A new playbook: Startups go vertical in India's qcom race

UDISHA SRIVASTAV
New Delhi, 15 October

Expert insights

- Experts say vertical qcom works better in categories needing deep product curation
- Investors note such models offer higher AOVs and stronger consumer loyalty
- Analysts highlight that horizontals can't match SKU depth in categories like pharma and fashion
- Venture capitalists say vertical qcom provides better discovery and brand visibility
- Experts believe tailored experiences and trust make vertical qcom more sustainable in long term

As the quick commerce (qcom) race hots up, a new model — vertical qcom — is gaining investor attention. Unlike horizontal players such as Blinkit, Zepto, and Swiggy Instamart, which stock everything from groceries to gifts and gadgets, vertical platforms focus on depth over breadth.

These platforms target niche but high-value categories, such as pharma, fashion, beauty, baby care, and pet care, where the range of assortment and repeat purchases is high. Investors say that specialised vertical players can offer better availability and domain-specific expertise.

They are also increasingly betting on these models for their higher average order values (AOVs), repeat transactions, and optimised inventory and delivery networks.

For instance, Info Edge Ventures and Chiratae Ventures recently invested $4.5 million in a seed funding round in fashion qcom company Zilo. All In Capital also invested $1.4 million in qcom Pharma firm Plazza, and a baby care-focused qcom startup, Peeko, raised $3.2 million in a seed round led by Stellaris Venture Partners.

Speaking on the growth opportunities for vertical qcom models, Aditya Singh, cofounder and partner of All in Capital, said, "Categories like pharma have over 15,000 stock keeping units (SKUs) and platforms like Blinkit or Zepto cannot stock that depth in every dark store. That's where a vertical pharmacy player makes sense. Additionally, in categories such as fashion or apparel, speed is not the only issue. The bigger issue is what to stock and which brands to push. A vertical player can curate better, manage supply chains differently, and solve that discovery challenge."

Echoing Singh's perspectives, Rahul Chowdhri, partner of Stellaris Ventures, said, "In horizontal qcom, the optimisation is about how fast they can move the inventory. But in a category like fashion, the collection needed is larger, and the pace of inventory movement is different. Consumers also don't want a grocery kind of buying experience for fashion and beauty. So, in this particular case, a try-and-buy could be a reason why you need fashion qcom."

IIMA Ventures, too, added that it is keen to explore vertical qcom opportunities in categories that require depth, tailored curation, stronger consumer experience, and domain-specific trust. Vipul Patel, partner-seed investing, said that non-grocery and high-context categories could present promising opportunities.

A few founders building in the vertical qcom space say that some categories, like fashion and pharma, demand deeper curation and a differentiated shopping experience. Their rise also stems from the fact that offline shopping often fails to meet consumer expectations due to unbranded and fragmented offerings.

Chetan Sharma, cofounder of Peeko, said that the baby care market is large, fragmented, and predominantly unbranded, with only about 25 per cent of the market being brand-led. He said, "The remaining 75 per cent — apparel, accessories, shoes, and toys — remains unbranded. This creates supply chain complexity, requiring 15,000-20,000 SKUs, and demands deeper curation to ensure products are high-quality, safe, and reliable. Finally, parents are often pressed for time and want frictionless shopping, without the hassle of returns. A vertical platform allows us to design features like 'try and buy' and instant returns."

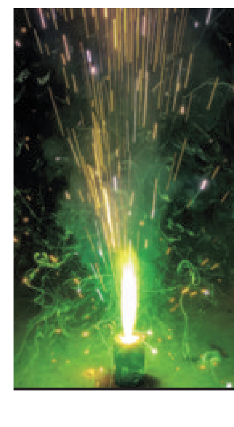
On the pharma category, Aman Priyadarshi, founder and chief executive officer (CEO) of Plazza, said, "For pharmacy, 95 per cent of the experience is offline, and that offline experience is pretty broken. Almost all customers ask their retail pharmacist for WhatsApp numbers for home deliveries, or they come down to the store themselves, where it can take 15-30 minutes for even a small transaction. That is, if one is lucky enough not to have to check across two to three stores."

Priyadarshi added that the company is building delivery-first stores and is currently delivering medicines in Bengaluru.

Zilo's cofounder and chief information officer (CIO) Bhavik Jhaveri said that fashion is the second-largest consumption category, post grocery.

