

# GROUP LEASING APPROACH TO SUSTAIN FARMING AND RURAL LIVELIHOODS:

## THE JOURNEY OF WOMEN FARMERS IN KUDUMBASHREE KERALA



### Context

- Post-independence land reform, facilitated tillers to own land, but banning tenancy limited formal access to land by discouraging (non-cultivating) landowners from leasing out their land, while the predominantly capital-poor farmers could not afford to purchase.
- Along with poor returns from agriculture, this forced many men from rural Kerala to migrate, increasing fallowing of cultivable land as well as a dependency on other states for food.
- Though women became more involved in farming, they rarely hold land legally in their name and struggle to have secure access to good productive farmland. Typically not recognized as farmers, women are often seen as 'agricultural workers' or 'helpers on family farmers' and face barriers accessing agricultural entitlements and services intended for farmers.

### Interventions

- Drawing upon the success of women's collectivization around micro-credit and other socio-economic interventions, Kudumbashree, through its multi-tiered women's collectives, promoted sustainable agriculture based livelihoods among women by enhancing their access to land through (informal) collective land leasing and supporting women farmers to access agricultural services and entitlements. This approach was later adopted as part of the Mahila Kisan Sashaktikaran Pariyojana (MKSP), as a sub-component under the National Rural Livelihoods Mission (NRLM), while also leading to the local recognition of women as farmers.

### Lessons

- Collective farming can help recognition of women as farmers by enabling them to access cultivable land, finance, agriculture extension, entitlements and markets.
- However, to ensure tenure security (viz. long-term access to an economic size of productive lands) and assured access to farm entitlements, land leasing legalization and having their name on land records will be critical.
- Short-term measures, viz. involving the panchayat in leasing process and providing for a minimum lease duration for fallow lands developed through MGNREGA, can ensure longer terms and add local legitimacy to leases. As a Government Order can ensure this, other states can adopt this to enhance secured land access for women's self-help groups and joint liability groups.

## Introduction

Kudumbashree<sup>1</sup> is a society designed and established in 1997 by the State Poverty Eradication Mission (SPEM) of the Government of Kerala (GoK) with a broad objective to eradicate poverty and empower women through community-based organizations that operate under the umbrella authority of local government institutions<sup>2</sup> (GoK, n.d.; Landesa, 2013). Kudumbashree in the Malayalam language is a combination of two words - Kudumbam meaning family and Shree meaning prosperity<sup>3</sup>. The program aims to empower women's groups and make them the focal point of sustained socio-economic development. Besides income generation activities and microcredit, the women's groups work on health, nutrition, agriculture and other related development activities. Since its inception, Kudumbashree has been identified by the state government as the nodal agency for all the state and central government schemes that target the socially and economically weaker sections of the society. Annexure I presents different state and central government programs where Kudumbashree acts as the nodal agency.

Collective Farming is an initiative of Kudumbashree to encourage cultivation among neighborhood groups. Along with improving the lives of the poor, it also helps to increase agricultural production by bringing fallow and cultivable wastelands into agricultural use, with significant food security implications. Women enter the programme as cultivators as opposed to agricultural labourers and have control over the means of production and access to formal credit to help increase the returns from farming. The programme is being



Image Credit: Ashna Abi

implemented in all districts with the support of Panchayati Raj Institutions. Activities under this initiative include selection of beneficiaries into Neighborhood Groups (NHG), clustering them into joint liability groups (JLGs), identification of available land and support to negotiate informal leases, training, distribution of inputs and release of eligible agricultural entitlements managed by Kudumbashree. The land identified could be government land, private land lying fallow or private land already taken up for cultivation by women land owners (or from land owning households) or through informal lease. The identified beneficiaries are collectivized as JLG to undertake agriculture. Agriculture incentives are provided to the JLGs based on the crop

types. Interest subsidies on agriculture bank loans are also provided to the JLGs by Kudumbashree through various Central and State agriculture schemes.

<sup>1</sup>Kudumbashree is formally registered as the "State Poverty Eradication Mission" (SPEM), a society registered under the Travancore Kochi Literary, Scientific and Charitable Societies Act 1955. It has a Governing Body chaired by the state minister of Local Self Government (LSG) and an Executive Committee chaired by Principal Secretary, Department of Local Self Government. Governance of the Mission is done by the Governing Body and Executive Committee. The Governing Body takes policy level decisions and reviews performance of the Mission on a regular basis. While the executive directions for scheme formulation and execution are taken in the Executive Committee. The Mission has a State Mission Office located at Thiruvananthapuram and 14 District Mission Teams, each located at the district headquarters. This official structure supports and facilitates the activities of the community network across the state.

<sup>2</sup>[http://www.kudumbashree.org/storage/files/12r5l\\_organisation.pdf](http://www.kudumbashree.org/storage/files/12r5l_organisation.pdf); Kudumbashree is a three tier federal structure raised independently below the umbrella of local self-government.

<sup>3</sup><https://cdn.landesa.org/wp-content/uploads/Women-Transforming-Indian-Agriculture-MKSP-Case-Stories-Landesa.pdf>

## Background & Rationale

According to the Kerala Land Reforms Amendment Act of 1969, at the time of its adoption, the ownership rights of leased land would be subsequently transferred to tenants cultivating the land on the payment of a nominal price to the landlord or the government. Tenants were also exempted from paying any future rent. This effectively banned leasing in the state, discouraged landowners from leasing out their land and pushed existing tenancy arrangements into informality, as landowners sought to retain their land rights. The abolition of tenancy combined with insufficient returns from agriculture forced outward migration of men leading to fallowing of land and a high level of dependency on other states for food imports subsequently<sup>4</sup> (Abraham, 2019).

