



ABOUT THE COMPANY: Incorporated in 2006, GNG Electronics Ltd. provides refurbishing services for laptops, desktops, and ICT devices under the “Electronics Bazaar” brand. With a presence in 38 countries and 4,154 global touchpoints, it offers end-to-end solutions including sourcing, refurbishment, sales, after-sales service, ITAD, e-waste management, warranties, and customized buyback programs for leading OEMs and large-format retailers.

KEY BUSINESS INSIGHTS: GNG Electronics Ltd. (GEL), incorporated in 2006, is India’s largest refurbisher of ICT devices and a leading global player, operating under the “Electronics Bazaar” brand across 38 countries. The company offers an integrated refurbishment ecosystem, covering sourcing, refurbishment, sales, after-sales services, and warranties. In FY2025, it refurbished over 5.9 lakh devices, up from 2.5 lakh in FY2023. GEL’s B2B client base includes global names like HP, Lenovo, Joy Systems, and GreenIT, along with domestic partners like Vijay Sales. It also provides value-added services such as IT asset disposition (ITAD), e-waste management, and doorstep warranty services. The company operates 4,154 global sales touchpoints and offers over 5,800 SKUs. With India’s refurbished ICT market growing at a projected CAGR of 30% till FY2030 and global markets at 18.9% till CY2029, GEL is well-positioned to benefit from the shift towards organized players. The company differentiates itself through warranty-backed quality, premium positioning, and scalable operations.

VIEW: GNG Electronics Ltd. has established a strong competitive position in the high-growth refurbished ICT device industry, supported by global OEM partnerships, deep B2B integrations, and a fully integrated business model. Its first-mover advantage and end-to-end control in the refurbishment chain provide both scale and sustainability. With favorable industry tailwinds and a growing global presence, the company stands to gain as demand shifts from unorganized to organized players. The IPO is priced at a P/E of 33.43x and P/BV of 10.17x (FY25 earnings), which appears reasonable considering its growth prospects, sector leadership, and asset-light model. We recommend a **SUBSCRIBE** rating for well-informed investors with a medium to long-term horizon.



ISSUE DETAILS	
Price Band (in ₹ per share)	225.00-237.00
Issue size (in ₹ Crore)	460.43
Fresh Issue (in ₹ Crore)	400.00
Offer for Sale (in ₹ Crore)	60.43
Issue Open Date	23-07-25
Issue Close Date	25-07-25
Tentative Date of Allotment	28-07-25
Tentative Date of Listing	30-07-25
Total Number of Shares (in lakhs)	203.28-194.28
Face Value (in ₹)	2.00
Exchanges to be Listed on	NSE and BSE

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	63	₹14,931
Retail (Max)	13	819	₹1,94,103
S-HNI (Min)	14	882	₹2,09,034
S-HNI (Max)	66	4158	₹9,85,446
B-HNI (Min)	67	4221	₹10,00,377

BRLMs: Motilal Oswal Investment Advisors Limited, IIFL Capital Services Limited, JM Financial Limited

PROMOTER: Sharad Khandelwal, Vidhi Sharad Khandelwal , Amiable Electronics Private Limited

BRIEF FINANCIALS			
PARTICULARS (Rs. Cr) *	FY25	FY24	FY23
Share Capital	19.42***	0.03	0.03
Net Worth	226.45	163.14	111.59
Revenue	1411.11	1138.13	659.54
EBITDA	126.14	84.90	50.04
EBITDA Margin (%)	8.94	7.46	7.59
Profit/(Loss) After Tax	69.03	52.30	32.42
Adjusted EPS (in Rs.)	7.09	5.37	3.33
Net Asset Value (in Rs.)	23.31	16.80	11.49
Total borrowings	446.92	322.33	152.02
P/E#	33.43	NA	NA
P/B#	10.17	NA	NA

*Restated consolidated financials; #Calculated at upper price band***Bonus issue in the ratio of 500 Equity Shares for every one Equity Share held on December 5, 2024.

