Chiratae's Consumer Commentary

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CONSUMER INDEX

THE UNIVERSE

chiratae VENTURES

BRANDS

wakefit
lenskart
SULA VINEYARDS
HONASA
BLUESTONE
BIKAJI
GO COLORS!
campus
INDIGO PAINTS
OLA ELECTRIC
ATHER

PIPELINE

captain fresh
boAt
MENSA
atomberg "Why not?"
iD

TECH PLATFORMS

eternal
SWIGGY
meesho
UC Urban Company
firstcry.com
NYKAA
indiamart
PW
yatra
EaseMyTrip.com
ixigo
Nazara
CarTrade
infoedge
tbo.com TRAVEL SIMPLIFIED

PIPELINE

zepto
OYO
rapido
rentomojo
INFRA.MARKET
square yards

ENABLERS

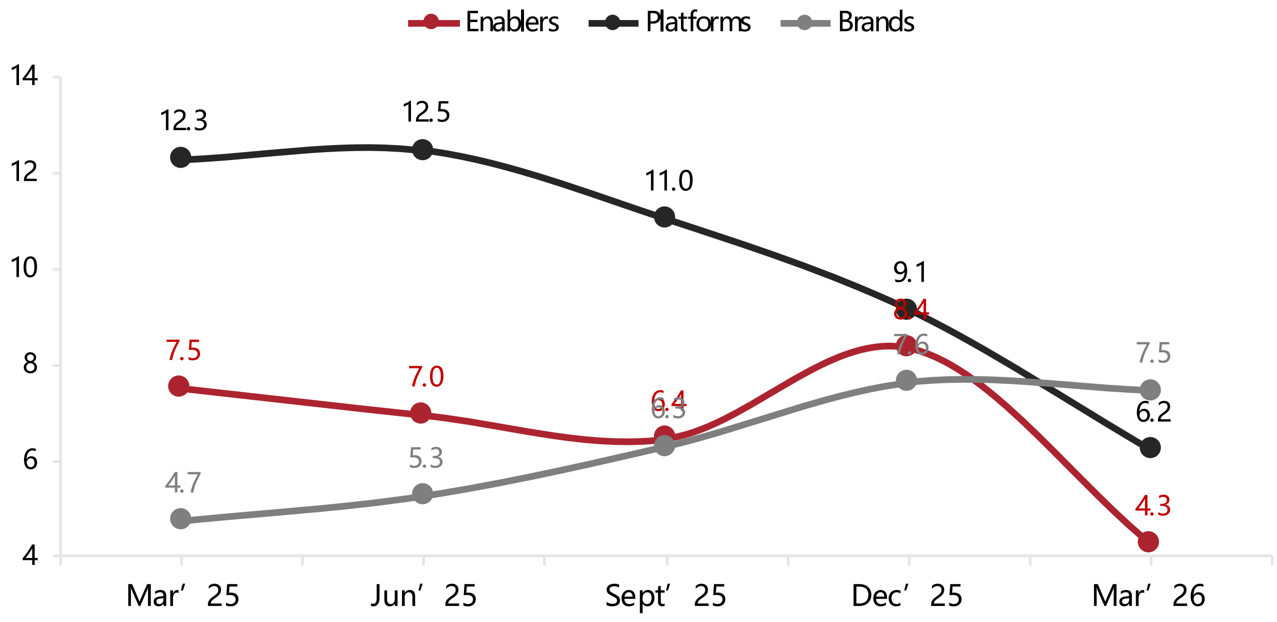
unicommerce
pine labs
MapmyIndia
SHADOWFAX Think ahead!
DELHIVERY

PIPELINE

Shiprocket Making Shipping Delightful
udaan

HOW HAVE THEY PERFORMED

EV/TTM Revenue by Sub-Sectors [1][2]



Summary

Cohort	5Q Mean	5Q	Mar-26	vs Mean
Enablers	6.7x	6.9x	4.3x	-36%
Platforms	10.2x	11.0x	6.2x	-39%
Brands	6.3x	6.3x	7.4x	+19%

1 Not a broad-based reset

Platforms and Enablers both roughly halved, while Brands expand.
The Q4 FY26 sell-off hit the platform and enabler mega-caps — it did not touch consumer brands.

2 Enablers took the hit

De-rated -39% vs mean — the sharpest of the three, and a steady five-quarter slide rather than a single-quarter cliff.
Eternal's fall (8.9x → 3.7x) is largely mechanical — TTM revenue 2.7x'd while EV barely moved.

3 Brands most resilient

Lenskart is ~49% of cohort market cap at 9.9x and contributes ~65% of the weighted multiple; Ex-Lenskart the cohort sits at ~5.1x — the market is paying up for scaled new-age brands, not the category.

