



THE M.P.

Budget

IN BRIEF

1958-59

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INTRODUCTION

This brochure is intended to present the budgetary position of the State in a simple and readily intelligible form. It has been designed to give in a synoptic form, by means of statements and charts, salient features of the Madhya Pradesh Budget for the year 1958-59. It attempts to analyse and examine the main economic trends during the preceding years in the domains of agriculture, industry, minerals, wholesale prices, working class cost of living, etc. A brief chapter on the Second Five-Year Plan of Madhya Pradesh has also been included in this brochure. Two significant additions to the brochure this year, however, have been the chapters on 'New Expenditure' and 'Budget and the Report of the Second Finance Commission'.

The estimates of the receipts and expenditure for the year 1958-59 shown in this brochure are those as placed before the Vidhan Sabha. It is against the background of the Second Finance Commission's recommendations and the reassessment of the resources that the Budget for the year 1958-59 has been prepared. It is a balanced budget in deference to the advice of the Commission. The whole scheme of devolution of Central revenues to the State Governments as envisaged in their Report is based on the primary consideration that the States should balance their revenue budgets.

GENERAL REVIEW OF ECONOMIC SITUATION

The present budget has been framed in the context and against the background of economic conditions that prevailed in the State during the preceding year and the general outlook and prospects in the ensuing year. Since the economic conditions and development in this part of the country are inextricably linked up with the general economic trends and developments in the country as a whole, it will be worthwhile to give a resume of economic situation in the State during the previous year in the larger context of economic conditions that prevailed in the country during the period under review.

2. Notwithstanding the increasing pressure imposed by rising tempo of investment activity during the current year, the general price level did not register any significant increase during the period under review as the large measure of deficit financing and the imposition of a high level of taxation had warranted. Indeed, in the context of the current price situation it would seem that the twin objectives of keeping the rising spiral of prices in check through adequate fiscal, monetary and administrative measures and of sustaining the level of investment activity necessary for successful implementation of plan schemes have been realised to a considerable extent. In fact, if the elemental forces had not been as unkind and freakish as they had been during the present year being responsible for the widespread damage to the kharif crops and their inevitable adverse effect on the rabi crops, the emerging economic situation would have virtually conformed to the pattern visualised at the time of the framing of the current year's budget. The All-India index of wholesale prices (Base year 1952-53=100) which stood at 107.0 for December 1957 was in fact lower by 0.9 point as compared with the general index of 107.9 in the corresponding month of last year. However, as compared with the general index of 105.6 for March, 1957, the index for the closing month of the year showed a net increase of 1.4 points. Assuming the lineaments of the economic picture of the State to conform broadly to those of the country as a whole, it would appear that the small rise in commodity prices during the year under review as noted above was mostly due to the fact that the impact of rising prices generated by heavy expenditure under the Plan was largely neutralised by a notable expansion in foodgrains production during 1956-57 as compared with 1955-56, the bulk of which was available for consumption during the current year and the larger availability of the essential items of consumption such as sugar and cloth coupled with other fiscal, monetary and administrative measures taken by the Government of India to curb the rise in prices. As a combined result of these factors the cost of living in the State showed only a moderate rise during the year. The cost of living index of working classes during the year 1957 rose from 103 in January to 109 in December in case of Jabalpur (Base 1949=100) and increased from 97 in January to 101 in November and declined to 97 in December in case of Satna (Base 1953=100). In respect of the industrial cities of Indore (Base 1951=100) and Gwalior (Base 1951=100) the increase during the period January to October, 1957, was from 91 to 92 and from 95 to 99 respectively. In case of Gwalior, however, the index came down to 93 in December. Taking the price level in the individual months of the period under review as they affected the cost of living, it can be said that the prices touched the

peak level in the months of July and August after which they gradually tapered off to the present lower level. The danger of prices resuming their upward trend has again increased in the context of the failure of kharif crops particularly rice over a large part of Madhya Pradesh and the State Government are trying to meet the potentially dangerous situation by putting an embargo over the export of rice to areas outside the State, opening of fair price shops for the distribution of foodgrains on reasonable rates, and by adopting other measures in collaboration with Government of India for arresting the possible rise in food prices which constitute the bulk of expenditure of an average family budget. As regards the availability of consumer goods during the year, the general buoyancy of country's industry which was shared by State's industry also, kept the prices of manufactures and semi-manufactures within reasonable limits in as much as the increase in the prices of items under these groups was comparatively less than the one in the prices of foodgrains. Substantial increases in the output were registered in the cotton textiles, coal, sugar, cement, lime, manganese and paper industries of the State during the current year. The same degree of buoyancy is also observable in the production of potteries, leather goods and light engineering industries. The position in regard to supply of iron and steel and cement continued to be tight as before as the demand was far in excess of production and supply. The Government machinery remained vigilant over distribution of these essential commodities to the bonafide consumers. The position regarding the supply of cloth and yarn continued to be satisfactory during the period.

3. In the sphere of agricultural production during the outgoing year, the picture was somewhat sombre as failure of monsoon over a large part of the State at the time of maturity of the kharif crops and the germination stage of the current rabi crops was responsible for considerable damage to the former and the weak growth of the latter. The paddy crop has particularly suffered as a result of the elemental inclemency and the Chhattisgarh division and rice producing areas of the former Vindhya Pradesh region are feared to have witnessed a considerable attenuation in rice production. It is further apprehended that the present drought may completely wipe out kharif surplus in Madhya Pradesh this year. In the context of drought hitting about 170,000 square miles of country's total area, the position in respect of foodgrains supply in the next few months will be tight indeed and calls for energetic administrative measures and public co-operation to keep it within control. Though the supply of foodgrains will be sufficient to meet the requirements of the State population upto the time of the Rabi harvest, the marginal sufficiency is liable to be put to severe strain by clandestine despatches to adjoining scarcity areas of the border States that anti-social elements may like to make in their sinister move to extract from the poor consumer as much as possible for this essential necessity of his existence. The Government, being alive to this danger, have, therefore, put a total ban on the export of rice outside the State and the restrictions already imposed on the inter-zonal movement of wheat and their strict enforcement should, it is hoped, enable the State to tide over the present difficult period.

4. To relieve distress caused by the failure of crops, Government have sanctioned remission and suspension of revenue to the extent of about Rs. 48

lakhs. Besides, relief works have been opened in the districts affected by scarcity conditions and the total amount placed at the disposal of district authorities for the purpose is about Rs. 64 lakhs. Further, for removing the scarcity of drinking water caused as a result of early cessation of rains, Government have sanctioned about Rs. 20 lakhs at the rate of about Rs. 50,000 per district of the Raipur, Bilaspur, Jabalpur, Rewa, Indore and Bhopal divisions for bunding of nallahs, and repairs to wells and tanks. For supplying foodgrains at reasonably cheap rates, 304 fair price shops have already been opened, and if need be more such shops will be opened in scarcity areas. In addition to these measures, instructions were issued to Irrigation Department to make all possible efforts to supply maximum quantity of available water from the State tanks to areas whether under agreement or on demand and to ensure that all demands for water were met as extensively and as promptly as possible. These prompt and assuasive measures have been, as could be expected, somewhat helpful in mitigating the rigours in the drought stricken parts of the State.

5. The employment situation in the State as a result of generation of larger opportunities for the creation of goods and services provided by the schemes in the Plan was increasingly better during the year than at any time before, though it would be difficult to give an exact quantitative assessment of the employment produced during the period. The gigantic Steel Plant at Bhilai, the Korba Thermal Station Scheme, the Chambal Project and host of other minor and major projects under implementation during the year together with the execution of various schemes under social services, agriculture, industries, and transport etc., have opened vast vistas of opportunities to the inhabitants of this State giving direct employment to thousands of people and imponderable benefits in the shape of technical training, increased educational and health facilities, ready availability of the specialised knowledge in the fields of agriculture and animal husbandry, quicker means of transport and communications and the like. Some idea about the employment position during the year can be had from the total number of employment seekers on the live registers and the placings affected in the Employment Exchanges in the State. The total number of unemployed seeking jobs increased from about 55,000 in 1956 to about 64,000 during 1957, showing a net increase of nearly 9,000 and that of placings from 5,700 to 6,900 during the same period showing a net increase of about 1,200. The increase in the figures of both registrations and placings is indicative of the growing tendency among job seekers to utilise the Employment Exchanges in securing employment and in the case of those already employed in bettering their prospects and does not actually denote the quantum of unemployment or the total employment generated during the year. It is expected that with increasing tempo of work under development plans and schemes during 1958-59 and the subsequent years of the Plan period, there would be offered larger and larger opportunities of creative employment to the people of this State.

6. The Budget of the ensuing year presents an overall picture of the finances of the State Government and reflects their broad policies and programmes. The cherished aim of maximum social welfare, which the financial activities of the Government seek to achieve, is writ large in its subject-matter.

REVENUE ACCOUNT

THE MADHYA PRADESH BUDGET, 1958-59

During the financial year 1958-59, the Madhya Pradesh Government is expected to raise the revenue to the tune of Rs. 5616·79 lakhs and to expend from Revenue a sum of Rs. 5506·76 lakhs. Thus on the Revenue Account, the State Budget is likely to show a surplus of the order of Rs. 110·03 lakhs. Transfer from Funds to Revenue Account, amounting to Rs. 350·00 lakhs, is proposed to be effected. The budgetary figures as adopted here take credit of Rs. 130·00 lakhs resulting from the rationalisation of existing tax structure. This additional revenue includes Rs. 1 crore, anticipated as a result of the proposed legislation for unification etc. of sales tax and the withdrawal of exemption from sales tax on oil-seeds and cotton over a full year as against part of the year in the revised estimates. Further, betterment levy imposed along with water rates is likely to augment the revenues by Rs. 30 lakhs.

