

## **Bridging the Gap for Tenant Farmers: A Case Study of Guntur District, Andhra Pradesh**

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### **Abstract**

*The present study investigates the impact of Crop Cultivation Rights Cards (CCRC) on the livelihoods of tenant farmers. The CCRC, introduced by the Andhra Pradesh government in 2019, is designed to make it easier for tenant farmers to obtain formal credit and government facilities. Descriptive statistics, two-way ANOVA, and Chi-square tests were used to analyse the data. The study reveals that half of the farmers possess CCRCs, which are essential for accessing government services, support, and credit in the study area. The majority of farmers reported multiple benefits from possessing CCRCs, including improvements in the living conditions of tenant farmers. The study concludes that CCRCs represent a positive step toward tenant recognition but remain constrained by landlord dominance and weak institutional delivery. Policy measures such as mandatory lease registration with safeguards, stronger monitoring of Rythu Bharosa Kendras, and revised credit ceilings are recommended. The paper contributes to debates on tenancy reform by providing micro-level evidence on the functioning and limitations of CCRCs in Andhra Pradesh.*

**Keywords:** tenancy, CCRC, credit, benefits, Andhra Pradesh.

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### Introduction

India inherited a semi-feudal agrarian structure, and immediately after independence, agrarian reforms were initiated based on the J.C. Kumarappa report to the Congress Working Committee. Intermediaries were abolished, and tenancy Acts were enacted by various states. While these reforms initially benefited some farmers nationwide, they also had unintended consequences, as noted by Hanstad & Haque (2008) and Ranganathan & Pandey (2017). These included hidden tenancy, reverse tenancy, and a resurgence of usurious practices in disguised forms. The land revenue system in Andhra Pradesh evolved diversely across its regions—Telangana, Uttara-Andhra, Rayalseema, and Coastal Andhra—under the colonial government's adoption of three systems: landlord-based (zamindari or malguzari), individual cultivator-based (Raiyatwari), and village-based (Mahalwari). Revenue assessment involved documents such as Patta, Qaul, or Qaulqarar, along with acceptance agreements (Qabuliat) from landowners, and revenue determination through stages known as Kankut and Danabandi, based on productivity and prices under various tax regimes (Deshpande, 2002). The historical Zabti-I-Harsala tax, enforced annually, and the role of revenue officers like the Karori underscored the heavy fiscal burden on peasantry during the Mughal era, described by historian Irfan Habib as usurious.

Following the abolition of intermediaries, significant changes occurred in Andhra Pradesh's feudal production relations, although the landed gentry retained substantial control over land, often with political influence. Land reforms aimed to

mitigate these disparities, yet the grip of landed elites on small and marginal farmers persisted, often circumventing tenancy laws (NITI Aayog, 2016). Secondary sources indicate a decline in leased-in land from 11.6 per cent in 1972–73 to 8.28 per cent in 1992–93, decreasing further to 6.5 per cent by 2002–03, before rising to 10.3 per cent by 2012–13 (Rao, 2019).

The issue of tenant farmers, particularly in Andhra Pradesh, has been highlighted in various reports and surveys. The Government of Andhra Pradesh's 2004 report specifically noted tenant farmers among those who tragically committed suicide. According to the NSSO 77th round situation assessment survey, Andhra Pradesh had the highest indebtedness of agricultural cultivation in the country (93.2 per cent).

Later, Telangana had the highest level of indebtedness in agricultural cultivation in the country (91.7 per cent), followed by Kerala (69.9 per cent). Around 50 per cent of farmers in the state are highly dependent on non-institutional sources of loans, which is well above the national average of about 31 per cent. Moreover, Andhra Pradesh leads in the proportion of tenant farmers across all states (NSSO, 2019). From 2002 to 2012, the number of tenant farmers in AP nearly doubled (Pandey & Jaiswal, 2014). However, even after this increase, the average leased-in area per tenant and the proportion of long-term tenancies are higher in Andhra Pradesh than the national average (Rao, 2023). It is estimated that tenant farmers contribute significantly, ranging from 65 per cent to 80 per cent, to the paddy crop in coastal areas of the state<sup>1</sup>.

**Table 1**

#### *Details of Tenancy in Andhra Pradesh*

| Items                                                  | 2002-03 | 2012-13 |
|--------------------------------------------------------|---------|---------|
| Average operational holding leased-in (ha.)            | 1.75    | 2.21    |
| Proportion of the area leased in for two or more years | 60.6    | 79.4    |
| Proportion of registered leasehold area (%)            | 2.4     | 4.2     |

*Note:* NSSO report 59<sup>th</sup> and 70<sup>th</sup> rounds.

