



Annual Report 2004-05

**SOUTH INDIAN FEDERATION OF
FISHERMEN SOCIETIES**

Karamana, Trivandrum

SOUTH INDIAN FEDERATION OF FISHERMEN SOCIETIES

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Introduction

Before I begin this report, let me use this opportunity to pay homage to the thousands of fish workers who lost their lives in the tsunami which swept across South and South East Asia on 26 December 2004. Nature chooses strange ways to establish her sovereignty over mankind and the Asian tsunami can be seen as one of them. Claiming over 250,000 human lives across Indonesia, Sri Lanka, India, Thailand, the Maldives and Somalia, this natural disaster which originated from an earthquake centered over the ocean floor off Sumatra, has brought untold losses and sorrow upon countless human beings. A little known Japanese word 'tsunami' has now become part of everyday usage worldwide. Fully understanding the seriousness of this disaster, SIFFS began its relief operations in the affected areas from day one. There is a separate and detailed section on tsunami and the Relief /Rehabilitation efforts at the end of this report.

I take this opportunity to appreciate the relief and rehabilitation efforts done by all departments of SIFFS and their collective and focused response to this disaster. To a large extent, all routine work between January and March 2005 was put on hold and attention was focused on the relief and rehabilitation of the tsunami affected. We hope to resume all routine work by May 2005. Barring a few ideological differences, the working of SIFFS on the whole was highly commendable and on this note, I would like to begin this report.

Technological Services

Boat Building

As always, boat building remains the premier activity of SIFFS. During 2004-05, 138 boats, with a net turnover of 1.35 crores, were built from all our boat yards and an income of Rs. 22 lacs was generated by doing repairs to about 379 boats. During January to March 2005, 95% of the SIFFS boatyard staff were engaged in the repair of boats in Nagapattinam, Cuddalore, Villupuram, Pondicherry, Thanjavur, Kanyakumary Districts etc. About 1455 such boats were rendered seaworthy.

Table 1
Parameters of boat production, repairs, income and profit

Parameter	2003-04	2004-05
Boat Production	116	138
Boat Repairs	527	379
Boat Sales	1.04 Crores	1.35 Crores
Income from Boat Repair	23.34 Lacs	22.18 Lacs
Total Income	1.27 Crores	1.57 Crores
Profit	2.6 Lacs	1.18 Lacs

The boat yard at Veli built 11 boats more compared to 2003-04. This is due to orders from North Kerala because of the laying off of most boat yards in that region. Like the Veli boat yard, during this financial year, all our boat yards have exceeded expectations and were able to build more boats than last year. Despite being distracted by tsunami relief and rehab work, our boat building staff has managed to increase production from 116 boats last year to 138 boats this year. In the East Coast, our presence was only nominal but efforts on building a new Maruti model boat was already underway when the tsunami occurred. After the tsunami, our boat yards were prominent in undertaking repair of boats in Nagapattinam, Kanyakumari, Tirunelveli, Cuddalore and Villupuram Districts. Numerous boats and kattumarams were repaired and rendered seaworthy, free of cost. Simultaneously, our boat yard at Tharangapadi saw an increase in the production of boats in the year 2004-05. Our boat building capabilities peaked post tsunami and the production of Maruti boats registered an all time high. To cater to the demands of traditional fish workers, we have set a target production of 150 boats per month - probably the world's highest production figures in the artisanal sector.

During this report year, the Government has not introduced VAT. We expect it to come into effect by April 2005. If this is the case, SIFFS will be able to compete with other organizations on a level playing ground.

Our boat building efforts have been continuing without any obstacles. In the Kollam-Trivandrum sectors, boat designs have largely remained unchanged. But, in other sectors like Kanyakumari, for instance, there have been several changes - transitions from Kattumarams to FRP Kattumarams; from vallams to FRP boats.

Table 2
Yard wise boat production details

Yard	2003-04		2004-05	
	No	Amount	No	Amount
Veli	54	48,21,999	65	61,82,550
Vizhinjam	10	9,56,950	14	13,86,200
Neendakara	7	6,40,945	6	5,59,600
Vallavila	25	22,25,500	26	27,17,400
Chaliyam	--	--	--	--
Mangalapuram	15	14,22,000	23	23,20,000
Tharanganpadi	2	1,26,000	4	2,90,000
Total	116	1,04,14,894	138	1,34,55,750

Table 3
Yard wise Repairs and Maintenance details

Yard	2003-04	2004-05
Veli	344,300	411,038
Vizhinjam	487,230	373,497
Neendakara	521,002	647,123
Vallavila	224,403	118,980
Chaliyam	9,900	
Mangalapuram	256,485	530,445
Tharanganpadi	372,530	137,175
Marianad	118,715	
Total	2,334,565	2,218,258

Due to the extensive work of repairs on boats damaged in the tsunami, the production in Muttom boatyard has dropped considerably. As far as Kollam is concerned, poor management in the running of the boatyard has taken its toll on the overall performance of the boatyard. If the issues with Anjengo society can be resolved, the Trivandrum District Fishermen Federation (TDFF) will be able to revive the prospects of the Anjengo boatyard.

Table 4
SIFFS Boatyards network production details

Boat Yards	2003-2004		2004-2005	
	No. of Boats	Turnover (In Lacs)	No. of Boats	Turnover (In Lacs)
Muttom	38	40.07	20	21.00
Anjengo	18	12.26	20	12.98
Quilon	10	6.38	9	4.59
SIFFS	116	104.15	138	134.55
Total	182	162.86	187	173.12

In Kakkinada, Andhra Pradesh, a boatyard has been commissioned on 52 cents of land. A perimeter wall and sheds for boat building have also been built. The yard has been inaugurated and the construction of boats has commenced. A non-watertight model, called Theppa, is the popular form of fishing craft in this area. Four carpenters were selected, trained at our Veli boatyard and appointed at Kakkinada.

