

## **CHAPTER – VI**

### **FINDINGS AND SUGGESTIONS**

This chapter is devoted to present a summary of findings and suggest policy implications for making FIPs effective in empowering the working class in coffee plantations in Karnataka. Besides, the scope for further research is indicated to provide some hints to the prospective scholars in the field of financial inclusion.

#### **6.1 FINDINGS OF THE STUDY**

##### **(a) Demographic factors**

- Majority of the members i.e., About 59.66% of them are in the age group of below 40 years. This implies that more young women are working in plantation compared to the members whose age is above 40.
- Study depicts that in majority of the cases the size of the family is between 3-4.
- According to the study, majority of respondents i.e., 43.07% are depend on each other members in the family.
- The most of the respondents i.e., 48.67% completed higher primary school. It indicates that high school completed respondents are less.
- Most of the respondents i.e., 45% of the respondents working in plantation from 5-10 years. Only 15% of the respondents working from more than 15 years.
- The majority of the members belong to the monthly income range of 4000 to 5000. It indicates that majority of the members belong to below marginal income group.
- Study found that 34.67% of total respondents work nearly 6-8 hrs per day. Only 18% of respondents Work nearly 10 hrs per day.
- It is found that 33.13% respondents getting minimum 3-4 holidays in a month and majority respondents said that they getting more than 4 holidays in a month.

- About 74% of respondents opine that the possibility of survival of the child at birth is less than 40%. Only about 8% of employees said that the probability of survival of child at birth is about 60%

**(b) Major Findings:**

- 1) **HDI of women workers:** The analysis of financial empowerment of women working in coffee plantations based on UNDP HDI approach proved that HDI for National HDI is 0.51, TCL is 0.3785 and women workers in private coffee plantation is 0.30. It reveals women working in coffee plantations do suffer from low standard of living and high mortality rate. It is observed that the HDI index value for women working in plantations other than corporate plantations like TATA Coffee Limited is extremely low. This indicates low effectiveness of various financial inclusion programmes of the governments, particularly in respect of the workers of non-corporate coffee plantations.
- 2) **Health and financial risks:** More than 80% of respondents opined that the women working in coffee plantations are subjected to various occupational risks such as old age, leave with pay, children schooling, sick leave, thunder bolt etc., which are common in coffee plantations. Besides they also face financial risks such as absence of widow pension, relief for accident death, paid leave benefits, handicap pension etc., due to the fact that they work in plantations not coming under the purview of PLA.
- 3) **Financial relief:** Above 83% of Women working in coffee plantations have very low perception of financial relief due to the fact they are denied of basic facilities and amenities as provided under the PLA. The statistical analysis used to measure the level of financial relief that women working in coffee plantations of Malnad region indicate that they are in deep financial problems. They hardly get old age pension, widow pension, handicap pension, relief for accidental death etc. Further they are not entitled for paid leave benefits, crèche facility for children, and schooling and scholarship facility for their children and medical hospitalized services for treatment of deceases.

- 4) Microfinance services: The study found that the majority of women working in coffee plantations i.e., 76% of respondents do not have access to microfinancial services. They are unbanked and hardly joined SHGs for availing banking facilities.
- 5) Microinsurance: It is found that the enrollment of women working in coffee plantations under various microinsurance schemes, including RSBY, RRMKY, Mother Theresa women and child polices, package insurance for tribal, Grama Arogya Yojana, universal health insurance, Swasthya Bhima policy, Yashashwini programme are only below 6%. It indicates extremely low. Therefore the women working in coffee plantations by and large remained uninsured.
- 6) Opinion of bank officials and planters: The study found that the perception of bank officials and planters about the effectiveness of financial inclusion programmes in empowering women working in coffee plantation is low. According to them the following are the major factors responsible for ineffectiveness of FIPs.
- Poor awareness level among women about FIPs.
  - Women working in coffee plantations in Malnad region lack organizational skills to bargain the benefits under financial inclusion programmes.
  - Microfinance programmes are not given proper publicity in the Malnad region
  - Microinsurance programmes are not given proper publicity in the Malnad region
  - Microfinance programmes are not exclusively targeted towards the women working in coffee plantations in Malnad region
  - Micro insurance schemes are not specifically designed to meet the requirements of plantation workers.
  - Efforts of different agencies working under financial inclusion programmes are not properly co-ordinate.
  - Financial inclusion programme services are not easily accessible for the target group.

