

IPO Report



Rating

Business
Financials
Valuation
Management



Ranking 1 to 5, denoting lowest to highest

Date: 05 December, 2025



FIN2RESEARCH
Investment Advisor Pvt. Ltd.



MEESHO LIMITED

IPO: Meesho Limited

| Sector: E-commerce

| Expected Listing Returns: Upto 25% to 30%

Stock Info	
Issue Size	Rs 5,421.20 Cr
Lot Size	135 Shares
Face Value (per sh.)	Rs 1
Min. Investment	Rs 14,985
Issue Price Band	Rs 105 to Rs 111
Listing At	NSE, BSE
QIB	75%
HNI	15%
Retail	10%
Sales Type	Fresh issue and Offer for sale
Fresh Issue	Rs 4,250.00 Cr
Offer For Sale	Rs 1,171.20 Cr
Issue Type	Bookbuilding IPO
BRLM	Kotak Mahindra Capital, J.P. Morgan India, Morgan Stanley India, Axis Capital, Citigroup Global Markets India
Registrar	KFin Technologies

IPO Timeline	
Opening Date	Wed, 03 December, 2025
Closing Date	Fri, 05 December, 2025
Allotment	Mon, 08 December, 2025
Initiation of Refund	Tue, 09 December, 2025
Credit of shares	Tue, 09 December, 2025
Listing Date	Wed, 10 December, 2025

Shareholding Pattern (Promoters)	
Promoters and Promoter Group	18.50%
Public	81.50%

Objective of Issue

- The offer proceeds will be used to boost MTPL's cloud and AI/ML development capabilities, strengthen marketing initiatives, and support tech talent, while also enabling inorganic growth and general corporate needs.

Meesho Limited is a technology-led, multi-sided e-commerce platform that has become India's largest by Placed Orders and Annual Transacting Users (LTM Sep-2025). Its value-focused model driven by everyday low prices, zero-commission selling, efficient fulfilment and AI/ML-based personalization delivers an affordable, broad-assortment and engaging shopping experience for consumers.

Key Highlights:

- Business Model & Offerings:** Meesho operates a pure-play marketplace (asset-light, no inventory of its own) that connects consumers, sellers and logistics partners via a mobile app and web platform. It targets price-sensitive consumers (especially in smaller cities) by offering "Everyday Low Prices" on a wide assortment of goods (including unbranded products, regional and national brands). Sellers face no listing or commission fees; Meesho makes money by charging for services like order fulfilment, advertising and data analytics. Meesho also partners with content creators who help drive sales on the platform. Technology (AI/ML-driven personalization, cataloguing, dynamic pricing, fraud checks, logistics optimization) is at the core of Meesho's operations.
- Brands & Initiatives:** The Meesho brand covers general merchandise. In 2024-25 Meesho launched Valmo a low-cost hyperlocal quick-commerce network for groceries and daily essentials as part of its "New Initiatives". It is also building financial services (through partners) to offer credit, savings or insurance products tailored to users. These initiatives are early-stage and loss-making, and Meesho expects to invest heavily in them.
- Markets & Stakeholders:** Meesho serves consumers across India, with particular focus on Tier-2+ cities. In FY2025 Meesho had 198.8 million annual transacting users (up from 136.4M in FY2023), of which 174.4M were outside India's Top-8 cities. 54% of its consumers are women. The platform hosts millions of active sellers (small manufacturers, retailers, etc.) and tens of thousands of third-party logistics partners. To build trust, Meesho emphasizes product authenticity (anti-counterfeit measures) and a user-friendly return policy (7-day returns with fast refunds).
- Financial Highlights:** Meesho has grown transaction scale rapidly but remains unprofitable. In FY2025 (year to Mar 31, 2025) Meesho reported ₹93,899.03 million in revenue (up ~23% from ₹76,151.48M in FY2024). However, it reported a consolidated net loss of ₹39,417.05 million in FY2025, versus ₹3,276.41 million in FY2024, largely due to one-time exceptional expenses. By the six months to Sep 30, 2025, revenue was ₹55,775.38M (vs. ₹43,112.87M year-earlier) and losses remained substantial. Key operating metrics also grew: FY2025 orders were 1.83 billion (from 1.02B in FY2023) and FY2025 user base 198.77M (from 136.40M in FY2023).

