

Paper 11

**MICRO FINANCE – IMPACT OF MICRO FINANCE
INSTITUTES ON FISHERMEN’S OF BYNDOOR
TALUK OF KARNATAKA STATE**

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Abstract:

In India Fishing activities are engaged in two ways -in land fishing and Sea fishing, in land fishing is done in natural sweet water and salt water rivers and also in lacks, pounds by harvesting fish, prawns and shrimp seeds. Sea fishing is the one of the specialized area where, this specialization is derived by the Trial and error methods again which leads to death, disability etc. In sea fishing unlike inland fishing there is no need of harvesting fish seeds. Karnataka has 320 Km Long Coast line and Byndoor Taluk Covers near about 40 Km of Coastal line From Gangolli To Shiroor. Sea Fishermen’s are very often called as ‘Children’s of Sea’ and in local kannada language they were called as Mogaveeraru because earlier fishermen use to live in small islands formed by rivers which are known as mogaru and hence they got name Mogaveeraru. They are fully dependent on the sea for their livelihood up to that extent even educated, graduated person also seen in fishing. Fishing in sea is not an easy task, fishermen face lot of difficulties in fishing and economically they are poor because of the Problems like Scarcity of Fishes, Natural Calamities like Hurricanes; Low prices for the fishes, Increase in Diesel and Petrol rates, Nominal Amount of Subsidies etc, In spite of all these troubles fishermen’s have sustained economically only because of credit provided by the financial institutions. In this paper an effort has been made to know the extent of dependency of Fishermen’s on Micro Finance Institutions.

Keywords: fishermen’s, credit, micro finance institutions, sea fishing, Mogaveeraru

Introduction

Sea fishing is the one of the specialized area where, this specialization is derived by the Trial and error methods again which leads to death, disability etc .., Karnataka has 320 Km Long Coast line and Byndoor Taluk Covers near about 40 Km of Coastal line From Gangolli To Shiroor. Sea Fishermen’s are very often called as ‘Children’s of Sea’ because they are dependent upon Sea for their Livelihood and Fishing Have been practiced by them since 300 Years.

Nowadays Sea fishing is not an easy cup of tea for the fishermen’s they are facing Problems and trouble in living. They are facing Scarcity of Fishes, Natural Calamities like Hurricanes; Further Government has Introduced SEZ and CRZ policies which don’t allow constructing Houses 500 to 200 meters from High Tide Line, Usually all the fishermen’s have settled in the sea Shore. Increase in Petrol And Diesel Rates, Nominal Amount of Subsidies, Low

Amount of compensation in case of Death in Sea, No proper Loan facilities, no proper Port facilities and list goes on..

Despite of All the struggles they are somewhat sustained because of micro finance provided by the Self help Group, Primary Agricultural Societies, and other Financial Institutions.

This paper is An Outcome of an effort made to know the extent of dependency of Fishermen's on Micro Finance Institutes.

Objectives of the Study

1. To Know the Reason for taking loan and utilization by the Fishermen
2. To know about economic status of the Fishermen
3. To know Educational Background of the Fishermen
4. To know about of the extent of dependency on micro finance

Methodology

The study has been undertaken in the Coastal Region of Byndoor Taluk. The Primary Data was collected through survey and interview method; Survey was conducted among 75 respondents. Structured questionnaires were issued and data has been collected through enumerators. The secondary data has been collected from e- magazines, websites, and published papers which are relevant and related to the study.

Review of literature

Muhammad Talib Kalhoro (2017) in the study of availability of Microfinance to small scale aquaculture and fisheries in India, Bangladesh and Pakistan proved that that microfinance with convenient features is much needed for fishery folk for their sustainability. Microfinance can be taken as a tool for alleviation of poverty. South Indian Federation of Fisherman Society (SIFFS) and DHAN foundation are two key components doing best towards fisheries in India.

Vipinkumar.V. & Swathi Lekshmi.P (2012) in their A Study on Impact of Microfinance Institutions on The Coastal Indebtedness in Marine Fisheries Sector of Karnataka reviewed that microfinance institutions have contributed a lot for indebtedness and repaying capacity in motorised and traditional sectors of Karnataka state. 'Masthya' Self Help groups have brought about advancement in fishing activities and members have expressed their satisfaction about functioning of MFI. Self-help groups provide loan for repair of fishing boats, education of children, dry fishing making etc. Fishery folks have also started to save their income.

Dr.K.G.Karmakar, G.S.MehtaDr.S.K.Ghosh&Dr. P. Selvaraj analysed that in South Asia Countries fisher folk are poor and exploited by merchant and middlemen. As they cannot depend on banking credit system due to lack of collateral security, MFI are the key institutions which provide financial support to fishermen. South Indian Federation of Fishermen Societies (SIFFS) consisting of 3 tier structure provide different types of loan at concessional rate of interest and special support to fisherwomen. SHG groups plays major role in empowerment of fisherwomen.

