**Abstract**

The study reveals that Inflation has a direct impact on households and how they are managing the rise in inflation in the society as a whole. The economy is meant only for Indian economy. Inflation assigned to a continued rise in price level and the process of aligning the price level was a crucial issue for households. Inflation was the only imminent fact of accelerated economic development, the upcoming technologies are also important for the market economy. This in turn, improves the contradictory systems in the economy. Inflation turns up due to shortcomings between demand and supply of money and / diversity in production & distribution cost or escalation in taxes on goods & services in market economy. One of the biggest challenges of our current situation is the obstacle of raising inflation and equalizing the essentials of growth in the economy for controlling inflations in the market for goods & services. Most of the economists has identified that the inflation arises due to lack of reforms in discharging the goods & services to the ultimate consumers. However the study reveals that inflations impact on households’ day to day activity and how the increase in price rates are managed by the society as a whole.