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Examining the nature and pattern of agricultural land leasing system in eastern plain zone of Uttar Pradesh

Ankit Yadav, Bharath Kumar Manepalli and Virendra Kamalvanshi

Department of Agricultural Economics, Institute of Agricultural Sciences, Banaras Hindu University, Varanasi, Uttar Pradesh, India

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Corresponding Author: Ankit Yadav

Abstract

Agricultural land leasing plays a crucial role in sustaining rural livelihoods and enhancing access to cultivable land, particularly for small and marginal farmers in Eastern Uttar Pradesh. Despite its socio-economic importance, tenancy in the region remains predominantly informal. Based on primary data collected from 240 respondents (150 lessees and 90 lessors) across Varanasi, Ambedkar Nagar, and Barabanki districts, the study examines the socio-economic nature and patterns of agricultural land leasing. The findings reveal a complete absence of documented tenancy, with 100 percent of agreements being oral, reflecting strong reliance on trust, kinship relations, and fear of legal complications. Annual tenancy and very long-term tenancy coexist, highlighting short-term economic needs alongside inherited or continuously renewed relationships. Non-inherited leasing dominates, indicating that leasing decisions are largely driven by current economic conditions. Fixed cash leasing emerges as the most prevalent system, accounting for 70 percent of cases, supported by flexible rent payment structures. Crop-sharing systems continue but remain secondary. Overall, agricultural land leasing in Eastern Uttar Pradesh remains socially governed, economically significant, and largely outside formal legal frameworks, necessitating policy attention for secure and equitable tenancy systems.

Keywords: Agricultural land leasing, tenancy patterns, oral tenancy, fixed cash leasing, Eastern Uttar Pradesh

Introduction

Agricultural land leasing constitutes a significant component of India's agrarian structure, functioning as an important mechanism for livelihood security, land access, and resource allocation. Evidence from national databases shows that tenancy continues to exist widely despite restrictive tenancy regulations. The National Sample Survey (NSS) 70th Round, 2013 reported that nearly 10-11 percent of operational holdings in India are under some form of lease, with a higher concentration observed in states such as Uttar Pradesh, Bihar, Odisha, Andhra Pradesh, Telangana, and West Bengal. Further, the survey indicated that small and marginal farmers account for more than 75 percent of leased-in holdings, highlighting the crucial role of tenancy in supporting vulnerable agrarian households. Similarly, studies by NITI Aayog (2016)^[8] noted that a large share of tenancy remains informal and undocumented, making the actual extent of leasing significantly higher than officially recorded figures.

Empirical research has consistently emphasized that agricultural land leasing in India is dominated by oral agreements, socially negotiated arrangements, and non-institutional contracts. Deininger *et al.* (2007)^[3] and Bhalla (1993)^[1] reported that more than 80 percent of tenancy contracts in many parts of rural India are oral in nature, often based on trust, kinship ties, caste relationships, and localized power structures rather than legal documentation.

The Planning Commission (2012)^[9] also highlighted that fear of losing ownership rights and rigid tenancy laws forced landowners to avoid written agreements, thereby pushing tenancy underground. To address these structural issues, policy initiatives such as the Model Agricultural Land Leasing Act, 2016 were introduced to promote secure, transparent, and legal leasing systems; however, informal tenancy continues to remain dominant across many regions. In Uttar Pradesh, tenancy has historically played a vital socio-economic role. Various agricultural policy assessments and regional studies have indicated that a considerable proportion of land in Eastern Uttar Pradesh is cultivated under leasing arrangements, primarily due to small and fragmented holdings, high rural population density, limited non-farm opportunities, labour migration, aging landowners, and the need for income security among landholders. Studies such as Prasad *et al.* (2012)^[10], Bansal and Grover (2012)^[2], and Kiranmayi & Vijayabhinandana (2015)^[7] observed that tenancy in North India frequently involves a combination of fixed cash leasing, crop-sharing arrangements, and long-standing informal lease relations, with a growing shift toward monetized rental systems.

