

- (a) the details of food and retail inflation levels in the country during each of the last three years and the current year;
- (b) whether there has been increase in inflation particularly food inflation during the last six months, if so, the details thereof and the reasons therefor;
- (c) whether the Government has taken any fiscal and non-fiscal measures to curb inflation particularly food inflation along with the steps taken to boost growth, sector-wise; and
- (d) if so, the details and the outcome thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) The details of food and headline inflation levels based on Consumer Price Index (New Series) in the country during each of the last three years and the current year are in Table 1.

Table 1: Inflation based on Consumer Price Index- New Series (in per cent)				
	2012-13	2013-14	2014-15	2015-16 (Apr-Oct) P
Headline (All Groups)	10.2	9.5	5.9	4.6
Food (CFPI)	12.2	11.3	6.4	4.1
P: Provisional, CFPI: Consumer Food Price Index. Source: Central Statistics Office.				

(b) Headline inflation and food inflation in terms of Consumer Price Index (New Series) during the last six months are in Table 2.

Table 2: Month-wise inflation based on Consumer Price Index- New Series (in per cent)						
	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15 (P)
Headline (All Groups)	5.0	5.4	3.7	3.7	4.4	5.0
Food (CFPI)	4.8	5.5	2.2	2.2	3.9	5.2
P: Provisional, CFPI: Consumer Food Price Index. Source: Central Statistics Office.						

Headline inflation and food inflation based on Consumer Price Index (New Series) has increased in recent months mainly due to high inflation of pulses & products, which is attributed to shortfall in domestic production.

(c) & (d) Government has undertaken a number of measures to curb inflation, particularly food inflation. These include, advising States to allow free movement of fruits and vegetables by delisting them from the APMC Act, banning of export of all pulses except kabuli channa and up to 10,000MTs in organic pulses and lentils, zero import duty on pulses except for chana and lentils, empowering States/UTs to impose stock limits in respect of onion, pulses, edible oil, and edible oilseeds under the Essential Commodities Act etc.

The Government has taken various initiatives to boost growth of the economy which, inter alia, include; boost to agricultural sector with focus on micro irrigation, watershed development, soil conservation and credit; fiscal consolidation; rationalization of tax structure and various measures to improve clarity and

transparency in economic policy-making; fillip to manufacturing and infrastructure through fiscal incentives and measures for transport, power, and other urban and rural infrastructure; reforms and liberalization of foreign direct investment in 15 major sectors; Skill India and Digital India initiatives; “Make in India” initiative along with the attendant facilitatory measures for a more conducive environment for investment; financial inclusion through ‘Pradhan Mantri Jan Dhan Yojana’ which also helps to strengthen banking and insurance services; introduction of ‘Gold Monetization Schemes’ to mobilize the gold held by the household and institutions in the country for productive use and reduce the country’s reliance on the import of the gold; launching of Micro Units Development and Refinance Agency Ltd. (MUDRA), for developing and refinancing all micro-finance Institutions, which are in the business of lending to micro / small business entities in manufacturing, trading and service activities.
