

Financial Budget: Agriculture and Allied Sectors vis-à-vis Socioeconomic and Community Development

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SUMMARY

Indian economy has demonstrated resilience and maintained healthy macro-economic fundamentals, despite global economic challenges. The International Monetary Fund (IMF), in its World Economic Outlook (WEO), October 2023, has revised its growth projection for India for FY2023-24 upwards to 6.3 per cent from 6.1 per cent projected in July 2023. This reflects increasing global confidence in India's economic prowess at a time when global growth projection for 2023 remains unchanged at 3 per cent. The article focuses the importance given to agriculture and allied sectors keep in mind the concern related to food, economic, social and energy security, where, the agribusiness sector has a major role to play in it.

INTRODUCTION

The budget highlighted the importance of green energy, logistics, infrastructure, and economic development. Under the Aatma Nirbhar Oilseeds Abhiyan, the government aims to promote oilseed self-reliance in order to assist the self-reliant India mission (Atmanirbhar Bharat). Infrastructure and logistics development are given top priority by the government in order to minimize post-harvest losses. Farmers and farmer producer organizations (FPOs) will benefit from improved road transport connectivity as well as decreased logistical time and cost by having an easier time moving their produce. The budget intends to boost coastal land farmers' incomes and encourage them to adopt pond fish farming as a means of diversifying their sources of income, with a particular focus on doubling seafood exports. Farmers are able to sell the government more produce when the Public Distribution System (PDS) receives more funding, which increases government procurement. Fossil fuel fertilizers and the majority of synthetic pesticides are banned in natural farming and organic farming. This means that the carbon footprint is much lower. The chemicals used in organic farming are energy intensive. The carbon footprint is decreased when one uses more green energy. The government also places a strong emphasis on increasing young people's involvement in technology, innovation, research, and entrepreneurship.

Introduction:

The Finance and Corporate Affairs Minister Smt Nirmala Sitharaman, while presenting the Interim Union Budget for 2024-2025 in Parliament today announced that the capital expenditure outlay for the next year is being increased by 11.1 per cent to Rs 11,11,111 crore, which would be 3.4 per cent of the GDP.

Key Highlights of the Financial Budget:

1. Infrastructure Development

- Railways Transformation: Conversion of 40,000 normal railway bogies to Vande Bharat standards.
- R&D Boost ₹1- lakh crore corpus for private sector R&D, providing 50-year interest-free financing.
- Housing Initiatives: 2 crore more houses under PM Awas Yojana Gramin, new scheme for middle-class housing.
- Global Connectivity: India-U.S.-Europe Middle East-Europe Corridor to enhance world trade.

2. Communication and Technology

- Digital Agri Mandi: Integration of 1,361 mandis, transacting ₹2-lakh crore through an electronic agricultural market.
- Rooftop Solarisation: Enabling 1 crore households to obtain up to 300 units of free electricity monthly.
- Education Reforms: National Education Policy 2020, establishing institutions like 7 IITs, 16 IIITs, 7 IIMs, 15 AIIMSs, and 390 universities.
- Global Economic Leadership: India assuming G20 Presidency during challenging times.

3. Agricultural Innovation and Welfare

- Agricultural Transformation: Nano DAP application on various crops expanded in all agro-climatic zones.
- Farmers' Support: Increased minimum support prices, direct financial assistance to 11.8 crore farmers.
- Fisheries Scheme: Boosting exports with a scheme to reach the target of ₹1 lakh crore.

4. Education and Skill Development

- Quality Teaching: Prime Minister Shri focusing on quality education.
- Skill India Mission: Training 1.4 crore youth, upskilling and reskilling 54 lakh youth, establishing 3,000 new ITIs.

5. Housing and Women Empowerment

- Housing Initiatives: 2 crore more houses under PM Awas Yojana Gramin, new scheme for middle-class housing.
- Gender Equality: Making Triple Talaq illegal, promoting women's reservation.

6. Economic Development and Trade

- FDI Growth: FDI inflows at \$596 billion, twice more than 2014-15.
- GST Success: GST achieving One Nation, One Market, One Tax.
- Economic Diplomacy: India assuming G20 Presidency, navigating through global economic challenges.

7. Fiscal Responsibility and Transparency

- Fiscal Deficit: Revised fiscal deficit estimated at 5.8% for FY24.
- Tax Stability: Retaining the same tax rates for direct and indirect taxes.
- Accountability: Government presenting a white paper on the mismanagement of the economy before 2014.

8. Vision for the Future

- FDI Negotiations: FDI as 'First Develop India,' negotiating bilateral investment treaties.
- Global Economic Leadership: India-U.S.-Europe Middle East-Europe Corridor for world trade.
- Sustainable Agriculture: Matsya Sampada Yojana to be expanded for employment generation and increased earnings.

Agriculture-Highlights In The Financial Budget 2024-25

- Greater promotion of private and public investment in post-harvest activities including primary and secondary processing and marketing. The budget has made ways to encourage farmers and related stakeholders to produce more and provide necessary infrastructure from primary to secondary value chain approach.
- Direct financial assistance to 11.8 crore farmers under Pradhan Mantri-Kisan Samman Yojana. PM-Kisan Samman Yojana has given a helping hand to the farmers, who have been prosperous and fulfilled their basic needs. It has fulfilled the working capital requirement of small and marginal farmers.
- Formalization of Pradhan Mantri Micro Food Processing Enterprises Scheme has helped 2.4 lakh SHGs and sixty thousand individuals with credit linkage.
- Electronic National Agriculture Market has consolidated 1361 Mandis. e-NAM is serving 1.8 crore farmers with Rs. 3 lakh crore trading volume. e-NAM has developed an alternative marketing system to the agribusiness ecosystem.
- Atmanirbhar Oilseeds Mission: A strategy will be formulated to achieve 'self-reliance' for oilseeds such as mustard, groundnut, sesame, soybean and sunflower with the help of financial support for research and development in the agricultural sector. This will include research into high yielding varieties, widespread adoption of modern farming techniques, market linkages, procurement, value addition and crop insurance. India is moving forward in agriculture from food security to nutrition to energy security. Atmanirbhar Oilseeds Abhiyaan will help achieve it in a more consistent and qualitative manner.
- Nano DAP: After the successful adoption of nano urea, the use of nano DAP on various crops will be extended to all agro-climatic zones. Sustainable, technological and resource efficient application of fertilizers through nano DAP will reduce the cost of cultivation and increase real income of farmers and conservation of soil properties.

- Promotion of Natural Farming, where Government has taken steps to encourage natural resource management by developing new technologies for stubble management.
- Livestock resource management by enriching the mean and methods of the Foot and Mouth Disease control and its remedial measures.

CONCLUSION

The budget highlighted the importance of green energy, logistics, infrastructure, and economic development. Under the Aatma Nirbhar oilseeds Abhiyan, the government aims to promote oilseed self-reliance in order to assist the self-reliant India mission (Atmanirbhar Bharat). Infrastructure and logistics development are given top priority by the government in order to minimize post-harvest losses. The government also places a strong emphasis on increasing young people's involvement in technology, innovation, research, and entrepreneurship in agriculture and allied sectors leading to community development and social welfare.

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