

**ON SOME ASPECTS OF ACCESS TO LAND  
IN RURAL INDIA FROM 1970s TO 1990s**

*Dissertation submitted to the Jawaharlal Nehru University  
in partial fulfillment of the requirement for  
the award of the degree of*

**MASTER OF PHILOSOPHY**

By

**JAI RAM MEENA**

Under supervision of

**Dr. PRAVEEN KUMAR JHA**



**CENTRE FOR ECONOMIC STUDIES & PLANNING**

**SCHOOL OF SOCIAL SCIENCES**

**JAWAHARLAL NEHRU UNIVERSITY**

**NEW DELHI-110067**


**2003**




Date: 31.7.03.

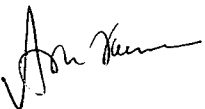
CERTIFICATE

This is to certify that this dissertation entitled "*ON SOME ASPECTS OF ACCESS TO LAND IN RURAL INDIA FROM 1970s To 1990s*", by Mr. JAI RAM MEENA is in partial fulfillment of the requirements for the award of the degree of MASTER OF PHILOSOPHY of this University. The dissertation has not been submitted for any other degree of this or other university and is my own work.

  
(Signature of the Student)

We recommend that this dissertation be placed before the examiners for evaluation.

  
(SUPERVISOR)

  
(CHAIRPERSON)  
CHAIRPERSON  
Centre for Economic Studies & Planning  
SSS/JNU/New Delhi-110067

## *Acknowledgement*

*I would like to express my heartfelt gratitude to my supervisor Professor Dr. Praveen Kumar Jha, whose invaluable encouragement and guidance have been indispensable for the completion of this work.*

*I am thankful to Prof. Dr. Vikas Rawal for providing guidance. My thanks are due to Prof. Dr. Pradipta Chaudhury for his ingenuous moral boosting at various stages. I have the opportunity to thank Prof. N. Sinha (University of Rajasthan) who encouraged me to join research programme in J. N. U.*

*I thank all the staff and members of CESP, especially Bisht Ji for their hand of support as and when required. My gratitude also to staff of J.N.U. central library, EXIM bank library, NCAER library, Central Secretariat library, Ministry of Agriculture library, the Delhi University library and C.S.O. library.*

*I thank all my friends classmates and colleagues, particularly Dr. Durga Prasad, Mahendra Kumar, Muraree Lal Meena, Hari, Devender, Rabi, Rajeev and Sarita with whom I shared the moments of happiness as well as depression.*

*As ever, I owe my loveful gratitude to my parents and family members. Without their hard work, I could not have come this far in my scholarly pursuits.*

*Jai Ram Meena*

## CONTENTS

	<b>PAGE No.</b>
<i>ACKNOWLEDGEMENT</i>	
<b>CHAPTER-I</b> INTRODUCTION	1-10
<b>CHAPTER-II</b> IMPORTANCE OF LAND AND AGRICULTURE IN INDIAN ECONOMY	11-19
<b>CHAPTER-III</b> PATTERNS OF LAND DISTRIBUTION	20-57
<b>CHAPTER-IV</b> ASPECTS OF LAND POLICY IN INDIA	58-71
<b>CHAPTER-V</b> IMPACT OF LAND POLICY ON ACCESS TO LAND IN INDIA	72-80
<b>CHAPTER-VI</b> CONCLUSION	81-84
BIBLIOGRAPHY	85-90
<b>APPENDIX</b> DETAILED STATISTICAL TABLES	91-96

## LIST OF TABLES

Table No.	Title	Page Nos.
2.1	Percentage Share of Agriculture in GDP (total) at Factor Cost (Rs in Crore)	12
2.2	Share of Agriculture in Rural Workforce	14
2.3	Share of Agricultural Exports in GDP in India	16
3.1	Some Aspects of Household Ownership Holding (1960-61 to 1991-92)	23
3.2	Change in the Concentration Ratio of Ownership Holdings (1970-71 to 1991-92)	26
3.3	Some Aspects of Operational Holdings in Rural India (1970-71 to 1991-92)	33
3.4	Gini Coefficient of Operational Holdings (1960-61 to 1991-92)	34
3.5	Change in Proportion of Landless Households (1970-71 to 1991-92)	39
3.6	Change in Distribution of Operational Holdings (1970-71 to 1991-92)	41
3.7	Category wise Average Size of Operational Holdings in India (in hectare)	45
3.8	State wise Average Size of Operational Holdings in India (1970-71 to 1990-91)	47
3.9	Some Estimates of Land Tenure Status (1991-92)	50
3.10	Percentage of Tenant and Area Leased in By Size class (1991-92)	52
3.11	Change in Percentage of Area Leased-in and Tenant Holdings By Categories of Operational Holdings (1960-61 to 1991-92)	53
3.12	Percentage of Tenant Holdings & Operated Area Leased-in (Rural)	56

## CHAPTER-I

### INTRODUCTION

Land is the most important asset in poor agrarian economies and also the most important factor of production. Most of the economic activities are related to land in those economies. In a land-based economy, like the Indian rural economy, access to land and related economic activities would be a good indicator of economic and social well-being of a household. Its possession in equitable way in a community or in a country has its own benefits. The equal distribution of land has multiple benefits in terms of reduction of poverty and economic inequalities and greater economic growth. It would increase allocative efficiency in the use of resources. One consequence of this is that it would increase the demand for labour and generate more employment opportunities in the countryside. By and large, equal access to land in rural areas, particularly to land cultivated, establishes a society with both economic and social justice. But unfortunately, the distribution of land in India is not equal. India inherited semi-feudal relations of production in agriculture at the time of Independence. The land tenure system in rural India crystallized into three main varieties viz., the 'zamindari', the 'ryotwari' and the 'mahalwari' tenures each accounting for 57 per cent, 38 per cent and 5 per cent of the total privately owned agricultural land. These land relations were based on exploitation. These agrarian affairs, thus, entailed a complete restructuring of agrarian relation both in the interest of liberating rural peasantry from the stranglehold of semi-feudal production relations and fostering the agricultural development. Therefore, distributive

aspects of land reforms have continued to occupy the centre stage in land reform policies. In the past, while greater emphasis had been placed on the disposal of cases and distribution of land, least concern was shown for the social matrix that follows land distribution.

### **Objective of the Present Study**

In India, where a large section of population is forced to remain in rural areas for their livelihood, the question of access to land in unsustainable manner is possibly the single most important question. The present study makes an attempt to explore the changing structure of landholdings, which is not in favour of small and marginal sections of population in rural India. Besides it explores the process and policies, which have had a significant bearing on the question of access to land in an unsustainable manner. Thus, the study seeks to analyse whether the people's access to land increased or not.

### **Statement of Method**

To look into the changes in the access to landholdings, the National Sample Survey reports and the Agricultural Census are the two major sources of data. However, the agricultural census emerged only after 1970-71 and latest in the series was conducted in 1990-91. As is well known, the agricultural census data are largely questionable and less reliable land revenue records at the grass roots level for most of the states. Not only that, skills of personnel involved in their tabulation but as the methodology adopted to arrive at the number of holdings leave much to be desired<sup>1</sup>. In comparison to this, the NSS data are the only source of information from

---

<sup>1</sup> Sanyal and Sinha, (1977)

1953-54 (8<sup>th</sup> round) to as late as 1992 (48<sup>th</sup> round). The NSS data alone allow us to build the temporal profile of access to land since the early 1950s. Briefly, the data thrown up by the NSS, although not completely free from conceptual deficiencies and definitional deviations, are based on a more scientific methodology and are still the most satisfying lot of information.

To eliminate the bias arising because of changes in the number of size classes, the Gini coefficient for all five NSS rounds were calculated taking 12 uniform farm size groups in respect of ownership holdings and 11 in the case of operational holdings.

For computing the respective share the following Lagrangian form of interpolating polynomial was used:

### **Concepts and Definitions**

Explanations of the major concepts and definitions of important terms used in this study related to the landholdings patterns in India are explained below:

#### **(I) Household**

A household is defined as a group of persons normally living together and taking food from a common kitchen. However, a boarding house, a hotel or a hostel was treated as a cluster of households, where each individual boarder formed a separate household. If a group of persons among them pooled their income for spending, they together were treated as forming a single household. Barracks of military and paramilitary forces, orphanages and vagrant-houses were excluded from the scope of the surveys<sup>2</sup>.

---

<sup>2</sup> See NSS Report No. 399 Page-3



## **(II) Household Size**

The number of individuals in a household is defined as its size. It included temporarily stay-away but excluded temporary visitors and guests<sup>3</sup>.

## **(III) Ownership of holding**

A plot of land is considered to be owned by the household if permanent heritable possession of the land, with or without the right to transfer the title was vested in a member or members of the household. Land held in owner-like possession under long term, lease or assignment was also considered, as land owned. Thus, in determining the ownership of plot of land two basic concepts were involved; firstly, land owned by household, i.e. land on which the household had the right of permanent heritable possession with or without the right to transfer the title e.g. Pattadars, Bhusmidars, Bhumiswami, Ryot, Sithibans etc. so that the owner, without losing the right of permanent heritable possession may lease a plot of land out to others and secondly, land held under special conditions, such that the holder did not possess the title of ownership, but the right for long term possession of the land (for example, land possessed under perpetual lease, hereditary tenure and long term lease for 30 years or more) was considered as being held under owner-like possession. In states where land reform legislation has provided for full proprietorship to erstwhile tenants, they were having owner-like possession, even if they had not paid the full compensation.

Sometimes, a tribal in accordance with traditional tribal rights from local chieftains or village district council may possess a plot of land. Again, a

---

<sup>3</sup> See NSS Report No. 399 Page-3

plot may be occupied by a tenant while the right of ownership is vested in the community. In both the cases, the tribal or the other individual (tenant) was taken as owner, for in all such cases, the holder had the owner like possession of land in question.

In this way, it is clear that land with permanent heritable possession, with or without the right to transfer the title, was considered as owned land. Land held in owner-term-lease or assignment (e.g. village land possessed by a tribal household as per traditional tribal rights or a community land customarily operated by a tenant for a long period) was also treated, as land owned. A household ownership holding includes all plots of land owned by a member of the household, whether the land is cultivated or not. Thus, a household ownership holding may include, besides cultivable land, areas under forest, barren and uncultivable land, cultivable wasteland put to non-agricultural uses (viz. household sites, roads etc.) land growing miscellaneous tree, crops, etc.

The results of the surveys contribute a fairly comparable set of data over quite a long period. The estimates of ownership holdings obtained from the eighth round, however, are not strictly comparable with those from the later rounds. In eighth round, a plot of land was considered to be owned by a member of household only if he/she held it with permanent or heritable possession, with or without the right to transfer the title. The coverage of owned land remained unaltered through the rounds, except for one change introduced in the definition of owned land. The land held in owner-like possession under a long-term lease or assignment became a part of land owned by the household since the 17<sup>th</sup> round (1961-62). In that round the terms 'assignment' or 'long-term lease' covered only those given by the

government. In 26<sup>th</sup> round (1971-72), owner-like possession was elaborated to cover the following type of possession as well:

- (a) land held under perpetual basis, hereditary tenure and long term lease (ranging from 30 to 99 years),
- (b) land held by tribal under traditional right from local chieftains, village council or district councils,
- (c) land held by tenants who were granted full proprietary right by the government under land reform legislation,
- (d) land held by tenants while ownership right was with the community.

These types of possession, however, account for a very small share of area owned. But for the coverage of owner-like the possession, the term 'ownership' has remained unaltered since the 26<sup>th</sup> round.

By and large, the definition of ownership of land remains the same for the surveys of 1961-62, 1970-71, 1981-82 and 1991-92<sup>4</sup>.

#### **(IV) Operational Holdings**

An operational holding is defined as a techno- economic unit used wholly or partly for agricultural production and operated (directed or managed) by one person alone or with the assistance of others, without regard to title size or location. The holding might consist of one or more plots of land, provided they are located within the country and form a part of the same technical unit. In the context of agricultural operations, a technical unit is a unit with more or less independent technical resources covering items

---

<sup>4</sup> See NSS Survey Report No. 399 Page-3-4

like land, agricultural equipment and machinery, draught animals etc. Holdings used exclusively for livestock and poultry raising and for production of livestock and poultry products (primary) and / or pisciculture are considered as operational holdings whereas holdings put exclusively to uses other than agricultural production are not considered as operational holdings. Holdings operated by cooperative farms are also not considered as operational holdings.

The estimates of the different rounds, on operational holdings, are of the whole comparable, except that of the eighth round, which, due to differences in definitions are not strictly comparable with those of other rounds<sup>5</sup>.

The definition of operational holdings has undergone only a marginal change since the 17<sup>th</sup> round (1960-61) with respect to the coverage of "operated land". In the 37<sup>th</sup> round (1981-82), the definition of operated land was extended to include land encroached or occupied on squatter basis, which is referred to as "otherwise possessed" land in this report. It is seen that the percentage share of such land in the area operated were only 1.7% and 1.0% in 1981-82 and 1991-92 respectively. In this way, it is clear that the results of four surveys since 17<sup>th</sup> round are comparable in spite of the change in definition.

The basic unit for collection of data in the Agricultural census is an operational holding. That is defined as all land, which is used wholly or partly for agricultural production and is operated as one technical unit by one person or along with others without regard to the title, legal form, size or

---

<sup>5</sup> Bandyopadhyay, N. 1975, 'Changing forms of agriculture' and NSS Report No. 407

location. A technical unit is defined as "those units under the same management and having the same means for production such as labour force, machinery and animals." Thus, an operational holding consists of all land cultivated by a particular cultivator irrespective of whether he owns it or not. In other words an operational holding consists of land owned and self-operated plus land taken on lease from others for cultivation. In this way, the land owned, but leased out to others will not form part of operational holding of a particular cultivator. This land will be included in the area of operational holding of the person who has taken it only for cultivation<sup>6</sup>.

#### **(V) Lease of land**

Land given to others on rent or free by owner of the land without surrendering the right of permanent heritable possession is defined as land leased out. It is defined as land leased-in if taken by a household on rent or free without any right of permanent or heritable possession. The lease contract may be written or oral.

Sometimes orchards and plantations are given to others for harvesting the produce for which the owner receives a payment in cash or kind. Such transactions were not treated as a part of land leased out<sup>7</sup>.

As distinct from a household ownership holding, which is restricted to the area of land owned by a household, operational holding encompasses all land under physical possession of the techno-economic unit either owned, leased in or otherwise possessed. A unit with more or less independent technical resources for agricultural operations like land, agricultural

---

<sup>6</sup> See NSS Report No. 407

<sup>7</sup> NSS Reports Nos. 399, 407

equipment and machinery, draught animals etc. was considered to be an operational holding if some agricultural production was carried out on any part of the land under its possession during the reference period.

### **A Description of the Contents of Various Chapters:**

The present chapter is the introductory chapter to the present study. It consists of concepts and definitions used throughout the study, data sources, their limitations and objective of this study. Chapter second provides a sketch of importance and scope of agriculture in Indian economy, particularly in Indian rural economy. Most of the Indian population dwells in rural areas and therefore, land and agriculture become more important in rural life. Households residing in rural areas are dependent on agriculture for their livelihood. This chapter aspires to investigate the landholding structure in India.

Third chapter consists of a lot of quantitative information on access to land and changing landholding structure against poor in rural India. Household ownership holdings, operational holdings and current situation of tenancy are the main components of this chapter. Emphasis is basically on changing distribution of household ownership holdings, operational holdings and tenancy among the major size-classes of holdings. Gini coefficient has been used widely to show inequality in access to land. This inequality ratio is the basis of comparison among the landholding classes. It has some limitations but there is plenty of information in NSS report about it. The inequality in distribution of landholdings measured in terms of Gini coefficient is showing that the distribution of ownership holdings remained more or less unchanged during 1970-71 to 1991-92. On the other hand, the distribution of operational holdings became more skewed over the years. The process of

marginalisation of households, ownership holdings and operational landholding is indicated in this chapter. Other important components of this chapter are the phenomenon of landlessness and semi-landlessness, fragmentation of operational holdings and average size of operational holdings.

In chapter four, we would examine the aspects of land policy adopted in India after Independence. Zamindari abolition policy, ceiling on landholdings and tenancy laws has been discussed here. The legislation also has been discussed. Further, this section will conclude with suggestions and recommendations have been given the last of this chapter.

Chapter five analyses the impacts of land policy adopted in India after independence, with regard to access to land. The access to land has decreased since independence and concentration of land has increased that is indicating that the land policy is not successful. The last chapter deals with the conclusion of the study that satisfies the objective of this study.

\*\*\*\*\*

\*\*\*\*\*

\*\*\*\*\*

## CHAPTER – II

### IMPORTANCE OF LAND AND AGRICULTURE IN INDIAN ECONOMY

In any poor agrarian economy land is, undoubtedly, the most important source of livelihood. A large section of the population depends on agriculture and related activities for their livelihood. In other words, the primary sector in any agrarian economy is the most important source of livelihood. Land and agriculture are the part and parcel of economic life of the residents of such a country. Most of the economic activities are related to land and agriculture in them. In agrarian economy development of industries, international trade relations, foreign money earnings, success of various plannings and perhaps political stability etc. depend on agriculture.

In India, land and agriculture are also the main source of livelihood. A large section of poor population depends on land and agricultural activities. Land is not only the means of livelihood but also related to socio-cultural life of Indian society. Indian history is witness to this statement. A big landholding was not only the symbol of economic prosperity, entitlement, power and privileges but also the symbol of social status. By and large, land and agriculture in India were very important in the past and today also. In other words, agriculture was the backbone of the economy and continues to be so because more than two third of Indian population resides in rural areas and is directly or indirectly dependent on agriculture.

