

Lenskart Solutions Ltd.

IPO Note



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Unlocking Visionary Growth

Lenskart Solutions Limited, incorporated in 2008, is a leading technology-driven eyewear company in India. The company offers a diverse range of products, including prescription eyeglasses, sunglasses, and contact lenses, supplemented by accessories and services like home eye check-ups. The company operates on an omnichannel model, leveraging a strong online presence through its website and mobile app, alongside an extensive network of physical retail stores. As of June 2025, Lenskart operates nearly 2,806 stores globally, with approximately 2,137 in India.

Lenskart Solutions Limited reported significant growth, with revenue for FY25 reaching INR 6,652.5 cr., a substantial increase from the previous fiscal year. The company achieved a major financial turnaround, swinging from a net loss in FY24 to a Net Profit of INR 295.6 cr. in FY25. The company posted an EBITDA of INR 971.1 cr. in FY25, with an EBITDA margin of 14.7%, driven by strong sales growth and operational efficiencies.

The company's balance sheet has strengthened, with Net Worth standing at INR 6,206.2 cr. as of March 31, 2025, and a reduction in total borrowings. The upcoming IPO is a mix of a fresh issue of shares and an Offer for Sale (OFS). The fresh issue component is up to INR 2,150 cr., while the OFS is valued at up to INR 5,128 cr. The proceeds from the fresh issue will be utilized by Lenskart for business expansion, including opening new stores, investing in technology infrastructure, and funding marketing activities.

Industry	Retail
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Scrip Details

Listing	BSE & NSE
Open Date	Oct 31, 2025
Close Date	Nov 4, 2025
Price Band	INR 382 - 402
Face Value	INR 2
Market Lot	37 Shares
Minimum Lot	1

Issue Structure

Issue Size (INR cr)	INR 7,278
Issue Size (Shares)	18,10,45,160
QIB Share (%)	≥ 75%
Non-Inst Share (%)	≤ 15%
Retail Share (%)	≤ 10%
Pre-Issue sh. (in cr.)	168.1
Post Issue sh. (in cr.)	173.4
Post Issue Market Cap (in cr)	69,726.8

Shareholding (%)	Pre (%)	Post (%)
Promoter	19.85	17.52
Public	80.15	82.48
TOTAL	100	100

Key Consolidated Financial Data (INR Cr, unless specified):

	Revenue	EBITDA	Net Profit	EBITDA (%)	Net Profit (%)	Adj EPS (₹)	BVPS (₹)	RoE (%)	ROCE (%)	P/S (X)	EV/Sales (X)	EV/EBITDA (X)
FY23	3,788.0	263.8	(68.0)	7.0	(1.8)	(0.4)	32.1	(1.2)	(1.5)	18.4	18.2	261.2
FY24	5,427.7	673.9	(17.5)	12.4	(0.3)	(0.1)	33.2	(0.3)	(0.0)	12.8	12.6	101.6
FY25	6,652.5	976.1	295.6	14.7	4.4	1.7	35.8	4.8	2.2	10.5	10.3	69.9

Source: Ventura Research & Company update

Issue Structure and Offer Details:

Lenskart Solutions Ltd. IPO is a book build issue of INR 7,278 cr. The issue includes an offer for sale of 12,75,62,573 shares of INR 5,128 cr. and a fresh issue of 5,34,82,587 shares of INR 2,150 cr.

Issue Structure	
Investor Category	Allocation
QIB	Not less than 75.00% of the Offer
NII (HNI)	Not more than 15.00% of the Net issue
Retail	Not more than 10.00% of the Offer

Number of shares based on a higher price band of INR 402

Source: Company Reports

Objects of the Issue:

The Company proposes to utilise the Net Proceeds from the Issue towards the following objectives:

1. INR 272.6 cr. towards capital expenditure for setting up new Company-Owned, Company-Operated (CoCo) stores in India.
2. INR 591.4 cr. for lease, rent, and license-related payments for CoCo stores operated by the Company in India.
3. INR 213.4 cr. for investment in technology and cloud infrastructure to enhance digital capabilities.
4. INR 320.1 cr. towards brand marketing and business promotion to strengthen brand awareness.
5. The balance amount will be utilised for unidentified inorganic acquisitions and general corporate purposes.

