

Agriculture in Focus: Budget 2025-26

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Context : The Union Budget 2025-26 presents a critical opportunity to reshape Indian agriculture, which is vital for the nation's economy. Strategic measures are essential to enhance productivity, boost farmer incomes, and address environmental concerns.

Key Challenges and Recommendations

Addressing Climate Change

- **Impact:** Rising temperatures and decreasing monsoon precipitation are significantly affecting crop yields.
- **Solution:** Develop climate-resilient agricultural systems to safeguard food security.

Boosting Agri R&D

- India invests **less than 0.5% of its agricultural GDP in R&D**, far below global benchmarks.
- Doubling this to **at least 1%** can:
 - Support climate-resilient crops.
 - Improve irrigation techniques.
 - Advance precision agriculture for optimal resource use and environmental protection.

Promoting Sustainable Farming

- Sustainable practices like crop rotation, cover cropping, and using organic amendments (e.g., compost, bio-fertilisers) can **restore soil health**.
- Enhancing **soil organic carbon** improves productivity and helps mitigate climate change.

Balancing Natural and Chemical Farming

- Natural farming practices are eco-friendly but insufficient to meet the needs of a growing population.
- **Balanced nutrient management** using bio-fertilisers and chemical fertilisers is critical for sustainable productivity.

Encouraging Technological Innovations

- Technologies like **nano-urea** and **nano-DAP** can improve nutrient efficiency.
- To drive adoption, subsidies favoring conventional fertilisers should be reformed, and awareness campaigns introduced.

Additional Proposals

Modernising Fertiliser Policies

- Replace fertiliser subsidies with **direct income transfers** to farmers based on landholding size.
- This shift:
 - Encourages balanced nutrient use.
 - Reduces environmental harm.
 - Enhances resource efficiency.

Strengthening Agri-Value Chains

- Inspired by India's dairy sector success, **robust value chains** for fruits and vegetables can:
 - Stabilize markets.
 - Increase farmers' share of consumer spending.
- Establish a dedicated board for perishable produce similar to the **National Dairy Development Board (NDDB)**.

Reforming Export and Market Policies

- Current export bans suppress domestic prices and indirectly tax farmers.
- **Market reforms** are needed to:
 - Enhance price support.
 - Create fair opportunities for farmers.

Path Forward: Prioritizing Agriculture in Budget 2025-26

The Union Budget must focus on:

1. **Increasing investment** in climate-resilient R&D.
2. **Rationalizing subsidies** for balanced fertiliser use.
3. **Building value chains** to stabilize markets and increase farmer incomes.
4. **Reforming export policies** to ensure fair pricing for farmers.

Conclusion

By prioritizing agriculture, the Union Budget 2025-26 can address climate challenges, protect natural resources, and improve farmer livelihoods. **Effective implementation will secure a resilient, equitable, and sustainable agricultural future for India.**