## 6.2 SUGGESTIONS

**1. Financial relief packages:** Coffee plantation sector plays a vital role in terms of its contribution to state economy by earning substantial foreign exchange through export of coffee. It also plays a very important role in maintaining ecological balance and contributes substantially to the monsoon dynamics of the state. However the plantation sector requires skilled labour force for its higher productivity and sustainable growth. Women, who constitute the major part of the work force in coffee plantations, need to be on top of the agenda of financial inclusion programme. This study found that women working in coffee plantations are in a deep financial distress. In this background the government of Karnataka may launch special financial relief packages targeting exclusively the women workers in coffee plantations covering the following:

1. Old age pension
2. Widow pension
3. Relief for accidental death
4. Paid leave benefits, etc.

**2. Redesigning MF/MI programmes:** This study found that the benefits of FI programmes are not reaching the marginalized sections of the society such as women working in coffee plantations. Therefore there exists a greater need for redesigning both MF/MI Programmes. These programmes should focus on:

- (1) Emphasis on the creation of awareness among the women workforce about the various micro finance and micro insurance programmes.
- (2) Increasing the enrollment of women workers in various voluntary organizations such as SHGs for increasing their participation in various schemes.
- (3) Designing combo microinsurance policies to cover many risks under one policy
- (4) Prioritizing microinsurance schemes over microfinance schemes, as Microinsurance provides for indemnifying the loss of wages due to ill health caused by a wide range of job related health risks.

**3. Bargaining strength:** As majority of the plantation workers are women and are unorganized, their bargaining strength is very poor. It is imperative that women workers should be helped to organize themselves to bargain effectively with their employers for the provision of adequate basic facilities. In this regard, NGOs can play very effective role by organizing campaigns to instill confidence in them. Govt. can support such NGOs activities.

**4. Responsibility of planters association:** Planters know that an efficient and committed workforce is essential for achieving higher productivity and yield. It is in their own self interest. Therefore they should, on a voluntary basis take initiatives to provide facilities on par with those mandated by the Plantation Labour Act 1951.

### **6.3 LIMITATIONS**

1. HDI of women working in coffee plantations is based on only a limited number of variables, Further; the index value for life expectancy is computed on the basis of estimated mortality rate determined in accordance with the responses of the women working in coffee plantations.
2. There exists a possible bias in the information provided by the respondents majority who are illiterate.
3. The analysis of financial distress among women working in coffee plantations is based on only few parameters such as old age pension, widow pension, paid leave benefits, relief for accidental death etc,.
4. Analysis of perception about the factors responsible for effectiveness of financial inclusion programmes is based on the opinions of bank officials and planters leaving aside insurance experts and NGOs.

## **6.4 SCOPE FOR FURTHER RESEARCH**

1. There exists a vast scope for a study involving indexation of financial inclusion of women working in coffee plantations.
2. There also exists scope for a study to explore some unique microinsurance schemes to cover a wide range of risks faced by them.
3. A study of financial distress can be taken up detailed based on the consideration of a wide range of parameters as indicated under PLA 1951.
4. A study may be taken up to examine the relationship between financial distress among coffee plantation workers and shortage of skilled labour.

## **6.5 CONCLUSION**

Women working in coffee plantations in Karnataka belong to the ranks of unbanked and uninsured. They are experiencing high levels of financial distress as they are subjected to a wide range of financial and health risks. They remain marginalized with less bargaining power pushing them to extreme levels of financial exclusion compared to the workers working in coffee plantations covered by Plantation Labour Act. This study highlighted all these issues arguing for the policy revision to make the financial inclusion programmes effective for this particular segment of the Malnad region. Bringing them into the financial mainstream will have positive impact on their efficiency which is critical for improving coffee production and productivity.