“They’d fund it. On one condition.”

WOMEN WHO BUILT IT

SUGAR Cosmetics

Vineeta Singh
Co-founder & CEO
Founded 2015

THE ZERO	THE BET	THE PEAK	THE RESET
Two ventures that didn’t work first	**Makeup made for Indian skin**	**₹505 cr revenue (FY24)**	**₹144.5 cr raised at a 75–80% lower value**

ABOUT THE FOUNDER

Vineeta Singh went to **IIT Madras**, then **IIM Ahmedabad**. At twenty-three she turned down a job paying about **a crore a year**. Her first venture didn’t work. Her second, a monthly beauty box called **FAB BAG** (2012), didn’t really work either.

The third time she built what she needed herself: makeup for Indian skin and Indian heat, because what sat on the shelf **slid off by two in the afternoon**. That became SUGAR, co-founded with Kaushik Mukherjee. Since 2021 she has also sat on the panel of **Shark Tank India**.

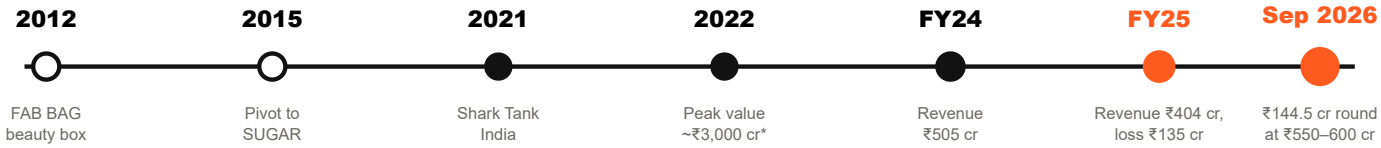
THE CONDITION Years in, an investor agreed to fund her on one condition: her husband would join full time. She has called it gender discrimination, on the record.

IN THE NEWS NOW 1 Sep 2026

SUGAR raises ₹144.5 crore — at about one-fifth of its peak value.

A91 Partners, an existing investor, took part at a reported **₹550–600 crore** valuation, against **₹2,600–2,700 crore** in Nov 2024. FY26 results are not yet reported.

THE ROAD, IN SEVEN STOPS



IN HER WORDS

> **“We don’t invest in solo women founders so, until Kaushik quits McKinsey and joins full time, we can’t give you a check.”**
>
> What an investor told her, in her telling · Business Today, Dec 2022

> **“If IIM-A had not happened, I wouldn’t be building SUGAR or had the courage to start up on my own.”**
>
> Business Today, Nov 2022

> **“Yes we did raise a large round, yes it is at a worse valuation because [co-founder] Kaushik [Mukherjee] and I are here to build.”**
>
> On the 2026 round · IBTimes India, Sep 2026

01
Build for the customer nobody designed for.
The shelf was made for somewhere else. She built for the woman it ignored.

02
Two failures are tuition, not a verdict.
The third business worked because she built the thing she herself needed.

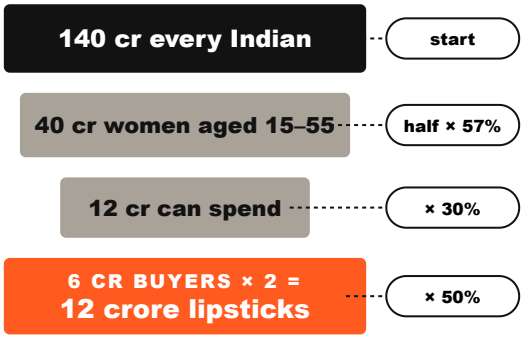
03
Growth you buy isn’t growth you own.
The story doesn’t end at the peak. Page 5 shows why.

* Peak valuation as widely reported; sources differ (₹2,600–3,000 cr). Revenue and loss are operating revenue and net loss as reported in filings-based coverage.

Don’t guess the market. Cut the country down until only the buyer is left.

■ QUESTION 1 · FROM THE SCRIPT

How many lipsticks does India buy in a year?



12 CR LIPSTICKS × ₹300 **= ₹3,600 cr / year**

Estimated — every percentage is the script’s own teaching assumption, not SUGAR’s data.

WATCH THE TWO 12S

Step 3 is **12 crore women**. The answer is **12 crore lipsticks**. Same digits, different things — a coincidence of the assumptions.

