Chapter II

ECONOMIC

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The economic trend indicates the general economic factors such as demographic features, agriculture, industry, wages, general price level, employment etc. in an economy over a period of time. It outlines the general tendency towards government participation in economic affairs. This process of development is essentially a real phenomenon. The increase in resources and their effective utilization determines the rate of progress of an economy.¹

Naladi says that "No man was always rich and no man was always poor, rich and poverty come round and round by turns like the wheels of Chariot". The Economy of the Thengamputhur Town Panchayat was determined by the agriculture and next to agriculture spinning and weaving, small scale industrial works, Banking are given importance.

**Cultivation:**

In Thengamputhur the soil is mostly sandy. The depth of the soils varies widely. The sandy soils are fairly deep and such places often support vegetation. In some places the soil of the village are

¹M.Gopalakrishnan,*Kanyakumari District Gazetteer*, Madras, 1995, p.525
very shallow. These soils are suitable for the cultivation of paddy and banana. In some places soils are red and yellowish. This quality of soil is best suited for banana. Alluvial soil is found near the coastal area of this village. They are very pale-brown, sandy in nature. They are susceptible to wind erosion and best suited for growing coconuts. Another type of soil which is reddish brown in colour and strongly acidic. These soils are best suited for growing paddy under irrigated and tapioca under rain fed. In some localities of Thengamputhur Town Panchayat there are dark red, deep sandy clay, loam texture. These soils occur mainly on the sea shore, best suited for growing cashew and mango. The red alluvial soil is also found in this Thengamputhur Village. They are best suited for palmyra. The important pulses cultivated by the agriculturists are black gram, red gram, green grams, horse gram, chillies. The important oil seeds are coconut and gingeli. Therefore, the Thengamputhur soil is suitable for fertile cultivation.

2. Profile of Primary Agriculture Co-operative Bank, Thengamputhur.
3. Ibid
4. Personal Interview with P. Chellappa, July 19th, 2007
5. Ibid.
Agriculture is the chief occupation of the people of Thengamputhur. The principal crops raised being paddy and tapioca.\(^6\) The village has a pleasant climate and gets the advantage of both South-West as well as North-East monsoons. The people are the human resources of the Thengamputhur Town Panchayat, their nature of housing, employment; their income and expenditure have a bearing on how the Thengamputhur presents itself to others.\(^7\) Apart from agriculture, there are several other workers found in the panchayat and their total number is 2525.\(^8\) The economic condition of any panchayat depends upon not only agriculture but also depends upon the other works. As far as our Thengamputhur Town Panchayat is concerned, a number of people are engaged in other works than the traditional profession of Agriculture. There are many people in the panchayat are not doing any sort of work, due to their traditional property and the number of this category is more than 8507. The vast majority of people of Thengamputhur Panchayats are agriculturists and a great prestige

\(^6\) M. Gopalakrishnan, *op. cit.*, p 8
\(^7\) Ibid
\(^8\) Profile of Thengamputhur Town Panchayat
is attached to ownership of land. Every one in this panchayat, aims at keeping a small plot for his own purpose. Originally our Town Panchayat was primarily a settlement of peasants.\textsuperscript{9} Besides the land owners there are big and small, peasants who depend on agriculture for their livelihood.

A fairly class of labours are also found in our Thengamputhur. Artisans, masons, car drivers, merchants, welders, form a fair-section of the village population of our panchayat. Panchayat records reveals that the panchayat consisted of houses, house gardens, tanks, streets wet and dry lands. Even now, the major part of the agricultural land has been set apart for the cultivation of rice which is one of the staple food crops. Coconut palms is extensively grown along the village and the coconut is an article in great demand which is used both for religious and domestic purposes.\textsuperscript{10}

Palmyra palms are widely found in this panchayat. Large quantities of fibre are extracted annually from the leaf of frond of the palmyra trees. Whisk brooms, brushes and ordinary brooms are made and sold both locally and fair off places. The Palmyra leaf is

