

LG Electronics India

India | Consumer Durables | Initiating Coverage



10 March 2026

Harnessing the 'leadership-growth-return' flywheel

LG Electronics India (LGEIL IN) is the undisputed leader in India's consumer durable market, with decade-long dominance in the space. We expect LGEIL to see accelerated revenue growth of 14-16% (upside case) led by the *LG Essential* series in the next five years, similar to the trend seen at Haier and Bluestar (led by capex and re-entry into the economy segment) in FY20-25. Expect earnings to compound at a CAGR of 18% in FY26E-28E, led by rising localization to 63%, bridging product gap via parental support and continued leadership in premium. LGEIL's INR 50bn capex plan in the next four years should add revenue visibility of INR 200-250bn and open up scope to become an exporter. Initiate with **Accumulate** and a TP of INR 1,750 on 45x FY28E P/E.

Growth acceleration via *LG Essential*; strategy similar to competitors: LGEIL is re-entering the economy segment via its *LG Essential* series in tier II-III markets and in the traditional channel, initially in refrigerators and washing machines, followed by room air conditioners and microwaves. This will enable volume growth, market share gain, and operating leverage. We believe LGEIL would see accelerated revenue growth of 14-16% (upside case) in FY26E-30E over a large base from the current growth of 11% if it were to mirror Haier's blueprint of aggressive pricing, large capex and surging localization, while preserving superior return profile. Similarly, *Bluestar* in CY21 ventured into the mass premium space, which accelerated its revenue CAGR to 32% – It gained market share by 150bps in FY20-25.

Engines of compounding – Localization and bridging product gaps: An earnings CAGR of 18% in FY26E-28E should be underpinned by: 1) rising localization with backward integration into products such as compressors and PCBs, unlike domestic peers (target of 63% from current 54% localization in the next four years), 2) strong parental support for R&D and technology, enabling bridging product gaps between the parent and India operations (data center cooling, medical displays, EV and mobility solutions, wherein the parent has a strong presence) and 3) premium portfolio with leadership in high-value categories. We expect EBITDA margin to rise to 12%+ in FY28E from 11.4% in FY26E versus industry margin at 8%. Doubling exports share to 10-12% in the next five years led by reopening of the US market, catered by the new Sri City facility, is a sunrise area.

Massive capex plan to ensure revenue visibility: LGEIL is incurring a capex of INR 50bn at Sri City, Tamil Nadu in the next four years (3.7x the cumulative capex incurred in FY22-25) to expand capacity in RACs, washing machines, refrigerators and compressors. This may translate into revenue of INR 200-250bn (asset turnover at 4-4.5x) once fully ramped up.

Initiate with Accumulate and a TP of INR 1,750, based on 45x FY28E P/E (at 12.5% premium to the average durables industry P/E of 40x), led by leadership, highest margin versus peers and strong return ratios of 32-35%. We expect an earnings CAGR of 18% with an average ROE and ROCE of 32% and 33% respectively in FY26E-28E. Key risks to our call are slowdown in demand in India's consumer durables industry, intensifying competitive landscape, inability to pass on price rise and contingent liability related to royalty payment to the parent.

Key Financials

YE March (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR mn)	213,520	243,666	246,344	284,272	308,196
YoY (%)	7.5	14.1	1.1	15.4	8.4
EBITDA (INR mn)	22,248	31,101	26,326	32,726	37,169
EBITDA margin (%)	10.4	12.8	10.7	11.5	12.1
Adj PAT (INR mn)	15,110	22,033	18,935	23,453	26,395
YoY (%)	12.1	45.8	(14.1)	23.9	12.5
Fully DEPS (INR)	22.3	32.5	27.9	34.6	38.9
RoE (%)	37.2	45.2	30.4	33.7	33.0
RoCE (%)	45.8	56.0	35.8	40.3	39.5
P/E (x)	68.9	47.3	55.0	44.4	39.5
EV/EBITDA (x)	45.1	32.3	38.1	30.7	27.0

Note: Pricing as on 09 March 2026; Source: Company, Elara Securities Estimate

Rating: **Accumulate**
 Target Price: **INR 1,750**
 Upside: **14%**
 CMP: **INR 1,534**
 As on 09 March 2026

Key data

Bloomberg	LGEL IN
Reuters Code	LGELNS
Shares outstanding (mn)	679
Market cap (INR bn/USD mn)	1,041/11,279
EV (INR bn/USD mn)	1,003/10,866
ADTV 3M (INR mn/USD mn)	1,348/15
52 week high/low	1,749/1,300
Free float (%)	13

Note: as on 09 March 2026; Source: Bloomberg

Price chart



Source: Bloomberg

	Q2 FY26	Q3 FY26
Shareholding (%)		
Promoter	85.0	85.0
% Pledge	0.0	0.0
FII	2.9	3.0
DII	4.4	7.2
Others	7.7	4.9

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	(7.0)	(3.4)	6.5
LG Electronics India	(4.1)	0.0	0.0
NSE Mid-cap	(5.8)	(2.9)	10.3
NSE Small-cap	(7.5)	(11.3)	3.2

Source: Bloomberg

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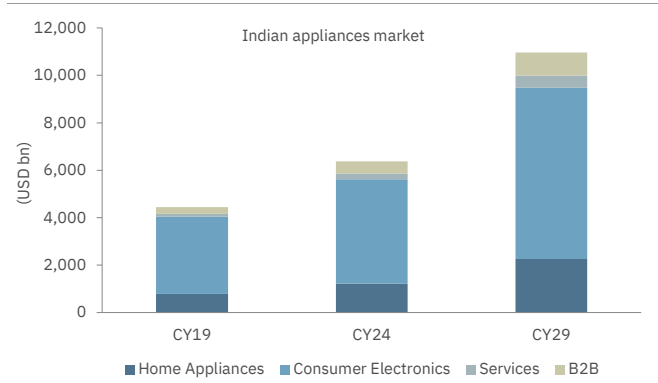


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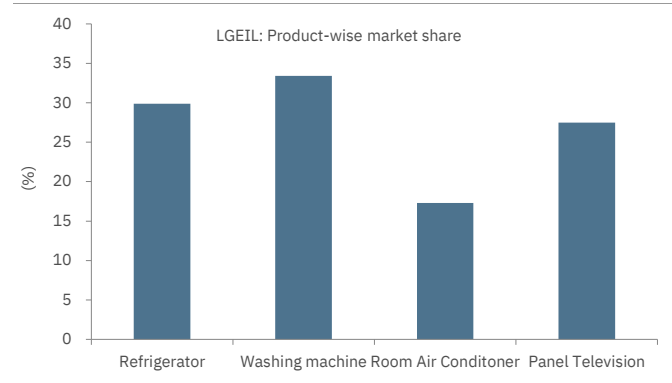
Story in charts

Exhibit 1: Indian appliances market – CAGR of 12% in CY24-29



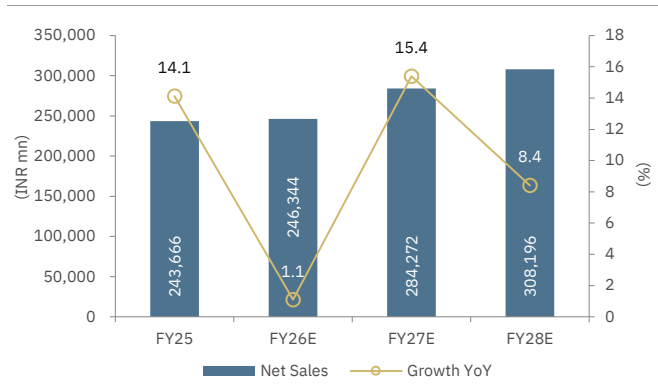
Source: Company RHP, Elara Securities Research

Exhibit 2: Market leadership across most consumer durables



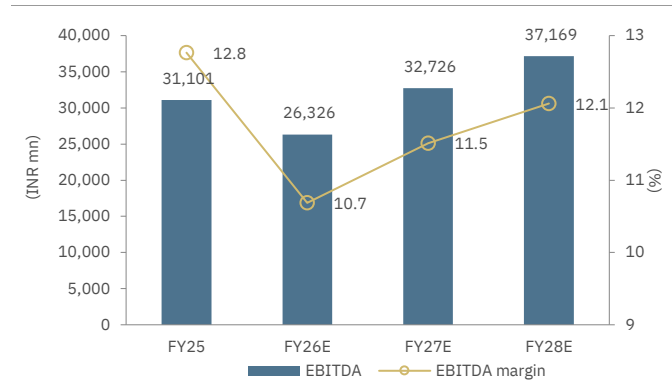
Source: Company, Elara Securities Research

Exhibit 3: Expect revenue CAGR of 12% in FY26E-28E



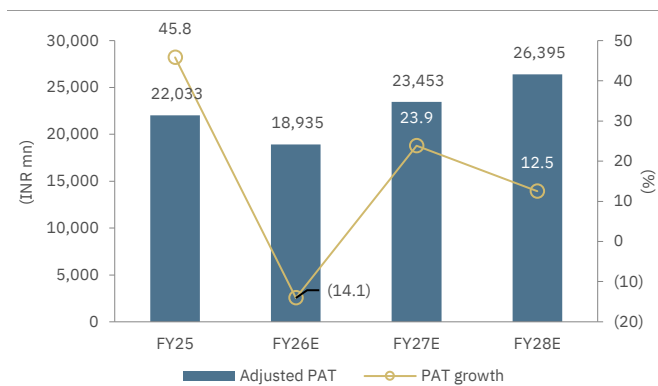
Source: Company, Elara Securities Estimate

Exhibit 4: EBITDA margin to expand by 140bps in FY26E-28E



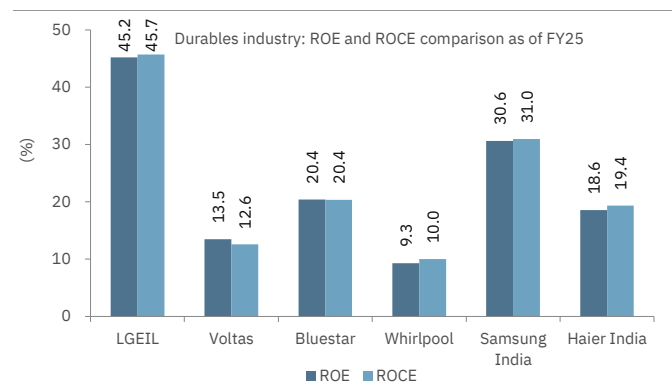
Source: Company, Elara Securities Estimate

Exhibit 5: Expect PAT CAGR of 18% in FY26E-28E



Source: Company, Elara Securities Estimate

Exhibit 6: Industry-leading return ratios as of FY25



Source: Company, Elara Securities Research

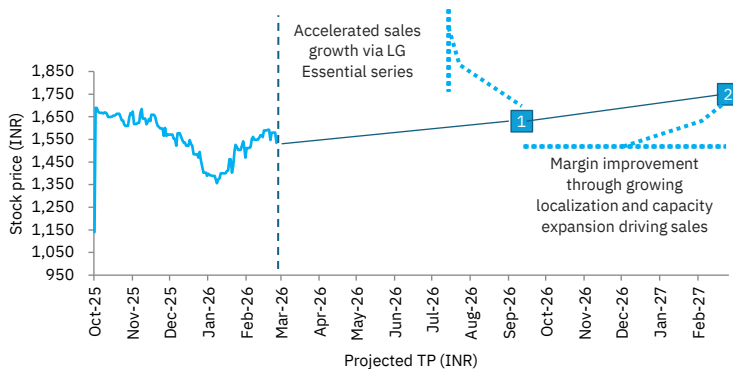
Investment Rationale

Potential for growth to accelerate by 14-16% in the next five years through the *LG Essential series* if LGEIL were to mirror the strategies of Haier and Bluestar for the economy and mass premium categories

Expect earnings CAGR of 18% in FY26E-28E, on rising localization, backward integration into compressors and PCBs (unlike domestic peers), strong parental support and leadership in the premium portfolio

Massive capex plan of INR 50bn in the next four years, which is 3.7x the cumulative capex incurred in FY22-25, with a revenue potential of INR 200-250bn once fully ramped up

Valuation Triggers



Source: Bloomberg, Elara Securities Estimate

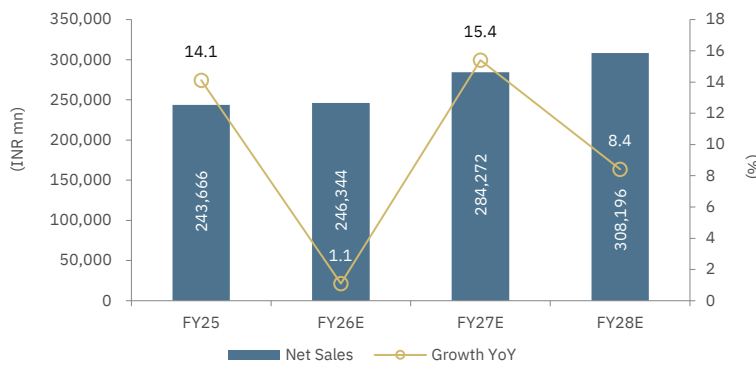
Valuation triggers

- ▶ Accelerated sales growth via *LG Essential series*
- ▶ Margin improvement through growing localization and capacity expansion driving sales

Our assumptions

- ▶ Revenue CAGR of 12% in FY26E-28E
- ▶ Margin expansion of 140bps in FY26E-28E, led by operating leverage through scaling up the economy segment and with market share gain
- ▶ Robust summer demand ensuring steady growth in the RAC segment, through FY26-28

Valuation drivers: Expect revenue CAGR of 12% in FY26E-28E



Source: Company, Elara Securities Estimate

Key risks

- ▶ Contingent liability on account of royalty agreement with the parent and consequent tax impact
- ▶ Increasing competition from new or existing players entering LGEIL's categories

Valuation

(INR)	
EPS – FY28E	38.9
Target multiple (x)	45
Target price (INR)	1,750
CMP (INR)	1,534
Upside (%)	14.1

Note: Pricing as on 9 March 2026; Source: Elara Securities Estimate

Industry trends and macro factors

- ▶ Structural underpenetration in categories such as RACs, washing machines, microwaves, etc. which are now seeing rising demand due to a revival in consumer demand
- ▶ Premiumization trend resulting in a surge in categories of OLED TVs, frost free refrigerators, inverter ACs etc.

