REPORT OF THE EXPERT COMMITTEE ON LAND LEASING

NITI AAYOG Govt. of India New Delhi

March 31, 2016

The views expressed in this report are of the Expert Committee and not of NITI Aayog or Govt of India.

Preface

This report is in pursuance of the communication of the NITI Aayog, Govt. of India, vide order No. Q11022/12/2015-Agri dated September 07, 2015 to constitute an Expert Committee, for preparing a Model Agricultural Land Leasing Act, based on critical review of the existing agricultural tenancy laws of States and keeping in view the need to legalize land leasing.

The composition and terms of reference of the Committee are shown in Annexure-I. The Committee had held several meetings and consultations with various stakeholders, the list of which is given in Annexure – II. I take this opportunity to convey my sincere thanks and appreciation to all the members of the Expert Committee for their contributions in finalizing the report. The help and co-operation of Dr. J.P. Mishra, Member-Secretary of the Committee, Shri. Y. S. Malik, Additional Secretary, Niti Aayog and other officers of the Agriculture Division, NITI Aayog are gratefully acknowledged. Besides, valuable contributions of Special invitees to the Expert Committee meetings, such as Mr. Sunil Kumar, Nalsar University of Law, Hyderabad Dr. Vijendra Kumar, Vice-Chancellor, National Law University, Guwahati and Prof. R.S. Deshpande, Director, Institute of Economic & Social Change, Bangalore, and Mr. Paras Kuhad, eminent land lawyer are acknowledged. Finally, I thank Ms. Jaya Nair and Mr. Gitesh Sinha of CSD for their valuable assistance.

Dr. T. Haque Chairman

New Delhi, March 2016

CONTENT

| | 1.1 | Introd | uction | 4 |
|---|----------|------------|--|-----|
| | 1.1 | Backgr | ound | 4 |
| | 1.2 | Legal | Restrictions on Land Leasing | 5 |
| | 1.3 | Case fo | or Legalization of Land Leasing | 11 |
| | 1.3.1 | F | Restrictions on Land Leasing and Agricultural Efficiency | 11 |
| | 1.3.2 | F | Restrictions on Land Leasing and Equity | 12 |
| | 1.3.3 | L | and Leasing, Occupational Diversification and Rural Transformation | า14 |
| | 1.3.4 | E | experience of Group Leasing by JLG Women in Kerala | 15 |
| | 1.3.5 | E | experience of AP Licensed Cultivators Act, 2011 | 16 |
| | 1.3.6 | Key Fe | atures of Model Land Leasing Act | 17 |
| | 2.0 | Model | Land Leasing Act | 18 |
| | 2.1 | Standa | rd Lease Agreement | 31 |
| | APPEND | IX - I | Distinctive Features of Various Land Tenure Systems | 38 |
| | APPEND | II — XIO | Restrictions on Period of Lease | 40 |
| | APPEND | III — XIO | Restrictions on Land Owners' Right of Resumption | 41 |
| | APPEND | VIX – IV | Conditions for Termination of Lease | 44 |
| | APPEND | OIX – V | Tenant's Right to Preemptive Purchase of Leased in Land | 48 |
| | APPEND | IV – VI | Conferment of Ownership Right on Tenants | 49 |
| | APPEND | IIV – VII | Recording of Lease | 51 |
| | APPEND | IIV – VIII | l Heritability of Lease Right | 51 |
| | APPEND | XI – XI | Regulation on Rent | 52 |
| | APPEND | OIX – X | Proportion of Leased in Area in various States | 53 |
| | ANNEXU | JRE – I | Composition and Terms of Reference of the Committee | 54 |
| | ANNEXU | JRE - II | Meetings and Consultations Held | 55 |
| R | eference | es: | | 56 |

1 Introduction

1.1 Background

At the time of independence, India inherited a feudal agrarian structure in which land rights were concentrated in the hands of a few landlords / zamindars, while actual cultivators/tenants did not have any right or security of tenure. Even though the nature of proprietorship varied initially under zamindari, ryotwari and mahalwari systems, the differences were narrowed over time. (Appendix – I). This was an inefficient, unequal and unjust structure. After independence, therefore, almost all state governments passed land reform laws, for, (i) abolition of intermediaries, (ii) abolition or regulation of tenancy and, (iii) imposition of ceilings on land holdings and redistribution of ceiling surplus land. The main objective was to create conditions for an agrarian economy with high levels of efficiency and equity (Second five year plan).

However, the objective of post-independence land reform for creating an agrarian economy with high levels of efficiency and equity has been achieved only partially. More particularly, restrictive tenancy laws enacted in the 1960s and 1970s seem to have affected agricultural growth, equity and investment in rural non-farm development adversely.

Most state governments have either legally banned or imposed restrictions on agricultural land leasing. Restrictive land leasing laws have forced tenancy to be informal, insecure and inefficient. Informal tenants are most insecure and inefficient, as they do not have legal sanctity and access to institutional credit, insurance and other support services. In addition, restrictions on land leasing have reduced the occupational mobility of many landowners who have interest and ability to take up employment outside agriculture and yet are forced to stay in agriculture due to the fear of losing land if they lease out and migrate. In

short, the restrictive tenancy laws have proved to be anti-growth and anti-poor in effect, even though India's policy makers thought it differently, while making such laws. It is against this background that NITI Aayog has set up an Expert Committee to review the existing agricultural tenancy laws of various states and suggest appropriate amendments keeping in view the need to legalize and liberalize land leasing for much needed agricultural efficiency, equity, occupational diversification and rapid rural transformation. As per the terms of references, the Expert Committee has also prepared a model agricultural land-leasing act in consultation with states and other stakeholders, including farmers' organizations and civil society groups.

1.2. Legal Restrictions on Land Leasing

Based on legal position, various regions of the country can be broadly grouped into the following five categories:

- i) States such as Kerala, Jammu & Kashmir and Manipur that have legally prohibited leasing out agricultural land without any exception.
- ii) States such as Bihar, Karnataka, Madhya Pradesh, Chattisgarh, Uttar Pradesh, Uttarakhand, Himachal Pradesh, Tripura, Telengana and Odisha that allow leasing out only by certain categories of land owners, such as those suffering from physical or mental disability, widows, unmarried, separated or divorced women, members of armed forces etc. In Karnataka, only Seamen and soldiers are allowed to lease out. In some cases, privileged raiyats like Lord Jagannath in Odisha and other recognized trusts of public nature are also allowed to lease out.

- states such as Punjab, Haryana, Gujarat, Maharashtra and Assam that do not explicitly prohibit leasing, but the tenant (excepting in Haryana) acquires the right to purchase the leased land from the owner after a specified period of creation of tenancy. In Gujarat and Maharashtra, tenancy of a tenant belonging to SC/STs cannot be terminated. In Punjab, law does not ban leasing out, but provides that a tenant of a big land owner above ceiling is entitled to purchase his tenanted land on continuous possession for six years. Similarly, in Assam, tenants who have held land for at least three years consecutively can acquire ownership right on payment of 50 times the rate of revenue.
- iv) In Andhra Pradesh, Tamil Nadu, Rajasthan and West Bengal, there is no legal ban on leasing. But there are several restrictive clauses. In West Bengal, only share-cropping is allowed and not leasing on fixed rent or fixed produce basis.

In Andhra Pradesh, leasing has to be for a minimum period of six years and tenancy can be terminated only by an application to the special judicial officer on any of the specified grounds. In Tamil Nadu, there is no prohibition on leasing, but the cultivating tenants cannot be evicted except on application to Revenue Divisional Officer and on violation of conditions prescribed in the Act.

v) In scheduled tribe regions, transfer of tribal land to non-tribals and in some cases even to tribals on lease basis can be permitted only by a competent authority.

The state specific legal restrictions on who can or cannot lease out are indicated in Table-1.

Table-1: Legal Restrictions on Land Leasing

| State | Law Governing land leasing | Nature of legal restriction on Leasing |
|-------------------|--|---|
| Andhra Pradesh | Andhra Pradesh (Andhra Area) Tenancy Act, 1956, as amended in 1974 | There is no explicit ban on leasing. But terms and condition of lease are restrictive. Any lease after 1974 has to be in writing and registered, for a minimum period of six years. Also on resumption of land by the landowner, the tenant has to be left with not less than one half of the land held by him under lease prior to such resumption. |
| Telengana | The Andhra Pradesh (Telengana Area) Tenancy & Agriculture Act, 1950, as amended in 1951, 1954, 1956, 1961, 1969 and 1979 | Leasing is prohibited except by certain categories of land owners, such as (a) land owners who hold land equal to or less than 3 times the family holding* (section-7) and (b) disabled persons (a minor, a female, persons with physical and mental infirmity, persons in defence services with permission of district collector. A copy of every lease shall be filed before the tehsildar. |
| • Fa | mily holding varies from 6 acre | es to 72 acres based on classification of soil and area. |
| Assam | Assam (Temporarily settled Areas) Tenancy Act, 1971, applicable to the entire state | (a) No explicit ban on land leasing (b) sub-letting is prohibited (c) occupancy tenants who have held land as tenant for at least 3 years continuously enjoy security of tenure and can acquire ownership right on payment of compensation at the rate of 50 times the rate of annual revenue, payable for such lands. (d) Non-occupancy tenant can acquire the right of occupancy, if he has held land continuously for 3 years. |
| Bihar | Bihar Land Reforms Act, 1961 | Leasing is prohibited except by disabled ryots i.e. minor, widow, or unmarried, divorced or separated woman, or person with physical or mental disability or a person in the armed forces or a public servant in receipt of salary not exceeding Rs. 250 per month (Section-19). |
| Jharkhand | Chhotanagpur Tenancy Act, 1908 and Santhal Pargana Tenancy Act, 1945 | Leasing is prohibited, except with permission of a competent authority, i.e the Deputy Commissioner. This is required not only for Adivasis, but also for Scheduled Caste or backward caste raiyats to lease out land. Besides, the land cannot be transferred even to an Adivasi who does not reside within the jurisdiction of the same police station to which the land owner belongs. (Section – 46(1) of CNTA) |
| Gujarat | Bombay Tenancy And Agril, Land Act 1948, as amended by Act No. 5 of 1973 | No explicit ban on land leasing, but land owner has a risk of losing land right, due to creation of tenancy. A tenant acquires the right to purchase the land leased in |

