

निधि खारे, भा.प्र.से.
NIDHI KHARE, I.A.S.



अपर सचिव
उपभोक्ता मामले, खाद्य एवं
सार्वजनिक वितरण मंत्रालय
उपभोक्ता मामले विभाग
भारत सरकार
Additional Secretary
Ministry of Consumer Affairs, Food and
Public Distribution
Department of Consumer Affairs
Government of India

D.O. No. P-7/7/2016-PMC

Dated 23rd August, 2021

Dear Sir,

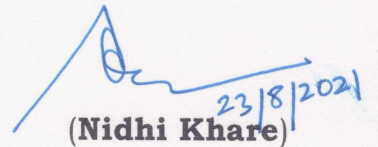
The Price Stabilization Fund (PSF) of the Department of Consumer Affairs is an important instrument to stabilise the prices of pulses, onion and potato to protect the consumers from excessive price volatility. The scheme operates by maintaining strategic buffer of these agri-horticulture commodities to meet the critical requirements for welfare schemes, and for market interventions such as release in the open market or supply to the consumer through retail outlets to cool down prices.

An important component of the PSF scheme is setting up of State-level Price Stabilization Fund by providing advance to the States/UTs on the basis of proposal prepared by them in accordance with the guidelines. The working capital for setting up the State-level PSF are provided on 50:50 sharing between Centre and States (75:25 in case of NE States). States such as Andhra Pradesh, Telangana, West Bengal, Odisha, Tamil Nadu and Assam have set up their State-level PSF and availed the advance.

You may like to have the concerned Department in your State to examine the need for setting up Price Stabilization Fund so as to protect the consumers from seasonal price spikes. The Department concerned may be directed to forward a comprehensive proposal for setting up State-level PSF for early sanction.

With warm regards,

Yours sincerely,


(Nidhi Khare) 23/8/2021

Chief Secretary/Administrator

(Arunachal Pradesh, Bihar, Chhattisgarh, Daman & Diu, Delhi, Dadra and Nagar Haveli, Goa, Gujarat, Haryana, Jammu & Kashmir, Karnataka, Kerala, Ladakh, Lakshadweep, Maharashtra, Manipur, Madhya Pradesh, Meghalaya, Mizoram, Nagaland, Punjab, Rajasthan, Sikkim, Tripura, Uttarakhand)