These are only the recorded tenancy data, and there are indicators that a large number of unrecorded tenancies exist in the State.

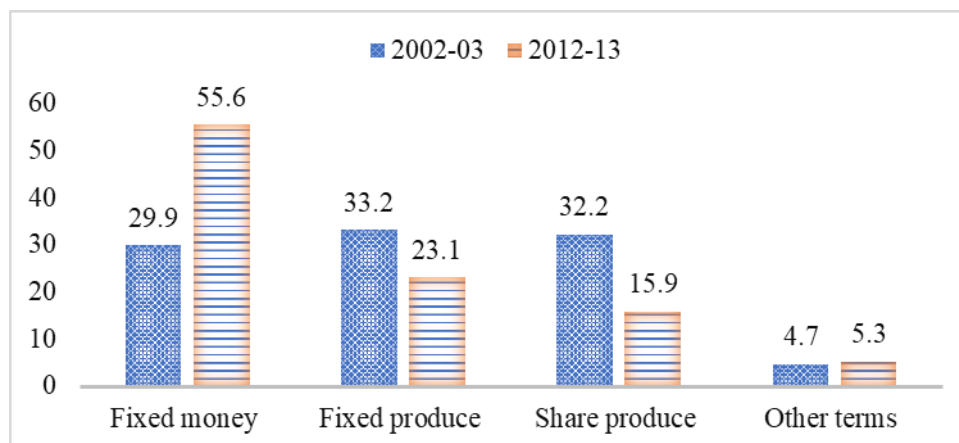
### ***Tenant Farmers in Andhra Pradesh***

The state has also unfortunately ranked among the highest in agricultural suicides in the country, with 1,065 reported cases in 2021 alone, and 11.45 per cent of these suicides involved farmers who were farming on rented land (Babus, 2022). This situation is exacerbated by the informal nature of many rental agreements in small farms, which often lack formal documentation. This lack of records denies tenant farmers access to formal credit and eligibility for government assistance programs (Revathi, 2012). As a result, tenants find themselves the most disadvantaged group, especially those with short-term tenancy agreements and limited personal resources. In Andhra Pradesh, the nature of recorded tenancy varies significantly, as shown in Table 1. The table shows that the average leased-in per operating holding per tenant has grown from 1.75 hectares in 2002-03 to 2.21 hectares in 2012-13. Similarly, the duration of leased-in area increased from around 61 per cent to around 80 per cent, while the leased-in area legal record increased by almost 2 per cent, from 2.4 per cent in 2002-03 to 4.2 per cent in 2012-13.

Tenant cultivators (Cash Tenancy contracts) face a triple whammy. Regular cultivation costs and high land rents require them to spend cash resources. Second, they are excluded from the bulk of government support systems if tenancy is not recorded. For example, crop loans at low or no interest rates, crop insurance against natural disasters and compensation packages, marketing facilities, and cash transfer schemes such as Rythu Bharosa, are essential for ensuring that agriculture remains a profitable livelihood. Third, the tenants, being resource-poor, get hooked to the landowners or input/output dealers, who take loans and are used by the same capitalists, from whom they not only borrow money at very high interest but also lose bargaining power when purchasing inputs or selling crops.

The state took positive steps to help tenant cultivators by recognising and including them in all its schemes, including the newly announced Rythu Bharosa scheme, implemented through DBT. Under the CCRC 2019, it is mandatory for landowners to provide written consent to authorise benefits required by the tenant farmer, including crop loans and other developmental benefits. However, this stood as a huge impediment for the tenant farmers to avail all types of support except for the Rythu Bharosa scheme. Among the new initiatives are loans through SHGs and microfinance, loan relief, the Rythu Bharosa Scheme, Rythu Mitra, the Custom Hiring Scheme, the Crop Cultivator Right Card (CCRC), and others. Hitherto, these were not available to the tenant cultivators. In this background, we seek to critically examine the Andhra Pradesh Cultivator Rights Act, 2019, based on a field survey in Guntur district, Andhra Pradesh.

