

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3919**  
TO BE ANSWERED ON AUGUST 10, 2018

**WHOLESALE PRICE INFLATION**

3919. SHRI NALIN KUMAR KATEEL:  
SHRI D.K. SURESH:

Will the Minister of FINANCE be pleased to state:

- (a) whether the wholesale price inflation touches a four year high and if so, the details thereof;
- (b) whether the Government has conducted any study to find out the major reasons for high inflation and if so, the details thereof;
- (c) whether the rising fuel prices especially crude petroleum and natural gas segment are contributing to some extent to high inflation in the country and if so, the details thereof; and
- (d) whether the Government is taking any measures to control the high inflation and if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PON RADHAKRISHNAN)

(a) to (c): Inflation based on Wholesale Price Index (WPI) during the last four years and the first quarter of the current financial year is presented in Table 1. Increase in WPI inflation in recent months is primarily due to increase in inflation of crude petroleum, fuel & power and manufactured products.

**Table 1: Inflation based on WPI (in per cent)**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19 Q1 (P)</b>
WPI	2.0	-2.5	3.7	3.0	4.6

Note: (P) - Provisional; 2018-19 Q1 - April, 2018 to June, 2018;  
Figures for 2014-15 to 2016-17 with Base Year 2004-05=100 and Figures for 2017-18 & 2018-19 Q1 with Base Year 2011-12=100.

(d) Government monitors the price situation on a regular basis as price stability is very high on its agenda. Government has taken a number of measures from time to time to control inflation, especially food inflation, which, inter alia, include appropriately utilizing trade and fiscal policy instruments like import and export duty, Minimum Export Price, export restrictions, etc., to regulate domestic availability and moderate prices; imposition of stock limits and advising States for effective action against hoarders and black marketers; and, provision of higher Minimum Support Prices to incentivize farmers for increasing production. Further, Government is also implementing Price Stabilization Fund (PSF) scheme to help moderate the volatility in prices of agri-horticultural commodities like pulses, onion and potato.

\*\*\*\*\*