

**Impact of Saving and Credit Cooperative on Rural Women
(A Case Study of SWDSCCL Pithuwa VDC, Chitwan District, Nepal)**

A Thesis Submitted to:
Faculty of Humanities & Social Sciences,
Department of Rural Development,
Saptagandaki Multiple Campus, Bharatpur Chitwan
in Partial Fulfillment of the Requirements for the
Master's Degree of Arts in
Rural Development

Submitted By:
Pabitra Chapagain
Regd. No. : 9-2-386-74-2003
Exam Roll No. : 2400021

April, 2015

Declaration

I hereby declare that the thesis entitled **Impact of Saving and Credit Cooperative on Rural Women, 'A case study of SWDSCCL Pithuwa VDC, Chitwan District, Nepal'** submitted to Faculty of Humanities and Social Sciences, Department of Rural Development, Saptagandaki Multiple Campus Bharatpur, is entirely my original work prepared under the guidance and supervision of my supervisor. I have made due acknowledgements to all ideas and information borrowed from different sources in the course of preparing this thesis. The results of this thesis have not been presented or submitted anywhere else for the award of any degree or for any other purposes. I assure that no part of the content of this thesis has been published in any form before.

Pabitra Chapagain

TU Regd. No. : 9-2-386-74-2003

April, 2015

Approval Letter

This thesis entitle **Impact of Saving and Credit Cooperative on Rural Women 'A Study of SWDSCCL Pithuwa VDC of Chitwan District'**, Submitted by **Pabitra Chapagain** in partial fulfillment of the requirement for the Master's Degree in Rural Development has been approved by the evaluation committee.

The Evaluation Committee:

.....

Jagadishor Baral

(Head of the Department)

.....

External Examiner

.....

Ram Prasad Tiwari

(Thesis Supervisor)

Date : 10-04-2015

(27-12-2071)

Recommendation Letter

The thesis entitled **Impact of Saving and Credit Cooperative on Rural Women 'A Case Study of SWDSCCL Pithuwa VDC of Chitwan District'**, has been prepared by **Pabitra Chapagain** under my guidance and supervision. I hereby forwarded this thesis to the evaluation committee for final evaluation and approval.

.....

Ram Prasad Tiwari

(Thesis Supervisor)

Department of Rural Development

Date : 25-03-2015

11-12-2071

ACKNOWLEDGEMENTS

I would like to sincerely acknowledge my supervisor Mr. Ram Prasad Tiwari, Lecturer, Saptagandaki Multiple Campus, Chitwan for his suggestion, intellectual guidance and incessant encouragement and accomplishment of entire survey construction of this thesis.

I am highly obligated to Mr. Jagadishor Baral Head of the Department of Economic and Rural Development for his kind cooperation, valuable suggestion, encouragement and comments during the period of thesis writing. I am also thankful to Mr. Kapil Deb Subedi, Krishna Prasad Gyawali lecturer of Saptagandaki Multiple Campus faculty of Rural Development and Campus Chief Khem Narayan Sapkota.

I would like to thank staffs of Pithuwa VDC, District Development Committee Chitwan, SWDSCCL, CTDO Chitwan and Specially Mr. Shree Krishna Nepal for providing valuable data and books.

The respondents of this study deserve special thanks for spending their time to answer my question. So I want to acknowledge the staff of Saptagandaki Multiple Campus. I also want to give thank all my friend specially Mrs. Goma Aryal, Mrs. Menuka Chapagain, Mrs. Kamala Neupane, Mrs. Kalpana Gurung, Mrs. Muna Sigdel who helped me academically in data collection to data analysis in the research period.

My special appreciation goes to my family especially to my husband Mr. Rajendra Neupane for his kind help during the time of data collection. I would like to mention the name of my father Mr. Chinta Mani Chapagain and mother Mrs. Laxmi Chapagain who inspired me always in my life. I want to thank my father in law Mr. Keshav P. Neupane and mother in-law Laxmi Neupane as well as to my brother Mr. Dip Raj Chapagain and daughter Miss Shuvama Neupane for their help in data collection devoting their invaluable time during the work. This acknowledgement would be incomplete if I do not thank to Mr. Kabindra Kandel who provided me valuable materials.

Special thank Suju photocopy for computer setting.

Pabitra Chapagain

ABSTRACT

About 83 percent of the population in Nepal lives in rural areas and subsistence agriculture is the major occupation. It is associated with low production income, low savings, low economic growth etc. Geographically most of the area consists of Hilly and Terai regions. There are highly population densities in terai region. Various programmed intended to reduce deep rooted poverty and livelihood. Empowerment in the targeted groups are of the country. One of them is saving and credit co-operative operationally it is focused on women especially in rural area.

The present study is an attempt to find out the Impact of Saving and Credit Cooperative on Rural Women: A Case Study of Srijansil Women Development Saving and Credit Cooperative Limited has been taken for the study which is located in Pithuwa VDC of Chitwan. The main objectives of the study are: To assess the socio-economic impact of cooperative in the study area, to analyze the main source of family income, To analyze the purpose of loan and to identify the change in their socio economic condition after the participation in Srijansil Women Development Saving and Credit Cooperative Limited.

The study has been carried out both on the basis of descriptive and exploratory research design. The study has been focused on to investigate the impact of cooperative in rural womens. For this study both primary and secondary data have been used. The members of SWDSCCL are sources of primary data and the secondary sources of data were collected from cooperative training and division office, published and unpublished books, journals, websites etc. Both qualitative and quantitative data have been collected in this study. To collect primary information sample has been used. A questionnaire is prepared consisting 25 questions with close and open structure. Structured questionnaire was prepared to generate the realistic and accurate data from cooperative officers and accurate data from cooperative office and women who were involve as member. Collected information has been processed scientifically. Information has been analyzed with the help of computer software like excel as well as manually. Different tables are prepared for different socio-economic variables. Piechart, multiple bar diagram and frequency distribution table have been used as statistical tools and techniques.

The study was limited Pithuwa VDC of Chitwan district. It is covered only 50 respondents women of the SCCs member. SWDSCCL was established in 2059 B.S. It was established for the sustainable development and improvement of socio economic status of its member. According to data there was positive impact of cooperative on respondents, because its member have improved there economic status by taking loan and solved there economic problem.

In this study analysis impact of saving and credit co-operative on rural women. Comparing the changing livelihood pattern of women before and after joining the cooperative. It was found that co-operative has not only been conducting economic activities. It has also focused on creating community awareness and increase womens involvement in decision making.

TABLE OF CONTENTS

Title Page	
Declaration	I
Approval Letter	II
Letter of Recommendation	III
Acknowledgements	IV
Abstract	V
Table of Contents	VII
List of Tables	X
List of Figures	XI
Acronyms/ Abbreviations	XII
CHAPTER I : INTRODUCTION	1-6
1.1 Background of the Study	1
1.1 Statement of the Problem	4
1.2 Object of the Study	5
1.3 Rationale of the Study	5
1.4 Organization of the Study	6
CHAPTER II : LITERATURE REVIEW	7-14
2.1 Conceptual Review	7
2.1.1 The Concept of Cooperative	7
2.1.2 Value and Norms of Cooperative	9
2.1.3 Principle of Cooperative Objective of Cooperative	9
2.1.4 Importance of Cooperative in Rural Development	10
2.2 Cooperative Movement in Nepal	10
2.2.1 Historical Background of Cooperative Movement in Nepal	10
2.2.2 Objective of Cooperative Movement in Nepal	12
2.2.3 Challenges of Cooperative Movement in Nepal	13
2.3 Conclusion	13
2.4 Empirical Review	14
CHAPTER III : RESEARCH METHODOLOGY	20-22
3.1 Rational of the Study Area	20
3.2 Research Design	20
3.3 Population and Sampling Procedure	20
3.4 Source of Data	20

3.5	Tool and Techniques of data collection	21
3.5.1	Questionnaire Survey	21
3.5.2	Key Information Interview	21
3.5.3	Field Observation	21
3.6	Limitation of the Study	21
3.7	Method of Data Analysis	22
3.8	Conceptual Framework	22

CHAPTRE IV : DATA ANALYSIS AND INTERPRETATION/

PRESENTATION

23-39

4.1	Description of the Study Area	23
4.1.1	Basis Information about Submitted Cooperative	23
4.2	Socio-Economic Status of Respondent	24
4.2.1	Distribution of Respondent By Caste/ Ethnicity	24
4.2.2	Disdtribution of Respondent By Family Type	26
4.2.3	Distribution of Respondent By Education Status	27
4.2.4	Distribution of Respondent By Occupation	28
4.2.5	Age Structure	29
4.3	Size of Landholding	29
4.4	Participation/ Join in Cooperative	30
4.5	Annual Household Income of Respondent	31
4.6	Easy Access to loan	34
4.6.1	Investment of Loan	35
4.6.2	Purpose of Loan/Credit	35
4.7	Women Involvement in Decision- Making an Access to Financial Resource	36
4.8	Rural Women Empowerment	37
4.8.1	Social Condition of Respondent in Study Area	37
4.8.2	Family Impacts on Rural Women in Households	38
4.9	Increase in Income	39
4.10	Increase in Health, Hygiene and Sanitation	39

CHAPTER V: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS 41-44

5.1	Summary	41
5.2	Conclusions	42
5.3	Recommmentations	44

REFERENCES

ANNEX

LIST OF TABLES

Table No. 2.1	Number of Primary Cooperative Society in Chitwan District	14
Table No. 2.2	Number of Cooperative Including Only Female Member in Chitwan District	15
Table No. 4.1	Basic Information about Submitted Cooperative	24
Table No. 4.2	Distribution of Respondents by Caste/Ethnicity	25
Table No. 4.3	Distribution of Respondents by Family Size	26
Table No. 4.4	Education Status of Respondent	27
Table No. 4.5	Distribution of Respondent by Major types of Occupation for Livelihoods	28
Table No. 4.6	Age Structure of the Total Sample	29
Table No. 4.7	Distribution of Respondents by Size of Landholding	30
Table No. 4.8	Participation Join in Cooperative	31
Table No. 4.9	Annual Household Income of Respondents	32
Table No. 4.10	Distribution of Household by Taking Loan from Various Source	34
Table No. 4.11	Purpose of Loan/Credit	36
Table No. 4.12	Involvement of Respondents Before and After Saving by Area of Empowerment	37
Table No. 4.13	Social Role of Saving and Credit Cooperative in Rural Women	38
Table No. 4.14	Family Impact of Rural Women	38
Table No. 4.15	Increase in Income by Membership Status	39

LIST OF FIGURES

Figure No. 3.1	Conceptual Framework	22
Figure No. 4.1	Distribution of Respondent by Caste/Ethnicity	25
Figure No. 4.2	Distribution of Respondent by Family Size	26
Figure No. 4.3	Education Status of the Respondents	27
Figure No. 4.4	Distribution of Respondent by Major Types of Occupation for Livelihood	28
Figure No. 4.5	Age Structure of the Total Sample Respondents	29
Figure No. 4.6	Distribution of Respondents by Size Landholding	30
Figure No. 4.7	Participation/Join in Cooperative	31
Figure No. 4.8	Annual Household Income of Respondents	32
Figure No. 4.9	Distribution of Household by Taking Loan from Various Source	35
Figure No. 4.10	Purpose of Loan/Credit	36

ABBREVIATIONS/ACRONYMS

BS	:	Bikram Sambat
CBS	:	Central Bureau of Statistic
CMF	:	Centre for Micro finance
CTDO	:	Cooperative Training and Division Office
DDC	:	District Development Committee
Dr.	:	Doctor
FY	:	Final Year
HHS	:	House Holds
ICA	:	International Cooperative alliance
i.e.	:	that is
ILO	:	International Labour Organization
KM	:	Kilometer
m	:	meter
No.	:	Number
NRs.	:	Nepalese Rupees
PRA	:	Participatory Rural Appraisal
Rs.	:	Rupees
SCCs	:	Saving and Credits Cooperatives
Sq	:	Square
SWDSCCL	:	Srijansil Women Development Saving and Credit Cooperative Limited
TU	:	Tribhuvan University
UK	:	United Kingdom
VDC	:	Village Development Committee

CHAPTER I : INTRODUCTION

1.1 Background of the Study

Nepal has been struggling since many years for its development. Many plans have been brought to remove poverty. Along with several schemes, the government undertook cooperative programmed, modern form of cooperative is essential in this country. Cooperative is one of system to make the life of people better by them achieving the economic and social progress. Cooperative may be help for the development of the democratic system and spirit of mutual Cooperation.