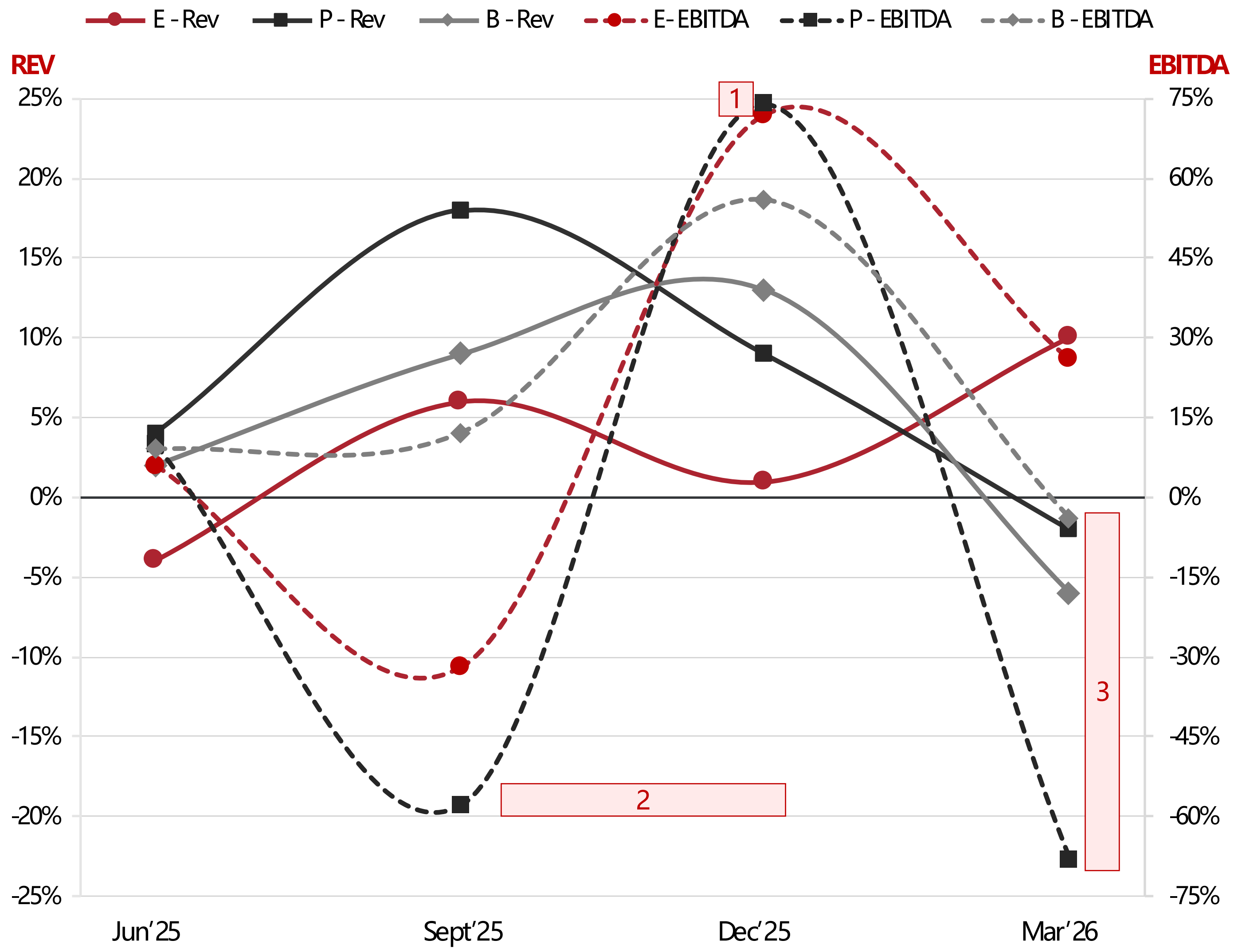
[1] Mkt Cap-weighted average, dynamic denominator
[2] The following companies were included only in quarters with public data (i.e. post listing) (sorted by date of listing, categorized by sub-sector)
[3] Source: Screener & Yahoo Finance

B	Ather Energy	Q1	06 May 2025
B	Bluestone	Q2	19 August 2025
P	Urban Company	Q2	17 September 2025
B	Lenskart	Q3	10 November 2025
E	Pine Labs	Q3 FY26	14 November 2025
P	Meesho	Q3 FY26	10 December 2025
B	Wakefit	Q3 FY26	15 December 2025
E	Shadowfax	Q4 FY26	28 January 2026
P	PhysicsWallah	Q3 FY26	18 November 2025

Detailed numbers & analysis attached here: QoQ Raw Data

HOW HAVE THEY PERFORMED

QoQ Revenue & EBITDA Growth by Sub-Sectors [1][2]



1 Enablers saw a +74% boost in EBITDA on an avg in Q3FY26

Mainly driven by:

- Delhivery (+207%) from ₹68Cr in the previous qtr to ₹209Cr in Q3 & Unicommerce (+20%)
- MapMyIndia remained almost flat

2 Platform' s EBITDA swung b/w extremes

Mainly driven by:

- Nazara going from +₹23Cr in Q2 to -₹164Cr in Q3 & +₹68Cr in Q4
- Ixigo turning EBITDA –ve in Q3 and then registering +₹48Cr in Q4

3 Brands & Platforms de-grew in Q4 after growing steadily for the past 9 months

Mainly driven by:

- End of festive & wedding seasons
- Slower consumer spending amidst global uncertainty