The chart facing this page represents the various major components of the Budget Rupee.

THE MADHYA PRADESH BUDGET
1958 - 59
(REVENUE ACCOUNT)

REVENUE

N.P.

N.P.

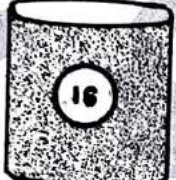
EXPENDITURE

SHARE IN CENTRAL TAXES



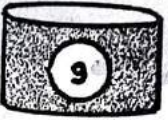
DIRECT DEMAND ON REVENUE

LAND REVENUE



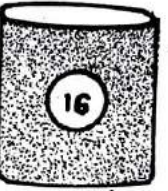
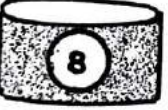
GENERAL ADMINISTRATION

STATE EXCISE



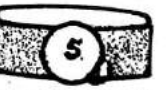
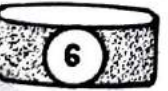
POLICE

SALES TAX



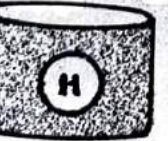
EDUCATION

OTHER TAXES AND DUTIES



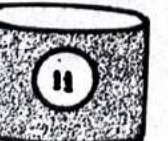
MEDICAL AND PUBLIC HEALTH

FORESTS



CIVIL WORKS

OTHER NON-TAX REVENUE



OTHER NON-DEVELOPMENT EXPENDITURE

GRANTS FROM THE CENTRE



DEVELOPMENT EXPENDITURE

TRANSFER FROM FUNDS



SURPLUS

Re. 1 - 0 - 0

Re. 1 - 0 - 0

REVENUE ACCOUNT (Contd.) REVENUE AND EXPENDITURE

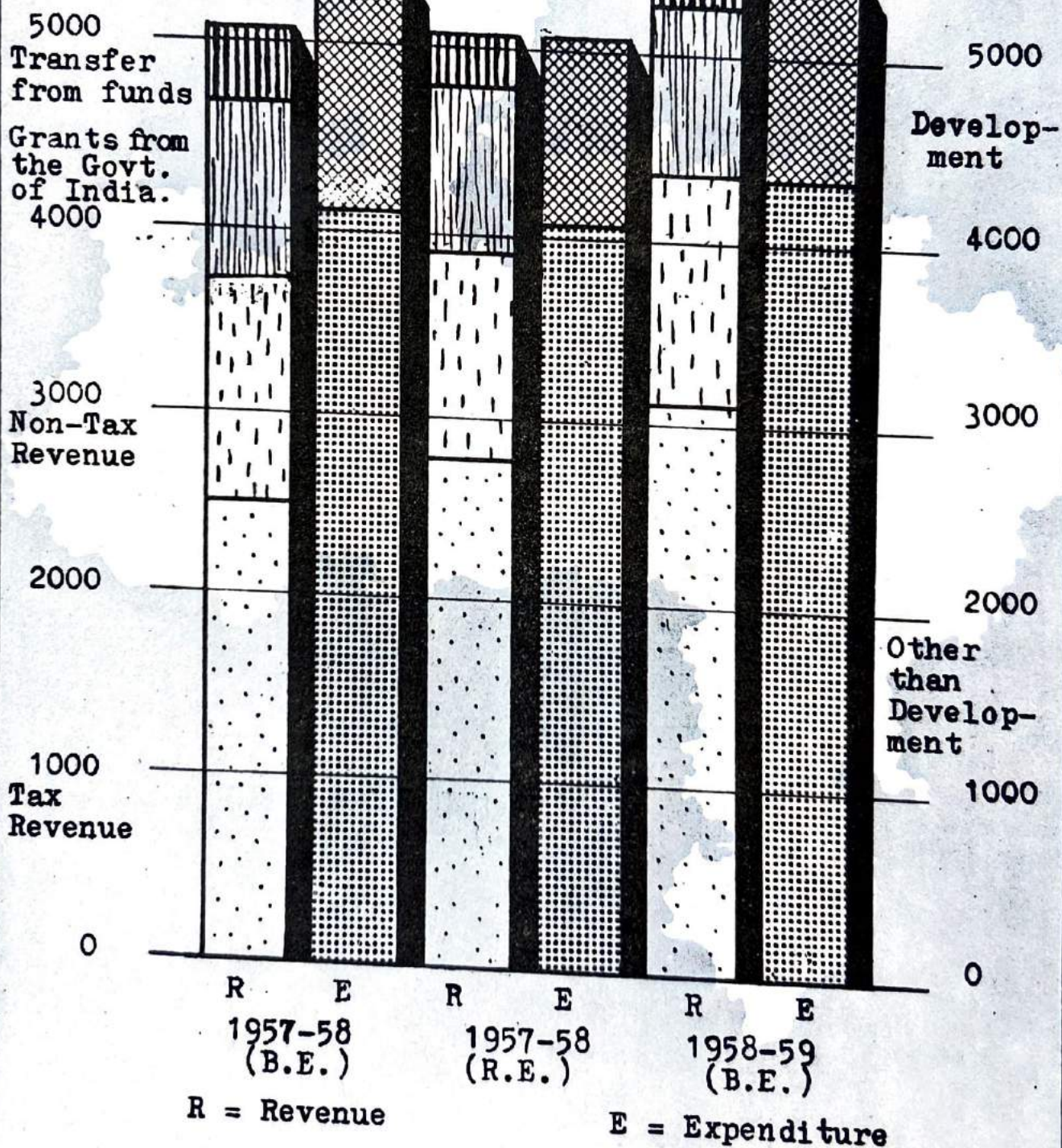
The following table depicts the broad classification of Revenue and Expenditure (met from Revenue) of the Government of Madhya Pradesh for the years 1957-58 and 1958-59 :—

(In lakhs of Rupees)			
	1957-58 (B. E.)	1957-58 (R. E.)	1958-59 (B. E.)
(1)	(2)	(3)	(4)
Revenue—			
Tax Revenue.. .. .	2512.19 (49.37)	2779.34 (54.44)	3112.60 (55.42)
Non-Tax Revenue	1203.99 (23.66)	1133.24 (22.20)	1254.65 (22.34)
Grants from the Government of India	972.36 (19.11)	892.96 (17.49)	899.54 (16.01)
Transfer from Funds ..	400.00 (7.86)	300.00 (5.87)	350.00 (6.23)
Total ..	5088.54 (100.00)	5105.54 (100.00)	5616.79 (100.00)
Expenditure—			
Other than Development ..	4117.33 (75.73)	4067.33 (80.04)	4334.41 (78.71)
Development	1319.61 (24.27)	1014.22 (19.96)	1172.35 (21.29)
Total ..	5436.94 (100.00)	5081.55 (100.00)	5506.76 (100.00)
Surplus (+) or Deficit (—) ..	-348.40	+23.99	+110.03

NOTE.—Figures in brackets represent the percentages to total revenue or to total expenditure.

REVENUE AND EXPENDITURE OF THE GOVERNMENT OF MADHYA PRADESH

Rs. Lakhs



REVENUE ACCOUNT (Contd.)

REVENUE FROM TAXES AND DUTIES

Of the total receipts of Rs. 5616.79 lakhs in 1958-59, on the basis of existing and proposed taxation, the tax-revenue is expected to amount to Rs. 3112.60 lakhs. In the following table is illustrated the position of principal heads of tax-revenue:—

(In lakhs of Rupees)

Principal Heads of Tax-Revenue	1957-58 (B. E.)	1957-58 (R. E.)	1958-59 (B. E.)
(1)	(2)	(3)	(4)
Union Excise Duties.. .	118.58	274.19	427.84
Taxes on Income other than Corporation Tax and Es- tate Duty (Including Agri- cultural Income-Tax.)	330.63	497.32	520.24
Estate Duty . . .	12.75	12.75	12.75
Taxes on Railway Fares	43.21	81.85
Land Revenue	911.80	844.45	902.94
State Excise Duties	395.00	386.86	388.51
Stamps	112.00	122.62	130.13
Registration	16.40	21.70	24.00
Taxes on Vehicles	89.17	90.14	100.16
Sales Tax (including sales tax on motor spirits and lubri- cants).	477.20	433.40	456.00
Other Taxes and Duties ..	48.66	52.70	68.18
Total ..	2512.19	2779.34	3112.60

REVENUE ACCOUNT (Contd.)

NON-TAX REVENUE

The main sources of non-tax revenue are (i) public utilities and state undertakings, (ii) receipts from the working of the Government departments, and (iii) other financial transactions such as interest receipts on loans advanced to local bodies, institutions and individuals.

