

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

RAJYA SABHA
UNSTARRED QUESTION No.2631

TO BE ANSWERED ON 11.08.2023

PRICE STABILISATION FUND

2631. SMT. SHANTA CHHETRI

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

- (a) the manner in which Price Stabilisation Fund (PSF) will make a difference when prices of essential commodities are beyond the reach of common man;
- (b) the amount allotted for PSF and whether the amount is sufficient; and
- (c) provide other input, if any?

ANSWER

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

(SHRI ASHWINI KUMAR CHOUBEY)

(a) to (c) : Price Stabilisation Fund (PSF) has been set up for strategic market intervention to check the volatility in prices of agri-horticultural commodities and mitigate hardship faced by the consumers. Buffer stock of pulses and onion are maintained by procuring the commodities and subsequently disposing them in a calibrated and targeted manner to augment availability in the market and to stabilize the prices. The quantum of buffer stock acts both as a deterrent for unscrupulous traders as well as an instrument for strategic market intervention by releasing in the market to stabilize price volatility. Apart from market disposal, pulses from the buffer are also supplied to States for welfare schemes and also to the Army and Central Armed Police Forces.

Budgetary support of Rs.27,489.14 crore has been allocated to the PSF since its inception in 2014-15 till date. The annual budgetary supports for PSF are transferred to the PSF Corpus Fund and price stabilisation operations involving procurement, storage and disposal of stocks are funded by drawing out of the Corpus Fund. Sale proceeds of stocks are ploughed back into the Corpus Fund. Sufficient fund is available in the PSF Corpus.
