CHAPTER IV

ORIGIN AND GROWTH OF COOPERATIVE JOINT FARMING SOCIETIES IN NELLORE DISTRICT

To avoid diseconomies of scale inherent in small and marginal land holdings assigned to, and operated by, SCs, STs, BCs and OCs under land redistribution programme, cooperative joint farming societies (CJFSs) are designed as institutional mechanism so as to enable the member beneficiaries reap scale economies of cooperativisation of certain operations on their lands. The various facets of CJFSs are discussed in this chapter, besides tracing their origin and growth in Nellore district. As a prelude a brief profile of Nellore district is developed which serves as a macro socio-economic setting for better understanding of progress of CJFSs and land development projects undertaken within the ambit of CJFSs.

BRIEF PROFILE OF NELLORE DISTRICT

Nellore district situated in the South-Eastern portion of Andhra Pradesh State has much evidence of the existence of human habitations since very long time, as innumerable ums of megalithic culture were discovered on the northern bank of the Pennar opposite to Nellore town. In the centuries before and after the advent of christ, the district was inhabited by a tribe called the Aruvvar or the Aruvalar, also referred to as the Aruvvarnoi. It indicates that Nellore district formed part of the Aruve country, which also included North and South Arcot districts, and Chengalpattu district of the present Tamil Nadu State. These Aruvvars, who spoke a kind of corrupt Tamil, are believed to have belonged the Naga tribe.
The district was originally known as Vikramasimhapuri and it appears to have continued under the same name till the 13th century. Later it came to be referred to as Nellore. The district derives its name from Nellore, the district head quarters town.

PHYSICAL ASPECTS

Nellore district, the Southern most coastal district of Andhra Pradesh, belongs to the Southern Andhra coastal plan. It lies approximately between the latitude 13° 30' and 15° 6' on North and latitudes 70° 5' and 80° 15' on East. It is bounded on the North by Prakasham district, on the East by Bay of Bengal, on the South by Chittoor district and the Chengalpattu district of Tamil Nadu and on the West by Vellgonda hills which separates it from Cuddapah district.

The district is generally flat and of low elevation and forms part of the Karnatic plains. The sandy coastal belt extends from the sea for 3 to 4 miles, 5 to 7 kms, interior, all along the length of the district. There are numerous back waters along the coast and the best known of them is the Pulicat lake.

The district can broadly be divided into two natural divisions from North to South. The Eastern half of the district that adjoins the coastal belt is fairly fertile with large tracks of paddy cultivating areas and the East is fringed with large tracks of shub jungle and is interspersed with coconut, palmarah, cashew and casuarina plantations. The western half of the district has a low elevation towards west with large track of low shrub jungles diversified with rocky hills and stony plains.
LAND AND LAND USE

The red soils have got a fair coverage of 41.5 per cent of land with sandy soil coming next with 34.2 per cent and black cotton soil with 22.3 per cent. The district has got 30 per cent and more number of villages covered by red soils.

AGRICULTURAL ACTIVITY

Agriculture is main stay of the people of the district. Nearly two-thirds of the total main workers are engaged in agriculture and its allied activities. More than 79 per cent of the total male workers in the rural areas depend on agriculture for their livelihood. The total irrigated area in 2,35,237 hectares of which 70,667 hectares are covered under penna delta system of irrigation and the remaining is covered by other sources in which the rain-fed tanks form the bulk source of irrigation.

By adopting special programme to SCs, STs like assigned land development package programme of Agricultural Department, the farmers among SCs and STs, are encouraged to adopt the latest technology along with the use of seeds of high yielding varieties for getting better yields to uplift them above the poverty level.

INDUSTRIES

Industries in the district are mainly non-agrobased. There are 19 large and medium scale industries functioning in the district as on this day having a capital investment of Rs. 5662.73 lakhs providing employment to 4,477 persons.
CHANGE IN THE ADMINISTRATIVE UNITS

In 1985 the then existing 15 taluks were reorganised into 46 Mandals, with an area of 13,160 sq km as they are at present.

DEMOGRAPHIC ASPECTS

According to 1991 census, the total population of Nellore is 23,92,260 comprising of 12,06,380 males and 11,83,880 females. In term of urban-rural divide, 18.23 lakhs of personal are rural and 5.69 lakh persons are urban. In percentage terms 76.21 are rural and 23.79 are urban. Of the 264 towns in the state, 9 are located in the district. During the last decade there has been an addition of 3,77,381 persons. The district has recorded a decennial growth rate of 18.78 against states average of 24.20 per cent.

SCHEDULED CASTES AND SCHEDULED TRIBES POPULATION

In the 1991 census, 5,22,819 persons have been returned as scheduled castes. The main communities among scheduled castes in Nellore district are Madigas and Malas. The growth rate of scheduled castes population during the decade has been 25.54 per cent as against an overall growth rate of 18.73 per cent. The percentage of scheduled caste population to the total population for the district in 1991 census year is 21.85 as against 20.67 in 1981 census year. Separately for the rural and urban areas, the percentage of scheduled caste population to total population is 24.94 and 11.94 respectively. This district has registered the highest percentage of scheduled caste population (21.85 per cent), while the state average is at 15.93 per cent at 1991 census, which is also highest
among all the districts of the state. The percentage of scheduled tribe population to the total population at the 1991 census is 8.95 as against 8.81 at 1981 census. The percentage of scheduled tribe population to total population, separately for rural and urban areas, is 9.73 and 6.43.

Work Force

The work participation rate in Nellore district is 45.62 per cent. It is higher than the state average of 45.05 per cent. Again the percentage of main workers stand at 42.85 per cent of total workers as against 42.77 per cent in the state. The work participation rates separately for males and females in the rural area are 53.68 per cent and 40.22 per cent respectively as against the corresponding figures of 52.05 per cent and 13.63 per cent in the urban areas.

Among the main workers the percentage of cultivators has come down from 27.10 at 1981 census to 21.27 at 1991 census. This is compensated by increase in the percentage of agricultural labourers from 43.85 at 1981 census to 47.67 at 1991 census. Therefore, there is no appreciable change during the decade in the proportion of work force directly dependent upon agriculture. Female work participation rate in the district has increased from 38.50 per cent at 1981 census to 33.90 per cent at 1991 census.

Literacy

The district has returned 9,70,810 literates forming 47.61 per cent of the population of the district, excluding 0-6 age group. Separately for urban and rural areas, the literacy rates work out to 67.49 per cent and 41.26 per cent.
respectively. Again with in the urban area, the male and female literacy rates separately work out to 76.11 per cent and 58.72 per cent respectively. For the rural population the male and female literacy rates work out to 52.26 per cent and 30.05 per cent respectively.

**Banking Infrastructure**

There are 178 commercial bank branches as on 31-3-1995. The major commercial banks of the district are Syndicate Bank (37 branches), State Bank of India (26 branches) and the Andhra Bank (20 branches). A Regional Rural Bank viz., Pinakini Grameena Bank (60 branches). Andhra Pradesh Cooperative Central Agricultural development Bank has a total 9 branches operating in 15 blocks of the district. There are 306 Primary Agricultural Credit Societies functioning in the district.

**ORIGIN AND GROWTH OF COOPERATIVE JOINT FARMING SOCIETIES**

As a part of the several programmes chalked out for development of rural areas, Cooperative Joint Farming Society has been conceived. Among the many facets of agricultural development which include development of waste land and provision of irrigation facilities, institution of CJFS achieves much significance in view of the various social and economic compulsions in rural areas and the present situation which demands immediate economic development and retention of land with the poor people. In fact, if one peeps into traditional Indian economy of earlier times one finds that it is not entirely a new idea. From time
immemorial the advantages of joint farming or ‘Kamatam’ as is called in villages in Andhra Pradesh even to-day were recognised by the Indian peasants from the point of view of better farming and economic agricultural production. Pooling of agricultural resources like land, capital and labour reduced expenditure and wastage and increased production. The large joint family consisting of even a hundred people in a single household and possessing more than hundred acres of land facilitated large scale farming profitably carried down to the nineteenth century. Such joint farming which was universal at one time survived into the nineteenth century in almost all Andhra districts\(^1\).

The break-up of the large joint family resulted in the decay of these systems leading to a state of uneconomic holdings and fragmentation through generations of divisions and sub-divisions of family lands. This has been one of the potent causes of poverty and indebtedness of the peasants in the countryside. The process continues even today to the detriment of agricultural production and the welfare of the hard working cultivators. Earlier, wherever joint Kamatams existed mutual aid and cooperation effected great economies in digging, widening and desilting common irrigational channels and tanks constructing ancillary across small rivers and streams for irrigation purposes, joint ploughing, transplantation, manuring, weeding, harvesting and such other operations. These are labour intensive operations which have all the advantages of mechanisation of agriculture. The green revolution was the result not only of using high yielding

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varieties and the use of chemical fertilizers, but also large scale farming for which Punjab had become the shining example of prosperity.

