STATUS OF TENANCY IN UTTAR PRADESH: SOME FACTS FROM THE FIELD

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#### **ABSTRACT**

There are conflicting views of the scholars about the role of tenancy in agricultural development. One section of the scholars believe that tenancy runs under exploitative terms and is based mostly on oral contracts without any security of lease. An opposite view has also emerged among the scholars who find tenancy as an effective means of increasing land access to the poor, redistributing the gains of agricultural development, empowering tenants and improving their bargaining power. In the light of conflicting views about tenancy, it becomes important to empirically examine the issue in its various dimensions and to solicit the views of stakeholders at the ground level. The present paper is mainly based on a survey of 43 tenants in Lakhimpur district, 56 tenants in Hardoi district, 60 tenants in Sultanpur district, 50 tenants in Etah district and 49 tenants in Jhansi district in the State of Uttar Pradesh. The analysis of NSS data has indicated that despite the legislative regulations and restrictions on the tenancy, it is being widely practised in U.P. as well as in India. The percentage of leased-in area in total area has remained constant around 10 per cent in U.P during 1980-81 to 2002-03. The socio- economic conditions of sample tenants have revealed that majority of them belonged to backward castes followed by scheduled castes; while very few tenants were from upper castes. Agriculture was the main occupation of about 60 per cent of tenants while about 20 of them were rural labourers. Average land leased-in per household was 1.61 acres which was higher than the land owned per household (1.19 acres). The leased-in land did provide an average annual income of ₹5163 per household, which accounted for 22.34 per cent of average annual income per household. Majority of landlords who rented-out their land also belonged to Other Backward Castes (OBCs) and around half of them were engaged in agriculture and rest were engaged in service and trade professions. All lease agreements were oral. The length of lease was generally of short duration. In most of the cases duration of lease was of 1 to 2 years. The terms of lease were generally decided according to the prevalent lease practices in the area. The dominant form of leasing was based on the sharing of produce and cost on 50:50 basis. Generally the cost of fertilisers and irrigation was

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shared on 50-50 per cent basis between tenants and landlords. The practice of leasing-in on the basis of cash payment was also found to be emerging in some districts. Insecurity of lease contract was the most serious problem perceived by tenants. About one-third of tenants have reported the taking of loan from land owners for production or consumption purposes. One-fourth of the tenants have reported that their land owners sought undue favour in lieu of leasing-in of land to them in the form of payment of lower wages for their labour. Majority of tenants who were interviewed expressed the view that tenancy should be legalised. Reforms in tenancy laws is the need of the hour which will be mutually beneficial to all parties concerned and will certainly promote inclusive growth.

## Introduction

Tenancy has been traditionally considered as an exploitative form of cultivation, negatively impacting farm productivity and equity. As a result, soon after Independence most states in India enacted tenancy legislation, which imposed either blanket ban or put significant restrictions and regulations on tenancy. The tenants in different parts of the country acquired ownership or secured rights on the land cultivated by them. On the other hand, such controls had a most damaging consequence on the livelihood of a large number of erstwhile tenants who disposed off their land traditionally cultivated by them. The tenants became unprotected by the law and vulnerable to eviction. One estimate points out that such eviction took place on about 30 per cent of the operated area and these evictions took place even in states that benefited large number of tenants with ownership or ownership-like rights (Appu, 1997).

Despite the legislative regulations and restrictions imposed on tenancy, the fact remains that tenancy in its various forms has shown no sign of extinction. The National Sample Survey (NSS) 37<sup>th</sup> round (1981-82) put the figure of tenancy at 6-7 per cent of the operated area, which was considered as gross underestimation. Several micro studies have indicated that incidence of tenancy

varied between 15-35 per cent of the operated area (Cherian, 2004, John, 2004, Latha and Madhusudan 2004, Nair et. al, 2004 and Veron, 1999).

One section of scholars believe that tenancy runs under exploitative terms and is based mostly on oral contracts without any security of lease. An opposite view has also emerged among scholars that tenancy is an effective means of increasing land access to the poor, redistributing the gains of agricultural development, empowering tenants and improving their bargaining power. Thus, tenancy has been recognised as an important mechanism for increasing the income of poor and alleviating them from poverty.

In the light of the above conflicting views about tenancy, it is important to empirically examine the issue in its various dimensions and to solicit the views of stakeholders at the ground level. The present study based on a field survey of tenants in five districts of Uttar Pradesh is a modest attempt in this direction.

# Methodology

Objectives of the Study: The major objectives of the study are:

 To study the status of tenancy in Uttar Pradesh

- 2. To examine the socio-economic profile of tenants
- 3. To study the farming characteristics of tenant households
- 4. To find out the terms and conditions of tenancy in Uttar Pradesh
- 5. To suggest measures to reform the tenancy system.

The study is based on a field survey of tenants in U.P. First, from each of the four economic regions of the State, one district was selected where largest area was distributed under different land distribution programmes. On this criterion, Hardoi district from the Central Region, Sultanpur district from the Eastern Region, Etah district from the Western Region and Jhansi district from the Bundelkhand Region were selected. In addition, Lakhimpur Kheri district was also

selected from the tarai region (sub-mountain) which presents distinct agro-climatic characteristics.

In the second stage, one tehsil was selected from each sample district on the basis of criteria as followed in the selection of sample districts. Thereafter, two villages were selected randomly from each tehsil. The village-wise list of tenants was prepared by survey and from each sample village ten per cent of tenants were selected randomly for the interview. On the whole, 43 tenants in Lakhimpur district, 56 tenants in Hardoi district, 60 tenants in Sultanpur district, 50 tenants in Etah district and 49 tenants in Jhansi district were selected. A detailed schedule was developed to collect primary data from the tenants. The names of sample districts, tehsils and villages with number of tenants interviewed are shown in Table 1.

Table 1 : Details of the Sample

Sample Districts	Sample Tehsils	Sample Villages	Number of Sample Tenants
Lakhimpur	Lakhimpur Sadar	Saidapur-DevkaliSafipur	2320
Hardoi	Sandila	BegumganjSahgaon	3026
Sultanpur	Sultanpur Sadar	JajjaurSaiffullaganj	3030
Etah	Etah Sadar	KillermauPura	2525
Jhansi	Jhansi Sadar	KhailarSaiyar	2425
Total (No.)	5	10	258

## Status of Tenancy in Uttar Pradesh

The Uttar Pradesh Zamindari Abolition Act, 1952 prohibited sub-letting of farm land except by certain exempted categories of persons such as widows, minors, and members of the armed forces. But in actual practice tenancy continued to prevail in all parts of the State as the various rounds of National Sample Survey have shown.

