

Chapter 9

Summary of Findings, Conclusions and Recommendations

Introduction

Financial Inclusion has become National priority for India since 2005. It is a proactive initiative to include or insert the entire unbanked into the fold of the formal banking sector. It is meant to deliver basic banking services like a savings bank account with overdraft facility, a recurring deposit account, a remittance product, an entrepreneurial credit such as KCC and GCC and an insurance product to the vast sections of the disadvantaged, who are excluded involuntarily from the formal banking sector. Financial products and services have been recognised as public good, which should be percolated to the bottom level of the pyramid, which include poor farmers, low-income groups like fisher households and weaker sections of the society, SC/ST etc. The importance of financial inclusion in the economic development of a country like India cannot be overlooked. As per the Economic Survey, 2016, India is reported as having grown by 7.2 per cent during the past year 2014-2015 and estimated to grow 7.6 per cent in the year 2015-16. A growth without equity will not be inclusive and sustainable. Growth should improve the living conditions of vulnerable groups like low and irregular income groups and weaker sections of the society. According to Franklin Roosevelt '*the test of our progress is not whether we add more to the abundance of those who have much, it is whether we provide enough for those who have too little*'.

Socio-economic status of Alappuzha is highly pathetic and deplorable compared with other Southern districts in Kerala. Alleppey, once the pride of Travancore, the hub of business and trade, has become an industrially backward district with the coir sector and the fisheries sector having been neglected for long by the authorities. People are struggling to make both ends meet. Absence of an alternative employment system makes the life of these

people miserable. Majority of the women in BPL families work as domestic servants, in fish processing centres, and as sales girls in textiles and jewelleryes for meagre wages. MNREGA scheme implemented is a matter of consolation for these households. The conditions of fisher households is also not different. During monsoons and off seasons, fisher households struggle to meet the expenses of the family, the educational expenses of their children and other emergencies. Alappuzha the smallest district in the State accommodating the highest fisher population as per the data published by the Department of Fisheries in 2012. Ranked second in marine fisher population Alappuzha has a prominent place in the economic landscape of Kerala. Fisheries sector has become a competitive field, especially in Alappuzha, in making huge investment in fishing inputs. The concept of fishing for livelihood has become a thing of the past. Fishing today has become more capital intensive and sadly exploitative in nature. Lack of adequate finance from specialised institutions set up for fisher households and formal financial institutions like commercial banks has driven them to private money lenders. The Coastal area has become the favourite haunt of microfinance institutions, private financiers, Friends and relatives of the households turn money lenders stretching out a helping hand to these fisher households. The credit history and credit worthiness of such households is well known to the microfinance institutions and the money lenders.

As per CRISIL-Inclusix-the financial inclusion measure used in India, a decade of concerted efforts for greater financial inclusion under the aegis of the Government of India and RBI, the apex bank of India, is seen to have improved the formal financial service penetration among the unbanked and the under banked. It showed a continuous progress in the financial inclusion index score from 35.4 per cent in 2009 to 50.1 per cent in 2013, as per the third volume of CRISIL-Inclusix, published in June 2015. Financial inclusion index score of Kerala was the highest (88.9) among the larger States with more than three lakh population category. Alappuzha was declared as a financially included district with every family having an account in 2006. Later it was

found that people were unaware of the financial products and services offered by commercial banks. As per the District Credit Plan, it was found that major share of the cash flow to fisheries sector was from cooperative societies and the contribution of commercial banks was a little more than 20 per cent. Later, Alappuzha with a well-framed financial network earnestly implemented the financial inclusion policy under the leadership of Lead Bank, Alappuzha, and tried to reach out to the unbanked and succeeded to connect households with formal banking system by opening bank accounts. As per the CRISIL-Inclusix, 13 out of 14 districts of Kerala scored very high financial inclusion index and got enlisted in the 'top-fifty districts' list in India and six districts including Alappuzha became fully financially included. The present study is undertaken to assess the financial inclusiveness of marine fisher households in Alappuzha.

9.1 Research Problem

Earlier studies revealed that the livelihood financial requirements of the fisheries sector were met by private money lenders and commission agents. The financial requirements of the household were catered by cooperative societies, microfinance institutions, private money lenders, friends and relatives and SHGs. Specialised institutions were set up for the promotion and development of this risk profile sector. When fisheries industries became more capital intensive, finance became scarce. These specialised institutions were unable to offer adequate support for procuring vital fishing inputs. The financial requirement for procuring a fishing unit was huge but the financial support offered by these institutions was limited to less than 50 per cent of the actual requirement. Hence, most of the fishing units under Mechanised and Motorised sectors commence the operation by borrowing from multiple sources. Beach level auction conducted by Matsyafed to ensure fair price for the fish caught by the fishermen who are members of the society also failed due to the over dependence of fishermen on the private lenders. Ultimately the private money lenders get richer and richer and the poor fishermen who risk their life are left struggling to take care of their family and live in debt. Consequently, socio-economic growth of the fisher households is arrested.

When the Department of Fisheries, Kerala, as part of financial inclusion initiative began to route the Saving Cum Relief Scheme of fishermen through bank accounts, marine fisher households were included financially to commercial banks. Ownership of an account is not financial inclusion; it's only the preliminary step to access financial products and services offered by commercial banks. It is the extent of financial service penetration, savings penetration and credit penetration that would determine the financial inclusiveness among the marine fisher households. It is also important to assess the financial literacy of the marine fisher households to demand financial products and services from commercial banks. The present study is an attempt to address the following questions by analysing the responses collected from marine fisher households and commercial bank managers:

- How much is the financial requirement of the fisher households and the proportion of finance availed from scheduled commercial banks?
- What is the extent of financial inclusion in terms of deposit penetration, credit penetration and financial service penetration among the fisher households?
- What are the constraints faced by the fisher households and the scheduled commercial banks in attaining meaningful financial inclusion?
- What is the extent of financial literacy prevailing among the fisher households?

Financial inclusion is more than a poverty alleviation tool, it is concerned with equitable sharing of financial products and services by all, which are in the nature of public goods. A study intended to assess the financial inclusiveness among marine fisher households involves financial requirement of the marine fisher households, sources depended to meet the requirements, the prevailing banking practices and the penetration of financial products and services among them. Financial inclusion cannot be completed without understanding the financial literacy of this target group. Marine fisher

households means the households of sea-going fishermen using any of the three categories of fishing crafts namely Mechanised, Motorised and Non-Motorised, which are registered in Alappuzha. Study also looks into the perceptions of banking personnel regarding financial literacy of marine fisher households and the constraints faced in serving the fisher households. Banking personnel include bank managers of the bank branches which hold the accounts of marine fisher households in Alappuzha.