| | (erstwhile Bombay areas) | within one year of lease period. Legal leases are possible only when the tenant is not in a position to exercise his/her right to purchase due to financial difficulties or otherwise. |
|-------------------------------------|--|---|
| Gujarat | Saurashtra Land Reforms Act, 1951 and Prohibition of Leases Act, 1953 | Renewal of lease or grant of a fresh lease after 1.9.1954 is prohibited except by persons under disability such as a widow, a minor, a member of the armed forces or persons suffering from physical or mental disability, govt, local authority, industrial and commercial undertakings |
| Gujarat (Kutch Area) | Bombay Tenancy and Agricultural land (Vidharbha and Kutch Area) Act, 1958, as amended by Govt. of Gujarat in 1961, 1964, 1965, 1968 and 1973). | No explicit ban on land leasing. But the Act provides for voluntary purchase of ownership right |
| Himachal Pradesh | The H.P. Tenancy and Land Reforms Act, 1972, as amended in 1976 and 1987 | Leasing out is banned except by disabled persons such as members of armed forces unmarried/divorced/separated women, a widow, a minor, persons under physical or mental disability or a student of a recognized institution |
| J&K | The Jammu & Kashmir Agrarian Reforms Act, 1976 | Creation of tenancy is banned without any exception |
| Karnataka | The Mysore Land Reforms Act, 1961 as amended w.e.f. 1 March, 1974 | Leasing out is banned excepting by a soldier or a seaman |
| Kerala | Kerala Land Reforms Act, 1963, as amended in 1969, 1971, 1972 and 1973 | Leasing out is banned without any exception |
| Madhya Pradesh & Chhattisgarh | MP Land Revenue code, 1959, as amended up-to- date | Leasing out is prohibited except by a disabled person (a widow, unmarried woman, married but separated woman, a minor, a person in imprisonment, a person serving in armed forces, a public charitable/religious institution or a local authority or a co-operative society |
| Maharashtra | (i) Bombay Tenancy and Agricultural land Act, 1948, as amended in 1956 (for old Bombay area) (ii) The Hyderabad Tenancy and Agricultural Lands Act, 1950, as amended in 1954 for Marathwada- | No explicit legal ban on leasing. But land owner has a risk, as tenant has a right to purchase the land leased by him within one year of creation of tenancy. Any tenancy created after the tillers (i.e. 1 st April, 1957) day, (excepting by the serving member of armed forces) is void, as the tenants shall acquire the right to purchase. Tenant cultivating personally on 1 st April, 1957, i.e. the tillers day, shall be deemed to have purchased from the |

| | (Hyderabad area) | land lord the ownership right upto the ceiling area. |
|------------|---|--|
| Odisha | Orissa Land Reforms Act, 1965, as amended in 1973 and1976 | Leasing out agricultural land is banned except by a person under disability or under a privileged raiyat w.e.f. 1.10.1965. A person under disability includes: (i) a widow or unmarried or separated women (ii) a minor, (iii) a person incapable of cultivating land due to physical or mental disability (iv) a serving member of armed forces (v) a raiyat whose land holding does not exceed 3 standard acres. A privileged raiyat means Lord Jagannath, any trust or institution declared as a privileged raiyat or any other religious or charitable trust of a public nature. |
| Manipur | The Manipur Land Revenue and Land Reforms Act, 1960 as amended in 1975 (applicable to plain areas only) | Leasing in future is banned except by a person under disability |
| Punjab | Punjab Tenancy Act, 1887, The PEPSU Tenancy and Agricultural Lands Act, 1955, as amended in 1957, 1959, 1962, 1968 and 1969; Punjab Security of Land Tenancy Act, 1953 as amended in 1955, 1957, 1959, 1962, 1968 and 1969 and Punjab Land Reforms Act, 1972. | No explicit ban on leasing. But section 16 of the LR Act, 1972 provides that the tenant of a big landowner is entitled to purchase his tenanted land, if he has been in continuous possession of the land for a minimum period of six years, if the land is not included within the reserved or ceiling area of the land owner or when the land owner is a disabled person, (widow or unmarried woman or a person suffering from physical or mental disability and also the tenant must have land below ceiling. Also a landowner within ceiling can evict a tenant, subject to the tenant being left with not less than 5 standard acres. |
| Haryana | Punjab Security of Land Tenure Act, 1953 for the erstwhile Punjab area and PEPSU Tenancy and Agricultural Land Act, 1955 for PEPSU area, as amended uptodate. | There is no explicit ban on land leasing. But there are other restrictive clauses, as in Punjab. However, the Haryana law does not provide for any automatic right of purchase on tenanted land falling within the ceiling surplus areas of land owner, as in Punjab. Such land vests in the Govt, although tenants are given preference in the allotment of such lands. Also a tenant can lease in land for a minimum period of 3 years, but less than six years. |
| Rajasthan | Rajasthan Tenancy Act, 1955 | There is no explicit ban on land leasing. But terms and conditions of lease are restrictive. Also a tenant is entitled to a written lease, which may be attested if not registered. |
| Tamil Nadu | Madras cultivating tenants | No explicit ban on leasing. But landlord can resume |

| | protection Act, 1955 as amended in 1965 and Madras cultivating Tenants (payment of Fair rent) Act, 1956 | land for personal cultivation, not exceeding one-half of the land leased out to the tenant excepting when he is a member of armed forces. If the landlord owns above 13.5 acres of wet land or pays sales tax or professional tax or income tax, he cannot even resume land from tenant. Also any tenant or agricultural labourer occupying any Kudiyirupees (a dwelling house or hut) cannot be evicted. |
|-----------------------------------|---|--|
| Tripura | The Tripura Land Revenue and Land Reforms Act, 1960 | A raiyat or jotedar can lease out, but the lessee will hold it in perpetuity which cannot be terminated except by a person under disability i.e. widow, a minor, an unmarried woman or if married, divorced or judicially separated, a member of the armed forces, a person under physical or mental disability. A lessee/under raiyat cannot be evicted from his land except by an order of competent authority on specific grounds. |
| Uttar Pradesh & Uttarakhand | The Uttar Pradesh Zamindari Abolition Land Reforms Act, 1950 | Leasing in future is banned except by a disabled person and to agriculture related educational institution. A disabled person is defined as an unmarried/divorced/ separated woman, a widow or a woman whose husband is incapable of cultivating due to physical or mental infirmity or a minor whose father suffers from infirmity or person who is a lunatic or an idiot or blind or a student of a recognized educational institution whose age does not exceed 25 years and whose father suffers from infirmity or a serving member of the armed forces or a person under detention or imprisonment. |
| West Bengal | The West Bengal Land Reforms Act, 1955 as amended in 1970, 1971 and 1981 | Lease on share cropping only is allowed. No fixed rent or fixed produce tenancy is allowed, not even by a person under disability of any kind |

Other Restrictions.

Other Restrictive clauses in the tenancy laws of various states relate to

- (i) Period of lease
- (ii) Land owners' right of resumption
- (iii) Conditions for termination of lease
- (iv) Tenants right to pre emptive purchase of leased in land

- (v) Conferment of ownership right on tenants
- (vi) Recording of lease
- (vii) Heritability of lease
- (viii) Regulation on rent

The state specific details of these restrictions are given in Appendix (II – IX)

1.3. Case for Legalization and Liberalization of Land Leasing

There is a strong case for legalization and liberalization of land leasing as it would help promote agricultural efficiency, equity, occupational diversification and rapid rural transformation. In the past few decades, even socialist countries such as the Peoples Republic of China and Vietnam have liberalized agricultural land leasing with significant positive impact on economic growth as well as equity.

1.3.1 Restriction on Land Leasing and Agricultural Efficiency

Legal restrictions on land leasing have affected agricultural efficiency in several ways. First, legal ban or restrictions on land leasing have led to concealed tenancy in almost all parts of the country. Informal tenants are most insecure, as they either have short duration oral leases or get rotated from plot to plot each year so that they cannot prove continuous possession of any particular piece of land for any specified period which could give them occupancy right, according to law of a state. This provides a disincentive to tenant farmers to make any investment in land improvement for productivity enhancement. Legalisation of land leasing would ensure security of land ownership right for the land owners, which in turn would provide security of tenure to the tenants.

Second, informal tenants do not have access to institutional credit, insurance and other support services, which affect productivity of land cultivated by them. Legalization/ formalization of land leasing would help improve tenant farmers' access to credit, insurance and input use and consequently productivity of leased in land. Other things remaining the same, the productivity of leased in land can be as good as that of owner operated land (Vyas: 1970, Bhaumik: 1993, Haque: 1996).

Third, due to legal restrictions, many land owners prefer to keep their lands fallow due to the fear of losing land right if they lease out. Keeping the land fallow results in underutilization of land and loss of agricultural output. The lifting of ban or restrictions on leasing in such cases will result in better utilization of the available land and labour and increased farm output. The Mid-term appraisal of the Tenth Five Year Plan rightly points out that restrictive tenancy laws have prevented optimum allocation of land resources and denied the poor access to land (Govt. of India: 2005).

Fourth, lease market transfers land to those who have less land available for use, more ability to use land, and a higher adult force (Akter et al. 2006). The considerations of subsistence and family labour use are important reasons for leasing in land (Mani and Pandey: 2004). Leasing of land is used as an adjustment device by many in response to change in family labour availability, cash resources, debt situation etc (Sharma: 2004). Thus, formalization of land leasing would help improve agricultural efficiency.

1.3.2 Restriction on Land Leasing and Equity

There is ample research evidence to suggest that economic forces drive land leasing, while ban or restrictions have only reduced the extent of land available in the lease market and have reduced the welfare of poor tenants by forcing them to enter into informal arrangements, in contravention of the rules and also by restricting the poor peoples' access to land through leasing (Haque:2001; Deininger et al: 2012). According to 59th round of NSSO, about 36 percent of the tenant farmers are landless, while nearly 56 percent of the tenant households are marginal land owners, having less than one hectare land. This category of farmers lease in more land than they lease out. Hence, if legalization of land leasing results in availability of more land for leasing in by the rural poor, such a measure would be highly egalitarian. The landless and marginal farmers would improve their economic viability and social status. The rural poor would maximize their family income by way of farming on lease, along with access to other farm, off-farm and non-farm employment opportunities. Improved access to land on lease by the poor would help reduce their poverty and enhance economic and social status.

