LG Electronics India Ltd.

October 06, 2025

IPO Details

IPO Date	October 7, 2025 to October 9, 2025
Face Value	₹10 per share
Price Band	₹1080 to ₹1140 per share
Lot Size	13 Shares
Sale Type	Offer For Sale
Total Issue Size	10,18,15,859 shares (aggregating up to ₹11,607.01 Cr)
Employee Discount	₹108.00
Issue Type	Book building IPO
Listing At	BSE, NSE
Shareholding pre issue	67,87,72,392 shares
Share Holding Post Issue	67,87,72,392 shares
QIB Shares Offered	Not more than 50% of the Offer
Retail Shares Offered	Not less than 35% of the Offer
NII (HNI) Shares Offered	Not less than 15% of the Offer
Retail (Min & Max) shares	13 Shares & 169 shares
Retail (Min & Max) application amount	₹14,820 & ₹1,92,660
S-HNI (Min shares & application amount)	182 shares & ₹2,07,480
S-HNI (Max shares & application amount)	871 shares & ₹9,92,940
B-HNI (Min shares & application amount)	884 shares & ₹10,07,760
Basis of Allotment	Fri, Oct 10, 2025
Initiation of Refunds	Mon, Oct 13, 2025
Credit of Shares to Demat	Mon, Oct 13, 2025
Listing Date	Tue, Oct 14, 2025
Cut-off time for UPI mandate confirmation	5 PM on Thu, Oct 9, 2025
Promoters	LG Electronics Inc.
Registrar	Kfin Technologies Ltd.

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link https://ipo.adroitfinancial.com/ for any kind of assistance please contact to their helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Company Profile

LG Electronics India Ltd. has been the number one player in major home appliances and consumer electronics (excluding mobile phones) in India. They are market leaders in India across multiple product categories, including washing machines, refrigerators, panel televisions, inverter air conditioners, and microwaves, based on market share (in terms of value) in the offline channel. The offline channel represented approximately 78% and 77% of the major home appliances and consumer electronics market (excluding mobile phones) in India in terms of value for the twelve months ended December 31, 2024, and the six months ended June 30, 2025, respectively. The company was incorporated in 1997 as a wholly owned subsidiary of LG Electronics, which is the leading single-brand global home appliances player in terms of market share by revenue in CY2024. They derive several benefits from their strong parentage including the "LG" brand which was listed on Interbrand's Top 100 Best Global Brands in 2024.

The company offers one of the widest product portfolios amongst leading home appliances and consumer electronics players (excluding mobile phones) in India. They sell products to B2C and B2B consumers in India and outside India. They also offer installation services, and repairs and maintenance services for all their products. They operate their business across two segments: Home Appliances & Air Solutions and Home Entertainment.

The Revenue of the Company increased by 14.11% and Profit after Tax rose by 45.79% from FY24 to FY25.

Objects of the Issue

- Offer for Sale- Rs. 11,607.01 Crore

Financial Details

Particulars (Amount in Crores)	31-Mar-25	31-Mar-24	31-Mar-23
Revenue from Operations	24366.6	21352.0	19864.6
Other income	263.9	205.1	243.9
Total Income	**24630.5**	**21557.1**	**20108.5**
Expenses			
- Cost of Material Consumed	14740.5	12916.0	12360.8
- Purchases of stock-in-trade	1972.9	1935.7	1878.7
- Changes in Inventories of finished goods, stock-in-trade and work-in-progress	-133.4	78.3	-211.5
- Employee benefit expenses	962.7	886.8	799.1
- Other expenses	3713.6	3310.1	3138.0
Total expenses	**21256.3**	**19126.9**	**17965.1**
EBITDA	**3110.3**	**2225.1**	**1899.4**
EBITDA Margin (%)	**12.76%**	**10.42%**	**9.56%**
- Finance cost	30.6	28.5	22.5
- Depreciation and amortization	380.3	364.3	300.3
Profit/(Loss) before tax	**2963.3**	**2037.4**	**1820.5**
Tax expense/(credit)	759.7	526.0	472.3
Profit/(Loss) After Tax	**2203.6**	**1511.4**	**1348.2**
PAT Margin (%)	**8.95%**	**7.01%**	**6.70%**
Basic EPS (in Rs.)	**32.46**	**22.26**	**19.86**

Key Metrics	Mar-25	Mar-24	Mar-23
Return on Capital Employed (%)	42.91	45.31	34.38
EBITDA Margin (%)	12.76	10.42	9.54
Number of B2C Touch Points	36230	35833	34874

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Competitive Strengths

- **Market Leader in Home & Electronics:** The company has been the number one player in this industry for the six months ended June 30, 2025, CY2024, CY2023 and CY2022 as per the market share (in terms of value) in the offline channel in India. They are also market leaders in India across multiple product categories including washing machines, refrigerators, panel televisions, inverter air conditioners, and microwaves, based on the market share (in terms of value) in the offline channel (which represents approximately 78% and 77% of the major home appliances and consumer electronics market (excluding mobile phones) in India in terms of value in the same period) for the twelve-month period ending Dec 2024.

- **Consumer-Centric Innovation:** With 28 years of experience in India, the company has developed deep insights into Indian consumers' preferences and demands. Leveraging the global leadership of LG Electronics, a pioneer in innovative technology, the company introduces new and innovative products in India and, where necessary, customizes certain products to cater to local consumer preferences and requirements.

