



**ORIGINAL RESEARCH PAPER**

**Commerce**

**"AN OVERVIEW OF COVID-19 EFFECT ON AGRICULTURE SECTOR IN THE STATE OF MAHARASHTRA"**

**KEY WORDS:** COVID-19, agriculture sector, Maharashtra state, lockdown.

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**ABSTRACT**

As the world comes to a standstill and public life shuts down across the globe, all eyes are on health care systems, which was reeling under the strain of the COVID-19 pandemic. With the lockdown the concerns increased and people got scared. The potential negative effects of corona on agricultural production, market stability & food supply are now visible from the surface but the exact amount of damage is still difficult to estimate. But here the researcher is focus on the impact of covid-19 on agriculture sector especially in Maharashtra state. However, looking at the current scenario and based on ongoing news, here is an overview of the impact on agricultural production and the economy. Agriculture and allied sector is of utmost importance to the Indian economy. It contributes about one-sixth to the Indian national income and provides employment to about 50% of the workforce. 2020-21 saw the Indian economy register its worst contraction since independence and also for the first time since 1979-80. The agriculture sector was relatively untouched by the lockdown-imposed supply-side restrictions, but it hit the demand side with the closure of hotels, restaurants, roadside eateries, sweetmeat shops, hostels and canteens, and during wedding receptions and other public gatherings promoted problems. Agriculture sector was coincides with the coronavirus pandemic lockdown, the ready to be harvested crops was unabatedly stands in the fields, on account of the dearth of agricultural labourers. Already reeling under an unprecedented confluence of pressure, the agrarian economy is now struggling to keep its head above water. However, timely intervention by the center and state govt. has brought a big respite to the farmers of India. We appreciate the farmers of India as much as the doctors and nurses, who are risking their lives to ensure that food reservoirs are well stacked amid the lockdown. As the COVID-19 outbreak continues to spread across the world, it is essential to address its existing and potential impacts on the agri-food sector, from the perspective of both food supply and food demand. Here the researcher is also mention the some solution towards re-stand agriculture sector.

**INTRODUCTION:**

Indian agriculture is considered as the backbone of Indian economy. At the time of independence, agriculture accounted for the largest share of the country's GDP, but over time this share decreased. Today, the agriculture sector accounts for only around 16 percent of India's GDP. The share of industries, service sector mining along with agriculture sector has increased rapidly. Due to the increase in industrialization, people from rural areas have migrated to cities on a large scale. Due to the lockdown, all industries and service sectors have stopped, which has created a huge problem for the migrants. These people are seen returning to the village. No one knows how long the lockdown will last. So it is better not to imagine how much this crisis will increase.

If the Indian economy is to be revived, a large amount of money needs to be poured into Indian agriculture. Although the share of agriculture in the country's GDP is decreasing, it is noticed that the Indian economy is still completely dependent on agriculture. Industry and service sector can progress only if agriculture is progressed. Animal husbandry is an important component of Indian agriculture and the share of animal production in the national GDP (6%) is increasing rapidly. The central government realized that organic farming and sustainable agriculture are not possible without animal husbandry. Animal husbandry business will play an important role in improving India's economy in the future as well. If agriculture develops, it will help strengthen the economy by increasing the demand for other products like vehicles or other services. Today he is going to the working class village. If we encourage them to stay in their villages and provide them with proper credit, these labourers will develop economically and our villages will be empowered. Let's try to empower the villages by re-giving this slogan of Mahatma Gandhiji Let's go to the village. This will reduce the pressure of excess population in the city and parallel development of cities and villages. Gandhiji's dream can be realized by creating all the facilities in food. Animal husbandry, milk business, production and marketing of milk products seems to be a very effective and efficient way to bring the Indian

economy out of crisis.

**Objectives of the Study:**

- 1) To study the impact of COVID-19 on Agriculture Sector in Maharashtra State.
- 2) To know the center and state govt. solution towards re-stand agriculture sector.

**Research Methodology:**

The researcher used secondary data for this research study such as newspapers, articles, magazines, govt. reports, internet, etc.

**Limitation of the study:**

This study is only limited to study the impact of COVID-19 on Agriculture Sector in Maharashtra State.