Andhra Pradesh is known for its high density of reverse tenancy and a strong presence of usury practices, as demonstrated by various studies. It was noted that the risk of farming is distributed through the share tenancy between the landowner and tenant cultivator, whilst the fixed tenancy puts all the burdens upon the tenant (Rao, 1971; Stiglitz, 1974). Figure 1 reveals the share of land rented under the different lease conditions in the state. It is seen that the terms of the lease changed significantly during the period 2002-2012. The state has a majority holding in the fixed rent share, which was increased from 29.9 per cent to 55.6 per cent. This is way above the changes at the All India level, where it went only from 30.9 per cent to 40.5 per cent (Rao, 2023). The tenant is now responsible for all the risks of farming, including fluctuations in output, when they switch from a share to a fixed-type tenancy. Price risk — the variability in the prices of both inputs and outputs (output = crop) — is transferred to the tenant under a fixed cash rent arrangement. Any shift from a fixed-rent tenancy to a share tenancy during the study period makes the tenant doubly vulnerable.

**Figure 1***Share of Land Rented under Different Tenancy Conditions in Andhra Pradesh*

Note: NSSO report 59<sup>th</sup> and 70<sup>th</sup> rounds.

The estimates of the district-wise number of tenant farmers from the revenue department in 2015 and from the agriculture department in 2021 (Rytho Report, 2022) are presented in Table 2. The estimated number of tenants is around 16 lakhs, which is significantly lower than the 24.25 lakhs reported by the Radhakrishna Commission. It is important to note that the targets represent only a

fraction of the departmental estimates of tenant farmers. The percentage of leased-in area in Scheduled Castes (SC) is significantly higher than that of other social groups in the state (56.5 per cent in 2012–13). The main reason may be the increase in cultivation by SC households that were previously agricultural labourers (Rao, 2023).

**Table 2***Estimates of Tenant Farmers (Numbers)*

| District      | Year 2015 | Year 2021 |
|---------------|-----------|-----------|
| Srikakulam    | 64,000    | 65,199    |
| Vijayanagaram | 62,000    | 63,453    |
| Visakhapatnam | 40,000    | 31,802    |
| East Godavari | 2,50,000  | 2,43,742  |
| West Godavari | 3,20,000  | 3,55,716  |
| Krishna       | 2,00,000  | 1,96,372  |
| Guntur        | 2,30,000  | 1,61,338  |
| Prakasam      | 1,20,000  | 1,20,146  |
| SPS Nellore   | 90,000    | 1,09,643  |
| Chittoor      | 40,000    | 1,37,761  |
| YSR Kadapa    | 50,000    | 17,348    |
| Anantapur     | 40,000    | 54,941    |
| Kurnool       | 1,19,000  | 43,022    |
| Overall       | 16,25,000 | 16,00,483 |

Note: Rytho Report, 2022

### Relevance of the Study

Agricultural tenancy remains a critical issue in Andhra Pradesh, a state characterised by one of the highest incidences of tenant cultivation in India. Despite several policy initiatives aimed at improving the welfare of tenant farmers, access to institutional credit and livelihood security continue to be major concerns. The introduction of the Cultivator Rights Card (CRC) represents an important policy intervention intended to facilitate formal credit access and strengthen the inclusion of tenant farmers within government support systems. Given the central role of tenancy in the agrarian economy of Andhra Pradesh, an assessment of the functioning and outcomes of such interventions is essential for informing future policy decisions. By utilising primary survey data from Guntur district and examining the experiences of tenant cultivators, the present study contributes to a better understanding of the contemporary challenges associated with agricultural tenancy, indebtedness, and access to institutional support mechanisms. The findings are expected to provide evidence-based insights that can assist policymakers in designing more effective measures for enhancing the socio-economic well-being of tenant farmers.

### Review of Literature

The issue of tenancy and agrarian reforms has received considerable attention in the Indian agrarian literature. Historical analyses have highlighted the evolution of land tenure systems and their implications for agrarian relations. Studies by Habib (1969), Omvedt (1981), and Thorner (1982) demonstrate how colonial land revenue arrangements, including the zamindari, raiyatwari, and mahalwari systems, strengthened landlord control over land and agricultural production. Although post-independence land reforms sought to abolish intermediaries and reduce inequalities in land ownership, these studies indicate that structural disparities in agrarian relations persisted in various forms.

Subsequent research has focused on tenancy legislation and policy interventions aimed at improving the conditions of tenant cultivators. While several state governments introduced measures to regulate and formalise land leasing, evidence suggests that stringent tenancy regulations often encouraged informal and concealed tenancy arrangements. Haque (2013) and NITI Aayog (2016) argue that restrictive legal provisions discouraged landowners from reporting tenancy agreements, thereby limiting tenants' access to institutional support. In Andhra Pradesh, important legislative initiatives such as the Licensed Cultivators Act (2011) and the Andhra Pradesh Crop Cultivator Rights Act (2019) were introduced to recognise tenant farmers and facilitate their access to formal credit, crop insurance, and welfare schemes. However, studies by Revathi (2012) and Rythu Swarajya Vedika (2022) reveal that implementation challenges, including landlord resistance, inadequate institutional mechanisms, and the continued prevalence of unrecorded tenancy, have constrained the effectiveness of these reforms.

