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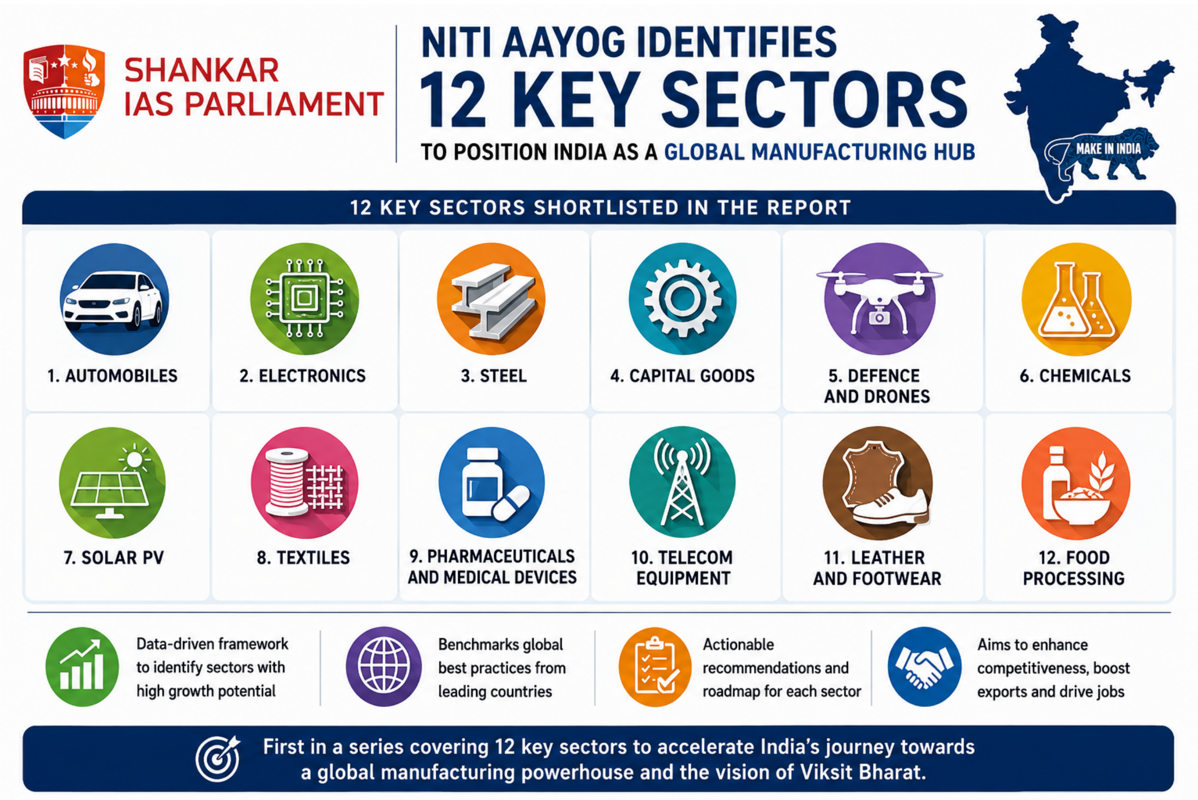
Key Sectors to Position India as a Global Manufacturing Hub

***Prelims:** Current events of national and international importance | Economy*

Why in News?