It was the Russian experience of collective farming on the basis of five Year Plans that attracted Pandit Nehru in 1927 which subsequently led to the formation of the Indian National Planning Commission even before independence in the 1930s. It was their pioneering work that induced even the British colonial Government to encourage the "Grow more' food campaign through joint farming on the recommendations of the Advisory Board of the Imperial Council of Agricultural Research in their memorandum to the Government of India in the year 1944.

Even the Indian Capitalists who formulated the Bombay Plan in 1944 recommended that in order that Co-operative farming should come into Vogue as early as possible some measures of compulsion appears desirable. The All India Cooperative Planning Committee constituted by the Government of India in 1946 suggested the organisation of cooperative farming societies.\(^2\)

CJFS as novel experiment in social engineering in Nellore District appears as a refreshing contrast. It is, however, no part of any state policy of the integrated rural development. It is on the contrary, a bureaucratic innovation. The road to rural development according to the Ex-District Collector, lies via the execution of land-based schemes. They have, however, to be conceived in a manner that they do not meet with the fate of the earlier experiments. The beneficiaries must necessarily be drawn from the rock bottom of the Village

\(^{2}\) Ibid, p 520,
society, overwhelmingly composed of the scheduled castes, tribes and Backward castes. The distributed land again has to be hedged with conditions that beneficiaries come to possess heritable but no alienable right in it. Again the allotment of land has to be in a manner that takes into consideration the economics of consolidation and consequently the emergence of social solidarity, lest it should be self defeating.

PROGRESS OF COOPERATIVE JOINT FARMING SOCIETIES IN NELLORE DISTRICT

As a majority of the weaker sections live in rural areas and are traditionally dependent on agriculture, the road to their development lies in the execution of land based and allied activities. In Nellore district large extent of government land was assigned to weaker sections but there was no integrated plan for development of these lands. As a result they remained virgin lands and in some cases they have been even alienated to big farmers for small amounts to meet some immediate consumption needs. Hence a massive programme for integrated development of these lands was launched and the instrument was the CJFS. The membership is restricted to weaker sections and the downtrodden and the principle of equality is adhered to in the distribution of land. The members will have heritable but no alienable right over the land.

In Nellore District between 1976-80, 796 Cooperative Joint Farming Societies were registered. The major reasons claimed for the formation of these

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societies on such a large scale were prevention of alienation of land given to weaker section of rural population, and management of community irrigation works deriving advantages of block approach as well as securing adequate institutional finances. Prior to this, the weaker sections were allotted Government waste land through 'D' form pattas, which are inalienable land documents. Though the assignees were not entitled to transfer the land covered under these pattas they were tempted to transfer to others to small consideration, defeating the very purpose of conferring the ownership of land as a productive asset of weaker sections. To prevent alienation of Government waste land and surplus land under the land ceiling legislation, 1972, distributed to weaker sections consisting of landless agriculture labour belonging to SCs, STs, BCs and others, the land was assigned to a cooperative joint farming society, giving lease of the land to its members.

Placing the land in the hands of the members of the societies who have become lessees is not enough, unless these lands would become really productive by the provision of necessary infrastructure. It is needless to say without water facility agriculture is next to impossibility. Since the assignees were allotted the land of smaller sizes it could not be possible for each of them to own individually an independent minor irrigation source. To overcome this problem through the societies, the group of beneficiaries were brought together to have a minor irrigation unit for all of them and share water jointly from it. Hence a common

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irrigation source which is distant dream for individual assignees, has become possible with the institutional framework of the society. Many a problem like maintenance of minor irrigation and disputes over sharing of water by the group of beneficiaries of assigned land was averted. With the advent of societies covering the weaker sections became possible for the developmental administration at different levels of the government to prepare comprehensive land developmental schemes and execute them for the benefit of all assignees. Said in other words, lending becomes easy and follow up more effective. Thus societies serves as an effective means for clusterisation in beneficiary oriented programmes. By forming cooperative joint farming societies the assignees get more funds both from the Government and other agencies at a large scale than can be possible for the individual members there by the burden of developing productive asset to a great extent is reduced.

**STATUS OF THE SOCIETIES FORMED DURING 1976-80**

DRDA of Nellore District collected data from 787 societies out of 796 societies formed during 1976-80 with purpose of knowing the ground realities of the operation of the societies, most of which by the time the survey was conducted had become dormant. The survey had thrown open a wealth of data capturing the various dimensions of problems the societies had faced and contributed to their dormancy. Community-wise composition of societies beneficiary membership revealed out of 65,719 families covered by the societies,

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SCs accounted for 54 per cent of total membership, STs 19 per cent, BCs 23 per cent and OCs 4 per cent. 47 per cent of families brought under these societies as members were below the poverty line. 43.5 per cent and 35.6 per cent of beneficiary families belonging to SC and ST communities respectively fell below the poverty line, whereas 6 per cent of the membership in BC and OC communities were below the poverty line. Stated in other words, societies accounted for a significant proportion of IRDP target group. A major chunk of membership i.e., 73 per cent were SC and ST families.

CAUSES OF DORMANCY: MYTHS AND REALITIES

Some erroneous perception relating to societies were prevalent among all levels of the administration in the Nellore district and also the officers of financial institutions. The Survey made systematic attempt to known the realities or otherwise of the widely held views about the societies. These perceptions centred round the naming of the societies, their failure, money locked-up in the societies, membership commitment, loan repayment record of members and property losses of the societies by theft and failure of cooperation everywhere including cooperative joint farming in Nellore District. The perceptions presented in the preceding paragraph pushed almost everybody to the state of resignation that nothing could be made to turn around the societies which were found to have met with failure. Hence no action was initiated to overcome the constraints operating on the societies. To test the veracity of these perception or hypotheses about to societies, DRDA conducted detailed and in-

\[\text{Ibid., P.3.}\]
depth study by collecting data from all the societies. In what follows are presented some of the facts and conclusions of the study.

Taking into account the purposes for which the societies are founded in Nellore district, one could say that they come nearer to cooperative tenant farming societies as far as the classification of Cooperative Planning Committee headed by Saraiha and widely followed by Indian Planning Commission and Government. In these societies the members cultivate lands allotted to them paying charges to societies for using common services. This is in contrast with joint farming societies, where the lands are cultivated as one operational unit and produce is shared among the members on the land contribution ratio to the society. Calling the societies in Nellore district as joint farming societies conveyed a lot of negative image to all sectors as to their nature and objectives. Hence that was the reason why as a part of first step in revival of societies in Nellore district, the instructions were issued to call them in the district cooperative farming societies. Despite this even today they are popularly known as CJFSs.

**COMMON PERCEPTION: FAILURE OF SOCIETIES**

One common perception in the district about farming societies was that they had failed, but this perception was not well-founded, since it was a premature judgement without giving fair trial to this new institution in the earnest. The early institutional framework suffered due to lack of minimum requirements for running these societies. The staff was one such requirement. The lands were
assigned in larger blocks to the cooperative farming societies and ultimately to the members. As the land areas of the societies almost formed tiny villages, there had been some mechanism for maintenance of land records and cropping pattern. This necessitated the staff for societies from two reasons, first being the need for minimum maintenance work of the societies like board of directors meeting, general body meeting, calculation of demand for loan repayments and issuing of demand notices to the members, and the second being season-wise recording of crop pattern of each member of the society on the plot allotted to him and the extent of use of irrigation sources provided by the society. Based on such cropping pattern information, the loan repayment demands were to be served on each member. To undertake this work 796 cooperative farming societies having 85,719 members and 1,02,824 acres of land, only six staff posts were sanctioned at the rate of one Deputy Tahsildar and one Senior Inspector for each revenue division. These two people at revenue division level assisted Sub Collector/Revenue Division Officer (RDO) and Divisional Inspector Cooperative Societies (DICs) for discharging their supervisory duties. But this staff was found inadequate for keeping the basic institutional framework of Cooperative Joint Farming Societies. To the problem of inadequate staff was another problem viz., the sanctioned positions were vacant for a longer period of time. This reflects low priority accorded to the filling up of positions by the administration. The work of the staff was broadly categorised in to CFS and non-CFS work.

Coming to the aspect of how the incumbents of two positions spent their time for cooperative farming societies and other work, it was found 54 per cent of days were spent by them for non-cooperative farming societies work. This also...
indicates low priority given to the CFS by the administration and also diversion of time and effort to the non CFS work. The work of the staff includes CFS work, specific office work relating to CFS, inspection of CFS accounts collection of CFS particulars, inspection of CFS lands. In terms of percentage of days attended for various CFS works, it was found that they inspected CFS lands for 14.32 per cent of days, spent, 25.14 per cent of days collecting CFS particulars and 44.29 per cent of days on inspection accounts. The staff never bothered to inspect CFS and issue loans demand notices for recovery of loans, etc. They visited societies and audited accounts as a matter of routine. Thus it could be inferred from the preceding analysis that the staff was inadequate and posts were kept vacant for longer time. There was a diversion of staff for non CFS work and large time of the staff on CFS work was related to collection of data and minor component on inspection.

