



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.*

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

**Impact of Tenancy Reforms on Productivity
Improvement and Socio-Economic Status
of Poor Tenants**

By T. Haque

Policy Paper 13



**National
Centre for
Agricultural Economics and
Policy Research
Library Avenue (NCAP),
New Delhi, India**

Policy Paper 13

**Impact of Tenancy Reforms on Productivity Improvement and
Socio-Economic Status of Poor Tenants**

First published
March 2001

Published by
Dr. Mruthyunjaya
Director, NCAP

The authors :

T. Haque is presently member, Commission for Agricultural Costs and Prices
Ministry of Agriculture, Government of India, Shastri Bhawan,
New Delhi - 110 001

Contents

List of tables and figures	ii
Foreword	iv
Acknowledgements	v
Executive Summary	vi
1.0 Introduction	1
2.0 Nature and Effectiveness of Tenancy Reform Laws	9
2.1 Clustering of States Based on Tenancy Laws	33
3.0 Tenancy Situation in Various States	47
3.1 Poor People's Access to Lease Market	50
3.2 Terms of Lease	53
3.3 Period of Lease	54
4.0 Impact of Tenancy Reform	79
4.1 West Bengal	80
4.1.1 Operation Barga and Agricultural Development	85
4.1.2 Impact of Operation Barga on Security of Tenure	91
4.2 Karnataka	99
4.3 Punjab	107
4.3.1 Contract Farming and Agrarian Relations	114
5.0 Conclusions and Policy Implications	134
5.1 Suggestions for Amendment in Law	136
5.2 Implications of Liberalization of Tenancy	138
5.3 Implications of Contract Farming for Growth and Equity	142
References	144

Tables

1.1	List and Basic Features of Selected Villages	6
2.1	Legal Restrictions on Lease in Various States	35
2.2	Recognition of Sharecropping as a Form of Tenancy in Law	37
2.3	Positions Regarding Security of Tenure in Various States	38
2.4	Provisions Regarding Surrender of Tenancy	40
2.5	Definitions of "Personal Cultivation" in Law	42
2.6	Provisions Regarding Conferment of Ownership Rights on Tenants	44
2.7	State-wise Restrictions on Rent Payable	45
3.1	Proportion of Leased in Area to Operated Area in Various States	55
3.2	State-wise Proportions of Tenanted Holdings by Size Class	56
3.3	Changes in the share of various sizegroups in Total Leased in Area	60
3.4	Per cent Households reporting leasing in and leasing out	64
3.5	Percentage of operated Area Leased in by Size Group	70
3.6	Distribution of Area Under Various Terms of Lease	72
3.7	Distribution of Area Leased in by Period of Lease	77
4.1	Number and Area of recorded Sharecroppers in West Bengal	117
4.2	Proportion of Recorded area Under Sharecropping and Average Yield of Foodgrains in West Bengal by District	118
4.3	Changes in Yields of Rice and Foodgrains in West Bengal and All India	119
4.4	Annual Compound Growth Rates of Yields of Foodgrains by State	120
4.5	Progress of Minor Irrigation in West Bengal	121

4.6	Extent of Area Under Recorded tenancy and Agril. Productivity In West Bengal by District	122
4.7	Tenancy Relations in Sample Districts of West Bengal	123
4.8	Productivity, Income and Assets variations in own and Sharecropped Farms	124
4.9	Yields of Crops in the Plots of Sample Farmers	125
4.10	Factors Causing Yield Improvement in West Bengal	126
4.11	Details of Tenants Conferred Ownership Right in Karnataka by District	127
4.12	Annual Growth rates of Yields of Foodgrains in Karnataka by District	128
4.13	Tenancy Relations in Sample Districts of Karnataka	129
4.14	Productivity, Income and Asset variations between own Land and Leased in Land in Karnataka	130
4.15	Tenancy Relations in Sample Districts of Punjab	131
4.16	Variations in Productivity and Assets between own Farms and Operated Farms	132
4.17	Land Holding Characteristics of Contract Farmers in Punjab	133
4.18	Productivity Difference between Contract and Non-Contract Farmers	133

Graphs

3.1	Incidence of Tenancy in various States	49
3.2	Share of Small and marginal Farmers in the Total Leased in Area by State	52
3.3	Percentage of Tenant Households Below Poverty Line	95
3.4	Lease Transactions Between Various Size Groups of Farms	108

Foreword

Agricultural tenancy has always been a subject of topical interest for research to the social scientists. They have tried to examine the influence of agricultural tenancy on agricultural productivity. The usefulness of various tenancy reforms, however, has been assessed to be limited. This raises an important question, what should be the future policy on agricultural tenancy. The question assumes special significance in the wake of economic liberalization where there is great demand for liberalization of agricultural tenancy in order to promote diversified agricultural growth. The study by Dr. T. Haque intends to provide some useful directions on these issues.

The study examines wide spectrum of tenancy laws in different states, particularly in West Bengal, Karnataka and Punjab where the nature of tenancy laws are different. The perspectives on tenancy in the country are provided through useful groupings followed by scholarly interpretations. The findings that there is increase in proportion of leased in area in recent years, fixed cash is the most dominant form of lease in developed regions while share cropping is dominant in developing regions, simultaneous growth in commercialization of agriculture, reverse tenancy and fixed money lease are all important. It is disquieting to note that the accessibility of the marginal farmers to lease market is still limited. The recommendation that law should specifically provide for legalization of tenancy within ceiling limit, particularly enabling marginal and small farmers to lease in land makes much sense. There are many such useful recommendations in the paper, which may be helpful to the policy makers, and others concerned. There are also many research gaps identified requiring attention of social scientists.

I compliment Dr. Haque for these invaluable professional contributions.

March, 2001
New Delhi

Mruthyunjaya
Director

Acknowledgements

This study was sponsored by Land Reforms Division of the Ministry of Rural Development, Govt. of India. I am extremely grateful to Dr. N.C. Saxena, Former secretary, Department of Rural Development, and presently Secretary, Planning Commission, Govt. of India for encouraging me to take up this study. Dr. Saxena has been a constant source of inspiration to me. I am also thankful to Mr. Sukumar Das and Mr. Kuldeep Rai, former Jt. Secretaries and Mr. D. Narula, Research Officer, Land Reforms Division, Ministry of Rural Development, Prof. P.G. Chengappa, Prof. S. S. Pal, Dr. Naresh Sharma, Dr. Gurmail Singh, Dr. Mruthyunjaya, Dr. P. K. Joshi, Mr. Gitesh Sinha, Ms. T. Shobha, Ms. Rajni Tomar, Ms. Seema Khatter and Ms. Rita Chopra for their help and co-operation in course of this study. Finally, I am grateful to Dr. Dayanatha Jha, former Director, NCAP and Dr. S.L. Mehta, DDG (Education), ICAR for their kind encouragement and permission to take up the study. I am particularly grateful to Dr. Jha for going through the manuscript and providing valuable suggestions.

March 2001

T. Haque

Executive Summary

In the wake of economic liberalization, there is often a demand for liberalization of agricultural tenancy in order to promote diversified agricultural growth. However, one needs to examine whether tenancy laws of various states as such constrain agricultural growth. It is particularly important to analyze whether liberalization of tenancy would lead to improvement in the condition of poor tenants under various socio-political situations of the country or whether this would lead to the growth of absentee landlordism once again and if so, what should be the safeguards provided in tenancy laws. In view of these facts, therefore, it is necessary for the policy makers to understand the dynamics of tenancy reforms under various socio-political and economic situations, so that appropriate amendment in law can be carried out without affecting either the interest of the poor or the national economic interests. The present study intends to provide the missing link in research on the subject.

This study is based on both secondary and primary data. An in-depth analysis of the existing tenancy laws was undertaken. Besides, a household level survey was conducted in selected districts of West Bengal, Karnataka and Punjab. These three states were selected purposively, because of differences in the nature of tenancy laws. In Karnataka, tenancy is banned, but all those tenants existing before 1.1.1979 were entitled to be registered as an occupant in respect of the land under his cultivation with heritable right. Similarly, the Govt. of West Bengal launched 'Operation Barga' in 1978 which recorded the right of share croppers and gave them heritable right. But only share cropping tenancy is allowed by law. In Punjab, tenancy is not banned. But laws are restrictive. Also because of high incidence of reverse tenancy in which large farmers lease in land from small farmers, the state of Punjab presents a different scenario which needs to be analyzed.

From the point of view of tenancy law, various regions of the country can be grouped into five categories. First, the states like Kerala and Jammu & Kashmir have legally banned leasing out of agricultural land without any exception. Second, Telangana area of Andhra Pradesh,

Karnataka, Himachal Pradesh, Madhya Pradesh and Uttar Pradesh have legally prohibited leasing out of agricultural land, excepting by certain disabled categories like widows, minors, armed personnel etc. Third, the states of Punjab, Haryana, Gujarat, Maharashtra and Assam have not banned leasing, but the tenant acquires a right to purchase the leased land from the owner within a specific period of creation of tenancy. Fourth, in area other than Telungana of Andhra Pradesh, Orissa, Rajasthan, Tamil Nadu and west Bengal, there are no restrictions on land leasing, although in West Bengal, only share cropping leases are permitted, Fifth, in the scheduled tribe areas of Andhra Pradesh, Bihar, Orissa, Madhya Pradesh and Maharashtra, transfer of tribal land to non-tribals even on lease can be permitted only by a competent Government authority. This is intended to prevent alienation of land from tribal to non-tribal. However, the available data indicate that there is a system of informal leasing in all such cases. Besides, in many states, the sharecroppers are not explicitly recognized as tenants. These include Andhra Pradesh, Bihar, Karnataka, Madhya Pradesh, Uttar Pradesh, Haryana, Punjab, Rajasthan and Tamil Nadu.

The available NSS data for the years 1981 and 1991 show that the proportion of leased in area increased in recent years in most of the states. Although fixed cash is the most dominant form of lease in relatively developed regions of Punjab, Haryana, Tamil Nadu, Maharashtra and Gujarat, share cropping is the main form of lease in most of the under developed regions. Also in developed pockets of each region where commercialization of agriculture has taken place, share cropping lease is slowly giving way to a system of lease for fixed money. In such areas, the incidence of reverse tenancy also is quite high. Thus, commercialization of agriculture, reverse tenancy and fixed money lease have grown simultaneously.

In several states including Haryana, Karnataka, Maharashtra, Punjab and Rajasthan, the medium and large farmers above 4 hectares cultivate about 50 percent or more of the total leased in area. Also, during 1982 to 1992, the percentage share of large farmers in the total leased in land increased in the states of Assam, Karnataka, Punjab, Haryana, Rajasthan and Tamil Nadu. The marginal farmers accounted for hardly 16 percent

of the total leased in land, while the proportion of marginal farmers was as high as 60 percent. In other words, accessibility of the marginal farmers to lease market is still limited.

It is often argued that restrictive tenancy laws have not served much purpose for either growth or equity and therefore, tenancy should be liberalized. The main argument put forward in favour of liberalization of tenancy is that it would increase the mobility of people from the rural to urban areas and improve the availability of land in the lease market, which may increase the poor peoples accessibility to land through leasing. Besides, in many areas, restrictive tenancy laws are reported to have encouraged the landowners to leave their land fallow, due to the fear that they may lose the land if they lease out. The lifting of ban on leasing in such cases may result in better utilization of land and increased farm output.

However, there is a danger that in the absence of adequate non-farm development, liberalization of tenancy may alienate the marginal farmers from land without an alternative source of income, particularly in underdeveloped regions. Moreover, it is not certain whether legalization of leasing would sufficiently motivate the large and medium farmers to lease out land and take up non-farm enterprises unless adequate infrastructure facilities develop in rural areas. Under the circumstance, small as well as large farmers will compete for leased land and reverse tenancy will emerge even in backward regions. Therefore, law should specifically provide for legalization of tenancy within ceiling limit only and that too for enabling only the marginal and small farmers to lease in land.

The study clearly bears out that tenancy reforms undertaken since independence have yielded a mixed result. Tenants who have been confirmed ownership/occupancy right as a result of either abolition of intermediaries or abolition of tenancy, take more interest in farming. The survey results from Karnataka indicate that they have invested in land improvement measures and improved their land productivity and socio-economic status. In cases where occupancy right was given to the tenants by transferring the land right from absentee landowners, priests

and temples, land productivity significantly improved. However, the economic condition of some widows and priestly farmers became worse off as a result of tenancy reform in Karnataka . It was also observed that majority of the occupancy tenants as well as informal tenants depended on non-institutional sources of credit. They prefer to borrow from local money lenders at high rate of interest because of convenience and no fear of harassment. This calls for credit reform in the institutional sector for streamlining and increasing the accessibility of the farmers to institutional credit which could help improve their productivity and income levels. In some places, there is emergence of water market. But it is mainly the large farmers who own tubewell/tanks and sell water. Since the Karnataka land reform did not focus much on the landless so far, it is time to see whether ownership of tubewell or tank by the landless/land poor farmers would help them to improve their economic condition.

In West Bengal, 'Operation Barga' launched in 1978 led to the recording of about 15 lakh share croppers, covering about 4.5 lakh hectares of land. The tenancy law provides the recorded share croppers permanent and heritable right. The 'Operation Barga' helped in raising the yields and social status of the share croppers significantly. However it would be erroneous to attribute the recent spurt in agricultural growth in West Bengal to 'operation barga' only. Adoption of seed and chemical fertilizers was very rapid from 1980-81, which could be the indirect effect of operation barga. But many relatively rich farmers have also installed shallow and deep tubewells which facilitated the growth of boro paddy cultivation, which is mainly responsible for rice revolution in the state. In fact, they even lease in land from some share croppers during boro season and make full use of their water resources and also sell water to share croppers if need arises. This also raises another important question of land reform whether ownership of water rather than just land would be important for empowering the poor.

Besides, tenancy relation in West Bengal is assuming a new dimension in many places, as share croppers enter into informal agreement with the landlord to abandon tenancy right on a portion of land against permanent right on some other plots/portion, Thus, there is an informal land transaction which tends to defeat the propose of land reform. It

may therefore, be appropriate for the Government of West Bengal to explore whether all the existing share croppers can be given ownership right, if necessary at a purchase price with the aid of credit institutions or otherwise and then liberalize agricultural tenancy at least within the ceiling limit. This is particularly important because any change of political environment may create a problem for the share croppers and force them to lose their tenancy right, as it happened in Egypt and other countries.

In the case of Punjab, above 66 percent of the leased in land is operated by large and medium farms above 4 hectares. While only 13 percent of medium farmers between 4 to 10 hectares lease out land, about 31 percent of them lease in land. Conversely 20 percent of small farmers between 1 to 2 hectare of land lease out, while equal proportion of them also lease in. In districts like Bhatinda, Ropar and Sangrur, in 45 to 52 percent cases, marginal and small land owners have leased out land to either medium or large farmers. Our survey results further indicate that large and medium farmers who have leased in land from marginal farmers have been able to invest more in modern inputs and increase land productivity. For the marginal farmers also, reverse tenancy has helped in their occupational mobility and to earn more income. They earned more by way of rent on leased out land and also by hiring out labor. However, reverse tenancy can help only if adequate farm and non-farm employment opportunities are available.

To conclude, tenancy laws of various states should be suitably amended keeping in view the region specific need and local objective condition. However, the main objectives of such amendment in law should be to promote agricultural growth through greater security and work incentive for both landowners and the tenants and also encourage occupational mobility of the rural people. Also the law should specifically protect the interest of small landowners and poor tenants who are at the bottom of unequal rural power structure. As far as possible leasing in of land only by small and marginal farmers should be allowed, while large farmers should be encouraged as well as assisted to take up and promote non-farm enterprises.

The specific suggestions for amendment in tenancy related policies would include the following:

- i) In West Bengal, fixed rent tenancies are illegal and only share cropping tenancies are recognised by law. However, such a clause in law has no rationality, as fixed rent tenancies are less exploitative in the current context and also more productive. The Government of West Bengal therefore, should suitably amend the tenancy law, for enabling the poor tenants to lease in land on fixed rent/ fixed produce basis.
- ii) Government of West Bengal should confer ownership right on all existing recorded share croppers, as this would encourage them further to improve land productivity
- iii) The states of Andhra Pradesh, Gujarat, Maharashtra, Karnataka, Orissa, Punjab, Haryana and Uttar Pradesh should make legal provision for recording the name and rights of tenants, while other states should effectively implement the existing provision in law for this purpose.
- iv) The states of Punjab and Haryana where large and medium farmers have a relatively large share in the total leased area, should amend a provision existing in law which entitles a tenant to purchase the land held on lease continuously for four years. This would be necessary to protect the interest of marginal land owners who lease out land.
- v) All occupancy tenants in Karnataka should be given the full ownership right, having the right to transfer land through either sale or lease. This will help in activating the land market.
- vi) Legal ban on leasing in Telengana area of Andhra Pradesh, Kerala, Karnataka, Bihar, Himachal Pradesh, Madhya Pradesh and Uttar Pradesh should be lifted alongwith the legal provision that only small and marginal farmers and landless labourers are entitled to lease in land.

- vii) Reverse tenancy should not be allowed and encouraged in underdeveloped regions, as this is likely to result in increased landlessness and poverty.
- viii) Tenants belonging to the category of marginal and small farmers should be provided adequate credit and technology support for improving their yields and income.
- ix) Wherever feasible, marginal farmers and landless labourers should be assisted by the Government to instal deep or shallow tubewells, in order to enable them to improve their income through sale of water to fellow farmers.

Introduction

The question whether agricultural tenancy influences productivity or resource use efficiency in agriculture has been a subject of discussion for a very long time. Unfortunately the prolonged debate had created a lot of confusion in the minds of policy makers regarding the usefulness of tenancy reform measures undertaken thus far. It has also made them directionless so far as the future policy on agricultural tenancy is concerned. It is therefore time to end the debate by examining various aspects of agricultural tenancy and tenancy reforms in right perspective.

Prior to independence, the system of tenancy cultivation was generally considered to be an integral part of the feudal agrarian structure. The land rights were concentrated in the hands of a small group of large landowners including absentee landlords, while a vast majority of actual cultivators did have either no right or had only limited rights as tenants and sub-tenants. It was mainly the poor who leased-in land for subsistence. Although some superior tenants had been enjoying security of tenure and fixity of rent, tenancy arrangements in general were a matter of mutual agreement between the landowners and the tenants which were governed mainly by the ordinary laws of contract which had no provision for either security of tenure or regulation of rent. According to the Famine Enquiry Commission (1944), even in the ryotwari areas where peasant proprietorship should have prevailed, unprotected tenancy developed on a large scale. The tenants had no permanent interest in land. In many cases, the lands were leased on crop sharing basis. If the tenants put improved seeds, manure or extra-labour, they had to share half of the increased produce with the landlords.

The policy makers in India, particularly in the wake of independence considered the system of cultivation by tenants as highly unproductive and exploitative. Therefore, the tenancy reforms undertaken since independence aimed at either abolition of tenancy or regulation of tenancy by ensuring fixity of tenure, fair rent etc. which were expected to improve land productivity and socio-economic status of poor tenants. Tenancy reforms were intended to improve the ability and incentive of the poor tenants to cultivate land more efficiently and to increase their income and living standards. However, the nature of tenancy reform laws and their impact varied widely from region to region. During the last two decades or so, the state of Karnataka made an effort to confer occupancy right on the tenants. However, there has been no systematic study to indicate whether such tenancy reforms have led to any significant improvement in the socio-economic conditions of the erstwhile tenants. Many state governments have banned agricultural tenancy. But concealed tenancy exists with all its growth retarding features. In many developed regions particularly Punjab and Haryana, there is also a growing trend toward reverse tenancy in which case large farmers have leased in land from the small and marginal farmers, the socio-economic implications of which need to be properly analysed. In the context of West Bengal, it is often said that 'Operation Barga' launched in 1978 has helped in raising agricultural production and poverty reduction in rural areas. But no empirical study has been carried out so far to reflect on the exact nature of relationship between operation barga on the one hand and agricultural productivity and poverty reduction on the other. Besides, in the wake of economic liberalization, there is often a demand for liberalisation of agricultural tenancy in order to promote corporate farming as well as over all farm and non-farm diversification in rural areas. However, one needs to examine whether liberalisation of tenancy would lead to improvement in the condition of tenants under various socio-political situations of the country or whether this would lead to the growth of absentee landlordism once again and if so, what should be the safeguards provided in tenancy laws. In view of these facts, therefore, it is very important for the policy makers to understand the dynamics of

tenancy reforms under various socio-political and economic situations so that appropriate amendments in law can be carried out without affecting either the interests of the poor or the national economic interests. The present study intends to provide the missing links in research on the subject.

Objectives of the Study

The specific objectives of the study are as follows:

- i) to examine the nature and effectiveness of tenancy reform laws in various states;
 - ii) to analyse the impact of 'Operation Barga' on agricultural productivity as well as socio-economic status of poor sharecroppers in West Bengal;
 - iii) to examine the impact of reverse tenancies on agricultural productivity in Punjab;
 - iv) to analyse the impact of conferment of ownership right on tenants on productivity and poverty reduction in Karnataka;
 - v) to examine the likely implications of liberalisation of tenancy for agricultural growth and poverty reduction in rural areas through poor people's increased access to land, employment etc., and
 - vi) to suggest appropriate amendments in tenancy laws of various states, on the basis of empirical results of the study.
-

Methodology

The study is based on both primary and secondary data. In order to meet Objective No.1, an in-depth analysis of the existing tenancy laws was undertaken. For objective No.2, a Primary level survey was conducted in four districts of West Bengal, namely, Medinipore, Burdwan, Jalpaiguri and Birbhum where the incidence of share cropping as well as recording of sharecroppers were high. In order to meet the requirement of objective No.3, a household level survey was conducted in four districts of Karnataka, namely Kolar, Kodagu, Chitradurga and Tumkur. These are not necessarily the districts where maximum number of tenants were given occupancy rights, but the idea was to see the impact of such reform in various agro-climatic regions. The state of Karnataka was chosen because of two reasons. First, it has conferred occupancy right on a large number of tenants in the 80's through pre-emptive purchase, the impact of which could be easily noticed by now and secondly, the state of Karnataka has pleaded for a liberal land leasing policy in their recent policy paper. Besides, four districts of Punjab, namely Fatehgarh Sahib, Roop Nagar, Bhatinda and Sangrur were studied to analyse the impact of reverse tenancy. This study has also made an attempt for an ex-ante analysis of the likely implications of liberalisation of tenancy for agricultural growth and poverty reduction in rural areas. Ninety tenant households from each district were randomly selected for the study. Moreover, a rapid appraisal of the emerging contract farming system in the districts of Hoshiarpur, Ludhiana and Phagwara in addition to the above districts of Punjab was also made. Table-1.1 shows the list of districts and villages selected for the study.

Description of the selected villages

It may be seen from Table–1.1 that selected villages were located within the range of 0.5 to 6 Kms from road side in Punjab, 1.5 to 3 Kms. from roadside in West Bengal and 1 to 5 Kms from the roadside in Karnataka. The selected villages in Punjab lie within 3 to 12 Kms from the nearest market. In Karnataka, the selected villages lie within 4 to 12 Kms distance from the nearest market. Most of the selected villages in all the three states were connected with electricity. Only one village in West Bengal (Amlagora) and another in Karnataka (Janakaloly) did not have electricity connection. The average size of family ranged between 3 to 14 in Punjab, 5 to 9 in West Bengal and 5 to 7 in Karnataka. In the selected villages of Punjab, the average size of holding ranged between 6.7 acres to 31 acres of own land and 2.1 acres to 16.1 acres of leased in land. In West Bengal villages, the average size of own land varied from 0.5 acre to 1.5 acres of own land and 1.6 acre to 3.2 acres of leased land. In the selected villages of Karnataka, it ranged between 3.7 acres and 5.2 acres of own land including the land received through occupancy right under tenancy law and varied from 0.5 to 1.0 acre of leased land.

District	Village	Distance from Road Side In Km	Distance from Market In Km	Whether the Village is Connected with Electricity	Average Size of Family	Average Size of Holdings		
						Own Land in Acres	Leased in Land in Acres	
Punjab	Fatehgarh Sahib	Chunni Khurd	1.0	3.0	Yes	11	25.5	4.1
		Bhagatpura	2.0	5.0	Yes	14	11.7	6.2
		Bhella Khanpur	1.0	3.0	Yes	14	8.6	7.7
		Rupal heri	1.0	5.0	Yes	8	11.0	3.2
		Sampuri Saheb	1.0	7.0	Yes	8	6.7	4.5
		Sakarapara	0.5	3.0	Yes	6	12.0	4.7
	Ropar	Landra	1.0	6.0	Yes	3	19.0	7.2
		Chappar Chiri	0.5	4.0	Yes	11	12.0	7.8
		Kailon	1.0	7.0	Yes	9	11.0	6.3
		Piouli	4.5	10.0	Yes	6	8.5	2.2
		Mauzapur	1.0	10.0	Yes	8	7.8	5.3
		Khanpur	-	3.0	Yes	8	31.0	16.1
		Simbal Mazara	6.0	8.5	Yes	8	15.0	5.6
		Dhauni	0.5	3.0	Yes	8	18.0	0.0
	Bathinda	Katar Singh Wala	0.5	8	Yes	8	15.2	5.8
		Gulab Garh	1.5	9.2	Yes	9	9.4	3.8

Table-1.1: Continue

	Saangroor	Budbar	0.9	21	Yes	8	7.6	3.6
		Bahadurpur	0.5	11.9	Yes	7	9.3	2.9
West Bengal								
	Birbhum	Chandpur	3.0	7.0	Yes	7	1	3.2
		Purba Sahapur	2.5	5.0	Yes	6	1.5	2.4
		Dholtikuri	2.0	10.0	Yes	9	0.7	2.8
	Medinipore	Amlagora	1.5	1.5	No	5	0.9	1.6
		Hathi Donga/ Radhanagar	1.5	1.5	Yes	5	0.6	2.0
	Burdwan	Tachtipur	3	3	Yes	6	0.8	0.6
		Kiskinda	1	2.5	Yes	10	2.4	0.8
	Midnapore	Nischiata	2	2	Yes	5.1	0.4	0.2
		Basan	1	1	Yes	4	0.5	0.2
Karnataka	Kolar	Idagur	1.0	4.0	Yes	5	5	0.7
		Alakapura	1.6	4.5	Yes	6	3.8	0.9
		Mavina Kayihahalu	2.5	6.0	Yes	5	5.2	1.0
	Tumkur	Dodagandhally	2.0	8.0	Yes	7	3.9	0.7
		Janakaloly	5.0	12.0	No	6	3.7	0.5

Table-1.1: Continue

Chitradurga	E.G.Hatti	2.0	8.0	Yes	5	6.5	.08
	Eswaragere	2.0	8.0	Yes	7	2	0.3
Kodagu	Aigoor	5.0	7.0	Yes	5	6.5	0.7
	Gondi Baswan	4.5	5.0	Yes	6	2	0.3
	Gummanakoli	4.0	4.5	Yes	6	3.9	0.5
	Haleri	3.5	5.0	Yes	7	3.5	0.4
	Hemmathalu	3.5	7.5	Yes	5	3	0.1
	Heravanadu	4.0	7.0	Yes	6	13	0.7
	Hudugur	4.0	7.0	Yes	7	12	0.6
	Kandanakolli	4.5	7.0	Yes	5	7.1	0.5
	Mullusoge	4.5	7.0	Yes	5	2.9	0.2
	Nalker	4.0	7.0	Yes	7	8	0.3

Nature and Effectiveness of Tenancy Reform Laws

During the first phase of post-independence land reforms, although the major emphasis was on the abolition of intermediaries, some measures of tenancy reforms were carried out with a view to providing security to the tenants of ex-intermediaries. But these measures often provoked the landlords to evict tenants through various legal and extra-legal devices. The highly defective land records, the prevalence of oral leases, absence of rent receipts, non-recognition in law of sharecroppers as tenants and various punitive provisions of the tenancy laws were utilised by the landlords to secure the eviction of all types of tenants (Govt of India, 1976). According to Khusro (A.M. Khusro, 1958), the animosity of the landlord was directed not so much against the tenant as against his protected status and it is most likely that once this protected status was destroyed, a large part of the recovered lands were leased out once again to unprotected tenants. To counteract such a tendency therefore, it became necessary on the part of the state governments to enact or amend the laws in the subsequent years to provide for safeguards against illegal eviction and ensure security of tenure for the tenants at will.

Nevertheless, the nature and effectiveness of tenancy reform laws varied widely from region to region. Hence, a state wise review of the tenancy reform laws is in order.

Andhra Pradesh

From the point of view of tenancy reforms, the state of Andhra Pradesh can be divided into two distinct regions, i.e. Telengana and Andhra. The

Andhra Pradesh (Telangana Area) Tenancy and Agricultural Lands Act, 1950 as amended in 1954 provides that (i) certain tenants who had held lands for six years on specified dates and land held by the protected tenants were non-resumable (ii) Ordinary tenants were to have a minimum terms of lease, (iii) all voluntary surrender of tenancies were to be verified by Mamlatdar, (iv) there would be a right of purchase of non-resumable lands subject to the condition that the tenants would not purchase ownership of more than 4 to 6 acres of various categories of land and the land owners would be left at least, with the two family holdings; and (v) there would be *suo-motto* transfer of ownership to protected tenants in respect of non-resumable lands. As a result of implementation of this Act, 1311 protected tenants had been declared owners.

