

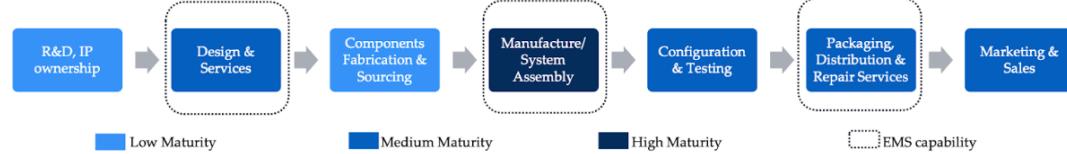
Electronics production in India						
Item (USD bn)	2021	2022	2023	2024		
Mobile Phones	30	38	44	51	19.3%	
IT Hardware (Laptops and Tablets)	3	4	4	5	18.6%	
Consumer Electronics (TV and Audio)	9.5	10	12	13	11.0%	
Strategic Electronics	4	4.25	4.75	5.5	11.2%	
Industrial Electronics	10.5	11	11.75	12.5	6.0%	
Wearables and Headphones	0	0.25	1	2.5		
Auto Electronics	6	7	7.5	8	10.1%	
LED lighting	2.2	2.5	3	3.5	16.7%	
Telecom Equipment	0	0.25	1	3.5		
Electronics Components	9	9.5	10.75	10.5	5.3%	
Total Electronics	74.2	86.75	99.75	115	15.7%	

Source: ICEA, JM Financial and <https://www.meity.gov.in/static/uploads/2024/12/10fcadec462c330211502fed3d24ea83.pdf>

OEM vs. ODM Business Models in EMS	OEM (Original Equipment Manufacturer)	brand owner designs and owns the intellectual property (IP) of the product												
		provide detailed specifications to the EMS company, which simply manufactures the product according to those specifications												
		Example: Apple and Foxconn for iPhones												
		might design the product themselves (or collaborate with the client) and then manufacture it												
HVM vs. LVM Segments	ODM (Original Design Manufacturer)	allows for higher profit margins for the EMS company but requires more technical expertise												
		Example - Dixon in comparison to regional level brands such as Compal, Wistron, Quanta, TDK, and Celestica												
		Global level such as Foxconn, Flex, Benchmark, Pegatron etc												
HVM vs. LVM Segments	HVM (High Volume, Low Mix)	Focus on mass production of a few types of electronic products												
		Consumer electronics like TVs, smartphones, and washing machines												
		High Volume - with Comparatively low margins - Top line depended on the Demand of Consumer (dep on Macros)												
		Involve smaller production runs with a wider variety of products - afer to specialized												
Types of EMS Companies	HVM (High Volume, Low Mix)	Sectors like medical devices, aerospace, and industrial automation												
	LVM (Low Volume, High Mix)	Higher quality and customization - leading to higher margins - Less Topline Growth but More Sus												
	Full-service EMS (FS-EMS)	Provide a complete range of services from design to manufacturing .												
	Design-focused EMS	Offer design and development expertise alongside manufacturing cap												
Source	Manufacturing-focused EMS	Specialize in high-volume, low-mix production with efficient assembly												
	Aftermarket Services EMS	Focus on repair and maintenance services for electronic products												
https://www.wrightresearch.in/blog/the-rise-of-indian-electronics-manufacturing-industry/														
Company	Capex	Fixed Asset Base	Fixed Asset Growth in Assets over 3 and 5 yrs	CWIP	Existing Products	New Product lines	Commissioning (When the prod will start in these categories)	Margin Accretive or not	Additional Imp Points	ROE	Revenue	Net profit	Revenue Cagr	
Kaynes Technology India Ltd	4800 cr	936 cr	3 yr CAGR: 100.91% 5 yr CAGR: 69.96%	300 cr			Outsourced Semiconductor Assembly and Test (OSAT) - 3400 cr	OSAT - First chip production expected Q3 FY26; commercial ramp-up in Q4	Yes	OSAT capex - 50% central govt subsidy, ~20-25% state subsidy on eligible capex. PCB capex ~65% capital subsidy August Electronics (Canada) Acquisition.				
Symra SGS Technology Ltd	180 cr	1149 cr	5 yr CAGR: 31.16%	61 cr	Focused on capacity expansion		Commissioned			Component PLI focused capex - could range from INR 300-1,000 crore, depending on vertical/scale.				
Cyient DLM Ltd	0 cr	3000 cr	3 yr CAGR: 26.71% 5 yr CAGR: 13.51%	6 cr						The company is transitioning from a defense-heavy order book to a more diversified sectoral mix, aided by the Altek acquisition and a rising share of exports.				
										FY26 capex guidance: Rs. 900-1,000 crore.				