Besides, leasing in and leasing out takes place in all size groups of farms and in case a marginal or small farmer leases out to another marginal, small or even medium farmer, there is no justification for conferring either ownership or pre-emptive purchase right on the tenants, as the laws in some states require. After all, tenancy results from a voluntary agreement between the land owner and the tenant to lease out and lease in land for mutual benefit. Furthermore, it should be remembered in this context that land leasing laws framed in the wake of independence, have lost their relevance today. Lease farming is an economic necessity and not a symbol of feudalism, as it was thought before. The laws were enacted in the context of exploitation of the peasantry. The current situation, however, is different (Govt. of India:

2005). All large intermediaries have been abolished, in all regions. While the economic and political powers of absentee landowners have eroded, the rural poor have become politically more powerful through panchayat raj institutions and other democratic process. Therefore, it is no longer true that a formal tenancy relationship would be exploitative. In fact, the bargaining power of tenant farmers has improved quite significantly overtime. On the whole, the growth of an active land lease market, would be helpful for the rural poor to get out of poverty trap. The fear that liberalization of land leasing may result in concentration of operational holdings in a few hands, can be allayed by allowing leasing in within the existing ceiling limits in a State (if needed).

1.3.3 Land Leasing, Occupational Diversification and Rural Transformation

The share of agriculture in India's Gross Domestic Product (GDP) is only about 14 percent, but agriculture employs 49 percent of the total workforce and 64 percent of the rural workforce. The high dependence of the population on agriculture is one of the main reasons for low size of land holding and for low per-capita income as well as high incidence of poverty among agricultural workers. There is a limit beyond which agriculture cannot productively absorb any additional workforce. It is therefore, absolutely necessary that there is transfer of population from agriculture to non-agriculture. Legalisation of land leasing could be an important contributing factor in this respect. It would encourage large land owners to lease out land without fear of losing their land ownership rights and invest in non-farm enterprises (with appropriate capital and technology support), which is vital for occupational diversification and

rapid rural transformation. This will reduce the pressure of population on agriculture and enable small farmers to augment their size of operational holdings by leasing in land.

Also many marginal and small farmers would be better off leasing out their land to more viable farmers for rent, while seeking paid employment within or outside agriculture. This would help them to maximise incomes by way of rentals as well as wage incomes. Land owners who are otherwise forced to operate small uneconomic holdings will have the opportunity to legally lease out land to other farmers with the assurance of being able to resume possession at the end of agreed lease period. The critical need of today is to legally allow farmers to lease out without any fear of losing land ownership right and provide support for their upward occupational mobility by way of access to either self-employment or wage employment.

1.3.4 Experience of Group Leasing by JLG Women under Kudumbashree in Kerala

Since 2004, the Kudumbashree Mission in Kerala has been assisting poor women to lease in land in a Joint Liability Group (JLG) and thereby creating an income source for them, even though leasing is not legal in the state. Groups consist of 4 to 10 members and the farming area per group is a minimum of half an acre and maximum of 12.35 acres. By 2010-11, about 59206 acres of land was cultivated by 38054 groups. About 2.3 lakh women have reportedly benefitted. A recent research study (Haque and Nair: 2014) shows that on average Rs. 42000 per acre is earned from group leased land, by poor women cultivating banana, tapioca, vegetables, pineapple etc. in the districts of Ernakulum, Thiruvanthapuram and Alappuzha. Individual land leasing also persists, with an average returns of Rs. 47737 per acre, even though the law does not permit any kind of lease farming in Kerala.

The Kudumbashree experience in Kerala suggests that Govt. of Kerala revisits the legal ban on land leasing in the state and allows the poor people to benefit from growth of an active land lease market.

1.3.5 Experience of AP Licensed Cultivators Act, 2011

Recognizing that informal tenants are unable to access institutional credit, insurance and other benefits of Government schemes, Govt. of Andhra Pradesh passed AP Licensed cultivators Act, 2011. The Act provides for issuance of loan eligibility cards (LEC) to all licensed tenants on yearly basis, based on which they can access bank credit, insurance, subsidy etc.

Out of 1.74 million tenant farmers, in the state, 0.68 million applied for LEC and 0.51 million tenants were issued cards, in 2011-12. In 2012-13, the number of licensed cultivators was reduced to 0.41 million (Govt. of Andhra Pradesh, Dept. of Land Revenue). Thus, only about 24 percent tenant farmers were recognised as licensed cultivators.

The main reasons why licensed cultivators act, despite full support from the Government has not become very effective are:

- (i) objection by landowners, fearing that they may lose land if tenants are registered as licensed cultivators and
- (ii) apprehension on the part of the tenants that they may be evicted if they try to get registered as licensed cultivators.

The questions that arise in this context are:

(i) How do we remove fears from the minds of the landowners that they will not lose land right, if they lease out or if their leased out lands are registered as licensed cultivation?

- (ii) How do we build a trust between the landowner and his tenant that land leasing is a win win solution for both?
- (iii) Will it not make better sense to make necessary amendments in tenancy laws to make land leasing legal and open and deliver the desired benefits to tenant farmers?

1.3.6 Key Features of the proposed Model Land Leasing Act

- i) Legalize land leasing to promote agricultural efficiency, equity and poverty reduction. This will also help in much needed productivity improvement in agriculture as well as occupational mobility of the people and rapid rural change.
- ii) Legalize land leasing in all areas to ensure complete security of land ownership right for land owners and security of tenure for tenants for the agreed lease period.
- iii) Remove the clause of adverse possession of land in the land laws of various states as it interferes with free functioning of land lease market;
- iv) Allow automatic resumption of land after the agreed lease period without requiring any minimum area of land to be left with the tenant even after termination of tenancy, as laws of some states require;
- v) Allow the terms and conditions of lease to be determined mutually by the land owner and the tenant without any fear on the part of the landowner of losing land right or undue expectation on the part of the tenant of acquiring occupancy right for continuous possession of leased land for any fixed period.
- vi) Facilitate all tenants including share croppers to access insurance bank credit and bank credit against pledging of expected output.
- vii) Incentivize tenants to make investment in land improvement and also entitle them to get back the unused value of investment at the time of termination of tenancy.

2.0 Model Agricultural Land Leasing Act, 2016

Statement of Objects and Reasons

An Act to permit and facilitate leasing of agricultural land, to improve agricultural efficiency and equity, access to land by the landless and semi-landless poor, occupational diversity and for accelerated rural growth and transformation; provide recognition to farmers cultivating agricultural land on lease for enabling them to access loans through credit institutions, insurance, disaster relief and other support services provided by Government, while protecting fully the land rights of the owners; and matters connected therewith or incidental thereto.

Whereas, the prohibitions and restrictions under existing state laws governing agricultural land leasing forced the landowners and lessee cultivators to have informal agreements only for cultivating the land and thereby depriving the lessee cultivators of the benefits which are normally due to them, the existing laws also create insecurity among landowners to lease-out agricultural land which reduces the access to land by the landless poor, small and marginal farmers and others by way of leasing.

And whereas, it is considered necessary to enact a law to govern the agricultural land leasing;

Be it enacted by the legislature of the state of _ _ _in the Sixty-Seventh year of the Republic of India as follows:

CHAPTER - I

PRELIMINARY

| 1. | Short title, extent and commencement | Short title, | |
|----|---|--------------------------------|-----------|
| | (1) This Act shall be called the | Agricultural Land Leasing Act, | extent |
| | 2016. | | and |
| | (2) It shall extend to the whole state of | | commencem |
| | (2) It shall exterio to the whole state of | · | ent |
| | (3) It shall come into force on such date a | is the State Government | |

2. **Definitions**

In this Act, unless the context otherwise requires:

notifies, but not with retrospective effect.

- a) "Lease means" a contract between the Land owner Lessor and the Lessee Cultivator by which the Land owner Lessor conveys use of his/her agricultural land to the Lessee cultivator for agriculture and allied activities for a specified period for a consideration based on an agreement with terms and conditions mutually agreed by the Land owner Lessor and the Lessee Cultivator;
- b) "Lessee Cultivator" means a person who leases in the agricultural land for the purpose of agriculture and allied activities against a consideration in cash or kind or a share of produce payable to the Land owner Lessor as per the lease agreement;
- c) "Land owner lessor" means a person who owns agricultural land and has leased out that land to a lessee cultivator, under mutually agreed terms and conditions;
- d) "Leasing in" means the use of agricultural land by a Lessee
 Cultivator for a consideration which could be in cash or kind or share of produce;
- e) "Leasing out" means the transfer of land by a Land owner Lessor

- to a Lessee Cultivator for an agreed lease period for a consideration which could be in cash or kind or share of produce;
- f) "Agricultural land" means land which is used or is capable of being used for the agriculture and allied activities including fallow land;
- g) "Agriculture and Allied Activities" shall mean raising of crops including food and non food crops, fodder or grass; fruits and vegetables, flowers, any other horticultural crops and plantation; animal husbandry and dairy; poultry farming, stock breeding; fishery; agro forestry, agro-processing and other related activities by farmers and farmer groups;
- h) "Farmer" includes a person who owns and cultivates land himself/ herself as well as a person who may or may not own land butcultivates land leased in from others;
- "Farmer groups" includes self help groups, joint liability groups, farm producers organizations (FPOs) and the like;
- j) "Agricultural Year" means the year commencing on _______
 and ending on _______, as specified by government in different states / UTs;
- k) "Government" means the State Government / UT of ;
- "Competent Authority" means the Tahsildar or a Revenue Officer of equal rank, by whatever name called in a state / UT.

CHAPTER - II

3. Land Lease – Agreement, Termination, Rights and Responsibilities

a) Notwithstanding anything contained in any other law, on and from the commencement of this Act, every person intending to lease in or lease out agricultural land for agriculture and allied

Agricultural land leasing under this Act

activities shall be entitled to enter into a lease agreement, consistent with the terms of this Act;

 b) The lease shall be between the Land owner – Lessor and the Lessee Cultivator who leases in land for agriculture and allied activities; Parties to lease agreement

 Leasing in of agricultural land in scheduled areas shall be only by the person belonging to scheduled tribes and any other person permitted by the laws in force in scheduled areas; Lease in Scheduled Areas

 d) The Land owner - Lessor and the Lessee Cultivator shall enter into a written lease agreement with the mutually agreed terms and conditions. A model lease agreement is attached as Annexure A to this Act; Written agreement

- Provided that an oral lease shall also be legal in the sense that a Land owner Lessor leasing out land on oral basis shall not forfeit his/her right over land because the lease agreement is not written as required under this Act or that any other law requires it to be so.
- e) The lease agreement shall contain the following details, terms and conditions namely:-

Details, terms and conditions of lease agreement

- The names of the Land owner Lessor and Lessee
 Cultivator;
- ii) Survey number, boundaries, location and area of leased out land;
- iii) The duration of the lease expressed in months or years and including the starting and ending dates of the lease and should be compatible with the crop cycle/agricultural year;
- iv) the lease amount / consideration and the due date of such amount payable by the Lessee Cultivator;

- v) The terms and conditions for renewal or extension of lease if any;
- vi) Any major default which shall invoke termination of lease;
- vii) Any other mutually agreed provision, consistent with the terms of this Act.
- (f) Government shall not fix the duration of the lease period, as this shall be decided and mutually agreed upon by the Land owner Lessor and the Lessee Cultivator.

