PRIME RESEARCH
Empowering decisions

IPO Note

December 06, 2025

Wakefit Innovations Limited

HDFC securities | 25 YEARS
Powering India's Investments

Issue Snapshot:
Issue Open: December 8 – December 10, 2025

Price Band: Rs. 185-195

*Issue Size: Up to Rs 1288.89 cr (Fresh issue of upto Rs 377.18 cr + Offer for sale of upto 4,67,54,405 eq sh)

Reservation for:

QIB	atleast	75% eq sh
Non-Institutional	upto	15% eq sh
Retail	upto	10% eq sh

Face Value: Rs 1

Book value: Rs 17.9 (September 30, 2025)

Bid size: - 76 eq sh and in multiples thereof

100% Book built Issue

Capital Structure:

Pre Issue Equity:	Rs. 30.75 cr
*Post issue Equity:	Rs. 32.68 cr

Listing: BSE & NSE

Book Running Lead Manager: Axis Capital Ltd, IIFL Capital Services Ltd, Nomura Financial Advisory and Securities (India) Private Limited

Sponsor Bank: Kotak Mahindra Bank Ltd, Axis Bank Ltd

Registrar to issue: MUFG Intime India Pvt Ltd.

Shareholding Pattern

Shareholding Pattern	Pre issue %	Post issue %
Promoter and Promoter Group	43.70	37.39
Public	56.30	62.61
Total	100.0	100.0

*=assuming issue subscribed at higher band
Source for this Note: RHP

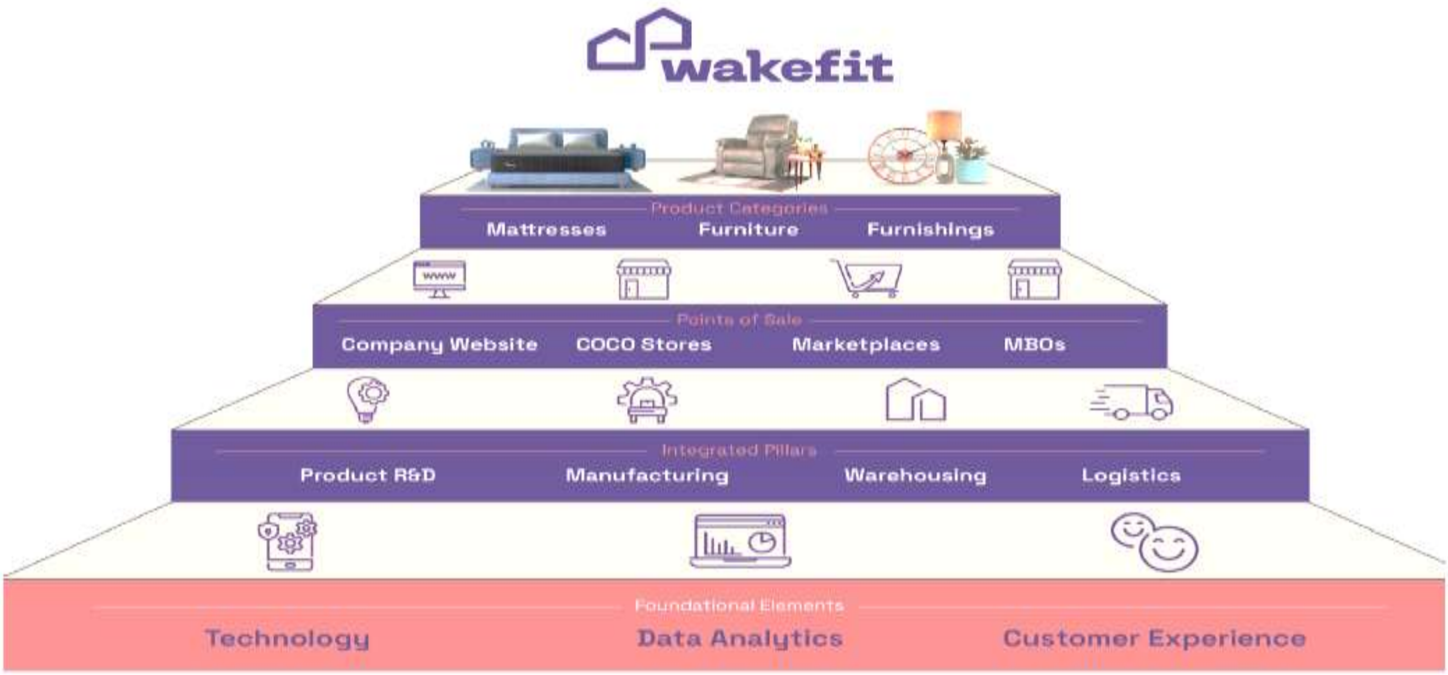
Background & Operations:

Over the years, Wakefit Innovations Ltd. 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 Rs 1,000 million in revenue in Fiscal 2024. Its mattress product category includes a wide variety of options, including memory foam, latex, grid, high resilience foam models such as dual comfort, spring, plus, rollup, and foldable options to cater to various customer preferences. It has also integrated advanced sleep technology into its mattresses, which regulates the mattress temperature and tracks sleep patterns, offering valuable insights to users.

