

IPO Note: Wakefit Innovations Ltd.

Industry: Consumer Durables

Date: December 05, 2025

Issue Snapshot	
Company Name	Wakefit Innovations Ltd.
Issue Opens	December 08, 2025 to December 10, 2025
Price Band	Rs. 185 – Rs. 195
Bid Lot	76 Equity Shares and in multiples thereof.
The Offer	Public issue of 6,60,96,867 Equity shares of face value Rs. 1 each, (Comprising of fresh issue of 1,93,42,462 Equity Shares* (Rs. 377.2 cr.) and Offer for Sale of 4,67,54,405 Equity Shares (Rs. 911.7 cr.*) by Selling Shareholder).
Issue Size	Rs. 1,242.1 - 1,288.9 Crores
IPO Process	100% Book Building
Face Value	Rs. 1.00
Exchanges	NSE & BSE
BRLM	Axis Capital Ltd., IIFL Capital Services Ltd., Nomura Financial Advisory and Securities (India) Pvt. Ltd.
Registrar	MUFG Intime India Pvt. Ltd.

Issue Break up		
QIB ex Anchor	30%	1,98,29,060
Anchor Investor	45%	2,97,43,590
HNI<Rs. 10 Lakhs	5%	33,04,843
HNI>Rs. 10 Lakhs	10%	66,09,687
RII	10%	66,09,687
Total Public	100%	6,60,96,867
Equity Share Pre Issue (Nos. Cr.)		30.7
Fresh Share (Nos. Cr.)		1.9
OFS Share (Nos. Cr.)		4.7
Equity Share Post Issue (Nos. Cr.)		32.7
Market Cap (Rs. Cr.)		6,373.2
Equity Dilution		5.9%
Stake Sale by OFS		14.3%

Objects of the Offer

Offer for Sale

The Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders. (7,729,488, equity shares by Ankit Garg, up to 4,452,185 equity shares by Chaitanya Ramalingegowda, up to 899,205 equity shares by Nitika Goel, up to 20,374,774 equity shares by Peak XV Partners Investments VI, up to 138,047 equity shares by Redwood Trust, up to 10,193,506 equity shares by Verlinvest S.A., up to 413,150 equity shares by Sai Global India Fund I, LLP, and up to 2,554,050 equity shares by Paramark KB Fund I)

Fresh Issue

- Capital expenditure to be incurred by the Company for setting up of 117 new COCO – Regular Stores (Rs. 30.8 Cr);
- Expenditure for lease, sub-lease rent and license fee payments for existing COCO – Regular Stores (Rs. 161.5 Cr);
- Capital expenditure to be incurred by the Company for purchase of new equipment and machinery (Rs. 15.4 Cr);
- Marketing and advertisement expenses towards enhancing the awareness and visibility of the brand (Rs. 108.4 Cr); and
- General corporate purposes.

Company Highlights

- Wakefit Innovations Ltd. (WIL) is the largest D2C home and furnishings company in India in terms of revenue in FY24. As of March 31, 2024, with just over nine years of operations, it is the fastest homegrown player in the home and furnishings market in India among organized peers to achieve a total income of more than Rs. 1,000 Crore. WIL revenue from operations has grown at a CAGR of 24.87% from FY22 to FY24, which is approximately 1.64 times higher than the growth of the average revenue from operations of the organised peers. The company offer a wide range of products, including mattresses, furniture, and furnishings, through its omnichannel presence, ensuring a seamless customer experience across all touchpoints, both online and offline. WIL is a full-stack vertically integrated company, enabling it to control every aspect of operations, from conceptualizing, designing and engineering products to manufacturing, distributing and providing customer experience and engagement.
- The company's mattress range includes memory foam, latex, grid and high-resilience foam variants, along with advanced sleep-tech products featuring temperature regulation and sleep-tracking. Its furniture line covers engineered wood, natural wood and metal beds, sofas and recliners, wardrobes, dining sets, chairs, tables, seating and storage solutions, while its furnishings portfolio includes pillows, cushions, rugs, curtains, décor, tableware and other home essentials across diverse price points catering to mass, masstige and premium consumers. Wakefit's strong brand acceptance is reflected in its top-three position in the organised mattress segment and consistently high customer ratings across major horizontal marketplaces, where its products average 4.4/5 in mattresses and over 4.2/5 across furniture and furnishings.

- Over the years, it has evolved from a sleep solutions player into a one-stop destination offering home and furnishing solutions to meet customers' evolving needs, with products tailored to cater to the mass, masstige, and premium segments. It is the only D2C home and furnishings company in India that has scaled across all three product categories, namely, mattresses, furniture, and furnishing and décor, each having generated over ₹ 1,000 million in revenue in FY24.
- WIL sell its products through a comprehensive omnichannel strategy that integrates both own channels and external channels, enabling it to reach customers in more than 700 districts across 28 states and 6 union territories. WIL own channels comprise its website and COCO – Regular Stores, while external channels comprise various marketplaces, such as major e-commerce platforms, including Pepperfry Ltd and quick commerce platforms, and multi-branded outlets (MBOs) including Pai International Electronics Limited. COCO – Regular Stores have grown from 23 as of March 31, 2023 to 125 as of September 30, 2025, located in 62 cities across 19 states and 2 union territories. Further, within a period of less than three and a half years, its MBO store count has grown to 1,504 stores, located in 395 cities across 24 states and 4 union territories, as on September 30, 2025.

