CHAPTER VIII

SUMMARY OF THE FINDINGS, SUGGESTIONS AND CONCLUSION

Agriculture plays an important role in the overall economic development of the Indian economy by providing employment, raw materials for industries and food security to the nation. India accounts for only 2.4 per cent of the world’s geographical area and 4 per cent of its water resources, but has to support 17 per cent of the world’s human population and 15 per cent of the livestock. The total foodgrains production was 51 million tonnes in 1950-51 and it increased to 217 million tonnes in 2006-07 and 263.20 million tonnes in 2013-14.

Tamil Nadu shares about 4 per cent in respect of the geographical area, 7 per cent of population and 3 per cent of water resources of the country. Of the total geographical area of 130.27 lakh hectares, the gross cropped area had declined from 66.69 lakh hectares in 1950s to 58.24 lakh hectares in 2008-09. The total foodgrains production was 44.99 lakh tonnes in 1950-51 and it increased to 61.16 lakh tonnes and 71.02 lakh tonnes in 2005-06 and 2008-09 respectively. On the other hand, the production of pulses had increased from 0.76 lakh tonnes in 1950-51 to 1.77 lakh tonnes in 2005-06 and declined to 1.67 lakh tonnes in 2008-09. The production of paddy rose from 24.58 lakh tonnes in 1950-51 to 52.09 lakh tonnes in 2005-06 and declined to 51.83 lakh tonnes in 2008-09.

In Kanyakumari district, among the total geographical area of 1,67,200 hectares, the gross cropped area and net sown area had declined from 1,07,218
hectares and 82,201 hectares in 1985-86 to 87,685 hectares and 78,791 hectares in 2010-11. But the area put to non agricultural uses has increased to 28,409 hectares in 2010-11 from 24,035 hectares in 1985-86. The total foodgrains production was 1,15,210 tonnes in 1985-86 and it declined to 83,831 tonnes in 2010-11. Regarding the area under foodgrains, it decreased from 47,839 hectares in 1985-86 to 23,561 hectares in 2004-05 and further to 18,763 hectares in 2010-11. This decline in the area under foodgrains is only because of the decline in the area under paddy. That is, the area under paddy cultivation decreased from 44,623 hectares in 1985-86 to 18,187 hectares during 2010-11. The area under non food crops has increased from 34,085 hectares in 1985-86 to 47,687 hectares in 2010-11. This shows that the cultivators are shifted to commercial crops in the district. That is, most of the cultivated land in the district is under perennial / tree crops like coconut, rubber, tea, coffee and spices. With more market orientation and better profitability of cultivation, the share of commercial crops in the total area under cultivation has been rising at the expense of food crops such as rice, banana and tapioca.

Findings of the Study

A brief summary of the findings of the study on agricultural crisis, credit and indebtedness among the cultivators in Kanyakumari district are as follows.

Regarding the land use pattern, land put to non-agricultural uses, fallow land is increasing and the net area sown, area sown more than once and gross sown area are decreasing. This shows the district is facing large changes in land use pattern.

In the case of cereals, the area under cultivation of cereals was 44,580 hectares in the year 1976-77 and this has declined to 17,307 hectares in 2009-10. This shows that the cereals cultivation in Kanyakumari district is in a serious crisis. Production
has increased from 52,340 tonnes in 1976-77 to 76,321 tonnes in 2009-10 due to increase in fertilizer use and high rainfall.

The area and production of pulses is in a declining trend. In 1976-77 the area under cultivation of pulses was 6,931 hectares and the production was only 2,420 tonnes. This area has declined to 545 hectares (i.e., -92.1 per cent decline from 1976-77) and the production was also 150 tonnes (i.e., -93.8 per cent decline from 1976-77) in 2009-10 which shows that the pulses cultivation in the district is under crisis.

Regarding the spices and condiments cultivation, the area has increased to 2,062 hectares in 2009-10 from 1,546 hectares (1976-77). But the production has declined to 4,423 tonnes in 2009-10 from 4,650 tonnes in 1976-77. The decline in production is mainly due to the pest and fungus, floods in some years and droughts in some other years. In case of drying of the harvested spices, it is usually interrupted by summer rains in Kanyakumari district which adversely affects the quality of the spices resulting in heavy loss to the growers.

