Initially, only two members (poorest of the poor among them) will be eligible to receive credit. credit ceiling has been fixed at rupees 10 thousand. These borrowers should pay the loan on weekly installment, attend meeting on regular basis and follow the group norms for at least six weeks to enable additional two members of the group for borrowing. All four members should behave well and follow the rules and regulations strictly till 10 weeks to provide borrowing opportunity to chairperson of the group.
- vii. Group members must deposit Rs. 1 per day for 9 days during the training period.
- viii. Borrowers are obliged to deposit 5 percent of the credit amount in the group fund.
- ix. Besides compulsory saving each member must deposit Rs. 1 every week as their individual savings. The saving should be deposited in group meeting to be held every week.
- x. Repayment of the loan is made on weekly basis. The principle and interest have to be repaid within 50 weeks.

4.11 Management of credit

Loan is disbursed without collateral securities through unit office. Banking procedure is easy which directly approaches to rural poor. Banking procedures are simpler regarding disbursement, repayment, group saving, supervision and preparation of monthly statement.

*** Concept of Group and Centre**

Beneficiaries are organized into groups. Each group comprises of 5 members. Minimum 2 to maximum 10 groups are federated to form a

centre. Centre is gathering of disadvantaged people. Overall banking services are delivered through this centre.

* **Credit Without Collateral Securities.**

Group is considered to be backbone of the bank. All type of credits are disbursed from unit office on the basis of group liabilities.

* **Credit Ceiling and Interest Rate**

Credit Ceiling is fixed at Rs.5000 for the first phase. The credit ceiling may be changed later on. The volume of credit will be based on the local demand. Interest rate would be same for different type of credit projects.

* **Repayment of Credit**

Repayment of loan/credit, borrowed for any purposes, is based on weekly installment. The borrower has to pay all loan and interest within 50 weeks period.

* **Regular and Group Saving**

Borrowers are obliged to deposit 5 percent of the credit amount in group fund saving. Besides this, they could utilize this group fund for their emergency needs whenever they encounter problems. In additions, each member must deposit Rs.1.00 every week as their individual savings.

* **Provision of Compulsory Training to Receive Loan**

Training is considered as an entry point of the programme. Training is must for the group members to get credit. It is conducted for a fixed time period. Every member has to get through test to be eligible member to receive loan. Those who falling the test, have to undergo the same training again.

* **Credit Disbursement and Repayment Place**

The place, where members usually gathers used for banking transaction. Members involve in participatory exercise for banking transaction i.e. loan disbursement, repayment, saving etc.

* **Financial Discipline**

Discipline from top to bottom is strictly followed. Discipline will be measured as a part of evaluation of staff for their career prospects since beginning of its establishment. Group members have to attend compulsory regular meeting held once in a week, repay weekly installment of loan borrowed, perform given responsibilities in given time. Group makes a peer pressure to those who default bank's rules and regulations.

4.12 Commitment Towards Unity

Grameen programme usually starts with expression of slogans developed separately for clients and staff. Personnel and members have to do commitment expressing these slogans in the beginning of each and every meeting or bank's programme. These slogans highlight on changing working style, attitude of people.

4.13 Pashchimanchal Grameen Bikas Bank (PGBB)

PGBB has been established in April 1995 under the commercial Bank Act 1974 since 1995 it is operating under the Development Bank Act 1995 and the Bank and Financial Institutions ordinance 2004. Initially the bank's share composition was as follows:

Government of Nepal	16.5%
NRB	61%
Rastriya Banijya Bank	5%
Nepal Bank Ltd.	5%
Himalayan Bank Ltd.	5%
NB Bank Ltd.	5%
Nepal Investment Bank Ltd.	2.5%

After the transformation of 51 percent share of NRB, the share composition of the bank is as follows:

Government of Nepal	16.5%
NRB	10%
Rastriya Banijya Bank	5%
Nepal Bank Ltd.	5%
Himalayan Bank Ltd.	5%
Nepal Bangladesh Bank Ltd.	5%
Nepal Investment Bank Ltd.	2.5%
Nirdhan Utthan Bank Ltd.	10%
Group Members of the Bank	39.67%
Employee of the Bank	1.33%

The head office of the bank is in Butwal. The Bank has been established to alleviate poverty of the western Development Region. The bank started its initial work in three districts namely Rupandehi, Kapilvastu and Nawalparasi in Terai region. Now its programme has been extended in other 11 hilly regions i.e. Palpa, Syangja, Tanahun, Kaski, Gulmi, Parbat, Baglung, Lamjung, Gorkha, Arghakhanchi and Myagdi.

4.13.1 The Comparative Progress Report of PGBB as of Mid July 2007- Mid July 2008.

Table 4.2

Progress Report of PGBB (As of Mid July 2007-Mid July 2008)

Rs in' 000.

Outreach/Portfolion	Units	Mid July 2007	Mid July 2008
District covered	No.	13	14
VDC/Municipal covered	No.	268/12	320/12
Branch	No.	36	40
Member	No.	35895	39051
Borrower	No.	34952	35148
Centre	No.	1160	1228
Total Staff	No.	214	211
Field Staff	No.	90	88
Loan Disbursement (cum.)	Rs.	4196087	4905166
Disbursement of the FY	Rs.	613179	709079
Repayment of the FY	Rs.	601746	645006
Loan Repayment (cum.)	Rs.	3753901	4398907
Loan outstanding	Rs.	442186	506259
Saving Mobilization	Rs.	108175	124881
Financial Result			
Total Financial Income	Rs.	87933	102805
Operational Cost	Rs.	40136	49774
Financial Cost	Rs.	23996	23425
Provision	Rs.	48836	13869
Profit	Rs.	4369	15737
Efficiencies			
Centre/Branch	No.	32	31
Centre/Field Staff	No.	13	14
Member/Field Staff	No.	399	444
Portfolio/Field Staff	Rs.	4913	5753

