

Indian Agricultural and Rural Sector– Application of Accounting and Audit Concept

The Indian economy was known for self-contained village community republics for centuries till the establishment of the British Rule. The village communities consisted of agriculturists, cottage industrialists, village craftsmen, artisan professions, unskilled workers and village officials. These communities played a major role in meeting not only the needs of the village economy but were also able to produce and export various products to foreign countries. During those times agriculture was a way of living

fabrics, the artistic items such as wooden/stone carvings, brass/copper wares, jewellery, the condiments and sundries like cardamom, cinnamon, pepper, cloves, saffron, pigments and variegates like blue, indigo and medicaments like opium, licorice.

Indian Economy During the British Rule

The industrial revolution during the period 1780 to 1820 in England had brought about radical changes in agriculture, animal husbandry, manufacturing, transportation

and the loss of India's national income and national wealth. There was a decline in real income and wage levels of people in general and increase in poverty and unemployment in rural areas. The British forced the farmers to switch over to commercial crops like cotton and started providing financial assistance to farmers through zamindars, and British agents to export the surplus cash crops to England. They pursued a policy of systematic destruction of indigenous handicrafts, which posed a challenge to the British Industry and followed a trade policy, which encouraged exports of raw materials and import of manufactured goods. The result was that by mid-nineteenth century, the traditional handicrafts were completely wiped out and the artisans lost their hereditary occupations. They migrated to agriculture for their livelihood and this process was called 'de-industrialisation', which in turn led to stagnation in the Indian Economy.



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Ages ago the concept of Audit was originally used in agricultural related activities. However, today most of the agriculturists in rural areas are not maintaining proper accounts even in a simple way because of the lack of education, ignorance and apprehensions that taxation and other policies may affect them financially. In this context, the Chartered Accountants can provide key services including counselling, which will not only broaden their horizons, but also help the rural and agricultural sector in a big way. This article provides an overview of the rural and agriculture sector in India and present and potential opportunities for the professionals in this regard.

in rural India and the farmer produced merely for his self-consumption. The most important crops were food crops such as paddy, wheat etc., and there were no organised markets for the sale of agricultural products. Handlooms, bidimaking, agarbatti-making and hand paper manufacturing were major cottage industries in villages while some of the trading commodities were textile items like silk and woollen

and communication in England. This in turn created increased demand for machine made products whose raw material requirements were met through India at cheaper prices. The British plunder of Indian wealth took various forms. There was continuous exploitation of natural resources and economic wealth from India till Independence was achieved. Due to this economic drain, there was perma-

Indian Agriculture Sector – Post Independence Scenario

Though agriculture is the backbone of the Indian economy and several advancements have been made in this sector, it is still plagued with serious problems. Low productivity is the major problem of the agriculture sector. Both the 'Land Productivity' i.e., yield per acre and 'Labour Productivity' i.e., yield per worker employed, being

components of agricultural productivity, are lowest when compared with most of the other countries in the world as per Table given below.

Technological Factors:

- Poor techniques of production
- Inadequate irrigation facilities, which

of farmers have been reported especially from the states Maharashtra, Andhra Pradesh, Karnataka, Tamilnadu, Orissa, Bihar and West Bengal. The analysis shows that main causes for such distress among the farmers are low agricultural productivity due to small size holdings and the burden of mounting debt.

Table A			
Yield per hectare (1999-2000) in quintals			
Food Crops	Yield in India	Yield in World's largest producer	Largest yield recorded
Rice	29.3	63.2 China	88.8 Egypt
Wheat	25.8	39.7 China	80.5 UK
Maize	16.7	83.9 USA	96.9 Italy
Non Food Crops			
Groundnut	9.1	27.9 China	30.4 USA
Cotton (Lint)	2.3	10.2 China	12.7 Australia

Source: FAO production YearBook (1999); Agricultural Statistics at a Glance (2002)

The following are the major factors for low agricultural productivity:-

General Factors:

- Over crowding in agriculture i.e., two thirds of the population in India is dependent on agriculture which is leading to poverty and unemployment.
- In general, rural people are illiterate, superstitious, conservative and bound by outmoded customs and institutions such as caste systems.
- Inadequate financial support and market facilities.

