



Rewriting the rules: The next chapter of Indian industrial manufacturing

July 2026



PwC's research indicates that the convergence of artificial intelligence, geopolitical realignments and evolving global value chains is redefining competitive advantage in Indian industrial manufacturing. In the next five years, Indian industrial manufacturers must increasingly turn to ecosystem partnerships spanning engineering, technology, and transportation to access new markets, drive co-innovation, and accelerate speed to market.

Contents

Industry context 04

01 Key insights 06

02 Imperatives for future-fit industrial manufacturing 16

03 Looking ahead 21

Industry context

As India advances towards its aspiration of building a USD7.5 trillion manufacturing-economy by 2047,¹ the strategic choices made by its industrial manufacturers comprising original equipment manufacturers (OEMs), process manufacturers, component manufacturers, contract manufacturers, and tech or platform-based manufacturers over the next five years will be pivotal. These decisions will determine whether India emerges as a dominant force in global production networks or remains anchored in low value segments of the industrial value chain.

This urgency is underscored by the indispensable role industrial manufacturers play as the bedrock of India's manufacturing economy. They underpin the industrial and infrastructure ecosystem by supplying critical machine tools, industrial equipment, and precision components essential for infrastructure development, defence applications, and export markets.²

Drawing on proprietary data from *PwC's Global Industrial Manufacturing Sector Outlook released in 2026 (N = 443 global respondents including dedicated India and China samples of N = 51 each) (See Figure 11), this research examines how Indian industrial manufacturers compare with their Chinese and global peers.

The survey provides a peek into the cultural and capability scaffolding Indian industrial manufacturers are building to support their chosen strategies. It also shares insights on the strategic and operational challenges industrial manufacturers in India are exposed to and outlines actions for them to grow into key drivers of India's manufacturing GDP.

* PwC, Industrial manufacturing's race to 2030

1 PwC India-ORF Report, "Unlocking the AI Edge for MSMEs" March 2026.

2 Ministry of Micro, Small and Medium Enterprises-Section Engineering



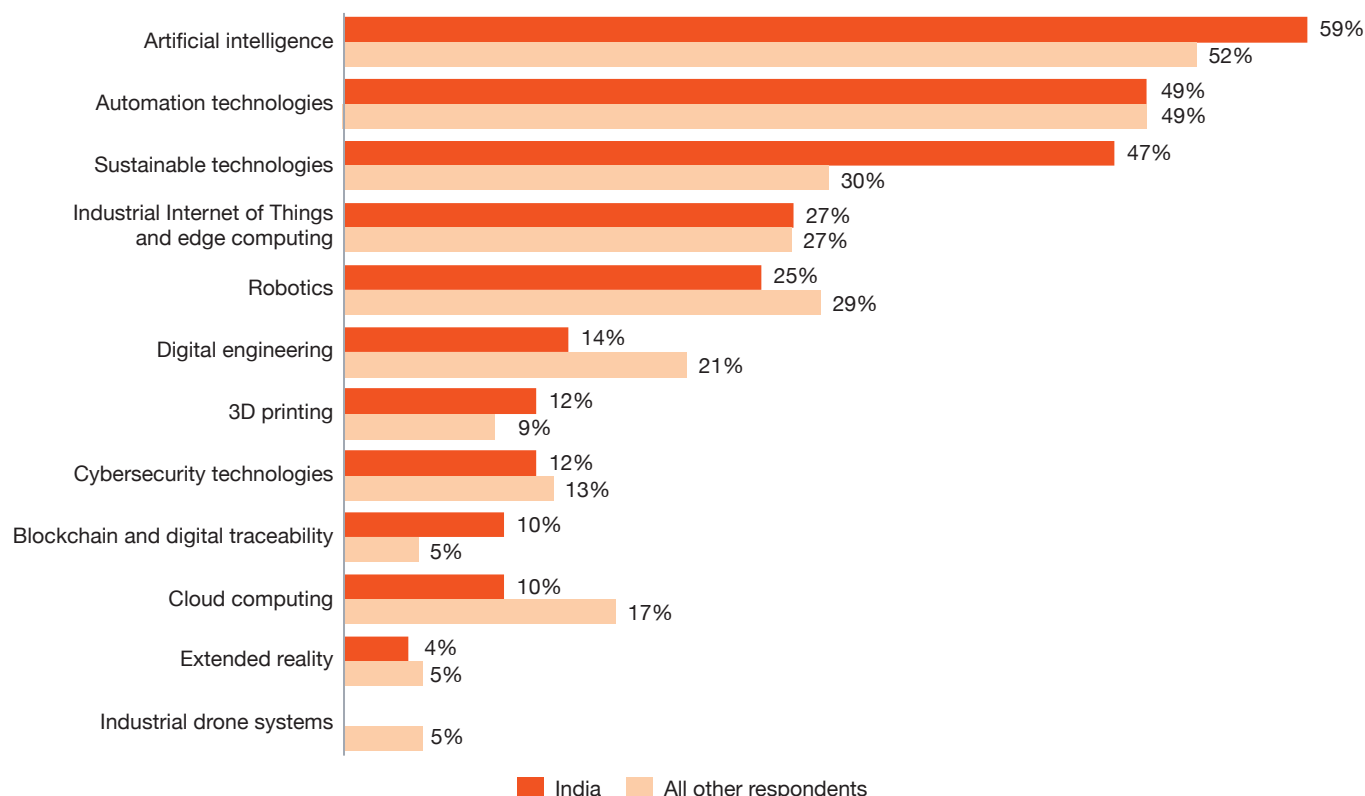
01 Key insights

Insight one: As Indian industrial manufacturers aggressively deploy AI and adjacent technologies to automate their value chains in the next five years, the performance gap will not be defined by which technologies they adopt but by how coherently they integrate them into their overall business strategy and operations.

The survey covered Indian industrial manufacturing entities with revenues ranging above USD50 million to those exceeding USD25 billion and revealed that Indian industrial manufacturers exhibit greater ambition towards tech enablement now and in the future compared to global industrial manufacturers.

Research indicated that 59% of Indian industrial manufacturers, as compared to 52% at a global level, believe AI will play the most important role in helping their respective companies achieve their strategic goals over the next five years (See Figure 1).

Figure 1: Choice of top three technologies to achieve strategic goals over the next five years



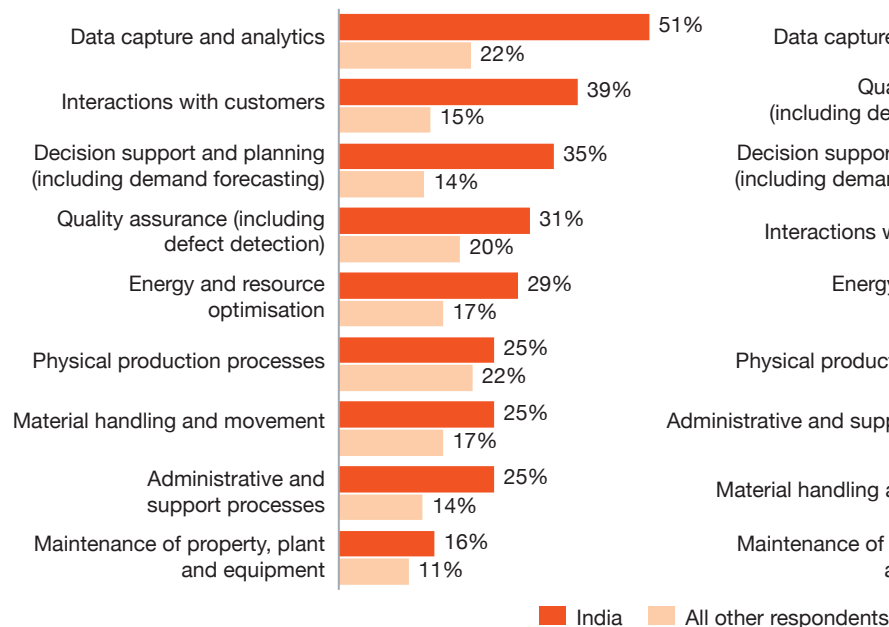
Question: "Which of the following technologies do you believe will play the most important role in helping your company achieve its strategic goals over the next five years?"

