

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4497

ANSWERED ON:20.08.2010

INFLATION MEASUREMENT

Patil Shri A.T. Nana;Siricilla Shri Rajaiiah;Viswanathan Shri P.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any proposal to introduce a new system of inflation measurement;
- (b) if so, the details thereof;
- (c) the comparative details of the old and the system envisaged; and
- (d) the aims and objectives of such new system and the manner in which it would be useful to the common man?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (d): The Office of Economic Adviser, Ministry of Commerce & Industry has initiated the process for revising the base year of WPI from 1993-94 to 2004-05 together with an enlargement of the commodity basket and number of respondents to better reflect the structural changes in the economy. The commodity basket for the new series of WPI is under finalization with inclusion/substitution of new/emerging items based on their relative importance in economy/ group wise transactions in the base year and the availability of regular price data.