[1] Equally-weighted average, dynamic denominator
[2] Source: Screener & Yahoo Finance

THE HIGHLIGHTS

lenskart

Same Pincode Sales Growth

+6.8%

YoY

FY25	FY26
20.5%	27.3%

NYKAA

GMV of Private Labels

+49%

YoY

FY25	FY26
₹2,130 Cr	₹3,176 Cr

meesho

Net Merchandise Value

+43%

YoY

FY25	FY26
₹7,972 Cr	₹11,370 Cr

DECODING DRHPs

THE BACKBONE OF INDIAN E-COMMERCE

Shiprocket
Making Shipping Delightful

1,45,000
Active Merchants
(8,600 power users[1])

14,00,00,000
Unique Customers Reached
(10% of the nation's population)

~2,000Cr
FY26 Revenue
(estimated)

19,000+
Pin-codes Served

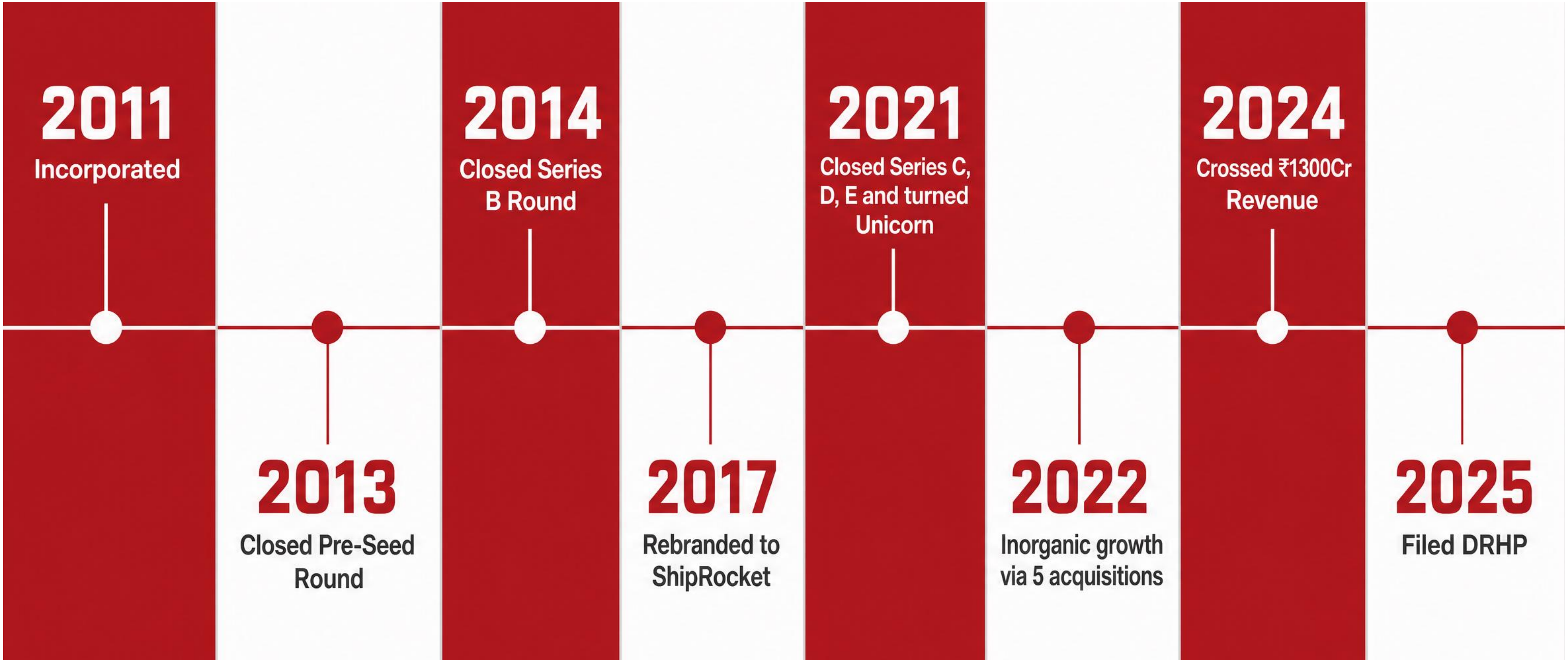
135
Countries

ACQUISITIONS

Pickrr | GLAUCUS | omuni | R | Wigzo

[1] 100+ transactions / month

THE BACKBONE OF INDIAN E-COMMERCE



THE BACKBONE OF INDIAN E-COMMERCE

TYPES OF ENABLERS

VERTICAL ENABLERS
(payments, logistics, marketing)

SAAS PLATFORMS
(ERPs, intelligence, analytics)

END TO END ORCHESTRATORS
(listing + payments + fulfilment + marketing)

SHIPROCKET'S EMERGING BUSINESS LINES:

1. Omnichannel (Omuni)
2. Cross Border (CargoX)
3. Ads & Marketing (Engage360, Checkout)
4. Capital & Investments (RocketFuel)
5. Quick Commerce *(Hyperlocal)*

(in INR Mn)	FY23A	FY24A	FY25A	FY26E
Core	9676	10846	13059	14100
YoY Growth	-	*12%*	*20%*	*8%*
Emerging	1212	2313	3260	4800
YoY Growth	-	*91%*	*41%*	*47%*
Total	10888	13159	16319	18900
%age Core	*89%*	*82%*	*80%*	*75%*

Emerging business lines already account for 25% of total revenue, of this Omuni (53%), CargoX (30%) account for majority share.