The Cooperative is form of organization engaged in economic activities and carries out management function such as planning organization, controlling and evaluating. The word “Cooperative” is said to have been derived from the Latin word “Cooperative” which means working together for some common purpose. People have different angle of vision about Cooperative, Dr. CR. Fay claim that Cooperation is a forms voluntary organization for a joint organization of some work equal terms and with common objectives. This form of organization has been growing popularity in the sphere of economic activities particularly among the economically weak member of the community who by defination can’t protect their interest on and individual basis. Generally, speaking, Cooperation means living, thinking, and working together. It is technical sense; it denotes special method of doing business. In its former sense Cor poration existent then the man himself, example is not wanting of ‘Reflexive’ and ‘Instinctiive’ Cooperation in the animal world. Formations of social groups are the outcome of reflexive cooperation, while the life of ants, bees, wasps, loons etc. Provide the best example of instinctive cooperation. The practice of principle of Cooperation contribution to the development of human role. That other biological and social factor. An ILO Report define a cooperative society “A cooperative is an association of persons usually of limited means who have voluntarily joined together to achieve a common economic and through the formation of a democratically controlled business organization on making equitable contributions to the capatial required and accepting a fair share of the risks and benefits of the undertaking”.

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

Nepal has a long standing history of informal community based cooperative. Traditionally, these groups were based on Kinship, ethnic and religious bonds. Some of the major traditional informal cooperatives are as follows:

Parma custom, *Dhikuri* custom and *Guthi* custom of Nepal which have been existed in Nepalese society from so many years. Among the old customs, *Parma* custom is related to the agriculture field where the members of the society do their farming like- planting and harvesting of the crops with the mutual cooperation among each others. *Dhikuri* custom has been existed in Thakali tribe of Nepal at which some money as saving has been collected by the members of *Dhikuri* in the fund and this fund is utilized to refund the loss of the member in his particular business as his business will be gone in loss. Similarly, *Guthi* custom is related with the operation of religious activities with the mutual help of the members of the particular society.

Although these customs have been existed in Nepal in from the ancient age and are based on mutual co-operation, they are not in the formal structure of co-operative institutions. The evolution of modern co-operatives in Nepal had been commenced from 1953 with the establishment of Co-operative Department. After the three years of the establishment of Co-operative Department, the first co-operative institution had registered formally in 1956. That

was the formal commencement of the co-operative movement in Nepal. After the commencement, Nepalese co-operative movement has been faced so many fluctuations according to the various provisions in laws and policies related to this sector. Concisely, we can evaluate the co-operative movement of Nepal basically in two phases- first is related with the period from 1956 to 1990 and the second phase is related with the period from 1990 to till now.

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

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

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

However, during the last five decades, the cooperative movement has experienced many difficulties. Prior to the 1990s, the government had used to set a target for registering

cooperative societies: This usually restricted the public initiatives to promote cooperatives. Hence, the growth was almost negligible. However, with new act and liberal environment, where government did not restrict cooperatives from being registered, cooperatives were free to promote them. Hence, a mushroom growth was recorded during the 1990s (Mali, 2005). There were 33 district cooperative unions by the year 1990, but there were no national and central federations. After 1992, the mushroom growth took place at all levels of cooperatives societies, ranging from grass root to secondary and central level. The government had celebrated “Cooperative Golden Jubilee Celebration Year 2000” with a slogan “Adapt Cooperative System and alleviates poverty and unemployment”.

1.2 Statement of the Problem

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

Especially talk about the cooperative status of women’s in Nepalese, women are in every where backwardness like, socially, economically, politically and educationally. So cooperative education one of the very importance aspects for the women’s awareness and one of the main issues of empowerment in cooperatives.

Saving and credit cooperative society has established with the purpose of providing credit and collecting economic activities, for example small and cottage industries, small business, agricultural operation and other activities. The following problems are found in the study of cooperative society.

Do the members of cooperative society spend the fund in related sector or not? It means whether cooperative members have spent the fund on productive sector or unproductive sector. What is the status of women in management and decision making process? Are they having ownership of property? Is the cooperative income transparent to its entire member?

Thus, this study is attempt to as certain how far this cooperative has succeeded in achieving its value, assumption and goals.

1.3 Object of the Study

The general object of this study is to assess the present Impact of Saving and Credits Cooperative on Rural Womens.The specific objectives are:

1. To assess the socio-economic impact of cooperative in the study area.
2. To analyze the main source of family income.
3. To analyze the purpose of loan.
4. To identify the change in their socio economic condition after the participation in Srijansil Women Development Saving and Credit Cooperative limited.

1.4 Rationale of the Study

Nepal is an agro based country with rich in natural resource but the country is among the poorest in per capita GDP term least development countries. It has challenge to convert the traditional cultivation system into business motive cultivation system, to make organized effort in agriculture products and providing capital to this sector as loan through saving and credit business.

Knowing the similarities as well as different between before the cooperative and after the cooperative in this study would guide women only SCC_s and promotes in knowing their unique characteristics and help them in determining what their role could or ought or to be in enhancing the cooperative. Self–reliance and effectiveness in meeting the cooperative member practical needs and strategic interests. This study could also add to the literature on the similarities and differences between the preset daily lives past rural women in the context of Nepal.

About 83 percent of the total populations in Nepal live in rural areas and subsistence

agriculture is the major occupation. It is associated with low production income, Low economic growth etc. Geographically most of the area consists of Hilly and Terai regions. There are highly population densities in Terai region. Various programmed intended to reduce deep rooted poverty and livelihood, empowerment in the targeted groups area of the country. One of them is saving and credits cooperative operationally it is focused on women especially in rural areas.

1.5 Organization of the Study

The research report has organized into five chapters. The first chapter contains introduction in which general introduction, statement of problem, object of the study, significance of the study, limitation of the study and organization of the study are included. In the second chapter, the review of literature on saving and credit cooperation society has been involved. The third chapter contains research methodology in which sources of data, sample and data collection procedure have been described. The description and interpretation of data collection during the study have been presented in the fourth chapter. Data obtained from written questionnaire and oral interview have been involved and analyzed. The fifth or final Chapter contains summary, conclusion and suggestions of the whole research finally, references, annexes are also specified in the last pages.

CHAPTER II : REVIEW OF LITERATURE

Review of literature is the consultation of previous studied related to similar areas of proposed study. It widens the vision of the research in the subject matter of the study. It is very important step in research because it prevents duplications, may assist in the refining of the statement of the problems, familiarizes with the various methodologies and can provide convincing arguments as to why this particular project is needed.

2.1 Conceptual Review

2.1.1 The Concept of Cooperative

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

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

The cooperative is comprised of two stem 'Co' stand for together and 'operative' stand for working. Hence the meaning of cooperative is working together. In simple term cooperative is practice of living together, thinking together and working tighter for mutual benefit of the member.

Some people think that cooperative is related to communist ideology, while other thinks that it is a capitalist ideology. Rather cooperative is equipment for group business of the member involves according their felt need. Cooperative doesn't have any relationship with the holding of land and its volumes; however, it is related with the skills and knowledge of the member for production. In other words, it is a method of doing business using the skills and investing capital to develop their business as an industry and selling their production of goods and services. In the context of Nepal, Cooperatives are community organization delineated to support the group business of farmer, worker, artisans, landless, low income group and unemployment or social workers to project the interest of community people (Thakuri, Chandra B, 2010, p.4).

Cooperative is not merely marketing nor is it the organization of producers for the purpose of gain only. If those were its sole aims, marketing boards and limited liability companies would suffice. Cooperative is the origination of people which needs in common for any and all purpose which may improve their lot in life (SurrIDGE and Margaret, 1967, p.8).

Cooperative society is a society which has as its object the promotion of thrift, self- help and mutual aid among persons which common economic needs to bring about better living , better business and better method of production or a society establish for the purpose of facilitating the operation of such societies (Dr. Press, 1960, p. 22).

From this study cooperative is organization of the people which common needs which may improve their life. The main purpose of cooperative is not only to gain profit but also to bring better living, better business and better method of production.

A cooperative is generally viewed as a socio- economic organization that can fulfill both social and economic objectives of its member and that has its member' interests truly at heart (Sing, 1999).

International cooperative alliance has defined the meaning of cooperative in 1995 as A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise (Shrestha, 2000, p. 16).

A cooperative is a voluntary organization of person whith a common interest, formed and operated along democratic lines for the purpose of supplying services at cost to its members and other patrons, who contribute both capital and business (Miller, 1994, p. 200).

Thus, cooperative is an autonomous and voluntary organization of persons with a common interest, common economic, social and cultural need and aspirations through a jointly owned and democratically controlled enterprise.

2.1.2 Value and Norms of Cooperative

1. Basis Value:

- Self – help
- Self – Responsibility
- Democracy
- Equality
- Equity
- Solidarity

2. Ethical Value:

- Honesty
- Openness
- Social responsibility
- Caring for Other

2.1.3 Principle of Cooperative

The ICA congress held in Manchester (UK) on 23 September 1995 adopted the following seven principle;

- Voluntary and open membership
- Democratic Member control
- Member Economic Participation
- Autonomy and Independence

- Education, Training and Information
- Cooperation among Cooperative
- Concern for the community

2.1.4 Importance of Cooperative Rural Development

Cooperative occupy an important place in uplifting social as well as economic status particularly in rural areas where more than four –fifths of the total population reside and majority of them are poor and excluded from the socio-economic development opportunities. The importance of cooperatives in rural development can be given the following:

- Reducing poverty and inequality
- Provision of receiving mechanism
- Building awareness
- Establishing decentralization of leadership
- Creating social mobilization
- Generating employment and income opportunities
- Fulfilling credit needs
- Meeting the basic needs
- Helping rural industrialization
- Keeping social solidarity
- Helping agriculture development
- Mobilizing local resource

2.2 Cooperative Movement in Nepal

2.2.1 Historical Background of the Cooperative of the Movement in Nepal

The term cooperative is mint by a group work of member who wants to enhance their economic and social condition with the mutual effort and cooperative among each other. Basically, it is known as a form of business which is operated to provide to commercial goods and services to the member and manage by the members themselves with the democratic control system. In the course of reviewing the historical background of cooperative sector we don't have to forget Parma custom, Dikuri custom and Guthi custom of Nepal which have been exited in Nepalese society from so many year.

