

**IMPACT OF REMITTANCE ON RURAL LIVELIHOOD:
A Case Study of Bardaghat Municipality of Nawalparasi District**

A Thesis

Submitted to:

**Central Department of Rural Development
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By

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DECLARATION

I hereby declare that the work reported in this thesis entitled **Impact of Remittance on Rural Livelihood: A Case Study of Bardaghat Municipality of Nawalparasi District** submitted to Office of the Dean, Faculty of Humanities, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for the degree of Master of Arts Studies (MA) under the supervision of **Lecturer Ramesh Neupane** of Central Department of Rural Development, T.U.

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LETTER OF RECOMMENDATION

The thesis entitled **Impact of Remittance on Rural Livelihood: A Case Study of Bardaghat Municipality of Nawalparasi District** has been prepared by **Pabitra Kafle** under my guidance and supervision. I hereby forward this thesis to the evaluation committee for final evaluation and approval.

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Approval Letter

The thesis entitled **Impact of Remittance on Rural Livelihood: A Case Study of Bardaghat Municipality of Nawalparasi District** submitted by **Pabitra Kafle** in partial fulfilment of the requirements for the Master's Degree (M.A.) in Rural Development has been approved by the evaluation committee.

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ABSTRACT

Nepal has been one of the greatest shareholders of global remittance but the issue is how such flows have been used in the livelihood of before and after receiving remittance at the households. The objective of this study is to identify how remittances impact various socio-economic dimensions of before and after receiving remittance. This study conducts an impact of surveying both before and after receiving remittance households in Bardaghat municipality, of the largest migrant-sending municipality in Nawalparasi District, and analyzes the impact gain resulting from remittance flows and use pattern in the study area.

The research was conducted under 'descriptive research design' to fulfill the objectives of the study area. This study found that the main cause of foreign employment was unemployment. The foreign employment population in Qatar is higher than other countries. Most of the workers of study area were found working in the security guard which constitutes of the total employee population. The study also found out that households receiving money monthly is at the highest percentage. Foreign employment and agriculture is the main source of their income. Income transfer deepens upon availability of means of transfer. It is found that the highest channel for money transfer is money transfer agency.

Money received from foreign employment is found being used in different purposes, different households have their own kinds of necessities and the use of money is also accordingly. The highest use is found to be upon the regular households expenditure, whereas, their uses are upon education, health, construction, loan payment and saving. Education expenditure is further studies to find out which aspect has the highest use of remittance. The study hence finds out that the highest rate of income is spend upon snacks.

Remittance constitutes an integral part of household livelihood strategies. It permits households to income their consumption of local goods and services. Through the study it is found that the structure of the houses have been change after the employment. The

number of cemented houses have been more, as a positive impact of the remittance. Similarly, the income generate after foreign employment, the number of employees who have high income is shown more than before employment. Also, lacking upon the change in assets structure, the study found out that in remittance receiving households, all goods and services are increased in economic condition has also raised awareness in Childs education.

There is good food supply in the surveyed households after remittance, because of the regular income and increased purchasing capacity. The family economic condition is improved. The surveyed households have access to the good and healthy food and they can afford health expenditure. That is why their health condition has been improved after remittance.

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ABBREVIATIONS/ACRONYMS

%	:	Percentage
BS	:	Bikram Sambat
CBS	:	Central Bureau of Statistics
CDRD	:	Central Department of Rural Development
DFID	:	Department for International Development
FARD	:	Food, Agriculture and Rural Development
FDI	:	Foreign Direct Investment
FY	:	Fiscal Year
GDP	:	Gross Domestic Product
GON	:	Government of Nepal
IFAD	:	International Fund of Agricultural Development
IME	:	International Money Exchange
IMF	:	International Money Fond
MBS	:	Master of Business Statistics
MoF	:	Ministry of Finance
NLSS	:	Nepal Living Standard Survey
No.	:	Number
NRB	:	Nepal Rastra Bank
ODA	:	Official Development Assistance
S.N.	:	Serial Number
SAM	:	Social Allocation Matrix

SLA	:	Sustainable Livelihood Approach
SLC	:	School Living Certificate
TU	:	Tribhuvan University
UAE	:	United Arab Emirates
UNCTAD	:	United Nations Conference on Trade and Development
UNDP	:	United Nations Development Programmed
US\$:	United State Dollar
VDC	:	Village Development Committee
WB	:	World Bank

CHAPTER-I

INTRODUCTION

1.1 Background of the Study

Remittance donates household income from foreign economy arising mainly from the temporary or permanent movement of people to those economies. Remittance includes cash and no cash items that flow through formal channels, such as via electronic wire or through informal channels such as money or good carried across border. They largely consists of founds and no cash items sent or given by individual, who have migrated to a new economy and become residents there, and the net compensation of border, seasonal other. Short term worker who are employed in an economy in which they are not resident. Slipcover from the financial crisis were quite serve and had a deleterious effect on developed and energy exporting countries the principle source of immigrant remittance the total quantity of remittances dropped in 2009 for the first time in decades. The World Bank estimated that remittance flows to developing countries reached us\$ 307 billion in 2009, a decline by 5.5 percent in contrast to the (IMF, 2009).

Remittance has proven to be one of the significant international financial flows in recent years. Workers' remittances have overshadowed traditional sources such as official aid and private capital flows (Giuliano and Ruiz- Arranz (2009)) and currently amounts to US \$444 billion (UNCTAD). This amount is nearly three times the amount of official aid and equivalent to foreign direct investment (FDI) flows to developing countries, and the remittance income comprises more than 10 percent of gross domestic product (GDP) in many developing countries (World Bank, 2011). Remittances deserve strategic importance both in macro and micro level. On the macro level, the evidences confirm that remittance happens to be an increasingly important and relatively stable source of external finance for the countries afflicted by economic and political crisis (Kapur, 2003). Such countries regard remittances as one of the most secure and reliable sources of foreign currency than other capital flows such as foreign direct investment and official development assistance. On the micro

level, remittance has become panacea for the marginalized poor people to enhance their livelihood by providing an alternative source of income.

Nepal has also the long tradition of overseas employment which started particularly after the people started migrating to neighboring Indian cities¹. The trend now, however, has shifted and the overseas employment has become one of the attractive options for many leaving the country to work abroad. The argument for the people's interest for foreign jobs, be it in neighboring country or overseas, is attributed to low absorptive capacity of domestic economy caused by the sluggish performance of manufacture and non-manufacture sectors, rapid growth of population and labor force, prolonged political instability, changing attitude of the people in their livelihood, and others. With growing number of people leaving for foreign jobs, the remittance has convincingly become one of the reliable sources of foreign exchange for the Nepalese economy.

Nepal in 2010/11 earned remittance income of NRs 233.0 billion (NRB, Quarterly Economic Bulletin), which amounts to be 17.3 percent of its gross domestic product. This significant share of remittances indicates that any decline in remittance could potentially disturb the functioning of the economy at macro level, particularly in external sector. A total of 2.4 million people went abroad as migrant workers, which is a significant number for its total 26.6 million (Central Bureau of Statistics (CBS), Nepal) people in the country. A majority of them have been to Qatar followed by Malaysia (Department of Foreign Employment, Ministry of Labor and Transportation Management, GoN). A number of villages in rural Nepal have been deserted of young working age individuals, turning the Nepalese economy from rural agro- based economy into the remittance economy. The striking increase in remittances has now dwarfed the foreign aid, which was earlier thought to be a significant source of development finance for the Nepalese economy.

The increased global integration and the enhancement in communication technology have facilitated the movement of labor from one country to another and, as a result, the flow of remittances started growing at a higher pace. While there is a moderate rise in remittances transmitted to developed countries, the remittances sent by migrants to developing countries has witnessed dramatic surge recently. This

happened precisely after 1990s when the migration from developed countries in the North accepted many migrant workers from the poor South.

Remittance is one of the most relevant foreign currencies. On the other words it is the process of sending money to remove an obligation. Nepalese economy depends on the remittance income where as Nepal is one of the most labors exporting countries. Labor force is another main resource of Nepal; Due to the high population growth rate 1.35% (CBS 2011) of Nepal population therefore, its role in the development of all sectors is becoming very important in recent years. But due to the lack of opportunities in our country to get employment and earning money skilled, semi-skilled and unskilled all types of people have shown their inclination to the foreign employment because of these reasons, young generations are attracted towards the foreign employment, which has benefited them by rising their living of social prestige. Nepalese economy depends on the remittance income where as Nepal is one of the most labors exporting countries. The total contribution of remittance income is RS. 359.6 billion In the fiscal year 2012/13 (MOF, 2013).

The volume of remittances to developing countries has been growing significantly, particularly over the last twenty years. The total value of remittances flowing through official channels worldwide more than doubled between 1988 and 1999. Most of these remittances are channeled through unofficial means by undocumented migrants. While there is growing realization of its importance as a source of livelihood and development finance, there has not been much focus on remittances from undocumented migrants.

Within the context of deteriorating economic conditions in Nepal, this study shows the impact of remittances from undocumented migrants on household livelihoods in rural area. While based on a case study of a small municipality in Bardaghat, the study provides material that underscores the significance of remittances from undocumented migrants for household livelihoods and development. The study is a useful addition to the literature on migration, remittances and development, and highly relevant to policy making.

According to the foreign employment department of Nepal, till Fiscal Year 2010 /2011 on an aggregate, nineteen lakh sixty four thousand three hundred eighty three Nepali labors are recorded as migrated for foreign employment. NLSS survey 2008 show that labor force participation rate is 83.4 percent, employment rate is 97.9 percent (CBS, 2008). The trend of foreign employment is increasing. Largest number of Nepali who goes for the foreign employment use to go Malaysia I.e. 33.32 percent of total according to the economy survey 2010/2011. Nepalese economy is extensively becoming dependent on remittance sent by migrant workers. The overseas migration and remittance has become tools to poverty alleviation as well as for improving, the living standard of the people. The contribution of remittance to the income of Nepalese house hold is increasing year by year. According to the NRB, due to increasing trend in foreign employment and the decreasing trend of export, the contribution of remittance is increasing.

No doubt, Remittance is one of main source of income of many Nepali Household. Nepalese economy is heavily dependent on agriculture, with engaging around 73.9 percent of total population of country (MOF, 2010/2011). However cultivation system is traditional and subsistence. On the other hand, growth rate of population is alarmingly high. Moreover industrial development is at its infancy problem is very high. In Nepal the unemployment rate is 2.1percent, while employment rate is 97.9 percent, as given in the Nepal labor survey 2008. The contribution and the agricultural sector's contribution to GDP has changed. According to economic survey 2010/2011 per capital income is increased to us \$ 645 from us \$ 561, which is only due to the increasing trend of remittance income.