Provided further that any period of lease as per the lease agreement under this Act shall not create any protected tenancy right on a Lessee Cultivator;

- (g) Government shall not fix a minimum or maximum lease amount in fixed cash or kind or share of produce to be given to the Land owner Lessor for use of the land as this shall be decided and mutually agreed upon by the Land owner- lessor and the Lessee Cultivator;
- (h) The lease agreement may or may not be registered, depending upon the mutual agreement of the Land owner- Lessor and the Lessee cultivator;
- Registration and recording of lease agreement
- (i) A written lease agreement may be attested by village revenue officer or sarpanch / pradhan or any local bank officer or a notary with two witnesses;
- (j) A lease agreement written or oral shall not be entered into Record of Rights, as the leasing for any period whatsoever shall not create any occupancy or protected tenancy or right against lawful eviction or lease termination, under this Act;
- (k) A lease agreement either registered under the Registration Act or attested by the village revenue officer or Sarpanch / Pradhan or a Notary shall not create or confer any right over land including

Lessee cultivator acquires no right over

the land

protected tenancy / occupancy right or any other right against eviction or lease termination or interest on the Lessee Cultivator other than those contained in this Act or the lease agreement and shall not be used to establish any permanent right over the land in the court of law;

- (I) The leased land shall automatically revert to the land owner- lessor on the expiry of agreed lease period, unless it is renewed again for a period mutually agreed upon by the Land owner- Lessor and the Lessee Cultivator;
- (m) In the event of a dispute, the Lessee Cultivator and the Land owner Lessor shall utilise a dispute resolution mechanism, consistent with the terms of this Act;

4. Rights and responsibilities of Land owner - Lessor

The Land owner -Lesson

- a) Shall put the Lessee Cultivator in possession of the leased-out land on the first day of the lease and shall not interfere with the Lessee Cultivator's use and possession thereof so long as the Lessee Cultivator (i) does not default in the payment of lease amount, (ii) does not cause damage to the soil health, (iii) does not use the land for purposes other than what is agreed upon in the lease agreement and (iv) does not sublease the land to any other person;
- Shall receive the agreed lease consideration in either fixed cash or fixed produce or share of produce from the Lessee
 Cultivator within the agreed time as per the lease agreement;
- c) Shall be entitled to automatic resumption of the land on the
 expiry of the initially agreed lease period or the mutually
 extended lease period without any encumbrances.
 Provided that the discharge of any charge or interest or liability

Rights and responsibilities of land owner

Right to receive lease amount in time

Right to resumption, alienation etc.

- created by the Lessee Cultivator during the lease period shall not be binding on the Land owner Lessor after expiry of lease period;
- d) Shall have the right to resume the leased-out land during the existing lease term only if the written lease agreement so provides, with prior written notice to the Lessee Cultivator, as mutually agreed upon. If the Land owner-Lessor and Lessee Cultivator mutually agree that the Lessee Cultivator needs greater security of tenure, the written lease agreement should clearly specify the period during which no resumption of Land owner Lessor shall be allowed;
- e) Shall have the right to terminate the lease if the Lessee

 Cultivator commits any of the defaults set out under such

 clause (a) hereof;
- f) Shall have the right to alienate the leased-out agricultural land including by way of a sale, gift, mortgage etc. during the currency of the agreed lease period, subject to the condition that such transfer shall not affect in any manner the Lessee Cultivator's right to cultivate the land until the expiry of the agreed lease period;
- g) Shall pay all taxes and cess on the land;

5. Rights and responsibilities of the Lessee Cultivator

The lessee cultivator

- a) Shall be entitled to an undisturbed possession and use of the agricultural land for the agreed period as is provided for in the lease agreement.
- b) Shall not acquire any right over the land by virtue of the lease other than those set forth in this Act or in the lease agreement.
- c) Shall not sub-lease or mortgage the leased-in land.

Rights and responsibilities of lessee cultivator

Right to un disturbed possession and use

Without right to sub

d) Shall be eligible to raise loans from banks / cooperative societies or any other government financial institutions without mortgaging the leased in land, based on the lease agreement either registered under the Indian Registration Act, 1908 or attested by village revenue officer or sarpanch / pradhan or local bank officer or a notary. The expected value of production / returns from leased in land during the lease period may be used as collateral by credit institutions for advancing loan to a lessee cultivator if this is mutually agreed between the institution and the Lessee Cultivator.

lease or mortgage

Eligibility to avail credit

e) Shall be entitled to obtain crop insurance, disaster relief or any other benefits or facilities provided to the farmers by the State or Central Government, based on the lease agreement and during the currency of the lease period.

Eligibility to obtain insurance, disaster relief etc.

f) Shall have the right to voluntarily surrender the leased-in land with such notice to the Land owner-Lessor, as specified in the terms and conditions of the lease agreement. Right to voluntary surrender

g) Shall vacate the leased in land immediately at the end of the initially agreed term of the lease or the mutually extended period without any encumbrances created during the lease period. Vacating the lease land without encumbrances

 h) Shall not have the right to build structures or any fixtures on the land without the express permission of the Land owner – Lessor.

Right to compensation for investment made

i) Shall be entitled for compensation for improvement or fixtures made on the leased in agricultural land from the Land owner – Lessor, provided the improvements or fixtures are consistent with the lease agreement and the lease agreement provides for such compensation

- a. Explanation: compensation is the unused value of the improvement or developments made on the leased agricultural land
- j) Shall pay the lease consideration in time as specified in the lease agreement, as delay in payment beyond three months from the due date, shall constitute major default, entitling the land owner to issue notice for termination of lease.
- k) Shall use the land only for agriculture and allied activities, as mentioned in the lease agreement.
- Shall not cause any damage to the land and shall be liable to the Land owner – Lessor for any damage caused to the leased in land and immovable asset on it.
- m) Shall not have any right to the leased agricultural land other than those specifically set forth in the lease agreement or in this Act.
- n) Shall not sublease the leased in land to any other person, and any such act shall constitute a major default, entitling the Land owner Lessor to issue notice for termination of lease.
- Shall not disturb the boundary of the land and survey stones if any during the lease period.

6. Heritability of Lease

Leases under this Act shall not be normally heritable. In the event of death of a single Land owner Lessor, the Lessee Cultivator shall continue to cultivate the leased in land for the remaining lease period, unless the Lessee Cultivator and the heirs of Land owner Lessor agree to end the lease agreement early by mutual consent. In case of multiple lessor, as long as one of the original lessors is surviving, the lease agreement shall stand. If the single Lessee Cultivator dies, land shall revert to the Land owner Lessor, at the end of the crop year,

Leases are not heritable

unless the Land owner Lessor and heirs of Lessee Cultivator mutually agree to continue the lease. In case the Lessee Cultivator has included the name(s) of his / her son(s) or daughter(s) as a co-lessee in the lease agreement, the surviving co-lessee shall continue the lease for the remaining lease period or any mutually agreed extended lease period.

7. Termination of the lease

Termination of lease

The lease executed under this Act, can be terminated –

- a) On expiry of the agreed lease period
- b) When the Lessee Cultivator fails to pay the lease consideration as per the agreed terms and in the agreed time, with major default a grace period of 3 months.
- c) If the Lessee Cultivator uses the land for purposes other than agriculture and allied activities or those specified in the lease agreement
- d) If the Lessee Cultivator sub-leases the leased-in land
- e) If there is any damage caused to the land by the Lessee Cultivator
- f) If the Land owner- Lessor and Lessee Cultivator mutually agree to terminate the lease.
- g) If the Lessee Cultivator dies during the lease period, in which case the lease period is terminated, subject to the provisions under Section 6 of this Act.
- h) When the Lessee Cultivator voluntarily surrenders the land during the lease period, under provisions of Section 5(f) of this Act.

CHAPTER - III

Enforcement of Lease Agreement and Dispute Resolution

8. Enforcement of lease terms

Enforcement of

lease agreement

The Competent Authority shall be responsible for the following:

- (i) Enforcement of terms of lease;
- (ii) Facilitating return of the leased out agricultural land to the Land owner Lessor on expiry of the lease period.

9. Dispute Resolution

Dispute

Resolution

- (i) The Lessee Cultivator and the Land owner Lessor shall make all efforts to amicably settle any dispute between them arising out of lease agreement under this Act, using third party mediation or Gram Panchayat or Gram Sabha.
- (ii) If the dispute is not settled through the mechanisms mentioned in clause (i) above, either party may file a petition before the competent authority, ie. Tahsildar or equal rank revenue officer by any other name in a state which shall adjudicate the dispute using summary procedure within a period of four weeks.
- (iii) For every order other than interim order passed by the competent authority under this Act an appeal shall lie to the Collector / District Magistrate / Divisional Commissioner as may be specified by the state.

10 Constitution of a Special land Tribunal

The state government shall constitute a special land tribunal, headed by a retired high court or district court judge, which shall be the final authority to adjudicate disputes, under this Act.

11 Bar of Jurisdiction of Civil Courts

(i) No decision made or order passed or proceeding taken by any officer or authority or the State Government under this Act, not being a decision, order or proceeding affecting the title to the land of a person, shall be called in question before a Civil Court in any suit, application or other proceeding and no injunction shall be granted by any Court in respect of any proceedings taken or about to be taken by such Officer or Authority or State Government in pursuance of any power conferred by or under this Act.

Bar of
Jurisdiction of
Civil Courts

(ii) No Civil courts will have jurisdiction over disputes under this Act.

