

Nutrient Based Subsidy scheme

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About Nutrient Based Subsidy scheme:

- It is being implemented **in 2010 by the Department of Fertilizers, Ministry of Chemicals & Fertilizers.**
- A fixed amount of **subsidy decided on annual basis**, is provided on each grade of subsidized Phosphatic & Potassic (P&K) fertilizers depending on its Nutrient Content.
- In case of phosphate (P) and potassic (K) fertilisers, subsidy is fixed under this scheme by an inter-ministerial committee taking into account the benchmark international prices of finished fertilisers as well as raw materials.
- The subsidy is **given to registered to P&K fertiliser manufacturers/importers** which provides these fertilisers at subsidised rates to farmers.
- **Benefits of the scheme**
 - It helps farmers in ensuring availability of essential nutrients at subsidized prices.
 - It rationalizes the subsidy on P&K fertilizers, ensuring effective and efficient utilization of government resources.

Q1) What is subsidy?

A subsidy is a financial assistance or support provided by the government or an organization to individuals, businesses, or sectors to promote certain activities, achieve specific objectives, or reduce the cost of goods or services.

Source: [CACP recommends Centre to bring urea under NBS regime to check overuse](#)

Source: <https://vajiramandravi.com/current-affairs/nutrient-based-subsidy-scheme/>

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