

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2862  
ANSWERED ON:30.03.2012  
DATA OF FOOD INFLATION  
Choudhary Shri Nikhil Kumar

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has taken any decision to release the data of food inflation rate every month instead of every week and which is based only on the Wholesale Price Index (WPI);
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) the share of food inflation rate in the gross inflation rate;
- (d) whether it is likely to reflect the actual inflation; and
- (e) if so, the details thereof?

**Answer**

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

(a) Yes, Sir.

(b) The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 24th January, 2012 directed that the Wholesale Price Index (WPI: 2004-05=100) may be released on a monthly basis instead of the earlier practice of release on a weekly and monthly basis. The monthly WPI for any month is released provisionally on the 14th day of the next month and the final WPI is released after a gap of two months. This decision is expected to improve the quality of the WPI.

(c)to(e) The food inflation consists of two sub-components, namely primary food articles and manufactured food products. The overall weight of the composite food index in the WPI is 24.31 per cent, (primary food articles: 14.34 per cent and manufactured food products: 9.97 per cent). A moderation in food articles inflation has contributed to decline in overall inflation for all commodities.

The WPI inflation rates and percentage share of food components to overall inflation for February 2012 compared to February 2011 are indicated in Table below:

Year-on-year WPI inflation rates and percentage share of food components in gross inflation

	Weights(%)	Feb-11	Feb-12P
Inflation rates (%)			
All Commodities	100.00	9.54	6.95
Food Articles	14.34	10.95	6.07
Food Products	9.97	0.00	5.72

Total Food 24.31 6.77 5.94

Percentage share of food inflation to overall inflation

Food Articles 14.34 19.89 15.31

Food Products 9.97 0.00 8.04

Total Food 24.31 19.89 23.35

**P: Provisional**