



# FORCED LABOR, CHILD LABOR AND LAND USE IN INDIA'S SUGAR INDUSTRY

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## Acronyms and Abbreviations

CSO	Civil Society Organization
ILO	International Labor Organization
NGO	Non-governmental Organization
SGP	Supplier Guiding Principles
TCCC	The Coca-Cola Co.
UN	United Nations
UNDP	United Nations Development Program
UNICEF	United Nations International Children's Emergency Fund
USAID	United States Agency for International Development
US ILAB	United States Bureau of International Labor Affairs
US DOL	United States Department of Labor

## Executive Summary

This report provides a review of forced labor, child labor and land use in The Coca-Cola Company's (TCCC) sugarcane supply chain in India. The study was commissioned by TCCC to Arche Advisors in an effort to expand TCCC's understanding of labor and human rights conditions in its supply chain. The study also responds to a commitment made by TCCC in November 2013 to supporting secure land rights across its operations.

To carry out the study, researchers conducted extensive desk research on the issues, consulted stakeholders from industry, civil society, government, intergovernmental organizations, academia and unions. In addition, the researchers visited 13 mills and 399 farms, where approximately 2,900 farmers, their family members, and workers were interviewed. The most relevant findings are highlighted below.

### Forced Labor

India is known for its historical challenges with bonded labor and forced labor. Recent media reports have focused on bonded labor in brick kilns, textiles and the cotton sector. Most bonded labor reportedly takes place in the agricultural sector, where a system of wage advances remains in use. Migration is another issue linked closely to forced and bonded labor. An Anti-Slavery International report from 1997 estimated that there were 600,000 migrant bonded laborers in sugarcane in the state of Maharashtra alone. Labor contractors may provide advances at exorbitant rates of interest, which the worker aims to pay off at the end of the season.

During farm site visits in 13 states, advances were found to be a regular practice in all of the states except Uttar Pradesh, where only 6% of farms reported the use of advances. Advances ranged from INR 5,000 to INR 125,000, depending in part on the relative need of the family taking the advance. Those taking the largest advances had often migrated the farthest distance to work.

In one state, the state of Andhra Pradesh, workers at 47% of farm sites reported involuntary overtime, stating that they were required to load cane onto trucks after regular work hours.

### Child Labor

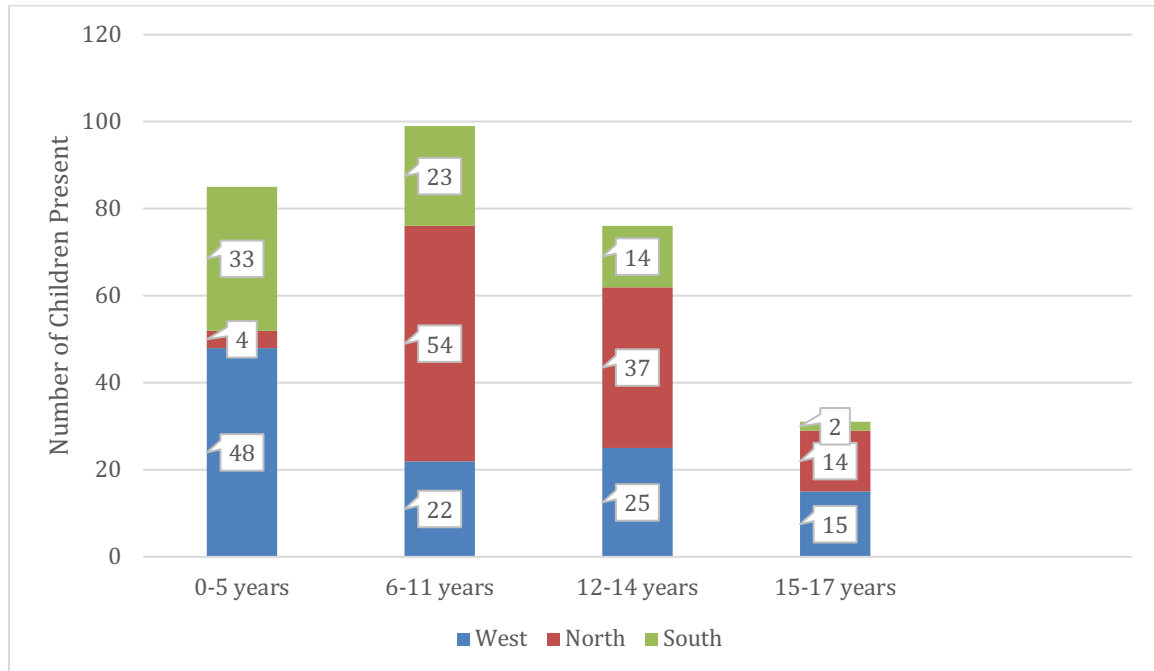
India has faced international criticism for its failure to ratify the two International Labor Organization Core Conventions on child labor. In 2016, India's Child Labor Act was amended to set the minimum age for work at 14 years, except for children who are helping family or a family enterprise. Critics point out that this amendment allows children under the age of 14 to participate in domestic work and agricultural work without restraint. According to UNICEF, there are over 10.2 million children between the ages of 5-14 working in India, with 8 million of these in rural areas.<sup>1</sup> The largest share of children in employment is found in unpaid family work in the agriculture sector.

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<sup>1</sup> UNICEF

Of the 369 farms<sup>2</sup> from the Western, Northern and Southern regions included in the sample size, 34% were found to have children present and/or working.

Figure 1. Children Present on Sampled Farms



There were regional variations in the presence and activities of children. In the western region, including Maharashtra and Madhya Pradesh, there was a higher rate of children 5 years and under staying with their parents in the fields during the work day. These were children of migrant workers who had nowhere else to go while their parents worked. In Uttar Pradesh in the north, there was a larger amount of local primary school children present in the fields, often collecting fodder for their family cattle before heading to school later in the day. The southern region had a mix of migrant children and local primary school children that reflected the mixed labor force in the southern states where migrant and local labor is combined.

### Land Use

According to 2011 census data, nearly 69% of India's population lived in rural areas and 70% of this population were engaged in agriculture, with women providing more than half of all agricultural labor. According to Landesa, "over 18 million families are landless and tens of millions more have insecure or weak rights over their land," despite over half a century of efforts to improve equality and access

<sup>2</sup> While 30 farmers were interviewed in Telangana, workers were not actively harvesting at the time of the visit. Therefore, these 30 farms were omitted from the total base sample for the analysis of children present or working in fields. However, local stakeholder interviews and visits to schools confirmed the practice of child labor during harvest. More detail is included in the Southern Region section of this report.

to land in India.<sup>3</sup> The 2011 census data showed just over 2% of farmers owned nearly 25% of all agricultural land. Over 85% of landowners have less than 2 ha of land. In addition to unequal land distribution, there are also challenges with involuntary displacement and land grabbing. In recent years, India has seen a swathe of projects displace communities under the auspices of public use. This has included infrastructure construction, mining projects, and the establishment of Special Economic Zones (SEZs). These projects have reportedly resulted in widespread displacement, with an estimated 65-70 million displaced for development projects since independence in 1947.

TCCC has adopted a policy stance on supporting secure land rights and has asked suppliers to do the same. However, none of the mill participants in this study had formal written land acquisition policies.

Despite a lack of formal policies, half of the mills in the western region had systematic practices in place to review and maintain copies of farmer land records at the time of entering contractual agreements. All of the mills in Uttar Pradesh benefitted from the structured registration system run by the local cane cooperatives, which surveys farmer land, provides access to land records via online portal, and assigns farmers to sugar mills. One mill in the south required a review of land documents by farmers prior to concluding any contracts and recorded land details in their own online registration software.

Reviews of land records and interviews with local stakeholder groups did not disclose any specific concerns regarding mill-owned lands or indicators of any illegal land grabs or significant land conflicts concerning land owned by sugar farmer-suppliers.

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<sup>3</sup> Hanstad

## Introduction

The purpose of this study was to provide a country specific, factual review of forced labor, child labor and land use in The Coca-Cola Company's (TCCC) sugarcane supply chain in India, from the overall sugar industry down to specific mills and farms. The study, commissioned by TCCC, is part of the Company's continued effort to expand its understanding of labor and human rights conditions in its supply chain and provides an evidence-based tool for TCCC to mitigate the impact of these issues, where they exist, on workers and communities in its value chain. The analysis of the agricultural value chain complements the Company's already-existing system to address human rights' issues by evaluating mills' adherence to legal requirements and TCCC's Supplier Guiding Principles (SGP).

The report is divided into six major sections. The first section presents the methodology employed in the study. The second section describes the sugarcane industry in India, followed by an overview of the general practices observed at the mills that participated in the study. The next 3 sections each provide a contextual overview in turn of child labor, forced labor and land use in India, including a brief overview of the legal framework for each of these topic areas and the findings specific to the TCCC supply chain in India based on the outcomes of the field work. The report concludes with a summary of the main insights identified as a result of the study.

## Methodology

The study aimed to examine forced labor, child labor and land use in India and to provide an overview of the current situation at the country level, as well as to report on any occurrences in TCCC's supply chain. The purpose was not to determine the overall prevalence of findings in India or the sugarcane industry as a whole but to elaborate a micro-level understanding of practices that could inform the macro-level view and larger industry discussions around child labor, forced labor and land use. The methods employed in this study were qualitative. No statistical methods were used. A more detailed description of the methodology is below.

## *Desk Research*

Research was conducted to identify historical child labor, forced labor and land use issues, past efforts to address these, and current conditions that prevail in India's sugar industry. To this end, researchers reviewed reputable publications to understand the historical context of the target issues, obtain national statistics on their incidence at the country-level, specific to the sugarcane industry where possible, and identify efforts to eliminate these human rights abuses. The study also researched possible links between TCCC mills that participated in the study and any reported violations. The legal framework, specific to each issue, was examined as well.

## *Stakeholder Consultations*

Stakeholders were consulted as part of the research process to corroborate desk research findings. Researchers used a semi-structured questionnaire to guide the interviews and adjusted according to the stakeholder's area of expertise. Questions asked related to the existence of issues, prevalence, changes observed in the last 10 years, as well as root causes of the problems. Stakeholders

consulted included groups or individuals from industry, civil society, academia, and unions. When applicable, researchers asked stakeholders specifically about the TCCC participating mills.

### *Onsite Observations*

This India country study was launched at the start of the 2015-16 sugar harvest and continued through the 2016-2017 harvest season.

#### **Mill Visits**

Mill site visits were conducted to review sugar purchasing practices and forced and child labor monitoring protocols of the mills, as well as potential land use issues. Structured questionnaires were used to guide the visits. Of the thirteen mill visits, four were in Maharashtra and the western region of Madhya Pradesh, five in the northern state of Uttar Pradesh, and four in the southern states of Andhra Pradesh, Karnataka, Tamil Nadu, and Telangana. These sites were selected due to their regional location, in an effort to visit a sample of regions that was reflective of the overall TCCC sugar supply chain in India.

#### **Farm Visits**

Site visits to farms that supply to the participating sugar mills were conducted. Farm visits took place during the 2015-2016 and 2016-2017 harvest seasons. Prior to conducting field visits, the mills were asked to submit advance data on their farm supply chain, including the number of farms, hectares per farm, and village groupings where farms were located. On arrival to the mill site, the farms that were undergoing harvest activity during the course of the field visit were identified. For example, one mill had over 36,000 supplier farms but during the window of the field visit, only 500 were engaged in harvest activity. Therefore, the selection of farm sites was drawn from those that were harvesting.

The selection of farms sites was also designed to include a variety of land sizes, in locations that ensured a wide coverage of villages. Farms were divided by size as follows:

- Marginal, less than 1 hectare (ha)
- Small, 1-2 ha
- Semi-medium: 2-4 ha
- Medium: 4-10 ha
- Large: 10 ha and above

Seventy-eight percent of farms supplying to the mills in this study were marginal, less than 1 hectare of land. These farms are often harvested by family members without hired labor and so, while they were the majority of farms, an effort was made to ensure each sample of farms also included small, medium-sized and large farms where hired labor was present. The target number of farms for each mill was 30, in line with the methodology established by The Coca-Cola Company.

Farm visits focused on interviews with approximately 2,900 farmers, workers and family members of both these groups. The goal was to understand the general labor practices at the farm level through interview and observation. Workers were chosen at random and interviewed privately in the fields



and, in limited cases, in their housing. They were assured that the information shared was confidential and would not be shared with mill or farm management nor would it be attributed to them in any way in the final report. During these field visits, meetings with school officials, village chiefs, revenue officers and other local organizations were also conducted to gather further information related to child labor, forced labor, and land use.

Note: Landesa representatives accompanied Arche field researchers on an average of one site visit per state, with each site visit including one mill and thirty sample farms, in order to support the review of land use issues in each region.

### **Additional Methodology Considerations Around Land Rights**

In November 2013, TCCC committed to zero-tolerance for land grabbing across its operations and added land to the scope of a broad assessment effort to make its sugar supply chain transparent from a labor perspective.

TCCC's land assessment methodology is intended to provide a diagnostic snapshot of a supplier's past sugar supply chain land-related practices (to the extent possible), with the goal of informing and shaping future sugar supplier (mills and cane farms) land use and acquisition practices. Specifically, the land assessments are intended to:

- Flag significant diagnostic findings for use in shaping future supplier land-related conduct.
- Permit TCCC to make suggestions or provide concrete guidance to sugar suppliers about how they can acquire land in a transparent and socially responsible way.
- Identify the types of land-related grievances (if any) that may have arisen in response to past land acquisition practices dating back to 2000, and that may arise during future efforts to obtain land.
- Be used to inform the shape and implementation of future land-related grievance identification and resolution mechanisms that can be put in place when sugar supply chain actors acquire land or otherwise affect land access, use, and tenure security.

Importantly, the land assessments are not intended to identify historic (prior to 2000), problematic methods of obtaining land by suppliers, except to the extent that information about past practices can inform better future practices. It is difficult or impossible, under almost all assessment scenarios, to perform forensic examinations of supplier practices to purchase or otherwise obtain land. Indeed, the literature published by expert land practitioners often comments on the difficulties inherent in any attempt to characterize and parse land claims, adjudicate decisions, and provide for remedies (including in-kind or monetary damages), and/or restitution, whether the displacement/claims are a product of government acquisitions, an unfair land deal, or civil conflict.

The refined land assessment methodology uses a series of questionnaires to permit researchers to obtain land-related information from a number of stakeholder groups, including:

- Mill owners and operators
- Large- and medium-sized cane farm owners and operators

- Smallholder cane farmers
- Government officials, including local elected Panchayats at the village level
- Representatives from civil society organizations
- Smallholder land users adjacent to or near mills and large- and medium-sized cane farms

It is important to stress that TCCC does not directly or indirectly acquire land as it obtains sugar from suppliers. That is, TCCC does not own or lease land for sugarcane farming or for sugar mill operations. In no case does TCCC purchase all of the sugar produced by any single sugar supplier. TCCC purchases sugar from approximately 15 of 526 mills that operate in India.

### **Limitations of the Study**

The main limitations of the study are related to the onsite observations. Farm visits were tied to the harvest schedule and researchers could only visit farms that had planting or harvest activities scheduled during the time of the visit. In addition, researchers received the aid of mills to locate farms in the mill supply chain. Farmers would have received approximately 1-2 days of notice prior to the visit of the field team. Nevertheless, it was not apparent that any field workers were missing or removed due to the visit of the field team. As harvest schedules had to be kept, it is unlikely that work teams could be altered with such little notice.

It is also worth noting that farm owners were asked to be present at the site during the visit for a brief interview. However, where the land was owned by a family, this would not typically include the married couple together, constraining the ability of researchers to explore the gender dimensions of land ownership and women's involvement in decisions regarding the buying and selling of land.

