



Pulse Release from Buffer Stocks

 drishtiias.com/printpdf/pulse-release-from-buffer-stocks

Why in News

The Union government **plans to release 40,000 tonnes of tur dal** from its buffer stock into the retail market in small lots, in a bid to cool down the recent hike in pulses prices.

Key Points

- **Hiking Prices:**

- Major **consuming centres** (Andhra Pradesh, Kerala, Maharashtra, Bihar and Tamil Nadu) of **urad and tur dal** have seen a **20% spike in prices** over the last two weeks alone.

These states have **expressed an interest in buying one lakh tonnes of pulses** from the Central buffer stock at the MSP rates to sell at subsidised prices.

- At an all-India level, the **average retail prices of urad** have shot up **almost 40% in comparison to 2019**, while the **average retail prices of tur dal** have **increased by almost 24%**.

- **Retail Intervention:**

- The **Department of Consumer Affairs (DoCA)** has introduced retail intervention, a mechanism to use the buffer stock of the **National Agricultural Cooperative Marketing Federation of India** (NAFED).
 - NAFED procures pulses from farmers at **Minimum Support Price** (MSP) rates to moderate retail prices by supplying pulses to the States and the Union Territories.
 - The States are supplied pulses either in bulk or in retail packs for supply through the ration shops of the **Public Distribution System** (PDS), or through milk and vegetable outlets run by the government or cooperatives.
- For such retail intervention, **offer prices are fixed on the basis of MSP itself**.
- This move will also help clear NAFED's existing stock to make way for procurement from this season's harvest, due to arrive in markets soon.

- **Using Open Market Sale:**

Apart from the retail intervention, the DoCA has also **decided to release 40,000 metric tonnes of tur from the buffer stock in Open Market Sale (OMS) Scheme** in small lots so that the releases may reach the retail market at a faster pace and help in cooling off rising prices.

- **Earlier Measures:**

- The Centre extended the procurement window for its **Price Support Scheme (PSS) up to 90 days from the date of commencement** of the scheme in each State.

The PSS is **operationalised on the State governments' request** when the prices fall below the MSP.

- The Centre promised to provide **one kg of pulses per month to all families with ration cards for the three months** as part of a **Covid-19 relief package (Pradhan Mantri Garib Kalyan Yojana)**.

National Agricultural Cooperative Marketing Federation of India

- It is registered under the **Multi-State Cooperative Societies Act, 2002**.
- It was **set up in 1958** with the objective to **promote cooperative marketing of agricultural produce to benefit the farmers**.
- **Agricultural farmers are the members** of the General Body of NAFED, who participate in the decision-making process.

Minimum Support Price

- It is the **rate at which the government buys grains from farmers**.
- The reason behind the idea is to **counter the price volatility** of agricultural commodities **due to the factors like** variations in the supply, lack of market integration and information asymmetry.
- It is fixed on the recommendations of the **Commission for Agricultural Costs and Prices (CACP)**.

Open Market Sale Scheme

- **Food Corporation of India (FCI)** sells surplus stocks of wheat and rice at **predetermined prices through e-auction in the open market** from time to time to **enhance the supply** of food grains.
- It is done especially **during the lean season to moderate the open market prices** in the deficit regions.

Way Forward

- Food and nutrition security is ensured if all of the citizens of a nation have enough nutritious food available, all of them have the capacity to buy food of acceptable quality and there is no barrier on access to food.

- The right to nutritious food is a well-established principle of international human rights law. It has evolved to include an obligation for state parties to respect, protect and fulfil their citizens' right to food and nutrition security.

Source: TH