Telangana Region:

In Telangana region, leasing out by minor, single woman and disabled armed forces are permitted. But there is no general permission for leasing out by other general categories of landowners (sections 5, 6 and 7 of the Andhra Pradesh (Telangana Area) Tenancy and Agriculture Lands Act, 1950). Besides, section 8 of the A.P. (Telangana Area) Prevention of Fragmentation and consolidation of holdings Act, 1950 mentions that a lease is not valid if it results in creation of a fragment, Section 11 of the same Act provides for punishment for creating a fragment.

Section-9 of the AP Tenancy Act (Telangana Area), 1950 provides that every lease is to be in writing and the landlord is required by law to file a copy of lease with tahsildar. Section 29 of the same Act further mentions that landlord is required to provide written receipt for rent received from his/her tenant. However, there is no provision in the said Act for recording of tenant's name in record of rights, although there is no place in law for oral tenancies.

Regarding period of lease, land holders owning an area not more than three times a family holding can lease for five years at a time which can be renewed for 5 years at expiry of each five year period. But the period of leasing by disabled persons would be fixed by the collector. However, section 7 provides that tenancy may be terminated for personal cultivation by one year notice at the end of the lease period, subject to the following conditions:

- i) Only upto one family holding per adult worker can be resumed;
- ii) If the landholder fails to personally cultivate land thus resumed within one year or discontinues cultivating such land at any time within the next ten years, then the tenancy should be restored;
- iii) Lease can be terminated on the grounds of (a) non-payment of due rent, (b) use of land by tenant causing damage to it and (c) use of land by tenant for non-agricultural purpose.

In order to ensure the *bona fide* of the termination of lease, landlord has to give six months notice and the tenant is to be given an opportunity to remedy the causes that render him subject to termination. But the tenant can surrender leased land by giving a notice in writing, at least one month before commencement of the year and tehsildar should be satisfied about genuiness of the surrender.

One major flaw in the AP (Telengana Area) Tenancy Act is that only protected tenants are given right or purchase land by leaving at least two family holdings in area with the land holder and there is no way in which future tenants can acquire ownership rights as there is no provision for creation of protected tenants in future.

Sections 11 to 18 of the Act also provide for maximum rent, ranging from seasonal rent to 4 to 5 times of land revenue.

Andhra Region:

Sections 4 and 10 of the Andhra Pradesh, (Andhra Area) Tenancy Act, 1956, as amended in 1974 (which came into force from July, 1980),

provides that tenancy would continue, subject to the landlords right of resumption upto two-third of the ceiling area, the tenant being left with an area not less than one-half of that held by him prior to resumption. But the law does not provide for conferment of ownership right to tenants except through exercise of their right to purchase the land when the landlord intends to sell it. Section 10(2) of the Act further provides that every lease is to be in writing, thus excluding possibility of oral leases. Section 10(1) of the Andhra Pradesh (Andhra Area) Tenancy Act mentions that every lease subsisting at the Commencement of the Act, shall be deemed to be in perpetuity. The minimum period of lease is 6 years which can be renewed at the end of each lease period for a further period of minimum 6 years. Tenancy is inheritable, but not transferable.

However, section 12 of the Act provides for resumption by landlord for personal cultivation at the end of the lease period and after resumption, total land with the landlord is not to exceed $2/3^{\text{rd}}$ of the ceiling area. Section 13 of the Act provides for termination of lease on ground of (a) non-payment of rent, (b) damage caused to land by the tenant, (c) sub-letting of the land by the tenant. The tenant can also surrender land with due procedure at the end of any agricultural year by giving a three months notice to landlord and the special officer.

Assam

The Assam (Temporarily settled Areas) Tenancy Act, 1971 classified all tenants into (a) occupancy tenants and (b) non-occupancy tenants. Occupancy tenants include those who hold land as tenants for at least 3 years whether or not the landlord was the same. The occupancy tenants enjoys security of tenure and cannot be evicted except by a decree on the ground that he had used the land in a manner which renders it unfit for the purpose of the tenancy.

Besides, he may acquire the landlord's right in the holding by paying 50 times the land revenue on issue of notification under section-22 or by admitting application under section-23, although both these provisions

have remained ineffective, so far. However, the non-occupancy tenants may be ejected on the grounds of (a) breach of contract, (b) failure to pay arrears of rent and (c) landlord's *bona fide* desire to cultivate land personally.

A non-occupancy tenant who holds land continuously for 3 years acquires the right of an occupancy tenant. Both Occupancy and non-occupancy tenants are prohibited from sub-letting. The under-tenants, called adhiars have no security of tenure and no right of being recorded.

Sections 4 and 19 of the Tenancy Act provide that no lessee should operate land above land ceiling limit including land owned by such lessee. Further, section 21 of the Assam Consolidation of Holdings Act, 1960 mentions that a lease is not valid if it results in creation of a fragment of area below 5 bighas. In Assam, there is no prohibition on leasing out land for any class of landowners. But sub-letting is prohibited.

Although the Act does not mention written leases, section 37 mentions that the landlord should give receipt for rent paid. Furthermore, sections 57 and 58 provide that record of rights of tenants should be maintained and may be revised on application. Moreover, sections 27 to 33, 35 and 36 of the Act provide that cash rent should be 3 times of the land revenue and kind rent as 20 percent of the produce of the principal crop. The Assam Tenancy Act does not mention any maximum or minimum period of lease.

All occupancy tenants are entitled to acquire ownership rights except if the occupancy tenants has a landlord who is a widow of a minor or physically or mentally disabled person or a member of defence services, But non-occupancy tenants first have to acquire a right of occupancy before they are entitled to the conferment of ownership rights.

Bihar

According to the Bihar Tenancy Act, 1885, as amended in 1970, an under-raiyat in continuous possession of land for twelve years can

acquire right of occupancy provided the land owners from whom the land is leased in, own more than 5 acres of irrigated or 10 acres of other land. Non-occupancy under-riyat or bataidar are liable to ejection on expiry of the written lease or failure to pay arrears of rent, although there is no specific provision for either eviction or protection of an under-riyat who holds land on an oral lease. But the Bihar Land Reforms (Fixation of ceiling Area and Acquisition of Surplus Land Act, 1961) prohibits sub-letting and therefore, the sub-lessee who has all the characteristics of under-riyat does not acquire the rights of occupancy. Such an anomaly continues to exist till today. The Bihar Tenancy Act provides for recording of rights, but it loses its importance because of the restriction on tenancy imposed by Section 20 of the Bihar Land Reforms (Fixation of Ceiling) Act. However, the Chhota Nagpur Tenancy Act, 1908 provides for recording of sharecroppers and for their being given the status of raiyat after having been recorded as such, although in practice, most of the leases in this region remain unrecorded till today. Besides, the Santhal Parganas Tenancy (Supplementary Provisions) Act, 1949 provides that only such land for which raiyat has a right to transfer as mentioned in the record of rights can be let out, while transfer of land by a raiyat is permitted in case of (a) raiyat's absence from the village, (b) sickness or physical disability, (c) loss of plough cattle for causes beyond control of the raiyat and (d) the raiyat being a widow or a minor.

The Bihar Land Reforms Act further mentions that money rent should not be more than 50 per cent of what the landlord himself pays and crop rent should not be more than 25 percent of produce excluding straw. Rent in kind are not permitted in the Santhal Parganas. Feudatory rents are abolished. The Bihar Land Reform Act, 1961 provides for conferment of riyati rights on under-riyats in all cases. But there is no provision for conferment of ownership right on tenants of tenancies created after the commencement of the Land Reforms Act, 1961.

Gujarat

Under the Bombay Tenancy and Agricultural Lands Act, 1948 as amended in 1955 and again in 1960 after the formation of Gujarat State,

the tenants were deemed to have become owners on payment of the last instalment of the purchase price which varies from 20 to 200 times of the assessment. In principle, there is no restriction on leasing out of land on any class of land owner. However, a tenant has a right to purchase the land leased within one year of lease period, which means that effectively legal leases will be possible only if tenant is in no position to exercise his/her right to purchase land due to financial difficulties or if there is a tacit understanding between the land owner and the tenant that such right will not be exercised.

The law does not specifically provide that all leases have to be in writing. But it provides that termination of lease, surrender of lease, payment of rent etc. has to be in writing. However tenancy law applicable in Kutch area of Gujarat makes provision for recording the rights of ordinary tenants, while lease of permanent tenants were already in record of rights. It is presumed that oral tenancies if not violative of any other provision remains valid. In the whole of Gujarat, rent payable is not to exceed one-sixth of the produce in any one year.

There is no minimum or maximum period limit for leasing of land. But leases can not be terminated on the ground that the lease period has expired. (S.4B). In former Bombay Area, the Act provides that rent once fixed will remain operative for five year minimum and each successive period of five years minimum if not changed at the end of any period of five years. One could infer that minimum lease period can not be below five years in former Bombay Area.

Tenancy is inherited by heir or heirs of the deceased tenant on same terms and conditions, if the heir is willing to continue the tenancy.

Resumption for personal cultivation and for agricultural use is permitted subject to certain conditions below:

- 1) Landlord can resume so much area that together with any other land held, will not exceed the ceiling limit (Bombay Area) or are in three family holdings (Kutch Area).

- 2) Income from cultivation is the principal source of income.
- 3) In case of more than one tenancy, only those of the shortest duration can be resumed (Bombay Area).
- 4) The tenant to be left with half of leased Area (in Kutch Area) but a landlord holding 1/3 of a family holding can resume entire land leased out by him.
- 5) Resumption of land not to violate the Bombay prevention of fragmentation and consolidation of holdings Act, 1947.
- 6) A landlord is not permitted to resume land from a member of a cooperative farming society or from a tenant belonging to SC or ST class.
- 7) Any land left with tenant after resumption not to be resumed by the landlord subsequently, for any reason whatsoever.
- 8) The landlord must use the land, so resumed for the specified purpose, for which the land has been resumed. This must commence within one year of resumption. The land must be used for such purpose for a period of 12 years all the time. In case of violation of the above, the land will be restored to the tenant.

Termination of Lease

A lease once created can be terminated only on specified grounds which include the following:

- 1) failure to pay rent by 31st May (in Bombay Area) or 31st March in (Kutch area) ;
- 2) destructive activities, i.e. the tenants activities causing damage to the land;
- 3) Sub-dividing, sub-letting the leased land but sub-letting by widows, disabled etc. is permitted (Kutch Area);

- d) Failure to cultivate personally (Bombay Area) ;
- e) Using land for non-agricultural purposes.

The tenants is to be given opportunities to remedying any of the above breaches that render a lease liable for termination, before he can be evicted.

Surrender

In Bombay Area:

The tenant can surrender the land only through due procedure. Where such surrender is permitted by collector, the land shall vest in the state government (and shall not return to the landlord). The landlord shall be paid due price as per law and the tenant shall be required to pay rent arrears, if any.

In Kutch Area:

The tenant can surrender the leased land anytime . The surrender deed must be in writing which shall be verified before the Mamlatdar. The landlord can retain only as much of surrendered land so that the total area cultivated by him does not exceed three family holdings.

There is no provision regarding abandonment of leased holdings.

- (a) Both the Acts in Gujarat provide for acquisition of ownership rights by both protected tenants as well as ordinary tenants. No new privileged tenancies could be created after coming into force of these Acts which provide for *acquisition of ownership rights by ordinary tenants also*. All the tenants whose tenancies are created after tillers day acquire right to purchase land from their landlords within one year of tenancy.

- (b) All the tenants (protected tenants as well as ordinary tenants) were deemed to have acquired ownership rights on the tiller's day (which is 1 April, 1957 in Bombay Area and 1 April 1961 in Kutch Area).

It must be noted that all such tenants are deemed to have purchased land within one year of tenancy and they are not required to apply for such purchase. They are required to pay prices according to whether they are permanent or protected tenants or whether they are ordinary tenants. In either case price to be paid is fixed by the relevant Acts. Prices are to be paid by the tenants in lump sum or in instalments to their *landlords* (in Bombay Area) and to the Tribunal (in Kutch Area)

On failure to pay the price for lands acquired by the tenants in exercise of the above provisions, the purchase by the tenants becomes ineffective.

In case of purchase becoming ineffective the concerned land vests in the State Government in Bombay Area and the landlord is paid for the land by the Government. The Government can then dispose of such land according to the provisions of the Act. In any case, the leased land does not revert back to the landlord even in case of a purchase by the tenant becoming ineffective.

In contrast there is no provision in case of purchase becoming ineffective in the Kutch Area. The land, in such case, reverts back to the landlord.

There are certain restrictions on transfer of ownership of land from the landlords to the tenants:

- 1) Tenants can not acquire ownership rights in the land so that their holding exceeds the Ceiling Area (in Bombay Area) or three Family Holdings (in Kutch Area).
- 2) Where there are sub-tenants of permanent tenants (in Bombay Area), sub-tenants are deemed to have purchased land.

- 3) The land deemed to be purchased must have been personally cultivated by the tenants.
- 4) Land can be purchased by tenants if the landlord either belongs to Armed Forces, or is earning an income not exceeding rupees 1500/- per annum and does not hold land exceeding one Economic Holding.
- 5) If the tenant after acquiring ownership rights fails to cultivate land personally, then he will be evicted from such land which is declared surplus.
- 6) Land from landlords who are minor, widow etc. can be acquired only after such condition of landlords has ceased to exist.
- 7) Provisions regarding purchase of land do not apply if land is within municipal limits or in cantonment area or if land is leased for industrial or commercial purpose.
- 8) Tenant does not have right to purchase land if tenancy is created by prior sanction of the collector unless the tenant belongs to a Scheduled Tribe.

Haryana

Tenancies in Haryana are regulated by the Punjab Security of Land Tenure Act, 1953 which provide complete security of tenure for tenants in continuous possession of land for 12 years, in an area not exceeding 15 standard acres. There is no right of resumption for personal cultivation. But a tenant can be ejected if (i) he is a tenant of a small landholder (ii) fails to pay arrears of rent or fails to pay rent regularly (iii) holds land above permissible area, (iv) use land to render it unfit for cultivation (v) Sub-lets the land, and (vi) has refused to execute a Kabuliyat for paying the rent on demand or otherwise, provided a minimum area of 5 standard acres is left with the tenant, till he is allotted an alternative land by the Government. Under the Act, there is also an optional right of purchase of ownership for tenants in respect of non-resumable area.

But there is no bar on future leasing or sub-leasing. According to sections 4 and 7 of the Haryana Ceiling on Land Holding Act, 1972, no lessee can operate land above ceiling limit including land owned by such lessee, Besides, section 7 of the East Punjab Holdings (Consolidation and Prevention of Fragmentation) Act, 1948 provides that a lease should not create a fragment of holding. The tenancy law in Haryana does not also require that the leases should be entered in writing or have to be by a registered instrument. Thus oral tenancies are deemed to be recognised as legal. But all rents paid by the tenants are to be receipted by the landlord in writing. The maximum permissible rent to be paid by the tenant is not to exceed 1/3 of the crop of the land under tenancy or its value.

Himachal Pradesh

The Himachal Pradesh Tenancy and Land Reforms Act, 1972 as amended in 1976 provides that leasing be prohibited except by a landowner who is a minor or unmarried woman or a widow or a divorcee or disabled or defence personnel. According to this, tenants were conferred ownership rights in the land left with them after resumption by the landowner. The landowner could resume upto 3 acres of unirrigated land or 1.5 acres of irrigated land subject to a maximum of half the land comprised in the tenancy. In practice however, only 40626 tenants could acquire ownership of 39889 acres of land. The study by Rathore and Bhati(1981) shows that there has been a growing tendency of resumption of tenanted land for self-cultivation in Himachal Pradesh. Besides, due to lack of proper regulation of the provision of voluntary surrender, there have been cases of illegal ejectments of the tenants. Even today, informal sharecropping is the most preferred arrangement and the tenants have accepted this as a general norm.

Jammu and Kashmir

Prior to 1971, tenants in Jammu and Kashmir were deprived of the right to retain even a minimal holding and landowners could take over all or

part of the holding whenever they so wished. But according to the Jammu and Kashmir Agrarian Reforms Act, 1976, all rights, titles and interests in land of any person not cultivating it personally in Kharif 1971 shall be extinguished and vested in the state free from all encumbrances with effect from 1-5-1973. The Act also provides for conferment of ownership rights on tenants after allowing the resident landlord to resume land for personal cultivation, provided his annual income does not exceed Rs. 500/- P.M and also the tenant to be ejected should be left with no less than an aggregate area of 2 standard acres.

Karnataka

The Mysore Land Reforms Act, 1961 as amended in 1973, provides for fixity of tenure subject to landlords right to resume generally half the leased area on application to be made within one year of the commencement of the Act i.e., 2-10-1965. Besides, all tenants and sub-tenants in respect of non-resumable lands were to come into direct contact with the state, with effect from a date to be notified. Pending such notification, the tenants had an optional right to purchase ownership on payment of price equal to 15 to 20 times the net rent. Future leasing except by soldiers and seamen was prohibited, although by an amendment in 1979, persons inducted as tenants before 1-1-1979 were recognised as tenants and every person who was a permanent tenant, protected tenant or a sub-tenant was entitled with effect from the date of vesting (1-3-1974) to be registered as an occupant in respect of land under his cultivation, subject to ceiling limit. The state Govt. has further provided that the persons who were tenants before the Land Reforms Act came into force in 1974 and failed to apply for the occupancy right could file applications upto 30.04.99 under amended section. Further, under the 1973 amendment of Land Reforms Act, Section 48 made it mandatory for the State Government to constitute a tribunal for each taluk for speedy disposal of application, although the tribunal could not consider suo moto.

Kerala

The Kerala Land Reforms Act, 1963, as amended in 1969, confers security of tenure and provides for transfer of ownership rights to all tenants (including sharecroppers) and kudikidappukars. Section 72 of the Act vests all rights, titles and interest of the land owners in respect of the holdings held by tenants in the Government, with effect from 1-1-1970, with the provision for compulsory transfer of ownership to tenants on issue of notification. Thus about 2.5 million tenants could become landowners through the tenancy reform which came into effect on the first day of 1970.

Section 16 of the tenancy Act provided for resumption of land by the landlord for personal cultivation. But land could be resumed for personal cultivation only when the tenants held land above the ceiling limit and in such a manner that holding of the landlord after resumption did not exceed the land ceiling limit. Section 17 further provided for rules regarding resumption of land by the small landholders. In cases of resumption of this kind, a small holder landlord could resume a portion not exceeding one half the leased area such that holding of the landlord did not exceed 2.5 standard acres or 5 acres which ever was greater. However, no landlord could resume land from a tenant entitled to fixity of tenure immediately before 21-1-61. Future leasing is prohibited and any tenancy created after the commencement of the Act is invalid, without any exemption being granted even to defence personnel or the disabled.

Manipur

The Manipur Land Revenue and Land Reforms Act, 1960 provided for fixity of tenure for tenants subject to the owner's right to resume generally half of the area on ground of personal cultivation. A tenant could not be evicted from a minimum area of 1.2 acres unless alternative land was provided to him. But by an amendment in 1975, the right to resume land from a tenant as well as the right to lease out the holding have been terminated. Tenants in occupation of land at the commencement of the

Amendment Act of 1975 (except tenants under disabled landowners) were given ownership rights therein, by paying a compensation amounting to 30 times the land revenue in a maximum of 20 installments together with interest at 4 percent per annum.

Madhya Pradesh

According to the Madhya Pradesh Land revenue code, 1959, leasing (except by disabled persons) is prohibited and occupancy tenants become entitled to ownership right in respect of the non-resumable area, on payment of compensation equal to 15 times the land revenue payable in 5 equal instalments. Upto 1973, about 3 lakh 60 thousand tenants were recorded as owner under this provision. However, disabled persons are permitted to lease out and the terms and conditions of lease are to be as agreed. If leases are made in contravention of the above restriction or a person cultivates by an agreement for over two years, then it will be an unauthorised lease and in this case, the lessee gets the right of occupancy except when the land owner is a tribal bhumiswami. Interest of an occupancy tenant passes by inheritance or survivorship according to the relevant personal law. An occupancy tenant does not have a right to transfer land by sale or gift or sub-letting.

Section 189 of the Act further provides that an occupancy tenant can also be evicted on resumption of land by the Bhuswami to the permissible extent. A Bhumiswami can resume land to the extent that area in his holding does not exceed 25 unirrigated acres and in such a manner that the occupancy tenant is left with a minimum of 25 acres unirrigated land or 10 acres of land otherwise. Land resumed for personal cultivation must be cultivated personally, otherwise the land will be restored to the occupancy tenant. Surrender by an occupancy tenant has to be given notice of surrender in writing at least thirty days before start of an agricultural year.

There is no limit on rent to be paid by tenants who are not occupancy tenants i.e. those who lease in from disabled landowners or who are

tenants in leases that are permitted by one in three years lease rule. For leases of occupancy tenants, there is a provision for regulated rent to be paid; maximum rent is to be 2 to 4 times of the land revenue according to the types of land.

Maharashtra

From the point of view of tenancy reforms, the state of Maharashtra can be divided into three regions viz. The former Bombay region, Vidarbha region and Marathwada region. According to the Bombay Tenancy and Agricultural Lands Act, 1948 (applicable to the former Bombay region, tenants have been conferred security of tenure (subject to landlord's right to resume land for personal cultivation in specified cases which expired long ago), the tenants of non-resumable lands were deemed to be owners with effect from 1-4-1997, at the purchase price varying between 20 to 200 times the assessment as the court may determine or as may be agreed upon between the landlord and tenant. However, the right of purchase became ineffective if the tenant failed to appear before the Tribunal and said that he did not wish to purchase the land or if he agreed to purchase the land, but failed to pay the purchase price.

In Vidarbha region, where the Bombay Tenancy and Agricultural Lands Act, 1958 is applicable, there is provision for transfer of ownership to tenants in respect of non-resumable land with effect from 1-4-1961, without requiring the tenants to appear before the tribunal or expressing willingness to purchase etc., as is the case in the former Bombay region. The Hyderabad Tenancy and Agricultural Lands Act, 1950 (applicable to the Marathwada region), as amended up to date provides for suo-moto transfer of ownership to tenants in respect of non-resumable lands.

Thus under the provisions of the above mentioned Acts, about 799 thousand tenants in former Bombay area, 26 thousand tenants in Vidarbha region and 46 thousand tenants in Marathwada acquired ownership rights.

In Maharashtra, there is no restriction on leasing out of land on any class of landowner. although no new privileged tenancies could be created after coming into force of tenancy Acts of various regions. It is significant that Acts provide for acquisition of ownership rights by ordinary tenants also. However a tenant has a right to purchase the land leased to the tenant within one year of lease period.

In Bombay area of Maharashtra, there is no explicit provision for tenancies to be written leases although everything else like the termination of lease, payment of rent etc. has to be in writing. In former Hyderabad region, all leases are to be in writing. Also the tenancy law applicable in Vidarbha area of Maharashtra makes provision for recording the rights of ordinary tenants. Leases of permanent tenants were already in record of rights.

In the whole of Maharashtra, rent payable is not to exceed one-sixth of the produce in any one year. Subject to this condition, limits to rent are fixed by law.

There is no minimum or maximum period limit for leasing of land. But section 4B of Maharashtra (Bombay Region) Tenancy Act provides that leases can not be terminated on the ground that the lease period had expired. Also tenancy is heritable. The landlord can resume for self-cultivation that together with any other land held, will not exceed the ceiling limit in Bombay and Hyderabad Areas or area in three family holdings in former Hyderabad Areas. The tenant would be left with half of leased area (in Vidarbha area), but a landlord holding one-third of a family holding can resume entire land leased out by him. Any land left with tenant after resumption cannot be resumed by the landlord subsequently, for any reason what so ever. A landlord is not permitted to resume land from a member of a co-operative farming society or from a tenant belonging to SC or ST class.

Besides, leases once created can be terminated on specific grounds such as (i) failure to pay rent by 31st May in Bombay Area and 31st March

in Vidarbha Area, (ii) the tenants activities causing damage to the land (iii) failure to cultivate land personally (Bombay) (iv) using land for non-agricultural purposes. But the tenants is to be given opportunity to remedy any of the above breaches that render a lease liable for termination, before he can be evicted.

In Hyderabad Area, the tenant can surrender leased land by giving a notice in writing, at least one month before commencement of the year and Tahsildar should be satisfied about genuineness of the surrender. In Vidarbha area, the tenant can surrender the leased land anytime. The surrender deed must be in writing which shall be verified before the Mamlatdar. In Bombay area, the tenant can surrender the land through due procedure. Where such surrender is permitted by collector, the land shall vest in the state Government and shall not return to the landlord. The landlord shall be paid due price as per law and the tenant shall be required to pay rent arrears if any.

Orissa

The Orissa Lands Reforms Act, 1960 as amended in 1973 and 1976, provides for fixity of tenure at least in respect of the non-resumable area which is half of the area held by the tenant. No tenant in lawful cultivation of any land at the commencement of the Orissa Land Reforms Amendment Act, 1973 can be evicted. Section 6 of the Act prohibits sub-letting by a privileged raiyat or a person under disability. The transfer by a privileged raiyat can be to a person who is not a privileged raiyat. In case a raiyat ceases to be a privileged raiyat, the tenant has right to acquire raiyati interests in the entire holding. Ownership of holdings can be transferred to the tenants in respect of non-resumable lands on payment of compensation equal to ten times the fair rent and payable in five instalments. The right of raiyat are made permanent, heritable and transferable. Sharecroppers are not treated as raiyat.

Section 52 of the Orissa land reforms Act, 1960 further provide that no lessee is to cultivate land so that the operational holdings exceeds land

ceiling limit including land owned by such lessee. Further, section-34 of the Orissa Consolidation of Holdings and Prevention of Fragmentation of Land Act, 1972 mentions that a lease shall not create a fragment of holding.

The law does not specifically provide that leases be made in writing. However, a landlord is bound to provide a receipt for rent received from a raiyat or tenant and is liable to penalty if he fails to do so. Rent should not exceed one fourth of the gross produce. Dispute about identity of the tenant is to be settled by the Revenue Officer.

The Raiyati leases are very secure tenures and cannot be terminated so long as a raiyat does not sub-let, uses land for agricultural purposes only and does nothing to cause damage to land to render it unfit for cultivation. A disabled raiyat is allowed to sub-let also. The resumption of land for personal cultivation has to be determined according to law. But reasonable part of any holding shall not exceed one half its area in standard acres for each tenant separately.

Besides, all those tenants to whom land is leased out after 1-10-1969, in contravention of law, can acquire raiyati rights by applying to the revenue commissioner within two years from the date of which land is let out to the tenant. However, there is no mention of ordinary tenants including sharecroppers whether they could acquire such right.

Punjab

Under the Punjab Security of Land Tenure Act, 1953 and the Pepsu Tenancy and Agricultural Land Act, 1955, tenants have been conferred security of tenure in respect of land which is not within the landowners permissible limit of 30 standard acres. But under the Punjab Land Reforms Act, 1972, the permissible limit (ceiling) is 7 hectares of land having assured irrigation and capable of yielding at least 2 crops in a year. Within the permissible limit, the tenant can be ejected on ground of personal cultivation or otherwise, subject to the condition that a

minimum area of 5 standard acres be left with the tenant or an alternative area is provided by the Government. Tenants in continuous possession of land for 12 years in the Pepsu region, are given complete security of tenure in an area not exceeding 15 standard acres. Besides, there is an optional right of purchase. However, one important defect in the tenancy legislation of Punjab is that even in respect of non-resumable land, there is provision of voluntary surrender of land by the tenant, which the landowners often used to resume the entire non-resumable land by either inducing or coercing the tenants. Moreover, there is no provision for transfer of ownership to tenants in respect of entire non-resumable area. Also the term 'Tenancy' has to be redefined to include sharecropping within the definition of tenancy. Maximum permissible rent to be paid by the tenant is not to exceed 1/3 of the crop of the land under tenancy. A tenant can be ejected from his tenancy on any of the following grounds: (i) that he is a tenant on the reserved land or a tenant of a small landholders: (ii) for failure to pay arrears of rent or fails to pay rent regularly without sufficient reason, (iii) has sub-let the land held in tenancy, (iv) holds land above permissible area (v) used land in such a manner that it renders it unfit for the purpose for which it is needed by the tenant and (vi) that the tenant on demand (in writing) of the landlord has refused to execute a Kabuliyat for paying the rent.

A tenant of a landowner (other than a small holder) excepting Pepsu area, has a right to make a pre-emptive purchase in lands in case of its sale by the landlord if he has been in continuous possession of such land for at least four years. However, such purchase will not bring his total holding so as to exceed ceiling.

