Inflation

Headline Inflation

Overall Inflation

Core Inflation

Volatile price items are excluded e.g. Petroleum.

India's present Scenario

Demand Driven Inflation

(Low productivity high demand)

Tax

Direct

Tax upon income, Property or both

Nature- Progressive

e.g. PIT, Corporate tax, MAT STT, FBT etc

Indirect

Tax upon expenditure

Nature- Proportional

e.g. VAT, Custom Duty, service Tax etc.

IMPULSE