\textsuperscript{9} M. Gopalakrishnan, \textit{op. cit.}, p.p. 768-69
\textsuperscript{10} Personal Interview with V. Selva Kumar, Councillor, July 7\textsuperscript{th} 2007
used to large extends for making mats and baskets. The cultivators
of these palms earn a good income of their product.\textsuperscript{11}

The most southerly regions of, Thengamputhur and Parakkai
are formerly cotton growing areas and the decline in the cultivation
is entirely due to the conversion of the cotton land into paddy fields,
since water has been brought down under Kothaiyar Irrigation
Scheme.\textsuperscript{12}

In open space near the houses of agriculturists is produce the
necessary cerals such as green peas, black gram, and gingelly.
One corner is set up apart for the gardening of vegetables such as
brinjal, varieties of guard, lady's finger and chillies, the almost
essential ingredients of their daily side dishes.\textsuperscript{13}

The coconut leaves afford excellent material for thatched
house every year. The agricultural cattle which most of them owned
can graze in their own grounds. Besides, hay being plentiful, afford
enough food for them. So the cattle is never a burden to them.
They ensure steady supply of milk, curd, ghee, and cow dung. The

\textsuperscript{11} S.G Basker, \textit{Report of the Industrial Survey of Travancore},
Trivandrum, 1929, p.p. 207-209.
\textsuperscript{12} \textit{Ibid}
\textsuperscript{13} Personal Interview S. Justin Nathaniel, Councillor, July 19\textsuperscript{th}, 2007
Ox and buffaloes help in tilling. Thus, nearly 50 percent of the people of the panchayat, the cattle is a source of wealth. The economic life of the people of this town panchayat is generally good. This is proved from the lavish spending of money for their children's education etc. Even now, the panchayat through land tax, house-tax, and professional tax, collect a huge amount of money.

Apart from that, people of the panchayat, even the middle class come forward to offer, their wealth to the temples, churches and mosques. Therefore in all these public places, some churches and educational Institutions are equipped with lavish money. Thus, most of the economic life of the people of our Thengamputhur Panchayat is remarkable in one way or other.

**Small Scale Industries:**

There are a few small scale Industries, such as wooden article manufactures, cotton goods etc in The Thengamputhur Town Panchayat. Small scale Industries may a vital role in our panchayat. Spinning and weaving are given importance. Women's spend their time in spinning cotton threads. In Thengamputhur Town

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14. Personal Interview with A. Thangam, Councillor, July 10th, 2007
15. Ibid
Panchayat, in Keezha Kattuvilai, small factories viz., net company, chasewnut factory, and saw mill are found. Women as well as men are also having the job opportunities in these companies.\textsuperscript{16} In Vadakku Anchikudieruppu there is one rubber factory. From this factory, many women’s are working and there is good employment opportunity for men and in Keezha kattuvilai, there is another factory that is white pig stall, and they sell meat to the people.

In Kulathuvilai, Vadakku Anchikudieruppu and Therku Anchukudieruppu, there are workshops, and shops. Among the thirty two villages under Thengamputhur Town Panchayat, in Thirunagar there is one mill for preparing switch Board. The factories are under private Management only.\textsuperscript{17}

**Co-operative Banking:**

There are some Private Banks, and two Co-operative Banks in Thengamputhur and Muhilanvilai.\textsuperscript{18} Under the panchayat banks have been extending their credit flow for the benefit of the weaker sections of the society, bearing in mind the uplift of these section.

\textsuperscript{16} Personal Interview with councilor V. Arul, July 3\textsuperscript{rd}, 2007.
\textsuperscript{17} Ibid
\textsuperscript{18} Final Audit Report of Thengamputhur Primary Agricultural Co-operative Bank, 2005-2006, p. 1
Thus the banks have taken efforts in fulfilling the objectives of the government. In Thengamputhur, there is one Co-operative bank called Thengamputhur Primary Agricultural Co-operative Bank Ltd. No. Y-40.

