

# The Corona Contagion and Indian Agriculture: A Short-lived Overview

*Mr. Arshan Mohammad H Kashanatti*<sup>1</sup>

*Research Scholar, Department of Studies in Economics, Rani Channamma University,  
Belagavi-591156, Karnataka State, India.*

*Prof. Talwar Sabanna*<sup>2</sup>

*Professor and Chairman, Department of Studies in Economics, Rani Channamma  
University, Belagavi-591156, Karnataka State, India.*

---

## **Abstract**

*From the beginning of time we have witnessed strange things and it's the time we actually face a new challenge today the Covid-19. The virus has not affected only one part the globe but it has reached ever hook and corner of the world and severely has negatively impacted on all the major sectors of the economy. The focus of the study is on the agriculture sector of India, which is the crucial sector to India economy and the livelihoods of each and every individual. The study is presented is conceptual in nature. The major concern of the paper has been the challenges faced and upcoming challenges to be faced by the agriculture sector. The paper throughs a light on the current situation of World and Indian Agriculture, along with the government initiatives to fight such a distressing time. The paper tries to suggest some mitigation measures to face such a challenge. Every beginning has its end, the current situation will also have its ends and everything will be as normal as it was but it will have its shadow moving over us for some time in the mere future.*

**Key Words:** Covid-19, Agriculture, Supply Chain.

## **Introduction:**

Human race has experienced a variety of bizarre and captivating challenges of unforeseen enemies and is in fight with such stranger things now it's the novel coronavirus COVID-19 is the recent encounter faced by the whole world. Primarily detected in the Wuhan a City in Hubei province of China with the first cases detected in December 2019, now quickly making its ground in and around the globe creating a panic and disastrous situation for the world economy. Origin of the virus is still a myth to the world with no evidence to prove from where it has made a home in the human host, but many experts believe the new strain of virus

---

have developed in bats or pangolins. The novel coronavirus is basically group of viruses that can be found in both animals and humans. SARS Severe Acute Respiratory Syndrome is an example of coronavirus which was prevalent in 2002-03. The new strain is called SARS-CoV-2. The new virus was declared a pandemic by the WHO on March 11, 2020. The world is moving speedily towards a recession. The Covid-19 pandemic has shut down large parts of the world economy for at least a few months and more. IMF managing director Kristalina Georgieva that the position for global growth in 2020 was negative. Recovery, if any, is expected only in 2021. As per the International Labour Organisation (ILO), the rise in unemployment because of Covid-19 could be up to 25 million worldwide.

### **World Agriculture and Pandemic:**

The Food and Agriculture Organisation (FAO) expects swings into the supply of food and cautions for a global food crisis if countries do not protect weaker sections of the society from hunger and malnourishment, and clogged food supply chains. Likewise, the United Nations warns for food scarcities around the Globe. To provide an example it states for the Ebola outbreak in Sierra Leone (2014-16) led to a major rise in hunger and malnutrition. Small and marginal farmers will also be badly affected if they are unable to continue working their land, earn remunerative product prices, and gain access to markets for purchase or sale. World agricultural prices show signs of a rise from the third week of March 2020. One reason for this rise has been the stockpiling by households of agriculture items and the restrictions imposed by different countries on food exports. For instance

- Global rice exports may decrease by 15% as Vietnam, the world's third largest rice exporter, has stopped its exports.
- If India and Thailand too ban exports, world rice prices may increase steeply.
- Russia, the world's largest wheat exporter is also expected to restrict its exports.
- Kazakhstan, one of the world's biggest sources of wheat flour, has already banned its exports and such similar trends are noted in other crops too.
- Serbia, to cite an example, has stopped the export of its sunflower oil.
- Observers have argued such policies indicate towards the wave of food nationalism that would disrupt the nature of trade flows.
- Exports of Agricultural Products in India had increased to 232.26 INR Billion in February from 211.50 INR Billion in January of 2020 indicating a positivity to the sector, but the current situation tends to make loses in exports.

