



भारत सरकार Government of India
रेल मंत्रालय Ministry of Railways
(रेलवे बोर्ड) (Railway Board)

No. 2021/CE-I/EDCE(G)/Misc./3/LabourIndex

New Delhi, Dated 06.09.2021

To,
As per list attached

Sub: Change of Base Year of Consumer Price Index of Industrial Workers (Labour Index)

1. RBI has published Consumer Price Index for Industrial Workers, CPI(IW), with the base year 2001 up to August 2020. After August 2020, CPI(IW) has been published by RBI with the base year 2016. The base year of Consumer Price Index for Industrial Workers i.e. CPI(IW) has been changed from year 2001 to year 2016 with effect from September 2020. Further, RBI has provided a **linking factor of 2.88** between the old series and the revised series.
2. The Clause 46A of GCC deals with the price variation clause in contracts. Formulae used for the calculation of the amount of variation in the price for labour components require consumer price index for industrial worker-All India; published in RBI Bulletin.
3. The issue has been examined. It has been decided by Board (MI, MF) to adopt above linking factor of 2.88 for linking index of Base year 2001 and 2016. Example for applying linking factor is as under:

- The amount of variation in prices in labour is worked out by the following formulae

$$L = \frac{W \times (L_Q - L_B)}{L_B} \times \frac{L_C}{100}$$

- L- Amount of price variation in Labour
- W- Gross value of work done by Contractor as per on-account bill(s) excluding cost of material supplied by railway at fixed price, minus the price value of cement and steel. This will also exclude specific payment, if any, to be made to the consultants engaged by Contractors (such payment shall be indicated in the Contractor's offer)
- L_B- Consumer Price Index for Industrial Workers- All India: Published in RBI bulletin for the base period
- L_Q- Consumer Price Index for Industrial Workers- All India: Published in RBI bulletin for the average price index of the 3 months of the quarter under consideration
- L_C- % of labour Component

Item	Base Year	Linking Factor	Consumer Price Index for Industrial Workers		
			July-2020	Aug-2020	Sept-2020
Consumer Price Index for Industrial Workers-CPI(IW)	2001	-	336	338	-
	2016	2.88	-	-	118

Sept 2020 CPI(IW) of Base Year 2001= Sept 2020 CPI(IW) of Base Year 2016 x Linking Factor
i.e $118 \times 2.88 = 339.84$

$$L_Q = \frac{(336+338+339.84)}{3} \text{ i.e } 337.95$$

4. This issues with the concurrence of Finance Directorate of Ministry of Railways.

Prem Sagar
06.09.21
(प्रेम सागर गुप्ता)

कार्यपालक निदेशक सिविल इंजीनियरिंग(जी)/रेलवे बोर्ड
[Rly No. 030-44803, MTNL No.-011-23383379]
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New Delhi, Dated 06.09.2021

Copy forwarded for information to:

1. The Deputy Comptroller & Auditor General of India (Railways), Room No. 224, Rail Bhawan, New Delhi
2. The PFAs, all Indian Railways

P. Singh

For Member Finance

LIST FOR DISTRIBUTION (Letter No. 2021/CE-I/EDCE(G)/Misc./3/LabourIndex, Dated 06.09.2021)

1. General Managers, All Indian Railways & Production Units
2. General Manager (Con), N.F. Railway, Guwahati
3. General Manager /CORE, Allahabad.
4. Chief Administrative Officers (Con), All Indian Railways (Except N.F. Railway)
5. Principal Chief Engineers, All Indian Railways

(A)

1. CAO, COFMOW, Tilak Bridge, New Delhi
2. Principal CAO, Diesel Loco Modernization Works, Patiala (Punjab)
3. CAO (Workshop Projects), Chamber Bhawan, Judge's Court Road, Anta Ghat, Patna-800001, Bihar

(B)

