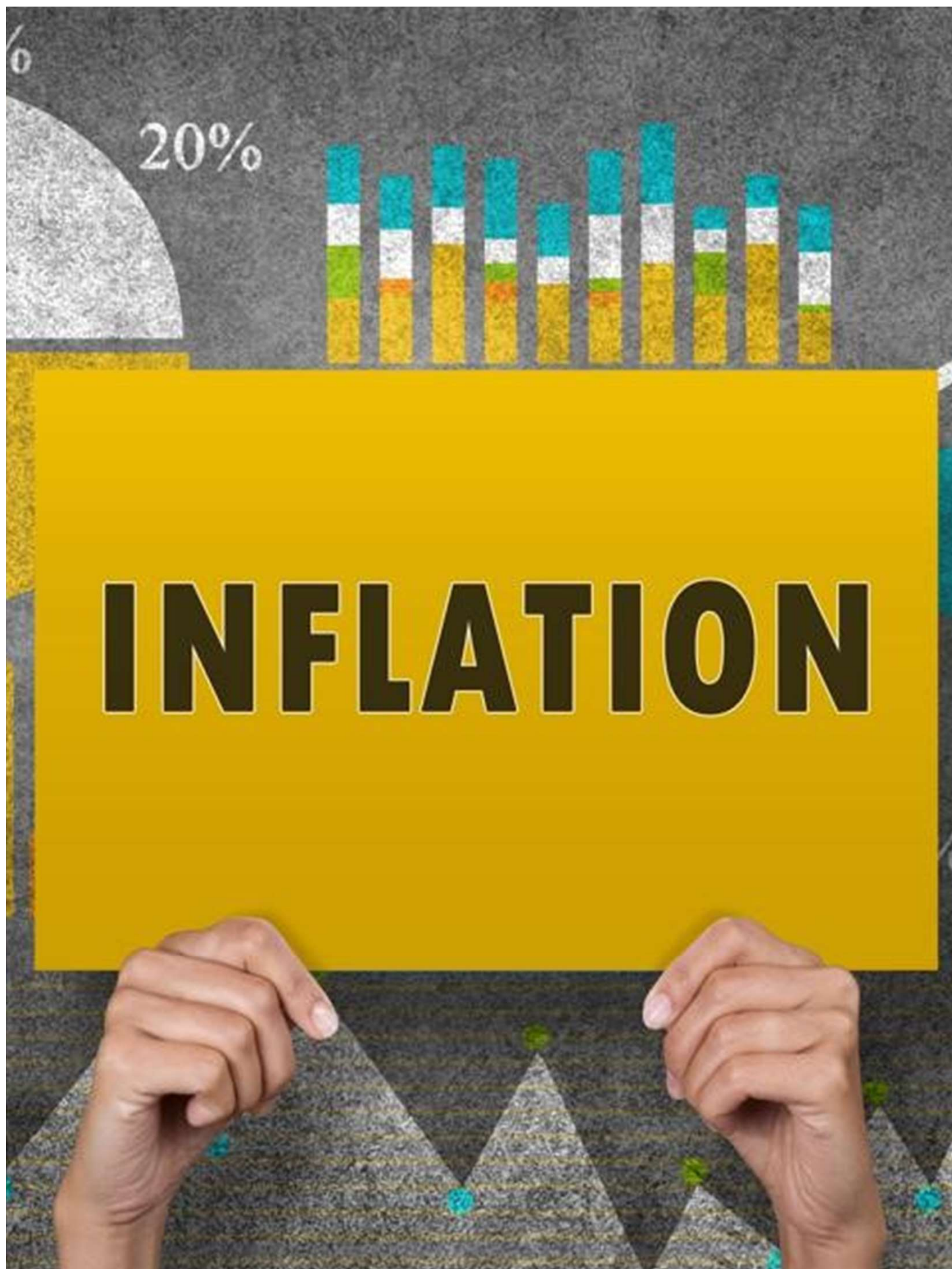


20%

# INFLATION





20%

India in 2016 cemented into law the practice of inflation-targeting and created a monetary policy committee, overhauling a previous system where the governor had the final word on interest rates.

**The framework mandates the RBI to aim to keep consumer price inflation at 4% for period from 5 Aug 2016 to 31 Mar 2021, while allowing the rate to fluctuate in a 2%-to-6% band.**



