

Core sector growth slows to 1% in February

Fallout of decline in output in cement, crude oil, and fertilisers industries

OUR BUREAU

New Delhi, March 31

Growth of the eight core infrastructure sectors decelerated to 1 per cent in February 2017 (year-on-year), with output declining for all items with the exception of coal, steel and electricity.

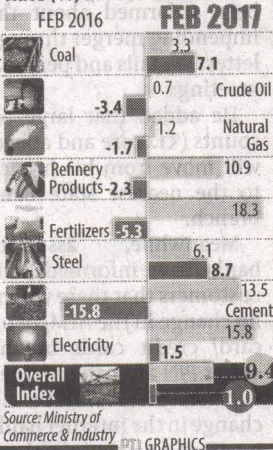
The core sectors, which contribute 38 per cent to total industrial production, posted a growth of 3.4 per cent in January 2017.

“A glance through the index number suggests that the production at each of the eight infrastructure industries in the month of February 2017 has been lower than the levels achieved in the past 10 to 12 months. This clearly indicates that economic recovery, particularly invest-

Performance of 8 CORE INDUSTRIES

(Weight in IIP: 37.90%) Base: 2004-05=100

Sector-wise Growth Rate (%) in Production



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Research.

In the April-February 2016-17 period, the core sectors, which also include cement, crude oil, natural gas, refinery products and fertilisers, expanded 4.4 per cent compared to 3.5 per cent in the same period last year.

Cement production recorded the sharpest drop of 15.8 per cent in February. Fertiliser declined by 5.3 per cent while crude oil, natural gas and refinery products production dropped by 3.4 per cent, 1.7 per cent, 2.3 per cent respectively.

Coal production increased by 7.1 per cent while steel increased by 8.7 per cent. The growth in electricity was modest at 1.5 per cent.

ment cycle, is still fragile and infrastructure industries will continue to struggle in the foreseeable future,” pointed out Sunil Sinha, Principal Economist, India Ratings and