A growing body of empirical literature has examined the economic consequences of tenancy, particularly with respect to credit access and indebtedness. Theoretical and empirical contributions by Rao (1971, 2019, 2023), Stiglitz (1974), and Ranganathan and Pandey (2017) suggest that fixed-rent tenancy arrangements place a disproportionate share of production risk on tenants, increasing their dependence on informal sources of finance. Evidence from the National Sample Survey Office (NSSO, 2019) indicates that Andhra Pradesh records one of the highest incidences of both tenancy and farmer indebtedness in India. Recent micro-level studies, including Pandey and Jaiswal (2024), further demonstrate that despite recent policy initiatives, tenant farmers continue to experience exclusion from institutional credit systems and remain economically vulnerable.

### Research Questions and Hypotheses

The present study examines the effectiveness of the Crop Cultivator Rights Card (CCRC) scheme in addressing the challenges faced by tenant farmers in Andhra Pradesh. Specifically, it investigates whether possession of a CCRC improves access to institutional credit and government support programmes, identifies the major constraints that limit the issuance and utilization of CCRCs, and assesses the extent to which the scheme contributes to enhancing the livelihood security of tenant cultivators through improved access to credit, subsidies, insurance, and other welfare benefits. Drawing upon the existing literature and the objectives of the study, it is hypothesised that tenant farmers possessing CCRCs are more likely to access institutional credit and participate in government welfare schemes than those without CCRCs. It is further hypothesised that resistance from landowners and the prevalence of informal tenancy arrangements constitute the principal barriers to obtaining CCRCs, thereby limiting the effectiveness of the programme in reaching its intended beneficiaries.

### Data and Methodology

The study is based on a field survey conducted in 2021–22 in Guntur district, Andhra Pradesh, involving 120 tenant farmers from eight randomly selected villages. Guntur district has been chosen for this study due to informed sources within the Andhra Pradesh Agriculture Department, which highlight a significant frequency of tenancy in the area. Given that the majority of tenant contracts are unrecorded, this was the optimal method for selecting the study region. Additionally, 240 agricultural households were interviewed. Two sets of farmers were sampled: 120 owner cultivators and 120 tenant growers. The final stage involved selecting 30 farmers from each village: 15 from the target group (tenant farmers who own less than 5 acres) and 15 from the control group. We selected only small farmers with 5 acres of land, both tenant and owner cultivators, to keep the study simple and informal. This study interviewed 240 cultivators—

120 from each target and control group. Four Mandals with prevalent tenancy were selected, and two villages were randomly selected from each. One set of villages near the Mandal headquarters, and another set away from it, were selected. Thus, 8 villages were selected, and 15 samples were randomly collected from each. Thus, 120 tenant farmers (sample) are included in the study area, and the same applies to owner cultivators.

Data were collected concerning rental agreements, access to CCRCs, credit, benefits, and challenges, supplemented by focus group discussions. Descriptive statistics are the primary component of the analysis; however, inferential approaches were employed to enhance the empirical foundation. Two-way ANOVA was employed to examine differences in production and indebtedness between regions and tenancy groups, while Chi-square tests assessed the relationship between institutional aid and location. This blended methodology combines empirical measurement with contextual understanding. The methodology's shortcomings include a relatively small sample size, which restricts generalizability. The study is exploratory, requiring larger samples and advanced econometric methods in future research.

### Results and Discussion

#### AP Crop Cultivated Right Act 2019

The Crop Cultivator Rights Act, 2019, was brought in by the Jagan Mohan Reddy government, which repealed the AP Land Licensed Cultivators Act of 2011. This Act is intended to issue Crop Cultivated Right Cards (CCRCs) to tenant farmers. CCRC is an agreement between the landowner and the cultivator that lasts for a minimum of 11 months and is signed by the Village Revenue Official, subject to the conditions specified in Section 3(3) of the Act. The main objective of this Act is to digitise and monitor the CCRC for the respective VRO (Village Revenue Officer) in the village, who is responsible for issuing CCRCs to farmers after thorough verification of their details

and qualifications. Under this Act, the state of Andhra Pradesh provided security to tenants, granted them a clear identity as recognised cultivators, and made them eligible for government schemes, including credit.

