

**THE ROLE OF GRAMEEN BIKAS BANK  
(PASCHIMANCHAL) IN POVERTY REDUCTION**

**A Case Study of Branch Office, Gorkha**

**A**

**Thesis**

**Submitted to**

**The Faculty of Humanities, in Partial Fulfillment of  
Requirements for the Degree of  
Master of Arts**

**By**

Rishi Ram Kapri

**Tribhuvan University**

**Central Department of Rural Development**

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## **RECOMMENDATION LETTER**

This thesis entitled **The Role of Grameen Bikas Bank (Paschimanchal) in Poverty Reduction: A Case Study of Gorkha Branch Office**, prepared by **Mr. Rishi Ram Kapri**, for the partial fulfillment of the requirements of Master of Arts in Rural Development, under my supervision is recommended for the final evaluation. As far as my knowledge is concerned this is his own innovative work conducted under my supervision.

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**Mr. Krishna Bahadur Kunwar**  
**Lecturer**

Central Department of Rural  
Development  
T.U., Kirtipur

Date: 2063-5-16

## **LETTER OF THESIS APPROVAL**

This thesis work on **The Role of Grameen Bikas Bank (Paschimanchal) in Poverty Reduction: A Case Study of Gorkha Branch Office**, has been completed by **Mr. Rishi Ram Kapri**. It has been accepted as partial fulfillment of the requirements for Masters Degree of Arts in Rural Development.

### **Expert Committee**

---

**Prof. Dr. Pradeep Kumar Khadka**

Head of the Department

---

External Examiner

---

**Mr. Krishna Bahadur Kunwar**

Supervisor:

Date: 2063-5-20

## **ACKNOWLEDGEMENT**

This study entitled *The Role of Grameen Bikas Bank (Paschimanchal) in Poverty Reduction: A Case Study of Gorkha Branch Office* is carried out for the partial fulfillment of Master's Degree in Rural Development from the Central Department of Rural Development, Tribhuvan University, Kathmandu.

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## **ABSTRACT**

The term poverty has become a buzzword for the sociologists, economists, planners and the government as well but it can't be limited by defining the term with in a specific definition as it covers every aspect of human life. However, literally the term can be defined as "the state or fact of being in want" i.e. people are poor if they lack enough income and resources to be adequate by the accepted living standards of their community.

It has been estimated that only the annual per capita income on Rs 4404/-can meet the expenses on daily minimum average of 2124 calorie for food and other non-food requirements. The recent study shows that around 38% of the total population is in absolute poverty as their annual income level is for more low. However the figure shows that there is a slide decrease on the poverty during the last decade, which can be cited due to the annual increase in GDP, agricultural growth and remittances as well.

The overriding objective of the Tenth plan is to alleviate poverty by addressing the income based poverty, human poverty and social inclusion appropriately.

A significant percent of people, both men and women, poor and rich and urban and rural society feels that economic liberalization has not been able to reduce poverty in Nepal. The government is failed to accelerate the targeted programmes due to the rising inflation, lack of cheap credit, non affordability of agricultural inputs, unorganized and small market rampant corruption, weak governance and total failure of

public work programmes to create short term policy and generate long-term sustainable and social benefit for targeted communities.

For the purpose of alleviating poverty Grameen Banking system has brought into effect, which is basically to offer a comprehensive package consisting of loan facility, literacy programmes, general health and sanitation to landless and the poorest of the poor in the rural areas in order to uplift their socio-economic condition and general living standard. The main objective of this study is to explore the role of Branch Office Gorkha of PGBB in poverty reduction.

The overall research found out that Paschimanchal Grameen Bikas Bank has Played a remarkable role in reducing and finally alleviating poverty in the study area. The bank's social and credit programmes have contributed to increase in income, employment, saving, consumption, health and sanitation which constitute the major indicators of change in poverty situation.

