



IPO Note

LG ELECTRONICS INDIA LIMITED

Oct 07th, 2025



Oct 07th, 2025**Details of the Issue**

Price Band	₹ 1,080 - ₹ 1,140
Issue Size	₹ 11,607 Cr
Face Value	₹ 10
Bid Lot	13
Listing on	BSE,NSE
Post Issue Mcap	₹ 77,380 Cr
Investment Range	₹ 14,040 - ₹ 14,820

Important Indicative Dates (2025)

Opening	07 - Oct
Closing	09 - Oct
Basis of Allotment	10 - Oct
Refund Initiation	13 - Oct
Credit to Demat	13 - Oct
Listing Date	14 - Oct

Lead Manager

Morgan Stanley India Company Pvt Ltd
Axis Capital Ltd
J.P. Morgan India Pvt Ltd
Citigroup Global Markets India Pvt Ltd
BofA Securities India Ltd

Offer Details

Offer Size	₹ 11,607 Cr
Fresh Issue	-
OFS	₹ 11,607 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	5,804	50.91	53.74	50
NII	1,741	15.27	16.12	15
Retail	4,063	35.64	37.62	35
Em-ploy.	-	-	-	-
Total	15,512	102	108	100

Invest Now**Company Profile**

LG Electronics India Limited manufactures and distributes home appliances and consumer electronics (excluding mobile phones) catering to both B2C and B2B consumers in India and abroad. Its business spans Home Appliances, Air Solutions, and Home Entertainment, supported by two advanced manufacturing units in Noida and Pune, a robust supply chain of 25 warehouses including two central and 23 regional distribution centers, and a network of 51 branch offices with 30,847 sub-dealers across the country. The company provides installation, repair, and maintenance services through 1,006 service centers backed by 13,368 engineers and four call centers, ensuring nationwide reach in both urban and rural areas. As of June 30, 2025, it employs 3,796 people.

GEPL's Insights & Investment Thesis:

- LG Electronics India Ltd has established its market leadership in the Indian home appliances and consumer electronics industry and is number one player by market share in the offline channel.
- The company has one of the largest distribution and after-sales services network compared to its peers with 35,640 B2C touchpoints, 1006 service centers, and a network of 97 sales offices. The company has an installed capacity of 1.45 crore products at Pune and Noida manufacturing facilities.
- Based on the FY25 earnings, relative to the company's post-IPO paid up capital, the issue is priced at a P/E ratio of 25.07x. We believe that the issue is fairly valued compared to its peers, market leader across multiple product categories, strong parentage, and robust manufacturing capabilities with localized supply chain. Therefore, we recommend a **"Subscribe"** rating for the issue.

Business Highlights & Services

LG Electronics India Limited has consistently established market leadership in the Indian home appliances and consumer electronics industry, ranking as the number one player by market share (in value terms) in the offline channel for CY2022, CY2023, CY2024, and the six months ended June 30, 2025, as per the Redseer Report. The company leads across multiple product categories, including washing machines, refrigerators, panel televisions, inverter air conditioners, and microwaves, which collectively account for nearly 77-78% of the offline market by value. Its dominance extends across both the volume and premium segments in washing machines, panel televisions, and microwaves, underlining the strength of its diversified positioning. With one of the broadest product portfolios among industry peers, LG offers advanced technologies such as OLED, QNED, NanoCell, UHD, and LED televisions, while most competitors offer limited ranges. Over 28 years of operations in India, the company has built a strong brand equity, an extensive service network, and deep consumer insights, enabling it to address both mass-market consumers who seek affordability and durability, as well as premium buyers who prioritize aesthetics, advanced features, and luxury. Its balanced product strategy and commitment to consumer-centric innovation across price points position it well to capture incremental demand from both new and replacement purchases, making it a structurally strong player in a growing industry.

LG Electronics India Limited presents a strong growth opportunity backed by 28 years of consumer insight, market leadership, and innovation. The company has been a first mover in India with OLED TVs, 4K/Smart TVs, inverter ACs, and microwaves, driving dominant market shares, including over 60% in OLED TVs. Its portfolio is tailored to Indian needs with localized features, ensuring strong consumer connect.