Firstly, this bank was called as society and the same was registered on 30.7.1958 and the work started on 30.10.1958. The society during the time of M.G. Ramachandran as Chief Minister in 1988 was converted as Co-operative Bank. This Co-operative Bank was under the control of state government and it is bank improving the economic condition of the Thengamputhur Town Panchayat people. The total members of staff working in this Co-operative Bank is Nine.

Head of this bank is Secretary, and also there is a government special officer. The operational area of the Bank are Thengamputhur, Anchikudieruppu, (North and South) Sasthan kovil vilai, Kulathuvilai, Pulluvilai, Kattuvilai. Members of the Primary Agricultural Co-operative bank are divided as A and B.

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20. Attendance Register of Thengamputhur Co-operative Bank
The Members of the bank are those who are included in the list of operational area specially mentioned by the Co-operative Bank members are getting various kinds of loans, viz.,

i) Agriculture loan-This loan is the main loan given by the bank to the people to promote their economic condition.

ii) Self help group loan.

iii) Small scale Industries loan

iv) Cattle loan

v) Sheep loan

vi) Jewell loan.22

These loans are given on short term as well as long term and for these loans the bank is collecting 12% interest.

i) For the poor people, in order to uplift their economic condition they are offered Jewell loan, for agricultural people on a reduced interest rate the i.e., 7%

ii) Kisan Credit Card23

People needed the immediate loan supplied with Kisan credit card for availing loan and for this loan deposit is not essential.

22.Jewell loan disbursement Y-40 Register, p.159
23.Credit file of Thengamputhur Primary Agricultural Co-operative Bank, p.22.
iii) For 3 years subsidy schemes especially for scheduled caste people THATCO LOAN is offered and this loan is given mainly for textile shop and small business.

The Co-operative Bank is located at the Thengamputhur Junction, in the Pallam road. Firstly this bank was started by Kulathuvilai members only and membership of this Bank was offered Kulathuvilai people only. Thousand Seven hundred and sixty two members of this Bank from A class members. B class members having the facility only the Jewell credit and they are from other native villages. Under the control of this bank, two Ration shops are functioning. Thengamputhur Ration shop is functioning as a full time basis and it was established in 1958, and their Ration shop having 543 family cards and supplying the essential commodities, viz., rice and sugar, wheat, kerosene etc and improving the economic condition of the Thengamputhur Town Panchayat people. Another Ration shop is functioning in Pulluvilai. It was started in 1997, and it functioning as a part-time shop, which has 248 family cards. The profit from the Ration shops are given to the agriculture Co-operative bank.

24. Jewell loan over dule, p.15
In between years 2001-2005, the greatest achievement of our Bank is that it collected all the loan arrears with out any balance from the people. The credit for this achievement goes to V. Felix Selva Rajan, who is the secretary of the Bank and the bank had been selected for collectors award. Continuously from 2001 – 2005, our Thengamputhur Primary Agricultural Co-operative Bank had been receiving the prize from the collector.

i) V. Felix Selva Rajan is Secretary and he is the head of the bank. P. Raj kumar is Accountant and Y. Jacob, J. Chandra Sekaran, C. Selvaraj, J. Jeya Krishnan, R. Kalai Rajan, S. Selvamony, S. Chandra, and M. Anand25 are other staff members. Muhilanvilai Primary Agricultural Co-operative Bank Y - 37 bank was established in 1958 and this Bank also having the same pattern like Thengamputhur Primary Agricultural Co-operative Bank. The main purpose of this Bank is to improve the economic condition of the peasants who are Agriculturists. Here Agriculture Jewell loan is offered as the important loan. This Bank also divides the people in to A and B class people. The Operational area A class peoples are from Muhilanvilai, Kovilvilai, Chinnaithanvilai,