Market position and competitive landscape

- ▶ LGEIL is the market leader or among the top three across most categories in the Indian consumer durables ecosystem
- ▶ Industry-leading fundamentals – EBITDA margin of 12.8% as of FY25 with ROCE/ROE of ~45% each
- ▶ Large capex plan of INR 50bn in the next 4-5 years to ensure sales growth visibility.

Financials (YE March)

Income Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Total Revenue	213,520	243,666	246,344	284,272	308,196
Gross Profit	64,218	77,866	77,598	90,967	97,852
EBITDA	22,248	31,101	26,326	32,726	37,169
EBIT	18,605	27,298	22,351	28,068	31,566
Interest expense	285	306	350	375	400
Other income	2,051	2,640	3,313	3,661	4,122
Exceptional/ Extra-ordinary items	-	-	-	-	-
PBT	20,371	29,631	25,314	31,354	35,288
Tax	5,260	7,598	6,379	7,901	8,892
Minority interest/Associates income	-	-	-	-	-
Reported PAT	15,110	22,033	18,935	23,453	26,395
Adjusted PAT	15,110	22,033	18,935	23,453	26,395
Balance Sheet (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Shareholders' Equity	37,722	59,702	65,061	74,260	85,722
Minority Interest	-	-	-	-	-
Trade Payables	30,350	33,671	33,746	38,941	41,374
Provisions & Other Current Liabilities	11,516	15,313	16,539	17,862	19,291
Total Borrowings	-	-	-	-	-
Other long term liabilities	5,395	6,485	7,004	7,564	8,169
Total liabilities & equity	84,984	115,171	122,349	138,627	154,556
Net Fixed Assets	13,105	13,197	14,221	17,563	21,960
Goodwill	-	-	-	-	-
Intangible assets	83	94	94	94	94
Business Investments / other NC assets	5,212	6,472	7,176	7,671	8,204
Cash, Bank Balances & treasury investments	22,226	37,415	39,097	44,691	49,936
Inventories	23,974	30,315	32,396	35,826	39,686
Sundry Debtors	17,970	23,612	24,972	28,038	29,553
Other Current Assets	2,413	4,067	4,393	4,744	5,124
Total Assets	84,984	115,171	122,349	138,627	154,556
Cash Flow Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Cashflow from Operations	12,962	18,652	29,498	29,734	37,363
Capital expenditure	(2,402)	(3,393)	(5,247)	(8,000)	(10,000)
Acquisitions / divestitures	-	-	-	-	-
Other Business cashflow	2,198	3,118	-	-	-
Free Cash Flow	12,758	18,377	24,251	21,734	27,363
Cashflow from Financing	(18,157)	(3,188)	(22,569)	(16,140)	(22,119)
Net Change in Cash / treasury investments	(5,399)	15,189	1,682	5,594	5,244
Key assumptions & Ratios	FY24	FY25	FY26E	FY27E	FY28E
Dividend per share (INR)	185.0	-	20.0	21.0	22.0
Book value per share (INR)	55.6	88.0	95.9	109.4	126.3
RoCE (Pre-tax) (%)	45.8	56.0	35.8	40.3	39.5
ROIC (Pre-tax) (%)	97.5	117.8	79.6	85.5	81.7
ROE (%)	37.2	45.2	30.4	33.7	33.0
Asset Turnover (x)	16.2	18.5	18.0	17.9	15.6
Net Debt to Equity (x)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
Net Debt to EBITDA (x)	(1.0)	(1.2)	(1.5)	(1.4)	(1.3)
Interest cover (x) (EBITDA/ int exp)	78.1	101.5	75.2	87.3	92.9
Total Working capital days (WC/rev)	19.8	30.3	35.0	32.0	33.0
Valuation	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	68.9	47.3	55.0	44.4	39.5
P/Sales (x)	4.9	4.3	4.2	3.7	3.4
EV/ EBITDA (x)	45.1	32.3	38.1	30.7	27.0
EV/ OCF (x)	77.4	53.8	34.0	33.7	26.9
FCF Yield	1.3	1.8	2.4	2.2	2.7
Price to BV (x)	27.6	17.4	16.0	14.0	12.1
Dividend yield (%)	12.1	-	1.3	1.4	1.4

Expect revenue CAGR of 12% in FY26E-28E

Note: Pricing as on 09 March 2026; Source: Company, Elara Securities Estimate

Harnessing the 'Leadership-growth-return' flywheel

- ▶ Growth acceleration via *LG Essential* series; strategy similar to competitors
- ▶ Engines of compounding – Localization and bridging product gap and whitespaces
- ▶ Massive capex plan to ensure revenue visibility

Growth acceleration via *LG Essential* series, strategy similar to competitors

Scaling up the economy segment through *LG Essential* series

Initially, LGEIL was present prominently in the entry-level economic category. However, due to capacity constraints, focus on profitability, and increasing competitive intensity (price disruptors entered the category to aggressively gain market share), LGEIL exited the entry level segment across most durables and focused on the mass premium and premium segments. However, it is now scaling up its capacity and enjoys a dominant share in the non-entry level categories.

Resultantly, LGEIL looks to reenter the entry level segment through its new *LG Essential* series of products, exclusively for tier II/III cities and in the traditional channel, whereby it is offering washing machines and refrigerators at attractive price points. It seeks to introduce RACs and microwaves as part of its *Essential* series at a later stage. We believe LGEIL may see accelerated revenue growth of 14-16% over FY26E-30E over a large base from 11% currently.

Case study #1: Haier blueprint

Rapid ascent through capital and visibility

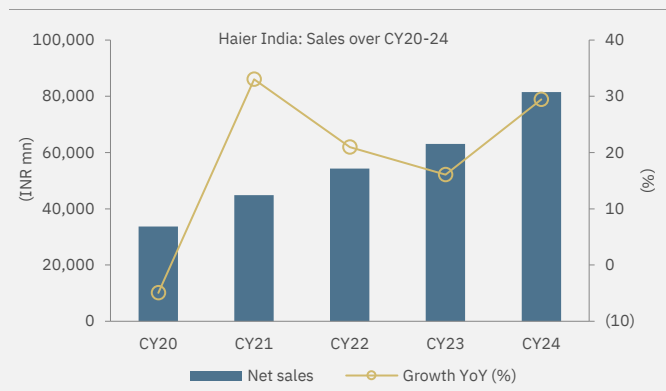
Haier India has emerged as one of the fastest-growing players in the industry, having posted a CAGR of 25% in CY20-24, when various players struggled to grow due to tepid consumer demand. This growth trajectory was a direct result of continued parental support in capex.

To date, Haier India has invested ~INR 30bn+ to set up existing capacity. Also, it expects to incur INR 35bn+ capex in the upcoming 3-4 years to expand its capacity in RACs, and refrigerators, and increase focus on categories such as LED TVs and washing machines and spike localization. Of this investment, INR 10bn is being invested in RACs to expand annual capacity from the current 1.5mn to 4mn.

Haier India's strong focus on localization has enabled it to achieve 80%+ localization in refrigerators and 70-80% in RACs. It has continuously increased domestic value addition from importing, with the latest addition being PCBs. Haier seeks to further increase localization for its other product categories as part of its INR 35bn capex plan.

Haier's huge investment enabled it to have a market share of 15% in refrigerators and 8% in RACs and washing machines. It is focusing on further increasing this through new capacity addition plans. This has also been the result of focused efforts on advertising, having spent ~5% of sales in properties such as IPL and TV shows such as *Big Boss* etc.

Exhibit 7: Haier India – Sales CAGR of 25% in CY20-24



Source: Haier India, Elara Securities Research

Scope for LGEIL to follow the Haier model, to gain market share and improve margin

The scope for LGEIL to accelerate growth lies in mirroring Haier's aggressive brand positioning and localization drive. While LGEIL has already committed a capex of INR 50bn in the next four years to expand capacity, a focused drive to spike localization from the current 54% towards 80%, similar to Haier and especially for premium segments, could help it to significantly improve margin. LGEIL should also target to aggressively improve advertising, and leverage its current status as a premium brand to rapidly expand market share. While a conservative approach would enable it to see steady growth, an aggressive approach inspired by Haier could help it outpace the industry despite its high base, while also expanding margin through localization.

Case study #2: Bluestar

Mass premium segment as a growth accelerator

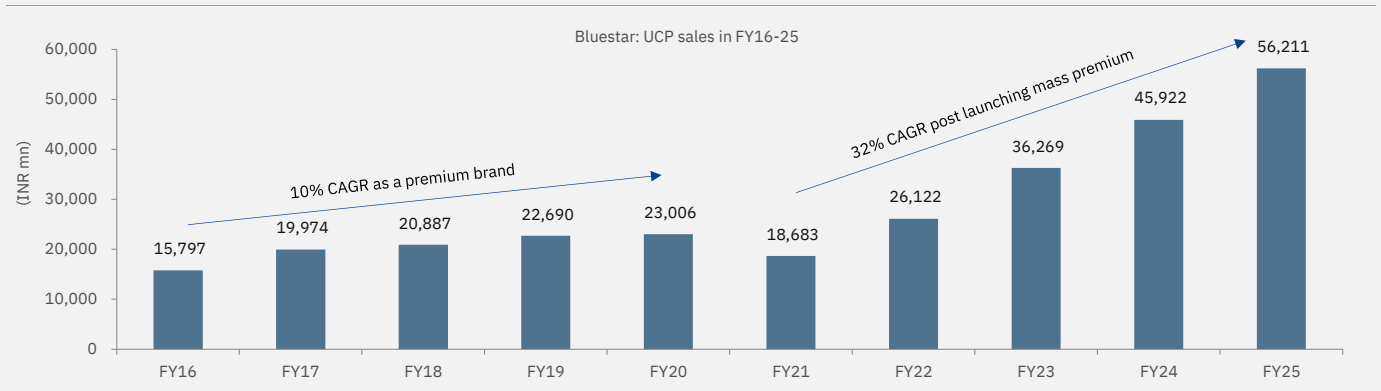
Bluestar had historically positioned itself as a premium brand. However, in 2021, Bluestar repositioned itself as a “masstige” player, and launched a range of attractively priced inverter split ACs (3/4/5-star, 0.8-2.0TR) under “Affordable Cooling with Blue Star’s High-Quality ACs” proposition. Bluestar backed this with visible mass-market branding, employing Indian cricketer, Virat Kohli as brand ambassador, along with extended warranties and easy financing to deepen reach into tier-2/3/4 markets.

This initiative helped Bluestar witness a period of revenue acceleration, as the UCP segment, which had compounded at a CAGR of 10% in FY16-20, saw growth surge at a 32% CAGR in FY21-25. This contributed to overall sales CAGR of 29% in FY21-25 from the earlier 9% CAGR over FY16-20. This was mainly led by RACs as Bluestar expanded distribution, widened its price ladder and leveraged its service franchise. Bluestar managed to achieve this while retaining a premium narrative on quality. It also strengthened its after-sales franchise, rather than participating purely on price.

LG Essential series could see Bluestar-like upside path

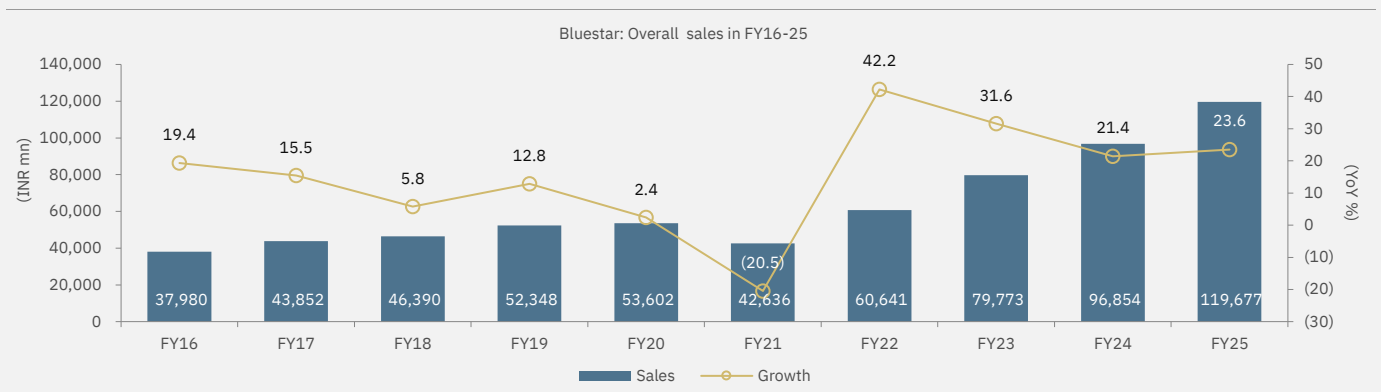
LGEIL’s LG Essential series is similar to Blue Star’s ‘Mass Premium’ play, but starting from a much stronger base in terms of brand equity, distribution reach and backward integration. If executed well, Essential could help LGEIL grow its share in the economy range of RAC, refrigerator and washing machine segments. It would also increase operating leverage and expand the installed base for AMCs and replacement, very much like Blue Star used mass-premium RACs, to broaden its portfolio.

