



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.*

Tenancy Relations in Rural India: A Temporal and Cross-Sectional Analysis

H. R. Sharma*

A number of empirical studies, based on sample surveys, have examined various aspects of tenancy relations like magnitude, type, relative efficiency of different land tenure systems, and so on. The studies in eastern Indian states during the seventies concluded that tenancy, in particular share tenancy, in conjunction with the exploitative interlinkages in credit and labour markets acts as a formidable barrier in the introduction of new agricultural technology (Bhadhuri, 1973; Prasad, 1973, 1974; Bharadwaj, and Das, 1975). Recent studies for these states have, however, reported qualitative changes in tenancy relations (Chadha and Bhaumik, 1992; Swain, 1999). Likewise, studies in agriculturally developed states/regions like Punjab, Haryana and Western Uttar Pradesh, have brought out increasing incidence of self-cultivation, emergence of fixed rent tenancy, participation of medium and large households in the lease market as lessees, etc (Singh, 1989; Bhalla, 1983; Srivastava, 1989; Siddiqui, 1999). It is, however, important to know as to what extent the changes in different aspects of tenancy relations, reported by different field studies, have gained ground at the macro level. The available studies do not answer this question satisfactorily. Against this background, the present study based on NSS data examines the following issues at the state level. Has the incidence of tenancy in terms of mixed holdings, entirely leased-in holdings and leased-in area declined significantly over time and across the states? To what extent the share tenancy has been replaced by fixed rent tenancy? What is the extent of the participation of marginal and small households in the lease market both as lessees and lessors? And what are the important determinants of different aspects of tenancy relations?

I

THE DATA

The National Sample Survey (NSS) reports on land holdings and Agricultural Census are the two major sources of data on tenancy relations. However, not only the agricultural census data are a carry forward of less reliable land revenue records at the grassroots level for most of the states, the methodology used to tabulate them also leaves much to be desired. In comparison, the NSS data are based on a more

* Associate Professor, Department of Agricultural Economics, Himachal Pradesh Agricultural University, Palampur - 176 062 (H.P.).

scientific methodology and are broadly temporally comparable. We have, therefore, relied upon the NSS data. We have, however, made some adjustments in data to ensure temporal comparability. First, the holdings reported under the head 'others' in the 37th Round (1981-82) have been included in those that were reported as 'neither owned nor leased-in'. Similarly in the 48th Round (1991-92), the holdings reported 'not recorded' have been clubbed with 'neither owned nor leased-in' holdings. The area reported 'not recorded' has been included in the area reported as 'neither owned nor leased-in but otherwise possessed'. However, if such holdings and area had not been included in NSS Rounds prior to 37th Round, the temporal comparability would be affected. We have no such clarification available in the 26th Round (1971-72) report. Second, different terms of tenancy have been clubbed under four major heads like fixed money, fixed produce, share of produce and other terms. Thus for the 26th Round, 'other terms' include holdings and area operated under usufructuary mortgage. The new terms of tenancy introduced in the 37th and 48th Rounds including usufructuary mortgage have been clubbed in other terms to ensure comparability.

II

MAGNITUDE OF TENANCY

Table 1 provides changing percentage of different categories of holdings and the area owned and leased-in. The broad features emanating from the table are as under. First, the percentage of entirely owned self-cultivated holdings increased continuously since 1971-72 in eight states (Bihar, Haryana, Jammu and Kashmir, Kerala, Punjab, Tamil Nadu, Uttar Pradesh and West Bengal). The increase in the entirely owned holdings in these states was accompanied by decrease in the per cent of mixed holdings. Insofar as entirely leased-in holdings are concerned, no neat pattern was in evidence; in states like Haryana, Jammu and Kashmir, Kerala and Uttar Pradesh, the percentage of such holdings declined between 1971-72 and 1981-82 but increased thereafter. Second, in Andhra Pradesh, Gujarat, Himachal Pradesh, Madhya Pradesh and Orissa, the percentage of entirely owned holdings increased during the seventies but declined during the eighties. There was no clear pattern in these states insofar as mixed holdings were concerned. However, the per cent of entirely leased-in holdings increased in all these states except Gujarat. Third, in most of the states, there was a very high increase in neither owned nor leased-in but possessed holdings. These holdings, *inter alia*, indicate the encroachment of government land and also include those which are in the possession of the tenants but whose ownership rights have yet not been vested in them. Fourth, the proportion of leased-in area to total operated area declined during the seventies in most of the states but increased by varying degrees thereafter in ten major states (Andhra Pradesh, Assam, Gujarat, Haryana, Himachal Pradesh, Jammu and Kashmir, Karnataka, Madhya Pradesh, Punjab and Rajasthan). Fifth, as witnessed in the case of neither owned nor leased-in holdings, the proportion of operated area neither owned nor

leased-in increased by varying degrees between 1981-82 and 1991-92 in as many as eleven states, namely, Andhra Pradesh, Assam, Bihar, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu and West Bengal. In some of these states, the increase was quite substantial.