Institutional Factors:

- The average land holding is 2 to 5 acres which is not only a small one but fragmented too.
- The land is not cultivated by the owner but by the tenant who takes little care for development of land and in increasing the productivity

has led to concentration on cash crops and has lowered the standard of crop rotation in many regions.

- India's soil though varied and rich is deficient in Nitrogen and Phosphorous - two plant nutrients which together with organic manure influence crop pattern.
- Poor quality of seeds.
- Soil erosion occurs because of excessive rains, floods, cutting trees, removal of vegetation etc., which exposes land to wind and rain.
- The tools and implements used by the Indian farmers are primitive, crude and antiquated as compared to the sophisticated farm machinery used by the farmers of the western countries.

In the recent period, a number of suicide death cases

(a) Agriculture Sector— Five Year Plans

Actual outlay on Agriculture, Irrigation & Rural Development and Annual Average Growth Rate achieved in Agricultural Production is given in Table B on the next page.

Contribution of Agriculture Sector to Economy

- Agriculture contributes about 22.1% to the total GDP of our country although the share has progressively come down from 55.4% in 1950-51. In developed countries like the USA and the UK, the share in GDP is only around 2%. Please refer Table C ahead.
- It also provides direct livelihood to 59% of the labour force in India and directly or indirectly 70% of rural population who depended on agriculture as per Table D shown ahead.
- The per capita net availability of food-grains increased to 451 grams per day (2001) from 395 grams in the 1950's.
- Direct Tax collection through Agriculture Sector is marginal

In the recent period, a number of suicide death cases of farmers have been reported especially from the states of Maharashtra, Andhra Pradesh, Karnataka, Tamilnadu, Orissa, Bihar and West Bengal.

Table B			
Plan Period	Area of Priority	Actual outlay (Rs. in crores)	Growth achieved (in percentage)
1st Plan 1951-56	Highest priority for Agriculture including irrigation and power	600	2.9 %
2nd Plan 1956-61	To provide adequate food to the increased population and raw materials needed for growing industrial sector	950	3.2 %
3rd Plan 1961-66	Expected Green Revolution through new agricultural technology known as Intensive Agricultural District Program (IADP), High Yielding Varieties Program (HYVP)	1750	-0.5 %
Annual 1966-69	The Green Revolution has been achieved because of technological breakthrough in evolving hybrid varieties of wheat, rice, jowar and bajra	NA	6.2 %
4th Plan 1969-74	Removal of poverty, to enable rural population to participate in development and share its benefits	3670	2.6 %
5th Plan 1974-79	To modify and correct the weaknesses evidenced in the various programmes of earlier plans	8740	3.4 %
6th Plan 1980-85	Recognised that long term prospects of growth in economy depend on rapid growth in agriculture & rural development	26130	5.5 %
7th Plan 1985-90	Food production, productivity employment on farm and in rural subsidiary occupations	48100	3.4 %
8th Plan 1992-97	Alleviating poverty, removing unemployment, strengthening of infrastructure sectors	102730	3.6 %
9th Plan 1997-02	Growth with social justice is to be achieved through a policy of concentrating on agriculture and rural development, promotion of Panchayat Raj institutions	170230	2.1 %
10th Plan 2002-07	Sustained access to potable drinking water by all villages, liberalising agro-industry, agro-trading and export	----	---

Source : Five-year Plans

which consists of land revenue and agricultural income tax as per Table E shown ahead.

- Earns foreign exchange through international trade and it accounts for about 18% of the total value of India's exports, which consists of 13 key com-

modities including tea, coffee, tobacco, cashew, spices, raw cotton and sugar.

