

## The Contribution of Cooperatives in the Development of Bheemdatta Municipality, Kanchanpur

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### Abstract

This research investigates the involvement of cooperatives in facilitating socio-economic development in Bheemdatta Municipality, as well as building socio-economic engagement, changing mindsets, and enhancing livelihoods. Using a mixed-method design, information was gathered from 158 members, representing 265 cooperative households. The research findings indicate that cooperatives have resulted in both economic and social development. Access to credit soared from 26.4 to 86.8 percent after joining cooperatives. The number of households making less than NPR 10,000 fell from 32.1 percent to 13.2 percent, and households saving more than NPR 2,000 monthly increased from 13.2 to 35.8 percent. Households not investing in them fell from 39.6 to 7.5 percent. There was also social change, with school attendance regularly reaching 90.6%, year-round food security rising to 41.5, and a doubling of health care utilization (28.9% to 64.2%). The self-employment rate also increased from 20.7 to 54.7 percent. Though community opinion was acclamable, 77.4 percent of respondents reported their attitude was positive, while 75.5 percent reported they trust their cooperatives. There were, however, some persistent obstacles, including low awareness (34%), financial capacity (30.2%), and moderate levels of active participation (with only 37.8% reporting they are very active). Overall, the research finds that cooperatives are an essential mechanism for financial inclusion and poverty reduction to enhance community well-being. Continued transparency, awareness, and inclusive governance will continue to strengthen the cooperatives development role in rural Nepal.

**Keywords:** cooperatives, rural development, socio-economic impact, financial inclusion, member participation

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**Introduction**

Globally recognized as community-driven, democratic institutions, cooperatives are especially crucial in rural areas where access to formal financial systems remains limited (SMCL, 2017; Birchall, 2004). In the context of Nepal, traditional practices such as Parma, Guthi, Dharma, and Dhukuti initiated by the Thakali community nearly 250 years ago laid the foundation for cooperative behavior long before the modern movement began (NEFSCUN, 2021).

The cooperatives movement in Nepal traces its origin to 2010 BS with the establishment of the Department of Cooperatives and gained momentum with the registration of the first cooperative in Chitwan in 2013 BS, aimed at helping flood victims (My EG, 2017). *The Cooperative Act* of 2048 BS (1992 AD) was a landmark legislation, giving law backing to the cooperation movement throughout the country and rapidly spreading it nationwide (Preeti, 2024). But, alongside the development of the cooperative sector, neoliberal economic reforms introduced in the country also shaped, reformed, or represented itself alongside the cooperative movement. For example, following the Land Reform Act of 1964 which was institutionalized in 1967 through the establishment of the Land Reform Savings Corporation and the establishment of the Agricultural Development Bank of Nepal from the Cooperative Bank in 1968 (NEFSCUN, 2021).

Aligned with the first research objective to assess people's involvement in cooperative scholars such as Pasa et al. (2024) highlights active participation in savings, credit, and decision-making is essential for sustainability. In rural Nepal, cooperatives provide financial services, employment, and capital access, yet engagement levels are shaped by awareness, trust, education, and leadership inclusivity (Risal, 2021; Joshi, 2024).

Regarding public perception, the second research objective studies reveal that transparency, fairness, and accessibility drive positive member views. Regmi and Adhikari (2024) found that 78% of cooperative members had favorable perceptions due to access to loans and financial literacy programs. However, issues like elite dominance and lack of communication still affect trust and satisfaction, as noted by Shahi (2023).

The third objective, analyzing socio-economic impact, is well-supported in existing literature. Bhattarai and Pandit (2024) show cooperatives help small-scale

farmers access markets and inputs. Bharadwaj (2012) observed that credit cooperatives enable rural households to invest in education, housing, and businesses, thereby improving income and well-being. Similarly, Risal (2021) found that cooperatives enhance agricultural productivity, promote women's entrepreneurship, and strengthen livelihoods in Bagmati Province.

Social Capital Theory emphasizes elements of trust, networks, and reciprocity in groups and shows how cooperatives advance community by providing collective assistance and objectives for communities. Participatory Development Theory is similar in practice to Social Capital Theory because it applies and emphasizes inclusivity in decision-making and fairness to navigate cooperatives to empower residents (Chambers, 1997). Institutional Theory, according to North (1990), considers cooperatives as institutions that operate under a system of established rules, governance processes, and social norms. Similarly, the Sustainable Livelihoods Framework (DFID) was developed as an inclusive and comprehensive means to examine how cooperatives improve each capital: human, social, financial, and natural, contributing to improved livelihoods and more sustainable livelihoods (Risal, 2021).

Empirical studies reinforce these perspectives. For instance, over 80 percent of cooperative members in Pokhara reported active involvement in savings and credit programs, though fewer were engaged in governance roles (Pasa, Regmi, & Adhikari, 2024). In rural Nepal, women and small farmers dominate membership, but only a quarter participate in decision-making (Bhattarai & Pandit, 2024). These gaps underline the need for more inclusive governance models.

This study builds on existing literature while addressing key research gaps, especially in localized contexts like Bhimdatta Municipality. By exploring people's involvement, perceptions, and socio-economic outcomes through a theoretically informed and methodologically sound approach, it offers practical insights for strengthening cooperatives as engines of rural development in Nepal.

Nepal, one of the least developed countries, has been grappling with widespread poverty despite some recent improvements. According to the World Bank, Nepal's poverty rate has decreased significantly in the past two decades, with the percentage of people living below the national poverty line dropping from 25.2 percent in 2011 to 20.4 percent in 2023 (World Bank, 2023). However, poverty remains concentrated in rural areas, where limited access to education, health care, and employment opportunities

exacerbates the situation. Factors such as political instability, geographic remoteness, and vulnerability to natural disasters further impede poverty alleviation efforts (World Bank, 2023).

Kanchanpur District ranks among Nepal's least developed regions, despite its considerable social, economic, and geographic diversity (My Republica, 2025, July 26). Ward No. 7 of Bheemdatt Municipality, situated near the district headquarters, Mahendranagar, has strong potential for cash-crop cultivation and livestock farming. However, this potential remains underutilized due to limited access to financing and modern agricultural inputs. Remittance income in the region tends to be channeled into housing and festival expenses rather than reinvested in productive ventures (Rising Nepal Daily, 2025).

In this context, cooperatives emerge as vital instruments for rural upliftment, offering savings mechanisms, loans, and financial literacy that can significantly elevate rural livelihoods (Saccos, 2025, April 18). Enhancing rural economic conditions is essential for national priorities such as poverty reduction, inclusive governance, equality, and sustainable development (Bhattarai & Pandit, 2025). Given the active participation of local residents in cooperative enterprises, this study aims to evaluate their impact specifically examining levels of community engagement, perceptions toward cooperative institutions, and their socio-economic effects on residents of Bheemdatt Municipality ward number-7.