The reluctance of landowners to lease out their land due to the fear of losing their land rights to long-term tenants through existing legal provisions has led to a rise in the proportion of fallow lands throughout India, as per the observation of the NITI Aayog Expert Committee Land Leasing, 2016. With a rise in agricultural wages, which was comparatively higher in Kerala than in other states due to economic development and successive socialist governments, many large land owners kept their land fallow<sup>5</sup> as a store of value and an asset for future speculation rather than farming it<sup>6</sup>. This, coupled with non-farm income opportunities and occupational mobility options available to men, led to men's gradual disconnect from agriculture and increased out-migration (Abraham, 2019). Thus, in a context characterized by increased fallowing of land due to migration, informal tenancy arrangements as a result of the legal ban on leasing and the rising cost of farming, Kerala

has experienced a decrease in local farm production and employment, especially for landless and marginal farming households, including women (Abraham, 2019).

The migration of men resulted in greater involvement of rural women in farming. However, they suffer from unequal access to productive assets, including land, labour, capital, inputs, as well as services, like technological knowledge and credit, as they typically lack legally recorded land rights and recognition as farmers.

Rural women wanting to farm independently are often constrained by lack of access to land. On the one hand, women who are members of land-owning families typically do not have land rights legally recorded in their names, and they are often constrained in their ability to make land management decisions independent of their male relatives. On the other hand, women whose families own no land are typically dependent on income earned mostly as agricultural wage labourers, without any benefits or entitlements linked to farmers. In both cases, there are financial, cultural and legal barriers that prevent women from accessing farmland to cultivate independently through purchase or lease. Women rarely have the capital required to purchase land outright and even if they do, this is typically not culturally acceptable. Moreover, since leasing remains legally banned, there is a limited supply of farmland available through leasing and only informally and for short terms (e.g. one year) that are not conducive to long-term investment. In the absence of legally-recorded land rights, as owners or tenants, they also face obstacles in accessing agricultural entitlements and

services for farmers, as these are now linked to the land records.

To address this situation, some states undertook certain proactive steps with targeted interventions viz. the Kudumbashree society of Kerala and the Indira Kranti Patham (IKP) program of Andhra Pradesh. Premised around multi-tiered women's collectives as community based organisations (CBO), they are working towards sustainable agriculture based livelihoods for rural women by enhancing their access to land through collective land leasing, complemented by agricultural services and entitlements. These models were later adopted in the national women farmers' empowerment programme or the Mahila Kisan Sashaktikaran Pariyojana (MKSP), a sub-component under the National Rural Livelihoods Mission (NRLM)<sup>7</sup> (Abraham, 2019).

Given the availability of large areas of cultivable waste or fallow land and the state government's aspiration to revive agricultural productivity, women were empowered to collectivize as Neighbourhood Groups (NHGs)<sup>8</sup> to jointly cultivate land starting in 2004 (Haque and Nair, 2014). NHG members may cultivate their own land (land belonging to one of the members of the group) or lease in private or government lands as a group. Women engaged in agricultural activities in rural areas are mostly from poor, small, or marginal households. By supporting women farmers through Kudumbashree, the government created a new platform to enable them to access livelihood opportunity in rural areas.

<sup>4</sup>Between 1952-1997 the share of area under paddy in the state had nearly halved; <http://www.j-asc.com/gallery/10-april-633.pdf>; According to the National Sample Survey Organisation (NSSO) surveys, in keeping with the trend in the rest of the country, the cultivated area in Kerala fell by 12% (from 1,312,400 ha to 1,157,700 ha) between 1991-92 and 2002-03; [https://www.rosalux.in/files/RosaLux/downloads/Cooperatives\\_JAISS\\_Booklet\\_Web%20Version.pdf](https://www.rosalux.in/files/RosaLux/downloads/Cooperatives_JAISS_Booklet_Web%20Version.pdf)

<sup>5</sup>In May 2020, there was 0.19 million ha (~3 %) land fallow; <https://www.thehindu.com/news/national/kerala/19-lakh-ha-of-fallow-land-to-be-farmed/article31467091.ece> ; As per Kerala economic survey 2 percent of the state's land was fallow (Current and other) in 2018-19; In a study in 2018, 57% of private land was lying fallow in Palakkad district. It constituted 43% of land in case of large farmers and 25% in the case of medium size farmers. <http://www.j-asc.com/gallery/10-april-633.pdf>

<sup>6</sup>Sometimes leaving land fallow is intended to convert agricultural land to non-agriculture and thereby to use the area for commercial purposes such as construction. Few years ago, this practice was intensively happening in the state backed by high remittance and construction boom. But due to strict regulations and controlling measures in the recent years (Kerala Conservation of Paddy Land and Wetland Act, 2008), no farming field can be converted in to any other land use except for non-commercial residential construction (limited 5 cent or 2178 sq.ft provided he/she has no other land under his/her ownership). <http://www.j-asc.com/gallery/10-april-633.pdf>

<sup>7</sup>NRLM was launched by Ministry of Rural Development, GoI in June 2011. In 2012 Kudumbashree was recognized by the Ministry of Rural Development, GoI as a National Resource Organization (NRO) under NRLM.

