

Consumer Price Index for Industrial Workers (2016=100) –January, 2021 depicts downward trend

Gangwar says, fall in inflation will improve purchasing power of the working class

Posted On: 26 FEB 2021 8:32PM by PIB Delhi

Key Points

- 1. All-India Consumer Price Index for Industrial Workers (2016=100) for January, 2021 decreased to 118.2 points compared to 118.8 points for December, 2020.**
- 2. In percentage terms, it went down by 0.51% w.r.t. previous month mainly due to Food & Beverages items having a share of 39.17% in the total weight which recorded a fall of 1.92% between these two months. During the period, decrease in prices of food items viz. Rice, Wheat Atta, Arhar Dal, Poultry (Chicken), Eggs-Hen, Banana, Brinjal, Cabbage, Carrot, Cauliflower, Chilies Green, Garlic, Ginger, Onion, Peas, Potato, Tomato, Employees State Insurance Contribution, etc. had greater impact.**
- 3. Year-on-year inflation for the month stood at 3.15 per cent compared to 3.67 per cent for the previous month and 7.49 per cent during the corresponding month of the previous year. Similarly, Food inflation stood at 2.38 per cent against 2.89 per cent of the previous month and 10.61 per cent during the corresponding month a year ago.**

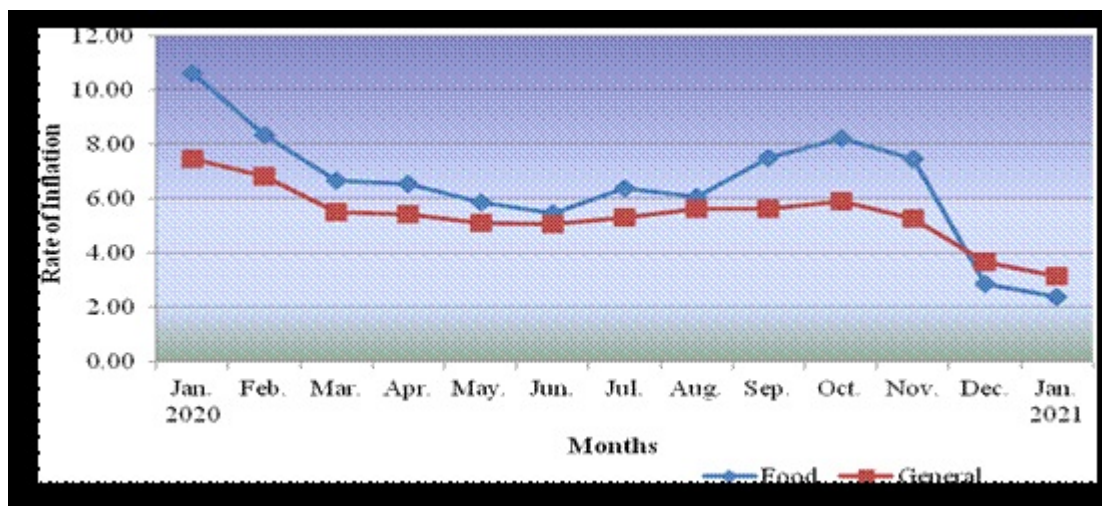
The All-India CPI-IW for January, 2021 decreased by 0.6 points and stood at 118.2 (one hundredeighteen and point two). On 1-month percentage change, it decreased by 0.51 with respect to previous month whereas no change was observed between corresponding months a year ago.

The maximum downward pressure in current index came from Food & Beverages group contributing 0.90 percentage points to the total change. At item level, Rice, Wheat Atta, Arhar Dal, Poultry (Chicken), Eggs-Hen, Banana, Brinjal, Cabbage, Carrot, Cauliflower, Chilies Green, Garlic, Ginger, Onion, Peas, Potato, Tomato, Employees State Insurance Contribution, etc. are responsible for the decline in index. However, this decline was checked by Housing and Fuel & Light groups with a contribution of 0.29 & 0.22 points respectively with items like House Rent, Cooking Gas, Petrol, etc. putting upward pressure on the index.

At centre level, Jalpaiguri recorded the maximum decrease of 6.0 points followed by Biswanath-Chariali with 4.5 points. Among others, between 3.0 to 3.7 points decline was observed in 5 centres, 2.2 to 2.9 points in 9 centres, 1.2 to 1.9 points in 12 centres and 0.1 to 0.9 points in 33 centres. On the contrary, Coonoor recorded a maximum increase of 2.7 points. Among others, 1.0 to 1.6 points rise was observed in 7 centres and 0.1 to 0.8 points in 17 centres. Rest of 2 centres' indices remained stationary.

