

**Rating: Neutral**

**Issue Offer**

Total issue size: INR 12,889 Mn (66.10 Mn shares) OFS of INR 3,772 Mn (19.34 Mn shares) and a Fresh Issue of INR 9,117 Mn (46.75 Mn shares).

**Issue Summary**

Price Band (INR)	185-195
Face Value (INR)	1
Implied Market Cap (INR Mn)	69,076.9
Market Lot	76
Issue Opens on	December 8, 2025
Issue Close on	December 10, 2025
No. of share pre-issue	307,486,214
No. of share post issue	354,240,619
Listing	NSE / BSE

**Issue Break-up (%)**

QIB Portion	≥75
NIB Portion	≤15
Retail Portion	≤10

**Book Running Lead Managers**

Axis Capital Limited  
IFL Capital Services Limited  
Nomura Financial Advisory and Securities (India) Private Limited

**Registrar**

MUFG Intime India Private Limited

**Shareholding Pattern**

	Pre-Issue	Post-Issue
Promoters	43.70%	32.47%
Public & Others	56.30%	67.53%

**Objects of the issue**

Capital expenditure for 117 new COCO regular stores, lease/rent payments for existing COCO stores, purchase of equipment and machinery, marketing and advertising to boost brand visibility, and general corporate purposes.

Wakefit Innovations Limited is a home-and-sleep solutions company engaged in the manufacturing and retailing of a wide range of products including mattresses, furniture, and home decor. The company operates through an omnichannel model, offering products across online platforms, exclusive brand stores, and partner channels. Its portfolio spans mattresses, beds, sofas, wardrobes, dining furniture, study tables, pillows, accessories, and home improvement products, serving a broad base of B2C customers across India. The company operates multiple manufacturing facilities across Haryana, Karnataka, and Tamil Nadu, enabling scale, design control, and cost-efficient production. Wakefit leverages an integrated value chain covering R&D, in-house manufacturing, warehousing, and last-mile delivery to maintain quality and affordability. With an expanding offline presence and a strong digital footprint, Wakefit has built a leading position in India's sleep and furniture solutions market. Its brand strength, extensive product range, customer-centric innovation, and efficient distribution model allow it to serve millions of customers across India.

**Investment Rationale**

**One of India's Fastest-Growing Home & Sleep Solutions Brands:** The company has established itself as a leading brand in India's mattress and home-furniture market, supported by strong recall, customer-centric design, and a value-driven product portfolio. Its mattresses and sleep accessories continue to enjoy high-volume demand driven by favorable industry trends such as rising urbanization, higher home-ownership, and increased preference for branded furniture. The company's scalable omnichannel presence covering D2C e-commerce, marketplaces, and an expanding offline retail network strengthens its leadership positioning in a fast-growing and highly underpenetrated home solutions market.

**Integrated Manufacturing Ecosystem Enabling Cost & Quality Control:** The company operates five large manufacturing facilities across Karnataka, Tamil Nadu, and Haryana, giving it deep backward integration across foam manufacturing, furniture assembly, and mattress production. This integrated setup allows higher control over design, raw materials, quality, and delivery timelines. The company has consistently expanded manufacturing capacities to support new SKUs, improve labor productivity, and optimize unit economics. Its in-house warehousing and logistics backbone further reduce dependency on third parties, lower costs, and improve delivery speed creating a strong competitive moat in a category where operational excellence is critical.

**Omnichannel Distribution With Strong Digital DNA:** From its origins as a digital-first brand, Wakefit has built a robust omnichannel engine comprising online platforms, marketplaces, and exclusive offline stores. The company benefits from strong digital insights, user-behavior analytics, and efficient online marketing capabilities developed over years of D2C operations. At the same time, its rapidly growing offline footprint enables deeper customer reach, higher ticket sizes, and improved brand visibility.

**Valuation & Outlook:** The company recognized as the largest D2C home and furnishings player in India by revenue in Fiscal 24, operates in a rapidly expanding domestic market. Future growth relies on strengthening its full-stack vertically integrated model and leveraging diversification across all three major product categories: mattresses, furniture, and furnishings. Strategic expansion plans are allocated toward opening 117 new COCO Regular Stores and introducing specialized COCO Jumbo Stores. At the upper band of INR 195, the issue is valued at P/S of 5.42x from PAT of FY25. We are recommending a "Neutral" rating for this issue.

Particulars (INR Mn)	H1FY26	FY25	FY24	FY23
Revenue	7,240.03	12,736.91	9,863.53	8,126.20
EBITDA	1,031.94	908.30	658.49	(857.52)
EBITDA Margin	14.3%	7.1%	6.7%	-10.6%
PAT	355.74	(350.04)	(150.53)	(1,456.83)
PAT Margin	4.9%	-2.7%	-1.5%	-17.9%

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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