Nikita Gopal(2012), undertook study about availability and utilisation of micro credit by traditional fisheries had mentioned that fishery folk borrow loan from MFI mainly because repayment facilities are flexible. They are dependent on both Govt MF and NGO MF. The microfinance supporting activities has contributed for increase in income level and social status of the fishery folk.

R. Narayanakumar&P. S. Swathilekshn, opined that Micro Finance Institutions (MFI) and Self-Help Groups (SHG) play very important role in marine fisheries sector. They help to reduce the level of indebtedness among marine fisher folk and easy accessibility of cheap credit. The role of MFI in development of marine fisheries sector is crucial. Indebtedness level and repayment capacity of MFI members is much better than non- members of MFI.

Statement of the study

Sea Fishermen of Byndoor taluk are poor because of their dependency on fishing; they usually fall in cash crunch even they face troubles to Run day to day activities, some of them are not having any pledge able assets and even they have they are not acceptable by the financial institutions while giving loans. It is seen in the study to some extent financial

Gender	Respondents in number	Respondents in percentage
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institutions like co-operatives, self help groups have been helping the fishermen by providing loans for the shorter duration.

Data Analysis

Male	69	92
Female	06	8
Total	75	100
Age Group	Respondents in number	Respondents in percentage
Below 30	28	37.33
30-40	17	22.66
40-50	17	22.66
50-60	08	10.66
60 and above	05	6.66
Total	75	100
Educational qualification	Respondents in number	Respondents in percentage
Primary	30	40
High school	28	37.33
Puc	08	10.66
Under graduation	08	10.66
Post graduation	01	1.33
Total	75	100
Involvement in Sea Fishing	Respondents in number	Respondents in percentage
Yes	65	86.66
No	10	13.33
Total	75	100
Nature of vehicle	Respondents in number	Respondents in percentage
Two wheeler	30	40
Four wheeler	01	1.33
No vehicle	44	58.66
Total	75	100
Annual Income	Respondents in number	Respondents in percentage
Less than 1,00,000	65	86.66
In between 1,00,000 to 2,50,000	10	13.33
Above 2,50,000	Nil	00.00
Total	75	100
Long term loans from PS banks	Respondents in number	Respondents in percentage
Yes	15	20
No	60	80
Total	75	100
Short term loans from PS banks	Respondents in number	Respondents in percentage
Yes	16	21.33
No	59	78.66
Total	75	100
Loans from co operatives and finances	Respondents in number	Respondents in percentage
Yes	75	100
No	00	00
Total	75	100
Institutions from which	Respondents in number	Respondents in percentage

loans are availed		
Farmers co-operative Societies	06	8
Private Finances	13	17.33
Other Co-operative Societies	32	42.66
Self Help Groups	24	32
Total	75	100
Reason for availing Loans	Respondents in number	Respondents in percentage
Daily use	10	13.33
Fishing purpose	40	53.33
Vehicle	06	8
Construction of Houses	15	20
Children's education	04	5.33
Total	75	100

Table .1: consolidated table showing all the necessary data acquired from the study

Findings

1. Out of 75 respondents 92% (69 in number) of the respondents are male and 8% (6 in number) female respondents.
2. Study has also identified that involvement in undergraduates in fishing 10.66%.(8 in number) and near about 77% of the fishermen are having below high school education.
3. 86.66% of the respondents are having less than 1,00,000 income and no one is having more than 2,50,000 income. Only 14.44% of the respondents are having income between 1,00,000 and 2,50,000.
4. 86.66% of the Respondents are directly involved with sea fishing and reaming are involved in fishing related activities.
5. 40% of the Respondents have two wheelers, only one respondent is in possession of four wheeler, and remaining 58.66% of the respondents are not having possession of vehicles.
6. It is observed that 20%(15 in number) have taken loan from the public sector banks and this loan is mainly for the purpose of purchasing boats. And remaining 80% of the respondents have not availed long term loans from the public sector commercial banks.
7. It is also observed that a minute percentage (21.33%) of the respondents have taken short term loans from the Public sector commercial banks.
8. In the study it is identified there is 100% dependency on Co-operative Societies, self help groups and on private finances, all the respondents have taken loan from these institutions, for short term as well as for long term.
9. 53.33% of the Respondents have utilized loans for their occupational purpose that is fishing – to purchase boats, nets and related things. 13.33 % (10in number) have taken loan for the day to day activities.

Summary and conclusion

Sea Fishermen are basically from the poor background and they have been practicing fishing activities from past more 300 years. Sea fishing is one of the talents that is

inherited to them by their ancestors along with other properties. Sea fishermen are living in the Sea shore from many years introduction of CRZ policies by the government posed a new trouble now any individual is will not be permitted to construct house from 200 to 500 meter from the HTL. Lack of fishes, natural turbulences made difficult fishermen to live. Having many problems fishermen still have not opted to diversify their occupation, change in occupation or finding alternative source of income along with fishing may bring them out from poverty. In this study it is observed that there is highest dependency on micro financial institutions. They have taken loan multiple times for the occupational purpose, repairing the house, children's educational purpose to lead day to day life and so on..

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