

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

RAJYA SABHA
UNSTARRED QUESTION No. 214
TO BE ANSWERED ON 02.12.2025

MAINTENANCE OF BUFFER STOCK

214. SHRI BHUBANESWAR KALITA:

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

- (a) what role buffer stock maintenance plays in the Government's strategy to control the prices of pulses and onion;
- (b) the types of administrative and operational improvements made in recent years; and
- (c) what makes buffer interventions more effective in price management?

ANSWER

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

(a) : Buffer stock of pulses and onion maintained by the government under Price Stabilisation Fund (PSF) plays important role in controlling extreme volatility in the prices and in ensuring the availability of these essential food commodities to consumers at affordable prices. Fluctuations in domestic production, seasonal variations in demand and speculative activities of market players often leads to volatility in the prices of pulses. Regulated release of pulses from the buffer to augment the availability helps in cooling down the market prices, and retail sale to consumers at discounted prices ensures availability of dals at affordable prices. Market interventions through buffer stock also helps in nudging the market players lower their prices. Further, buffer stock of pulses with the government acts as deterrent against manipulative hoarding and unscrupulous speculations by market players. In case of onion, the buffer stock plays critical role in controlling the seasonal fluctuation in prices. The period between Rabi and Kharif onion harvests is associated with rise in prices due to the depletion in stored Rabi onions. Onions from the government buffer are released during this lean season in regulated and targeted manner to augment the market availability and stabilise the prices.

(b) & (c) : Price Stabilisation Fund (PSF) and Price Support Scheme (PSS) have been integrated under the Pradhan Mantri Annadata Aay Sanrakshan Abiyan (PM-AASHA) to achieve convergence between the two schemes for supporting the farmers and protecting the consumers. Under the convergence framework, all procurement, including the procurement of pulses for buffer, at Minimum Support Price (MSP) are done under the PSS and procurement at market prices for buffer are done under PSF. The procurement of agri-horticultural commodities at market prices under PSF are done at Minimum Assured Procurement Price (MAPP) which is the weighted average of the modal and maximum prices prevailing across all mandis in the State during three trading days prior to the procurement date. Further, to ensure benefit of rising prices to farmers, Dynamic Buffer Procurement Price (DBPP) is adopted which is the weighted average of modal and maximum prices across all mandis in the State three days prior and three days after the procurement date, including the procurement date.

In the disposal of pulses from the buffer, government introduced retail sale of pulses under Bharat Brand to consumers at discounted prices during 2023-24 and 2024-25 when prices were elevated due to lower domestic production. Under the Bharat Dal mechanism, pulses from the buffer were converted to processed dals and distributed to consumers at discounted prices to ensure availability to consumers at affordable prices. The Bharat Dals were distributed through various channels like Safal, Kendriya Bhandar, organised retail chains, e-commerce platforms and mobile vans across the country.

In onion buffer, the minimum prescribed recovery rate for Grade A onion has been increased from 63% in 2024-25 to 72% in 2025-26 by stipulating the storage of onions in improved storage structures of 2,000 MT capacity or bigger. In transportation of onions for disposal, railway rakes have been adopted from 2024-25 for a more cost-effective transportation and impactful disposal at destination markets. The quantity of onions transported by railway rakes has increased in 2025-26; exceeding previous year's quantity by over 7 times and destinations covered by 3 times. Onions from the buffer have also been distributed to consumers at discounted prices through retail outlets and mobile vans.

In comparison with pre-buffer years, the magnitude of price volatility in pulses in post-buffer years has been much lower at similar levels of year to year fluctuations in domestic production. In case of onion, price stabilisation interventions through buffer procurement are found to have helped in lower prices for consumers during lean season and better price realisation for the farmers. The general retail inflation and food price inflation are under control. As per the Ministry of Statistics and Programme Implementation (MoSPI), the year-on-year retail inflation rate based on All-India Consumer Price Index (CPI) for the month of October, 2025 is 0.25% which is the lowest year-on-year inflation of the current CPI series.
