

The Indian consumer durables sector – Q3FY26

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India's expanding consumer durables sector is likely to benefit from rising consumption, broader rural reach and growing global investment interest¹



11% CAGR*

Projected market growth FY27¹

INR27 tn

Expected electronic manufacturing sector (2025)¹

INR951 tn

Projected robust growth of Indian smart watch (FY35)¹

INR377 bn

Electronics export in FY26²

*Compounded annual growth rate

Segmental performance

India's white goods market continues to gain momentum, with projections reaching INR1586 tn by 2030¹

<p>Washing machines¹</p> <p>INR436 bn</p>	<p>Refrigerator¹</p> <p>INR1.1 tn</p>	<p>Air conditioner (AC)¹</p> <p>INR656 bn</p>
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Contribution of key consumer-durables to the revenue growth of the white-goods sector (2025)¹

In 2025¹

- The headphone market in India is expected to grow annually at a CAGR of 2.45 per cent (FY25-30)
- A fully open FDI* policy has strengthened the hardware-manufacturing segment, enabling higher investment flows and production growth (2025)

*Foreign direct investment

Performance snapshot

<p>Drivers</p> <p>PLI* scheme for white goods³</p> <p>6-4% incentives</p> <p>Accelerating manufacturing, enhancing value addition and deepening global supply-chain integration (2025)</p> <p>Index of industrial production reported robust growth in manufacturing⁵</p> <p>8.1% (Y-o-Y, Dec 2025)</p>	<p>Increased FDI inflow⁴</p> <p>INR355 bn</p> <p>India continues to strengthen its competitive edge and accelerate sectoral growth</p>	<p>Challenges</p> <p>Drop in index of industrial production⁶</p> <p>0.4% (Oct 2025)</p> <p>Fewer working days due to festival disruptions and weak demand conditions, soft consumer consumption</p> <p>Weather-led decline in electricity use dampens demand⁶</p> <p>Lower electricity demand from extended rains and mild weather indicated weaker appliance usage, dampening consumer durables performance (Oct 2025)</p>	<p>Skill gaps hindering productivity growth⁷</p> <p>Broad reskilling efforts across key sectors are vital to minimise wastage, improve productivity and meet global standards</p>
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*Production-linked incentive

Outlook

<p>India's smart home market is expected to reach INR360 bn, driven by rising digital adoption (2028)¹</p>	<p>India's electronics industry targets INR43 tn expansion, boosting capacity, employment and export growth (2030)⁸</p>	<p>Selected PLI applicants for AC components are expected to create 1,799 new direct jobs (FY27-28)³</p>	<p>Under the PLI white goods scheme, progress is expected as 85 companies commit INR112 bn in investments (FY26)³</p>
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Key takeaways

<p>Government-approved EMCS* capex of over INR55 bn is expected to generate a projected output of INR366 bn (2025)⁹</p>	<p>Tier-II and tier-III cities accelerated e-commerce growth, showing strong adoption and notable sales performance (2025)¹⁰</p>	<p>Driven by 'Make in India', domestic and Chinese firms are establishing plants to manufacture competitively priced products¹</p>	<p>Quick-commerce orders doubled, signalling stronger consumer readiness for rapid delivery of essential durables (2025)¹</p>
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*Electronics manufacturing clusters scheme

Sources: 1) India's consumer durables market, IBEF, Nov 2025; 2) The cumulative exports during Apr-Dec'25 is estimated at US\$ 634.26 bn, as compared to US\$ 607.93 bn in Apr-Dec'24, an estimated growth of 4.33%, PIB, 15 Jan 2026; 3) Five Companies Selected Under PLI White Goods Scheme, Production to Reach ₹8,337 Crore, PIB, 23 Jan 2026; 4) India's Electronics Leap, PIB, 11 Oct 2025; 5) India's Index of industrial production records growth of 7.8% in Dec'25, PIB, 28 Jan 2026; 6) India's Index of industrial production records growth of 0.4% in Oct'25, PIB, 1 Dec 2025; 7) 'Zero Defect, Zero Effect' Vision the Core of India's Manufacturing Push, Says Quality Key to \$30-35 tn Economy by 2047, PIB, 23 Feb 2026; 8) Electronics System Design & Manufacturing Industry in India, IBEF, Nov 2025; 9) Government of India approves first batch of seven projects with investment of over ₹5500 crores under Electronics Manufacturing Component Scheme, PIB, 27 Oct 2025; 10) E-commerce Industry in India, IBEF, Nov 2025

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