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## Nepali Army Welfare Fund: Sustainability and Prospects for Diversification

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### ABSTRACT

*Military welfare is a complex yet multifaceted area of study. It encompasses various aspects: welfare, rehabilitation, health care, and social policies in diverse economic, social, and political contexts worldwide. It primarily aims at providing support to the army staff, their families or dependents, or ultimately the broader community. The Nepali Army Welfare Fund is a military institution in Nepal that was established in 1975 AD through fundraising contributions from the Nepali Army UN peacekeepers. This paper examines the historical, structural, and financial aspects of military welfare, with focus on the NAWF. Despite its robust organizational structure, it faces challenges related to socio-economic changes, adaptation over time, and sustainability. A detailed document analysis of NAWF reports, audit statements, government policy, and media coverage on the fund's activities reveals that the funds are mobilized in traditional revenue-generating activities, more specifically in the fixed deposits financial institutions. Further, it indicates government reluctance to implement policies favorable to NAWF, which limits opportunities of investments from alternative channels. Comparisons with South Asian and Global military welfare systems, domestic social welfare funds such as Employee Provident Fund, Citizen Investment Trust, and Social Security Fund suggest that the NAWF requires a strategic reform agenda, including a roadmap aligned with prevailing laws and regulations, enabling investment diversification, the expansion of welfare services, and inter-agency collaboration to support national development goals.*

### Introduction

Military welfare encompasses welfare, care, and medical provisions not only for those in uniform, but also for their family members, across diverse geographical and cultural spaces, chronologies, and thematic context (Huddie & Carney, 2023). Generally, the welfare systems are founded on financial provisions embedded within government policies. However, in Nepal, the government does not allocate funds for the welfare needs of the Nepali Army through the regular defense budget. At the inception of welfare plans and project planning in the Nepali Army, a separate fund was established in 1975 A.D., financed by deducting a portion of the income of each Nepali Army member deployed on the United Nations peace keeping missions.

A maximum of 22 percent of the allowances is deducted to contribute to the welfare fund provision (Army Welfare Fund Regulations, 2008). Since the establishment, the Nepali Army Welfare Fund (NAWF) has become the backbone of social support and care for the in-service and retired army personnel and their families, providing a comprehensive range of welfare services and benefits. The fund primarily focuses on the four major dimensions: education, health, skills, and self-employment, and associated facilities and concessions (Kalyankari Darpan, 2025).

This paper examines the Nepali Army Welfare Fund (NAWF) not only from a welfare perspective but also as a financial entity, with particular attention to sustainability. The study establishes a link between the fund's core aspects: finance and sustainability. However, the concept sustainability in finance or "sustainable finance" remains poorly defined in academic literature. It is closely associated with environmental, social, and governance (ESG) principles and socially responsible investment goals (SRI) (Joshi, 2018).

Despite a strong financial base, the evolving socio-economic environment-induced complexities pose challenges NAWF's sustainability. Key issues, such as the decreasing rate of interest on deposits, ongoing operating losses in some of investment projects, a reduced likelihood of future UN peace missions, and constraints on further diversifying investment portfolios, are affecting the fund's long-term financial growth and sustainability. The primary challenge facing the NAWF is preserving the fund's principal assets and continuing welfare provisions. As it is not a public fund but one created and managed internally by the Nepali Army, in accordance with the provisions of the Army Act and financed through the contributions of military personnel, its primary accountability lies with those of the contributors. To address this accountability requirement, the NAWF discloses its income, expenditure, and balance sheet to all concerned through the annual publications of the Directorate of the Military Welfare, official handbook, and *Kalyankari Darpan*. Moreover, the fund does not distribute the returns on investment to its members as dividends or bonuses; instead, these returns are capitalized to strengthen the fund's core assets.