Furthermore, the various activities implemented as part of the methodology provided opportunities to triangulate information and obtain an accurate diagnostic of child and forced labor as well as land use in TCCC's sugar supply chain. Additionally, the stakeholder engagement process conducted, especially at the local level, allowed for information to be provided on these issues and on the related mills' operations without any interference from mill management. These stakeholder interviews and the information collected during mill visits matched onsite observations and farm worker statements collected during visits to sampled farms, validating the methodology of the study.

While these limitations were anticipated, there was one constraint that emerged unexpectedly during the final field work of the 2016-2017 harvest. While conducting the field visits in Telangana, it was discovered that despite confirming harvest activity in advance via the mill, the harvest was in fact ending earlier than planned and very few workers were present in the fields. Therefore, in addition to farm visits, Arche researchers visited eight villages where sugarcane farm suppliers were based and carried out focused group discussions with workers at hamlets called *thandas*. Visits were also made to local schools to interview teachers and students regarding attendance and agricultural work.

### **Research Team**

Arche Advisors is a corporate responsibility services firm that specializes in labor and human rights in

global supply chains. Arche's research team for this study was comprised of India-based field experts with decades of experience in monitoring and supply chain work in India. The team was selected based on their experience in interviewing workers, knowledge of the agricultural sector and local customs and practices, as well as fluency in local regional dialects. All researchers participated in a field pilot to introduce the study goals and synchronize the interview techniques before data collection began. An Arche Advisors project director supervised the study and report writing.

## India Sugar Industry

India is the world's second largest producer of sugar as well as the leading consumer of it.<sup>4</sup> According to the Indian Sugar Mills Association (ISMA), there were 526 sugar mills in operation during 2015-16, though the Ministry of Consumer Affairs put the total number at 716. There are approximately 5 million hectares (ha) of land in

sugarcane production, nearly 3% of the gross cultivable area in the country, producing 300-350 metric tons of cane and 23-25 metric tons of white sugar.<sup>5</sup>

The second largest agro-based industry after cotton, sugar contributes significantly to the socio-economic development of the rural population, 7.5% of whom are involved in sugarcane.<sup>6</sup> It is estimated that 50 million farmers grow sugarcane in India with another 500,000 workers involved in production.<sup>7</sup>

Seventy-five percent of sugar landholding size is between 1 and 4 hectares, with just 25% being more than 4 ha in size. That means that each mill in India procures sugarcane from an average of 18,000 farmers, though some mills in this study reported purchasing from 36,000 up to 91,000 farms – per single mill. This staggering scale of farms in the value chain is unique in the world to India. According to a KPMG report, this vast sea of smallholder farmers in a mill value chain “increases the complexity of managing cane procurement, quality control and cane development.”<sup>8</sup>

KPMG further noted, “The small landholdings also limit the extent of mechanization and reduce the ability of the farmer to invest in farm productivity. The ability of a farmer to sustain himself in the event of a crop failure or lack of crop off take or non-payment of dues is also limited by the size of the landholding.” A number of initiatives to assist these smallholder farmers are noted at the end of this section.

## Government Regulation of Sugar

### *Sugar Prices*

The Indian government regulates the sugar market by setting a Fair and Remunerative Price (FRP) for sugar. All sugar mills are legally required to pay this price to farmers for their sugarcane. State governments may inflate the price in their state to account for differences such as productivity and transportation cost.<sup>9</sup> Industry observers note that government intervention in the sugar market

**Table 1. Industry Statistics**

Key Statistics	
Number of operating mills	526
Number of farmers	50 million
Harvest season	November to April

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<sup>4</sup> OECD

<sup>5</sup> Solomon

<sup>6</sup> CARE Ratings

<sup>7</sup> ISMA-Grant Thornton

<sup>8</sup> KPMG

<sup>9</sup> OECD

contributes to a cyclical trend in overall productivity. According to the OECD, when there is a sugar surplus, prices drop and mills struggle to pay farmers the statutory minimum. Farmers then substitute in other crops and overall sugar production drops significantly. This eventually raises prices on the market, allowing mills to pay farmers arrears and eventually, as cane becomes more attractive, farmers shift back to the crop.

In addition to controlling the prices, the following are other prominent areas where the government exercises control in the industry:

#### *Minimum Distance Criteria*

Via the Sugarcane Control Order, the central government prescribed a minimum radial distance of 15 km between any two sugar mills. This can be increased by a state government with the approval of the Central government and such has been done in Punjab, Haryana and Maharashtra (25 kms). The intention is to ensure minimum availability of cane for all mills. However, existing and potential entrepreneurs view this as a deterrent to entry and restriction to competition. The Dr. C. Rangarajan Committee report of 2012, of the Prime Minister's Economic Advisory Council, recommended the elimination of this practice though to date, no states have done so.<sup>10</sup>

#### *Cane Reservation Areas*

The Cane Reservation Order requires mills to procure sugar only from designated areas known as Cane Reservation Areas, allotted to the mills by the Cane Commissioner of the state. While allotting the area, the commissioner takes into consideration the availability of sugar cane in the area, the mills' production capacity, and transport costs. The idea is for the government to ensure the farmer can sell their crop to the designated mill and be paid for it according to the pre-fixed price. This also guarantees that the mills receive a fixed supply of sugarcane from the farmers at a set price. While the intention of the government behind this policy seems to be beneficial to both farmers and mills, there have been criticisms of the system, maintaining that both farmers and mills lose out on the option of negotiating a better bargain; farmers are obligated to sell to the same mill despite previous arrears; and the mills have no control over quality and supply. However, the Cane Commissioner can increase the area for a particular mill in case the mill is receiving an inadequate supply. The Dr. C. Rangarajan Committee report also recommended the elimination of this practice.<sup>11</sup>

#### *Compulsory Jute Packaging*

The Jute Packaging Materials Act, 1987 (JPMA) mandates 20% of sugar to be packed in jute bags only. This increases the input costs for the mills. The Dr. C. Rangarajan Committee report also recommended the elimination of this practice.<sup>12</sup>

### **Northern Region Sugar Industry**

Uttar Pradesh in northern India is the primary sugar producing state, accounting for 40% of the country's total sugarcane production in 2015-16.<sup>13</sup> Sugarcane is the largest industry in the state of

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<sup>10</sup> DFPD

<sup>11</sup> Ibid

<sup>12</sup> Ibid

Uttar Pradesh. Approximately 3 million farmers are involved in sugar cultivation. There are 119 operating sugar mills in the state and cane covers 2.4 million hectares of land.<sup>14</sup>

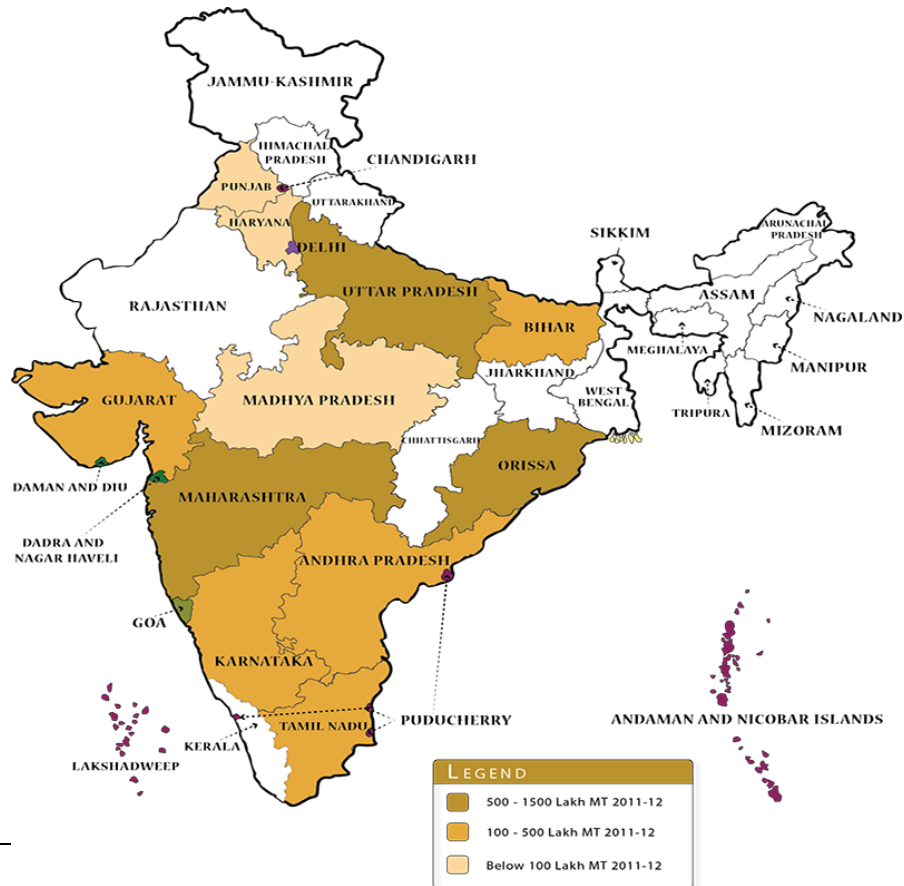
### Western Region Sugar Industry

Maharashtra is the country's second largest producer, with 21% of the country's production.<sup>15</sup> There were 177 operating sugar mills in 2015-16 and sugarcane growing on 1 million hectares, about 4% of state land.<sup>16</sup> Coupled with Maharashtra for the purposes of this study, Madhya Pradesh saw about 1.5% of national production on 103,000 hectares in 2015-16.<sup>17</sup>

### Southern Region Sugar Industry

Karnataka took third place in sugarcane production, accounting for 11% of the national total.<sup>18</sup> Over the past four decades, there has been a substantial rise in sugarcane production in Karnataka and a corresponding increase in the number of sugar factories, with more planned. Also in the southern region and included in this study, Tamil Nadu accounted for 7% of national sugar production and the combined production of Andhra Pradesh and Telangana was 3% of total.

Figure 2. States with Major Sugar Production



13 ISMA

14 Uttar Pradesh IAS

15 ISMA

16 Joshi

17 ISMA

18 ISMA

## Initiatives to Support Farmers

<b>MNREGA Scheme</b>	<p>The National Rural Employment Guarantee Act has been in existence for over twenty five years. In 2009, It was renamed the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). It is the biggest employment guarantee scheme in the world. It requires the government to provide to every rural household that applies for it 100 days of employment in a financial year. Failure to do so within 15 days of application requires the government to provide unemployment wages to the applicant. The benefits of the scheme are two-fold – providing livelihoods to unemployed laborers and improving the living conditions in rural areas. All projects under the MNREGA scheme are aimed at development and providing basic necessities to villagers. These could include building water sources, road repairs/construction and building other basic infrastructure needs of a village. By working in such projects, a laborer not only earns in terms of wages but also aids in improving his or her living conditions. It can reduce dependence on agriculture, especially in times of drought or poor agricultural yields.</p>
<b>Pradhan Mantri Jan Dhan Yojana</b>	<p>The Pradhan Mantri Jan Dhan Yojana is another government scheme aiming to provide financial services to rural areas, like bank accounts and direct transfer of benefits from central, state or local bodies into the beneficiaries' bank accounts. Since its inception in 2014, there have been over 300 million accounts opened under this scheme. Eliminating the use of intermediaries in the transfer of benefits from governments to the benefits' recipient reduces or eliminates possible financial misappropriation. Additionally, by maintaining bank accounts, this economically at-risk population have been able to secure loans from banks and other financial institutions, reducing dependency on local loan sharks.</p>
<b>Meetha Sona Unnati</b>	<p>This partnership of DCM Shriram, the IFC, Solidaridad and The Coca-Cola Company works to improve farm efficiencies and responsible production of sugarcane. It aims to address economic, social and environmental challenges by building capacities of farmers through the development of good management systems, including labor practices and technology adoption. The main objectives of the program are to empower small landholders by addressing key requirements of small landholders for sustainable sugarcane cultivation; integrating good practices through on-farm efficient water usage, reduction in the use of chemical pesticides and fertilizers and mechanization; farmer training on good agriculture practices leading to capacity building, increased</p>

	<p>income and employment generation; and strengthening the extension services, Agriculture Technical Service Providers (ATSPs) &amp; mill management systems to accelerate digitization and adoption of sustainable production standards.</p> <p>Meetha Sona addresses sugarcane cultivation inclusively: understanding small landholder needs; improving soil health; conserving natural resources via water efficient on-field systems; and building overall technical capabilities. The project aims to set a precedent for Good Agricultural Practices (GAP) that are suitable, sustainable and scalable.</p>
<p><b>Bonsucro</b></p>	<p>Bonsucro is an international accreditation company that certifies sugar mills who comply with their standards on social, environmental and economic sustainability. There are currently 10 mills in India accredited on the Bonsucro standard and 3 more are in process. The scope of Bonsucro standards go beyond the mill to its sugar cane farms and farmer suppliers. The aim is to improve farmer productivity, input efficiencies, and decrease costs of production. Bonsucro is launching an “India Accelerator Plan,” to provide support to mills and farmers, leverage the required investments, and develop tools and instruments that are appropriate to Indian production environments while being aligned with global standards.</p> <p>One Indian mill that achieved Bonsucro certification deployed their agricultural extension team to assist 350 farmers to implement sustainable practices, in collaboration with the Dutch nonprofit Solidaridad and the International Finance Corporation. They taught farmers sustainable practices such as composting and intercropping, which are inexpensive ways to increase production. They also “convinced farmers to abandon a tradition of burning the stalks and leaves left behind by the sugarcane harvest, and to instead shred that organic matter and mix it into the soil. This makes farms more productive over the long term, while helping the soil retain water, thereby reducing the need for irrigation during the dry months.” According to the mill, while farmers get better harvests and higher returns though cost savings, the mill enjoys an increased, assured supply and better quality sugar cane, which reduces its cost per unit and improves the utilization of capital assets.<sup>19</sup></p>

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<sup>19</sup> ISEAL



## General Mill Practices

### Western Region General Supply Chain Characteristics

Four mills from the Western region, including Maharashtra and the western region of Madhya Pradesh, participated in the field study. These mills ranged in size, as did their farm supply chains. A mill in this region could receive sugarcane from as few as 3,600 farms or over 36,000 farms. Some mills had as many as 84% of marginal-sized farms (less than 1 ha) in their supply chain but the average was 43% marginal farms.

The average size of the farms in the sample group was 3.44 ha. The majority of farmers worked with the same mill for 7-10 years. The average age of a farmer was 46 years. An average of 11% of farmers were women, though this ranged from 30% in one mill supply chain to just 3% for other mills.

### Western Region General Mill Practices

Mill sites were visited with the aim of understanding current purchasing practices, supply chain relationships, and policies, procedures and management systems related to the study topics.

#### *Certifications*

Of the four mills in this region, all of them had FSSC 22000 and Halal certifications and three of them had ISO 9001-QMS certifications. One additionally had an OHSAS 18001 certification. None of them had Bonsucro, SA8000 or Fairtrade certifications.

#### *Community Support*

Three of the mills in this portion of the study reported offering support to local schools and other community organizations through their established foundations and Corporate Social Responsibility platforms. Two of the mills reported sponsoring informal learning centers that provide access to basic education for children from the age of 4 to 13. These learning centers primarily target children from nearby villages, children of migrant sugarcane harvest workers, and children from the brick industry. The fourth mill did not report any specific examples of community support or involvement.

#### *Worker Support*

Two of the mills reported having union-affiliations. Three of the mills have works committees in place, and two of these additionally have canteen committees and safety committees for mill workers. Mill workers at each of the sites have suggestion boxes available to submit complaints. One mill also offers an ethics hotline number for mill workers.