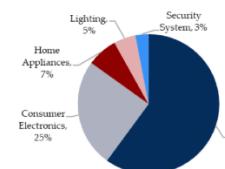
Dixon Technologies (India) Ltd	900 cr	2275 cr	46.30%	256 cr				VIVO Joint Venture Pending term sheet signed.			
Amber Enterprises India Ltd	1650 cr	3122 cr	23.07%	115 cr	Ascent Circuits Expansion	Korea Circuits JV - INR 2,500 cr new over 5 years	Ascent Circuits - commercial	Yes	FY26 Capex Guidance: Ex-ECMS - INR 500 cr (Railways, RAC). including ECMS - INR 200,000 cr (includes Acquis).		
Netweb Technologies India Ltd	0 cr	51 cr	53.42%	6 cr					Next capex leg may be planned toward FY27/FY28.		
Dixon Revenue projection											
Revenue Projection											
Particulars	2024	2025	2026E	2027E	2028E						
Total Revenue	38860	61440.61	79718.1	98318.0							
Yoy growth		58.11%	29.75%	23.33%							
Operating Margin		2295.30	3075.717	3862.38							
Margin		3.74%	3.86%	3.93%							
Finance cost	9.18	12.30	15.45								
Depreciation and Amortization Expense	16.07	21.53	27.04								
PBT		2270.05	3041.88	3819.89							
Tax	17.70%	17.7%	17.7%	17.7%							
PAT		1868.25	2503.47	3143.77							
Contribution from Non-controlling interest	38.32	49.82	64.76	84.19							
Product Breakdown & Margins											
Mobile phone											
standalone	30539	46402.16	55229.3216	66635.78							
Vivo JV			45323	52877							
Margin			9906.32	13758.78							
Margin (%)		1670.47776	1988.256	2398.88808							
Display Module (HCK JV)			3000	3500							
margin			222	259							
Camera Modules (Q tech JV)		2000	3500	5000							
Margin		65	100	225							
Laptop and tablets		1350	3200	4384							
Standalone		1350	2000	2740							
Inventec JV			1200	1644							
Margin		48.6	115.2	157.824							
Margin (%)		3.60%	3.60%	3.60%							
Telecoms, hearables and wearables	731	986.85	1282.905	1667.7765							
Margin											
Margin (%)		3.60%	3.60%	3.60%							
consumer electronics	3590	3575	3575	3575							
TV	2896	2534	2534	2534							
Refrigerator	694	1041	1041	1041							
Margin		135.85	135.85	135.85							
Margin (%)		3.80%	3.80%	3.80%							
Home appliances	1205	1366	1707.5	2134.4	2668.0						
Standalone	884	938	1151.1	1411.1	1727.7						
Rexxam	321	428	556.4	723.32	940.316						
Rexxam margin		47.08	61.204	79.5652	103.43476						
Rexxam PBT		46.56	60.53	78.69	102.30						
Margin		938	126.62	155.22	190.04						
Margin (%)		11%	11%	11%	11%						
Lighting	787	861	961	1499.5	1999.33						
Standalone			861	1099.5	1399.3						

Exhibit 8: Value chain of EMS industry in India



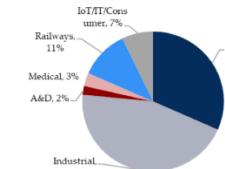
Source: Frost & Sullivan, HSIE Research

Exhibit 65: Dixon revenue break-up by end-industry



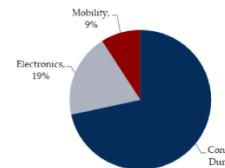
Source: Company, HSIE Research

Exhibit 66: Keynes revenue break-up by end-industry



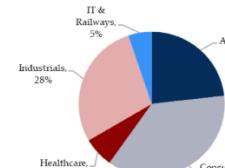
Source: Company, HSIE Research

Exhibit 67: Amber revenue break-up by end-industry

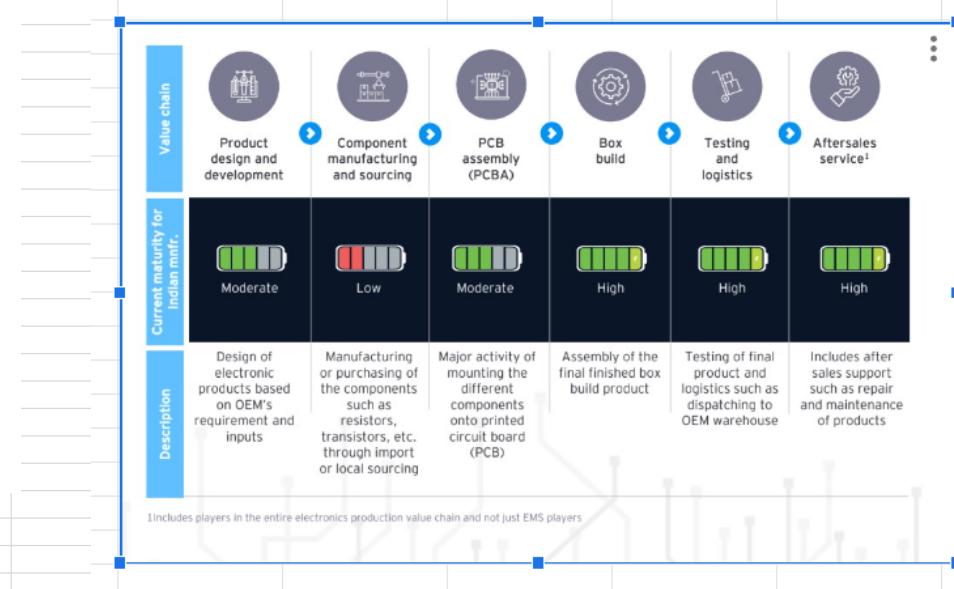


Source: Company, HSIE Research

Exhibit 68: Symta revenue break-up by end-industry



Source: Company, HSIE Research



Manufacturing origins of phone components