COMMON PERCEPTION: FAILURE OF SOCIETIES DUE TO INSUFFICIENT FINANCIAL INVESTMENTS ON LAND DEVELOPMENT

The survey data was collected for 787 societies, financial investments were made in 695 societies which accounted for 89 per cent of the societies surveyed. The total investment made on societies' lands came to Rs.2.29 crore with land area of 58,692 acres. The nature of land allotted to the societies was such that there were full of jungle with irrigation potentiality to make these lands productive. The investment on them takes the forms of wells, oil engines and electric motors, jungle clearance, land reclamation and soil conservation. Per acre

7 Ibid. p.26.
investment made on developmental works on CFSs lands during 1976-80 worked out to Rs. 511 which, when adjusted to 1985 all India consumer price index, came to Rs.848. DRDA Nellore formed 8 land development projects in different zones of Nellore district during 1984-86 involving different kinds of investments. These projects formulated for larger blocks of lands assigned to weaker sections were similar to those of societies. Per acre investment for comprehensive land development under these projects worked to be Rs.4,000. Juxtaposing per acre investment made on CFSs lands of Rs.848 at 1985 price and per acre investment of Rs.4,000 under land development projects, it is obvious the financial input into land development programmes of CFSs was inadequate. To put it precisely, there was an investment gap of Rs.3,152 (Rs.4,000-848) for development of lands assigned to societies. The result of inadequate investment ultimately led to major portion of the developed land having gone back to the fold up jungles. Out of 58,891 acres developed, about 10,109 acres due to lack of persistent cultivation transformed into sub-jungles.

Another dimension of inadequate financial investment and land developmental works of the societies was the performance of minor irrigation assets viz., wells taken up by the societies, 2,254 wells were taken up, out of which 1,826 were completed and remaining 428 were incomplete. About 19 per cent of the wells taken up were not completed, the primary reason being inadequate finances. Out of the completed 1,826 wells, 488 i.e., 27 per cent of the completed wells had become dysfunctional due to inadequate depth and lack of finance. The ultimate analysis shows despite poor investment in the wells, 73 per cent of them were continuing to be functional at the time of survey.6

6 Ibid, P.36.
COMMON PERCEPTION: FAILURE OF SOCIETIES DUE TO DISHONESTY OF THE MEMBERS

Another common perception of officers about members was that the latter was dishonest by selling away the oil engines and electric motors given to them. From the survey data it was clear that cases of land alienation were almost non-existent. The question of disposing assets would only arise with respect to oil engines and electric motors. Out of 1,857 oil engines and electric motors distributed to the beneficiaries, about 86 per cent were functional and remaining 14 per cent were dysfunctional. Only 141 (7.59 per cent) sold away were not replaced. 102 i.e., 5.49 per cent of oil engines and motors distributed were stolen away. Even the minor percentage of engines and motors being stolen away could have been prevented, had there been correct and specific transfer or charge of engines and motors to the beneficiaries.

NON-REPAYMENT OF LOANS GIVEN TO MEMBERS: ANOTHER COMMON PERCEPTION

The credit agencies had maintained neither individual ledgers nor served demand notices for individual members for recovery of loans. Even the block development officers had not maintained individual ledgers for each of the societies. Even these functionaries could not inspect the lands of the society for recording of crops. They could not prepare and serve the demand notices on individual members. Ultimately neither the lending institutions nor the development administration asked the actual borrowers for loan repayment.

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cases of successful loan repayment it was found that the minor irrigation units i.e., wells were functional and the members were raising crops. It was wrong to dub the members of the societies as willful defaulters of loan repayments without taking minimum steps for recovery of loans and follow up needed for servicing of any loan.

The district administration collected the information for some of the societies with main objectives of knowing the present status of societies, augmentation of irrigation facility, studying feasibility of taking up horticulture and electrical connections to the minor irrigation units. It was found that most of the fields of the societies were fit for rising of horticultural crops both under dry and irrigated dry conditions. Regarding electrical connections they could be planned while preparing land developmental projects.

FAILURE OF COOPERATION IN GENERAL IN INDIA AND FAILURE OF SOCIETIES IN NELLORE IN PARTICULAR

This was another perception the cooperation had failed in the entire country, societies in Nellore were no exception. For most of the people cooperation needs total cooperation but with this high risks of failure are associated when the cooperation is limited to certain services leaving the members free in other respects, is the best method of cooperation. Thus the scope of cooperation is defined in such a way that cooperation is restricted to the minimum areas where it is a must and rest of the areas of production system goes on individual lines. In view of this co-operating societies in Nellore have high potential for success, have beneficiary members confined co-operation to the
limited extent of creating, maintaining and sharing of community irrigation sources. The cultivation is done on individual basis on plots allotted to each member. The societies in Nellore district formalised cooperation with respect to minor irrigation assets when beneficiaries as land assignees cooperate with each other to dig wells by joining into small groups.

PROTECTION OF INTERESTS OF FINANCIAL INSTITUTIONS THROUGH BY-LAWS

It is but appropriate to discuss bylaws of cooperative farming societies which are designed to have good behaviour on the part of the members. The bylaw of the societies, 2(1), expresses the objective of acquiring lands either by purchase or otherwise and assign them to members for nominal rent to undertake farming and allied programme. Rule 2(3) states the objective of undertaking cottage and small scale industries and other activities to provide gainful employment. By-law 8(1) lays down the competency of the society to lease the land to its society permanently on the condition that leasehold rights assigned to members are inheritable but not alienable. Another condition imposed under by-law 8(2) is that no member to whom leasehold rights in land are assigned is entitled to withdraw its membership without relinquishing his leasehold rights in land in favour of the society and without discharging himself from the loan borrowed by mortgaging his land. When member is removed and loan amount remains unpaid, then the responsibility for repayment of loans remains squarely on the society, which ensures the protection of the lending institutions. In case of death of member his legal heir shall be admitted as member of the society. While granting 'D' Form patta granted by the
government one of the conditions stipulated is that unless the assignee brings the land under plough within three years from the date of assignment, the patta would be canceled. The by-law of the society goes a step further by stipulating that members should abide by the scheme or project approved by the board of directors. Thus member not working or behaving as expected in the scheme document or project report duly approved by Board of Director, will be loosing membership and thereby his rights over the leased land. Yet another provision in the by-laws is that when most of the members discover that due to the misbehaviour of few among them all of them are made to suffer, they can pass a resolution in the general body and expel those delinquent members. From the above it is clear that the society does not weaken in any way the rights of the interests of the financial institutions. The financial institution can request the board of directors to recover the overdues besides enjoying rights to approach the civil court to recover the loan and interest dues from the willful defaulting members.\textsuperscript{10}

DORMANCY OF CJFS: ADMINISTRATIVE REASONS

Most of the societies could not be grounded and where the projects were completed the repayment was not there for the following reasons. Inadequate accounting when the administration of the societies was entrusted to Block Development Officers (BDOs). There were no detailed guideline for maintenance of record of the societies. Inspection of the accounts and proper guidance to the staff of BDOs were also missing. Projects reports were prepared for large number

\textsuperscript{10} ibid, pp. 20-22.
of societies by the BDOs and filed with the banks. Subsidy and margin money were released fast enabling the BDOs to implement project physically. In those cases where bank loans were released in time, the projects could be completed. In those cases where the loan was released late the BDOs had to divert money from society account to another so as to continue the physical work. When the bank loans were received money transferred from other societies were adjusted in most of the cases and in few cases it remained unadjusted. In cases where the bank loans were never released the advances taken from the societies could not be adjusted. So these types of adjustments created lot of confusion in the cash books and accounts of each cooperative society. Another defect noticed in accounting procedure was that no standard accounting principles were followed in maintaining cash book for the societies. In some cases cash transaction of all societies under one BDO were recorded in single cash book. In some other cases separate cash books were operated for each society. Yet in other cases transactions of the society were recorded in common cash book and later separate cash book opened for each society. In another category of cases more than one book was maintained for single society. Two sets of accounts were opened for each society viz., Savings Bank Account and BDOs account and there were transfer of funds from one set of accounts to other creating a lot of confusion in building up correct accounts of its society 11. Though in the first one or two years of inception of the society cooperative audit department conducted audit with all earnestness, pointing out irregularities but no steps were taken to rectify the defect and prescribe the right procedures to prevent

their recurrence. This ultimately led to routine and casual audit by the
department leading to failure of the audit as a control mechanism\textsuperscript{12}.

No elections were conducted to societies keeping the members ignorant.
The meetings were also not conducted. At times of need the societies elected
presidents for a moment to fulfil the formality for getting assistance from bank
or other institutions. Since there were no elections to the board and therefore
no meetings, and serious discussions were lacking on the development of
societies, further assistance to be secured from agencies and on solving the
problems of members as to sharing of water for irrigation. As there was no
elected body, there was no check on erring members who did not pay crop tax
or contribute for the repairs of oil engines and motors. This ultimately led to
frustration or disinterest among the members\textsuperscript{13}.