OBJECTS OF THE OFFER

OBJECTS OF THE ISSUE

- Prepayment and/or repayment, in full or in part, of all or a portion of certain outstanding borrowings availed by the Company and the Material Subsidiary namely, Electronics Bazaar FZC Expected Amount Rs.320.00 (₹ in crores)
- General Corporate Purposes

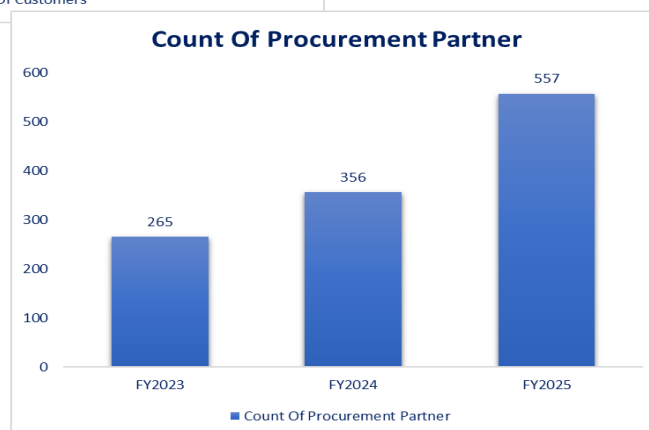
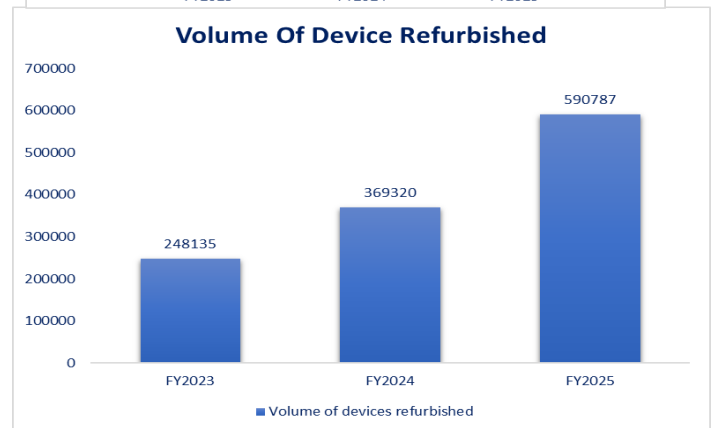
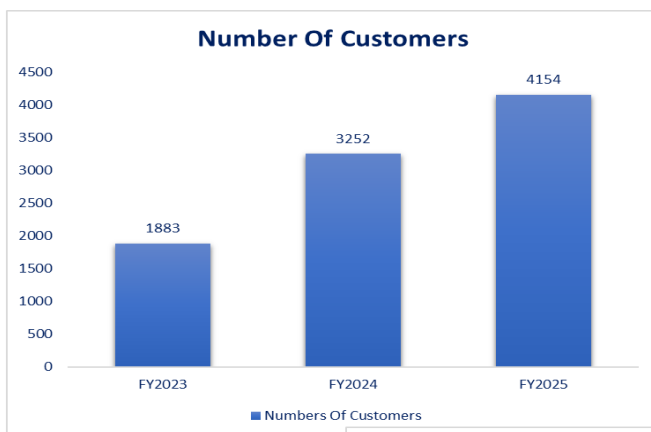
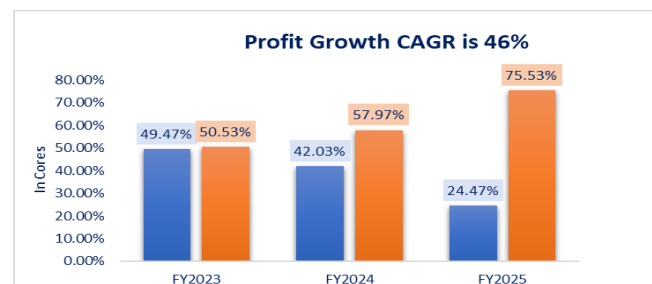
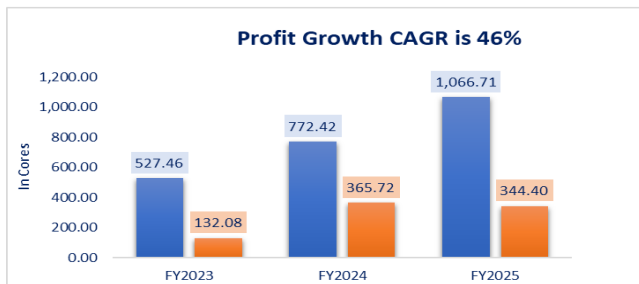
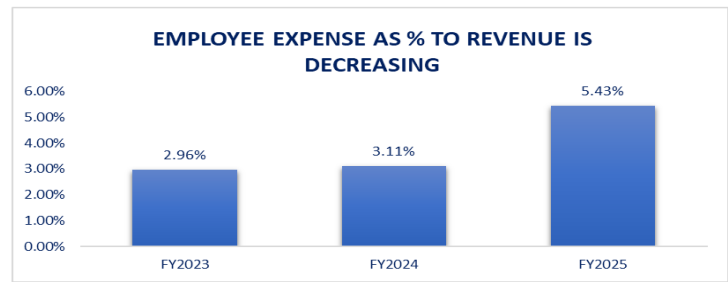
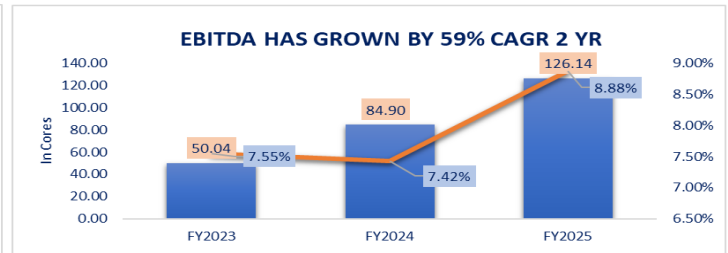
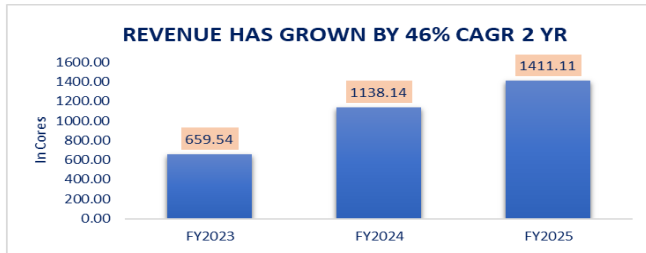
FINANCIAL STATEMENTS