9.2 Objectives of the study

The main objective of the study is to assess financial inclusiveness and related Literacy among the marine fisher households in Alappuzha. It entails the assessment of the financial soundness and the banking practice of fisher households, financial service penetration and financial literacy of the fisher households. From the supply-side of financial inclusion, the constraints faced by commercial banks in rendering financial service to the fisher households and the perception of the service providers regarding the financial literacy of marine fisher households is examined. Given below are the nine objectives to achieve the targeted goal:

- To examine the factors which influence the financial status of fisher households.
- To determine the extent of banking practices prevailing among the fisher households.
- To assess the financial inclusiveness of fisher households through scheduled commercial banks.
- To identify the sources of finance resorted by fishermen in setting up fishing units and the proportion of commercial banks in the venture.
- To determine the constraints faced by the scheduled commercial banks in rendering financial services to the fisher households.
- To assess the extent of financial literacy of fisher households from the view point of commercial banks.

- To ascertain the extent of financial literacy prevailing among the fisher households.
- To understand the level of financial management practices among the fisher households.
- To formulate an ideal model of financial inclusion for the fisher households in Alappuzha.

9.3 Hypotheses

The research necessitated primary data collection, simple and relevant analysis and the following hypotheses was formulated. Each variable was analysed under two bases like '*Types of craft*' and '*Year of Opening Bank Account*' by fisher households.

- H_0 : There is no significant difference in the mean income of fisher households by Types of Craft with various economic factors.
- H_0 : There is no significant difference among the fisher households in their purpose of visit to the bank by Types of Craft.
- H_0 : There is no significant difference among the fisher households in the usage of financial services availed from scheduled commercial banks by Types of Craft.
- H_0 : There is no significant difference in the proportion of finance availed by the owner cum fishermen by Types of Craft from the scheduled commercial banks for setting up a fishing unit.
- H_0 : There is no significant difference in the constraints faced by the public sector banks and private sector banks in serving the fisher households.
- H_0 : There is no significant difference in the perception of the Public sector banks and Private sector banks on the financial literacy of fisher households.
- H_0 : There is no significant difference in the financial literacy of the fisher households by Types of Craft.

- H_0 : There is no significant difference in the financial management practices of the fisher households by Types of Craft.

9.4 Methodology

The present study was organised based on the primary data and the secondary data. The Secondary data was collected from RBI publications, Lead Bank of Alappuzha, Regional office of NABARD, Department of fisheries, Matsyafed, Matsyaboard, books, journals, Newspapers and National and International publications. Focussed group discussions were held with marine fisher households, with officials who work for the promotion of the fisher households, with the personnel in Reserve Bank of India, Regional Office, Thiruvananthapuram, with social activists working for fisher folk and with Union Leaders. Personal interviews were conducted with Lead Bank Manager, Deputy Director of Fisheries, Alappuzha, Regional Executive Officer of Kerala Fisheries Welfare Fund Board, Alappuzha, General Manager of Matsyafed, Regional office Alappuzha, and Tharakans of main landing centres in Alappuzha to know about the current mechanism to support fisher households. After the extensive group discussions and interviews, two interviews were scheduled to collect primary data. The first interview schedule was administered to collect data from marine fisher households and the second one to collect data from the bank managers representing the financial providers.

Population of the study consists of Owner cum Crew fisher households and Exclusive Crew fisher households in the District of Alappuzha. The rationale behind the selection of Owner Cum Crew Households and Exclusive Crew Households is that ownership of fishing crafts has significant bearing on the socio-economic status of fisher households. Hence in analysing the financial inclusiveness, it is vital to look into the financial requirements and the source depended by fisher households, especially Owner cum Crew households. Population of the supply-side of financial inclusion consisted of scheduled commercial banks, as per the Banking Statistics as on 31, March 2013 published by the Lead Bank Department, Thiruvananthapuram. The

scheduled commercial banking network of Alappuzha comprised of 319 branches of 29 Scheduled Commercial Banks. Commercial banks have been the dominant segment of the financial sector in Alappuzha, mainly located in the urban and semi-urban areas.

9.4.1 Sample Design

Stratified systematic random sampling design was followed for selecting the fisher households for the study. Marine fisher households of Alappuzha spread out to six coastal blocks in Alappuzha, namely Muthukulam, Haripad, Ambalappuzha, Aryard, Kanjikuzhy, Pattanakad, and one Municipality (Alappuzha). Out of the six coastal blocks, three were selected namely Muthukulam, Ambalappuzha, and Kanjikuzhy with the highest number of fishing crafts as per the List of Registered Vessels collected from Deputy Directorate of Fisheries, Alappuzha as on March 31, 2013, which formed the base for constructing the sample frame. Thereafter, each stratum was sub-stratified into marine fisheries villages. Out of the 16 marine fisheries villages, three marine villages having the highest number of fishing crafts under three blocks were identified i.e., Arattuppuzha from Muthukulam Block, Ambalappuzha from Ambalappuzha Block and Arthunkal from Kanjikuzhy Block were selected for the study.

Simple stratified random sampling was followed in determining the bank branches for the study of financial inclusion from the part of the financial service providers. Firstly, the names of the commercial bank branches holding the bank accounts of marine fisher households were collected from Deputy Directorate of Alappuzha. Subsequently a list of commercial banks holding more than hundred bank accounts of fishermen under six coastal blocks and a municipality was prepared. It is through these accounts welfare schemes for fishermen are routed under DBT scheme. As a next step bank branches were categorised under Public Sector and Private Sector with the highest number of fishermen's accounts and it was found that Nationalised Banks had the highest number of fishermen's Basic Savings Deposit Accounts followed by SBI & its

Associates and Private Sector Banks. The distribution of ownership of accounts by fisher households in public sector banks and private banks was found to be in the ratio of 4:1.

9.4.2 Sample Frame

The present study was conducted among the owner cum crew fisher households and exclusive crew fisher households. Firstly, the official list of Registered Vessel Owners under Mechanised, Motorised and Non-Motorised sectors in Alappuzha was obtained from the Deputy Directorate of Fisheries, Alappuzha. It contained names of 145 Mechanised vessel Owners, 4,673 Motorised vessel Owners and a few names of Non-Motorised vessels owners. But the list of Non-Motorised vessel owners was not complete because Non-Motorised vessels found in Alappuzha, made out of Thermocole, known as '*ponth*' or '*pongu*' are not permitted registration under the Department of Fisheries. Discussions held with the Fisheries Officers of the district revealed that the average number of fisher households using such Non-Motorised crafts per village would be 135-150. So, it was decided to take the number of Non-Motorised Owners as 4500. Hence the total number of fishing crafts in Alappuzha under Mechanised sector, Motorised sector and Non-Motorised sector was found to be 9318.