The following table represents the sources of non-tax revenue together with their yield for the years 1957-58 and 1958-59:--

(In lakhs of rupees)			
Sources of Non-Tax Revenue	1957-58 (B. E.)	1957-58 (R. E.)	1958-59 (B. E.)
(1)	(2)	(3)	(4)
Forests	595.55	593.25	643.55
Irrigation, Navigation, Embankment and Drainage Works (Non-commercial)	70.59	44.81	128.72
Debt Services-Interest ..	109.92	123.64	115.23
Civil Administration ..	577.87	479.04	546.36
Civil Works	49.01	28.15	29.07
Receipts from Electricity Schemes	4.36	6.80	..
Miscellaneous Items ..	162.49	201.78	154.19
Total ..	1569.79	1477.47	1617.12

Note.—The above estimates of non-tax revenue are inclusive of Rs. 365.80 lakhs, Rs. 344.23 lakhs and Rs. 362.47 lakhs respectively as Grants from the Union Government during the respective years. Excluding these sums the non-tax revenue of the State figures as Rs. 1203.99 lakhs (1957-58 B. E.) Rs. 1133.24 lakhs (1957-58 R. E.), and Rs. 1254.65 lakhs (1958-59 B. E.)

NON-TAX REVENUE

Rs. Lakhs

1500

1200

900

600

300

1957-58

R.E.

1958-59

B.E.

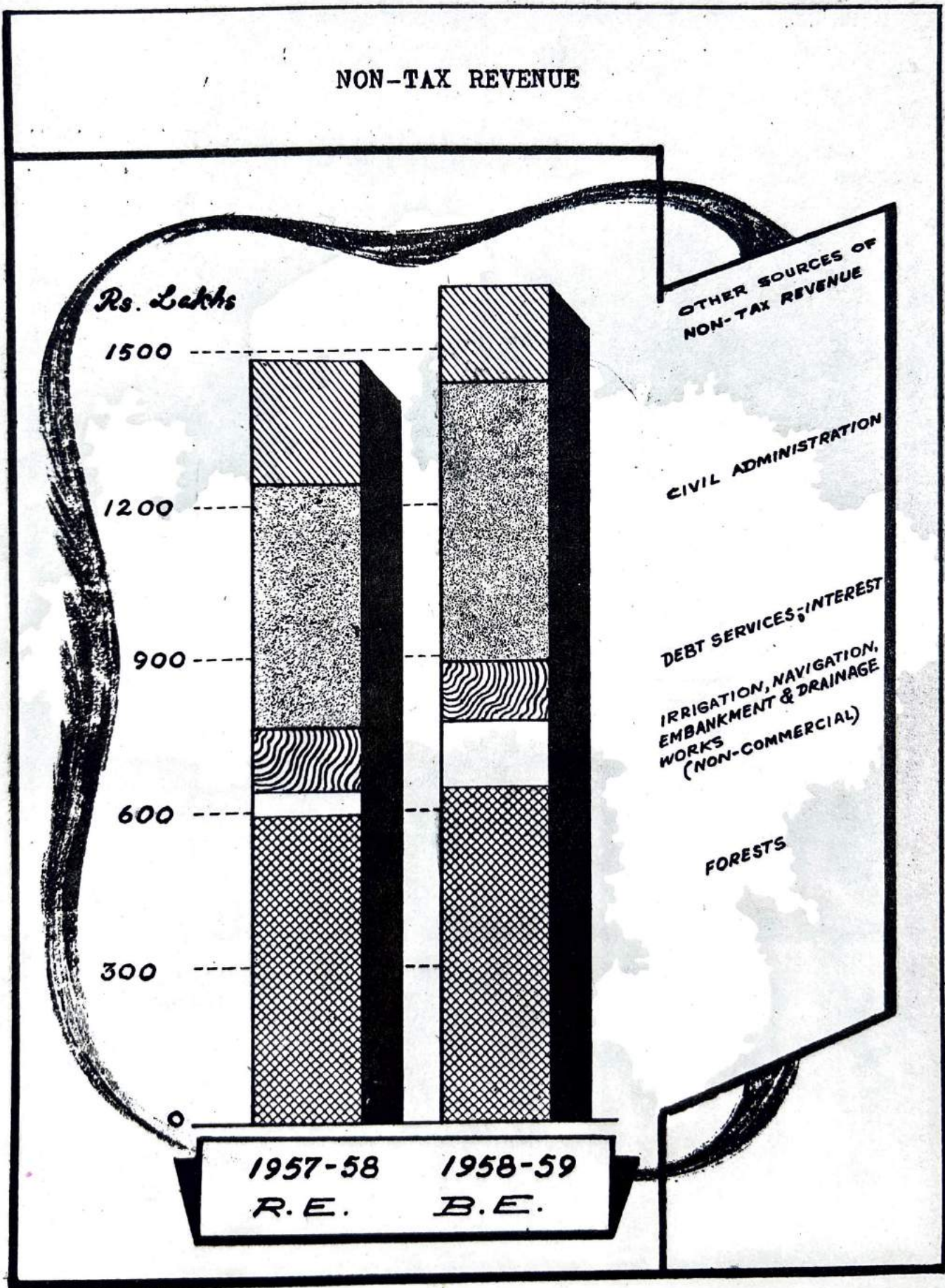
OTHER SOURCES OF
NON-TAX REVENUE

CIVIL ADMINISTRATION

DEBT SERVICES; INTEREST

IRRIGATION, NAVIGATION,
EMBANKMENT & DRAINAGE
WORKS
(NON-COMMERCIAL)

FORESTS



REVENUE ACCOUNT (Contd.)

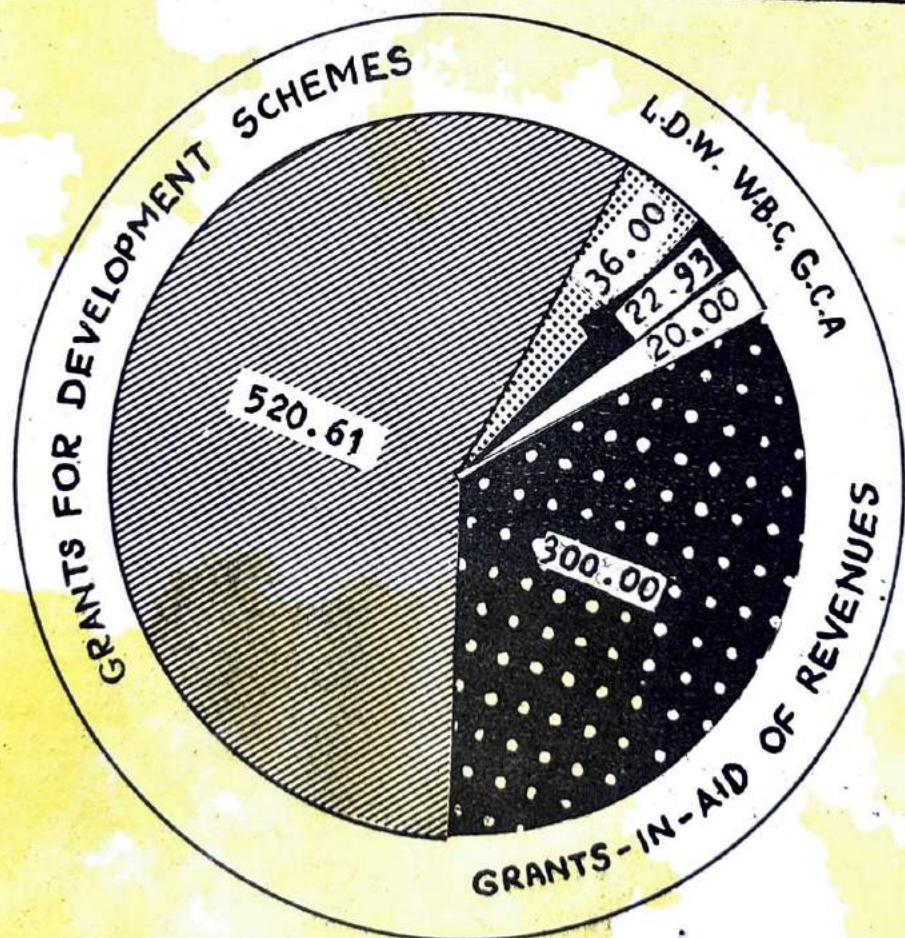
GRANTS FROM THE GOVERNMENT OF INDIA

The grants from the Government of India to the State would form 16.01 per cent of the total revenues during the year 1958-59. The table below shows the break-ups of these grants :—

(In lakhs of Rupees)

Grants from the Government of India	1957-58 (B. E.)	1957-58 (R. E.)	1958-59 (B. E.)
(1)	(2)	(3)	(4)
Grants for Development Schemes	615.51	498.71	520.61
Grants for Other Development Works —			
(a) Local Development Works	28.85	38.25	36.00
(b) Welfare of Backward Classes	62.00	31.00	22.93
(c) Gadgil Committee's Award	15.00	25.00	20.00
Grants-in-aid under substantive portion of Article 275 (i) of the Constitution—			
(1) Revenue Gap Grant	200.00	} 300.00— unconditional	} 300.00 unconditional
(2) Primary Education	51.00		
Total ..	972.36	892.96	899.54

GRANTS FROM THE GOVERNMENT OF INDIA
(In lakhs of Rupees)
1958 - 59 (B.E.)



L.D.W. = LOCAL DEVELOPMENT WORKS
W.B.C. = WELFARE OF BACKWARD CLASSES
G.C.A. = GADGIL COMMITTEE'S AWARD

REVENUE ACCOUNT (Concl'd.)

