

Meesho Ltd.

Nifty: 26,032 | Sensex: 85,138

IPO Note | 3rd December, 2025

Sector: E-commerce

Price Range: ₹105 - ₹111

Innovator in Zero-Commission E-Commerce Platforms

Meesho, founded in 2015 (formerly FashNear Technologies Pvt. Ltd.) and headquartered in Bengaluru, is an Indian e-commerce platform that began as a social commerce app and has grown into a major online marketplace for affordable products, especially in Tier-2 and Tier-3 cities. Operating on a zero-commission model, it connects consumers, sellers, logistics partners, and content creators on a single platform. Meesho has also launched Valmo, its asset-light, tech-driven logistics arm designed to streamline deliveries, lower costs, and improve efficiency.

- India’s e-commerce market is valued at around ₹6 trillion in gross merchandise value (GMV) for FY25 and is expected to grow at a 20–25% CAGR, reaching ₹15–18 trillion by FY30.
- Meesho’s revenue expanded at a 28% CAGR between FY23 and FY25, rising to ₹9,390cr, driven by growth in order volumes and greater adoption of value-added services by sellers.
- The Net Merchandise Value (NMV) per annual transacting seller rose at a CAGR of 16.86%, from FY23 to FY25, reaching ₹5,83,697.39 driven by Meesho’s zero-commission model that lowered seller costs and enabled competitive pricing.
- Meesho leads in order volume due to its low cost model, but it lags behind Flipkart and Amazon in gross merchandise value due to its limited presence in high-ticket premium-branded product categories like electronics and smartphones.
- At the upper price band of ₹111, Meesho trades at an FY25 Mcap/Sales multiple of 5.3x. The company leverages AI platforms like BharatMLStack and generative AI voice bots to process large datasets and manage thousands of customer calls daily in multiple languages. Its strong presence in Tier-2+ cities, zero-commission model, and focus on affordable products create a sustainable growth moat. Therefore, we recommend a SUBSCRIBE rating for investors with a long-term horizon.

Purpose of IPO

The IPO consists of a fresh issue of up to 38,28,82,882 equity shares worth ₹₹4,250 cr and an Offer for Sale (OFS) of up to 10,55,13,839 shares worth ₹1,171.20cr. The objectives of the issue are i) Investment in cloud infrastructure for the subsidiary, MTPL (₹1,390cr)(ii) Marketing and branding expenses for the subsidiary (₹1,020cr), (iii) Funding acquisitions and general corporate purposes, (iv) Salaries for ML, AI, and tech teams (₹480cr).

Key Risks

- High cash on Delivery orders increase risk of operational inefficiencies and low order fulfilment.
- Any termination or disruption in the services provided by logistics partners, could result in delays in order fulfilment.

Peer Valuation

Company	CMP(₹)	MCap(₹ cr)	Sales (₹ cr)	EBITDA(%)	PAT (%)	EPS(₹)	RoE (%)	P/E(x)	EV/EBITDA	P/BV	Mcap/sales
Meesho Ltd.	111	50,096	9,390	-6.1	-42.0	-8.7	-214.5	-12.7	-86.7	34.7	5.3
Eternal Ltd	301	29,0331	20,243	3.2	2.6	0.5	2.1	640.9	256.1	9.0	14.3
Swiggy Ltd	3,998	2,60,189	59,199	7.6	4.6	41.5	13.5	96.4	59.2	12.1	4.4
Brainbees Solutions Ltd	4,245	1,50,919	17,125	16.1	9.0	38.9	32.5	109.2	73.5	27.6	8.8
FSN E-Commerce Ventures Ltd	379	94,397	15,227	-18.3	-20.5	-13.7	-34.6	-27.6	-	8.5	6.2

Source: Geojit Research, Bloomberg; Valuations of Meesho are based on upper end of the price band (post issue), Financials as per FY25 consolidated.

Issue Details	
Date of opening	December 3, 2025
Date of closing	December 5, 2025
Total No. of shares offered (cr.)	48.84
Post Issue No. of shares (cr)	451.3
Face Value	₹1
Bid Lot	135 Shares
Minimum application for retail (upper price band for 1 lot)	₹14,985
Maximum application for retail (upper price band for 13 lot)	₹ 1,94,805
Listing	BSE,NSE
Employee Discount	-
Lead Managers	Kotak Mahindra Capital Company Limited, J.P. Morgan India Private Limited, Morgan Stanley India Company Private Limited, Axis Capital Limited, Citigroup Global Markets India Private Limited
Registrar	KFin Technologies Limited

Issue size (upper price)	Rs.cr
Fresh Issue	4,250.0
OFS	1,171.2
Total Issue	5,421.2

