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**Vision Beyond Eyewear:
An Analytical Report on
Lenskart's IPO**

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Lenskart IPO: An Overview and Analytical Study



lenskart



Abstract

Industry and Market Position

Lenskart is a part of the expanding, mostly unorganized eyewear market in India, which is estimated to be worth USD 10.4 billion. Given that organized retail makes up less than 25% of the market, there are significant structural growth prospects due to the trend toward branded and tech-enabled players. With the help of:

- A robust omnichannel strategy that combines digital platforms with more than 2,700 stores in 14 countries
- Manufacturing and supply chain vertical integration
- Prescription eyewear, sunglasses, contact lenses, and high-end house brands are all part of this varied portfolio.

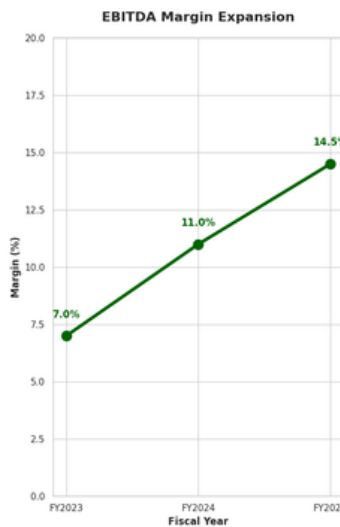
“

*A world where
eyewear helps
you. Do More,
Be More.*

”

Financial Performance

In the last few years, the company has shown strong growth in both its finances and its operations. Its income from ₹3,788 crore in FY2023 to ₹6,652 crore in FY2025, which shows that it was expanding quickly. EBITDA margins also went up from about 7% to almost 14–15% during the same time, which shows that the company was more efficient and made more money. The company made a net profit of about ₹297 crore in FY2025, which was a recovery from earlier losses. Also, financial stability has gotten better because operating cash flows are better and the company is being careful with how much debt it takes on. Overall, the company's finances are getting better, as shown by better performance indicators.



IPO and Valuation

The IPO, priced between ₹382–₹402 per share, valued the company at nearly ₹70,000 crore with an issue size of ₹7,278 crore. While strong institutional participation reflected confidence, valuation multiples exceeding 200 times earnings indicate premium pricing and limited short-term margin for error. Lenskart is a structurally sound, growth-oriented retail company that stands to gain from the formalization of the Indian eyewear market. A strong basis for long-term value creation is provided by its technology-driven operations, vertically integrated supply chain, growing global presence, and increasing profitability. However, execution and sustainability risks are introduced by the premium valuation, reliance on imports, large lease commitments, and competitive pressures. As a result, the company's capacity to sustain growth momentum, safeguard margins, and scale effectively without reducing profitability is crucial to the investment case.

Company Overview

Company Background

Lenskart Solutions Limited is an Indian multinational eyewear company based in Gurugram. It was first founded in 2008 as Valyoo Technologies and launched as an eyewear platform in 2010 by Peyush Bansal, Amit Chaudhary and Sumit Kapahi. The company has disrupted the traditional optical industry by adopting a Manufacturer to Consumer (M2C) model.

Core Philosophy was to transform the eyewear industry by making high quality, stylish, and durable glasses accessible and affordable to everyone. The company vision on website states:- ***“A world where eyewear helps you. Do More, Be More.”***

The company was founded on 19th May 2008 and was formerly known as Valyoo Technologies Pvt Ltd from 2008 to 2025. It is currently a public company with its headquarters located in Gurugram, Haryana. The company operates in the prescription eyewear and optician industry, focusing on providing accessible and affordable vision solutions. It was founded by Peyush Goyal, Amit Chaudhary, and Sumeet Kapahi. The company also has a manufacturing unit based in Bhiwadi, Rajasthan.

The Evolution Time

Phase I: Expansion of Products and Channels (2011 -2015)

In November 2010 the team launched Lenskart.com in India, selling contact lenses online. This marked the real start of the eyewear business.

After launching contact lenses, Lenskart added eyeglasses and sunglasses in early 2011, quickly growing its product range to include fashion and prescription of eyewear. In 2013, Lenskart opened its first offline retail store in New Delhi, beginning its “phygital” approach which means a mix of online convenience and in person service

- **Funding:** Lenskart raised approximately 4million(SeriesA) in2011, followedby10 million (Series B) in 2013, and a significant \$22 million (Series C) in 2015.
- **Scale:** By the end of 2015, they had grown from an online-only portal to a network of roughly 150 physical stores.
- **Revenue:** Market reports suggest their revenue reached roughly ₹100 crore (approx. \$15M USD at the time) by the 2015 financial year.

Phase II: Growth and Innovation (2015-2019)

In 2015 the company changed its name from Valyoo technologies to lenskart solutions. The company began developing its own brand including John Jacobs (Launched around 2017) as a fashion eyewear line Smart tech features were introduced to improve customer experience such as AI virtual try ons, home eye exams, and a strong mobile app/online store presence.

- **Massive Funding:** They secured several rounds, culminating in a landmark \$275 million investment from SoftBank Vision Fund in late 2019, which solidified their "Unicorn" status.
- **Retail Footprint:** Their physical presence exploded, growing from roughly 150 stores to over 500 stores across India.

- **Infrastructure:** To support this scale, they launched a massive, automated manufacturing facility in Bhiwadi, allowing them to process over 300,000 glasses per month.
- **Revenue:** Their revenue saw steep growth, crossing the ₹500 crore mark by the 2019 financial year.

Phase III: Funding and unicorn status (2016-2022)

Lenskart's rapid growth attracted global investors: Early investments from IDG Ventures and TPG Growth helped expand operations. In 2019, Lenskart became a unicorn after major investment by SoftBank Vision Fund, later funding rounds brought in major backers like Teamasek, KKR, PremjiInvest etc, pushing the company's valuation well into the multi billion dollar range by 2025

Phase IV: Omnichannel Model and Retail Growth (2020-2024)

Lenskart grew its retail footprint massively, blending online ease with physical stores for eye test and fittings. The Company also built a large manufacturing facilities, including a world class plant in Bhiwadi, Rajasthan to improve quality and control supply.

Phase VI: Public Listing and recent success (2025-2026)

In 2025, Lenskart prepared for a major IPO becoming one of India's first eyewear companies to go public and shifting from private to public limited company. By 2026, the company reputed strong financial results with rapid revenue growth and a big surge in profitability, showing its evolution into a mature business

Key acquisitions by the company includes:

1. Tango Eye in Oct, 2023
2. Owndays in June, 2022
3. Daily Joy in April, 2021

Product Portfolio

The product portfolio of Lenskart clearly shows the company's strategy they want to capture the broad market and not cater to only a specific section of people. Since its inception, it has tried to integrate fashion with luxury, comfort, quality and affordability. The company has a vertically integrated business model, which helps them to exercise control over product design, lens manufacturing, quality and even price. This enables Lenskart to cater to a wide spectrum of consumers across different age groups, income levels and usage.

The wide range of products include:

1. Prescription Eyewear

The core offering of Lenskart remains prescription glasses, the largest revenue contributor. These include the single vision glasses for basic vision correction, Bifocal and progressive lenses for people with multi-vision needs, Bluelight glasses specially designed for blocking the digital light and screen use and other glasses which includes anti-glare, UV protection and scratch resistant coatings.

This category also includes frames in various styles like rimless, half-rim and also a variety of shapes.

2. Sunglasses

Lenskart also offers a wide range of non-prescriptive sunglasses that targets both fashion and functional needs. They include polarised sunglasses for reduced glare, trendy and designs like aviators, cat eye, wayfarer etc. The premium branded sunglasses like Spanish brand Meller and other global names.

Overall the sunglasses segment enables Lenskart to diversify beyond corrective eyewear while strengthening its position in the lifestyle and fashion market.

3. Contact Lens

The company also offers a wide range of contact lenses to suit the preferences of people who seek greater convenience, comfort, and aesthetic appeal, especially young adults and working professionals.

Its product range includes daily wear, weekly or bi-weekly and monthly disposable lenses, as well as specialty lenses such as toric lenses for astigmatism and coloured lenses. The company sells both its own brand, Aqualens and third-party lenses.

This segment strengthens Lenskart's position as a comprehensive vision care provider while also focusing on building trust and encouraging repeat purchases.

4. Kids Eyewear

Lenskart offers eyewear specifically designed for children, including eyeglasses and sunglasses made from durable and comfortable materials. These products feature fun and age-appropriate frame designs that appeal to younger users.

This reflects Lenskart's intent to capture a larger share of the market by catering to different customer segments and strengthening its strategic positioning.

5. Smart and Specialised Eyewear

To tap into tech-aware segments, Lenskart has introduced smart glasses that has integrated audio or bluetooth features. This inclusion of technology driven eyewear allows the company to align its portfolio with evolving consumer lifestyles and increasing demand for functional and tech type eyewear solutions.

The wide, well-organised, and strategically diversified product line offered by Lenskart includes lifestyle focused eyewear, technological solutions, and necessary vision correction products. The company successfully meets the diverse needs of contemporary consumers across age groups and income segments by providing prescription eyewear, sunglasses, contact lenses, children's eyewear, accessories and smart eyewear under a single platform. By striking a balance between innovation, fashion and functionality, Lenskart can increase customer convenience and engagement while reducing reliance on a single product category. Additionally, the incorporation of customisation and technology into its offerings enhances product differentiation and promotes customer retention.

Category	Products	Purpose
Prescription Eyewear	Single vision, bifocal, progressive, blue light glasses	Vision correction, digital protection
Sunglasses	Polarised, aviators, cat-eye, wayfarer, premium brands	Fashion, glare reduction, lifestyle
Contact Lenses	Daily, weekly/bi-weekly, monthly, toric, coloured	Convenience, comfort, aesthetic appeal
Kids Eyewear	Eyeglasses, sunglasses	Durable, comfortable, child-friendly designs
Smart & Specialised Eyewear	Smart glasses with audio and Bluetooth	Tech-enabled, modern and connected usage

Competitor Benchmarking

Lenskart is present in a highly competitive eyewear market in India, with both traditional offline chains and contemporary players. The competition comes not only from the domestic market but also from the international markets. Some notable competitors of Lenskart are:

Titan Eye+:- Titan Eye+ is a division of Tata Group, and is one of the strongest competitors of Lenskart. Though both the companies target similar customers, the approach adopted by them differ significantly. Tata Eye+ enjoys more trust and premium quality among the consumers. This also backs the steady revenue growth and profitability for the company. Thus, Titan Eye+ has acquired a strong domestic position in the Indian market.

