



LG ELECTRONICS INDIA LIMITED

BUSINESS MODEL

Core Business: Leading player in India's home appliances and consumer electronics market

Parentage: Wholly-owned subsidiary of LG Electronics, world's leading single-brand home appliances company

Primary Divisions: Home Appliance and Air Solution Division (75% of revenue), Home Entertainment Division (25% of revenue)

Product Portfolio: Refrigerators, washing machines, air conditioners, panel TVs (OLED, QNED, NanoCell, UHD, LED)

Manufacturing: Two facilities in Noida and Pune with 14.51 million products capacity; new ₹5,001 cr facility planned in Andhra Pradesh

MARKET LEADERSHIP & OPERATIONAL STRENGTHS

Market Leadership

#1 Player in India's major home appliances and consumer electronics market with category leadership in washing machines, refrigerators, panel TVs, inverter ACs, and microwaves

Extensive Network

35,640 B2C touchpoints, 463 B2B trade partners, 1,006 service centers with 13,368 engineers, and 4 call centers enabling same-day services

Supply Chain Integration

Vertical integration for key components, 54% raw materials sourced domestically, network of 287 suppliers with 13.13 years average relationship

Technology Leadership

Pioneer in innovations like inverter ACs (100% transition by 2017), OLED TVs (2015), and water purifiers with stainless steel tanks (2013)

KEY MARKET SHARE POSITIONS

OLED TVs: ~59.8% market share

4K TVs: ~29.4% market share

Smart TVs: ~27.2% market share

Premium water purifiers: ~42% market share

Brand Recognition: "India's No.1 Inverter AC Brand," "India's No.1 Refrigerator Brand," and "India's Most Trusted Home Appliances Brand"

Global Reach: Exports to 47 countries across Asia, Africa, and Europe

IPO DETAILS

IPO Dates:	Oct 7-9, 2025
Listing Date:	Oct 14, 2025 (T)
Price Band:	₹1,080-₹1,140
Total Issue Size:	₹11,607.01 Cr
Market Cap:	₹77,380 Cr

Face Value:	₹10 per share
Lot Size:	13 shares
Min. Investment:	₹14,040
Employee Discount:	₹108 per share
P/E Ratio:	35.1x

*Based on Red Herring Prospectus, October 2025. Total shares offered: 10,18,15,859 equity shares.

FINANCIAL HIGHLIGHTS (FY2024-25)

REVENUE FROM OPS.

₹24,367 Cr

(FY2024-25)

PAT

₹2,203 Cr

(8.95% Margin)

EBITDA MARGIN

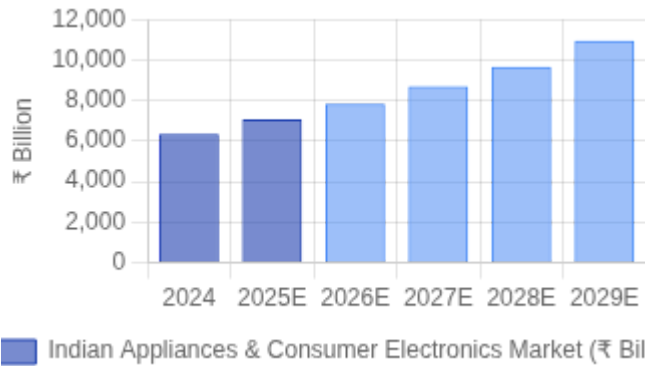
12.76%

(ROCE: 42.91%)

INDUSTRY ANALYSIS & MARKET OVERVIEW

INDIAN APPLIANCES & CONSUMER ELECTRONICS MARKET

Market Size & Growth Projection



Source: Redseer Report, 2025

KEY MARKET INSIGHTS

Current Size: ₹6,370 billion (US\$75 billion) in CY2024

Robust Growth: Expected to reach ₹10,965 billion (US\$129 billion) by CY2029

Steady CAGR: 11% growth rate projected during CY2024-2029

Volume Growth: From ~495 million units in CY2024 to ~660 million units by CY2029

Segment Mix: B2C dominates with 92% market share, B2B accounts for 8%

GROWTH DRIVERS

Rising Incomes

Growing middle class with increasing purchasing power driving premiumization

Urbanization

Expanding urban population and nuclear families boosting appliance demand

Low Penetration

Significant growth potential due to under-penetration vs global benchmarks

Infrastructure

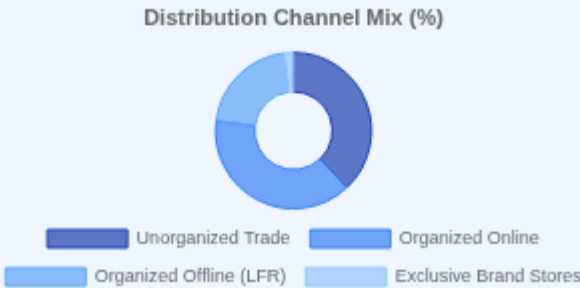
Better electricity access in rural areas expanding market reach