These business lines are also the growth leaders, while the core business grew **only 8%**, the newer business is consistently growing at **~50% YoY.**

OPPORTUNITIES IN **ENABLERS** WE ARE EXCITED ABOUT

RE-IMAGINING T2 & T3 COMMERCE

(of the 40M new middle-class ~30M is expected to come from T2 and beyond)

OMNI-CHANNEL COMMERCE

(online + offline; hyperlocal + in-store; growing at ~40% CAGR)

SUPPLY CHAIN INNOVATIONS

(cold chain / large goods / quick raw material procurement / infra-as-a-service / quick commerce rails)

ENABLING NEWER CHANNELS OF DISCOVERY & COMMERCE

(live, influencer led, AI led, reseller / P2P, etc.)

INDIA'S LARGEST CASUAL GAMES STUDIO

PLAYSIMPLE

#1

Indian casual mobile games company
(by revenue in FY25)

#1

publisher in mobile word games
(by downloads in CY25; ~14% of the ~731 million global word-game downloads)

Top-3

fastest-growing scaled global casual mobile games publishers
(by installs growth in 2023-2025) — **i.e. it is both the leader AND a top grower**

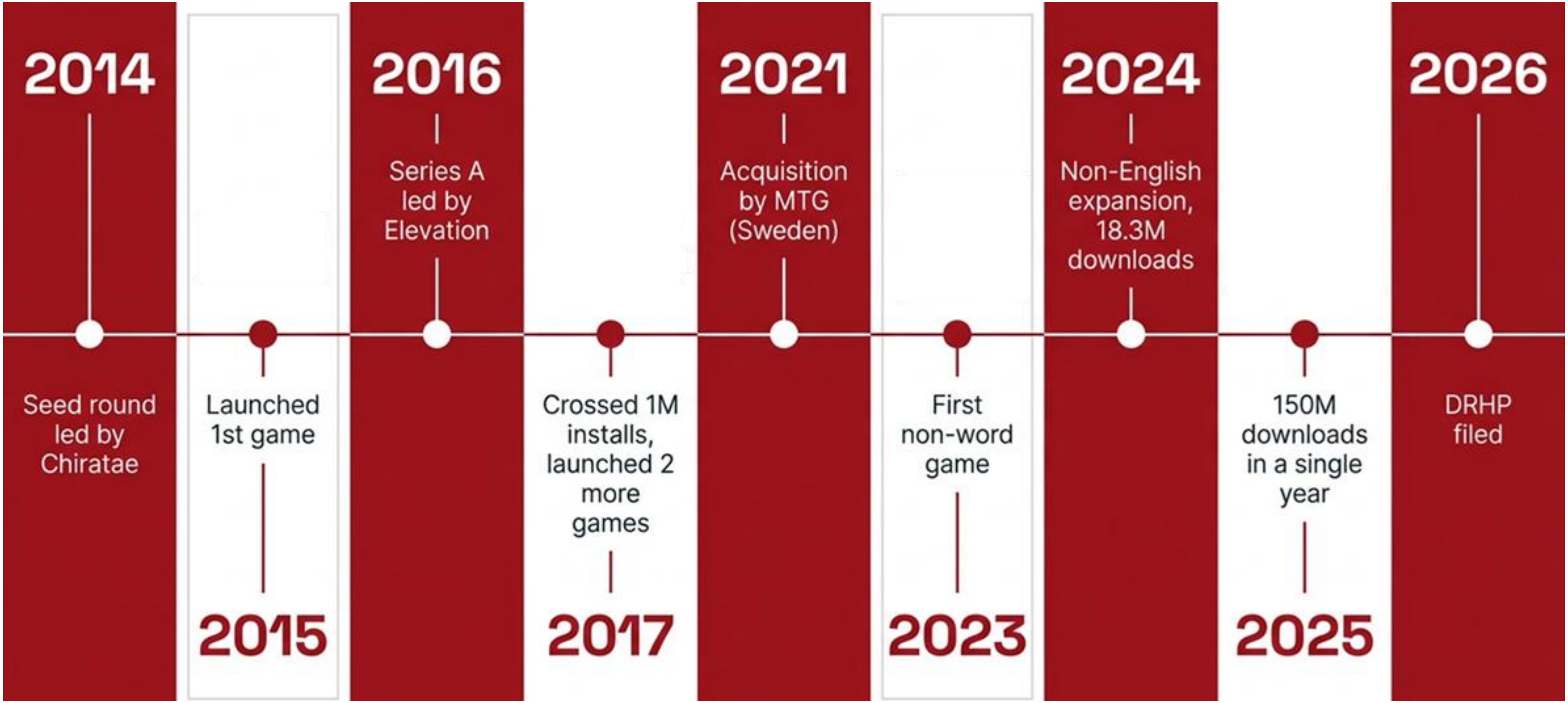
110
countries

₹2,260 Cr
Revenue in FY25

84 : 16
IAA : IAP

>2x
Avg daily play time
(29m v/s. 13m)

INDIA'S LARGEST CASUAL GAMES STUDIO



INDIA'S LARGEST CASUAL GAMES STUDIO

PSGs ARPDAU fell as they added 75M non-English speaking users.