- **Strong Distribution and Service Network**: The company operates the largest distribution network among leading home appliances and consumer electronics players in India as of June 30, 2025. They have an expansive sales network through 35,640 B2C touch points (comprising LG BrandShops that are strategically located in main shopping areas of the cities and towns, modern trade stores such as Reliance Retail, Croma (Infiniti Retail) and Vijay Sales, online touch points, traditional stores, distributors and sub-dealers), for the three months ended June 30, 2025. They also engage with consumers online through their website and e-commerce marketplaces, and their modern trade partners engage with consumers through their own e-commerce platforms.

- **Efficiency Driven by Local Supply Chain:** The company had one of the largest in-house production capacity (excluding mobile phones) amongst leading home appliances and consumer electronics players in India as of June 30, 2025. They have two manufacturing units located in Noida and Pune which in aggregate accounted for 85.51%, 84.18%, 86.05%, 85.73% and 85.28% of their overall sales in the three months ended June 30, 2025 and 2024, and Fiscals 2025, 2024 and 2023, respectively. The remaining sales volume constitute products that are manufactured by third-parties based on specifications and blueprints provided by them, and sold as is without modifications or imported from other members of the LG Group

Key Risk Factors

- **Reliance on Promoter:** The company is dependent on LG Electronics, their Promoter, in various aspects , including product innovations, product design, technologies for manufacturing, brand and related technical knowhow and exports, among others, and they pay royalty to them under the License Agreement. Any adverse change in their relationship with LG Electronics and the companies in the LG Group could have an adverse impact on the business, reputation, financial condition and results of operations.

- **Supplier Concentration and Raw Material Sourcing Risks**: The company's top-five suppliers and top-10 suppliers contributed 22.08% and 32.25% of their total purchases of raw materials, including components, in the three months ended June 30, 2025, respectively. Further, they source certain raw materials from suppliers in select countries outside India. Any interruption in the availability of raw materials due to geopolitical uncertainties, shortages or supplier misconduct, among other reasons, could adversely impact the0 business operations.

- **Outstanding Tax Claims and Potential Financial Impact:** The company is subject to various outstanding tax claims amounting to ₹47,170.55 million which is approximately 73.16% of the company's net worth of ₹64,478.48 million as on June 30, 2025. They cannot assure that these claims will be decided in their favor and that no further liability will arise out of these claims or would not have a material adverse effect on the business, financial condition and results of operation of the company.

- **Related Party Transactions and Potential Conflicts of Interest:** The Promoter may engage in the same line of activity or business as that of the Company in India, which could result in conflicts of interest. In particular, Hi-M Solutek India Private Limited, an indirectly wholly owned subsidiary of the Promoter, provides services exclusively to the Company. However, the Company does not have an exclusive contractual arrangement with Hi-M Solutek. Further, the Directors, Key Managerial Personnel, and Senior Management may have interests in the Company in addition to their remuneration and reimbursement of expenses.

Comparison with Listed Peers

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW (%)	NAV (per Share)
LG Electronics India Ltd.	NA	10.00	35.11*	32.46**	32.46**	37.13%	87.42
Peers:							
Havells India Ltd.	1494	1.00	63.60	23.49	23.48	17.63%	133.05
Voltas Ltd.	1351	1.00	53.13	25.43	25.43	12.76%	197.66
Whirlpool India Ltd.	1184	10.00	41.84	28.3	28.3	9.09%	314.52
Blue Star Ltd.	1891	2.00	65.75	28.76	28.76	19.27%	149.19

*P/E calculated based on upper band price.
**EPS calculated including fresh issue shares.

Summary

India's appliances and electronics market has grown at ~7% from CY2019 to CY2024 and this growth is expected to accelerate to ~11% from CY2024 to CY2029 driven by rising disposable incomes, growing urbanization, and increasing penetration of appliances and electronics in both urban and rural areas. The market is segmented into B2C and B2B segments, with the B2C segment characterized by expansive distribution across organized and unorganized retail, e-commerce, and exclusive brand outlets. The B2C market is witnessing significant transformation as consumers shift from basic utility devices to more premium, technology-driven products across categories such as major kitchen appliances, home entertainment and consumer electronics, and new-age services such as appliance subscriptions

LG Electronics India Limited is a manufacturer and distributor of home appliances and consumer electronics (excluding mobile phones). The company sell products to B2C and B2B consumers in India and outside India. The company offer installation services, and repairs and maintenance services for all their products. It operates on both B2B and B2C business model in and outside the Indian market. The firm has 2 manufacturing units in Noida and Pune with the largest in-house aggregated production capacity of 13,990,000 products.

Premium products such as large TVs and refrigerators are growing faster than smaller sizes and with India's current premium segment contributing roughly 17% of sales currently, it is expected that the premium segment will reach 25–27% by FY29.
LG has positioned itself strongly to benefit from this premiumization and has recently launched new premium TV products.

To meet rising domestic demand and explore export opportunities, the company has invested in a third manufacturing facility in Sri City, operational from last quarter of CY26, which will manufacture all products, including compressors.

Therefore, it is recommended to "**Subscribe**" to the IPO for the long-term investment, considering its growth potential and valuations.

DISCLAIMER

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