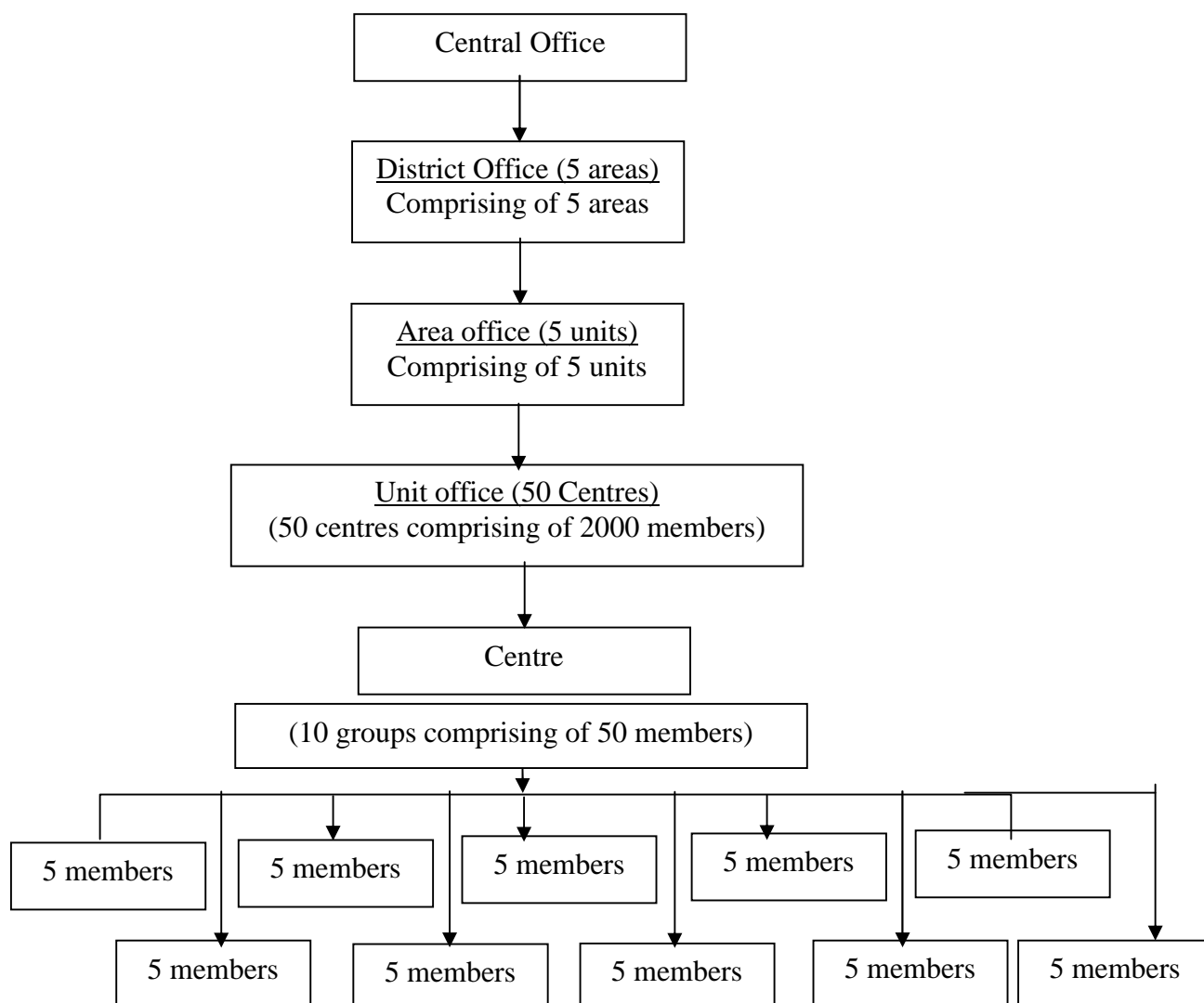
Source: PGBB Ltd. Head Office, Butwal.

4.13.2 Organizational Structure of PGBB

Institutional Structure of Grameen Bikas Bank is created gradually from grassroots level. While creating institutional structure of bank, initially unit office will open for providing services to the disadvantaged people. The other high level offices such as area, district will be opened later on. office of organization is categorized into four levels i.e. unit, area, district and central office which is shown in the figure no. 1.

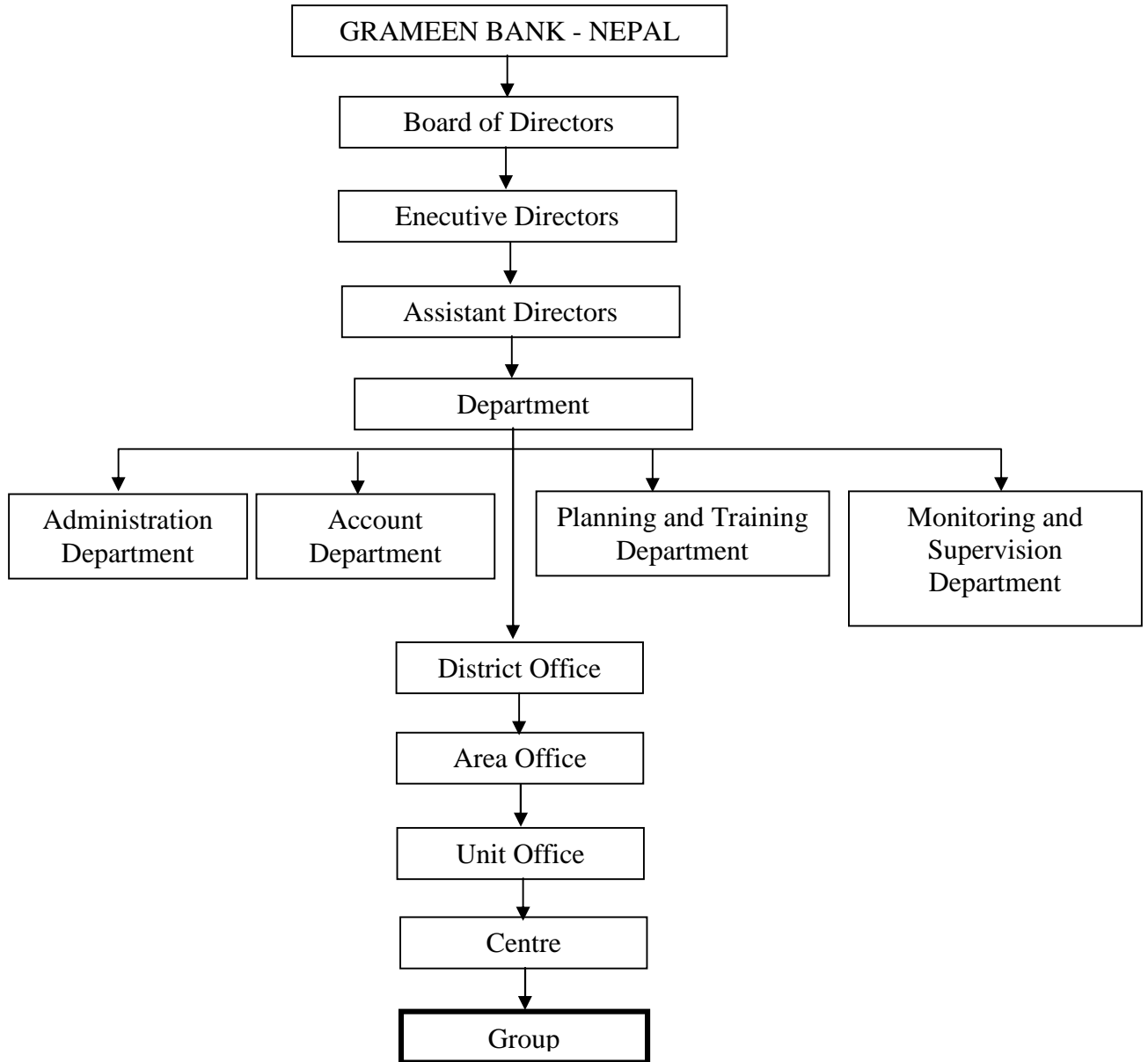
Figure 1

Functional Framework of Organization of Grameen Bikas Bank



Source: Grameen Bank - Nepal, Policy Guidelines, PGBB, Butwal Nepal.

