

Contents

List of Figures, Tables and Boxes.....	viii
List of Acronyms.....	xii
Foreword.....	xv
Acknowledgements.....	xvi
Preface.....	xvii
Executive Summary.....	xix

1. The India@2047 Vision, Job Creation, and the Manufacturing Imperative: Towards a New Industrial Strategy for a New India 1

India's Achievements, Challenges, and Development Aspirations
Manufacturing Sector as a Driver of Jobs and Prosperity
Global Shift towards the Real Economy and Revival of Industrial Policy
Evolution of Industrial Policy in India
The Manufacturing versus Services Debate
Changed External Context and India's Prospects for the Manufacturing Sector
Opportunities for Manufacturing-led Transformation
India's Policy Choices for the Manufacturing Strategy: Some Lessons from the Experiences of East Asian Countries
The Way Forward for a Manufacturing-led Transformation

2. Changing Manufacturing Landscape: Industrial Structure, Jobs, Productivity, Scales, Financing, and Statistics 23

Emerging Trends and Patterns in the Manufacturing Sector
Productivity Improvements and Structural Change in Indian Manufacturing
Scales of Operations and Corporate Performance

Industrial Financing Landscape
Revamping the Industrial Statistics
Concluding Remarks

**3. International Trade, Global Value Chains,
and Foreign Direct Investments: Leveraging
Global Economic Integration 41**

Landscape of International Trade
India's Participation in Global Value Chains
Factors Explaining Export Competitiveness of Indian Enterprises
Harnessing FDI Inflows
Outward FDI From India
Policy Lessons for Leveraging Global Economic Integration

**4. Fostering Innovative Activity and
Harnessing Industry 4.0 61**

The Context: Innovation Activity as a Key Driver of Productivity and Competitiveness
Landscape of Innovation in India
India's Emergence as a Global R&D Platform for Multinational Corporations
Innovation Landscape in Terms of Output: Patents and International Rankings
Innovative Activity and Industrial Revolution 4.0
MSMEs, Startups, and Digital Industrialization
Employment Effects and New Forms of Work
Policy Lessons for Strengthening India's National Innovation
System for Leveraging Innovation and IR4.0

**5. Green Industrial Policy and Corporate Sustainability:
Opportunities, Challenges, and Policies 77**

Introduction
India's Climate Action Goals and Strategies
Green Industrial Policy in a Global Context
Manufacturing for Clean Energy Transition
Manufacturing for Decarbonizing the Transport Sector
Decarbonization of Traditional Manufacturing Sectors

Landscape of Corporate Sustainability
Indian Companies in Global Sustainability Rankings
Concluding Remarks and the Way Forward

6. Harnessing the Potential of MSMEs and Startups for Industrialization 99

Structure and Growth of MSMEs
Government Support to Promote and Address Challenges Faced by MSMEs
Startups: Technology-Driven Entrepreneurship
Strengthening the MSME and Startup Ecosystem

7. Industrial Corridors, Special Economic Zones, Cross-Border Connectivity, and Balanced Regional Development 117

Spatial Landscape of Industrialization
Policies Aimed at Regional Dispersal of Industrial Activity, Old and New
Fostering Balanced Regional Development Through Industrialization
Landscape of Special Economic Zones
Logistics Infrastructure and Industrial Corridors
Coastal Economic Zones and Ports-Led Development
Emerging Developments in Logistics, Trade Facilitation, and Cross-Border Connectivity

8. Towards Manufacturing-Led Transformation: Identifying ‘what’ and ‘where’ 133

Introduction
I. Broad Manufacturing Sub-Sectors of Potential
II. State Profiles and Diversification Opportunities