

Role of Small Farmers Co-operative in Improving Living Standard of Rural Poor

(A Case Study of Small Farmers Co-operative Ltd, Kalleri VDC Dhading)

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RECOMMENDATION

This thesis entitled "**Role of Small Farmers Co-operative in Improving Living Standard of Rural Poor: A Case Study of Small Farmer Co-operative Ltd, Kalleri VDC Dhading**", has been prepared by **Bishal Kumar Tuladhar** under my guidance and supervision. I hereby recommend this thesis for final evaluation and approval.

Date: 14 June, 2009

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APPROVAL CERTIFICATE

This is to certify that the thesis entitled "**Role of Small Farmers Co-operative in Improving Living Standard of Rural Poor: A Case Study of Small Farmer Co-operative Ltd, Kalleri VDC Dhading**", by **Bishal Kumar Tuladhar** has been examined. It has been declared successful for fulfillment of the academic requirement toward the completion of Masters Arts in Rural Development.

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ABSTRACT

This study entitled "Role of Small Farmers Cooperative in Improving Living Standard of rural poor. A case study of Small Farmers Cooperative Ltd, Kalleri" in Dhading District is based on primary data collection dated December, 2008. This SFCL is a community based rural financial institution registered under the cooperative act, 2048 and managed by Small Farmers of the study area. It is principally devoted to uplift the economic and social condition of the Small Farmers of the target area. In case of Kalleri this Cooperative has been continuously providing financial and non financial service since 2051 in spite of disturbance from maoist. But effectiveness of the services has not been measured yet, so this study was done to access the role of SFCL in income generating and employment creation in rural area.

The main objective of the study was to trace out the Role of SFCL in increasing rural productivity, entrepreneurship, employment generation. The specific objective of this study was to examine the role of SFCL in income generation in rural community, employment opportunities by SFCL intervention in rural area. For this proposed, the researcher had applied both exploratory and descriptive research design. The sources of data were used both primary and secondary and nature of data was both quantitative and qualitative. In this SFCL, the 618 households are involved and having membership. Out of them 35 were selected as sample household from the VDC.

The population of Brahmin Chhetri is (46%) which majority of with Khatiwada. The ethnic groups are 40% and occupational cast seems 14%. All the population they used only Nepali language. In case of religion the 9% ethnic groups (shakya) follow the Buddhism and rests of all are Hinduism.

The entrepreneurship pattern of members were been changed. The shifting trend from traditional subsistence farming into commercial type has helped to increase the income. This SFCL is providing loan to small farmers for income generating activities like (agronomy, livestock, agribusiness cash cropping and handicrafts) categorizing short and medium term loan. The trend of borrowing loan from informal source is significantly

decreased and farmers have escaped from the high rate of interest. The subsistence type of agriculture has changed into commercial type. Off seasonal vegetable among is

becoming another source of income, farmers are motivated towards intensive farming. The housing condition of small farmers has improved into tin and slate roofing from thatched roofing. In spite of these activities, the institution is lacking a few things, such as the internal capital of institution. The internal capital should have increased. Counseling the members about cooperative philosophy, providing the project base loan in professional manner and coordination with NGOs and INGO for community development of the society is necessary. In fact Small Farmers Cooperative limited in Nepal is touched with the pro poor and marginal farmers of the state. SFCL is a community based grass root institution and has become the active player in rural economic arena.

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ABBREVIATION / ACRONYMS

ADBN	:	Agriculture Development Bank Nepal
APP	:	Agriculture Prospective Plan
BS	:	Bikram Sambat
CBS	:	Central Bureau of Statics
DADO	:	District Agriculture Development Office
DDC	:	District Development Committee
FAO	:	Food and Agriculture Organization
GON	:	Government of Nepal
GTZ	:	German Technical Corporation
HMG	:	His Majesty Government
HDR	:	Human Development Report
IGA	:	Income Generating Activities
IDP	:	Institutional Development Program
MOF	:	Ministry of Finance
NARC	:	Nepal Agriculture Research Council
NPC	:	National Planning Commission
SFDP	:	Small Farmer Development Project
SFCL	:	Small Farmer Cooperative Limited
SPO	:	Sub Project Office
SFDBN	:	Small Farmer Development Bank Nepal
USAID	:	United States AID
UNDP	:	United Nation Development Program
VDC	:	Village Development Committee