Now we give a sketch of importance of land and agriculture in Indian perspective:



The percentage share of agriculture in national income indicates the level of economic development. Higher is the share of agriculture in national income of any country, lower will be the level of economic development. Agriculture accounts for nearly one fourth of Indian national income. Share of agriculture for different years is given in the table (2.1).

**Table (2.1): Percentage Share of Agriculture in GDP (total) at Factor Cost\* (Rs crore)**

Year	At 1993-94 Prices		
	GDP (Total)	GDP (Agriculture)	Percentage Share of Agriculture
1993-94	781345	221834	28.4
1994-95	838031	233099	27.8
1995-96	899563	230469	25.6
1996-97	970083	253750	26.2
1997-98	1016399	246598	24.3
1998-99	1082472	263540	24.3
1999-2000	1148500	266292	23.2
2000-2001	1193922	265180	22.2

**Source:** *Agriculture Statistics at a Glance, GOI, New Delhi, 2002.*

**Note:\*** *Excluding Forestry, Logging & Fishing*

@: *Quick Estimates*

Na: *Not available*

The percentage share of agriculture excluding forestry, logging and fishing were approximately 56 per cent of total GDP at factor cost in 1950-51. It was 28.4 per cent in 1993-94 at the constant prices of 1993-94. It came down from 28.4 per cent in 1993-94 to 22 per cent in 2000-01. But it is clear that still a high proportion of GDP comes from agriculture in Indian economy.

In the same way, agriculture accounts for about 25 per cent of India's national income. The share of agriculture in national income has been declining from 56.5 per cent in 1950-51 to 52.1 per cent in 1960-61, 45.7 per cent in 1970-71, 39.6 per cent in 1980-81, 33 per cent in 1990-91, and 24.3 per cent in 2000-02 (advance estimates)<sup>8</sup>. By and large, agriculture still remains as one of the main source of national income in India. Thus, high proportion of agriculture in the national income indicates that the level of economic development is low and therefore, land is an important asset in India.

Along with high share in national income, agriculture is also the main source of employment in India. Particularly in rural India where a very high proportion of working population is, engaging in agriculture and economic activities related to agriculture. No doubt, nearly, 80 per cent Indian population dwells in rural area and is directly or indirectly dependent on agriculture. The importance of agriculture in providing employment opportunities to rural workforce in rural areas is clear from table (2.2). In 1951, the share of agriculture was 69.4 per cent in rural workforce. The total number of cultivator and agricultural labourers were 69.9 million and 27.3 million respectively. Agricultural labourer is a person who sells her/his labor

---

<sup>8</sup> CSO: Central Statistical Organization, New Delhi.

power to work on another person's land for wages-in money, kind or as a share of the crop. According to currently prevalent census definition, "A person who works on another person's land for wages in money, kind or share is regarded as an agricultural labour (AL). He or she has no risk in cultivation, but merely works on another person land for wages. An agricultural labour has no right of lease or contract on the land on which he or she works".<sup>9</sup> Thus, the census definitions clearly exclude tenant as well as marginal farmers, and include only landless labourers.

**Table (2.2): Share of Agriculture in Rural Workforce**

Year	Cultivators	Agricultural Labourers	Other Workers	Rural Workers
1951	69.9 (49.9)	27.3 (19.5)	42.8 (30.6)	140.0 (100)
1961	99.6 (52.8)	31.5 (16.7)	57.6 (30.5)	188.7 (100)
1971	78.2 (43.4)	47.5(26.3)	54.7(30.3)	180.4(100)
1981	92.5(37.8)	55.5(22.7)	96.6(39.5)	244.6(100)
1991	110.7(35.2)	74.6(23.8)	128.8(41.0)	314.1(100)
2001	127.6(31.7)	107.5(26.7)	167.4(41.6)	402.5(100)

**Source:** *Agricultural Statistics at a Glance, GOI, New Delhi, 2002.*

Note: 1 Figures in the brackets show percentage rural workforce.

As indicated by table (2.2), share of agriculture in rural workforce declined from 69.4 per cent to 58.4 per cent during the period 1951-2001.

<sup>9</sup> Jha, P.K. (1997), 'Agricultural Labour in India; op.cit., p.xi

Table (2.2) shows that the increase in the absolute number of rural workforce engaged in agricultural was 141.9 per cent during the period as mentioned above. In this way, it is clear that in spite of changing composition of rural workforce the share of agriculture in it is still significant.

Importance of Indian agriculture also arises from the role it plays in India's exports. Agricultural products i.e. tea, sugar, oilseed, tobacco, spices etc. continue to be the main items of export from India. The percentage of agricultural goods in total exports was 13.5 per cent in 2000-01 and 13.4 per cent 2001-02. It was 11.9 per cent in April-December, 2002-03 (Economic Survey, 2003). The share of exports in total exports declined with expansion and diversification of production as shown in table (2.3). For example, it declined from 44.2 per cent in 1960-61, 31.7 per cent in 1970-71, 30.7 per cent in 1980-81, and 18.5 per cent 1990-91, 19.13 per cent in 1995-96, 17.8 per cent in 1998-99 to 13.4 per cent in 2001-02. The Uruguay Round made agriculture more important. It establishes a fair and market oriented agriculture trading system that may support India's trade in agriculture. Thus, agricultural exports still have main role in India's total exports.

It is well known that there exists a positive correlation between agriculture and industrial development, particularly in the early middle stage of economic development. Indian agriculture has been the source of supply of raw materials to her industrial sector. The linkage between agriculture and industrial sector widely recognized in the literature,<sup>10</sup> focuses on the role of agriculture as:

(i) Supplier of wage goods to industrial sectors;

---

<sup>10</sup> Ruddra (1967), Chakravarthy (1974), Raj (1976), Mellor (1976), Mitra (1977), Chakravarthy (1979), Krishna (1982) and Rangarajan (1982).

(ii) Provider of raw material to agro-based industries;

(iii) Generator of agricultural income that enables rural demand for industrial products.

**Table (2.3): Share of Agricultural Exports in GDP in India**

Year	1970-71	1980-81	1990-91	1995-96	1998-99
GDP (total)	39708	122427	477814	100628	161238
GDP in Agriculture	16821	42466	135162	255613	428680
	(42.4)*	(34.7)*	(28.3)*	(25.4)*	(26.6)*
Total Export	1535	6711	32558	106353	141604
	(3.9)**	(5.5)**	(6.8)**	(10.6)**	(8.8)**
Agricultural Exports	487	2057	6019	20344	25225
% of agricultural exports of total exports	31.7	30.7	18.5	19.1	17.8
% of agricultural exports of in GDP (total)	1.2	1.7	1.3	2.0	1.6
% of agricultural exports of in GDP agricultural	2.9	4.8	4.5	8.0	5.9

Source: 1. National Accounts Statistics, Various Issues, CSO, New- Delhi.  
2. Economic Survey, Various Issues, GOI, New Delhi.

Note: 1. \*Percentage of GDP (total)  
2. \*\*Percentage of total exports in GDP (total)

Empirical test shows that a unit increase in agricultural output would have a positive effect on both industrial production and national income. Rangarjan (1982) estimated that a one per cent increase in agricultural output, tends to raise industrial production by 0.5 per cent and augment national income by 0.7 per cent. Modeling of linkages between agriculture

and industrial growth has shown that a 10 per cent increase in the agricultural output would increase industrial output by 5 per cent.<sup>11</sup> The experience in the 1980s and the 1990s also lends support to this. During 1980s the trend growth rate of 3.2 per cent in agriculture appeared to have had contributed to accelerate industrial production. The decelerated growth rate in agricultural production seems to have had a impact on growth of industrial production in the 1990s.<sup>12</sup>

Saving and investment linkages between agriculture and industrial sector are also a matter of concern here. Agricultural savings affect not only private savings but also public savings. From the point of view of investment, agricultural savings generate capital accumulation in agriculture and industrial sectors. Capital accumulation in agriculture creates supply of wage goods and raw materials to industrial sector. Most of the industries are based on agro-products so there each a relationship between agricultural savings and industrial development in India. By and large, it is clear that agriculture is a strong factor affecting industrial development, particularly in developing countries like India.

Agriculture is also important because most of the Indian population is in the early stage of Engel's curve/law. A big proportion of income in India, particularly in rural India, is spent on agricultural food products. It is estimated that Indian population spent 64 per cent of their total expenditure in rural areas and 56 per cent in urban areas, on food.<sup>13</sup> It is evident that the

---

<sup>11</sup> Radhakrishna (2002), 'Agricultural Growth, Employment and Poverty', *EPW*, vol. XXXVII, no.3, January 25, 2002.

<sup>12</sup> Kapila Uma (2003), 'Indian Economy, Issues in Development & Planning and Sectoral Aspects,' Academic Foundation.

<sup>13</sup> Narayanana, M.H. (1996), 'Food Security and Calorie Adequacy across States: Implication for reform', *Journal of Indian School of Political Economy*, Vol. VIII, No. 2, p. 222.

share of expenditure on agricultural products is very high in family budgets. Thus, land and agriculture are important as a main source of consumption goods in India. In this way, agriculture generates food security to the Indian population.

Importance of land and agriculture is indicated by main facts in our economy. It is the main support for transport system. Railways and roads secure bulk of their business from the movement of agricultural products. India's internal trade is mostly in agricultural products/goods and further, good crops creating purchasing power of the rural household led to greater demand for manufactures and, therefore, better prices. Prosperity of farmers is the other name for prosperity of industrial sector. Generally, it is failure in the agriculture front that led to failure of economic planning.

The agricultural growth has direct impact on poverty eradication because the most of the poor population depend on agriculture and related economic activities. For example, two third of the population depend on the agriculture sector in rural India. Thus, high rate of agricultural growth is one of the main factors affecting poverty in India. It was also responsible for the rising wage rates during the 1980s and the consequent decline in rural poverty.

Along with factor, affecting wage rates and poverty agricultural growth is also an important factor in containing inflation. The development of agriculture is the primary condition for sustainable food security and raw materials for agro-based industries. There are some examples of high correlation between agricultural growth and inflation in Indian experience since 1950. For example, the inflation at negative rate, 12.5 per cent, in 1952-53 was in response to bumper agricultural production in this year. The

inflation at negative rate 1.1 per cent, in 1968-69 was also due to the same reason. On the other hand, Indian economy experienced a high rate of inflation in the year of low agricultural production. It clears that the rate of agricultural production determines the threat of inflation. High agricultural growth benefits the poor people because the demand of the poor section is basically of agricultural food products. Thus, in terms of better prices, agricultural growth affects the aggregate demand in rural areas.

The majority of people of less-developed countries are still rural, their lives and work still bound up with the relation of production in rural economies. Rural economics is basically the economics of agriculture and therefore, the question of land is very important in less developed and developing countries. This is true for a country like India where about 72 per cent population is rural. Agriculture supports the Indian economy in the sense of its share in national income and employment opportunities particularly in rural areas. It is the supplier of wage goods and raw materials to industrial sector and of consumption goods. By and large, it is concluded that agriculture is the backbone of rural economy and therefore, land is the most important asset in rural India.

\*\*\*\*\*

\*\*\*\*\*

\*\*\*\*\*



## CHAPTER – III

### ***PATTERNS OF LAND DISTRIBUTION***

In a land-based economy, like the Indian rural economy, access to land and to economic opportunities linked to land based activities would be a good indicator of the economic status of a household because land is the most important asset in rural economy. Unlike other assets, it maintains its capital value over time and offers more security to the rural households. Its possession in these societies is a symbol of entitlement, power and privileges and is synonymous with not only economic status of a household but its social status as well.<sup>14</sup>

In respect of India also, land is very important in rural life. The importance of land and related economic activities, like agricultural use, as has been shown in the chapter-II, gives support to investigate what are the patterns of land distribution in India. But unfortunately, access to land and to economic opportunities linked to land are unequally distributed in the Indian society. It can be seen in the changing patterns of landholdings after Independence in India. The distribution of operational holdings differs from the distribution of ownership holdings due to lease market in Indian rural society. Accordingly, in spite of highly unequal distribution of ownership holdings, the distribution of operational holdings may be less unequal. By and large, it is clear that the distribution of land holdings in rural India after Independence has different characteristics that are becoming restrictions against proper and equitable access to land for the rural populace.

---

<sup>14</sup> Sharma, H.R. (1994).

This chapter incorporates changes in the household ownership holdings, operational holdings and tenancy holdings since the Independence mainly after 1970. It also analyses the marginalisation of holdings, fragmentation of operational holdings and others. In this chapter effort as been made to explore the following questions:

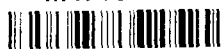
- How has the access to ownership holdings changed during 1970-71 to 1991-92?
- How has the access to operational holdings changed during 1970-71 to 1991-92?
- At what level has the concentration of ownership and operational holdings tended to grow?
- What has happened to the phenomenon of landlessness and semi-landlessness during this period?
- How have the different categories of holdings, particularly marginal holdings, fared in the changing pattern of land distribution?
- Have the operational holdings marginalised during 1970-71 to 1991-92?
- Were the trends in the ratio concentration of ownership holdings different from the trends in the concentration ratio of operational holdings?
- Finally, how has the access to land monopolized during this period?

TH-11725



DISS

333.310954  
M4716 On



Th11725

### **(A) Aspects of Ownership Holdings**

The table (3.1) represents a collection of some quantitative information about the ownership holdings in rural India during 1960-61 to 1991-92. It clearly shows that the percentage increase in the number of households during 1960-61 to 1991-92 was more than 60 per cent. On the other hand, the estimated area declined by about 8 per cent during the same period.

First of all, a quick look into the question of landlessness in rural India during 1960-61 to 1991-92 reveals that a large section of households is landless. The percentage of landless households decreased from 11.7 per cent to 9.6 per cent during 1960-61 to 1970-71 but it rose again in the next decades. Likewise, the percentage of semi-landless households (households that own land between 0.002 to 0.20 hectare) also increased during this period. The average size of area owned, including landless and excluding landless households indicated a steady decline during the period of 1960-61 to 1991-92. The average size, including landless households, was 1.78 hectare in 1960-61 that declined to 1.01 hectare in 1991-92. In the same way, the average size of area owned, excluding landless households, declined from 2.01 hectare to 1.14 hectare in the same period.

**Table (3.1): Some Aspects of Household Ownership Holdings, 1960-61  
to 1991-92**

**Rural**

Particulars	1961-62	1970-71	1981-82	1991-92
1. Estimated no. of households(m)	72.46	78.37	93.85	116.41
2. Estimated area owned (m/ha.)	128.73	119.64	119.77	117.35
3. Estimated no. of landless (m)	8.46	7.56	10.64	13.09
4. percentage of landless households	11.68	9.64	11.34	11.24
5. Estimated no. of near landless(m)	—	21.77	26.85	36.26
6. Percentage of near landless households	—	27.78	28.61	31.15
7. Average size of area owned:				
a. Including landless (ha)	1.78	1.53	1.28	1.01
b. Excluding landless (ha)	2.01	1.69	1.44	1.14
8. No. of household leasing out land(m)	5.09	7.74	5.86	5.64
	(7.03)	(9.87)	(6.24)	(4.85)
9. Amount of land leased out (m)	5.70	6.90	5.15	6.10
	(4.43)	(5.77)	(4.30)	(5.12)
10. No. of households leasing in land (m)	—	19.82	16.69	17.11
		(25.29)	(17.78)	(14.70)
11. Amount of land leased in (m/ha)	—	13.87	8.93	10.49
		(11.59)	(7.46)	(8.94)
12. Gini ratio	0.7174	0.7062	0.7076	0.7132
13. In the area owned, per cent share of:				
Bottom 50	3.31	3.86	3.52	3.33
Middle 40-80	25.37	26.02	25.61	26.68
Middle 50-80	22.91	23.31	23.29	24.22
Top 20	73.78	72.83	73.19	72.45
Top 10	54.60	53.75	53.78	54.08
Top 5	38.56	37.66	37.58	38.22
Top 1	16.51	15.20	14.35	14.96

Source: Based on NSS Reports on Landholding as in Sharma (1999).

Notes: 1. Semi-landless households are those that own land between 0.002-0.20 hectares.  
2. Figures in parentheses are percentages.

The Gini-ratio, given in table (3.1), of ownership holdings including landless did not show a significant change in the concentration ratio of household ownership holdings since 1960. In spite of marginal and negligible change in the concentration ratio of household ownership holdings, there happens to be a phenomenal increase in the 'semi-landless households'. The percentage of semi-landless households increased marginally from 27.8 per cent in 1970-71 and 28.6 per cent in 1981-82 to 31.1 per cent by the last decade. These are the households that constitute the vast and growing rural underclass. At the cost of these semi-landless households, a class is emerging as the 'masters of the countryside'.<sup>15</sup> The percentage share in total ownership holdings of bottom 50 per cent of population was 3.33 per cent, of top 20 per cent was 72 per cent and of top 5 was 38 per cent in 1991-92. It represents a very clear-cut picture of prevailing inequality in the rural economy. With respect to above, it is clear that the changing agrarian structure in rural India is not in favour of the poorer section of the populace.

