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"Financial Inclusion and Women Coir Workers- An Inclusive Financial Analysis"

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ABSTRACT

Financial inclusion, broadly defined refers to universal access to wide range of financial services at a reasonable cost. These include not only banking products but also other financial services such as insurance and equity products (The Committee On Financial Sector Reforms, Chairman : Dr. Raghuram G. Rajan) The broad objectives of financial inclusion for the poor are to address their needs through the formal financial system; transform money lender dependent rural poor into a highly bankable group; eliminate the high-cost interest regime; stop the resource drain from the poor; build up diversified and multiple livelihoods and inculcate a strong savings culture among them. In India, access to institutional credit is one of the important indicators of financial inclusion. In India, women sectors are also under the disadvantaged area because lack of proper education, lack of proper financial literacy, poor accessto savings and investments, negative attitude of society towards society. But at the same time numbers of women achieved the higher level of education, accessed good level of financial services, good financialawareness. But most of the cases, the area of woman empowerment is still in infancy stage. For the porpose of empowering financial aspects of women in India, central and state governments introduced number of policies and practices. Butonly some of the measures achieved itsobjectives. The investigator made an attempt to study the **Impact of financial inclusion among the women coir workers with special reference to Cherthala Taluk Alappuzha** by analyzing the impact of various financial inclusion factors among the women coir workers in the selected area.To conduct the study, primary and secondary data are used. The study concluded that If the strategy of financial inclusion works well and can achieve its objective in full, it will contribute to the growth of nation and development of economy.

Keywords
Financial inclusion, Financial Exclusion, Inclusive Factors, Financial Inclusion Programs,

INTRODUCTION

Financial services among the coir workers play a vital role in the economic development. The study can be assess and evaluate not only banking products but also financial services made by the women coir workers. Most of the banks offer various financial inclusion programs to the workers and they became aware about financial services. Provide more opportunities to increase savings and borrowing and preferring normal living standard. Financial inclusion is the delivery of banking services at an affordable cost to the vast sections of disadvantaged and low income groups. The

ISSN:2277-2995
Vol-8-Issue-12-December-2019

various financial services include savings, loans, insurance, payments, remittance facilities and financial counseling by the formal financial system. As banking services are in the nature of public good, it is essential that availability of banking and payment services to the entire population without discrimination is the prime objective of the public policy.

1. CONCEPTUAL FRAME WORK REVIEW

"Most poor people in the world including India still lack access to sustainable financial services, whether it is savings, credit or insurance (Kofi Annan, former United Nations Secretary General). While poverty persists, there is no true freedom (Nelson Mandela). Demonetization has affected the relationship between banks and customers adversely. First and foremost, the inadequacy of service delivery has been the bone of contention between the two. People have been deprived of their hard earned money despite standing in the queues for hours. Moreover, the shortage of new currency, perhaps artificially created the inconvenience for the general customers. Pointing out that the banking system itself is losing credibility because of frequent changes in RBI/government policies, AIBOC General Secretary Harbinger Singh said customer dissatisfaction is increasing because of chaos and confusion created in implementation of the scheme.

Bank employees are feeling increasingly targeted in the face of public anger. The constant notifications and the lack of cash provided have led banking establishments facing the wrath of clients. Banks staff members serve the people and are working overtime to keep their commitments, but are helpless when they do not get enough cash to meet the minimum requirement of the customers. One of the areas of the economy that has received much attention in recent times is the financial sector. Banking is considered as one of the vital contributors to the economic growth of a country. It serves as the central channel for all economic activities. A major challenge in banking industry is attraction as well as retention of customers. Customer's retention favorably affects the profitability. Good customer services are the heart of banking service delivery.

Financial stability depends upon the proper level of demand for and supply of financial services. It any imbalances in the level of proper demand for and supply of financial services, it directly affects financial stability. If the demand for and supply of financial services are not proper, it leads to financial instability in the country.

1. STATEMENT OF THE PROBLEM

The lack of accessibility to the financial services by the poor and disadvantaged class has been identified as one of the serious threats for including the poor in the growth process. Therefore Government had introduced the concept of financial inclusion for the purpose of increasing the reach ability of banking services to the rural people. There are number of women coir workers working under coir industry. "Financial inclusiveness of women coir workers are not proper, it will affect the savings and borrowing habit and family budget planning of women coir workers". It's found that the rural people are not much aware and making use of the benefits of financial inclusion and its impact. The present study attempts to find out the **Impact of financial inclusion among the women coir workers with special reference to Cherthala Thaluk Alappuzha.**

ISSN:2277-2995
Vol-8-Issue-12-December-2019

OBJECTIVES OF THE STUDY

Following are the main objectives of the study

- To know whether the rural peoples are using banking services.
- To study the savings and borrowing habits of women coir workers.

