



LG Electronics India Ltd.

Industry: Consumer Electronics & Home Appliances

Date: 6th October, 2025

Rating
SUBSCRIBE



LG Electronics India Ltd

Issue Highlights

LG Electronics India Ltd IPO is a book build issue of Rs. 11,607.01 crores.

The issue is entirely an offer for sale of 10.18 crore shares aggregating to Rs. 11,607.01 crore at the upper end of the price band at Rs. 1,140 per share.



Name	No of shares (Cr)
Promoter Selling Shareholder	
LG Electronics Ltd.	10.18

7th
Oct 2025
ISSUE OPENS

to

9th
Oct 2025
ISSUE CLOSES

ISSUE DETAILS	
Price Band	Rs. 1,080 to Rs. 1,140 per share
Face Value	Rs. 10 per share
Total Offer Size	10,18,15,859 shares (aggregating up to Rs. 11,607.01 Cr)
Offer for Sale	10,18,15,859 shares (aggregating up to Rs. 11,607.01 Cr)
Issue Type	Book-building IPO
Minimum lot	13 shares
Listing on	NSE, BSE

Outlook

- LG Electronics India stands out as a market leader in the home appliances and consumer electronics space, consistently maintaining its position across multiple product categories.
- For the six-month period ended June 30, 2025, and calendar years 2024, 2023, and 2022, the company led in value share within the offline channel, which accounts for approximately 78% of the Indian market—underscoring its dominant retail presence.
- With over 35,000 B2C touchpoints, 1,006 service centers, and 97 sales offices, the company has built a robust infrastructure to support sales and after-sales service across urban and rural India.
- Financially, LG Electronics India has delivered strong performance, with a 2-year PAT CAGR of 27.8% and revenue CAGR of 10.7%. This profitability boost is driven by strategic cost optimization, including sourcing 54% of raw materials locally.
- The company’s return on equity for FY25 stood at an impressive 37.1%, significantly outperforming its peer group.
- Valuation remains attractive, with a post-issue P/E ratio of 35.12x on FY25 PAT—well below industry averages—offering meaningful upside potential.
- Additionally, the upcoming manufacturing facility in Andhra Pradesh by Q3FY27, focused initially on air conditioners, is expected to support rising consumer demand and enhance production capabilities.
- Post-issue promoter shareholding will be at 85%, above SEBI’s minimum threshold, suggesting potential for future dilution.
- Overall, LG Electronics India combines market leadership, financial strength, and growth visibility, making it a compelling investment proposition.
- We have a ‘SUBSCRIBE’ rating for LG Electronics Ltd IPO.

Indicative Timeline

On or before

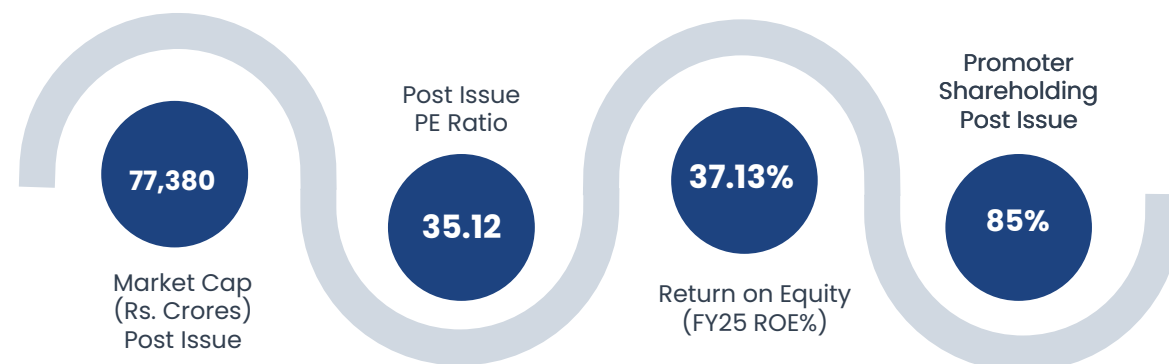
Finalization of Basis of Allotment	Fri, Oct 10, 2025
Unblocking of Funds	Mon, Oct 13, 2025
Credit of shares to Demat Account	Mon, Oct 13, 2025
Listing on exchange	Tue, Oct 14, 2025

