

GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
DEPARTMENT OF CONSUMER AFFAIRS

**RAJYA SABHA**  
**UNSTARRED QUESTION No. 230**

TO BE ANSWERED ON 21.07.2023

**PRICE STABILISATION FUND**

230. SHRI B. PARTHASARADHI REDDY

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the rationale for establishing a Price Stabilisation Fund and the beneficiaries of such fund;
- (b) the amount being incurred by Government for providing working capital and other incidental expenses for procurement and distribution of Agricultural commodities; and
- (c) details of the outcomes of the establishment of such a fund?

**ANSWER**

THE MINISTER OF STATE, CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(SHRI ASHWINI KUMAR CHOUBEY)

(a) : Price Stabilization Fund (PSF) has been set up to check the volatility in the prices of agri-horticultural commodities in order to mitigate the hardships faced by consumers. The scheme provides working capital and other incidental expenses for procurement, storage and distribution of the identified agri-horticultural commodities. The objectives of PSF are (i) to promote direct purchase from farmers/farmers' associations at farm gate/ mandi; (ii) to maintain a strategic buffer stock to discourage hoarding and unscrupulous speculation; and (iii) to protect consumers by supplying such commodities at reasonable prices through calibrated release of stock. The consumers and farmers are the direct beneficiaries of the PSF.

(b) : Since the inception of Price Stabilisation Fund (PSF) corpus in 2014-15 till date, the Government has provided budgetary support of Rs.27,489.15 crore for providing working capital and other incidental expenses for the procurement and distribution of various agri-horticultural commodities.

(c) : Under the Price Stabilisation Fund (PSF) scheme dynamic buffer stock of pulses (Tur, Urad, Moong, Masur and Gram) and onion are being maintained. The calibrated release of stocks from pulses and onion buffer have ensured availability and affordability of pulses and onion to the consumers and purchase for such buffer has contributed to providing remunerative prices to farmers of these commodities.

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