- Increasing interdependence between agriculture and industry
- Supply of raw materials and inputs to the industry
- Income from agriculture influences purchasing capacity, investment and savings and hence capital formation for the economy

Further expectation of contribution from the agriculture sector

Since agriculture is the most important sector, it is expected to bear a substantial portion of the cost of economic development. The Government has invested larger amounts in the agriculture sector as shown in Table F. But it has not taken suitable measures to tax away a substantial portion of the increase in the income of the farmers at least from larger farmers especially in the green revolution areas. It bears far less tax burden than the non-agricultural sectors as shown in Table G for total tax incidence consisting direct taxes such as Land Revenue, Agricultural Income Tax and indirect taxes like Excise Duty, Customs Duty, Sales Tax. There is great

Table C			
Contribution to GDP (At 1993-94 prices)			
Rs. in crores			
Year	GDP at factor cost	Agriculture	% in GDP
1951-52	140470	83150	55.4
1970-71	296280	142580	44.5
1990-91	692870	242010	30.9
2003-04	1424500	315800	22.1

Source: Economic Survey 2003-04

Employment of main workers in Agriculture (in million)				
	1951	%	2001	%
Total country's population	361		1027	
Rural population	299	83	742	72
Cultivators	70	50	128	32
Agricultural labour	27	20	107	27
Other workers	43	30	167	41
Total working population	140	100	402	100

Source: *Agricultural statistics at a Glance (2002)*

Direct Agricultural Taxes					Rs. in crores
Year	Land Revenue	Income Tax	Total	% in State Tax Revenue	
1951-52	48	4	52	18.6	
1970-71	113	11	124	5.4	
1997-98	1400	210	1610	1.3	
2000-01	172	1608	1780	1.0	

Source: *RBI, Report on Currency and Finance 1996-97 and Indian Public Finance Statistics 2001-02*

Investment in Agricultural Sector					
Year	Public	Private	Total	% of Public	% of Private
1960-61	590	1080	1670	35	65
1970-71	790	1970	2760	29	71
1980-81	1800	2840	4640	39	61
1990-91	1150	3440	4590	25	75
2001-02	4790	13260	18050	26	74

Source: *Economic Survey 1998-99 & 2002-03*

scope for increase in agricultural taxation especially upon the higher income groups.

Share of agricultural taxes in total revenues collected by the Central and State Governments has fallen from 7% in 1951-52 to 2.6% in 1970-71 and further to 0.4% in 1997-98, which is smaller when compared to contribution of the agriculture sector to GDP.

Recommendations of Dr. K.N.Raj Committee on agriculture tax

Dr K.N.Raj committee has made the following recommendations in October 1972 on agricultural income tax:

- A progressive agricultural holding Tax should be imposed on agriculturists who have no other income
- In the case of assesses having non-agricultural taxable income, income from agriculture should be included in the total income for the purpose of calculating income tax
- Income from livestock, fisheries, poultry, dairy farming, etc., should be subject to tax

The details of total tax incidence		
Year	Agriculture Sector	Non Agriculture Sector
1951-52	200	450
1960-61	400	990
1968-69	910	2700
1997-98	46100	177900

Source: *Ved P.Gandhi, Tax Burden on Indian Agriculture and Economic Times Research Bureau on Taxable Capacity of Farm Sector*

- An integrated taxation of agricultural property through wealth tax should be introduced
- Capital gains tax on transfer of agricultural land should be imposed.

Recommendations of Dr. Raja. J. Chellaiah Committee on Agriculture Tax

The Tax Reforms Committee headed by Prof. Raja Chellaiah was constituted by the Government of India in August 1991. It submitted its interim Report in December 1991 and final Report in August 2002. The Committee had made the following recommendations—:

- The agriculturist whose income consists of only agricultural income may not be brought under tax net
- The agriculturist whose income consists of agricultural income below Rs. 25000 and non-agricultural income below the income tax exemption limit may also not be brought under tax net.
- The non-agriculturist whose income con-

Income from livestock, fisheries, poultry, dairy farming, etc., should be subject to tax.

sists of agricultural income in excess of Rs. 25000/- should be brought under the tax net to promote equity and reduce scope for tax evasion.

Although there is great merit in such a direct taxation of agriculture, it is proved to be politically unfeasible, according to the eminent economist Dr C H Hanumantha Rao.

