



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

K. William Easter

*For Restricted Circulation
to Seminar Participants only*

BACKGROUND PAPERS FOR DISCUSSION
AT
THE INTERNATIONAL SEMINAR
ON
**"COMPARATIVE EXPERIENCE OF AGRICULTURAL
DEVELOPMENT IN DEVELOPING COUNTRIES
SINCE WORLD WAR II"**

NEW DELHI

25th, 26th, 27th and 28th OCTOBER. 1971

THE INDIAN SOCIETY OF AGRICULTURAL ECONOMICS
46-48, Esplanade Mansions, Mahatma Gandhi Road, Fort,
BOMBAY-I.

THE AGRARIAN STRUCTURE: PRE-REFORM AND POST-REFORM*

[This is Chapter V of "Evaluation of Land Reforms (with special reference to the Western Region of India)." It examines the changes in the agrarian structure brought about by the tenancy reforms implemented in the 'fifties.][@]

Introduction:

The major aim of our Research Project is to study the impact of land reform legislation on the agrarian structure in Maharashtra and Gujarat. Since the principal legislation under study is the Bombay Tenancy and Agricultural Lands Act 1948 as amended in 1956, the major indicator of the impact of the legislation would be the change in the extent and character of tenancy.

First, we present a detailed picture of the agrarian structure as it existed in 1956-57 which, for the purpose of this study, is called the 'pre-reform period.'** In doing so, we wish to highlight those features of the agrarian structure which may be considered as undesirable; and, as such, proper areas for action for the land reform legislation. We shall presently explain what we mean by 'undesirable' so that the reader may assess the extent, if any, of

* Extract. Evaluation of Land Reforms (With Special Reference to the Western Region of India), Vol.I, General Report, by M.L. Dantwala and C.H. Shah (Department of Economics, University of Bombay, 1971), pp. 86-117.

**The process of land reform had commenced much earlier; in fact since the enactment of the Bombay Tenancy Act in 1939. The Bombay Tenancy and Agricultural Lands Act was passed in 1948, but was amended several times. However, since the major amendment came into force on August 1, 1956, we have called the year 1956-57 as the 'pre-reform' period. By 1964-65, sufficient time had elapsed to justify our characterisation of the period as 'post-reform.'

@ Foot-notes, Appendix Tables and References to Appendix Tables have been dropped.

the value judgment involved in such characterisation.

Having depicted the pre-reform features of the agrarian structure, we proceed to examine the magnitude and character of the change which took place as a result of the implementation of the legislation. We are fully aware that the entire change cannot be attributed to the land reform legislation, because during the intervening period, several other developments were taking place in the agrarian economy which have also affected its structure. There are, however, some features of the change which could be said to be the direct result of the legislation; and an attempt has been made to identify them.

Thirdly, it will be our effort to carefully analyse the 'post-reform' (1964-65) agrarian structure with a view to identifying the persistence of undesirable elements and assessing the need and scope for further reform.

Though there may not be a perfect agreement on what constitutes a healthy agrarian structure, there is, we believe, a fair measure of consensus regarding certain features which are considered as undesirable. Thus, in countries which are experiencing severe pressure of population on land, it is almost universally accepted that what is known as 'absentee landlordism' is neither socially nor economically desirable. Absentee landlordism was a dominant feature of the erstwhile Zamindari or Intermediate tenures, though not all Zamindars were necessarily big owners of land or even absentee, i.e., non-cultivating. A few of them, however, owned vast tracts of land. They hardly took any interest in the efficient upkeep of the land. They did pretty little to develop its productivity, their main interest being collection of rent and use it for conspicuous consumption. Be it as it may, what is significant for our enquiry is that the vestiges of absentee landlordism were

- 3 -

not altogether non-existent in the so-called Ryotwari tenure. As mentioned earlier, one of the principal aims of the tenancy legislation was to make the tiller the owner of the land. As such, a major point of our enquiry is to identify the extent of absentee ownership in the pre-reform period and ascertain how far it diminished in the post-reform period or more strictly, at the time of our investigation in 1964-65.

Another feature of the agrarian structure which is considered undesirable is the concentration of ownership. We have our reservations on what constitutes concentration and a whole section has been devoted to its full-length discussion. Anyway, one of the points of our enquiry is to ascertain whether the tenancy legislation had any impact on the degree and the nature of concentration of land ownership.

During our field investigation, we were struck by the fact that a large portion of land in the sample villages was owned by non-residents and more importantly, such owners appeared to constitute a dominant section of the lessors. The immediate reaction of the analyst faced with such a situation, is to characterise all such owners as absentee, but a closer look suggests that this may not be so. This chapter analyses the complexity of the situation and examines the impact of the legislation on non-resident ownership.

Regarding the main focus of our enquiry, viz., tenancy, though we do not share the widely held view that all tenancy is ipso facto undesirable, we do assume that overall reduction in tenancy would be conducive to higher

efficiency and healthier social relationship.

Though it is generally known that all tenants are not necessarily 'pure'* tenants and that there are small as well as big tenants, our investigation reveals that even among the students of land tenure, there is inadequate appreciation of the nature and magnitude of 'mixed tenurial groups.'

The basic assumption on which tenancy is considered as an undesirable feature (and which provides the rationale for the land reform legislation aiming to confer ownership rights on the tenants), is that tenants, as a class, constitute the weaker section of the farming community and as such, need protection against the landlord (the lessor). A logical sequence of this assumption would be to terminate the tenant-landlord relationship itself. While such a hypothesis is, by and large, justified, enforcement of a cut-and-dry legislation based on it sometimes leads to unintended consequences, because of the mixed nature of the tenancy group. Our enquiry has, therefore, probed deeper into the nature of the tenant-landlord relationship, both in the pre- and post-reform period. More specifically, instead of counting the number of tenants (and landlords) as distinct categories, we have enquired into all the components of the tenure status of each farm family and through cross comparison of each tenancy contract, sought to understand the precise class nature of the lessor-lessee relationship.

