



## IPO Note

# Vishal Mega Mart Limited

Recommendation: **APPLY!**

### Company Background -

- **Incorporation:** Vishal Mega Mart Limited was originally incorporated as "Rishanth Wholesale Trading Private Limited" on April 07, 2018. The registered office is located at Gurugram, Haryana.
- **Business Activity:** The company is engaged in contract manufacturing, and wholesale and retailing of apparel, general merchandise and fast moving consumer goods, under their own brands and third-party brands.
- **Revenue Stream:** The major revenue stream for the company is from apparel segment.
- **Human Resource:** The company had 16,537 employees as of Sep 30, 2024.

### Objects of the Issue -

Since the company has no fresh issue the entire proceeds from the offer will be received by the promoter after deducting its portion of the Offer related expenses and the relevant taxes thereon.

### Promoters Name -

Samayat Services LLP and Kedaara Capital Fund II LLP

### Rationale for recommendation -

- ✓ The PE ratio is 69.19 times post issue annualized basis makes it fairly priced.
- ✓ The top line, bottom line and profitability have shown steady growth over the years.
- ✓ The company has been debt free since FY2023-24.
- ✓ The company has positive operating cash flow.
- ✓ The company has adopted asset light business model.
- ✓ The company has good promoter holdings post-issue.
- ✓ The company has been in the industry since 2001 and has vast experience.
- ✓ The company has created a strong presence in India especially in tier II cities.
- ✓ The company's management is satisfactory.

### IPO Details

Opening Date	Dec 11, 2024
Closing Date	Dec 13, 2024
Allotment Date	Dec 16, 2024
Listing Date	Dec 18, 2024
Stock Exchange	BSE, NSE
Lot Size	190 Shares
Issue Price Per Share	₹74 to ₹78
Issue Size	8,000.00 Cr.
Fresh Issue	-
Offer for Sale	8,000.00 Cr.
Application Amt	₹ 14,820 - ₹ 1,92,660 (190 to 2,470 shares)

### INDUSTRY - Retail

Avg. PE ratio as per RHP - 130.91

KPI's	KPIs (In Crores)			
	FY 22	FY 23	FY 24	Sep-24
Revenue	5,588.52	7,586.04	8,911.95	5,032.51
EBITDA	803.69	1,020.52	1,248.60	668.03
Net Profit	202.77	321.27	461.94	254.14
RoCE	6.49%	9.08%	10.95%	3.80%
ROE	4.20%	6.23%	8.22%	4.31%
P/E	173.33	111.43	77.23	69.19*

\*Annualized

### Promoter Share Holding Pattern

Pre-Issue	Post Issue
98.77%	76.02%

### Valuation Parameters

Particulars	Pre-Issue	Post Issue*
EPS	1.01	1.13
BVPS	12.47	13.65
P/E	77.23	69.19
P/BV	6.26	5.72
Mkt Cap (In Cr)	35,168.01	35,168.01

\*Annualized

### Lead Managers -

1. Kotak Mahindra Capital Company Limited
2. ICICI Securities Limited
3. Intensive Fiscal Services Private Limited
4. Jefferies India Private Limited
5. J. P. Morgan India Private Limited
6. Morgan Stanley India Company Private Limited

### Registrar -

KFin Technologies Limited

## Business Overview –

**History:** Vishal Mega Mart was founded in 2001 and began as Vishal Retail Private Limited. But due to reliance on short-term debt and operational inefficiencies in 2010, it was sold to TPG Wholesale Private Limited and Shriram Group. In 2018, the business of pre-merger Vishal Mega Mart Private Limited was transferred to Rishanth Wholesale Trading Private Limited under amalgamation scheme. The pre-merger VVMPL was dissolved and Rishanth Wholesale Trading Private Limited was renamed as Vishal Mega Mart Private Limited on May 2020.