View

- Wakefit is India's largest D2C home and furnishing solutions provider, offering mattresses, furniture and décor products through a strong omni-channel presence. With just over nine years of operations, the company has emerged as the fastest home-grown player to surpass Rs. 10,000 million in total income in FY24. Revenue has grown at a CAGR of 24.87% between FY22 and FY24 - significantly ahead of organised industry peers. A majority of sales come from its own channels (website and COCO stores), enabling tighter control on customer experience, higher margins, stronger brand engagement, and deeper insight-led operations. The rapid expansion of COCO stores - from 23 in FY23 to 125 by September 2025 - continues to strengthen direct-to-consumer reach and enhances conversion, loyalty and repeat purchase behaviour.
- The home and furnishings market is valued at Rs. 2.8–3.0 trillion (USD 34–36 billion) in CY24 and is projected to reach Rs. 5.2–5.9 trillion (USD 63–71 billion) by CY30, implying 11–13% CAGR. India's per capita spend of USD 24–25 remains far below that of the US (~USD 600), UK (~USD 475) and China (~USD 95), highlighting substantial untapped potential as purchasing power and aspirations rise. Growth will be propelled by increasing homeownership, demand for functional and aesthetic products, premiumisation, and rising adoption of organised and D2C offerings.
- India's mattress market is valued at Rs. 145–160 billion (USD 1.7–1.9 billion) in CY24 and has grown at 7–9% CAGR since CY19. The category is transitioning from traditional cotton/coir to foam, spring, hybrid and orthopaedic variants as awareness of sleep wellness increases. Innovation has accelerated with memory foam, latex, hybrid constructions and smart mattress technologies. The B2C segment forms ~82% of value demand and continues to outpace institutional segments. The market is expected to reach Rs. 270–300 billion (USD 3.2–3.6 billion) by CY30, driven by rising health consciousness, premiumisation, and greater accessibility through organised and D2C players.
- Wakefit encompasses a strong platform play, wherein it provides a broad spectrum of products across categories (mattresses, furniture and furnishing) under one brand umbrella, through various channels - both online and offline. Ultimately, this strong platform chain enables the company to cross-sell complementary products, up-sell higher end-products and encourage repeat purchases.
- WIL's strategy for product expansion involves introducing products that complement existing offerings to become a complete home and furnishing solutions brand. This approach enhances its upsell and cross-sell opportunities, thereby increasing share in the customer's wallet and customer lifetime value. The company will leverage its data-driven approach to analyse market trends, recognize patterns in coordinated aesthetics and sales data to ensure that product offerings are aligned with market demands and customer needs and preferences.
- The company employs a well-structured supply chain network which comprises of one mother warehouse in Hosur (of 1.55 lakh sq. ft), 7 INHPs (ranging from 10,000 to 55,000 sq.ft) and 18 PODs (ranging from 800 to 5,600 sq. ft), as of Sep'25. The mother warehouse serves as the primary inventory repository and main distribution point, whereas, INHPs hold inventory for mattresses and marketplace-serviced categories, reducing delivery time and logistics costs. PODs act as transit hubs for last-mile deliveries and bases for furniture installers. As of Sep'25, the company had a team of 198 employees dedicated to providing installation services for its furniture offerings.
- In terms of the valuations, on the higher price band, Wakefit demands Mcap/Sales multiple of 4.4x on H1FY26 annualized sales.