Peers	Revenue from op. FY25 (Rs cr)	Revenue growth (%)	EPS	RONW (%)	FY25 PS (x)
Meesho	9,389.9	23.3	(9.98)	(252.3)	4.88
Brainbees Solutions	7,659.6	18.2	(4.11)	(26.6)	2.19
FSN E-Commerce Ventures	7,949.8	24.4	0.23	5.2	9.67
Vishal Mega Mart	10,716.3	20.2	1.4	9.8	5.81
Trent Limited	17,134.6	38.4	43.51	27.9	9.11

Valuation & Investment Recommendation

Meesho's zero-commission, value-driven model continues to gain strong traction, especially across Tier 2 and Tier 3 markets, setting it apart from other tech-enabled consumer platforms. Its efficient operating structure supports healthy double-digit revenue growth, rising customer additions and consistent free cash flow generation. At 4.8x FY25 revenues, valuations remain at a discount to peers. We therefore recommend a **SUBSCRIBE** on Meesho.



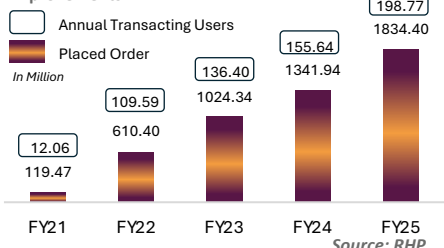
IPO: Meesho Limited

Expected Listing Returns: Upto 25% to 30%

Understanding the Engine Behind India's Next-Gen E-Commerce Growth

STRENGTHS

Meesho's platform connects millions of consumers, sellers, logistics partners and content creators in a multi-sided ecosystem. The resulting network generates massive data (user preferences, ratings, reviews, image/videos, etc.) that feed its AI/ML algorithms for personalization and platform improvements.



Over 56% of Meesho's workforce is in engineering (1,182 of 2,082 employees, including 163 AI/ML specialists). Its platform scales to handle hundreds of millions of users (managed 205M monthly active app users in late-2025). This technological edge allows efficient automation (cataloguing, risk management) and rapid feature development.



234.2 Million
LTM Annual Transacting Users

7,07,471
LTM Annual Transacting Sellers

205.39 Million
Monthly Active Users
(Average of last twelve months)

The platform has amassed strong trust signals e.g. 1.30 billion consumer ratings, 399 million reviews and 86 million user-generated images/videos by Sep 2025. Robust policies (e.g. 7-day returns) and fast refunds (median 1h14m on returns in 2025) enhance customer confidence. Meesho also actively combats counterfeit listings (taking down millions of infringing listings each year) to protect buyer trust.



1.30 billion
Consumer ratings

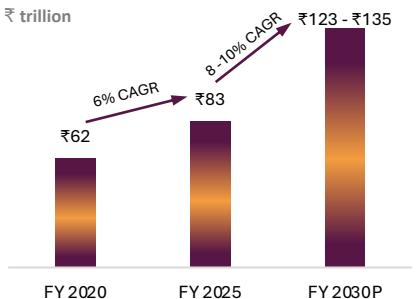
399 million
Reviews

86.39 million
consumer generated
images and videos

Source: RHP

India's retail market, valued at ~₹83 trillion in FY25, is expected to expand to ₹123-135 trillion by FY30 (8-10% CAGR), marking a clear acceleration from the muted growth of the past five years. This rebound, driven by post-pandemic recovery and improving macro fundamentals, creates a large and growing addressable market for consumer and e-commerce players.

