

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

LOK SABHA

UNSTARRED QUESTION NO. 3642

TO BE ANSWERED ON 11.08.2025/ *Sravana 20, 1947 (Saka)*

RISING PRICES OF ESSENTIAL COMMODITIES

3642. SMT GENIBEN NAGAJI THAKOR:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware of the rising prices of essential commodities and services impacting the common man;
- (b) if so, the details thereof and the reasons therefor along with the inflation trends during the last three years;
- (c) the short-term and long-term measures taken by the Government to control inflation and reduce the burden on middle and low-income households; and
- (d) whether the Government has any plans to provide targeted subsidies or relief packages to mitigate the effects of price rise on essential goods like food, fuel and transportation?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) and (b): The Department of Consumer Affairs monitors the daily prices of 38 essential food commodities—including rice, pulses, onions and tomatoes— across 566 price monitoring centres nationwide. An Inter-Ministerial Committee regularly reviews the prices and availability of these commodities and suggests measures to enhance their availability to stabilize the prices. During the last three years, the retail inflation in terms of Consumer Price Index (CPI) has declined steadily from 6.7 per cent (2022-23) to 5.4 per cent (2023-24) and further to 4.6 per cent (2024-25), the lowest in the last 6 years. Furthermore, CPI declined to an average of 2.7 per cent in the first quarter of 2025–26, ending the quarter at 2.1 per cent in June 2025. The deceleration in food inflation continued through Q1 of 2025-26 and reached a negative territory with (-) 1.06 per cent in June 2025, the lowest after January 2019.

(c) and (d): The reduction in inflation, particularly in essential commodities, can be attributed to a series of proactive measures undertaken by the Government to control price rise and ease the burden on middle- and low-income households. These measures include augmentation of buffer stocks for essential food items, strategic sales of procured grains in the open market, facilitation of imports and imposition of export curbs during periods of short supply, implementation of stock limits to boost market availability of essential commodities, retail sales of select food items under the Bharat brand at subsidised rates, 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. To mitigate the impact of fuel and transport-related inflation, the Government has introduced several additional measures like, providing a targeted subsidy of ₹300 per Liquefied Petroleum Gas cylinder for about 10.33 crore Pradhan Mantri Ujjwala Yojana beneficiaries, intra-state freight rationalisation to reduce Petrol and Diesel prices in remote areas within states, augmenting domestic exploration and production of crude oil and improving the share of renewable sources in India's energy mix. The Central Government also reduced Central Excise Duty on petrol and diesel by ₹13/litre and ₹16/litre, respectively, in two tranches (November 2021 and May 2022), with the full benefit passed on to consumers. Additionally, several State Governments lowered their VAT rates to provide further relief. In March 2024, Oil Marketing Companies reduced the retail prices of petrol and diesel by ₹ 2 per litre each. In April 2025, excise duty on Petrol and Diesel was increased by ₹ 2 per litre each; however, this increase was not passed on to consumers.