30-SECOND SANITY CHECK

Try: own just 5% of lipsticks: 12 cr × 5% = 60 lakh × ₹300 = **₹180 cr**.

TEST Guess 20%, not 30%, at step 3: buyers 4 cr, lipsticks 8 cr. The answer falls by **a third**. Stress-test the cut that moves the answer most.

CONCEPT Fermi estimation

PLAIN WORDS	MBA TERM	SUGAR
Break one huge unknown into small guesses you can defend.	Top-down sizing: TAM → SAM → SOM.	All women → regular buyers → the slice SUGAR can win.

CONCEPT Segmentation · the mithai-shop rule

PLAIN WORDS	MBA TERM	SUGAR
Be the only sensible choice for one group.	STP: Segment, Target, Position.	Shades and heat-proof formulas for Indian skin. People cross town for one famous sweet.

■ QUESTION 2 · THE CTA

You’re running SUGAR. ₹500 cr — more cities, or more products?

	NEW CITY	EXISTING CUSTOMERS
Cost to win 1 customer	₹400	₹50
Customers ₹100 buys	0.25	**2**
Gross profit, first orders	₹37.50	**₹300**
Orders to earn CAC back	~3	**0.3**

THE CALL

Go deeper first. Expand with a gate: a new city only if it pays back in under 12 months.

Working split: ~70% depth, ~30% new cities. **Change my mind:** when winning another existing-city customer costs about as much as a new-city one, cities win. *Teaching numbers, not SUGAR’s data: order ₹300, 50% gross margin = ₹150 an order.*

Your comment template: **my call → the framework I used → an example I’ve seen work → what I’d be worried about.**

FRAMEWORK 1 The Ansoff Matrix: where do you grow?

PLAIN WORDS	MBA TERM	SUGAR
Growth has two levers: **who** you sell to and **what** you sell. Mix them and you get four boxes.	Ansoff Matrix (1957): penetration, development, diversification.	Your ₹500 cr question is a choice between two of the boxes below.

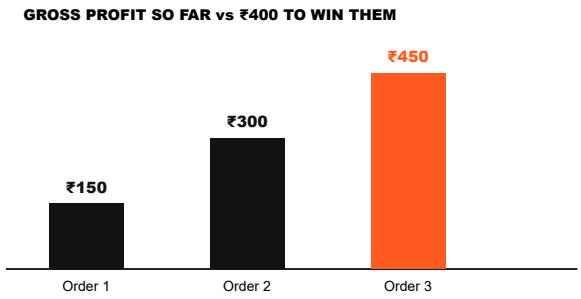
EXISTING PRODUCTS	NEW PRODUCTS
Box 1 · Market penetration LOW RISK More lipsticks per buyer, repeat and loyalty, deeper in each city.	**Box 2 · Product development** MEDIUM Skincare, eyes, nails, gift sets, a face-base range.
Box 3 · Market development MED-HIGH More cities, more channels, more countries.	**Box 4 · Diversification** HIGHEST A wellness or fashion label. Two unknowns at once.

Rows: Existing customers (top) / New customers / cities (bottom).

Boxes 1 and 2 = “more products, where you already are.” Box 3 = “more cities.” The safest money sits nearer the top-left.

FRAMEWORK 2 Unit economics: LTV vs CAC, the leaky bucket

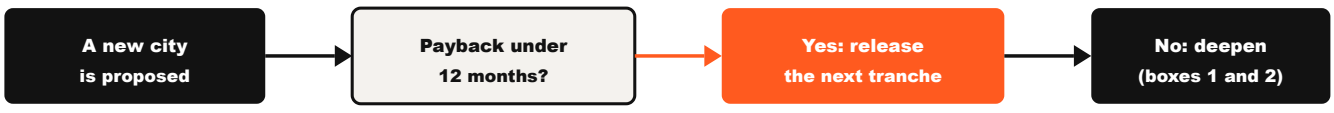
PLAIN WORDS	MBA TERM	SUGAR
Before pouring money in, ask: does one customer earn back what it cost to win them?	LTV:CAC ratio and payback. Healthy: LTV ≥ 3× CAC.	A lipstick is replaced slowly, so a costly new-city customer takes a long time to pay back.



The maths *(illustrative)*: ₹300 × 50% = ₹150. ₹400 ÷ ₹150 = 2.7, so **3 orders**. At 2 lipsticks a year, about **18 months**. Break-even is at order 3.

