



IPO Note

WAKEFIT INNOVATIONS LIMITED

Dec 08th, 2025



Nov 08th, 2025**Details of the Issue**

Price Band	₹ 185 - ₹ 195
Issue Size	₹ 1,288.89 Cr
Face Value	₹ 1
Bid Lot	76
Listing on	BSE, NSE
Post Issue Mcap	₹ 6,373.16 Cr
Investment Range	₹ 14,060 - ₹ 14,820

Important Indicative Dates (2025)

Opening	08 - Dec
Closing	10 - Dec
Basis of Allotment	11 - Dec
Refund Initiation	12 - Dec
Credit to Demat	12 - Dec
Listing Date	15 - Dec

Lead Manager

Axis Capital Ltd
IIFL Capital Services Ltd
Nomura Financial Advisory and Securities Pvt Ltd

Offer Details

Offer Size	₹ 1,288.89 Cr
Fresh Issue	₹ 377.18 Cr
OFS	₹ 911.71 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	967	49.57	52.25	75
NII	193	9.91	10.45	15
Retail	129	6.61	6.97	10
Em-ploy.	-	-	-	-
Total	1,289	66.10	69.67	100

Invest Now**Company Profile**

Wakefit Innovations Limited is India's largest D2C home and furnishings company by revenue in Fiscal 2024 and the fastest homegrown brand in the organised segment to surpass ₹1,000 Cr in total income within just 9 years of operations. It offer a comprehensive portfolio across mattresses, furniture, furnishings, and décor, and are the only D2C player in India to scale all 3 categories beyond ₹100 Cr in revenue in FY2024. Wakefit growing at a 24.87% CAGR from FY22 1.64x faster than organised peers. As a full-stack, vertically integrated company, It control the entire value chain from design and engineering to manufacturing, distribution, customer experience, and engagement. The omnichannel presence spans 700+ districts across 28 states and 6 union territories through the website, COCO stores, online marketplaces, quick-commerce platforms, and multi-brand outlets (MBOs). The COCO store network expanded from 23 stores in March 2023 to 125 stores across 62 cities by September 2025, while the MBO footprint scaled rapidly to 1,504 stores across 395 cities between April 2022 and September 2025.

GEPL's Insights & Investment Thesis:

- Wakefit Innovations Ltd is India's one of the leading D2C home and furnishings company with a portfolio across mattresses, furniture, furnishings, and decor. It provides its products through its omnichannel presence and was the largest D2C homes and furnishings company in India by revenue in FY24.
- The company showcased 25% CAGR revenue growth between FY23-25. However, EBITDA margins still remains on the lower side due to limited operating leverage and high marketing costs. Wakefit continued to post net loss till FY25 and turned profitable in 1H FY2026.
- Based on the FY25 earnings, relative to the company's post-IPO paid up capital, the issue is priced at a EV/Sales ratio of 4.7x. We believe that the company has been making losses over the last three year and is over valued compared to its listed peer. Therefore, we recommend a "Avoid" rating for the issue.

Business Highlights & Services

Wakefit Innovations Limited is the largest D2C home and furnishings brand in India and the fastest to surpass ₹1,000 Cr in total income, delivering a robust 24.87% revenue CAGR. Its strategy is anchored in own-channel dominance 57-65% of sales via its website and COCO stores driving higher margins, stronger customer engagement, and better operational control. Wakefit is the only D2C brand with mattresses, furniture, and furnishings each contributing over ₹100 Cr, enabling cross-selling and higher repeat business. A strong R&D engine supports fast, low-risk product launches and continuous improvement, while sleep-tech innovations like Regul8 and Track8 enhance differentiation. With a scaled omnichannel presence and a platform-based product strategy, Wakefit is well-positioned for sustained growth, margin expansion, and long-term value creation. for sustained growth, improved efficiencies, and long-term value creation.

Wakefit's fully integrated, tech-driven model from design and manufacturing to distribution and customer engagement creates strong cost efficiency, quality control, and long-term customer loyalty. Advanced automation, cloud-linked production, optimized packaging, and a robust warehouse-INHP-POD logistics network ensure faster, low-cost deliveries and scalable operations. Data-led decisions across pricing, product development, and marketing sharpen execution and support margin improvement.



Its omnichannel strategy, anchored by rapid COCO store expansion and a wide MBO presence, boosts reach while protecting high D2C profitability. Strong brand-building, disciplined marketing spends, and high repeat purchases underscore customer trust. Overall, Wakefit's vertical integration, operational excellence, and omnichannel scale position it for sustained growth and value creation.