Shareholding (%)	Pre-Issue	Post Issue
Promoter & Promo. Group.	19.08	15.13
Public & others	80.92	84.87
Total	100.00	100.00

Issue structure	Allocation (%)	Size Rs.cr
Retail	10	542.12
Non-Institutional	15	813.18
QIB	75	4,065.90
Emp. Reservation	-	-
Total	100	5,421.20

Y.E March (Rs cr) Consol.	FY24	FY25	H1FY26
Sales	7,615	9,390	5,578
Growth YoY(%)	33%	23%	29%
EBITDA	-494	-579	-693
Margin(%)	-6.5	-6.2	-12.4
PAT Adj.	-328	-3942	-701
Growth (%)	NM	NM	NM
EPS	-0.7	-8.7	-1.6
P/E (x)	-152.9	-12.7	-71.5
EV/EBITDA (x)	-101.5	-86.7	-72.4
P/BV (x)	22.5	34.7	58.9

*NM: Not meaningful



Business Description:

Meesho was initially incorporated as FashNear Technologies Pvt. Ltd. at Bengaluru, Karnataka, on August 13, 2015. The name of the company was changed to “Meesho Pvt. Ltd on May 13, 2025. Meesho is a multi-sided technology platform driving e-commerce in India by connecting 4 key stakeholders: consumers, sellers, logistics partners, and content creators.

The company’s value-focused ecommerce marketplace serves consumers from diverse income backgrounds across India by offering ‘Everyday Low Prices.’ This is made possible by providing a low-cost channel for sellers, which in turn allows them to offer a wide assortment of products at affordable prices to consumers. Sellers on Meesho include manufacturers, wholesalers, and traders. The company engages with logistics partners, encompassing first- and last-mile delivery businesses, sorting centres, and truck operators, to ensure cost-effective order fulfilment. Content creators on Meesho enhance product discovery and drive sales by sharing engaging content. The company’s platform is designed to deliver a personalised discovery-led shopping experience to consumers, making online shopping easy and engaging for consumers. The company monetizes its platform through services that are provided to sellers such as order fulfilment, advertising, and data insights.

Company’s Platform

The company’s modular technology architecture orchestrates interactions across its stakeholders, enabling reliability, scalability and efficiency on its platform. The interactions between the stakeholders on the company’s platform generate rich data inputs, which are continuously fed into the company’s AI/ML models.

The company monetises its platform through services provided to sellers on Meesho, such as order fulfilment, advertising, and data insights. Further, the company do not charge sellers any commission, and it does not charge any platform fee to consumers on Meesho. The company’s platform scale and ecosystem integration also enable it to launch and scale New Initiatives, such as (i) a low-cost local logistics network for daily essentials and (ii) a financial services platform where regulated partners offer financial services tailored to the stakeholders, further strengthening platform stickiness and addressable market. The company therefore operate in 2 business segments – Marketplace and New Initiatives.



Source: RHP, Geojit Research

1) Consumers

Consumers on Meesho come from various income backgrounds across India. In FY2025, 198.77 million Annual Transacting Users transacted on Meesho, of which 174.43 million were from outside the Top 8 cities in India. 54.22% of the consumers in FY2025 were women. In the last 12-month period ending September 30, 2025, and September 30, 2024, 234.20 million and 175.09 million Annual Transacting Users transacted on Meesho, of which 205.80 million and 153.45 million were from outside the Top 8 cities in India, respectively. 53.27% and 54.29% of the company’s consumers in the last 12-month period ended September 30, 2025, and September 30, 2024, were women, respectively.

2) Sellers

Sellers on Meesho include manufacturers, wholesalers and traders. During FYs 2023, 2024 and 2025, 449,966, 423,749 and 513,757, and for the last twelve-month period ending September 30, 2024, and September 30, 2025, 440,824 and 706,471, respectively. The average number of days for a new seller on Meesho to receive its first order after the product is listed on Meesho decreased from 32 days in FY 2023, 26 days in FY 2024, 16 days in FY 2025, to 15 days in the twelve-month period ended September 30, 2025.

3) Logistics Partners

The company’s logistics partners include first- and last-mile delivery businesses and individuals, sorting centres, truck operators, and end-to-end logistics partners. Meesho has the highest e-commerce shipment volume among e-commerce players in India, accounting for 29-31% of total e-commerce shipments (excluding hyperlocal shipments) in FY 2025. Orders placed on Meesho are fulfilled either through (i) the company’s proprietary and unique technology platform – “Valmo”, which orchestrates a multi-stage logistics network across multiple logistics partners, or (ii) end-to-end logistics partners. In FY 2025 and in the last 12-month period ending September 30, 2025, there were 11,583 and 18,098 Active Logistics Providers, 5 end to-end logistics partners, and 73,671 and 102,349 Valmo Delivery Agents, respectively, on the company’s platform.