TABLE 1. CHANGING INCIDENCE OF TENANCY IN RURAL INDIA, 1971-72 TO 1991-92: MAJOR STATES
(per cent)

State	Year	Entirely owned self- cultivated holdings	Mixed holdings	Entirely leased-in holdings	Neither owned nor leased-in holdings	Owned leased-in holdings	Leased- in area	Neither owned nor leased-in area
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Andhra Pradesh	1971-72	78.34	20.94	0.72	-	90.98	9.02	-
	1981-82	83.45	15.27	1.04	0.23	92.98	6.23	0.79
	1991-92	79.69	13.32	2.43	4.56	88.49	9.57	1.94
Assam	1971-72	75.27	7.83	18.90	-	80.31	19.69	-
	1981-82	83.93	10.77	3.50	1.80	90.99	6.35	2.66
	1991-92	79.88	5.07	7.35	7.70	85.84	8.87	5.29
Bihar	1971-72	60.24	39.03	0.73	-	85.50	14.50	-
	1981-82	78.03	20.04	1.01	0.56	88.68	10.27	1.05
	1991-92	86.02	1.90	5.56	6.52	92.81	3.91	3.28
Gujarat	1971-72	90.68	8.61	0.71	-	96.09	3.91	-
	1981-82	94.61	3.80	1.34	0.25	97.80	1.95	0.25
	1991-92	92.83	2.36	2.35	2.46	92.70	3.34	3.96
Haryana	1971-72	62.65	33.73	3.62	-	76.74	23.26	-
	1981-82	72.29	25.51	2.20	-	80.31	18.22	1.65
	1991-92	78.96	12.41	4.83	3.80	66.07	33.74	0.19
Himachal Pradesh	1971-72	-	-	-	-	-	-	-
	1981-82	87.24	12.27	0.49	-	94.60	3.20	2.20
	1991-92	84.08	3.80	5.01	0.71	92.18	4.83	2.99
Jammu and Kashmir	1971-72	85.78	13.78	0.44	-	91.81	8.19	-
	1981-82	88.16	11.73	0.11	-	95.19	2.37	2.44
	1991-92	91.20	5.35	0.52	2.93	94.44	3.73	1.83
Karnataka	1971-72	71.18	22.84	5.98	-	84.11	15.89	-
	1981-82	83.14	14.57	1.78	0.51	92.12	6.04	1.84
	1991-92	80.35	6.14	3.73	9.78	84.53	7.43	8.04
Kerala	1971-72	82.67	9.94	7.39	-	91.41	8.59	-
	1981-82	90.89	4.87	2.92	1.32	95.52	2.05	2.43
	1991-92	90.99	2.54	3.21	3.26	95.37	2.88	1.75
Madhya Pradesh	1971-72	78.98	15.71	5.31	-	92.54	7.46	-
	1981-82	81.91	14.19	1.13	2.77	92.65	3.56	3.79
	1991-92	80.21	5.06	6.48	8.25	86.53	6.30	7.17
Maharashtra	1971-72	88.03	10.54	1.43	-	93.83	6.17	-
	1981-82	87.15	9.29	2.69	0.87	94.21	5.20	0.59
	1991-92	89.22	5.53	2.40	2.85	90.50	5.48	4.02
Orissa	1971-72	67.76	27.70	4.54	-	86.54	13.46	-
	1981-82	74.27	24.06	1.49	0.18	83.97	9.92	6.12
	1991-92	70.46	17.69	1.70	10.15	84.41	9.48	6.11
Punjab	1971-72	47.05	48.17	4.78	-	71.99	28.01	-
	1981-82	76.19	21.71	1.64	0.46	82.21	16.07	1.72
	1991-92	80.27	15.60	1.43	2.70	80.82	18.83	0.35

(Contd.)

TABLE 1 (Concl'd.)

State	Year	Entirely owned self- cultivated holdings	Mixed holdings	Entirely leased-in holdings	Neither owned nor leased-in holdings	Owned leased-in holdings	Leased- in area	Neither owned nor leased-in area
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Rajasthan	1971-72	91.08	8.30	0.62	-	94.72	5.28	-
	1981-82	89.53	8.51	1.52	0.44	94.47	4.31	1.22
	1991-92	90.32	6.22	1.55	1.91	92.41	5.19	2.40
Tamil Nadu	1971-72	68.35	27.35	4.30	-	86.94	13.01	-
	1981-82	70.45	19.70	8.56	1.29	87.37	10.92	1.71
	1991-92	74.56	11.02	5.82	8.60	84.91	10.89	4.20
Uttar Pradesh	1971-72	72.18	26.34	1.48	-	86.99	13.01	-
	1981-82	78.53	20.61	0.82	0.04	88.05	10.24	1.70
	1991-92	80.84	14.47	2.64	2.05	88.45	10.49	1.06
West Bengal	1971-72	65.44	31.28	3.28	-	81.26	18.74	-
	1981-82	71.58	19.37	7.02	2.03	86.18	12.34	1.48
	1991-92	75.40	12.00	5.27	7.33	85.74	10.40	3.86
All-India	1971-72	74.31	21.83	3.86	-	89.43	10.57	-
	1981-82	80.58	16.24	2.37	0.81	91.08	7.18	1.74
	1991-92	81.98	8.87	3.85	5.30	87.91	8.28	3.81

Source: Computed from the following NSS Reports:

(i) *Report on Some Aspects of Landholdings*: 26th Round, 1971-72, NSS Report No. 215.