Exhibit 8: Bluestar’s UCP has grown at an accelerated 32% CAGR in FY21-25



Source: Bluestar, Elara Securities Research

Exhibit 9: Bluestar's sales accelerated at 29% CAGR in FY21-25



Source: Bluestar, Elara Securities Research

#1: Engines of compounding – Localization....

Backward integration into compressors to boost margin expansion

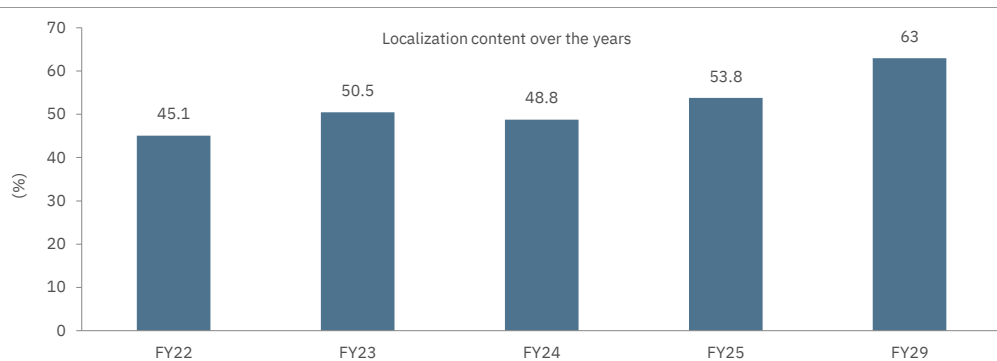
LGEIL is among the few durables players that is backward integrated in compressors, an essential component which is mainly imported from China as of now by most players. LGEIL makes ACs and refrigerator compressors and exports compressors to the parent's subsidiaries. LGEIL currently has a capacity of ~1mn RAC compressors with the balance requirement procured from Chinese players. It plans to increase its capacity with an additional 2mn compressors that may be operational by end-FY27. This may be utilized for both in-house manufacturing and exports.

Growing localization to help improve margins

LGEIL has grown its localization rate from 40% five years ago to 54% currently, led by both increasing domestic procurement and growing in-house manufacturing. It seeks to improve localization rate by 1-2% every year with a target of 63% localization in the next four years. This may help it improve its margins gradually as products that were imported earlier are now sourced locally.

For example, LGEIL has begun procuring TV panel modules locally (earlier fully imported). As of now, refrigerators and washing machines have a higher rate of localization while that of TVs is lower, which is now being targeted for scale-up by the company. It is also targeting making premium models such as side-by-side refrigerators and front load washing machines in India that may be used for exports.

Exhibit 10: Rise in localization content over the years



Source: Company, Elara Securities Research

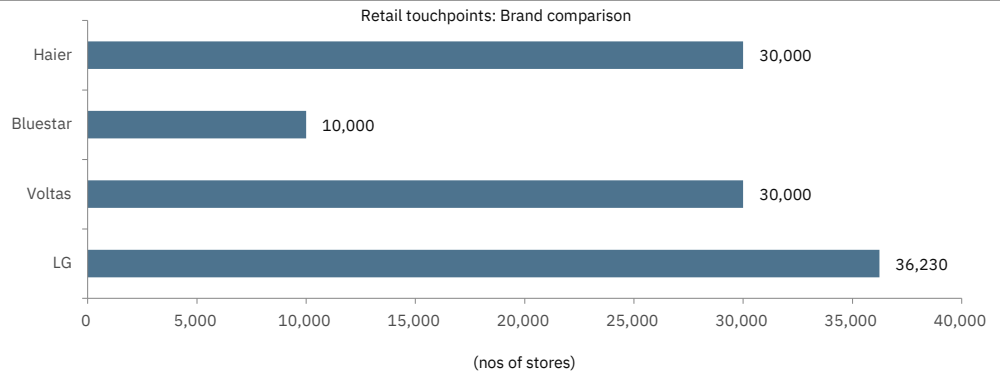
Exports – Room to scale-up once new capacity is operational

The parent company is eyeing LGEIL as an export hub to cater to its global requirements. As of now, LGEIL exports 6% of its sales and it is fully dependent on its parent company for exports. Pre tariffs, the company was expecting to scale up exports to 10-12% of sales – It was targeting to reduce manufacturing in China and shifting to India. However, if the tariff issues are over after the India-US trade deal, LG Inc. would again focus on growing exports from LGEIL. Higher exports augur well for margins as export margins are better than domestic.

Largest distribution network among peers

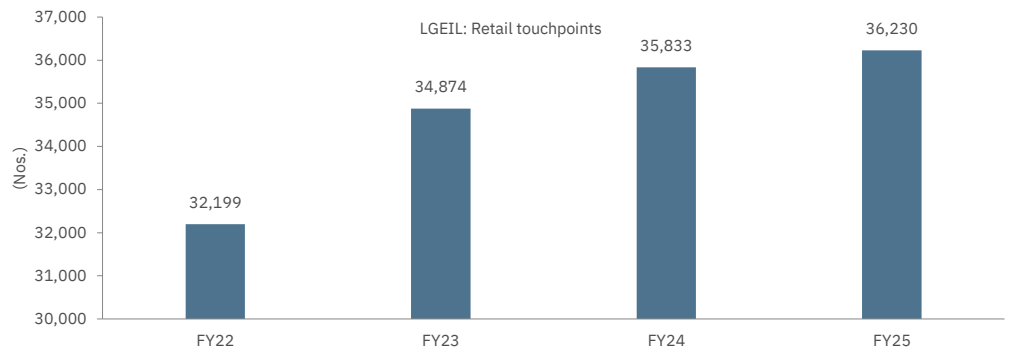
LGEIL has the largest distribution network among peers in the durables category (up from 32,199 in FY22 to 36,230 as of FY25). It increased the number of *LG Exclusive* brand outlets and presence in modern trade and traditional channels. This helps LGEIL maintain its market share across all product categories via cross-selling, with most first-time customers opting for multiple products at a time.

Exhibit 11: LGEIL leads durables brands with the highest number of retail touchpoints



Source: Company, Elara Securities Research

Exhibit 12: LGEIL has steadily grown its distributor network across channels



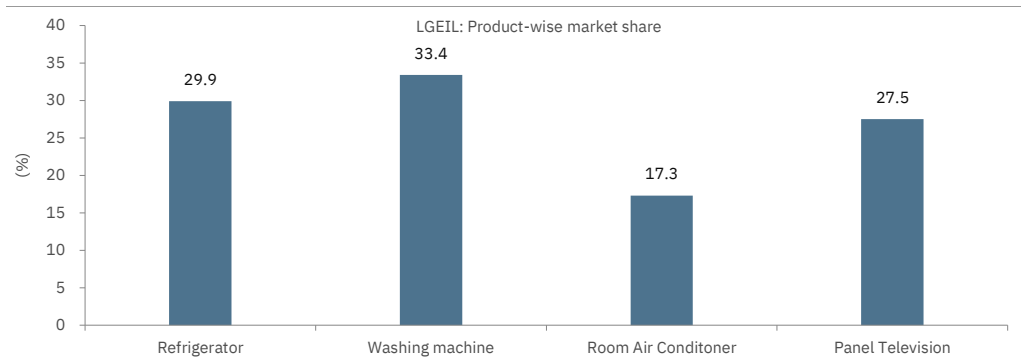
Source: Company, Elara Securities Research

Market leadership in most categories

LGEIL has one of the most diversified product portfolios in the entire consumer durables industry, with presence in RACs, refrigerators, washing machines, televisions, small appliances, commercial ACs, B2B appliances etc. It features among the top players in most durable categories since the past decade, with market leadership in most categories. As of CY25, it enjoyed a market share of 21% in inverter RACs, 34% in washing machines, 30% in refrigerators, 51% in microwaves, and 28% in panel TVs etc. It is also dominant across price points.

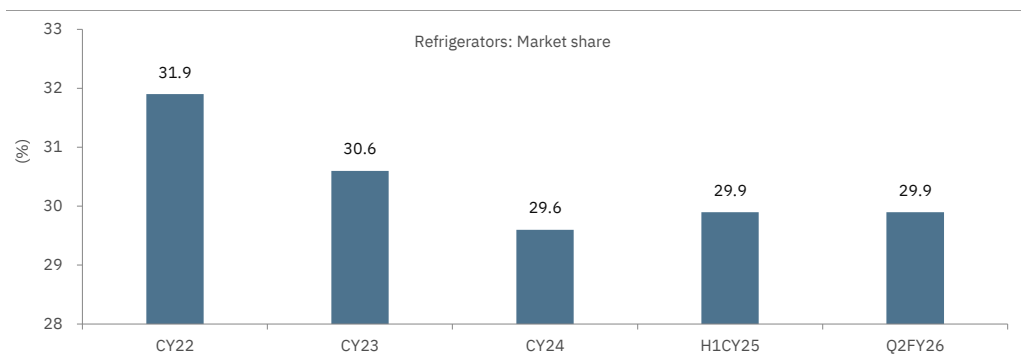
LGEIL is a pioneer in various premium categories of OLED TVs, side-by-side refrigerators, fully automatic front-load washing machines etc. Resultantly, it enjoys a strong market share of >one-third in all premium categories and > 50% in some categories. LGEIL is among the top players in the mass volume segment, comprising DC refrigerators, semi-automatic washing machines, window ACs, etc. Thus, its presence across all price points across all categories gives it a large opportunity for growth as the boom in the consumer durables industry is set to unfold in the next five years.

Exhibit 13: Robust market share across consumer durables categories



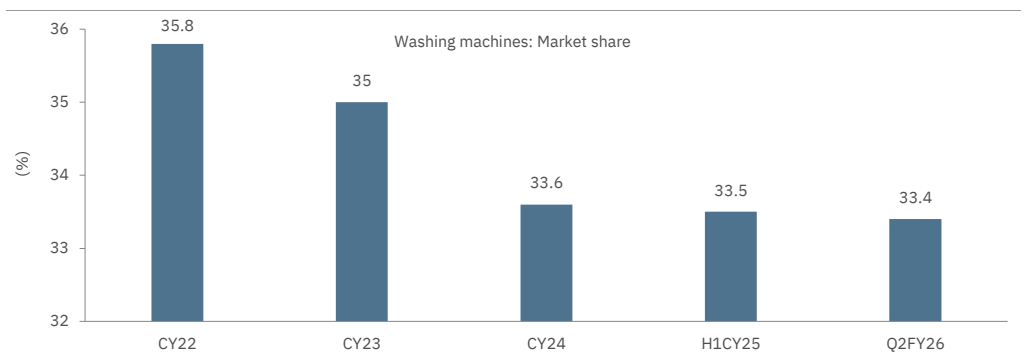
Source: Company, Elara Securities Research

Exhibit 14: Refrigerators – Steady market share since CY24



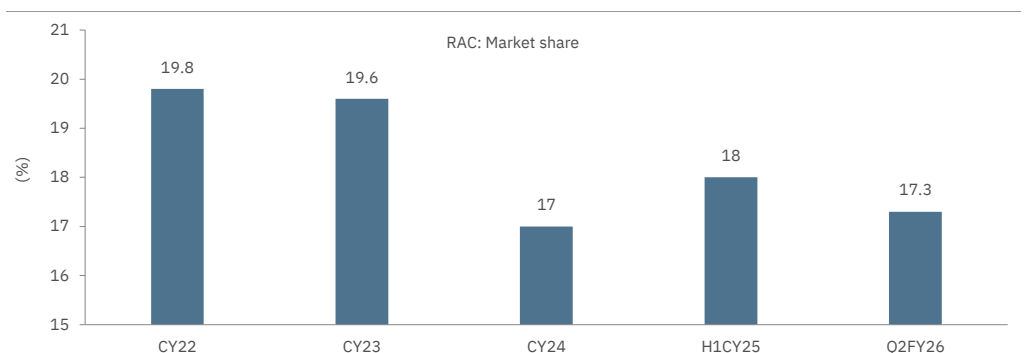
Source: Company, Elara Securities Research

Exhibit 15: Washing machines – Slight drop in share but overall leadership maintained



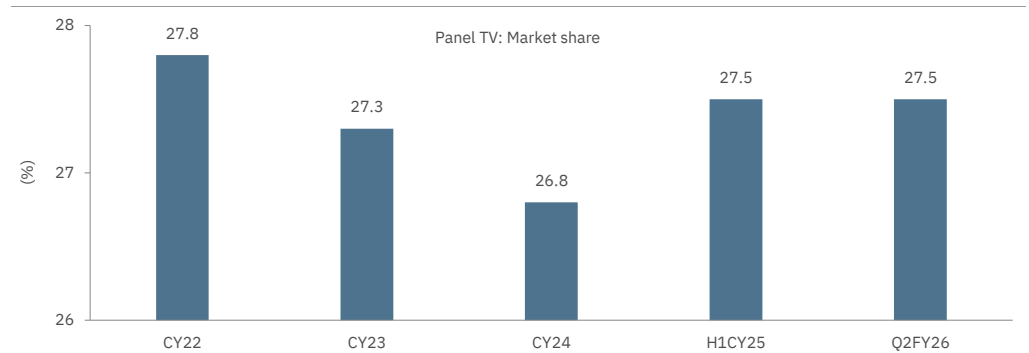
Source: Company, Elara Securities Research