Rajasthan

The Rajasthan Tenancy Act, 1955 conferred security of tenure to tenants and sub-tenants and provided that ownership right could be transferred to tenants and sub-tenants (who held land at the commencement of the Act of 1955), In respect of non-resumable area, leasing in future is permitted.

But sections 9 and 17 of the Rajasthan Ceiling on Agricultural Holdings Act, 1973 provide that no lessee to operate land above ceiling, including land owned by such lessee. Also no lease should create a fragment (section 7 of Rajasthan Holdings (Consolidation and Prevention of Fragmentation Act, 1954).

All leases have to be in writing which may be either registered or attested by an officer appointed by the Government. A tenant has a right to receipt of the rent paid with full particulars.

The cash rents not to exceed 3 times the land revenue. Where rent has been settled, the rent paid by a sub-tenant is not to exceed 2 times the amount payable by the tenant. The rent in kind is not to exceed one-sixth of the produce.

The Rajasthan Tenancy Act provides for conferment of rights on tenants who were not sub-tenants or khudkasht etc. The tenants-at-will could also apply to acquire khatadari rights only when their tenancy was terminated for personal cultivation by the landlord and the landlord failed to cultivate the land so resumed from the tenant within two years after resumption (Section 182-B).

Tamil Nadu

The Madras cultivating Tenants Protection Act, 1955 (as amended in September 1965), provides that 'no cultivating tenant shall be evicted from his holding or any part thereof by or at the instance of his landlord, whether in execution of a decree or order of a court or otherwise except as otherwise provided. A landlord shall be entitled to resume possession from any cultivating tenant for purpose of personal cultivation of lands not exceeding one-half of the extent of lands leased out to the cultivating tenant. A landlord shall not however, be entitled to resume if he owns land exceeding 13-1/2 areas of wet land or has been assessed to sales tax or profession tax or income tax.

Besides, the Tamil Nadu Public Tenants Act, 1961 provides that no public trust can evict its cultivating tenants except for arrears of rent etc. as provided in the Act. Moreover, according to the Tamil Nadu Agricultural Land Records of Tenancy Right Act, 1969, there is provision for the preparation and maintenance of a complete record of tenancy rights in the state. There is nothing in the law about voluntary surrender of land by the tenant. Also there is nothing in law that provides for the acquisition of ownership rights by virtue of occupation of land above a certain time period, by right of pre-emption or by right to purchase the land involved in lease. Besides, there is no provision for a maximum or minimum limit on rent payable. But the law mentions of fair rent which is 25 per cent of normal gross produce or if the contract rent is lower than the above, then the contract rent shall be fair rent. Fair rent once fixed not to be changed for five years.

Tripura

The Tripura Land Revenue and Land Reforms Act, 1960 as amended in 1974 provides for fixity of tenure subject to the landowner's right to resumption over at least half the area for personal cultivation and conferment of ownership right on all tenants in respect of non-resumable land. These provisions have been implemented and all recorded under raiyats have been conferred ownership rights. However, the State has yet to prepare a detailed record of all tenancy arrangements.

Uttar Pradesh

Under the Uttar Pradesh Zamindari Abolition and Land Reforms Act, 1950, all tenants have been given complete security of tenure without any right of resumption given to the landowner on ground of personal cultivation. Leases in future have been banned except by defence personnel or disabled persons of various categories and a provision has been made for the restoration of those who have been dispossessed since 1950-51 on application or suo-motto by the revenue authorities. The U.P. Act permits leasing out by defence personnel and students,

irrespective of the amount of land held for cultivation by the lessee. Section 158 of the 1950 Act provides for registration of leases. But it also says that a lease does not become invalid if it merely fails to be registered. Thus any party may file declaratory suits for determination of tenancy under sections 229 to 229c. Rent to be paid as agreed. Only in cases of non-agreement, the competent authority would intervene. The tenancy is heritable but non-transferable. There is no minimum or maximum period specified for the lease.

West Bengal

Under the provision of the West Bengal Estate Acquisition Act, 1953, all ryots and under ryots came into contact with the state, with permanent, heritable and transferable rights which are non-resumable by the original landowners. However, this Act remained silent about the right of sharecroppers. At present, the rights of sharecroppers are governed by the West Bengal Land Reforms Act, 1955 as amended in 1970, 1971 and 1977 which provide that the landowners can resume land for personal cultivation if such area together with other land under his personal cultivation does not exceed three hectares subject to the condition that the sharecropper or bargadar is left with at least one hectare of land for his personal cultivation. There is no time limit for resumption. Also sections 14 and 17 provide that no bargadar is permitted to cultivate more than four hectares of land including land owned by such bargadar. The bargadar right is heritable, but non-transferable and subject to termination on the grounds of (i) failure without reasonable cause to cultivate the land or its use for a non-agricultural purpose or (ii) failure to cultivate the land personally, or (iii) failure to tender the landowners share of produce or (iv) Land owner requiring the land bonafide for bringing it under personal cultivation. But the sharecropper is not liable to eviction on grounds of non-payment of rent and the prescribed authority has exclusive jurisdiction in respect of disputes between the sharecroppers and the owners. The law also provides that all cases of surrender or abandonment of holding by a bargadar are to be informed to the revenue

officer-in-charge by the land owner and in any case, the landowner is not allowed to take back the land, but is given to some other sharecropper for cultivation.

Any landowner is permitted to lease out, but only to sharecroppers (bargadars). There is no minimum or maximum lease period specified. But the law does not provide for conferment of ownership to bargadars.

The Govt. of West Bengal launched a special campaign called Operation Barga in 1978 which could record about 14 lakh sharecropper so far. One special feature of the West Bengal Act is that the burden of proof whether a person is a bargadar or not rests entirely on the owner of holding (section 21 B). In case of dispute the competent authority decides whether a person is a bargadar or not. It also provides rent to be paid as a share of produce, while fixed rent tenancies are illegal. Rent shall be decided as (i) 50 per cent in produce if the landlord provides fixed capital, manure and seed and (ii) 25 per cent in all other cases.

2.1 Clustering of States Based on Tenancy Laws

Tenancy reforms undertaken in India since independence vary widely from state to state and often from region to region within a state. However, broadly there are four major patterns (Table-2.1). First, there are states/regions where leasing out of land is banned except by certain disabled categories like defence personnel, widows, minors etc. This category includes Telengana region of Andhra Pradesh, Bihar, Himachal Pradesh, Karnatka, Madhya Pradesh and Uttar Pradesh. But the results of National Sample Survey indicate the existence of concealed tenancy by all categories of farmers in all these states.

Second, in Orissa, Rajasthan, Tamil Nadu, West Bengal and Andhra Area of Andhra Pradesh, there are no restrictions on leasing, although in West Bengal only sharecropping leases are permitted. But in West Bengal, special campaign for 'Operation barga' led to recording of sharecroppers heritable right which enables the tenants to feel more secure, while such security of tenure is lacking in all other states.

The laws of some other/States regions like Andhra region of Andhra Pradesh, ChotaNagpur region of Bihar, Karnataka, Rajasthan, Tamil Nadu and Uttar Pradesh also provide for registration of leases. But in the absence of administrative action and political support, the tenancy arrangements, excepting in Tamil Nadu are largely oral/unrecorded. As a result pure tenants in these states/regions lack access to institutional credit facilities and fail to improve agricultural productivity.

Third, the states of Punjab, Haryana, Gujarat, Maharashtra and Assam have not banned leasing. But as there are no legal and administrative actions for compulsory registration of tenancy, tenants do not enjoy security of tenure. However, in Gujarat and Maharashtra, tenants acquire a right to purchase leased land from the owner within one year of creation of tenancy. This is in effect tantamount to prohibiting tenancy. In Punjab and Haryana, a tenant is entitled to purchase the land held on lease if he

cultivates the land continuously for four years. Such a provision may appear to interfere with the free functioning of land lease market. Nevertheless, the incidence of leasing is the highest in Punjab and Haryana region. Further, the states of Kerala, Manipur and Jammu & Kashmir have banned leasing completely. But concealed tenancy exists. Tables-2.3 to 2.8 show a comparative picture of various states based on certain basic provisions of tenancy laws such as (i) restrictions on leases, (ii) recognition of sharecropping as a tenancy, (iii) security of tenure, (iv) surrender of tenancy, (v) definition of personal cultivation in law and (vi) conferment of ownership right on tenants.

It could be seen from Table-2.2 that in many states, sharecroppers are not explicitly recognised as tenants. These include Andhra Pradesh, Bihar, Karnataka, Madhya Pradesh, Uttar Pradesh, Haryana, Punjab, Rajasthan and Tamil Nadu. Table-2.3 further shows that protected/secured tenancy exists only in the states of Gujarat, Maharashtra, Tamil Nadu and West Bengal. In this context, It reminds us of the statement made by Lipton (1974) that tenancy reform in the soft states of the Third World breaks upon the rock of landlord power and the effects of evasion can include insecurity. In all other states, tenants lack security of tenure in the real sense (Table-2.3). It could be further seen from Table-2.5 that the definition of personal cultivation differ from state to state. In the states of Punjab and Haryana, sharecroppers are generally recognised as hired labourers and it comes within the definition of personal cultivation. Also in most states there are no restrictions that a cultivator has to reside with certain distance of land. Besides, the laws of almost all the states excepting that of West Bengal are silent whether cultivation should be the principal source of income of a cultivator. Table - 2.6 shows the variations in legal provisions of conferment of ownership right on tenants in different states and Table-2.7 gives a comparative picture of regulated rent in various states. No doubt, the tenancy law may vary from region to region, because of some location specific customary practices and local conveniences. Yet the nationally accepted Policy of 'growth and equity' should be the basis for farming all such land laws.

Table-2.1: Legal Restrictions on Lease in Various States

State	Restrictions
I. In this category leasing is restricted to only those who are :	
A.P.(TA)	Disabled, Armed Forces Personnel, and those land owners who own not more than three times a "family holding" may lease out, (Sections 5-7 of AP.TA.1950)
Bihar	Disabled, or in Armed Forces, or govt. servants earning up to Rs. 250 per month. (Sections 19,20,of BIH.LR.1961)
Karnataka	A soldier or a Seaman. (Section 5 of KAR.LR.1961).
M.P.	Disabled, Armed Forces personnel or those imprisoned. Others may lease out for one year in any three years.
U.P.	Disable, Armed Forces Personnel, those imprisoned, or <i>bona fide</i> students. (Sections 156-157C of UP.ZALR.1950).
H.P	Minor, Unmarried Woman, Widow, Divorcee, Disabled or Defence Personnel
II. In this category there are no restrictions as to who can lease out.	
A.P (AA)	No restriction on leasing. (Sections 4 and 10 of AP.AA.1956).
Orissa	No restriction on leasing. (Sections 5, 7 of ORI.LR.1960)
Rajasthan	No restriction on leasing (Sections 14, 16A, 19 of RAJ.1955).
Tamilnadu	No restriction on leasing. (See TN.CT.1955)
West Bengal	No restriction on leasing but only sharecropping (Bargadar:) leases permitted. (Section 4 (4-d) of WB. LR. 1955).

Table-2.1: Continues

III. In this category leasing is permitted but the tenant acquires a right to purchase land as provided below:

Assam	An ordinary tenant acquires right of occupancy after three years continuous possession and an occupancy tenant has a right to purchase leased land. (Sections 5-7, 15, 50-55, 63-64 of Assam. 1971).
Gujarat	Every tenant has a right to purchase leased land within one year of tenancy.
Haryana	Tenant acquires right to purchase leased land after six years of continuous occupation
Maharashtra	Every tenant has a right to purchase leased land within one year of tenancy
Punjab	Tenant acquires right to purchase leased land after six years of continuous occupation

IV. In this category leasing is totally prohibited

Kerala	Leasing is totally prohibited. (Section 74 of KER.LR.1963).
J&K	Leasing is prohibited
Manipur	Leasing is completely prohibited

Table-2.2: Recognition of Sharecropping as a form of Tenancy in Law

State	By Inference			
	Explicitly Recognized	Wage as share prohibited	Share rent Permitted	Share Rent Explicitly Prohibited
Kerala	Not applicable since leasing is totally prohibited in the state			
A.P. (TA)	No	Yes	No	No
Bihar	No	Yes	Yes	No
Karnataka	No	Yes	No	No
M.P.	No	Yes	No	Yes
				(Cash Rent)
U.P.	No	—	Yes	No
Assam	Yes	Yes	Yes	No
Gujarat	Yes	Yes	No	Yes
			(Bombay Area)	
Haryana	No	No	Yes	No
Maharashtra	Yes	Yes	No	Yes
			(Bombay Area)	
Punjab	No	No	Yes	No
A.P.(AA)	No	Yes	Yes	No
Orissa	Yes	Yes	Yes	No
Rajasthan	No	Yes	Yes	No
Tamil Nadu	No	Yes	No	No
West Bengal	Yes	Yes	Yes	No

Source : NIRD, Hyderabad, *Comparative Land Reform Legislations, Vol. I (Revised), 1992*

Table-2.3: Positions Regarding Security of Tenure in Various States

State	No Termination by Efflux of Time	Minimum Lease Period (years)	Maximum Lease Period (years)	Automatic Renewal of Lease	Inheritability of Lease	Resumption for Personal Cultivation
I. Kerala	Not Applicable since leasing is totally prohibited.					
II. A.P. (TA)	—	5 years	—	yes	— ¹	permitted with restrictions
Bihar	—	—	5 years	—	—	yes
(Chota Nagpur)	—	—	—	—	yes	yes
Karnataka	—	—	—	—	yes	yes
M.P	—	—	1 in 3 years 6 years for mortgages	—	— ²	yes
U.P.	—	—	—	—	yes	yes
III. Assam	—	—	—	—	yes	yes
Gujarat	yes	—	—	—	yes	permitted with restrictions
Haryana	—	—	—	—	yes	—
Maharashtra	yes	—	—	—	yes	yes
Punjab	—	3 years in	—	—	yes	—
PEPSU territories						

Table-2.3: Continues

IV. A.P. (AA)	—	6 years	—	yes	yes	permitted with restrictions
Orissa	—	—	—	—	yes	permitted only for resumable lands
Rajasthan	—	—	1 and 5 years	—	yes	yes
Tamilnadu	yes	—	—	—	—	permitted only for armed forces personnel
West Bengal	yes	—	—	—	yes	permitted with restrictions

Notes :

- (1) Land leased-in by Protected Tenants is inheritable.
- (2) Land leased-in by Occupancy Tenants is inheritable.

Table-2.4: Provisions Regarding Surrender of Tenancy

State	In Writing	Period of notice to landlord or authority	Approving Authority	Remarks
A.P. (TA)	yes	One month	<i>Tahsildar</i>	Joint tenancies to be surrendered by all tenants together.
A.P. (AA)	—	End of Agri. year	Special Officer	As above (for AP (TA)), Additionally, Only full holding can be
surrendered.				
Assam	yes	Three months	Deputy Commissioner	Consent/approval of the under-tenant or encumbrance or tenant required.
Bihar (Chota)	yes	End of Agri. Year	Deputy Commissioner	A raiyat may surrender if not bound by a lease or Nagpur Area agreement for fixed period.
Gujarat	yes (Kutch Area)	Any time in Agri.	<i>Mamlatdar</i> year	Surrendered land to vest in the State Government free from all encumbrances.
Karnataka	yes	—	<i>Tahsildar</i>	To be surrendered only to State Govt.
Kerala	yes	—	—	To be surrendered to State Govt. only.
Maharashtra				
(Bombay Area)	yes	at any time	<i>Mamlatdar</i>	—
(Vidarbha Area)	yes	at any time	<i>Tahsildar</i>	After surrender the landlord entitled to retain maximum 3 family holdings.
(Marathawada Area)	yes	One month before commencement of Agri. Year	<i>Tahsildar</i>	—

Table-2.4: Continues

M.P.	—	—	<i>Bhumiswami</i>	May surrender by registered document.
Orissa	—	—	Revenue Officer	Landlord to pay penalty if no prior approval obtained for surrender.
Punjab/Haryana	—	—	—	—
Rajasthan	—	—	—	To surrender by giving up possession.
Tamilnadu	yes	End of the agri. year	—	Tenant holding above 6.67 but below 10 acres wet land may surrender by giving written notice to relinquish the holding at the end of the year. This provision does not to apply to tenant cultivating below 6.67 acre.
U.P.	yes	—	<i>Tahsildar</i>	Whole of a holding may be surrendered but not a part thereof.
W. Bengal	yes	—	Officer-in-charge	If Officer convinced that surrender not voluntary, bargadar to be restored possession. Landlord not to take possession but the holding given to another bargadar for cultivation.

Source : Raju NIRD (1989), pp.52-55.

Table-2.5: Definitions of "Personal Cultivation" in Law

State	Cultivate with Fixed wage payment	Hired Labour as paid share of the produce	Cultivation principal source of income	Must reside within certain distance of land for major part of the year	Any other requirement
I. Kerala	Not Applicable since leasing is totally prohibited in the state.				
II. A.P. (TA)	Yes	No	No	No	
Bihar	Yes	No	No	No	
Karnataka	Yes	No	No	No	
M.P.	Yes	No	No	No	
U.P.	—	—	—	—	Not defined in the Act
III. Assam	Yes	No	No	Yes	Person bears full risk
Gujarat	Yes	No	No	Yes (Only in Bombay Area of state)	
Haryana	Yes	Yes	No	No	Cultivation under Personal supervision allowed

Table-2.5: Continues

Maharashtra	Yes	No	No	Yes (Only in Bombay Area of state)	
Punjab	Yes	Yes	No	No	As in Haryana
IV. A.P. (AA)	Yes	No	No	No	
Orissa	Yes	No	No	No	
Rajasthan	Yes	No	No	No	
Tamilnadu	No	No	No	No	Hired labour not allowed.
West Bengal	Yes	No	Yes	Yes	

Table-2.6: Provisions Regarding Conferment of Ownership Rights on Tenants

State	Tenant's Right to Purchase leased Land	Tenant's Right of pre-emptive Purchase	Conferment of Ownership right by state Action	The tenants acquires Ownership of Land leased out violating law
I. Kerala	Not Applicable since leasing is totally prohibited.			
II. A.P. (TA)	No	No	No	Ambiguous
Bihar	No	No	Yes	No
			(Only on Ceiling surplus land)	
Karnataka	No	No	No	No
M.P.	No	No	No	Yes
U.P.	No	No	No	Yes
III. Assam	Yes	No	Yes	No
	(Only Occupancy tenants)			
Gujarat	Yes	No	Yes	No
Haryana	Yes	Yes	No	No
Maharashtra	Yes	Yes	Yes	No
Punjab	Yes	Yes	No	No
IV. A.P. (AA)	No	Yes	No	No
Orissa	No	No	Yes	Yes
Rajasthan	No	No	Yes	Yes
Tamilnadu	No	No	—	—
West Bengal	No	Yes	No	—

Note: This table exclude conferment of ownership rights on certain categories of tenants at the commencement of relevant Acts i.e. the table is concerned with acquisition of ownership rights of the tenancies that either continued to exist or were created after the relevant Acts came into force.

Table-2.7: Statewise Restrictions on Rent Payable

State	Limits as to Maximum Rent Payable if any	Fair rent in relation to Maximum
I Kerala	Not applicable since leasing is totally prohibited.	
II A.P.(TA)	(Cash Rent) 3 to 5 times land revenue	Agreed rent if lower
	(Crop rent) 1/5 to 1/4 of gross produce	
Bihar	(Crop Rent) 25per cent of gross produce	—
	(Cash Rent) 150per cent of rent that the landlord (raiyat) himself pays	
Karnataka	10 times land revenue + 10 times water rate (if any) to be fair rent	Pre-existing rent, if lower
M.P.	2 to 4 times land revenue	Agreed rent, if lower
U.P.	No limits put on permissible rent	Agreed rent
III Assam	(Cash Rent) 3 times land revenue	
	(Crop Rent) 20per cent of principal crop there is crop failure	
Gujarat	Bombay Area: 5 times assessment or Rs. 20, whichever lower	Rent payable by usage, custom etc., if lower
	Kutch Area 4 time assessment But Actual rent is not to exceed 1/6	

Table-2.7: Continues

	Haryana	1/3 of crop or its value	Customery rent, if lower
	Maharashtra	For Bombay and Vidarbha areas as in Bombay and Kutch Areas of Gujarat respectively; and For Hyderabad Area: 3 to 5 times land revenue but rent not to exceed 1/6 of actual produce.	
	Punjab	1/3 of crop or its value	
IV	A.P.	25-30per cent of gross produce	Agreed rent if lower
	Orissa	25per cent of gross produce But not to exceed "fair rent"	Fair rent to be B, 6, 4 and 2 maunds of paddy
	Rajasthan	(Cash Rent) 3 times land revenue where assessed, or (Crop Rent) a sub-tenant to pay 2 times rent actually paid by tenant	Rent not to exceed prevailing rates
		1/6 of gross produce, if landlord pays no costs ¼ of gross produce, if landlord pays up to 50 per cent costs	
	Tamil Nadu	25per cent of normal produce or its value	Contract Rent, if lower
	West Bengal	½ produce, if landlord provides capital, manure, seeds 25per cent of gross produce in all other cases	—

3

Tenancy Situation in Various States

Tenancy reforms undertaken after independence aimed at either ending the landlord tenant relationship by conferring ownership on tenants or ensuring the tenants some fixity of tenure and rent for the land they cultivate subject to a limited right of resumption by the landowners. The available time series data show that there has been a decline in the area under tenancy overtime.

Considering the country as a whole, various rounds of National Sample Survey indicate that the proportion of area under tenancy declined from 20.3 per cent in 1953-54 to 10.6 percent in 1971-72 and 7.2 percent in 1982. However, between 1982 to 1992 there was a marginal increase in the proportion of operated area leased in. It increased from 7.2 percent in 1982 to 8.3 percent in 1992. According to an official estimate, tenants acquired ownership rights in about 4 percent of the total operated area, while 16 per cent of the total area in 1953-54 changed hands from tenants to the landlords through eviction of tenants on some pretext, of course, by using various legal loopholes including the provision of voluntary surrender, right of resumption of land for self-cultivation and so on.

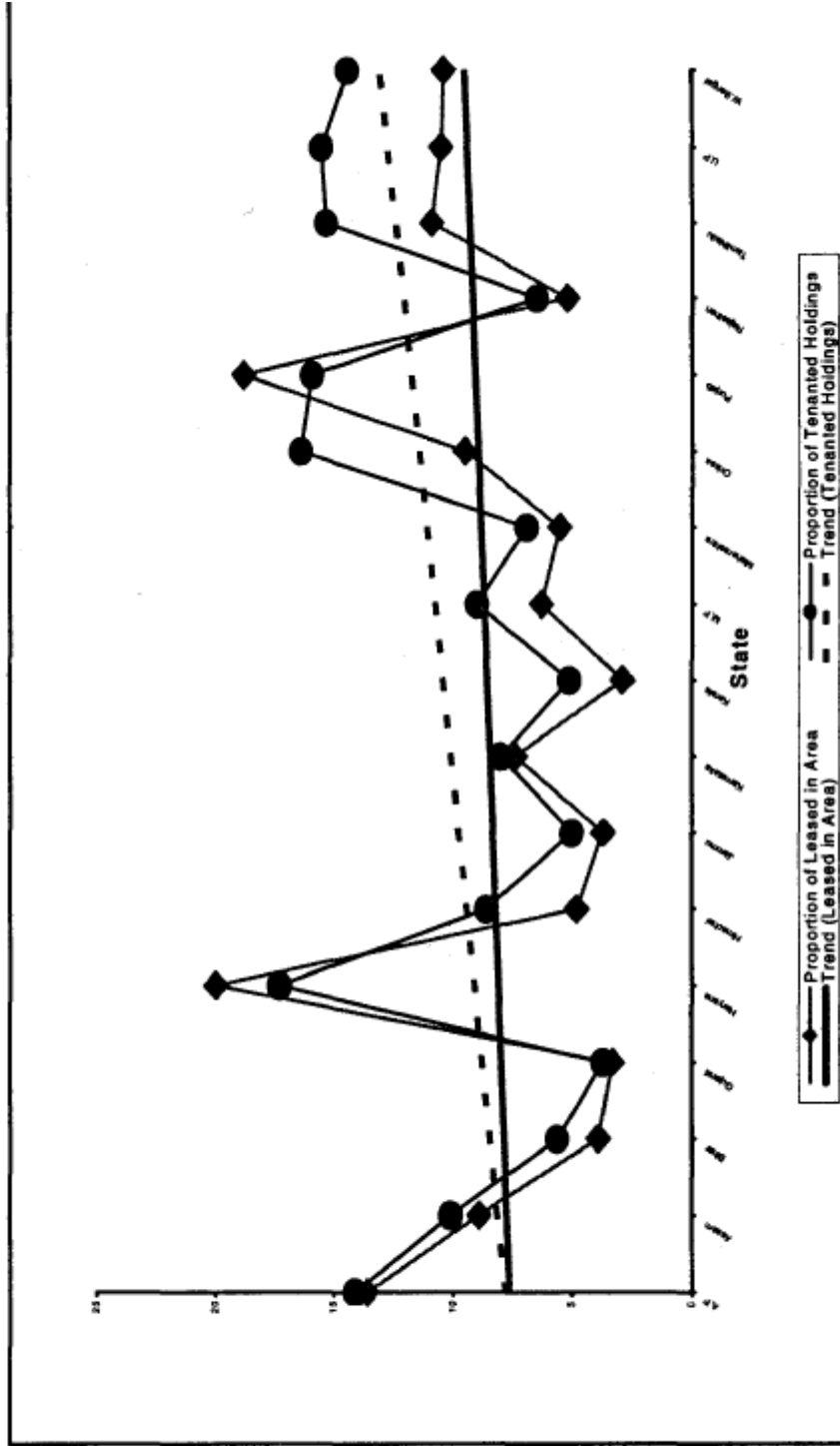
In fact, there are two major sources of data on agricultural tenancy, namely Agricultural Census and National Sample Survey Organization (NSSO). Since the estimates by Agricultural Census are based on land records and in many cases, agricultural tenancy is not legally recognized and recorded, there are differences in the estimates by Agricultural Census and NSSO. For the purpose of analysis here, the available data of National Sample Survey for the years 1971-72, 1981-82 and 1991-92 have been used. It may be seen from Table 3.1 that leased in

areas as percentage of the operated area varied widely from state to state. It ranged from 2.9 per cent in Kerala to 33.7 per cent in Haryana. In several states, including Andhra Pradesh (9.6 per cent), Assam (per cent), Haryana (33.7 per cent), Orissa (9.5 per cent), Punjab (18.8 per cent), Tamil Nadu (10.9 per cent), Uttar Pradesh (10.5 per cent) and West Bengal (10.4 per cent), the proportions of leased in area were higher than the national average of 8.3 per cent . It should however, be noted here that in several states leasing out of land is legally banned (excepting for certain disabled categories) and therefore, even the NSS estimates for these states may be on the lower side due to non-reporting out of fear.

It is also clearly borne out from the table that the proportion of leased in area increased during 1982 to 1992 in most of the states. This reversed the declining trend of the 1970's. It was only in Bihar, Orissa, West Bengal and Tamil Nadu where some declining trends were observed during 1982 to 1992. Out of these four exceptional states, Bihar has legally banned tenancy and therefore, the estimates may have reporting error. But there are no legal restrictions on leasing out of land in other three states.

The 48th round of National Sample Survey for the year 1992 (Table-3.2) further shows that nearly 10.3 million holding out of 93.4 million total operational holdings in the country reported leasing-in. This accounts for about 11 per cent of the total holdings. In several states, including Haryana, Punjab, Tamil Nadu, Uttar Pradesh and Orissa, the proportions of operational holdings reporting leasing in were above 15 per cent. It is also likely that in states where tenancy is either banned or a tenant acquires some permanent right on land once a tenancy is detected, the incidence of tenancy is likely to have been underreported by NSSO, because unrecorded tenants would be generally afraid of telling the truth. For example, a recent micro level study by LBSNAA (1999) indicated the extent of tenancy in the state of Bihar to be about 34 per cent and not just 6 per cent of operational holdings and 4 per cent of total operated area, as indicated by NSSO. Table-3.1 shows the proportion of leased in area in various states by broad size class.

Fig-3.1: Incidence of Tenancy in Various States



Poor People's Access to Lease Market

Prior to Independence, tenants were considered to be the poor cultivators who leased in land for subsistence from either local large land owners or absentee landlords. However, with the passage of time, the poor peoples' access to lease market has weakened. Table 3.3 shows that in several states, including Haryana, Karnataka, Maharashtra, Punjab and Rajasthan, medium and large farmers above 4 hectares held about 50 percent or more of the total leased in area in both 1982 and 1992. In fact, during 1982 to 1992, the percentage share of large farmers in the total leased in land increased in the states of Assam, Karnataka, Punjab, Haryana, Rajasthan and Tamil Nadu. The percentage shares of marginal farmers in the total leased in land were as low as 7.0 per cent in Rajasthan, 1.0 per cent in Haryana, 5.7 per cent in Punjab, 4.0 per cent in Maharashtra, 8.3 per cent in Madhya Pradesh and 7.3 per cent in Gujarat. Considering the country as a whole, marginal farmers accounted for hardly 16.3 per cent of the total leased in land, while the proportion of marginal farmers was as high as 60 percent. In other words, marginal farmers who needed to have greater access to leased land for their viability had, in fact, very little access to such land.