For the most part, farm workers do not have a formal complaint mechanism to the mills. Two mills stated that their field staff are the default liaisons with farm workers and they can receive and respond to concerns or grievances. However, harvest and transportation workers (known as HNT workers), have a regional trade union which negotiates with the State Government to set wages per ton of harvested sugarcane. The union also negotiates for mill-sponsored transportation for workers

from their village to the mill site, transportation for the bullocks who pull the carts, and terms related to any force majeure. Such terms become legally binding for the mills over the negotiated timeframe.

All of the mills reported having established systems for receiving complaints from the community. One mill handles community complaints through their cane department. Others have different departments tasked with this role.

## **Northern Region General Supply Chain Characteristics**

Five mills from Uttar Pradesh participated in the field study. These mills had an average of 48,000 farms supplying to them, with a range from 26,000 to 91,000 farms supplying to a single mill. The majority of farmers appeared to work with the same mill in perpetuity, and for the older mills, the same farms supplied to them for 80 years or more.

The mills in this region had 80% marginal-sized farms (less than 1 ha) in their supply chain. From the sample farm group, the average size of the farms was 2.8 ha. Farmers were an average of 50 years of age, though there were farmers in their 30s and farmers in their 70s and 80s as well. Ten percent of farmers were women.

## **Northern Region General Mill Practices**

Mills sites were visited with the aim of understanding current purchasing practices, supply chain relationships, and policies, procedures and management systems related to the study topics.

### *Certifications*

All of the mills had FSSC 22000; three of them also had ISO 9001-QMS, ISO 14001, and OHSAS 18001 certifications. None of them had Bonsucro, SA8000 or Fairtrade certifications.

### *Community Support*

Two of the UP mills reported involvement with community groups on issues related to education and land disputes. One mill ran a foundation engaged in various corporate responsibility activities, including offering support for educational institutions and organizations focused on grievance redress and mediation in case of land disputes. The other mill supported local educational institutions, healthcare organizations, and vocational training efforts. Three mills did not report any particular aspect of their community engagement or participation.

### *Worker Support*

Only one mill reported having a union at the site. Three mills had works committees in place, and two of these additionally had canteen committees and safety committees for mill workers. Mill workers at three of the sites had suggestion boxes available to submit complaints. One mill also offered an ethics hotline number for mill workers.

Two mills reported that field supervisors were authorized to receive grievances from farm workers and farmers alike.

### Farmer Support

All of the mills benefit from the online Uttar Pradesh Sugar Information System (SIS) to facilitate communication or grievance channels for farmers. According to the Uttar Pradesh State Sugarcane Department, the SIS is an e-governance platform available to three million sugarcane growers who supply their produce to 119 sugar mills. Launched in 2010, the initiative has encouraged 116 mills to create websites based on a single model to facilitate farmers' full access to information on cane survey, supply ticket issuance, weighing, payment and cane development. Farmers can also access SIS via SMS or Interaction Voice Response (IVR) systems, which help illiterate users access information by calling a phone number and having the desired information read to them by computer. During the 2010-11 harvest season, the sugar mills trained farmers on the use of the SIS and leaflets were distributed for reference. None of the mills had any parallel systems in place for farmer or community complaints.

### Southern Region General Supply Chain Characteristics

Four mills from four different southern states, Andhra Pradesh, Karnataka, Tamil Nadu and Telangana, participated in this portion of the field study. These mills each received sugarcane from 500 to 17,000 farms, depending on the size of the mill operation. The farms had the following characteristics:

**Table 7. Farmer Profiles in Southern Region\***

(Averages)	Andhra Pradesh	Karnataka	Tamil Nadu	Telangana
<b>Average Age</b>	50	48	50	54
<b>% Female</b>	13%	6%	23%	3%
<b>Farm Size (ha)</b>	2.12	1.13	2	2.2
<b>Years with mill</b>	13	17	14	11

\* Derived from the 124 farms sampled in this portion of the study.

Mills in this region had an average of 68% marginal-sized farms in their supply chain. The average farm size in the sampled farms was 1.86 ha. There was an average of 11% female farmers.

### Southern Region General Mill Practices

Mills sites were visited with the aim of understanding current purchasing practices, supply chain relationships, and policies, procedures and management systems related to the study topics.

### Certifications

Of the four mills in this region, all of them had FSSC 22000 certifications. One mill also had an ISO 9001-QMS certification, ISO 14001-EMS certification and a Bonsucro certification. None of them had SA8000 or Fairtrade certifications.

### *Community Support*

Two of the mills in this portion of the study reported offering support to local schools as part of their Corporate Social Responsibility efforts. This includes financial assistance for the schools, running a school free of charge, donation of land and a building for a school, and the founding of a school for children of mill employees and children in nearby villages.

### *Worker Support*

Three of the mills reported having unions in the organization. Two of these reported having documented grievance systems, including suggestion boxes. One mill reported having a works committee in place. For the most part, farm workers do not have a formal complaint mechanism to the mills, though they would normally approach mill field staff in order to raise any issues. No specific mechanisms were in place to receive community complaints.

## Forced Labor in India

### Legal Framework

India has ratified both of the fundamental International Labor Organization (ILO) conventions on forced labor.

### Constitution

The Constitution of India provides for the protection of life and personal liberty. Under Article 21 it states, “No person shall be deprived of his life or personal liberty except according to procedure established by law.” It also provides for the “Right against Exploitation.” In Article 23, the trafficking of human beings and similar forms of forced labor is prohibited. There is one exception allowing the State to impose compulsory labor for public purposes.

Article 39 of the Constitution further provides Directive Principles of State Policy, requiring that:

43. The State shall endeavor to secure, by suitable legislation or economic organization or in any other way, to all workers, agricultural, industrial or otherwise, work, a living wage, conditions of work ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities and, in particular, the State shall endeavor to promote cottage industries on an individual or co-operative basis in rural areas.

46. The State shall promote with special care the educational and economic interests of the weaker sections of the people, and, in particular, of the Scheduled Castes and the Scheduled Tribes, and shall protect them from social injustice and all forms of exploitation.

### *The Bonded Labor System (Abolition) Act 1976*

This Act was created to end a historic and multi-generational practice of exchanging labor for loans that ultimately could not be repaid, often due to usurious interest rates, resulting in the bonding of children of the loan-takers and even their grand-children, long after the amount and purpose of the original loan was long forgotten. The Act formally abolished bonded labor and freed bonded workers from their debts. Under the Act, “no person is allowed to make an advance under, or in pursuance of, the bonded labor system.” It prohibits people from compelling others into bonded labor or other forms of forced labor.

### Historical Context

As with so much of the rest of the world, slavery and forced labor was widely prevalent in ancient India. According to historical reports, the institution of slavery existed in the Buddhist period in India as the basis of economic and social life. In the 4<sup>th</sup> century BC, the Indian royal advisor Kautilya came down against slavery but sanctioned forced labor as a lawful privilege of government and landholders. While the early stages of forced and bonded labor focused on agricultural workers, it eventually grew to other classes of labor. As European industrialization arrived to the subcontinent in the 1800s, tens of thousands of workers were recruited for work on plantations and in mines, in

Table 2. Forced Labor Standards

India Forced Labor International Convention Ratifications	
ILO C029, Forced Labor	Yes
ILO C105, Abolition of Forced Labor	Yes

conditions reported to be akin to slavery. In the late 1800s, legislation was passed giving tea plantation owners the power to arrest workers and to use corporal punishment in case workers tried to leave plantations prior to the end of the contract period. Workers in mining camps in the 1950s were said to live “as if in concentration camps, living like prisoners under surveillance, forced to huddle together, 10 or more, in small ill-ventilated cells, escorted by supervisors to and from work.”<sup>20</sup> By the late 1960s, there were calls to abolish the labor recruiting organizations seen as contributing to these conditions, in an effort to eliminate the slave-like practices. As noted above, by the 1970s, legislation was passed with the aim of abolishing bonded labor.

### Current Context

Despite the laws that are now in place, bonded labor remains widespread in India, with estimates approaching the tens of millions, according to the U.S. State Department. The majority of those affected by bonded labor and forced labor in India are of low caste status, many of whom have migrated internally for work.<sup>21</sup> Anti-Slavery International describes bonded labor in this way:

The majority are initially trapped in debt bondage because they have no other way of subsisting apart from taking a loan from a landlord or employer. Once taken, they lose control over their conditions of employment, and what, if anything, they are paid. The debt is often inflated through charges, making it impossible to repay and trapping the worker in a cycle of debt.

While brick kilns are nearly synonymous with bonded labor, most bonded labor reportedly takes place in the agricultural sector. The National Human Rights Commission’s Expert Group from 2000, concluded that bonded labor in agriculture was pronounced in the states of Andhra Pradesh, Bihar, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Punjab and Tamil Nadu.<sup>22</sup> But bonded labor is not the only risk. A 2013 report highlighted child traffickers who abducted children from Delhi and sold them to sugarcane farmers in western Uttar Pradesh and Punjab for INR 3-4,000.<sup>23</sup>

Migration is another issue linked closely to forced and bonded labor. According to data from India’s National Sample Survey, approximately 20% of migrant households in rural and urban areas have “faced forced migration resulting from natural disasters, social/political problems, and displacement from development projects.”<sup>24</sup> That forced displacement enhances the vulnerability of an already challenged population, increasing susceptibility to exploitation in the form of forced or bonded labor.

### Western Region

Though more dated than other studies referenced in this report, as there is a lack of official government statistics on bonded labor, it is worth noting an Anti-Slavery International report from 1997 estimated that there were 600,000 migrant bonded laborers in sugarcane in Maharashtra.

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<sup>20</sup> Maity

<sup>21</sup> Anti-Slavery International

<sup>22</sup> Srivastava

<sup>23</sup> Dubey

<sup>24</sup> Housing and Land Rights Network

These migrant workers were said to be employed at 130 sugar mills in the state via labor contractors, who provided advances at exorbitant rates of interest, keeping the workers “in a perennial state of debt, forcing them to return to the sugarcane fields year after year, usually with the same contractor.”<sup>25</sup> More recently, in 2016, the President of the Bonded Labor Liberation Front estimated that Madhya Pradesh has more than twenty million bonded laborers, the majority of whom are involved in agriculture.<sup>26</sup>

### *Northern Region*

A 2011 report from Free the Slaves details the release of 11 slave laborers, working without pay in sugarcane fields in western Uttar Pradesh.<sup>27</sup> There were originally 22 of these workers from Bihar, trafficked to the fields under the threat of death to their relatives back home. They were kept under watch by armed captors; one woman was raped every other day. After NGO intervention, police were able to rescue the workers. Several other news accounts since 2000 have recounted stories of children being kidnapped in Delhi and sent to work on sugarcane farms in Uttar Pradesh.

### *Southern Region*

In a survey carried out by NGO group JEEVIKA, 18,000 cases of bonded labor were identified between 1988-1995 in Karnataka, a figure the government has disputed.<sup>28</sup> The NGO acknowledged that the Government of Karnataka has been more active than any other state in identifying and rehabilitating bonded laborers. Nevertheless, it had identified only 2,866 bonded laborers in Karnataka between 1979 and 1992.

In Tamil Nadu, a commission set up by the Supreme Court in 1995 to investigate bonded labor cases identified one million bonded laborers, spread over 23 districts and 20 occupations.<sup>29</sup> Ten percent were bonded child laborers, pledged against a loan at an age of 8 to 9 years. The state is also known for the Sumangali Scheme, in which spinning mills would recruit young women from rural villages to work for 3 years in exchange for one lump-sum payment to their families at the end of the term. This payment was intended to be used as dowry, though dowries were outlawed in 1961. The scheme resulted in a wide scale exploitation of the young women, who were paid less than minimum wage, not allowed free movement from their living and work places, and were required to work excessive hours including compulsory late night shifts.<sup>30</sup>

## **Initiatives to Combat Forced Labor**

<b>National Human Rights Commission</b>	Autonomous public body that monitors implementation of the Bonded Labor System (Abolition) Act in 13 Bonded Labor Prone states including Andhra Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Tamil
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<sup>25</sup> Srivastava

<sup>26</sup> The Pioneer

<sup>27</sup> Rosin

<sup>28</sup> Srivastava

<sup>29</sup> Srivastava

<sup>30</sup> Solidaridad

	<p>Nadu and Uttar Pradesh. The Commission also monitors state government actions to identify, release, and rehabilitate bonded laborers.<sup>31</sup></p>
<p>Ministry of Home Affairs’ Anti-Human Trafficking Cell</p>	<p>Implements a nationwide plan to combat human trafficking by coordinating with states to establish Anti-Human Trafficking Units and train thousands of officials to combat human trafficking. Requires states to submit quarterly reports to this coordinating body.<sup>32</sup></p>
<p>Rehabilitation of Bonded Labor Scheme</p>	<p>India’s Ministry of Labor and Employment funds programs to rescue and rehabilitate adult and child bonded laborers. Rescued bonded laborers receive INR 20-100,000, INR 200,000 for forced child labor and women, INR 300,000 for bonded or forced labor in extreme deprivation. Other non-cash benefits include provision of house-site and agricultural land, wage employment and education for children.<sup>33</sup></p>
<p>Free the Slaves</p>	<p>One of many NGOs working to end bonded labor in India, Free the Slaves partners with local Indian civil society organizations to eradicate slavery. Here are examples of their local partners and projects:</p> <p><b>“Manav Sansadham Evam Mahila Vikas Sansthan:</b> MSEMVS helps communities form vigilance committees in Uttar Pradesh that offer a collective base of support for slaves and at-risk residents to access government entitlements, food rations, and health care—as well as how to advocate for improved schools, how to file legal cases, and how to act against a broad range of human rights violations.</p> <p><b>“Pragati Gramodyog Sansthan:</b> PGS helps communities form local self-help groups that empower villagers to stand up to slaveholders and refuse illegal debts, develop collective savings and loans associations, and start small businesses to ensure sustainable freedom.</p> <p><b>“Jeeta Vimukti Karnataka (Life Free from Bondage in Karnataka):</b> JEEVIKA works in rural villages outside Bengaluru, where Dalits, or “untouchable” castes, have endured centuries of poverty, humiliation, and slavery. JEEVIKA helps slaves understand their rights and free themselves by standing together against powerful land owners and complacent public officials.</p> <p><b>“Tatvasi Samaj Nyas:</b> TSN works to combat slavery and provide</p>

<sup>31</sup> U.S. Bureau of International Labor Affairs

<sup>32</sup> Ibid.

<sup>33</sup> Ministry of Labour and Employment



services that will ensure the long-term reintegration of slavery survivors. TSN provides direct legal services to survivors of bonded labor slavery and sex trafficking and also manages a shelter for girls and women who have survived trafficking in the commercial sex industry.”<sup>34</sup>

## Western Region Forced Labor Findings

The information in this section is based on field interviews with sugar mill managers, farmers, and workers.

### *Mill Policies on Forced Labor*

Of the four mills in this region, only one had a formal written policy on forced labor at the mill level. None of the mills had any such policy applied at the supplier level. Similarly, none of the mills had any remediation plans in place in case forced labor was identified within their own operations or within the farm supply chain.

### *Worker Recruitment*

In the Western region, there were three distinct types of workers hired for harvest work: bullock cart workers, tractor trolley workers, and truck workers. While approximately 5% of bullock cart workers were migrants, more typically bullock cart workers were relatives of the farmers and lived nearby. They worked in family pairs, usually husband and wife, and owned their own bullocks. Bullock carts made up a lesser proportion of the harvest workforce, and at one mill were 6-7% of harvest workers.

Tractor trolley workers also tended to be locals and worked in pairs with their spouses. While they were hired by the farmer, the tractors usually belonged to contractors. Truck workers also worked in pairs. While many were local, some were migrant workers from the eastern border state of Bihar and neighboring districts within Maharashtra. Trucks belonged to local contractors.

