

### IIP contracts by 4.0% in October 2022

#### Industrial Performance – Segment wise- Growth (% YoY)

Month	IIP	By economic activity		
		Mining & quarrying	Manufacturing	Electricity
<b>Weight</b>	<b>100.0</b>	<b>14.4</b>	<b>77.6</b>	<b>8.0</b>
Oct-21	4.2	11.5	3.3	3.1
Nov-21	1.0	4.9	0.3	2.1
Dec-21	1.0	2.6	0.6	2.9
Jan-22	2.0	3.0	1.9	0.9
Feb-22	1.2	4.6	0.2	4.5
Mar-22	2.2	3.9	1.4	6.1
Apr-22	6.7	8.4	5.6	11.8
May-22	19.7	11.2	20.7	23.5
Jun-22	12.6	7.8	12.9	16.4
Jul-22	2.2	-3.4	3.1	2.3
Aug-22	-0.7	-3.9	-0.5	1.4
Sep-22	3.5	5.2	2.2	11.6
Oct-22	<b>-4.0</b>	<b>2.5</b>	<b>-5.7</b>	<b>1.2</b>
Apr-Oct 21-22	<b>20.5</b>	<b>20.5</b>	<b>21.8</b>	<b>11.3</b>
Apr-Oct 22-23	<b>5.4</b>	<b>4.0</b>	<b>5.0</b>	<b>9.4</b>

Industrial production in the country, measured by the IIP reported a contraction of 4.0 percent y-o-y in October 2022. The index had registered a growth of 3.5 percent y-o-y during the previous month and 4.2 percent growth during October 2021. Barring the COVID-19 period, this is the worst decline in the overall index since October 2019 when the index had contracted by 6.6 percent.

According to the economic activity wise classification of the industrial production index, all the three broad sub-segments reported a conspicuous slowdown - with the manufacturing sector reporting a contraction by 5.7 percent in October 2022 on a y-o-y basis. Manufacturing sector had registered a y-o-y growth of 2.2 percent in September 2022 and that of 3.3 percent in October 2021.

Out of all the 23 sub-segments of manufacturing, 17 sub-segments witnessed a y-o-y contraction in October 2022- with tobacco products, textiles, apparel, leather products, wood products, pharmaceuticals, computer & electronic goods, and electrical equipment registering double-digit declines in output. An expansion in manufacturing in October was noted only in case of six segments- beverages, recorded media, basic metals, fabricated metal products, motor vehicles, and furniture- although the growth registered was quite moderate compared to September 2022.

The sectors of mining & quarrying and electricity reported marginal expansion of 2.5 percent and 1.2 percent y-o-y respectively in October 2022 vis-à-vis the corresponding growth numbers of 5.2 percent and 11.6 percent registered in September 2022.

Source: CMIE

#### Use-based Classification (% Y-o-Y)

Month	Primary goods	Capital goods	Intermediate goods	Infrastructure/construction goods	Consumer goods	Consumer durables	Consumer non-durables
<b>Weight</b>	<b>34.1</b>	<b>8.2</b>	<b>17.2</b>	<b>12.3</b>	<b>28.2</b>	<b>12.8</b>	<b>15.3</b>
Oct-21	9.0	-1.6	4.6	6.6	-1.0	-3.2	0.7
Nov-21	3.5	-2.6	2.1	3.1	-2.6	-5.7	-0.8
Dec-21	2.8	-3.0	1.0	2.0	-0.6	-1.9	0.3
Jan-22	1.6	1.8	2.5	5.9	0.0	-4.4	3.1
Feb-22	4.6	1.3	4.1	8.7	-8.0	-9.7	-6.8
Mar-22	5.7	2.4	1.8	6.7	-3.9	-3.1	-4.4
Apr-22	10.3	12.0	7.1	4.0	2.2	7.2	-0.8
May-22	17.8	53.3	17.5	18.4	19.1	59.1	1.4
Jun-22	13.8	28.6	10.5	9.4	11.2	25.2	2.9
Jul-22	2.5	5.1	3.7	4.8	-0.8	2.3	-2.9
Aug-22	1.7	4.3	1.2	2.1	-6.6	-2.5	-9.5
Sep-22	9.5	11.4	1.8	7.7	-5.0	-3.2	-6.3
Oct-22	<b>2.0</b>	<b>-2.3</b>	<b>-2.8</b>	<b>1.0</b>	<b>-14.2</b>	<b>-15.3</b>	<b>-13.4</b>
Apr-Oct 21-22	<b>14.8</b>	<b>35.5</b>	<b>28.0</b>	<b>32.0</b>	<b>15.2</b>	<b>30.4</b>	<b>7.2</b>
Apr-Oct 22-23	<b>8.1</b>	<b>14.1</b>	<b>5.3</b>	<b>6.5</b>	<b>-0.04</b>	<b>6.5</b>	<b>-4.2</b>

Source: CMIE

# Fact Sheet – Index of Industrial Production (IIP)

## December 2022

▪The moderation in mining sector was led by a subdued performance in coal output (seven-month low of 3.6% in October 2022 from 12.0% in September 2022) and natural gas output (22-month low (-)4.3% in October 2022); while the pace of electricity generation slowed owing to a relatively muted performance of thermal and hydroelectricity generation.

▪As per the use-based classification, output of primary goods and infrastructure goods rose marginally by 2.0 percent and 1.0 percent y-o-y, respectively, while output of the other segments viz capital goods, intermediate goods, and consumer goods (both durable and non-durables) witnessed contractions in output in October 2022. The consumer goods sub-segment witnessed double-digit decline in October indicating that the FMCG sector and the consumer durables sector continue to witness a slowdown reflecting weak demand prospects.