Exhibit 16: RAC industry – LGEIL remains #2 player



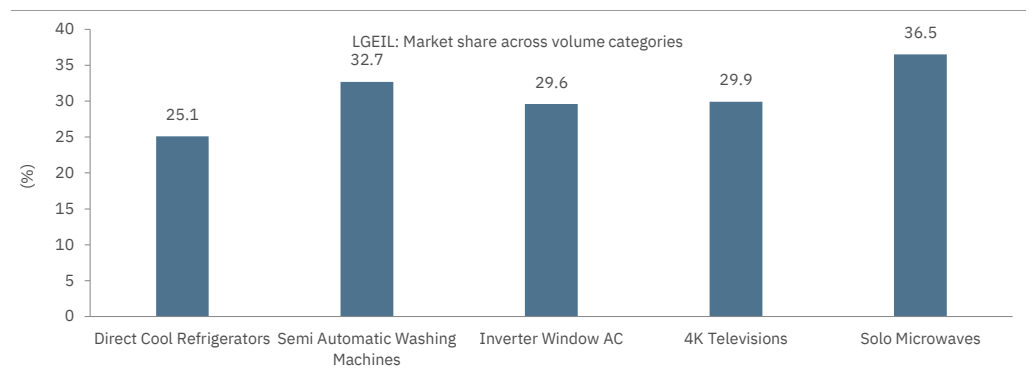
Source: Company, Elara Securities Research

Exhibit 17: Panel TV – Strong market share



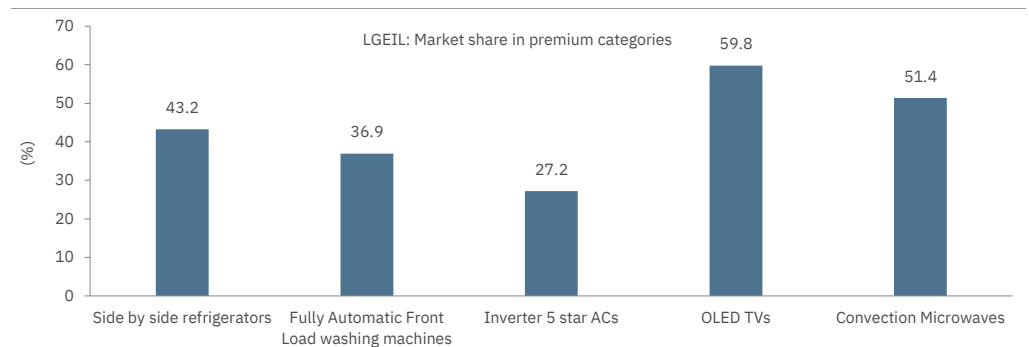
Source: Company, Elara Securities Research

Exhibit 18: LGEIL – Healthy market share in volume categories



Source: Company, Elara Securities Research

Exhibit 19: LGEIL – Strong foothold in premium categories



Source: Company, Elara Securities Research

R&D – Strong brand name and parental support

LGEIL enjoys strong parental support in R&D, design, product planning, supply chain management, marketing, distribution, and exports. It is fully dependent on its parent for cutting edge R&D, and state-of-the-art products for the Indian market that are already present in global markets. Strong brand of the parent is useful in leveraging LGEIL as a preferred brand in consumer durables. LGEIL has been operating in India since three decades and has established its position as a market leader across categories.

B2B and AMC – New growth avenues

In B2B, LGEIL is present in HVAC and information display (commercial information displays, LED displays, electronics blackboards.). It seeks to ramp up its B2B contribution by introducing new, technologically-advanced products and by catering to government institutions and exports. In commercial ACs, it is currently the third largest player, and is targeting to grow its market share. With a healthy 14% CAGR expected in B2B products industry over CY25-29 (source: Company), LGEIL seeks to capitalize on this opportunity via new product introductions and gaining market share.

LGEIL also seeks to ramp up its AMC contribution, which is currently just 2.7% of FY25 sales. AMCs form a significant part of LGEIL's business as higher-margin areas. LGEIL has steadily increased its technicians and presence pan-India, with a new strategy to cross-sell AMC at the time of selling the product, which has helped spike AMC sales over the years. LG Global has a service contribution of 3.3% to overall sales and 5.4% of sales of comparable segments with LGEIL. As a result, LGEIL may target to match this level in the upcoming years.

Key beneficiary of GST cuts and budget tax cuts

LGEIL is a key beneficiary of the recently-announced GST rate cuts in RACs, smart TVs above 32 inches and dishwashers (from 28% to 18%) and from the Union Budget-led tax benefits announced last year, particularly for the middle class. It enjoys a diversified product portfolio with presence across all the categories as also all price points, with unique technological offerings, particularly in the premium segment. As a result, it is poised to grow its sales, riding on the sectoral tailwinds. The new star rating change in RACs should be beneficial to LG as it is among the RAC players with lowest level of inventory in the channel, which can help it focus on new table inventory production.

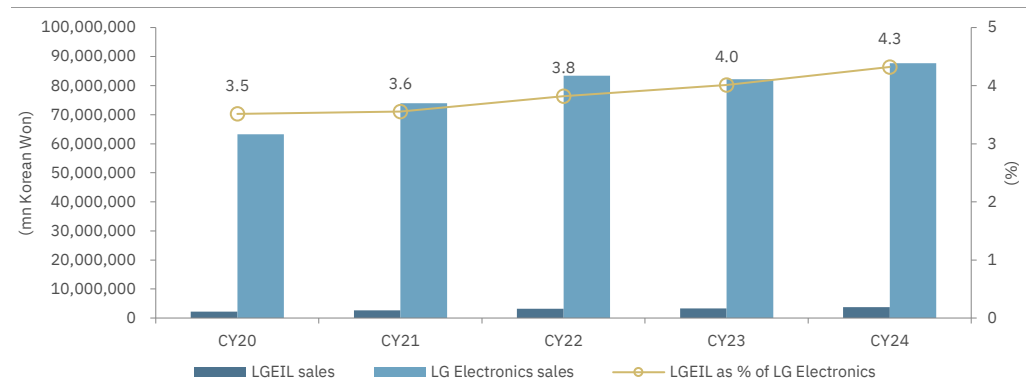
#2: Engines of compounding – Bridging product gaps

LGEIL contributes 7% of comparable sales of parent as of CY24

LGEIL forms an important part of the parent entity. The parent has highlighted that India is a growing market, and LGEIL, in the past three decades, has built a complete network across the entire supply chain with a sizeable market share across categories. It looks to increase penetration of LGEIL further by increasing market share and starting its subscription business. It also looks to establish LGEIL as an export hub to cater to its global requirements.

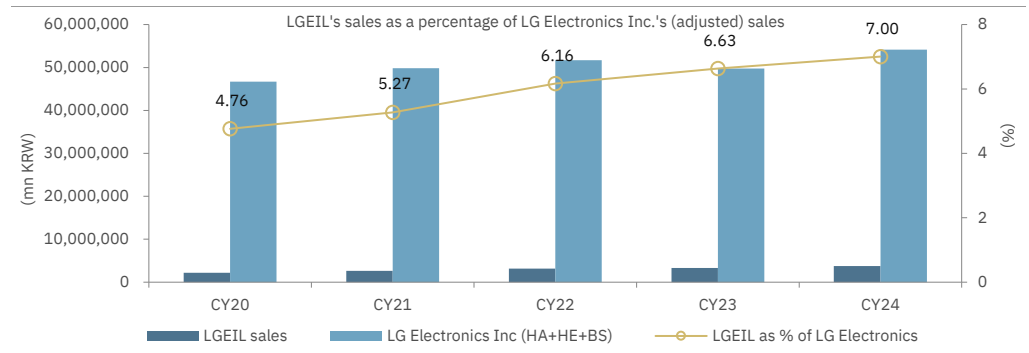
In the past five years, LGEIL has scaled up its share of parent's overall revenue from 3.5% in CY20 to 4.3% in CY24. However, the parent is involved in segments such as vehicle components, camera module, substrates, motor/ sensors etc., which LGEIL is currently not present in. Excluding this and considering the comparable segments, LGEIL has increased its contribution from 4.8% of CY20 sales of parent to 7% as of CY24. With the new facility at Sri City underway, we expect this contribution to spike, with LGEIL transforming into an export hub to cater to global requirements.

Exhibit 20: LGEIL has ramped up contribution to parent's sales through CY20-24



Source: Company, Elara Securities Research

Exhibit 21: LGEIL contributes 7% to LG Electronics Inc.'s (parent) adjusted CY24 sales



Source: Company, Elara Securities Research

Gaps in product portfolio versus parent and thus, future opportunities for LGEIL

LG Electronics Inc. (parent) boasts a state-of-the-art, technologically advanced product portfolio. It caters to global requirements of developed countries. While it is present in similar categories as LGEIL – home appliances, home entertainment – it is also present in information displays, medical equipment production, and the mobility segment, catering to components for vehicles, data center cooling, and AI and robotics, which is still at a nascent stage for LGEIL. These businesses all have the traits of high technology intensity, structurally high margin (compared with white goods) and strong tailwinds in India. The following are certain product gaps between LG Electronics Inc. and LGEIL

HVAC for AI data centers. It has developed advanced liquid cooling solutions for data centers across the entire range from edge to hyperscale data centers. It offers comprehensive HVAC solutions and services, including full lines of chillers, CRAH, CDUs etc. In India, accelerating data-center capex and AI workloads could support local adoption of these solutions in the next 3-5 years. We see this as a natural extension to LGEIL's commercial HVAC franchise, likely starting with imports or partial localization and offering higher margins.

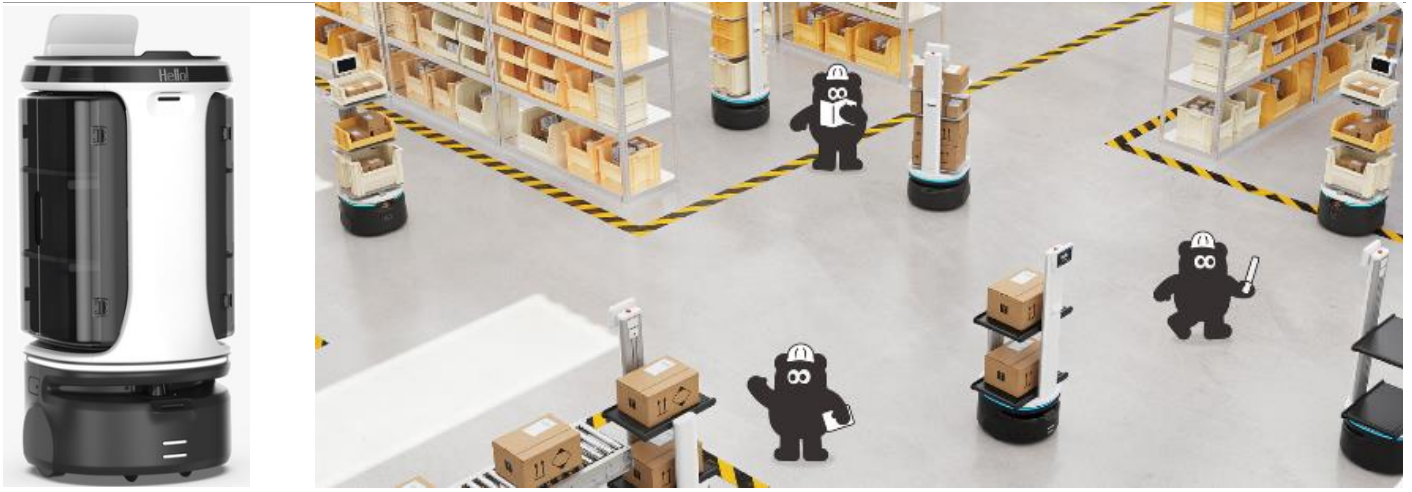
Medical displays and solutions for hospitals: The parent. offers various products such as medical displays, surgical monitors, air handling units, VRFs, indoor LEDs, Self-service kiosks, ventilation solutions, and cassette ACs. These are used in Hospitals in lobbies and operating theatres and senior care centers. LGEIL's existing presence in information displays and commercial ACs positions it well to selectively localize or assemble parts of this portfolio for hospitals, education and public infrastructure customers, with potentially higher margins than standard B2C displays.

EV components and mobility solutions: LG Electronics Inc. has a diverse business of vehicle solutions, which contributed 12% to its overall revenue in CY24. Its product portfolio includes cockpit electronics, telematics, vision solutions for driving and various software offerings, and thus a full portfolio of in-cabin experiences with a blend of consumer electronics and IT. It caters to various prominent clients such as Nissan, Toyota, General Motors etc. While LGEIL is currently not present in this category, this presents a future opportunity for it, given the growing sectoral tailwinds in the EMS industry with focus on import substitution.

Display technology: Globally, the parent has almost entirely pivoted to OLED and MicroLED (the "Magnit" series) for its premium tier. In India, while LG is the market leader in OLED, it uses QNED (Quantum Dot + NanoCell) to compete with Samsung's QLED. QNED is essentially a "transmissive" LCD with a quantum film, whereas the parent's latest global flagship, the OLED evo W6, is "emissive" and completely wireless. LG Electronics has also inducted various AI features, accurate colors, smart power management, cable-less design etc. features to provide a clean look with advanced features for the user.

