

Impact of Remittance on Rural Areas Livelihood: A Case of Tilottama, Rupandehi, Nepal

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ABSTRACT

Purpose: *The impact of remittances on rural areas livelihood has been carried out with a case study of Tilottama Municipality ward number 13 of Rupandehi District in Nepal as a micro level study.*

Design/Methodology/Approach: *The primary data is collected from questionnaire interview scheduled, key informant interview and observation and secondary data from both published as well as unpublished thesis, journal, and research paper. Out of total household i.e., 1320, in the study area, out of them 231 households have been receiving remittance from Malaysia and Golf Countries for more than a one year ago. Among them, 30 percent households i.e., 70 households will be selected on the basis of simple purposive sampling.*

Findings/Results: *The majority of destination for the foreign employment was UAE which is 30% followed by Malaysia, Qatar and Saudi Arabia. The maximum number of migrant workers works as Security Guard i.e., 28.57%. The maximum earning from them lies between Rs.45,000 to Rs.50,000 per month and send maximum remittance between Rs. 35,000 to Rs.45,000 monthly out of which around 50% through the legal procedure. The maximum expenditure used on regular household expenditure i.e., 41.36%, followed by education, health and other expenses. The remaining money is used for the investment purpose. After the remittance inflows towards the study area, there living standard, economic status, housing structure, household amenities, toilet facilities, health facilities have been positively changed.*

Originality/Values: *The living standard has been positively changed so the policy maker should make it more systematic by implementing financial literacy program and facilitating the skill development and vocational training program to give rural peoples with marketable skills.*

Type of Paper: Research Case Study

Keywords: Remittance Inflow, Utilization, Socio-economic status, changes, Rural area livelihood.

1. INTRODUCTION :

A remittance improves the standard of living for the recipient's family, which boosts the country's economy. Together with the knowledge, expertise, and technology that are given by foreign employees, the inflow of these monetary assets helps their home country's economy flourish (Adhikari, 2020) [1].

In rural Nepal, remittances are a significant contributor to the decline in poverty. As of now, Nepal has exported 2.1 million labour migrants, or 7.4% of the country's total population (CBS, 2022) [2]. These remittances are the one of most stable sources of foreign currency for the national economy (Rokaya, 2017; Chaudhary & Mishra, 2023) [3-4].

The macroeconomic climate in Nepal has closely monitored remittance inflows over the past ten years as the tendency of Nepali employees to emigrate has increased in the financial year 2019–20. 8.75 billion rupees worth of remittances were remitted to Nepal, amounting to a 23.23% GDP-to-remittance ratio (NRB, 2020) [5]. Remittances make up over a quarter of the nation's GDP, suggesting that the

nation is remittance-based. Over the previous ten years, overseas remittances have increased by more than three times, from US\$2.54 billion to US\$8.75 billion. Labor migration is a major driver of Nepal's economy (NRB,2020) [5].

The NRB claims that the growth in remittances is a result of both the trend of foreign employment and the decline in exports. Approximately 432,255 Nepali employees gained authorization for international employment in the 2020–21 fiscal year, according to the DoFE of Nepal, which is in charge of overseeing foreign employment and the well-being of Nepalese migrant workers. The majority of them were male and between the ages of 20 and 39. Malaysia was one of the top five destinations for migrant workers from Nepal. Kuwait, Saudi Arabia, Qatar, and the United Arab Emirates. Saudi Arabia comes in second with around 24% of the total allowed foreign employment records, with Malaysia serving as the primary destination with about 39% of the total records. (Mishra, Ghimire & Aithal, 2023) [6].

The percentage of remittances to GDP can be used to quantify remittances and their impact on the national economy. From 2000/01 to 2010/2011, remittances made about 11% to 23% of the global economy. Remittances as a percentage of GDP were higher in 2008–09 (23.66%), but they dramatically decreased in 2010–11 (11.81%). Comparatively speaking to other South Asian nations, this ratio is larger. 1400 individuals leave the country to work abroad, compared to 527,000 in 2013–2014, and 28% of remittances to GDP in the year 2014 (UNDP Nepal Annual Report, 2014) [7].

Remittance inflows grew by 8.6 percent to Rs. 642.14 billion as of mid-March of the 2020–21 FY. The amount of remittances received in the comparable time of the FY 2019–20 was Rs. 591.19 billion. Inflows of remittances totaled Rs. 875.03 billion for FY 2019–20. Remittance inflows grew by 8.6 percent to Rs. 642.14 billion as of mid-March of the 2020–21 fiscal year. The amount of remittances received during the same period of the FY 2019–20 was Rs. 591.19 billion. Remittance inflow to GDP ratio for the 2019–20 FY was 22.4 percent. This ratio was 22.8 percent the year before (Economy Survey 2020/21) [8].

As of mid-March, in the FY 2020–21, the Rural Economy and Remittance (Prosperity) project's recovery program had been implemented at 20 local levels and helped 1,000 youth who had lost their jobs overseas owing to Covid–19. In locations where such programs are carried out, 25,000 members of target groups received financial literacy training. Through joint investment, some 8,600 agricultural households in 16 districts connected to the supply network directly benefited (Economy Survey 2020/21) [8].

2. STATEMENT OF PROBLEMS :

As per World Bank, in 2022, remittance inflows to the Nepal amounted to 8.5 billion USD, which is equivalent to 22.8 per cent of country's GDP [9] resulting into family income inclined up, raising both their own and those in poverty's level of living (Khatri,2021) [9]. Nepal's status as one of the leading recipients of remittances, there remains a remarkable gap in our understanding regarding the utilization of these remitted funds. The exploration of how individuals employ remittance amounts still presents an underexplored research subject. Furthermore, there has been less attention directed towards understanding the various positive impacts from remittance. Also, the different social, cultural and economic change done by the remittance. Understanding the impacts or remittance on rural livelihood can help policymakers design programs that can contribute to achieving the SDGs. By 2030, Nepal intends to have achieved all of the Sustainable Development Goals (NPC,2015) [10]. The study in ward number 13 of Tilottama Municipality tries to address the issues.

