

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 1905
TO BE ANSWERED ON 19.12.2022

RISE IN INFLATION AND COST OF LIVING

1905. SHRI SISIR KUMAR ADHIKARI

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government intends to implement policies to address the rise in inflation and cost of living in the country when the wholesale and retail inflation rate growth for the month of December 2022 stood at 13.56 per cent and 5.59 per cent, respectively;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government intends to reduce fuel and oil prices, given the sharp spike in inflation rate over the last two years and the economic slump the country is suffering through as a long-term impact of the Covid-19 pandemic; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): As per the latest release, retail inflation rate based on Consumer Price Index-Combined is 5.88 per cent in November 2022 and wholesale price inflation rate based on Wholesale Price Index stood at 5.85 per cent in November 2022.

The price situation of major essential commodities is monitored by the Central Government on a regular basis and corrective action is taken from time to time. Several supply-side measures have been taken by the Government to address inflation and to ensure that the poor do not have to bear the extra financial burden. These include *inter alia*, prohibition of export of wheat products under HS Code 1101, imposition of export duty on rice, reduction in import duties and cess on pulses, rationalization of tariffs and imposition of stock limits on edible oils and oil seeds, maintenance of buffer stock for onion and pulses, the inclusion of soya meal as an essential commodity in the schedule of the Essential Commodities Act, 1955 and imposition of a stock limit on soya meal.

(c) & (d): Prices of petrol and diesel have been market-determined with effect from 26.06.2010 and 19.10.2014, respectively. Since then, the Public Sector Oil Marketing Companies (OMCs) take appropriate decisions on the pricing of petrol and diesel. Central Government takes into account all relevant factors and has made interventions by way of calibrating Excise Duty rates on these products as and when required. The Central Government reduced the Central Excise duty on petrol and diesel by Rs. 8 and Rs. 6 per litre, respectively, effective from 22nd May 2022.