WTO and Agriculture

The Marakkesh Agreement of the WTO in respect of agriculture treats the developing and developed countries differently. The most important effect of the WTO on Indian agriculture will be in the case of intellectual property rights (TRIPS) and Genetic Use Restriction Technologies (GURT). Cost-reducing technologies may produce large surpluses in the developed world without the stigma of subsidisation. Indian agriculture will then have to face on slaughter of these cheap imports. It is, therefore, essential that Indian agricul-

Population below poverty line (in million)						
Year	Rural	%	Urban	%	Total population in poverty	% to total country's population
1973-74	261	56.4	60	49.2	322	55.0
1977-78	264	53.0	65	45.2	329	51.3
1983-84	252	45.7	71	40.8	323	44.5
1987-88	232	39.1	75	38.2	307	38.9
1993-94	244	37.3	76	32.4	320	36.0
1999-00	201	27.1	59	23.6	260	26.0

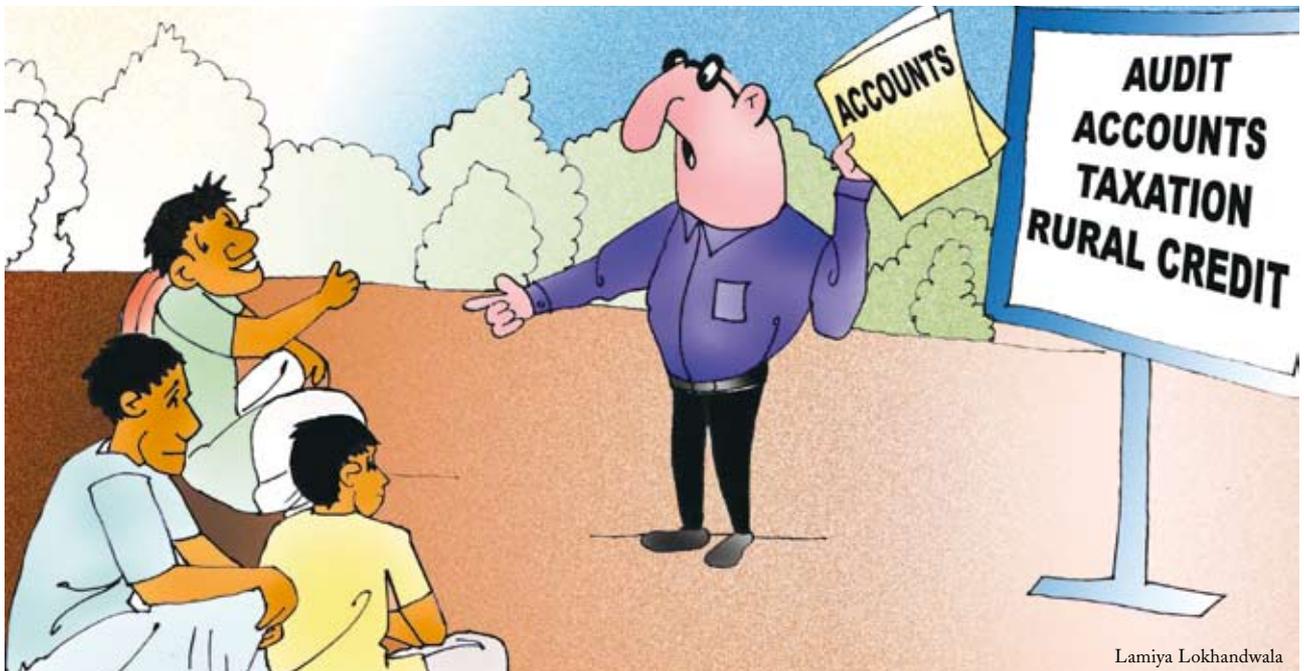
Source: National Sample Survey Organization (5th round estimate)

ture be restructured on more efficient lines so as to maintain its competitiveness. The villagers should get their share of benefits of Global Market for their products. The Export Promotion Council for Handicrafts has set a target of Rs. 32,700 crore by 2010. India can offer the rural life, the folk arts and tourism, local cuisine, agricultural products and handicrafts.