2. **NEED OF THE STUDY:**

In the present scenario this study is very relevant because financial inclusion is a new method adopted by RBI. It is the delivery of banking services at an affordable cost to the vast sections of disadvantaged and low income groups. The study is aimed at knowing the effect of financial inclusion among the rural people. For the study the women coir workers from Cherthala, Alappuzha is selected as population. This study is very helpful make a clear cut result of income earned by the women coir workers and their borrowing habit and also helps in knowing the awareness of people about the banking services and what is the improvement required for the success of financial inclusion.

3. **SCOPE OF THE STUDY**

The project study is limited to the women coir workers at Cherthala, Alappuzha. Cherthala is famous place of coir industry and coir products. So, this study has relevance and easier. This project has current relevance, because various problem faced by women coir workers at present scenario. For these study 100 women coir workers were selected from Cherthala as sample.

4. **LIMITATIONS OF THE STUDY:**

- The study is limited with 100 respondents from women coir sector of Cherthala, Alapuzha.
- The time taken for data collection is very short.
- The time period allowed for the study is limited.
- It is very difficult to make the respondents aware about the objectives of the study and that of the questionnaire but utmost care taken.
- Some respondents were reluctant to give information.

5. **RESEARCH METHODOLOGY:**

Primary data observed or collected directly from firsthand experience. An advantage of using primary data is that researchers are collecting information for the specific purpose of their study. This study attempts to understand the financial inclusiveness among women coir workers. It is conducted at Cherthala, Alappuzha. The present study is based on primary data, collected from

ISSN:2277-2995
Vol-8-Issue-12-December-2019

women coir workers. Minimum sample is 100 respondents. Covering the time period of one month. The primary data collected through the questionnaire, schedule and personal interview. Published data and the data collected in the past or other parties are called secondary data. It refers to data that was collected by someone other than the user. For this study the secondary data were collected from various Books, Journals, Websites and other Official Publications. The data collected from various sources mentioned earlier were analyzed by convenience sampling. The results were presented by means of tables and charts, the data analyzed by using simple percentage analysis method

6. RESULTS:

It included the **Collection, Analysis and Interpretation of primary Data**

From the analysis and interpretation of primary data, the points given below are relevant.

A. AGE WISE CLASSIFICATION OF RESPONDENTS

The table showsclassification of respondents on the basis of age.

AGE	NUMBER OF RESPONDENTS	PERCENTAGE (%)
30-39	15	15
40-49	25	25
50-59	43	43
Above 60	17	17
Total	100	100

Source: Primary Data

INFERENCE: The above chart shows that 15% of the respondents are under the age group 30-39, 25% comes under the age group 40-49, 43% of respondents are under the group 50-59 and 17% of respondents are above 60.

B. RESPONDENTS CLASSIFICATION BASED ON ANNUAL INCOME

The table shows classification of respondents on the basis of annual income.

INCOME LEVEL	NUMBER OF RESPONDENTS	PERCENTAGE (%)
Below 25000	100	100
25000-50000	0	0
Above 50000	0	0
Total	100	100

Source: primary data.

INFERENCE: The above chart shows that 100% of the respondents are having annual income below 25000.

ISSN:2277-2995
Vol-8-Issue-12-December-2019

C. RESPONDENTS CLASSIFICATION BASED ON SPREADING OF WOMEN COIR WORKERS IN BANKING SECTOR

The table shows classification of respondents on the basis of spreading of women coir workers in banking sector.

TYPE OF BANK	NUMBER OF RESPONDENTS	PERCENTAGE (%)
Public Sector Bank	52	52
Private Sector Bank	15	15
Co-operative Bank	0	0
Micro Finance bank	0	0
Both Public & Co-operative	33	33
Others	0	0
Total	100	100

Source: primary data

INFERENCE: The above chart shows that 52% of the respondents of women coir workers have accounts in public sector banks, 15% respondents have accounts in private sector banks, and 32% respondents have accounts in both public and co-operative banks.

D. BANK ACCOUNT HOLDINGS OF WOMEN COIR WORKERS

The table showsclassification of respondents on the basis of bank account holdings of women coir workers.

TYPE OF ACCOUNTS	NUMBER OF RESPONDENTS	PERCENTAGE (%)
Current account	9	9
FD account	0	0
Savings account	88	88
Both savings account and current account	3	3
Total	100	100

Source: primary data

INFERENCE: The above chart shows that 88% of the respondents of women coir workers have savings bank account, 9% respondents holds current account and 3% of respondents hold both savings and current account.

E. LEVEL OF BANK ACCOUNT INCLUSIVENESS

ISSN:2277-2995
Vol-8-Issue-12-December-2019

The table shows classification of respondents on the basis of level of bank account inclusiveness.