**Business Operations:** Vishal Mega Mart Limited is a hypermarket chain and is a one stop destination for middle and lower-middle income India. The company is engaged in contract manufacturing, and wholesale and retailing of apparel, general merchandise and fast moving consumer goods, under their own brands and third-party brands, through Vishal Mega Mart stores and Vishal Mega Mart mobile application and website. The company focuses on variety, affordability, quality and convenience to fulfil the requirements of consumers.

As of Sep 2024, the company had a Pan-India network of 645 stores and 781 vendors for production of the products. They operate 1 central distribution centre and 1 distribution centre (managed by the company) and 17 regional distribution centres is managed by the promoter, Samayat Services LLP, through third-party appointed by them. The top 3 states where they have the highest number of stores are Uttar Pradesh, Karnataka and Assam with 111, 73 and 42 stores respectively in FY2024.

## Subsidiaries:

- Airplaza Retail Holdings Private Limited (100% shareholding)** – ARHPL was incorporated on Feb 1, 2008 and is engaged in the business of inter alia retail trading of fast moving consumer goods products, clothing, kitchen appliances, fabrics, etc.
- Vishal e-Commerce Private Limited (100% shareholding)** – VECPL was incorporated on Dec 17, 2014. It is dormant company and is not engaged in any business.

## Product Portfolio:

- Apparel Segment:** This includes product ranges across t-shirts, shirts, denim, athletic and leisure wear, night wear, innerwear, western wear, formal wear, and ethnic wear for men, women, children, and infants.
- General Merchandise Segment:** This comprises of their own brand “**Tandem**” and third party brand products ranging across home appliances, crockery and utensils, home products and furnishings, toys, stationery, travel products and footwear, among others.
- Fast-Moving Consumer Goods Segment:** This includes their own brand “**First Crop**” and third party brand products across the packaged food, staples and non-food categories. Within this category, they offer food products such as biscuits, savoury snacks (namkeen), noodles, tea, coffee, staples such as mustard oil, soya oil, clarified butter (desi ghee) and spices, and non-food products such as baby diapers, hair oil, sanitary pads and hand wash, among others.



## Revenue Bifurcation:

(Amt in Cr.)

Particulars	FY 2022		FY 2023		FY 2024		Sep-24	
	Amt	%	Amt	%	Amt	%	Amt	%
Apparel	2,517.95	45.18	3,292.68	43.54	3,901.32	43.87	2,244.949	44.66
FMCG	1,405.69	25.22	2,031.96	26.87	2,447.31	27.52	1,379.944	27.45
General Merchandise	1,649.30	29.59	2,238.35	29.60	2,543.32	28.60	1,401.37	27.88
Operating Income	15.57	0.28	23.05	0.30	20.00	0.22	6.25	0.12
<b>Total</b>	<b>5,588.52</b>	<b>100.00</b>	<b>7,586.04</b>	<b>100.00</b>	<b>8,911.95</b>	<b>100.00</b>	<b>5,032.51</b>	<b>100.00</b>

## Competition -

1. **Market Competition:** The company operates in a highly competitive industry and the key factors of competition are longer operating histories, better brand recognition, greater financial resources, greater market penetration, better store locations, leaner supply chains, more efficient distribution networks and more diverse merchandise mix.
2. **Geographic Competition:** The company faces competition from existing retailers, both organised and un-organised, and potential entrants. They also face competition from online retailers and e-commerce marketplaces.
3. **Barriers to entry:** Moderate barriers to entry.
4. **Threat of Substitutes:** High threat of substitutes.
5. **Bargaining Power of Buyers:** The bargaining power is high with the customers.
6. **Bargaining Power of Suppliers:** The bargaining power of suppliers is low.

## Business Strategies -

1. The company aims to expand their footprint in new cities and towns especially where the population exceeds 50,000.
2. The company aims to expand their product portfolio and introduce new products and own brands.
3. The company aims to expand hyperlocal offering to all stores through mobile app and website.
4. The company intends to leverage data obtained from loyalty program to enhance consumer engagement and drive sales.
5. The company proposed initiative to introduce hand-held checkout devices at stores to enable a faster checkout experience for consumers.

