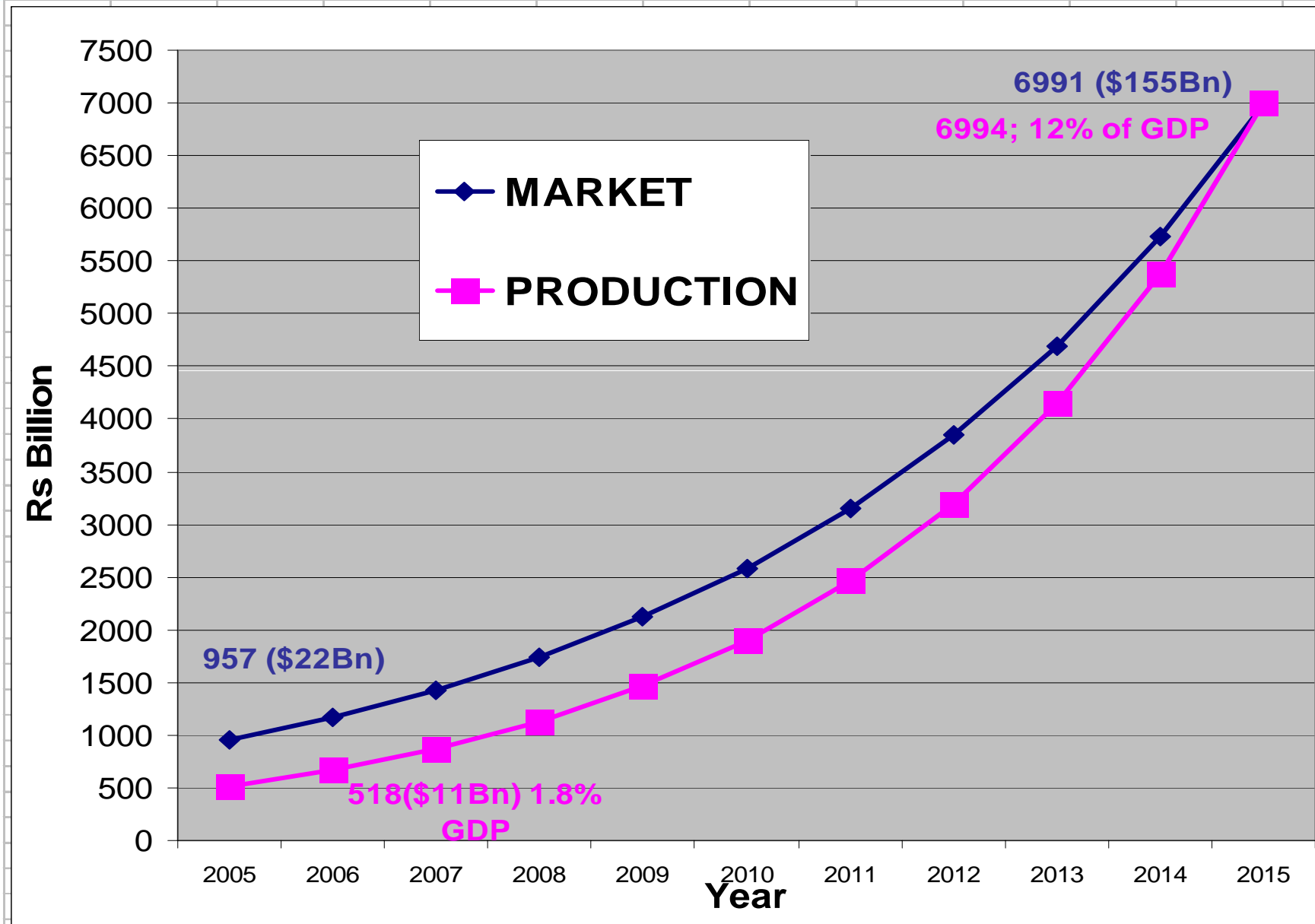




CONSUMER ELECTRONICS

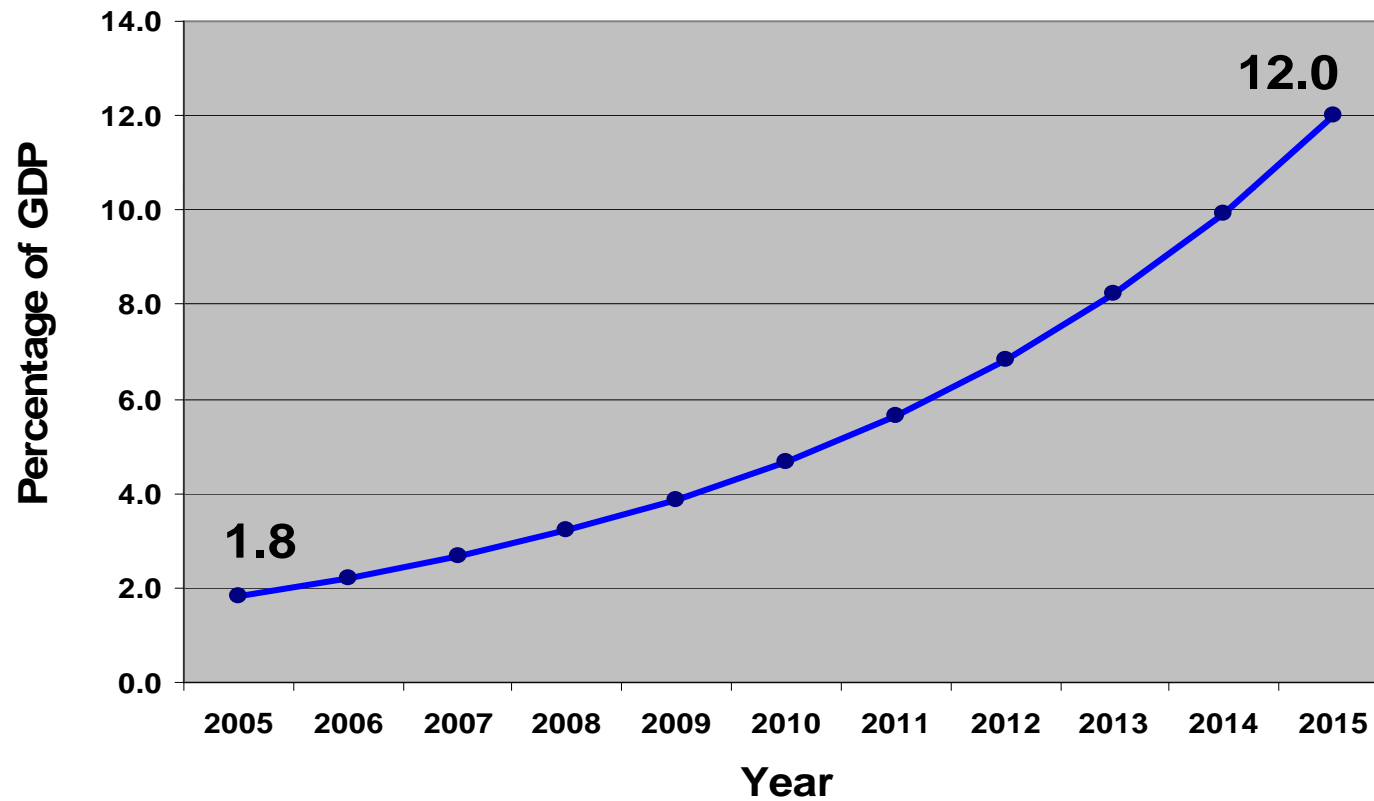
– SECTOR PERSPECTIVE

R Zutshi
President - CEAMA