The cooperative movement has expanded rapidly in rural Nepal, where formal financial services are limited. Bheemdatta Municipality, despite its potential in agriculture and small enterprises, faces barriers like poor financial access and low awareness. Cooperatives serve as key grassroots institutions by mobilizing savings, offering credit, and promoting socio-economic development. However, there is a lack of empirical research on their real impact, member satisfaction, and challenges in the area. This study addresses these gaps, aiming to guide policymakers and stakeholders in enhancing the effectiveness, inclusivity, and sustainability of cooperatives in Bheemdatta and similar rural regions.

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**Methodology**

This study utilized a mixed methods process, bringing together quantitative and qualitative approaches to increase understanding of people's involvement in cooperatives, their perceptions, and the socio-economic impacts of membership in Bheemdatta Municipality Ward Number 7, Kanchanpur. An exploratory and explanatory study design helped to acquire both numbers and people's lived experiences.

While there is more than one Ward in Bheemdatta Municipality, the 2021 National Census reported that Bheemdatta Municipality Ward No. 7 includes 969 total households and a total population of 4,967. Among the 969 households, there were 265 households with at least one member connected to a cooperative institution, specifically, 125 households with Sayapatri Multipurpose Cooperative, and 140 households with Hamro Aaphno Agriculture Cooperative. From the total possible population of households, a simple random sampling technique selected a total of 158 respondents for the survey to allow for representative sampling. The sample size was calculated using a 95 percent confidence level and a 5 percent margin of error, resulting in a statistically reliable sample size that was feasible to complete the study.

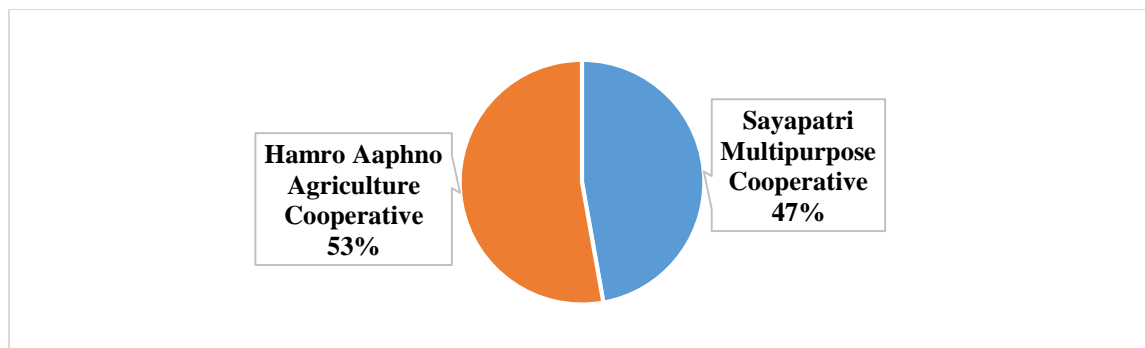
The data was analyzed using SPSS and descriptive statistics, including frequency and percentage, and simultaneously, qualitative information was thematically analyzed to understand member perspectives, motivations, and obstacles. The study's mixed methods approach established a balanced and dependable understanding of how cooperatives impact participation in communities and household livelihoods.

**Results and Discussion****Status of Involvement of the People in the Cooperatives*****Cooperative Membership***

Cooperatives in Bheemdatta Municipality make a difference to the lives of poor and marginalized residents of our community through access to financial services, skill building and community support. Knowing the level of engagement of communities helps us understand cooperatives' contributions to meeting community needs and to development.

**Figure 1**

*Percentage Distribution of Respondents by Cooperative Membership (N=158)*



*Source:* Field Survey, 2025

Figure 1 presents the dual cooperative engagement in a portion of Bheemdatta Municipality. From the 2025 survey, 47 percent of respondents were members of Sayapatri Multipurpose Cooperative, and 53 percent were members of Hamro Aaphno Agriculture Cooperative. The statistics show nearly equal membership in cooperative organizations; indeed, these percentages indicate substantial engagement in the community. Members also selected cooperatives based on the services they needed, and Sayapatri offered more services overall, while Hamro Aaphno focused on agriculture. The membership of respondents to Hamro Aaphno remains slightly higher than Sayapatri, pointing to the relevance of farming for livelihoods in the community. Overall, the analysis shows meaningful engagement with cooperatives with growing significance as a local development agent.

### ***Demographic Characteristics***

Understanding the age and gender of cooperative members reveals how inclusive and effective cooperatives are in Bheemdatta Municipality. Gender data shows whether men and women participate equally, while age data highlights youth, adult, and elder engagement. This insight helps design programs that meet members' needs and supports the study's goal of improving participation and engagement.

**Table 1***Distribution of Respondents Demographic Characteristics of Cooperative Members*

Demographic Characteristics	Respondents	Percentage
<b>Gender</b>		
Male	89	56.60
Female	69	43.40
<b>Age Group</b>		
18 to 30 Years	52	32.10
31 to 45 Years	72	45.00
46 to 60	28	18.90
Above 60 Years	6	4.00
Total	158	100.00

*Source:* Field Survey, 2025

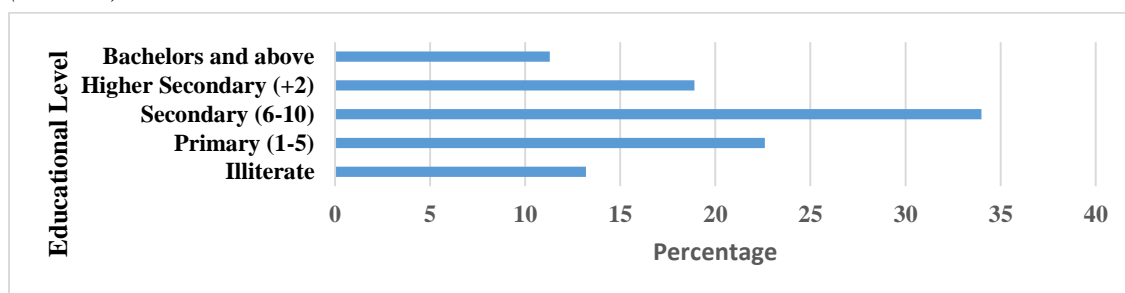
According to Table 1, the demographics of the 158 cooperative members that were surveyed in Bheemdatta Municipality during 2025 reflect the growing inclusiveness of gender (56.6% male, 43.4% females) and age (45% between 31-45 years of age; 32.1% between 18-30 years of age). The data highlights demographic diversity among working-age members while the likelihood of membership dropped at the older (age 60+) and younger (age 18 or younger) ends of the age spectrum. In summary, the data indicates that cooperatives maximize diversity and productive members across the communities that cooperatives work in, thus supporting the study methodologically better suited to assess representation and inclusivity where appropriate towards decisions.

### ***Educational Status***

Knowing members' education levels helps assess their engagement and leadership capacity. More-educated members may participate more easily, while less-educated members may need extra support. Understanding these differences allows cooperatives in Bheemdatta Municipality to create inclusive programs, ensuring all members can participate fully, aligning with the study's goal of promoting equitable engagement.

