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THE IMPACT OF INFLATION IN INDIAN ECONOMY

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ABSTRACT

Inflation is one of the most contentious issue that is been affected by all countries in the world. It is a big problem especially for underdeveloped and developed countries. Due to high inflation the purchasing power of consumer's decreases and thus it leads to devaluation of the nation's currency. This in turn leads to unemployment and uneven distribution of income and wealth. Inflation in India is calculated by using Wholesale Price Index (WPI) on weekly basis. This article focus on the matters pertaining to inflation bane of Indian economy, rate of inflation in food and non-food commodities, problems due to inflation, effects of inflation and unemployment. The researcher also gives suggestions and conclusion. The methodology used in this article is secondary data.

KEYWORDS: *GDP, Indian economy, Inflation, Price rise, Unemployment.*