3. OBJECTIVES :

To explore the status of remittance inflow along with the utilization pattern of remittance to compare the socio-economic status of people before and after remittance with a case of ward 13 of Tilottama Municipality, Rupandehi district of Nepal.

4. LITERATURE REVIEW :

4.1 International Context:

Cross (2006) [11] stated that remittances can raise per capita income and lessen poverty in some nations. For instance, a 10% contribution to the GDP of remittances in a certain nation would result in a 1.69% decline in the percentage of the population living in poverty. Remittances also lead to better outcomes for human development. A household receiving remittances typically spends higher

amounts on health care and has greater rates of school attendance. Children from homes that receive remittances had lower rates of dropping out of school and spend more on their children's private instruction, according to studies based on household surveys in El Salvador and Sri Lanka. Remittances are only one aspect of human advancements. The poor benefit from remittances during macroeconomic shocks. Remittances are frequently counter-cyclical since migrants frequently transfer more money during difficult times to their loved ones. Additionally, it claims that there is proof that remittances might have a detrimental impact by making people reliant on these flows rather than utilizing them as a source of additional revenue. Families can have a tendency to take these assets for granted and become dependent on them, which would undermine their incentive to invest in or learn new skills for their current jobs. There is a belief in Guatemala that remittances and migration encourage students to quit out of school and attempt to immigrate.

Rahaman et.al (2022) [12] found that remittances are very important for Bangladesh's economy, as 6.5% of the country's GDP comes from them. Sylhet is a highly populated region in Bangladesh known for sending migrants abroad, and over 1.3 million people have migrated from there. This study focuses on how remittances affect migrant families and their livelihoods. The research involved 25 migrant households across three villages in the Khadimpura union of Sylhet district. The findings show that remittances significantly impact the lives of rural migrant households in this area. The study highlights how remittances cause changes in individuals and households and emphasize the crucial role they play in the socio-economic structure of rural communities.

4.2 National Context:

Thagunna & Acharya (2013) [13] evaluates how remittances contribute to eradicating poverty. Remittances have proven to be essential for preserving macroeconomic stability and bolstering the economy despite poor economic indicators. Even after controlling for factors like education levels and investment rates, a separate IMF study from 2005 that examined the effect of remittances on expansion in 101 developing nations during 1970 to 2003 found no conclusive statistical connection between remittances and rises in per capita production. This outcome is associated with measurement issues that might result from the fact that remittances are positive in respect to economic development. The work of Thagunna emphasizes the intricate complicated relationship between economic parameters and remittance, pointing to the necessity for a thorough knowledge of their influence on rural livelihoods.

Dhungana and Pandit (2014) [14] made an effort to look into how remittances impact the financial and social standing of households. The study used data from 147 homes in Lekhnath village in Kaski district where a minimum of one person is a migrant and discovered that family remittances are substantially associated with several socio-economic characteristics. The education and health of children, the financial status of migrant families, and family involvement in community development programs have all improved thanks to remittances from outside. The study came to the conclusion that overall migrant household socio-economic status had improved as a result of remittances.

Kafle (2016) [15] explores the influence of remittances on rural livelihoods both before and after they are received which focuses on the considerable inflow of remittances into Nepal. Research being done in the Nawalparasi district's Bardaghat village, a significant migrant sending location, tries to pinpoint socioeconomic shifts brought on by remittance inflows. The study identifies significant patterns using an exploratory approach. Foreign employment is mostly motivated by unemployment, with Qatar being the leading destination. Remittance-receiving households are typically made up of security, and regular remittances are typical. Agriculture and overseas work are the major sources of revenue. Agencies are a major component of money transfer channels. Each household uses remittances differently, with investments in education, health, building, loan repayment, and savings taking precedence. Remittances have a favorable impact on housing structures, leading to an increase in cement-built homes and greater public awareness of the need of children's education. Remittances promote household overall well-being, food security, access to healthcare, and economic conditions. The study's conclusions illustrate how remittances can transform rural livelihoods, resulting in better housing, economic empowerment, and a higher standard of living.

Dhakal (2020) [16] on his research demonstrates that remittances and consumption are positively correlated. This implies that consumption would increase in proportion to the quantity of money received in remittances. In a similar vein, there is a positive correlation between household income