4) Content Creators

Content creators are individuals who primarily create and post short-form videos and live streams on Meesho and other third party social media platforms to enhance the shopping experience for the company’s consumers. In FY 2025 and in the last 12 month period ending September 30, 2025, and September 30, 2024, the company enabled 27,836, 50,319 and 13,659 Active Content Creators who posted 448,183, 930,255, and 159,964 order-generating content on a cumulative basis

Key strengths:

- ◆ Platform is built on multiple scaled self-reinforcing flywheels
- ◆ Technology-first approach with focus on AI driven solutions
- ◆ Delivering 'everyday low prices' for consumers

Key strategies:

- ◆ Increase consumer base and transaction frequency by expanding product listing and seller base.
- ◆ Invest further in technology, product development and enhance AI capabilities.
- ◆ Deepen ability to make e-commerce affordable and accessible.
- ◆ Increase cash flow generation by enhancing platform monetization.

Industry Outlook

India's e-commerce market is currently sized at ~₹6 trillion in terms of gross merchandise value (GMV) and is projected to reach ₹15–18 trillion, penetrating 12–13% of India retail market by Fiscal 2030. Majority of new online shoppers are projected to come from tier 2+ cities, which are projected to account for 51–52% of India's e-commerce market by Fiscal 2030, up from ~44% in Fiscal 2025. This growth is supported by several factors - internet adoption, smartphone penetration, low data costs, digital payments, and logistics improvements. While the number of online shoppers increases, e-commerce penetration remains low.

Promoter and promoter group

Vidit Aatrey and Sanjeev Kumar are the Promoters of the Company.

Brief Biographies of directors

- **Vidit Aatrey** is the Promoter and the Chairman, Managing Director and Chief Executive Officer of the company. He has been a director of the Company since August 13, 2015. Previously, he was associated with ITC Ltd and InMobi Technology Services Pvt. Ltd.
- **Sanjeev Kumar** is the Company's Promoter and the Whole-time Director and Chief Technology Officer. He has been a director of the Company since August 13, 2015. Previously, he was associated with Sony Corporation.
- **Mohit Bhatnagar** is a Non-Executive Non-Independent Director (nominee of Peak XV Partners Investments V) on the Board of the Company. He has been a director of the erstwhile holding company, Meesho Inc., since May 23, 2018, and has been a director of the Company since June 16, 2025.
- **Mukul Arora** is a Non-Executive Non-Independent Director (nominee of Elevation Capital V Ltd) on the Board of the Company. He has been a director of the erstwhile holding company, Meesho Inc., since May 23, 2018, and has been a director of the Company since June 4, 2025.
- **Rohit Bhagat** is an Independent Director of the Company. He has been an independent director of the erstwhile holding company, Meesho Inc., since June 19, 2023, and has been a director of the Company since June 16, 2025. He serves on the board of PhonePe and previously served as the senior managing director and chairman of BlackRock Inc.'s Asia-Pacific business.
- **Hari Shanker Bhartia** is the Independent Director of the Company. He has been an independent director of the erstwhile holding company, Meesho Inc., since July 8, 2024, and has been a director of the Company since June 16, 2025. He is the cofounder and co-chairman of the Jubilant Bhartia Group, serving as the co-chairman of Jubilant Pharmova Ltd and Jubilant FoodWorks Ltd, and as the co-chairman and whole-time director of Jubilant Ingrevia Ltd.
- **Surojit Chatterjee** is an Independent Director of the Company. He has been an independent director of the erstwhile holding company, Meesho Inc., since March 31, 2024, and has been a director of the Company since June 16, 2025. He is the founder and CEO of EMA Unlimited Inc. Previously, he was associated with Coinbase Global Inc., Flipkart Internet Pvt. Ltd, Oracle Corporation and Symantec Corporation. He is also an independent director at Atos.net.
- **Kimsuka Narasimhan** is an Independent Director of the Company. She has been a director of the Company since June 22, 2025. Presently, she serves on the board of Bharti Airtel Ltd and was previously associated with PepsiCo India Holdings Pvt. Ltd and Kimberly-Clark Asia Pacific Headquarters Pte Ltd.
- **Dhresh Bansal** is the Chief Financial Officer. He has been associated with the Company since November 1, 2021. Previously, he was associated with Nuvo ChrysCapital Advisors Private Limited and J.P. Morgan India Pvt. Ltd.
- **Rahul Bhardwaj** is the Company Secretary and Compliance Officer. He has been associated with the Company since February 14, 2022. previously associated with The HI-Tech Gears Ltd, ANI Technologies Pvt. Ltd and Pisces eServices Pvt. Ltd.