In New Mahe, Kannur district, 92 cents of land with a stone perimeter wall, large concrete sheds and living quarters have been acquired for the functioning of a boatyard. This boatyard is the realization of the needs of artisanal fish workers of the Malabar sector. Earlier efforts at setting up of boat yards, in Malabar, have not met with success. Fish workers of Malabar were depending on our Veli boatyard, all along. We hope to begin production here by August 2005.

Research and Development

New boat models and Trials

In 2004-05, we developed the following models of boats and they were sent to the appropriate coastal areas for trials.

- The 16' Theppa, developed for the coastal communities of Andhra Pradesh was modified according to the requirements of the fish workers and a 21' Theppa was developed. This model was well received by the fish workers.
- Responding to the needs of fish workers of Srikakkulam, Vizag, Vijayanagar and South Godavari Districts of Andhra Pradesh, a non watertight Theppa

was developed at Veli boatyard. This boat has an inner lining of thermocol and the planks are stitched together permitting water to flow in and out. The Theppa was built by four carpenters selected from Andhra Pradesh and sent to SIFFS Kakkinada centre. The production costs are estimated at Rs. 25,000. The theppa uses 9 mm plywood sheets for the structure and is an improvisation of the traditional katla theppa.

- Responding to the needs of the fish workers of the East Coast, a 29' Maruti model was developed. It carries a water cooled 10 HP Diesel engine with Greaves gears. During sea trials, the fully laden boat achieved a cruising speed of 15 knots. It consumes 1.5 litres of diesel as fuel per hour; has a self starting device and a sealed Exide battery. Sea trials were successfully held at Nagapattinam and Tharangampadi. Sea trials are also in progress at Jagatapattanam in Pudukottai. Trials of 12.5 HP Greaves engines are also on the anvil.
- In the Kollam sector, there is a shortage of small dugout canoes [thonies] used for fishing in shallow waters. Fishing in these dugouts is normally done by a single person and they have expressed their reluctance in adapting to new technologies. Responding to the needs of these fish workers, a 16' plywood canoe has been developed at a production cost of Rs. 7000. Commercial production of these canoes is being carried out by the FWS boat yard at Kollam.
- Responding to the needs of fish workers of the Neendakara-Karunagapally sector in Kollam region, a modified version of the Pozhiyoor model was developed. This 29 footer, called the Puthenthura model, was developed at the Neendakara yard and costs Rs. 1,25,000. Commercial production of this model is in progress at Neendakara.
- A 29' Kattumaram with a 375 litre ice box was developed for the fish workers of Manakkudi. This craft costs Rs. 1,05,000. Its commercial production and distribution is now underway and new orders for this craft are also coming in.
- The Marakkanam model fibre glass Maruti boat mould has been brought to Vallavila and 27 boats were delivered to fishermen from Vavathura, Arokiyapuram and Manakkudi in Kanyakumari District.

- A 30' fibre glass GK model, developed at Veli yard, is now being commercially produced and delivered to fish workers.
- The Maruti model boat, developed for fish workers of the East Coast, is now being produced commercially. Many orders have been received for this model.

Propulsion related experiments and trials

- Various propellers and gear boxes were tried out on the 14 HP Field Marshal engine and sea trials were conducted in the Kollam-Karunagapally sectors.
- Speed and performance trials were conducted on the 10 HP Field Marshal outboard engine using various types of propellers. More such trials will be conducted after applying the modifications suggested by fish workers.
- Trials were conducted with two types of LPG conversion kits with improved 2T oil distribution system in 9.9 HP OBM in association with Samudra Engineering at Aroor.
- Six small engine manufacturers like KAMCO, Athani, Jaya Impex, Mumbai and Kia India, Agra have shown interest in jointly developing indigenous marine engines suitable for operations in the small scale fisheries sector.

Sea-safety interventions

Workshops on safety at sea were a highlight of the activities of the R&D section in 2004-05. The workshops were conducted in 18 villages spanning Kerala, Pondicherry and Tamilnadu. The workshops were intended to instill the need for safe working practices among fish workers. The classes were led by a navigating officer from the merchant navy, Mr. John T George. Life saving appliances and emergency provisions were exhibited to fish workers during these workshops. The recommendations and suggestions arrived at these workshops will be disseminated at a State level workshop to be organized in the last week of July. Low-cost equipments like radar reflector, a strobe light and portable rescue streamer are under development. Three types of strobe lights (Laser, Xenon and high density flash lights) are being developed. A low cost radar reflector using anti corrosive

aluminum sheet is also being developed. The ISRO has expressed interest in working with us in matters regarding safety of life at sea.

Other Matters

Two interactive sessions were conducted with the fishermen of Vizhinjam and Muttom on the procurement of marine ornamental fish and their commercial viability for fish workers. 120 snap shots of ornamental fish species were displayed to them and according to the fish workers, these species were available in their coast but as they were ignorant of their commercial value, they were dumped overboard.

OBM Department

Commercial competition from Matsyafed during 2004-05 was relatively less. Due to various reasons, Matsyafed imported fewer engines this year. The fair pricing of engines, efficient after sales service, positive approaches by mechanics and the credibility as a genuine fish worker's organisation proved beneficial to SIFFS OBM sales. Since Matsyafed gets the benefit of sales tax exemptions, the engines sold by them are obviously priced lower than SIFFS. The introduction of VAT, in April 2005, will definitely provide a level platform for SIFFS in the pricing of engines. Matsyafed now uses 'subsidy' as a weapon in competing with SIFFS in the pricing of engines.