Parma is traditional infor cooperative for exchange of labor. It is related to the agriculture field where the member of the society does their farming like planting and harvesting of the crops with the mutual cooperative among each other.

Dhikuri is an institution operated by the Thakali community of Nepal through time immemorial to provide credit to their member for the financial upliftment. The original resident of Takali community being Thakkhola of Mustang. Nowadays it is more popular among business all over the district of Nepal.

Guthi visreates with the operation of religious a with mutual help of the member of the particular society. There are different types of Guthi – Rajguthi, Amalaguthi, Oliguthi and Devguthi or Temple/ Monasteryguthi. These Guthi are created with the contribution of grain by the community member in equal basis during the time of harvesting.

Although these customs have been existed in Nepal in from the ancient age and are based on mutual co-operation, they are not in the formal structure of co-operative institutions. The evolution of modern co-operatives in Nepal had been commenced from 1953 with the establishment of Co-operative Department. After the three years of the establishment of Co-operative Department, the first co-operative institution had registered formally in 1956. That was the formal commencement of the co-operative movement in Nepal. After the commencement, Nepalese co-operative movement has been faced so many fluctuations according to the various provisions in laws and policies related to this sector. Concisely, we can evaluate the co-operative movement of Nepal basically in two phases- first is related with the period from 1956 to 1990 and the second phase is related with the period from 1990 to till now.

a) First Phase

First phase of the evolution of co-operative movement in Nepal is related to the period between the starting phase of co-operative movement (i.e. 1956) to 1990 at which co-operative institutions in Nepal were registered and operated by the government itself. Co-operative institutions were fully controlled by the government and no autonomy was provided to the institutions and there was not a freedom to the members of the community to organize and operate co-operative institutions. Co-operative institutions in that period were the means of the government to provide the agricultural inputs and other goods as a sole dealer of the government enterprises. Due to the controlled situation and not freedom to organize such types of co-operatives openly, the number of co-operative institutions was

limited in the period. In number, only 830 co-operative institutions were registered and operated in the period.

b) Second Phase

After the re-establishment of democratic system in Nepal in 1990, an open environment had been made and along with the openness and liberalization in all sectors co-operative sector in Nepal had also become open. The democratic government of Nepal had declared the Co-operative Act 1991 which had totally followed the provision of co-operative principles and provided open environment to organize and operate the co-operative institutions. Co-operative institutions in this period have been emerged in high number and total number of the institutions has become more than 8 thousands till now. It has been cleared that co-operative institutions are the business organizations organized and operated by the members themselves to enhance their social and economic condition. Nepal has become the member of International Co-operative Alliance (ICA) in this period (i.e. in 1997) and Nepal has accepted all the Principles and Norms declared by the ICA.

2.2.2 Objectives of Cooperative Movement in Nepal

The basic objective of co-operative movement in Nepal is to enhance the social and economic condition of general Nepalese people through the group effort. This objective can be fulfilled by the grouped and organized effort in the following activities through the co-operative institutions:-

- a. Collection of the scattered savings from the members of the society and flow this capital to the productive sector related to the profession of the members.
- b. Making the people of the remote area self sufficient to get economic and financial services from the co-operative institutions who are far away from the government and private sector's services.
- c. Making co-operative institutions as a mean of social awareness and physical infrastructure development in the rural area along with the economic activities of such areas.

- d. Making a reliable market channel of co-operative institutions for the marketing of the agricultural and non agricultural products and services.
- e. Developing co-operative sector as a mean of poverty alleviation of Nepal which is the national goal of the country.

To meet the objective, Nepal government has encouraged organizing and operating co-operative institutions in agriculture, diary, saving and credit, tea production and so on field and most of the co-operative institutions are doing their activities in these fields.

2.2.3 Challenges of Cooperative Movement in Nepal

- a. Although, co-operatives sector has a great potentiality in sustainable development in economic as well as social sector of Nepal, government has not prepared long term perspective plan in this sector by clearing its vision, missions and strategies.
- b. The autonomy and freedom provided by cooperative act 1991 to the cooperative sector has been misused by the executives of the cooperatives. Although co-operatives are the member centered and member controlled institutions principally, there is a lack of knowledge about the operating and controlling system of co-operative institutions to the members and they are failed to control their organizations. As a result, saving made by the members of saving and credit cooperatives ran away with the saving amount of the members.
- c. Although, an effective network of co-operative institutions has been arranged by cooperatives act 1991 from village level to national level, this channel has failed to do its business as desired by the act due to the lack of clear vision and lower inclusion of primary cooperatives with the cooperative unions.
- d. Cooperative business has to compete with the other business sectors to exist in business due to the open and market economy. But it has been failed to compete with the private sector effectively due to the lack of adequate capital and poor managerial skills.
- e. There is a lack of adequate training and education programs in cooperative sector. So, people are unknown about the concept principles and benefits of cooperative

movement. As a result, cooperative movement in Nepal has not covered significant number of people yet (i.e. only 5% of total population is covered by this sector).

2.3 Conclusion

Nepal has rural economy which is basically based upon agriculture. To run economic activities through cooperatives, Nepal government has planned to promote agriculture markets and export through the effort of cooperative and private sector and promotion of agro based industries and other professional activities by the joint effort of cooperative and private sector has also been prioritized by the government. Converting traditional cultivation system into modern business motive cultivation system and making appropriate marketing channel of agricultural products and providing capital to increase the agricultural production through saving and credit business, cooperative sector can play a vital role rather than the private sector. Although, Nepalese cooperative movement is facing some challenges, they can be minimized by the joint effort of government sector and cooperative sector and cooperative movement of Nepal would be an important mean for the poverty reduction of the country.

2.4 Empirical Review

Table No. 2.1 : Number of Primary Cooperative Society in Chitwan District

S. No.	Name of Society	Number of society	Number of Member			Total Share Capital in (Thousand)
			Female	Male	Total	
1	Saving and Credit	269	38684	28317	67001	436643
2	Milk Produce	143	4412	9719	14131	43767
3	Multipurpose	70	2904	12531	15287	40563
4	Agriculture	88	2904	12531	15900	10296
5	Fresh Vegetable and Fruits	12	13070	5265	18335	26939
6	Consumer	12	1448	1230	2678	3200
7	Bee keeping	3	399	1092	1491	4553
8	Social Entrepreneur	13	1773	–	1773	4561
9	Communication	5	138	109	247	273
10	Herbal Plant	10	91	35	126	238
11	Fish Keeping	5	35	315	350	881
12	Tourism	3	0	33	33	33
13	Silk thread	2	17	52	69	52
14	Health	1	12	19	31	31

15	Electricity Transfer	1	12	19	31	31
16	Cold Store	1	8	33	41	205
Total		638	65759	71765	137524	572266

Source: Cooperative Training and Division Office FY (2069/2070), Bharatpur Chitwan.

There are mainly sixteen types of primary cooperative society in Chitwan district. These are Saving and Credit, Milk Producer, Multipurpose, Agriculture, Fresh Vegetable and fruits, Consumer, Bee Keeping, Social Entrepreneur, Communitation, Herbal Plant, Fish keeping, Tourism, Silk Thread, Health, Electricity Transfer and Cold Store cooperative Society.

The number of saving and Credit Cooperative Society more than types of cooperative in Chitwan district, out of 638 Cooperative, There are 269 saving and Credit Cooperative in Chitwan District. Similarly there are 143 dairy cooperative. About two- third cooperative are present to produce goods in this district. There are more than two – third cooperative related to the agriculture sector on production. Multipurpose cooperative are inactive than other cooperative in Chitwan district. (Information about Cooperative of Chitwan district, 2070)

At the end of final year 2069/070 total share capital of cooperative are 57,22,66,000 in chitwan district. Similarly, saving and investment are Rs. 1,78,77,72,000 and 2,71,02,88,000 respectively at the end of 2070 Ashadh. (Information about cooperative of Chitwan District, 2069/2070).

Table No. 2.2 : Numbers of Cooperative Including Only Female Member in Chitwan District

S.N.	Types of Cooperatives	Number	Members		Total Sharing Capital (Thousand)
			Female	Male	
1	Saving and Credit	60	33,120	0	54,000
2	Diary	4	760	0	400
3	Multipurpose	6	3,066	0	3600
4	Agriculture	12	6,000	0	10,800
5	Consumer	1	250	0	200

6	Social Interpenuers	14	6300	0	8400
7	Fish Keeping	2	460	0	19
	Total	99	49,956	0	77,419

Source: Cooperative Training and Development Office FY (2069/2070), Bharatpur, Chitwan.

Number of cooperative including only female member in Chitwan district. Out of 99 female cooperative, there are 60 saving and credit cooperative in Chitwan district. Similarly there are 12 agricultural cooperative. Total female member are 49,956 and total sharing capital are 77,419 in Chitwan district.

Srijansil Women Development Saving and Credit Cooperative Limited, Pithuwa Ward No.3, Chitwan district is established in 2059-03-10. It has only 760 female member. Its profit is 7,24,499, its saving is 61,29,180 and credit is 93,68,036 on the final year 2069/70. Its total share capital is 16,70,900.

In this way, cooperative have great contribution in National economy and commercial sector of Nepal. It has invested loan to agriculture sector and educational sector. Among them it has invested loan on agricultural sector than other sector. Thus cooperative have given priority to agriculture sector to produce goods and services.

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

leadership is constrained by their marginal role in decision making and by barriers perpetuated by society as a whole and by local SCC Board. This study therefore supports the view that women only SSC is the better institutional mechanism for women empowerment in Nepal.

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

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

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

Women-only SCCs, in particular, are expected by their members to perform more than just a financial intermediation role as women's condition and disadvantaged position in society

requires more than just an economic or financial response. Women-only SCCs are almost automatically expected by promoters to perform a social development role as well, that is, to provide what Lidgerwood referred to as social services and enterprise development services.

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

Women's condition and position are described condition refers to women's material state. Position refers to women's social and economic standing relative to men. Practical needs are linked to women's condition. Poor women may identify practical needs which are related to food and water, the health and education of their children, and increased income. Meeting such needs through development assistance can be a relatively short term process involving inputs such as equipment, training, credit program me, literacy programmers, or clinics. Projects that aim to meet practical needs generally preserve traditional relations between men and women (Moffat and Stuart, 1991).

