

## **New Series on Wholesale Price Index Numbers (Base 1993-94=100)\***

The series on Index Numbers on Wholesale Prices with base 1981-82=100 had been in use since July 1989<sup>\$</sup>. In view of the need to realign the Wholesale Price Index (WPI) with structural changes in the economy since 1981-82, in terms of the shift in importance of different commodity sectors as well as evolution and decay of different commodities, the Ministry of Industry (MI) had set up a Working Group in June 1993 under the Chairmanship of Prof. Y.K. Alagh, then Vice-Chancellor, Jawaharlal Nehru University. Prof. S.R. Hashim took over as the Chairman from September 1996 when Prof. Alagh became Minister of State, Government of India.

The Working Group was entrusted with the task of examining commodity coverage, selection of base year, weighting diagram and other related issues. It was immensely assisted by five sub-groups constituted for the special tasks. These were the Sub-groups on Manufactured Items and Related Matters, Unorganised / Unregistered Industries, Agricultural Commodities, Conceptual and Analytical Issues and on Computerisation. Composition of the Working Group included, inter-alia, members from the Planning Commission, Central Statistical Organisation (CSO), Ministry of Industry, Ministry of Agriculture, Labour Bureau, representatives from the Reserve Bank of India and some academic/research institutions. The Working Group took a good deal of time to finalise its recommendations on account of voluminous amount of work involved as well as the waiting time for data to become available for the year which was considered to be the most appropriate base year for the new series. The Working Group considered a list of possible changes which could be effected in the structure of the weighting diagram including the issue of hitherto excluded *Services Sectors* of the economy and measures to compile a family of indices to fulfill various needs of the economy, but for the time being stopped short of disturbing the basic structure of the indices as they exist. Accordingly, a Sub-Group of Technical Advisory Committee on Statistics of Prices and Cost of Living (TAC on SPCL) has been set up for the same purpose. This Sub-Group would, inter-alia, advise on the strengthening of the data collection system. It would also take steps for development of Business Services Price Index.

### **Choice of the Base Year**

The base year of a price index series has to be carefully chosen since it has a considerable influence on the movement of price relatives of individual commodities and on the weighting pattern, thus influencing the movement of the index as a whole. In accordance with these criteria, the Working Group examined data relating to production in different sectors of the economy as well as data on prices and several other related indices.

After detailed deliberation the Working Group decided to take 1993-94 as the base year for the new series. The chosen year was considered a normal year of the economy, not very distant from the years of 'data realisation' (evolution of the series over time). It was also seen that the year fell within the phase in which a great deal of change has begun to

occur in the economy with an array of new products being available. Detailed Annual Survey of Industries (ASI) data for the manufacturing sector and data on primary markets were made available for the year 1993-94 for construction of the index for the chosen base year. The CSO came out with the detailed data at the four digit level in their ASI for 1993-94 in 1997 and a new series on the Index of Industrial Production (IIP) was published in July 1998 with the year 1993-94 as the new base year. In May 1999, the CSO followed through with the new series on National Accounts Statistics (NAS) with the base year 1993-94. On review of these, the Working Group recommended that 1993-94 would be both the “reference” as well as the “base” year for the new WPI series. With the choice of the base year 1993-94 for the new series of WPI, there seems to be a greater congruence of various statistical series of economic data, viz., the IIP and NAS.

### **Selection of Items/Varieties/Markets**

Selection of items for the new series was based on the recommendations of the Working Group, which considered their relative importance / share in total transactions. A Sub-group was constituted to select the Agricultural Commodities keeping in view the considerable changes that have taken place in that sector since the last revision. Proposals for inclusion of new commodities were considered in the light of availability of relevant data for the weighting diagram. Whenever the reporting of prices was found to be irregular from past records, that variety or market was replaced by a new variety/market with regular availability of prices. In case of specification of tea, coffee, tobacco, jute, cotton, raw silk and raw rubber, the Working Group considered the views of the Tea Board, Coffee Board, Directorate of Tobacco Development, Directorate of Jute Development of India, Cotton Corporation of India, Silk Board and the Rubber Board respectively. Selection of items in the ‘mineral’ sector has been made along the lines suggested by the Indian Bureau of Mines.

The new WPI series includes ten items of petroleum products, which adequately represent the petroleum sector and hence petroleum crude as an intermediate product could be dropped. In view of this, petroleum crude has been removed from the first major group, i.e., *Primary Articles* and the weight that was originally assigned to crude petroleum has been spread over the petro-products, which are placed in the group *Mineral Oils* of the second major group, i.e., *Fuel, Power, Light and Lubricants*. Few items of coal mining proposed by the Department of Coal have been included in the new series.

