

Vedant Fashion Ltd.

Instill Pride in Wearing Indian

About The Company

Vedant Fashion Limited (Hereinafter referred as Vedant Fashion (VFL) or “The Company”) incorporated in 2002, is an Indian company, headquarter in Kolkata, primarily engaged in manufacturing and trading of readymade Indian ethnic and celebration wear being men's ethnic wear such as sherwanis, Indo-western, kurtas, Nehru Jacket etc. and women's ethnic wear such as lehenga, saree, suit, Kurti etc. and related accessories. The company markets its products under the brand name of Manyavar, Mohey, Mebaz, Twamev and Manthan. The MANYAVAR brand is a category leader in the Men’s branded Indian wedding and celebration wear market. The Company has a pan-India presence with 622 stores spread across 244 cities and towns globally.. The company offer a one-stop destination with a wide-spectrum of product offerings for every celebratory occasion and aim to deliver an aristocratic yet seamless purchase experience to the customers through its aesthetic franchisee-owned exclusive brand stores. The company also focused in the women's Indian wedding and celebration wear market through its brand, Mohey, launched in 2015.

Financial Summery				
In INR Crores	Mar-25	Mar-26	Mar-27	Mar-28
Revenue	1386	1567	1770	2001
YoY Growth	1.39%	13.00%	13.00%	13.00%
Gross Profit	1082	1097	1239	1400
EBITDA	642.61	769	869	898
EBITDA (%)	-2%	20%	13%	3%
PAT	388.47	427	479	526
YoY Growth	-6%	10%	12%	10%
ROE (%)	22%	24.200%	27.104%	29.814%
EPS	16	18	20	22

Key Highlights

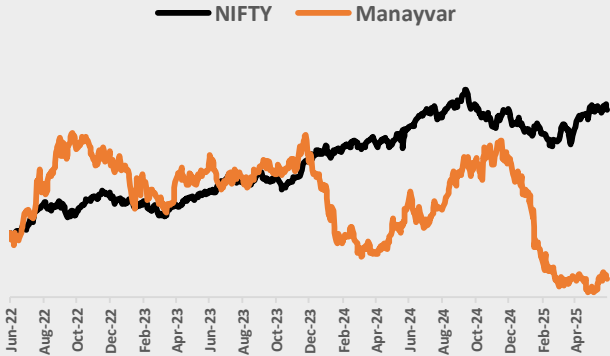
- The topline growth of 1.58% on YoY basis was achieved for FY25 and growth of 1.18% on QoQ basis in Q1 of FY26.
- The customer sales (retail level) grows by 9.3% YoY and the FSG(Franchise Sales growth) growth stood at 2.9% indicating moderate same store sales growth.
- The company’s overall SSG (same store growth) was impacted due to underperforming EBOs in Andhra Pradesh &Telangana, excluding these states, SSG was flat and also the Q4 SSG turns out to be positive.
- The company’s performance in FY 25 was affected due to subdued customers sentiment and severely impacted Q1 of FY 25 due to low/negligible wedding dates.
- Addition of 85,000 square feet retail area in FY25 which leads to total 1.79 million square feet retail store area till Q1 of FY26.
- The company has given guidance on opening new store with lower rent and high potential area in FY26 with an view to improve the sales by 3rd quarter on FY26, with good number of weeding dates in FY26.



Recommendation	:XXX
CMP	:INR 812
Target Price	:XXX

Parameter	Value
Nifty	24654
52 Weeks H/L (INR)	1512 / 706
Market Cap (INR Crs)	₹ 17,743
O/s Shares (Crs)	24.3
Dividend Yield (%)	1.08
NSE Code	MANYAVAR

Relative stock performance – 3Y



Absolute Returns

1 Year	-34.88%
3 Year	-7.05%

Shareholding pattern as on 16 June 25

Promotors	:75%
FII	:10.1%
DII	:10.6%
Public	:4.3%

Valuation Overview

Our DCF analysis of Vedant Fashions Ltd. (VFL) yields an intrinsic equity value of approximately ₹10,821 Cr, compared to the current market capitalization of ₹17,743 Cr. This implies a 64% valuation premium relative to our base-case assumptions.Despite the subdued topline growth the company maintained the Gross margin and EBITDA margin. The Macro Factors have contributed to the lower growth for VFL.

