Investment Memorandum

EXECUTIVE SUMMARY

Company Name: Hexafun Private Limited	Stage: Pre-Seed
Headquarters: Mumbai (Registered in Delhi)	Founding Year: 2021
Amount Raising: ₹5.7 Crore	Post-Money Valuation: ~₹24 Cr (~₹18.3 Cr pre-money valuation)
Proposed Investment: ₹1 Crore	Ownership Sought: Estimated ~4.2% (based on ₹1 Cr investment at a ~₹24 Cr post-money valuation)

Key Recommendation: Invest in a culturally resonant, design-led lifestyle accessories brand that is unlocking a whitespace in India's Gen Z-focused fast fashion segment.

Hexafun is redefining everyday accessories, starting with handkerchiefs and socks, into expressive, sustainable, and trend-forward essentials. In a ₹10,000 Cr market niche that remains underdeveloped and underbranded, the company brings a distinctive mix of product innovation, high gross margins (70%+), and omni-channel distribution. It has scaled to ₹7.5 Cr ARR without institutional capital, backed by over 1 million units sold and strong traction across both retail and online channels.

Founded in 2021, Hexafun has built a 2.5 lakh+ customer base through 300+ in-house designs and an asset-light, vertically integrated supply chain. Hero SKUs like the "30-day hanky pack" and 6-pack bamboo socks have driven AOVs to ₹1,000+, roughly twice the category average, while maintaining strong unit economics.

The company has shifted away from high-burn D2C to a more efficient channel mix: 30% revenue now comes from offline retail (up from 3%), 30% from marketplaces including Amazon USA, and 15% from its own site. Retail partnerships with Regal Shoes and Hamleys are live, with further expansion in progress. Distribution strategy is focused on margin-positive channels, including CRED and upcoming quick-commerce pilots with Blinkit.

Led by experienced operators from FMCG and branding, Hexafun combines cultural insight with execution discipline. With ₹4.70 Cr already committed in the ₹5.70 Cr round (led by Prajay Advisors) at a ₹24 Cr post-money valuation, this ₹1 Cr investment offers a compelling entry into a high-margin, brand-led business poised for scale in a large and underpenetrated category.

COMPANY OVERVIEW

Flipping the script on dull, everyday accessories: Hexafun brings bold color, quirk, and unapologetic self-expression to handkerchiefs, socks, and more.

- **Vision:** To become India's most loved lifestyle accessories brand by transforming everyday essentials into vibrant, functional expressions of individual style.

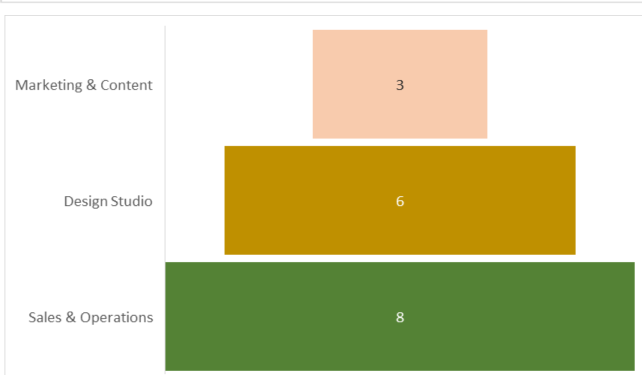
- **Mission:** To reimagine forgotten categories like handkerchiefs and socks through culturally relevant design, sustainable materials, and accessible pricing, enabling India's Gen Z to wear their personality, every day.

TEAM

- **Harshit Singhal, Co-founder & CEO**: Leads business strategy, operations, finance, and supply chain. Previously led the Founder's Office at a large consumer conglomerate and was a founding team member at *Smartsters*, an omni-channel kids' lifestyle brand that scaled to ₹10 Cr+ ARR within a year. Harshit also managed a $100 Mn FMCG retail portfolio. He is a management graduate from NMIMS, Mumbai.

- **Manali Sanghvi, Co-founder, CMO & Design Head:** Drives brand, product, and content strategy. Brings over 13 years of marketing and design experience across marquee brands like Surf Excel, Sunsilk, Clinic Plus, and Lifebuoy. Formerly at Unilever, she has worked on both India and global mandates. Holds a postgraduate degree in Mass Media from MET, Mumbai

Shareholding & Team



PROBLEM STATEMENT

In a market obsessed with apparel and electronics, one category has been completely neglected: everyday accessories. Items we carry, wear, or gift every single day — handkerchiefs, socks, pouches, stoles, shoe bags, remain completely unbranded, uninspired, and unchanged for decades.

For India's Gen Z, these aren't just items of utility. They're part of how they express who they are what they care about, how they look, what they share online. This generation will pay a premium for a hoodie that makes a statement or a phone case that reflects their mood, but when it comes to accessories? They're forced to choose between dull, poor-quality products or overpriced imports that still don't speak their language.

The Consumer Reality

- **No brands. No personality:** Walk into any offline store or scroll through marketplaces — socks and pouches are still treated like anonymous commodities.
- **Design is an afterthought:** Packaging is outdated. Colorways are generic. Nothing feels new, seasonal, or worth gifting.
- **No lifestyle alignment:** A Gen Z consumer who lives on Instagram, shops on Blinkit, and follows pop culture has no accessory brand that "gets them."
- **Zero consistency:** Sizes, quality, materials, and designs change across SKUs. There's no brand recall, no trust, no reason to come back.

This isn't a small inconvenience. It's a broken experience in a **₹15,000 Cr+ market**.

The Category Problem

These products are used daily, gifted frequently, and bought often — yet not a single company is treating them as brand-worthy. Incumbents chase scale with zero focus on aesthetics, cultural trends, or sustainability. Retailers stock whatever sells in bulk. No one is building love, aspiration, or identity in this space.

At the same time, Q-commerce, modern trade, and curated retail shelves are *desperate* for fresh, high-velocity inventory that looks great and sells fast. But they have nothing compelling to stock.

Current Alternatives

- **Unbranded Retail & Mass Merchandisers:** The majority of accessory sales in India still come from local vendors, wholesale distributors, and general stores. These products are function-first, with zero design innovation, no consistency in quality, and no customer loyalty. They serve the need — not the customer.

