

**UTILIZATION OF LOCAL DEVELOPMENT FUND IN
MOHOTTARI RURAL MUNICIPALITY**

A Thesis Submitted to the
Department of Rural Development
in Partial Fulfillment of the Requirements for the Degree of
Master of Arts
in
Rural Development

By
ANU JHA
Roll No. 281668
Regd. No.6-1-14-1557-2000

Central Department of Rural Development
Tribhuvan, University
April, 2019

DECLARATION

I hereby declare that the thesis entitled '**Utilization of Local Development Fund in Mohottari Rural Municipality**' submitted to the Central Department of Rural Development, Tribhuvan University, 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.

Anu Jha

Date: 2075-12-13

(27-03-2019)

RECOMMENDATION LETTER

The thesis entitled '**Utilization of Local Development Fund in Mohottari Rural Municipality**' has been prepared by **Anu Jha** under my guidance and supervision. I hereby forward this thesis to the evaluation committee for final evaluation and approval.

.....

Dr. Umesh Acharya

Supervisor

Date: 2075-12-17

(31-03-2019)

APPROVAL LETTER

The thesis entitled **Utilization of Local Development Fund in Mohottari Rural Municipality** submitted by **Anu Jha** in partial fulfillment of the requirements for the Master's Degree (M.A.) in Rural Development has been approved by the evaluation committee.

Evaluation Committee

Prof. Dr. Pushpa Kamal Subedi

Head of Department

Bishnu Bahadur KC

(External Examiner)

Dr. Umesh Acharya

(Supervisor)

Date: 2075-12-21

(04-04-2019)

ACKNOWLEDGEMENTS

I would like to express my sincere gratitude to my encouraging and very caring thesis supervisor, Dr. Umesh Acharya of Central Department of Rural Development, T.U. for his inspiring words which were enough for me to accomplish my work, and still are, will forever be.

Secondly, I would like to extend my sincere gratitude to Prof. Dr. Pushpa Kamal Subedi Head of the Department of Rural Development, Faculty of Humanities and Social Sciences, for his immense cooperation during my proposal defense.

I am equally thankful to all my teachers for providing me with academic support during the academic years.

My special thanks go to my spouses Bal Mukunda Jha, Sunil Chawan and my husband Dependra Jha for their continuous support throughout my study time.

Anu Jha

ABSTRACT

Utilization of Local Development Fund in Mohottari Rural Municipality is representative vision of the reality. Main thrust of the present study is to examine the accessibilities of the budget allocated for the Mohottari Rural Municipality-3. To assess the utilization system of local development grant available in the study areas. To analyze the distribution pattern of the budget for the study area.

The study was made an attempt to describe the thing related to youth such as history of local development; potentiality and constraint of this farming and awareness among the farmer and consumer about this farming was described. Thus, this study was categorized as both descriptive and exploratory.

The collected data was both qualitative and quantitative. Both primary and secondary data sources were used to describe and analyze the study area. The primary data was collected through structured questionnaire. Interview and direct apparition also was applied to collect primary data, whereas secondary data was collected from different published and no published written documents from individuals, experts and organization related to the development sector. The study is mainly based on Mohottari Rural Municipality of Mohottari District. The Rural Municipality includes 3 wards. It is located in Province -2 of Nepal. The study is mainly focused in the budget allocation system of the Rural Municipality, so the study area is Mohottari Rural Municipality and the people living in that Rural Municipality.

Mohottari Rural Municipality is the universe of this study. Purposive sampling is performed while collecting the data from Mohottari Rural Municipality-3. The total population is 4057, 36 respondents were chosen as sample of the study on the basis of simple random sampling method.

Budget allocation is the most sensitive part of the development of the area. At first, central government gives budget to the District Coordination Committee, DCC, distributes budget to every Rural Municipality of district. In the present context, Rural Municipality secretary receives the budget because at this point of time local bodies are defunct con not be active. Secretary calls out village council meeting at the presence of political leader from the neighboring Rural Municipality also use to come to participate in Rural Municipality Council meeting. Teachers, technicians etc also take part in the meeting.