### **Gini's Ratio of Ownership Holdings (NSS)**

**(a) Including Landless:** Table (3.2) shows that the state-wise concentration ratio of household ownership holdings has not shown significant variation during 1970-71 to 1981-82. In eight states, the concentration ratio increased while it declined in seven states during this period. The states such as Andhra Pradesh, Gujarat, Jammu & Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Tamil Nadu and Rajasthan showed rise in the inequality in the household ownership holdings including landless households (households owning no land or less than 0.002 hectare). Jammu & Kashmir was the state in which the rise was maximum in

---

<sup>15</sup> Reddy, D. N. (2002).

the concentration ratio during 1970-71 to 1981-82 where it increased from 0.42 to 0.52. On the other hand, in Assam, Bihar, Haryana, Himachal Pradesh, Kerala, Orissa, Punjab, Uttar Pradesh and West Bengal the concentration ratio of household ownership holdings, including landless households, decreased during the period mentioned above. The highest decline in the concentration was in Bihar where it declined from 0.72 to 0.60 during 1970-71 to 1981-82. In this way, Jammu & Kashmir was with the highest increase in the inequality and Bihar was with largest decline. But at all India level the concentration ratio of household ownership holdings, including landless households, remained practically unchanged during 1970-71 to 1981-82.

Now, we discuss the trends in the concentration ratio of household ownership holdings, including the landless, during 1981-82 to 1991-92. Andhra Pradesh, Haryana, Jammu & Kashmir, Karnataka and Tamil Nadu experienced decline in the concentration ratio of household ownership holdings. On the contrary, the states Assam, Bihar, Gujarat, Himachal Pradesh, Kerala, Maharashtra, Orissa, Rajasthan and Uttar Pradesh showed rise in the concentration ratio of household ownership holdings, including landless households, during 1981-82 to 1991-92. Bihar is the state, which showed a turning point. In Bihar, this ratio was 0.72 in 1970-71, 0.60 in 1981-82 and 0.70 in the last decade. It is evident that the level of inequality in the distribution of land in Bihar rose again in 1991-92. Punjab was the only state where the ratio did not change during 1981-82 to 1991-92. At all India level the concentration ratio of household ownership holdings, including landless households, continued to show the trend of the last decades.

**Table (3.2): Change in the Concentration Ratio of Ownership holdings  
during 1970-71 to 1991-92**

State	Including land-less households			Excluding land-less households		
	1970-71	1981-82	1991-92	1970-71	1980-81	1991-92
Andhra Pradesh	0.73	0.74	0.72	0.71	0.69	Na
Assam	0.62	0.56	0.57	0.49	0.51	Na
Bihar	0.72	0.60	0.70	0.66	0.65	Na
Gujarat	0.68	0.69	0.71	0.64	0.63	Na
Haryana	0.75	0.70	0.68	*	*	Na
Himachal Pradesh	0.55	0.54	0.60	Na	Na	Na
J & K	0.42	0.52	0.51	0.41	0.48	Na
Karnataka	0.66	0.68	0.66	0.61	0.63	Na
Kerala	0.70	0.68	0.69	0.61	0.59	Na
M.P.	0.62	0.65	0.65	0.58	0.58	Na
Maharashtra	0.68	0.70	0.71	0.62	0.63	Na
Orissa	0.64	0.61	0.66	0.59	0.57	Na
Rajasthan	0.60	0.62	0.65	0.59	0.58	Na
Punjab	0.78	0.77	0.77	*	*	Na
T. N.	0.75	0.76	0.75	0.68	0.68	Na
U.P.	0.63	0.60	0.63	0.61	0.61	Na
W.B.	0.67	0.63	0.68	0.62	0.61	Na
<b>INDIA</b>	<b>0.71</b>	<b>0.71</b>	<b>0.71</b>	<b>0.67</b>	<b>0.67</b>	<b>Na</b>

Source: 48<sup>th</sup> round; NSS Report Nos. 499 and 407.

Note: 1. Na : Not available.  
2. \* : Not available separately.

For the country as a whole, the level of inequality that is measured by Gini's coefficient has remained more or less unchanged during the period 1970-71 to 1991-92. But the concentration ratio has shown varying trends over the states as mentioned above. The concentration ratio in the states Punjab (0.77), Tamil Nadu (0.75) and Andhra Pradesh (0.72) were higher than the national level concentration ratio of 0.71 in 1991-92.<sup>16</sup> The higher value of the concentration ratio in these states compared to that of the national level, indicates that there is the existence of higher level of inequality in the distribution of the household ownership holdings; because the ratio for the country is expected to be higher than that of individual states owing to the disparate state level average size of landholdings.

**(b) Excluding landless:** Now, we take the case of concentration ratio of household ownership holdings, excluding landless households, during the period 1970-71 to 1991-92. When we see the table (3.2), we find that Andhra Pradesh, Bihar, Gujarat, Kerala, Orissa and West Bengal showed only a marginal decline in the concentration ratio of household ownership holdings during 1970-71 to 1981-82. On the contrary, Assam, Jammu & Kashmir and Karnataka showed a marginal increase, but in Jammu & Kashmir it was more pronounced. The ratio of the concentration, excluding landless households, rose from the picture, from 0.41 to 0.48 for Jammu & Kashmir during this period. In five states containing Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu and Uttar Pradesh; and even at all India level the inequality in household ownership holdings, excluding landless households, didn't change during 1970-71 to 1981-82. But it has been described that top households, which are few in number, have a very high proportion of total households ownership holdings in India.

---

<sup>16</sup> 48<sup>th</sup> round (1992); NSS, Report No. 399, p. 20.



## **Marginalisation of Households (NSS)**

From the Appendix-I, we got the idea that the trend in the change in the percentage distribution of households indicated the marginalisation of households. There has been a rise in the percentage of households in the lowest major size-class (marginal households), and a decline in the percentage of households in the size-classes semi-medium upwards. Only in respect of the small landholders some amount of interstate variation, both in magnitude and direction of change can be observed. There is no doubt a declining trend in the proportion of small landholders in nearly all the states. But Gujarat, Kerala, Karnataka, Madhya Pradesh and Rajasthan were the states, which showed rise, albeit marginal, in the percentage of small households during 1981-82 to 1991-92. The percentage distribution of households in the semi-medium major size-class showed decline in all the states, even at the all India level excluding Haryana during 1970-71 to 1991-92. In Haryana the share of semi-medium households rose continuously since 1970-71. It was 11.67 per cent in 1970-71, 13.31 per cent in 1981-82 and 18.19 per cent in the last decade.

The percentage of households in the medium major size-class decreased in nearly all the states, except Himachal Pradesh, during 1970-71 to 198-82. During the next decade of 1981-82 to 1991-92 the previous trend continued excluding Jammu & Kashmir. The declining trend was noticed also at all India level. At all India level the percentage share of the medium size-class was 7.8 per cent in the total households that declined to 4.5 per cent in the last decade.

Likewise, medium major size-class, the percentage of households in the large size-class also indicated a smooth trend during 1970-71 to 1991-

92. The share of large size-class declined in all the states during 1970-71 to 1981-82, except Jammu & Kashmir where it was absolutely negligible. This declining trend continued in the last decade also, but Tamil Nadu was a strong exception. In Tamil Nadu the percentage share of the households in the large major size-class rose from 0.16 per cent to 1.1 per cent during 1981-82 to 1991-92. At all India level, the percentage of large holdings declined from 2.12 to 0.88 during the same period.

By and large, it can be concluded that the proportion of marginal households to all households increased while it decreased for the size-classes semi-medium upwards during 1971-72 to 1991-92. This clearly shows that the process of marginalization is prevailing in the landholding structure.

In Appendix-I area under small holdings, reveals much more varying trends in all the states. Besides the states registering rise in proportion in small holdings, other states viz. Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra and Rajasthan reported perceptible rise in the proportion of area under small holdings during 1981-82 to 1991-92. This was in contrast to the general trend observed in the proportion of small holdings. The share of small holdings in area owned increased from 15 to 22 per cent in Andhra Pradesh, 10 to 15 per cent in Gujarat, 11 to 15 per cent in Madhya Pradesh, 7 to 10 per cent in Rajasthan and 13 to 18 in Karnataka during 1981-82 to 1991-92. In the states of Assam, Orissa, Tamil Nadu, Himachal Pradesh etc., the percentage of distribution area owned under small major size-class declined during 1981-82 to 1991-92. The decline was more pronounced in Assam and Himachal Pradesh during the above decade. At the all India level, the percentage

distribution of area owned under small holdings continuously increased from 14 per cent in 1970-71, 16 per cent in 1981-82 to 18.6 per cent in 1991-92.

The trend in the proportion of area owned under marginal category was rising in all the states even at all India level, except Himachal Pradesh and Orissa, during 1970-71 to 1981-82. Himachal Pradesh and Orissa showed a marginal decline in the percentage share of area owned under marginal category. Kerala and Bihar experienced 12 per cent and 32 per cent increase in the share of area owned under marginal holdings during 1970-71 to 1981-82. During 1981-82 to 1991-92 all the states, except Jammu & Kashmir, even at all India level accounted rise in the percentage distribution of area owned under marginal holdings. In the states of Assam and Himachal Pradesh the share of area owned under marginal holdings rose by 55 per cent and 67 per cent respectively. But the general feature that emerged in area under marginal holdings was that their share in the total area owned under all categories continuously increased, even in Himachal Pradesh and Orissa, during 1970-71 to 1991-92. On the other hand, the percentage distribution of area owned under large major size-class strictly decreased in the same decades. Thus, there may be some correlation or relationship between the trends in the changing distribution of area owned under marginal and the area owned under large major size-classes because as the area owned under large major size-class declined went up the account of area owned under marginal holdings. Other major size-class like small, semi-medium and medium have showed less varying trends in the area owned than that of the lowest and the top most. It is also gives insight to the idea of a possible relationship between the lowest and the largest major size-classes of area owned.

## **(B) Aspects of Operational Holdings**

The NSS has defined operational holdings as a techno-economic unit used wholly or partly for agricultural production and operated (directed or managed) by one person alone or with the assistance of others, without regard to title, size or location. The holding might consist of one or more parcels of land, provided they were located within the country and form part of the same technical unit. In the context of agricultural operations, a technical unit is a unit with more or less independent technical resources covering items like land, agricultural equipments and machinery, draught animals etc. Holdings used exclusively for livestock and poultry products (primary) and/or pisciculture are considered as operational holdings whereas holdings put exclusively to uses other than agricultural production are not considered as operational holdings. Holdings operated by cooperative farms are also not considered as operational holdings.<sup>17</sup>

The table (3.3) gives some relevant information about operational holdings. The percentage rise in the number of operational holdings was 84 per cent during 1960-61 to 1991-92. On the other hand, the area operated declined by 6.3 per cent during the same period. The composition of area operated also changed. In it, percentage share of area owned, area leased-in and area otherwise possessed has different shares during this period. In the area operated percentage share of area owned area leased-in was 89 per cent and 11 per cent respectively. The share of area owned did not show significant variation but the area leased-in declined from 11 per cent to 8 per cent during 1960-61 to 1991-92.

---

<sup>17</sup> 48<sup>th</sup> round (1992); NSS, Report No. 407, p. 4.

Unsustainable and unequal access to operational land is also matter of concern here. At the national level the value of Gini ratio rose from 0.583 in 1960-61, 0.586 in 1970-71, and 0.629 in 1981-82 to 0.641 in 1991-92 (See table 3.3). Thus, the concentration trend of operational holdings, at the national level, is rising in the rural India while the concentration of ownership holdings remained more or less unchanged. The rich peasantry class constituted a large section of operational holdings most of them in large size category. In the large size operational holdings, the productivity of land was higher than in the marginal and small operational holdings that pushed inequality in rural economy. Agricultural technology was also a factor affecting the distribution of operational holdings towards the rich class.

Table (3.3) represents the concentration of operational holdings in relation to the percentage group of the households. We can see that the top 10 per cent of the rural households are operating about more than 52 per cent of the total land operated, while the small and marginal households constitute a large proportion of the households operating only 25 per cent of land. The Gini's coefficient of operational holdings is indicating worsening trend in operational holdings of the poor in comparison to their ownership holdings. By and large, unsustainable structure of access to land operated is prevailing in the rural society that is forming a capitalist class.

**Table (3.3): Some Aspects of Operational Holdings in Rural India (1960-61 to 1991-92)**

Particulars	1960-61 (17 <sup>th</sup> )	1970-71 (26 <sup>th</sup> )	1981-82 (37 <sup>th</sup> )	1991-92 (48 <sup>th</sup> )
1.No. of operational holdings(m)	50.77	57.07	71.04	93.45
1.1 Percentage Increase	—	12.4%	24.5%	31.5%
2. Area operated (m/ha.)	133.48	125.68	118.57	125.10
3. Average area operated (ha)	2.63	2.20	1.67	1.34
4. Percentage of joint holdings	4.62	0.60	0.62	0.08
5. No.of parcels per holding	5.7	na	4.0	2.7
6.Percentage of operational Holding with Partly or wholly				
(a) Owned land	94.86	95.64	92.91	96.15
(b) Leased land	23.52	24.68	15.20	10.99
7. In area operated, P.c. of				
(a) Area owned	89.30	89.43	91.08	90.44
(b) Area leased in	10.70	10.57	7.18	8.52
(c) Area otherwise possessed	—	—	1.74	1.04
8. Gini ratio of operational holdings	0.583	0.586	0.629	0.641
9. In the area operated, per cent share of:				
Bottom 50	3.77	4.15	2.44	—
Middle 40-80	26.70	27.50	25.50	—
Middle 50-80	23.85	24.56	23.44	—
Top 20	72.38	71.29	74.12	—
Top10	53.53	52.34	54.59	—
Top 5	37.58	36.52	38.14	—
Top 1	15.58	14.85	14.44	—

Source: 1. 17<sup>th</sup>, 26<sup>th</sup>, 37<sup>th</sup> & 40<sup>th</sup> rounds; NSS Reports Nos. 144, 215, 331 & 407  
2. Sources for particular 9 are based on NSS Reports as in Sharma (1999)

Note: 1. Estimates for Particular 7 are based only on area reporting the type of possession.

### Gini's Ratio of Operational Holdings (NSS)

The concentration ratio of operational holdings has features different from that of the household ownership holdings. During 1953-54 to 1960-61, the ratio for operational holdings showed a fairly sizeable decline. The ratio is declining not only for all the states but also at the all India level. At the all India level it declined from 0.62 to 0.583 during this period. But this declining trend changed during 1960-61 to 1970-71. In most of the states the ratio declined but it increased in Assam, Gujarat, Karnataka, Madhya Pradesh, Rajasthan, Tamil Nadu and West Bengal. The maximum increase in the concentration ratio was in Rajasthan during 1960-61 to 1970-71.

**Table (3.4): Gini Coefficient of Operational Holding (1970-71 to 1991-92)**

State	Gini's Coefficient of Operational Holdings		
	1970-71	1981-82	1991-92
Andhra P.	0.603	0.599	0.576
Assam	0.422	0.519	0.494
Bihar	0.556	0.606	0.637
Gujarat	0.540	0.558	0.604
Haryana	0.464	0.598	0.675
Himachal P.	Na	Na	Na
J & K.	Na	Na	Na
Karnatka	0.527	0.581	0.609
Kerala	0.647	0.649	0.636
M.P	0.533	0.535	0.558
Maharasthra	0.526	0.571	0.598
Orissa	0.501	0.526	0.514
Punjab	0.418	0.702	0.730
Rajsthan	0.564	0.604	0.613
T.N.	0.516	0.640	0.646
U.P.	0.495	0.565	0.572
W.B.	0.490	0.597	0.585
<b>INDIA</b>	<b>0.586</b>	<b>0.629</b>	<b>0.641</b>

Source: 48<sup>th</sup> round; Land and Livestock Holdings Survey, NSS Report No. 407, 1992.

Note: 1. Na: Not available

The period 1970-71 to 1981-82 showed different trend from the earlier decades. The concentration ratio for operational holdings increased in all of the states except Andhra Pradesh. The rise in the concentration was more pronounced in the states of Punjab, Haryana, Tamil Nadu, West Bengal, Assam and Uttar Pradesh. Here to note is that Punjab and Haryana experienced positive impacts on introduction of green revolution. At the all India level the situation was also different from the previous decades. It showed an increase in the concentration ratio from 0.586 to 0.629. The increase in the concentration ratio during 1970-71 to 1981-82 was the result of some government policies. Tenancy law and self-cultivation were the main factors for rise in the concentration ratio. Tenancy law intimidated the landlords and increased the leased out land for self-cultivation. Now, self-cultivation is no more difficult because of emerging new agricultural technology, institutional reforms and price support to the agricultural produce. Commission for Agricultural Cost and Prices (CACP) is working for estimating the cost of production of different crops and on that basis the commission recommends the support prices for that crops since 1965.

During 1981-82 to 1991-92, the concentration ratio increased in some of the states. It increased in Bihar, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh. Haryana was the state, which accounted for the maximum rise in the concentration ratio of operational holding during the same period. On the contrary, Andhra Pradesh, Assam, Kerala, Orissa and West Bengal showed a small decline in the inequality of spread out of operational holdings. Andhra Pradesh was the only state, which showed continuous decline during 1970-71 to 1991-92. But at the all India level, concentration ratio increased from



0.629 to 0.641 during the period 1981-82 to 1991-92. The percentage increase in the ratio, at all India level, was 1.9 per cent and 7.3 per cent during 1970s and 1980s respectively.

By and large, the value of Gini coefficient could change due to various reasons. Due to some limitations of Gini coefficient it fails to reveal at what level the concentration of operational holdings has actually grown or declined. It indicates only the direction of change in the concentration of operational land holdings in rural India.

### **Rise in Landlessness (1970-71 to 1992)**

Table, (3.5) indicates that the proportion of landless rural households, in both the categories of landless and semi-landless households, has increased during 1970-71 to 1991-92. First, we take the landless households (households owning no land or less than 0.002 hectare). The proportion of landless households increased during 1970-71 to 1981-82 in the states Andhra Pradesh, Gujarat, Himachal Pradesh, Jammu & Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu and West Bengal. The rise in the landlessness was more pronounced in Maharashtra, Jammu & Kashmir, Andhra Pradesh, Gujarat and Madhya Pradesh. It is notable here that all the states mentioned above showed rise in the concentration ratio of household ownership holdings also, but only Jammu & Kashmir and West Bengal were the exceptions. In spite of increase in the landlessness in these two states the value of the Gini's coefficient decreased during 1970-71 to 1991-92.

