

II. Production

6. Agricultural production* which had shown a substantial rise in 1958-59 declined by about 4 per cent in 1959-60 because of unfavourable weather. The output of foodgrains was about 5 per cent less than in the previous year. The output of rice, millets and gram was smaller; the wheat crop was at about the same level as in the previous year. The following table shows the comparative position:

Output of Foodgrains

	(Million tons)		
	1958-59	1959-60	Change Per cent.
Rice	30.3	29.3	-3.3
Wheat	9.8	9.7	-0.4
Other cereals	22.5	21.5	-4.4
<i>All cereals</i>	<i>62.6</i>	<i>60.5</i>	<i>-3.4</i>
Pulses	12.9	11.3	-12.7
<i>All Foodgrains</i>	<i>75.5</i>	<i>71.8</i>	<i>-5.0</i>

The index of foodgrains production (year ending June 1950=100) which had risen from 107.9 in 1957-58—an exceptionally bad year—to 130.1 in 1958-59 slipped down to 124.3 in 1959-60.

7. Among commercial crops, sugarcane recorded an increase of 6.6 per cent. Other 'miscellaneous' crops such as tobacco, potato, chillies and ginger also showed increases. These were, however, more than offset by sharp declines in the production of raw cotton, raw jute and

* The years are agricultural years July—June.

oilseeds. The following table summarises the position in respect of commercial crops:

Output of Commercial Crops

	1958-59	1959-60	Change per cent.
Cotton (million bales)	4.69	3.84	-18.2
Jute (million bales)	5.16	4.55	-11.8
Oilseeds (million tons)	6.91	6.35	-8.0
of which:			
Groundnuts (million tons)	4.81	4.39	-8.8
Sugarcane (million tons) (in terms of gur)	7.11	7.58	+6.6
Index of production of 'non-foodgrains' (1949-50=100)	136.7	133.1	-2.6

8. Industrial production which had shown a marked uptrend in 1959 increased even faster in 1960. For the first ten months of the year the index (1951=100) averaged 167.5, i.e., an increase of 11.7 per cent over the corresponding period of 1959. The increase in industrial output was shared by almost all industries; but, as in the previous year, the contribution of intermediate products and capital goods (which account for about half of the 'weights' in the index of industrial production) was the more significant, being over two-thirds of the total increase. In a large number of industries such as soda ash and caustic soda, electric motors, power driven pumps, looms, power transformers, sulphuric acid, automobiles, rubber tyres and tubes, refractories and cables and wires, there were substantial increases in production capacity. Consumer industries such as electric fans, radio receivers, domestic refrigerators, motor cycles, clocks, viscose yarn, paper and cigarettes also added to their installed capacity.

9. The most marked increases in production were in respect of iron ore, iron and steel, electricity, industrial machinery, sugar, paper and paper board, rubber products, chemicals, cement, general and electrical engineering goods and transport equipment. The output of automobiles rose from 36.5 thousand units in 1959 to 51.7 thousand units—an increase of about 90 per cent as compared to the level of production in 1958 and of over 60 per cent as compared to 1957. The output of mill cloth at 5044 million yards was about 120 million yards higher than in 1959. The production of handloom and powerloom cloth in the first ten months of 1960 was, however, smaller by about 70 million yards. Among the consumer goods industries which registered increases in production during the year were: sugar (26 per cent), electric fans (36 per cent), sewing machines (17 per cent), radio receivers (23 per cent) and vanaspati (5 per cent).

10. The following table sets out the growth of industrial production over the last decade:

Index of Industrial Production

(1951=100)

Year	Index	Per cent change over the previous year
1952	103.6	+ 3.6
1953	105.6	+ 1.9
1954	112.9	+ 6.9
1955	122.4	+ 8.4
1956	132.6	+ 8.3
1957	137.3	+ 3.5
1958	139.7	+ 1.7
1959	151.9	+ 8.7
1960	167.5*	+ 11.7*

*For the period January to October

Currently, industrial production is running at a rate about two-thirds higher than in 1951; the rise since 1955 has been about 37 per cent. Over the nine years from 1951, consumer goods industries as a group have shown an increase in output of about 45 per cent, while the output of intermediate products and capital goods industries has gone up by about 85 per cent. Since the two groups of industries have about the same weight in the index of industrial production, intermediate products and capital goods account for about two-thirds of the increase in the index.