The company's furniture product category includes beds (including engineered wood, natural wood and metal beds), sofas and recliners, wardrobes, dining tables, chairs and seating (including office chairs, gaming chairs and ottomans), cabinets, tables (including coffee tables, computer tables and bedside tables), shelves, kids' furniture including cribs and utility furniture designed to cater to different styles and needs, providing both comfort and durability. The company's furnishings product category includes pillows and cushions, home essentials such as towels, mats, rugs and carpets, yoga mats, runners, curtains, bathrobes, bean bags, deck tiles, dinner-ware, kitchen-ware, serviceware, mattress protectors, table linen, mirrors, ladders and home décor including table décor, lights and lamps, garden décor and wall décor.

The company sells its products through a comprehensive omnichannel strategy that integrates both its own channels and external channels, enabling us to reach customers in more than 700 districts across 28 states and 6 union territories. It owns channels comprises its website and its COCO – Regular Stores, while external channels comprise various marketplaces, such as major e-commerce platforms, including Pepperfry Limited and quick commerce platforms, and multi-branded outlets ("MBOs") including Pai International Electronics Limited. Its 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, it commenced its MBO operations on April 5, 2022, and 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.

The company's marketing efforts help customers discover the brand through various platforms, such as search engines, social media, OTT platforms, marketplaces, and physical stores. Once they discover it, the customers can engage with its brand through its website, COCO – Regular Stores, marketplaces and MBOs. The company derives a significant portion of its revenue from operations from the sale of its products through its own channels (its website and COCO – Regular Stores), demonstrating its ability to engage with customers and sell its products directly to them. In the six months' period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, the company's revenue from operations from the sale of products through its own channels amounted to Rs 4,699.28 million, Rs 7,255.68 million, Rs 5,750.60 million and Rs 4,672.55 million, representing 64.91%, 56.97%, 58.30% and 57.50% of its total revenue from operations, respectively. In the six months' period ended September 30, 2025, the average order value for its COCO – Regular Stores was 78.78% higher than the average order value for its website. Sales through its own channels provides it with control over the products and customer experience, enables it to increase brand loyalty, repeat purchases, average order value, and customer conversion rates and improves its operations through insights into customer behaviour and direct feedback from customers.



Source: Company, RHP

Objects of Issue:

The Offer comprises a Fresh Issue aggregating up to Rs 377.18 crores by Wakefit Solutions Limited and an Offer for Sale of 4,67,54,405 Equity Shares by the Selling Shareholders.

Offer for Sale

Each of the Selling Shareholders shall be entitled to its respective portion of the proceeds of the Offer for Sale after deducting its proportion of the Offer expenses and relevant taxes thereon. The Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Requirements of funds

The Company proposes to utilize the Net Proceeds towards funding the following objects:
1.Capital expenditure to be incurred by the Company for setting up of 117 new COCO – Regular Stores;
2. Expenditure for lease, sub-lease rent and license fee payments for its existing COCO – Regular Stores;
3. Capital expenditure to be incurred by the Company for purchase of new equipment and machinery;
4. Marketing and advertisement expenses towards enhancing the awareness and visibility of its brand; and
5. General corporate purposes.

Proposed schedule of implementation and deployment of Net Proceeds (Rs in Mn)

S. N	Particulars	Amount to be funded from Net Proceeds	Estimated deployment of net proceeds in FY 2026	Estimated deployment of net proceeds in FY 2027	Estimated deployment of net proceeds in FY 2028	Estimated deployment of net proceeds in FY 2029
1	Capital expenditure to be incurred by its Company for setting up of 117 new COCO Regular Stores	308.42	Nil	170.24	138.18	Nil
2	Expenditure for lease, sub-lease rent and license fee payments for its existing COCO – Regular Stores	1,614.69	137.71	565.61	552.54	358.83
3	Capital expenditure to be incurred by the Company for purchase of new equipment and machinery	154.08	Nil	123.26	30.82	Nil
4	Marketing and advertisement expenses toward enhancing the awareness and visibility of its brand	1,084.04	Nil	400.00	484.04	200.00
5	General corporate purposes	[•]	[•]	[•]	[•]	[•]
	Net Proceeds*	[•]	[•]	[•]	[•]	[•]

Competitive Strengths

Largest and fastest growing D2C home and furnishing solutions destination: Wakefit Innovations Ltd. is a home and furnishing solutions provider in India, offering a wide range of products, including mattresses, furniture, and furnishings, through its omnichannel presence. The company is the largest D2C home and furnishings company in India in terms of revenue from operations in Fiscal 2024. 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 10,000 million (out of which Rs 9,863.53 million is revenue from operations), and its revenue from operations has grown at a CAGR of 24.87% from Fiscal 2022 to Fiscal 2024, which is approximately 1.64 times higher than the growth of the average revenue from operations of the organised players.

Comprehensive home and furnishing solutions brand with a core focus on product innovation: Wakefit Innovations Ltd. is a one-stop destination offering comprehensive solutions in the home and furnishing market, aiming to meet the needs of customers at various stages of their lives. The company is the only D2C home and furnishings company in India that has scaled across all three product categories, namely, mattresses, furniture, and furnishings and décor, each having generated over Rs 1,000 million in revenue in Fiscal 2024. It is amongst the top three companies in the organised mattress market in terms of revenue in Fiscal 2024 and the largest player in terms of online revenue from mattresses among its organized peers. The company’s strong platform play i.e., offering a diverse range of products across mattresses, furniture, and furnishings under a single brand, enables it to cross-sell complementary products, up-sell higher-end products, and encourage repeat purchases through network effects.

