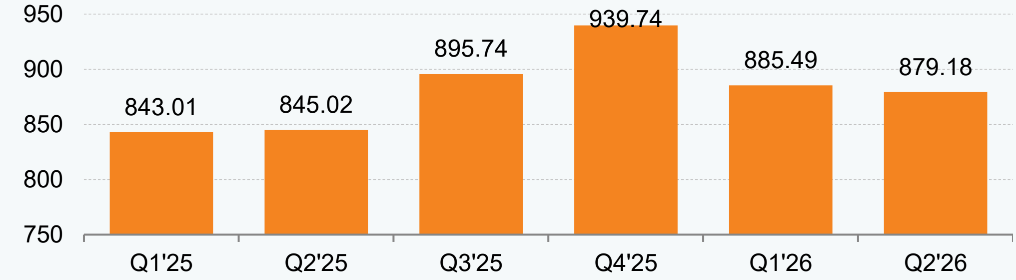
MANUFACTURING

MARKET SIZE

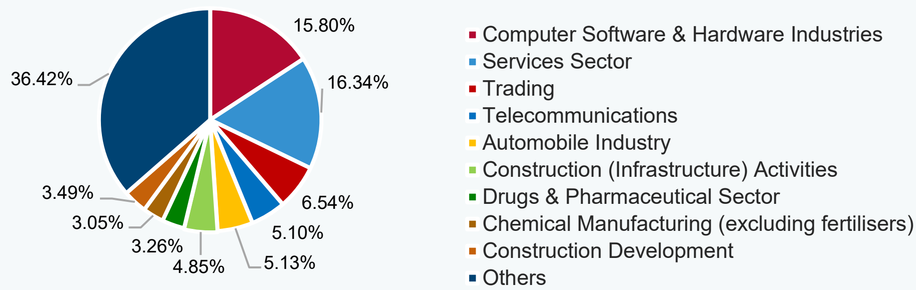
Quarterly estimates of GVA at current prices (US$ billion)



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

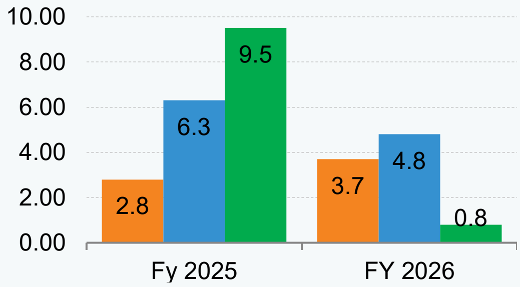
SECTOR COMPOSITION

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

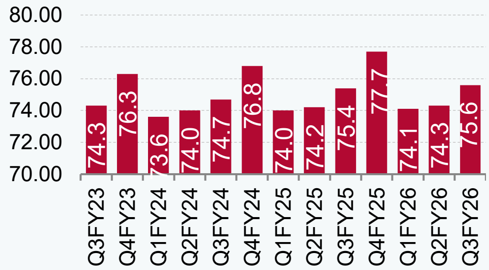


KEY TRENDS

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 FY15 and FY26, India's total exports increased from Rs. 41.36 lakh crore (US$ 468 billion) to a record Rs. 76.26 lakh crore (US$ 863 billion), registering a CAGR of 5.70%. Merchandise exports rose from Rs. 27.39 lakh crore (US$ 310 billion) to Rs. 39.06 lakh crore (US$ 442 billion), while services exports increased from Rs. 13.96 lakh crore (US$ 158 billion) to Rs. 37.20 lakh crore (US$ 421 billion), recording a CAGR of 9.30%. 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**: Global companies such as Apple are deepening manufacturing in India, with smartphone exports rising to Rs. 2.54 lakh crore (US$ 30.10 billion) in 2025, up 47.50% from Rs. 1.73 lakh crore (US$ 20.40 billion) in 2024, making smartphones India's top export category. In March 2026, the Union Cabinet approved the Bharat Audyogik Vikas Yojana (BHAVYA) with an outlay of Rs. 33,660 crore (US$ 3.81 billion) to develop 100 plug-and-play, investment-ready industrial parks over FY2026-27 to FY2031-32, aimed at accelerating manufacturing, attracting investments, generating employment and enhancing India's export competitiveness.
- **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.