The area and production of fruits is in an increasing trend. That is, in 1976-77 the area under fruits cultivation was 5,787 hectares which increased to 10,181 hectares in 2009-10. In case of production, it has increased from 48,920 tonnes in 1976-77 to 2,87,152 tonnes in 2009-10. This shows that with the increasing commercialization of crops, the farmers are forced to cultivate banana, instead of paddy. This leads to increase in the area of fruits cultivation. Some years the production declined due to the unfavourable climatic condition like low rain fall or high rainfall and storm.

The area under vegetable cultivation was 13,293 hectares and production was 1,69,360 tonnes in 1976-77. The area declined to 7,798 hectares in 2009-10. This decline in the area shows that the vegetable cultivators in the district are shifting to
other crops which cannot be failed by the natural calamities like flood and drought. Production has increased to 3,19,909 tonnes in 2007-08 and then declined to 2,05,698 tonnes which shows that the cultivators are shifting to some other crops in the district.

The area under coconut was 16,239 hectares in 1976-77 and this has increased to 25,674 hectares in 2009-10. The production has increased from 895 lakh nuts in 1976-77 to 3,145 lakh nuts in 2009-10. This increase in the area is due to the declining area in the cereal and pulses cultivation in the district.

With regard to arecanut cultivation, the area under arecanut cultivation has declined to 523 hectares in 2009-10 from 1,452 hectares in 1976-77. But in case of production, it decreased to 798 cured nuts in 2009-10 which is 28.9 per cent lower than the year 1976-77 (1123 cured nuts). This shows that the area under arecanut cultivation is changed towards some other crops and it has caused the decline in the production.

In case of rubber cultivation, the area under cultivation has increased from 11,316 hectares (1976-77) to 21,223 hectares (87.6 per cent higher from the year 1976-77) in 2009-10, but the production has declined from 2,985 tonnes in 1998-99 to 2,564 tonnes (-14.1 per cent higher) in 2009-10. This decline in the production is due to heavy drought and low price for rubber.

This study finds that the mean size of the landholdings of the cultivators works out to be 1.7 acres. After finding the mean area, the researcher has classified the cultivators into two categories namely, (1) small cultivators with less than 1.7 acres; and (2) large cultivators with more than 1.7 acres.

The study shows that among the 400 cultivators, 267 (66.75 per cent) cultivators are small cultivators (less than 1.7 acres) and 133 (33.25 per cent) cultivators are large cultivators (more than 1.7 acres).
It is inferred that majority (68.5 per cent) of the cultivators depend on agriculture and they belong to the age group of 45-55 years, 56 years and above. In the case of mean age of the cultivators, it is estimated as 51.16 years. This shows that cultivation is mostly done by the aged cultivators (with more than 46 years of age).

This study indicates that most (68.25 per cent) of the cultivators belong to the Backward Community (BC). As for religion, most (47.5 per cent and 47 per cent) of them are Christians and Hindus. Regarding the marital status, 91.75 per cent of the cultivators are married. The study also finds that 40 per cent and 19.75 per cent of the cultivators have completed SSLC and higher secondary course and only 5.5 per cent of them are above higher secondary level of education.

Regarding the occupation, 84 per cent of the cultivators depend on agriculture for their main occupation. In the case of the nature of houses, majority (58.25 per cent) of them are living in tiled houses. The study also finds that 97.75 per cent of the cultivators live in their own houses.

The study highlights that 96.50 per cent of the cultivators’ houses have been electrified. The study also clears that 81.50 per cent of the cultivators’ houses have no drinking water connection. As far as the sanitation facility is concerned, 98 per cent of the cultivators’ houses have proper sanitation facility. Regarding the nature of family, 94.50 per cent of the cultivators are living in the nuclear family.

