

THE IDA

The Labour Bureau under Ministry of Labour & Employment has two major wings at Chandigarh and Shimla with four regional offices at Ahmedabad, Kanpur, Kolkata and Chennai and a sub-regional office at Mumbai. The Bureau, through various agencies, collect price of number of commodities and services from different towns and cities in India. The professionals at Shimla or Chandigarh analyze these data on prices and prepare Cost of Price Index for Industrial Workers (CPI in short) taking 100 points as on 1-1-2001. The Index for last month is declared on last working day of this month. Normally it is available after 5 PM on the last working day.

On 1-1-2007 the CPI was 126.33. The IDA as on that date was merged with Basic Pay. Means 126.33 points in CPI was merged. Now we calculate the average increase for last three months over 126.33 points.

Take example:

CPI for March 2020:	326 points
CPI for April 2020:	329 points
CPI for May 2020:	330 points
Average for the 3 months:	328.33 points

It is 159.9% of 126.33 points merged.

So the rate of IDA shall be 159.9% from July to September 2020.

0.8% less than the existing rate.