## TABLE OF CONTENTS

	<b>Page</b>
<i>RECOMMENDATION LETTER</i>	
<i>LETTER OF THESIS APPROVAL</i>	
<i>ACKNOWLEDGEMENT</i>	
<i>LIST OF CONTENTS</i>	
<i>LIST OF TABLES</i>	
<i>LIST OF FIGURES</i>	
<i>ABSTRACT</i>	
<i>ABBREVIATION/ACRONYMS</i>	
<b>CHAPTER ONE: INTRODUCTION</b>	<b>1-10</b>
1.1 General Background	1
1.2 Statement of the Problem	5
1.3 Significance of the Study	7
1.4 Objectives of the Study	8
1.5 Limitation of the Study	9
1.6 Organization of the Study	9
<b>CHAPTER TWO:LITERATURE REVIEW</b>	<b>11-27</b>
<b>CHAPTER THREE: RESEARCH METHODOLOGY</b>	<b>28-30</b>
3.1 Research Design	28
3.2 Sampling Procedure / Technique	28
3.3 Source of Data Collection	28
3.4 Data Collection Tools and Techniques	29
3.4.1 Questionnaire Survey	29
3.4.2 Key Informant Interview	29

3.4.3 Field Visit and Observation	29
3.4.4 Focus Group Discussion	29
3.5 Data Analysis	30
<b>CHAPTER FOUR: INTRODUCTION OF THE GRAMEEN</b>	
<b>BANKING SYSTEM</b>	<b>31-44</b>
4.1 Background	31
4.1.1 Method of Action	32
4.1.2 The Concept of Rural Banking	33
4.1.3 Objectives of Grameen Bikas Bank	34
4.1.4 Policies of the Grameen Bikas Bank	35
4.1.5 Strategies of the Grameen Bikas Bank	36
4.1.6 Management of Credit	37
4.2 Replication of GBFS in Nepal	39
4.2.1 Activities of Rural Development Banks in Nepal	40
4.2.2 Need for Rural Banking	41
4.2.3 Grameen Bank Approach to Poverty Alleviation	42
4.2.4 Grameen Bank Approach to Social Development	42
4.3 Paschimanchal Grameen Bikas Bank	42
4.3.1 Organizational Structure of PGBB	44
<b>CHAPTER FIVE: INTRODUCTION OF THE STUDY AREA</b>	<b>45-50</b>
5.1 Location	45
5.1.1 Nature of the Poverty in the Study Area	46
5.1.2 Major Crops and Livestock's in the Study Area	47
5.2 Description of the Respondents:	47
5.2.1 Cast/ethnicity composition:	47
5.2.2 The Present Status of Family	48



5.2.3 Household Size of the Borrowers	48
5.2.4 Age Structure	49
5.2.5 Marital Status of the Borrowers	49
5.2.6 Situation of Household Head	50
<b>CHAPTER SIX: AN ANALYSIS OF THE ROLE OF GRAMEEN</b>	
<b>BIKAS BANK IN POVERTY REDUCTION 51-72</b>	
6.1 Loan Disbursement	51
6.1.1 Loan Amount	52
6.1.2 Loan Repayment	53
6.1.3 Attitude Towards Interest Rate	54
6.2 Occupation	54
6.3 Land Holding	57
6.3.1 Food sufficiency	58
6.4 Changes in Income	59
6.5 Savings	60
6.5.1 Utilization of the Savings	62
6.6 Living standard of the Borrowers Before and After intervention of GBB	63
6.6.1 Consumption pattern of Borrowers	63
6.6.2 Housing Pattern of the Borrowers	64
6.6.3 Toilet Condition	65
6.6.4 Educational Status of the Borrowers	66
6.6.5 Child Education	67
6.6.6 Health Facilities	68
6.6.6.1 Family Planning Practices	69
6.6.6.2 Drinking water	70
6.6.6.3 Clothing	70

