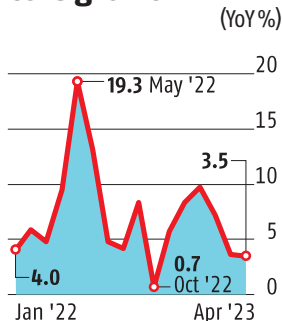


Core sector expands 3.5%, least in 6 mths

POOR SHOWING IN APRIL

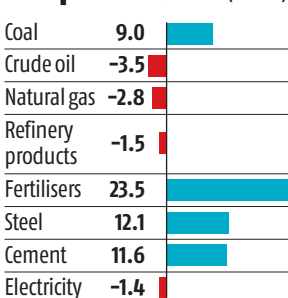
Four of eight key infra industries report sequential deceleration

Core growth



*Provisional

Sectoral growth in April 2023*



Source: Ministry of Commerce and Industry

NIKESH SINGH

New Delhi, 31 May

Growth in eight infrastructure industries — the core sector — slowed to a six-month low at 3.5 per cent in April, with the production of natural gas and refinery products slipping for the first time in five months and crude oil output falling for the 11th consecutive month. Contraction in the electricity sector (-1.4 per cent) continued for the second month in April amid unseasonal rainfall.

Madan Sabnavis, chief economist, Bank of Baroda, said the contraction in the electricity output was due to a higher base. “But this is also reflective of a lower level of industrial activity which has brought down demand. Domestic demand would have varied due to extreme conditions witnessed in different

parts of the country. Unseasonal rainfall lowered the need for cooling.”

The data released by the industry department on Wednesday showed that the output of fertilisers witnessed the biggest jump — 23.5 per cent — in April; growth was also reported in the output of steel (12.1 per cent), cement (11.6 per cent), and coal (9 per cent). The growth rate of the index of eight core industries (ICI) during 2022-23 was 7.7 per cent (provisional), the ministry said in a release.

The index of eight core industries measures the output of key infrastructure sectors — coal, crude oil, natural gas, refinery products, fertilisers, steel, cement, and electricity. These sectors have a 40 per cent weighting in the Index of Industrial Production (IIP).