

Covid-19 and Livelihood Challenges in Rural India

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Context

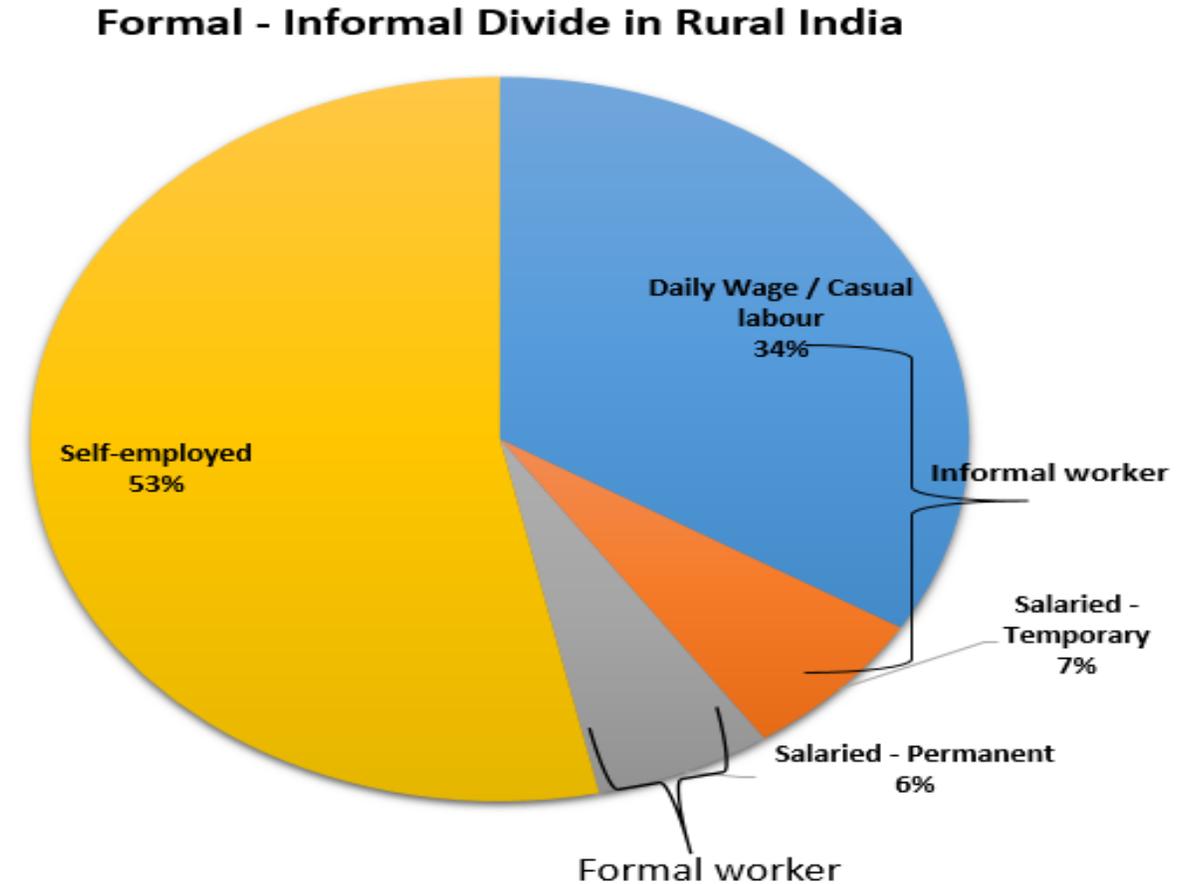
- Status of Employment in Rural India: formal and informal sector
- Changes in employment, income and consumption during the pandemic related lockdown period
- Policy initiatives to address the challenges
- Micro level evidence on impacts and coping strategies
- What more could be done?

Introduction

- Covid-19 and associated measures to suppress the spread caused a huge economic and social disruptions in India.
- Rural India has suffered the double burnt of Covid-19.
 - Rural economy was affected by loss in migrant income, livelihood and farm and non-farm incomes.
 - Mass reverse movement of workers from cities to villages aggravated the already stressed village economy.
- During the lockdown, an estimated 20 to 30 million migrant workers returned home, out of work and out of money (Chinmay Tumbe, IDR, 19th Nov 2020).

Formal – informal divide in rural India

- ❖ In India, share of informal sector is more than 85 % of the total workforce including informal wage workers and informally self-employed (Bussolo, 2020; World Development 2020).
- ❖ According to NSS 2019 report, in 2017 informal workers constitute 83.5 percent of total workforce (Natarajan et al., 2020).
- ❖ In rural area, this divide is more prominent where only 7 percent workers are engaged in formal employment (CMIE, Sept- Dec 2019).
- ❖ Informal workers lack “formal employment protection laws and social insurance programs, and are concentrated in small and micro-sized firms”. They are the most vulnerable to Covid-19 shock.



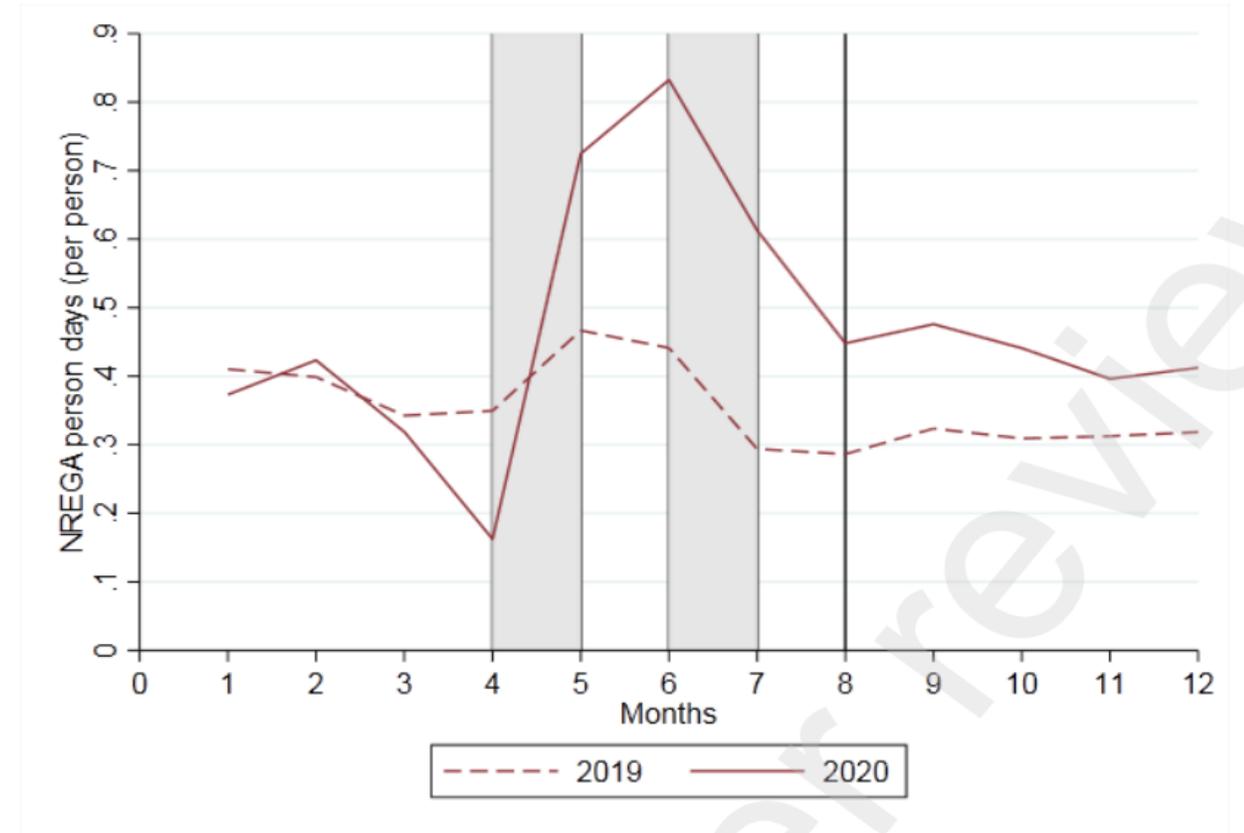
Share of various employment categories in total employment in rural India
(Data Source: CMIE, Sept-Dec 2019)

MGNREGA- employment guarantee scheme

- Hype in demand for MGNREGA from existing as well as migrated [back from urban areas] workers
- The program generated 2.02 billion person days of work until September 2020, compared with 1.88 billion for the entire fiscal year of 2019-20 (Afridi et al., 2021)

- ❖ Though MGNREGA provided much relief to the households in rural India as it worked as a fallback option to most of the poor households who had lost their previous employment.
- ❖ However, MGNREGA has also been plagued with several issues during the pandemic.
- ❖ Since, demand was both from returned migrant workers and local workers who lost their other means of income.
- ❖ Due to excessive loads on MGNREGA, lots of the poor households get rationed, some faced the difficulty in getting job card, some in getting job and some experienced delay in payment

(Source: Sultan Ahmad, Vani Vishwanathan & Aaditeswar Seth, IDR, November 19, 2020).



