**Industry and market size:**

* Industry Reports
* Technology Reports

### **Revenue Streams**

* Clearly define all sources of revenue. For each stream, include:
  + **Name of the Revenue Stream**: GT, Quick commerce
  + **Description**:
    - What is it? Offline and online sales channels
    - How does it work? GT works via large offline distributors (entirely on advance), whereas QC is based on purchase orders received, with fixed number of credit days
  + **Target Audience**: Women aged 35 and above, belonging to SEC A, B, and B+, residing in Tier I and metro cities. They value both Ayurveda and modern science and seek an effective, value-for-money solution to achieve their hair care goals
  + **Percentage Contribution**:
    - **GT**: ~68%
    - **QC**: ~32%

### **Pricing Strategy**

* Outline the pricing models and tiers.
  + **Flat Rate**: Fixed pricing for all customers as per the products
* Include details such as:
  + Pricing levels: Mass premium
  + Rationale behind pricing (market research, competitor analysis).

|  |  |  |  |
| --- | --- | --- | --- |
| Brand | Grammage/Volume | MRP | Price/ml |
| Indulekha Bringha Hair Oil | 200 ml | ₹ 410 | ₹ 2.05 |
| Kesh King Ayurvedic Hair Oil | 200 ml | ₹ 375 | ₹ 1.88 |
| Mamaearth Onion Hair Oil | 200 ml | ₹ 329 | ₹ 1.65 |
| Sesa Ayurvedic Hair Oil | 200 ml | ₹ 299 | ₹ 1.50 |
| Shaastram Hair Oil | 180 ml | ₹ 250 | ₹ 1.39 |
| Dabur Amla Hair Oil | 200 ml | ₹ 135 | ₹ 0.68 |
| Bajaj Almond Drops Hair Oil | 200 ml | ₹ 127 | ₹ 0.64 |
| Parachute Coconut Hair Oil | 200 ml | ₹ 126 | ₹ 0.63 |

* When a customer needs to upgrade from a legacy brand to an Ayurvedic brand with high potency and needs a clinically backed product with the highest efficacy and best value proposition (price/ml), Shaastram becomes the natural choice to upgrade.

### **Unit Economics**

* Key metrics for revenue generation.
  + **Customer Acquisition Cost (CAC)**: How much it costs to acquire a customer.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Particulars** | **Q1FY25** | **Q2FY25** | **Q3FY25** | **Q4FY25** | **Total** |
| Advertising | 4,00,414 | 14,23,638 | 5,11,552 | 1,60,052 | 24,95,656 |
| Celebrity Fee | 16,40,826 | 16,40,826 | 16,40,826 | 16,40,826 | 65,63,304 |
| Digital Marketing | 22,500 | 66,579 | 4,26,982 | 2,85,098 | 8,01,159 |
| Sampling | 4,41,790 | 4,41,790 | 4,41,790 | 4,41,790 | 17,67,160 |
| Performance Marketing - Zepto | - | - | 14,101 | 9,81,700 | 9,95,801 |
| **Total** | **25,05,530** | **35,72,833** | **30,35,251** | **35,09,466** | **1,26,23,080** |
| **Blended CAC** | 95% | 80% | 35% | 32% | 47% |

* + **Lifetime Value (LTV)**: NA
  + **LTV: CAC Ratio**: NA

### **Recurring vs. One-Time Revenue**

* Segregate revenue into:
  + **Recurring Revenue**: NA
  + **One-Time Revenue**: Single product purchases with repeats

### **Payment Flow and Terms**

* How payments are collected and processed.
  + Direct payments, online gateways, invoicing: *Advance payments on orders for GT with a 30-45 day credit cycle for selective EB2B accounts + a 14-45 day credit cycle for QC*
  + Payment frequency (monthly, annual, one-time): NA
  + Refund and cancellation policies (if applicable): NA

### **Scalability of Revenue Model**

* How the revenue model will scale as the business grows: Please refer to the attached Business Plan

