

# Govt hikes DAP subsidy to ₹1,200 per bag

**OUR BUREAU**

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The government on Wednesday decided to increase the subsidy available on Di-Ammonium Phosphate (DAP) to ₹1,200 from the existing ₹500 to protect farmers from the increase in fertiliser prices.

Recently, the international prices of phosphoric acid, ammonia etc. used in DAP had gone up by 60-70 per cent. As a result, the actual cost of a DAP bag would have gone up to ₹2,400 from ₹1,700 last year.

A high-level meeting convened by Prime Minister Narendra Modi on Wednesday, however, decided to increase the subsidy on DAP to ₹1,200 per bag from the existing ₹500 so that farmers would continue to get DAP at a price of ₹1,200 per bag.

As a result, the government, which spends ₹80,000 crore in fertiliser subsidies annually, will have to shell out an additional ₹14,775 crore for the coming Kharif season alone.