

India's industrial production registers 2.7 per cent growth in April

AGENCIES

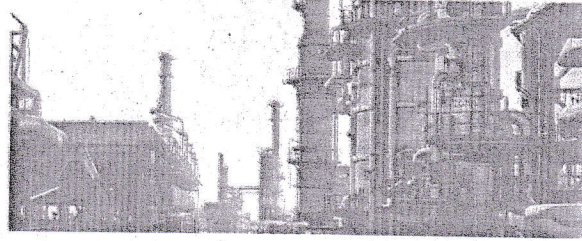
NEW DELHI, 28 MAY

India's industrial growth, based on the Index of Industrial Production (IIP), recorded a 2.7 per cent growth in April this year, according to data released by the Ministry of Statistics on Wednesday.

The data showed that the manufacturing sector, which provides quality jobs for the country's young graduates passing out of the country's universities and engineering institutes, recorded a 3.4 per cent growth in April over the same month of the previous year. It also represented an acceleration compared to the 3 per cent growth registered in March.

The power sector output grew by 1.1 per cent during the month, while the mining sector proved to be a laggard with a contraction of 0.2 per cent. This negative growth in the mining sector also pulled down the overall figure for industrial growth during the month.

Within the manufacturing



sector, 16 out of 23 industry groups recorded a positive growth in April this year over the same month last year. The top three positive contributors for the month are - manufacture of basic metals (4.9 per cent), manufacture of motor vehicles, trailers and semi-trailers (15.4 per cent) and manufacture of machinery and equipment." (17 per cent).

In the industry group manufacture of basic metals, item groups "Pipes and tubes of Steel", "MS blooms and pencil ingots", and flat products of alloy steel have shown a significant contribution to growth.

The figures on use-based classification show that the production of capital goods,

which comprise machines used in factories, went up by a robust 20.3 per cent in April. This segment reflects the real investment taking place in the economy, which has a multiplier effect on the creation of jobs and incomes going ahead.

There was also a 6.4 per cent increase in the production of consumer durables such as electronic goods, refrigerators, and TVs during November, reflecting the higher consumer demand for these items amid rising incomes.

The infrastructure sector clocked a growth of 4 per cent on the back of big-ticket government projects being implemented in the highways, railways and ports sectors.