Similarly, a sample frame of bank branches was prepared to represent the financial service providers. Names of banks participating in routing the Saving Cum Relief Scheme (SCRS) implemented by Department of Fisheries, Kerala, was collected from Deputy Directorate of Fisheries, Alappuzha. Out of the 315 scheduled commercial bank branches in Alappuzha, around 139 branches were identified as participating in this scheme. Names of bank branches were classified as public sector banks (111) and private sector banks (28) under six coastal blocks and one municipality. Both public and private sector banks holding highest number of accounts of fishermen under each coastal block and one municipality form part of the sample frame. In order to

ensure the reliability of the response, bank branches from public sector and private sector were selected in the ratio of 3:2.

9.4.3 Pilot study

Pilot study was conducted to ensure the validity and reliability of the interview schedule prepared to obtain the data from marine fisher households and bank managers. It was performed by taking 10 fisher households from the three sectors, like Mechanised, Motorised and Non-Motorised sectors. The response rate was determined using the Kukeran Formula and it was found to be 0.85.

9.4.4 Sample size determination

As per the pilot study, the estimated variance in population was found to be 0.85. In the Kukeran formula applied in 'RaoSoft,' the required sample size was estimated as 192 for a population of 9318. The sample size of 192, consisted of 44 fisher households from Mechanised sector, 74 each from Motorised and Non-Motorised. Five per cent extra samples were collected from each of these sectors; hence the sample units from Mechanised, Motorised and Non-Motorised sectors were 46, 78 and 78 respectively. Two of the Mechanised fisher households' interview schedules had to be cancelled due to the reluctance of the respondents' to reveal certain information. Hence, the sample size in aggregate became 200 fisher households representing 44 from Mechanised sectors and 78 each from Motorised and Non-Motorised sectors. An equal number of Exclusive crew fisher households were selected from Mechanised and Motorised sectors. Following this Owner cum Crew fisher households and Exclusive Crew households were selected. The proportion of the three types of craft in Arattappuzha, Ambalappuzha and Arthunkal was observed to be in the ratio of 2.2: 3.9: 3.9 and the sample units from these villages were found to be 52 marine fisher households from Arattappuzha, 75 from Ambalappuzha and 73 from Arthunkal.

From the side of the financial service providers, bank branches with highest number of fishermen accounts under public sector and private sector were identified and finally, five bank branches from each coastal block and one municipality were selected in the ratio of 3:2. Three bank branches from public sector banks and two bank branches from private sector banks were selected for the study. The sample frame for the commercial banks was fixed to be 35 banks to satisfy the minimum size required for statistical significance. The determined sample size constitutes 11 per cent of the total scheduled commercial banks in Alappuzha.

9.4.5 Data Collection Instruments

Structured interview schedules were used to collect the data from marine fisher households and bank managers. The interview schedules contained various types of questions to elicit diverse aspects of financial inclusion and financial literacy. Prominent types of questions used are; multiple response questions, ranking the preferences, Likert scale to assess the attitude and perception of fisher households and bank managers. Data reduction tool like factor analysis was used to know the crucial factor that contributes to the financial literacy of fisher households.

9.4.6 Reliability test

Reliability test was carried out to assess the internal consistency of the measures used in analysing various concepts used for the study. Coefficient alpha (α) represents the internal consistency, ranges in value from 0 to 1. The scales with Coefficient alpha (α) between 0.70 and .080 are considered to have very good reliability and value between 0.60 and 0.70 indicating fair reliability. Most of the variables identified for study have exhibited good or fair reliability.

9.4.7 Tools used for analysis

The data gathered was classified, tabulated and analysed with the help of SPSS and Microsoft Excel. Hypothesis testing was conducted using descriptive statistics, Independent *T*-test, *Chi*-Square Test, *Z*-test, Spearman Rank

Correlation, Multiple Classification Analysis(MCA), One-Way ANOVA, Two-Way ANOVA, MANOVA, Logistic Regression, Factor Analysis and Conjoint Analysis.

9.4.8 Presentation of the Report

The study on the financial inclusiveness of marine fisher households in Alappuzha is organised into nine chapters. The first section is comprised of four chapters and second section comprised of five chapters. The first chapter is used to introduce the topic and give detailed explanation regarding the significance of the study. It also presents the objectives, scope, hypotheses, methodology and database adopted for the research and also the limitations experienced in this academic endeavour. The second chapter contains the reviews of earlier studies and the gaps identified that served as a spur to the present study. The third chapter aims at providing an overall picture of financial inclusion, specifically concepts and definitions, initiatives taken at Global, National, State and District levels and the progress of financial inclusion drive since 2005. Chapter four focuses on the existing mechanism that prevails among the marine fisher households in dealing with financial matters including constraints faced by marine fisher households in availing financial services, financial literacy and financial management practices.

The fifth chapter deals with the analysis of financial soundness, financial requirements and the sources depended by fisher households in setting up a fishing unit. Chapter six is devoted to fathom the extent of banking practice that exists among the marine fisher households in terms of deposit penetration, credit penetration and other financial service penetration. Chapter seven is the core chapter depicting the constraints faced by fisher households in accessing formal financial services, measuring of financial inclusion among the marine fisher households and the perception of the bankers regarding the fisher households. Chapter eight depicts the extent of financial literacy and the financial management practices of marine fisher households. The final chapter gives a snapshot of the study expressed as major findings through analysis,

conclusions highlighting crucial concerns and recommendations to the policy makers.

9.5 Glimpses of Earlier Studies

An extensive review of literature was made to know the qualitative and quantitative dimensions of financial inclusion. It includes issues regarding the implementation of this policy, the benefits of financial inclusion and the factors that escalate financial service penetration at global, national and regional levels. A good number of studies have been done in the area of financial inclusion, financial literacy and marine fisher households. Though a study of financial inclusion among marine fisher folk through *Microfinance Model* has been completed, a comprehensive study on the financial inclusion and the related Literacy of marine fisher households through scheduled commercial banks is an area unattended by researchers. The reviews of literature have been outlined under three sections and further segregated into three levels such as International, National and State. Section A, deals with reviews on fisher households, Section B presents the reviews on financial inclusion and Section C provides the reviews on financial inclusion among fisher households. Eighty three reviews, which are inevitable for the present study have been included in the research report. It comprises articles from books and journals, official publications of international and national agencies, reports of various commissions and institutions and doctoral thesis related to the current study.