Significantly, a greater number of Indian industrial manufacturers are keen to automate key business processes, including data capture and analytics, customer interaction, quality assurance and planning as well as forecasting over the next five years (See Figure 2). Rising automation would extend into, and across, all parts of the value chain from front office to back office, and from R&D to the shop floor. By 2030, the proportion of manufacturers with highly automated physical production processes is expected to more than double in comparison to that in 2025.

Figure 2: Automation ambitions of Indian industrial manufacturers

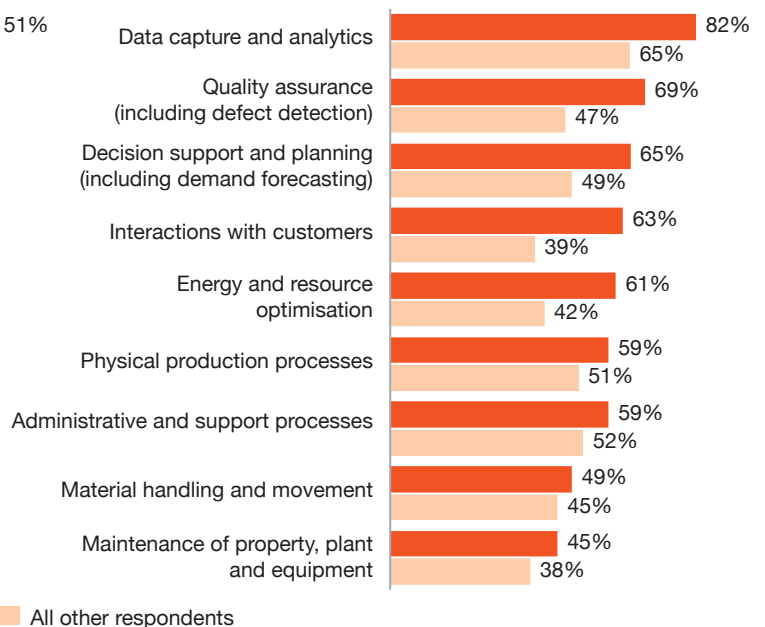
Automation in key processes today

Share of respondents automating each process today to a large or very large extent



Automation in key processes over the next five years

Share of respondents automating each process over the next five years to a large or very large extent



Questions: "To what extent is your company automating the following processes today? Please consider the approximate percentage of tasks within each process that are currently automated."

"To what extent does your company expect to automate the following processes over the next five years? Please consider the approximate percentage of tasks within each process that will be automated."

Chinese and Indian industrial manufacturers share similar ambitions around automation but their priorities differ. Indian manufacturers are channelling automation toward customer-facing interactions and reducing friction wherever possible, whereas Chinese manufacturers are more focused on efficiency gains across procurement and shop floor operations. Beneath these differing priorities lies a common realisation: automation, by itself, is not a silver bullet.

Industrial manufacturers we spoke to, while expressing satisfaction with this trend, sounded a word of caution. A founder of a leading industrial medium-sized enterprise underlined, "Technologies alone will not take us ahead. It's how we integrate them into our strategy that matters." And rightly so. As automation surges across the value chain during the next five years, performance differentiation will hinge not on which technologies companies deploy, but on how coherently they integrate

them in their overall business strategy as well as sub-strategies being pursued across different product lines and functions. Technologies deployed in isolation—robotics in production, analytics in supply chain, AI pilots in engineering—risk transforming functions into disconnected tech islands that cannot share data. What could be considered instead is an end-to-end process view such as plan to produce or produce to deliver that could serve as the primary lens for automation and AI. This process-centric approach will be critical to success as organisations scale their operations.

The cluster analysis carried out as a part of the research reveals three distinct strategic archetypes among surveyed industrial manufacturers—customer centricity, operational excellence and product leadership/innovation. This classification forms the basis for the paper's second insight.

Insight two: There is a discernible disconnect between the current strategic orientation and investment intent of Indian industrial manufacturers.

Cluster analysis reveals that Indian industrial manufacturers lean decisively toward customer-centricity as 45% fall into this cluster, followed by operational excellence at 39%. Compared with their counterparts from China, Germany, Japan and the US, Indian industrial manufacturers show the least orientation towards product leadership/innovation (See Figure 3).

Figure 3: Strategic orientation of Indian industrial manufacturers

Cluster membership in each country

Share of respondents in each cluster, by head office country



Note: May not sum up to 100% due to rounding.

Interestingly, 57% of Indian industrial manufacturers identify product design and development as an area within their company's value chain that will be seeing the largest percentage increase in investment over the next five years. Yet this intent sits at a crossroads with their prevailing strategic orientation, which remains weakly anchored in product leadership and innovation.

This contradiction is unlikely to deliver the margin expansion, lead to intellectual property creation, or drive the export sophistication envisioned under the government's vision of Viksit Bharat @2047. Instead, it risks locking Indian manufacturers into a reactive, buyer-driven posture focused on efficiently catering to existing demand rather than shaping new markets through R&D-led product innovation.

And the challenge to do so multiplies when one sees that only 45% of the Indian executives interviewed identify investing in R&D as a strategic growth action to

capture new opportunities versus 63% in China and 42% globally. Moreover, only 39% of the Indian executives identify R&D, product development and product management as one of the top three capabilities that will amplify the financial performance of their companies in the next five years, in comparison to a staggering 76% from China.

On the other hand, Chinese executives display greater alignment between strategic orientation and investment intent. Sixty three percent of the Chinese executives cluster around product leadership/innovation with 59% identifying product design and development as an area within their company's value chain seeing the largest percentage increase in investment over the next five years.

Such divergence between strategic orientation and investment intent among Indian industrial manufacturers can dilute focus around revenue frontiers.