IPO Reservation

QIB Shares	Not more than 50% of the Offer
HNI Shares	Not less than 35% of the Offer
Retail Shares	Not less than 15% of the Offer

Lot Size

Application	Lots	Shares	Amount
Retail (Min)	1	13	Rs. 14,820
Retail (Max)	13	169	Rs. 1,92,660
S-HNI (Min)	14	182	Rs. 2,07,480
S-HNI (Max)	67	1871	Rs. 9,92,940
B-HNI (Min)	68	884	Rs. 10,07,760



Company Overview

- LG Electronics India Private Limited, a wholly owned subsidiary of LG Electronics, was incorporated in 1997 and has since established itself as a market leader in the Indian home appliances and consumer electronics sector (excluding mobile phones). Backed by the global strength and innovation of LG Electronics—recognized as the leading single-brand global home appliances player by revenue in CY2024 according to the Redseer Report—the company has consistently maintained its position as the number one player in India across multiple product categories. For the six-month period ended June 30, 2025, and calendar years 2024, 2023, and 2022, LG Electronics India led the market in terms of value share in the offline channel, which represents approximately 78% and 77% of the major home appliances and consumer electronics market in India during the respective periods. The company’s dominance spans key categories including washing machines, refrigerators, panel televisions, inverter air conditioners, and microwaves.
- With a deep understanding of Indian consumer preferences developed over 28 years of local operations, LG Electronics India has leveraged its parent company’s pioneering technology to introduce innovative and tailored products. Notably, it was among the first to introduce inverter air conditioners in India in 2014 and became the only player to fully transition to inverter technology by 2017. As of December 31, 2024, and June 30, 2025, approximately 80% of air conditioners sold in India were inverter-based, reflecting the company’s leadership in driving technological adoption. In addition to product innovation, LG Electronics India was the first among leading players to replace plastic tanks with stainless steel tanks in water purifiers in 2013, further demonstrating its commitment to quality and consumer well-being.
- The company offers one of the widest product portfolios in the industry and serves both B2C and B2B customers across India and international markets. Its comprehensive service offerings include product installation, repair, and maintenance. Operating across two business segments, LG Electronics India continues to build on its legacy of trust, innovation, and excellence, supported by the globally recognized LG brand, which was listed on Interbrand’s Top 100 Best Global Brands in 2024.
- **Distribution and Service Network:** LG Electronics India Private Limited operates the largest distribution network among leading home appliances and consumer electronics companies in India, with 35,640 B2C touchpoints and 463 B2B trade partners as of June 30, 2025, according to the Redseer Report. Its reach spans urban and rural regions, supported by 286 customer service employees and a strong presence across all major distribution formats. The company promotes its products through targeted campaigns and on-ground sales promoters who engage directly with consumers. Nearly half of LG’s trade partners have been associated with the brand for over a decade, reflecting deep-rooted channel relationships. Complementing its distribution strength, LG also runs one of the largest after-sales service networks in India, with 1,006 service centers, 13,368 engineers, and four call centers. This infrastructure enables same-day installations and efficient maintenance services, reinforcing LG’s commitment to customer satisfaction and helping sustain its market leadership.
- **Global Parentage and Management:** LG Electronics India Private Limited benefits significantly from its global parent, LG Electronics, which was recognized as the leading single-brand global home appliances company by market share in revenue for CY2024. The parent company’s commitment to delivering high-quality products and exceptional consumer experiences underpins LG India’s operations, providing strategic advantages in technology innovation, product development, manufacturing excellence, quality control, and brand marketing. The company’s operations in India are guided by a seasoned and stable leadership team. As of June 30, 2025, Chief Sales Officer Sanjay Chitkara has been with the organization for over 26 years; Chief Operating Officer Ashish Agrawal for over 25 years; Chief Accounting Officer Atul Khanna for over 21 years; and Chief Manufacturing Officer Gagan Jeet Singh brings over 27 years of experience within LG and the broader industry. This leadership team exemplifies the company’s blend of global corporate governance standards and deep local market expertise. LG Electronics India is committed to operating with fairness, transparency, and integrity.

