



# Agriculture Gets Green Signal

**Agriculture is a high potential area and the Budget tries to remind all of us that a farmer is also an entrepreneur.**

By AJAY SHRIRAM

**B**udget 2019/20 could lay the foundation for a new India and it seems like a good endeavour towards making India a \$5 trillion economy. By laying emphasis on building physical and social infrastructure and ensuring that Digital India reaches every sector of the economy, the FM has tried making a Budget which is inclusive and progressive.

The FM said that this Budget gives wings to the farmers but I would like to add that this Budget not only gives wings to the farmers but also strengthens the roots of the farmers by way of making *Gaon, Gareeb aur Kisan* a central theme to the various policies and initiatives announced.

The government has done some good work in agriculture in the recent past which is visible from the outlay on expenditure on agriculture. The financial outlay was ₹52,628 crore in 2017/18 and has almost trebled to ₹1,51,518 crore in just a span of two years. The major increase is coming from the ₹6,000 per acre income support; this has significantly addressed the risks associated with farming.

I have always believed that agriculture is one of the pillars of the Indian economy and a high potential area that offers immense opportunities for growth. This Budget tries to remind all of us that a farmer is also an entrepreneur and the government is working towards making his life and his work easier. Nirmala Sitharaman put it rightly when she said that ease of doing business and ease of living both should apply to farmers too.

The government plans to form 10,000 new Farmer Producer Organisations (FPOs) to ensure economies of scale for farmers over the next five years. Adding the current 5,000 FPOs (including Farmer producer Companies) in India, it is an impressive number to have. This and the focus on E-NAM will surely help the farmer get the best price for his produce.

The announcement on incubation of 75,000 skilled entrepreneurs in agro-rural industries will help create better linkages and also provide alternative areas of income generation in Rural India.

A few other good initiatives have also been announced. Providing electric connection to every rural family is a step in that direction. Increasing the pace of road construction under PM Sadak Yojana will ensure cemented roads going to far flung areas. This will result in farmers spending less time in commuting, will reduce transit loss and will enable farmers to reach out to wider markets. This, in turn, will help them get better prices, especially for perishable produce.

The Budget on the whole is promising and the fund allocation is also good. Having said that, there are some things that the government can look at. First is the issue of FPO management. It is important that the government address issues related to the effective management of these FPOs so that farmers are able to get all the benefits. Second, it needs to usher in new technology and encourage research in agriculture to help achieve the target of doubling farmers' income. Third, as agriculture is a state subject, the key will be for states to collaborate with the Centre for policy initiatives and surely the benefits will come with good execution and implementation.

An idea which comes to my mind and which the government can think of conceptualising and implementing, is having an index of 'Ease of Doing Business' for farmers. Let the states compete with each other for higher ranking. An initiative like this will surely go a long way in putting agriculture at the centre of the economy and help in achieving PM's vision of doubling farmers' income. **BT**

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## 10,000

NUMBER OF  
NEW FARMER  
PRODUCER  
ORGANISATIONS  
PLANNED OVER  
NEXT FIVE YEARS