### **Additional Revenue Opportunities**

* Future revenue streams the startup plans to explore: NA

Mention the assumptions underpinning the revenue projections

## **Competitor Analysis Framework (cover 2-3 competitors operating in the similar revenue model or advanced revenue model in comparison to your company)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Category** | **Competitor 1** | **Competitor 2** | **Competitor 3** |
| Company Name | **Avimee Herbal** | **Moxie Beauty** | **Soulflower** |
| Headquarters | Surat | Gurugram | Mumbai |
| Founding Year | 2021 | 2022 | 2008 (India Ops) |
| Total Funding Raised | Undisclosed | $2.74M | $1.94M |
| Funding Rounds | 1 | 2 | 2 |
| Investors | Amazon | Fireside Ventures, OTP Ventures, Amplify Partners | Wipro Consumer Partners |
| Business Model | D2C | D2C | D2C + offline |
| Revenue Streams | Online-first, some offline sales | Online only | Online-first |
| Target Market | 18 to 50 years, male & female suffering hair fall | 18 to 40 years, women with curly hair, metro cities | 18 to 50 years, male & female suffering hair fall |
| Gross Margin | 72% | 70-75% (unverified) | 72% |
| Net Margin | 23% (FY24) | -102% (FY24) | -9% (FY24) |
| Operating expense | 21.7 Cr (FY24) | NA | 32.2 Cr (FY24) |
| Current ARR | NA | NA | 55-60 Cr. ARR (unverified) |
| Current MRR | NA | NA | NA |
| ARR Growth Rate | NA | NA | NA |
| Churn Rate | NA | NA | NA |

**Founders Profile: Varun Tejwani**

* Education: MBA in Marketing from SIBM Pune (2012 batch)
* Work experience: With over 12 years of experience in sales and distribution, spanning FMCG and real estate sectors. Proven success across leading companies such as PepsiCo, Marico, GSK Consumer Healthcare (later Hindustan Unilever), ITC, Reliance, and The House of Abhinandan Lodha.
* Details of previous founded companies: NA
  + Status of past founded companies
  + ESOPs
  + Investments done by Founder
  + Litigations (Personal, Business & Criminal)

**Financials:**

* MRR: 40L
* ARR: 5 Cr
* Burn: -10L monthly (FY26)
* Runway: ~6 months
* Gross Margin: 55% (has increased to ~70% effective Apr’25)
* CM1%:
* CM 2%
* CM 3%

**Facilities:**

* Office details: 801, 8th floor, Swastik Chambers, SG Barve Marg, Chembur, 400071
* Plant details:

Our products are manufactured at third-party facilities under strong exclusivity agreements that safeguard our proprietary formulations. These contracts include robust confidentiality and non-compete clauses, ensuring the protection of trade secrets and preventing formulation duplication, thereby preserving our competitive advantage.

We are currently in the process of onboarding three additional manufacturing partners, which will enable us to scale up production capacity by 10x compared to our current output.

At present, we engage with the following third-party manufacturers for contract manufacturing (job work):

* Glint Cosmetics Pvt. Ltd. – Turbhe MIDC, Navi Mumbai
* Harrod Healthcare Pvt. Ltd. – Ambala, Haryana

These partnerships operate under strong exclusivity and confidentiality agreements to protect our proprietary formulations and trade secrets.