Strategic interests for women arise from their subordinate (disadvantaged) position in society. Strategic interests are long-term and related to improving women's position. the strategic interests of women as a group include: reduced vulnerability to violence and exploitation, more economic security, independence, options and opportunities, shared responsibility for reproductive work with men and the state; organizing with other women for strength, solidarity and action; increased political power; increased ability to improve the lives and future of their children; an a more humanistic and just development process (Moffat and Stuart, 1991).

Empowerment is a process of enabling people to take charge of their own lives, and escape from poverty which arises not from lack of productivity but from oppression and exploitation.

Empowerment is the process of generating and building capabilities to exercise control over one's life.

Empowerment means transforming existing power relations in favors of those (women, disadvantaged groups and more generally the poor) who faced severe limitations in

exercising power and making voluntary choices. Empowerment concerns the transformative use of power in which a dominant agent also exercise his power in such a way that the subordinate agent learns certain skill that undercut the power differential between him/her and the dominant agent. In this sense, the notion of empowerment is inescapably bound up with the condition of disempowerment and refers to the processes by which those who have been denied the ability to make choice acquire such ability. (Nepal Human Development Report, 2004)

The substantial income gap by sex is high in both formal and informal economic activities. He has emphasized the poorest the household the greater the investment of women in low return activities, and their domestic and unpaid activities exceed sixty hours per week (Grown and Substad, 1995).

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

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

CHAPTER III : RESEARCH METHODOLOGY

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

3.1 Rational of the Study Area

Pithuwa VDC is situated in north part of Chitwan district. Based on the nature of the study Pithuwa VDC is selected for the study where most of the dweller are Bramin, Chhetri, Thakuri, Janajaties and Dalits people. Among them most of the people are women. Moreover, women's empowerment through saving and credit cooperative is different in comparison to other rural women.

3.2 Research Design

The study has been carried out both on the basis of descriptive and exploratory research design. The study has been focused on to investigate the impact of cooperative in rural women's. On the other hand it tries to describe the exiting status problems and prospects.

3.3 Population Sample Procedure

This study is Srijansil Women Saving and Credit Cooperative Limited of Pithuwa VDC. Out of 760 total female members of that cooperative 50 have been selected as respondent.

3.4 Source of Data

Primary as well as secondary data have been used for the study. The primary sources of data are the member of the saving and credit cooperative society. The secondary source of data were collected from cooperative training and division office, published and unpublished books, Journals, thesis, newspaper, article, research report other publication, websites and international organization etc.

3.5 Tools and Technique of Data Collection

Both qualitative and quantitative data have been collected in this study. To collect primary information sample has been used.

3.5.1 Questionnaire Survey

A questionnaire is prepared consisting 25 questions with close and open structure. Structured questionnaire was prepared to generate the realistic and accurate data from cooperative officers and accurate data from cooperative office and women who were involve as member.

3.5.2 Key Information Interview

Educated persons and administrator were the source of special information in this survey. To derive some specific information, it was necessary to visit some key persons. Generally, teacher, social workers, politician, officer and senior citizen are key persons. In this survey, key persons where interviewed in Pathway for specific information about the study area and impact of cooperative in rural women's empowerment process. A check list including some structured and unstructured questions has been used for key information interview.

3.5.3 Field Observation

Selected cooperative office was visited to find out women participation on the management committee. Similarly, involved women were interview by visiting their home. Record of membership and decision making ability was observed.

3.6 Limitation of the Study

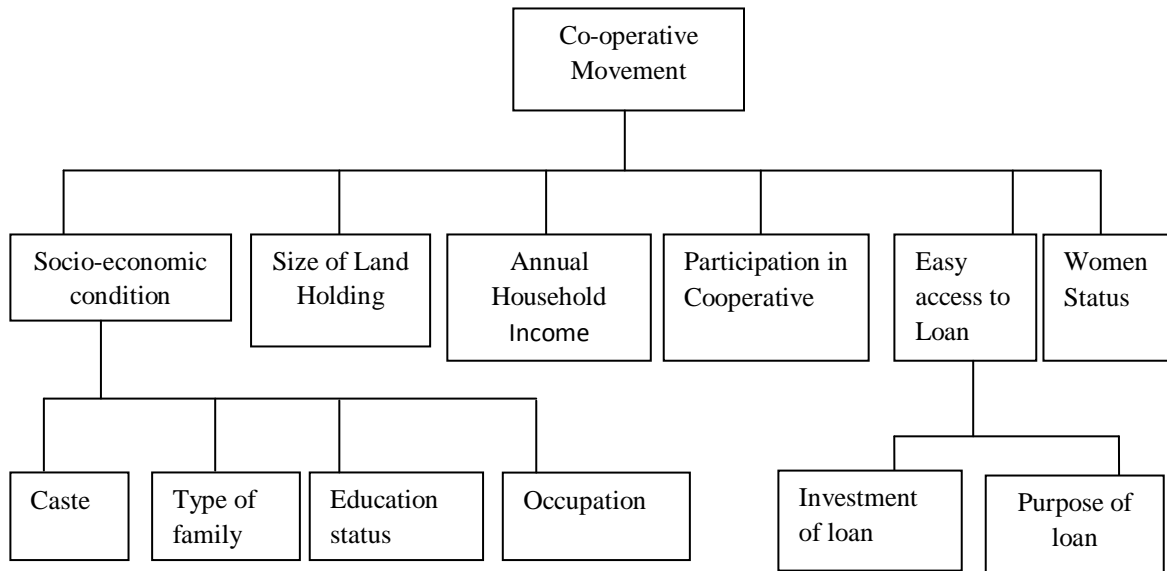
Each any every study has limitations. This study is confirmed with Impact of Saving and Credit Cooperative in Rural Womens of Pithuwa VDC in Chitwan District. It has been some limitation, which are follows:

1. This study has covered only Pithuwa VDC of Chitwan.
2. The analysis of this study has based on primary data collected from the household of the study area and secondary data received from District development committee Chitwan and CTDO (Cooperative Training and Division Office).
3. This study covers only 50 respondents' women of the SCC_s member.
4. A sample statistical tool has been used to analyze the data obtained.

3.7 Methods of Data Analysis

Collected information has been processed scientifically. Information has been analyzed with the help of computer software like excel as well as manually. Different tables are prepared for different socio- economic variables. Mathematical calculation and statistical operation and test are performed for quantitative information qualitative information has been adopted in descriptive way. To visualize information different diagrams and charts have been prepared.

3.8 Conceptual Framework



CHAPTER IV : DATA ANALYSIS AND INTERPRETATION

4.1 Description of the Study Area

Out of 75 district of Nepal, Chitwan is one district which lies in Narayani Zone. It is popular district for many things, for example – biodiversity, hospital, education, bank, tourism etc. It is also famous for cooperative movement because cooperative originated from this district. Chitwan district's altitude ranges from 144m. to 1947m. The head quarter of this district Bharatpur is 209 m. from the sea level. It is surrounded by different district such as Makawanpur, Parsa, Nawalparasi, Tanahun, Gorkha, Dhading and in south Indian states like Bihar and Uttar Pradesh.

For administrative division, it has 36 VDCs, 2 municipalities, 13 Ilaka and 5 election regions. It covers the area of 2238 .39 square kilometers inhabited by 579984 people. (CBS, 2011)

Pithuwa VDC is one of rural areas which lies 16 km north part of district headquarter of Chitwan. Total population in Pithuwa VDC is 12579 among them male population 5696 and female 6883. The total household is 2898. (CBS, 2011)

On the development of different types of cooperative, Sirjansil Women Development Saving and Credit Cooperative Society established on 2059-3-10 B.S. It is situated in Pithuwa VDC ward no.-3, Chitwan. At the end of fy 2069/2070, total member of this cooperative are 760. All members are female.

i. Basis Information about Submitted Cooperative

It is necessary to know about submitted cooperative in this research study. So there is some information as an introduction of cooperatives. In the times of household survey Sirjansil Women Development Saving and Credit Cooperative and some basic information collected from cooperative office. The information collected from cooperative offices is tabulated as a table.

Table No. 4.1 : Basic Information about SWDSCCL

Basic Information	SWDSCCL
Established	2059-03-10
Work Area	All Pithuwa VDC
Share Capital	16,17,900
Total Member	760 Female
Group Member	81
Staff	2
Benefit	7,24,499
Saving Money	61,29,180
Credit Money	93,68,036
Interest Rate for Credit	12%
Interest Rate of Saving	12%

Source: Information about SWDSCCL (2069/2070)

4.2 Socio – Economic Status of Respondents

4.2.1 Distribution of Respondents by Caste/Ethnicity

Nepal has a constitutional monarchy with a multiparty system. There are different cast / ethnic group such as Brahman, Cheetri, Magar, Gurung, Thapa, Mushalim, Kami, Damai, Newar, Thakuri, Chaudhari, Tamang etc.

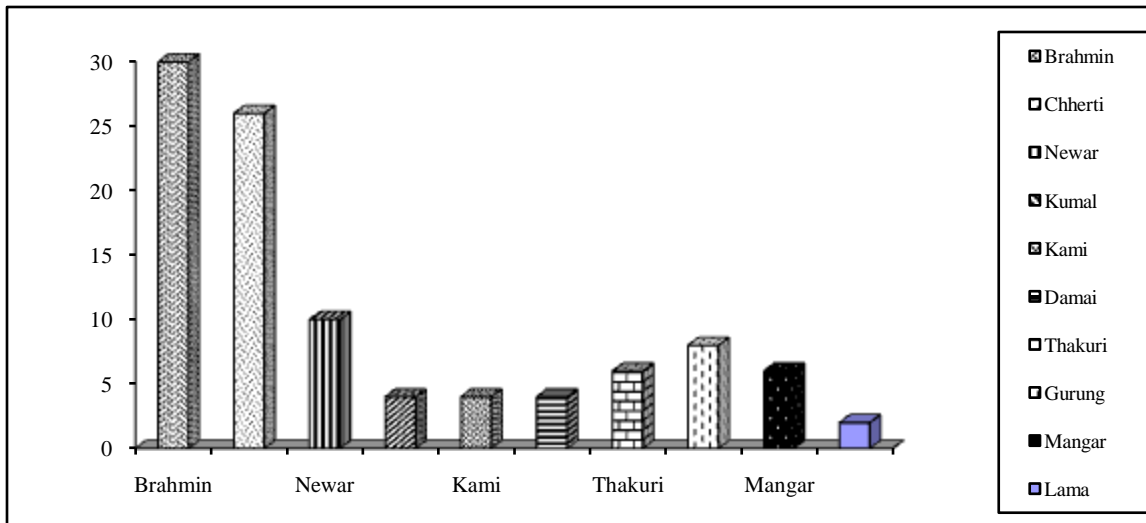
Table 4.2 : Distribution of Respondents by Caste/ Ethnicity

S.N.	Cast / ethnicity	No. of. member	Percent
1	Brahmin	15	30
2.	Chherti	13	26
3	Newar	5	10
4	Kumal	2	4
5	Kami	2	4
6	Damai	2	4
7	Thakuri	3	6
8	Gurung	4	8
9	Mangar	3	6
10	Lama	1	2
	Total	50	100

Source: Field survey, 2014

The table No. 4.2 show that 30 percent of total sample members are Brahmin, followed by Chherti 26%, Newar 10%, Kumal 4%, Kami 4%, Damai 4% , Thakuri 6%, Gurung 8%, Mangar 6%, Lama 2%. The above tables proved that maximum member are Brahmin and mimimum member are lama involved in this cooperative.

