House of Kieraya Ltd (Furlenco)

Consumer Discretionary - Furniture & appliance rental / subscription commerce - Unlisted - ISIN INE467V01019

Furlenco's parent: FY25 consolidated revenue Rs 228.7 Cr (+64%), first profit of Rs 3.1 Cr after a Rs 130 Cr loss, operating cash flow +Rs 51 Cr but Rs 208 Cr of fleet capex. Sheela Foam (44% fully diluted) took contractual control on 1 Oct 2026. At Rs 260 the 6.98 Cr fully diluted shares are worth Rs 1,814 Cr - 22x March-2025 book and 74% above Sheela Foam's Rs 149.30 subscription price of Nov 2025.

INDICATIVE PRICE	MARKET CAP	P/E	P/B
Rs 377.40 (-1.92% today)	**Rs 2,633 Cr**	**838.67**	**31.77**

BOOK VALUE / SHARE	EPS	52-WEEK RANGE	LOT / SETTLEMENT
Rs 11.88	**Rs 0.45**	**Rs 150 - Rs 377**	**500 shares - T+1 working day**

About the company

House of Kieraya Limited (CIN U31000KA2012PLC063617; formerly House of Kieraya Private Limited and before that Kieraya Furnishing Solutions Private Limited) is the Bengaluru company behind Furlenco, India's largest furniture and home-appliance rental brand. It rents curated furniture packages, appliances and mattresses on monthly subscriptions in the main metros, sells refurbished fleet pieces and rent-to-own conversions, and runs three wholly owned subsidiaries: Kreate One Manufacturing Pvt Ltd (furniture manufacturing, turnover Rs 49.96 Cr in FY25, loss Rs 0.55 Cr), HOK Retail Pvt Ltd (offline retail, turnover Rs 2.06 Cr, loss Rs 3.15 Cr) and Furlenco Global Pte Ltd (Singapore, July year-end, immaterial and unaudited). The model is asset-heavy: the group owned Rs 325.9 Cr of property, plant and equipment at 31 March 2025, of which furniture and fixtures were about Rs 207 Cr, and it earns by depreciating that fleet over several rental cycles.

FY25 consolidated results (audited by M S K A & Associates, signed 9 May 2025): revenue from operations Rs 228.74 Cr against Rs 139.56 Cr, of which rental and other services Rs 207.95 Cr (91%) and sale of products Rs 20.76 Cr (9%); other income Rs 11.31 Cr (Rs 12.34 Cr) made up largely of liabilities written back Rs 5.14 Cr, mutual-fund gains Rs 2.21 Cr and a forex gain Rs 1.26 Cr. Costs fell sharply - employee benefits Rs 30.73 Cr (Rs 47.78 Cr), other expenses Rs 134.70 Cr (Rs 161.04 Cr), finance costs Rs 18.62 Cr (Rs 32.12 Cr) - while depreciation on the bigger fleet rose to Rs 44.63 Cr (Rs 34.89 Cr). Profit before and after tax was Rs 3.11 Cr against a loss of Rs 130.22 Cr; EBITDA (PBT + finance costs + depreciation) was Rs 66.4 Cr, or Rs 55.1 Cr excluding other income (24% of revenue), against negative Rs 63.2 Cr in FY24. Without the Rs 11.3 Cr of other income the group would still have lost about Rs 8 Cr. Basic EPS was Rs 0.36 on 6.59 Cr weighted shares (Rs 133.54 in FY24, computed on equity shares only). No dividend was declared.

Cash and balance sheet: operating cash flow turned to +Rs 50.82 Cr from Rs 75.14 Cr, but fleet and other capex of Rs 207.82 Cr (Rs 96.46 Cr) left free cash flow at about Rs 150 Cr, funded by Rs 109.80 Cr of share subscriptions, Rs 156.98 Cr of new borrowings against Rs 86.42 Cr repaid, and Rs 14.53 Cr of lease payments. At 31 March 2025 total equity was Rs 82.85 Cr (negative Rs 25.06 Cr a year earlier; negative Rs 230 Cr at March 2023), borrowings Rs 150.04 Cr (non-current Rs 91.32 Cr, current Rs 58.72 Cr; interest of Rs 12.93 Cr was on non-convertible debentures and Rs 1.55 Cr on bank term loans), lease liabilities Rs 29.0 Cr, and cash plus bank balances Rs 32.01 Cr - net debt about Rs 147 Cr, 2.2x EBITDA, with interest cover of only 1.2x. Current liabilities of Rs 267.5 Cr against current assets of Rs 106.4 Cr (current ratio 0.40) include Rs 73.3 Cr of rent payable, Rs 38.6 Cr owed to equipment suppliers and Rs 36.4 Cr of customer advances. Contractual debt outflows of Rs 74.4 Cr fall due within 12 months. Contingent liabilities were Rs 2.34 Cr and capital commitments Rs 11.99 Cr.