Values of outputs of manufactured items proposed for inclusion in the WPI basket are based on ASI data for 1993-94. For selection of manufactured products the basic criteria adopted is the traded value, i.e., value of output as per ASI plus imports minus exports of the product, with reference to the year 1993-94. Based on this measure and other considerations pertaining to representation, it was considered appropriate to adopt the cutoff level of Rs.120 crore or more of the traded value for inclusion of an item in this series. The selection of specification, as also the sources for price data in respect of

manufactured products have been made out of the top ten manufacturers producing a particular commodity following a systematic procedure.

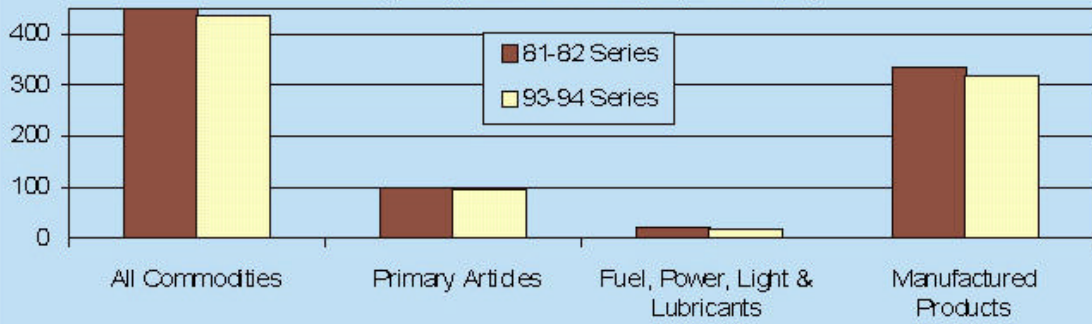
### Coverage of the Series

The new series with 1993-94 as the base has 435 items in the commodity basket as against 447 items in the 1981-82 series. Number of price quotations has also decreased from 2371 in the earlier series to 1918 in the new series. A comparative statement of the number of items/number of quotations under individual groups of items in the new as well as the earlier series is presented in Table 1 and graphically represented in Figures 1a(i)-1b(ii).

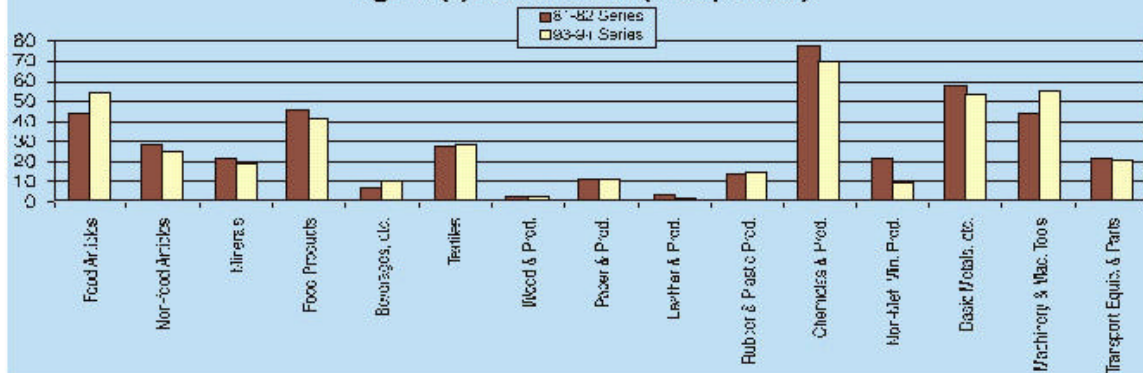
**Table 1: Number of Items and Quotations at Major Group/Group Level in the Old Series (Base 1981-82=100) and the New Series (1993-94=100).**

Major Group/Group	No. of Items (change over earlier series)			No. of Quotations (change over earlier series)		
	81-82 series	93-94 series		81-82 series	93-94 series	
<b>All Commodities</b>	<b>447</b>	<b>435</b>	<b>(-12)</b>	<b>2371</b>	<b>1918</b>	<b>(-453)</b>
<b>I. Primary Articles</b>	<b>93</b>	<b>98</b>	<b>(5)</b>	<b>519</b>	<b>455</b>	<b>(-64)</b>
i) Food Articles	44	54	(10)	320	340	(20)
ii) Non-food Articles	28	25	(-3)	132	96	(-36)
iii) Minerals	21	19	(-2)	67	19	(-48)
<b>II. Fuel, Power, Light and Lubricants</b>	<b>20</b>	<b>19</b>	<b>(-1)</b>	<b>73</b>	<b>72</b>	<b>(-1)</b>
<b>III. Manufactured Products</b>	<b>334</b>	<b>318</b>	<b>(-16)</b>	<b>1779</b>	<b>1391</b>	<b>(-388)</b>
i) Food Products	45	41	(-4)	231	168	(-63)
ii) Beverages, Tobacco & Tobacco Prod.	7	11	(4)	39	49	(10)
iii) Textiles	27	29	(2)	120	100	(-20)
iv) Wood & Wood Products	2	2	(0)	14	9	(-5)
v) Paper & Paper Products	11	11	(0)	74	67	(-7)
vi) Leather & Leather Products	3	1	(-2)	26	9	(-17)
vii) Rubber & Plastic Products	13	15	(2)	73	55	(-18)
viii) Chemicals & Chemical Products	77	69	(-8)	428	276	(-152)
ix) Non-Metallic Mineral Products	22	9	(-13)	125	42	(-83)
x) Basic Metals, Alloys & Metal Products	57	53	(-4)	235	203	(-32)
xi) Machinery & Machine Tools	44	56	(12)	266	312	(46)
xii) Transport Equipments & Parts	22	21	(-1)	118	101	(-17)