Full-stack vertically integrated operations with differentiated processes and technical capabilities: Wakefit Innovations Ltd. Is a full-stack vertically integrated operations enables it to control every aspect of its operations, from conceptualizing, designing and engineering its products to manufacturing, distribution and providing customer experience and engagement. It believes that this approach enhances operational efficiency, builds brand loyalty, and gives it a competitive edge.

Omnichannel sales presence and strategically located store network: Wakefit Solutions Ltd. has built a comprehensive sales network that blends its own channels (i.e., its website and COCO – Regular Stores) and external channels (i.e., marketplaces and MBOs), ensuring easy access to its products for its customers. The company’s strong marketing initiatives ensure that customers can discover its brand through various platforms, including search engines, social media, OTT platforms, marketplaces, and physical retail stores. Once they discover it, they have multiple options to engage with its brand, including its website, COCO – Regular Stores, MBOs and marketplaces. It takes a structured approach to integrating these various customer touchpoints, ensuring a cohesive experience that provides consistency across all channels and enhances overall customer satisfaction. D2C players that have a well-executed omnichannel strategy are outpacing traditional players by seamlessly integrating offline experience centres with their online D2C model. Accordingly, it believes that the company’s omnichannel presence provides it with a competitive advantage over traditional players in the home and furnishings market.

Business Strategy:

Strategic expansion of COCO – Regular Stores and enhance sales on its website: Wakefit Solutions Ltd. intends to strategically set up COCO – Jumbo Stores, each spanning 50,000 to 200,000 square feet, to offer a comprehensive range of its products and provide a one-stop shopping experience. These stores will serve as regional hubs, attracting customers from a broader geographic area, thereby driving increased footfall and higher sales volumes. These stores will offer a wide range of products, allowing customers to address their various home and furnishings shopping needs in a single visit. Leveraging its extensive product portfolio across various price points, its COCO – Jumbo Stores will provide a comprehensive shopping destination where customers can explore and visualize multiple design options for bedrooms, living rooms, and other home setups under one roof. The company intends to open two COCO Jumbo Stores in Bengaluru, Karnataka. Further, it may integrate restaurant amenities into its COCO – Jumbo Store to enhance customer experience, thereby increasing visit duration, loyalty, and revenue per visit, ultimately improving overall store performance.

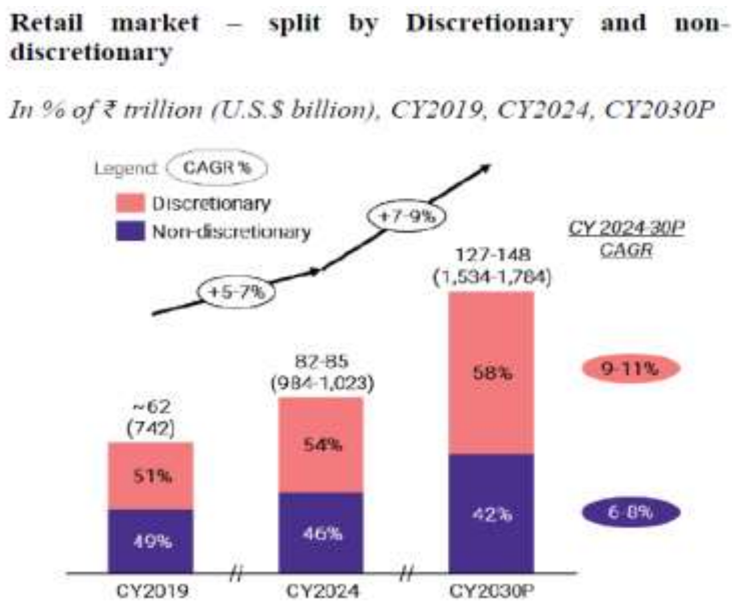
Synergistic, data-driven product category expansion with a focus on scaling its operations: Wakefit Solutions Ltd. intends to scale up its furniture business by employing the customer-centric approach which helped it build its mattress business. This involves offering high-quality products that provide strong value for money, conducting delight calls for feedback, and building word-of-mouth through brand trust. It plans to continue launching new furniture products with high growth potential. It has in the past introduced new products to meet market demands. For instance, in Fiscal 2025 and 2024, it launched 2,534 SKUs and 1,065 SKUs in the furniture category, respectively. Further, it launched 3,070 and 2,333 SKUs across all its categories Fiscal 2025 and Fiscal 2024, respectively. To support its growth, it plans to expand its furniture production capacity by investing in advanced machinery and equipment designed for producing engineered wood furniture.