### **Migrant Labor**

Migrant workers were recruited by labor contractors, usually from their home village. The contractor would receive a commission from the mill based on the total harvested crop. In the case of workers coming from the state of Bihar, the workers could also pay a nominal commission to the contractor of INR 2 or 3 per ton.

While some of the workers were from distant Bihar, most were from neighboring districts of Maharashtra, including Beed, Latur, and Parbhani, all draught-prone areas where local agriculture and subsistence farming has suffered.

### *Wages and Advances*

Harvest workers reported receiving an advance three to four months prior to harvest. Advances could be given by labor contractors, usually from the same village as the workers, from farmers or from vehicle contractors. There were no written contracts or documents; the transactions were

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<sup>34</sup> Free the Slaves

completely oral. Workers would pay back the advance as they worked through the harvest. Workers in this region stated they were free to leave the harvest work early, but acknowledged they should pay back the advance first.

The total amounts of the advances varied by category of worker and also by region or by mill. At two mills in this region, 5-10% of bullock cart workers reported taking advances. For truck workers, 15 to 20% took advances.

**Table 6. Wage Advances in Western Region**

Range of Advances	Bullock Cart	Tractor trolley	Truck
<b>Mill A</b>	INR 5-15,000 group*	INR 20-25,000 group	INR 20-25,000 group
<b>Mill B</b>	INR 30-35,000 group	INR 40-45,000 pair	INR 60-115,000 pair
<b>Mill C</b>	INR 50-100,000 pair*	INR 90-125,000 pair	INR 90-125,000 pair
<b>Mill D</b>	INR 50-100,000 pair	INR 90-125,000 pair	INR 90-125,000 pair

\* Groups of workers may take a very small advance, shared amongst the members, in case they live nearby and are not in need of significant sums. By comparison, a married couple that lives in a distant province may take a much larger advance and often this is for a big life event, such as a marriage, building a home, etc.

Workers who did not take advances were paid fortnightly in cash. All accounts were otherwise to be settled at the end of the harvest season. There was no savings mechanism or social security program.

Workers were paid by the ton of cane harvested. The rates were set with the farmer or the mill contractor. Rates ranged from INR 228/ton up to 420/ton, varying based on the mill. One mill set a rate of INR 228/ton for all workers. Another mill paid a range of INR 370-420. These rates were paid per couple, rather than per individual worker, with each pair of workers receiving one set of wages. Workers normally harvested two or more tons per day.

### *Work Hours*

The majority of harvest workers reported starting work at 6:00AM, cutting cane for approximately 6 hours and then loading cane for 2-3 hours, for an 8-9 hour work day. For workers using tractor trolleys or trucks, the vehicle owner generally came to transport the cane and the workers' work day ended once the cane was loaded onto the vehicle. However, bullock cart workers also had to transport their load to the mill and wait in the long queue to empty their cane. This could extend their work day to as long as 15-16 hours. Harvest workers were paid by weight and no overtime pay was provided.

### *Housing*

In the Western region, migrant workers generally lived in make-shift tarpaulin shelters with their families. Two of the mills provided this material at a low cost for workers to build their shelter on an

area of land designated by the mill, usually just outside the mill operation. While the mill may have facilitated access to water and electricity in this shanty village, there were no toilet facilities provided. The charges for a tarp and mattress were INR 100 and a set of 9 bamboo poles was INR 250. Cane cutting knives could also be purchased for INR 100.



*Harvest workers' temporary housing, Western India.*

## **Northern Region Forced Labor Findings**

The information in this section is based on field interviews with sugar mill managers, farmers, and workers located in Uttar Pradesh.

### ***Mill Policies on Forced Labor***

Only one of five mills had a formal written policy on forced labor and this policy applied only to the mill operation and not to the supplier farms. None of the mills had remediation plans in place in case forced labor should be identified within their own operations or within the farm supply chain.

### ***Worker Recruitment***

Farmers directly manage harvest labor hire. In many villages, groups of farming families come together to harvest each other's lands. In such cases, very few contract laborers were found. At 15% of farms in the sample, farmers were found to be self-harvesting their crop, especially in farms

smaller than 1 hectare of land. Larger farms of 2-4 hectares were more likely to have non-family workers, including contract labor and sometimes migrant labor.

### **Migrant Labor**

Of the 152 farms visited, less than 10% had migrant workers; these were present in the supply chain of just two of the five mills. The migrants came from Bihar, Madhya Pradesh, and Jharkhand states. There were no brokers or agents involved.

Migrants from Bihar and Madhya Pradesh reported owning land in their native villages but coming to Uttar Pradesh due to challenges with crops at home and unpredictable income. They generally came in small groups of 3-4 men, without their families in tow. Farmers provided them with food and housing, and coverage for any medical expenses. They were paid a salary of INR 5000/month with no Sunday holidays or other holidays during their stay at the farms. Some of them were also hired for household work and to cook for the group of workers.

The migrants from Jharkhand came primarily due to a lack of employment opportunities in their home state. One group of 6 young men were relatives and came together by train. They stayed with farmers who would give them harvest work and other agricultural activities. They were given food, clothing, and shelter as well as a monthly wage. Wages ranged between INR 4000 and 6000 per month.

### *Wages and Advances*

The vast majority of workers reported that they do not take advances for harvesting work. A total of nine farms from two mills had workers who reported receiving advances prior to the start of the harvest. The amount of the advances taken ranged from INR 25,000 up to INR 100,000. In one case, a local family took a loan from the farmer of INR 100,000 (USD 1,550) with an interest rate of 60% per annum. Workers at another farm reported receiving an INR 40,000 (USD 620) advance.

The Jharkhand migrants reported receiving their wages at the time of departure back to their home. During their stay they draw small advances against the final payout and the balance is paid when they leave. Tickets for the train trip home would be paid for by the farmer.

Aside from migrants who reported monthly wages, there were three primary wage types identified at the Uttar Pradesh farms:

- **Fixed wage:** local workers from the village could earn INR 120 to 200 per day or approximately INR 5000 per month.
- **Production based pay:** local workers from the village could be paid based on weight of sugarcane harvested, at a rate of INR 20-35 per quintal, or 100 kg.
- **In-kind pay:** Local workers could trade labor for waste from the sugarcane plant, which they take as fodder for their cattle.

Overtime wages were not paid to any category of workers.

### *Work hours:*

Local workers could work according to their need, whether half day or full day. Workers who were trading labor for fodder generally worked 2-4 hours per day. Migrants workers worked from 6 am to 5 pm with an hour break. Those who did additional work, such as housecleaning, would work from 4 am to night 10 pm with occasional breaks. When it was time to cut cane in the village, workers would generally labor without rest days until the cutting was completed. This could last for as many as 75 days, or approximately two and half months.

## **Southern Region Forced Labor Findings**

The information in this section is based on field interviews with sugar mill managers, farmers, and workers.

### *Mill Policies on Forced Labor*

Of the four mills queried in this part of the study, none of them had written policies on forced labor either at the mill or the farm level. None of the mills had remediation plans in place in case forced labor was identified.

### *Worker Recruitment*

Three mills reported using labor agents or contractors to hire workers. At all of the mills, both local workers and migrant workers are used, though only in Karnataka were migrant workers found to come from outside states.

In Tamil Nadu and Telangana, the mills and sometimes the farmers hire *troupe leaders*, also known as cane harvesting leaders (CHL). These leaders act as the labor agent, hiring the group of workers for their own work troupe, typically 12 to 15 couples in a troupe.

### **Migrant Labor**

In Andhra Pradesh and Telangana, migrants were from the same district but villages distant enough that they took up temporary housing near the farms. The farmers arranged vehicle transport for the workers from their village to the farms.

In Karnataka, workers were from the local state as well as from Maharashtra and Andhra Pradesh. These migrants brought their children along for the 5-6 month harvest period.

In Tamil Nadu, workers were from both local villages and adjacent districts. In Tamil Nadu, migrants were usually men, rather than family units. Women stayed in the village to care for the children. These men would stay at the harvest site for the 5-6 month harvest period, only traveling home during festivals.

### *Wages and Advances*

Advances are given as a matter of practice in each of the four states in the southern region. As in other regions, advances are given just prior to the start of harvest. Workers should work off the advance during the harvest season. If workers wanted to leave the harvest work early, they would need to find a way to pay back the advance. The advances were often equivalent to the estimated

earnings for a single harvest season; therefore, workers stated they would remain for the entire harvest period.

**Table 8. Advances and Wages in the South**

State	Advance	Wage per ton of cane
Andhra Pradesh	INR 100,000 per group	350-640 per ton
Karnataka*	INR 40-50,000 per pair	250 per ton
Tamil Nadu	INR 15-20,000 per pair	450 per ton
Telangana	INR 25-30,000 per pair	300 per ton

\* In Karnataka, local workers did not report taking any advance. This figure is for migrant workers only.

As in the Western region, wages were often paid to a couple rather than to a single person. In Telangana, for example, a couple would be paid 300 per ton for harvesting cane. A couple could harvest 2 tons per day between them, earning INR 300 each. In Tamil Nadu, a couple was paid INR 450 per ton of cane. For male migrant workers not working with their spouse, they would hire local women to tie the cane. They would pay these women INR 100-150 for a 5-6 hour work day.

In Tamil Nadu and Telangana, advances come directly from the troupe leader, not the mill. Troupe leaders typically take out loans from money lenders at 36% interest. From these loans, they pay advances to the workers. Then they retain INR 100 per ton from the workers to cover their interest, unrelated to the repayment of the advance, which is settled at the end of harvest. Workers who have taken an advance would earn INR 350 per ton in Tamil Nadu, instead of INR 450, and INR 350-400 per ton in Telangana, instead of INR 450-600. Therefore, many local workers preferred not to take the advance.

### *Work Hours*

In Tamil Nadu, men began their field work at 5AM, while women arrived at 7AM after completing household work. The women came to begin the tying of cane, which they normally completed by 1PM. Men continued loading trucks up until 3PM. In Karnataka and



*Loading cane onto trucks for transport to the mill.*

Telangana, workers labored from 6AM to 6PM with a one hour meal break. In Andhra Pradesh, workers generally worked from 6:30AM to 5:30PM with a 3-hour break at midday.

At 47% of the farm sites visited in Andhra Pradesh, workers reported involuntary overtime, stating that they were required to load cane onto trucks after regular hours. This might take place if they were waiting for the cane truck to return to the site, and were required to carry out the loading after 6:00PM. As with all of the agricultural workers in this study, workers were paid by weight harvested or daily labor rate and no overtime payment was given. However, at farms in Karnataka and Tamil Nadu, migrant workers reported having made an agreement not to work after 6:00PM or to conduct cane loading at night. These workers were able to negotiate their work hour arrangement while the workers in Andhra Pradesh were not and felt obligated to work the additional hours after 6:00PM.

### *Housing*

In Andhra Pradesh, housing for migrant workers was provided by the farmers free of charge, as well as water, fire-wood, and milk. Similarly, in Tamil Nadu, migrant workers stayed with the farmer or in any communal space in the village where they might find shelter at night, such as community halls, temples, or even school building verandas.

Migrants in Karnataka purchased tarpaulins and bamboo sticks from labor contractors to construct temporary tents. They would often lack access to potable water or toilet facilities. In Telangana, migrants would also construct temporary huts, usually seeking out areas with access to water.

## Child Labor in India

### Legal Framework

After the completion of this field study, in June 2017, India ratified both of the fundamental International Labor Organization (ILO) conventions on child labor.

### Constitution

The Constitution of India states that no child below the age of 14 shall engage in any hazardous employment. The State is required to provide free and compulsory education to children from age 6 to 14. Article 24 prohibits children under 14 years of age from being “employed to work in any factory or mine or engaged in any other hazardous employment.”

Article 39 of the Constitution further provides Directive Principles of State Policy, requiring the State to direct its policy towards securing:

(e) that the health and strength of workers, men and women, and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength;

[(f) that children are given opportunities and facilities to develop in a healthy manner and in conditions of freedom and dignity and that childhood and youth are protected against exploitation and against moral and material abandonment.

### Child Labor (Prohibition and Regulation) Act, 1986

This Act defines a “child” as a person who is not yet 14. Section 3 of the Act was amended in July 2016 and now states,

(1) No child shall be employed or permitted to work in any occupation or process.

(2) Nothing in sub-section (1) shall apply where the child, —

(a) helps his family or family enterprise, which is other than any hazardous occupations or processes set forth in the Schedule, after his school hours or during vacations;

Provided that no such work under this clause shall effect the school education of the child.

According to Anti-Slavery International, part (2) of the section, by exempting children who help family or family enterprises during after school hours, may allow children under the age of 14 to labor in

Table 3. Child Labor Standards

India Child Labor Laws and International Labor Convention Ratifications	
ILO C138, Minimum Age	Yes
ILO C182, Worst Forms of Child Labor	Yes
Minimum age for employment	14*
Minimum age for hazardous employment	14
Minimum age for agricultural work	No

\* Only certain types of employment are prohibited for children under 14. It is not a universal minimum age.



domestic work, agricultural work, and so-called “family enterprises”, which generally refers to industries such as carpet-weaving, beedi (cigarette) rolling and gem polishing.”<sup>35</sup>

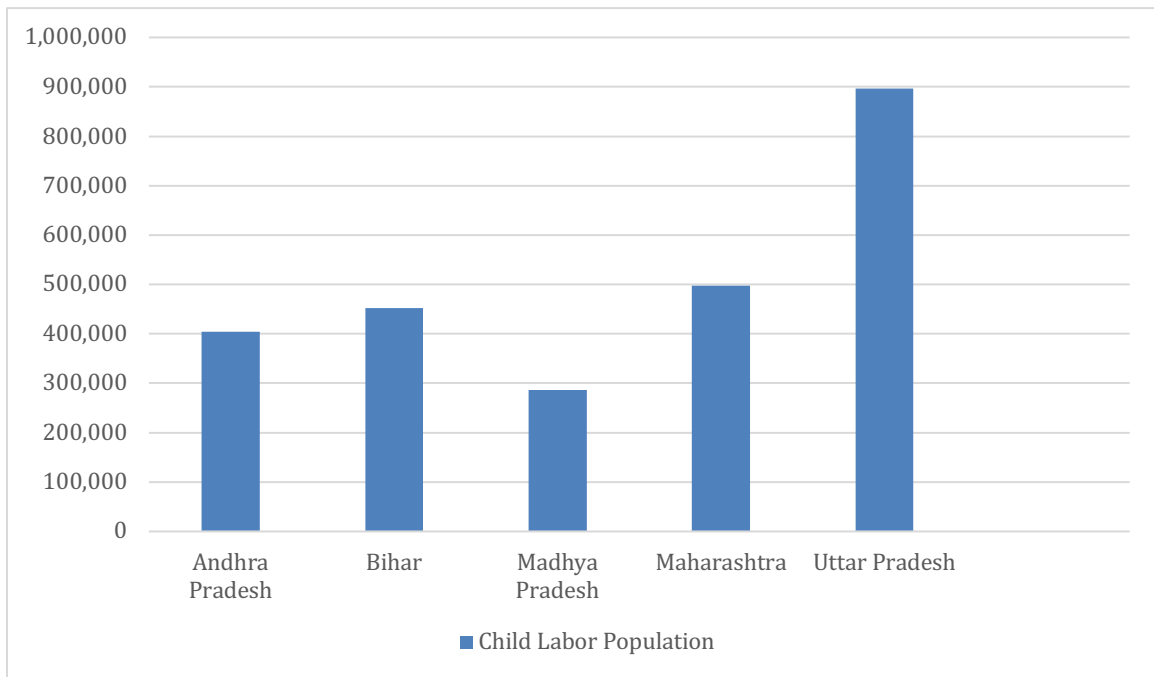
Section 3A of the revised Act prohibits adolescents, aged 14-17, from working in any hazardous occupations or processes contained in the Schedule. The revised Schedule includes “hazardous processes” as defined in the Factories Act, 1948, which is any process or activity in relation to an industry specified in the Factories Act First Schedule. All of said processes and activities are explicitly manufacturing-related and not agricultural or linked to general use of unsafe equipment.