(ii) *Report on Landholdings (2)*: 37th Round, 1982, NSS Report No. 331.

(iii) *Report on Some Aspects of Operational Holdings*: 48th Round, 1991-92, Report No. 407.

III

TERMS OF TENANCY

The changes in the terms of tenancy have been brought out in Table 2. The table calls for the following comments. First, there had been a significant decline in the percentage of holdings leasing-in under share tenancy in most of the states. The notable exceptions were Assam, Kerala and Rajasthan where during the eighties, the per cent of holdings leasing-in under share tenancy remained practically unchanged and in the states of Andhra Pradesh, Karnataka, Madhya Pradesh and Orissa they increased by varying degrees. The proportion of operated area leased-in under share tenancy declined continuously in about ten major states. In the remaining states, it declined between 1971-72 and 1981-82 but increased between 1981-82 and 1991-92. Second, the proportion of holdings leasing-in under fixed rent tenancy, particularly fixed money, declined between 1971-72 and 1981-82, but increased during the subsequent decade in most of the states except Bihar, Himachal Pradesh, Tamil Nadu and Uttar Pradesh. The proportion of operated area leased-in under fixed rent tenancy, again especially under fixed money, also exhibited a similar trend. Third, over the period there has been a continuous decline in the proportion of holdings leasing-in under other terms which, as mentioned above, include usufructuary mortgage, from relatives, sharecropping with other terms, etc., in a majority of the states. However, in some states, most notably, Andhra Pradesh, Gujarat, Tamil Nadu

and West Bengal, the proportion of holdings leasing-in under other terms increased between 1971-72 and 1981-82 but declined thereafter. Insofar as the proportion of operated area leased-in under other terms is concerned, in four states (Andhra Pradesh, Gujarat, Karnataka and Rajasthan) it increased during seventies but declined afterwards. In others like Assam, Bihar, Jammu and Kashmir, Kerala and Punjab a reverse pattern was in evidence, i.e., it declined during the seventies but increased subsequently.

TABLE 2. CHANGING INCIDENCE OF HOLDINGS AND AREA LEASED-IN UNDER DIFFERENT TERMS OF TENANCY IN RURAL INDIA, 1971-72 TO 1991-92: MAJOR STATES

State	Year	Holdings				Area (per cent)			
		Fixed money	Fixed produce	Share tenancy	Other terms	Fixed money	Fixed produce	Share tenancy	Other terms
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Andhra Pradesh	1971-72	4.32	3.50	8.03	7.60	2.56	1.28	3.19	2.00
	1981-82	1.18	1.74	0.97	10.04	0.81	0.69	0.55	4.18
	1991-92	4.20	4.35	4.69	2.49	2.47	2.56	2.77	1.76
Assam	1971-72	8.36	4.08	4.14	14.94	3.36	3.06	8.24	5.02
	1981-82	1.73	0.75	3.01	6.81	0.98	0.53	2.24	2.59
	1991-92	2.46	0.58	3.95	5.69	1.51	0.36	2.47	4.54
Bihar	1971-72	1.22	1.93	27.93	9.92	0.18	1.01	11.35	1.97
	1981-82	1.55	0.95	12.25	5.70	0.67	0.37	4.94	1.7
	1991-92	0.75	1.00	3.45	2.29	0.37	0.39	1.33	1.81
Gujarat	1971-72	2.83	0.63	2.54	3.30	0.89	0.40	1.55	1.08
	1981-82	0.21	0	0.54	4.06	0.10	0	0.19	1.66
	1991-92	2.01	0.08	1.20	1.23	1.33	0.06	0.79	1.16
Haryana	1971-72	6.33	3.64	20.07	12.56	2.89	1.98	12.55	5.84
	1981-82	7.12	4.11	9.73	6.35	4.41	1.87	7.51	4.34
	1991-92	11.71	0.99	3.78	0.93	20.73	1.75	6.70	4.56
Himachal Pradesh	1971-72	-	-	-	-	-	-	-	-
	1981-82	1.83	1.88	2.32	3.22	0.24	0.52	1.06	1.38
	1991-92	1.36	0.90	1.08	5.72	0.66	0.43	0.52	3.21
Jammu and Kashmir	1971-72	0.31	1.60	10.89	1.42	0.06	0.65	6.99	0.35
	1981-82	0.11	0.63	2.50	2.24	0.05	0.29	1.58	0.45
	1991-92	0.56	1.81	0.71	3.30	0.35	1.13	0.43	1.82
Karnataka	1971-72	8.25	6.80	9.71	7.34	4.90	3.00	6.21	1.77
	1981-82	1.34	0.79	2.11	6.55	0.22	0.27	1.17	3.78
	1991-92	2.25	1.61	3.15	2.70	1.52	1.09	2.12	2.7
Kerala	1971-72	2.54	4.37	1.18	10.71	1.12	3.43	0.63	3.4
	1981-82	0.12	0	0.01	6.45	0.07	0	0.27	1.71
	1991-92	1.08	0	0.14	4.46	0.46	0	0.01	2.36
Madhya Pradesh	1971-72	2.74	1.64	5.56	12.63	1.12	0.64	2.16	3.54
	1981-82	0.36	0.21	1.30	6.32	0.06	0.04	0.99	2.46
	1991-92	1.78	2.50	2.90	3.16	0.96	1.35	1.57	2.42
Maharashtra	1971-72	3.16	1.97	4.47	4.34	1.54	0.85	2.55	1.21
	1981-82	1.37	0.58	2.92	4.85	0.57	0.12	2.53	1.98
	1991-92	2.97	0.53	1.72	2.28	1.98	0.36	1.14	1.99
Orissa	1971-72	3.78	3.51	12.41	13.78	1.01	1.80	5.68	4.96
	1981-82	1.93	2.34	8.79	5.74	0.51	0.80	4.16	4.43
	1991-92	3.78	1.07	9.79	3.73	1.86	0.44	4.82	2.35