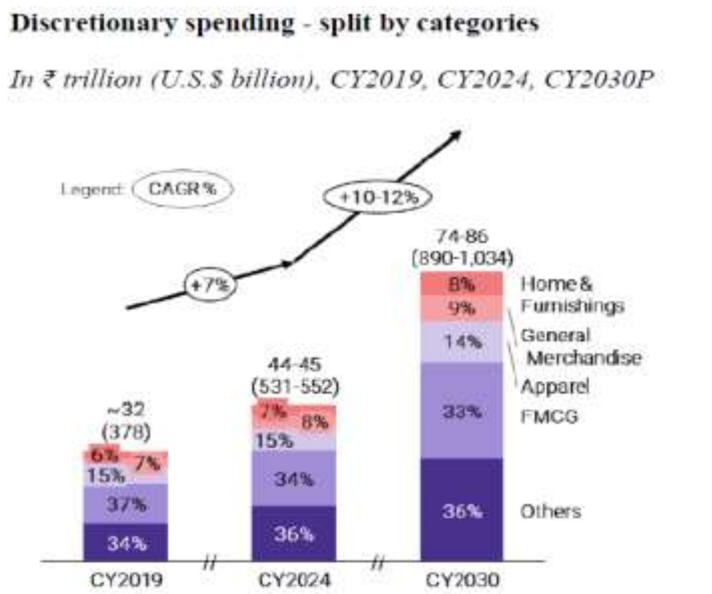
Continue to develop, invest and increase brand salience and brand awareness: Wakefit Solutions Ltd. plans to continue engaging brand ambassadors to connect with a broader audience, build a brand identity, and foster customer trust. The company will maintain its focus on digital marketing, using search engine optimization and performance marketing to increase visibility on major search engines. It aims to create a brand identity through meaningful endorsements and viral content that resonates with customers, driving awareness and enhancing brand recall. It intends to partner with influencers who align with its brand values to engage its target audience and amplify its message through contextualised meaningful endorsement. It will continue to use market intelligence insights from various platforms to shape its marketing strategies and align them with customer trends and preferences. It also plans to maintain propositions, such as the 100-day trial, which have differentiated it in the market and built customer trust. It was the first organised player in India to offer a 100-day free trial and return policy for mattresses. It also led the industry as the first organised player in India to introduce 100% refund policy for mattresses. Through these initiatives, it aims to enhance its brand salience and awareness and solidify its position in the home solutions industry.

Leverage technology to enhance customer experience and drive operational efficiencies: Wakefit Solutions Ltds. intends to leverage technology to enhance customer experience and drive operational efficiencies. In the past, it has improved its website by incorporating rich content, such as detailed comparison charts, to help customers make informed decisions. It has also streamlined navigation from the home page to category and product pages, ensuring a seamless flow from cart to checkout. This level of customization is only possible on its own website, offering a quality experience compared to the more rigid marketplace listings and enabling it to have control over the customer experience. It has further enhanced the customer experience by enabling live video demos for website users. When a customer requests a demo, they are connected via video call with a store executive who can showcase products in real-time, providing a near-real experience of the product. It has also implemented self-service bots to handle customer queries on the website, increasing transparency and efficiency. It intends to continue undertaking such initiatives to further enhance its customer experience. For example, it is working on developing bots that will make transaction update calls once an order is placed. It also plans to increase node-level transparency of product delivery status, allowing customers to track their orders as they move through multiple warehouses and logistics partners. This will provide a clear and detailed view of the delivery process, enhancing customer trust and satisfaction. It intends to conduct elaborate A/B tests to personalize the search functionality and other visual elements on its website. It will leverage performance marketing tools to track consumer trends across its discovery channels, providing insights into customer behaviours and preferences. This insight will help it to tailor its marketing initiatives, ensuring they are aligned with audience interests, which will enhance the effectiveness of its campaigns.
.

Industry Overview

As the retail market in India matures, there is a growing shift towards discretionary spending, within categories like fashion, home & furnishings, consumer electronics, etc., which accounts for approximately 54% of the overall retail market in CY2024, having risen from approximately 51% in CY2019. It is projected to reach approximately 58% of the retail market by CY2030, growing at a CAGR of 9% to 11%, outpacing overall retail growth. The growth in discretionary spending is fuelled by rising incomes, urbanization, digitization of the economy and increasing e-commerce penetration across city tiers, all contributing to aspirational consumption. As income levels rise and basic consumption needs are met, incremental household spending increasingly shifts toward discretionary categories, leading to faster growth compared to non-discretionary spending. Within discretionary spending, general merchandise and home & furnishings segments are expected to expand steadily, accounting for approximately 9% and approximately 8% respectively, of the total discretionary spending by CY2030.





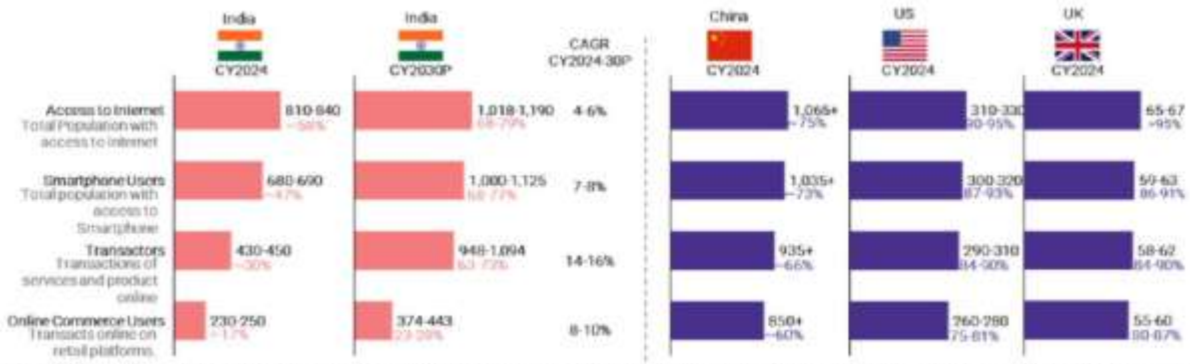
Source: Company, RHP

India is transitioning into a digital economy, with internet users set to grow from 810 to 840 million in CY2024 to 1,018 to 1,190 million by CY2030, driven by low mobile data costs (approximately U.S.$ 0.16/GB in India vs. approximately US $6/GB in the US in CY2023) and affordable smartphones. The rollout of 5G and initiatives like Digital India are further expanding digital access, with smartphone penetration expected to rise from 680 to 690 million to 1,000 to 1,125 million in the same period. Despite this rapid growth, India has significant headroom for expansion compared to developed economies like the US and UK with internet penetration still behind the 90% to 95% levels seen in the US and UK.