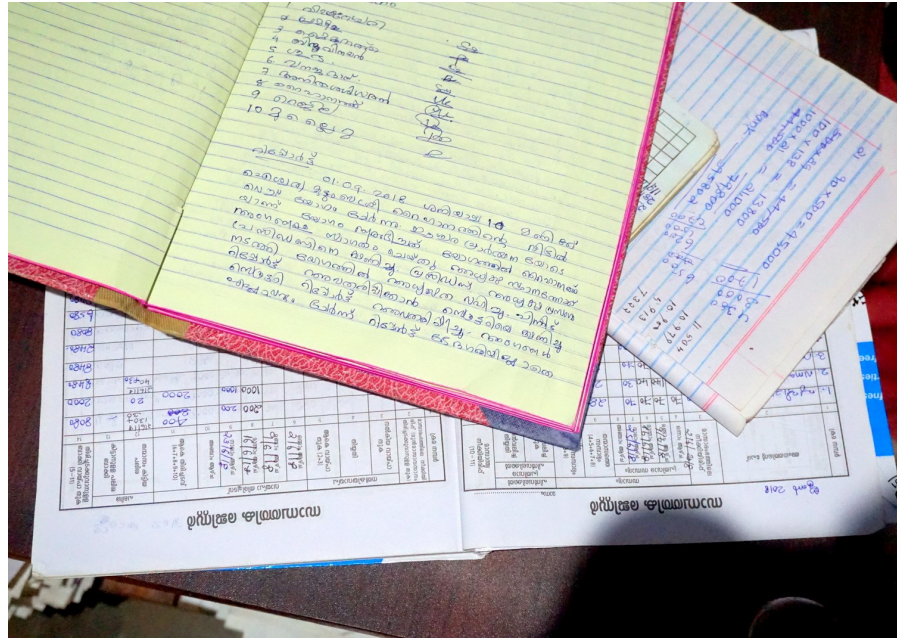
<sup>8</sup>The community network of Kudumbashree is a three-tier arrangement. The building block of the network is the Neighbourhood Groups (NHG) forming the first tier. NHG are constituted with 15-40 BPL (Below Poverty Line) families with each family represented by a woman. The second tier of the network is formed by electing members from the NHG at ward level to form Area Development Societies (ADS). Finally, all the ADS in the village elect to form the third tier of the network called the Community Development Society (CDS). With the interlinking of ADSs and NHGs, each CDS is registered as an autonomous body.

## Objective

In the initial years of the launch of the Kudumbashree farming initiative, the focus was on individual women farmers. A small area of land was cultivated, and few incentives were distributed. Initially, there was no plan to seek convergence with other government schemes. More importantly, small and marginalized farmers also had limited capacity to mobilize agricultural credit at low-interest rates, adopt advanced technologies and add value to their produce by accessing market (Kudumbashree, 2015).

In contrast, collective farming provides group members with increased access to formal credit and acts as an essential mechanism for increased access to and efficient utilization of resources, training, information and transportation. Collectivization also increases women's bargaining power while selling the produce and reduces individual farmer risk (Agarwal, 2010). Therefore in 2010, Kudumbashree shifted its focus away from individual farming and introduced the concept of collective farming by focusing on land leasing to address the challenges faced during the initial stage of its farming initiative. The institution of informal credit groups known as Joint Liability Groups (JLGs)<sup>9</sup> promoted by the National Bank for Agriculture and Rural Development (NABARD) was adopted and converged with the community-based organizations (viz. Neighborhood Groups-NHG) of Kudumbashree to frame the collective farming institutional mechanism (NABARD, n,d).

Most women farmers are landless or have only marginal lands and take fallow land on lease<sup>10</sup>. With the assistance from the State Government, area incentive was given to



Book Record of SHG  
Image Credit: Ausmita Sarkar

landless farmers who had taken land on lease, whereas, production incentive<sup>11</sup> was given to women who were cultivating on their own land, as well as on leased lands. The area and production incentives are disbursed only after the harvest, which is 10 percent of the production cost. This incentive system is aimed at increasing area under and production from agriculture by encouraging the participation of women. Production incentive was decided according to productivity, i.e. when the crop yield matches or exceeds the state average. Those Below Poverty Level (BPL) members who undertook cultivation as individuals in their own land were also given incentives. Assistance was sanctioned only when Commercial cultivation was undertaken, ie individuals cultivating more than 0.1 ha and groups cultivating more than 0.8 ha were considered as commercial cultivators. For

farmers who followed organic farming, an additional 50 percent of the incentive was provided after the certification from agriculture office was issued. Efforts were also taken to enable beneficiaries of the lease land programme to obtain services and incentives from various departments, like Local Self Government and Agriculture.

<sup>9</sup>JLGs are essentially credit groups of small/marginal/tenant farmers/asset less poor who do not have proper title of their farmland. These informal groups of 4-10 members are engaged in similar economic activities and are willing to jointly undertake to repay the loans taken by them from the Banks. Financing of JLGs was introduced as a pilot project in 2004-05 by NABARD in 8 States with the support of 13 RRBs. The scheme was later mainstreamed for the banking system in the year 2006. <https://www.nabard.org/content.aspx?id=477>

<sup>10</sup>for use of land lying fallow and thereby increase the area under cultivation.

<sup>11</sup>to increase production from existing land

## Institutional Arrangement

The institutional architecture of Kudumbashree is multi-level, involves multiple actors and is hierarchically organized in tandem with the basic layers of women's collectives at different administrative levels (Figure 1). The structure connects to the Panchayat and other government departments through government circulars and working level arrangements with project staff, financial institutions and markets. It aims to build an ecosystem around farm services (public and private providers) while promoting holistic land and agriculture development centered around group land leasing for women farmers.

The roles of women's collectives involved at different levels of this initiative as per the Kudumbashree documents available on its website are as follows:

- **Neighbourhood Groups- NHG:** Women from NHGs are mobilized or motivated to take up either individual or collective farming. Each Joint Liability Group (JLG), as per NABARD guidelines, consists of 4 -10 members and is formed either from the same NHG or several NHGs in a Panchayat-ward under the

Kudumbashree Collective Farming Programme (NABARD, n.d). Office bearers in a JLG are appointed with mutual consent, and the initial step is to identify land for cultivation. A JLG may access fallow land in the village from a private land-owner on lease or the members may pool-in their own land or sometimes, state owned fallow land is identified for the purpose. The area may range anywhere between 0.5 - 4 acres. Once identified, the CDS Chairperson is approached to get the land informally registered in the JLG's name. For this, an application is submitted informing the formation of JLG and a Lease Deed is prepared on a plain paper in case of rented land. The Community Development Society (CDS) Chairperson verifies the application before it is sent to the District Mission Office for approval (Rosa Luxemburg Stiftung South Asia, 2014). In 2015-16, a campaign was organized to have as many JLGs as the number of SHG/NHG in every ward/ panchayat.