- **In-House Manufacturing Capacity:** The company operates one of the largest in-house production capacities among leading home appliances and consumer electronics players in India (excluding mobile phones), as of June 30, 2025. Its two manufacturing units in Noida and Pune collectively accounted for over 85% of overall sales across multiple periods, including the three months ended June 30, 2025 and 2024, and Fiscals 2025, 2024, and 2023.
- **Flexible and Automated Production:** The Noida and Pune facilities are designed for flexibility and scalability, using advanced automation technologies to produce a wide range of products—including refrigerators, water purifiers, air conditioners, televisions, monitors, and digital signages—on shared production lines. As of June 30, 2025, 77 auto-guided vehicles supported unmanned logistics and part feeding operations. Additional automation initiatives include smart monitoring systems, robotic systems, and automated material handling equipment.
- **Enhanced Productivity and Utilization:** In Fiscal 2025, LG achieved a capacity utilization rate of at least 82.72% for its air conditioner, washing machine, and microwave oven lines. These improvements led to a 29% increase in productivity per hour for air conditioners and a 13% increase for washing machines between Fiscals 2022 and 2025.
- **Robust and Localized Supply Chain:** LG’s supply chain includes 287 suppliers with an average relationship tenure of 13.13 years as of June 30, 2025. The company has adopted a phased localization strategy to support domestic industry and reduce import reliance, helping mitigate exchange rate risks and lower operational costs.
- **Growth in Domestic Sourcing:** The share of raw materials sourced from domestic suppliers rose from 50.48% in Fiscal 2023 to 53.79% in Fiscal 2025, with quarterly figures reaching 58.29% and 54.12% for the three months ended June 30, 2024 and 2025, respectively.
- **Supplier Quality and Loyalty:** LG maintains rigorous supplier onboarding standards, focusing on production quality, supply stability, technological capabilities, and sustainability. As of June 30, 2025, 65.51% of LG’s third-party raw material suppliers had been associated with the company for over 13 years, reflecting strong supplier loyalty and operational consistency.



Capability Matrix

- **Home Appliances and Air Solution:** The company operates under the Home Appliances and Air Solution segment, offering a diverse portfolio of products that includes refrigerators, washing machines, water purifiers, dishwashers, microwave ovens, air conditioners, air purifiers, and compressors. These products are supported by comprehensive installation and after-sales services, ensuring a seamless consumer experience.
- **Refrigerators:** The company introduced its first refrigerator in 1997, beginning with a single door model. Over the years, the refrigerator portfolio has expanded to include French door, side-by-side, double door, and single door refrigerators, each available in multiple variants and designs. These refrigerators cater to a wide range of consumer preferences in terms of design and capacity, and are equipped with advanced features such as Door Cooling+ (which provides additional cooling vents on the doors), Convertible functionality (allowing the freezer to be converted into a fridge), and HygieneFresh+ (which includes anti-bacterial deodorization filters to maintain freshness and reduce odors). The refrigerators are typically certified by the Bureau of Indian Standards (BIS), Bureau of Energy Efficiency (BEE), and Wireless Planning & Coordination (WPC), and have received approvals from relevant Indian authorities. Refrigerators manufactured in India are exported to markets across the Middle East, Asia, Africa, and South America.
- **Washing Machines and Dryers:** The company launched its first top load washing machine in 1997 and has since expanded its offerings to include wash towers (integrated washer-dryer units), standalone dryers, washer-dryers, front load and top load machines, and semi-automatic washing machines. These products serve both residential and commercial consumers. The washing machines incorporate innovative technologies such as 6 Motion Direct Drive (which simulates hand washing through varied drum movements), AI Direct Drive (which uses artificial intelligence to optimize washing patterns based on fabric type and load), LG ThinQ (enabling smart home integration via Wi-Fi), LG Steam (for bacterial elimination), Wrinkle Care (for crease-free laundry), Turbo Wash (for faster cleaning), and Toughened Glass exteriors (for enhanced durability). These machines are certified by BEE, BIS, and WPC, and are exported to regions including the Middle East and Africa.
- **Air Conditioners:** The company entered the air conditioning market in 1998 and currently manufactures a wide range of residential and commercial air conditioning solutions. The residential segment includes split and window air conditioners, offered in various designs and configurations. For commercial and B2B clients, the company provides systems such as Multi V cassette, ductable units, Multi-I home systems, and chillers, which are suitable for large-scale applications in residential complexes, hotels, offices, educational institutions, airports, and shopping malls. The air conditioners feature advanced technologies including AI Convertibles (which adapt cooling based on usage patterns and environmental conditions), ThinQ Wi-Fi (for remote monitoring and control), and Plasmaster Ionizer (for air purification). New models also include an energy manager that allows users to monitor electricity usage and receive maintenance alerts via the ThinQ app. In 2016, the company transitioned its air conditioner portfolio to inverter technology to enhance energy efficiency. These products are certified by BEE, BIS, and WPC, and are primarily exported to Sri Lanka and Nepal.
- **Other Products:** In addition to its core product lines, the company also offers water purifiers, dishwashers, microwave ovens, air purifiers, and compressors under the Home Appliances and Air Solution division. These products are available in multiple variants and are designed with technology-enabled features to enhance user comfort and convenience.