25 Attendance Register April-March of Thengamputhur Co-operative Bank, p.p.12
Udayappankudieruppu (Keezha and Mela) Pillayarpuram, Manikattipottal, Ramapuram, Anandaswamy puram, Vellaranvilai, Perunkulam, Kunjanvilai, Parappuvilai.\(^{26}\)

For B class people can avail Jewell loan and A class people are having the all the concessions. This bank was also under the control of state government. This bank have the 12 staff members. P. Challappa, is the secretary and he is the head of the bank. S. Rajeswaran, who is the Accountant, Srimurugan. I. Ananda Krishnan, I. RajaPoopathi, P. Srikumar, Arumugam, he was the OfficeAssistant, P.Manokaran, B. Baskar, R. Muthaiyah, and Sundara Sriraman, are the other staff members.\(^{27}\) Under the Bank, there are two ration shops are functioning one in Muhilanvilai, and another one in pottalvilai. In the Muhilanvilai Ration shop, there are 104 family cards and 70 family cards for Pottalvilai Ration shop.\(^{28}\)

The N.G.O. colony, Primary Agriculture Co-operative Bank and is the branch of Muhilanvilai Bank and here two staff members are working – P. Selvan and C. Suyambulingam. All the persons

\(^{26}\)Final Audit Report of Muhilanvilai Primary Agricultural Co-operative Bank, p.1
\(^{27}\)Attendance Register of Muhilanvilai Bank March to April 2007-2008, p.3
\(^{28}\)Office Record of Muhilanvilai Ration Shop, p.3
who are working in these Banks are selected through Employment Office.\textsuperscript{29} In Thengamputhur there is one “State Bank of India” and this Bank also gives loans to the peasant people for improving their economic condition. This Bank offers several deposit schemes and it is very helpful to the Thengamputhur Town Panchayat people.\textsuperscript{30}

Other Private Banks are functioning in and around of Thengamputhur Town Panchayat are Muthoot Bank, Anbu bank, Vinoth Bank. They are giving the money as loans to the people on jewels and they helping the poor people.\textsuperscript{31}

\textbf{Beneficial Services:-}

Our Thengamputhur Town Panchayat has well developed economy as well as communication and this shows the highly developed economic condition of the people. For Thengamputhur Town Panchayat, one Telephone Exchange for thirty two villages.\textsuperscript{32} This exchange is situated in Vadakku Anchukudieruppu. This exchange was established in 1976. Total workers in these exchange is Ten. One Telecom Junior Officer, one Telecom Technical

\begin{thebibliography}{9}
\bibitem{29} \textit{Ibid}
\bibitem{30} M. Gopalakrishnan, \textit{op.cit.}, p.414
\bibitem{31} Personal Interview with V. Sathish, Muthoot Bank, August 1\textsuperscript{st}, 2007
\bibitem{32} M. Gopalakrishnan, \textit{op.cit}, p.495
\end{thebibliography}
Assistant, four Telecom Mechanic, one casual labour and three security guards are serving in the exchanged. Heads of the exchange is junior Telecom Officer who is Sudha and she was selected on the basis of the Test. Telecom Technical Assistant was appointed on Merit basis. From 2002 only it was BSNL affiliated. Before that it was under the pure Department of Tele Communication.33

Thengamputhur exchange is giving connection to the Puthalam Town Panchayat, Parakkai Panchayat, Gandhipuram Pallam, Manakudy Panchayats. The exchange is having different kinds of Phone connections, viz.,

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<th>Equipped capacity</th>
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<tr>
<td>Working connection</td>
<td>2132</td>
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<tr>
<td>CDMA WLL capacity</td>
<td>1000</td>
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<tr>
<td>CDMA working connection</td>
<td>398, then</td>
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<tr>
<td>Cell tower and BTS</td>
<td>Basedtransiver station.34</td>
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It is noteworthy that Thengamputhur is one of the few panchayats in the Kanyakumari District, where all the villages and

33. Thengamputhur SSA Telephone Directory, Y-999.
34. Information Brochure of Thengamputhur Exchange.
streets are electrified by the Electricity Board in Thengamputhur. The Board is functioning in a good manner and supplying power to the 32 villages causing development of the Thengamputhur Town Panchayat.35


Employment and Savings:-

The nature of work shape their job aptitudes and altitudes and enhance their job skills. Academic and professional qualifications are the achievements of the workers that in turn determine their skill. Highly skilled workers have high expectations for their service. The village office records reveal that only 50 percent of the workers are engaged in self-employment and 28 percent in government sector.