- **Fast Fashion Spillover (e.g., H&M, Zudio, Max):** Some apparel brands carry accessories as side categories, but these SKUs are limited, generic, and not India-centric. There's no sustained focus or cultural alignment — just seasonal fill-ins that lack emotional connect.
- **Export Surplus / Imported SKUs on Marketplaces:** Platforms like Amazon and Meesho are flooded with bulk-imported or export-surplus items that mimic premium brands but deliver inconsistent quality. There's no narrative, no customer support, and no post-purchase engagement.
- **Gifting Platforms (e.g., The Messy Corner, Chumbak):** These players focus more on personalization or novelty gifts, not high-frequency, style-driven accessories. Their AOVs are often higher and category overlap minimal. They're not playing in the same core space Hexafun is building in.

Why Now?

India's Gen Z and millennial population making up over **64% of the country's total** is not just driving demand, they're reshaping it. For this generation, *design*, *identity*, and *self-expression* are as important as function. They're no longer buying accessories just to use them, they're buying them to represent who they are, how they feel, and how they live.

At the same time, **distribution is evolving**. Platforms like **Blinkit**, **CRED**, and **Hamleys** are increasingly prioritizing *design-led*, *impulse-worthy* products that stand out on the shelf or screen. These aren't just retailers, they're new-age brand discovery engines, hungry for SKUs that offer aesthetic utility and fast sell-through. Hexafun is already live or launching on all three evidence of early pull from the most progressive formats in Indian retail.

Meanwhile, **gifting is exploding**, especially in the ₹500–₹1,000 range. According to Hexafun's internal data, more than **60% of customers purchase across multiple categories**, with gifting cited as a key driver of repeat transactions. Yet the accessories market estimated at over **₹15,000 Cr** remains dominated by **unbranded**, **uninspiring**, and **low-design** inventory.

This is the gap Hexafun is designed to fill:

- Consumers want expressive, sustainable, beautifully packaged products and are willing to pay for them.
- Retailers want differentiated inventory that attracts Gen Z wallets.
- The market lacks brands that do both with margin discipline and cultural relevance.
- Three irreversible trends are creating an ideal entry point:
- Aesthetic-first purchasing is now baseline. From phone cases to socks, consumers expect their accessories to signal style.
- Retail is curated for story and shelf appeal, not just price. Legacy players are too slow to adapt.
- Sustainability and design integrity are driving loyalty. Consumers actively choose brands that stand for something and stick with them.
- Hexafun isn't following a trend, it's answering a shift. And the market is ready.

SOLUTION

Product Description:

Hexafun is a design-led lifestyle brand transforming overlooked essentials into high-velocity, expressive, and sustainable accessories. Every product is built for everyday use, impulse gifting, and shelf appeal — without compromising on quality or cultural relevance.

The company's catalogue spans five high-utility categories, all crafted in-house with a focus on aesthetic utility and merchandising discipline:

- **Handkerchiefs:** Multi-use as pocket squares, napkins, or fashion statements; high-volume SKUs like the 30-Day Hanky Pack lead category sales.
- **Socks**: Made from bamboo and organic cotton, these are designed in both minimalist and themed drops.
- **Shoe Bags & Luggage Covers:** Functional, machine-washable and trend-aligned for sneakerheads and travellers.
- **Storage Pouches**: Compact, colour-blocked organizers for cords, makeup, and more — strong AOV boosters and bundling drivers.
- **Seasonal & Gift Packs:** Curated collections designed around occasions like Diwali, Rakhi, and holidays — high-margin, repeatable formats

Hexafun has developed and launched over **300+ original SKUs**, all produced through an asset-light model and packaged plastic-free. The brand's ability to merge visual storytelling with strong unit economics is a core advantage — and already validated across modern trade, Q-commerce, and curated marketplaces.

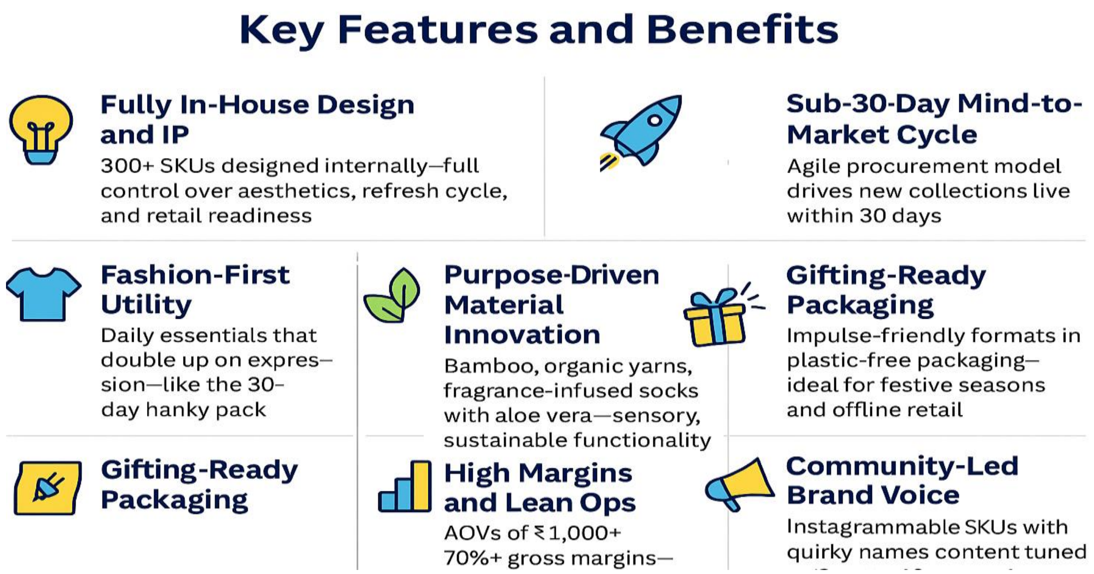
Key Features and Benefits:

Hexafun's product architecture is designed around agility, relevance, and brand-led experience with features that directly support scale, margin retention, and cultural resonance. The business combines high refresh rates, material innovation, and gifting-readiness to create a lifestyle accessories brand tuned for modern retail.

The key differentiators driving product and customer pull include:

- **In-House Design IP:** Every product, over **300 SKUs** is designed internally, enabling rapid refresh cycles, trend alignment, and brand consistency across categories.
- **Sustainable and Functional Materials:** The product range includes **bamboo socks**, **aloe-infused hankies**, and **organic cotton** variants. All packaging is **plastic-free** and made for retail display and gifting occasions.
- **Impulse-Driven, Gifting-Friendly Formats:** SKUs like the 30-day hanky pack or curated seasonal boxes are designed with shelf impact and cultural utility in mind, optimized for D2C, Q-commerce, and offline placement.
- **Agile Merchandising Engine:** Hexafun operates on a **<30-day mind-to-market cycle**, enabled by tight vendor integration and backward-linked sourcing. This supports small-batch drops and trend-led releases without inventory bloat.