Financials (Rs Cr)

	FY24	FY25
Revenue	139.56	228.74
EBITDA	-63.21	66.36
Profit after tax	-130.22	3.11
EPS (Rs)	-20.71	0.45
Net worth	-25.06	82.85
Debt / equity	-3.17	1.81
OPM %	-45.3%	29.0%
ROE %	519.6%	3.8%

Revenue CAGR +63.9% - Profit CAGR n/a - figures from filed accounts where available; see the verification notes on the website.

Shareholding

Holder	Category	Shares (Cr)	%
Sheela Foam Ltd (72,53,040 equity + 2,36,53,754 CCPS)	Body Corporate	3.09	44.3%
Lightbox Ventures II (CCPS)	Foreign	1.16	16.6%

Other CCPS holders below 5% (Chowdry Associates, Ceutics Businesses, Crescent Enterprises, others)	Institution	1.02	14.7%
Optionally convertible preference shares (45,00,000, partly paid; holder not disclosed)	Institution	0.45	6.5%
Lightbox Expansion Fund (CCPS)	Foreign	0.33	4.7%
Ajith Mohan Karimpana (founder)	Promoter	0.33	4.7%
Aparajita Choudhury Karimpana	Promoter	0.25	3.6%
Kieraya Employee Welfare Trust (trustee: Ajith Mohan Karimpana)	Employee	0.13	1.8%
Crescent Investment LLC, Mauritius (equity)	Foreign	0.10	1.4%
Rangoli Resorts Pvt Ltd	Body Corporate	0.06	0.9%
Other equity holders below 5% (employees, angels)	Public	0.06	0.9%

Board and management

Name	Designation	Since
Ajith Mohan Karimpana	Founder, Managing Director	01 May 2012
Aparajita Choudhury Karimpana	Promoter-group shareholder; director (not confirmed)	01 May 2012
Sheela Foam Limited nominees	Nominee directors (names not disclosed)	29 Aug 2023

MCA registry snapshot

CIN
U31000KA2012PLC063617

STATUS
Active

AUTHORISED CAPITAL
Rs 134.35 Cr

PAID-UP CAPITAL
Rs 50.39 Cr

LAST AGM
30 Sept 2025

LAST BALANCE SHEET
31 Mar 2025

Date	Form	Description	Status
30 Oct 2025	AOC-4 XBRL (CFS)	Consolidated Ind AS financial statements FY 2024-25, audited by M S K	Approved
28 Nov 2025	MGT-7	Annual return FY 2024-25; date indicative	Approved
30 Oct 2025	AOC-4 (subsidiaries)	Subsidiary balance sheets filed: HOK Retail Pvt Ltd (SRN F97232227), K	Approved
14 Oct 2024	PAS-3	FY25 allotments: 60,40,598 equity shares and 77,37,462 CCPS issued, 69	Approved
30 Sept 2024	ADT-1	Appointment of M S K A & Associates as statutory auditor (SRN F9756305	Approved

Original filings (AOC-4 accounts, MGT-7 returns, charges) can be downloaded from the MCA21 portal under this CIN for a nominal fee; offer documents are on SEBI's site.

