Agriculture Development in Tamil Nadu – Separate Agriculture Budget (since 2021), Irrigation, Micro-Irrigation, Crop Insurance, Free Farm Power, Uzhavar Sandhai & Cauvery Protected Agricultural Zone | TNPSC Notes

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Tamil Nadu's agriculture is a mix of Cauvery delta paddy, rain-fed dry-land crops and horticulture; the primary sector is only about **13.4%** of the State's gross value added (2024-25, Economic Survey 2025-26), yet it supports a large share of livelihoods. On **14.08.2021** the State presented its **first separate agriculture budget** (Rs 34,220.65 crore); in 2025-26 it was Rs 45,661 crore, and the interim agriculture budget of February 2026 was Rs 47,248.24 crore. The new government's first agriculture budget was presented by Agriculture Minister **R. Vinoth** on **06.08.2026**: Rs 14,984 crore for the Agriculture and Farmers' Welfare Department, Rs 648.55 crore as the State share of crop insurance and Rs 20 crore to renovate Uzhavar Sandhais.

தமிழில் படிக்க

These notes are written for TNPSC Group 1, 2/2A and 4 aspirants. The topic falls under **Development Administration in Tamil Nadu** (agriculture, irrigation, agricultural marketing), **Indian Economy** (agricultural policy, crop insurance) and **Geography** (sources of irrigation, cropping pattern). Every figure carries its year and source.

Separate Agriculture Budget – at a Glance

Budget	Date / Presented by	Size / Key point
First separate agriculture budget 2021-22	14.08.2021 – Minister M.R.K. Panneerselvam	Rs 34,220.65 crore (agriculture, animal husbandry, fisheries, dairy, water resources, rural development, sericulture, forests and others); Kalaignarin All Village Integrated Agricultural Development Programme – 2,500 village panchayats in 2021-22
Fifth agriculture budget 2025-26	March 2025	Rs 45,661 crore
Interim agriculture budget 2026-27	February 2026 – Minister M.R.K. Panneerselvam	Rs 47,248.24 crore (pre-election interim budget)
Agriculture budget 2026-27 (new government)	06.08.2026 – Minister R. Vinoth	Agriculture and Farmers' Welfare Department Rs 14,984 crore; agriculture and allied activities in the general budget Rs 29,129 crore (PRS)

Exam tip: the "separate agriculture budget" is a document that brings together farm-related allocations of many departments; Rs 14,984 crore is one department's allocation – do not compare the two directly.

Five-Year Record 2021–2026 (as claimed in the Interim Agriculture Budget 2026-27)

Area	Achievement
Irrigation	3.48 lakh hectares brought under additional irrigation
Micro-irrigation	5 lakh hectares; Rs 4,061 crore
Free power	Over 2 lakh new free farm power connections; Rs 33,904 crore for free power to 23.86 lakh farm connections
Crop insurance	184 lakh acres insured; State premium subsidy Rs 6,073 crore; Rs 6,063 crore compensation to 38 lakh farmers
Calamity relief	Rs 2,045 crore to 25.36 lakh farmers

Agriculture Budget 2026-27 (06.08.2026) – Key Announcements

Scheme	Allocation / Details
Kuruvai special package	Rs 134.83 crore – because Mettur dam could not be opened on the usual date of 12 June; extended to non-delta paddy farmers too
Crop insurance (PMFBY) State share	Rs 648.55 crore; about 36 lakh acres and 15 lakh farmers
Free power for farm pump sets	Rs 7,432 crore electricity subsidy (Budget Speech para 66)
Solar pump sets	Off-grid pumps for 1,000 farmers with up to 80% subsidy; Rs 23 crore
Mission for self-sufficiency in pulses and oilseeds	Rs 203.64 crore
Uzhavar Sandhais	Rs 20 crore for renovation; Rs 2 crore for electronic price boards in 50 markets
"Uzhavar Artificial Intelligence Scheme" (AI app)	Rs 2 crore
Nammalvar College of Organic Agriculture	Sakkottai, Thanjavur district; Rs 5 crore; organic farming incentive of Rs 4,000 per acre
"Vetri Vivasayi" awards	District-level awards for high-yielding (highly productive) farmers
Crop loan waiver	Rs 5,932 crore; 14.43 lakh farmers (general Budget Speech para 63)

