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# A Study on the Impact of Covid 19 on Tea Plantation Sector in India

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**Abstract:** COVID-19 has had a significant impact on tea farmers all around the world, owing to national lockdowns and social distancing measures. The tea market is experiencing uncertainty as a result of export and import limitations, and growers are adopting emergency steps to prevent the spread of COVID-19 in tea communities. In March and April, India, the world's second-largest tea grower, imposed tight lockdown measures that halted all agricultural activity for several weeks. Tea gardens and small tea growers have just resumed tea production and export, however the lockout has had a substantial impact on tea producers and smallholder livelihoods. This paper tries to examine the impact of COVID 19 on tea plantation sector in India.

**Keywords:** Plantation sector, COVID 19, India, Tea Industry

## I. INTRODUCTION

COVID 19, also known as Corona virus, is the most recent global pandemic in human history. It began in China's Wuhuan region in the months of October and November, gradually spreading over the world and damaging people's health and economic conditions. Because this virus spreads through social interactions, all countries around the world declared total LOCKDOWN for a set period of time to protect their citizens. Our country, India, is no exception and has followed in their footsteps. From the 24th of March, 2020, our Prime Minister, Narendra Modi, has announced a state of emergency. First phase: 14th April to 3rd May 2020, second phase: 15th April to 3rd May 2020, third phase: 4th May to 17th May 2020, and fourth phase: 18th May to 31st May 2020. COVID-19 has been a horrific pandemic by any standard. It has affected everybody in Tea plantation sector, even though some areas have been hammered more than others. This is a selection of some of the most significant affects, chosen because they show how a single event can present itself different ways depending on where it lands. Tea growing and production employs or supports more than 80 million people around the world, therefore the disease and the measures implemented to combat it were always going to have huge impact. Tea was equivalent to any other labour-intensive sector in this way, but it was dealt a particularly harsh blow based only on time.

## II. OBJECTIVES

- 1) To identify the problems and challenges experienced by tea plantation workers during COVID 19 crisis.
- 2) To evaluate the channels of transmission of pandemic effect on the plantation sector.
- 3) To study the effectiveness of the measures of Governmental interventions to resolve the crisis in the tea industry.

## III. STATEMENT OF THE PROBLEM

Tea plantation industry is an important sector of the economy in India. Tea plantation industry is facing very serious crisis due to COVID-19. Tea Association of India (TAI) stated that complete lockdown effective from the evening of March 24 last has impacted the tea industry seriously, the foremost being a grave liquidity crunch. Infections are rising among millions of tea workers - many of whom live in confined living quarters where efforts to control the virus's transmission are difficult to execute - as some of the cities hardest impacted by India's COVID-19 epidemic see a lull in new cases.

There are no facilities - no isolation centers, no doctors in closed dispensaries - so workers are left to fight the sickness on their own. Fever cases are on the rise, and those who test positive are stuck at home with their family, resigned to their fate. Due to the covid epidemic, India's tea exports decreased, and the country's foreign exchange reserves decreased as well. It had a negative impact on the Indian economy's financial stability.

The government attempted to remedy the problem, but only to a limited extent. This paper tries to evaluate the impact of Covid 19 On Tea Plantation Sector In India.

#### IV. SCOPE OF THE STUDY

The current research is restricted to the Tea Plantation industry. The goal of the study was to determine the impact of COVID-19 on tea plantation workers, as well as the problems and obstacles they faced during Covid 19. The efficiency of government actions to overcome the tea business issue was also examined in this study.

#### V. RESEARCH METHODOLOGY

The present study is descriptive in nature. For the collections of required information, secondary method of data collection are used. The secondary data has been collected from the available literature from Text books, Journals, Magazines, Newspapers, Annual reports and from various websites.

##### A. Problems and Challenges experienced by tea plantation workers during Covid 19

At the end of April 2020, tens of thousands of tea plantation workers in India's north-eastern province of Assam launched rallies to seek wage payment during the Corona virus lockdown. Despite official recommendations that they should be paid in full during the lockdown period, workers on tea farms around the region claim they have not received their pay. Tea pickers are facing increased hardship and hunger during the lockdown as a result of unpaid salaries, according to unions. As tea harvesting has partially begun on some tea plantations, unions have expressed worry over insufficient handwashing and hygiene facilities to safeguard employees from infection

From March 29 to May 3, all migrant labourers in their respective states and districts were prohibited from returning to their places of origin. Work under the Mahatma Gandhi Employment Guarantee Act (MGNREGA) was also halted from March 24 to May 3. From the 3rd through the 17th of May, the lockdown was in its third phase. From 3 May, interstate movement of individuals, particularly migrant workers, was allowed, and MGNREGA was also released from lockdown. The fourth phase of the lockdown will begin on the 18th of May, with far fewer restrictions in place for the time being. For a period of around 9 days, the plantation sector was effectively shut down from March 24 to April 3. The tea industry was given permission to operate.