**Agriculture Sector in India:-**

Ensuring the continued functioning of global and national food supply chains will be crucial in securing food supply, preventing a food crisis in countries that are already experiencing food and nutrition security challenges, and reducing the overall negative impact of the pandemic on the global economy.

Although its share in total employment has fallen from 40.2 per cent to 26.8 per cent over the past two decades, agriculture provides livelihoods to more than one billion people worldwide and remains the backbone of many low-income countries, accounting for 60.4 per cent of employment and contributing up to two-thirds of gross domestic product in some of those countries. The sector is particularly important in Africa and Asia, where its employment share is 49 and 30.5 per cent, respectively. It is a major source of employment for women, who account for 41.9 per cent of the agricultural workforce in the developing world.

2020-21 saw the Indian economy register its worst contraction since independence and also for the first time since 1979-80.

The Office for National Statistics, in its provisional estimates released on May 31, has cut down growth in real gross value at basic prices (earlier known as GDP at factor cost) to 6.2% for 2020-21. The agriculture sector was relatively untouched by the lockdown-imposed supply-side restrictions, but it hit the demand side with the closure of hotels, restaurants, roadside eateries, sweetmeat shops, hostels and canteens, and during wedding receptions and other public gatherings promoted problems.

The agriculture sector had functioned smoothly during the lockdown. The Government of India has taken all the necessary measures to ensure the smooth conduct of agriculture related activities. Farming and related activities have been exempted from the lockdown. Dealers/shops of seeds, pesticides, fertilizers etc. and other input related activities were allowed to open/free of cost to provide inputs to the farmers. Facilitated inter and intra-state movement of agricultural machinery, particularly combine harvesters. As a result of various steps taken by the department, both the rabi crop harvesting and summer crop sowing activities took place in an orderly manner. However, there is no income estimation report available estimating the impact of Covid on the income of small and marginal farmers due to the nationwide lockdown.

Agriculture and allied sectors registered a growth of 3.4% during 2020-21 while the overall economic growth declined by -7.2% during the same period. The growth rate of agriculture and allied sectors during the last 5 years is given below.

Year	Growth (%)
2016-17	3.8
2017-18	6.6
2018-19	2.6
2019-20	4.3
2020-21	3.4

{Source: Central Statistics Office (CSO) M/o Statistics & PI}

Amid the COVID-19 crisis, agricultural activities related to production and marketing have been deemed "essential services" and are not restricted in any state. However, the lockdown has shut down the operations of retailers and restricted their movement, severely hampering the movement of goods, shutting down processing units consuming agricultural commodities and depriving them of essential service tags done. Despite this, some mandis and markets remained closed. As the country begins to reopen, we summarize the impact of the COVID-19 lockdown on individual sub-sectors and look at those that are poised to bounce back and those that will continue to struggle.

**Agriculture Sector in Maharashtra State:-**

Agriculture and allied sector is of utmost importance to the Indian economy. It contributes about one-sixth to the Indian national income and provides employment to about 50% of the workforce. It is fundamental to ensure food security of the nation and also influences the development of the secondary and tertiary sector of the economy through its forward and backward linkages. The performance of the agriculture sector greatly influences the achievements on many other fronts. For example, the World Development Report 2008 released by the World Bank emphasizes that development in agriculture is on average at least twice as effective as development outside agriculture in reducing poverty. Agricultural development reduces poverty directly by increasing farm income and indirectly, by creating jobs and reducing food prices. In other words, a thriving agriculture sector is a boon for most sectors of the Indian economy.

**Impact of Covid-19 on Agriculture Sector in Maharashtra State:-**

The Covid-19 brought lockdown in India was a massive

economic shock. It ongoing across the country on 22 March 2020 as Janta curfew. The COVID-19 epidemic is the supreme global humanitarian task the world has faced since World War II. Though, the lockdown came with an economic cost & pouring impact on all the sectors of the society. It delayed the economy with complete closure imposed on enterprises across all the sectors. Even though agricultural activities were exempt, in the initial stages of the lockdown the agriculture value chain also confronted large-scale disturbances. This had a thoughtful harmful result on the rural Indian economy. The coronavirus epidemic has also activated a huge reverse migration from the urban to rural zones in huge portions of the country.