## India and Pandemic:

The pandemic across the globe has affected each and every walks of lives, curtailed every sector, handicapped the whole world and brought miseries to all sections of the society, especially to the poor. Protecting the lives of its people affected or not affected from the deadly virus has become the top most priority of the nation and the government has taken stiff and stringent measures leaving aside the growth of economy. Covid-19 has had a highly disruptive effect on the world economy in the past few months and its devastating effects on Indian economy are no different. The spread effect of the virus in India has a massive consequence to health as well as the livelihoods of millions of people in the country. With international agencies downgrading India's growth for the year 2021 to its lowest is indeed a black spot. The immediate challenge posed of lockdown was the unemployment rate rose from 6.7% to 26% with estimated 14 crore people losing employment. On the other had the economy made a loss of 32000 crore per day. With no options left the opening up of economy saw sudden rise into the number of cases. The current time series figure shows nearly 9k cases registered per day taking the count to cross 2 lakhs. But from the positive point of view the per head cases is too low in India and the mortality rate are even more low as compared with the developed nation. India has done a tremendous job in containing coronavirus to its limits but on the other hand it is losing its economy. The measures adopted by the government may help in limiting the health crisis, but the complete shutdown of all economic activities has to some extent created an economic emergency and misery for the poor, with huge job loss and growing food insecurity. The economic tremors will have severe negative impact on India, for the following reasons. Firstly, the pre-pandemic period, India was facing the challenge of economic slow-down, prevailing problems of unemployment, low income levels, rural distress, malnutrition, and extensive disparity. Secondly, India's large informal sector is particularly weak. Out of the national total of 465 million workers, around 91% (422 million) were informal workers in 2017-18. Lacking regular salaries or incomes, these agriculture, migrant, and other informal workers would be hardest-hit during the lockdown period. The current health crisis has impacted in a negative way and made its path in hindering all the sectors of economy. All the three major sectors being predominantly interdependent has to face the wrath together.

## Objectives of the Study:

1. To make an overview study on impact of Covid-19 on agriculture sector in India.
2. To find the major issues and government measures during global health crisis.

## **Methodology:**

The present study has been constructed purely on conceptual grounds. The researcher has used an abstract idea from various articles, news editorials published through various websites and links concerned with matters relating to Covid-19 and its influence on agriculture to provide his views on the current crisis.

## **Covid-19 and Indian Agriculture:**

India is a traditionally an agriculture-based country where farming activities are the major source of livelihood of rural population with around 60% of population involved in such activities. The common saying that agriculture is backbone of the country is not turning out to be true rather the backbone is becoming weak day by day with deficiency in Indian agriculture and loopholes in its development. Not to be harsh with the current agriculture situation and government initiatives there have been many changes into the sector but we can say it is not upto the mark as compared with the increase in population. From the production point of view India may be at the top of the list in some items but from the productivity point where stand nowhere with other nations. There is severe divergence in the land man ratio. With huge land area and variety of agro-climatic conditions there is huge scope into agriculture sector. With the increase in population we correlate it with the problem of food insecurity with the nation may face in coming days. With majority population, under the sector contributes the least toward national income of the country. The loopholes in agriculture along with the novel coronavirus is a complementary problem to the agriculture sector. Due to the severity of the present health crisis India may face shortage of food. On goings in manufacturing and services, that provide non-essentials, can be post ponded, for the time with few serious consequences, but agricultural activities cannot be delayed much longer because of the perishable nature of agricultural products. Any delay may disturb the production system and affect India's food security. The lockdown has severely disrupted India's agricultural sector, starving it of buyers and migrant labourers as the restrictions halt people's movements. With a sharp decline in takers for vegetables, fruits and flowers, farmers are looking to the government for help. Therefore, it is necessary to take up measures to face the immediate problem. Post Corona period may lead to inflated agricultural prices in coming days.

## Immediate Challenges Faced:

Despite the measures and continuing restrictions on movements of people and vehicular traffic, concerns have been raised regarding negative implications on the farm economy. The lockdown in India was at peak of rabi season in India and crops like wheat, gram, lentil, mustard, etc. are at harvestable stage or almost reaching maturity. Forecasts of rabi crop for the current year was estimated to increase due to excess monsoon rainfall in 2019, as reservoirs almost throughout the country.