This paper employs a comprehensive theoretical framework, based on relevant literature and document analysis, to conduct a critical examination of the sustainability of NAWF and identify potential diversification strategies through innovative funding mechanisms and programmatic enhancements. These strategies are recommended to strengthen the fund's adaptability and resilience amid current pressures and future uncertainties, thereby ensuring the continued provision of welfare services.

## **Background**

The Nepali Army Welfare Fund was established in 2032 B.S. (1975 A.D.) with an initial amount of NRs 12.401 million. The fund was established through financial contributions from all ranks of the Nepali Army who served on United Nations peacekeeping missions worldwide. As a member country of the United Nations, Nepal not only participates in several UN peace support operations, but also ranks among the leading participating Nations. Over the last fifty years, covering 44 UN missions, more than 161,231 personnel have contributed, resulting in the loss of 74 lives and causing 75 service-related disabilities to date (Nepali Army, 2025). At

present, various welfare activities such as education, health, skills and self-employment, and facilities and concessions are being carried out for the benefit of all ranks of the Nepali Army, retired soldiers and their dependent families to realize the motto “*Bahujan Hitaya, Bahujan Sukhaya* (Welfare of All: Happiness for All)” through this fund, which operates in accordance with the Army Act, 2006, and the Army Welfare Fund Rules, 2008. As of July 2024, the fund has successfully generated a substantial amount base of NRs 75.9088 billion (Handbook, Nepali Army Welfare Directorate, 2025).

NAWF invests the fund in various secure economic sectors in accordance with the Military Act and Provisions. Term deposit accounts in banks and financial institutions constitute the largest share of fund’s investment. The Welfare Fund’s major sources of income include financial contributions made by Nepali Army personnel participating in the United Nations peacekeeping missions, interest from banks and financial institutions, income from foreign currency exchange fees, and proceeds from academic institutions, medical services, and oxygen plants (Poudel, 2017). To date, the fund has expanded its investments in six areas specified by the Military Welfare Fund Regulations, 2008. The areas include medical treatment and health services, residential facilities, canteen operations, schools and colleges, income-generating programs, and others recommended by the committee and approved by the Ministry of Defense (Kalyankari Darpan, 2025).

The Nepali Army Welfare Fund (NAWF) operates through a professional administrative mechanism. The effective operation and management of the fund fall under the primary responsibility of the Nepali Army Welfare Directorate. Financial and legal experts from the civil sector are engaged to ensure sound financial management of the fund. Thousands of civilian employees with the necessary skills, knowledge, and competencies are also employed in various firms and institutions established and operated by the NAWF. Every investment firm and project of the NAWF strictly follows the guidelines specified in the Standard Operating Procedures (SOPs). The fund’s operational progress, facts, figures, and other relevant information are made transparent through the official publication of annual reports, reflecting the Nepali Army’s accountability and commitment to its members and stakeholders.

### **Objectives, Significance, and Limitations of the study**

The ongoing discussion on enhancing the sustainability of the welfare system within the rich historical and cultural landscape of the Nepali Army over the past five decades is of significant importance. This discourse is not merely a technical exercise; rather it emphasizes the cultivation of pragmatic and widely acceptable strategy that can bolster the financial stability of the welfare fund—an essential cornerstone for ensuring its long-term viability and the uninterrupted delivery of vital welfare services.

To enrich understanding in this area, this study contributes by exploring the four objectives: (a) analyzing the current position of the fund, (b) identifying the challenges that NAWF faces in achieving long-term stability, (c) identifying feasible alternative diversification strategies for the fund’s sustainability, and (d) recommending policies to improve the fund’s performance.

This paper relies on secondary data and theoretical analysis. This foundational study is expected to open avenues for further investigations that can deepen understanding. The findings and conclusions of this study cannot be generalized to all military welfare organizations worldwide, as they are based on Nepal's specific context.

