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# In India, which one of the following is responsible for maintaining price stability by controlling inflation? (a) Department of Consumer Affairs (b) Expenditure Management Commission (c) Financial Stability and Development Council (d) Reserve Bank of India Official key: D.

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Indian economy, budget, schemes - Prelims GS Paper I.

## Explanation

### (a)

Department of Consumer Affairs. Price monitoring and essentials; not the inflation-targeting authority.

### (b)

Expenditure Management Commission. A fiscal-spend body, now wound down.

### (c)

FSDC. Coordination on financial stability, chaired by the Finance Minister.

### (d) Official key

Reserve Bank of India. Statutory inflation-targeting monetary authority.

## Summary

Official key is (d) RBI. Under the RBI Act (after 2016), price stability - the inflation target - is the primary monetary objective, operated by the Monetary Policy Committee.

## Related possible facts

These can be asked in a future Prelims paper.

**MPC**

Six members; repo-rate majority vote.

**Inflation target**

4% CPI with ±2% band, GoI notification.