and consumption, meaning that higher household income levels correspond to higher levels of consumption. Similarly, there's a positive correlation between consumption and household size. It implies that consumption would increase with family size. Additionally, the outcome demonstrates that consumption and education level are positively correlated. It demonstrates that consumption would increase with education level. Province 5 rural households' investment and consumption patterns are influenced by remittances. The two most important variables that explain variations in household consumption and investment in Nepal's province 5 are remittances and family size. Khatri (2021) [9] study looks at how remittances affect rural livelihoods, the alleviation of poverty, and other associated aspects. According to data gathered through surveys and in-depth interviews with households, those who receive remittances see improvements in their lives, investing in improved healthcare and child education. Findings imply that remittances used properly have a favorable impact on health, education, and the economy, while their ability to invest in productive sectors has not yet been fully realized. According to the study's findings, remittances boost rural development by lowering poverty, boosting access to essential services, and raising living standards. Remittance money should be directed toward productive industries like commerce and agriculture, and local vocational training facilities should be established to assist skill development. The study's main findings emphasize how remittances can enhance rural life and foster good socioeconomic progress. Khatiwada (2023) [17] stated that the main issue facing Nepal is employment, which is a major factor in the country's intellectual, technical, and professional workforce. After obtaining the remittance, more households obtain closed variables with higher values: accordingly, 12 households received closed variables with incomes over 7,00,000 and 9 households received closed variables with yearly incomes between 5,00,000 and 7,00,000. After obtaining the transfer, the percentage of concrete homes built rises sharply to 70%, while the percentage of homes with thatched roofs falls to 6.7%. It comes to the conclusion that every family in the study region benefits from receiving remittances. They have easier access to economic, educational, and health resources. Additionally, it aids in net savings. Households can support manufacturing's rapid growth by making wise investments, which benefits rural development. Remittances are not effectively utilized. Every family had a very positive outlook on remittance money. The standard of living is progressively improving. People's access to quality healthcare has made a positive impact on their ability to learn (Mishra, 2023) [18].

5. METHODOLOGY :

This study is a case study of Tilottama Municipality. It is a small level study in which mixed research design is used i.e., descriptive as well as analytical type of research design.

5.1 Rationale for the selection of Study Area:

The majority of Tilottama village's youth go abroad in search of employment since remittances have a significant impact on the community's standard of living in Rupandehi district. The subject of this investigation is ward number 13. Many residents of this area emigrated abroad in quest of lucrative employment. The majority of them launched small enterprises or businesses, contributed to the family's daily domestic expenses, and invested in the education of the children. In this village, remittances play a critical role in rural residents' daily lives.

5.2 Sampling and Analysis Procedure:

There are 1320 households in the study area. Out of them, 231 households have been receiving remittance from Malaysia and Golf Countries for more than a one year ago. Among them, 30 percent households i.e., 70 households were selected. Those 30 percent sampled households were selected on the basis of simple purposive sampling through the household survey using structured questionnaires in accordance with the interview schedule. The key informant interviews were conducted and interviewer were selected from the banker, ward chairperson and school teacher through semi-structured questionnaire for triangulation of data collected from household survey. Based on the study content displayed in various charts and tables, quantitative statistics was computed in tabular form. Finally, descriptive approaches were used to interpret the qualitative data that had been gathered. Tilottama Municipality ward number 13 of Rupandehi District was selected and sample survey was conducted during 2023. The sample size was 70 household were chosen by simple purposive sampling without replacement method. The study was based on the primary and secondary data, household

interview survey and Key Informant Interview (KII). The household interview survey was carried out from 70 sample size and KII was carried out from the selective people as ward chairperson, banker and teacher.

(1) During the household interview survey, total sample size is found to be 70, the age of male respondent above 50 is highest (41.67 percent) and between (31-40) age is minimum (8.33 percent). Similarly, the age of female respondent between (31-40) age is maximum (30 percent) and age above 50 is minimum (21.43 percent).

(2) The educational status of maximum respondent lies under SLC/SEE which is 62.86 percent and only 37.14 % respondent are above SLC/SEE.

(3) The marital status of maximum respondent's were married (88.58 percent) and only 11.42 percent are unmarried.

(4) The occupational status of maximum respondents was agriculture (51.43 percent) and only 2.86 percent respondent working in any types of job.

(5) The relation with the migrant worker for foreign employment is maximum with their spouse(husband/wife) which is 40 percent and relation with the relatives were very low which is only 5.71 percent.

(6) The destination of Migrant worker for foreign Employment among Gulf countries and Malaysia is maximum in UAE which is 30 percent and minimum in Bahrain which is only 1.43 percent.

(7) The major reason for foreign employment for maximum migrant workers is unemployment which is 51.43% and followed by earn money which is 25.71 %.

6. RESULT AND DISCUSSION :

6.1 Status of Remittance Inflow

6.1.1 Job Status of Migrants

Being low skill level, the majority of Nepali workers are employed in manual labor.

Table 1: Job Status of Migrants

Types of Job	No. of Migrants	Precent
Security Guard	20	28.57
Vehicle Driver	7	10.00
Factory Worker	14	20.00
Construction Worker	15	21.43
Hotel Employee	6	8.57
Others	8	11.43
Total	70	100.00