In fact, there are strong socio-economic reasons for large farmers having greater access to leased land, namely i) large farmers' desire and ability to maximize income through expansion of the size of operational holdings, especially when they lack the necessary skill, attitude and opportunities for taking up non-farm activities. ii) non-availability of capital or credit with marginal farmers for investment in modern inputs, iii) marginal farmers' desire to maximize income through leasing out of land and wage earnings by hiring out labour both within and outside agriculture, if such opportunities exist, iv) population pressure which compels all classes of landowners to look for additional land v) large farmers' greater socio-economic strength in the unequal rural power structure.

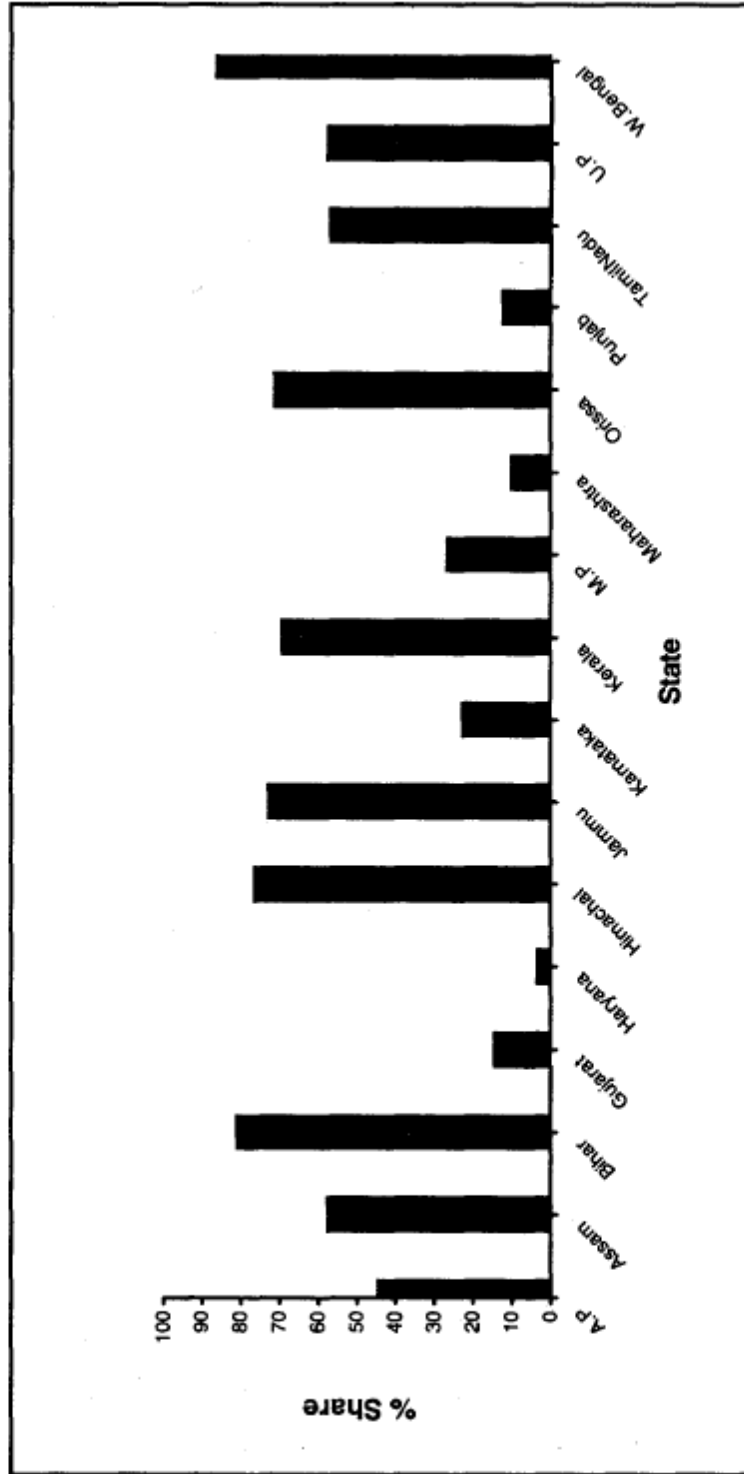
No doubt in a number of states including Assam, Bihar, Orissa, West

Bengal, Kerala, Tamil Nadu, Himachal Pradesh, Jammu and Kashmir and Uttar Pradesh, marginal and small farmers still have relatively larger share in the total leased in land. But there is an apprehension that as leasing policy becomes liberal and market-led agricultural development takes place, small farmer's accessibility to leased in land would further decline, particularly when non-farm employment opportunities (either self-employment or wage employment) are growing very slowly. For example, even in a relatively progressive state like West Bengal, marginal farmers in some areas are found to lease out land to large farmers in the rabi season for the cultivation of boro rice, vegetables etc. which require large investment. Thus, the dynamics of market led development may favour the large farmers to have greater accessibility to land lease market and would in all probability be iniquitous in nature. The overall economic benefit may be distributed equally, only if the marginal and small farmers can have improved employment opportunities. For example, reverse tenancy in Punjab shows that in several instances, this is a win-win situation for both the landowner and the tenant, as small farmers maximise their income by both leasing out land and hiring out labour or undertaking self-employment. However, a large scale growth in reverse tenancy, particularly in backward regions may alienate the marginal farmers from land without giving them an alternative or additional source of income.

Thus, the argument that liberalisation of tenancy would benefit the small and marginal farmers lose ground, particularly when there is rising demand for land by all classes of landowners due to increasing pressure of population on land under the impact of both slow growth of non-farm employment opportunities and high growth rate of population.

Another way of looking at the poor peoples' access to lease market would be to examine the leasing in and leasing out pattern by broad size class of farms. It may be seen from Table 3.4 that in several states including Andhra Pradesh, Kerala, Maharashtra, Orissa and Punjab, the proportion of medium farmers (4 to 10 hectare size group) leasing in

Fig-3.2: Present share of marinal and Small Farmers in Total Leased in Area in Various States



Source : Based on NSSO, 1992

land is higher than those leasing out. In Punjab, Madhya Pradesh and Uttar Pradesh, this is true also about large farm households owing more than 10 hectares of land. In Haryana, nearly 55 percent of marginal and small holdings and in Punjab, 36 percent of marginal and small holdings lease out land. In fact, in Haryana, the proportion of small farm leasing in is slightly less than those leasing out.

The available data (Table-3.5) further reveal that in many states including Haryana, Karnataka, Kerala, Maharashtra, Punjab, Rajasthan and Tamil Nadu leased in area by large farms constitute a significant proportion of their total operated area. In Haryana, it was 29 percent, Kerala 51 percent and Punjab 27 percent. In the case of marginal farms the proportion of operated area leased in varied from 1.2 percent in Kerala to 18.7 percent in Punjab.

Thus, the existing nature of functioning of lease market does not indicate whether legalisation of tenancy would increase the poor peoples access to leased land, as all classes of farmers compete for such land, in the absence of non-farm opportunities.

Terms of Lease

It may be seen from Table 3.6 that share cropping is the most dominant form of lease in the states of Andhra Pradesh, Assam, Bihar, Karnataka, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh and West Bengal. These states are relatively underdeveloped from the point of view of agricultural development. Under rainfed situation, sharecropping seems to be a preferred arrangement, as the risk of crop loss gets distributed among the land owner and the tenant (Rao, 1971). In the relatively developed states of Punjab, Haryana, Tamil Nadu, Maharashtra and Gujarat, the fixed money/cash is the main term of lease followed. In other states both fixed money and fixed produce are the main terms of lease. In the states of Jammu and Kashmir, Madhya Pradesh, Tamil Nadu and West Bengal, there is also an incidence of lease under usufructuary mortgage. Besides, the terms of lease also follow a size

class pattern. Considering the country as a whole the share of produce is the main term of lease on an average. But among medium and large farmers above 4 hectares fixed money is the pre-dominant form of lease, while the small and marginal farmers leased in land largely under share cropping arrangement. Even in states like Assam, Madhya Pradesh and Rajasthan where share of produce is the main form of lease, large farmers seem to have leased in land mainly under fixed money term. In several states, the terms of lease have undergone some marginal changes. In the states like Gujarat, Haryana, Himachal Pradesh, Jammu and Kashmir, Maharashtra, Punjab and Tamil Nadu share cropping lease is slowly giving way to system of lease for fixed money. Anyway there seems to be an influence of growing commercialization in these states where reverse tenancy also can be prominently observed. In other words, with commercialization of agriculture, growth of reverse tenancy and fixed money lease has been simultaneous. It can also be observed that the states which have mainly rainfed agriculture follow share cropping as the major form of lease.

Period of Lease

The period of leasing varies from state to state. It may be seen from Table 3.7 that considering the country as a whole, nearly 31 percent of the leased in area under one to two years duration, followed by lease of less than one year duration (21 percent). Hardly, 7.8 percent of the leased in area were under five to twelve years lease and 11 percent for twelve years or more. In other words nearly 50 to 52 percent of the leased in area were for a very short duration of less than 2 years which is associated with high level of insecurity of tenure and disincentives of production. In several states, the proportion of area under such insecure tenancy was higher than the national average. These include Haryana, Orissa, Punjab, Tripura and Uttar Pradesh. Conversely, in the states of Himachal Pradesh, Jammu and Kashmir, Meghalaya, Sikkim and West Bengal the major proportion of leased in area are under long duration of lease.

Table- 3.1: Proportion of Leased in Area to Operated Area in Various States

State	Leased in area as per cent of total operated area		
	1972	1982	1992
Andhra Pradesh	9.01	6.23	9.57
Assam	19.69	6.35	8.87
Bihar	14.50	10.27	3.91
Gujarat	3.91	1.95	3.34
Haryana	23.26	18.22	33.74
Himachal Pradesh	15.89	3.2	4.83
Jammu and Kashmir	8.06	2.37	3.73
Karnataka	15.89	6.04	7.43
Kerala	8.59	2.05	2.88
Madhya Pradesh	7.46	3.56	6.3
Maharashtra	6.15	5.2	5.48
Orissa	13.46	9.92	9.48
Punjab	28.01	16.07	18.83
Rajasthan	5.26	4.31	5.19
Tamil nadu	13.07	10.92	10.89
Uttar Pradesh	13.01	10.24	10.49
West Bengal	18.76	12.34	10.4
India	10.57	7.18	8.28

Source : Based on 28th, 37th and 48th Rounds of National Sample Survey, NSSO, Govt. of India.

Table-3.2: Statewise Proportions of Tenanted Holdings by Size Class (as of 1992)

State	Size Class (Ha)	Number of tenants as per cent of total operational holdings	Number of tenanted holdings (00')
Andhra Pradesh	Less than 1	12.1	5106
	1.01-2.00	20.5	3138
	2.01-4.00	20.9	1970
	Above 4	15.8	12003
	All Sizes	14.1	10088
Assam	Less than 1	6.8	1433
	1.01-2.00	17.4	1047
	2.01-4.00	8.7	197
	Above 4	34.2	10451
	All Sizes	10.1	3028
Bihar	Less than 1	5.1	3984
	1.01-2.00	6.8	941
	2.01-4.00	4.2	293
	Above 4	2.1	2227
	All Sizes	5.6	5685
Gujarat	Less than 1	2.6	468
	1.01-2.00	3.5	255
	2.01-4.00	5.2	338
	Above 4	3.3	1410
	All Sizes	3.7	1370
Haryana	Less than 1	5.1	1051
	1.01-2.00	14.0	394
	2.01-4.00	26.3	1110
	Above 4	45.7	10949
	All Sizes	17.1	3551

Table-3.2: Continues

State	Size Class (Ha)	Number of tenants as per cent of total operational holdings	Number of tenanted holdings (00')
Himachal Pradesh	Less than 1	9.2	644
	1.01-2.00	9.5	102
	2.01-4.00	6.4	33
	Above 4	2.9	253
	All Sizes	8.6	747
Jammu and Kashmir	Less than 1	2.2	63
	1.01-2.00	8.2	104
	2.01-4.00	7.8	43
	Above 4	1.7	82
	All Sizes	5.0	239
Karnataka	Less than 1	5.3	1197
	1.01-2.00	10.9	1008
	2.01-4.00	8.1	667
	Above 4	10.9	5595
	All Sizes	8.0	3678
Kerala	Less than 1	5.3	1833
	1.01-2.00	7.9	177
	2.01-4.00	5.3	40
	Above 4	27.5	10420
	All Sizes	5.2	1939
Madhya Pradesh	Less than 1	5.3	1591
	1.01-2.00	11.5	2191
	2.01-4.00	10.8	1757
	Above 4	9.3	8427
	All Sizes	9.0	7021

Table-3.2: Continues

State	Size Class (Ha)	Number of tenants as per cent of total operational holdings	Number of tenanted holdings (00')
Maharashtra	Less than 1	6.1	1811
	1.01-2.00	5.1	651
	2.01-4.00	5.7	789
	Above 4	11.0	8705
	All Sizes	6.9	4680
Orissa	Less than 1	10.6	2692
	1.01-2.00	22.8	2346
	2.01-4.00	16.3	830
	Above 4	10.0	4389
	All Sizes	16.4	6924
Punjab	Less than 1	9.6	957
	1.01-2.00	17.9	322
	2.01-4.00	25.6	558
	Above 4	37.5	6578
	All Sizes	15.9	2494
Rajasthan	Less than 1	5.9	1184
	1.01-2.00	3.7	378
	2.01-4.00	5.9	559
	Above 4	9.4	5881
	All Sizes	6.5	3340
Tamil Nadu	Less than 1	11.3	5065
	1.01-2.00	19.6	1613
	2.01-4.00	20.1	774
	Above 4	16.7	9881
	All Sizes	15.3	8916

Table-3.2: Continues

State	Size Class (Ha)	Number of tenants as per cent of total operational holdings	Number of tenanted holdings (00')
Uttar Pradesh	Less than 1	10.2	11740
	1.01-2.00	23.9	7541
	2.01-4.00	19.0	3181
	Above 4	17.4	30622
	All Sizes	15.5	26366
West Bengal	Less than 1	12.2	8023
	1.01-2.00	22.2	2434
	2.01-4.00	1.4	55
	Above 4	7.9	6504
	All Sizes	14.4	11722
India	Less than 1	8.3	48402
	1.01-2.00	14.9	24843
	2.01-4.00	112.2	125784
	Above 4	13.6	136356
	All Sizes	11.0	102705

Source: NSSO, Government of India, 1992

Table-3.3: Changes in the Share of Various Size-class of Farms in Total Leased in Area (based on operational holdings)

State	Size Class (in Ha)	Per cent share in total leased in area	
		1982	1992
Andhra Pradesh	Less than 1	12.69	20.20
	1 to 2	16.40	24.40
	2 to 4	28.53	29.20
	Above 4	42.37	26.20
	ALL SIZES	100.00	100.00
Assam	Less than 1	18.15	26.90
	1 to 2	30.24	30.80
	2 to 4	38.43	13.90
	Above 4	13.24	28.50
	ALL SIZES	100.00	100.00
Bihar	Less than 1	29.73	45.80
	1 to 2	39.74	35.30
	2 to 4	20.82	17.30
	Above 4	9.73	1.60
	ALL SIZES	100.00	100.00
Gujarat	Less than 1	7.87	7.30
	1 to 2	2.26	7.30
	2 to 4	11.27	43.60
	Above 4	78.55	41.80
	ALL SIZES	100.00	100.00
Haryana	Less than 1	3.83	1.00
	1 to 2	4.24	2.40
	2 to 4	32.97	14.40
	Above 4	58.97	82.20
	ALL SIZES	100.00	100.00

Table-3.2: Continues

State	Size Class (in Ha)	Per cent share in total leased in area	
		1982	1992
Himachal Pradesh	Less than 1	33.43	49.30
	1 to 2	33.88	27.20
	2 to 4	16.15	23.50
	Above 4	16.41	0.00
	ALL SIZES	100.00	100.00
Jammu and Kashmir	Less than 1	17.80	21.10
	1 to 2	31.05	51.80
	2 to 4	43.58	26.00
	Above 4	7.56	1.00
	ALL SIZES	100.00	100.00
Karnataka	Less than 1	3.56	7.00
	1 to 2	11.17	15.70
	2 to 4	23.25	12.40
	Above 4	56.29	65.00
	ALL SIZES	100.00	100.00
Kerala	Less than 1	57.72	39.00
	1 to 2	18.69	30.40
	2 to 4	248.31	13.50
	Above 4	20.76	17.20
	ALL SIZES	100.00	100.00
Madhya Pradesh	Less than 1	4.11	8.30
	1 to 2	11.68	18.50
	2 to 4	17.53	35.60
	Above 4	66.66	37.70
	ALL SIZES	100.00	100.00
Maharashtra	Less than 1	3.21	4.00
	1 to 2	2.86	6.20

Table-3.2: Continues

State	Size Class (in Ha)	Per cent share in total leased in area	
		1982	1992
Orissa	2 to 4	16.56	16.50
	Above 4	77.39	73.30
	ALL SIZES	100.00	100.00
	Less than 1	17.15	25.80
	1 to 2	23.59	45.60
Punjab	2 to 4	19.94	23.40
	Above 4	39.13	5.20
	ALL SIZES	100.00	100.00
	Less than 1	2.57	5.70
	1 to 2	10.41	6.70
Rajasthan	2 to 4	21.60	21.30
	Above 4	65.40	66.30
	ALL SIZES	100.00	100.00
	Less than 1	2.77	7.00
	1 to 2	3.89	5.10
Tamil Nadu	2 to 4	24.17	12.40
	Above 4	69.23	75.50
	ALL SIZES	100.00	100.00
	Less than 1	34.18	28.70
	1 to 2	28.85	28.20
Uttar Pradesh	2 to 4	22.50	24.70
	Above 4	14.47	18.50
	ALL SIZES	100.00	100.00
	Less than 1	21.46	26.60
	1 to 2	28.49	31.10
	2 to 4	27.76	25.20
	Above 4	22.07	17.10
	ALL SIZES	100.00	100.00

Table-3.2: Continues

State	Size Class (in Ha)	Per cent share in total leased in area	
		1982	1992
West Bengal	Less than 1	31.93	50.70
	1 to 2	26.27	35.70
	2 to 4	25.48	12.30
	Above 4	11.61	1.30
	ALL SIZES	100.00	100.00
India	Less than 1	15.57	16.30
	1 to 2	19.57	19.30
	2 to 4	23.86	21.60
	Above 4	41.03	42.90
	ALL SIZES	100.00	100.00

Source: NSSO, Govt. of India.

Table-3.4 : Percentage of households reporting leasing out and leasing in of land to all households by broad-size-class of ownership holding (as of 1992).

State	Size class (Ha.)	Leasing out	Leasing in
Andhra Pradesh	Less than 1	8.7	35
	1.01-2.00	4	13
	2.01-4.00	7	10
	4.01-10.00	3	5
	10.01 and above	3	3
	All sizes	4	15
Assam	Less than 1	5.1	33.5
	1.01-2.00	5.2	10.1
	2.01-4.00	7	2.3
	4.01-10.00	9	8.4
	10.01 and above		
	All sizes	3	16.7
Bihar	Less than 1	2.1	11.4
	1.01-2.00	5.3	5.1
	2.01-4.00	7.6	2
	4.01-10.00	9.7	1
	10.01 and above	21.4	
	All sizes	2.4	7
Gujarat	Less than 1	7.1	47.5
	1.01-2.00	6.5	4
	2.01-4.00	3.3	5
	4.01-10.00	6.0	1
	10.01 and above	12	
	All sizes	4	10.5
Haryana	Less than 1	3.7	13.8
	1.01-2.00	8	26
	2.01-4.00	24	40
	4.01-10.00	31	13
	10.01 and above	11	6
	All sizes	10	18

Table-3.4 : Continues

State	Size class (Ha.)	Leasing out	Leasing in
Himachal Pradesh	Less than 1	2.4	37.2
	1.01-2.00	9.3	7.8
	2.01-4.00	5.9	2.6
	4.01-10.00	5	
	10.01 and above		
	All sizes	3.3	14.3
Jammu and Kashmir	Less than 1	1	26
	1.01-2.00	2.1	6.6
	2.01-4.00	0.6	0.4
	4.01-10.00	1	4.8
	10.01 and above		
	All sizes	1	6.4
Karnataka	Less than 1	9.2	38.3
	1.01-2.00	7.4	12.8
	2.01-4.00	19.9	8.8
	4.01-10.00	13	11.2
	10.01 and above	7.4	6.8
	All sizes	7.5	13.1
Kerala	Less than 1	1.6	41.4
	1.01-2.00	5.9	4.3
	2.01-4.00	6.6	5
	4.01-10.00	1.1	13.5
	10.01 and above		
	All sizes	2.2	9.6
Madhya Pradesh	Less than 1	4.9	26.1
	1.01-2.00	5.4	8.3
	2.01-4.00	7	5.3
	4.01-10.00	4.5	4.2
	10.01 and above	4.9	8.2
	All sizes	3.9	12.3

Table-3.4 : Continues

State	Size class (Ha.)	Leasing out	Leasing in
Maharashtra	Less than 1	5.3	0.3
	1.01-2.00	6.9	10.3
	2.01-4.00	6.9	6
	4.01-10.00	6.2	7.4
	10.01 and above	4.7	1.5
	All sizes	4.3	15.8
Manipur	Less than 1	1	17.1
	1.01-2.00	1.9	3
	2.01-4.00	3.7	1.2
	4.01-10.00	5.8	
	10.01 and above		
	All sizes	1.1	10.6
Meghalaya	Less than 1	3	37.6
	1.01-2.00	8	
	2.01-4.00	15.6	
	4.01-10.00	2.1	
	10.01 and above		
	All sizes	4.4	9.6
Mizoram	Less than 1	NA	51.5
	1.01-2.00		
	2.01-4.00		
	4.01-10.00		
	10.01 and above		
	All sizes		6.7
Orissa	Less than 1	8.9	38.1
	1.01-2.00	12.2	9.9
	2.01-4.00	6.4	10.8
	4.01-10.00	6.7	7.5
Orissa	10.01 and above	36.9	
	All sizes	6.8	22.3

Table-3.4 : Continues

State	Size class (Ha.)	Leasing out	Leasing in
Punjab	Less than 1	16.2	23.6
	1.01-2.00	20.3	19.8
	2.01-4.00	20.7	20.8
	4.01-10.00	13.4	30.6
	10.01 and above	13.8	9.4
	All sizes	8.8	15.2
Rajasthan	Less than 1	1.7	49.5
	1.01-2.00	5.5	8.7
	2.01-4.00	7.4	6.3
	4.01-10.00	6.6	5.5
	10.01 and above	6.7	1.5
	All sizes	4.4	10.8
Sikkim	Less than 1		51.1
	1.01-2.00	3.3	5.1
	2.01-4.00		
	4.01-10.00	20.5	
	10.01 and above	50	
	All sizes	1.3	12.4
Tamil Nadu	Less than 1	7.4	35.6
	1.01-2.00	11.9	13.2
	2.01-4.00	13.3	11
	4.01-10.00	12.4	7.2
	10.01 and above	23.2	14.3
	All sizes	5.6	19.4
Tripura	Less than 1	7.6	7.2
	1.01-2.00	15.8	1.2
	2.01-4.00	10.9	9.7
	4.01-10.00	12.5	
	10.01 and above	25.5	
	All sizes	4.6	6.5

Table-3.4 : Continues

State	Size class (Ha.)	Leasing out	Leasing in
Uttar Pradesh	Less than 1	5.6	24.7
	1.01-2.00	7.9	16
	2.01-4.00	11.4	6.2
	4.01-10.00	11.5	5.6
	10.01 and above	8.5	15.2
	All sizes	5.7	16.5
West Bengal	Less than 1	6.2	23.3
	1.01-2.00	9.7	7.9
	2.01-4.00	13	8.7
	4.01-10.00	14	3.1
	10.01 and above		
	All sizes	4.6	17.7
A and N Island	Less than 1	29	78.5
	1.01-2.00	19	17.6
A and N Island	2.01-4.00	7.4	2.5
	4.01-10.00	34.3	
	10.01 and above	85.4	6.2
	All sizes	12.1	56.4
Chandigarh	Less than 1	83.6	98.1
	1.01-2.00	21.3	11.6
	2.01-4.00		13.3
	4.01-10.00	45	26.7
	10.01 and above		
Pondicherry	All sizes	3.2	83.6
	Less than 1	2.2	21.2
	1.01-2.00		3.5
	2.01-4.00	7.9	24.8
	4.01-10.00	2.7	10.3
	10.01 and above		
	All sizes	0.5	10.0

Table-3.4 : Continues

State	Size class (Ha.)	Leasing out	Leasing in
All India	Less than 1	4.9	31.5
	1.01-2.00	7.3	10.9
	2.01-4.00	9.9	8.3
	4.01-10.00	8.3	6.5
	10.01 and above	7.3	3.9
	All sizes	4.8	14.6

Table-3.5: Percentage of Operated Area Leased in Each Farm Size : by State

States	Year	S.M. Margin.	Small	S.Medi.	Medium	Large	Total	
A.P.	1972	12.63	12.96	11.03	10.60	9.62	4.65	9.01
	1982	7.05	8.03	6.65	8.43	6.02	3.39	6.23
	1992	9.26	11.54	10.22	10.65	5.26	13.61	9.57
Assam	1971	33.94	24.66	22.82	16.13	7.68	1.11	19.69
	1981	2.66	6.12	5.73	9.27	4.65	0.75	6.35
	1991	8.48	6.34	8.74	5.38	9.55	65.14	8.87
Bihar	1971	31.18	24.05	20.05	10.21	6.01	2.01	14.5
	1981	13.55	13.67	15.79	7.90	5.30	0.05	10.27
	1991	7.34	5.31	5.47	2.86	0.34	0	3.91
Gujarat	1971	9.10	2.73	3.16	5.37	4.17	3.04	3.91
	1981	0.81	2.99	0.39	0.98	1.87	3.72	1.95
	1991	5.41	1.79	1.74	5.84	3.88	0.21	3.34
Haryana	1971	40.22	27.06	33.89	32.73	20.96	16.29	23.26
	1981	20.35	18.17	10.60	23.51	18.11	13.97	18.22
	1991	1.33	8.42	9.13	19.09	20.04	29.45	33.74
H.P.	1971	11.03	15.70	13.99	10.53	4.39	0.00	15.89
	1981	24.39	5.48	4.18	1.81	2.24	0.34	3.2
	1991	5.52	5.94	5.81	5.31	0	0	4.83
J.K.	1971	3.03	5.36	6.24	11.02	14.75	NA	8.06
	1981	0.72	1.93	2.30	3.63	0.90	Na	2.37
	1991	4.11	2.82	5.57	3.43	0.32	0	3.73
Karnataka	1971	29.60	14.82	20.48	12.27	17.13	15.62	15.89
	1981	3.82	3.62	5.12	5.82	8.48	4.02	6.04
	1991	3.97	6	7.55	3.65	11.18	7.28	7.43
Kerala	1971	9.36	9.08	9.04	7.66	8.66	1.74	8.59
	1981	2.61	2.60	1.59	0.36	1.08	4.28	2.05
	1991	2.87	1.24	3.75	2.6	3.83	50.63	2.88
M.P.	1971	21.98	20.72	10.28	7.26	7.70	3.78	7.46
	1981	4.38	2.70	3.38	2.58	5.62	1.01	3.56
	1991	4.96	8.59	7.48	8.8	5.13	3.24	6.3

Table-3.5: Continues

States	Year	S.M.	Margin.	Small	S.Medi.	Medium	Large	Total
Maharashtra	1971	8.47	6.42	7.00	7.11	5.63	NA	6.15
	1981	6.77	3.68	1.59	4.30	6.99	4.72	5.2
	1991	4.02	3.06	2.88	3.69	6.35	8.33	5.48
Orissa	1971	21.64	22.26	12.91	13.29	8.11	8.78	13.46
	1981	10.07	9.96	8.84	7.57	2.98	26.93	9.92
	1991	7.38	12.99	14.35	7.97	2.98	0.26	9.48
Punjab	1971	5.99	16.72	35.66	37.53	26.43	19.30	28.01
	1981	16.16	7.50	18.75	15.96	17.15	14.92	16.07
	1991	13.87	18.68	11.7	15.01	20.41	26.71	18.83
Rajasthan	1971	1.98	7.33	4.93	8.22	6.14	3.71	5.26
	1981	0.97	3.88	2.40	6.10	4.30	3.95	4.31
	1991	1.65	8.01	2.82	3.74	5.22	6.22	5.19
T.N.	1971	25.46	19.36	14.77	14.33	8.88	0.96	13.07
	1981	18.88	15.31	11.79	9.68	5.88	7.52	10.92
	1991	12.08	9.86	10.92	10.87	12.17	7.98	1.89
U.P.	1971	19.57	18.45	14.85	12.79	7.96	10.94	13.01
	1981	10.28	13.09	12.28	10.14	7.06	9.52	10.24
	1991	9.91	11.86	12.39	10.07	8.29	6.66	10.49
W.B.	1971	24.35	26.36	24.08	14.52	5.89	0.00	18.76
	1981	16.10	11.57	11.27	10.91	5.12	6.41	0
	1991	15.38	11.45	12.09	5.78	1.88	0	10.4
All India	1971	20.01	18.18	14.60	11.72	8.17	5.99	10.57
	1981	10.04	9.55	8.47	7.27	6.66	5.31	7.18
	1991	8.60	8.7	8.53	7.41	6.9	11.37	8.28

Note : S.M. (Less than 1.24 acre), Marginal (1.22-2.49 acre),
 Small (2.5-4.99 acre), S.Medi(5-9.99 acre),
 Medium(10.0-24.99 acre), Large (above 25 acres)

Source: JNU, M.Phil Thesis by N. Manehandra Singh, on 'Trends in Magnitude and Types of Tenancy : A State Level Analysis, 2000.