Budget disbursement pattern is most important for Rural Municipality because voice of the people and the ideas from the different group can be heart. Involving people in the meeting could help to know the proper need of the people of the village. Thus such involvement has helped in development of education, drinking water, roads, health, reproductive health, and this development also helps marginalized people to come in front and develop them. Participation of female are very less in this meeting which is a negative part, But female

participation would promote hiding problem of female. This pattern shows that there is a gender bias in the budget distribution system. Looking in the budget of four years, there is a repetition of budget in the same subject not in others which doesn't help in the overall development of the village.

Table of Content

DECLARATION	i
RECOMMENDATION LETTER	ii
APPROVAL LETTER	iii
ACKNOWLEDGEMENTS	iv
ABSTRACT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	ix
ACRONYMS AND ABBREVIATIONS	xi
CHAPTER – I INTRODUCTION	
1.1 Background of the Study	1
1.2 Statement of the Problem	2
1.3 Objectives of Study	3
1.4 Rationale of the Study	3
1.6 Limitation of the Study	5
1.7 Organization of the Study	5
CHAPTER II REVIEW OF LITERATURE	
2.1 Theoretical Review	13
2.2 Empirical Review	14
2.3 Conceptual Framework	14
CHAPTER III RESEARCH METHODOLOGY	
3.1 Rational of the Selection of the Study Areas	16

3.2 Research Design	16
3.3 Nature and Source of Data	17
3.4. Selection of Study Area	17
3.5 Universe and Sampling	18
3.6 Data Collection Tools and Techniques	18
3.6.1 Interview	18
3.6.2 Observation	19
3.7 Method of Data Analysis	19
CHAPTER-IV STUDY AREA AND SETTING	
4.1 Introduction of the Study Areas	20
4.2 Occupation of the Respondents	21
4.3 Qualification of the Respondents	22
4.4 Knowledge about Performance of Rural Municipality	23
4.5 Evaluation of Functioning of Rural Municipality	24
4.6 Evaluation of Budget Allocation System	25
4.7 Core Receiver of the Budget	25
4.8 Proper Utilization of the Budget	30
4.9 Source of Budget	31
4.10 Budget should be distributed in the Various Sector	31
4.11 Opinion about Appropriate Process and Sector about Implementation of Budget	33
4.12 Utilization of Local Development Grant in Mohattari Rural Municipality	33
CHAPTER-V SUMMARY, CONCLUSION AND RECOMMENDATION	
5.1 Summary	45
5.2 Conclusion	46
5.3 Recommendation	47

LIST OF TABLES

S.N		Description	page no.
1. Table no	- 1	Live hood of the respondents	21
2. Table no	- 2	Qualification of the respondents	22
3. Table no	- 3	Evaluation of function of R.M.	24
4. Table no	- 4	Core receiver of the Budget	26
5. Table no	- 5	Implementation of the budget of R.M. type of project	27
6. Table no	- 6	Number of project of R.M. by type of project	29
7. Table no	- 7	Allocation of the budget in various sectors	32
8. Table no	- 8	Budget of fiscal year 2071/072	34
9. Table no	- 8.1	The allocated Budget used to be distributed as	35
10. Table no	- 8.2	Development Budget	36
11. Table no	- 8.3	Fiscal year	37
12. Table no	- 8.4	Administrative budget Fiscal year	38
13. Table no	- 8.5	Development budget	39
14. Table no	- 8.6	Fiscal year 2073/74 Budget	40
15. Table no	- 8.7	Administrative Budget	41
16. Table no	- 8.8	Development Budget	42
17. Table no	- 8.9	development budget	43

ABBREVIATION /ACRONYMS

R.M.	Rural Municipality
NGO	Non Government Organization
INGO	International Non Government Organization
LGCDP	Local Government and community
DP	Development Programme
LDO	Local Development Officer
CDO	Chef Executive Officer
DDC	District Development Committee
ADC	Agriculture Development Committee
SLC	School Leaving Certificate
LDF	Local Development Fund
VDP	Village Development programe/Project
CAC	Community Awareness Centre
WCF	Word Citizen Fund