2020-21 saw the Indian economy register its worst contraction since independence and also for the first time since 1979-80. The agriculture sector was relatively untouched by the lockdown-imposed supply-side restrictions, but it hit the demand side with the closure of hotels, restaurants, roadside eateries, sweetmeat shops, hostels and canteens, and during wedding receptions and other public gatherings promoted problems. While working to feed the world, many agricultural workers are unable to lift themselves out of poverty and food insecurity. As the pandemic spreads, the continued functioning of food supply chains is critical to preventing food crises and minimizing the negative impact on the global economy. Coordinated policy responses are needed to support agribusiness and the livelihoods and working conditions of millions of agricultural workers in line with relevant international labor standards. Since the beginning of the pandemic, no significant disruption in the food supply has been experienced so far. However, logistical challenges within supply chains, particularly cross-border and domestic restrictions of movement, as well as labor issues could lead to food supply disruptions, especially if they persist over a prolonged period. To pump up the morale of the farmers, creative, safe and pragmatic solutions are needed.

Agriculture sector was coincides with the coronavirus pandemic lockdown, the ready to be harvested crops was unabatedly stands in the fields, on account of the dearth of agricultural labourers. Already reeling under an unprecedented confluence of pressure, the agrarian economy is now struggling to keep its head above water. However, timely intervention by the center and state govt. has brought a big respite to the farmers of India. Here the researcher is also mention the some solution towards re-stand agriculture sector.

Perishable crops like fruits and vegetables cannot be stored for long and farmers who grow them have suffered the most during the lockdown. Due to the complete shutdown of inter-state transport during the lockdown, farmers faced serious difficulties in selling their produce. They suffered heavy losses as they were unable to transport their produce to the market. Farmers had to sell their produce locally at very low prices or watch their produce rot.

In order to avoid excessive crowding at the agriculture inputs' shop, the agriculture department had announced a scheme according to which farmers were supposed to get essential agricultural inputs like seeds and fertilizers directly on their fields. These inputs had to be delivered to the farmer groups before the Kharif sowing season. None of the farmers had got seeds and fertilizers in their nearby locations from the agriculture department. Farmers personally bought agriculture inputs from nearby Krushi Seva Kendras.

Existing investment decisions of farmers like building a shed for domestic animals, buying a new tractor, building new pipelines for irrigation in the new crop season got stalled or delayed due to the lockdown. They were also unable to build sheds for their livestock as raw materials suddenly became expensive and labor was not available.

The process was put on hold in view of the rapid spread of the disease in Maharashtra. It was also revealed in the survey that the process of issuing new crop loans has also been delayed due to the lockdown. Farmers can't wait any longer as they have to get agricultural inputs after a few showers of rain. As a result, small and marginal farmers were forced to borrow money either from informal moneylenders or from relatives or friends.

Corona has given us many good and bad effects. In some parts of Maharashtra, agricultural production was plentiful but at times due to the Corona lockdown, the farm production could not be brought to the market. Because the lockdown was very intense. On the other hand, the goods could be brought to the market under the relaxed rules but not sold as usual. As a result, the farmers had to throw away the goods in some places and in some places the farmers gave the goods free to the people. Although agricultural work is an essential service, agriculture has suffered due to Corona. But it is known that the farmer is the breadwinner of the world. As the saying goes, "Jai Jawan - Jai Kisan", a farmer should be saluted like a soldier. Farmers too is dying a heroic death in this soil and for the soil. Also, our village helps us in difficult times. This is also proved. Those who have not visited their parents in their village for many years. Finally, it was the parents and the village that came to the rescue. The saying "Aamchi Mati-Aamchi Manasa" is valid and to save lives in Corona and to stay safe from Corona, these village measures have come to the help of the village people. Adversity makes a man fearless. We became aware for the first time in this corona struggle of life and death. We knew what life is, we knew how important breath and oxygen are, so we knew the importance of environment and agriculture along with farmers!

**Government's solution towards re-stand agriculture sector:-**

The COVID-19 crisis has showing the vulnerability of India's agri-food system & emphasized the need for agricultural market reforms & digital solutions to connect farmers to markets, create safety nets & fair working conditions & decentralization to make agri-food systems more resilient.