On the contrary, Assam, Bihar, Haryana, Kerala, Orissa and Punjab showed a decrease in the proportion of landless rural household.

The highest decline in landlessness was observed in Assam it declined from 25 per cent to 7.5 per cent. At all India level the proportion of landless households rose from 9.6 per cent in 1970-71 to 11.3 per cent in 1991-92 while the concentration ratio did not change. Thus, while there were variations among the states in the proportion of landless rural households it has remained, by and large, unchanged at the national level during 1981-82 to 1991-92.

The scenario for the semi-landless rural households was also bad. The proportion of semi-landless household increased from 27.8 per cent to 28.6 per cent during 1970-71 to 1981-82 and 28.6 to 31.7 per cent during the last decade. The concentration ratio (0.71) did not change during all three decades at all India level.

From the point of view of access to land, the analysis of table (3.5) showed that the access to land of the poor section of the society declined. Thus, in spite of various land reform programmes the situation is bad. It showed the failure of land policy, which was aimed at redistributing the landholding in sustainable manner in post-Independent India.

### **Marginalisation of Operational Holding**

Appendix-II represents a lot of quantitative information on the distribution and area of operational holdings. It provides the percentage number and area under different major size-classes of the operational holdings. A general feature of size distribution of operational holdings is that the percentage of operational holdings decreases as the holding size increases.<sup>18</sup> The percentage distribution of holdings reveals that the decline

---

<sup>18</sup> 48<sup>th</sup> round (1992), NSS Report No. 407.

is getting progressively steeper with each decade. The NSS data is indicating that the percentage of large to medium and semi-medium size-classes of

**Table (3.5): Change in proportion of landless households (1970-71 to 1991-92)**

State	Percentage of landless and semi-landless households								
	Total landless			Landless household			Semi-landless household.		
	1970-71	1981-82	1991-92	1970-71	1981-82	1991-92	1970-71	1981-82	1991-92
Andhra P.	38.7	42.0	45.8	7.0	11.9	11.9	31.7	30.1	33.9
Assam	38.8	30.7	33.5	25.0	7.5	13.4	13.8	23.2	20.1
Bihar	43.9	44.0	47.9	4.3	4.1	8.6	39.6	39.9	39.3
Gujarat	34.4	38.8	41.2	13.4	16.8	16.3	21.0	22.0	24.9
Haryana	51.9	43.7	41.2	11.9	6.1	3.7	40.0	37.6	37.5
Himachal P.	16.9	19.4	26.9	4.4	7.7	10.4	12.5	11.7	16.5
J & K.	11.9	22.6	21.3	1.0	6.8	2.8	10.9	15.0	18.5
Karnataka	32.4	35.1	32.0	12.5	13.7	10.0	19.9	21.4	22.0
Kerala	59.1	61.0	65.5	15.7	12.8	8.4	43.4	48.2	57.1
M.P	25.6	31.0	30.8	9.6	14.4	15.2	16.0	16.6	15.6
Maharashtra	32.9	39.0	41.7	10.4	21.2	19.6	22.5	17.8	22.1
Orissa	36.1	33.0	40.8	10.6	7.7	13.8	25.5	25.3	27.0
Punjab	57.9	55.8	56.7	7.1	6.4	5.9	50.8	48.6	50.8
Rajsthan	12.8	18.7	21.0	2.9	8.1	6.4	9.9	10.6	14.6
T.N.	52.3	58.4	63.4	17.7	19.1	17.9	34.6	39.3	45.5
U.P.	32.7	30.9	34.6	4.6	4.9	4.9	28.1	26.0	29.7
W.B.	47.1	49.6	53.4	9.8	16.2	11.0	37.3	33.4	42.4
INDIA	37.4	39.9	42.4	9.6	11.3	11.3	27.8	28.6	31.7

Source: "Temporal and regional variation in the agrarian structure in India", by T. Haque, Indian Journal of Agricultural Economics, July-Sept. 1987, Vol. 42, No. 3CN.

- Note:
1. Landless households: Households owning either no land or land less than 0.002 hectare.
  2. Semi-landless hhs: Households owning either up to 0.002 to 0.20 hectare.

operational holdings have been declining steadily since 1970-71. Thus, the analysis of data indicates the marginalisation of operational holdings in Indian agriculture.

The change in percentage distribution of operational holdings indicates that the percentage of marginal holdings increased in all the states even at all India level over the period 1970-71 to 1991-92. Only in Rajasthan and Orissa the percentage of marginal holdings showed a marginal decline during 1970-71 to 1981-82. At all India level the percentage rise was 22 per cent and 12 per cent during 1970-71 to 1981-82 and 1981-82 to 1991-92 respectively. As a whole increase was 37 per cent of total number of operational holdings under marginal major size-class of holdings during 1970-71 to 1991-92. On the contrary, the number of small holdings decreased in this period except in Andhra Pradesh, Madhya Pradesh and Rajasthan. Madhya Pradesh and Rajasthan accounted for rapid increase in the percentage of small- holdings over 1970-71 to 1991-92. The trend is the same during the period 1970-71 to 1991-92 in all the states and at all India level in semi-medium, medium and large major size-classes of operational holdings. Thus, general feature that emerged from the percentage change in the distribution of operational holdings is that the share of marginal holdings increased and that of the other size-classes declined.

**Table (3.6): Change in Distribution of Operational Holdings (1970-71 to 1990-91)**

Year	Marginal (< 1ha)		Small (1-2 ha)		Semi-Medium (204 ha)m		Medium (4-10 ha)		Large (10 ha & above)		Total	
	H	A	H	A	H	A	H	A	H	A	H	A
1970-71	36,200 (50.6)	14559 (9.0)	13,432 (19.1)	192,82 (11.9)	10,681 (15.2)	29,999 (18.5)	7,932 (11.2)	48,234 (29.7)	2,766 (3.9)	50,064 (30.9)	71,011 (100)	1,62,138 (100)
1976-77	44,523 (54.6)	17,509 (10.7)	14,728 (18)	20,905 (12.8)	11,666 (14.3)	32,428 (19.9)	8,212 (10.1)	49,628 (30.4)	2,440 (3)	42,873 (26.2)	81,559 (100)	1,63,343 (100)
1980-81	50,122 (56.4)	19,735 (12.1)	16,072 (18.1)	23,169 (14.1)	12,455 (14)	34,645 (21.2)	8,068 (9.1)	48,543 (29.6)	21,66 (2.4)	37,705 (23)	88,883 (100)	1,63,796 (100)
1985-86	56,147 (57.8)	22,042 (13.4)	17922 (18.4)	25,708 (15.6)	13,252 (13.6)	36,666 (22.3)	7,916 (8.1)	47,144 (28.6)	1,981 (2.0)	33,002 (20.1)	97,155 (100)	1,64,562 (100)
1990-91	63,389 (59.4)	24,894 (15)	20,092 (18.8)	28,827 (17.4)	13,923 (13.1)	38,375 (23.2)	7,580 (7.1)	44,752 (27.1)	1,654 (27.1)	28,659 (17.3)	10,6638 (100)	1,65,507 (100)

Source: Various Reports of Agricultural census

- Note:
1. H = Number of operational holdings.
  2. A = Areas Operated
  3. Number in bracket indicate percent in total numbers.

The process of marginalisation was also supported by the Agricultural Census data. Table (3.6) represents the marginalisation process in operational holdings prevailed since 1970-71 in agriculture. The agricultural censuses for the years 1970-71, 1976-77 and 1980-81 (Table 3.6) show that the number of operational holdings below 2 hectares increased from 69.7 per cent of the total in 1970-71 to 72.6 per cent in 1976-77. The number of operational holdings below 2 hectares increased from 72.6 per cent to 74.5 per cent, 74.5 per cent to 76.2 per cent during 1976-77 to 1980-81 and 1980-81 to 1985-86 respectively. It rose from 76.2 per cent to 78 per cent during the last census year. Thus, the share of operational holdings under this category (below 2 hectares) increased by 8 per cent during 1970-71 to 1990-91. The share of these holdings in the total operated area also increased from 20.9 per cent in 1970-71 to 32.4 per cent in 1990-91.

The proportion of large holdings (about 10 ha) in the total number of operational holdings decreased from 3.9 per cent in 1970-71 and 2.4 per cent in 1980-81 to 1.6 per cent in 1990-91. Their share in total operated area also decreased from 31 per cent in 1970-71 to 17.3 per cent in 1990-91.

It is significant to note that the increase in the total number of holdings was faster than the increase in the total area operated during 1970-71 to 1990-91. The main reason for this increase in the number of operational holdings and decrease in the average size of holdings is possibly due to the combined effect of redistribution of surplus land through land reforms and sub-division of land among family members due to population explosion, sale of land and breaking up of joint holdings. Bandyopadhyay (1986, P. A-50), and Kurien (1987, P. 9) also indicate that the process of

marginalisation has been going in India. The marginal holdings (below 1 ha) accounted for 50.6 per cent of all holdings in 1970-71 and 59.4 per cent in 1990-91. *"The annual rate of marginalisation was significantly higher than the 1.9 per cent annual rate of growth of rural population between 1971-1981. It, perhaps, indicates that marginalisation was more due to immiserisation rather than normal devolution of property."*<sup>19</sup> The annual rate of marginalisation, during 1980-81 to 1990-91, was about 2.65 per cent. By and large, the process of marginalisation existed since Independence.

In the case of area operated, the percentage area under marginal holdings has similar trend to the percentage number of marginal holdings over the period. But area operated under small holdings showed just opposite trend to the percentage number of small holdings. Area operated under small holdings has been raised from 14.8 per cent to 18.7 per cent over the three decades at all India level. Area under semi-medium holdings has varying trends in all states but it increased at all India level. In the case of large and medium holdings area operated decreased in general. In this way, the change in the percentage distribution of operational holdings and area operated in marginal category indicates the process of marginalisation in agriculture. But one thing is noticeable here that the rate of marginalisation of the number of operational holdings was more pronounced than the rate of marginalisation of area operated.

### **Fragmentation of Operational Holdings**

Agricultural holdings are normally not found in one compact but in many parcels scattered across several places all over the village. Sub-division and fragmentation of holdings are the major causes for low

---

<sup>19</sup> Bandhyopodhyay, 1986, p. A-50.



productivity in Indian agriculture. Sub-division of holdings involves the breaking up of a single holding into fragmented plots of land. One of the factors leading to sub-division of holdings is the law of inheritance. The problem of sub-division and fragmentation of operational holdings is harmful for productivity.

### **Average Size of Holdings**

Table (3.7) gives the average size of operational holdings in different major size-classes. At the lowest level, the average size of marginal holdings is extremely small 0.40 hectare in 1970-71 and 0.39 hectare in 1976-77 and 1990-91. Some empirical studies showed that the productivity of so small holdings is very low because they are not suitable for new agricultural technologies and irrigation facilities. The cultivators of these marginal holdings will have to hire out their labour because their earnings are very meagre in terms of cost of production on their holdings. The average size of small holdings was 1.44 in all the Agricultural censuses, that also unable to provide any adequate surplus to them. The average size of operational holdings marginally rose under the major size-class semi-medium during 1970-71 to 1980-81 but declined during 1980-81 to 1990-91. The average size of operational holdings under medium size-class showed a rapid decline in all the censuses. The large size-group also indicated a marginal decline in the average size. Here one thing is noticeable; that in spite of government efforts the ratio among the average sizes of operational holdings remained more or less unchanged during 1970-71 to 1990-91.

The over all size of operational holdings declined from 2.28 hectares in 1970-71 to 1.55 hectares in 1990-91. The declination was about 32 per cent. The main causes for the decline in the average size of

operational holdings are increase in population and population related factors. As a result of increase in population, the number of operational holdings has increased. At the same time, there was only slight increase in area operated partly due to allotment of government land to the weaker section of the society and due to some encroachment upon government lands. But this was more than counter-balanced by progressive reduction of agricultural land due to urbanization and industrialization of the backward areas.

**Table (3.7): Category wise Average Size of Operational Holdings in India (in hectare)**

Size of group	Average size of operational holdings					
	1960-61	1970-71	1976-77	1980-81	1985-86	1990-91
Marginal (<1 hectare)	0.44	0.40	0.39	0.39	0.39	0.39
Small (1-2 hectare)	1.47	1.44	1.42	1.44	1.43	1.44
Semi-Small (2-4 hectare)	2.84	2.81	2.78	2.78	2.76	2.76
Medium (4-10 hectare)	6.10	6.08	6.04	6.02	5.95	5.90
Large (Above 10 hectare)	17.48	18.10	17.57	17.41	17.20	17.33
<b>All Groups</b>	<b>2.69</b>	<b>2.28</b>	<b>2.00</b>	<b>1.84</b>	<b>1.69</b>	<b>1.55</b>

Source: Based on Various Reports of Agricultural Census.

**State wise Average size:** Table (3.8) indicates that the average size of operational holdings has been steadily declining in all the states during 1970-71 to 1990-91. Only one exception was there which showed rise in average size during 1976-77 to 1980-81, that is Punjab. Population pressure is affecting this while the all India average was 1.55 hectares in 1990-91 the states above the all India level were as follows: Rajasthan, Andhra Pradesh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra and Punjab. The states below the national level average size

were Assam, Bihar, Himachal Pradesh, Jammu & Kashmir, Tamil Nadu, Uttar Pradesh and West Bengal. From this classification it is clear that the extent of variation was very large.

**Table (3.8): State wise Average Size of Operational Holdings in India  
(1970-71 to 1990-91)**

State	1970-71	1976-77	1980-81	1985-86	1990-91
A. Pradesh	2.51	2.34	1.94	1.72	1.56
Assam	1.47	1.37	1.36	1.31	1.27
Bihar	1.52	1.11	1.00	0.93	0.83
Gujarat	4.11	3.71	3.45	3.17	2.93
Haryana	3.77	3.58	3.52	2.76	2.43
H.P.	1.53	1.63	1.54	1.3	1.21
J&K	0.94	1.07	0.99	0.86	0.83
Karnataka	3.2	2.98	2.73	2.41	2.13
M.P.	4.0	3.58	3.42	2.91	2.63
Maharashtra	4.28	3.66	3.11	2.64	2.21
Punjab	2.89	2.74	3.82*	3.77	4.74*
Rajasthan	5.46	4.65	4.44	4.34	4.11
T.N.	1.45	1.25	1.07	1.01	0.93
U.P.	1.16	1.05	1.01	0.93	0.9
W. Bengal	NA	NA	0.95	0.92	0.9
Orissa	NA	NA	1.59	1.47	1.34
Kerala	NA	NA	0.43	0.4	0.33
<b>India</b>	<b>2.28</b>	<b>2.00</b>	<b>1.84</b>	<b>1.69</b>	<b>1.55</b>

Sources: Agricultural Census, 1970-71, 1976-77, 1980-81, 1985-86 and 1990-91

Notes: NA is not available

\* Indicate the average size of operational holding increased than previous years.

### **(C) Current Situation of Tenancy**

In tenancy law of country, persons cultivating the lands of others on payment of rent (either in cash or kind or both) are treated as tenants.<sup>20</sup> At the dawn of Independence, the situation in tenancy in rural India was very bad. There existed a semi-feudal agrarian structure. The access to land was very limited of the lower class of the populace because the ownership of land was highly concentrated as mentioned above. This system of tenancy was based on exploitation of the poverty population. The principal interest of controlling group in agriculture to extract maximum rental from tenants. Under this situation socio-economic targets of a democratic state cannot be achieved. Before we discuss the impacts of government policies we analyze the data related to tenancy status of operational holding from various NSS reports. During 1950s and 1960-61, land tenure status of operational holdings has undergone significant changes. Table (3.3) reveals that percentage of holdings with partly or wholly owned and operated area increased from 94 per cent to 96 per cent during 1960-61 to 1991-92, whereas that of holdings operating on partly or wholly leased in land or tenant holding declined from 23.5 per cent to 11 per cent during the period as mentioned above. It is indicating a continuous shift from tenant cultivation to self-cultivation. This type of shift towards self-cultivation was mainly due to tenancy law and new agricultural technology. It is clear that the trend of self-cultivation tended to grow the concentration of holdings.

---

<sup>20</sup> Sinha, B. K. and Pusandra (2002).

In the same way, the extent of tenancy measured in terms of percentage share of area leased-in shows a similar trend during 1960-61 to 1991-92 but was some decline in the last decade of data. It increased from 7.18 to 8.5 per cent in the last decade.

### **Trends in extent of tenancy**

Trends in extent of tenancy have been changed during 1960-61 to 1991-92. The number of tenant holdings did not change during 1960-61 to 1981-82. In this period it was more or less stable around five and a half million. But, the number of tenancy holdings experienced a sharp increase during the last decade. It increased sharply to about 12 million during the last decade. Likewise, the total leased in area showed a changed trend in the last decade. The total leased-in operated area, after exhibiting a clear downward trend during 1960-61 to 1981-82, showed an upturn in the last decade.

**Table (3.9): Some Estimates of Land Tenure Status (1991-92)**

<b>Particulars</b>	<b>Estimates</b>
1. No. of tenant holdings (million)	10.27 (10.99%)
2. Total operated leased-in (million / hectare)	1.01 (8.25%)
3. Area leased in per tenant holding (hectare)	1.01
4. No. of holdings with otherwise possessed land (million)	3.87 (4.14%)
5. Total otherwise possessed operated area (million hectare)	1.26 1.01%
6. Otherwise possessed area per holding with otherwise possessed land (hectare)	0.33

Source: 48<sup>th</sup> round; NSS Report No. 407.