In recent years, following the passage of that Act, there has been a steady increase in direct governmental benefits to tenant cultivators (formerly confined largely to landowners) as well. This accentuates differences between owner and tenant cultivators in terms of access to institutional credit, crop insurance scheme, evaluation support (YSR Rythu Bharosa), etc. The tenant-cultivators were mostly denied these benefits. The negative effects of such restrictions on land tenancy include the spread of hidden (informal) or masquerade tenancy. It was contended that restrictive and prohibitive provisions provided by the old tenancy acts created a free land market, making it difficult to act fairly. Under the previous law, a tenant was prohibited from receiving any public assistance (Haque, 2013). This group of farmers consequently faces its own segregation and must not be overlooked, as they are the largest yet most vulnerable.

The enactment of the Andhra Pradesh Crop Cultivator Rights Card (CCRC) Act, 2019 represented an important policy initiative aimed at improving the socio-economic conditions of tenant farmers. The Act sought to strengthen the entitlement of tenant cultivators to institutional credit by recognising their eligibility to obtain crop loans from cooperative societies, scheduled banks, and other government-controlled financial institutions. In addition to credit access, the legislation emphasised that tenant cultivators should not be excluded from government welfare programmes and agricultural support measures solely on the grounds of their tenancy status. The Act also facilitated the inclusion of eligible tenant cultivators under the Rythu Bharosa scheme, extending benefits particularly to socially disadvantaged groups such as Scheduled Castes, Scheduled Tribes, Backward Classes, and minority communities.

Another significant feature of the Act was the

provision of an institutional mechanism for grievance redressal. Tenant cultivators denied a CCRC by the Village Secretary were granted the right to appeal before the concerned Tahsildar, thereby introducing a formal process for dispute resolution. The legislation also contained specific provisions relating to tenant cultivators belonging to notified Scheduled Tribes in the Scheduled Areas of Andhra Pradesh. Collectively, these measures were intended to enhance the legal recognition of tenant farmers, improve their access to formal credit and welfare schemes, and reduce their dependence on informal sources of support. However, as discussed in the subsequent analysis, the effectiveness of these provisions largely depends on their implementation at the local level and the willingness of landowners and administrative institutions to facilitate tenant registration.

#### **CCRC: Experience from 2019-2021**

The district-wise CCRC issued by the government for the last three years, from 2019 to 2021, were taken from the Government Revenue Department. Similarly, the estimated number of farmers was obtained from the report published by the Rythu Swarajya Vedika (2022). Table 3 shows that the CCRC has almost doubled since its creation. However, variations and fluctuations may be noted across districts over the period. In the year 2021-2022, the highest number of CCRCs was issued in the Parkasam district, while the lowest was in Chittoor district. The last column of the table indicates the proportion of tenant farmers who used the CCRC in fiscal year 2021-22. The study shows that East Godavari (54.16 per cent) has the highest percentage of tenant farmers using CCRC, followed by Guntur, Krishna, and West Godavari, i.e., 48.70 per cent, 42.42 per cent, and 39.25 per cent, respectively. Chittoor had the lowest percentage, followed by Anantapur and Srikakulam, i.e., 1.14 per cent, 5.1 per cent, and 10.23 per cent, respectively.

The field survey showed that of 120 tenant farmers, only 60 (50 per cent) received CCRC