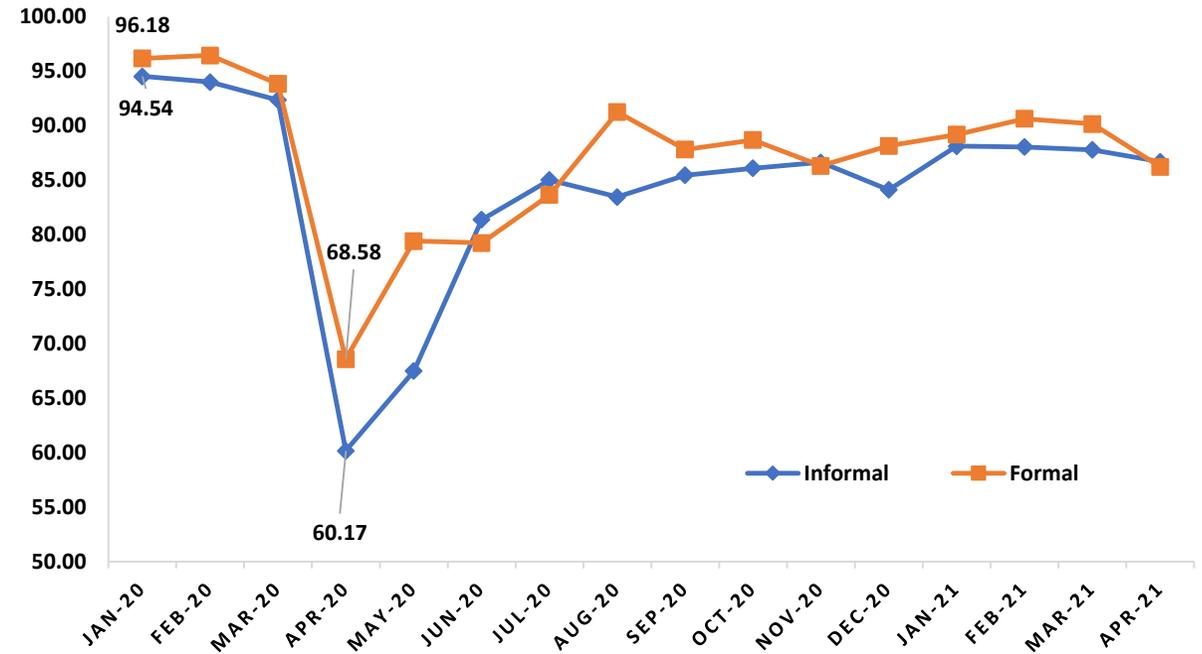
MGNREGA person days per rural inhabitant

Source : Afridi et al., 2021

Effect of Covid-19 on employment by formal-informal sector

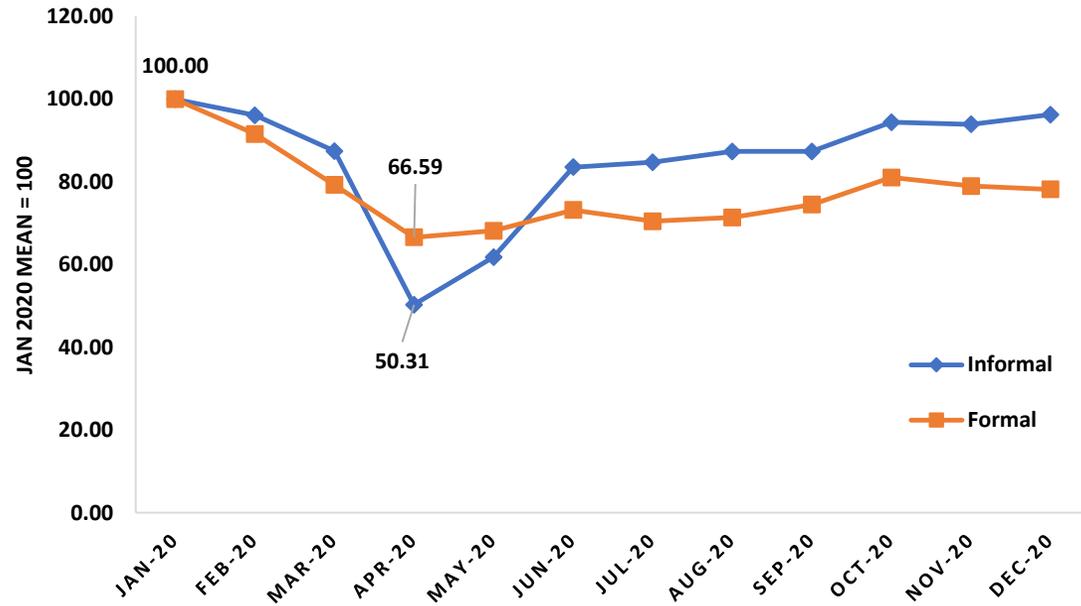
Gunjan Kumari et al. (2021)

- While every strata of workers suffered because of covid-19, severity of the loss is varied depending upon the employment categories, education level and socio-economic background.
- From the Figure, we can see that fall in employment is deeper for informal workers in comparison to the formal workers.

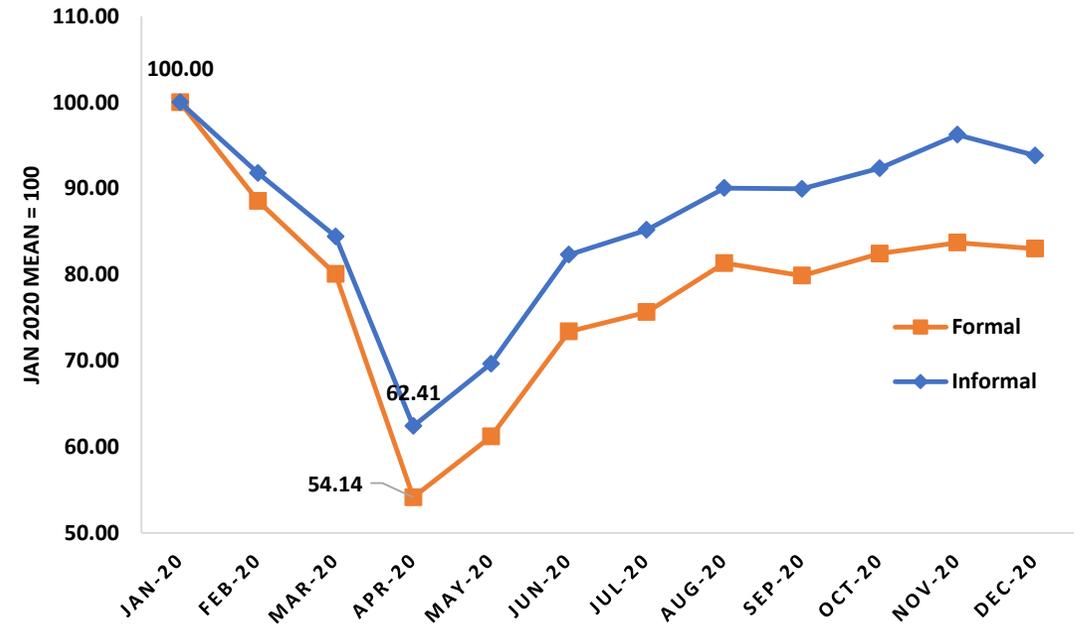


Change in Employment rate by formal –informal employment status of individual based on Sept-Dec 2019
(Data Source: CMIE)

Change in income and consumption



Change in Income by formal-informal wage employment of household head based on Sept-Dec 2019
Data Source: CMIE



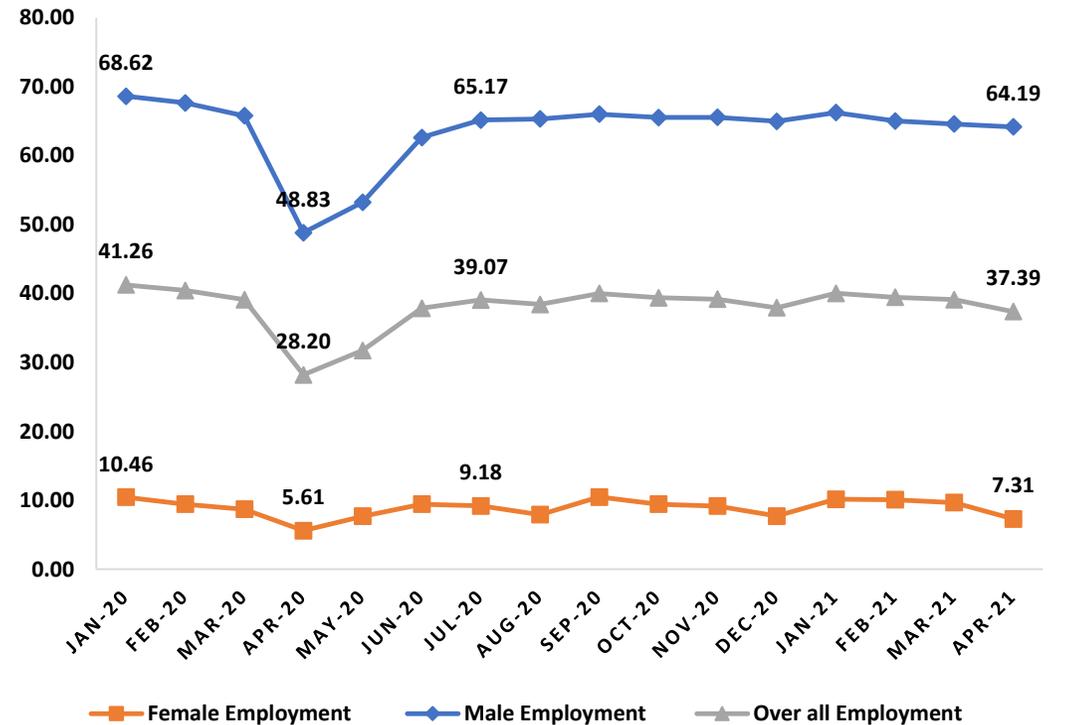
Change in consumption by formal-informal wage employment of household head based on Sept-Dec 2019
Data Source: CMIE

- We find that relative to pre-COVID-19 level, the decline in real per-capita income is more for the informal workers. However, fall in consumption is steeper for formal workers.

- This puzzling behavior of households can be explained in the following way:
 - i. Consumption elasticity of poor people is less than their richer counterparts (Colen et al., 2018) . At the base time period, households from formal employment were spending much high on their consumption than the households with informal workers.
 - ii. COVID has also disrupted the supply chain of goods and services at least in the initial period. Therefore, in case of some people, even if their income remains intact, they may experience fall in consumption expenditure because of reduced or absence of supply of certain commodities consumed by them. (Bussolo et al., 2021).
 - iii. Workers in the formal employment may have reduced their expectation about the permanent income more than other workers in the aftermath of lockdown which can influence their consumption decision(s).