Under the newly revised Child Labor Act, adolescents are prevented from working more than 3 hours without a 1-hour rest. The total amount of working time, including rest, cannot exceed 6 hours per day. Work cannot be conducted between 7PM and 8AM. Overtime work is prohibited. Weekly rest days are required.

**Additional Regulations**

The Right of Children to Free and Compulsory Education Act requires state and local governments to provide free education to all children ages 6 to 14. The Act prohibits denying admission to children who lack a birth certificate, allows children to transfer schools, and provides that a delay in producing a transfer certificate shall not be grounds for delaying or denying admission to school. The Act forbids discrimination against disadvantaged groups and requires local authorities to ensure the admission of children of migrant workers.

**Figure 3. Top States for Child Labor in India<sup>36</sup>**



<sup>35</sup> Anti-Slavery International

<sup>36</sup> Jena

## Historical Context

In Ancient Indian society, it was the king's duty to educate every child. Historical epics indicate children lived and studied in the ashram and participated in the completion of chores. Ancient Indian tradition saw the family unit as a work unit; artisans and craftsmen trained their children in work and allowed them to contribute to the family income. Yet over time, child labor became associated with deprivation and slavery. During the fourth century BC, the Indian royal advisor Kautilya prohibited the sale and purchase of slave children under the age of eight years. By the medieval period, landless bonded laborers came into abundance and entire families participated in land work under the family bond. By the 19<sup>th</sup> century, European industrialization was taking root in India. The growth of tea, coffee, indigo and jute industries created a demand for cheap labor. As factory-based production expanded, child labor also grew, with children more vulnerable and exposed to exploitation than they had been under traditional family work in crafts or agriculture. By the 1880s, legislation was passed to prohibit the employment of children under the age of 7 in factories, with little impact early on. In 1948, the law raised the minimum age for factory work to 14.<sup>37</sup>

Moving ahead to the 21<sup>st</sup> century, according to the ILO, "the incidence of child labor has decreased in India by 2.6 million between 2001 and 2011. However, the decline was more visible in rural areas, while the number of child workers has increased in urban areas, indicating the growing demand for child workers in menial jobs."<sup>38</sup>

## Current Context

According to UNICEF, there are over 10.2 million children between the ages of 5-14 working in India today, with 8 million of these being in rural areas. With years of attention on the issue of child labor in the export manufacturing sector, child labor has subsequently shifted from highly visible factory settings to more "invisible" home-based work and informal sector work, including agriculture.<sup>39</sup>

Recent amendments to the child labor law eased the ability of children to work in agriculture. As noted above, the prior schedule of hazardous occupations was replaced with that of the Factories Act, which addresses factory-only settings and considers hazards from the perspective of adult workers without regard for the specific vulnerabilities of children. However, agricultural work presents a myriad of risks to children, including potential injury from sharp blades, sun exposure, long work hours, as well as exposure to dangerous wildlife: vipers are a common presence in farm fields.

The largest share of children in employment is found in unpaid family work in the agriculture sector. Children's involvement in work rises with age, according to an analysis of India national survey data carried out by Understanding Children's Work (UCW), an inter-agency initiative between the ILO, UNICEF and the World Bank.<sup>40</sup>

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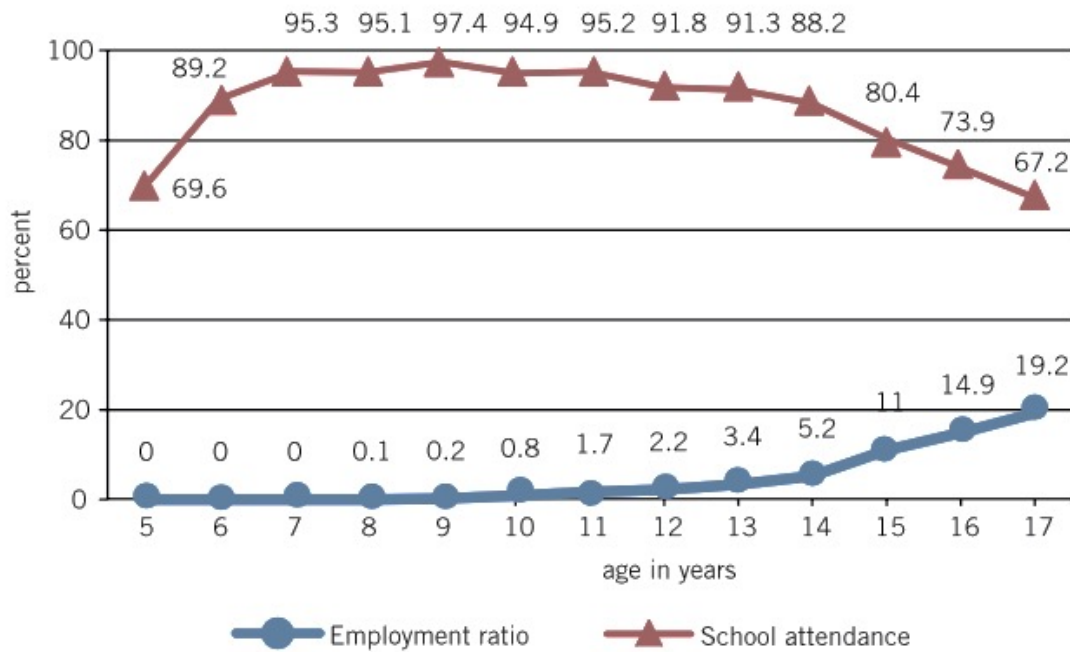
<sup>37</sup> Rhodes

<sup>38</sup> ILO, 2017

<sup>39</sup> UNICEF

<sup>40</sup> Khan and Lyon

Figure 4. Child Activity Status by Age



Source: UCW calculations based on India National Sample Survey (NSS), Round 68, 2011-2012.<sup>41</sup>

UCW attributes this in large part to the fact that “children’s productivity (and therefore the opportunity cost of keeping them in school) rises as they grow older. [...] Involvement in schooling peaks at the age of nine years at 97% and slowly decreases thereafter as children drop out to work in employment or to undertake a greater share of household chores.”

According to Save the Children, many children in rural areas of India are first-generation learners and often lack support from their parents with studying and homework. The NGO also stated that if children are working, they will have less interest in school.<sup>42</sup> One study noted that engagement in employment increases the probability of being out of school from the first hours of work. This effect increases with the numbers of hours spent in work.<sup>43</sup>

### Western Region

Maharashtra has the second highest rate of child labor in the country. Most children work in agriculture, forestry, and fishing.<sup>44</sup> However, as many as 76% are purported to be in agriculture alone.<sup>45</sup> According to a 2003 study, each year about 650,000 workers migrate from central to western Maharashtra for the sugarcane harvest; 200,000 of these are children aged 6-14.<sup>46</sup> Another

<sup>41</sup> Khan and Lyon

<sup>42</sup> Interview with Save the Children

<sup>43</sup> Gaucello, et al.

<sup>44</sup> Samantroy, et al.

<sup>45</sup> Prognosys

<sup>46</sup> Nandy

study found that 60% of these children worked for more than 8 hours a day and most of them cut sugarcane. Children working on these farms were found to be at high risk of dropping out of school, with more than 97% failing to attend school upon arrival to the migration destination. Their school enrollment even in their home villages was very poor, due in part to parental attitudes that perceive low value from education. They were also found to be at high risk of health problems, risk or injury while cutting cane, and risk of verbal, physical and sexual abuse.<sup>47</sup>

### *Northern Region*

Uttar Pradesh has the highest number of child laborers in the country, nearly 20% of the country's total child laborers, according to 2011 census data. Of these, 57.8% are engaged in agricultural work.<sup>48</sup> While this reflects the known predominance of children in agriculture, children working in Uttar Pradesh are also located in urban areas and engaged in industries known for child labor, including footwear in Agra, glass in Firozabad, and silk-weaving in Varanasi.

### *Southern Region*

In Karnataka, nearly 80% of child laborers are concentrated in agriculture. Andhra Pradesh follows with 69% of children working in agriculture and Tamil Nadu 33%. Andhra Pradesh and Telangana combined rank 6<sup>th</sup> in the country for total child laborers, approximately 14.7% of the nation's total.<sup>49</sup> In 2014, a British newspaper published an expose of children working in cotton mills in Tamil Nadu.

## **Initiatives to Combat Child Labor<sup>50</sup>**

<b>National Child Labor Project (NCLP) Scheme<sup>51</sup></b>	Ministry of Labor and Employment program operates in 270 districts to identify working children under age 14, withdraw them from hazardous work, and place them into Special Training Centers where they receive bridge education, vocational training, stipends, meals, and health checkups. 3,000 training centers accommodate approximately 120,000 children.
<b>Integrated Child Protection Scheme</b>	Government program provides children withdrawn from hazardous work, forced labor, and human trafficking with food and shelter via children's homes, shelter homes, and open shelters, as well as non-institutional care in foster homes and adoptive families. Provides rehabilitation and reintegration services to rescued children.

<sup>47</sup> Nandy

<sup>48</sup> Prognosys

<sup>49</sup> Times of India

<sup>50</sup> US Bureau of International Labor Affairs

<sup>51</sup> Ministry of Labor and Employment

Childline	Government-funded 24-hour toll-free emergency telephone service for children in distress. The Childline India Foundation-operated telephone service connects children in need of assistance with hospitals, child welfare committees, shelter homes, and police. As of 2016-17, it operated in 413 cities/districts through 667 partners.
Sakhar Shalas <sup>52</sup>	These schools operate in the settlements of sugar cane cutters, which intend to provide primary education to children of sugarcane laborers. Children can attend school instead of going to the fields, or can go to school after returning from the fields.
Midday Meal Program	Ministry of Human Resource Development program that provides free lunch to children in government-run primary and upper primary schools, and to NCLP students.
National Rural Employment Guarantee Scheme	Provides 100 days of employment to every rural adult living below the poverty line. Research has shown that this program can lead to a reduction in child labor and increased household expenditures on children's education.

## Western Region Child Labor Findings

### *Mill Policies on Child Labor*

Of the four mills surveyed in the Western region, two had written policies on the employment of minors and prohibition of child labor. However, a third mill stated that they did not allow minors to be employed by or to enter into the mill operations, although this policy is not formally documented. None of the mills applied any child labor policy to the farm suppliers. There were no formal policies in place for remediation of child labor, should it be discovered.

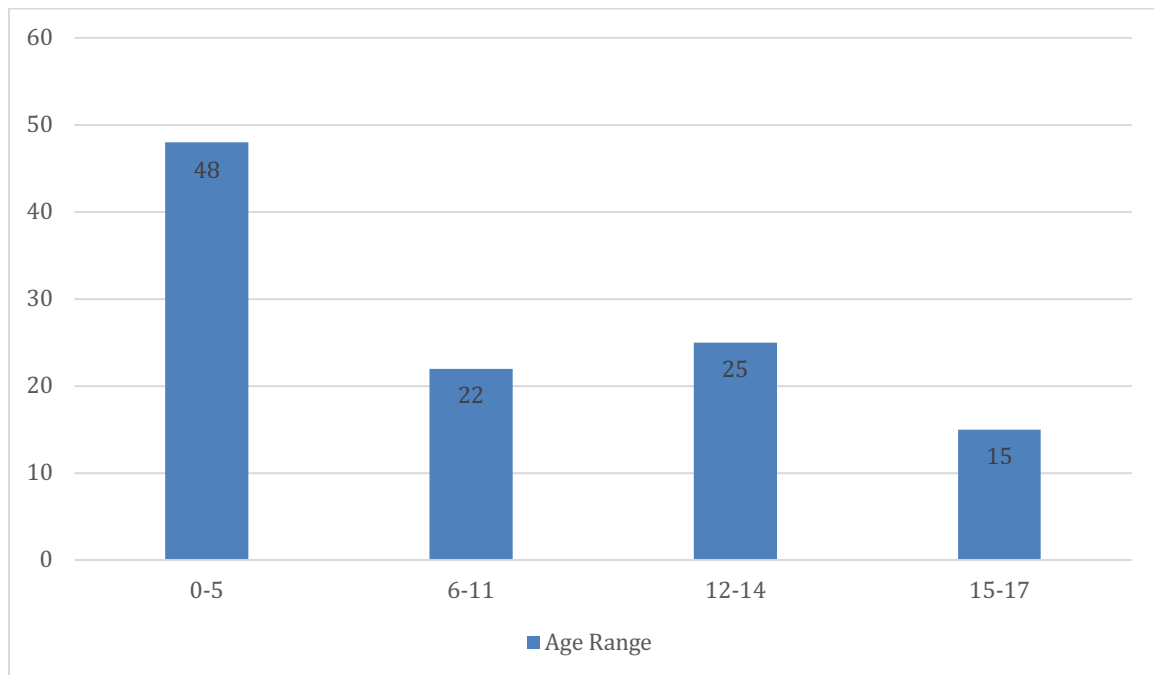
### *Field Observations*

Of the 123 farm sites visited in the Western region, children were observed at 59 farms, or 48% of the sample. At 12 of these farms, or 10% of the total sample, children were observed to be engaged in work, including cutting, carrying and bundling cane. There were approximately 190 children observed at these 59 farms. The majority of working children were believed to be aged 13-17, though there were two identified as 10 and 12, respectively. At the remaining 47 sites where children were observed, they were seen to be present but not working. These were primarily younger children, aged 3-10, who were playing together while their parents worked, taking care of younger siblings, and giving water and food to the group of workers. However, it was possible for the older children aged 10-12 to sporadically engage in odd jobs at the site, such as fetching water and collecting the leafy green cane tops into a pile and tying them together to be sold as fodder in the

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<sup>52</sup> Wadiker & Das

Figure 5. Ages of Children Present on Farms in Western Indian States



Prepared from field data recorded by Arche researchers.

market. Though bundling cane was usually carried out by women, children were also observed performing this task, including one 10 year-old girl who described her work day as follows:

*KB is ten years-old. She loves to go to school; however, her parents brought her and her younger brother away from their home village for the sugar harvest. Her day starts early in the morning. She goes to fetch 3 pots of water daily and helps her mother in the cane farm. She takes care of her younger brother while they are at the farm. She picks the cut cane and stacks it into a bundle, which her parents then load onto the truck. She comes back home very tired in the evening and helps her mother with the household chores.*

The presence of children in the sugar cane fields in these Western states was primarily related to the migration of the family from their home village. Parents reported that it was not a desirable option to leave children behind for 4-6 months, as they wouldn't be safe back in the village without their parents. If extended family members also migrated, there weren't many alternative care options for children in their home village.

### Access to Education

While there were limited school options available for migrant children in the mill areas, there were a number of obstacles impeding their enrollment, including a lack of interest on the part of many migrant parents to ensure their children were in school. Some parents also reported that they do not want their daughters to attend higher education, as they plan for them to be married by age 14 or

15. Perhaps for these reasons, a number of the school-age children in the fields had never attended school, even in their home villages.

At one mill, there were schools operating on mill-owned land, available specifically for migrant children. Five children of harvest workers were found to be attending the school. According to the school director, migrant children often arrive without previous school records and so they are evaluated at the school and admitted to study. There was a separate school for boys and girls. Another school near to a mill catered primarily to the so-called rag-picker community, groups whose economic activity focuses on trash salvage. There were three migrant children there under temporary enrollment.