(Contd.)

TABLE 2 (Concl'd.)

State	Year	Holdings				Area			
		Fixed money	Fixed produce	Share tenancy	Other terms	Fixed money	Fixed produce	Share tenancy	Other terms
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Punjab	1971-72	15.47	6.73	24.71	10.53	7.97	3.27	12.58	4.19
	1981-82	8.32	0.91	9.20	5.05	6.77	0.74	6.41	2.15
	1991-92	9.14	3.39	2.10	8.46	9.26	3.45	2.13	4.01
Rajasthan	1971-72	0.70	1.07	2.13	5.28	0.52	0.56	1.36	2.83
	1981-82	0.30	0.26	1.76	4.68	0.15	0.06	0.93	3.17
	1991-92	1.26	1.61	1.94	3.17	0.79	1.01	1.21	2.18
Uttar Pradesh	1971-72	2.44	1.45	15.12	11.27	0.87	0.76	7.17	4.22
	1981-82	2.48	1.39	9.86	7.61	0.88	0.50	5.13	3.74
	1991-92	1.71	2.81	8.58	4.24	0.97	1.59	4.87	3.05
Tamil Nadu	1971-72	5.00	7.25	13.27	9.43	1.98	3.74	5.52	1.82
	1981-82	5.68	3.01	5.54	10.48	2.11	2.17	3.99	2.66
	1991-92	5.55	3.50	2.76	4.75	3.53	2.23	1.76	3.37
West Bengal	1971-72	0.66	0.71	30.64	5.08	0.16	0.48	17.34	0.75
	1981-82	0.73	1.95	11.01	10.23	0.35	1.47	6.85	2.54
	1991-92	1.58	2.14	8.51	4.90	0.90	1.21	4.83	3.46
All-India	1971-72	3.26	2.70	13.00	9.11	1.63	1.23	5.06	2.67
	1981-82	1.86	1.22	6.21	6.97	0.78	0.45	3.00	2.95
	1991-92	2.55	1.96	4.63	3.41	1.57	1.20	2.85	2.66

Source: Computed from the following NSS Reports:

(i) *Report on Some Aspects of Landholdings*: 26th Round, 1971-72, NSS Report No. 215.

(ii) *Report on Landholdings (2)*: 37th Round, 1982, NSS Report No. 331.

(iii) *Report on Some Aspects of Operational Holdings*: 48th Round, 1991-92, Report No. 407.

The changes in the percent distribution of leased-in holdings and area operated leased-in accounted for by different terms of tenancy have been given in Table 3. It shows that leased-in holdings and area leased-in accounted for by share tenancy declined over the period in a majority of the states. Consequently, in 1991-92, share tenancy accounted for about half of the leased-in holdings and area leased-in in Orissa, Uttar Pradesh and West Bengal; in Bihar its share was around 40 per cent. In three other states (Andhra Pradesh, Assam and Karnataka), share tenancy accounted for about 30 per cent of the leased-in holdings and area leased-in. Naturally, therefore, the importance of fixed rent tenancy contracts, both in terms of holdings and area, increased practically in all the states. And in 1991-92, the fixed rent tenancy contracts were relatively more important compared to share tenancy in about half of the states (Andhra Pradesh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab and Tamil Nadu). The tenancy contracts included under other terms accounted for a very high per cent of leased-in holdings and area leased-in and were relatively more important compared to both fixed rent tenancy and share tenancy in five states (Assam, Himachal Pradesh, Jammu and Kashmir, Kerala and Rajasthan).

