

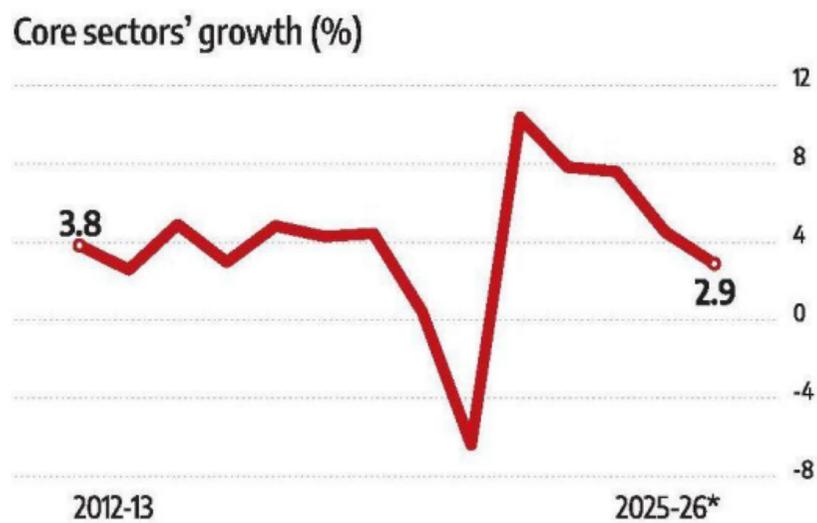
Feb blip: India's core sectors headed for worst showing in 6 years

VIKAS DHOOT

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With output growth halving to 2.3 per cent in February from 4.7 per cent in January, India's core sectors are headed for their worst performance in six years in 2025-26 (FY26) with the first eleven months of the year seeing an uptick of just 2.9 per cent, compared to 4.4 per cent in the same period of FY25.

Five of the eight core infrastructure sectors recorded growth in February, but as many as six sectors recorded a deceleration from January's uptick, including refinery products that contracted 1 per cent after recording a flat tra-



*Apr-Feb; **Provisional



February output growth

Sector	Growth (%)
Coal	2.3
Crude Oil	-5.2
Natural Gas	-5
Refinery Products	-1
Fertilisers	3.4
Steel	7.2
Cement	9.3
Electricity	0.5

jectory in the preceding month.

Crude oil output fell 5.2 per cent in its sixth straight month of contraction, while natural gas

output shrank for the 20th successive month, with a 5 per cent dip, the same as in January. Electricity generation growth slowed to a

three-month low of 0.5 per cent.

“Even before the start of the West Asia crisis, the growth of the core sector output in India

had slowed to a three-month low of 2.3 per cent in February 2026. The sequential halving in year-on-year growth from January

2026 was relatively broad-based, with only two sectors, cement (9.3 per cent) and steel (7.2 per cent), eking out a growth of over 3.5 per cent,” said Aditi Nayar, chief economist at ICRA.

Core sectors constitute about 40 per cent of the Index of Industrial Production (IIP), and Nayar expects IIP growth to moderate to around 4 per cent in February from 4.8 per cent in January. The last time core sectors' growth was weaker than 2.9 per cent, was in the Covid-affected year of 2020-21 when their output shrank 6.4 per cent, and the preceding year of 2019-20 when production rose a mere 0.4 per cent.