

INDIA'S **POP CULTURE** FASHION BRAND

THE SOULED STORE

THE COMPLETE BREAKDOWN



Company Overview

1M+

The "Souled Membership" program has surpassed 1 million active subscribers. Members enjoy early access to "drops" and exclusive pricing, which has successfully kept churn rates below 15%

₹492 Cr

Approximately 98.5% of the operating revenue comes from direct product sales across online platforms and physical stores. The remaining income is derived from membership fees.

200+

Moving beyond small mall kiosks to large flagship outlets and specialized "student-hub" stores

40+

These licenses create a "price-inelastic" customer base fans are willing to pay a premium for official, high-quality merchandise they can't find elsewhere



FY25 Crash & Recovery

The "Crash"

A significant portion of the FY24 profit was due to a ₹7.6 Cr tax credit. In FY25, the company had a regular tax outgo of ₹1.8 Cr, creating a sharp swing in the final bottom-line figure.

The Store Roadmap

Aggressive rollout of physical stores, targeting 200 locations by December 2026

Intellectual Property Moat

Doubling down on their 200+ global licenses (Marvel, Disney, Netflix, Naruto).

Category Diversification

Expanding into high-margin categories like footwear (sneakers), perfumes, and kids' wear

Men's Apparel

T-shirts · Shirts · Hoodies · Sweatshirts · Joggers · Trousers · Co-ord Sets · Shorts · Boxers · Pyjamas · Jackets

Women's Apparel

T-shirts · Dresses · Pocket Dresses · Tops · Shirts · Jackets · Co-ord Sets · Linen Shirts · Winterwear · Bottomwear

Bags & Backpacks

Backpacks · Tote Bags · Sling Bags · Fandom-printed Bags (Harry Potter, DC, Marvel) · Laptop Bags

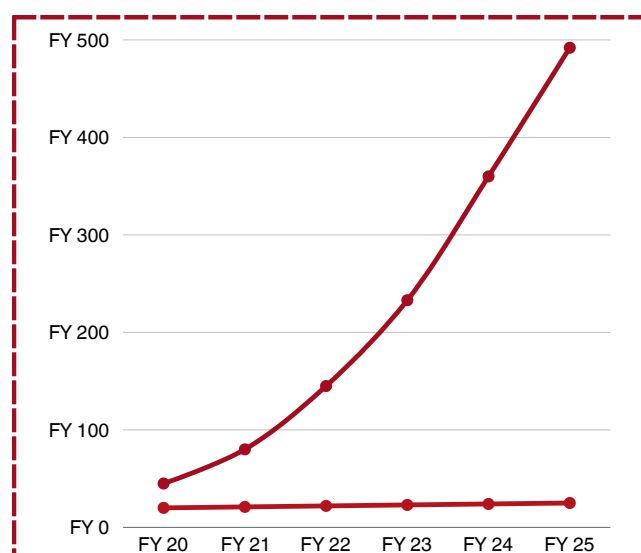
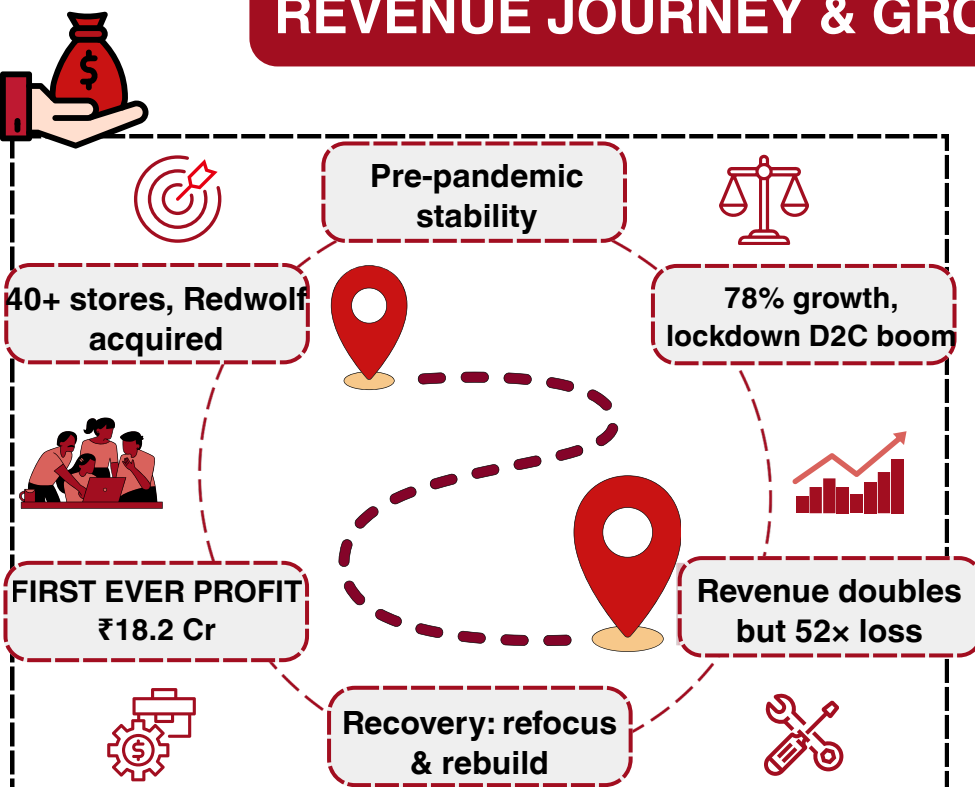
Footwear & Sneakers

Casual Sneakers · Character-themed Low-tops · Trail Runners · Men's & Women's Trainers · Themed Sneaker Collections



Product and Categories

REVENUE JOURNEY & GROWTH STORY



Challenges Faced & Financial Growth



KEY Challenges

Supplier unreliability

Supply chain overwhelm

52× profit collapse

Counterfeit merchandise in marke

High advertising spend management

Maintaining niche identity at scale

FINANCIAL RATIOS

1

Gross Profit Margin	The brand operates in the high-margin "niche fashion" space. In FY 2025, their procurement costs were ₹210 crore against an operating revenue of ₹492 crore.	60%
----------------------------	--	-----

2

Debt-to-equity ratio	The Souled Store has historically been equity-funded rather than debt-reliant.	0.25
-----------------------------	--	------

3

Return on equity	While the company is profitable, the ROE is currently modest because they are reinvesting almost all surplus capital into their 200-store expansion roadmap.	4%
-------------------------	--	----

4

CAGR (Compunded annual growth rate)	The revenue grew by 37% in the most recent fiscal year, showing a slight moderation from the 50% surge seen in FY24, but still significantly outperforming the broader Indian retail sector. Financial Summary Table (FY 2025/26)	51%
--	---	-----

SWOT ANALYSIS

D2C model: 50–55% gross margins, pricing control

First-ever profit FY24 (₹18.2 Cr PAT)

Every offline store profitable since launch

Bootstrapped DNA capital efficiency

Heavy reliance on third-party IP

B2B & membership revenue only 1.5% of mix

High discounting history undermined brand premium

Concentration risk: website channel = 60% revenue

Original IP creation to reduce licensor dependency

200-store offline target drives discovery

Kids wear & womens wear underpenetrated categories

Sneakers & backpacks: lifestyle adjacency expansion

Counterfeit merchandise flooding online channels

Global players (H&M, Zara) entering fan-wear niche

IP licensor fee hikes could compress margins

Merger and Acquisition Strategy

Strategic Equity Merger Launched the high-growth "Athleisure" category.

Celebrity Equity Partner Boosting "star power" and credibility in the lifestyle/fashion segment while reaching a wider Gen-Z/Millennial audience.