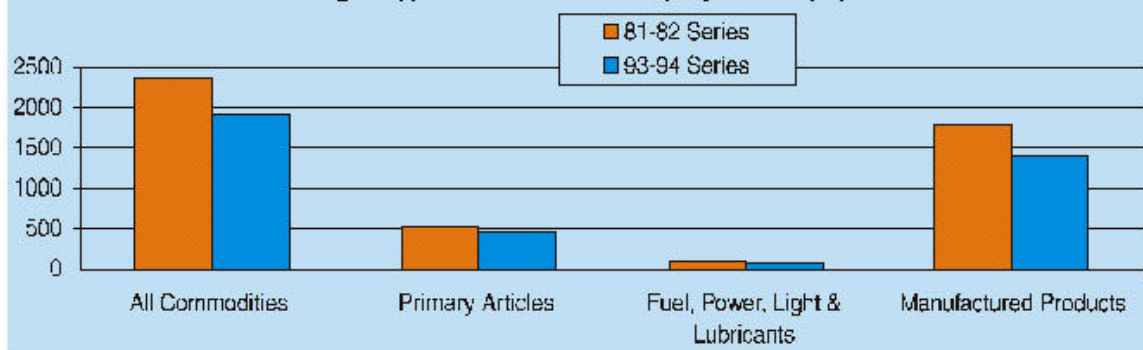
**Fig. 1a(i): No. of Items (Major Groups)**



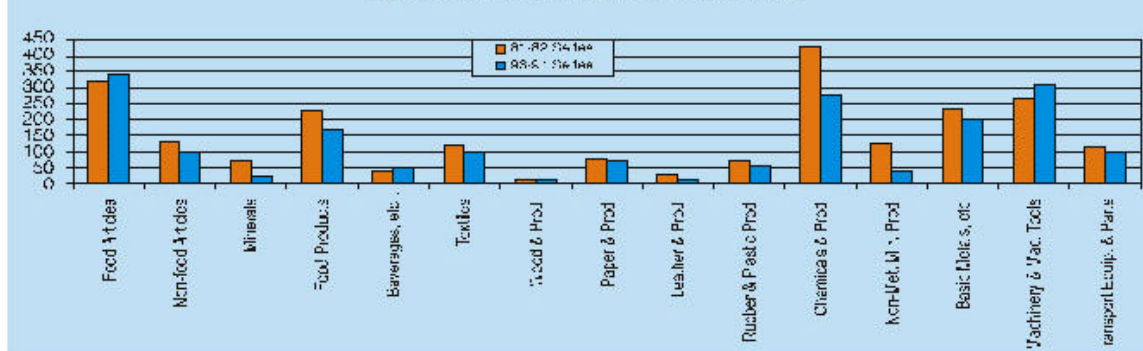
**Fig. 1 a(ii): No. of Items (Group Level)**



**Fig. 1b(i): No. of Quotations (Major Groups)**



**Fig. 1b(ii): No. of Quotations (Group Level)**



In the new series *Primary Articles* have 98 items, *Fuel, Power, Light and Lubricants* 19 items and *Manufactured Products* have 318 items. With a total of 1918 price quotations the average number of price quotations per item is 4.4 for the new series. It can be seen from Table 1 that out of the three major groups only *Primary Articles* show an increase in the number of items in the new series. *Fuel, Power, Light and Lubricants* and *Manufactured Products* have not expanded in respect of number of items. Within *Primary Articles* the group *Food Articles* shows an increase while *Non-food Articles* and *Minerals* (after excluding petroleum crude) record a decrease in the number of selected items. In case of *Primary Articles*, there was a decline in the number of quotations accounted by its two sub-groups *Non-food Articles* and *Minerals*. In *Manufactured Products* the groups *Beverages, Tobacco and Tobacco Products* and *Machinery and Machine Tools* have increased in terms of both number of commodities and number of quotations. Groups with a marginal increase in terms of number of items are *Textiles* and *Rubber and Plastic Products*. *Wood and Wood Products* and *Paper and Paper Products* remained constant.