9.6 Financial Inclusion- An Ongoing Process

An overview presented in the report has taken account of meaning and definition of financial inclusion by major authorities in India and abroad. It portrays the fact that financial inclusion in India is not a new idea. India had realised the intensity of exploitation that existed in the rural villages of our country since 1951 with the All India Credit Survey. Subsequently, there were concrete efforts from the part of the governments and RBI to eradicate financial exclusion and to stretch the banking services to the rural villages of India. It commenced with the establishment of cooperative societies,

nationalisation of banks, social control mechanism, service area approach and Lead Bank scheme and setting up of RRBs, to serve exclusively the agriculturists and low-income households in rural areas. The New Economic Policy to a great extent helped to broaden the network of banking sector with the advent of private banks and foreign banks into the field. But the greater realisation of the benefits of financial inclusion highlighted the need for empirical studies and prompted the global economies to consider financial inclusion as a criteria for assessing the development of economy.

As the bird with one wing cannot fly, so an economy cannot grow enriching the rich and excluding the poor and less advantaged. Following the footsteps of G20, India also implemented Financial Inclusion Plan (FIP). The first phase of the FIP period was 2010-13. The scheduled commercial banks were advised by RBI to formulate a Board Approved plan for financial inclusion, which could be monitored by the Lead Bank of the respective District. As per the SLBCs 1,83,993 unbanked villages were covered by March 2014 through bank branches, Business Correspondents and through other models. Though the Second phase of FIP was initiated, it was substituted with Pradhan Mantri Jan-Dhan Yojana, a record winning scheme introduced in August 2014, consisting of a bank account for all, RuPay Kisan Card, an overdraft facility of ₹5000/- and financial literacy packages. As on March 2015, the scheme led to the opening of 20.7 crore bank accounts. In addition to that the three insurance schemes introduced to activate PMJDY account, was a solution to the dormancy issue of accounts opened as per the FIP.

After a decade of the declaration of financial inclusion drive, it was seen that financial inclusion process had slowed down. Though the number of accounts enhanced, the target groups like low and irregular income households and weaker sections of the society still depended on the money lenders for meeting their financial needs. Fisher households are not able to offer quality collateral security or salary slip when applying for loans. Reasons for such situation could be due to the unsuitability of the financial products and services offered by banking institutions and the lack of financial literacy of the fisher

households. Financial decisions of fisher households are made in a hurry without seeking help from any formal source. Financial management practices of fisher households are found to be similar by Types of Craft.

Financial literacy efforts at the global level had started from the year 2000 onwards. But in India, financial literacy promotion efforts are in the initial stage. Financial literacy promotions are not yet well organised. A number of initiatives have been taken in setting up financial literacy centres at block level in every district, launching websites in more than thirteen languages and telecasting programmes through Doordarshan, distributing pamphlets and booklets and incorporating it with the curriculum in Karnataka. The effectiveness of the programme is a question to be assessed. Mass programmes of financial inclusion may not equip target group in managing personal finance instead there should be dissemination of financial information to smaller groups with frequent follow up in life situations.

9.7 Financial Inclusion of Marine Fisher Households

Prominence of fisheries sector has been discussed at global, national and regional levels. Significance of the sector can be determined from the employment opportunities created by this sector and contribution of this sector in providing animal protein and the volume of production and consumption of fish and fish products. Statistical evidence brings more clarity in these matters. Worldwide, fishery sector has generated direct employment to 55 million people and 145 million people are engaged in fishery related activities. Fishery sector provides 17 per cent of the population's average per capita intake of animal protein. International record shows that out of the 18 major producers, 11 countries from Asia contributed 72 per cent of the total marine fisheries. China topped the rank of marine capture fisheries and India stood seventh contributing 15.1 per cent of the global production. Despite the depletion of resources experienced, the demand for consumption is on the rise day by day.

India had to its credit the third position in fish production after China and Indonesia and second in aquaculture production in 2013. As per the report

of MPEDA, Kochi, India had exported 983756 tonnes of marine fish products worth ₹30213.26 crore in the year 2013-14 (MPEDA, 2015). India's production as on 2013-2014 accounted for 63 per cent from inland sector and 37 per cent from marine sector. Presently fisheries and aquaculture contribute 0.78 per cent to National GDP and 4.47 per cent to agriculture and allied activities. Kerala's per capita consumption is found to be greater than the National figure but second only to Lakshadweep. Kerala has been the major exporter of marine products in the country contributing 18 per cent of the total quantity exported and the share in value constitutes 18 per cent of the total value exported. The fishermen of the State contributed 1.46 per cent to the Gross State Domestic Product in 2012-2013, which dropped from 1.54 per cent in 2005-06 (Department of Fisheries, 2013). The estimated fisher folk population of Kerala during 2012-2013 was 10,00,662. The density of fisher population in Alappuzha is the highest (1,67,794) among other districts when considering marine (1,07,204) and inland fisher population (60,590) and in the case of marine fisher population, Alappuzha stands second to Thiruvananthapuram.

The support mechanism working for the fisher households is inadequate in giving financial support, in marketing the catch and ensuring fair price for the catch. Availability of adequate finance is one of the constraints faced by the fisher households who continue in this field. Operational expenses are met most of the days by Tharakans. Fishing being an exclusive livelihood, fishermen are reluctant to quit the field. Lack of access to formal financial sources encourages the fisher households to borrow from private money lenders and commission agents who exploit the fisher households. The profit that should be enjoyed by fisher households is being paid as interest to money lenders. Hence, fisher households are easily affected by economic shocks like sudden accident, death of the head of the household, medical needs of family members and higher education of the children which are met through added borrowings. Consequently the socio-economic conditions of the fisher households remain almost the same. Fisher households are poor but they have

financial needs. Formal financial products and services which are in the nature of ‘public good’ should be made available to the fisher households, re-engineering existing products’ designs if needed. If not inclusive growth will remain a dream.

9.8 Findings of the Study

Major findings of the study on *financial inclusiveness of the fisher households in Alappuzha* presented here will be of use to the policy makers to frame more realistic plans and projects for the promotion and well being of marine fisher households.