TABLE 3. CHANGING DISTRIBUTION OF LEASED-IN HOLDINGS AND LEASED-IN AREA
BY TERMS OF TENANCY IN RURAL INDIA, 1971-72 TO 1991-92: MAJOR STATES

State	Year	Holdings				Area			
		Fixed money (3)	Fixed produce (4)	Share tenancy (5)	Other terms (6)	Fixed money (7)	Fixed produce (8)	Share tenancy (9)	Other terms (10)
Andhra Pradesh	1971-72	18.11	14.98	34.38	32.54	28.29	14.20	35.20	22.31
	1981-82	13.00	11.07	8.83	67.10	13.00	11.10	8.80	67.10
	1991-92	26.70	27.65	29.81	15.84	25.90	26.80	28.90	18.40
Assam	1971-72	20.09	9.83	34.09	35.99	17.05	15.60	41.83	25.52
	1981-82	15.43	8.35	35.35	40.87	15.40	8.40	35.30	40.90
	1991-92	19.40	4.57	31.17	44.86	17.00	4.00	27.80	51.20
Bihar	1971-72	2.98	4.72	68.00	24.30	1.24	6.97	78.28	13.51
	1981-82	6.53	3.59	73.32	16.56	6.50	3.60	73.30	16.60
	1991-92	10.02	13.35	46.05	30.58	9.50	12.80	43.50	34.20
Gujarat	1971-72	30.59	6.75	27.24	35.42	22.76	10.22	39.40	27.62
	1981-82	5.15	0.59	9.70	84.56	5.10	0.50	9.70	84.60
	1991-92	44.46	1.79	26.52	27.23	39.90	1.60	23.70	34.80
Haryana	1971-72	14.81	8.51	46.93	29.57	12.42	8.51	53.97	25.10
	1981-82	24.10	10.76	41.13	24.01	24.20	10.80	41.20	23.80
	1991-92	67.26	5.70	21.17	5.33	61.40	5.20	19.90	13.50
Himachal Pradesh	1971-72	-	-	-	-	-	-	-	-
	1981-82	7.43	16.21	33.11	43.25	7.28	16.50	33.01	43.21
	1991-92	14.99	9.91	11.94	63.16	13.64	8.98	10.87	66.51
Jammu and Kashmir	1971-72	2.77	12.40	75.59	9.24	0.78	0.59	87.08	11.55
	1981-82	2.31	12.14	66.47	19.08	2.17	11.96	66.85	19.02
	1991-92	9.75	31.05	12.27	46.93	9.37	30.21	11.81	48.61
Karnataka	1971-72	25.72	21.18	30.27	22.83	30.82	18.87	39.06	11.25
	1981-82	3.61	4.46	29.98	62.65	3.60	4.70	29.30	62.40
	1991-92	23.15	16.58	32.42	27.85	20.40	14.70	28.60	36.30
Kerala	1971-72	13.51	23.24	6.27	56.98	13.03	39.82	7.33	39.82
	1981-82	3.37	-	13.19	83.44	3.40	-	13.20	84.90
	1991-92	19.02	-	2.48	78.50	15.90	-	2.10	82.00
Madhya Pradesh	1971-72	11.82	7.29	24.76	56.13	15.02	8.57	28.95	47.46
	1981-82	1.71	1.10	27.78	69.41	1.70	1.10	27.80	69.40
	1991-92	17.21	24.17	28.05	30.57	15.30	21.40	24.90	38.40
Maharashtra	1971-72	24.22	13.88	31.42	30.48	28.74	16.46	37.26	17.54
	1981-82	10.94	2.31	48.56	38.19	11.00	2.30	48.50	38.20
	1991-92	39.59	7.07	22.94	30.40	36.20	6.50	20.90	36.40
Orissa	1971-72	18.63	17.30	61.15	2.92	7.50	13.44	42.20	36.86
	1981-82	5.15	8.06	41.96	44.83	5.10	8.10	42.00	44.80
	1991-92	20.58	5.83	53.29	20.30	19.70	4.70	50.90	24.70
Punjab	1971-72	26.93	11.71	43.00	18.36	29.23	12.71	46.66	11.40
	1981-82	42.13	4.60	39.87	13.40	42.10	4.60	39.90	13.40
	1991-92	52.56	19.50	12.07	15.87	49.20	18.20	11.30	21.30
Rajasthan	1971-72	7.62	11.52	23.03	57.83	7.84	11.87	23.74	56.55
	1981-82	3.46	1.40	21.51	73.63	3.50	1.40	21.60	73.50
	1991-92	15.78	20.18	24.31	39.73	15.20	19.40	23.40	42.00
Tamil Nadu	1971-72	14.30	20.74	37.97	26.99	15.16	28.69	42.31	13.84
	1981-82	19.30	19.86	36.50	24.34	19.20	19.90	36.50	24.40
	1991-92	33.52	21.13	16.67	28.68	32.40	20.50	16.10	31.00

(Contd.)