**Figure 2**

*Percentage Distribution of Respondents by Educational Status of Cooperative Members (N=158)*



Source: Field Survey, 2025

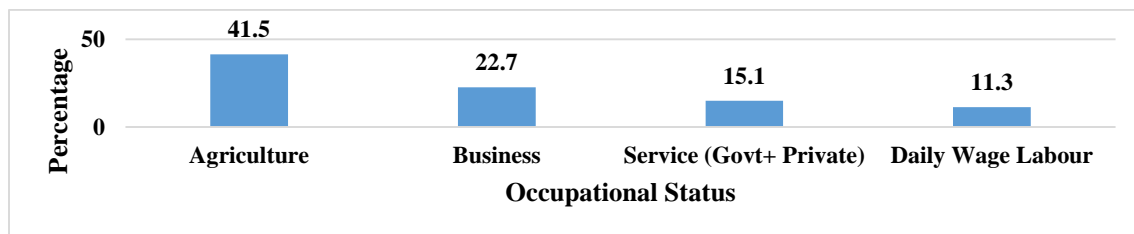
Figure 2 reveals that most cooperative members in Bheemdatta Municipality have secondary education (grades 6-10) at 34 percent, followed by primary education at 22.6 percent and higher secondary at 18.9 percent. Only 11.3 percent are bachelor graduates or higher and there is still 13.2 percent are illiterate emphasizing the need for some support. It is clear from this information that literacy and training programs may be important to allow for effective participation and for less educated members to gain the benefits from the cooperative.

### **Occupational Status**

People's occupations influence how they engage with cooperatives in Bheemdatta Municipality. Farmers, workers, business owners, and service employees use cooperatives for loans, savings, or agricultural support. Understanding members' job backgrounds helps identify who is engaged, whose needs are met, and which groups may need more support, aligning with the study's goal of assessing community engagement and cooperatives' role in supporting diverse livelihoods.

**Figure 3**

*Percentage Distribution of Respondents by Occupational Status of Cooperative Member (N=158)*



Source: Field Survey, 2025



The occupational distribution of cooperative members in Bheemdatta

Municipality is represented in Figure 3 based on the 2025 survey of 158 responses.

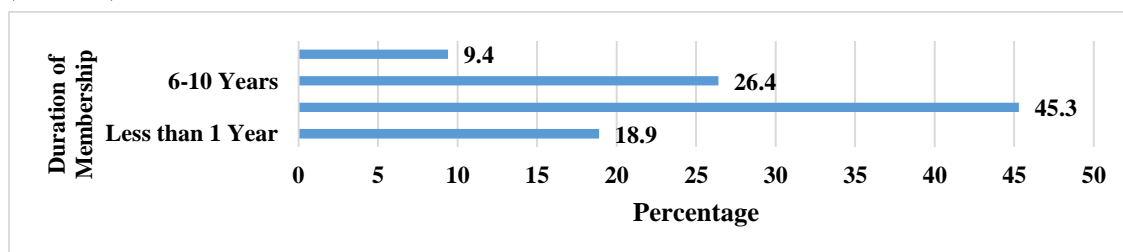
Agriculture remains the principal occupation, with 41.5 percent of members participating, demonstrating the cooperative's influence on agricultural livelihoods. Business members account for 22.7 percent and indicate an emerging form of entrepreneurship, while employees in the service area represent 15.1 percent. Daily wage laborers represent 11.3 percent and usually rely on the cooperative for support, while the other 9.4 percent includes homemakers, students, and informal workers. Overall, cooperative members illustrate various occupations, and this is one reason why services should be specialized. Affordable credit can vary in products offered, training, and market access is important to all members; therefore, maintaining inclusiveness.

### ***Membership Duration in Cooperatives***

Membership duration reflects how engaged members are in Bheemdatta Municipality. Long-term members likely trust and benefit from their cooperatives, while newer members are still settling in. Examining membership length reveals engagement levels, retention, and growth, showing both who is involved and how cooperatives contribute to local community development.

### **Figure 4**

*Percentage Distribution of Respondents by Membership Duration in Cooperatives (N=158)*



Source: Field Survey, 2025

Figure 4 illustrates how long members have been a part of the cooperative in Bheemdatta Municipality. Nearly 45.3 percent of members had joined in the past 18 months, indicating the growing participation, and 19 percent had joined within the last year. Sometimes there are people who have been members for a long time, 26.4 percent of whom had been members 6–10 years, and 9.4 percent for more than ten years. Overall, people have been part of the cooperative for a long time, which shows consistent engagement, but also indicates the difficulties in maintaining members over time. This is

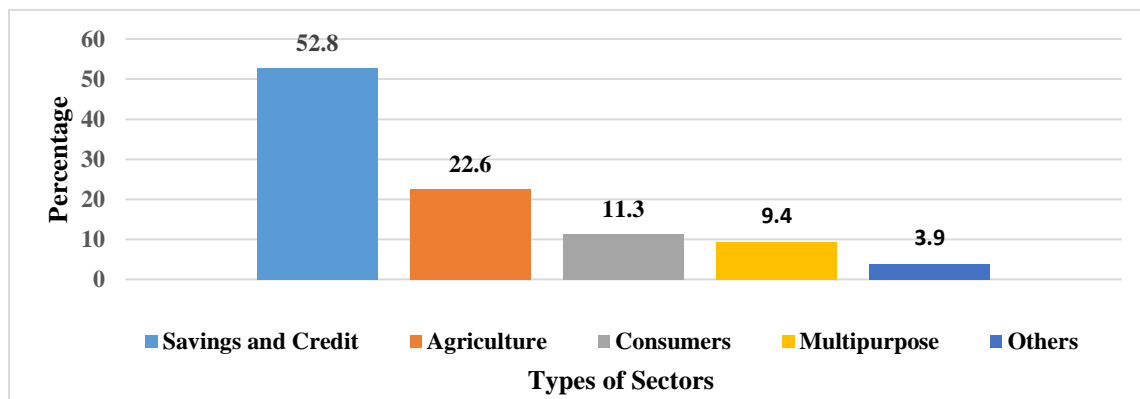
a positive combination of new members and long-term members that demonstrates growth and opportunity; however, it suggests that we need to be able to demonstrate engagement over time. If members are engaged, the amount of time that members are engaged in the cooperative will reflect on trust, satisfaction, and the value members ascribe to their membership. Therefore, the time spent as a member is an essential aspect to participation and the cooperative's long-term influence on local development.

### *Types of Sectors Joined in the Cooperative*

The period of cooperative membership can be seen as people's trust, satisfaction, and values in Bheemdatta Municipality, based on their membership length, and how much members invest in the cooperative, as shown by long-term members of strong and stable cooperatives, and new members in terms of growing awareness and interest. Membership duration is an important indicator of membership engagement and will also help in evaluating the long-term impacts of the cooperative as an instrument for local development.