- **Area Development Societies - ADS:** The NHGs are federated into area development societies (ADS) at the level of wards in every panchayat. Each JLG is under the control of the respective ADS to which the members are affiliated to. In the case of JLGs constituted from two ADS, the control lies with the ADS to which the maximum number of members belong. The ADS is responsible for monitoring and scrutiny of the JLGs' collective farming. Verification of the crops and area is done by the ADS president/secretary.
- **Community Development Societies- CDS :** ADS in the village panchayat are federated into a registered body called the Community Development Society (CDS). The CDS, the apex of the three-tier organisational structure, prepares an action plan at the beginning of every year that covers collective farming as one of the focus areas. The collective farming action plan proposed should comprise of the area to be cultivated, crops planted and the number of groups that will be associated. The CDS, is allocated an office space for its

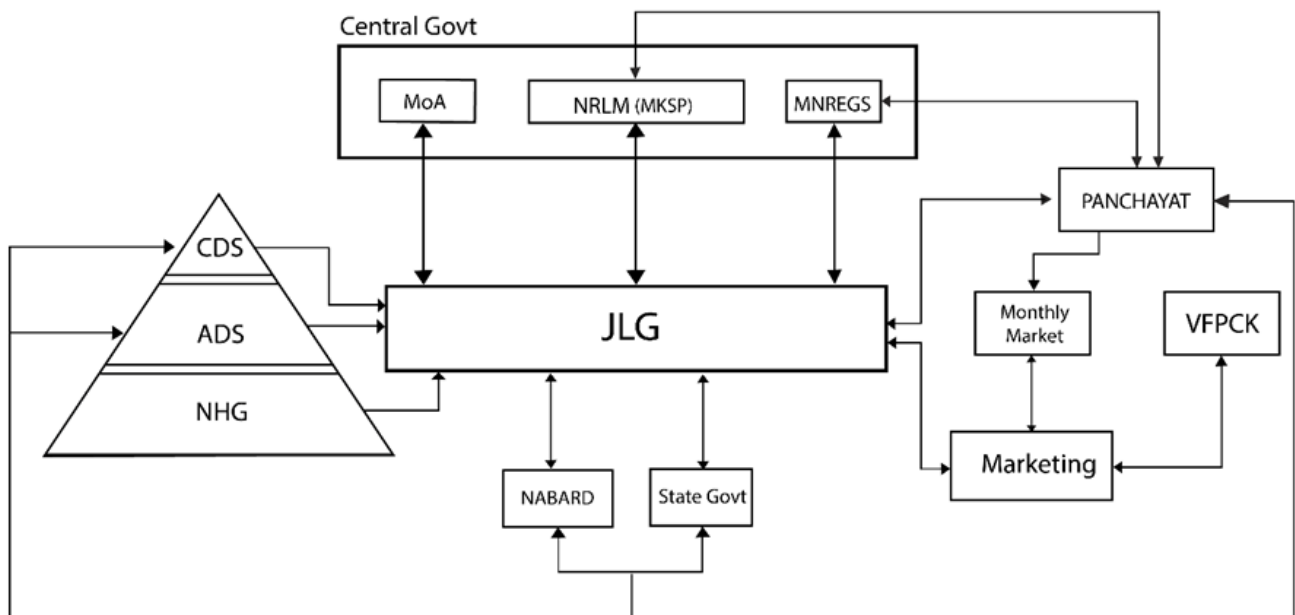


Figure 1: Institutional arrangement for collective farming under Kudumbashree

functioning in each panchayat building, and its representatives attend regular panchayat meetings. The CDS action plans help Panchayats in planning their future activities. These plans also assist the banks in projecting their credit plans for future agriculture and allied activities. When a JLG is informally registered<sup>12</sup> by the CDS, a Unique Identification Number is allotted that it is useful in tracking and monitoring its progress.

- Gram Panchayats (GPs) and MGNREGS: Gram Panchayats provide help to the JLGs by supporting them through the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGS) Scheme in preparing the fallow lands for plantation, organizing required land development activities<sup>13</sup> and providing/improving agricultural facilities (Haque and Nair, 2014). One of

the ADS members is chosen as an MGNREGS mate (worksite supervisor) (Kudumbashree, 2015). The labour requirements of the JLGs cultivating land are largely also met through MGNREGS support. Whether the members are working on the farm themselves or hire labour, they are paid as per MGNREGS wage rates (Rosa Luxemburg Stiftung South Asia, 2014).



<sup>12</sup>A registered JLG is provided many facilities and benefits: the state government provides loans at subsidized interest rates and the local Panchayat provides farm machinery, subsidised seeds, fertilizers and pesticides through Padasekhara Samitis (field committees). When a JLG brings fallow land under cultivation, it is given an 'area incentive' and if a group cultivates the land efficiently and achieves high yield, it is given a 'production incentive'.

<sup>13</sup>Under MGNREGS, land development, including plantation activities, can be implemented on the private land of SC, ST or BPL households while providing them wage employment simultaneously per the MGNREGS works field manual. [https://nrega.nic.in/MGNREGA\\_WORKS\\_DRAFT\\_MANUAL12.pdf](https://nrega.nic.in/MGNREGA_WORKS_DRAFT_MANUAL12.pdf); Guideline for the new/Additional Work permitted under MGNREGA [https://nrega.nic.in/Circular\\_Archive/archive/guidelines\\_for\\_New\\_works.pdf](https://nrega.nic.in/Circular_Archive/archive/guidelines_for_New_works.pdf)

## Interventions

Bringing fallow land under cultivation was an important objective. As subsequent land leasing was prohibited by the Land Reform Act, 1963, the Panchayat along with the Kudumbashree community network provides support to the JLGs to take up collective farming of fallow lands based on informal leases through the “Fallow-Less Village” program with support from the Bhoonidhi scheme (Haque and Nair, 2014; Sajesh and Ramasundaram, 2013).