**Table 3***Number of CCRCs Issued Compared to the Estimated Tenant*

| S. No.       | Districts      | Total Villages | CCRCs issued for FY 2019-20 | CCRCs issued for FY 2020-21 | CCRC issued for FY 2021-22 | Tenants (departmental estimates-2021) | CCRC % of estimated tenant (in %) |
|--------------|----------------|----------------|-----------------------------|-----------------------------|----------------------------|---------------------------------------|-----------------------------------|
| 1            | Srikakulam     | 1679           | 10,412                      | 3721                        | 6664                       | 65119                                 | 10.23                             |
| 2            | Vizianagaram   | 944            | 10158                       | 10728                       | 12241                      | 63453                                 | 19.29                             |
| 3            | Vishakhapatnam | 1013           | 4534                        | 5801                        | 4253                       | 31802                                 | 13.37                             |
| 4            | East Godavari  | 727            | 76593                       | 111045                      | 132010                     | 243742                                | 54.16                             |
| 5            | West Godavari  | 1056           | 66160                       | 108527                      | 139620                     | 355716                                | 39.25                             |
| 6            | Krishna        | 920            | 31706                       | 76840                       | 83302                      | 196372                                | 42.42                             |
| 7            | Guntur         | 1564           | 28884                       | 53101                       | 78570                      | 161338                                | 48.70                             |
| 8            | Prakasam       | 1233           | 11 207                      | 18136                       | 25240                      | 120146                                | 21.01                             |
| 9            | SPS Nellore    | 1868           | 50082                       | 5297                        | 15058                      | 109643                                | 13.73                             |
| 10           | Chittoor       | 3136           | 1192                        | 1344                        | 1944                       | 137761                                | 1.41                              |
| 11           | YSR Kadapa     | 947            | 5965                        | 2424                        | 4897                       | 17348                                 | 28.23                             |
| 12           | Anantapur      | 982            | 3290                        | 1073                        | 2810                       | 54941                                 | 5.11                              |
| 13           | Kurnool        | 1590           | 17496                       | 16758                       | 16074                      | 43022                                 | 37.36                             |
| <b>Total</b> |                | <b>17,649</b>  | <b>272679</b>               | <b>414795</b>               | <b>522683</b>              | <b>1600483</b>                        | <b>32.66</b>                      |

Note: Sources: Compiled from Chief Commissioner of Land Administration, Revenue Department, AP (n.d.).

(similar to official data). Conflicts between landowners and tenants may have obstructed tenant cultivators from receiving the CCRC. It may be noted that the tenant-cultivator needs a document signed by the landowners, but the landowners are hesitant to sign. Many landowners are still not ready to sign such documents, which is the main reason tenant cultivators are not receiving the CCRC. However, a few respondents also said that the actual landowner was not in their native place and that they had given the responsibility to their close relatives or friends. Therefore, these intermediaries cannot sign on behalf of landowners; as a result, they are deprived of CCRC.

The reasons tenant cultivators do not receive a CCRC are shown in Table 4. Many tenant cultivators (43 per cent) indicated that obtaining the owner's signature was the primary barrier to obtaining the CCRC. The majority of the landowners refused to sign the application when approached by the tenant. In some cases, landlords threatened tenants with no future lease. Interestingly, we found that 32 per cent of

respondent households belonging to a tenant group had not even requested a CCRC to avoid conflict with the landowners. This was in the background of past experiences or conflicts with landowners. However, 10 per cent of tenant farmers said they had submitted an application but did not receive a CCRC. They were unsure of the exact reasons behind it. In addition, the same percentage of farmers was not aware of the CCRC. Many of them said they knew about the tenant's certificate but showed little knowledge of the CCRC. They were not fully aware of this for many reasons, and low levels of education among them were one. Approximately 5 per cent of tenant farmers also reported not receiving a CCRC for more than one reason.

#### ***Benefits Received by the Tenants through CCRC***

The purpose of the CCRC is to provide tenants with all government benefits. Now, the tenants are supposed to receive government benefits only through the CCRC. If the CCRC is not issued to certain farmers, they will not have any government

**Table 4***Reasons for Tenant Farmers Not Receiving CCRCs (%)*

| Reasons                  | Percentage (%) |
|--------------------------|----------------|
| Lack of awareness        | 10             |
| Owner not consenting     | 43             |
| Not applied              | 32             |
| Applied but not received | 10             |
| More than one reason     | 5              |
| <b>Total</b>             | <b>100</b>     |

*Note:* Field survey.**Table 5***Benefits Received by Tenant Farmers through CCRC*

| Type of Benefit                     | Percentage (%) |
|-------------------------------------|----------------|
| Individual crop loan on leased land | 3              |
| Group loan on leased land           | 3              |
| Rythu Bharosa on leased land        | 22             |
| Crop insurance on leased land       | 3              |
| Crop loss compensation              | 2              |
| Marketing of crops                  | 0              |
| Facilities of e-crops               | 0              |
| Subsidies                           | 0              |
| Other benefits                      | 0              |
| More than one benefit               | 67             |
| <b>Total</b>                        | <b>100</b>     |

*Note:* Field survey.