**Figure 5**

*Percentage Distribution of Respondents by Types of Sectors Joined in Cooperatives (N=158)*



Source: Field Survey, 2025

Referring to Figure 5 detailing the responders' experiences in cooperative membership, a large majority of responders (52.8%) in Bheemdatta Municipality are members of savings and credit cooperatives, establishing a strong demand for financial services. Agriculture cooperative members are at 22.6 percent, indicating the agricultural base of the area, more specifically, agriculture types in the consumer sector. Consumers' cooperative members comprise 11.3 percent of responders, indicating the need for affordable goods in the area. The actual membership in multipurpose cooperatives is 9.4

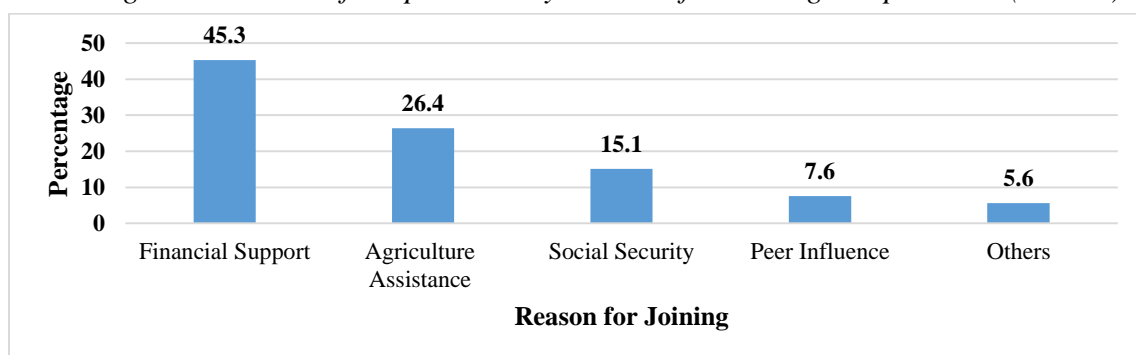
percent, with other cooperatives amounting to a small 3.9 percent. The overall issue of membership is established, but cooperatives address more than just financial inclusion and provide many alternatives that foster the area and help promote local employment and community economic development of Bheemdatta Municipality.

### *Reasons for Joining Cooperatives*

Understanding why individuals join cooperatives reveals their level of engagement, linking directly to the study's first objective. In Bheemdatta Municipality, people often join for credit, farming support, business opportunities, or to reduce household expenses, driven by daily needs and aspirations. Examining these motivations shows how effectively cooperatives meet local needs, engage members, and improve both individual and community livelihoods, offering a clear measure of participation.

**Figure 6**

*Percentage Distribution of Respondents by Reasons for Joining Cooperatives (N=158)*



*Source:* Field Survey, 2025

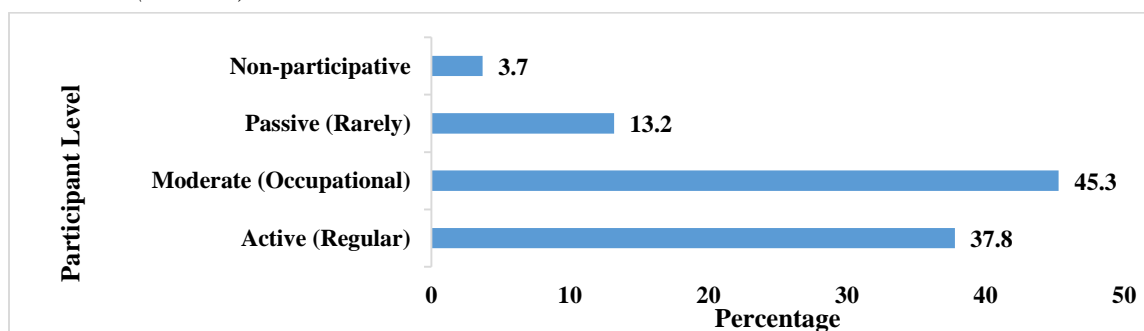
Figure 6 indicates that a significant number of the respondents from Bheemdatta Municipality joined to access financial support (45.3%). This percentage indicates a meaningful degree of need to access savings and loan services. There was also a surplus of support for agriculture (26.4%), reiterating the centrality of agriculture in people's lives and local livelihoods. Additional participants joined to access social security (15.1%), peace of friends (7.6%), and others (5.6%). In general, this data speaks to how cooperatives are responding to key community needs, primarily regarding finance and agriculture, while also maintaining a functional element to positively support local people's livelihoods and community.

***Participation in Cooperative Activities***

Cooperative participation goes beyond membership to include decision-making, meetings, training, and programs. In Bheemdatta Municipality, active participation reflects members' trust, ownership, and benefits gained from the cooperative, while low participation may point to barriers like time, awareness, or interest. Understanding these levels shows how cooperatives engage members and contribute to community development.

**Figure 7**

*Percentage Distribution of Respondents by Level of Participation in Cooperative Activities (N=158)*



Source: Field Survey, 2025

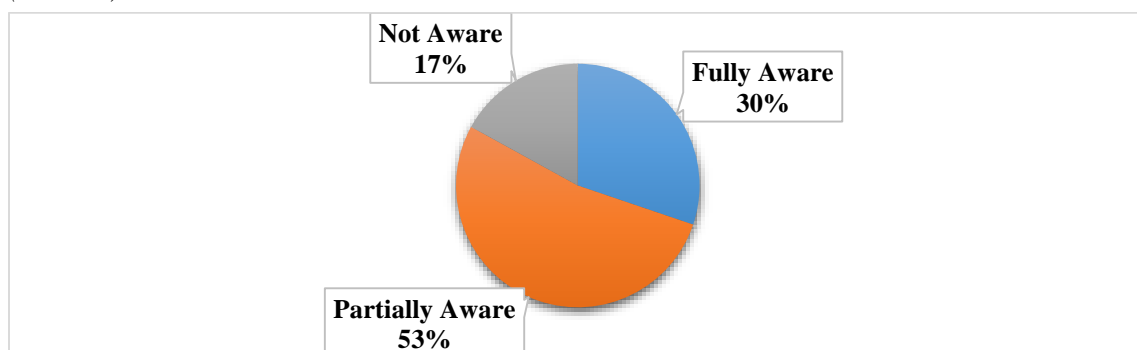
Figure 7 Cooperative engagement was displayed in Bheemdatta Municipality. Most participants were moderately engaged (45.3%), 37.8 percent reported they were highly active in their cooperative while 13.2 percent indicated that they rarely participated followed by 3.7 percent of the respondents that were not involved in the cooperative. Although many were engaged somewhat, increased awareness and more inclusive cooperative programs would encourage greater participation, which would ultimately strengthen cooperatives and serve the community better.

***Awareness Cooperatives' Benefits***

Understanding the benefits of cooperatives is key to boosting engagement and success in Bheemdatta Municipality. Informed members are more likely to use services like credit, savings, training, and business support, and to appreciate wider benefits such as poverty reduction, employment, and women's empowerment. Awareness programs and training build trust, transparency, and participation, strengthening the cooperative's role in rural development.