In all there are 136 new items added in the new series. Out of these *Primary Articles* account for 13, *Fuel, Power, Light and Lubricants* contribute 1 and *Manufactured Products* have 122 new commodities. *Machinery and Machine Tools* has the highest number of new commodities. In the manufactured sector important items which have been included in the new series are electronic items (viz. *TV Set Colour, Computer and Computer Based Systems, etc.*), *Jelly Filled Telephone Cables*, some of the electrical equipments, some new items relating to *Pipes Wires Drawings and others* (viz. *Narrow Cold Rolled Steel Strips, M.S. Pipes and Tubes, etc.*), some new items relating to *Man Made Fibre* (viz. *Acrylic yarn, Nylon Filament Yarn, Synthetic Yarn, etc.*) The commodity *Fish* under the subgroup *Egg, Fish and Meat* has been bifurcated into 2 items *Fish – Marine* and *Fish –Inland*. The commodity *Rubber and Canvas Footwear* under the group *Rubber and Plastic Products* has been bifurcated into *Rubber Chappal and Canvas Footwear*. On the other hand, 13 items of Electricity have been amalgamated into 4 items in the 1993-94 series. As many as 150 items of the 1981-82 series have been deleted due to their insignificance in terms of relative value of production in the economy. Except few, all these items, which have been dropped, pertain to the *Manufactured Products*. Some of the important items among them are: *Tin Milk Powder, Oil Cakes*, some items of *Cotton Cloth* (viz. *Poplin/Shirting, Powerloom Cloth, Handloom Cloth, Khadi*), some items of *Leather and Products*, some items of *Drugs and Medicine* (viz. *Vitamin capsules, Streptomycin, Tetrocycline, etc.*), some items of *Iron and Steel* (viz. *Other Pig Iron, Scrap, etc.*), some items of *Metal Products* (viz. *Locks, Razor Blades, Hurricane lanterns, etc.*), some items of *Machinery and Machine Tools* (viz. *Diesel Engines, Road Rollers, Internal Combustion Engines, Tea Machinery, Computing Machines, Table Fans, Transistor Sets, Wrist Watches, etc.*)

## **Weighting Diagram**

The major challenge in deriving the weighting diagram was the need to ensure representability of the overall price movements in the economy and including these at disaggregated levels by a relatively small number of items and quotations. The impending task, therefore, was to secure a sample that represents the underlying universe adequately. Besides, these weights would carry over to the middle of the next decade and hence a 'futuristic' outlook on the weighting diagram was absolutely imperative. Efforts were made to ensure that certain items, e.g., hardware for information technology industries, which were not so important in the 1981-82 base year and whose data were more elusive than they are now, were included in the weighting diagram of the new series. As mentioned earlier, the choice of the new base year, i.e., 1993-94 was made upon a deliberate search for a normal year of the economy, which at the same time, is not very distant from the year of data realisation. Thus within the chosen base year a myriad possibilities existed for the choice of the sample basket for the weighting diagram. Ultimately the choice of items was constrained by the availability of data on voluntary basis and on a continuous weekly basis starting with the week April 1, 1993. The method of constructing the weighting diagram is similar in all major respects to the exercise carried out by the last Working Group. The weighting distribution has been designed by adopting a "from above" approach where the weights of the major groups were imposed from outside and then depending on the sample concerned the weights within a group were parametrically imposed. Weights of the items are based on the value of transactions which consist of

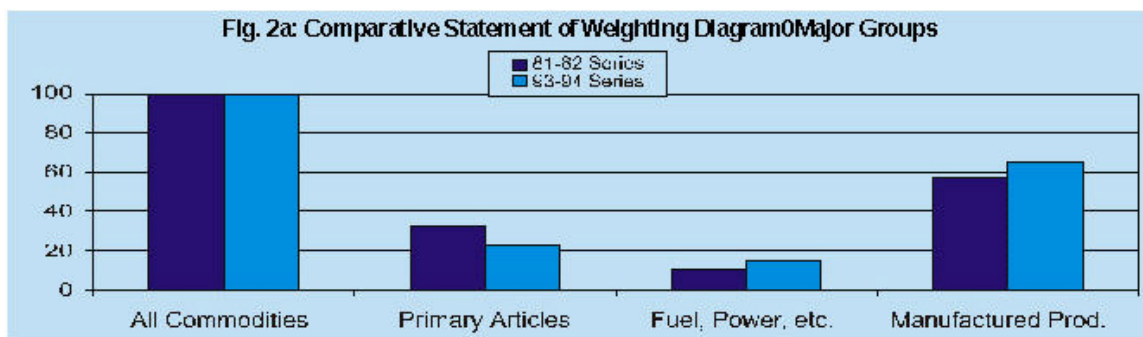
- a) Value of (presumed) marketed surplus and value of output for of agricultural commodities and non-agricultural products respectively.
- b) Total value of imports less exports.

