

Chapter-39 PRICES

"Inflation is the form of taxation which the public find hardest to evade."- Keynes

BACKGROUND

39.1.1 Price mechanism refers to the system where the forces of demand and supply determine the prices of commodities and the changes therein. In other words, it is the outcome of the free play of market forces of demand and supply. However, sometimes the government controls the price mechanism to make commodities affordable for the poor people too. Thus, price movement reflects a complex phenomenon of demand-supply interaction, pattern and form of state intervention for various purposes. Inflation, a related term in economic lexicon, measures the rise in general level of prices of goods and services. It affects all by eroding the purchasing power of money, resulting in raising the cost of living which ultimately affects poor the most. Hence inflation has always been one of the most closely monitored macroeconomic indicators.

MEASURES OF INFLATION

39.2.1 The Price Indices, which measures the changes over time in general level of prices of goods and services at large, incorporating their importance in the basket, are used to measure the inflation rate. Generally the inflation rate is computed year on year basis e.g. Inflation for the month of January 2015 would be the rate of change of a Price Index with respect to that of January 2014. Inflation rate can be measured using either Wholesale Price Index (WPI) or Retail Price Index, which is generally known as Consumer Price (CPI). In many countries, Producers' Price Index (PPI), in place of WPI, is used to measure Inflation rate. Inflation rate based on PPI or WPI indicate increase in cost of production whereas the rate based on CPI shows a sign of burden on consumers pocket also.

39.2.2 India has a rich tradition of collection and dissemination of price statistics dating back to 1861 when the Index of Indian Prices was released. Currently, there are five different primary measures of inflation - the **Wholesale Price Index (WPI)** and four measures of the **Consumer Price Index (CPI)**. In addition, **Gross Domestic Product**

(GDP) deflator and **Private Final Consumption Expenditure (PFCE) deflator** from the National Accounts Statistics (NAS) provide implicit economy-wide inflation estimate.

39.2.3 Given the many uses of CPIs, it is unlikely that one index can perform equally satisfactory in all applications. Therefore, there is a practice of compiling several CPI variants for specific purpose. In India, segment specific CPIs, namely CPI (IW)¹, CPI (AL)², CPI (RL)³ are being compiled regularly, catering to the need of specific population group. CPI (UNME)⁴ which was discontinued w.e.f. December, 2010, was meant for urban non-manual employees. All these indices depict change in the level of average retail prices of goods and services consumed by specific segment of population, which they refer. The National Statistical Commission (NSC), under Dr. C. Rangarajan, in its Report (2001), observed that CPI numbers catering to specific segments of the population can be considered as partial indices only. These indices are not oriented to reflect a true picture of the price behavior and effect of price fluctuations of various goods and services consumed by the general population in the country, over a period of time. This Commission, therefore, recommended for compilation of CPI for rural and urban areas. The recommendation of NSC (2001) was further endorsed by the Standing Committee on Finance (2009-10) (15th Lok Sabha, 6th Report on Inflation and Price Rise), which asked the Government to act upon this recommendation without any further delay and accordingly expedite the compilation of the nation-wide Consumer Price Index for urban and rural areas, as a prelude to formulating a national CPI. In this background, the Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation started releasing Consumer Price Indices (CPI), on base 2010=100, for all-India and States/UTs separately for rural, urban and combined every month with effect from January, 2011. The series has been revised with the base year 2012. The Price Reference Year⁵ for this series is 2012, whereas Weight Reference Year⁶ is 2011-12 (NSS, 68th Round).

¹ CPI (IW)- Consumer Price Index for Industrial Workers

² CPI (AL)- Consumer Price Index for Agricultural Labourers

³ CPI (RL)- Consumer Price Index for Rural Labourers

⁴ CPI (UNME)- Consumer Price Index for Urban Non-Manual Employees

⁵The year in which the prices, of goods and services consumed, are taken as base price that is the CPI = 100.

39.2.4 A Committee headed by Dr. Urjit Patel, Deputy Governor, Reserve Bank of India submitted its Report on revising and strengthening India's monetary policy framework in January 2014. The Committee recommended, inter-alia, that *the RBI should adopt the CPI (combined, i.e rural and urban taken together) based inflation to guide monetary policy*. This is in line with the international practice of using CPI as a measure of headline inflation. Following, the recommendation of the Committee, RBI has started using CPI for formulating the Monetary Policy Framework.

39.2.5 Prior to this, WPI, which measures changes in general level of prices of all goods traded in the economy, was used as a measure of headline inflation. From the definitions of CPI and WPI themselves, it is obvious that there are differences in the composition of baskets, and accordingly the weighing diagrams. In the case of CPI, weighing diagrams are prepared on the basis of Consumer Expenditure Survey (CES) whereas for WPI, these are based on Gross Value of Output (GVO) estimate, which is a measure of turnover of different goods and services. Major differences in the baskets of CPI and WPI are: CPI does not include non-consumable items; and WPI, being compiled in India, does not contain services in its basket. As the substantial part of the WPI basket consists of tradable goods, the WPI is strongly influenced by the fluctuation of global prices of tradable and fluctuation of rupee.

39.2.6 GDP Deflator, on the other hand, an implicit measure of inflation, derived from national accounts data as a ratio of GDP at current prices to constant prices, encompasses the entire spectrum of economic activities including services.

39.2.7 Even as each of the measures has its strengths and weaknesses, the selected measure of inflation should broadly capture the interplay of effective demand and supply in the economy at frequent intervals. However, the trend in various measures of inflation during the recent years has raised several conceptual measurement issues of inflation. First, the divergence between WPI and CPI inflation has widened. Second, the representativeness of WPI has reduced as it does not capture the price movement in the services sector which has a larger and increasing share of GDP. Third, old base

⁶The year in respect of which the data of consumer expenditure survey was used to compute weights for aggregating elementary indices to compile higher level indices i.e. sub-group, group and overall indices.

periods – for CPI-RL (1986-87), CPI-AL (1986-87) and CPI-IW (2001) - fail to capture the rapid structural changes in the economy, though WPI, compiled by the Ministry of Commerce and Industry and CPI, brought out by the CSO with recent base years have addressed the issue for now.

SALIENT FEATURES OF DIFFERENT INDICES

39.3.1 Consumer Price Index for Industrial Workers - CPI (IW)

3.1.1 This index is compiled by the Labour Bureau, Ministry of Labour and Employment. The target population is working class family, defined as a family: (i) located within the center for industrial worker, (ii) has at least one member working as manual worker in an establishment in any of the seven sectors of employment covered viz., factories, plantations, mining, ports and docks, public motor transport undertakings, electricity generating and distributing establishments, and railways; and (iii) derived 50 per cent or more of its income during the calendar month preceding the day of enquiry through any manual work.

3.1.2 The present series of CPI (IW) is on base 2001=100. The weighting diagrams for the purpose of compilation of index numbers had been derived on the basis of average monthly family expenditure of the working class obtained from the Working Class Family Income Expenditure Survey conducted during 1999-2000.

3.1.3 For compilation of CPI (IW), the retail prices in respect of selected items of goods and services are collected from 78 centres by the State Directorates of Economics and Statistics (DES) or State Labour Commissioners, etc. Number of items in the consumption baskets of different centers generally varies from center to center, depending upon the consumption pattern of the center. The items are classified into six groups namely, (i) food, (ii) pan, supari, tobacco and intoxicants, (iii) fuel and light, (iv) housing, (v) clothing, bedding, and footwear, (vi) miscellaneous. The prices of items falling under the categories of cereals, vegetables, oils and fats, etc., which change frequently, are collected on weekly basis, and those of clothing, furniture, utensils, household appliances, durable goods etc. are collected on monthly basis, from two selected outlets/shops in the selected markets. The data on prices of commodities

which are supplied through subsidized outlets (fair price shops), and their availability in these outlets are also collected so that weighted average prices can be worked out.