TABLE 3 (Concl'd.)

State	Year	Holdings				Area			
		Fixed money	Fixed produce	Share tenancy	Other terms	Fixed money	Fixed produce	Share tenancy	Other terms
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Uttar Pradesh	1971-72	8.21	4.78	49.87	37.14	6.68	5.84	55.11	32.37
	1981-82	8.60	4.88	50.10	36.42	8.60	4.90	50.10	36.40
	1991-92	9.86	16.21	49.48	24.45	9.20	15.20	46.50	29.10
West Bengal	1971-72	1.78	1.91	12.60	13.71	0.85	2.57	92.58	4.00
	1981-82	2.84	11.92	55.55	29.69	2.80	11.90	55.60	29.70
	1991-92	9.61	13.02	51.77	25.60	8.60	11.70	46.50	33.20
All-India	1971-72	11.61	9.62	46.31	32.47	15.42	11.64	47.87	25.07
	1981-82	10.88	6.28	41.84	41.00	10.90	6.30	41.90	40.90
	1991-92	20.32	15.62	36.89	27.17	19.00	14.50	34.40	32.10

Source: Computed from the following NSS Reports:

(i) *Report on Some Aspects of Landholdings*: 26th Round, 1971-72, NSS Report No. 215.

(ii) *Report on Landholdings (2)*: 37th Round, 1982, NSS Report No. 331.

(iii) *Report on Some Aspects of Operational Holdings*: 48th Round, 1991-92, Report No. 407.

IV

REVERSE TENANCY

The extent of reverse tenancy has been studied in terms of the amount of land leased-in and leased-out by the marginal and small households and their per cent share in the total land transacted in the lease market. Table 4 shows that in 1971-72, the amount of land leased-in by lower category households was much higher in comparison to that leased-out by them.¹ The per cent share of these households in the total land leased-in was more than 80 per cent in seven states (Assam, Bihar, Kerala, Orissa, Tamil Nadu, Uttar Pradesh and West Bengal) and around 50 per cent in others with the notable exceptions of Andhra Pradesh and Maharashtra. Regarding their share in the total amount of land supplied in the lease market, it was more than 50 per cent in Jammu and Kashmir, Kerala, Orissa and West Bengal and around 45 per cent in Andhra Pradesh, Assam and Uttar Pradesh. In the remaining states, the contribution of these households towards the total land leased-out was much lower. Further, while lower category households still continued to dominate the lease market as lessees in most of the states, there was a substantial increase in their per cent share in the total land leased-out between 1971-72 and 1991-92. For example, in the latter year, it ranged from 60 to 75 per cent in five states (Andhra Pradesh, Haryana, Orissa, Tamil Nadu and West Bengal). In most of the other states too, there was a significant increase in the per cent share of marginal and small households in the total land supplied in the lease market. In brief, the NSS data suggest that in 1991-92, the marginal and small households dominated the lease market both as lessees and lessors in about half the states. The traditional tenancy relations, where most of the leased-in land is accounted for by lower category households and leased-out land by

those belonging to higher category prevailed in five states, namely, Bihar, Gujarat, Karnataka, Madhya Pradesh and Rajasthan. Insofar as two agriculturally prosperous states are concerned, while in Punjab higher category households (medium and large) dominated the lease market both as lessors and lessees, the extent of reverse tenancy was more pronounced in Haryana.²

TABLE 4. REVERSE TENANCY: THE EXTENT OF PARTICIPATION OF LANDLESS, MARGINAL AND SMALL HOUSEHOLDS IN THE LEASE MARKET, MAJOR STATES, 1971-72 TO 1991-92

States (1)	1971-72				1991-92			
	Land leased-in (00 ha) (2)	Land leased-out (00 ha) (3)	Per cent share in leased-in land (4)	Per cent share in leased-out land (5)	Land lease-in (00 ha) (6)	Land leased-out (00 ha) (7)	Per cent share in leased-in land (8)	Per cent share in leased-out land (9)
Andhra Pradesh	5,831	2,857	42.93	30.92	6,969	2,396	82.52	64.17
Assam	6,172	750	95.26	44.67	1,804	402	95.04	58.69
Bihar	10,393	2,190	88.06	44.23	3,118	981	95.03	41.50
Gujarat	2,286	507	64.94	26.23	2,571	940	90.31	38.68
Haryana	3,418	230	63.21	14.79	4,074	4,234	28.76	64.06
Jammu and Kashmir	396	129	66.00	75.88	166	-	96.51	70.71
Karnataka	10,998	2,130	65.74	30.33	4,187	1,459	58.47	19.49
Kerala	884	212	90.11	65.63	262	-	82.13	-
Madhya Pradesh	8,227	1,004	58.81	19.20	9,084	1,783	75.86	28.94
Maharashtra	5,563	1,067	28.55	16.10	4,734	1,638	59.56	24.49
Orissa	4,731	1,845	82.29	59.07	4,484	1,736	91.77	75.02
Punjab	5,228	693	64.41	16.56	1,767	810	42.41	32.36
Rajasthan	4,324	428	59.16	7.81	5,147	709	57.37	10.99
Tamil Nadu	5,494	3,032	91.31	25.15	3,900	1,745	86.91	64.57
Uttar Pradesh	19,351	4,358	88.34	46.83	16,767	4,158	91.37	49.30
West Bengal	11,691	1,787	94.58	51.57	5,029	1,145	97.20	60.45
All-India	9,874	2,521	67.03	34.55	74,772	19,497	71.27	32.44