Figure: 4.1 Distribution of Respondents by Caste/ Ethnicity



4.2.2 Distribution of Respondents by Family Types

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

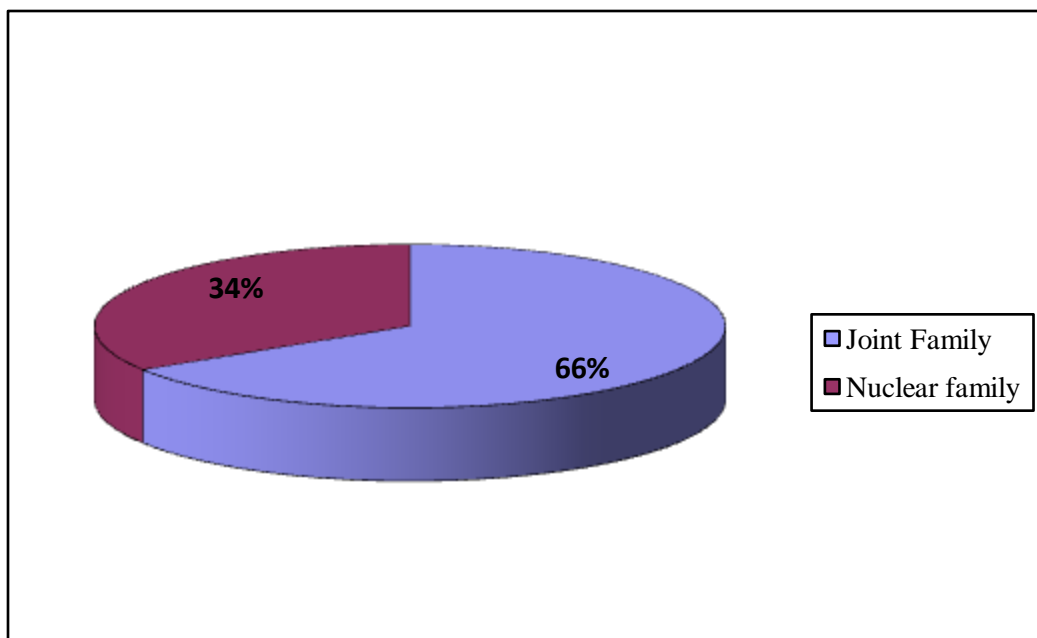
Table no: 4.3 : Distribution of Respondents by Family Size

Family Type	Number of HHS	Percent
Joint Family	33	66
Nuclear family	17	34
Total	50	100

Source: Field survey, 2014

The table No. 4.3 shows that among 50 respondents survey 66 percent of total sample live in joint family and 34 percent live in Nuclear family. The above table has proved that maximum member live in joint family.

Figure : 4.2 Distribution of Respondents by Family Size



4.2.3 Distribution of Respondent by Education Status

Education is the key of development. Chitwan is among the top of the education index in the country. As pithuwa VDC has better education status. Among the total respondent in this cooperative 12 percent are illiterate, 26 percent respondents are literate, they can read and write easily, although, they had never attended school. Similarly of the total, 30% respondents fall under grade 1-10 of formal education; only 32 percent women completed SLC above.

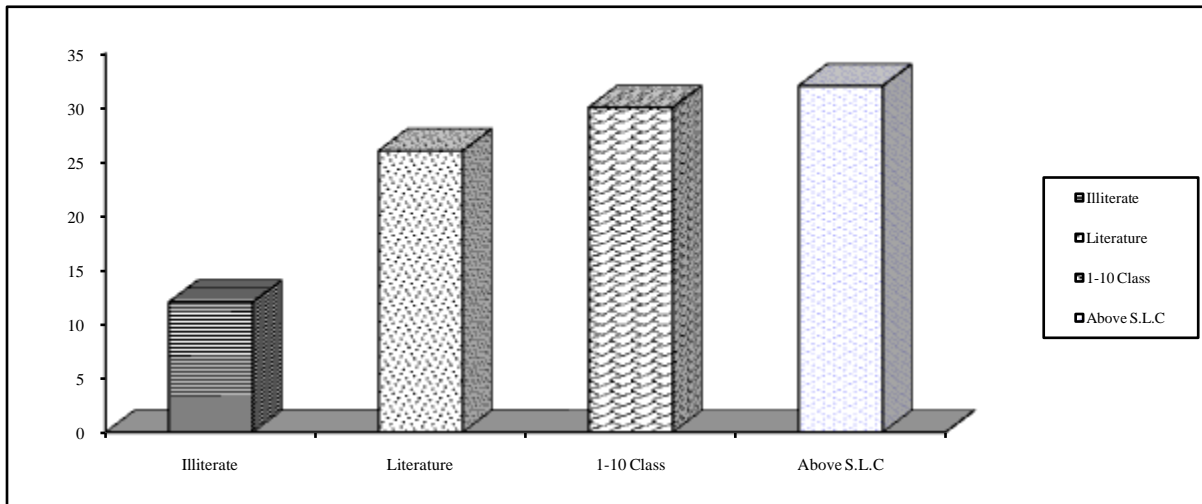
Table No.4.4 : Education Status of the Respondent

S.N.	Education	No. of women	Percentage
1	Illiterate	6	12
2	Literature	13	26
3	1-10	15	30
4	Above S.L.C	16	32
	Total	50	100

Source: Field survey, 2014

The data present in table no.4.4 it is found that large numbers of the members are still literate (88) percentage. This result shows that only 6 women (12%) are illiterate. Only 12% out of total illiterate women. Therefore, the education status of the member is satisfactory.

Figure : 4.3 Education Status of the Respondent



4.2.4 Distribution of Respondents by Occupation

Agricultural is still the single largest sector of the economy and the main source of live hood for the bulk of the population. Thus it is known as agricultural country. Where near about 80 percent people hold the agriculture occupation. In the study area, the table show the majority of respondents were involved in agriculture occupation and that followed by service which is presented in the table 4.5 as below.

Table No. 4.5 Distribution of Respondents by Major Types of Occupation for Livelihoods

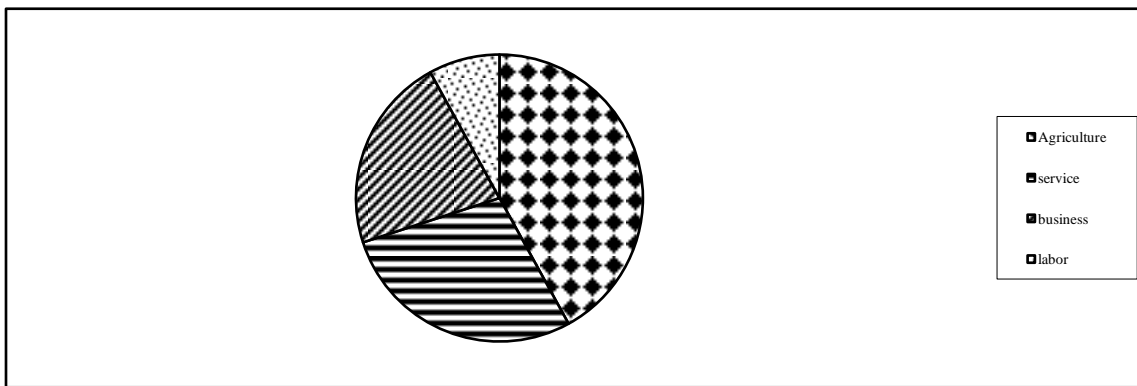
Type of occupation	No. of family	Percent
Agriculture	21	42
service	14	28
business	11	22
labor	4	8
Total family no.	50	100

Source: Field survey, 2014

Table no. 4.5 display that agriculture was the major source of live hood in the study area where 42 percent respondent out of total respondents were adopted the agriculture. While 28 percent respondents were involved in service. 22 percent respondents were business and only 8 percent respondents were labor.

Through proportionally agriculture occupation was seen highest among other occupation in the study area, majority of respondent around 58 percent were adopted non – agriculture occupation.

Figure: 4.4 Distribution of Respondents by Major Types of Occupation for Livelihoods



4.2.5 Age Structure

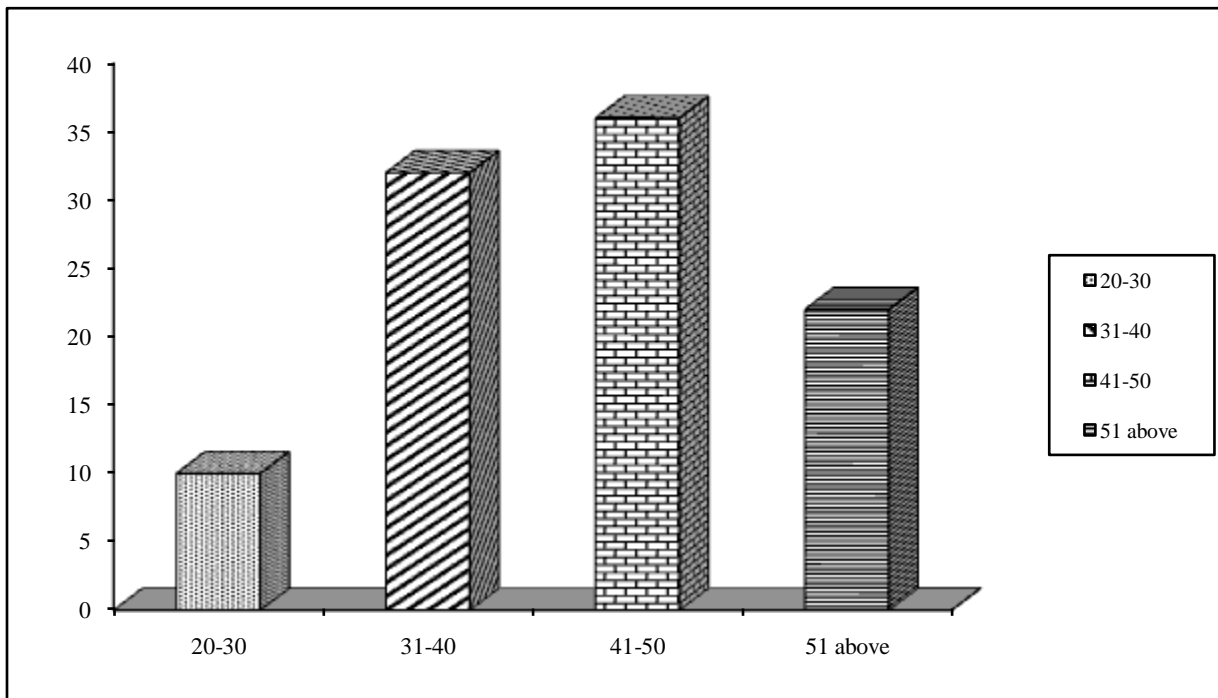
Table 4.6 : Age Structure of the Total Sample Respondents

Age group	No. of Respondents	Percentage
20-30	5	10
31-40	16	32
41-50	18	36
51 above	11	22
Total respondents	50	100

Source: Field survey, 2014

Table no. 4.6 shows that 10% respondents are of 21 to 30 age group, 32% respondents are 31 to 40 age group. 36% respondents are 41 to 50 are group and 22% respondents are 51 above age group. It proved that maximum respondents are 41- 50 age group.

