

V-Mart Retail

BSE SENSEX	S&P CNX
79,441	24,124

CMP: INR2,892 TP: INR 2,800(-3%) Neutral

Financials Snapshot (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	27.9	32.3	37.3
EBITDA	2.1	3.2	4.2
NP	-1.0	-0.4	0.3
EBITDA Margin (%)	7.6	9.8	11.3
Adj. EPS (INR)	-53.5	-23.3	15.1
EPS Gr. (%)	NM	NM	NM
BV/Sh. (INR)	412.8	389.5	404.6

Ratios

Net D:E	1.8	2.1	2.0
RoE (%)	NM	NM	3.8
RoCE (%)	0.4	2.9	6.0
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	NM	NM	188.6
EV/EBITDA (x)	32.9	22.3	16.9
EV/Sales (x)	2.1	1.8	1.6
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	3.8	1.3	3.5

1QFY25 pre-quarter update

Revenue up 16% YoY (in line) led by 11% SSSG; recovery continues in both the segments

- Consolidated revenue grew 16% YoY to INR7.9b (in line), led by 11% SSSG and 4% YoY footprint addition.
- SSSG for V-Mart (core) and Unlimited has improved for the third straight quarter and stood at 12% and 8%, respectively, in 1QFY25.
- Limeroad revenue declined 29% YoY to INR120m. This is positive, as it could curtail the consol. EBITDA loss. Adjusted for this, VMART revenue (including Unlimited stores) grew 16% YoY.
- Unlimited revenue, with throughput of ~INR1,600/sqft (+8% SSSG), stood at ~INR1.2b (calculated), up ~5% YoY.
- V-Mart (core) revenue stood at ~INR6.5b (calculated), up ~20% YoY, with throughput of ~INR2,000/sqft.
- The company opened seven new stores (five V-Mart stores and two Unlimited stores) and closed three stores during the quarter, taking the total store count to 448 stores (V-Mart: 370 | Unlimited: 78).

Financial performance for 1QFY25

V-Mart (INR m)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	YoY%	QoQ%	1QFY25E	v/s est (%)
Total revenue	5,879	5,062	7,769	5,939	6,785	5,494	8,891	6,686	7,860	15.8	17.6	7,868	-0.1
Adj. revenue*	5,879	5,062	7,718	5,821	6,611	5,275	8,721	6,534	7,740	17.1	18.5		
Total stores	391	405	414	423	431	437	454	444	448	3.9	0.9	447	0.2
SSSG	-15	-5	1	10	-3	-6	4	6	11			11	
Revenue per store	15.0	12.7	19.0	14.2	15.9	12.7	20.0	14.9	17.6	10.9	18.3	17.7	
YoY	138%	22%	2%	17%	6%	0%	5%	5%	11%			11%	
Total Area (mn Sqft)	3.4	3.5	3.6	3.7	3.8	3.8	3.9	3.9	3.9	3.8	0.9	3.9	
Revenue per sq ft	1,722	1,433	2,153	1,611	1,808	1,444	2,251	1,730	2,024	12.0	17.0		

* Adj for Limeroad revenue

Total stores	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	YoY%	QoQ%	1QFY25E	v/s est (%)
V-Mart	314	326	334	341	349	352	367	365	370	6.0	1.4		
Unlimited	77	79	80	82	82	85	87	79	78	-4.9	-1.3		
Total stores	391	405	414	423	431	437	454	444	448	3.9	0.9	447	0.2

Source: MOFSL, Company