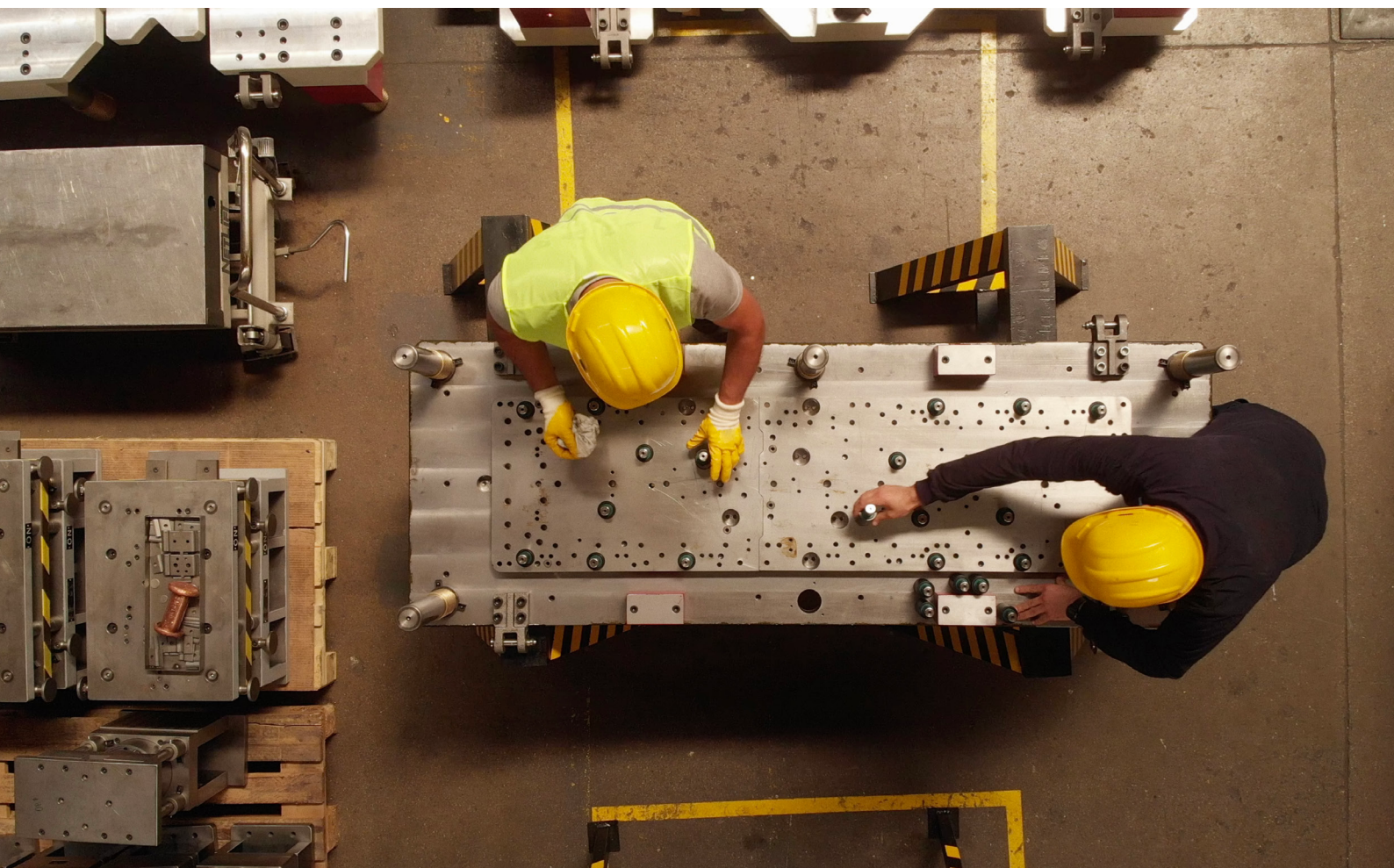
Insight three: Indian industrial manufacturers display a dispersed value pool focus, which if leveraged with discipline can drive balanced revenue pools, but if poorly managed could lead to revenue fragmentation.

The Customer × Product category matrices (Figure 4) map five-year revenue bets at the intersection of customer segments and product categories. Indian manufacturers are placing diversified bets spread across segments and, encouragingly, moving beyond products into servitisation and solution-based models. This aligns squarely with their customer-centric strategic identity.

Figure 4: India's top five value pool intersections (by % of respondents)

Rank	Customer segment	Product category	India respondents (%)*
1	Third-party distributors	Intelligent and connected solutions	25%
2	OEMs	Flexible and specialised equipment	25%
3	OEMs	Extended services and digital monetisation	24%
4	End-users/operators	Intelligent and connected solutions	22%
5	EPCs	Flexible and specialised equipment	22%

*Respondents were allowed multiple options.



However, the data points to an internal contradiction within Indian manufacturing. Only 16% of Indian manufacturers are anchored in product leadership and innovation, even as many accelerate toward servitisation and solution-led monetisation. In effect, services are being scaled on top of products whose core R&D and differentiation are often being underinvested.

This mismatch is strategically unsafe. Servitisation helps manufacturers get closer to their customers by fuelling the right investment in product innovation. However, this will not happen automatically. Closing the

loop between sales and R&D as part of a process will be critical to make this transition. In fact, servitisation without sustained product innovation is a dependency trap: one that ties revenue expansion to external intellectual property, borrowed platforms, or fragile process advantages, rather than owned differentiation prioritised by the Chinese manufacturers, 63% of whom are innovation oriented. In fact, the Chinese industrial manufacturers surveyed show a remarkable consistency in terms of their product focus across all customer categories (See Figure 5).

Figure 5: China's top five value pool intersections (by % of respondents)

Rank	Customer segment	Product category	China respondents (%)*
1	OEMs	Intelligent and connected solutions	43%
2	End users/operators	Intelligent and connected solutions	39%
3	EPCs	Intelligent and connected solutions	39%
4	OEMs	Flexible and specialised equipment	29%
5	Third-party distributors	Intelligent and connected solutions	29%

*Respondents were allowed multiple options.

China's manufacturers view intelligent and connected solutions as the dominant revenue frontier across each of their top five customer segments, with rates 17–25 percentage points higher than India for key commercial segments (OEMs, EPCs, and end users). This push could be both technology-led and simultaneously customer-centric. In medical devices, for instance, Chinese manufacturers are making significant advances with intelligent X-ray systems that dynamically adjust radiation dosage using individual patient health parameters. The result is a dual gain—enhanced patient safety alongside optimised operating costs—demonstrating how intelligence embedded into products can directly elevate end-user outcomes while strengthening commercial value.

China's 63% innovation cluster concentration feeds directly into its connected-solutions dominance—strategic identity and revenue strategy are one and the same.

Chinese industrial manufacturers are focusing on one high-value product category and scaling it horizontally across all segments. Combined with China's 63% innovation cluster orientation, this reveals an integrated strategy: innovate the product, connect it, and monetise it everywhere.

Customer centricity is an important short-to-medium term goal, but sustainable customer centricity in the long run will require significant product innovation.

Without a parallel shift into innovative products, services and intelligent and connected solutions, the fastest growing locus of global value, Indian manufacturers risk mastering the art of selling yesterday's solutions to tomorrow's customers.

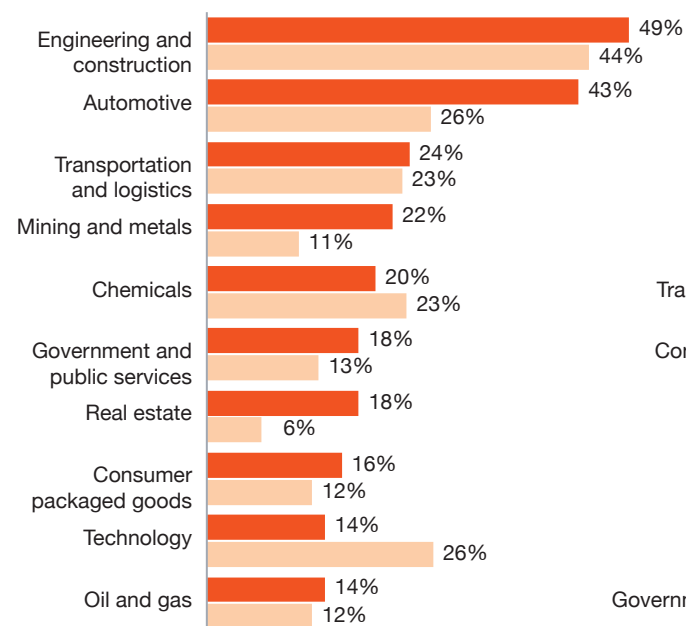
Insight four: The ecosystem outlook of surveyed Indian industrial manufacturers supports their strategy towards creating balanced revenue pools over the next five years.

The scale and direction of Indian manufacturers' growth plans imply a level of strategic reinvention the sector hasn't seen in decades. Harnessing product categories such as intelligent and connected solutions as well as extended services and digital monetisation means competing in markets where value is created through service delivery, software, data, and integration across economic domains. That requires new ways of creating, delivering, and capturing value across boundaries. Ecosystem collaboration becomes a decisive enabler in such a situation. Seventy one percent of India respondents want to collaborate with ecosystem partners to access growth opportunities in the next five years.