Change in employment rate

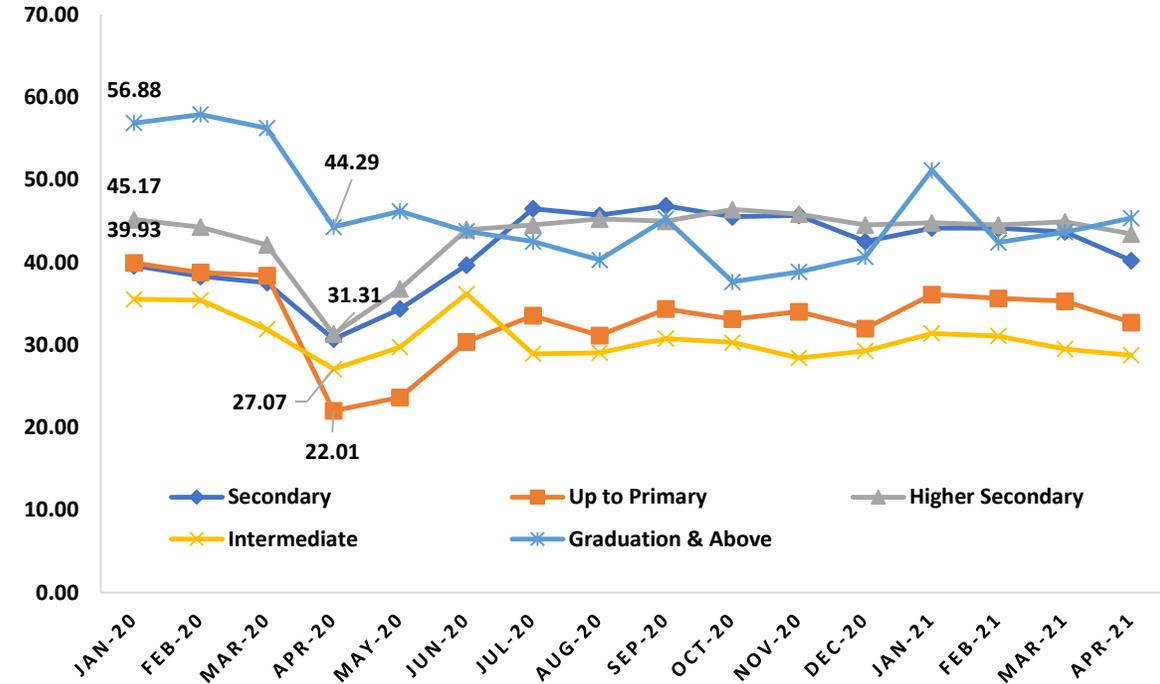
- Overall employment fell by approx. 29 percentage. For male workers, fall in employment was 31.65 percent.
- While female workers experienced the 46.36 percent fall in employment.
- Female mostly engage in lower end jobs which are severely affected by the pandemic and not adaptive to remote working (Abraham et al., 2021).



Change in employment rate by gender
(Data: CMIE)

Change in employment rate by education level

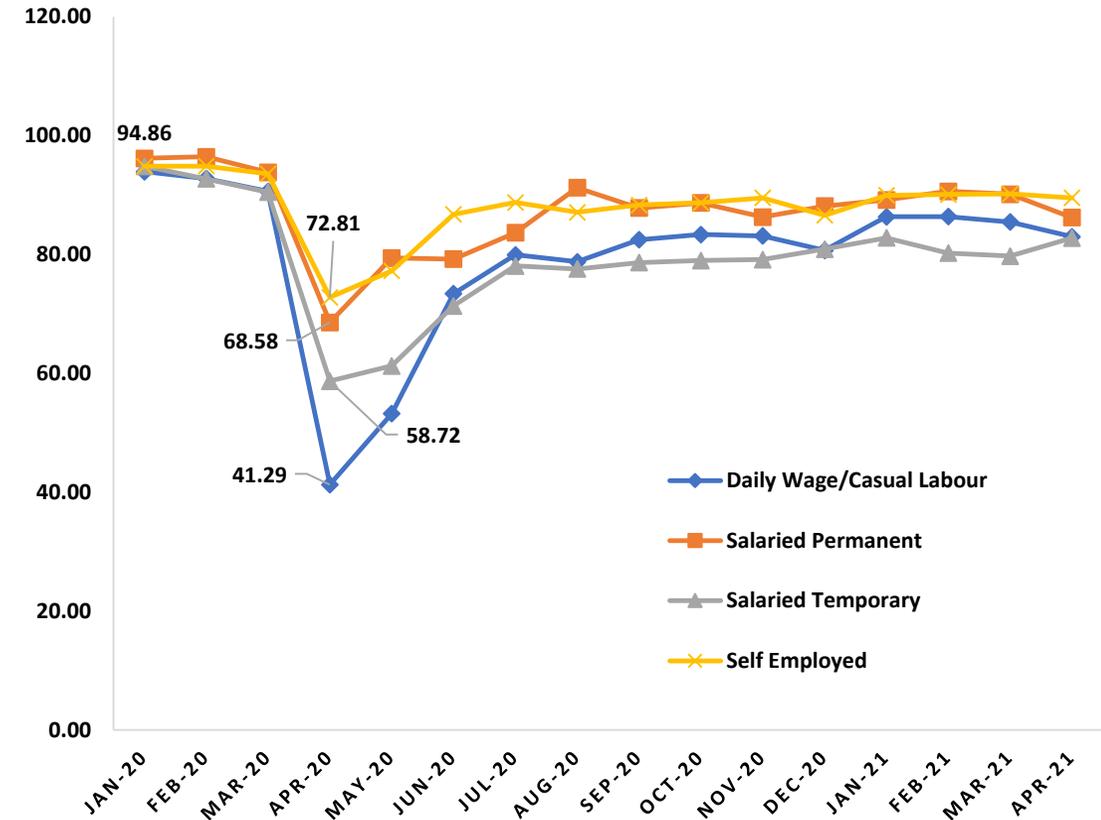
- Education do provide a shield against the Covid-19 shock.
- Educated people are more likely to be in relatively better and more secure jobs, which are least vulnerable to Covid-19
- Workers with the education level of up to primary level suffered the most employment loss (18 percent percentage point).
- Workers with education level of graduation and above suffered least employment loss (13 percentage point).



Change in employment rate across a person's education level (Data: CMIE)

Change in employment rate by worker's employment arrangement in pre-Covid period

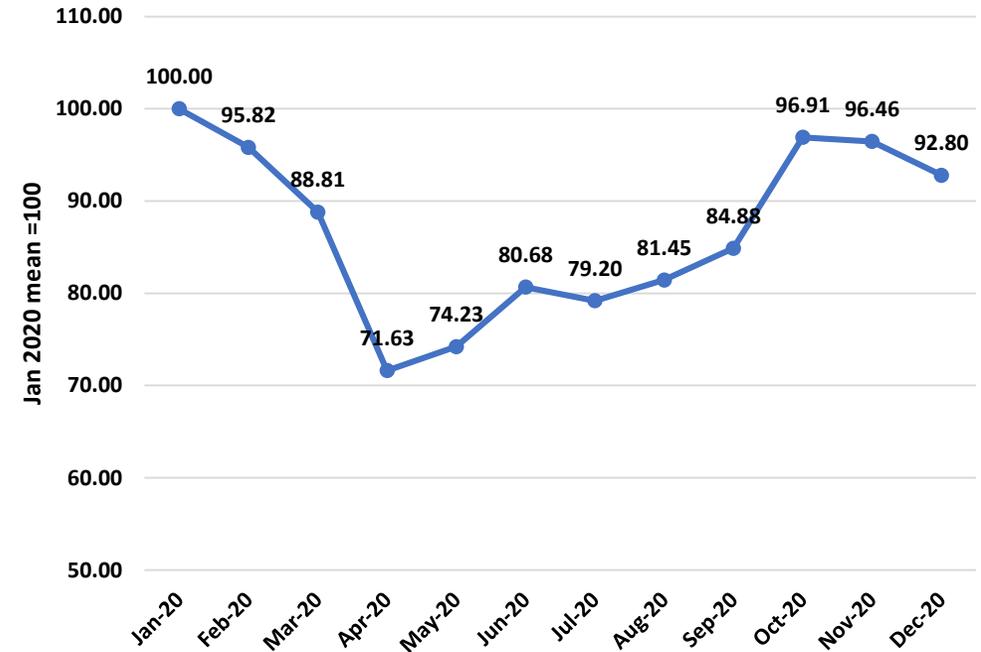
- Daily wage/casual laborers are more likely to lose job due to their pre-dominance in lower-end jobs as they mostly engage in activities which requires high human contact and can't be shift to work from home.
- While workers in permanent salaried suffered less as they can easily shift their work station and adapt to work from home situation.
- Self-employed workers face less chances of termination from job so experienced less employment loss.



Change in Employment rate by a person's employment arrangement based on Sept-Dec 2019

Effect on income

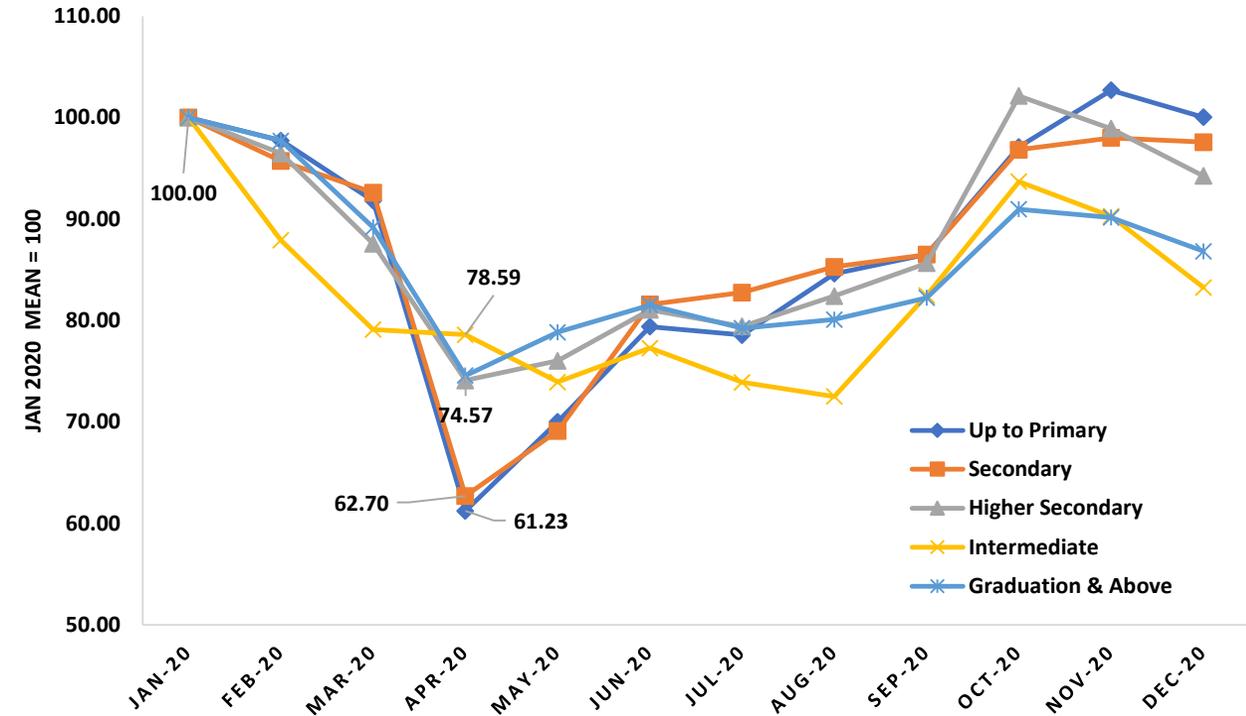
- Real per capita income of workers had already started falling from February 2020 onwards and reached its lowest in April 2020
- In April 2020, income declined by approx. 28 percentage point compare to the base income of Jan 2020.
- Income in rural economy still lags behinds the base income of Jan 2020. In December 2020, income was approx. 7 percentage point lower than the base level