## **Review of Literature**

To understand where contemporary military welfare systems are functioning effectively, encountering challenges and heading in the future, it is first necessary to understand their historical origins and evolution (Huddie & Carney, 2023). The history of the welfare system in Nepal can be traced back to 1936 A.D., with the establishment of the first welfare scheme for army personnel (Paudel, 2024). A Military Money Fund was established during the tenure of Juddha Shumsher, the Prime Minister, in 1934 A.D., providing one-fifth of the salary income as a pension for retired army personnel (Rajkarnikar, 2023). After Nepal became a member of the United Nations in 1955 A.D., the Nepali Army began its involvement in UN peacekeeping missions, which has continued for more than half a century. The army's sustained involvement with UN peacekeeping missions began in 1958 A.D. with a deployment of five military observers to Lebanon ("Nepal's contributions to UN peacekeeping," 2021). This international exposure not only enhanced Nepal's foreign relations and image but also helped generate financial capacity to address the welfare needs of the army personnel, which the state could not afford. These financial and institutional conditions created the opportunity for establishing a dedicated welfare fund, leading to the formation and continued operation of the Nepali Army Welfare Fund (NAWF). This paper primarily examines the sustainability issue of NAWF, analyzing it through the theoretical lenses of welfare economics, institutional theory, public finance theory, and new public management theory.

A.C. Pigou, in *The Economics of Welfare* (1920), argued that economic policies should aim to maximize societal welfare. According to him, economic welfare and national dividend are interrelated. He defined economic welfare as part of total welfare, which could be measured in monetary terms, and national dividend as the total economic output. He said the welfare depends on both the size and distribution of the national dividend, which can be maximized through efficient resource allocation and optimized production policies. Efficient resource allocation also involves equitable distribution of resources to address issues such as exploitation, monopolies, externalities, and market failures.

Pigou (1920), also emphasized that wages should reflect the marginal productivity of labor. Another key argument concerned were about equity and redistribution. He argued that redistributing income from the rich to the poor can increase economic welfare, as the marginal utility of income is higher for poorer individuals. Progressive taxation policies, subsidies, and minimum wage laws can reduce inequality, provided they do not significantly undermine economic efficiency. Government intervention was another key takeaway of his work, which, he viewed as necessary to correct market failures, address externalities, and promote social welfare. Furthermore, he emphasized dynamic considerations and the need to balance efficiency and equity to achieve the maximum economic welfare.

This paper additionally draws insights from the institutional theory. According to Meyer and Rowan (1977), the formal structures of organizations serve symbolic roles. They demonstrate that organizations adopt rules, policies, and procedures not only for efficiency but also to gain legitimacy and satisfy societal expectations. By redefining organizations as “myth and ceremony,” this perspective reveals the gap between formal structures and actual practices within an organizational setting.

DiMaggio and Powell (1983) elaborated on Rowan’s work by introducing the concept of “institutional isomorphism.” They described how organizations within the same industry develop structural and operational similarities. Three mechanisms- normative, mimetic, and coercive pressures-were identified as the drivers of such similarity. Their study explained the consistency observed across organizations and emphasized how external institutional environments shape organizational conformity.

Oliver (1991) advanced discussion on the ways organizations respond to institutional pressures. According to her, organizations may comply with, compromise, avoid, defy, or manipulate these pressures based on their resources and interests. Later, Scott (1995) highlighted the complex nature of institutions and differentiated among the regulative, normative, and cultural-cognitive pillars that support the institutional environments.

Richard Musgrave’s seminal work, *The Theory of Public Finance: A Study in Public Economy* (1959), argues that the government’s economic role involves three core functions: allocation, distribution, and stabilization. The allocation function relates to provisions of public goods, such as infrastructure, which markets are less capable of supplying effectively. The distribution function emphasizes the government’s role in reducing inequality through fiscal policy measures. The stabilization function emphasizes economic stability by addressing unemployment, inflation, and growth, as part of the government’s responsibilities. Musgrave concluded that public finance is not solely about revenue generation but also about promoting social welfare.