The projected figure was around 150 million tonnes (MT) as per the Agriculture Ministry compared to the last rabi season of 139 MT. The best-ever wheat output was predicted which would cross 106 MT as against a little over 99 MT as off the previous season. Almost all major rabi crops this season did better than last year. While the winter rice production is expected to be 15.53 MT as against 13.63 MT in the previous season, oilseeds output would go up to 10.75 MT as compared to 10.25 MT in the same season last year. The 2020 rabi production of pulses is estimated to be 15.11 MT as compared to 15.02 MT in the last season. The output of maize in the current rabi season is slated to be 8.22 MT (7.58 MT in 2019 season), sorghum 2.66 MT (1.84 MT), and that of barley 1.88 MT, a little less than previous season's 1.92 MT (The Hindu, Business Line).

Production of rabi crops may not tend to have a severe impact from the production point of view as these crops can be stored for a stipulated period of time. But the issues are with the shortage of labour during the harvest stage, break of supply chain i.e. sales and marketing of such products into the market because of the restrictions on movement inter-state or inter district and fetching a good price in market. But the severe threat is to the agricultural products which are perishable character such as fruits and vegetables, dairy products, fish, etc. which need an immediate market access. As we have most of the farmers have destroyed their crops buy dumping it, running over tractors over the produce and even feeding the produce to cattle as there was no access to the market and a right price for their product. Farmers feel more better to dispose of their produce as transport and labour cost are more than the revenue of the total produce. As we had expected the prices to fall in the retail market to the pandemic but it was not a reality for the consumers as the consumers paid almost the same price or even a higher price in cases, the question arises that why was there no drop into the fruits and vegetable prices and the answer to this the break of supply chain i.e. the supply never reached to the market if reached to the market never had a buyer to it. Making the food grains, fruits and vegetables

and other essential items available to consumers, both in rural and urban areas, is the most critical challenge for Government machinery during the lockdown period. Smooth functioning of the supply chain, with adequate safety measures for the people involved, is of paramount importance. The sale of dairy products; fish; poultry, etc. has also been hit during the lockdown period as the uptake by the organized industry players has been affected due to shortage of workforce and transport issues.

### **Immediate Challenge Upfront:**

Upcoming is the kharif season with the entry of monsoons on time, now under this circumstance the main area of concern is the production of crop, prior in the rabi season production was not major concern but this season it's from the beginning of chain because forming the initial loop is a biggest challenge due to factors such as the confidence among the farmers to cultivate their fields, shortage of labours, fall in price at mandis and no market access. Measures should be taken up to bring in a sense of confidence among the farmers by creating a market for their produce by fixing a price of the produce. With the relaxation from the lockdown may in some case stabilize the situation but still it poses a threat to the agriculture sector. The sale of dairy products; fish; poultry, etc. have shown a rise a compared to the initial phases of lockdown. As the kharif (rainy/wet) season has reached, suitable lending of crop advances must be extended and enabled for smooth flow of credit to borrowing farmers. Agri-inputs such as seeds, fertilizers, agro-chemicals, etc. – have to be well equipped for easy availability and accessibility. Private sector has a major role to play to support the policy measures. Agriculture still is a gamble and the farmers are the risk takers but the government can play the role of risk averter in this crisis situation. Relaxation of the norms by Agricultural Produce Market Committees (APMCs) allowing farmers to sell their produce beyond the designated markets will certainly ease the burdens of farmers. State Governments must gear up for the smooth procurement operations of farmers' marketable surpluses at MSP or through other price support schemes.

### **Strengthening of Agricultural Supply Chain:**

COVID-19 is disrupting some activities in agriculture and supply chains. Preliminary reports show that the non-availability of migrant labour, transportation problems, fall of prices and other issues have broken the supply chain. The closure of hotels, restaurants, sweet shops, and tea shops have dropped the sales. Dairy have been partly affected with milk production intact with fall in dairy products, while poultry farmers have been badly hit due to

misinformation, on social media, that chicken are the carriers of COVID-19. Agribusiness as a process has a link at every stage of agriculture production and this link has to be maintained from input to output. India has a very big population to feed, the demand will increase over a time it is necessity to the supply enough to meet the demands, otherwise we may face acute shortage of food and the poorest section may have to suffer a lot. Some measures are required to keep the agricultural sector and its supply chain working smoothly:

1. Government guidelines to exempt farm operations are correct, but implementation problems should be rectified.
2. Functioning of supply chains is crucial to food security or it may lead to shortage of food and in severe case may cause a famine like situation.
3. Transportation of agriculture produce and food grains should be managed well and farmers must have continued access to markets.
4. Farmers and agricultural workers should be included in the government's assistance package.
5. E-commerce should be largely encouraged as there is huge demand for such online services.
6. Providing minimum support price for agriculture produce to maintain a sense of confidence among farmers.
7. The government should promote trade by avoiding export bans and import restrictions.

### **Government Initiatives:**

Government has done its best in curbing the spread of coronavirus in India. Along with this has taken utmost care in sustaining the agriculture sector too through different measures. Mentioning about the steps taken by the government to help farmers during the lockdown, government listed the exemptions announced for the agriculture sector and highlighted government platforms such as e-NAM, Kisan Rath app and the All India Agri Transport Call Centre launched for their benefit.

- e-Nam is an online trading platform for agricultural commodities,
- Kisan Rath app facilitates transportation of agri-produce across the country.
- The All India Agri Transport Call Centre was launched to facilitate inter-state movement of perishables during the lockdown.
- The Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme has benefited farmers as Rs 17,986 crore has been disbursed since 24 March. The announcement, among a

slew of benefits, contained advance release of INR 2000 to bank accounts of farmers as income support under PM-KISAN scheme.

- The Government also raised the wage rate for workers engaged under the NREGS, from Rs.180 to Rs202.

### **Findings:**

- The major issue of concern is for the perishable agricultural produce rather than non-perishable produce.
- The government measures are best of its kind but it lacks the implementation and as the number of beneficiaries under the e-NAM, PM-Kisan are too low.
- Kharif Crop production may be at a higher risk.
- Post corona period may lead to inflated prices due to shortage food supplies as a result of lack of market accessibility.
- Transportation and market access are the major issue for the impact on agriculture sector.
- Agriculture sector may turn out to be a major contribute if proper measures are adopted.

### **Suggestions:**

- Minimum support price by the government upto the health crisis has been sorted out or controlled.
- Relaxation of APMC norms and temporary suspension of middlemen at mandis.
- Encouragement of online portals for doorstep deliveries.
- Buy back guarantee for the agriculture produce or purchase of full produce at a fixed support price.
- Temporary relaxation of regulations and taxation of agribusinesses
- Production may not be an issue but sales is, so utmost care should be looked into such marketing of produce.
- States which have relaxed the restrictions should go increasing the productivity and supply to other states.

### **Conclusion:**

Agriculture sector has always been in conflict many factors since the commercialization of agriculture or prior to that, to mention a few are natural calamities as floods, drought, excess

or mere rainfall, and current the agriculture sector faces the unseen evil of coronavirus. Like all other factors are temporary this crisis is also temporary phenomenon. Measures should be taken up to fortify the chain link from agriculture produce to the consumer. Build in the confidence among our farmers under such circumstances and create a hope of development because it is not the first-time mankind has faced such strange things. We borne to lose some part in this crisis eventually but we can hope for the best and continue our struggle with full energy and enthusiasm to fight against this world health crisis. No one has any idea upto what time this deadly disease is going to haunt the man kind but it has end to it.

### References:

1. *The Covid-19 Pandemic and Indian Agriculture: A Note*, M S Swaminathan Research Foundation: Science for Sustainable Development.
2. Arabinda Kumar Padhen and Peter Carberry, *Containing Covid-19 Impacts on Indian Agriculture*, International Crops Research Institute for the Semi-Arid Tropics (ICRISAT).
3. Mahendra Dev S, *Addressing Covid-19 Impacts on Agriculture, Food Security, Livelihoods in India*, International Food Policy Research Institute.
4. The Hindu, Business Line, News Editorial.
5. The Print, News Editorial.
6. Medical News Today, News Editorial, *Coronavirus Cause: Origin and how it Spreads*.