3.1.4 CPI (IW) is released every month (on the last working day of the following month) for each of the selected 78 centers as well at all India level. It is mainly used for the determination of dearness allowance (DA) being paid to Central/State Government employees and also to the workers in the industrial sectors, besides fixation and revision of minimum wages in scheduled employments. It is also used in moving the base year poverty lines for urban areas to the subsequent years.

39.3.2 Consumer Price Index for Agricultural /Rural Labourer - CPI (AL/RL)

3.2.1 These indices are compiled by the Labour Bureau, Ministry of Labour and Employment. The target populations are agricultural and rural labourers. A rural labour household is defined as one, which derives major income from manual employment (rural labour) during the last 365 days. From amongst the rural labour households, those households, which earn 50% or more of their total income from gainful employment as manual labour in agriculture during the last 365 days, are categorized as agricultural labour households. Agriculture labour households form a subset of rural labour households. A person is considered engaged in agricultural labour if he/she follows one or more of the agricultural occupations in the capacity of wage paid manual labourer, whether paid in cash or kind (excluding exchange labour) or both. A person who does manual work in return for wages in cash or kind or partly in cash and partly in kind (excluding exchange labour) is a wage paid manual labourer. Persons who are self-employed doing manual work are not treated as wage paid manual labourers. People living in rural areas and engaged in manual labour by working in agricultural and/or non-agricultural occupations in return for wages paid either in cash or kind (excluding exchange labour) or both, are considered as rural labourers. Thus, rural labourers include both agricultural and other labourers.

3.2.2 The present series of CPI (AL/RL) is on base 1986-87=100. Estimates of consumer expenditure generated from the results of NSS 38th round (1983), formed the

source of weights for different items of goods and services, used in compilation of CPI (AL) and CPI (RL).

3.2.3 For both the current series of CPI (AL) and CPI (RL), the retail prices in respect of goods and services are collected on monthly basis, from fixed markets in 600 sample villages in 20 states by the National Sample Survey Office (NSSO). The various items of goods and services are categorized into four main groups namely, (i) Food, (ii) Fuel and Light, (iii) Clothing, Bedding and Footwear; and (iv) Miscellaneous. The items of goods and services are common but the varieties of most of the items differ from village to village. The collection of retail prices is staggered over four weeks of a month with one-fourth of the sample covered every week.

3.2.4 CPI (AL/RL) is released every month (20th or preceding working day of the following month) for each of the selected states as well at all India level. It is mainly used for the determination/ fixation and revision of minimum wages in agricultural sector. CPI (AL) is also used in moving the base year poverty lines for rural areas to the subsequent years.

39.3.3 Consumer Price Index for Urban Non-manual Employee - CPI (UNME)

3.3.1 This index was released by the CSO. The target population was urban non-manual family, defined as a family deriving 50 per cent or more of its income from gainful employment of one or more of its members doing non-manual work in the non-agricultural sector in the urban areas.

3.3.2 The last series of CPI (UNME) was on base 1984-85=100. The weighting diagram for that series was prepared on the basis of the data collected through family living survey for urban non-manual employees conducted during 1982-83 in 59 urban centers. The centers were selected keeping in view the (i) concentration of UNME population, and (ii) regional representation. State capitals were included irrespective of these considerations.

3.3.3 The index continued to be released every month (25th of the following month) for each of the selected 59 urban centers and also at all India level. Because of outdated base year and also deployment of field investigators earmarked for collection of price data for a broad based CPI (Urban) number, the National Statistical Commission, in its meeting held on 15.2.2008, decided to:

- (i) discontinue the CPI (UNME);
- (ii) adopt link index, based on ratio method after aggregating the sub group level indices of Labour Bureau's CPI (Industrial Workers) using CPI (UNME) weights at group/sub-group level for all India; and
- (iii) compile linked CPI(UNME) numbers till new series of CPI(Urban) is brought out.

In pursuance of these recommendations, price collection for CPI (UNME) was discontinued with effect from April 2008 and linked all India CPI (UNME) numbers were brought out from April 2008 to December 2010.

39.3.4 Consumer Price Index: (Rural, Urban, Combined)

3.4.1 The CSO, Ministry of Statistics and Programme Implementation (MOSPI) has been, since January 2011, releasing separate rural, urban, and combined CPIs on monthly basis with base year (2010=100) for all-India and states/UTs. In addition, separate rural, urban, and combined Consumer Food Price Indices (CFPI) for all India were also released. The weighting diagram for this series of CPI was derived on the basis of average monthly consumer expenditure of an urban/rural household obtained from the Consumer Expenditure Survey data (2004-05) of 61st Round of the National Sample Survey (NSS). The CSO has revised the base year of the Consumer Price Index from 2010=100 to 2012=100. The basket of items and weighing diagrams for the revised series have been prepared by using the Modified Mixed Reference Period (MMRP) data of the Consumer Expenditure Survey, 2011-12 of the 68th Round of NSS. Further details are given for the revised series.

Classification of Items of Consumption:

3.4.2 After exclusion of non-consumption expenditure items, the remaining items were classified into several consumption groups and subgroups considering Classification of Individual Consumption according to Purpose (COICOP), the standard international classification as well as present classification of items adopted in the other CPI numbers compiled at national level. These items have been divided in six groups as follows:

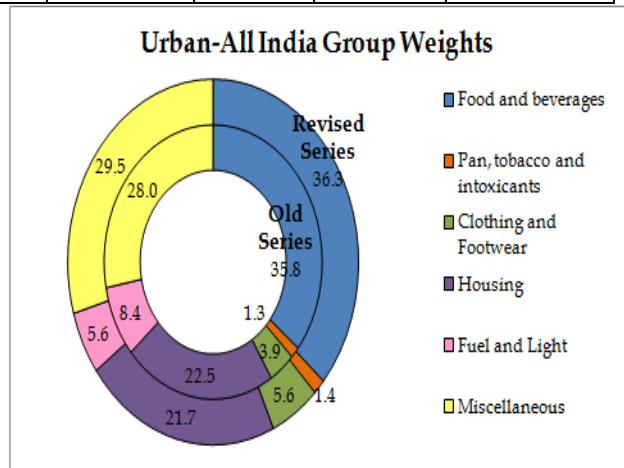
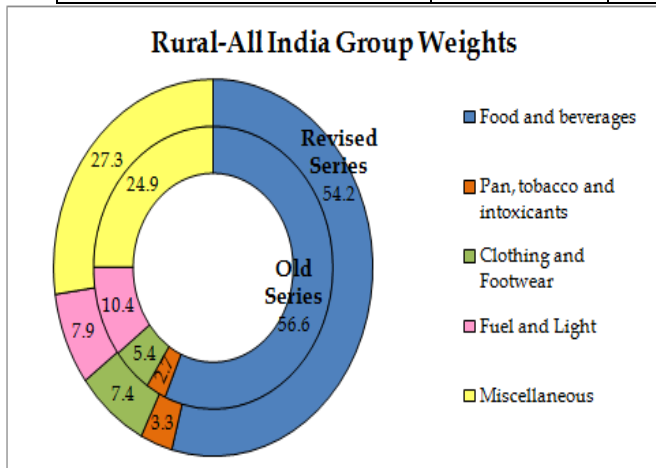
Gr. 1 Food and beverages 1.1 Cereals and products 1.2 Meat and fish 1.3 Egg 1.4 Milk and Products 1.5 Oils and fats 1.6 Fruits 1.7 Vegetables 1.8 Pulses and products 1.9 Sugar and confectionery 1.10 Spices 1.11 Non-alcoholic beverage 1.12 Prepared meals, snacks, sweets etc.	Gr. 3 Clothing and footwear 3.1 Clothing 3.2 Footwear
	Gr. 4 Housing
	Gr. 5 Fuel and light
Gr. 2 Pan, tobacco and intoxicants	Gr. 6 Miscellaneous 6.1 Household goods and services 6.2 Health 6.3 Transport and Communication 6.4 Recreation and amusement 6.5 Education 6.6 Personal care and effects

