

(a) whether the rising prices/inflation have adversely impacted the investment and development;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI JAYANT SINHA)

(a) & (b) The level of investment and development depends on a number of factors like the return on investment, prevailing interest rates, the level of inflation, global financial conditions, etc. Inflation based on wholesale price index and consumer price index – new series has been declining in the recent years (Table 1).

| Table 1: Inflation based on Wholesale Price Index and Consumer Price Index – New Series (in per cent) | | | |
|--|---------|---------|---------|
| Period | 2012-13 | 2013-14 | 2014-15 |
| WPI Inflation | 7.4 | 6.0 | 2.0 |
| CPI inflation | 10.2 | 9.5 | 5.9 |

Source: WPI from Office of Economic Adviser, DIPP and CPI-NS from CSO.

(c) Does not arise.