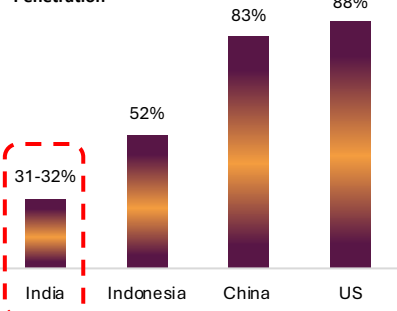
India Retail Market In ₹ trillion



Source: RHP

With only about one-third of internet users currently shopping online, India's e-commerce still has long runway. The market is expected to more than double by 2030 (to ₹15-18T). Rising smartphone/internet penetration and rural digital uptake will expand the customer base.

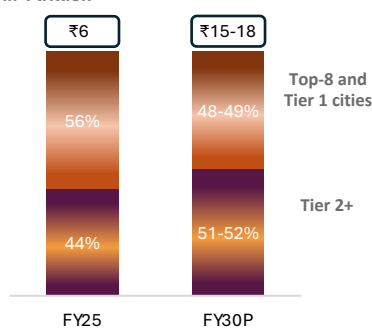
E-commerce Shoppers Penetration



Source: RHP

As infrastructure improves, smaller cities are contributing an increasing share of e-commerce spend. Tier-2+ markets are projected to make up 51-52% of e-commerce GMV by 2030. Meesho, with its focus beyond metro areas, can capture this growth.

India E-commerce Market – Split by City Tier In ₹ trillion



Source: RHP

OPPORTUNITIES

THREATS

Intense competition: The Indian e-commerce space is fiercely competitive. Meesho faces well-capitalized rivals (e.g. large horizontal marketplaces and niche platforms) with deep pockets and scale. Risk disclosures note that competitors have longer histories, stronger brands and substantial investment backing. They can subsidize discounts, run expensive promotions, and improve services aggressively. Failure to match such moves could hurt Meesho's market share and margins.

Macroeconomic and external factors: A slowdown in consumer spending or an economic downturn in India would dampen e-commerce growth. Currency volatility, interest rate hikes or inflation could also affect online retail demand. Moreover, cybersecurity threats are an industry-wide concern – any breach or data leak could damage trust in Meesho's platform.

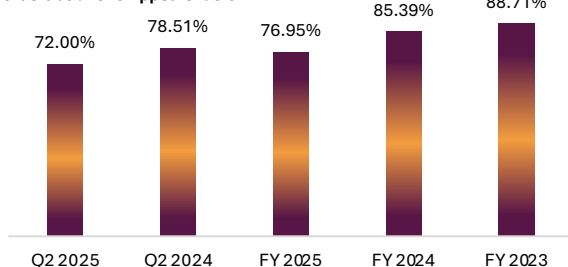
Operational and logistical challenges: As order volumes grow, logistics become critical. Risks from supply-chain disruptions, infrastructure constraints (e.g. transport bottlenecks), or labor shortages could delay deliveries and hurt customer satisfaction. Meesho's model relies on many third-party vendors; any systemic issue (like fuel price spikes or regulations on gig workers) could raise costs or slow service.

Regulatory uncertainty: Ongoing policy changes pose risks. For example, stricter FDI rules for marketplaces, evolving gig-worker and labor laws, and new privacy/data regulations could increase compliance costs. Enforcement ambiguity (e.g. how consumer protection rules or DPDP rules are applied) adds uncertainty. Adverse changes (or retroactive interpretations) in e-commerce-specific policy could impact Meesho's business model or cost structure.

WEAKNESSES

A large portion of orders (72-78% in H1 2025) are paid via CoD, reflecting its customer base. CoD adds operational risk (cash handling, collections, higher return rates) and ties up working capital. Meesho's reliance on fragmented last-mile partners (Valmo agents) further complicates timely cash remittance. High CoD share also signals lower digital payments adoption, which could limit margin and scale.

CoD orders as % of Shipped Orders



Source: RHP

Managing a vast, fragmented seller base and logistics network is challenging. Quality control (ensuring product authenticity, timely delivery) is a constant task. System outages or platform issues (noted as potential risks) could disrupt this complex operation and damage reputation.

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