Indian Economy · GS - III

Examine the role of Direct Benefit Transfer and streamlined procurement systems in improving farmers' access to government agricultural procurement in India.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 31/10/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
10	~150 words

Answer Hint

Agricultural procurement; Minimum Support Price; Direct Benefit Transfer; transparency; payment efficiency; farmer inclusion; digital infrastructure; implementation challenges

Model Answer

Introduction

Agricultural procurement is an important instrument of India's food security framework. Reforms involving Direct Benefit Transfer (DBT) and digital procurement systems can improve farmers' access to government support.

Role of DBT and Digital Procurement

- **Direct Payments:** DBT transfers procurement payments directly into farmers' bank accounts, reducing intermediaries.
- **Transparency:** Digital registration and verification can minimise duplicate records and improve accountability.
- **Timely Payments:** Technology-enabled payment systems can reduce delays and transaction costs.

- **Farmer Inclusion:** Better procurement infrastructure and accessible centres can help small and marginal farmers participate.
- **Food Security:** Efficient paddy procurement supports public distribution and buffer-stock management.

Challenges

Digital exclusion, inadequate procurement centres, land-record discrepancies and limited awareness may prevent eligible farmers from accessing benefits.

Way Forward

Governments should strengthen rural digital infrastructure, simplify registration, improve grievance redressal and ensure transparent procurement audits.

Conclusion

DBT and streamlined procurement can make agricultural support more accessible and accountable, provided that institutional capacity and last-mile inclusion are strengthened.

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