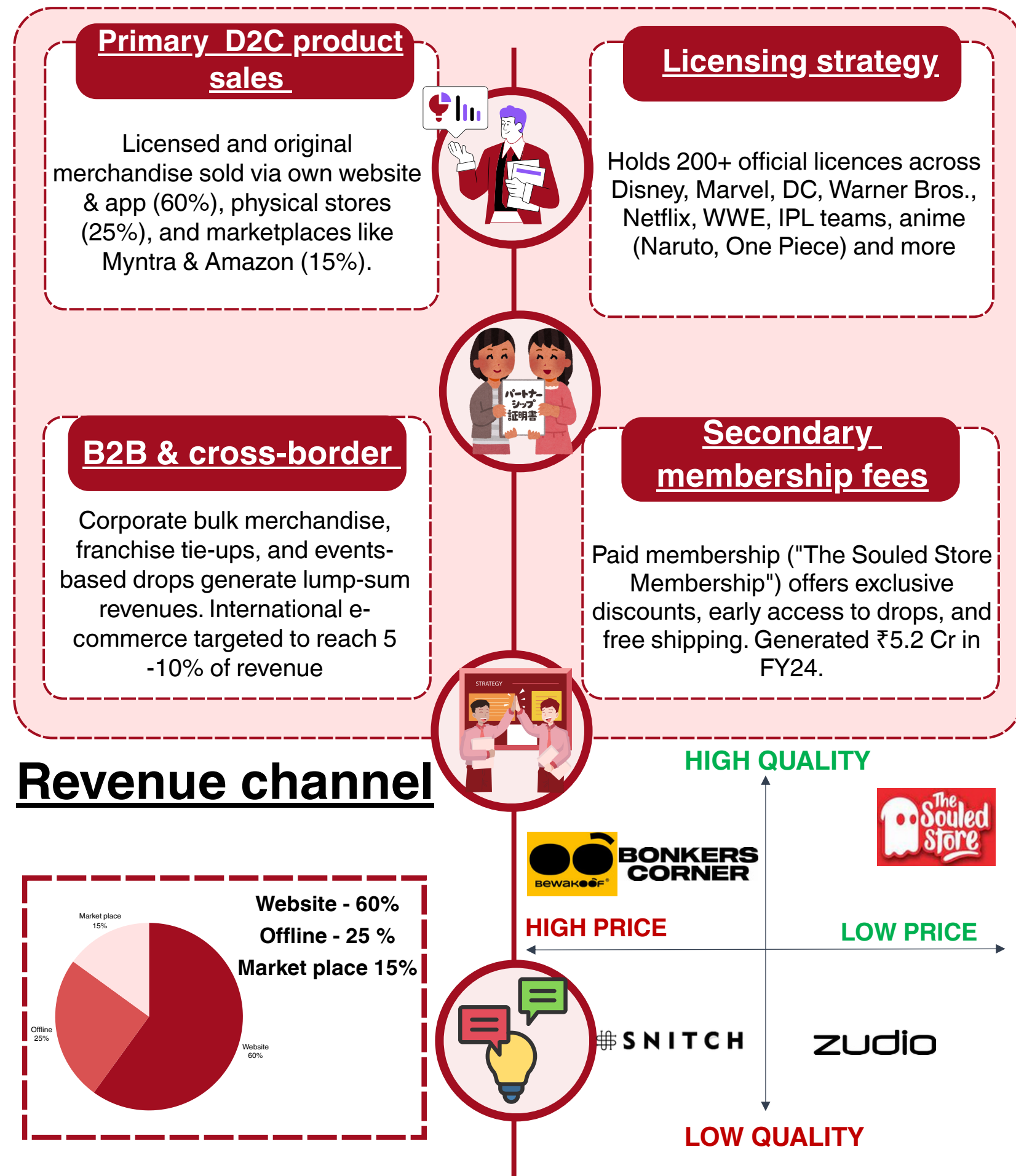
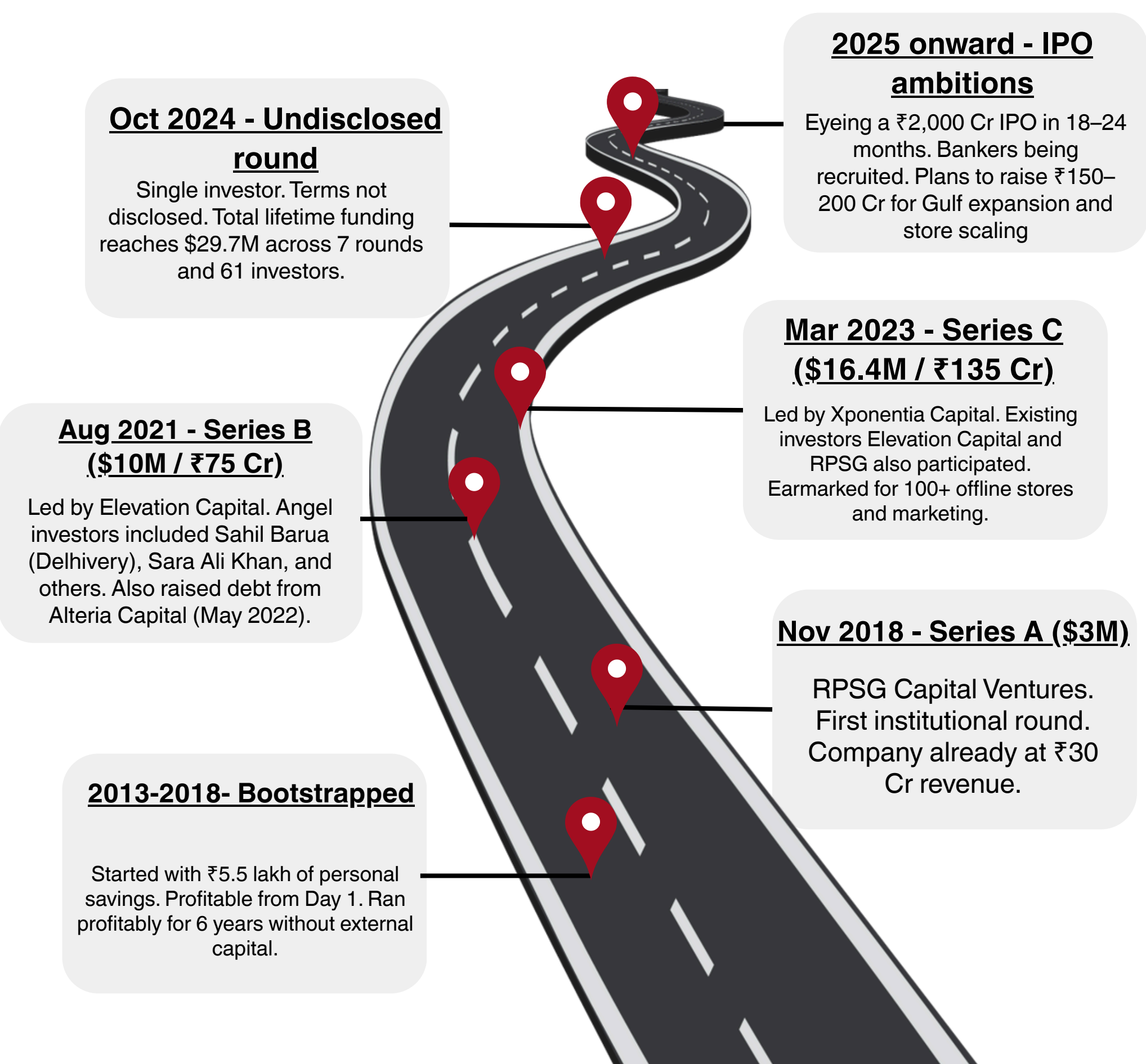
Long-term Strategic Merger Exclusive retail rights for the largest sports fandoms in India.