Figure 2
Overview of Organization

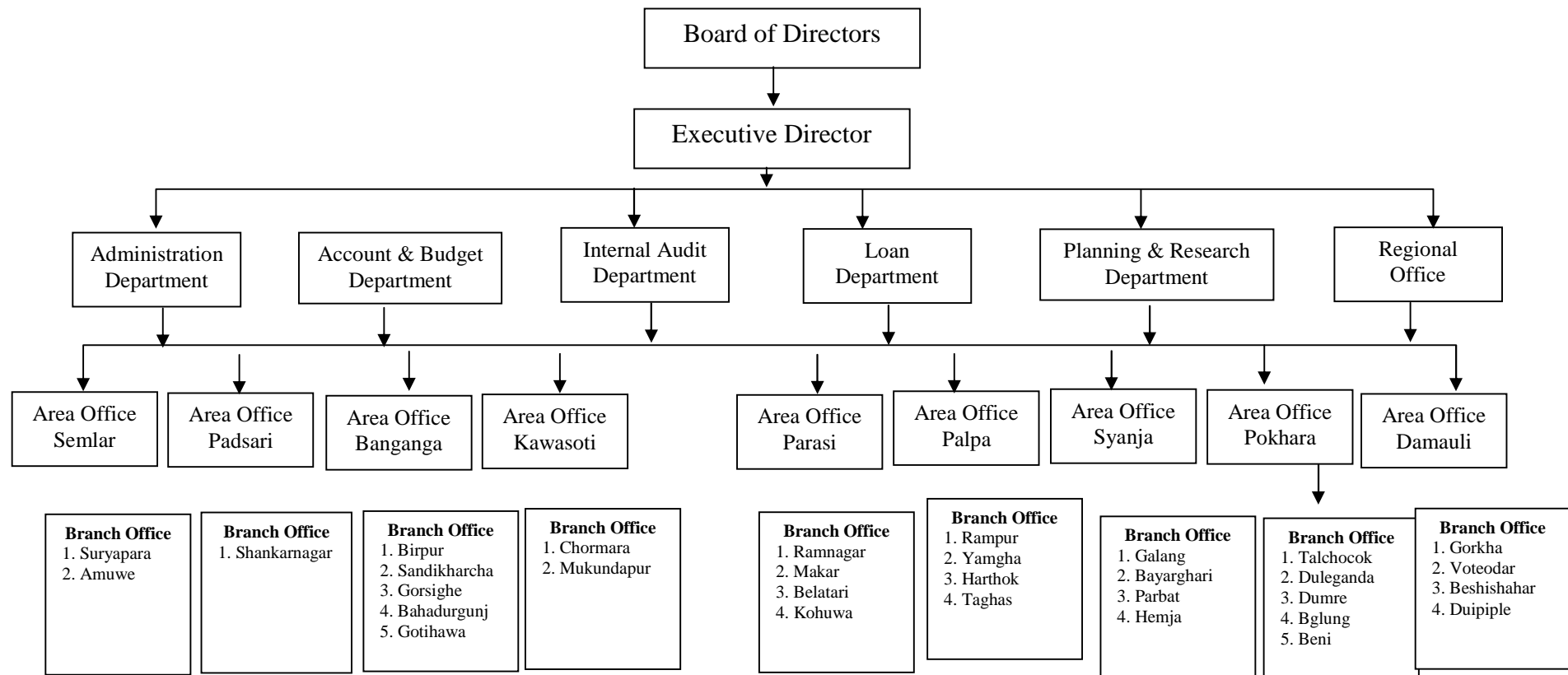


Source: Grameen Bank - Nepal, Policy Guidelines, PGBB, Butwal Nepal.

Figure 3

Organizational Structure of PGBB (Paschimanchal Grameen Bikas Bank Ltd.) Head Office, Butwal,

Organizational Structure



Source: PGBB Head Office, Butwal.

CHAPTER FIVE

SOCIO-ECONOMIC STATUS OF THE RESPONDENTS

5.1 Introduction of the Study Area

Semlar branch consists Semlar VDC, Kha Bangain VDC, Parroha VDC, Pharsatikar VDC, Motipur VDC, Dhudharaksha VDC and Butwal Municipality of Rupandehi district.

Study area Parroha VDC is situated in the west of Butwal Municipality and Semlar VDC, north of Kha Bangain VDC, east of Dudharaksha VDC and south of Palpa district. The total land of these VDC is 3032 Bigha. Tinau river is flowing through this area and Mahendra highway has crossed this area from east to west. Butwal municipality is the main market of this area which is a developed business centre, all villagers interact their business activities in this centre.

The total population of Parroha VDC is 35153 of which male population is 17366 and the female population is 16787. The number of households are 4154. The retailer business is the main sources of income of the area. Besides retailer business, the villagers generate income from animal husbandry and poultry, wages and salaries, small enterprises and businesses. About 60 percent of the population is engaged in agriculture. About 65 percent of the total population is literate. The main crops grown are paddy, wheat, maize, potato and horticulture.

5.2 Nature of Poverty in the Study Area

The study area is in Rupandehi district of Lumbini Zone in western Development Region. Few people who are living in this area have enough land to help them maintain a good living standard. Some of them have a

small area of land due to which they are unable to produce sufficient food grain to fulfill their basic needs and live hand to mouth of life. The people have no capital to invest in any other business activities. There are hardly any basic infrastructure which is the pre-requisite for industrial, commercial and other development activities. There is very few facilities on health, education or transportation sectors. Therefore the poverty situation in this area is pitiable and very cornice. In such a situation the PGBB has started a big venture by lending loan to rural poor women for starting various new business such as animal husbandry, retail shops, small hotels, cattle trading, cloth sewing etc.

5.3 Socio-Economic Status of the Respondents

In this study an attempt is made to highlight some of the social characteristics of the sampled respondents. Caste/ethnicity composition, age structure, household size and marital status, family status, education condition, occupation, working hours are considered to know about the social background of the respondents.

5.4 Caste/Ethnicity Composition

Table 5.1

Caste/Ethnicity Composition of the Respondents

Caste/Ethnicity	Number of Households	Percentage
Brahmin	15	30
Kshetri	10	20
Newar	7	14
Tharu	9	18
Magar	7	14
Dalit	2	4
Total	50	100

Source: Based on the Field Survey, 2009.

Table 5.1 shows that 30 percent of the total borrowers are Brahmin, 20 percent Kshetri, 14 percent Newar, 18 percent Tharu, 14 percent Magar and 4 percent Dalit. It is clear from the data that the maximum borrowers were from Brahmin family and the minimum borrowers were from Dalit family involved in GB activities.

5.5 Household Size

Table 5.2
Household Size of the Respondents

Household Size	Number of Households	Percentage
Small upto 4	11	22
Medium 5 to 8	30	60
Large above 8	9	18
Total	50	100

Source: Based on the Field Survey, 2009.

From table 5.2 we know that out of total respondents 22 percent family is small type family, similarly 60 percent is medium size and 18 percent is large size family.

5.6 Age Structure of the Respondents

Table 5.3
Age Structure of the Total Respondents

Age Group	Number of Borrowers	Percentage
20-29	7	14
30-39	19	38
40-49	18	36
50 and above	6	12
Total	50	100

Source: Based on the Field Survey, 2009.

Table 5.3 clearly shows the age structure of the borrowers of the study area. According to the data, maximum 38 percent borrowers belong to 30-39 year age group whereas minimum 12 percent borrowers belong to 50 and above age group. Similarly, 14 percent borrowers are from 20-29 age group and 36 percent are from 40-49 age group.

5.7 Family Status

Table 5.4

The Present Status of the Family of the Total Respondents

Family Status	Number of Households	Percentage
Nuclear	30	60
Joint	20	20
Total	50	100

Source: Based on the Field Survey, 2009.

Table 5.4 indicates that among 50 households surveyed, 30 households live in nuclear family and 20 households live in joint family.

5.8 Marital Status

Table 5.5

Marital Status of Respondents

Martial Status	Number of Households	Percentage
Married	45	90
Unmarried	1	2
Widow	4	8
Total	50	100

Source: Based on the Field Survey, 2009.

Table 5.5 clearly shows that 90 percent of borrowers are married, 2 percent unmarried and 8 percent are widows.

5.9 Educational Condition

Table 5.6

Educational Condition of the Respondent

Educational Status	Number of Households	Percentage
Illiterate	35	70
Primary	10	20
Secondary	4	8
Campus	1	2
Total	50	100

Source: Based on the Field Survey, 2009.

Table 5.6 shows that out of total borrowers only 70 percent are illiterate, 20 percent are primary level, 8 percent secondary level and one of the respondents is campus level.

5.10 Occupation

In the study area, occupation is means for employment of the people in different sector for earning purpose. Most of the people in the study area are engaged in agriculture, business, labouring, animal husbandry etc.