A managerial reform paradigm was introduced by Hood (1991) through concept of “New Public Management.” It suggested adopting private-sector practices in the public sector allow governments to become more efficient, effective, and results-oriented. This concept marked a shift from the traditional bureaucracy toward the era of managerialism, marketization, and decentralization, aimed at improving better performance through customer-focused service delivery. Musgrave’s focus was on what government should do to promote welfare, whereas NPM theory advocated for how governments should operate to deliver services effectively.

Rajkarnikar (2023), in "Sustainability of Social Security Schemes in Nepal," highlights the importance of rational investment. She argued that contribution-based social security funds must preserve and grow assets to fulfill promised benefits while protecting contributors from market risks. Her study outlined three pragmatic principles of investment: liquidity, safety, and return. She also advocated for strong regulatory provisions and safeguard against government interference to safeguard long-term integrity of such funds.

Adhikari (2025), in "*Economic Security at the Pivot of National Security: Foresight into Nepal’s Headway*," argues that economic security fundamentally underpins national security.

He attempts to seek an academic discussion that criticizes the conventional military security perspective, that prioritizes defense spending, while undermining the interplay between the economy and national security. The scholar also unfolds the significance of economic security, presenting it as a prerequisite for other forms of security, including military security.

The existing body of literature reviewed in this paper provides foundation for a deeper investigation into how Nepal’s military welfare operations within the current context can enhance their effectiveness in the future.

**Theoretical Perspective**

This study employs a comprehensive theoretical framework that integrates the elements of welfare economics, public finance, new public management theory, and institutional theory, providing a lens to analyze the sustainability and diversification prospects of the Nepali Army Welfare Fund (NAWF).

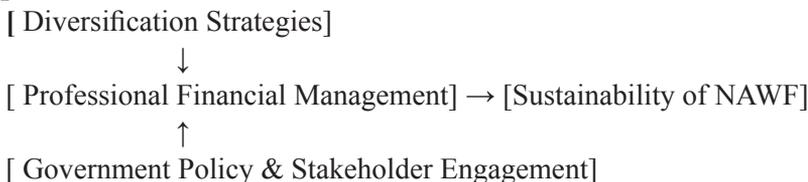
Based on the general concept of public finance theory, the investigation delves into the Fund’s mechanisms for mobilizing financial resources. It evaluates the effectiveness of current revenue-generating strategies in sustaining NAWF and enhancing welfare services for army personnel and their families, or not. Additionally, this perspective is used as a guide to analyze the government’s role in fulfilling its responsibilities. The paper also applies the new public management theory (NPM) to identify the best ways of delivering services.

This study also establishes a link with institutional theory, which provides valuable insights into the formal and informal structures that govern the Fund. This includes examining the impact of military values, norms, and the administrative setup, as well as the historical legacies that shape its operational framework. Understanding these structures helps generate a clearer understanding of the Fund’s operational capacity and informs strategies for meaningful reform.

Welfare Economics, as applied in this paper considers, a normative lens through which the Fund’s impact on social well-being can be evaluated. It emphasizes equity and explores how benefits are distributed among various stakeholders, maximizing the welfare.

By synthesizing these diverse perspectives, this integrated framework enables a holistic assessment of the Fund’s financial sustainability, adaptability, and the potential strategies for strategic diversification. This approach is particularly crucial in responding to the dynamic and evolving socio-economic landscape, ensuring that the Fund meets the aspirations and needs of its beneficiaries.

**Conceptual Framework**



This framework illustrates how diversification, supported by financial expertise and policy alignment, can enhance NAWF’s long-term sustainability.

## **Methodology**

This study is grounded in a qualitative theoretical approach, placing a strong emphasis on conceptual analysis to delve into the intricate management and operational practices of the Nepali Army Welfare Fund (NAWF). The research strategically integrates existing knowledge through two pivotal methods: (a) an exhaustive literature review of scholarly work about military welfare systems, public finance, and the nuances of institutional diversification, and (b) a detailed document analysis of NAWF annual reports, audit statements, government policy briefs, and relevant media coverage.

