



India's core sector output registered double-digit growth in June; increases by 12.7%

The eight core industries include electricity, coal, crude oil, natural gas, refinery products and fertilizers. Coal, petroleum, cement and electricity rose in double digits.

🔄 | A+ A A-



Image for representational purpose only. (File | Photo)

By Express News Service

NEW DELHI: India's core sector output registered double-digit growth for the second straight month in June at 12.7%. However, sequentially declining it was lower than may growth, as it was at 19.3%, the government data released on Friday showed.

The eight core industries include electricity, coal, crude oil, natural gas, refinery products and fertilizers. Coal, petroleum, cement and electricity rose in double digits. Coal production increased by 31.1% in June 2022 over last year in the same month. However, crude oil production fell by 1.7% in June 2022 year-on-year basis. Quarter-wise, the core sector growth was only 13.7% in April-June as compared with 26% in the same quarter of the previous year.

“As expected, the core sector growth reported a fairly broad-based moderation to 12.7% in June 2022 from 19.3% in the previous month, reflecting the normalising base, while mildly exceeding our forecast of 11-12%,” Aditi Nayar, Chief Economist at ICRA said.

“Coal, cement, refinery products and electricity generation demonstrated double-digit growth in June 2022, whereas the rise in steel and natural gas was quite muted,” Nayar added. “In line with the moderation in the year-on-year performance registered by the most high-frequency indicators as well as the core sector in June 2022, we expect the IIP growth to ease to ~11-13% in that month,” Nayar further stated.