

[6 May, 2003]

RAJYA SABHA

(b) if so, the amount of the loan at the end of both the years separately ; and

(c) the amount paid as annual interest on the said loans ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VTTHOBA ADSUL): (a) and (b) The total internal debt of the Central Government increased from Rs 459696 crore in 1998-99 to Rs. 1037163 crore in 2002-2003 (RE)

(c) The interest paid on internal debt increased from Rs. 39,832 crore in 1998-99 to Rs 97,251 crore in 2002-03 (RE).

**Rate of inflation**

4698 SHRIMATI N.P. DURGAWUL the Minister of FINANCE be pleased to state :

the month-wise rate of inflation during the last two years:

whether it is a fact that for the week ending 1st May, 2003, the inflation touched the highest in the last three years;

if so, the reasons for such a steep rise in the rate of inflation: and

the method adopted to calculate the inflation rate ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VTTHOBA ADSUL): (a) Annual point to point inflation rates based on the Wholesale Price Index (VVPI) for the last two years are indicated in table below:

Annual point to point inflation rate (%)

	2001-02	2002-0	2003-2004
1	2	3	4
Apr	5.5	15	616*
May	5.5	16	
June	5.4	2.4	
July	5.3	28	
Aug	5.4	33	
Sep.	4.5	35	

1	2	3	4
Oct.	2.9	3.1	
Nov.	2.6	3.4	
Dec.	2.1	3.3	
Jan.	1.5	4.2	
Feb.	1.4	4.9	
Mar.	1.8	5.5	

\*for week ended April 19,2003.

No Madam. The annual inflation rate for the week ended 1 st May, 2003 has not been reported so far. The latest available inflation rate for the week ended April 19,2003 has declined to 6.16% from a two year high of 6.47% for the week ended April 12,2003.

The annual point to point inflation rate based on the WPI remained moderate during much of 2002-2003. However, uncertainty associated with war in the Gulf, the possibility of disrupted supplies of crude oil in the event of war, alongwith strike in Venezuela (a major producer of crude oil) pushed up crude oil prices after December, 2002. A major factor for the rise in inflation rate since January 2003, is the increase in domestic prices of petroleum products consequent upon a hardening of international prices of crude oil. The pressure on inflation rate was also contributed to by a rise in prices of edible oils, arising from a drought related shortfall in production plus hardening of prices in the international markets.

(d) Wholesale Price Index (WPI) and the Consumer Price Index (CPI) are the two most commonly used statistical measures of inflation. WPI is used for monitoring wholesale prices of 435 commodities distributed among the primary, fuel and manufactured product groups. It is calculated on a weekly basis on the principle of a weighted arithmetic average with a fixed base-weighting diagram (base 1993-94=100). The CPI is a monthly retail price index and is available for (i) Industrial Workers (ii) agricultural labourers and (iii) urban non manual employees.

#### **Probe under Section 237 of Companies Act**

4699. SHRI MUNAWAR HASAN : Will the Minister of FINANCE be pleased to state :