

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 717
TO BE ANSWERED ON 13.12.2022

HIGH INFLATION

717. SHRI RAGHAV CHADHA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Wholesale Price Inflation has reached a record high and remaining above RBI's inflation target;
- (b) if so, details thereof along with reasons therefor and extent upto which surging food and fuel prices are responsible for this rate of inflation;
- (c) details of difference between inflation rates during last five years and the current year along with the impact of inflation on households and employment; and
- (d) the individual details of top ten items that contribute for rising Wholesale and Retail Inflation in the country along with details of taxes on petrol, diesel, auto gases and their percentage contribution to rising Wholesale and Retail Inflation?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): Wholesale price inflation rate declined from 15.38 per cent in April 2022 to 8.39 per cent in October 2022. The WPI based 'food inflation' has declined from 9.1 per cent in April 2022 to 6.5 per cent in October 2022, while 'fuel & power' inflation rate has declined from 38.8 per cent in April 2022 to 23.2 in October 2022.

Soaring commodity prices at the international level and pandemic-induced supply-demand imbalances have caused a rise in the inflation rate worldwide including in India. The Russia-Ukraine conflict has exacerbated the inflationary pressures in crude oil, gas, metals and edible oils (sunflower). Further, the onset of heat waves and uneven rainfall in the later part of the monsoon season has led to crop damage and a rise in vegetable prices.

(c) & (d): The Wholesale Price Inflation for the last five years and the current year is given in Annexure.

The top ten items, that have contributed 49.1 per cent to overall retail inflation in October 2022, are milk, house/garage rent, wheat/atta - other sources, rice - other sources, kerosene-PDS, potato, LPG (excl. conveyance), medicine (non-institutional), dry chillies, cooked meals purchased. The top ten items, that have contributed 48.7 per cent to overall wholesale inflation in October 2022, are high-speed diesel, electricity, crude petroleum, natural gas, petrol, milk, kerosene, wheat, raw cotton and fodder.

The total Central excise duty including cesses on petrol is Rs. 19.90 per litre and on Diesel is Rs. 15.85 per litre. Basic excise duty on CNG is 14 per cent, while excise duty on LNG (other than CNG) is 'nil'.

ANNEXURE

**STATEMENT REFERRED TO PART (c) IN REPLY TO THE RAJYA SABHA
UNSTARRED QUESTION NO. 717 RAISED BY SHRI RAGHAV CHADHA FOR
13th DECEMBER 2022**

**Wholesale Price Inflation based on Wholesale Price Index (Base 2011-12)
(Y-o-Y) (%)**

Year/Month	Wholesale Inflation Rate (%)
2017-18	2.96
2018-19	4.26
2019-20	1.68
2020-21	1.29
2021-22	13.00
2022-23	
April	15.38
May	16.63
June	16.23
July	14.07
August	12.48
September	10.70*
October	8.39*

Source: NSO, MoSPI and DPIIT

Note: *Figures are provisional