NUMBER OF BANK ACCOUNTS	NUMBER OF RESPONDENTS	PERCENTAGE (%)
1	2	2
2	12	12
3	15	15
4	55	55
More than 4	16	16
Total	100	100

Source: primary data

INFERENCE: The above chart shows that 55% of respondents has 4 bank account holders in their household, 15% respondents have 3 bank account holders in their household , 16% respondents has more than 4 bank account holders in house, 12% respondents have 2 bank account holders and 2% respondents have only 1 bank account holder in their hose hold.

F. _Reasons for bank account inclusiveness

The table shows classification of respondents on the basis of reasons for bank account inclusiveness.

REASONS	NUMBER OF RESPONDENTS	PERCENTAGE (%)
For saving money	84	84
For receiving remittances	3	3
To receive government payments	6	6
To request loan	7	7
Total	100	100

Source: primary data

INFERENCE : The above chart shows that 84% respondents has opened their bank accounts for the purpose of saving money, 7% respondents has opened their accounts for loan purpose,6% respondents for receiving government payments,3% respondents for receiving remittances.

G. _ROLE OF 'NO FRILL' SCHEME IN FINANCIAL INCLUSION PROCESS

The table shows classification of respondents on the basis of no frill scheme in financial inclusion process.

INITIAL DEPOSITS (RS.)	NUMBER OF RESPONDENTS	PERCENTAGE (%)

ISSN:2277-2995
Vol-8-Issue-12-December-2019

No frill	80	80
50-100	2	2
100-500	9	9
Above 500	9	9
Total	100	100

Source: primary data

INFERENCE: The above chart shows that 80% of the respondents have opened no frill account, 9% of respondents have opened accounts with 100-500 initial deposits, 9% of respondents have opened accounts with above 500 as initial deposits, and 2% of respondents have opened accounts with initial deposits of 50-100.

H. FINANCIAL INCLUSIVENESS LEVEL OF OPENING ZERO BALANCE ACCOUNTS SCHEME

The table shows classification of respondents on the basis of opening zero balance accounts.

NUMBER OF ZERO BALANCE ACCOUNTS	NUMBER OF RESPONDENTS	PERCENTAGE (%)
YES	81	81
NO	19	19
TOTAL	100	100

Source: primary data

INFERENCE: Above table and chart depicts that, majority of the respondents i.e., 81% have zero balance account, 19% of respondents have open general accounts.

I. MONTHLY SAVINGS OF WOMEN COIR WORKERS

The table shows classification of respondents on the basis of monthly savings of women coir workers.

MONTHLY SAVINGS	NUMBER OF RESPONDENTS	PERCENTAGE (%)
Less than 500	75	75
500-1000	15	15
1000-5000	10	10
Above 5000	0	0
Total	100	100

Source: primary data

ISSN:2277-2995
Vol-8-Issue-12-December-2019

INFERENCE : The above chart shows that 75% respondents of women coir workers save less than 500, while 15% of respondents have savings between 500-1000 and only 10% of the respondents have savings between 1000-5000.

J. DIFFICULTY LEVEL OF AVAILING FINANCIAL SERVICES

The table shows the number of times taken to get a financial service from bank.

NUMBER OF TIMES	NUMBER OF RESPONDENTS	PERCENTAGE (%)
1	9	9
2	2	2
3-5	89	89
MORETHAN 5	0	0
TOTAL	100	100

Source: primary data

INFERENCE: Above table and chart shows that about 89% of the respondents are visited the bank three to five times in a month, 9% are visited the bank once in a month and only 2% of them are visited the bank twice times in a month.

K. REASON FOR VISITING THE BANK

The table shows classification of respondents on the basis of reasons for visiting the bank.

REASONS FOR VISITING BANK	NUMBER OF RESPONDENTS	PERCENTAGE (%)
Withdrawing money	14	14
Depositing cheque	0	0
Repayment	0	0
Obtaining loans	6	6
Both deposit and withdrawing money	80	80
Total	100	100

Source: primary data

INFERENCE: Above table and chart shows that 80% of the respondents are visited the bank for both depositing and withdrawing money. About 14% of the respondents are visited the bank for withdrawing money only 6% respondents are visited the bank for obtaining loans.

L. ROLE OF SHG OR NGO IN FINANCIAL LITERACY

ISSN:2277-2995
Vol-8-Issue-12-December-2019

The table shows that response level towards the role of SHG (Self Help Group)/ NGO (National Government Organization) in promoting financial education in rural people.

CRITERIA	NUMBER OF RESPONDENT	PERCENTAGE (%)
YES	7	7
NO	93	93
TOTAL	100	100

Source: primary data

INFERENCE: The above figure reveals that among the respondents, 93% respondents are not satisfied the role of SHG/NGO in promoting financial education to rural people,7% respondents are satisfied SHG/NGO promoting financial education to rural people.

