

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:346

ANSWERED ON:20.11.2009

MONETARY MEASURES TO CHECK INFLATION

Pakkirappa Shri S.

Will the Minister of FINANCE be pleased to state:

(a) whether the various monetary measures taken by the Government not been able to contain spiraling inflation and prices of essential commodities;and

(b) if so, the details thereof and the reaction of the Government thereto?

Answer

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

(a) & (b): Initiation of monetary measures which impact on the demand side in the economy is under the domain of the Reserve Bank of India (RBI). Fiscal and administrative measures of the Government address issues on the supply side in the economy. As the present Wholesale Price Index (WPI) based Inflation in food items, both primary and manufactured, is supply driven, Government has taken several measures which include reducing import duties on wheat, pulses, maize, raw sugar etc; imposition of stock limits in the case of paddy, rice, pulses, sugar; and ban on export of non-basmati rice.