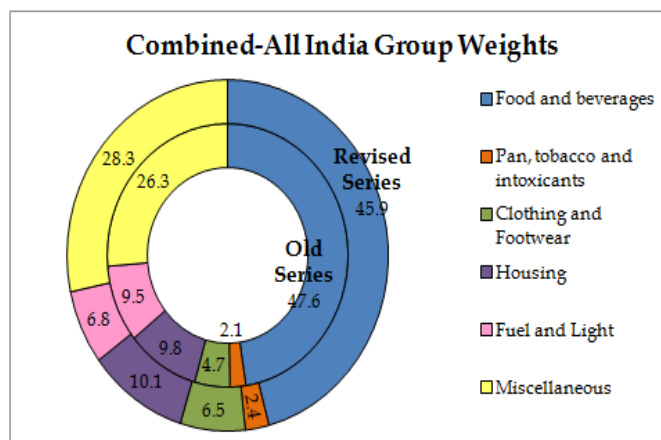
Weighing Diagram:

3.4.3 Weighing diagram gives the share of each item considered in the total consumption expenditure. Only consumption expenditure has been considered for the purpose of preparation of weighing diagrams. Non-consumption expenditure items, like legal expenses, have been excluded. A comparison of weighing diagrams of the old (base 2010=100) and revised (base 2012=100) series is given below:

Table 1: Comparison of Weighing Diagrams of the old (Base 2010=100) and revised (Base 2012=100) series of CPI

Group Description	Old Series of CPI (Base Year 2010=100) (Weights computed on the basis CES 2004-05)			Revised Series of CPI (Base year 2012=100) (Weights computed on the basis CES 2011-12)		
	Rural	Urban	Combnd.	Rural	Urban	Combnd.
Food and beverages	56.59	35.81	47.58	54.18	36.29	45.86
Pan, tobacco and intoxicants	2.72	1.34	2.13	3.26	1.36	2.38
Clothing and Footwear	5.36	3.91	4.73	7.36	5.57	6.53
Housing	-	22.54	9.77	-	21.67	10.07
Fuel and Light	10.42	8.40	9.49	7.94	5.58	6.84
Miscellaneous	24.91	28.00	26.31	27.26	29.53	28.32
Total	100.00	100.00	100.00	100.00	100.00	100.00





Criteria of selection of items

3.4.4 Multiple norms have been adopted for selecting the items depending on their importance, popularity and suitability for pricing on a continuing basis. Accordingly, following four-fold criteria were adopted:

- i) to include all PDS items
- ii) to include all items accounting for 1% or more of total expenditure at sub-group level.
- iii) to include all items accounting for more than specified percentage of total expenditure of all consumption items as given below:

Group	Group Description	Specified percentage out of total expenditure
Gr.1, Gr.2, Gr.4 Gr.6	Food and Beverages, Pan, Tobacco and Intoxicants, Housing and Miscellaneous, excluding 'Bedding'	>0.04%
Gr. 4	Fuel and light	>0.03%
Gr. 3	Clothing and Footwear, Bedding under subgroup' Household Goods and Services'	>0.02%

- iv) to include all items for which more than 75% households have reported consumption.

All items satisfying any of the above four conditions were retained. These are termed as weighted items. Expenditure on certain item was imputed considering its insignificant share and/or difficulties involved in pricing to the item(s) retained on the basis of mainly same or similar price movements.

Selection of villages and towns for price collection

3.4.5 Prices are collected from 1,181 village markets covering all districts and 1,114 urban markets distributed over 310 towns of the country. These villages and towns have been selected from all States /UTs adopting the following sampling procedure:-

3.4.6 Rural

All the districts of the country have been considered for collection of rural price.

- (i) Within each State/UT, top fifty villages (if villages in a district are more than 50, all villages if it is less than 50) have been arranged in the descending order on the basis of Census 2001 population for each district.
- (ii) Fifty villages selected above have been divided into two sets i.e. Set 1 and Set 2 (Set 1 consists of top 25 villages and Set 2 the remaining 25 villages).
- (iii) Within a district two villages (one each from Set 1 and Set 2) have been selected randomly from different tehsils. In case, there is only one tehsil available in a district, both the villages are to be selected from the same tehsil.
- (iv) If in some UTs, the number of districts is less than three, minimum five villages were selected from within UT.
- (v) Sample size in some States/UTs, wherever required, was adjusted on the basis of total rural population of the State/UT.
- (vi) In the selected villages, market survey was undertaken for: (a) identification of popular markets, (b) selection of shops/outlets for different commodities in the

selected markets, and (c) determination of specifications of commodities to be priced.

3.4.7 Urban

- (i) All cities/towns having population (Census, 2001) more than nine lakh and State/UT capitals not covered therein have been selected purposively. Price markets have been allotted to these cities/towns as per the following criteria -

Towns having population	No. of markets allotted
9 lakh -25 lakh	8
25 lakh - 1 crore	12
More than 1 crore	24
Remaining State/UTs capitals	4

- (ii) After selecting and allocating the markets in towns/cities, purposively (as stated above), remaining markets have been allocated to each State/ UTs in proportion to their urban population as per Census 2001. For allocation within State/UTs, remaining towns have been classified into four strata according to the population size, as given below:-

Stratum I	Remaining Class I towns (population more than 1 lakh but less than nine lakh)
Stratum II	All Class II towns (population 50000 - 1 lakh)
Stratum III	All Class III towns (population 20000-50000)
Stratum IV	All Class IV towns (population less than 20000)

Stratum allocation of markets has been done in proportion to the stratum population.

- (iii) Number of towns to be selected from each stratum has been decided on the basis of stratum allocation of markets. For Stratum - I and II, number of towns to be selected is based on taking four markets per town. Similarly, for Stratum - III

and IV, the criteria of taking two markets per town has been adopted for determining the number of towns to be selected.

- (iv) Once the number of towns to be selected adopting the above criteria, is decided, then towns have been selected from each stratum circular systematically ensuring regional representation. In all, 310 towns have been selected covering all the States and UTs from which 1114 price quotations are to be canvassed every month. Markets allocated to a particular town have been distributed by ensuring both the geographical coverage of the selected town and the different segments of population living in the town (poor, middle and affluent). Further, markets allotted for the town have been distributed over the four weeks of a month to take into account week to week variation in the prices.

House rent data Collection:

3.4.8 For compilation of house rent index, which is a component in the Housing group of CPI (Urban), rent data are collected from a sample rented dwellings in each of the selected town. For each quotation, twelve rented dwellings units have been selected. These are selected in such a way that they represent various categories of dwellings with different number of living rooms. Dwellings are visited once in six months for canvassing house rent schedule.

PDS price data collection:

3.4.9 Public Distribution System (PDS) prices, also known as Fair Price Shop prices, are also collected in respect of four items viz. Rice - PDS, Wheat/ wheat- Atta - PDS, Sugar-PDS and Kerosene- PDS. These are collected in respect of three groups of beneficiaries viz. Antoyadaya Anya Yojna (AAY), Above Poverty Line (APL) and Below Poverty Line (BPL) households.

Web Portal for Data Submission:

3.4.10 One unique feature of consumer price index mechanism is online transmission and verification of data. This is a completely paperless survey in the sense that no paper schedules are used for transmission of the data. Also the entire process of data validation is carried out using electronic mode of communication.

3.4.11 Two independent web portals for Rural and Urban Price Data have been developed by National Informatics Center (NIC). These web portals are exhaustive in their coverage and are meant for i) uploading and editing of price data by field offices for both rural and urban CPI ii) online, real time scrutiny and validation of uploaded data by supervisors using Diagnostic tables provided specially for the purpose, iii) maintaining the time schedule for survey by real time checking of uploading status besides providing all line information regarding Details of Markets, specifications, historic data and official and administrative details w.r.t. each village/quotation and Scrutiny instructions and guidelines issued by CSO from time to time.

