



# Industrial Growth Accelerates to 2-Year High

Industrial activity strengthened in November 2025, with the **Index of Industrial Production (IIP)** rising to a **2-year high of 6.7% YoY**. Growth was led by **manufacturing (8% YoY)** and supported by robust momentum in **infrastructure & construction (12.1% YoY)** and **capital goods (10.4% YoY)**.

IIP – Sectoral & Use-based Classification (% YoY)									
Category	Weight (%)	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
IIP (Overall)	100	2.6	1.9	1.5	4.3	4.1	4.6	0.5	6.7
Sector	Weight (%)	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Mining	14.4	-0.2	-0.1	-8.7	-7.2	6.6	-0.4	-1.8	5.4
Manufacturing	77.6	3.1	3.2	3.7	6	3.8	5.6	2	8
Electricity	8	1.7	-4.7	-1.2	3.7	4.1	3.1	-6.9	-1.5
Use-based Segment	Weight (%)	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Primary goods	34	-0.2	-1.4	-2.5	-0.7	5.4	1.3	-0.6	2
Capital goods	8.2	14	13.3	3	6.8	4.5	5.4	2.1	10.4
Intermediate goods	17.2	4.9	4.7	5.5	6.1	5.2	6.3	2.5	7.3
Infrastructure/ Construction goods	12.3	4.7	6.7	6.7	13.7	10.4	10.6	7.1	12.1
Consumer durables	12.8	6.2	-0.9	2.8	7.3	3.5	10	-1.3	10.3
Consumer non-durables	15.3	-2.7	-1	-0.9	0.5	-6.4	-0.3	-5.2	7.3

## Key Takeaways:



**1. Industrial recovery broadened further, with 20 out of 23 manufacturing industries reporting positive growth** in November 2025. Robust performance in transport equipment, electronics, electrical equipment and metals indicates improving production momentum across key sectors.



**2. Mining activity rebounded**, with output growing **5.4% YoY** after a contraction in the previous month. Core sectors such as **cement, fertilizers and steel** also showed healthy growth, supporting overall industrial activity.



**3. Macro and policy conditions remain supportive**, with easing inflation, lower policy rates, improved liquidity and the rollout of **GST 2.0** expected to support investment activity and industrial demand going forward.

Sources: CEIC, DAM Capital Research | Data available as on 31<sup>st</sup> December, 2025

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