Developed-market *(US, Western Europe, Japan)* eCPMs run **5–10x above** emerging markets.

NA forms the most concentrated demand pool at **48–52%** of the entire mobile games market.

The global mobile gaming base has scaled to **~3.1B players in CY25**, women form 42–47% of that audience.

As leisure time fragments into **shorter**, **more frequent** sessions, the format advantage is tilting toward casual/puzzle v/s. mid-core and console.

IAP gross-to-net: App-store commission 15–30% + indirect taxes / VAT 5–20% → publisher **realises ~50–80% of gross IAP**.

IAA gross-to-net: similar deductions exist (ad exchange fees + mediation charges).

Ad-format mix matters enormously

Rewarded video eCPMs run **2–4x interstitials** and **5–10x banners**.

As a result, rewarded formats typically deliver **45–55% of net IAA** revenue at leading publishers.

PlaySimple explicitly cites MTG-backed M&A as a forward growth strategy.

That signals scale-through-acquisition is now on the table — and could trigger **consolidation among smaller, up-and-coming casual studios.**

PlaySimple's ~14% attrition vs. a 73.6% industry benchmark is exceptional.

The recent **ESOP buybacks** will continue to seed a wave of senior exits into founder-led studios.

OPPORTUNITIES IN **GAMING** WE ARE EXCITED ABOUT

DEV TOOLS & LIVE OPS

AI FIRST GAMING STUDIOS

ROLL UP STUDIOS + NEWER FORMS OF DISTRIBUTION

NEWER MECHANICS & CATEGORIES

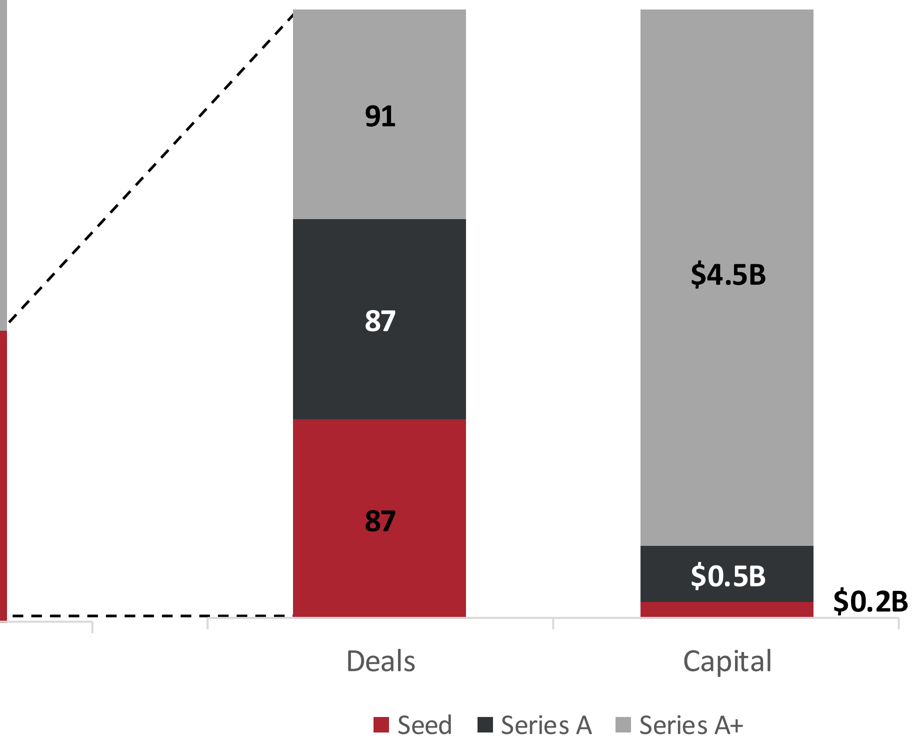
(UNDER CASUAL / HYPER-CASUAL)

PRIVATE MARKET ACTIVITY

WHAT HAPPENED IN THE VC WORLD?

Private Market Deal Count & Capital Deployed in H1CY26

Stage wise split of deal count and capital deployed in consumer startups



~$14B flowed into Indian startups in H1CY26 of which consumer businesses accounted for **~40%**

4 deals - Cred, Rapido, Kreditbee & SquareYards accounted for **$1B+ capital deployed**

A FEW PLAYS THAT CAUGHT OUR ATTENTION

HELIUM Reimagining Air — High Performance & Affordable Air Conditioners for India from India

HomeRun — Vertical Quick Commerce Platform Delivering Construction Supplies

PROLEARN — AI First EdTech – Making Learning More Engaging & Accessible

ನಮ್ಮ bazaarnow — Hyperlocal Quick Commerce Platform for T3 India

SPILL GAMES — AI First Hyper Casual Gaming Studio

SECTORAL DEEPDIVES

THE WHY?