9.8.1 Financial Status

1. Types of craft, Year of Opening Bank Account, alternate source of income of households and the income categorisation of the households have considerable bearing on the average annual income of marine fisher households. Two out of the four variables namely types craft and of income of the households have an independent effect on the average annual income of the fisher households.
2. Bank account penetration in terms of per head bank account shows that majority of the households in all three sectors have per head bank account above 75 per cent. Out of the three sectors, Mechanised sector households have the highest per cent of per head bank account compared to other two sectors.
3. Bank account penetration among fisher households by Year of Opening Bank Account by the head of the households revealed that After 2010 category households have higher per cent of per head bank account compared to Before 2010 category households, indicating that financial inclusion efforts have been successful in connecting the fisher households to the formal banking system.
4. As per the Human Development Report of Fisher Folk in Kerala-2009, it was reported that more than three fourth of the fisheries households were

under Below Poverty Line. But now, analysis based on Types of Craft, Mechanised sector has an equal per cent of BPL category fisher households (50 per cent) and APL category fisher households (50 per cent).

5. Over all education level of the fishermen in Alappuzha has escalated tremendously compared to the Human Development Report 2009. As per the report fishermen with higher secondary level education was absolutely nil in Alappuzha but now it has risen to 4 per cent.

9.8.2 Banking Practice

1. As per the financial inclusion policy all the households under study have Basic Savings Bank Deposit Accounts (BSBD Account) since 2010, used for receiving the welfare schemes of the Government, namely Saving Cum Relief Scheme for the fishermen, like MGNREG Scheme, Gas Subsidy etc. Nearly 30 per cent of the fisher households under Mechanised sector, 25.60 per cent of the Motorised sector and just eight per cent of the households under Non-Motorised sector have opened bank account for the purpose of saving. Very meagre per cent of the fisher households use accounts for taking loans (education loan, housing loan) and for receiving wages and salary from the employers.
2. Purpose of visits to the commercial banks by fisher households significantly differs in the three different sectors. More than 97 per cent of the household visit the bank to avail benefits from the Govt through DBT scheme, less than 39 per cent of the fisher households under Mechanised sector, 20.51 per cent of the households under Motorised sector and about 12 per cent of the households under Non-Motorised visit banks for the purpose of saving. Only 11.5 per cent of the households visit for taking loans and repayment of loan and 12.5 per cent of the households avail financial services other than credit and deposit. This hints that financial requirements of fisher households have not been addressed well by the commercial banks.

3. Mechanised sector households are the most frequent visitors of the bank in comparison to Motorised Sector and Non-Motorised Sector fisher households. Fisher households under Non-Motorised sector are people who visit commercial banks less frequently. But an analysis based on Year of Opening Bank Account shows no statistical difference in the frequency of visit to the bank by the fisher households who opened their bank account Before 2010 and After 2010, a further analysis clearly stated that those households having ownership of bank account Before 2010 visit the banks more frequently compared to After 2010 category households.
4. Fisher households significantly differ in their usage of financial products and services by Types of Craft as well as by Year of Opening Bank Account. Financial products and services prominently used by fisher households are withdrawal facility, cheque facility, ATM facility etc., which are involved in availing the welfare schemes from Government and other promotional agencies. The New-generation products and services like Credit Cards, remittance facility like NEFT, Mobile banking etc have very low usage penetration among the fisher households. The ATM facility allowed with the BSBDA, are used by 58 per cent of the fisher households and others still insist or prefer to have interaction through bank counters.
5. The contribution of scheduled commercial banks to the fisheries sector is found to be too little. These formal institutions could provide only 6.42 per cent of the actual capital financial requirement of the Mechanised sector, 3.57 per cent of the Motorised sector and finally a meagre (1.07 per cent) of the Non-Motorised sector. Private money lenders and commission agents together have contributed 35.77 per cent of the financial requirements of the Mechanised sector, 53.14 per cent of the requirements of Motorised sector and 21.20 per cent of the Non-Motorised sector. It is the working capital requirement that keeps the fishermen indebted because 95.45 per cent of the Mechanised sector Owners and the entire Motorised sector Owners borrow from commission agents for working capital requirements. And 86.36 per cent of the Mechanised owners and 69.23 per cent of the

Motorised owners resort to money lenders in meeting the operational and development expenses

6. Operating expenses of the Mechanised sector and Motorised sectors are met by commission agents, who force them to sell the catch to these private money lenders for a pre-determined price rather than the market price and moreover, these fishing units are like bonded labours to the private money lenders. In short, it can be said that occupational financial requirements of fishermen are met by informal sources rather than formal sources like commercial banks.
7. Borrowings from 'Friend & Relatives' has become costly sources of credit. Money lenders of the area charge 40-60 per cent for the loans and it varies depending upon the urgency. Once upon a time 'Friends and Relatives' who were considered, as '*interest free*' source of credit, turned out to be a costly source of credit charging same or more rate of interest as private money lenders. Even the Microfinance institutions who lend money to the fisher households charge 20 to 30 per cent interest, while they receive funds from commercial banks for 10-12 per cent interest.
8. Availability of funds at the right time is crucial for the fishermen who are forced to garner the benefit of seasons. Turnaround time of commercial bank in sanctioning a loan to owner cum crew fishermen to procure a fishing unit ranged from one month to one year while Matsyafed has taken one month. But the money lenders and commission agents meet the financial requirements of fishermen within one week without legal ties. Hassle-free loans at an affordable cost from commercial banks to the low-income groups still remains mere policy.
9. Fishermen in Mechanised and Motorised sectors commence a fishing unit falling in debt. The extent of borrowing from various sources for procuring a fishing unit ranges from 45-60 per cent of the actual investment, availed from three to four sources of credit. Increased operating expenses and reduced fish production push these fishing units into further debt trap. But in the case of Non-Motorised fishing crafts, the major source of investment

is their own. Absence of operating expenses and opportunities for direct marketing make the occupation a profitable one but, the risk involved in one-manned fishing is higher compared to the other two sectors.

10. Fishermen's dependence on commercial banks for credit to set up a fishing unit, is determined by Types of Craft, Year of Opening Bank Account, Knowledge of the financial services and Alternate sources of income. The commercial banks' credit flow has been found to be more in the Mechanised sector when compared to the Motorised sector.