In the case of size of family, majority (58.25 per cent) of the families have five members. The average size of the cultivators’ family is calculated as 4.38 per household. Regarding family planning, majority (74.25 per cent) of the cultivators’ family has not adopted the family planning

With regard to employment of family members, most (58.88 per cent) of them are engaged in nonfarm activities like construction works, engineering (welding)
works, business and other white collar jobs in private sector. Only 14.50 per cent of the family members are depending on agriculture.

The study indicates that most (36.25 per cent) of the cultivators have the income level of Rs. 1 lakh to Rs. 1.5 lakh. The average income of the cultivators works out to be Rs.1,14,530 in which Rs.39,385 comes from agriculture, Rs.74,159 from non agricultural activities and Rs.986 from the other sources.

In case of savings, most (32.75 per cent) of the cultivators have the saving of Rs.10,000 to Rs.15,000. The average savings of the cultivators is worked out to be Rs.12,796.18. Regarding the sources of saving, most (28.25 per cent) of the cultivators have saved their money in the chit funds which are run by the private authorities near their houses. In case of the utilization of savings, majority (26.25 per cent) of the cultivators utilize the savings for the household purpose like consumption purpose, to repair houses and purchase of two wheelers and cars.

The present study reveals that most (33.5 per cent) of the cultivators have the annual expenditure of Rs.1 lakh to Rs.1.5 lakh. The average annual expenditure of the cultivators is worked out to be Rs.1,08,845.1. The sources of household expenditure show that 78.50 per cent of the cultivators meet their expenditure with their own income.

As for the ownership of livestock, majority (66.25 per cent) of the cultivators have not owned any livestock like cow, goat and buffalos. This shows that the cultivators do not own any livestock due to high feeding cost, maintenance cost and high dependence of nonfarm activities of the cultivators’ family members.

Regarding the mean size of land holdings of the cultivators for the last ten years, the land holding per household has declined to 1.7 acres in 2010 from 1.99 acres in 2000 due to high land lease out and land disposed by the cultivators. In case
of classification of cultivators, 39.5 per cent of them owned more than 1.7 acres and 60.5 per cent of them owned less than 1.7 acres of land in the year 2000. This area has declined to 33.25 per cent in the case of cultivators owned more than 1.7 acres and increased to 66.75 per cent for the cultivators who owned less than 1.7 acres of land in 2010. This shows that the cultivators who owned more than 1.7 acres of land has declined in the last 10 years and they were continuing in cultivation with less acreage, therefore, the area with less than 1.7 acres has increased.

Further analysis of data indicates that the land leased in by the cultivators during the last 10 years has declined to 3.25 per cent in the year 2010 from 8.50 per cent in 2000. This decline in the leased in area is mainly due to the low profit and high cost of production faced by the cultivators. The average area leased in by the cultivators was worked out to be 0.81 acres in 2000 and 0.72 acres in 2010 which shows a declining trend.

This study highlights that the land leased out by the cultivators during the last 10 years has increased. That is, during 2000, 3 per cent of the cultivators leased out land. But this has increased to 5.75 per cent in the year 2010. The mean area of land leased out by the cultivators is increased from 0.83 acre in 2000 to 0.93 acre in 2010.

It is inferred that majority (69.75 per cent) of the cultivators’ landholdings has not changed and the rest (30.25 per cent) of the cultivators’ landholdings has changed. This study also confirms that there is a significant difference between changes in the size of land holdings and the cultivators.

The study depicts that low profit is the main reason (ranked first) for the decline in the concentration of land, while family debt and high wage are ranked second and third. This study also proves that high profit/income is ranked first for the
increase in the concentration of land, while inheritance/purchase and abundance of family labourer are ranked second and third.

Regarding the land acquired by the cultivators, 5.75 per cent of the cultivators acquired land mainly through inheritance. The study also finds that there is no significant difference between the land obtained and the size of cultivators.

In the case of land disposed by the cultivators, 6.75 per cent of the total cultivators disposed their land mainly through sale. This study proves there is no significant difference between the land disposed and the size of cultivators.