Orders 1 and 2 are a loan. Order 3 is the repayment.

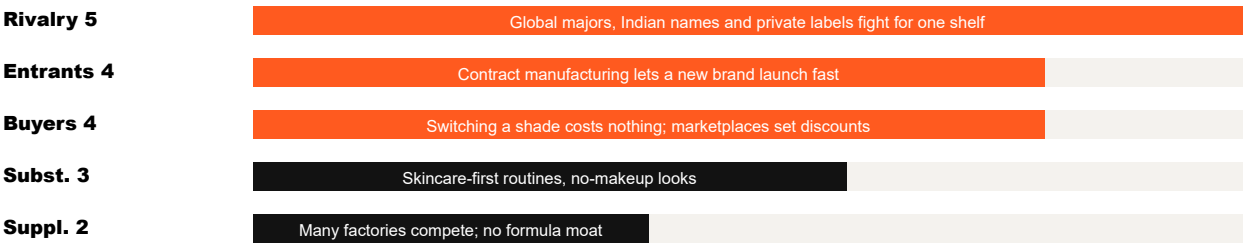
APPLY IT The gate: how a new city gets its money



Teaching numbers, not SUGAR’s data. The 12-month gate is our suggestion.

FRAMEWORK 3 Porter's Five Forces

PLAIN WORDS	MBA TERM	SUGAR
Five pressures decide how much profit an industry lets you keep.	Porter's Five Forces. Scored 1 (weak) to 5 (strong).	Colour cosmetics in India: easy to enter, easy to switch. Our own scoring.



Verdict: when it's easy to enter and easy to leave, positioning is a head start, not a moat.

FRAMEWORK 4 Jobs-to-be-Done

PLAIN WORDS	MBA TERM	SUGAR
Nobody buys a lipstick. They hire it to do a job.	Jobs-to-be-Done (Christensen).	The SUGAR job, in three parts: the situation, the help, the result.



Shade ranges can be copied. An obsessive fix for the *job* (formula, heat testing, shade depth) is harder to copy.

FRAMEWORK 5 Operating leverage: when sales fall

PLAIN WORDS	MBA TERM	SUGAR
Shops, leases and salaries don't shrink when sales do.	Fixed costs and operating leverage.	FY25: revenue fell 20%; operating costs fell 6%.

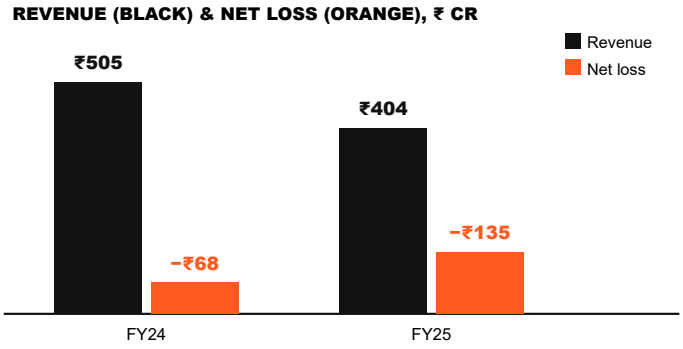
	FY24	FY25	CHANGE
Operating revenue	505.1	404.4	−100.7 (−20%)
EBITDA	−48.5	−116	loss more than doubled
Operating costs *(derived)*	553.6	520.4	**−33.2 (−6%)**

Revenue fell ₹100.7 cr (−20%). Operating costs fell only ₹33.2 cr (−6%). That gap is the loss.

Fixed costs are a promise you made when sales were high.

Costs = operating revenue minus EBITDA, derived from reported FY24 and FY25 figures. Five Forces scores are our own assessment.

WHERE SUGAR STANDS TODAY



Valuation (mid-points of reported ranges): ₹2,650 cr in Nov 2024 → ₹575 cr in Sep 2026.

THE PROBLEM THEY FACE RIGHT NOW

1. **Cash and confidence.** A 75–80% valuation cut resets what investors, staff and partners believe.
2. **A heavy offline footprint.** Reports say growth came through 550+ cities and many stores; some underperformers have reportedly closed.
3. **A thin moat.** “Indian skin” was copied; leaner brands arrived.
4. **The road to profit.** A listing is widely discussed but not confirmed.