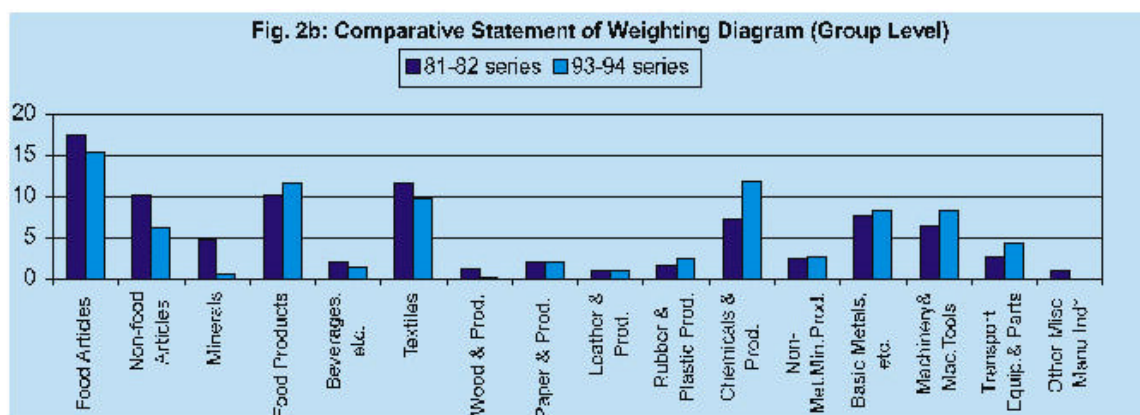
Indirect taxes and duties were added as applicable. Though a traded value threshold of Rs.120 crore was set up for manufactured products, but it was also adjusted in some cases depending on exigencies in the sample selection process. Within the agricultural sector, individual commodities were assigned weights on the basis of average value of production during the triennium ending 1994-95. From the major group *Manufactured Products*, the last group *Other Miscellaneous Manufactures* was removed due to problems encountered in representativeness of individual items in its fold and its weight was distributed across other groups within the major group. A comparative statement of the weighting diagrams of the new series and the old series upto group level is presented in Table 2 and graphically represented in Figures 2(a)-(b). As expected, there is a decline in the weights allotted to the *Primary Articles* by about 10 percentage points. This fall is almost identical in 1981-82. Roughly, it indicates that on the average, weight of *Primary Articles* is falling by about 1 percentage point every year. It may be mentioned that in 1981-82, fall in the weight of *Primary Articles* was almost fully attributable to *Food Articles*, whereas in the new base it is due to the fall in the weights of *Non-food Articles* and *Minerals*, its subgroup *Mineral Oils* being shifted to the major group *Fuel, Power, Light and Lubricants*. In fact, if the impact of *Mineral Oils* is adjusted, weights of *Primary Articles* decline by about 6 percentage points only. Weights of *Manufactured Products* have gone up by more than 6 percentage points. Subgroups whose weights have gone up are *Food Products* (1.4 percentage point), *Rubber and Plastic Products*

(0.8), *Chemical and Chemical Products* (4.6), *Machinery and Machine Tools* (2.1) and *Transport Equipments and Parts* (1.6). *Other Miscellaneous Manufacturing Industries* has been eliminated and its weight has been spread over other groups of the major group *Manufactured Products*.

**Table 2: Comparative Statement of the Weighting Diagram at Major Group/Group Level of the Old Series (Base 1981-82=100) and the New Series (1993-94=100).**

Major Group/Group	Weight (Change over old series)		
	1981-82 series	1993-94 series	
<b>All Commodities</b>	<b>100</b>	<b>100</b>	<b>(0)</b>
<b>I. Primary Articles</b>	<b>32.295</b>	<b>22.025</b>	<b>(-10.27)</b>
i) Food Articles	17.386	15.402	(-1.984)
ii) Non-food Articles	10.081	6.138	(-3.943)
iii) Minerals	4.828	0.485	(-4.343)
<b>II. Fuel, Power, Light and Lubricants</b>	<b>10.663</b>	<b>14.226</b>	<b>(3.563)</b>
<b>III. Manufactured Products</b>	<b>57.042</b>	<b>63.749</b>	<b>(6.707)</b>
i) Food Products	10.143	11.538	(1.395)
ii) Beverages, Tobacco & Tobacco Products	2.149	1.339	(-0.81)
iii) Textiles	11.545	9.800	(-1.745)
iv) Wood & Wood Products	1.198	0.173	(-1.025)
v) Paper & Paper Products	1.988	2.044	(0.056)
vi) Leather & Leather Products	1.018	1.019	(0.001)
vii) Rubber & Plastic Products	1.592	2.388	(0.796)
viii) Chemicals & Chemical Products	7.355	11.931	(4.576)
ix) Non-Metallic Mineral Products	2.477	2.516	(0.039)
x) Basic Metals, Alloys & Metal Products	7.632	8.342	(0.71)
xi) Machinery & Machine Tools	6.268	8.363	(2.095)
xii) Transport Equipments & Parts	2.705	4.295	(1.59)
xiii) Other Miscellaneous Manufacturing Industries	0.972	0.000	(-0.972)





## Analytical and Methodological Issues

The Working Group addressed several analytical and conceptual issues on weighting diagram, choice of market and specification, periodic revisions of base year, etc.