This enhanced access to internet connectivity is fuelling online commerce adoption, with e-commerce consumers growing from 230 to 250 million in CY2024 to 374 to 443 million by CY2030 (CAGR 8% to 10%). E-commerce is unlocking access to a wide range of new categories for first-time users, driving incremental spending and expanding consumption. At the same time, it is opening new markets for organised businesses by bringing previously informal or underserved segments online, enabling broader and more efficient reach. As consumer expectations evolve, fuelled by a growing preference for premium products, convenience, and seamless digital experiences, platforms are responding with greater investments in personalization, flexible payment solutions, and faster, more reliable service delivery.

Internet Funnel – India, China, US, and UK

In millions, %, CY2024, CY2030P



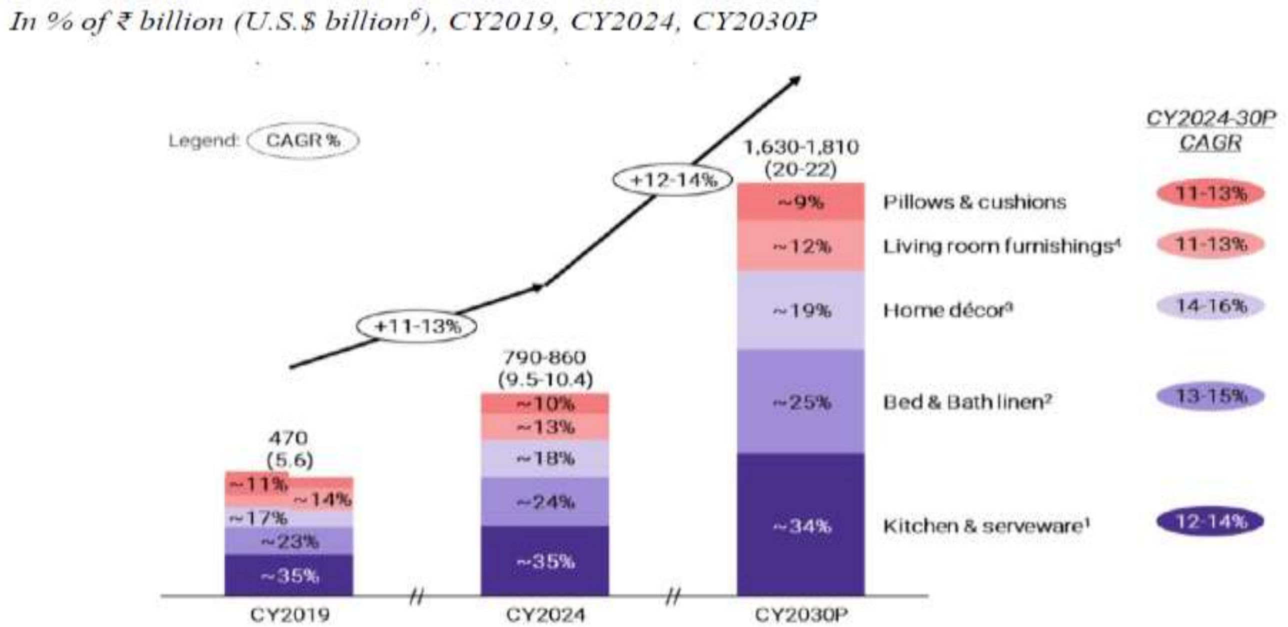
Note(s): Digital transactors include individuals who use digital payment platforms and technologies that facilitate electronic financial transactions. Online commerce users make transactions online on retail platforms, etc.

Source: Company, RHP

India's retail sector is undergoing a structural transformation, with the share of branded and organized retail steadily increasing as modern retail formats expand their reach. Consumers are becoming more brand-conscious, driving demand for trusted, quality-assured products across categories and price segments. This shift in consumer behaviour towards digital transactions and preference for branded products has led to a rapid influx of D2C players that caters to different consumer segments. The D2C model offers several advantages over traditional retail, including seamless access to products, the ability to browse and purchase from anywhere, direct engagement with brands, personalized shopping experiences, and faster product innovation based on real-time consumer insights. Urban consumers are increasingly seeking premium, personalized, and niche products, and curated shopping experiences. Gen Z, in particular, values sustainability, individuality, and ethical consumption, pushing players to innovate with unique offerings. At the same time, there is a parallel shift towards masstige products, which is serving the affordability segment with aspirational quality, accelerating the transition from unbranded to branded consumption. Unlike traditional retail models, D2C players leverage digital platforms, data analytics, and direct consumer engagement to differentiate themselves and scale rapidly. Moreover, by bypassing intermediaries, they can pass on cost savings to consumers, making their offerings more price competitive, and parallelly reinvest in better customer experience, personalization and innovation. By bypassing intermediaries, D2C players offer competitive pricing while reinvesting in experience and innovation. The Indian D2C market valued at Rs 900-1,100 billion (U.S.$ 11 to 13 billion) in CY2024, is projected to grow at a 23% to 27% CAGR to reach Rs 3,400 to 4,200 billion (U.S.$ 41 to 51 billion) by CY2030, reflecting a broader shift toward digital-first retail.

