

**A STUDY ON PERSONAL FINANCE OF THE COIR-WORKERS AT CHERTHALA-
WITH SPECIAL REFERENCE TO THEIR SAVINGS AND INVESTMENTS**

Report of the Minor Research Project Submitted to the UGC- SWRO- Bangalore

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DECLARATION

I Dr. Jacob Thomas, Associate Professor and Head, Department of Commerce, CMS College Kottayam, Kerala, 686001, hereby declare that the research report titled 'A Study on Personal Finance of the Coir-workers at Cherthala- with Special Reference to their Savings and Investmenst, is the record of my bonafide work done under the Minor Project Scheme of the UGC. I also declare that any report with the similar title has not been submitted by myself for the award of any degree, diploma or similar title or report for complying with the requirements of any Project sponsored by the UGC or other similar statutory organizations.

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Chapter I

Introduction and Design of the Study

The traditional industrial sector comprising bell metal craft, cashew-processing, coir manufacturing and handloom weaving, is generally perceived as ‘the access around which the rural economy of Kerala gets rotated’, obviously, the policy-makers during the post independent period, with a slew of perfectly matching strategic measures, had attempted to ascend the sector as an ‘employment-reservoir’, targeting the individuals and households who domiciled in villages or hamlets of Kerala.

Overwhelmingly, the key factor for the sustainable growth of the traditional industry is the skill and the craftsmanship of the workers who have been associated with this source of bread-winning since their childhood itself. And hence the industry and its workers are seemed to be the “siamese twins”. Since the workers of the traditional industry like coir-manufacturing represent the weaker stratum of the society, any exclusive development agenda focusing only either of the two regiments (i.e. the industry or its workers) would bring forth a ‘sour-fruit’.

Considering the inclusive growth of the industry and its workers as well, several external interventions including the government-driven ones had marched ahead over the years. Undoubtedly, such initiatives might be instrumental to metamorphosing the traditional industrial sector as a money-spinning sector for its dependant mass.

The long span of association with coir-manufacturing industry has not yet resulted in the economic well-being of the workers and their dependants. This is particularly true in the case of households who depend on coir-manufacturing as their livelihood for supporting a normal life. Over the years, the workers in the coir sector have been chained by indebtedness because of the low potential of this industry to extend the needful financial support to the workers. Hence, an enquiry into the personal finance seems to be inevitable to sketch the dimension of indebtedness of the coir-workers. Personal finance is a comprehensive term, which refers to the source of income, mode of consumption, type of saving and gravity of indebtedness which are at free-interplay behind the curtain of an individual’s economic life and is largely contributing to determine the quality of life.

Significance of the Study

The coir industry in Kerala has been segmented into five divisions such as household, co-operative, private, public and export sectors. And the coir units are geographically confined to four districts of Kerala viz., Alappuzha, Kannur, Kollam and Thiruvanthapuram. Cherthala in Alappuzha district has a unique position because of its largest clustering of coir manufacturing units. The concentration of coir manufacturing units at Cherthala in Alappuzha district is the rationale behind selecting this area as the field of investigation under the study.

Employment potential of coir industry in Kerala depicts that about 6.57 lakhs of workers are engaged in this industry and out of which 76 per cent are being represented by rural women. It is seen from earlier studies that the workers in the coir industry are marginalized in terms of socio-economic well being due to many constraints. The personal finance of workers in Alappuzha is overshadowed by their indebtedness. This might be the outcome of the socio-economic phenomena with predominance of poor institutional support.

Sketching the personal finance of coir-workers with special reference to their indebtedness may enable the government and policy-makers to identify the contributory factors responsible for their economic backwardness and the pitfalls of the existing economic infrastructure.

An endeavour of this nature has the potential for developing and designing pragmatic schemes to wipe-off the financial crunch of coir-workers and thereby overhauling the rural economy of Cherthala of Alappuzha district in Kerala state. This makes the study relevant and significant in the contemporary rural economy of Kerala.

Objectives of the study

The focal point of the study is the analysis of personal finance of coir-workers at Cherthala. In order to obtain a fool-proof picture of personal finance of coir-workers, the study lays emphasis on the following specific objectives:-

1. to study the income and consumption pattern
2. to analyse the savings and the investment
3. to sketch the indebtedness
4. to study the role of Self Help Group (SHG) on empowering coir-workers
5. to sketch the socio-economic profile of the coir-workers
6. to suggest viable measures for improving the economic background of coir-workers.

Methodology

- I. Nature of the study – Descriptive and analytical
- II. Data required
 - a. Nature of data- Primary and Secondary
 - b. Type of data – Data related to
 - i. income and consumption
 - ii. savings and investment
 - iii. socio-economic affairs
 - iv. Indebtedness
 - v. Self Help Group (SHG)
 - c. Sources of data
 - i. primary data - households associated with coir industry at Cherthala
 - ii. Secondary data- books , journals and other publications

- d. Collection of data
 - i. Methods of collection
 - I. survey
 - II. participatory observation
 - III. interview
 - IV. delphi
 - ii. Tool of data collection
 - I. interview schedule
 - iii. Tools of Analysis
 - I. analyzing income, consumption and spending habit-coefficient of variation
 - II. scaling techniques

Sampling design

The study mainly resorted to the survey method for collecting the primary data. A total of 300 households were covered in the survey. In order to select the informants, the technique of stratified random sampling was employed. The stratification was done by segregating the total sample size into two groups viz the traditional coir-workers and the new entrants in the co-operative sector. Since the traditional coir-workers account for a larger size than the new entrants, a total of 228 households were selected from the traditional group and 72 from the new entrants.

Limitations

The study is subject to the following limitations

1. the number of sample selected for the study may be insufficient for drawing up a general conclusion
2. the qualitative nature of the study usually fails in bringing many factors conspicuous
3. the study inherits all the limitations of primary data analysis
4. since many aspects regarding personal finance seemed to be sensitive, many informants were not willing to cooperate up to the expected level.

Reporting

Chapter 1 introduction and design of the study

Chapter 2 consumption pattern

Chapter 3 savings and investment

Chapter 4 the indebtedness

Chapter 5 role of SHG

Chapter 6 socio economic profile

Chapter 7 suggestions and conclusion

Chapter II

Consumption and Spending of Coir-Workers

Consumption is the culmination of buying decision which is generally regarded as consumer behaviour. Consumer behaviour deals with how individuals make decisions to spend their available resources viz time, money and energy (Schiffman L.G and Kanuck L.L, 2001). At the outset, consumer behaviour is a blanket term which constitutes several integrated phenomena such as searching for information of alternatives, selecting the right alternative and deciding to consume or buy. The buying decision is the mechanism that converts the prospective consumer into the actual consumer.

Man being a rational animal, normally takes extreme care and caution when he/she decides to buy/consume either a product or a service; because such a decision evacuates the pocket or the purse of the decision-maker. Hence people are extremely careful when they do consume. If a society is made up of individuals who represent low socio-economic strata might be possessed certain common attributes that outline their consumer behaviour i.e. they follow a set pattern of consumption.

Consumption Pattern

Generally consumption pattern can be divided into two viz regular and occasional. The regular consumption pattern comprises the routine buying and occasional consumption pattern is constituted by infrequent buying. A prudent buyer/consumer keeps a trade-off between regular and occasional buying pattern based on the size of Disposable Personal Income (DPI). This makes it explicit that DPI is the major constraint that determines the vulnerability of consumption in respect of every individual. The regular consumption pattern of coir-workers can be marked by the following salient features.

- a) Consumption for satisfying BHN (Basic Human Needs)
- b) Consumption for satisfying CSN (Civilized Social Needs)

Consumption for satisfying BHN is of recurring in nature and the products consumed are of primary essentials to support and maintenance of the biological existence of mankind; while CSN is a confluence of both regular and occasional buying and the products bought are those which supplement and promote comfort, welfare and pleasure of individual or group in a civilized social environment. A rational consumer maintains a balanced approach and attitude towards the both set of needs and accordingly allocate the available resources (fund) on various heads of expenditure. Table 2.1 shows the income allocation of coir-workers.

Table 2.1 Income Allocation of Coir-Workers

	Traditional	New Entrance
	% of total income	% of total income
Food	27%	23%
Clothing	15%	18%
Housing and Accommodation	15%	10%
Fuel and Power	8%	5%
Motor Vehicle	2%	4%
Amenities	5%	7%
Medicine	7%	3%
Social Customs and Festivity	2%	5%
Payment of Loan	3%	3%
Savings	15%	18%
Miscellaneous	1%	4%
C V Value	0.887	0.767

Primary data

From the table, it can be understood that both categories of coir-workers do allocate their income mainly on food, clothing, housing and accommodation and savings. In

order to assess the consistency of income allocation on various heads of, the test of coefficient of variation was applied and that the new entrant category exhibited a better consistency with CV value 0.767% than the traditional workers whose score of C.V was 0.887%. It can be inferred that the new entrants do stick to a set pattern of income allocation whereas the traditional workers showed volatility in terms of income allocation on various heads of expenditure.

i. Consumption of Food and Health Supplements

Undoubtedly, rational household spends the lion's portion of the income for consuming food and health supplements. Food indicates the edible items essential for keeping oneself healthy and physically fit for a normal social life while health supplements denote articles/products that are readymade in character, which compensates any deficiency in nutrients for a normal life. And often being made available as health supplement drinks or other nutrient enriched food intake. The table 2.2 shows the budget allocation of the coir-workers at Cherthala in respect of consumption of food and health supplements.

Table 2.2. Consumption of Food and Health Supplements

Items	% of income spent	
	Traditional	New Entrant
Cereals	55%	50%
Pulses	18%	12%
Green Groceries	16%	15%
Milk	1%	1%
Egg	0.5%	0.5%
Fish	2.5%	3.5%
Meat	2%	5%
Health supplements	0	0
Others	5%	5%

Primary data

The table reveals that both the traditional and new entrants of coir-workers spend their sizable income on cereals and pulses and green groceries. However, a difference is maintained in consumption of other items like fish and meat.

ii. Consumption of Clothing

Clothing is considered as the second BHN that occupies a legitimate space in the inventory of civilized mankind under any circumstance. The community in which one lives in helps to determine the people one may know, the things one may do, the place where one may go and the cloth one may wear (Bess V.O, 1960). The inhabitants of Kerala do pay keen attention while they buy clothing for different occasions. Thus the coir-workers at Cherthala could be identified as a group of individuals/households who preserve their own norms and beliefs or perception about purchasing clothing. The purchase of clothing may be categorized into two on the basis of the type of clothing and the purpose of buying; for regular use and clothing for auspicious occasions.

