Core industries grow 10.9%: reading the data and base effect

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Prelims: ICI composition, weights, base year | Published: 21 November 2026



मौलिक प्रतीकात्मक चित्र: pcsmantra.com

Why in news

The Ministry of Commerce and Industry (Office of the Economic Adviser) on 20 November 2026 released the provisional Index of Core Industries (ICI) for October 2026, growth of **10.9%** year-on-year (base year 2022-23). The final September 2026 index was revised from 118.3 to 118.6, taking growth from 7.9% to 8.2%. Cumulative growth for April-October 2026 stood at 6.0%, against 2.3% in the same period last year.

Sectoral picture (October 2026, year-on-year)

- **Iron ore**: +26.4%
- **Coal**: +23.1% (10.7% in September)
- **Electricity**: +21.6% (12.6% in September - revised)
- **Cement**: +15.4%
- **Steel**: +7.3%
- **Refinery products**: +3.4%
- **Negative**: natural gas, crude oil and fertilizers. The official series shows both crude oil and natural gas contracting in each of the last 13 months (over a year).

The new series and base year 2022-23

The new series has **nine sectors**, with **iron ore** added. Weights are - electricity 30.932, refinery products 22.572, steel 17.584, crude oil 7.43, coal 5.596, iron ore 4.905, cement 4.41, natural gas 3.841, fertilizers 2.731 (overall weight 100; displayed rounded values may differ slightly). Data for the new series are available from April 2023. The ICI is treated as a lead indicator of the Index of Industrial Production (IIP), given the heavy presence of these sectors in it.

Understanding the base effect

The base effect means that last year's comparison level influences the current growth rate. ICI growth was 0.8% in October 2025; coal and electricity had contracted by 8.4% and 7.0%. The strong October 2026 annual rates must therefore be read alongside that weak comparison. These figures alone do not measure a festive-calendar effect or isolate the share due to the base effect. A sector's growth rate is not its contribution to the overall index: contribution also depends on its weight.

Release schedule

The provisional ICI for a reference month is released on the 20th of the following month (or the next working day); the November 2026 figure is due on 21 December 2026. The full series is on the OEA portal (eaindustry.nic.in).

Way forward

Watch two things - the coming monthly releases, and the policy response to the long contraction in fuels (crude oil, natural gas). If manufacturing and infrastructure-linked strength holds, it bodes well for industrial momentum in Q3 FY27.

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Prelims practice questions

Question 1: With reference to the new ICI series (base year 2022-23), consider the following statements:

Statement 1: It covers nine sectors, including iron ore

Statement 2: Electricity carries the highest weight in it

Which of the above statements is/are correct?

(a) 1 only

(b) 2 only

(c) Both 1 and 2

(d) Neither 1 nor 2

▼ **Answer and explanation**

Answer: (c) The new series has nine sectors (iron ore included), and electricity has the highest weight at 30.932.

Question 2: What was the growth rate of the Index of Core Industries in October 2026?

(a) 6.0%

(b) 8.2%

(c) 10.9%

(d) 15.4%

▼ **Answer and explanation**

Answer: (c) ICI grew 10.9% in October 2026; 6.0% is the April-October cumulative rate, 8.2% the revised September rate and 15.4% the cement sector's growth.

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FAQ

In short: Provisional ICI grew 10.9% in October 2026 and cumulative April-October growth was 6.0%. Read the rates alongside the comparison base and the different sector weights.

Q: What changed in the new ICI series?

The base year became 2022-23, the sector count rose to nine with iron ore added, and electricity (30.932) carries the highest weight.

Q: Which sectors recorded the fastest growth rates?

Iron ore (26.4%), coal (23.1%), electricity (21.6%), cement (15.4%) and steel (7.3%).

Q: When is the next ICI release?

The provisional index for November 2026 comes on 21 December 2026.

Sources

1. PIB/Ministry of Commerce and Industry, October 2026 ICI release (20 November 2026): https://www.pib.gov.in/PressReleseDetailm.aspx?PRID=2339126 (OEA data: https://eaindustry.nic.in/ici_download_data.asp)

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