The Fallow-less Village Program<sup>14</sup> launched by Kudumbashree aims to bring the fallow, economically unproductive lands into cultivable lands for enhancing overall agricultural production and productivity in the state. This is an initiative to identify and bring the fallow lands under each CDS into cultivation. Fallow lands under each CDS will be mapped and cultivated in convergence with GPs (identification and use of fallow land through mediation), MGNREGS (for land development when required) and Agriculture Department (for input and extension support). Paddy lands

would be given thrust under this programme. To overcome short lease periods as a major limitation, a scheme was formalized with gram panchayat concurrence<sup>15</sup> that set a minimum lease period of three years if private fallow land was brought into cultivation using MGNREGA funds (Abraham, 2019). The targeted area for each district is 100 ha inclusive of both dry and wetlands. MGNREGS support has been utilized for land preparation and other basic activities (Annexure II).

The Bhoonidhi scheme is a participatory system for fallow land identification and conversion to agriculture land. Under this scheme the land owner could volunteer and register his willingness to lease out uncultivated farm land. The panchayats acted as intermediary between the landowner and the lessee. Office bearers of the CDS and ADS (Village level), as well as the Gram Panchayat support members in identifying lands and negotiating lease rates (either fixed rent as cash or crop share arrangements) (Abraham, 2019). ADS

assists them in identifying the land at the village level and informs the CDS which coordinates with the Panchayat authorities for the leasing. ADS and CDS also assist the leasing negotiation. A software application was developed for collecting the details of land owners who are willing to lease out their land, the details of the land they are willing to lease and duration of lease. This was an open software to public and CDS level entry was also possible. The consolidated data can be viewed at the state level as well as district level. The software was developed in PHP (Hypertext Preprocessor ) with postgres SQL (Structured Query Language ) database and hosted at the Kudumbashree server.

Since the overall focus of Kudumbashree is on the economic empowerment of women, in addition to facilitating access to leased land, the program supports collective farming by women’s groups. The women’s groups cultivate three types of land: owned, leased private land and leased government



Image Credit: Aushmita Sarkar

<sup>14</sup><http://www.kudumbashree.org/pages/686>

<sup>15</sup>Agarwal and Sharma (2012) had advocated for a ‘land bank’ concept with the local government institutions working as an intermediary in the leasing process.

land. Majority of the women farming groups are landless and therefore, depend on leased land farming (> 50% depending on leased land). Most groups have been found to take up private land on lease for cultivation through informal negotiations. However, it is difficult for the groups to access leased land and if obtained, the rental price is typically higher than that for individuals, as the land owners considered additional benefits that accrue to the group through Kudumbashree.

Kudumbashree helps women's groups access agricultural services and entitlements benefiting farmers. These include private bank loans, state government incentives for agricultural production and central government agriculture schemes, primarily through facilitating cross-linkages, information sharing and interface meetings. Kudumbashree, being a nodal government agency working with these institutions to facilitate linkages and convergence by assisting in matching demand and supply sides within the stakeholders.

**Loans and incentives:** According to NABARD, JLGs can access agricultural loans as a group without a mortgage (collateral). Practising collective farming by forming JLGs reduces the interest rates from 7 percent to 2 percent (NABARD provides 5 percent subsidy to loans granted to JLGs, from its kitty made available through Central assistance<sup>16</sup>). The state government, through Cooperative institutions and rural banks also supports collective farming by providing crop loans with an effective interest rate of 2-4 percent. Prompt repayment of loans within the period (loan repayment period is 365 days) offers an additional incentive of a 2 percent reduction in interest rates (Abraham, 2019) making the

effective interest rate negligible or almost nil. Area incentive and production incentives are also provided by the Agriculture Development and the Farmers' Welfare Department, Government of Kerala<sup>17</sup>.

Kudumbashree was conceived as a joint programme of the Government of Kerala and NABARD, implemented through Community Development Societies (CDSs) of Poor Women, serving as the community wing<sup>18</sup> of Local Governments. Convergence<sup>19</sup> with Panchayat Raj Institutions (PRIs) has been one of the central themes within Kudumbashree. Convergence means seamless working together of Kudumbashree and the PRIs. It includes institutional and programmatic convergence, as well as sharing of resources. Convergence is concerned with a multi-tier Panchayat Raj system, the three tier Kudumbashree community organisation<sup>20</sup>, the State Poverty Eradication Mission and its district level offices and the government institutions and agencies. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) added to the strengthening of ADS. ADS representatives were identified as the 'Mates' for scheme implementation. Close to two lakh women were trained to work as 'Mates' in MGNREGS. MGNREGS and its link with collective farming led to the rejuvenation of the entire structure (NGS-ADS-CDS), and it benefited ADS the most.

*“Kudumbashree is the designated State Rural Livelihoods Mission agency for Kerala, which has led to further strengthening of institutionalisation of PRI-community organisation convergence.”*  
(The Kudumbashree Story, n.d)

**Central government initiatives (MoA, MKSP):** The Ministry of Agriculture (MoA) provides input subsidies, including for seeds. Under the MKSP program of the NRLM, Farmer Facilitation Centers (FFC)<sup>21</sup> are established as service delivery centres to train the women farmers in advanced farming methods. FFCs, established in 972 Gram panchayats also provide equipment for farming at nominal rates (Abraham, 2019). Details of different crops cultivated under the scheme in two different seasons are provided in Annexure III.

**Marketing the produce:** Monthly markets are organized by Panchayats in their premises on fixed dates (at least three consecutive days) of every month. Kudumbashree provides financial assistance to CDSs for procuring infrastructure to participate in these markets in a more effective and efficient manner (e.g. packaging materials, processing and storage equipment). A significant share of the agricultural produce is sold directly to consumers at these monthly markets (Kudumbashree, n.d.). Other markets for the farm produce include trade fairs, exhibitions, home shops, Government departments and marketing agencies that sell products to retailers and wholesale dealers. The products are also sold through dissemination of information on the date and location of markets through the website<sup>22</sup>. The Vegetable and Fruit Promotion Company of Kerala (VFPC) also arranges weekly markets to assist in the direct sale of fruits (Abraham, 2019).