AI and robotics: The parent has entered into a strategic partnership with Bear Robotics to elevate AI robotics worldwide. The companies develop robots for various industries, including factories and warehouses (for operations), restaurants (for taking orders), cleaning etc., hospitals and senior living assistance, hotels, airport lounges, etc. While currently nascent in India, this industry could be a future disruptor in various areas of logistics, hospitality etc. LGEIL could capitalize on this given the parent's technologically advanced stage of development and tested products among its customer base.

Exhibit 22: Illustrative usage of robots in warehouses



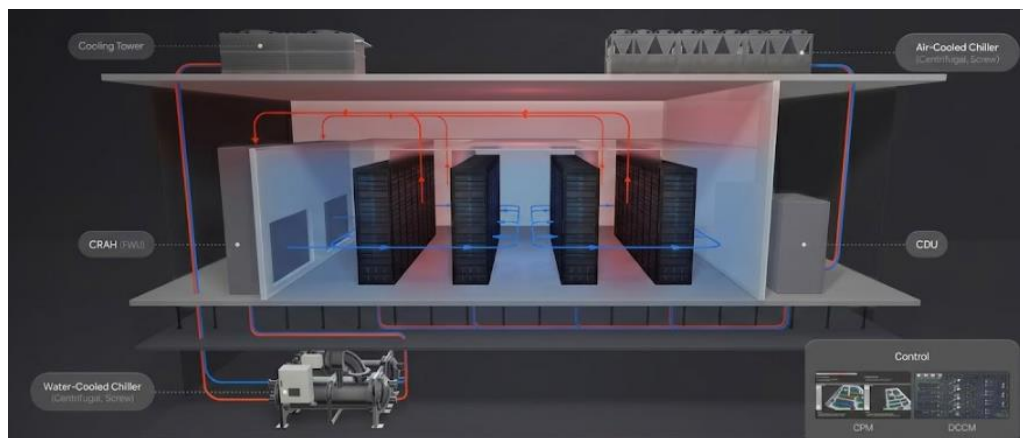
Source: LG Global, Elara Securities Research

Exhibit 23: Parent's HVAC and display solutions for hospitals and healthcare



Source: LG Global, Elara Securities Research

Exhibit 24: LG Global – Data center solutions



Source: LG Global, Elara Securities Research

Exhibit 25: Display solutions and other offerings for mobility



Source: LG Global, Elara Securities Research

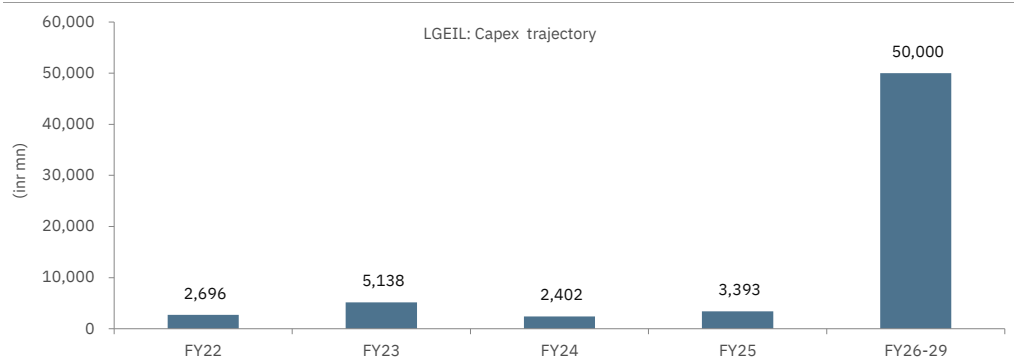
Massive capex plan to ensure revenue visibility

LGEIL has outlined a capex plan of INR 50bn, to be incurred in the next four years and funded through internal accruals for its new plants at Sri City. The company expects to invest INR 10-12bn every year with a 100% capital subsidy expected to be received from the state government over a period of 20 years. It would invest this capex to expand compressor capacity, RAC manufacturing capacity and washing machine and refrigerator lines in the future. Management expects to double capacity from the current levels once fully operational by FY29.

Upon full commissioning, the facility would produce 0.8mn refrigerators, 0.85mn washing machines, 1.5mn RACs and 2mn compressors annually. Production would begin with RACs in 2026 followed by phased additions through 2029.

For reference, LGEIL's cumulative capex in FY22-25 is INR 13.6bn, while its capex plan of INR 50bn in FY26-29 is 3.7x this amount.

Exhibit 26: LGEIL's capex plan through FY26-29 is 3.7x its cumulative capex in FY22-25



Source: Company, Elara Securities Research

If we assume an average fixed asset turnover ratio of 4-4.5x, the capex could translate into a revenue potential of INR 200-250bn, compared with FY25 revenue of INR 244bn. (The compressor capacity may be exported but major capacity would be used for captive consumption; hence, revenue potential may be adjusted accordingly).

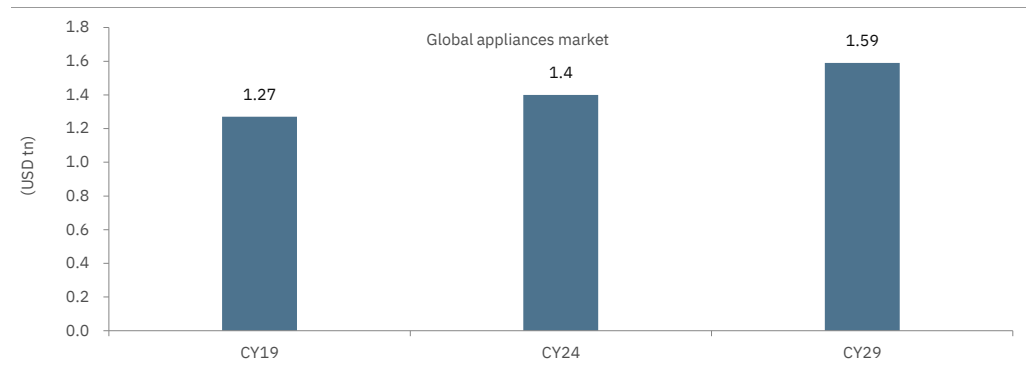
India Consumer Durables and Electronics – Set for a boom

India to account for 8% of global appliances market by CY29

The global Electronics and Appliances market was valued at USD 1.4tn as of CY24, posting a CAGR of 2% in the past five years (source: Company RHP). Growth was mainly hit by Covid, which caused large-scale supply chain disruption and impacted consumer demand. However, in the next five years, this market is expected to reach USD 1.59tn size, at a CAGR of 3%. (source: Company RHP)

Region-wise, APAC contributes 42% to the overall market share – Herein, China had the largest share of 23%, with India at 6% (set to rise to 8% by CY29, led by various factors such as growing working population, positive tax benefits offered by the government, rising premiumization and spiking disposable incomes and aspirations).

Exhibit 27: Global appliances market to compound at a 3% CAGR in CY24-29



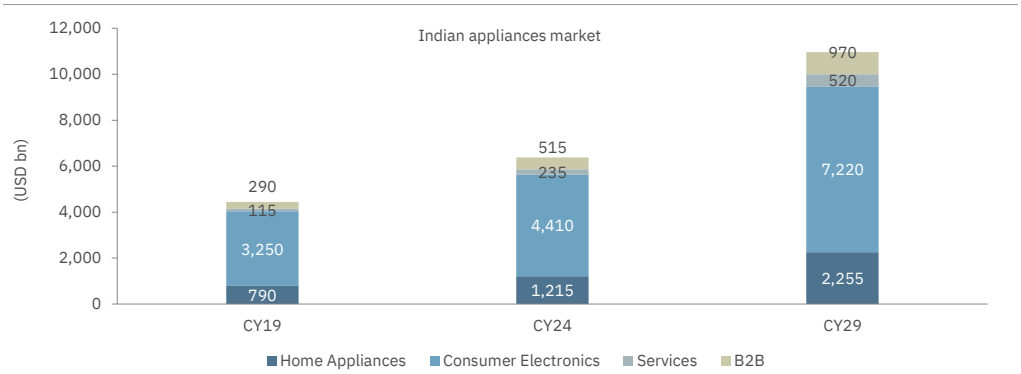
Source: Company RHP, Elara Securities Research

India Electronics and Appliances – Market set to reach INR 11tn size by CY29

India Electronics and Appliances market has compounded at a CAGR of 7% in the past five years to INR 6.4tn as of CY24. Growth was hit by subdued consumer demand since COVID. However, this is now expected to accelerate at an 11% CAGR in the next five years to reach INR 11tn by CY29 (source: Company RHP). Excluding mobile phones, the industry has posted a 12% CAGR in the past five years and should post a 14% CAGR in the next five years (source: Company RHP). This can be attributed to many factors:

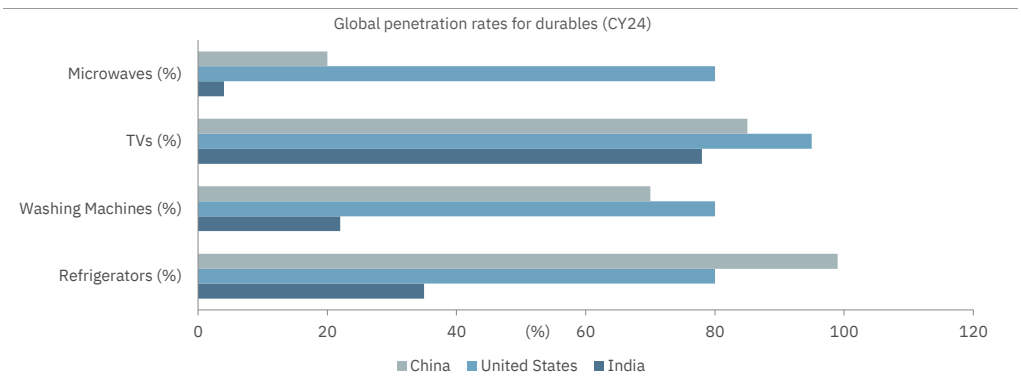
- ▶ **Rising disposable incomes and growing working population:** Having the world’s youngest working population, India is set to see a period of strong economic growth. This will also lead to rising disposable incomes, particularly among the middle class, which will help accelerate growth of the Indian consumer electricals industry. After COVID, the importance of having various durables such as washing machines, water purifiers, and ACs has grown. Demand for personal care products has also grown at a healthy pace. This trend is expected to continue in the upcoming years as more people enter the workforce.
- ▶ **Durables – Low penetration rate set to rise:** The penetration rates for consumer durables in India is very low compared with developed countries such as the US and China. This is due to the higher cost of such products and low income levels in India. However, as the youth enter the workforce and aspirations to own durable goods rise, the penetration rate for these products is set to surge.
- ▶ **Rising urbanization, electrification and nuclearization of families:** A growing amount of nuclear families compared with traditional joint families led to a rise in demand for housing. Also, rising urbanization and growing penetration of products (mobile phones and televisions) in rural India, led by increasing electrification of villages, has led to a rise in demand for durables and electricals.
- ▶ **Growing premiumization** has become an emerging theme in the electricals industry in India. Rising middle-class aspirations are driving stronger demand for premium products, with such growth outpacing that of mass-market offerings. As a result, increase in ASP is leading to a rise in sales for most brands, which is also positive for margins.

Exhibit 28: Indian appliances market to post a 12% CAGR in CY24-29



Source: Company RHP, Elara Securities Research

Exhibit 29: Penetration rate of durables in India still low than in developed countries



Source: Company RHP, Elara Securities Research

GST rate cuts and Union Budget-led tax cuts to prop growth for electricals industry

The recent GST cuts on room air conditioners, smart TVs of more than 32 inches and dishwashers from 28% to 18% and related personal income tax benefits announced in the Union budget last year should revive consumer demand that has been low across various products since the past few years. The GST cut on RACs should boost demand in a year which has been hit by delayed summers and early onset of monsoon. The industry suffered due to lack of first-time buyers usually present in an otherwise hotter summer season.

Home appliances industry – Overview

Room air conditioner industry set to post a 17% CAGR in CY24-29

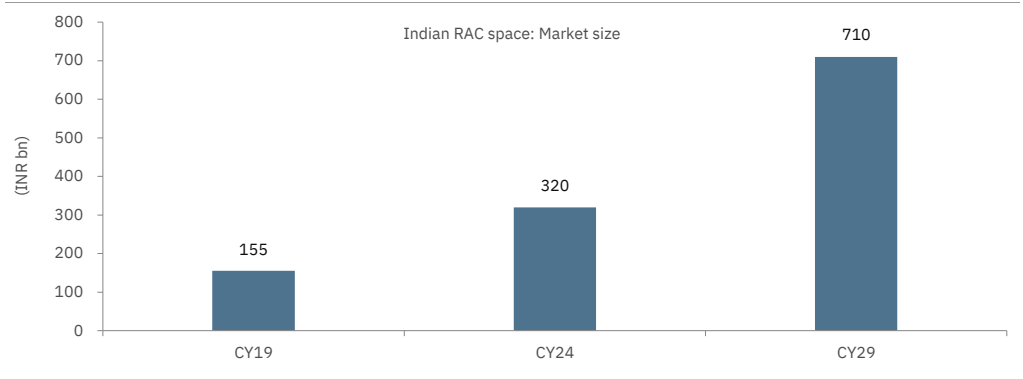
The Indian room air conditioner industry was valued at INR 320bn as of CY24, having posted a 16% CAGR in the past five years due to rising temperature (on account of global warming, growing real estate demand and rising disposable incomes). The industry is expected to post a 17% CAGR in the next five years to reach INR 710bn by CY29 (Source: Company RHP). Of this, inverter ACs constitute 75% of the industry, while the balance is formed by fixed speed ACs.