Horizontal QC platforms are structurally built for **high-frequency, low-consideration purchases**. This model breaks for categories where curation, trust, assortment depth, and domain expertise matter.

Vertical QC platforms go deep on **SKU count**, build **category-specific fulfilment workflows** *(try-at-home for fashion, prescription verification for pharma, JIT sourcing for fresh)*, and **domain trust** that makes them the "first port of call" for their target consumer.

It's a full-stack reimagination of how consumers **discover, evaluate, and purchase** products in categories where the offline experience is broken and the online experience is inadequate.

THE SUB-CATEGORIES

Kids

The nuclear household squeeze

Beauty

Social media led instant purchase intent, with zero fulfilment bridge

Medicines

Need is inherently unplanned + Medicine is a 0-substitution, 0-delay category.

Services

Consumers now expect instant gratification, hence their plumber can't takes 4 hours

Fashion

80% of online fashion volume is off-season/discounted inventory

Electronics

An "experience-before-purchase" category that has been forcing into a "buy-then-decide" model by e-comm

Construction

Highest cost of not having the product

WHAT DOES IT TAKE TO CREATE A ₹10K Cr GMV BUSINESS?

Chiratae VENTURES

Every decision — how many SKUs to carry, which neighborhoods to serve, how many riders to deploy — ladders up to one question: **can you generate enough gross margin per order** to cover the cost of picking, packing, delivering, and acquiring that customer?

KPI	Horizontal QC	Vertical QC	Why the difference
Net AOV	~₹525s	₹1,000–10,000	Higher-value, considered purchases *(fashion, electronics, etc.)* vs. commodity replenishment
Gross Margin	15–20% *(incl. ad revenue)*	25–40%	Skews toward non-commodity categories with pricing power
Last-mile cost/order	₹50-₹75	₹100–180	Higher due to longer trips + higher wait times + larger parcels
OPD per store	~1500 *(2,000+ for Zepto)*	400–500	Fewer orders needed for same GMV/DS
Dark stores at scale	2,200+ (Blinkit); 1,100+ (Zepto & Instamart)	250–350	Vertical categories need bigger + fewer, more specialized stores.
Cities	200+ (Blinkit); 66+ (Zepto)	50–70	Vertical QC needs affluence density, not just population density
THE MATH	~₹90 GM/order (₹500 × 18%) to cover ~₹80–90 in variable costs needs 1,500+ OPD for enough absolute margin	~₹450 GM/order (₹1,500 × 30%) needs only 200–300 OPD for the same absolute margin per store	Vertical QC needs roughly 15–25% of that capital Blinkit consumed (80% lesser stores needed)
SKUs per store	~45,000	15,000–25,000	Depth over breadth
Delivery radius	~2km	5–10 km	Larger catchment because orders are less frequent and less time-sensitive (60 min vs. 10 min)

Sources: Blinkit FY26 results, Zepto UDRHP

NOT A WINNER TAKES ALL

"Won't the first mover in just dominate and squeeze everyone else out?"
The data from every adjacent category says no — and the reasons are structural, not accidental.

Exhibit A: Grocery — Multiple Funded Players, All Growing, All Coexisting

2,243 dark stores
~47% market share

1,139 dark stores
~2.3M orders/day
~33% share

~1,143 stores
~25% share
Fastest growing

entered in 2025
~500 stores (target ~1000 by Dec'26)

crossed 1,000+ stores
8,000+ pincodes

That's six well-funded players — **three of them backed by $50B+ parent companies** — operating in the same cities, often the same neighborhoods, and all growing simultaneously.

And alongside these horizontal grocery players, niche grocery platforms are thriving too.

(zero-inventory fresh produce model)

(for premium, quality-first grocery)

(scheduled next-morning delivery)

NOT A WINNER TAKES ALL

"Won't the first mover in just dominate and squeeze everyone else out?"
The data from every adjacent category says no — and the reasons are structural, not accidental.

Exhibit B: Home Services – All Scaling
Home services QC is barely 15 months old as a category, and three independently funded players are already coexisting and growing simultaneously:

Snabbit
40,000+ bookings/day *(hit 1L+ OPD peak)*
~15,000 workers
5 cities
1,500+ jobs/day in its most mature markets

Urban Company
Instahelp: 1M+ monthly bookings

Pronto!
26,000 bookings/day
10 cities
150+ micro-markets

Why This Pattern Repeats: The Physics of Darkstores and Micro-Markets
The structural reason multiple players coexist within the same niche is that **QC is a micro-market business, not a national-market business.**
The unit of competition isn't "India" or even "Mumbai" — **it's a 2–3 km catchment** around a single darkstore or service hub.

<u>We're already seeing this pattern in early fashion QC:</u>
Zilo: South Mumbai *(premium brand partnerships)* | **KNOT:** Central Mumbai | **Slikk:** Bengaluru *(value fashion positioning)* |
M-Now: already present in 3 cities

As the categories mature, we expect 2-3 players to coexist — across categories, including grocery, instant services and fashion.