Figure 6: Ecosystem collaborators for Indian industrial manufacturers during next five years

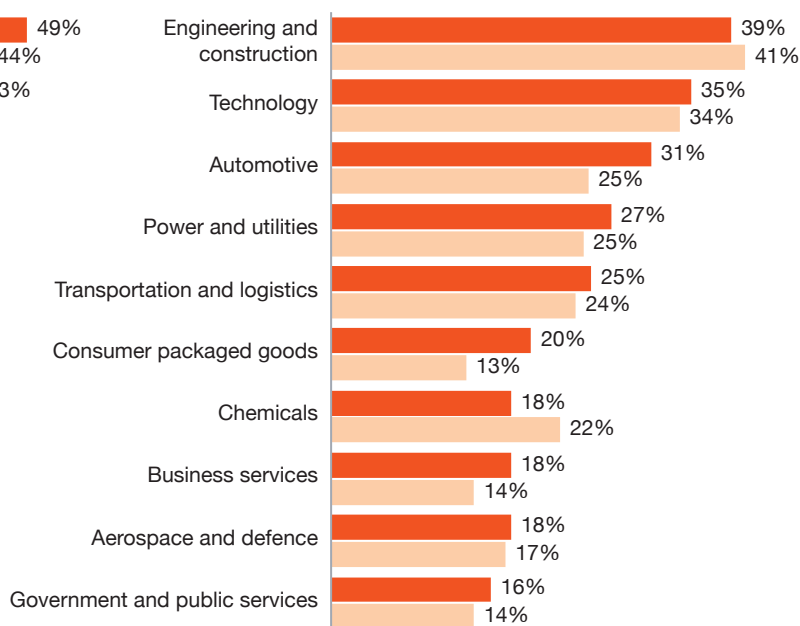
Important ecosystem collaborators today

Share of respondents selecting sectors as an important collaborator today



Important ecosystem collaborators over the next five years

Share of respondents selecting sectors as an important collaborator over the next five years



India All other respondents

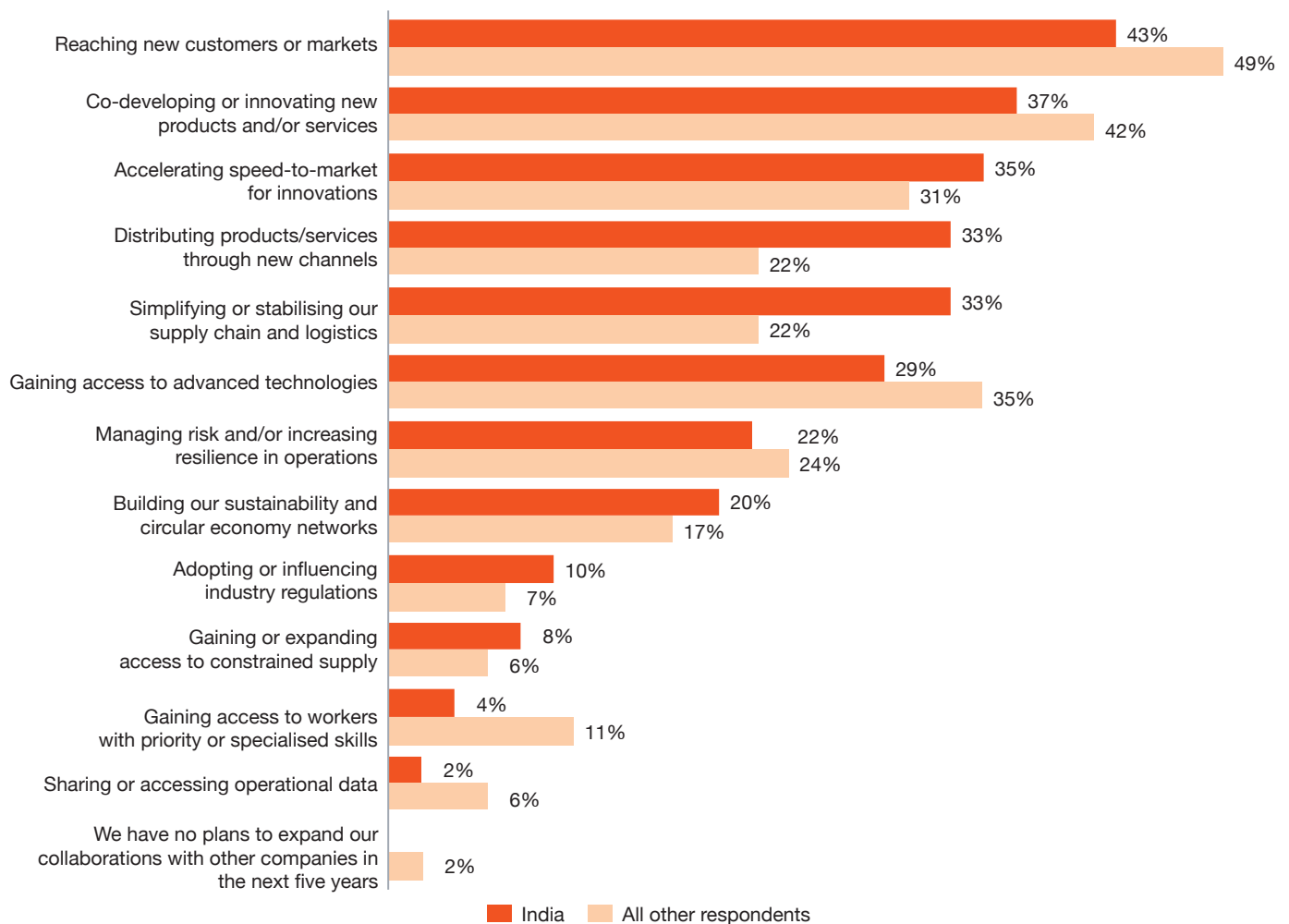
Question: "In which of the following sectors do your company's most important external collaborators currently operate, and in which do you expect your most important collaborators over the next five years to operate?"

As is evident from Figure 6 and Figure 7, over the next five years, Indian industrial manufacturers intend to deepen ecosystem partnerships across engineering and construction, technology, automotive, and transportation

to unlock new customer segments, co-create differentiated products and services, and significantly accelerate innovation to market.

Figure 7: Ecosystem goals for Indian industrial manufacturers during the next five years

Share of respondents selecting each goal among top three motivators for planned collaborations over the next five years



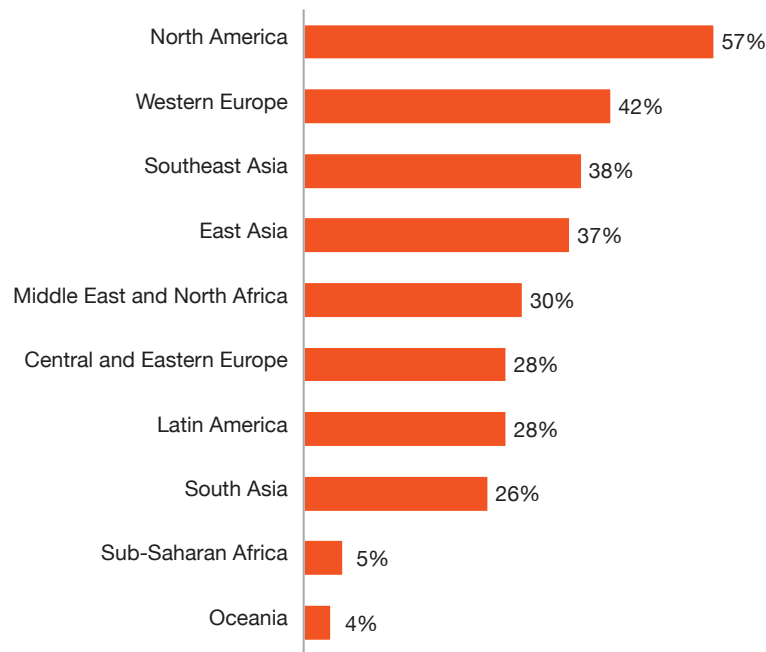
Question: "What are your company's primary goals for collaborating with other organisations over the next five years?"

