

## PRESS RELEASE

# **Ahead of Union Budget, CropLife India Urges Support for Innovation as Climate Stress and Rising Input Costs Weigh on Farmers**

**New Delhi, 28<sup>th</sup> January, 2026:** CropLife India, the leading association of 17 R&D-driven crop science companies, urges the Government of India to use the Union Budget [2026–27] as an opportunity to further strengthen innovation and on-ground adoption in agriculture, while addressing rising farm input costs and emerging risks from climate change and pest resistance.

The association welcomes the Government's continued focus on enhancing farmers' income and promoting innovation across the agricultural value chain. CropLife India notes that recent GST 2.0 reforms, including lower GST on tractors and other agricultural products, demonstrate the Government's intent to ease cost pressures and improve access to modern farm technologies.

However, farmers are today continuously operating in an increasingly complex and dynamic risk environment. Climate variability is changing pest incidence and intensity, resistance is reducing the effectiveness of older chemistries, and global food safety and residue standards are becoming increasingly stringent. These trends make timely access to modern, efficient crop protection products critical for sustaining productivity and farm incomes.

CropLife India emphasises that **targeted investment in research and development** is central to addressing these challenges. Newer, low-dose and high-efficiency products enable better results per application, reduce overall chemical load, and improve residue outcomes, while supporting the broader objective of "*Atmanirbhar Bharat*" through domestic capability building.

"Climate change and insect resistance are already affecting farm-level outcomes. Encouraging focused R&D and enabling faster adoption of modern crop protection solutions will help farmers manage costs more efficiently and protect yields," said **Mr. Ankur Aggarwal, Chairman, CropLife India and Executive Chairman & Managing Director, Crystal Crop Protection Ltd.**

### **Key asks**

**Budget-linked priorities:** CropLife India urges the Government to consider the following measures through the Union Budget to strengthen innovation and last-mile adoption:

- **Providing a 200% weighted deduction on R&D expenses** for agrochemical companies, with eligibility extended to manufacturing units with a **minimum fixed asset base of ₹50 crore and annual R&D expenditure of at least ₹10 crore**, to encourage sustained investment in innovation and accelerate the introduction of newer, safer, low-dose products.
- **Supporting a coordinated national push to strengthen agricultural extension services**, backed by central funding and enabling frameworks, to scale **Good Agricultural Practices (GAP)**, improve residue management, enhance farmer safety, and promote responsible use.

**Broader policy reforms:** In addition, CropLife India encourages the Government to take up complementary policy measures aligned with easing farm input costs and strengthening the sector:

- **Reducing GST on agrochemicals from 18% to 5%,** to align essential crop protection inputs with other agricultural inputs and improve affordability for farmers.
- **Maintaining a stable and uniform basic customs duty** for both technical raw materials and formulations, to ensure predictability and avoid cost distortions that could restrict access to modern crop protection products.

CropLife India reiterates its commitment to working closely with the Government of India and State Governments to support science-based, predictable and globally aligned policies that advance farmer incomes, sustainable agriculture and long-term food security.

### About CropLife India

CropLife India is committed to advancing sustainable agriculture and it is an association of 17 R&D driven member companies in crop protection. We jointly represent ~ 70% of the market and are responsible for 95% of the molecules introduced in the country. Our member companies have annual global R & D spend of 6 billion USD and are firmly committed to engaging with the farming community to enable Safe, Secure Food Supply.

#### Our Members



#### Our Associate Members



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