**Figure 8**

*Percentage Distribution of Respondents by Awareness About Cooperatives Benefits (N=158)*



*Source:* Field Survey, 2025

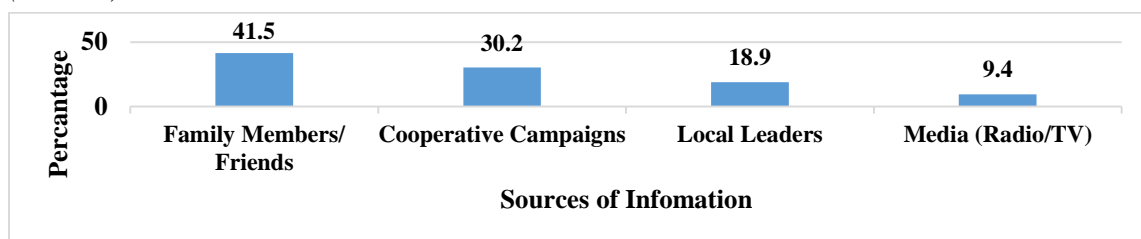
It can be seen from Figure 8 that only limited knowledge about the cooperative benefits is demonstrated by most respondents. The collective responses of the population indicate sound knowledge about cooperative actions. Of the 265 people, 84 (52.8%) were partly aware, 47 (30.2%) were fully aware, and 27 (17.0%) were unaware. There is clearly a knowledge gap, with many members of the community still unaware of how cooperatives work. The knowledge gap to educate the community members to help them better utilize cooperative opportunities is necessary. More targeted awareness and education programs need to be implemented.

#### ***Sources of Information About Cooperatives***

In Bheemdatta Municipality, people learn about cooperatives mainly through community meetings, cooperative offices, and training sessions, with friends, family, local leaders, government staff, and media also playing a role. These channels inform members about benefits like credit, savings, and agricultural support while building trust and engagement. Strengthening these knowledge channels can boost awareness and participation, further supporting socio-economic development in the municipality.

**Figure 9**

*Percentage Distribution of Respondents by Sources of Information About Cooperatives (N=158)*



*Source:* Field Survey, 2025

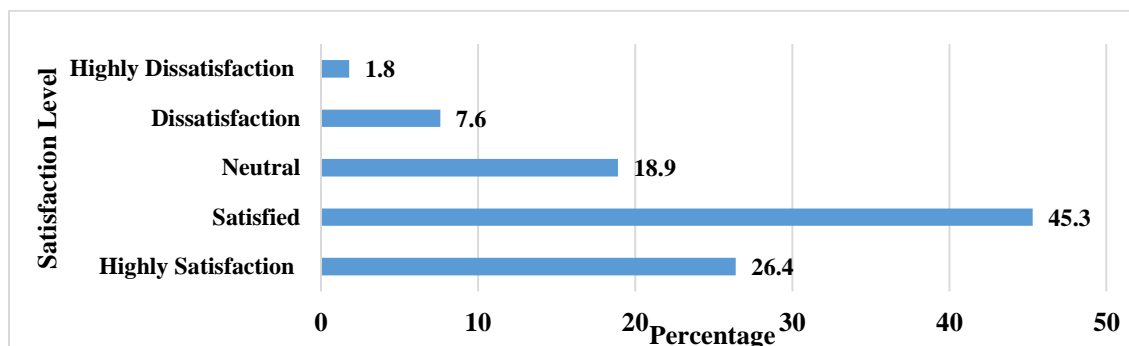
Figure 9 shows that many people in Bheemdatta Municipality get their information about cooperatives from friends and/or family (41.5%) underscoring the role of interpersonal networks. Cooperative campaigns accounted for another major source of learning (30.2%), with local leadership coming in third (18.9%), and media such as radio and TV accounting for only a minor portion (9.4%). This says much about the fact that community-based face-to-face learning is more effective than mass media on awareness and recognition; yet formal campaigns could still be improved, and media could be utilized better to reach larger numbers of people.

### ***Satisfaction Level With Cooperative Services***

Evaluating satisfaction with cooperative services is key to understanding their effectiveness in Bheemdatta Municipality. It shows whether services like credit, savings, training, and agricultural support meet community needs and reflect members' trust. High satisfaction indicates strong social and economic impact, effective service use, and alignment with local development. It also highlights areas where cooperatives can improve to better support rural development.

**Figure 10**

*Percentage Distribution of Respondents by Satisfaction Level With Cooperatives Services (N=158)*



*Source:* Field Survey, 2025

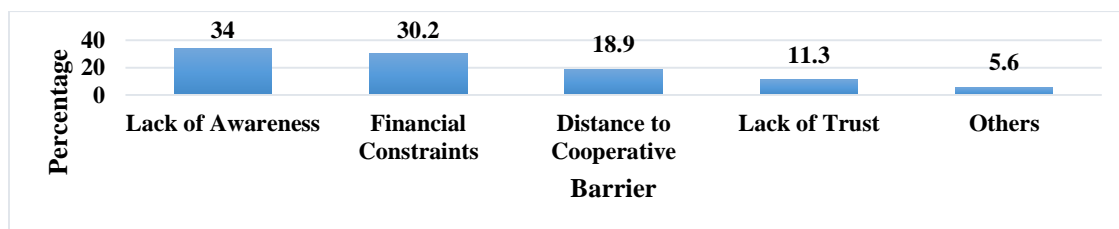
Figure 10 indicates that in Bheemdatta Municipality, most respondents are satisfied with cooperative services, with 45.3 percent satisfied and 26.4 percent very satisfied. Approximately 18.9 percent were neutral, while a very small number, 7.6 percent dissatisfied and 1.8 percent very dissatisfied, reported negative experiences. This means cooperatives are generally meeting the expectations of members, but there is still an opportunity to improve the quality of service and address the concerns of the less satisfied members.

### **Barriers to Cooperative Participation**

Understanding the impact of cooperatives in Bheemdatta Municipality starts with identifying barriers to participation. Low awareness, limited access, financial constraints, lack of trust, or skill gaps can hinder engagement. Recognizing these challenges helps assess participation and socio-economic benefits, while guiding strategies to overcome them, increase involvement, and strengthen cooperatives' role in local development.

**Figure 11**

*Percentage Distribution of Respondents by Barriers to Cooperative Participation (N=158)*



*Source:* Field Survey, 2025

Figure 11 identifies the primary barriers to participating in a cooperative in Bheemdatta Municipality. Lack of awareness of cooperatives was the most common barrier (34.0%), followed by financial difficulties (30.2%). Distance to the cooperative officers (18.9%) and lack of trust (11.3%) were also barriers to participation, with 5.6 percent identifying other personal or cultural barriers to participation. Overall, awareness and finance are two of the most important barriers, indicating that greater education and outreach as well as options for joining cooperatives that are more accessible, will help to increase participation and build trust in communities.

