**Agricultural Logistics in Punjab Today**

By

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The global pandemic of COVID-19 and the consequent lockdown introduced throughout India from March 24, 2020 (presently upto May 17, 2020), has thrown up new challenges for the agriculture sector in Punjab state (called the food bowl of India) and is expected to produce a bumper wheat harvest of about 18.2 million tonnes in 2020 (which is more than 15% of the total wheat production in India, but a greater part of this production is in excess of Punjab’s own consumption requirements and hence, required to be transported out of the state, primarily to the deficit states in eastern India).

The Chief Minister of Punjab recently stated that not one grain of wheat would be wasted in the ‘*Kharif’* crop to be harvested in April-May 2020. Hence the State Government of Punjab and the Government of India got their act together by working in tandem to harvest the crop and simultaneously evacuate the old foodgrain stocks from the godowns and warehouses in Punjab, to create additional space for storage of the newly harvested crop of wheat in April- May.

Punjab prepared itself for the harvest of bumper wheat crop of 18.2 million tonnes, a record of sorts, from April 15 and for this the government has made elaborate arrangements amid the coronavirus pandemic. The government expects over or 13.7 million tonnes of wheat would arrive in grain markets for procurement by the government agencies at the minimum support price (MSP) announced every year by the government at the time of harvesting of the produce.

Taking stock of the arrangements, the Additional Chief Secretary (Development), Government of Punjab, announced that all arrangements are in place by the Punjab Mandi Board (the state government agency responsible for foodgrain procurement) for the procurement that will continue till May 31. And if need be, it will be on till June 15, 2020.

The cash credit limit of ₹22.9 billion has been approved by the central government to ensure prompt procurement in all 22 districts by creating 3,691 purchase centres, including 153 main yards, 280 sub-yards, 1,434 purchase centres, besides 1,824 yards of rice mills.

Nearly 13.7 million tonnes of wheat is expected to arrive at the purchase centres, out of which 13.5 million tonnes would be purchased by government agencies and the remaining by private traders. The central government has fixed the minimum support price (MSP) of wheat at ₹1,925 per quintal (100 kg) against ₹1,840 last year.

A total of 17,500 combine harvesters would be operating for harvesting the crop in the state. Against the total requirement of 4,82,000 gunny bales, 3,05,000 have already been made available. Likewise, arrangements for 47,000 tarpaulins have already been made.

Farmers will be paid through ‘*Arthiyas’* (commission agents) within 48 hours of the lifting of produce. Wearing masks and use of sanitisers is mandatory at the ‘*mandis’*.
Over 100,000 masks and 25,000 litres of sanitizer has so far been received for use in purchase centres.

To avoid crowding and maintain social distancing, an action plan has been prepared to undertake procurement by staggering arrival of produce in the markets by issuing coupons fixed with holograms to the farmers through commission agents. About 2.7 million coupons will be issued to wheat growers for bringing their crop to grain markets for procurement, starting from April 15, as part of the measures to prevent overcrowding in the wake of coronavirus outbreak. With each coupon, a farmer will be entitled to bring one trolley of about 50 to 70 quintals of wheat. A farmer will be entitled to take multiple coupons each day or on different days depending on space in the purchase centre in order to avoid rush in the mandis. The market committees will issue coupons to ‘*Arthiyas’* (commission agents) who in turn will give them to farmers, who are associated with them, for bringing their crop to mandis and ‘*Arthiyas’* will give coupons to farmers while keeping their respective output in mind.
The Punjab Mandi Board has also developed a mobile app ePMB which will help it to track movement of tractor trolleys, issuance of passes and utilization of space at ‘*mandis’*.

Harvesting operations by combines will be allowed between 0600 to 1900 hours daily.
As the state government has already decided to stagger wheat procurement by extending the procurement season till June 15, 2020, it is estimated to procure 13.5 million metric tonnes of crop for the marketing season 2020-21. To keep a check on overcrowding in ‘*mandis’*, the number of purchase centres has also been expanded to around 3,691 in the state by involving 1,824 rice mills. Last year, the number of purchase centres stood at only 1,840.

The state government has already requested the Central Government for providing incentives to farmers who delay bringing in the wheat produce to the ‘*mandis’* to May and June 2020.
It has proposed no incentive for farmers bringing in grain at the mandis from April 15-30, but an incentive of ₹100 per quintal and ₹200 per quintal in addition to the minimum support price (MSP) of ₹1,925 for those bringing in the produce in May and June 2020, respectively.

The nationwide lockdown introduced on March 24, and presently on continuous extension upto May 17, 2020, has thrown up a new challenge for all the farmers in Punjab, as they are totally dependent on migrant labour from eastern India for all the farming activities (ploughing, sowing, watering, harvesting, etc.). But the pandemic threat and the consequent lockdown has led to the migrants abandoning their jobs and going back to their respective villages, which may be hundreds or even thousands of kilometres away! Hence, harvesting the ‘*kharif*’ crop in Punjab this year became a big challenge for the landlord farmers of Punjab as the usual seasonal migrant labour was missing!

To compensate for the sudden shortage of labour in Punjab, additional labour supplies under MNREGA scheme (Mahatma Gandhi Rural Employment Guarantee Act, 2005) were mobilised from other states with assistance of the central government. Fleets of combined harvesters were mobilised and escorted in convoys from elsewhere (in adjoining states) to the wheat fields in Punjab. FCI (Food Corporation of India, the national agency responsible for procurement of foodgrains and their storage, transportation and warehousing) was fully mobilised and made battle ready. 2000 odd additional ‘*mandis*’ (traditional wholesale trading markets) were immediately activated to reduce crowding and improve social distancing. Centrally controlled paramilitary (police) forces worked in tandem with local district/state police to control convoys of thousands of trucks and tractors transporting wheat from fields to ‘*mandi/arat*’ (wholesale trading centres) and beyond to godowns. Harvesting started in mid-April 2020 and is continuing. They are even artificially lighting up the fields at night to allow harvesting on 24x7 basis. The focus is to quickly complete harvesting and disband the workforce to reduce chances of COVID-19 disease spread.