Table 2 presents details of operational holdings in U.P. and India based on NSS surveys. The percentage share of leased-in holdings in total holdings was found to be higher in U.P. as compared to all India average during all the NSS rounds. However, the proportion of leased-in holdings has steadily

declined over the past three decades. During 59<sup>th</sup> round (2002-03), share of number of leased-in holdings in total holdings was 11.7 per cent in U.P. and 9.9 per cent at the all India level. About 10 per cent of operated land was under leased-in farming in U.P. against 7 per cent in India.

Table 2 : Characteristics of Operational Holdings : U.P. and India (Rural)

Item	U.P./ India		Round				
		26 <sup>th</sup> (1970-71)	37 <sup>th</sup> (1981-82)	48 <sup>th</sup> (1991-92)	59 <sup>th</sup> (2002-03)		
No. of Operational Holdings (Million)	U.P. India	11.1 57.1	13.1 71.0	17.0 93.5	18.03 101.27		
Total Area Operated (Million hectare)	U.P. India	17.2 125.7	16.8 118.6	17.1 125.1	13.87 107.65		
Average Area Operated (ha.)	U.P. India	1.5 2.2	1.3 1.7	1.0 1.3	0.77 1.06		
Percentage of Operational Holdings with	partly or	wholly					
(a) Owned land	U.P. India	98.6 95.6	97.8 92.9	97.4 96.2	90.08 95.33		
(b) Leased-in Land	U.P. India	24.7	20.1 15.2	15.5 11.0	11.7 9.9		
In total area operated, percentage share of	of:						
(a) Area owned	U.P. India	87.0 89.3	88.1 91.1	88.5 90.4	87.5 92.7		
(b) Area leased-in	U.P. India	10.6	10.2 7.2	10.5 8.5	9.5 6.5		

Source: NSS Reports.

The percentage of households who have reported leasing-out constituted around 5 in U.P. as against 3 in the country as a whole (Table 3). On other hand, the households reporting leasing-in were 13 and 12 per cent in U.P. and India, respectively. It was also

reported that the average area leased-in per household was 0.51 hectare in U.P. as against 0.44 hectare in the country as a whole. Leased-in area constituted 11 per cent of their total area in U.P. as against 7 per cent in India as a whole.

Table 3: Incidence of Tenancy in U.P. and India (2002-03) Percentage of Average Area Leased-in Leased-in area as

State/country	Percentage of households reporting		Average Area Leased-in per household (in hectare)	Leased-in area as per cent of total area owned	
	Leasing-out	Leasing-in	·		
U.P.	5.36	12.78	0.51	10.52	
India	2.80	11.52	0.44	7.05	

Source: NSS 59th Round.

Among different terms of leasing-in of land being practised, sharing of produce was most prevalent followed by fix money and fix produce (Table 4). The sharing of produce

was followed in about 53 per cent of tenancies in U.P. in comparison with 40 per cent in India.

Table 4: Percentage Distribution of Area Leased-in According to Terms of Leasing: U.P. and India (2002-03)

State/Country	Fixed Money	Fixed Produce	Share of Produce	From relatives	Others	All
Uttar Pradesh	23.8	12.9	52.9	5.0	5.4	100.0
India	29.5	20.3	40.3	4.0	5.9	100.0

Source: NSS 59th Round.

Sharing of produce was also reported as the dominant form of leasing-out followed by fixed produce in U.P. However, at the all India level fixed money was a more popular form of leasing-out as compared to U.P. as a whole (Table 5).

Table 5: Percentage Distribution of Area Leased-out by the Terms of Leasing (2002-03)

State/Country	For Fixed Money	For Fixed Produce	For Share of Produce	Other Items	AII
U.P.	14.48	21.18	51.93	12.00	100.00
India	31.04	15.30	39.55	14.11	100.00

Source: NSS 59th Round.

# Socio-economic Profile of Tenants

In order to study the present status of tenancy in U.P. and to know the views of the tenants about making leasing legal, a sample study of 258 tenant farmers was carried out.

In this section, findings of the field survey have been analysed.

Family Details: Average family size of the sample households was 7 persons varying between 5 to 7 persons in the sample districts. A notable feature was that the sex ratio was 902 females per 1000 males (Table

6). In case of Jhansi district, an area of high out-migration, sex ratio was as low as 779.

Table 6: Family Composition and Sex Ratio of Tenant Households

District	Male (Adult)	Female (Adult)	Male (Child)	Female (Child)	Average Family Size	Sex Ratio
Lakhimpur	86 (32.09)	70 (26.12)	55 (20.52)	57 (21.27)	6	901
Hardoi	114 (29.09)	94 (23.98)	93 (23.72)	91 (23.21)	7	894
Sultanpur	112 (26.99)	118 (28.43)	95 (22.89)	90 (21.69)	7	959
Etah	85 (24.57)	90 (26.01)	93 (26.88)	78 (22.54)	7	944
Jhansi	71 (27.52)	59 (22.87)	74 (28.68)	54 (20.93)	5	779
AII	478 (28.30)	431 (25.52)	410 (24.27)	370 (21.91)	7	902

Source: Field survey

Note: Figures in brackets show percentages.

Caste, Religion and Gender: Other Backward Castes (OBCs) constituted around 78 per cent of all tenants in the sample (Table 7). The share of OBC tenants was found to be particularly high in the districts of Sultanpur,

Jhansi and Hardoi. The scheduled castes constituted the second largest group of tenants. Their share was higher in the districts of Lakhimpur and Etah. Less than one per cent of tenants were from the general castes.

**Table 7: Caste-wise Distribution of Sample Tenants** 

Castes	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	AII
General	2 (4.65)	-	-	-	-	2 (0.77)
OBC	21	45	56	33	45	200
	(48.84)	(80.36)	(93.33)	(66.00)	(91.84)	(77.52)
SC	20	11	4	17	4	56
	(46.51)	(19.64)	(6.67)	(34.00)	(8.16)	(21.71)
Total	43	56	60	50	49	258
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Source: Field survey.

Note: Figures in brackets show percentages.

Age of Tenants: The age structure of sample tenants showed that about 19 per cent were in the young age group of 15 to 30 years and another 47 per cent in the age

group of 30 to 45 years (Table 8). A little less than 10 per cent belonged to older age group.