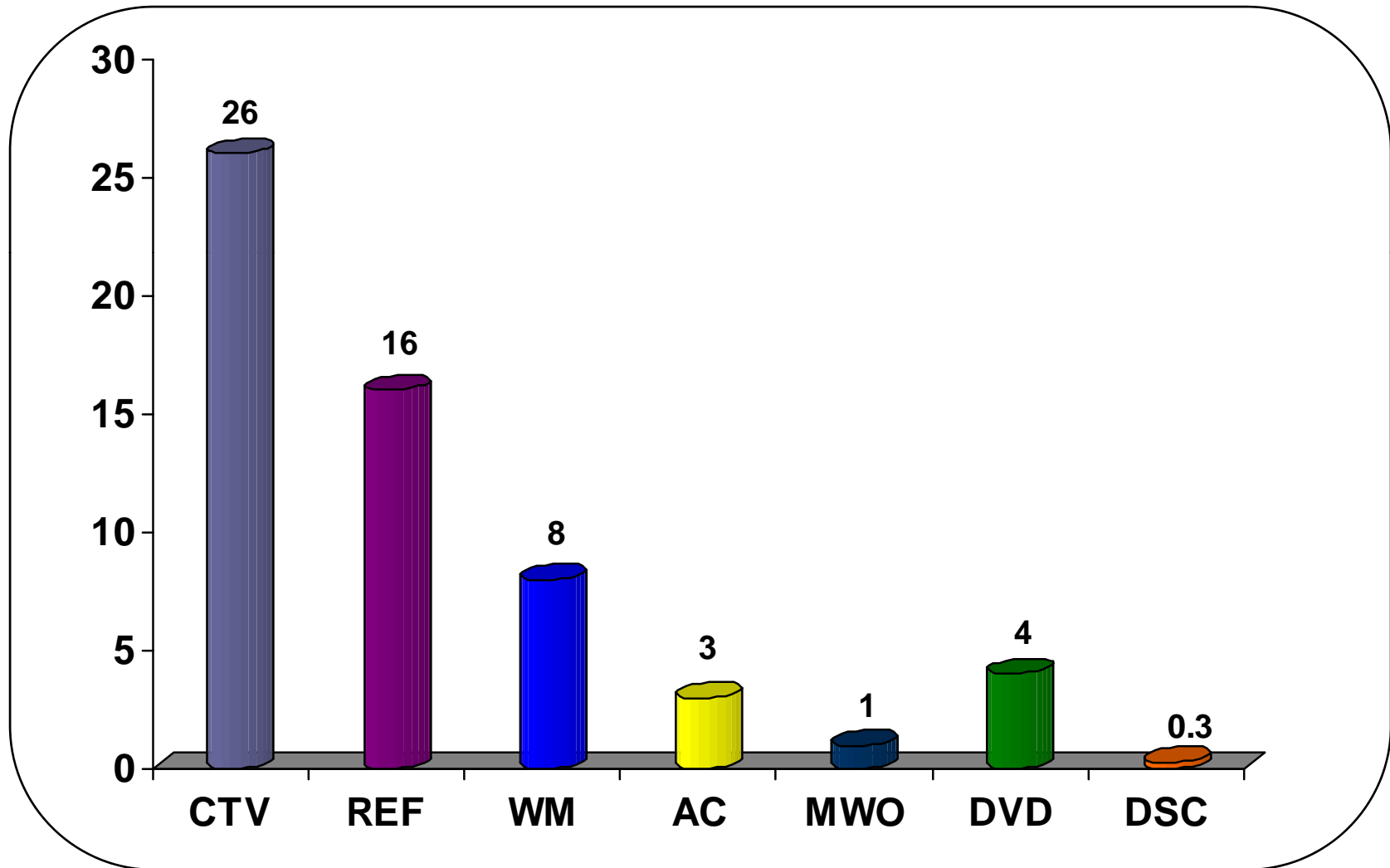


Huge domestic demand driving the sector

Electronics Production as % of GDP

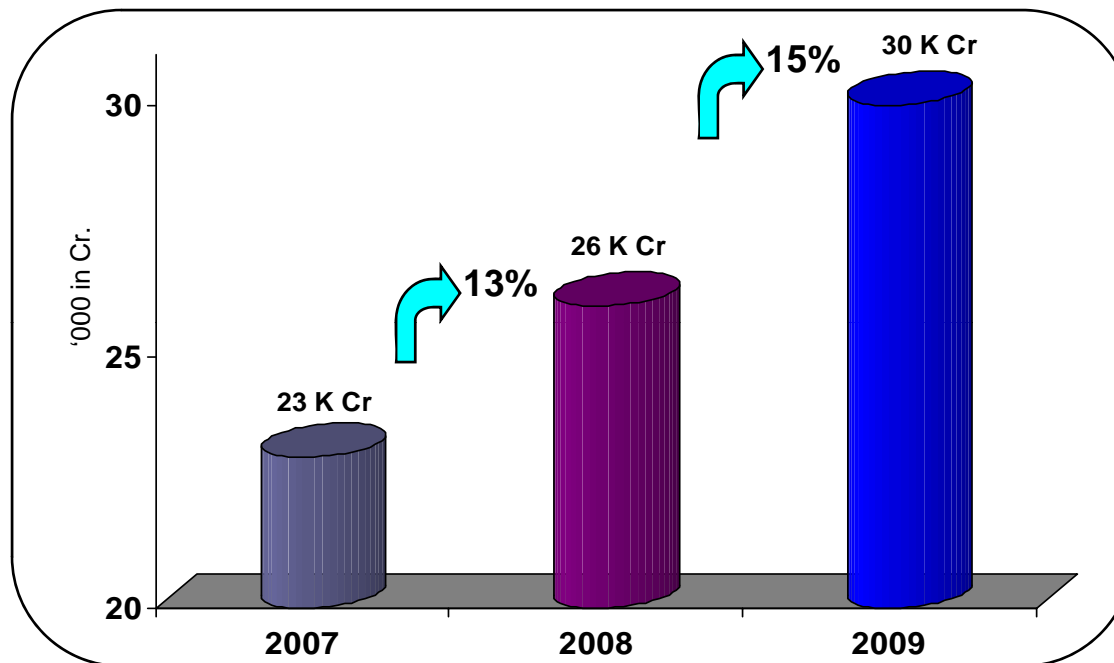