Note: 1. Figures in parentheses indicate the percentages to number of holdings or total operated area.

Table (3.9) represents the situation of tenancy at the time of last round of NSS on tenancy. The number of tenancy holdings was 10 million, reporting an area of about 10 million hectares of tenanted land. In this way, an average area was a hectare of leased-in land in its possession during 1991-92.

### **Tenancy holding by size class**

At the dawn of Independence the tenancy relations were based on exploitation of poor peasantry of rural India. Land reforms have been taken to protect the tenants since 1950. The performance of land reforms undertaken since Independence appears to have deterred the growth of exploitative tenancy. In spite of tenancy reforms, there is a high proportion of tenanted land in total operated land. The most important characteristic feature about tenancy in rural India is the significantly high proportion of land by a small proportion of holdings. It is supported by the table (3.10).

From this table it is clear that the percentage of tenant holdings is increasing with the size-class of holdings. This trend is more pronounced in the holdings less than 1 hectare where holdings below 0.20 hectares constituting 28 per cent of the operational holdings. This percentage is much smaller than in the rest of the classes. On the other hand, the percentage of tenanted land (area leased-in) in operated area falls as one passes from size class 0.21-0.50 to size-class 4.01-10.0. But, in the topmost size-class (over 10.00 hectare) it is significantly higher (11.4 per cent) than in the rest of the classes on the front of the share of tenanted land by holding size, it is seen that nearly two-third of the total tenanted land was operated by the top 3 classes.



**Table (3.10):Percentage of tenant holdings and area leased-in by size class (1991-92)**

<b>Size Class (Hectare)</b>	<b>% of tenant holdings</b>	<b>% of area leased-in</b>	<b>% distribution of area leased-in</b>
Less than 0.20	6.4	6.98	1.0
0.21– 0.50	11.6	9.04	4.7
0.51– 1.00	12.4	8.70	10.6
Marginal	9.3	8.7	16.3
Small	14.9	8.53	19.3
Semi-medium	12.2	7.41	21.6
Medium	13.1	6.90	22.0
Large	16.7	11.37	20.9
<b>All sizes</b>	<b>11.0</b>	<b>8.82</b>	<b>100.0</b>

Source: 48<sup>th</sup> round; NSS Report No. 407.

Note: Marginal (< 1 ha), Small (1-2 ha), Semi-medium (2-4 ha), Medium (4-10 ha), large (10 ha and above)

Table (3.10) shows that percentage of tenant holdings and area leased-in is rising in higher size classes. The percentage of tenant of operational holdings increased in the categories-marginal, small and semi-medium-during 1960-61 to 1970-71. On the other hand it decreased for medium and large size classes of operational holdings. The percentage of tenants holding showed increase like marginal, semi-medium and large size class holdings during the same period. The percentage of tenant holdings decreased in all the size- classes during 1970-71 to 1981-82, even in all the size classes. But the percentage change in tenant holding was more pronounced in the marginal holding. It experienced for 27.0 per cent to 14.4

per cent during this decade. This trend, in percentage of tenant holding by categories of operational holdings during 1970-71 to 1981-82, continued during the last decade except tenant holdings in the large category. In this way, the percentage of tenant holdings under the marginal, small and semi-medium categories, in each decade, moved in the same direction as the all categories. The percentage for the medium and large holdings, on the other hand, declined 1960-61 to 1981-82. Then, during the last decade, the percentage of tenant holdings increased remarkably among the large holdings and at a moderate rate in the medium classes; but the percentage for all operational holdings continued to fall.

**Table (3.11) : Change in percentage of area leased-in and tenant holdings by categories of operational holdings (1960-61 to 1991-92)**

Categories	Percentage of tenant holdings				percentage of area leased-in			
	1960-61	70-71	81-82	91-92	1960-61	70-71	81-82	91-92
Marginal	24.1	27.0	14.4	9.3	16.6	18.9	9.7	8.7
Small	25.1	27.8	17.9	14.	14.0	14.6	8.5	8.5
Semi-Medium	23.6	24.8	15.9	12.2	11.7	11.7	7.3	7.4
Medium	20.5	20.0	14.5	13.1	9.6	8.7	6.6	6.9
Large	19.5	15.9	11.5	16.7	8.3	5.9	5.3	11.4
<b>All Sized</b>	<b>23.5</b>	<b>25.7</b>	<b>15.2</b>	<b>11.0</b>	<b>10.7</b>	<b>10.6</b>	<b>7.1</b>	<b>8.3</b>

Sources: 17<sup>th</sup>, 26<sup>th</sup>, 37<sup>th</sup> and 48<sup>th</sup> rounds, NSS Report Nos. 144, 215, 331 and 407

Now, we discuss the trends in percentage of area leased-in by categories of operational holding during 1960-61 to 1991-92. The percentage area leased-in rose and decreased in first two and last two categories, during 1960-61 to 1970-71, respectively. It did not change in semi-medium category. It showed a negligible decline in respect of all sizes. During 1970-71 to 1981-82 is the same trend of declining in all size categories. It was more pronounced in marginal holdings that declined from 18.8 per cent to 9.7 per cent. During the last decade percentage area leased-in of marginal holdings decreased by one per cent and increased of large holding increased from 5.3 per cent to 11.4 per cent. Besides them, rest has not showed a notable change. To sum up is that till 1981-82, there was a steady decline in the percentage of tenanted area in all the size classes. But after 1981-82, one observes that the fall continues only for the marginal category, and, simultaneously, that the percentage for large holdings rises sharply. In fact, it just doubled. This rise in the large category not only arrested the fall in the overall percentage but also raised it from 7 per cent to 8 per cent. Meanwhile, the inverse relationships between the size of holding and percentage leased-in area, for two decades since 1960-61, seems to have disappeared with the large holdings reporting the highest proportion (11 per cent) of leased-in operated area 1991-92.

#### **Trends in total leased-in area:**

Under the tenancy reforms, the tenancy legislation enacted in the late fifties and early sixties had set off a declining trend in tenancy of land. There was a sharp decline in both the categories large and medium holdings in the total leased in area. In marginal, small and semi-medium size classes of holdings, however, the total leased-in area increased perceptibly during

1960-61 to 1970-71. During the next decade, the total leased-in area has declined in all the size classes. The declining rate was almost at the same declining trend in the total leased-in area by operational holdings was a result of the enforcement of more restrictive tenancy legislation in late 1960s and early 1970s.

But the rising trend in total leased-in area emerged again in all sizes during 1981-82 to 1991-92. During this period the rise in the large holdings was more pronounced.

### **State-wise emerging trends in tenancy**

From the table (3.12) it is evident that the percentage of leased-in area and tenant holdings was the highest among the states in Haryana in 1981-82. The percentage of tenants holdings higher than 20 per cent was in the states of Haryana, Tamil Nadu, West Bengal and Uttar Pradesh in 1981-82. It was more than 10 per cent in 1981-82. Size states and less than 10 per cent in four states. The states with the percentage of tenant holding less than ten per cent were M.P., Rajasthan, Kerala and Gujarat. Gujarat was the state with lowest percentage of tenant holdings in 1981-82.

The percentage of tenant holdings increased only in Andhra Pradesh and M.P. during the 1981-82 to 1991-92. Rest of the states experienced decline in the percentage of tenants holding during this period. At all India level, percentage of tenants holdings decreased from 15.2 per cent to 11.0 per cent during this period. Five states namely, Haryana at 1<sup>st</sup>, Karnataka at 10<sup>th</sup>, Maharashtra at 11<sup>th</sup>, Kerala at 14<sup>th</sup> and Gujarat at 15<sup>th</sup> rank did not change their ranks with respect to percentage of tenant holding

during 1981-82 to 1991-92. This ranking will be useful for us to analyze the impact of government efforts on tenant holdings.

**Table (3.12): Percentage of tenants holdings & operated Area Leased-in**

State	Rural			
	% of tenants holdings		% share of leased in area	
	1981-82	1991-92	1981-82	1991-92
Andhra Pradesh	13.8 (8)	14.1 (7)	6.2 (9)	9.6 (6)
Assam@	12.9 (9)	10.1 (8)	4.6 (8)	8.9 (8)
Bihar	19.7 (6)	5.6 (13)	10.3 (5)	3.9 (13)
Gujarat*	4.8 (15)	3.7 (15)	2.0 (15)	3.3 (14)
Haryana*@	25.9 (1)	17.1 (1)	18.2 (1)	33.7 (1)
Karnataka*	10.7 (10)	8.0 (10)	6.0 (10)	7.4 (9)
Kerala*	6.7 (14)	5.2 (14)	2.6 (14)	2.9 (15)
Madhya Pradesh	8.0 (12)	9.0 (9)	3.6 (13)	6.3 (10)
Maharashtra*@	10.6 (11)	6.9 (11)	5.2 (11)	5.5 (11)
Orissa@	18.2 (7)	10.9 (2)	9.9 (7)	9.5 (7)
Punjab@	21.3 (4)	15.9 (3)	16.1 (2)	18.8 (2)
Rajasthan@	7.1 (13)	6.5 (12)	4.3 (12)	5.2 (12)
Tamil Nadu	24.7 (2)	15.3 (5)	10.9 (4)	10.9 (3)
Uttar Pradesh	20.5 (5)	15.5 (4)	10.2 (6)	10.5 (4)
West Bengal	23.1 (3)	14.4 (6)	12.3 (3)	10.4 (5)
<b>India</b>	<b>15.2</b>	<b>11.0</b>	<b>7.2</b>	<b>8.3</b>

Source: 48<sup>th</sup> round: NSS Report No. 407.

Note :

1. Figures in parentheses are rank to the percentage.
2. \* States, which did not change their, rank in the % of tenant holdings.
3. @ States, which did not change their rank in the % of, leased in area.

Now, we analyze the trend in percentage share of leased-in area of operational holdings during 1981-82 to 1991-92. The experience of percentage share of leased-in area of operational holdings showed an increasing tendency in most of the states except only in three states. These three states are Bihar, Orissa and West Bengal. The increase in the percentage share of leased-in area of operational holdings was more pronounced in Haryana, M.P. and Punjab.

The percentage leased-in area rose from 18.2 to 33.7 per cent and 16.1 to 18.8 per cent for Haryana and Punjab during 1981-82 to 1991-92 respectively. The increase in the percentage share of leased-in area during this decade was around 85 per cent.

In spite of the most acclaimed legislation in West Bengal related to tenancy reforms there was no significant change in the situation. It helped only in formalizing the share cropper-owner relations. In Kerala, the reforms made the owners to keep their land fallow, lest they should lose it to tenants, if leased on.

For the country as a whole, though the proportion of tenant holdings declined the percentage share of leased-in area increased during 1981-82 to 1991-92. While most of the states conformed to this pattern, a few deviated from it. Among the notable exceptions are West Bengal and Bihar. There was a sustainable decline in the percentages of both tenant holdings and leased-in area in these two states. On the other hand, both the proportions rose in Andhra Pradesh and Madhya Pradesh.

\*\*\*\*\*

\*\*\*\*\*

\*\*\*\*\*

## CHAPTER-IV

### **ASPECTS OF LAND POLICY IN INDIA**

The feudal relations of production in agriculture were the impediments in economic development in all the countries. India was not an exception to this. At the dawn of Independence (1947), Indian agriculture was administered under three systems, of which the zamindari system covered nearly 57 percent extending over nine major provinces including Bengal, Bihar, eastern Uttar Pradesh, north Madras and parts of Assam and Orissa. It was the result of the permanent settlement, 1793. The term zamindari had the same connotation as talukdar in Uttar Pradesh or malguzar in Central Province, or jagirdar in Rajasthan. The Mahalwari system (prevalent in 5 percent of the area) and the Ryotwari system (prevalent in about 38 percent of area) also generated unprotected tenants, sub-tenants and sharecroppers who did not have any security over the land they cultivated.<sup>21</sup> As per the assessment made by Kotosky, through these three systems, the landlord owned or controlled around 55 to 60 percent of the privately owned land in India at the time of Independence.<sup>22</sup> The landlords and intermediaries were exploiting the tillers. 'What was left to the actual cultivators, after the claims of various superior right-holders were satisfied might well be subject to collection of unpaid debt by money-lenders. The mechanism for enforcement of this withdrawal of the great bulk of the product from the prime producers was provided by the new body of written law, the courts, the police, the promulgation of ordinance and so forth.'<sup>23</sup>

---

<sup>21</sup> Sukumar Das, *op. cit.*

<sup>22</sup> *Ibid.*

<sup>23</sup> Daniel Thorner (1950).

In this way, India inherited a semi-feudal agrarian structure at the time of Independence. As we saw in chapter third, the access of the marginal sections to land was very less as compared to rich-classes in rural society. Actual tillers were not the owner of land in most of the systems prevailed. Land relations were based on exploitation of the tenants. The tenants and cultivators had to pay rental more than that of their capacity. So there was no surplus left with them to improve the productivity of agriculture. Increasing small plots of land is creating problems regarding improvements in the productivity and economic conditions of the cultivators.

The establishment of an egalitarian society remains the key objective of any democratic state. To achieve this objective, land reforms were necessary. The ultimate aim of Land Reforms in India is to confer the right of ownership on tenants to the large possible extent. Land reform is an integrated process to enhance the productivity of land by improving the economic conditions of farmers and tenants so that they may have the incentive to invest in and improve agriculture and thereby ensure the distributive justice and create an egalitarian society by eliminating all forms of exploitation. It is meant to create a system of peasant proprietorship with the motto of "land to the tiller" and to transfer the income of the few to many so that the demand for consumer goods could create.

The basic purpose of the land reforms is to make more rational use of the scarce land resource by affecting conditions of holding, imposing ceilings on land holdings so that the cultivation can be done in the most economical manner without any waste of factors of production like labour and capital. It is also means of redistributing agricultural land in favour of the less privileged classes in rural society. It also aims at improving the terms and conditions on which the land is held for cultivation by actual tillers.



Following Independence, the land reform as well as the abolition of intermediaries was considered an essential prerequisite for increasing agricultural production and establishing an egalitarian society. The land reforms have the following objectives:

- (a) the abolition of intermediaries and bringing the actual cultivator in direct contact with the state;
- (b) the regulation of land and provisions of security of tenure of tenants and sharecroppers with the ultimate objective of confirming ownership rights on them;
- (c) the imposition of ceiling on agricultural land holdings and distribution of surplus land to landless agricultural workers and small land holders in order to bring about a more equitable access to land among the persons of the society;
- (d) the agrarian reorganization including consolidation of holdings and prevention of sub-division and fragmentation;
- (e) The maintenance and updating of land records.

Thus, the land reform programmes were built around three major types of land reform measures: abolition of intermediary tenures, regulation of size of holdings and, settlement and regulation of tenancy. As a result of these programmes, it was hoped that a different set of rights, duties would emerge in which the freedom of each interest would be regulated, and some interests considered harmful for progress in agriculture would be eliminated.

Land policy as laid down during 1951-55 can be viewed from two angles: (i) conceptions of different interests in land, and (ii) the effect of man-land relationship. It was conceived that freedom with which intermediaries transacted their business had an adverse effect on agricultural production.

The first plan, therefore, set out to regulate the interest of intermediaries, large landowners, small and middle landowners, tenants- at- will, and landless workers. The plan recognized the patterns of land occupying and cultivation as a fundamental issue of national development.<sup>24</sup>

The process of initiating, debating, amending and finally passing the bill for zamindari abolition mostly took a very long time. But in most of the states it became act before 1955. This reflected the popular sentiment against the zamindars and their exploitative practices. Zamindars were not willing to lay down their rights and privileges and turned to courts. But they were defeated by the state governments in the legal process. When zamindars ultimately lost the battle they turned to other delaying tactics by refusing to hand over land records and other related documents.

The provisions in the land policy laid down in the First Five Year Plan (FFYP) were that zamindar would assume land for personal cultivation upto ceiling limit and tenants could acquire permanent and heritable right in land only over and above the ceiling limit. This became the main difficulty and cause of failure in abolition of intermediaries. Though the official documents claim that zamindari has been completely abolished yet the fact is that it has only changed its 'garb'.<sup>25</sup> There was not any limit on the land for personal cultivation that enabled the zamindars to have large areas for personal cultivation. The previous zamindars had acquired large areas for personal cultivation on which cultivation was done with the help of hired agricultural labourers. Some intermediaries are existing still today like Devasthanans in Maharashtra, Service Jagirdars in Orissa and Communidadries in Goa.

---

<sup>24</sup> S.K. Ray, Reforms in Land System in Post Independent India, in Uma Kapila (ed.) op.cit.

<sup>25</sup> Mishra & Puri (2002).