Table 8: Age Profile of Sample Tenants

Age Group	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
15-30	10	10	4	9	15	48
	(23.25)	(17.86)	(6.67)	(18.00)	(30.61)	(18.60)
30-45	16	24	26	26	27	121
	(37.21)	(42.86)	(43.33)	(52.00)	(55.10)	(46.90)
45-60	12	16	14	14	5	65
	(27.91)	(28.57)	(23.33)	(28.00)	(10.21)	(25.19)
60+	5	6	1	1	2	24
	(11.63)	(10.71)	(1.67)	(2.00)	(4.08)	(9.31)
Total	43	56	60	50	49	258
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Source: Field survey.

Note: Figures in brackets show percentages.

Education Level among Tenants: Table 9 shows the level of education of the tenants. Almost half of the tenants were illiterate. Around 40 per cent had education up to

primary or upper primary level. The remaining 12 per cent tenants had education up to high school or above (Table 9).

**Table 9: Education Level of Sample Tenants** 

Education Levels	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Illiterate	22	36	30	15	19	122
	(51.16)	(64.29)	(50.00)	(30.00)	(38.78)	(47.29)
Below Primary	5	5	3	4	14	31
	(11.63)	(8.93)	(5.00)	(8.00)	(28.57)	(12.02)
Primary	6	7	8	7	6	34
	(13.95)	(12.50)	(1.33)	(14.00)	(12.24)	(13.18)
Upper Primary	7	5	13	7	7	39
	(16.28)	(8.93)	(21.67)	(14.00)	(42.29)	(15.12)
High School	2	2	4	9	2	19
	(4.65)	(3.57)	(6.67)	(18.00)	(4.08)	(7.36)
Intermediate	-	1 (1.79)	1 (1.67)	4 (8.00)	(2.33)	6
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Table 9 : (Contd.)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
Technical Diploma 1 1 1 (2.04) (0.39)								
Graduate	-	-	1 (1.67)	3 (6.00)	-	4 (1.55)		
Post-graduate	1 (2.33)	-	-	1 (2.00)	-	2 (0.78)		
Total	43 (100.00)	56 (100.00)	60 (100.00)	50 (100.00)	49 (100.00)	258 (100.00)		

Source: Field survey.

Note: Figures in brackets show percentages.

Main Occupation of Tenants: About 60 per cent of tenants reported agriculture as their prime occupation. About 20 per cent were engaged in non-agricultural activities (Table 10). Surprisingly, less than 3 per cent tenants reported agricultural labour as their primary occupation. A relatively small proportion was also engaged in other low

income activities like animal husbandry and trade. Some variations across districts were also observed. Thus, in Lakhimpur district 81.4 per cent tenants were agriculturists, but in Sultanpur district only 35 per cent reported agriculture as their primary occupation. In the latter district, 30 per cent tenants were engaged in animal husbandry.

**Table 10: Main Occupation of Sample Tenants** 

Occupation	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Agriculture	35 (81.40)	39 (69.64)	21 (35.00)	30 (60.00)	26 (53.06)	151 (58.53)
Agriculture Labour	3 (6.98)	1 (1.79)	1 (1.67)	2 (4.00)	-	7 (2.71)
Non-agriculture Labou	r 4 (9.30)	11 (19.64)	4 (6.67)	15 (30.00)	17 (34.69)	51 (19.77)
Animal Husbandry	-	1 (1.79)	18 (30.00)	-	-	19 (7.36)
Trade	1 (2.32)	3 (5.35)	10 (16.66)	-	3 (6.12)	17 (6.59)
Services	-	-	3 (5.00)	3 (6.00)	2 (4.09)	8 (3.10)
Artisan	-	1 (1.39)	3 (5.00)	-	1 (2.04)	5 (1.94)
Total	43 (100.00)	56 (100.00)	60 (100.00)	50 (100.00)	49 (100.00)	258 (100.00)

Source: Field survey.

Note: Figures in brackets show percentages.

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Secondary Occupation of Tenants: Over 42 per cent of tenants were employed as labour generally in non-agricultural activities as far as their secondary occupation was concerned while about one-third reported

agriculture as their secondary occupation (Table 11). Over one-fifth of tenants were also engaged in animal husbandry as their secondary occupation.

**Table 11: Secondary Occupation of Tenants** 

Occupation	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Agriculture	6	17	31	11	21	86
	(13.95)	(32.08)	(51.67)	(22.00)	(42.86)	(33.73)
Agriculture Labour	7 (16.28)	3 (5.66)	-	11 (22.00)	-	21 (8.23)
Non-agriculture Labour	15	28	6	14	24	87
	(34.88)	(52.83)	(10.00)	(28.00)	(48.98)	(34.11)
Animal Husbandry	14	5	18	13	4	54
	(32.56)	(9.43)	(30.00)	(26.00)	(8.16)	(21.18)
Trade	1 (2.33)	-	2 (3.33)	-	-	3 (1.18)
Artisan	-	-	3 (5.00)	1 (2.00)	-	4 (1.57)
Total	43	53	60	50	49	255
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Source: Field survey.

Note: Figures in brackets show percentages.

Income of Sample Tenants: The average annual income per household of tenants was estimated to be ₹ 23,116. This amounted to a per capita income of about ₹ 3,300. As shown in Table 12, contribution of income from the leased-in land in total income was highest (22.3 per cent), closely followed by the income from the non-agricultural labour (21.2 per cent), income from owned land (20.2 per cent) and animal husbandry (16.5 per cent).

Tenants in Jhansi and Sultanpur districts had much higher income level as compared

to their counterparts of other sample districts. In Jhansi district non-agriculture labour contributed as much as 37.6 per cent in household's income, while in Sultanpur district income from animal husbandry and services and pension made a significant contribution to family's income. The contribution of income from leased-in land varied from a low of 13.9 per cent in Sultanpur district to a high of 38.3 per cent in Lakhimpur district (Table 12).

Table 12: Average Net Annual Income per Sample Household by Source (₹)

Sources	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All						
Owed Land	1919	5149	5935	6508	3108	4669						
	(10.32)	(25.71)	(19.55)	(43.34)	(10.35)	(20.20)						
Leased-in Land	7134	5290	4213	2406	7267	5163						
	(38.38)	(26.42)	(13.88)	(16.02)	(24.20)	(22.34)						
Animal Husbandry	3799	1418	7075	1978	4476	3820						
	(20.44)	(7.08)	(23.31)	(13.17)	(14.91)	(16.53)						
Agriculture Labour	1628	450	438	192	604	623						
	(8.76)	(2.25)	(1.44)	(1.28)	(2.01)	(2.70)						
Non-agriculture Labour	3465	5834	2740	1512	11290	4918						
	(18.64)	(29.13)	(9.03)	(10.07)	(37.60)	(21.28)						
Trade	209	1214	3317	160	1429	1372						
	(1.12)	(6.06)	(10.93)	(1.07)	(4.76)	(5.94)						
Construction	-	500 (2.50)	-	102 (0.68)	-	128 (0.55)						
Artisan	-	170 (0.85)	1350 (4.45)	400 (2.66)	714 (2.38)	564 (2.44)						
Service	279 (1.50)	-	1600 (5.27)	840 (5.59)	1143 (3.81)	798 (3.45)						
Remittances	-	-	583 (1.92)	-	-	136 (0.59)						
Pension	153 (0.82)	-	3100 (10.21)	-	-	747 (3.23)						
Total	18586	20025	30351	15015	30030	23116						
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)						

Source: Field survey.