The net result has been extremely encouraging. Last year, Punjab harvested 1.3 million tonnes (MT) of wheat all through April 2019, and marginally more in May. This year, from 15-26 April, 2020. i.e. in 9 days only, Punjab has harvested 2.8 MT, which has been a stunning development! Not only that, Punjab would be having an all-time high record of wheat production and procurement this year.

FCI is present at all the ‘*mandis*’ and ‘*arats*’, procuring and immediately paying for the wheat as it is coming in. Putting money in the hands of the farmers, encouraging them to harvest even more quickly is in itself a great motivation and incentive for the farmers.

However, this supply chain and logistics story does not end there. The state government of Punjab has been working with FCI and Indian Railways to simultaneously evacuate the old foodgrain stocks occupying valuable space in the godowns and warehouses out of Punjab, so as to create space for the new arrivals from the current year’s harvest. Otherwise, the latter would have to be stacked in the open areas, making the grains vulnerable to the vagaries of nature, particularly the incoming monsoon season.

Hence, Indian Railways have been moving foodgrains through long-haul trains (each transporting about 5200 MT of foodgrains) to various parts of India. These foodgrain long-haul trains have been given the nomenclature of ‘Annapoorna’ trains. Each train is an amazing 1.4 km long, comprising 84 freight cars with two engines and radio communication between driver and guard.

The ‘Annapoorna’ trains have been a game changer for the following reasons:

(a) Under normal circumstances, one freight train containing 42 covered wagons/freight cars loaded with foodgrains carries around 2,600 tonnes.

(b) Under the new concept, two freight trains (42+42 = 84 covered freight cars) are moved in a single path. This means double the foodgrain — 5,200 tonnes.

(c) This plan can radically cut journey time of freight trains to their respective destinations.

In April last year IR transported some 2 MT of food grains. This April the rail loading/transportation figure for foodgrains from Punjab is likely to be around 5 MT.

All of the above efficiencies in supply chain logistics is being managed by special government teams comprising the district/police/state administration in complete tandem with the FCI and Indian Railways, under the overall supervision of the Government of India.

Most importantly, with roads blockaded and trucks abandoned by drivers, IR has had to play a crucial role in ensuring that the supply of foodgrains is not hit.

These services have taken advantage of the freed-up tracks to join two freight trains and run them as one, thus doubling capacity. IR has already run almost 140 Annapoorna trains (each transporting 5200 MT of foodgrains) in April 2020, originating from Punjab for different parts of India. Thus, these foodgrain special trains (transporting wheat and rice from Punjab) are a crucial link in the supply chain (from farm to plate) for feeding approximately 800 million Indians who receive their food supplies through the government controlled and managed nationwide PDS (public distribution system).

**Indian Railways Transforming itself into a Logistics Organisation**

Other quick decisions have also helped IR up its role. It has tweaked its regular routes, aggregated small parcels, and picked up unique cargo. It identified 65 parcel routes for essential goods and, until April 14, has run 507 such trains.

In Bhusaval in Maharashtra, for instance, trains transport onions but not bananas, which go by road. Post-lockdown, a parcel van of bananas was sent to Delhi. Now, following requests from fruit traders, Central Railway plans to run several parcel trains for fruit. Similarly, Western Railway has dramatically increased milk loading at Palanpur in Gujarat to transport milk to Haryana and Delhi. From March 23 to April 20, 14 milk specials have run, carrying 9,903.20 tonnes of milk.

In the Northeast, NFR has moved more than 480 rakes of essentials and 25 parcel trains for the seven sister States. Assam’s Barak Valley is one of the remotest corners of the area that NFR services, and the IR team there ensure that supplies keep coming in.

For the first time, a freight terminal near Silchar was used for medicine parcel service — one for Barak Valley and the other for Tripura; then a milk rake came from Gujarat, supplying 50 wagonloads. The SETU helpline allows customers to call and place requests for bulk transport of essentials such as PPE, medicines and foods. Nationwide, IR has transported 1,150 tonnes of medical items.

IR is also providing cooked meals for the needy, tying up with local NGOs and groups for distribution. IRCTC, the Indian Railway Catering and Tourism Corporation, has set up kitchens across the country, starting at Mumbai Central.

At present, the Railways is providing meals to over 50,000 people a day nationwide, and efforts are on to increase this to 260,000 meals per day wherever it is possible, as part of its corporate social responsibility in providing assistance to the migrants and poor people affected by the pandemic (due to job losses).

**Fast Forward**

The challenge will be to see if IR can keep up the momentum after the lockdown is lifted. While it’s always played a leading role in the transport of bulk commodities such as coal, iron ore and foodgrains, it could use the opportunity provided by the pandemic to dramatically revamp its freight business.

Its huge, trained workforce and extensive resources and networks could be used to create a new freight model if it has the foresight to do so. It could, for instance, tie up with road transport to offer seamless cargo movement, and incorporate sophisticated facilities to cover a wider range of goods, including perishables, medicines etc. The challenge will be to establish timetabled long-distance trains and assured delivery times even after passenger trains are back on track. And, most important, keep its rates competitive. In other words, as much as the Railways has upped the ante to deliver during the pandemic, its real victory will be if it can emerge from the pandemic a smarter, sharper, and more efficient brand.