Change in income
(Data: CMIE)

Change in income by household head education level

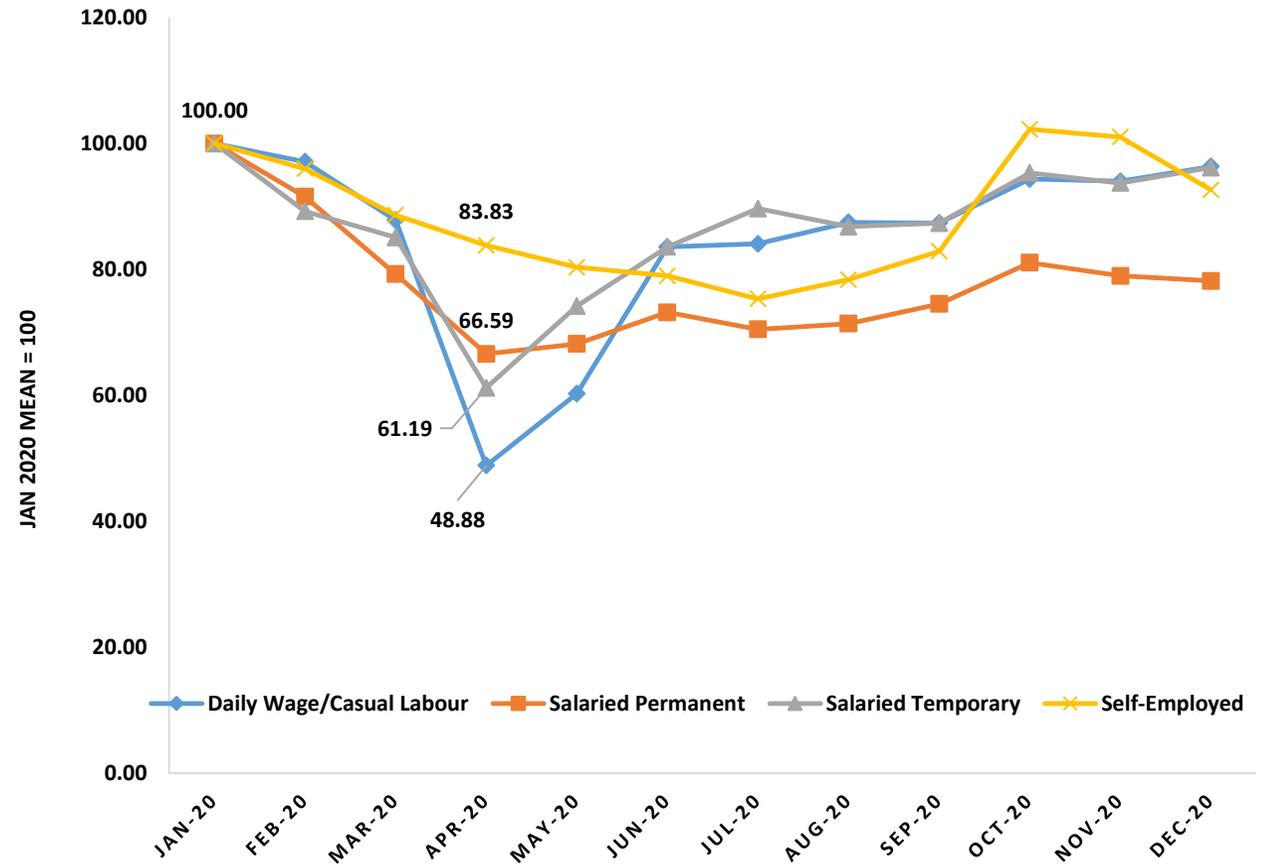
- Households with low level of head education experienced very large fall in real per capita income (39 percentage point)
- While household with head's education level of intermediate experienced least fall in income (21 percentage point)
- This suggest the role of education in providing cushion to the households against Covid shock.



Change in mean income by education level of household head
(Data: CMIE)

Change in Income by employment arrangement of workers in pre-Covid period

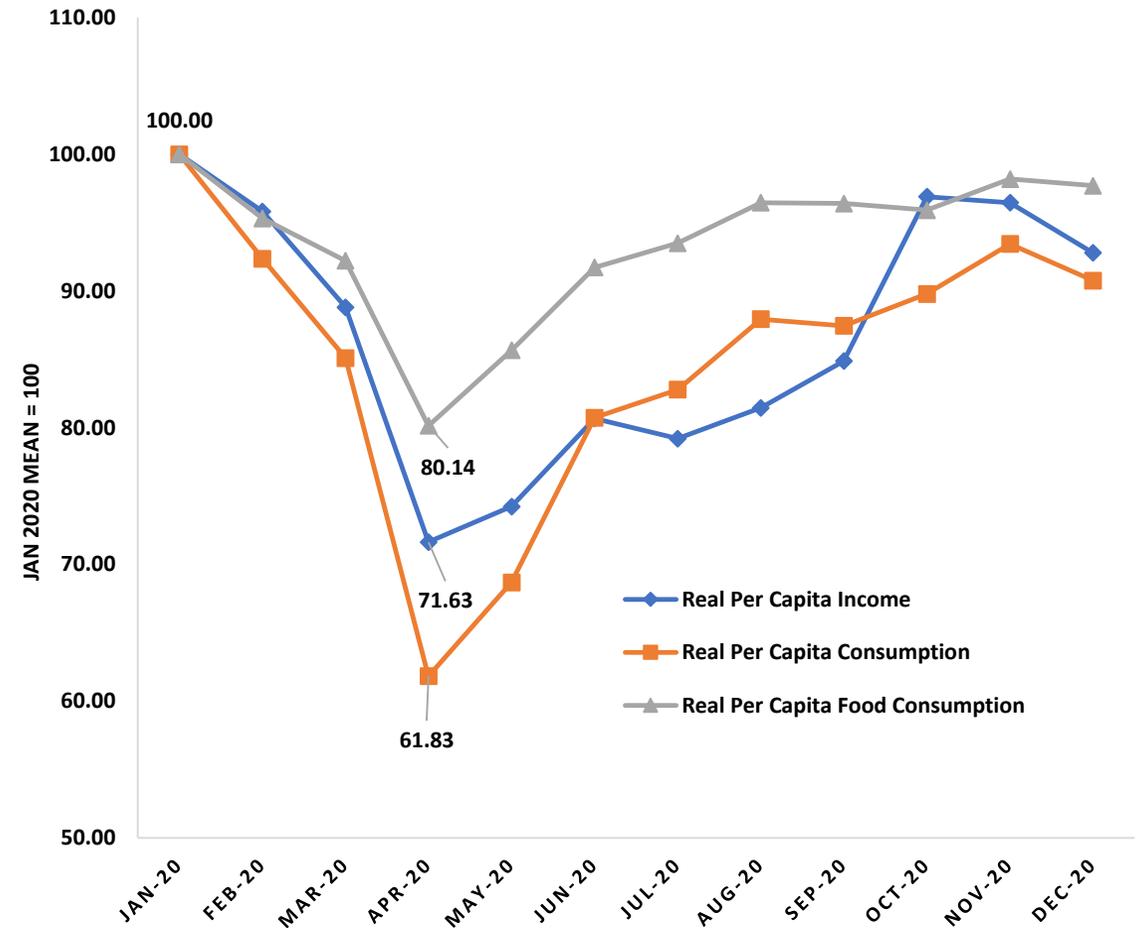
- As explained earlier, workers in the permanent salaried job face less job loss compared to most vulnerable daily wage and casual labour.
- Fall in income follows the same pattern, while households with head working in daily wage/casual labourers experienced the most steep fall in income.
- Households with head working in permanent salaried job suffered the least fall in income



Change in Income by employment arrangement of household head based on Sept-Dec 2019

Effect on Consumption

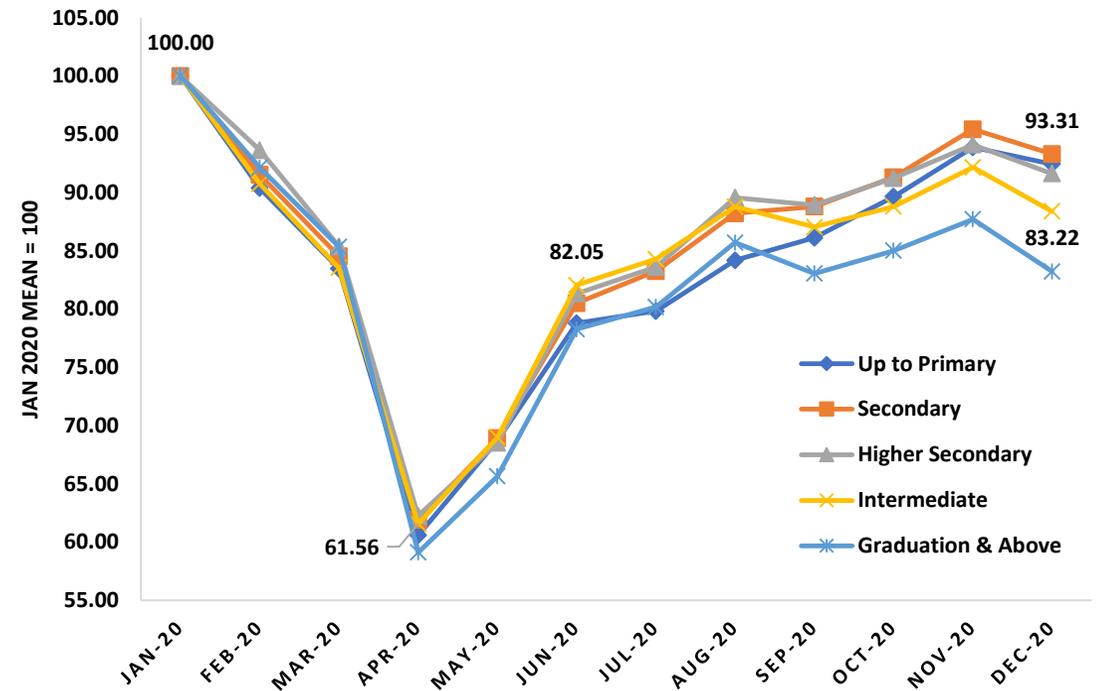
- We find a sharp fall in real per-capita consumption expenditure in April 2020 for households in rural India, though the fall is much lower than that of fall in income elaborated above.
- This suggests the presence of risk sharing arrangement for consumption smoothening among rural households (Townsend, 1994).
- Decline in food consumption is much lower compared to the decline in real per-capita consumption expenditure. This is consistent with the argument that income elasticity for basic food consumption is found to be relatively low in comparison to the aspirational foods (Colen et al., 2018).