Given these realities, examining the socio-economic nature and patterns of agricultural land leasing in Eastern Uttar Pradesh is crucial for understanding its role in rural livelihoods, equity in land access, agricultural productivity, and social relations. A systematic assessment helps in

explaining how tenancy shapes economic opportunities, how social and institutional structures influence leasing behaviour, and how evolving rental arrangements reflect transformations within the agrarian system. Such an examination is vital not only for academic understanding but also for supporting evidence-based policy formulation aimed at promoting secure, equitable, and efficient land leasing frameworks conducive to inclusive agricultural growth.

Methodology

Sampling Framework

A multistage stratified random sampling technique was used. Districts formed the first stage, blocks the second stage, villages the third stage, and households were the ultimate sampling units. From each selected district, two blocks were chosen: Varanasi: Baragaon, Sewapuri Barabanki: Haidergarh, Trivediganj, Ambedkar Nagar: Akbarpur, Jalalpur. From each selected block, three villages were purposively selected, making a total of 18 villages. A total of 240 farm households were selected 150 lessees & 90 lessors.

Nature of Data and Method of Collection

The study is based primarily on primary data, collected through a well-structured and pre-tested interview schedule. Necessary modifications were made after pre-testing. Data were collected by personal interview method from heads of households during the agricultural year 2024-25.

Analytical framework

The primary and secondary data so collected were tabulated in Excel Worksheets. The data was tabulated and analyzed by employing suitable statistical tools. In order to achieve the objectives of the study, the tabulated data were further analysed by using tabular and statistical methods described below:

Tabular method

The primary data collected on survey schedules were tabulated to determine averages, indices, ratios, and percentages.

Results and Discussion

Pattern of agricultural land leasing-in and lease-out

An attempt to study the pattern of tenancy existing in the study area based on agreement, duration, size of lease-in land, inheritance, sharing of cost of cultivation, mode of lease rent payment and decision making in crop selection as given below. In this section the pattern of land leasing-in and leasing-out, along with the prevailing conditions of land rent, land value, etc. have been discussed.

Tenancy type based on agreement

The table 1 presents the distribution of respondents according to the type of tenancy agreement across three districts of eastern plain zone of Uttar Pradesh. Tenancy agreements are classified into oral and written (documented) contracts, and respondents are further categorized as lessees (tenant farmers) and lessors (landowners). The results

clearly indicate that tenancy arrangements in all three

districts are entirely oral in nature. In each district, 50 lessees and 30 lessors reported operating under oral agreements. No respondent in any of the districts reported having a written or documented tenancy agreement. The complete absence of written agreements highlights the informal and undocumented nature of land leasing in the study area. The results are in conformity with that reported by Damodaran (2011), Bansal and Grover

Table 1: Distribution of the respondents according to agreement of tenancy

S. No.	District	Oral		Written (Documented)	
		Lessee	Lessor	Lessee	Lessor
1.	Varanasi	50	30	---	---
2.	Ambedkar Nagar	50	30	---	---
3.	Barabanki	50	30	---	---
	Total	150	90	---	---

This situation can be attributed to the fact that the nature of tenancy arrangements is largely determined by landowners rather than by those who lease in land. In the case of documented tenancy, legal benefits and entitlements would accrue to the tenant, which landowners are generally reluctant to allow. Consequently, landowners often avoid entering into written agreements. In addition, landowners prefer to lease out their land to known and trusted individuals rather than to unfamiliar persons. Owing to these close and informal relationships between landowners and tenants, oral tenancy arrangements are predominantly preferred. And owners often avoid entering into written agreements. In addition, landowners prefer to lease out their land to known and trusted individuals rather than to unfamiliar persons. Owing to these close and informal relationships between landowners and tenants, oral tenancy arrangements are predominantly preferred.