Furnishings and décor market

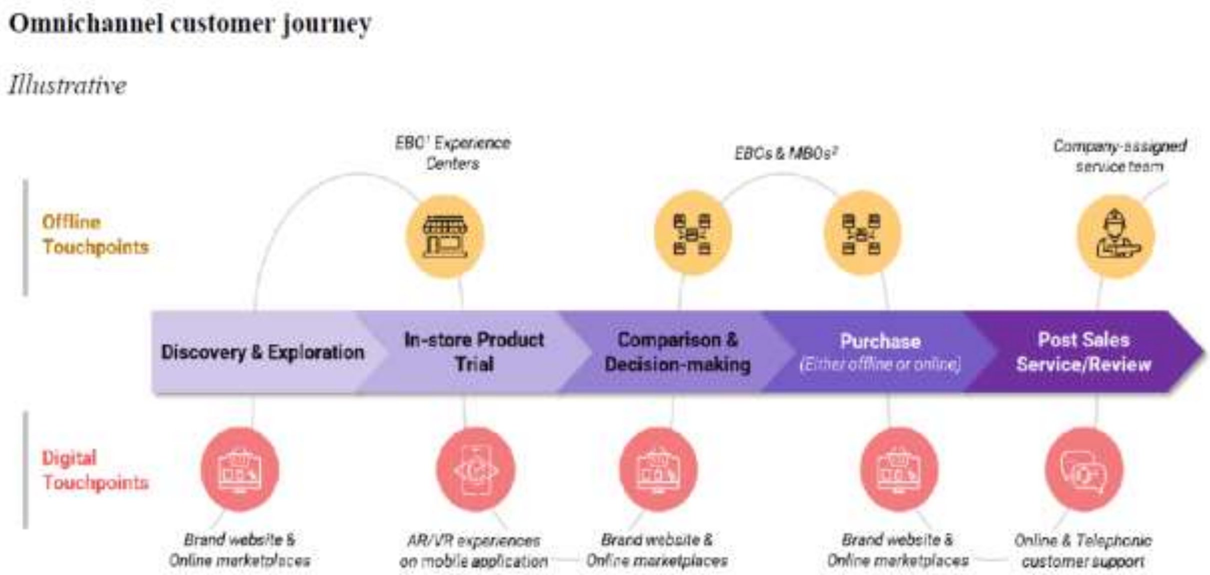
India's furnishings & décor category is estimated to be a Rs 790 to 860 billion (U.S.$ 9.5 to 10.4 billion) opportunity in CY2024 split across various product sub-categories. India's furnishings market is a natural extension for players in the mattresses and furniture segment, as consumers increasingly seek a cohesive approach to home design. By integrating furnishings into their core offerings using a consistent design language across product categories, these players can provide a complete home solution, driving higher engagement and repeat purchases. The market is witnessing strong growth, expanding at a CAGR of 11% to 13% from CY2019 to CY2024 and projected to accelerate further at a CAGR of 12% to 14% to reach Rs 1,630 to 1,810 billion (U.S.$ 20 to 22 billion) in CY2030. This growth is fuelled by rising incomes, urbanization, and the shift toward branded and curated home products. Consumers are increasingly viewing furnishings as more than just functional necessities, but rather an extension of personal style, a means to maximize comfort, and a reflection of evolving lifestyle aspirations.



Source: Company, RHP

Seamless omnichannel experience is critical for driving engagement and conversions

The home & furnishings market has traditionally been in-store driven, as consumers prefer experiencing products firsthand before purchasing. However, the rise of digital-first players during COVID-19 transformed buying behaviour, making online shopping mainstream by offering better pricing, affordability, and convenience, along with integrated online-offline flexibility. As a result, online penetration of home & furnishings market has grown from approximately 6% in CY2019 to approximately 9% in CY2024 and is projected to reach approximately 13% by CY2030. As consumers returned to stores post-pandemic, players adopted an omnichannel approach, ensuring consistent pricing, availability, and service across all touchpoints.



Source: Company, RHP

Key Concerns

- Wakefit's business and results of operations are significantly dependent on its "Wakefit" brand, under which it offers a wide range of products, including mattresses, furniture, and furnishings, and any impairment, dilution or damage to its brand in any manner may adversely affect its business reputation, results of operations, financial condition and cash flows.

- It derives a significant portion of its revenue from its mattress product category. Its revenue from the sale of mattresses accounted for 60.65%, 61.35%, 57.54% and 63.50%, of its revenue from operations in six months period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Any shifts in consumer preferences, any disruption in the supply chain, or heightened competition could adversely affect its business, results of operations financial condition and cash flows.

- A significant portion of its revenues is derived from the sale of products through its own channels. Its sales from its own channels (i.e., website and COCO – Regular Stores) accounted for 64.91%, 56.97%, 58.30% and 57.50%, of its revenue from operations in six months period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. Any disruption to its website, whether due to technical issues, cyber-attacks, or changes in consumer behaviour or any disruption to the operations of its stores or limitations on its ability to expand and grow these stores may adversely affect its sales, business, results of operations, financial condition and cash flows.

- The company has incurred losses in the past and it may continue to incur losses in the future.

- The Company has experienced negative cash flows from operating activities in Fiscal 2023. It may continue to have negative cash flows in the future.

- The Company relies on third party logistics service providers to transport its products, and any disruption in its transportation arrangements or increases in transportation costs may adversely affect its business, results of operations, financial condition and cash flows.

- Failure to obtain or renew approvals, licenses, registrations and permits to operate its business in a timely manner, or at all, may adversely affect its business, financial condition, results of operations and cash flows.