CATEGORY BREAKDOWN & PROJECTIONS

KEY PRODUCT CATEGORIES (₹ BILLION)

Category	CY2024	CY2029	CAGR
Refrigerators	₹315	₹620	15%
Washing Machines	₹245	₹380	9%
Air Conditioners	₹320	₹710	17%
Televisions	₹415	₹760	13%

DISTRIBUTION CHANNELS



Source: Redseer Report, 2025

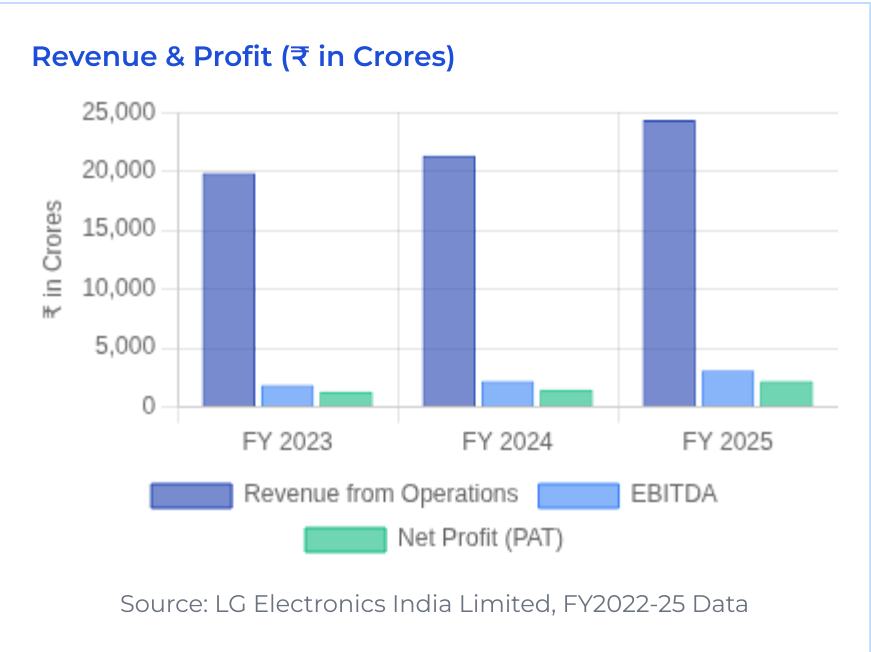
LG'S MARKET LEADERSHIP POSITION

LG Electronics India has maintained the top position in India's major home appliances and consumer electronics market (excluding mobile phones) from CY2022 to H1CY2025.

~59.8% ~29.4% ~27.2% ~42%
OLED TVs 4K TVs Smart TVs Premium Water Purifiers

FINANCIAL PERFORMANCE

3-YEAR FINANCIAL SNAPSHOT



KEY METRICS

EBITDA MARGINS

9.54%
(FY23)

10.42%
(FY24)

12.76%
(FY25)

KEY PERFORMANCE INDICATORS

ROCE (FY25)

42.91%

Debt to Equity (FY25)

0.07

Revenue CAGR (FY23-25)