Change in mean income, consumption & food consumption
(Data: CMIE)

Change in consumption by education of household head

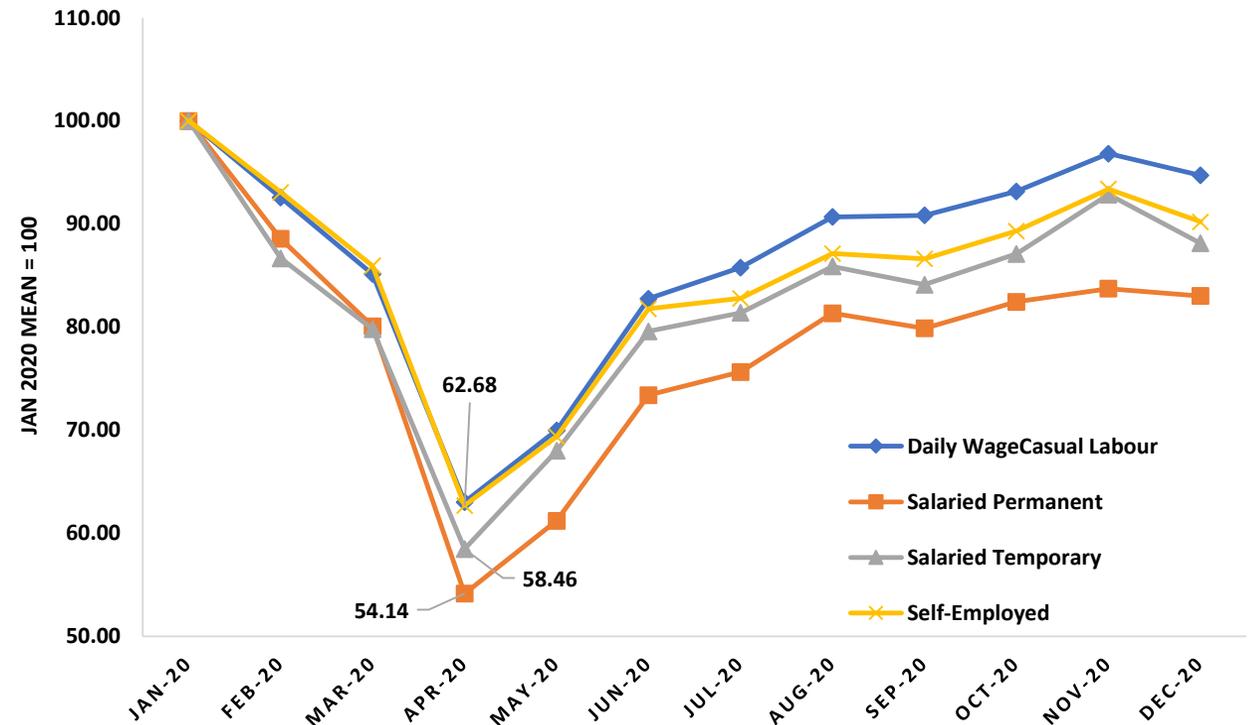
- We could not find much difference in fall in consumption across the households with different level of head's education.
- However, we see evidence of fast recovery for households with low level of head's education.
- Recovery is slow in case of households with head's education level of graduation and above



Change in mean consumption by education level of household head
(Data: CMIE)

Change in consumption by employment arrangement of workers in pre-Covid

- As noted earlier, here also fall in consumption is less for poor households where head engaged in daily wage/casual labour. While it is most for households with head working in salaried permanent employment.
- This is because poor households are already consume very low amount compared to richer counterparts. There is less room for reduction in consumption for poor households.
- This also shows the existence of consumption smoothing mechanism for poor households.



Change in mean consumption by employment arrangement of household head based on Sept-Dec 2019

Some major steps taken by Govt. to boost rural economy

- Govt. announced PM-GKY (Pradhan Mantri Garib Kalyan Yojana) relief package in March 2020 to help the vulnerable household to fight the battle against the Covid shock.
- This scheme provided direct benefit transfers (DBT) and in-kind supports (IKS), through existing schemes.
- Some components of the scheme are as follows:-
 - I. Payment of Rs 500 per month for 3 months (April, May and June 2020) to women Jan Dhan account holders.
 - II. Transfer of Rs.1000 in two instalments (Rs.500/- each) to the existing old age, widow and disabled/Divyangjan beneficiaries of the schemes of National Social Assistance Programme (NSAP).
 - III. MGNREGA wage rate revised w.e.f. 1st April with average wage rate increase of Rs.20 over the wage rate of 2019-20.
 - IV. Early transfer Rs. 2000 transfer to all farmers under PM-KISAN
 - V. Cash transfer of Rs. 700 per cylinder for buying 3 cooking gas cylinders for BPL families
 - VI. Provision of 5 kg wheat / rice per member and 1 kg pulses to the family per month under the scheme Antyodaya Ann Yojana (AAY) and Priority households (PHH)
- Government of India had launched a campaign known as Garib Kalyan Rojgar Abhiyaan (GKRA) which aimed at providing to boost employment and livelihood opportunities for returnee migrant workers and the local workers
- These benefits have provided rural households with liquidity and has positive impact on agricultural investment (Varshney et al., 2021).

Methods and Data

- **Longitudinal study**, Agricultural households, allied sectors of farming operations grocery stores, and migrant workers were taken for in-depth studies,
- **Study Time:** Lockdowns of 2020 (between April 1 to May 31) and 2021 (from April 30- May 31, 2021)
- **Formal Interviews** (45-50 minutes each) are conducted Agriculture Science Centers (KVKs), Village heads, districts agriculture officers, seed distributors, food & supply inspectors, authorized ration distributors, and Anganwadi workers (ICDS) to understand the government interventions to ensure food security
- **Purposive sampling technique** was used to conduct this research
- **Thematic analysis method** used to understand the impact of lockdown on food system and dietary choices. Dietary Diversity Scores for past 30 days, calculated based on 12 food groups (FAO, 2010).

Table : 1 Dietary diversity score reference table

No.. of times food items consumed	Assigned score
Daily	7
Three times a week	3
Twice a week	2
Once a week	1
Fortnight	0.5
Monthly	0.25
Occasionally	0

Source: Hooshmand and Udipi, 2013 work with slight modifications

Theorizing the Impact of COVID-19 on the Food Systems and Livelihood

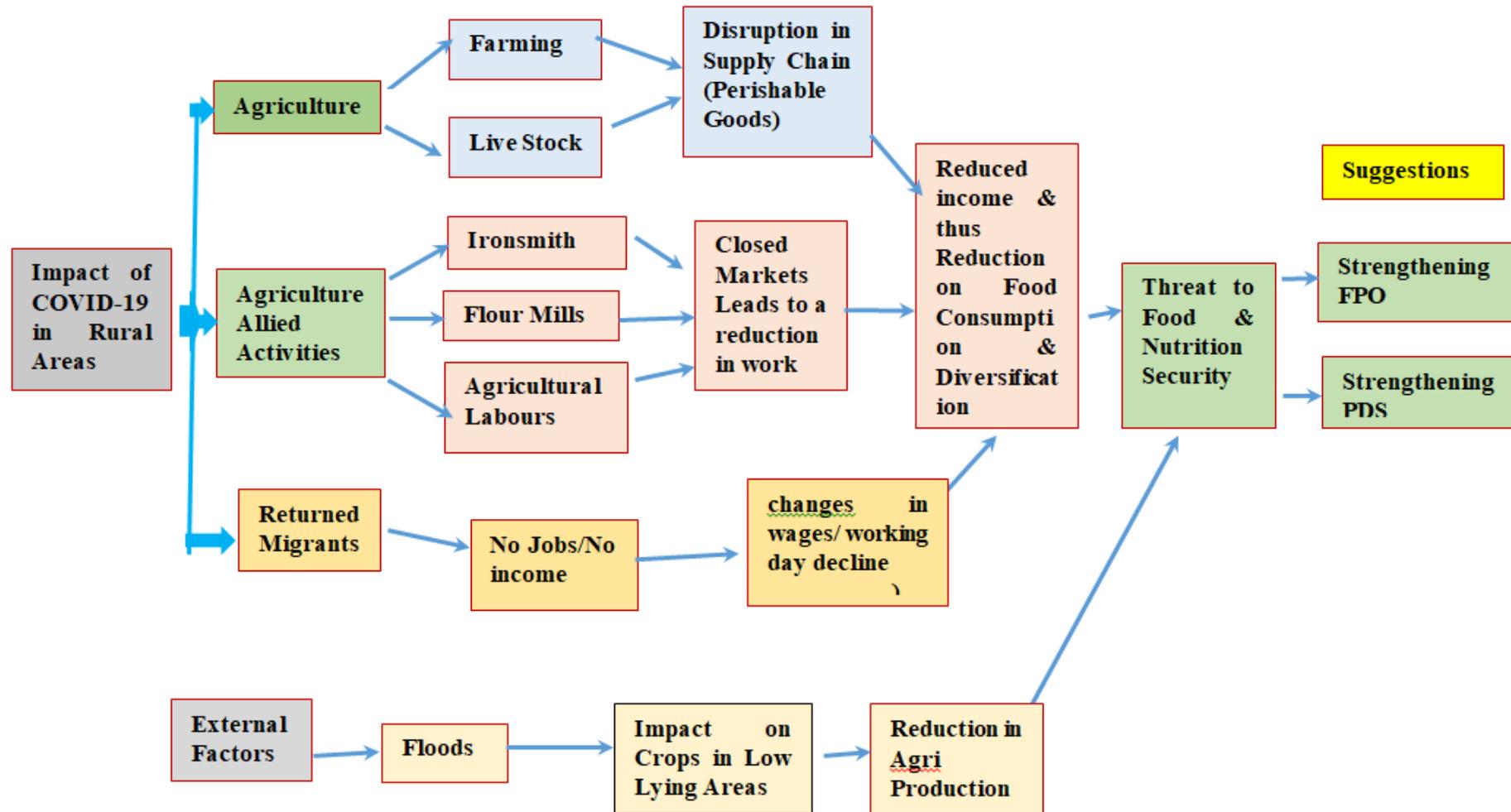


Fig:2 The conceptual framework of the impact of COVID-19 on food systems (Source: Conceptualized by the author)