Table 5.7

Occupation of the Respondents before Bank Borrowing

Occupation	Number of Borrowers	Percentage
Agriculture	24	48
Retail Business	12	24
Labourer	8	16
Idle	2	4
Tailoring	1	2
Others	3	6
Total	50	100

Source: Based on the Field Survey, 2009.

Table 5.7 shows that the borrowers of GBB are involved in varieties of economic activities such as agriculture, retail business, labouring, tailoring etc. The main occupation of the borrowers was agriculture (48 percent) before borrowing the loan. Out of total borrowers, 24 percent engaged in retail business, 16 percent in labour and other in different occupations, 4 percent borrowers have no any occupation.

Table 5.8
Occupation of the Respondents after Bank Borrowing

Occupation	Number of Borrowers	Percentage
Agriculture	9	18
Retail Business	20	40
Husbandary	4	8
Poultry farming	6	12
Hoteling	3	6
Milk cow raising	2	4
Tailoring	3	6
Others	3	6
Total	50	100

Source: Based on the Field Survey, 2009.

Table 5.8 shows that out of total borrowers, only 18 percent are engaged in agriculture. In the study we found that there is a occupational transer mainly from agriculture to retail business (40 percent). Borrowers with different view points have started different occupation according to their own entrepreneurship talent. After GBBs participation, the borrowers have left previous traditional occupation and have started economically profitable business.

The field study reveals that 15 borrowers have started new business like animal husbandry, poultry farming, milk cow raising, hoteling etc. After Grameen Bikas Bank's participation, the borrowers of the study area have started new business and became capable in generating self employment.

5.11 Working Hours of the Respondents

Table 5.9
Working Hours of the Respondents before and after Borrowing
Loan from GBB

Working Hours	Number of Respondents before Borrowing	Number of Respondents after Borrowing
4	5	3
5	6	3
6	10	4
7	9	3
8	9	10
9	3	9
10	4	10
11	2	3
12	2	5
Total	50	100

Source: Based on the Field Survey, 2009.

The table 5.9 shows that the average working hours of the respondents before borrowing the loan is 7.16 while average working hours after borrowing loan is 8.52.

Here, percentage increase in working hours:

$$\left(\frac{8.52-7.16}{7.16}\times 100\right)\%$$

$$= 18.99\%$$

From the data, we know that the working hours of the rural women after borrowing loan has increased by 18.99 percent. Here, increase in working hours refers to increase in employment opportunity which means to generate more income thereby significant reduction in poverty. After bank credit, these rural women engaged more hours in productive activities which helped them to generate more income.

It is observed that the involvement of average number of borrowers has increased in different occupation like retail business, animal husbandry poultry farming, hoteling etc. after advent of GBB, thereby significant increase in the income.

CHAPTER SIX

ANALYSIS AND INTERPRETATION OF DATA

6.1 Loan Disbursement

The achievement of any Grameen Bikas Bank can be evaluated in terms of quantity of investments and its actual loan disbursements. In this chapter, the another has made an effort to analyze the loan disbursement amount and the number of borrowers. The following tables show the five different phases of investment.

Table 6.2
Loan Amount at First Phase Investment

Loan Amount Borrowed at First Phase Investment (Rs.)	Number of Borrowers	Percentage
2000	1	2
3000	1	2
4000	47	94
5000	1	2
Total	50	100

Source: Based on the Field Survey, 2009.

Table 6.1 shows the clear scenario of first phase loan amount and percent of total borrowers. The borrowers were so much interested about the loan that they demanded according to their entrepreneurship talent. Out of total borrowers only two percent demanded loan amount of Rs. 2000 whereas 94 percent borrowers, have taken the loan amount of Rs. 4000 in the first phase investment.

After completely repaying the first phase loan amount and interest, the borrowers can take second phase loan. The loan at first phase

investment must be repay within 50 weeks at the rate of one installment per week.

Table 6.2
Loan Amount at Second Phase Investment

Loan Amount Borrowed at Second Phase Investment (Rs.)	Number of Borrowers	Percentage
3000	1	2
5000	5	10
75000	1	2
8000	1	2
9000	1	2
10000	40	80
15000	1	2
Total	50	100

Source: Based on the Field Survey, 2009.

Table 6.2 reflected that out of total borrowers, only two percent has taken the minimum loan amount of Rs. 3000 whereas 80 percent has taken the loan amount of Rs. 10000. Only two percent borrowers have demanded the loan amount of Rs. 15000 in the second phase investment.

The third phase investment starts when the loan amount and its interest amount of second phase investment are completely repay by the borrowers. The loan amount taken at one phase must be repay within 50 weeks at the rate of one installment per week. If any borrowers do not maintain the banks repayment system she will be excluded in the next phase investment.

Table 6.3
Loan Amount at Third Phase Investment

Loan Amount Borrowed at Third Phase Investment (Rs.)	Number of Borrowers	Percentage
4000	1	2
7000	4	4
8000	1	2
10000	8	16
12000	1	2
15000	35	70
Total	50	100

Source: Based on the Field Survey, 2009.

Table 63 shows that only 2 percent borrowers have taken loan amount of Rs. 4000. In this phase, out of total borrowers, 70 percent has taken the loan amount of Rs. 15000.

The fourth phase investment starts when the borrowers completely repay the third phase loan amount and its interest. The borrowers who does not pay the principle and the interest amount of third phase investment, will not be eligible for fourth phase investment.

Table 6.4
Loan Amount of Fourth Phase Investment

Loan Amount Borrowed at Fourth Phase Investment (Rs.)	Number of Borrowers	Percentage
5000	2	4
8000	1	2
10000	7	14
12000	2	4
15000	35	70
20000	3	6
Total	50	100

Source: Based on the Field Survey, 2009.

From table 6.4 we know that out of total borrowers, 4 percent has taken loan of Rs. 5000, 70 percent has taken loan Rs. 15000 and 6 percent has taken Rs. 20000 at fourth phase investment.

The borrowers will get fifth phase loan only after they repay earlier borrowed amount including interest.

Table 6.5
Loan Amount at Fifth Phase Investment

Loan Amount Borrowed at Fifth Phase Investment (Rs.)	Number of Borrowers	Percentage
5000	2	4
10000	8	16
15000	32	64
20000	7	14
30000	1	2
Total	50	100

Source: Based on the Field Survey, 2009.

Table 6.5 shows that out of 50 poor women only 4 percent has taken Rs. 5000 as a loan in fifth phase investment. Similarly, 64 percent has taken Rs. 15000 and 2 percent has taken the loan amount of Rs. 30000.

Table 6.1, 6.2, 6.3, 6.4 and 6.5 present a clear picture of loan disbursement and percentage of the total borrowers. From the above tables, we can make a conclusion that all the borrowers have strong desire of utilizing their credit and demand further loan in next phase investment.

6.2 Staggered Loan Disbursements

In the study area, the Grameen Bikas Bank has disbursed the loan amount on the basis of 2 + 2 + 1. The first two members who receive loans are always the poorest of the poor among the five group members. When they successfully paid their weekly installments for the first six weeks, the next two members are given their first loan. When the second two members manage to make their weekly installments for six weeks that the group leader receives her loan. This procedure is maintained in the succeeding cycle of new loans. By staggering the disbursement of the loans this way, Grameen Bikas Bank makes the whole group responsible for the loans disbursed to their fellow members.

6.3 Straight Forward and Simple Loan Application and Processing Procedure

The application and processing procedure of GBB loan are very simple and straight forward. Once the loan proposal is endorsed at the central meeting, these procedures are kept verbal and then borrowers need only to learn and write their name as acknowledgement of the receipt of loan during the entire meetings. This is designed to accommodate illiterate borrowers who might otherwise be handicapped to participate.