Despite high efficiency and workmanship of the SIFFS OBM department, Matsyafed definitely has an edge over us in the price war. All the same, SIFFS sold 513 engines this year with a sales income of Rs. 3 crores.

Table 5
Engine sales figures

Period	2.2 HP		9.9 HP		25 HP		40 HP		Total
	M	NM	M	NM	M	NM	M	NM	Qty
2002-03			133	116					249
2003-04		3	285	296					584
2004-05	16	31	129	321		1	6	9	513

Our OBM workshop network recorded peak efficiency this year. 996 cylinder boring jobs were undertaken during 2004-05. Private mechanics were exploiting fish workers on this pretext. This exploitation, to some extent, has been curbed by our workshops. Despite this, many fish workers are still being exploited by private mechanics. SIFFS OBM department intends to address these issues in the near future.

Table 6
Turnover of Workshop and Stores Network

Centres	2003-04	2004-05
Marianadu	8.66	5.96
Neendakara	9.22	5.12
Kollam I	3.94	3.31
Kollam II	5.73	3.73
Ambalapuzha	4.68	3.91
Vizhinjam	8.97	5.72
Tharanganpadi	2.66	1.83
Muttom	3.40	1.49
Vallavila	2.85	1.65
SIFFS	5.39	0.29
Kasaba	3.30	2.05
Mangalore	2.42	0.22
Gangoli	2.27	2.18
Mahe	0.73	0.18
Chaliyam	2.65	0.98
Chombala		1.31
Total	66.87	39.93

Stores

Vizhinjam	10.32	4.65
Central Store	7.09	6.12
Ambalapuzha	0.26	
Malabar	0.04	
Total	17.71	10.78

During this report year, OBM department has been concentrating on strengthening the workshop network rather than launch new ones. But taking into consideration the demand from Malabar fishermen, we have started a new workshop at Chombala.

Virtually all workshops except SIFFS central workshop had been closed for 3 months for taking up the responsibilities of repairs and maintenance of outboard motors and inboard engines damaged due to the tsunami in Kanyakumari and Nagapattinam coasts and other affected areas of Tamilnadu. The workshops will resume their operations from the first week of April.

Post Harvesting and Marketing

Ice Plants

The income generated from both ice plants were below expectations compared to last year. In a sharp contrast to the workings of private ice plants, the plants run by SIFFS have been maintaining integrity especially in matters regarding electricity usage, proper functioning and fair pricing. This is one of the reasons why we could not generate more income this year. Despite the unscrupulous means adopted by other ice plants, SIFFS has been consistently producing solid ice blocks and managed to stay at par with its competitors. We have managed to be a beacon of strength and integrity to fish vending women by providing good quality crushed and powdered ice for their needs. The scarcity of fish resources and the proliferation of ice plants have adversely affected our income generation.

Table 7
Ice sales details

	Enayam		Vizhinjam	
	2003-04	2004-05	2003-04	2003-04
Price per block (Rs)	37-40	37-40	22-28	22-28
Ice produced in blocks	16,187	13,185	49,293	33,169
Ice produced in tonnes	809	659	2,465	1658
Sales (Rs)	576,843	250,281	1,144,722	791,189
Crushing charges recd.	9,906	8,526	52,526	28,382

Though the plants have not registered profits, they have managed to be a countervailing force in the ice production and distribution systems and have also managed to reduce exploitation in this sector.

Fish Marketing

SIFFS had stopped all direct fish marketing endeavors after the export of cuttlefish and is now focusing on strengthening the marketing capabilities of its district

federations. The two months following the tsunami were lean months along the Kerala and Tamilnadu coasts. Very few fish workers ventured out to sea during these months in Tamilnadu while in Kerala, there was a scarcity of resources and low prices for the fish harvested. This, and the impact of the tsunami on fish resources, is an area of concern and needs to be studied extensively.

The fish marketing outlet at Kowdiar Narmada Complex has registered a profit.

Table 8
Fish shop sales - Turnover details

Income	Amount	Expenditure	Amount
	2004-05		2004-05
By Sales	590,849		
By Dressing	7,562	Fish Purchase	493,620
		Ice Purchase	10,278
		Ice Transportation	10,890
		Salary	28,433
		Material Purchase	1,810
		Service Charges	19,546
		Miscellaneous	971
		Profit	32,864
Total	598,412	Total	598,412

Information Division

Information centre has been providing routine IT related support to the various departments at SIFFS. It has been also providing support to the district federations and SNVF. After the tsunami, the information centre has been mainly catering to the IT needs of the various structures involved in relief - rehabilitation processes.

- The information division has been busy catering to the information technology related needs of the NGO Coordination and Resource Centre at the Nagapattinam Collectorate, (NCRC-Nagapattinam), Karaikkal Regional Office and Village Coordination Centres. As many as 81 machines were installed in these centers including 5 servers and 17 laser printers. In addition, three digital cameras were also purchased and handed over to our Executives.
- As part of the Sir Dorabji Tata Trust project, we established three computer centres, with Internet facilities, for school children at Kovalam, Muttom and

Colachel in Kanyakumari district. 370 students from class 5 to Degree level have benefited from this scheme. The training, conducted in shifts, is carried out by 6 tutors appointed for this purpose.