SC allows sale, bursting of green crackers for Diwali in Delhi-NCR

BHAVINI MISHRA
New Delhi, 15 October



Key directions

- Sale of green crackers from October 18-20
- Police authorities to constitute patrolling teams to keep a vigil on locations of sale
- In case of violations, licences of manufacturers to be cancelled
- Use of firecrackers confined between 6 am and 7 am and from 8pm to 10 pm
- Sale only through licensed traders
- No firecrackers allowed from outside
- No sale or purchase of firecrackers through ecom networks

The Supreme Court on Wednesday relaxed its blanket ban on firecrackers in the National Capital Region (NCR) and permitted the limited use of certified green crackers ahead of Diwali. The court ruled that the sale of National Environmental Engineering Research Institute (NEERI)-approved green crackers will be allowed for a three-day window, from October 18 to 20.

District authorities will identify and notify designated sale locations, and only licenced vendors will be permitted to operate. Every product sold must carry a quick response code to ensure traceability, the court said. The use of firecrackers has been strictly limited to specific time slots.

Bursting will be allowed between 6–7 am and 8–10 pm on the day before and on Diwali. Only crackers approved by NEERI and licenced through the Petroleum & Explosives Safety Organization will be permitted; any non-compliant stock will be seized immediately.

The Bench, comprising Chief Justice of India B R Gavai and Justice K Vinod Chandran, allowed the relaxation as a temporary measure, aligning its directions with the 2018 precedent in the Arjun Gopal versus Union of India case.

The order comes months after an April directive imposing a year-long prohibition on the manufacture, sale, and use of all types of crackers, including green variants.

The court clarified that the relaxation is on a 'test case' basis and restricted to the festival period.

Citing the failure of the blanket ban to curb firecracker use — largely due to smuggled and more polluting products — the court said a calibrated approach was necessary to balance public health concerns with cultural practices.

The Bench also said that crackers containing barium or any other non-green variant will remain prohibited. It banned the sale and use of series-joined crackers (*laris*) and barred e-commerce platforms from listing or selling firecrackers.

No consignments of firecrackers will be allowed to enter NCR from outside the region. District authorities and police have been directed to set up patrolling teams to monitor sale points and ensure compliance.

These teams will conduct regular inspections and random sampling to verify that only authorised products are being sold. Violations will result in confiscation of stock and cancellation of manufacturing or sales licences. The court also allowed the renewal of expired or cancelled trader licences, but only for the limited festival period. Meanwhile, the Central Pollution Control Board and State Pollution Control Boards will monitor air quality in the NCR from October 14 to 25 and submit daily Air Quality Index reports to the court.

More on business-standard.com

IPL valuation to remain flat in '26: D&P Advisory

ROSHNI SHEKHAR
Mumbai, 15 October

With the Indian Premier League's (IPL's) overall valuation dropping for the first time in two consecutive years, D&P Advisory anticipates the League's valuation to remain mostly flat next year, with minor changes in the range of 3-4 per cent.

"Over-reliance on the broadcast revenue is the key reason why we are in this phase today," said Santosh N, managing partner, D&P Advisory, which is a premier valuation services provider, and a boutique transaction advisory firm.

He emphasised that if the sudden ban on the real money gaming (RMG) sector had not been imposed, then there would not have been a drastic change in this year's overall IPL valuation.

This comes after the IPL's overall valuation fell by 8 per cent to ₹76,100 crore in 2025 due to media rights consolidation as JioStar merger ended competitive bidding, tempering rights escalation, and a ban on the RMG segment, according to a D&P Advisory report titled "Beyond 22 Yards 2025". This came after the League's overall value dropped from ₹92,500 crore in 2023 to ₹82,700 crore in 2024. On the other hand, the Women's Premier League (WPL) saw its value drop from ₹1,350 crore in 2024 to ₹1,275 crore this year as commercially the WPL is not immune and faces the same headwinds as IPL does.

IPL's overall valuation fell by 8 per cent to ₹76,100 crore in 2025

"This one-two punch has created the first sustained downturn in IPL's commercial history, reducing the ecosystem's valuation by nearly ₹16,400 crore or $2.4 billion in just two years," the report stated, adding that the RMG segment used to contribute about ₹1,500 crore to ₹2,000 crore annually across league, franchise, and broadcaster deals.

Santosh added that IPL valuations depend majorly on media rights and as of now, there are no major players to compete with JioStar for the 2027 media rights cycle. He noted that the Sony-Zee combined entity could have been a major player in competing against JioStar, and moving ahead, there can be a possibility of a consortium of players bidding for the media rights cycle in the coming years.

Meanwhile, Karan Taurani, executive vice-president of Elara Capital, said that he doesn't see an exponential growth in IPL in the current media rights cycle (2023-2027). He further corroborated Santosh's view and added that IPL's valuation could be flat in 2026 compared to this year.

"All the metrics like viewership and interest are just going one way, and that's moving in the right direction (viewership rising). People are now watching almost all the matches, even non-important matches are drawing viewer interest. It has now become a ritual. The issue is, how can teams monetise it and convert this fan following into revenues... something that the teams should figure out," Santosh added.