CONSUMER AI IN INDIA

*India is the world's most **active market** for LLMs & Consumer AI*

~65% of Indian internet users now use GenAI regularly (compared to 42% in the US)

180M MAU	118M MAU	19M MAU	12M MAU

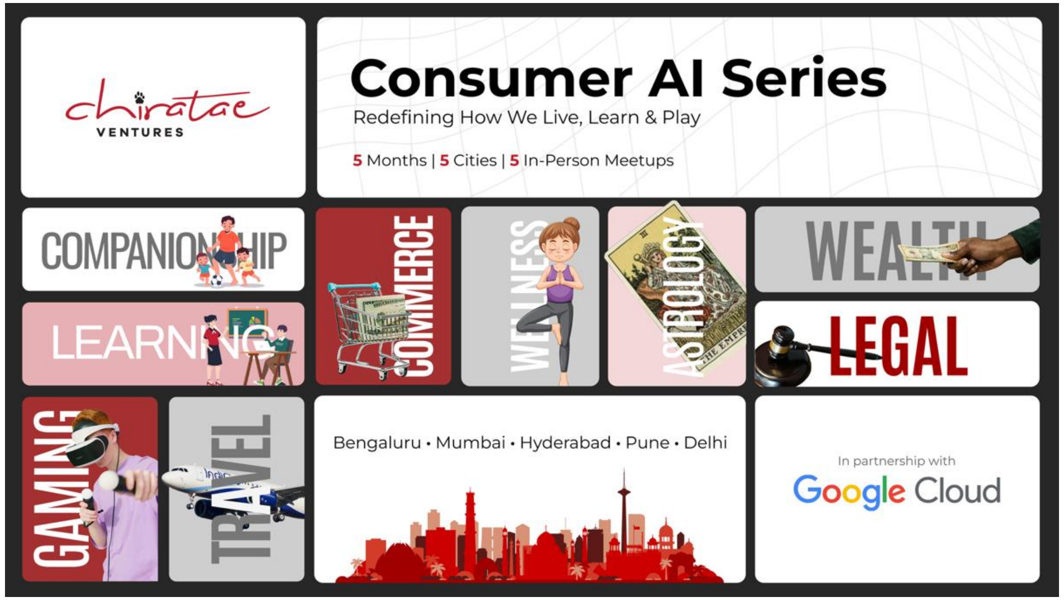
Usage of AI for efficiency has become <u>table stakes</u>. This penetration of LLMs has unlocked an appetite for AI first consumer experiences.

As a result, we continue to see ambitious teams building in carefully carved niches (mkt map on the right)

Platforms like Bhashini are enabling rural users to discover & transact online purely via voice commands in Bhojpuri/Tamil.

TEAM ACTIVITIES

CHIRATAE x GOOGLE: CONSUMER AI SERIES



10
SPEAKERS

701
REGISTRATIONS

OPERATORS FROM

FlickTV, boAt, Chai Shots, AdOnMo, purplle.com, seekho, Myntra, Hitwicket, coto, MIKO

CHIRATAE x GOOGLE: CONSUMER AI SERIES

chiratae VENTURES

BENGALURU, 4TH FEB

MUMBAI, 12TH MARCH

HYDERABAD, 25TH JUNE

BLOG POSTS

Anoop · May 7

The Consumer AI Inflection Point: Redefining how we Live, Learn & Play (Part-1)

Reflections from a panel discussion on Consumer AI | Bengaluru, February 2026

10

Samarth Gudwala · Jun 19

THE CONSUMER AI INFLECTION POINT - PART 2

Redefining how we Live, Learn & Play! Read the Edition 1 of this series here.

Samarth Gudwala · Just now

THE CONSUMER AI INFLECTION POINT • PART 3

Redefining how we Live, Learn & Play! Read the Edition 1 of this series here. Read the Edition 2 of this series here.

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CANDID THOUGHTS FROM THE TEAM

Chandraneel Polavarapu • 1st
Investments at Chiratae Ventures | Ex - JP Morgan (IB) | BITS
5mo •

As AI compresses the cost of writing code, we are witnessing increasing productivity gains resulting in a plethora of new websites, apps and github repos. Shipping is no longer the bottleneck. ...more

Amar Kumar and 45 others · 5 comments

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Saharsh Sharma • 1st
Vice President at Chiratae | Venture Capital & Startups
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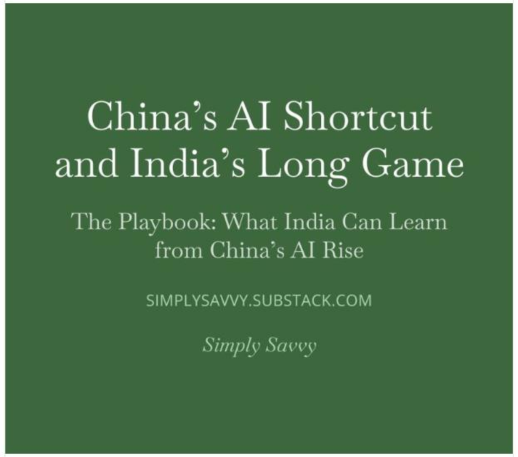
3mo •