Tenancy type based on Duration

The table 2 shows the distribution of respondents by duration of tenancy among lessees and lessors, along with their percentages. Among lessees (150), annual tenancy is the most common, accounting for 63 respondents (42.0%). This is followed by very long-term tenancy, reported by 53 lessees (35.3%), indicating sustained leasing relationships over time. Short-term tenancy (3 years) is reported by 19 lessees (12.66%), while biennial tenancy is relatively limited, with 15 lessees (10%). No lessees reported seasonal, medium-term, or long-term tenancy arrangements. Among lessors (90), very long-term tenancy dominates, with 39 respondents (43.3%), followed by annual tenancy reported by 27 lessors (30.0%). Biennial tenancy accounts for 16 lessors (17.8%), while short-term tenancy is reported by only 8 lessors (8.9%). Similar to lessees, no lessors reported seasonal, medium-term, or long-term tenancy. Overall, the pattern highlights the dominance of annual and informally extended long-term tenancy arrangements in the study area. Very long term duration of tenancy may be accounted for inherited type of tenancy. The results are in conformity with that reported by Kiranmayi and Vijayabhinandana (2015)^[7].

Table 2: Distribution of the respondents according to duration of tenancy

S. No.	Category	Lessee	Lessor
1.	Seasonal	--	--
2.	Annual	63	27
3.	Biennial	15	16
4.	Short term (3 yrs.)	19	8
5.	Medium term (4 - 5 yrs.)	--	--
6.	Long term (5 - 8 yrs.)	--	--
7.	Very long term	53	39
	Total	150	90

District wise distribution of the respondents according to duration of tenancy

The table presents the distribution of lessee farmers in three districts of Eastern Uttar Pradesh based on the duration of their tenancy arrangements. The results reveal that annual tenancy is the most common, with 63 respondents (25 in Varanasi, 21 in Ambedkar Nagar, and 17 in Barabanki) leasing land for one year at a time. This indicates that farmers prefer short, renewable arrangements, possibly due to economic uncertainty and crop risk. Biennial tenancy is reported by 15 farmers, with the highest share in Barabanki (8), followed by Ambedkar Nagar (4) and Varanasi (3). Short-term tenancy of three years is also noticeable, with 19 respondents, showing moderate medium-term commitments in leasing. No respondents reported tenancy between 4-8 years, indicating low preference for medium- to long-term formalized agreements.

Interestingly, very long-term tenancy constitutes a significant share, with 53 respondents (14 in Varanasi, 19 in Ambedkar Nagar, and 20 in Barabanki). This reflects inherited or continuously renewed traditional leasing relationships established on trust and social bonds. Overall, the table highlights a dual tenancy pattern one segment dependent on short, flexible leases and another continuing long-standing tenancy arrangements indicating both economic necessity and strong social tenancy continuity in the region.

Table 3: District wise distribution of the respondents according to duration of tenancy:

S. No.	Category	Varanasi	Ambedkar Nagar	Barabanki	Total
1.	Seasonal	--	--	--	--
2.	Annual	25	21	17	63
3.	Biennial	3	4	8	15
4.	Short term (3 yrs.)	8	6	5	19
5.	Medium term (4 - 5 yrs.)	--	--	--	--
6.	Long term (5 - 8 yrs.)	--	--	--	--
7.	Very long term	14	19	20	53
	Total	50	50	43	150

Tenancy type based on inheritance

The results indicate that non-inherited leasing is the dominant form of tenancy in the study area. Overall, 61.3 per cent of the respondents reported non-inherited leasing, while 38.7 per cent were engaged in inherited leasing arrangements. This suggests that most tenancy relationships are formed based on present economic needs rather than being carried forward through generations.

At the district level, non-inherited leasing is more prevalent in all three districts - Varanasi (66%), Barabanki (62%), and Ambedkar Nagar (56%) highlighting a consistent pattern across the region. The relatively higher share of inherited leasing in Ambedkar Nagar (44%) compared to the other districts indicates the continued role of traditional and family-based tenancy relationships in some areas.

