### Electronics System Design & Manufacturing

#### MARKET SIZE

**Electronics Industry in India (US$ billion)**

<table>
<thead>
<tr>
<th>Year</th>
<th>FY19</th>
<th>FY25</th>
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<td>215.0</td>
<td>540.0</td>
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CAGR: 16.6%

#### SECTOR COMPOSITION

**Segmentation of ESDM Market (FY19)**

- Electronics System: 78.0%
- Electronics Design: 22.0%

#### KEY TRENDS

- **India’s Smartphone Shipments (million)**
  - Q3 2019: 46.0
  - Q3 2020: 50.0

- **Electronics System Market (US$ billion)**
  - FY19: 70.0
  - FY25: 160.0
  
  CAGR: 16.1%

- **Electronics System Design & Manufacturing (ESDM) in India (US$ billion)**
  - FY19: 90.0
  - FY25: 220.0
  
  CAGR: 16.1%

#### GOVERNMENT INITIATIVES

- **Make in India**
- **Production-Linked Incentive (PLI) schemes**
- **100% FDI**

#### ADVANTAGE INDIA

- **Robust demand**: One of the largest consumers of electronic products in the Asia-Pacific region. Third-largest start-up hub, coupled with strong research & development (R&D) ecosystem.
- **Investment**: The government has set a target to get ~Rs. 18,000 crore (US$ 2.4 billion) investments in the electronics manufacturing segment by 2021-22. New schemes, as a part of the National Policy on Electronics (NPE) 2019, outlay to spend ~US$ 6.7 billion in form of incentives.
- **Policy support**: Under the Union Budget 2021-22, the government is likely to raise the import duty on key electronic components such as printed circuit board assembly, camera module, connectors and chargers to boost local production.
- **Attractive opportunities**: The government intends to incentivise and attract investments to set up semiconductor FABs (fabrication plants) in India.

- **Localization of supply chain**
- **Miniaturisation of electronic products**