Figure : 4.5 Age Structure of the Total Sample Respondents



4.3 Size of Landholding

Land is the most importance source of wealth of a Nation. Without abundant land, it is very difficult for the development of any country. It is agued that landholding is considered as the major indicator for the identification of poor in Nepal. In study area, Researcher found all most all respondents have landholding as compared to average national size. The following table given the average landholding size of the study area.

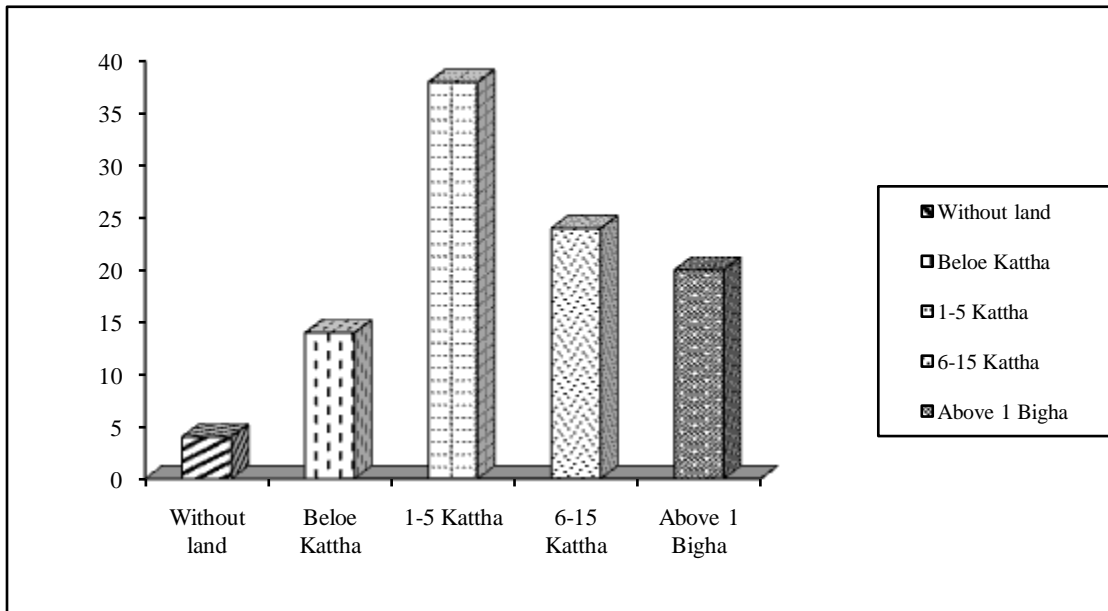
Table 4.7 : Distribution of Respondents by Size of Landholding

Landholding in Kattha	No. of Respondents	Percentage
Without land	2	4
Beloe Kattha	7	14
1-5 Kattha	19	38
6-15 Kattha	12	24
Above 1 Bigha	10	20
Total	50	100

Source: Field survey, 2014

The table no 4.7 show that 4% member of total sample member have no land, 14% member have only below kattha, 38% member have 1-5 kattha, 12% members have 6-15 kattha and in last 20% member have above 1 Bigha.

Figure : 4.6 Distribution of Respondents by Size of Landholding



4.4 Participation/ Join in Cooperative

According to respondent of this cooperative most of the respondents were participate after established year and some were participate from established time. Following table show the participate time of the respondents.

Table 4.8 : Participation/ Join in Cooperative

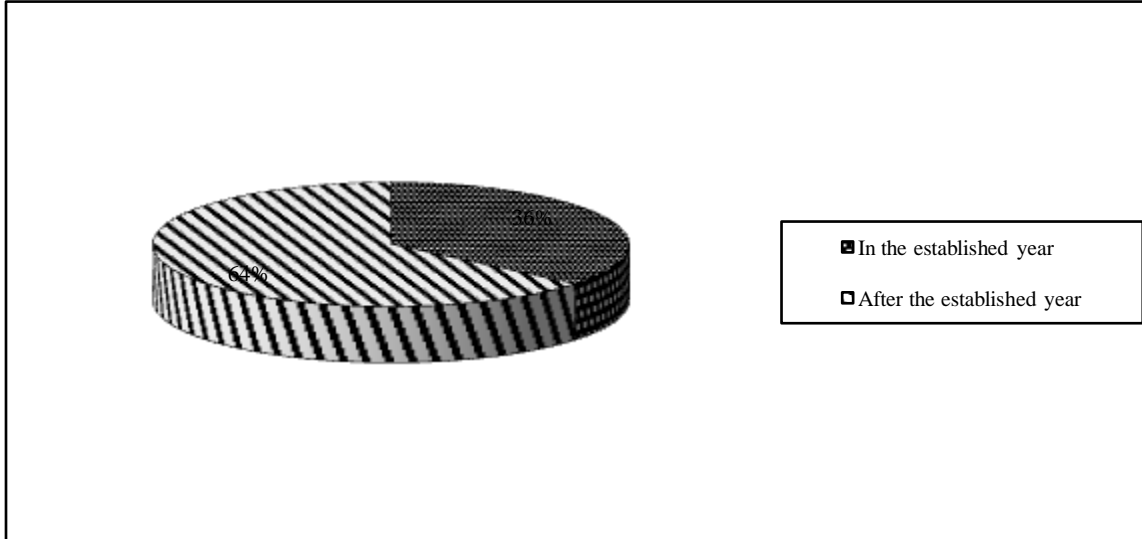
Started time	Respondents	Percentage
In the established year	18	36
After the established year	32	64
Total	50	100

Source: Field survey, 2014

According to the table 4.8 shows that 36 percentage respondents who participate in the

established year and 64 percentage respondents were participate after the established year.

Figure : 4.7 Participation/ join in cooperative



4.5 Annual Household Income of Respondents

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

Per capita household and family income is an important economic variable. To extract economic characteristics, it is important. When the total family income is divided by the total number of family members, per capita family income is obtained. World development report stated that people struggling below. Yearly per capita income US\$ 365 are poor. The exchange US\$ into NRs is unstable, it varies from 64 to 72.5. So, average exchange rate NRs 68.49 has been used to calculate yearly peer capita income in Nepalese currency, which becomes NRs25000. Those cooperative members whose yearly per capita income is given below table.

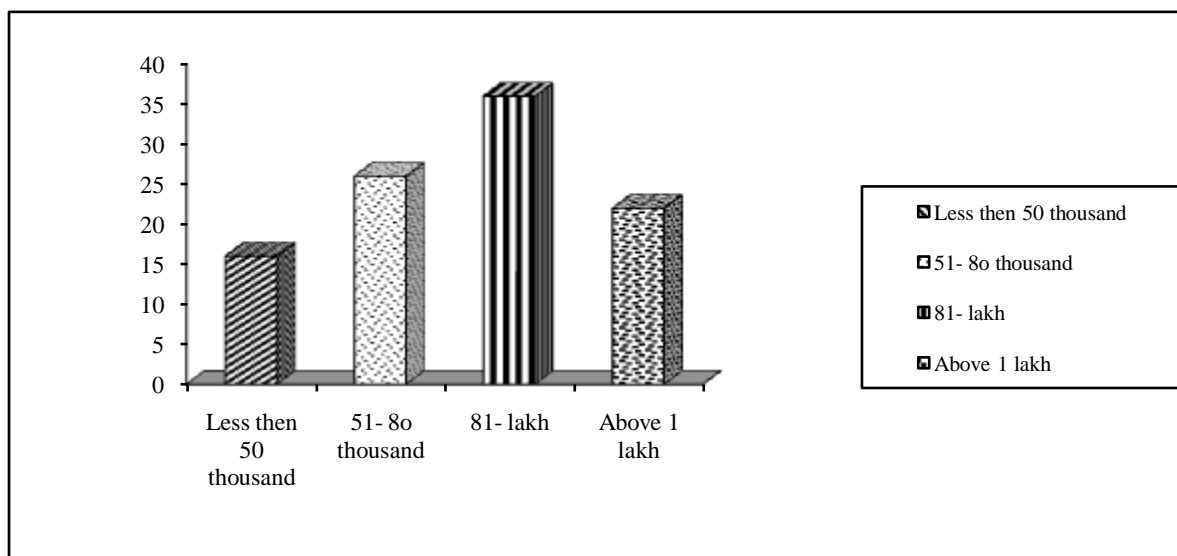
Table 4.9 : Annual Household Income of Respondents

Income in Thousand	No.of respondents	Percentage
Less then 50 thousand	8	16
51- 8o thousand	13	26
81- lakh	18	36
Above 1 lakh	11	22
Total	50	100

Source: Field survey, 2014

The tables 4.9 show the annual income of the cooperative members. According to the survey, out 50 respondents, there are 16percent household who have less than 50 thousand, at the same time 26% households who have 51-80 thousand annual income respectively, the annual income of 36% household have 81-100 thousand annual income. In last only 22% respondents household have more than 1 lakhs annual income.

Figure : 4.8 Annual Household Income of Respondents



Sources of Income

Micro-Enterprises

Agriculture

Wage labor
Vegetable gardening
Service
Livestock/Poultry raising
Small trading/selling
Medical Shop
Communication service

Seasonality of Income

The PRA exercise on gender-disaggregated activity calendar showed that the member's household's income is seasonal. Coming from mostly farming households, their incomes were at their peak during the harvest season (during the months of November, December and January) and lowest during the dry (April and May) and monsoon (July and August) seasons when extreme weather affected either their farming activities or physical mobility. Stressful periods were during this season as well. As most members were engaged in subsistence farming, where production was mainly for purposes of family consumption, income from this main occupation was almost always not sufficient to feed their households for a whole year. Thus, it was common for households to be engaged in other forms of livelihood to be able to have other sources of income as shown in the earlier section on "other sources of income". Other than livestock-raising, petty trading and vegetable farming, the members were also engaged in farming using other crops such as wheat, potato, corn and pea. These types of crops planted varied according to the months or season and according to the geographical location. For example, any crop may be grown in the Terai region, but most grains cannot grow in the hill parts. Being engaged in different forms of livelihood was a means for the members' households to earn constantly throughout the whole year despite the seasons. Many members of SCCs in the Kathmandu valley and of some SCCs in the Terai were engaged in petty trading and in other forms of micro-enterprises. In general, they had higher incomes than those members who were mainly dependent on farming, even if the latter was engaged in other livelihoods that were not related to retail, trading or manufacturing.

Stressful period also occurred during those months when expenditures were higher than normal such as festivals during seasonal celebrations (such as marriage of children) and

during opening (August) and closing (March) of classes when school fees have to be paid. Overall those observations applied to members who involve in SCC or not.