Year-on-year inflation for the month stood at 3.15 per cent compared to 3.67 per cent for the previous month and 7.49 per cent during the corresponding month of the previous year. Similarly, Food inflation stood at 2.38 per cent against 2.89 per cent of the previous month and 10.61 per cent during the corresponding month a year ago.

Y-o-Y Inflation based on CPI-IW (Food and General)

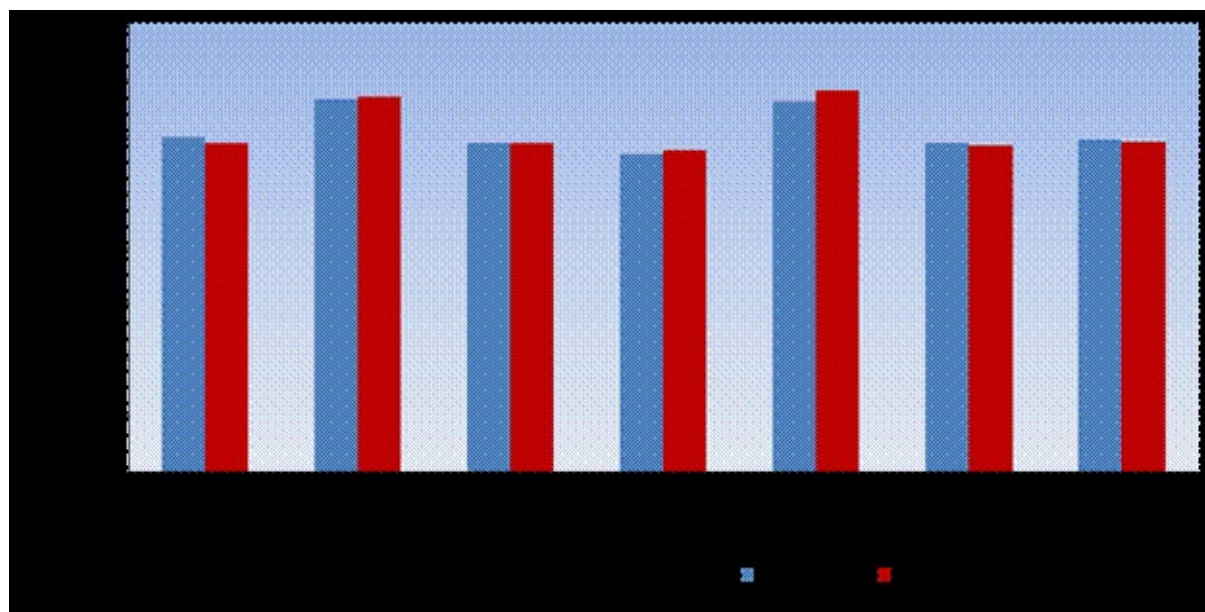


All-India Group-wise CPI-IW for December, 2020 and January, 2021

Sr. No.	Groups	Dec, 2020	Jan, 2021
I	Food & Beverages	119.7	117.4
II	Pan, Supari, Tobacco & Intoxicants	133.3	134.4
III	Clothing & Footwear	117.6	117.8
IV	Housing	113.5*	115.2
V	Fuel & Light	132.4	136.4
VI	Miscellaneous	117.6	116.9
	General Index	118.8	118.2

*Rounded up from second decimal place.

CPI-IW: Groups Indices



Speaking about the latest index, Minister of State (I/C) for Labour and Employment Shri Santosh Gangwar said the fall in inflation reported during January, 2021 is mainly due to fall in prices of vegetables observed on account of abundant supply in markets. He said, the fall in inflation would imply more purchasing power in the hands of working class families.

Director General of Labour Bureau Shri DPS Negi said, the fall in index and in inflation rate are in line with other price indices compiled and released by other Government agencies. He said that this fall is mainly attributable to Food & Beverages group contributing (-) 0.90 percentage points to the total change. Decline in prices of items viz., Rice, Wheat Atta, Arhar Dal, Poultry (Chicken), Eggs-Hen, Banana, Brinjal, Cabbage,

Carrot, Cauliflower, Chilies Green, Garlic, Ginger, Onion, Peas, Potato, Tomato, Employees State Insurance Contribution, etc. are responsible for the decline in index, he added.

The next issue of CPI-IW for the month of February, 2021 will be released on Wednesday 31st March, 2021. The same will also be available on the official website www.labourbureaunew.gov.in.

The Labour Bureau, an attached office of the M/o Labour & Employment, compiles Consumer Price Index for Industrial Workers every month on the basis of retail prices collected from 317 markets spread over 88 industrially important centres in the country. The index is compiled for 88 centres and All-India and is released on the last working day of succeeding month.

MS/jk

(Release ID: 1701207)