

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3326

ANSWERED ON:12.12.2014

INFLATION

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Will the Minister of FINANCE be pleased to state:

- (a) whether in October, 2014 the inflation rate of the retail price index remained 1.77% while the rate of consumer price index remained at 5.52% and if so, the details thereof;
- (b) whether the aforesaid rates declined in comparison to the rates of the past many years, if so, the details thereof;
- (c) whether the prime reasons for this decline in inflation rate is the decline in the price of crude oil in International market; and
- (d) if so, the details thereof and steps taken or proposed to be taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) & (b) The inflation based on Wholesale Price Index (WPI) and Consumer Price Index -New Series (CPI-NS) for October, 2014 were 1.77% and 5.52% respectively. WPI inflation was the lowest since September, 2009 and CPI (NS) inflation was the lowest since the introduction of the series in 2011:

Period	WPI inflation (%)	CPI (NS) inflation (%)
2011-12	8.94	-
2012-13	7.35	10.21
2013-14	5.98	9.49
Apr-14	5.55	8.59
May-14	6.18	8.28
Jun-14	5.66	7.46
Jul-14	5.41	7.96
Aug-14	3.85	7.73
Sep-14	2.38#	6.46
Oct-14	1.77#	5.52#

Provisional data

(c) & (d) The decline in the price of crude oil in International market is one of the reasons for the decline in inflation rate. Lower inflation in major groups of both WPI and CPI, particularly wheat, vegetables, egg, fish and meat, reflecting balance in demand supply conditions was an important factor.