One more preliminary observation. The analysis of the data pertaining to the agrarian structure can be attempted either (1) in terms of the village land, or (2) in terms of the resident families, or (3) in terms of the owners of

* The word 'pure' is used to signify total absence of owned land.

- 5 -

the village land. Each of these approaches has its limitations. If the village land is taken as the basis for analysis, we can study only the cultivation pattern and not the ownership pattern. The moment we talk of ownership, we find that while many owners resided in the village, several others were non-residents. Further, the resident as well as non-resident owners owned land both within the sample village and outside it. In spite of our best efforts, we were not able to ascertain the extent of ownership of 'outside' land by non-residents and, as such, the determination of their size-class as well as tenure status was also ambiguous. The problem was: should the ownership size-class and tenure status be determined by reference to the land in the village or the total land owned or cultivated? After a good deal of deliberation, we decided that when we speak of the ownership size-class and tenure status of the resident families, the reference will be to their land owned within as well as outside the village. As for the non-residents, only their land in the sample village is taken into consideration. It should, therefore, be noted that whenever any reference is made to the size-class of non-resident families, or to their tenure status, the same is based on partial information and the classification may not be accurate. Thus a non-resident owner may have been termed as 'Small' with reference to his ownership in the sample village, but, in fact, he may be a Large owner in his own village or in other non-sample villages. Similarly, when a non-resident family is referred to as non-cultivating lessor, this is strictly by reference to his relationship within the sample village and for aught we know he may be an owner cultivator or even a landless tenant in his own village. In the analysis given below care has been taken to indicate the reference base of the data under analysis.

In Panvel, till the time of our enquiry, the legislation was implemented only in three out of six sample villages. The Panvel data for post-reform period are therefore subject to this limitation.

Size-Class Analysis*

The size-class distribution of land ownership in this region exhibits all the characteristics associated with the agrarian structure in countries with heavy pressure of population on land. Thus, in all the talukas studied, the percentage of Small holdings to the total number of holdings of resident owners was more than 50. It was as high as 76 in Nadiad and 74 in Panvel. As for the area owned under Small holdings, it varied from 9 per cent of the total in Karjat to 40 per cent in Nadiad. The relationship between the number of holdings and the area owned by Small farmers can best be expressed in terms of the average size of the Small holdings. This varied from 1.6 acres in Panvel to 2.3 acres in Satara, Wai and Matar. Since the quality of land would vary from taluka to taluka and even from village to village, inter-taluka or inter-village comparisons based on these data would not be valid.

At the other end, the percentage of owned area under Large holdings to the total owned area was high in Karjat (59). Surprisingly, this percentage was as low as one in Nadiad. In Satara and Wai also, the percentages were fairly low between 12 and 10. The average size of Large holdings varied from 70 acres in Karjat to 37 acres in Satara. In Panvel and Matar, it was slightly above 60 acres and in Nadiad it was 40 acres.

- - - - -

* The size-classes used are - "Small (upto 5 acres), Medium (5 to 15 acres), Big (15 to 30 acres) and Large (30 acres and above)".

In examining the impact of the legislation on the size-class distribution of ownership holdings, it should first be remembered that redistribution of land was not the direct aim of the legislation (this was sought to be attempted through the legislation on ceiling on holdings). Whatever changes took place, were, therefore, a result of several factors, some unrelated to land reforms and others, like either resumption of leased land by the owners or acquisition of ownership rights by the tenants, emanated from the tenancy legislation. Further, in interpreting the change, extreme caution would be required. The Small farmer group of 1964-65 does not comprise the same persons who constituted that group in 1956-57. Some landless persons who may have acquired land during the interval would now belong, most probably, to this group. Similarly, some Small farmers, if they had some tenanted land which they acquired as a result of the legislation, would move up from the Small to the Medium group. On the other hand, some Medium, Big and Large landowners, if they lost the leased-out land as a result of the legislation, would go down the ladder. In view of this, a more realistic idea about the impact of the legislation on size-class distribution can be had only by looking to each individual case and noting its movement up or down the agricultural ladder. This we shall do in a later section. At this point, we may merely observe some of the features of the post-reform agrarian structure (in 1964-65) as we did for the earlier period. We do not find any significant change in the major characteristics of the agrarian structure. Thus, the preponderance of Small holdings remained--though it was slightly reduced in the case of Karjat and Matar talukas. In Panvel, however, the percentage of Small holdings increased from 74 to

78, but the area increased more than proportionately with the result that the average size of Small holdings increased from 1.6 to 2 acres. In other talukas, the decline in the percentage of area under Small holdings was marginal. The average size of Small holdings, it may be noted, was higher in all the talukas compared with 1956-57. There was also not much change in the percentage of area under Large holdings to the total owned area. This percentage appears to have declined significantly only in Panvel--from 30 to 15 per cent. In Karjat, it declined from 59 per cent to 46 per cent. As already noted, this percentage was already fairly low in Satara, Wai and Nadiad. In Matar, however, a contrary trend is observed: the percentage of area under Large holdings marginally increased from 24 to 26. The average size of Large holdings declined in 1964-65 compared to the earlier period; it ranged from 31 acres in Nadiad to 61 in Karjat (39 to 70 acres in 1956-57). In Satara, however, the average size of Large holdings appears to have increased from 37 to 41 acres. On the whole, there appears to be some redistribution of land--making it less skewed in Panvel and to a lesser extent in Karjat.

