

## STEEL, POWER AND COAL SEE SHARP GROWTH

# Core sectors grow 12.1% in October on festive boost

The Oct print was also aided by the statistical effect of a low base

PRIYANSH VERMA  
New Delhi, November 30

**THANKS TO FESTIVE SEASON** boost, the output of eight core sector industries rose to 12.1% in October from 9.2% in September, mainly due to sharp expansions recorded in production of electricity, steel, and coal during the month.

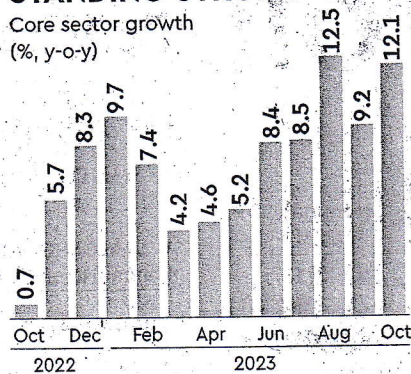
These three industries constitute 48% of the overall core sector industries.

The coal sector's output jumped 18.4% year-on-year in October, and steel's rose 11%. Electricity sector's production surged 20.3% during the month.

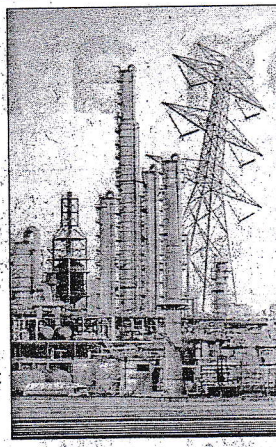
The October print was also

### STANDING STRONG

Core sector growth (% y-o-y)



Source: Industry ministry



aided by the statistical effect of a low base. In October 2022, the core sector had grown only 0.7% year-on-year.

Sequentially, the output of core sector industries increased 2.8% month-on-month.

This is sharply higher than the 0.1% sequential growth recorded in October 2022.

"The year-on-year growth in the core sector expectedly rebounded to double digits in October 2023, aided by the low

base owing to higher number of holidays in the year ago month amid the earlier onset of the festive season in 2022 vis-à-vis 2023," said Aditi Nayar, chief economist, Icra.

The core sector output was 16.1% higher than the pre-pandemic level in October.

The sharp increase in core sector production also reflects the continued investment activity in the country, which is propelled by the government.

"The combined capital outlay of the union and 16 states grew 33.7% year-on-year in October 2023. The continued double-digit growth in steel and cement sectors indicates a favourable progress in the construction activity in the country," said India Ratings and Research in a report.

The agency expects the core sector output to grow by around 10% in November.