The study finds that all the cultivators have cultivated in the study area but not the whole area. That is, nearly 13.25 per cent of the cultivators have not cultivated all the land possessed by them which shows that there is some area remaining as uncultivated area. Regarding the area under uncultivable land, it has increased from 8 per cent in 2000 to 13.25 per cent in 2010 which shows an increase of nearly 5 per cent in the last ten years. The mean uncultivable area of the cultivators is 0.08 acre in 2000 which has increased to 0.1 acre in 2005 and 0.09 acre in 2010.

Regarding the diversion of land, 30.19 per cent of the cultivators having uncultivable land diverted their land in which 75 per cent of the cultivators have diverted for real estate business and housing plots and the rest (25 per cent) of them have diverted for construction of buildings and shops. The study finds that there is no significant difference between diversion of uncultivable land and size of cultivator.

As for utilization of labourers, the study indicates that most (75.25 per cent) of the cultivators are doing cultivation by using hired labour in which 38 percent of the cultivators are fully depending on the hired labourers for cultivation. The study also proves there is association between the utilization of labourers and the size of cultivators.
It is found that the crops cultivated by the cultivators in 2000, 2005 and 2010 have declined for paddy and increased in favour of rubber cultivation while coconut and pepper cultivation have started declining after 2005.

Regarding the reasons for changes in cropping pattern, the study clears that low profit, low price, heavy debt burden and high cost of production are the main causes for changes in the paddy cultivation. Even though the coconut cultivation needs low investment and low labour, low price for nuts, low profit, low credit from the financial institutions, high cost of labour and heavy debt burden of the cultivators have forced the cultivators to change some area under coconut cultivation towards other crops. In the case of rubber, daily employment and output, low labour required and high profit are the main reasons for changes in cropping pattern in favour of rubber. But the pepper cultivators pointed out that low credit availability of the cultivators, low price and heavy debt burden in other crops forced them to cultivate pepper.

In the case of production of crops, cultivators producing less than one tonne of paddy are increasing and more than three tonnes is declining which shows that the paddy cultivating area is declining or changing in the district. Regarding the coconut, production increased in 2005 and then declined due to decline in the area. But the production of rubber has increased and it is stable in the case of pepper production.

The study shows average production of paddy declined from 2,126 kilograms in 2005 to 2,121.8 kilograms in 2010. In case of coconut, the average production of coconut was 3,257 nuts in 2000 and this has increased to 3,269.5 nuts in 2010 while the average production of rubber has increased to 846.6 kilograms in 2010 from 768.6 kilograms in 2000. Regarding the pepper, the average production has decreased from
275 kilograms in 2000 to 261 kilograms in 2005 and then it increased to 277.5 kilograms.

This study infers that majority (56 per cent) of the cultivators has reported that the production has declined. The study also infers that, there is no significant difference between changes in production and the size of cultivators. Regarding the reasons for the increase in the production, irrigation facility is ranked first, while the factors like rainfall, seeds and credit availability are ranked second, third and fourth. In case of the reasons for the decline in the production, shortage of irrigation and rainfall is ranked first, while the factors like pest and fungi, shortage of fertilizer and price rise are ranked second and third.

The study reveals that the price is very low for crops like paddy and coconut except rubber and pepper during 2000, 2005 and 2010. Regarding the mechanization used by the cultivators, majority (73.75 per cent and 57.25 per cent) of the cultivators are using sprayer and HYV seeds. The study also shows that majority (96 per cent) of the cultivators purchases the seeds or saplings for cultivation by paying ready cash and the rest only 4 per cent of the cultivators are using the credit in the district. Regarding the sources of purchase of seeds, most (55.75 per cent) of the cultivators purchase the seeds from the brokers and nurseries and 33 per cent of the cultivators are getting the seeds from block development office (BDO).