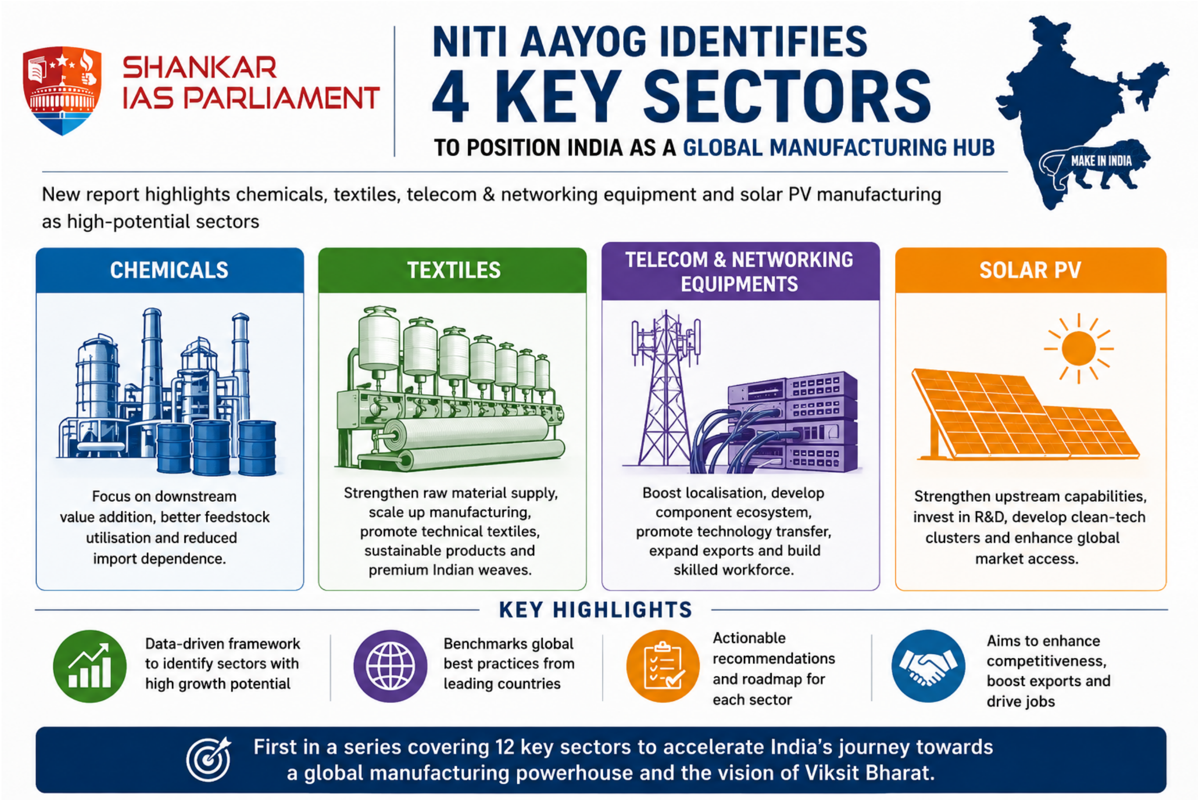
Recently, NITI Aayog has released the report titled "Key Sectors to Position India as a Global Manufacturing Hub".

- **Objective** – To identify the major high-potential sectors that can fuel India's ambition to become a global manufacturing powerhouse through a structured and data-driven framework.
- **Preparation –** In collaboration with CRISIL Intelligence.
- The report narrows down 62 manufacturing sectors to 12 priority sectors where India can realistically achieve global leadership by 2047.



- **4 Sectors**
  - Chemicals,
  - Telecom & Networking Equipment,
  - Textiles and
  - Solar Photovoltaic manufacturing.

- It will be followed by assessments of eight more sectors.



- **4 phases of structuring**
    - Shortlisting Sectors Based on Relative Attractiveness
    - Comprehensive Assessment of Shortlisted Sectors
    - Benchmarking International Best Practices
    - Developing Actionable Recommendations & Way Forward

Key Findings

Chemical Sector

- The domestic chemicals industry is broadly led by 3 key consumption segments
    - Petrochemicals and organic chemicals,
    - Speciality chemicals, and
    - Inorganic chemicals.
- **Petrochemicals & organic chemicals** – Largest segment & includes polymers, synthetic fibres, performance plastics, building blocks, intermediates and end-products.

Textiles Sector

- **GDP Contribution** – It contributes approximately 2% to national GDP, 11% to manufacturing GVA, and 9% of merchandise exports.
- **Employment** – It is the ***2nd largest employer*** after agriculture, providing livelihoods to more than 45 million people & supporting widespread MSME-led industrial development.
- **Exports** – In 2025, textile products exported worth USD 37.7 billion & accounted for

4.1% of global textile and apparel exports, making it the ***6th largest textile exporter*** globally.

Telecom & Networking Equipment Sector

- **Market Size** – Currently the world's ***2nd largest*** telecommunications market with more than 1.2 billion subscribers, approximately 85% telecom penetration, and nearly 75% internet usage.
- **Target** – National Telecom Policy 2025 (NTP-25) targets
  - Doubling the sector's contribution to GDP,
  - Doubling exports of telecom products and services,
  - Creating one million new jobs, and
  - Significantly increasing investment and R&D expenditure by 2030.

Solar PV Sector

- **Installed Capacity & Target** – India had installed 106 GW of solar capacity by March 2025 and needs to add about 174 GW to meet the 2030 target of 280 GW of solar capacity.

References

1. PIB | Key Sectors to Position India as a Global Manufacturing Hub
2. AIR | Key Sectors to Position India as a Global Manufacturing Hub