The Rythu Bharosa project is initiated by the AP government, like PM KISAN and Rythu Bandhu in Telangana. There is a provision for a direct cash transfer of ₹. 13,500 for each tenant farmer. But again, CCRC is an essential requirement. It is clear that of the 50 per cent with a CCRC, only 22 per cent received government support from Rythu Bharosa, and 3 per cent of farmers received an individual or collective loan for leased-in land from formal credit agencies using the CCRC. Some tenants maintained that owners of higher castes discriminated against farmers of lower castes to

obtain the certificate. Landowners were more concerned about losing their land rights if the tenant failed to pay off their bank loans on time. For tenant cultivators, a CCRC card is linked to Rythu Barossa Kendra to update information on programmes such as Rythu Barossa, e-crop, and damaged crops due to a shortage of institutional bank loans. It has also been observed that the majority of tenant farmers lost their crops last year due to unseasonal rain. Although only 2 per cent of tenant farmers were compensated for the loss.

### Statistical Testing of Hypotheses

Table 6 presents the results of statistical analyses concerning production, debt, and institutional assistance. The two-way ANOVA on production reveals significant differences among sites ( $p < 0.05$ ), but not between tenants and owners ( $p = 0.10$ ), with no interaction effect. This indicates that productivity is mostly influenced by locational factors such as infrastructure, soil quality, and market access, rather than tenancy status. An examination of indebtedness reveals a significant gap between tenants and owners ( $p = 0.01$ ), with tenants consistently demonstrating elevated levels of indebtedness across locations, strongly

corroborating H2 and highlighting persistent structural disadvantages. The Chi-square test for institutional aid indicates no significant locational variance ( $p = 0.175$ ). This indicates that the obstacles to access are more likely to be structural rather than geographic.

Overall, these findings indicate that Crop Cultivated Right Card (CCRCs) have not fully addressed entrenched imbalances. For instance, tenants remain more indebted and less secure, while production is mostly influenced by the geographical location of crop cultivation rather than ownership.

**Table 6**

*Two-Way ANOVA of Productivity by Region and Cultivator Type (Tenants vs. Owner-Cultivators)*

| Variable / Outcome       | Test Used                  | p-value                               | Result / Interpretation                                                                                  |
|--------------------------|----------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------|
| Productivity             | Two-way ANOVA              | $< 0.05$ (location), $0.10$ (tenancy) | Productivity differs significantly across locations; tenancy has a weak effect; no interaction effect.   |
| Indebtedness             | Two-way ANOVA / Comparison | $0.01$                                | Tenants are significantly more indebted than owners, irrespective of location; supports H <sub>2</sub> . |
| Institutional Assistance | Chi-square                 | $0.175$                               | No significant locational differences: barriers are structural rather than geographic.                   |

*Note:* Author's estimates.

### Problems of Institutional Mechanisms for Tenants

Our focus group discussions revealed several issues associated with the ongoing institutional mechanism during programme implementation. The programme and the scheme were indeed prepared to address the exploitation faced by tenant cultivators who have no rights to the land they cultivate. Historically, tenant cultivators were on the disadvantaged side of the contract, either on a cash-rent or a shared-rent basis, depending on the crop under cultivation and regional market conditions. The tenant cultivators were issued CCRC, but a few problems persisted, leaving them at the mercy of the landowners and the officials operating the scheme. Many tenant cultivators reported strong caste discrimination by landowners,

who usually preferred tenants of their own caste. The landowners fear that the land will be transferred from their ownership to others outside their community. The government has not taken any steps to ensure that such a result does not occur, and incorporating the transfer of the land into the Act did not transfer the land.

The CCRC is mandatory for the tenant cultivator to reach the Rythu Barosa Kendra to avail of the services. Another important flaw in the scheme is that the certificate is to be adopted by the tenant-cultivator from the landowner in the format prescribed under the Act. It has been reported that the landowners do not want to sign the certificate, as they fear that the loan taken by the tenant cultivator on the land may result in alienation of the land due to the tenant cultivator's

non-repayment of the loan. Since the landowner is also involved in the process of the loan taken by the tenant cultivator, the landowner's fear needs to be addressed by incorporating suitable amendments to the Act. Often, land is offered on tenancy by landowners who do not live in the villages or have shifted to the farthest places. In such cases, the tenant-cultivator is at a disadvantage in obtaining the absentee landlord's signature. These situations are quite prevalent, and therefore, even though the Act favours the tenant, many oppose it. Further, assess the extent to which tenant cultivators perceive that the loan amounts given by formal credit agencies lack rationale and that the limits are set based on outdated assumptions. Therefore, the loan amount is insufficient for the tenant-cultivator, putting them in jeopardy. The power structure of the village is one of the important obstacles to the successful implementation of the scheme, since even today, semi-feudalism continues to dominate production relations in the villages, especially in Andhra Pradesh. The Rythu Barosa Kendra is one of the important institutions that help tenant cultivators address paperwork inadequacies and access the required schemes. The success of the scheme depends on the success of operations at Rythu Barosa Kendra in the taluka headquarters.