Yet another characteristic feature of purchasing clothing is that it is a phenomenon which is supplemented and substantiated by social customs and cultural settings in which an individual or household live and hence like any other part of India, the Kerala textile market witnesses a buying-momentum in connection with festivals and the custom of gifting. In a nutshell, the purchasing of clothing is an activity that rests upon several factors like personal, social, economic, cultural and geographical. Keeping in view of these factors, the study made an attempt to elicit the consumption pattern of clothing in respect of coir-workers. Table 2.3 shows the consumption of clothing.

Table 2.3 Consumption of Clothing

Type of clothing	Traditional		New entrance	
	Regular use	Occasional use	Regular use	Occasional use
	% of income spent	% of income spent	% of income spent	% of income spent
Cotton	50%	Nil	40%	Nil
Polyester	10%	Nil	8%	Nil
Silk	Nil	30%	Nil	35%
Other Fabrics	5%	Nil	5%	Nil
Ready to Wear	5%	Nil	12%	Nil
C V Value	1.534		1.410	

Primary data

The table reveals that both traditional and new entrants of coir-workers spent a substantial portion of their income on cotton textiles while they purchase clothing. However it can be understood from the table that the new entrants have a higher performance towards ready to wear. The table also exhibits that the sizable part of the allocation of fund for clothing is being spent on regular items of purchase.

In order to ascertain the consistency in terms of spending on food and health supplements, coefficient of variation test was applied. This brought out the fact that the new entrants maintain a high degree of consistency (C.V 1.410) than the traditional workers (C.V 1.534). Thus it can be argued that the new entrants have a set pattern of consumption of food and health supplements while the traditional workers do seldom possess the set pattern in terms of consumption of food and health supplements.

iii. Consumption for amenities

The passion for a comfortable and dignified life may inspire people to acquire articles that supplement the quality of life in an acceptable social environment. It comprises shopping goods and consumer durables. Shopping goods are the tangible goods while consumer durables are those products that the consumer really wants it and willing to make special effort to find it (Balplab B.S, 1998). Tangible products for which consumers want to compare quality, price, style in several stores before making a purchase decision (Stanton W.J and Walter B.J, 1994). Targeting the perception of general consumers about these products, the marketers are keen in popularizing such articles through mass as well as aggressive campaigns of sales promotion and advertisement. The combined effect of passion for goods that supplements amenities and the marketing strategy by vendors have created great demand for the products for amenities. It was observed in the survey that they are genuinely interested in purchasing amenity generating articles and do spend a legitimate share of their income on purchasing of such articles. Table 2.4 shows the consumption for amenities.

Table 2.4 Consumption of shopping goods and consumer durables for amenities goods for amenities

Items	Traditional (% of total)	New Entrants (% of total)
Furniture	40%	50%
Household Utensils	25%	30%
Electrical and Electronics	20%	10%
Miscellaneous	15%	10%
C V Value	0.432	0.765

Primary data

The table shows that the major portion of income allocation (5% and 7%) for acquitting articles for amenities being spent on furniture and household utensils. Consumption of shopping goods and consumable goods for amenities in order to verify the consistency of

outlay on purchasing of goods for amenities, the test of coefficient of variance was applied and it brought out the fact that the traditional workers maintained a set pattern of income allocation on goods for amenities with C.V value of 0.432 than the new entrants with the C.V value of 0.765

iv. Housing and Accommodation

Dignified social life is being made conspicuous by a comfortable dwelling place. The Keralites take extreme care and caution to own and occupy reasonably good houses and surroundings for leading a socially reputed life. This trend has become vivid by the mass employment opportunities that have been gained over the years both in the home land and abroad. A neat and tidy house and surrounding is seen to be the dream of every worker who is associated with any type of work in tune with the passion for habitable dwelling unit. The coir-workers at Cherthala have allocated a legitimate share of their income on acquiring land and construction of house for accommodation.

v. Fuel and Power

Permanent settlement and shelter owes heavy financial expenditure on consumption of fuel and power. Regarding fuel, the amount of expenditure depends upon the size of family, lifestyle, food habit and the vessels and utensils used by the household, whereas expenditure on power depends on size of building, type of electric/electronic utensils used and the tariff imposed by the government on power consumption.

The coir-workers at Cherthala use both LPG stoves and country oven for cooking and allied activities. Despite a sizable number of workers in the traditional category still resort to country oven for cooking purpose. The usage of LPG has already gripped, a good momentum among the new entrants of coir-workers. However, the survey had brought the fact that the concept of biogas has not been gained any popularity among coir-workers since they have only marginal size of land holding and cattle rearing is not possible which could be identified as one of the major factors that prevents the popularity of biogas for cooking purpose.

The government, KSEB and the local administration system have jointly designed many programmes/projects for the electrification of the houses of the coir-workers. Almost 90% of houses with permanent structure have been electrified and power is being supplied to such houses either on free of cost or on subsidized rates. This scheme operates on stringent rules and regulations framed by the authorities concerned. About 8% and 5% of the total income is being spent on fuel and power by the traditional coir-workers and the new entrants respectively.

vi. Motor Vehicles

Though motor vehicles have become part and parcel of most of the households in India; this head of expenditure is seemed to be a very significant one among the families of coir-workers in the traditional category own M80 cc whereas a comparatively large number of coir-workers in new entrant category have purchased two wheelers mainly scooters/bike in accordance with their financial capacity. Hence a very meager per cent of income say 2% and 4% is being allocated to this head of expenditure by the traditional workers and the new entrants respectively

vii. Medicine

It is the common feature of coir industry in Kerala that the coir-workers are exposed to the primitive work environment that has resulted in increasing the health hazards of the workers; and the coir manufacturing units at Cherthala are not an exemption to this peculiar feature. Consequently, constant outbreak of epidemics and communicable diseases is being experienced by the coir-workers and they are bound to set a part a large share of their income for medicine and medical care expenditure (hospitalization).

It is needless to say that Cherthala has been flooded by a number of Allopathic, Ayurvedic and Homeopathic medical-caring centers both in private and government sectors. Seeking medical care from private hospitals is often seen to be unaffordable and therefore only a few of the coir-workers do prefer private hospitals for medical treatment. In order to have quality medical care at free of cost or subsidized rates, the government,

local administration system, charitable organizations have floated medical care centers. The government institutions like General Hospitals, PHC and sub centre of PHCs are providing standardized medical treatment by laying emphasis on schematic operations like inoculation/immunization, early detection campaign of life style disease, geriatric medical care and campaign for awareness of communicable diseases. The SMART CARD system, CANCER CARE scheme of the government and insurance have gained a momentum among the coir-workers. Owing to the alert initiatives of the government and the voluntary agencies, the total expenditure on medical care could be restricted at 7% in respect of traditional workers and 3% in the case of new entrants.

viii. Social Customs and Festivity

Social customs and traditions are mandatory in terms of a dignified social life. In Kerala, different communities/castes/groups and sub-groups do celebrate many festivals and observe many social customs. Feasting, gifting, recreation, visiting kith and kin are the salient features of such customs and festivity. The coir-workers at Cherthala are found to be very keen in celebrating festivals and observing the customary practices with festivals. It is learnt from the survey that the traditional coir-workers spend 2% and the new entrants spend 5% of their income in connection with celebrating/observing social customs and festivity.

ix. Repayment of Loan

The coir-workers have availed of loans for meeting their financial requirements. They do prefer loans and advances from co-operative societies in the formal sector and indigenous banks or money lenders from the informal sector. Obviously they possess an inaccessibility to the major players of loan advancing like bankers and similar approved agencies. Since they do not have sufficient volume of asset to be offered as security against loans, they have the constraints to approach the formal source for loans and advances. Both the categories of coir-workers at Cherthala spend 3% of their total income on repayment of loans.

x. Savings

Like any other group of workers in Kerala, the coir-workers at have sufficient exposure to the institutional backdrop of savings and investments. Owing to low education status, ineffective promotion campaigns of the agencies who seek savings, lack of self initiation etc., the coir-workers do still prefer chit funds and post office savings bank schemes, primary co-operative societies for thrift promotion. The traditional workers allocate 15% and the new entrants assign 18% of their income for savings

Conclusion

Spending and consumption are the reflectors of socio-cultural settings in which the community survives. The coir-workers at Cherthala represent a stratum of society characterized with economic backwardness. The study reveals that currently the coir-workers entertain consumption as well as a spending pattern which are perfectly matching with their socio-economic profile. Among the coir-workers, the traditional group portrays a rigid pattern while the new entrants exhibit symptoms of changes in consumption and spending. At the outset, it can be stated that the coir-workers at Cherthala stick to their traditional pattern of consumption and spending which unveils their unique identity in an environment of consumerism.

Chapter III

Savings and Investment of Coir-workers

Savings and Investment

Economic empowerment and self reliance are the cardinal factors that mark the prevalence of secured life and class-harmony in every society. Savings and investment are the twin pre-requisite conditions that guarantee economic empowerment and self reliance to ensure social security and welfare. Any community or social group with the tag of 'backwardness' and is being dependent on traditional means for subsistence, require a special drive for uplifting such community or social group to make them economically capacitated to lead a secured life under normal social conditions.

Schemes of Savings

In order to have a fool-proof picture of the saving schemes available for the coir-workers at Cherthala, the study made an attempt to portray the important schemes of various institutional intermediaries and to assess their perceptions of the coir-workers about the schemes. The available schemes are classified into; the initiatives of Government and non-government agencies. Government initiatives are listed as post office linked schemes, banks, LIC and GIC, direct initiatives of Union as well as the state governments. Non-government initiatives are driven by SHGs and NGOs.

