



# IPO NOTE

## MEESHO LIMITED

SUBSCRIBE



Rating:

**SUBSCRIBE**



Incorporated in 2015, Meesho Limited is a multi-sided technology platform driving e-commerce in India by connecting four key stakeholders – consumers, sellers, logistics partners, and content creators.

### OBJECTS OF THE ISSUE

- Investment in cloud infrastructure for the subsidiary.
- Marketing and branding expenses for the subsidiary.
- Funding acquisitions and general corporate purposes.
- Salaries for ML, AI, and tech teams.

### FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2025	FY 2024	FY 2023
Equity Share Capital	0.27	0.00	0.00
Net Worth	1,561.88	2,301.64	2,548.31
Total Income	9,900.90	7,859.24	5,897.69
EBITDA Margin%	-2.22%	-2.93%	-28.72%
Net Profit/Loss of the year	-3,941.71	-327.64	-1,671.90

### FINANCIAL RATIOS OF FY25

#### ISSUE BREAK-UP (%)

QIB Portion		75%
NII Portion		15%
Retail Portion		10%

#### OUTLOOK & VALUATION

- Meesho has successfully carved out a niche in Tier-2/3 cities where Amazon and Flipkart struggle to penetrate deeply
- Meesho has turned Free Cash Flow (FCF) positive in FY25, even though reported Net Profit is still negative due to one-off items.
- At a valuation of ~\$6 Billion (₹50,000 Cr), it is priced at roughly 5.5x Price-to-Sales (FY25). This is attractive compared to Zomato (trading often at >10x Sales).
- It has "scarcity premium" as it is the only pure-play "value e-commerce" stock in India.
- Aggressive investors can subscribe for both listing gain and long term.

#### INDICATIVE TIMETABLE

Basis of Allotment	08-12-2025
Refunds/Unblocking ASBA Fund	09-12-2025
Credit of Share to Demat A/c	09-12-2025
Listing Date	10-12-2025



## COMPANY PROFILE

- Meesho, owned by Fashnear Technologies Private Limited, functions as a value-driven e-commerce marketplace built on an asset-light and zero-commission model.
- Its platform brings together buyers, sellers, logistics providers, and content creators across India. By offering simple digital tools and enabling social-media-led selling, Meesho empowers individuals and small businesses to reach customers nationwide.



## COMPETITIVE STRATEGIES

- Increase consumer base and their transaction frequency by expanding product listings and seller base
- Further invest in technology and product development and enhance AI capabilities
- Deepen ability to make e-commerce affordable and accessible
- Increase cash flow generation by enhancing platform monetization
- Drive innovation through Horizon 2 Initiatives



## KEY CONCERNs

- Intense competition from large domestic and global e-commerce players.
- Dependence on small, fragmented sellers may impact product quality and trust.
- High reliance on cash-on-delivery orders affecting efficiency and cash flow.
- Regulatory uncertainty around e-commerce, FDI, and data protection norms.
- Potential brand damage from counterfeit goods or negative publicity.



## KEY STRENGTHS

- Leading value-focused e-commerce platform with the largest user base in India.
- Asset-light, capital-efficient model powered by AI and data-driven flywheels.
- Zero-commission structure enabling sellers to offer low prices profitably.
- Strong logistics network (Valmo) reducing delivery costs and improving efficiency.
- Advanced AI-driven personalization and risk management enhancing trust and scale.

## COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (₹ Basic)	P/E	NAV	Revenue (cr.)	RoNW%
Meesho	-9.98	-11.63	3.68	9389.9	-252.37
<b>Peer Group</b>					
Eternal Limited	5.04	529.14	31.42	20243.0	2.16
Swiggy Limited	-13.72	-	40.98	15226.7	-30.50
Brainbees Solutions Limited	-4.11	-	91.00	7659.6	-26.63
Fsn E-commerce Ventures Limited	0.23	1,168.43	4.55	7949.8	5.21
Vishal Mega Mart Limited	1.40	99.53	13.92	10716.3	9.85
Trent Limited	43.51	100.87	153.64	17134.6	27.93
Avenue Supermarts	41.61	98.43	329.29	59358.0	13.63



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