

Preface

The revival of industrial policy globally, including in some of the biggest champions of free markets like the United States is among the most important megatrends of the past few years. The world has come full circle from the early days of import-substituting industrialisation to highlighting the virtues of globalisation, back to industrialisation and real economy focus. With globalisation turning into 'slowbalisation,' industrial policy has become the 'New Washington Consensus.'

This real economy focus is fully in sync with India's manufacturing thrust over the past decade, which started in 2014 with the Make-in-India, reinforced by major reforms, the PLI scheme, ease-of-doing business, industrial corridors and other infrastructure, national missions like the Semiconductor Mission, among other promotional measures. The results are beginning to be visible gradually, with India's emergence as a major exporter of smartphones being one of the most visible outcomes.

The *India Industrial Development Report 2024-25*, is the first in a new series of flagship reports, ISID has launched to provide an evidence-based analysis of different challenges and opportunities that the country faces and the policy lessons, as it pursues manufacturing-led growth. As the first edition in the series, its scope has been kept broader. The subsequent editions may focus on specific issues for a more detailed look.

This *Report* takes stock of India's manufacturing landscape, its strengths, weaknesses, opportunities, challenges, and policies adopted and emerging trends globally at the current juncture and proposes a policy agenda for accelerating the manufacturing-led transformation. It draws upon the body of analytical work being conducted at the Institute and insights drawn from the numerous policy roundtables and consultations with several policymakers and analysts and research seminars that ISID has hosted over the past couple of years.

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