1.1.2 Recent Trend of Rural Livelihood

Rural livelihoods play the vital role for national economy. The recent trends of rural livelihood were many changes in the society. Many people go to foreign country because of the no found of good job, less productivity of agriculture land, Unemployment, family conflict and another so on. The rural livelihood changing the dramatically effect by the remittance. It is changing in the various things such as farm households and non-farm activities in rural agrarian setting of Nepal. The food, agriculture and rural development sectors (FARD) have a symbiotic relationship with

development more generally, providing livelihoods for poor people in rural areas, but also contributing foreign exchange, food for the cities, raw materials, a market for industry, and an investible surplus for the country as a whole. By the same token, thinking about FARD has had a symbiotic relationship with wider thinking about development, contributing many ideas about growth, distribution, and poverty reduction, and also receiving many ideas in return. These relationships justify attention to context in a volume dealing with future priorities for research in food, agriculture and rural development. Also changes the living standard, food sufficiency, food habit, health, education and they able to buy them won transportation like motorbike, scoter and car. In addition, NGOs and INGOs increase the awareness level for rural people. They were participated the different activities like capacity building, leadership programmed.

Shifting Trends in Rural Livelihood: A Case Study of Asutifi District. The concept of livelihood is of utmost importance to all development partners particularly the Department for International Development (DFID). A livelihood comprises the capabilities, assets and activities required for a means of living. It is much more than a job as it covers a whole range of things people do to make a living. People employ a diversity of means to help meet basic needs: food crop production; cash crop production; forest and tree product gathering, consumption, processing and sale; and income earning enterprises both on and off the farm at different times and places. Due to the dynamisms in society, people shift from one livelihood activity to the other in order to make a living and this creates the problem of livelihood insecurity (<http://www.slideshare.net>).

1.2 Statement of the Problem

The age of globalization, remittance has become a difficult position of development for any developing country. The developing countries in this age can't even take footpath ahead without external assistance like remittance & foreign aid. Remittance reflects the local labor working in the global economy remittance improves the integration of the countries in the global economy.

According to Sapkota the direct livelihood impact of the remittance is seen about the reduction of poverty alleviation in the present situation by its use in the productive activities even through positive impact seen in the society. By the increasing of remittance income we can see indirectly positive impact such as impact on health, education, gender issues, social participation, politics, women empowerment & cultural and social changes. Remittance increase the households social consumptions patterns & expand the overall economic activities besides the increased number of migration help to rise to local wage rate such a rise in wage rate (Sapkota, 2013).

Issue regarding the use of remitted money and its impact on rural livelihood is very burning one but very few studies were conducted in the past. While observing the past research documents it is seen that most of the studies have not clearly provided information on socio-economic impact in its specific attention, rather a general survey is found.

In my study area many people have gone to foreign employment and earning money. The remittance has contributed remarkably in the promotion of livelihood condition but it has not yet been systematically estimated. Also local media and some research reports concluded that major portion of the remittance is used for meeting household consumption and paying of loans borrowed while going abroad. Only a few people use remittance in directly productive sectors like agriculture, business and manufacturing (CBS, 2011).

Main research question of this study is to find out the socio-economic impact of remittance. No past study has been conducted regarding remittance issues in this VDC. This study mainly attempts to address the following research questions.

- How much remittance is inflow in Bardaghat Municipality 10?
- What is the use pattern in the study area?
- What is the difference in socio-economic characters between the before and after receiving remittance?

1.3 Objectives of the Study

The general objective of the study is to analyze the impact of remittance on rural livelihood in the Bardaghat Municipality, Nawalparasi district. The specific objectives are:

Specific Objectives

- To analyze the status of remittance inflow in the study area.
- To examine the use pattern of remittance in the study area.
- To compare the socio-economic condition of remittance holders before and after receiving remittance.

1.4 Significance of the Study

The role of remittance in rural economy of Nepalese is increasing rapidly. It has been found that remittance income is the backbone for economy. But most of it's part is used an unproductive sector such as house building, land purchasing, business etc. It is necessary to know whether people of the study area only spent on such consumption. Most of the research on macro level has shown that more than 80-90 percent of the remittance income is used on the consumption (Nepal Rastra Bank, 2008). It is sure that the always use remittance income on such sector therefore it is significance to research. The study tries highlighting the use of remittance income use on livelihood of person employed community in Bardaghat Municipality of Nawalparasi District.

If we try to analyze the present manpower of Nepal more than people is migrated for work, but all of them are sending money from there for their family and relatives. So, over the remittance is coming for all over the worked to Nepal where the Nepalese people are migrated. Certainly that amount of remittance is helping Nepalese economy to increase the livelihood level. When the compare between livelihood condition of migrated family and no migrated family, the migrated people's family has increased education level of they are felling very comfortable to fulfill their basic needs for their existence.

But most of the remittance income is used in the unproductive field like house building, land purchasing, purchasing of luxurious goods and consumption etc. Therefore, the remittance increase is not playing its actual role for the development of

the country as well as the increased the education level of the entire country. In this context, it is necessary to know whether people of this area are spending on unproductive fields or some productive field like on education. What portion of total remittance, remittance holder spends on education of their sons and daughter.

However, remittance income is one of the major sources of foreign exchange earning. The significance of the study of remittance and livelihood is very important though. There are various publication & report on Nawalparasi district on various topic but the study of remittance & livelihood is not yet carried out by any of the researches. So this study has become the great significant to analyze and to know the impact of foreign employment remittance & livelihood in the study areas.

This study is important for investigating how the rural livelihood is influenced by the flow of remittance and activities of those who receiving remittance from family member or relatives. Thus, finding of this proposed research helps government or society as a whole in understanding impact and condition of remittance and helps in rethinking and restructuring their existing policy and practices for effectiveness of such program.

1.5 Limitations of the Study

Every study has its own limitation. In the same way this study were not be free from the constraints. We may be guided by some prejudices. We cannot be free from our own assumption towards the lack of sufficient time.

The study is concentrated in Bardaghat Municipality, Nawalparasi district, to analyze the importance of livelihood as well as the amount of remittance income in grassroots level this study is based on sample size of study area. The studies were not cover the research of the whole nation, rather the research area were only Bardaghat municipality ward 10. Research is to be conducted on sample study of 50 houses. The question is to be asked to the people of age 25-60.

1.6 Organization of the Study

This study is classified into five chapters. The first chapter deals with the introduction including background of the study, statement of the problem, significance of the

study, objectives of the study, limitations of the study and organization of the study. In the second chapter of literature review includes. This chapter reviews the related concepts. In addition, the review of the different journals and articles and the past thesis are also presented in this chapter. The third chapter includes research methodology, research design, data collection population and sample size, and the tools used to achieve the objectives of the study are presented. The chapter four includes the presentation and analysis of data. Chapter five were summarizes the whole works with some recommendations and conclusion.

Finally, References and the annexes are presented at the end of the study.

CHAPTER- II

REVIEW OF LITERATURE

In general, review means a looking back on presentation view of survey, as past event of experience so that every scientific research must be based on past knowledge. Ignore previous studies cannot because they provided the foundation for present study. Therefore, this chapter contains review of the relevant literature found by the published book, journal, articles thesis, newspaper, report, websites and previous theoretical and empirical research work which are related to support the present study.

Review of literature is an important part of the research study. It is the process of reading and evaluating the existing literature, it helps to increase the knowledge of the researcher in the area of interest. By means of literature review, the researcher can identify what has been studied in the past, and so on. Depending upon the past study, the researcher can design his study. He always tries to study that thing which has not been studies in the past. Review of literature also helps the researcher to select a particular methodology of the study (Bhattarai, 2005).

2.1. Livelihood Concept

A livelihood refers to their "means of securing the basic necessities -food, water, shelter and clothing- of life". Livelihood is defined as a set of activities, involving securing water, food, fodder, medicine, shelter, clothing and the capacity to acquire above necessities working either individually or as a group by using endowments (both human and material) for meeting the requirements of the self and his/her household on a sustainable basis with dignity. The activities are usually carried out repeatedly (<http://en.wikipedia.org/wiki/Livelihood>).

A livelihood comprises people, their capabilities and their means of living, including food, income and assets. Tangible assets are resources and stores, and intangible assets are claims and access. A livelihood is environmentally sustainable when it maintains or enhances the local and global assets on which livelihoods depend, and has net beneficial effects on other livelihoods. A livelihood is socially sustainable

which can cope with and recover from stress and shocks, and provide for future generations (www.ids.ac.uk).

DFID adapts a version of Chambers Conway's definition of livelihoods: "A livelihood comprises the capabilities, assets and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base" (DFID, 2000).

Livelihood is defined as a securing the basic necessities -food, water, shelter and clothing etc of life. Livelihood is a kind of set of activities, involving securing water, food, medicine, shelter, clothing and the capacity to acquire above necessities working either individually or as a group. The concept of livelihood is an attempt to go beyond the conventional definitions and approaches to poverty eradication. These had been found to be too narrow because they focused only on certain aspects or manifestations of poverty, such as low income, or did not consider other vital aspects of poverty such as vulnerability and social exclusion. It is now recognized that more attention must be paid to the various factors and processes which either constrain or enhance poor people's ability to make a living in an economically, ecologically, and socially sustainable manner (Chamber and Convey, 1991).

A sustainable livelihood is commonly accepted as comprising the capabilities, assets (including both material and social resources) for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base (DFID, 1999).

2.1.1 Rural Livelihood Strategy

Rural Livelihood strategies comprise the range and combination of activities and choices that people make/undertake in order to achieve their livelihood goals. It should be understood as a dynamic process in which people combine activities to meet their various needs at different times. Different members of a household might live and work at different places, temporarily or permanent (DFID, 2000).

Rural Livelihood strategies are direct dependent on asset status and policies, institutions and processes. Hence that poor people compete and that the livelihood strategy of one household might have an impact (positive or negative) on the rural livelihood strategy of another household.

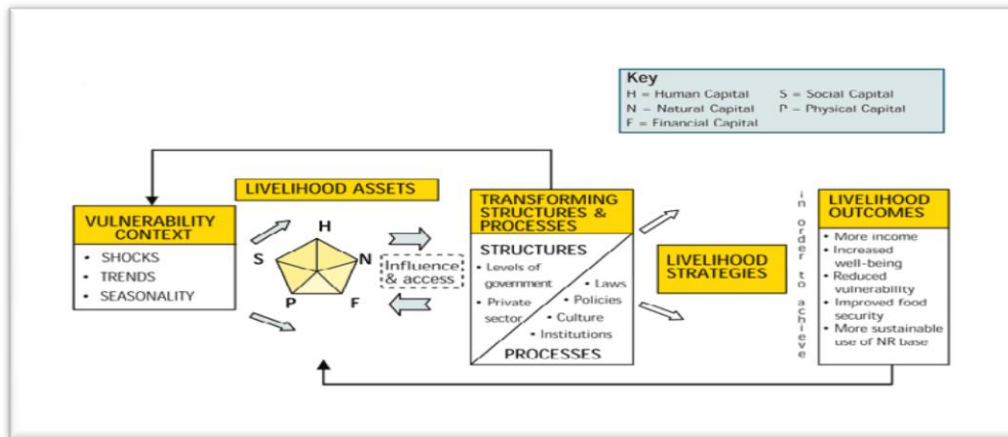
Rural livelihood strategies are often heavily reliant on the natural resource base. For this reason, the IDS research has examined livelihood strategy choices along gradients running from relatively high to low natural resource endowment (IDS, 1996). Such a gradient is also related to the level of risk and uncertainty experienced by resource users, with low natural resource endowment areas being frequently subject to drought, flooding or other natural hazards. But, although such areas may have higher levels of risk relative to income than high resource endowment sites, the absolute income loss if things go wrong in such sites is typically much less, making the potential size of loss, not just the risk of loss is also an important factor differentiating sites along such resource endowment gradients.