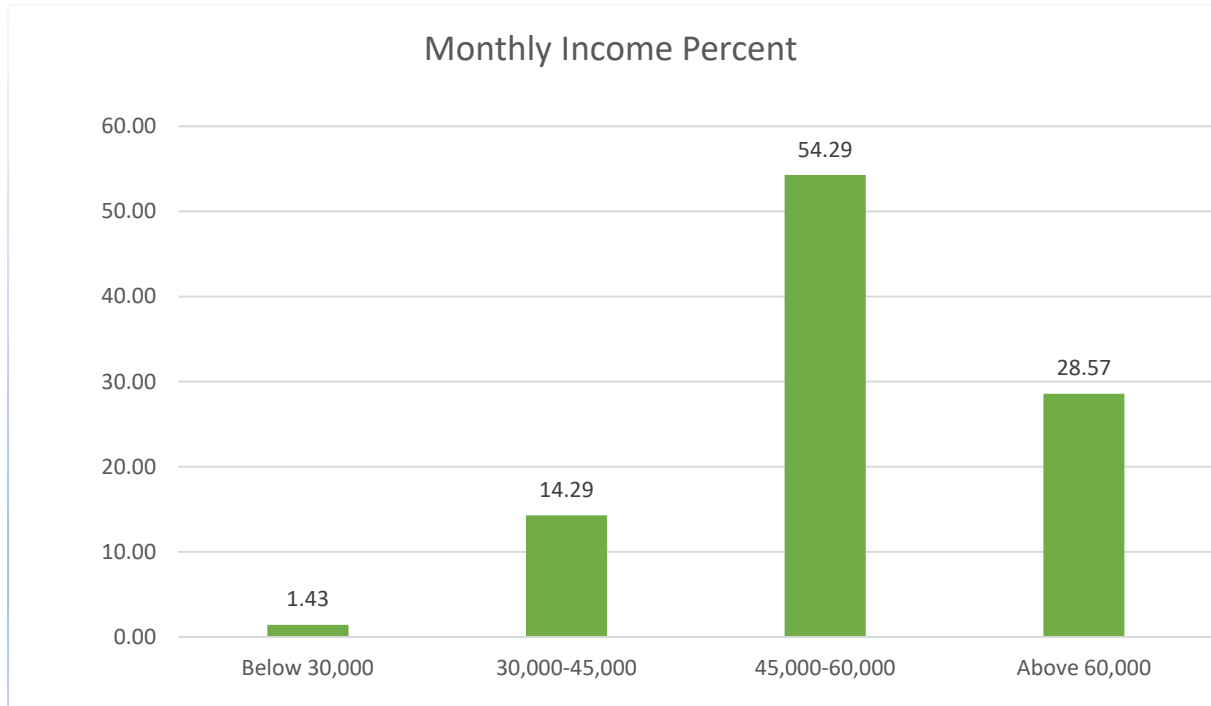
Source: Field Survey, 2023

The table 1 shows that 28.57 percent are employed in security guard while 21.43 percent are employed in construction worker. Similarly, 20 percent are employed as factory worker and 10 percent works as vehicle driver. Only 8.57 percent are employed as hotel employee and remaining 11.43 percent in other job like are categorized as other like department store, poultry farming and agricultural works. Most of the people are employed as security guard. Thus, high demand for such roles can be attributed to the fact that it is one of the few professions for overseas work that typically requires highly training nor prior experience. Instead, the primary prerequisites for this job are basic literacy and the ability effective with others.

From the Cyclic Behavior of Remittance theory, it comes three factors that motivate for positive remittance. They are altruistic, insurance and strategic perspective. The job status of migrants is linked with the insurance of the employment opportunity. After getting the employment opportunities in foreign, they earn some money, and send it back as remittance to reduce the impact of negative shock in the recipient country household, which works as insurance for them.

6.1.2 Monthly Income from foreign employment

One of the most crucial aspects that may have a bigger impact on the decision to immigrate is income.



Source: Field Survey, 2023

Fig. 1: Monthly Income from Foreign Employment

From figure 1 shows that the foreign migrant worker earns between Rs.45,000 to Rs. 60,000 per month is highest with 54.29 percent. Similarly, 28.57 percent earns above Rs. 60,000 per month. However, 14.29 percent employee earns between 30,000-45,000 per month. Additionally, 1.43 percent employee get income earns less than 30,000 per month which is very less.

Likewise, the above figure illustrates a steady rise in remittance income within the household under survey. The workforce is engaged in a variety of occupation, including role as security guards, factory workers, and cooks, among others. These job categories typically offer competitive salaries for their employees. A significant majority of individuals (54.29%) earn a monthly income between Rs. 45,000-60,000 which is considered favorable for employees.

From the Cyclic Behavior of Remittance theory, it comes three factors that motivate for positive remittance. They are altruistic, insurance and strategic perspective. The income status of the migrant’s worker directly linked with the altruistic perspective, which says that the possessing positive mindset on the foreign employment, can make the good income and helps the destructive economy of the National Economy of origin country as well as their family living standard. So, by this perspective the national GDP will also increases. Therefore, good remittances are expected to rise in the origin nation’s GDP.

6.1.3 Mode of Transfer of Remittance by Migrant

The remittance transaction system is clearly displayed in the table below.

Table 2: Mode of transfer of Remittance by Migrants

Channel Used	No. of Respondent	Percent
Bank	24	34.29
Money Transfer Agency	35	50.00
Hundi	7	10.00

Friends and relatives	4	5.71
Total	70	100

Source: Field Survey, 2023

Table 2 shows that the 50 percent household receive through various money transfer agency (IME/Western Money/Prabhu Money), 34.29 percent receives through bank, 10 percent receives through Hundi services and 5.71 percent receives through friends and relatives.