- Computer systems were installed in Kanyakumari Rehabilitation Resource Centre (KRRRC), SIFFS Information Centre, Karunagapally and Habitat Reconstruction Centre, Muttom.
- Two computer systems with Internet facilities were donated to Sr. Rosemary Memorial Computer Centre, Valiathura for providing computer literacy to children of fish workers below the poverty line.
- The Information Centre is also providing assistance to the Kerala Swathanthra Matsya Thozhilali Federation (KSMTF) in managing their website and their information and publication needs.
- The Centre has also provided software and computer systems for the post tsunami OBM repair/servicing.
- The data collected from Kerala and Tamil Nadu wholesale fish markets on the mechanisms of fish sale, price determination and price details are being made available daily on our website. This facility is benefiting Government organizations, other agencies and fishworkers in making decisions pertaining to fish sales and marketing strategies. Currently we are following trends in 4 fish trading centres and updating the data collected on our website daily. The four centres include the Pangode market in Thiruvananthapuram, Kaliyikavila in Kanyakumari district and Chintadripet and Maduravoyal in Chennai. Plans are also on to include 4 more major markets of Kerala and Tamil Nadu under the purview of this study.

Other Matters

- For appreciable work done among the marginal fishing community, the Mumbai based Sarda group of companies selected SIFFS for their 2004-05 Equal Opportunities Award. In a colourful ceremony held in Mumbai, the Chief Minister of Maharashtra, Shri.Vilasrao Deshmukh, handed over the

award to the Chief Executive in the presence of the SIFFS Chairman. The award carries a cash prize of Rs. 5 lacs, a plaque and a certificate.

- To bring about a structural change in the organization of SIFFS and to review the prospects of the formation of a multi-state cooperative society, various workshops and consultations were held with the senior staff and board members during 2004-05. Mr. Kurien Kattikaran and Ms Sashi Rajagopal, experts in the cooperative circle, provided valuable inputs.
- Fishermen study circle classes, held every fourth Saturday of the month for selected fishermen leaders, were conducted on a regular basis. Some classes could not be held due to the tsunami.

ARIF Activities

Like in the earlier years, the efforts of ARIF in 2004-05 have been to release the fishermen held in India-Sri Lanka jails along with their boats and other equipments and bringing them back to their country. During this period, we have released 20 boats of Ramanathapuram district in Tamil Nadu from Mannar, Vavuniya through our interventions. The fishermen crew were also released. Similarly, 45 boats of Nagapattinam and Puthukkottai districts have been released from Jaffna, together with the fishermen.

Fishermen from India and Sri Lanka have consistently entered into disagreements on matters relating to their fishing operations along the Indo-Sri Lankan maritime border, at times leading to violent confrontations. These problems have intensified in the last few years. By a SIFFS initiative, a decision to enter into serious round of discussions to avoid such problems has been arrived between the fishermen in the districts of Rameswaram, Nagapattinam, Ramanathapuram and Sri Lanka. It has been decided to hold discussions in Sri Lanka in the month of May. We are also being assisted by certain voluntary organizations, working for the fishermen of Sri Lanka, in this process. The Indian High Commission and Sri Lankan High Commission have been showing positive signals to our interventions.

Our Chief Executive have had held several discussions with Nagapattinam based trawling boats to scale down from the destructive fishing method of trawling and adopt non-destructive and environment friendly methods of fishing. It was during this period that the tsunami struck and destroyed almost all trawling boats. As per the Tamil Nadu Government's policy decision, a compensation of only upto Rs.5 lacs is being provided to those who have lost such boats. We can hope that the pre-tsunami fleet of trawling boats will not be restored due to the fact that it is difficult to manufacture such a boat for Rs. 5 lacs.

Membership / Co-operative Services

Expansion of Society Network

In the fishing villages of the East Coast, the formation of new societies gained impetus. Fish workers along the East Coast have expressed their willingness in the formation of societies.

- In Tharanganpadi, Arcattuthurai, Chinnangudi villages of Nagapattinam, our societies have been able to resume functioning after the tsunami. Another group of fish workers have come forward for the formation of a second society, called Arcattuthurai II, and we have made all arrangements for the society formation.
- Responding to the repeated requests from fish workers of Vanagiri and Poombukar in Nagapattinam, we have formed two societies. The members have started the billing process and fish auctions and the societies are functioning full stream.
- In Nagore and Seruthur villages of Nagapattinam, discussions and base line surveys were carried out on matters concerning the formation of societies. Decks have been cleared for the formation of new societies in these villages.
- Fish workers from some villages in Pondicherry have approached us with requests to form new societies. Efforts are also underway in Villipuram and Cuddalore districts for the same.

- Discussions with the Registrar of Societies were held for the registration of all our societies in Nagapattinam. As a first step, the Tharanganpadi society has been registered under the Societies Act at Mayavaram.
- Apart from the formation of village level societies, we also intend to form self help groups among women of the fishing community. Seven such groups have been formed in Tharanganpadi.
- One society at Pamban, in the Gulf of Mannar region, has been formed and has started functioning with an initial membership of 32 members. We have also recruited two youths to carry forward the work of formation of societies in this region, supported fully by the society expansion wing of SIFFS.

Andhra Sector

In the Andhra sector, we had formed a society in Bodkotla Palam but due to various reasons this society could not function to our expectations. With the lessons learned from Bodkotla Palam, we have formed two societies - one at Vengida, with a membership of 60 and the other at Korliyo Petta, with a membership of 40. As a forerunner to the formation of these societies, we conducted base line surveys through our Kakkinada regional office. We are now in the process of doing market and distribution research through our Kakkinada regional office. Through this regional office, we are conducting workshops, discussions, seminars and meetings for fish workers, affiliated workers and staff members.