2.1.3 Sustainable Livelihood Approach and Analysis

The sustainable livelihoods approach (SLA) is a way to improve understanding of the livelihoods of poor people. It draws on the main factors that affect poor people's livelihoods and the typical relationships between these factors. It can be used in planning new development activities and in assessing the contribution that existing activities have made to sustaining livelihoods (IFAD, 2013).

The livelihoods framework is a tool to improve our understanding of livelihoods, particularly the livelihoods of the poor. It was developed over a period of several months by the Sustainable Rural Livelihoods Advisory Committee, building on earlier work by the Institute of Development Studies (amongst others). This section of the Guidance Sheets provides an introduction to the framework itself. The individual components of the framework are described in more detail in the subsequent sheets in this section. Practical questions and challenges of operationalizing the approach will be covered in following.

Figure 2.1
Sustainable Livelihood Approach and Analysis



Source: DFID, 2000

Elements of the Framework

a) Vulnerability Context

The vulnerability context frames the external environment in which people exist. Critical trends as well as shocks and seasonality, over which people have limited or no control, have a great influence on people's livelihoods and on the wider availability of assets. Not all of the trends and seasonality must be considered as negative. Vulnerability emerges when human beings have to face harmful threat or shock with inadequate capacity to respond effectively. The difference between *risk* and vulnerability is of crucial relevance for assessing causes of poverty. Risk is defined as the likelihood of occurrence of (external) shocks and stresses plus their potential severity, whereas vulnerability is the degree of exposure to risk (hazard, shock) and uncertainty, and the capacity of households or individuals to prevent, mitigate or cope with risk.

b) Livelihood Assets

As the livelihoods approach is concerned first and foremost with people, it seeks to gain an accurate and realistic understanding of people's strengths (here called "assets" or "capitals"). It is crucial to analyze how people attempt to convert these strengths into positive livelihood outcomes. The approach is founded on a belief that people require a range of assets to achieve positive livelihood outcomes. Therefore the SLF

identifies five types of assets or capitals upon which livelihoods are built, namely human capital, social capital, natural capital, physical capital and financial capital.

c) Policies, Institutions and Processes

The importance of policies, institutions and processes cannot be overemphasized, because they operate at all levels, from the household to the international arena, and in all spheres, from the most private to the most public. They effectively determine access (to various types of capital, to livelihood strategies and to decision-making bodies and source of influence), terms of exchange between different types of capitals, and returns to any given livelihood strategy (DFID, 2000).

d) Livelihood Strategies

Livelihood strategies comprise the range and combination of activities and choices that people make/undertake in order to achieve their livelihood goals. It should be understood as a dynamic process in which people combine activities to meet their various needs at different times. Different members of a household might live and work at different places, temporarily or permanent (DFID, 2000).

e) Livelihood Outcomes

Livelihood outcomes are the achievements or outputs of livelihood strategies, such as more income, increased well-being, reduce vulnerability, improved food security and a more sustainable use of natural resources. When thinking about livelihood outcomes, the aims of a particular group as well as the extent to which these are already being achieved has to be understood.

A Sustainable livelihood approach has encouraged to a deeper and critical reflection. The arises in particular from looking at the consequence of development efforts from a local-level perspective, making the links from the micro-level, situated particularities of poor people's livelihood to even international level. Such reflection therefore put into sharp relief the importance of complex institutional and governance arrangements, and the key relationship between livelihood, power and politics.

1.1.1

2.2 Conceptual Overview of Remittance

With the increased emigration of Nepali workers over the past one decade, remittance inflow is a phenomenon that has been receiving attention in the Nepali macroeconomic environment. Apart from eradicating poverty in the Nepali rural areas, remittance inflow has also maintained the balance of payment situation. In addition, Chenery and Strout's (1966) two-gap model shows the importance of remittance inflow in decreasing the foreign exchange gap. In all, the remittance inflow has been a key to the Nepali macroeconomic stability.

Remittance is financial resource flows arising from the border movement of nationals of a country (Kapur, 2004). Remittance come on form of money, assets or informal or non- monetary forms may include clothing, medicine, gifts, dowries, tools and equipment. In recent years, remittance flows rank behind foreign flows of migrant worker remittances were estimated at US\$182 billion in 2004, up 5.7 percent from their level in 2003 and 34.5 percent compared to 2001 (World Bank, 2004). Remittances to Developing countries from overseas resident and nonresident workers exceeded US\$126 billion or 1.8 percent of GDP in 2004 (Ratha, 2005).

In general use remittance is known as the sending of money to someone at a distance. But usually worker remittances have generally been understood as a portion of earnings migrants send from a country other than their own to a relative in their country of origin for the purpose of meeting certain economic and financial obligations. Remittances are earnings from abroad sent to families of immigrants they are also foreign savings like earnings from trade, or foreign investment and aid. Remittance transfers may be domestic or international. Domestic remittances means when there is migration from rural to urban areas within a country and money transferred between them and international remittance is defined as cross-border payments, i.e., send money to their families in their home country. But usually the term remittance is refers to international remittance.

Remittance are not a new phenomenon in the world since several European countries such as Spain, Italy and Ireland have been heavily dependent on remittances received from their emigrants during the 19th and 20th century. In the case of Spain remittance amounted to the 21 percent of all of its current account income in 1946. All those countries created policies on remittances after significant research efforts in the field. For instance, Italy was the first country in the World to enact a law to protect remittances in 1901 while Spain was the first country to sign an international treaty (with Argentina in 1960) to lower the cost of the remittances received.

Remittances have become a very important component of the balance of payment for developing countries in recent years. Remittances have now drawn attention due to their characteristics of stable sources of external finance. There is a growing interest in finding the impact of remittance transfer on the economy of developing countries. Due to relatively small amounts of money sent and marginal social status of both the sender and receiver in the past, the researchers were rarely interested towards this subject. However, within the last two decades, economists and international financial institutions have become increasingly interested in this sector (NRB, 2007).

The Penguin Dictionary of Economics defines remittance as a useful source of income of developing countries, through the loss particularly of skill workers, which is remitted by emigrants. Remittances are transfers of money by foreign workers to their home countries. Remittance transfers means to transfer money from an individual usually a person who has migrated from his country of origin to another individual, usually a relative who remains at home. Generally remittance transfers can be divided into two basic categories- domestic and international. Domestic remittance transfers are, when an individual sent money within the country and an international remittance transfer means to send money to migrant's home country from host country that is, country of destination. Migrant transfers are the net worth of migrants that are transferred from one country to another country at the time of migration (for a period of at least one year) (World Bank, 2008).

Capital inflow from the external economy provides a great buffer to the economy. It stimulates the economy, and when invested, also leads to the employment generation (Salman, 2011). However, academics have raised concern on the importance of as

well as methods of channelizing those funds for productive investment purposes (Pant, 2011).

Relating the remittance inflow to the Nepali economic development, scope is significant in the infrastructure sector. In (Aschauer, 1988), the importance of infrastructure investment is highlighted, and non-military investment by the government has an integral contribution to the economic growth and productivity improvement. Then (Acharya, 2003) discusses the link between infrastructure development and socio-economic development. It also highlights the current trend of external financing through Official Development Assistance (ODA), which brings our discussion of remittance being the potential mode of financing.

1.1.2

1.1.3 2.2.1 The Remittance and Nepalese Economy

Nepalese economy is largely based on agriculture, however, the large number of people leaving for foreign employment has been significantly increased due to incredible number of unemployment, poor development of industrial sectors, low level of salary and earnings, lack of business environment and so-on. Millions of youth are compelled to heading for overseas seeking employment due to failure in creating employment opportunities within the country. Statistics for the last three years shows on average 250,000 people leaving the country annually for foreign employment and the number is on rise. Although foreign employment remains a major source of foreign currency for the country, in the long-run it could fall in the remittance trap. It is another challenge of engaging the youths in the nation's development by creating employment opportunity within the country itself (Economic Survey, 2010/11).

Nepal has been experiencing continuous growth in remittance inflow since last few years and as a result its disposable income has continued to rise as well. The country's economy is gradually becoming consumption oriented due to remittance income and other factors thereby causing hopeless plunge in savings and investment rates. Consumption to GDP that stood at 88.3 percent in FY 2000/01 has gone up to 93.3

percent by FY 2010/11. As a result, the rate of domestic savings has come down to 6.7 percent from 11.7 percent during this period. Consumption oriented economy naturally leads to dependency resulting in the dearth of resource for investment. Hence, it is another challenge of creating the foundation for economic growth through enhancement of saving and investment levels by discouraging unnecessary consumption (Economic Survey, 2010/11).

Remittance income in developing countries has become a lifeline for economic development. By remittance we mean sending income in terms of money or goods in home by the migrants or workers who have their earnings outside their home country. Now a day, this source of foreign income has been growing rapidly in each year in developing countries. Since long time in Nepal, many migrants have been transferring their income through the unofficial channels. Today due to the establishment of different agencies like Western Union, International Money Express (IME) etc. in several district headquarters of the country, the remittance flows has become popular for transferring cash or money in time to the recipients. However, it is difficult to calculate the exact size of remittance flows in Nepal due to the emergence of unofficial channels even though it has recorded in balance of payments account. In this regard, it is estimated that unrecorded flows through informal channels are believed to be more than 50 percent of the recorded flows in developing countries (Ratha, 2005).

The remittance income in Nepal was Rs. 204.3 million in 1974 and Rs. 809.1 million in 1985. It was drastically increased from Rs. 12,662.3 million in 1999 to Rs. 47,216.1 million in 2000. The remittance income remained below Rs.50, 000 million till the 2001. The trend of remittance income has dramatically increased over the recent decades till 2009 but sharply fell in 2010. The remittance and its contribution on national economy can be measured with remittance to GDP ratio. The contribution of remittances to the GDP has been ranging through 11% to 23% during the period of 2000/O1 to 2010/11. The remittance to GDP ratio was higher in 2008/09 (23.06%) but sharply decreased in 2010/ 11(11.81%). This ratio is relatively higher as compared to other South Asian countries. The 28% share of remittance in GDP period of 2014 and 1400 people leave country for overseas jobs over 527,000 in 2013/14(UNDP

Nepal Annual Report, 2014).

2.3 Empirical Review on Remittance

Amuedo-Dorantes and Pozo (2006) concluded that the increased remittance in receiving country provide a cushion for income risk for receiving migrants. An increasing number of studies indicate that economic and currency crises in origin countries tend to increase remittance transfers corroborating the idea that remittances serve to spread income risks and smooth consumption (Blue, 2004). Edelman et al. (1988) used a social allocation matrix (SAM) approach for a rural village in Mexico and found that there is a significant role of remittances from both domestic and international migration to affect economic activities in the village.