The acquisition was designed to leverage Redwolf's deep connection with "hardcore geeks" and indie music fans,

2025 The Startup Edge : E-Cell Ramjas

2025-26

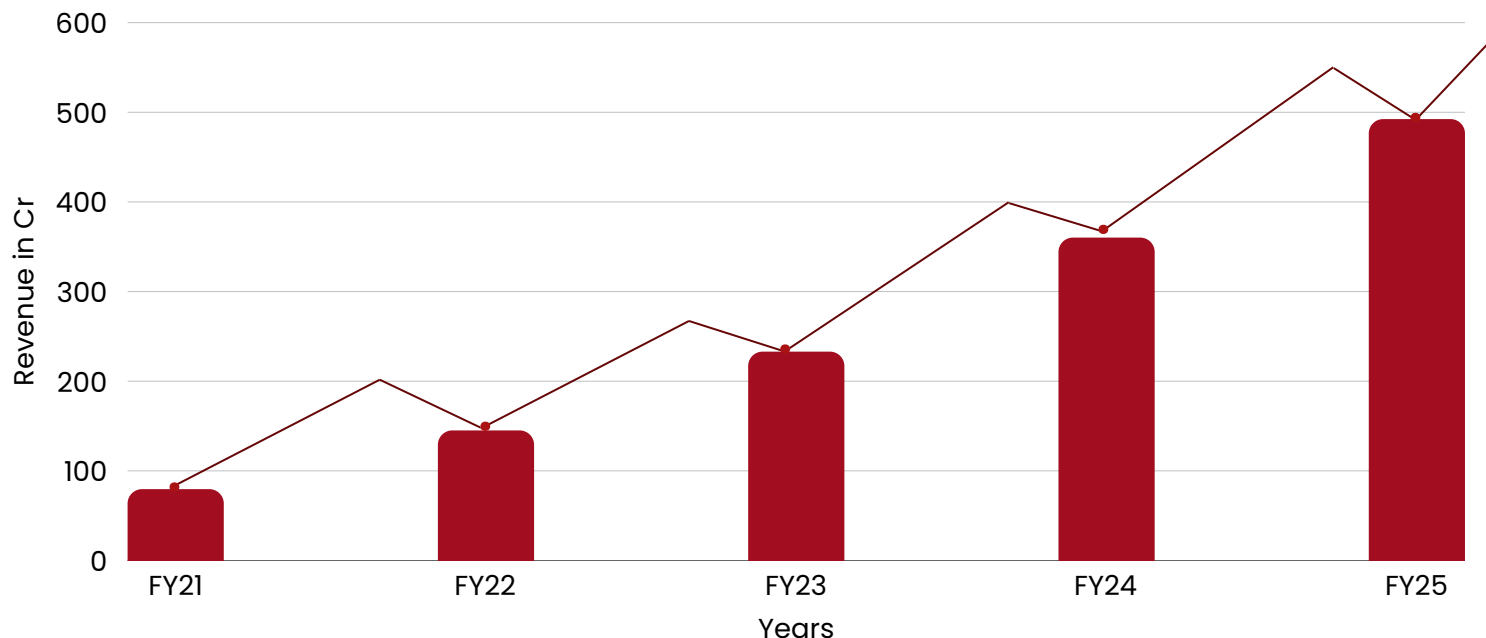
Funding journey & Revenue model



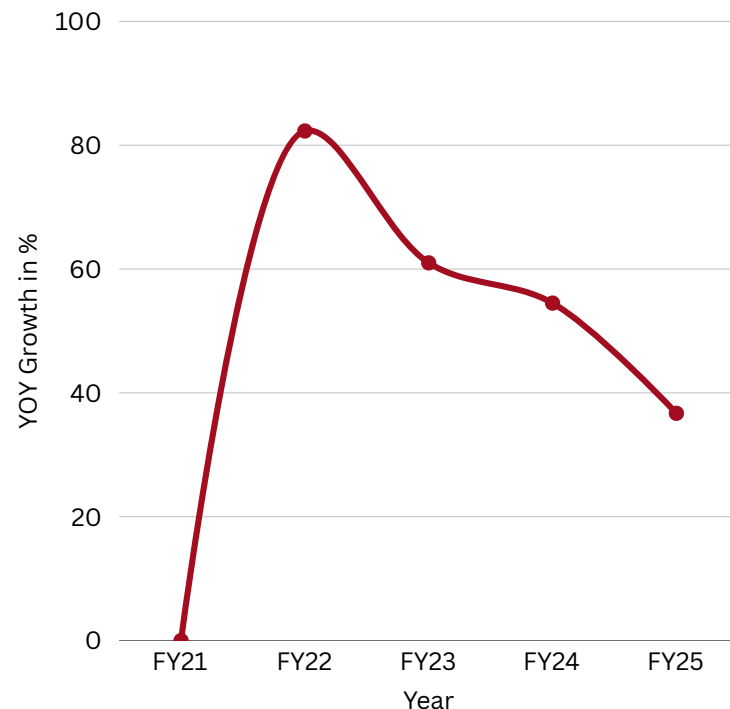
The Revenue Journey: From ₹0 to ₹492 Crore in a Decade.

THE NUMBERS THAT TELL THE STORY

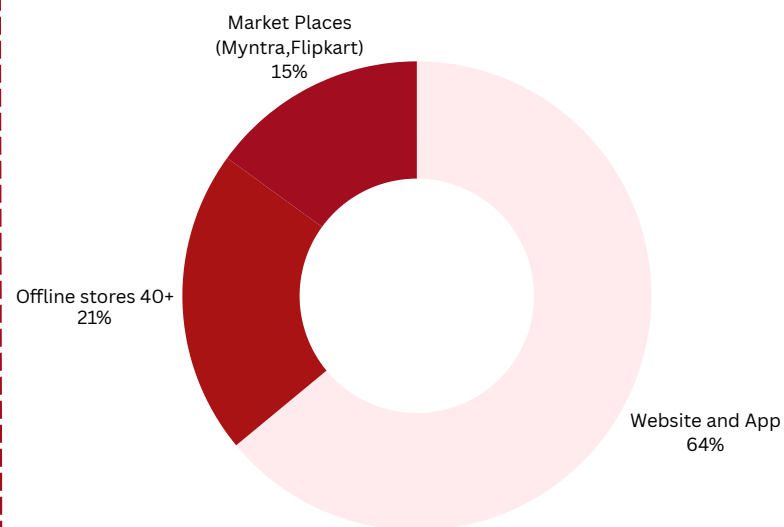
Revenue Timeline



Revenue Growth YOY



Revenue Breakdown by Channel (FY25)



Quick Snapshot :

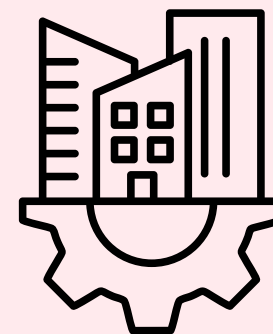
- Website and Apps - 64%
- Offline Stores 40+ - 21%
- Market Places (Myntra, Flipkart) - 15%

THE THREE ERAS OF TSS FINANCIAL HISTORY

ERA 01

The Bootstrapped Foundation (2014–2018)

- Founded with ₹5.5 lakh and acquired first licence of The Big Bang Theory.
- Profitable for 6 consecutive years with zero external capital.
- Built licensing deals with Marvel, DC, WWE, Star Wars organically.
- First Investor (2018) came after the business was already proven.



ERA 02

The Growth-at-All-Costs Trap (2020–2022)

- Second Funding (\$10M, Elevation Capital, 2021) triggered aggressive spending.
- Revenue doubled to ₹145.1 Cr but net profit collapsed to ₹26.72 Cr LOSS.
- EBITDA margin hit -10% | ROCE: -43.93% | Cost per ₹1 revenue: ₹1.19
- Root cause: celebrity ads, bulk discounts, inflated marketing spend.



ERA 03

The Profitability Correction (2023–2025)

- Cut discounts, rationalised headcount, rebuilt unit economics.
- FY24: First profitable year at scale ₹17.67 Cr net profit.
- FY25: Revenue ₹492.4 Cr | Net profit ₹11 Cr | EBITDA margin 9.7%
- Cost per ₹1 revenue restored from ₹1.19 → ₹0.99



KEY INSIGHT

80% of TSS revenue comes from repeat buyers. While D2C brands burn cash on acquisition, TSS's real moat is loyalty not discounts. One metric, Proven retention.

Funding Architecture: Capital Stack & Investor Signals



KEY INVESTORS & CAPITAL ALLOCATION

2018

RPSG Capital Ventures

- First external capital after 5 years of bootstrapped profitability.
- Acquired the Game of Thrones licence signalling premium IP ambition.
- Proof of concept complete investors came to them, not the other way around.

10 Cr
Raised



2021

Elevation Capital

- Capital split across manufacturing, retail expansion & influencer marketing.
- Celebrity ads & bulk discounts triggered aggressive cash burn.
- Revenue 2x to ₹145 Cr but net profit collapsed to ₹26.72 Cr loss.

75 Cr
Raised



2023

Xponentia Capital

- Focused on offline expansion & new category launches post-recovery.
- Backed a leaner, profitable TSS ₹17.67 Cr net profit in FY24.
- IPO readiness signalled clean books, improving margins, founder control intact.