The Indian RAC industry has seen the fastest growth compared with other consumer durable categories. About 11mn RACs were sold in CY24. This is expected to surge to 19mn by CY29. The GST cuts and the star rating change in RACs from January 2026 are expected to further boost RAC growth this year and hereon.

LGEIL is the market leader in inverter ACs, with a share of 21% in value terms, while in the overall RAC market, it is at #2 position. Within the window AC segment, LGEIL has a market share of 30%, while in the premium five star inverter AC, it has a market share of 27%. LGEIL is still considered as a premium RAC brand and prices its products higher than the market leader, which has enabled it to maintain industry-leading margins.

In addition to RAC manufacturing and assembly, LGEIL is also among the five players in India to make compressors. LGEIL utilizes its compressor manufacturing facility in India to export compressors globally. This gives it a competitive edge over other players in controlling the supply chain (most compressors in India are still imported from China or Taiwan).

Exhibit 30: Indian RAC industry set to post a 17% CAGR in CY24-29



Source: Company RHP, Elara Securities Research

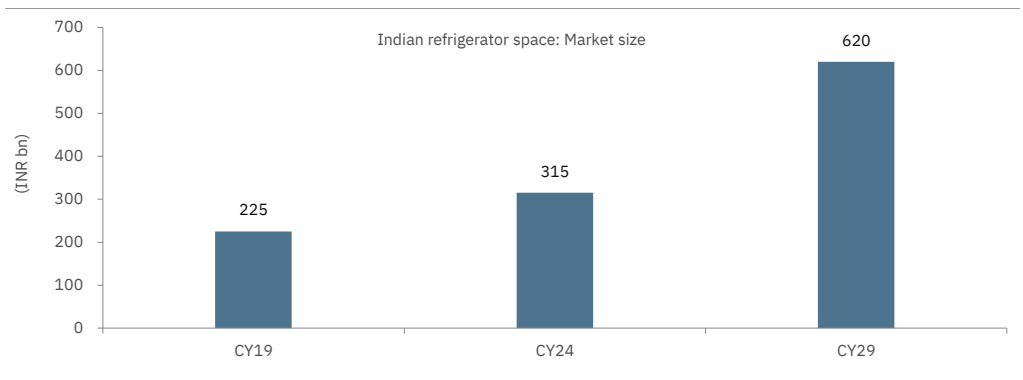
Refrigerator industry to post 15% CAGR in CY24-29

The Indian refrigerator industry has posted a 7% CAGR in the past five years to reach INR 315bn in CY24. Refrigerators have a higher penetration rate in India compared with other durables at 35%. However, this should grow to 43% by CY29, resulting in industry CAGR doubling to 15% to reach INR 620bn by CY29 (Source: Company RHP). About 65% of the market is organized, with major sales contributed by large format retailers.

Premiumization is becoming a main theme within refrigerators, with a shift away from single door direct cool refrigerators towards frost free and side-by-side refrigerators. This is helping increase ASP of the industry. Due to most households using only one refrigerator for a large period of 5-10 years, customers prefer to upgrade in size and technology during the replacement cycle.

LGEIL is the market leader in the refrigerators market in India, with a share of 30% value-wise. Within direct cool refrigerators, it has a market share of 25%, while in the side-by-side category, it has a strong market position with a 43% market share. Due to its strong R&D-led technologically attractive product offerings, LG has maintained its leadership and is a preferred brand by consumers, while its competitor in the refrigerators market, Samsung is losing market share due to internal issues.

Exhibit 31: Indian refrigerator industry to post a 15% CAGR in CY24-29



Source: Company RHP, Elara Securities Research

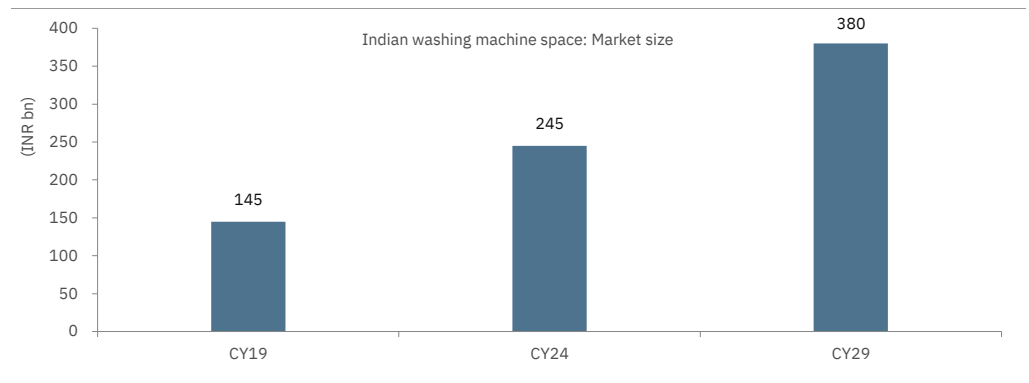
Washing machine industry set to post a 9% CAGR in CY24-29

The Indian washing machines industry has grown at a CAGR of 11% in the past five years to reach INR 265bn, as of CY24, with a penetration rate of 22% currently. This is expected to rise to 26% by CY29, at a CAGR of 9% in CY24-29 to reach INR 380bn by CY29 (Source: Company RHP). As per our channel checks, this category is seeing a premiumization trend across product categories as customers are upgrading to the next tier.

- ▶ Semi-automatic washing machines being upgraded to fully automatic top load,
- ▶ Top load to front load
- ▶ Front load to washer-dryer
- ▶ Washer dryer to Twin Wash.

LGEIL is the market leader in washing machines in India with a market share of 34%. Within semi-automatic washing machines, it has a share of 33%, while in fully automatic front load, it has a share of 37%. LGEIL's innovative models and new launches along with strong brand name and distributor network have helped it maintain its position as a market leader in this category.

Exhibit 32: Indian washing machine industry to post a 9% CAGR in CY24-29

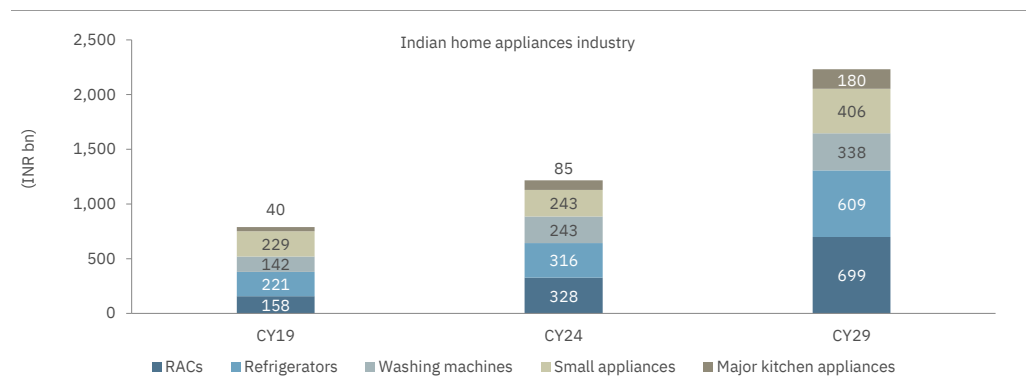


Source: Company RHP, Elara Securities Research

Overall, the Home Appliances market in India was valued at INR 1.2tn as of CY24, having grown at a 9% CAGR in the past five years. Refrigerators and RACs constitute a major market share of the industry and are expected to grow in high double-digits in the upcoming years. The home appliances industry should reach INR 2.3tn by CY29, at a 13% CAGR.

LGEIL is expected to remain among the market leaders in most categories in the home appliances industry in India. With its new plant coming up in Sri City, LGEIL is poised to grow its market share.

Exhibit 33: Indian Home Appliances industry set to reach INR 2.3tn size by CY29



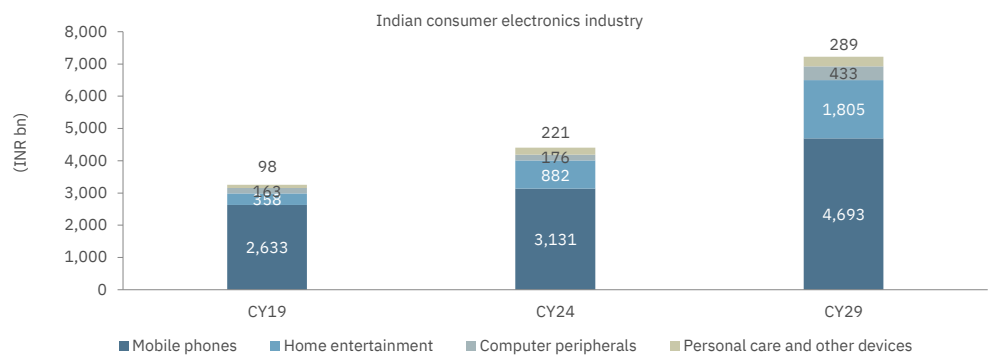
Source: Company RHP, Elara Securities Research

Consumer Electronics industry – Overview

Electronics industry to post a 10% CAGR in CY24-29

The Consumer electronics industry in India accounts for 75% of the overall electricals and appliances market, comprising mobile phones, televisions and audio, computer peripherals, personal care devices and other personal devices. The industry was valued at INR 4.4tn as of CY24 and is set to post a 10% CAGR in the next five years to reach INR 7.2tn by CY29 (Source: Company RHP). Of this, the home entertainment market is expected to witness one of the fastest growth rates after personal devices, which has a smaller base.

Exhibit 34: Indian Consumer Electronics industry to reach INR 7.2tn size by CY29



Source: Company RHP, Elara Securities Research

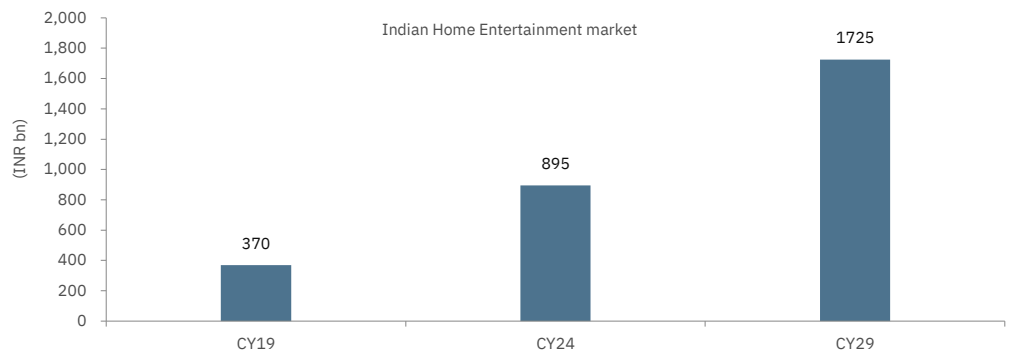
Home entertainment industry to post a 14% CAGR in CY24-29

The Home Entertainment industry comprises TVs and audio devices and was valued at INR 895bn, as of CY24, having grown at a CAGR of 19% in the past five years, led by growing penetration. While growth rate is expected to be lower at a 14% CAGR due to a high base, the growing premiumization trend towards 4K Ultra HD, OLED, QLED TVs should drive up ASPs. More than 80% TVs sold in India are of 4K picture quality, and more than 90% TVs sold are Smart TVs.

LGEIL is one of the top players in the TV space, with a market share of 29% in 4K TVs and 27% in Smart TVs. Overall, it has a market share of 28% in televisions in India. The company has a strong presence in the OLED category, with a market share of 63%, which should drive growth hereon. While volume growth for TVs remains in single digits for LG, the rise in premium TV sales has helped drive robust value growth, and positive double-digit growth for LGEIL in this category.

LGEIL has also started procuring TV panel modules locally (earlier imported), which should have a positive impact on margin, going forward.

Exhibit 35: Indian Home Entertainment market to post a 14% CAGR in CY24-29



Source: Company RHP, Elara Securities Research

Valuations and recommendation

- ▶ Industry-leading fundamentals with robust growth runway ahead
- ▶ Initiate with Accumulate and a TP of 1,750
- ▶ Key risks include increase in royalty by parent and pricing pressure from competitive intensity

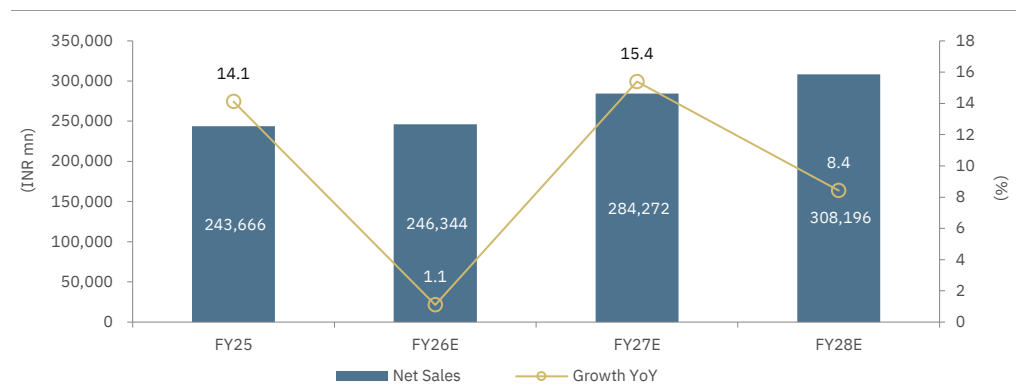
Industry-leading fundamentals with robust growth runway ahead

Expect revenue CAGR of 12% in FY26E-28E

LGEIL has posted a revenue CAGR of 13% in FY22-25, despite tepid consumer demand in the past few years, led by healthy growth in premium contribution across categories, leading to a rise in ASP. RAC has been the fastest-growing category for LGEIL, having grown at a 15% CAGR in the past three years. We expect LGEIL to post a revenue CAGR of 12% in FY26E-28E despite FY26 being a subdued year for most categories, led by market share gain, scale-up in contribution from the economy segment, and maintaining its leadership in premium categories.