Roughly a dozen children of sugar harvesters were found to be attending Anganwadi schools, a government sponsored initiative to provide day-care or preschool in every village. Children from 1-6 years of age could attend. A free lunch and snacks were provided. The location visited did not have a permanent location and was temporarily operating out of a local temple.

Another mill had a Sakhar Shala school in the area, specifically targeted to the children of migrant sugar workers. However, it became nonoperational the prior year due to lack of government funding and remains closed. These schooling options differed from village to village, and therefore access to schooling varied from mill operation to mill operation. Only a small fraction of migrant families appeared to be enrolling their children in school.

## Northern Region Child Labor Findings

### *Mill Policies on Child Labor*

Only one of the five mills in this state had written policies on the employment of minors and prohibition of child labor. Their policy did not extend to the farms but was targeted only to the mill operations. In addition to their policy, this mill also focused on awareness raising of child labor risks, see box on this page.

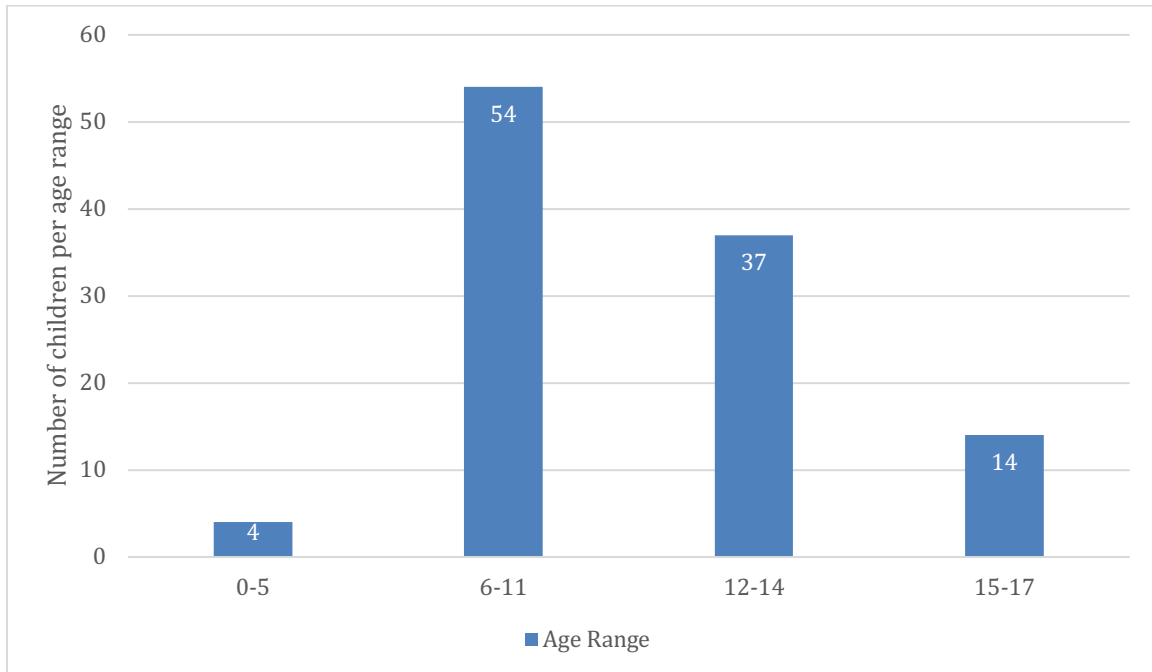
### *Field Observations*

Of the 152 farm sites visited in this state, children were observed at 43 farms, or 28% of the sample. There were approximately 109 children observed at these 43 farms. At 39 of these farms, or 26% of the total sample, children were observed to be engaged in work, usually collecting fodder but also cutting, carrying and bundling cane. The majority of working children were believed to be in the 6-11 age group, though most of these were 8-11 years. The other largest age group was the 12-14 age group. Both of these groups are school aged children. Many children were reported to be combining school and work, sometimes working in the morning in exchange for fodder, delivering the fodder home, and then returning to school for the free midday lunch.

### Case Study: Raising Awareness of Child Labor

One mill runs a foundation that carries out child labor prevention programming. This includes sponsoring Awareness Weeks to raise awareness of the risks of child labor and the value of education. One program run by the foundation asked every mill employee to take a pledge to discourage child labor and promote the idea that children should attend school.

**Figure 6. Ages of Children Present on Farms in Northern India**



*Prepared from field data recorded by Arche researchers.*

Unlike the western states, most of these workers were not migrants and therefore, there were very few children aged 0-5 present in the fields.

The presence of children working did appear to vary by mill. Two of the mills (A, B) in the study had children working on approximately half of the sampled farms. One of the remaining mills (C) had children working on 26% of sample farms and the last two mills (D, E) each had children present and/or working on just one sample farm. There was no apparent geographic correlation between the location of mills A and B and the occurrence of child labor. However, field visits to mill A farms took place over a holiday and this may have increased the number of children working in the fields while school was closed.

On the farms supplying to mills A and B, children as young as 5 years-old were seen working alongside family members who had been engaged on daily rates or piece rate work. Children were cutting sugarcane with curved blades and loading bundles of sugarcane into bullock carts or tractor trolleys. Each bundle of cane would weigh approximately 25 kgs.

In addition to local child workers, some young workers aged 14-17 came from neighboring states like Bihar to work on a contract basis. They were paid a monthly salary of INR 4-4500 by the farmer. They reported being employed to do household chores before and after the harvest work, starting at 4:00 AM. Following the harvest work of cutting cane and loading cane bundles, they may also do washing chores or take care of the farmer's cattle.



### *Access to Education*

At farm sites for mill B, early morning farm visits revealed a large number of children working. Some children reported attending school but only after they had completed gathering of fodder. A visit to a village school confirmed that many children are absent from school during sugarcane harvest as well as during soybean crop activities. According to a local labor inspector, parents often ask their children to take a couple of weeks of leave from school during the harvest of potato, sugarcane and wheat in their village. Furthermore, there are some villages in the area where there are no schools for children above 10 years of age.

## **Southern Region Child Labor Findings**

### *Mill Policies on Child Labor*

Two of the four southern mills had written policies on the employment of minors and prohibition of child labor; one of them had this policy incorporated into the terms and conditions of employment. Their policy did not extend to the farms but was targeted only to the mill operations. While one mill reported that cane supervisors would verbally inform labor contractors regarding the child labor policy, this was not a documented process and signed agreements with contractors had no mention of child labor.

### *Field Observations*

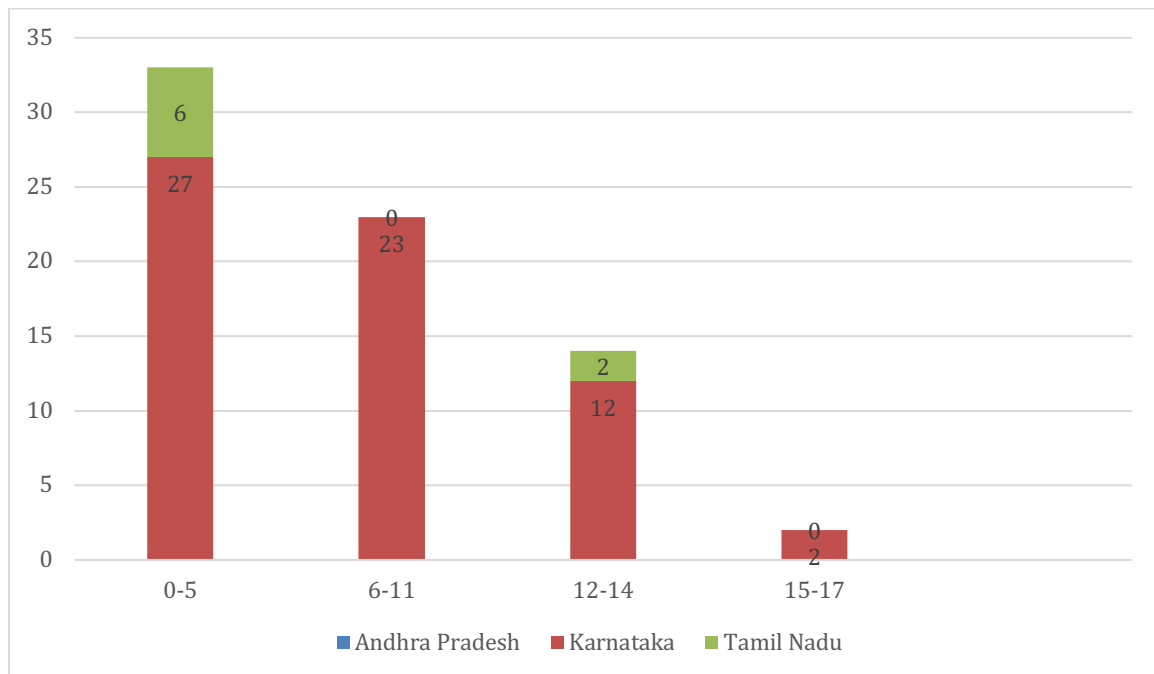
Of the 124 farm sites visited, 30 of these did not have workers actively harvesting during the visit. While interviews were conducted with farmers, laborers were largely absent. Therefore, these 30 farms in Telangana were omitted from the total base sample size in this analysis of children present or working in fields.

In Andhra Pradesh, Karnataka, and Tamil Nadu, children were observed at 23 farms, or 24% of the sample of 94 farms. There were approximately 70 children observed at these 23 farms. At 8 of these farms, or 9% of the total sample, children were observed to be engaged in work, including cutting sugarcane. No children were observed at any of the farms in Andhra Pradesh, where workers were male and women were largely absent from the fields.

The vast majority of children were observed on farms in Karnataka, where there is a large number of migrant workers from neighboring states who have brought their family with them for the harvest season. The majority of working children were believed to be in the 12-14 age group. Children were cutting sugarcane with curved blades and loading bundles of sugarcane into transport vehicles.

Interviews with troupe leaders in Telangana revealed that young workers were engaged in the troupe and included in a range of activities, such as cutting and loading sugarcane. According to troupe leaders, the average age for joining the troupe was 14-15 years.

Figure 7. Ages of Children Present on Farms in Southern India\*



Prepared from field data recorded by Arche researchers.

\* Telangana is excluded from this data.

### Access to Education

#### Andhra Pradesh

No children were observed in the fields during farm visits in Andhra Pradesh. School teachers at a local mill-funded school reported there is no absenteeism related to the harvest season. Students are children of mill workers and other children from adjoining villages.

#### Karnataka

In Karnataka, where the presence of children was most pronounced, migrant children generally faced disrupted access to schooling during the 5-6 month harvest. If mill schools, the “Sachar Shala” schools, were accessible then they might send their children to school. However, due to the disruption in schooling that took place during migration, many of these migrant children would drop out of school. Girls especially would drop out as they were reportedly to be married off at 14-15 years of age back in their home village.

A local NGO previously operated a temporary school project called “Tent schools” aimed at providing schooling opportunities for child workers. However, these schools closed three years ago due to insufficient funding from the government. The head of the organization previously participated in child labor raids on sugarcane farms together with the local labor department. However, these were not taking place any longer. The group was still operating a child labor helpline but In the last year they did not receive any call or complaints regarding child labor.

### **Tamil Nadu**

Two children were found working on farms in this state. Both girls were 12-14 years old and had dropped out of school. They were helping their father tie sugarcane.

Local school directors and teachers reported that children would not normally miss school during harvest, as families in the villages placed a high level of importance on education.

Interviews with workers revealed that they did not want their children to work in the farms but wanted them to study instead. Many of the worker's children reportedly had completed their college education and professional degrees. These workers were very clear that they did not want their children to suffer from working in sugarcane farms. Therefore, even workers with young children would not bring them along when they traveled to other districts for sugarcane harvesting. They would leave their children with relatives and visit them once every two or four weeks.

Many women workers stopped migrating to other districts for sugarcane harvesting and limit their area of operation to 15 – 50 kms from home. If they travel within 15 kms, they can return home to take care of their children every day. If they are in a radius of 50 km, they can return to visit their children once a fortnight. At the same time, many women felt that when their children were under 5 years of age, they could bring them along to the sugarcane farms. But once the children started school, these women preferred to stay with them and only do work available within their village.

### **Telangana**

Although workers were not currently harvesting during the field visits to Telangana, families of farm workers were interviewed and interviews were carried out with students at a local high school. Students stated that children travel with their parents during the peak sugarcane harvest season. They miss classes and find it difficult to catch up with their studies once they return from the farms. Some of the boys revealed that they still could not read and write after five to six years of school attendance due to prolonged absenteeism from school. When children of sugarcane workers could not pass qualifying exams, they would drop out of school. Almost all the troupe leaders interviewed said they had 1-3 young workers in their troupe that were school drop-outs.

## Land Use in India

Under British rule, the concept of private property was introduced to India, transforming the traditional land use systems. By the time of Independence from Britain in 1947, there was great land inequality in India. Numerous land reform efforts were introduced in the ensuing decades in an effort to remedy this, an effort that is still underway today.

### Legal Framework

The Constitution grants states primary responsibility for land governance and there is a significant variation of land laws and regulations among states. Examples of state level land law categories include the regulation of tenancy and the setting of ceilings on the size of land holdings, with the aim of redistributing land in excess of the ceiling to the landless poor.<sup>53</sup> These laws and their implementation would ideally help provide more equitable land distribution and low levels of rural landlessness, but their design and implementation has been sub-optimal. However, there is a framework of national laws in addition to those at the state level.

#### *The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013*

Like all countries in the world, India's governmental authorities maintain the right to involuntarily acquire private land under certain conditions when the broader societal needs are deemed more important than the private landowner's autonomous rights. Such compulsory land takings by the government (termed "land acquisitions" in India) are governed by the Land Acquisition, Rehabilitation and Resettlement Act, 2013. This Central government Act came into force January 1, 2014, replacing the Land Acquisition Act of 1894. This new law defines the mechanisms for land acquisition and aims to set equitable and transparent means for owner compensation, resettlement, and rehabilitation. The Act limits the circumstances under which the government may involuntarily acquire private land, mandates certain procedural requirements including notice and opportunities to be heard, requires compensation to be paid to "losing" landowners, and in certain cases requires a social impact assessment and resettlement and rehabilitation packages for losing landowners.

**Table 4. State Land Laws**

Examples of State Land Laws
Maharashtra Land Revenue Code, 1966
Maharashtra Agricultural Lands (Ceiling on Holdings) Act, 1961
Maharashtra Restoration Of Lands To Schedule Tribes Act 1974
Uttar Pradesh Zamindari Abolition and Land Reforms (Amendment) Act, 1963
Uttar Pradesh Land Laws Amendment Act,
Uttar Pradesh Land Revenue (Amendment) Act, 1970
Andhra Pradesh Land Grabbing (Prohibition) (Amendment) Act, 1987
Andhra Pradesh Records of Rights in Land Act, 1989
Andhra Pradesh Land Reforms (Ceiling on Agricultural Holdings) (Amendment) Act, 2009
Karnataka Land Reforms Act, 1961
Karnataka Land (Restriction on Transfer) Act,
Karnataka Land Grabbing Prohibition Act, 2011
Tamil Nadu Agricultural Lands Record of Tenancy Rights Act, 1969
Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1986
Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Tamil Nadu Amendment) Act,

<sup>53</sup> FAO

Importantly, unlike in many countries where the government may exercise this power only for public infrastructure projects, India's Act allows for the government in certain defined circumstances to compulsorily acquire land on behalf of companies. For private projects, land can only be acquired under the Act if 80% of affected families agree; for public-private partnerships, 70% of families must agree.