- **Margin Discipline & Retail Readiness:** Products average **₹1,000+ AOV** with **70%+ gross margins** allowing the brand to scale into modern trade and marketplaces without burning capital.
- **Culturally Tuned Brand Voice:** SKUs are designed to be "Instagram able by default," with naming, colour palettes, and bundles reflecting Gen Z fashion, humour, and lifestyle touchpoints.



Hexafun's model balances design-led desirability with merchandising discipline creating the foundation for a product-first brand that can scale across channels, regions, and seasonal cycles.

Competitive Advantages:

- **Category Specialization:** Sole focus on lifestyle accessories not just an apparel spillover. Deep vertical integration across handkerchiefs, socks, pouches, and more enables SKU discipline, design consistency, and merchandising velocity.
- **Design IP Ownership & Refresh Agility:** Over **300+ SKUs designed in-house**; **<30-day design-to-market** cycle enables fast launches and trend alignment. No dependence on licensing or external designers.
- **Retail-Optimized Product Formats:** Gifting-ready packaging, impulse-friendly pricing (₹299–₹1,299), and shelf appeal drive traction across **60+ offline retail stores** including **Regal Shoes**, **Hamleys**, and **Crossword**.
- **Proven Unit Economics:** Average Order Value of **₹1,000+**, **70%+ gross margins**, and positive CM2 in retail and D2C. Acquisition cost (CAC) remains efficient due to bundling, gifting, and repeat use cases.
- **High-Frequency Use & Brand Stickiness:** Over **60% of customers purchase across multiple categories**, with bestsellers like the **30-day Hanky Pack** selling **6L+ units**. This creates habitual usage and brand familiarity.

- **Cultural Fit and Brand Voice:** Products are tuned for Gen Z taste: meme-aware design language, quirky SKUs, and Instagrammable packaging create organic virality and social currency
- **Scalable and Capital-Efficient Playbook:** No subsidies or deep discounts required to drive growth. Successfully expanded from D2C into offline and Q-commerce, proving repeatability and operational soundness.

MARKET OPPORTUNITY

Total Addressable Market (TAM)

The Total Addressable Market (TAM) for Hexafun includes India's broader **lifestyle accessories** segment covering high-frequency categories like handkerchiefs, socks, stoles, pouches, luggage covers, and shoe bags. These items fall within the functional accessories space, but remain largely unbranded and under-innovated.

According to industry estimates and internal market mapping, India's accessory market is valued at approximately **₹15,000–16,500 crore (~$1.8–2.0 billion)**. This includes both the unorganized general trade and branded fast-fashion or gifting players. Hexafun is positioned to serve this entire whitespace with design-led, culturally relevant, sustainable products across offline, D2C, marketplaces, and Q-commerce formats.

TAM Estimate: ₹15,000–₹16,500 crore
(Source: Internal estimates, lifestyle apparel and accessories market data, Amazon/GCC retail analysis)

Serviceable Available Market (SAM)

The SAM represents the portion of this market that is **digitally accessible**, **brand-receptive**, and actively transitioning toward curated, organized formats. This includes Tier 1 and Tier 2 consumers across:

- Modern retail (Hamleys, Regal, Crossword)
- E-commerce (Amazon, CRED)
- Q-commerce and impulse gifting platforms (Blinkit, Swiggy Instamart)

Hexafun's SAM — based on channel accessibility and design-led product relevance is estimated at **₹4,000–₹5,000 crore (~$500–600 million)**.

SAM Estimate: ₹4,000–5,000 crore
(Assuming ~30% of the TAM is currently brand-addressable via structured retail and online formats)

Serviceable Obtainable Market (SOM)

The SOM reflects the market Hexafun can realistically capture over the next 5–6 years, based on its current traction, product range, pricing (₹299–₹1,299), and channel depth. With a focus on mid-to-premium consumers in urban centers, Hexafun estimates a penetration of **6–8%** of its SAM through repeat buying, multi-category loyalty, and retail expansion.

SOM Calculation:
₹4,500 crore × 6–8% = ₹270 – ₹360 CR market opportunity over 5–6 years

Growth Trends and Tailwinds

- **64% of India's population is under age 35**, driving demand for expressive, affordable lifestyle purchases.
- **Impulse gifting and curated accessories** are growing 3x faster than traditional apparel sales.
- **Modern trade and Q-commerce** platforms are expanding shelf space for design-first products.
- Gen Z consumers are gravitating toward **conscious consumption** — favoring sustainability, aesthetics, and functionality in everyday items.
- Marketplaces like Amazon and Blinkit are increasingly prioritizing **visual shelf appeal** and **packaged product storytelling** — creating a strong pull for brands like Hexafun.

BUSINESS MODEL

Revenue Model:

Hexafun operates a **multi-channel, inventory-led consumer brand model**, generating revenue from sales of fashion-forward lifestyle accessories such as socks, handkerchiefs, pouches, and stoles. The company designs all SKUs in-house and manufactures through a vertically optimized network of third-party vendors.

Revenue Streams:

- **Offline Retail (30%)**: SIS (shop-in-shop) format in 60+ locations including Regal Shoes, Crossword, and Hamleys. Retail accounts for ~₹15–18 lakh/month in secondary sales.
- **Marketplaces (30%)**: Domestic Amazon, CRED, and similar platforms. CRED contributes ~₹15L-18/month with **15–18% net profit margins** at the order level.
- **Amazon USA (20%)**: Exports focused solely on handkerchiefs. Stable channel with ~$22 AOV and growing.
- **Own D2C Website (15%)**: Curated drops and first-party customer acquisition; reduced dependency from 60% to 15% over 6 months.
- **Bulk & Corporate Orders (Emerging)**: Co-branded and institutional SKUs for brands like Sugar Cosmetics and Avendus Capital.

Hexafun books revenue based on final customer sell-through (not just primary billing), maintaining financial transparency and realistic growth tracking.

Pricing Strategy:

Hexafun follows a **fixed pricing strategy** targeted at the ₹299–₹1,299 sweet spot, optimized for impulse purchases and gifting.