By employing conceptual analysis, the study seeks to elucidate key constructs, pinpoint theoretical gaps, and synthesize valuable insights into a strategic framework. This framework is designed to enhance both the sustainability and diversification of the NAWF. It ensures that it not only meets the immediate welfare needs of military personnel but also adapts effectively to the evolving landscape of public finance and institutional support mechanisms. Through this comprehensive approach, the research aims to contribute to the discourse on military welfare and its broader implications for social security measures.

## **Case Study of Military Welfare Systems in different countries, and comparison with NAWF**

In addition to the little-studied and less-publicized findings on military welfare, some institutional information sources were also accessed, which contributed knowledge on how military organizations in diverse geopolitical settings are developing welfare programs that help maintain high morale, retain personnel, and sustain service.

### ***Army Welfare in India***

Military welfare provisions are backed by the National Defense Fund (NDF) for the Indian Army. The NDF, established in 1962 A.D., follows a unique approach to managing army welfare services, channeling the voluntary public donations legalized by the Indian government. Such contributions are incentivized through income tax exemptions (National Defense Fund, n.d.). In comparison, the Nepali Army does not receive public donations, subsidies, or grants from the government; instead, it generates a welfare fund internally through the deduction of earnings from every army personnel's participation in the UN's peacekeeping missions. The Nepali Army seeks institutional independence, creating a self-reliant model, whereas the Indian Army's welfare services are supported by public generosity, fostering civil-military unity.

### ***Sena Kalyan Sangstha (SKS), Bangladesh***

The welfare systems in the Bangladesh Army evolved during the period of World War II. In the beginning, the Post Service Reconstruction Fund was created, which later became the Fauji Foundation in 1953 A.D., and after World War II, it was recognized as the Sena Kalyan Sangstha (SKS) in 1972 A.D. SKS, which is governed by the board of trustees, stands as a self-financing charitable trust dedicated to the welfare of ex-servicemen and their families. SKS is involved in diverse industrial, commercial, and real estate ventures, supporting the national progress through quality goods production, job creation, and contributions to revenue generation and social welfare (Sena Kalyan Sangstha, n.d.). In contrast, the Nepali Army Welfare Fund

(NAWF) primarily focuses on the welfare of the army veterans. It operates strictly within its legally mandated framework. Its corporate engagement is negligible compared to SKS, Bangladesh.

### ***Sri Lankan Army Welfare***

The Directorate of Welfare addresses the welfare needs of army personnel and their families (Sri Lankan Army, n.d.). According to the official website information of the Sri Lankan Army, the directorate also sanctions a multitude of welfare facilities to retired, handicapped, and serving soldiers, and their family members. These include loan facilities for housing, medical facilities, legal aids and funds, transport services, insurance facilities, death donations, holiday resorts at concessions, school admission, and special scholarships for children of Army Staff, air ticket services among others. The Sri Lankan Ministry of Defense has established the National Defense Fund, which accepts donations from the public and private sectors, to support national defense initiatives (Ministry of Defense, Sri Lanka, 2025). The Nepali Army Welfare Fund (NAWF) does not solicit donations from the public or private sectors, and no such special defense fund is established or operated by the Ministry of Defense, Nepal.

### ***British Army Welfare Service***

The Army Welfare Service (AWS) provides welfare support to the British soldiers and their families (British Army, n.d.). AWS manages the welfare services through multiagency networks; Ministry of Defense (MOD), internal support networks, and welfare charities, including Cobseo, the Army Benevolent Fund (ABF), the Army Dependents' Trust, Defense Medical Welfare Services (DMWS), and the Army Central Fund. In comparison to British system, NAWF does not include charitable organizations, nor does the government play a direct role in providing welfare needs of the army personnel. Despite pension provisions, the government does not offer any other direct welfare services to them.