The period 1955-71 was the period of ceiling on agricultural land holdings. In May 1955, the Planning Commission appointed a panel to review the progress of implementation of land policy. This panel recommended the introduction of family ceiling on land holdings, the maximum of which was not to exceed three times the economic holdings. It also recommended of compensation to families from whom that much land had to be taken as amounting to 25 percent of the market value but not exceeding aggregate land revenue for 20 years. Ceiling on land holdings was desired to offset the extremely uneven distribution of agricultural land. The policy objectives for this measure were:

- (i) to meet the land hunger of working cultivators,
- (ii) to reduce disparity in agricultural income, in ownership and in the use of land, and
- (iii) to increase employment opportunity in the rural sector.<sup>26</sup>

West Bengal was the first state to impose a ceiling on agricultural holdings by enacting the West Bengal Land Reform Act, 1955. It introduced a uniform family ceiling of 10 hectares. The legislation resulted in vesting 0.35 million hectares of surplus land to the state. In 1957, the NDC directed that the remaining states must complete enactment of land ceiling law only by the end of March 1959, and the law should be implemented within a period of three years. All states, however, enacted ceiling law only by the end of 1961. Different states decided upon different ceiling limits, e.g., Assam (20 ha), Bihar (8 to 24 ha), and Andhra Pradesh 2.5 ha to 30. ha), Madhya Pradesh (10 standard ha), Orissa (8 ha to 32 ha), Rajasthan (8 ha to 136 ha), Tamil Nadu (5 ha to 25 ha) and U.P. (16. ha to 32 ha). The rate

---

<sup>26</sup> Ray S.K. (2002-03), Reforms in Land System in India, in Uma Kapila (ed.).

of compensation in different states also varied from 20 to 200 times of the land revenue of the vested land.

One million hectares of agricultural land was vested until 1970 and 50 percent of it was distributed to the rural poor, but not necessarily to the landless because there was no clear eligibility criterion for them in the ceiling law.

The period 1972-95 can be regarded as the beginning of the third phase of India's land reform venture and the second phase of the legislation for ceiling. In the second phase ceiling law the limit of ceiling was reduced to bring about more equitable distribution of this scarce asset. In the new ceiling legislation the landless agricultural labourers were in the top priority. States were directed to complete amendments in these respective state laws accordingly by the new ceiling law, 1971. The new ceiling law has the following features:

- Government-irrigated land was to enjoy a lower ceiling limit of 4-7 hectares, privately irrigated land of 5-7 hectares, and for other kinds of agricultural lands, the ceiling limit exceeded 22 hectares;
- A change in emphasis to the family rather than the individual as the limit for determining landholdings lowered the ceiling for a family of five;
- Fewer exemptions from ceilings;
- Provision for retrospective applications of the law for declaring *bennami* should be null and void; and
- No scope to move the court on the ground of infringement of fundamental rights.

The performance regarding the implementation of ceiling on agricultural holdings turned out to be more disappointing. Appu observed: "... As a result of implementation of the old and the new laws, 1992 could distribute only about 2 million hectares of surplus land to some 4.76 million beneficiaries. Thus the efforts spread over a period of three and a half decades to enforce ceilings and take over surplus land led to the redistribution of less than two percent of the operated area. If we look into the performance of individual states, we find that the area distributed as a percentage of the total area operated is 17.4 for Jammu & Kashmir, 6.3 in West Bengal and 5 in Assam. In all the other states only less than one percent of the operated area could be distributed. Obviously, the imposition of ceilings and the redistribution of surplus land made no impact on agrarian structure in most states".<sup>27</sup>

In tenancy laws of country, persons cultivating the lands of others on payment of rent (either in cash or kind of both) are treated as the tenants.<sup>28</sup> Under tenancy reforms, the following measures were undertaken (i) Regulation of rent, (ii) Security of Tenure, and (iii) Conferment of Ownership Rights on Tenants.

In the pre independence period, the rent charged by zamindars from the tenant was exorbitant. The highly exploitative rates spelt misery for the toiling tenants who could hardly make both ends meet. So the government enacted legislation to regulate the rent and prevent the exploitation of the tenants. The first plan stated about tenancy reform that maximum rent should be fixed at  $\frac{1}{4}$  or  $\frac{1}{5}$  of the total produce. Most of the state governments accepted this rent. But in Punjab and Haryana, rent is at  $\frac{1}{3}$  of

---

<sup>27</sup> Appu, 1995; p.216.

<sup>28</sup> Ibid.

total produce. In Tamil Nadu it is 40 percent of gross produce for irrigated lands and 35 percent where irrigation is supplemented by lift irrigation, and 33.33 percent in other cases. In some areas of Andhra Pradesh, the rent by tenants was fixed at 30 percent of total produce for irrigated land and 25 percent for dry land. But in reality, legislation fixing maximum limit of rent on tenants has been often violated.

The second aspect of tenancy law is related to security of tenure. Sir Arthur Young rightly observed: "Give a man the secure possession of a black rock and he will turn it into a garden; give him a 'nine year' lease of a garden and he converts it into a desert".<sup>29</sup> This remark very pithily sums up the need for providing security of tenure. The security encourages the will of a tenant to work on a piece of land. To protect tenants from ejection and grant them permanent right in land, legislation has been passed in most of the states. It has three aims:

- (i) ejection do not take place except in accordance with the provisions of the law;
- (ii) land may be resumed, if at all, by an owner, for 'personal cultivation' only;
- (iii) in the event of resumption, the tenant is to assume a prescribed minimum area.

However, the degree of protection to tenants provided by the law in a particular area depends upon the following points:

- (1) definition of the term tenant;
- (2) the circumstances in which land owners are allowed to resume tenanted land for cultivation;
- (3) definition of the term 'personal cultivation';

---

<sup>29</sup> Dutt & Sundhram (2002).

(4) status of land record.<sup>30</sup>

The right of resumption combined with flaws in definition of personal cultivation rendered all finances insecure. But the Fourth Five Year Plan (FFYP) recommended that all tenancies should be declared non-doubt and permanent and penalty should be imposed for wrongful evictions. In fact, landlords applied various kinds of threats and pressures on tenants to surrender their land in favour of them. It was on account of this reason that the Fourth Plan recommended that "voluntary surrenders" should be regulated by the state in such a way that landowners are prohibited from taking possession of surrendered land which could be given over to other eligible tenants subjected by the government. This means that all surrenders should be in favour of the government.

The ultimate aim of land reforms in India is to confer the rights of ownership on tenants to the largest possible extent. The provision of the right of ownership for tenants is a very important feature of land reform. The second Plan considered it very desirable to bring tenants in non-doubt area in direct contact with the state. Earlier the right to purchase was optional to the tenants but this did not prove to be effective. Thus, the third plan suggested that the optional clause be removed and peasants be required to purchase land. Accordingly, some states have passed legislation to confer rights of ownership on tenants. For instance, in West Bengal, the tenants and sub-tenants have been brought into direct relationship with the state by the conferment of full ownership rights.

#### **Recent Measures:**

The Central Government has decided to bring all land reform laws under the Ninth schedule of the constitution to expedite the smooth

---

<sup>30</sup> Appu, P.S. (1975), p. 1349.

distribution of surplus land enmeshed in litigations. The centre has suggested five ways to increase pace of land reforms. Some of them are: (i) Efforts should be made to expedite pending litigations from the revenue courts and necessary steps taken to expedite disposal of cases pending in the High Courts and the Supreme Court, so that more surplus land is available for distribution; (ii) Setting up of Tribunals under Article 323 (B) of the constitution for expedite disposal of pending litigation which should be linked with the ceiling laws; (iii) Alternatively, special benches should be created in the high courts; (iv) All tenants and sharecroppers be brought on record and ownership rights conferred on them; (v) Loopholes should be plugged in existing laws to effectively check the alienation of tribes and restore possession of already alienated land, and finally the ceiling surplus land should be meant for distribution to the rural poor. Such land should be made available for cultivation by them.

### **Shortcomings of legislation:**

The semi-feudal relations of production in agriculture were the impediments in economic development at the time of independence. There were three systems, namely zamindari, Mahalwari and Ryotiwari, in which Indian agriculture was administered. Land relations, in all the systems, were based on exploitation of the tenants. So after independence a number of laws have been passed by the state legislatures to reform the land relations as mentioned above. But the efficacy of the legislation was not strong as was expected, in the beginning.

After independence a number of laws have been passed by the state legislature to abolish intermediaries between tiller and state. In actual practice, however, the legislative enactments have equated intermediaries



with zamindaris and consequently, the legislation has left a class of rent receivers and absentee landlords under ryotwari untouched. Although steps were taken earlier, the actual abolition of intermediaries started in 1948. Moreover, West Bengal, the state worst affected by ravages of absentee landlordism, was among the latecomers to adopt legislation in 1954-55.

The rates of rents were quite exorbitant. As a result of this, various states have passed necessary legislation regulating rates as mentioned above. But there is a large variation in the rates of rent fixed in different states. Further the laws formulated by the state governments have not been implemented effectively. Although attempts have been made to provide security of tenure and redistribution of land, tenancy has continued to exist even to this day. Far bulk of land leased out on informal basis in Punjab, Haryana, Jammu & Kashmir and Andhra Pradesh, there is no fixed fair rent. Most of the lease contracts are oral and informal which have no record. There is no estimate of sale and purchase of land. The legislation pertaining to ceiling on holdings led to a large number of mala-fide transfers, transitions among the members of the family and *benami*. Therefore, very little land was declared surplus and distributed among the allottees.

By and large, it is obviously concluded that the land policy of India did not give the performance that was expected. There is a need to reformulate the land policy because the scope for improving implementation through legislative measures is now very limited. The socio-economic and political environment in which these programmes were introduced has changed so dramatically, that it would be almost impossible to carry out the reforms. Suggestions and recommendations are made here, that may be useful to reformulate the land policy in changing socio-economic and political environment.

## **Suggestions and Recommendations:**

Unless and until about the 60 percent of India's rural population depending on agriculture and related economic activities finds economic holdings of rural land for a sustainable economic growth, the country as a whole cannot look forward to growth with equity and social justice. Therefore, the equitable and sustainable access to land, particularly to operational holdings, is possibly the single most important question in India.

Is it still possible for India to achieve the equitable and sustainable access to land? As per the Census 1991, India has 74.59 million persons in the households constituted by landless agricultural labour. The percentage of landless household was 37 percent of the total households that indicates that a large section of agricultural population is without land. On the other hand, rich households are few in number have very large number of holdings particularly of large size that are more productive. Many of the large landholders do not cultivate land or do not depend on income from land. To achieve the target of providing equal and sustainable distribution of agricultural landholdings to all people presently depending on agriculture, strong political will, huge allocation of resources and a committed bureaucracy is required.

To make equitable and sustainable, the access to land, to all the farm-households, it is recommended that India adopt the following land policy and programmes, and implement the same to the extent politically, financially and administratively possible, so as to achieve socio-economic justice:

- The policy of "land to tillers" should be effectively followed. Abolish absentee landlordism should be abolished by denying right to hold land to those who do not at all depend on agriculture for a livelihood; acquire

by payments of compensation, land from them for distribution to actual tillers and eligible rural poor.

- Confiscate all land kept fallow by big landlords, on payment of compensation, and distribute the same to the landless poor.
- The main impediment in the equal distribution of surplus land to the poor was litigation, involving 10.65 lakh acres. The Centre has requested the states to quicken the pace of reform. Therefore, an immediate step should be taken to expedite the litigations.
- There is a lack of proper and effective implementation of land policies. Distribution of all pending ceiling surplus land and other vested land should be completed.
- The plugging of mala-fide transfer is quite essential because they go against the spirit of equal distribution of land among the persons of the rural society.
- A total ban on letting or sub-letting land would be neither socially desirable nor administratively practicable. It is therefore, more rational to take measures to minimise the evils of tenancy legislation.
- Conduct a special drive to fully record all tenants, sharecroppers and update the revenue records incorporating the land-rights of the government allottees.
- The credits from the cooperatives and banks can be helpful for sustaining of distributed land. The beneficiaries will not sell the land distributed them, by the state due to economic problems.
- The marginal and small farmers should be helped in respect of improvements on their plots of land.
- Employment opportunities should be encouraged in non-farm activities that will reduce the pressure on land.

Adopting these measures integrally, the unequal distribution of land and exploitative labour and tenancy relations may be reduced. Thus, reducing the unequal distribution of land asset our country can look forward to growth with equity and social justice.

\*\*\*\*\*

\*\*\*\*\*

\*\*\*\*\*

## CHAPTER-V

### ***IMPACT OF LAND POLICY ON ACCESS TO LAND IN INDIA***

A redistributive land policy has multiple benefits in terms of reduction of poverty and economic inequality and greater economic growth. It is expected that this will alter the balance of landholdings in favour of small farmers. Redistributive land policy would raise total output and incomes of small farmers. In other words, it would increase allocative efficiency in the use of resources and employment opportunities. Thus, land redistribution would result in economic efficiency as well as social justice.<sup>31</sup> T. Haque emphasized the role of land reform as an engine of socio-economic transformation and rural development. An effective implementation of land reforms could contribute to efficient functioning of markets and would facilitate the shift to a non-subsidized agricultural growth, while simultaneously contributing to the goals of improved employment and equity.<sup>32</sup> Therefore, it is imperative to pay adequate attention to the impacts of land policy on access to land particularly in case of rural poor, landless households and marginal and small farmers in India.

This study, Impacts of Land Policy on Access to Land in India, is focussed on the specific issue of how far the benefits of land policy reach to the rural poor, landless households and marginal and small farmers. There is no intention to cover the entire area of land reforms, which is very wide consisting of innumerable legislation and their revisions and amendments. Here, we will discuss only the changes in the access to land and its viability for improvement of their economic condition. An evaluation of impacts of land policy on access to land is important for

---

<sup>31</sup> Griffin, Keith, A.R. Khan & Amy Ickowitz, 'Poverty and the Distribution of Land', Agrarian Studies (ed) by V. K. Ramachandran & M. Swaminathan.

<sup>32</sup> Haque, T. and G. Parthasarathy, 'Land Reform and Rural Development, Highlights of a National Seminar', *EPW*, February 22, 1992.

understanding 'landlord-biased'<sup>33</sup> L Griffin 1974) policy. There are two principal benefits, which the rural poor can obtain from land reforms- (i) ownership of land for those who are landless or have merged holdings, and (ii) security of occupation and fair terms for the poor tenants of land.

It would be appropriate to start with the proposition that, by and large, the land policy has been a failure in benefiting and improving the socio-economic conditions of the poor sections of the rural society. The policy makers usually spend considerable time and energy in improving the legislative and implementation aspects of land reform. However, legal administrative and other factors became the principal bottlenecks. A go-stop programme of implementation failed to make effective impact upon many working cultivators. The official assessment itself is quite pessimistic – "Land reforms programme has virtually come to a dead end ...there is a strong opinion in the country that land reforms have really not been implemented."<sup>34</sup> The failed situation appear to range from area where the land reform programmes have been frustrated at the very initial stage of putting the necessary legislations in the statute book to areas where, despite some good and effective implementation and receiving of programme benefits by the poor, there was no enduring impact on the poor and on the land relations. Thus, it would not be wrong to say that the poor did not benefit from the reform in concrete terms.<sup>35</sup>

The redistributive land policy didn't help to rural poor to obtain secure and equitable access to land. There existed a wide gap between policy and implementation. The two major redistributive land reforms, viz. ceilings on holdings and tenancy reforms, which were introduced through State Legislative Acts (SALs) in the 1950s and 1960s, came in for severe criticism on account of their implementation failures attributed to the

---

<sup>33</sup> Griffin (1974).

<sup>34</sup> GOI, 1986.

<sup>35</sup> Rao, V.M., 'Land Reform Experience, Perspective for Strategy and Programmes, EPW, June 27, 1992.

political will or administrative collusion intended to dilute their impact. "The implementation of the laws for the abolition of the intermediary interests was far more satisfactory than the implementation by laws enacted in later years for Reforms of Tenancy and the imposition of ceilings on agricultural holdings."<sup>36</sup> But the success obtained in the implementation of laws for abolition of intermediaries was not so good as was expected in the beginning. The previous zamindars have acquired large areas for personal cultivation on which cultivation is done with the help of hired labours.<sup>37</sup> They have formed a new and dominant class of masters of the countryside. On the other hand, the access to land, particularly to operational land, of the lower classes of the rural society has been declined.

Thus, the impact of land policy on the access to land has been a subject of discussion. Here, a brief reference must be made to the structural changes in terms of emerging differentiation of which the concentration of household ownership holdings and operational holdings, marginalisation of households and operational holdings, size of holdings and landlessness etc., are the important aspects.

First of all, we take the changes in the structure of the household ownership holdings, including landless households. In spite of varying trends in the state-wise concentration ratio of ownership holdings, including landless, it remained practically unchanged during 1970-71 to 1991-92 at the all India level. In other words, the level of inequality that is measured in terms of Gini's coefficient has remained more or less unchanged since 1970. Likewise, when we exclude the landless households, the above trend in the concentration ratio of ownership holdings was continued. On the basis of this unchanged trend in the concentration ratio of ownership holdings, we can say that the effectiveness of land policy has been shortened. The ultimate aims of land

---

<sup>36</sup> Appu, 1995, p. 210.  
<sup>37</sup> Ibid.

reforms to confer the rights of ownership to tenants remained unsatisfied and the unequal and unsustainable access to land prevailed. The concentration ratio of operational holdings has some different features to the household ownership holdings during 1970-71 to 1991-92.

The concentration of operational holdings increased in all the states except Andhra Pradesh. It is to be noted here that the rise in the concentration was more pronounced in Punjab and Haryana. At all India level, the concentration ratio of operational holdings rose from 0.586 to 0.641 during 1970-71 to 1991-92. The percentage increase in the ratio, at all India level, was 7.3 percent and 1.9 percent during 1970s and 1980s respectively. It is obviously concluded that the distribution of operational holdings became more unequal which is the result of government land policy. Tenancy law and self-cultivation were the main factors for rise in the unequal distribution of operational holdings. Tenancy law intimidated the landlords and increased the leased out land for self-cultivation. Now, self-cultivation was not difficult due to emerging new agricultural technologies, institutional reforms and price support in Indian agriculture. The deeper significance of technologically dynamic agriculture is that it provides opportunities to move from subsistence to viable economic farming and creates new potential for accelerated economic growth well beyond the agricultural sector. But the problem is that the poor farmers are not able to use these costly technologies. While land reforms failed to bring about any radical redistribution of land, the introduction of new technology has brought about sharp differentiation among the peasantry by opening up more profitable opportunities to rich peasantry. The impression created is that the 'HYV technology', unlike the heavy farm machinery-based technology, doesn't impose any size barriers of entry for small-marginal farmers. But in actuality, the 'new technology' has been biased in favour of those who have better command over resources.<sup>38</sup> By

<sup>38</sup>

Reddy, D.N., 'Changing Agrarian Relation and Rural Labour: Certain Emerging Issues', *The Indian Journal of Labour Economics*, vol. 45, no.1, 2002



and large, the government land policy decreased the access to land and worsened their economic conditions.