- If the company fails to protect or incur significant costs in defending its intellectual property or if it infringes the intellectual property rights of others, its business, results of operation, financial condition and cash flows could be adversely affected.

- The Company does not have long term agreements with suppliers for its raw materials and an increase in the cost of or a shortfall in the availability of such raw materials could have an adverse effect on its business, results of operations, financial condition and cash flows.

- The Company is reliant on its relationships with online marketplaces. Any technological disruptions to such online marketplaces, increase in the cost of their services or their heightened focus on promoting private label brands could adversely affect its business, results of operations, financial condition and cash flows.

- The Company's inability to effectively manage its growth or implement its growth strategies may have an adverse effect on its business, results of operations, financial condition and cash flows.

- The Company did not have an internal audit system in place in Fiscal 2024 and it may therefore be subject to penalties for such past non-compliance.

- The Company is reliant on its relationships with online marketplaces. Any technological disruptions to such online marketplaces, increase in the cost of their services or their heightened focus on promoting private label brands could adversely affect its business, results of operations, financial condition and cash flows.

- The Statutory Auditors have included remarks in the auditors' report issued on the audited financial statements for Fiscals 2025, 2024 and 2023 which do not require any corrective adjustments in the Restated Financial Information. The Company cannot assure that any similar remarks will not form part of its financial statements for the future fiscal periods, which could have an adverse effect on its reputation.

- The Company's business is manpower intensive. Its business may be adversely affected by work stoppages, strikes, lockouts, increased wage demands by employees, or an increase in minimum wages, and if it is unable to engage new employees at commercially attractive terms.

- The inability to accurately manage inventory and forecast demand for its products may have an adverse effect on its business, results of operations, financial condition and cash flows

- If the company fails to develop and launch new products in response to changes in market demands, trends, spending patterns and customer preferences in a timely and effective manner, its business, results of operations, cash flows, and financial condition may be adversely affected.

- Its business is dependent on its manufacturing facilities, subject to certain risks in its manufacturing processes. Any unscheduled, unplanned or prolonged disruption of its manufacturing operations could materially and adversely affect its business, financial condition, cash flows and results of operations

- The home and furnishings industry is competitive and its inability to compete effectively may adversely affect its business, results of operations, financial condition and cash flows.

- One of the Shareholders, Elevation Capital VIII Limited, is yet to receive certain number of Equity Shares to which they are entitled

- Any failure in the company's quality control processes or if the quality of its products does not meet its customers' expectations, could have an adverse effect on its business, results of operations, financial condition and cash flows.

- The company's business requires working capital. Any failure in arranging adequate working capital for its operations may adversely affect its business, results of operations, cash flows and financial condition

- Sales of its products are affected by seasonality, particularly during the festive season during which its sales are comparatively higher, which could result in fluctuations in its operating results.

- There have been certain instances of delays in payment of statutory dues by the company in the past. Any delay in payment of statutory dues by it in future, may result in the imposition of penalties and in turn may have an adverse effect on its business, financial condition, results of operation and cash flows.

- The company provides product warranties and, if its product warranty obligations are significantly in excess of its warranty provisions, its business, financial condition and results of operations could be adversely affected.

- The company proposed expansion plans relating to the opening of new COCO – Regular Stores and two COCO – Jumbo Store are subject to the risk of unanticipated delays in implementation and cost overruns.

- It has incurred indebtedness and an inability to obtain further financing or to comply with repayment and other covenants in its financing agreements could adversely affect its business, results of operations, financial condition and cash flows.

- The company has capital expenditure requirements and may require financing in the future and its operations could be curtailed if it is unable to obtain the required financing when needed

- It may incur uninsured losses or losses in excess of its insurance coverage which could have an adverse impact on its business, results of operations, financial condition and cash flows.

- The company has never operated COCO – Jumbo Stores in the past. Its lack of experience in operating such stores may impact its business, results of operations, financial condition and cash flows

- Its change in strategy to open smaller sized COCO – Regular Stores in the future may have an adverse impact on its business, results of operations, financial condition and cash flows

- The company engages in foreign currency transactions and fluctuations in the exchange rate between the rupee and other currencies may adversely affect its operating results

Profit & Loss

Particulars (Rs in million)	H1FY26	FY25	FY24	FY23
Income				
Revenue from operations	7240.0	12736.9	9863.5	8126.2
Other Income	173.0	317.4	309.8	73.9
Total Income	**7413.0**	**13054.3**	**10173.3**	**8200.1**
Expenses	**6381.1**	**12146.0**	**9514.9**	**9057.6**
Cost of materials consumed	3382.3	5817.6	4639.7	4717.1
Purchases of stock-in-trade	25.7	48.0	22.6	49.3
Changes in inventories of stock-in-trade	-278.6	-132.2	-12.1	-106.7
Employee benefits expense	795.1	1657.4	1346.3	1057.7
Other expenses	2456.6	4755.2	3518.3	3340.2
PBIDT	**1031.9**	**908.3**	**658.5**	**-857.5**
Finance costs	148.0	295.9	170.1	126.6
PBDT	**883.9**	**612.4**	**488.4**	**-984.1**
Depreciation and amortisation expenses	528.2	962.4	638.9	472.7
Profit/Loss before share of loss of associate, exceptional items and tax	**355.7**	**-350.0**	**-150.5**	**-1456.8**
Share in net loss of an associate	0.0	0.0	0.0	0.0
Loss before exceptional items and tax	**355.7**	**-350.0**	**-150.5**	**-1456.8**
Exceptional item	0.0	0.0	0.0	0.0
Loss before tax	**355.7**	**-350.0**	**-150.5**	**-1456.8**
Tax (incl. DT & FBT)	**0.0**	**0.0**	**0.0**	**0.0**
Current tax	0.0	0.0	0.0	0.0
Deferred Tax Charge/(Benefit)	0.0	0.0	0.0	0.0
PAT	**355.7**	**-350.0**	**-150.5**	**-1456.8**
EPS (Rs.)	1.2	-1.2	-0.5	-5.6
Face Value	1.0	1.0	1.0	1.0
OPM (%)	11.9	4.6	3.5	-11.5
PATM (%)	4.9	-2.7	-1.5	-17.9