135 Cr
Raised



BACKING BEYOND BUSINESS: CELEBRITY INVESTORS

Sara Ali Khan - March 2022

- Celebrity reach converts to organic visibility ads can't buy.
- Brand-amplification play via media & collabs.
- Amount Undisclosed.

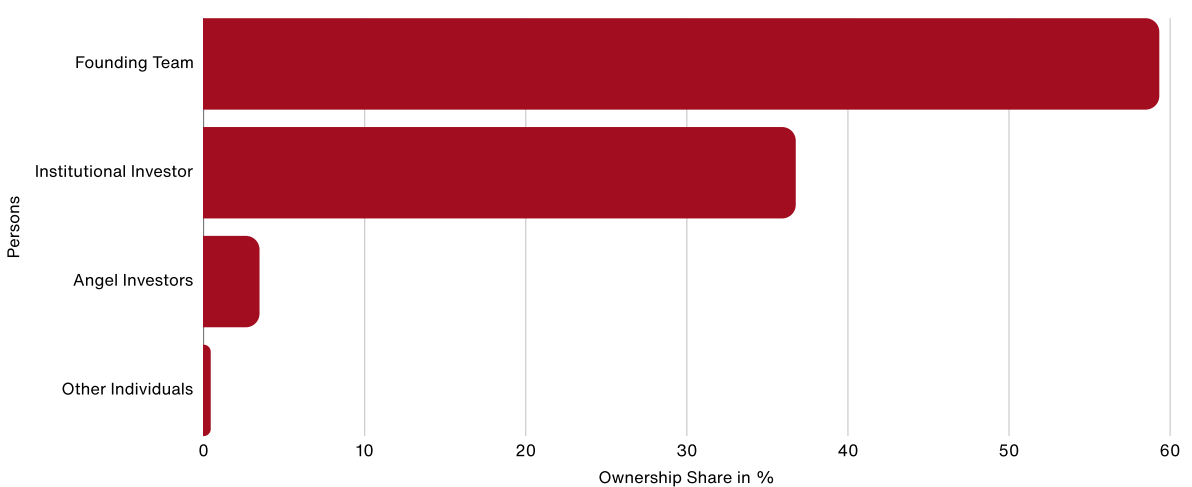


Hardik Pandya - October 2024

- From Brand Ambassador to Investor the ultimate brand commitment.
- Aligns with TSS's growing IPL & cricket merchandise line.
- Amount Undisclosed.



Equity Ownership Structure (As of FY25)



Did You Know?

Before their first investor knocked, TSS was already a profitable ₹30 Cr online business proof that they never needed the money to survive, only to scale.



KEY INSIGHT

With ~60% held by founders and ~35-40% by institutional investors, control remains founder-led, while relatively low angel/other ownership highlights room for broader investor participation.

Company Origin Story

5,00,000+
CUSTOMERS SERVED

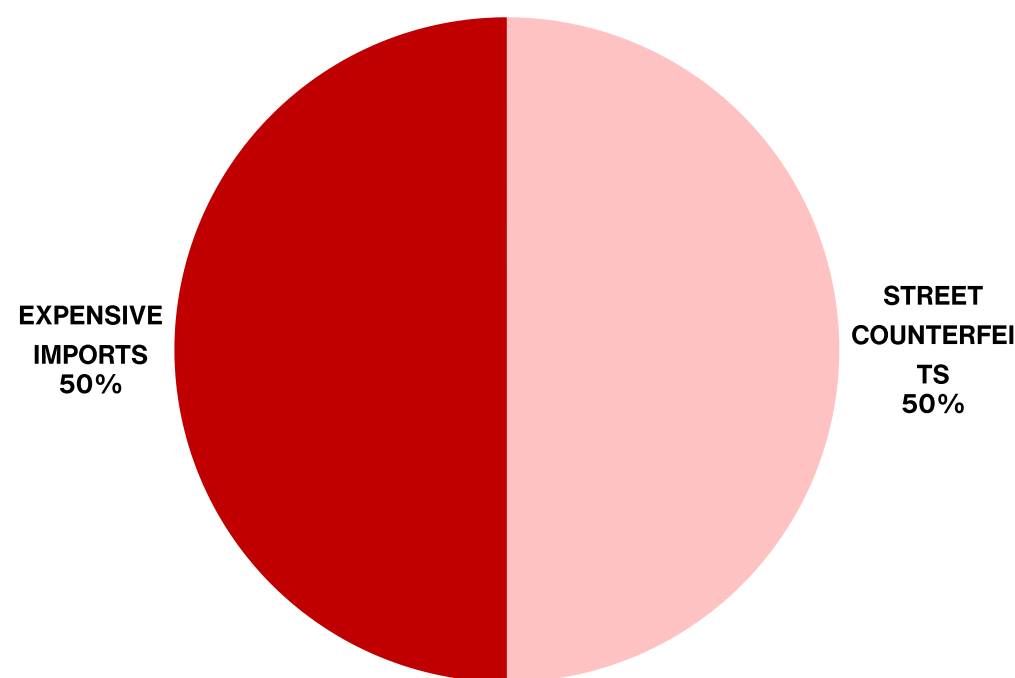
1,000+
ORDERS PER DAY

200+
IP LICENSES

₹0 VC
FUNDING AT INCEPTION

The Gap which was spotted.

● STREET COUNTERFEITS ● EXPENSIVE IMPORTS



Fans had only two options for authentic feeling merch before 2013.

The Gap: 0% homegrown, officially licensed, and affordably priced brand.

From a T-shirt idea to a lifestyle licensed brand.

BRAND DNA

Mr.Soul

A humorous pun on 'sold'+ 'soul': a D2C pop-culture casual wear brand

T-shirts, backpacks, tote bags, sneakers, mugs, and more.

6+ Categories

PRODUCT RANGE

INDUSTRY

Pop Culture

Casual wear category built entirely around licensed fan culture.

Xponentia Capital, Elevation Capital, RPSG Capital

3 Marquee VCs

BACKED BY

Why the MOAT holds?



Pre-built fandom demand
Limited official merchandise meant loyal, readymade demand from day one.



Licensing takes years
Each of the 200+ IP deals compounded trust.



Omnichannel lock-in
35+ stores, scaling towards 200, deepen reach into Tier-II/III India.

What did the Founders' say?

“

We never raised VC funding; this was about the business being right. We started from a small room in 2013, and I have done everything from sweeping the floor to going to the manufacturer, sourcing, and packing. All three partners were a part of everything. It helped us get everything correct, from quality to timeline.

”

Financial Health Indicators: Every Parameter That Matters



FY25 VS FY24 – KEY COMPONENTS OF P&L A/C

Financial Metric	FY24	FY25	Insight
Operating Revenue	₹360.2 Cr	₹492.4 Cr	+36.7% YoY
Product Sales Revenue	₹355 Cr	₹485 Cr	+36.8% ,98.5% of total revenue
Total Expenses	₹358.4 Cr	₹487.5 Cr	+36.0% nearly matched revenue growth
Profit Before Tax (PBT)	₹10.1 Cr	₹12.8 Cr	+26.7%, PBT improved in FY25
Tax Expense / (Credit)	₹7.6 Cr (credit)	₹1.8 Cr (outgo)	FY24 had deferred tax credit distortion
Net Profit	₹17.67 Cr	₹11 Cr	-37.6%,driven by tax change, NOT operations
EBITDA Margin	5.21%	9.70%	Nearly doubled genuine operational improvement

COST STRUCTURE ANALYSIS WHERE EVERY RUPEE GOES

Expense Head	FY25 Amount	% of Total Cost
Procurement (COGS + Licensing)	₹210 Cr	43.10%
Advertising & Promotions	₹57 Cr	11.70%
Employee Benefits	₹54 Cr	11.10%
Transportation & Logistics	₹28.1 Cr	5.70%
Rent / Lease (Offline Stores)	Within other costs	~3–4%
Other Operating Overheads	₹138.4 Cr	28.40%
TOTAL EXPENDITURE	₹487.5 Cr	100%

UNIT ECONOMICS

CLTV : CAC Ratio

- Maintains ~2.5:1 ratio (vs 3:1 ideal), improving via loyalty
- ₹7 Cr membership boosts lifetime value
- ~43% organic traffic, strong brand, lower CAC

Average Order Value (AOV) & Monthly Orders

- ~2.5 lakh orders/month (~30 lakh annually)
- AOV ≈ ₹1,640
- Reflects premium yet accessible positioning

Revenue Per Customer

- 8M+ customers , ~₹615 avg annual revenue/customer
- ~70% repeat buyers drive ₹1,500–₹2,000+ yearly
- Focus: convert one-time buyers into repeat customers

KEY INSIGHT

EBITDA Margin Doubling Is The Real Headline

Despite net profit decline, EBITDA margin nearly doubled (5.21% → 9.7%), reflecting strong operational efficiency. Sustained improvement can drive premium IPO valuation.