Non-Resident Ownership

One striking feature of the ownership pattern, particularly in the pre-reform period, was the existence of a large number of non-resident (not residing in the sample village) owners. Thus, the percentage of area owned by non-residents varied between 29 in Matar and as much as 61 in Panvel. At first sight, this may appear as indicating excessive prevalence of absentee ownership, but no such hasty conclusion need be drawn, at this stage.

As already mentioned, we do not have all the facts regarding either the total land ownership or the tenure status of non-resident owners. Some of them may be staying in the adjacent village and cultivating their own land there. They come in the picture simply because they own some land in the sample village. It would, therefore, be wrong to characterise all non-resident owners as "absentee" implying thereby that they are primarily non-cultivating, rent-receiving landlords.

The analysis of the size-class of non-resident ownership--of land in the sample villages only--reveals the same characteristics as those of resident owners, viz., numerical preponderance of Small owners and a high percentage share of the Large owners in the area owned. Thus, the percentage of Small holdings in the total of non-resident ownership was above 70 in all the talukas and was as high as 86 in Nadiad and 84 in Panvel. The share of Large holdings in the total area owned by non-resident families (in the sample village only) was relatively high in Karjat (51 per cent), Matar (41 per cent) and Panvel (39 per cent). It was, however, fairly low in Wai (15 per cent) and Nadiad (13 per cent). It is interesting to note that compared to the resident Large owners, non-resident Large owners in all the talukas had a relatively larger share in the total owned land.

In spite of the limitation of the data, as mentioned above, we are in a position to give some idea about the place of non-resident owners in the agrarian structure by examining (1) their relationship with land in the village and (2) 'outside' ownership of resident owners (who, by definition, would be non-residents in other than the sample villages). We find that the share of non-resident owners

in the total leased-out land was substantial varying from 32 per cent in Matar to 82 per cent in Karjat. In the remaining four talukas, their share was above 60 per cent. This would indicate that non-residence did lead to substantial creation of tenancy. In view of this, one of the points that would need to be observed in studying the impact of the legislation would be the change in the proportion of ownership of village land by non-residents.

Reviewing the problem of non-resident ownership, the other way round--that is to say, from the angle of 'outside' ownership of the resident owners--we, however, find a different picture. The outside ownership of resident owners is not at all significant. Only in Panvel, the percentage of outside land owner by residents to their total owned land was significant, amounting to about 25 per cent. In other talukas, it varied from one per cent in Matar to 6 per cent in Karjat. Even the ownership of outside land by Large resident families was not substantial, being less than 9 per cent in all the talukas, except Panvel, where it was 38 per cent. In Satara, Wai and Nadiad, Large resident families owned no outside land whatsoever. Thus, we get a somewhat contradictory picture. While the non-residents owned a fairly large share of the land in the sample villages, resident owners in our sample do not appear to be owning any substantial extent of land outside the sample villages. While it is possible that the investigators were not able to obtain full information regarding the 'outside' ownership of resident owners, the main factor which accounts for the higher percentage of non-resident ownership of land in the sample villages is the inclusion in it of land owned by urban residents.

- 11 -

The situation in regard to non-resident ownership has improved as a result of the legislation. The aggregate percentage of such ownership to the total owned land declined from 34 to 25. There is some decline in the percentage of area owned by non-residents in all the talukas. Thus, in Panvel where non-resident ownership was substantial, the percentage of such ownership declined from 61 to 49. Barring Panvel, the next largest percentage of non-resident ownership was in Nadiad, which declined from 42 to 34. In all the other talukas, the percentage was less than 30, the lowest being 20 in Wai.

The percentage of leased-out area by non-residents to the total leased-out area does not reveal a uniform decline. In Karjat and Panvel, where this percentage was very high (82 and 79) in the pre-reform period, it continued to be high (82 and 76). In the other four talukas, some decline was noticeable. In none of them, the percentage was now more than 50, and in Matar it was as low as 14. There was also no significant change in the percentage of outside land owned by resident families to their total land ownership which, as already observed, was not significant except in Panvel where its percentage was 22. Regarding the percentage of outside land owned by Large resident families in their total, only one observation needs to be underscored: in Panvel, this percentage increased from 38 in 1956-57 to 51 in 1964-65.

PROFILE OF THE TENURE STATUS

Resident Owner Families

In our sample of 3,885 resident owner families in the pre-reform year, 41 per cent were owner cultivators in the sense that they neither leased in nor leased out any land. The next largest category constituting 37 per cent was that of cultivator-cum-tenants: these persons, besides cultivating their own land, also leased in some more from others. Only 5 per cent of those who owned land did not cultivate it at all and leased it out entirely. There is another significant category constituting 14 per cent of the total which, besides cultivating its own land, leased out a portion of its ownership holding. As in our investigation we had taken into consideration the land owned by resident families within the village as well as outside, there were 43 persons who did not own any land in the sample village, but owned some outside the village. We have already drawn attention to considerable ownership of village land by non-residents in the sample villages. Subject to this, we can conclude that in the pre-reform period, as far as the resident land owning families were concerned, only a few of them were what may be called as 'pure', i.e., non-cultivating lessors. There was another category of lessors who leased out a portion of the owned land and cultivated the rest. It is also significant that as many as 37 per cent of resident land owning families found it necessary to lease in some extra land for their operational holding.