Operational and Financial Metrics

	FY23	FY24	FY25	H1FY26
Revenue from operations (Rs. Cr.)	812.6	986.4	1273.7	724.0
Revenue Growth (%)	28.5%	21.4%	29.1%	-
EBITDA (Rs. Cr.)	-85.8	65.8	90.8	103.2
EBITDA Margin (%)	-10.6%	6.7%	7.1%	14.3%
PAT (Rs. Cr.)	-145.7	-15.1	-35.0	35.6
PAT Margin (%)	-17.9%	-1.5%	-2.8%	4.9%
Return on Net Worth (%)	-28.8%	-2.8%	-6.7%	6.4%
Return on Capital Employed (%)	-20.5%	0.3%	-0.7%	6.0%
Net working capital days (in days)	20.44	6.89	3.84	1.04
Operational Metrics:				
Revenue by category				
-Mattresses (Rs. Cr.)	516.0	567.5	781.4	439.1
-Furniture (Rs. Cr.)	195.1	301.2	351.7	211.9
-Furnishings (Rs. Cr.)	101.5	117.6	140.6	73.1
Total (Rs. Cr.)	812.6	986.4	1273.7	724.0
Revenue by channel (Rs. Cr.)				
Online (A= website + marketplace)	727.0	746.6	849.1	430.7
Percentage of online revenue on revenue from operations	89.5%	75.7%	66.7%	59.5%
Offline (B= COCO Regular + MBO)	85.6	239.7	424.6	293.3
Percentage of offline revenue on revenue from operations	10.5%	24.3%	33.3%	40.5%
Volume data by category				
-Mattresses (Nos.)	5,68,443	5,94,040	7,93,348	4,64,641
-Furniture (Nos.)	1,78,488	2,82,681	3,51,492	2,66,190
-Furnishings (Nos.)	11,73,453	14,00,491	14,55,037	8,62,041
Grand Total	19,20,384	22,77,212	25,99,877	15,92,872
COCO – Regular Stores at the end of the relevant period (Nos.)	23	56	105	125

Manufacturing Facilities

		FY25				H1FY26			
		Installed (in mn)	Available (in mn)	Actual (in mn)	Utilization (%)	Installed (in mn)	Available (in mn)	Actual (in mn)	Utilization (%)
Manufacturing Facility I	Mattress	1.30	0.29	0.21	73.19%	0.65	0.14	0.10	72.07%
Manufacturing Facility V	Mattress	2.00	0.86	0.74	86.30%	1.00	0.50	0.46	91.12%
Manufacturing Facility I	Sofa	0.04	0.04	0.03	80.00%	0.02	0.02	0.01	80.00%
Manufacturing Facility IV	Sofa	0.37	0.19	0.15	80.50%	0.18	0.09	0.07	80.00%
Manufacturing Facility III	Furnishing	4.75	3.19	2.52	79.00%	4.75	1.59	1.29	81.00%
Manufacturing Facility II	Chairs	0.07	0.02	0.02	73.61%	0.07	0.07	0.05	75.57%
Manufacturing Facility IV	Solid Wood	0.10	0.07	0.05	79.42%	0.05	0.03	0.02	48.93%
Manufacturing Facility IV	Engineered Wood	0.36	0.25	0.22	86.67%	0.18	0.12	0.12	96.87%

Financial Statement

(In Rs. Cr)	FY23	FY24	FY25	H1FY26
Share Capital	1.0	1.0	1.1	15.8
Net Worth	505.1	543.6	520.6	557.3
Long Term Borrowings	0.0	0.0	0.0	0.0
Other Long Term Liabilities	114.8	145.2	210.8	207.9
Short-term borrowings	0.0	7.4	0.0	0.0
Other Current Liabilities	171.9	232.1	319.4	455.1
Fixed Assets	293.1	331.5	416.1	407.8
Non Current Assets	406.2	22.7	97.1	58.1
Current Assets	385.6	574.1	537.5	754.5
Total Assets	791.8	928.3	1050.8	1220.3
Revenue from Operations	812.6	986.4	1273.7	724.0
Revenue Growth (%)		21.4	29.1	
EBITDA	(93.1)	34.9	59.1	85.9
EBITDA Margin (%)	(11.5)	3.5	4.6	11.9
Net Profit	(145.7)	(15.1)	(35.0)	35.6
Net Profit Margin (%)	(17.9)	(1.5)	(2.7)	4.9
Earnings Per Share (Rs.)	(5.6)	(0.5)	(1.2)	1.1
Return on Networth (%)	(28.8)	(2.8)	(6.7)	6.4
Net Asset Value per Share (Rs.)	19.5	17.9	17.0	17.9

Source: RHP, Ashika Research

Cash Flow Statement

(In Rs. Cr)	FY23	FY24	FY25	H1FY26
Cash flow from Operations Activities	(20.5)	80.6	76.7	78.8
Cash flow from Investing Activities	(201.2)	(147.2)	(2.1)	(35.9)
Cash flow from Financing Activities	274.6	8.7	(71.1)	(36.9)
Net increase/(decrease) in cash and cash equivalents	53.0	(57.9)	3.5	6.1
Cash and cash equivalents at the beginning of the year	8.6	61.5	3.6	7.1
Cash and cash equivalents at the end of the year	61.5	3.6	7.1	13.2

Source: RHP

Comparison with Listed Industry Peers

Co Name	Net Sales (Rs. Cr.)	OPM (%)	D/E (x)	ROCE (%)	RONW (%)	P/E (x)	P/BV (x)	EV/EBITDA (x)	MCap/Sales (x)	Market Cap (Rs. Cr.)
Wakefit Innovations Ltd.	1273.7	4.6	0.0	5.3	-3.9	44.8	6.8	37.0	4.4	6373.2
Sheela Foam Ltd.	3439.2	10.0	0.4	5.4	3.2	116.1	2.2	20.5	1.9	6656.9

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