Capability Matrix



- **Home Entertainment:** The company's Home Entertainment division encompasses a wide array of media display and audiovisual products. It manufactures televisions, monitors, interactive displays, and information systems, while importing soundbars, audio systems, projectors, wireless speakers, and earbuds for sale in domestic markets. This segment is designed to cater to both residential and commercial consumers, offering technologically advanced and user-centric solutions.
- **Televisions:** The company introduced its first television in 1997 and has since developed a diverse portfolio ranging from miniature to large-screen models. Its premium television offerings feature cutting-edge technologies such as OLED, QNED, NanoCell, UHD, and LED. To enhance consumer experience, the company has launched innovative formats including rollable televisions, wallpaper televisions, and gallery televisions. Additionally, lifestyle television screens are available for residential users, equipped with mobile integration and touch capabilities that adapt to various viewing environments. All television products are typically certified by the Bureau of Energy Efficiency (BEE), Bureau of Indian Standards (BIS), and Wireless Planning & Coordination (WPC).
- **Other Products:** Beyond televisions, the Home Entertainment division offers a variety of home audio products, primarily comprising soundbars, wireless and party speakers, and wireless earbuds. For business-to-business (B2B) clients, the company supplies information technology systems such as monitors used in hospitals for surgical procedures, as well as in hotels, museums, airports, and gaming environments. It also provides commercial display solutions including televisions for hospitality settings, monitor signage for banks, airports, railway stations, and hotels, interactive display boards for educational institutions, shopping malls, and government offices, and LED screens for offices, indoor and outdoor signage, and home theatre systems.