M. AWARE OF FINANCIAL SERVICES.

The table shows classification of respondents on the basis of aware of financial services

SERVICES	NOT AWARE	POORLY AWARE	AWARE	VERY AWARE
Depositing / withdrawing cash	0	0	0	100
Passbook	0	0	0	100
Cheque book	19	48	23	10
Overdraft	80	15	5	0
ATM	13	28	46	13
Credit card	75	15	10	0
Internet banking	100	0	0	0
Insurance	25	50	25	0
Mobile banking	100	0	0	0

Source: primary data

INFERENCE: The above figure shows that among the respondents, 100% of respondents aware about depositing and withdrawing cash and pass book. But Awareness of mobile banking and internet banking is significantly low and there is reluctance in 100%. Awareness of Insurance and other financial product is very limited in majority respondents.

10. DISCUSSION

From the overall analysis and interpretation of the data, main findings, suggestions and final conclusion are given below.

A. FINDINGS

ISSN:2277-2995
Vol-8-Issue-12-December-2019

The main findings of the study are given below.

- Most of the villagers of Cherthala have banks and Almost all women coir workers have bank accounts.
- The analysis depicts that most of the women working in various sectors of coir industry and they have educational qualification below SSLC.
- Majority of the respondents depends on public and co-operative banks for financial services and other banking products and they are not depending on private banks. As only 15% of the respondents have accounts in private banks, whereas the remaining 85 % are account holders of public and co-operative banks.
- From the elaborate data analysis it has been inferred that the women coir workers in the study region have gained reasonable knowledge on the various savings and investment medium. But it is very ironical to assess that their knowledge is very much limited to the new banking product like internet banking, mobile banking, equities etc….
- Most of the women coir workers are not familiar about the ATMs cash dispensing machines because of the illiterate and technical problems.
- Due to the cumbersome procedures and delayed credit, most of the women coir workers depend on SHG's for taking loans rather than banks.
- Most of the women coir workers are taking loan from SHG'S for their children's education and consumption needs.
- Most of the women coir workers are members of SHG, but SHG's are not providing any measures for financial education of the women coir workers.
- The respondents are overall satisfied of the services provided by public banks other than the attitude and behavior of bank employees and Service charge made by public sector bank for maintaining account is higher.
- Most of the women coir workers are satisfied with all the services provided by co-operative and other banks.
- All the women coir workers are not aware about the Financial Literacy Centre and Lead banking Scheme in their locality. Also they are not receiving any benefits provided as part of financial literacy programmes.

B. SUGGESTIONS

The following are the suggestions are offered for further strengthening the financial inclusion.

- Awareness about banking services has to be improved among the women in coir industry. This can be made possible by conducting awareness programmes, seminars etc….
- Banking correspondents should promoting saving habit among the women coir workers and encouraging credit facilities.
- Bank officials should organize special programmes for strengthening the financial education. They can even think of opening a separate cell in banks for providing information about financial inclusion programme and benefits that it offers to rural people.
- Bank manager should motivate staff, officials to deal financial inclusion programmes with more care or to appoint a Public Relation Officer (PRO) for smooth functioning.
- Local level authorities like panchayath should be encourage operating more banking channels and provide additional facilities to women coir workers as training

ISSN:2277-2995
Vol-8-Issue-12-December-2019

programmes, subsidy and minimum amount of pension etc … through various programmes conducted by government.

- KYC requirements should be liberalize by analyzing credit standard, credit period and other aspects of the credit policy.
- ATMs cash dispensing machines can be modified suitably to make them user friendly for women coir workers who are illiterate, less educated or do not know English.

11. CONCLUSION

Financial inclusion an Endeavour in India aims to ensure that a range of appropriate financial services are available to every individual, thus enabling them to understand and access these services. Increased consumer awareness as to the necessity of financial education and hoe they can access it is needed. Financial education is not just for investors. It is just important, if not more so for the average family trying to balance its budget and save for the children's education, health, crop, cattle, and other needs. Even then many rural areas in Kerala had not come into the network of bank still remain unbanked. This is a major issue which creates obstacles in the process of economic development. Thus financial inclusion is a great step to alleviate poverty in India. It helps people to reduce their informal borrowings, enhance their savings and make use of variety of banking services. The banks would have to evolve specific strategies to expand the outreach of their services in order to promote financial inclusion in India. Technology can be a very valuable tool in providing access to banking products in rural area. The current study aims to gather data on the level of financial literacy gained by the rural masses in India in general and with special reference to the study area women coir workers at Cherthala, Alappuzha. If the strategy of financial inclusion works well and can achieve its objective in full it will contribute to the growth of nation and development of economy.

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