


**Manthan**

# Luggage

## What makes HRX immortal?

The new age D2C brands have changed the competitive landscape of luggage industry. Most of them have been able to grow rapidly by establishing a strong online presence in the initial phase. Have a look at the brief financials of select new age startups in exhibits 1,2 and 3 below. We have chosen conventional brands like Mokobara, Nasher Miles and Uppercase to map the D2C growth landscape as these brands have been able to establish a strong consumer connect over time.

### Exhibit 1: Brief financials of Nasher Miles

Particulars (Rs mn)	FY21	FY22	FY23	FY24	FY25
Revenue	752	1,161	1,452	1,587	1,455
YoY growth		54.4%	25.1%	9.3%	-8.3%
EBITDA	29	63	108	(13)	27
PAT	6	24	55	(63)	1
Net worth	128	152	204	141	525

Source: Factset

### Exhibit 2: Brief financials of Mokobara

Particulars (Rs mn)	FY21	FY22	FY23	FY24	FY25
Revenue	19	122	536	1,190	2,404
YoY growth		527.5%	340.1%	121.9%	102.0%
EBITDA	(12)	(43)	(64)	(11)	(59)
PAT	(12)	(46)	(82)	(42)	(102)
Net worth	33	85	273	1,577	1,555

Source: Factset

### Exhibit 3: Brief financials of Uppercase

Particulars (Rs mn)	FY22	FY23	FY24	FY25
Revenue	0	111	640	850
YoY growth			475.9%	32.9%
EBITDA	(43)	(217)	(190)	(335)
PAT	(43)	(217)	(176)	(353)
Net worth	65	271	282	564

Source: Factset

As can be seen most of these brands have scaled rapidly but are struggling for profitability. Having established a strong online presence, we believe the next leg of growth for these brands is likely to come from offline expansion. However, we believe their brick & mortar growth journey is not going to be easy as luggage is sold via diverse channels like GT, MT, MBO's, EBO's, CSD, and institutional. Penetrating every category and establishing a diversified presence across channels is a daunting task. For instance, one needs to have a very strong brand to penetrate GT and MT. Starting an EBO could be capital intensive or may require fixed rental commitment. Further, cracking the CSD channel requires relationship with government officials, and it is time consuming as well. Lastly, any company would get institutional orders only if it has established itself as a brand.

So far, brands like Mokobara, Nasher Miles and Uppercase have been able to grow by getting seed funding from angel investors. Given their established foot print they may be able to raise additional capital required for offline expansion.

**Exhibit 4: Established brands have raised US\$50mn+ till date**

Particulars	Total funding till date
Nasher Miles	US\$5.9mn+
Mokobara	US\$24.1mn+
Uppercase	US\$19.9mn+

Source: Tracxn

However, not all new age brands may have the wherewithal to achieve desired scale and go for offline expansion. The new age D2C industry is overcrowded with a host of startups as e-com is the easiest channel to crack. If you have the product, e-com gives you a ready platform to sell. While some of these new age brands may achieve desired scale, not all will be able to survive. Nonetheless, we believe brand “HRX” is not only likely to survive but will also thrive giving established D2C brands a run for their money.

**Exhibit 5: List of select new age D2C players**

Particulars (Rs mn)	Revenue (FY25)
Assembly	357
EUME	302
Fur Jaden	532
ICON	54
Arctic Fox	2,180
Gear Bags	861

Source: Tracxn

**What makes “HRX” a “Chiranjeevi” of the luggage industry?**

Founded in 2013, HRX is an internet first lifestyle brand having presence across apparels, accessories, equipments, eyewear, and footwear. In 2025, HRX tied up with Escape Plan to launch a co-branded line of travel gear offerings. Apart from brand and distribution reach, access to capital is equally critical for new age brands like HRX intending to succeed in the luggage industry.

HRX is a well-established consumer franchise with strong online presence. Most importantly, we do not foresee any major challenges in accessing capital to fund the next leg of growth. Recently, Escape Plan raised US\$25mn in series A funding led by Jungle Ventures, Fireside Ventures, and the VC arm of Indigo Airlines. Escape Plan has already crossed annualized recurring revenue of Rs3bn. Secondly, HRX is owned by Myntra which is effectively a Flipkart entity. Thus, HRX may not face dearth of liquidity given it has backing of Flipkart and some of the big-ticket PE’s/VC’s. Access to capital should pave the way for offline expansion and fight competition in the interim.

Given strong brand equity and access to capital to fund the next leg of growth, we believe HRX is in for a long haul despite being a late entrant into the luggage industry. HRX’s presence is likely to intensify competition for incumbents like VIP IN, SII IN and Samsonite India.

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Apeejay Surrendra Park Hotels	BUY	206	126
2	Chalet Hotels	BUY	1089	896
3	Delhivery	BUY	516	423
4	DOMS Industries	BUY	3084	2356
5	Flair Writing Industries	BUY	413	316
6	Imagicaaworld Entertainment	BUY	70	48
7	Indian Railway Catering and Tourism Corporation	BUY	850	618
8	InterGlobe Aviation	Hold	5186	4909
9	Lemon Tree Hotels	BUY	165	133
10	Mahindra Logistics	BUY	407	340
11	Navneet Education	Reduce	119	156
12	Nazara Technologies	BUY	336	235
13	PVR Inox	BUY	1274	987
14	S Chand and Company	BUY	291	185
15	Safari Industries (India)	Hold	2191	1836
16	Samhi Hotels	BUY	264	147
17	TCI Express	BUY	694	537
18	V.I.P. Industries	Reduce	352	390
19	Zee Entertainment Enterprises	BUY	133	85

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<b>BUY</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock
<b>Under Review (UR)</b>	: Rating likely to change shortly

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