In case of risk of pest and diseases, majority (92.25 per cent) of the cultivators are facing the problem while 69 per cent of the cultivators have increased the use of fertilizer. The study also finds that there is no significant difference between the use of fertilizer and the size of cultivators. Regarding the sources of irrigation, majority (94.75 per cent) of them are using public sources of irrigation like river, channel and tanks.
The analysis of data reveals that most of the cultivators producing paddy, coconut and rubber have sold their products to businessman and commission agents and the cultivators producing pepper have sold their products at regulated market and to businessman. This shows that businessman and commission agents take a major role in selling and buying of produced goods in the district.

In case of the marketing risk faced by the cultivators, transport risk is ranked first, while the factors like change in price and demand, competition risk and packing and loading are ranked second, third and fourth.

Regarding the cost of cultivation, the average cost of cultivation is increasing year by year. That is, the average cost of cultivation for one acre of paddy is Rs. 6,606 in 2000 and this has increased to Rs. 12,944 in 2010. In case of the average cost of cultivation of coconut, the total cost incurred is Rs. 17,108 (per acre) in 2000 and this has increased to Rs. 25,747 in 2010. Likewise the average total cost of cultivation of rubber was Rs. 43,054 in 2000 which has increased to Rs. 84,619 in 2010. With regard to the average cost of pepper cultivation, it is worked out to be Rs. 6,236 in 2000 and this has increased to Rs. 10,913 in 2010. This shows that the average cost of cultivation for tree crops like rubber and coconut is high while the cost of cultivation is very low for paddy and pepper crops.

The study finds that 89.5 per cent of the cultivators have not appointed permanent workers. This shows that the cultivators prefer daily workers due to high wage and low price for produced goods. The study also proves that there is a significant difference between the availability of permanent workers and the size of cultivators.

As for the availability of adequate workers for cultivation, majority (56.5 per cent) of the cultivators have not got adequate workers for cultivation. The study
proves that there is a significant difference between availability of adequate workers and the size of cultivators.

In case of the nonavailability of adequate workers for cultivation, the study finds that high wage rate in construction sector, seasonal employment in agriculture, migration of the workers to foreign countries, white collar jobs of the educated people, ageing of experienced workers and their health problems and workers doing their own work are some reasons for nonavailability of adequate workers in the district.

The study shows that majority 68.5 per cent of the total cultivators have taken credit in which 18.50 per cent of the cultivators have taken credit between Rs.25,000 and Rs.50,000. The study also shows that average credit taken by the cultivators is Rs. 49321.82 in which Rs. 35271.19 from the institutional agencies and the rest (Rs.14050.63) from non institutional agencies. But the average credit taken by the small and large cultivators are Rs.35623.14 and Rs.76869.71 respectively.

Regarding the type of loan taken by the cultivators, most (39.42 per cent) of the cultivators have taken gold loan and 29.93 per cent of the cultivators have taken agricultural loan. This study also proves that there is no significant difference between the type of loan and the size of cultivators.

The study infers that 62.04 per cent of the cultivators have taken loan for the household purposes like consumption, medical and education purpose and only 27.74 per cent of the cultivators have taken loan for agricultural purposes. In case of rate of interest, the study finds that 40.51 per cent of the cultivators are paying 12-24 per cent rate of interest.

In the case of source of credit, majority of the cultivators are taking credit from institutional agencies in which 32.85 per cent of the cultivators have taken credit
from cooperative societies and 24.09 per cent of the cultivators have taken loan from nationalized commercial banks. But 43.07 per cent of cultivators have taken loan from non institutional agencies in which 13.14 per cent and 13.87 per cent of the cultivators have taken credit from the private sector banks and friends and relatives respectively.

The study finds that complicated and time consuming procedure, high rate of interest, less link with the bank official, untimely availability and poor quality of inputs, bribe to agents and officials and large number of trips to get a loan are some of the problems faced by the cultivators while taking loan from institutional and non institutional agencies. But it may be noted that 27 per cent of the cultivators reported that there was no problem in availing credit. Regarding the availability of cooperative banks, 85.75 per cent of the cultivators have pointed out that there are cooperative banks in their village.

