

Financial Inclusion of Fisher Folk in Ramanathapuram District

B. Vimala, K. Alamelu

Abstract : *The purpose of this study is to measure the extent of financial inclusion of fisher folk in terms of access and usage. This paper has used primary data. For collecting primary data, a well-structured Interview Schedule has been prepared and administered among the respondents. The sample group consists of 120 sample respondents. The paper uses Paired Sample t Test. 77 per cent of the sample respondents are aware of the different products and services rendered by the banks while 46 per cent of them use the known banking products and services. Comparatively the awareness is more for the traditional products while the same is less for the modern products. The result of the Paired Sample Test reveals that P value is less than 0.05 in awareness and service of usage in financial inclusion of fisher folk. The present paper attempts to find the awareness and usage of financial services of banks by the fisher folks, who avail financial support mostly from the informal sources of finance. By measuring the gap between the awareness and usage of financial services by the fisher folk, the paper may throw useful clues to the policy makers for undertaking segmented initiatives for furthering financial inclusion.*

Keywords: *Indian Fisheries, Financial Inclusion, Awareness, Usage.*

I. INTRODUCTION

Financial inclusion is the delivery of financial services at affordable costs to sections of disadvantaged and low-income segments of society. According to Reserve Bank of India (RBI) financial inclusion is the “process of ensuring access to appropriate financial product and services needed by all section of the society in general and vulnerable groups such as weaker sections and low income groups in particular, at an affordable cost in a fair and transparent manner by regulated mainstream institutional players. ‘Mangalam’ village turnout to be the first village in India where all households were provided banking facilities. In January 2006, as per the direction of the Reserve Bank of India Commercial Banks can make use of the services of agencies such as

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Non-Governmental Organization (NGO), Micro Finance Institutions (MFIs) and other civil society organization in the process of financial inclusion. These intermediaries could be used as Business Facilitators or Business Correspondents by Commercial Banks. Reserve Bank of India’s visualization for 2020 is to create a new customer phase of 600 million accounts by leveraging on Information Technology (IT). However illiteracy, lack of savings habits especially among the poor and inadequacy of bank branches in many states hindered the fast pace of financial inclusion.

II. OBJECTIVES

- To study the extent of awareness of various financial services rendered by banks among fisher folk.
- To examine the level of usage of various financial services rendered by banks by fisher folk.

III. REVIEW OF LITERATURE

The cardinal fisheries scientists have increasingly critiqued usually fisheries-management methods (Ludwig et al., 1993; Walters and Parma, 1996; Pitcher et al., 1998 ;). The standard argument supporting the critique is that fisheries populations are stochastic, patchy, and heterogeneous and are linked with highly unpredictable oceanographic processes including upwelling, currents, and wind. (Wilén, E. J., et al., 2002) studied all fisheries-management models incorporate simplifying assumptions about ecological and oceanographic mechanisms that are fundamentally uncertain or stochastic, but exploited fisheries are also subject to equally important uncertainties associated with fisherman behavior. The paper highlighted is an attempt to demonstrate the potential usefulness of economics-based behavioral modeling, with data collected for biological management.

Vimala, B., and Alamelu, K. (2018), studied financial literacy, perceived risk attitudes and investment intentions among women and found that women attained a moderate score on the risk attitudes and investment intentions. The study found that age, monthly income of the family, and educational qualifications have significant association with the level of financial literacy of the respondents.

Rangarajan, C. (2014), his stated that report on the committee number of poor in India has been much higher in 2011-12 at 29.5% of the population. He highlighted the report Rs. 47 for the daily per capita expenditure for the urban poor and at pegged at Rs. 32 for rural poor. In the year 2009-10, about lifted out of poverty 91.6 million people as compared to 454.6 million poor in the year 2009-10. Finally the poverty line on the average monthly per capita expenditure is pegged at Rs. 972 for rural India and Rs. 1407 for urban India.

IV. HYPOTHESES

H₀: There is no significant difference between the level of awareness and usage of financial services.

V. METHODOLOGY

The study will based on the primary data collected through interview method by administering a pre-structured from the fisherfolk in Ramanathapuram District. The sample size is 120.

VI. SCOPE OF THE STUDY

The study is confined to selected fishermen workers of Ramanathapuram District. The study will help to understand the extent of financial inclusion among fisherfolk. The study will also find out the awareness of fishermen towards formal financial system. No study has been conducted in 'Financial Inclusion of Fisher Folk in Ramanathapuram District', which

help to identify the problems and arriving suggestions to resolve the identified problems.

VII. INDIAN FISHERIES

Indian fisheries and aquaculture occupy an important place in the Indian economy. They provide nutritional security, livelihood support and gainful employment to more than 14 million people, and contribute to agricultural exports. Diverse resources ranging from deep seas to lakes in the mountains and more than 10% of the global biodiversity in terms of fish and shellfish species, the country has shown continuous and sustained increments in fish production since independence. The total fish production during 2017-18 is stands at 12.60 million metric tonnes, and constitutes about 6.3 percentage of the global fish production and its share in the GDP is 1.1%.

Fisherman or fisher is indiscriminate fishing, by catch and overfishing, it seems like merely putting a net in the water will guarantee a fisherman his catch. Fisher fold know something about the marine environment that other people don't. Is her folk's minds linked in knowledge, occupation and identity.