<sup>16</sup>Joint Liability Groups – Kudumbashree <https://thekudumbashreestory.info/index.php/programmes/economic-empowerment/collective-farming/jlgs>

<sup>17</sup>The area incentive is based on the area and crop cultivated, whereas the production incentive is according to productivity. The production incentive is given when the crop yield matches or exceeds the state average (Kumar, 2012). The average area incentive is about 10 percent of the production cost.

<sup>18</sup>Community representative body within Panchayat

<sup>19</sup><http://www.kudumbashree.org/pages/501>

<sup>20</sup>Kerala has a three tier PRI system with Gram Panchayats, Block Panchayats, and District Panchayats; urban areas have separate single tier local government institutions. The Kudumbashree community organisation works in a local government through its three tier system – Neighbourhood Groups (NHGs) as primary level organisations, Area Development Societies (ADSs) at the ward level, and Community Development Societies (CDSs) at the local government level.

<sup>21</sup>The FFCs acted as knowledge and service points at every village and were basically community managed extension centres and also provided machinery support for agricultural groups. FFCs are funded under MKSP, a component under NRLM.

<sup>22</sup><http://www.naattuchantha.com/index.php> was launched in April 2018



## Scale & Impacts

Thanks to the convergence of CBOs, GPs, schemes and different organizations in collective farming, Kudumbashree brought a considerable amount of fallow lands under cultivation. Against a target of 1400 ha, the program has identified about 6500 ha out of which 1834 ha has been put under farming. (Annexure II) There are areas where the entire fallow land in the village has been taken over by Kudumbashree women for cultivation. According to the Kudumbashree website, the program has facilitated leasing of 5,921 acres of fallow land under the fallow less village program<sup>23</sup>, and the additional fallow land identified for cultivation between 1 April 2019 to 31 July 2019 totalled 11,340 acres (Kudumbashree, n.d.).

Efforts to institutionalize private land leasing have been partially successful. The Bhoonidhi mechanism established to identify cultivable fallow did not make much progress due to landowner's non-cooperation out of the fear of losing their land (Abraham, 2019). Where women's groups were able to access private land on informal leases, the terms of the leases negotiated are usually based on the type of the crop, type of the land and the relative bargaining power of the landlord and tenants. The period of the lease was generally observed to be of one year, whereas the payment terms included crop share in the case of paddy (paddy/wet land cultivation) or crop

share alone or crop share plus cash in the case of garden land (where vegetables were cultivated). Elderly resident landowners appear to have greater preference to lease out land to Kudumbashree program participants (Abraham, 2019). In the case of complex land negotiations, especially those involving multiple landowners for leasing in contiguous parcels for group cultivation, the skills of the JLG leader and the nature of support received from Kudumbashree staff, Revenue Department, Agriculture Department and the CDS were important determinants of success (Abraham, 2019). Revenue department's role is limited to providing land information in the villages, whereas the Agriculture Department's support includes input and extension services. In general, it has been difficult for women's groups to access contiguous land parcels in a geographic cluster, ideal for group cultivation considering economies of scale.

More broadly, while there has been a working agreement between Kudumbashree and the panchayats such that Kudumbashree units (viz, ADS and CDS) are a sub-system (or community-wing) of the local governance arrangements and not sub-ordinate to them, it has been observed that their decision-making is often dominated by local panchayats and influenced by their political affiliation (Williams et al.,

2011), which also affects access to government land and leasing of private fallow land. With Panchayats having a legitimate role around such land access, political differences sometime can make Panchayats indifferent to the proposals of ADS and CDS.

The involvement of the Panchayat and Kudumbashree functionaries as signatories to the lease contracts has been perceived to increase the sanctity of the contracts and build the trust of both the landowner and tenant (Landesa, 2013). The involvement of the Panchayat has also helped tenants negotiate longer-term contracts, which required a minimum lease period of three years for private lands developed using MGNREGS (Abraham, 2019).

In a study of the program conducted in Thiruvananthapuram, Alappuzha and Ernakulam districts, a comparison of the yields of banana, paddy, tapioca and vegetables on (i) group leased land, (ii) individually leased land and (iii) self-cultivated (own) land does not show that any particular tenure arrangement results in consistently higher yields. However, farm efficiency in terms of input-output ratio was observed to be higher in the case of group leased land compared to both owned and self-cultivated land and individually leased land in Kerala,



Image Credit: Ausmita Sarkar

<sup>23</sup>A program under Kudumbashree to bring the fallow unproductive lands into cultivable lands for enhancing overall agricultural production and productivity in the state

<sup>24</sup>The group lease farming arrangement under the Kudumbashree Mission had convergence with Mahatma Gandhi National Rural Employment Guarantee Act, panchayats, agricultural universities and agriculture and horticulture departments of state government.

possibly due to better convergence<sup>24</sup> achieved with central and state government support for group farming activities (Haque and Nair, 2014). The Kudumbashree program also improved land access for the poor, as more than 85 percent of the members are under the low-income category (Abraham, 2019).

The Kudumbashree mission adopted and promoted efficient business operations in selling produce and has helped farmers achieve prices higher than those prevalent in the local markets, as well as recognition for the quality of their agriculture products, resulting in higher revenues for the farmers (Landesa, 2013). Total sales during 2019-20 through Kudumbashree channels was about INR 580 million (Kudumbashree, n.d.). In a study of about 8 JLGs cultivating 22 acres of land (1.5 acre own + 20.2 acre lease) in 2016 by Abraham (2019), average gross income per member of JLG per acre per annum was found to be ranging from INR 6000 to INR 28,000 (average INR 10,680)

as per the crops (viz. banana, vegetables, paddy, tapioca, pine apples etc. as pure and mixed) raised. This is in comparison to average net receipts of INR 51,204 from cultivation of a farm family for the state as per NSSO 2012-13. However, as per Abraham (2019) some of the JLGs they studied did not perform well in marketing their organic vegetables and paddy, which would have fetched premium price in urban localities. The bulk of it was sold within the locality at prevailing market prices or at a slight premium as groups. In addition, Kisan Credit Cards (KCC)<sup>25</sup> are provided to the individual JLG members, which enhances their credit access. This provides an incentive to the cultivators in the state.