During recent years the structure of the Indian economy and indeed the world economy has been changing at a great pace due to reasons mostly arising out of technological revolution. It is apprehended that the weighting diagram would often get out of tune with its underlying structure.

Many dynamic sectors in the economy, including some manufactures, various financial services, information technology, transport, communications, etc. have developed influencing strongly their market size and hence their traded value share. Along with this, the volatility of the world economy could distort the index numbers greatly. For instance, changes in exchange rates over a period of 5 to 10 years could build up to an enormous difference with their base year rates and affect the prices of the importables considerably.

Regarding the seasonal items, the Working Group followed the existing procedure, i.e., whenever certain seasonal items disappear from the market and their prices cease to get quoted, the indices for such items cease to be compiled and their weight is distributed over the remaining items within the concerned subgroup on a pro-rata basis. The Working Group has also decided that the classificatory system in vogue in the old series may be continued for the new series. Thus, the National Industrial Classification being generally used in the old series in respect of the major group *Manufactured Products* has been retained for the new series too.

The Working Group has adopted the practice of using the average of monthly indices for the year 1993-94 (i.e., annual average) with 1981-82 base to estimate the linking factors of the old series for comparison with the new series. Instead of using a single linking factor, the Working Group has used linking factors for *All Commodities*, the three major groups and the groups within them separately since each group contains its own basket



and it is worthwhile to note the change at that level, in addition to its major group and *All Commodities* in the economy.

According to certain estimates the contribution of the Services Sector in the base year of the 1981-82 series was 35 per cent even though the sector could not be incorporated in the WPI measure. In 1995-96 the same share apparently increased to 42 per cent and its contribution is inching up to claim nearly half of the country's GDP. Hence the Working Group recommended that a separate exercise may be undertaken to develop a price index for Services Sector incorporating indices from the following subsectors.

- (a) Financial intermediation (including banking, insurance, etc.)
- (b) Transport services (Road and Rail)
- (c) Communications (Postal and Telecommunication)
- (d) Water supply (Municipality Rates for different groups)
- (e) Construction activity (in addition to their material inputs)

In view of this, it was recommended that in future, attempts be made to develop a family of wholesale price indices that may include:

- (A)** the traditional commodities-only index comprising Primary, Fuel, Power, Light and Lubricants and Manufacturing
- (B)** Services together with construction index as a separate entity
- (C)** (A) and (B) above combined to produce a composite index
- (D)** A separate inflation related WPI measure by netting out intermediate transactions.

To look into these aspects, as mentioned earlier, a Sub Group has been set to take steps for development of Business Services Price Index.

### **A More Appropriate Measure of Inflation**

The present measure of inflation is somewhat unsatisfactory because WPI is not index of "all transactions", as "services" are not included. Also the represented prices are a mix of "producers' prices" and "wholesale market prices", whereas a measure of inflation should measure the prices only at the "final demand level" and not at "intermediate demand level" to avoid the cascading effect. Besides these, several issues including handling of seasonal items, classificatory system, method or formula for calculating the index, linking

of the old and new series and finalisation of the index were discussed by the Working Group.

### **Collection of Prices and Other Related Aspects**

There is no change in the concept of wholesale price or in the system of price collection between the old and new series. The new series, like the old series, is based on ex-factory / ex-mine prices in respect of manufactured items. In case of agricultural commodities, prices quoted in primary markets are used. Price quotations used in the compilation of the WPI represent bulk transactions, generally at an early stage of trading. Such prices pertaining to bulk transactions have divergent nomenclatures, e.g., farm harvest prices, wholesale prices, procurement prices, support prices, administered prices, import prices, export prices, forward prices, etc.

The system, however, is heading towards a probable conceptual change with wholesale prices having divergent connotations as determined by their use by different departments. While the Ministry of Agriculture defines wholesale price as the rate at which a relatively large transaction of purchase, usually for further sale is effected, according to the Ministry of Industry they represent transactions at the primary stage, which broadly correspond to the producers' prices. In practice, however, primary sales are not always held ex-farm, ex-mine or ex-factory but also ex-warehouse, where price quotations may include cost of transportation from the farm, factory or mine to the warehouse or even upto the point of consumption.