### *Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act 2006*

This Central government Act recognizes forest-dwellers' rights to formal legal rights to forest land they have been occupying for an extended period if certain conditions are met. It provides that no forest dweller shall be evicted from forestland till the recognition and verification of his/her forest rights is complete.<sup>54</sup>

### **Historical Context**

In ancient India, there was a complex set of land relations involving private ownership, royal administration and communal rule of villages. In some cases, private ownership was believed to be conferred based on use – whoever cleared the land, owned it. However, the king would have ultimate overlordship of land. During the Hindu period, village organizations were strong and they owned the land, with the king having minimal influence. Growth of hierarchical structures of land ownership eventually emerged in what some call a sort of feudalism. In the medieval period, the evolution of intermediaries gained prominence, some eventually focusing on revenue collection from land ownership. By the time the British arrived on the scene in the 1700s, they found the prevailing land systems to be perplexing, with multiple claims to a piece of land by numerous people at various levels of hierarchies.<sup>55</sup>

The British launched a series of land reforms aimed at fixing the legal owner of the land. The Poorest Areas Civil Society (PACS) program described the various land ownership systems introduced by the British, quoted as follows:

- The 'zamindari' system prevailed in most of northern India whereby feudal lords (zamindars) became owners of large tracts of land. They had to pay fixed revenue payments to the government and so peasants became tenant farmers and had to pay rent on the land they farmed.
- The 'ryotwari' system was followed in south and west parts of India. Individual cultivators (ryots or raiyats) were proprietors of land against revenue payments. They had rights to sub-let, mortgage and transfer land.
- The 'mahalwari system' was a third system whereby entire villages had to pay revenue, with farmers contributing their share in proportion to their holdings.

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<sup>54</sup> Housing and Land Rights Network

<sup>55</sup> Bandyopadhyay

- The Indian Forest Act was passed in 1920, making all forest land government-owned. This de-legitimized the traditional community ownership systems in adivasi (tribal) societies.

Land distribution under these systems became extremely unequal - rural society was polarized: landlords and rich peasants versus tenants and agricultural laborers. By the time of Independence in 1947, about 40% of India’s rural population was working as landless agricultural labor.<sup>56</sup>

### Current Context

India has a total land area of 2,973,200 square kilometers, 60% of which is agricultural land.<sup>57</sup> With a population of 1.3 billion people, India’s GDP in 2016 was comprised of 16.5% agriculture, 29.8% industry and 45.4% services.<sup>58</sup>

According to 2011 census data, nearly 69% of India’s population lived in rural areas and 70% of this population were engaged in agriculture, with women providing more than half of all agricultural labor.<sup>59</sup>

According to Landesa, “over 18 million families are landless and tens of millions more have insecure or weak rights over their land,” despite over half a century of efforts to improve equality and access to land in India.<sup>60</sup> The 2011 census data showed just over 2% of farmers owned nearly 25% of all agricultural land. Over 85% of landowners have less than 2 ha of land.

**Table 5. Land Ownership, Census Data 2011**

	% Owners	% Area Owned
<b>Marginal (&lt; 1 ha)</b>	75.41	29.75
<b>Small (1-2 ha)</b>	10.00	23.53
<b>Medium (2-4 ha)</b>	5.01	22.07
<b>Large (&gt; 4 ha)</b>	2.17	24.64

In addition to unequal land distribution, there are also challenges with involuntary displacement and land grabbing. In recent decades, India has seen a swathe of projects displace communities under the auspices of public use. This has included infrastructure construction, mining projects, and the establishment of Special Economic Zones (SEZs). These projects have reportedly resulted in widespread displacement, with an estimated 65-70 million displaced for development projects since independence in 1947.<sup>61</sup> According to a 2012 report by the National Human Rights Commission, those who have been displaced usually receive “neither adequate relief nor the means of rehabilitation.”<sup>62</sup> Similarly, an Expert Group Report on Development Challenges in Extremist Affected

<sup>56</sup> PACS

<sup>57</sup> World Bank Data (2014)

<sup>58</sup> CIA

<sup>59</sup> USAID

<sup>60</sup> Hanstad

<sup>61</sup> Housing and Land Rights Network

<sup>62</sup> National Human Rights Commission

Areas reported that, “Only a third of the displaced persons of planned development have been resettled.”<sup>63</sup>

It is generally the poorest of the poor who are most impacted by these practices, including scheduled castes and tribes, the official designations for the historically disadvantaged in India, including Dalits, or untouchables, and indigenous peoples. The challenges of landlessness and displacement have fueled protests by the Naxalite movement, a Marxist movement associated with extremism. Adopting the slogan ‘land to the tiller,’ the movement hopes to achieve land reform that ensures access to land for the poor.<sup>64</sup>

In addition to the challenges of landlessness and displacement via public projects, there is also rampant land grabbing. The following section reviews recent regional developments from news reports and civil society groups.

### *Western Region*

Maharashtra has faced a number of recent political scandals and high profile investigations related to alleged land grabbing. In 2016, a group of Maharashtra state ministers were accused of land grabbing related to the 2001 acquisition of 31 hectares of land intended for establishing a sugar mill. The land was reportedly “mahar vatan” land, or land allocated to the scheduled castes for use in cultivation, and which requires obtaining a series of permissions prior to sale. Apparently officials circumvented this process in the hopes of securing the land for the sugar mill investment. Some implicated officials resigned and others were threatened with legal action.<sup>65</sup> In another case, 30 building contractors were alleged to have bribed revenue department officials and forged revenue documents in order to avoid surrendering land to the government under the Urban Land Ceiling Regulation Act (ULCRA).<sup>66</sup>

Massive political demonstrations, up to 25,000 persons strong, have been organized in the state in response to pending land acquisition for development of SEZs and infrastructure projects that threaten tens of thousands of hectares of land and impact on hundreds of villages.<sup>67</sup>

The State government has launched a satellite mapping initiative and expects to map the rural land area within five years. This would be the first comprehensive survey of state land in 150 years. It is hoped the survey will improve transparency around land purchases. Land owners can review and resolve any disputes from the mapping process at the local level.<sup>68</sup>

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<sup>63</sup> Expert Group to Planning Commission

<sup>64</sup> Expert Group to Planning Commission

<sup>65</sup> Hindustan Times

<sup>66</sup> Karlikar

<sup>67</sup> Jha

<sup>68</sup> Kulkarni

### *Northern Region*

Following the lead from southern states, the Uttar Pradesh government recently approved the establishment of an anti-land mafia task force in the hopes of targeting rampant land grabbing in the state.<sup>69</sup> An online portal has also been established to receive complaints of land grabbing. This initiative is in large part a response to an incident in 2016. A community of squatters 3,000 people strong had been occupying a public park for two years, reportedly running a parallel government in the camp, backed by a private armed militia.<sup>70</sup> When police attempted to evict them, the confrontation turned violent and two police and 22 squatters were killed.

Large scale protests have taken place within the state, including thousands of farmers protesting inadequate compensation from large-scale land acquisition for infrastructure projects.<sup>71</sup> In some cases, violent confrontation with the police ensued.

### *Southern Region*

Land grabbing is reportedly the top crime in Tamil Nadu. In 2011, the state government established 39 anti-land grabbing cells, one for each district and police commissionerates, as well as 25 fast track courts for streamlined processing of the cases. Between 2011 and 2014, 2,482 cases were heard, with 4,587 acres of land restored.<sup>72</sup> The highest number of cases was in the urban centers of Chennai and Kancheepuram, with 168 and 114 cases respectively. Vacant properties were reportedly the target of land grabbing schemes carried out by organized mafia groups, sometimes with the backing of corrupt politicians. According to one news report, farmers and villagers may have been threatened or tricked into selling their land. The so-called granite mafia in Madurai “have usurped vast tracts of land from local villagers.”<sup>73</sup>

A similar land grabbing court in Andhra Pradesh established in 1988 has reportedly stopped functioning after the formation of Telangana as a new state in 2014.<sup>74</sup>

Karnataka has also witnessed protests against land grabbing and a demand for more equitable distribution of land. Informal or undocumented tenancy is also a concern. According to one report, “while the tenancy in agricultural land was abolished under the Karnataka Land Reforms Act-1974, over the years many people resorted to tenancy cultivation informally. Since this tenancy is undocumented as they are legally not recognized, the status of such informal tenants remains a grey area. They have no security of tenure nor can they access agricultural credit or various schemes of the government.”<sup>75</sup> Karnataka also has failed to complete mapping of land parcels in rural areas.

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<sup>69</sup> Press Trust of India

<sup>70</sup> Shrivastava

<sup>71</sup> BBC

<sup>72</sup> Tamil Nadu Police

<sup>73</sup> Kumar, G.

<sup>74</sup> Kumar, M.

<sup>75</sup> Azim Premji University



### Gender and Land Ownership

According to USAID, women’s land rights in India are not as secure as those enjoyed by men.<sup>76</sup> There are various socio-cultural factors that constrain women’s access to land. The 2011 Census showed that just 12.8% of agricultural landholders were women. One major constraint is found in inheritance practices. Familial land transfer in India occurs primarily through inheritance and women are routinely denied access to land inheritance. This is despite the fact that, in 2005, the central government amended the Hindu Succession Act of 1956 to provide for daughters to legally inherit agricultural land and property at par with sons. Implementation of the law, however, has been uneven.<sup>77</sup> For example, the state of Uttar Pradesh does not adhere to the Hindu Succession Act, deferring instead to the Uttar Pradesh Zamindari Abolition and Land Reforms Act 1950 that only offers women inheritance rights after the rights of all male descendants have been exhausted.<sup>78</sup> According to one source, while the state laws in Maharashtra allow for female inheritance and women are recorded on the Record of Rights documents, the reality is that male family members maintain possession of the land.<sup>79</sup>

Therefore, the FAO concludes, “even where women enjoy ownership rights, they do not exercise effective control over land, being unable to lease, mortgage or dispose of the land and of its products.” This is despite the fact that approximately 61% of working women in India are engaged in agricultural work<sup>80</sup> and represent 55-66% of the total labor in farm production.<sup>81</sup> Thus while a majority of women depend on agriculture for their livelihoods, “their access to and control of land is extremely limited.”<sup>82</sup>

### Initiatives to Promote Land Rights

<p>Poorest Areas Civil Society Programme II</p>	<p>DFID-funded program from 2009-2017, aims to help 9 million women and members of socially excluded groups claim their rights and entitlements more effectively. Operates in 90 districts of 7 states with low human development and economic indicators. Local CSO partners have successfully developed land-related advocacy interventions in Bihar and Jharkhand, including two campaigns to strengthen rights to homestead land, settle cases related to enforcing land ceilings and redistributing surplus land, and providing documentation to households who received redistributed land but no titles.<sup>83</sup></p>
<p>Support for the</p>	<p>DFID-funded program from 2013-2017, supports dissemination and</p>

<sup>76</sup> USAID

<sup>77</sup> Housing and Land Rights Network

<sup>78</sup> Sircar

<sup>79</sup> Sircar

<sup>80</sup> Ghosh and Ghosh

<sup>81</sup> Food and Agriculture Organization

<sup>82</sup> USAID

<sup>83</sup> Henley and Jolivet

<p>Implementation of the Voluntary Guidelines on Land Tenure (VGGTs)</p>	<p>effective and high quality implementation of the VGGTs. The program supports national implementation of the VGGTs in partner countries, either in their own land governance or to guide operations of multinationals from partner countries (as in India.)<sup>84</sup></p>
<p>Landesa Uttar Pradesh Project to Increase Women’s Land Ownership and Access to Government Services</p>	<p>Landesa has partnered with the government in 3 eastern districts of Uttar Pradesh to: “(1) Assist 15,000 landless families, most of them members of low castes or tribal communities, gain secure rights to land with women listed on the land title either singly or jointly. (2) Establish Women’s Land Rights Facilitation Centers to create a responsive institutional delivery system to ensure women’s access to and control over land. [...] (3) Partner with women’s organizations, and women’s self-help groups in particular, to provide approximately 50,000 women with land rights legal literacy training, to ensure they understand their rights.”<sup>85</sup></p>
<p>Christian Aid Land Rights Work</p>	<p>Christian Aid supports a large network of single women in Rajasthan and Gujarat who work primarily on land and housing rights and also supports the work of the national Dalit Action Forum and Ekta Parishad and their campaigns for government land reforms. In addition, it leads a consortium that runs the DFID-supported Poorest Areas Civil Society (PACS) program in seven northern states, partnering with 90 CSOs that include land and forest rights in their program agendas.<sup>86</sup></p>
<p>Oxfam Land Rights Work</p>	<p>Oxfam India’s land rights work focuses on the implementation of the FRA 2006, women farmers’ access to and control over land, land alienation, and land grabbing. Oxfam has worked on the Women Farmers’ Entitlement Bill 2011 and the Mining and Mineral (Development and Regulation) Amendment Bill 2011 to ensure that both are robust enough to protect the interests of the poor. In addition, Oxfam India supports women’s groups in Bihar, Odisha, Uttar Pradesh, and Uttarakhand to claim their land rights, and works to strengthen the economic agency of women.<sup>87</sup></p>

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<sup>84</sup> Henley and Jolivet

<sup>85</sup> Landesa

<sup>86</sup> Wilson

<sup>87</sup> Wilson

## Western Region Land Use Findings

### *Mill Policies on Land Use*

TCCC has adopted a policy stance on secure land rights and has asked suppliers to do the same. However, at the time of the study, none of the mills in Western Indian states were found to have put such a policy in place for themselves or their farm suppliers.

Despite not having formal written policies on land acquisition, two of the four mills in this region carried out a systematic review of farmer land records at the time of entering contractual agreements. These mills had files filled with photocopied land documents from thousands of farmers, including title clearance, land purchase record, and, for the mills in Maharashtra, the 7/12 extract, which was taken from the land register maintained by the state revenue department and includes information on land owner, land area, cultivator, and crop. The two remaining mills only checked land documentation in case of providing loans to farmers, such as seed loans, and not prior to entering any purchasing agreements.

The mills in Maharashtra reported being aware of land conflict in the area; however, they were not aware of any land ownership disputes related to sugar mills or sugar farm land. Most of the mills maintained a few hectares of land for sample sugarcane production but did not own any other parcels of farm land. Only one mill expressed an interest in expanding over the next ten years; another mill had hoped to expand the mill land holding but farmers refused to sell and so the mill abandoned the plan.

### *Farmer Land Use*

One hundred-twenty farmers were interviewed and reported holding the titles to their land. Seventy-two percent of these were able to show copies of documentation.

In Maharashtra, the majority of farmers stated they would either reduce or keep the same acreage of land for sugarcane for next season in response to water scarcity in the region. Only one farmer had plans to increase land holdings in the future.

Farmers and harvest workers did not report awareness of any land disputes or land expansion efforts in the area. According to village representatives in Maharashtra, the State Government started a Dispute-free Village Scheme (Tanta Mukti Gaon Mohim) in 2008. The scheme was introduced as a way to handle disputes at the village level and promote local harmony. It was also seen as a measure to reduce the work pressure on policemen. If there is any claim of illegal acquisition of land, then the matter would be brought before the village grievance committee, who will measure the land, review the relevant documentation and declare the actual owner.

There were no reports that the land currently owned or rented by mills and their supplier farms was obtained inappropriately, illegally or without the consent of the sellers.

## Northern Region Land Use Findings

### *Uttar Pradesh Sugarcane Cooperatives*

Under state law, all sugarcane in Uttar Pradesh is sold through cooperative societies. These societies are responsible for assigning sugarcane farms to a specific mill. An annual land survey is conducted as a joint exercise between the Cane Commissioner, the local cooperative societies and mill management. GPS and satellite systems are used to carry out the surveys, the results of which are posted onto the Cane Cooperative online portal, along with copies of land records from each farmer. Farmers can contest the survey results or access copies of their land registration online. Mill personnel can also access the land documents for all of the farmers that have been assigned to provide them with sugarcane.