6.6.6.4 Sanitation	71
6.6.6.5 Environment	71
6.6.6.6 Irrigation	72
6.6.6.7 Social Practices	72

**CHAPTER SEVEN: SUMMARY, CONCLUSION, FINDINGS AND**

**RECOMMENDATIONS 73-78**

7.1 Summary	73
7.2 Conclusion	74
7.3 Findings	75
7.4 Recommendations	77

**BIBLIOGRAPHY**

**ANNEXES**

## LIST OF TABLE

	Page
Table No. 4.1 Activities of Rural Development Banks (As of Mid-January 2005)	40
Table No. 5.1 The Population of the Study Area	46
Table No. 5.2 Caste-wise distribution of Borrowers	47
Table No. 5.3 Status of Family	48
Table No. 5.4 Household Size of the Borrowers	48
Table No. 5.5 Age Structure of the Borrowers	49
Table No. 5.6 Marital Status of the Borrowers	49
Table No. 5.7 Situation of Household Head	50
Table No. 6.1 Running Phases of the Borrowers	52
Table No. 6.2 Loan Amount of the Sample Borrowers	53
Table No. 6.3 Attitude of Borrowers Towards Interest Rate	54
Table No. 6.4 Main occupation of the Borrowers Before and After the borrowing	55
Table No. 6.5 Borrowing According to size of Land	57
Table No. 6.6 Food sufficiency Before and After Borrowing	58
Table No. 6.7 Income of the Borrowers Before and After Intervention of GBB	59
Table No. 6.8 Saving After Bank's Intervention	61
Table No. 6.9 Utilization of Savings	62
Table No. 6.10 Consumption Pattern	63

Table No. 6.11 Sheltering of the Borrowers	64
Table No 6.12 Toilet Condition Before and After Borrowing	65
Table No. 6.13 Educational Status before and after borrowing	66
Table No. 6.14 Child Education After the Intervention of GBB	67
Table No. 6.15 Family Treatment Before and After Joining GBB	68

## **LIST OF FIGURE**

	<b>Page</b>
Figure No. 4.1 Organizational Structure of PGBB	44
Figure No. 6.1 Main Occupation Structure Before Borrowing	56
Figure No. 6.2 Main Occupation Structure After Borrowing	57
Figure No. 6.3 Income, Before and After Borrowing	60
Figure No. 6.4 Savings After Joining GBB	62
Figure No. 6.5 Utilization of Savings	63
Figure No. 6.6 Toilet Condition Before and After Borrowing	65
Figure No. 6.7 Educational Status Before and After Borrowing	67
Figure No. 6.8 Child Education After the Intervention of GBB	68
Figure No. 6.9 Family Treatment Before and After Joining GBB	69

## **ABBREVIATION / ACRONYMS**

CBS	-	Central Bureau of Statistics
CSD	-	Centre for Self-Help Development
GB	-	Grameen Bank
GBA	-	Grameen Bank Approach
GBB	-	Grameen Bikas Bank
GBFS	-	Grameen Bank Financial System
Govt.	-	Government
HMG	-	His Majesty's Government
HDI	-	Human Development Index
IBP	-	Intensive Banking Programme
IRDP	-	Integrated Rural Development Programme
INGO	-	International Non-Government Organization
ILO	-	International Labour Organization
MFI	-	Micro Finance Institution
NGO	-	Non Government Organization
NRB	-	Nepal Rastra Bank
NPC	-	National Planning Commission
NLSS	-	Nepal Life Standard Survey
No.	-	Number
PGBB	-	Paschimanchal Grameen Bikas Bank
PDP	-	Panchyat Development Programme
PDLT	-	Panchyat Development and Land Tax
PRSP	-	Poverty Reduction Strategy Paper
PCRW	-	Production Credit for Rural Women
RMDC	-	Rural Micro-Finance Development Corporation
RADP	-	Remote Area Development Program

RRDB	-	Regional Rural Development Bank
SFDP	-	Small Farmer Development Programme
TVDP	-	Tribhuvan Village Development Programme
VDC	-	Village Development Committee
WB	-	World Bank
WDR	-	World Development Report