This study also confirms that, cultivators prefer non institutional agencies because it is very easy to avail loan (83.90 per cent), no formality is required to take credit (55.93 per cent), no bribe/commission to any official (62.71 per cent), low credit limit in the institutional agencies (27.12 per cent) and no surety and security is needed (21.19 per cent) while comparing with the institutional agencies.

Regarding the repayment of loan, 90.88 per cent of the cultivators have pointed out that they have repaid the loan. The study also proves that there is no significant difference between the repayment of credit and the size of cultivators. The study also find that most (42.97 per cent) of the cultivators repay the credit to borrow next credit while 30.52 per cent of the cultivators repay it to avoid risk like accumulated interest and feeling burden.

In the case of the 25 cultivators not repaying the credit, 44 per cent of the cultivators have pointed out that crop failure and low price for the produced goods are
the reasons and 40 per cent of the cultivators have said that increased debt burden of their household is the main reason for the non repayment of credit.

This study confirms that 77.56 per cent of the cultivators have not benefited from the loan waiver scheme. The study also proves there is a significant difference between benefits from the loan waiver scheme and the size of cultivators. Regarding the 121 cultivators not benefited from the loan waiver scheme, most (60.33 per cent) of the cultivators have pointed out that the credit is already paid and nearly 21 per cent and 18 per cent of the cultivators have the opinion of eye wash and unlucky person respectively.

The study also finds that most (97.75 per cent) of the cultivators do not have Kisan Credit Card (KCC) and 9 (2.25 per cent) cultivators have taken KCC in which only 7 (1.75 per cent) of them have taken credit using the KCC. This shows the cultivators having KCC are also not taking credit using this card due to low credit (i.e., for one acre of paddy only Rs.11,000 is given in a year and this must be returned in 12 months to 5 years depending on the financial institution).

Regarding the 391 cultivators not having KCC, 94.63 per cent of the cultivators have no idea about the KCC. The study also proves that there is a significant difference between knowledge about KCC and the size of cultivators.

In the case of indebtedness, one fourth of the households (26.75 per cent) have no debt while 21.25 per cent of the cultivators’ family have the debt between Rs.25,000 and Rs.50,000 and 19.75 per cent of households have the debt of Rs.50,000 and above. The average debt of the cultivators is worked out to be Rs.45,283.03 in which most of the credit is accessed from institutional source of credit like commercial banks (Rs.15,137) and cooperative banks (Rs.14,484).
The study also finds that most (78.5 per cent) of the cultivators borrow loan to meet non agricultural purpose and only 21.5 per cent of the cultivators borrow credit for agricultural purpose. Regarding the profitability of agriculture, 89.75 per cent of the cultivators have pointed that agriculture is less profitable. The study also proves that there is no significant difference between the profitability of agriculture and the size of cultivators. In case of the low profitability of the agriculture, most (81.25 per cent and 83.50 per cent) of the cultivators have reported that fall in the grain prices and increase in the input cost are the major reasons for low profitability of the agriculture.

The variables like nature and ownership of houses, drinking water connection, sanitary facility, employment structure of the family members and sources of saving, changes in the size of land holdings, utilization of labour, availability of permanent workers, availability of adequate workers, benefits from loan waiver scheme and knowledge about KCC influence the performance of agriculture and credit among the cultivators in Kanyakumari district. Other variables like community, religion, marital status, level of education, occupation, electrification of houses, nature of family, family planning, utilization of savings and livestock ownership, land acquired, land disposed, changes in uncultivable land, diversion of uncultivable land, changes in production, use of fertilizer, type of loan, repayment of credit, and profitability of agriculture do not influence the performance of agriculture and credit among the cultivators in Kanyakumari district.

**Suggestions**

Based on the study, the following suggestions have been made with regard to agricultural crisis, credit and indebtedness in Kanyakumari district.
1. To boost the agricultural production, irrigation facilities should be developed to reduce the dependency on rain fed irrigation. The irrigation dams, tanks and ponds are filled with sediments, shrub and construction waste in the district. Therefore, the state government should take steps to remove encroachments and increase the capacity of the irrigation dams, tanks and ponds by way of digging the sand below five feet of its normal capacity by using the MGNREGA workers.