Another contributory factor for dormancy was non-payment of dues to the
contractors. BDOs being the secretaries of the societies, ordered for the execution
of the wells almost all at a time, confiding timely release of subsidy, margin
money and loans. When bank loans were not forthcoming on time they had to
manage with subsidy and margin money which constituted 70 per cent of the
estimated cost of wells. Even in some cases the subsidy and margin money were
not fully released, resulting in non-payment of amounts to contractors. In some
cases financing agencies released amounts on the initial estimates of project costs
submitted by BDOs. When there was subsequent revision of project and

\textsuperscript{12} Ibid, p.34.

\textsuperscript{13} Ibid, p. 36.
requisition for the additional fund they were not complied with by financing agencies, which contributed to nonpayment to contractors who went ahead in execution of wells with hope that the entire project cost would be met by the loans from the financial institutions. In a few cases cyclone played havoc when the wells were collapsed before being handed over to the BDOs by the contractors, which lead to nonpayment\textsuperscript{14}.

Non-transfer of assets like wells, oil/electric engines, etc., to those beneficiaries fixing responsibility on them to maintain the assets, was major mistake committed by BDOs. As a procedural matter the beneficiaries be formed into group and group leader be elected when the assets created should be handed over for maintenance. The group leader also should solve the problem of sharing water, etc. As the procedure was not followed or any alternative system was not introduced, there was no responsibility for maintenance of assets which resulted in sale of assets with or without replacing them and theft\textsuperscript{15}. Transfer of oil engines from one society to another without proper record and steps to get back the transferred asset was yet another cause contributing to dormancy. Since there was no record of transfer and in the cases where officers or staff were transferred their successors could do nothing to get the assets re-transferred\textsuperscript{16}. In the societies while the wells had been completed and were functioning the crops were raised under these functioning wells. No record was maintained for crops, which was against the project plan in which cropping pattern was decided allocating

\textsuperscript{14} Ibid, p.36.
\textsuperscript{15} Ibid, p.37.
\textsuperscript{16} Ibid, p.38.
particular extent of land under irrigated dry and other portion as dry. So non-maintenance of accounts relating to cropping besides no knowledge of the extent of benefits derived from the assets by the beneficiaries including income, militated against serving of demand notices on the members to recover loans and margin money. There was no periodical inspection of their fields by the officials, keeping them blind as to which societies were thriving and which were not and financial status of beneficiaries.

Failure to maintain loan ledgers for each of the beneficiary family and allocating total project cost to them, had lead to the situation where demand notices could not be served for recovery of loans and action could not be taken against defaulting members. This ultimately lead to no knowledge of individual beneficiary position as to loan repayment. Closely related to above problem is non-repayment of loan by the beneficiaries taking advantage of non-serving of demand notices by the society for repayment of loans. A few thought that they need not repay the loans, which ultimately led to society becoming defaulter to the bank and financing corporation which gave loan and margin money.

Inaction against erring and defaulting beneficiaries was another contributing factor to dormancy. Some of the beneficiaries could not bring under cultivation the fallow land allotted to them. As per the by-law of the society the erring member should be expelled and another be substituted in his place. This could not happen as there was no periodical inspection by the officials. The other mischiefs by the members taking more water over and above this share, selling away the oil engines and hiring oil engines on the name of society and using for selfish ends were not taken notice of and acted upon. Even the thriving
beneficiaries on whom the demand notices served had not paid the loan. Then the bankers approached the secretary and chairman to pursue the members to repay the loan. But this officials did not concentrate on the particular aspect leading to no action against defaulting beneficiaries\(^\text{17}\).

Lack of further investment into projects when the original project cost was not adequate also contributed to dormancy of societies. Due to insufficient funding from the banks the projects were not completed. Bankers were reluctant to provide further finance, thinking that the cooperative farming societies were failure. So the incomplete projects due to lack of finance could not be completed\(^\text{18}\).

Lastly lack of consistent policy in formulation of societies was yet another causative factor for dormancy of societies. In the case of these societies having less than 20 acres and less than 20 beneficiaries, the societies were formed including scattered areas which did not help in realising the benefits of cooptativisation as the area was limited with small number of beneficiaries\(^\text{19}\).

**STRATEGY FOR DEVELOPMENT OF LANDS UNDER CJFSs**

Project report prepared by DRDA, Nellore, for revival of CJFSs recommended the following policy decisions for organisation of CJFSs. No CJFSs should be organised in the following cases. (i) When the total land is less than

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\(^{17}\) Ibid, pp. 37-40.

\(^{18}\) Ibid, p.41.

\(^{19}\) Ibid, p. 42.
50 acres of dry and total number of beneficiaries is less than 20. (ii) In the case of other than dry land it is scattered bits of less than 20 acres. (iii) In the areas where each minor irrigation unit benefits less than 3 persons. The existing societies which fell under above categories should be liquidated. New CJFSs should be organised only where the minor irrigation unit benefits large member of families. (iv) The existing CJFSs which did not come under liquidation should be taken up for full development.

ADMINISTRATIVE SET UP RECOMMENDED AT DISTRICT LEVEL

In order to service institutional framework of all the CJFSs. The nodal agency should be created at district level with following functions:

i. to monitor and review the progress of implementation of various developmental works of CJFSs;

ii. to monitor and review the loan recovery performance of assisted CJFSs;

iii. to evaluate the performance of the CJFSs; which have completed land development projects;

iv. to inspect CJFSs lands periodically, audit CJFSs accounts and inspect offices of secretaries of primary societies;

v. to inspect divisional offices of primary societies; and

vi. to laison with various funding agencies for assisting the CJFSs.

20 Ibid, p.43.
The central society should be more service oriented than supply oriented, since the CJFSs at village level do not have any problem of procuring agriculture inputs or machinery in the open market. In the proposed administrative set-up the district collector should be the Chairman of the society, the project director DRDA be the Vice-Chairman and chief Executive Officer or secretary should be the full time official instead of district cooperative officer as he is busy to concentrate on large number of CJFSs. (Organisational set up of the central society is shown in appendix-i).

At the end of 1987 out of 1 lakh acres of land under CJFSs, 25 per cent of the land was reported to have been developed already and balance of 75000 acres of land have to be developed. Reorganisation strategy had envisaged to develop this land over a period of five years with the help of four project formulation teams which could cover 15,000 acres per year. At the rate of total investment of Rs.4,000 per acre, the investment required for the development of 75,000 acres would be Rs.30 crores. The sources of funding for this magnitude of investment would be as follows: Rs.10 crores (33.33 per cent of the total investment), would be in the form of subsidy and Rs.4.5 crores. (15 per cent of total investment) would be in the form of margin money. Both subsidy and margin money put together amounting to Rs.14.5 crores could be mobilised at the district level. The remaining 15.5 crores were to be arranged through loan capital from national and international agencies. As far as the internal resources were concerned it was planned to mobilize funds for the members of farming societies at the rate of Rs.10 per member beneficiary which would work out to Rs.6.5 lakh per year from estimated 65,000 member beneficiaries.

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21 Ibid, p.44.

22 Ibid, p.47.
Regarding Project implementation three assistant directors would be required working under overall supervision of Chief Executive Officer of the Central Society. Besides three assistant directors, three engineering supervisors and six work inspectors would be required for execution of various developmental work like field channels, pipe lines, revival of tanks, etc. The above project implementation team would also file project reports with the concerned financing agencies collaborating with DRDA, SC, ST, BC Corporations, etc. They would also obtain sanctions and implement the projects as per schedule.

RE-ORGANISATION STRATEGY AT DIVISIONAL LEVEL

At the divisional level RDO was the Chairman of all CJFSs in that division with the important function of maintenance of land allotment system of CJFSs. He was assisted by one CJFSs, Deputy Tahasildar sitting in the RDO's Office and one Senior Inspector (farming) sitting in the divisional cooperative Officer's Office. It was proposed in the reorganisation strategy that CJFSs cell presently operating at divisional level should be strengthened with an addition of one clerk, one senior assistant and one attender. The cell should be located in RDO's office the Deputy Tahasildar CJFSs would be responsible for maintenance of land records and land allotment system, etc. The senior Inspector (farming) would be responsible for the service of demand notices, recovery of loans, process of arbitration proceedings, periodical inspections, etc. This cell would be responsible for the supervisory work on the Mandal staff and field agents.²³

²³ Ibid, p.52.
MANDAL LEVEL SET-UP

At the Mandal level the Mandal Cooperation and Rural Development Officer (MCRDO) would be responsible for the maintenance of CJFSs records and extension of the concept of cooperation among CJFSs members. It was proposed in the reorganisation strategy to sanction one post of junior assistant (farming) for maintenance of CJFSs records and assisting MCRDO and Mandal Development Officer (MDO) in the correspondence work related to CJFSs. It was planned to use the services of Village Development Officers (VDOs) for loan recovery work. It was also planned to reorganise office systems. Records pertaining to each CJFSs must be kept in a separate draw in the Mandal Office.