1. Director General, RDSO, Manak Nagar, Lucknow
2. Director General, NAIR, Vadodara
3. Director, IRICEN, Pune – 411 001 (Maharashtra)
4. Director, IRIEEN, PB No.-233, Nasik Road-422101 (Maharashtra)
5. Director, IRISSET, Taa Naka Road, Lalla Guda, Secunderabad-500017
6. Director, IRIMEE, Jamalpur Distt-Jamalpur, PIN-811214 (Bihar).
7. Director, IRITM, Sarswati Residential Estate, IRITM Campus, Manak Nagar, Lucknow

(C)

1. MD, CONCOR, Concor Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi- 110076.
2. IRCON International Limited, C-4, District Centre, Saket, New Delhi- 110017
3. MD, RITES Ltd., RITES Bhawan, Plot No.1, Sector-29, Gurgaon.
4. CMD, RVNL, August Kranti Bhawan, Plot No.25, 1st Floor, Bhikaji Cama Place, New Delhi.
5. MD, MRVC Ltd., Churchgate Station Bldg, Mumbai- 400020
6. CMD, KONKAN Railway Corporation Ltd, Rail Bhawan, New Delhi-110001.
7. MD, DFCCIL, 5th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001
8. MD, RLDA, Near Safdarjung Railway Station, Moti Bagh, Phase-I, New Delhi- 110021
9. MD, CRIS, Chanakyapur, New Delhi.
10. CMD, RailTel Corporation of India Ltd. Plot No. 143, Institutional Area, Sector-44, Gurgaon – 122003.
11. CME, IROAF, 12th Floor, Core-I, Scope Minar, Distt. Centre, Laxmi Nagar, Delhi- 110092
12. Managing Director, IRFC Limited, UG Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Lodhi Road, Pragati Vihar, New Delhi.
13. CMD, IRCTC Ltd., B-148, 11th Floor, Statesman House, Barakhamba Road, New Delhi 110001
14. CMD, Braithwaite & Co. limited, 5 Hide Road Kolkata 700043.

Copy to:

(A)

1. General Secretary, IRCA, DRM Office, New Delhi.
2. General Secretary, AIRF, Rail Bhawan, New Delhi
3. General Secretary, NFIR, Rail Bhawan, New Delhi
4. General Secretary, IRPOF, Rail Bhawan, New Delhi
5. General Secretary, FROA, Rail Bhawan, New Delhi
6. General Secretary, AIRPA, Rail Bhawan, New Delhi
7. General Secretary, AISC & STREA, Rail Bhawan, New Delhi
8. The Secretary, RBSS, Group (A) Offices Association, Rail Bhawan
9. The Secretary, RBSS, Group (B) Offices Association, Rail Bhawan
10. General Secretary, RBSSS Association, Rail Bhawan
11. The Secretary, RBMSA, Rail Bhawan
12. The Secretary, Railway, Group (D) Employees Association, Rail Bhawan

(B)

1. Concerned PSO for kind information of Chairman cum CEO, M/Infra, M/T&RS M/O&BD, M/Finance, Railway Board
2. Chief Vigilance Officers, All Indian Railways.
3. DG(RHS), DG(RPF), AM(CE), AM(Works), AM(B), AM(Elec.), AM(RS), AM(ME), AM/Tele, AM/C&IS, AM/Sig., AM(Plg.), PED(B&S), PED(Vigilance), PEDCE(P), EDCE(G), EDTK(M&MC), EDCE(B&S), EDF(X)-I, EDF(X)-II, ED(Works), EDW(Plg.), ED/Project(Mon.), ED(L&A), ED(PSU), EDVE, ED(Safety), ED(Sig. Dev.), ED(Tele), EDRS(G), EDRE, EDEE(G), EDFE, EDE(N), ED(Accounts), ED/T&MPP, EDME(Chg.), EDME(Frt.), ED/Plg., JS(conf), JS(P), JS(G), JS(D), Vigilance-III, Vig(Conf) of Railway Board.