Bhadra (2007) observed the mixed impacts on the children of migrant mothers in Nepal: positive impacts were seen on the opportunities for education, health care and lifestyle but decline psychology of their children as their mothers apart for a long time. By being able to earn an income, support the family financially and have the freedom of financial decision-making, traveling to foreign countries with new experiences, seeing new places, and meeting with people from different parts of the world and interacting with them brings the feeling of independence and confidence for the migrants and this effect impart to their immediate family as well.

Ghimire (2007) his thesis concludes that – However, plan and policies seem good but the remittance are still transferred less by formal channels. The diversion in to productive sector has not been materialized according to desire of Tenth plan. It has only reduced the debt liability of a family of migrant workers.

Hass (2007) shows, the productive use of remittances has been the matter of concern. While the direct economy impact of remittances to alleviate poverty is not much controversial, the non-pecuniary consequences of remittances, such as impact on health, education, gender issues, social participation, politics, women empowerment and cultural and social changes in origin societies have been still under- plough areas. Apparently, for instance, the increase income resulting from remittance inflow urges households to reconsider their decision on health and education expenditure. In

addition the increase in household consumption resulting from remittance income, provided that they occur locally, can transmit positive impact to other household in the community through increase economic activities. Besides the increase number of migration help raise local wage rate leading to the direct benefit to the people stay behind in the community.

Pant (2008) has stated that remittances are important financial resources to the receiving countries at the micro and macro level. They increase both the income of recipient and foreign exchange reserve the recipient's countries. Mostly remittances are used for basic subsistence needs and for daily needs such as food, clothing and housing. These three components make up a significant portion of the income of the recipients household. At an individual level remittance increases the income & reduces the poverty of the recipient's. Generally in the developing countries only a small percentage of remittances are used for saving and used as productive investment such as income and employment generate activities as buying land or tools, starting a business and other activities. However the money spent on better education of the children and health is believed to have a favorable effect on growth which tends to help in output production. At the macro-economic level remittance provide significant sources of foreign currency and contribution to the balance of payment. Internal & external employment have contributed to collect remittance which helps to fulfill the basic needs besides secondary needs such as expansion of communication services increase in income generative activities and increase the employment opportunities.

Tandulkar (2010) the study "*Impact of Remittance in Developing Countries: A Study of its Effect on Nepalese Economy*" submitted to the Shankar Dev Campus faculty of Management, TU for Partial fulfillment of MBS. The main objective of the study was to point out the situation of migration and foreign employment of Nepal. And the specific objectives of this study are evaluating the effect of remittance on developing countries, to study about both micro and macro-economic implication of the inward remittance and its contribution of the Nepalese economy.

Dhakal (2013) conducted a study on “*Inward Remittance and its Impact on Education*” with major objective of exploring the contribution made by remittance income to economic development.

The other specific objectives of this study are as follows:

- To examine the sources and volume of remittance inflow at the household level in the study area
- To find out the use of remittance income at household level in the study area.
- To assess the impact of remittance income on education in study area.

The major findings of the study are:

- The study shows that almost were engage in foreign employment but not only that, rather they involve in various sector
- It was found that maximum remittance receiving from abroad were use in land in this study area.
- The study shows that the main causes to seek foreign employment are job not found in country and to earn high amount of money.

Kshetry (2014) has shown the social cost and benefit of remittance in Nepal. According to him, Remittances are especially important for low-income countries. A remittance transaction is completed in three steps. In the first step, the sender pays the remittance to the sending agent or institution using cash, cheque or money order or debit card using e-commerce and so on. In second step the sending agency instructs its agent in the recipients' country to deliver the remittance. In the third step, the paying agent or union operator makes the payments beneficially. Formal remittances are periodically followed between sending agents and paying agents according to their agreed schedules. However, informal remittances are settled particularly through goods trade. The cost of remittance transaction includes a fee charged by the sending agent, who is paid by the sender and a currency conversion fee for delivery of local currency to the beneficiary in recipient country in such transaction, money transfer operates require the beneficiary to pay a fee to collect remittances. This fee may be charged to account for frequent exchange rate movements. They may earn an indirect

fee in the form of interest by investing funds before delivering the amount of beneficiary.

Shrestha (2015) conducted a study on “*Foreign Employment and Inward Remittance in Nepal*” with major objective of economic impact of the foreign employment and inward remittance contribution made by remittance income to economic development.

The major objectives of this study are as follows:

- To study the nature and possibility of investment opportunities for families receiving the remittances from abroad and also study about the employment opportunities for Nepalese returning back home from abroad.
- To study both the micro and macro economic implications of the inward remittances and its contribution in our Gross Domestic Products (GDP)
- To identify key problems facing the foreign employment industry in Nepal and make suggestions so as to improve it for the betterment of Nepalese going abroad for foreign employment.

The Major Findings of the Study are:

- Characteristics of Labour Migration Trend
- Motives behind Labour Migration
- Benefiting Factors of International Labour Migration
- Problems of Labour Migrants in Home Country and the Country of Destination
- Problems in Government and Policy Level
- The Remittance Network

This study concluded that remittance have indirect impact on economy growth through human capital development and the lack of capital constraints, Its direct impact is nil, where poverty is concern remittances seems to have direct impact on livelihood and poverty reduction through the direct increase in the economy of the poor, thus smoothening household consumption and eating capital constraints.

The aim of the paper is to study the impact of remittances on livelihood spending in recipient countries. We build a simple theoretical framework where government intervention in livelihood is motivated by the incidence of credit constraints. On the one hand, an increase in remittances relaxes liquidity constraints, which implies a shift from public to private spending. On the other hand, remittances may allow households to send children to school rather than to the labor market. This implies an increase in the demand for livelihood services. In the empirical section we find empirical confirmation of an inverted-U relationship: For small (large) amounts of remittances, an increase in remittances raises (lowers) public education spending. (http://cream-migration.org/files/Dustmann_and_Speciale.pdf).

CHAPTER - III

RESEARCH METHODOLOGY

3.1 Research Design

The research design is an organized approach and not a collection of loose, unrelated parts. It is an integrated system that guide the researcher in formulating, implementing and controlling the study. Useful research design can produce the answers to the proposed research questions. The research design is thus an integrated frame that guides the researcher in planning and executing the research works so this research study were followed both descriptive as well as analytical research design.

Descriptive research designs were used in the study. The research was aimed at describing the condition of remittance use and its impact based on information collected using field survey.

3.2 Rational for the Selection of Study Area

As remittance significantly affects the livelihood of Bardaghat municipality of Nawalparasi districts, where most of the youth from this municipality were going foreign countries in search of job opportunities. This study area is focused on ward no. 10. Many people from these wards have gone abroad in search of good job. Most of them were sending money to their family, relatives to buy their daily consumption goods, investing in child education and many few in creating small enterprise or business. The rural livelihood of this municipality greatly influenced and depended upon remittance.

3.3 Nature and Source of Data

The nature of data were both qualitative and quantitative. This Study were based on primary source of information. Interview was the main tool gather primary information with the help of questionnaire. Some interviews were held via skype, face book & E-mail. This was the main component of the study & some data were derived from secondary sources which are both published as well as unpublished like journals, books, magazines & others.

3.4 Universe, Sample and Sampling Procedure

In order to gain information on multiple dimensions of socio-economic aspects of the households of both before and after receiving remittance. For data collection Bardaghat, ward no. 10 was purposively selected for the purpose of study because in the ward no. 10 the number of foreign employee is more than in other wards. From the study, it was found that about 399 households are receiving remittance in the study area (Urban and Rural Awareness Society, 2073) which is the universe of the study.

3.5 Data Collection Techniques and Tools

The structured and unstructured questionnaire, interview method were applied to generate the primary data. The information on secondary sources of data were received from books, journals, articles and newspaper.

3.5.1 Household Survey

Household survey were conducted as technique for which structured questionnaire were developed as tool. These questionnaires mainly included remittance inflow in the study area, using pattern of remittance and socio-economic condition of remittance holders before and after. The format of the questionnaire is in annex I.

3.5.2 Key Informant Interview

This study were conducted by descriptive method. For the realistic data key informant interview were conducted with three educated persons. They are working at banking and teaching at school. The format of the Key Informants Interview is in annex II.

3.5.3 Case Study

In the study altogether four case studies in the related matter many case studies has been included. They are attached in the annex III, IV, V and VI.

3.6 Data Processing and Analysis

Collected data had systematically processed through the various tools and techniques. The quantitative were subjected to editing, tabulation classification prior to analysis. All data processing and analysis were done by Excel and MS word. For the purpose of data analysis statistical methods were adopted where bar diagram, pie- chart,

histogram, frequency curve etc. were presented. To analysis the quantitative data statistical tools were used as per the nature of data.

CHAPTER- IV

PRESENTATION AND ANALYSIS OF DATA

The collected data and information edited classified and tabulated in presented form for data analysis. The chapter has been organized as:

- 4.1 Background of Study Area
- 4.2 Socio- economic Information of Respondent
- 4.3 Status of Remittance Inflow
- 4.4 Remittance use Pattern
- 4.5 Comparison of socio-economic condition

4.1 Background of the Study Area

Nawalparasi district, a part of Lumbini zone is one of the seventy five districts of Nepal and Nepal as land-locked country of south Asia. Parasi is district headquarters of Nawalparasi district. Its altitude ranges from 100m-1936m above sea level. Nawalparasi district is surrounded; in the east lies Narayani River and Chitwan, in the south Narayani River, in the west lies Uttar Pradesh of Bihar India, and in the north Rupandehi and Palpa districts. Nawalparasi district contains the mid-point of Nepal's east-west highway (Mahendra highway). The total area of Nawalparasi district is 2016.15 sq km of the country. Density of the population is 294 people per sq km in 2011.

Bardaghat is one of the Municipality in Nawalparasi district located in the Lumbini Zone of Southern Nepal. It has surrounded by Tilakpur VDC in the east, Ramgram Municipality in the south, Sunwol Municipality in the west and Dhurkot VDC in the north. It is located about mid-point of Mahendra highway. The major ethnic groups of this municipality are Brahmin, Chhetry, Tharu, Magar, and Dalits. The major occupation of the people of this municipality is agriculture. The main crops of the municipality are maize, millet, paddy, mustard, potato, White-mustard, Banana,

Sugarcane, Cauliflower, Cabbage, Carrot etc. and buffalo cow, goat, pig, poultry farm etc. are the major domestic animals.

4.2 Socio-economic Information of Respondent

4.2.1 Age and Sex Structure

It is true fact the age of the remittance largely influence the remittance use pattern the age of migration of the respondent was collected which has been presented in the following table 4.1.