Specsmakers:- Specsmakers is an eyewear chain with a significant presence in South India. The brand positions itself as an affordable and accessible eyewear provider to the consumers. The company operates primarily through offline retail stores. However, less brand recognition in Tier - 2 and Tier - 3 cities pose a problem in its scalability.

GKB Optical:- GKB Optical is one of the oldest and most established eyewear chains in India. It has also been certified with ISO 9001, which proves its stringent quality standards. The brand has also gone global in terms of supplying lenses in more than 30 countries. International exposure and premium product positioning are drivers for the growth of GKB Optical. However, limited digital and retail presence hinders its growth.

Warby Parker:- Warby Parker is a US - based eyewear brand. It has not commercialised its operations in India. However, it is a threat to Lenskart in capturing the markets of the United States and Canada. The pricing strategy and services offered by both the companies are similar. However, the quality standards of Warby Parker serve as benchmarks for Lenskart in attaining international leadership.

EssilorLuxottica:- EssilorLuxottica is the world's largest eyewear company, consisting of a merger of Essilor and Luxottica. Many eyewear brands like Ray-Ban, Oakley, Persol, etc. are either owned or licensed by EssilorLuxottica. The company enjoys global dominance with a reputed brand portfolio. The company also enjoys benefits of economies of scale by operating at a large scale, thereby, also providing competitive advantage to the company.

Company	Revenue	Profitability	Number of Stores
Lenskart	6652.5 crores	297.3 crores	2,723 stores
Titan Eye Plus	796 crores	85 crores	900 + stores
Specsmakers	105 crores	Not Available	250-275 stores
GKB Opticals	206 crores	(6.11 crores)	90-95 stores
Warby Parker	Around \$872 millions	Around \$99 millions	Around 300 stores
EssilorLuxottica	\$26.5 billion	\$2.35 billion	18000 stores

Industry Cost Structure

Lenskart is a critical player in the eyewear industry. The eyewear industry has evolved from being a healthcare segment to a combination of fashion and technology as well. In India, the eyewear market is estimated at a size of Rs. 30000+ crores with a CAGR of 10-12% indicating its high future growth potential and highlighting expansion opportunities for companies. The cost structure for the eyewear market primarily comprises the raw material and manufacturing expenses, supply chain and transportation expenses, retail operation cost, marketing cost, and research and development expenses.

Raw Materials and Manufacturing Expenses :- The cost incurred in procuring the raw materials for operations and their conversion to the final output is the major cost in the eyewear industry. For some firms, it is directly the cost of frames, lenses, etc. sourced from other firms for resale purposes. Generally 25-30% of the revenue is spent under this head.

Supply Chain and Transportation Expenses :- The produced output as well as inventory need to be stored in warehouses and then distributed across various retail stores to deliver them to the final consumers. Further, home eye-test services provided by various companies acts as an incremental cost for companies in the eyewear market. Generally, 10-15% of the revenue is allocated for cracking distribution channels for the company.

Retail Operation Costs :- The retail operation costs cover all expenses related to running physical stores and delivering services to the customers. The

store rent and utilities associated with it in the form of electricity, and maintenance absorb a significant portion of revenue, primarily in the metro cities. The optometrists, sales associates, and managers is another large fixed expense in the eyewear retail market. Roughly 20-25% of the revenue is used for meeting the operations cost of the company in the eyewear market.

Marketing Expenses :- Marketing and Customer Acquisition Cost are typically high for newer brands and those looking for expansion in a competitive market like eyewear. New-age brands like Lenskart rely heavily on brand visibility through marketing channels like social media handles, and paid promotions. Companies also collaborate with influencers to promote their products. Further, discount coupons and promotional offers are readily advertised to enhance customer engagement and loyalty. Significant marketing expenses become necessary for the brands to thrive in the competitive eyewear market. Newer firms like Lenskart and Warby Parker spend around 12-15% of their revenue on marketing. However, the marketing cost is lower for established brands like Titan Eye Plus.

Administrative Expenses :- While running a business, firms face administrative expenses in the form of legal fees, board expenses, audit charges, etc. These costs generally amount 4-6% for a company.

Research and Development Expenses :- Research and Development is a relatively smaller cost component in the eyewear brand but occupies an important role. In the eyewear market, the costs are primarily associated with expenditure on innovating the product in terms of new types of lenses, advanced frame

quality, and integrating automation and technology in processes of frame fitting, lens cutting, etc. Generally, 3-6% is spent on Research and Development by firms.

After-Sales Cost :-In order to retain the customer base, effective after-sales services need to be provided to the customers. The costs incurred on returns, exchanges, and setting up of a grievance redressal system account for around 3-5%.

Cost Component	General Spendings (Percentage Of Revenue)
Raw Materials and Manufacturing Expenses	25-30%
Supply Chain and Transportation Expenses	10-15%
Retail Operations Cost	20-25%
Marketing Expenses	12-15%
Administrative Costs	4-6%
Research and Development Expenses	3-6%
After-Sales Cost	3-5%

Industry & Market Landscape

The eyewear industry is largely fragmented with a dominant unorganised segment consisting of local optical stores. However the market is currently seeing a shift towards the organised sector due to increasing awareness of eye health, screen exposure and eyewear being a form of fashion and lifestyle product.

Organised eyewear brands have been differentiating themselves through better quality, pricing, tech-enabled services. Lenskart has emerged as the largest technology driven eyewear retailer in India, leveraging a combination of online platforms and an extensive offline retail network.

TOTAL ADDRESSABLE MARKET (TAM)

The Total Addressable Market (TAM) represents the overall demand for eyewear products in India, assuming no competitive or operational limitations.

According to industry estimates, the Indian eyewear market is valued at approximately USD 10.4 billion, which is equivalent to ₹94000 crore. This includes prescription eyewear, sunglasses, contact lenses and accessories sold across both organised and few unorganised channels. This figure is for every player operating in India.

SERVICABLE AVAILABLE MARKET (SAM)

The Serviceable Available Market(SAM) refers to the portion of the TAM in which Lenskart can work in that is the organised segment.

Multiple industry and brokerage reports indicate that organised eyewear retail is less than 25 percent of the total available market and the remainder dominated by independent optical shops.

So based on this verified industry structure:

- Organised segment = 25% of USD 10.4 bn
- SAM = USD 2.6 billion or approximately ₹23,500 crore

This represents the segment of the segment of the market that is realistically serviceable by Lenskart in this industry.

SERVICABLE OBTAINABLE MARKET (SOM)

The Serviceable Obtainable Market(SOM) represents the realistic share of the SAM that Lenskart currently captures.

Lenskart holds approximately 5 percent share of the overall Indian eyewear market and the share in the prescription eyewear segment is reported to be around 4-6 percent.

The figures have been extracted from the Lenskart IPO disclosures.

Applying the verified figure of 5 percent market share to total Indian eyewear market:

- 5% of USD 10.4 billion
- So SOM comes to around USD 0.52 billion that is ₹4700 crore

This reflects Lenskart current and realistic obtainable market size for the Indian buyers.

With a valuation of around ₹94,000 crore, the Indian eyewear market is sizable and expanding but it is still largely unorganised. Even though Lenskart is the biggest organised eyewear retailer in India, its current market share is only around 5%, suggesting that there is a lot of unrealised potential. This disparity shows that the pace of the shift from unorganised to organised retail is more important to Lenskart's growth than market size. According to the TAM-SAM-SOM analysis, Lenskart is in a strong position to profit from consumers' growing desire for branded, technologically advanced eyewear options.

Demand Drivers, Growth Potential and CAGR

India has one of the lowest eyewear penetration rates globally. The Indian market, therefore, has huge potential to drive demand in the eyewear industry. Millions of people need glasses but don't own them, often due to lack of awareness. With increasing screen time, demand for corrective eyewear is also on surge. Urbanization and health consciousness among the consumers are driving this demand further.

Many brands like Specs-makers have a negligent online presence. However, Lenskart operates both through online as well as offline retail channels. This blend of digital convenience to tech-savvy customers and physical presence to people preferring in-person fittings provide an increased customer base to Lenskart. Lenskart operates more than 2700 stores. The company aims to expand its number of stores further.

Lenskart enjoys a strong brand reputation. Affordable prices, trendy designs, have transformed eyewear from a medical necessity to fashionable choice for people. In this scenario of evolving perspective of people towards eyewear, Lenskart has developed a strong loyalty driving its demand.

Lenskart is not only limited to the Indian market, but has also expanded in areas of Southeast Asia and the Middle East. The diversification across international borders reduce dependence on domestic demand, and fuel global exposure. This drives its demand to become a potential global eyewear leader. Lenskart operates across 14 countries and nearly 40% of the revenue of Lenskart comes from international operations.

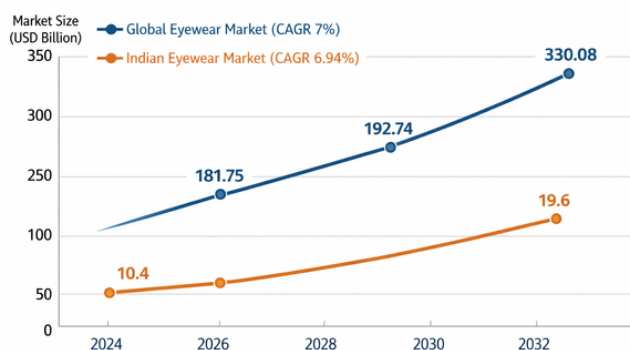
The use of Artificial Intelligence and Technology is growing in every field and business. Lenskart has been in the forefront in integrating technology with the eyewear market. Lenskart

has embraced technology by using AI-driven recommendations and 3D virtual try-ons to make eyewear shopping easier and personalized for the consumers.