Table 4: Distribution of the respondents according to inheritance

S. No.	Category	Varanasi	Ambedkar Nagar	Barabanki	Total
1.	Inherited leasing	17 (34)	22 (44)	19 (38)	58 (38.7)
2.	Non inherited leasing	33 (66)	28 (56)	31 (62)	92 (61.3)
	Total	50 (100)	50 (100)	50 (100)	150 (100)

Distribution of the respondents according to lease agreements

The table reveals that fixed cash payment is the most prevalent form of lease agreement in the study area, accounting for 70 per cent of the total respondents. This dominance is observed across all three districts, with the highest incidence in Ambedkar Nagar (74%), followed by Varanasi (70%) and Barabanki (66%), reflecting landowners' preference for assured and risk-free income. Crop-sharing arrangements constitute the second most common form, reported by 26 per cent of respondents. The

practice is relatively more common in Barabanki (32%), suggesting a greater willingness to share production risk in this district, while its prevalence is lower in Ambedkar Nagar (20%).

Fixed crop-sharing agreements are least preferred, accounting for only 4 per cent of respondents, indicating limited acceptance of this form due to possible complexities in valuation and enforcement under informal tenancy conditions. Overall, the results suggest a clear shift towards cash-based leasing arrangements, alongside the continued but declining presence of traditional crop-sharing systems.

Table 5: Distribution of the respondents according to lease agreements

S. No.	Category	Varanasi	Ambedkar Nagar	Barabanki	Total
1.	Fixed cash payment	35 (70)	37 (74)	33 (66)	105 (70)
2.	Crop sharing	13 (26)	10 (20)	16 (32)	39 (26)
3.	Fixed crop sharing	2 (4)	3 (6)	1 (2)	6 (4)
	Total	50 (100)	50 (100)	50 (100)	150 (100)

Tenancy type based on mode of lease rent payment

The table reveals that fixed cash payment is the dominant mode of lease rent payment, followed by 105 respondents (70%) across the three districts. Within this category, 39.04 per cent (41 respondents) paid the entire lease rent after crop harvest, reflecting tenants' reliance on crop income. About 36.19 per cent (38 respondents) paid half the rent in advance and the remaining half after harvest, while 24.76 per cent (26 respondents) paid the entire rent in advance, indicating relatively lower liquidity among tenant farmers.

Farm produce sharing in a 1:1 ratio was reported by 39 respondents (26%), with the highest incidence in Barabanki (41.02%). Fixed crop sharing was the least prevalent system, followed by only 6 respondents (4%). Overall, the results demonstrate the predominance of cash-based tenancy with flexible payment timing, alongside the limited but continuing presence of crop-sharing arrangements. The results are in conformity with that reported by Prasad *et al.* (2012) ^[10], Kiranmayi and Vijayabhinandana (2015) ^[7] and Jhansi (2018) ^[6].

Table 6: Tenancy type based on decision making in crop selection

S. No.	Category	Varanasi	Ambedkar Nagar	Barabanki	Total
A.	Fixed cash payment	35 (70)	37	33	105
1.	Entire land lease rent paid in advance	7 (20)	9 (24.32)	10 (27.02)	26 (24.76)
2.	Half cash paid in advance and remaining half paid after crop harvest	11 (31.42)	15 (40.54)	12 (32.43)	38 (36.19)
3.	Entire land lease rent paid after crop harvest	17 (48.57)	13 (35.13)	11 (29.72)	41 (39.04)
B.	Farm Produce	13	10	16	39

1.	Farm produce in 1:1 ratio after the harvest of crop	13 (33.33)	10 (25.64)	16 (41.02)	39 (100)
C.	Fixed crop share	2 (33.33)	3 (50)	1 (16.66)	6 (100)

Conclusion

The study shows that agricultural land leasing in Eastern Uttar Pradesh is predominantly informal and socially driven, with all tenancy arrangements based on oral agreements. Annual and very long-term leases coexist, reflecting both short-term economic needs and long-standing trust-based relationships. Non-inherited leasing is more common, indicating economically motivated tenancy decisions. Fixed cash leasing dominates, supported by flexible rent payment practices, demonstrating increasing monetization of tenancy alongside tenants' reliance on crop income. Overall, land leasing remains a crucial livelihood mechanism, despite operating largely outside formal legal frameworks.

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