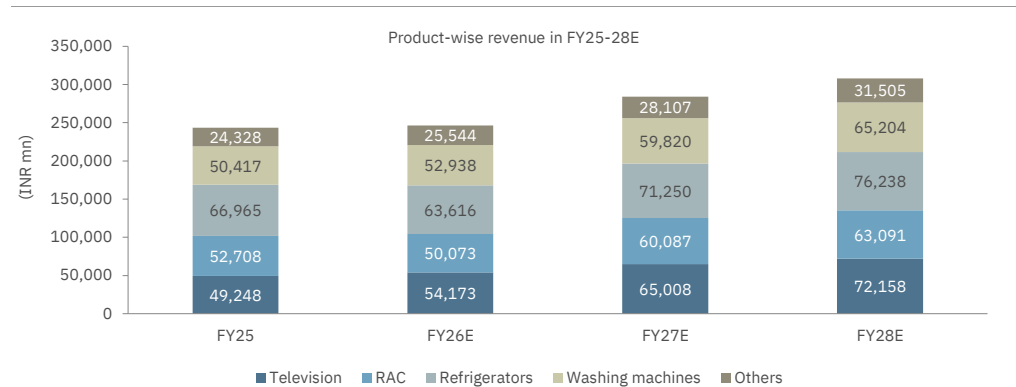
Among the categories, we expect TV to be a major growth driver, compounding at a CAGR of 15% led by value growth from increase in contribution from new premium models. Expect washing machines to see an 11% CAGR, led by both value and volume growth. RAC growth may be partially hit at 12% due to aforementioned factors impacting FY26. Expect refrigerators to see a 9% CAGR due to higher penetration rate.

Exhibit 36: Expect revenue CAGR of 12% in FY26E-28E



Source: Company, Elara Securities Estimate

Exhibit 37: TV to outgrow other categories in FY26E-28E



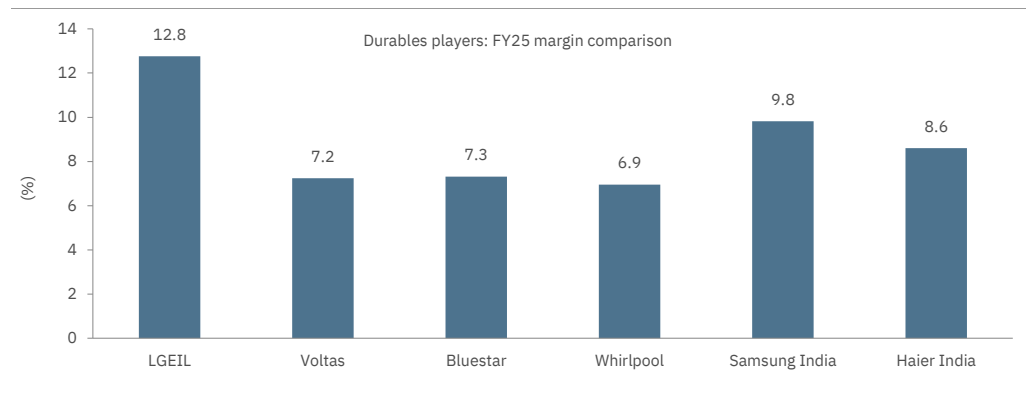
Source: Company, Elara Securities Estimate

Expect EBITDA CAGR of 19% in FY26E-28E with margin expanding 140bps

LGEIL enjoys industry-leading EBITDA margin of 12.8% as of FY25, significantly higher than peers with margin within mid-to-high single digit (Samsung India is the closest peer with ~10% margin in consumer durables as of FY25). LGEIL has a lead over peers in margin due to sizeable contribution from premium products (it is construed as a premium brand in the durables industry due to its advanced technological features).

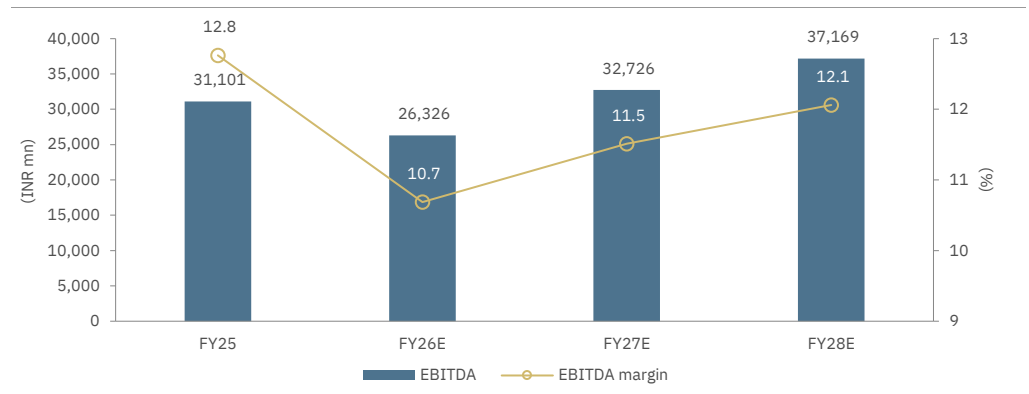
In the upcoming years, we expect EBITDA margin to rise 140bps over FY26-28E to 12.1% in FY28E, with an absolute EBITDA CAGR of 19% in FY26E-28E, led by a higher share of localization, robust growth in premium categories and operating leverage benefits from scaling up the economy segment.

Exhibit 38: LGEIL enjoys industry-leading EBITDA margin among durable players



Source: Company, Elara Securities Research

Exhibit 39: EBITDA margin set to expand 140bps in FY26E-28E

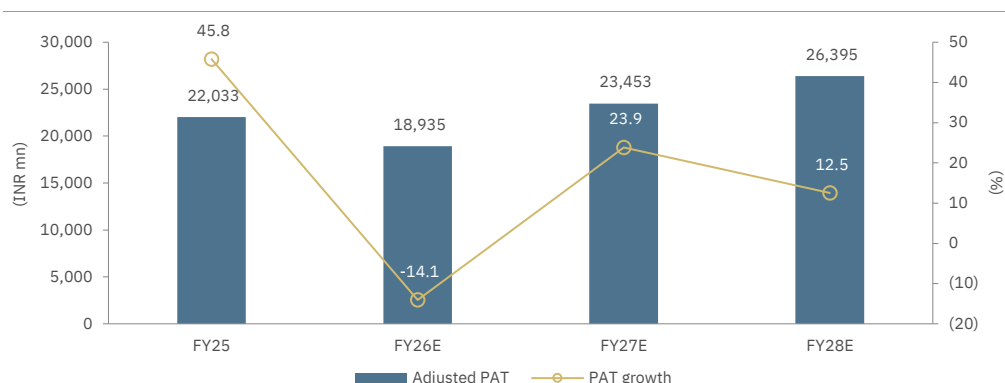


Source: Company, Elara Securities Estimate

Expect PAT CAGR of 18% in FY26E-28E

LGEIL has scaled up its PAT at a CAGR of 22% in FY22-25 due to increasing localization and higher contribution from the premium portfolio. With gradual ramp-up of localization hereon and a change in the product mix with spike in the economic segment, we expect LGEIL to compound its PAT at a CAGR of 18% in FY26E-28E.

Exhibit 40: Expect PAT CAGR of 18% in FY26E-28E



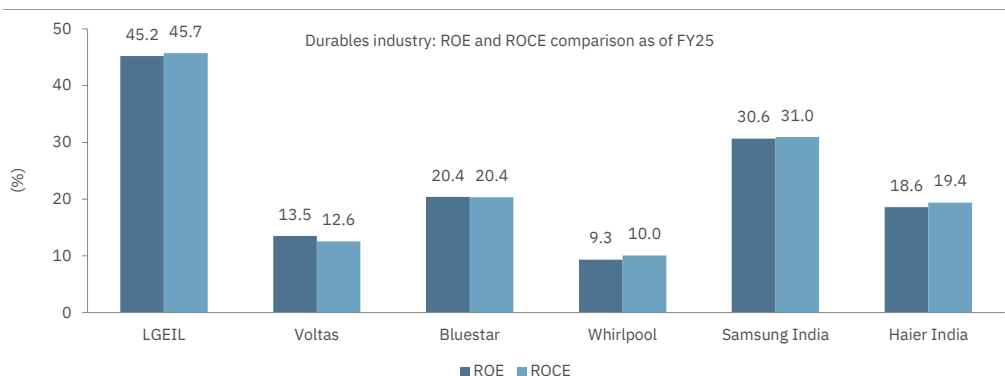
Source: Company, Elara Securities Estimate

Industry-leading ROE and ROCE compared with other durable players

LGEIL has been leading the durables industry in ROE and ROCE on account of its industry-leading margin, an asset light model and a strong brand name that enable cross-selling. As of FY25, LGEIL's ROE and ROCE were at record high of 45% and 46% respectively, the highest in the industry. Samsung India was the nearest peer with an ROE and ROCE of 31% each for the year.

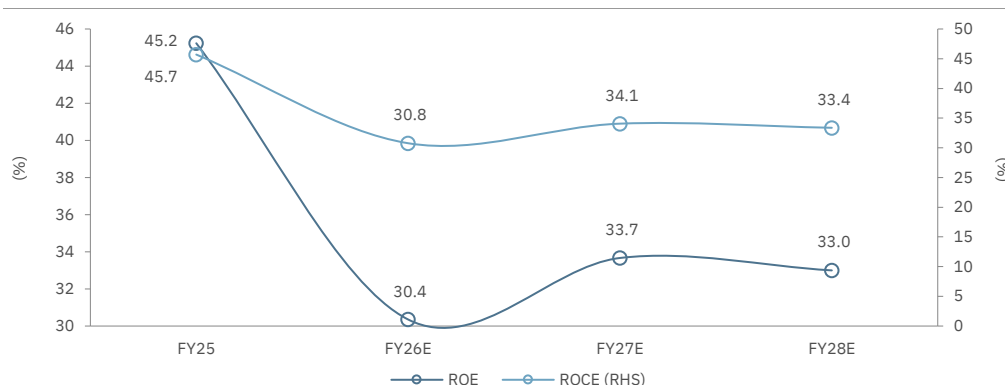
Due to its large capex plan announced, we expect the high ROE and ROCE to taper down to 32% and 33% respectively by FY28E, but we still expect LGEIL to maintain a sizeable lead in ROE and ROCE compared with other durable players due to better margins and product profile.

Exhibit 41: LGEIL enjoyed industry-leading ROE and ROCE as of FY25



Source: Company, Elara Securities Research

Exhibit 42: ROE and ROCE to taper off due to large capex plan

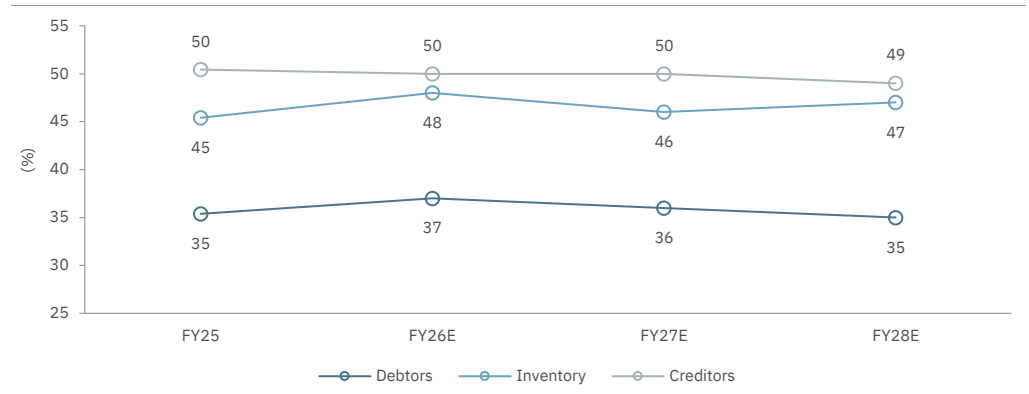


Source: Company, Elara Securities Estimate

Working capital days to largely remain at current levels

LGEIL has been enjoying a low working capital cycle of 30 days due to its higher inventory turnover and quick realization from debtors. We expect LGEIL to maintain its current working capital cycle in FY25-28 with FY28E net working capital days remaining at 30 days (debtor days 35, inventory days 45, creditor days 50). This will largely be due to product and channel mix largely remaining similar, resulting in debtor and inventory days remaining constant.