It has also integrated its supply chain with technology, which reduces its costs and ensures fast delivery for online orders.

In the current scenario, eyewear is not just about vision correction, it has become an important part of the wearable industry. Fashionable frames are in high demand.

Therefore, the rising need for vision correction, distribution channels, brand visibility, innovation, technology-integration, fashion, all are driving the demand for eyewear, and provide opportunities for growth for Lenskart.



- CAGR (2026–2034, Global): 7%
- CAGR (2025–2033, India): 6.94%

IPO Overview

IPO Structure

The Lenskart IPO was designed to do two things: raise new money for the company and give early investors an opportunity to sell their shares for a profit.

- Type of IPO: It was a "book-built issue" meaning that the final price was determined on the basis of bids received from investors as opposed to being fixed beforehand.
- IPO had two parts: The IPO had Fresh Issue (new shares created by the company) and Offer for Sale or OFS (existing shares sold by old investors).
- Who sold Shares: Some early investors like SoftBank, Kedaara Capital and Temasek sold their shares to cash out their profits. The founder, Peyush Bansal also sold some shares but retained a large stake of around 17.5% in the company.
- Who Bought Shares: The shares were offered to three classes, big institutions (QIBs), rich individuals (NIIs) and ordinary retail investors (RIIs).

The IPO also helped increase Lenskart's public visibility, strengthen investor confidence and provide funds for expansion, technology development, new store openings and improving its omnichannel retail presence across India and international markets.

Issue Size

This was a very large IPO amounting to a total of ₹7,278.02 Crore.

- Total Shares: Total shares offered by the company to the general public were of around ₹18.10 crore.

- Money for Lenskart (Fresh Issue): The total amount of money raised for the company was ₹2,150.38 Crore. It plans to use this money to open new stores, pay for leases and upgrade its technology.
- Money for Investors (OFS): The greater proportion of money amounting to a sum of ₹5127.64 crores also went to the existing shareholders who sold their stocks. This was almost 70% of the total size of the IPO.

Price Band

The company decided to set a premium price for its shares given its high growth and profitability.

- Price Range: Investors could make bids between two prices (for shares) i.e., between Rs. 382 and Rs. 402 per share.
- Company Value: At the top price of ₹402, the total value of Lenskart (Market Capitalization) was approximately ₹69,726 crore (about \$8 billion).
- Valuation (P/E Ratio): The price was too high by some experts. It was priced at around 228 times of its yearly earnings (FY25), which is much higher than the average for the best Indian companies (Nifty 50 was around 22 times). However, investors agreed to this price based on the fact that Lenskart was expanding its revenue by more than 32% annually.

The strong brand image, increasing online customer base, aggressive expansion strategy and leadership in India's eyewear market further justified the premium valuation and attracted strong participation from domestic as well as foreign investors.

Prospectus Analysis

Prospectus Analysis

The offer structure of Lenskart Solutions Limited, as detailed in its Draft Red Herring Prospectus, is an initial public offering (IPO) consisting of both a Fresh Issue and an Offer for Sale (OFS).

Total Issue Size :- 7,278 crore

(This is the combined amount raised through IPO)

Components of the IPO: The IPO has two main parts

- **Fresh Issue :-** The company issued 53.5 million new equity shares. This portion will raise approximately ₹2,150 crore for the company.
- **Offer for Sale (OFS) :-** Existing shareholders (including promoters and early investors) sold 127.6 million shares. This is essentially a stake sale where current sell their shares to the public rather than company issuing new ones. The OFS raised around ₹5,128 crore.

Timeline and Listing

- Issue opened : October 31, 2025
- Issue closed : November 4, 2025
- Allotment expected : November 6, 2025
- Listing date : Around November 10, 2025, on NSE and BSE

Basis for Offer Price:

Qualitative Factors:- Lenskart's key business strengths contribute to the basis for the offer price, including:

- **Centralized Supply Chain and Manufacturing:** The company uses a vertically integrated model with automated manufacturing that enables consistent quality, lower raw material costs, and faster delivery.
- **Strong Brand Trust:** Lenskart was awarded "India's Most Trusted Eyewear Brand of 2025" and appeals to diverse customer segments, from economy to premium.
- **Technology-First Approach:** The company heavily utilizes customized AI tools and automation to enhance customer experience and operational efficiency across all channels.
- **High Growth and Profitability:** Lenskart demonstrated significant revenue growth and improved its EBITDA (excluding other income) margin from 6.86% in FY2023 to 14.60% in FY2025.

Quantitative Factors: The financial metrics evaluated include:

- **Earnings Per Share (EPS):** For the Financial Year ended March 31, 2025, the basic EPS was ₹1.95 and the diluted EPS was ₹1.76.
- **Return on Net Worth (RoNW):** The company reported a RoNW of 4.84% for FY2025, with a weighted average of 2.11% over the last three financial years.
- **Net Asset Value (NAV):** As of March 31, 2025, the NAV per Equity Share was ₹36.43.
- **Price-to-Earnings (P/E) Ratio:** The P/E ratio will be finalized once the price band is determined. Notably, there are no listed peer companies in India or globally that operate under a similar business model to serve as a direct benchmark.

- **Key Performance Indicators (KPIs):** Management tracks several operational metrics such as Annual Transacting Customer Accounts (7.18 million in FY2025) and Number of Eyewear Units Sold (15.54 million in FY2025)

Allocation and Reservation structure:

Category	Allocation Structure
Qualifies institutional buyers	Not less than 75% of the Net Offer
Non-Institutional Bidders (NIBs)	Not more than 15% of the Net Offer
Retail Individual Bidders (RIBs)	Not more than 10% of the Net Offer
Eligible Employees	Up to 5% of post-Offer paid-up capital

Special Tax Benefits

Based on the sources, Lenskart and its shareholders may eligible for several special tax benefits under Indian and international laws, provided specific conditions are met:

Benefits for the Company

- **Direct Tax:** The company can opt for a reduced corporate tax rate of 25.168% under Section 115BAA,. Other benefits include deductions for additional employee costs (Section 80JJAA), inter-corporate dividends (Section 80M), and the amortization of public issue expenses over five years (Section 35D).

- **Indirect Tax:** Lenskart may receive export incentives (ITC/IGST refunds) and customs duty deferral via the MOOWR 2019 scheme. Additionally, it is eligible for state subsidies under the Rajasthan Investment Promotion Scheme (RIPS) 2022 and benefits from Authorized Economic Operator (AEO) status for faster clearances.

Benefits for Shareholders

- **Capital Gains:** Long-term capital gains (LTCG) above ₹125,000 are taxed at 12.5%, while short-term capital gains (STCG) are taxed at 20%.
- **Non-Residents:** Investors residing outside India may avail of lower tax rates or exemptions through Double Taxation Avoidance Agreements (DTAA).

Subsidiary Specific Benefits:- Owndays Singapore is eligible for a significant 300% deduction for R&D and innovation activities under Singapore's Enterprise Innovation Scheme (EIS)

Dividend Policy

Key Factors Influencing Dividend Decisions

The Board considers several internal and external factors when deciding whether to recommend a dividend:

- **Capital requirements:** Funds needed for expansion, prospective projects, and business growth.
- **Operational needs:** Working capital requirements and potential acquisitions.
- **External environment:** Political, tax, or regulatory changes, as well as shifts in the economic or technological landscape

Circumstances for Non-Distribution

Shareholders may not expect a dividend distribution in the following cases:

- When eligibility criteria for a recommendation are not met, including due to regulatory restrictions.
- If the Board determines a need to conserve capital for contingencies or unforeseen future events.
- In the event of inadequate profits.

Dividend History and Future Outlook

- **Past Performance:** Lenskart has not paid any dividends during the preceding three fiscal years (FY2023, FY2024, and FY2025) or during the period from April 1, 2025, until the date of the DRHP.
- **No Guarantee:** There is no guarantee that dividends will be declared or paid in the future. The company may choose to retain all future earnings to fund operations and business expansion.
- **Investor Returns:** Consequently, the realization of a gain on investment will depend primarily on the appreciation of the Equity Shares' price, which is also not guaranteed

Legal Perspective

Corporate Governance and Regulatory Framework

The company's operations are governed by several key pieces of legislation and regulatory bodies:

- **Corporate Structure:** Originally incorporated in 2008 as 'Valyoo Technologies Private Limited', it underwent rebranding and eventually converted to a public limited company in June 2025.
- **Primary Regulation:** The company must comply with the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, and the Securities Contracts (Regulation) Rules, 1957

- **Sector-Specific Laws:** As an eyewear retailer and manufacturer, it is subject to the Medical Devices Rules, 2017 (for contact lenses), the Legal Metrology Act, 2009, and the Consumer Protection Act, 2019
- **Governance:** The Board of Directors includes eight members, comprising three Executive Directors, one Nominee Director, and four Independent Directors. The company has established statutory committees, including Audit, Nomination and Remuneration, and Risk Management Committees, to ensure legal and operational oversight.

Outstanding Litigation and Legal Challenges

The company and its leadership are currently involved in several legal proceedings that could impact operations:

- **Tax Litigation:** There are 20 pending tax litigations concerning the company with an aggregate amount of ₹1,021.81 million. This includes significant issues relating to the classification of zero-powered spectacles as far as GST is concerned, and the non-recognition of marketing costs as allowable expenses under income tax laws.
- **Criminal Litigation:** Several FIRs have been filed against the promoters and senior management of the company, mainly due to legal disputes on account of non-renewal of franchisees in Bengaluru and Mysuru. Some of these cases are currently stayed at the Karnataka High Court.