## Risk Factors -

The company relies entirely on third party vendors for the manufacturing of all products under its own brands who are required to meet its product specification, quality, design and manufacturing standards.

The company has 50 outstanding cases against it for criminal, tax, civil and regulatory matters amounting to Rs. 5.96 Cr and they have filed 3 cases regarding criminal and civil matters amounting to Rs. 7.05 Cr.

The subsidiary company has 288 cases against it regarding criminal, tax, civil and regulatory matters amounting to Rs. 39.85 Cr. and has filed 3 cases for criminal matters.

The directors/ promoters have 12 cases against them regarding criminal and tax matters.

The company has contingent liabilities of Rs. 60.66 Cr.

The company has received directive dated Feb 25, 2021 from Assistant Director, Directorate of Enforcement, Ministry of Finance, Department of Revenue, Government of India in relation to:

1. (a) capital structure, shareholding pattern, directors, promoters, shareholders' agreements/arrangements (if any) and details of stores operated since 2010-11; (b) details of investments made, including foreign direct investment received and relevant forms submitted to RBI in respect of receipt of foreign direct investment; (c) financial related documents; (e) the merger of Pre-merger VMMPL with the Company; and (f) documentary evidences showing changes in the name of the Company.
2. (a) foreign direct investments made in the Company and subsidiaries since incorporation, (b) the business model of the Company, including details of persons/entities that the Company supplied goods to since November, 2010, (c) step-down investments of the Company, and (d) the documentary evidences of the Scheme of Amalgamation (e) details of entities from where the raw as well as manufactured / processed products were procured; (f) details of the franchise business model.

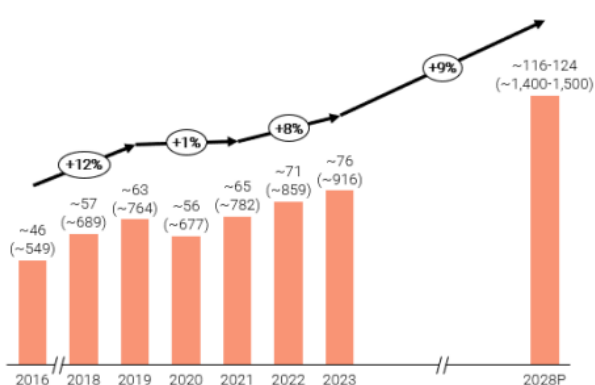
**INDUSTRY OVERVIEW**

**Retail Industry in India-**

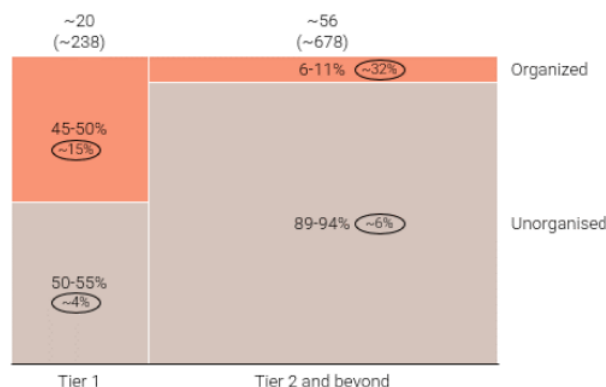
The Indian retail market experienced robust growth, between CY2016 and CY2019, expanding at a CAGR of approximately 12% to reach ₹63 trillion (approximately US\$ 764 billion) by CY2019. This expansion was primarily fuelled by demographic changes, government interventions, and evolving consumption patterns. India's retail landscape is transitioning towards a more organized direction, with Tier-2 cities and beyond at the forefront of this change. The organized retail market in India is projected to reach ₹36-38 trillion (approximately US\$434-458 billion) by CY2028. Within the organized retail market, organized B&M has grown from ₹6.3 trillion (approximately US\$ 76 billion) in CY2018 to reach ₹10 trillion (approximately US\$ 120 billion) in CY2023 and is projected to grow to ₹23-26 trillion (approximately US\$277-313 billion) by 115 CY2028 growing at a CAGR of 19-20%.