The company is pursuing a multi-pronged growth strategy driven by aggressive retail expansion, digital scale-up, product diversification, and capability building. It has rapidly expanded its COCO-Regular store network from 23 in FY23 to 125 by September 2025 across 62 cities, delivering significantly higher order values than its website channel, and plans to deepen penetration with both Jumbo-format regional hubs and tailored Regular stores to capture underserved markets. Concurrently, the company is strengthening its online channel through faster delivery, performance marketing, exclusive launches, enhanced customer experience, and an expanded POD network for same-day delivery. Its MBO footprint has scaled from one store in 2022 to 1,504 by September 2025, supporting wider distribution and brand accessibility. The business is broadening its portfolio to become a full home-and-furnishings solutions brand by expanding SKUs across mattresses, furniture, and furnishings, guided by data-driven insights on consumer preferences and coordinated aesthetics. Strong momentum in furniture, backed by new SKUs, premium product lines, and planned investments in advanced manufacturing capacity, is expected to unlock a large addressable opportunity. Continued innovation in sleep-tech, personalization pilots, and premium sub-brands enhances differentiation and margin potential. The company also intends to pursue acquisitions and explore entry into interior design solutions, positioning itself for long-term, scalable, and diversified growth across the home and furnishings ecosystem.

The company is strategically leveraging technology, omnichannel capabilities, and brand-building initiatives to accelerate growth and strengthen its position in the home-solutions market. Continuous enhancements to its owned website including rich content, improved navigation, live video demos, and self-service bots have significantly elevated customer experience while enabling full control over the purchase journey. Planned upgrades, such as automated transaction updates, deeper delivery-tracking transparency, and A/B-driven personalization, are expected to further boost conversion and retention. The business is increasingly data-led, using performance marketing insights to tailor campaigns and refine customer targeting. A key growth driver is the focus on maximizing customer lifetime value through cross-selling, category expansion, repeat-purchase nudging, and trust-building programs such as the 100-day trial. This is supported by strong cross-category adoption, with nearly 18-22% of furnishings and furniture buyers being repeat customers from other categories. The company's COCO stores continue to deepen engagement and drive higher order values through experiential retail. Brand salience is being scaled through a multi-layered marketing strategy involving celebrities, influencers, viral content, and culturally rooted campaigns, positioning the brand as a trusted market leader. Additionally, the company is developing a house-of-brands strategy under the Wakefit umbrella to target distinct consumer segments across price points, piloting new brands with disciplined metrics before scaling. These initiatives collectively enhance customer acquisition efficiency, broaden the total addressable market, and create multiple long-term growth levers across digital, retail, product, and brand ecosystems.

Product Wise – Revenue Breakup

Particular	June FY25		FY25		FY24		FY23	
	Amount (In Cr)	%	Amount (In Cr)	%	Amount (In Cr)	%	Amount (In Cr)	%
Mattresses	439	60.64%	781	61.30%	568	57.55%	516	63.47%
Furniture	212	29.28%	352	27.63%	301	30.50%	195	23.99%
Furnishings	73	10.08%	141	11.07%	118	11.96%	102	12.55%
Total Revenue (TR)	724	100.00%	1274	100.00%	987	100.00%	813	100.00%

Revenue Split - Own vs External Channels

Particular	June FY25		FY25		FY24		FY23	
	Amount (In Cr)	%	Amount (In Cr)	%	Amount (In Cr)	%	Amount (In Cr)	%
Own Channels	470	64.92%	726	56.99%	575	58.32%	467	57.51%
External Channels	254	35.08%	548	43.01%	411	41.68%	345	42.49%
Total Revenue (TR)	724	100.00%	1274	100.00%	986	100.00%	812	100.00%



Online vs Offline Revenue Breakup

Particular	June FY25		FY25		FY24		FY23	
	Amount (In Cr)	%	Amount (In Cr)	%	Amount (In Cr)	%	Amount (In Cr)	%
Online	431	59.53%	849	66.64%	747	75.68%	727	89.42%
Offline	293	40.47%	425	33.36%	240	24.32%	86	10.58%
Total Revenue (TR)	724	100.00%	1274	100.00%	987	100.00%	813	100.00%