Note: Figures in brackets show percentages.

Farm Characteristics of Tenant Households: Several scholars have considered tenancy as an inefficient form of farming. The argument has been given that since tenants get only a part of the output they produce or pay a higher fixed rent in cash, they have less incentive to put-in required efforts and inputs to realise as much production as could be possible. Without ownership right with

fear of eviction any time, they do not make investment on the land which prohibits them from realising the higher productivity gains. In this section, status of farming under tenancy has been examined.

Land Size: The average operated area of agricultural land per tenant household was 2.45 acres, varying from 1.63 acres in Hardoi

district to 4.07 acres in Jhansi district (Table 13). Average leased-in land per tenant was 1.61 acres, which was higher than land owned per household (1.19 acres). Only in Etah district average area owned per household was higher than the average area leased-in

by all households. In Lakhimpur, Hardoi and Etah districts, entire leased-in and owned land was irrigated. In Jhansi district, which was generally drought-prone, leased-in area was almost fully irrigated even though only 28 per cent of owned area was irrigated.

Table 13: Land Owned and Leased-in Per Tenant Household (in acre)

District	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Land owned						
(a) Average per household	0.82	0.68	0.65	1.90	1.72	1.19
(b) Percentage of irrigated land	100.00	100.00	91.50	100.00	27.68	77.56
Land leased-in						
(a) Average per household	1.70	1.22	1.24	1.37	2.77	1.61
(b) Percentage of irrigated land	100.00	100.00	92.18	100.00	96.69	97.52
Land (Total)						
(a) Average per household	1.89	1.63	1.76	3.08	4.07	2.45
(b) Percentage of irrigated land	100.00	100.00	91.85	100.00	74.63	70.64

Source: Field Survey.

Crop Production: Table 14 presents farm characteristics of the sample households. Tenants have reported that they used major part of their cultivated area for foodgrain cultivation. It indicated that leasing-in of land was mainly to meet food requirement. Wheat and paddy were the dominant crops cultivated both on owned and leased-in land. The percentage of irrigated area in leased-in land was also generally higher than that of owned land. Productivity levels of all the

crops grown on leased-in land were found to be higher than the productivity realised on the owned land. All this indicated that tenants were cultivating leased-in land more efficiently than their owned land and they were realising better productivity from the leased-in land as compared to their own land. This could be due to the fact that the quality of leased-in land may be superior to quality of owned land and better irrigation facilities were available on the leased in land.

Table 14 : Characteristics of Crop Production on Owned and Leased-in Land on Sample Farms

Crop		Percentage in gross cropped area		e of irrigated ea under crop	Yield Quintal/ acre (irrigated)		
	Owned	Leased -in	Owned	Leased -in	Owned	Leased -in	
Wheat	69.56	85.45	89.39	99.86	10.12	11.22	
Paddy	63.78	60.34	100.00	100.00	8.80	9.50	
Barley	1.88	1.32	100.00	100.00	7.08	8.70	
Maize	10.26	4.32	43.10	89.70	4.81	5.26	
Potato	2.57	2.54	100.00	100.00	89.13	100.80	
Pulses	14.66	15.82	17.82	76.27	2.19	2.90	
Mustard	16.99	10.46	24.41	100.00	4.10	4.61	

Source: Field Survey.

Cost of Cultivation on Owned and Leased-in Land: Cost of various inputs applied in the cultivation of different crops on the leased-in land was more or less same as used in the cultivation of owned land. The estimated cost of inputs amounted to 40 to 50 per cent of the value of production of different crops (Table 15).

Table 15: Crop-wise Per Acre Cost of Cultivation on Owned and Leased-in Land (in ₹)

Crops	Seed			Fertiliser/ pesticide		Irrigation		ers	Total	
	Owned	Leased -in	Owned	Leased -in	Owned	Leased -in	Owned	Leased -in	Owned	Leased -in
Wheat	860	797	1239	1158	1747	1788	1319	1447	5634	5630
Paddy	440	369	1362	1471	1554	1502	1554	1060	4910	4902
Maize	103	104	166	217	214	197	288	273	771	791
Potato	3175	3160	1208	1342	941	907	1292	1290	6616	6699
Vegetable	546	480	850	760	1418	1600	713	1180	3527	4020
Pulses	253	412	239	324	234	417	385	445	1111	1598
Mustard	138	163	353	310	206	197	366	477	1063	1147
Groundnut	980	841	293	290	315	489	785	859	2373	2479

Source: Field Survey.

Investment on Leased-in Land: It is generally presumed that tenants have no incentive to make investment on improving of the leased-in land as they have no security of tenure. This assumption is supported by the result of our field data which showed that more than 82 per cent of sample tenants did

not make any investment on the land leasedin by them (Table 16). The proportion of tenants making some investment on the leased-in land was relatively higher in Lakhimpur, Hardoi and Etah districts as compared to Sultanpur and Jhansi districts.

Table 16: Tenants Reporting Investment on the Leased-in Land

Particular	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Yes	9	12	7	14	4	46
	(20.93)	(21.43)	(11.67)	(28.00)	(8.16)	(17.83)
No	34	44	53	36	45	212
	(79.07)	(78.57)	(88.33)	(72.00)	(91.84)	(82.17)
Total	43	56	60	50	49	258
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Source: Field Survey.

Leveling of land was the main item of investment of tenants. Around 65 per cent of tenants reported to have made investment on land leveling while about 20 per cent reported investment on irrigation (Table 17).

A small number had also spent money on soil testing. It looks that tenants who get inferior quality of land on lease do try to improve its quality through land leveling, irrigation, etc. to increase its productivity.