EXPENDITURE ON REVENUE ACCOUNT

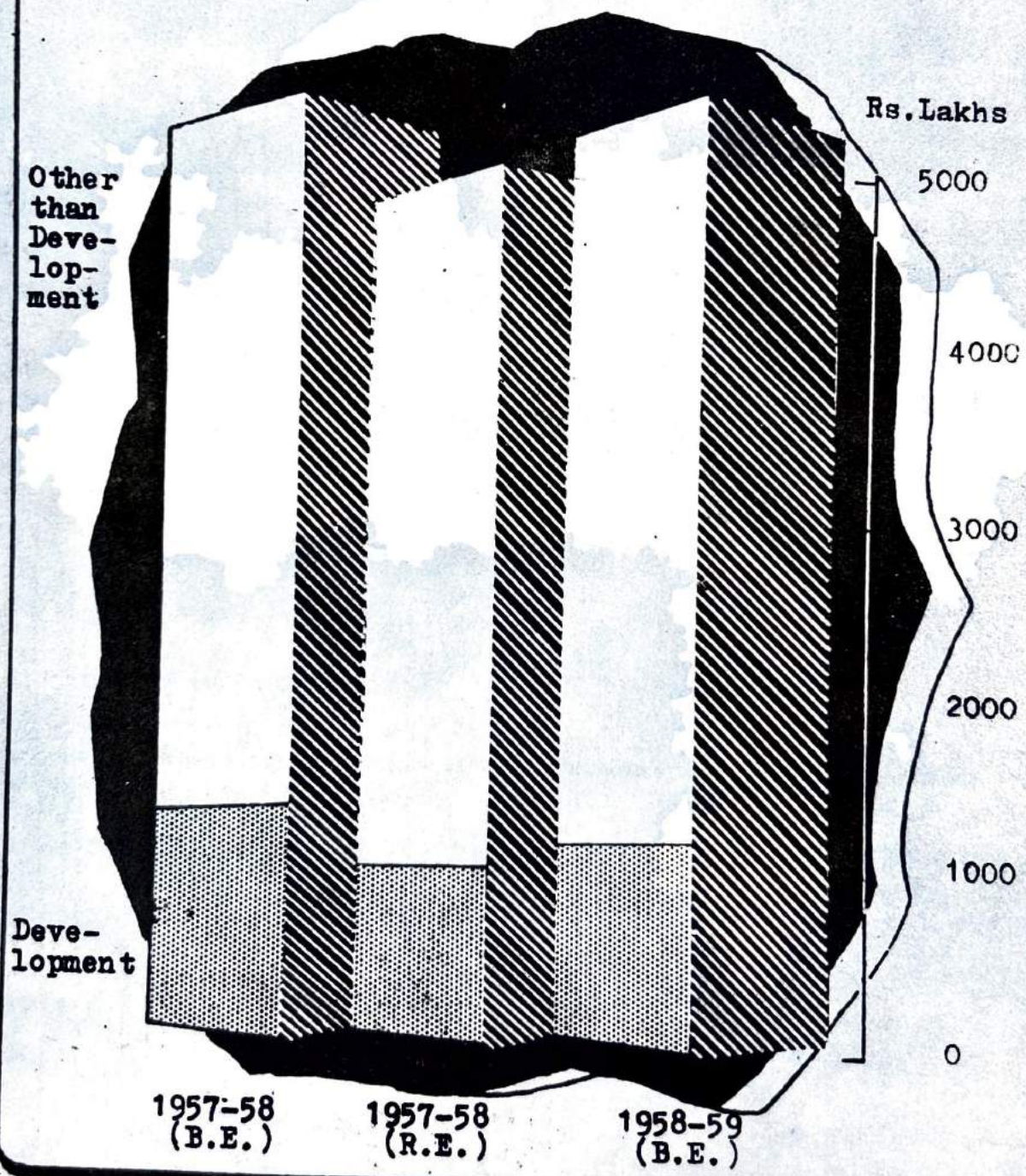
Under this heading appear various items, namely Direct Demands on Revenue, Administrative Services, Debt Services, Nation Building, Development and Social Services and other Civil Expenditure. An idea of the magnitude of the expenditure on these items in the State can be had from the following table :—

(In lakhs of Rupees)

Items of Expenditure (1)	1957-58 (B. E.) (2)	1957-58 (R. E.) (3)	1958-59 (B. E.) (4)
Other than Development Expenditure—			
Direct Demands on Revenue	491.87	497.95	484.21
General Administration ..	352.55	349.59	347.90
Police	494.56	515.68	488.40
Education	801.87	757.52	891.17
Medical and Public Health	267.10	263.42	296.32
Civil Works	361.51	368.65	369.14
Other Non-Development Expenditure	1347.87	1314.52	1457.27
Development Expenditure ..	1319.61	1014.22	1172.35
Total ..	5436.94	5081.55	5506.76

Of the total expenditure on revenue account, development expenditure thus accounts for 24.27 per cent in 1957-58 (B.E.), 19.96 per cent in 1957-58 (R.E.) and 21.29 per cent in 1958-59 (B.E.).

EXPENDITURE ON REVENUE ACCOUNT



CAPITAL EXPENDITURE

CAPITAL OUTLAY

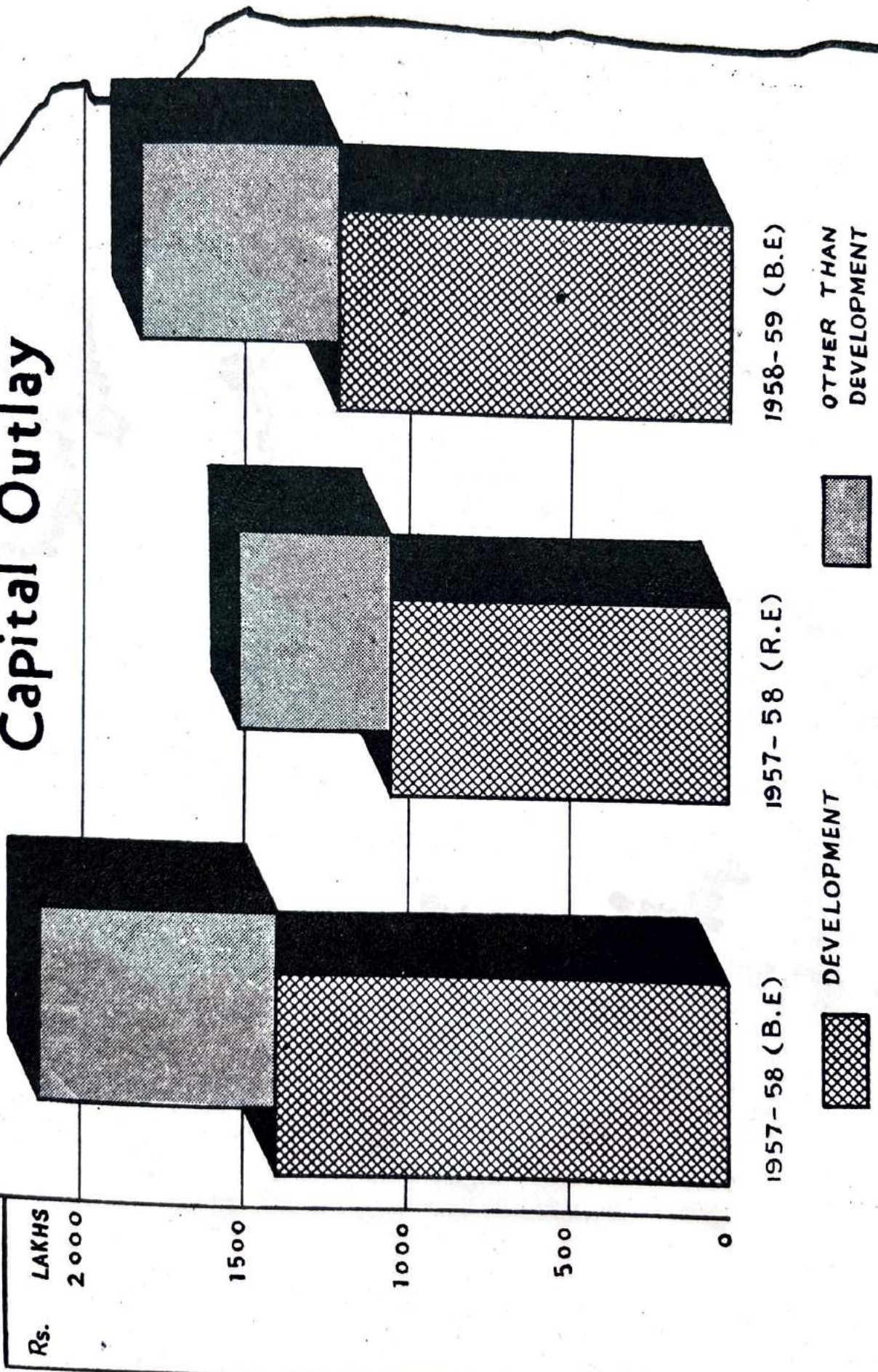
It contains expenditure, outside the Revenue Account, met usually from borrowed funds and includes capital expenditure incurred by the State Government on items like Irrigation, Civil Works, Agricultural Improvement and Research, Industrial Development and Transport. The following table gives the comparative figures of capital outlay on various items for the years 1957-58 and 1958-59:—

(In lakhs of Rupees)

Capital Outlay (1)	1957-58 (B. E.) (2)	1957-58 (R.E.) (3)	1958-59 (B. E.) (4)
Other than Development Expenditure—			
Irrigation, Navigation, Embankment and Drainage Works	13.79	19.52	12.31
Industrial Development	315.35	99.40	175.88
Civil Works	417.84	319.35	172.20
Other Items	(-)15.04	14.01	244.64
Development Expenditure	1385.49	1055.63	1207.15
Total	2117.43	1507.91	1812.18

Of the total capital outlay, development expenditure thus constitutes 65.43 per cent in 1957-58 (B.E.), 70.01 per cent in 1957-58 (R.E.) and 66.61 per cent in 1958-59 (B.E).