Financial Stress Points, Scaling Signals & Strategic Outlook.



ACTIVE FINANCIAL STRESS POINTS RED FLAGS TO WATCH

Zero Institutional Capital Risk

(FY2014–FY2018)

₹5 Lakh

Entire operations ran on founder capital for 5 years.

Zero Safety Net

One bad season or licence rejection = end of business.

100% Own Cash

No credit lines, no investor backing pure self-reliance.

COVID-19 Revenue Shock

(FY2020–FY2021)

Stores = 0

Offline retail shut completely during March 2020 lockdown.

Chain Snapped

Supply chain disruptions halted manufacturing and froze licensing deliveries.

D2C Saved It

D2C partially absorbed the blow but logistics stayed disrupted.

Post-2nd investor Costly cash burn

(FY2021)

52x Swing

Profit ₹0.51 Cr → Loss ₹26.72 Cr in just one year.

Margins Collapsed

EBITDA hit -10% ROCE crashed to -43.9%.

₹1.19 per ₹1

Cost per ₹1 revenue crossed ₹1 spending more than earning.

Procurement Outpacing Revenue

(FY2025)

+40.8% Jump

Procurement hit ₹210 Cr vs revenue growth of only 36.7%.

First Warning FY24

Red flag first visible in FY24 at ₹149 Cr — ignored, worsened

Margin Squeeze

If unchecked, margin expansion becomes mathematically impossible.

EXPANSION VS PROFITABILITY: THE TRADE-OFF THAT WILL DEFINE TSS'S FUTURE

When TSS Expands Aggressively



Revenue jumped +82.3% to ₹145.1 Cr in FY22



Brand visibility expanded across new cities & markets



More stores = stronger IP licensing negotiation power



Physical presence boosts credibility for IPO valuation

But the cost:

FY2022 loss: ₹26.72 Cr | ROCE: -43.93% | EBITDA: -10%

When TSS Stays Disciplined



FY24 net profit restored to ₹17.67 Cr



EBITDA improved from -10% (FY22) → 9.7% (FY25)



Unit economics restored ₹1.19 → ₹0.99 per ₹1 revenue



Cleaner financials strengthen IPO positioning

But the cost:

Slower revenue growth risks missing the ₹750–800 Cr FY2026 IPO target.

Conclusion — What Should TSS Actually Choose?

TSS should choose Disciplined Expansion grow, but with guardrails.



The Bootstrapping Premium Is Real



5 years profitable before Series A founders still hold 59.33% equity after \$29.7M raised. Rare in Indian D2C.

The D2C-First Revenue Model Is a Long-Term Asset



64% owned channels, only 15% marketplace. TSS controls pricing while rivals like Bewakoof face constant discount pressure.

FY22 setback was recoverable due to strong fundamentals



52x profit collapse yet customers stayed. Brand loyalty built during bootstrap years prevented investor exit & enabled recovery.

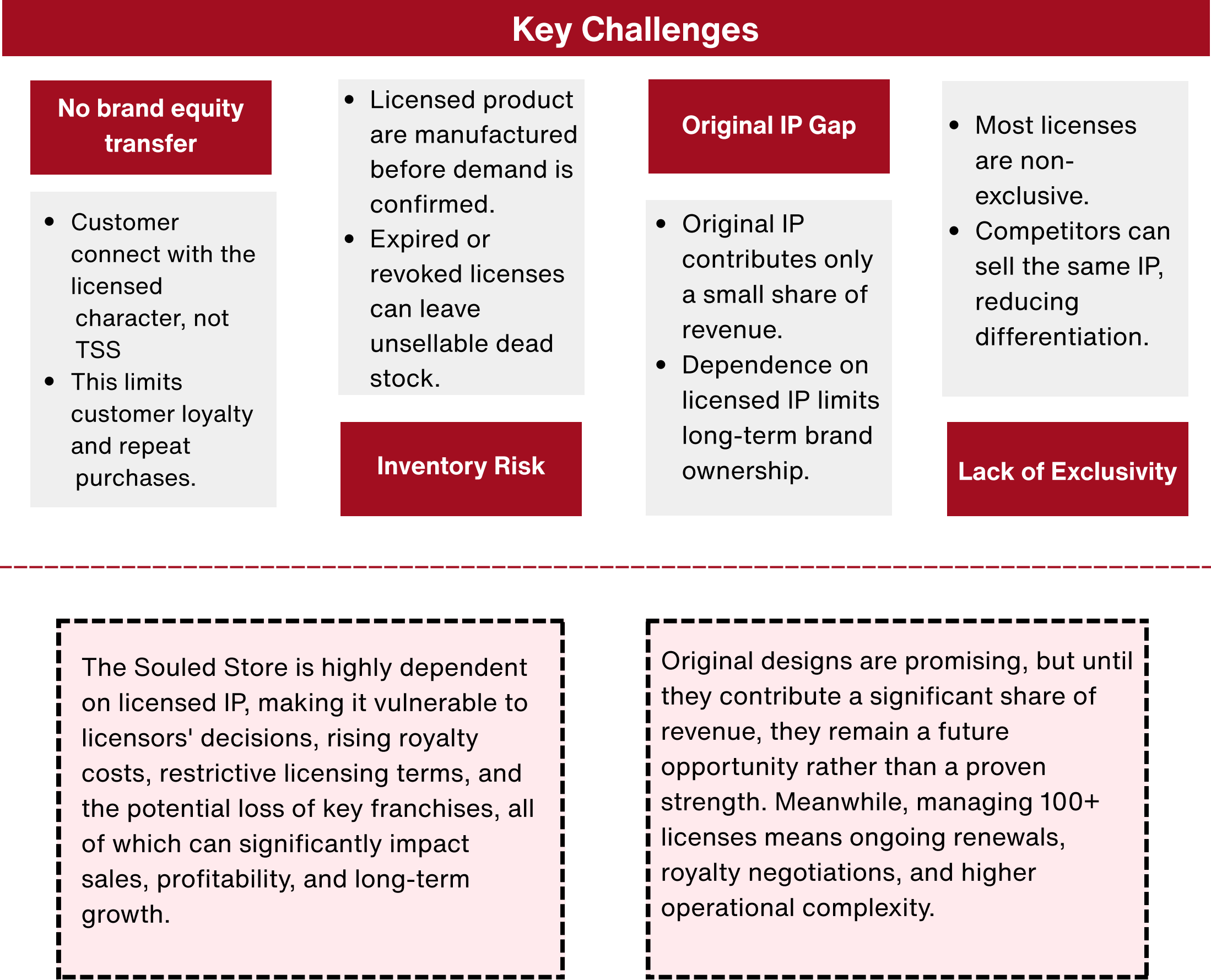
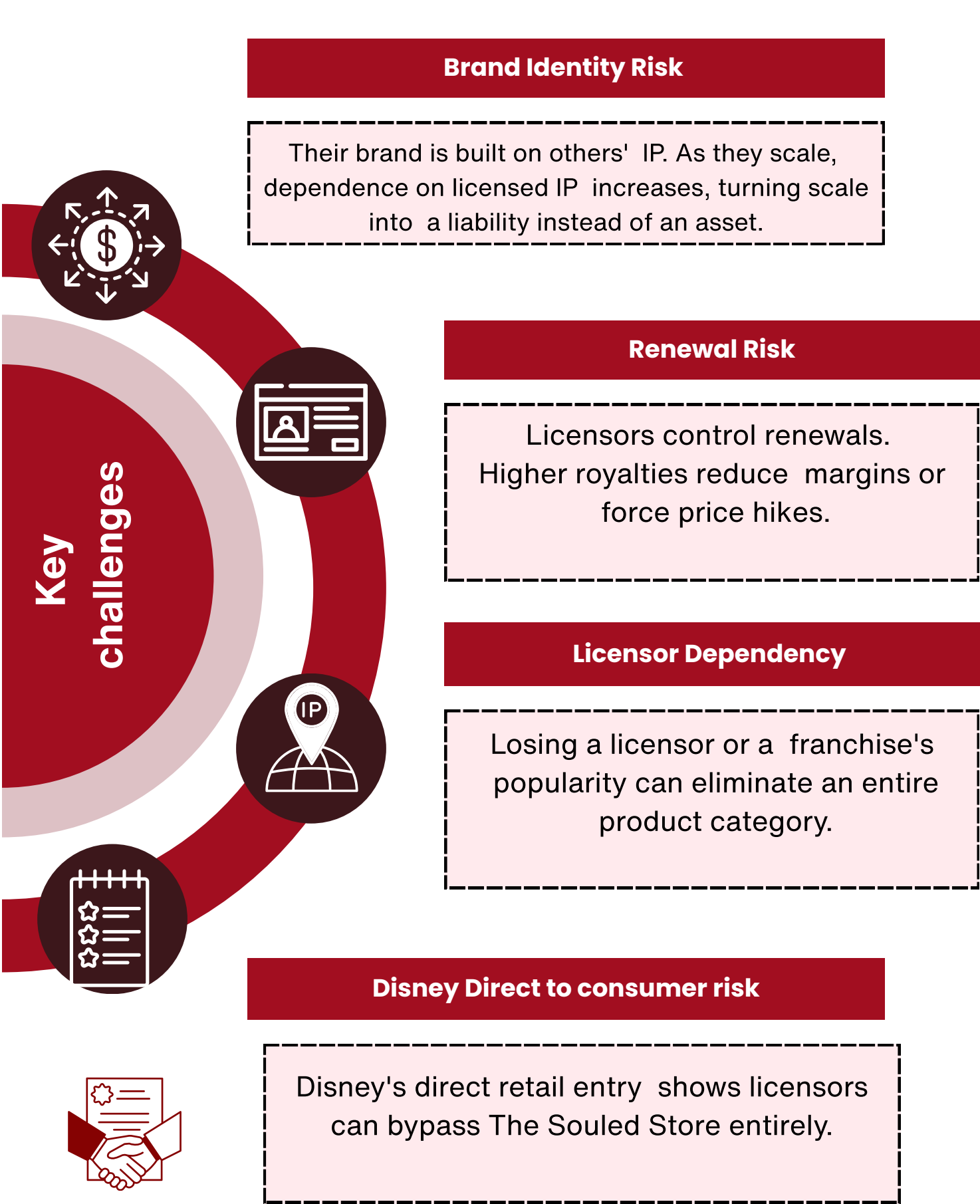
EBITDA Margin Is the Right Metric to Watch , Not Net Profit