- **Hero SKUs**:
  - 30-day Hanky Box: ₹2,000
  - 6-pack Bamboo Socks: ₹1,200
- **AOV**: ₹1,200 across D2C and retail (vs. ₹500–600 category average)
- **Bundle-driven Pricing**: Increases AOV and perceived value; allows cost-effective customer acquisition.
- **No deep discounting**: Products are not subsidy-driven. Strong margin discipline across all channels.

Customer Lifetime Value (LTV):

- **Repeat Purchase Rate**: ~20% of customers return within 12 months; over **60% buy across categories**.
- **Average Order Value (AOV)**: ₹1,200
- **Retention**: Driven by gifting cycles, design drops, and multi-category discovery
- **LTV Calculation**:
  - AOV: ₹1,200
  - Transactions per year: 1.8 (avg.)
  - Gross Margin: 72%
- **LTV ~ ₹1,200 × 1.8 × 72% ~ ₹1,550–1,600 per year**
  Over a 2-year retention window: **LTV = ₹3,000+**

Customer Acquisition Cost (CAC):

Hexafun's CAC varies by channel and has improved significantly through shift to high-ROI platforms:

Channel	CAC Estimate	ROAS	Net Profitability
Website (D2C)	₹1,100–₹1,200	~2.5x	Near break-even
Amazon India	₹130–₹150	~4.5x	Positive CM2
CRED	₹60–₹70	~8x	15–18% net profit
Offline Retail	~₹0 CAC*	—	~38% net margins in Regal, post-commissions

**Offline CAC is nil due to footfall-driven discovery and branded in-store placement.*

AOV: CAC Ratio:

- **Blended AOV**: ₹1,200
- **Blended CAC**: ₹600
- **AOV: CAC Ratio = 2.0x**, improving due to shift toward offline and marketplace models

TRACTION

Key Metrics:

Metric	Current (FY25 Est.)	Target (FY27)	Notes
Annualized Revenue (ARR)	₹7.5 Cr	₹25 Cr+	4x YoY growth driven by retail and Amazon channels
Gross Margin	70%+	Maintain 68–72%	Strong contribution across categories; low discounting
Monthly Orders	~8,000+	20,000+	Across D2C, retail, Amazon India/US, and Q-commerce
Repeat Rate	20%+	30–35%	Driven by gifting cycles and multi-category cross-sell
AOV (Average Order Value)	₹ 1,200	₹1,400+	Higher through bundles and festive packs
Customer LTV (2-year)	₹3,000+	₹4,000+	Based on 1.8x transactions/year and 70% margin
Customer CAC (Blended)	₹500–₹600	Maintain <₹700	Low CAC from CRED, Amazon, and retail footfall
AOV:CAC Ratio	2.0x	>3x	Improving with lower CAC and larger cart size
Retail Doors Live	60+	150+	Hamleys, Regal Shoes, Crossword, etc.
SKUs Designed In-House	300+	500+	Fully internal design, themed drops, seasonal collections

Hexafun has demonstrated strong early momentum, scaling revenue, distribution, and product velocity with disciplined unit economics and clear category focus.

Historical Growth:

Revenue has grown 4x YoY, from approximately **₹1.5 Cr in FY24 to ₹7.5 Cr in FY25E**. Hexafun expects to scale to **₹25–30 Cr ARR by FY27**, with expanding contributions from offline retail, Amazon USA, and institutional gifting.

CAGR Estimation:

Revenue CAGR (FY24–FY27) is projected at approximately **85–90%**, supported by high AOV, strong margins, and channel diversification.

Team & Design Velocity:

The company has built a **300+ SKU in-house design library**, with a <30-day launch cycle. Operational headcount remains lean due to an asset-light model and optimized vendor partnerships.

Notable Partnerships & Channels:

- **CRED:** Gifting and merchandise bundles, ₹15L+ monthly sales with 15–18% net margin
- **Amazon USA:** Handkerchief-led export business with ~$22 AOV
- **Retail Partners:** SIS presence in 60+ stores (Regal Shoes, Hamleys, Crossword), with zero CAC and strong visual conversion
- **Blinkit (Pilot):** Launching Q-commerce packs designed for festive and impulse gifting formats

Customer Retention / Loyalty:

- ~**20% repeat rate within 12 months**, with cross-category purchases in >60% of users
- Plans to introduce **loyalty rewards, subscription packs, and limited-edition drops** to improve repeat frequency and gifting virality

Churn Factors:

Minimal brand-switch churn in core SKUs (socks, hankies) due to lack of branded alternatives. Higher churn risk exists in impulse categories (e.g., gifting pouches) unless reinforced by seasonal relevance or bundling.

Churn Management Initiatives:

- Personalised follow-up flows via WhatsApp and CRM
- Occasion-based targeting (e.g., Diwali, Rakhi) to re-engage customers
- Partnering with Q-commerce and B2B channels to increase brand touchpoints outside D2C

COMPETITIVE ADVANTAGE

Hexafun's defensibility lies in a combination of category innovation, executional agility, and brand-led retail strategy: all anchored around a strong understanding of the Gen Z and millennial consumer. The company has built sustainable competitive moats across product, brand, distribution, and unit economics, which collectively differentiate it in a fragmented and commoditized lifestyle accessories market.

- **Category Leadership in an Under-Innovated Segment:** Hexafun holds a clear first-mover advantage in the modern handkerchief category — a legacy product that has seen minimal innovation in decades. With its flagship "30-day, 30-hanky box" SKU, the company has not only built recall in a dormant category but has also expanded the usage context from utility to self-expression and styling. This has created a defendable niche with little to no organized competition.

- **Gen Z-Aligned Brand DNA:** Unlike traditional accessory brands that rely on formalwear or licensed IPs, Hexafun is a trend-native brand designed for a generation driven by self-expression. The in-house design team operates on a fast-turnaround model (30-day mind-to-market cycles), allowing the brand to consistently launch culturally relevant, limited-edition drops — from aloe vera yarn socks to K-pop and monochrome collections. This continuous refresh strategy keeps the brand top-of-mind and reduces the risk of brand fatigue.
- **Agile, Capital-Efficient Product Supply Chain** Hexafun operates a hybrid sourcing and manufacturing model that allows for SKU-level customization, inventory optimization, and cost control. The team has built direct relationships with certified organic mills in South India, combined with modular job-work vendors and in-house quality control — enabling the business to scale without inventory bloat or capacity constraints. This decentralized, lean backend has been a key enabler of fast fashion-like cycles without typical CAPEX requirements.
- **Omnichannel Distribution with Favourable Unit Economics:** Hexafun has shifted from an early-stage D2C-heavy model to a more balanced and capital-efficient channel mix:
    - 30% via offline retail (including branded SIS placements in Hamleys, Regal Shoes)
    - 30% via online marketplaces (Amazon, CRED)
    - 20% via Amazon USA
    - 20% via own D2C site

  This omnichannel approach has allowed the company to scale while maintaining control over brand experience and improving contribution margins (CM2 at 20%). Offline channels are already EBITDA-positive, and certain partnerships operate on a no-inventory, commission-based model — further de-risking expansion.

