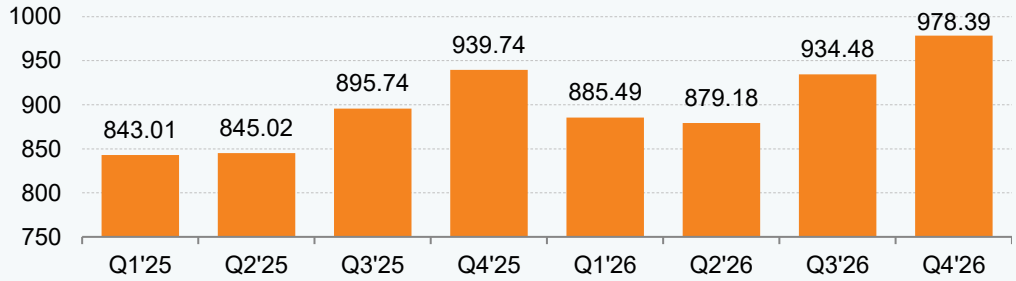
MANUFACTURING

MARKET SIZE

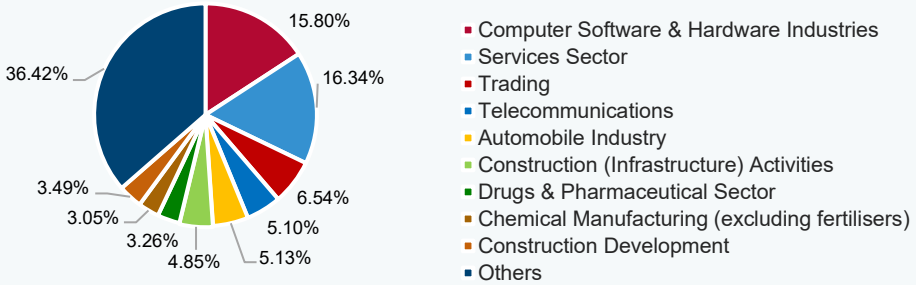
Quarterly estimates of GVA at current prices (US$ billion)



Note: *FY - Indian Financial Year (April '25 –March '26)*

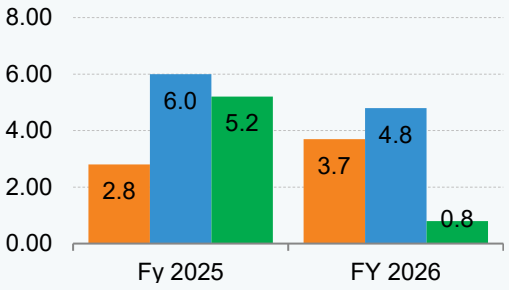
SECTOR COMPOSITION

Total FDI equity inflow in the manufacturing subsectors between January 2000-March 2026

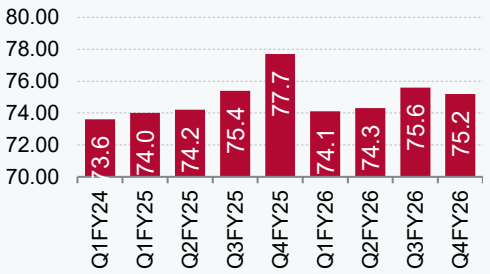


KEY TRENDS

Annual Growth Rates of IIP (%) at Sectoral level



Capacity Utilization in Manufacturing Sector (%)



GOVERNMENT INITIATIVES

Make in India

Skill India

National Manufacturing Policy

ADVANTAGE INDIA

- **Robust demand:** Between FY2014-15 and FY2025-26, India's total exports (merchandise and services) increased from Rs. 286.45 lakh crore (US$468.44 billion) to a record Rs. 760.06 lakh crore (US$860.09 billion), registering a CAGR of 5.68%. In FY2025-26, merchandise exports stood at Rs. 390.40 lakh crore (US$441.78 billion), while services exports reached Rs. 369.66 lakh crore (US$418.31 billion). Engineering goods, electronic goods, pharmaceuticals, textiles, agricultural products, marine products, and gems and jewellery emerged as the key drivers of India's export growth.
- **Increasing Investment**: India's smartphone exports reached Rs. 2.60 lakh crore (US$ 29.42 billion) in FY2025-26, with smartphones emerging as the country's largest export product in 2025. In March 2026, the Union Cabinet approved the Bharat Audyogik Vikas Yojana (BHAVYA) with an outlay of Rs. 33,660 crore (US$ 3.55 billion) to develop 100 investment-ready, plug-and-play industrial parks over six years. The scheme was operationalised in May 2026, with the BHAVYA portal launched in July 2026 to initiate the development process.
- **Policy support:** The Government of India continues to strengthen manufacturing through the Production Linked Incentive (PLI) Scheme, with an outlay of Rs. 1.91 lakh crore (US$ 21.61 billion), covering 14 strategic sectors.

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