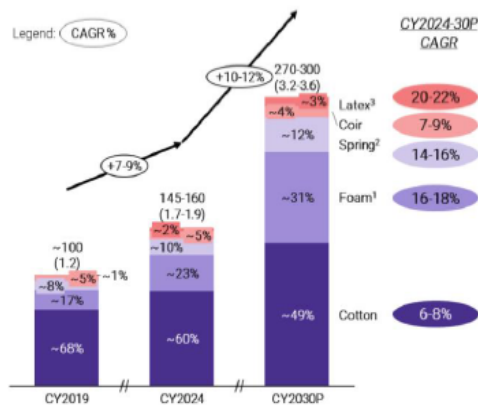
Capacity Utilization across Facilities

Particular	Product Categories	1HFY26	FY25	FY24	FY23
Manufacturing Facility I	Mattress	72%	73%	61%	65%
Manufacturing Facility V	Mattress	91%	86%	76%	80%
Manufacturing Facility I	Sofa	80%	80%	78%	80%
Manufacturing Facility IV	Sofa	80%	81%	82%	80%
Manufacturing Facility III	Furnishing	81%	79%	75%	73%
Manufacturing Facility II	Chairs	76%	74%	69%	57%
Manufacturing Facility IV	Solid Wood	49%	79%	78%	48%
Manufacturing Facility IV	Engineered Wood	97%	87%	73%	63%

Industry Outlook

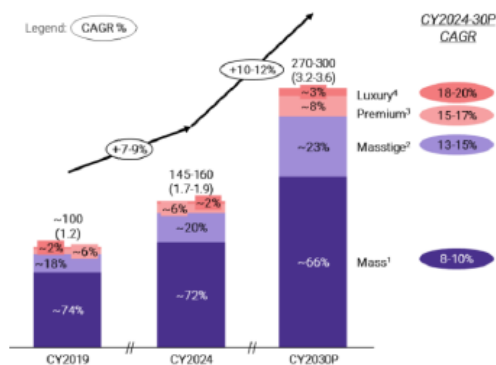
Mattress market – split by materials

In % of ₹ billion (U.S.\$ billion), CY2019, CY2024, CY2030P



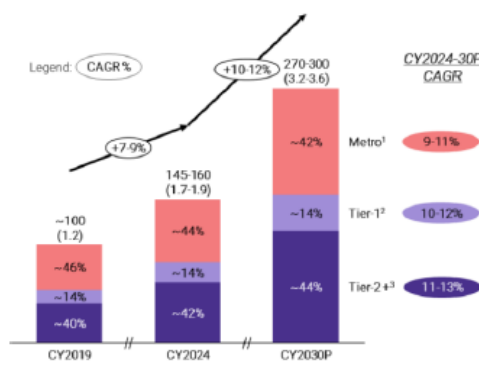
Mattress market – split by price segments

In % of ₹ billion (U.S.\$ billion⁵), CY2019, CY2024, CY2030P



Mattress market – split by city tier

In % of ₹ billion (U.S.\$ billion⁴), CY2019, CY2024, CY2030P





Peers Comparisons

Name of the company	Face Value (₹)	Total Revenue (In Cr)	EPS	P/E (x)	NAV (In INR)	RoNW(%)
Wakefit Innovations Ltd	1	1,274	-1.15	NA	16.96	-6.72%
Peers Group						
Sheela Foam Ltd	5	3,439	8.84	77.26	278	2.98

Company's Competitive Strength

- Largest and fastest growing D2C home and furnishing solutions destination.
- Comprehensive home and furnishing solutions brand with a core focus on product innovation.
- Full-stack vertically integrated operations with differentiated processes and technical capabilities.
- Omnichannel sales presence and strategically located store network.
- The multi-faceted marketing approach enhancing the brand image.
- Business model with a track record of delivering financial growth.

Key Strategies Implemented by Company

- Strategic expansion of COCO - Regular Stores and enhance sales on the website.
- Synergistic, data-driven product category expansion with a focus on scaling the operations.
- Continue to develop, invest and increase brand salience and brand awareness.
- Leverage technology to enhance customer experience and drive operational efficiencies.
- Increase customer lifetime value.

Particular (INR in Cr)	Q1 FY26	FY25	FY24	FY23
Equity Capital	16	1	1	1
Reserves and Surplus	541	520	543	504
Net Worth	557	521	544	505
Revenue	724	1,274	986	813
Growth (%)		29%	21%	
EBITDA	86	59	35	-93
EBITDAM (%)	12%	5%	4%	-11%
PAT	36	-35	-15	-146
PATM (%)	5.0%	-2.7%	-1.5%	-18.0%
ROE (%)	12.8%	-6.7%	-2.8%	28.4%
ROCE (%)	18.1%	-1.0%	0.4%	-26.3%



Notes

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