

Core sector output rises 4.6% in Jan

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Output in India's eight core infrastructure sectors, which constitute about 40 per cent of overall industrial production, grew 4.6 per cent in January, slightly slower than the revised 4.8 per cent growth recorded in December but still the second-highest increase in six months.

On a sequential basis, however, the Index of Core Industries (ICI) rose 2.4 per cent from December 2024 to 173, marking a 10-month high and the highest output level recorded so far in 2024–25. In comparison, core sector output had grown 4.2 per cent in January 2024.

January's growth was driven largely by a 14.5 per cent surge in cement production and an 8.3 per cent uptick in refinery products, both recording their sharpest expansion in at least 13 months. Coal output grew 4.6 per cent, the slowest increase in four

months, while other core sectors lagged the headline growth. Fertiliser production rose 3 per cent, a five-month high. However, crude oil production slipped back into contraction, declining 1.1 per cent in January — the eighth dip in nine months. Natural gas output also contracted, falling 1.5 per cent for the seventh consecutive month. Steel

and electricity generation grew 3.7 per cent and 1.3 per cent, respectively, both registering their slowest growth in four months.

The Commerce and Industry Ministry revised core sector growth

upwards for October to 3.8 per cent from the earlier estimate of 3.1 per cent and for November to 4.4 per cent from the initially reported 4.3 per cent.

Bank of Baroda chief economist Madan Sabnavis said that cement's 14.5 per cent growth, compared to 4.1 per cent in January last year, signals good demand from the real estate and roads sectors."

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