- **Post office linked schemes**

Keeping in view of promoting and persuading the tiny savings of the under privileged rural domiciliaries, the postal department has initiated many schemes in the form of TD/RD. The mechanism is being operated by employing service minded women who are expected to visit the beneficiaries at their residence and instigate them to get associated with the schemes. Different schemes such as Mahila Pradhan Yojana are operational and many daily wage-earners or people with informal sources of income have been benefited by these schemes and these schemes have become instrumental to nurturing the thrift habit. These schemes for people with marginal income are popularly referred to as Post Office Chitty in rural parlance.

- **Government Direct Initiatives**

The Union Government has designed various schemes for activating the thrift habit of village dwellers and other marginalized people. The scheme is being operated through institutional intermediaries. The important institutional intermediaries are the scheduled

commercial banks, co-operative banks, life insurance corporation, general insurance corporation and other government sponsored autonomous bodies.

- **Schemes of scheduled commercial banks**

The mass 'saving mobilization' campaign initiated by scheduled commercial banks as a part of 'financial inclusion initiatives' may be cited as one of the important saving-mobilization devices targeting coir-workers at Cherthala. All the branches of scheduled commercial banks have carried out survey in the respective ward assigned in Cherthala municipality for assessing the individual/households who have not yet been brought into the regiment of formal banking system. This endeavour has attained a good momentum with the support extended by the Union Government through Jan Dhan Yojana scheme.

- **Schemes of LIC**

Life Insurance Corporation has developed different strategic schemes for promoting the thrift habit of the marginalized people. Its focal point is to provide insurance for the life of women and girl-child and hence different schemes with specific objectives like education, marriage of girl-child have been launched. An important point is to be kept in mind is that the success of the schemes depends upon the effective interaction between the agents and the beneficiary. Owing to the inherently possessed stigma of the workers as well as residential environment of coir-workers, the initiatives of LIC are seen to be not capable of reaping its fruits. Many coir-workers were found not aware of the various schemes of LIC. However, a few schemes such as Mahila Mithra, Kanya Suraksha, Mangalya etc. have sparked a sign of interest among the coir-workers.

- **General Insurance Schemes**

The General Insurance is expected to cover up the risk associated with the entire dimensions of mankind other than life. Beneficiaries perceive the schemes of GIC as the sources for covering medical treatment as well as accident related risk. Many medical insurance schemes are being in operation with different attractive features. Unfortunately none of such schemes have featured with an attribute to admit and accommodate people with low socio-economic profile. Hence a significant number of coir-workers at Cherthala are seen to be out of the clutches of the benefits of GIC schemes.

In contrast to this the Government of Kerala launched a Health Insurance scheme targeting the middle and low income group of people under the SMART CARD scheme. It is learnt from the survey that cent per cent of coir-workers have voluntarily opted the

scheme for medical benefit. Despite the accident insurance scheme is still inaccessible segment of insurance for the coir-workers at Cherthala.

- **State Government Schemes**

Government of Kerala launched several schemes for promoting the thrift habit of coir-workers by employing intermediaries like coir board and registered coir manufacturing/processing co-operative societies. Many schemes are designed in the line of grants which are instrumental to generating surplus amount of cash in the hands of coir-workers by offering subsidies and financial assistance under specific schemes. The amount so generated may be brought into scheme of savings by directing or counselling the coir-workers through informal interaction of the officials concerned and thus scheme of this kind are complementary to thrift promoting tasks.

- **Schemes of Non-government organizations**

NGOs and SHGs are actively playing their roles in thrift promotion task targeting beneficiaries of under-privileged group through pooling fund by mutual co-operation and help. These organizations are in a position to generate seed capital for any income fetching drives by making use of locally available inputs and skill. It has acted as a catalyst that kindles the spirit of thrifting among the needy. Since these organizations have become registered entities and obtained the legal status of existence, they are at liberty to open and operate bank accounts by an authorized member of the group. The unique output of the drives by NGOs and SHGs is that it has an implied effect of popularizing the concept of 'deliberate saving' among the laymen and thereby bringing the marginalized to the formal banking sector.

- **Schemes of co-operative Sector**

The involvement of the co-operative sectors has become spectacular in the coir sector by bringing a sizable number of coir manufacturing/processing units as well as workers under its fold. The co-operative sector prefers to have different saving schemes that are perfectly matching with the preference of its members. Besides, the rules, norms and regulations that govern the saving schemes are seen to be flexible and are featured with the unique requirement of the workers associated with the coir industry at Cherthala. The co-operative organizations (co-operative society and co-operative banks) can claim tremendous success in the sense of fetching the coir-workers along the path of voluntary savings to reach at the destination of economic-self reliance to a great extent. Thus it may be argued that the co-operative movement that has well gripped at Cherthala.

Promotion of savings

Promotion of savings, which acts as the fulcrum of the process of attaining economic empowerment and social well-being. In order to fostering savings promotion, banking network operations have to be strengthened and the normal banking service should be accessible to the underprivileged. Keeping in view the need for strengthening banking network operations as well as spreading its services to the nook and corner of the country, the then Government of India initiated the bank nationalization movement in 1969 and 1980. And accordingly Cherthala municipality is well covered by network of banking operations by housing the branches of various commercial banks. Table 3.1 shows the number of branches of banks in Cherthala municipality

Table 3.1 Number of branches of banks

Type of Bank	Number of Branches
Nationalized Bank	14
Scheduled Commercial Bank	5
District Co-operative Bank	1
Service Co-operative bank	5
New Generation bank	3
Gramin Bank	1
Total	29

The table shows that in Cherthala municipality region about 29 branches of various banks are being operated with tailor made schemes. Currently the municipality has a population of 43,326 (as per census of 2011). The per capita availability of banking service is estimated as one branch for every 1494 individuals who domiciled in Cherthala municipality.

It is interesting to make a comparison between the per capita availability of banking service of Ernakulam district which has already been declared as the district that has attained cent per cent financial literacy and meaningful financial inclusion as well. There was a special drive in the district of Ernakulam under the initiation of the then lead bank

Union Bank of India, to bring every individual/household under the fold of formal banking stream and the statistics brought out the fact that the district exhibited a branch-customer ratio of 1:4500 which is lesser than the state level record of 1:7000 and the national ratio was 1:13000 (The Hindu, 2012).

Viewing from this perspective, it may be argued that the inhabitants of Cherthala municipality have ample opportunities as well as banking infrastructure to streamline their hard earned surplus in the saving schemes of the formal banking sector.

The banks have designed various schemes for mobilizing fund from coir-workers. However, the nationalized, scheduled and co-operative banks are at the forefront in the task of promoting savings. As a new trend, the insurance companies and informal/voluntary organizations have come forward with various programmes or schemes as saving promotional measures for achieving economic empowerment which cannot be overlooked while profiling the saving pattern of coir-workers at Cherthala. Table 3.2 shows membership of Coir-workers in Saving Promotion Schemes.

Table 3.2 Membership of Coir-workers in Saving Promotion Schemes

Sl. No.	Type of scheme	No. of beneficiaries	
		Traditional workers	New entrants
Direct schemes			
1	Post Office Scheme	62	27
2	Commercial banks	84	34
3	LIC	80	35
4	GIC		
Indirect Schemes			
1	SHGs	85	40
2	NGOs	25	10
Co-operative sector schemes		105	60

Primary data

Size of Savings

The initiatives Government and voluntary organizations for promoting savings of the inhabitants of Cherthala especially the coir-workers becomes fruitful only if it has resulted in increasing the size of savings. It is needless to say that savings always depend on income and consumption.

Since the study is pertaining to the coir-workers who have been brought under the co-operative fold, the coir-workers do possess a uniform wage structure. Thus consumption pattern of the individual coir-workers and his/her attitude towards saving potential may be pointed out as the decisive factors that determine the size of savings. Unless deliberate attempt is made to abstain from extravagance, adequate amount cannot be set apart for saving purpose. Much effort is to be taken for keeping away from incidental or non customary expenses/impulse buying. Moral instruction and propaganda campaign for highlighting the need for nourishing savings habit are the two possible means for inspiring the coir-workers. The table 3.3 reveals the size of savings of coir-workers at Cherthala.

Table 3.3 Size of savings

Category	Average savings in %
Traditional workers	18%
New entrants	29%

Primary data

Savings of Coir-Workers- the Cherthala Scenario

Although many new means of savings and avenues of investment have been designed by the government and banks in India, little momentum has been reported in this regard in the rural settings; especially in the midst of traditional industrial workers. Many reasons can be attributed for the prevalence of the traditional forms of savings and investment among the under privileged workers. The coir-workers at Cherthala are still perceive the Local Chit Funds and village co-operative banks as the avenues for savings and investment. Both accessibility and tailor-made schemes can be pointed out as the major reasons for the dominance of these two avenues of investment. The table 3.4 exhibits the preferable investment avenues of traditional and new entrants of coir-workers at Cherthala.

Table 3.4 Preferable investment avenues

Preferable investment avenues	Traditional workers	Percentage	New entrants	Percentage
Chit fund	114	50%	30	42%
Bank deposits	16	7%	3	3%
Post Office savings	7	3%	1	2%
SHG	23	10%	13	18%
Gold	68	30%	25	35%
Total	228		72	
C V Value	0.98423		0.89688	

Primary data

The table reveals that the new entrants exhibit a better consistency in their preference towards investment avenues because of low coefficient of variation.

The table reveals that the traditional coir-workers normally save about 18% of their income on an average while that of new entrants is 29%. The gap between the two groups in respect of savings may be due to the fact that the latter group may have a better exposure and understanding of various savings schemes and modern investment avenues. However, gold investment schemes particularly the gold chit scheme has also gained good momentum. Many coir-workers have considered the gold savings scheme as a worth-investing scheme because of their emotional attachment to the yellow metal of gold. This indicates that the new measures including the micro finance schemes have not yet brought the expected level of influence on the thrifting and investment preference of coir-workers. Micro finance- the major power behind the empowerment of the weaker sections of society and poverty alleviation has not been well rooted in the soil of Cherthala from the perspective of economic empowerment of the coir-workers which is evident from the prevalence of chit funds as a significant means for saving, investment and borrowing.