Table 3.6: Percentage Distribution of Area Leased in by Terms of Lease for Broad Size Class of Operational Holdings

State	Size Group (in ha)	1982					1992				
		Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms	Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms
ANDHRA PRADESH	0-1	11.36	64.20	21.53	0.00	2.91	26.34	18.76	19.32	1.3	34.28
	1.01 - 2.00	16.52	29.28	42.03	0.00	12.17	20.77	29.71	43.59	0	5.93
	2.01 - 4.00	66.02	31.84	1.17	0.00	0.98	35.69	33.25	16.97	0	14.09
	>4	41.22	24.66	30.76	0.00	3.37	28.04	11.43	40.2	0	20.34
	all sizes	35.84	30.53	29.65	0.00	3.98	25.87	26.79	28.91	0.8	17.63
ASSAM	0-1	56.05	6.94	18.50	1.50	17.01	10.55	0	15.35	0	74.11
	1.01 - 2.00	9.83	12.23	72.42	0.00	5.52	26.78	9.71	41.44	0	22.07
	2.01 - 4.00	19.94	21.81	51.92	0.00	6.33	14.46	9.71	18.82	1.01	56
	>4	40.36	0.00	57.77	1.88	0.00	44.92	0	20.88	0	34.21
	all sizes	24.20	13.09	55.31	0.49	6.91	17	4.05	27.81	0.1	51.04
BIHAR	0-1	8.62	2.76	73.21	3.92	11.49	8.48	12.07	48.37	1.55	29.53
	1.01 - 2.00	24.34	14.04	51.32	5.70	4.61	11.88	18.59	26.19	0	43.34
	2.01 - 4.00	6.50	2.75	90.17	0.22	0.36	8.3	1.63	30.36	0	59.71
	>4	2.68	14.03	83.29	0.00	0.00	11.08	0	38.82	0	50.1
	all sizes	7.14	3.94	84.12	2.24	2.56	9.54	12.81	43.51	0.9	33.24
GUJARAT	0-1	0.00	0.00	32.70	0.00	67.30	65.78	0	12.79	1.62	19.82
	1.01 - 2.00	50.00	0.00	0.00	50.00	0.00	42.98	0	39.1	0	17.92
	2.01 - 4.00	100.00	0.00	0.00	0.00	0.00	27.92	5.29	22.78	0	44.01
	>4	4.16	0.61	11.95	75.41	7.88	50.34	0	27.31	0	22.35
	all sizes	15.15	1.52	33.33	40.91	9.09	39.91	1.65	23.74	0.46	34.24

Table 3.6: Continues

State	Size Group (in ha)	1982					1992				
		Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms	Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms
HARYANA	0-1	39.02	51.90	9.08	0.00	0.00	36.93	33.33	13.17	0	16.57
	1.01 - 2.00	35.09	0.00	64.91	0.00	0.00	70.83	23.27	5.9	0	0
	2.01 - 4.00	36.93	16.09	30.00	0.42	16.57	69.63	0	30.37	0	0
	>4	28.84	9.59	58.91	0.40	2.27	56.64	4.03	15.64	0	23.7
	all sizes	27.85	12.47	53.61	0.44	5.63	61.44	5.19	19.86	0	13.51
HIMACHAL PRADESH	0-1	8.53	22.25	9.97	0.00	59.25	10.15	8.25	8.17	0	73.42
	1.01 - 2.00	27.60	0.00	72.40	0.00	0.00	26.91	9.86	12.53	0	50.7
	2.01 - 4.00	0.00	0.00	8.98	43.27	47.76	9.19	0	28	7.44	55.37
	>4	0.00	0.00	79.98	3.94	16.09	0	0	0	0	0
	all sizes	10.00	21.67	45.42	9.58	13.33	13.64	8.98	10.87	0.43	66.08
JAMMU & KASHMIR	0-1	4.92	41.53	53.55	0.00	0.00	6.26	8.25	0	17.31	68.19
	1.01 - 2.00	4.63	1.85	87.96	0.00	5.56	16.43	49.45	9.91	0	24.21
	2.01 - 4.00	0.00	17.85	73.16	0.00	9.00	0	34.2	40.69	0	25.11
	>4	0.00	0.00	100.00	0.00	0.00	0	0	0	0	100
	all sizes	2.49	14.43	78.61	0.00	4.48	9.37	30.21	11.81	6.17	42.44
KARNATAKA	0-1	21.51	5.19	63.65	0.00	9.64	28.93	5.43	20.28	0	45.36
	1.01 - 2.00	18.99	36.05	43.80	0.00	1.16	5.01	36.46	38.69	0	19.84
	2.01 - 4.00	0.00	15.27	79.27	4.73	0.73	37.78	4.3	16.29	0	41.63
	>4	12.35	5.09	81.88	0.68	0.00	12.92	11.38	29.51	0	46.2
	all sizes	8.46	10.38	78.85	1.54	0.77	20.45	14.65	28.61	0	36.29

Table 3.6: Continues

State	Size Group (in ha)	1982					1992				
		Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms	Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms
KERALA	0-1	0.00	0.00	0.00	11.92	88.08	20.74	0	0.38	0	78.87
	1.01 - 2.00	100.00	0.00	0.00	0.00	0.00	8.99	0	11.59	0	79.42
	2.01 - 4.00	0.00	0.00	0.00	0.00	100.00	2.42	0	0	0	97.58
	>4	8.85	0.00	82.12	0.00	9.03	12.31	0	20.33	0	67.37
	all sizes	12.73	0.00	0.00	9.09	78.18	15.95	0	2.13	0	81.92
MADHYA PRADESH	0-1	29.10	1.26	7.75	0.00	61.89	15.9	15.9	14.03	7.43	46.74
	1.01 - 2.00	36.67	0.00	63.33	0.00	0.00	8.46	24.81	34.2	2.41	30.12
	2.01 - 4.00	0.00	14.74	67.89	9.47	7.89	18.18	18.53	21.82	1.2	40.27
	>4	2.42	0.00	92.18	0.00	5.41	20.77	20.45	19.89	0	38.9
	all sizes	5.04	3.36	84.03	1.68	5.88	15.26	21.44	24.85	2.54	35.91
MAHARASHTRA	0-1	48.92	1.72	25.24	23.08	1.03	48.71	8.3	9.14	0	33.86
	1.01 - 2.00	21.43	4.08	74.49	0.00	0.00	33.17	1.59	23.48	0	41.76
	2.01 - 4.00	6.10	8.22	84.51	0.00	1.17	41.71	17.48	24.88	0	15.93
	>4	14.56	3.15	77.20	2.85	2.25	15.17	3.23	36.74	0	44.87
	all sizes	16.06	3.38	75.49	2.25	2.82	36.17	6.52	20.91	0	36.4
ORISSA	0-1	11.27	31.08	48.85	7.34	1.46	25.43	2.72	53.23	0	18.62
	1.01 - 2.00	7.31	4.08	85.73	0.00	2.88	19.56	5.43	47.6	0	27.41
	2.01 - 4.00	8.01	20.03	59.77	11.85	0.33	9.1	7.82	50.21	1.82	31.05
	>4	14.42	3.60	72.66	0.00	9.32	4.76	0	14.74	0	80.51
	all sizes	8.20	12.86	70.74	2.41	5.79	19.66	4.68	50.88	0.22	24.56

Table 3.6: Continues

State	Size Group (in ha)	1982					1992				
		Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms	Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms
PUNJAB	0-1	59.12	0.00	22.85	0.00	18.03	31.91	27.22	12.93	0	27.94
	1.01 - 2.00	29.97	0.28	69.52	0.00	0.22	40.61	10.46	10.36	0	38.57
	2.01 - 4.00	34.12	9.06	56.27	0.00	0.55	49.54	17.12	12.5	0	20.84
	>4	49.16	3.29	39.37	3.36	4.82	67.44	7.02	11.5	0	14.05
	all sizes	43.62	4.77	45.36	2.13	4.12	49.17	18.24	11.31	0	21.28
RAJASTHAN	0-1	5.91	30.38	31.22	0.00	32.49	21.87	6.09	7.27	0	64.77
	1.01 - 2.00	18.42	0.00	81.58	0.00	0.00	14.82	3.88	31.15	0	50.15
	2.01 - 4.00	4.92	0.88	40.71	1.28	52.21	10.87	17.93	38.84	0	32.36
	>4	3.82	1.12	25.35	65.15	4.56	18.22	40.29	19.12	0.53	21.85
	all sizes	5.95	2.38	42.86	26.59	22.22	15.2	19.42	23.39	0.27	41.72
TAMIL NADU	0-1	23.47	27.56	36.25	5.08	7.65	32.18	20.33	20.56	6.32	20.62
	1.01 - 2.00	13.01	20.42	52.02	3.56	10.98	21.84	33.35	12.39	5.48	26.94
	2.01 - 4.00	25.82	18.99	48.47	1.17	5.55	36.05	16.67	26.05	0	21.23
	>4	35.23	15.17	23.39	1.11	25.10	35.52	5.34	15.9	0.82	42.43
	all sizes	22.21	22.84	43.05	2.84	9.05	32.44	20.48	16.12	4.59	26.37
UTTAR PRADESH	0-1	23.23	14.19	51.94	0.98	9.67	14.95	11.04	41.82	0.08	32.11
	1.01 - 2.00	7.16	3.93	78.73	0.20	9.98	6.64	20.86	51.09	0.61	20.8
	2.01 - 4.00	16.04	3.37	73.05	0.94	6.60	8.31	13.23	43.83	0	34.63
	>4	8.17	10.13	70.02	0.36	11.32	1.92	13.74	36.94	0	47.4
	all sizes	5.29	3.00	32.99	54.39	4.33	9.24	15.2	46.45	0.27	28.84

Table 3.6: Continues

State	Size Group (in ha)	1982					1992				
		Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms	Fixed Money	Fixed Produce	Share Produce	Usufru- ctuary Mortgage	Others Terms
WEST BENGAL	0-1	0.16	10.01	53.28	0.00	36.55	6.6	13.18	44.8	1.65	33.76
	1.01 - 2.00	10.21	1.15	85.31	0.19	3.15	13.35	8.55	55.91	0.25	21.94
	2.01 - 4.00	0.56	27.36	64.80	0.00	7.28	11.64	4.25	45.12	3.71	35.28
	>4	0.92	22.17	26.64	0.00	50.26	44.08	0	55.92	0	0
	all sizes	3.45	14.48	67.78	0.59	13.69	8.64	11.66	46.47	1.53	31.7
INDIA	0-1	15.20	13.77	50.98	2.44	17.61	18.17	12.36	33.19	1.4	34.88
	1.01 - 2.00	11.01	6.99	76.49	0.00	5.51	15.11	19.09	40.92	0.81	24.07
	2.01 - 4.00	16.62	11.34	59.90	1.39	10.75	24.18	14.76	30.15	0.46	30.45
	>4	19.33	8.20	57.13	10.12	5.23	30.94	11.69	23.1	0.09	34.19
	all sizes	15.73	9.07	64.52	3.23	7.46	18.97	14.51	34.39	0.98	31.15

Source : Based on 37th and 48th Rounds of National Sample Survey, NSSO, Govt. of India.

Table-3.7: Percentage distribution of area leased in by period of lease for all sizes of operational holdings

STATE	Percentage distribution of area leased in by period of lease							
	less than one season	one season but less than one year	One to two year	one to five years	Five to Twelve years	twelve years or more	n.r.	All
Andhra Pradesh	2.31	25.5	17.27	28.8	8.42	10.04	7.66	100
Assam	0.84	29.05	15.26	14.49	1.93	6.33	32.01	100
Bihar	3.64	9.3	34.26	17.82	7.76	7.55	19.4	100
Gujarat	3.54	20.33	20.26	15.29	1.17	15.23	24.17	100
Haryana	10.24	15.43	29.51	0.77	0.04	0.72	13.29	100
Himachal Pradesh	1.18	5.6	6.47	12.25	13.14	48.32	13.03	100
Jammu and Kashmir	7.69	0	9.16	13.86	4.98	48.58	15.72	100
Karnataka	9.72	25.88	8.92	16.11	5.22	4.45	29.69	100
Kerala	6.34	10.75	2.9	16.5	24.26	20.84	18.41	100
Madhya Pradesh	0.95	14.81	25.09	8.77	7.03	20.56	22.78	100
Maharashtra	9.75	11.12	25.17	19.63	10.9	10.34	13.1	100
Manipur	1.46	23.39		7	0.92	37.59	29.64	100
Meghalaya			20.43	19.37	11.32	4.79	10.33	100
Orissa	1.46	30.88	26.31	14.37	11.32	4.79	10.33	100
Punjab	6.96	12.12	41.53	11.25	12.92	4.62	10.6	100
Rajasthan	3.16	15	29.25	26.94	10.22	9.29	6.15	100
Sikkim			6.4	2.92	25.66	63.17	1.86	100

Table-3.7: Continues

STATE	Percentage distribution of area leased in by period of lease							All
	less than one season	one season but less than one year	One to two year	one to five years	Five to Twelve years	twelve years or more	n.r.	
Tamil Nadu	3.45	6.76	17.3	23.23	9.34	21.56	18.36	100
Tripura	8.61	38.37	36.8	4.39			11.82	100
Uttar Pradesh	2.64	15.08	38.83	11.81	10.48	9.43	11.8	100
West Bengal	3.22	8.45	10.67	18.58	12.67	35.81	10.6	100
Andaman and Nicobar Island	0.02	12.07	7.88	54.39	10.49	12.73	2.43	100
Pondicherry		4.34		43.48	7.28	4.4	40.5	100
India	4.82	16.44	30.67	14.64	7.81	10.87	14.72	100

Source : NSSO, 48th Round, 1992 (Operational Holdings)

Impact of Tenancy Reforms

As we have already discussed, the nature of tenancy reform undertaken since independence varied from state to state. The macro level data may sometimes indicate the nature of relationship between tenancy reform on the one hand and productivity growth and poverty reduction on the other. However, the analysis of micro level data would be more revealing and useful. Therefore, the study relied on both macro level secondary data and primary household data. The farm level data were collected from three states, namely West Bengal, Karnataka and Punjab. The 'Operation Barga' in West Bengal in 1978 is claimed to have exerted a positive impact on agricultural productivity and socio-economic status of poor tenants which needs to be empirically verified. Similarly, a large number of tenants have been conferred occupancy right in Karnataka in recent years, particularly since 1979 and therefore, it is necessary to see whether such tenancy reform measures helped to improve the condition of erstwhile tenants. Besides, the state of Karnataka is now pleading for a liberal land policy, the impact of which needs to be assessed.

The State of Punjab presents an altogether different scenario. The tenancy law is quite liberal. But reverse tenancy is taking place, in which case the large and medium farmers have a lion's share in the land lease market which seem to negate the egalitarian objective of tenancy reform. Anyway, there is a need for analysing the impact of reverse tenancy on agricultural productivity and equity in Punjab.

West Bengal

In order to examine the impact of 'Operation Barga' on productivity improvement and socio-economic status of the poor sharecroppers, both secondary and primary data were collected and analysed. More specifically, the following issues were examined :

- i) Has 'Operation Barga' led to greater security of tenure for the tenants-at-will, including sharecroppers?
- ii) Has 'Operation Barga' helped the sharecroppers to have improved access and use of credit and modern technical inputs in agriculture? Has it helped in improving land productivity?
- iii) Have the economic condition and social status of sharecroppers improved significantly after 'operation barga'?
- iv) Is there a need and scope for further tenancy related reforms in West Bengal?

The system of sharecropping tenancy has a long history in Bengal. During the Mughal Period, the task of revenue collection was assigned to a class of agents called "Zamindars". But the cultivator could not be generally evicted from land unless there was a failure on his part to pay the stipulated revenue to the Zamindar. However, the East India Company which obtained the Diwani of Bengal, Bihar and Orissa in 1765, experimented with several methods of revenue collection, often distributing rights through auction to the highest bidders. This resulted in rack renting and untold misery of the peasants, who often faced famines as in 1784, 1787 and 1790. The permanent settlement introduced by Cornwallis in 1793 conferred the proprietorship of land on the erstwhile Zamindars in exchange for the payment of revenue fixed in perpetuity. However, in course of time, the estates of many Zamindars were sold for arrears of revenue to merchant moneylenders and others who were never interested in agriculture. Their main interest was to collect high rent out of land. In the process, a system of subinfeudation was created, having a long hierarchy of tenants and sub-tenants.

The Rent Act of 1859 provided some security to occupancy tenants who cultivated land at fixed rate from the time of the permanent settlement or for whom the rent was not changed for 20 years. But non-occupancy tenants were not given any protection against either rent enrichment or eviction. The Bengal Tenancy Act of 1885 also provided that any ryot who had been in possession of any land for 12 years either by himself or through inheritance becomes a settled ryot with occupancy right. But the non-occupancy ryot including sharecroppers were liable to be evicted.

The spread of sharecropping in Bengal owed mainly to the emergence of a class of gentleman Jotdars under the British rule, who would not cultivate the land themselves and prefer to lease it out against a share of produce. Besides, under the impact of poverty, indebtedness and sub-division of holdings, many peasants became dependent on barga cultivation to supplement their family income. In fact, the Jotedars preferred sharecropping arrangements to fixed rent tenancy and

cultivation through hired labour due to two reasons. First, it provided them with the most convenient and cheapest method of rental earning without much supervision and second, for those landowners who indulged in money lending, it ensured them positive income from money lending as the loans were mostly repaid in the form of grain after harvest. Also the poor peasants preferred sharecropping to wage employment because the sharecroppers enjoyed better social status compared with the landless agricultural labourers.

The sharing of crop was mostly done on the principle of equal shares, although in some cases, the landowners made arbitrary deductions even before the produce was shared. Also the sharecropping contracts led to some kind of dependency relationship between the sharecropper and the landlord (Cooper, 1983). The most adverse impact of sharecropping could be visible in terms of indebtedness of the sharecropped land. On the eve of independence, nearly 21 percent of the total cultivated area in Bengal were under barga cultivation. In districts like Burdwan, Bankura, Murshidabad, Jalpaiguri and Hooghly the proportions of area under 'barga' varied between 25 percent to 31 per cent. (Land Revenue Commission of Bengal, 1940).

Tenancy Reforms in Post Independence and Partitioned Bengal

After independence, the Govt. of West Bengal passed the Bargadar Act of 1950 which provided that the land owner and the Bargadar could mutually decide the sharing pattern of output. In cases where there was no such agreement, the bargadar would retain two-thirds of the gross output if he supplied all the production inputs. The landowner could also evict the bargadar if he needed the land for personal cultivation or if the sharecropper misused/neglected the cultivation of such land. Further, the West Bengal Estate Acquisition Act (1953) aimed at abolishing all intermediaries and bringing all ryots and under-ryots into a direct relationship with the state. In 1955, the Government passed the West

Bengal Land Reforms Act which imposed a ceiling of 25 acres on the ownership holding of a ryot (excluding homestead). The barga related main provisions of the Act, as amended upto 1969 included that (a) the landowner shall receive half of the gross produce if he supplied plough, cattle, manure and seed and (b) the land owner could terminate a barga for personal cultivation, if the land owned by him was within the ceiling limit. However, usually the landowners evicted the Bargadars and in some cases, employed them as agricultural labourers on the same plots.

The late sixties and the early seventies witnessed violent agitation by the bargadars and the landless in West Bengal . In some places, there was even forcible seizure of land from the Jotedars. In order to contain the discontent, the Government (under President's rule) amended the West Bengal Land Reforms Act of 1955. The amended Act made the Bargadar's right to cultivation hereditary and raised his share to 75 percent of gross produce if he supplied all the inputs and 50 per cent if all inputs except labour were supplied by the landowner. The landowner was required to give a receipt on receiving his share of produce. In case of resumption for personal cultivation, at least 0.809 hectare was required to be left with the bargadar. In 1975, the government passed the West Bengal Acquisition of Homestead Land for Agricultural Labourers, Artisans and Fishermen Act which conferred ownership of homestead land upto a limit of 0.08 acre. The Government was required to pay compensation to the landowners for loss of such land under homestead tenancy.

The Post 1977 Reforms

The year 1977 is a landmark in the history of West Bengal. The communist led left front Govt. has been continuously in power in the state since then. The left front Govt. amended the Land Reforms Act of 1955 in Sept. 1977 to protect the interest of the sharecroppers. In the past, the sharecroppers were often evicted because of the vague definition of personal cultivation. According to the amended Act the land

owner could resume his land given to a sharecropper if i) the land owner or some members of the family reside in the locality where land is situated. ii) income from land is the principal source of his income iii) resumption of land leaves a minimum of 1 ha. to the sharecropper iv) if the resumed land is cultivated with the help of family labour and not by hired labour. Further if anyone tried to evade the sharecropper illegally, he will be prosecuted. Besides any failure on the part of the landowners to issue receipts were liable to pay a fine of Rs. 1000/- and imprisonment for 6 months.

In 1978 the left front Govt. launched a special campaign to record the name of sharecroppers which is widely known as 'Operation Barga'. This was done by the revenue department in active collaboration with farmers organization and local self Government called Panchayat and effort was also made to take the help of Commercial Banks and Co-operatives for providing institutional credit facilities to the sharecroppers and beneficiaries of ceiling surplus land, so that these people were not dependent on local landlords and money lenders. The list of recorded sharecroppers and beneficiaries of ceiling surplus land, duly prepared and authenticated by revenue officials, were supplied to the banks.

The 'Operation Barga' led to the recording of nearly 15 lakhs sharecroppers covering about 11 lakhs acres of land. Table-4.1 shows the number and area of recorded sharecroppers in West Bengal by district, upto Dec. 1998. The district of Medinapur alone accounts for about 3 lakh recorded sharecroppers over 1.4 lakh acres of land. Similarly, the districts of Bardhaman, Bankura, Birbhum and South 24 Praganas have large number of recorded sharecroppers. Table-4.2 indicates the area under recorded tenancy as percentage of net cultivated area in each district. It may be seen that out of 5.4 million hectares of net cultivated area, about 4.5 lakh hectares i.e., nearly 8.2 percent is reported to be under recorded sharecropping. In several districts, including Cooch Behar, Birbhum, Howrah, Jalpaiguri, Malda, Dakshin Dinajpur, Hooghly and Burdwan, the proportion of area under recorded sharecropping

was much higher than this state average, ranging from 9.9 per cent in Burdwan to 13.4 per cent in Birbhum and 13.6 per cent in Cooch Behar.

Operation Barga and Agricultural Development

It is often said that 'Operation barga' is a major force behind the recent spurt in agricultural growth in West Bengal. First, it provided a security of tenure to the sharecroppers which was associated with new incentive to cultivate land more efficiently. Second, it ensured their entitlement for accessing institutional credit facilities. Third, 'Operation Barga' and other institutional reforms altered the rural power structure, thereby enabling the sharecroppers and poor peasants to have equal access to modern technical inputs. Logically therefore, the productivity of sharecropped land should have increased. Upto 1980, agricultural productivity in the state was more or less stagnating. The average annual growth rate of food production in 1970-80 was 0.7 per cent. The coverage under HYV technology was hardly 33 per cent of rice and wheat area in 1980-81. It increased to 58 per cent in 1990-91 and nearly 85 per cent in 1998-99.

The average yield of rice increased from 1.4 ton/ha. in 1980-81 to 1.8 ton./ha. in 1990-91 and 2.3 ton./ha. in 1998-99. Although the yield level of rice in West Bengal is still comparatively lower than those in Punjab and Haryana, nevertheless the growth rate of rice yield during 1980-90 was highest in the country. This grew at the annual compound growth rate of above 5 per cent. The yield of wheat increased from 1.4 tonne/ha. in 1980-81 to 2.2 tonne per hectare in 1998-99. The average yield of food grains increased from 1.4 tonne per hectare in 1980-81 to 2.2 tonne per hectare in 1998-99 (Table-4.3). Table-4.4 shows the state-wise annual growth rates of yields of foodgrains during 1970-80, 1980-90 and 1990-99. Assuming 1981-82 as the base year(100), the productivity index of non-food crops also rose sharply to 189 in 1996-97 (Govt. of West Bengal, Eco. Review, 1999-2000). Similarly during 1983 to 1993, there has been a drastic decline in the rural poverty ratio in West Bengal. Based on the methodology of expert group as adopted by

the Planning Commission, the rural poverty ratio in West Bengal declined from 68 per cent in 1977 to 63 per cent in 1983 and 40.8 per cent in 1993. While the rural poverty ratio in West Bengal declined by about 27 per cent during 1977-78 to 1993-94, the All India poverty ratio dropped only by 16 per cent during the same period (Haque, 1998).

There is often a debate whether the credit for agricultural revolution in West Bengal should go to technological change or land reform, particularly 'Operation Barga'. As we have said, the adoption of HYV technology and chemical fertilizers was very rapid since 1980-81. Besides, during 1980-81 to 1990-91 nearly 1 lakh ha. of additional land were bought under canal irrigation and between 1990-91 and 1997-98 another 1 lakh ha. of land was brought under government canals. The number of both shallow and deep tubewells also increased substantially during this period. Table-4.5 shows the latest district-wise number of deep and shallow tubewells in 1998-99. While the access to additional irrigation by government canals was the result of government initiative, private initiatives were largely responsible for the adoption of new technology and increased access to minor irrigation facilities. The operation barga and others land reform measures undertaken by the government have changed the rural power structure in favour of the poor and enabled the poor peasants and sharecroppers to have increased access to credit, irrigation. HYV seed and chemical fertilizers, which helped in productivity growth and improvement in their socio- economic status. Operation barga could have to this extent acted as a catalytic agent for development.

Agricultural productivity in the state started moving upward since 1983 after 4 years of special campaign on operation barga (Table-4.3). Since tenancy reform and agricultural growth occurred simultaneously, the Government of West Bengal and several other people found a connection between the two. According to Dasgupta(1995), 98 per cent sharecroppers have recorded themselves, 80 per cent of them in the peak period of 1978-80, following the first panchayat election. According to Banerjee and Ghatak (1995), after controlling for factors such as

rainfall, public irrigation and district specific fixed effects, growth in the production of aman, aus and boro rice was found to be correlated with the progress of tenancy reform. The relationship was found to have been statistically significant in the cases of aman and aus, but not in the case of boro rice. While the yields of major crops were positively and significantly correlated with the progress of tenancy reform, the evidence on the mechanisms through which higher yields were associated with tenancy reform was not decisive. Although HYV adoption and increase in shallow tubewells were positively correlated with tenancy reform, the relationship was not found to have been statistically significant.

In fact, it is difficult to make the exact quantification of the effect of tenancy reform this way. We tried to run even a modified version of the equation, using dummy for the year 1978 when 'operation barga' was launched. But the results obtained were absurd, and illogical. Probably, it is better to examine whether a higher crop share and greater security improved the incentives for the sharecroppers to work harder and to supply greater amounts of non-marketable inputs. Gazdar and Sengupta (1999) further point out that operation barga led to environmental changes such as greater social equity, greater self-confidence amongst the poor, improvement in the bargaining position of tenants and greater proximity and responsiveness of local government. One needs to analyse whether such environmental changes helped in breaking the structural barriers of growth. Conversely, Pal(1992) points out that operation barga has not been successful in augmenting production and productivity on the share cropped land due to the poor resource base of the sharecroppers. Neil Webster(1992) observed that consolidation of management around tubewell command areas was the major source of growth in West Bengal agriculture. Earlier tenancy patterns have been reversed for the irrigation based boro paddy cultivation season. Water owners who have mini submersible tubewells tend to be the richest and most powerful in the villages, rent in land for boro paddy cultivation. This led to expansion of area under boro paddy, the yields of which were much higher than those of aman and aus paddy and other coarse cereals and millets.

Bhaumik(1992) observed that even after recording of barga, resource allocation and productivity still varied between owned and sharecropped land. However, the recorded tenants tend to perform better or at least competitively with the unrecorded tenants, as regarding cultivation of sharecropped lands. Besides, the recorded tenants extract a much larger share of total returns compared to the unrecorded tenants and to this extent, operation barga has led to augmentation of income of a large section of recorded tenants.