Financial Summary

Fig in INR Cr (unless specified)	FY22	FY23	FY24	FY25	Fig in INR Cr (unless specified)	FY22	FY23	FY24	FY25
Income Statement					Per share data & Yields				
Revenue	1,502.7	3,788.0	5,427.7	6,652.5	Adjusted EPS (INR)	(0.6)	(0.4)	(0.1)	1.7
<i>YoY Growth (%)</i>	<i>66.0</i>	<i>152.1</i>	<i>43.3</i>	<i>22.6</i>	Adjusted Cash EPS (INR)	(0.1)	2.0	3.8	6.3
Raw Material Cost	599.8	1,300.6	1,679.2	2,007.9	Adjusted BVPS (INR)	17.0	32.1	33.2	35.8
<i>RM Cost to Sales (%)</i>	<i>39.9</i>	<i>34.3</i>	<i>30.9</i>	<i>30.2</i>	Adjusted CFO per share (INR)	(1.1)	0.5	2.8	7.1
Employee Cost	245.3	717.6	1,086.5	1,378.8	CFO Yield (%)	(0.3)	0.1	0.7	1.8
<i>Employee Cost to Sales (%)</i>	<i>16.3</i>	<i>18.9</i>	<i>20.0</i>	<i>20.7</i>	Adjusted FCF per share (INR)	(2.3)	(1.5)	0.2	5.3
Other Expenses	772.3	1,506.1	1,988.1	2,289.7	FCF Yield (%)	(0.6)	(0.4)	0.1	1.3
<i>Other Exp to Sales (%)</i>	<i>51.4</i>	<i>39.8</i>	<i>36.6</i>	<i>34.4</i>	Solvency Ratio (X)				
EBITDA	(114.6)	263.8	673.9	976.1	Total Debt to Equity	0.0	0.2	0.1	0.1
<i>Margin (%)</i>	<i>(7.6)</i>	<i>7.0</i>	<i>12.4</i>	<i>14.7</i>	Net Debt to Equity	(0.4)	(0.1)	(0.2)	(0.2)
<i>YoY Growth (%)</i>	<i>144.1</i>	<i>(330.2)</i>	<i>155.5</i>	<i>44.9</i>	Net Debt to EBITDA	9.5	(3.1)	(1.9)	(1.5)
Depreciation & Amortization	85.4	417.6	672.2	796.6	Return Ratios (%)				
EBIT	(200.0)	(153.8)	1.6	179.6	Return on Equity	(3.5)	(1.2)	(0.3)	4.8
<i>Margin (%)</i>	<i>(13.3)</i>	<i>(4.1)</i>	<i>0.0</i>	<i>2.7</i>	Return on Capital Employed	(6.7)	(1.5)	(0.0)	2.2
<i>YoY Growth (%)</i>	<i>132.2</i>	<i>(23.1)</i>	<i>(101.0)</i>	<i>11,040.2</i>	Return on Invested Capital	(10.8)	(3.3)	0.0	3.9
Other Income	115.6	139.9	182.2	356.8	Working Capital Ratios				
Fin charges	23.4	83.3	123.5	146.5	Payable Days (Nos)	43	56	35	41
Fin Charges Coverage (X)	(8.5)	(1.8)	0.0	1.2	Inventory Days (Nos)	56	59	46	59
Exceptional Item	0.0	0.0	0.0	0.0	Receivable Days (Nos)	21	27	23	7
PBT	(107.8)	(97.1)	60.3	389.8	Net Working Capital Days (Nos)	34	30	35	26
<i>Margin (%)</i>	<i>(7.2)</i>	<i>(2.6)</i>	<i>1.1</i>	<i>5.9</i>	Net Working Capital to Sales (%)	9.3	8.3	9.5	7.0
<i>YoY Growth (%)</i>	<i>(423.0)</i>	<i>(9.9)</i>	<i>(162.1)</i>	<i>546.7</i>	Valuation (X)				
Tax Expense	0.0	(37.4)	69.2	88.0	P/E	(681.5)	(1,025.6)	(3,993.3)	235.9
<i>Tax Rate (%)</i>	<i>0.0</i>	<i>38.5</i>	<i>114.8</i>	<i>22.6</i>	P/BV	23.7	12.5	12.1	11.2
PAT	(107.8)	(59.7)	(8.9)	301.8	EV/EBITDA	(598.9)	261.2	101.6	69.9
<i>Margin (%)</i>	<i>(7.2)</i>	<i>(1.6)</i>	<i>(0.2)</i>	<i>4.5</i>	EV/Sales	45.7	18.2	12.6	10.3