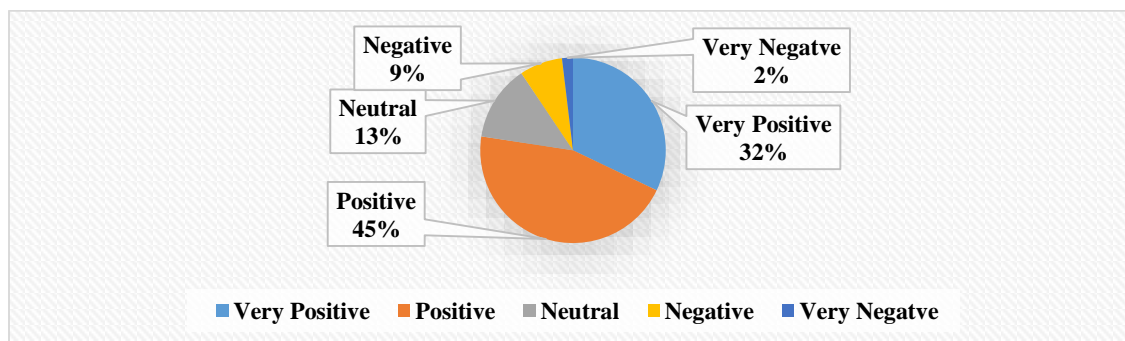
### Perception of the People Towards Cooperatives in the Study Area

#### *Perception Towards Cooperatives*

People's perceptions of cooperatives are key to understanding their impact on development in Bheemdatta Municipality. Positive views foster trust, engagement, and active participation, boosting socio-economic benefits, while negative views due to poor management, low transparency, or limited benefits reduce involvement. Studying these perceptions helps identify strengths and weaknesses, guiding improvements to enhance cooperatives' role in rural development.

#### Figure 12

*Percentage Distribution of Respondents by Overall Perception Towards Cooperatives (N=158)*



Source: Field Survey, 2025

From the information in Figure 12, we see that most respondents in Bheemdatta Municipality have a positive view of cooperatives: 45.3 percent were positive, and 32.1 percent were very positive (that is, a total of over 3/4 of the respondents). There were 13.2 percent neutral, 7.5 percent negative, and only 1.9 percent very negative. Thus, we could conclude that cooperatives tend to be generally well-received and perceived to be of good use. However, there are a few elements of neutral and negative, which contribute



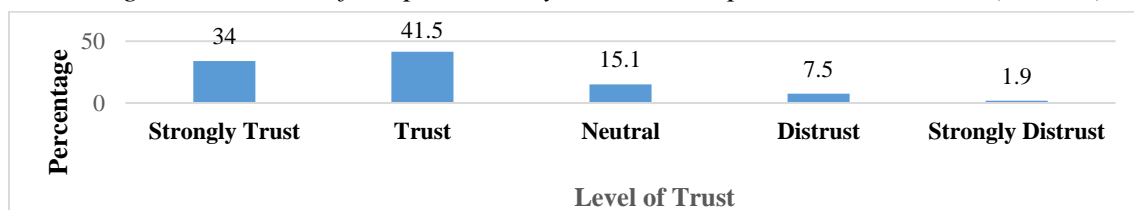
to diminishing trust in cooperatives. Need for transparency, efficiency, and reaching people further.

### ***Trust in Cooperative Institutions***

Trust is crucial for the success of cooperatives in Bheemdatta Municipality, as it affects members' willingness to save, borrow, and engage actively. High trust fosters participation, cooperation, transparency, and sustainability, while low trust from poor management or accountability reduces involvement and impact. Examining trust helps identify challenges and guide governance improvements to strengthen cooperatives' contribution to rural development.

**Figure 13**

*Percentage Distribution of Respondents by Trust in Cooperative Institutions (N=158)*



Source: Field Survey, 2025

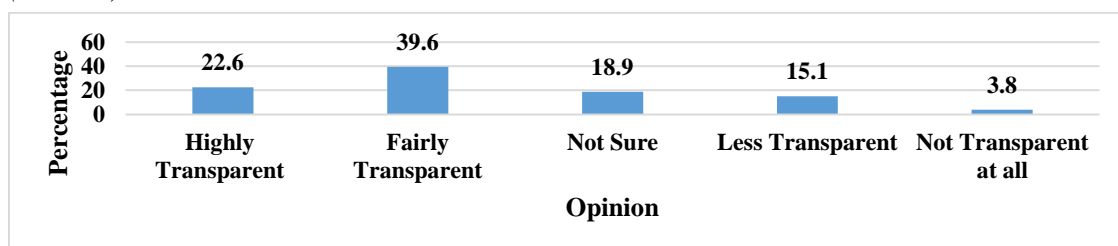
As indicated in Figure 13, the results show that most respondents trust cooperatives, with 41.5 percent reporting trust and an additional 34.0 percent reporting strong trust for a total of over 75 percent. Approximately 15.1 percent were neutral, while only 7.5 percent reported distrust and a mere 1.9 percent strong distrust. This suggests that cooperatives enjoy broad credibility in the community, although a degree of ambiguity and skepticism continues to exist regarding cooperatives. More transparency, accountability, and adherence to service quality could help strengthen trust and reinforce cooperatives' role in community development.

### **Opinion on Cooperative Transparency**

Perceptions of cooperative transparency are vital for understanding their role in Bheemdatta Municipality. Clear finances, fair decisions, and reliable services build trust and encourage participation, while doubts or miscommunication weaken confidence. Studying these perceptions reveals how transparency affects engagement and socio-economic impact and identifies areas for improving governance to strengthen cooperatives' contribution to rural development.

**Figure 14**

*Percentage Distribution of Respondents by Opinion on Cooperative Transparency (N=158)*



Source: Field Survey, 2025

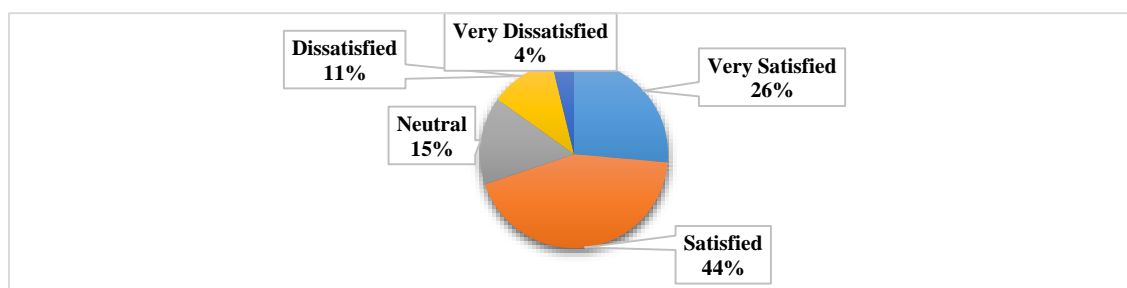
Figure 14 shows that over 60 percent of respondents view cooperatives as fairly (39.6%) or highly (22.6%) transparent. Meanwhile, 18.9 percent were unsure, 15.1 percent saw them as less transparent, and 3.8 percent viewed them as not transparent. While overall perceptions are positive, some doubts remain. Enhancing financial disclosure, participatory decision-making, and regular information sharing could strengthen trust and improve transparency perceptions.