Table 17: Type of Investment Made on Leased-in Land

Items	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Land Leveling	5 (55.55)	7 (58.33)	7 (100.00)	10 (71.43)	3 (75.00)	32 (69.56)
Irrigation	3 (33.33)	4 (33.33)	-	2 (14.29)	-	9 (19.57)
Soil Testing	1 (11.12)	1 (8.34)	-	2 (14.28)	1 (25.00)	5 (10.87)
Total	9 (100.00)	12 (100.00)	7 (100.00)	14 (100.00)	4 (100.00)	46 (100.00)

Source: Field Survey.

Characteristics of Tenants: In this section, we present the findings relating to the characteristics of tenancy such as

ownership of leased-in land from relatives and non-relatives, caste of lessors and the length of lease, terms and type of lease,

sharing of inputs costs, lessor-lessee relationship and the views of the tenants about tenancy.

Sources of Leased-in Land: Around 92 per cent of sample tenants have reported that they leased-in farm land from non-relatives

and the percentage of area, thus, leased-in constituted more than 95 per cent in total area leased-in at the level of aggregate sample. This trend was found to be more or less similar across all the sample districts (Table 18).

Table 18: Sources of Area Leased-in by Tenants

Items	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	AII
Relatives						
No. of Households	2	3	5	8	5	23
	(4.65)	(5.36)	(8.33)	(16.00)	(10.20)	(8.91)
Land Area (acre)	12.00	4.30	10.25	23.10	29.5	79.15
	(5.47)	(2.46)	(3.38)	(7.52)	(4.53)	(4.79)
Non-relatives						
No. of Households	41	53	55	42	44	235
	(95.35)	(94.64)	(91.67)	(84.00)	(89.80)	(91.90)
Land Area (acre)	207.21	170.79	293.10	283.00	621.25	1575.35
	(94.53)	(97.54)	(96.62)	(92.48)	(95.42)	(95.21)
Total No. of	43	56	60	50	49	258
Households	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
Land Area (acre)	219.21	175.09	303.35	306.10	650.75	1654.50
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Source: Field Survey.

Type of Tenants: Tenancy may be divided into two broad categories. One is pure tenants and the other is owner tenants. The pure tenants were those who have no land of their own for cultivation and the owner tenants are those who have some own land but also take others' land on rent. The survey has revealed that 30 per cent of total sample tenants were pure tenants, leasing-in 35 per

cent of the total area leased-in (Table 19). The owner tenants were 70 per cent and they leased-in 75 per cent of total leased-in area. In Lakhimpur district, the proportion of pure tenants was higher (77 per cent), while in Etah district, owner tenants were relatively large in number (90 per cent). On the whole, owner tenants were found to be in majority.

Table 19: Type of Tenants by Ownership of Land

Districts	Pı	ure Tenants	Owner Tenants		
	No.	Area Leased-in	No.	Area Leased-in	
Lakhimpur	33	64.69	10	8.44	
	(76.74)	(88.46)	(23.26)	(11.54)	
Hardoi	15	25.98	41	37.95	
	(26.79)	(40.64)	(73.21)	(59.36)	
Sultanpur	12	19.85	48	54.35	
	(20.00)	(26.75)	(20.00)	(73.25)	
Etah	5	5.70	45	62.70	
	(10.00)	(8.33)	(90.00)	(91.67)	
Jhansi	12	27.50	37	108.25	
	(24.50)	(20.26)	(75.50)	(79.74)	
Total	77	143.72	181	271.69	
	(29.84)	(34.60)	(70.16)	(65.40)	

Source: Field Survey.

Distribution of Tenants According to Land Size: Analysis of tenants by size of holding showed that nearly half of the tenants had taken less than one acre land on

lease and another one-third between one and two acres (Table 20). Less than 4 per cent tenants had taken 3 acres or more land on lease.

Table 20: Distribution of Tenants According to Land Size

Area (acres)	Lakh	impur	На	rdoi	Sult	anpur		Etah	Jh	ansi	А	II
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
0.00-0.50	5	11.63	10	17.86	5	8.93	5	10.00	1	2.04	26	10.24
0.50-1.00	16	37.21	28	50.00	27	48.21	24	48.00	3	6.12	98	38.58
1.00-1.50	8	18.60	9	16.07	11	19.64	9	18.00	3	6.12	40	15.75
1.50-2.00	6	13.95	7	12.50	6	10.71	8	16.00	15	30.61	42	16.54
2.00-2.50	-		-		4	7.14	-		-		4	1.57
2.50-3.00	4	9.30	2	3.57	1	1.79	2	4.00	18	36.73	27	10.63
3.00-3.50	-		-		1	1.79	-		-		1	0.39
3.50-4.00	2	4.65	-		1	1.79	1	2.00	6	12.24	10	3.94
4.00-5.00	1	2.33	-		-		1	2.00	-		2	0.79
5.00+	1	2.33	-		-		-		3	6.12	4	1.57
Total	43	100.00	56	100.00	56	100.00	50	100.00	49	100.00	254	100.00

Source: Field Survey.

Reasons for Leasing-in of Land: The survey also examined the reasons for leasing-in of land. Majority of respondents (45 per cent) reported that they leased-in land for their livelihood. In Sultanpur and Lakhimpur districts about 93 and 49 per cent of all sample tenants, respectively reported leasing-in of land as a means of livelihood (Table 21). The second main reason was the small size

of own farm land. About one-fourth of the tenants referred to small size of their holding as the main reason for leasing in. In Hardoi and Etah districts, over 40 per cent tenants mentioned this reason. On the whole, it appears that leasing-in of land was resorted for getting greater access to land and for increasing income and better livelihood.

Table 21: Reasons for Leasing-in of Land

Reasons	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
As a means of livelihood	21 (48.84)	13 (23.21)	56 (93.33)	11 (22.00)	14 (28.57)	115 (44.57)
Small size of own land	8 (18.60)	26 (46.43)	4 (6.67)	21 (42.00)	7 (14.29)	66 (25.58)
Full utilisation of bullocks	2 (4.65)	3 (5.36)	-	4 (8.00)	1 (2.04)	10 (3.88)
For additional income	2 (4.65)	7 (12.50)	-	12 (24.00)	1 (2.04)	10 (3.88)
To repay the debt	-	-	-	-	4 (8.16)	4 (1.55)
Other reasons*	10 (23.26)	7 (12.50)	-	2 (4.00)	22 (44.90)	41 (15.89)
Total	43 (100.00)	56 (100.00)	60 (100.00)	50 (100.00)	49 (100.00)	258 (100.00)

<sup>\*</sup> Landlessness, own land un-irrigated, other personal needs.

Source: Field Survey.

