

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 2790
TO BE ANSWERED ON 17.03.2026/ Phalguna 26, 1947 (Saka)**

Retail and wholesale inflation rates

2790. Shri A. D. SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) the average retail and wholesale inflation rates recorded during the last three years;
- (b) the major factors responsible for rise in food and fuel prices; and
- (c) the fiscal measures undertaken to contain inflation without adversely affecting growth and employment?

ANSWER

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

- (a): The average inflation rate based on Consumer Price Index (CPI) and Wholesale Price Index (WPI) for the last three years is given in the table below.

Year	Retail inflation on CPI* (%)	Wholesale inflation based on WPI (%)
2022-23	6.7	9.4
2023-24	5.4	-0.7
2024-25	4.6	2.3
2025-26(Apr-Jan)	1.8	0.2

Source: MoSPI and Office of Economic Adviser (DPIIT)

*Note: * Based on CPI (2024)*

(b): There has been no food or fuel inflation in 2025-26. Retail food prices, on average, declined to (-)0.98 per cent during Financial Year (FY) 2025-26 (April–January) from 7.3 per cent in FY 2024-25. In the new CPI series, there is no separate fuel category. The average fuel inflation as per WPI is (-)3.16 per cent during April -January of FY 2025-26. The prices of global crude oil as well as the Indian basket had been on a declining trajectory over the past year; however, recent geopolitical tensions in West Asia have pushed prices above the \$100 per barrel mark.

Food and fuel inflation are influenced by a combination of domestic and global factors. Food inflation is primarily driven by agricultural output, which depends on monsoon performance, weather conditions, seasonal supply variations, input costs such as fertilisers, energy and labour, as well as supply chain, transport and storage infrastructure. Government policies relating to procurement, minimum support prices, buffer stock management and trade measures also play a role. Fuel inflation, on the other hand, is largely influenced by international crude oil prices, exchange rate movements, domestic taxation policies and global geopolitical developments affecting energy supply. As India imports a significant portion of its crude oil requirements, fluctuations in global prices and currency movements have a greater bearing on domestic fuel prices. Further, fuel prices also have a spillover effect on food inflation through higher transportation and logistics costs, thereby influencing the overall inflation dynamics.

(c): The Government has undertaken a series of administrative measures, including fiscal and trade policy, to control inflation and mitigate its impact on the common citizen. These include, *inter alia*, augmentation of buffer stocks for essential food items, strategic sales of procured grains in the open market, facilitation of imports and export curbs during periods of short supply, implementation of stock limits to push more supplies of select commodities into the market, retail sales of select food items under the Bharat brand at subsidised rates, market intervention for perishable horticultural and agricultural commodities, reduction in fuel taxes, creation of scientific storage capacity and above all, increasing the disposable income of individuals by exempting annual incomes up to ₹12 lakh (and ₹12.75 lakh for salaried individuals with standard deduction) from income tax and the recent rationalization of Good and Services Tax (GST) rates. Concurrently, as part of inflation management, the Monetary Policy Committee (MPC) has also reduced the policy rate by 125 basis points cumulatively since February 2025. These coordinated fiscal and monetary measures have helped manage inflation, while sustaining economic growth above 7 per cent and contributing to a decline in unemployment in recent years.