Poverty in Rural India

Indian poverty is predominantly rural. Urban poverty is only a spillover of the rural poor, who migrate to the urban areas in search of some

source of livelihood. There are about 587226 villages in our country with population of 742 millions which is about 72% of the total population of 1027 millions. Between 1901 and 1991 the urban population increased 30 times. The United Nations predicts that 634 million people will be in urban area by 2030 and it may lead to extreme urban decay. Output in the farm sector has remained low whereas the number of people dependent on agriculture sector has steadily gone up. The Table H describes the disparity between rural and urban poverty.



Lamiya Lokhandwala

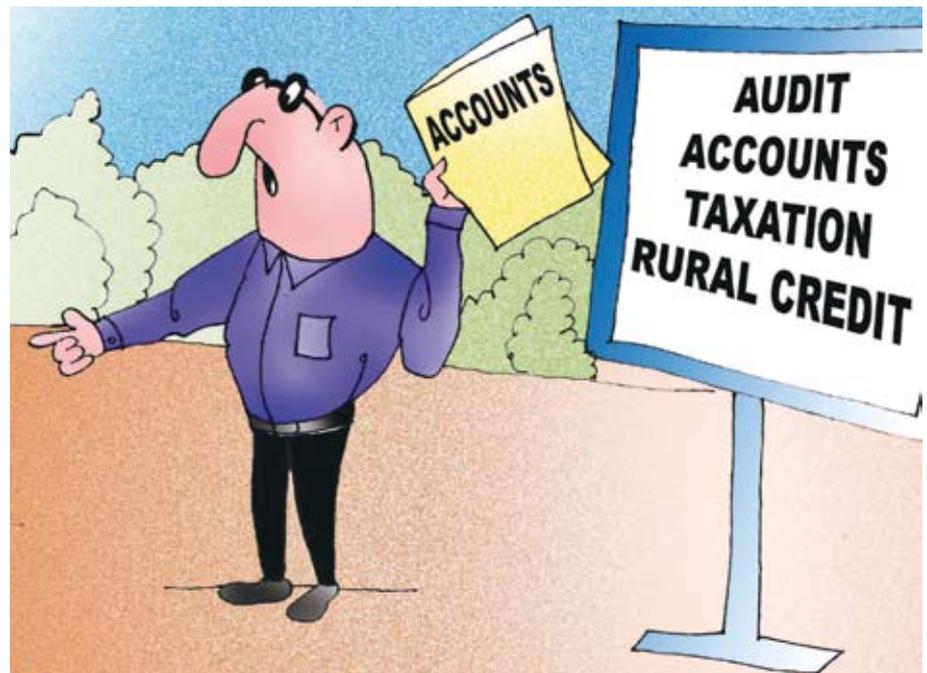
Anti-poverty Steps Taken by Government

The first three plans emphasised economic growth without any direct attack on poverty. It was 4th plan, which identified the need for special poverty alleviation programmes for disadvantaged areas and sectors. Several schemes such as the Small Farmers Development Agency (SFDA), Marginal Farmers & Agricultural Laborers (MFAL) Project, Command Area Development Project (CAD) and Drought Prone Area Program (DPAP) were initiated.

To promote rural self-employment and to provide direct wage employment to the unemployed the schemes such as the Integrated Rural Development Project (IRDP), the National Rural Employment Programme (NREP), the Rural Landless Employment Guarantee Scheme (RLEGP), the Jawahar Rojgar Yojana (JRY), the Indira Awas Yojana (IAY), Samgar Awas Yojana (SAY), Million Wells Scheme (MWS), Training of Rural Youth Self-Employment (TRYSEM), Development of Women and Children in Rural Areas (DWAKRA) and Ganga Kalyan Yojana (GKY) have been initiated. However, from 1999-2000 the Government has decided to merge the various self-employment schemes such as IRDP, DWAKRA, TRYSEM, SITRA, MWS and GKY in the rural sector into a single scheme called SwarnaJayanthi Gram Swarajgar Yojana (SGSY). It is a credit-cum-subsidy scheme operated through Self-Help Groups (SHGs).