Profit & Loss Statement			
Particulars (In Crores)	FY2023	FY2024	FY2025
INCOME			
Revenue from operations	659.54	1138.14	1411.11
Other Income	3.24	5.66	9.26
Total Income	662.79	1,143.80	1,420.37
YoY Growth (%)	-	72.56%	23.98%
Direct Cost	580.65	1177.25	1330.95
Direct Cost-% of Revenue	87.61%	102.92%	93.70%
Changes in Inventory of Finished Goods	-22.26	-179.27	-172.30
Employee benefit expenses	19.62	35.59	77.11
Employee Expenses-% of Revenue	2.96%	3.11%	5.43%
Other expenses	34.73	25.31	58.47
EBIDTA (Calculated)	50.04	84.90	126.14
EBIDTA Margin (%)	7.55%	7.42%	8.88%
Depreciation and amortisation expense	2.78	3.65	9.45
EBIT	47.26	81.25	116.69
EBIT Margin (%)	7.13%	7.10%	8.22%
Finance cost	11.84	23.93	38.35
Profit before tax for the year	35.42	57.32	78.34
Tax expenses			
Current tax	3.00	3.91	7.29
Deferred Tax	-0.01	1.11	0.99
Short/(Excess) Provisions of Income Tax	-	-	1.03
Total tax expenses	2.99	5.02	9.31
Profit for the year	32.43	52.30	69.03
PAT Margin (%)	4.89%	4.57%	4.86%
Earnings per share			
Basic earnings per share (₹)	3.33	5.37	7.09

Cashflow Statement			
Particulars (In Crores)	FY2023	FY2024	FY2025
Net cash flow generated from/(used in) operating activities	24.96	97.46	24.53
Net cash used in investing activities	-1.12	-28.08	2.62
Net cash generated from/(used in) financing activities	-17.57	-28.98	-34.26
Net increase/(decrease) in cash and cash equivalents	6.27	40.40	-7.11
Cash and cash equivalents at the beginning of the year	21.15	27.43	67.91
Cash and cash equivalents at the end of the year	27.42	67.83	60.80