- **Brand-Led Retail Execution:** Hexafun deploys its own branded fixtures at retail outlets — uncommon for most accessory brands — creating visual distinctiveness and reinforcing brand identity at the point of sale. This model has proven to drive higher sell-through rates and increase average basket sizes. It also strengthens retailer alignment and unlocks premium positioning, a critical factor in impulse-driven product categories.
- **Superior Product Economics and Customer Behaviour**
    - **AOV of ₹1,200+**, nearly double the category average
    - **Gross margins of ~72%**, with improving CM2
    - **<5% RTO and return rates** in a category typically plagued by high operational inefficiencies
    - **20% repeat rate**, with 60% of customers buying across categories, indicating growing brand affinity

This high-quality customer behaviour is further amplified by bundling strategies (e.g., hanky and sock gift boxes) and expansion into corporate gifting and seasonal demand moments (Rakhi, Diwali, etc.).

- **High Replication Risk for Competitors, Low Substitution Risk for Customers:** Hexafun's differentiation does not rest on any single SKU or channel — rather, it is a blend of design agility, cultural insight, efficient backend operations, and retail execution. While incumbents like SuperSox and Balenzia have attempted to replicate product aesthetics, Hexafun's brand voice, customer engagement, and in-house execution discipline make the model difficult to copy without significant structural change.

PRODUCT & TECHNOLOGY

Product:

Hexafun is a Gen Z-focused lifestyle brand transforming everyday accessories into tools of self-expression. Anchored in the philosophy of "making the mundane fun," Hexafun's product strategy is centered on reimagining overlooked essentials — starting with handkerchiefs and socks — and extending into newer lifestyle categories like shoe bags, stoles, luggage covers, and organizers.

The company has built a 300+ SKU library of high-AOV, high-margin products that combine cultural relevance, functionality, and sustainable materials (100% GOTS-certified organic cotton, bamboo yarns, aloe vera-infused fabric). Products are designed in-house, manufactured via an asset-light vendor network, and launched with rapid speed-to-market cycles (average: 30 days from concept to shelf).

Core SKUs:

- 30-Day 30-Hanky Styling Box (₹2,000)
- 6-Pack Bamboo Socks (₹1,200)
- "Unbasics" line for marketplaces like Cred and Amazon

Emerging SKUs:

- Fragrant hankies (mood-based)
- Aloe vera and banana yarn socks
- Shoe bags and travel organizers

This product lineup positions Hexafun at the intersection of impulse-driven fashion, sustainability, and giftable accessories.

Operating Model:

Hexafun follows an asset-light, modular manufacturing model with deep operational control over quality and flexibility:

- **Sourcing:** Directly procures raw fabric from certified mills in Shivakashi and Tirupur
- **Production:** Uses a distributed job-work model—fabric preparation, printing, tailoring, and packaging are handled by specialist vendors, reducing fixed overheads
- **Inventory:** Just-in-time cutting and packaging (7-day lead time before shipment) ensures SKU-level flexibility and minimizes working capital strain
- **Quality Control:** All products are stored, audited, and dispatched from Hexafun's Delhi-based warehouse

This model allows for high design variety, small-batch runs, and trend responsiveness — without the capex burden of in-house manufacturing.

Technology Stack:

While Hexafun is not a tech-first company, technology is used pragmatically to enable scale, cost-efficiency, and customer engagement:

Frontend & Customer Touchpoints:

- Shopify-powered D2C website
- Marketplace integrations (Amazon India, Amazon USA, Cred)
- WhatsApp CRM for order updates and feedback

Backend Operations:

- Internal tools for SKU management, POs, and stock audits
- Inventory planning via Google Sheets & integrated order logs
- Shipping & logistics handled through Shiprocket, Amazon logistics, and regional carriers

Marketing & CX:

- In-house influencer CRM system
- Content scheduling via social tools (e.g., Canva, Meta Suite)
- Performance marketing monitored in real time (Meta Ads, Google, CRED dashboards)

While current tech is largely off-the-shelf and lean, a roadmap is in place to centralize data across channels and improve SKU-level planning.

IP and Design Edge:

- **Trademarked brand** and registered copyrights across major designs
- **In-house design team** (6 members across graphic and product design), enabling proprietary creative control and rapid iteration
- Competitive advantage in design velocity: mind-to-market cycle of <30 days vs 60–75 days for typical players

Future roadmap includes building a proprietary content + design management platform to automate influencer ops, theme drop planning, and SKU rollout sequencing.

Roadmap:

Hexafun's near-term product and tech priorities include:

- **Offline GTM Enablement**: Deploying custom PoS software to track SIS performance
- **Category Expansion**: Launching tote bags, hats, and sustainable gifting formats
- **Design Automation**: Workflow tools for faster iterations on trends sourced from Pinterest, Instagram
- **D2C Optimization**: Improving checkout flows, returns, and bundling on Shopify
- **Retail Analytics**: Integrating sell-through and footfall insights from Hamleys, Regal, and other offline partners

The company's long-term focus is to build an IP-led product ecosystem that combines lifestyle expression with sustainability, personalization, and omnichannel availability.

GO-TO-MARKET STRATEGY

Hexafun's go-to-market playbook blends design-led product drops, omnichannel presence, and impulse-driven retail formats to maximize visibility, discovery, and purchase intent. The company has successfully transitioned from a D2C-first approach to a diversified, capital-efficient distribution model that is tuned to the buying behaviour of Gen Z and millennial consumers.