Nevertheless, it is doubtful whether operation barga and other land reform measures undertaken by State Government are solely responsible for rapid agricultural growth in recent years. About 14 lakhs recorded sharecroppers covered hardly 11 lakhs acres of land. Therefore even if assume that land productivity of these sharecroppers doubled during 1980 to 1998-99 (much above the state average rate) the sharecroppers could have contributed hardly 5.7 lakhs tonnes of foodgrains in 1998-99 over what they were producing in 1980-81. But foodgrain production in the state during 1980-81 to 1998-99 increased by about 6 million tonnes. Also the increased access to irrigation by all categories of farmers, the index of area under Boro-Paddy increased by 5 times, the yield of which was 3 times higher than that of kharif rice. Also the middle class peasants rather than the sharecroppers held the lion's share in ownership of tubewells. This also raises another important question of land reform whether ownership of water rather than land would be crucial in empowering the rural poor.

At the same time, the role of operation barga in improving the income and socio-economic status of the sharecroppers cannot be underestimated. While the direct effect of operation barga may be relatively small, the indirect effect was indeed very large and significant. By changing the rural power structure and increasing the accessibility of the poor peasants and sharecroppers to irrigation and modern technical inputs, operation barga acted as a catalytic agent for rapid agricultural growth. It also put indirect pressure on the resident land owning class to

work hard for increasing farm productivity and income in order to maintain their previous standard.

It may be seen from Table-4.6 that area under recorded barga was highest in the districts of Cooch Behar (13.6 per cent) and Birbhum (13.4 per cent). While the index of agricultural productivity rose significantly in Birbhum district, it was not so significant in Cooch Behar. Also the average yields of foodgrains as well as poverty ratio were high in Cooch Behar and Jalpaiguri where the incidence of sharecropping was high. In other words, agro-climatic and technological factors play an important role in productivity growth. Since the district-wise secondary data do not reveal much, a micro level household survey was conducted in the districts of Medinipore, Birbhum, Bardhaman and Jalpaiguri in 1997-98.

In all the selected villages tenants, whether pure or partly owner and partly tenant, belonged to the category of small and marginal operators. Most of the selected sharecroppers are reported to cultivate the leased land for the past three decades. But they got barga right between 1981 and 1987. Only 4 per cent sharecroppers in Birbhum and 12 per cent in Midnapore reported that their tenancy cases were not recorded (Table-4.7). However, the incidence of boro season leasing ranged from 14 per cent in Midnapore to 50 per cent in Burdwan and these leases are not recorded. Nearly 68 per cent of the sharecroppers leased-in land from the local resident large landowners. In fact, this proportion varied between 60 per cent in Burdwan and 80 per cent in Jalpaiguri. The percentage of sharecroppers leasing in from absentee landowners ranged between 15 per cent in Jalpaiguri and 27 per cent in Birbhum. It may be seen from Table-4.7 that in Burdwan and Midnapore, some instances of fixed rent leasing are evident, although this is prohibited by law. Also the lands leased in are partly irrigated. Regarding input and crop sharing arrangements, only 5 per cent landlords in Midnapore and 10 per cent in Burdwan shared material inputs. About 14 per cent of the tenants reported that landowners used to share 50 per cent fertilizer

cost before recording of barga, but now they are not doing that. Also the share of output has changed significantly after recording of barga. Before 'operation barga' nearly 40 to 75 per cent in Birbhum, 50 to 60 per cent in Burdwan and 50 per cent in other districts were shared by landlords. Nearly 32 percent of sharecroppers reported that now they get 75 percent of the crop produced as against 50 percent before recording of barga. The remaining 68 percent sharecroppers give 30 per cent to the landowners as against 40 per cent before. There were also cases of interlinkages between land lease, credit and labour markets. The percentage of sharecroppers receiving 5 per cent in Burdwan district to 20 per cent in Birbhum district. There seems to have a positive relationship between such interlinkages and agricultural backwardness. Surprisingly, only 10 percent of the sharecropping tenants in Birbhum and 20 per cent sharecroppers in Burdwan reported that they have undertaken land improvement measures after recording of barga (Table-4.8). However, the cropping pattern as well as the yield levels seem to have changed after recording of barga. Nearly 95 to 100 per cent peasant bargadars felt that they are better off after 'operation barga'. Due to increase in the security of tenure, there is no significant difference in average productivity of own land and leased in land, under homogenous agro-climatic situation. In some cases, where it existed, it was due to difference in land qualities, and not due to tenancy as such. Sharecroppers are now adopting HYV technology and are showing greater interest in raising the yields of crops. Although, the average yield of Kharif paddy increased only marginally most of the sharecroppers are now growing boro-paddy which yields about 20 quintals to 30 quintals per acre (Table-4.9). The yield of wheat also increased in all the sample districts. Almost all the sharecroppers mentioned that they are now taking more interest in the share cropped land due to new initiative after operation barga. They are also entitled to have access to bank credit. It may be seen from Table-4.10 that those sharecroppers who succeeded in improving crop yields, attributed 25 percent of yield improvement directly due to barga recording and the remaining 75 percent to increased access to irrigation and HYV technology which was also the indirect effect

of tenancy reform. In other words, the positive interaction between tenancy reform, technological change and credit availability helped.

Impact of Operation Barga on Security of Tenure of the Sharecroppers

It needs to be clearly understood that operation barga was an attempt to register the names of sharecroppers in the records of revenue department which give them greater sense of security against eviction. This was primarily an administrative measure to implement the already existing tenancy law which give them a permanent heritable right of tenancy. In effect 'Operation Barga' only helped in proper implementation of the existing tenancy law. Our personal discussion with the selected sharecroppers in sample districts revealed that almost 100 per cent of the sharecroppers had a feeling of greater security due to recording of 'barga'. Earlier as agricultural tenancy was banned in the state and sharecroppers were not registered, they were not even recognized by law as tenants. To this extent, operation barga can be termed as a successful measure of tenancy reform. However, there is a growing tendency for leasing out of land by small farmers and sharecroppers, during the boro season and most of the lessee happen to be relatively better off section of the farming community who own either shallow or deep tubewells and have the capacity to invest in modern inputs. These leases are not recorded and recognised by law. Nevertheless, such informal leasing during the boro season has helped in raising land productivity, although in some areas, expansion of boro season cultivation as such has posed a threat to ecologically sustainable agricultural development, due to over exploitation of ground water. When the recorded sharecroppers were interviewed, at least 20 per cent of them reported that they are sharecroppers on the same land for a long time and have maintained good relations with the landowners. Besides, there is often a debate whether the sharecroppers should be given ownership right on the land which they cultivate. It is often feared that change of government in the state may lead to eviction of many sharecroppers

because of the revengeful attitude of the land owners, particularly in those cases where there is on-going litigation or dispute between the landowner and sharecropper. At one stage, the government of West Bengal perceived that it was not feasible to abolish the system of intermediaries altogether, because of various reasons.(Govt. of West Bengal, 1980). So far, the Government has not decided on this issue. It was observed in the course of our field visit that in some cases the sharecroppers are informally exchanging land with the landowners for acquiring ownership right over at least a part of the leased in land. For instance, if a share cropper has 5 acres of recorded sharecropped land, he keeps 2 acres with him on ownership basis and returns 3 acres to the original landowner, who then sells it to a third party. Although this is illegal and informal, but a market-led transfer of land ownership is taking place. Although there are not many such cases, those of the sharecroppers who feel insecure may enter into such informal transfer of land ownership. Moreover, the state of West Bengal does not recognise fixed rent tenancy. But in some developed pockets, there is an emerging trend towards fixed rent tenancy. Although such tenants are not recognized by law and have no security of tenure, such a lease market tends to exist.

Accessibility of the Poor to Leased in Land

As per the National Sample Survey nearly 46 per cent of the landless households and 12 to 20 per cent of marginal households have access to lease market. The average size of leased in land per households was 0.05 ha. and in the case of marginal farmers it varied from .01 to .07 ha. Nearly 8 to 9 per cent of the small and semi-medium farmers also leased in land, the average size of leased in land being only 0.04 ha. About 3 per cent of the medium farmers in the category of 4 to 10 ha. leased in land, the average size of such leased in land being 1 ha. per household. The NSS data further show that nearly 86 per cent of the total leased in land in West Bengal are cultivated by marginal and small farmers. In most cases the sharecroppers leased in land from either medium and

large land owners or absentee land owners. Hardly 5 per cent of the area leased in were from marginal farmers. Thus, the sharecroppers in West Bengal were mainly small and marginal farmers.

Input-Output Sharing Arrangements

According to the West Bengal Land Reform Act as amended in 1979, the land owner shall receive half of the gross produce if he supplies cattle, plough, manure and seed. In other cases the land owner's share of output shall be only 25 per cent. Datta and Kapoor(1992) observed that in only 17 per cent cases, the legally stipulated cost and crop sharing rates are being practised. Studies conducted before 'operation barga' revealed that nowhere in the state, the share of land owner was less than 50 per cent . In some cases particularly under Kisheni system, the land owner's share of output was as high as 75 per cent. However, our results for the year 1998-99 show that the recorded sharecroppers including the former farm servants who have been recorded as 'bargadar' now receive 50 to 75 per cent share of the output. Earlier before recording of barga the sharecroppers in the sample villages of Birbhum used to get only 30 to 33 per cent of the share of output. In Birbhum district, particularly under Kisheni system, the sharecroppers had to provide only his labour and all other inputs were provided by the land owners. After recording of barga in majority cases land owners do not share any input cost. In Medinapore district, the land owners in some cases complained that they do not get any share of output. In fact, from the landowner's point of view, if they get timely and legally stipulated share of output , they have no problem with ' barga recording as such.

Access of the Sharecroppers to Credit and Modern Technical Inputs

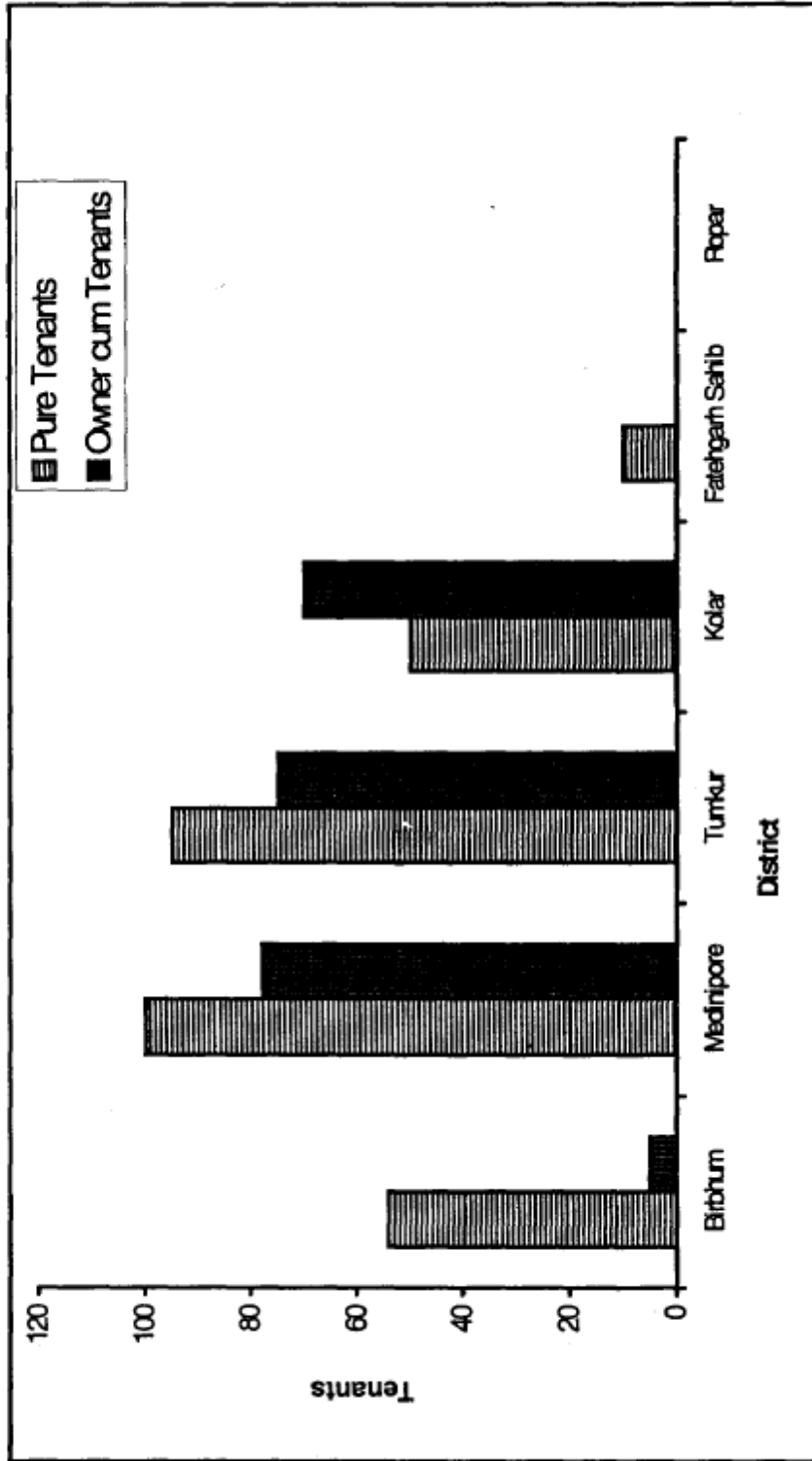
The results of our field survey show that hardly 1 per cent of the sharecroppers in Birbhum and Medinapore district and about 2 per cent in Bardhman district and none in Jalpaiguri have access to institutional

credit facilities. Thus, although recording of barga has entitled the sharecroppers to access to credit, due to various procedural difficulties and delays in accessing institutional credit, they prefer to borrow money from private moneylenders at high interest rates, ranging from 36 per cent to 48 per cent per year, merely on ground of convenience.

Nevertheless, the new incentive created by operation barga has helped some sharecroppers to make investment in various land improvement measures. The sharecroppers have increased access to irrigation due to development of water markets and also an insignificant percentage of them installed tubewells with or without government help. Nearly 100 per cent of the sharecroppers in Bardhaman district, 60 per cent in Birbhum district and 50 per cent in Medinapore district were found to adopt HYV technology. Almost 100 per cent of the recorded sharecroppers reported that they are now putting more labour and getting more output per unit of land as compared to those before recording of land rights. According to their perception at least 20 to 25 per cent of the incremental land productivity in recent times was due to new incentive and ability of the sharecroppers created through recording of share cropping. About 30 to 40 per cent was due to increased irrigation facilities and 30 to 35 per cent because of adoption of HYV technology.

It was also observed that the socio-economic condition of sharecroppers has significantly improved due to operation barga. Majority of the sharecroppers interviewed reported that they effectively participate in politics and local level democratic institutions. They are socially treated at par with others. Nearly 1/3rd of household income of the sharecroppers come from leased in land and this is the contribution of share cropping on poverty reduction. Nevertheless, the overall income position of the sharecroppers was not very satisfactory. Particularly in Medinapore and Jalpaiguri districts the pure tenants lived below the poverty line. Thus, there are miles to go for improving the economic conditions of sharecroppers.

Fig-3.3: Percentage of Tenant Households Below Poverty Line



Selected Case Studies

1. Mr. Uttam Shah is a resident of Dholtikuri in Birbhum district. He owns 3 acres of land and has leased-in 2.67 acres from an absentee landlord. He is cultivating the leased-in land on sharecropping basis from 1975 on continuous basis. The tenancy was recorded in 1982. Earlier the landlord was sharing 50 percent of seed and fertilizer cost, but now the entire input cost is borne by Mr. Shah, the sharecropper. Prior to recording of barga he was sharing 50 percent output with the landlord, now he gives him only 25 percent. He also installed tubewell in the year 1989 at a cost of Rs. 50,000. Earlier he was growing only local paddy and obtained an yield of 12 quintals per acre, now he also cultivates mustard and boro-paddy. He gets on an average 24 quintals per acre of boro-paddy. This is partly due to availability of irrigation facility and partly due to new crop varieties.

Mr. Shah is a small farmer and leasing-in of land has elevated him to the category of semi-medium farmer. His annual income is about Rs. 30,000. He also owns a television, a radio, 2 bicycles and a bullock cart. Besides, he has 6 cows and 3 tanks.

2. Mr. Mangal Tudu is a resident of Dholti Kuri in Birbhum district. He belongs to a tribal community. He is illiterate. He was basically a landless person but he leased-in 1.5 acres of land from an absentee landowner who is in service outside. He cultivates this land on continuous basis. His tenancy is recorded with effect from 1981. The land is irrigated by canal and irrigation is assured at least in Kharif season. He shares 50 percent of the output with the landowner. Besides, the landowner shares 50 per cent of the fertilizer and seed cost. Mr. Tudu has not brought about any land improvement measures after recording of barga, but he is now taking more interest in cultivation. He grows HYV paddy in the Kharif season and also HYV boro-paddy in the rabi season.

He obtains an yield of about 15 quintals per acre of Kharif paddy. Earlier he was getting only 12 quintals of Kharif paddy. His relation with the landlord is quite cordial. The landlord supplies both production credit and consumption credit to the tune of Rs. 1000 per year. He does not pay any interest for that. Mr. Tudu also rears some poultry birds and hires out labour. His total annual income is Rs. 12,000 of which 5000 is from crop cultivation, 6500 from hiring out labour and 500 from poultry. He also possess 1 radio, 1 bicycle and 4 cows.

Mr Tudu reported that he is taking more interest in cultivating the leased land after the recording of barga. However, it looks that the yield difference of three quintals per acre is mainly due to adoption of high yielding variety of paddy, as he was growing only local variety before recording of barga.

3. Mr. Dilip Bagdi is a resident of Purba Sahapur in district Birbhum. He owns only 0.67 acres of land and had leased-in one acre land from a person who stays in the town and works as a teacher. Mr. Bagdi cultivates the leased-in land from 1975 and his share cropping tendency was recorded in 1983. He does not get any input share from the landowner and pays 25 percent of the output to him. Mr. Bagdi reported that after recording of barga, he has been able to improve his productivity due to greater incentive and availability of irrigation facility. Earlier he was growing only local paddy, but now he grows HYV Paddy in the Kharif season and wheat and potato in the Rabi season as well as boro-paddy. The landowner does not supply him any credit, but he has access to institutional credit facility. His annual income in the year 1997-98 was Rs. 10500 from agriculture. In addition, he earned about Rs. 6000 by hiring out labour.

In this case, Mr. Bagdi is a marginal farmer and the landowner from whom the land had been leased-in is also a marginal

landowner. But he has an alternative employment outside agriculture. Mr. Bagdi's access to leased land has helped him to live above poverty line without which his economic condition would have been worse off. Since the West Bengal law does not impose any restriction for any non-farmer to lease-out land, the reported tenancy is also legally permissible. However, the question is whether in such a situation the tenant should be conferred ownership right and if so whether it is politically feasible and finally whether this will lead to improvement in land productivity. Although the answer is not very simple, it is possible to predict that such a policy would not be welcome particularly when economic liberalisation is an order of the day.

Karnataka

The state of Karnataka came into being on 1st November, 1956 as a result of amalgamation of the states of Mysore, Coorg and parts of Madras, Hyderabad and Bombay. Each of these constituents had its own, often distinct land tenure system and also implemented land reform measures in its own way before the amalgamation took place. The new state enacted a comprehensive legislation, called the Karnataka (formerly Mysore) Land Reform Act, 1961. The KLR Act of 1961 which was effective from 2 October, 1965, provided for fixity of tenure, subject to landlords right of resumption. All tenants and sub-tenants of non-resumable lands were to come into direct contact with the state, with effect from a date to be notified. In the Bombay-Karnataka region, the act also provided that even after resumption of land by the landowner, for personal cultivation, the tenant would be left with at least half of the leased land. According to Hegde (1965), however, due to various loopholes, the act benefited mainly the law knowing landlords. According to Joshi (1977), the 1961 Act created discontent among the rank and file of the tenants in North Kanara. In 1974, the KLR Act, 1961 was substantially amended. The amending provisions banned leasing out of land in Karnataka except by soldiers and seamen and the right of resumption was eliminated. The 1974 Act did not even spare widows, unmarried daughters, old and disabled small land owners, who leased out land. Further through an amendment in 1979, persons inducted as tenants before 1-1-1979 was entitled, with effect from the date of vesting (1-3-1974) to be registered as an occupant in respect of the land under his cultivation, subject to ceiling limit. Section 48 of KLR Act, 1974 also made it mandatory for the state government to constitute a tribunal for each taluk for speedy disposal of application. The Act prohibits the tenants who have been conferred occupancy rights from transferring such land by way of sale, gift-exchange, mortgage within a period of 15 years from the date of certificate. However, when a tenant dies, the landlord shall be deemed to have continued the tenancy to the heirs of such tenant on the same terms and conditions on which such tenant

was holding at the time of his death. The tenant can surrender the land only in favour of the government. Also he should cultivate the land personally, otherwise, the land shall be forfeited to Government. The State Government in a recent amendment of rule (1998) further provided that the persons who were tenants before the commencement of the 1974 Act, and failed to apply for the occupancy right could file application upto 30-4-99. The applications received, are being processed now.

Upto March 1979, about 7.63 lakh applications were received for grant of occupancy right, involving an area of 41.4 lakh acres of land. Out of these only 2.69 lakh applications were decided in favour of the tenants, involving 10.93 lakh acres of land (Lalitha Natraj, 1980). However, the latest available data upto 31st July, 2000, as shown in Table-4.11 reveal that so far above 4.89 lakh tenants have been conferred occupancy right, covering 18.50 lakh acres of land. Nearly 10 thousand cases are pending in the High Court, involving 59.5 thousand acres of land. There are inter-district variations in the number of beneficiaries of the tenancy reform. The districts of Uttar Kanada, Dakhin Kanada, Udupi, Belgaum and Shimoga had relatively large number of beneficiaries, involving also a larger area under occupancy right. Both administrative and historical reasons could be behind such inter-regional variations. The coastal region which had high concentration of tenants and had also witnessed several agrarian movements are reported to have done well in this respect. The proportion of area under tenancy was much lower in Old Mysore region and therefore, agrarian unrest was minimal. In northern Karnataka, particularly in Bombay-Karnataka region, the proportion of area under tenancy was higher than that of Old Mysore, at lower level than that of coastal Karnataka. But the lands were mostly dry and the former tenants were largely indebted to local moneylenders (Pani, 1997). According to Pani (1997), the largely uniform implementation of law had different effects on the three regions. In coastal region, the substantial transfer of land from landowners to tenants fundamentally transformed the agrarian system. But in Old Mysore districts, where tenants were few, the tenancy reform did not alter the nature of the agrarian system.

Since both ex-tenants and landowners belonged to all size of classes, the reform only led to vertical split of the rural society on factional rather than class lines. This was partly true also of Northern Karnataka. However, in districts like Kolar, Bangalore, Hassan, Mandya and Mysore the proportion of area under tenancy was more in the larger size classes and hence, the law benefited them most. As V.M. Rao (1992) points out, benefits of implementation were not focussed on the rural poor and landless, who did not gain any land under tenancy legislation. The principal beneficiaries of the tenancy legislation were the lessees having the farm size of above 15 acres, who were also in a better position to assert their rights as tenants. Besides, agricultural production lost its momentum in the 1980's and the political wave initiated by Devaraj Urs lost its thrust. Moreover, as Gopal Iyer's study (1997) shows, despite legal ban concealed tenancy exists in all the regions of the state. It varied from 6 to 8 per cent in the villages of northern dry region and 4 to 6 per cent in the villages of central and coastal regions. At the state level, it was about 6 per cent. There were also a few cases of reverse tenancy.

Anyway, Karnataka Land Reform Act, 1974, as emended in 1979, was considered to be a revolutionary step for providing security of tenure to the erstwhile tenants, although its impact on agricultural growth and equity needs to be systematically studied. During 1979 to 1995, the percentage of gross cropped area irrigated increased from 19.2 per cent to 35.4 per cent. The proportion of area irrigated by tubewells rose from 5.0 per cent in 1979 to 9.8 per cent in 1995 and that of wells increased from 23 per cent in 1979 to 26 per cent in 1995.

The foodgrain production in the state increased from 6.4 million tonnes in 1980-83 to 7.6 million tonnes in 1990-93 and 9.98 million tonnes in 1998. Even if we accept V.M.Rao's thesis that agricultural growth rate slackened in the 1980's, it was not so in all the districts. It may be seen from Table-4.12 that in districts like Belgaum, Bijapur, Mysore, Raichur, Shimoga and Kolar, there was an improvement in agricultural productivity

growth in the 1980's as compared to 1970's. Besides, coastal and ghat region where incidence of tenancy was large, reform might have helped to reduce the rural poverty ratio to 9 per cent, as compared to the state average(India Rural Development Report, 1999).

The present study is intended mainly to capture such impact through direct interview of the erstwhile tenants who have been conferred occupancy right in selected districts of Karnataka. An indepth survey was conducted in Kolar, Tumkur, Chitradurga and Kodagu. These districts represented somewhat differential agro-ecological situations.

All the tenants who were conferred ownership rights were in the category of small and semi-medium farmers excepting one in Tumkur who had 50 acres of operated area and one in Kolar who had 30 acres of operated area. In Kolar district, most of the tenants who were reported to have been conferred ownership right had 1 to 7 acres of such land on which ownership was conferred. Nearly 90 per cent of them had also land of their own. The average area received through conferment of occupancy right were 5.85 acres in Kolar, 5.56 acres in Chitradurga, 2.53 acres in Tumkur. These occupancy tenants in Chitradurga and Kolar have also leased in land on informal basis (Table-4.13). These leases are not recorded, as the law does not recognise them. Nearly 25 to 35 per cent of tenants leased in from absentees. In the case of Kolar, the per household land received through tenancy reform, ranged from 0.5 acres to 3 acres. But one in Tumkur had the benefit of getting ownership on 20 acres of land and one in Kolar had received ownership on 10 acres of land. In Kodagu and Chitradurga, the occupancy right was conferred mostly in early 80s, although in the case of Kolar and Tumkur districts, number of tenants got ownership right between 1985 and 1990. The purchase price varied to some extent due to difference in the quality of land and year of purchase. It was mostly Rs 150 to Rs 300 in the case of Tumkur, although one tenant paid Rs. 400 and another paid Rs. 800 in the same district. In Kolar it ranged between Rs. 600 and Rs. 10,000, again depending on the quality of land and year of purchase. In Kadagu,

it was Rs. 8200 to 12000 and in Chitradurga it ranged between Rs. 4580 to 5000. In Kolar district 90 percent of the farmers reported that they had undertaken land improvement measures on the lands on which ownership right was conferred. While, remaining 10 percent reported that they had not undertaken any land improvement measures including fencing, construction of wells and land leveling. In both Chitradurga (10 per cent) and Kodagu (30 per cent), the proportion of tenants who have invested in land improvement measures were relatively low. In Tumkur and Kolar, the terms of lease was on fixed cash basis. It was both for lands on which ownership right was conferred, prior to such right and in the case of lands being cultivated now without any occupancy right. The amount of fixed cash ranged from Rs. 150 to Rs. 400 per acre in Tumkur and in Kolar it was Rs. 400 to 600 per acre.

However, in both Chitradurga and Kodagu, sharecropping tenancy was predominant, the share being 50:50. Almost all the tenants reported that conferment of ownership right has helped in raising their employment and income levels. In Kolar district the average annual income ranged from Rs. 8100 to Rs. 60720 excepting one large farmer cum business man who earned Rs. 1 lakh 50 thousand per year. In Tumkur district it ranged from Rs. 3500 to Rs. 25,000. In Chitradurga, it varied from Rs. 8900 to 12000 and in Kodagu district, it ranged between 25000-125000. Besides, as Table 4.14 reveals, each such household possessed livestock and other assets. It was observed that *ceteris paribus*, there is no significant difference in the yield levels on land owned through inheritance and that held under occupancy right. The occupancy tenants treat the land received as their own land and make efforts to raise productivity. In cases, where the lands were received from absentee land owners, priests and temples, land productivity significantly improved. However, from equity point of view, this was in some case iniquitous. Particularly, the condition of some widows and priestly families became worse off. Productivity of land held on informal lease is low, which again calls for appropriate reform.

Nearly 90-95 per cent of the occupancy tenants depend on non-institutional sources of credit. Although the rate of interest is as high as 36 per cent to 48 per cent per year, they prefer to borrow from local moneylenders than from banks because of convenience and no fear of harassment. This calls for credit reform in the institutional sector for stream lining and increasing the accessibility of the farmers to institutional credit which could help improve their productivity and income levels. In fact, it is not so much land relations, but credit relations and poverty which go together. In some cases, there is emergence of water market. But it is mainly the large farmers who own and sell water. Since the Karnataka land reform did not focus much on the land less so far, it is time to see whether ownership of tubewell or tank by the landless would help them to improve their economic condition. Unfortunately, in most places of the state, the average agricultural wage rates are low and agricultural labourers get employment for less than six months in a year.