With the largest distribution network among peers (35,640 touchpoints), long-standing trade relationships, and one of the strongest after-sales networks (1,006 centers, 13,368 engineers), LG ensures reach, reliability, and customer loyalty. Exports to 47 countries add geographic diversification. Combining innovation, scale, and execution strength, LG is well positioned to capture demand across premium and mass markets, making it a structurally strong player in India's growing consumer durables industry.

LG Electronics India offers a strong investment case driven by scale, efficiency, and a clear growth strategy. With two advanced manufacturing hubs in Noida and Pune contributing over 85% of sales, high automation and flexible lines have lifted utilization to 82.7% and boosted AC and washing machine productivity by 29% and 13% since FY22. Its robust supply chain 287 long-tenured suppliers, 25 warehouses, and digital systems—combined with rising localization (54% in FY25/Q1FY26) reduces costs, import dependence, and supports higher margins. LG's trusted brand, ranked India's "Most Trusted Home Appliances Brand" in 2025, and strong digital presence enable premium product adoption, while innovation and sustainability practices strengthen competitiveness. Scale, automation, localization, premium positioning, and innovation position LG India to capture replacement demand, expand margins, and deliver sustainable revenue growth.

LG Electronics India is well-positioned to capitalize on India's expanding home appliances and consumer electronics market, projected to grow from ₹6,875 billion in H1FY25 (annualized) to ₹10,965 billion by CY2029, driven by a growing middle class, rising premiumization, and urbanization. To support this growth, the company plans a ₹50.01 billion investment in a third manufacturing unit in Andhra Pradesh, set to be operational by FY27, initially producing air conditioners and compressors, followed by washing machines and refrigerators. This expansion, along with enhancements in automation, machine upgrades, and production efficiency, will increase capacity, reduce costs, and improve margins. LG intends to strengthen its pan-India distribution network, expand B2C touchpoints through LG BrandShops and traditional channels, and deepen B2B presence across new verticals. Direct-to-consumer initiatives via its website and enhanced CDC-to-trade deliveries will optimize costs, shorten lead times, and improve margins. The company also plans to expand its digital footprint through e-commerce and quick-commerce platforms. Combined with strong brand equity, product innovation, and a localized supply chain, these initiatives provide a clear strategy to drive revenue growth, margin expansion, and long-term value creation in India's rapidly growing consumer durables market.

LG Electronics India is strategically positioned for growth, targeting full household penetration through a dual focus on volume and premium segments. Leveraging deep consumer insights, the company delivers durable, regionally tailored products across price points while expanding into new categories like water purifiers and built-in kitchens. Volume offerings remain affordable yet feature-rich, while premium products incorporate AI, smart connectivity, and modern designs, capturing aspirational urban consumers and driving upselling. Broad product portfolios, multiple-product adoption per household, and targeted marketing support repeat purchases, revenue growth, and margin expansion, reinforcing LG's leadership in India's expanding consumer durables market. LG Electronics India is expanding its B2B and service businesses to drive revenue and margin growth. The B2B market, valued at ₹550 billion in H1FY25, is projected to grow at a 14% CAGR to ₹970 billion by CY2029. LG is leveraging global technology to offer high-performance, energy-efficient solutions across HVAC, commercial displays, washing machines, and LED/electronic boards for industries like hospitality, healthcare, and smart buildings. Simultaneously, it is scaling AMC and subscription services, including the "Careship" program, enhancing service quality, customer loyalty, and recurring revenues. This strategy positions LG to capture high-margin opportunities, diversify revenue streams, and strengthen its leadership in India's growing B2B and after-sales markets.