Capital Outlay



Rs. LAKHS
2000
1500
1000
500
0

1958-59 (B.E)

1957-58 (R.E)

1957-58 (B.E)

OTHER THAN DEVELOPMENT

DEVELOPMENT

CAPITAL EXPENDITURE (Concl'd.) LOANS AND ADVANCES BY THE STATE GOVERNMENT

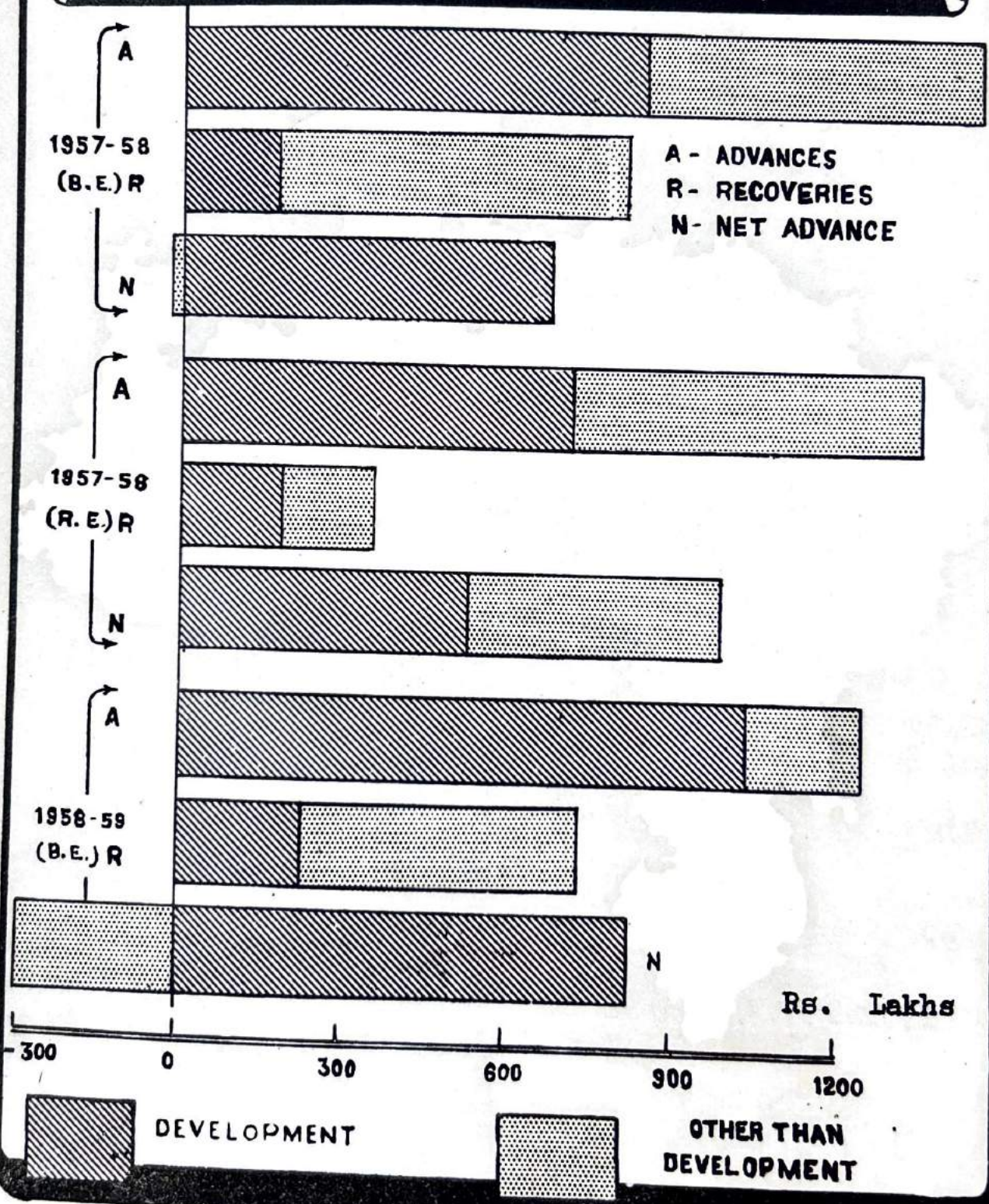
In addition to the capital outlay already referred to, loans and advances by the State Government to cultivators, local bodies, industrial concerns, Government servants and private parties go a long way to accelerate the pace of socio-economic development. The table below gives the net position of Loans and Advances by the State Government for the years 1957-58 and 1958-59:--

(In lakhs of Rupees)

Loans and Advances by the State Government	1957-58 (B. E.)	1957-58 (R. E.)	1958-59 (B. E.)
(1)	(2)	(3)	(4)
Other than Development			
Expenditure—			
Advances	621.33	637.63	206.72
Recoveries	642.40	174.15	508.35
Net Advance	-21.07	463.48	-301.63
Development Expenditure—			
Advances	861.81	726.11	1,050.21
Recoveries	180.82	188.07	233.81
Net Advance	680.99	538.04	816.40
Total Expenditure—			
Advances	1483.14	1363.74	1256.93
Recoveries	823.22	362.22	742.16
Net Advance	659.92	1001.52	514.77

Of the total loans and advances by the State Government, disbursements attributable to development estimates form 58.11 per cent in 1957-58 (B.E), 53.24 per cent in 1957-58 (R.E.) and 83.55 per cent in 1958-59 (B.E.).

LOANS AND ADVANCES BY THE STATE GOVERNMENT



DEVELOPMENT EXPENDITURE

Expenditure under this section is very often described as expenditure on nation building and social services. Expenditure on 'Economic Development' and that on 'Social Services' are the two main ingredients of this type of expenditure. It is directly concerned with ameliorating the economic and social conditions of the masses.

The Development Expenditure of the State for the years 1957-58 and 1958-59 is constituted as follows:—

(In lakhs of Rupees)

Development Expenditure (1)	1957-58 (B.E.) (2)	1957-58 (R.E.) (3)	1958-59 (B.E.) (4)
Revenue Account	1319.61 (37.00)	1014.22 (36.27)	1172.35 (34.18)
Capital Expenditure	1385.49 (38.84)	1055.63 (37.76)	1207.15 (35.20)
Loans and Advances by the State Government.	861.81 (24.16)	726.11 (25.97)	1050.21 (30.62)
Total	3566.91 (100.00)	2795.96 (100.00)	3429.71 (100.00)

Figures in brackets above represent the percentages to total development expenditure. In the following table are depicted the development budget estimates for the year 1958-59 for certain important heads of expenditure:—

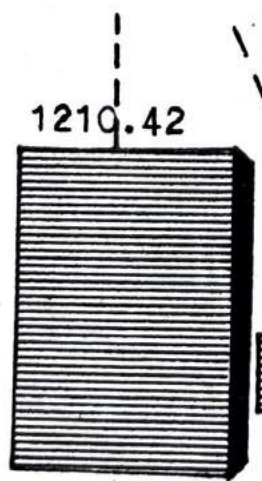
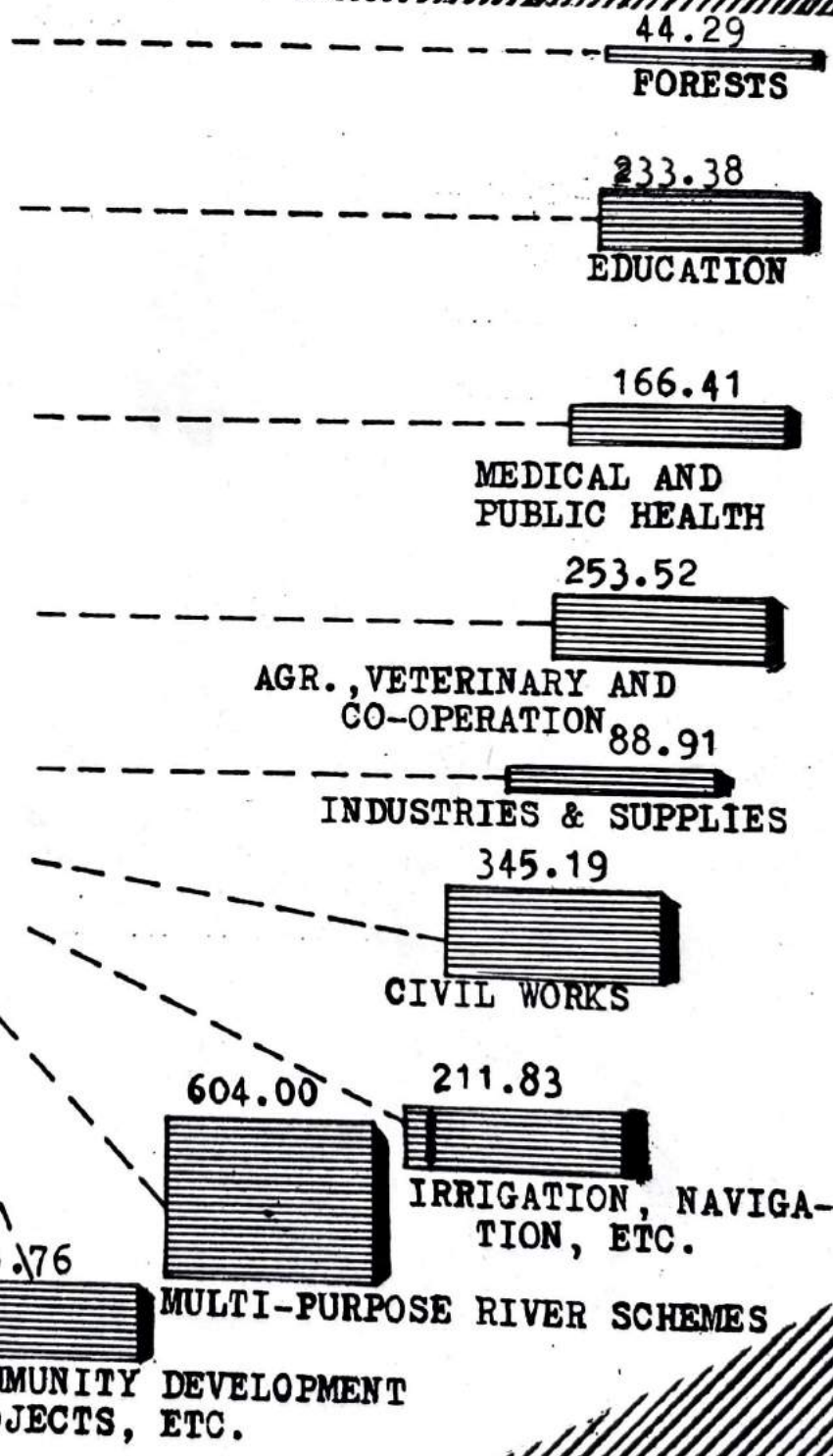
(In lakhs of Rupees)