In a land-based economy, like the Indian economy, it would be reasonable to infer the prevalence of marginalisation of cultivators if the structure of landholdings has a strong trend towards proliferation of small and marginal farmers who are usually viewed as the principal target groups, along with landless labourers, for the anti-poverty programmes. This would be particularly true for the Indian economy where two third of the rural population (see chapter-II) derives livelihood from agriculture. The structural changes in the percentage distribution of operational holdings reveal that there has been a general tendency of an increase in the share of households and the area cultivated by the small and marginal farmers; that there has been a reduction in the share of holdings as well as in the area operated by the large farmers, and that the average size of operational holdings in all the size-classes is on the decline. The marginalisation of the poor peasantry always existed in India. The changes that have taken place in the agricultural production and institutional structures during the last half a century had been marked by relatively less of an uplifting but more of unsettling impact on the poor peasantry consisting of small marginal farmers and agricultural labourers, while the overall rural workforce increased by about 103 percent during 1951-91 cultivators increased by about 58 percent, whereas agricultural labours increased by a phenomenal 173 percent. The causalisation of agricultural workers, the rapidly declining share of agricultural sector in national product and only marginal reduction in the share of the workforce in agriculture, have jointly brought about a shrinking economic share to the masses of the agricultural sector.<sup>39</sup> Most of the agricultural labourers are landless and even those who possess land are likely to be marginal farmers, often owning inferior grade of land distributed under ceiling surplus land or the waste lands under state control. The proportion of

---

<sup>39</sup>

Rao and Hantanappa, 1999.

landless households among agricultural labourers increased from 51 percent in 1974-75 to 76 percent in 1993-94.<sup>40</sup>

The worst part is the phenomenal increase in the 'semi-landless' or near landless households.' The rural landless households increased only marginally from about 10 percent to 11 percent in 1991-92, but in 1970-71, if we take those households with the less than about half an acre, which are referred to as "semi-landless" alongwith the landless, the proportion of landless households had increased from about 30 percent in 1970-71 to about 48 per cent by 1990-91. Is is to be noted here that these are the households that constitute the vast and growing rural underclass. They are still exploited due to unsustainable land relations.

Now, we analyze the impacts of land policy on the households owning about 4 hectares and above. It constitutes the rich peasantry class in rural society, which emerged as the 'master of the country side'. The changing structure of the operational landholdings showed decline in the share of households as well as in the share of the land operated for the small and marginal size-classes after 1970. But until 1970, the group of rich peasantry had already emerged as a powerful class that not only wielded power in the country side but also acquired the capacity to influence the public policy, with the primary aim to appease the masses and at the same time, the capacity manipulate the implementation of these policies to tits own advantages.

It is well known that land reform legislation, particularly that relating to land ceilings, had hardly any effect on the landholding of the rich class of the rural society till the end of 1960s. By time when political pressure called for effective legislation and implementation, the rich rural class was well entrenched. Whenever land was emerging as an increasingly productive asset, because of both public investment and new technology, the land reforms were subverted with impunity. The ceiling surpluses were

---

<sup>40</sup> Sharma, 2001.

kept to a minimum and the surplus land surrendered were often of very poor quality. While taking into account even these surrenders of sub-standard surplus land the total ceiling surplus land redistributed to the poor peasantry constitutes barely 2 percent of total cultivated land in India, what is retained by the rich rural class is not only of better quality land but also a better productive asset because of the benefits of state investments in providing infrastructure like irrigation and power facilities. It was also the land owned by the rich peasantry that was ready enough to benefit from improved technology along with heavy doses of state subsidies.

Thus, when we refer to the top 10 percent of the rural households operating about 50 percent of the land, a substantive proportion of this land is more productive land, while, the small, marginal farmers constitute about 80 percent of the households operating only about 30 percent of the land, a substantive part of which is likely to be sub-standard. Higher productivity of the lands of the rich class enables them to purchase the lands of the poorer section of the rural society. The Gini ratios of unchanging or worsening nature in some of the states need to be read along with the qualitative differences in the land operated by the rich and the poor.<sup>41</sup>

The tenancy legislations were apparently introduced with the objective of transferring land to the cultivators (with the exception of tenants under the zamindars and other intermediaries who were abolished in 1950s), has never come anywhere near achieving its objective. On the contrary, it has driven the tenancy underground in most of the states. Though the official documents claim that zamindari has been completely abolished yet the fact is that it has only changed its 'garb'.<sup>42</sup> The most acclaimed legislation in West Bengal, viz. tenancy reforms, only helped in formulizing the sharecroppers-owner relations;

---

<sup>41</sup> Reddy (2002).

<sup>42</sup> Ibid.

and in Kerala, they made the owners to keep their land follow, lest they should lose it to tenants, if leased out. Here, it is important to mention that what is emerging as 'reverse tenancy' in states like Punjab and Haryana is only helping the rich peasantry to improve their command over rural resources, while pushing the small peasantry to the brink of dispossession. Another criticism of tenancy reform in India is that in spite of large number of tenants being protected or bestowed with ownership rights on erstwhile tenure-hold land, total land over which such tenancy reform took place is quite insignificant compared to the total agricultural land in India.<sup>43</sup>

After all this, we are able to analyze the impact of land policy on the access to land and its viability for improvement of socio-economic conditions of the poor marginalised setting. In general, the land policy adopted didn't help the rural poor in obtaining secure and equitable access to land in the context of growing population pressure on land and keen competition for its control among the different rural strata. The marginal sections of the rural society still are living with unequal distribution of land. The dominant rural groups exert decisive influence on the processes of formulation and implementation of the land policies to divert the benefits of the policies from the rural poor to themselves. There were no enduring improvements in the social and economic status of the underclass, they got only the direct and proximate benefits of government's land policy.

Therefore, it can be safely said that the slogan-land to the tillers- has remained a far cry from the reality in India. The Gini coefficient of both the ownership holdings and operational holdings between 1971 and 1991 gives clear indication of skewed and concentrated landholding patterns in India. The Gini-coefficient of ownership holdings was 0.706, 0.77 and

---

<sup>43</sup> Das, Sukumars, A Critical Evaluation of Land Reforms in India (1950-1995), Land Reforms India, An Unsatisfied Age.

0.713 in 1971, 1981 and 1991 respectively. Similarly, the ratio for operational holdings in India was 0.586, 0.629 and 0.641 in 1971, 1981 and 1991 respectively. Thus, indicates that the access to land has become more skewed over the years.

## CHAPTER-VI

### CONCLUSION

In Indian economy, land is the most important asset. Its possession, in Indian society, is a symbol of entitlement, power and privileges and is synonymous with not only the economic well-being of a household but its social status as well. Land is also more important because a large section of population is dependent on agriculture and related economic activities for their livelihood. Therefore, access to land and its possession bears on socio-economic position for the peasantry populace of rural India. Going by the previous trends, it is observed that in the last four decades in a majority of the states: (i) there has been hardly any significant change in the labour force employed in agriculture for their livelihood; (ii) land accounts for about 50 per cent of total assets of rural households; (iii) a high proportion of net state domestic product comes from agriculture.

At the national level, agriculture also bears important linkages for source of employment, national income, industrial development, export and others. In respect of new agricultural technology the importance of land has increased in terms of productivity and employment.

At the time of Independence, India inherited a semi-feudal agrarian structure with onerous tenure arrangements over substantial areas. The vast majority of rural cultivators and labourers were placed in an unfavourable position in this respect. Ownership and control of land was highly concentrated in a relatively few hands. On the other hand, a large section of population was landless. Unequal distribution of land and exploitative labour

and tenancy relations were inimical to equity and impeding to economic restructuring.

To change the property relations the policy makers paid adequate attention on the access to land in rural areas. It was expected in the beginning that equitable access to land will raise the productivity transformation of agriculture and consequently, the targets of reduction of poverty, economic inequality and greater economic growth would be achieved. But the land policy adopted in India has more or less failed. Defects in policy planning became conspicuous in the implementation stage of the land reform programme. Legal, administrative and other factors became principal bottlenecks in improving the land relations. Go-stop programmes of implementations failed to make effective impact upon marginal and small farmers. Barring the abolition of intermediary tenures, however, it is clear that no radical restructuring of rural land property relations was carried out even though social justice might well have been the motivation for the reform plans that were formulated.

The above argument that the inequality in the distribution of land has not significantly changed over time has to be verified in relation to following specific observations. With respect to the distribution of land, the analysis in chapter-III did not show any worsening of inequality. The index of household ownership concentration, among land owning households, has been more or less stable during the period 1970-71 to 1991-92. The concentration ratio of ownership holdings, including landless, remained constant at 0.71 since 1970-71. This ratio, excluding landless from the picture, remained stable at 0.67. However, the index of operational holding concentration has increased from 0.586 in 1970-71 to 0.641 in 1991-92. The rise in the concentration ratio of operational holdings is indicating that unequal access to land operated

has risen during this period. The constant nature of the concentration ratio of land owned showed that access to land owned remained the same.

The increasing proportion of landless households in rural India also indicates unequal access to land. The percentage of rural household with no owned land rose from 9.64 per cent to 11.24 per cent during 1970-71 to 1991-92. Besides that, semi-landless households also showed a perceptible rise since 1970-71. It rose from 28 per cent to 32 per cent during these three decades.

There has also been a rapid growth in the number of marginal and small landholdings. The percentage share of marginal and small landholdings rose from 95 per cent to 97.5 per cent out of total number of landholdings during 1970-71 to 1991-92. The increasing share of small and marginal size-classes is showing the proliferation of uneconomic landholdings. The percentage share of large size-classes has decreased. Thus, the landholdings are concentrating in the middle size classes.

The preceding analyses show: (i) despite varying degree of decline in the proportion of area owned and operated by the households at the top of land ownership hierarchy, glaring inequalities continue to persist; (ii) practically land concentration has become more pronounced at the middle level; (iii) a preponderant majority of rural households at the bottom of land ownership hierarchy has remained, by and large, unaffected in the process of distribution of land.

Finally, it is concluded that the access to land was very limited at the time of independence and it continues to be so till today. It indicates that the processes and policies did not affect the access to land and therefore, inequitable access to land is present still today in unsustainable manner. The



goal to establish an egalitarian society has not been fulfilled. Thus, land policies in independent India have not much difference to the poor sections of the rural agrarian society.

\*\*\*\*\*

\*\*\*\*\*

\*\*\*\*\*

## BIBLIOGRAPHY

### PRIMARY SOURCES

- Agriculture Statistics at a Glance, Various Issues, Ministry of Agriculture, GOI, New Delhi.
- All India Report on Agricultural Census, 1971-72
- All India Report on Agricultural Census, 1976-77
- All India Report on Agricultural Census, 1980-81
- All India Report on Agricultural Census, 1985-86
- All India Report on Agricultural Census, 1990-91
- Economic Survey Various Issues, Government of India (GOI), New Delhi.
- National Accounts Statistics, Various Issues, CSO, New Delhi.
- Report on Landholdings (1); Thirty Seventh Round, NSS Report No. 330.
- Report on Landholdings (3); Eighth Round 1953-54, NSS Report No. 36.
- Report on Landholdings (3); Thirty Seventh Round, NSS Report No. 338.
- Report on Landholdings (4); Eighth Round 1953-54, NSS Report No.66.
- Report on Landholdings (5); Eighth Round 1953-54, NSS Report No. 74.

- Report on Operational Landholdings; Forty Eighth Round 1992, NSS Report No. 407.
- Report on Some Aspects o Landholdings; Seventeenth Round 1961-62, NSS Report No. 144.
- Report on Some Aspects of Household Ownership Holdings; Forty Eighth Round 1992, NSS Report No. 399.
- Report on Some Aspects of Landholdings; Twenty Sixth Round 1971-72, NSS Report No. 215.

#### SECONDARY DATA

- Autkar, V. N. (1995), *'Economic Consequences of Land Reforms'*.
- Dasgupta, Biplab (1999), *'Whither Land Reforms?'*, in L. B. S. N. A. A. (1999).
- Eashvaraiah, P. (1985), *'Political Dimension of Land Reforms in India'*.
- Gill, Sucha Singh (2001), *'Land Reform In India, Intervention for Agrarian Capitalist Transformation in Punjab and Haryana'* (edited).
- Jazairy, Idriss, Mohiuddin Alamgir and Theresa Panuccio (1992), *'The State of Rural Poverty'*, New York: International Fund For Agricultural Development.

- Jha, Praveen K. (1997), '*Agricultural Labour In India*'; Vikas Publishing House Pvt. Ltd., New Delhi-7.
- Kapila, Uma (2002-03), '*Indian Economy Since Independence*' (ed), 14<sup>th</sup> edition, Academic Foundation, New Delhi.
- L. B. S. N. A. A. (1999), '*National Workshop on Whither Tenancy?*', L. B. S. N. A. A., Mussorie, September 24-25.
- Laxminarayan, H. S. and S. S. Tyagi (1982), '*Change in Agrarian Structure in India, Agricole Publishing Academy*', New Delhi'.
- Myrdal, Gunnar (1968), '*Asian Drama*', Vol. II, New York'.
- Nair, K. N. et al (1990), '*Structural Change in Landholding in India, a Study based on NSS Data*', Working Paper No. 237, C. D. S., Trivandrum.
- Pathak, S. N. (1987), '*Land Reform and Change in Rural Society*'.
- Patnaik, Utsa (1990), '*Agrarian Relations and Accumulation: The Mode of Production Debate in India*', Oxford University Press, New Delhi.
- Ramachandran, V. K. and Madhura Swaminathan (2002), '*Agrarian Studies: Essays on Agrarian Relations in Less Development Countries*' (edited), Tulika, New Delhi.

- Sanyal, S. K. (1981), '*Trends in Landholding and Poverty in Rural India*' in T. N. Srinivasan and P. K. Bardhan (eds), *Rural Poverty in South Asia*, Oxford University Press.
- Sharma, H. R. (1999), '*Agrarian Structure and Agricultural Development in Rural India: Emerging Trends and Patterns*' (mimeo).
- Sinha, B. K. and Pushpendra (2000), '*Land Reforms in India: An Unfinished Agenda*' (ed), Vol.5, Sage Publications, New Delhi.
- Thomasson, F. and Jannuzhi (1994), '*India's Persistent Dilemma, The Political Economy of Agrarian Reform*'.
- Thorner, Daniel, (1976), '*Agrarian Prospects in India*', Allied Publishers, New Delhi.

## **ARTICLES**

- Appu, P. S. (1975), '*Tenancy Reform in India*', *Economic and Political Weekly*, Vol. X, Nos. 3, 4 & 5.
- Bandhopadhyay, D. (1986), '*Land Reforms in India: An Analysis*', *EPW*, Vol. XXI, Nos. 25 and 26.
- Bhaduri, A. (1973), '*A Study in Agricultural Backwardness under Semi-Feudalism*', *Economic General*, Vol. 83.
- Byres, T. J. (1972), '*The Dialectics of Indian Green Revolution*', *South Asian Review*, Vol. 5, No. 2.

- Chadha, G. K. (1993), '*Non-farm Employment for Rural Households in India: Evidence and Prognosis*', *The Journal of Labour Economics*, Vol. 36, No. 3.
- Haque, T. and G. Parthasarathy (1992), '*Land Reform and Rural Development, Highlights of a National Seminar*', *Economic and Political Weekly*, February 22.
- Haque, T. (1987), '*Temporal and Regional Variations in Agrarian Structure in India*', *Indian Journal of Agricultural Economics*, Vol. XLII, No.3.
- Raj, K. N. (1971), '*Ownership and Distribution of Land*', *Indian Economic Review*, Vol. 5, No.1.
- Rao, V. M. (1992), '*Land Reform Experience: Perspective for Policy and Programme* *Economic and Political Weekly*, June 27.
- Rao, V. M. and H. G. Hanumappa (1999), '*Marginalisation Process in Agriculture, Indicators, Outlook and Policy Implications*', December 25.
- Reddy, D. N. (2002), '*Changing Agrarian Relations and Rural Labour: Certain Emerging Issues*', *The Indian Journal Labour Economics*, Vol. 45, No. 1
- Saniyal, S. K. (1977), '*Trends in some Characteristics of Landholdings: An Analysis*', *Survekshna*, Vol. I, Nos. 1 & 2.

- Sawant, S. D. (1990), '*Distribution of Landholdings from National Sample Survey*', *Indian Journal of Agricultural Economics*, Vol. XLI, No.2.
- Singh, Harpal (1976), '*Structural Changes in the size Distribution of Holdings: A Macro View*', *Indian Journal of Agricultural Economics*, Vol. XXXI, No.3.

\*\*\*\*\*

\*\*\*\*\*

\*\*\*\*\*

Appendix-I: Percentage Distribution Of Household And Area Owned Over Five Board Classes In 17 Major States  
For The Year 1992,1982, 1971-72.