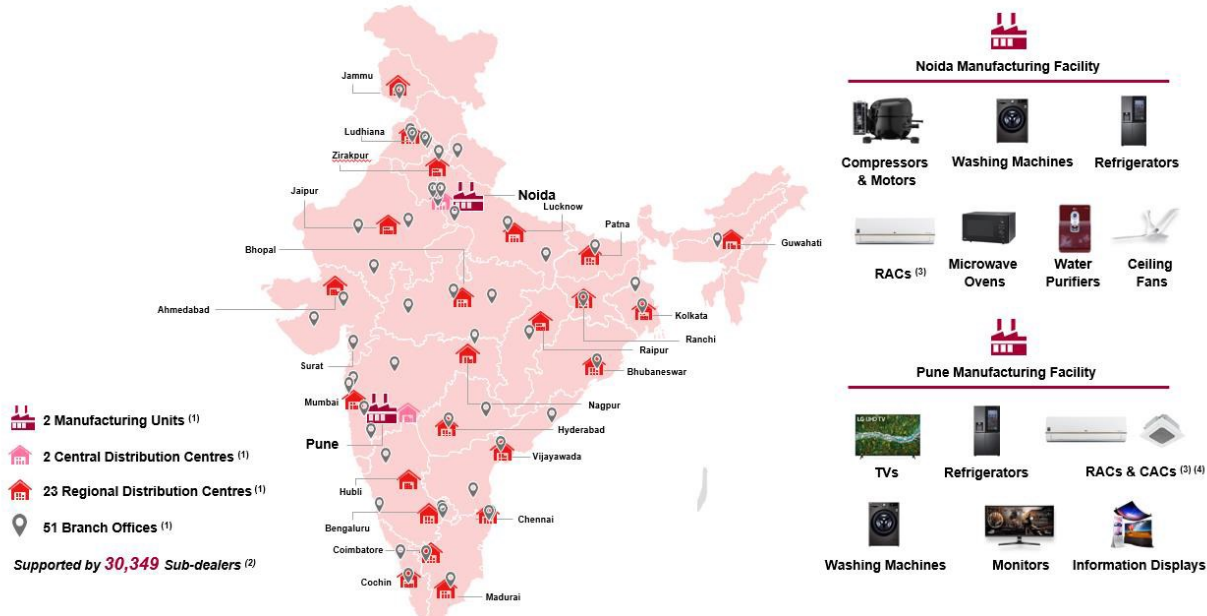
Product wise revenue breakup

Particular	FY25		FY24		FY23	
	Amount (INR Cr)	% of revenue	Amount (INR Cr)	% of revenue	Amount (INR Cr)	% of revenue
Home Appliance & Air Solutions	18,268	75%	15,680	73%	15,031	76%
Refrigerators	6,696	27%	5,784	27%	5,806	29%
Washing machines	5,042	21%	4,492	21%	4,221	21%
Air conditioners	5,271	22%	4,290	20%	3,991	20%
Other	1,259	5%	1,113	5%	1,014	5%
Home Entertainment	6,099	25%	5,672	27%	4,834	24%
Television	4,925	20%	4,558	21%	3,932	20%
Other	1,174	5%	1,114	5%	902	5%
Total	24,367	100%	21,352	100%	19,865	100%