Selected Case Studies

1. Mr. Govindappa is a resident of Alakapura village in Kolar district. He has 2 acres of land of which 1 acre he inherited and another one acre he received through conferment of ownership right on tenanted land. He got the ownership right in 1968 by paying Rs. 600 only. The quality of land was poor. But Mr. Govindappa invested an amount of Rs. 3000 for land leveling and soil improvement and also constructed a bore-well by investing Rs. 75,000 with the help of borrowed capital. He grows chilli in the land which he got through conferment of ownership right and gets an average annual income of Rs. 45,000 on this land. He has also leased-in 4 acres of land in recent years on which there is no occupancy right. His tenancy is not recorded. On this he grows sugarcane and ragi and gets an average income of Rs. 15,000 per year. He also has milch cattle from which he gets an annual income of Rs. 10,000.

Thus Mr. Govindappa has improved his socio-economic status significantly due to conferment of ownership right as well as leasing-in land. However, the very fact that he has brought about land improvement measures in the land on which ownership right was conferred and also higher per hectare net return, proved beyond doubt that conferment of ownership right from the tenant has been helpful from the point of view of both productivity improvement and socio economic status of the tenant. He is basically a small farmer but lives above poverty line. Thanks to tenancy reform.

Mr. Govindappa feels that liberalization of tenancy would increase poor peoples' access to land and employment and would help the poor as well as the rich equally. He, however, opposes the idea of corporate farming. He also believes that small and marginal farmers may not benefit much from high-tech agriculture particularly if agricultural sector is opened up to companies and corporate bodies.

Mr. Gangadharappa is a resident of village Alkapur in district Kolar. He has 12.5 acres of land of which, 2.5 acres he inherited and 10 acres he received through confirmation of ownership right in the year 1989. The purchase price was Rs. 800 per acre. The quality of land was relatively good but Mr. Gangadharappa has made an investment of Rs. 1 Lakh for construction of bore-wells on the land-received through tenancy reform. He grows sugarcane, mulberry and groundnut and gets an annual income of Rs. 1.5 lakhs. Besides, he hires out tractor and earn Rs. 50,000. Mr. Gangadharappa was a marginal farmer, but due to conferment of ownership right and skill in diversified farming his productivity level and socio economic status have improved significantly. Mr. Gangadharappa believes that liberalisation of tenancy would not necessarily benefit the marginal and small farmers. He is also against the entry of corporate sector into

farming. But he feels that training and participation in high-tech agriculture may be beneficial if there is adequate technical and capital support.

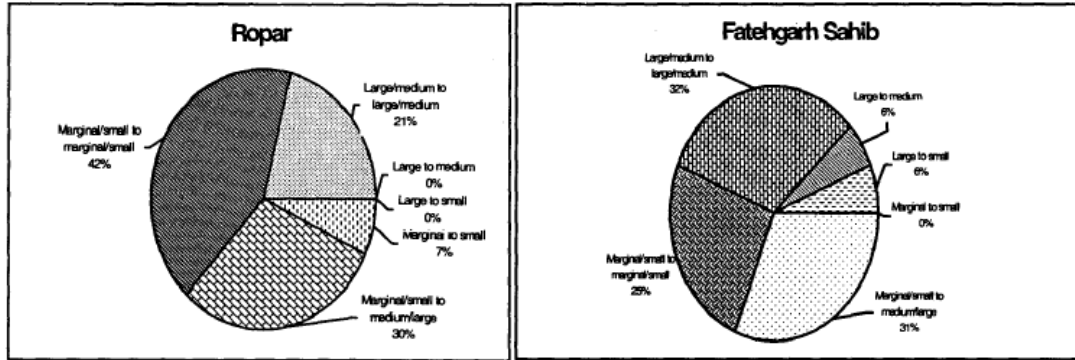
Mr. Somanna is a resident of village Yadagir in district Kolar. He is basically a marginal farmer. He has 3 acres of land of which 2 acres was inherited and he received 1 acre through conferment of ownership right in 1990. The quality of land was good, but Mr. Somanna invested Rs. 5000 for land leveling and soil improvement etc. He grows mulberry and flowers (crosandia) on the lands on which ownership was conferred. He gets an income of Rs. 35,000. Mr. Somanna was a marginal farmer but thanks to tenancy reforms and his skill in diversified farming, he lives much above the poverty line. He also believes that liberalisation of tenancy may help the small and marginal farmers. But he does not have any idea whether corporate farming would help the small and marginal farmers.

Punjab

It is often said that in Punjab particularly in the wake of Green Revolution, there is a rising trend towards reverse tenancy in which case the large and medium farmers lease-in land from the small and marginal landowners. Three reasons are generally cited for the existence of reverse tenancy in the state. First, the green revolution technology is highly capital intensive. Since small and marginal farmers do not have the necessary capital, they find it difficult to invest in modern inputs for raising land productivity. As a result they tend to lease-out land and migrate for wage employment either within agriculture or outside agriculture. Second, the advent of new technology has induced many large farmers to lease-in land for maximizing their profit and income levels. Third, due to high population growth and inadequate employment opportunities outside agriculture, the large farmers find it more rewarding to lease-in land.

However, the latest available NSS data for the year 1992 reveal that large farm holdings above 10 hectares, lease-out on an average 0.85 hectares of land and lease-in only 0.2 hectares of land, but in the category of medium farmers i.e. between 4 to 10 hectares the average area leased-out per household was 0.37 hectare, while the average area leased-in was 0.83 hectare. In other categories of farmers also the average area leased-in was more than the average area leased-out. Thus, it was mainly medium farmers who seemed to be dominant class of tenants in Punjab. The same source of data further shows that only about 20,000 medium farm households in Punjab leased-out land and 46,000 of them leased-in land. Also, while 42.3 thousand marginal farmers were reported to lease-out, 41.4 thousand marginal landowners were leasing-in land. The NSS data further reveal that about 66 percent of the total leased-in area are cultivated by medium and large farmers.

Fig-3.4: Lease Transactions between Various Size Groups of Farms



In order to examine the phenomenon of reverse tenancy, a micro level study was conducted in the districts of Fatehgarh Sahib, Ropar, Bhatinda and Sangrur. Our survey results indicate that 53 percent of the tenants in Fatehgarh Sahib, 48 percent of tenants in Ropar, 50 per cent in Bhatinda and 45 per cent in Sangrur district belong to the category of medium and large landowners. However, the tenancy relationship is a complex one, as large and medium farmers lease-in land not only from the marginal and small farmers but also from large landowners. Table-4.15 shows that in Ropar district, in nearly 30 percent cases, small and marginal farmers leased-out land to large or medium farmers. In 49 percent cases, it was from marginal to small landowners. In 21 percent cases, it was from large to medium or large farmers. In Fatehgarh Sahib district also, in 31 percent cases marginal and small farmers leased-out land to large farmers. In 25 percent cases marginal landowners leased-out land to small farmers. In 38 percent cases large or medium farmers leased-out to large or medium farmers only. In about 6 percent cases large farmers leased-out to small farmers. In Bhatinda and Sangrur districts, in 45 to 52 per cent cases marginal /small landowners have leased out land to either medium or large farmers. In 20 to 22 per cent cases, it was from marginal/small to marginal /small and in 20 to 25 cases, it was between medium and large land owners. It was observed that 91 to 100 per cent of leases in the selected districts of Punjab are not recorded. In Fatehgarh Sahib and Ropar 12 to 18 per cent of the tenants reported leasing in on continuous basis for the past several years, while in Bhatinda and Sangrur, the proportion of such tenants who have been leasing in on continuous basis is as high as 80 per cent in Sangrur and 87 per cent in Bhatinda. In 15 to 17 per cent cases, they leased in from absentee landowners who have migrated to urban areas. The major terms of lease was fixed cash in all the four selected districts. The amount of fixed rent ranged from Rs. 2250 to Rs 9000 in Fatehgarh Saahib, Rs. 2000 to 8000 in Ropar, Rs. 3000 to 6500 in Bhatinda and Rs. 7000 to 10500 in Sangrur, depending on the quantity of land. In both Fatehgarh Sahib and Ropar, about 6 per cent of the tenants reported to have made investment in land improvement measures, including land leveling, soil

reclamation and provision of irrigation. However, in Bhatinda and Sangrur, none of the sample tenants made investment in any land improvement measures. Our survey results (Table-4.16) further indicate that productivity difference between owner operated and tenant operated land in Punjab was negligible, because the large farmers who leased in land made investment in inputs. Almost 100 per cent of the owner-cum-tenants had average income much above the poverty line. It is also borne out from the survey that large and medium farmers who have leased in land from marginal farmers and small farmers have been able to invest more in modern inputs and increase land productivity. Thus, reverse tenancy seems to have helped in raising farm productivity. For the marginal farmers also reverse tenancy has helped in their occupational mobility and to earn more income. Nearly 50 per cent of the marginal land owners who leased out land took to non-farm employment. Besides, the remaining 50 per cent also earned rent by leasing out land and wage by hiring out labour. In fact, reverse tenancy appears to be a win-win situation for both marginal land owners and large land owner-cum-tenants, in Punjab particularly if adequate farm and non-farm employment opportunities are available.

Selected Case Studies

1. Sri Baljeet Singh is a resident of village Chappar Chiri in Ropar district. He is intermediate pass. He owns 30 acres of land and another 25 acres he has leased-in since 1985 from his own brother who has left agriculture and settled outside the country. The tenancy is not recorded but is on continuous basis. Mr. Baljeet Singh pays Rs.6000 per acre per year for the land leased-in. The land is irrigated. He grows paddy and pulses on both own land and leased-in land and obtains 22 quintals of paddy per acre and 5 quintals of pulses on an average per acre. Also there is no difference in input use levels between his own land and the land leased-in.

The question that arises here is whether Baljeet Singh should be allowed to cultivate the leased-in land as his size of holding is above the ceiling limit. Sections 4 and 12 of the Punjab Land Reforms Act, 1972 provide that no lessee would operate land above land ceiling limit including land owned by such lessee. The existing law certainly does not permit it. Alternatively if we liberalize tenancy beyond the ceiling limit, then this is a good working arrangement. It also does not affect land productivity adversely and facilitates migration of people who could successfully settle down outside agriculture, which is already over crowded. The second alternative could be that such absentee landowners could be allowed to lease-out only to small and marginal farmers. This could have been more in conformity with the main objective of land reform that aims at raising the poor people's access to land for poverty reduction. But neither there is such legal provision in the state nor this would be politically feasible in the wake of economic liberalization.

2. Mr. Surjeet Singh is a medium farmer of village Kailon in district Ropar. He is ninth pass. He owns 10 acres of land and he has also leased-in 5 acres of land from a small farmer who has migrated to a neighboring town for petty trade. Mr. Surjeet Singh has leased-in land on fixed cash basis by paying Rs.2000 per acre per year. He gets an average yield of 28 quintals of paddy per acre on both own land and leased-in land. But in the rabi season, he gets 14 quintals of wheat on own land and 13 quintals on leased-in land. The difference in yield is mainly due to lack of adequate irrigation facility on leased-in land. Mr. Surjeet Singh has also a small business. He earns nearly Rs. 80,000 from agriculture and Rs. 34,000 from business. He owns 1 television, 2 bicycles, 4 cows, 6 buffaloes and a tractor.

This is a case of reverse tenancy as a small farmer has leased-out land to a medium farmer. This is permitted by law. The law also provides that a land holder owning land within the ceiling limit

can eject his tenants any time. This is intended to protect the interests of small and marginal landowners who could lease-out land liberally and come back to farming if and when need arises. This also facilitates temporary migration and upward mobility of small and marginal farmers.

3. Mr. Sukhdev Singh is a resident of village Piauili in district Ropar. He is a marginal landowner, owning 2 acres of land. He has also leased-in 5 acres of land from a person of the same village who has taken up a non-farm employment outside. Mr. Sukhdev Singh is a matriculate. He pays Rs. 6000 per acre per year to the landowner for the leased-in land. He grows paddy and wheat on his own land as well as on leased-in land. The yields do not differ between the two types of land. On average he obtains 25 quintals of paddy per acre and 18 quintals of wheat per acre. He earns an annual income of Rs. 50,000. He owns a radio, 1 bicycle, 1 cow, 3 buffaloes and 2 bullocks.

This is a case of marginal landowner leasing in land from a small landowner. The tenant cultivates the land relatively more efficiently. The yield levels are comparatively high. This also satisfies the criterion of equity, as a marginal farmer has increased his land size and the small landowner is earning rent from his land and wage from non-farm employment. This is a win-win situation for both the lessor and the lessee.

4. Sri Jagvinder Singh is a resident of village Simble Mazara in district Ropar. He is B.A. pass. He owns 6 acres of land and has leased-in 1 acre from a person who has migrated from the same village and is doing business in poultry products and has a small Dhaba (restaurant) in Chandigarh. The land is irrigated. Mr. Jagvinder Singh grows paddy and wheat on his own land and also on the land leased-in. He pays Rs. 6000 per acre per year to the landowner. He is also a member of village panchayat. His reported

annual income is Rs. 56,000 from agriculture and about Rs. 1 lakh from other sources. He owns a television, a radio, a bicycle and a scooter. He also possesses 4 buffaloes and a fruit orchard of 0.5 acre.

Thus, Sri. Jagvinder Singh who is a semi-medium farmer lives above poverty line. He is also a progressive farmer and has diversified his farming involving livestock rearing and cultivation of horticultural crops. Although there is a transfer of land (on lease basis) from marginal to semi-medium landowner, the person who has leased-out is also relatively more comfortable by leasing-out his one acre land and engaging himself in poultry and restaurant business in Chandigarh. This is also a win-win situation. In fact, the Punjab law legally permits such leasing out of land and both, the lessor and the lessee feel better off.

5. Mr. Balvinder Singh is a resident of village Sarkapara in Fatehgarh Sahib district. He owns 15 acres of land and has leased-in 3 acres of land from one Mr. Kuldeep Singh who is a class IV government employee in Chandigarh. Mr. Balvinder Singh is a matriculate. All his lands including the leased lands are irrigated. He grows paddy and wheat on both types of land and obtains an average yield of 17 quintals per acre of paddy and 15 quintals per acre of wheat. His annual income from crop cultivation is Rs. 1,20,000 and he earns another Rs. 5000 from livestock. He owns 4 cows and 15 buffaloes. Besides he has a television, a radio, a bicycle and a tractor.

No doubt, this is a case of reverse tenancy in which a marginal landowner has leased-out land to a medium/large landowner. But the landowner is in government service at a distance and cannot cultivate the land himself efficiently. He also earns more by leasing-out land and also doing a government job in Chandigarh. This is

possible because the law permits him to do so. He also does not fear that he will lose his land right because of leasing out.

6. Mr. Sadhu Singh is a resident of village Rupal Heri in Fatehgarh Sahib district. He owns 26 acres of land and has leased-in 1 acre of land from a person in the same village from 1997. The lease is unrecorded but continues from year to year. He is a matriculate and a retired plant protection inspector. He pays Rs. 9000 per year per acre to the landowner. He grows paddy and wheat on both own land and leased-in land and obtains an average yield of 20 quintals paddy per acre and 16 quintals wheat per acre. He earns about Rs. 2 lakhs annually from agriculture and another Rs. 90,000 from livestock and other activities. He possesses a television, a radio and a tractor. He has 2 cows and 8 buffaloes.

This is a case of reverse tenancy. The person who has leased-out land is engaged in petty trade in the same village and feels better off by earning Rs. 9000 as rent and another Rs. 6000 from trade. He also does not feel that he will lose his land right because of leasing out. But in this case there is a problem. Mr. Sadhu Singh's total operational holdings are above the ceiling limit and therefore the leasing in of land by him is illegal. From the point of view of efficiency, he is considered as an efficient farmer. But the question of equity requires that the leased-in land should have been leased-out to a person whose size of holding after leasing in does not exceed the ceiling limit.

Contract Farming and Agrarian Relations

In the wake of economic liberalisation in 1991, the Pepsi Company entered into contract farming arrangement with some farmers in Punjab for ensuring the supply of tomato for its processing unit. The company supplied the hybrid seeds of tomato to contract farmers and ensured the marketing of their produce. The company also supervised the

cultivation of tomato by contract farmers. However, in 1997, the processing unit was taken over by the Hindustan Lever Limited and the contract farmers continued their contractual relationship with the Hindustan Lever Limited.

For this study, we interviewed twenty contract farmers from Hoshiarpur, Ludhiana and Phagwara. It could be seen from Table 3.18 that average size of land of contract farmers ranged from 8 acres in Ludhiana to 28 acres in Hoshiarpur. Besides, they leased in land ranging from 7 acres in Phagwara to 37 acres in Hoshiarpur. On average, the area under contract farming for tomato varied from 5 acres in Phagwara to 15 acres in Ludhiana. Thus, all the contract farmers were large and medium operators. In fact, in all the cases, they have leased in land from small landowners and reverse tenancy is in order. The small land owners who have leased out land to large and medium farmers earn Rs. 6000 to Rs. 7000 as rent and feel satisfied as they get more time to earn through farm and off-farm employment opportunities. The question that arises in this context is: can the company not enter into contract directly with the small farmers? From the points of view of both the company and the small landowners, the large farmers have an advantage in terms of access to capital. Besides, the company finds it more convenient to deal with a few large farmers than with several of small farmers. In principle there is no doubt that given the access to capital and technology, small farmers also could be equally efficient, as the company supplies the Hybrid seeds and also market the output produced. But in practice, all the contract farmers were found to be either large or medium operators.

It could be further seen from Table-3.19 that yields and net returns from tomato cultivation by contract farmers were much higher than those of non-contract big or small operators, although about 30 percent contract farmers expressed unhappiness because the company often pays lower than the market price. About 20 percent contract farmers also reported that the price of hybrid seed charged by the company was high (Rs. 1750), as it could be used only once. Nevertheless, from the point of

view of productivity improvement, contract farming seems to be helpful. It has also indirectly helped some marginal landowners to earn more through leasing out of land to large operators for contract farming and getting time to look for alternative employment outside on sustainable basis.

However, the contract farming in Punjab, which has so far directly involved only large farmers have lot of implications for agrarian relations. There is a tendency on the part of large farmers to lease in land from marginal farmers and expand their size of holdings for contract farming even beyond the ceiling limit. This defeats the purpose of land reforms, which aim at increasing the poor people's access to land.

It has also been observed that so far the contract is of informal nature. The company supplies hybrid seeds to the farmers and also market the produce from them. But if there is a violation of contract from either side, there is no legal protection. Therefore, it may be necessary to legalise contract farming.

At the same time, it would be necessary to provide legal protection to the farmers against exploitation by the company and protection of the small landowners who lease out land to large farmers for contract farming. A system of recorded tenancy as well as contract farming within ceiling limit would safeguard the interests of poor farmers better than unwritten contracts which favour mostly either the rich farmers or a powerful company.

Table-4.1: Number and Area of Recorded Sharecroppers in West Bengal by District (as of December 1998)

District	Total Bargadars		per cent Share	
	Number	Area	Number	Area
Bankura	116213	66846.59	7.84	6.09
Bardhaman	128306	112257.61	8.66	10.23
Birbhum	109216	111217.74	7.37	10.14
Darjiling	12879	17319.42	0.87	1.58
Haora	42437	24830.50	2.86	2.26
Hoogli	111547	60549.45	7.53	5.52
Jalpaiguri	60999	96155.99	4.12	8.76
Coochbehar	83575	82967.19	5.64	7.56
Malda	80734	78664.52	5.45	7.17
Medinipur	290853	119214.57	19.63	10.86
Murshidabad	83377	65299.95	5.63	5.95
Nadia	63378	46136.86	4.28	4.20
Purulia	8786	8078.01	0.59	0.74
North 24-Parganas	73896	48127.88	4.99	4.39
South 24-Parganas	111435	84049.32	7.52	7.66
Dakshin Dinajpur	71820	53424.57	4.85	4.87
Uttar Dinajpur	31713	22145.99	2.14	2.02
West Bengal (Total)	1481364	1097286.16	100.00	100.00

Source: Directorate of Land Record and Surveys, Government of West Bengal

Table-4.2 : Proportion of recorded area under sharecropping (as of 1999-00)

District	Area under recorded share cropping (hect)	% share in state total	Recorded barga as % of net cultivated area	Annual Growth Rate of yield of foodgrain		
				70-80	80-90	90-99
Burdwan	46074	10.32	9.9	0.4	4.8	1.2
Birbhum	45491	10.19	13.4	-1.2	5.2	2.1
Bankura	27057	6.06	8.1	-1.2	5.9	2
Midnapore	48342	10.82	5.7	1	3.3	1
Howrah	10052	2.25	12.4	0.1	4.5	-1
Hooghly	25123	5.63	11.3	1.2	2.1	1
24-Paraganas(N)	19477	4.36	7.4	1	5.1	-0.3
24-Paraganas(S)	34086	7.63	8.8			
Nadia	18756	4.20	6.2	1.5	6	-0.3
Murshidabad	26589	5.95	6.5	-0.1	5.5	1.3
Uttar Dinajpur	8995	2.01	3.5	-0.5	5	
Dakshin Dinajpur	21621	4.84	11.4			
Malda	31914	7.15	11.1	1.8	4.1	1.8
Jalpaiguri	39000	8.73	12.1	-2.1	2.6	0.3
Darjeeling	7009	1.57	4.9	0.5	3.3	2
CoochBehar	33675	7.54	13.6	-0.9	3	-0.5
Purlia	3342	0.75	1	-1.3	3.5	1.4
West Bengal	446602	100.00	8.2	-0.3	5.1	2.2

Source : Based on data collected from Govt. of West Bengal

Table-4.3: Changes in Yields of Rice and Total Foodgrains in West Bengal and All India

Year	(Quintals/ha)			
	West Bengal		All India	
	Rice	Total Foodgrain	Rice	Total Foodgrain
1970-71	12.4	12.2	11.2	8.7
1971-72	13	12.8	11.4	8.6
1972-73	11.3	11.1	10.7	8.1
1973-74	11.1	10.9	11.5	8.3
1974-75	12.1	11.8	10.4	8.2
1975-76	12.7	12.5	12.3	9.4
1976-77	11.4	11.6	10.9	8.9
1977-78	13.8	13.6	13.1	9.9
1978-79	14	13.5	13.3	10.2
1979-80	12	11.6	10.7	8.8
1980-81	14.4	13.6	13.4	10.2
1981-82	11.2	11	13.1	10.3
1982-83	10.2	10.4	12.3	10.4
1983-84	14.8	14.8	14.6	11.6
1984-85	15.6	15.4	14.2	11.5
1985-86	15.7	15.5	15.5	11.8
1986-87	15.7	15.4	14.7	11.3
1987-88	16.9	16.3	14.7	11.7
1988-89	18.8	18.2	16.9	13.3
1989-90	19.5	18.6	17.4	13.5
1990-91	18	17.4	17.4	13.8
1991-92	20.9	20.4	17.5	13.8
1992-93	20.1	19.6	17.4	14.6
1993-94	20.6	20.1	18.9	15
1994-95	21.2	20.8	19.1	15.5
1995-96	20	19.6	18	14.9
1996-97	21.8	21.3	18.8	16.1
1997-98	22.4	21.9	18.9	15.1
1998-99	22.5	22		10.2

Table-4.4: Annual Compound Growth Rate of Yield of Food Grains by State

State	Growth Rate of Yield of Food Crops		
	1970-80	1980-90	1990-99
Andhra Pradesh	4.3	2.8	2
Assam	0.5	1.9	0.9
Bihar	0.2	2.8	2.8
Gujarat	2.9	1	2.9
Haryana	3.1	4.8	1.4
Himachal Pradesh	0.8	2.7	1.7
Jammu & Kashmir	2.2	0.1	0.7
Karnataka	0.9	1.7	-3.4
Kerala	0.8	1.8	0.9
Maharashtra	0.5	1.7	0.7
Madhya Pradesh	0.8	3.2	1.3
Orissa	-0.2	2.8	1.1
Punjab	3.3	2.7	1.3
Rajasthan	0.7	3.6	1
Tamil Nadu	-0.4	4.1	1.9
Uttar Pradesh	2.8	3.6	2.1
West Bengal	0.3	5.1	2.2
All India	2	3.1	1.8

Source: Calculated using the collected from the Directorate of Economic & Statistics, Govt. of India.

Table-4.5: Progress of Minor Irrigation Projects in West Bengal by district(1998-99)

District	No. of Deep Tubewells	No. of Shallow Tubewells
Burdwan	886	93
Birbhum	113	-
Bankura	235	130
Midnapore	1210	-
Howrah	136	-
Hooghly	1227	232
24-Paraganas(N)	466	87
24-Paraganas(S)	37	768
Nadia	951	691
Murshidabad	705	579
Uttar Dinajpur	166	322
Dakshin Dinajpur	145	-
Malda	357	678
Jalpaiguri	56	640
Darjeeling		576
CoochBehar	61	-
Purlia		4938
West Bengal	6751	

Table-4.6: Extent of Area under Recorded Barga, Agricultural Productivity and Poverty Ratio in West Bengal by District

District	Area under Recorded Barga as % net Cultivated area	Index of Agricultural Productivity 1971-72= 100	Average Yield of Foodgrain 1998-99 (Tonne/ha)	Rural Poverty Ratio (1993-94)
Burdwan	9.9	203	3	31
Birbhum	13.4	205	2.9	47
Bankura	8.1	187	2.4	40
Midnapore	5.7	195	1.9	40
Howrah	12.4	152	1.9	31
Hooghly	11.3	196	2.6	31
24-Paraganas(N)	7.4	187	2.5	31
24-Paraganas(S)	8.8		1.7	31
Nadia	6.2	240	2.5	47
Murshidabad	6.5	224	2.5	47
Uttar Dinajpur	3.5	236	2.1	47
Dakshin Dinajpur	11.4			47
Malda	11.1	239	2.1	47
Jalpaiguri	12.1	136	1.2	59
Darjeeling	4.9	133	1.8	59
CoochBehar	13.6	162	1.3	59
Purlia	1	141	1.4	40
West Bengal	8.2	196	2.2	41

Table-4.7: Tenancy Relations in Sample Districts of West Bengal

	District			
	Birbhum	Midnapore	Jalpaaiguri	Burdwan
1. % of sharecropping recorded in main season	96	88	100	100
2. % of boro Season leasing (not recorded)	28	14	15	50
3. % sharecroppers leasing in from resident large farmers	68	60	80	60
4. % sharecroppers leasing in from absentee land owners	27	20	15	25
5. % sharecroppers leasing in from others	5	20	5	15
6. % of fixed rent leasing	0	3	0	5
7. % of landlords sharing material inputs	0	5	0	10
8. % of output shared by landlord after 'operation barga'	30 to 33	50	50	33 to 50
9. % of output shared by landlord before 'operation barga'	40 to 75	50 to 75	50	50 to 60
10.% of sharecroppers receiving credit from land owners	10	15	15	5
11.% of sharecroppers supplying labour to the landowners	16	0	20	0

Table-4.8: Productivity Income and Asset Variations between Owner Operated and Tenant Operated Farms

	District			
	Birbhum	Midnapore	Jalpaiguri	Burdwan
1. Average Productivity of owner operated land (Rs/ha)	5890	3880	3500	6800
2. Average Productivity of leased land	5860	3776	3450	6675
3. Average Annual income of sharecroppers	22900	9576	8500	25000
4. Average no. of livestock per household	3	1	2	4
5. % of sharecroppers having bi-cycle	100	15	2	50
6. % of sharecroppers having radio	100	7	2	60
7. % of sharecroppers having a pair of bullock	28	1	1	15
8. % of sharecroppers who invest in land improvement	10	0	0	20
9. % of sharecroppers who felt that their socio-economic condition has improved after 'operation barga'	100	95	95	100

Table -4.9: Yields of Crops in the Plots of Sample Households of West Bengal Before and After Recording of Sharecropping Tenancy

Crop	Yield of Crops (q/acre)							
	Before Recording of Barga				After Recording of Barga			
	Jalpaiguri	Birbhum	Medinipore	Burdwan	Jalpaiguri	Birbhum	Medinipore	Burdwan
Paddy	8	12	12	14	15	10	14	19
Boro Paddy	-	-	-	-	24	-	21	30
Wheat	5	6	-	-	9	8	-	10
Mustard	2	3	3	4	3	3	3	4

Source: Based on Primary Survey in 1998-99

Table-4.10: Frequency Distribution of Factors Causing Yield Improvement After Recording of Barga in West Bengal

Factors	Birbhum	Medinipore	Jalpaiguri	Burdwan
<i>(Percent Role Assigned by farmers to different factors)</i>				
(i) Irrigation	30	40	50	50
(ii) HYV technology	35	30	30	30
(iii) Credit	10	10	0	5
(iv) Improved socio-economic condition and ability of the tenants	15	0	10	10
v) More income due to new incentive of permanent tenancy right	10	20	10	10

Source: Based on Primary Survey in 1998-99

Table-4.11: Details of Tenants Conferred occupancy Rights Under Section 48.A. of Karnataka Land Reform Act, Area Involved and Pending before High Court of Karnataka

(As on 31st July, 2000)