Regulatory Queries: The Directorate of Enforcement (ED) has launched regulatory queries into the delayed compliance to FEMA filings for imports/exports. Further, the ED has been unable to grant NOCs for overseas direct investments by the company

Intellectual Property and Licensing

Legal protection of the brand is central to the company's value:

- **Trademarks:** The company has 241 trademarks that are registered in India, and 88 trademarks registered in foreign countries like Japan, Singapore, and the United Arab Emirates.
- **Licenses:** The company requires different licenses for manufacturing operations such as licenses required by the Water and Air Acts and licenses under the Factories Act, 1948

Liability and Statutory Compliance

- **Contingent Liabilities:** Contingent liabilities amounting to ₹192.17 million were recorded by the company as of March 31, 2025, in respect of income tax litigation and ₹136.97 million in respect of GST and Customs related issues.
- **Foreign Investments:** Being a business organization engaged in the SBRT sector, the company is bound by the stipulated conditions of FDI policy and FEMA (Non Debt Instruments) Rules, permitting 100% foreign investment via the automatic route
- **Auditor Concerns:** Legal non-conformity issues raised by statutory auditors in previous years were related to the requirement that the server be situated in India on a daily basis and the need for the existence of an edit log in all transactions made through the primary accounting system software.

Objects of the Issue

The Offer includes a Fresh Issue of Equity Shares of an amount of up to ₹21,500.00 million and an Offer for Sale (OFS) of up to 132,288,941 Equity Shares by Selling Shareholders, The Offer of Sale proceeds will not accrue to the company; on the Selling Shareholders.

Utilization of Net Proceeds (Fresh Issue): The Net Proceeds of Fresh Issue will be proposed to be used as follows:

1. New Stores in India (Capital Expenditure ₹2,726.22 million)

- The company will utilize this amount of the proceeds to finance the establishment of new Company-owned and Company-operated (CoCo) stores in India.
- This investment will help the company achieve its strategy of increasing its presence in Tier 1, Tier 2+ and Metropolitan cities.

2. CoCo Stores lease/rent payments (₹5,914.40 million)

- The company has a considerable share of its funds that goes into the expenditure on lease, rent, or license payments on the CoCo stores in India.
- This will include projected rent on a total of about 1,118 stores in Financial Years 2026 to 2029.

3. Technology and Cloud Infrastructure (₹2,133.75 million) Investment

- Finances will be used to boost technology and cloud systems.
- This involves investments in technology and automation and AI solutions to enhance customer value proposition and operational efficiency.

4. Brand Marketing and Business Promotion (₹3200.63 million)

- The company will use this money to cover the brand marketing and business promotion costs to create brand awareness.
- This is to position the brand as a customer-focused and innovative brand, gain a larger market share in India and the overseas markets and boost customer loyalty.

5. Acquisitions and General Corporate Purposes (Balance Amount) inorganic

- The balance will be utilized in unidentified inorganic acquisitions and general corporate purposes.
- The total amount used on these two heads must not exceed 35% of the Gross Proceeds with a head limit of 25% each.
- The firm can also engage in acquisitions of businesses, properties, or technologies that complement the products that it already sells or access new markets.

Pre-IPO Placement: The Company initiated and completed the pre-IPO placement amounting to up to ₹4,300 million before the public issue. Based on this, the proposed Fresh Issue size will be of lesser size than that which has been raised by this placement.

Red Flags in DHRP

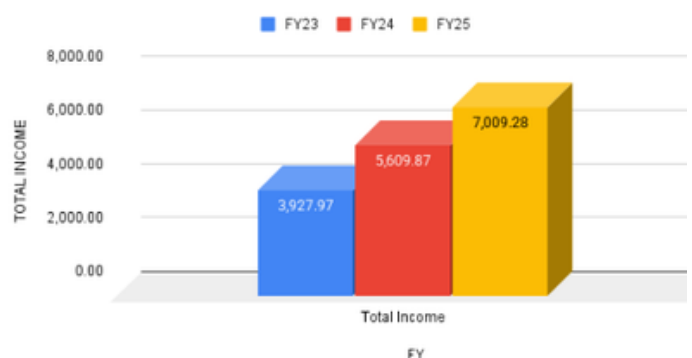
A. Operational and Supply Chain Risk

- **Raw Material Concentration and Pricing:** The price of raw materials is already a large part of the company expenditure since it is 16,229.74 million (24.52% of total expenditure) during the 2025 Financial Year. The threats of the company are associated with the variability of prices and the possible delays or cut-offs in supply.

- **Geopolitical and Import Risks (China Dependence):** Lenskart obtains raw material and frames in the People's Republic of China even via its Joint Venture, Baofeng Framekart Technology Limited. The supply chain could be disrupted by any regulatory changes, tariffs, trade restrictions, and increased protectionist measures, which would have a negative impact on business.
- **Manufacturing Concentration Risk:** The company has a hub and spoke business model, which relies on two manufacturing plants within the Gurugram industrial cluster (Bhiwadi and Gurugram). Any failure or interruption on this particular geographic cluster would put the whole operation at a standstill and cause enormous backorders of completed eyewear since lenses cannot be supplied to the shipped eyewear until these central centers are done.
- **Inventory Management:** Due to the impossibility to correctly predict demand and control inventory, one might experience stock-outs or excesses, which preconditions the risk of obsolescence.

B. Financial and Subsidiary Performance

- **Loss History:** The company reported a restated profit in FY25 but made losses in FY24 (101.54 million) and FY23 (637.57 million).



- **Loss-making Group Companies:** Some of the subsidiaries have been making losses in the past such as Lenskart Solutions Pte. Ltd., Owndays Co., Ltd and Lenskart Optical Trading LLC. Existence of sustained losses in subsidiaries can demand the financial assistance of the company that affects consolidated outcomes.
- **Lease Liabilities:** The company is experiencing significant lease liabilities: the amount of lease liabilities in the company is 22,268.34 mn as of 31 March 2025. All the retail stores and the corporate offices are also on lease and this exposes the company to dangers in terms of lease renewals, rent hikes and eventual conflicts.

C. Regulatory and Governance Risks

- **Enforcement directorate (ED) Inquiry:** Orders have been issued by the directorate of enforcement, Gurugram under the foreign exchange management act of 1999 (FEMA) to the company to provide information and documents. Although documents are provided, it is not guaranteed that none of the future regulatory actions will be taken.
- **Auditor Modifications:** Statutory auditors composed of modifications in their reports of FY23, FY24, FY25 on the maintenance of books of account. In particular, the company lacks physically situated servers in India where they can carry out the daily backup of books of account of specific software as per the law.
- **Latency in paying statutory dues:** There have been instances of the latency in payment of statutory dues. Although payments were later made, penalties might not be eliminated in future in case of such delays.

- **Missing Promoter Documentation:** The degree certificate and marksheets of one of the Promoters Sumeet Kapahi (Global Head of Sourcing) are untraceable.

D. Growth and Expansion Risks

- **Integration of Acquisitions:** The company has recently acquired Dealskart Online Services Private Limited in the month of December 2024. The Unaudited Proforma Financial Information that has been provided to show this acquisition is not necessarily reflective of the real future performance, Moreover, failure to acquire businesses such as Owndays or Dealskart might have a negative implication on operations.
- **Greenfield Facility Risks:** The company has entered into a MOU with the Government of Telangana to have a new facility. Lack of land acquisition, regulatory or building delays may affect future capacity.

Management Commentary and Strategic Vision

- **IPO Size:** ₹7,278 crore (₹2,150 crore fresh issue + ₹5,128 crore offer for sale)
- **Price Band:** ₹382–₹402 per share.
- **Valuation:** At the upper band, implied market capitalization is ₹1.2 lakh crore.
- **Debt Reduction:** ₹500–700 crores are earmarked for deleveraging the balance sheet.
- **Technology Investment:** ₹1,000 crore are allocated to AI-driven personalization, supply chain automation, and 3D virtual try-on scaling.

In the IPO prospectus, Lenskart aims to redefine and transform the eyewear industry through a combination of technology,

accessibility, and lifestyle building. The company does not perceive the eyewear market as a market restricted to corrective vision, but believes the eyewear market is changing people's lifestyles and the way they perceive fashion. In simple words, the company aims to work on the belief that wearing glasses may be a necessity for some, but a choice of many.

The company perceives themselves not merely as a retailer of glasses but as a technology-integrated company consistently innovating to transform how people perceive and purchase glasses. They want glasses to be seen as both a necessity for vision correction as well as a fashion statement.

The company does not want to get restricted to a particular distribution channel. Lenskart knows that their customers are diverse, some people are comfortable shopping online with virtual try-ons, while others want to do offline tests of the frame quality and design. Therefore, it functions through a network of strong digital presence as well as a network of numerous offline stores. This omnichannel approach widens its customer base as well. The company has more than 2700 stores across 14 countries, and plans to open more stores. The company aims to strengthen its penetration in Tier II and Tier III cities, while also tapping and diversifying in international markets. Lenskart has placed high emphasis on technology from the start.

Current Stores: 2,700+ across 14 countries.
Domestic Expansion: Targeting Tier II & III cities, aiming for 1,000 new stores in India by 2028.

International Expansion: Southeast Asia & Middle East focus, projected CAGR of 25–30% in international revenue.

Revenue Mix: 40% international, 60% domestic.

The company views features like 3D virtual try-ons as a means of improving customer satisfaction. The company further perceives technology-enabled operations as a means of lowering costs and improving efficiency. The company works on the idea that technology integration is the way that would make personalization possible and scaling the operations without using too much money.

Virtual Try-On Adoption: Over 20 million users annually engage with AR/3D try-ons.

Cost Efficiency: Tech-enabled supply chain reduces per-unit distribution cost by 12–15%.

Personalization: AI-driven recommendations increase conversion rates by 18%.

Lenskart also outlines multiple brands within it like John Jacobs, Vincent Chase to cater to a larger market. Brands like John Jacobs appeal more to aspirational buyers. On the other hand, brands like Vincent Chase, Hustle cater to the wider market. This also showcases that the management understands the diversity of the customer base and wants to ensure that each type of customer is satisfied.