Chapter IV

Indebtedness of the coir-workers

Mismatch between income and expenditure is the antecedent of indebtedness in the socio-economic life of the civilized community and the indebtedness is often being perceived as the economic consequence of unplanned social life. Both internal and external measures can be initiated for reducing the gulf between income and expenditure which will in turn wipe-off personal indebtedness. The internal factors are individual-centric in character such as financial discipline, abstaining from extravagance, avoidance of unremunerative investment avenues and economic use of financial resources, while external measures comprise promoting thrift habit, pocket-friendly investment, intervention of regulatory framework through control points, incentives for various investment schemes targeting the low income as well as the under privileged communities.

Besides, the emergence of the informal banking system like microfinance and SHG can be pointed out as a brave step of the Government of Kerala for the economic rehabilitation of the rural poor and preserving the economic empowerment of the weaker sectors of the society.

Contributory Factors of Indebtedness

Undoubtedly, income of an individual is the prime factor that leads to a state of indebtedness. Although the coir sector of Kerala, in the ancient times was identified as one of the most underpaid sectors in the traditional industrial scenario, currently it has transformed as an industrial sector that has accomplished parity with other sectors in terms of economic remuneration, infrastructure, work environment and similar factors. These factors reformed the coir sector as a healthy as well as remunerative zone for the absorption of unskilled workforce.

The wage structure of coir industry in Kerala has undergone different phases of changes since independence. The industrial Wage Payment Act, the Minimum Wage Payment Act periodical enactments of the government of Kerala in terms of payment of bonus etc. are the important mile stones in the evolutionary process of transforming the coir sector from a state of unstructured wage payment system to a stage of structured wage-system under the constant monitoring of the regulatory frame work in the line of government machinery. This phenomenal change has been resulted in the economic upliftment of the coir-workers at Cherthala.

However, there exists a paradoxical phenomenon in the sense of corresponding increase in the indebtedness of coir-workers in accordance with the increased wage payment brought under structured wage payment system.

The prevalence of the disparity between wage escalation and cost of living escalation may be suggested as the contributory factor that has led to this panic situation which requires a comprehensive analysis of the existing indebtedness of the coir-workers at Cherthala. Chapter 4.1 shows sector-wise debt pattern of the coir-workers.

Table 4.1 Sector-wise Debt Pattern

Type of Debt	Traditional coir-workers	% of total	New entrants	% of total
Loans from approved institutions	4	5%	11	15%
Mortgage loan	45	25%	30	75%
Loans from private institutions	100	55%	65	165%
Loan from relatives	10	5%	5	15%
Loans from voluntary organisations	10	10%	20	30%
Total	169		131	
C V Value	1.19528		0.90298	

Primary data

The table reveals that the coir-workers of Cherthala avail of loans and advances of various types from 5 major alternative sources such as approved institutions, institutions offer mortgaged loans, private lending agencies, personal sources and voluntary organisations.

- **Approved institutions**

The institutional source operates in the form of approved agency which is mainly comprised banking institutions. Both commercial and co-operative banks do pay keen interest in providing loans and advances to the needy.

Yet this source is subject to the pressing constraint of the clause of insisting on security to be offered by the loanee. As the coir-workers do not have anything to offer as security to comply with the legal requirements of institutional loans and advances, this source is seen to be an inaccessible one from the perspective of the coir-workers and this could be identified as a reason for its lowest rank among the preferable sources of loans and advances with an overall score 4.33%.

- **Institutions for Mortgaged Loans**

Many private and public sector undertakings are providing loans and advances against mortgage of valuables such as gold and landed property. A mortgage is the transfer of an interest in specific immovable property for the purpose of securing the payment of money advanced or to be advanced by way of loan (Maheshwari S.N, 2008). However, public institutions are operating with inbuilt restrictions in terms of volume and tenure of the loan period. The private agencies are being operated with flexible terms and conditions and also the speedy disbursement of loan amount. At Cherthala, the coir-workers perceive this source as a viable one because of tailor-made norms of loans and its timely availability which has resulted in the growth loans and advances from this source with a score of 18%.

- **Private Institutions**

It is needless to state that a parallel system of banking service is being operated in India which constitutes the pluralistic scenario of banking industry. This sector is being dominated by individuals who carry on primarily money lending business. As this business is beyond restrictions and control of the formal regulatory system of banking service and always at liberty to impose exclusive/individualistic terms and conditions of money lending particularly in the sense of 'sky-rocketing' rate of interest system: these agencies are popularly known as "blades" in the local parlance. Coir-workers like any other weaker stratum of the society have been gripped under the tenacious interest trap of the blades because the blades offer finance at their door step with highly flexible terms and conditions of loan other than the interest rate and repayment of the principal. Accordingly, a sizeable number of coir-workers at Cherthala have already availed of loans and advances from the local money lenders/blades which has become evident with

the score of 33.33% secured by this sector among the alternative sources financial assistance. The blades are being operated in the local context and largely resemble with money lenders or indigenous banks in the sense of cut throat rate of interest; apart from this indigenous bankers perform other functions- receiving deposits and dealing in Hundis or lending money in vernacular terms (K.C Shekhar, 1974).

- **Personal Loan**

Approaching kith and kin for financial support is a human trend and is being rapidly devised by almost all the sectors in the society. The approachability and the financial soundness of the targeted lender are the two constraints that prevent this source as a viable one in the current context of social life of the coir-workers at Cherthala. Perhaps this might be the major factor for perceiving it as a less pragmatic method of raising fund with a score of only 10% among the alternatives.

- **Voluntary Organisations**

In tune with the financial literacy campaign programmes, all panchayats in Kerala have initiated the formation of SHG and floating of micro-credit institutions. Micro finance refers to small scale financial services primarily credit and savings provided to people (Marguerite S.R, 2001). Although Alappuzha district in which Cherthala is included is considered as the forerunner of installation and operation of micro-credit, the coir-workers at Cherthala still perceive it as a source characterised with low momentum in mobilising funds for their financial requirement. However, deliberate attempts have already been gained a strong momentum over the years to popularize this as a viable source for financial support. It may be assumed that in the immediate future its share in providing loans and advances to the coir-workers may have a positive shifting from its low score of 4.34% of the total to a significantly higher score. Thus, it may be pointed out that even after 68 years of independence, the coir-workers do resort to the age old source of private financing like money lenders or blades who swallow up a substantial portion of their livelihood and thereby the poor coir-workers become poorer and can never get rid of the socio-economic evil of indebtedness.

Reasons for Indebtedness

- Child-rearing and education
- Medical expenses
- Social customs and festivity
- Unemployment of dependents
- Natural calamity
- Passion for better amenities

In order to have a fool-proof picture of the indebtedness of the coir-workers it is desirable to analyse the reasons for mounting up indebtedness. The following factors could be identified as the major reasons

▪ Child rearing and education

The Keralites do emphatically precipitating the need and the desirability of providing better amenities/facilities to their young one (children) particularly in the line of education and career growth. Regarding child rearing, the coir-workers at Cherthala have come up to the status of other strata of the society in the sense of various facts in child rearing such as immunisation, day-care, pre-schooling/play schooling, etc. and also pay keen attention in providing their children with the best of available alternatives in the line of food, clothing, play materials to cope with the common yardstick of modern way of child rearing and parenting, which consumes a sizeable part of their income.

▪ Medical expenses

Health hazards have become part and parcel of coir-workers. Lack of nutrient food, inadequate health care, life style, food habit, environmental pollution etc. can be suggested as the major reasons for the health hazards. Cherthala accounts for a Government General Hospital, PHC, GRD, Homeopathic clinic etc. in the public sector and a number of private hospitals and clinics are being operated in different parts of Cherthala municipality. As a general trend the workers seldom prefer the government hospital services and they seek medical assistance from private hospital which causes heavy financial expenditure towards the medical treatments. Though the government offers ESI Hospital care scheme, it has not gained any momentum among the coir-workers

Now a days the coir-workers raise adequate fund for medical treatment by taking loans and advances either from private sources or from the personal sources. It is learnt that a large number of coir-workers have already tapped the private sources because of the

added advantage of instantaneous disbursement of loans even though the rate of interest is exorbitant. This phenomenon has a far-reaching consequence of taking the loanee to the grip of indebtedness in the long run and ultimately it aggravates the panic conditions of the coir-workers.

- **Social Customs and Festivity**

The coir-workers at Cherthala have strong passion towards celebrating social customs and festivals in the most colourful and expensive manner as a part of prevailing social system. Social system with respect to its structurally significant component constitute a differentiated system (Pearson T., 1951). The seasonal festivity, social customs like marriage and new settlement of houses erode the monthly budget and always an overdrawing of the available funds. This increases the fund deficits of households and the deficiency is being managed by borrowing from private money lenders/blades at huge rate of interest which evacuates the pocket of the average workers. In the long run this will be a complementary factor to deepen the pathetic situation of the average coir-workers.

- **Unemployment of Dependents**

In tune with the modern trend of providing better education, the coir-workers had been found very keen in getting educated their children/dependents. A sizeable number of children in coir-workers' family were sent to neighbouring states for either a career in nursing or engineering /technology. This phenomenon is still being continued without assessing the employability of nursing or engineering courses. As these courses do require heavy financial expenditure it is seen to be inevitable for the coir-workers to avail of loans or advances either from commercial banks or from private banks/money lenders. There is acute unemployment in nursing and engineering fields. The coir-workers are virtually not in a position to clear -off their debts with the banks or other agencies because there is unemployment among the educated dependents who opted nursing and engineering as their career. The following table reveals the per cent of unemployed educated children waiting for placement.

Table 4.2 Category of unemployed educated dependants

Sl. No	Name of courses	% of unemployed children
1	Graduate Nursing	10%
2	General Nrsing	37%
3	Graduate in Engineering	12%
4	Diploma in Engineering	28%
5	Other category	13%
Total		100%

Primary data

It is evident from the table that the children of coir-workers who opted nursing as career accounted for 47%(10+37%) of the total unemployed children of coir-workers. This trend has become instrumental to bringing the coir-workers into the debt grip which in turn has aggravated the financial constraints of them by accumulating interest as well as other penal charges of loans.