Balance Sheet

Particulars (Rs in million) As at	H1FY26	FY25	FY24	FY23
Non-current assets				
Property, plant and equipment	1,594.9	1,652.0	1,635.6	1,559.3
Capital work-in-progress	3.3	7.4	21.4	34.7
Right-of-use assets	2,467.4	2,493.1	1,652.3	1,325.6
Goodwill	0.0	0.0	0.0	0.0
Other intangible assets	12.4	9.1	5.8	11.2
Other Financial Assets	527.5	890.4	129.9	1,039.8
Deferred tax assets (net)	0.0	0.0	0.0	0.0
Non- current tax assets (net)	28.0	36.2	49.3	34.2
Other non-current assets	25.4	44.6	47.5	57.4
Total non-current assets	**4,658.9**	**5,132.7**	**3,541.8**	**4,062.2**
Current assets				
Inventories	2,617.9	1,636.3	1,306.8	1,155.9
Investments	508.1	512.5	1,384.2	315.0
Trade receivables	36.6	58.6	280.9	168.3
Cash and cash equivalents	131.7	71.2	36.3	615.2
Bank balances other than (iii) above	30.8	30.8	135.9	1,116.4
Loans	0.0	0.0	0.0	0.0
Other financial assets	3,932.6	2,902.5	2,378.8	55.4
Current tax assets	0.0	0.0	0.0	0.0
Contract assets	0.0	0.0	0.0	0.0
Other current assets	286.8	162.9	218.4	429.7
Total current assets	**7,544.5**	**5,374.8**	**5,741.2**	**3,855.8**
Assets classified as held for sale	0.0	0.0	0.0	0.0

Total assets	**12,203.4**	**10,507.5**	**9,283.0**	**7,918.0**
EQUITY & LIABILITIES				
Equity				
Equity share capital	157.5	10.5	10.3	10.1
Equity share capital pending issuance	0.0	0.0	0.0	0.0
Instruments entirely equity in nature	192.5	192.5	192.5	170.8
Instruments entirely equity in nature pending issuance	0.0	0.0	0.0	0.0
Other equity	5,223.4	5,002.7	5,233.3	4,869.9
Reserves and surplus	0.0	0.0	0.0	0.0
Non controlling interest	0.0	0.0	0.0	0.0
Total equity	**5,573.4**	**5,205.7**	**5,436.1**	**5,050.8**
Liabilities				
Non-current Liabilities				
Financial Liabilities	0.0	0.0	0.0	0.0
Borrowings	0.0	0.0	0.0	0.0
Lease liabilities	1,988.8	2,023.4	1,376.3	1,134.6
Other financial liabilities	0.0	0.0	0.0	0.0
Deferred tax liabilities (net)	0.0	0.0	0.0	0.0
Provisions	90.0	84.6	75.8	13.3
Total non-current liabilities	**2,078.7**	**2,108.0**	**1,452.1**	**1,147.9**
Current liabilities				
Borrowings	0.0	0.0	73.6	0.0
Lease liabilities	781.1	709.9	449.1	304.7
Trade payables	2,697.3	1,570.1	1,444.2	1,095.2
Liabilities towards prepaid cards	0.0	0.0	0.0	0.0
Other financial liabilities	179.9	180.0	96.5	25.0
Provisions	82.3	80.8	58.8	71.0
Other current liabilities	810.8	653.1	272.6	223.4
Total current liabilities	**4,551.3**	**3,193.8**	**2,394.8**	**1,719.4**
Total liabilities	**6,630.0**	**5,301.8**	**3,846.9**	**2,867.2**
Total equity and liabilities	**12,203.4**	**10,507.5**	**9,283.0**	**7,918.0**

Source: Company, RHP

Disclosure & Disclaimer:
HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.
This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. This report may have been refined using AI tools to enhance clarity and readability.
Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.
This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.
If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.
Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to
sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.
HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the Company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the Company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.
HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.
HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report. As regards the associates of HSL please refer the website.
HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.
Please note that HDFC Securities has a proprietary trading desk. This desk maintains an arm's length distance with the Research team and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from t date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.
HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.
Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.
HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066
Compliance Officer: Murli V Karkera Email: complianceofficer@hdfcsec.com Phone: (022) 3045 3600
For grievance redressal contact Customer Care Team Email: customercare@hdfcsec.com Phone: (022) 3901 9400
HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEI, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193
Investment in securities market are subject to market risks. Read all the related documents carefully before investing.
Mutual Funds Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.
Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

This report is intended for non-Institutional Clients only. The views and opinions expressed in this report may at times be contrary to or not in consonance with those of Institutional Research of HDFC Securities Ltd. and/or may have different time horizons. Mutual Fund Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.