

Positive Impact of Lockdown on Agriculture

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Importance of Agriculture in Indian economy:-

Agriculture and allied sectors are the mainstay of economy in India as it is the most important occupation for most of the Indian families. It plays most crucial role in the socio-economic sphere of the country. Indian agriculture is a diverse and extensive sector involving large number of stakeholders. During lockdown almost every sector faces loss which results in contraction in economic rate of the country, but agriculture was the only sector to have reported positive growth. The share of agriculture and allied activities in Gross Domestic Product (GDP) has reached almost 20% or the first time in last 17 years during 2020-21. The RBI estimate showed that agriculture during lockdown recorded a Gross Value Added (GVA) growth of 4.0 percent. This accounted for 15.2 % of overall economic growth. It surpassed the industrial sector's contribution to economic growth which was just 4.7%. Farmers got good prices of their production. The average price of mustard in mandis, according to the official Agmarknet portal, was Rs 5,696.43 per quintal in April 2021, as against Rs 4,492.71 for the same month last year. In 2019-20 total food grain production was 296.65 million tonnes which was higher by 11.44 million tonnes than last year. The sales of fertilizers also increased i.e. 677.02 lakh tonnes from 617.10 lakh tonnes.

The reason behind which agriculture sector didn't suffer much as compared to rest of economy:-

The country received good amount of rainfall i.e. 971.8 mm which led to filling of reservoirs and recharging of groundwater tables. The Home Ministry's guidelines spared PDS ration shops and other stores i.e. food, groceries, fruits, vegetables, milk, fish, seeds and pesticides from lockdown restrictions. One more reason behind growth of agriculture sector is availability of farm labourers in some areas, As many labours moved to their village due to lockdown due to which many labours and people engaged in agriculture for their daily income.

Steps taken by government to lessen the impact of lockdown on Agriculture Sector:-

Agriculture and its related activities were exempted from lockdown restrictions. Under the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme during the period of COVID-19 pandemic, about 9.36 crore farmer families have been benefitted and an amount of Rs. 40,466 crore was released. Under MGNREGA, regular wages were increased from Rs. 182 to Rs. 202 benefitting 50 million families by giving an additional income of Rs. 2,000 per worker. The Reserve Bank of India has also announced specific measures that address the “burden of debt servicing” due to COVID-19 pandemic. Agricultural term and crop loans have been granted a moratorium of three months (till May 31) by banking institutions with 3 percent concession on the interest rate of crop loans up to INR 300,000 for borrowers with good repayment behaviour. Central government schemes regional governments and other departments have also initiated actions independently. Besides Central government schemes like Pradhan Mantri Garib Kalyan Yojana, regional government have also taken decisions independently for benefits of farmers. For example:-Bihar government increased the target of wheat procurement to 7 lakh metric tonne from the existing 2 lakh metric tonne so that maximum number of farmer across the state would able to get genuine price of their wheat production due to more procurement at the government level. Rajasthan government provided tractors along with seed and other equipments to small and marginal farmers. U.P Govt announced that they will buy 2.64 lakh metric tonnes of mustard, 2.01 lakh metric tonnes of gram and 1.21 lakh metric tonnes of lentil (masoor) from farmers at Minimum Support Price (MSP)

Agricultural Marketing and transportation:-

Govt. has taken certain initiatives to overcome transportation problems for farmers. Due to complete lockdown, all the wholesale mandis were closed on 25.03.2020. There are 2,587 main agricultural markets available in India, out of which 1,091 markets were functional on 26.03.2020. The Department rigorously pursued the matter with the states and more than 2,067 markets were made functional to facilitate the farmers. Advisory was issued by the Ministry to all state governments to facilitate Direct Marketing from the farmers/FPOs/ Cooperatives etc. by limiting regulations under State APMC Act. Ministry of Agriculture launched “KISAN RATH”, mobile application in April, 2020 to facilitate farmers and traders in searching for



transport vehicles for primary and secondary transportation for movement of agriculture and horticulture produce.

