

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

RAJYA SABHA
UNSTARRED QUESTION No. 3405
TO BE ANSWERED ON 01.04.2025

PRICE STABILIZATION FUND

3405. DR. VIKRAMJIT SINGH SAHNEY

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

- (a) whether it is a fact that Price Stabilization Fund (PSF) was set up in 2014-15 to stabilise the volatility in the prices of certain agri-horticultural commodities and whether there is no mention of Price Stabilization Fund in the Budget 2025-26;
- (b) if so, the reasons therefor; and
- (c) the details of the PSF used in last five years, year-wise, State-wise and head-wise expenditure?

ANSWER

THE MINISTER OF STATE, CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI B. L. VERMA)

(a) & (b) : Price Stabilisation Fund (PSF) was set up in 2014-15 to stabilise the volatility in the prices of certain 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 of that would discourage hoarding and unscrupulous speculation; and (iii) to protect consumers by supplying such commodities at reasonable prices through calibrated release of stock. Under this scheme, dynamic buffer stock of pulses (viz., Tur, Urad, Moong, Masur and Gram) and onions has been created over the years. The continuation of Price Stabilisation Fund (PSF) during 15th Finance Commission award period upto 2025-26 was approved by the Union Cabinet as a component of Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA) of Department of Agriculture and Farmers Welfare (DAFW) to bring about convergence with the Price Support Scheme (PSS). An amount Rs.4,020 crore is allocated for Price Stabilization Fund under the Budget 2025-26 (BE) of Department of Consumer Affairs.

(c) : PSF is a central sector scheme wherein price stabilization interventions involving procurement and disposal of agri-horticultural commodities are undertaken primarily through implementing agencies namely, National Agricultural Cooperative Marketing Federation (NAFED) and National Cooperative Consumers' Federation (NCCF). Year-wise expenditure from PSF corpus fund during last 5 years is given below:

Year-wise expenditure from PSF corpus fund during 2020-21 to 2024-25

Financial Year	Expenditure (Rs. in crore)
2020-21	9,285
2021-22	10,368
2022-23	4,583
2023-24	11,331
2024-25	11,995*

* Upto 18th March, 2025
