

New Macroeconomic Data Series

The Ministry of Statistics and Programme Implementation (MoSPI) is set to overhaul India's primary economic indicators by shifting to new data series with updated base years starting in February 2026. This revision aims to better capture structural changes in the economy, such as shifts in consumer spending and the growth of the digital economy.

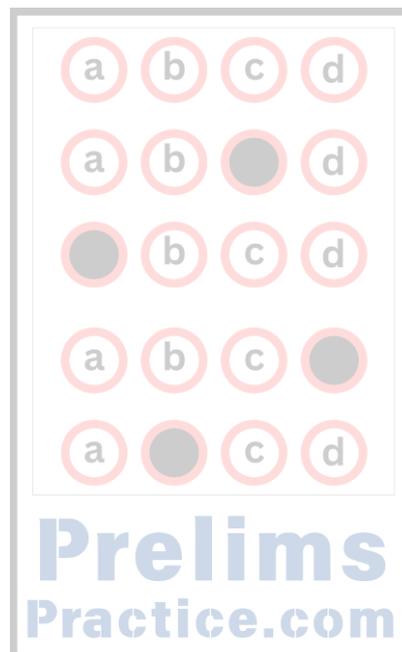
Key Highlights of the New Series

- **Revised Base Years:**
 - **CPI (Retail Inflation):** Base year shifts to 2024 (from the current 2012)
 - **GDP & IIP (National Accounts/Industrial Production):** Base year shifts to 2022-23 (from the current 2011-12).
- **Official Launch Schedule:**
 - **CPI New Series:** Scheduled for release on February 12, 2026.
 - **GDP New Series:** Scheduled for release on February 27, 2026.
 - **IIP New Series:** Scheduled for release on May 28, 2026.
- **Modernized Data Sources:**
 - **E-commerce Integration:** For the first time, CPI will include price data from e-commerce platforms in 12 major cities.
 - **Real-time Data:** GDP calculations will utilize real-time GST Network (GSTN) filings to improve the accuracy of state-level growth estimates.
 - **Digital Economy:** The new series will incorporate prices for OTT subscriptions, telecom services, and airfares from online sources.
- **Methodological Improvements:**
 - **Double Deflation:** A new "double deflation" method will be used for manufacturing, deflating both output and input prices to more accurately determine value-add.
 - **Informal Sector:** The annual GDP calculation will incorporate the Annual Survey of Unincorporated Sector Enterprises (ASUSE) to better represent the informal economy.

- **Revised Weights:** CPI weights will be updated based on the Household Consumption Expenditure Survey 2023-24, reflecting increased spending on fruits and vegetables and a relative decrease in cereal consumption.

Strategic Objectives

The overhaul is designed to align India with international standards (such as the upcoming System of National Accounts 2025) and address concerns raised by the IMF regarding data reliability. By broadening price-collection sources to over 280 additional markets and updating the consumption basket, the government aims to provide a more realistic picture of current economic realities for better-informed policy and investment decisions.



Explanation of Exam Oriented Points

01

Base Years for Macroeconomic Indicators

Overview:

A base year acts as a benchmark, typically assigned an index value of 100, against which economic performance and price changes (real growth versus nominal growth/inflation) in subsequent years are measured. India's base years for macroeconomic indicators have been revised periodically since independence to reflect the economy's structural changes, incorporating new data sources and aligning with international standards. The current base year for GDP and IIP is 2011-12, and for CPI, it is 2012.

The Ministry of Statistics and Programme Implementation (MoSPI) is responsible for these revisions, which were traditionally conducted every five years to coincide with the National Sample Survey Organisation (NSSO) rounds. Revisions ensure the indicators remain relevant and accurately capture shifts such as the economy's transition from an agrarian base to a service-led one, and the emergence of new sectors like e-commerce and digital services.

GDP Base Year Revisions Since Independence

Since 1947, India has officially revised the GDP base year seven times, with an eighth revision scheduled for 2026.