Results and Discussion

Impact of Lockdown in Agriculture operations and Supply chain

- COVID-19 impacted landless and marginal farmer more than big farmers
- Perishable items like vegetables, fruits production were badly hit compared to non-perishable produce like cereals
- Despite operational Wholesale and local markets vendors still fear commuting to the market because of police strictness
- Lockdown **delayed the harvesting** of Rabi crops by 10-15 days
- Supply chain disruption impacted the **livestock rearing** and consumption of milk products
- 50 kg bran (fodder) price, increased by approximately 40 %
- Closed tea and sweet shops reduced the demand of milk and its products

- Undesirable rain, increased the harvesting cost and thus wheat straw
- Livestock prices declined by 65-80 USD per animal
- Rumored lead to crashing of poultry industry (Kanozia et al., 2021).

Agricultural Markets and Allied Activities

- Agriculture operations like blacksmiths, automobiles, and flour mills were initially restricted
- Limited opening timing of seed stores (two hours – 2020 and four hours-2021) disrupted the farmer's agricultural operations
- **information asymmetry, police strictness to implement complete lockdown, and a lack of reliable sources severely affected the farm market operations**

Agriculture and Labour

- Labour shortage due to limitation of movement in first lockdown, 2020
- District received 62,412 migrants between March 20 and June 13. These migrants faced, job loss, food scarcity, and horrendous traveling experiences (Disaster Department of Kushinagar, 2020)
- Couldn't take part in agriculture operations due to physical and psychological hardships
- Wage rate went up in Lockdown-1 by 20-25 % and in Lockdown-2, demand of work declined due to flooding
- Erratic rain in 2020 and 2021 has affected the cash crops like sugar and paddy badly
- Waterlogging in the paddy has developed *false smut disease*, destroying the *Damini* and *Samba Masuri* paddy crop varieties
- Vegetable crops were equally hit, which led to a rise in vegetable prices
- Sugarcane industry production fallen from 701.5 million tonnes in 2019-20 to 434.3 million tonnes in 2020-21 due to flooding. The productivity has fallen by 70 quintals per hectare between 2018-19 to 2019-20



Image: 1 (a Left) paddy and sugarcane crop has been affected with false smut disease; 2 (b, right) waterlogging destroyed the crops in the low-lying areas of Kushinagar. (Source: Pictures were taken by the authors during the fieldwork)

- 55,000 farmers directly dependent on Sugar mill in just one block of district

Disruption in Food systems and Threat to Food Security

1. Food availability

- Panic buying and accumulation for 15-30 days
- PDS provide 5 kg per person per month added with additional 5kg of cereals under the Pradhan Mantri Garib Kalyan Anna Yojana (i.e., PMGKAY-I)
- HHs have grain availability of 2-3 months but no income to diversify their food choices (fruits, vegetables, meat and fish)

2. Access to Food

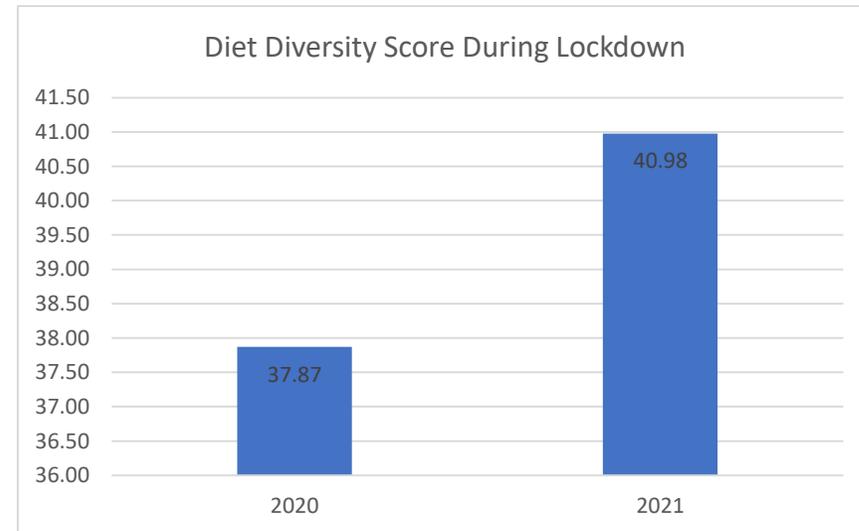
- Disruption in the agriculture market and restriction on transportation leads to an increased price of food items

3. Utilization of Food

- Increased prices, food unavailability, and travel restrictions limit the food choices.
- Diet diversity score was 37.87 points in lockdown 2020, which has increased to 40.98 points in Lockdown 2021

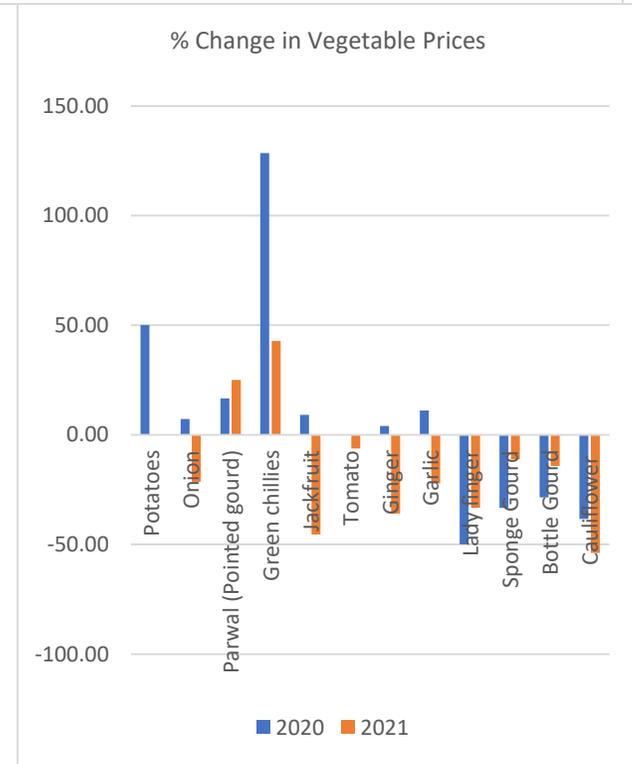
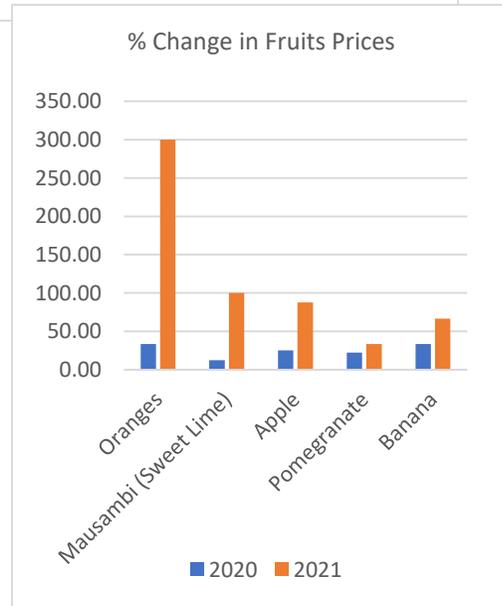
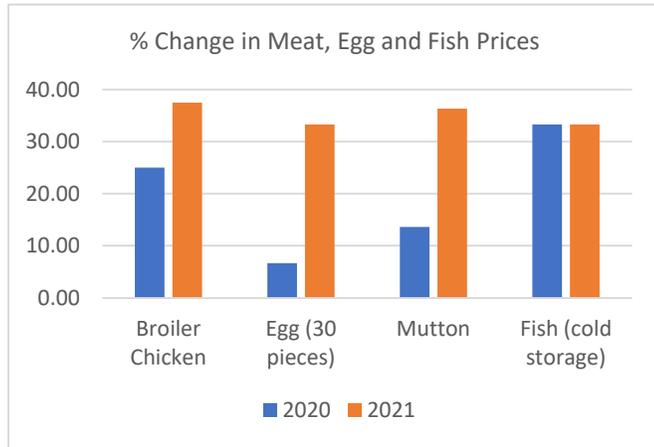
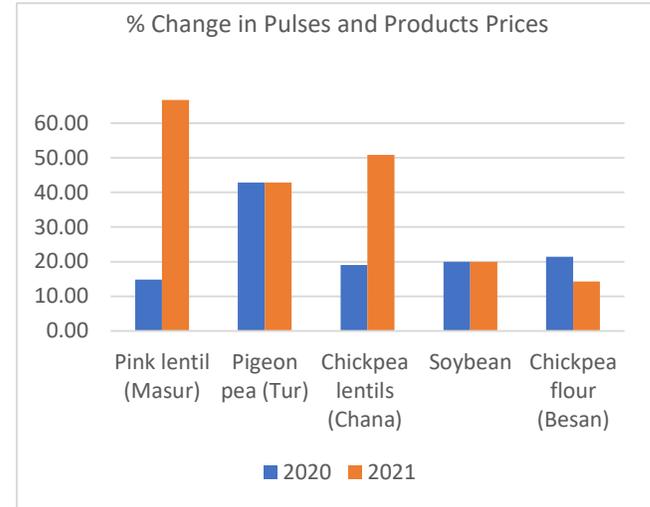
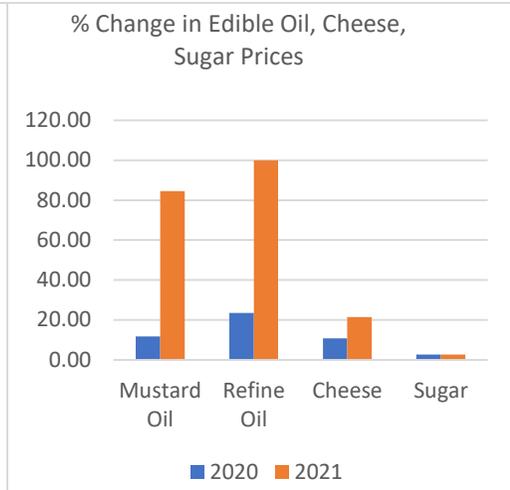
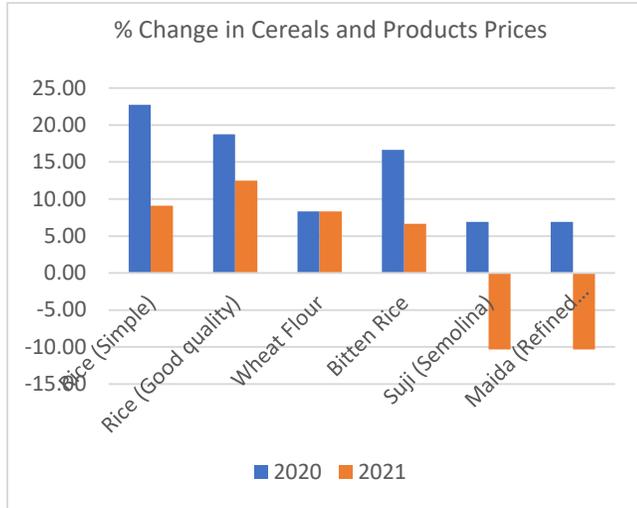
4. Stability of Food