6.4 Small and Manageable Loan Amounts and Small Weekly Payments

In the study area, investment requirements depends upon the loan amount given by the bank, tends to be small and manageable, releases in the form of cash and payable in equal weekly installment over a one year period. This practice ensures that the poor borrowers are well known

about what they actually need and are not overburdened with large repayments.

6.5 Income

Income refers the earning of the borrowers of the bank through productive activities. The income may be in the form of money, animal husbandary, milk, food grain etc. Here the personal questionnaire is used to find the changes in income of the borrowers before and after bank participation.

Table 6.6
Income of the Borrowers Before and After Borrowing Loan

Income Group Per Month (Rs.)	Before Borrowing		After Borrowing	
	No. of Borrowers	Percentage	No. of Borrowers	Percentage
0-500	6	12	2	4
501-1000	10	20	5	10
1001-1500	9	18	7	14
1501-2000	6	12	7	14
2001-2500	7	14	10	20
2501-3000	2	4	-	-
3001-3500	5	10	3	6
3501-4000	2	4	-	-
4001-4500	3	6	6	12
4501-5000	-	-	1	2
5001-5500	-	-	2	4
5501-6000	-	-	-	-
6001-6500	-	-	7	14
Total	50	100	50	100

Source: Based on the field survey.

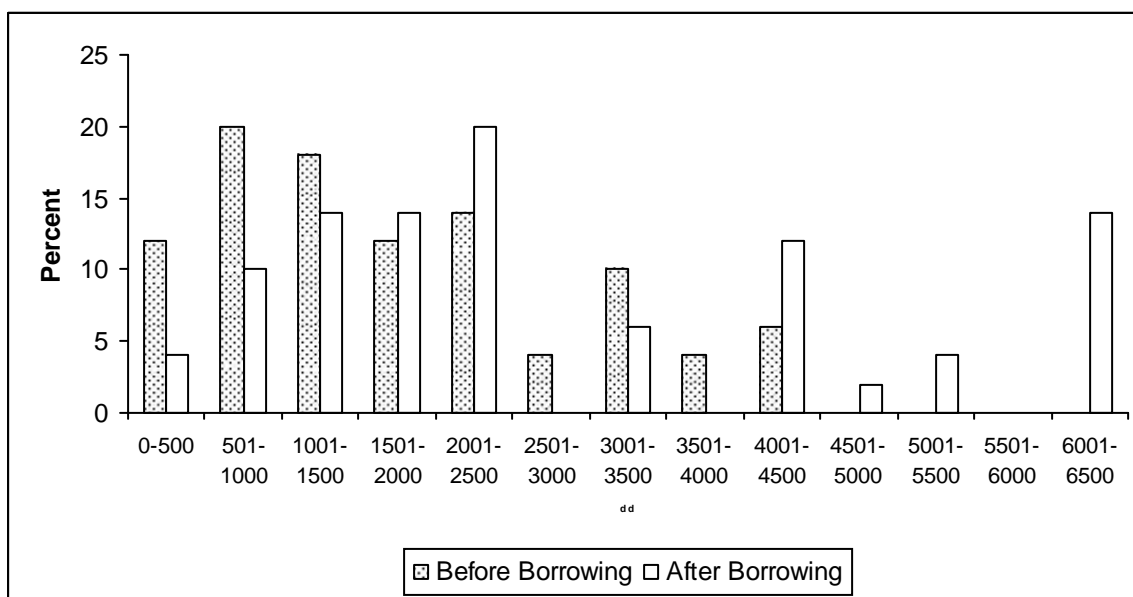
Table 6.6 shows that before borrowing there was 32 percent of the total borrowers having income less than Rs. 1000 per month where as it has declined to 14 percent after borrowing. Similarly there was no

borrower having income of Rs. 4500 or above before borrowing where as it has increased to 20 percent after GBB participation.

The above statement proved that the borrowers of the GBB have significantly increased their average income after participating in GBBs activities.

Increase in income before and after borrowing is also presented in bar diagram.

Figure 6.1
Income Before and After Borrowing



6.6 Saving

Before intervention of GBB, there was very little number of women who had saved their income. After the intervention of GBB, the members who are benefited from such programmes are aware about saving money for future need. For example, those who are involved in animal husbandry can earn income only a season, but the borrowers should pay the installment on weekly basis. For that purpose, they have to save for repayment on the non-seasonable period. Therefore after the

intervention of GBB programme, there has significantly increase in saving habit which is good signal for economy.

Under the GBB credit rule, there is provision of compulsory saving under gorup fund. Member of GBB have to deposit fixed amount of money in the form savings. This rule increases the saving habit of the members.

A positive relation between income and saving has also been observed in generation of saving after GBB's intervention. This analysis shows that after intervention of GBB, poor women are capable to save income.

Table 6.7
Saving After Bank's Intervention

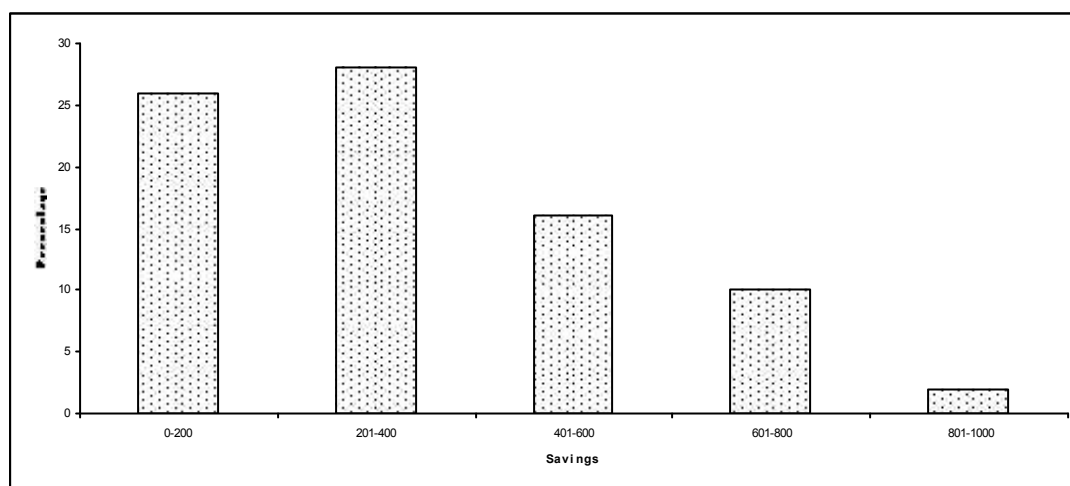
Amount of Savings Per-Month (Rs.)	Number of Borrowers	Percentage
0-200	13	26
201-400	14	28
401-600	8	16
601-800	5	10
801-1000	1	2
1001 above	9	18
Total	50	100

Source: Based on the Field Survey, 2009.

The table 6.7 shows that out of total borrowers, 26 percent borrowers are able to save a nominal amount of Rs. 0-200. After borrowing the loan from PGBB, 28 percent women are able to save Rs. 201-400, 16 percent borrowers save Rs. 401-600, 10 percent borrowers save Rs. 601-800 and 18 percent borrowers are able to save the amount of

Rs. 1000 and above per months. The trend of saving after borrowing is also shown in the bar diagram.