The tenure status does vary from taluka to taluka. Thus, the percentage of owner cultivators to the total resident land owning families was higher than the average in Wai (54), Nadiad (44) and Satara (43). (It is assumed that a high proportion of owner cultivators is a healthy

features). As against this, the percentage of owner cultivators to the total resident land owning families was rather low in Panvel (22) and Matar (25). In Panvel, which had a low percentage of owner cultivators, there was a high proportion (56 per cent) of owner cultivators-cum-tenants, as compared to the average of 37 per cent for all the talukas. This implies that a large number of persons who owned land felt it necessary to lease in more land for their operational holding. The percentage of pure or non-cultivating lessors in Matar (11) was twice as high as the average of 5 for all the talukas, and very low in Karjat (0.5) and Wai (1.7). (A high percentage of pure lessors is considered as an unhealthy feature of the tenure situation.)

In the post-reform period, there are indeed some significant changes. The number of resident land owning families increased from 3,885 to 4,218. Their distribution according to the tenure status reveals that a larger percentage (68 as against 41 in the pre-reform period) of resident families now cultivates owned land, i.e., neither leases in nor leases out any. Consequently, the percentage of owner cultivator-cum-tenants declined from 37 to 21. Similarly, the percentage of pure lessors also declined from 5 to 3 and that of other lessors from 14 to 5. On the whole, it can be said that in the post-reform year, the situation was more healthy as judged by the classification of resident owners according to the tenure status.

Talukawise, the position in the post-reform year has some noteworthy features. The percentage of owner cultivators to the total resident land owning families in Wai increased from 54 to 83, against the average of 68 for all the talukas. Only in two talukas, Matar and Panvel, where the percentage of owner cultivators was rather low in the pre-

reform year, improvement, though substantial, was significantly below the combined average for all the talukas (53 and 54 per cent respectively as against 68 per cent). The percentage of pure lessors to the total resident families remained above the average (3) only in Matar (6). In Karjat, where this percentage was already very small (0.5), it remained low at 0.4. As for the category of owner cultivator-cum-tenants, their percentage share showed a decline in all the talukas and the range came down from 56-34 to 41-11. Their percentage was significantly higher than the average (21) in Panvel (41), Matar (28) and Karjat (27).

We should note that in the pre-reform year, there were 146 resident Trusts owning land. Their number was significant in Matar (49), Nadiad (42), Wai (24) and Satara (23). It seems that the legislation has not affected their position much. Their total number for the six talukas declined only to 123; Matar, Nadiad and Satara still claiming the largest number of Trusts. Karjat and Panvel had very few Trusts in the pre-reform year (5 and 3 respectively). Their number remains practically unchanged.

Cultivating Families

In the previous section, we have discussed the tenure status position of resident land owning families. If the position is viewed with reference to all cultivating families of the village land, we will have to add the landless families who were cultivating the leased land--and omit the 195 families (excluding Trusts) of non-cultivating lessors. In the 36 sample villages of the six talukas, there were, in the pre-reform period, 521 families of resident landless tenants, constituting about 13 per cent of the land owning families. Their number markedly came down to 151 in the post-reform

period. The percentage of such families to the total land owning families in the post-reform period (4,218) thus came down to less than 4. The relative number of landless tenants in the pre-reform period was fairly high in Panvel (108) and Karjat (75), constituting 70 and 36 per cent respectively of the total number of resident land owning families (including Trusts). In the post-reform period, these percentages came down to 13 and 4.

Movement on the Agrarian Ladder

We have examined the change in the agrarian structure from pre-reform to post-reform periods by reference to the size-class and the tenure status of owners and cultivators. We find that during this period, many new farm families made their appearance. It would, therefore, be more enlightening if we were to make a closer scrutiny of the farm families which were common to both the periods. For this purpose we take first the ownership pattern of the post-reform year 1964-65 as reference base. We list all the resident families according to their ownership size-class and trace their antecedents in the pre-reform year 1956-57. New families, i.e., those who did not appear in the 1956-57 list, are, therefore, omitted from this analysis. A comparison in terms of the size-class between the pre-reform and post-reform years reveals that out of the total of 3,854 families common to both periods, the size-class of as many as 2,960 remains unchanged. 767 families moved up the agrarian ladder, meaning that their size-class in the post-reform period was higher than that in the pre-reform period. As against this, 118 farm families came down the ladder. Analysing this movement up and down the agrarian ladder, we find that the most predominant group which moved up the agrarian ladder is that of the landless. This

being the lowest category, there was obviously no room for them to move down. Out of 567 tenant families who were landless in 1956-57, 394 acquired some land and only the remaining 173 retained their landless character in 1964-65. This group of families acquired during these years ownership of 1,749 acres of land. The next important group to climb up the ladder is that of the Small holders. Out of 2,020 families (in 1964-65) who were identified as Small holders in 1956-57, 269 moved up the agricultural ladder. Only 23 moved down, meaning that they became landless in the post-reform period. The rest retained their Small holders' status. The group, as a whole, acquired ownership of 1,743 acres of additional land. Out of a total of 68 Large holders in 1956-57, 58 retained their status and 10 came down the agrarian ladder. The group lost 312 acres during the intervening period.

The sizewise break-up of those who moved up or down is given in Table 5.1.

In all the talukas, except Satara and Wai, nearly 50 per cent of those who moved up were the landless of 1956-57. In Satara and Wai, the dominant class which moved up is the Small holders. Relatively speaking, the Medium group in these two talukas is the main loser from among the group of six talukas. The profile of the losers--talukawise and size-classwise--is given in Table 5.2.

- 17 -

TABLE 5.1 : MOVEMENT OF FARM FAMILIES ON THE AGRARIAN LADDER FROM 1956-57 TO 1964-65.