- **Natural Calamities**

The coir-workers at Cherthala are found to be marginal cultivators as they carry on agriculture as an auxiliary occupation to support their daily life .In fact they take land on lease for cultivation purpose and very frequently crop failure occurs because of natural calamities like flood/draught. Since they perceive farming as a genuine source of auxiliary income they are ready to raise fund by availing of loans from private banking institutions/money lenders. Very often they can't settle their dues on account of agricultural loans because of the continuous /mass crop failure. This condition is a fertile ground for propagating their financial constraints.

As a matter of fact crop insurance may be considered as a mechanism to get rid off this handicap. Unfortunately the coir-workers are little aware of the various schemes under crop insurance plans and there is no effort from insurance companies to popularize crop insurance and thereby lightening the plight of the coir-workers.

- **Passion for Better Amenities**

Passion for comfortable life and social prestige are the thriving factors for the trend of acquiring better amenities. Generally, this results in conspicuous consumption like purchasing costly household utensils, vehicles, electronic gadgets, wearing apparels etc. it is a common trend among the coir-workers to adopt the life style and pattern of financially advanced communities in the line of 'sanskritization'.

Conclusion

Indebtedness is the social evil which paralyses the life of an individual who happened to be in its tenacious grip as indebtedness is being transferred from generation to generation unless it is cleared off in time, the descendents of the individual debtor would automatically become the clutches of indebtedness, this is particularly true in the case of under privileged community characterized with the constraints of little proximity to the formal sources of financial support. The situation of coir-workers at Cherthala exhibits that even in the midst of intervention of government and non-government agencies for extending financial support as a part of financial inclusion, the money lenders have efficiently safeguarded their proportionate share in the rural credit market; it can be articulated that a vacuum still persist between the formal mechanism of financial support and its beneficiaries; it might be the defect of the mechanism or the handicap of its implementation which supplements the need for an exclusive enquiry to bring forth a panacea for this social malady.

Chapter V

Role of Self Help Group (SHG) on Economic Empowerment of Coir-workers

The coir manufacturing sector of Kerala in general and that of Cherthala in particular is being sustained by workers representing the weaker strata of society characterised by low economic profile. Even after long period of association with coir manufacturing, the coir-workers or their successors have not come out of their 'debt grip'. Many reasons may be pointed out for the prevalence of economic constrains in the personal life of them.

Although many measures/regulations/statutory machineries have been experimented in coir manufacturing sector with a view to uplifting the coir-workers economically, the outcome of such endeavours are seen to be not much encouraging. Of course, the various governments, autonomous institutions like Coir Board, Department of Industries, Co-operative Societies have already launched many integrated programmes/projects for the economic restructuring of the coir sector, and a sizeable number of coir manufacturing units have been brought under the co-operative fold for preserving economic self reliance through better wage payment and providing other amenities like ESI, PF, Welfare Fund. Being the initial step for enabling the coir-workers to achieve economic self reliance, these schemes had been subjected to many drawbacks/limitations and hence it could not work out effectively by guaranteeing substantial economic improvement to the coir-workers. Owing to many meritorious features of the co-operative movement, a large number of coir manufacturing units and coir-workers as well had been absorbed by the co-operative sector with the dream project of being self reliant economically in the years to come.

However, the time has proved that the process of attaining economic empowerment has already been gained a momentum with the induction of co-operatives, is sluggish in nature which prevents a spectacular economic change in the life style of coir-workers. Perhaps this is the reason for the low momentum of the new entrants particularly from caste and creed other than those who are traditionally that associated with coir manufacturing. And this has become a stigma in respect of perceiving coir manufacturing as a dependable as well as remunerative avenue of livelihood.

As an alternative method of extending support to the coir manufacturing sector, with a view to enabling the coir-workers to be economically independent, the Government of India initiated a three dimensional mission in the coir sector by emphatically focusing on the financial discipline of the coir-workers; which may be termed as financial inclusion in the socio-economic parlance. Financial inclusion can be defined as the delivery of

banking services at an affordable cost to the vast sections of disadvantaged and low income groups (Mahendra D.S, 2006). Financial inclusion is a blanket term that covers up many dimensions such as income generating, savings, investment and promotion of financial literacy. The three dimensions of the mission are- promotion of savings/thrift, reciprocating financial help (mutual help) and financial literacy.

Thrift Promotion

The financial inclusion programme is being operated mainly in the line of microfinance which lays emphasis on the thrift promotion and tiny investment in different avenues. The first dimension of micro finance in the segment of coir-workers is the promotion of pigmy savings. Pigmy savings refers to tiny saving which is being operated with stipulated volume, timing and frequency. The small deposits of 1 rupee or more per day are collected on a daily basis on the doorsteps of the small depositors (Brunton P.D, El-Namaki M.S.S, 1997). At the outset, pigmy saving is seen to be an old wine in the new jar because people with low economic profile might have resorted to this method by way of depositing their money with chit funds which is very popular in rural settings and being operated with indigenous technology and norms for the governance of the system.

The conventional method of chit fund is characterised with lack of liquidity because generally, the amount of money is advanced by the chit fund on the basis of auction, which has the constraints of 'time and volume of amount'. Pigmy saving system has been designed by the microfinance scheme in such a manner that an adequate liquidity and the avoidance of time constraint are guaranteed so as to make it as a viable financing scheme perfectly matching with the varied socio-economic conditions of the coir-workers.

The most fruitful outcome of the intervention of micro finance scheme in thrift promotion is that it has become instrumental to creating a financial discipline among the beneficiaries. When financial discipline is preserved, it leads to a situation of prioritising the expenditure in personal life and thereby a pragmatic family budget can be maintained by avoiding impulse buying. Impulse buying refers to buying or purchasing with little or no advance planning featured with low involvement of oneself in decision-making (James U.M, 1992). This has a very positive impact on the socio-economic life of coir-workers because it reduces the scope for financial indebtedness by practising the concept of 'prevention is better than cure'.

Yet another functional dimension of microfinance scheme in the line of thrift promotion is its potential to breed the voluntary saving habit among the beneficiaries. The operational mechanism of micro finance scheme has dual effect as it brings the

beneficiaries to a scheme of regular interaction with counsellors who conduct awareness campaign about economic self reliance and enabling them to save for future through tiny units of savings. This has been proved at Anand in Gujarat among the members of Anand Milk Producers Co-operative Society through the initiation of late V.Kurian the “Milk Man of India”. The ultimate outcome is that when a beneficiary is being deliberately brought to the stream of thrift, under constant monitoring, it ensures a regular flow of fund to the institutional intermediary which is made up of the beneficiaries themselves and thereby strengthening the economic life of the beneficiaries.

Constant surveillance is the cardinal factor for the successful operation of micro finance scheme. In Kerala wherever micro finance is being inducted either by the intervention of local administrative system or voluntary agencies including religious institutions, the entire operational system is brought under the control of a potential agency comprises individual or a group of individuals. This reduces the chance for a track deviation of the beneficiaries and thereby ensures a substantial degree of success- when comparing with the earlier efforts of thrift promotion.

Though the time has not come to make a critical appraisal to conclude whether microfinance scheme is a success or failure, it is desirable to pre-estimate or foresee the future progress of the scheme. If at all there arises a standstill condition in the growth and applicability of the micro finance scheme, the ‘financial discipline and thrift habit’ which have been cultivated by the microfinance scheme will remain enduring, as these two factors motivate the beneficiary to seek for alternative institutional setup like the proposed Small Bank , Post Office Bank and Deposit Bank.

Thrift promotion

The table shows the outcome of the intervention of SHG in promoting thrift

Table 5.1 Outcome of thrift promotion campaign

% of income saved	Traditional workers	New entrants
5-10	16	21
10-15	35	18
15-20	20	12
20-25	15	19
Total	86	70

Primary data

The table reveals that the intervention of SHG has produced significant impact on thrift habit of the new entrants while it shows a low momentum among the traditional workers.

It might be because of the inertia of the traditional workers towards new methods of savings. So that they are tuned to a mode of ‘hand to mouth’ existence.

Reciprocating Benefits (Mutual Benefit)

Encouraging and persuading mutual trust and thereby ensuring reciprocating financial benefits is the slogan of SHG. The regulatory framework of SHG has been designed in such a way that the members have to carry out their operations with strong bondage among themselves. Each member becomes both a beneficiary in the sense of financial support and at the same time acting as a guarantor for availing of loans and advances from approved sources mainly from the commercial banks. It ensures mutual loyalty and confidence among the members of SHG.

It is learnt from the survey that among coir-workers at Cherthala, the role of SHG is of nominal in nature; which means the formation and intervention of SHG has not brought out the expected degree of response.

Generally, SHG raises fund by pooling tiny savings from the members and opens a bank account in the name of the SHG. And the fund so raised would be utilized for floating some income-generating ventures which provides an auxiliary income to the members. Though at Cherthala, the SHG comprises coir-workers, pools fund, but such funds have not been invested in income-generating projects. Hence SHG performs only a part of its function i.e. promoting thrift. Table 5.2 shows the number of coir-workers who sought benefit in the line of mutual trust along with the nature of benefits

Table 5.2 Fund utilization of fund pooled by SHG

Sl. No	Utilization of fund	Traditional workers		New entrants	
		Number	Percentage	Number	Percentage
1	Entrepreneurial activities	0	0	0	0
2	Education of children	39	22.41	18	28.12
3	Medical expenditure	56	32.18	14	21.9
4	Clearing off loans	18	10.34	9	14.06
5	Festivity and social customs	50	28.74	18	28.12
6	Casual financial help	11	6.33	5	7.8
	Total	174	100	64	100

Primary data

The table makes it evident that the fund pooled by SHG had been spent on many heads of expenditure or meeting the financial requirements of the members as per their priorities. Almost all heads of expenditure were in the line of supporting the general maintenance of social life and not of productive nature.

