

## Union Budget 2022: Sowing seeds of chemical-free farming

### Synopsis

Going green payment of Rs 2.37 L cr for procurement of wheat and paddy under MSP; Kisan Drones and Nabard fund for rural startups on cards.

The Budget looks at taking agriculture on a sustained higher growth trajectory with an emphasis on digital infrastructure and incentivising investments through public private partnership, said experts.

"The measures address key issues of livelihood generation, enhancing farmer incomes and building climate resilience. The substantive enhancement of public expenditure will create a multiplier impact on growth and competitiveness. The multi-dimensional interventions to usher in Next Generation Agriculture through digitalisation, R&D, leveraging strengths of agri-techs and FPOs, will transform the agri sector," said Sanjiv Puri, chairman, ITC.

Experts said that the increased outlay for PM Gati Shakti, including 100 new railways logistics hubs will speed up supply chain, reduce logistic cost, ensure smooth movement of agricultural produce across the country and help in reducing wastage.

According to the Budget, the PM Gati Shakti Master Plan for Expressways will be formulated in 2022-23 to facilitate faster movement of people and goods and the National Highways network will be expanded by 25,000 km.

"By promoting chemical-free farming, with a focus on farmers' lands in 5-km wide corridors along river Ganga, at the first stage, the government will help boost exports. We have seen export embargoes on produce which has pesticide content in certain countries," said Anshu Malik, CEO at Adani Agro Business.

Finance minister Nirmala Sitharaman in her Budget speech said a fund with blended capital, raised under the co investment model, will be facilitated through Nabard. This will finance startups for agriculture and rural enterprise, relevant for farm produce value chain.

"The emphasis on digital infrastructure for infusion of agriculture technologies in a public private partnership mode will help combat the serious threat of climate change and could attract new opportunities for companies in the agriculture sector," said KC Ravi, chief sustainability officer, Syngenta India.

The finance minister also said the Centre will encourage states to revise syllabi of agricultural universities to meet the needs of natural, zero-budget and organic farming, modern-day agriculture, value addition and management.

**Next Gen Agri Reforms**

- ▶ PPP plan for services delivery to farmers, agri-value chain stakeholders
- ▶ ₹2.37 lakh cr direct payment of MSP value
- ▶ Chemical-free natural farming starting with 5-km wide corridor along Ganga
- ▶ Nabard fund for startups on agri, rural enterprise

The infographic features a blue background with white and red text. It includes a small illustration of a farmer in a turban and a green plant. The bottom of the infographic shows a field of golden wheat.

"Use of 'Kisan Drones' will be promoted for crop assessment, digitisation of land records, spraying of insecticides, and nutrients," the Budget added.

"The decision to revise syllabi of agricultural universities, and use of Kisan Drones for crop assessment, digitisation of land records, spraying of insect pesticides is a step in the right direction to modernise the agriculture sector. Introduction of post offices into the core banking sector will provide an impetus to financial inclusion in the rural parts of the country," Balram Yadav, managing director of Godrej Agrovet.

"Usage of drones can increase agriculture GDP by 1-1.5%," said Arun Nagarajan, director-tech consulting, EY.

It also focuses on ensuring assured income to farmers with an announcement of ₹2.37 lakh crore towards direct payments for minimum support price (MSP) to wheat and paddy farmers, said Rajat Wahi, partner, Deloitte India.

This comes just after the farmers holding agitation demanding guaranteed MSP for farm produce which led to the government recalling three farm reform laws that were brought in 2020.

**Source:** <https://economictimes.indiatimes.com/news/economy/agriculture/union-budget-2022-sowing-seeds-of-chemical-free-farming/printarticle/89285455.cms>