Risks

- Dependency on LG Electronics:** LG Electronics India is significantly dependent on its Promoter, LG Electronics, across multiple dimensions of its business operations. This dependency includes reliance on product innovation, design, manufacturing technologies, brand usage, technical know-how, and export facilitation. As of the reporting date, LG Electronics holds 100% of the equity share capital of LG Electronics India. The company operates under a License Agreement with LG Electronics, effective from January 1, 2023, which grants rights to use the licensed brand, patented technologies, and other intellectual property for Authorized Products. In return, LG Electronics India pays a royalty of 2.30% of net sales for non-LCD products and 2.40% for LCD televisions and monitors. The agreement is perpetual but may be terminated by either party with six months' prior written notice.
- Exposure to Regulatory Scrutiny and Tax Liabilities from Royalty Payments:** LG Electronics India faces potential regulatory and financial risks arising from royalty payments made to its Promoter, LG Electronics Inc., Republic of Korea, under the Revised License Agreement. These payments, which cover the use of brand, technology, and intellectual property, have historically included both fixed and contingent components. Although the company entered into an addendum in November 2024 to limit royalty obligations to amounts accrued and paid, past arrangements have attracted scrutiny from tax authorities. As of the date of the Red Herring Prospectus, LG Electronics India disclosed a contingent liability of Rs 315.30 crore related to royalty payments, stemming from observations by South Korean tax authorities.
- Volatility in Raw Material Prices:** The company is exposed to significant risks arising from fluctuations in the prices and availability of raw materials required for its manufacturing operations. The company sources key inputs such as steel, copper, aluminum, polymers, semiconductors, electromechanical parts, open cells, and packaging materials from a mix of domestic and international suppliers. Some of these suppliers, in turn, rely on third-party sources, adding further complexity to the supply chain. For the three months ended June 30, 2025, LG Electronics India incurred raw material purchases amounting to Rs 4,645.71 crore, representing 74.18% of its revenue from operations. In Fiscal 2025, this figure stood at Rs 18,335.66 crore (75.25%), compared to Rs 15,258.61 crore (71.46%) in Fiscal 2024 and Rs 14,915.81 crore (75.07%) in Fiscal 2023.
- Supplier Concentration:** LG Electronics India is exposed to procurement risks arising from its reliance on a concentrated group of suppliers for key raw materials and components. In the three months ended June 30, 2025, the company's purchases of raw materials amounted to ₹4,645.71 crore, with the top-five suppliers contributing 22.08% and the top-10 suppliers accounting for 32.25% of this total. While the company generally sources materials from multiple vendors, certain critical inputs are procured from a limited number of suppliers. For instance, pre-coated and galvanized steel—used across products to prevent rusting—is sourced from three domestic manufacturers; acrylonitrile butadiene styrene resin and expanded polystyrene resin—used in plastic parts and packaging—are primarily supplied by two vendors; and internally grooved tubes—used in air conditioners—are sourced from a single supplier.
- Risk from Dependency on LG Group and Third-Party Manufacturing Partner:** The company relies significantly on other companies within the LG Group and independent third-party suppliers to manufacture its stock-in-trade—finished products sourced and sold under the LG brand without modification. These include premium and commercial products such as dishwashers, chillers, air purifiers, monitor signages, laptops, large-size televisions, audio systems, and washer dryers from LG Group entities, as well as entry-level refrigerators, semi-automatic washing machines, window air conditioners, and small-size televisions from third-party manufacturers. While this model reduces internal manufacturing effort and shifts some supply and demand risks to external partners, it also limits cost control, scalability, and eligibility for government incentives tied to in-house production. For the three months ended June 30, 2025, LG Electronics India generated Rs 693.01 crore in revenue from stock-in-trade sales, representing 11.07% of its total revenue from operations.

Financials

Income Statement (Rs. Cr)	Q1FY26	FY25	FY24	FY23
Revenue from Operations	6,263	24,367	21,352	19,865
Other Income	74	264	205	244
Total Income	6,337	24,631	21,557	20,109
Expenses	5,547	21,257	19,127	17,965
EBITDA	716	3,110	2,225	1,899
<i>EBITDA Margin</i>	<i>11.44%</i>	<i>12.76%</i>	<i>10.42%</i>	<i>9.56%</i>
Depreciation	90	380	364	300
EBIT	626	2,730	1,861	1,599
Finance Cost	9	31	29	23
Profit before Tax	692	2,963	2,037	1,820
Tax	179	760	526	472
PAT	513	2,203	1,511	1,348