## Characteristics of Lessees

The study has also analysed the characteristics of farmers leasing-out their land based on the responses of the tenants. The findings are reported below.

Caste of Lessees: The tenants have reported that among all land owners who leased-out their land, around 60 per cent were OBCs, followed by general castes (24.26 per cent). About 16 per cent of lessees

belonged to scheduled castes (Table 22). In Jhansi and Hardoi districts, proportion of OBC lessees was quite high. The percentage of lessees of general castes in Sultanpur district and scheduled castes in Lakhimpur district was much higher than the average share of these lessees in the aggregate sample.

Comparing the caste composition of the lessees and the lessors, we find that while 24.3 per cent of lessees belonged to general

caste, less than one per cent of them reported the leasing-in land. The dominant players in the lease market were the OBCs,

both among lessees and lessors. A significant proportion of lessees as well as lessors belonged to SCs.

Table 22: Caste of Landlords Who Leased-out Land

Caste	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
General	-	11 (18.33)	35 (57.38)	15 (28.85)	5 (9.44)	66 (24.26)
OBC	29	45	13	33	43	163
	(63.04)	(75.00)	(21.31)	(63.46)	(81.13)	(59.93)
SC	17	4	13	4	5	43
	(36.96)	(6.67)	(21.31)	(7.69)	(9.43)	(15.81)
Total	46	60	61	52	53	272
	(100)	(100)	(100)	(100)	(100)	(100)
Average land owned (acres)	5.05	2.92	5.33	6.73	12.94	6.61

Source: Field Survey.

Most of the lessees in our sample belonged to the category of small and medium farmers. Thus, average size of land ownership among lessees was 6.61 acres, though it varied from 2.92 acres in Hardoi to 12.96 acres in Jhansi district (Table 23). The size of land owned among lessors was much smaller across all the districts, hardly 1.19 acres.

Table 23: Average Size of Land Owned by Lessees and Lessors (Acre)

Туре	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Lessees	5.05	2.92	5.33	6.73	12.94	6.61
Lessors	0.82	0.68	0.65	1.90	1.72	1.19

Source: Field Survey.

Occupation of Lessees: It has been reported by the sample tenants that agriculture was the main occupation of around 50 per cent of all lessees. About one-fourth of lessees were engaged in services and another 17 per cent were doing some trade (Table 24). In Lakhimpur and Etah

districts, a higher proportion of lessees had agriculture as their main occupation. Thus, it looks that land owners generally lease-out land due to problems of self-cultivation. Nearly one-fourth of them were the absentee land owners.

Table 24 : Main Occupation of Lessees							
Occupation of Lessee	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	AII	
Agriculture	3.5	20	22	35	19	131	
	(81.40)	(35.72)	(36.67)	(70.00)	(38.78)	(50.78)	
Trade	1	14	13	5	11	44	
	(2.32)	(25.00)	(21.67)	(10.00)	(22.45)	(17.05)	
Service	7	18	12	10	14	61	
	(16.28)	(32.14)	(20.00)	(20.00)	(28.57)	(23.64)	
Other Activities	-	4 (7.14)	13 (13.66)	-	5 (10.20)	22 (8.53)	
Total	43	56	60	50	49	258	
	(100)	(100)	(100)	(100)	(100)	(100)	

Source: Field Survey.

# Type, Terms and Tenure of Leasing

In this section, type, terms and duration of leasing have been examined.

Type of Tenancy: Since sub-letting of land is prohibited in U.P., we find that all the tenancies reported in our survey were oral without any written or legal agreement. Thus, the tenants were having no security over the leased-in land and were in constant threat of eviction at any time by the land owners.

Terms of Leasing: The dominant form of leasing was the sharing of produce and cost (mainly irrigation and fertiliser costs) in most of the districts surveyed. However, some regional variations were observed. In Sultanpur district landlords did not share the cost. This may be due to weak bargaining power of tenants in the district where landlessness and poverty were high. As a result, tenants have little options except to get the land leased-in on land owner's terms. In Jhansi district where sharing of produce and cost was generally prevalent, few cases of fixed cash rent (₹ 4000 per acre) and fixed

produce (3 quintals per acre) were also reported.

Majority of tenants said that their land owners shared the cost of cultivation. Around one-fourth of sample tenants reported that their landlords did not share the cost of cultivation. Variations across districts were evident. In three districts namely Lakhimpur, Hardoi and Etah all the respondents have reported cost sharing by the landlords. In Sultanpur district, no practice of cost sharing was reported between the lessee and lessor while in Jhansi district, 94 per cent tenants have reported the practice of cost sharing.

The pattern of sharing of input costs varied across different districts. In Lakhimpur and Hardoi districts, cost of fertiliser and irrigation was shared on 50-50 per cent basis between lessors and lessees in case of wheat, paddy and sugarcane crops. In Sultanpur district, tenants have reported that there was no practice of cost sharing between the tenants and landlords in the cultivation of any crop. However, in the districts of Etah and Jhansi, each of the inputs was shared on 50-

50 per cent basis between the tenants and landlord except the cost of hired labour which was totally borne by the tenants.

Tenure of Lease: Tenancy contracts were generally for short duration. Around 20 per cent of all tenancy contracts were of less than one year duration and 38 per cent were

for the period of 1 to 2 years duration (Table 25). Another 20 per cent contracts were for the period of 2 to 3 years. Thus, around 90 per cent of all leased-in land was contracted for the period of less than 4 years. Short-term tenancy contracts were more prevalent in the districts of Lakhimpur and Etah as compared to Hardoi, Jhansi and Sultanpur districts.

**Table 25: Duration of Tenancy** 

Duration of Lease	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Less Than one Year	19 (44.19)	1 (1.79)	6 (10.00)	22 (44.00)	3(6.12) (19.77)	51
1-2 Years	10	35	12	7	35	99
	(23.26)	(62.50)	(20.00)	(14.00)	(71.43)	(38.37)
2-3 Years	8	7	22	9	7	53
	(18.60)	(12.50)	(36.67)	(18.00)	(14.29)	(20.54)
3-4 Years	3	3	12	6	3	27
	(6.98)	(5.36)	(20.00)	(12.00)	(6.12)	(10.47)
4 Years and above	3	10	8	6	1	28
	(6.97)	(17.85)	(13.33)	(12.00)	(2.04)	(10.85)
Total	43	56	60	50	49	258
	(100)	(100)	(100)	(100)	(100)	(100)

Source: Field Survey.