Debt & depreciation distort net profit. Real signal: EBITDA doubled 5.21% → 9.7% in one year. That's the number to watch.

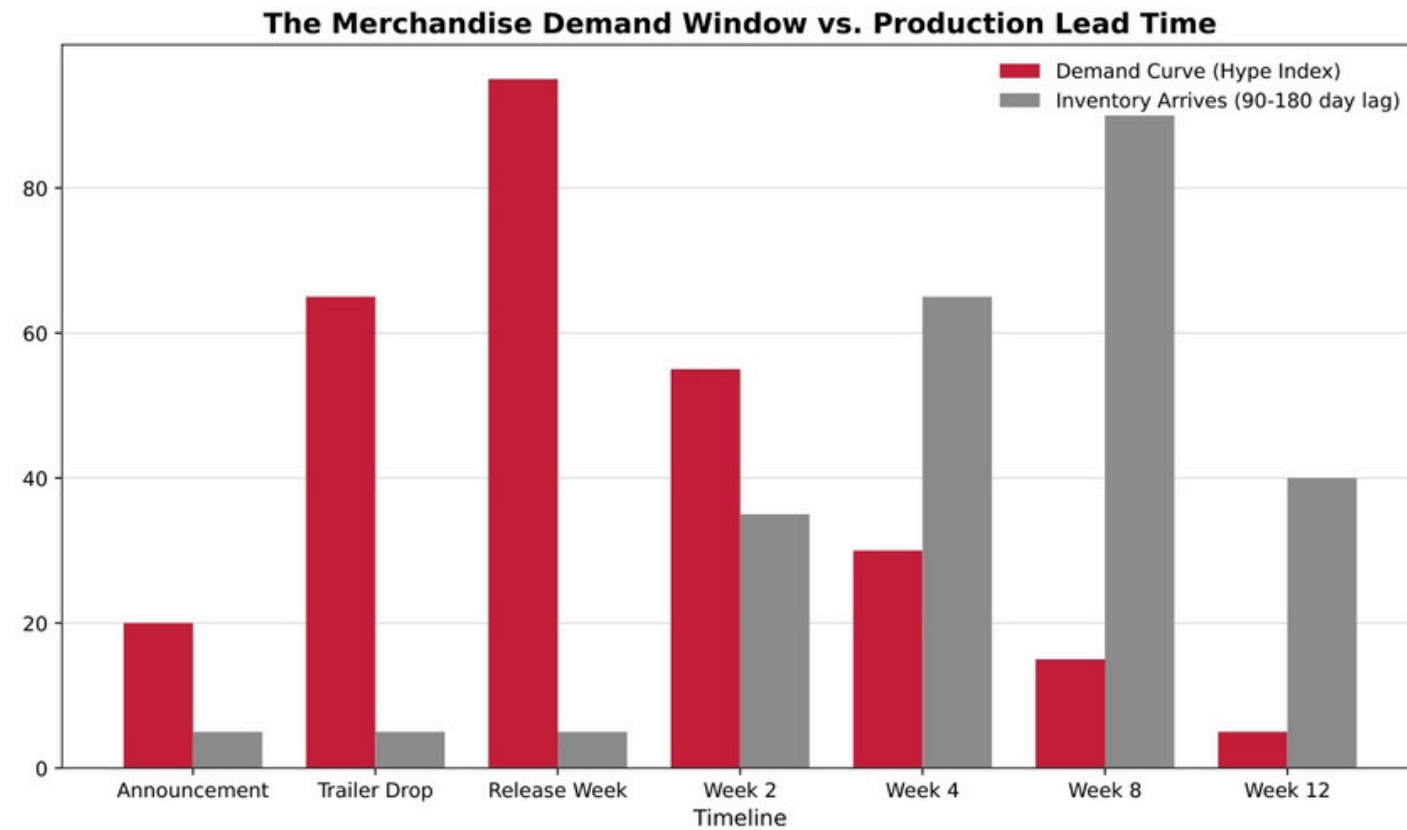


Challenges, Founders Decision, Strategy



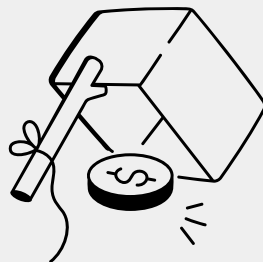
The Overextended Operator

THE FORECASTING PROBLEM — BY THE NUMBERS



The In-House Trap

- Full ownership feels like operational strength.
- But poor performance leads to complete exposure.
- No partners exist to share or reduce the burden.
- Unsold inventory directly locks up company capital.
- Integration shifts from advantage to liability in downturns.



Pop Culture = Unpredictable Demand

- Predicting fashion demand is difficult.
- Predicting pop culture demand is even more uncertain.
- Movie success and audience response are highly unpredictable.
- Small changes in box office outcomes drastically impact merchandise demand.
- Data fails when demand depends on last-minute public sentiment.



EXPANDING INTO EVERYTHING

Expansion increases SKUs and complexity.



Adds pressure on operations and staffing.



Online + offline makes it harder to manage.



Growth needs efficiency, not just scale.



HOW THEY ARE MANAGING IT?