It was reported that members who have been getting adequate returns out of the CJFSs lands developed with bank finance, had not paid loan dues, because none had asked them to repay the loans. This could be explained away by the present arrangement at the Mandal level where there was only one Executive Officer (EO) (Cooperation) looking after 30 to 60 societies in addition to his other responsibilities. It is impossible for one man to inspect the land and maintain records of so many societies. In order to check this phenomenon of non-cultivation of plots allotted, non-adherence to prescribed cropping pattern, drawing of more water than permitted from community irrigation source, non-payment of loan instalments, non-participation in work of common benefit, it was proposed to have separate field assistants for CJFSs. Each field assistant would cover 250 to 300 members spread over 2 to 3 societies. Each CJFSs should appoint its own field assistant who would be paid from the contributions from the members at the rate of Rs.2 from each for the month. The job of the field
assistant would be as follows: (i) inspection of individual field and recording of crop on monthly basis; (ii) maintenance and safe-keeping of minor irrigation units and other farm implements; (iii) enforcement of cropping pattern; (iv) preparation and serving of demand notices for recovery of loans; (v) collection of loan instalments; and (vi) payment of recovered loan investments to financing institutions.²⁴

PERSPECTIVE PLAN FOR THE DEVELOPMENT OF BLOCKS OF WASTE LANDS HELD BY SCs AND STs

Scheduled Castes and Scheduled Tribes who constitute one-fourth of Indian population remain outside the ambit of socio-economic development. Since as high as 76.39 per cent of SCs and 87.10 per cent of STs depend on land and natural resources for their livelihood, planning of land based activities is central to their socio-economic development.

The SCs account for 21.85 per cent of total population of Nellore District whereas STs for another 8.95 per cent. Together they account for about 31 per cent of district population which is higher than their 25 per cent share in state's population. Further they fall below poverty line with meagre endowment of economic assets. In a few cases where they own land, the land holdings are of smaller size and uneconomic. Moreover the lands held by SCs and STs are in fact cultivable waste lands which need heavy investment for their reclamation.

²⁴ ibid, p.53.
The area of waste lands as a percentage of geographical area of Andhra Pradesh was 11.07 per cent in 1982 where as it was as high as 36.36 per cent in Nellore District. In absolute terms out of geographical area of 32,52,006 acres the extent of waste land was 11,62,531 in Nellore District.

Much of the Government land assigned to weaker sections over the years consists of cultivable waste land. Out of the total land assigned to the landless poor in the Nellore district which amounted to 3,90,226, 2,33,240 acres were assigned to SCs and STs. A study conducted by DRDA in the year 1984-85, using stratified random sampling technique, revealed that as high as 73.69 per cent of the assigned land to SCs and STs in the district remained un-cultivated.

The preceding presentation amply demonstrates that the Nellore District has vast extent of waste lands as well as significant SC and ST population providing a valuable opportunity for tapping land resource for economic development of the poor belonging to the down-trodden. One assessment of the ground water available for utilisation for cultivation in Nellore District made by the Ground Water Department estimated that only 20.11 per cent of ground water potential has been exploited so far.

The perspective plan for the development of cultivable waste lands assigned to SCs and STs would propose to concentrate on large blocks each having more than 10 acres held by SCs and STs in the district. The following table presents the prospective plan for development of lands assigned to SCs and STs.  

Table 4.1: Perspective Plan for Development of Lands Held by SCs and STs in Nellore District as at the end of 1989.

<table>
<thead>
<tr>
<th>Caste</th>
<th>Extent of Land Held</th>
<th>Extent of Land Covered in Blocks of 10 Acres and above</th>
<th>Extent of Land in Column 3 Developed so Far</th>
<th>Balance of Land to be Developed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>4</td>
<td>5 (3-4)</td>
</tr>
<tr>
<td>SCs</td>
<td>1,77,915.38</td>
<td>48,162.20 (27.08)</td>
<td>25,990.22 (53.94)</td>
<td>22,181.95 (46.05)</td>
</tr>
<tr>
<td>STs</td>
<td>66,967.26</td>
<td>16,927.81 (25.27)</td>
<td>9,103.89 (53.81)</td>
<td>7,812.92 (46.15)</td>
</tr>
<tr>
<td>Total</td>
<td>2,44,902.64</td>
<td>65,110.01 (26.59)</td>
<td>35,094.11 (53.90)</td>
<td>30,004.90 (46.10)</td>
</tr>
</tbody>
</table>

Notes:
1. Figures in parentheses in column 3 are percentages to the corresponding figures in the column 2.
2. Figures in parentheses in columns 4 and 5 are percentages to figures in the corresponding rows in column 3.


On the total assigned land to SCs and STs, 26.58 per cent of the lands was covered under bigger blocks each having 10 acres or more. 53.90 per cent of land covered under bigger blocks was already developed. The perspective plan guided by economic and administrative efficiency would like to concentrate on development of larger blocks of land held by SCs and STs. Hence the perspective plan would focus on development of 46 per cent of the land covered by bigger block which are not so far developed. The development would take the form of land development projects on the lands covered by CJPSs.
FORMULATION OF LAND DEVELOPMENT PROJECTS

The land development projects were formulated integrating the principles of soil conservation, revenue survey, ground water survey and water management so as to derive maximum short and long-term benefits from the available land. Mapping of formulation of land development and family-wise project perspective were also done.26

The land development projects have an objective of maximising the productivity of available land and other natural resources and human resources by injecting more technological and administrative inputs. The following steps are involved in the formulation of land development projects. (1) preparation of combined sketch for the land proposed to be developed as part of project along with list of beneficiaries; (2) preliminary inspection either by senior officer of agriculture department or DRDA or central farming society; (3) deputation of a three member project formulation team consisting of agricultural officer, revenue surveyor, and soil conservation sub assistant or contour surveyor; (4) deputation of ground water department team for conducting ground water survey; and (5) formulation of the detailed project report by the central farming society or DRDA or agronomist.27

26 Ibid, p.8
ACHIEVEMENTS AND EXPERIENCES IN THE FORMULATION AND EXECUTION OF LAND DEVELOPMENT PROJECTS ON THE CJFS8 LANDS

Before an attempt is made to study the progress of LDPs on CJFS8 lands it is pertinent to have profile of beneficiaries of LDPs. The following table presents the profile of CJFS8 membership in 787 cooperative farming societies accounting for 65719 total membership28.

Table 4.2: Profile of Cooperative Joint Farming Societies: Membership Covered under Land Development Projects as on 25-12-1989

<table>
<thead>
<tr>
<th>Caste status of CJFS beneficiaries</th>
<th>Number of Families Covered under CJFS</th>
<th>Percentage of Total Families Covered under CJFS</th>
<th>Percentage of the Families in Column 2 below the Poverty Line</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>SCs</td>
<td>35,297</td>
<td>54</td>
<td>43.50</td>
</tr>
<tr>
<td>STs</td>
<td>12,609</td>
<td>19</td>
<td>35.65</td>
</tr>
<tr>
<td>BCs</td>
<td>15,470</td>
<td>23</td>
<td>6.20</td>
</tr>
<tr>
<td>OCs</td>
<td>2,343</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>65,719</td>
<td>100</td>
<td>46.89</td>
</tr>
</tbody>
</table>

Source: Perspective Plan, District Collector, Nellore, p.18.

The total assigned land under the control of CJFS8 was to the extent of 99623.42 acres constituting 26.5 per cent of total assigned land in the district. From the above table it can be seen that 73 per cent of beneficiaries of LDPs on

28 Ibid, p.18.
CJFSs land belonged to SCs and STs. As a significant proportion of SC and ST families were below the poverty line, they constituted the target groups for undertaking poverty alleviation programmes for their economic and social benefit.

PROGRESS OF LAND DEVELOPMENT PROJECTS IN NELLORE DISTRICT SINCE 1988-89

Table 4.3: Distribution of Cooperative Joint Farming Societies: Revenue Division and Zone-wise as on 31-3-97

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Revenue Division</th>
<th>Zones</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td>1</td>
<td>Nellore</td>
<td>40</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(50.00)</td>
<td>(50.00)</td>
</tr>
<tr>
<td>2</td>
<td>Gudur</td>
<td>-</td>
<td>119</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(85.20)</td>
</tr>
<tr>
<td>3</td>
<td>Kavali</td>
<td>27</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(33.33)</td>
<td>(54.67)</td>
</tr>
<tr>
<td>4</td>
<td>Total</td>
<td>67</td>
<td>119</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(23.44)</td>
<td>(41.60)</td>
</tr>
</tbody>
</table>

Notes:
1. A, B, C and D zones signify level of economic development in descending order.
2. Figures in parentheses are percentages to row totals.

Source: District Rural Development Agency (DRDA), Nellore.

Land development projects undertaken and completed as on 31-3-97 on CJFSs lands are distributed revenue division-wise cross classified by zones as shown in table 4.3. Out of a total of 286 land development projects, 125 were executed in Gudur revenue division, 81 in Kavali revenue division and 80 in Nellore revenue division. Each revenue division is further divided into four zones namely A, B, C and D in the descending order of economic development. Of the
286 land development projects, 119 are in Zone B (41.6 per cent), 67 in Zone A (23.44 per cent), 54 in Zone C (18.86 per cent) and 46 in Zone D (16.08 per cent).