##### B. Pandemic Effects on the Plantation Sector: Transmission Channels

COVID-19 and the preventive measures would wreak havoc on the plantation industry, mostly through a variety of channels. Some of the effects would appear instantly, while others would take longer, depending on the channels. Some of the transmission process are discussed below.

##### C. Seasons in Agriculture

Delays in season-specific agricultural operations have the potential to harm or reduce crop yield. Agriculture would be hampered if there was a lockdown. The tea farmers were particularly hard hit by the ban, as unplucked tea leaves would diminish future tea yields and cause the quality of tea to deteriorate. The tea leaves must be processed within 48 hours of being picked. The lockdown cost the team the entire season. Tea leaf plucking takes place all year in South India. Tea picking and processing might be affected in south Indian states as well, though not to the same extent as in Assam and Bengal. This is the time to undertake rain guarding before the monsoon rainfall in the case of rubber. Rain guarding may potentially go undone due to the 50% reduction in staff. The lost season, which runs from March until the present, is thus a significant element of the crop cycle. There would be a noticeable drop in output during the lockdown phase. Following the removal of the lockdown, the drop in output may not be quickly restored; rather, the pre-COVID-19 outputs may be achieved only gradually over months. Because the crop cycle has been disturbed, the hardships of plantation growers are likely to go considerably longer than the lockdown time.

##### D. Processing, Storage and Transportation

When compared to agricultural commodities, the ability of tea plantation crop products to keep value for lengthy periods of time is what makes such crops desirable productive investments. However, such value retention is only possible if crop outputs are processed and stored.

For all plantation crops, timely drying, curing, and other similar processes lengthen the life of the agricultural yield while also locking in the crop's value for a longer period of time. The stocks of tea leaves were held in the factory instead of being auctioned since tea auctions were stopped in all auction centres. The companies were unable to transfer the tea to auction centres even after the auctions had begun because trucks were inaccessible.

### E. Factors and Resources are in Short Supply

The plantation sector's growing and harvesting activities have a wide range of resource and operational requirements, which are influenced by the channels outlined earlier. There are three main activities. Planting or replanting, yield enhancement and protection efforts, and harvesting are all things that happen at this period. Depends on the type of crop to carry out these tasks, the farmer makes use of production parameters such as inputs and resources such as seeds or saplings, fertilisers, and pesticides; inputs and resources such as land, labour, capital, and credit; inputs and resources such as seeds or saplings, fertilisers, and pesticides as well as irrigation. Furthermore, all of these actions must be planned and carried out in accordance with the seasons of the year and crop cycles. Many of these employees were in the process of returning home due to the pandemic, resulting in an increase in labour availability on tea plantations. However, just because there was a surplus of labour did not mean it could be absorbed right away. Because the labour usage in estates and small gardens was fixed by social distancing and limits on the number of workers, the workforce stayed relatively unchanged, despite the growing labour supply, which would suggest pay stagnation.

### F. Demand for Tea Plantation Products during Pandemic Crisis

Several factors influence the economy's demand conditions during the COVID-19 pandemic. Despite the fact that demand for products and services was uncertain during the lockdown, the lack of markets caused excess supply and low demand during the lockdown period. Furthermore, individuals would withhold their spending owing to the lockdown's uncertainty about the future and the risks related with the increased likelihood of getting the virus. Consumption demand may fall in general, while savings demand may rise. The lockdown and social distancing restrictions in the plantation sector, which included closing down diners, restaurants, wayside petty shops, retail stores, and other commercial institutions, all meant that end consumer demand for tea and coffee in the domestic market dropped dramatically.

### G. Governmental Measures to Resolve Covid 19 crisis in Tea Industry

The India government implemented the 'Atmanirbhar Bharat' stimulus plan to help the economy recover from the pandemic. The package was primarily targeted at the supply side, particularly agriculture and micro, small, and medium-sized businesses (MSMEs). Credit subsidies and working capital assistance were included in the package to help the economy recover. The announcement for the package's second tranche was the one that was relevant to the plantation industry. The package included monies from the Compensatory Afforestation Fund Management and Planning Authority (CAMPA) for afforestation and plantation operations totalling '60,000 million. Through the National Bank for Agriculture and Rural Development (NABARD), the government announced a '3,000 billion emergency working capital funding for farmers. A third initiative proposed was the provision of '200,000 trillion in concessional credit to 25 million farmers via Kisan Credit Cards. However, the CAMPA monies did not alleviate any of the sector's problems. Its stated goal was to provide both work and afforestation to tribal inhabitants. The plantation sector's working capital fund and Kisan Credit Card (KCC) concessional credit for producers would be beneficial in restoring plantations and resuming operations for a few in the sector especially small growers.

## VI. CONCLUSION

Covid's dilemma in the tea gardens necessitates not only infrastructure, but also social, economic, and political help. Overall security and assurance for workers must be provided, not only to stop the dreadful situation brought on by the pandemic, but also to equip them to fight such situations in the future. Despite Covid testing camps, information programmes, and backing from the government, NGOs, and other concerned groups in various gardens on a local level, the number of employees who are tested remains alarmingly low.

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