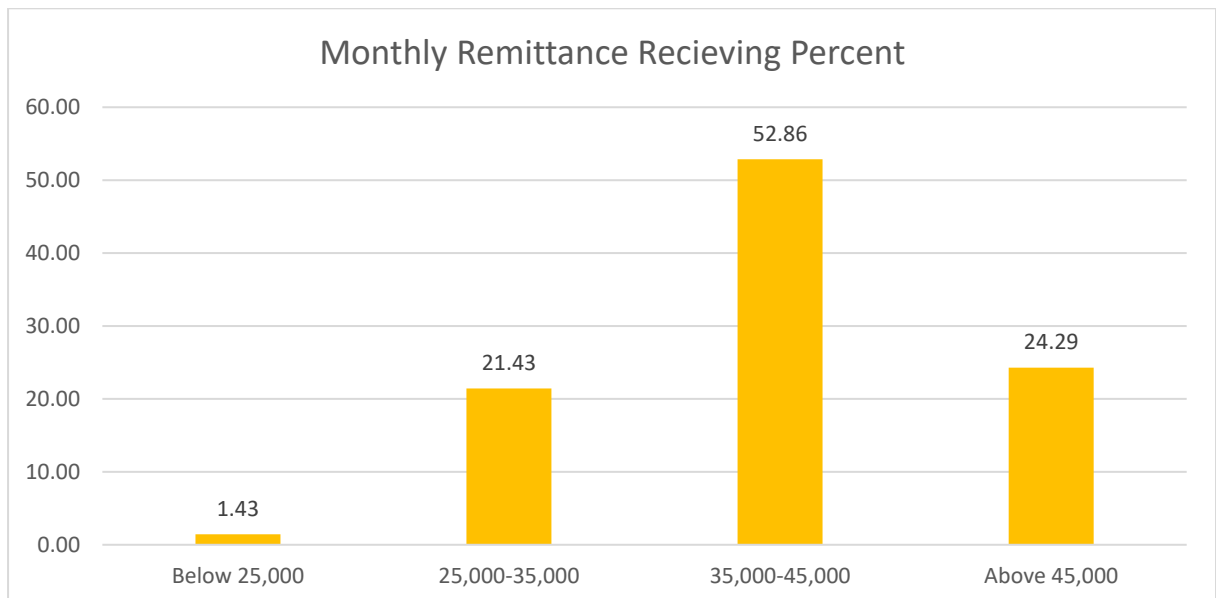
It demonstrates how dependent the majority of migrants are on IME services, which offer quick customer care, seamless money transfers, and ease of receiving money. The creation of a banking facility warranted a remittance service. Lack of understanding causes transactions through unlawful ways when there is no easy financial route available.

According to a banker perspective, he shared that, “Nowadays, the mode of the channel used to transfer the remittance are very legal, almost 90% of the remittance enters within the appropriate channel. But in the past the mode of transfer of channel is equivalent to 50-50 between legal and illegal mode.” (Bhandari, 2023).

Remittance inflows may be significantly impacted by the means of transfer. Remittances sent through official channels, including banks and money transfer operators (MTOs), are typically more likely to arrive at their intended location and are less likely to be misplaced or stolen. Transfers made through unofficial routes, such as those made through friends and relatives, increase the risk of theft and loss, as well as the potential for tracking issues. The mode of transfer of Remittance from the legal authorized channel increased from 50 % to 90% which is very positive aspects for the national economy of the country. There will be less chance of fraud cases arises due to the illegal transfer and recipient will be secured from such activities. The Government should make the remittance charge nil, so there will be no any chance of illegal money transfer like hundi.

6.1.4 Amount of Remittance Receiving:

At the local, regional, and international levels, remittances have the potential to significantly strengthen the economies of the sending countries for migrants.



Source: Field Survey, 2023

Fig. 2: Monthly Remittance Receiving

From above figure 2, it shows that among foreign migrant worker about 52.86 percent (highest percent) sending money between the Rs. 35,000- Rs.45,000 per month. Similarly, 24.29 percent employee sending above Rs.45,000 per month. However, 21.43 employee transfer money Rs. 25,000-

Rs.35,000 per month. Additionally, only 1.43 percent employee send money below Rs.25,000 per month.

The workers from the surveyed household have gone for medium level of salary income jobs. That’s why their income is also medium level. Because of this reason the percent of employees who send between Rs.35,000 to Rs. 45,000 is higher than other ranges.

According to a banker perspective, he shared that, “Each and every house receives remittance somewhere from outside. The average remittance inflow to this area has average of nearly Rs.40,000 to Rs.50,000, but the remittance from the Korea is quite high which is nearly Rs.2,00,000 to Rs.2,50,000.” (Bhandari, 2023).

The remittance inflow in this study area is quite good because the migrant worker gets good salary works. So, that the economic status of that family increase, which make them to have good health, education and other required necessary amenities. The receiving amount of the remittance is directly linked with the income of the migrant’s worker in the foreign employment. Maximum earning migrants sends maximum remittance as compared to the low earning migrants’ workers. The workers who work high skills works good amount of salary. Mostly the remittance utilized as regular household expenses.

A recipient's wellbeing and the wellbeing of their family and community can be significantly impacted by the number of remittances they receive. Higher remittance inflows can generally result in a number of favourable consequences, such as reduced poverty and inequality, improved health and nutrition, increased education and skills, improved housing and living condition.

6.1.5 Duration of Remittance inflow:

The remittance receives the remittance inflow in different duration of time.

Table 3: Duration of Remittance Inflow

Duration of Remittance	No. of Respondent	Percent
Annually	4	5.71
Semi-annually	8	11.43
Quarterly	21	30.00
Monthly	25	35.71
Not-regular	12	17.14
Total	70	100.00

Source: Field Survey,2023

From the table 3 in the study area, 35.71 percent household receives remittance monthly, 30 percent receives quarterly, 11.43 percent receives semi-annually and 5.71 percent receives the money annually. Additionally, 17.14 percent receives the remittances not in regular order duration.

The table 3 shows that the household’s receiving money quarterly is at the highest percentage. It is because the household’s does not have good economic condition. Remittance is only source of their income. To run their livelihood, employees should need to send the money every month.

According to a banker perspective, he shared that, “In more case the duration of remittance receiver receives the remittance monthly.” (Bhandari, 2023).

In general, migrant workers are more likely to have a beneficial effect on their family's well-being if they send remittances more frequently, such as monthly or quarterly. This is so that they may give their family a steadier flow of cash, which helps lower poverty and inequality, enhance nutrition and health outcomes, and broaden access to education. Even though the effect might be different, migrant workers who send remittances less frequently, such twice a year or once a year, may nonetheless benefit their families. For bigger investments, such as the purchase of a home or the launch of a business, semi-annual or annual remittances, for instance, may be used. These investments may result in long-term financial gains for the family of the migrant worker and community. The duration of remittance inflow plays a significant impact on the migrant’s family. So, the regular monthly receiving

of remittance make their regular household’s expenditure easy for which they should not take borrow from relatives, neighbours and friends.

