

GS-III. Issues related to Direct and Indirect Farm Subsidies

- 1. What are the challenges and the Benefits Associated with providing fertilizer subsidy through the Direct Benefit Transfer and give the Suitable Way Forward Measures to Address the Same.**

Why this Question?

- According to a survey by NITI Aayog, nearly two-thirds of the farmers don't favour direct Benefit Transfer (DBT) of fertiliser subsidy.

Key Demands of Question:

- Give brief intro about the Current Fertiliser Policy.
- Discuss the challenges and the benefits of the DBT of the fertilizer subsidy.
- Explain the way forward measures to address the challenges.

Structure of Answer:

Introduction:

- Give brief intro about the Current Agricultural Fertiliser Policy and Importance of the fertiliser for the increased agricultural production.

Body:

- Discuss elaborately how the Current Fertilizer Policy Affects the Agricultural Sector. For example, imbalance use of urea, soil chemistry affected, decrease productivity, etc.
- Mention the various negative implications on the industry and government due the fertiliser subsidy policies. For example, uncompetitive manufacturing costs, etc.
- Discuss the challenges in providing fertilizer subsidy through DBT.
- Explain the benefits associated with the Direct Benefit Transfer.
- Explain the way forward measures to address the challenges in the providing DBT to the farmers.
- List out the Government Initiatives regarding Fertiliser Usage. For example, nutrient based subsidy programme, Neem coated urea, Soil Health Cards, etc.

Conclusion:

- Conclude with the significance of the DBT to the government as well as the fertilizer industry and farmers.