In order to attain the economic self-reliance, the coir-workers have to be provided with opportunities for taking-up new ventures/projects. A machinery with exposure in techno-economic and marketing dimensions should intervene, and give adequate training and moral support for floating income-generation ventures.

Financial Literacy

Ignorance may be pointed out as a built-in-blocking that prevents the people of lower strata of society from attaining economic well being and social change. SHG has been formed with the major objective of creating awareness among the marginalized. Consequently, financial literacy campaigns have been designed at various levels of interaction and social intervention.

Regarding the operational aspect of programmes targeting financial literacy, prime importance is given in creating knowledge about savings and investment at the grass root level. As a matter of fact, every SHG has sought assistance from 'expert panel' constituted by representatives from bank, insurance and industrial units and social activists.

Since the coir-workers at Cherthala are not well aware of the modern methods of thrifting, investment and other related avenues (which is evident from over dependence on traditional methods of saving and investment), it can be inferred that the financial literacy campaign initiated by SHG at Cherthala has not brought any considerable outcome. Table 5.3 shows the type of financial literacy campaign attended by the coir-workers

Table 5.3 type of financial literacy campaigns under SHG

Sl. No	Type of financial literacy campaign	Number traditional workers attended		Number of new entrants attended	
		Number	Percentage	Number	Percentage
1	General banking practice	72	44.44	21	23.9
2	Subsidies and direct benefit transfer	50	30.86	29	33
3	Micro credit	15	9.25	15	17
4	Life insurance	15	9.25	18	20.45
5	Health insurance	10	6.17	5	5.7
6	General insurance	0	0	0	0
7	New avenues of investments	0	0	0	0
	Total	162	100	88	100

Primary data

The table make it clear that the most of the financial literacy campaign are in the line of creating awareness about banking, subsidies, life insurance and other important areas like health insurance, general insurance and modern investment avenues have not been popularized and promoted through financial literacy campaigns organized under the initiation of SHG.

Conclusion

Viewing from this perspective, it is apt to state that the purpose of SHG has not been complied with at par. Thrift promotion is the only aspect that has become 'strengthened' by the intervention of SHG. If the overall development and economic self-reliance are to be achieved, the SHG has to switch over to modern line of operations instead its conventional method of creating awareness. The picture of SHG at Cherthala signalizes that the SHG has to walk miles ahead towards the destination of economic self-reliance and social upliftment of the marginalized.

Chapter VII

Socio-economic profile of coir – worker at Cherthala

The coastal belt of Kerala is the seed-bed that supplements the rapid growth of coir as well as fishing industry which are featured with a sharp resemblance industries in the sense of demographic characteristics of workers, and its social, economic and cultural backdrop. A sketch of the domiciliary workers of these industries outlined by geographical locations might indicate that they are settled in hamlets along the coastal areas of the Arabian Sea and backwaters of Kerala covering a distance from Thiruvananthapuram to Kannur and do possess common features in forms/way of life, dwelling priorities, dietary, clothing style, spending habit and similar dimensions of settled social-life. Traditionally, coir-workers depend on backwaters for water locking fields to get decayed the locally available 'husk' the basic rawmaterials of coir-manufacturing industry and they have been resorting to water-transport system for transporting both rawmaterial and finished products and this practice could be precipitated as the contributory factor for the concentration of coir industry and settlement of coir-workers along the coastal belts of Kerala.

The industry-centric life and life style had become conducive to developing and maintaining typical social system confined to the community of coir-workers. Social system with respect to its structurally significant components seems to be a differentiated system [Pearson. T 1951]

It is obvious that the coir-workers in Kerala have been marooned by the cultural settings of their own, which has not been subjected to conspicuous changes over the years. However, changes is part and parcel of both individual and the social life; no society can ever exist without being changed [Chopra JK, 2006]

Viewing from this prospective, an analytical study of coir industry and its workers should provide legitimate space for portraying a comprehensive picture of the existing social environment of the industry and workers. Accordingly the socio-economic settings of the coir-workers at Cherthala had been profiled in the following captions by laying emphasis on parameters such as education, occupational mobility, landholding, housing and accommodation, drinking water, sanitation, transport, health and immunity, festivity, political affiliation and trade unionism.

Education

Generally, the inhabitants of coastal Kerala are having low educational background. A plethora of reasons could be put forward for maintaining low educational profile such as lack of proximity to school forceful involvement of children in coir manufacturing process for supporting their families social barriers, however, the induction of various social development programmes by the state and central governments awareness campaigns organised by voluntary/religious agencies and mass support for inclusive educational programmes promoted by social media have become instrumental to changing the educational profile of the individuals.

Now a days the children of coir-workers are being provided education in their locality by the government and private individuals, religious institutions at affordable cost. Besides, the government and charitable organisations have designed many schemes and counselling programmes to prevent the children of coir-workers from being drop outs of educational institutions.

Regarding higher education, the government of Kerala has floated colleges, technical education centres like polytechnic, ITI and ITC at the nearby localities in which the coir-workers are domiciled. In brief the present generation of coir-workers have rightly sensed education as the apprenticeship of life” (Bhatia and Narang 2008)

Despite the fact of adequate momentum for educating the new generations of coir-workers, one cannot overlook the black ‘shadow’ of the low educational profile of the elderly group of workers. They never had opportunities for being educated at a reasonable level and little effort was initiated by the government machinery for providing the infrastructure for getting educated at affordable cost. The survey revealed that the coir-workers of elderly group are having primary level education and youth who moved into coir manufacturing are either drop outs from school or failed in matriculation. Table 7.1 depicts the education of coir-workers at Cherthala

Table 7.1 The education of coir-workers at Cherthala

Type of coir-workers	Illiterate		Primary		Upper Primary		Matriculation		SHS		Technical		Total	Percentage of average score	CV Value
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%			
Traditional	18	7.89	97	42.54	68	29.82	29	12.72	16	7.03	0	0	228	35.08%	0.96976
New Entrants	0	0	7	9.72	38	52.78	12	16.67	11	15.28	4	5.55	72	45.28%	1.12423

Primary data

Table 7.2 Ordinal scale board of educational status (Traditional workers)

Level of education	weight	Number of workers	Score
Illiterate	0	18	0
Primary	1	97	97
Upper primary	2	68	136
High school	3	29	87
Higher secondary	4	16	64
Technical	5	0	0
Total		228	384

Primary data

Table 7.3 ordinal scale board of educational status (New entrants)

Level of education	weight	Number of workers	Score
Illiterate	0	0	0
Primary	1	7	7
Upper primary	2	38	76
High school	3	12	36
Higher secondary	4	11	44
Technical	5	4	20
Total		72	183

Primary data

The co-efficient of variation in the pattern of education is higher in new entrants (102.67%) than the traditional workers (86.57%). It may be inferred that the new entrants have a greater variability regarding educational status which indicates a change in the

environment of the coir-workers and the industry as such. It is learnt that both government and voluntary/religious institutions have launched good number of educational institutions which offer quality education at affordable cost in the nearby locality of the coir-workers. The keen attention to provide good education to their children and grand children may be considered as an antecedent of a change in the social environment of coir-workers at Cherthala.

Occupational mobility

One of the salient features of coir manufacturing industry is its labour intensiveness. Kerala being a 'densely populated' state has the advantage of supplying the required volume of labourforce for carrying out skilled as well as unskilled operations associated with coir industry. A notable characteristic feature is that majority of the workers belong to the backward community or stratum. Since coir industry is confined to backward community in its inception, it has been perceived as a 'caste-oriented industry'. Caste is a unit, and can be defined as closed-rank status, i.e. a group in which the status of the members, their occupation and the field of interaction with others are fixed (Rao and Ahuja, 2001).

Occupational mobility is of two types i.e. inward and outward. Inward occupational mobility refers to the phenomenon of the entry of people from cast or strata of society other than the traditional ones into an industry or institution; likewise outward occupational mobility means the individuals who are traditionally associated with a typical work entering other occupational avenues.

In its strict sense, inward occupational mobility has seldom been taken place in respect of coir industry at Cherthala, whereas, outward occupational mobility has significantly increasing year to year which is evident from table 1.2. Among the new entrants, the representation from general category is seemed to be absolutely insignificant. This trend signalises a dangerous situation regarding the availability of manpower to get sustained the coir industry. Unless and until this problem remains unaddressed, the coir manufacturing units at Cherthala would be in the plight of labour shortage in the years yet to come.

Table 7.4 Occupational mobility of coir-workers

Type of coir-workers	General		OEC		OBC		SC		ST		Total	CV Value
	No.	%	No.	%	No.	%	No.	%	No.	%		
Traditional	21	9.21	21	9.21	117	51.32	59	25.89	10	4.37	228	0.96561
New Entrants	7	9.72	5	6.94	39	54.17	19	26.39	2	2.78	72	1.05501

Primary data

Landholding

Size of landholding may be attributed as one of the indices of socio-economic development of a community. Property is one of the most significant institutions of power in society (Dak T.M, 1990). Since coir-workers at Cherthala mostly belong to backward communities, they do have marginal size of landholdings. Besides, a sizeable number of coir-workers do not possess 'exclusive title' of the land. Even if they hold the land, it is in the line of joint ownership with much bindings. Because of this peculiar situation, the coir-workers cannot avail of loans and advances from the formal banking sector against the security of landed property. Table 7.5 exhibits size of landholding

Table 7.5 Size of Landholding

Sl. No.	Size of holdings (Cent)	Traditional Workers		New Entrants	
		No.	Percentage	No.	Percentage
1	0-2	55	22.67	20	27.7
2	2-4	30	13.33	12	16.6
3	4-6	72	34	24	33.3
4	6-8	41	17	11	15.2
5	8-10	21	9	4	5.5
6	Above 10	9	4	1	1.3
Total		228	100	72	100
Mean		18		50	
S.D		121.83		41.09	

Primary data

Table 7.5 depicts the size of landholdings and makes it clear that it ranges from 2 to 10 cents. As far as the government measures are concerned the land supply scheme has gained little momentum due to unavailability of land at the preferable location of coir-workers, the restricted availability of inhabitable land along the coastal area is a built in

blocking for launching schemes of land distribution (surplus land). Furthermore, coir-workers prefer to have their settlement in and around the costal belt and backwater regions; thereby shifting to a place having scope for distribution of surplus land is of bleak probability.