Malabar Sector

With the full cooperation of the Malabar Regional office and the Malabar District Federation, a society has started functioning with 32 members in Thanoor village. As a precursor to society formation, house-to-house savings mobilization process was initiated. Fish workers from adjoining villages have come forward with requests for the formation of new societies. Additionally, we have received requests from a few villages in Kannur District.

Strengthening of District Federations

SIFFS has been working in, many ways to strengthen the member federations. The key problem at the moment is the viability and self sustainability of the

federations. Since the last two decades SIFFS has been supporting the federations to develop their own strategies and business development plans for self reliance and viability. It is to be understood that the funding agencies are backing off from Kerala, Tamil Nadu and Karnataka states. Ironically most of the primary societies are viable and the district federations are not. The primary societies have to play a leading role in the sustainability factor. The societies have to contribute towards meeting the day to day administrative costs of the district federations.

Trivandrum District Federation

The Trivandrum Federation by and large has taken their kerosene procurement and marketing very seriously and has evolved business strategies to earn profit for the sustainability of the organization. But the crucial issue is the shortage of working capital. They have managed to convince Indian Overseas Bank and with the tacit support of SIFFS have accessed credit for the running of this business. This business, if managed properly and professionally will generate enough income for the sustainability of the federation.

The credit programme of the federation and SIFFS are being managed properly. The loan repayments are also being timely remitted.

The boatyard at Thonikadavu, Anjengo is also functioning properly.

Fishermen members, from their daily fish catch income are contributing towards meeting part of the administrative expenses of the Federation through the societies. The administrative expenses are roughly being met by the income from loan scheme and profit share from the sale of kerosene and the fishermen contribution. Any expenses above this are being subsidized by SIFFS every year.

The Managing Committee headed by Shri.Antony Augustine is functioning productively. Shri.Robert is the Treasurer and Shri.Y. Anthony is the Vice President. Shri.Nelson continues to be the Chief Executive of TDFF.

On the whole, the democratic values and principles are being followed without any obstacles. The managing committee meetings and the general body meetings are conducted regularly including the election processes. It is to be appreciated that a high level of fishermen participation is evident in the decision making processes.

An amount of Rs. 7.23 crores has been recorded as fish sales by all societies of TDF.

Kanyakumari Federation

The Kanyakumari Federation is making intense efforts to come out of the sudden tragedy of tsunami. Fishermen belonging to societies from the regions of Arokiyapuram to Kodimunai have been severely affected by the tsunami. It is estimated that lots of fishing equipments has been destroyed in this region due to the tsunami. SIFFS has been actively contributing to the relief-rehabilitation efforts, by providing monetary and technical assistance. Arrangements have been completed to procure new nets for all those who have lost them. We are also making arrangements to facilitate the reconstruction of society buildings that were damaged by the tsunami. Efforts are also being undertaken to complete works of maintenance.

An evaluation of the activities of the Federation reveals that it had to confront many problems in the past period. The staff has been forced to devote time to address several problems and concerns created by its former Executive, who had been dismissed on charges of financial irregularities.

With regard to self-sufficiency, 80% of the funding requirements are being met by the funding agency, MISEREOR and SIFFS. It is regretted to note that the societies are not contributing any money to meet the administrative expenses of the Federation. The Federation now only has interest income from the loan schemes. The Federation has not come up with any business strategies or any income generating commercial activities. However, the Federation is seriously planning activities for its self sustenance. SIFFS is also prepared to assist the Federation in all these efforts.

An amount of Rs.15.73 crores has been recorded from fish sales from all the societies. The fishermen, having accessed fishing equipments, have resumed fishing after January/February. Loan repayments have been steady in spite of the tsunami.

Shri. Maria John is the President of the Federation and Shri.Siluvadima, Vice President and Shri. Kennedy functions as the Secretary. Shri. Maria Das is the Chief Executive. The Committee meetings and General Body meetings are being regularly conducted, upholding democratic practices and values.

Kollam Federation

The Kollam Federation witnessed many complicated problems during the year. The fact remains that it has not been able to address these problems. It also needs to be stated that no productive efforts have been undertaken for meeting self sufficiency or financial discipline.

The Federation continues to access its contribution of 1.5% from the members along with its share of interest income from loan schemes. The Federation also gets income through the sale of kerosene. Aside of these, SIFFS gives administrative subsidy each year. In spite of these, the interest levied loans from outside continue to be a looming problem. A large amount is currently remitted monthly as interest to outsiders. It is recorded here that this will definitely affect the financial standing of the Federation. It is also commended that if the Federation does not make efforts to come out of this, it will very seriously affect its sustenance.

Shri.G.Peter continues as the President of the Federation. Shri. Pankaras is the Vice President and Shri.Albert Joseph functions as the Secretary. Shri. Merard is the Chief Executive of the Federation.

It is regrettable to note that administrative office bearers and the board members have not shown keen interest in conducting board meetings and general body meetings in time. The democratic practices and processes have also been disrupted through this resulting in serious institutional problems.

In the reporting year, an amount of Rs.3.92 crores is the fish landing value recorded in the 5 societies through the sale of fish. Generally, the income from fish sales has been low to various reasons during 2004-05.

Malabar Federation

Malabar Federation is the fresh member in the SIFFS structure. The Federation is making efforts to increase its membership base. Exploitation by middlemen persists

to a great extent in the Malabar region. The practice of taking a commission ranging from 5 to 15% still exists. These middlemen are described as `kuttikarans' and the loans they advance are referred to as `kuttikadams'. Societies are formed after redeeming the fishermen from these debt redemption loans. The Federation is receiving financial assistance from SIFFS to meet this. Many fishermen from the coastal villages of Malabar region are approaching the Federation and expressing their interest in society formation.