The success of Kudumbashree can be attributed to the maximum convergence achieved across the various CBOs, GPs, Agriculture department and Poverty Eradication mission of the state and the schemes or projects of both the state and central governments. The convergence of

community-based organizations (NHG-ADS-CDS), Panchayati Raj Institutions (PRIs) and different schemes like MGNREGS, MKSP and the JLGs of NABARD have enabled community farming to transform women to income-earning members of the family. Group farming also distributed the input costs, as well as the risks associated with agriculture.



Image Credit: Ausmita Sarkar

<sup>25</sup>Kisan Credit Card is a Government of India scheme which aims to save farmers from high-interest rates usually charged by money lenders in the unorganised sector. The interest rate can be as low as 2.00% under this scheme. Kisan Credit Card is a Government of India scheme which aims to save farmers from high-interest rates usually charged by money lenders in the unorganised sector..

## Issues and challenges

With formal leasing banned in Kerala, leasing of land by JLGs is informal. Landowners fear losing their land rights to tenants under the Kerala Land Reforms Amendment Act, 1963 and therefore generally do not lease out their land for more than one year at a time. In the case of fallow lands, once they are developed for cultivation, the owners typically begin leasing them out to individuals for higher rental payments, again leaving JLGs without access to economic land parcels. Thus, in the absence of formal land leasing laws providing tenure security to both the landowners and the tenants, it will be difficult to help poor and women farmers access more land for farming (John, 2009).

The informal lease agreements facilitated under the Kudumbashree program are based on individual negotiations and the lease terms vary, with no definite guidelines or criteria. The short lease periods that land owners usually insist upon was cited as a major issue by many groups, particularly those engaged in cultivating garden lands, especially horticultural crops (viz. pineapple, bananas, etc.), which require more labour and financial investment (Abraham, 2019). Lease agreements are generally for one season/year only (except for pineapple), as most landowners are reluctant to give garden lands to the same JLG for more than one year/crop season. While group cultivation requires a larger land area to achieve economies of scale, large contiguous land parcels are also not easily available, especially for longer terms. However, no such hesitation was found in the case of wet (paddy) lands, with many landowners

interested to lease out their paddy fields to the same JLG even for five or six consecutive years. This was largely due to a restriction on the conversion of paddy lands<sup>26</sup> to other uses and the higher cost of cultivation by individual landowners vis-à-vis collectives leasing in the land, given the additional benefits provided by the state to the groups. However, JLGs are in general not willing to increase the leased area under paddy cultivation and mostly resort to use minimum land for their subsistence food (paddy) production while availing state incentives for converting fallow paddy-land (Abraham, 2019). Groups are more keen to lease in garden land of economic size to increase their income by selling the produce.

An essential part of the Kudumbashree collective farming intervention has been facilitation of alternate sources of credit to meet the production costs, in the absence of formal leasing, which prevents the tenants from accessing formal finance. As these lease agreements are not legally registered with the Revenue Department, banks are unable to easily verify the land areas cultivated by tenants or to estimate the crop production value and then use this to guarantee the loan as collateral. Apart from loans obtained from NABARD, women's groups also avail loans distributed by NHGs and some private lenders, as commercial banks are generally reluctant to issue loans to women's groups engaged in agriculture activities in the absence of formal leases. There were instances when JLG members also pawned family gold to get additional loan. Crop insurance coverage, which is also tied to land records, is difficult to avail

for the crops grown by JLGs on the basis of informal leases. As the lease period is often restricted to only one year and typically undocumented or unregistered (when documented and also signed by Kundumbashree and Panchayat institutions) most women farmers are unable to insure their crops. It may be noted that the Prime Minister Fasal Bima Yojana (PMFBY) covers sharecroppers and tenant farmers, but requires some documentation like land lease certificates to avail benefits (Rai, 2019).

To get incentives viz. input subsidy from the Agriculture Department, JLGs are required to submit supporting documents<sup>27</sup>. Abraham (2019) noted that for some JLGs, the land owners were not co-operative with respect to sharing the tax receipt of land, an important document for availing these entitlements from the agriculture department. In this case, the JLGs had felt it was unjust and had not renewed the lease for a second time. However, Abraham (2019) found such cases to be few, largely due to the presence of kudumbashree support and network in the locality and peer support from ADS/CDS and the Panchayat. However, given the highly unequal land ownership structures as well as widespread prevalence of unofficial tenancy, it is important to legalize leasing and ensure records related to both land ownership and land leasing are maintained and updated regularly.



<sup>26</sup>As per Conservation of Paddy Land and Wetland Act, 2008, no paddy field can be converted in to any other forms except for non-commercial residential construction (limited 5 cent provided he/she has no other land under his/her ownership). <http://www.j-asc.com/gallery/10-april-633.pdf>

<sup>27</sup>Lease deed, Pass book of bank account of the JLG, and tax receipt of land

## Lessons Learnt

### 1. Supporting women farmers to self-organize as farmer groups to help them access assets and services.

Supporting women farmers to self-organize as farmer groups can help them access financial assets (credit, subsidies, etc.) and technical support that was otherwise not available to them individually in the absence of legally documented land ownership and given their limited bargaining capacity and non recognition as farmers by the state.

### 2. Collective farming can contribute to transforming the identities of rural women from 'agricultural workers' to 'farmers' in their own right.

Collective farming can contribute to transforming the identities of rural women from 'agricultural workers' and 'helpers on family farms' to food producers and more importantly 'farmers,' with some women even being recognised as 'master farmers'. Combining this model with increased access to cultivable land of an economic size through land leasing, provides new livelihood options for women farmers groups, particularly for landless women and others with marginal landholdings<sup>28</sup>. In addition, women's farmer groups play an important role in empowering their members

with respect to increased access to (i) formal farming knowledge through trainings and exposure visits, (ii) inputs and (iii) marketing (Abraham, 2019). The experience of Kudumbashree suggests that the group's autonomy in deciding on the crops they grow, the technology they implement and the markets they explore coupled with improved land access through group leasing yields improved livelihood outcomes (Agarwal, 2019).