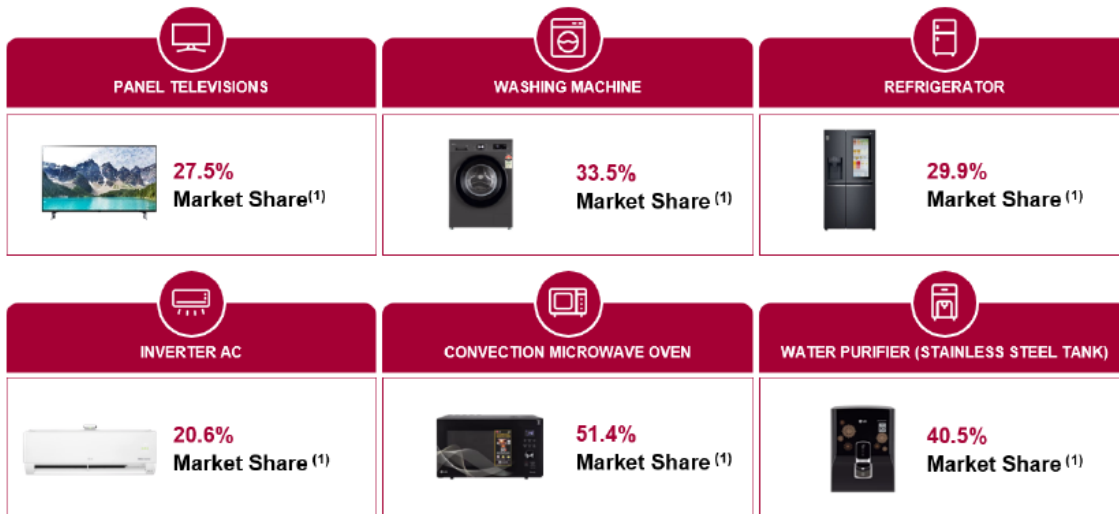


Manufacturing and Pan-India Presence

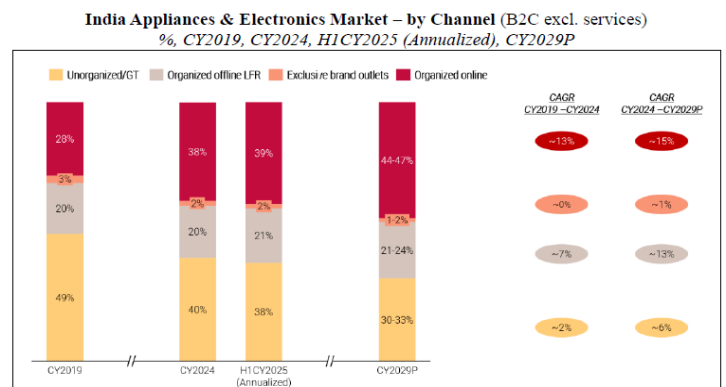
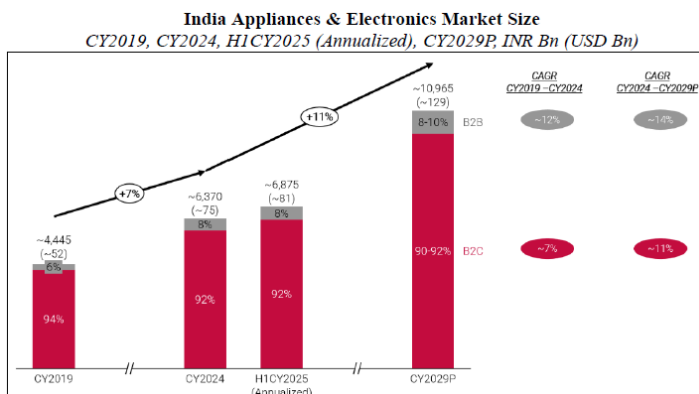
Manufacturing and Pan-India Distribution Presence



Market Share Details



Industry Outlook



Peers Comparisons

Name of the company	Face Value (₹)	Total Revenue (In Cr)	EPS	P/E (x)	RoNW(%)
LG Electronics Ltd	10	24,367	32.46	NA	37.13
Peers Group					
Havells Ltd	1	21,778	23.48	64.14	17.63
Voltas Ltd	1	15,413	25.43	52.68	12.76
Whirlpool Ltd	10	7,919	28.3	43.53	9.09
Blue Star	2	11,968	28.76	65.59	19.27

Company's Competitive Strength

- Leading market share in the home appliances and consumer electronics industry in India with #1 market share across key product categories.
- Introducing innovative technologies tailored to the needs of the Indian consumers.
- Shaping consumer experience with pan-India distribution and after-sales service network.
- Operational efficiency through strong manufacturing capabilities and localized supply chain.
- Parentage of LG Electronics, which is the leading single-brand global home appliances player in terms of market share by revenue in CY 2024 and strong LG brand.
- Capital efficient business with high growth and profitability.

Key Strategies Implemented by Company

- Build a strong foundation to capture long-term growth in India.
- Diversify business model to create new consumer value.
- Continue to be a brand of choice for every Indian household across volume and premium market categories.

Particular (INR in Cr)	Q1 FY26	FY25	FY24	FY23
Equity Capital	679	679	113	113
Reserves and Surplus	5,768	5,255	3,623	4,207
Net Worth	6,447	5,934	3,736	4,320
Revenue	6,263	24,367	21,352	19,865
Growth (%)	-2%	14%	7%	
EBITDA	716	3,110	2,224	1,895
EBITDAM (%)	11%	13%	10%	10%
PAT	513	2,203	1,511	1,344
PATM (%)	8.2%	9.0%	7.1%	6.8%
ROE (%)	8.0%	37.1%	40.5%	31.1%
ROCE (%)	9.1%	42.9%	45.3%	34.4%



Notes

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