

Budget '24: Agriculture awaits big news

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The upcoming budget will likely announce a slew of proposals to boost the agriculture sector amid weather woes, including patchy rains, two senior officials said.

In the past few years, inconsistent monsoon patterns have impacted agriculture, leading to shortages and food price inflation.

The budget comes ahead of key state assembly elections to be held later this year.

Maharashtra, Haryana—massive farming states—and Jharkhand are set to have assembly elections before the end of the calendar year.

According to one of the officials, the ministry's budget proposals include the introduction of digital cards for farmers with geo-tagging under the PM-KISAN scheme, increasing the agriculture infrastructure fund, a push to clean plant programme for horticulture crops, including grapes and lemons, and building a team of 90,000 Krishi Sakhis (women associates in the farm sector).

However, there is no proposal as of now to increase farmers' income support under



Budget proposals include digital cards for farmers under the PM-KISAN scheme, and building a team of 90,000 Krishi Sakhis. MINT

PM-KISAN, the official mentioned above added.

Recommendations made by the Indian Council of Agricultural Research (ICAR), an autonomous body responsible for coordinating agricultural education and research, under consideration include strengthening Krishi Vigyan Kendras, technology-based support to improve and manage horticulture crops, natural resource management, and crop science for food and nutritional security, said the first official cited above.

"As many as seven cabinet

notes by the agriculture ministry and five by the ICAR are in the pipeline. Some of these have been moved and are yet to be cleared by the Union Cabinet. If these get Cabinet approval, these will be incorporated in the full budget FY25," the other official added.

Both people mentioned above spoke under the condition of anonymity because they are not authorised to speak.

PM Kisan, a Central sector scheme announced in the 2019 interim budget, gives farmers up to ₹6,000 per year as mini-

mum income support.

The agriculture infrastructure fund, which was launched in 2020, covers post-harvest management projects such as supply chain services including e-marketing platforms, warehouses, silos, pack-houses, assaying units, sorting and grading units, cold chain, logistics facilities, primary processing centres, ripening chambers and other viable projects for building community farming.

The size of the financing facility under the fund stands at ₹1 trillion up to FY26. It ensures a credit guarantee for loans of up to ₹2 crore with an interest subvention of 3% per annum for seven years. Investments worth ₹72,000 crore have been mobilised with ₹43,000 crore already sanctioned for 67,871 projects under AIF till June end. In the interim budget FY25, the Centre allocated ₹1.17 trillion to the Department of Agriculture and ₹9,941 crore to the Department of Agricultural Research and Education (DARE) against the revised estimates for FY24 at ₹1.16 trillion and ₹9,877 crore, respectively.

The allocation for the flagship PM-KISAN scheme in the interim budget remained unchanged at ₹60,000 crore.

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