6.2 Utilization Pattern of Remittance

6.2.1 Various Expenditure pattern of Remittance.

Remittances are used in the study areas as shown in table 4.

Table 4: Various Expenditure Pattern of Remittance.

Particular	Total Amount (Annually)	Total Amount Annually/Household	Percent
Regular Household Expenditure (Food, Cloths)	39,93,360	57,048	41.36
Transportation	10,08,840	14,412	10.45
Health Expanses	6,66,120	9,516	6.90
Education Expanses	17,97,040	25,672	18.61
Loan Payment	8,90,615	12,723	9.22
Others	12,99,200	18,560	13.46
Total	9,655,175	137,931	100.00

Source: Field Survey, 2023

From the table 4, it is evident that regular household expenditures such as food and clothes account for the highest annual expenditure of 41.36% of the total. Education expenses followed with 18.61% followed by transportation, health expenses, and loan payment at 10.45%, 6.90% and 9.22%, respectively. On average, households spend about 57,048 annually on regular expenses. These finding highlights the significant financial burden on households to meet basic needs and invest in education. According to a banker perspective, he shared that, “The utilization pattern of the remittance is maximum used for the regular household expenditure, and some remaining amounts are making saving in the bank as Fixed Deposit.” (Bhandari, 2023).

The effect of remittance inflows and the recipient’s usage patterns can vary and depends on a number of factors, such as the number of payments received, the regularity of payments received, the recipient’s and their family’s requirements and the purpose for which the money is used. The regular household expenditure of each family is increased due to the inflation in the market. So, the other required amenities, facilities become very difficult to them to owns. Therefore, there should be properly monitoring in the regular households’ expenses, so that they can save money for future.

6.2.2 Various Investment Pattern of Remittance:

From the table 5, the majority of remittance in the study area is used for buying land and building houses, accounting for 53.29 % of total investment. Business investments come in second at 19.88%, followed by fixed deposits at 13.42% and share market investments at 4.47%.

Table 5: Various Investment pattern of Remittance

Particular	Total Amount (Annually)	Total Amount Annually /Household	Percent
Business Investment	41,16,140	58,802	19.88
Share Market	9,26,100	13,230	4.47
Fixed Deposit	27,78,370	39,691	13.42
Buying Land/Building house	110,35,240	1,57,646	53.29

Others	18,52,2702	26461	8.94
Total	3,65,44,552	2,95,830	100.00

Source: Field Survey,2023

The average amount spent annually per household varies, with the highest being for buying land/building house at Rs.1,57,646. These patterns suggests that families prioritize long-term financial security through ownership.

The number of remittances received has a big impact on how recipients invest. Since real estate is viewed as a reliable investment that can increase in value over time, remittances are frequently used to purchase land and build buildings. Additionally, remittances can be invested in stocks, fixed deposit, and savings accounts to increase wealth and produce passive income. These investments might also act as a safety net for financial wellbeing. The effect on investment behavior varies, though; some recipients prioritize spending over saving. To maximize the long-term advantages of remittances, policymakers in recipient nations frequently work to encourage productive investments that achieve a balance between current demands and long-term financial security.

6.3 Change in Socio-Economic status after the remittance received:

6.3.1 Change in Condition of House

The various home structure types in the study area are displayed in Table 4.12.

Table 6: Change in Condition of House

Types of Houses	No. of Respondent	Before Percent	No. of Respondent	After Percent
Pakki (RCC)	15	21.43	52	74.29
Ardha-Pakki (Load Bearing)	37	52.86	15	21.43
Kachchi (Straw, Mud)	18	25.71	3	4.29
	70	100	70	100

Source: Field Survey,2023

The table shows that, the condition of house now changed maximum to Pakki type of house (RCC). The data indicate that the percent of Pakki house before remittance were only 21.43 percent, now the data increased to 74.29 percent of house after remittance. Similarly, before remittance the percent of Ardha-Pakki (Load Bearing) i.e.,52.86 percent, were more but after receiving the remittance the percentage declined to 21.43 percent. Additionally, 25.71 percent were Kachchhi (Mud, Straw) before remittance receives, and the percent declined to 4.29 percentage after receiving the remittance.

6.3.2 Change in Toilet Facility:

Toilet facilities also reflect the family’s standard of living and level of sanitary awareness. The toilet facilities are listed in Table 7.

Table 7: Change in Toilet Facility.

Type of Toilet	Before Remittance		After Remittance	
	No. of Respondent	Percent	No. of Respondent	Percent
Modern	7	11.43	28	35.57
Simple	49	68.57	42	61.43

No-Toilet	14	20	0	0
Total	70	100	70	100

Source: Field Survey,2023

The table 7 indicates that the toilet condition of the study area is increased after the remittance. Before remittance the percentage of modern, simple and no-toilet are 11.43 percent, 68.57 percent and 20 percent respectively, after the remittance receives each and every house of the study area is facilities with modern and simple toilet.

6.3.3 Change in Amenities of Household:

In Table 8, the amenities of the migrant worker's home are displayed.