CHAPTER - IV

Miscellaneous

12. Protections for persons acting in good faith

No suit, prosecution or other legal proceeding shall lie against any officer of the Government for anything which is in good faith done or intended to be done under this Act or the rules made there under.

Protections for persons acting in good faith

13. Repeals and Savings

- (1) The provisions of the Act shall override any other law in force on the subject from the date of its coming into force.
- (2) Provided that any rights accrued, actions taken, cases pending under any other law in force will be governed by the provisions of such law.

Provided further that if an existing lease agreement between a Land owner- Lessor and Lessee Cultivator is sought to be

- further extended or replaced by a new lease, the provisions of this Act shall apply.
- (3) This Act shall not have any retrospective effect. The existing protected tenants / share croppers, under the old Acts shall not be affected by this Act.

14. Power to remove difficulties

If any difficulty arises in giving effect to the provisions of this Act, the Government may by order published in the Official Gazette make provisions not inconsistent with the provisions of the Act as appear to them to be necessary and expedient for removing the difficulty

Power to remove difficulties

Annexure – A1

STANDARD LEASE AGREEMENT FOR AGRICULTURAL LAND

This lease agreement is made and executed by and between the following Landowner – Lessor (s) and Lessee-Cultivator(s):

| | Name(s): | | | | | |
|-----|--|--|---|----------------------------|-----------------------------|--|
| | D/o, S/o: | | | | | |
| | Aged about: | | | | | |
| | Occupation: | | | | | |
| | Residing at: | | | | | |
| . L | essee-Cultivator | (s) | | | | |
| | Name(s): | | | | | |
| | D/o, S/o: | | | | | |
| | Aged about: | | | | | |
| | Occupation: | | | | | |
| | 5 | | | | | |
| . S | | owner – Less | or -transfers | | rator accepts the following | |
| . S | ubject and Durat 3.1. The Lando land parcel fo Survey Extent | owner – Less r lease for ag / No /Area: | or -transfers and | allied activities: | | |
| . S | ubject and Durat 3.1. The Lando land parcel fo Survey Extent | owner – Less r lease for ag / No /Area: | or -transfers and | allied activities: | | |
| . S | ubject and Durat 3.1. The Lando land parcel fo Survey Extent | owner – Less r lease for ag / No /Area: ed in: (Village | or -transfers and | allied activities: | | |
| . S | ubject and Durat 3.1. The Land land parcel fo Survey Extent Situate | owner – Less r lease for ag / No /Area: ed in: (Villag | or -transfers and | allied activities: | | |
| . S | ubject and Durat 3.1. The Land land parcel fo Survey Extent Situate | owner – Less r lease for ag r No r/Area: ed in: (Village led by North: South: | or -transfers and | allied activities: | | |
| . S | ubject and Durat 3.1. The Land land parcel fo Survey Extent Situate | owner – Less r lease for ag / No /Area: ed in: (Village led by North: South: East: | or -transfers and | allied activities: | | |
| . S | ubject and Durat 3.1. The Land land parcel fo Survey Extent Situate | owner – Less r lease for ag r No r/Area: ed in: (Village led by North: South: | or -transfers and | allied activities: | | |
| . S | ubject and Durat 3.1. The Land land parcel fo Survey Extent Situate Bound | owner – Less r lease for ag n No /Area: ed in: (Village led by North: South: East: West: | or -transfers and griculture and e/Mandal/Dis | allied activities: strict) | | |

| 3.3 If the Landowner – Lessor and Lessee-Cultivator mutually agree to extend the lease period, they can do so by making entries in the table in Section of this Lease agreement. | | | | | |
|--|--------------------------------|---------------------------|--|--|--|
| 3.4. The Landowner – Lessor (s) the land having inherited/purch | _ | | | | |
| | on | (date) through a | | | |
| partition/will/sale deed/gift / o and/or Record of Rights numbe | ther as reflected in the follo | owing registered document | | | |
| | | | | | |
| | | | | | |
| 3.5 The Landowner – Lessor gu | • | • | | | |

4. Payment

4.1 For use of the land, the Lessee-Cultivator will pay the Landowner - Lessor a lease amount in either rupees or fixed quantity of produce or share of produce or in a combination of these as indicated in the following table:

| Form of Payment | Amount | Due Date |
|--|---|----------|
| □ Rupees | Rs per year | |
| □ Crops in-kind (first) Type of crop: | ☐ Fixed quantity of (number) (unit e.g. kg, quintals, etc.) ☐ Share amount of % of the harvested crop | |
| □ Crops in-kind (second, if applicable) Type of crop: | ☐ Fixed quantity of (number) (unit e.g. kg, quintals, etc.) ☐ Share amount of % of the harvested crop | |

5. Obligations for Inputs

5.1 Responsibility for the payment or provision of inputs will be by mutual agreement of the Landowner – Lessor and Lessee-Cultivator according to the following table:

| | Landowner – Lessor | Lessee-Cultivator |
|-------------------|--------------------|-------------------|
| Seeds | | |
| Fertilizer | | |
| Pesticides | | |
| Hired labor costs | | |
| Other: | | |

6. Rights and Obligations of the Landowner - Lessor

- 6.1 The Landowner Lessor shall put the Lessee-Cultivator in possession of the leasedout land on the first day of the lease and shall not interfere with the Lessee-Cultivator's use and possession so long as the Lessee-Cultivator is in compliance with the terms of this agreement.
- 6.2 The Landowner Lessor shall have the right to take back the land at the end of the agreed lease period, unless it is renewed again by mutual agreement of the Landowner Lessor and Lessee-Cultivator.
- 6.3 The Landowner Lessor shall have the right to alienate the leased-out land including by sale, gift, and mortgage provided the Lessee-Cultivator is allowed to cultivate the land even after the alienation until the expiry of the agreed lease period, as per the law.
- 6.4 The Landowner Lessor shall have the right to terminate the lease after providing notice and giving the Lessee-Cultivator 90 days to correct the violation if:
 - (a) the Lessee-Cultivator fails to pay the lease amount as mutually agreed in Section 4 of this Lease Agreement;
 - (b) the Lessee-Cultivator uses the land for purposes other than agriculture and allied activities; or
 - (c) the Lessee-Cultivator fails to comply with any other provision of this Lease Agreement

6.5 In the event of death of any single land owner lessor, the lessee cultivator shall continue to cultivate the leased-in land during the remaining lease period, unless the Lessee Cultivator and heirs of Land owner Lessor agree to end the lease agreement by mutual consent. In the case of multiple Land owner Lessor, as long as one of the original lessors is surviving, the lease agreement shall stand.

7. Rights and Obligations of the Lessee-Cultivator

- 7.1 The Lessee-Cultivator shall NOT acquire any right over the land other than those set forth in this lease agreement.
- 7.2 The Lessee-Cultivator shall vacate the land immediately at the end of the lease period or the mutually extended period without any encumbrances created during the lease period.
- 7.3 The Lessee-Cultivator shall pay the lease amount in cash or fixed quantity of produce or share of produce on time as specified in Section 5 of this lease agreement.
- 7.4 The Lessee-Cultivator is liable to the Landowner Lessor for any damage to the land and any other immovable property on the land other than normal wear-and-tear.
- 7.5 The Lessee-Cultivator is entitled to undisturbed possession and use of the agricultural land for the agreed period as per the Lease Agreement.
- 7.6 The Lessee-Cultivator shall be entitled to obtain loans, crop insurance, disaster relief or any other related benefits or facilities provided to farmers by the State or Central Government based on their agricultural use of the leased-in land.
- 7.7 The Lessee-Cultivator's rights under this lease agreement are NOT heritable. In the event of death of a single Lessee Cultivator during the lease period, land shall revert to the Land owner Lessor at the end of the crop year, unless the Land owner Lessor and heirs of Lessee Cultivator mutually agree to terminate the lease agreement earlier or to continue the lease for the remaining lease period or any extended period by entering into an agreement. In the case of multiple Lessee cultivators, as long as one of the Lessee Cultivators is surviving, the lease agreement shall stand.

8. Resolving Disputes

8.1 The Landowner - Lessor and Lessee-Cultivator shall make all efforts to amicably settle any dispute between them arising out of this Lease Agreement, using third party mediation or Gram Sabha or Gram Panchayat.

- 8.2 If the dispute cannot be settled through the mechanisms in Secs. 8.1, then either party may file a petition before the competent authority or any other dispute resolution mechanism created by the District Collector or Government.
- 8.3 If a dispute cannot be settled through the mechanisms under 8.1 and 8.2, the Landowner Lessor and Lessee-Cultivator shall approach the Lok Adalats constituted under the National Legal Services Authority Act or a special land tribunal created for the purpose.

9. Other Terms

- 9.1 This lease agreement shall NOT create any occupancy right, protected tenancy right or any other related right in the Lessee-Cultivator other than the rights contained in the lease agreement.
- 9.2 This lease agreement shall NOT be entered into the Record of Rights.
- 9.3 This lease agreement \square shall \square shall NOT [tick chosen box] be registered under the Registration Act.
- 9.4 This Lease Agreement will be executed in three original copies. The Landowner Lessor will keep one copy. The Lessee-Cultivator will keep one copy. The third copy will be kept by the following person (can by Sarpanch/Pradhan, Revenue Officer, or any other person) _________, who has been chosen by mutual agreement of the Landowner Lessor and the Lessee Cultivator.
- **10.** Other unique terms added by parties -----

11. Signatures

In witness whereof, the Landowner - Lessor (s) and Lessee-Cultivator(s) have signed this Lease Agreement in token of their acceptance with their own free will and without any undue influence and coercion in the presence of witnesses

| LANDOWNER - LESSOR (S) | LESSEE-CULTIVATOR(S) |
|------------------------|----------------------|
| Signature(s) | Signature(s) |

| Date: | Date: |
|-----------|-----------|
| WITNESSES | |
| Name | Signature |
| Date | |
| Name | Signature |
| Date | |

Agreement to extend the Agricultural Land Lease Agreement

Upon expiration of the lease period described in Section 3.2, hereby the Landowner - Lessor and the Lessee-Cultivator certify that the period of the Lease Agreement is prolonged as indicated in the table below.

| I | II | III |
|---|---|-----------------------|
| Lease period extended: Number of Years and Expiry Date | Signatures | Date of Signing |
| Lease period is extended for another year(s), expiring on day of(month), in year | (Landowner- Lessor) (Lessee - Cultivator) | day of(month) in year |
| Lease period is extended for another year(s), expiring on day of (month), in year | (Landowner - Lessor) (Lessee - Cultivator) | day of(month) in year |
| Lease period is extended for another year(s), | (Landowner - Lessor) | day |

| expiring on day of (month), in year | (Lessee - Cultivator) | of(month) in year |
|--|--|-----------------------|
| Lease period is extended for another year(s), expiring on day of(month), in year | (Landowner - Lessor) (Lessee - Cultivator) | day of(month) in year |
| Lease period is extended for another year(s), expiring on day of(month), in year | (Landowner - Lessor) (Lessee - Cultivator) | day of(month) in year |

Appendix I - Distinctive Features of Various Land Tenure Systems

At the time of independence, there were three main systems of land tenure, namely zamindari, ryotwari and mahalwari. The zamindari system covered about 57 percent of the total privately owned agricultural land, followed by ryotwari system (38 percent) and mahalwari system (5 percent) respectively (Govt. of India; 1976). The East India Company which wrested political and economic power from the Nawab of Bengal in 1757 and secured from Emperor Shah Alam, the Diwani of Bengal, created a system of zamindari for collection of revenue and auctioned them to the highest bidders. In 1793, Lord Cornwallis, introduced permanent settlement, giving permanent proprietary rights to zamindars, without providing for fixity of rent or tenure for cultivating tenants.

