

Pick of the Week

BUY – Vishal Mega Mart (VMM)

CMP: ₹115 as on 13 April 2026

Fair Value (FV): ₹145

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Time Period: 12 months

Why Invest?

- VMM is increasing its geographic presence across India.
- VMM added 29 stores in Q3FY26 and is on track to beat its guidance of 95-100 store additions in FY26.
- VMM has been adding stores in the 10-15k sq. ft range.
- VMM has added stores in Kerala, Maharashtra and Gujarat, and is looking to add more stores in these states.
- VMM's 17.0% yoy revenue growth in Q3FY26 was driven by 11.4% increase in area and 6.1% SSSG. The company posted SSSG of 10% in 9MFY26.
- VMM remains confident of maintaining double-digit SSSG in future year, driven by higher footfalls, premiumization and higher wallet share of existing customers.
- We model FY25-28E revenue CAGR of 18% led by SSSG of 9-10% & new store additions.
- We arrive at DCF based FV of Rs145.

Maintain BUY with **FVRs-145**

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

- BUY** – We expect the stock to deliver more than 15% returns over the next 12 months
- ADD** – We expect the stock to deliver 5% - 15% returns over the next 12 months
- REDUCE** – We expect the stock to deliver -5% - +5% returns over the next 12 months
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- NR** – **Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
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- NA** – **Not Available or Not Applicable.** The information is not available for display or is not applicable
- NM** – **Not Meaningful.** The information is not meaningful and is therefore excluded.
- NOTE** – Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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