Balance Sheet (Rs. Cr)	Q1FY26	FY25	FY24	FY23
Equity and Liabilities				
Share Capital	679	679	113	113
Other Equity and Reserves	5,806	5,291	3,659	4,243
Non-Current Liabilities	909	900	718	698
Other Liabilities	4,123	4,647	4,009	3,938
TOTAL EQUITY AND LIABILITIES	11,516	11,517	8,498	8,992
Assets				
Fixed Assets	1,337	1,329	1,319	1,343
CWIP	157	75	24	24
Cash & Cash Equivalents	4,575	3,741	2,223	2,763
Other Assets	5,448	6,371	4,933	4,862
TOTAL ASSETS	11,516	11,517	8,498	8,992

Operational metrics and KPIs

Particulars	Q1FY26	FY25	FY24	FY23
EBITDA Margin (%)	11.4%	12.8%	10.4%	9.6%
Net Profit Margin (%)	8.2%	9.0%	7.1%	6.8%
Return on Equity (%)	8.0%	37.1%	40.5%	31.1%
Return on Adjusted Capital Employed (%)	9.10%	42.9%	45.3%	34.4%

Vertical Wise Revenue Bifurcation

Vertical	Q1FY26		FY25		FY24		FY23	
	(Rs in Cr)	% of revenue from continuing operations	(Rs in Cr)	% of revenue from continuing operations	(Rs in Cr)	% of revenue from continuing operations	(Rs in Cr)	% of revenue from continuing operations
Home Appliance and Air Solution division	4,908	78%	18,268	75%	15,680	73%	15,031	76%
Refrigerators	2,167	35%	6,696	27%	5,784	27%	5,806	29%
Washing machines	1,158	18%	5,042	21%	4,492	21%	4,221	21%
Air conditioners	1,277	20%	5,271	22%	4,290	20%	3,991	20%
Others	307	5%	1,259	5%	1,113	5%	1,014	5%
Home Entertainment division	1,355	22%	6,099	25%	5,672	27%	4,834	24%
Televisions	1,047	17%	4,925	20%	4,558	21%	3,932	20%
Others	308	5%	1,174	5%	1,114	5%	902	5%
Total revenue from continuing operations	6,263	100%	24,367	100%	21,352	100%	19,865	100%

Installed Capacity, Production Volume & Capacity Utilization

Manufacturing Units	QIFY26			FY25			FY24			FY23		
	Installed capacity	Production volume	Capacity utilization (%)	Installed capacity	Production volume	Capacity utilization (%)	Installed capacity	Production volume	Capacity utilization (%)	Installed capacity	Production volume	Capacity utilization (%)
Noida	76,00,000	17,43,171	92%	76,00,000	61,20,208	81%	74,00,000	54,66,598	74%	74,00,000	53,43,696	72%
Pune	69,10,000	12,99,118	75%	69,10,000	50,22,841	73%	65,90,000	44,74,809	68%	62,50,000	42,42,212	68%
Total	1,45,10,000	30,42,289	84%	1,45,10,000	1,11,43,049	77%	1,39,90,000	99,41,407	71%	1,36,50,000	95,85,908	70%

Purchase of Raw Materials:

Vertical	QIFY26		FY25		FY24		FY23	
	(Rs in Cr)	% purchases of raw materials	(Rs in Cr)	% purchases of raw materials	(Rs in Cr)	% purchases of raw materials	(Rs in Cr)	% purchases of raw materials
Purchases of raw materials sourced from India	2,514	54%	9,862	54%	7,449	49%	7,530	50%
Purchases of raw materials sourced from outside India	2,131	46%	8,474	46%	7,809	51%	7,386	50%
Purchases of raw materials sourced from Korea	954	21%	4,021	22%	3,466	23%	3,460	23%
Purchases of raw materials from other countries	1,178	25%	4,453	24%	4,343	28%	3,926	26%
Top-three of the other countries								
Purchases of raw materials sourced from China	568	12%	2,034	11%	1,897	12%	2,045	14%
Purchases of raw materials sourced from Singapore	270	6%	1,085	6%	1,293	8%	850	6%
Purchases of raw materials sourced from Thailand	126	3%	520	3%	404	3%	388	3%
Purchases of raw materials	4,646	100%	18,336	100%	15,259	100%	14,916	100%

Suppliers of Raw Materials:

Vertical	Q1FY26	FY25	FY24	FY23
	(Rs in Cr)	(Rs in Cr)	(Rs in Cr)	(Rs in Cr)
Purchases of raw materials	4,646	18,336	15,259	14,916
Top-five suppliers as a % of purchases of raw materials	22%	23%	26%	23%
Top-10 suppliers as a % of purchases of raw materials	32%	33%	37%	36%
Purchases of raw materials sourced from related parties as a % of purchases of raw materials	14%	15%	17%	19%
Purchases of raw materials sourced from non-related third parties other than related parties as a % of purchases of raw materials	86%	85%	83%	81%

Vertical Wise Market Share:

Vertical	H1CY25	CY24	CY23	CY22
Refrigerators	29.9%	29.6%	30.6%	31.9%
Washing machines	33.5%	33.6%	35.0%	35.8%
Room air conditioners	18.0%	17.0%	19.6%	19.8%
Inverter air conditioners	20.6%	19.6%	23.4%	25.5%
Panel Television	27.5%	26.8%	27.3%	27.8%

Peer Comparison

Particulars	Market Cap (Rs in Cr)	PER (Price to Earnings)	ROE (%) (FY25)	ROCE (%) (FY25)
LG Electronic India Ltd	77,380*	35.12*	37.13%	42.91%
Voltas Ltd	45,029	69.50	12.76%	12.49%
Havells Ltd	93,304	66.10	17.63%	19.98%
Whirlpool India Ltd	14,978	48.40	9.09%	8.05%
Blue Star Ltd	39,124	73.10	19.27%	22.00%

- *Post Issue*
- *MCap and PER are as of 3rd October, 2025.*

Industry Outlook

Global Appliances & Electronics Market: The global appliances and electronics market is a dynamic and rapidly evolving sector, characterized by steady growth and technological transformation. Between calendar year (CY) 2019 and CY2024, the market expanded at a compound annual growth rate (CAGR) of approximately 2.0%, reaching an estimated Rs ~12,20,000 crore (US\$ ~1.44 trillion) by the first half of CY2025 (annualized). This growth trajectory, although moderated by the COVID-19 pandemic's impact on supply chains and consumer spending, reflects the sector's resilience and adaptability. By CY2029P, the market is projected to reach Rs ~13,50,000 crore (US\$ ~1.59 trillion), accelerating to a CAGR of ~2.6%.

The market is broadly segmented into consumer electronics, major home appliances, and small appliances. Consumer electronics dominate with over 60% share, led by products such as televisions, mobile phones, and computing devices. Major home appliances—including refrigerators, washing machines, dishwashers, air conditioners, and microwave ovens—account for roughly 20%, while small appliances contribute the remaining 20%.

Regionally, the Asia-Pacific (APAC) region leads with approximately 43% of the global market share. China is the largest contributor within APAC, holding ~23% of the total market value due to its robust manufacturing base and strong domestic consumption. India follows with ~6% share, expected to grow to ~8% by CY2029P, driven by rapid urbanization and rising disposable incomes. Japan maintains a ~4% share, reflecting consistent demand for premium and energy-efficient products. Outside APAC, the United States commands ~21% of the market, supported by high per-capita spending and early adoption of advanced technologies. Europe contributes ~15%, led by Germany (~3%) and the United Kingdom (~2%), both of which benefit from strong demand for smart home solutions. Other regions such as Latin America (~8%), the Middle East and Africa (~7%), and Australasia and Russia (~1% each) represent emerging and stable markets with selective growth opportunities.