The main feature of the Zaminidari System was that there were several layers of rent receiving intermediaries between the land lord and the tenant who actually cultivated the land. The system was marked by rack renting and exploitation of farmers

The zamindari system was largely prevalent in Bengal, Bihar, Orissa, Uttar Pradesh, and parts of Andhra Pradesh and Madhya Pradesh. By early 19th century, the then British Government realized the need for change in policy as permanent settlement also failed to generate increasing revenue for the government. Regulation VII of 1822 provided for ryotwari settlements with provision for periodic resettlements in parts of United Provinces and other areas. In the provinces of Madras and Bombay, East Punjab, Assam and Coorg, ryotwari settlement was made separately with each raiyat being recognized by law as the proprietor, with the right to transfer, mortgage or sub-let the land. The ryotwari system did not recognize any kind of intermediaries between the state and the cultivating tenant. Further, Regulation IX

of 1833 provided for mahalwari settlements with the entire village, requiring each peasant of the village to contribute to some revenue demand of the village on the basis of size of holding. The mahalwari system was largely present in Punjab, parts of United Provinces and Central Provinces.

Even though the nature of proprietorship varied initially under zamindari, ryotwari and mahalwari systems, the differences got reduced over time. Due to entry of traders and money lenders in agriculture and leasing out land by them to tenants, intermediaries of the zamindari type could be seen even in areas where the ryotwari and mahalwari systems existed.

After abolition of Zamindari System by all the states in the 1950's, there is now ryotiwari system in all places, as the cultivators have been legally brought into direct contact with the state. Even though tenancy has been either abolished or restricted by law, informal tenancy exists in all regions.

Besides, the incidence of tenancy or forms of lease do not vary much due to inheritance of different land tenure systems in different regions. According to 70th round of National sample Survey for the year 2012-13, (Appendix – X) the proportion of area under leasing is as high as 33.7 percent in Andhra Pradesh, where zamindari system prevailed, and 24.6 percent in Punjab where mahalwari or ryotwari system prevailed. But it is as low as 0.1 percent in Jammu & Kashmir and 8.1 percent in Kerala where there is complete ban on land leasing. The other states with highly restrictive land leasing laws, namely Gujarat (5.6 percent), Maharashtra (3.7 percent), Tripura (4.7 percent), and Madhya Pradesh (5.1 percent) have lower incidence of leasing.

The terms of lease also vary from region to region. The system of fixed cash rent predominantly exists in Andhra Pradesh, Haryana, Punjab, Meghalaya, Tamil Nadu, Uttarakhand, while share cropping is the dominant form of lease in Assam, Bihar, Chhattisgarh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Mizoram, Orissa, Rajasthan, Sikkim, Tripura and Uttar Pradesh. Some field level studies (Rao: 1989, Pal: 1995) further show that irrigated areas in each region has higher incidence of fixed cash tenancy, while farmers in rainfed areas prefer share cropping arrangement. Considering the country as a whole, share cropping accounts for about 39.6 percent of the total leased in land, followed by fixed cash (31.0 percent), fixed produce (15.3 percent) and other terms (14.1 percent) (Govt. of India: 2006)

Appendix II - Restrictions on Period of Lease

The tenancy laws of majority of the states have not prescribed any minimum or maximum lease period. But in the tenancy laws in Andhra Pradesh, Telengana, Rajasthan, Punjab and Haryana, a minimum lease period is prescribed. In Andhra Pradesh, every lease shall be for a period six years, renewable for a further period of six years at a time. In Telengana, leases can be for a period of 5 years initially and thereafter for further periods of five years in succession. In Rajasthan, lease agreement can be for a renewable period of five years by a Khatedari tenant and one year by a Ghair Khatedari tenant. In Punjab and Haryana, the tenant can lease in for a minimum period of three years, but less than six years. Leasing is much more restricted in other states, which therefore, do not prescribe any lease period.

| | Appendix III - Restrictions on Land Owner's Right of Resumption | | |
|-----------|---|--|--|
| State | Legal Position regarding right of resumption in various states | | |
| | The landlord has a continuous right to resume leased out land for personal | | |
| | cultivation, subject to the conditions (i) that the extent of land held by the | | |
| | landlord under his personal cultivation after such resumption shall not | | |
| Andhra | exceed 2/3 rd of the ceiling area and (ii) that after resumption, the tenant | | |
| Pradesh | shall be left with not less than one-half of the land held by him under lease, | | |
| | prior to resumption. In addition, if the landlord does not cultivate the land | | |
| | personally within one year or discontinues cultivation for a period of one | | |
| | year, the land shall be restored to the tenant | | |
| | The landlord can resume land for personal cultivation by giving a notice of | | |
| Telengana | at least one year before the end of each period of 5 years. But if it is not | | |
| | cultivated within one year, the land shall be restored to the tenant. | | |
| | The landlord can resume land from a tenant for genuine personal | | |
| | cultivation only by an order of Adhi conciliation Board. The aggregate area | | |
| Assam | of land resumed by the landlord shall not exceed an overall limit of 50 | | |
| | bighas, provided that the aggregate area of land under his actual | | |
| | occupation is not more than 10 bighas (1 bigha = 0.331 acre) | | |
| | If within the ceiling area of a raiyat, who held land in excess of the ceiling | | |
| | area on commencement of this Act, there is any land in possession of a non- | | |
| | occupancy under raiyat, the raiyat is entitled to resume for personal | | |
| | cultivation an area not exceeding half the total area held by the tenant | | |
| | provided that the under-raiyat at this option could retain one acre in all | | |
| Bihar | including his raiyati land, besides his homestead or the entire area of such | | |
| | land held by him, if it is less than one acre. If the raiyat fails to bring the | | |
| | land under personal cultivation of the resumed land within one year of the | | |
| | resumption, the collector shall suo motto or on application, restores the | | |
| | land to the possession of the under-raiyat who shall thereafter | | |

automatically acquires the status of occupancy raiyat on payment of an

| | amount. On resumption of the land by raiyat, the under raiyat (tenant) |
|--------------|---|
| | will be entitled to certain compensation fixed in schedule-II of the Act, in |
| | addition to compensation for cost of improvement, if any made by him on |
| | the land. |
| | There is no provision for resumption of leased out land or surrender of |
| | tenancy right in favour of landlord or termination of tenancy of a tenant |
| Gujarat | belonging to SC/STs, even on grounds of personal cultivation or for non- |
| | agricultural uses. |
| | A land owner is permitted to resume his land for personal cultivation, but |
| | tenant must be left with not less than half the land cultivated by him. A |
| Himachal | tenant also cannot surrender the land in favour of the land owner. If he |
| Pradesh | wishes, he can surrender it to the Govt. which then will induct a suitable |
| | tenant. |
| | |
| | Only a soldier or seaman is allowed to lease out and also resume land for |
| | personal cultivation. Land resumed from a tenant cannot be transferred |
| | within 15 years from the date of resumption except to the tenant from |
| Karnataka | whom the land was resumed at a value to be determined by the tehsildar. |
| | If the land is not personally cultivated within one year from the date of |
| | resumption, the land shall vest in the state and the ex-tenant will be |
| | entitled to be registered as an occupant on application and payment of |
| | certain amount. |
| | The state of Kerala prohibits land leasing completely, without any |
| Kerala | exception. All erstwhile tenants in respect of non-resumable areas have |
| | been conferred permanent, heritable and transferrable rights |
| | MP Land Revenue Code, 1959 provides that if the land owner makes an |
| Madhya | application to the SDO within one year of the coming into force of this code, |
| Pradesh & | he can resume land for personal cultivation, provided he had land below 25 |
| Chhattisgarh | acres of un-irrigated land and also the occupancy tenant's holding should |
| | not be reduced below 25 acres if he was in possession for more than 5 |
| | |

| | years and 10 acres in other cases. For future leases, resumption of land |
|-------------------|---|
| | leased out by a disabled person or entity shall be as agreed upon between |
| | the parties. |
| | No legal tenancy exists, as all cultivating tenants were supposed to have |
| | been conferred ownership right on April 1, 1957, (i.e. the fillers day). Any |
| Maharashtra | tenancy created after the tiller's day except by a member of armed forces), |
| Ividildi asiiti a | the cultivating tenant is entitled within one year from the date of creation |
| | of such tenancy to purchase from the landlord so much of the land held by |
| | him to raise his holding upto the ceiling area. |
| | Orissa Land Reform Act, 1960, as amended w.e.f. 1.10.1965, prohibits |
| | leasing out except by a person under disability or a privileged raiyat. A |
| Odisha | disabled or privileged raiyat has a right to resume leased out land either on |
| | the expiry of agreed lease period or when disability or privileged raiyat |
| | status of land owner ceases. |
| | The Punjab security of Land Tenure Act, 1953, as amended till date does not |
| Punjab & | either prohibit tenancy or mention that a person holding land within |
| Haryana | permissible area (ceiling) will cultivate the land personally. Therefore, |
| | tenancy is legally in existence, with right of resumption. |
| | A land holdler can resume land for personal cultivation, provided that the |
| Rajasthan | land held by tenant or sub-tenant is in excess of the minimum prescribed |
| Najastriari | area by the state government so as to ensure a net annual income of Rs. |
| | 1200, excluding the cost of hired or family labour. |
| | A member of the armed forces who has sub-let the land held by him as a |
| Tamil Nadu | cultivating tenant is entitled to resume land for personal cultivation on |
| Tariiii Nada | discharge or retirement from service. There is no prohibition on leasing. |
| | But once leased out, the cultivating tenant cannot be evicted. |
| | Every raiyat who at the commencement of the Tripura land Revenue and |
| Tripura | Land Reforms Act, 1960 owned land in excess of a basic holding of 0.80 |
| | standard hectare shall be entitled on application to the competent |

