

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

**LOK SABHA**  
**UNSTARRED QUESTION NO. 4284**  
TO BE ANSWERED ON MARCH 22, 2021

**INFLATION**

4284. SHRI RAJAN VICHARE:  
SHRI KUNWAR DANISH ALI:

Will the Minister of FINANCE be pleased to state:

- (a) whether inflation is increasing day by day in the country;
- (b) if so, the details of inflation rate during the current year and the last ten years along with the reasons therefor;
- (c) whether the Government has taken any steps to control the increasing inflation and if so, the details thereof;
- (d) whether the Government proposes to seek more money from the Reserve Bank of India and if so, the details thereof; and
- (e) the details of amount towards the loan of the World Bank repaid by the Government during the last one year?

**ANSWER**

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

(a) & (b) Inflation based on Consumer Price Index- Combined (CPI-C) has declined continuously from 7.6 per cent in October 2020 to 4.1 per cent in January, 2021, before increasing to 5.0 per cent in February, 2021. The average inflation based on Consumer Price Index - Combined (CPI-C) (beginning with base year 2012=100) is given in Table 1.

Table-1: CPI-C Inflation from 2012-13 to 2020-21(Apr-Feb)

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Apr-Feb) (P)
CPI-C Inflation	9.9	9.4	5.9	4.9	4.5	3.6	3.4	4.8	6.2

Source: National Statistical Office (P): Provisional

(c) Government takes various measures from time to time to control inflation which, *inter-alia*, include appropriately utilizing trade and fiscal policy instruments like import 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. Government is also implementing Schemes which, *inter-alia*, include Mission for Integrated Development of Horticulture (MIDH), National Food Security Mission (NFSM), National Mission on Oilseeds and Oil Palm (NMOOP), etc. for increasing agricultural production and productivity through appropriate interventions. Government also implements Price Stabilization Fund (PSF) to help moderate the volatility in prices of agri-horticultural commodities through buffer of pulses namely Urad, Gram, Tur, Moong, and Masoor as well as buffer of onion. The main objective of the buffer is to release the stock in a calibrated manner to moderate price volatility and thereby mitigate hardships to the consumer.

(d) The surplus distribution policy of Reserve Bank of India (RBI) is determined in accordance with the provisions of section 47 of the Reserve Bank of India Act, 1934 (RBI Act). The transfer of surplus to the Government for the year 2018-19, ending June 30, 2019, and the year 2019-20, ending June 30, 2020, was made in accordance with the Economic Capital Framework of RBI formulated in terms of the provisions of section 47 of the RBI Act. For the year 2020-21, ending March 31, 2021, the amount of surplus to be transferred to the Government is usually determined in accordance with the extant Economic Capital Framework of RBI when the accounts of RBI for the accounting year 2020-21 are finalised.

(e) The details of amount towards the loan of the World Bank repaid by the Government during 2019-20 and 2020-21 is given in Table-2:

Table-2: Principal and Interest (including commitment charges) Repayment to World Bank

(Rupees in Crores)

Agency	Year	Repayment of Principal	Payment of Interest charges including commitment charges
IDA	2019-20	13803.46	1707.68
IDA	2020-21 (upto 12.03.2021)	11570.26	1786.21
IBRD	2019-20	6688.17	2445.63
IBRD	2020-21 (upto 12.03.2021)	5767.54	1571.28

Note: IDA- International Development Association.

IBRD- International Bank for Reconstruction and Development.

Source: Controller of Aid Account & Audit Division, Department of Economic Affairs, Ministry of Finance.

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