4.6 Easy Access to Loan

After establishing the cooperative institution, the trend of taking loan from land lord, merchants and government bank was gradually diminished. The trend of taking loan before and after joining the cooperative institution is presented as follow in the study area.

Table 4.10: Distribution of Household by Taking Loan from Various Source

Type of loan agency	Before cooperative	Percent	After cooperative	Percent
Government Bank	25	50	15	30
Relative	13	26	7	14
Landlords	9	18	2	4
Merchants	3	6	1	2
Cooperative	-	-	25	50
Interest Rate	24% to 36%		12%	

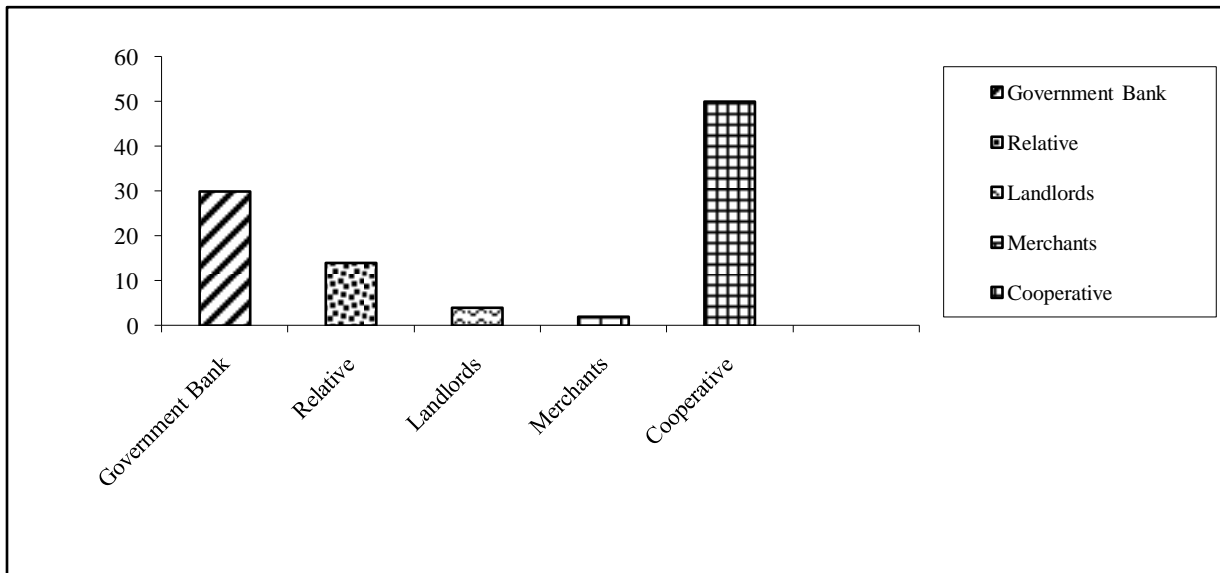
Source: Field survey, 2014

The table 4.10 shows that vast different in borrowing place and interest rate before and after joining in cooperative. Where as the people who take loan from government bank, merchants and landlords has change their rout, now after being a member of cooperative they took loan from cooperative institution. Different in interest rate was also significant cause in order to increase the loan taking from cooperative. These tables show that 50 percent respondents has been taking loan from government bank and paid interest rate as 18 percent to 30 percent according to nature of loan before the establishment of cooperative. But now after being a cooperative member, the number was reduce and only 30 percent respondents were found that they were took loan from government bank. The other source source of taking loan was from relative and landlords as well as merchants and they compelled to pay high interest rate i.e. 24 percent to 36 percent before cooperative. Number of respondents taking loan from this source was 26 percent, 18 percent and 6 percent respectively before joining cooperative.

Where as being a cooperative member the number was drastically reduce and reached at 14 percent, 4 percent, 2 percent respectively.

From the above discussion we can say that cooperative has been playing a great role in order to save the untouchable corruption and exploitation of high interest rate provide intensive to poor and middle class villagers and increased access of women in economy.

Figure : 4.9 Distribution of Household by Taking Loan from Various Source



4.6.1 Investment of Loan

Invstment lead to increase in level of income and production by increasing the production and purchase of capital goods. The member borrowing loans from the cooperation are invested in a certain types of activities which are more access for their survival. Huge amount of loan have lead to a large scale of investment, while small amount of money lead to the small scale of production. The level of production determined the level of income. Thus there is positive relationship between the amount of investment and the level of income. In the earlier topic, it is found that the maximum loan taken from the cooperative is NPR. 50000 and minimum range is noted Rs. 5000.

4.6.2 Purpose of loan/ credit

In the cooperative associations, member can get credit in different purpose but they had not utilized credit in suitable sector if they can do that they could have an economic empowerment and social mobilization. Table no. 4.11 show the investment pattern of the loan in this cooperative members.

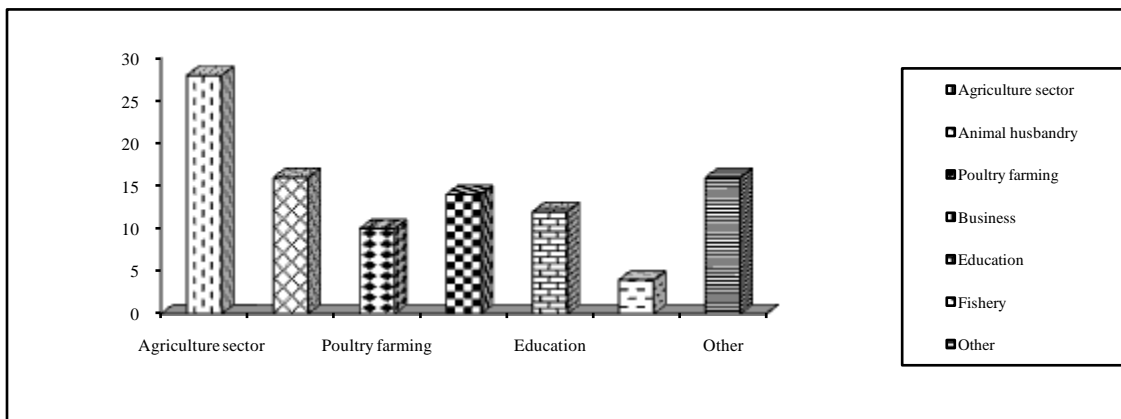
Table No. 4.11: Purpose of Loan/ Credit

Purpose of loan	Respondent	Percentage
Agriculture sector	14	28
Animal husbandry	8	16
Poultry farming	5	10
Business	7	14
Education	6	12
Fishery	2	4
Other	8	16
Total	50	100

Source: Field survey, 2014

Of the total respondents, 28 percent have started agriculture sector. Similarly, 16 percent has started animal husbandry. It is also found that 10 percent of the respondents have started poultry farming. 14 percent of the respondents have started business. 12 percent of the respondent educational purpose. 4 percent of the respondents have started fishery. 16 percent of the respondents have other purpose.

Figure : 4.10 Purpose of Loan/ Credit



4.7 Women Involvement in Decision – Making an Access to Financial Resource

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

Women's involvement in decision making in issue related to family planning, buying and selling of assets, saving money, community development, improved child education, borrowing and use of loans and use of loan profit was taken as a proxy indicator of empowerment. In this study role of cooperative activities on women's empowerment was arrived at by calculating the percentage of before involved in cooperative and after involved in cooperative. The impacts of women Involvement in decision making show the following table.

Table 4.12: Involvement of Respondents Before Saving and After Saving by Area of Empowerment

Area of Empowerment	Respondents before	Respondent after
Family planning	30(60%)	45(90%)
Buying /Selling assets	34(68%)	46(92%)
Saving money	20(40%)	50(100%)
Community development	18(36%)	34(68%)
Improved child education	22(44%)	41(82%)
Taking loans	12(24%)	43(46%)
Loan's profit use	12(24%)	43(46%)

Source: Field Survey, 2014

Table 4.12 presents the percentage of findings on the involvement of women before saving and after saving in the above study area. The findings indicated higher percentages of women after involvement in all these areas than that of women before involved. During the household respondent survey, the researcher observed that women members were more vocal than non-members in giving information on various issue. The researcher found that access to financial services can empower women to become more confident, more assertive, more likely to participate in family and community decision.

4.8 Rural Women Empowerment

4.8.1 Social Conditions of Respondents in Study Area

In general, the objectives of any development programme is to bring positive change in the community and to uplift the life standard of the poor, disadvantaged and backward segment of the society. The programme may bring either good or bad impact in the society based on caste/ethnic groups. The researcher found positive change occurred by cooperative programme in Pithuwa VDC. The following table depicts the social impact on household through saving and cooperative.

Table 4.13 : Social Role of Saving and Credit Cooperative in Rural Women

Social Condition	Yes	No	Total Percentage
Occupational successful	90%(45)	10%(5)	100
Family Breakdown	0%(00)	100%(50)	100
Conflict in Family	4%(2)	96%(48)	100
Use of Outside Labor	0%(00)	100%(50)	100

Source: Field Survey, 2014

The above table 4.13 reveals that only 90 percent respondents are successful in their occupation. No one has found suffer from the family breakdown due to the impact of saving and credit cooperative in the study area. Only 4 percent of households in the study area finds having conflicts between family members in the distribution of resources and savings whereas 96 percent of households have very harmonious relationship among the family members due to this cooperative that is a very positive indicator in socio-economic development of the community development and rural women empowerment.

4.8.2 Family Impacts on Rural Women in Households

Table 4.14 : Family Impacts on Rural Women in Households

Family Impacts	Excellent	Good	Bad	No	Total
-----------------------	------------------	-------------	------------	-----------	--------------

				concern	percentage
Family's views in occupation	17 (34%)	31 (61%)	2 (4%)	-	50 100
Husbands' response in occupation	13 (26%)	33 (66%)	2 (4%)	2 (4%)	50 100

Source: Field Survey, 2014

About 34 percent respondents have expressed excellent view on women involvement in community's saving and credit cooperative in the study area and 61 percent household family member have remarked women involvement good whereas the response of husband on women involvement in saving and credit cooperative in the study area was found 26 percent excellent and 66 percent good whereas 4 percent bad and no concern respectively.

4.9 Increase in Income

Survey findings indicated increases in the incomes of 100 percent of the sample SWDSCCL's members since they joined their cooperative. SWDSCCL's savings and credits services provided and opportunity for its members to undertake different enterprises, including micro-enterprises. This helped the members to generate self-employment and increase their incomes, thereby contributing towards reducing their poverty to same extent.

The SWDSCCL's policy is to provide loans for productive purpose, such as cereal and cash crop production, micro-enterprises and agro-based trading activities.

Table 4.15 : Increase in Income by Membership Status

Membership status	Increases in income	Percentage	Total
Member (after joining cooperative)	50	100	100
Member (before joining cooperative)	23	46	46

Source: Field Survey, 2014

Table 4.15 shows that increase in the incomes of members after joined cooperative were higher than those of members before households since the establishment of cooperatives. It was because of their involvement in various income generating activities after observing the

involvement of cooperatives members in the income-generating activities and their gaining knowledge and skills from them.