2. The government should take appropriate steps to construct check dams and rainwater harvesting to check the rainwater for irrigation.

3. The drip irrigation and sprinkler irrigation system must be encouraged by the government for efficient management of available water resources.

4. In order to increase the productivity, the government should provide higher yield variety seeds and saplings, fertilizer, pesticides and herbicides at concession or subsidy through block development office (BDO) or primary agricultural credit societies.

5. To increase the area under cultivation, the government should take necessary steps to increase the area sown more than once along with the effective use of abandoned areas of cultivable land.

6. In order to increase the cultivation of paddy, coconut, rubber and pepper, the government must take steps to provide the minimum support price and crop insurance to all crops along with proper infrastructure, storage and marketing facilities.

7. To encourage the cultivation of plantation crops and horticulture crops like fruits, vegetables and flowers, the government must set up more nursery gardens (minimum one at each taluk).
8. In order to increase the production of plantation crop like rubber, the government may ensure for buying the product through its Arasu Rubber Corporation by fixing a minimum support price. With the one and only district in the state having huge rubber, the government should also start a new rubber based heavy industry to use the purchased raw material through its Arasu Rubber Corporation in Kanyakumari district. This will also provide employment opportunity to the unemployed youths.

9. The government must take steps to stop the conversion of agricultural land into real estate, construction of buildings, houses, shopping complex and educational institutions.

10. The government at the district level should give emphasis continuously on the research and development programme in order to develop short period, high yielding and more resistant crops.

11. To remove corruption, the government should monitor that the fund provided by it is properly used for agricultural purposes.

12. Effective steps should be taken to check the migration of men folk from villages to towns and plains which have employment potential for them. This can be done by: (a) providing adequate facilities to the potential entrepreneur to set up his own cottage and small scale industries to supplement the income of small farms e.g. poultry farming, dairy, bee keeping and sheep and goat rearing; and (b) arrangements should be made to give necessary short term training to the cultivators through self help groups or nongovernmental organization.
13. Soft interest rate, concessional and subsidized credit supply should be made through nationalized commercial banks and cooperative credit societies to enhance the credit needs of the cultivators.

14. Since most of the cultivators have no knowledge about KCCs, the government should take necessary steps to increase the use of KCCs through the banks in the district by way of raising the loan amount and regular issue of KCCs.

15. The government should take necessary steps to reduce the degradation of soil and protect the crops from the wild animals in the district.

16. Since the size of holdings for farming in Kanyakumari district is very small, collective farming should be emphasized by the government to increase production.

17. The government should provide modern input equipments (sprayers, paddy transplanter, rotary weeder and coconut climber belt) at a concession or subsidized rate along with training to the cultivators to use modern technology in farming.

18. Since there was a growing demand for agro food products, the government should motivate the cultivators to concentrate on value addition in agricultural food products by providing subsidies.

**Conclusion**

Kanyakumari district is facing a serious challenge in retaining its area under food crop cultivation. This has adversely affected production and productivity. But agriculture is the primary engine of growth without which this district will neither be able to accelerate growth nor achieve sustainability. Diversification within agriculture is intended to stabilize income and employment in the farming sector. This diversification can either be in terms of variety of crops grown or technologies used
for the same set of crops. Although the institutional credit for agriculture has increased rapidly in recent years in the district, it still lags behind the productive needs of the cultivators. This has affected the cultivators, as they are more vulnerable to crop losses and price fall. Profit margin of the cultivators declined. As a result, the cultivators are highly indebted. They find it extremely difficult to pay back the loan they have incurred at high rate of interest to grow crops and survive. To conclude, the traditional approaches to agriculture, which focus on foodgrain production will only bring agricultural stagnation and agricultural crisis in rural areas of the district. The need of the hour is to promote diversification of agriculture and allied activities like poultry farming, dairy, bee keeping, sheep and goat rearing, invest actively in rural infrastructure and enable greater food processing and value addition to agricultural products, which would create new avenues for the cultivators.