Rural Development and Panchayat Raj

Writing in 'Young India' on May 28, 1931, the father of the nation Mahatma Gan-



dhi had referred to the importance of "Panchayati Raj", i.e., administration by the villagers themselves, a local self-government of the grassroots in a democracy. Realising the importance of the Panchayati Raj, our constitution makers incorporated the idea of 'Panchayat Institutions' in the Directive Principles of State Policy (Article 40), that it would be the duty of the state to organise the village Panchayats and endow them with such authority and powers as may be necessary to enable them to function as units of self government. The economic model offered by Gandhiji still has the potential to address rural ailments. Gandhiji wanted people to lead a simple, healthy and contented life close to nature and protect their traditional culture. Gandhiji wanted to build a self-sustainable village and fought a relentless battle to bridge the caste divide and free the villages from illiteracy and poverty.

There is a three-tier system of local governing bodies at the village level (Gram

Panchayat), the block level (Mandal Parishad) and the district level (Zilla Parishad). The Village Panchayat plays a major role in the development of the rural area and provides basic services such as education, health, transport, power, housing, irrigation, drinking water and sanitation

The main source of income of the village Panchayat is the land cess, the property tax levied on buildings and Non-Agricultural Land Tax (NALA) levied on open spaces within the village boundaries.

Further Steps to be Taken for Rural Development

Rural development is possible only when it is taken as a movement and participated by all Government agencies and non-Government agencies/organisations together with a common aim and common action plan. The aim should not be only rural employment generation but also planning for improving the quality of life. The following steps are to be taken for rural development.

- (a) Voluntary organisations, trade/manufacturing associations, corporate agencies and funding agencies have to come forward for developing a model village or adopting a village for development.
- (b) The above organisations have to spare manpower for training free of cost so that the trained work force would in turn train the villagers in rural development.
- (c) Conducting counselling programmes and seminars for guiding the rural people in optimum use of resources men, material and money.
- (d) Promotion of education for use of techniques in implementation of latest technology effectively.
- (e) Imparting marketing skills.
- (f) Developing credit and finance facilities.
- (g) Developing infrastructure facilities.
- (h) Introduction of entrepreneurship programs to the students from primary school level.
- (i) Social reforms such as eradicating gender, social biases, social menaces, etc.

Our President Dr. A.P.J. Abdul Kalam has given a call to various forums and agencies to participate and contribute in the development of the agricultural sector and rural India. While addressing an International Conference organised by the Institute of Chartered Accountants of India (ICAI) on "Accounting Profession: Adding Values To New Horizons Of Economic Growth" on 1st September, 2005, the President had urged the ICAI and its

Cost control is possible due to increased cost consciousness and sense of accountability in various aspects.

members to become partners in National Development. The President identified five areas where India has a core competence for integrated action.

1. Agriculture and food processing.
2. Reliable and quality electric power, surface transport and infrastructure for all parts of the country.
3. Education and health care.
4. Information and communication technology.
5. Strategic sectors.