Compilation of indices:

3.4.12 Compilation of CPI numbers for items other than house rent consists of two stages i.e. (i) calculation of price indices for elementary aggregates (item level indices) and (ii) the aggregation of these elementary price indices to higher level indices using the weights associated with each level. Laspeyres formula is used for aggregation of indices. Specifications of items have been selected on the basis of popularity in the respective areas. These specifications are different in terms of units, quantity, quality etc. for different price schedules. Prices relative of each product specification (current month price/base year average price) is worked out. Geometric Mean of these Price Relatives, corresponding to different markets, under the respective item multiplied with 100 gives the index for that item.

3.4.13 In case of seasonal items of vegetables and fruits, whenever prices of these items are not reported in a particular month, weights of such items are imputed on pro-rata basis to the items in the respective section (root vegetables, fresh vegetables, fresh fruits, and dry fruits).

3.4.14 House rent index is compiled by chain base method. Two categories of dwellings viz. rented dwellings and self-owned dwellings are considered in the compilation of the house rent index. The rental equivalence approach is adopted in respect of self-owned dwellings. For each State/UT, previous five months and current month data are used to compile rent relatives for the current month. Rent relative is calculated as current month rent/rent six months ago and then geometric mean of these rent relatives is worked out by classifying the dwellings by number of living rooms (1 room, 2 rooms, 3 rooms and 4 or more rooms). These rent relatives are weighted to get a combined rent relative using the estimated proportions of dwellings under each group, obtained from the NSS 69th round survey on Housing Conditions (July-December, 2012). House rent index is obtained by multiplying the combined rent relative with the corresponding rent index six months ago.

3.4.15 For PDS items, price relatives are worked out separately for Antoyadya Anya Yojna(AAY), Above Poverty Line (APL) and Below Poverty Line (BPL) categories. These price relatives are combined with the respective share of expenditure as obtained by identifying the households having these cards from the data of Consumer Expenditure Survey (2011-12).

3.4.16 Adopting above procedure, sub-group, group and overall indices are compiled sector-wise for each State/UT. Combined Indices are compiled as weighted average of sectoral indices using sectors' share of expenditure as weights. These indices, at all India level, are compiled by taking weighted average of the respective indices of all the States/UTs using States/UTs' share of expenditure as weights.

3.4.17 The Consumer Food Price Indices (CFPI) are being compiled as weighted average of the indices of following Sub-groups:

Table 2: All India Weights of different Sub-groups within CFPI

Sub-group Code	Subgroup Description	Rural	Urban	Combined
1.1.01	Cereals and products	26.14	22.24	24.77
1.1.02	Meat and fish	9.26	9.23	9.25
1.1.03	Egg	1.05	1.21	1.10
1.1.04	Milk and products	16.34	17.98	16.92
1.1.05	Oils and fats	8.90	9.49	9.11
1.1.06	Fruits	6.10	9.80	7.40
1.1.07	Vegetables	15.78	14.88	15.46
1.1.08	Pulses and products	6.25	5.84	6.11
1.1.09	Sugar and confectionery	3.61	3.28	3.49
1.1.10	Spices	6.57	6.05	6.39
All Sub-groups of CFPI		100.00	100.00	100.00

Dissemination of Indices:

3.4.18 The Consumer Price Index is released every month at 5.30 p.m. on 12th day of the following month. If it is a holiday, then it is released on the next working day. All-India CPIs (Rural, Urban, Combined) along with inflation rates for Sub-group, Group and General Index (All-Groups) are released through a Press Note. The Press Note also contains State/UT - wise General Indices for Rural, Urban and Combined. In addition to the Press Release, All India Item CPI (Combined) along with inflation rates are also uploaded on the website of the Ministry of Statistics and Programme Implementation www.mospi.gov.in. Group-wise State/UT Indices for Rural, Urban and Combined are also made available on our website for the users.

39.3.5 Wholesale Price Index (WPI)

3.5.1 WPI is compiled by Office of the Economic Adviser, Ministry of Commerce and Industry. Present series of WPI as Base Year 2004-05. The Office of the Economic Adviser undertook to publish this index for the first time, with base week ended August 19, 1939 = 100, from the week commencing January 10, 1942.

3.5.2 The concept of wholesale price has hitherto covered the general idea of capturing all transactions carried out in the domestic market. The weights of the WPI do not correspond to contribution of the goods concerned either to value- added or final use. In order to give this idea a more precise definition, it was decided to define the universe of the wholesale price index as comprising as far as possible all transactions at first point of bulk sale in the domestic market.

3.5.3 The existing series, with 2004- 05 as the base, has 676 items in the commodity basket. The weighting diagram for the new WPI series has been derived on the basis of Gross Value of Output (GVO).The output values at current prices, wherever available at appropriate disaggregation, have been obtained from the National Accounts Statistics (NAS), 2007 published by the Central Statistical Organization, Ministry of Statistics & Programme Implementation. The same have been reallocated and aggregated to conform to the structure of WPI basket. Weights assigned to different groups are as under:

Table 3: Major Group/group-wise Weighing Diagrams of WPI

Major Group/Group	Weight
All Commodities	100.000
Primary Articles	20.118
Food Articles	14.337
Non Food Articles	4.258
Minerals	1.521
Fuel & Power	14.910
Coal	2.094
Mineral Oils	9.364
Electricity	3.452
Manufactured Products	64.972
Food Products	9.974
Beverages, Tobacco & Tobacco Products	1.762
Textiles	7.326
Wood and Wood Products	0.587
Paper and Paper Products	2.034

Major Group/Group	Weight
Leather and Leather Products	0.835
Rubber and Plastic Products	2.987
Chemicals and Chemical Products	12.018
Non-Metallic Mineral Products	2.556
Basic Metals, Alloys and Metal Products	10.748
Machinery and Machine Tools	8.931
Transport Equipments and Parts	5.231
Other Industries	0.000

COMPARISION OF CPI AND WPI

39.4.1 There are 142 items, which may be considered common to both the baskets. However, comparison of specifications of some of these items may indicate some difference. These items have share of 60% and 42% in the weights of CPI and WPI respectively. Trend of the *year on year* inflation rates based on these two indices are as follows:

Table 4: Overall Inflation rates based on CPI (Combined) and WPI

Month-Year	CPI (Combined)				WPI			
	2012	2013	2014	2015	2012	2013	2014	2015
Jan	6.26	10.52	8.09	5.19	7.23	7.31	5.11	-0.95
Feb	8.03	10.89	7.27	5.37	7.56	7.28	5.03	-2.17
Mar	9.05	10.06	7.63	5.25	7.69	5.65	6.00	-2.33
Apr	9.76	9.10	7.87	4.87	7.50	4.77	5.55	-2.43
May	9.80	9.03	7.72	5.01	7.55	4.58	6.18	-2.20
Jun	10.15	9.52	6.77	5.40	7.58	5.16	5.66	-2.13
Jul	10.13	9.79	7.39	3.69	7.52	5.85	5.41	-4.00
Aug	10.25	9.98	7.03	3.74	8.01	6.99	3.85	-5.06
Sep	9.70	10.50	5.63	4.41	8.07	7.05	2.38	-4.59
Oct	9.28	10.81	4.62	5.00	7.32	7.24	1.66	-3.81
Nov	9.56	11.51	3.27	5.41 (P)	7.24	7.52	-0.17	-1.99 (P)
Dec	10.45	9.46	4.28		7.31	6.40	-0.50	

P: Provisional

Note: After base revision of CPI from 2010=100 to 2012=100, Back Series of CPI (Base 2012) has also been put in public domain for the period of January 2011 to December 2012. It is

important to mention here that users are aware that house rent indices were kept 100 during the period of January 2013 to May 2013 because rent collection for complete stock of dwelling, after the base year was first time completed in June 2013. After compiling the back series, the house rent index for December 2012 was more than 100, therefore, Mean Imputation method has been used to compute interpolated house rent index, based on the available (incomplete) stock of dwellings, for the period of January 2013 to May 2013. Accordingly, the Housing index and consequently General index for CPI (Urban) and CPI (Combined) have been modified and given as Back Series for research or any desired purpose. Here, this interpolated CPI (Combined) for the period of January 2013 to May 2013 have been used for computation of inflation rates in this table.