Insight five: The global recognition of South Asia as one of the critical growth frontiers over the next five years will fundamentally intensify competitive pressure on Indian industrial manufacturers—not just across the region, but within their own home market.

South Asia’s moment has arrived. Forty-nine percent of global respondents expect South Asia to become more important for revenue growth over the next five years, against just 12% expecting a decline (See Figure 8). Yet South Asia currently ranks only eighth in absolute importance (26%), indicating that the region is simultaneously underweighted in current portfolios and overweighted in future intent. This is the classic profile of a market which is about to experience a surge in competitive entry.

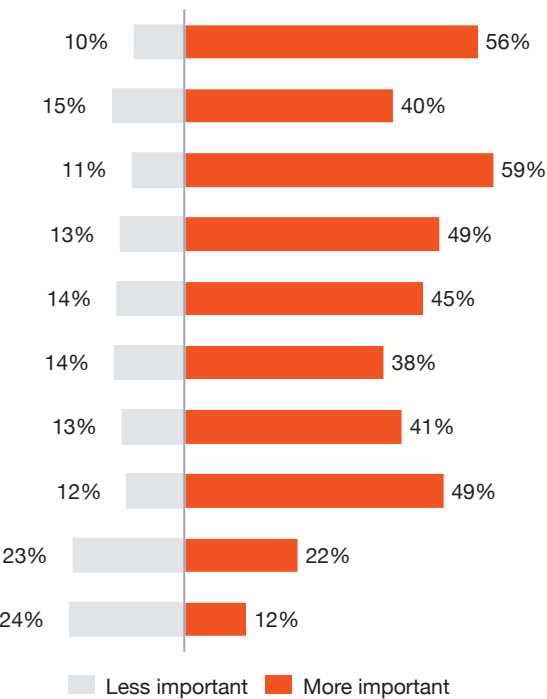
Figure 8: Regions by revenue and growth importance—present and future

Today’s top regions for revenue growth
Share of respondents ranking each region among their top five important regions today



Question: “Which of the following regions are most important for your company’s revenue growth today?”

Change in regional importance
Share of respondents expecting each region to change in importance to revenue growth over the next five years



Question: “How important will the following regions be to your company’s revenue growth over the next five years compared to their importance today?”

However, the very factors that make South Asia attractive to Indian manufacturers—scale, policy support, infrastructure investment, rising domestic demand—are equally visible to every global competitor.

Within the South Asian region, India, one of the fastest growing large economy globally, will continue to be an attractive market for domestic as well as international industrial manufacturers. Bangladesh and Sri Lanka, countries which are keen to rebuild their rail, road and port infrastructure, will continue to open new demand corridors. Together, these markets can attract not just participation but also result in strategic recalibration by global players.

This is where the strategic risk for Indian manufacturers becomes concrete. The survey data reveals exactly who is reassessing South Asia and what strategic capabilities they bring to the table. For example, Chinese manufacturers represent the most formidable incoming competitive threat. With 63% clustered in the innovation archetype and 43% targeting OEMs with intelligent

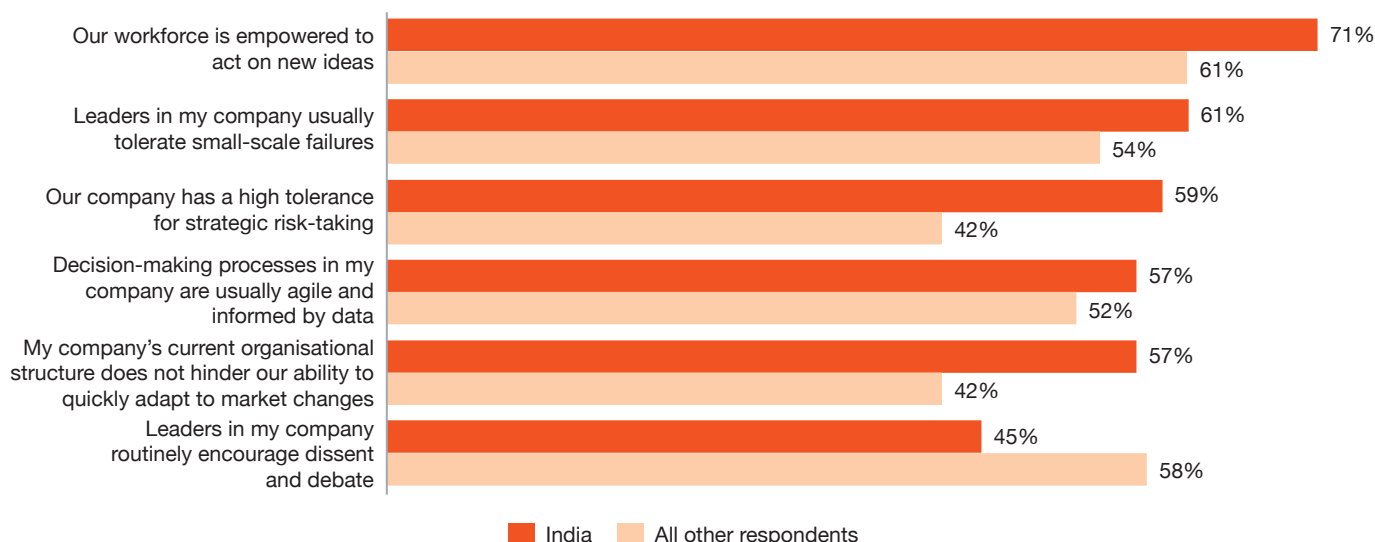
and connected solutions (versus India's 18%), Chinese manufacturers are entering to sell technologically superior, connected products to the very customer segments Indian manufacturers consider their own.

Insight six: Indian industrial manufacturers possess the cultural confidence to transform; however, if not adequately addressed, the barriers they face risk converting that confidence into unrealised potential over the next five years.

Data presented in Figure 9 captures organisational self perception—specifically, the extent to which Indian manufacturers believe they possess cultural attributes such as agile decision making, workforce empowerment, and risk tolerance. The findings indicate a strong degree of confidence in current organisational capabilities and culture.

Figure 9: Company dynamics at present

Share of respondents who agree with each statement



Question: "To what extent do you agree or disagree with each of the following statements?"

Viewed against broader patterns in the India dataset, the high levels of organisational confidence expressed by Indian manufacturers align closely with the dominant strategic orientations highlighted in Figure 3. A 45% customer-centric posture demands commercial agility, rapid decision-making, and empowered frontline teams, while a further 39% emphasis on operational excellence reflects confidence in process discipline and systematic improvement. In this context, organisational self-assessment appears broadly consistent with the strategic identity Indian manufacturers have chosen.