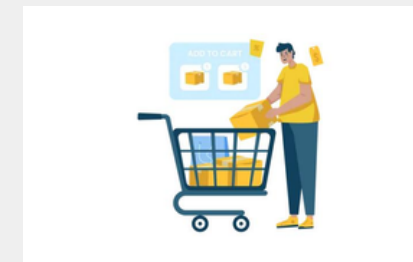
The Fan Destination Play

These stores attract intentional visitors, not casual shoppers. Fans visit for the brand experience, creating stronger and more loyal footfall than price-driven retail, which also leads to higher engagement and repeat purchases over time.

The Data Moat Doing Real Work

Eight million users and a rich purchase history enable more accurate demand forecasting, reducing inventory risk beyond just the advantage of licensed IP, and allowing more data-driven and efficient decision-making.

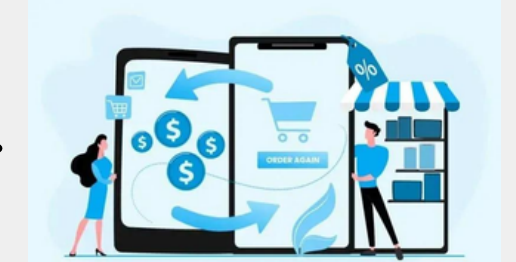
THE SAME CUSTOMER, EXPANDING CART



Bigger Cart



Loyal Customer



Zero CAC

The Overextended Operator

THE MARKET GOT CROWDED

LICENSED ADVANTAGE

- Licensed IP attracts an existing fan base.
- Popular franchises drive strong customer demand.
- Lower brand-building costs through built-in awareness.

LICENSING DEPENDENCY

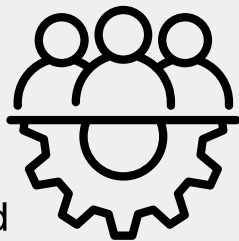
- Depends on global licensors for key franchises.
- Licensors control royalties and licensing terms.
- Renewals determine continued access to popular IPs.

NO IP OWNERSHIP

- The Souled Store executes, but doesn't own the IP.
- Licensors retain ownership of key franchises.
- Loss of licenses can impact revenue and growth.

HOW THEY'RE MANAGING IT

- A 120% repeat rate shows customers return frequently and spend more over time.
- The Souled Out Squad creates a strong sense of belonging and deep customer engagement.
- This community strengthens emotional connections beyond the products.
- The real advantage lies in its customer tribe, making it more resilient to price-based competition.



- Fans value officially license merchandise because it offers authenticity and legitimacy.
- Licensed products provide a stronger emotional connection than unofficial alternatives.
- Customers shop for authenticity, not just the lowest price.
- Official licensing makes the products more valuable to dedicated fans.



PLAYING THE LONG GAME

The goal was never to be the best licensed merchandise company in India. The goal is to become a brand fans love on its own terms one where the original Souled Store aesthetic carries as much weight as the IP it sits alongside. That's a harder destination, but it's the only one that's truly theirs to own

The Smart Use of
Licensed Revenue

The Community
They're Building

The Original Identity
Taking Shape

THE BOTTOM LINE

First-Mover Advantage



- Launched in 2013
- One of the first brands in India's online graphic apparel space



Increased Competition



- Tens of millions of Bewakoof customers today
- New Instagram streetwear brands launch every week



Market Evolution



- First-mover advantage has disappeared
- Numerous competitors have entered the market

Pricing Challenge



- ₹299 knockoff Marvel T-shirts are widely available
- Buyers often prioritize price over authenticity

D2C & COMMUNITY FLYWHEEL: THE DEMAND ENGINE

(Marketplace shift + community-led brand building + direct customer ownership)



THE D2C SHIFT STORY

TSS migrated from marketplace dependency (Amazon/Flipkart) to a fully owned D2C model, eliminating 20–30% platform commissions, gaining full customer data access, and building a direct, loyalty-driven brand relationship with Gen Z and millennials.

5 COMMUNITY STRATEGY LEVERS



MEME MARKETING

Platform-native humor & trend-jacking → high organic reach, zero paid cost



EVENT-LINKED DROPS

Launches tied to OTT releases & film premieres → urgency + conversion spike



MICRO-INFLUENCER NETWORK

Mid-tier creators over celebrities → higher authenticity, lower CAC



UGC LOOP

Customers post fits → brand reposts → free social proof



FAN COMMUNITY BUILDING

Polls, fan art features, social groups → emotional brand ownership

STRATEGIC TRANSFORMATION FRAMEWORK: TSS'S 3 PILLARS

PILLAR	OBJECTIVE
EXPECTED OUTCOME	SOLUTION

Marketplace Exit

Own Website+ Mobile App Launch
Margins ↑, data ownership
Reduce Platform Depedency



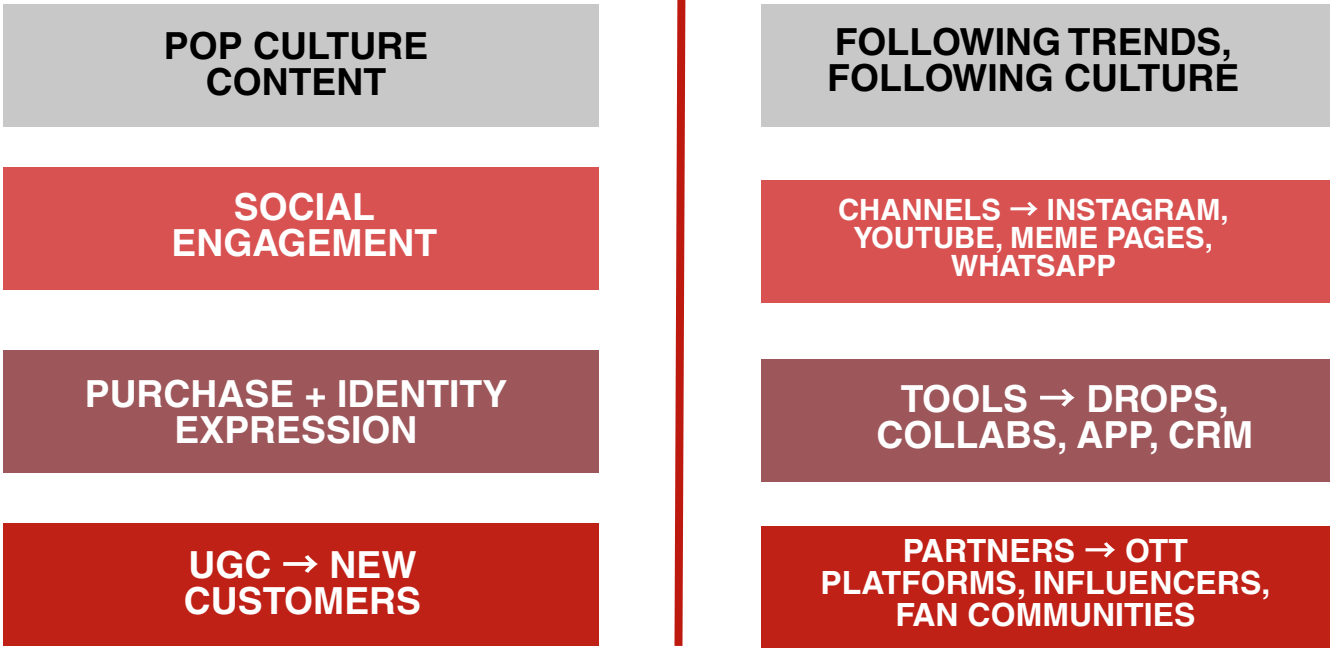
Community Engine

Meme/Social/UGC Strategies,
Build Organic Demand
Low CAC, high retention

Direct Retention

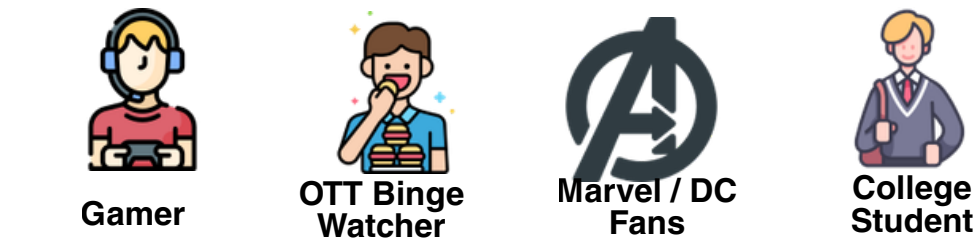
CRM, personalization, retargeting
Own The Customer Lifecycle
LTV ↑, repeat purchase ↑

THE COMMUNITY FLYWHEEL LOOP



TARGET MARKET & PERSONA

SEGMENT: GEN Z + MILLENNIAL INDIA



Persona Example



Aryan, 22, Engineering student in Pune. Grew up watching Avengers. Buys Marvel merch on drops

Uses Instagram daily. Trusts peer recommendations over ads

TSS offers him: Limited edition Iron Man hoodie + community he belongs to.