Table 8: Change in Amenities of Households

Particular	Number of HH using the Amenities before Remittance	Number of HH using the Amenities after Remittance
Cycle	51	61
Motor-Cycle	10	45
Radio	51	21
TV	24	63
Mobile	40	70
Internet	7	35
Laptop	7	28
LPG/Bio-Gas	32	64
Fridge	11	26

Source: Field Survey,2023

Figure 8 shows that the change in amenities of household after receiving remittance.51 HH have cycle in past and now 61 HH, 10 HH have Motorcycle in past and now 45 HH have. The trend of listing Radio was popular in past, so the number of HH were 51 at past, but now due to the facilities of Radio on mobile cell, the number of HH listing Radio has been decreased to 21. Similarly, at past there were only 40 HH which have mobile but today the every HH have mobile set, the different might be the quality and brand of mobile set. The HH using internet and laptop were only 7 at past, but it slowly increases to 35 and 28 respectively. The HH using LPG/Bio-gas were only 32, but today it increases up to 64 HH. Lastly, there were only 11 HH who use fridge, but these amenities increase very slowly with 26 HH after receiving remittance. After the remittance, household’s respondent was able to spend money on various amenities. It’s because their financial situation has improved. They have a consistent source of income.

Remittance inflows can have a significant impact on rural livelihoods due to the improvement in amenities inside rural households. Remittances frequently result in increased access to basics like clean water, electricity, better housing, and better opportunity for healthcare and education. These improvements have the potential to greatly improve rural communities’ quality of life overall, resulting in improved health outcomes, higher production, and decreased poverty. By promoting chances for entrepreneurship and small enterprises, improved infrastructure and amenities can help promote regional economic growth. As a result, remittances are essential for improving rural communities’ well-being and resilience and ensuring their long-term sustainability and profitability.

6.3.4 Change in Education Enrollment:

Utilizing remittances after the educational status of the children living in the respondent's home is shown in Table 9.

Table 4.15 indicates that the study area considers a quality education after remittance. 60.94 percent people go to private school,35.94 percent were going to government school. So, we can say that, many

students left the government school after receiving the remittance. The large amount of student read in private school.

Table 9: Change in Education Enrollment

Types of School	Before Remittance		After Remittance	
	No. of Children	Percent	No. of Children	Percent
Private School	25	39.06	41	64.06
Government School	39	60.94	23	35.94
Total	64	100.00	64	100.00

Source: Field Survey, 2023

The table above shows that after receiving remittance, the number of student enrollment in private school increased, due to the quality of education in private school as compared to government school and next is that the economic condition enhances them to admit their children into private school. According to a school teacher perspective, he shared that, “*Remittance plays a significant impact in the enrollment of student in the school. He concludes that, number of students in government school also increase, but the increment is not quite satisfactory. Remittance makes the economy of remittance receiving family good, so that they can afford private school for their children education. From his point of view, now the government school also provide competitive knowledge to the students.*” (Pandey, 2023).

Increase in economy of family after receiving the remittance make certain increment in enrollment in school. But due to the quality standard of government school, the increment is not good. The government school should provide quality education, so that all the children near the locality will be interested to join the school.

According to a ward chairperson perspective, he shared that, “*Remittances often enable families to invest in education. Children from remittance-receiving households are more likely to access quality education, which can have long-term positive effects on their future livelihoods*” (Dhakal, 2023).

By affecting school enrollment rates, remittance inflows frequently have a favorable impact on rural areas livelihoods. Families often have more money to spend on their children's education as they receive remittances. In rural areas, this may result in higher school enrollment and lower dropout rates. Greater access to education can equip people with greater knowledge and skills, raising their employability and earning potential in the future. Additionally, a workforce with greater education can support regional economic growth, thereby ending the cycle of poverty in rural areas. Remittances act as an impulse for long-term human capital development and improved livelihoods in rural communities, in addition to offering short-term financial relief. After the remittance receiving, maximum number of children from receipting family, gets quality of education. But the education fee is maximum in the study. The decline in the education fare, incline in the number of students.

6.3.5 Change in Food Security:

As a result of these transfers, food security has increased for a significant number of respondents.

Table 10: Change in Food Security

Effect on Food Security	No. of respondents	Percentage
Increased	45	64.28
Constant	21	30.00
Decreased	0	0
Don't know	4	5.72
Total	70	100

Source: Field Survey, 2023

Table 10 illustrates the impact of remittance income on food security. Among the 70 respondents, 64.28 percent reported that they now produce enough food for the entire year, and this increase was attributed to remittances. In contrast, 30 percent of respondents noted that their food sufficiency remained unchanged due to remittances. A small percentage, 5.72 percent, indicated that they were unsure about the effects of remittances on their food security.

According to a ward chairperson perspective, he shared that, “Remittances have a direct impact on poverty alleviation in our ward. Many households rely on these funds to escape poverty or reduce their vulnerability to economic shocks.” (Dhakal, 2023).

More about the poverty is directly linked with the availability of food as per necessity. After the inflow of remittance in the receiving family, the security of the food increase which is the positive aspects from the concept of livelihood similar to that of previous study [19-23].

6.3.6 Change in Economic Status:

The distribution of respondents based on changes in their economic status is shown in Table 11 below.

Table 11: Change in Economic Status

Changes in Assets	No. of Respondents	Percent
Increase in land occupancy	15	21.43
Increase in Furniture and other assets	43	61.43
Bank Accounts	12	17.14
Total	70	100

Source: Field Survey, 2023

Table 11 provides insights into the shifts in the economic status of the household’s respondents. These changes had a noticeable impact on their daily lifestyles and possessions. The research findings indicate a consistent upward trajectory in economic status. Remittances from migrant family members have led to improvements in the living conditions of these previously in poverty. Nevertheless, it’s important to acknowledge that migrant workers abroad face various challenges, and there are social costs linked to their absence, including family separation, domestic crime, and the potential neglect of children and other dependents.

According to a ward chairperson perspective, he shared that, “Remittances contribute significantly to the economic stability of rural households in our ward. Remittances provides reliable source of income that can help families meet their basic needs, such as food, shelter, and healthcare.” (Dhakal, 2023).

