GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 1033
TO BE ANSWERED ON 28.07.2026/ *Shravana 6, 1948 (Saka)*

Inflation and rising cost of living

1033. Shri RAJEEV SHUKLA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government has taken note of the impact of inflation and rising prices of essential commodities on the common people, particularly middle-class and economically weaker sections;

(b) the details of the Consumer Price Index (CPI) based inflation during the last three years, year-wise;

(c) the measures taken by Government to control inflation and provide relief to citizens from rising household expenditure; and

(d) the steps proposed to strengthen price monitoring mechanisms for essential commodities?

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

(a) to (d): The average retail inflation measured by the Consumer Price Index declined from 5.4 per cent in 2023-24 to 4.6 per cent in 2024-25 and further to 2.1 per cent in 2025-26. Owing to the commodity price shock and elevated global energy prices stemming from the West Asia Crisis, a seasonal pickup in vegetable prices, and the expected unfavourable El Niño conditions, retail inflation rose to 3.9 per cent in Q1 of 2026-27. However, it is still below the Reserve Bank of India’s inflation target of 4 per cent.

The Government has been actively undertaking a series of measures to control inflation and mitigate its impact on consumers, particularly the poor and middle class. The Government continuously monitors the prices of essential commodities and undertakes fiscal, administrative and supply-side measures to contain inflation, particularly to protect low- and middle-income households. Daily price monitoring is complemented by regular reviews by the Inter-Ministerial Committee (IMC), which recommends measures, including import-export policy interventions, to improve domestic availability. Some of the measures taken include, *inter alia*, the 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, and above all, distribution of food grains free of cost to around 81 crore beneficiaries under the National Food Security Act and 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. Further, the rationalisation of the Goods & Services Tax (GST) rates, especially on items consumed by the common man, such as food products, household articles, medicines, medical equipment, agricultural goods and specified automobiles etc., supports affordability for the households.

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