### **Case study of Contribution-Based Employees Provident Fund, Citizen Investment Trust, and Social Security Fund programs in Nepal**

Nepal's retirement funds, primarily the Employees Provident Fund (EPF), Citizen Investment Trust (CIT), and Social Security Fund (SSF), play a critical role in ensuring old-age income security, yet they are increasingly exposed to various risk factors linked to macroeconomic instability, limited diversification, and institutional practices (Paudel & Kanel, 2025). All three social security institutions (CIT, EPF, and SSF) end up investing the accumulated funds in fixed deposits in the bank and financial institutions (Rajkarnikar, 2025). While these investments provide security, they limit opportunities for higher returns that could be achieved through diversified investment portfolios. Additionally, the economic downturns causing sector-specific risk and market shocks can harm the fund's income and sustainability.

Nepali Army Welfare Fund (NAWF) and the Social Security Institutions (EPF, CIT & SSF) share similarities in the investment strategies they adopt. Both types of institutions rely heavily on the term deposit instruments. However, NAWF does not sanction loans to the borrowers as these institutions do.

## Analytical Discussion

The study of military welfare systems uncovers diverse institutional practices and consequences. The Nepali Army Welfare Fund (NAWF) operates amid operational and policy challenges arising from the broader socio-economic and policy contexts. The major concern of the NAWF at present is sustainability. Furthermore, because the fund's investments are heavily concentrated in the term deposits of banks and financial institutions, which are currently struggling amid the ongoing economic downturn, incomes are declined. This decline has become a recurrent phenomenon. For the breakthrough from this critical juncture, NAWF needs a pragmatic solution.

A review of NAWF reports, existing legal framework and policies, and media publications revealed the fund's present status and future challenges. The limitations and boundaries of the fund's utility and mobility are well specified by the Army Act 2006 A.D, and Army Welfare Fund Rules, 2008 A.D. The NAWF operates as a Restricted Fund (Kalyankari Darpan, 2025), which is held in trust for the welfare of Army personnel and their families, mobilized under strict guidelines that prevent their diversion to other uses. The NAWF also honors the generally accepted principles and practices on restricted funds established by non-profit organizations (Kalyankari Darpan, 2025). According to the annual report of the Nepali Army Welfare Directorate, published in its yearly magazine, Kalyankari Darpan, the fund's current balance is 75.9 billion rupees, which is 4.4 billion more than last year. However, the status of the fund compared with that of two years ago shows a slight decline in growth rate.

The Nepali Army Welfare Fund (NAWF) operates various welfare activities through different units and institutions. It has established schools in every province, a medical college, an agricultural college, business colleges, training centers, and polytechnic institutes. It also operates Fair Price canteens in all divisional headquarters and a help center at Pashupatinath Temple, Kathmandu. Besides this, the fund arranges family quarters for army members' families, micro finances for self-employment, subsidized home loans, subsidized technical educational loans for army members' children. It also awards scholarship amounting to rupees twenty thousand to one child of an army personnel who doesn't get the opportunity to study in army schools. The fund also provides some economic relief to retired army personnel by adding a certain amount to the pensions they receive from the government.

Although the welfare supports that NAWF provides to army personnel and their families through its self-established fund, it receives limited privileges and support from the government while facing some criticisms on professional grounds by the media. Such constraints impede NAWF from devising long-term strategies to secure-welfare fund's sustainability. Critics also argue that the government risks losing its authority over the military as the army becomes greater independence (Paudel, 2024).