Sub-group wise break-up of above-mentioned inflation rates (which is a combination of the inflation rates and weights of respective sub-group) are given in Annexure. In order to do comparative analysis of CPI and WPI based inflation rates for the last four years in a summarized form, Quarter-wise inflation rates and their break-ups over different subgroups have been compiled. It is understood that all the items do not experience price rise and fall in prices at the same time. Some observe rise in prices whereas decline is witnessed in other items. Therefore, some sub-groups may contribute positively to overall inflation whereas a few may pull the inflation downward by contributing negatively. Contribution of top three positive and bottom two (highest in magnitude) negative contributing sub-groups have been given in the following table. Contributions of rest of the sub-groups have been merged together as other sub-groups.

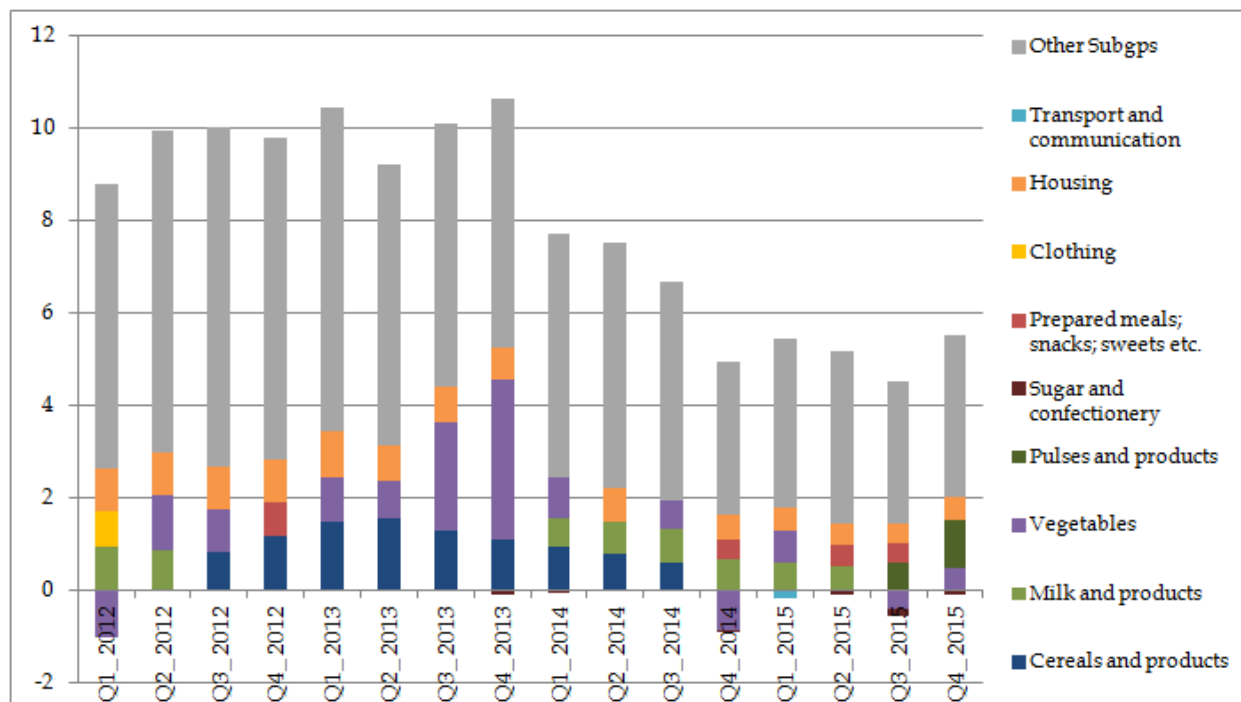
Table 5: Significant Contributors to Overall Inflation rates based on CPI (Combined)

Description	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015
Cereals and products			0.84	1.19	1.50	1.54	1.30	1.09	0.93	0.78	0.61					
Milk and products	0.93	0.86							0.65	0.72	0.71	0.66	0.61	0.51		
Vegetables	-1.03	1.20	0.91		0.93	0.83	2.31	3.48	0.87		0.63	-0.87	0.68		-0.39	0.49
Pulses and products															0.59	1.02
Sugar and confectionery							-0.01	-0.08	-0.07	-0.01		0.00	-0.02	-0.09	-0.15	-0.10
Prepared meals; snacks; sweets etc.				0.70								0.43		0.45	0.42	
Clothing	0.78															
Housing	0.90	0.94	0.94	0.92	1.01	0.76	0.80	0.68		0.71		0.52	0.50	0.46	0.44	0.50
Transport and communication													-0.14			
Other Sub-groups	6.18	6.93	7.35	6.99	7.01	6.10	5.68	5.39	5.28	5.32	4.72	3.34	3.64	3.75	3.05	3.52
Overall Inflation	7.77	9.91	10.02	9.80	10.45	9.22	10.09	10.56	7.66	7.51	6.67	4.08	5.27	5.09	3.92	5.42

Q1: Quarter 1, Q2: Quarter 2, Q3: Quarter 3, Q4: Quarter 4

These contributions have been diagrammatically shown below:

Significant Contributors to Overall Inflation rates based on CPI (Combined)



From graph, it may be observed that Housing has been one of the most significant contributors to overall inflation rates based on CPI during last four years. This is primarily because of its highest weights among all sub-groups. While looking at remaining sub-groups, we find that 'Cereals and products' remained one of the major drivers of overall inflation rates during Quarter 3 of 2012 to Quarter 3 of 2014. Of-course, during Quarter 3 and Quarter 4 of 2013, vegetable was the highest contributor to overall inflation rate. During some of the quarters viz., Quarter1 of 2012, Quarter 4 of 2014 and Quarter 3 of 2015, 'Vegetables' worked as inflation reducing agent by contributing negatively. Further, 'Transport and Communication' also contributed negatively in Quarter1 of 2015. Similarly, 'Sugar and confectionery' also pulled inflation downward during some of the Quarters.

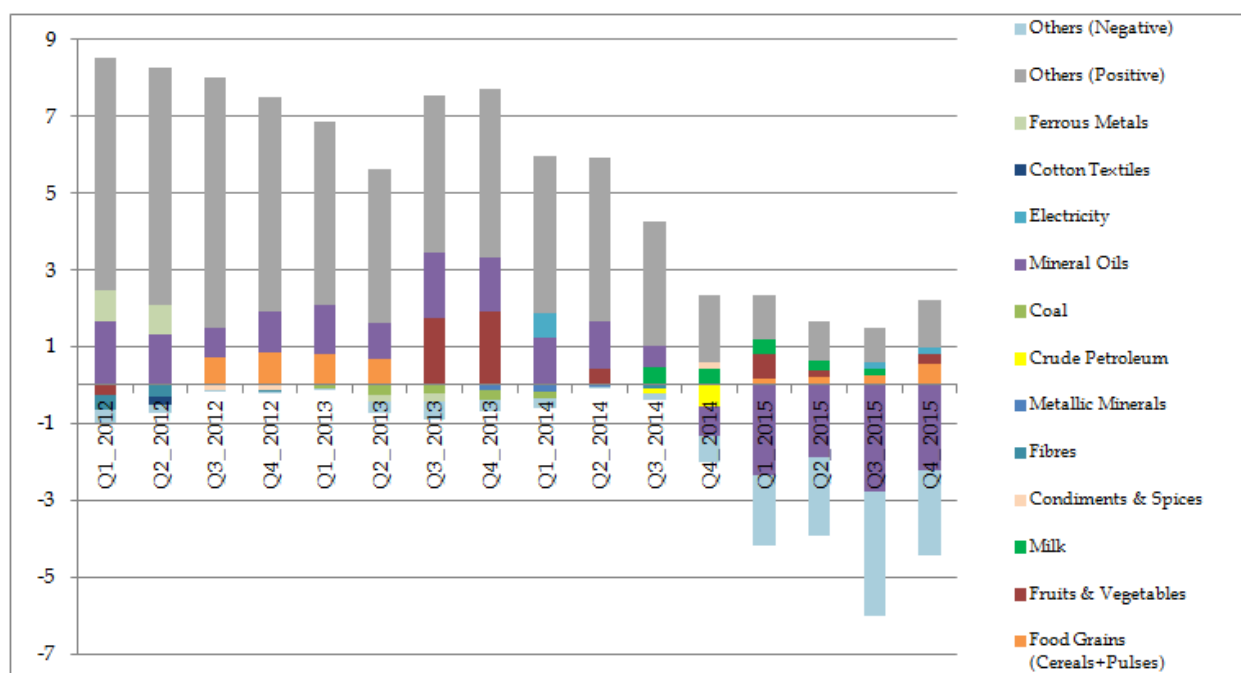
Table 6: Significant Contributors to Overall Inflation rates based on WPI