All India – Existing Penetration Level



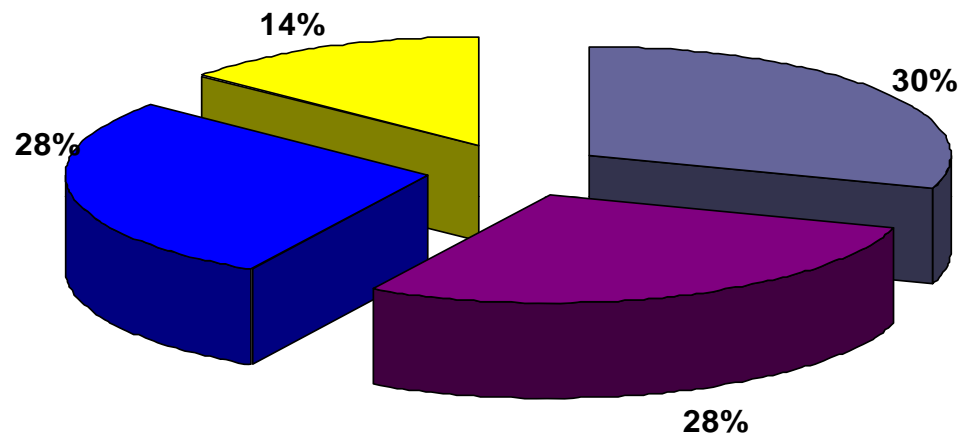
Source : Francis Kanoi

Consumer Electronics Scenario in India