- agricultural households were uncertain about the food stability aspects in lockdown 2020 as the lockdown restrictions and guidelines were frequently changed



Dietary Diversity Score of Surveyed Respondents during Lockdown of 2020 and 2021

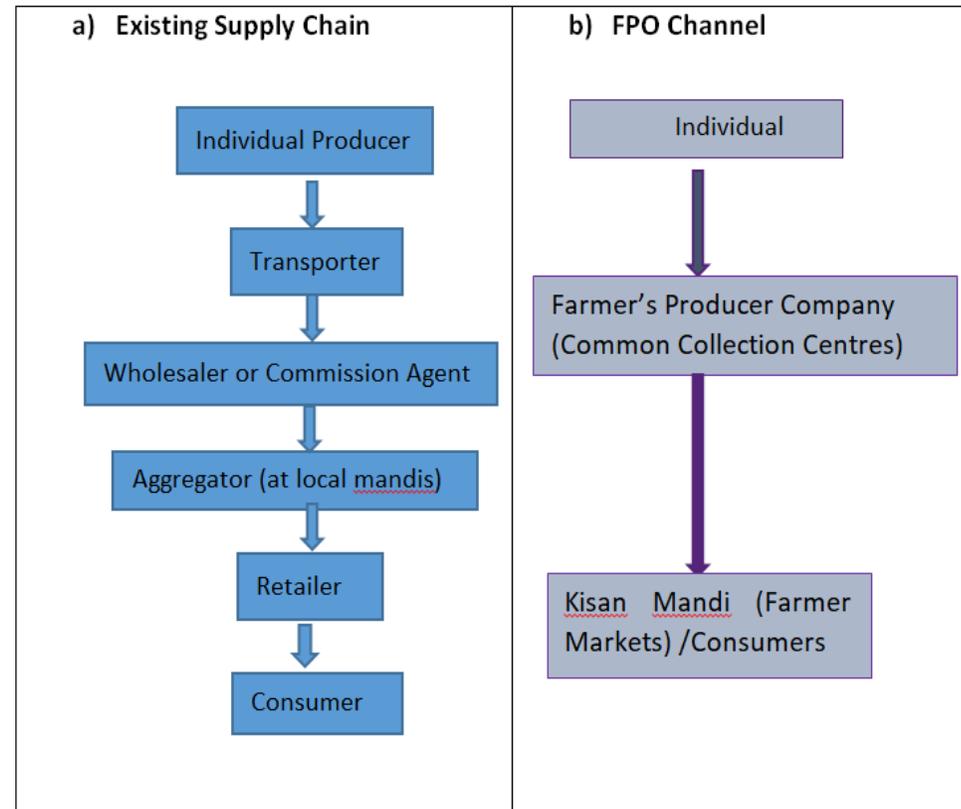
Access to Food- Price Changes in Food Items: Lockdown; 2020 and 2021



Percentage price change of food crops and products, before the lockdown of March 2020 and during lockdown 2020, and, Before lockdown and during lockdown 2021

Farmer producers organization's (FPOs) role in strengthening Agricultural Supply Chain

- FPOs create economies of scale through their horizontal integration process of production, aggregations, and marketing.
- Reduce the post-harvest loss due to a lack of storage and transportation facilities
- FPOs have bargaining position that reduces the cost of the inputs on purchases of seeds, fertilizers, pesticides, and technologies (Trebbin, 2014)
- FPOs have generated income and provided employment to marginal and small famers
- Kushinagar banana Producer Co. Ltd, making 25 million annually with 300 farmers associated with it
- Failure of FPOs: lack of transparency in administrative decisions, proper disbursal of funds to the end beneficiary, lack of institutional support from government agencies and banks



a) Existing Supply chain in the Indian States
b) FPO channel, which links producer to the consumer.

Existing Policy Response in Mitigating the Impact of Lockdown

- Being a welfare state people entitled to safety-net programs provide resilience from shocks (Pingali et al., 2019).
- Analyses the response of schemes primarily targeted to provide a safety net to vulnerable and poorer populations have provided some assistance to the rural households
- These schemes have a fundamental problem of identifying end-users (coverage) apart from having a lengthy process of enrolment (Hirway, 2003; Pingali et al., 2019)

Table: 3 Respondent perception about the policy response during Lockdown 2020 and 2021

Policies/ Scheme	Lockdown 2020 (April-June)				Lockdown 2021 (April-May)			
	Coverage	Timely reach	Quality/Quantity / components	Respondents performance perception	Coverage	Timely reach	Quality/Quantity/components	Respondents performance perception
PM KISAN ³	Yellow	Yellow	Yellow	Satisfactory	Yellow	Orange	Yellow	Unsatisfactory
Pradhan Mantri Jan-Dhan Yojana (PMJDY)	Yellow	Yellow	Orange	Satisfactory	Yellow	Orange	Orange	Unsatisfactory
ICDS Scheme	Yellow	Yellow	Orange	Satisfactory	Yellow	Orange	Orange	Unsatisfactory
MGNREGA	Yellow	Yellow	Orange	Unsatisfactory	Orange	Orange	Orange	Unsatisfactory
Public Distribution System	Green	Green	Yellow	Satisfactory	Green	Green	Yellow	Unsatisfactory

Green- Good, Yellow- Average, Orange= Below Average

- PDS, 810 million active beneficiaries, its benefitted the Agricultural, laborer, and poorer households so much during the lockdown.
- Missing family member name and bad quality of distributed produce, less weighing, and overcharging are some of the major issues affecting the scheme's efficiency
- Biased towards cereals (Pinagli et al., 2015)

Conclusion and Policy Implications

- Identify area and provide policy guiding tool to work on these issues in upcoming wave
- Community-driven agriculture supply chain needs to be developed to procure and sell locally grown produce at better prices
- FPOs aggregation model has the potential to bridge the forward and backward linkage and need to support through institutional channel
- Diversification of PDS is necessary and universalization should be done in the district with strict food governance.
- Small and medium Storage facility could be developed and linked to local or regional markets
- Small, Marginal and landless farmer are vulnerable and affected by lockdown induced disruption in agricultural and related activities
- Agricultural households are facing food security issues due to price rise and employment loss.
- Safety nets program coverage need to be extended in distress situation.
- Establishing FPOs can be a long-term goal, and universalization and diversification of PDS could be a short-term goal to ensure food and nutritional security to the population

Impact Assessment of Covid-19 crisis along three time periods in Akole Block, Ahmednagar District, Maharashtra, India: Rekha Sirola and K. Narayanan (2021)

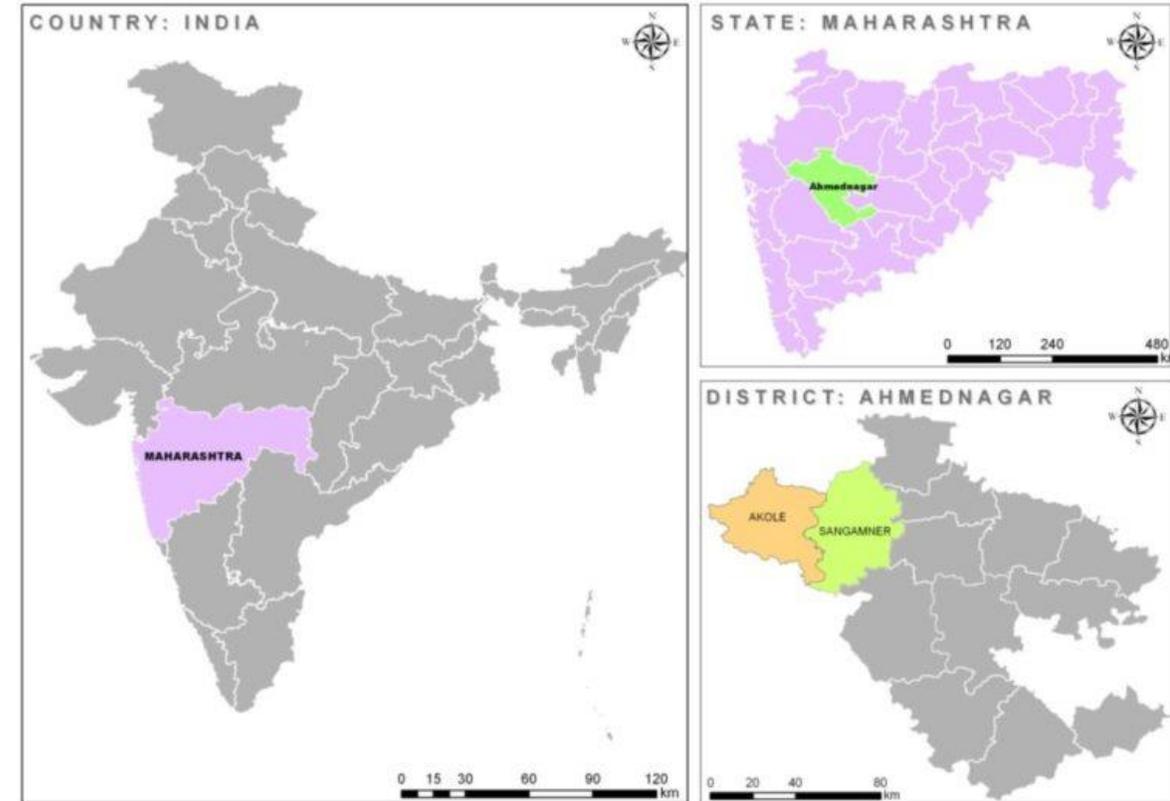
Field site: Four tribal villages in Akole block, Ahmednagar district, Maharashtra.