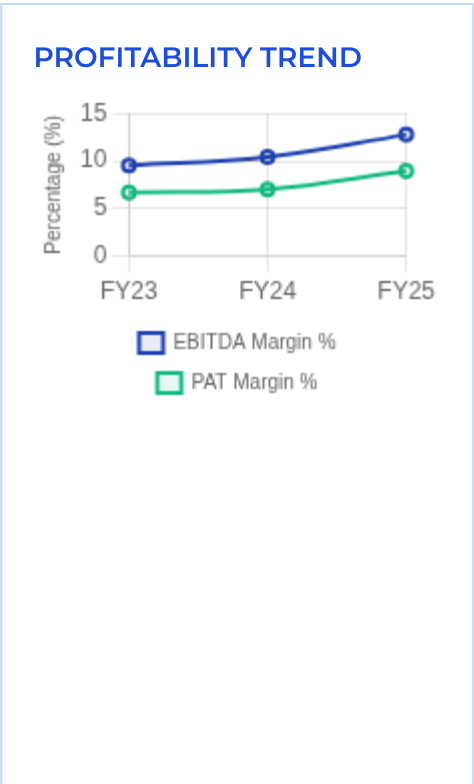
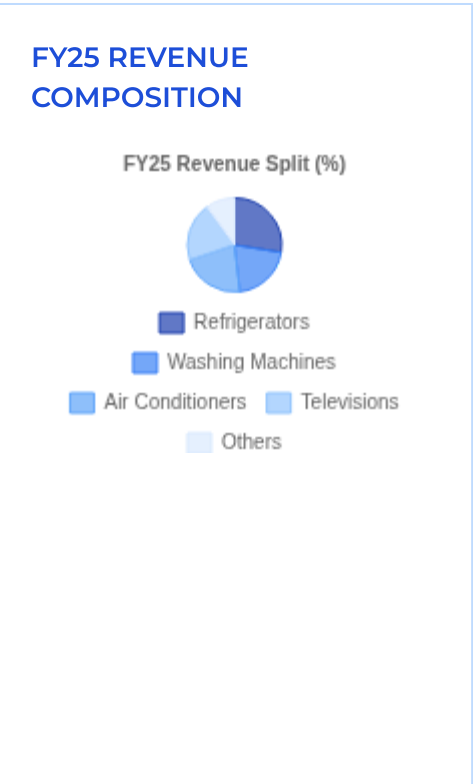
10.74%

FCF Conversion Ratio

59.49%

DETAILED FINANCIAL PERFORMANCE (₹ IN CRORES)

Particulars	3M FY26	FY25	FY24	FY23
Revenue from Operations	6,263	24,367	21,352	19,868
EBITDA	716	3,110	2,225	1,895
EBITDA Margin (%)	11.44%	12.76%	10.42%	9.54%
PAT	513	2,203	1,511	1,345
PAT Margin (%)	8.10%	8.95%	7.01%	6.69%
ROCE (%)	9.10%	42.91%	45.31%	34.38%



FINANCIAL HIGHLIGHTS

Revenue grew at 10.74% CAGR from FY23 to FY25

EBITDA margins improved from 9.54% to 12.76%, significantly above industry average of ~7%

PAT margins rose from 6.69% to 8.95% vs industry average of ~4.5%

ROCE of 42.91% in FY25 is highest among peers (industry avg ~17%)

Low debt-to-equity ratio of 0.07, indicating strong balance sheet

PEER COMPARISON & COMPETITIVE POSITIONING

FINANCIAL METRICS COMPARISON (FY2024-25)

Metrics	LG Electronics	Havells	Voltas	Whirlpool	Blue Star
Revenue (₹ Cr)	21,367	21,778	15,413	7,421	11,968
EBITDA Margin	13%	10%	6%	6%	7%
PAT Margin	9%	7%	5%	4%	5%
ROCE (%)	42.9%	25.3%	17.6%	12.7%	0.1%
D/E Ratio	0.07	0.04	0.14	0.08	0.12
Market Cap (₹ Cr)	77,380	92,806	44,588	14,885	38,422
P/E Ratio	35.1	65.7	68.8	48.1	72.0

Source: Company filings, InvestorZone Research, October 2025

COMPETITIVE POSITIONING

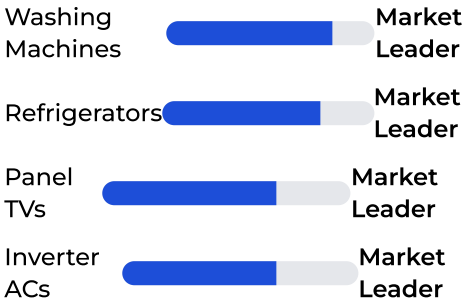
KEY COMPETITIVE ADVANTAGES

- Superior Profitability:** LGEIL's EBITDA margin (13%) and PAT margin (9%) are the highest among peers, demonstrating operational excellence
- Capital Efficiency:** Leading ROCE of 42.9%, far exceeding the industry average of ~17%, indicates highly efficient capital utilization
- Attractive Valuation:** P/E ratio of 35.1 is lower than most competitors despite better profitability and growth metrics
- Strong Balance Sheet:** Low debt-to-equity ratio of 0.07 shows financial stability and flexibility for future investments