Table 4.1 Age and Sex Group

Age	Sex				Total
	Male	Percentage	Female	Percentage	Total Percentage
Below 20	-	-	-	-	-
20 -30	4	23.52	9	27.3	26
30-40	1	5.9	14	42.4	30
40-50	3	17.647	8	24.24	22
50-60	6	35.29	1	3.03	14
Above 60	3	17.647	1	3.03	8
Total	17	100	33	100	100

Source: Field Survey 2016

According to the table, the highest proportion of male is in the 51-60 age group (35.29) and highest female proportion in age group 31-40 (42.4).

The table indicates that the female population is high and male population is low among the age group of 31-40 proportion in the study area. Because most of the males go to foreign country only females are left here. That is the reason of why male ratio is high in this age group.

4.2.2 Education Status on the basis of Sex

Many of the people are literature in the surveyed area and males are found to be literature more than the women. The education level of the surveyed households is shown below:

Table 4.2 Education Status of Household Population on the basis of Sex

Particular	Male	Female	Total	Percentage
Illiterate	2	13	15	5.33
Literate	135	131	266	94.67
Total	137	144	281	100
of Literate				
Under SLC	63	67	130	46.26
SLC	14	6	20	7.11
+2	19	16	35	12.45
Bachelor	10	13	23	8.18
Master Degree	4	9	13	4.62
Total	135	131	281	100

Source: Field Survey, 2016

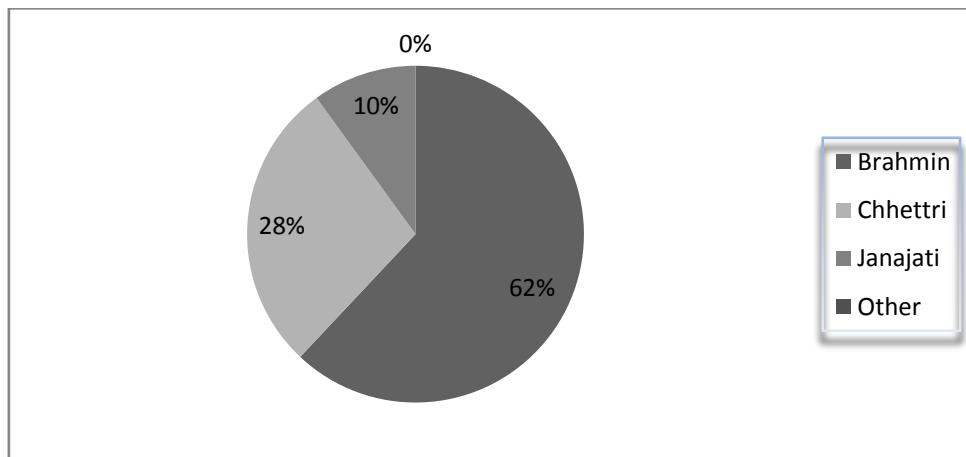
Above table 4.2 shows the educational status of the study area 5.33 percent of the total population were found illiterate. Educated populations with Literate were found 94.67 percentage which is excellent percentage of the education status of household population. . Out of total sample population, under SLC holders were found 46.26 percent. SLC holders were found 7.11. At the same time +2 students found 12.45 percentage, Bachelor holders population were found 8.18 and higher education holder were found 4.62 percentage. However, the male and female population are higher in under SLC section. The data shows the facts that parents and younger peoples percentage are not increased on the education.

The percentage of the under SLC respondents is at the highest only became of their poor economic background. Because of being poor they can not continue their study. They have to work for income. Females are limited to the household activities. So female literature percentage is low in study area.

4.2.3 Caste/ Ethnicity

The population of Bardaghat ward no. 10 consists of the various caste/ethnic groups. Similarly, among the respondents various caste /ethnic groups are observed.

Figure 4.1 Distribution of Household by Caste Group



Source: Field Survey, 2016

Figure 4.1 shows that Brahmin community constituted the largest group in the sample area. This group comprised about 62 percent of the total population. Similarly, Chhettri are 28 percent followed by, Janajati 10 percent of the total population.

The reason seems to be related to the economic condition and social status of the surveyed households. Generally, Brahmins, Chhettries are socially and economically forward than other castes in our Nepali society. It needs money even going for foreign employment and they are aware of the opportunity for economic gain. That is why above figure illustrates the highest percentage of Bramins and Chhettries respectively in foreign employment.

4.2.4 Occupation Status

The surveyed households have been involved in different occupations. What occupation people engage in depends on their interest and sometimes it is obligatory. The following Table shows occupational status of respondent in the study area.

Table 4.3 Major Occupation of Household Level

Major Occupation	No. of Respondent	Percentage
Job	1	2
Business	7	14
Agriculture	22	44
Livestock	1	2
Wage Labour	0	0
Unemployment	5	10
Housewife	10	10
Foreign employment	-	10
Other	4	8
Total	50	100

Source: Field Survey, 2016

Above table only categorizes to total population into categories which is significant because maximum population of the study area is based on Housewife and agriculture. In 44 percent households have agriculture and 10 percent households have housewife. This table also shows that the 14 percent household were depended on Business occupation and 10 percentage households dependent on foreign employment.

The households in the surveyed area belong to middle class and below. Agriculture is the main occupation for them in context of Nepal. And because of lack of necessary education many of the women are housewife. So above table shows the highest percentage of the households involved in agriculture.

4.2.5 Different Religion

Practice of religion has greater role to shape the life of every people. Nepal is a Hindu religion dominated country. Now this country has declared secular for religion but majority of people are Hindu. Latest census shows that around 80 percent of the Nepalese people follow Hindu Religion (CBS, 2012). In this study area, most of the people are Brahmin, Chhetri, Dalit and Janajati groups. All groups are following Hindu religion.

Table 4.4 Different Religion

Religion	No. of Households	Percentage
Hindu	49	98
Buddhist	-	-
Kirat	-	-
Muslim	-	-
Christian	1	2
Others	-	-
Total	50	100

Source: Field Survey, 2016

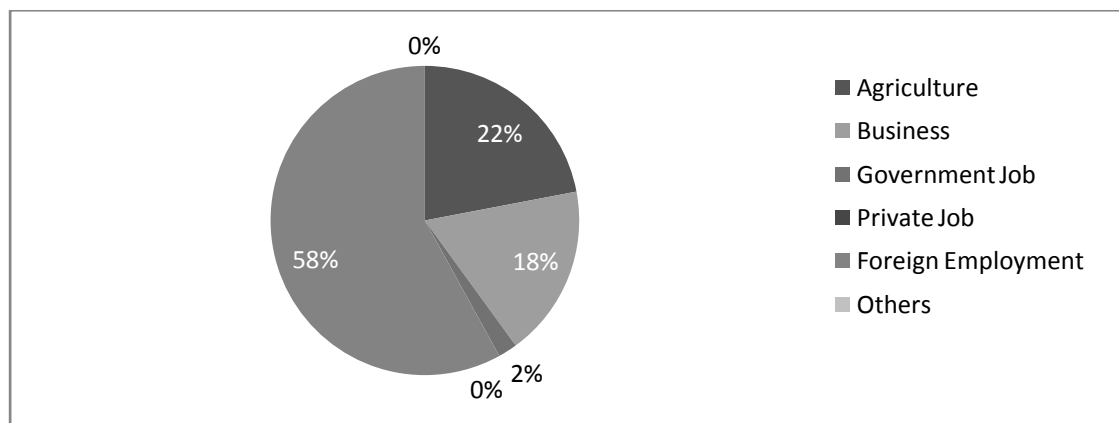
Above the table 4.4 shows that the 98 percentage sample household were Hindu and only 2 percentage households are Christian. However, others like Kirat, Muslim and others were 0 percentage are there.

Though religion is matter of individual choice caste greatly determines the religion of a person. The highest number of Brahmin and chhetries in the survey area has determined the religion of the households in the surveyed area.

4.2.6 Source of Income

Incomes play a significant role in all area. Because income is the major source of household level. So, income categories the different level such as Agriculture, Business, Government, Private job, Foreign employment and others.

Figure 4.2 Source of Income



Source: Field Survey, 2016

The above figure 4.2 shows that the difference types of income in the research area. Foreign employments were highest 58 percentage income at the sample household.

Because all people were go to foreign country get a amount that's why it is the highest of other income. Agriculture second highest (22) percentage of income at the study area. Most of the people were used to agriculture sector and eat organic food. Business (18%) and government job (2%) also another income source in the study area.

The table indicates that the foreign employment is highest source of income in the study area. Because most of the young people goes to abroad for earning money. Nepal is agriculture countries but most of the land is moorland that's why only 22 percent households depend on agriculture.

4.2.7 Causes of Motivation to go Abroad

There are various causes for going abroad for employment in the Nepalese context. Some major causes are lower living standard, insufficiency of food, cloth and lower quality of housing, insecurity and unemployment, landlessness and ineffective education system. Table 4.6 shows the frequency distribution of important causes of migration found in the study area.

Table 4.5 Causes of Motivation to go Abroad

Causes	No. of Households	Percentage
Landless	8	16
Social Conflicts	-	-
Indebtedness	-	-
Unemployment	21	42
Family Conflict	17	34
Lack of Facilities	4	8
Others	-	-
Total	50	100

Source: Field Survey, 2016

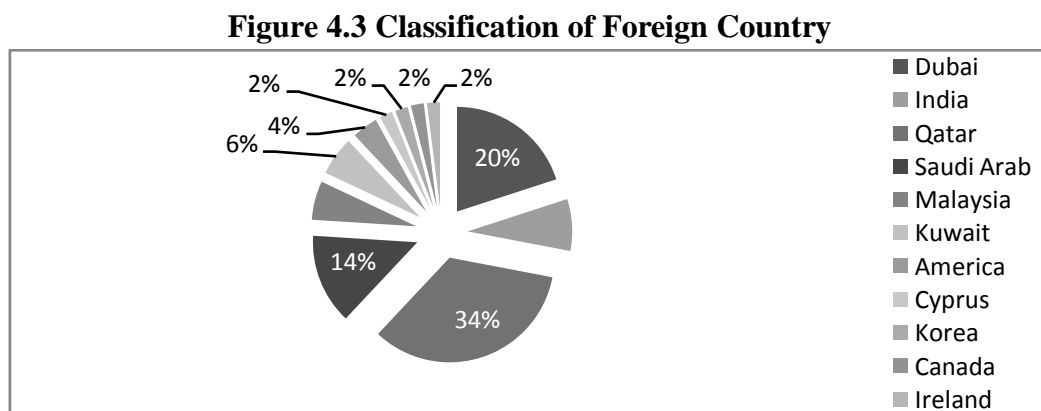
Table 4.5 shows that 42 percentage people are going abroad due to the unemployment in the study area while 34 percent youth are going abroad due to the family conflict in research area while 16 percent are due to the landlessness and 8, percentage are due to the lack of facilities respectively.

Family conflict arises from different reasons such as unemployment, loans, lack of household expenditure, no land for agricultural products, etc. Hence, in short, lack of economy is the main cause for family conflict due to which people migrate to abroad

in the hope of improvement in economic conditions of the family. Similarly, unemployment is the major factor for migration of people in abroad employment. In the modern society due to increase in factories and different productive sectors, no skill and no education means no employment, i.e. if you are uneducated then you have no job which results for unemployment. Unemployment results in lack of economy. Hence, there remains no way instead going to abroad. That's why, unemployment is the major reason for highest rate of labor migration.