9.8.3 Access and Use of Financial Products and Services

1. In assessing the Bank Branch Penetration in Alappuzha, it was found that three out of the twelve Community Development Blocks have bank branch penetration less than the national average in terms of bank branches per 1 lakh population. Among the three, two are Coastal Blocks indicating the low density of commercial bank branches among the fisher households. The general status of financial inclusion in Alappuzha is creditable with cent per cent financial inclusion index score, and it is ranked as one among the six fully financially included States in India as per CRISIL-Inclusix-2015.
2. Out of the 30 marine fisheries villages, 15 are without commercial banking outlets and the distance covered to access the bank ranges from six-eight kms. But the mean distance covered by the fisheries villages under study is only two KMs. As bank branches in coastal areas are migrating to towns to attain the company's targets and to make the branch financially viable, money lenders and private financiers are seen mushrooming in coastal areas.
3. Bank account penetration in terms of per head bank Account showed that more than 75 per cent of the family members own bank accounts and the bank account penetration is the highest in Mechanised sector fisher households. But ownership of different types of bank accounts like Fixed Deposit accounts and Savings Deposit accounts are more in the case of the

Mechanised sector fisher households compared to the other two sectors Households that opened bank account prior to 2010 have more FD and SB accounts in comparison with the fisher households that opened bank account as part of financial inclusion plan.

4. Fisher households differ in the choice of sources of finance in depositing the surplus fund. Chit-funds seemed to be the first preference of the majority fisher households under the three sectors to save their surplus. Even those households who opened bank account before 2010 also preferred Chit-fund to commercial banks.
5. The first and foremost motivating factor that promoted savings by the fisher households under the three sectors was obviously 'Safety of the fund', and the 'hope of getting advance' was ranked as the second important factor. Least priority was given to 'Diversified financial services from the sources'. An analysis based on the Year of Opening Bank Account, showed that proximity of the institution was ranked as the third important factor in savings. Private parties who conduct Chit-funds, collect the amount at the door or from their neighbourhood, which makes the savings process a routine activity and creates a sort of pressure such that they cannot make any default.
6. It is important to note that 88.6 per cent of the fisher households under Mechanised sector and 75.6 per cent of the Motorised sector and 78.2 per cent of the Non-Motorised have savings. Savings penetration of the fisher households in commercial banks is found to be very low. Only 20 per cent of the fisher households under Mechanised sector, 11.11 per cent of the Motorised sector and 9.28 per cent of the Non-Motorised sector have their savings in commercial banks, which indicates a reluctance to have savings in commercial banks.
7. The frequency of savings in Chit-fund is once a week. Hence, it can be inferred that majority of the fisher households are able to save something in a week. But there are households in the three sectors that are unable to save even a small sum in any of the financial institutions. The primary reason

cited for the lack of savings is irregular income from fishing, second cause mentioned is the frequent lifecycle celebrations and unexpected repair of the fishing inputs. Therefore, it can be concluded that savings penetration among marine fisher households vary by Types of Craft. Saving tendency is found more in Mechanised sector households compared with Motorised and Non-Motorised sector. Motorised sector households find it difficult to keep aside any surplus as savings.

8. The study shows that public sector banks and private sector banks follow similar lending policy in providing loans to the fisher households. The number of loans disbursed both closed and outstanding do not differ significantly among the fisher households. Average amount of loans granted by Public sector banks to the three sectors are almost the same. But the average loan amount of the private sector banks differ significantly with Types of Craft; Mechanised sector fisher households have been provided larger average loan amount than the other two sectors, indicating a cautious lending policy by the private sector banks.
9. Credit penetration among the fisher households by the commercial banks is very low as the number of loans availed from commercial banks by these 200 households is reported to be just 42 loans both closed and outstanding. The loan disbursement by purpose showed that 10 loans alone have been disbursed for fishing activities, the other 32 are provided for housing, education, and small business and just four loans have been provided under various schemes like DRI loans, agricultural and allied activities.
10. The per cent of fisher households differ in repayment of loans taken from the commercial banks by Types of Craft. Non-Motorised and Motorised sector fisher households tend to be more irregular than the Mechanised sector fisher households. The prominent reasons cited by the fisher households under the three sectors for the Non-repayment of loan are 'irregular income from fishing' and 'multiple loans from other sources'. Other reasons like 'expectation of debt waive off' and 'wilful default' also have been reported for the irregular repayment of loan. It is important to

pay attention to the fact that Motorised and Non-Motorised sector households have expressed the fact that they are unable to keep aside surplus fund after meeting all the households' expenses.

11. Alternate sources of finance other than commercial banks cater to the major financial requirements of fisher households. Microfinance institutions, private lenders, SHGs, co-operative societies and commission agents are prominent institutions among them. These fisher households have availed five to seven loans from microfinance institutions and private money lenders. It indicates that credit history of fisher households is maintained by private money lenders and informal sources of finance. Even the fisher households who have opened bank accounts in commercial banks Before 2010 also depend on these informal sources for their financial requirements.
12. Fisher households under the three sectors invariably depend on the alternate sources of finance as the average amount of loans availed from these sources of finance does not vary among the three sectors. It can be seen that fisher households have availed five to six loans from the same sources . The credit history and credit worthiness of the fisher households have been acknowledged by SHGs and MFIs. Constant monitoring, group lending and door step collection of EMIs make these informal sources successful among the fisher households.
13. The mean per cent of interest for the loans availed from the Alternate sources of finance other than commercial banks ranged from 27 per cent to 48 per cent in the case of money lenders. Annual Rate of interest followed by Microfinance institutions is around 22 to 25 per cent besides the various deductions namely processing charges, Service tax, secondary cess and educational cess from the original sum. Friends and relatives also charge 13 to 18 per cent interest for the borrowings. Fisher households are partially aware of the various deductions made from the principal amount, but they have no other option left other than loans from informal sources served at the doorstep without much strain or conditions.

14. So far 58.5 per cent of the marine fisher households have approached the commercial banks for credit. It is a disturbing fact that 50 per cent of the fisher household under Mechanised sector, 58.97 per cent of the fisher households under Motorised sector and 62.82 per cent of the fisher households have not approached or applied for loan from commercial banks. And out of the 83 fisher households that approached the banks 50.6 per cent alone have been provided loans.
15. The study reveals the fact that financial products and services designed for the general public is not suitable for the marine fisher households. An enquiry into the reasons for not approaching or demanding loans by fisher households from commercial banks showed that 'procedural delay' experienced in sanctioning the loans make the Mechanised fisher households approach informal sources. Major reasons mentioned by the Motorised and Non-Motorised fisher households are their 'inability to pay the instalment regularly' and 'lack of collateral security'. 16 to 18 per cent of the fisher households under Motorised and Non-Motorised sector believe that commercial banks do not lend loans to the fisher households. Though the reasons cited by fisher households under the three sectors differ for not demanding loans from commercial banks, no difference has been observed among the fisher households by their Year of Opening Bank Account.
16. Commercial Banks have denied the loan application of marine fisher households for diverse reasons. Bad credit history of fishermen in general has been the major reason quoted for the denial of loans. Irregular income, lack of collateral security and the loan outstanding among the fisher households have been mentioned as reasons for refusing their loan applications. Some of the reasons mentioned by commercial banks are not reasonable; instead they are subjective. But the pitiable part of the issue is that loan refusals are not given in writing. With the oral refusal itself marine fisher households move to the informal lenders who provide hassle-free loans.