On self-sufficiency, the Federation has been receiving 0.5% contribution of fish sales from the fishermen to meet their administrative expenses since it's inception by virtue of the bye laws that had been incorporated. The Federation is also generating income from loan schemes by way of interest. If we analyse the financial position, 85% of the funds are generated through this. The remaining amount is received as subsidy from MISEREOR. It is recorded that the Federation receives no financial support from SIFFS for administration.

Shri.Hamsakoya is the President, Shri. Manoharan is the Vice President and Shri.Pradeepan is the Secretary. Shri.Siddique, deputed from SIFFS functions as the Manager of the Federation.

In the financial year, an amount of Rs. 3.08 crores had been recorded as fish sales from all societies. Many societies are engaged in income-generating activities like sale of kerosene and lubricants. This has facilitated the achievement of self-sufficiency by some societies.

Nellai Federation

The Nellai Federation is in the process of building up a strong federation structure by keeping away non-performing societies. It needs to be assessed as to how far this has been successful. The Federation has devised and is implementing many programmes for women and the disabled. The fact remains that more attention is not being directed at fish marketing activities and related matters.

Howsoever, SIFFS has endeavored to reach out assistance to those hit by the tsunami. SIFFS has been able to undertake repairs of damaged boats and engines and also has been able to distribute nets to those who had lost them. Aside of these, SIFFS has advanced financial support to the Federation for relief efforts.

That the Federation has not been able to achieve any progress till date on self sufficiency is alarming. The day-to-day expenses of the Federation are being met by the administrative subsidy provided by SIFFS. It is being reminded that the staff and the fishworkers have to make collective and concerted efforts to create income-generating activities to bring changes in the present situation and bring forth self reliance to the organization.

Shri.Stalin is the President of the Federation and Shri. Pichayyi is the Vice President and Shri.Charles is the Treasurer. Shri.Ramesh is the Chief Executive of the Federation. The Federation is not strictly adhering to democratic practices, compared to the other Federations.

Association of Deep Sea Going Artisanal Fishermen (ADSGAF)

SIFFS continues to render support for the various activities of the Association. SIFFS is also providing administrative subsidy to meet the day-to-day administrative functions. It is regrettable that since the year of its inception, the Association has not been able to raise any funds for its administrative expenses either from its members or from income-generating activities.

In the last few years, the Association has demonstrated the capability to overcome many crucial problems. The ban on shark fishing by Government of India and Karnataka State, the torching of the Association's boats in the Kochi region are some of the problems it has tried to solve, with assistance from SIFFS.

In spite of these problems, the Association has undertaken several efforts to increase its membership base. The fact remains that the Association has not been able to instill the spirit of ownership among its members. It is also very evident that apart from accessing financial, technical and managerial assistance from SIFFS, it has not undertaken any steps to upgrade itself as a self-sufficient organization. It is also being reminded that unless the Association devises income generating activities for it at the earliest, the existence the Association is at stake.

Financial Services

Micro Finance

Micro credit Programme

Our micro credit programme has proved to be a blessing for the District Federations, the societies and its members. In a time when commercial banks refuse to give loans to small scale fish workers on various pretexts, our micro credit programme has made a lasting impact on the economy of the artisanal fish worker.

During the financial period, the major financial transactions are as follows:

Loan from SIDBI	75 Lacs
Loan from IOB	50 Lacs
Loan Repayment - SIDBI	100.47 Lacs
Loan Repayment - Canara Bank	1.04 Lacs
Laon Repayment - RABO Bank	24.41 Lacs
Interest to SIDBI	21.58 Lacs
Interest to Canara Bank	4.69 Lacs
Loan distribution - Numbers	2175 Nos
Loan distribution - Amount	206.47 Lacs
Loan repayment from federations	200.09 Lacs
Loan interest from federations	35.81 Lacs
Interest subsidy (Jan, Feb, Mar)	12.48 Lacs
Total outstanding loan amount	322.08 Lacs

From the above table, it is clear that the outstanding portfolio for this year is 3.22 crores. Last year, it was 3.16 crores and the growth registered is only Rs. 8 lacs. Last year, we recorded a growth of 23% but this year, it was not substantial. A careful examination will reveal that the Kollam and Trivandrum Federations using their good relationships with local commercial banks have been accessing credit on their own and have not approached SIFFS for loans, compared to last year. Moreover during the post tsunami period, the outflow of credit had been also not very substantial. These are some of the reasons for the drop in growth this year.

During this financial period, the Canara Bank, Indian Overseas Bank and many new generation banks have expressed their willingness to cooperate with SIFFS in matters related to micro finance. Many banks could not identify fully with our transparency and outlook and hence we could not respond positively. Banks are

willing to grant loans to SIFFS but the capacity of the fish workers to absorb these loans are doubtful. SIFFS is hesitant to provide unnecessary loans to fish workers for the same reason. The Indian Overseas Bank has come forward to grant a generous amount as a loan to the TDFF for their kerosene marketing efforts, simply because of our excellent long term relations with the bank.

Our relations with SIDBI have improved greatly and we have established good relations with their officials. Using the funds given by SIDBI for capacity building, we have computerized our District Federations and have also imparted various training programme to enhance the capacity of the SIFFS and district federation staff.