Heads of Expenditure (1)	Development Estimates (2)
Forests	44.29
Education	233.38
Medical and Public Health	166.41
Agriculture, Veterinary and Co-operation	253.52
Industries and Supplies	88.91
Civil Works	345.19
Irrigation, Navigation, Embankment and Drainage	211.83
Multi-purpose River Schemes	604.00
Community Development Projects, National Extension Service and Local Development Works	271.76
Other Items of Expenditure including State Loans to Local Funds, Private Parties, etc.	1210.42
Total	3429.71

DEVELOPMENT EXPENDITURE

1958-59 (B.E.V)

(Rs. Lakhs)



OTHER ITEMS OF EXPENDITURE

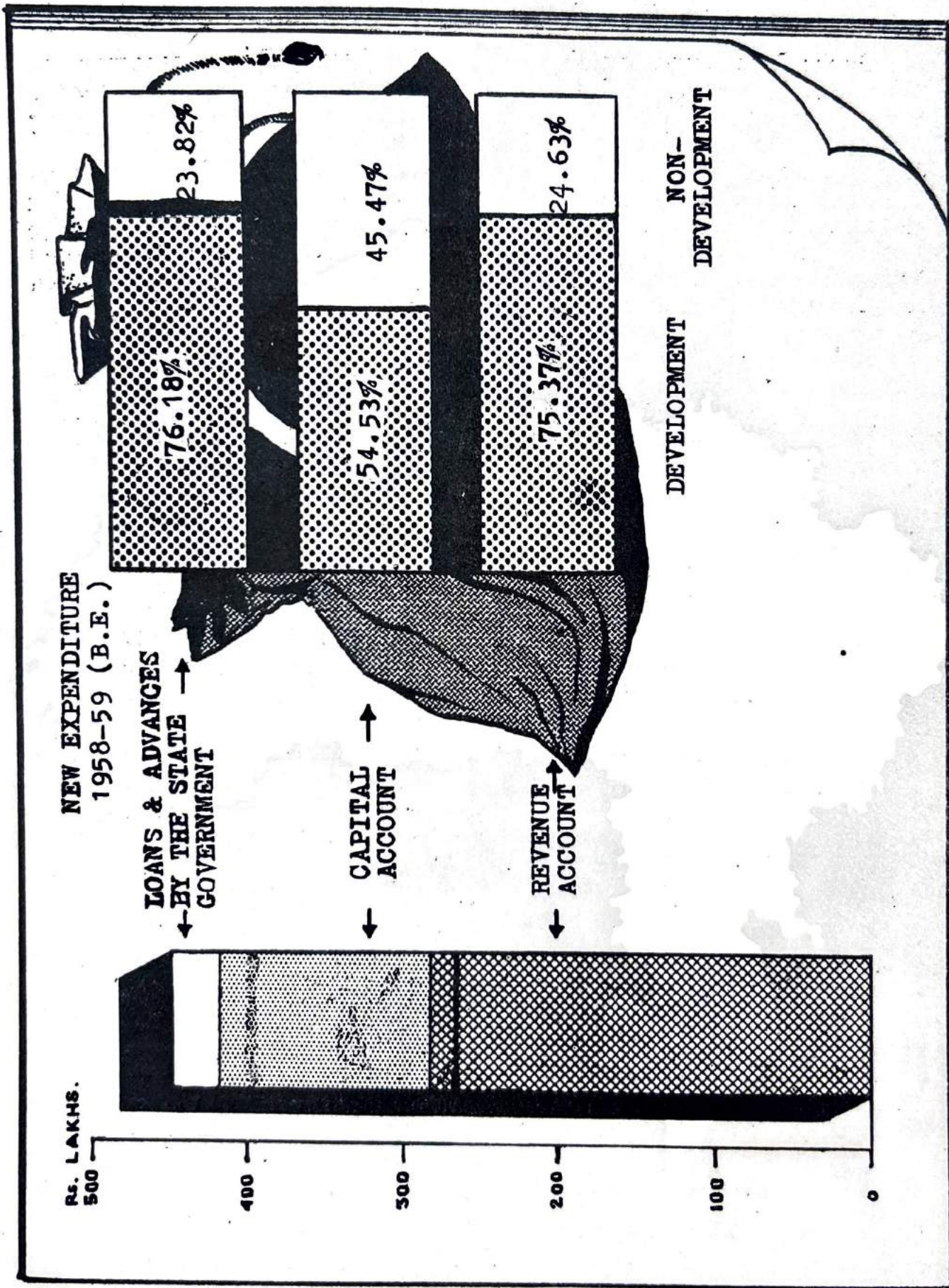
NEW EXPENDITURE

New items of expenditure included in the Budget for the year 1958-59
are summarised below:—

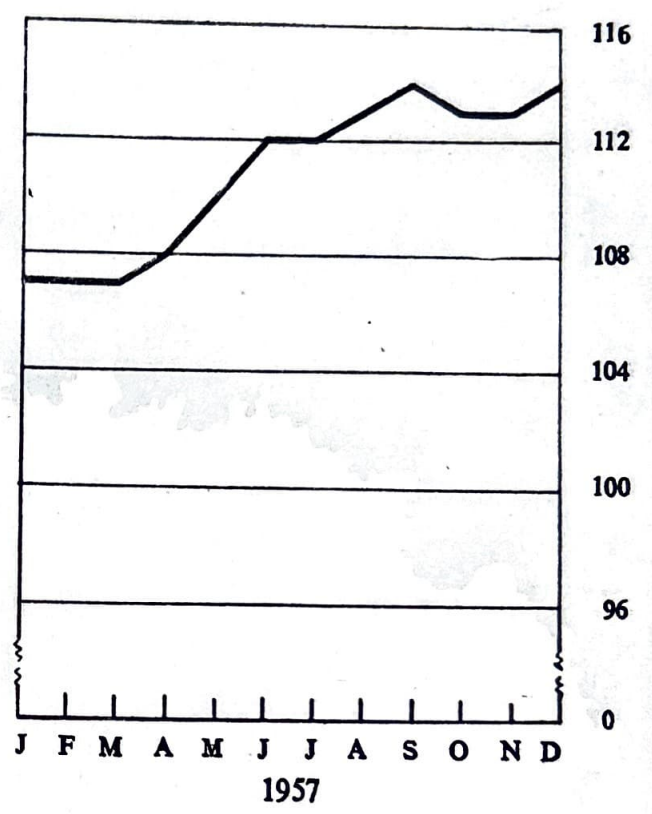
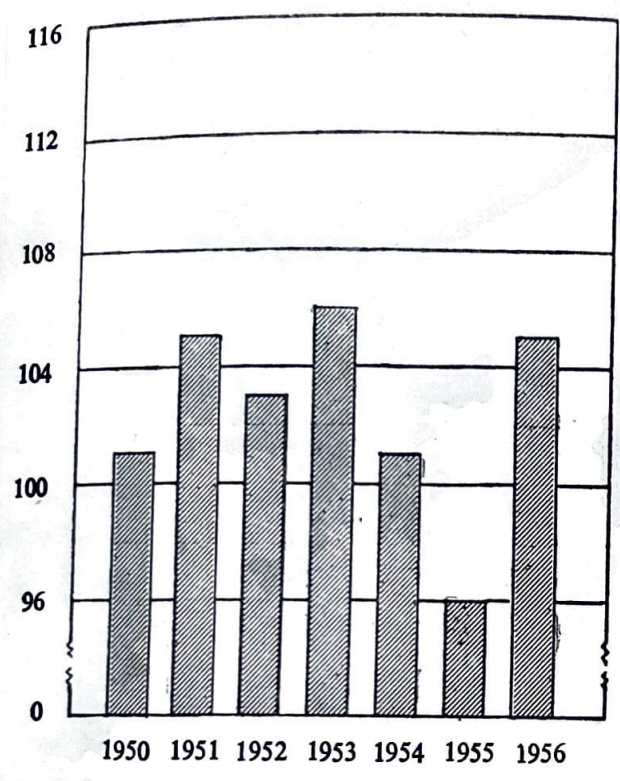
(In lakhs of Rupees)