It is felt that there should be a direct system of data collection to eliminate problems of non-response and delay. The present system of data collection through mail seems to be quite passive due to the significant proportion of non-response and delay in sending the data. This necessitates the preparation of provisional index by repeating the old data. The final index, when prepared on receipt of required data, frequently differs substantially from the provisional index. Hence there should be a direct system of data collection to eliminate such problems. Ideally a network of data collection system should be set up with the help of the National Informatics Centre (NIC) and data should be sourced from wholesale markets as far as possible. The task of strengthening of data collection system has been assigned to the Sub Group mentioned earlier.

### **New Series and the Old Series – A Comparison**

Annual rates of changes (ARC) in WPI, i.e., annual inflation rates have been calculated for the new series and the old series, both on average and point-to-point basis. These are shown in Table 3 and Figures 3(a)-(b). It is evident from here that for 1994-95 and 1996-97, the inflation rates (both average and point-to-point basis) based on the old and new series differ significantly. For the other periods they do not differ much suggesting that the new series can be a representative of the price variation captured in the old series. Comparing the new series with the old series (Table 4), it has been noted that the new series of indices for almost all commodity groups except *Minerals and Machinery etc.*,

start at a higher level than the old series. The one time increase in the level of new index is due to commodity composition representing, in general, higher quality (and hence higher quantity). In case of *Textiles, Rubber and Plastic Products, Non-metallic Minerals, Machinery and Machine Tools* the new series mostly stood on the lower side than the old series.

Finally the compound growth rate for 1998-99 over 1994-95 for the major commodity groups has been worked out to assess the overall price rise as per the old and new series (Table 5). This comparison reveals that except *Textiles* and *Wood and Wood Products*, differences in (compound) growth rate of prices were not very high. For *All Commodities* and *Primary Articles*, the differences between the two growth rates are 0.54 and 0.16 percentage points respectively. Except *Textiles*, all other commodities revealed a rise in price level, though with varying magnitudes. In case of *Textiles*, however, new series revealed a fall in price level (by 0.77 per cent) as against a rise (of 5.69 per cent) as per the old series. However, at the overall level the comparison suggests that the new series is able to comprehend the price movements as observed in the old series and price variations between the two series are due to structural changes taking place in the economy.

**Table 3: Rates of Inflation based on the Old Series (Base 1981-82=100) and the New Series (Base 1993-94=100)**

Year	Average Basis		Point-to-point Basis	
	1981-82 series	1993-94 series	1981-82 series	1993-94 series
1994-95	10.85	13.10	10.55	17.50
1995-96	7.70	8.24	5.09	4.68
1996-97	6.34	4.57	7.11	5.45
1997-98	4.82	4.90	5.02	4.63
1998-99	6.88	5.91	5.02	4.72

**Table 4: Comparative Statement of the Annual Indices (upto Group Level) Based on the Old Series (1981-82=100) Shifted to Base 1993-94 and the New Series (1993-94=100)**

Major Group/ Group	1994-95		1995-96		1996-97		1997-98		1998-99	
	81-82 series	93-94 series	81-82 series	93-94 series	81-82 series	93-94 series	81-82 series	93-94 series	81-82 series	93-94 series
<b>All Commodities</b>	<b>110.85</b>	<b>113.10</b>	<b>119.38</b>	<b>122.42</b>	<b>126.95</b>	<b>128.01</b>	<b>133.07</b>	<b>134.28</b>	<b>142.23</b>	<b>142.22</b>
<b>I. Primary</b>										
<b>Articles</b>	<b>112.86</b>	<b>115.87</b>	<b>121.19</b>	<b>125.28</b>	<b>130.88</b>	<b>135.75</b>	<b>135.33</b>	<b>139.43</b>	<b>151.10</b>	<b>156.09</b>
i. Food Articles	109.95	112.88	118.02	122.17	131.88	137.26	136.41	141.44	155.04	159.25
ii. Non-food Artcl.	120.04	124.24	129.14	135.40	132.38	134.23	136.70	137.52	151.12	151.71
iii. Minerals	107.24	104.90	114.64	94.66	117.45	107.19	121.63	99.82	121.03	111.77
<b>II. Fuel, Power, Light, etc.</b>	<b>106.87</b>	<b>112.31</b>	<b>108.77</b>	<b>118.35</b>	<b>123.54</b>	<b>130.38</b>	<b>139.38</b>	<b>148.69</b>	<b>145.31</b>	<b>152.47</b>
<b>IIIManufact. Products</b>	<b>110.52</b>	<b>112.34</b>	<b>120.53</b>	<b>122.36</b>	<b>125.40</b>	<b>124.83</b>	<b>130.56</b>	<b>129.32</b>	<b>136.50</b>	<b>135.13</b>
i. Food Product	109.65	114.11	113.02	117.81	120.50	124.81	130.23	134.50	139.70	149.88
ii. Beverages, etc.	111.57	118.42	121.96	127.01	128.14	133.58	144.15	149.80	157.43	166.02
iii. Textiles	116.77	118.21	133.99	129.42	138.30	118.69	141.12	115.19	145.68	114.60
iv. Wood & prod.	110.53	110.90	116.05	118.88	117.04	122.10	134.69	153.04	158.88	198.93
v. Paper & prod.	100.62	106.21	113.95	132.11	114.98	132.35	112.74	128.02	118.40	131.85
vi. Leather & prod	106.75	109.68	112.88	119.23	114.69	121.21	118.46	128.80	121.18	133.21

