Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs

LOK SABHA
UNSTARRED QUESTION NO. 286
TO BE ANSWERED ON 27.11.2024

THE PREDICTIVE PRICE FORECASTING MODEL FOR ESSENTIAL COMMODITIES

286.   SHRI DHARAMBIR SINGH:

Will the Minister of **CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION** उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

(a)   the details of Ministry's plan to utilize the predictive price forecasting model for essential commodities in its policy-making processes, particularly to control inflation, stabilize prices and strengthen the price monitoring mechanism;

(b)   whether the model includes strategies for real-time data collection and analysis specifically in states like Haryana and if so, the details thereof;

(c)   the role of this forecasting model in addressing price volatility in essential commodities and the details of recent cases where it has been effectively applied, especially in Haryana;

(d)   the details of collaboration with the State Government of Haryana, private sector or research institutions to improve the model's accuracy and local impact; and

(e)   the anticipated benefits of this model for consumers in Haryana particularly low-income households in terms of reducing price spikes and ensuring access to affordable essential commodities?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री बी.एल. वर्मा)

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

(a) to (e) :   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, including 4 price reporting centres set up by the Government of Haryana. 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 participant 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 retail sale of onion from the buffer are targeted at cities/centres such as Gurgaon in Haryana, where prevailing retail prices are above the all-India average. The retail sale of Bharat Dals are targeted towards major consumption centres where prices are above the discounted prices of the dals. 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.

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