Balance Sheet			
Particulars (In Crores)	FY2023	FY2024	FY2025
ASSETS			
(A) Non-current assets			
Property, plant and equipment	35.01	31.29	7.89
Capital work in progress	-	-	0.7
Right-of-use assets	6.3	9.49	8.79
Other financial assets	3.09	8.19	3.06
Deferred tax assets	-	-	0.21
Other non-current assets	0.13	0.15	0.2
Total Non-current assets	44.53	49.11	20.85
(B) Current assets			
Inventory	486.57	314.26	134.99
Investments	-	7.01	-
Trade receivables	67.62	116.91	91.14
Cash and cash equivalents	5.05	4.99	2.06
Bank balances other than cash equivalents	55.73	62.91	25.37
Current Tax Assets (Net)	-	0.97	1.13
Other current assets	59.96	29.66	9.96
Total Current assets	674.93	536.71	264.66
Total Assets	719.46	585.82	285.5
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19.43	0.04	0.04
Other equity	207.03	163.1	111.56
Equity attributable to owners of Co.	226.45	163.14	111.59
Non controlling interest	0.67	0.44	0.23
Total Equity	227.12	163.58	111.82
Liabilities			
Non-current liabilities			
Borrowings	72.8	8.18	13.13
Lease liabilities	2.91	6.79	6.52
Provisions	0.87	0.41	0.16
Deferred Tax Liabilities	1.88	0.9	-
Total Non-current liabilities	78.46	16.28	19.81
Current liabilities			
Borrowings	361.56	309.63	100.62
Lease liabilities	3.95	2.64	1.84
Trade payables (MSMEs)	0.88	-	-
Trade payables (other than MSMEs)	25.83	84.12	10.41
Other Liabilities	12.56	4.52	38.27
Provisions	5.95	4.45	2.07
Current Tax Liability (Net)	2.34	-	-
Other current liabilities	0.79	0.61	0.65
Total Current liabilities	413.86	405.97	153.86
Total liabilities	492.33	422.24	173.67
Total Equity and Liabilities	719.46	585.82	285.5

PERFORMANCE THROUGH CHARTS



INDUSTRY REVIEW

Used & refurbished PC market in India

- The refurbishment of PCs involves both software and hardware repairs across multiple levels—such as replacing faulty components, software reinstallation, and chip repairs combined with cosmetic refurbishment to ensure they look and function like new laptops.
- These refurbished PCs cater to consumers seeking affordable tech solutions while maintaining high standards of quality and performance. A common trend in both the Indian and global markets is the increasing preference for refurbished devices over “as-is used” devices.

Used & refurbished PC market in India split by organized & unorganized sector market share

- The used and refurbished PC market in India has traditionally been dominated by unorganized players, who still hold the majority share today. Unorganized vendors typically operate without formal business structures, often offering PCs and laptops without standard quality checks or warranties.
- In contrast, organized players are characterized by their adherence to established processes, providing refurbished laptops that undergo rigorous quality assessments and repairs. They often come with warranties and certifications, fostering greater consumer trust and contributing to a more structured market environment.

‘New vs. used’ & refurbished PC penetration analysis

- The used and refurbished PC market is steadily increasing its share of the overall PCs market in India, rising from 19% in FY19 to 25% by FY30.
- This growth is largely driven by the emergence of organized players within the sector, which enhances consumer trust and credibility. As the market formalizes, consumers become more confident in their purchasing decisions, significantly boosting their willingness to invest in refurbished options. This trend reflects a broader shift toward quality and reliability in the technology market.

Refurbished laptop by Electronics Bazaar provides in line performance with original laptops and desktops at one-third price of new laptop with 1-to-3-year warranty

- Refurbished laptops, especially those from established players like Electronics Bazaar, offer performance that aligns closely with new laptops. Unlike used or second-hand laptops, which often have downgraded performance and may lack essential updates, refurbished models come with authorised software, genuine drivers, and reconditioned internal hardware, ensuring they meet original performance levels.
- Electronics Bazaar’s refurbished laptops are typically available at one-third of the price of new devices and are as good as new devices both functionally and aesthetically with one to three years warranty, which further enhances buyer confidence.