35. Current consumption charge file – Electricity Board of Thengamputhur
There are 12 percent work force in private concerns and two percent in agricultural works. Six percent of the workers are engaged in other sectors.\textsuperscript{36}

For time passing, people make fishing. Carpenters, Mason goldsmith are the important members in the society of Thengamputhur. Carpentry was a common occupation. The carpenters are utilized to construct temples, buildings and household articles. The smithy was another industry, and goldsmiths are more concentrated on making ornaments. The study of age composition is helpful in determining the proportion of labour force in the village population. The working age of the population is considered as 20-60 years. But the total labour force consists of male and female. Income is one of the most important motivating factors that is given by the employers to his employee for the services rendered to the organisation. Wage is the main source of income. The other sources of income accrue from land deposits. The income distribution has been classified into agricultural income and non-agricultural income. According to a recent survey from 50 sample respondents, it is earned from the paddy cultivation, 27.39

\textsuperscript{36.} Profile of Thengamputhur Town Panchayat, p.6
percent from the coconut production, 24.66 percent from the tamarind production and 13.69 percent from tapioca and jackfruit production. A few records found in the Thengamputhur village office reveals that the money spend on food is 51 of percent. This shows that the general standard of living of the people is not up to the mark. The percentage expenditure on cloth is 14.74 percent and the percentage expenditure on education is only 5.37 whereas for fuel is only 4.53 percentage. The Percentage spend on the rent is only 1.39 percent and the percentage expenditure on education is only 5.37 whereas for fuel is only 4.53 percentage. The percentage expenditure on electricity is only 3.19 percent. The percentage spent on medicines is 6.15 percent. The overall expenditure of the samples households on entertainment is only 2.81 percent. They spent only 3.09 percent on social ceremonies. The expenditure for transportation is 2.53 percent where as for telephone it is only 4.15 percent. They spend only 0.98 percent on Newspaper. From the record we can infer that food is the major item of consumption and more money income is spend on this by the respondents.

37. Ibid
38. Ibid
The village communities are least saving and most spending type in general. The employment is purely seasonal and during the Lean season they are forced to borrowing to bear the bare necessity. The study reveals that 71.03 percent with Co-operative banks, 3.68 percent in LIC, 0.82 in chit and 8.16 percent in post offices to save their money. This shows that people prefer commercial banks rather than saving in LIC and chit. Thus, we can conclude that in Thengamputhur the propensity to save among the village community is not very low.\textsuperscript{39}

The People of Thengamputhur borrow year after year and they are heavily indebted. They are not in a position to clear their debts. The income may not be sufficient to cover up his minimum expenditure. The pawn brokers in Thengamputhur play a significant role for the provisions of credit. It is seen from the survey data that 19.77 percent of people borrow from commercial banks, 33, 33 percent from pawn bookers, 13.56 percent from land owners, 30.52 percent from friends and relatives and 2.82 percent borrow from other sources.\textsuperscript{40}

\textsuperscript{39} Final Audit Report of Thengamputhur Primary Agricultural Co-operative Bank.
\textsuperscript{40} Personal Interview with V. Ravi councillor, Thengamputhur August\textsuperscript{7th}, 2007.
Thus the economic life of the people of Thengamputhur is generally good. This can be easily known that the day to-day life of the people of Thengamputhur is highly civilized at present. Even poor people send their children to schools and colleges by spending large amount of money. Further they are prepared to go to abroad to earn fabulous wealth for luxurious life.