Figure 6.2
Saving After Joining PGBB



6.7 Utilization of Saving

Table 6.8
Utilization of Saving of the Respondents

Utilization	Number of Borrowers	Percentage
Same business	15	30
New business	9	18
Depositing in women saving fund	5	10
Depositing in Bank	3	6
Miscellaneous business	5	10
To lease land	2	4
To make house	3	6
Lending to earn interest	2	6
Teaching expenses for children	3	4
Taking idle	3	6
Total	50	100

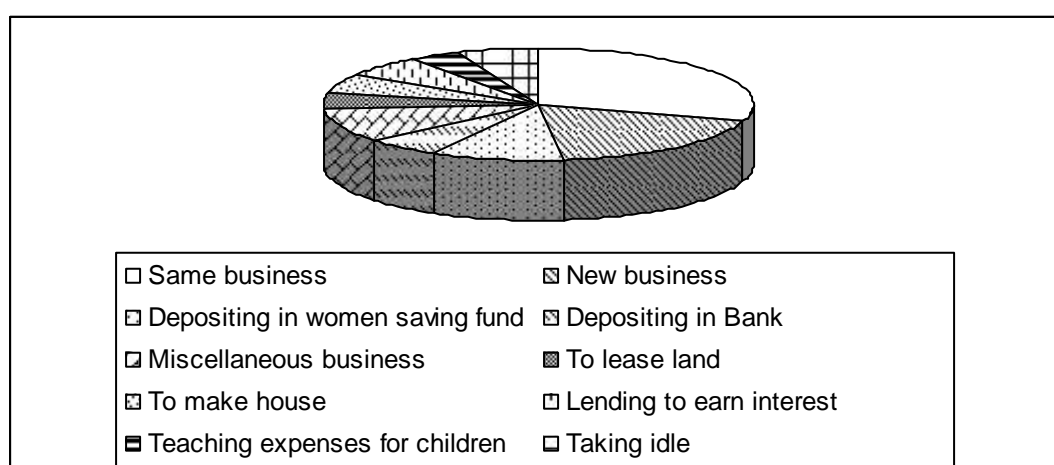
Source: Based on the Field Survey, 2009.

Table 6.8 shows that 30 percent borrowers are utilizing their saving in the same business, 18 percent borrowers are investing their saving in

new business and 16 percent borrowers are depositing in bank and other women saving funds of the total borrowers, 4 percent are using their saving in leasing the land, 6 percent in making house and 6 percent borrowers are taking their saving idle. The table reveals that 4 percent borrowers are utilizing their saving to earn high interest and 6 percent borrowers are using their saving for their children's education.

The above table is also presented in pie-chart.

Figure 6.3
Utilization of Savings



6.8 Living Standard of the Women Before and After Borrowing the Loan

6.8.1 Consumption Pattern of the Borrowers

Table 6.9
Consumption Pattern of the Borrowers

Fooding	Before Borrowing		After Borrowing	
	No. of Borrowers	Percentage	No. of Borrowers	Percentage
Traditional fooding (rice, pulse, vegetable)	41	82	20	40
Non-traditional fooding (adding meat, fish, milk, egg etc.)	9	18	30	60
Total	50	100	50	100

Source: Based on the Field Survey, 2009.

Above table illustrated that before borrowing loan from GBB, 82 percent of the total sample borrowers have used traditional type of food and 18 percent of the total members have used non-traditional type of food. After borrowing loan from GBB, it has reduced to 40 percent having traditional type of food whereas it has increased to 60 percent having non-traditional type of food. It means there is effective role of GBB in consumption of fooding items.

The above table also proves that when the income of people incresed, consumption in food item is also increased i.e. traditional to non-traditional item which helps to make the people's health good.

6.8.2 Sheltering Pattern of the Borrowers

Table 6.10

Sheltering Pattern of the Borrowers

House made of	Before Borrowing		After Borrowing	
	No. of Borrowers	Percentage	No. of Borrowers	Percentage
Traditional (wood, soil and straw)	40	80	21	42
Modern (wood, tile, brick, cement etc.)	10	20	29	58
Total	50	100	50	100

Source: Based on the Field Survey, 2009.

According to the above table 80 percent of the borrowers have traditional type of houses before borrowing but it decreases to 42 percent after the borrowing. Similarly, 20 percent of the borrowers have modern type of houses before borrowing but it increases to 58 percent after the borrowing.

The above table proves that the increase in number of the borrowers from traditional to modern house after borrowing is significant.

6.8.3 Toilet Condition

Table 6.11

Toilet Condition Before and After Borrowing

Toilet Condition	Before Borrowing		After Borrowing	
	No. of Borrowers	Percentage	No. of Borrowers	Percentage
Temporary	30	60	16	32
Permanent	20	40	34	68
Total	50	100	50	100

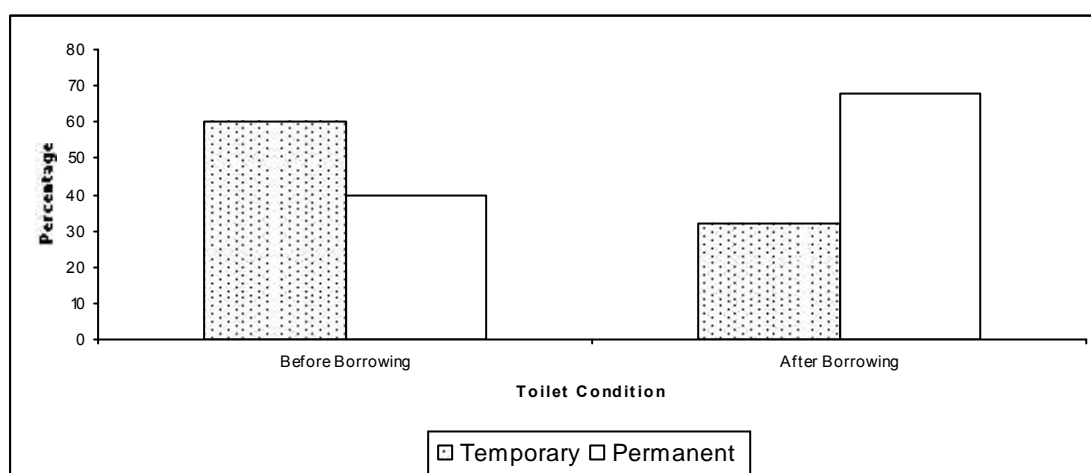
Source: Based on the Field Survey, 2009.

The above table obviously shows that number of borrowers of systematic permanent toilet users group have increased after the intervention of GBB. Because of the GBB's compulsory social training programme, awareness about the permanent toilet have been increased among the rural women.

The above table is also presented in bar diagram.

Figure 6.4

Toilet Condition Before and After Borrowing



6.8.4 Education Status of the Borrowers

Education is one of the major factors for social as well as economic development. It is the first step to human civilization. Hence it affects all sectors of the society. In the procedure of loan, educated person can handle easily then uneducated persons. The following table shows the educational status of the borrowers.

Table 6.12
Educational Status Before and After Borrowing

Education	Before Borrowing		After Borrowing	
	No. of Borrowers	Percentage	No. of Borrowers	Percentage
Literate	12	24	34	68
Illiterate	22	44	-	-
Primary	8	16	8	16
Secondary	5	10	5	10
Above Secondary	3	6	3	6
Total	50	100	50	100

Source: Based on the Field Survey, 2009.