| | authority for reservation of the land for personal cultivation, of his land |
|-------------|--|
| | leased to under raiyat. The Competent authority may after enquiry |
| | determine the permissible limit which a raiyat may resume from under- |
| | raiyat for personal cultivation. If a raiyat fails to cultivate the land |
| | personally within one year of eviction of tenant or on any year during a |
| | period of 4 years following, the under-raiyat shall be entitled to be restored |
| | to possession of the land. |
| | The Uttar Pradesh tenancy law does not regulate the terms and conditions |
| Uttar | of lease between a disabled person and his or her lessee. These are |
| Pradesh & | governed by the trust or contract between parties, as in Madhya Pradesh. |
| Uttarakhand | Therefore, there is no mention of resumption of land for personal |
| | cultivation. |
| | The West Bengal law provides for resumption of land under share cropping |
| | in execution of an order made by the revenue officer, based on certain |
| West Bengal | specified ground. In practice, land owner fails to resume leased out land |
| | even for personal cultivation, due to hostile political environment at the |
| | village level. |

| Appendix IV - Conditions for Termination of Lease | | |
|---|---|--|
| State | Grounds on which lease can be terminated | |
| Andhra Pradesh | No land owner is entitled to terminate tenancy and evict his cultivating tenant except by an application to a judicial officer and on any one or more of the following grounds: (i) the tenant has failed to pay the rent within one month from the stipulated date; (ii) the tenant has caused destruction or permanent injury to the land; (iii) the tenant has violated any of the conditions of the | |
| | tenancy; (iv) the tenant has sub-let the land; (v) the tenant has failed to comply with the order or direction of the competent judicial officer. | |
| Telengana | The tenancy can be terminated before the expiry of the stipulated period in | |

| | the agreement, only by voluntary surrender in good faith to the satisfaction of |
|----------|--|
| | tehsildar. But a landlord can terminate tenancy within the agreed lease period |
| | by giving six months' notice on any of the following grounds: (i) the failure to |
| | pay rent within a fixed date or (ii) the tenant has done any act, causing |
| | destruction or permanent injury to the land; (iii) the tenant has sublet the land |
| | (excepting under disability) (iv) the tenant has not used the land for agriculture |
| | (v) the tenant has sub-divided land. |
| | A non-occupancy tenant can be ejected from the tenanted land in execution of |
| | a decree passed on any one or more of the following grounds: (i) the tenant |
| | has violated the conditions of a lawful contract between himself and his |
| | landlord; (ii) the tenant has failed to pay the arrears of rent and (iii) that the |
| Assam | landlord requires the land for personal cultivation. (iv) that after ejectment, a |
| | non-occupancy tenant is left with not less than 10 bighas of land including his |
| | own land. However if the landlord does not cultivate the land personally |
| | within one year of the date of ejection, the land shall be restored to the |
| | tenant. |
| | The under-raiyat/tenant of any land owner under disability can be ejected on |
| | any one or more of the following grounds: (i) the tenant has failed to pay an |
| Bihar | arrear of rent; (ii) the tenant has made the land unfit for agriculture; (iii) the |
| | term of lease has expired; (iv) voluntary surrender of land, if certified by the |
| | collector |
| | A tenant belonging to SC/ST cannot be ejected, even on ground of personal |
| Gujarat | cultivation or for non-agricultural use. Also no surrender of tenancy rights in |
| Gujarat | favour of landlords is allowed. All voluntary surrenders have to be in favour of |
| | the state government. |
| | A non-occupancy tenant can be ejected under Section-34 of the HP Tenancy |
| Himachal | and Land Reforms Act, 1972 on any of the following grounds; (i) the tenant has |
| Pradesh | used the land for non-agricultural purposes or made the land unfit for |
| | agriculture; (ii) the tenant has failed to pay rent within six months after it |

| | became due; (iii) the tenant has sub-let the land without the consent of the |
|----------------|---|
| | |
| | owner (This clause is not applicable to disabled persons). |
| | A tenant can be ejected on any of the following grounds: (i) the tenant has |
| | failed to pay the due rent during two consecutive years; (ii) the tenant has |
| Karnataka | caused permanent injury to the land; (iii) the tenant has sub-divided or sub-let |
| | the land; (iv) the tenant has failed to cultivate the land personally for a period |
| | of two consecutive years; (v) the tenant has used the land for non-agricultural |
| | purposes. |
| Madhya Pradesh | The law does not provide any protection against eviction. |
| & Chhattisgarh | |
| | No tenancy is terminable by efflux of time. However, a tenant can be ejected |
| | on any of the following grounds: (i) he has failed to pay rent by 31 st May of any |
| | particular year; or (ii) he has caused destruction or permanent damage to the |
| Maharashtra | land or (iii) he has sub-divided or sub-let the land, unless disabled, or (iv) he |
| | has failed to cultivate the land personally, or (v) he has used the land for |
| | purposes other than agriculture or allied persuits or (vi) that the landlord |
| | desires to resume land for personal cultivation or use. |
| | A legal tenant, under disability or privileged raiyat can be terminated on any |
| | one or more of the following grounds: (i) the tenant has made the land unfit |
| | for agriculture or has used it for non-agriculture; (ii) the tenant has failed to |
| Orissa | cultivate the land properly and personally; (iii) the tenant has failed to pay or |
| | deliver rent within the period of 2 months from the date when it became due |
| | or (v) the landlord has ceased to be a person under disability or a privileged |
| | raiyat. |
| | A tenant cannot be ejected except when he is a tenant on reserved area or a |
| Duniah 9 | tenant of a small landowner or when he fails to pay rent regularly without |
| Punjab & | sufficient cause or has failed to cultivate the land according to customary |
| Haryana | practice in the locality or has made the land unfit for agriculture or has sub-let |
| | the land or refused to execute Qabuliyat or Patta when asked to do so by the |
| L | 1 |

| | Asstt. Collector on an application made to him by the land owner or if he holds |
|-----------------|--|
| | land above the permissible area. |
| | A tenant can be ejected only in accordance with execution of a decree passed |
| | on any one or more of the following grounds: (i) the tenant has failed to pay |
| Daiasthan | arrears of rent due for two years or more; or (ii) the tenant has illegally |
| Rajasthan | transferred or sub-let the whole or part of his holding; or (iii) the tenant has |
| | caused harm to the land or used it for a purpose other than what was agreed |
| | upon; or (iv) the tenant has violated the terms and conditions of the contract. |
| | A cultivating tenant can be evicted only on application to the Revenue |
| | Divisional Officer, on the following grounds: (i) if the tenant has done any act |
| Tamil Nadu | or has been guilty of any negligence which is destructive of or injuries to land |
| Talliii Nauu | or to any crop thereon or has altogether ceased to cultivate the land; (ii) if the |
| | tenant does not pay rent due to the landlord within a month when it becomes |
| | due. |
| | An under raiyat/tenant cannot be evicted from his land except by an order of |
| | the competent authority, based on any of the following grounds: (i) the land |
| | has been reserved for personal cultivation by the raiyat; (ii) the under-raiyat |
| Tripura | has intentionally or willfully made the land unfit for agriculture; (iii) the under- |
| | raiyat has failed to pay rent within a period of 3 months after it fell due and |
| | (iv) the under-raiyat (who is not a person under disability) has sublet the land |
| | without the consent in writing of the raiyat. |
| Uttar Pradesh & | The law does not provide any protection again eviction. |
| Uttarakhand | |
| | A bargadar/sharecropper can be terminated by the raiyat in execution of an |
| | order made by the revenue officer, on any one or more of the following |
| Wost Rongal | grounds: (i) the sharecropper has failed without reasonable cause to cultivate |
| West Bengal | the land; (ii) the sharecropper is not cultivating the land personally; (iii) the |
| | sharecropper has failed to tender or deposit the share of the produce payable |
| | to the owner; (iv) the owner requires it bonafide for bringing it under personal |

cultivation.

Appendix V - Tenants Right to Preemptive Purchase of Leased in Land

| State | Legal Provision | |
|---|--|--|
| In Andhra Pradesh and | A protected tenant has the right to purchase the leased in land | |
| Telengana | from the landowner if the landowner desires to sell the leased | |
| | out land. The tenant has a first claim on the purchase. If there is | |
| | no agreement on the sale price, the competent authority will fix a | |
| | reasonable price. | |
| Assam | An under tenant is entitled to acquire ownership right of a land | |
| | leased in by him continuously for three years on payment of 50 | |
| | times the land revenue | |
| Bihar A tenant (under raiyat) is entitled to purchase ownership r | | |
| | he is in continuous occupation of land for 12 years, on payment | |
| | of 24 times the land revenue. | |
| Vidarbha and Martha- | arbha and Martha- Law provides for right to purchase the leased in land provided (| |
| wada region of Mahara- | ion of Mahara- a tenant does not hold any land, (b) his own and the land he | |
| shtra and Gujarat | wants to purchase does not exceed 3 family holdings, and (c) lan | |
| | left with the landlord is not less than one family holding. | |
| Himachal Pradesh | A non-occupancy tenant or a tenant illegally inducted can | |
| | purchase ownership right on payment of 96 times the land | |
| | revenue, while an occupancy tenant can purchase by paying 48 | |
| | times the land revenue. | |
| Madhya Pradesh and | A tenant illegally inducted is entitled to purchase ownership right | |
| Chhattisgarh | on payment of 5 times the land revenue. | |
| Punjab and Haryana | a tenant of a small land owner, who had been in continuous | |
| | occupation of land for a minimum period of six years, is entitled | |
| | to purchase the land. | |

| Tamil Nadu | Tenancy, once created is continuous and there is no provision for | |
|---------------|---|--|
| | purchase of ownership right. | |
| Tripura | An under raiyat (tenant) can acquire ownership right in respect of | |
| | the non-resumable land of a raiyat on payment of 30 times the | |
| | land revenue payable for the land and the value of trees, if | |
| | planted by the raiyat. | |
| West Bengal | Share cropping once created, is continuous. There is no provision | |
| | for purchase of ownership right. | |
| Uttar Pradesh | A lessee can acquire the right of a bhumidhar with non- | |
| | transferable right thereof, if the total extent of the land held by | |
| | him together with the land held by his family does not exceed | |
| | 12.5 acres. If the land exceeds 12.5 acres, the lessee shall be | |
| | deemed to be a purchaser of the land, subject to ceiling. | |

Appendix VI - Conferment of Ownership or Occupancy Right on Tenants

The states which either prohibited leasing or put restrictions on leasing provided for conferment of either ownership or occupancy right on tenant. The legal provisions in various states in this regard are stated in Table-6. So far, about 12.6 million tenants on 6.8 million hectares of land (Govt. of India: 2007) have been conferred either ownership or occupancy rights. It has however been observed that restrictive tenancy laws led to eviction of a large number of tenants by the land owners. It has been estimated that while only 4 percent of the tenanted land could be transferred to tenants this way, they were evicted from about 31 percent of the total land.