COMPETITIVE STRENGTHS OF THE COMPANY

- **India's largest refurbisher of laptops and desktops and among the largest refurbishers of ICT Devices overall, both globally and in India** They are India's largest refurbisher of laptops and desktops and among the largest refurbishers of ICT Devices overall, both globally and in India with significant presence across India, USA, Europe, Africa and UAE, in terms of value, as of March 31, 2025. The electronics refurbishment industry is uniquely placed to grow even in downcycles of economic growth as it serves the replacement demand of new devices with affordable solutions. The used and refurbished laptop markets in key geographies such as India, USA and Europe are undergoing a significant shift towards organized players. However, even the organised market remains fragmented with no player occupying more than 5% of the market and large number of small-scale outlets with limited reach and refurbishment capacity.
- **Strong global supply chain, established sourcing base with long tail of vendors and wide customer base** Their depth in procurement, refurbishment and sales puts them at a definite advantage. The pricing strength comes from their ability to "buy better, refurbish better and sell better". They have Value Added Reseller network, with their refurbished ICT Devices being sold in 38 countries as of March 31, 2025. Their sales network comprises, 4,154 touchpoints in India and globally, as of March 31, 2025.
- **Well - established refurbishing capabilities and state – of - art infrastructure, with focus on quality** They operate five refurbishing facilities with one facility located in Navi Mumbai, India; three in Sharjah, UAE; and one in Texas, USA having a cumulative area of 58,127.82 sq. ft. They have one of the largest facilities among Indian ICT refurbishes, with a high-level of integration Their facility in Sharjah, UAE is located in Sharjah Free Zone which offers several benefits including in house accommodation to the employees. All their facilities are equipped with round-the-clock surveillance, emergency alarm systems and advanced anti-theft sensors. The strategic positioning of these facilities near major markets provides them with significant cost and logistical advantages, allowing for efficient operations and timely delivery. These advanced facilities are equipped with technology and manpower, enabling them to handle high volumes of products efficiently while ensuring quality control throughout the refurbishment process. This global presence allows them to serve customers in multiple countries with ease and reliability, and also exploit huge global market opportunities.
- **Well positioned to harness global shift to sustainability and growing focus on ESG** Since their commencement of refurbishing operations in 2014, they have established a strong foothold in the ICT Devices industry, driven by a management team with a vast experience in this industry. Their expertise allows them to navigate the complexities of the market and consistently deliver high-quality products.
- **Experienced management team and qualified personnel with significant industry experience they are guided by an experienced leadership team**, headed by their Promoter and Founder, Sharad Khandelwal, who has 29 years of experience in the information and communication technology industry. Under his leadership, they have grown into one of the leading players in the industry.

RISK FACTORS

As of Fiscal 2025, Fiscal 2024 and Fiscal 2023, they derived 75.59%, 67.87% and 79.97%, respectively, of their operational revenue from only sales of laptops and therefore its continued success is necessary for their business and prospects. Any decline in the demand for such product may have an adverse impact on their business, revenue and profitability

They offer refurbished and other categories of ICT Devices such as laptops, desktops, tablets, servers, premium smart phones, mobile workstations and accessories. The revenue from the sale of laptops and sale of other categories of refurbished ICT Devices for Fiscal 2025, Fiscal 2024 and Fiscal 2023 are set out in the table below.

(₹ million, unless otherwise stated)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operation	Amount	Percentage of revenue from operations
Revenue from sale of laptops	10,667.06	75.59%	7,724.16	67.87	5,274.58	79.97
Revenue from others*	3,444.04	24.41%	3,657.22	32.13	1,320.84	20.03
Total revenue from operations	14,111.10	100.00%	11,381.38	100.00	6,595.42	100.00

* Includes desktops, tablets, servers, premium smart phones, mobile workstations, accessories and service income.

Increase in the prices of parts and materials essential for their operations may negatively impact their business and financial performance. Furthermore, their ability to procure these parts and materials may be affected by price fluctuations in the future.

They source parts and materials such as hard drives and random-access memory for their operations from a combination of domestic and foreign suppliers. Any restrictions, either from the central or state/provincial governments or from any other authorized bilateral or multilateral organizations, including any export duties or export restriction by the exporting country on imports of inventory, may adversely affect their business, results of operations, cash flows and profitability.

They depend on a limited number of suppliers for their inventory. Any interruption in the availability of inventory may adversely impact their operations. Further, any failure by their suppliers to provide inventory to them on time or at all, or as per their specifications and quality standards may have an adverse impact on their ability to meet their delivery schedules.

The fluctuating prices of key components, coupled with their lack of long-term supply agreements, could significantly impact on their cost structure and profitability. Given that a substantial portion of their material purchases are concentrated among a few suppliers, any increase in prices or disruption in supply from these suppliers could have an outsized impact on their operations.

The absence of long-term contracts leaves them more vulnerable to market volatility, making it difficult to predict costs and manage their margins effectively. This exposure to pricing fluctuations underscores the importance of their ability to negotiate favorable terms with suppliers and, where possible, secure consistent pricing to mitigate potential risks.

They have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

They have entered into various transactions with related parties in the past and from time to time, they may enter into related party transactions in the future. While all such transactions have been conducted on an arm’s length basis and in compliance with applicable law, including the Companies Act, 2013 and SEBI Listing Regulations, and contain commercially reasonable terms, they cannot assure you that they could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that they may enter into related party transactions in the future.



PEER COMPARISON

Name of the company	Revenue from Operations (in ₹ Cr)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoE (%)	P/E*	P/B*
GNG Electronics Ltd	1420.36	2.00	7.90	23.31	30.40	33.43	10.17
Newjaisa Technologies Limited	66.44	5.00	(0.32)	22.09	(1.45)	NA	1.48

*P/E & P/B ratio based on closing market price as of July21st 2025, at the upper price and of IPO, financial details consolidated audited results as of FY25.



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