CONSOLIDATED FINANCIALS

PROFIT & LOSS

Y.E March (Rs cr)	FY24	FY25	H1FY26
Sales	7,615	9,390	5,578
% change	32.8%	23.3%	29.4%
EBITDA	-494	-579	-693
% change	NM	NM	NM
Depreciation	58.1	34.0	17.3
EBIT	-552.3	-612.5	-710.7
Interest	6.4	6.9	2.7
Other Income	244.1	511.0	280.2
Exceptional items	-13.1	-1,346.4	-137.4
PBT	-327.6	-1,454.9	-570.6
% change	NM	NM	NM
Tax	0.0	2,486.8	130.1
Tax Rate (%)	0%	-171%	0%
Reported PAT	-327.6	-3,941.7	-700.7
Adj	0.0	0.0	0.0
Adj. PAT	-328	-3,942	-701
% change	NM	NM	NM
Post issue No. of shares (cr)	451.3	451.3	451.3
Adj EPS (Rs)	-0.7	-8.7	-1.6
% change	NM	NM	NM

CASH FLOW

Y.E March (Rs cr)	FY24	FY25	H1FY26
PBT Adj.	-327.6	-1,454.9	-570.6
Non-operating & non cash	88.9	453.7	-80.4
Changes in W.C	471.9	1,577.2	-51.2
C.F. Operating	220.2	539.4	-850.6
Capital expenditure	-34.7	-22.9	-13.8
Change in investment	-12,025.2	-17,584.8	-16,199.2
Sale of investment	11,840.0	14,668.0	17,104.3
Other invest.CF	54.3	304.4	77.2
C.F - investing	-165.6	-2,635.3	968.4
Issue of equity	0.0	2,296.6	0.5
Issue/repay debt	-5.6	-14.0	-7.5
Dividends paid	0.0	0.0	0.0
Other finance.CF	-5.8	-177.3	-2.4
C.F - Financing	-11.4	2,105.3	-9.4
Change. in cash	43.2	9.4	108.3
Opening Cash	96.5	140.4	147.1
Closing cash	140.4	147.1	255.5

*NM: Not meaningful

BALANCE SHEET

Y.E March (Rs cr)	FY24	FY25	H1FY26
Cash	140.8	378.4	500.3
Accounts Receivable	0.2	0.5	2.4
Inventories	0.0	0.0	0.0
Other Cur. Assets	2,282.7	1,425.1	2,425.6
Investments	743.6	4,983.4	3,197.8
Deff. Tax Assets	0.0	0.0	0.0
Net Fixed Assets	110.4	95.3	118.4
CWIP	0.0	0.0	0.0
Intangible Assets	1.6	0.4	0.2
Other Assets	881.7	343.0	395.7
Total Assets	4,161.0	7,226.1	6,640.4
Current Liabilities	1,004.4	4,408.1	4,093.6
Provisions	23.5	32.3	34.8
Debt Funds	72.3	58.3	73.4
Other Fin. Liabilities	831.2	1,281.8	1,588.2
Deferred Tax liability	0.0	0.0	0.0
Equity Capital	2,229.6	1,445.5	850.4
Reserves & Surplus	0.0	0.0	0.0
Shareholder's Fund	2,229.6	1,445.5	850.4
Total Liabilities	4,161.0	7,226.1	6,640.4
BVPS (Rs)	4.9	3.2	1.9

RATIOS

Y.E March	FY24	FY25	H1FY26
Profitab. & Return			
EBITDA margin (%)	-6.49	-6.16	-12.43
EBIT margin (%)	-7.3	-6.5	-12.7
Net profit mgn.(%)	-4.3	-42.0	-12.6
ROE (%)	-13.9	-214.5	-46.3
ROCE (%)	-13.4	-206.2	-43.9
W.C & Liquidity			
Receivables (days)	0.0	0.0	0.0
Inventory (days)	-	-	-
Payables (days)	41.9	41.6	22.6
Current ratio (x)	3.1	1.5	1.5
Quick ratio (x)	0.1	0.1	0.1
Turnover & Levg.			
Net asset T.O (x)	105.4	91.3	47.1
Total asset T.O (x)	1.9	1.6	0.8
Int. covge. ratio (x)	-86.7	-88.8	-263.9
Adj. debt/equity (x)	0.0	0.0	0.1
Valuation ratios			
EV/Sales (x)	6.6	5.3	9.0
EV/EBITDA (x)	-101.5	-86.7	-72.4
P/E (x)	-152.9	-12.7	-71.5
P/BV (x)	22.5	34.7	58.9



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