Pigou's welfare economics offers theoretical foundation to analyze the NAWF's operations. Because the fund adopts a redistributive mechanism with an emphasis on equity, it has the potential to enhance aggregate welfare by directing resources for those with a higher marginal utility of income. An institutional theory perspective reveals that NAWF's success relies not only on its redistributive mechanisms but also on the institutional structures and

operational environment in which it functions. Furthermore, the new public management theory underscores the need of an accountable and efficient managerial framework to ensure the effective delivery of services, a goal toward which NAWF strives. The public finance theory explains the government's role, and also the fiscal policy measures addressing the revenue and expenditure aspects of a country. The redistribution mechanism of NAWF also demonstrates the features of the public finance theory, providing a sound rationale and a robust foundation for analyzing the fund.

The study also identifies similarities between the NAWF and social security institutions (EPF, CIT, and SSF) regarding challenges in investment diversification and long-term sustainability. Rajkarnikar (2023) has highlighted the importance of diversification for the growth and sustainability of SSIs. The work of Adhikari (2025) underscores the concept of economic security as a foundational prerequisite of other forms of security. NAWF can draw implications from its study, which engages with discourse on the traditional military perspective. The comparative case studies reveal significant variation in the functioning of the military welfare systems. These systems evolve from historical necessities and adapt through transformation process. Military welfare provisions are shaped and guided by the nation's philosophy and developmental trajectory. Nepal also has its distinct nation-building history and legacy. The Nepali Army itself is both a witness to and an architect of the nation's development. The military welfare history of Nepal demonstrates the social orientation and welfare motives of the Nepali Army in its deeds. NAWF needs to reassess its management operations, performance, and practices, preparing it to counter the present challenges, and sustain in the future through strategic decisions-making.

### **Conclusions and Recommendations**

This paper examines the military welfare systems, with a particular emphasis on the Nepali Army Welfare Fund (NAWF). The analysis reveals that the fund faces persistent challenges in investment diversification, as it has concentrated on traditional financial instruments. The study highlights the NAWF's current reliance on the traditional investment platforms, which considerably limits its growth potential and exposes it to sustainability challenges. The literature and theories on welfare economics, public finance, new public management, and institutional theory supports the study, demonstrating the need for policy and strategic intervention to improve investment decisions to enhance the fund's growth and resilience. Military organizations are primarily concerned with national security. Rather than viewing it absolutely, if it is observed relatively in consideration of the economic security, a more appropriate and balanced perspective can be developed, which can facilitate further improvement and sustainability. Comparative case studies of military welfare practices from various countries in South Asia and beyond specify the importance of military welfare and the roles of stakeholders in ensuring sustainability in the welfare systems and provisions. To strengthen the effectiveness and long-term sustainability of NAWF, the following recommendations are proposed:

- 1. *Investment Diversification:*** NAWF should diversify its asset allocation into a range of low-risk and high-yielding sectors such as primary industries, mutual funds, government bonds, broader infrastructure development projects, and other socially responsible investment

projects. Globally recognized practices implemented in pension fund schemes, such as asset-liability modeling (ALM), can be adapted to optimize portfolio performance. To achieve these goals, NAWF requires a supportive environment, stakeholders' engagement, and government cooperation, for which continuous advocacy and dialogue could help pave the way.

**2. Modernize Welfare Services:** NAWF should expand and modernize its welfare offerings, complying with the modern necessity. It needs to address the contemporary needs of the military personnel and beneficiaries. NAWF can only achieve this if its financial strength is developed to its full potential.

**3. Promote Interagency Collaboration:** NAWF should seek strategic partnerships with the national planning commission, financial institutions, social security institutions, and academic researchers to strengthen networks and institutional expertise. Such collaborations can improve service delivery, promote knowledge sharing, and enhance the overall effectiveness of welfare programs.

**4. Establish a Strategic Reform Agenda:** NAWF should develop a forward-looking strategic vision that aligns with the institution's historical legacy, adhering to the laws and regulations. NAWF has the potential to transform into a resilient, strong, and sustainable welfare institution. All it needs is a strategic roadmap offering investing opportunities that enable the NAWF not only to provide support to the armed forces and their families but also make meaningful contributions to Nepal's socio-economic development.

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