Items of Expenditure (1)	Non-Deve- lopment (2)	Develo- pment (3)	Total (4)
(a) Revenue Account ..	69.87 (24.63)	213.85 (75.37)	283.72 (100.00)
(b) Capital Account ..	62.11 (45.47)	74.49 (54.53)	136.60 (100.00)
(c) Loans and Advances by the State Government.	7.34 (23.82)	23.48 (76.18)	30.82 (100.00)
Total ..	139.32 (30.88)	311.82 (69.12)	451.14 (100.00)

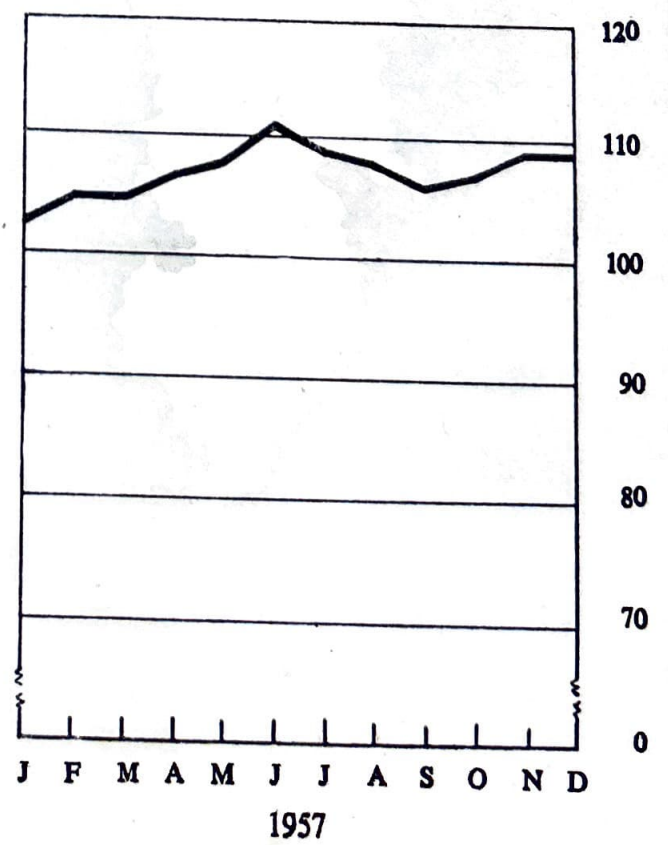
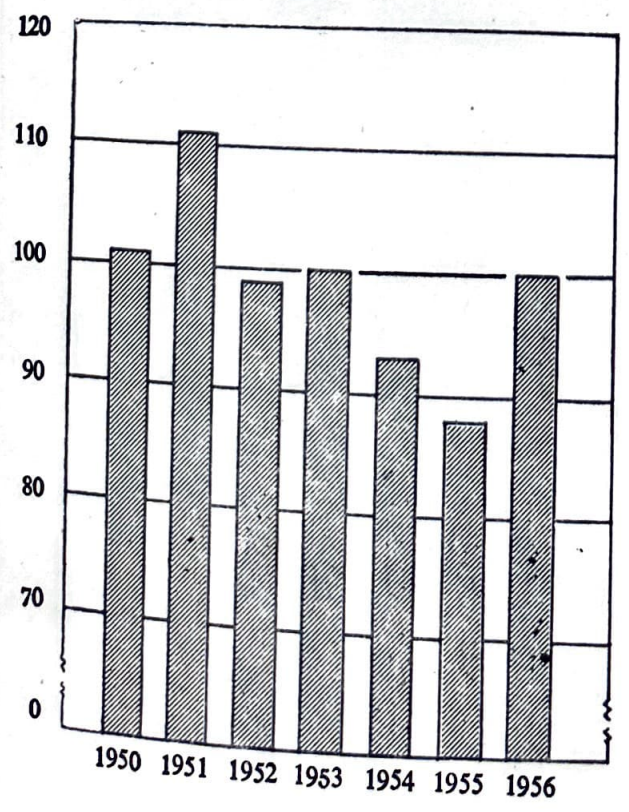
Figures in brackets above represent the percentages to total new expenditure on revenue or capital account or to total new expenditure attributable to loans and advances by the State Government. Of the total expenditure of the State Government (Rs. 8575.87 lakhs) for the year 1958-59—as per the Consolidated Fund excluding disbursements on account of Public Debt—new expenditure constitutes 5.26 per cent. Of the new expenditure itself, 69.12 per cent is earmarked for development and of the new development expenditure, 68.58 per cent is on revenue account.



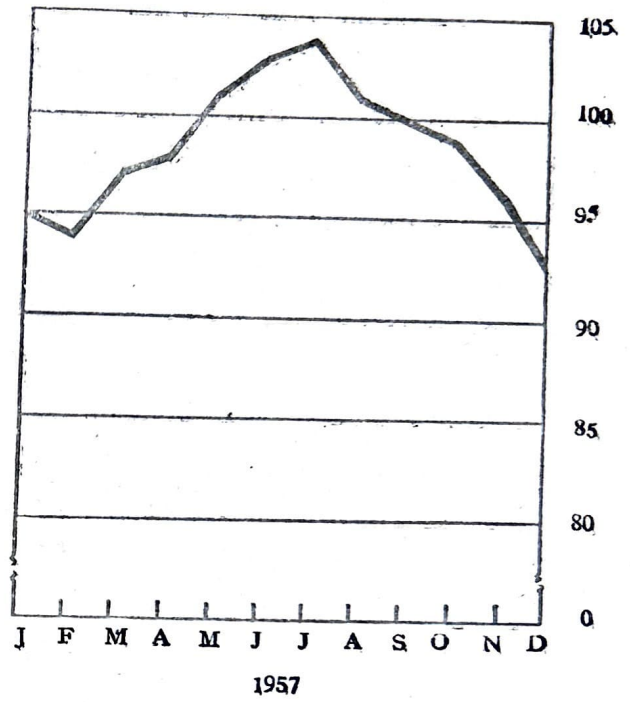
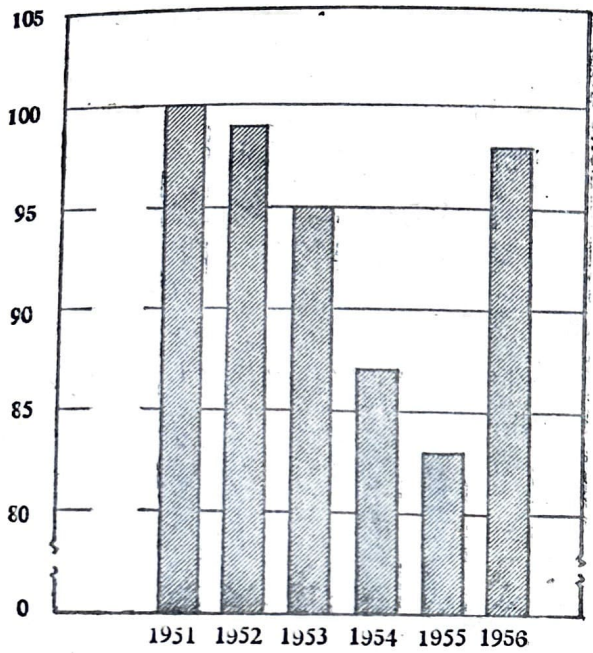
CONSUMER PRICE INDEX NUMBERS (WORKING CLASS) ALL INDIA (BASE 1949 100)