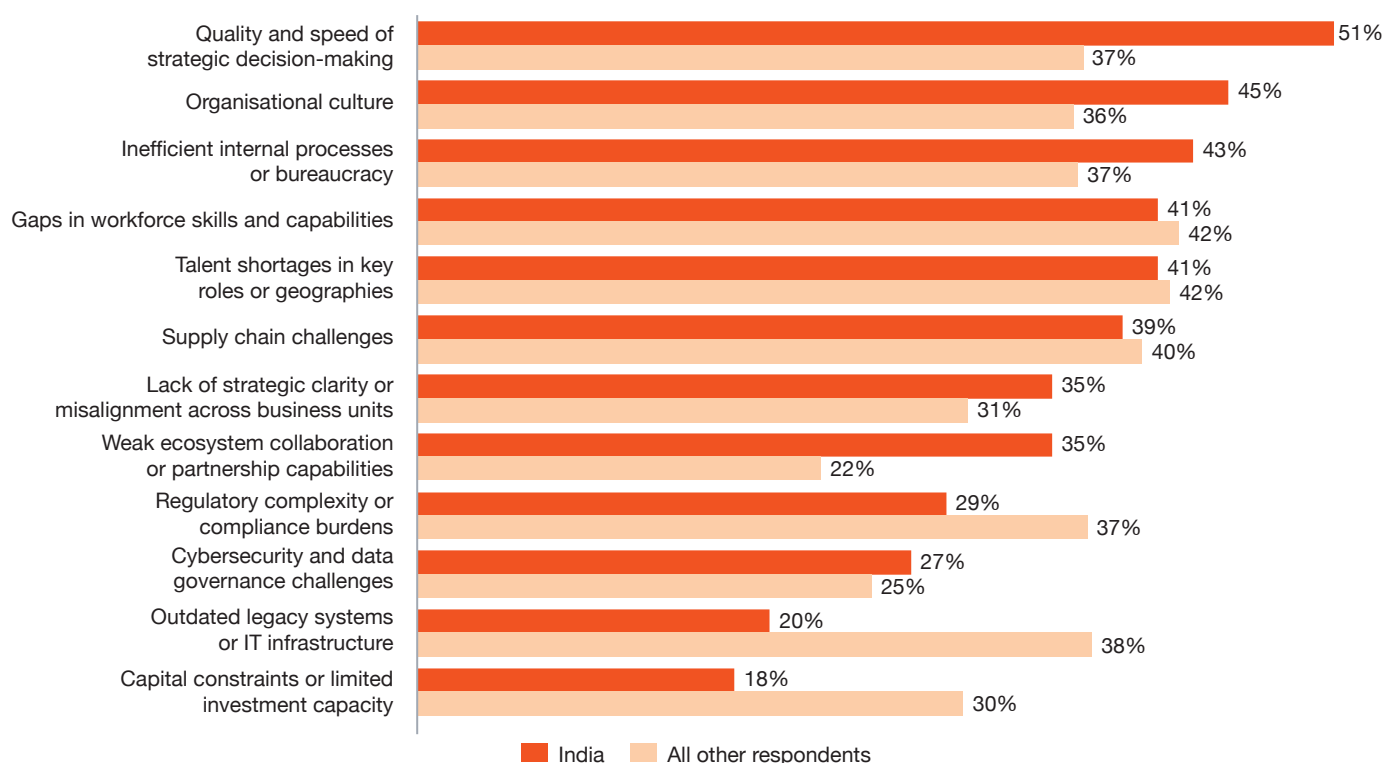
Figure 10 highlights the structural barriers these same companies anticipate as they seek to change how they create, deliver, and capture value.

Read together, Figures 9 and 10 reveal a paradox that

should concern every Indian industrial manufacturing CEO: Indian manufacturers may possess many of the organisational attributes associated with future-ready organisations, yet they identify constraints they could face in future to prevent those attributes from translating into performance. For instance, while 57% of surveyed Indian industrial manufacturers report agile decision-making informed by data (Figure 9), 51% cite quality and speed of decision-making as the single largest barrier to changing the way their company creates, delivers and captures value over the next five years (Figure 10). Similarly, although 71% believe their workforce is empowered to act on new ideas (Figure 9), 41% identify gaps in workforce skills and capabilities as a key impediment to future value creation (Figure 10).

Figure 10: Barriers to driving change in the way of creating, delivering and capturing value

Share of respondents indicating each factor that will inhibit change to a large or very large extent over the next five years



Question: "To what extent will the following factors inhibit your company's ability to change the way it creates, delivers and captures value over the next five years?"

These contradictions risk creating a state of 'confident stagnation' where firms believe they are transformation-ready but lack the executional and cultural scaffolding to deliver change.

02 Imperatives for future-fit industrial manufacturing

The research findings suggest that the challenge facing Indian industrial manufacturers is not one of intent or confidence, but of translation. Many firms believe they possess the cultural attributes associated with future-ready organisations, yet structural constraints continue to inhibit execution. The following five actions

distil how future-fit industrial manufacturing companies could bridge this gap by holistically aligning strategy with execution, embedding artificial intelligence into decision-making, reshaping value pools through digital engineering, extending innovation and collaborating with ecosystem partners, and continuously upskilling.



Anchoring investment-execution alignment to strategic intent

Future-fit industrial manufacturers are explicit about their priorities—customer centricity, operational excellence, and innovation-led growth—and align capital allocation, capability building, and operating models accordingly. Rather than spreading investments thinly across competing priorities, they invest resources aligned to their chosen strategic orientation. The key lesson here for Indian manufacturers is discipline: misalignment between strategic intent and investment priorities is one of the fastest paths to ‘confident stagnation’. Conversely, organisations that tightly align strategy, investment, and execution translate intent into measurable outcomes.

This discipline is already visible in pockets of the Indian industry. A leading Indian provider of heavy-duty storage systems and intralogistics solutions spanning automated storage and retrieval systems (ASRS), conveyors, and integrated material handling platforms, demonstrates how focused strategic intent can be translated into concrete action. To compete with technology native players, the company made a deliberate innovation-led decision to build its own in-house warehouse

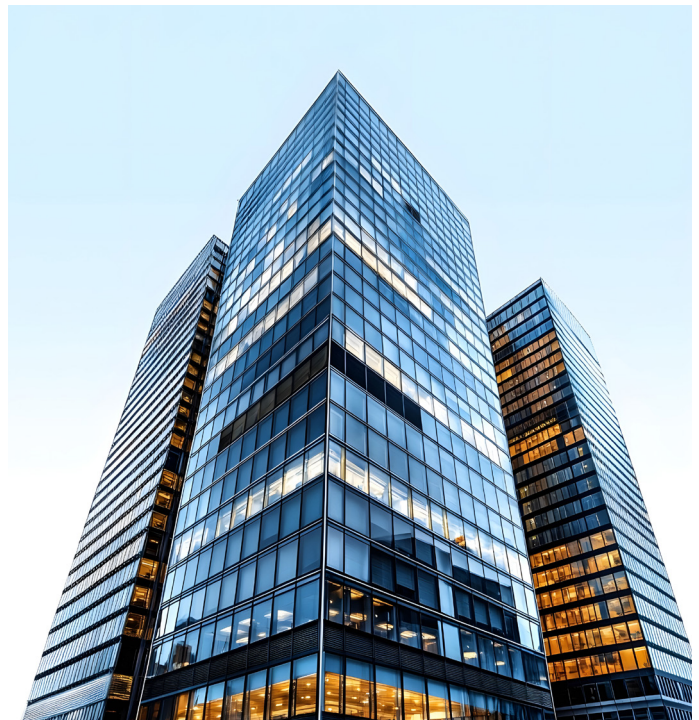
control system (WCS) and warehouse execution system (WES). Rather than relying on third-party software, this move aligned product strategy, technology investment, and execution capability to orchestrate automated warehouse operations at scale, thereby demonstrating how focused investment, when tightly coupled with strategic intent, can materially shift competitive positioning.

To execute this shift, the company collaborated with PwC India to shape its product strategy, system architecture, and development roadmap for a scalable WCS/WES platform. The engagement helped define a blueprint for in-house product development, enhanced the company’s capability to deliver integrated automation solutions, and positioned it for future enhancements including AI-driven optimisation and digital twin integration. The platform was designed to address critical operational objectives such as improving warehouse throughput by enabling real-time coordination of automated equipment, optimising order fulfilment time through intelligent task sequencing and resource allocation, and increasing system scalability and flexibility so that the platform could adapt across varying warehouse configurations and client environments.