The state specific provisions for conferring ownership or occupancy right on tenants, are as follows

| States | Legal Provision for Conferring Ownership / Occupancy Right |
|--|--|
| Assam | The ownership rights in tenanted lands are conferred on the tenants by Government notification, on application by an occupancy tenant who has cultivated the land continuously for 3 years and a non-occupancy tenant can acquire an occupancy right if he has held land for continuously three years. |
| Bihar | Every under-raiyat of raiyat holding land above ceiling be deemed to have acquired the status of an occupancy tenant or owner on payment of a specified amount to the State Government. |
| Karnataka | Law empowers the State government to acquire ownership rights in all tenanted lands on payment of compensation and transfer the same to tenants who then have to pay premium for acquisition of occupancy right. |
| Kerala | The law empowers the state government to acquire all tenanted land and pass on the rights to the tenants on payment of certain premium. |
| Uttar Pradesh | The law provides that the state government may acquire any tenanted land and transfer the occupancy rights to the tenants. |
| Maharashtra and Gujarat | On 1 st April, 1957, all tenants were deemed owners of the land cultivated by them within ceiling limit. A tenant has a right to purchase the tenanted land within one year of creation of tenancy. |
| Madhya Pradesh and Chhattisgarh | A tenant holding any non-resumable land, can acquire Bhoomiswami right on payment of 15 times the land revenue in five equal installments to his Bhoomiswami. |
| Rajasthan | The tenants and sub-tenants of Khudkasht, became khatedar tenants of such land held by them on payment of compensation fixed under the Act. |
| Punjab and Himachal Pradesh | The law provides for acquisition of the right of the land owner in the tenanted land by paying a specified compensation amount. |
| Andhra Pradesh, Haryana, Tamil Nadu and West Bengal | There is no legal provision to confer ownership right on tenants. |

Appendix VII - Recording of lease

Leases are largely informal in most states. The West Bengal and Tamil Nadu had special provisions and efforts for recording of rights of Bargadar/tenants. The laws of certain other states also provides for recording of tenancy. But no effective measure was undertaken to do so. Besides, the tenancy law in Andhra Pradesh provides that any lease after 1974 has to be in writing and registered. In Telengana, a copy of every lease shall be filed before tehsildar. It has also been observed in most cases that recording of lease in record of rights of the revenue department creates fear in the minds of the landowners that they may lose land right if leasing is recorded and land is allowed to be cultivated by tenant continuously for a long period. In several states, there is provision for conferring ownership or occupancy right due to adverse possession of land by a tenant for a specified period.

Appendix VIII: Heritability of Lease Right

Some states which do not explicitly ban leasing or allow leasing out only by certain disabled or privileged categories of landowners, mention whether lease right is heritable or not. The tenancy laws of Andhra Pradesh, Madhya Pradesh, Odisha and Tripura specifically point out that lease right shall be heritable, but not transferable except to banks, government, cooperatives, or financial institutions by way of mortgage for loan. Change of ownership of land does not affect tenancy. The West Bengal Land Reforms Act allows only share croppers and no other categories of lessees, to have permanent heritable lease right, but not transferable even to financial institution by way of mortgage for loan.

Appendix IX: Regulation on Rent

The tenancy laws of almost all the states have fixed fair or maximum rent on leased land as shown below.

| State | Rent Fixed | |
|------------------|--|--|
| Andhra Pradesh | 30 percent of the produce for irrigated land and | |
| | 20 percent for other land. | |
| Telengana | 2 to 5 times of Land Revenue/assessment or ¼ to | |
| | 1/5 of the produce or value thereof | |
| Assam | 1/4 to 1/5 of the produce or less than 3 times the | |
| | land revenue | |
| Bihar | 16.80 kg or 18 seer per maund | |
| Gujarat | 2 to 5 times the land revenue, subject to a limit | |
| | Rs. 20 per acre | |
| Haryana | 1/3 of produce or value thereof | |
| Himachal Pradesh | ¼ of crop produce or value thereof | |
| J & K | Tenancy is banned. So no rent is fixed | |
| Karnataka | ¼ or 1/5 of the produce or value thereof, but not | |
| | exceeding 10 times the value of land revenue plus | |
| | irrigation charges | |
| Kerala | Tenancy is banned and so no rent is fixed | |
| MP/Chhattisgarh | 2/4 times the land revenue or as agreed upon by | |
| | the landlord and the tenant. | |
| Maharashtra | 2 to 5 times the land revenue, subject to a limit of | |
| | Rs. 20 per acre | |
| Odisha | ¼ of the produce or value thereof | |
| Punjab | 1/3 of produce or value thereof | |
| Rajasthan | ¼ to 1/6 of produce or 1 ½ to 3 times the amount | |
| | assessed as land revenue | |
| Tamil Nadu | ½ to 1/3 of produce or value thereof | |
| Uttar Pradesh | Rent as agreed upon between the tenant and his | |
| | landlord or the Gaon Sabha | |
| West Bengal | ½ to ¼ of produce (1/2 of produce if the | |
| | landowner supplies plough, cattle, manures and | |
| | seeds) | |

Source: Tenancy laws of various states

Appendix X – Proportion of Leased in Area in Various States

| State | % of Leased in Land |
|------------------|---------------------|
| Andhra Pradesh | 33.75 |
| Assam | 4.21 |
| Bihar | 21.04 |
| Chhattisgarh | 9.45 |
| Gujarat | 5.63 |
| Haryana | 14.90 |
| Himachal Pradesh | 5.20 |
| Jammu & Kashmir | 0.15 |
| Jharkhand | 1.90 |
| Karnataka | 6.71 |
| Kerala | 8.55 |
| Madhya Pradesh | 5.05 |
| Maharashtra | 3.40 |
| Manipur | 7.58 |
| Meghalaya | 4.13 |
| Mizoram | 1.60 |
| Nagaland | 1.08 |
| Orissa | 16.61 |
| Punjab | 24.62 |
| Rajasthan | 7.76 |
| Sikkim | 18.21 |
| Tamil Nadu | 13.87 |
| Telangana | 13.56 |
| Tripura | 4.75 |
| Uttaranchal | 4.08 |
| Uttar Pradesh | 7.56 |
| West Bengal | 14.25 |
| All India | 10.10 |

Source: NSS KI (70/18.1): Key Indicators of Land and Livestock Holdings in India

Annexure - I Composition and Terms of Reference of the Committee

A Committee was constituted under the chairmanship of Dr. T. Haque by NITI Aayog, Govt. of India, vide order No. Q11022/12/2015-Agri dated September 07, 2015, to prepare a Model Agricultural Land Leasing Act based on critical review of the existing agricultural tenancy laws of states and keeping in view the need to legalize land leasing.

Composition of the Committee

| ii) | Dr. T. Haque, Former Chairman, CACP | Chairman |
|-------|---|-----------------------|
| iii) | Shri. Anil Chandra Punetha, Chief Commissioner (Land Admn.), A.P | Member |
| iv) | Shri. G.S. Gabriyal, Secretary (Revenue), Govt. of Uttarakhand | Member |
| v) | Shri. Karan Avatar Singh, Addl. Chief Secretary (Revenue), Punjab | |
| vi) | Shri. M.K.Srivastava, Principal Secretary (Revenue), Maharashtra | Member |
| vii) | Shri. Alok, Secretary (Revenue), Govt. of Rajasthan | Member |
| viii) | Shri. Deepak Sharma, Secretary (Revenue), Govt. of Assam Mem | ber |
| ix) | Shri.P.K.Srivastava, Principal Secretary (Revenue/Land), Meghalaya | Member |
| x) | Shri. H.S.Meena, Jt. Secretary, Dept. of Land Resources, Govt. of India | |
| xi) | Shri. J.P.Mishra, Adviser (Agriculture), NITI Aayog, Govt. of India | Member – Secretary |

Terms of Reference

- i. to review the existing agricultural tenancy laws of States including hilly States and scheduled areas;
- ii. to examine the distinctive features of land system in erstwhile zamindari, ryotwari and mahalwari areas;
- iii. to suggest appropriate amendments, keeping in view the need to legalise and liberalise land leasing for much needed agricultural efficiency, equity, occupational diversification and rapid rural transformation;
- iv. to prepare a model agricultural land leasing act in consultation with states and
- v. any other related matter.

Annexure - II List of Meetings and Consultations Held

- Meeting of Chief Secretaries and Principal Secretaries, Revenue / Land Reforms of states held at NITI Aayog, New Delhi on August 24, 2015. [NITI Aayog set up an Expert Committee on Land Leasing based on the recommendation at this meeting.]
- 2. First meeting of the Expert Committee on land leasing, held at NITI Aayog, New Delhi on 16 November, 2015.
- 3. A consultation with lawyers held in Hyderabad, on January 02, 2016.
- 4. National consultation with various stake holders on Model Agricultural land Leasing Act held in Vigyan Bhawan, New Delhi on January 08, 2016. Representatives of State Governments, Experts, Farmers Associations, Tenant Farmers Organisations and Civil Society Organisations participated.
- 5. Final Meeting of the Expert Committee on land leasing held at NITI Aayog, New Delhi on February 25, 2016.

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