

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 3266
TO BE ANSWERED ON DECEMBER 09, 2019

RETAIL INFLATION

3266. SHRI DIBYENDU ADHIKARI:

Will the Minister of FINANCE be pleased to state:

- (a) whether retail inflation has breached the mid-term target of 4 per cent;
- (b) if so, the details thereof;
- (c) whether the Government has assessed the reasons for higher inflation;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the steps taken by the Government to curtail inflation?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) and (b) No, Sir. The CPI-C inflation during each of the months of the previous three quarters may be seen below in Table.

Consumer Price Index-Combined (CPI-C) Inflation in 2019

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
<i>CPI-C Inflation (per cent)</i>	1.97	2.57	2.86	2.99	3.05	3.18	3.15	3.28	3.99

Source: Ministry of Statistics and Programme Implementation

(c) to (e) The recent spike in CPI-C inflation is mainly on account of increase in food price inflation. Government has taken various measures from time to time to stabilize prices of essential food items which, inter-alia, include appropriately utilizing trade and fiscal policy instruments like import duty and export management through instruments like 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 & black marketers. Government is implementing Price Stabilization Fund (PSF) to help moderate the volatility in prices of agri-horticultural commodities like pulses, onion, and potato. Ministry of Food Processing Industries (MoFPI) is implementing scheme "Operation Greens" for integrated development of Tomato, Onion and Potato (TOP) value chain which, inter alia, has the objective of price stabilization for producers and consumers through production planning in the TOP clusters and introduction of dual use varieties. Review meetings on price and availability situation of essential commodities are held at the highest level including at the level of Ministers, Committee of Secretaries, Inter Ministerial Committee, Price Stabilization Fund Management Committee and other Departmental level review meetings for taking appropriate price intervention decisions including possible market-intervention, if any.
