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## Budget 2023 evokes mixed response from agri industry players, farmer bodies

Godrej Agrovet Managing Director Balram Yadav termed the Budget a "tech-focused-inclusive Budget for Indian farmers," while Syngenta India Chief Sustainability Officer KC Ravi said it will catapult the agriculture ecosystem to greater heights.

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The fertiliser budgetary allocation of Rs 1.75 lakh crore is lower than last fiscal s revised estimates (Representative image)

Agri industry players and farmer bodies on Wednesday gave mixed response to the Budget, saying it did not focus on edible oils, reducing GST on agri inputs and raising financial aid to farmers under PM-KISAN scheme.

Godrej Agrovet Managing Director Balram Yadav termed the Budget a "tech-focused-inclusive Budget for Indian farmers," while Syngenta India Chief Sustainability Officer KC Ravi said it will catapult the agriculture ecosystem to greater heights.

"Although the government has taken many far-reaching and good-resulting steps in this Budget in the interest of agriculture and farmers, still the expectations of farmers were more," said Raghvendra Patel of Bharatiya Kisan Sangh (BKS).

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After COVID-19, farmers have been facing problems due to the rise in prices of farm inputs and were expecting a solution in the form of increase in financial support under PM-KISAN and reduction in GST on inputs, he said in a statement.

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However, the setting up of a digital public infrastructure for agriculture will curb exploitation of farmers, while decentralization of storage of agricultural produce at small places through cooperative societies will yield good results, he added.

From the rural perspective, NCDEX Managing Director Arun Raste said decentralization of warehousing capacity that the FM has talked about is a major decision and will play an important role in rationalizing the balance between demand and supply.

NCDEX works with FPOs and small traders who use regulated warehouses and standard decentralized warehousing will help the country eliminate a lot of wastage, he said in a statement.

"However, this will have a greater impact if the Warehousing Development and Regulatory Authority (WDRA) regulation gets parliamentary approval soon, and Electronic Negotiable Warehouse Receipts replace warehouse receipts," he added.

Kissandhan Agri Financial Services Chief Business Officer Naresh Kumar said creation of decentralized storage capacity will not only arrest the post-harvest loss but also be an enabler and catalyst for increasing farmers returns.

According to Solvent Extractors Association of India (SEA) President Ajay Jhunjhunwala, the Budget was on expected lines except that it was "silent" on edible oils front as the industry body was expecting an announcement of launching a National Mission on Edible Oils.

Announcement of promoting green growth is a welcome step. Castor meal and neem seed meal are best organic fertilizers for natural farming and will boost their consumption and thereby support domestic farmers growing castor seed and tribals collecting neem seed, he said.

Jhunjhunwala said reduction of import duty on crude glycerine from 7.5 per cent to 2.5 per cent is also a welcome step which will help the domestic glycerine refining industry.

The reduction of import duty from 15 per cent to 5 per cent on minerals and vitamin premixes will encourage manufacture of aquatic feed in the country, he added.

CNH Industrial India and SAARC Managing Director (Agri Division) Narinder Mittals said the Budget has a strong emphasis on sustainable agriculture and economic growth. It sets a record-high goal for agriculture credit of Rs 20 lakh crore, which would enable Indian farmers to increase their output with the assistance of smart machines and techniques.

The target's five-fold expansion will further enhance demand for cutting-edge farm machinery and crop management solutions to meet the rising demand for Indian grains globally. Additionally, it will assist the farmers in recovering from their loss as a result of the change in climatic conditions, he added.

Anupam Rasayan Managing Director Anand Desai said exemption of basic custom duty on certain raw materials – denatured ethyl alcohol, acid grade fluorspar and crude glycerine – will boost overall production capacity of Indian chemical companies.

"This exemption in raw materials will enhance the manufacturing and encourage exports of specialty chemicals in the global market," he added.

CropLife India Secretary General Durgesh Chandra said it is "extremely delightful to witness the initiation of digital public infrastructure for agriculture aiding the crop protection industry" in Union Budget 2023-24.

Agro Chem Federation of India Director General Kalyan Goswami said, "It's a very balanced budget." The Indian Chamber of Food and Agriculture (ICFA) Chairman M J Khan said, "Bold provisions made in the Budget...on agriculture and rural development would contribute significantly towards making agriculture sustainable and in the process create more income opportunities for the farmers." National Bulk Handling Corporation (NBHC) Managing Director and CEO Ramesh Doraiswami said, overall the Budget presents a positive outlook for the agriculture sector and is likely to have a positive impact on the growth of agri-tech companies.

"The agriculture accelerator fund is certain to drive innovation in the sector, which will ensure optimal utilization of all resources, including the vast labour pool currently engaged in farming. Agritech has for long been a fertile ground for the startup ecosystem but is yet to attract the droves of entrepreneurs it was expected to," ReshaMandi Founder and CEO Mayank Tiwari said.

ICRA Senior Vice President & Group Head Sabyasachi Majumdar said, the Budget has a healthy focus on the farm sector, which is likely to benefit the fertilisers sector.

The fertiliser budgetary allocation of Rs 1.75 lakh crore is lower than last fiscal's revised estimates. "ICRA however believes that there will be a calibrated subsidy allocation, depending on the evolving subsidy requirements during the course of the coming financial year," Majumdar added.

PwC India Executive Director (Agri and Natural Resources) Shashi Kant Singh said, the Budget is incentivising a forward-looking vision for agriculture.

Deloitte India Partner Anand Ramanathan said the Budget focuses a lot on the supply and input side of the agricultural value chain.

The focus on better management of cooperatives and producer collectives will help farmers in realising better prices for their produce, he added.

Avaana Capital Investment Director Shruti Srivastava said, "India's public digital infrastructure has proven to be a critical building block to drive innovation, democratizing access to digital rails for young companies with limited resources, as is being observed across payments, health and commerce, and we expected a similar trajectory to play out for agriculture as well."



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