<i>YoY Growth (%)</i>	<i>(423.0)</i>	<i>(44.6)</i>	<i>(85.1)</i>	<i>(3,488.1)</i>	Cash Flow Statement				
Min Int/Sh of Assoc	5.5	(8.3)	(8.6)	(6.2)	PBT	(107.8)	(97.1)	60.3	389.8
Net Profit	(102.3)	(68.0)	(17.5)	295.6	Adjustments	(57.8)	330.2	694.6	882.9
<i>Margin (%)</i>	<i>(6.8)</i>	<i>(1.8)</i>	<i>(0.3)</i>	<i>4.4</i>	Change in Working Capital	(17.3)	(175.8)	(198.3)	45.9
<i>YoY Growth (%)</i>	<i>(453.7)</i>	<i>(33.6)</i>	<i>(74.3)</i>	<i>(1,792.9)</i>	Less: Tax Paid	0.0	37.4	(69.2)	(88.0)
Balance Sheet					Cash Flow from Operations	(183.0)	94.7	487.4	1,230.6
Share Capital	30.2	32.5	182.4	321.4	Net Capital Expenditure	(247.5)	(412.3)	(432.4)	(425.7)
Total Reserves	2,917.9	5,537.3	5,573.6	5,884.7	Change in Investments	(173.4)	(2,564.2)	591.1	159.8
Shareholders Fund	2,948.1	5,569.8	5,756.0	6,206.2	Cash Flow from Investing	(420.9)	(2,976.5)	158.7	(265.9)
Long Term Borrowings	0.0	573.8	268.1	211.5	Change in Borrowings	(29.8)	301.3	(822.7)	(548.0)
Deferred Tax Assets / Liabilities	0.0	97.0	106.6	70.0	Less: Finance Cost	(23.4)	(83.3)	(123.5)	(146.5)
Other Long Term Liabilities	379.0	1,571.3	1,780.0	1,941.3	Proceeds from Equity	657.4	2,558.6	224.4	159.8
Long Term Trade Payables	0.0	0.0	0.0	0.0	Buyback of Shares	0.0	0.0	0.0	0.0
Long Term Provisions	6.8	62.3	65.9	92.0	Dividend Paid	0.0	0.0	0.0	0.0
Total Liabilities	3,333.9	7,874.2	7,976.5	8,521.0	Cash flow from Financing	604.2	2,776.7	(721.8)	(534.8)
Net Block	256.6	4,388.4	4,534.6	6,232.4	Net Cash Flow	0.4	(105.0)	(75.7)	430.0
Capital Work in Progress	129.9	133.7	70.8	106.9	Forex Effect	0.1	0.0	(0.3)	(1.2)
Intangible assets under development	3.4	0.2	0.0	0.0	Opening Balance of Cash	6.0	6.5	291.8	220.0
Non Current Investments	25.4	36.6	41.6	50.0	Closing Balance of Cash	6.5	(98.6)	215.8	648.8
Long Term Loans & Advances	92.2	244.1	258.3	349.4					
Other Non Current Assets	847.7	66.9	177.6	21.9					
Net Current Assets	1,978.7	3,004.3	2,893.6	1,760.4					
Total Assets	3,333.9	7,874.2	7,976.5	8,521.0					

Source: Ventura Research

Rating Methodology

We rate stocks on the 2 years absolute return basis.

Rating	Criteria	Definition
BUY	$\geq 20\%$	Target price is equal to or more than 20% of CMP
HOLD	$\geq 0\%$ to $< 20\%$	Target price is more than CMP but less than 20% of CMP
SELL	$\leq 0\%$ (negative return)	Target price is less than CMP
NOT RATED	No recommendation	No target

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Corporate Office: I-Think Techno Campus, 8th Floor, 'B' Wing, Off Pokhran Road No 2, Eastern Express Highway, Thane (W) – 400608