



however, gradually expanding. With the growing demand for high quality components, Indian manufacturers are increasingly upgrading their technology in tie-ups with foreign manufacturers.

The Indian electronic components industry grew 30% from 1985 to 1990. The growth of the electronics equipment sector, both consumer and industrial, has greatly contributed to the sustained growth of the components sector.

India continues to import assembled, semi-knocked down, and completely knocked down components. The GOI's Department of Electronics (DoE) projected that the electronics industry will continue to rely on imports for at least 25 % of domestic components.

The growth of the electronic components industry is linked to the growth of consumer and industrial electronic products. The components market grew from US\$954 million in 1990 to US\$1.215 billion in 1991.

The total market for passive electronic components grew from US\$186.4 million in 1991 to US\$212 million in 1992 and is estimated at US\$225 million in 1993. The estimate for 1994 was US\$305 million. This subsector is expected to expand to US\$450 million by 1996.

The liberalisation of technology and component imports, de-licensing, foreign investment and cuts in excise duties have spurred the growth of the electronics sector. The use and production of computers and consumer electronics is expanding rapidly. Output in the sector has grown from Rs8.1 billion in 1980/82 to an estimated Rs123 billion in 1992/93.

### **Market Access**

Most Canadian firms choose to begin with the help of a local representative/agent and then progress to opening a representative office. The engagement of a local agent or local partner is recommended in instances where you may be pursuing GOI projects. Financing options through EDC and/or CIDA can increase competitiveness. Pricing is an important element and Canadian companies' prices are normally high in comparison to the competition.

Almost all foreign companies in India use reputable and aggressive local agents to bridge cultural differences. These representatives are essential as they can provide timely market intelligence, assess potential clients, undertake contract negotiations,