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CM RATING **40 /100**

Lenskart Solutions

India's largest eyewear retailer

Strong brand and rapid expansion, yet appears expensive

Established in 2008, Lenskart Solutions is a technology-focused eyewear company designing, manufacturing, branding, and retailing prescription eyeglasses, sunglasses, contact lenses, and accessories. India serves as its primary market. The company recorded the highest volume of prescription eyeglasses sold in India during FY 2025.

The company commenced operations in India as an online business in 2010 and opened its first retail store in New Delhi in 2013. Since then, the company has scaled through both the online and offline channels and has established presence through retail stores, websites, mobile applications, and other channels. As of June 30, 2025, Lenskart's mobile applications had over 100 million cumulative downloads.

Leveraging its capabilities in India, the company commenced international operations in 2019 by expanding to Singapore by launching a website and one store. Since then, it has established international footprint in 14 countries, primarily across Southeast Asia, Japan, and the Middle East. The company also acquired Owndays, a Japan and Southeast Asia-based eyewear brand, in August 2022. This acquisition has enabled it to deliver affordable and quality prescription eyeglasses in these markets.

In Q1 FY2026, 38.87% of revenue came from exports, while the domestic market contributed 61.13%.

As of June 30, 2025, it operated a total of 2,806 stores globally, including 2,137 stores in India, of which 1,831 were owned and 306 were franchisee-owned, and 669 stores internationally.

The company continues to broaden and deepen the geographic presence of its stores. It opened 100 stores in Q1 FY2026 and 445 stores (including acquired stores) in FY2025. Additionally, of the 703 CoCo stores opened in FY2023 and FY2024 (active as of March 31, 2025), 80.8% achieved payback by March 31, 2025, with an average payback period of 10.3 months.

The company designs and sells a wide range of eyewear products under its own brands and sub brands that include premium collections through John Jacobs and Owndays, and economy and affordable premium collections through Lenskart Air, Vincent Chase, hustlr, and Hooper Kids.

As of March 31, 2025, the company offered over 79,000 SKUs across frame portfolio in India, with products across economy, affordable premium and premium categories.

In Q1 FY2026 and FY2025, the company sold 6.72 million and 22.91 million units of eyewear in India, respectively, and 1.13 million and 4.29 million units in international markets, respectively. The two-year purchase frequency among new customer accounts acquired in FY 2023 was 3.62 eyeglasses as compared with an India average of 1.8 eyeglasses.

In FY2025, 18.13% of sales were from transactions valued below Rs 2,000, 63.73% were between Rs 2,000 and Rs 10,000, and 18.14% were above Rs 10,000.

The number of individuals affected by refractive errors in India has increased from approximately 43% in FY2020 to approximately 53% in the FY2025 and is projected to reach62% by FY30. To address this growing problem, the company has deepened geographic penetration and omnichannel presence in India, enabled by 358 home try-on agents.

In India, adjusted same-store sales growth (SSSG) and same-pincode sales growth (SPSG) was 15.67% and 20.54%, respectively, in FY2025.

Marketing and promotional expenses accounted for 6.74% of revenue in both Q1 FY2026 and FY2025.

As of June 30, 2025, the Lenskart Gold membership program had 7.12 million members, including 0.35 million added in Q1 FY2026 and 0.95 million added in FY2025.

The company made a strategic choice to centralize and control the entire prescription eyeglasses supply chain, comprising lens manufacturing, lens edging, lens designing, frame designing, frame manufacturing and delivery. The company manufactured 69.87% of the prescription eyeglasses sold during FY2025 at its centralized manufacturing facilities in India.

The company owns and operates frame and lens design and prescription eyeglasses manufacturing facilities at two locations in India in Bhiwadi, Rajasthan, and Gurugram, Haryana, supplemented by regional facilities in Singapore and the United Arab Emirates.

Moreover, on December 8, 2024, the company entered a memorandum of understanding with the Government of Telangana to set up a greenfield manufacturing facility in Hyderabad, Telangana, for optical glasses with an investment of Rs 1,500 crore. This facility will be significantly larger than existing 10.69-acre Bhiwadi facility and is intended to support growing demand in India and internationally.

During Q1 FY2026 and FY2025, the company produced 1.31 million and 4.06 million lenses at its manufacturing facilities in India. It also manufactured 1.87 million and 6.44 million frames during the same periods, through its facilities in India and its joint venture in China, Baofeng Framekart Technology.

The company acquired Dealskart Online Services on 31 December 2024, Stellio Ventures, SL on 11 August 2025 and Quantduo Technologies in September 2025.

The company aims to increase penetration in existing markets, enter new markets and geographies, and expand customer access through new initiatives.

Offer and its objects

The IPO comprises fresh issue of equity shares worth up to Rs 2150 crore and an offer for sale of 12,75,62,573 equity shares, aggregating up to Rs 5128.02 crore, by existing shareholders Peyush Bansal, Neha Bansal, Amit Chaudhary, Sumeet Kapahi, among others.

The price band for the IPO is Rs 382 to Rs 402 per equity share of face value Rs 2 each.

