ADROIT
WISDOM TO PROSPERITY

Wakefit Innovations Ltd.

03rd December, 2025

IPO Details

IPO Date	December 8, 2025 to December 10, 2025
Face Value	₹1 per share
Price Band	₹185 to ₹195 per share
Lot Size	76 Shares
Sale Type	Fresh Capital-cum-Offer for Sale
Total Issue Size	6,60,96,866 shares (aggregating up to ₹1,288.89 Cr)
Fresh Issue	1,93,42,461 shares (aggregating up to ₹377.18 Cr)
Offer for Sale	4,67,54,405 shares of ₹1 (aggregating up to ₹911.71 Cr)
Issue Type	Book building IPO
Listing At	BSE, NSE
Shareholding pre issue	30,74,86,214 shares
Shareholding post issue	32,68,28,675 shares
QIB Shares Offered	Not less than 75% of the Net Offer
Retail Shares Offered	Not more than 10% of the Net Offer
NII (HNI) Shares Offered	Not more than 15% of the Net Offer
Retail (Min & Max) shares	76 Shares & 988 shares
Retail (Min & Max) application amount	₹14,820 & ₹1,92,660
S-HNI (Min shares & application amount)	1,064 shares & ₹2,07,480
S-HNI (Max shares & application amount)	5,092 shares & ₹9,92,940
B-HNI (Min shares & application amount)	5,168 shares & ₹10,07,760
Basis of Allotment	Thu, Dec 11, 2025
Initiation of Refunds	Fri, Dec 12, 2025
Credit of Shares to Demat	Fri, Dec 12, 2025
Listing Date	Mon, Dec 15, 2025
Cut-off time for UPI mandate confirmation	5 PM on Wed, Dec 10, 2025
Promoters	Ankit Garg and Chaitanya Ramalingegowda
Registrar	MUFG Intime India Pvt.Ltd.

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

Company Profile

Incorporated in 2016, Wakefit Innovations Limited is a Indian D2C (Direct-to-Consumer) home and sleep solutions company, best known for its high-quality and affordable range of mattresses, furniture, and home décor products. The company initially gained popularity with its memory foam mattresses sold directly to customers online, eliminating middlemen and offering competitive prices. Over time, Wakefit expanded its portfolio to include pillows, beds, sofas, study tables, wardrobes, and other furniture items, catering to the evolving needs of modern Indian homes. Product Portfolio includes Mattresses (61% of H1FY26 revenue), Furniture (29%), and Furnishings (10%). The company sells products across 700 districts across 28 states and 6 union territories. As of H1FY26, it has 125 stores in 62 cities across 19 states and 2 union territories. Wakefit Innovations Ltd's revenue increased by 28% and profit after tax (PAT) dropped by 133% between the FY24 and FY25.

Objects of the issue

- Expenditure for lease, sub-lease rent and license fee payments for our existing COCO (Regular) Stores– Rs 161.5 Cr
- Capital expenditure to be incurred by our Company for setting up of 117 new COCO Stores – Rs 30.8 Cr
- Capital expenditure to be incurred by our Company for purchase of new equipment and machinery – Rs 15.4 Cr
- Marketing and advertisement expense – Rs 108.4 Cr
- General corporate purposes – 61.1 Cr
- Offer for sale – Rs 911.7 cr

Financial Details

Particulars (Amount in Crores)	30-Sep-25	31-Mar-25	31-Mar-24	31-Mar-23
Revenue from Operations	724.00	1273.69	986.35	812.62
Other income	17.30	31.73	30.98	7.39
Total Income	**741.30**	**1,305.42**	**1,017.33**	**820.01**
Expenses				
- Cost of goods sold	338.23	581.76	463.97	471.71
- Purchase of traded goods	2.57	4.80	2.26	4.93
- Changes in inventories	-27.86	-13.22	-1.21	-10.67
- Employee benefit expenses	79.51	165.74	134.63	105.77
- Other expenses	245.66	475.52	351.83	334.02
EBITDA	**85.90**	**59.10**	**34.87**	**-93.14**
EBITDA Margin (%)	**12%**	**5%**	**4%**	**-11%**
- Depreciation	52.82	96.24	63.89	47.27
- Finance Cost	14.80	29.59	17.01	12.66
Profit/(Loss) before tax	**35.57**	**-35.00**	**-15.05**	**-145.68**
Tax expense/(credit)	-	-	-	-
Profit/(Loss) After Tax	**35.57**	**-35.00**	**-15.05**	**-145.68**
PAT Margin (%)	**4.80%**	**-2.68%**	**-1.48%**	**-17.77%**
Basic EPS (in Rs.)	1.15	-1.15	-0.5	-5.62

Key Metrics	30-Sep-25	Mar-25	Mar-24	Mar-23
Volumes	15,92,872	25,99,877	22,77,212	19,20,384
Number of stores (COCO)	125	105	56	23

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Competitive Strengths

- **Vertically Integrated Operations:** Wakefit operates a full-stack vertically integrated model, which enables control over every aspect of operations, from product conceptualization, design, and engineering to manufacturing, distribution, and customer experience. The company is the only player among its peer group with complete control over upstream processes (design to manufacturing) in the mattress and furniture segments.

