

**IMPACT OF FOREIGN REMITTANCE ON HOUSEHOLDS  
ECONOMY  
(A CASE STUDY OF MIJURE DANDA V.D.C., KASKI)**

A Thesis

Submitted to Department of Economics,  
Faculty of Humanities and Social Sciences of Tribhuvan University,  
in Partial Fulfillment of the Requirements for the Degree of  
**MASTER OF ARTS**  
in  
**ECONOMICS**

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## **LETTER OF RECOMMENDATION**

This Thesis entitled “**Impact of Foreign Remittance on Households Economy**”: A Case Study of Mijuredanda VDC, Kaski District is prepared by Anita Sharma under my supervision. I hereby recommend this thesis for approval by the thesis committee.

Date: March 14, 2017

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### **APPROVAL SHEET**

We certify that the thesis entitled “**Impact of Foreign Remittance on Households Economy**”: A Case Study of Mijuredanda VDC, Kaski District, submitted by **Anita Sharma** to Department of Economics, Prithvi Narayan Campus, Pokhara, Faculty of Humanities and Social Sciences, Tribhuvan University, in partial fulfillment of the requirements for the degree of MASTER OF ARTS in ECONOMICS has been found satisfactory in scope and quality. Therefore, we accept this thesis as a part of said Degree.

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## ACKNOWLEDGEMENTS

Before everything, I would like to thank Department of Economics, Prithvi Narayan Campus for giving me all the strengths and abilities to come up with this thesis. After that, I would like to express my heartiest gratitude to my supervisor, Associate Professor Mr. Dilli Ram Sharma for his scholastic and constructive suggestions throughout the accomplishment of this thesis. Your fashion of working was really appreciable. You were really inspirational, always smiling, caring with full of knowledge. I am also grateful to Mr. Madhav Tamrakar for his cooperation and guidance to fulfill the official requirements. I am obliged to Prof. Dr. Yadav Sharma Gaudel, Head of Department of Economics, for providing me necessary support and suggestion. Likewise, I would like to thank my teacher Mr. Rajendra Prasad Subedi for his valuable suggestions and support. I also like to thank Mr. Jung Bahadur Gurung Asst. Secretary of Mijuredanda VDC for providing valuable information and support during field visit. Similarly, I would like to thank all the staff of P.N. campus library for providing necessary support. Thanks are also due to all my dear friends for their positivism, inspirations, and precious help. Words do not come out easy for me to mention the feelings of obligations toward my parents for their guidance, prayers and moral support. Thanks are also due to my husband Mr. Khadak Raj Adhikari for his continuous encouragement in my way towards success and enabling me to join the higher ideas of life. Whatever I am is purely due to the efforts of my family. Thanks for your marvelous help, strenuous efforts and prayers done by all of you for my unbreakable success.

I am equally indebted to Mr. Teeka Ram Koirala, Associate Professor of English and formerly the Head of the Department of English, Prithvi Narayan Campus for his help in correcting the grammatical mistakes occurred in my writing.

Date: March 14, 2017

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## ABSTRACT

The thesis entitled “Impact of Foreign Remittance on Households Economy”: A case study of Mijuredanda VDC of Kaski District has been carried out for the partial fulfillment of Master Degree of Arts in Economics. The major objectives of this study were; to study the economic condition, to find the economic change, to identify the uses of remittance of foreign remittance receiving households and to find the problem related with the foreign remittance. This is micro level study based on primary data. It is analytical as well as descriptive type of study.

Data were collected from primary sources through questionnaire method. Altogether 136 households from 9 wards who have received foreign remittance were selected as sample households. The sampling process was stratified and purposive. The collected data have been described and analyzed by using simple statistical tools, graphs and charts. There were different caste Bramin, Chhetri, Thakuri, Gurung, Tamang, Kami Damai and Sarki. Out of the total sample population, 47.13% of sample population were male and 52.87% were female. Looking at the educational status of sample households, 11.78% sample population were illiterate and rest of them were literate and they received the opportunity of higher education. Maximum number of households had 4-6 members in their families. More than fifty percent households had made their houses with mud, stones and Jasta pata (zink plates) where as others had been made with stones, cement and jasta pata for roof and few houses were made with mud, stone and khar, and cemented (concrete). There were various types of land structure and 89 households have various types of land that is khet, bari, ghaderi, pakho, etc. The main occupation of the study area was agriculture however other occupational people were also involved in agricultural work. The major destinations in foreign countries for the Nepali workers were Malaysia, Qatar and Saudi. Similarly, the average remitted money per household was Rs.33897.05 per month. The main source of households income in the study area was foreign remittance though their main occupation was agriculture, job, pension, business, etc. It was found that remittance played vital and positive impact on households’ economy. The economic condition of remittance receiving households was increased after getting foreign remittance than before getting remittance. Furthermore their status of housing, earning, spending, cash in hand health facilities and education of children also

increased. Similarly, 47.72% of households invested their remitted money in productive sector and 52.18% households were in non-productive sector. This shows that more than fifty percent of households invested in non-productive sector. Also it is found that there were several problems related to their income foreign migrants like; cheated by Nepali manpower, involved in dirty, danger and difficult work, leave problem, etc.

Finally, this study shows that foreign remittance played a vital role to improve household economy of Mijuredanda VDC of Kaski District.

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## Acronyms

AD	Anno Demine
ADB	Asian Development Bank
CBS	Center Bureau of Statistics
GDP	Gross Domestic Product
GNP	Gross National Product
IME	International Money Express
INGO	International Non-Governmental Organization
MDG	Millennium Development Goals
NGO	Non-Governmental Organization
NLSS	Nepal Living Standard Survey
NRB	Nepal Rastra Bank
PCI	Per Capita Income
SLC	School Leaving Certificate
SN	Serial Number
TV	Television
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Program
USA	United States of America
VDC	Village Development Committee