Apparel, Staples & FMCG, and general merchandise together contribute ~50% of the overall retail market as of CY2023 and are projected to continue doing so till CY2028.

**Overall Retail Market - India**



**Overall Retail Market by channel & city tier - India**

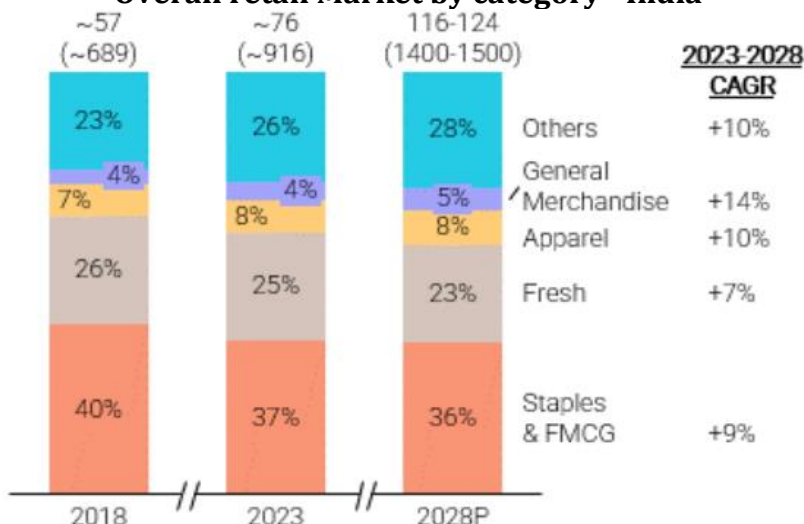


(Source: RHP)

Apparel, Staples & FMCG, and general merchandise together contribute ~50% of the overall retail market as of CY2023 and are projected to continue doing so till CY2028.

- The apparel retail market in India was sized at ₹6 trillion (US\$71 billion) as of CY2023 and is projected to reach ₹10 trillion (US\$116 billion) by CY2028, growing at a CAGR of ~10%.
- As of CY2023, the grocery retail market in India is valued at ₹47 trillion (US\$ 568 billion). Staples & FMCG account for ~59% of this market, contributing ₹28 trillion (US\$ 335 billion), and is projected to reach ₹42 trillion (US\$ 511 billion) by CY2028, growing at a CAGR of 9%.
- The General Merchandise retail market in India was sized at ₹3 trillion (US\$ 37 billion) as of CY2023 and is projected to reach ₹6 trillion (US\$ 69 billion) by CY2028 growing at a CAGR of 14%.

**Overall retail Market by category - India**



(Source: RHP)