4.2.8 Destination of Foreign Employment

The number of population migrated from study area in Gulf countries like Malaysia, Saudi Arab, Qatar, UAE (Dubai) etc. as working labour to cope with their family's daily expenses.



Source: Field Survey, 2016

Above figure shows that the foreign employment population in Qatar is higher (34 percent) than other countries. Those who employees in European countries were for studies and from riches household, mainly from such family whose parents can afford high amount for abroad study. But in these studies area most of the people go to labour visa and only few people go to European country for studies.

The employment trend is related to skill, economic condition and access of the people. The surveyed households are non-skilled in majority and no easy access to highly paid jobs in advanced countries. They can not pay high amount of money and have not access for the American and European countries. So the best alternatives for them are mainly Saudi, Malaysia and Dubai for employment as shown in the

above figure.

4.3 Status of Remittance Inflow

Remittances can generate a positive effect on the economy through various channels such as savings, investment, growth, consumption, and poverty and income distribution. Workers' remittances flow in as a component of foreign savings and as such complements national savings by increasing the total pool of resources available for investment. Remittances constitute an integral part of household livelihood strategies. They make a direct contribution to raising household income, while broadening the opportunities to increase income. They also permit households to increase their consumption of local goods and services.

4.3.1 Types of Job

Since, Nepalese workers were found doing low level of work in the foreign countries. Most of them get employment in manual jobs like salesman, cooking, house made, labour security, driving and manufacturing works. Most of the workers found just able to get jobs in construction. In this study area respondents were asked what kinds of job do your family members get in foreign countries. The respondents had given the responses presented in the following table:

Table 4.6 Type of Job

Job Type	No. of Respondent	Percentage
Factory Worker	9	18
Driver	5	10
Housemaid	-	-
Security Guard	6	32
Labor	9	18
Cook Man	5	10
Other	16	12
Total	50	100

Source: Field Survey, 2016

Table 4.6 shows that most of the workers were found working in the security guard which 32 percent of the total employee population. The second most employed area found factory worker and labour in which 18 percent employee were working. Out of total, 12 percent employee were working in the field of other area such as beauty

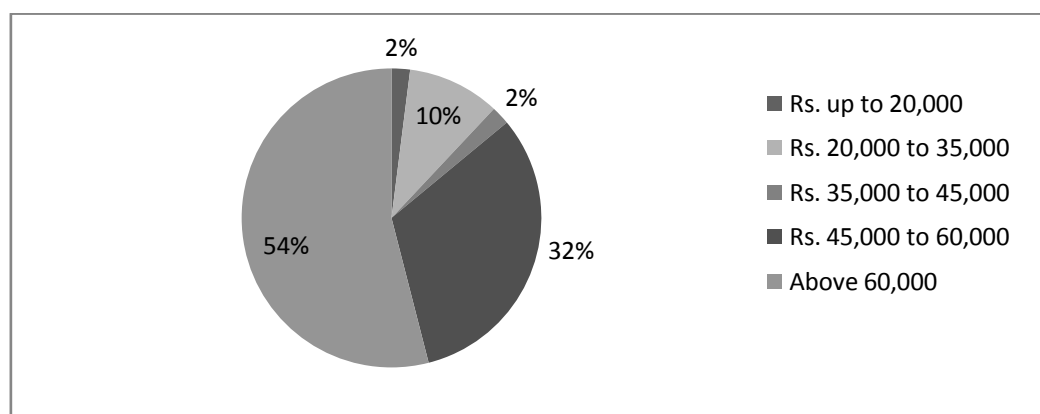
parlor, Airhostess, next 10 percent were working in cook man and driving. This table further indicates that the need of skill for the persons who want to go foreign employment was essential especially to get higher rate of remittance.

Most of the people are engaged in security guard jobs. The reason behind the involvement of people in highest rate in this profession for abroad employment is that this is the only profession for abroad that needs no training in general as well as no experience, rather only being literate and able to deal with people is must for the job.

4.3.2 Monthly Income of Employee

Income is one of the most important factors and can play a significant role for taking decision to employee. Income gives the higher social status in our society. So, those people are taking decision to foreign employment whose income is lower than other members of the society. In Nepalese context, the major occupation is agriculture and it is seasonal occupation. So, many people are seasonally employed. Directly, it can be seen that people are taking decision for foreign employment because of unemployment and low income. The income of foreign employment going abroad is shown in figure 4.4.

Figure 4.4 Monthly Income of Foreign Employee



Source: Field Survey, 2016

Above figure 4.4 shows that, among the foreign employment about 54 percent (highest percentile) earn income between the ranges Rs. above 60,000 per month. Similarly, 32 percent earned income Rs.45000-60,000 per month. However, 10 percent employee earned income Rs.20, 000 to 25000 per month. Additionally, only 2 and 2 percentage employee gets income rank between up 20,000 and 20,000-35,000

per month. At last, the table clearly shows that the highest 54 percent foreign employment were earning above 60,000 per month.

Similarly, the table indicates that the income of remittance in the surveyed households increased day by day. The workers go in different type of jobs such as security guard, factory worker, cook man etc. These type of jobs' salaries are good for employees. Most of the people earn money in monthly above 60,000 (54%) that is good for employee.

4.3.3 Amount of Remittance

From the surveyed households, people have gone to the different countries for employment. They have different level of income. Since they are employed for different jobs they earn different level of salary as per their jobs which is shown in the table below.

Table 4.7 Amount of Remittance

Monthly Send Money	No. of Respondent	Percentage
Below 10,000	1	2
15,000 to 20,000	-	-
20,000 to 25,000	2	4
25,000 to 30,000	5	10
Above 30,000	42	84
Total	50	100

Source: Field Survey, 2016

Above table 4.7 shows that, among the foreign employment about 84 percent (highest percentile) sending money between the ranges above 30,000 per month. Similarly, 10 percent employee sending Rs.25000-30,000 per month. However, 4 percent employee transfer money Rs.10, 000 to 15000 per month. Additionally, only 2 percent employee send money rank between Rs. 10,000-15000 per month. At last, the table clearly shows that the highest 84 percent foreign employment were sending money (above 30,000) per month respectively.

The workers from the surveyed households have gone for medium level of salary income jobs. That is why their income is also medium level .Because of this reason the percentage of employees who send more than thirty thousand per month is higher than other category of employees.

4.3.4 Remittance Receiver

The money sent by the employees is at home. The remittance receivers are not the same. In the surveyed households there are different remittance receivers which is shown in the table below.

Table 4.8 Remittance Receiver

Money Receiver	No. of Respondent	Percentage
Parents	22	44
Wife	27	54
Husband	1	2
Others	-	-
Total	50	100

Source: Field Survey, 2016

The table 4.8 shows that, actually the who work abroad out of the country. Mainly, high score receiver amount of wife (54 %) percent because the who get marry they have necessary to do work abroad take care them family. Because the parents receiving second highest amount of (44%) percent the unmarried person still many people are students. Somehow some of the people looking family background they have to take care for them parents. So, they were want to go collage but the family reason necessary to go abroad.

That is the reason the parents receiving that amount. While husband receiving the least amount (2) percent because the husband they doing injuring and some of the husband they are unqualified. That is the reason they are not able to find the opportunity abroad. And their wife more qualified then husband and if they are work in country still they receiving small amount. And they have to maintenance whole family including husband. So, they will decide to go abroad. That the reason husband were receiving the her benefits.

4.3.5 Frequency of Remittance Inflow

Most of the people go to abroad for earning money. The survey shows the following frequency of receiving remittance:

Table 4.9 Frequency of Remittance Inflow

Time Period	No. of Respondent	Percent
Monthly	41	82
Bio-monthly	9	18
Quarterly	0	0
Half Yearly	0	0
Yearly	0	0
Total	50	100

Source: Field Survey, 2016

Above table 4.9 shows that among the household 82 percentage receiving remittance in monthly. Other households 18 percent receiving remittance in Bi-monthly. Otherwise don't send money timely.

The table above shows that the households receiving money monthly is at the highest percentage. It is because the households have poor economic background. Foreign employment is the only source of their income. To run the family smoothly the employees need to send money regularly every month.

4.3.6 Source of Receiving Remittance

Income transfer depends upon availability of means of transfer and facilities, their reliability and awareness of users about the system. The channels are categorized into five different heading such as banking, Hundi, relatives /friend, brought with yourself and money transfer agencies. To find out the channels used by sample population in the study area, collected data has shown by table 4.10.

Table 4.10 Source of Receiving Remittance

Medium	No. of Respondent	Percent
Bank	12	24
Hundi	7	14
Relatives / Friends	6	12
Brought with yourself	-	-
Money transfer Agency	25	50
Total	50	100

Source: Field Survey, 2016

Above table shows that most of the household were found receiving through of official channels. Most of the remittance receiving household remittance from money

transfer agencies which is 50 percent. 24 percent of total remit income were found remitted from Bank. 14 percent of total income were found remitted from Hundi. Similarly, 12 percent of their remittance income were found from relatives. But 0 percentage of total remit income were found remitted from brought with yourself respectively.

Money transfer agencies are easy, fast, reliable and they are in access to everyone. They are available easily. It is found that Bank is also used for sending remittance / money it is because the reliability channels are also working which good for the government revenue.

4.4 Use Pattern of Remittance

4.4.1 Household Expenditure Patterns on Various Goods

It is found that the surveyed households have used the money received from foreign employment in different purposes. Different households have their own kinds of necessities and the use of money is also accordingly.

Table 4.11 Expenditure Patterns on Various Goods

S.N	Expenditure & Investment	Total Amount (Rs)	Amount in Per House
1	In regular house expenditure	1,1100,00	22,200
2	In Education	5,09,000	10,180
3	In Health	251,000	5,020
4	Building Home	-	-
5	For paying Loan	-	-
	a. To pay old Loan	170,000	3,400
	b. to make Home	30,0000	6000
6	Other	377,000	7,540
7	Save money	560,000	11,200
	Total	3,277,000	65,540

Source: House Hold Survey, 2016

The table 4.11 shows the annual expenditure of sample household on various items. The table shows that out of their total expenditure 22,200 amount spending on regular house expenditure which is the highest amount of share comparing with other expenditure of sample household. Similarly, out of their total expenditure, 10,180 amounts spending on education. They spend 5,020 amount and 3,400 amount out of their total expenditure on health and to pay old loan. They spent 6000 amount of total

expenditure on to make home. They spent 7,540 amount and 11,200 amount of total expenditure on others and save money respectively.

Many of the people are literature in the surveyed area and males are found to be literature more than the women. The education level of the surveyed households is shown below:

4.4.2 The Pattern of Expenditure on Education (Annually)

Education expenditure plays significant role to develop education status. Educational expenditure provides glowing picture of the education. Various factors influence the educational expenditure patterns such as income, family size, geographical situation etc. Here an attempt is made to illustrate the education expenditure in the study area. The result shows below table.