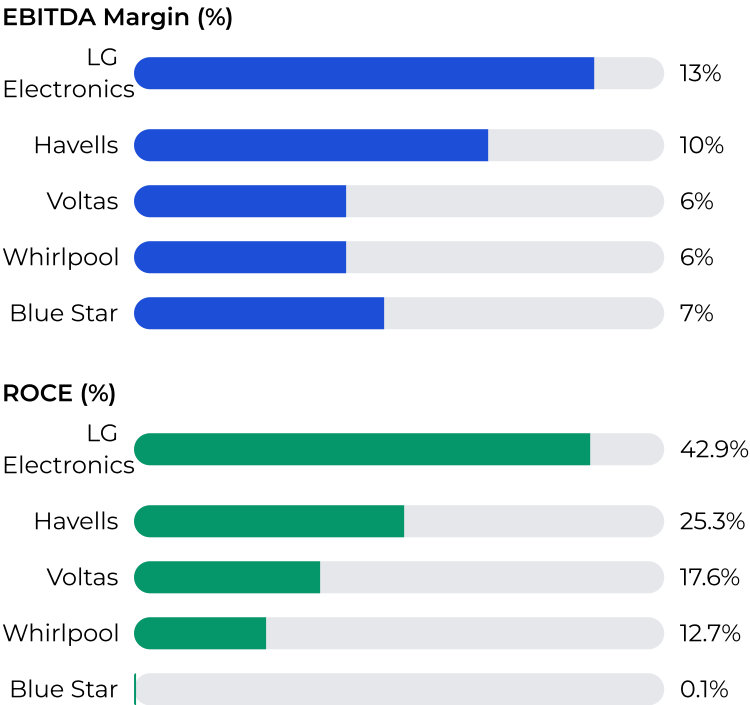
MARKET LEADERSHIP

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#1 Player in India's home appliances and consumer electronics market (excl. mobile phones) from CY2022 to H1CY2025



KEY METRIC COMPARISON



KEY RISK FACTORS

- 100% dependency on parent company LG Electronics for brand and technology
- Significant tax contingencies (₹4,717 Cr, 73.16% of net worth)
- Supply chain vulnerabilities (imports from Korea 20.53%, China 12.22%)
- High revenue concentration in Home Appliances (78.37% of total)



VALUATION, KEY RISKS & INVESTMENT RECOMMENDATION

IPO DETAILS - PURE OFFER FOR SALE (OFS)

1 100% OFS

₹11,607 Crore

All IPO proceeds will go to the selling shareholder (LG Electronics) with no fresh capital being raised by the company

2 Selling Shareholder

LG Electronics

Parent company divesting partial stake while maintaining majority ownership post-IPO

3 Company Investments

Independent of IPO

Planned ₹5,001 Cr facility in Andhra Pradesh by FY2027 will be funded through internal accruals, not IPO proceeds

VALUATION INSIGHTS

Based on the upper price band of ₹1,140 per share:

₹77,380 Cr

Market Cap

35.12x

P/E Ratio

24.88x

EV/EBITDA

₹11,607 Cr

Total Offer Size

PEER VALUATION COMPARISON

Company	Market Cap (₹ Cr)	P/E Ratio	EBITDA Margin (%)	ROCE (%)
Havells	92,806	65.7	10.0	25.3
Voltas	44,588	68.8	6.0	17.6
Whirlpool	14,885	48.1	6.0	12.7
Blue Star	38,422	72.0	7.0	0.1
LG Electronics India	77,380	35.12	12.76	42.91

Data as of latest available financials (FY2024-25). LG Electronics India's valuation based on IPO price band.

INVESTMENT VIEW

INVESTMENT STRENGTHS

- Market leadership in home appliances segment
- Superior financial metrics (12.76% EBITDA, 8.95% PAT)
- High ROCE (42.91%) and strong cash flow conversion
- Extensive distribution network (35,640 B2C touchpoints)
- Robust service network (1,006 service centers)
- Trusted LG brand with innovation capabilities
- Attractive valuation vs peers (P/E 35.12x vs 65-72x)

KEY RISK FACTORS

- 100% dependency on parent LG Electronics for brand and tech
- License agreements can be terminated with 30 days notice
- Significant tax contingencies (₹4,717 Cr, 73.16% of net worth)
- Geopolitical supply chain risks (Korea 20.53%, China 12.22%)
- Raw material cost fluctuations (71-75% of revenue)
- High revenue concentration in Home Appliances (78.37%)
- Competitive pressures from domestic & global players

INVESTORZONE ANALYSIS

LG Electronics India's IPO presents a compelling investment opportunity for long-term investors seeking exposure to India's high-growth consumer durables sector. The company's market leadership, superior financial performance, and attractive valuation relative to peers make it a strong candidate for subscription despite risks related to parent dependency and tax contingencies.

Retail investors can consider applying for the minimum lot (13 shares, ₹14,040) to gain exposure to this market leader.

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