

India's kharif seed demand down 25% on lower output, transport disruption

Delay in seed certification by govt agencies is also a contributor to low demand

Dilip Kumar Jha | Mumbai June 24, 2020 Last Updated at 19:17 IST



Kaundinya emphasized that many farmers suffered due to closure of mandis which resulted into spoilage of horticulture output.

India's seed demand has declined by about 25 per cent this kharif sowing season due to lower production, delay in certification from government agencies and disruption in transportation from seed companies to distributors and farmers, because of nationwide lockdown during the key season between March and May 2020.

The 70-day nationwide lockdown, which started on March 25 to prevent spread of coronavirus (Covid-19), brought all manufacturing and services activities at standstill. Though seeds are regarded as essential items, most seed companies operated at 50 per cent capacity for at least two months due to problems in movement of workers and certification of seeds by government authorities. Since seeds were required to physically move from the factory to the government laboratories for certification, transport disruption during this crucial period hit services hard.

While certification started with the government's decision to gradually open up laboratories and offices for essential services, the movement of seeds for certification was very slow. Today, all laboratories and government agencies are working overtime to provide certified seeds to farmers.

“But, the process is so late that a number of farmers have already started sowing of seeds which they procured from the market or their own seeds that were saved from last year. While we provided door to door services to farmers, reaching remote areas was very difficult. Overall, we believe seed demand is lower this year by around 25 per cent,” said Satish Kagliwal, managing director, Nath Seeds.

ALSO READ: [The corporate bond market is slowly starting to accept NBFCs back](#)

Unavailability of certified quality seeds has proved worrisome for farmers. Soybean seed, for example, sown in a large area in Maharashtra failed to germinate. While the season is not late for re-sowing but, efforts made and resources like seeds, fertilisers and labour went futile. Now farmers are struggling with fresh money to purchase inputs like seeds and fertilisers. Industry experts believe similar scenario for other seeds like vegetables, maize and oilseeds as well.

Data compiled by the Union Ministry of Agriculture estimate India's seed requirement at 15.05 million tonnes for kharif sowing season of 2020-21 as compared to 13.82 million tonnes for the same season previous year. The ministry claims total availability of seeds 15.37 million tonnes for kharif 2020-21 as against 14.98 million tonnes for the same season last year.

“These estimates were made a couple of months before the Covid-19 pandemic actually hit India. Hence, the impact of pandemic is not factored in these figures,” said an industry expert.

Seeds, fertilisers, pesticides and other agrochemicals are categorised as essential commodities and were exempted from any restrictions. However, the movement of trucks and other modes of transport weren't normal despite the fact that both, the Centre and states have allowed transportation of essential commodities during the lockdown period.

“During the initial period of lockdown, seed supply got impacted. But, we found the government very proactive on agriculture sector. When we took up the matter with the government, transportation of seeds and other agriculture inputs were relaxed. Transport through railways also helped to improve overall situation. But, seeds plants operated with 60-70 per cent capacity only due to the lack of labour,” said Ram Kaundinya, Director General, Federation of Seed Industry in India (FSII).

Kaundinya emphasized that many farmers suffered due to closure of mandis which resulted into spoilage of horticulture output.

Meanwhile, hybrid seed penetration in India is estimated at 90 in cotton, 60 per cent in corn and very limited in cereals such as sorghum and pear millet; and oilseeds (sunflower 80 per cent).