Size-class	Up	Down	Same
Large	-	10	58
Big	16	27	179
Medium	88	58	831
Small	269	23	1,728
Landless	394	-	173
Total number of families	767	118	2,969

TABLE 5.2 : LOSERS

(in number)

Talukas	Large	Big	Medium	Small	Total
Karjat	2	-	4	-	6
Panvel	1	1	6	1	9
Satara	2	5	14	2	23
Wai	2	5	11	2	20
Nadiad	2	3	9	9	23
Matar	1	13	14	0	37
Total number of families	10	27	58	23	118

DIRECT IMPACT OF TENANCY LEGISLATION

We must again emphasize that all this movement up and down the agricultural ladder which we have described above, cannot be attributed to the tenancy legislation only. Several factors were responsible for this change such as break-up of families due to the death of the owner, inheritance and purchases and sales of land. In what follows, therefore, we examine the change in the pattern of land ownership which can be identified as being a direct consequence of the tenancy legislation.

In effect, we examine the impact of the effective purchases made under the Act on the lessors and the lessees in various size-groups. Unlike in the previous analysis, in this section, the starting point is the pre-reform year 1956-57. Out of the total number of 2,263 families, whose position was examined at the two points of time, 1,397 gained additional land and 866 lost part of it. It may, however, be noted that information given here does not cover the total of effective purchases inasmuch as there are as many as 241 new families owning land in 1964-65 who were not on record in the pre-reform year of 1956-57.

The two groups which benefited most from effective purchases were the landless and the Small holders. 394 landless families acquired 1,311 acres of land, 597 families of Small holders gained land, but as many as 502 lost some land. The net gain of this group was 827 acres.

As may be expected, the main group which lost land was that of Large holders. 62 Large holders lost considerable land, though a handful of them (18) acquired some additional land. The group as a whole lost 1,663 acres of

- 19 -

land. There was a net loss of land for the other groups also--Big (537 acres) and Medium (125 acres). The Large and the Big holders' groups made a net loss in all the talukas. The Medium group had a net loss in three talukas and a net gain in two (Karjat 44 acres and Matar 52 acres). The talukawise position of the different groups which gained or lost land is given in Table 5.3.

TABLE 5.3 : NET GAIN OR LOSS OF LAND BY SIZE-CLASS

Talukas	Net gain					Net loss				
	Number of families					Number of families				
	Large	Big	Medium	Small	Landless	Large	Big	Medium	Small	
Karjat	3	7	26	41	87	23	8	27	30	
Panvel	1	1	6	65	87	6	10	20	77	
Satara	-	15	46	78	24	6	11	19	26	
Wai	1	18	38	130	57	8	18	37	86	
Nadiad	20	6	53	154	61	3	18	33	137	
Matar	13	41	116	129	78	16	26	75	146	
Total	18	83	305	597	394	62	91	211	502	

Total Net Area : Gained (+) or Lost (-) (acres)

Large	Big	Medium	Small	Landless
-1,663	-537	-125	+827	+1,311

Non-Residents

One remarkable feature of the change described above is that on the aggregate (of all size-groups) non-residents as a class lost land in all the talukas. Their total loss of land came to 2,428 acres. In contrast, the residents (on the aggregate) in all the talukas gained land, their total gain being 2,241 acres. What is even more remarkable is that amongst the 502 Small holders who lost land, 438 were non-residents, the area lost by them being 676 acres, as against the net gain of 828 acres by the entire group. The talukawise gain and loss position of residents and non-residents is given in Table 5.4.

TABLE 5.4 : NET GAIN OR LOSS OF LAND BY RESIDENTS AND NON-RESIDENTS

Talukas	Gain		Loss		Area gained (+) or lost (-) (acres)	
	Number of		Number of			
	Resi- dents	Non- resi- dents	Resi- dents	Non- resi- dents	Resi- dents	Non- resi- dents
Karjat	123	41	23	65	+ 413	- 433
Panvel	104	56	17	96	+ 128	- 209
Satara	142	21	10	52	+ 312	- 334
Wai	221	38	24	125	+ 560	- 674
Nadiad	191	83	25	166	+ 303	- 260
Matar	293	84	103	160	+ 525	- 518
Total	1,074	323	202	664	+2,241	-2,428

THE TENANCY SITUATION

Pre-Reform

In appraising the tenancy situation, it is not enough to ascertain only the extent of area under tenancy (leased-in land), it is equally important to ascertain the nature of tenancy--both from the angle of the lessees and the lessors. We should know something about the economic strength of the lessors and the lessees as indicated by the ownership size-class of the former and the cultivation size-class of the latter. Similarly, their respective social status would be indicated by their caste classification. It is also necessary to look into a few more facts. For example, there are at least three types of tenants: the landless tenants who own no land of their own and are, therefore, termed as 'pure' tenants, distinguishing them from others whose tenure status is 'mixed'; the owner cultivator-cum-tenants who lease in some land to supplement their cultivated holding; and then there is a third category of cultivators who besides cultivating their own land, lease in some land and also lease out a portion of their own land--this they do probably to obviate the inconvenience of the location of their plots of land. As for the lessors, there is a category of 'pure' lessors--similar to 'pure' tenants--who do not cultivate any of their land, but lease it out entirely. Then there are owners who cultivate a portion of their own land and lease out the rest. As in the case of the tenants, it is important to look into the ownership size-class of the lessors. In addition, it is important to ascertain their place of residence--same village, neighbouring village, urban residence and residence abroad--which would help to determine their place in the agrarian structure.