Current Split (MRR: ₹65–70 Lakhs)

- **30% Offline Retail**
  - SIS (Shop-in-Shop) models in Regal Shoes, Hamleys
  - Branded fixtures to create premium shelf presence
- **30% Marketplaces**
  - Amazon India, Cred
  - Performance-oriented, impulse-led SKUs ("Unbasics" line)
- **20% D2C Website**
  - Organic + performance marketing-driven
  - High-AOV gifting boxes and collector packs
- **20% Amazon USA**
  - Low-capital international seeding with select SKUs (hankies only)

This diversified structure reduces platform dependency, optimizes CAC, and builds resilience across macroeconomic cycles.

Customer Acquisition Channels

- **Offline Retail (High-Impact SIS Model)**
    - Deployed branded fixtures in 35+ Regal Shoes outlets
    - Pilots with Hamleys expanded to 75 stores nationwide
    - Strategy: Own the last foot of shelf with bold, impulse-purchase displays
    - Future expansion: Shopper's Stop, airport retail, metro kiosks

Online Marketplaces

- Cred: Contributes ~15% of monthly sales; EBITDA-positive with ~15% margin
- Amazon India: Fast-growing channel, expanded into socks to improve CPC and ROAS
- Amazon USA: Focused on seeding the brand with hanky SKUs; low marketing spend

D2C (Brand-Building & Gifting Focus)

- INR 1,200+ AOV; premium SKUs like 30-hanky boxes and curated gifting kits
- Optimized Meta/Google ad spend post burn reduction
- High repeat rates driven by seasonal campaigns and festivals

Micro-Acquisition Hubs

- College fests, flea markets, and offline pop-ups as both brand discovery and conversion tools
- High-ROAS channels that align with Gen Z social behaviors

Sales & Pricing Strategy

- **High-Impact Pack Design**: Curated bundles (e.g., ₹2,000 30-day hanky pack) designed to increase AOV and positioning
- **Impulse-Merchandising**: Retail placement engineered to drive walk-in conversions
- **Omnichannel Consistency**: Product design, pricing, and branding remain consistent across all channels
- **Focus SKUs by Channel**:
    - Premium bundles on D2C
    - Value SKUs on marketplaces
    - Gifting + trend-led inventory in retail

Marketing Approach

- **Brand-Led Content**: In-house design and influencer teams ensure brand voice and storytelling stay sharp and agile
- **Trend Hijacking & Drops**: Fast fashion-inspired drop calendar (e.g., monochrome, Korean wave, "Aloe socks")

- **Performance Marketing**: Platform-specific creatives and ROI-focused campaigns (currently blended CAC of ₹500–600)
- **Community Building**: Instagram-led brand narrative, creator collabs, and UGC strategy focused on style, sustainability, and self-expression

Early Wins

- **Retail Success with SIS Model**: Branded fixtures in Regal Shoes drove +58% volume growth in test stores
- **Category Expansion via GTM Innovation**: Introduced "Unbasics" sub-brand to tap into mass-market online consumers without diluting Hexafun's premium positioning
- **Capital Efficiency in Scale**: Reduced burn from ₹20L+ to ₹6–7L/month while growing MRR by 70% in 6 months
- **Strong Partner Demand**: Inbound interest from Hamleys, Shoppers Stop, airport retailers, and modern trade players post-regal success

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FINANCIALS

Metric	FY24 (Actual)	FY25 (Actual)	FY26 (Projected)	FY27 (Projected)
Revenue (INR Cr)	3.25	6	19.75	50.95
EBITDA (INR Cr)	(2.1)	(2.60)	(0.36)	6.7
EBITDA Margin (%)	(64.62)	(44.44)	(1.8)	12.6
Gross Margin (%)	63	66.93	71.7	73.5
ARR (INR Cr)	4	7.5	24	70
CAC (Customer Acquisition Cost) (INR)	~800	~600	~400	~300
LTV (Lifetime Value) (INR)	~1000	~1200	~1400	~1550

DEAL DETAILS

Transaction Overview

Hexafun is raising a **₹5.7 Cr Pre-Seed round** at a **₹18.23 Cr pre-money valuation**. The round is being led by **Prajay Advisors** alongside existing friends-and-family investors. The company has already secured **₹4.7 Cr in commitments**, with a remaining allocation of ₹1 Cr currently open.

- **Structure:** Equity
- **Stage:** Pre-Seed
- **Total Round Size:** ₹5.7 Cr
- **Amount Committed:** ₹4.7 Cr
- **Lead Investor:** Prajay Advisors & existing investor (₹4.7 Cr commitment)
- **Instrument:** Plain equity
- **Pre-Money Valuation:** ₹18.23 Cr
- **Post-Money Valuation:** ₹23.9 Cr (if fully subscribed)
- **ESOP Pool:** Implemented prior to fundraise, as part of deal structuring
- **Existing Investors:** Friends & Family (₹2.2 Cr across multiple tranches)
- **Use of Funds:**

Use Case	% Allocation	Details
Offline Expansion	40%	Rollout of SIS (shop-in-shop) formats, branded fixtures, and kiosks in high-footfall retail such as Hamleys, Regal Shoes, and airport retail.
Inventory & Category Innovation	30%	Scaling production of core SKUs (socks, hankies), and launching new products like tote bags, gifting kits, and fragrance-infused accessories.
Brand Marketing & Performance Ads	20%	Digital marketing (Meta, Google), influencer campaigns, retail visibility, and seasonal campaigns to drive customer acquisition and brand recall.
Tech Stack & Team Operations	10%	Hiring across design, ops, and retail execution; investment in backend tools for SKU planning and D2C optimization.

Governance: *DD report ready & SHA and compliance processes initiated; in finalization stage*

Note: *This round has been largely subscribed externally. Allocation is time-sensitive. Commitments are final once confirmed. Call for capital will be initiated immediately post-commitment.*

RISKS & MITIGATIONS

Risk	Mitigation
1. Low Purchase Frequency Core categories like socks and hankies have inherently lower repeat cycles.	Hexafun drives higher AOV and repeat purchases through bundling, seasonal gifting SKUs, and multi-category expansion.
2. Offline Execution Risk Scaling SIS formats requires upfront investment and operational oversight.	Expansion is phased, margin-positive, and standardized; formats are capex-light and already validated via Regal and Hamleys.
3. Capital Depth & Governance Business has scaled without institutional capital and structured governance.	A ₹4.5 Cr anchor from Prajay Advisors is secured; SHA, ESOP pool, and governance frameworks are being institutionalized.
4. Product Replicability Design-led products can face imitation from larger players.	Proprietary designs, IP protection, in-house creative, and a <30-day drop cycle provide sustained differentiation.
5. Channel Concentration Heavy revenue reliance on a few retail and marketplace channels.	The company maintains a diversified channel mix (D2C, offline, marketplaces, Amazon US) with no single-point dependency.