China built a world-class AI model in record time and the story behind it isn't straight forward. ...more



Ritu Bansal and 20 others · 3 comments · 1 repost

Saharsh Sharma • 1st
Vice President at Chiratae | Venture Capital & Startups
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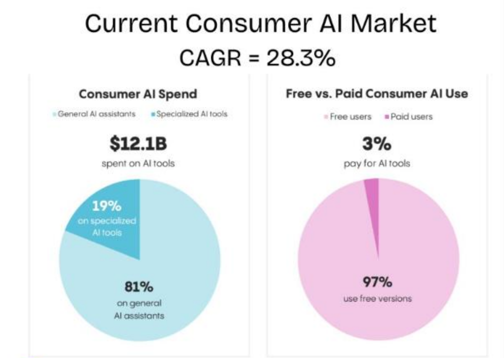
6mo •

One sector which I have been looking at is Consumer AI, but most products will fail despite rapid adoption.
The failure mode is consistent: novelty-driven growth followed by ...more



38 · 5 comments

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Samarth Gudwala • You
Investments @Chiratae | IIT Roorkee
2mo •

I have been wanting an air fryer for months now.
Simple task, right? Wrong. I couldn't figure out which one to buy — there are just too many options. ...more

Yash Gokhroo and 47 others · 10 comments

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Anoop N • 1st
Venture Capital | ConsumerTech | CXO | Operator
2mo •

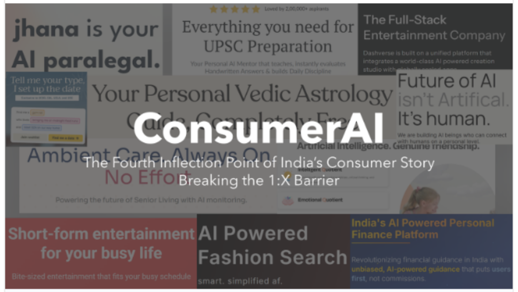
#CliffWeitzman built #Speechify to 60 million users, 94% of the B2C voice agents market, and 1.1 million five-star reviews. He did it over nearly a decade, with no PR strategy, no public valuation announcements, ...more

You and 29 others · 6 comments · 1 repost

Celebrate · Comment · Repost · Send

Samarth Gudwala • You
Investments @Chiratae | IIT Roorkee
10mo • Edited •

There have been three seismic shifts in India's ConsumerTech landscape — **Jio** democratized access, **UPI** democratized payments, and **COVID** democratized adoption. The fourth has been here for a while. ...more



My Dad > ChatGPT; The 1:X Barrier & ConsumerAI

Samarth Gudwala

57 · 4 comments · 2 reposts

Celebrate · Comment · Repost · Send

Samarth Gudwala • You
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6mo •

I was at Indian Institute of Technology, Guwahati last week for Udgam, IIT Guwahati, and the energy was infectious. ...more

IITG Technology Incubation Centre (IITG-TIC) + Follow
3,195 followers
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Founders' Lab @ UDGAM 2026 - Real talk on building startups that survive reality ...more

Anoop N • 1st
Venture Capital | ConsumerTech | CXO | Operator
2mo • Edited •

Gen Alpha is Choosing Experience Over Goods—What This Means for Retail

Over 50% of Gen Alpha's wallet is shifting to experiences, events, and brand activations over pure goods. But it gets more specific: they trust 'regular people' more than brands, they prefer rawness and imperfection over polished content, and they need to be hooked in 3–6 seconds or swiped.

This sounds like a marketing problem. It's actually a product architecture problem. Gen Alpha—340M+ in India alone—expects:

1. **Gamified retail**: Higher engagement in stores with interactive trials, not static shelves. Instagrammable retail = gameplay. Case in point #GullyLabs store
2. **Creator authenticity**: K-wave and anime culture dominance proves Gen Alpha isn't blindly chasing Anglophone culture. They follow creators who feel real, not brands with filtered feeds.
3. **Micro-moments**: 3–6 second hooks. If your campaign or UX takes longer, you've lost them. TikTok wiring is real.
4. **Social proof from peers**: Celebrity endorsement doesnt work here. What works is 'people like me loved this.' Personalised, contextual, granular. E.g. #GlideAI

The brands winning with Gen Alpha aren't disrupting traditional retail—they're building community-first playbooks. Pop-ups with experiences > billboards. Creator partnerships > celebrity deals. Peer validation > influencer reviews.

CLICK TO READ

PORTFOLIO UPDATES

SELECT PORTFOLIO UPDATES

Lenskart international business grows 35% in Q4; Peyush Bansal says it is now "a real business"

FirstCry reports Rs 2,163 Cr revenue in Q4 FY26; narrows losses by 57%

Rentomojo gets SEBI nod for IPO with Rs 150 Cr fresh issue

Fashion quick commerce startup ZILO raises $15.3 Mn in Series A round

Exclusive: Artium Academy to raise fresh funds at over 4X valuation premium

Robotics startup Miko raises $10.5 Mn led by iHeartMedia

Bengaluru | Mumbai | Delhi | Gift City

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