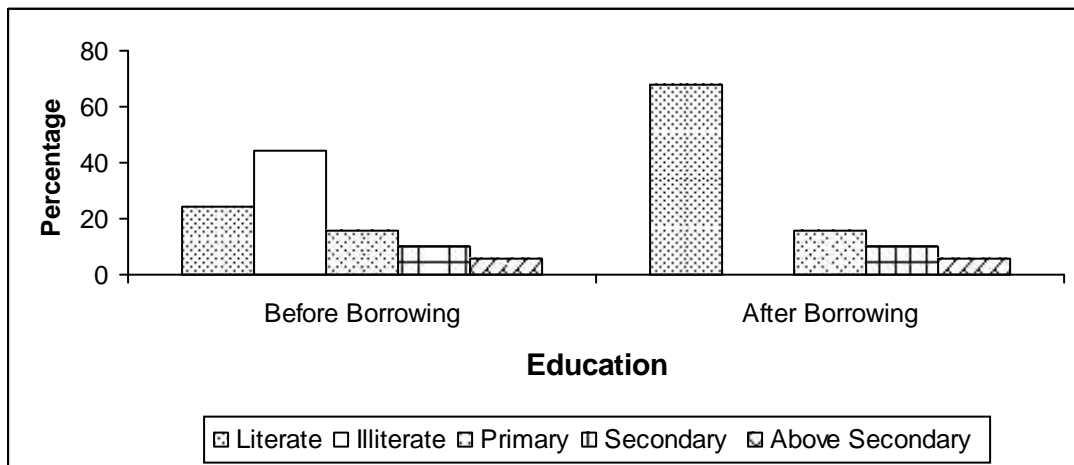
Before borrowing 44 percent women were illiterate, 24 were literate and 16 percent were passed primary level. Similarly, 10 percent had completed secondary and 6 percent above secondary.

But there are no illiterate after borrowing. Literate are those who can write their name. Before lending loan, field staff trained women to write their name. Therefore, every borrower is capable to write their names.

Educational status of the borrowers before and after borrowing is also presented on bar diagram.

Figure 6.5

Educational Status Before and After Borrowing



6.8.5 Child Education

Table 6.13

Child Education After the Intervention of GBB

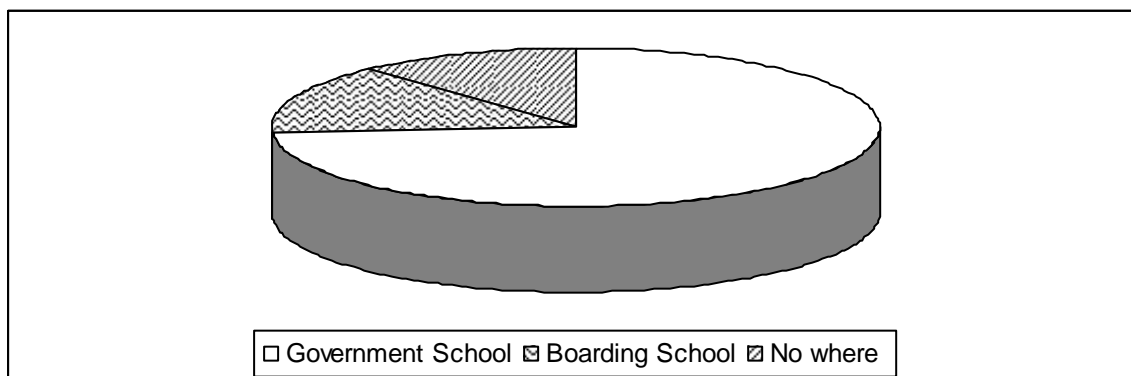
Type of School	Number of Borrowers	Percentage
Government School	37	74
Boarding School	7	14
No where	6	12
Total	50	100

Source: Based on the Field Survey, 2009.

Before joining GBB's credit programme, most of the children of the villagers were illiterate. But after joint the GBB, they start to send their children at school. The above table shows that 74 percent of the sample borrowers are teaching their children at government school. 14 percent are able to teach at boarding school. But 12 percent of them are still unable to teach their children. GBB's social awareness programmes plays important role for the child education.

The above table is also presented in pie-chart.

Figure 6.6
Child Education After the Intervention of GBB



6.9 Property

Table 6.11
Property Before and After Borrowing the Loan

Property Class (Rs.)	Before Borrowing		After Borrowing	
	No. of Borrowers	Percentage	No. of Borrowers	Percentage
0-20000	19	38	7	14
20001-40000	7	14	10	20
40001-60000	6	12	6	12
60001-80000	5	10	7	14
80001-100000	1	2	5	10
100001-120000	10	20	4	8
120001-140000	1	2	2	4
140001 above	1	2	9	18
Total	50	100	50	100

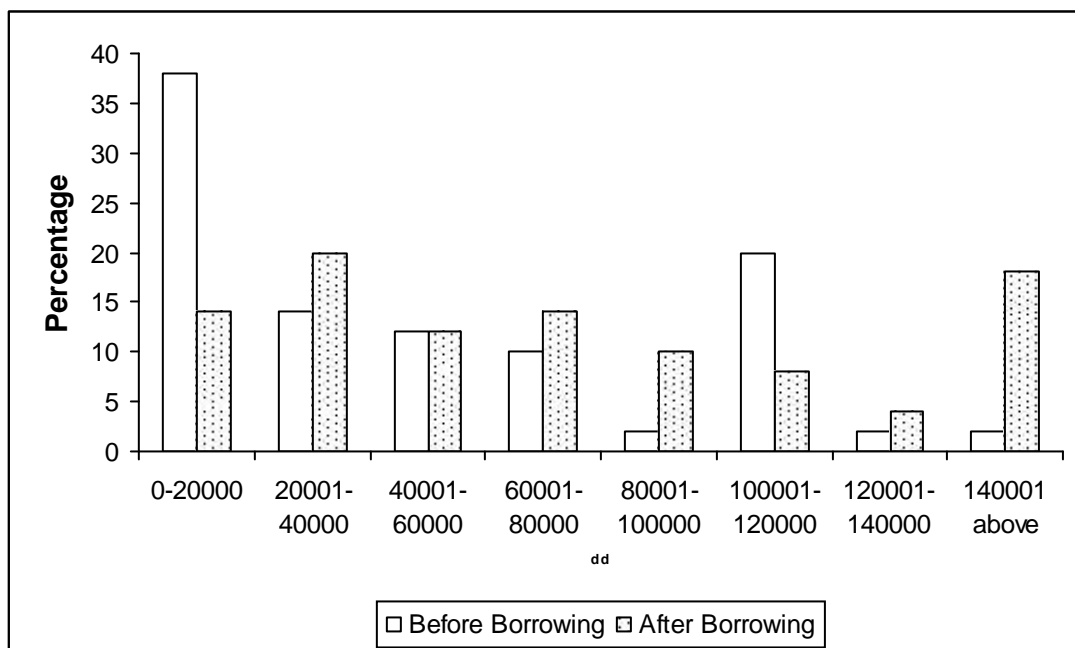
Source: Based on the Field Survey, 2009.

In the study area, property refers to all kinds of physical assets (like: land, houses, durable goods, cattle etc.). the above table shows that

out of total borrowers, 38 percent has the property below Rs. 20000 before borrowing where as after borrowing 86 percent has the property above Rs. 20000. Similarly, before borrowing, only 2 percent borrowers have the property of Rs. 140000 and more while 18 percent members have the property of Rs. 140001 and more after borrowing. Property before and after borrowing the loan is also presented on bar diagram.

Figure 6.7

Property Before and After Borrowing the Loan



CHAPTER SEVEN

SUMMARY, CONCLUSION AND RECOMMENDATION

7.1 Summary

Grameen Bikas Bank is one of the most essential financial institutions in Nepal that provides credit to the poor rural women without collateral securities. To alleviate the poverty - ridden situation, especially in the rural areas of the country, the bank came into existence in 1992. This institution has extended its great effort to uplift the socio-economic condition of the rural women by providing them loan for income generating activities. It is however more than a bank because its objectives includes alleviating poverty of the rural people through financial and social mechanism.

The Grameen Bikas Bank is the rural bank that offers a comprehensive package consisting of loan facility, social and community development programmes, self employment programmes, literacy programme, general health and sanitation programmes to landless and assetless women in the village in order to uplift their living standard and socio-economic condition.