Housing and Accommodation

Housing and accommodation may be considered as one among the BHN (Basic Human Needs). A dwelling place with minimum comforts, is one of the supreme priorities of a dignified society. Though the Keralites have a tendency to expend heavily on construction of house and allied amenities, people represent lower strata of society do not possess habitable houses because of many constraints.

Regarding coir-workers at Cherthala, many of them do not own houses of habitable condition. A large number of workers still live in temporary houses roofed with tin/plastic materials which are not environment friendly in character. However, a trend has been observed in the line of shifting from the conventional thatched houses to houses with modern concreted/tiled roofs.

The phenomenal changes in the house construction of coir-workers may be identified as the outcome of many schemes designed and implemented by the state government and the voluntary associations. The scheme of “House for All” has become the source for providing financial support for the needy to construct and maintain residential house. But an inbuilt blocking in the successful launching of the scheme is size of landholdings. However, the survey brought the fact that a few of coir-workers with sufficient size of landholding have already availed of the schemes of financial assistance for housing and have occupied habitable houses. In a nutshell, lack of sufficient size of landholding, an issue to be addressed with urgency, for enabling the coir-workers to have a better access to the various housing initiatives of central & state governments, local authorities, voluntary/charitable organizations.

Table 7.6 Possession of Dwelling House

Possession of dwelling houses	Traditional Workers		New Entrants	
	No.	Percentage	No.	Percentage
Owned house	206	90.67	65	90.6
Rented house	7	2.67	2	2.7
Leased house	15	6.67	5	6.7
Total	228	100	72	100

Primary data

Table 7.7 Types of owned house

Possession of owned houses	Traditional Workers		New Entrants	
	Number	Percentage	Number	Percentage
Concrete	40	17.65	13	17.7
Tiled	113	51.1	36	51
Sheeted	68	29.4	21	30
Other	7	1.8	2	2

Primary data

Drinking Water

“Water, water everywhere but not a single drop to drink”; the well-known proverb that highlights the paradoxical situation of the people who live in water logging areas is perfectly matching with the environment at Cherthala. Geographically, the land of Cherthala is considered as gift of the Vembanad Lake. The east and the north of Cherthala bounded by the spread of the Vembanad Lake and the western side is a corridor towards the shore of the Arabian Sea. However, Cherthala has been identified as one of the municipalities which is badly affected by lack of drinking water availability. Drinking water availability is fundamental to life; it is difficult even to imagine a form of life that might exist without water (Richard T.W, 2002).

The deposits of salty water in and around Cherthala is the major reason for the lack of sufficient water for drinking purpose. Hence, many of the households in the coir sector do not possess ‘well’ of their own. Besides the government scheme of water supply appears

to be insufficient because many households in the coir sector do not have proximity to municipal water supply for domestic use. Table: 7.8 depicts the drinking water facilities of coir-workers.

Table: 7.8 Drinking water facility of coir-workers

Type of source	Traditional Workers		New Entrants	
	No.	Percentage	No.	Percentage
Public tap	98	43	31	43
Municipal water connection (household connection)	38	17	12	17
Owned well	22	9.5	7	10
Owned well with pump set	63	27.5	21	28.8
Owned well with pump set and rain harvesting	7	3	1	1.2

Primary data

Tackling this severe handicaps, the government has initiated a project titled ‘The Japan Drinking Water Project’ by making use of the techno-economic support of Japan. The ulterior objective of the project is to provide drinking water to the coastal area as well as the interior pockets of Cherthala where majority of coir-workers are domiciled. This Drinking water project is characterized with long-gestation period; however, it has started functioning recently. And the time has not yet come to make an appraisal of the potential of the project to make drinking water available among the households at Cherthala in general and coir-workers in particular.

Health and Immunity

Globally, health and immunity are perceived as the basic indicators of social development of communities/nations. Perhaps this could be the reason for taking into account the health status as a parameter for measuring social welfare and advancement.

Being a coastal area, Cherthala has a track record in terms of different water-borne and air-borne contagious diseases which paved the way for high velocity of medical care campaigns by the government in the pre and post independent period. Traditional method of husk-processing, lack of awareness of health care, hygiene factors were the reasons for the primitive life setup and the poor health index of the early inhabitants at Cherthala

Since 1947, the government (The old Travancore and Cochin Government) made certain result-fetching attempts for preventing the spread of contagious diseases. The campaign comprised two sets of health initiatives viz,

- a) establishment of government owned hospitals and dispensaries in and around Cherthala
- b) creating awareness regarding contagious diseases and mobilizing inoculation programmes

After 1956, the government of Kerala, especially the Director of Health Services (DHS) had launched a slew of schemes for ensuring better health condition and thereby improving the immunity status of the average workers in the coir sector. Catering to this requirement, the then government floated PHCs, GRDs and CHCs. Apart from these initiatives, many private individuals, trusts and charitable organizations have come forward with the intention of establishing hospitals having IP facilities across the various pockets and interior regions of Cherthala. The government health initiatives targeted the workers in industrial sectors- technically designated as 'ESI- Scheme' is being operated in Cherthala for addressing the health hazards of workers in coir manufacturing units.

Despite the coir-workers are still exposed to a work environment which nurtures all kinds of health hazards and pollutants. No effective mechanism has been designed and implemented in the traditional work setup for keeping the workers healthy. A lot of diseases such as skin-lesions, chest and respiratory diseases, leptospirosis, dengue fever etc are still prevalent in the domiciliary localities of coir-workers. Table 7.9 shows the commonly found diseases among coir-workers.

Table 7.9 Common Diseases of Coir-workers

Sl. No.	Name of disease	Traditional workers		New entrants	
		Number	percentage	Number	Percentage
1	Chest and respiratory ailments	38	16.67	9	12.50
2	Skin-lesions	15	6.58	6	8.33
3	Contagious ailments	10	4.39	8	11.11
4	Work related diseases	45	19.74	12	16.66
5	Life style diseases	40	17.54	12	16.66

Primary data

Rapid life-saving medical campaigns like pulse polio, preventive tuberculosis, are some of the initiatives being popularised by the government authorities; but exclusive programmes for preventing commonly diseases among coir-workers have been gained little momentum in the public health scenario of the government. However, many individuals, private organizations including religious ones have taken up this challenge very effectively. Consequently the number of victims has significantly been reduced over the years. Currently the inhabitants of Cherthala are being served by a network of hospitals having reasonably good competency to offer medical care including the attack from reptiles. A common trend persists in Cherthala in terms of converting uncultivable wet land into dry land by filling it with the soil brought from the eastern hilly region of the state. The soil so brought to Cherthala fetches reptiles and thereby the causality form reptile attack has been increased recently. The table 7.10 exhibits the list of hospitals.

Table 7.10 The hospital network of Cherthala

Sl. No	Type of Hospital	Total
1	Clinics	22
2	GRD and PHC	9
3	CHC	3
4	General hospitals	1
5	Private Hospitals	18
6	Ayurvedic Hospitals	9
7	Homeopathic Hospitals	12
	Total	74

Primary data

Sanitation

Personal hygiene may be regarded as one of the manifestations of quality life and often being supplemented by environmental sanitation. Traditionally, the Keralites observe personal hygiene in its strict sense by keeping themselves as well as the surrounding of their settlement neat and tidy.

However, hygiene and healthy surroundings may not always be preserved due to many reasons such as slum-nature of settlement/domiciliary units, insufficient landholdings for maintaining effective sanitary system, lack of awareness of the serious outcomes of unhygienic surrounding.

As sanitation is the process of destruction of micro-organisms that remain on the surface (Roday S, 1999) an attempt was made in the survey to elicit the sanitation condition and hygiene factor of families of coir-workers. It was found that a sizeable number of families resort to the traditional lavatory system by making use of the tin sheets and plastic materials for enclosing the lavatory. But majority of such lavatories are not being

roofed, which causes leakage due to heavy showers in the monsoon season. This may lead to the outbreak of many contagious diseases such as Cholera, Amoebic dysentery, Diarrhoea, etc. Table 7.11 depicts the type of lavatory system maintained by the coir-workers at Cherthala.

Table 7.11 Lavatory systems of coir-workers

Sl. No.	Type of lavatory	Traditional workers		New entrants	
		Number	Percentage	Number	Percentage
1	Public lavatory	0	0	0	0
2	Lavatory without roofing	60	26.41	18	25
3	Lavatory with temporary structure	97	42.54	21	29.17
4	Lavatory with permanent structure	53	23.25	29	40.28
5	Lavatory with modern amenities	18	7.8	4	5.55

Primary data

The settlement of coir-workers takes after the characteristic features of the typical coastal villages in Kerala. As against this, the coir-workers with sufficient land holdings i.e. holding land on an average of 4 cents and above, maintain tolerably good lavatory system by making use of modern accessories with permanent building structure. The unique feature of the settlement of coir-workers at Cherthala is that not even a single family has been found using public lavatory system. This can be considered as a good trend at par and an indicator of the effective utilization of the schemes of government in preserving sanitation and personal hygiene.

Road and Transport System

Mobility of men and material largely depends on the efficiency of transport system. Cherthala being a coastal area bounded by the Vembanad Lake in the north-eastern side and the Arabian sea in the south western side, water transport system has become indispensable for maintaining a normal life. Currently the place is being served by a network of road connecting with three important towns as well as district headquarters viz Alappuzha in the south, Eranakulam in the north and Kottayam in the east. Private and government buses provide the needful transport facilities. Moreover, Cherthala taluk comprises many 'island-like' territories which appear to be the strip of land almost separated from the main stretch of land and being projected into the backwater of Vembanad. This causes the proximity of Cherthala to water sources which could be attributed as one of the contributory factors for the concentration and growth of coir industry. Cherthala is also covered by the coastal railway line of Kerala, which becomes an added advantage for the transportation of people and goods to far and while.