Around 40% of the revenue of Lenskart comes from international operations, the company aims to strengthen its international presence as well. Though India is the primary market for Lenskart, the international expansion is considered essential for future growth. The company talks about scaling rapidly in Southeast Asia and the Middle East.

Financial Performance Analysis

Revenue Trend and Profitability Analysis

Lenskart has evolved from a high-growth startup into a dominant, profitable omnichannel leader, marked by an aggressive revenue surge and a successful turnaround from historical losses to consolidated profitability in FY2025.

Revenue Trend Analysis:

The company's revenue trajectory demonstrates rapid expansion, particularly over the last five fiscal years:

- **Exponential Growth:** Operating revenue grew from approximately ₹967 crore in FY2020 to ₹5,427.7 crore in FY2024.
- **Breakout Year (FY2023):** This period was a pivotal point where consolidated operating revenue more than doubled, jumping 150% year-on-year to reach ₹3,788 crore.
- **Continued Momentum (FY2025):** Revenue continued to climb, reaching ₹6,652.5 crore, representing a 22.5% increase from the previous year.
- **Geographic Diversification:** While India remains the core market contributing 58% of revenue in FY2024 the international segment has become a significant driver. International revenue, primarily from Japan, Singapore, Taiwan, and Thailand, reached approximately ₹2,638 crore in FY2025 (roughly 40% of total revenue

Analysis on FY (2023) - (2025)

The company has demonstrated consistent and aggressive expansion across its domestic and international markets:

- **Aggressive Growth:** Consolidated revenue from operations grew at a CAGR of 32.52% over the last three years, increasing from ₹37,880.28 million in FY2023 to ₹66,525.17 million in FY2025.
- **Year-on-Year Momentum:** Revenue jumped 43.29% in FY2024 followed by a 22.57% increase in FY2025.
- **Geographic Breakdown:** As of FY2025, India remains the primary revenue driver, contributing 60.35% (₹40,148.52 million) of external customer revenue, while international operations (including Japan, Singapore, and Thailand) account for 39.65% (₹26,376.65 million).
- **Volume Metrics:** This growth is supported by a rise in Annual Transacting Customer Accounts, which reached 12.41 million in FY2025, and a total of 27.20 million eyewear units sold globally in the same year

Profitability Analysis

Lenskart achieved a major financial milestone in FY2025 by shifting "into the black" after years of heavy investment-driven losses:

- **Net Profit Turnaround:** After recording restated net losses of ₹637.57 million in FY2023 and narrowing that to ₹101.54 million in FY2024, Lenskart delivered a consolidated net profit of ₹2,973.40 million in FY2025.

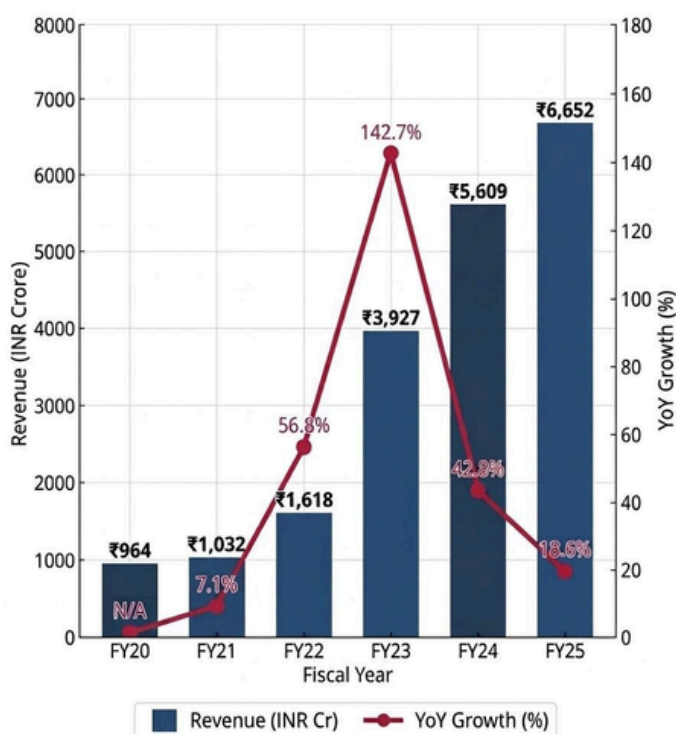
- **EBITDA Margin Expansion:** The company significantly improved its EBITDA (excluding other income) margin from 6.86% in FY2023 to 14.60% in FY2025.
- **Operating Efficiency:** The turnaround was driven by revenue growth (22.57%) outpacing total expense growth (19.28%) in FY2025. On a per-unit basis, Lenskart spent approximately ₹0.99 to earn every ₹1 of revenue during this period.
- **Product Margins:** Consolidated product margins improved from 63.88% in FY2023 to 67.92% in FY2025, largely due to efficiencies gained from a vertically integrated supply chain and increased in-house manufacturing of frames and lenses.
- **Return on Capital:** The company's Return on Capital Employed (ROCE) saw a dramatic rise from (0.48)% in FY2023 to 13.84% in FY2025

Key Growth Drivers

The sources identify several strategic pillars that have enabled this scaling:

- **Omnichannel Reach:** Combining a massive network of 2,723 stores globally (~2,067 in India) with high digital engagement, where 44.82% of FY2025 India revenue came from customers who engaged digitally prior to purchase.
- **Vertical Integration:** Owning the supply chain allows Lenskart to achieve material costs that are 35-40% lower than the industry average in India.
- **Strategic Acquisitions:** The 2022 acquisition of Owndays significantly expanded Lenskart's footprint in Japan and Southeast Asia.
- **Multi-Brand Strategy:** Utilizing a portfolio of 24 brands and sub-brands (such as John Jacobs and Vincent Chase) to target diverse price segments and customer needs.

Lenskart Revenue Growth Analysis



Conclusion

Lenskart has established a strong market position through its wide customer reach, scale-driven operations, and technology-led model. Despite operating in a competitive eyewear industry, the company has demonstrated consistent revenue growth, improving margins, and a clear path toward sustainable profitability.

With FY2025 net profit reaching ₹297 crore and international operations contributing nearly 40% of revenue, Lenskart has evolved from a high-growth startup into a mature and scalable retail player. Its ability to expand efficiently while strengthening financial performance highlights its long-term growth potential in both Indian and global markets.

Balance Sheet Position

1. Financial Position Overview

By FY25, the company's total assets stood at ₹104,710.19 million, registering a CAGR of 4.83% during FY23–FY25. Net worth reached ₹61,082.99 million, while total direct borrowings remained low at ₹3,459.39 million. Total liabilities amounted to ₹42,648.49 million, primarily driven by lease obligations rather than conventional debt. Overall, the balance sheet reflects a stable financial position with moderate leverage, supported by strong equity capitalization and consistent debt reduction over the past three years.

2. Asset Structure Analysis

- The company's asset base comprised 34.66% current assets (₹36,300.34 million) and 65.34% non-current assets (₹68,409.85 million) in FY25. Fixed assets and Right-of-Use (ROU) assets accounted for 32.94% of total assets, driven by expansion of the omnichannel store network and manufacturing facilities. Intangible assets and goodwill represented 26.56% of total assets (₹27,822.98 million), reflecting the company's acquisition-led growth strategy, including the acquisitions of Owndays and Dealskart.
- Trend Analysis Fixed assets (PPE) has grown by 41.8% on a year-on-year basis in FY25 (to 13,404.67 million) as a result of investments in machinery and infrastructure of retail stores. Right-of-Use assets recorded the largest growth of 158.9 percent to 21,085.01 million in the year 25 FY, which indicates the aggressive scale-up of the leased retail property after the acquisition of Dealskart.

3. Liquidity Position and Working Cash

The company reported a healthy current ratio of 1.94x in FY25 (Current Assets: ₹36,300.34 million; Current Liabilities: ₹18,685.46 million), indicating a comfortable short-term solvency position. Working capital management remained efficient over the past three years, with Net Working Capital Days standing at 25.64 days, reflecting a strong cash conversion cycle. While inventory increased to ₹10,814.39 million to support an expanding store network, trade receivables declined significantly to ₹1,258.89 million in FY25, highlighting improved receivables management and operational efficiency.

4. Debt & Liability Structure

The total direct borrowings amount to 3459.39 million, of which, 61.14 (2 115.30 million) of long-term debt and the rest short-term borrowings. Its debt to equity ratio of 0.06x reflects very conservative traditional leverage. Debts have also declined significantly by 62.2% in the last two years (reduced by ₹9,172.08 million in FY23) since the company has been repaying debt with vigor using operating cash flows. The interest coverage ratio of the company stands at an extremely large level of 7.85x, compared to 5.11x in the FY23 and therefore it is extremely resistant to shocks in the interest rate. The company however has a lot of off-balance-sheet-style operational leverage in the form of Lease Liabilities ₹22,268.34 mn.

5. Net Worth & Capital Structure

The growth of Net worth has been increased significantly in the period between 15444.79 million in FY23 to 61,082.99 million in FY25 with a growing base of Other Equity (57773.00 million) which has contributed to a turnaround to profitability with retained

earnings turning to a positive position. The company has managed to reverse this negative turnover into positive returns to Net Worth of 4.84% in FY25, as compared to (1.25%) in FY23. The equity base is likely to grow significantly after the IPO due to a size of approximately 21,500.00 million (the size of the Fresh Issue), which will enhance liquidity, allow expansion of the store operations on a large scale, and enable the provision of substantial capital in means of inorganic acquisitions without dilution of current solvency.

6. Contingent Liabilities and Off-Balance Sheet risks

The company has contingent liabilities of ₹329.14 million (including 192.17million in income tax litigation and 136.97million in GST/Customs issues) which is approximately 0.53% of net worth. Although they are not classified on the balance sheet, the size of these is comparatively small and may not be significant to the stability of the financial conditions even in the worst-case situations. The major off-balance-sheet-type risk is that the company has been operating its entire retail network out of leased premises which are currently being capitalized as ROU assets and lease liabilities according to Ind AS 116.