Table 4.12 The Pattern of Expenditure on Education (Annually)

Particular	Total Amount (Annually)	Amount in per House
Fee	8,99,900	17,998
Dress	193,500	3,870
Books	1,89,000	3,780
Copy/Pen	315,800	6,316
Tuition Fee	175800	3,516
Computer/Email/Internet	201,600	4,032
Snacks	24,77,6,400	495,528
Others	13,58,400	27,168
Total	28,110,400	562,208

Source: Field Survey, 2016

The table shows that, out of total education expenditure in the sample households on various heading. The table shows that, out of total education expenditure, 495,528 amounts spending on snacks which are the highest amount of share comparing with other heading. Similarly, 17,998 amounts and 3,870 amounts are spending on fee and dress respectively. Out of total educational expenditure 3,780 amount spending on books. They have spent 6,316 amount of copy/pen and 3,516 amounts spend on tuition fee respectively. Similarly, out of total educational expenditure, 4,032 amounts spending on computer/email/internet. And 27,168 amount spending on other which second highest expenditure with other heading.

4.5 Change in Socio -economic Condition due to Remittance

4.5.1 Change in Housing Condition

In the surveyed area /field the houses are of different kinds physically. The physically structure of the houses in the area show the income and economic condition before and after receiving remittance of the households level.

Table 4.13 Change in Housing Condition Before and After Receiving Remittance

Type of House	Before Remittance		After Remittance	
	Number	Percent	Number	Percent
Kachhi	24	48	3	6
Ardha Pakki	17	34	12	24
Pakki	9	18	35	70
Total	50	100	50	100

Source: Field Survey, 2016

The above given table shows that most of the sample households have Pakki. These type houses are 70 percent in before remittance and 18 percent in after remittance at the sample households. This table shows that more pakki house makes in after receiving remittance.

The above table shows that the structure of the houses have been change after the employment. It is because the economic conditions of the families have been uplifted due to the foreign employment. The number of cemented houses have been more. Which is the positive side of remittance / foreign income.

4.5.2 Change in Income Structure

The amount of income mainly depends upon two things i.e. amount of total income and amount of total expenditure and consumption. The total annual saving of the sample HHs has shown in the table mentioned below:

Table 4.14 Change in Income Structure

Before Remittance			After Remittance		
Annual Amount (NRs)	No. of Households	Percent	Annual Amount (NRs)	No. of Households	Percent
No income	26	52	No income	-	-
one to two lakh	15	30	one to two lakh	5	10
Two to Three Lakh	7	14	Two to Three Lakh	15	30
Three to Four Lakh	2	4	Three to Four Lakh	12	24
Four to Five lakh	-	-	Four to Five lakh	9	18
Above Five Lakh	-	-	Above Five Lakh	9	18
Total	50	100	Total	50	100

Source: Field Survey, 2016

Table 4.14 shows that, the better improvement of annual income after receiving the remittance at the sample household. More than 30 percentage people are annually income amount the range of two to three lakh. And 24 percentage people are earnings money the range of three to four lakh. While only 10 percentage people (one to two lakh) annual income and 18 percentage people (four to five lakh) annually income respectively.

There was not any proper income source before going abroad for employment. Because of the income generation after foreign employment, the number of employees who have high income shown more than before foreign employment.

4.5.3 Change in Assets Structure

In the study area, after remittance households are using modern facilities like furniture (table, chair and cupboard), gas stoves, television, radio and vehicles. The living standard of some households is similar to those of the urban area. The living standards of the households have changed significantly after the involvement of their family member in the foreign employment which is shown in Table 4.15.

Table 4.15 Change in Assets Structure

Particular	Before Remittance		After Remittance	
	Number Respondent	Percent	Number of Respondent	Percent
Television	15	14.70	38	22.89
VCD	5	4.90	18	10.84
Radio	36	35.29	15	9.04
Camera	1	0.98	14	8.43
Computer	-	-	5	3.02
Telephone	1	0.98	15	9.04
Laptop	2	1.97	18	10.84
Mobiles	42	41.18	43	25.90
Others (specify)	-	-	-	-
Total	102	100	166	100

Source: Field Survey, 2016

Table 4.15 shows the changes in household assets, electronic goods and services which are related to living standards. In the remittance receiving households, all goods and services are increasing after going abroad.

Surveyed household have been able to spend money for different assets after the remittance. It is because their economic condition is uplifted. They have regular income source.

4.5.4 Change in Educational Enrolment

The surveyed households have found to be sent to both public and private schools. They have sent their children to private school more consciously than the government schools. The table below makes the enrolment of the children clear.

Table 4.16 Change in Educational Enrolment

Particular	Before Remittance		After Remittance	
	Number Respondent	Percent	Number of Respondent	Percent
Government School	23	47.91	11	23.40
Public School	1	2.08	6	12.77
Boarding School	24	50	30	63.83
Foreign	-	-	-	-
Total	48	100	47	100

Source: Field Survey, 2016

Table 4.16 shows that the better condition of education then before remittance. More than 63.83 percentage people go to boarding school, 23.40 percent students were go to

government school and only 12.77 percent students go to public school. So we can say that, many students drop the government and public school after receiving the remittance. The high amount of student using to boarding school.

The above table shows that the surveyed households have to be found sending their children to boarding schools than the public schools in both of the conditions; before and after going foreign employment. It is because of the negative thinking towards the teaching of public schools and also because of the consciousness of their children's education, and also because of improved economic condition.

4.5.5 Change in Schooling

The surveyed households have given almost equal priority to their children for education. the boys and girl both are sent to school in almost equal ratio. Table below shows the statistical ratio of children going to school.

Table 4.17 Change in Schooling

Before Remittance			After Remittance	
Particular	Number of Respondent	Percent	Number of Respondent	Percent
Boys	39	46.43	40	46.51
Girl	45	53.57	46	53.49
Total	84	100	84	100

Source: Field Survey, 2016

Above given table 4.17 shows that, the similar situation of before and after receiving remittance about girl and boys go to the school get education. Only few number were differentiate between girls and boys. That is the reasons of all family are conscious for children education in study area.

4.5.6 Change in Food Sufficiency

Food supply is directed linked/ connected with economic condition. The fact is that; good food supply depends on good income source. The food supply of the surveyed households before and after the foreign employment has been shown in the table below:

Table 4.18 Change in Food Sufficiency

Before Remittance			After Remittance	
Month	Number Respondent	Percent	Number of Respondent	Percent
0-3	17	34	-	-
3-6	7	14	-	-
6-9	4	8	1	2
9-12	21	42	17	34
+12	1	2	32	64
Total	50	100	50	100

Source: Field Survey, 2016

Table 4.18 shows the comparative condition as impact of remittance on food supply in study area. From the table, it can be concluded that the food condition at study area has been improved. Mainly the households improved their food condition by proper use of remittance. Mostly (64%) households improved food condition after remittance, before remittance there were only 1 percent household having food. The all most people improve their food condition after remittance. Finally, we can be concluded that food condition improved by the follow of remittance and its use.

There is good food supply in the surveyed households after remittance. It is because of the regular income and increased purchasing capacity. The family economic condition is improved.

4.5.7 Change in Food Habit

Income of remittance has positive impact in food sufficiency. Households have increased food sufficiency along with the increment of income source. The impact of food sufficiency due to the remittance has been shown in the table below:

Table 4.19 Change in Food Habit

Before Remittance			After Remittance	
	Number of Respondent	Percent	Number of Respondent	Percent
Yes	18	36	37	74
No	32	64	13	26
Total	50	100	50	100

Source: Field Survey, 2016

Table 4.19 shows the comparative condition as impact of remittance on food habit in study area. From the table, it can be concluded that the food habit at study area has been improved. Mostly 74 percent households improved food habit after remittance, before remittance there were only 18 percent households having food. This table further indicates that the remittance has increased food habit level significantly in the study area. The least households found not increased their food habit level, it is because of the lack of good job in abroad and family balance weight. Finally, we can be concluded that food habit improved by the follow of remittance and its use.

There is positive impact of remittance in the food habit because of the improved economic condition in the surveyed households.

4.5.8 Change in Health Condition

Health is related to the awareness of the people and also depends on the economic condition, Good economic condition can lead to good health money is needed to care when one gets sick, good income can afford good and healthy food and ensures good health. The table below illustrates the health condition of the surveyed households before and after receiving remittance.

Table 4.20 Change in Health Condition

Before Remittance			After Remittance	
Health Disease	Number of Respondent	Percent	Number of Respondent	Percent
Yes	32	64	8	16
No	18	36	42	84
Total	50	100	50	100

Source: Field Survey, 2016

Table 4.21 shows the causes on health disease in sample households. About 64 percent households were found increase in health problem disease after receiving remittance and only 16 percent households suffering from different disease like Pneumonia, Diarrhea and Typhoid etc. This table further indicates that the 84 % households were decreased in health disease after receiving the remittance in the sample area. The least 36% households were afflicted from different health related problem.

Because of the regular income, the surveyed households have access to the good and healthy food and they can afford health expenditure. That is why their health condition has been improved after remittance.

4.5.9 Change in Treatment Service Center

In the survey of survey it is found that the households have a tendency that they go to hospital/ clinic/health posts only when they are sick or when they have bad health condition. It is also because of lack of awareness and carelessness. It is clear that they are indifferent to the preventive measure to be safe from the diseases. It is in fact the common tendency of many of the Nepalese people.

CHAPTER-V

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

A thesis conducted in 'Impact of Remittance on Rural Livelihood: a case study of Bardaghat Municipality of Nawalparasi District'. The general objectives of the study are to analyze the impact of remittance on rural livelihood on society. The specific objectives are status of remittance inflow, use pattern and socio – economic condition of before and after receiving remittance at study area. This study has limited in 50 households. This study has been carried out on the basis of descriptive research design. It is based on the qualitative and quantitative both method. This study has been based on the primary as well as secondary data, the structure questionnaire survey, key informant interview and case study. These methods were applied to the households level than find out the impact of remittance on livelihood.

During the field survey, the total sample households found to be 50, the highest proportion of male is in the 51-60 age group (35.29 %) and highest female proportion in age group 31-40 (42.4 %). In other hand, most of the people are literate only 5.33 percent of the total populations were found illiterate. In the study area, 62 percent sample households are Brahmin community. The major occupation in the study area, 44 percent households have dependent on agriculture. And only 14 percent household were depended on Business occupation. On the other hand, the majority of the respondent is Hindu religion (98 %). In the research area, Foreign employments were highest 58 percentage in that area. Out of total sample household, 42 percentage people are going abroad due to the family conflict in the study area.

In the study area, majority of the foreign employment population in Qatar is higher (34) than other countries. Number of worker, security guard is highest job type (32) for their. The monthly income, 54 percent (highest percentile) earn income between the ranges above 60,000 per month. The employee send money, among the foreign employment about 84 percent (highest percentile) sending money between the ranges above 30,000 per month. However, the majority of the receiving money for wife

(54%) in the study area. The number of receiving remittance, 82 percentage receiving remittance in monthly. The most of the respondent money withdraw for money transfer agency (50%).