### Manufacturing Sub-segments Growth (% YoY)

Segment	Weight	Oct-21	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
<b>Food products</b>	5.3	4.3	5.1	-2.6	-0.3	4.0	<b>-4.1</b>
Beverages	1.0	5.0	45.7	13.1	6.7	12.3	2.8
<b>Tobacco products</b>	0.8	9.8	52.7	-9.1	-12.9	-0.7	<b>-14.3</b>
<b>Textiles</b>	3.3	13.5	-3.1	-9.0	-12.2	-13.9	<b>-18.6</b>
<b>Wearing apparel</b>	1.3	36.5	42.6	15.1	-18.1	-21.6	<b>-37.1</b>
<b>Leather and related products</b>	0.5	-11.3	1.9	-13.5	-15.4	-17.5	<b>-24.3</b>
<b>Wood and products of wood and cork</b>	0.2	-1.2	14.4	7.9	-3.6	-3.7	<b>-12.7</b>
<b>Paper and paper products</b>	0.9	20.6	8.3	-0.2	0.4	6.2	<b>-8.9</b>
Printing and reproduction of recorded media	0.7	6.4	45.1	41.2	27.6	29.1	14.6
<b>Coke and refined petroleum products</b>	11.8	13.4	17.4	7.2	6.6	9.7	<b>-1.0</b>
<b>Chemicals and chemical products</b>	7.9	-1.6	14.8	7.2	5.9	6.4	<b>-2.4</b>
<b>Pharmaceuticals, medicinal chemical and botanical products</b>	5.0	-1.2	-4.6	-4.7	-18.1	-15.1	<b>-21.4</b>
<b>Rubber and plastics products</b>	2.4	-6.9	5.7	-2.2	-4.6	-2.8	<b>-2.2</b>
<b>Other non-metallic mineral products</b>	4.1	10.3	19.6	0.0	1.2	9.7	<b>-3.6</b>
Basic metals	12.8	7.0	7.2	6.7	3.3	5.7	4.1
Fabricated metal products	2.7	-7.1	14.3	-4.1	-7.0	14.6	6.5
<b>Computer, electronic and optical products</b>	1.6	0.5	43.8	2.8	3.6	-0.2	<b>-12.3</b>
<b>Electrical equipment</b>	3.0	-4.4	11.1	-16.1	-28.5	-31.0	<b>-33.2</b>
<b>Machinery and equipment</b>	4.8	-6.2	19.9	4.1	3.1	6.4	<b>-9.0</b>
Motor vehicles, trailers and semi-trailers	4.9	-10.7	31.2	17.8	23.7	29.1	12.3
<b>Other transport equipment</b>	1.8	-17.1	36.2	-1.2	7.8	14.8	<b>-6.1</b>
Furniture	0.1	9.6	31.8	32.4	44.4	30.3	6.8
<b>Other manufacturing</b>	0.9	38.1	26.4	6.9	6.3	4.8	<b>-31.0</b>

Source: CMIE

### Performance of Eight Core Industries : Base Year 2011-12 (Y-o-Y change in % )

Month	Overall index	Coal	Crude oil	Natural gas	Refinery products	Fertilizers	Steel	Cement	Electricity
Weight	100.0	10.3	9.0	6.9	28.0	2.6	17.9	5.4	19.9
Oct-21	8.8	14.7	-2.1	25.9	14.4	0.1	5.8	14.6	3.1
Nov-21	3.2	8.2	-2.2	23.6	4.3	2.5	0.9	-3.6	2.1
Dec-21	4.1	5.2	-1.7	19.6	5.9	3.5	-0.6	14.2	2.9
Jan-22	4.0	8.2	-2.5	11.6	3.7	-2.0	3.8	14.1	0.9
Feb-22	5.8	6.6	-2.2	12.5	8.8	-1.4	5.6	4.2	4.5
Mar-22	4.8	0.2	-3.4	7.6	6.0	15.3	4.1	8.9	6.1
Apr-22	9.6	30.1	-0.9	6.3	9.2	8.8	2.5	7.5	11.8
May-22	19.3	33.5	4.6	7.0	16.7	22.9	15.1	26.2	23.5
Jun-22	13.1	32.0	-1.7	1.3	15.1	8.1	3.3	19.7	16.4
Jul-22	4.8	11.3	-3.7	-0.3	6.2	6.2	7.5	0.7	2.3
Aug-22	4.1	7.7	-3.4	-1.0	7.0	11.9	5.3	1.8	1.4
Sep-22	7.8	12.0	-2.3	-1.6	6.7	11.8	5.7	12.5	11.6
Oct-22	0.2	3.6	-2.3	-4.3	-3.1	5.4	4.1	-4.3	0.4

Source: CMIE

The overall core sector index for the month of October 2022 remained almost flat, registering a growth of mere 0.2 percent y-o-y vis-à-vis 7.8 percent growth registered in the previous month. The index had grown 8.8 percent y-o-y in October 2021. The sectors of coal, fertilizers, steel, and electricity noted an expansion in the month of October 2022, although the growth was muted compared to the previous month. On the other hand, the sectors of crude oil, natural gas, refinery products, and cement noted contraction in production in October 2022. The trend is evident in the overall IIP numbers for the month of October 2022.

### Comments

The IIP growth was much below the anticipated levels driven by a contraction in manufacturing activity in the country. The decline may be attributed to a greater number of holidays during the festive month of October. The global slowdown resulting in lower export orders also contributed to the muted performance. High-frequency indicators have been exhibiting mixed signals as well. Business sentiments have been muted as indicated by recent surveys undertaken by FICCI. The numbers over the next few months will indicate a clearer trajectory of industrial activity in the country.