### 3. MGNREGS demonstrates how governments can leverage public finance to achieve improved outcomes for vulnerable tenant farmers

The State's decision<sup>29</sup> to require a minimum lease period of three years for leases involving fallow land developed with the use of public funds under MGNREGS demonstrates how governments can leverage public finance to achieve improved outcomes for vulnerable tenant farmers, including JLGs. Policy interventions by the state to formalize land leasing arrangements and provide secure group user rights over productive agricultural lands of an economic size are thus important to ensure that vulnerable tenant farmers continue to benefit from this government support, as well as their own investments, on leased-in land for a minimum period of time.

### 4. It is important to explore additional institutional innovations, such as creating public land banks at the village level managed by panchayats

In the medium term, wide-ranging policy reforms that address the concerns of both lessees and lessors will be required to incentivize landowners to make the most effective use of their land and to enable landless and marginal farmers to access additional land for cultivation through formal land leasing (Agrwal 2019). To achieve these policy objectives, it will also be important to explore additional institutional innovations, such as creating public land banks at the village level<sup>30</sup> managed by panchayats that can be used to allocate farmland to vulnerable farmers (Agarwal and Sharma 2012).

<sup>28</sup> For a poor peasant from landless and marginal landholding families, access to cultivable lands of economic size may be possible only through leasing. For poor women from landless and 'land poor' households, access to independent and secure land rights through inheritance, as well as government transfers, have always been limited, and market purchases are nearly impossible as they suffer from severe resource constraints (Agarwal, 2002).

<sup>29</sup> Panchayat and Kudumbashree functionaries being signatories to the lease contracts, bring in sanctity and trust from both sides. Involvement of Panchayat can also help in longer-term contracts. To overcome, short lease periods as a major limitation, a scheme formalized with gram panchayat concurrence now makes the period of lease for a minimum period of three years, if the fallow land of a landowner has been brought into cultivation using MGNREGS funds. (Abraham, 2019)

<sup>30</sup> A public land banks (PLBs) can be created to be managed by a panchayati raj institution, at the gram panchayat or block/ mandal level. PLBs would take "deposits" of land parcels from owners wanting to lease out their land, with full freedom to withdraw their deposit after a fixed period. The deposit could be for one season, one year, or longer. On deposit, owners would get a small payment as incentive, the amount varying by the period of deposit (analogous to short-term or long-term deposits in a financial bank). The amount could be calibrated to a per centage of prevailing average land rents in the panchayat. The landowner would receive an additional fee when the land is leased out. However, deposits would be voluntary. Owners not wanting to deposit could lease out their land directly if they wished. A PLB would lease out land under its command to designated categories of farmers, such as marginal farmers, women, dalits and tribals. The land could be leased to individuals or groups. This proposal was submitted to the Planning Commission by the 12th Plan Working Group on Disadvantaged Farmers, including women.

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## Annexures

### Annexure I: State and central government programs implemented by Kudumbashree in Kerala

State Programs	Central Programs
Micro Finance	National Rural Livelihood Mission (NRLM)
Micro enterprises, collectives &	Deen Dayal Upadhyaya Grameena Kaushalya Yojana (DDU-GKY)
Producer Companies	Mahila KisanSasakthikaranPariyojana(MKSP)
Marketing	DeendayalAntyodaya Yojana – National Urban Livelihoods Mission (DAY-NULM)
Agriculture & Animal Husbandry	Prime Minister Awas Yojana(PMAY)
Social Development Initiatives	Start-up Village Entrepreneurship Programme(SVEP).
Organization Strengthening & Capacity	
Building Program	
Tribal Development	
Gender Development & Women	
Empowerment Activities	
Activities of Balasabha	

### Annexure II: District wise details of fallow land converted to farming

Districts	Physical Target (acre)	Cultivable fallow land identified (acre)	Area converted for farming (acre)
Thiruvananthapuram	100	639.75	127
Kollam	100	248	23
Pathanamthitta	100	835.9	0
Alappuzha	100	163.93	87.7
Kottayam	100	268.1	171.4
Idukki	100	56	18
Ernakulam	100	452.5	205
Thrissur	100	504.3	132.4
Palakkad	100	175.7	114.35
Malappuram	100	214	146
Kozhikode	100	749.5	428.5
Wayanad	100	530.17	0
Kannur	100	655.5	245
Kasaragod	100	1012.75	136
<b>Total</b>	<b>1400</b>	<b>6506.1</b>	<b>1834.35</b>

Source: MONITOR PROGRESS FALLOW-LESS VILLAGE PROGRAMME (Date of access: 24 May 2020)

<sup>31</sup>MRO is Mandal Revenue Officer now redesignated as Tahsildar

<sup>32</sup>Generally Revenue Courts are charged with resolving land-related disputes in AP

## Annexure III: Impacts of Bhoomi program in Andhra Pradesh

Season	No of JLG registered	Total No of JLGs Presently undertaking cultivation	Paddy (Area in Ha)	Banana (Area in Ha)	Vegetables (area in Ha)	Leafy Vegetables (Area in Ha)	Tubers (Area in Ha)	Others (Area in Ha)	Total Area (in Ha)
Season - 1 May to Sep (2019)	70555	57475	7086.08	9298.53	6476.59	180.65	6038.35	1250.17	30330.37
Season – 2 Nov-March (2019) Data till 29 February 2020	42783	47098	6151.51	7122.03	4966.05	287.25	4955.22	1498.73	24980.81

Source: MONITOR PROGRESS MKSP - COLLECTIVE FARMING <http://www.kudumbashree.org/monitor-progress/170/1160>

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