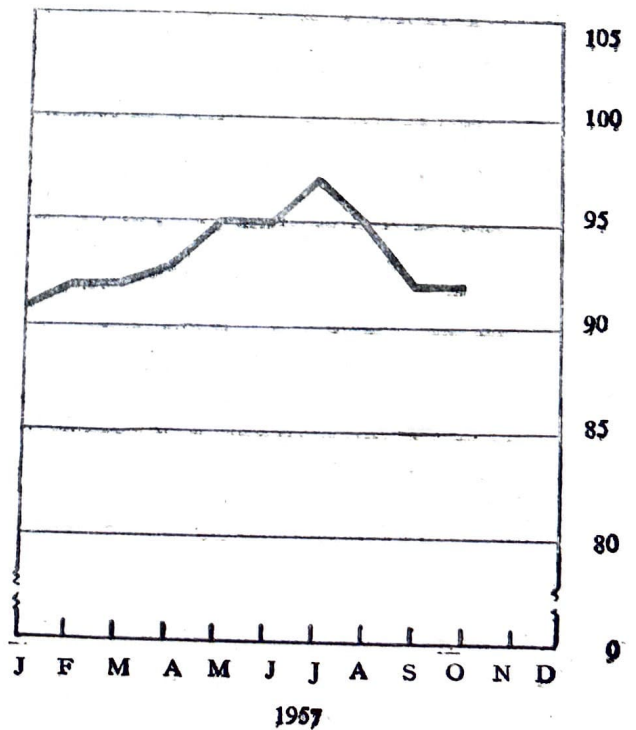
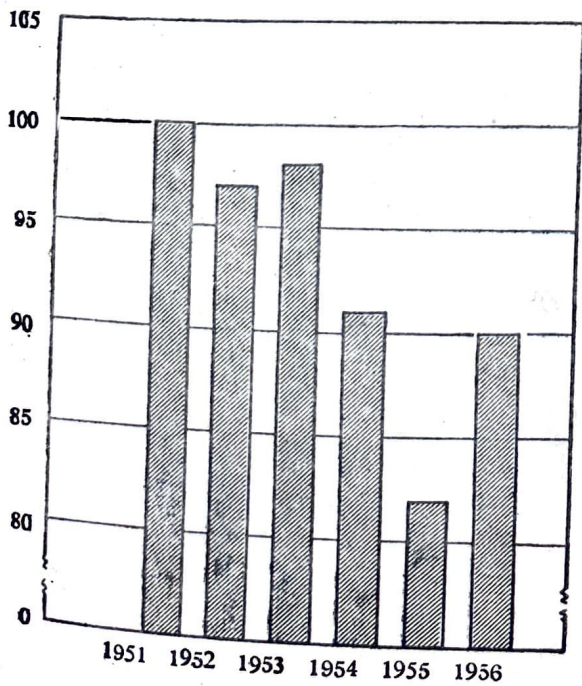
JABALPUR (BASE 1949=100)



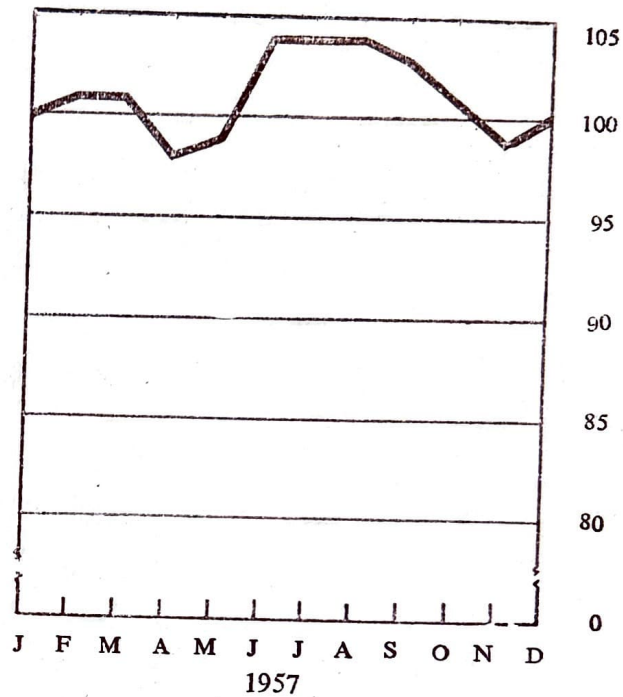
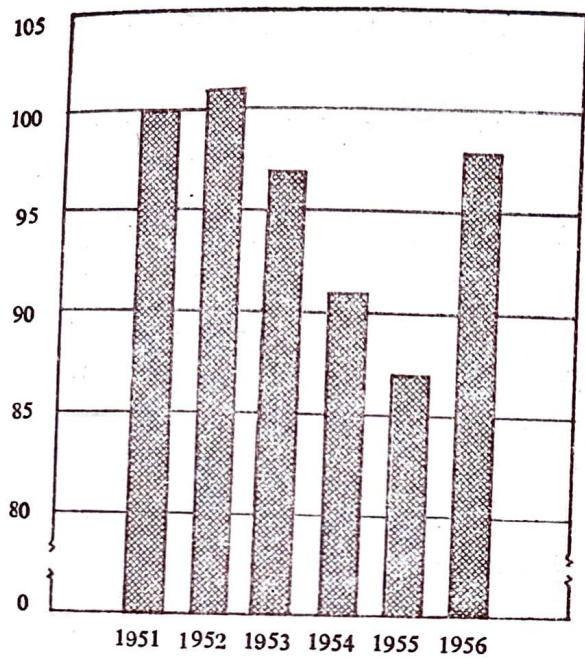
GWALIOR (BASE 1951=100)



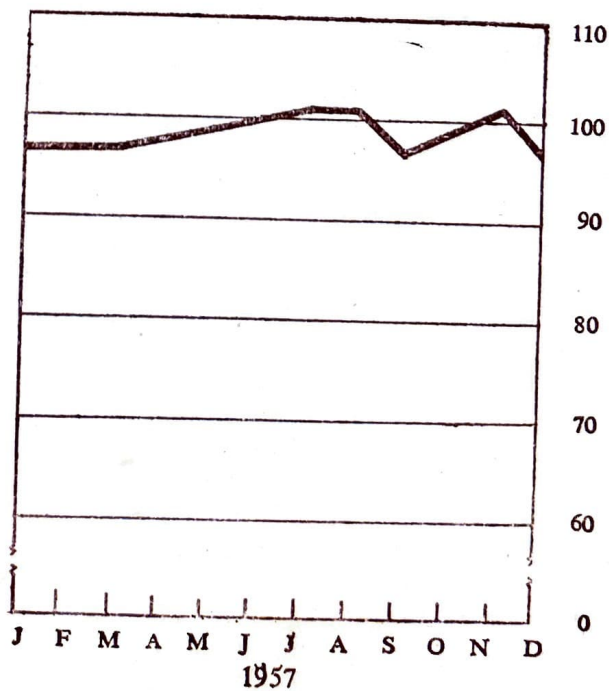
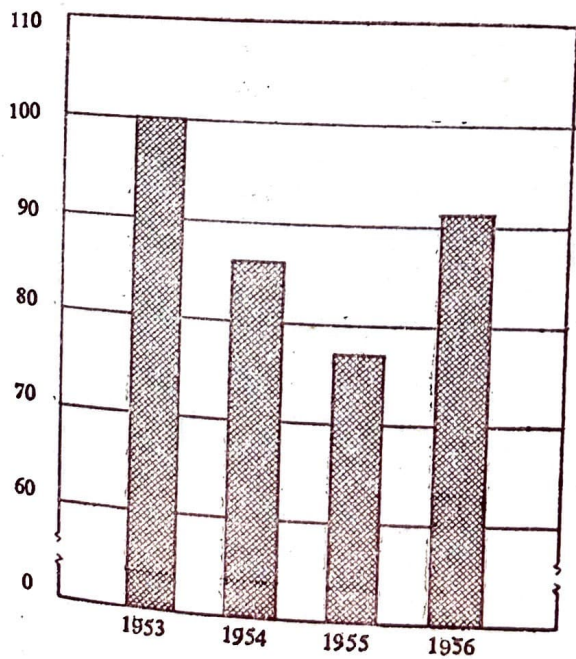
INDORE (BASE 1951=100)



BHOPAL (BASE 1951=100)



SATNA (BASE 1953=100)



INDEX NUMBERS OF WHOLESALE PRICES IN INDIA

A general increase in demand resulting from the increase in investment expenditure on public and private account accompanied by deficit financing and credit expansion has generally been responsible for the rise in the general level of prices in recent years. The general price index in India declined by 17.6 per cent between the middle of 1953 and the middle of 1955 and then rose by 23.4 per cent by the middle of 1957. The price index of Manufactured goods first fell by 2.8 per cent and then rose by 10.5 per cent during the same periods. As against this, the price index for cereals first fell by 34 per cent and then shot up by 51 per cent. The price index for Food Articles increased by 30.6 per cent between the middle of 1955 and the middle of 1957. The Index Numbers of Wholesale Prices (Base year 1952-53=100) during the year 1957 stood at 106.8, 107.9 and 108.7 for Food Articles, Manufactured Articles and All Commodities (General) respectively as against 99.0, 104.8 and 102.6 during 1956 and 85.4, 99.4 and 91.6 during the year 1955. Rise in prices seems to have been checked since September, 1957.

The following table gives the revised series of Price Indices of Food Articles, Manufactured Articles and All Commodities (General) since 1953 :—

Index Numbers of Wholesale Prices in India

(Revised Series)

(Base Year 1952-53=100).

Year/Month	Food Articles	Manu- factured Articles	All Com- modities (General)
*1953	108.9	100.3	105.6
1954	98.2	100.4	99.6
1955	85.4	99.4	91.6
1956	99.0	104.8	102.6
1957	106.8	107.9	108.7
.. January	103.2	108.4	107.1
.. February	104.1	107.4	106.9
.. March	102.3	106.2	105.6
.. April	104.3	106.2	106.5
.. May	107.0	107.5	109.0
.. June	109.3	108.6	110.7
.. July	111.3	108.8	111.9
.. August	112.1	108.6	112.0
.. September	108.5	108.6	109.5
.. October	107.3	108.8	108.9
.. November	107.9	108.4	109.3
.. December	104.0	107.5	107.0

*Average of 9 months only.

INDEX NUMBERS OF WHOLESALE PRICES IN INDIA

(BASE YEAR 1952-53=100)

