

Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs

LOK SABHA
UNSTARRED QUESTION NO.886
TO BE ANSWERED ON 07.02.2024

PRICE STABILIZATION FUND

886. DR. SHRIKANT EKNATH SHINDE: DR. KRISHNA PAL SINGH YADAV: SHRI UNMESH BHAIYYASAHEB PATIL: PROF. RITA BAHUGUNA JOSHI: DR. SUJAY RADHAKRISHNA VIKHE PATIL: DR. HEENA VIJAYKUMAR GAVIT:

Will the Minister of **CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION** उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) the details on the utilization of the Price Stabilization Fund (PSF) since its inception in 2014-15, specifically focusing on the inflationary trend of commodities for which buffer stock has been created;
- (b) the details of the agencies involved in maintaining the stock including fund allocation by agencies to different States/Union Territories;
- (c) the measures taken by the Ministry to enhance the efficiency of the Price Stabilization Fund, especially during Covid;
- (d) the number of households that benefitted from this initiative; and
- (e) the total quantity of pulses distributed?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री अश्विनी कुमार चौबे)

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI ASHWINI KUMAR CHOUBEY)

(a) & (b) : Price Stabilization Fund (PSF) has been set up in 2014-15 to mitigate the hardship faced by consumers due to price volatility in agri-horticultural commodities. The PSF has been utilised majorly for creation of pulses (Tur, Urad, Moong, Masur and Chana) and onion buffers by procuring stocks for subsequent market interventions to make these commodities available to consumers at affordable prices. PSF is also used for undertaking market interventions in commodities such as tomato and potato during exceptional volatility in prices.

In recent time, when prices of tomato surged during July and August, 2023 due to white fly infestation and adverse weather condition, tomatoes were procured under PSF from source markets and made it available to retail consumers in high price regions at subsidised rates through the National Cooperative Consumers Federation (NCCF) and National Agricultural Cooperative Marketing Federation (NAFED). Through the intervention, the retail prices of tomato were brought down to normal level by first half of September, 2023.

In order to check the seasonal volatility in prices of onion, buffer stock is maintained under the PSF to make onions available to consumers at affordable prices during lean season. The onion procurement target for buffer in 2023-24 has been raised to 7.00 LMT from 2.50 LMT in 2022-23. Procurement of onions from farmers since June, 2023 has been continuing till date and the total procured as on date is 6.30 LMT. The procured onions have been continuously release through retail sales, e-Nam auction and bulk sales in wholesale markets. Onion buffer operations under PSF have helped in moderating the annual seasonal volatility in prices.

To make dals available to consumers at affordable prices, Bharat Dal has been launched in July, 2023 by converting Chana stock in the PSF into Chana dal for retail disposal. The Bharat Chana Dal is made available to the consumers at subsidized rates of Rs.60 per kg for 1 kg pack and Rs.55 per kg for 30 kg pack. About 2.97 LMT of Bharat Chana Dal has been sold to retail consumers which constitute about 25% of household consumption of Chana Dal. The Bharat Dal has been extended to include Moong Dal by converting Moong stock in the PSF buffer into Moong Dal and Moong Sabut for retail sale to the consumers at subsidized prices of Rs.107 per kg and Rs.93 per kg, respectively.

The Central Nodal Agencies for procuring and maintaining stocks under the PSF are National Agricultural Cooperative Marketing Federation (NAFED), National Cooperative Consumers Federation (NCCF), Food Corporation of India (FCI), Small Framers Agri Business Consortium (SFAC), Metals and Minerals Trading Corporation (MMTC) and State Trading Corporation (STC). Apart from Central Nodal Agencies, seven States have set up their own State-level Price Stabilisation Fund Corpus (SLPSF) and availed support from Central PSF Corpus in the form of interest free working capital advance to the extent of 50% (75% for NE States) of their contribution to the State-level PSF Corpus. Details of Central Nodal Agency-wise and State-wise funds released from the PSF are given at **Annexure**.

(c) to (e) : Pulses from the PSF buffer were utilised to ensure availability of nutritional food to the beneficiaries of National Food Security Act, 2013 (NSFA, 2013) and stranded migrant workers during Covid-19 pandemic. In pursuance to the announcement made under Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) Package as part of Economic Response to COVID-19, the Department of Consumer Affairs had provisioned pulses out of the PSF buffer for distribution @1kg per household per month, free of cost, to 19.4 crore beneficiary Households covered under the National Food Security Act, 2013 (NFSA), initially for three months - April to June, 2020. Thereafter, the distribution of pulses under PMGKAY was extended for another five months, i.e., July to November, 2020 under which Chana Whole from the PSF buffer was distributed, free of cost, to NSFA beneficiary households @1kg per household. Further, under the AtmaNirbhar Bharat (ANB), Chana Whole from the PSF buffer was provided to States/UTs for distribution to stranded migrant workers for a period of two months May and June, 2020, free of cost, @1kg per 1kg per household per month. A total of 14.42 lakh tons of processed pulses from the PSF buffer was distributed, free of cost, to about 20.17 crore households during the Covid-19 pandemic.

ANNEXURE

ANNEXURE REFERRED IN REPLY TO PART (a) & (b) OF LOK SABHA UNSTARRED QUESTION NO. 886 FOR 07.02.2024 REGARDING PRICE STABILIZATION FUND.

Central Nodal Agency-wise and State-wise funds released from the PSF

Sl. No.	Agency/State	Amount (Rs. in crore)
A.	Central Nodal Agencies	
1	NAFED	44,559.21
2	SFAC	754.20
3	FCI	1,574.28
4	MMTC	2,611.54
5	STC	42.81
6	NCCF	3,119.41
	Total-A	52,661.44
B.	State-level PSF	
1	Andhra Pradesh	50.00
2	West Bengal	2.50
3	Telangana	9.15
4	Odisha	25.00
5	Tamil Nadu	2.50
6	Assam	75.00
7	Nagaland	37.50
	Total-B	201.65
C.	Grand Total (A+B)	52,863.09