### **Rythu Bharosha Program (RBP)**

RBP is designed as a one-stop solution for all the grievances of farmers through the Rythu Bharosha Kendra (RBK). It is intended to provide all possible help, from seed to fertiliser, to grain purchases and crop insurance. It is established to enhance the confidence and faith (Bharosa) of the farmer in the state apparatus to seek all help needed. The purpose of establishing RBK was to ensure that no farmer needed to leave their village for assistance. RBK is also responsible for reviewing seed quality and removing uncertified seed and harmful pesticides from the marketplace. This system especially helps tenant farmers, but we found that even a few owner-cultivators have also benefited by registering their crops on the

cropping system portal. It helps them to claim crop insurance for damaged crops as well. Based on our data, due to the non-consent of the landowner, many tenant farmers are denied the benefits of the CRC card. Our field experience suggested that the large landowners and power structures also influence the RBKs in the villages.

Rythu Bharosha Programme also links to the CCRC, as tenant farmers can obtain the full benefits on their leased lands through this scheme. Moreover, the distribution of grants (non-repayable amount) of ₹.13,500 is made available for operation through RBK (Rythu Bharosha Kendra) in villages of AP, irrespective of the cropped land of tenant farmers. Each farmer receives this amount to invest in input costs.

### **Limitations and Future Research Directions**

Although the existing literature has extensively examined the historical evolution of tenancy, tenancy legislation, and agrarian reforms in India, relatively limited attention has been devoted to evaluating the household-level outcomes of recent policy interventions designed specifically for tenant farmers. Much of the available research focuses on legal, institutional, and structural dimensions of tenancy, while empirical evidence on the effectiveness of instruments such as the Cultivator Rights Card (CRC) in improving access to institutional credit and reducing vulnerability remains scarce. Furthermore, few studies have employed primary field-level data to assess the actual experiences of tenant cultivators in Andhra Pradesh, where tenancy is particularly widespread. This limitation in the existing literature underscores the need for context-specific empirical investigations that examine the relationship between tenancy, indebtedness, and policy interventions at the household level.

Furthermore, this research, based on a sample of 120 tenant farmers in the Guntur region, provides initial insights into the functioning of CCRCs. The reliance on descriptive and fundamental inferential statistics limits the ability to

make strong causal claims. Future research should employ larger, more representative samples across districts, apply advanced econometric methods, and examine longitudinal outcomes to assess the effectiveness of CCRCs in improving credit access, reducing indebtedness, and enhancing agricultural productivity.

### Conclusion

This study investigated the impact of Crop Cultivation Rights Cards (CCRCs) on the welfare of tenant farmers in Andhra Pradesh, structured around three research questions. The findings indicate that ownership of CCRCs enhances access to specific benefits, notably Rythu Bharosa transfers; however, utilisation is inconsistent and limited. Tenant farmers consistently exhibit higher levels of indebtedness than owners, regardless of geographic location, whereas variations in productivity are more attributable to geographic factors than to tenancy status. The findings offer partial support for the study's hypotheses: CCRCs facilitate recognition but do not comprehensively address structural disadvantages.

### Policy Implications

Clear policy lessons emerge from the present study. Mandatory lease registration, accompanied by protections for landowners—such as guarantees against land alienation and shared liability in the event of loan default—can promote wider adoption. Enhancing Rythu Bharosa Kendras through transparent monitoring is crucial for mitigating elite capture. Third, credit ceilings should be adjusted to reflect the actual cultivation costs. Although CCRCs signify progress in tenant recognition, their transformative capacity is limited by landlord control and inadequate institutional delivery. Enhancing implementation and tackling structural inequities may position CCRCs as a paradigm for tenancy reform, applicable not only in Andhra Pradesh but also in other states encountering analogous challenges.

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### End Notes

1. Kanuparthi, K., & Sekhar, R. (2020, September 9). How AP's pivotal Rythu Bharosa scheme can benefit tenant farmers. *The News Minute*. <https://www.thenewsminute.com/andhra-pradesh/how-ap-s-pivotal-rythu-bharosa-scheme-can-benefit-tenant-farmers-132677>

### Author's Contribution:

Ghanshyam Pandey: Conceptualisation, data curation, methodology, formal analysis, visualisation, investigation, preparing original draft and review, and editing.

R. S. Deshpande: Supervision, drafting review, and editing.

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