State	Year	p.c. distribution of households						p.c. distribution of area owned					
		Margi nal	Small	Semi- medium	Medium	Large	All	Margi nal	Small	Semi- medium	Medium	Large	All
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Andhra Pradesh	1992	76.41	12.35	7.46	3.38	0.39	100.00	21.30	22.44	24.15	24.06	8.06	100.00
	1982	67.49	14.03	10.01	6.69	1.78	100.00	11.26	15.29	20.70	29.83	22.92	100.00
	1971-72	65.30	13.65	11.22	7.57	2.26	100.00	9.92	13.16	21.19	30.15	25.58	100.00
Assam	1992	77.69	14.82	6.29	1.13	0.08	100.00	38.05	29.07	23.06	8.53	1.29	100.00
	1982	66.69	22.00	9.34	1.87	0.09	100.00	24.53	34.81	27.67	11.50	1.48	100.00
	1971-72	69.58	18.20	9.73	2.38	0.11	100.00	22.15	30.22	30.79	15.20	1.64	100.00
Bihar	1992	80.56	11.10	6.00	2.14	0.20	100.00	28.58	23.34	24.46	18.68	4.44	100.00
	1982	76.65	12.42	7.79	2.82	0.31	100.00	23.96	22.91	27.02	20.22	5.90	100.00
	1971-72	71.71	15.11	9.15	3.66	0.37	100.00	18.20	23.43	28.07	23.63	6.67	100.00
Gujarat	1992	63.33	15.18	12.19	7.62	1.67	100.00	9.55	15.46	24.78	31.99	18.24	100.00
	1982	57.25	13.61	14.98	11.45	2.70	100.00	6.66	10.78	22.63	39.45	20.49	100.00
	1971-72	52.25	15.24	13.63	13.80	5.08	100.00	4.53	9.94	16.73	36.15	32.65	100.00
Haryana	1992	59.04	13.49	18.19	8.53	0.77	100.00	7.96	13.43	33.54	37.17	7.91	100.00
	1982	56.84	15.49	13.31	12.48	1.88	100.00	5.04	13.44	21.58	44.90	15.05	100.00
	1971-72	63.90	8.95	11.67	13.00	2.48	100.00	4.63	7.43	18.95	46.93	22.06	100.00
Himachal Pradesh	1992	79.17	11.55	6.43	2.58	0.25	100.00	34.99	20.35	21.57	18.50	4.60	100.00
	1982	61.98	19.37	12.37	6.09	0.18	100.00	20.94	23.09	26.04	27.82	2.11	100.00
	1971-72	61.19	20.92	12.18	5.20	0.51	100.00	21.22	23.43	25.92	23.12	6.31	100.00
Jammu & Kashmir	1992	63.40	23.88	9.85	2.88	0.00	100.00	25.25	33.40	25.84	15.23	0.00	100.00
	1982	67.15	20.50	10.78	2.05	0.03	100.00	28.13	30.29	28.70	12.56	0.32	100.00
	1971-72	59.18	29.20	10.00	1.62	0.00	100.00	27.41	39.33	25.20	8.06	0.00	100.00
Karnataka	1992	58.72	18.27	14.95	6.58	1.48	100.00	11.05	18.35	27.82	26.62	16.16	100.00
	1982	54.41	16.82	16.82	9.28	2.66	100.00	6.21	13.56	25.40	31.45	23.38	100.00
	1971-72	50.94	16.27	18.13	11.85	2.81	100.00	5.74	11.81	24.84	35.19	22.42	100.00
Kerala	1992	92.66	5.32	1.66	0.34	0.02	100.00	54.51	24.19	14.32	6.33	0.66	100.00
	1982	90.67	6.07	2.52	0.69	0.05	100.00	45.74	23.51	19.11	10.06	1.59	100.00



	1971-72	88.69	7.32	3.00	0.91	0.08	100.00	40.88	24.32	19.95	11.89	2.96	100.00
Madhya Pradesh	1992	52.38	19.19	16.20	10.34	1.88	100.00	7.61	15.49	24.97	35.38	16.57	100.00
	1982	48.77	16.24	18.24	13.76	2.99	100.00	4.99	11.08	24.30	37.93	21.72	100.00
	1971-72	40.26	16.96	20.72	17.20	4.86	100.00	3.34	9.16	21.36	37.80	28.34	100.00
Maharashtra	1992	59.47	14.19	15.14	9.14	2.05	100.00	7.02	12.61	25.54	33.43	21.41	100.00
	1982	54.89	14.96	14.83	11.83	3.50	100.00	4.65	10.90	20.28	36.23	27.40	100.00
	1971-72	48.36	14.94	16.28	14.99	5.43	100.00	3.48	8.59	18.34	35.45	34.14	100.00
Orissa	1992	75.71	14.42	7.34	2.40	0.12	100.00	26.37	27.16	25.99	18.08	2.40	100.00
	1982	66.06	20.84	9.31	3.42	0.37	100.00	19.88	29.73	25.04	19.50	5.84	100.00
	1971-72	68.94	18.08	9.04	3.52	0.42	100.00	20.45	26.95	25.88	20.72	6.00	100.00
Punjab	1992	69.63	9.98	12.21	7.11	1.08	100.00	7.18	12.35	30.21	38.04	12.22	100.00
	1982	66.87	10.08	11.61	9.94	1.47	100.00	5.59	10.76	22.87	42.23	18.56	100.00
	1971-72	67.50	8.37	12.71	9.19	2.23	100.00	4.47	8.87	25.06	37.96	23.64	100.00
Rajasthan	1992	44.50	18.53	17.71	13.89	5.37	100.00	5.42	10.04	18.90	31.55	34.10	100.00
	1982	37.08	16.23	20.07	19.60	6.53	100.00	3.63	7.29	17.29	35.19	36.55	100.00
	1971-72	26.96	19.87	20.49	22.63	10.05	100.00	2.03	6.78	13.15	32.89	45.15	100.00
Tamil Nadu	1992	87.13	8.01	3.81	0.92	1.11	100.00	33.28	26.24	24.15	12.15	4.18	100.00
	1982	81.85	10.89	4.95	2.16	0.16	100.00	23.57	27.24	23.53	20.94	4.71	100.00
	1971-72	73.13	11.39	6.75	3.00	0.46	100.00	20.23	21.84	25.21	22.97	9.75	100.00
Uttar Pradesh	1992	74.40	14.73	7.92	2.76	0.21	100.00	27.42	24.88	25.82	18.14	3.73	100.00
	1982	67.95	17.38	10.23	4.06	0.37	100.00	20.36	24.08	28.11	22.25	5.19	100.00
	1971-72	65.58	18.60	10.84	4.49	0.49	100.00	17.45	24.65	27.94	23.85	6.07	100.00
West Bengal	1992	85.88	9.48	3.94	0.71	0.00	100.00	41.29	28.11	22.98	7.72	0.00	100.00
	1982	81.60	11.50	5.54	1.28	0.08	100.00	30.23	28.77	27.23	12.12	1.54	100.00
	1971-72	77.62	12.64	7.30	2.39	0.05	100.00	27.21	25.69	27.72	18.61	0.70	100.00
All INDIA	1992	71.88	13.42	9.28	4.54	0.88	100.00	16.93	18.59	24.58	26.07	13.83	100.00
	1982	66.64	14.70	10.78	6.45	1.42	100.00	12.22	16.49	23.38	29.83	18.07	100.00
	1971-72	62.62	15.49	11.94	7.83	2.12	100.00	9.76	14.68	21.92	30.73	22.91	100.00

Source: 48<sup>th</sup> round; NSS Report No.399, 'Some Aspects of Household Ownership Holdings'.

Note : Marginal (<1 ha); small (1-2 ha); Semi-medium (4-10 ha) and large (10 ha & above)

Appendix-II Percentage Distribution of Operational Holdings and Area Operator by-sized  
Categories of Operation Holdings (1992, 1982, 1971-72)

Rural

State	Year	Marginal		Small		Semi-medium		Medium		Large	
		number	area	number	area	number	area	number	area	number	area
Andhra Pradesh	91-92	59.27	17.54	21.38	23.34	13.16	26.23	5.38	23.49	0.81	9.40
	81-82	48.64	10.25	22.13	15.37	15.51	21.08	10.80	30.20	2.92	23.10
	70-71	47.29	9.28	19.14	11.74	18.23	21.91	11.87	31.32	3.47	25.75
Assam	91-92	70.78	34.24	19.99	31.22	7.53	22.92	1.51	9.07	0.19	2.55
	81-82	61.57	22.12	24.32	33.51	11.32	29.34	3.68	13.65	0.10	1.38
	70-71	52.40	21.64	30.23	34.90	14.30	30.54	2.99	12.20	0.08	0.072
Bihar	91-92	76.76	29.01	13.68	25.14	6.86	23.69	2.48	18.24	0.22	3.92
	81-82	68.70	22.41	17.61	25.85	9.90	27.08	3.38	18.79	0.41	5.87
	70-71	58.86	18.14	23.32	26.22	12.85	28.92	4.52	21.01	0.45	5.71
Gujarat	91-92	47.90	8.49	19.86	13.79	17.69	24.92	12.06	35.05	2.49	17.78
	81-82	38.63	6.53	20.38	11.31	21.30	22.42	15.82	38.60	3.87	21.14
	70-71	27.19	3.90	20.70	8.55	22.24	17.41	21.64	35.95	8.23	34.19
Haryana	91-92	50.73	5.32	13.50	8.81	20.32	25.54	11.49	29.38	3.96	30.95
	81-82	42.22	3.74	12.74	7.28	22.88	25.56	18.81	45.57	3.35	17.85
	70-71	17.48	2.53	17.54	6.54	28.30	19.86	31.06	49.24	5.62	21.83
Karnataka	91-92	49.71	9.56	20.26	15.41	17.98	25.21	9.77	30.78	2.28	19.04
	81-82	38.40	5.80	22.53	13.18	22.18	24.14	13.24	32.74	3.65	24.14
	70-71	28.76	5.10	22.81	10.69	25.44	22.97	17.59	34.29	5.40	26.95
Kerala	91-92	91.58	53.27	5.94	23.36	1.99	14.93	0.48	8.08	0.01	0.36
	81-82	88.94	45.45	7.28	24.09	12.89	18.47	10.82	10.06	0.07	2.93
	70-71	86.21	40.05	8.90	24.75	3.66	20.08	1.13	12.26	0.10	2.86

Continued

Madhya Pradesh	91-92	38.71	6.70	24.43	15.56	20.90	25.47	13.49	35.92	2.47	16.35
	81-82	32.94	4.67	22.51	12.31	23.12	24.18	17.85	38.60	3.58	20.24
	70-71	26.11	3.42	20.29	8.86	25.77	21.15	21.64	37.99	61.19	28.58
Maharashtra	91-92	43.59	6.66	18.92	11.77	20.38	24.67	14.07	36.59	3.04	20.31
	81-82	35.26	3.63	19.47	9.35	21.28	20.01	18.42	37.88	5.57	29.13
	70-71	23.71	3.06	21.74	8.38	23.44	17.59	22.44	35.29	8.67	35.68
Orissa	91-92	59.99	22.09	24.34	30.16	12.02	27.87	3.36	16.20	0.29	3.68
	81-82	54.45	17.02	26.11	26.48	14.08	26.16	4.63	17.84	0.73	12.50
	70-71	54.52	18.60	25.78	27.32	13.90	27.06	5.25	21.56	0.55	5.46
Punjab	91-92	63.22	6.20	11.42	10.74	13.85	26.72	9.82	40.55	1.69	15.79
	81-82	59.02	3.91	10.39	8.90	13.96	21.76	14.15	45.85	2.48	19.58
	70-71	11.71	1.46	19.06	7.09	32.70	24.28	30.51	45.05	6.02	22.12
Rajasthan	91-92	39.34	5.56	19.88	9.36	18.46	17.25	15.23	30.16	7.09	37.67
	81-82	30.53	3.55	17.48	6.98	52.09	17.08	36.50	22.50	7.40	35.89
	70-71	31.00	2.01	16.40	5.79	21.30	14.19	21.77	33.23	9.53	44.78
Tamil Nadu	91-92	77.17	28.94	14.14	28.06	6.62	24.72	1.80	13.22	0.27	5.06
	81-82	71.37	22.39	16.72	26.72	8.28	25.37	3.35	20.68	0.28	4.84
	70-71	60.06	21.93	21.26	22.73	13.17	27.32	4.93	21.72	0.58	6.30
Uttar Pradesh	91-92	68.01	24.96	18.52	26.31	9.85	26.30	3.33	18.18	0.29	4.25
	81-82	59.60	18.09	21.58	23.76	12.88	28.04	5.40	23.62	0.54	6.49
	70-71	49.78	15.64	26.92	25.30	16.45	29.76	6.20	23.33	0.65	5.97
West Bengal	91-92	80.69	39.98	13.43	30.69	5.00	22.06	0.88	7.27	0.00	0.00
	81-82	74.34	29.27	15.83	28.77	8.07	28.25	1.67	11.39	0.09	2.32
	70-71	61.21	24.80	22.80	28.92	12.94	31.06	2.98	14.58	0.07	0.64
India	91-92	62.79	15.60	17.79	18.70	11.99	24.13	6.10	26.37	1.33	15.20
	81-82	56.00	11.50	19.32	16.59	14.23	23.55	8.56	30.15	1.89	18.21
	70-71	45.77	9.21	22.38	14.80	17.66	22.52	11.11	30.49	3.08	22.98

Sources of estimates of 26<sup>th</sup> and 37<sup>th</sup> and 48<sup>th</sup> rounds; NSS Report Nos. 215, 331 & 407.

**Appendix-III: State wise distribution of operational holdings & area operated**

(1970-71 to 1990-91)

(in '000 ha)

Number and percentage of operational holdings and area operated										
State	1970-71		1976-77		1980-81		1985-86		1990-91	
	H	A	H	A	H	A	H	A	H	A
Andhra Pradesh	5421 (7.6)	13586 (8.4)	6154 (7.5)	14380 (8.8)	7370 (8.3)	14333 (8.7)	8231 (8.5)	14158 (8.6)	9290 (8.7)	14460 (8.7)
Assam	1965 (2.8)	2883 (1.8)	2254 (2.8)	3079 (1.9)	2298 (2.6)	3121 (1.9)	2419 (2.5)	3161 (1.9)	2523 (2.4)	3205 (1.9)
Bihar	7577 (10.7)	11480 (7.1)	9936 (12.2)	11073 (6.8)	11030 (12.4)	11068 (6.8)	11711 (12.1)	10898 (6.6)	12966 (12.1)	10743 (6.5)
Gujarat	2433 (3.4)	10,000 (6.2)	2713 (3.3)	10075 (6.2)	2930 (3.3)	10104 (6.2)	3145 (3.2)	9954 (6.1)	3517 (3.3)	10292 (6.2)
Haryana	914 (1.3)	3448 (2.1)	999 (1.2)	3579 (2.2)	1012 (1.1)	3562 (2.2)	1347 (1.4)	3714 (2.3)	1530 (1.4)	3711 (2.2)
Himachal Pradesh	609 (0.8)	931 (0.6)	621 (0.8)	1010 (0.6)	638 (0.7)	980 (0.6)	753 (0.8)	980 (0.6)	834 (0.8)	1010 (0.6)
J & K	979 (1.4)	916 (0.6)	971 (1.2)	1042 (0.6)	1035 (1.2)	1030 (0.6)	1185 (1.2)	1025 (0.6)	1217 (1.1)	1014 (0.6)
Karnataka	3551 (5.0)	11368 (7.0)	3811 (4.7)	11357 (6.9)	4309 (4.9)	11746 (7.2)	4919 (5.1)	11879 (7.2)	5776 (5.4)	12321 (7.4)

M.P.	5300 (7.5)	21194 (13.1)	6061 (7.4)	21691 (13.3)	6411 (7.2)	21931 (13.4)	7603 (7.8)	22155 (13.5)	8401 (7.9)	22111 (13.4)
Maharashtra	4950 (7.0)	21179 (13.1)	5764 (7.1)	21105 (12.9)	6862 (7.7)	21362 (13.0)	8101 (8.3)	21352 (13.0)	9470 (8.9)	20925 (12.6)
Punjab	1375 (1.9)	3974 (2.4)	1504* (1.8)	4125* (2.5)	1020 (1.1)	3892 (2.4)	1088 (1.1)	4104 (2.5)	1117 (1.0)	4033 (2.4)
Rajasthan	3725 (5.2)	20340 (12.5)	4365 (5.3)	20301 (12.4)	4487 (5.0)	19932 (12.4)	4743 (4.9)	20589 (12.5)	5107 (4.8)	20971 (12.7)
T.N.	5314 (7.5)	7709 (4.7)	6112 (7.5)	7628 (4.7)	7191 (8.1)	7708 (4.7)	7707 (7.9)	7796 (4.7)	7999 (7.5)	7474 (4.5)
U.P.	15639 (22.0)	18158 (11.2)	16971 (20.8)	17860 (10.9)	17817 (20.1)	17971 (11.0)	18985 (19.5)	17648 (10.7)	20074 (18.8)	17986 (10.9)
Others	11259 (15.9)	14972 (9.2)	13333 (16.4)	15038 (9.3)	14473 (16.3)	15057 (9.1)	15223 (15.67)	15149 (9.2)	16815 (15.76)	15251 (9.2)
All India	71012 (100)	162138 (100)	81569 (100)	163343 (100)	88883 (100)	163797 (100)	97160 (100)	164562 (100)	106637 (100)	165507 (100)

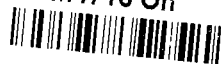
Source: Agricultural Census, Ministry of Agriculture, New Delhi.

Note: 1\* Estimated

2 Number in bracket indicates percentage to all India.

LISS

333.310954  
M4716 On



Th11725