17. An attempt was made to assess the financial inclusion index of marine fisher households following the same method used in CRISIL-Inclusix .It was found that Ambalappuzha fisheries village has ‘High Financial Inclusion’, Arthunkal fisheries village has ‘Low Financial Inclusion’ and Arattuppuzha fisheries village has ‘Very Low Financial Inclusion’. Ambalappuzha village with a large number of commercial banking outlets makes the fisheries village a high financially included district with high deposit penetration and credit penetration. Low density of commercial bank branches in Arthunkal and Arattuppuzha fisheries village leave the fisher households less included.
18. On an analysis of the constraints faced by the commercial banks in serving the fisher households, revealed that fisher households approach banks to withdraw the welfare scheme from the account. Indirectly it means that the habit of saving is much less among the fisher households. In addition, lack of awareness of the financial products and services, expectation of debt waive off and the diffidence to have transactions with the banks are the other constraints experienced by commercial banks in rendering financial services to the fisher households. Constraints experienced in serving the fisher households are found to be similar among the public sector banks and private sector banks.
19. Commercial banks both public sector and private sector are of the same perception that fisher households are incapable of generating savings in cash, instead they spent their current earnings lavishly and borrow for the future. They also observed that fishermen spent a portion of the hard-earned money for liquor and other entertainments. The commercial banks intend to say that financial management of fisher households like financial attitude, financial behaviour financial planning and budgeting has to be improved considerably to achieve meaningful financial inclusion among fisher households.
20. Commercial banks both public and private sector unanimously agree that marine fisher households are underserved but are fully bankable. However,

they expressed reluctance to the possibility of offering tailored products and services suited to the needs of marine fisher households. Seventy one per cent of the public sector banks and 78.57 per cent of the private sector banks have expressed inability to offer need-based financial products and services to the fisher households.

21. Commercial banks have not conducted any studies to fathom the mechanism of fisheries sector to exploit the potential of this sector. Informal sectors have been successful among the fisher households over the years, launching varied financial products and services to the fisher households, but the commercial banks have not been effective as a financial intermediary among these low-income groups.
22. RBI demanded mandatory financial inclusion initiatives that have been carried out by the commercial banks without fail under the close supervision of Lead Bank in the District. Assessing the public sector banks and private sector banks in taking financial inclusion initiatives, 37.50 of the public sector bank branches expressed that they had very 'high level of satisfaction' and 62.50 per cent of the bank branches reported that they had 'moderate level' of satisfaction. In the case of private sector banks, only 14.00 per cent of the bank branches expressed 'high level' of satisfaction and a whopping majority of the private sector banks had only 'moderate level' of satisfaction. It was also found that there was a significant difference in the satisfaction level of commercial banks and private banks have expressed more satisfaction compared to public sector banks as the mean score of private sector banks is higher than that of public sector banks.

9.8.4 Financial Literacy

1. Fishermen under various sectors still continue to depend on the informal sources of information like personal experience, money lenders and friends and relatives for taking important financial decisions. Formal sources of information namely, commercial banks,

financial literacy centres, and palm lets have not become reliable source for the fisher households. Even the specialised institutions set up for fishermen like Matsyafed is ranked only fifth by the Mechanised fisher households and fourth by Motorised sector and third by Non-Motorised sector. There is also significant statistical difference in the sources depended for information by fisher households in making financial decisions.

2. Marine fisher households make financial decisions based on their personal experience and discussions with friends and relatives. Advertisement by financial institutions, financial literacy centres and financial literacy programmes are the least approached sources of information. It shows that awareness about the financial literacy centres and financial literacy programmes have not yet penetrated into the marine fisher households. Further analysis shows that financial literacy programmes have not taken place among the marine fisher households. More than 97 per cent of the marine fisher households under the three sectors said that financial literacy programmes had not been conducted among the marine fisher households.
3. More than 83 per cent of the marine fisher households are not aware of the rate of interest provided by the commercial banks on savings deposit and fixed deposit. Among the three sectors, Non-Motorised sector households are the most ignorant about the prevailing rate of interest on deposits. Those fisher households who opened bank accounts before 2010 are better aware of the current rate of interest on deposits.
4. Knowledge of the marine fisher households regarding the lower rate of interest charged for loans compared to other sources of finance is found to be very high among the fisher households under the three sectors. Though fisher households under Non-Motorised sector, are least aware of the rate of interest prevailing on deposits, they are well aware of the lower rates of interest charged by commercial banks for the loans.

Analysis based on the Year of Opening Bank Account, revealed that fisher households which opened bank account After 2010 were more in the know of lower rates of interest charged for loans.

5. Fisher households under Motorised sector and Non-Motorised sector are least aware of the Service Areas Allocation among bank branches but it is better understood by the fisher households under Mechanised sector. An analysis based on the Year of Opening Bank Account, showed that households which opened bank account Before 2010 were aware of the Service Area Allocation among the Commercial banks.
6. Traditional financial products like deposit, credit, cheque are known to all fisher households. Credit cards, KCC, GCC and NEFT are not known to the fisher households. Mechanised sector households seem to be more aware of the AMT facilities, Mobile banking and Remittance facilities of commercial banks.
7. Ability to complete a financial transaction with the banks is found to be similar among the households under the three sectors. Fisher households who opened bank account Before 2010 were found to be more than the After 2010 category households. Majority of them are able to deal with banking personnel without help from anyone. Mechanised households are more confident compared with Motorised and Non-Motorised sector fisher households.
8. Financial management practices of fisher households under the three sectors are almost similar. Spending and borrowing practices have significant bearing on the financial management of fisher households. Motorised sector households are more careful about borrowing from many sources compared with the other two sector households. Non-Motorised sector households spend more recklessly compared with the other two sectors. Fisher households who opened bank account After 2010 were found spending more and saving less compared to fisher households that opened bank account Before 2010. It can be concluded

that fisher households that started banking earlier are better in financial management practices.

9. Marine fisher households prefer to have a bank model which would accommodate the nature of the occupation, income and the peculiar financial needs. Fisher households under the three sectors feel that financial products and services especially credit products should be designed with flexible repayment conditions and that it should be adequate and affordable.

