

THE IMPACT OF COVID-19 ON INDIAN AGRICULTURAL MARKETING

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ABSTRACT

Majority of the population of India lives in the villages and agriculture is their main occupation. In the past villages were self-sufficient and all the people were dependent on each other. The people exchanged their agricultural produce and also saved their goods for personal use. This was an activity of distribution and exchange of goods. Now a days newer methods are adapted for the exchange of goods which lead to the transport to the cities and increase the exposure of the farmers to newer markets. Various companies are rushing to Indian markets for opportunities for food production and for the use of agricultural produce. Farmers are exposed to two challenges the first that will immediately impact on their activity, will be the consequence of Covid-19. In India the government had to take preventive measures to restrict the community spread by imposing lockdown in the entire country excluding some essential services including agriculture. But due to the issues arising because of lockdown like transportation unavailability, manpower shortage, to follow social distancing, etc. the agriculture market has got heavily impacted. The second which is gradually taking shape is the effect of climate change and everything it entails with different rain patterns (unseasonal rains, floods, droughts) and temperature alterations will slowly force farmers to change their choice of crops.

Keywords: Marketing of Agriculture, Agriculture Produce Markets, Agricultural Product, Covid-19, Crops.

Introduction

The term agricultural marketing is composed of two words, Agriculture and Marketing. It is a link between the nonfarm and farm sectors. The agriculture marketing involved marketing channels, function, price, agencies and market integration etc. Agricultural marketing undertakes the services of transporting the agricultural product from the farmers to the consumer. Over 52% of the working population of the country is engaged in agriculture. But due to the effect of lockdown the farmers are not able to transport their goods to the city markets with the same efficiency as before. Various goods are exported from India to many countries worldwide. The goods such as grapes, mangoes, apples, onion, pulses, wheat, etc. are exported to many countries. All the business that help to export these veg, fruit and pulses are a huge market chain a huge marketing chain. The lockdown has caused a huge impact as all the export services have been taken down. The agricultural produce is affected largely by the rain patterns as too much rain or too little rain (leading to drought) can cause the farmer to face loss. During droughts shortage of water occurs not only water for agricultural use but also for drinking. The crops dry out due to heat leading for the farmers to face losses. Due to the change in the rain pattern, the crops are damaged due to the excess water.

Objectives

- To study the concept of Agriculture marketing
- To study the major impact of calamities on agriculture marketing.
- To study major problems /challenges faced by farmers on marketing of agriculture product.

Hypothesis

Natural calamities making huge impact on agriculture marketing.

Research Methodology

The research paper is descriptive in nature, this study is mainly based on secondary data which is collected through reference books, newspaper, journal and various sources such as websites.

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Impact of Lockdown on Markets and Farmers

Marketing of agricultural produce faces several challenges. The farmers have low literacy in our country, they are exploited by the moneylenders who charge high rate of interest. The government funding's are still at the first stage for farmers. The marketing chain of agricultural produce include a large number of businesses and people involved which further causes a harsh effect on the pockets of farmers as well as the consumers. The farmers have to work hard for their livelihood and some people act like vultures and leeches and snatch the benefits of the poor farmers. Now due to the outbreak of the Covid-19 virus and the lockdown the transport of the goods is a huge task and various loopholes have been created in the marketing chain. The loopholes lead to a huge loss for the farmers as wholesale buyers have reduced and thus the farmers have to attend the markets and sell the vegetables themselves. As the transportation of the vegetables and fruits is reduced, most of the farmers have to sell their goods at the local markets or at minimum price at the urban markets so as to be able to pay the transportation costs. The wholesale markets have also faced a huge effect as the workers of the market did not agree to help and reach out for the market as they were concerned about their own health. This lead to the reduction of work in the wholesale markets and this the farmers struggle to get fair and just price for their handwork. Country is in lock down so that vegetable vendors are not able to sell their product even vegetables are perishable so ordinary farmers cannot store these product in their houses, which leads to the poor income for the farmers.

Role of Farmers

Agricultural produce must be directly marketed and it is the need of the moment. The brokers take part in the marketing chain and exploit the farmers. They buy the goods from the farmers at very low rates and sell the goods forward at higher rates and thus leading to the exploitation of the farmers. This has increased during the lockdown as there are very few brokers and also and the rate of transport is also reduced. The farmers faced losses as the rate of transport has caused many problems and shortage of cold storages caused the vegetables and fruits to be spoilt.

Defects of Agricultural Marketing in India

- **Lack of Storage Facility**

The farmers in the villages don't have proper facilities for the storage of the agricultural produce as there are no warehouses. The farmers thus sell their produce at very low prices just after the harvest.

- **Distress Sale**

In India the farmers are poor and thus, they cannot wait till the cost of produce increases, leading them to sell their goods to the moneylenders, brokers at low prices.

- **Lack of Transportation**

The lockdown had led to the reduction in transport and thus the farmers have to sell goods at the local or nearby village markets and only the farmers who are nearby the cities can make their produce available in the city markets.

- **Intermediaries**

A large number of intermediaries exist between the person who cultivates and the consumer in the marketing chain of the produce. Leading to the increase in the amount that is given as commission to the middle men causing the profit gain of the farmer to be very less.

- **Lack of Market Intelligence**

The Farmers are ill-informed about the market rates and leading to their betrayal. The farmers should have proper and up to date knowledge about the prices of the produce that are accepted in the markets.

- **Lack of Organisation**

The farmers should put proper consideration into the storage facilities and warehouses for the surplus produce. They have to sell the surplus goods immediately after the harvest due to lack of proper storage. Selling the surplus immediately after the harvest means selling the produce at a very low prices.

- **Reduction in Profit**

The farmers take small amounts of good to the urban areas for selling. This reduces the amount of the profit as the transport cost is high and the cost is same for a small amount of produce or a larger quantity of produce.

Suggestions

Indian industries should actively participate in the agricultural businesses as the majority of industries are international companies. The Indian industries should create active markets for the nation's farm produce. The nation's agriculture and food systems must become more resource-efficient, more productive, more resilient, and less wasteful. There are multiple paths and technology choices for agriculture. And these resources must be used to the most.

Conclusion

The present study concluded, necessary decisions must be taken to reduce the exploitation of the farmers. The small scale farmers should be able to increase their scope and their reach to the markets. The farmers should well informed about the rates of the produce so that the brokers cannot exploit them. The transportation facilities should be improved and also better storages and warehouses should be provided. The loopholes in the marketing chain should be filled and the brokers and the traders should also help in the growth of the agriculture. The moneylenders should not apply high rate of interest. The farmers are affect by many factors such as droughts, floods, unseasonal rains and lockdowns. Measures should be taken to protect and support the farmers as they are the heart of our nation. We should bring out significant strategies in agricultural marketing with creative approaches to bring the fruit of labor to the farmers and solution may be in rapid adaptation to new circumstances and more robust support from society. In general interest agricultural production has to be protected.

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