- **The Government of India through its 'Atmanirbhar' package has undertaken several path-breaking reforms, especially in the agriculture and rural sector.** It is now important for all institutions to engage all stakeholders to take forward the vision of a rejuvenated, ambitious and self-reliant India. Central and State Governments are now working in harmony to redress farmers' grievances, such as subsidies including crop insurance to farmers, free flow of agricultural credit, unemployment allowance to rural landless/migrant workers under MNREGA, and many more every day Starting the solution , etc. Govt. Following the social distancing, he is using every arrow in his quiver to ensure the health of the farmers by continuously making them aware to cover their faces and work in the fields.
- Under the Pradhan Mantri Garib Kalyan Package Rs. 2.76 lakh crore, free food grains to 80 crore people, free cooking gas to 8 crore families, and direct cash transfer to over 40 crore farmers, women, elderly, poor and needy.
- Additional emergency working capital of Rs 30,000 crore is being provided for farmers through NABARD. Till December 4, 2020, Rs 25,000 crore has been disbursed so far. 5000 crore Special Liquidity Facility for small NBFCs and MFIs, Rs. 130 crore has been disbursed till 4th December, 2020
- As on February 3, 2021, a total of 323.19 crore person-days have been generated under MGNREGA in the current financial year 2020-21.
- A holistic approach to strengthen healthcare with a focus on three areas- preventive, curative and well-being, 35,000 crores for COVID-19 vaccine, nationwide roll out of Made-in-India pneumococcal vaccine, a new center

Launch of sponsored scheme Pradhan Mantri Atmanirbhar National Health Mission, Mission Poshan 2.0, Universal coverage of water supply, Urban Swachh Bharat Mission 2.0, Clean Air, Swasth Bharat Yojana besides scrapping policy etc.

- The Center had increased the borrowing limit for states from 3% to 5% of GSDP for the financial year 2020-21.
- Under Pradhan Mantri Garib Kalyan Rojgar Abhiyaan, 50.78 crore person-days of employment was generated, on which Rs 2.50 crore was spent. 39,293 crores.

**Findings:**

- Corona has given us many good and bad effects.
- Agricultural production was plentiful in some parts of Maharashtra but many times agricultural produce could not be brought to the market due to the corona lockdown. Because the lockdown was very intense. On the other hand, goods could be brought to market under looser regulations but not sold as usual. As a result, the farmers had to throw the goods at some places and at some places the farmers gave the goods to the people free of cost.
- The Government of India through its 'Atmanirbhar' package has undertaken several path-breaking reforms, especially in the agriculture and rural sector.
- We appreciate the farmers of India as much as the doctors and nurses, who are risking their lives to ensure that food reservoirs are well stocked amid the lockdown.
- The Center & State Government was taken great effort and for that to combat COVID-19 virus has been praised over the globe.

**CONCLUSIONS:**

Agriculture and allied sector is of utmost importance to the Indian economy. It contributes about one-sixth to the Indian national income and provides employment to about 50% of the workforce. India's effort to combat COVID-19 virus has been praised over the globe. The COVID-19 crisis has brought to the fore some of the persistent problems faced by Indian agriculture.

Agricultural workers experience the highest incidence of working poverty. A quarter of workers engaged in this sector live in extreme poverty. Despite playing an important role in national economies, to provide a link with global structures of agricultural production and while doing business, and feeding the world, many agricultural workers and their families suffer from poverty and food insecurity.

Since the beginning of the pandemic, no significant disruption in the food supply has been experienced so far. However, logistical challenges within supply chains, particularly cross-border and domestic restrictions of movement, as well as labor issues could lead to food supply disruptions, especially if they persist over a prolonged period.

As the COVID-19 outbreak continues to spread across the world, it is essential to address its existing and potential impacts on the agri-food sector, from the perspective of both food supply and food demand.

The government has to take steps to ensure that farmers get fresh loans for the Kharif season.

Another important dynamic that needs attention from policy makers and the wider development community is preserving the role of women in agriculture.

To pump up the morale of the farmers, creative, safe and pragmatic solutions are needed.

Although agriculture work is an essential service, agriculture has suffered due to Corona. But it is known that the farmer is the nurturer of the world.

As the saying goes, "Jai Jawan - Jai Kisan", a farmer should be saluted like a soldier. Farmers are also dying a brave death in this soil and for the soil. Also our village helps us in difficult times. The saying "Aamchi Mati-Aamchi Mansa" is correct. All These things are also proved.

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