In the region of our enquiry, 29 per cent of the total cultivated area was under tenancy in the pre-reform period. The percentage varied from taluka to taluka. It was highest in Panvel (59) and lowest in Satara (23). It is significant that in the same district, the percentage of tenanted area differs markedly. Thus, in the Kolaba district, the percentage of tenancy in Karjat was 33 and as high as 59 in Panvel. In the Kaira district, the percentage in the Nadiad taluka was 25, but in Matar it was fairly high at 34. The bulk of the tenanted holdings belongs to the Small and Medium size-groups. The percentage share of the Small lessees in the total number of tenancy contracts was as high as 64 in Panvel. In Karjat and Nadiad, it was only slightly less than 50 per cent, the lowest being 24 per cent in Matar. Correspondingly, the percentage share of the Small lessees in the total leased-in area was as high as 39 per cent in Panvel and 36 per cent in Nadiad. In other talukas, it was about 20 per cent--only 12 per cent in Satara.

Contrary to the general impression, all tenants are not completely landless. The percentage of area under tenancy of pure tenants to the total area under tenancy was 50 in Panvel and 47 in Karjat. In all the other talukas, the percentage varied between 28(in Matar) and 22(in Wai). On the aggregate, for all the talukas together, the percentage of area under pure tenancy to the total was 30. Nor are all Small cultivators usually landless tenants. The percentage of the area leased in by them to their total cultivated area (which included their own land) was high only in Panvel (63) and Karjat (50). In other talukas, it was fairly low, being only 18 in Satara and 21 in Wai. Surprisingly in Panvel, the percentage of area leased in by Large cultivators to their total cultivated area was also

high (65). In other talukas, this percentage was about 20.7

As for the other category of tenants, viz., that of owner cultivators who leased in additional land, we find that in four talukas--Matar, Nadiad, Wai and Satara--the owned area cultivated by them was larger than the area taken on lease. For example, in Satara, (1956-57) this class of tenants owned 1,922 acres of land and had leased in only 1,037 acres. Judging by the ownership size-class, the bulk of the area--from 98 per cent in Panvel to 83 per cent in Karjat--is leased in by Small and Medium owners. But the combination of owned and leased-in land changes the pattern of distribution of cultivated land. In three talukas, Karjat, Satara and Panvel, judging by the cultivation size-class, more than 50 per cent of the leased-in area is claimed by Big and Large cultivators. To put them in the same category as that of landless tenants, and consequently extend to them the benefits of the legislation, would be highly improper.

Viewing the tenancy situation from the angle of the lessors, we find that the lessors, as a tenure group, owned substantial portions of land. In 1956-57, the total number of lessors including the Trusts was 2,129 and they owned 17,170 acres of land. The percentage of area leased out by them (11,048 acres) to their area owned come to 64. In Karjat and Panvel, the percentage of area leased out by Large lessors to the total area leased out was fairly high, being 64 and 45 per cent respectively. On the other hand, in Wai (25) and Nadiad (10), this percentage was quite low. The percentage of area leased out by Large resident owners to the area owned by them in the sample villages only was very high in Panvel (69), and significant in Wai (39)

and Matar (28). In Nadiad, however, we have an unusual phenomenon of no leasing out by Large resident owners whatsoever.

As already noticed, many of the lessors were non-residents (who did not reside in the sample villages). The percentages of area leased out by non-resident owners to the total leased out area was very high in Karjat (82), Panvel (79), Wai (71), Satara (67) and Nadiad (60). Only in Matar this percentage was relatively low (32). As can be expected, the percentage of area leased out by Large non-resident owners to the area owned by them in the sample villages was very high, being 92 in Satara, 82 in Karjat, 77 in Panvel, 69 in Nadiad and 64 in Wai. To take a charitable view, it may be suggested that though the non-resident owners appear to be leasing out most of their land owned in the sample villages, they were perhaps owner cultivators in their own villages. The percentage of lessors who resided in urban areas or abroad was very high (64) in Panvel and was also high in Wai (39) and Karjat (32). The percentage was comparatively small in Nadiad (6) and Matar (17). The percentage of area leased out by lessors residing in urban areas and/or abroad in the total leased-out area was also fairly high, being 57 for Panvel, 55 for Wai, 51 for Karjat and 48 for Satara. These percentages highlight the absentee characteristics of the lessors and constitute an unhealthy feature of the tenancy system. In addition to the individual lessors, in some of the talukas, there were Trusts which leased out land. The percentage of leased-out area by the Trusts to the total leased-out area was particularly high in Nadiad (20) and Matar (29).

Post-Reform

The impact of the tenancy legislation was quite substantial on some aspects of the situation, but was very slight on some other aspects. The area under tenancy declined from 11,048 to 3,952 acres. Likewise, the number of tenancy contracts declined from 5,409 to 1,658. The percentage of area under tenancy to the total cultivated area of the sample villages declined from 29 to 10. The reduction was witnessed in all the talukas. The percentage of the tenanted to the cultivated area in the six talukas ranged from 18 (Panvel, from the pre-reform percentage of 59) to 5 (Satara). There was also some decline in the percentage of pure tenancy (area leased in by the landless tenants) to the total area under tenancy. The overall decline was from 30 to 25 per cent. The taluka variations extended from 15 per cent in Satara to 46 per cent in Panvel, against the pre-reform range of 22 per cent (Wai) to 50 per cent (Panvel).