vii. Rubber &prod	105.62	106.61	123.95	125.73	128.47	126.90	129.14	127.16	130.67	126.40
viii. Chem. & prod	111.95	116.54	120.26	126.74	124.80	131.11	129.58	140.22	135.60	145.73
ix. Non-Metallic Mineral prod.	108.07	110.89	123.79	126.36	131.13	129.40	134.01	127.00	139.85	130.27
x. Basic Metals, etc	108.65	108.43	118.95	121.29	122.76	126.44	126.11	131.16	127.65	133.12
xi. Machinery, etc	110.48	106.38	118.87	113.55	124.02	117.55	125.83	119.11	128.06	120.88
xii. Transport, etc.	106.57	107.50	113.70	115.99	118.81	123.18	122.81	129.46	127.71	142.01

**Table 5: Inflation Rate (Compound Growth Rate) Based on Old and New Series at Major Groups and Group Levels**

Major Group/ Group	Weights				WPI (base 1981-82=100)		WPI (base 1993-94=100)			
	1981-82 series	1993-94 series	1994-95	1998-99	Compound Growth Rate (in %)		1994-95	1998-99	Compound Growth Rate (in %)	
<b>All Commodities</b>	<b>100</b>	<b>100</b>	<b>110.85</b>	<b>142.23</b>	<b>6.43</b>	<b>113.10</b>	<b>142.22</b>	<b>5.89</b>		
<b>I. Primary</b>										
<b>Articles</b>	<b>32.295</b>	<b>22.025</b>	<b>112.86</b>	<b>151.10</b>	<b>7.57</b>	<b>115.87</b>	<b>156.09</b>	<b>7.73</b>		
i. Food Articles	17.386	15.402	109.95	155.04	8.97	112.88	159.25	8.98		
ii. Non-food Artcl	10.081	6.138	120.04	151.12	5.93	124.24	151.71	5.12		
iii. Minerals	4.828	0.485	107.24	121.03	3.07	104.90	111.77	1.60		
<b>II. Fuel, Power, Light, etc.</b>	<b>10.663</b>	<b>14.226</b>	<b>106.87</b>	<b>145.31</b>	<b>7.98</b>	<b>112.31</b>	<b>152.47</b>	<b>7.94</b>		
<b>III. Manufact. Products</b>	<b>57.042</b>	<b>63.749</b>	<b>110.52</b>	<b>136.50</b>	<b>5.42</b>	<b>112.34</b>	<b>135.13</b>	<b>4.73</b>		
i. Food Product	10.143	11.538	109.65	139.70	6.24	114.11	149.88	7.05		
ii. Beverages, etc.	2.149	1.339	111.57	157.43	8.99	118.42	166.02	8.81		
iii. Textiles	11.545	9.800	116.77	145.68	5.69	118.21	114.60	-0.77		
iv. Wood & prod.	1.198	0.173	110.53	158.88	9.50	110.90	198.93	15.73		
v. Paper & prod.	1.988	2.044	100.62	118.40	4.15	106.21	131.85	5.55		
vi. Leather &prod	1.018	1.019	106.75	121.18	3.22	109.68	133.21	4.98		
vii. Rubber &prod	1.592	2.388	105.62	130.67	5.46	106.61	126.40	4.35		
viii. Chem. &prod	7.355	11.931	111.95	135.60	4.91	116.54	145.73	5.75		
ix. Non-Metallic Mineral prod.	2.477	2.516	108.07	139.85	6.66	110.89	130.27	4.11		
x. Basic Metals, etc	7.632	8.342	108.65	127.65	4.11	108.43	133.12	5.26		
xi. Machinery, etc	6.268	8.363	110.48	128.06	3.76	106.38	120.88	3.25		
xii. Transport, etc.	2.705	4.295	106.57	127.71	4.63	107.50	142.01	7.21		

\* Prepared in the Statistical Analysis Division of the Department of Statistical Analysis and Computer Services.

\$ For a detailed account of the WPI series with base 1981-82=100, reference may be made to the note 'New Series on Wholesale Price Index Numbers (Base 1981-82=100)' published in November 1989 issue of the RBI Bulletin.