### **Satisfaction with Cooperative Communication and Information Sharing**

Satisfaction with cooperative communication reflects how well members in Bheemdatta Municipality are informed and engaged. Clear, timely updates on services, policies, and finances build trust and encourage participation, enhancing socio-economic impact. Poor communication, however, reduces engagement and service use, highlighting the need for better information-sharing to strengthen cooperatives' role in rural development.

**Figure 15**

*Percentage Distribution of Respondents by Satisfaction With Cooperative Communication and Information Sharing (N=158)*



Source: Field Survey, 2025

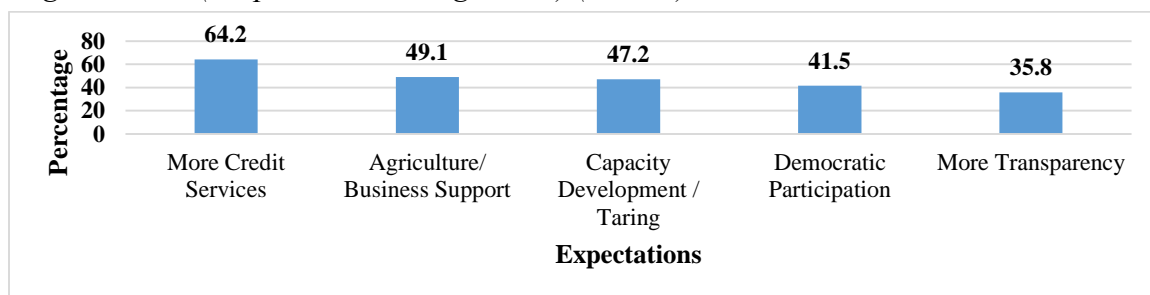
Figure 15 shows that nearly 70 percent of respondents are satisfied with cooperative communication, with 43.4 percent satisfied and 26.4 percent very satisfied. About 15.1 percent were neutral, while 11.3 percent were dissatisfied and 3.8 percent were very dissatisfied. Overall, cooperatives communicate effectively, but improvements are needed to address concerns and ensure inclusive, transparent information sharing for all members.

### Expectations From Cooperatives Organizations

Members' expectations, such as credit, savings, skill development, business support, and transparent governance, reflect community needs in Bheemdatta Municipality. Meeting these expectations builds trust, participation, and engagement, leading to socio-economic benefits. Understanding these expectations also helps identify service gaps, strengthening cooperatives' role in local development.

#### Figure 16

*Percentage Distribution of Respondents by Expectations from Cooperatives Organizations (Response Indicating "Yes") (N=158)*



Source: Field Survey, 2025

Figure 16 illustrates that the plurality of respondents wants more credit services from cooperatives (64.2%), and the next most anticipated services are support with agriculture or business (49.1%) and capacity-building training (47.2%), while 41.5 percent wanted more democratic involvement and 35.8 percent wanted more transparency. In conclusion, even though cooperatives have a good level of trust and get very positive views members and respondents expect more services, better governance, and more training to help support cooperative development in their communities.

### Socio-Economic Impact of Cooperative in the Study Area

#### *Status of Monthly Households Income*

Monthly household income is a key measure of cooperatives' socio-economic impact in Bheemdatta Municipality. By providing financial services, credit, and

livelihood support, cooperatives can boost incomes, reduce poverty, and improve living standards. Tracking income levels shows how participation contributes to members' economic well-being and rural development.

**Table 2**

*Distribution of Respondents by Monthly Households Income*

Income Level (NPR)	Before Joining		After Joining	
	Number	Percent	Number	Percent
Less than 10,000	50	32.1	21	13.2
10,000 to 20,000	66	41.5	48	30.2
20,000 to 30,000	27	17.0	56	35.8
Above 30,000	15	9.4	33	20.8
Total	158	100.0	158	100.0

*Source:* Field Survey, 2025

Table 2 shows a definite increase in household income after joining cooperatives. In the previous situation, most families had incomes of between NPR 10,000–20,000, and almost one-third of them earned less than NPR 10,000. After joining cooperatives, the share of families in the lower income group diminished greatly while the share of families in the higher income groups (NPR 20,000–NPR 30,000, and NPR 30,000+) went up considerably. This suggests that cooperatives have helped their members to increase their income, decrease the level of poverty, and enhance their economic well-being.

### ***Status of Households Monthly Savings***

Monthly household savings are a key indicator of how cooperatives drive development in Bheemdatta Municipality. Regular savings show member participation, financial discipline, and trust in cooperatives, while enabling access to credit, investment, and improved livelihoods. Examining savings reveals how cooperatives strengthen finances, reduce risks, and enhance household welfare, aligning with the study's objectives.

**Table 3**

*Distribution of Respondents by Monthly Households Savings*

Saving Amount (NPR)	Before Joining		After Joining	
	Number	Percent	Number	Percent
No Savings	57	35.8	12	7.5
Less than 1000	51	32.1	36	22.6
1000 to 2000	30	18.9	53	34.0

Above 2000	20	13.2	57	35.8
Total	158	100.0	158	100

*Source:* Field Survey, 2025

Table 3 illustrates the growth in the household's saving activities after becoming a member of the cooperatives. The proportion of households having no savings declined from 35.8 percent to just 7.5 percent. In terms of savings rates, the proportion of households saving above NPR 2000 increased from 13.2 percent to 35.8 percent. This clearly shows how cooperative membership has encouraged the habit of regular saving, increased financial security, and household security, and ultimately the culture of financial discipline.

### **Access to Cooperative Membership**

Access to cooperative membership is central to their development role in Bheemdatta Municipality. It shows who benefits from services like savings, credit, and training, and reflects how inclusive cooperatives are. Studying access helps assess people's views and the cooperatives' role in economic empowerment and livelihood support, aligning with the research objectives.

**Table 4**

*Distribution of Respondents by Access to Credit Cooperative Membership*

Access to Credit	Before Joining		After Joining	
	Number	Percent	Number	Percent
Yes	42	26.4	137	86.8
No	116	73.6	21	13.2
Total	158	100.0	158	100

*Source:* Field Survey, 2025

Table 4 shows a significant spike in the availability of credit after joining cooperatives. Before cooperatives, only 26.4 percent of households had access to credit, however, after cooperatives membership, this rose to 86.8 percent. This data implies how cooperatives have increased access to credit and achieved financial inclusion for its members, allowing them to obtain loans for income, household needs, and income-generating activities which imply better economic participation and development.

### **Investment in Income Generating Activities**

Investment in income-generating activities shows how cooperatives drive development in Bheemdatta Municipality. By providing credit, training, and financial

guidance, cooperatives help members start businesses or strengthen livelihoods, boosting income and economic resilience. Such investments reflect members' trust and promote entrepreneurship, employment, and community development, supporting the study's objectives.

**Table 5**

*Distribution of Respondents by Investment in Income Generating Activities*

Investment Area	Before Joining		After Joining	
	Number	Percent	Number	Percent
Farming	54	34.0	57	36.1
Livestock	27	17.0	47	30.0
Small Business	14	9.4	42	26.4
None of Investment	63	39.6	12	7.5
Total	158	100.0	158	100.0

*Source:* Field Survey, 2025

Table 5 clearly illustrates that households that developed investment income activities after joining cooperatives. Groups with no investment income fell from 39.6 percent to 7.5 percent, while those involved in investment income activities in farming, livestock, and small businesses all increased at significant rates. This is an example of how cooperatives support and assist their members with increasing income and work to ensure better livelihoods while taking important steps toward community development.