❑ Jahagirdarwadi and Udadwane in **upland region**

Situated remotely in the hilly regions of the block, villagers follow subsistence agriculture, land holdings are small; there is intensive use of land, multiple cropping; heavy use of manual labour. Agriculture is primarily rain fed. Tribal communities of these villages are self-sufficient in food crops, rice, wheat and millets being the staples.

❑ Shamsherpur and Deothan in the **lowland region**

These villages lie in the plains and are in stark contrast to the upland villages. Here 100 percent area is irrigated and under various crops during both kharif and rabi season. Maximum area is under cash crops such as pomegranate, onion, vegetables and flowers. Various governments subsidies and schemes related to agriculture such as farm ponds, drip irrigation, small tractors, fruit crops have been widely accepted by the farmers. Farmers of these villages use modern farm implements for agricultural practices and hence productivity is quite high. The dairy activity is a major subsidiary occupation of the cultivators.



A brief overview of the telephonic interviews with **farmers of upland region** to assess the impact of Covid-19 crisis along three time periods.

Time period I- Onset of Covid 19 (April-May 2020)

- The villagers are vulnerable to climate changes leading to crop failure but are not affected by the market situation. According to the villagers they have sufficient reserves of grains to last up to a year and a half. Vegetables and fruits consumed are grown in their backyards, village periphery, or in the forest. In fact, the villagers insist that by consuming the leaves of *a locally grown plant*, they can cure any viral infection!.
- At this point, all requirements are met by the local kirana shop and there is no price disparity in any of the essential products but the stocks are running dry due to restrictions on movement. At times, they do sell their surplus rice and millets in the Ghoti market which is 50 km away, however, their survival is not dependent on it.
- The landless labourers of these villages are also not fraught by the idea of going without food. They seem to have surplus stored for almost a year. Villagers who worked as migrant labourers in town and cities, mostly in Mumbai, Pune, and Nasik, have returned in hordes (80-90 in number) as they are assured of continuous food source back home. Even the Government is supplying rations in the villages.

Time period II- Partial reopening from the lockdown imposed by Covid 19 (Oct-2020)

- Some relaxations are in place for shops to open and people to go about their daily errands. People have started going back to their farms to level the land and prepare nurseries for millets and rice.
- Labourers were not able to get back to work due to lack of jobs outside, moreover no vehicular movements occurred in these remote areas. As a result most had to incur heavy losses. Most had to sell a major part of the previous year's produce to meet their daily expenses. Their diet now was mostly derived from what is available in nature as fish, wild vegetables and locally grown dal and tomatoes.
- With the help of the NGO some community members have started selling out powdered rice/millets. Since it is all organic it fetches a good price but due to lack of visitors this too has been adversely hit. Many in the village are collecting forest produce as hirada, amla, beheda and selling it in the markets.
- Government schemes *as PM kisan yojana, Jana dhan* are functioning well. PDS shops are distributing free rations per the government orders but concerns are there wrt the quality of the grains.

A brief overview of the telephonic interviews with **farmers of upland region** to assess the impact of Covid-19 crisis along three time periods.

Time period III- Resumption of activities post the lockdown (June-July 2021)

- Villagers had been severely hit by the second covid-19 wave. Thirty five people of various age groups have lost their lives due to the pandemic. Majority are left with nothing to sell in the market and are barely managing to grow for self consumption.
- Most in the village have started preparing nurseries for rice and millets. Since they have their own seed so no purchasing costs are incurred. Markets are officially open but the cost of transportation has increased.
- Experiments by scientists from Savitri Bai Phule institute are on. They have introduced new calcium rich varieties of rice as “jamunwala chawal” and it is believed that it will fetch a much higher price. Similarly high yielding ragi varieties are being sown.
- There are no essentials available in the local kirana store. People have been cooking without oil, spices for days. No vegetables have been purchased from the markets so far either due to lockdown or due to almost doubled up prices.
- Villagers are facing a tough situation.

Healthcare preparedness in upland villages

- The primary health centre is around 10 km from the village. The Covid-19 suspected cases would be required to go to the district hospital in Nagar, around 200 km. There is a huge shortage of masks and sanitizers even amongst the health care workers. NGO workers are not being allowed in the villages.
- Government health care workers’ visit have reduced to once in 15-20 days.
- Worst affected are the children as they have no means to study, even those with mobile phones suffer due to network issues.
- The villages witnessed several deaths and in most cases the patients were not given adequate medical attention or died on the way to the health care facility. With the lifting of the lockdown schools have reopened but with 50% capacity. No new corona virus positive cases have been diagnosed. Vaccination have started but at a very slow pace. Majority of people have not received even a single dose of the vaccine.

A brief overview of the telephonic interviews with **farmers of lowland region** to assess the impact of Covid-19 crisis along three time periods.

Time period I- Onset of Covid 19 (April-May 2020)

- As the cropping pattern is dictated by the market trends, the lockdown has forced the farmers to either delay harvesting their crops or suffer huge losses. With religious places shut, the entire produce of flowers is rotting with no sale at all.
- Farmers growing perishable crops, due to the lockdown and subsequent non-availability of labour and market s,uffered heavy losses and ended up feeding the crop to the cattle.
- According to the local authorities, the kirana shops are quite well stocked with all essential commodities, subsidized ration is available to the villagers with a ration card.
- Here too, migrant labourers have returned back to the villages mostly from Mumbai, Pune, Nasik in huge numbers. Some had returned prior to the lockdown and some have hitchhiked onto bikes or walked their way back. The joblessness of daily wage earners is the major issue the villages are facing. With no land of their own to cultivate, no jobs for them in the cities and in the local farms due to the lockdown and, living in ghettos in the outskirts of the villages they are the worst affected amongst all. Even the government aids have not reached them.

Time period II- Partial reopening from the lockdown imposed by Covid 19(Oct-2020)

- The farmers are facing a tough time as there are no takers for their produce. No transportation is available for people or goods. Everyone is scared. Crops as cabbage, coriander have all been wasted leading to heavy losses due to market closure. Much of the damage has been caused to fruit crop due to hail.
- Farmers are now relying on selling milk to the private distributors or selling goat has also been lucrative for some as each goat fetches Rs.5000-7000/-.
- For the local businesses like tailors, photo studio there is hardly any income, businesses open only for 4 hrs. For landless labourers, the villagers have formed a “Krantiveer Mandal” wherein all the farmers of the village chip in and around 10kg wheat and Rs 500 for kirana are distributed amongst the labourers.
- People are content with the government schemes which are functioning quite smoothly.

A brief overview of the telephonic interviews with **farmers of lowland region** to assess the impact of Covid-19 crisis along three time periods.

Time period III- Resumption of activities post the lockdown (June-July 2021)

- The villagers have had a tough time with several people testing positive for Corona virus. Around twenty five people lost their lives to the infection. Shops and weekly markets are open as per rules.
- The prices of seeds/ pesticides have increased over the msp rates.
- Farmers have been very cautious in growing fruits/ vegetable this time around. They have shunned easily perishable crops as cabbage/ ghehra etc and are invested in more robust or late harvesting crops as pomegranate. Some have increased their storage facilities for onions, guava etc. and others have just left their land barren waiting for the situation to improve.
- Due to absence of labourers all members of the family have been toiling hard in their fields. With no access to major markets the farmers are either forced to store their fruit produce as guava or selling it in the local market at a cheap price.

Healthcare preparedness in lowland villages

- The precautionary measures against the pandemic are well in place. Social distancing is maintained, entry points to the villages are being manned and every entry is recorded and screened for symptoms.
- Following the worst phase of corona virus infection the schools were again shut. The teachers were going door to door to survey how many students have access to mobile phone, internet services so that a constructive plan could be drawn to pursue the teaching activity.
- Health care centres are fully operational with limited facilities, severely sick patients are being sent to Nasik or Sangamner for treatment. Most of the villagers have been vaccinated with a single dose of the vaccine.

To sum up

- Absence of 'pent up' demand and insistence on supply side approach
- Direct benefit transfer during the lockdown period could have helped the rural informal sector to cope with the situation better
- Most affected sectors [eg. travel and tourism] and steps taken only recently
- Malnutrition as a risk factor amidst pandemic and focus required on dietary balance apart from health infrastructure
- Even though agriculture contributes less than 15% of the GDP, it continues to provide livelihood to more than 40% of the country's workers. This makes it critical for economic growth. However, to really shift the fortunes in favour of agriculture will require a demand driven sustainable policy trajectory.

Focus: Demand generation

- Understanding the Multi-tiered labour market in India
 - Formal and Informal, Self employed and Wage employed – GST reduction to aid demand?
- The apathy of those who lost jobs and livelihoods due to health and economic shocks: appears to be a missed opportunity?
- Informal Sector - 83.5% in India are employed in the informal sector, NSS 2017-18, worst affected by lockdown and employs migrant workers. Employment guarantee for them in urban areas?
- MSMEs – ease of borrowings can solve their problems?
 - A recent study revealed that 1/3rd of their borrowings are from local money lenders @ usurious interest rates.

Ignored?

- The debate between 'V' and 'K' type economic recovery after the lockdown
- Multidimensional inequality, with increasing gap between the top and the bottom of the pyramid
- How to bring those who are out of labour force into the labour market?

Success depends on

- Improving the Fiscal space: ability to mobilise resources
- Achieving demand targets
 - Without ignoring the agricultural products
- Mid course correction and interventions are being carried out.
- We are moving towards a 'data driven' policy decision.

Thank you

For your attention