The objectives of the fresh issue include Rs 272.62 crore for capital expenditure towards the setup of new CoCo stores in India, Rs 591.44 crore for expenditure related to lease and rent agreement payments for CoCo stores operated by the company in India, Rs 213.37 crore for investment in technology and cloud infrastructure, Rs 320 crore for brand marketing and business promotion expenses, and the remaining amount for inorganic acquisitions and general corporate purposes.

The promoters are Peyush Bansal, Neha Bansal, Amit Chaudhary and Sumeet Kapahi. The promoters and promoter group hold an aggregate of 33,45,19,726 equity shares, aggregating to 19.9% of the pre-offer issued and paid-up equity share capital. Their post IPO shareholding is expected to be around 17.72%.

The issue, through the book-building process, will open on 31 October 2025 and will close on 4 November 2025.

Strengths

Largest organized retailer of prescription eyeglasses in India and ranks among the two largest in Asia in terms of B2C eyeglasses sales volume during the FY2025.

Pro forma financials indicate robust revenue growth, accompanied by rising EBITDA margins from 8.43% in FY2023 to 17.94% in Q1 FY2026, highlighting its ability to scale efficiently.

Offers a wide range of eyewear across price points and age groups. Its presence in 14 countries enables sharing of designs across markets, supporting innovative product launches while maintaining a consistent global brand.

The recent GST cut on corrective eyewear and frames for spectacles from 12% to 5% gives the company a structural edge, allowing it to offer more competitive pricing to attract price sensitive customers or enhance margins. Prescription eyeglasses represented more than 80% of its revenue, on a restated basis, during each of the FY2025, 2024 and 2023.

Strong digital engagement supports an omnichannel experience, with 44.8% of revenue in India (pro forma FY25) coming from customers interacting via mobile apps, social media, or online channels before purchase.

Centralized supply chain and automated manufacturing in India have allowed it to deliver quality prescription eyeglasses at affordable costs and enable next day delivery at select locations.

Strong customer retention reflected in 98.2% repeat orders within two years from customers in India during FY2023.

Strategically positioned to benefit from the ongoing shift in India’s eyewear market from unorganized to organized players, driven by rising consumer preference for branded and quality eyewear, growing awareness of eye health, increasing disposable incomes, and wider adoption of omni-channel shopping.

Extensive experience of promoters and senior management personnel.

Weaknesses

Heavy reliance on China, including the joint venture Baofeng Framekart Technology, for some frame manufacturing and raw material imports. Any delay or disruption in supply from China could negatively affect operations. In Q1 FY2026, direct imports from China were 53.38% of total purchase.

Rapid expansion of physical stores, which are central to Lenskart’s omnichannel model, requires significant capital and operational resources. Moreover, any slowdown in store-level sales due to factors such as reduced consumer spending, increased competition and rising rentals could negatively affect profitability.

In Q1 FY2026, the capacity utilization was 55%. Failure to improve utilization could lead to higher per-unit costs and operational inefficiencies, negatively affecting profitability.

Derived 38.87% of the revenue from exports in Q1 FY2026 and 39.65% in FY25. This makes the company susceptible to risks from exchange rate fluctuations, tariffs, and geopolitical factors.

Planned expansion of manufacturing capacitythrough new facility may face execution delays, cost overruns, or underutilization, potentially impacting short-term profitability.

While Lenskart is now profitable but lost money in the last two years.Moreover, certain subsidiaries and group companies have also incurred losses in the past.

There have been certain instances of delays in payment of statutory dues by the Company. Any further delays in payment of statutory dues may attract financial penalties.

Certain modifications have appeared in statutory auditors’ reports over the past three years, which, if repeated in future reports, could negatively affect the business and its reputation.

There are outstanding legal proceedings, including criminal cases, involving the company, its directors and promoters. An adverse outcome in any of these proceedings could negatively affect the business.

Valuation

Proforma consolidated net sales increased 23% to Rs 6,803.05 crore in FY2025 as compared with FY2024 supported by new store additions. OPM improved 245 bps to 16.98%, leading to 44% increase in OP to Rs 1,155.39 crore. OI increased 94% to Rs 359.71 crore. Interest cost rose 12% to Rs 157.45 crore. Depreciation cost went up 14% to Rs 864.01 crore. PBT surged 455% to Rs 490.6 crore. Exceptional items were an expense of Rs 11.89 crore compared to an expense of Rs 12.01 crore. Tax expenses were Rs 97.52 crore as compared with Rs 69.49 crore. Minority interest was Rs 6.18 crore as compared with prior loss of Rs 5.17 crore. Net profit soared 3026% to Rs 375 crore.

Lenskart operates in a unique competitive zone, positioned between traditional optical retail and tech-enabled lifestyle commerce. The company competes with eyewear retailers such as Eyegear Optics India, Gangar Opticians, GKB Opticals, Lawrence & Mayo (India), Specsmakers Opticians, and Titan Company (Eyecare division). Only a few of these retailers have a pan-India presence, and none of the major organized players in the eyewear segment are listed, except Titan Company. However, Titan is a diversified consumer goods company with a dominant presence in jewellery and watches, while its eyewear division contributes a relatively small portion of total revenue and profit. As a result, Titan's overall business profile, scale, and financial metrics are not directly comparable to Lenskart's pure-play eyewear model. Accordingly, no directly comparable listed peer has been identified for Lenskart.