Building an intelligent core to accelerate decision-making and opportunity sensing

Future-fit industrial manufacturers invest in an ‘intelligent core’, comprising integrated data platforms, analytics, and AI-enabled decision systems that dramatically improve the speed and quality of decisions. This core enables leaders to move beyond backward-looking performance tracking toward forward-looking opportunity sensing, particularly in fast-shifting regional and geopolitical contexts. More importantly, intelligence now starts getting embedded into everyday workflows rather than remaining confined to corporate dashboards. The lesson is clear: agility is not a cultural aspiration alone—it must be integrated cohesively and structurally hardwired through data, systems, and accountability if it is to translate into an execution advantage.



An example of an intelligent core being structurally hardwired into an industrial enterprise can be found in a leading India-based multinational conglomerate. Rather than adopting AI, cloud, or sustainability in silos, the company is weaving them into a single strategic architecture in one of its complexes, on top of which a tech giant will deploy a fully integrated AI stack and hypercomputing capabilities, enabled by advanced chips from a leading semiconductor provider. By integrating this cloud region directly with operations across its divisions, the company will ensure that AI-enabled decision-making is not confined to a central analytics team but flows into everyday workflows across its entire conglomerate footprint, marking the shift from dashboard intelligence to embedded intelligence that distinguishes future-fit manufacturers.

The facility will be powered by green energy generated on-site and connected through its telecommunication platform’s advanced digital network where data, energy, connectivity, and AI converge in a single physical and digital architecture, hardwiring agility into the very structure of the enterprise. The dedicated cloud region will also enable the conglomerate to develop and provide high-performance, AI-first services to enterprises, small and medium businesses (SMBs), startups, developers, and public sector organisations, extending the intelligent core beyond the boundaries of the firm itself and positioning it as infrastructure for an entire ecosystem of forward-looking opportunity sensing.



Leveraging digital engineering to rebalance value pools and drive revenue growth

Digitally mature industrial manufacturers deploy digital engineering across product design, lifecycle management, systems engineering and model-based architectures to fundamentally rebalance where value is created and captured. Rather than treating digital engineering as a productivity lever alone, they apply it as a strategic tool to reshape portfolios and revenue mix. The lesson is that digital engineering investments generate higher returns only when tightly linked to value-pool strategy, not when pursued as standalone technology upgrades. In essence, the most impactful digital engineering transformations are not technology stories but are value migration stories, where companies use digital engineering as the catalyst to move from selling products to orchestrating outcomes, from transactional relationships to lifecycle partnerships, and from margin compression to margin resilience. Companies that understand this distinction are the ones that will define the next era of industrial engineering competitiveness.

A compelling illustration of this value migration logic at work, where digital engineering is transforming a physical product into a platform for ongoing, AI-enabled services, can be found in one of India's major engineering conglomerates. The company, a leading industrial manufacturer of high-value motors and pumps, recognised that the true value pool was shifting from the point of equipment sale to the entire operational lifecycle of the asset at the customer's site. Rather than continuing to compete on hardware specifications and conventional after-sales service alone, the company set out to redesign the value architecture of its core product: re-engineering its pumps and motors not merely as mechanical assets but as digitally instrumented, AI-ready systems capable of generating continuous

intelligence and revenue long after the initial transaction.

This is digital engineering applied not as a back-office efficiency tool but as the strategic catalyst for an entirely new services layer and revenue stream. The company digitally connected its deployed assets at customer sites, enabling condition-based monitoring and health analytics through a unified industrial internet of things (IIOT) platform accessible to its customers. AI and machine learning models were embedded into this platform to detect anomalies, predict failures before they occur, and recommend optimal maintenance interventions, transforming raw sensor data into actionable intelligence that customers would pay for as an ongoing service, not as a one-time purchase.

The intent was clear: to open entirely new digital service revenue streams through remote monitoring, AI-driven predictive maintenance, and performance optimisation offerings that would deepen customer engagement, improve asset uptime and efficiency, accelerate issue resolution, and shift the commercial relationship from transactional equipment supply to a lifecycle partnership anchored in outcomes. This is precisely the migration from margin compression to margin resilience that distinguishes future-fit industrial manufacturers.

PwC India collaborated with the company to design and implement a scalable IIoT platform leveraging open-source technologies, enabling real-time visibility of asset health across customer locations, AI-powered predictive analytics to reduce unplanned downtime, and a digital services architecture that positions the company to monetise its installed base continuously, thereby proving that when digital engineering is tightly linked to value-pool strategy, it does not merely improve the product; it fundamentally redefines what the product is, what the company sells, and where its margins reside.



Cultivating a culture of innovation and collaboration with ecosystem partners

Future-fit industrial manufacturers recognise that no single firm can capture emerging value pools alone. They foster cultures that encourage experimentation, cross-functional collaboration, and deep partnerships with ecosystem players spanning multiple sectors including engineering, technology, logistics, and energy. Innovation is not centralised; it is distributed across the organisation and extended outward through structured partnerships. The lesson is that cultural confidence must be coupled with external openness; firms that collaborate intelligently are better positioned to access new markets, accelerate innovation, and balance revenue streams across cyclical and non-cyclical businesses.

The partnership of an automotive manufacturer and major telecommunications provider is an example of such a collaboration. The automotive manufacturer partnered with a telco and an engineering and technology firm to deploy a 5G-based captive private network at one of its manufacturing facilities.

The partnership significantly improved the facility's network connectivity, which in turn has accelerated software flashing, i.e. the process of loading and updating software onto a vehicle's onboard electronic systems before it can be dispatched, which is a critical operation for all vehicular dispatches. The technology integration helped managers carry out multiple software flashing sessions at once, slashing turnaround time for an operation that previously bottlenecked vehicle dispatch schedules. The partnership also resulted in fully automated computerised vision through AI-powered camera systems that automatically scan and detect paint surface defects, replacing manual visual inspection and resulting in improved paint quality.



Institutionalising continuous learning and workforce reinvention

Future-ready industrial manufacturers treat skills as a strategic asset. Continuous learning is embedded into the operating model through role-based upskilling, digital learning platforms, and close alignment between technology deployment and capability building. Upskilling is proactive rather than reactive where organisations anticipate future roles and skills requirements instead of responding to existing gaps.

This principle is evident in practice within a leading conglomerate, which has decided that its people strategy must evolve at the same pace as its technology strategy. As part of its broader transformation journey, the company recognised that its ambitious transformation towards advanced automation and sustainable operations would only succeed if its workforce was not merely informed of the change but continuously equipped to lead it. As part of its broader transformation journey, the company undertook a comprehensive change-management initiative, placing continuous learning and workforce reinvention at the very centre of its operating model rather than treating them as a parallel HR programme.

The result was a fundamental reimagining of the industrial workplace itself. The company reinvented its traditional shop floor into a green, employee-centric industrial campus aligned with Industry 5.0 principles, embedding role-based upskilling, digital literacy, and new-capability development directly into the daily rhythm of operations—not as periodic training interventions but as a structural feature of how work is organised and experienced.

By integrating human-centric automation with sustained workforce upskilling, enhanced

safety protocols, wellness initiatives, and circular practices, the company ensured that every technology deployment was matched—corresponding capability building by proactively preparing employees for future roles in a digitally augmented, sustainability-driven industrial environment.

The outcome validated the core lesson: when human capital investment is treated as the connective tissue between strategic ambition and operational execution, transformation accelerates.

The initiative delivered measurable gains, demonstrating that traditional heavy industries can reinvent themselves by prioritising people.