Irrigation

- **Sources:** canals, tanks and wells – **tank irrigation** is Tamil Nadu's special feature; even in the Chola period an "Eri variyam" managed tanks. Today groundwater (open wells and borewells) has a large share – free farm power is one reason.
- **Cauvery delta:** Mettur dam is usually opened on **12 June** for kuruvai cultivation; in 2026 this was not possible, so a kuruvai package was announced.
- **Water Resources Department** allocation 2026-27: Rs 9,264 crore (Budget Speech para 126).
- **Micro-irrigation:** drip and sprinkler systems – more crop per drop; higher subsidy for small and marginal farmers.

Agricultural Marketing – Uzhavar Sandhai

- **First Uzhavar Sandhai: 14.11.1999** at **Madurai** (Anna Nagar) – under the then Chief Minister M. Karunanidhi's government.
- **Aim:** farmers sell directly to consumers without middlemen – better prices for farmers, lower prices for buyers; the daily price is fixed by an official and displayed on a board.
- **Administration:** implemented by the Department of Agricultural Marketing and Agri Business (Director of Agricultural Marketing and Agri Business); District Collectors coordinate in the districts.
- **Other channels:** regulated markets, e-NAM (National Agriculture Market), direct paddy procurement centres of the Civil Supplies Corporation.

Crop Insurance

- **Pradhan Mantri Fasal Bima Yojana (PMFBY, 2016):** farmer premium – kharif 2%, rabi 1.5%, commercial / horticultural crops 5%; the rest is shared by the Union and the State.
- **Tamil Nadu:** 184 lakh acres insured in 2021–26; State premium subsidy Rs 6,073 crore; State share in 2026-27 Rs 648.55 crore.
- **Livestock insurance:** mentioned separately in Budget 2026-27 (para 69).

Cauvery Delta – Protected Agricultural Zone

The **Tamil Nadu Protected Agricultural Zone Development Act, 2020** declared the Cauvery delta a "Protected Special Agricultural Zone" and barred new non-farm industries there, including hydrocarbon exploration. The aim is to protect food security, groundwater and soil health.

Challenges and Way Forward

Challenge	Way forward
Uncertain Cauvery water sharing (delayed Mettur opening)	Enforcing Cauvery Water Management Authority orders; short-duration crops; micro-irrigation
Over-use of groundwater	Solar pumps, water metering, tank restoration

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Small and marginal holdings; low incomes	Farmer Producer Organisations (FPOs), value addition, direct markets (Uzhavar Sandhai, e-NAM)
Climate change, cyclones, floods	Crop insurance, climate-resilient varieties, AI-based advisories
Over-use of chemical fertiliser	Organic farming incentive (Rs 4,000 per acre), soil health cards

Mains Answer Writing

"Has the separate agriculture budget transformed Tamil Nadu's farm sector?" – evaluate (about 250 words)

- **Introduction:** first budget 14.08.2021, Rs 34,220.65 crore → Rs 45,661 crore in 2025-26; continued by the new government (06.08.2026).
- **Achievements:** 3.48 lakh ha additional irrigation; 5 lakh ha micro-irrigation; 2 lakh+ free power connections; Rs 6,063 crore insurance compensation.
- **Criticism:** opposition view that it only repackages allocations of many departments; procurement-price promises.
- **Way forward:** water-use efficiency, FPOs, value addition, climate resilience.

Practice: Match the Following

Item	Match
First Uzhavar Sandhai	Madurai, 14.11.1999
First separate agriculture budget	14.08.2021
Nammalvar College of Organic Agriculture	Sakkottai, Thanjavur
Usual Mettur dam opening	12 June
PMFBY kharif premium	2%
Protected Agricultural Zone Act	2020

Common Mistakes to Avoid

- The first separate agriculture budget was in **2021** (14 August) – not 2020.
- The first Uzhavar Sandhai was in **Madurai** (1999) – not Chennai.
- PMFBY premium is 2% for kharif and 1.5% for rabi – do not reverse them.
- Rs 14,984 crore (one department) ≠ the whole agriculture budget.