The predominant size-class of tenanted holdings continued to be Small. In fact, the percentage of Small tenants in the total number of tenancy contracts increased from 64 to 78 in Panvel and from 49 to 56 in Karjat. Only in Satara, the percentage came down significantly from 27 to 18. In all the other talukas the decline was small. The area comprised by such Small tenanted holdings, in terms of percentage to the total leased-in area, also increased in Panvel from 39 to 43 and in Karjat, from 21 to 25. In Satara, it came down from 12 to 7 per cent. In other talukas, the decline was marginal. It, however, appears that several tenants were able to increase their owned area as evidenced by a rather drastic decline in the percentage of area leased in by Small cultivators to their

total cultivated area. The aggregate percentage decline was from 30 to 10. The decline was most notable in Satara and Wai where the percentage of leased-in area to the total cultivated area of Small cultivators declined respectively from 18 to 3 and 21 to 4. Even in Panvel and Karjat, where the share of the Small lessees in the total area leased in was somewhat high, the decline in the ratio of leased-in land to the total cultivated area of Small farmers was significant--from 63 to 18 per cent in Panvel and from 50 to 18 per cent in Karjat. A similar decline--from 21 to 8 per cent--in the ratio of leased in to the total cultivated area was noticed also in the case of Large cultivators. It would appear that Large cultivators hardly leased in any land in Wai and very little in Satara. The highest percentage of leased-in area in the total cultivated area of Large cultivators was 15 in Panvel, but even here, the decline was from 65 to 15 per cent.

Viewing the problem from the angle of lessors, we find that their total number declined from 2,129 to 893. The area owned by them as well as the area leased out declined significantly from 17,170 acres to 7601 acres and from 11,048 to 3,952 acres respectively. Consequently, the percentage of area leased out to the area owned by lessors declined from 64 to 51. However, the percentage share of Large lessors in the total area leased out continued to be high in Karjat (59) and Panvel (45). In Wai, about one-third of the leased out area was by Large lessors. Only in Nadiad, their share was relatively low at 14 per cent.

The preponderance of non-resident owners in the leasing out activity remains. The percentage of area

leased out by non-resident owners to the total leased-out area remained high in Karjat at 82 and in Panvel at 76. Even in Satara and Wai, where some of the other features of tenancy were more satisfactory, the percentage share of non-residents in the total leased-out area continued to be high at 50 and 47 though declining from the pre-reform percentage of 67 and 71 respectively. In Nadiad, the share declined from 60 to 37 per cent and in Matar, from 32 to 14 per cent. The dominance of non-rural lessors (those residing in urban areas or abroad) continued in all the talukas except Nadiad and Matar. In the case of Panvel, the percentage of area leased out by non-rural lessors to the total leased-out land actually increased from 57 to 65. In Karjat, the decline was small from 51 to 53 per cent. In Wai, however, where leasing out by non-rural lessors was significant, their percentage share in the total leased-out area came down from 55 to 35. In Nadiad and Matar, where this phenomenon was insignificant, there was a further decline in non-rural leasing out.

In spite of the non-rural character of the lessors and the dominance of Large lessors in the leasing out activity, especially in certain talukas like Panvel and Karjat, there appears to be a significant decline in the leasing activity of Large owners. In 1964-65 the percentage of leased-out area by Large resident owners to the area owned by them was fairly low in all the talukas. The highest percentage was 14 in Wai, which otherwise had a more satisfactory tenancy situation. In Nadiad, no Large resident owner appears to be leasing out any land. In Satara and Karjat, Large resident owners leased out only 2 and 4 per cent respectively of the area owned by them. The aggregate decline for all the talukas was from 24 to 7 per cent. In the case of non-resident owners also there

has been a significant reduction in the percentage of leased-out area to the area owned by Large owners--from 92 to 37 in Satara, from 82 to 33 in Karjat, from 77 to 36 in Panvel, from 69 to 46 in Nadiad, from 64 to 18 in Wai and from 41 to zero in Matar. The overall decline--for all the talukas--is from 56 to 26 per cent.

We have already mentioned that more than the extent of tenancy, it is the nature of the landlord-tenant relationship that is important in understanding the agrarian situation. The nature of this relationship can best be understood when the mutual position of the tenant and his landlord is examined. Several indicators may be used for this purpose, but the two most important are: (1) the economic status of the parties concerned as indicated by the ownership and cultivation size-class, and (2) their caste status*. During our investigation, we examined each tenancy **contract** separately in terms of the economic and social status of the tenant and his landlord. As in the case of the size of holdings, caste status was also graded according to the accepted norms in this regard. While our data permit examination of each contract in depth, for the sake of convenience, we have conducted the analysis only in terms of the superiority or inferiority of the landlord vis-a-vis his tenant. The results are summarised in Appendix Table 8 . A scrutiny of the table confirms the prevailing impression that in the majority of tenancy

- - - - -

* Analysis in terms of caste status has not been given, as it did not indicate any definite characteristic.

cases, the lessor has a superior economic status compared to his tenant and the percentage of area under such tenancy is also fairly high. Only in the two talukas of Gujarat--Nadiad and Matar--the position did not conform to this general pattern; thus, in Nadiad, in 32 per cent of tenancy contracts, the ownership size-class of the lessor was inferior to the cultivation size-class of his tenant, as against 26 per cent, in which his position was superior. In Matar also, the respective percentages were almost the same. Did the tenancy legislation have any impact on this characteristic of landlord-tenant relationship? The evidence is not quite clear, but it appears that in four talukas out of six,

the percentage of tenancy contract in which the lessor was superior, had declined--more significantly in Satara where it came down from 41 to 22, and Matar where it came down from 38 to 19. Only in Panvel, this percentage appears to have increased - from 41 to 47. Correspondingly, the percentage of tenancy contracts in which the lessor was inferior had increased from 33 to 52 in Satara, 26 to 33 in Wai and 36 to 47 in Matar. Once again, strangely in Panvel, the position appears to have deteriorated inasmuch as, as against the percentage of 33 in which the lessor's status was inferior in 1956-57, this percentage came down to 9 in 1964-65. In terms of area, in all the four talukas of Maharashtra, the percentage in which the lessor was superior was distinctly larger than the percentage in which the lessor was inferior. Only in the two talukas of Gujarat--Nadiad and Matar--the situation is different. In fact, in 1964-65, 39 per cent of the area under tenancy was such that the lessor was inferior to the lessee as against 23 per cent in which his position was superior.

