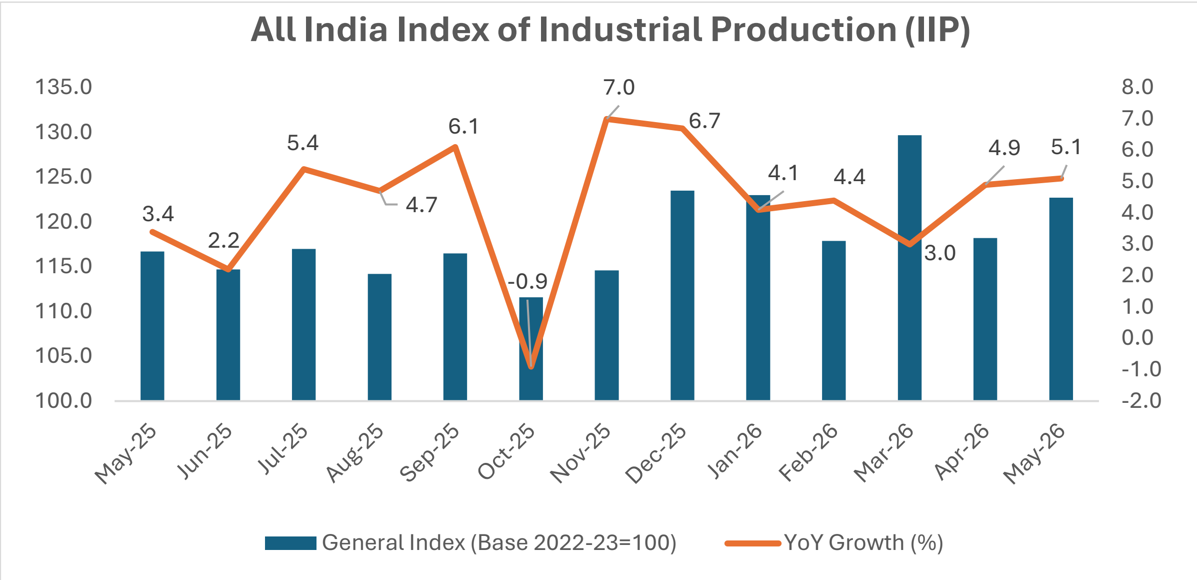
All India Index of Industrial Production (IIP) for May 2026

Driven by strong growth of 5.5% in Manufacturing Sector and 9.9% growth in Electricity & Gas Supply, Index of Industrial Production (IIP) records 5.1% Growth in May 2026.



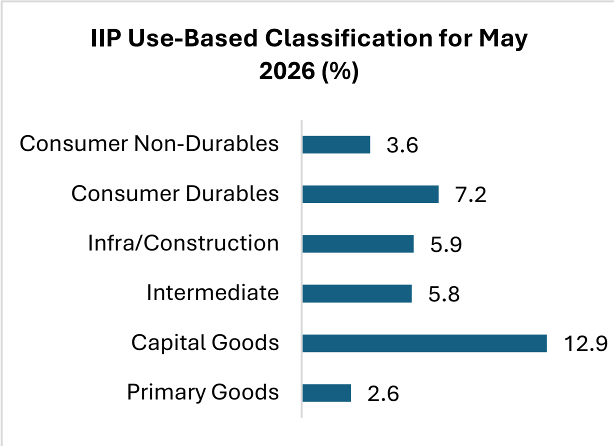
(**Source:** MoSPI, GoI)

Key Highlights:

- The growth rates of the Four sectors, Mining & Quarrying, Manufacturing, Electricity & Gas Supply and Water Supply, Sewerage & Waste Management for the month of May 2026 are (-)1.6 percent, 5.5 percent, 9.9 percent and 5.5 percent respectively.

- Within the Manufacturing sector, 16 out of 23 industry groups recorded positive growth. The top three positive contributors for the month of May 2026 are – “Manufacture of motor vehicles, trailers and semi-trailers” (14.5%), “Manufacture of electrical equipment” (20.8%) and “Manufacture of basic metals” (4.6%).

- Based on Use-Based Classification, top three positive contributors to the growth of IIP for the month of May 2026 are Capital Goods, Consumer Durables and Infrastructure/Construction Goods.



- In the industry group "Manufacture of motor vehicles, trailers and semi-trailers", item groups "Passenger Cars", "Auto Components, Spares and Accessories", and "Commercial Vehicles" have shown significant contribution in growth.
- In the industry group "Manufacture of electrical equipment", item groups "Electrical Apparatus for Switching or Protecting Electrical Circuits", "Transformers (Small)", and "UPS and Solid-State Drives" have shown significant contribution in growth.

Key Observations for May 2026

- **Broad-based Manufacturing Recovery:** High-growth sectors such as Electrical Equipment (+20.8%), Motor Vehicles (+14.5%), Other Transport Equipment (+14.3%), Fabricated Metal Products (+15.5%), and Computer & Electronic Products (+11.4%) collectively signal robust momentum in capital-intensive and export-oriented manufacturing segments.

- **Electricity Sector Leads Sectoral Growth:** The Electricity & Gas Supply sector recorded the highest sectoral growth of 9.9% in May 2026, driven by an 18.0% surge in Renewable Electricity Generation and 8.8% growth in Non-Renewable Electricity Generation. This reflects both rising industrial demand and the accelerating capacity additions under India's energy transition agenda. Gas Supply, however, contracted by 7.1%, tempering the overall sectoral index.

- **Capital Goods Signal Investment Revival:** The cumulative Capital Goods growth for April–May 2026 stands at 12.5%, against 11.8% in the same period of 2025-26, suggesting that the private investment cycle is gaining further traction alongside the government's continued capex push.

- **Mining Contraction Warrants Attention:** Mining & Quarrying contracted by 1.6% in May 2026, extending the (-) 3.8% decline seen in April 2026. The cumulative April–May 2026 contraction stands at (-) 2.7%. Fuel Minerals declined by 6.4% and Non-Metallic Minerals by 6.1%, partially offset by a strong 18.3% growth in Metallic Minerals. Persistent weakness in the mining sector poses upstream supply chain risks for downstream manufacturing and infrastructure activities.