

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 1513
TO BE ANSWERED ON 14.03.2023

DECLINE IN INFLATION

1513. SMT. SANGEETA YADAV:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Wholesale price-based inflation for December 2022 eased to 22-months low; if so the details thereof ;
- (b) if so, whether it has brought some relief to a long cycle of rising prices;
- (c) reason behind the decrease in WPI inflation compared with November 2021; and
- (d) the efforts made by Government to reduce inflationary pressure on the customers?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): Wholesale price-based inflation rate was 4.95 per cent in December 2022 – a 22 month low, lowest after February 2021 (4.83 per cent).

(c): WPI-based inflation rate declined from 14.87 per cent in November 2021 to 4.73 per cent in January 2023 due to the decline in prices in all three groups – ‘primary articles’, ‘fuel & power’ and ‘manufactured products’. The fiscal and trade policy measures taken by the Government coupled with the softening commodity prices, including that of crude oil at the international level, led to the decline in inflation.

(d): The price situation of essential commodities is monitored by the Government on a regular basis and corrective action is taken from time to time. Several supply-side measures have been taken by the Government to address inflation and to ensure that customers do not bear inflationary pressure. These steps, *inter alia*, include reduction in excise duty on petrol and diesel, prohibition of export of wheat products under HS Code 1101, imposition of export duty on rice, maintenance of buffer stock for onion and pulses, imposition of stock limits on edible oils and oil seeds, monitoring of stocks declared by entities to prevent hoarding and also requisite changes in trade policy instruments.