EXIT POTENTIALS

Potential Acquirers

Hexafun operates in an impulse-driven, brand-first lifestyle segment that aligns with the strategic objectives of several consumer and retail players looking to tap Gen Z and millennial audiences. Potential acquirers may include:

- **D2C aggregators:** Mensa Brands, GlobalBees, Good Glamm Group
- **Consumer conglomerates:** Aditya Birla Fashion, Reliance Brands, TCNS Clothing
- **Retail groups:** Landmark Group, Shoppers Stop, Metro Shoes
- **International brands expanding into India:** Uniqlo, H&M (Accessories vertical), or regional players seeking youth-aligned accessory assets

Comparable Transactions:

Company	Acquirer / Investor	Deal Size	Notes
Soxytoes	Undisclosed PE fund	~$1M (est.)	D2C socks brand with limited design differentiation
Chumbak	GOAT Brand Labs	Undisclosed	Acquired for IP, brand equity, and offline formats
Bewakoof	TMRW (Aditya Birla)	Majority stake	Horizontal youth fashion platform acquired to scale distribution and brand portfolio
Clovia	Reliance Retail	₹950 Cr (majority stake)	Innerwear and accessories brand; offline-led

These transactions suggest a precedent for design-led D2C brands being acquired both for their brand equity and ability to engage younger consumers through differentiated formats.

IPO Potential:

While early-stage, Hexafun has the fundamental characteristics of a long-term consumer brand that could be taken public:

- Clear brand identity with a loyal, growing customer base
- High gross margins (70%+), expanding CM2 and improving path to profitability
- Scalable omnichannel model with demonstrated traction in both online and offline formats
- Potential to build a ₹100–150 Cr topline business over the next 3–4 years with disciplined category expansion

Given the evolving appetite for consumer IPOs in India and the success of players like Boat and Mamaearth, Hexafun may emerge as a viable mid-cap listing candidate in the medium term, subject to sustained growth and brand strength.

INVESTMENT THESIS

Top Reasons to Invest:

- **Full-Stack Lifestyle Accessories Brand for Gen Z & Millennials:** Hexafun is building the next-generation consumer brand around self-expression and styling in everyday accessories — spanning socks, hankies, shoe bags, tote bags, stoles, storage organizers, and travel formats. Positioned as a category-creating brand with ~300 SKUs across impulse-led, high-margin verticals.

- **Large Market Opportunity with Global Tailwinds:** Tapping into the ₹15,000 Cr+ Indian lifestyle accessories market with adjacency potential across gifting, travel, and utility fashion. Early traction in Amazon US validates long-term potential for cross-border D2C.
- **Omnichannel Flywheel with Channel-Category Fit:**
  ₹7.5 Cr ARR with healthy mix across:
  - Offline retail (30%): Branded fixtures at Regal Shoes and Hamleys; net margin of 38–40%
  - Marketplaces (30%): CRED and Amazon with 15%+ channel EBITDA; AOV ₹650–1,200
  - D2C (20%): Premium gifting SKUs (₹2,000 packs); AOV ₹1,200+
  - Amazon US (20%): ₹1,800 AOV, CAC ₹600 — low-risk seeding for global expansion
- **Validated Consumer Behaviour Across SKUs & Channels:** 1M+ units sold to date; 60% of consumers buy across multiple categories. High repeat potential via aesthetic bundling and styling-driven utility (not discount-driven).
- **Deep Product Innovation and Brand Ownership:**
  First-to-market product concepts like:
  - 30-day 30-hanky styling box (₹2,000 AOV)
  - Bamboo socks, aloe yarns, fragrance-infused fabrics
  - Unbasics range for mass-market conversion
  - Co-branded kits with Sugar Cosmetics, Snackible, Avendus
  - Products are IP-protected (trademark, design copyright), and design + content are fully in-house.
- **Efficient, Scalable Backend Model:** Asset-light, job-work-driven supply chain across Sivakasi, Tirupur, Delhi, Panipat. In-house design and inventory control enable <30-day launch cycles with just-in-time SKU planning and low deadstock risk.

Alignment with Fund Strategy:

- **Gen Z-Native, Brand-Led Business:** Cultural fluency and design agility enable deep resonance with younger audiences. Built-in discovery loop via aesthetic shareability on social platforms (Pinterest, Instagram, WhatsApp).
- **High Margin Structure with Profit Path Visibility:**
  - 72% Gross Margin
  - CM1 at 54%, CM2 at 13%
  - Offline retail formats netting 38% margin (Regal Shoes); Hamleys SIS model with full billing control
- **Capital-Efficient Execution with Institutional Discipline:** Built on ₹2.2 Cr of F&F capital. Burn optimized from ₹20L to ₹6–7L/month while scaling MRR by 75%. SHA signed with anchor investor (₹4.5 Cr from Prajay Advisors); strong governance alignment in place.
- **Founding Team with Complementary Depth:**
  - Harshit (ex-Future Group, 800 Cr P&L leadership, Think9 co-founding team, Smartsters scale-up)
  - Manali (13+ yrs in branding for Unilever across SEA and India; ex-Lowe Lintas, BBH) The team has demonstrated execution depth across sales, brand, supply chain, and content.

Potential Return Profile:

- **6x–8x Return Potential:** Business expected to grow from ₹7.5 Cr to ₹80–100 Cr ARR over 3–4 years with category deepening, channel scale, and continued efficiency in CAC and working capital.
- **Multiple Strategic Exit Pathways:**
  - Roll-up platforms (Mensa, GlobalBees, TMRW, Goat Brand Labs)
  - Fashion retailers (ABFRL, Reliance Brands, Landmark)
  - Global or digital-first players looking for youth brand access in India
- **Optional IPO Path:** With 20%+ contribution margins, diversified distribution, and brand equity in impulse categories, Hexafun could be a viable public markets candidate in 5–7 years akin to Go Colors, Boat, or Mamaearth.
- **Attractive Entry Pricing:** Deal offered at ₹18.2 Cr pre-money via SAFE; provides institutional entry into a business with proven PMF, capital efficiency, and brand equity at an early growth inflection point.