Reports and documents

Document	Type	Period	Where
House of Kieraya Limited - Annual Report 2024-25	Annual Report	FY25	Download on the website

Strengths

- Operating turnaround is in the filed numbers: FY25 revenue +64% to Rs 228.74 Cr, EBITDA swung from Rs 63.2 Cr to +Rs 66.4 Cr, PAT Rs 3.11 Cr after a Rs 130.22 Cr loss, operating cash flow +Rs 50.82 Cr after Rs 75.14 Cr.
- Rental revenue of Rs 207.95 Cr (91% of operations) is recurring subscription income; customer advances of Rs 36.4 Cr and deferred income of Rs 7.2 Cr are collected ahead of service.
- Cost base reset: employee costs down 36% to Rs 30.73 Cr (13% of revenue), other expenses down 16% to Rs 134.70 Cr and finance costs down 42% to Rs 18.62 Cr despite higher borrowings.
- Sheela Foam (Sleepwell) is a committed strategic owner - Rs 300 Cr in 2023, Rs 107 Cr in October 2024, Rs 30 Cr at Rs 149.30 in November 2025, and contractual control from 1 October 2026 - giving the group a listed parent, mattress supply and balance-sheet support.
- Equity rebuilt from Rs 25.06 Cr to +Rs 82.85 Cr in one year through Rs 178.8 Cr of share issues and conversions; owned fleet of Rs 325.9 Cr backs Rs 150 Cr of borrowings.
- Clean audit opinion from M S K A & Associates with no CARO qualifications, no going-concern emphasis and no post-balance-sheet adjusting events; internal financial controls reported adequate.
- Press-reported FY26 (unaudited here): revenue Rs 370.4 Cr, EBITDA Rs 129.5 Cr and PAT Rs 59.5 Cr would put the Rs 260 rate at about 30x trailing earnings rather than the 583x on FY25.

Risks

- Valuation: at Rs 260 the fully diluted equity is worth about Rs 1,814 Cr - 21.9x March-2025 book value of Rs 82.85 Cr, 7.9x FY25 revenue and 583x FY25 profit; EV/EBITDA 29.6x on FY25. The rate is 74% above the Rs 149.30 Sheela Foam paid in November 2025 and about 2.7x the roughly Rs 97 implied by the FY25 raise.
- Profit quality: FY25 PBT of Rs 3.11 Cr relied on Rs 11.31 Cr of other income, including Rs 5.14 Cr of liabilities written back and Rs 2.21 Cr of mutual-fund gains; the underlying result before other income was a loss of about Rs 8 Cr. Expected-credit-loss provisions were Rs 8.77 Cr (3.8% of revenue).
- Cash burn: free cash flow was about Rs 150 Cr in FY25 (capex Rs 207.82 Cr against Rs 50.82 Cr of operating cash), funded by Rs 109.8 Cr of equity and Rs 70.6 Cr of net new debt; growth of the fleet requires continuous external capital and further dilution - the instrument count rose 11% in FY25 and again by roughly 0.84 Cr shares in December 2025.
- Liquidity and leverage: cash and bank balances of Rs 32.0 Cr against Rs 74.4 Cr of debt due within 12 months, Rs 38.6 Cr owed to equipment suppliers and Rs 73.3 Cr of rent payable; current ratio 0.40, net debt Rs 147 Cr (2.2x EBITDA), interest cover 1.2x, NCD coupons near 13%.
- Share-count ambiguity: 1.65 Cr equity shares sit alongside 4.87 Cr CCPS and 0.45 Cr OCPS classified as equity; the conversion ratios are not disclosed in the filing (1:1 is assumed, consistent with the EPS denominator), and dealer counts range from 2.68 Cr to 7.87 Cr - confirm which count a quoted price refers to before buying.
- Governance and control: founders hold about 10% fully diluted while Sheela Foam (44%) has held contractual control since 1 October 2026; the company is now a subsidiary of a listed parent whose interests (supply contracts, cross-charges, a related party Falcon Assetz LLP that leases assets to the group and whose Rs 1.01 Cr investment was fully impaired) may not align with minority holders. The filing names no independent directors and the board is not disclosed.
- Audit-trail and record-keeping reservations: the auditor could not confirm that daily backups were kept on servers in India, that the audit-trail feature operated in the revenue, inventory and fixed-asset software or in the outsourced payroll system, and one subsidiary allowed direct data changes without audit trail.
- Exit depends on an IPO that is still only a press report (Rs 1,000-1,200 Cr at about Rs 7,000 Cr, FY28); any DRHP, lock-ins and Sheela Foam's intentions for its stake will decide liquidity. Shares are thinly traded and a shareholders' agreement may restrict transfers.

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