Description	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015
Food Grains (Cereals+Pulses)			0.70	0.85	0.82	0.69							0.16	0.23	0.27	0.54
Fruits & Vegetables	-0.24						1.76	1.91		0.41			0.67	0.16		0.27
Milk											0.45	0.42	0.34	0.27	0.13	
Condiments & Spices			-0.11	-0.14								0.17				
Fibres	-0.41	-0.30		-0.02								-0.11				
Metallic Minerals								-0.15	-0.18	-0.05						
Crude Petroleum												-0.12	-0.56			
Coal					-0.09	-0.26	-0.24	-0.23	-0.17							
Mineral Oils	1.68	1.30	0.79	1.05	1.29	0.94	1.68	1.42	1.21	1.25	0.56	-0.78	-2.33	-1.88	-2.78	-2.20
Electricity									0.66						0.18	0.18
Cotton Textiles		-0.20														
Ferrous Metals	0.80	0.81				-0.18	-0.18									
Others (Positive)	6.06	6.16	6.51	5.59	4.75	3.98	4.10	4.40	4.11	4.25	3.26	1.75	1.15	1.00	0.89	1.22
Others (Negative)	-0.34	-0.23	-0.01	-0.01	-0.04	-0.29	-0.49	-0.30	-0.24	-0.05	-0.17	-0.68	-1.83	-2.03	-3.23	-2.23
Overall Inflation	1.49	1.19	1.23	1.26	1.35	0.73	0.39	0.55	0.34	0.28	0.20	-0.27	-0.28	0.23	0.16	0.20

Q1: Quarter 1, Q2: Quarter 2, Q3: Quarter 3, Q4: Quarter 4

These contributions have been diagrammatically shown below:

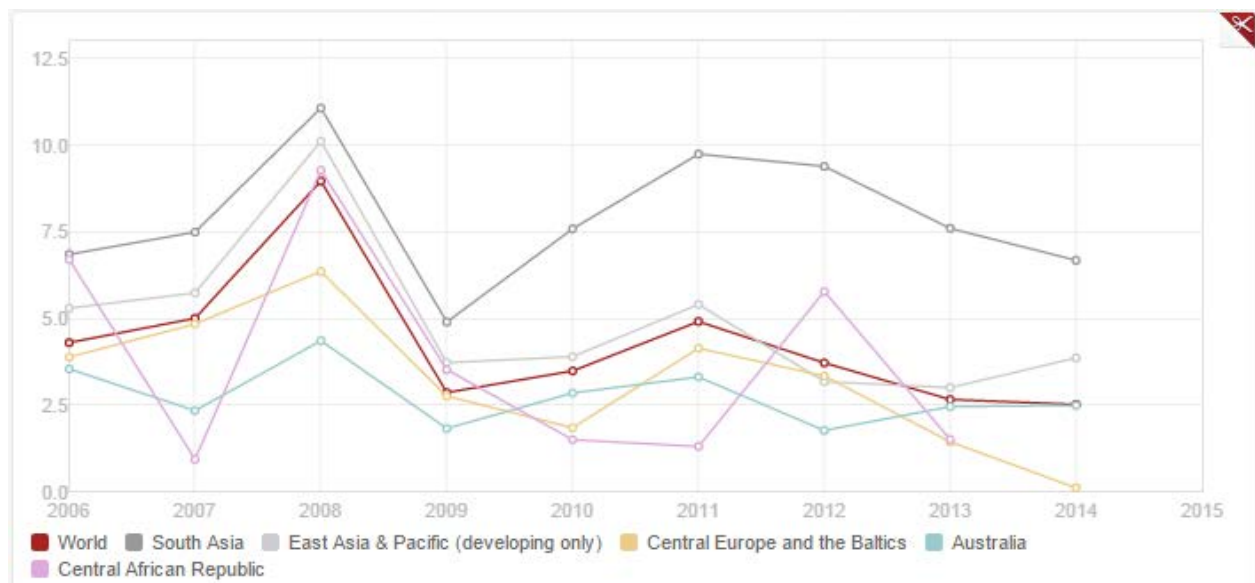
Significant Contributors to Overall Inflation rates based on WPI



From graph it is obvious that the deflation on the basis of WPI has primarily been contributed by the non-consumable items namely mineral oil. During previous years, some consumable items viz. coal, condiment and spices and fibers also played role of inflation reducing agents but their negative contributions were of small magnitude.

PATTERN OF INFLATION ACROSS THE GLOBE

39.5.1 As per the graphs available on the website of World Bank, pattern of inflation rates in respect of some of the regions of the world may be seen in the following diagram:



Annexure

Sub-group wise break-up of Overall Inflation Rates, based on CPI (Combined)													
Group Code	Sub-group Code	Description	Weight	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12
	1.1.01	Cereals and products	9.67	0.26	0.25	0.30	0.38	0.43	0.50	0.66	0.86	1.02	1.09
	1.1.02	Meat and fish	3.61	0.34	0.35	0.33	0.34	0.37	0.45	0.42	0.43	0.45	0.42
	1.1.03	Egg	0.43	0.02	0.03	0.04	0.04	0.04	0.05	0.05	0.06	0.08	0.07
	1.1.04	Milk and products	6.61	0.96	0.94	0.91	0.91	0.85	0.83	0.82	0.80	0.72	0.67
	1.1.05	Oils and fats	3.56	0.46	0.44	0.48	0.56	0.55	0.52	0.54	0.57	0.55	0.53
	1.1.06	Fruits	2.89	0.28	0.27	0.21	0.12	0.16	0.27	0.32	0.33	0.19	0.18
	1.1.07	Vegetables	6.04	-2.70	-0.71	0.35	1.12	1.21	1.26	1.30	0.97	0.47	0.17
	1.1.08	Pulses and products	2.38	0.09	0.06	0.07	0.09	0.13	0.16	0.23	0.33	0.34	0.31
	1.1.09	Sugar and confectionery	1.36	0.02	0.04	0.05	0.05	0.07	0.08	0.11	0.22	0.25	0.25
	1.1.10	Spices	2.50	0.19	0.12	0.06	0.01	-0.03	-0.03	-0.02	-0.01	-0.01	0.00
	1.2.11	Non-alcoholic beverages	1.26	0.10	0.09	0.09	0.09	0.09	0.09	0.10	0.11	0.11	0.11
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	0.68	0.66	0.67	0.67	0.66	0.65	0.67	0.67	0.67	0.68
1		Food and beverages	45.86	0.69	2.52	3.54	4.37	4.53	4.83	5.21	5.34	4.86	4.49
2		Pan, tobacco, and intoxicants	2.38	0.35	0.33	0.31	0.28	0.27	0.27	0.26	0.26	0.25	0.25
	3.1.01	Clothing	5.58	0.80	0.77	0.77	0.73	0.71	0.70	0.69	0.68	0.68	0.66
	3.1.02	Footwear	0.95	0.12	0.12	0.12	0.12	0.12	0.12	0.11	0.11	0.11	0.11
3		Clothing and footwear	6.53	0.92	0.89	0.89	0.84	0.83	0.81	0.80	0.79	0.79	0.77
4		Housing	10.07	0.89	0.89	0.93	0.93	0.95	0.94	0.94	0.93	0.93	0.92
5		Fuel and light	6.84	0.78	0.79	0.76	0.76	0.76	0.76	0.59	0.62	0.62	0.61
	6.1.01	Household goods and services	3.80	0.35	0.35	0.37	0.37	0.37	0.36	0.37	0.38	0.36	0.36
	6.1.02	Health	5.89	0.49	0.49	0.51	0.49	0.47	0.48	0.46	0.47	0.49	0.49
	6.1.03	Transport and communication	8.59	0.70	0.66	0.67	0.67	0.62	0.67	0.49	0.54	0.50	0.48
	6.1.04	Recreation and amusement	1.68	0.06	0.06	0.07	0.07	0.07	0.07	0.07	0.08	0.08	0.08
	6.1.05	Education	4.46	0.47	0.47	0.45	0.46	0.44	0.43	0.43	0.44	0.42	0.42
	6.1.06	Personal care and effects	3.89	0.55	0.57	0.56	0.52	0.51	0.53	0.50	0.40	0.41	0.41
6		Miscellaneous	28.32	2.62	2.60	2.62	2.58	2.48	2.54	2.33	2.32	2.26	2.24
General Index (All Groups)			100.00	6.26	8.03	9.05	9.76	9.80	10.15	10.13	10.25	9.70	9.28