Table 9
Loan disbursement and repayment schedule for the year 2004-05

No	Federation	Opening	No.of Loans	Distribution	Repayment	Interest	Balance
1	KDFSf	9,042,228	171	5,802,000	4,412,657	987,831	10,431,571
2	TDFF	8,562,967	40	1,995,500	3,556,646	855,672	7,001,821
3	FWS	5,594,176	992	2,624,028	3,390,849	728,593	4,827,355
4	MFFS	3,675,256	56	1,575,000	1,595,416	347,732	3,654,840
5	ADSGAF	56,320	4	100,000	37,073	17,645	119,247
6	SNVF	4,267,675	715	6,994,500	6,534,022	579,603	4,728,153
7	KDFSf W	18,159	8	80,000	23,463	1,992	74,696
8	C T N	435,000	189	1,476,700	540,861	62,475	1,370,839
	TOTAL	31,651,781	2175	20,647,728	20,090,987	3,581,543	32,208,522

Table 10
Purpose wise loan disbursement details - 2004-05

No	Federation	Purpose	No.of Loans	Amount
1	KDFSf	Production	171	5,802,000
2	TDFF	Production	40	1,995,500
3	FWS	Production	6	185,000
		Labour Loan	986	2,439,028
4	MFFS	Production	56	1,575,000
5	ADSGAF	Shark Fishermen	4	100,000
6	SNVF	Womens Loan	578	3,614,500
		Special Loan	137	3,380,000
7	KDFSf-W	Womens Loan	8	80,000
8	C T N	Production	117	1,404,700
		Labour Loan	72	72,000
	TOTAL		2175	20,647,728

Savings Scheme

SIFFS has been running an old-age savings scheme [OASS] for fishermen members, the OASS, the details of which are given below. The membership to this scheme is increasing but from Kollam, there is a general reluctance to join this scheme. This is regrettable.

Table 11
Old age savings scheme details

Federation	Members	Present Members	Opening	Deposit (Rs)	Interest	Total
KDFSf	461	458	526,334	219,000	62,152	807,486
TDFSf	310	310	253,980	130,950	31,135	416,065
MDFSf	150	140	272,724	69,400	26,418	368,542
CTN	60	60		23,050	1,418	24,468
Grand Total	981	968	1,053,038	442,400	121,123	1,616,561

Table 12
Portfolio Growth and Federation wise loan outstanding at year end

(Rs.in lacks)

Federation	2003-04	2004-05	Growth
Kanyakumari	90.6	105.06	15.96
Trivandrum	85.63	70.06	-18.18
Kollam	55.94	48.29	-13.67
Womens Federation	42.68	47.42	11.12
Malabar	36.75	36.58	-0.45
Others	4.91	14.90	203.48
Total	316.52	322.32	1.83

Insurance Scheme

The LIC and SIFFS have joined hands and implemented the Janashree Bhima Yojana insurance scheme. This scheme now has a total of approximately more than 3000 members from the Kanyakumari and Trivandrum Federations. Under this scheme, for a premium of Rs. 100, the fish worker is entitled to a claim of Rs. 50,000 for accidental death and a sum of Rs. 20,000 for natural death.

This financial period, 20 claims have been settled. As part of the same scheme, 113 scholarships were distributed to the beneficiaries' school going children. The student is entitled to Rs. 1200 per year, in four installments of Rs. 300 each. This financial year, a total sum of Rs. 1,35,600 has been disbursed.

Since the crew members in Kollam work only for six months in a boat, this scheme which requires them to work for at least one year could not be implemented in Kollam. Hence the Kollam Federation has not joined the scheme. Sriniket Vanita Federation has formed an insurance scheme on their own and is no longer part of our insurance scheme.

Other matters

- The monthly meeting of credit managers to discuss relevant issues in micro finance and to evolve strategies to improve credit programme performance could not be held after November 2004, for various reasons - mainly the distraction due to tsunami relief. Nevertheless, we have organised workshops, training sessions and discussions with District Federation representatives, Community Development Officers, and workers on matters related to insurance, savings and loan schemes. These meetings discussed at length the importance of fishing loans, how to access credit, how to choose beneficiaries etc.
- Study circles on how to generate financial reports and MIS reports were also organised.
- The Project Advisory Committee [PAC], to look into SIDBI credit transactions and to explore future possibilities met four times and looked into practical ways of improving performance. We are grateful to Sri. R M Nair of SIDBI for his participation and cooperation in this regard.
- Micro credit programme and meetings conducted by INAFI, BIRD and EDI were attended by our senior credit executives. A three-day training programme on process mapping was organised by MCG- Chennai, for our senior executives and the District Federation credit teams.

- Two IRMA students conducted a study on “Loan Product Design and Saving Habits of Malabar Region” .
- Delegates from MISFA - Afghanistan visited SIFFS to get an exposure on the micro-finance activity.

Other Services

Alternate employment

Centre for Employment Oriented Training (CEOT)

Our computer centre is riding the pinnacles of success. The first batch of students has passed out with certificates and some were absorbed by SIFFS and the others have found placements elsewhere. We established a software development project with Dev Studios. The EMIS, hotel management software, developed indigenously by CEOT, was sold to All Seasons, a company based in Bahrain. Our students have updated SIFFS website to international standards. Our Information Centre has also developed various software packages. A special software package was designed for Sri Niketan Vanita Federation - to suit their various needs, such as information gathering, member deposits, loans and other financial transactions. This package also facilitates membership details.

The convocation gathering of the first batch of 12 students of the CEOT was held in November. All the students had scored high marks. The convocation was held at Hotel Mascot and was presided over by the SIFFS Chairman, Shri. Anthony Augustine and Shri. V. Ramachandran, Vice Chairman of the Kerala Planning Board, gave away the certificates. IT Secretary, Ms. Aruna Sundararajan IAS, felicitated the students.