4.10 Increase in Health, Hygiene and Sanitation

Women's health has always been a cause for concern in Nepal, particularly in the context of limited economic resources and socio-cultural factors that give women a low status in our society. Factors like poor sanitation, inaccessible health services, food insecurity, lack of information awareness, difficulty in drinking safe drinking water and over workload have been responsible for women's ill health. But after involvement of SCC, the respondents / woman's wear clean clothes, they used to hospital. Alought, before involvement of SCC, they used safe drinking water now also they use the similar type of water. It means the SWDSCCL played a significant role to make awareness and to increase knowledge of the respondents in the area. After the saving woman's solve any problem successfully. They discuss their problem in the group meeting and their problem themselves.

In the study area, now rural poor women are very much acquainted in about public information i.e. family and immunization for their children rabies, diarrhea, cholera etc.

Before the intervention of SAC, rural women believed in dhama jhanki. Now they like healthpost, hospital to check their health. So it proves that they change traditional feeling.

CHAPTER V : SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The cooperation program of the corporate department of Nepal government has boost up the bottom up decision making approach instead of top down approach. The research problems were feeling of women on cooperation program, level of their participation and effectiveness of the program to reduce the poverty through women empowerment.

The object of the study of socio economic status of the women of SWDSCCL and role of cooperation on women. Different tools and techniques were used for data collection. Descriptive research was carried out as well as both primary and secondary data were collected for this study, perception of saving and credit cooperation was collected from 50 respondents based on proposed accidental random sampling from Pithuwa PRA and anthropological tools were to analyze the data.

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

The economically active population age group (20-59) indicator that the possibility of active participation of female in the area of economic productivity if the women are given chance. In SWDSCCL have Brahmin were largest caste group and Tamang were the least among the total ethnic group. 88% respondents were literate and 12% respondents were illiterate.

The sample respondents population engaged in agriculture is 42 percent but engaged in services are only 28% . Mostly women are directly or indirectly involved in agriculture activities. After the implementation of SCC programme women have an easy access in the

economic sector.

Exactly 66 percent of sampled member have joint family and 34% percent sampled member have nuclear family.

It was found that before joining the cooperative majority of Respondents were taken loan from government bank where after joining the cooperative majority of respondent around 50 percent were taken loan from cooperative.

It was found that cooperative has been playing a great role in order to save the untouchable corruption and exploitation of high interest rate and provide intensive to poor and middle class villagers and increased access in economy.

Superstition in dhami/jhakri was reduced and the situation of health service availability and utilization was found satisfactory in the study area.

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

5.2 Conclusions

The study showed that as financial intermediaries, the SCC was able to meet only some practical financial needs of it's members, specifically basic saving and credit services. However members expected their SCC to provide more (in terms of larger amounts) and other types of financial services. The members expected that these financial services come in various forms, namely: 1. Savings accumulated in ways that are more compatible with the seasonality of their income, which in a large majority of members is also limited; 2. Affordable and regularly available credit or loans; 3. Funds that members can access from for

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

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

Decreasing exploitative rate and corruption from elite, merchants and landlords no objection in the shifting up of government bank from the study area, increased mobility of cash capital, decreased social crimes and evils, building social harmony, developing local leadership, easy access in credit, increasing social participation and representation of excluded in the society, decreased discrimination in gender and caste/ethnicity were the burning example of changing scenario after the cooperative movement. Increased access in communication means and media, improved health and sanitation facility.

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

role to play in poverty reduction and development in rural areas.

5.3 Recommendations

Among many cooperatives SWDSCCL can be present as example of very successful cooperative. The social and economic activity organized by this cooperative limited is really appreciable. The following recommendation has been suggested for future improvement of the SWDSCCL program in the future.

1. Education awareness programme should be more focused.
2. SWDSCCL should address the problems by developing strategies that would motivate poor people to join it.
3. SWDSCCL board should be encouraged to consult member related to non – financial, developmental activities of the SWDSCCL as they are interested in participating in these activities.
4. Member should be encouraged to participate more actively in discussion and deliberations in annual general meeting and monthly meeting of SWDSCCL. (In meeting member needs).
5. Youth self- employment program should be conduct by SWDSCCL.
6. Most of the respondents are found shy and they lacked forwardness. So it is suggested to give them exposure by study tour, observation tour, idea exchange programmers, training or literacy classes etc.
7. SWDSCCL should further try to meet member's practical needs for basic literacy as well as advanced literacy (for those who had gone through the basic literacy course), health care, livelihood (for example, a training on caring for and maintenance of livestock) would be useful to many member's and education for their children and for themselves and their strategic interest to be protected from violence as according to members, these are the needs they need more assistance on.
8. SWDSCCL should give consultation to other saving and credit cooperative society

and it should take suggestion from other saving and credit Cooperative society also.

REFERENCES

- Acharya, Gyanu (2000) Assessment of the Gramen Bikas in Income Generation for poverty Ridden Rural Women: An unpublished M.A. thesis in economic, Tribhuvan University, Kathmandu, Nepal.
- Annual report of Srijansil Women Development Saving and Credit Cooperative limited (FY 2069/070)
- Badal, Keshab (2067). *Cooperative principle and use cooperative help group prak.*
- Baskota, S. (2009). *Research Methodology*. Kathmandu: New Hira Books Enterprises.
- CBS (2011). *Population census*: Central Bureau of statistic.
- Chapagain, Bhumiraj (2006) *Structural poverty and cooperative movement*: an unpublished MA thesis in Population studies, Tribhuvan University, Kathmandu, Nepal.
- CMF Nepal and CCA, *A Study on Best Practices, in Delivering Financial and Non-Financial Services to Poor Women Through Savings and Credit Co- Operatives*, CMF Nepal and CCA, Canada.
- Cooperative Training and Division Office (FY 2069/070). Information about Cooperative of Chitwan District, Bharatpur: CTDO.
- Dahal R. K. (2068). *State and Rural development in Nepal*. Dikshanta Prakashan
- DDC, (2069/070) *District Profile of Chitwan District*
- Dr. Preuss, Walter (1960). *Cooperative in Israel and the world*. Israel: Afro Asian Institute.
- Kharel, Keshab (2012) *Economic Impact of Saving and Credit Cooperative*: An unpublished M.A.thesis in economic, Birendra Multiple Campus, Chitwan, Nepal.
- Miller, Raymond W. (1964). *A conservation Look at Cooperative*. Athens, Ohio USA: Ohio University Press.

Nepal, Ambika (1998) *Women Development and Grameem Bikash Bank: An published M.A. Thesis in economic, Tribhuvan university, Kathmandu, Nepal.*

Nepalese Journal of Development and Rural Studies. Vol.4, No.2 (Jul-Dec, 2007) A Publication of Central Department of Rural Development, T.U. Kirtipur, Nepal.

Pant PR. (2009). *Social Science Researcher and Thesis Writing*

Parajuli, P. (2007). *Sociological Perspective on Rural Development.* Kathmandu: Kshitiz Prakashan.

Selim Gul Rukh and Bhadra Chandra (1999). *Women's Control Over Savings and Loans Center For Micro Finance (CMF), Canadian Centre For International Studies and Cooperation (CECI) Nepal.*

Singh Katar (1999). *Rural Development: Principles, Policies And Management* Second Edition New Delhi Vistaar Publications.

Surridge, B.J. and Digby Margaret. (1967). *A manual of Cooperative Law and Practice.* London: Cambridge W. Heffer and son Ltd.

Thakuri, Chandra B. (2010). *An Anatomy of Cooperative Movement in Nepal.* Kathmandu: Upkar Parhashan.

Thomas Lillian (2000) *Women Savings And Empowerment,* Centre For Micro Finance (CMF) and Canadian Centre For International Studies and Cooperation (CECI).

Tripathy, S.N. (1998), *Cooperatives For Rural Development* New Delhi: Discovery Publication House.

VDC, (2069/070), *Village Profile of Pithuwa.*

www. nefscun org. np. *History of Savings and Credit cooperative In Nepal.*

Annex: one

Questionnaire for household survey

1. Household and socio-economic information.

Name of the respondent.

Ward No:.....

Occupation.....

Age:.....

Caste:.....

Education:.....

Family size

Member	Below 15 year	15_40 year	40-60 year	60year and above
Male				
Female				
Total				

Land ownership:

2.How much land your Family have?

- a) Below Kattha b) 1.5 Kattha
- c) 5-15 Kattha d) Above 1 Bigha e) Land less

3. When did you become a member of saving and credit co-operative society?

- a) At the establishment of saving and credit co-operative society.
- b) After the establishment a member of saving and credit co-operative society?

4. Who motivated to become a member of saving and credit co-operative society?

- a. President of saving and credit co-operative society.
- b. Member of saving and credit co-operative society.

- c. Self.
- d. Others.

5. What is main occupation of your family / sources of income.

- a. Agriculture
- b. Wage labor
- c. Vegetable Garding
- d. Service
- e. lifestock / pouitry raising
- f. Small trading / selling
- g. Medical Shop
- h. Others

6. How much your annual income is?

- a. < 50 thousand
- b.50-80 thousand
- c. 80-100 thousand
- d. > 1 lakh

7. How amount of share do you have in saving and credit co-operative society?

- a. Rs.....
- b. Do not know.....

8. Have you taken loan from this co-operative?

- a. Yes
- b. No

9. If yes, why did you taken loan?

- a. Animal husbandry
- b. Poultry farming
- c. Goat farming
- d. Fishery
- e. Education
- f. Business
- g. Others

10. Incase of borrowing, from where do you request for loan?

Borrowing agency	Government Bank	Relatives	Landlord	Merchants	Cooperative
Before Cooperative					

After Cooperative					
----------------------	--	--	--	--	--

11. Do you have own property as pewa / how much?

- a.....
- b.....
- c.....
- d.....

12. What is the source of your property?

- a.....
- b.....
- c.....
- d.....

13. What is your experience about this co-operative?

- a. Co-operative is social development oriented
- b. Co-operative is poverty alleviation oriented
- c. Co-operative is profit oriented
- d. Co-operative is women oriented

14. Profit earned by the saving and credit co-operative society is

- a. Equally distributed to its member.
- b. Not distributed equally to its member

15. How much amount can you received for one time?

.....

16. How much interest rate for credit?

.....

17. How much interest rate for saving?

.....

18. How much time for return payment?

- a. 1 month b. 2 month
- c. 3 month d. above the 4 month

19. How many co-operative do you involving?

.....

20. Do you fell the involving in co-operative have change your life style?

- a. Yes b. No

21. IF yes, how change?

- a. Family planning b. Buying/ Selling assets
- c. Saving money d. Community development
- e. Improved child education f. Taking loan g. Loan's profit use

22. What is your family condition after involved in cooperative?

- a. Occupation condition b. Family breakdown
- c. Coflit in family d. Use of outside labor

23. Do you fell the involving in cooperative have increase in Income?

- a. After b. Before

24. Have you participation in training organized by this saving and credit co-operative society?

- a. Yes b. No

25. If no, Why?

- a. This co-operative has not conducted any training b. Did not have time
- c. Did not know about training d. Other causes