Key Terms – Tamil / English

Tamil	English
நுண்ணீர்ப் பாசனம்	Micro-irrigation
பயிர்க் காப்பீடு	Crop insurance

உழவர் சந்தை	Farmers' market
குறுவை	Kuruvai (short-term June–Sept paddy season)
மானாவாரி	Rain-fed
உழவர் உற்பத்தியாளர் அமைப்பு	Farmer Producer Organisation (FPO)
பயிர்க் கடன் தள்ளுபடி	Crop loan waiver

Quick Revision Table

Date / Year	Event
14.11.1999	First Uzhavar Sandhai, Madurai
2016	PMFBY
2020	Protected Agricultural Zone Act (Cauvery delta)
14.08.2021	First separate agriculture budget – Rs 34,220.65 crore
March 2025	Fifth agriculture budget – Rs 45,661 crore
February 2026	Interim agriculture budget – Rs 47,248.24 crore
06.08.2026	New government's first agriculture budget (Minister R. Vinoth)

TNPSC Key Points (PYQ-style facts)

- First separate agriculture budget: 14.08.2021, Rs 34,220.65 crore.
- Uzhavar Sandhai: 14.11.1999, Madurai; Department of Agricultural Marketing and Agri Business.
- 2026-27: crop insurance State share Rs 648.55 crore; organic farming Rs 4,000 per acre; free farm power Rs 7,432 crore.
- 2021–26: micro-irrigation 5 lakh hectares; additional irrigation 3.48 lakh hectares.
- Nammalvar College of Organic Agriculture – Sakkottai (Thanjavur).

Related notes: Tamil Nadu Economy, Energy Infrastructure of Tamil Nadu, Women Empowerment & SHGs in Tamil Nadu, Chola Administration (tank committees).

Frequently Asked Questions

When was Tamil Nadu's first separate agriculture budget presented?

On 14.08.2021 by Agriculture Minister M.R.K. Panneerselvam; size Rs 34,220.65 crore.

Who presented the agriculture budget 2026-27?

The new government's first agriculture budget was presented by Agriculture Minister R. Vinoth on 06.08.2026. Earlier, in February 2026, an interim agriculture budget of Rs 47,248.24 crore had been presented.

Where was the first Uzhavar Sandhai started?

At Madurai (Anna Nagar) on 14.11.1999. It lets farmers sell directly to consumers without middlemen; the Department of Agricultural Marketing and Agri Business implements the scheme.

What was achieved in micro-irrigation in 2021–26?

As per the Interim Agriculture Budget 2026-27, 5 lakh hectares were brought under micro-irrigation (Rs 4,061 crore).

What is the Cauvery delta Protected Agricultural Zone?

The Tamil Nadu Protected Agricultural Zone Development Act, 2020 declared the Cauvery delta a Protected Special Agricultural Zone and barred new non-farm projects such as hydrocarbon exploration there.

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Practice questions

1. On which date was Tamil Nadu's first separate agriculture budget presented?

A. 14.08.2020
B. 14.08.2021
C. 18.03.2022
D. 21.03.2023

2. Who presented the first separate agriculture budget?

A. Palanivel Thiaga Rajan
B. M.R.K. Panneerselvam
C. I. Periyasamy
D. Thangam Thennarasu

3. About how large was the first separate agriculture budget?

A. Rs 24,000 crore
B. Rs 45,661 crore
C. Rs 34,220 crore
D. Rs 47,248 crore

4. Which minister presented the new government's first agriculture budget 2026-27?

A. C. Joseph Vijay
B. M.R.K. Panneerselvam
C. Dr N. Marie Wilson
D. R. Vinoth

5. In which city was the first Uzhavar Sandhai opened?

A. Madurai
B. Coimbatore
C. Chennai
D. Tiruchi

6. In which year was the first Uzhavar Sandhai opened?

A. 1989
B. 1996
C. 1999
D. 2006

7. Which department implements the Uzhavar Sandhai scheme?

A. TNCSC
B. NABARD
C. Department of Agricultural Marketing and Agri Business
D. TNAU

8. What is the State share for crop insurance (PMFBY) in 2026-27?

A. Rs 134.83 crore
B. Rs 203.64 crore
C. Rs 5,932 crore
D. Rs 648.55 crore

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9. Under PMFBY, what premium does a farmer pay for kharif crops?