Source: (i) *Report on Some Aspects of Landholdings: 26th Round, 1971-72, NSS Report No. 215.*

(ii) *Report on Some Aspects of Household Ownership Holdings (I): 48th Round, NSS Report No. 399.*

V

DETERMINANTS OF TENANCY

The effect of different factors on the magnitude of tenancy was studied using regression analysis with proportion of leased-in area as dependent variable and factors like poverty, landlessness, number of bullocks, household size, proportion of irrigated area, fertiliser consumption, extent of mechanisation, rural non-farm employment, wages, etc., as independent variables.³ The results, presented in Table 5, show that factors like poverty, bullocks, household size, landlessness, etc., did not

TABLE 5. DETERMINANTS OF TENANCY: RESULTS OF REGRESSION ANALYSIS

Dependent variable	Independent variables										R ²
	Constant	Poverty	Number of bullocks	Household size	Landlessness	Proportion of irrigated area	Fertiliser consumption	Mechanisation	Rural non-farm employment	Wages	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Leased-in area	13.55	-0.12 (-1.45)	-	-	-	-	-	-	-	-	0.07
Leased-in area	12.40	-	-0.05 (-1.29)	-	-	-	-	-	-	-	0.06
Leased-in area	-7.20	-	-	3.02 (1.21)	-	-	-	-	-	-	0.06
Leased-in area	15.55	-	-	-	-0.57* (-2.56)	-	-	-	-	-	0.20
Leased-in area	0.90	-	-	-	-	0.22** (6.22)	-	-	-	-	0.60
Leased-in area	3.91	-	-	-	-	-	0.06* (4.20)	-	-	-	0.40
Leased-in area	2.81	-	-	-	-	-	-	0.09* (3.56)	-	-	0.33
Leased-in area	8.07	-	-	-	-	-	-	-	0.05 (0.29)	-	0.00
Leased-in area	7.18	-	-	-	-	-	-	-	-	0.13 (1.19)	0.05

Note: (i) * and ** denote levels of significance at 1 and 5 per cent respectively.

(ii) Figures in parentheses are 't' values.

(iii) Number of observations = 28; 14 each for 1981-82 and 1991-92.

affect the proportion of leased-in area; the regression coefficients associated with these variables neither had expected signs nor were statistically significant. In comparison, the factors associated with new agricultural technology like proportion of irrigated area, fertiliser consumption and extent of mechanisation affected the proportion of leased-in area positively and significantly.

Regarding types of tenancy, Table 6 shows that the effect of incidence of landlessness was negative whereas the proportion of irrigated area had a positive and significant effect on the proportion of operated area leased-in under share tenancy. The effect of level of wages and rural non-farm employment was negative but statistically insignificant. Likewise, Table 7 shows that factors like irrigation, fertiliser consumption and the extent of mechanisation had a positive and significant effect in inducing the households of higher farm size category to lease-in land. The regression coefficients associated with these variables had expected signs and were statistically significant as well.

TABLE 6. DETERMINANTS OF SHARE TENANCY: RESULTS OF REGRESSION ANALYSIS

Dependent variable	Independent variables							R ²
	Constant	Poverty	Landlessness	Wages	Proportion of irrigated area	Fertiliser consumption	Rural non-farm employment	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Percentage area under share tenancy	2.13	0.02 (0.71)	-	-	-	-	-	0.02
Percentage area under share tenancy	4.75	-	-0.16** (-2.02)	-	-	-	-	0.14
Percentage area under share tenancy	3.42	-	-	-0.03 (-0.89)	-	-	-	0.03
Percentage area under share tenancy	0.83	-	-	-	0.06* (3.49)	-	-	0.32
Percentage area under share tenancy	2.17	-	-	-	-	0.01 (1.40)	-	0.07
Percentage area under share tenancy	3.86	-	-	-	-	-	-0.04 (-0.75)	0.02

Note: (i) * and ** denote levels of significance at 1 and 5 per cent respectively. (ii) Figures in parentheses are 't' values. (iii) Number of observations = 28; 14 each for 1981-82 and 1991-92.

