

ROLE OF REMITTANCE IN RURAL DEVELOPMENT

(A CASE STUDY OF PADAMPUR VDC, CHITWAN DISTRICT)

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By

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Recommendation Letter

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This is to certify that report submitted by Mr. Ashok Acharya entitled **ROLE OF REMITTANCE IN RURAL DEVELOPMENT (A CASE STUDY OF PADAMPUR VDC, CHITWAN DISTRICT)** has been approved by this department in the prescribed format of the Faculty of the Humanities and Social Sciences. This Thesis is forwarded for the evaluation.

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DECLARATION

I hereby declare that the thesis entitled **ROLE OF REMITTANCE IN RURAL DEVELOPMENT (A CASE STUDY OF PADAMPUR VDC, CHITWAN DISTRICT)** 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 acknowledgments to all ideas and information borrowed from different sources in the course of preparing this thesis. The result 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.

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ABSTRACT

This study is based on the role of Remittance in Rural Development- A Case Study of Padampur VDC in Chitwan District. The main objectives of the study are to examine the situation of remittance incoming in Padampur and assess its impact on livelihood in a rural village. The specific objectives of the study are as follows: To find out the trend and composition of remittances in study area, to find out the sources and uses of remittances of people living in this V.D.C., To assess the socio-economic effects of remittances in study area.

This research is a descriptive and exploratory type. The study was conducted from Jan. 2015 to Aug, 2015. This study is mainly based on primary data as well as secondary data. There are 3231 households with a total population of 14,924. Out of these households 78 HHs are selected from random sampling method.

There are many problems in foreign employment sector of Nepal. Lack of proper skill, awareness among the foreign employees, lack of physical, economic and human resources in the Nepalese mission in the destination countries are noticeable problems existed in the foreign sector of Nepal.

Problems in data managing system, proper man grading system of manpower companies, lack of orientation and training to the foreign employees before going abroad have also been obstacles in the sector.

In Padampur VDC, about 948 people are found to have gone abroad for foreign employment, among them 9 percent, that is 78 people are taken as sample from the observation of the selected sample, most (48.7 percent) of total respondents have been found to be aged from 25 years to 30 years. Mostly, literate (42.31 percent). SLC (43.59 percent) level workers have gone abroad for foreign employment. Due to many reasons in their home area, they have left their home

for foreign job. 53.85 percent people have gone abroad due to unemployment problem and other reasons are indebtedness, landlessness, lack of opportunities and conflict. The people who went abroad for foreign job, most of them got contracted job and only 14.10 percent respondent did not get contracted job abroad.

People, are engaged in different types of works in foreign country .Factory worker, care giver, plumber, and driver are main works in which Nepalese workers are engaged abroad. The foreign employees have stayed abroad for no re than one year and less than eight years. People who stayed abroad for long time have earned more income and who don't stay longer due to various problem is have not earned mach money. Many workers' salary was between Rs. 160 0 and Rs 20000. Similarly, most of foreign employees (37.18 percent) save from Rs.10000 to Rs. 14000.

Agriculture is the main occupation of the people of this VDC. Service, business, livestock's, fish pounding and poultry farming are also important sources of family income. Many workers are found to have gone to Gulf countries, in spite of that the greatest number of workers have gone to Malaysia, Gulf countries, Japan, S. Korea, Israel, Oman and Jordan are main destination for foreign employment.

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LIST OF ACRONYMS/ ABBREVIATION

CBS	- Central Bureau of statistics
CEDA	- Central Department for Development Administrator
DDC	- District Development committee
ESCAP	- Economic and Social Commission for Asia and the Pacific
GDP	- Gross Domestic Product
HHS	- Household Survey
MOF	- Ministry of Finance
MOLTM	- Ministry of Local Transport and Management
NLSS	- Nepal Living Standard Survey
NPC	- National Planning Commission
NRB	- Nepal Rastra Bank
PRSP	- Poverty Reduction Strategy Paper
RCC	- Rod Concrete and Cement
UN	- United Nations
US\$	- United States Dollar
VDC	- Village Development Committee
WB	- World Bank