The CEOT also developed a ‘Disaster Management Software’ which is now being used at the NCRC.

The second batch of dot net training has 10 students. 3 of them left the training and the remaining seven are continuing.

Carpentry Training Centre

The Carpentry Training Centre functioning in Veli Boatyard has successfully trained 12 students from the fishing community. Four of them have been absorbed by the boatyard as trainees in boat building. Others have been absorbed by furniture companies. Training will also be given on fibre glass technology. Efforts are underway to enhance the training procedure further.

Assistance to women

Sri Niketan Vanita Federation receives the maximum assistance from SIFFS. It is also the largest beneficiary of our SIDBI micro credit facility. Their loan repayment is commendable. This organization, working in the Trivandrum-Kanyakumari sectors, has an aggregated membership of 4000, over the years, with assistance from SIFFS. Despite its large membership, it is not professionally managed in areas of administration, management and mobilization of funds. The organization needs to focus on these areas of concern and stabilize itself Comfortably.

Self help groups under the Kanyakumari Federation also availed our micro credit facility. Their payback initiatives are also commendable. The women from these groups are actively engaged in enrolling more women into their fold.

Human Resource Development

Human resource development is an activity that has just found its way into the internal administration of SIFFS. We intend to identify skill sets of our employees and develop the same. We have sent members of our senior staff to institutions like IRMA, IIM etc for training, in recent times. Additionally, the SIFFS staff members have been sent to HRD institutions for short term courses. In the year 2004-05, we have not been able to do any appreciable work in this area. Most of the HRD work planned for this period had to be put off due to the tsunami.

Organizational Matters

Funding agencies

HIVOS of Netherlands continues to be the chief supporter and the largest donor for our activities. In the last ten years, we have been able to establish a good

relationship with this agency. SIFFS participates in all activities organized by this agency. HIVOS is one of the first agencies to respond to the tsunami.

SIDBI comes next. SIDBI has actively supported us in capacity building and helped in the establishment and spreading of our computer network. They also helped in strengthening our micro credit programme by providing flexi grant and the transformation loan. Grants to avail motorcycles for our member federations' credit staff was also provided by SIDBI. Our deep relationship with SIDBI has helped our micro credit programme to grow considerably.

Many foreign and domestic agencies, organizations and individuals pooled in funds for tsunami relief and rehabilitation.

Relationship with Banks

The Indian Overseas Bank (IOB) is assisting us in our commercial activities. The IOB is overwhelmingly supporting our OBM and boatyard departments. IOB has also extended its arms to provide housing loans to some of our employees. Moreover, the IOB is also supporting the functioning of our ice plants.

The Cantonment Branch of Canara Bank is handling our foreign fund related matters. The loan requirements of our employees are being met by the Thrivikramangalam branch of Canara Bank. All eligible employees have been included under the Can Budget scheme and loans upto Rs.2 lacs are being granted as per the requirement in accordance with the norms and conditions. The Bank has also supported us with Rs.50 lacs to strengthen our micro finance activity.

The different branches of ICICI are facilitating the smooth and transparent conduct of transactions of the district level activities of our credit programme.

Board and Governance

The list of board members is given below:

Name	Federation	Designation
Antony Agustin	Trivandrum	Chairman
Maria John. S	Kanyakumari	Vice Chairman
Robert. A	Trivandrum	Board Member
Albert Joseph	Kollam	Board Member
Kennedy	Kanyakumari	Board Member
Jackson Francis	Kollam	Board Member
Hamsakoya P.P	Malabar	Board Member
Pradeepan. K.T.K	Malabar	Board Member
Mirad. S	Kollam	Board Member
Mariadas. B	Kanyakumari	Board Member
Nelson. T	Trivandrum	Board Member
Vivekanandan. V	SIFFS	Chief Executive
Julian Teelar	SIFFS	Dy.Chief Executive

In this period, 9 ordinary business meetings, 4 special meetings, 6 sub committee meetings had been conducted. The decisions and opinions arrived at these meetings have been utilized for the integrated development of SIFFS.

SIFFS acknowledges the selfless efforts, the valuable decisions and the merits and capabilities of its board members. They have also strengthened SIFFS by personally overseeing the tsunami rehabilitation efforts in Nagapattinam and Kanyakumari and giving our staff their valuable inputs and advice.

Conclusion

Though the tsunami disrupted the day-to-day activities of SIFFS and had created misery to the fishing community, it had also helped our organization to grow beyond our limits to this level of integrity. SIFFS is today known by many national and international agencies. However we are not desirous of getting in contact with all agencies. Clarity of policies, transparency and effectiveness of its functioning determines our contacts with all these agencies.

We have been able to move forward in keeping with the changes of time. Our staff has been able to overcome constraints and demonstrate effective functioning. It is appreciable that all federations are taking steps to attain self sufficiency, in spite of the majority not attaining the desirable mark.

We thankfully remember all those international agencies, organizations and individuals who are helping in our relief and rehabilitation efforts. We also extend our special thanks to SIDBI who are providing financial assistance. We also record our thanks to the banks that are helping us in our day to day commercial transactions.

I wish to record my sincere thanks to our district federations, board members, and staff of SIFFS and the district federations, agencies, Government organizations, funding agencies and individuals who have been a pillar of support to SIFFS activities. I'm presenting this report before all of you for your assessment, evaluation, discussion and approval.

For SIFFS

V.Vivekanandan
Chief Executive