### *Mill Policies on Land Use*

At the time of this study, none of the 5 mills in Uttar Pradesh had a formal land acquisition policy in place. One of the mills maintained a few hectares of land for sample sugarcane production but the other mills reportedly had no land holdings outside of the property where the mill is located. None of the mills reported having plans for expansion over the next ten years.

The majority of the mills purchased land directly from farmers in order to establish the mill operation. However, one mill obtained an award from the government for acquisition of part of the land for the sugar mill. Two hectares of land remained government-owned and were leased by the mill. The remaining portion of the land was purchased by the mill directly from farmers. All documents such as deed and Record of Rights were in place.

### *Farmer Land Use*

One hundred fifty-two farmers were interviewed and all but ten had physical titles to their land in their possession. The ten farmers without their titles were descended from immigrant Punjabi farmers and said the land deeds created by their parents in 1971 were lost. However, they noted that they could access online versions of the documents via the online land registry of Uttar Pradesh. The majority of farmers reported receiving ownership of their land through inheritance.

Thirty-one percent of farmers stated they plan to expand their land holdings in the next ten years.

### *Land Disputes*

Two of the mills reported being generally aware of land disputes in the area; however, they were not aware of any specific land ownership disputes related to sugar mills or sugar farm land. They

#### Case Study: Mill Land Acquisition

One mill approached a village regarding possible land purchase. An interview with the farmers who sold their land to the mill disclosed that, after being approached by the mill, farmers in the village met to identify the land to be sold and the price to be quoted. The sellers said it was a legal and transparent process and beneficial to the community. Land was ultimately purchased from eleven farmers under the provisions of the Industrial Entrepreneur Memorandum. The mill later applied to the Sub-Divisional Magistrate to change the land classification to 'non-agricultural,' in accordance with legal practices.

acknowledged that a number of farmers may contest the annual land survey results as carried out by the cane cooperatives, but that these are resolved directly with the cane cooperatives.

Of the 1,052 workers, farmers and their family members interviewed in the state of Uttar Pradesh, none reported any specific land disputes in their villages. Visits were made with local village chiefs who reported that land disputes in Uttar Pradesh were rare. Land disputes generally center on family matters, such as a disagreement over land inheritance, or a boundary dispute, and these disputes are normally resolved in court.

According to a Land Officer at the Village Land Office, common reasons for land disputes include land grabbing of a minor nature, boundary disputes, or encroachment. These may be settled in court or the Land Officer may facilitate an arbitration process. The local land office had hard copies of land registry documents, including a *khashra* book, which lists all the land and crop details of the properties in the region, and a *khataunis*, or record of rights, for each land owner. These documents were also available online.

There were no reports that the land currently owned or rented by mills and their supplier farms was obtained inappropriately, illegally or without the consent of the sellers. One group of farmers interviewed stated that once their names are in the *khatauni* and land is under their possession, it would be very difficult for a dispute to arise.

## Southern Region Land Use Findings

### Mill Policies on Land Use

None of the mills in the southern region had land acquisition policies in place. One mill purchased 14 hectares of additional land area in 2015 to expand mill operations. Another mill is planning to increase sugarcane production by increasing the number of suppliers in its sourcing pool. To accomplish this, the mill has distributed cane seedlings to farmers. A third mill does not have any plans for expansion in the next ten years.

**Table 9. Southern Mill Land Acquisition**

State	Mill Land Acquisition History
Andhra Pradesh	Mill land was purchased from local farmers and other private land owners in accordance with state regulations. All necessary deeds and titles were in place. Additional land is also leased for seed production.
Karnataka	Mill land was acquired through grant, purchase and leasing. The state government sanctioned a grant of public land to establish the mill. Additional land was purchased to use as a research and seed production farm. Land was also leased to fulfill a legal requirement that 35% of mill area be a green zone for pollution prevention and control.

Tamil Nadu	Mill land was purchased with the exception of 0.09 acre that remains as government land, in the form of drainage channels that pass through the property. The land was registered during the British period under the Registration Act.
Telangana	The mill was established in agricultural land that was later converted to non-agricultural purpose through a legal proceeding in the Revenue Office. Land was purchased from local farmers.

According to interviews with mill representatives, village revenue officers and in some cases, prior landowners who sold land to the mills, legal requirements appeared to have been followed and legally required documents and records were in place to indicate that mills hold clear titles to their land. All of the mills were found to maintain copies of their farm suppliers land registration in one form or another (see case study box.)

### *Farmer Land Use*

While the majority of farmers were landowners, a small percent in each state were tenant farmers, leasing the land and cultivating it to grow sugarcane. Except for these tenants, farmers reported having possession of their land documents and the type varied by state.

In Andhra Pradesh and Telangana, farmers had Pattadar Passbooks and Title Deeds, as required by law. Awareness among farmers of these required documents had risen significantly in recent time, as they have been essential to obtain bank loans, subsidies from the Government or compensation for crop damage. However, a number of farmers were found to have records still in the name of their parents, having failed to change the title ownership after inheriting the land.

In Karnataka, farmers were also found to have land deeds in their possession, though a small number were tenant farmers. Two challenges were identified for farmers that were surveyed:

- Some of the land leasing agreements were made orally, due in part to government policies that restrict formal leasing. Oral leasing complicates the process for both the landowner and tenant, as mills may pay directly to the landowner and the farmer must obtain their cane payment from the landowner.
- Three marginal farmers, or farmers cultivating land under 1 hectare, were identified during field visits. They had occupied land classified as public for a significant time but had not yet been able to obtain formal rights to that land.

### Case Study: Farmer Land Registration

One mill required farmers to have clear title to the land in order to sell cane to the mill. Normally, farmers would approach the sugar company officials at the time of planting and provide their land record details. Mill field staff would then visit farmers' fields in order to measure the land holding with a GPS. The data goes into the mill's online registration software. These records then include the land details from supplying farmers, along with the survey number, name, and size of the holdings at the time of registration.

Some farmers in Karnataka had recently switched their crop to sugarcane from maize, cotton, or banana.

In Tamil Nadu, land registration was established during British rule. The *patta* is the land registration document in the state and farmers were found to have possession of this. However, a number of farmers still had land documents in the name of their parents. As in other states, there were farmers leasing land from other farmers and such leases were almost invariably oral agreements. In one village, 99 acres of land were owned and managed by an Islamic community group called the Wakf Board. The Board rents land to local farmers, some of whom cultivate sugarcane. Wakf is an 800 year-old institution that began when Muslim rulers donated lands for charitable purposes.

Only one farmer of the 124 farm sample reported having plans to expand land holdings in the next ten years. This farmer hoped to purchase an additional 3 acres of land.

### *Land Disputes*

One mill in Andhra Pradesh reported being generally aware of land disputes in the area; however, they were not aware of any specific land ownership disputes related to sugar mills or sugar farm land. The other mills in this region did not report awareness of any land disputes.

Of the approximately 690 workers, farmers and their family members interviewed across the southern region, none reported any land disputes in their villages. Meetings with private landowners, revenue officials, and village panchayats did not identify concerns regarding land acquisition or land disputes related to mills or supplier sugar farms.

In one village in Andhra Pradesh, the local government conducted two rounds of village meetings over the last two years to update land records. One hundred fifty applications were received for rectification of records or mutation of title, etc. and were all updated or otherwise resolved via community council action.

There were no reports that the land currently owned or rented by mills and their supplier farms was obtained inappropriately, illegally or without the consent of the sellers.

## Conclusion

The context in which sugar production in India occurs presents a broad range of challenges, including both historical labor challenges as well as current economic ones.

### Forced Labor

While India has made tremendous strides over the last sixty years in both legislation and practice to abolish the centuries old practice of bonded labor, including the dismantling of the slave-like conditions in the colonial-era tea estates, the risk of bonded labor is still present in agriculture today. The wage advance system persists throughout the sugar sector and while none of the workers interviewed in this study directly reported a situation of bonded labor, they faced the risk of becoming lodged in a debt cycle should they be unable to complete the work of a harvest season.

At the time of the study, just two of the thirteen sugar mills had a policy on forced labor and the policies only applied at the mill level. They did not address the farm supply chain nor the issue of wage advances and worker debt. There is an opportunity for mills to review the worker recruitment process and look for areas to influence farmer hiring practices, especially in states where mills contract with labor agents directly.

Another challenge related to forced labor was the issue of involuntary overtime that was identified at fifteen of the sampled farms for one mill. Workers reported being obligated to conduct overtime work for loading and unloading of cane, after the regular work day. However, workers in other adjacent states had agreements in place to prevent this from occurring, signaling the possibility of negotiating working conditions for harvest workers.

These concerns, coupled with the living conditions of many migrant workers, raises flags in the area of forced labor. For mills who currently provide supplies for building temporary shelters, there is an opportunity to reconsider migrant labor housing and the desirability of housing options that provide safe shelter and sanitary living conditions. Some of the initiatives profiled in this report may inform models for possible interventions, such as Save the Children's Pragati Gramodyog Sansthan.

### Child Labor

Against the backdrop of an ancient tradition of family agricultural labor, including family bonded labor, 21<sup>st</sup> century India has seen significant decreases in the incidence of child labor. However, the majority of child workers remain in rural areas, involved in home-based work and informal sector work, including agriculture.

Five of thirteen mills had written policies on child labor. However, none of the policies were targeted to farm supply chains and they did not include remediation efforts. Sugarcane harvesting was generally a family affair in the majority of the states, excepting Uttar Pradesh. In cases where the family migrated, children were present in the fields and older children would inevitably assist the family in harvest activities. Stakeholder outreach identified a range of educational options but their availability varied village to village and the presence of a schooling option alone was insufficient to ensure that children were at school rather than in the fields.



However, the identification of these various options presents opportunities for mills prepared to reach out in their communities to promote school attendance. Especially in the western region, there was often an apathy toward schooling on the part of working migrant parents. One mill provided a model of community outreach to promote the benefits of schooling in an effort to influence attitudes and several of the mills are engaged in community efforts to support local schools. There are a plethora of civil society and government educational initiatives that could be tapped to improve access to and the use of educational opportunities for children. Assessing availability of government funded Sakhar Shala schools and the Midday Meal Programs profiled in this report would be a simple starting point to examine ways to expand both incentives and access for children.

## Land Use

Under British rule, ancient traditions of land ownership involving private ownership, royal administration and communal village rule, were transformed into systems of private property. But land distribution under the new systems became extremely unequal and by the time of Independence from Britain in 1947, about 40% of India's rural population was working as landless agricultural labor. Numerous land reform efforts were introduced in the ensuing decades in an effort to remedy this, an effort that is still underway today.

While land security is considered to be challenging in India, the specific sites surveyed in the study did not raise flags regarding current or recent historical land grabbing. While TCCC has asked suppliers to adopt a policy to support secure land rights, none of the mills had done so at the time of the study. The policies and practices of mills in this area were varied. In the Western region, two of the mills had robust systems for reviewing and recording farmer land documents. In Uttar Pradesh, while none of the mills had documented policies in place, the state sugarcane cooperatives ran online databases providing access to land records for all cane farmers. Similarly, in the southern region, despite a lack of formal policies, the mills maintained copies of farmer land registration.

Community stakeholder outreach confirmed that local land disputes did occur but these were primarily family related disputes over inheritance, boundary disputes, or other such minor disputes regularly managed through local land revenue offices or local government councils. A small number of tenant farmers were identified in one southern state and they were operating under oral leasing agreements, due to restrictions against formal leasing. This presents a risk to the tenant farmers and complications around the receipt of payment from mills, who pay directly to the landowner. While there were no reports of illegal land acquisition or encroachment, there is an opportunity for mills to develop formal policies and prepare for further engagement on these issues with farmers in their cane supply chain. Efforts of NGOs such as Landesa, Christian Aid, and Oxfam to improve women's land ownership and understanding of land rights present models for engagement at the village level.

## Appendix A: Stakeholders Consulted

<b>Government</b>
National Commission for Protection of Child Rights, India
United States Department of Labor, Bureau of International Labor Affairs
United States Agency for International Development, India
<b>Intergovernmental Organizations</b>
International Finance Corporation, India
International Labor Organization, India
<b>Non-Governmental Organizations</b>
Bonsucro
Ekta Parishid
Landesa
Mercy Corps
Oxfam India
Save the Children, India
UNICEF India
<b>Municipal Groups</b>
Primary and secondary school director, Shankar Nagar, Solapur, Maharashtra
Primary and secondary school teacher, Shankar Nagar, Solapur, Maharashtra
Primary school teacher for temporary school, Solapur, Maharashtra
Journalist, Solapur, Maharashtra
Primary school teacher, Aurad, Solapur, Maharashtra
Primary school teacher, Asurle, Kholapur, Maharashtra
Primary school director, Asurle, Kholapur, Maharashtra
Preschool, Bal Vikas Mandir Aaganwadi, Kholapur, Maharashtra
Tanta Mukti Gaon Mohim (Dispute-free Village Scheme), Aurad, Solapur, Maharashtra
Swabhiman Shetkari Sanghtana (Farmer's Organisation), Asurle, Kholapur, Maharashtra
Bandini Mahila Bachat Gat-Self Help Group, Kholapur, Maharashtra
Village panchayat, Madhya Pradesh
Aaganwadi preschool, Madhya Pradesh
Residential school, Madhya Pradesh
Mill school, Madhya Pradesh
Prasfut Social Work Committee, Nandgaon, Madhya Pradesh
Primary school director, Ajbapur, Uttar Pradesh
Village panchayat, Pradham, Uttar Pradesh
Gram Pradhan, Narauli, Faizabad, Uttar Pradesh
Cane Cooperative Vice Chair, Ajbapur, Uttar Pradesh
Deputy Cane Commissioner, Faizabad, Uttar Pradesh
Village Land Office, Thakurdwara, Moradabad, Uttar Pradesh
Primary and secondary school director, Davarsi Village, Uttar Pradesh
Labor Inspector, Aroha district, Uttar Pradesh
Landowners, sold land to mill, Moradabad, Uttar Pradesh
Village panchayat, Moradabad, Uttar Pradesh
Director of local cane cooperative, Moradabad, Uttar Pradesh
Revenue Inspector, Moradabad, Uttar Pradesh
WAKF Board, Vengadampettai, Cuddalore, Tamil Nadu
Sugarcane Workers Association, Cuddalore, Tamil Nadu
Primary and middle school director, Cuddalore, Tamil Nadu

Primary school director and teacher, H. Chapta, Narayankhed, Telangana
Women and Child Welfare department, Narayan Khed Block and Nizampet Block, Telangana
Mahatma Gandhi National Rural Employment Guarantee Scheme, Telangana
<b>Municipal Groups (continued)</b>
United Samaja Kalyana Samsthe, Belagavi, Karnataka
District Revenue Office, Belagavi, Karnataka
Village panchayat, Rayavaram, Andhra Pradesh
Sri Sarvaraya Workers Union, Rayavaram, Andhra Pradesh
Village panchayat, Undeshwarapuram, Pithalapuram mandal, Andhra Pradesh
Village panchayat, Dontamuru, Pithalapuram mandal, Andhra Pradesh
Mill primary and secondary school, Rayavaram, Andhra Pradesh
Medical clinic, Rayavaram, Andhra Pradesh

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## Appendix C: Revision History

Date	Revision
May 2, 2017	First draft of report submitted to TCCC
Oct 20, 2017	Report revision, second draft submitted to TCCC
February 22, 2018	Report revision, third draft submitted to TCCC
December 10, 2018	Report revision, fourth draft submitted to TCCC
January 30, 2019	Report revision, fifth draft submitted to TCCC
March 14, 2019	Report revision, sixth revision submitted to TCCC
June 21, 2019	Report revision, seventh revision submitted to TCCC