Accounting and Audit concept in the Agricultural sector

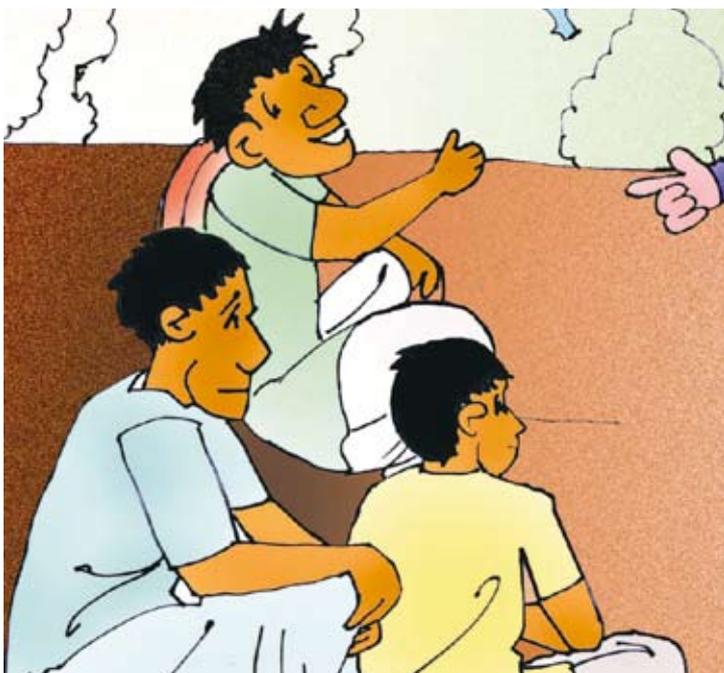
"Origin of Audit is lost in time. The earlier records take us to Egypt. Pictures on the tomb of Pharaoh named Khchemhotep dating back to 3500 BC give an account of internal checks or a form of auditing. The pictures indicate that scribes were present whenever silver or corn was received or measured. When the storehouse received corn, one scribe recorded the receipt as to owner and weight. When the corn was emptied into the warehouse through a hole in the roof, another scribe tallied the number of bags received. These two important records were later checked against another". (*As per the paper presented at the 2nd All India Conference of Institute of Internal Auditors in March 1978 by Sardarilal Aggarwal on 'Audit Trends - A Decade Ahead*).

Though originally the concept of Audit was used in only agricultural and related activities, most of the agriculturists in rural areas are not maintaining proper accounts even in a simple way because of the lack of education, ignorance and apprehension that taxation and other policies may affect their

vested interests and in turn their financial position.

In this context the Chartered Accountants can provide the following services to the rural people:

- Counselling services on maintenance of accounting records explaining the advantages and the necessity for such maintenance and getting them audited in a limited way.
 - Representation with banks or cooperative credit societies for obtaining rural credit facility.
 - Consultation services on taxation matters including agricultural tax.
 - Conducting awareness programmes about various ongoing Government Schemes for the welfare and development of agricultural and rural sectors so that the benefit will reach to the poorest among the poor of rural people.
- The following are the advantages to the rural people in maintaining simple accounts:
- They can assess availability of money, financial position and profit/loss periodically or seasonally which in turn enable them to take proper decisions in productivity mix or crop pattern comparing the past performance and its cost
 - They can plan for purchase, savings, capital expenditure and investment on the basis of their financial position either in their profession or occupation or individual life
 - Cost control is possible due to increased cost consciousness and sense of accountability in various aspects.



- Misappropriation of money and frauds can be detected.
 - They can utilise available resources such as land, water, power, fuel, men, material and money in a judicious manner.
 - Cost reduction methods can be adopted besides avoiding wastage.
- (c) Ledger containing records of all transactions duly posted from the above book into various accounts such as

- Purchase account and sales account
- Expenditure accounts consisting of salaries & wages, electricity charges, fuel expenses, canal/pipeline repairs & maintenance expenses, harvesting expenses, stacking and storage charges, insurance on crop/vehicle/worker/live stocks, inward transport charges, outward transport charges, interest/financial charges, rent, hire charges, land development expenses, tenancy charges
- Assets such as land, vehicle, machinery, stock, sundry debtors, etc., and liabilities such as sundry creditors.

- (d) Source documents of the above books such as vouchers, bills, receipts,

Simple Financial Accounting Records

An agriculturist can maintain the following simple accounting books, documents and papers:

- (a) Cash and Bank book for recording the transactions of all cash and bank payments/receipts.
- (b) Journal Book for recording the transactions of -
- Credit purchases of seeds, fertilisers, pesticides, manure, diesel, tools & implements, packing material, consumables, stores and spares, etc.
 - Credit sales of products, by products, waste and scrap, etc.

- invoices, labour attendance and wage sheets, etc.,
- (e) Financial Statements Profit and Loss Account and Balance Sheet can be prepared based on the above accounting books
- (f) A file containing other relevant details or papers as given below:
- List of Suppliers/Contractors/Service providers/dealers/agents and their price lists
 - Agreements & Contracts
 - Weighment slips
 - Physical verification statements
 - Insurance Policies/Claims Statements
 - Licenses & Registration certificates
 - Title Deeds of Assets
 - Cheque book counter foils and pay in slip counter foils
 - Bank Statements

In our country, the Government Accounting System is maintained based on the single entry system. It does not follow mercantile or the accrual concept.