7. IPO Impact on Balance Sheet

The Fresh Issue IPO proceeds of 21,500 million are planned to be used by the company on expansion instead of debt settlement. Particularly, some of the proceeds will be used to finance capital expenditure on new CoCo stores (₹2,726.22 million), lease/rent payment on stores (₹5,914.40mn)

technology and cloud infrastructure (₹2,133.75 million), and brand marketing (₹3,200.63 million). The balance will be applied to the general corporate purposes and inorganic acquiring. This huge capital injection will have the assets base (PPE and cash equivalents) scaled very fast given that the company already has minimal traditional debt and this will bring the debt-to-equity ratio to zero even after the issue, giving the company a massive financial firepower to expand globally.

8. Conclusion

In general, Lenskart is financially healthy in terms of its balance sheet. The liquidity levels are very comfortable with a huge investment buffer of cash and liquid investments amounting to over 18,000 million and a healthy current ratio of 1.94x. The leverage level in the traditional is extremely manageable with a 0.06x debt-to-equity ratio, which has been actively de-leveraged by the company in the past two years.

The main balance sheet feature to keep an eye on is the high percentage of lease liabilities (22,268.34 million) and goodwill (18,755.94 million), which are fixed retail expansion liabilities and acquisition premiums, respectively. It is projected that the post-IPO capital infusion of 21,500 million rupees will be able to ensure that the solvency will be enhanced substantially and the company will also be able to settle its future multi-year lease in full amount using its equity base, as well as will achieve significant financial flexibility when making future acquisitions. None of the significant red flags are related to working capital or the quality of assets.

Cash Flow Analysis

1. Comparison of Operating Cash Flows

The capacity of Lenskart to convert core business into cash has been elevated and this is due to an increase in the revenue generated by the operations (₹37,880.28 million in FY 2023 to ₹66,525.17 million in FY 2025) and an increase in its operating leverage.

- **FY 2025:** The net operating cash flow stood at 12,306.32 million. The mentioned profit before tax was restated and was substantially supported by non-cash adjustments like depreciation and amortization of 7,965.69 million and finance costs of 1,458.90 million. One of the significant non-cash deductions was a 1,671.98 million Fair Value through profit or loss (FVTPL) gain of deferred consideration. The cash flow obtained after tax and before tax amounted to 13,363.58 million and 1057.26 million respectively were paid as income tax.
- **FY 2024:** The net operating cash flow stood at 4,873.83 million. The mentioned profit before tax was restated at 590.31 million and was substantially supported by non-cash adjustments like depreciation and amortization of 6,722.40 million and finance costs of 1,229.89 million. Significant non-cash deductions included interest income of 850.86 million and a gain on redemption/fair valuation of mutual fund units of 641.43 million. The cash flow generated from operations before tax amounted to 5,454.97 million, and 581.14 million was paid as income tax.
- **FY 2023:** The net operating cash flow stood at 947.40 million. The mentioned loss before tax was restated at (1,011.76) million but was supported by non-cash adjustments like depreciation and

amortization of 4,175.53 million and finance costs of 832.78 million. It also included a non-cash addition of a 309.02 million Fair Value through profit or loss (FVTPL) loss on deferred consideration. Significant non-cash deductions included an unrealized foreign exchange gain (net) of 711.45 million and interest income of 683.64 million. The cash flow generated from operations before tax amounted to 1,183.95 million, and 236.55 million was paid as income tax.

Working Capital Management: The eyewear industry has a high working capital requirement because of a very fragmented SKU assortment. In FY 2025, operating cash flow has been adjusted to huge increase in inventory of ₹4,027.48 million to cater to expansion at the expense of reduction in other financial assets of 3,969.81 million and reduction in trade receivables of 2,274.64 million. Although the company maintains high inventory demands, the net working capital days have decreased and stood at 25.64 days in FY 2025 compared to 30.35 days in FY 2023, which is a sign of improved efficiency in the supply chain.

2. Investing Cash Flows Analysis (CFI)

Investing activities of Lenskart demonstrate the aggressive expansion strategy such as accumulating of its centralized manufacturing power and international acquisitions.

- **FY 2025:** The net cash expended in investing activities was (2,658.67) million. The major outflow was the purchase of property, plant, equipment (PPE), capital work-in-progress and right of use assets of 4,164.41 million. The investment in mutual funds (8,359.62 million) was offset by the sale of mutual funds (8,823.54 million) and redemption of fixed deposits (1,901.13 million).

- **FY 2024:** The company has recorded a positive net cash flow of investing activities of 158676 million. This was an exception at least in part due to the redemption of fixed deposits (10,904.55 million) and the sale of mutual funds (3,675.00 million), which were used to finance capital expenditures worth 4,306.44 million.
- **FY 2023:** The investing cash outflow at Lenskart was an unbelievable 29,764.87 million. To a great extent, it was caused by the strategic acquisition of the Owndays brand (reflected by the acquisition of investments in subsidiaries in the amount of ₹25,128.40 million). Another 3,987.69 million expenditure as PPE and related purchases.

3. Financing Cash Flows Analysis

Funding cash flows point to a change between the ability to raise huge amounts of external capital to finance acquisitions (FY 2023) to servicing debt and leases as the retail presence increases.

- **FY 2025:** net cash used in financing activities 5,347.76 million. This outflow was motivated by repayment of borrowings (1,912.88 million) and large lease-related payments that were necessitated by the expansion of the Lenskart stores: principal lease liability payments were 0 -4,688.12 million and interest on lease liabilities payments were 0 -1,245.67 million. Proceeds of the issue of share capital (1,597.87 million) and new borrowings (1,080.00 million) partly offset these outflows.
- **FY 2024:** The cash used in financing activities was 3(7,217.68) million. There were considerable outflows in the form of repayment of borrowings (5,486.21 million) and payment of principal lease liabilities (3,886.27) million.

- **FY 2023:** Net cash generated by financing activities was high at 27,767.03 million. This inflow was mostly utilized in the purchase of Owndays which was realized by the proceeds of issue of share capital and borrowings.

Key Financial Ratios and Insights

PRICE-TO-SALES RATIO

- **Market Cap:-** 87125 crores
- **Total Revenue:-** 6653 crores
- **P/S Ratio:-** Market Cap/Total Revenue = $87125/6653 = 13x$

Implication: As for Lenskart, investors are willing to pay 13 for every Rs. 1 of sales that Lenskart generates. This means that investors expect a high growth trajectory. However, it also means that the company is priced for perfection, slow growth can be disastrous. As for Lenskart, a P/S ratio of 13x means investors are paying ₹13 for every ₹1 of sales the company generates. This reflects strong optimism about its ability to sustain high growth, expand internationally, and improve margins through technology integration. However, it also signals that the company is priced for perfection. Any slowdown in revenue growth or profitability could sharply impact valuations, making execution discipline critical to justify such a premium.

PRICE-TO-BOOK RATIO

- **Market Price:-** 437.95 (31 January 2026)
- **Book Value Per Share:-** 36.6
- **P/B Ratio:-** Market Price/Book Value Per Share = $437.95/36.6 = 11.97x$

Implication: A P/B ratio of 11.97x shows investors are paying a large premium over book value, which shows strong confidence in its growth trajectory and brand strength. A P/B ratio of 11.97x indicates investors are paying nearly twelve times the company's book value, reflecting strong confidence in Lenskart's growth trajectory and brand equity. This premium valuation suggests the market views Lenskart not just as a retailer but as a tech-driven consumer brand, expecting sustained revenue growth, margin expansion, and successful international scaling. It positions the company closer to high-growth lifestyle and technology firms rather than traditional eyewear retailers.

PRICE-TO-EARNINGS RATIO

- **Market Price:-** 437.95 (31 January 2026)
- **EPS:-** 1.77 (31 March 2025)
- **P/E Ratio:-** $\text{Market Price/EPS} = 437.95/1.77 = 247.43x$

Implication: Investors are willing to pay Rs. 247.43 for every Rs. 1 of Lenskart's earnings. The P/E is extremely high, suggesting expectation of a perfectly high growth trajectory. The P/E ratio should be low. This is indicating a perfect high trajectory growth in revenue as well as profitability for Lenskart.

CURRENT RATIO

- **Current Assets:-** 28507.95 millions
- **Current Liabilities:-** 8595.69 millions
- **Current Ratio:-** $\text{Current Assets/Current Liabilities} = 28507.95/8595.69 = 3.32:1$

Implication: Current Ratio denotes the liquidity of the company. A ratio of 2:1 is considered optimum. The ratio of 3.32:1 denotes that

Lenskart has sufficient margin to pay its short term liabilities on time. However, it also shows that the company is not utilizing the resources effectively as the current assets generally do not generate high returns. The company may lower its current assets and utilize those amounts for investment in long-term assets, which would give higher return of investment to the company. This will ensure increased profitability for the company.

QUICK RATIO

- **Current Assets:-** 28507.95 millions
- **Inventories:-** 8,480.94 millions
- **Current Liabilities:-** 8595.69 millions
- **Quick Assets:-** $28507.95 - 8480.94 = 20027.01$ millions
- **Quick Ratio:-** $\text{Quick Assets/Current Liabilities} = 20027.01/8595.69 = 2.33:1$

Implication: The Quick Ratio shows the liquidity of the company without relying on the inventory. The ideal ratio is 1:1. This ensures that current liabilities are met easily. Lenskart has a high quick ratio of 2.33:1. Though the current liabilities would be met, a large sum is blocked in quick assets which do not generate high returns.

DEBT-TO-EQUITY RATIO

- **Total Equity:-** 65,186.14 millions
- **Long-Term Debt:-** 12,791.54 millions
- **Debt-To-Equity Ratio:-** $\text{Long-Term Debt/Equity} = 12791.54/65186.14 = 0.2:1$

Implication: The debt-to-equity ratio indicates the proportion of debt and equity in the capital structure of the company. A debt-to-equity ratio of 0.2:1 indicates that only 20% of the capital employed of Lenskart is through debt obligations.