A. 2%
B. 1.5%
C. 5%
D. 10%

10. What was the size of the 2026 kuruvai special package?

A. Rs 34.72 crore
B. Rs 134.83 crore
C. Rs 648.55 crore
D. Rs 5,932 crore

11. On which date is Mettur dam usually opened for kuruvai cultivation?

A. 1 May
B. 15 July
C. 12 June
D. 15 August

12. Where will the Nammalvar College of Organic Agriculture be set up?

A. Killikulam
B. Kovilpatti
C. Mettupalayam
D. Sakkottai (Thanjavur)

13. How much area was brought under micro-irrigation in 2021–26?

A. 5 lakh ha
B. 2.22 lakh ha
C. 3.48 lakh ha
D. 1 lakh ha

14. In the 2026-27 agriculture budget, Rs 203.64 crore was allocated to which mission?

A. Millet Mission
B. Self-Sufficiency Mission for Pulses and Oilseed Crops
C. Soil Conservation Mission
D. Quality paddy seed scheme

15. In which year was the law declaring the Cauvery delta a Protected Special Agricultural Zone enacted?

A. 2016
B. 2018
C. 2020
D. 2022

16. What per-acre incentive for organic farming was announced in the 2026-27 agriculture budget?

A. Rs 1,000
B. Rs 2,000
C. Rs 10,000
D. Rs 4,000

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17. What crop loan waiver amount was stated in the 2026-27 Budget?

A. Rs 5,932 crore
B. Rs 2,045 crore
C. Rs 7,432 crore
D. Rs 12,110 crore

18. What is the 2026-27 free-power subsidy for farm pump sets (Budget Speech)?

A. Rs 4,061 crore
B. Rs 7,432 crore
C. Rs 5,000 crore
D. Rs 9,264 crore

19. For what are the "Vetri Vivasayi" awards given?

A. Organic area
B. Exports
C. High productivity
D. Livestock rearing

20. How much was allocated in 2026-27 to renovate Uzhavar Sandhais?

A. Rs 2 crore
B. Rs 5 crore
C. Rs 50 crore
D. Rs 20 crore

Answers with explanations

1. B) 14.08.2021 – 14.08.2021 – Rs 34,220.65 crore.

2. B) M.R.K. Panneerselvam – Agriculture Minister M.R.K. Panneerselvam.

3. C) Rs 34,220 crore – Rs 34,220.65 crore; Rs 45,661 crore was 2025-26.

4. D) R. Vinoth – 06.08.2026 – Agriculture Minister R. Vinoth.

5. A) Madurai – 14.11.1999 – Anna Nagar, Madurai.

6. C) 1999 – 14.11.1999.

7. C) Department of Agricultural Marketing and Agri Business – The Department of Agricultural Marketing and Agri Business; District Collectors coordinate.

8. D) Rs 648.55 crore – Rs 648.55 crore; 36 lakh acres.

9. A) 2% – Kharif 2%, rabi 1.5%, commercial / horticulture 5%.

10. B) Rs 134.83 crore – Rs 134.83 crore – Mettur was not opened on 12 June.

11. C) 12 June – 12 June.

12. D) Sakkottai (Thanjavur) – Sakkottai, Thanjavur district; Rs 5 crore.

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13. A) 5 lakh ha – 5 lakh hectares (Rs 4,061 crore); 3.48 lakh ha is additional irrigation.

14. B) Self-Sufficiency Mission for Pulses and Oilseed Crops – Self-Sufficiency Mission for Pulses and Oilseed Crops – Rs 203.64 crore.

15. C) 2020 – Tamil Nadu Protected Agricultural Zone Development Act, 2020.

16. D) Rs 4,000 – Rs 4,000 per acre.

17. A) Rs 5,932 crore – Rs 5,932 crore; 14.43 lakh farmers.

18. B) Rs 7,432 crore – Rs 7,432 crore (para 66); Rs 9,264 crore is Water Resources.

19. C) High productivity – For high-yielding farmers at district level.

20. D) Rs 20 crore – Rs 20 crore; Rs 2 crore for e-price boards.

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