Parr0ha VDC of Rupandehi district is the main focus of this study and the PGBB with its head office located in Butwal serves the whole Western Development Region of the country. Different tools and parameters have been used to analyze the real situation of the people in the study area, and mixed results have been established. The results reflect the better scenario of the rural people in terms of social and economic condition.

Although there are some shortcomings in the activities, the overall performance of PGBB is satisfactory. The evaluation of the programme shows that it is functioning smoothly and if it does not deviate from its basic objective, it will certainly achieve its goals.

7.2 Conclusion

We can derive following conclusion from the research undertaken.

1. More than 90 percent of the total borrowers has borrowed loan amount of Rs. 4000 in the first phase investment and similarly more than 60 percent has borrowed loan amount of Rs. 15000 in the fifth phase investment. This statement reflects the fact that there is high demand for loan amount in the rural area but there is not yet enough supply of the loan amount.
2. Before PGBB participation 48 percent of the total members was engaged in agriculture and 52 percent was in non-agricultural sector. After PGBB participation more than 82 percent are involved in non-agriculture sector. This fact shows that the loan amount borrowed from PGBB has significantly diverted the rural women from traditional sector to non-traditional sector.
3. Before PGBB participation 32 percent of the total members had income amount of less than Rs. 1000 per month whereas after PGBB participation only 14 percent has remained in that class and other's income level is also increased.
4. Consumption pattern, sheltering pattern have significantly improved which proved that the living standard of the rural poor was improving. The borrowers take before borrowing traditional fooding (rice, pulse, vegetable). After borrowing they take non-traditional fooding (meat, fish, milk, egg). Similarly, they use before borrowing traditional house made by wood, soil and straw.

After borrowing they use modern house made by wood, tile, brick , cement etc.

5. Saving is also created. This has further generated more wealth and property owned by the members has also increased.
6. Education status of the rural poor women was improving which has a direct impact on the living standard, employment and income generating activities of these women and her family. They are able to write their names and become independent in decision making about the use of loan and earning income.
7. There has been satisfactory increase in employment and rise in entrepreneurship qualities of the rural poverty stricken people as each borrower who had taken the loan from GBB has started new business and had shifted from traditional to modern type of business like retail business, poultry farming, tailoring, hotelling, animal husbandry and etc.
8. Most of the rural women before GBB's activities had no toilet of their own. After GBB's participation, they are very much aware of health and made toilet of their own.
9. Before banks borrowing, only a few women used to send their children in schools. But after GBB's activities, almost all the participants know about the use and value of education and sent their children to education centre.
10. Working house of the respondents after borrowing loan has increased by 18.99 percent. Here, increase in working hours refers to increase in employment opportunity which means to generate more income there by significant reduction in poverty. After bank credit these rural women engaged more hours in productive activities which helped them to generate more income.

11. So, the participants, with GBB have been benefited in every social fields rather than non-participants. The GBB's programme has brought drastic change in the lives of rural women.

7.3 Recommendations

On the basis of the findings, the following suggestions have been recommended:

1. It has found that some of the borrowers of the bank are from upper economic class. PGBB has to pay special attention expanding its programme to rural poor, i.e., participants must be the needy of the programme.
2. The survey data shows that a majority of the respondents are illiterate. It is recommended that the adult literacy classes have to be arranged in the site.
3. Micro credit has played instrumental role in uplifting economic condition of rural poor. It is also believed that micro credit to rural poor can help to alleviate poverty. In Nepal, micro credit provided by PGBB and other institutions can be a powerful tool, but not a panacea. So, authorities and policy makers should pay their attention to credit as not only a panacea to alleviate rural poverty but it should also be mobilized for developing socio-economic infrastructure.
4. PGBB provides the maximum loan amount Rs. 30000. Which is not enough for entrepreneurship. Therefore, it is suitable to increase upto Rs. 50000.
5. Most of the borrowers of PGBB invest their credit in livestock business. Due to the lack of health knowledge there is a high mortality rate of livestock which makes them very difficult to repay bank loan. So, to get rid of this problem, a package of livestock health management training should be provided to the beneficiaries.

6. The availability of credit is not sufficient for income generation programme. So, it should be backed up by skill and entrepreneurship development training and technical support.
7. It is better if PGBB manages the production of borrowers, it encourages them for their entrepreneurship.
8. The rate of interest has been found high so that they could not disburse interest and principle with their effort. This also proves that the interest should be made low to achieve the objective of PGBB.
9. Most of the respondents and participants are married women and have benefited from this program but this program should not affect the unmarried women. It is recommended that this programme should give attention to the unmarried women also.
10. Grameen Bikas Bank is not only a bank for the poor but it is also a poverty alleviation organization. It gives loan to the very poor and landless rural women. There is a high demand for loan in the rural areas but, however, there is not yet enough supply of the loan amount. Therefore, the bank should increase its lending capacity largely by borrowing loans from the international financial organizations or institutions at a very low rate of interest. Thus PGBB should increase their lending capacity to the very poor rural women to make them stand on their own feet by generating employment or by self employment such that slowly their living standard improved and poverty can be alleviated from the poverty stricken areas.
11. The priority should be given to under privileged people while providing loan. It maintains to uplift their economic status and bring equality in the society.

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APPENDIX

INTRA-HOUSEHOLD SURVEY: QUESTIONNAIRE

Questionnaire for the Borrower of the Pashchimanchal
Grameen Bikas Bank

Please Answer Correctly

Data: Interviewer :
Village Ward No.

1. Name of the Respondent :
 - a. Name of the respondent :
 - b. Age :
 - c. Caste :
 - d. Marital Status :
 - e. Family :
 - f. Education :

2. How do you feel while you participate under the programme of Grameen Bikas Bank ?
 - a. Feel inspired b. Feel amused
 - c. Feel bored d. Feel nothing

- 3.a. What is your occupation before borrowing loan ?
.....

- b. What is your occupation after borrowing loan ?
.....

- 4.a. How many hours did you involve per day in your occupation before borrowing the loan ?
.....

b. How many hours do you involve per day in your occupation after borrowing the loan ?

.....

5. About your GBB borrowing.

Phase	Date of Borrowing	Loan amount	Objective of Borrowing	Date of repayment	Amount of Repayment	Total Interest
4First						
Second						
Third						
Fourth						
Fifth						
Sixth						
Seventh						
Eight						

6.a. What was your monthly income before borrowing the loan ?

.....

b. What is your monthly income generated from the business started with the borrowing ?

.....

7.a. What was your monthly saving before borrowing the loan ?

.....

b. What is your monthly saving before borrowing the loan ?

.....

8. Where do you utilize your saving ?

a. Taking idle

b. Investing in business

- ii. Non-traditional fooding (adding meat, fish, milk, egg)
- b. What is your consumption pattern after borrowing
 - i. Traditional fooding (rice, pulse, vegetable)
 - ii. Non-traditional fooding (adding meat, fish, milk, egg)
- 15.a. What type of house you had before borrowing ?
 - i. Wood, soil and straw
 - ii. Wood, soil and tile
 - iii. Bricks, cement and iron rod
 - iv. Other (specify)
- b. What type of house you have after borrowing ?
 - i. Wood, soil and straw
 - ii. Wood, soil and tile
 - iii. Bricks, cement and iron rod
 - iv. Other (specify)
- 16.a. How much did you have property (in terms of money) before borrowing ?

- b. How much do you have property (in terms of money) after borrowing ?

- 17. Do you think your poverty have been reduced through this bank programme ?
 - i. Yes ii. No iii. I don't know
- 18. Respondent view about the Grameen Bikas Bank