Table 4.4 : Distribution of Beneficiaries of CJFSs : Revenue Division and Zone-wise as on 31-3-1997

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Revenue Division</th>
<th>Zones</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td>1</td>
<td>Nellore</td>
<td>2834</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(42.17)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Gudur</td>
<td>-</td>
<td>6903</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(96.16)</td>
</tr>
<tr>
<td>3</td>
<td>Kavali</td>
<td>2952</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(46.12)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Total</td>
<td>5666</td>
<td>6603</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(28.76)</td>
<td>(33.40)</td>
</tr>
</tbody>
</table>

Notes : Figures in parentheses are percentages to row totals.

Source : District Rural Development Agency (DRDA), Nellore.

Beneficiaries of land development projects undertaken on the lands of CJFSs distributed revenue division-wise cross classified by Zone-wise, can be seen from table 4.4. Of total beneficiaries of 19,767, 6,865 are in Gudur revenue division, 6,719 in Nellore revenue division and 6,183 in Kavali revenue division. Zone-wise location of total beneficiaries indicates that 33.40 per cent of them are in Zone B, 28.76 per cent in Zone A, 20.99 per cent in Zone C and 16.85 per cent in Zone D.
Table 4.5: Distribution of Land under CJFSs: Revenue Division and Zone-wise as on 31-3-97

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Revenue Division</th>
<th>Zone A (in acres)</th>
<th>Zone B (in acres)</th>
<th>Zone C (in acres)</th>
<th>Zone D (in acres)</th>
<th>Total (in acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Nellore</td>
<td>2492 (32.35)</td>
<td>-</td>
<td>5207 (67.64)</td>
<td>-</td>
<td>7699 (100)</td>
</tr>
<tr>
<td>2</td>
<td>Gudur</td>
<td>-</td>
<td>8018 (95.69)</td>
<td>361 (4.31)</td>
<td>-</td>
<td>8379 (100)</td>
</tr>
<tr>
<td>3</td>
<td>Kavali</td>
<td>2682 (38.13)</td>
<td>-</td>
<td>-</td>
<td>4704 (63.87)</td>
<td>7386 (100)</td>
</tr>
<tr>
<td>4</td>
<td>Total</td>
<td>5154 (21.98)</td>
<td>8018 (34.23)</td>
<td>5598 (23.73)</td>
<td>4704 (20.66)</td>
<td>23444 (100)</td>
</tr>
</tbody>
</table>

Notes: Figures in parentheses are percentages to row totals.
Source: District Rural Development Agency (DRDA), Nellore.

Extent of land developed as on 31-3-1997 under CJFSs is shown in Table 4.5 revenue division and Zone-wise. Of the 23,444 acres of land developed, 8,379 acres are in Gudur revenue division, 7,699 acres in Nellore revenue division and 7,366 acres in Kavali revenue division. Zone-wise analysis reveals 34.23 per cent of total land developed is in B-Zone followed by 23.73 per cent in C-Zone, 21.98 per cent in A-Zone and 20.66 per cent in D-Zone.

Table 4.6: Distribution of Investment for Development of Land under CJFSs: Revenue Division and Zone-wise as on 31-3-1997

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Revenue Division</th>
<th>Zone A (Rs. in lakhs)</th>
<th>Zone B (Rs. in lakhs)</th>
<th>Zone C (Rs. in lakhs)</th>
<th>Zone D (Rs. in lakhs)</th>
<th>Total (Rs. in lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Nellore</td>
<td>95 (21.97)</td>
<td>142 (32.87)</td>
<td>85 (19.67)</td>
<td>102.42 (25.49)</td>
<td>432.40 (100)</td>
</tr>
<tr>
<td>2</td>
<td>Gudur</td>
<td>105 (23.86)</td>
<td>130 (28.94)</td>
<td>95 (21.69)</td>
<td>100 (22.72)</td>
<td>440 (100)</td>
</tr>
<tr>
<td>3</td>
<td>Kavali</td>
<td>100 (25.13)</td>
<td>100 (25.13)</td>
<td>120 (29.66)</td>
<td>89.59 (19.79)</td>
<td>400.92 (100)</td>
</tr>
<tr>
<td>4</td>
<td>Total</td>
<td>300 (23.98)</td>
<td>372 (29.24)</td>
<td>300 (25.69)</td>
<td>300.92 (23.60)</td>
<td>1272.92 (100)</td>
</tr>
</tbody>
</table>

Notes: Figures in parentheses are percentages to row totals.
Source: District Rural Development Agency (DRDA), Nellore.
Investments made developing land under CJFSs are shown revenue division-and Zone-wise in table 4.6. In the total investment of Rs.1272.92 lakhs, Rs.400 lakhs were invested in Kavali revenue division, Rs.440 lakhs in Gudur revenue division and Rs.432 lakhs in Nellore revenue division. Zone-wise total investment break-up shows 29.24 per cent of total investment was made in Zone-B, followed by 23.60 per cent is Zone-D, 23.58 per cent in Zone A and 23.58 per cent in Zone-C.

From 1988-89 to 1996-97 a sum total of 286 land development projects were grounded on lands under CJFSs, covering 19.767 household beneficiaries belonging to SCs, STs, BCs and OCs as shown in table 4.7. Caste-wise break-up of the total beneficiaries reveals that 52 per cent of them belong to SCs, 26 per cent to STs, 20 per cent to BCs and the remaining 2 per cent to OCs. The combined percentage share of SCs and STs in total membership is as high as 78. From this it can be concluded that SCs and STs have predominant share in total beneficiaries under land development projects, reflection the policy of the Government that SCs and STs should be given priority in the allotment of waste lands and surplus land under ceiling laws and steps be taken to develop lands assigned to them. Year-to-year increases of beneficiaries of land development projects in percentage terms, indicate the highest increase of 45.48 was noticed in 1990-91 and the lowest increase of 7.89 in 1994-95. One more aspect presented in the table in extent of land brought under cultivation by the land development projects during the period under study. Year-to-year percentage increase of the land brought under cultivation, reveals that the highest increase of 58.15 was in 1990-91 and the lowest increase of 8.52 in 1994-95.
### Table 4.7: Progress of Land Development Projects in Nellore District: 1988-89 to 1996-97

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Projects</th>
<th>No. of Beneficiaries</th>
<th>Total</th>
<th>Cumulative Total</th>
<th>Extent of Land Brought under Cultivation (Acres)</th>
<th>Cumulative Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Scheduled Caste</td>
<td>Scheduled Tribes</td>
<td>Backward Castes</td>
<td>Others Castes</td>
<td>7</td>
</tr>
<tr>
<td>1988-89</td>
<td>40</td>
<td>1770</td>
<td>963</td>
<td>494</td>
<td>184</td>
<td>3411</td>
</tr>
<tr>
<td>1989-90</td>
<td>25</td>
<td>696</td>
<td>435</td>
<td>478</td>
<td>29</td>
<td>1640</td>
</tr>
<tr>
<td>1990-91</td>
<td>41</td>
<td>1043</td>
<td>900</td>
<td>496</td>
<td>10</td>
<td>2449</td>
</tr>
<tr>
<td>1991-92</td>
<td>38</td>
<td>1807</td>
<td>793</td>
<td>827</td>
<td>73</td>
<td>3500</td>
</tr>
<tr>
<td>and 1992-93</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1993-94</td>
<td>33</td>
<td>657</td>
<td>540</td>
<td>223</td>
<td>1</td>
<td>1421</td>
</tr>
<tr>
<td>1994-95</td>
<td>25</td>
<td>523</td>
<td>230</td>
<td>223</td>
<td>5</td>
<td>981</td>
</tr>
<tr>
<td>1995-96</td>
<td>32</td>
<td>1238</td>
<td>234</td>
<td>580</td>
<td>36</td>
<td>2088</td>
</tr>
<tr>
<td>1996-97</td>
<td>52</td>
<td>2472</td>
<td>1141</td>
<td>600</td>
<td>64</td>
<td>4277</td>
</tr>
<tr>
<td>Total</td>
<td>286</td>
<td>10208</td>
<td>5236</td>
<td>3921</td>
<td>402</td>
<td>19767</td>
</tr>
</tbody>
</table>

**Notes:**
1. Figures in parentheses in the columns 8 and 10 are percentage increases over the immediately preceding years.
2. Figures in parentheses in the last row are percentages to column total 7.