Who Decides the Terms of Leasing?: The tenants were asked to give information on who decided the terms of leasing-in. More than half of the respondents reported that terms were decided as per practices of leasing prevalent in the area (Table 26). About one-third respondents reported that the terms were dictated by landlords, while in about 10 per cent cases tenants laid down

the conditions of lease. However, remarkable differences in lease decisions were observed across the districts. In Lakhimpur and Hardoi districts more than 50 per cent respondents reported that landlords decided the terms, while in Sultanpur and Jhansi districts less than 10 per cent reported that terms were decided by landlords.

Table 26: Distribution of Respondents by Decision Maker about the Terms of Leasing

Decision Maker	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Tenant	5	3	3	8	5	24
	(11.63)	(5.36)	(5)	(16.0)	(10.20)	(9.30)
Landlord	26	28	5	19	4	82
	(60.47)	(50)	(8.33)	(38.0)	(8.16)	(31.78)
General Practice	12	25	49	23	34	143
	(27.91)	(44.64)	(81.67)	(46.0)	(69.39)	(55.43)
Mutual Understanding	<b>]</b> -	50	3 (5)	-	6 (12.24)	9 (3.49)
Total	43	56	60	50	49	258
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Source: Field Survey.

Place of Sharing the Produce after Harvesting: The place of sharing of produce may affect the proportion in which output is to be shared between tenants and landlords. It may be argued that if the produce was kept at the place of landlord after harvesting for sharing between the tenant and landlord, chances were there that landlord may take away greater share than what was decided upon. The analysis of our survey data showed that in most cases (63.2 per cent) tenants

kept the produce in the field after harvesting. In around 22 per cent cases produce was kept at the place of tenants. The practice of keeping the produce at the place of landlords was reported by only 8 per cent of all tenants (Table 27). In Jhansi district the produce was shared at the field, while in Sultanpur district it was kept at the tenants' place in more than 50 per cent cases. Thus, it can be said that the produce was shared between tenants and landlord amicably.

Table 27: Place of Sharing the Produce after Harvesting

Place of Sharing	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
In Field	32	50	10	24	47	163
	(74.42)	(89.29)	(16.67)	(48.00)	(95.92)	(63.18)
At Tenants' Place	5	2	31	16	2	56
	(11.63)	(3.57)	(51.67)	(32.00)	(4.08)	(21.71)
At Landlords' Place	4 (9.30)	4 (7.14)	7 (11.66)	5 (10.00)	-	20 (7.75)
Any Other Place	2 (4.65)	-	12 (20.00)	5 (10.00)	-	19 (7.36)
Total	43	56	60	50	49	258
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Source: Field Study.

# **Recent Changes in Tenancy Pattern**

We also tried to examine whether there have been changes in any aspect of tenancy during the past five years. Majority of sample tenants (62 per cent) reported that there was no change of any form in the tenancy during the last five years (Table 28). Remaining tenants reported change in tenancy in respect of choice of crop (16 per cent), terms

of lease (14 per cent) and sharing in cost (8 per cent).

There were differences in pattern of response in different districts. A relatively higher proportion of tenants reported no change in tenancy system in Sultanpur, Jhansi and Hardoi districts. However, 44 per cent tenants reported change in terms of lease in Lakhimpur, while 48 per cent reported change in selection of crops in Etah district.

Table 28: Changes Reported in Tenancy During Last Five Years

Changes	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Type of lease	19 (44.19)	1 (1.78)	4 (6.67)	5 (10.00)	8 (16.33)	37 (14.34)
Sharing in cost	3 (6.98)	5 (8.93)	-	7 (14.00)	5 (10.20)	20 (7.75)
Selection of crops	4 (9.30)	12 (21.43)	-	24 (48.00)	-	40 (15.50)
Others (timely paym	nent) 2 (4.65)	-	-	-	-	2 (0.78)
No change	15 (34.88)	38 (67.86)	56 (93.33)	14 (28.00)	36 (73.47)	159 (61.63)
Total	43 (100.00)	56 (100.00)	60 (100.00)	50 (100.00)	49 (100.00)	258 (100.00)

Source: Field Survey.

Relation of Tenants with Landlords: The study has also examined the nature of relations between tenants and landlords. Hardly 2 per cent of tenants reported that there was any dispute with their landlords.

Decision about Cropping Pattern: About 60 per cent of tenants reported that the

decision about cropping pattern was taken jointly in majority of cases (Table 29). Around 28 per cent of tenants expressed the view that landlords took such decisions. This proportion was higher in Hardoi and Etah districts, 53.6 and 36.0 per cent, respectively. About 13 per cent of tenants took decision themselves about cropping pattern.

**Table 29: Decision About Cropping Pattern** Decision Taken by Lakhimpur Hardoi Sultanpur Etah Jhansi ΑII Tenant 1 13 11 3 34 (13.95)(1.79)(21.67)(22.00)(6.12)(13.18)Landlord 72 10 30 13 18 (23.26)(53.57)(21.66)(36.00)(2.04)(27.91)27 25 34 Jointly 21 45 152 (62.79)(44.64)(42.00)(91.84)(56.67)(58.91)Total 56 50 49 43 60 258 (100.00)(100.00)(100.00)(100.00)(100.00)(100.00)

Source: Field Survey.

Loan Taken From Landlords: In the sample, 14 per cent tenants reported to have taken loan from landlords. About 9 per cent tenants had taken loan for production purpose while 5 per cent took loan for consumption

purpose (Table 30). The proportion of tenants taking loan both for production and consumption purposes was relatively higher in Jhansi district.

Table 30: Tenants Reporting Taking Loan from Landlords

Purpose of Loan	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Production	-	2 (3.57)	8 (13.33)	5 (10.00)	8 (16.33)	23 (8.92)
Consumption	-	-	3 (5.00)	2 (4.00)	7 (14.29)	12 (4.65)
Total	-	2 (3.57)	11 (18.33)	7 (14.00)	15 (30.61)	35 (13.56)

Source: Field Survey.

Undue Favours Taken by Landlords: Onefourth of total tenants reported that the landlords sought undue favour from them. In majority of cases, landlords asked them to work at lower wage rates and on their terms. The percentage of such tenants who reported undue favour sought by the landlords were lower in Lakhimpur district as compared to other districts (Table 31).

Table 31: Tenants Reporting Undue Favours Taken by Landlords **Undue Favours** Lakhimpur Hardoi Sultanpur Etah Jhansi ΑII Labour on Unfavourable Terms 3 3 15 (4.65)(5.36)(8.33)(6.00)(6.12)(5.81)7 7 37 Labour at Lower Rates 1 11 11 (12.50)(22.00)(4.65)(11.67)(22.45)(14.34)Demand to Work as 1 6 1 12 Permanent Servant (1.79)(10.00)(8.00)(2.04)(4.65)Total 2 1118 1815 64 (4.65)(30.00)(36.00)(19.64)(30.61)(24.81)

Source: Field Survey.

