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

LOK SABHA
UNSTARRED QUESTION NO. 1783
TO BE ANSWERED ON 30.07.2025

USE OF PREDICTIVE MODELS FOR PRICE STABILIZATION OF COMMODITIES

1783. SMT. SANGEETA KUMARI SINGH DEO:

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

(a)   whether the price forecasting model developed by the Government is currently being used to predict retail prices of essential commodities beyond pulses and if so, the details of additional commodities included;

(b)   the number of instances since 2023 in which model-generated insights led to the Government intervention through buffer stock release, duty rationalisation or export restrictions;

(c)   whether any state-specific data on retail prices and volatility, including for Odisha is being utilised to target such interventions more effectively and if so, the details thereof;

(d)   whether the Government plans to expand predictive analytics to cover perishable commodities such as onions and tomatoes; and

(e)   if so, the details of expected timeline and implementation framework?

ANSWER

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

(a) to (e) : Department of Consumer Affairs monitors the daily prices of 38 essential food commodities submitted by the 566 price monitoring centres across the country. The daily report of prices and indicative price trends are analysed for appropriate decisions on targeting the calibrated release of stocks from the buffer, changes in trade policy instruments like rationalization of import duty, restrictions on export of the commodity etc. Model based price forecasting model is being used in analyzing price trends in respect of pulses, together with fundamental analysis, which takes into account details regarding the crop and market dynamics to understand the emerging scenario and for formulating inputs for policy decisions.

The analyses of price trends across the states are being used in calibrating and targeting the release of onions from the buffer. For targeting the release, price variations in a state over the past one month and one year and variations over all-India average are compared to determine and prioritise the release. During 2024-25, about 6,975 MT of onion were released in Bhubaneshwar, Odisha both in the retail as well as in wholesale markets to stabilize the prices.

The prices of perishable commodities like onion and tomato are being analysed using fundamental analysis and price seasonality. These types of predictive analytics are deployed and being used on regular basis, together with model basis forecasting.

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