

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 2448
TO BE ANSWERED ON MARCH 11, 2016

INFLATION

†2448. SHRI ANSHUL VERMA :

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government maintain data relating to rate of inflation in the country *vis-a-vis* inflation rate prevailing in the other neighboring countries and if so, the details thereof for each of the last three years and the current year along with the reasons therefor;
- (b) the average rate of inflation in the country during every month of the last one year and the current year;
- (c) whether the Government has made any assessment of the results/effects of inflation on the demand and supply of various consumer items in the market; and
- (d) if so, the details thereof and the action plan prepared by the Government to provide relief to the common man from ever increasing inflation?

ANSWER

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

(a) The Government monitors and maintains data on inflation in India and does not maintain data on rate of inflation prevailing in the neighboring countries. The International Monetary Fund (IMF) in its World Economic Outlook gives details of average consumer price inflation for various countries from time to time.

(b) Month wise average rate of inflation based on Consumer Price Index (Combined) in the country during 2014-15 and the current year is given in Table 1.

Table 1: Inflation based on Consumer Price Index (Combined) (in per cent)												
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2014-15	8.5	8.3	6.8	7.4	7.0	5.6	4.6	3.3	4.3	5.2	5.4	5.3
2015-16	4.9	5.0	5.4	3.7	3.7	4.4	5.0	5.4	5.6	5.7		
Note: Figure for Jan-16 is provisional												
Source: Central Statistics Office												

(c) & (d) Analysis of the drivers of inflation indicate that different items of consumption has been driving it at different points of time. No specific/comprehensive study has been conducted by the Government on the effect of inflation on demand and supply of various consumer items. Detailed data on consumption pattern is available quinquennially through the National Sample Survey Office's (NSSO's) consumer expenditure surveys. However, the Government closely monitors the production and availability of essential commodities. It has undertaken a number of measures to curb inflation, in particular, food inflation. The steps taken, inter alia, include, (i) banning exports of all pulses except kabuli channa and up to 10,000 Metric Tonnes (MT) of organic pulses and lentils; (ii) allowed zero import duty on pulses; (iii) imported tur and onion to augment supply, (iv) taken decision to create buffer stock for pulses of 50,000 MT of Kharif pulses and 1 lakh MT of Rabi pulses through domestic procurement and import; (v) implemented a new Plan Scheme titled Price Stabilisation Fund (PSF) to regulate price volatility of agricultural commodities; and (vi) issued advisory to States/UTs to take strict action against hoarding and black marketing under the Essential Commodities Act 1955 and the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.