Sub-group wise break-up of Overall Inflation Rates, based on CPI (Combined)

Group Code	Sub-group Code	Description	Weight	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13
	1.1.01	Cereals and products	9.67	1.17	1.29	1.35	1.55	1.58	1.53	1.51	1.57	1.45	1.29
	1.1.02	Meat and fish	3.61	0.37	0.42	0.52	0.60	0.51	0.50	0.45	0.47	0.52	0.54
	1.1.03	Egg	0.43	0.06	0.05	0.05	0.08	0.07	0.06	0.05	0.06	0.05	0.05
	1.1.04	Milk and products	6.61	0.64	0.61	0.61	0.59	0.57	0.52	0.52	0.55	0.55	0.53
	1.1.05	Oils and fats	3.56	0.53	0.49	0.44	0.44	0.35	0.24	0.18	0.17	0.11	0.05
	1.1.06	Fruits	2.89	0.27	0.33	0.31	0.31	0.31	0.24	0.20	0.20	0.19	0.11
	1.1.07	Vegetables	6.04	0.45	1.01	1.09	1.07	0.65	0.42	0.79	1.27	1.56	2.32
	1.1.08	Pulses and products	2.38	0.31	0.31	0.29	0.28	0.26	0.25	0.23	0.22	0.15	0.05
	1.1.09	Sugar and confectionery	1.36	0.22	0.18	0.17	0.16	0.15	0.14	0.12	0.12	0.07	-0.04
	1.1.10	Spices	2.50	0.00	0.01	0.05	0.08	0.11	0.13	0.16	0.18	0.19	0.17
	1.2.11	Non-alcoholic beverages	1.26	0.10	0.11	0.11	0.12	0.12	0.12	0.12	0.12	0.12	0.11
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	0.69	0.72	0.72	0.74	0.73	0.70	0.70	0.71	0.68	0.65
1		Food and beverages	45.86	4.81	5.54	5.72	6.03	5.41	4.84	5.04	5.64	5.64	5.84
2		Pan, tobacco, and intoxicants	2.38	0.27	0.26	0.24	0.25	0.25	0.23	0.23	0.23	0.22	0.22
	3.1.01	Clothing	5.58	0.69	0.69	0.64	0.65	0.61	0.59	0.58	0.58	0.55	0.54
	3.1.02	Footwear	0.95	0.11	0.11	0.10	0.10	0.09	0.09	0.08	0.08	0.08	0.08
3		Clothing and footwear	6.53	0.80	0.79	0.74	0.75	0.71	0.68	0.66	0.66	0.63	0.61
4		Housing	10.07	0.91	0.93	1.08	1.04	0.93	0.83	0.76	0.68	0.79	0.82
5		Fuel and light	6.84	0.62	0.65	0.65	0.66	0.63	0.59	0.61	0.62	0.62	0.58
	6.1.01	Household goods and services	3.80	0.36	0.38	0.34	0.34	0.32	0.31	0.31	0.31	0.30	0.29
	6.1.02	Health	5.89	0.46	0.50	0.44	0.45	0.43	0.42	0.42	0.42	0.41	0.38
	6.1.03	Transport and communication	8.59	0.46	0.49	0.50	0.59	0.65	0.57	0.43	0.38	0.60	0.63
	6.1.04	Recreation and amusement	1.68	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.09
	6.1.05	Education	4.46	0.40	0.44	0.34	0.34	0.33	0.33	0.33	0.36	0.36	0.35
	6.1.06	Personal care and effects	3.89	0.37	0.37	0.37	0.34	0.30	0.21	0.15	0.13	0.11	0.16
6		Miscellaneous	28.32	2.15	2.27	2.09	2.16	2.13	1.94	1.74	1.69	1.88	1.90
General Index (All Groups)			100.00	9.56	10.45	10.52	10.89	10.06	9.10	9.03	9.52	9.79	9.98

Sub-group wise break-up of Overall Inflation Rates, based on CPI (Combined)

Group Code	Sub-group Code	Description	Weight	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
	1.1.01	Cereals and products	9.67	1.16	1.09	1.10	1.10	1.04	0.89	0.85	0.84	0.79	0.68
	1.1.02	Meat and fish	3.61	0.46	0.43	0.43	0.44	0.40	0.31	0.33	0.30	0.35	0.27
	1.1.03	Egg	0.43	0.03	0.03	0.05	0.07	0.06	0.04	0.04	0.04	0.04	0.02
	1.1.04	Milk and products	6.61	0.53	0.51	0.56	0.60	0.62	0.64	0.69	0.70	0.72	0.71
	1.1.05	Oils and fats	3.56	0.04	0.06	0.08	0.09	0.06	0.04	0.07	0.10	0.13	0.12
	1.1.06	Fruits	2.89	0.19	0.26	0.31	0.29	0.30	0.32	0.37	0.47	0.50	0.46
	1.1.07	Vegetables	6.04	3.03	3.67	4.36	2.43	1.16	0.64	0.81	0.86	0.68	0.30
	1.1.08	Pulses and products	2.38	0.02	0.02	0.03	0.05	0.07	0.09	0.11	0.13	0.14	0.13
	1.1.09	Sugar and confectionery	1.36	-0.06	-0.08	-0.08	-0.08	-0.08	-0.08	-0.06	-0.02	0.00	0.00
	1.1.10	Spices	2.50	0.18	0.17	0.18	0.20	0.20	0.20	0.21	0.22	0.21	0.20
	1.2.11	Non-alcoholic beverages	1.26	0.11	0.10	0.10	0.10	0.09	0.08	0.08	0.07	0.07	0.06
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	0.64	0.61	0.60	0.58	0.58	0.55	0.55	0.53	0.51	0.48
1		Food and beverages	45.86	6.32	6.87	7.71	5.87	4.48	3.73	4.03	4.24	4.13	3.42
2		Pan, tobacco, and intoxicants	2.38	0.22	0.21	0.21	0.21	0.21	0.20	0.19	0.19	0.18	0.18
	3.1.01	Clothing	5.58	0.54	0.53	0.51	0.51	0.51	0.50	0.50	0.49	0.48	0.47
	3.1.02	Footwear	0.95	0.08	0.07	0.07	0.07	0.07	0.07	0.06	0.07	0.07	0.06
3		Clothing and footwear	6.53	0.62	0.60	0.58	0.58	0.58	0.57	0.56	0.56	0.55	0.54
4		Housing	10.07	0.80	0.76	0.70	0.58	0.54	0.60	0.67	0.72	0.71	0.67
5		Fuel and light	6.84	0.57	0.52	0.49	0.47	0.44	0.41	0.41	0.39	0.33	0.30
	6.1.01	Household goods and services	3.80	0.29	0.28	0.28	0.27	0.27	0.27	0.27	0.26	0.26	0.24
	6.1.02	Health	5.89	0.37	0.35	0.36	0.34	0.36	0.34	0.35	0.34	0.32	0.32
	6.1.03	Transport and communication	8.59	0.73	0.62	0.58	0.57	0.62	0.56	0.51	0.52	0.58	0.52
	6.1.04	Recreation and amusement	1.68	0.10	0.10	0.10	0.10	0.11	0.10	0.11	0.11	0.10	0.09
	6.1.05	Education	4.46	0.36	0.35	0.35	0.35	0.34	0.33	0.34	0.32	0.31	0.30
	6.1.06	Personal care and effects	3.89	0.13	0.15	0.15	0.13	0.14	0.15	0.17	0.22	0.25	0.19
6		Miscellaneous	28.32	1.98	1.85	1.80	1.76	1.84	1.76	1.76	1.78	1.82	1.67
General Index (All Groups)			100.00	10.50	10.81	11.51	9.46	8.09	7.27	7.63	7.87	7.72	6.77