**Key Management -**

<b>Key Management Persons Name -</b>	<b>Gunender Kapur</b>
<b>Age</b>	63
<b>Designation and No. of experience</b>	Managing Director and CEO, 40+ years of experience in e in management and investment in the consumer and retail sectors
<b>Qualification</b>	Bachelor's degree in engineering (Honours) and MBA
<b>Other Directorships</b>	Insa Soft-Net Private Limited, Vishal E-Commerce Private Limited and Mogli Labs Private Limited
<b>Key Management Persons Name -</b>	<b>Neha Bansal</b>
<b>Age</b>	43
<b>Designation and No. of experience</b>	Chairperson and Independent Director, 16+ years of experience in finance and business administration
<b>Qualification</b>	Member of ICAI, Bachelor's degree in commerce, Completed the course on valuation and a post qualification course in information systems audit
<b>Other Directorship</b>	Lenskart Solutions Private Limited, Visionsure Services Private Limited and Owndays Kabushiki Kaisha
<b>Key Management Persons Name -</b>	<b>Soumya Rajan</b>
<b>Age</b>	54
<b>Designation and No. of experience</b>	Independent Director, 29+ years of experience in strategy, finance, and operations
<b>Qualification</b>	Bachelor's degree in maths (Honours)
<b>Other Directorships</b>	Aavas Financiers Limited, Airplaza Retail Holdings Private Limited, Center for Study of Science Technology and Policy etc.
<b>Key Management Persons Name -</b>	<b>Sanjeev Aga</b>
<b>Age</b>	72
<b>Designation and No. of experience</b>	Non-Executive Director, 37+ years of experience in management
<b>Qualification</b>	Bachelor's degree in science (honours) and PGD in management
<b>Other Directorships</b>	Helios Trustee Private Limited, Larsen and Toubro Limited, LTIMindtree Limited etc.
<b>Key Management Persons Name -</b>	<b>Nishant Sharma</b>
<b>Age</b>	46
<b>Designation and No. of experience</b>	Non-Executive Director, 20+ years of experience in various fields
<b>Qualification</b>	MBA and master's degree in bio-chemical engineering and biotechnology
<b>Other Directorships</b>	Aavas Finserv Limited, Aavas Financiers Limited, ASG Hospital Private Limited etc.
<b>Key Management Persons Name -</b>	<b>Manas Tandon</b>
<b>Age</b>	47
<b>Designation</b>	Non-Executive Director
<b>Qualification</b>	Bachelor's degree of technology in electrical engineering and MBA(honours)
<b>Other Ventures</b>	Aavas Financiers Limited, Aavas Finserv Limited, Icebox Parent GP, LLC etc.

- The overall management of the company is satisfactory.
- The management has good experience.
- There is an evidence of dual chairmanship, which is not favourable.
- Amit Gupta (CFO) is a qualified CA and CS and has 21+ years of experience in finance.
- The senior management includes, COO, CIO, CHRO, VP (Legal and Compliance), VP (FMCG), VP (General Merchandising), Chief B&M Officer – Apparel, VP (Supply chain) is vast with an average of 25+ years of experience.

**FINANCIAL SNAPSHOT****Statement of Profit and Loss**

Amt in Crores

Particulars	FY 22	FY 23	FY 24	Sep-24
Revenue from Operations	5,588.52	7,586.04	8,911.95	5,032.51
Other Income	65.34	32.86	33.181	20.903
<b>Total Income</b>	<b>5,653.85</b>	<b>7,618.89</b>	<b>8,945.13</b>	<b>5,053.42</b>
<b>Expenses</b>				
Purchase of stock-in-trade	4,261.07	5,799.72	6,420.85	3,995.73
Changes in Inventories of WIP, Finished Goods & Stock in Trade	-246.46	-273.39	25.21	-383.51
Employee benefits expense	337.71	431.78	504.695	302.366
Finance Cost	193.81	161.40	143.538	68.416
Depreciation and Amortization expense	405.56	461.44	517.293	278.874
Other Expenses	432.52	607.41	712.597	449.889
<b>Total Expenses</b>	<b>5,384.20</b>	<b>7,188.36</b>	<b>8,324.18</b>	<b>4,711.77</b>
<b>EBITDA</b>	<b>803.69</b>	<b>1,020.52</b>	<b>1,248.60</b>	<b>668.03</b>
<b>EBITDA Margin</b>	<b>14.38%</b>	<b>13.45%</b>	<b>14.01%</b>	<b>13.27%</b>
<b>Profit/(Loss) before tax</b>	<b>269.65</b>	<b>430.53</b>	<b>620.95</b>	<b>341.65</b>
<b>Tax Expense</b>				
Current tax	93.18	121.45	160.61	98.31
Deferred Tax (net)	-26.30	-12.19	-1.592	-10.80
<b>Total Tax Expense</b>	<b>66.88</b>	<b>109.26</b>	<b>159.02</b>	<b>87.51</b>
<b>Profit/(Loss) for the year</b>	<b>202.77</b>	<b>321.27</b>	<b>461.94</b>	<b>254.14</b>
<b>Net Profit Margin</b>	<b>3.59%</b>	<b>4.22%</b>	<b>5.16%</b>	<b>5.03%</b>