FIVE TAKEAWAYS

1. Be the only real choice for one group.
2. Size a market with cuts you can defend, then stress-test the biggest one.
3. Check unit economics before you chase geography.
4. Growth without payback is a loan, not a win.
5. A brand is a head start. A moat is built separately.

THE MISTAKE MUSEUM

- ✖ **Footprint before proof.** Reported analysis points to scaling stores before unit economics were shown to work.
- ✖ **Positioning mistaken for a moat.** “Made for Indian skin” was copied.
- ✖ **Costs sized for the peak.** Revenue fell 20%; costs fell 6%.

Full loop. In the script you chose between more cities and more products. The company reportedly leaned into breadth, and the market punished the cost. That doesn’t prove the other answer was right. It proves the question was worth asking *before* the money moved.

WHAT TO WATCH NEXT

SIGNAL 1

Does revenue stop falling?

FY24 was ₹505 cr and FY25 ₹404 cr. The next filing shows whether the slide has stopped.

SIGNAL 2

Does the loss narrow?

EBITDA loss was ₹116 cr in FY25. Costs must fall faster than the 6% they fell last year.

SIGNAL 3

Where does the ₹144.5 cr go?

Use of funds isn’t disclosed. Depth or new cities? It is the page-2 question, for real.

Sources: Filings-based coverage of FY24/FY25 results and the Sep 2026 A91 round; Business Today (2022); IBTimes India (2026); Indian Startup News; BW Disrupt. Assumptions labelled. Not investment advice.

Every term, formula and full form used in this PDF — one page to keep.

FULL FORMS & MEANINGS

TAM	**Total Addressable Market.** Everyone who could buy.
SAM	**Serviceable Available Market.** The part you can reach.
SOM	**Serviceable Obtainable Market.** The part you can win.
STP	**Segmentation, Targeting, Positioning.**
CAC	**Customer Acquisition Cost.** What it costs to win one customer.
LTV	**Lifetime Value.** Total profit one customer brings.
JTBD	**Jobs-to-be-Done.** The job a customer hires a product for.
EBITDA	**Earnings Before Interest, Tax, Depreciation and Amortisation.**
D2C	**Direct-to-Consumer.** Selling straight to the buyer.
IPO	**Initial Public Offering.** First sale of shares to the public.
FY24	Financial Year 2023–24 (April 2023 to March 2024).
Gross margin	Share of an order's price left after the direct cost.
Valuation	What investors say the company is worth.
Fermi estimate	A market size built from small, defensible guesses.

INDIAN NUMBER UNITS

1 lakh = 1,00,000 · 1 crore = 100 lakh = 1,00,00,000
12 crore lipsticks = 120 million; 60 lakh = 6 million.

₹100 crore = ₹1 billion
₹3,600 crore = ₹36 billion.

FORMULAS USED

MARKET SIZE
Population × cut 1 × cut 2 × cut 3 = buyers
140 cr × 50% × 57% × 30% × 50% ≈ 6 cr

UNITS AND VALUE
Buyers × units a year = units; units × price = value
6 cr × 2 = 12 cr; × ₹300 = ₹3,600 cr

GROSS PROFIT PER ORDER
Order value × gross margin
₹300 × 50% = ₹150

CUSTOMERS "BOUGHT"
Spend ÷ CAC
₹100 ÷ ₹400 = 0.25 · ₹100 ÷ ₹50 = 2

PAYBACK
CAC ÷ gross profit per order
₹400 ÷ ₹150 = 2.7, so 3 orders; 3 ÷ 2 a year = 1.5 years

LTV : CAC
LTV ÷ CAC ≥ 3 is the usual healthy mark
A rule of thumb; payback under 12 months is the gate used here

OPERATING COSTS
Operating revenue − EBITDA
FY25: 404.4 − (−116) = ₹520.4 cr

PERCENTAGE CHANGE
(New − old) ÷ old × 100
(404.4 − 505.1) ÷ 505.1 = −20%

THE FRAMEWORKS, IN ONE LINE EACH

Fermi estimate	**How big is it?** Small cuts, then stress-test the biggest.
Segmentation	**Who is it for?** The only real choice for one group.
Ansoff Matrix	**Where do we grow?** Who you sell to × what you sell.
LTV vs CAC	**Does a customer pay back?**
Five Forces	**How much profit can we keep?**
JTBD	**Why do they buy?** The job, not the product.
Op. leverage	**What if sales fall?** Fixed costs don't.