Yet another feature of the settlement of coir-workers at Cherthala is that all the hamlets or domiciliary places are well covered with motorable road system which provides easy and better access to various industrial as well as commercial towns in the nearby districts.

It highlights that the geographical feature of Cherthala may be responsible for the excessive dependance on Water Transport System. Traditional Water Transport means like snake boats, veppu vallom and machine driven boats are still popular in mobilising the men and material.

The local authorities of Cherthala have been making use of the funds allotted by the Government of Kerala for constructing and maintaining roads and canals. As a result, each nook and corner of Cherthala Taluk- 'The Coir Town' of Central Travancore has effectively and smoothly been covered by road and water transport system.

Festivity

Observing religious doctrines and rituals is part and parcel of every stratum of the Indian society. Cherthala being a place in Kerala, 'Onam' is regarded as a festival of paramount importance. Coir-workers have a special privilege to celebrate Onam because those who work in private and co-operative sector get their bonus in connection with the festival of

Onam. This increases their propensity to consume, which in turn reflects on the increased consumption of food, textiles, gold and electronic appliances and similar household utensils. Besides Onam, they do celebrate Vishu and Navarathri.

Cherthala accounts for a number of regional temples and festivals. The festivals on these temples are being celebrated on auspicious days as per Malayalam calendar. And every such regional festival is being conducted with a series of religious programmes. Among such religious festivals, 'The Cherthala Pooram' being conducted in the month of MEENAM of Malayalam Era under the auspicious of the 'Karthiyayani Temple' at Cherthala. Kathiyani Temple is the temple of Goddess 'Karthiyayani' otherwise known as Durga/ Bhadrakali'. Many traditional rituals have to be observed for the graceful conduct of the 'seven-day' lasting festival, which commences on the day of 'Makayiram star' and ends on the day of 'Uthram star' that comprises a duration of seven days. The day of 'Pooram star' is the most auspicious day as the celebration of the festival reaches at its zenith of glamour, devotion and colourfulness; and on this day the renowned 'CHERTHALA FOLK SONG' is being sung by the devotees of the Goddess Karthiyayani.

Many other temples located in the interior regions do organise 'THEYYAM' representing the various traditional/ancestral gods/goddess who are believed to be the 'guardian-angel' of the respective locality.

Cherthala has another unique feature in terms of festivity by celebrating the festival Day of the KOKKAMANGALAM Church-which was founded by St Thomas, one of the disciples of Jesus Christ at the time of his expedition to India for gospel work. The Muslim community also celebrates 'CHANDANAKKUDAM' to commemorate the important events as per their religious doctrines.

The festivity of Cherthala is a portrait of Kerala culture especially in terms of observing religions rituals embedded by religious doctrines. Yet, the Pooram celebration of

Karthiyayani temple is seen to be the most elevated and unparalleled in the sense of its every minutest element.

Political life and Trade Unionism

Every individual in normal social settings possesses affiliation to a political party as a part of pursuing a quality and standardised life. Over the years, the inhabitants of Cherthala have a political track-record of their own and elected members to the legislative assembly from both right and left political campaigns.

Virtually, coir industry has been viewed as a livelihood of ‘have nots’ and a true reflector of poverty in the midst of plenty. Accordingly, the coir-workers do possess left-favouring attitude and they perceive it as a device for protecting and preserving their rights. In 1956, the year in which the State of Kerala was formed by unifying the Travancore, Cochin and Kozhikode provinces, the trend of left favouring had become very conspicuous. Soon after, in 1957, the first Communist ministry of Kerala was formed, and the ministry launched many schemes targeting the welfare of coir-workers. ESI scheme, pension, interim relief, medical benefits, facilities for education are some of the measures adopted by governments that succeeding the 1957 ministry till date.

While sketching the political history of Cherthala, one cannot overlook the ‘Vayalar Aggressive Movement’ against social - injustice and exploitation prevailed in many industrial sectors in general and in the coir-sector in particular; which paved the way for the development of trade union for protecting the rights and guaranteeing a fair wage payment system.

The strong trade union movement may be considered as one of the factors that had led to the induction of the co-operative movement in the coir-sector. And large number of coir – manufacturing units at Cherthala had been brought under the co-operative fold.

The various benefits being brought to coir-sector for the upliftment of its workers may be regarded as the joint-product of both the trade union and the co-operative movement.

Now a days the coir-workers maintain a reasonable standard of living by an equalitarian approach towards opportunities and distribution of income for ensuring quality social life. A snap-shot view of the indices of social development of coir-workers has been annexed herewith.

Table 7.12 Consolidated index of social development of coir-workers

Sl. No.	Parameter	Current status	Score in %	Remark
1	Education	Matriculation and above	24	Average
2	Occupational mobility (inward)	Inward mobility	9.33	Poor
3	Land Holding	4-6 cents	61	Good
4	Housing and accommodation	Owned house	90.67	Excellent
5	Drinking water	Owned well	40.27	Average
6	Health and immunity	Healthy workers	65	Excellent
7	Sanitation	Hygienic lavatory system	34.67	Average
8	Road and transport system	Network of motorable roads	100	Excellent
9	Festivity	Typical Kerala style	100	Excellent
10	Political affiliation and trade unionism	Membership	100	Excellent

Conclusion

Over the years, the coir manufacturing industry at Cherthala had undergone different facets of organizational, social, political and economic changes; and such changes have become instrumental to overhauling the coir sector. If the government provides legitimate space for the schematic projects targeting the holistic development of the coir industry,

the coir-workers could be uplifted to a new horizon of quality social life and economic self reliance. The score board of consolidated index sketches that the coir-workers at Cherthala have excellent development in terms of five different parameters. The poor momentum of inward occupational mobility could be identified as a black mark in the social development process of the coir-workers. This symbolises a positive outcome of the efforts and initiatives shouldered by the government, voluntary/charitable organizations and the co-operative movement.

Chapter VIII

Suggestions and conclusion

The coir-workers at Cherthala mainly represent the weaker stratum of society; they exhibit all the salient features of a community that lacks proximity to avenues of social change and economic advancement. Personal finance may be considered as the true indicator of the position of an individual/community in the way of achieving economic empowerment.

The study brought out the fact even after that even 68 years of independence, the experimentation of various political machineries and tailor-made schemes/projects, a spectacular change in the socio-economic settings of the coir-workers have not yet been attained for making them self-reliant.

While analyzing the various dimensions of personal finance of coir-workers, several facts and figures had been unveiled and accordingly the following suggestions are recommended.

- (i) Consumption expenditure augments in proportion to the change in income. This trend erodes the propensity to save. In order to wipe-off this unhealthy trend, continuous interaction, monitoring and awareness programmes have to be chalked out for making the coir-workers conscious about 'Financial discipline'. Voluntary/religious organizations, SHGs, NGOs, social activists can play a vital role in transforming the coir-workers to develop a 'dear-money' policy towards expenditure.
- (ii) Though SHGs are very active in promoting thrift among the coir-workers, the technology adopted by SHG is seen to be outdated- it mainly popularizes the bank accounts as a device for obtaining subsidies. A new line of voluntary saving-promotion is to be initiated. Bank at Door Step (BDS) or community bank may be suggested as a viable mechanism. Community bank functions like a branch of a commercial bank at the door-step of the beneficiaries in its every sense. But the operations are being carried-out according to the specific/unique requirement of the beneficiaries or the locality in which it is being operated. Liquidity (both deposit and advance), control and management, guidelines for operations, credit deployment can be carried-out effectively if the Community Bank is well-knitted with branches of scheduled commercial banks/co-operative banks as apex agency for surveillance and control of the affairs of the cited bank

- (iii) Even though many new avenues of investment have gained good momentum in rural settings, the coir-workers at Cherthala still resort to the old-methods/avenues of savings and investment. Ignorance and reluctance towards changes may be pointed out as the reasons. This can be reflected by creating attitudinal changes among the coir-workers. Aggressive campaigns by incorporating self explanatory system for promoting and popularizing new methods of savings and avenues of investment. A corpus fund may be pooled from the coir-workers for investing in non-conventional avenues for a higher rate of return. The government machinery can also intervene in this context by setting up government sponsored 'mutual funds' for the marginalized like the coir-workers. In order to implement these measures, an efficient and committed intermediary is indispensable.
- (iv) The 'blades', the 'cut-throats' and the village money lenders are in operational at the domiciliary pockets of the coir-workers at Cherthala. Their role and influence can be either reduced or eliminated if the role of SHG is strengthened. Currently the SHG focuses only on thrift promotion and that too confined to traditional methods. Much effort is to be put in for energizing and enlarging the operations and scope of micro-credit scheme.
- (v) Auxiliary income generation has become inevitable from the view point of supplementing the coir-workers with financial backup for attaining economic well-being and self-reliance. No entrepreneurial endeavours have been initiated through the intervention of SHG among the coir-workers. The SHGs should seek for technical assistance and counseling from the department of industries, the coir-board, NABARD, scheduled commercial banks, local level authorities and even from KITCO for promoting new entrepreneurial ventures and arousing entrepreneurial skill of the coir-workers or their kith and kin.
- (vi) The coir-workers at Cherthala are unaware of many risk management schemes and uncertainties of future is the prime factor that prevents the relatives/young generation of coir-workers from entering new avenues of operations for auxiliary income. The financial literacy campaigns should be designed in such a manner that it should gather and disseminate ample information about risk management by laying special emphasis on health, crop, cattle and other forms of general insurance.

Conclusion

Of course coir-industry still predominates the industrial scenario of Kerala economy because of its labour intensiveness and monetary contribution to the rural economy of the state. If it has to be sustained and developed further the rights, expectations and dreams of the workers have to be preserved, because complete automation of coir industry seems to be impossible in the present context. Over the years, the governments have been in the forefront for designing and implementing various projects/programmes of the industry as well as the workers; and much of the efforts of the government and non-government machineries were in vain because of many constraints. However, the timely and effective implementation of the cited suggestions may instrumental to bringing drastic changes in the direction of sustainable development of the industry and the socio-economic well being of the coir-workers at Cherthala.

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