**Statement of Assets and Liabilities**

Amt in Crores

Particulars	FY 22	FY 23	FY 24	Sep-24
<b>EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' funds</b>				
Share Capital	4,503.30	4,506.59	4,508.72	4,508.72
Other Equity	321.88	649.50	1,113.12	1,390.27
<b>Total Equity</b>	<b>4,825.18</b>	<b>5,156.09</b>	<b>5,621.84</b>	<b>5,898.99</b>
<b>2. Non-current liabilities</b>				
Financial Liabilities				
(i) Borrowings	403.66	92.25	-	-
(ii) Lease Liabilities	882.13	882.39	1,024.85	965.89
Provisions	22.39	25.82	31.04	35.34
<b>Total Non-current liabilities</b>	<b>1,308.18</b>	<b>1,000.45</b>	<b>1,055.89</b>	<b>1,001.23</b>
<b>3. Current liabilities</b>				
Financial Liabilities				
(i) Borrowings	93.75	41.25	-	-
(ii) Lease Liabilities	409.98	445.74	458.54	443.60
(iii) Trade Payables				
(a) Outstanding Dues to MSME	15.39	101.39	311.75	825.52
(b) Outstanding Dues to other than MSME	1,445.23	1,399.39	908.27	1,227.90
(iv) Other Financial Liabilities	63.40	84.39	85.41	75.26
Provisions	15.73	15.06	18.68	20.27
Other current liabilities	41.13	45.15	45.70	50.00
Current Tax Liabilities (net)	-	-	-	8.97
<b>Total Current liabilities</b>	<b>2,084.61</b>	<b>2,132.37</b>	<b>1,828.35</b>	<b>2,651.53</b>
<b>Total Liabilities</b>	<b>3,392.79</b>	<b>3,132.82</b>	<b>2,884.24</b>	<b>3,652.76</b>
<b>Total Equity and Liabilities</b>	<b>8,217.98</b>	<b>8,288.91</b>	<b>8,506.08</b>	<b>9,551.75</b>
<b>ASSETS</b>				
<b>1. Non-current assets</b>				

Particulars	FY 22	FY 23	FY 24	Sep-24
Property, Plant and Equipment	401.75	463.06	591.82	626.95
Capital work-in-progress	11.14	68.52	38.33	35.27
Right-to-use assets	1,103.06	1,136.95	1,299.63	1,221.63
Goodwill	4,283.63	4,283.63	4,283.63	4,283.63
Other Intangible Assets	14.00	8.92	8.17	8.23
Financial Assets				
- Other financial assets	81.96	87.85	85.51	90.37
Deferred Tax Assets (net)	203.63	216.09	218.17	229.52
Non-Current Assets (net)	9.88	12.90	3.96	19.93
Other non-current assets	7.37	16.03	4.81	5.03
<b>Total Non-Current assets</b>	<b>6,116.40</b>	<b>6,293.96</b>	<b>6,534.03</b>	<b>6,520.56</b>
<b>2. Current assets</b>				
Inventories	1,215.98	1,490.74	1,464.97	1,849.06
Financial Assets				
(i) Investments	416.79	35.08	-	466.91
(ii) Trade receivables	2.32	4.15	31.74	29.01
(iii) Cash and cash equivalents	97.16	45.50	86.96	194.50
(iv) Bank balances other than (iii)	118.69	123.72	31.93	25.77
(v) Other financial assets	6.73	15.04	51.70	137.26
Other Current Assets	243.91	280.72	304.76	328.67
<b>Total Current assets</b>	<b>2,101.57</b>	<b>1,994.95</b>	<b>1,972.05</b>	<b>3,031.19</b>
<b>Total Assets</b>	<b>8,217.98</b>	<b>8,288.91</b>	<b>8,506.08</b>	<b>9,551.75</b>

