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Meesho

Largest female-oriented digital marketplace in India

Play on India's billion consumers, driven by affordability, efficiency, and AI-powered commerce

Meesho is a multi-sided technology platform driving e-commerce in India by connecting four key stakeholders: consumers, sellers, logistics partners, and content creators. The company operates its e-commerce marketplace under the brand name 'Meesho', enabling consumers to access a wide range of affordable products while offering sellers a low-cost platform to grow their businesses.

Meesho operates in two business segments: Marketplace and new initiatives. Marketplace is a technology-driven platform facilitating transactions between consumers, sellers, logistics partners, and content creators. Revenue from this segment primarily includes income from services provided to sellers, such as order fulfilment, advertising, and seller insights. While new initiatives include a low-cost local logistics network for daily essentials and a digital financial services platform.

Consumers on Meesho come from various income backgrounds across India. These consumers are typically value focused, seeking a wide assortment of products at affordable prices. In the last 12 months ended September 30, 2025, 234.20 million annual transacting users transacted on Meesho, of which 205.80 million were from outside top 8 cities in India. 53.27% of the company's consumers in the last twelve months periods ended September 30, 2025, were women.

Sellers on Meesho include manufacturers, wholesalers and traders. In the last 12 months periods ended September 30, 2025, 706,471 annual transacting sellers transacted on Meesho. The net merchandise value (NMV) per annual transacting seller increased at a CAGR of 16.86% from Rs 427,429.78 in Fiscal 2023 to Rs 583,697.39 in Fiscal 2025. 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 Fiscal 2023 to 15 days in the twelve months period ended September 30, 2025.

Orders placed on Meesho are fulfilled either through (i) the company's proprietary and unique technology platform 'Valmo', which orchestrates a multistage logistics network across multiple logistics partners, or (ii) end-to-end logistics partners. In the last 12 months ended September 30, 2025, there were 18,098 active logistics providers, five end-to-end logistics partners, and 102,349 Valmo delivery agents on its platform.

Object of the offer

The IPO consists of a fresh issue of Rs 4250 crore and offer for sale of 10,55,13,839 equity shares. At the upper end price, the issue size stands at Rs 5,421.05 crore.

Meesho proposes to utilise Rs 1390 crore from the net fresh issue proceeds for cloud infrastructure at its subsidiary, Meesho Technologies Private Limited (MTPL), and Rs 480 crore to cover salaries for existing and new hires in the Machine Learning, AI, and technology teams involved in AI and tech development at MTPL. Additionally, Rs 1,020 crore is reserved for marketing and brand-building initiatives for MTPL. The balance will be utilized to fund inorganic growth via acquisitions, other strategic projects, and general corporate purposes.

Strengths

Meesho's value-driven model emphasizes affordability and accessibility, reflected in a declining average order value from Rs 336.71 in Fiscal 2023 to Rs 274.27 in Fiscal 2025, alongside a surge in placed orders to 183 crore.

The zero-commission model for sellers enables it to reduce the average cost charged to sellers and provide a wide assortment of products ranging from low-cost unbranded products, regional brands and national brands.

The artificial intelligence/machine learning (AI/ML)-powered platform drives hyper-personalized recommendations, automated cataloging, and logistics optimization. With 7,06,471 active sellers, 18,098 logistics partners, and 50,319 content creators generating Rs 1,208 crore in NMV through content commerce, Meesho demonstrates broad-scale integration. Supported by 2,082 employees, its modular, technology-first infrastructure enables low-cost, large-scale e-commerce penetration across India.

Meesho focuses on building trust across its platform. To build consumer trust, the company has instituted trust building features across the consumer journey. Its large operations generate powerful trust signals and include 1,298.22 million consumer ratings, 399.67 million consumer reviews, and 86.39 million consumer generated images and videos as of September 30, 2025. These signals enable consumers on Meesho to make an informed decision especially with respect to unbranded products and regional brand.

The company operates an asset-light business model. Meesho does not manufacture or sell private label products, own product inventory or logistics infrastructure making its platform more capital-efficient compared to organised retail models or other e-commerce models that may depend on physical stores, warehousing, owned inventory and/or captive logistics.

Weaknesses

The company is incurring losses since inception. Also, the company had negative cash flows in the recent past including six months ended September 2025 and Fiscal 2023. If the company is unable to generate adequate revenue growth and manage its expenses than the financial condition of the company will be affected.

If the company is unable to attract customers in a cost-effective manner it may adversely affect the company's financial condition.

Operations of the company will be affected if it fails to attract and retain sellers on its platform.

Service interruptions, failures, constraints or inadequate service quality of logistics partners could disrupt the business of the company.

