

# At 6.3%, August core sector growth hits 15-month high

## Our Bureau

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Strong performance of coal and steel production pushed the growth of the core sector to a 15-month high at 6.3 per cent, the government reported on Monday. The final growth rate in July was 3.7 per cent.

“The production of steel, coal, cement, fertilizer, electricity and petroleum refinery products recorded positive growth in August, 2025,” a government statement said. The core sector comprises eight key sectors: steel, coal, cement, fertilizer, electricity, crude oil, natural gas, and petroleum refinery products. These industries collectively account for over 40 per cent of the Index of Industrial Production (IIP).

### **STEEL, COAL TAKE LEAD**

Strong performance of the core sector indicates good overall industrial growth in August, the data for which will be made public later this week.



Steel topped the growth chart with 14.2 per cent y-o-y. This was followed by coal production with a rise of 11.4 per cent, cement production by 6.1 per cent, fertiliser production by 4.6 per cent, electricity generation by 3.1 per cent, and petroleum refinery production rose 3 per cent. However, crude oil production declined 1.2 per cent. Similarly, natural gas production dropped 2.2 per cent.

“ICRA expects the IIP growth to print at 4.5-5.5 per cent in August 2025, particularly aided by a turnaround in the performance of mining output, which has seen a contraction in every month during April-July 2025,” said Aditi Nayar, Chief Economist at ICRA.