**Cash Flow Statement**

Amt in Crores

Particulars	FY 22	FY 23	FY 24	Sep-24
Net Cash Flow from Operating Activities	657.10	635.53	829.67	991.84
Net Cash Flow from Investing Activities	27.20	177.34	-130.05	-621.53
Net Cash Flow from Financing Activities	-710.49	-864.53	-658.15	-262.77

**Key Ratios**

<u>Per Share Data</u>	FY 22	FY 23	FY 24	FY 25*	<u>Valuation Ratios (x)</u>	FY 22	FY 23	FY 24	FY 25*
Diluted EPS	0.45	0.7	1.01	1.13	EV/EBITDA	6.35	5.02	4.41	4.20
BV per share	10.71	11.44	12.47	13.65	Market Cap / Sales	6.29	4.64	3.95	3.49
<b><u>Operating Ratios</u></b>					P/E	173.33	111.43	77.23	69.19
EBITDA Margins	14.38%	13.45%	14.01%	13.27%	Price to Book Value	7.28	6.82	6.26	5.72
PAT Margins	3.59%	4.22%	5.16%	5.03%	<b><u>Solvency Ratios</u></b>				
Inventory days	79.42	71.73	60.00	67.24	Debt / Equity	0.10	0.03	-	-
Debtor days	0.15	0.20	1.30	1.06	Current Ratio	1.01	0.94	1.08	1.14
Creditor days	125.12	94.45	69.35	94.04	Quick Ratio	0.42	0.24	0.28	0.45
<b><u>Return Ratios</u></b>					Asset Turnover	0.68	0.92	1.05	0.53
RoCE	6.49%	9.08%	10.95%	13.36%	Interest Coverage Ratio	2.05	3.46	5.09	5.69
RoE	4.20%	6.23%	8.22%	8.26%					

\*Annualized

**FINANCIAL ANALYSIS –**

1. The top line has increased over the years. It increased by 35% in FY2023 which was due to increase in sale of products from existing stores and from new stores. Their store count increased from 501 to 557. In FY2024 it increased by 17% and their store count increased from 557 to 611.
2. The net profit also increased consistently over the years by 58% in FY2023 and 43% in FY2024.
3. The PAT margin has consistently increased over the years. The EBITDA margin has remained consistent and has seen a slight dip in FY2023.
4. The RoCE and RoE has remained low over the years.
5. The company has been debt free since 2024.
6. The PE ratio has improved over the years.

**PEER ANALYSIS**

Particulars	Vishal Mega Mart Limited			Avenue Supermarts Limited			Trent Limited		
	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24
NP Margin	3.6%	4.2%	5.2%	4.8%	5.5%	5.0%	2.3%	5.2%	11.1%
EBITDA Margin	14.4%	13.5%	14.0%	8.4%	8.8%	8.3%	16.0%	16.9%	22.1%
RoCE	8.6%	8.2%	11.0%	14.9%	18.8%	18.3%	6.2%	13.8%	40.7%
ROE	4.2%	6.2%	8.2%	10.9%	14.8%	13.6%	4.5%	17.1%	36.6%
EPS (INR)	0.45	0.70	1.01	23.04	36.70	39.05	2.98	12.51	41.82
P/E	173.33	111.43	77.23	177.18	92.67	115.89	425.65	109.91	94.40

## Interpretations –

- Vishal Mega Mart and Trent Limited are not comparable on an apple-to-apple basis as Trent is focused on apparel segment only.
- Vishal Mega Mart has adopted an asset light business model whereas Avenue Supermarts Limited has adopted asset heavy business model which makes it difficult to compare.
- The market of the company is low compared to its peers.
- The NP and EBITDA margin growth of Vishal Mega Mart and Avenue Supermarts is similar. For Trent Limited, it has seen exponential growth in FY2024.
- The RoCE and RoE of the company is low compared to its peers.
- The PE ratio of the company is better compared to its peers.
- The company has better cash conversion cycle than its peers.