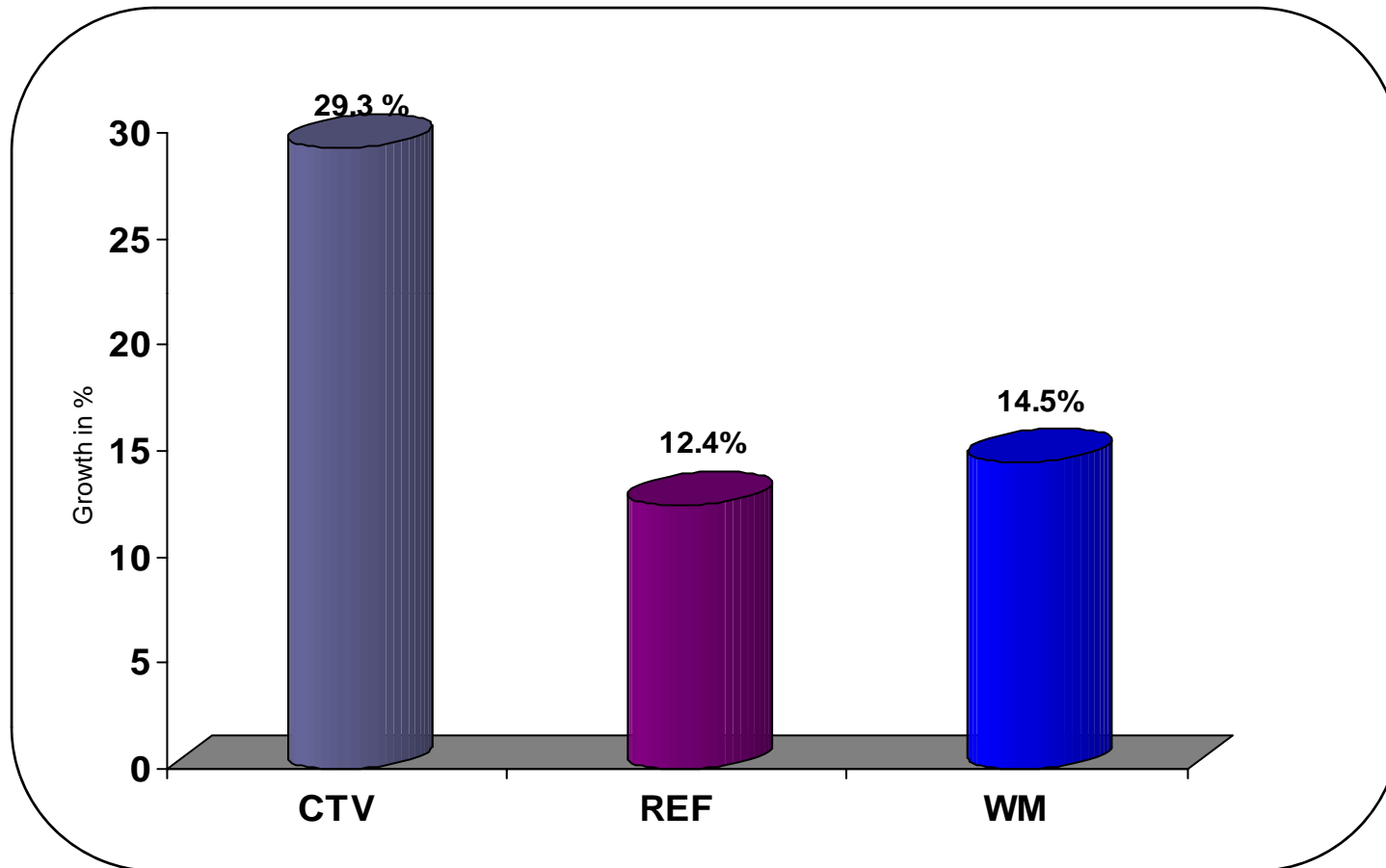
- Value growth due to up gradation and new technology adoption in the market.
- Semi urban markets maturing to branded products (As of 2007, only 30% of CTV sales coming from metros & 1 million+ cities)
- Manufacturers enhancing their penetration levels in the country