Continuous learning, structurally embedded and aligned with the company's technology and sustainability trajectory, became the mechanism through which a legacy manufacturing environment transformed into a future-ready industrial campus. This proved that workforce reinvention is not a support function to digital transformation but an essential precondition for the same.



03 Looking ahead

India's industrial momentum is showing signs of strain. The Index of Industrial Production (IIP) decelerated to 4.1% in March 2026, down from 5.2% just a month earlier, before bouncing back to 5.1% in May.^{3,4} Thus, in an era defined by volatility and hyper-competition, Indian manufacturers must forge an unbreakable link between strategy and operations as their fortunes will rise and fall with the demand patterns of the companies they serve. Tomorrow's leaders are recognising that the richest new value pools are crystallising at the intersection of digital, services, and ecosystems, and are accordingly reshaping their operating models to orchestrate and capture them.

This demands the creation of intelligent cores: tightly fused architectures of data, AI, and decision systems that propel organisations from rear-view performance tracking to forward-looking opportunity sensing.

While on the one hand, intelligence is being woven into the fabric of daily work across shop floors, supply chains, and customer interfaces, on the other, product design and development are advancing in lockstep with strategic intent to unlock margin expansion, proprietary intellectual property, and export sophistication worthy of the country's Viksit Bharat vision.

It is this discipline that would ensure that capital invested flows toward capabilities that will define a digitally enabled, sustainability-driven industrial order. Ultimately, competitive advantage will belong not to those who declare readiness but to those who operationalise it consistently, at speed, and at scale, so that people, processes, and technology advance as one integrated whole. The chasm between intention and impact is precisely where India's industrial competitiveness will be won or lost.

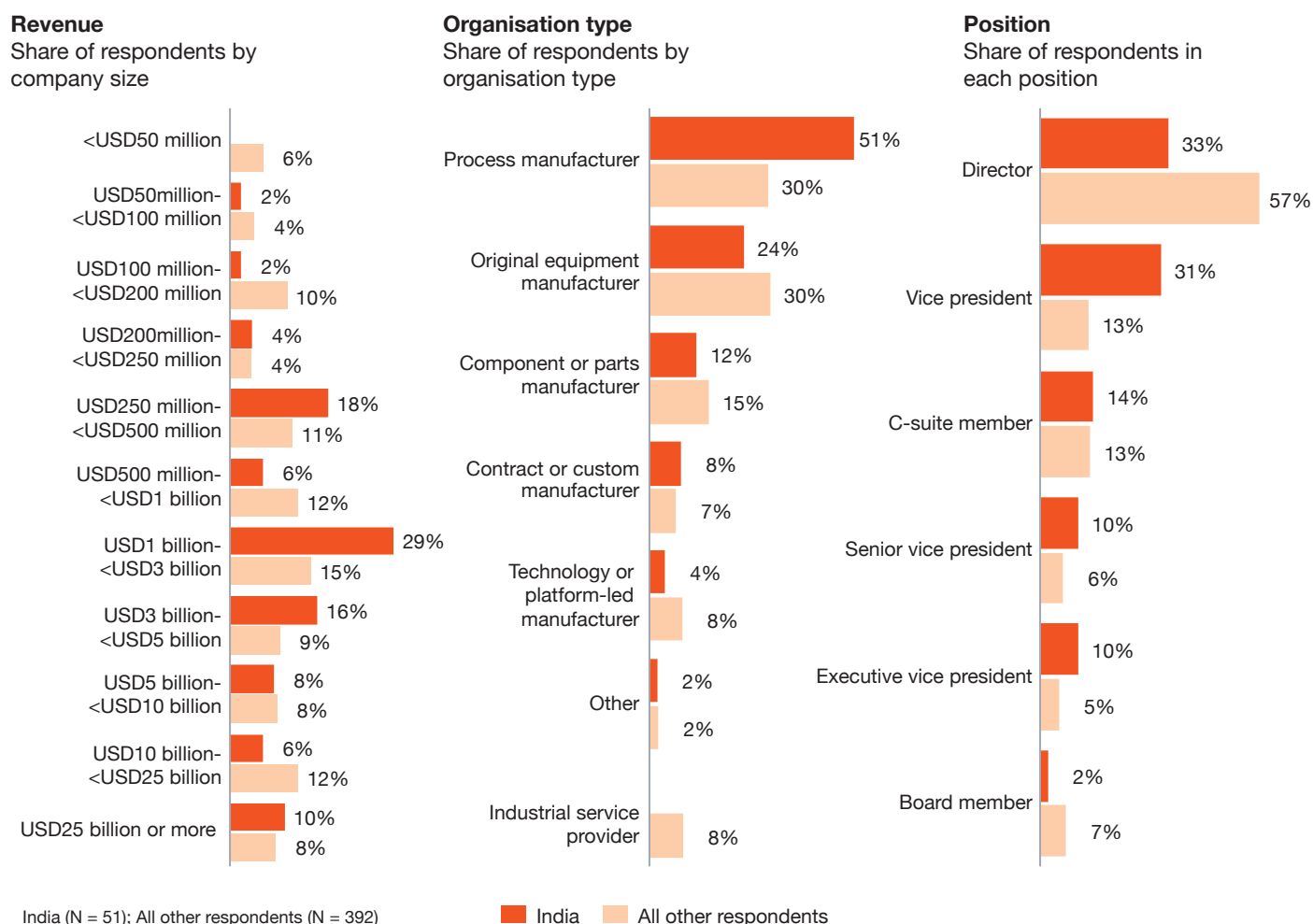
3 The Economic Times, India industrial output hits 5-month low of 4.1% in March as power, manufacturing drag

4 The Economic Times, India's industrial output quickens to 5.1% in May from 4.9% in April as manufacturing, electricity drive growth



About the survey

Figure 11: Survey demographics



About PwC

We help you build trust so you can boldly reinvent

At PwC, we help clients build trust and reinvent so they can turn complexity into competitive advantage. We're a tech-forward, people-empowered network with more than 364,000 people in 136 countries and 137 territories. Across audit and assurance, tax and legal, deals and consulting, we help clients build, accelerate, and sustain momentum. Find out more at www.pwc.com.

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

© 2026 PwC. All rights reserved.

Contact us

Vinod Kumar

Partner and Leader—Manufacturing
vinod.p.kumar@pwc.com

Raghav Manohar Narsalay

Partner and Leader, Research and Insights Hub
raghav.manohar.narsalay@pwc.com

Contributors

Vinod Kumar

Raghav Manohar Narsalay

Ankur Basu

Prenayan Kaul

Vishnupriya Sengupta

Ruchika Uniyal

Editorial

Rubina Malhotra

Megha Adhikari

Acknowledgement

Manan Tolat

Neetika Goyal

Design

Shipra Gupta



pwc.in

Data Classification: DC0 (Public)

In this document, PwC refers to PricewaterhouseCoopers Private Limited (a limited liability company in India having Corporate Identity Number or CIN : U74140WB1983PTC036093), which is a member firm of PricewaterhouseCoopers International Limited (PwCIL), each member firm of which is a separate legal entity.

This document does not constitute professional advice. The information in this document has been obtained or derived from sources believed by PricewaterhouseCoopers Private Limited (PwCPL) to be reliable but PwCPL does not represent that this information is accurate or complete. Any opinions or estimates contained in this document represent the judgment of PwCPL at this time and are subject to change without notice. Readers of this publication are advised to seek their own professional advice before taking any course of action or decision, for which they are entirely responsible, based on the contents of this publication. PwCPL neither accepts or assumes any responsibility or liability to any reader of this publication in respect of the information contained within it or for any decisions readers may take or decide not to or fail to take.

© 2026 PricewaterhouseCoopers Private Limited. All rights reserved.

SG/MAY 2026 - M&C 53108