

The Indian consumer durables sector – Q4FY26

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India's consumer durables sector is likely to move from import dependence to local manufacturing driven by supporting policies and domestic and foreign investments



Segmental performance

The room air conditioner (RAC) segment grew steadily due to increased summer demand, stronger secondary sales, and a shift toward energy-efficient premium models

Washing machine² Air conditioner (AC)² Refrigerator² Dishwashing machine²

-12% 26% 15% -8%

Y-o-Y export growth of key consumer durable products in India (Mar 2026)²

Future outlook¹

- India's dishwasher annual sales expected to surpass 1,85,000 units by 2030
- Sold ~15 mn units AC annually in FY26 and expected to sell 30 mn units by 2030
- Major home appliances market expected to reach INR2.5 tn by 2030, reflecting a 6.3 per cent CAGR across the period.

Performance snapshot

Drivers

Index of industrial production (IIP)^{3,4} **4.1%** (Mar 2026)
Strengthened manufacturing-led economic expansion (5.2% in Feb 2026)

AC manufacturing materials sourced from India⁵ **60% share (2025)**
In 2019, India produced 20% of its AC domestically, aiming for 80% by 2029, supported by production-linked incentive (PLI) scheme

Increasing household consumption^{4,6} **5.3%** (Mar 2026) vs 4.3% (Apr 2026)
Consumer durables production indicated sustained demand for items such as electronics and household appliances

Challenges

Power infrastructure may pose challenges for cooling appliances¹
Growing AC ownership may boost electricity demand significantly, but reliance on coal could continue

High market concentration¹ **75% market share**
Dominance of top players, may intensifies competitive barriers for new entrants

Legacy segment decline¹
Traditional categories like direct-to-home (DTH) witnessed subscriber decline amid digital substitution

Outlook

INR31 tn

E-commerce market is expected to grow by 2030, driven by electronics and apparel segment⁷

INR437 bn

Television market expected growth by FY29, with CAGR of 5.9 per cent (FY24-29)¹

Tech firms are entering India to build electronics manufacturing bases¹

Residential ownership is expected to increase ninefold by 2050, may boost electricity demand¹

Key takeaways

PLI scheme for white goods is expected to attract investments¹

Rise in demand of rental home appliances in urban areas due to free add-on services¹

Expected to reach INR28 tn in electronics production by 2026, driven by the 'Make in India' and PLI scheme⁸

Focus on tier II and III towns have increased to have a wider distribution network¹

Digital India aims to boost e-commerce in remote areas, while 'Skill India' develops technicians to improve white goods service and after-sales revenue¹

Sources: 1) India's consumer durables market, IBEF, February 2026; 2) Trade statistics, Ministry of commerce and industry, accessed in June 2026; 3) Index of Industrial Production (IIP) recorded a 4.1 % year-on-year growth in March 2026, IBEF, April 2026; 4) Industrial output grows 4.1% in March, led by manufacturing and mining, DD News, April 2026; 5) Localization of Electronics Manufacturing in Consumer Appliances: India's Growth Story, IBEF, June 2026; 6) Industrial Production Grows 4.9% in April as India Unveils New IIP Series with 2022-23 Base Year, DD News, June 2026; 7) How Consumer Buying Behaviour Is Shaping E-commerce in India, IBEF, April 2026; 8) India cruising towards \$300 billion electronics production by 2026: Centre, DD News, March 2026

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