This indicates financial stability and lower risk of insolvency. The company also avoids high interest obligations due to lesser debt. However, it also shows that Lenskart is not fully using debt instruments to fuel its expansion. The company can make use of financial leverage to increase its EPS. Also, debt coverage ratio of 0.2:1 is very less. The company may make use debt to raise funds so as to fuel its expansion at a faster pace.

Implication: Interest Coverage Ratio denotes the number of times profit before interest and tax can cover the interest payment obligations of the company. An Interest Coverage Ratio of 2.61 times shows that the company can cover the interest payment obligations. However, there is no excess margin for covering the interests. The Interest Coverage Ratio of 2.61 indicates that the profit of the current year is 2.61 times the interest obligation of the company. The ratio is good. However, increase of expenses or reduction of revenue, leading to reduced profit, may lead to problems for the company.

INTEREST COVERAGE RATIO

- . **Profit before tax:-** 385 crores
- . **Interest:-** 147 crores
- . **Interest Coverage Ratio:-** Profit/Interest = $385/147 = 2.61$ times

The highlights of the Company's financial performance, for the year ended 31 March 2025 is summarized below:
(All amounts are in INR Million unless otherwise stated)

	Standalone		Consolidated	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from Operations	40,392.43	31,866.31	66,525.17	54,277.03
Other Income	1,862.83	1,898.21	3567.59	1,821.69
Total Income	42,255.26	33,764.52	70,092.76	56,098.72
Total Expenditure	39,739.76	31,849.39	66194.78	55,495.94
Tax Expense	634.78	474.70	880.16	691.85
Profit for the Year	1,880.72	1,440.43	2,973.40	(101.54)
Other comprehensive income for the Year	(5.71)	(13.07)	(173.44)	(203.83)
Total comprehensive income for the Year	1,875.01	1,427.36	2,799.96	(305.37)
Earnings per share (face value Rs. 2 per share)				
Basic earnings per share	1.12	0.88	1.77	(0.11)
Diluted earnings per share	1.12	0.11	1.76	(0.11)

Risk Factor & Challenges

One of India's top organised eyewear retailers, Lenskart Solutions Ltd., has a significant omnichannel presence. The company's IPO disclosures and independent market reports point to a number of business and market risks, despite the fact that it demonstrated quick revenue growth and profitability in FY25. Understanding the company's long-term investment profile requires an unbiased assessment of these risks.

1. Valuation and earnings sustainability risk

- The IPO is priced nearly 228 times FY25 earnings which is significantly higher than traditional retail and eyewear peers.
- The implied post issue valuation is about 69500 crore (USD 7.9 billion), despite the fact that company has recently turned profitable.
- In FY24, Lenskart reported a loss of 10.15 crore, followed by a net profit of 297.3 crore in FY25, indicating that profit earned is quite recent and even untested across the business cycles.

At such high valuation even minor deviations from projected growth or margins could result in sharp market change, increasing downside risk for investors.

2. High Dependence on Raw Materials and Cost Sensitivity

- Raw Material consumption's composition was 24.52 percent of total expenses in FY25, amounting to 1622.97 crore.
- In Q1 FY26 alone, raw materials cost constituted 467.34 crore which shows continued dependence on physical inputs such as lenses, frames and optical components.
- This signifies that cost structure is highly sensitive to fluctuations in input prices,

freight costs and supplier pricing power.

The major concern is a rise in raw materials prices without corresponding increase in selling price may compress gross margins, but if selling price is increased it may force people to resort to the unorganised sector of eyewear.

3. Import Concentration and Geopolitical Exposure

- In FY25, about 42% of total purchases came from China, either directly or through the business's joint venture.
- This puts Lenskart at risk from trade restrictions, customs charges currency volatility, and geopolitical unrest which keeps fluctuating from time to time and is unpredictable.
- Production could be delayed or procurement costs could rise if the Indian rupee depreciates or if supply chains based in China are disrupted.

Excessive reliance on imports reduces supply chain resilience and leaves the business vulnerable to outside political and macroeconomic shocks.

4. Manufacturing Concentration and Capacity Utilisation Risk

- The Gurugram–Bhiwadi industrial cluster is home to the majority of Lenskart's manufacturing activities which means it is too dependent on one region.
- It is implied that fixed costs are dispersed over a small output base by the reported capacity utilization of about 55%.
- Production could be significantly impacted by any disruption brought on by labor disputes, regulatory action, natural disasters or infrastructure failure in this area.

While underutilized capacity may have an impact on cost efficiency during demand slowdowns, geographic concentration in one place raises operational risk and future course of action.

5. Retail Expansion and Lease Obligation Risk

- Due to its vast network of physical stores, the company has lease liabilities of about ₹2,399 crore.
- Regardless of store profitability, lease costs are a fixed cost commitment which the company has to pay at particular interval.
- Operating margins may suffer from a slowdown in foot traffic, modifications in consumer purchasing patterns, or an increase in commercial rentals.

Operational flexibility is diminished by high fixed lease obligations, especially when demand is low.

6. Franchise Model Execution Risk

- Approximately 472 stores or 22% of the nearly 2,700 total, are operated by the franchise partners and not directly under Lenskart team.
- Franchising restricts direct managerial control over service quality and compliance, but it allows for quick expansion with less capital outlay.
- Customer trust and brand equity may be impacted by franchisees' deviations from brand standards.

The consistent customer experience that is at the heart of Lenskart's brand positioning may be weakened by inconsistent execution across franchise locations which needs to be taken care of.

7. Regulatory, Tax, and Legal Risks

- The business has revealed that the Directorate of Enforcement is still conducting investigations under the Foreign Exchange

Management Act (FEMA).

- Over ₹30 crore in tax and statutory dues, including income tax, GST, and customs duties, were unpaid as of the reporting period.
- Any unfavorable regulatory decision may lead to fines, limitations on operations, or harm to the reputation of the company.

Investor confidence may be impacted and unforeseen financial obligations can result from regulatory uncertainty.

8. Competitive Pressure in a Fragmented Market

- Local optical retailers control nearly 77% of India's unorganized eyewear market which is a huge untapped market.
- The competition is increased by these players aggressive pricing and generally lower overhead.
- To stay different, organized players like Lenskart need to keep making investments in technology, branding, and store experience and after sale services.

Prolonged price competition may restrict margin growth and even repeated customers and impede the acquisition of market share.

9. Substitution Risk from Medical Advancements

- The business has admitted that the demand for eyewear could be replaced by LASIK and SMILE vision correction procedures.
- Long-term reliance on corrective lenses may be decreased if these procedures become more widely accepted and affordable.

Over time, medical substitutes may shrink the overall addressable market for eyewear especially among younger buyers.

Valuation and Peer Comparison

IPO Valuation

Details of the IPO

IPO size: 7,728 crores

Price Band: 382-402 per share

Issue Type: Fresh Issue + Offer for Sale

Market Capitalisation: 87000 crores

Listing Date: 10 November, 2025

Market Capitalization Valuation

Formula: Market Capitalization = Share Price × Total Outstanding Shares

Share Price(31 January 2026): 437.95

Outstanding Shares: 160 crore (based on IPO size and filings)

Market Capitalization: ₹70072 crores

Industry Comparison

Lenskart operates in the eyewear industry. The company has done significant improvements in the consumer tech sector.

. Eyewear Sector

Lenskart is a leading player in the Indian eyewear industry. It operates with an omnichannel model that combines online sales with a strong offline retail presence. This dual approach allows the company to reach a wide spectrum of consumers, offering convenience through digital platforms while maintaining trust and personalized service through physical outlets. The major competitor in this space is Titan Plus, which has long dominated the market with its established brand equity and

distribution network. Lenskart's premium valuation is driven by its ability to integrate technology into distribution, streamline supply chains, and enhance customer experience. By using aggressive marketing strategies, loyalty programs, and customer retention policies, Lenskart is expanding its reach and capturing market share. The global operations ensure that it generate revenue from other countries as well. The company's focus on affordability, design innovation, and accessibility positions it as a disruptive force in the eyewear sector.

. Consumer-Tech

Although eyewear remains Lenskart's core business, the company has made significant growth in the consumer-tech domain. It has embedded artificial intelligence and advanced analytics into its operations, and transformed the way consumers interact with eyewear products. Features such as virtual try-on, personalized recommendations, and seamless online-to-offline integration highlight its commitment to technology-driven customer engagement. This has allowed Lenskart to ensure a notable presence in the consumer-tech industry. Nykaa stands as another strong consumer brand with a dominant digital position in beauty and lifestyle retail. Both companies enjoy strong valuation ratios due to their innovative models and brand strength. Lenskart's higher profitability and efficient cost structures make it appealing as a consumer-tech brand. Its ability to merge retail with technology enhances customer satisfaction and ensures sustainable growth in a competitive landscape. Thus, Lenskart is acquiring a significant place in consumer-tech sector.

Investor's Point of View

Key Strengths

- **Market Leadership:-** Lenskart is one of India's largest organized eyewear retailers, with a large number of stores in Indian as well as international markets. Strong brand recall and dominance in the fragmented eyewear sector give it an advantage as compared to its competitors.
- **Omnichannel Business Model:-** Lenskart provides its products through both from online and offline channels, customers can buy frames, lenses, etc. through both online sites and retail outlets. This hybrid model help it address both digital users and traditional retail customers.
- **Strong Financial Growth:-** Revenue of Lenskart has grown consistently together with expanding product lines such as glasses, contact lenses, sunglasses, etc. The IPO includes a 2150 crore fresh issue.
- **Technology and Innovation:-** Lenskart is undertaking heavy investment in technology. The company is providing features like AI-driven recommendation engines, 3D try-on technology, and supply chain automation. This also differentiates Lenskart from traditional eyewear retailers by providing them a tech-enabled customer experience.
- **Global Expansion:-** The presence in Singapore, UAE, and other international markets, is another strength of Lenskart. It also has plans to expand further. It positions Lenskart not only as an Indian retailer but as a global eyewear brand.