TABLE 7. DETERMINANTS OF REVERSE TENANCY: RESULTS OF REGRESSION ANALYSIS, 1991-92

Dependent variables (1)	Independent variables				R ² (6)
	Constant (2)	Proportion of irrigated area (3)	Fertiliser consumption (4)	Mechanisation (5)	
Percentage of higher category households (owning >2 hectares) in all lessees	0.91	0.28** (2.03)	-	-	0.26
Percentage of higher category households (owning >2 hectares) in all lessees	2.68	-	0.09*** (1.85)	-	0.22
Percentage of higher category households (owning >2 hectares) in all lessees	-8.85	-	-	0.26* (7.09)	0.81

Note (i). *, ** and *** denote levels of significance at 1, 5 and 10 per cent respectively.

(ii) Figures in parentheses are 't' values; (iii) Number of observations = 14.

VI

CONCLUSIONS

The main findings of the study are summarised below. First, despite some increase in the proportion of leased-in area between 1981-82 and 1991-92 in most of the states, the incidence of tenancy in 1991-92 was lower practically in all the states compared to that of 1971-72. Second, the importance of share tenancy, both in terms of holdings and area, declined significantly. And, in 1991-92, only in three states, namely, Orissa, Uttar Pradesh and West Bengal share tenancy accounted for more than half of the leased-in holdings and area leased-in. In eight states (Andhra Pradesh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab and Tamil Nadu) fixed rent tenancy was relatively more important and was accounted for most of the leased-in holdings and area leased-in. Third, while lower category households continued to dominate the lease market as lessees, the evidence from NSS data shows that significant increase in the proportion of leased-out area was accounted for by lower category households. In fact, the data show that in most of the states households belonging to not very different farm size categories dominated the lease market both as lessees and lessors. Fourth, factors like irrigation, fertiliser consumption and extent of mechanisation were relatively more important in determining various aspects of tenancy relations.

NOTES

1. The amount of leased-in land should be equal to leased-out land. However, the former is higher than the latter. The difference could be attributed to the reporting bias. The difference also arises because rural households lease-in land from urban households, panchayats, temples, etc. Since these institutions are not covered in the NSS, some difference in the data could be attributed to their exclusion.

2. The studies, which have reported reversal in the tenurial relations are Vyas, 1970; Jodha, 1981; Singh, 1989; Srivasatva, 1989 and Siddiqui, 1999. Some micro studies have also reported that a majority of the lessors and lessees belong not to very different farm size classes (Bhalla, 1983; Ray, 1974; Swain, 1999).

3. The regression analysis was done separately for 1981-82 and 1991-92 and also after pooling the data for both the years. However, because the results for both the years were broadly similar, the results for the pooled data alone are reported. Further, since most of the independent variables are expected to have high degree of correlation, these were entered into the analysis one by one.

REFERENCES

- Bhadhuri, Amit (1973), "A Study of Agricultural Backwardness Under Semi-Feudalism", *The Economic Journal*, Vol. 83, No. 329, March.
- Bhalla, Sheila (1983), "Tenancy Today: New Factors in Determination of Mode and Level of Rent Payment for Agricultural Land", *Economic and Political Weekly*, Vol. 18, Nos. 19, 20 and 21, Annual Number.
- Chadha, G.K. and S.K. Bhaumik (1992), "Changing Tenancy Relations in West Bengal: Popular Notions, Grass Root Realities", *Economic and Political Weekly*, Vol. 27, Nos. 19, 20 and 21, May 9-23.
- Jodha, N.S. (1981), "Agricultural Tenancy: Fresh Evidence from Dryland Areas in India", *Economic and Political Weekly*, Vol. 16, No. 52, December 26.
- Prasad, Pradhan H. (1973), "Production Relations: Achilles' Heel of Indian Planning", *Economic and Political Weekly*, Vol. 8, No. 19, May 12.
- Prasad, Pradhan H. (1974), "Reactionary Role of Usurers' Capital in Rural India," *Economic and Political Weekly*, Vol. 9, Nos. 32-34, Special Number, August.
- Ray, Debidas (1974), "The Small Lessor and Big Lessee: Evidence from West Bengal", *Economic and Political Weekly*, Vol. 9, Nos. 32-34, Special Number, August.
- Siddiqui, Kalim (1999), "New Technology and Process of Differentiation: Two Sugarcane Cultivating Villages in U.P.", *Economic and Political Weekly*, Vol. 34, No. 52, December 25-31.
- Singh, Iqbal (1989), "Reverse Tenancy in Punjab Agriculture: Impact of Technological Change", *Economic and Political Weekly*, Vol. 24, No. 25, June 25.
- Srivastava, Ravi (1989), "Tenancy Transactions During Transition: A Study Based on Field Work in Uttar Pradesh (India)", *Journal of Peasant Studies*, Vol. 16, No. 3.
- Swain, Mamata (1999), "Agricultural Tenancy and Interlinked Transactions-I: Neo-classical and Marxist Approaches", *Economic and Political Weekly*, Vol. 34, Nos. 37 and 38, September 11-17 and 18-24.
- Vyas, V.S. (1970), "Tenancy in a Dynamic Setting", *Economic and Political Weekly*, Vol. 5, No. 26, June 27.