District	No. of Cultivators/ Conferred occupancy right	Area involved under such occupancy right (in acre)	No. of Cases pending in the High Court	Area involved in such cases (in acres)
Bangalore (Urban)	4503	10036	-	-
Bangalore (Rural)	16137	36718	1116	6612
Kolar	12679	21874	455	953
Tumkar	5022	12536	527	2226
Shimoga	31572	89910	679	710
Chitradurga	2821	13396	18	162
Davanagere	3632	16256	135	901
Mysore	12498	22057	248	402
Chamarajanagar	2118	3470	10	36
Mandya	8851	12451	543	1595
Hassan	13806	20939	80	326
Chikmagalur	10441	25031	48	247
Dakshin Kannada	75677	201164	1806	3892
Udupi	65319	162463	1134	2349
Kodagu	757	2364	12	158
Belgaum	49274	303866	613	9469
Bijapur	12712	83643	383	6244
Bagalakote	12637	203912	228	1933
Dharwad	11538	123865	243	1509
Gadag	6955	119451	27	216
Haveri	18873	91129	401	
Uttar Kannada	80117	170247	672	
Gulbarga	18720	10027		
Bidar	1428	15148		
Bellary	6465	38951	941	14587
Raichur	1481	14245		
Koppala	3031	25434		
Total	489084	1850583	10319	59493

Table-4.12: Annual Growth Rate of Yields of Foodgrains in Karnataka by District During 1970-80 and 1980-90

District	Annual Growth Rates of Yield of Foodgrains	
	1970-80	1980-90
Bangalore	1.1	0.7
Belgalore	0.3	3.0
Bellary	4.2	-2.1
Bidar	3.3	-2.1
Bijapur	-0.5	3.1
Chikmaglur	0.9	0.9
Chitradurga	2.4	-0.3
Dakshin Kanada	2.6	0.7
Dharwad	2.3	-0.2
Gulbarga	-0.6	-0.6
Hassan	4.3	-0.1
Kodagu	2.3	0.6
Kolar	-1.2	1.3
Mandya	3.2	-0.9
Mysore	1.1	2.2
Raichur	-0.2	3.2
Shimoga	0.7	0.9
Tumkur	0.2	0.04
Uttar Kanada	2.3	0.3

Table-4.13: Tenancy Relations in Sample Districts of Karnataka

	District			
	Tumkur	Kolar	Chitradurga	Kodagu
1. % of recorded leasing	0	0	0	0
2. % of tenants reported leasing in	6	7	10	5
3. % of tenants reporting leasing in from absentee landowners	35	25	30	32
4. % of tenants reporting leasing in from large farmers	50	45	52	60
5. Major form of tenancy	Fixed Cash	Fixed Cash	Fixed Cash	Share cropping
6. Amount of Rent per acre/ share	Rs150 to 400	Rs 400 to 600	50:50	50:50
7. % occupancy tenants reporting investment in land improvement	33	90	20	35
8. % of non-occupancy tenants reporting investment in land improvement	0	0	0	0
9. Time period when occupancy right was received	1979-98	1979-99	1982	1977-1984
10. % of tenants reporting supply of credit by landowners	0	0	0	0
11. Major source of credit for tenants	Private money-lender	Private money-lender	Private money-lender	Private money-lender
12. % of tenants reporting supply of labour to landowners	25	10	30	10

Table-4.14: Productivity Income and Asset Variations between Own land and leased In land

	District			
	Tumkur	Kolar	Chitradurga	Kodagu
1. Average Productivity on land held on hereditary basis (Rs./acre)	3300	6565	3200	8000
2. Average Productivity of land received through tenancy reform (Rs/acre)	3312	6560	3215	8000
3. Average productivity of leased in land (Rs/acre)	3200	6548	3150	8000
4. Average household income of occupancy tenants	11736	35370	12000	25000
5. Average no. of livestock per occupancy tenant household	2	6	2	5
6. % of occupancy tenant household				
a. Having bi-cycle	65	89	45	100
b. Having radio	25	100	20	100
c. Having T.V.	0	12	0	30
d. Having bullock cart	15	60	12	60

Table-4.15: Tenancy Relations in Sample Districts of Punjab

	District			
	Fatehgarh Sahib	Ropar	Bhatinda	Sangrur
1. % of tenancy recorded	0	5	0	0
2. % of tenants reporting leasing in on continuous basis	12	18	87	80
3. % of leasing out by small to large farmers	31	30	45	52
4. % of leasing out by small to small farmers	25	42	20	22
5. % of leasing out by large/medium to large/medium farmers	32	21	25	20
6. % of leasing out by large to small farmers	0	6	5	0
7. % of leasing out by marginal to small farmers	12	1	5	8
8. % of leasing out by absentee land owners	12	10	17	15
9. Major form of tenancy	Fixed Cash		Fixed Cash	
10. Amount of fixed rent per acre	2250 to 9000	2000 to 8000	3000 to 6500	7000 to 10500
11. % of tenants who invested in land improvement	6	6	0	0

Table-4.16: Variations In Productivity and Assets between owner operated land and leased in land

	District			
	Fatehgarh Sahib	Ropar	Bhatinda	Sangrur
1. Average Productivity of large owner operated tenanted land (Rs./acre)	6310	6360	8500	8000
2. Average Productivity of marginal /small operators of tenanted land (Rs./acre)	6200	6315	6500	6250
3. Average no. of livestock per household of large farm	9	10	7	9
4. Average no. of livestock per household of marginal/small farm	5	5	3	6
5. % of tenant households having bi-cycle	100	100	100	100
6. % of tenant households having Television	64	85	100	100
7. % of farmers reporting higher yields on large landowner cum tenants	100	100	100	100
8. % of small land owners who felt better after leasing out land	50	35	55	40

Table-4.17: Land Holding Characteristics of Contract Farmers in Punjab

(Area in Acres)

District	Average	Average	Average
	Land Owned	Leased in Area	Contract Area
Hoshiarpur	28	37	14
Ludhiana	8	22	15
Phagwara	10	7	5

Table-4.18: Productivity Difference Between Contract and Non-Contract Farmers In Punjab

(Yield in Q/Acre and Income in Rs/Acre)

District	Contract Farmers		Non-Contractual Large Farmers		Non-Contractual Small Farmers	
	Yield	Net Income	Yield	Net Income	Yield	Net Income
	Hosharpur	140	10000	90	6500	85
Ludhiana	125	8200	90	5600	90	5500
Phagwara	170	11300	95	6300	80	5680

Conclusions and Policy Implications

It becomes clear from the foregoing discussion that tenancy reforms undertaken since independence have yielded a mixed result. Tenants who have been conferred ownership/ occupancy right as a result of either abolition of intermediaries or abolition of tenancy take more interest in farming and as our survey results from Karnataka indicate, they have invested in land improvement including construction of borewells, land leveling, soil conditioning etc. Consequently, they have increased their land productivity and socio-economic status. It is presumed that similar positive results of tenancy reform could have occurred wherever ownership/occupancy right has been conferred on the erstwhile tenants. For example, 'Operation Barga' in West Bengal has also contributed significantly and positively to productivity growth in agriculture. To this extent, tenancy reforms can be said to be successful. However, the states like Kerala, Andhra Pradesh (Telangana region), Bihar, Himachal Pradesh, Karnataka, Madhya Pradesh and Uttar Pradesh which have banned leasing out of agricultural land except by certain disabled categories of land owners, have failed to get the desired result, as concealed albeit on insecure tenancy exists in all these states. In other words, abolition of tenancy has been a myth rather than a reality.

It is often argued that liberalization of tenancy in the above mentioned states would not only increase the availability of land in the lease market, but would also increase the poor people's access to land, However there are no clear indications in this regard. The latest available data (Table-3.4) show that in states like Punjab, Haryana, Gujarat, Maharashtra and Rajasthan where there are no restrictions on leasing, large and medium farmers have relatively higher share in the total leased in area.

In Punjab, Haryana and some other agriculturally developed pockets of the country, there is a growing tendency towards reverse tenancy in which situation large and medium farmers lease in land from marginal and small landowners. There are strong socio-economic reasons for this, including (i) non-availability of adequate capital with marginal farmers for investment in modern inputs, (ii) marginal farmers' desire to maximize income through leasing out of land and wage earnings by hiring out employment both within and outside agriculture, particularly when such opportunities exist (iii) large farmer's desire to maximize income through expansion of the size of operational holdings, particularly when they lack the necessary skill and attitude for taking up non-farm activities, and (iv) population pressure which compels all classes of landowners to look for additional income opportunities.

Reverse tenancy, if it is within ceiling limit helps in productivity improvement, as medium and large farmers are able to invest more in modern inputs and raise the yield levels. But if our objective is to increase the marginal farmer's access to land for poverty reduction, then reverse tenancy is not desirable, particularly if non-farm employment opportunities are not adequate. However, in course of our survey in Punjab, it was observed that in most cases marginal and small landowners have leased out land to medium and large farmers for secured rent and for getting adequate time to earn through non-farm activities.

The states of West Bengal and Tamil Nadu permit leasing under regulated condition. Tenancy laws in both of these states also provide for the preparation and maintenance of a record of tenancy right, which is expected to enable even the pure sharecroppers/ tenants to have access to institutional credit. In fact, the recent upsurge in agricultural growth in West Bengal, is often attributed to 'Operation barga' launched since 1978. Almost all the sharecroppers reported that they are now getting more yields per unit of land due to greater work incentive, accessibility to irrigation water and technology. Nearly 25 percent of yield improvement was attributed to greater work incentive due to barga recording and the

remaining 75 percent to increased irrigation facility, and the new technology which were also facilitated by tenancy reform. In other words, there is a positive interaction between tenancy reform and technological change.

After recording of barga (tenancy), the sharecroppers get significantly higher share of produce and a few landowners particularly in Medinipore district reported that they do not get any share of produce at all. Regarding input sharing, the landowner's contribution has declined in most cases.

Majority of the sharecroppers in West Bengal are marginal and small operators. But in Karnataka, about 65 per cent of the leased-in area are operated by large and medium farmers. But access to such leased-in land is crucial for poverty reduction among sharecroppers. It was the major source of their income. Nevertheless, still majority of pure sharecroppers lived below the poverty line, due to poor quality of lease in land and lack of adequate non-farm employment opportunities. In fact, there is a limit beyond which land sector cannot bear the growing burden of population. Besides, it is time, the Government should also think in terms of incremental land reform, such as accessibility to credit and ownership of the poor to various sources of irrigation, particularly tubewells and pumpsets which could improve their socio-economic condition significantly.

Suggestions for Amendment in Law

In West Bengal, only share cropping tenancies are recognized by law. Fixed rent tenancies are illegal. Such a clause in law has no rationality, as fixed rent tenancies are generally more favourable to the tenants, as he does not have to share the result of his extra-efforts put in farming. Therefore, the law should be suitably amended in this regard. Also, the Government needs to examine the implications of recognising boro season leasing for productivity growth and equity. As it looks, relatively better off farmers have greater access to leased-in land in the boro season

and therefore, such recognition may not be in the interest of the poor lessor

In order to sustain the tenants' interest in cultivation and raise farm productivity, security of tenure plays a very crucial role. But review of tenancy laws of various states indicate that in this regard, necessary legal provision has yet to be made for recording the rights of tenants in Andhra Pradesh, Gujarat, Maharashtra, Karnataka, Orissa, Punjab, Haryana and Uttar Pradesh. Other states have a provision in law for written leases and recording of tenant's name in record of rights, but implementation of law is poor, excepting West Bengal and Tamil Nadu where special political and administrative efforts have been made to record the rights of tenants.

The Bihar Tenancy Act provides for recording of rights. But it becomes meaningless because of the restriction on leasing by section 20 of the Bihar Land Reform (Fixation of Ceiling) Act. Besides, under the Bihar Tenancy Act, an under-raiyot in continuous possession of land for twelve years can acquire right of occupancy. But the Bihar Land Reform Act, 1961 prohibits sub-letting. Therefore, the sub-lessee who has all the characteristics of under-raiyat does not acquire the right of occupancy. Such an anomaly in law needs to be removed.

The tenancy law in Assam provides that a non-occupancy tenant can acquire occupancy tenants' right after 3 years of continuous possession. But there is no law by which a non-occupancy tenant can maintain tenancy of land for 3 continuous years, as there is no mention of a period of lease for a non-occupancy tenant. Besides, adhiars and other under ryots in Assam should be recognized by law as tenants.

In Orissa, the Land Reforms Act does not recognize sharecropper's right. No doubt, the law mentions that all those tenants, to whom land is leased out after October 1969, can acquire raiyati rights by applying to the revenue commissioner within two years from the date of which land is

let-out to the tenant. But it does not indicate whether sharecroppers and other ordinary tenants could acquire such right. Also the legal provision on right of resumption is vague. It leaves scope for conflict and litigation, as the law says that the resumable part of any leased land has to be determined. In fact, the law should clearly specify the resumable part of the leased land if any. In Gujarat, a landlord is not permitted to resume land for personal cultivation from a tenant belonging to scheduled castes and scheduled tribes. Such a provision in law discourages the landowners to lease-out land to SCs and STs who form the poorest strata of our rural society. Therefore, the law should be suitably amended to allow right of resumption (if any) from all categories of tenants including SCs and STs. Such an amendment in law would increase SCs and STs access to land through lease market.

The states of Punjab and Haryana where large and medium farmers have a relatively large share in the total leased area, should amend a provision existing in law which entitles a tenant to purchase the land held on lease continuously for four years. Amendment would be necessary to protect the interest of marginal landowners who have leased out land and yet do not have any stable source of income by either hiring out labour or otherwise. Fortunately, the tenancy laws of these states provide that a small landholder within ceiling limit can resume his land for self-cultivation. However, the uncertainty and sense of insecurity should be removed in order to allow smooth functioning of the lease market.

5.2 Implications of Liberalization of Tenancy

Some National seminars held in recent years (NIRD 1992, 1999, Planning Commission, 1988; NCAP 1995 and 1997) recommended that agricultural tenancy should be liberalized in order to increase the poor peoples' access to land. A recent note circulated by the Department of Rural Development, Ministry of Rural Areas and Employment also suggested that liberalization of tenancy at least in the backward areas

would help improve the poor peoples' accessibility to land through leasing as legalization of tenancy would increase the mobility of rural people from the rural to urban areas and improve the availability of land in the lease-market. It is also argued that *ceteris paribus*, there is no productivity difference between tenant-operated land and owner-operated land and therefore, it does not really matter whether tenancy is banned or not. In reality however, liberalization of tenancy would mean different things for different regions and our prescriptions should be location specific, selective and realistic, keeping in view the national goals of rapid agricultural growth and equity.

First, if liberalization of tenancy means legalization of tenancy in those states/regions where leasing-out is either banned completely or banned with some exceptions for minors, widows, single women, defence personnel, students etc; then the states which would require to amend their laws would include Andhra Pradesh (Telangana region), Bihar, Himachal Pradesh, Karnataka, Madhya Pradesh, Uttar Pradesh and Kerala. Out of these seven states, three states namely Andhra Pradesh, Karnataka and Madhya Pradesh have the predominance of large and medium farmers in the lease market and hence even if the legalization of tenancy increases the availability of land in the lease market, there is no guarantee that this would increase the marginal and small farmers accessibility to land. In the case of Bihar and Himachal Pradesh more than 3/4th of the total leased-in area are operated by small and marginal farmers and therefore, *ceteris paribus*, legalization of tenancy may help improve their accessibility to agricultural land through lease market. In Uttar Pradesh, there is a mixed pattern where large and medium farmers operate about 42 percent of the leased-in area, while marginal and small holders operate 52 percent of the total leased in land.

Second, it is necessary to examine whether legal restrictions on leasing out have prevented any body to lease-out or lease-in land. The 48th Round of National Sample Survey for the year 1992 reveal that concealed tenancy exists in almost all the sates where tenancy is banned. A recent

study by LBNSSA, Mussorie further shows that in Bihar, incidence of tenancy is as high as 34 percent. So who is afraid of tenancy law there? Even if the leasing-out is made legal and open, there may not be much additional land available in the lease market, unless literacy and non-farm employment opportunities improve substantially and land owning families undertake non-farm activities. But even the growth of non-farm activities is conditioned by the absence of adequate entrepreneurial skill, capital and infrastructural facilities of road, market, electricity etc.

Third, the states of Punjab, Haryana, Gujarat and Maharashtra have not banned leasing and to this extent, lease market can be said to be relatively liberal. But in Gujarat and Maharashtra, a tenant acquires a right to purchase leased land from the owner within one year of creation of tenancy. This is in effect tantamount to prohibiting tenancy. In Punjab and Haryana, a tenant is entitled to purchase the land if it is held on lease continuously for four years. Such a provision may appear to interfere with the free functioning of the land lease market. But no body seems to be afraid of law, as incidence of leasing is the highest in Haryana and Punjab states. Nevertheless, liberalization of tenancy would require scrapping of such a provision in law. Besides, in all these four states, large and medium farmers have a lion's share in the lease market and marginal farmers tend to lease-out more. Therefore, scraping out of such a provision from law would not only be in conformity with the spirit of liberalization, but would also protect the interest of marginal and small farmers who lease out land and migrate to non-farm activities for upward mobility.

Fourth, in both Punjab and Haryana, there is a ceiling on operational holdings and therefore, leasing in beyond the ceiling limit is not legally permissible. However, if liberalization of tenancy means legalization of tenancy without any ceiling limit, then this may affect both growth and equity, as semi-medium farmers appear to be more innovative in farming in these states and not the large ones.

Fifth, the tenancy laws in Orissa, Rajasthan, Tamil Nadu, West Bengal and Andhra area of Andhra Pradesh are quite liberal, as there are no restrictions on leasing. But under raiyats including sharecroppers are not generally recognized by law excepting West Bengal where a special campaign for 'Operation Barga' led to recording of sharecroppers right, by giving them heritable, but non-transferable right thereby enabling them to feel more secure. In all other states, there is no security of tenure for the tenants-at-will. In fact, the tenancy laws of Rajasthan, Andhra region of Andhra Pradesh and ChhotaNagpur region of Bihar provide for registration of leases. But in the absence of administrative action and political support, the tenancy arrangements excepting in Tamil Nadu are largely oral/unrecorded. As a result, pure tenants in these regions lack access to institutional credit facility due to lack of collateral and fail to improve land productivity.

Thus, it is the West Bengal type of tenancy law which provides for recording the right of sharecroppers without giving them ownership right and also permits leasing-out and leasing-in of land within the ceiling limit, is often recommended as a model for replication by other states. But the tenancy in West Bengal is allowed only under regulated conditions. The recorded sharecroppers are as good as the landowners. But even in West Bengal, channel of Political power may cause insecurity of tenure to the bargadars as they do not have either ownership or occupancy right on sharecropped land.

Tenancy reform in West Bengal is also said to have helped in promoting both agricultural growth and equity in recent years. But given the socio-political situation in the country, it is doubtful whether such a model of tenancy reform would have political and social acceptability in other states.

In fact, what is important from the point of view of agricultural growth and equity is the legalization of tenancy with fixity of tenure and protection of the small holders' right to resume land for personal cultivation if a need arises. Besides, tenancy should be registered in the record of rights or

with village panchayat so that even a pure tenant can have accessibility to bank credit and thus help improve land productivity through investment in modern technical inputs.

5.3 Implications of Contract Farming for Growth and Equity

In recent years, the Pepsi Company and the Hindustan Lever Limited have entered into contract farming arrangement for the production of hybrid tomato in Punjab. But so far, it covers only a few hundred farmers and therefore the spread of contract farming in Punjab cannot be said to be significant. Nevertheless, the emerging system of contract farming has some implications for growth and equity. The contract farming in Punjab has involved mainly the large farmers who often lease in land even from marginal landowners, thereby encouraging reverse tenancy. In fact, some of the large contract farmers have expanded their size of holdings beyond the ceiling limit which tend to defeat the purpose of land reforms, as small and marginal landowners may get alienated from land in this process. However, some of the small landowners who have leased out land to large farmers for contract farming feel better off because they earn Rs. 6000 to Rs. 7000 per acre annually by leasing out land and also get more time for farm and off-farm employment. The problem would arise if such reverse tenancy due to contract farming assumes a high proportion and employment opportunity within or outside agriculture moves slow.

At present, the nature of contract farming is mostly informal and unwritten. The company supplies hybrid tomato seeds to the farmers and also market their produce. But if there is a violation of contract from either side, there is no legal protection. Therefore, it may be necessary to formalize a system of recorded tenancy as well as contract farming which would safeguard the interests of poor farmers who enter into lease and contractual agreements.

Since the yields and net returns of contract farmers are found to be relatively higher than the non-contract farmers, the spread of contract farming through development of agro-processing is likely to improve the economic condition of farmers. But there should be an institutional mechanism to involve the small and marginal farmers so that they could also benefit from contract farming, without getting alienated from land.

References

Appu, .P.S(1995)'Land Reforms: Need for reorientation of policies, Kurukshetra, Annual Number, October, ppl-5

Appu P.S. (1975)Tenancy Reform in India, Planning Commission, New Delhi.

Bhaumik, S.K. (1993) Tenancy Relations and Agrarian Development, Sage Publications, New Delhi.

Banerjee, A.V and M.Ghatak (1995) Empowerment and Efficiency: The Economics of Tenancy Reform (Mimeo), Harvard University.

Bhalla Sheilla (1978) 'New Relations of production in Haryana Agriculture, EPW, Vol. Xi, March 27, PP.A 23-30

Bose, Sugata (1999) Agricultural Growth and Agrarian Structure in Bengal: A Historical Overview, in Sonar Bangla, Sage, 1999, PP.41-59.

Boyce, James K. (1987) Agrarian Impasse in Bengal : Institutional constraints to Technological change, Oxford, Oxford University Press.

Cooper, (1983) ' Sharecropping and Landlords in Bangal, Journal of Peasant Studies, Vol. 10, No.2-3.

Datta, Samar K and Sanjeev Kapoor (1992)' Are Fundamental Economic Forces Always More Powerful in Impact of Land Reforms on Agriculture and Rural Development, NIRD, Hyderabad.

Dasgupta, Biplab (1992) Land Reform in West Bengal, in Impact of Land Reforms on Agriculture and Rural Development, NIRD, Hyderabad.

Govt. of west Bengal (1980), Land reform in west Bengal, Statistical Report, IV, Board of Revenue.

Govt. of West Bengal (1998) Monthly Progress report of Directorate of Land Records and Surveys, Calcutta.

Govt. of India (1944), Report of the Femine Enquiry Commission, New Delhi.

Govt. of India (1976) ' Report of the National Commission on Agriculture, Part XV, New Delhi.

Gazdar, Hariss and Sunil Sengupta (1999) 'Agricultural Growth and Recent Trends in well being in Rural West Bengal in Sonar Bangla, Sage Publications Ltd, PP.60-91.

Grewal, S.S. and P.S. Rangi (1981) 'An analysis of Agrarian Structure in the Punjab, Indian Journal of Agricultural Economics, Vol. XXXVI. No.4, Oct-Dec, pp.173-183.

Haque, T and A.S. Sirohi (1986) Agrarians Reforms and Institutional Changes in India, Concept Publishing Company, New Delhi.

Haque, T (1999), Land Use Planning, NCAP, New Delhi(ed)

Haque, T(1996) Sustainability of Small Holder Agriculture in India, Concept Publishing Company, New Delhi, Chapter 5.

Hegde, V.T (1965), 'Inangural Address at a symposium on Land Problems in North Kanara, Jan. 26, 1965, Planning forum, Kumta.

Iyer, K. Gopal (1997)' Tenancy Reform : The Field Perspective in Land Reforms in India, Vol.4, LBS, NAA. Sage Publications, New Delhi, PP. 177-204.

Joshi, G.V. (1997) Implementation of Tenancy Reforms in Land Reforms in India, Vol. 4, Sage Publication, New Delhi.

Khusro, A.M. (1958) 'Economic and Social Effects of Jagirdari Abolition and Land Reforms in Hyderabad (mimeo).

Krishna, Sudhir (1997) Land Reforms Debate in Land Reforms in India, Vol. 4, LBSNAA, Sage Publications New Delhi.

Lipton, Michael (1974), Towards a Theory of Land Reform in David Lehman edited, Agrarian Reform and Reformism, Faber and Faber, London.

National Institute of Rural Development (1999), India Rural Development Report, Hyderabad,

Natraj, Lalitha (1980), Politics of Land Tribunals, EPW, June 28, 1980, pp.1093-1094.

Pal, Sasanka (1992) ' Operation Barga and Its Impact on tenancy Pattern and Productivity in Impact of Land Reforms on Agricultural and Rural Developments, NIRD, Hyderabad.

Pani, Narinder (1997) Towards Decentralised Agrarian Reform in Land Reforms in India, Vol.4, Sage Publication, New Delhi.

Parthasarthy, G (1997) 'Changing Agrarian Structure and Directions for Land Reform in Andhra Pradesh in the 1990s—'. Paper presented at the National Seminar held at NIRD, Hyderabad, Dec 16-18.

Rao, V.M (1992), Land reform Experiences, EPW, June 27, 1992, P.A.34.

Rathore, M.S. And J.P.Bhati (1981) Changes in Agrarian Structure and Agrarian Relations in Himachal Pradesh, IJAE, Vol. XXXVI, No.4, P.195

Sinha B.K. Pushpendra and A.P.Singh Tenancy Situation in Bihar: A case for Exit Policy, LBSNAA, Mussorie (1999)

Singh, Tarlok, T.Haque and A.V.S. Reddy (1992), Impact of Land Reforms on Agriculture and Rural Development, NIRD, Hyderabad.

Webster, Neil (1992) 'Panchayat Raj and the Decentralisation of Development planning in West Bengal as quoted by Ben Rogally Hariss and Bose in Sonar Bangla, Sage Publications Ltd, 1999, PP1-11.

NCAP PUBLICATIONS

Policy Papers

1. Sasanka S. Pal (1995), Impact of Tenancy Reform on Production and Income Distribution- A Case Study of Operation Barga in West Bengal.
2. S. P. Pant (1995), Production Prospects and Constraints to Higher Productivity of Pulses in Madhya Pradesh.
3. Jha, D. P. Kumar, Mruthyunjaya, Suresh Pal, S. Selvarajan and Alka Singh (1995), Research Priorities in Indian Agriculture.
4. Maji, C.C. and A. Bhattacharya (1995), GATT and Agricultural Exports-Hopes and Realities.
5. Maji, C.C., T. Haque and A. Bhattacharya (1995), Small Farms, Employment and Surplus Generation- A Case of West Bengal.
6. Chand, Ramesh (1997), Import Liberalization and Indian Agriculture: The Challenge and Strategy.
7. Pal, Suresh and Alka Singh (1997), Agricultural Research and Extension in India: Institutional Structure and Investments.
8. Farrington, J., Rasheed Sulaiman V. and Suresh Pal (1998), Improving the Effectiveness of Agricultural Research and Extension in India: An Analysis of Institutional and Socio-Economic Issues in Rainfed Areas.
9. Birthal, P.S., Anjani Kumar, A. Ravishankar and U.K. Pandey (1999), Sources of Growth in the Livestock Sector.
10. Rasheed Sulaiman V. and V.V. Sadamate (2000), Privatising Agricultural Extension in India.
11. Ramesh Chand (2000), Emerging Trends and Regional Variations in Agricultural Investments and their Implications for Growth and Equity.
12. Suresh Pal, Robert Tripp and A. Janaiah (2000) Public- Private Interface and Information Flow in the Rice Seed System of Andhra Pradesh (India).

Policy Briefs

1. Jha, D. (1995), Privatising Agricultural Research.
2. Sulaiman V., R. (1995), Privatizing Farm Extension-Need for a Cautious Approach.
3. Pal, Suresh and D. Jha (1996), Funding Agricultural Research.
4. Ravishakar, A. (1996), Intellectual Property Rights and Indian Agriculture: Some Issues.
5. Farrington, J., Rasheed Sulaiman V. and Suresh Pal (1997), Strengthening Research and Extension for Rainfed Farming: Role of Social Science and Institutional Factors.
6. Jha, D. (1999), On the New Agricultural Policy.
7. Ravishankar, A. and Pratap S. Birthal (1999), Livestock Sector in India: Agenda for the Future.
8. Chand, Ramesh and Sonia Chauhan (1999), Are Disparities in Indian Agriculture Growing?
9. Sulaiman V., Rasheed and A.W. van den Ban (2000), Agricultural Extension in India-The Next Step.
10. Ravishankar, A. and Sunil Archak (2000), IPRs and Agricultural Technology: Interplay and Implications for India.
11. Ravishankar, A. and Sunil Archak (2000), Plant Variety Protection. Lessons from a Cross Country Perspective.
12. Gill, Gerard J., Diana Carney and Suresh Pal (2000), Improving Competitive Agricultural Research Funding in India.
13. A. Hail, N. Clark, Rasheed Sulaiman V., MVS Sivamohan and B Yoganand (2000) Coping With New Policy Agendas for Agricultural Research: The Role of Institutional Innovations.
14. Ramesh Chand, and Linu Mathew Philip (2001) Subsidies and Support in World Agriculture: is WTO providing level playing field ?