In the study area, total expenditure 22,200 amount spending on regular house expenditure which is the highest percent of share comparing with other expenditure. The majority of the Pakki houses (70 %) after receiving remittance. The annual income of before receiving remittance, the highest amount earning money annually the range of three to four lakh (24). The changes in household assets, electronic goods and services which are related to living standards. In the remittance receiving households, all goods and services are increasing after going abroad.

The better condition of education then before remittance, the high percentage 63.83 student using to boarding school. The similar situation of before and after receiving remittance about girl and boys go to the school get education. Only few number of respondent were differentiate between girls and boys. Mostly (64%) households improved food condition after remittance. The 54 % households were found increased food sufficiency level of their households. At last, health is most important for every human being. In the study area, 64 percent households can't suffering from health problem at the sample household and only 36 percent households suffering from different disease like Pneumonia, Diarrhea and Typhoid etc in the study area.

5.2 Conclusion

The study concludes that unemployment, lack of agricultural land and low level of agricultural production are the major factor that encourage foreign employment. The study sum ups that due to foreign employment, the number of females is highest than that of males in the study area. Majority of female population is within the age group of (31-40), and that of male is 51-60. The agriculture is the main occupation in the study area. In the study area, majority of the foreign employment population in Qatar is higher than other countries. The main cause of foreign employment and most of the workers of study area were found working in the security guard job because it is the only job which needs no training or skills, except being literate and able to deal with people is enough for the job.

The study concludes that, the remittance is found being used in the sectors like, regular house expenditure, education, health, construction, ornaments, loan payment, land purchase and other individual purposes. Similarly, improvement in food condition, health disease, education, as well as the distinction between gender in terms of education has also been improved in the society.

5.3 Recommendation

Remittance can generate a positive effect on the economy through various channels such as saving, investment, growth, consumption, poverty and income distribution. From the present study about the impact of remittance, following recommendations are forwarded for the policy prescriptions.

- There is a need for policies to increase literacy level and encouraging remittance-recipient households to continue investing in education.
- Government of Nepal should provide loans to the poor people in the change interest rate so that the rate of people who are unable to afford for foreign employment would reduced And, remittance overflow would increase and the use of remittance can be used in different sectors to help in national economic development.
- Nepalese economy has received large amount of remittance but it is still being transferred through informal channels. So formal channels need to be promoted.
- Technical training institutions are essential to be established in several areas especially for the language and skill required in foreign destination.
- Large portion of economically active population of Nepal has engaged in foreign employment for earnings. And remittance income has a positive impact in society to increase the personal income and social prestige. But it has hampered to agriculture production and productivity. So the government or policy makers should conduct such activities, which promote the agricultural production.

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ANNEXES

Annex I: Questionnaire

Questionnaire for Household Survey

Impact of Remittance on Rural Livelihood

(A Case Study of Bardaghat Municipality, Nawalparasi)

1. Name of the Respondent: 2 Age: 3. Language:
 4. VDC, Tole, Ward no, Village Name: 5.
 Occupation.....

General Information

6. Information of Family Members

Name	
Sex	Female.....1 Male.....2 Third Gender.....3
Caste/Ethnicity	Brahmin.....1 Chhetri.....2 Janajati.....3 Thakuri.....4 Madhesi.....5 Musalman.....6 Others.....7
Occupation	Job.....1 Business.....2 Agriculture.....3 Livestock.....4 Wage Labour.....5 Unemployment.....7 Housewife.....8 Foreign Employment.....9 Other.....10
Religion	Hindu.....1 Buddhist.....2 Kirat.....3 Muslim.....4 Christian.....5 Others.....6

Household Information

7. What are the main sources of income of your family?

- a. Agriculture
- b. Business
- c. Government job
- d. Private job
- e. Foreign employment
- f. Other.....

8. How many members of your family have gone abroad?

Members.....

9. What are the causes that motivate to go abroad?

- a. Landlessness
- b. Social conflicts
- c. Indebtedness
- d. Unemployment
- e. Family conflict
- f. Lack of facilities
- g. Others

10. In which country have your family members gone for foreign employment and
When?

Name of Country	Date	Time (Year)	Level of Income	Amount of Remittance NRs.

11. Do you have any Loan?

- a. Yes
- b. No

If Yes, where did you get?

S.N.	Heading	Amount
1	Bank	
2	Merchant	
3	Relatives	
4	friends	
5	Co-operatives	

Status of Remittance Inflow

12. What types of job is he / she doing there (abroad)?

- a. Factory worker
- b. Driver
- c. House made
- d. Security guard
- e. Labor
- f. Cook man
- g. Others

13. What is the monthly income of your family member working abroad?

- a. Rs. Up to 20,000
- b. Rs.20,000 – 35,000
- c. Rs. 35,000 – 45,000
- d. Rs. 45,000 – 60,000
- e. Rs. Above 60,000

14. How much money does he /she sends?

- a. 10,000 to 15,000
- b. 15,000 to 20,000
- c. 20,000 to 25,000
- d. 25,000 to 30,000
- e. Above 30,000

15. Who receive the money sent?

- a. Parents
- b. Wife
- c. Husband
- d. Others (specify).....

16. How much money have you saved (monthly)?

(Rs.....)

17. In the last year, how often did you receive remittance?

- a. Yes []
- b. No []

If yes, how often?

- a. Monthly []
- b. Bi-monthly []
- c. Quarterly []
- d. Half yearly []
- e. Yearly []

18. What is the channel/medium of getting remittance?

S.N.	Media	Sent money (in Amount)
1	From Bank	
2	From Hundi	
3	From Friend/relatives	
4	Brought with yourself	
5	Money transfer agency	
6	Total	

Use Pattern of Remittance

19. What are the sectors you use money received from Remittance?

S.N	Expenditure & Investment	Amount (Rs)	Percentage (%)
1	In regular house expenditure		
2	In Education		
3	In Health		
4	Building Home		
5	For paying Loan		
a	To pay old Loan		
b	Or to make Home		
6	Other		
7	Save money		
	Total		

20. Educational Status

Education level		Male	Female	Total
Illiterate				
Literate				
Under SLC	Government			
	Private			
	Total			
SLC	Government			
	Private			
	Total			
+2	Government			
	Private			
	Total			
Bachelor	Government			
	Private			
	Total			
Master Degree	Government			
	Private			
	Total			
	Total			

21. The Pattern of Expenditure on Education (Annually)

Particular	Amount (Annually)	Percent
Fee		
Dress		
Books		
Copy/Pen		
Tuition Fee		
Computer/Email/Internet		
Snacks		
Others		
Total		

Socio- economic Impact

22. Residential style

Types	Before Remittance	After Remittance
Pakkiv house		
Ardha pakki house		
Kachhi house		

23. Do you have any change in your household's assets after receiving remittance?

- a. Yes
- b. No

If yes, what kinds of changes have occurred in your household?

.....

24. What is the yearly income of your household?

Before Remittance	After Remittance
a. one to two lakh	a. one to two lakh
b. Two to Three Lakh	b. Two to Three Lakh
c. Three to Four Lakh	c. Three to Four Lakh
d. Four to Five lakh	d. Four to Five lakh
e. Above Five Lakh	e. Above Five Lakh

25. What is assets status of your Households?

Particular	Before Remittance	After Remittance
Television		
VCD, DVD Player		
Radio and Cassette Player		
Camera		
Computer		
Telephone		
Laptop		
Mobile Set		
Others (Specify)		

26. What is the enrolment of before and after remittance?

Particular	Before Remittance	After Remittance
Government School		
Public School		
Boarding School		
Foreign		

27. How many children in your family go to School?

Particular	Before Remittance	After Remittance
Boys		
Girls		

28. What is the condition of food supply in the family before and after Remittance?

Month	Before Remittance	After Remittance
0 -3	-	-
3-6	-	-
6-9	-	-
9-12	-	-
12+	-	-

29. Is your household fully food secured?

- a. Yes
- b. No

30. Have any members of your family been suffered from water related disease (Typhoid, Pneumonia, Diarrhoea etc.) during last one year?

- a. Yes
- b. No

31. Do you get regular checkup?

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.....

.....

Thank You

Annex II
Questionnaire used in Key Informant Survey

Information provided by informants remains fully confidential and the data has been collected for personal use. The information gained through this interview will not be published anywhere.

Description of Informant

Name:

Age:

Gender: Male ☐ Female ☐

Address:

Educational Qualification: Below SLC ☐ SLC ☐ +2 ☐
 Bachelor ☐ Master ☐ Above ☐

1. What is to be done to systematize remittance flow?
2. What should be done to make the remittance productive?
3. What are the positive and negative impacts of remittance?
4. How can be the positive impact of remittance increased?

Thank you very much for your kind information.

Annex III

Case I: Systematize Remittance Inflow

Miss Sonu Parajuli, a respondents from Bardaghat Municipality 10, studying major English in Humanities says that reducing cost of remitting income, enhancing dialogue (like channel of communication) between government of India, the Gulf state, Malaysia etc, and foreign laws and guideline for migrant recruitments, bilateral agreements with more countries raising awareness among migrants effective monitor of recruitment agencies, developing efficient electric transfer mechanism, improvement of legal regulatory framework etc. may help to systematize remittance inflow.

Annex IV

Case 2: Make the Remittance Productive

Miss. Ganga Kharel, a respondent from Bardaghat Municipality 10, studying Management in reputed private college is paying higher fee by using money sent by his Father Ramesh Kharel from India. She is an educated person as well as a jobholder at Bishal Nagar co-operative Limited. She is given this questions to answer the following things. Remittance play vital role in every sector such as investment in education sector, agriculture sector/ mainly in cash crops, health sector, used at business etc. which helps make the remittance productive.

Annex V

Case 3: Positive and Negative Impact of Remittance

Miss Ganga Kharel, remittance receiving household respondent from Bardaghat VDC 10, is working for remittance receiving office (Co-operatives limited). She analyzes the various positive and negative impact for remittance. Some of them are economic growth of the home country of the remittance users. The transmitted amount from remittance can fund from the dynamic investment in various sector in the nation. Remittance can make effective contribution to develop the financing capacities of the financial system. Remittance also helps in economic development of the nation. It also helps in easy lifestyle. Some negative impact of remittance is that it affects the several sector such as insensible monetary penalty, increase divorce for married people, increase in migration from one place to another place, and increase in social crime etc.

Annex VI

Case 4: How can be the Positive Impact of Remittance Increased

Mr. Shiva Pathak, respondent from Bardaghar Municipality ward no. 10, is working for Agriculture development bank. He says that there are lots of things to improve remittance like giving the working oriented training to the migrants as well as to the remittance holding person, enforcing mutual laws; increasing awareness to invest the funds in productive sector, education sector and health sector etc. are some ways to increase the positive impacts of remittance.

Annex VII

Photographs



Interview with Education person



Interview with Banker



Interview with Banker

Annex VIII

Map of Study Area



Study Area