- **Strong Omnichannel Presence and Direct Customer Engagement:** Wakefit employs an omnichannel sales presence that combines its own channels (website and COCO Stores) with external channels (marketplaces and MBOs). A significant portion of revenue is derived from its own channels, accounting for 64.91% of revenue from operations during the H1FY26, demonstrating strong direct engagement capability and enabling higher profitability. The COCO Regular Stores (125 stores as of H1FY26) serve as strategically located experience centers where customers can interact.

- **Strong Brand:** The company was the first organized player in India to offer a 100-day free trial and a 100% refund policy for mattresses, which helps build trust. Repeat customers contributed 35.45% of revenue from operations during the H1FY26. The company is the top-rated player across the top two horizontal online marketplaces in India for mattresses, furniture, and furnishings & décor, with average ratings around 4.2 to 4.4 out of 5 as of November 11, 2025.

- **Comprehensive Product Portfolio and Innovation:** The company is a one-stop destination, offering comprehensive solutions across mattresses, furniture, and furnishings. It is the only D2C home and furnishings company in India that has scaled across all three product categories, with each category generating over Rs 100 crore in revenue in FY24. The business maintains a core focus on product innovation, driven by R&D and continuous incorporation of customer feedback. This focus has led to the introduction of advanced sleep tech products, such as Regul8 and Track8 from the Zense range, designed to enhance sleep quality through technology.

Key Risk Factors

- **Fragmented Industry:** The home and furnishings industry in India is competitive, fragmented, and largely unorganised. The company faces threats and challenges including economic sensitivity, discretionary spending risks, aggressive price wars, and logistical hurdles due to the bulky nature of products.

- **History of losses:** the company has incurred losses in the last 3 years. This was mainly due to high marketing and advertisement expenses. The company spent Rs 96 crore (8% of total revenue) in marketing in FY25.

- **Risks Associated with New Store Formats:** The proposed expansion of new COCO – Regular Stores and the setting up of two COCO – Jumbo Stores are subject to the risk of delays in implementation and cost overruns. The company has never operated COCO – Jumbo Stores in the past (estimated size 50,000 sq. ft. to 200,000 sq. ft.). Failure to generate proportionate revenues to cover the increased costs of these large-format stores could negatively impact financial results. The change in strategy to open smaller-sized COCO – Regular Stores in the future also presents risks, as the company lacks prior experience operating stores of this smaller scale effectively, which could negatively impact performance.

Comparison with Listed Peers

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW	NAV (per Share)
WakeFit	195	1	N.A	(1.15)	(1.15)	(6.72)%	16.96
Sheela Foam	603	1	68.21	8.84	8.84	2.98%	278.35

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

Summary

India’s home & furnishings industry, valued at Rs 2.9-3.2 trillion in CY24, is undergoing rapid formalization driven by rising disposable incomes, urbanization, and a shift toward branded, design-focused products. The sector is moving from a fragmented, unorganized market to an omnichannel, technology-led ecosystem, with strong growth expected at 11-13% CAGR through CY2030 as consumers increasingly prefer quality, standardization, and convenience. Categories such as furniture, mattresses, and furnishings are being reshaped by D2C models, full-stack manufacturing, supply-chain integration, and innovations such as engineered wood, smart mattresses, and flat-pack designs. While logistics complexity, price sensitivity, and limited repeat cycles remain structural challenges, players with strong brand trust, efficient value chains, and multi-category presence are positioned to lead the next phase of industry growth.

Wakefit is India’s largest D2C home & furnishings company by revenue in FY24, offering mattresses, furniture, and furnishings through a fully integrated, omnichannel model. With over nine years of operations, the company has scaled rapidly to exceed Rs 1000 crore, driven by its capabilities spanning product design, R&D, manufacturing, logistics, and customer experience. Wakefit is among the top 3 organized mattress players, and the only D2C brand in India to generate more than Rs 100 crore in revenue from each of its three categories - mattresses, furniture, and furnishings and decor. Its revenue grew at a strong 24.87% CAGR between FY22–FY24, outpacing the growth of organized peers. It is positioned for continued growth supported by strong industry tailwinds. The company is also investing in sleep-tech (eg, Regul8 and Track8) and scaling its offline presence through 125 stores, enhancing its omnichannel capabilities.

Wakefit’s future growth will be financed by the Rs 377 crore being raised via a fresh issue, which will be strategically deployed into three main areas: expanding the omni-channel presence by opening more stores in more cities and formats, steadily investing in marketing and advertising over a 3-year period (historically 7% to 9% of net revenue); and funding capital expenditure for machinery. While specific revenue numbers cannot be stated, growth will be driven by launching more new products, new retail formats, and new premium ranges, capitalizing on the premiumization drive among aspirational consumers. Management indicates that this level of profitability, such as the EBITDA margin of around 14% seen in the first half, is intended to be sustainable over a period of time because the efforts driving it (like manufacturing and warehouse improvements) are based on "quarters-long effort". Sustaining margins going forward will involve continuing to increase premiumization, increasing same store sales growth and opening more stores in regions where the company is currently not present.

Therefore, it is recommended to **“Subscribe”** to the IPO for long-term investment, considering it’s valuation and growth potential.

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