

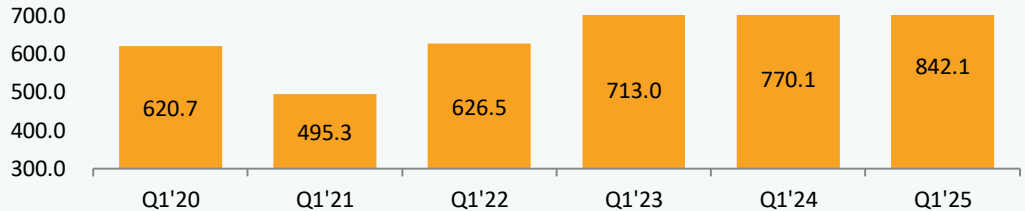


MANUFACTURING



MARKET SIZE

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

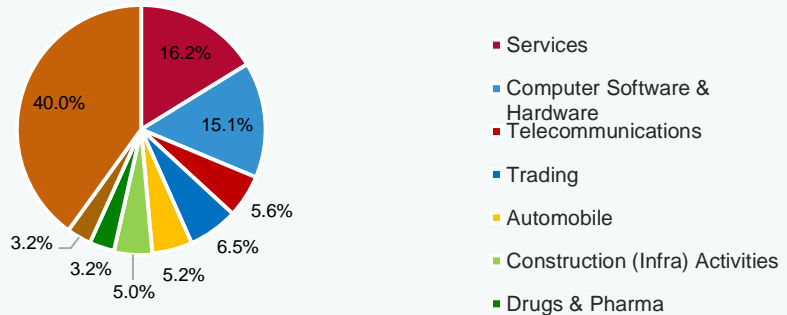


Note: FY - Indian Financial Year (April -March)



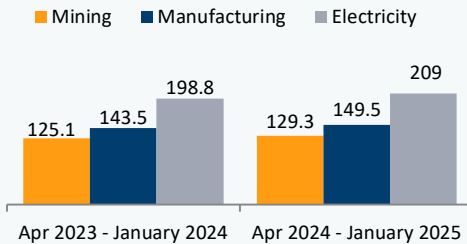
SECTOR COMPOSITION

Total FDI equity inflow in the manufacturing subsectors between April 2000-December 2024

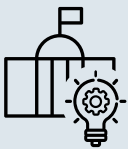
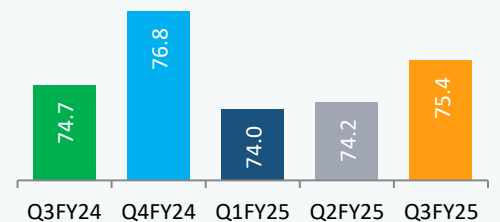


KEY TRENDS

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:** Manufacturing exports have registered highest ever annual exports of Rs. 38,87,085 crore (US\$ 447.46 billion) with 6.03% growth during FY23 surpassing the previous year record exports of Rs. 36,65,914 (US\$ 422 billion). During FY25, India's merchandise exports reached Rs. 37,34,255 crore (US\$ 437.42 billion), up from Rs. 37,31,267 crore (US\$ 437.07 billion) in the FY24.
- Increasing Investment:** FDI in India's manufacturing sector has reached Rs. 14,34,224 crore (US\$ 165.1 billion), a 69% increase over the past decade, driven by production-linked incentive (PLI) schemes. In the last five years, total FDI inflows amounted to Rs. 33,31,464 crore (US\$ 383.5 billion).
- Policy support:** The Madhya Pradesh government has introduced the Drone Promotion and Utilisation Policy 2025, aiming to boost drone manufacturing and its application across various sectors. The policy offers incentives, of a 40% capital investment subsidy, up to Rs. 30 crore (US\$ 3.4 million) for new investments, and a 25% subsidy on lease rents for three years.
- Competitive Advantage:** The positive developments in the manufacturing sector, driven by production capacity expansion, government policy support, heightened M&A activity, and PE/VC-led investment, are creating a robust pipeline for the country's sustained economic growth in the years to come.