Sub-group wise break-up of Overall Inflation Rates, based on CPI (Combined)

Group Code	Sub-group Code	Description	Weight	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
	1.1.01	Cereals and products	9.67	0.66	0.61	0.55	0.51	0.43	0.32	0.33	0.30	0.24	0.22
	1.1.02	Meat and fish	3.61	0.24	0.23	0.21	0.24	0.25	0.20	0.16	0.19	0.19	0.20
	1.1.03	Egg	0.43	0.02	0.02	0.02	0.02	0.01	0.00	0.00	-0.01	-0.02	-0.01
	1.1.04	Milk and products	6.61	0.72	0.72	0.71	0.69	0.66	0.63	0.64	0.61	0.58	0.55
	1.1.05	Oils and fats	3.56	0.12	0.11	0.08	0.07	0.03	0.01	0.05	0.08	0.07	0.06
	1.1.06	Fruits	2.89	0.51	0.54	0.51	0.42	0.30	0.31	0.32	0.26	0.23	0.16
	1.1.07	Vegetables	6.04	0.96	0.87	0.06	-0.76	-1.57	-0.25	0.58	0.79	0.69	0.41
	1.1.08	Pulses and products	2.38	0.15	0.17	0.18	0.18	0.18	0.18	0.22	0.24	0.26	0.28
	1.1.09	Sugar and confectionery	1.36	0.01	0.01	0.01	0.00	0.00	-0.01	-0.01	-0.01	-0.03	-0.07
	1.1.10	Spices	2.50	0.20	0.21	0.20	0.20	0.20	0.19	0.21	0.22	0.23	0.21
	1.2.11	Non-alcoholic beverages	1.26	0.06	0.06	0.06	0.05	0.05	0.05	0.06	0.06	0.06	0.06
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	0.47	0.48	0.45	0.44	0.43	0.42	0.42	0.43	0.45	0.45
1		Food and beverages	45.86	4.11	4.04	3.03	2.07	0.96	2.04	2.96	3.16	2.94	2.52
2		Pan, tobacco, and intoxicants	2.38	0.18	0.18	0.18	0.18	0.18	0.18	0.20	0.22	0.22	0.22
	3.1.01	Clothing	5.58	0.47	0.44	0.42	0.40	0.37	0.36	0.36	0.36	0.37	0.35
	3.1.02	Footwear	0.95	0.06	0.06	0.06	0.06	0.05	0.05	0.05	0.06	0.06	0.05
3		Clothing and footwear	6.53	0.54	0.51	0.47	0.46	0.43	0.40	0.41	0.42	0.42	0.40
4		Housing	10.07	0.64	0.59	0.56	0.54	0.51	0.50	0.51	0.49	0.48	0.46
5		Fuel and light	6.84	0.29	0.26	0.23	0.23	0.23	0.22	0.26	0.32	0.35	0.37
	6.1.01	Household goods and services	3.80	0.24	0.23	0.22	0.21	0.20	0.19	0.20	0.20	0.20	0.20
	6.1.02	Health	5.89	0.30	0.30	0.29	0.29	0.27	0.27	0.27	0.29	0.29	0.29
	6.1.03	Transport and communication	8.59	0.46	0.36	0.16	0.17	0.09	0.02	-0.10	-0.18	-0.11	-0.08
	6.1.04	Recreation and amusement	1.68	0.09	0.09	0.08	0.08	0.07	0.07	0.07	0.07	0.07	0.07
	6.1.05	Education	4.46	0.31	0.32	0.31	0.31	0.29	0.31	0.32	0.31	0.32	0.32
	6.1.06	Personal care and effects	3.89	0.22	0.15	0.09	0.07	0.03	0.06	0.09	0.09	0.07	0.09
6		Miscellaneous	28.32	1.63	1.46	1.15	1.14	0.97	0.93	0.84	0.77	0.83	0.89
General Index (All Groups)			100.00	7.39	7.03	5.63	4.62	3.27	4.28	5.19	5.37	5.25	4.87

Sub-group wise break-up of Overall Inflation Rates, based on CPI (Combined)

Group Code	Sub-group Code	Description	Weight	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
	1.1.01	Cereals and products	9.67	0.21	0.20	0.11	0.12	0.14	0.15	0.17
	1.1.02	Meat and fish	3.61	0.20	0.27	0.26	0.21	0.21	0.18	0.20
	1.1.03	Egg	0.43	0.00	0.02	0.01	0.01	0.01	0.00	0.00
	1.1.04	Milk and products	6.61	0.51	0.49	0.40	0.36	0.34	0.33	0.28
	1.1.05	Oils and fats	3.56	0.06	0.10	0.09	0.10	0.12	0.16	0.21
	1.1.06	Fruits	2.89	0.12	0.11	0.05	0.03	0.03	0.06	0.06
	1.1.07	Vegetables	6.04	0.31	0.37	-0.64	-0.54	0.01	0.18	0.31
	1.1.08	Pulses and products	2.38	0.38	0.52	0.52	0.60	0.69	0.98	1.08
	1.1.09	Sugar and confectionery	1.36	-0.09	-0.10	-0.15	-0.16	-0.15	-0.12	-0.10
	1.1.10	Spices	2.50	0.22	0.24	0.22	0.21	0.23	0.24	0.26
	1.2.11	Non-alcoholic beverages	1.26	0.06	0.06	0.05	0.06	0.05	0.05	0.06
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	0.45	0.47	0.43	0.42	0.40	0.40	0.39
1		Food and beverages	45.86	2.44	2.75	1.36	1.42	2.06	2.61	2.91
2		Pan, tobacco, and intoxicants	2.38	0.23	0.24	0.23	0.23	0.22	0.23	0.23
	3.1.01	Clothing	5.58	0.36	0.37	0.33	0.34	0.34	0.33	0.33
	3.1.02	Footwear	0.95	0.05	0.05	0.05	0.05	0.05	0.05	0.05
3		Clothing and footwear	6.53	0.41	0.42	0.38	0.39	0.39	0.37	0.38
4		Housing	10.07	0.46	0.45	0.43	0.46	0.46	0.48	0.49
5		Fuel and light	6.84	0.40	0.39	0.36	0.38	0.35	0.35	0.35
	6.1.01	Household goods and services	3.80	0.20	0.21	0.19	0.21	0.21	0.20	0.19
	6.1.02	Health	5.89	0.30	0.32	0.31	0.30	0.30	0.30	0.30
	6.1.03	Transport and communication	8.59	0.05	0.08	-0.03	-0.08	-0.05	-0.03	0.05
	6.1.04	Recreation and amusement	1.68	0.07	0.08	0.07	0.07	0.07	0.08	0.08
	6.1.05	Education	4.46	0.33	0.32	0.28	0.27	0.27	0.27	0.27
	6.1.06	Personal care and effects	3.89	0.11	0.15	0.10	0.08	0.13	0.14	0.15
6		Miscellaneous	28.32	1.06	1.16	0.93	0.85	0.92	0.95	1.05
General Index (All Groups)			100.00	5.01	5.40	3.69	3.74	4.41	5.00	5.41