* Warehouses: Co-sharing warehouse in Bhiwandi

**Technology: NA**

* Write up on Tech stack
* Partners
* IP
* IP location / Owner

**Fundraiser:**

* Total funding details till date
  + Tomorrow Capital and Bhumi Pednekar: INR 3.53 Cr. and INR 17.65 lacs at a 23.5 Cr post-money (Mar-24)

**Valuation:**

* Valuation rationale: comparable multiples in the BPC category at seed and pre-seed stages

**Round structure:**

* Terms (Primary / Secondary): Primary
* Pre-Money: 36 Cr.
* Lead: Yet to close
* Incoming Investors: to be disclosed soon
* Existing Investors: Tomorrow Capital, Bhumi Pednekar

**Following the above information, we request you to provide a detailed business note for reference in the format below:**

* Key Problem Solved: Hair loss
* Business Model: GT and QC first model, please refer to the attached business plan

**Pipeline**

* Sales Pipeline Value
* While Quick comm plans largely focussed on Zepto, Blinkit, Swiggy Instamart (refer IndiShreshtha BP – Shaastram, attached), we have made inroads into Bigbasket as well, with our annual projections for Zepto at **1 cr**, Swiggy Instamart at **1 cr**, and Bigbasket at **2 cr**, along with a Q2 entry into Blinkit (if possible) to overdeliver against the plan for quick comm
* GT alone would contribute upwards of **15 cr**, through 45000 outlets, and the current trends of secondaries are enough to convince us that we will get there, certainly.
* MT plans (D’Mart & Reliance) and Ecom+D2C plans of **1 cr** and **1 cr** are yet to be firmed up. But pharma MT play has taken off well, owing to which we are confident of over-delivering v/s the **0.5 cr** regional MT plan for the year
* Projected Growth Opportunities: Please refer to the business model

**Why Now**

* Market Trends: Growing demand for budget-friendly, natural, and effective solutions that cater to hair loss issues amongst men and women
* Competitive Edge

1. **Brand & Product-Market Fit**

* Shaastram has demonstrated early traction in the fast-growing Ayurvedic personal care space (₹50,000+ Cr Indian market).
* Strong emotional connect via deep cultural rituals (e.g., oiling, head massage) backed by modern formats.
* Product-led storytelling + real ingredients strategy resonates with both D2C and offline buyers.

1. **Manufacturing Infrastructure in Place**

* Zero CapEx burn on setting up facilities; partnered with two established GMP-certified manufacturers (Harrod Healthcare & Glint Cosmetics) ensuring scalable production.
* Manufacturing capacity being built through bringing in new manufacturers to scale 10x from current volumes.

1. **Strong Distribution Head Start**

* Live across leading online marketplaces: 1mg, Amazon, Flipkart, etc. and quick comm accounts/e-grocery: Zepto, Swiggy Instamart, Bigbasket
* Feet-on-street distribution strategy being deployed in high-potential markets, with trade partner recruitment currently being led through virtual sales machinery, making it swift and nimble; distributor interest validated across North, Central & Western India.
* Quick offline traction supported by efficient supply chain

**4. Team & Brand Equity**

* Strong promoter background in FMCG sales and distribution
* Backed by Bollywood actor Bhumi Pednekar as investor and brand ambassador—boosting trust and recall in Tier 1/2 India

Urgency/Opportunity:

* Today, 1 in 4 Indians struggles with hair fall — and the numbers are only rising.
* While many products in the market claim quick fixes, they often lack clinical validation and rely on harsh chemicals. Shaastram offers a fundamentally different solution.
* Our hair oils are created using a natural infusion process, not high-heat boiling like most Ayurvedic brands. This preserves the potency of herbs, ensuring both authenticity and clinically proven results.
* Infusion, however, is a delicate science — traditionally prone to microbial or fungal growth, which reduces shelf life. Shaastram solves this by blending classical Ayurvedic principles with modern technology, pre-treating herbs to prevent contamination. The result: a cost-effective, high-performance formulation with platinum-grade shelf life of over 1,000 days.

**Financials**

* Funding Ask: 9.5 Cr
* Structure (e.g., SAFE, Convertible Note): CCPS
* Valuation Cap and Floor: NA
* Current Commitments: 3 Cr.

**Risks and Mitigation**

* Identified Risks: Challenge with manufacturing due to a longer TAT
* Proposed Mitigation Strategies: Currently in process on onboarding additional manufacturers