Any disruption to the company's technology infrastructure or system availability could impair its ability to ensure consistent platform performance and deliver uninterrupted services. Further, if the company does not continue to develop its technology stack or introduce new tech enabled tools, or if the company is not able to keep pace with technological developments, the company may not remain competitive.

The company faces intense competition from e-commerce players, including Amazon, Flipkart and Ajio; quick commerce like Instamart and Blinkit and value retailers like Vishal Mega Mart, V-mart and Trent's Zudio.

Contingent liabilities as on September 30, 2025 stood at Rs 593.6 crore.

Failure to deal effectively with any misuse of the company's platform or illegal activity by its stakeholders, third party service providers or employees could harm the business and reputation of the company.

Valuation

Consolidated sales were up 29.4% to Rs 5577.242 crore in the six months ended September 2025. Meesho reported 234.2 million annual transacting users in the six months ended September 2025, up from 175.1 million in the same period a year earlier. The company also recorded 1,261.14 million placed orders, compared to 824.59 million in the same period last year. Net losses reduced to Rs 700.72 crore as against net loss of Rs 2,512.89 crore in the corresponding period of the previous year.

Consolidated sales were up by 23.3% to Rs 9389.90 crore in FY2025. Operating loss increased by 17.1% to Rs 578.51 crore. OI increased 109.3% to Rs 511.0 crore. Interest costs rose 8.2% to Rs 6.90 crore.

Depreciation declined 41.4% to Rs 34.03 crore. Loss before exceptional items declined by 65.5% to Rs 108.43 crore in FY2025 as against loss before exceptional items of Rs 314.53 crore in FY2024. Exceptional loss stood at Rs 1346.43 crore in FY2025 as against exceptional loss of Rs 13.11 crore in FY2024. Loss before tax increased by 344% to Rs 1454.86 crore in FY2025. Net loss widened to Rs 3941.71 crore as against net loss of Rs 327.64 crore in FY2024. Tax expense was Rs 2486.84 crore in FY2025 as against nil in FY2024.

P/E could not be calculated as the company is incurring losses. At the upper price band of Rs 111, the post-issue EV/TTM sales is 4.62x.

There are no similar listed peers in India.

Listed players in the consumer platform include Eternal which is an online food service platform which offers food delivery, dining-out services and loyalty programs and Swiggy which offers users an easy-to-use convenience platform, accessible through a unified app. In comparison Eternal trades at EV/TTM sales of 8.68x and Swiggy trades at 4.81x.

Meesho: Issue Highlights	
Fresh issue (in Rs crore)	4250
Offer for sale (in Rs crore)	1108-1171
Offer for sale (in number of shares)	
- in Upper price band	105513839
- in Lower price band	105513829
Price Band (Rs)	105-111
For Fresh Issue Offer size (in no of shares)	
- in Upper price band	382882883
- in Lower price band	404761905
Post issue capital (Rs crore)	
- in Upper price band	451.31
- in Lower price band	453.50
Post issue Promoter and Promoter Group shareholding	
-On higher price band (%)	16.8%
-On lower price band (%)	16.7%
Bid Size (in No. of shares)	135
Issue open date	03/12/2025
Issue close date	05/12/2025
Listing	BSE, NSE
Rating	40/100

Meesho : Consolidated Financial					
	2303 (12)	2403 (12)	2503 (12)	2409 (6)	2509 (6)
Sales	5734.52	7615.15	9389.90	4311.29	5577.54
OPM (%)	-31.45	-6.49	-6.16	-5.48	-12.43
OP	-1803.70	-494.15	-578.51	-236.09	-693.40
Other inc.	163.17	244.09	511.00	233.60	280.16
PBIDT	-1640.53	-250.05	-67.51	-2.49	-413.25
Interest	1.34	6.37	6.90	3.79	2.69
PBDT	-1641.87	-256.42	-74.40	-6.28	-415.94
Dep.	30.04	58.11	34.03	17.76	17.27
PBT	-1671.90	-314.53	-108.43	-24.04	-433.21

Share of profit/loss from JV	-	-	-	-	-
PBT Before EO	-1671.90	-314.53	-108.43	-24.04	-433.21
Exceptional items	-	-13.11	-1346.43	-51.35	-137.38
PBT After EO	-1671.90	-327.64	-1454.86	-75.38	-570.60
Total Tax	-	-	2486.84	2437.51	130.12
PAT	-1671.90	-327.641	-3941.71	-2512.89	-700.72
Minority Interest	-	-	-	-	-
Net Profit	-1671.90	-327.64	-3941.70	-2512.89	-700.72
EPS (Rs)*	-3.70	-0.70	-0.65	#	#
EPS is on post issue equity capital of Rs 451.31 crore of face value of Rs 1 each					
Figures in Rs crore					
Source:Meesho Issue Prospectus					