APPENDIX

Detailed Financial Model:

Particulars	FY25 Q1 Apr-Jun 24	FY25 Q2 Jul-Sep 24	FY25 Q3 Oct-Dec 24	FY25 Q4 Jan-Mar 25	FY26 Q1 Apr-Jun 25	FY26 Q2 Jul-Sep 25	FY26 Q3 Oct-Dec 25	FY26 Q4 Jan-Mar 26	FY27 Q1 Apr-Jun 26	FY27 Q2 Jul-Sep 26	FY27 Q3 Oct-Dec 26	FY27 Q4 Jan-Mar 27
Net Revenue (incl of taxes)	115.4	116.7	194.6	200.2	302.6	416.3	605.0	749.9	1,070.0	1,292.1	1,510.3	1,724.0
Net Revenue (excl of taxes)	109.9	111.1	185.3	190.6	288.2	396.5	576.2	714.2	1,019.0	1,230.6	1,438.4	1,641.9
COGS	41.5	40.4	61.9	57.3	83.1	112.2	162.7	200.5	274.7	327.8	379.8	430.6
Gross Profit	68.4	70.7	123.4	133.4	205.1	284.2	413.5	513.7	744.3	902.8	1,058.6	1,211.3
Gross Profit %	62.3%	63.6%	66.6%	70.0%	71.2%	71.7%	71.8%	71.9%	73.0%	73.4%	73.6%	73.8%
Logistics + PG Charges	19.3	22.1	26.5	25.0	34.3	44.2	56.3	68.4	89.8	107.4	124.7	142.4
CM1	49.2	48.6	97.0	108.4	170.8	240.0	357.2	445.3	654.5	795.4	933.8	1,068.9
CM1%	44.7%	43.8%	52.3%	56.9%	59.3%	60.5%	62.0%	62.3%	64.2%	64.6%	64.9%	65.1%
Performance Marketing	66.1	65.5	57.3	59.8	74.2	88.3	109.1	122.7	171.9	201.4	227.9	250.5
Commissioning Cost	9.9	10.4	21.6	24.9	57.0	78.6	122.8	153.6	208.3	245.2	280.7	315.6
CM2	-26.8	-27.2	18.1	23.8	39.7	73.1	125.4	169.0	274.3	348.8	425.2	502.9
CM2 %	-24.4%	-24.5%	9.8%	12.5%	13.8%	18.4%	21.8%	23.7%	26.9%	28.3%	29.6%	30.6%
Brand Marketing	15.6	18.2	11.7	6.6	18.9	21.2	24.1	27.9	37.8	43.8	50.7	58.7
Promoter Cost	0.0	0.0	0.0	0.0	6.5	9.7	13.0	16.2	20.9	23.8	26.6	29.5
Salaries	28.4	29.1	28.9	28.7	38.2	41.7	45.2	48.7	58.5	63.9	69.2	74.5
Other Expenses*	21.8	22.3	24.5	14.7	19.9	28.6	37.2	45.8	59.5	73.6	87.7	101.8
EBITDA	-92.6	-96.8	-47.0	-26.2	-43.9	-28.1	5.9	30.3	97.5	143.8	191.0	238.4
EBITDA %	-84.2%	-87.1%	-25.4%	-13.7%	-15.2%	-7.1%	1.0%	4.2%	9.6%	11.7%	13.3%	14.5%
Includes stores opex, travelling & conveyance, professional fee, IT recurring costs, office rent, misc. costs												
Depreciation	4.1	6.0	7.1	7.1	7.8	8.8	9.8	10.8	11.8	12.8	14.8	15.8
Finance Cost	2.0	3.9	6.0	5.4	10.4	9.7	9.1	8.7	8.4	8.1	7.9	7.8
PBT	-98.6	-106.7	-60.1	-38.7	-62.0	-46.6	-13.0	10.9	77.3	122.9	168.4	214.8
PBT %	-89.7%	-96.0%	-32.4%	-20.3%	-21.5%	-11.7%	-2.3%	1.5%	7.6%	10.0%	11.7%	13.1%

Net Revenue Breakup	FY25 Q1 Apr-Jun 24	FY25 Q2 Jul-Sep 24	FY25 Q3 Oct-Dec 24	FY25 Q4 Jan-Mar 25	FY26 Q1 Apr-Jun 25	FY26 Q2 Jul-Sep 25	FY26 Q3 Oct-Dec 25	FY26 Q4 Jan-Mar 26	FY27 Q1 Apr-Jun 26	FY27 Q2 Jul-Sep 26	FY27 Q3 Oct-Dec 26	FY27 Q4 Jan-Mar 27
D2C	48.5	49.2	63.7	52.5	58.8	73.3	89.4	106.4	147.6	182.2	217.2	250.2
SIS	10.1	11.7	35.5	44.8	90.3	135.4	225.7	293.4	391.5	456.2	517.6	577.3
Marketplace	51.3	50.3	86.2	93.3	120.0	145.5	195.8	226.0	354.0	423.9	492.9	561.4
Exclusive store					19.2	42.2	65.3	88.3	126.0	168.3	210.7	253.0
Total	109.9	111.1	185.3	190.6	288.2	396.5	576.2	714.2	1,019.0	1,230.6	1,438.4	1,641.9

Net Revenue Breakup	FY25 Q1 Apr-Jun 24	FY25 Q2 Jul-Sep 24	FY25 Q3 Oct-Dec 24	FY25 Q4 Jan-Mar 25	FY26 Q1 Apr-Jun 25	FY26 Q2 Jul-Sep 25	FY26 Q3 Oct-Dec 25	FY26 Q4 Jan-Mar 26	FY27 Q1 Apr-Jun 26	FY27 Q2 Jul-Sep 26	FY27 Q3 Oct-Dec 26	FY27 Q4 Jan-Mar 27
D2C	44.1%	44.2%	34.4%	27.5%	20.4%	18.5%	15.5%	14.9%	14.5%	14.8%	15.1%	15.2%
SIS	9.2%	10.5%	19.2%	23.5%	31.3%	34.2%	39.2%	41.1%	38.4%	37.1%	36.0%	35.2%
Marketplace	46.7%	45.3%	46.5%	49.0%	41.6%	36.7%	34.0%	31.6%	34.7%	34.4%	34.3%	34.2%
Exclusive store					6.7%	10.6%	11.3%	12.4%	12.4%	13.7%	14.6%	15.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Product Snap shots & Video:

https://youtube.com/shorts/SxT3HRxI89M?feature=share