

PICK OF THE WEEK

13th June, 2026

V-Mart Retail Ltd

Sector: Retail

BUY

CMP

714

Target Price

790

Upside

10%

CMP as on 12th June, 2026 | Time horizon: 6-9 Months

Why V-Mart Retail Ltd

- Performance Revival
- Reduction in Losses, Thus Margin Expansion
- Leading Value Fashion

About the Company

V-Mart is a leading value retailer, focused on Tier II and III cities across India, with a strong presence in Uttar Pradesh, Bihar, and Jharkhand. The company operates through an omnichannel model, including LimeRoad, and has a network of 577 stores (478 V-Mart and 99 Unlimited) as of Jun'26.

Investment Rational

A. Resilient Growth Continues

- V-Mart reported a strong Q4FY26 performance, with revenue growing 24.5% YoY, driven by 12% SSSG, healthy demand in Tier 2/3 markets, seasonal traction, and store expansion. The Unlimited segment remained a key growth driver, posting 28% revenue growth. Looking ahead, improving rural demand, higher footfalls, festive-led consumption, and a strong value proposition are expected to support healthy growth in FY27.

B. LimeRoad Losses Narrowing

- V-Mart reported a significant improvement in LimeRoad's performance, with losses narrowing 66% YoY to Rs 3 Cr in Q4FY26. The company is targeting breakeven in the near term, which is expected to support margin improvement going forward.

C. Network Expansion on Track

- The company added 92 stores over the past year, taking its total store count to 577. Management has guided for 13–15% annual net area growth, supported by a planned capex of Rs 170–180 Cr towards store expansion, refurbishments, and technology-led initiatives.

Outlook & Valuation

- V-Mart is well-positioned to benefit from improving rural demand, market share gains from unorganised players, and favourable macro tailwinds such as GST reforms, government spending, and stable inflation. Continued efforts to optimise the store network, reduce LimeRoad losses, and strengthen its omnichannel presence are expected to support earnings and profitability growth.

Valuation: Trading at 10x FY28E EV/EBITDA

Analyst Insights

We recommend a **BUY** with a target price of Rs 790/share, implying an upside of 10% from the CMP.

Research Analysts

Suhanee Shome

Research Associate

Suhanee.shome@axissecurities.in

Urmi Shah

Research Associate

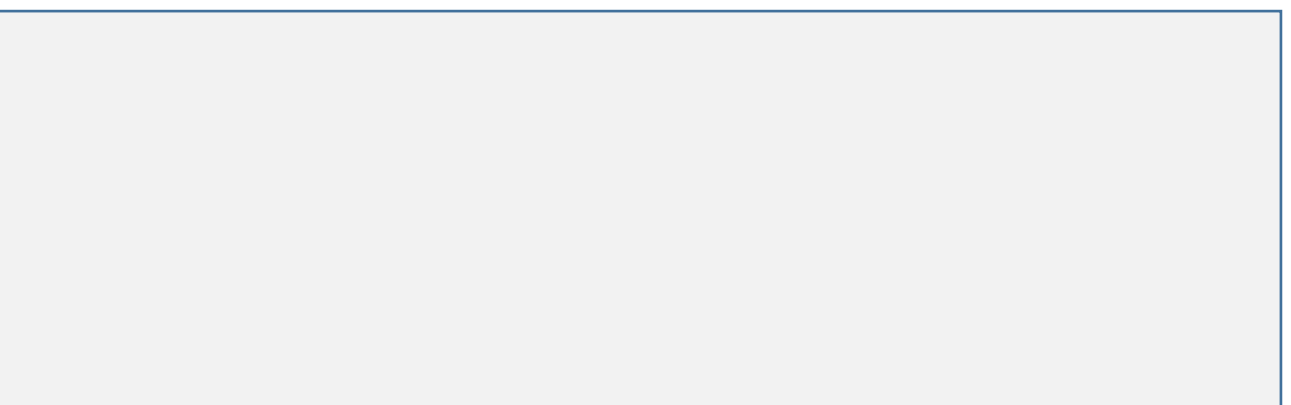
Urmi.shah@axissecurities.in

Financial Summary

	FY26	FY27E	FY28E
Net Sales (Rs Cr)	3,789	4,412	4,972
EBITDA (Rs Cr)	513	598	709
PAT (Rs Cr)	124	128	175
EPS (Rs)	15.6	16.1	22.1
PER (x)	45.3	44.2	32.3
EV/EBITDA (x)	12.8	10.5	8.4
ROE (%)	14.4	11.9	14.0
ROCE(%)	14.4	12.8	14.3

Market Data

No. of Shares	7.95 Cr
Market Cap (Rs Cr)	5,677
52-week High	962.47
52-week Low	465.30
P/E (x)	45.72
BSE Code	534976
NSE Code	VMART



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