Risks for Investors

- **Dependency of China:-** Lenskart procures its raw materials and its supplies from China. Geopolitical events, issues with the international supply chain can have significant impact on margins and product availability.
- **High Valuation:-** The company has a very high valuation as compared to its peers, which increases the risk of post-listing corrections and limits upside potential. This overvaluation increases the risk of investors.
- **Competitive Market:-** The eyewear industry has intense competition. The eyewear industry in India is fragmented, with brands like Titan Eye Plus, local opticians, and online players competing with each other. This competition may lead to pressure pricing and market share.

Short Term and Long Term Outlook

Short Term outlook: High Valuation and Profit Quality Risks

- **Aggressive Valuation:-** Lenskart trades at a premium valuation with an estimated P/E above 200x and EV/Sales near 10x, leaving limited margin for error if growth or profitability weakens.

- **Listing Performance Concerns:-** Market experts are divided on listing day performance, with some predicting a muted or marginal gain of 5-7%, while others caution that a discount at opening could trigger panic selling. One veteran fund manager suggested the stock's ideal settlement value could be significantly lower than its offer price
- **Sustainable Profitability Questions:-** Although Lenskart reported a net profit of ₹297 crore in FY25, much of this gain was attributed to a one-time non-cash accounting adjustment, raising concerns about the quality and sustainability of earnings in the immediate subsequent quarters
- **External Market Pressures:** The IPO arrived during a period of high congestion and increased caution toward consumer tech companies, following post-listing volatility from peers like Mamaearth and Boat
- **Vertical Integration Advantage:** Lenskart is the only vertically integrated retailer with a centralized supply chain among major organized players in India. This model allows for average material costs that are 35-40% lower than the industry average, driving superior product margins that improved from 63.88% in FY2023 to 67.92% in FY2025
- **Efficient Store Expansion:** The company plans to use IPO proceeds to establish approximately 620 new Company Owned and Company Operated (CoCo) stores. Its historical CoCo stores have demonstrated high capital efficiency, with an average payback period of 10.29 months
- **Omnichannel Scalability:** Lenskart's technology-driven platform, which includes over 100 million app downloads and automated manufacturing facilities, provides a scalable foundation for continued international expansion into markets like Japan, Southeast Asia, and the Middle East.

Long Term Outlook: Market Leadership and Structural Advantages

Despite short-term valuation concerns, the long-term outlook is supported by Lenskart's dominant market position and unique business model:

- **Market Growth Potential:** The eyewear market in India is projected to grow at a 13% CAGR to reach ₹1,483 billion by FY2030, driven by increasing refractive error incidences and a shift from unorganized to organized retail
- **Institutional Confidence:** The IPO was oversubscribed 28.27 times, with the Qualified Institutional Buyers (QIB) category seeing massive demand at 45 times subscription, indicating strong professional investor confidence in the company's long-term trajectory

Conclusion

From an Indian investor's point of view, Lenskart's IPO reflects a strong long-term growth story but limited short term upside due to premium valuation. Backed by improving profitability, market leadership, and expansion in a highly underpenetrated eyewear market, Lenskart is well-positioned for sustained growth. However, its high valuation multiples and competitive pressures may restrict immediate listing gains.

Overall: Suitable for long-term investors willing to bet on India's organized retail growth, but short-term returns may remain moderate.

Views of Experienced Investors and Market Experts

Experienced investors and market experts generally see the Lenskart IPO as a conflict between a strong, leading business and a very high valuation. While they praise the company's fundamentals, analysts have raised several cautionary points about its pricing and profit sustainability.

Expert Ratings and Valuation Concerns:

- **Neutral Rating:** Swastika Investmart has assigned a Neutral rating to the IPO, describing it as a "great company, expensive price" scenario. They suggest that while the business is scalable, valuation comfort is missing.
- **Aggressive Pricing:** Experts emphasize that the valuation metrics are extremely high, with a P/E ratio over 200 and an EV/Sales ratio close to 10. Analysts mention that at these levels, the stock is priced for perfection, leaving little room for mistakes if growth slows or margins decline.
- **Unusual Market Valuation:** The post-issue market cap of about ₹70,000 crore is nearly 90% of the entire Indian eyewear market size for FY25. Analysts find this valuation unusually high since Lenskart only holds a 4 to 6% share of the overall prescription eyewear market.

Profit Quality and Sustainability

- **Accounting Gains:** Market experts have raised concerns over the quality of FY25 profits. Lenskart reported a net profit of ₹297 crore; about ₹167 crore came from a one-time non-cash accounting gain. When excluding this gain, the operational profit was much lower, around ₹130 crore.
- **Exit Opportunity:** Analysts note that 70% of the IPO proceeds (₹5,128 crore) are from an Offer for Sale (OFS). This suggests that the issue mainly serves as an exit opportunity for early institutional investors like SoftBank and Alpha Wave Ventures instead of being solely for growth capital.

Market Sentiment and Influences

- **Mixed Investor Enthusiasm:** On its first day, the IPO was subscribed 1.13 times, with strong demand from retail (1.32x) and QIB investors (1.42x), but weak interest from non-institutional buyers (0.41x).
- **Grey Market Trends:** The Grey Market Premium (GMP) initially rose to ₹95 at launch but later fell to ₹85, showing cautious optimism and hinting at potential short-term volatility.

Recommendations for Different Investor Types:

- **Long-Term Investors (3+ years):** Those having 3-5 years plus horizon must base their investment decisions on the transformation of Lenskart from a loss making company to a profitable and vertically integrated one

- **Vertical Integration:** While other companies have to rely on third party suppliers, Lenskart maintains full control of its business process from design to retail, ensuring higher-quality products and profitability
- **Financial Performance:** It must be noted that the company posted a profit of ₹2,973 million in FY25, a marked improvement from its FY24, when it incurred losses. This indicates that the company's "omni-channel" strategy (combining the power of e-commerce with a huge network of stores) has now become more efficient.
- **Business Market:** Eyewear is a "perpetual needs" industry, which means there is an enormous addressable market due to vision corrections becoming more prevalent.

Short-Term and Listing Gain Seekers: The "Valuation Gap" Risk

Those who seek short-term gains will have to consider the premium valuation of the share being issued.

- **Excessive Valuation:** Experts have warned that the valuations (EV/Sales and EV/EBITDA) at the upper price band of ₹402 seem high when benchmarked against other companies in the same industry.
- **Limited Upside:** Since the IPO is valued in anticipation of its future potential, the listing pop might be limited.
- **Market Instability:** Outside forces like geopolitical risks or macroeconomic issues could influence retail investors' sentiments and thus the stock's post-listing performance

Risk-Averse Investors: Monitoring "Execution" and "Insider" Risks

- In the case of risk-averse investors, there are several risk factors highlighted in the sources:
- **Promoter Exit (OFS):** Around a large percentage of the ₹7,278 crore OFS offering involves sale of shares by the initial investors and the CEO Peyush Bansal. Though this offers a chance for early investors to realize their money, it might also be seen as a dilution of the skin in the game aspect of the management.
- **Operational Dependence:** Lenskart's dependence on its physical infrastructure is high, and a problem with the same might cause problems with the functioning of its operations.
- **Execution Risk:** In terms of growth, the success of future stores' openings and the development of AI enabled logistics are critical

Overall Verdict:

The Lenskart IPO offers a good value proposition over a long term period for an investment horizon of 3 to 5 years given its leading position in the industry as well as its ability to move into profits worth ₹2,973.4 million in FY25. Nevertheless, the high price and high institutional allotment pose a threat to listing since any gains made during this phase would be minimal for the short-term investors. Though it has several advantages, including a vertically integrated business model and good institutional support, some risks like OFS and fast store expansion pose a concern for risk-averse investors.

Conclusion

Overall IPO Assessment

During its October–November 2025 initial public offering (IPO), Lenskart went public with a price range of ₹382–₹402 per share. The company was valued at almost ₹70,000 crore, and the issue size was roughly ₹7,278 crore. Strong investor interest in the IPO was a reflection of faith in the company's strong brand and a clear dominant position in the organized retail eyewear market.

The following are important IPO-related observations:

- Institutional confidence in the company's long-term prospects is demonstrated by the IPO's strong participation from Qualified Institutional Buyers who subscribed about 28 times overall.
- The stock listed marginally below the issue price despite high subscription levels, suggesting that investors are cautious about valuation and have little flexibility for short-term growth.
- The weak listing performance indicates that the IPO price was already heavily influenced by expectations for future growth.

Overall, the premium valuation affected the short-term market response even though the IPO demonstrated Lenskart's strong market positioning.

Growth Potential

With the help of rising income levels, growing awareness of eye care and a slow transition from unorganized to organized retail, Lenskart operates in India's expanding eyewear market. The retail section of organized eyewear is still below 25%, which presents substantial long-term growth prospects for well-established firms such as Lenskart.

The following elements support the company's potential for growth:

- Strong revenue growth, with revenues rising at a CAGR of more than 30% from roughly ₹3,788 crore in FY23 to ₹5,428 crore in FY24 and then to roughly ₹6,650–₹7,000 crore in FY25.
- With over 2,700 stores worldwide, including more than 2,000 in India, the company is growing its retail footprint and bolstering its omnichannel presence.
- EBITDA margins increased from roughly 7% in FY23 to nearly 14–15% in FY25, indicating increased operational efficiency.

The company's expansion plan is still capital-intensive, though. Disciplined execution is essential for long-term growth because ongoing investments in marketing, technology and store expansion may put short-term pressure on margins.

Investment Verdict

Lenskart has strong business fundamentals and market leadership, supported by growing demand in the organized eyewear market. The company reported a net profit of about ₹297 crore in FY25 after earlier losses, though adjusted profits remain lower, indicating caution regarding long term earnings sustainability.

Investment Outlook

- Strong brand value and expansion potential make the company attractive for long term investors.
- High IPO valuation limits short term return potential and increases valuation risk.
- Conservative investors may prefer a wait and watch approach until earnings visibility improves.

Overall, Lenskart appears suitable for investors with a long term horizon and higher risk tolerance, while short term investors may face limited upside due to premium pricing.