Conclusion

Financial inclusion among marine fisher households through commercial banks is found to be less than the national average. An analysis on the number of loans availed by marine fisher households shows a grim picture. The savings of the marine households are with chit-funds. Public sector banks and private sector banks have similar perception on the financial literacy of the marine fisher households. Uniformity was observed in the lending policies and constraints faced in serving these low-income groups. At the same time marine fisher households find the financial products and services offered by commercial banks unsuitable for them to avail. Putting all these things together it can be said that there exists a gap between the financial service providers and the marine fisher households. Tapping the strength of private banks as efficiency, technology adaptation, and service quality and that of public sector banks as more branch network in rural areas, government support and people's trust as asset, one could dream of greater meaningful financial inclusion among the marine fisher households. Commercial banks have to make tough decisions to revamp the structure, approach and attitude towards fisher households, and the style of function of commercial banks has to be one that can include marine fisher households under its fold. The financial products and services have to be made more responsive to the needs of marine fisher households. At the same time financial literacy programmes must be made effective to make the marine fisher households self-reliant in financial management and financial commitments. Marine fisher households require, a bank which involves in the lives of

the households, journeys with the households in the growth process, metes out doorstep service to the households with the right information, right products and right services.

9.9 Recommendations

Recommendations made are based on the analysis of primary data gathered from marine fisher households and bank managers of commercial banks working in the coastal areas. Some of the recommendations are the outcome of personal observation and interaction with the marine fisher households and bank personnel. For easy comprehension and discussion the recommendations of the study are organised under four chapter headings.

9.9.1 Financial Status

- In order to uplift the marine fisher household who depend only on fishing, a culture of alternate source of income should be built up among the fisher households. When projects like sea-plane, water transport and ports etc are launched, courageous people of these fisher households who know the nature of the sea and who are well-equipped in swimming should be given priority in placement.
- To ensure fair price to the catch, landing centres should be equipped with huge cold storages. There should be a provision to get 'Cold Storage Receipt', which could be pledged for raising emergency fund from commercial banks.
- In order to avoid distress sale of fish, especially during the season, support price should be fixed for diverse categories of fish during the season and the prevailing measurement system followed in Alappuzha should be substituted with weight in terms of per Kilogramme (currently a basket containing 50 kg is used for measurement).
- Beach auction has become the business of Tharakans and commission agents. Beach auction scheme of Matsyafed should be converted to e-auction, where all can participate in the bid and this will ensure competition and fair price for the fish.

- A survey of the actual fisher households should be prepared urgently to avoid unworthy people who are abroad, and who have not gone to the sea even for fun, bag the benefits which is the privilege of the fisher households.

9.9.2 Banking Practices

- To instil savings habit among the fisher households, a drop-box should be given to every family and ask them to drop a coin of ₹5/- or ₹10/- every day into it and it should be locked. A business correspondent selected solely for collecting this savings should approach these fisherholds in the locality and deposit it in their account. The fisherhouseholds should be allowed to withdraw this deposit only for emergencies.
- Fisher households are with low-income, hence, EMI should be allowed to remit the loan in small amounts at least two or three times in a month, which will ease the burden of paying a big sum together at the end of the month.
- Banks should keep reminding the fisher households to leave some fund in the account when the accounts are credited with subsidy amount of LPG, MNREGA and lump- sum grant of students.
- Bank should trace youngsters who are employed whether skilled or unskilled to deposit a sum in the bank in a week to create banking history .

9.9.3 Access & Use of Financial Products and Services

- Marine fisher households have income but low and seasonal. They are capable of making savings and equally capable of giving and receiving credit. Hence, bank branches in very fisheries village should have personnel who are well aware of the dynamics of fishing activities.
- Business Correspondents should be appointed in every fisheries village substituting the money lenders and other indigenous financiers. Because

marine fisher households have the potential to save small sums, this surplus funds has to be collected by BCs. Similarly, if possible EMI also should be collected at the doorstep of the households.

- Fishing activities should be brought under MUDRA (Micro Units Development & Refinance Agency) - ATMs with Cash Accepting facility could be installed in all the major landing Centres- Fishermen could withdraw the required fund in case of need before the fishing activities and after the sale of the day's catch, the money could be put back into the ATM (an interest free loan or with less interest). If they are not able to pay the full amount on the same day, they should be given an option to pay interest only for the outstanding amount.
- Frequent 'customers meet' should be convened and the banks' financial position should be explained to the people to create more transparency regarding the cost incurred by banks to provide financial service to the people. During such meetings, individuals or groups who have come up financially better and have savings, pay loans promptly etc should be felicitated to conscientise and encourage others.
- Terms and conditions of repayment of loan products designed for marine fisher households should be made flexible considering the peak season and off seasons. There should be provision for repayment holidays during the lean period for the loan products exclusively designed for marine fisher households.

9.9.4 Financial Literacy

- 'Fisheries Grama Sabha' could be organised to disseminate financial education in smaller groups about the financial products and services, various aspects of money management, various schemes of Governments (Centre and State) etc .
- Financial Literacy Centres should be manned with personnel from the locality who can understand the income and the financial requirements

of the fisher households and are able to accompany them closely providing necessary guidance in personal financial management.

- Financial literacy counsellors should work in liaison with commercial banks and marine fisher households. Continuous dissemination of information about the financial products and services, financial responsibility and the benefits of being connected to formal banking institutions could be provided to fisher households till remarkable progress is felt in the habit of savings, spending practices and borrowing pattern.
- Financial literacy programmes should be arranged separately for different age groups. The information about the financial products and services offered by commercial banks to respective age group could be disseminated easily including the demonstration of the new generation products and services to the younger generation.
- Financial Literacy Course Certificate showing the participation of at least 5 to 10 hours of financial literacy classes from the nearby financial literacy centres should be made compulsory for individuals and groups applying first time for loans from commercial banks.
- Financial literacy should be included in the school curriculum and financial literacy counsellors should train selected teachers in this area and instill prudent spending and importance of savings and thrift among the students.
- Mechanism of CIBIL rating followed in the banks and the significance of CIBIL score in availing financial service from banks should be made known to everyone especially the younger generation.

9.10 Scope for Further Research

- ✓ A Comparative Study on Financial Inclusion of Marine Fisher Households and the Inland Fisher Households in Kerala.

- ✓ A Comparative Study of Financial Literacy of Marine Fisher Households and Inland Fisher Households in Kerala.
- ✓ A Comparative Analysis of Marine Fisher Households in Kerala and Tamil Nadu.
- ✓ Financial Literacy of Fisher Households in Kerala with Selected Working Class.