

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

RAJYA SABHA
UNSTARRED QUESTION No. 847
TO BE ANSWERED ON 03.12.2024

PREDICTIVE PRICE FORECASTING MODEL

847. DR. K. LAXMAN

SHRI RAJIB BHATTACHARJEE

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

the Ministry's plan to utilize the predictive price forecasting model developed for essential commodities in its policy-making processes, particularly in relation to controlling inflation and stabilising prices towards strengthening price monitoring mechanisms?

ANSWER

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

Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution monitors the daily consumer retail and wholesale prices of selected food commodities reported by 555 price reporting centres set up by the States/UTs across the country. The daily report of prices and indicative price trends are duly analysed for taking appropriate decisions on release of stocks from the buffer, changes in trade policy instruments like rationalisation of import duty, changes in import quota, restrictions on exports of the commodity etc.

The price scenario and trends of food commodities such as pulses are being analysed taking into account factors influencing price behavior such as the supply situation, price seasonality, estimate production, market intelligence inputs etc. Price forecasting model to predict retail prices of pulses in major consumption centres based on price trends in benchmark mandis and import prices is one of the analytical tools adopted by the Department of Consumer Affairs. In addition, the Department has initiated mechanism to obtain inputs on market outlook, production scenario, weather condition etc. through regular weekly interaction with participants from market intelligence agency, Department of Agriculture and Farmers Welfare, Indian Metrological Department, National Cooperative Consumers' Federation (NCCF) and National Agricultural Cooperative Marketing Federation (NAFED).

The daily price data reported by price reporting centres is a key input for targeting market interventions with buffer stock of pulses and onion maintained by the government. The data of daily prices has helped in better targeting of market interventions to stabilize price volatility and make these essential food commodities available to consumers at affordable prices.