In this section, we give a comparative picture of the tenancy situation between different talukas both in the pre- and post-reform periods.

The following five characteristics of the tenancy situation have been chosen for the purpose:

- 1 The percentage of owner cultivators to the total resident land owning families : if this percentage is high, it will indicate the predominance of owner cultivation.
- 2 The percentage of area under tenancy to the total cultivated area within the sample villages.
- 3 The percentage of area under 'pure' tenancy to the total area under tenancy. As already mentioned, a considerable proportion of tenanted land is leased in by owner cultivators. The extent of 'pure' tenancy would indicate the proportion of tenanted land leased in by the landless tenants.
- 4 The percentage of area leased out to the area owned by the lessors.
- 5 The percentage of area leased out by non-resident owners to the total leased-out area. This shows the degree of absentee character of the lessors.

The talukas have been ranked indicating their position inter se in regard to all these five characteristics; the taluka with the best situation being given the first rank.

- 31 -

TABLE 5.5 : RANKING OF TALUKAS IN THE PRE-REFORM AND POST-REFORM PERIODS ACCORDING TO SELECTED CHARACTERISTICS

Characteristics	Order of ra- nking	Karjat	Panvel	Satara	Wai	Nadiad	Matar
<u>Pre-Reform : 1956-57</u>							
1 Owner cultivation	D	4	6	3	1	2	5
2 Extent of tenancy	A	4	6	1	2	3	5
3 Pure tenancy	A	5	6	3	1	2	4
4 Percentage of area leased out to the area owned by lessors	A	1	6	2	5	3	4
5 Percentage of area leased out by non-resident owners to the total leased-out area	A	6	5	3	4	2	1
Total		20	29	12	13	12	19
Average		4.0	5.8	2.4	2.6	2.4	3.8
Rank according to average	A	5	6	1.5	3	1.5	4
<u>Post-Reform : 1964-65</u>							
1 Owner cultivation	D	4	6	2	1	3	5
2 Extent of tenancy	A	3	6	1	2	4	5
3 Pure tenancy	A	3	6	1	2	4	5
4 Percentage of area leased out to the area owned by lessors	A	1	3	2	4	6	5
5 Percentage of area leased out by non-resident owners to the total leased-out area	A	6	5	4	3	2	1
Total		17	26	10	12	19	21
Average		3.4	5.2	2.0	2.4	3.8	4.2
Rank according to average	A	3	6	1	2	4	5

NOTE: D = Ranking in descending order.
A = Ranking in ascending order.

Judged by the combined result of these five characteristics (on the basis of average rank), it appears that in the pre-reform period, Satara and Nadiad exhibited the best situation (amongst the six talukas), followed by Wai and Matar. The relative position was worse in Karjat and Panvel.

The relative position does not appear to have changed radically in the post-reform period. Satara maintained its first rank, but Nadiad has been replaced by Wai for the second position. Karjat improved its relative position from the fifth to the third rank while Nadiad came down from the second to the fourth. Panvel, however, retained its worst position, both in the pre- and post-reform periods.

We may now sum up the main features of the pattern of ownership and the tenancy situation as revealed by our analysis.

Land Ownership

The first thing that strikes us in the pattern of ownership is the preponderance of Small holdings. The percentage of such holdings to the total in the pre-reform period varied from 76 in Nadiad to 51 in Satara. In terms of area, the percentage varied from 40 in Nadiad to 9 in Karjat.

The size-class distribution of ownership holdings was not much different in the post-reform period. However, in all the districts, the average size of Small holdings was slightly bigger and that of Large holdings slightly lower (excepting in Satara) compared with 1956-57.

Non-residents--persons outside the sample village--owned a considerable proportion of land and their share in leasing out was substantial. The percentage of area owned by non-resident owners to the total owned area declined from 34 to 25 in the post-reform period. The percentage of area leased out by non-resident owners to the total leased out area, however, continued to be very high in Karjat (87) and Panvel (67). The percentage came down from 67 to 50 in Satara and from 71 to 47 in Wai. In Nadiad and Matar, the respective decline was from 60 to 37 per cent and 32 to 14 per cent.

Tenure Status

The two most significant tenure characteristics of the region were : (1) the predominance of owner cultivators, i.e., those who neither leased in nor leased out their land; and (2) the existence of a mixed tenure group of owner-cum-tenants. Between them, these two groups accounted for 78 per cent of the holdings in 1956-57. The number of pure (non-cultivating) lessors and pure (landless) tenants was small. In the post-reform period, the preponderance of owner cultivators increased substantially from 41 to 68 per cent and the relative importance of owner-cum-tenants decreased.

The percentage of landless tenants to the land owning families, which was 13 in the pre-reform period, came down to 4 in the post-reform period. Out of the 567 families of landless tenants in 1956-57, 394 acquired 1,749 acres of land. On the whole, 767 families improved their ownership size-class, 118 moved down the size-class ladder and 2,969 retained their size-class.

Tenancy

The percentage of area under tenancy, which was 29 in the pre-reform period, declined to 10. The number of tenancy contracts correspondingly came down from 5,409 to 1,658. Though the share of Small tenants in the total tenancy in terms of the number of tenancy contracts and leased in area remained high--and even increased in some talukas--there was a significant decline in the percentage of area leased in to the total cultivated area (from 30 to 10) of Small tenants.

The number of lessors also declined from 2,129 to 893. Both the area owned by the lessors and the area leased out declined by 50 to 60 per cent. Yet, the preponderance of non-residents in leasing out continued even in 1964-65.