**Source:** District Rural Development Agency (DRDA), Nellore
### Table 4.7A: 't' Values of Variables

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Variable</th>
<th>Annual Linear Growth Rate</th>
<th>Calculate 't' value</th>
<th>Tabular 't' value</th>
<th>Significance at 5% level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Number of projects</td>
<td>2.198</td>
<td>0.536</td>
<td>2.365</td>
<td>NS</td>
</tr>
<tr>
<td>2.</td>
<td>Number of Beneficiaries</td>
<td>0.876</td>
<td>0.112</td>
<td>2.365</td>
<td>NS</td>
</tr>
<tr>
<td>3.</td>
<td>Extent of land developed</td>
<td>4.674</td>
<td>0.667</td>
<td>2.365</td>
<td>NS</td>
</tr>
</tbody>
</table>

**Note**: NS - Not Significant

Table 4.7A presents 't' values of variables like number of projects, number of beneficiaries and extent of land developed and brought under cultivation, besides annual linear growth rates (LG Rs) of these variables. Calculated 't' values are compared to tabular 't' values to test significance of LG Rs at 5 per cent level. It can be seen from the table that calculated 't' values are less than tabular values. Hence the first hypothesis there is no significant growth in number of projects, number of beneficiaries and extent of land developed and brought under cultivation, is accepted.

Year-wise investments on land development projects and investment per acre and beneficiary are shown in table 4.8 for period from 1988-89 to 1996-97. Concentrating on the margins of the table, it can be observed that annual average of land development projects is 35.75, of investment is Rs. 159.11 lakh, of land developed is 2580.5 acres and of beneficiaries is 2,471. Coefficient of variation (C.V) values in column 13 of the table show that more consistency in number of beneficiaries followed by land covered by land development projects, number of projects and investment with C.V. values of 4.37, 4.51,
Table 4.8: Investment on Land Development Projects on Cooperative Joint Farming Societies Lands

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>L.D Ps (Nos.)</td>
<td>40</td>
<td>25</td>
<td>41</td>
<td>38</td>
<td>33</td>
<td>25</td>
<td>32</td>
<td>52</td>
<td>296</td>
<td>35.75</td>
<td>23.52</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Investment (Rs in lakhs)</td>
<td>173.24</td>
<td>98.75</td>
<td>309.13</td>
<td>205.97</td>
<td>82.35</td>
<td>82.24</td>
<td>131.91</td>
<td>214.33</td>
<td>1272.92</td>
<td>159.11</td>
<td>48.60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Land covered (in acres)</td>
<td>3783</td>
<td>1639</td>
<td>3154</td>
<td>3545</td>
<td>1536</td>
<td>1174</td>
<td>2778</td>
<td>5737</td>
<td>23444</td>
<td>2830.50</td>
<td>4.51</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Beneficiaries (Nos.)</td>
<td>3411</td>
<td>1640</td>
<td>2440</td>
<td>2500</td>
<td>1421</td>
<td>981</td>
<td>2036</td>
<td>4277</td>
<td>19767</td>
<td>2471</td>
<td>4.37</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Investment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Per acre (Rs)</td>
<td>4579</td>
<td>5720</td>
<td>9801</td>
<td>5810</td>
<td>5034</td>
<td>5902</td>
<td>4752</td>
<td>5738</td>
<td>-</td>
<td>5340</td>
<td>0.75</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(24.9) (71.34) (-40.72)</td>
<td>(13.35)</td>
<td>(5.32)</td>
<td>(-10.37)</td>
<td>(20.70)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Per Beneficiary (Rs)</td>
<td>5079</td>
<td>5716</td>
<td>12023</td>
<td>5886</td>
<td>5795</td>
<td>8945</td>
<td>6316</td>
<td>5011</td>
<td>-</td>
<td>6440</td>
<td>0.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(12.34) (120.83) (-53.37)</td>
<td>(1.52)</td>
<td>(9.49)</td>
<td>(-0.42)</td>
<td>(-20.98)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: Figures in parentheses are percentage increases over the immediately preceding previous years’ figures

Source: District Rural Development Agency (DRDA), Nellore
23.52 and 40.80 respectively. Average investments per acre and per beneficiary are also presented. Year-to-year percentage increase of investment per acre was high at 71.32 in 1990-91 and low at -40.72 in 1991-92 and 1992-93. Similarly wide fluctuations in year-to-year percentage increase of investment per beneficiary can be observed with high percentage increase of 120.63 in 1990-91 and low percentage increase of -53.37 in 1991-92 and 1992-93. Average investments per acre and per beneficiary work out to Rs. 6,340 and Rs. 6,440 respectively. C.V. values of 0.75 and 0.99 for investments beneficiary and acre, indicate that there is more consistency in these investment during the period under review, though yearly absolute investments on land development projects vary too much as indexed by cv value of 48.8.

Table 4.8A : 't' Values of Variables

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Variable Description</th>
<th>Average Value (Rs)</th>
<th>C.V.</th>
<th>Calculated 't' value</th>
<th>Tabular 't' value</th>
<th>Significance at 5 % level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Investment per Beneficiary</td>
<td>5,340</td>
<td>0.75</td>
<td></td>
<td>0.190</td>
<td>2.145</td>
</tr>
<tr>
<td>2.</td>
<td>Investment per Acre</td>
<td>6,440</td>
<td>0.99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note : NS - Not significant.

Table 4.8A presents testing for significance of investment per acre and beneficiary. The second hypothesis of the study that there is no significant difference between per acre and beneficiary investment, is accepted.

157
Table 4.9: Mode of Finances of Land Development Projects: From 1988-89 to 1996-97

(Rs. in lakhs)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Year</th>
<th>Funding Pattern</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Subsidy</td>
<td>Margin Money</td>
</tr>
<tr>
<td>1.</td>
<td>1988-89</td>
<td>88.16 (50.88)</td>
<td>26.69 (15.40)</td>
</tr>
<tr>
<td>2.</td>
<td>1989-90</td>
<td>47.85 (31.04)</td>
<td>16.50 (17.60)</td>
</tr>
<tr>
<td>3.</td>
<td>1990-91</td>
<td>140.68 (45.50)</td>
<td>11.60 (3.75)</td>
</tr>
<tr>
<td>4.</td>
<td>1991-92</td>
<td>104.12 (50.53)</td>
<td>23.60 (11.47)</td>
</tr>
<tr>
<td></td>
<td>1992-93</td>
<td>42.15 (61.18)</td>
<td>14.84 (18.02)</td>
</tr>
<tr>
<td>5.</td>
<td>1993-94</td>
<td>33.00 (53.02)</td>
<td>7.42 (11.92)</td>
</tr>
<tr>
<td>6.</td>
<td>1994-95</td>
<td>72.62 (55.05)</td>
<td>22.51 (17.66)</td>
</tr>
<tr>
<td>7.</td>
<td>1995-96</td>
<td>118.00 (55.06)</td>
<td>38.57 (17.06)</td>
</tr>
<tr>
<td>8.</td>
<td>1996-97</td>
<td>646.59 (60.79)</td>
<td>159.73 (12.55)</td>
</tr>
<tr>
<td>9.</td>
<td>Total</td>
<td>646.59 (60.79)</td>
<td>159.73 (12.55)</td>
</tr>
</tbody>
</table>

Note: Figures in parentheses are percentages to row totals.

Source: District Rural Development Agency (DRDA), Nellore.

Invested funds on land development projects of CJFSs in Nellore district amounted to Rs.1,273 lakhs from 1988-89 to 1996-97, as shown in table 4.9. Funding pattern is a mix of subsidy, loan and margin money in that order of magnitude in the total invested funds. To be precise, subsidy accounted for...
50.79 per cent of total funds invested on land development projects, loans for
36.66 per cent and margin money for 12.55 per cent during the period under
study. Time series data of funding pattern reveal that subsidy as proportion of
total fund varied from 55.05 in 1995-96 to 45.50 per cent in 1990-91, margin
money from 18.02 per cent in 1993-94 to 3.75 per cent in 1990-91, and loan from
50.75 per cent in 1990-91 to 27.89 in 1995-96 and 1996-97. From the preceding
analytical presentation it can be concluded that subsidy is a major source of
funding of land development projects. Loan component is no less important in
land development project financing.

