

Macro Insights

23rd December 2025

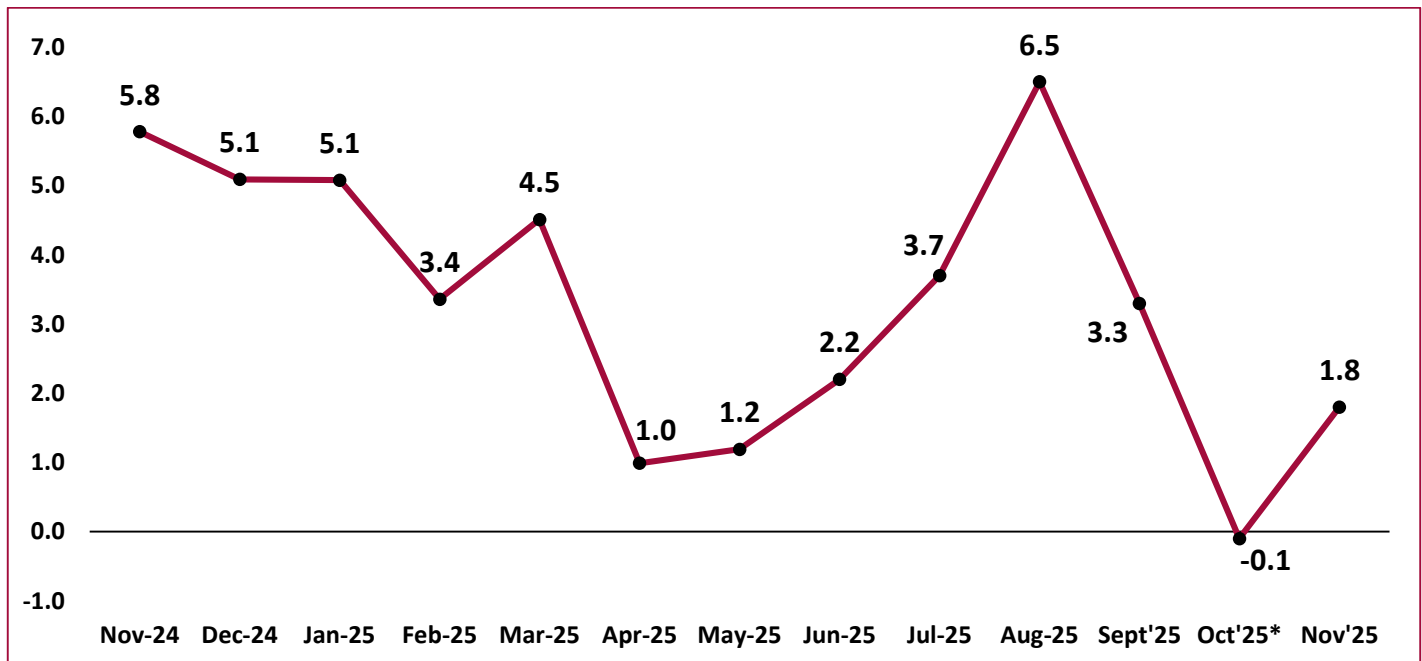
Core Sectors grew by 1.8% in November 2025

Growth in the Index of Eight Core Industries grew by 1.8% (YoY) snapping a contraction in October'25 of -0.1% YoY. The index grew by 5.8% in November last year. The index shows a contraction of 0.2% month on month from October'25 to November'25.

Highlights:

- Four out of eight core sectors i.e. Crude Oil, Natural Gas, Refinery products and electricity production accounting for 63.7% of the index weight, witnessed contraction in November 2025.
- Cement production showed the highest YoY growth in November'25, registering 14.5% YoY growth, as against 5.2% growth recorded in October'25. Steel production showed a YoY growth of 6.1%.
- Fertilizer sector grew by 5.6% YoY, as against only 7.4% growth recorded in October'25.
- Coal production showed 2.1% YoY growth in November'25, improving drastically from -8.5% YoY in October'25.

Eight Core Industries – November 2025 (YoY Growth in %)



*Provisional

Source: Office of Economic Adviser

Components of Eight Core Sector (YoY Growth in %)

Sr. No	Sector	Weight	Nov-2024	May-2025	Jun-2025	Jul-2025	Aug-2025	Sept-2025	Oct-2025	Nov-2025
1	Coal	10.3	7.5	2.8	-6.8	-12.3	11.4	-1.2	-8.5	2.1
2	Crude Oil	9.0	-2.1	-1.8	-1.2	-1.3	2.4	-1.3	-1.2	-3.2
3	Natural gas	6.9	-1.9	-3.6	-2.8	-3.2	-2.2	-3.8	-5.0	-2.5
4	Refinery Products	28.0	2.9	1.1	3.4	-1.1	3.0	-3.7	4.6	-0.9
5	Fertilizers	2.6	2.0	-5.9	-1.2	2.0	4.6	1.6	7.4	5.6
6	Steel	17.9	10.5	7.4	9.7	16.6	13.6	14.4	5.9	6.1
7	Cement	5.4	13.1	9.7	8.2	11.6	5.4	5.0	5.2	14.5
8	Electricity	19.8	4.4	-4.7	-1.2	3.7	4.1	3.1	-6.9	-2.2
	Overall Index	100.0	5.8	1.2	2.2	3.7	6.5	3.3	-0.1	1.8

*Provisional

Source: Office of Economic Adviser

Views & Outlook:

- India's core sector growth rebounded to a YoY growth of 1.8% in November 2025, largely driven by growth in Cement, Steel, Fertilizers and Coal.
- From April to Nov 2025, core sector growth stood at 2.4% (provisional) significantly lower than the corresponding period for the last financial year, when the core sector growth was 4.4%.
- Among the sectors that witnessed contraction in November'25, Electricity production contracted by 2.2% which is a sharp drop from 4.4% growth recorded in November'24. Natural Gas production also slipped by 2.5%. Refinery products declined by 0.9% YoY after expansion of 4.6% in October'25. Since Refinery products have largest weight (28.0%), even small declines in this significantly impact the overall Index.
- Strong double-digit growth in cement and high growth in steel show infrastructure and housing demand resilience. Steel and cement production is expected to grow owing to infrastructure and housing demand. But growth in energy-related sectors (oil, gas, electricity) is important for overall Core Sector Growth.
- Looking ahead, recovery will depend on steady energy supply, effective use of infrastructure spending, and demand stimulation through policy measures. In the medium term, growth is likely to be anchored by busy season and year end activities along with continued government-led investment initiatives.

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