### ***Children's School Attendance***

Children's school attendance reflects the socio-economic impact of cooperatives in Bheemdatta Municipality. By boosting household income through credit and livelihood support, cooperatives enable families to afford education, promoting both economic and social development. This research examines member involvement, perceptions, and the broader benefits of cooperatives on the community.

**Table 6**

*Distribution of Respondents by Children's School Attendance*

Attendance Status	Before Joining		After Joining	
	Number	Percent	Number	Percent
Regular	107	67.9	143	90.6
Irregular	33	20.8	12	7.5
No attending	19	11.3	5	1.9
Total	158	100.0	158	100.0

*Source:* Field Survey, 2025

Table 6 clearly demonstrates a rise in children attending school after joining cooperatives, increasing regular school attendance, from 67.9 percent to 90.6 percent, while irregular attendance and non-attendance decreased significantly. This implies that cooperatives have served as a family support system to promote education, indicating the positive economic and social means cooperatives deliver to the community.

### ***Households' Food Sufficiency***

Household food sufficiency reflects the socio-economic effect of cooperatives in Bheemdatta Municipality. Given their support of income, savings, and livelihood activities, cooperatives help families meet their daily food sufficiency needs, which indicates well-being and reflects member trust and engagement with these cooperatives.

**Table 7**

*Distribution of Respondents by Households' Food Sufficiency*

Food Sufficiency Status	Before Joining		After Joining	
	Number	Percent	Number	Percent
Less than 3 Months	42	26.4	15	9.4
3-6 Months	56	35.8	30	18.9
6-9 Months	36	22.6	48	30.2
9-12 Months	24	15.1	65	41.5
Total	158	100.0	158	100.0

*Source:* Field Survey, 2025

Table 8 shows a noticeable improvement in household food sufficiency after the member families began to join cooperatives. The percentage of families that had less than three months of food available dropped from 26.4 percent down to 9.4 percent. The percentage of families that had 9-12 months of allotted food available rose from 15.1 percent up to 41.5 percent. This information suggests that participating in cooperatives has aided members with their income and potentially livelihood stability and improved the household's food security and well-being.

### ***Use of Health Service***

Use of health services reflects the socio-economic impact of cooperatives in Bheemdatta Municipality. By improving income and providing access to credit, cooperatives enable families to afford healthcare, supporting both economic and social well-being. Studying this impact highlights member involvement, perceptions, and the broader benefits of cooperatives on community health.

**Table 8***Distribution of Respondent by Use of Health Service*

Use of Health Service	Before Joining		After Joining	
	Number	Percent	Number	Percent
Rarely	59	37.7	18	11.3
Sometimes	54	34.0	39	24.5
Regularly	45	28.3	101	64.2
Total	158	100.0	158	100.0

*Source:* Field Survey, 2025

Table 8 data also show an unmistakable upward trend in the use of health services following cooperative membership. For example, the share of regular users increased from 28.3 percent to 64.2 percent and the rare users declined from 37.7 percent to 11.3 percent. This suggests that being a member of the cooperative has allowed households to access and prioritize health need fulfillment, and it also suggests a broader economic/social benefit to their community.

***Employment Status***

Employment status reflects the socio-economic impact of cooperatives in Bheemdatta Municipality. By offering credit, savings, and income opportunities, cooperatives help members secure jobs or start businesses, boosting income and livelihood security. Studying this highlights people's involvement, their perception of cooperatives, and the broader economic benefits for the community.

**Table 9***Distribution of Respondents by Employment Status*

Employment Status	Before Joining		After Joining	
	Number	Percent	Number	Percent
Unemployed	54	34.0	18	11.3
Wage Labour	71	45.3	54	34.0
Selfemployed	33	20.7		54.7
		86		
Total	158	100.0	158	100.0

*Source:* Field Survey, 2025

Table 9 clearly illustrates greater employment outcomes after joining cooperatives; employment in cooperatives fell from 34 percent to 11.3 percent. Wage was



decreased to 34 percent and self-employment increased to 54.7 percent. This demonstrates how cooperatives can support livelihoods and create meaningful opportunities for economic sustainability and empowerment towards financial independence.

*Participation in Community Development Activities*

Participation in community development initiatives highlights the social impact of cooperatives in Bheemdatta Municipality. By fostering collaboration and providing resources, cooperatives help improve local infrastructure, health, education, and overall well-being. Studying these reveals who participates, how people perceive cooperatives, and their role in community development.

**Table 10**

*Distribution of Respondent by Participation in Community Development Activities*

Participation Status	Before Joining		After Joining	
	Number	Percent	Number	Percent
Never	95	60.4	30	18.9
Sometimes	48	30.2	63	39.6
Actively	15	9.4	65	41.5
Total	158	100.0	158	100.0

*Source:* Field Survey, 2025

Table 10 indicates a clear increase in involvement in community development after joining cooperatives. Active participants increased from 9.4 percent to 41.5 percent; occasional participants rose to 39.6 percent and nonparticipants dropped to 18.9 percent. This suggests that if cooperatives encourage engagement in community initiatives, they encourage social responsibility and support local development.

**Conclusion and Implication**

This study assess that the cooperatives in Bheemdatta Municipality are crucial to the socio-economic advancement of communities and have delivered on the promises they set out to fulfill to economically and socially empower.

In an economic sense, the cooperatives contributed significantly to financial inclusion and sustainability. In the survey, access to credit increased from 26.4 to 86.8 percent, which led to more households being able to invest in income-generating

activities; therefore, the proportion of households who were self-employed increased from 20.7 to 54.7 percent. Also, fewer households reported that their monthly income was below NRP 10,000 and the percentage of households with monthly savings greater than NRP 2,000 increased dramatically.

In a social sense, the economic benefits that were generated led to an improved quality of life for members. Regular school attendance rose to 90.6%, the use of health services increased more than twice, and food security increased as reported by more than 41.5 percent of households. Furthermore, households increased their participation in community-based activities, which rose from 9.4 percent to nearly 41.5 percent, which was an increase of four-fold, which speaks to agreement, social cohesion, and cooperation.

Most member households (over 75%) reported positive views and trust in the cooperatives will undoubtedly foster development and sustainability. However, there are still some barriers to cooperatives realizing their full potential. Barriers reported in the survey that will need to be addressed include awareness of financial products at 34 percent, financial barriers found 30.2 percent, and a low level of active participation in cooperatives ranged from 37.8 percent.

Overall, cooperatives need to address financial literacy, member social-cultural education, inclusive governance, and management transparency. Additionally, cooperatives should expand their outreach with affordable financial products to broaden their impact and pursue supportive policies to support their ability to support communities. When cooperatives focus on these factors, they will continue to be critical players in sustainably and equitably developing rural places in Nepal.

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