Several macro trends are reshaping the global appliances and electronics landscape:

- **Urbanization and Middle-Class Expansion:** Emerging economies like India, Brazil, and Indonesia are witnessing rapid urban growth and increased consumer spending, driving demand for both large and small appliances through higher penetration and premiumization.
- **Digital Channel Adoption:** The proliferation of e-commerce platforms is transforming product discovery and purchase behavior, enabling broader access and deeper market penetration across categories.
- **Energy Efficiency and Sustainability:** Heightened regulatory standards and consumer awareness are accelerating demand for energy-efficient appliances. Governments are incentivizing eco-friendly technologies, prompting innovation and increasing replacement cycles.
- **Convenience and Smart Integration:** Consumers are increasingly favoring appliances that offer automation, connectivity, and ease of use. Features such as voice control, self-cleaning, and smart home integration are becoming standard in premium offerings.
- **Global Expansion and Trade Liberalization:** Reduced barriers to international trade and expanded distribution networks are enabling companies to reach new markets. As consumers become more tech-savvy, demand for innovative and advanced appliances continues to rise globally.

India Appliances & Electronics Market Overview: As of H1CY2025 (annualized), India's appliances and electronics market is valued at approximately Rs 6,87,500 crore (US\$ ~81 billion), up from Rs 6,37,000 crore (US\$ ~75 billion) in CY2024. This reflects a compound annual growth rate (CAGR) of ~7% from CY2019 to CY2024. Looking ahead, the market is projected to reach Rs 10,96,500 crore (US\$ ~129 billion) by CY2029P, growing at an accelerated 5-year CAGR of ~11%.

In terms of B2C volume, the industry sold around 495 million units across categories in CY2024, with expectations to reach approximately 660 million units by CY2029P, at a CAGR of ~6%. This growth is being driven by several structural and macroeconomic factors including rising disposable incomes, rapid urbanization, increased penetration of appliances in both urban and rural areas, and strong government support for local manufacturing initiatives. Additionally, the shift toward premium and energy-efficient products is reshaping consumer preferences, while the expansion of organized retail and e-commerce platforms is enhancing accessibility and affordability across the country.

The Indian market is highly competitive and comprises a diverse range of players. LG Electronics India (LGEIL) has consistently held the #1 position in major home appliances and consumer electronics (excluding mobile phones) for H1CY2025, CY2024, CY2023, and CY2022, based on market share by value in the offline channel as reported by GfK. A notable trend in the Indian air conditioner market is the widespread adoption of inverter technology, with nearly 80% of units sold in the 12-month period ending June 30, 2025, featuring this energy-efficient innovation.

India Appliances & Electronics Market Structure and Dynamics: The Indian appliances and electronics market is segmented into two distinct categories: business-to-consumer (B2C) and business-to-business (B2B), each contributing uniquely to the sector's growth trajectory through differentiated consumer behaviors, purchasing patterns, and product applications.

- **B2C Segment:** As of H1CY2025 (annualized), the B2C segment accounts for approximately 92% of the total market, valued at Rs ~6,87,500 crore. This segment is driven by robust household consumption, particularly in urban and semi-urban regions, and is fueled by trends such as premiumization, increased penetration, and replacement demand. The B2C category includes a wide array of products such as refrigerators, washing machines, televisions, mobile phones, and smaller household gadgets. Consumer purchasing decisions in this segment are heavily influenced by product design, functionality, and the quality of after-sales service, with warranties and customer support playing a pivotal role.
- **B2B Segment:** The B2B segment comprises the remaining ~8% of the market as of H1CY2025, catering to commercial and institutional buyers. This segment includes products such as commercial air conditioners, computers and peripherals, and specialized display systems used in offices, hospitals, retail environments, and government facilities. Buyers in the B2B space prioritize product reliability, energy efficiency, and long-term cost savings, seeking solutions tailored to meet operational and infrastructural demands.
- Distribution and Service Infrastructure

The Indian appliances and electronics industry is on a transformative growth trajectory, fueled by rising consumer aspirations, technological innovation, and supportive macroeconomic trends. With the total addressable market projected to nearly double by CY2029P, both B2C and B2B segments are set to benefit from deeper penetration, premiumization, and evolving lifestyle needs. Rapid urbanization, increasing access to credit, and the proliferation of smart, energy-efficient products are reshaping consumer behavior and driving demand across categories. As distribution networks modernize and digital channels expand, brands with strong in-house manufacturing, efficient logistics, and robust after-sales service, are well-positioned to capture market leadership.



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