

Highlights

Services PMI:

- India Services PMI was revised higher to 58.8 in April 2026 from the preliminary estimate of 57.9, following March's 13-month low of 57.5.

Pricing Power:

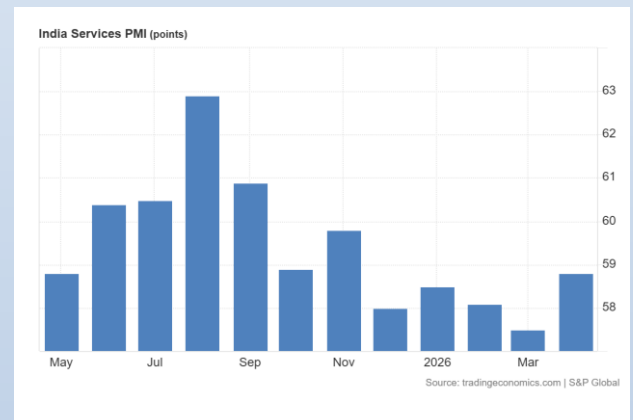
- Output prices (what businesses charge customers) rose at their **weakest pace in three months**, suggesting firms are absorbing some of the cost pressures rather than passing them all on.

Geopolitical Impact:

- The ongoing **war in the Middle East** and a dip in inbound tourism were cited as the main reasons for the cooling foreign demand.

Cost Pressures:

- Input price inflation eased slightly but remains stubbornly high—among the highest seen in the last 18 months.



Source - S&P Global India Services PMI®

" Boosted by a solid rise in new work, the service sector output in India expanded at a robust rate in February that was the strongest since mid-2014, said Pollyanna De Lima, economics associate director at S&P Global Market Intelligence.

Note:

- PMI stands for Purchasing Managers' Index.
- PMI is one of the closely watched indicators of business activity across the world.
- The magic number is 50. A reading of 50 or higher generally indicates that the industry is expanding.
- Share of the Service sector in GDP in India is nearly 50%.
- The PMI is prepared by IHS Markit.
- PMI was first prepared by ISM USA in 1948.

HIGHLIGHTS

MANUFACTURING PMI:

- Manufacturing PMI came in at 54.7 in April 2026, revised down from the preliminary estimate of 55.9 but still up from 53.9 in the previous month.

EMPLOYMENT:

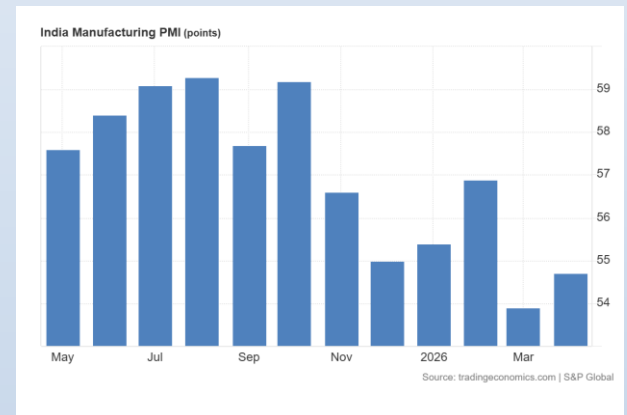
- Hiring was a major silver lining, with job creation reaching a **10-month high**.

BUSINESS CONFIDENCE:

- In April 2026, Indian employment saw its strongest momentum in ten months as both sectors expanded their workforces to build capacity and clear backlogs.

INFLATION:

- Input costs surged at the **fastest rate since August 2022**. Manufacturers are feeling the pinch from the Middle East conflict, which has driven up the cost of aluminum, chemicals, plastics, and fuel.



Even with growth momentum easing, India's manufacturing industry wrapped up 2025 in good shape. The sharp rise in new business intakes should keep companies busy as we head into the final fiscal quarter, and the lack of major inflationary pressures could continue to support demand. said **Pollyanna De Lima**, Economics Associate Director at S&P Global Market Intelligence.

Note:

1. PMI stands for Purchasing Managers' Index.
2. PMI is one of the closely watched indicators of business activity across the world.
3. The magic number is 50. A reading of 50 or higher generally indicates that the industry is expanding.
4. Share of the manufacturing sector in GDP in India is nearly 17%.
5. The PMI is prepared by IHS Market.
6. PMI was first prepared by ISM USA in 1948.