**LEAD MANAGER TRACK RECORD –**

The lead managers to the issue are Kotak Mahindra Capital Company Limited, ICICI Securities Limited, Intensive Fiscal Services Private Limited, Jefferies India Private Limited, J. P. Morgan India Private Limited and Morgan Stanley India Company Private Limited. A table has been set below highlighting the details of the IPO of the last companies handled by the Lead Manager in recent times –

**Kotak Mahindra Capital Company Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Niva Bupa Health Insurance Company Limited	2,200.00	74.00	Nov 14, 2024	99.92
2.	ACME Solar Holdings Limited	2,900.00	289.00	Nov 13, 2024	273.45
3.	Swiggy Limited	11,327.43	390.00	Nov 13, 2024	539.60

The company has handled 2 mandates in the past three years (including the current year).

**ICICI Securities Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Niva Bupa Health Insurance Company Limited	2,200.00	74.00	Nov 14, 2024	99.92
2.	ACME Solar Holdings Limited	2,900.00	289.00	Nov 13, 2024	273.45
3.	Swiggy Limited	11,327.43	390.00	Nov 13, 2024	539.60

The company has handled 4 mandates in the past three years (including the current year).

**Intensive Fiscal Services Private Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Waaree Energies Limited	4,321.44	1,503.00	Oct 28, 2024	2,839.15
2.	Baazar Style Retail Limited	834.68	389.00	Sep 06, 2024	321.15
3.	Gopal Snacks Limited	650.00	401.00	Mar 14, 2024	440.90

The company has handled 36 mandates in the past three years (including the current year).

**Jefferies India Private Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Swiggy Limited	11,327.43	390.00	Nov 13, 2024	539.60
2.	Sagility India Limited	2,106.60	30.00	Nov 12, 2024	37.68
3.	Afcons Infrastructure Limited	5,430.00	463.00	Nov 04, 2024	526.20

The company has handled 16 mandates in the past three years (including the current year).

**J. P. Morgan India Private Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Swiggy Limited	11,327.43	390.00	Nov 13, 2024	539.60
2.	Sagility India Limited	2,106.60	30.00	Nov 12, 2024	37.68
3.	Hyundai Motor India Limited	27,870.16	1,960.00	Oct 22, 2024	1,877.75

The company has handled 16 mandates in the past three years (including the current year).

**Jefferies India Private Limited –**

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Zinka Logistics Solution Limited	1,114.72	273.00	Nov 22, 2024	348.20
2.	Niva Bupa Health Insurance Company Limited	2,200.00	74.00	Nov 14, 2024	99.92
3.	Hyundai Motor India Limited	27,870.16	1,960.00	Oct 22, 2024	1,877.75

The company has handled 16 mandates in the past three years (including the current year).

\*CMP for the above-mentioned companies is taken as of 16<sup>th</sup> Nov 2024.

As per the offer document, the above-mentioned mandates Zinka Logistics, ACME Solar Holdings, Hyundai Motors and Sagility India have opened at a discount and remaining all have opened at a premium on the listing day.

## Recommendation -

Vishal Mega Mart Limited has been in the industry since 2001 and has established its presence in India especially in Tier 2 and Tier 3 cities. It has vast experience in the industry.

The management overview of the company is satisfactory.

The P/E on a post-IPO annualized basis is 69.19 times which makes it fairly priced compared to industry average.

The company is a one stop destination for middle and lower-middle income India.

The company's top line and bottom line has increased consistently over the years. The PAT margin has also increased consistently over the years. The EBITDA margin had seen a slight dip in FY2023. The company has remained debt free since FY2023-24. The company had positive cash flow from operations.

The RoCE and RoE has remained low over the years.

Vishal Mega Mart has created a strong presence in the retail segment in India and has been growing consistently.

Thus, investors can **APPLY** to this IPO for long-term basis.

## Disclaimer

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The analysis and recommendations are based on the current market and company-specific scenario, along with the data available in the prospectus. Market and company-specific conditions may change after the company's listing, potentially impacting its performance and outlook. We will not be providing any follow-up reports or updates on this analysis post-listing.

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