Accounting and Auditing concept in Rural Agencies

The historical records show that ancient Egyptians, the Greeks and the Romans used to get their Public Accounts audited. In our country, the Government Accounting System is maintained based on the single entry system. It does not follow mercantile or the accrual concept. It does not have the system of preparing financial statements such as Profit and Loss Account and Balance Sheet. Hence, one cannot ascertain how best the funds have been utilised for the purpose for which they have been allotted under various government schemes. Also, one cannot ascertain the value of assets created out of such expenditure. The Chartered Accountants can provide services in proper accounting and audit of Government Expenditure and

physical verification of assets created through such expenditure. They can contribute to the rural development by providing the following services

(a) As Consultant

- for establishment of double entry accounting system in local bodies
- for maintenance of proper accounting records
- for preparation of financial statements Profit and Loss Account and Balance Sheet
- for reconciliation of various bank accounts of the Government and ensure that all collections are properly deposited into the bank and all payments are accounted in the books of accounts

(b) As Statutory Auditor

- for examination of accounts, records and documents of such village body
- for audit of Cooperative Credit Societies
- for preparation and certification of true and fair view of the financial statements prepared from such accounting records and to detect frauds and errors
- for audit of the funds spent through various Government Schemes for development of rural sector and for the welfare of rural people
- for conducting physical verification of various assets created out of Budget allocations by the Government for development of rural sector

(c) As Internal Auditor

- for checking of accounting transactions, records and documents through internal checks and internal controls
- to act as check against collusion and fraud.
- to focus on systems, procedures and methods.

(d) As an employee

As an officer in a suitable position in case opportunity provided through direct recruitment at District level or Mandal level or Panchayat level. For example as Mandal Revenue Officer at Block level (Mandal Parishad).

(e) Computer Services

The Chartered Accountant can provide services in installation of computer systems for accounting and other areas such as the issue of certificates, collection of taxes, disbursement of old-age pensions, maintenance of records of development works/welfare schemes, etc. in the village administration offices.

(f) Conducting Entrepreneurship development programs

Entrepreneurship development programmes can be conducted by the Chartered Accountants to the Students belonging to rural area. This will go a long way in helping the rural community to gain experience in vital aspects of entrepreneurship like project preparation, business opportunities, working capital management and export opportunities.

In this regard it is pertinent to reproduce the extract of point no 13.03 from the note on 'Professional Opportunities for the members of the Institute – An Appraisal' published by the professional development committee of the ICAI in Second Edition - October 1986.

"13.03 In future, a new area of professional service which will

develop is a form of composite service to the small scale and the rural sector, such service consisting of preparation of project reports, setting up of accounting systems, book-keeping, finalisation of accounts, audit etc. This may involve the migration of Chartered Accountants away from cities to the rural areas and semi-urban areas, so that their services are available to the tiny and small sector."

It reveals that the ICAI had already foreseen the requirement of services of the Chartered Accountants in rural sector.

Conclusion

Being a professionally qualified accountant having integrity, technical excellence, knowledge, analytical skills and leadership with consistency of purpose, a Chartered Accountant can play a critical role in the agricultural and rural development of our country. The Government has to conduct awareness programmes on accounts, audit and taxation matters in rural areas by taking the assistance of the ICAI. The Government also has to initiate necessary measures to encourage the rural people for maintenance of accounts and frame the rules in various statutes in this direction. For example, insisting on submission of financial statements and certification of the same by the auditor for availing of rural credit or finance from the Cooperative Credit Society or banks by certain categories of persons based on size of loan or land or purpose. Certain provisions may also be inserted into the Income Tax Act such as compulsory maintenance of accounts, compulsory audit of accounts and compulsory filing of Income Tax Returns for certain categories of people who derive income from agriculture. □