Table- I: Basic Information of Indian Fisheries

Indian Fisheries	
Global position	3 rd in Fisheries 2 nd in Aquaculture
Contribution of Fisheries to GDP (%)	0.91
Contribution to Agril. GDP (%)	5.23
Per capita fish availability (Kg.)	9.0
Annual Export earnings (Rs. In Crore)	45,106.89
Employment in sector (million)	14.0
Some Facts	
Present fish production	6.4 million metric tone (mmt)
Inland	3.4 mmt
Marine	3.0 mmt
Potential fish production	8.4
Fish seed production	21000 million fry
Hatcheries	1070
FFDA	422
BFDA	39

Source: NFDB, (2017)

VIII. DATA ANALYSIS AND INTERPRETAION

Table- II: Demographic Profile

Variable	Frequency	Percent	Cumulative Percent
Gender			
Male	100	83	83
Female	20	17	100
Total	120	100	
Age			
Below 20 Years	15	13	13
20-30 Years	19	16	28
30-40 Years	30	25	53
40-50 Years	35	29	83
Above 50 Years	21	18	100
Total	120	100	
Marital Status			
Married	96	80	80
Single	24	20	100
Total	120	100	
Educational Qualification			
Illiterate	26	22	22
8 th Standard	49	41	63
SSLC	30	25	88
HSC	15	13	100
Total	120	100	
Monthly Income			
Less than Rs.25,000	34	28	28
Rs.25,000 to 50,000	43	36	64
More than Rs.50,000	43	36	100
Total	120	100	

Source: Researcher's Computation

The fisherman personal profile of the sample respondents has been tabulated in the above table. Among 120 fisherman responded in the survey, 83 per cent of the fisherman belonged to male category and only 17 per cent are females with regard to age of the sample respondents, 13 per cent belongs to the age group below 20 years, 16 per cent of them belongs to the age group of 20-30 years, 25 per cent belongs to the age group of 30-40 years, 29 per

cent of them belongs to 40-50 years and only 18 per cent belongs to the age group of the above.

Therefore, majority of the fisherman belongs to the age upto 50. 80 per cent are married, and 20 per cent are unmarried. Therefore, it is concluded that majority of the respondents are married. Regarding educational qualification 41 per cent of the completed 8th standard. The respondents' family mostly have the monthly income of less

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than Rs.25,000, which is about 34 samples followed by 43 Rs.50,000, and 43 respondents have the income of more than Rs.25,000 to than Rs.50,000

Table- III: Awareness of Banking Products and Services

Banking services	Awareness			Service of Usage			Usage Gap
	Yes	No	%	Yes	No	%	
Pass Book	113	7	94	88	32	73	78
Cash Withdrawal	110	10	92	93	27	78	85
Deposit	104	16	87	60	60	50	57
ATM Card	99	21	83	89	31	74	89
Loans	104	16	87	62	58	52	60
Jewel Loan	96	24	80	46	74	38	48
Housing Loan	85	35	71	30	90	25	35
Smart Card	20	100	17	9	111	8	47
Personal Loan	103	17	86	20	100	17	20
Average	93	27	77	55	65	46	58

Source: Researcher's Computation

Table- IV: Paired Samples Statistics for the Usage Gap

Paired Samples Statistics					
		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Awareness	92.6667	9	28.43413	9.47804
	Service of usage	55.2222	9	31.24411	10.41470

Source: Researcher's Computation

Table- V: Paired Samples Correlations

Paired Samples Correlations				
		N	Correlation	Sig.
Pair 1 awareness & Service of Usage		9	0.679	0.044

Source: Researcher's Computation

Table- VI: Paired Differences

Paired Samples Test								
	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Awareness – Service of Usage	37.44444	24.05780	8.01927	18.95198	55.93691	4.669	8	0.002

Source: Researcher's Computation

IX. RESULT AND DISCUSSION

On an average, 77 per cent of the sample respondents are aware of the different products and services rendered by the banks while 46 per cent of them using the known banking products and services. Comparatively the awareness is more for the traditional products while the same is less for the modern products. The sample respondents are fully aware of the basic but vital products like the usage of Pass book with the usage gap (94%, 73%, 78%), Cash withdrawal (92%, 78%, 85%), Deposit (87%, 50%, 57%), ATM card (83%, 74%, 89), Loans (87%, 52%, 60%), Jewel loan (80%, 38%, 48), Housing loan (71%, 25%, 35%), Smart card (17%, 8%, 47%) and Personal loan (86%, 17%, 20%). The ignorance of Smart card is mainly because the scheme is meant for farmers and not to Fisher Folks. Hence, it is apparent that the sample Fisher Folk are much aware of the traditional products and services and the awareness of modern banking products is comparatively low among the Fisher Folk in Ramanathapuram District.

The usage gap between the awareness and application of banking products and services is tested through Paired Samples Statistics which is presented and discussed as below. The mean for the awareness of banking products and services is 92.67 while the same for the application of banking products and services is 55.22 and the standard deviation is 28.43 and 31.24 respectively for awareness and application of banking products and services. It is inferred that though the sample group aware of the banking products and services, they hesitate to use them spontaneously.

The result of the Paired Samples Test (Paired Differences) depicted in table 6 reveals that **P** value is less than 0.05 in awareness and service of usage in financial inclusion of fisher folk. So the null hypothesis is not accepted at 5 per cent level of significance.

X. CONCLUSION

Thus, it can be concluded that the level of awareness of financial services among fishermen is appreciable which may be attributed to the initiatives of the financial inclusion taken by the Reserve Bank of India and the Government of India. However, the usage gap in availing the service still exists. Efforts are to be made to encourage the usage of

such service by the fisher folk in order to relieve them from the clutches of money lenders.

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