

# The Indian consumer durables sector – Q2FY26

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Growing exports, government incentives, rising business-to-business (B2B) demand, premiumisation and digital adoption are expected to drive the sector's future growth



**INR3 tn**

Projected market size FY29<sup>1</sup>

**4<sup>th</sup>**

Projected one of the largest global market by FY27<sup>1</sup>

**7.7% CAGR\***

\*Compounded annual growth rate

Indian appliance and consumer electronic industry by FY33<sup>1</sup>

**INR11 tn**

Expected electronics exports by FY26<sup>1</sup>

Segmental performance

Exports of key products like refrigerator and air conditioners (AC) saw strong growth, while washing machines exports improved from Q1FY26

Washing machine<sup>2</sup>



**1.5%**

Air conditioner<sup>2</sup>



**24.4%**

Refrigerator<sup>2</sup>



**33.7%**

Dishwashing machine<sup>2</sup>



**20.5%**

Y-o-Y export growth of key consumer durable products in India (July 2025)<sup>2</sup>

By 2026<sup>1</sup>

- Refrigerator market in India to increase by a CAGR of 9.01 per cent (FY25-30)
- Washing machine market expected to grow by CAGR of 4.92 per cent (FY25-30)
- Electric fan market is set to reach INR474 bn by 2033 at a 12.20 per cent CAGR.

Performance snapshot

Drivers

Surge in government investment<sup>1</sup>

**INR55.3 bn**

Seven projects approved under ECMS\*\*\* for electronic manufacturing

Increasing FDI\*\* investment<sup>1</sup>

**INR497 bn**

FDI inflows between April 2000-March 2025 for electronic goods

Index of industrial production reported robust growth in manufacturing<sup>3</sup>

**10.2% (Y-o-Y, Sep 2025)**

On use-based classification, one of the top three positive contributors is consumer durables

Challenges

High market concentration<sup>1</sup>



**~75%**  
of white goods market is held by top five players in washing machines and refrigerators segment

Supply chain and distribution challenges<sup>1</sup>

Focusing on overhaul distribution frameworks in tier-II and III towns and working to reduce turn-around time

Rising energy demand and sustainability concerns<sup>1</sup>

AC sales and residential ownership may increase electricity demand, which remains coal-dependent, may lead to triple power generation capacity to meet the demand

\*\*Foreign direct investment , \*\*\*Electronics component manufacturing scheme

Outlook



Home appliances market is expected to grow with INR2.5 tn by 2030<sup>1</sup>



Smart television penetration number is projected to rise to 76 mn by 2030<sup>1</sup>



Government aims to achieve electronics manufacturing worth INR26.6 tn by FY26<sup>1</sup>



Consumer digital economy is projected to reach INR71 tn by 2030, driven by increase in online shopping<sup>1</sup>

Key takeaways



Average monthly spending on consumer durables rise by 72 per cent in FY25, fueled by growing home ownership and demand for furnishing new homes<sup>1</sup>



Smart products are expanding across 18-20 categories including washing machines, refrigerators and bulbs<sup>1</sup>



Moving from import dependence to local manufacturing<sup>1</sup>



FDI in computer software and hardware sector ranked second highest, totaling INR7.8 tn (April 2000-March 2025)<sup>1</sup>

Sources: 1) India's consumer durables market, IBEF, Aug 2025; 2) Ministry of commerce and industry, Oct 2025; 3) India's Index of industrial production records growth of 4.0% in September 2025, PIB, 28 Oct 2025

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