Based on proforma FY2025 financials, Lenskart's EPS (excluding extraordinary items and taxes) on post-issue equity of Rs 346.97 crore is Rs 2.2. At the upper price band of Rs 402, the P/E works out to 181, and the post-issue EV/TTM Sales is 10.56x. The company reported an OPM of 16.98% and ROE of 6.37% for FY2025.

While revenue growth has been strong, driven by rapid store expansion and mobile app adoption. The ROE remains moderate, and the high P/E and EV/sales multiples indicate that much of the expected growth is already priced in. Despite Lenskart's leadership in India's organized eyewear market and strong brand recognition, the IPO appears aggressively priced compared to typical retail and lifestyle companies.

Lenskart Solutions: Issue highlights	
For Fresh Issue Offer size (in no of shares)	
- On lower price band	5,62,82,722
- On upper price band	5,34,82,587
Offer size (in Rs crore)	2,150
For Offer for Sale Offer size (in Rs crore)	
- On lower price band	4872.89
- On upper price band	5128.02
Offer size (in no of shares)	12,75,62,573
Price band (Rs)	382-402
Minimum Bid Lot (in no. of shares)	37
Post issue capital (Rs crore)	
- On lower price band	347.53
- On upper price band	346.97
Post-issue promoter & Group shareholding (%)	17.71
Issue open date	31-10-2025
Issue closed date	04-11-2025
Listing	BSE, NSE
Rating	**40/100**

Lenskart Solutions: Proforma Consolidated Financials				
	2303 (12)	2403 (12)	2503 (12)	2506 (3)
Sales	3,799.28	5,530.30	6,803.05	2,032.25
OPM (%)	8.43%	14.53%	16.98%	17.94%
OP	320.28	803.32	1,155.39	364.54
Other inc.	143.32	185.42	359.71	51.89
PBIDT	463.60	988.74	1,515.09	416.43
Interest	104.27	140.83	157.45	41.77
PBDT	359.33	847.91	1,357.64	374.66
Dep.	501.18	759.37	864.01	238.33

PBT	(141.85)	88.54	493.63	136.33
Share of Profit/(Loss) from Associates/JV	(3.36)	(0.20)	(3.04)	0.68
PBT before EO	(145.21)	88.34	490.60	137.01
Exceptional items	(12.73)	(12.01)	(11.89)	(10.39)
PBT after EO	(157.94)	76.33	478.71	126.63
Taxation	(33.01)	69.49	97.52	45.74
PAT	(124.93)	6.83	381.19	80.89
Minority Interest	6.00	(5.17)	6.18	4.47
Net Profit	(130.93)	12.00	375.00	76.42
EPS (Rs)*	-	0.1	2.2	#
* EPS is annualized on post issue equity capital of Rs 346.97 crore of face value of Rs 2 each				
# EPS is not annualised due to seasonality of business				
EO: Extraordinary items. EPS is calculated after excluding EO and relevant tax				
Figures in Rs crore				
Source: Capitaline Corporate Database				

Lenskart Solutions: Restated Consolidated Financials					
	2303 (12)	2403 (12)	2503 (12)	2406 (3)	2506 (3)
Sales	3,788.03	5,427.70	6,652.52	1,520.43	1,894.46
OPM (%)	6.96%	12.41%	14.66%	12.10%	17.74%
OP	263.79	673.34	975.50	183.92	336.05
Other inc.	139.95	182.17	356.76	43.32	51.65
PBIDT	403.73	855.51	1,332.26	227.24	387.69
Interest	83.28	122.99	145.89	37.71	41.04
PBDT	320.46	732.52	1,186.37	189.53	346.65
Dep.	417.55	672.24	796.57	186.40	237.13
PBT	(97.10)	60.28	389.80	3.13	109.52
Share of Profit/(Loss) from Associates/JV	(4.08)	(1.25)	(4.44)	(0.50)	0.58
PBT before EO	(101.17)	59.03	385.36	2.63	110.11
Exceptional items	-	-	-	-	(10.39)
PBT after EO	(101.17)	59.03	385.36	2.63	99.72
Taxation	(37.42)	69.19	88.02	13.59	38.55
PAT	(63.75)	(10.15)	297.34	(10.96)	61.17
Minority Interest	4.23	7.31	1.75	(0.34)	1.09
Net Profit	(67.98)	(17.46)	295.59	(10.61)	60.08
EPS (Rs)*	-	-	1.7	#	#
* EPS is annualized on post issue equity capital of Rs 346.97 crore of face value of Rs 2 each					
# EPS is not annualised due to seasonality of business					
EO: Extraordinary items. EPS is calculated after excluding EO and relevant tax					
Figures in Rs crore					
Source: Capitaline Corporate Database					