Problems Faced by Tenants: The tenants were also asked about the problems they faced as tenants. Nearly one-third tenants complained about insecurity of tenancy. Over one-fourth of the tenants mentioned non-

availability of institutional credit as a problem. Over one-fifth faced problem of lack of equipment and machinery for cultivation. Exploitation by landlord was reported by about one-sixth of the tenants (Table 32).

Table 32: Problems Faced by the Tenants

Problems	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Insecurity	6	16	43	8	37	110
of Tenancy	(13.96)	(21.62)	(38.39)	(16.00)	(52.11)	(31.42)
Non-availability of	15	16	38	1	23	93
Institutional Credit	(34.88)	(21.62)	(33.93)	(2.00)	(32.39)	(26.57)
Non-availability of	9	33	3	32	1	78
Machinery & Equipmen	t (20.93)	(44.60)	(2.68)	(64.00)	(1.41)	(22.29)
Exploitation	13	8	19	7	10	57
by Landlord	(30.23)	(10.81)	(16.96)	(14.00)	(14.09)	(16.29)
Non-sharing of	-	1(1.35)	9(8.04)	2(4.00)	-	12(3.43)
cultivation cost						
Total	43	74	112	50	71	350
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Source: Field Survey.

Views of Tenants on Legalisation of Tenancy: As mentioned earlier, tenancy is illegal in U.P. although it prevails in all parts of the State in a concealed form. The

respondents were asked whether in their view tenancy should be legalised. More than 75 per cent of the tenants reported that tenancy should be legalised (Table 33), while

an overwhelming majority of tenants in Lakhimpur and Jhansi districts wanted legalisation of tenancy. About one-third of tenants were not in favour of its legalisation in the districts of Hardoi, Sultanpur and Etah. It may be observed that in the former two districts land inequity was greater and the proportion of large holdings was also greater. On the other hand, in the other three districts holdings were smaller and land pressure was more. Thus, tenants in later districts had fear that if tenancy is legalised landlords may not be willing to give their land on lease.

Table 33 : Opinion of Tenants About Legalisation of Tenancy

Opinion	Lakhimpur	Hardoi	Sultanpur	Etah	Jhansi	All
Agree	37	39	42	32	45	195
	(86.05)	(69.64)	(70.00)	(64.00)	(91.84)	(75.58)
Disagree	6	17	18	18	4	63
	(13.95)	(30.36)	(30.00)	(36.00)	(8.16)	(24.42)
Total	43	56	60	50	49	258
	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)

Source: Field Survey.

## **Conclusions and Suggestions**

The major findings of the study are summarised below:

- 1. Despite the legislative regulations and restrictions on the tenancy, it is being widely practised in U.P. as well as in India. The NSS figures showed that percentage of tenant holdings was 20.5 per cent in U.P. during 1980-81 which declined to 11.7 per cent in 2002-03. The percentage of leased-in area in total area has remained constant around 10 per cent in U.P during 1980-81 to 2002-03.
- 2. The socio- economic conditions of the sample tenants have revealed that majority of them belonged to backward castes followed by scheduled castes, while very few tenants were from upper castes. Agriculture was the main occupation of about 60 per cent of tenants while about 20 of them were rural labourers.

- Average land leased-in per household was 1.61 acres which was higher than the land owned per household (1.19 acres).
- 4. As a means of better livelihood was the main reason for leasing-in of land.
- The leased-in land did provide an average annual income of ₹ 5163 per household, which accounted for 22.34 per cent of average annual income per household.
- 6. Majority of landlords who rented-out their land also belonged to Other Backward Castes (OBCs) and around half of them were engaged in agriculture and rest were engaged in service and trade professions.
- 7. All lease agreements were oral. The length of lease was generally of short duration. In most of the cases duration of lease was of 1 to 2 years.

- 8. The terms of lease were generally decided according to the prevalent lease practices in the area. The dominant form of leasing was based on the sharing of produce and cost on 50:50 basis. Generally the cost of fertilisers and irrigation was shared on 50-50 per cent basis between tenants and landlords. The practice of leasingin on the basis of cash payment was also found to be emerging in some districts.
- Insecurity of lease contract was the most serious problem perceived by tenants.
- About one-third of tenants have reported the taking of loan from land owners for production or consumption purposes.
- 11. One-fourth of tenants have reported that their land owners sought undue favour in lieu of leasing-in of land to them in the form of payment of lower wages for their labour.
- 12. Majority of tenants who were interviewed expressed the view that tenancy should be legalised.

To conclude, leasing-in of land is a livelihood strategy adopted by landless labourers and farmers with small holdings to augment their income. It is an effective measure for increasing the access of poor to land without imposing ceiling on agricultural land for its redistribution among the landless people. The Tenth Five Year Plan has rightly observed in this connection:

"The prohibition of tenancy has not really ended the practice. This, in turn, also depresses employment opportunities for the landless agricultural labourers. The ban on tenancy, which was meant to protect tenants, has only ended up hurting the economic interests of the tenants as they are not even recognised as tenants. As a result, they are denied the benefits of laws that provide security of tenure and regulation of rent."

Our field study in Uttar Pradesh provides support to the above observations. Liberalisation of lease market has become essential in the present circumstances for improving the performance of agriculture and generation of income and employment opportunities for the poor. It is high time that the State government took necessary steps to legalise tenancy and formulate an appropriate policy, balancing the interests of the tenants and the landlords. Such policy framework should insure fixity of tenure for a given period and the right of lessors over land. A five-year renewable contract may be provided for. Land leasing should be permitted within the land ceiling limit. As a precautionary measure leasing-in by large landholders from small and marginal farmers should not be allowed. The government may indicate the maximum rent to be realised by the landlord, but within that limit it is better to leave the terms of contract to be decided by the market. A simple format of agreement may be provided which may be registered with the village Panchayat or tehsil office. The policy should also spell out mechanism to organise the contract between the lessors and lessees. Making available the relevant information on the availability of farm land for lease, its quality etc. to potential tenants should be an integral part of the plan of land lease liberalisation. Panchayats should maintain details of land available for lease with details of its quality, irrigation facility, etc. All the tenant cultivators should be recorded and they should also be made eligible for the institutional loans. Such types of reforms in tenancy laws on the above lines will be mutually beneficial to all parties concerned and will certainly promote inclusive growth.

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