Consumer Electronics Scenario in India : Regional contribution



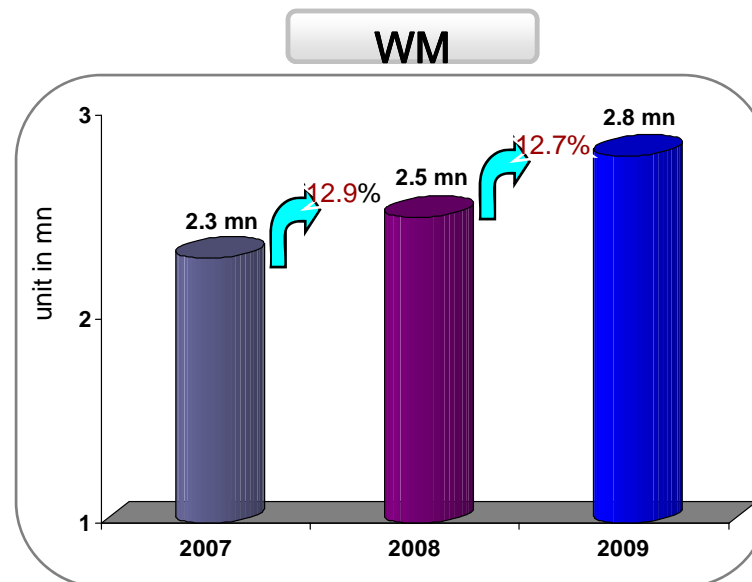
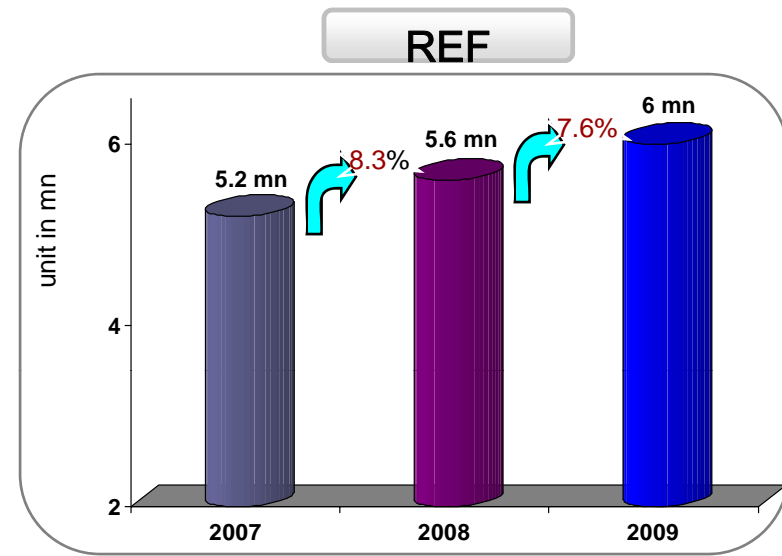
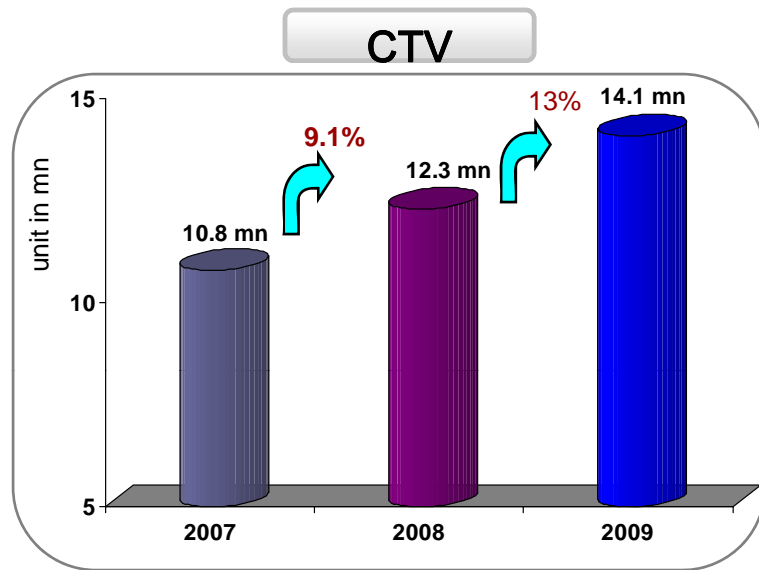
- North India has been the traditional stronghold for the consumer durables market
- South Region emerging as a key market for Consumer Electronics products since the year 2007

Industry Performance : Jan~Oct 2008



The Only sector to have grown in spite of the slowdown

Performance of Key Categories





Indian Opportunity

- Huge domestic market and growing
- Economic outlook : 7.5% in 2008-09
- Burgeoning middle class
- Government working towards improvements in infrastructure, rural electrification and implementation of goods and service tax
- Skilled low cost manpower
- World class standards of productivity

Issues domestic industry is grappling with

- Tax incidence to the extent of 30%
- Anomalies in import duties, because of implementation of FTAs
- Competitiveness of component industry



Projected Market Size - 2015

Item	In Mn. Nos.
Televisions	32.0
DVD Players	16.0
Microwave Ovens	5.0
Air-conditioners	10.3
Washing Machines	8.7

Source: Frost & Sullivan Report

Thank You