SCALING THE IDENTITY: EXPANSION & BRAND STRATEGY

(Category Growth + Offline Expansion + Brand Dilution Risk)



PRODUCT & OFFLINE EXPANSION TIMELINE



CATEGORY EXPANSION STRATEGY

Category expansion increases AOV - customers bundle T-shirt + hoodie + cap in single order, raising revenue per visit without increasing CAC.

Accessories and footwear carry structurally higher margins than basic apparel - diversification improves overall unit economics and reduces royalty-cost drag from licensed tees.

Offline stores act as brand immersion zones in high-footfall malls - reinforcing identity, enabling product trial, and capturing Tier 1 customers who don't convert online.

BRAND DILUTION RISK FRAMEWORK

IDENTITY DILUTION RISK

Rapid category expansion risks losing the niche pop-culture DNA that made TSS distinctively valuable to its core fanbase.

COMPETITIVE SQUEEZE

Squeezed from below by unbranded Meesho sellers on price, and from above by Nike/Puma in athleisure mid-market positioning becomes vulnerable.

OFFLINE COST PRESSURE

Physical stores = high fixed costs (rent, staff, inventory). Requires consistent footfall to justify store economics-margin pressure compounds with royalty costs.

BRAND CONSISTENCY TEST

Every new category must pass one filter: "Does a pop-culture fan feel at home here?" → Yes = Scale it. No = Reconsider.

EXPANSION VS. BRAND IDENTITY — STRATEGIC VERDICT

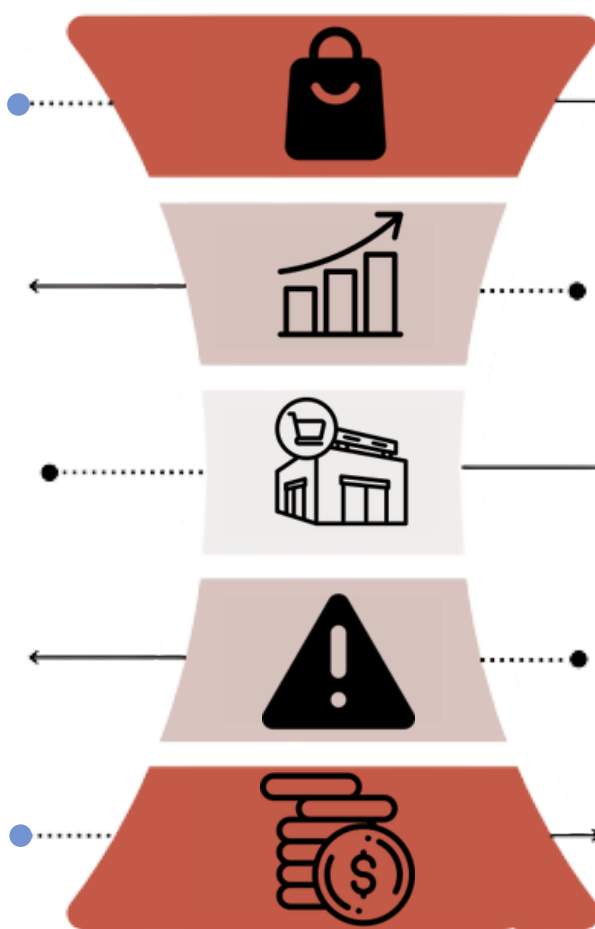
- Category: T-shirts → Hoodies → Footwear → Athleisure
- AOV increases with every new category added

IF IT WORKS

- Stores in Mumbai, Pune, Delhi, Bengaluru, Hyderabad
- Selective high-footfall locations only

IF IT BACKFIRES

- Royalties + offline fixed costs = margin pressure
- Inventory complexity increases at scale



CATEGORY EXPANSION

- Full lifestyle brand like Snitch/Bewakoof
- Pop-culture DNA embedded across all categories
- Higher LTV per customer

OFFLINE EXPANSION

- Becomes generic mid-market player
- Original fanbase feels disconnected
- Competes poorly vs. Myntra private labels

COST PRESSURE

3 STRATEGIC TAKEAWAYS

01 Fandom → Repeatable Consumer Demand

TSS's real moat is not just licensing — it is the proven ability to convert fan identity into repeat purchases. 80% revenue from repeat buyers. That loyalty is the true competitive advantage, not any single licensed design.

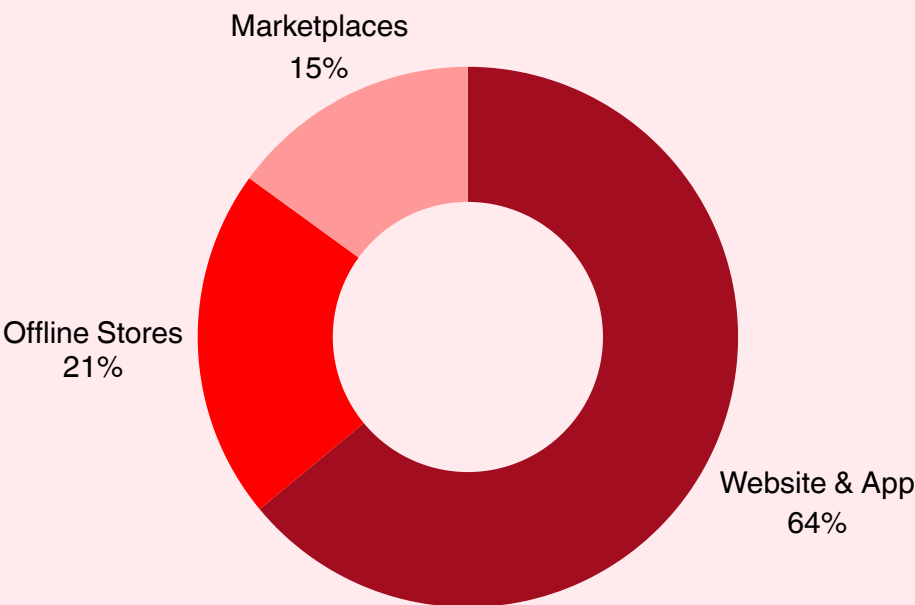
02 Offline Retail as a Brand Transformer

Physical stores are not just distribution — they are brand theaters. The 200-store roadmap transforms TSS from a digital merch destination into a tangible lifestyle presence that competes with mainstream fashion retailers.

03 Cultural Relevance + Profitability + Scale

The next chapter will be judged not by niche design but by consistency. TSS must stay culturally relevant, profitable (EBITDA: 9.7% in FY25), and scalable — simultaneously. If it succeeds, it will be India's first pop-culture-to-retail empire.

CHANNEL REVENUE MIX (FY25)



WHERE IT STANDS TODAY

- ₹492 Cr FY25 Revenue
- 37% Year-on-Year Growth
- 40+ Operational Stores
- 200+ Active Global Licenses
- 90%+ D2C Channel Revenue
- Redwolf Acquired (Apr 2025)

WHERE IT IS HEADED

- 200 Stores across India by Dec 2026
- Mainstream lifestyle fashion positioning
- Expand beyond graphic tees into everyday
- Profitability at scale the defining test

GROWTH DRIVERS

- Redwolf Acquisition (Apr 2025) **GROWTH**
- IPO Ambition (₹2,000 Cr target) **GROWTH**
- Gulf Market Expansion Plans **GROWTH**
- Kids Wear & Women's Expansion **GROWTH**
- Sneaker & Lifestyle Adjacency **GROWTH**

KEY RISK FACTORS

- ⚠️ Counterfeit merchandise flooding online platforms
- ⚠️ Rising IP licensing fees compressing margins
- ⚠️ Niche identity dilution at scale, brand stretch risk
- ⚠️ Fast fashion D2C brands copying product logic quickly