The financial situation of rural livelihoods is significantly impacted by remittance inflows. The economic well-being of recipient households frequently noticeably improves as a result of these cash transfers. They can lower poverty rates, boost consumer spending, and act as a financial insurance policy against economic shocks. Families can increase their long-term economic prospects by investing in income-producing ventures like farming, small enterprises, or livestock. Additionally, remittances can assist general economic development in rural areas by stimulating economic growth, generating job opportunities, and boosting local economies. Remittance inflows are crucial for improving rural communities' economic standing and promoting more financial stability and prosperity. After the inflow of the remittance, the economic status of the remittance receiving families increases, so they can afford good, education, health facilities, education for themselves which conforms previous study [19-23].

6.3.7 Change in Health Treatment Services:

Health post/clinics and traditional service providers like dhami/jhakri are the health service providers in this survey.

Table 12: Change in Health Treatment Service

Health Treatment Services	Before Remittance		After Remittance	
	No. of Respondent	Percent	No. of Respondent	Percent
Dhami/Jhakri	11	15.71	0	0

Health Post/Clinic	45	64.29	41	58.57
Hospital	14	20.00	29	41.43
Total	70	100	70	100

Source: Field Survey, 2023

Before remittance, the majority of respondents 64.29 percent used health Post/Clinics for treatment services, followed by Hospitals as 20 percent and traditional healers (Dhami/Jhakri) were 15.71 percent. After the remittance, the proportion of respondents using hospitals increased significantly to 41.43 percent, while the proportion using Health Post/ Clinic decreased to 58.57 percent. All traditional healer were no longer used for treatment services.

According to a ward chairperson perspective, he shared that, “Remittance income contributes to improved healthcare and nutrition in our community. Families can afford better healthcare services and nutritious food, leading to better health outcomes” (N. Dhakal, 2023 [KII]).

Remittance inflows frequently enable greater access to healthcare services, which significantly improves rural people's quality of life. Rural households may afford better healthcare, medications, and health insurance with more financial resources. This may lead to better general health and a decline in the prevalence of sickness, which will raise the standard of living in rural areas. Overall, remittances are vital to improving rural health systems, which in turn boosts the resilience and well-being of rural people. After the inflow of the remittance, the economic status of the remittance receiving families increases, so they can afford good health facility. Even they can go visit hospital for general OPD services. They can afford good nutrition diet to their family. So, they will be physically fit and mentally strong.

6.3.8 Change in Family Relation:

Remittances are a measure of income that affect family dynamics in a number of different ways. The majority of respondents claimed that they had harmonious relationships with one another, but some of them also claimed that receiving remittances had caused them issues.

Table 13: Change in Family Relation

Relation with member	No. of Respondent	Percent
Balanced	44	62.85
Same as Before	22	31.43
Other (Conflict, divorce, etc.)	4	5.72
Total	70	100

Source: Field Survey, 2023

The effect of remittance on family relationships are seen in Table 13. Out of 70 respondents, 62.85 percent reported having a balanced relationship with a migrant family member, 31.43 percent reported having the same relationship same as before and 5.72 percent reported having issues like conflict, divorce etc. with a migrant family member.

The outcome demonstrates the research area’s favourable social impact of remittances. Due to ongoing communication and regular receipt of remittance income, the majority of respondent’s family relationship with migrant family members as a result of sharing remittance. The finding demonstrates that even inside families, divorces, conflict rates are increasing.

In rural areas, remittances can result in complex moves in relationships within families. One way that stronger family relationships might promote a sense of security and unity is through enhanced financial stability. It can result in better healthcare, education, and well-being for family members, boosting their general happiness and harmony. There may, however, be difficulties. The established power dynamics within families may change as a result of tensions brought on by financial inequality. Furthermore, family expectations and pressures may be placed on migrants who send remittances, thereby affecting relationships. In order to deal with these changes, effective communication and careful financial management are essential. Overall, while remittances can improve living conditions

and increase family ties, they can also bring about new dynamics that call for careful management to preserve harmonious relationships in rural homes. Further digging study should be conducted to assess the safety and health conditions of foreign employment and their associates by assessing hazards and conditions for sustainable remittance operation as economic development mechanism [24-27].

7. CONCLUSION :

The maximum number of migrant workers works as Security Guard. The maximum earning from them lies between Rs.45,000 to Rs.50,000 per month. The duration of the maximum remittance is within the month. The maximum remittance receiver receives between Rs. 35,000 to Rs. 45,000 per months. Most of the Remittance are send through the legal procedure through money transfer agency. The remittance is used for various expenditure from remittance receiver. The maximum expenditure used on regular household expenditure followed by education, health and other expenses. The remittance is used for investment and saving from remittance receiver. The investment on buying land/ building house, fixed deposit on bank, investment in business and share market. After the inflow of the remittance there is positive change in housing condition, toilet facility, school enrollment, food security, health treatment facility, economic condition, family relation and amenities of the household. After the remittance inflows the economic growth of the country increase in form of National Revenue, and the decrease the poverty and increase the socio-economic growth of the rural people. To teach remittance-receiving households in rural areas efficient budgeting, saving, and investment practices, put in place a financial literacy program. They are able to maximize their conversions as a result. Encourage the implementation of programs for vocational training and skill development to give rural residents employable skills. They might be more employable as a result, which would lessen the need to relocate in search of employment. In order to increase the value of remittances received by rural households, promote government initiatives that assist remittance flows, such as decreased fees and low-cost remittance transfer choices. Encourage rural communities to increase their revenue streams. This could involve aiding with agriculture, livestock rising, cottage businesses, and prominent economic ventures in order to reduce dependency on remittances.

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