Source-wise financing of land development projects of CJFSs is shown in
table 4.10. DRDA subsidy accounted for 41.44 per cent of total investment,
Jeevandharay and JRY for 5.41, TGKP and DTB for 3.33 per cent OPP 0.11 per
cent. Under subsidy component of financing of land development projects DRDA
is the single most important source. The percentage shares of NSFDC, DCFS
and APSIDC are 19.76, 18.73 and 0.17 per cent respectively in total land
development project financing. Both NSFDC and DCFS emerged as equally
important sources in provision of term finances for development of land assigned
to CJFSs.
<table>
<thead>
<tr>
<th>Year</th>
<th>GRDA</th>
<th>TGRDA DDT</th>
<th>JBPW &amp; JAY</th>
<th>GRDA Total</th>
<th>SGs</th>
<th>STs</th>
<th>SCs</th>
<th>Total</th>
<th>NSPCG</th>
<th>DPCCS</th>
<th>APGSDS</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988-89</td>
<td>74.70</td>
<td>-</td>
<td>15.31</td>
<td>90.01</td>
<td>14.27</td>
<td>9.00</td>
<td>2.54</td>
<td>25.81</td>
<td>15.44</td>
<td>-</td>
<td>56.38</td>
<td>172.24</td>
</tr>
<tr>
<td>1990-90</td>
<td>47.65</td>
<td>-</td>
<td>-</td>
<td>47.65</td>
<td>7.13</td>
<td>3.74</td>
<td>9.63</td>
<td>16.50</td>
<td>17.52</td>
<td>-</td>
<td>29.63</td>
<td>98.75</td>
</tr>
<tr>
<td>1992-92</td>
<td>144.25</td>
<td>-</td>
<td>4.43</td>
<td>148.68</td>
<td>-</td>
<td>-</td>
<td>11.50</td>
<td>11.62</td>
<td>7.73</td>
<td>132.34</td>
<td>21.31</td>
<td>2.2</td>
</tr>
<tr>
<td>1994-94</td>
<td>104.92</td>
<td>-</td>
<td>-</td>
<td>104.92</td>
<td>9.54</td>
<td>6.15</td>
<td>7.91</td>
<td>23.60</td>
<td>17.43</td>
<td>38.28</td>
<td>39.97</td>
<td>78.25</td>
</tr>
<tr>
<td>1995-96</td>
<td>42.04</td>
<td>-</td>
<td>2.11</td>
<td>44.15</td>
<td>8.34</td>
<td>3.75</td>
<td>2.75</td>
<td>14.84</td>
<td>16.09</td>
<td>11.7</td>
<td>12.66</td>
<td>25.36</td>
</tr>
<tr>
<td>1997-97</td>
<td>29.50</td>
<td>0.06</td>
<td>5.81</td>
<td>36.37</td>
<td>5.12</td>
<td>2.10</td>
<td>0.93</td>
<td>7.42</td>
<td>11.52</td>
<td>9.57</td>
<td>12.25</td>
<td>51.62</td>
</tr>
<tr>
<td>1998-99</td>
<td>56.15</td>
<td>16.64</td>
<td>-</td>
<td>72.79</td>
<td>12.29</td>
<td>5.56</td>
<td>2.56</td>
<td>22.51</td>
<td>17.98</td>
<td>15.45</td>
<td>14.48</td>
<td>50.70</td>
</tr>
<tr>
<td>1999-00</td>
<td>31.89</td>
<td>25.71</td>
<td>-</td>
<td>57.60</td>
<td>20.12</td>
<td>5.79</td>
<td>16.68</td>
<td>36.27</td>
<td>17.08</td>
<td>36.59</td>
<td>25.53</td>
<td>62.12</td>
</tr>
<tr>
<td>Total</td>
<td>527.90</td>
<td>49.51</td>
<td>58.23</td>
<td>635.65</td>
<td>74.02</td>
<td>24.99</td>
<td>47.55</td>
<td>129.52</td>
<td>122.42</td>
<td>217.99</td>
<td>2.70</td>
<td>496.81</td>
</tr>
</tbody>
</table>

Notes: Figures in the parentheses are percentages to row totals.

Source: District Rural Development Agency (DRDA), Nellore.
CONCLUSION

In Nellore district, which belongs to the southern coastal plain, major soil types red, sandy and black cotton soils account for 41.5, 34.2 and 22.3 per cent of total land area. Nearly two-thirds of total main workers are engaged in agriculture. The total irrigated area of the district is 2,35,237 hectares, of which 70,867 hectares are covered under penna delta system and the rest by other sources. The district has a population of 28,92,250 and recorded a decennial population growth rate of 18.73 per cent during 1981-91 as against state’s rate of 24.2 per cent. SCs and STs constitute 21.85 per cent and 8.95 per cent of the total population respectively. Work participation rate of the district is 45.62 which is marginally higher than the state’s rate of 45.06 per cent. Main workers stand at 42.85 per cent of total workers as against 42.77 per cent in the state. Among main workers the percentage of cultivators came down from 27.10 in 1981 to 21.27 in 1991, and the percentage of agricultural labourers increased from 43.85 in 1981 to 47.67 in 1991. The literacy rate in the district is 47.61 per cent. The district is served by 178 commercial bank branches as on 31st March 1995.

CJFSs are conceived as part of several programmes chalked out for development of rural areas which includes development of waste land and irrigation facilities. Hence it is land-based programme in which SCs, STs, and BCs are preponderant as beneficiaries. Following the principle of equity large
extent of Government land was assigned to landless, down-trodden castes giving
inheritable but not alienable rights in these lands. Between 1976-80, 796 CJPSs
were formed with the main objectives of prevention of alienation of assigned
lands, development of community irrigation facilities and recurring adequate
institutional finances. With the advent of CJPSs, it became possible for
development administration at different levels of the Government to prepare
comprehensive land development schemes by clusterising beneficiaries. All of
them became dormant.

District Rural Development Agency (DRDA), Nellore, conducted survey
covering 786 out of 796 societies to know the causes of dormancy. The survey
revealed the societies had a total membership of 65,719 families of which 54, 19,
23 and 4 per cent respectively belonged to SCs, STs, BCs and OCs. 47 per cent
of the families were below the poverty line. 43.5 and 35.6 per cent of SCs and
STs families respectively were below poverty line. In-depth enquire into causes
exploded popularly held perceptions as to the causes of dormancy of CJPSs. The
societies in operation came nearer to cooperative tenant farming societies. One
common perception was that the societies had failed. The survey revealed
inadequate staff, three deputy tahsildars and three senior investigators,
appointed for maintenance of land records and cropping pattern of 796 societies
covering 65,719 members and 1,02,824 acres of land area, were inadequate
contributing to failure. Moreover the inadequate staff spent 54 per cent of their
time for activities other than cooperative farming, indicating low priority for CJFSs work. Another common perception as to cause of failure of CJFSs is inadequate finance. Juxtaposing average investments made per acre in the first bout of CJFSs at Rs.848 and under land development projects under revival programme at Rs.4,000, an investment gap of Rs.3,152 was noticed. Another related dimension of inadequate finance is the performance of irrigation assets i.e., wells. Out of 2,254 wells taken up, about 19 per cent i.e., 428 were not completed. Moreover, 27 per cent of the completed wells were dysfunctional due to inadequate depth and lack of finance. Despite all these, 73 per cent of the wells continued to be functional. One more common perception as a cause of dormancy is dishonesty of the members of CJFSs. The results of the survey revealed that land alienation by members was not existent. Out of 1,857 oil and electric engines only 14 per cent were dysfunctional. Only 5.49 per cent of them were stolen away, which could have been averted had there been correct and specific transfer of these assets to the members. Yet another common perceptual cause of failure of the societies is non-repayment of loans by members of CJFSs.

Neither credit agencies nor revenue administration in charge of CJFSs maintained individual ledgers for loan beneficiaries and served demand notices to the members for collection of loans from them. Hence failure on the part of institutions and authorities to take minimum step for recovery of loans, contributed to non-repayment, not dishonesty of the members. Truly speaking
CJFSs, in Nellore, unlike in India, have high potential for growth and survival since they formalised cooperation with respect to minor irrigation assets only and cooperative bylaws have adequate provision to protect the interests of financing institutions against non-payment of loans by the members of the CJFSs. Poor design and inadequate manning of the developmental organisation in support of CJFSs, is found to be main culprit of dormancy of the societies. This had shown up in the forms of poor maintenance of records, non-conduct of elections to the societies keeping the members ignorant of the affairs of the societies, non-payment of dues to contractors involved in developmental project works, non-transfer of assets created to the beneficiaries holding them responsible for proper protection and maintenance, failure to maintain loan ledgers affecting loan recovery performance, inaction against erring members, lack of further investment wherever cost over runs occurred and lack of policy consistency in formulation of societies contributing adversely to their economic viability.

Report prepared by DRDA for revival of CJFSs provided for essential parameters for organisation of CJFSs like land area and beneficiaries to be covered by minor irrigation unit, setting up of nodal agency at the district level to service CJFSs, reorganisation of institutions at the division and mandal levels. Perspective plan prepared by DRDA was to cover large blocks of waste land each having 10 acres or more for land development. At the end of 1989, 54 per cent
of the land covered under large blacks had already been developed. So 46 per cent of the remaining land was planned to be developed under perspective plan. As on 31-3-97, 286 land development projects were executed benefiting 19,787 households, covering land area of 23,444 acres, and involving an investment of Rs.1272.92 lakh. The combined percentage of SCs and STs in total beneficiaries was 78 per cent. Analysing time series data, it can be concluded that there is no significant growth as measured by annual linear growth rates in number of projects, number of beneficiaries and extent of land developed and brought under cultivation from 1988-89 to 1996-97. Per acre and beneficiary investment made on land development projects during 1988-89 to 1996-97, had shown no significant differences between them. Funding pattern of development projects reveals subsidy accounted for 50.57 per cent of the total fund, loans for 36.66 per cent and margin money for 12.55 per cent. Source-wise financial analysis indicates that DRDA in the single most important agency which funded as much as 41.44 per cent of total investment on land development projects, followed by NSFDC with 19.76 per cent share and DCFS with 16.73 per cent share.