- 1948–49: The first official base year, used for estimates published in 1956.
- 1960–61: Revised in August 1967.
- 1970–71: Revised in January 1978.
- 1980–81: Revised in February 1988.
- 1993–94: Revised in February 1999; this marked a shift from decennial (every 10 years) to quinquennial (every 5 years) revisions.
- 1999–2000: Implemented in 2006.
- 2004–05: Implemented in January 2010.
- 2011–12: The current active base year, released in January 2015.
- 2022–23 (Proposed): The government has announced this as the new base year, with revised data scheduled for release on February 27, 2026.

Practice Questions:

1. Consider the following statements:

Statement I: Of the two major ethanol producers in the world, i.e., Brazil and the United States of America, the former produces more ethanol than the latter.

Statement II: Unlike in the United States of America where corn is the principal feedstock for ethanol production, sugarcane is the principal feedstock for ethanol production in Brazil.

Which of the statements given above are correct?

- a) Both Statement I and Statement II are correct and Statement II explains Statement I
- b) Both Statement I and Statement II are correct but Statement II does not explain Statement I
- c) Statement I is correct but Statement II is not correct
- d) Statement I is not correct but Statement II is correct

Answer: d

Explanation: Statement I is false: The new Consumer Price Index (CPI) series with base year 2024 is actually expected to have a lower weightage for food items compared to the current 2012 series. While food and beverages currently account for approximately 45.9% of the CPI basket, findings from recent surveys indicate that as household incomes rise, the proportion of spending dedicated to food naturally declines.

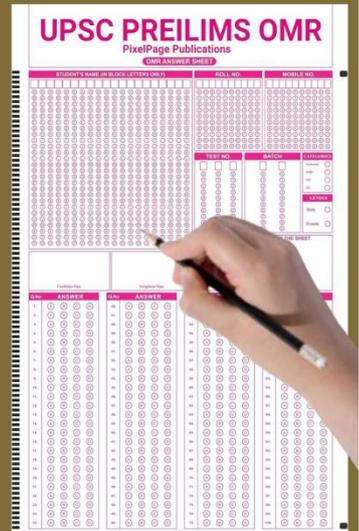
Statement II is true: The revised weights are indeed derived from the latest Household Consumption Expenditure Survey (HCES) 2023-24. This survey shows a long-term shift in Indian consumption patterns: households are spending a smaller share of their budget on food (particularly staples like cereals) and a larger share on non-food items, including conveyance, consumer services, and durable goods.

For More Practice Questions, visit:

www.prelimspractice.com



TARGET PRELIMS 2026



PRELIMS PRACTICE PROGRAM

Subject Wise Practice Module

2,000+ Practice Questions
₹ **99** Only
~~₹ 600~~

Art, Culture & Heritage | Ancient & Medieval History | Modern History | Physical Geography | Human Geography | Mapping | Indian Polity | Indian Governance | International Organisations | Environment & Ecology | Economy | Science & Technology

Current Affairs Practice Module

2,000+ Practice Questions
₹ **99** Only
~~₹ 600~~

Press Information Bureau | The Hindu | Indian Express | Press Trust of India | Business Line | Business Standard | Times of India

Contemporary Issues Practice Module

1,000+ Practice Questions
₹ **69** Only
~~₹ 350~~

Press Information Bureau- (PIB) | The Hindu | Indian Express | Press Trust of India | Rajya Sabha TV | Times of India | Lok Sabha TV

Essential Editorials Practice Module

1,000+ Practice Questions
₹ **69** Only
~~₹ 350~~

The Hindu | Indian Express | Times of India | Business Line | Business Standard | Times of India | The Sunday Guardian | MINT

Price valid till January 2026

LIVE Classes



Current Affairs



Contemporary Issues



Essential Editorials

www.prelimspractice.com

Class Discussion Space

a	b	c	d
a	b	●	d
●	b	c	d
a	b	c	●
a	●	c	d

Prelims
Practice.com