Exhibit 43: Working capital cycle to remain at current levels in FY26-28E

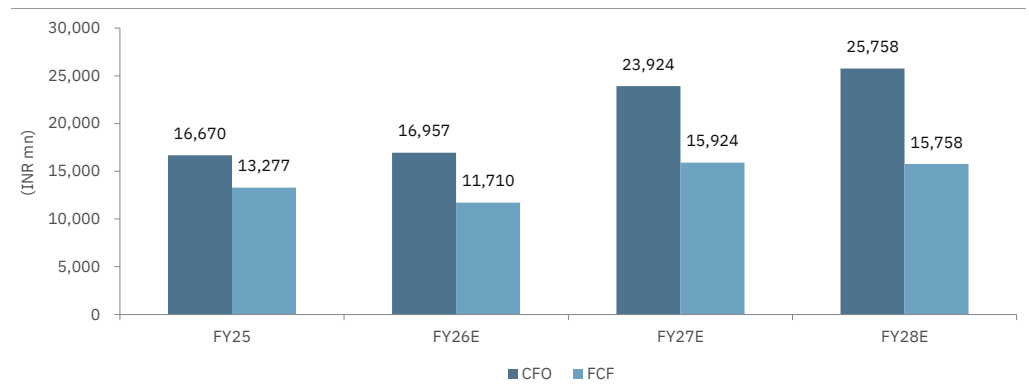


Source: Company, Elara Securities Estimate

CFO CAGR of 23% and FCF CAGR of 16% in FY26E-28E

We expect cash flow from operations CAGR of 23% in FY26E-28E, led by steady growth across all product categories and increase in ASP via premiumization. We also expect free cash flow CAGR of 16% in FY26E-28E despite the large capex plan annually of INR 10bn announced by the company.

Exhibit 44: Expect CFO CAGR of 23% and FCF CAGR of 16% in FY26-28E



Source: Company, Elara Securities Estimate

Initiate with Accumulate and a TP of INR 1,750

We initiate coverage on LGEIL with an **Accumulate** and a TP of INR 1,750, based on 45x March FY28E P/E, which is at a 12.5% premium to the average consumer durables industry P/E of 40x. Our TP implies an upside of 14% from the current levels.

Our thesis is based on the following factors: 1) dominant market leadership across most categories of consumer durables, which is expected to continue, 2) LGEIL is among the few players in the durables space to backward integrate into components such as compressors, which gives it a competitive edge, 3) LGEIL enjoys industry-leading EBITDA margin and ROCE/ ROE, which is expected to continue and 4) opportunities in high growing areas of B2B, AMC and exports.

We expect an earnings CAGR of 18% in FY26E-28E with an average ROE and ROCE of 32% and 33% respectively in FY26E-28E.

Exhibit 45: Valuation

(INR)	
EPS – FY28E	38.9
Target multiple (x)	45
Target price (INR)	1,750
CMP (INR)	1,534
Upside (%)	14.1

Source: Elara Securities Estimate; CMP as on 9th March 2026

Exhibit 46: Peer valuations

Company	Ticker	Rating	Mcap (INR bn)	CMP (INR)	TP Upside		P/E (x)				EV/EBITDA (x)				ROE (%)			
					(INR)	(%)	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
LG Electronics	LGEIL IN	Accumulate	1,041	1,534	1,750	14.1	35.1	55.0	44.4	39.4	0.7	38.1	30.5	26.7	45.2	30.4	33.7	33.0
Havells India	HAVL IN	Accumulate	833	1,329	1,620	21.9	66.9	49.4	39.1	31.4	43.4	33.2	26.2	21.3	18.1	19.5	22.5	24.7
Voltas	VOLT IN	Accumulate	475	1,436	1,440	0.3	56.9	91.1	45.2	34.8	39.8	59.1	34.8	27.4	13.5	7.8	14.5	16.7
Blue Star	BLSTR IN	Not Rated	386	1,877	NR	-	68.9	69.9	52.7	42.2	46.4	43.5	34.7	28.5	20.8	16.6	19.6	20.9
Whirlpool	WHIRL IN	Not Rated	111	872	NR	-	32.6	29.3	23.3	19.5	18.0	15.4	12.6	10.8	9.4	8.8	10.3	11.2
IFB Industries	IFBI IN	Not Rated	42	1,031	NR	-	37.4	28.6	20.8	17.9	-	12.2	10.3	9.3	15.2	14.7	18.1	19.7
Bosch Home Comfort India	BOSCHHCI IN	Not Rated	35	1,290	NR	-	65.0	93.3	29.4	24.4	38.9	31.0	17.4	15.0	9.6	9.2	17.7	18.9
Haier India	NA	Not Listed	-	-	-	-	-	-	-	-	-	-	-	-	18.6	-	-	-
Samsung India	NA	Not Listed	-	-	-	-	-	-	-	-	-	-	-	-	30.6	-	-	-

Note: ; CMP as of 9 March 2026; Source: Bloomberg consensus for not rated companies, Elara Securities Estimate for Coverage companies

Key risks

- ▶ As of June 2025, LGEIL has identified a contingent liability of INR 3.15bn, stemming from the revised Advance Pricing Agreement filed by the parent company, which requires an additional royalty payment;
- ▶ Continued slowdown in consumer demand despite tax benefits;
- ▶ Supply chain disruption due to geopolitical tensions and
- ▶ Increasing competition from new players entering LGEIL's categories or existing players entering new categories, thus impacting margins.

Company Description

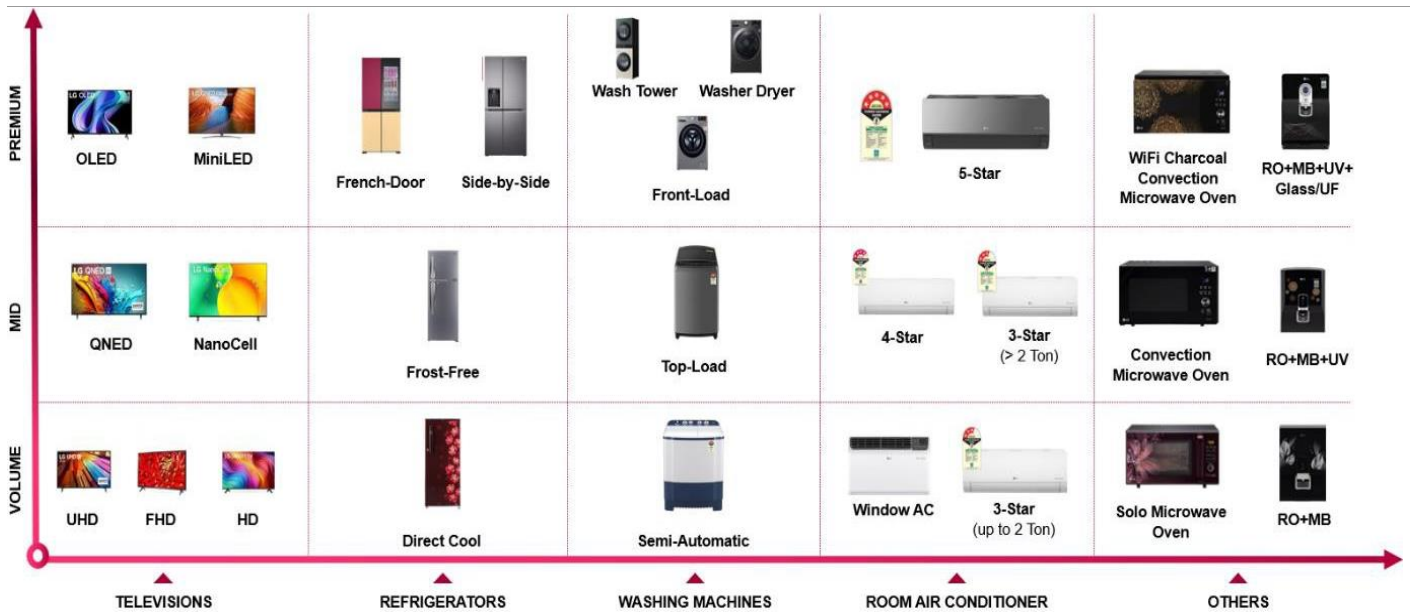
LGEIL is one of the leading consumer durable companies in India with market leadership across most categories. It has an almost complete product portfolio in B2C, offering washing machines, refrigerators, room air conditioners, panel televisions, microwaves, etc. across all price points. The company is the market leader or among the top three in most categories. It has been present in India for over three decades and has been the pioneer in introducing various state-of-the-art technologies such as inverter ACs, stainless steel tank water purifiers etc. LGEIL operates the largest distribution network versus peers in the durables industry, with a pan India presence. LGEIL has two manufacturing units located at Noida and Pune and is establishing its third unit at Sri City, Andhra Pradesh.

Exhibit 47: Board of Directors

Board of Directors	Designation	Profile
Hong Ju Jeon	Managing Director	Hong Ju Jeon has been associated with LG since 1994 and has a Master's in Business Administration from Thunderbird School of Global Management, Arizona, US. He is responsible for sales strategies, planning and initiatives for business and strengthening dealer network.
Dongmyung Seo	WTD and CFO	Dongmyung Seo has been associated with LG since 1994. He holds an MBA from Seoul School of Integrated Sciences & Technologies. He is responsible for managing financial activities and accounting operations.
Daehyun Song	Chairman and Non-Executive Director	Daehyun Song has been associated with LG since 1983. He holds a Bachelor's in Science from Pusan National University, Korea. He is responsible for leading the board and ensuring communication between stakeholders.
Promila Bharadwaj	Independent Director	Promila Bharadwaj joined the Indian Revenue Services in 1979 and retired as the Directorate General of Income Tax from Directorate of Income Tax (Systems). She has been associated with LG since 2024.
Ramesh Nair	Independent Director	Ramesh Nair holds a Bachelor's in Technology from Kurukshetra University, Haryana and PGDFM from Indira Gandhi University, Delhi. He was previously with Jindal Stainless, Bharat Aluminium Company, Mundra Solar, Aavaada Electro Pvt. and has been associated with LG since 2024.
Santosh Kumar Mohanty	Independent Director	Santosh Kumar Mohanty was previously associated with SEBI, Forward Markets Commission and the Income Tax department. He has been associated with LG since 2024.

Source: Company, Elara Securities Research

Exhibit 48: LGEIL – B2C product portfolio across price points

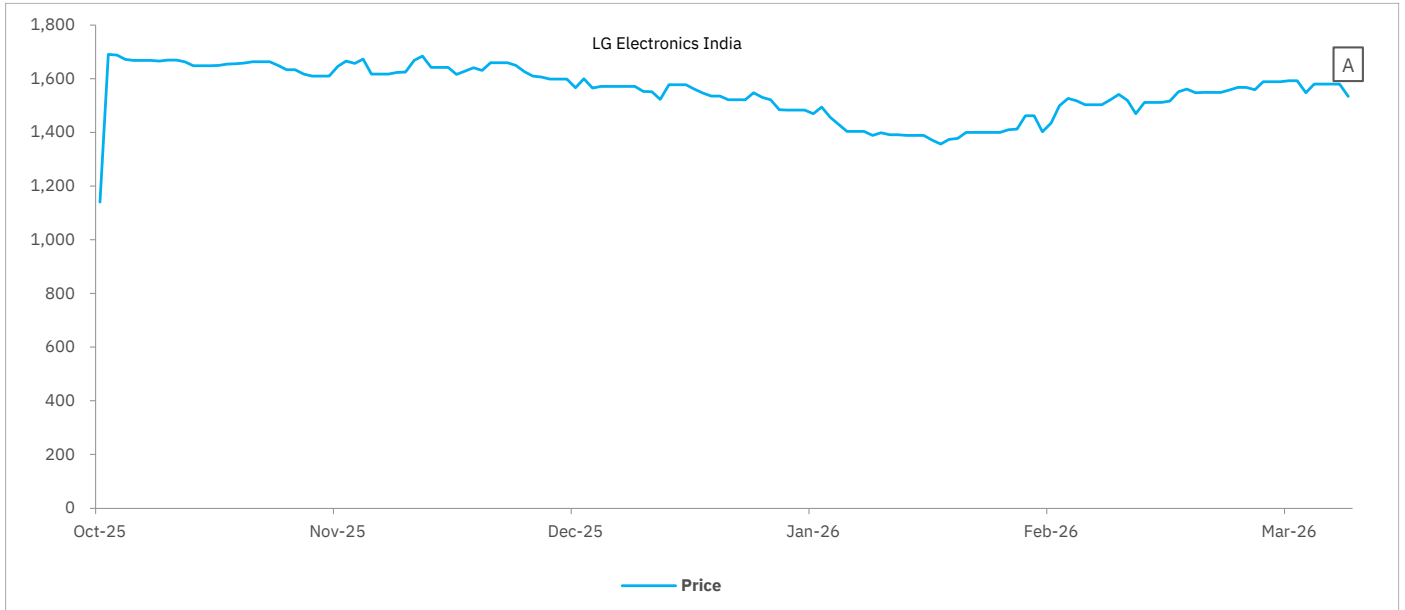


Source: Company, Elara Securities Research

Abbreviations and Acronyms

Acronym	Full form
AC	Air conditioner
AI	Artificial intelligence
AMC	Annual maintenance contract
APAC	Asia-Pacific
APA	Advance pricing agreement
ASP	Average selling price
B2B	Business to business
B2C	Business to consumer
CDUs	Coolant distribution units
CRAH	Computer room air handler
EMS	Electronics manufacturing services
HD	High definition
HVAC	Heating, ventilation and air conditioning
OLED	Organic Light Emitting Diode
PCB	Printed Circuit Board
QLED	Quantum Dot Light Emitting Diode
QNED	Quantum Nano Emitting Diode
RAC	Room air conditioner
R&D	Research and development
TR	Ton of Refrigeration
TV	Television
UCP	Unitary cooling products
VRF	Variable Refrigerant Flow

Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
9-Mar-2026	Accumulate	1,750	1,534

Guide to Research Rating

BUY (B)	Absolute Return >+20%
ACCUMULATE (A)	Absolute Return +5% to +20%
REDUCE (R)	Absolute Return -5% to +5%
SELL (S)	Absolute Return < -5%

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