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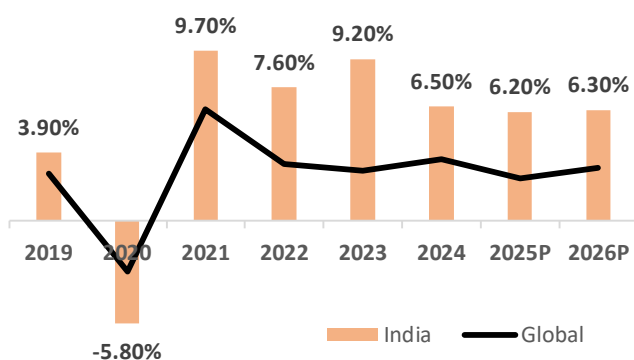


Global Economy

After buffeted by series of adverse shocks over 2020 - 2024, the global economy again facing a headwind in the form of tariffs, trade barriers and the war between Iran and Israel, these leads to slowdown the global, economy growth is projected at 3.3% for both 2025 and 2026, which is below the historical (2000 - 19) average of 3.7%. Growth could turn out to be lower if trade restrictions escalate or if policy uncertainty persists, which could also result in a build-up of financial stress. In the developed economy (America, Europe) the growth is projected at 1.2% while the growth in emerging and developing economies will remain same as last year, where China's growth projection 4.6% and India's growth projection is likely higher 6.5% for Calander year 2025 and 2026. showing Growth Potential for the Indian economy. The IMF and World back view on the global economy is subdued for the CY 2025 until the trade policies and trade tariffs the two main growth drivers not streamlined for the smooth business activities.

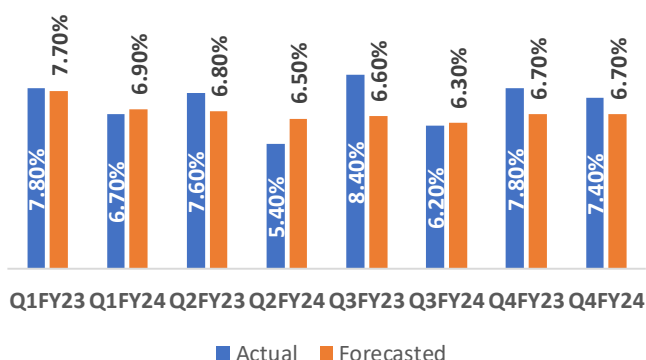
Source: IMF, World Bank and WEO

GDP Growth India vs Globe (%)



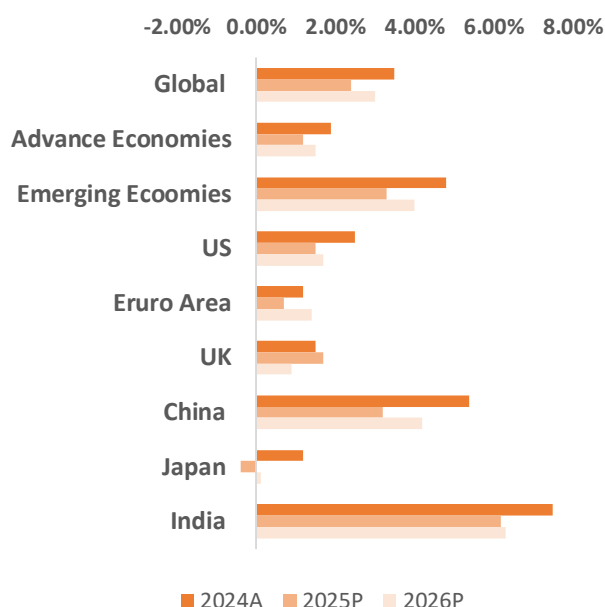
Source: IMF, World Bank and RBI

Indian Quarterly GDP Growth Actual vs Forecasted



Source: Ivesting.com

Global GDP Projection



Source: World Economic Outlook

Indian Economy

Despite several headwinds at global level, including long term growth drivers trade tariffs & trade policies, and the war between Iran and Israel leads to disrupt the supply chain globally, still India's economic growth was resilience for the FY24-25.

India has posted a growth rate of 6.5% in FY24-25 which was above the global average of 3.5 and the average of emerging economies of 4.80%. Inspired by the US, India is likely to become self-centric to raise the economy at greater level, it has adopted some strategies like performance link incentives, make in India to support the business operations in the economy.

Inflation being under the targeted range of central bank for the last 4 months of CY25 along with the interest rate cut by the RBI will help in boosting the economic activities in the country. the growth projection for the FY2025 - 26 is 6.20% which can be, supported by revival in consumption demand, governments continued thrust on capex while adhering to the path of fiscal consolidation, healthy balance sheets of banks and corporates. And the rural demand is also growing as we can see the growth in the two - wheeler sectors and due to above average rain the agriculture sector has also shown the growth. Recently the 100 Bps cut in the interest rate which leads the repo rate to 5.5% along with the **S&P Global** elevated Indias's long term sovereign credit which helps in increasing the credibility of country and corporates as whole at global level. India to be currently ranked as the 4th largest economy globally in CY 2025, surpassing Japan to secure the 4th position among the world's top 10 largest economies, with a nominal GDP of \$4.19 trillion in 2025.

Source: IMF, World Bank, RBI and Company Analysis

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Global Textile Industry

The global textile industry was growing consistently till 2020, when the covid hit, the growth got decline for the year 2020, Global trade restrictions occur due to disrupted supply chain and decline in textile production & consumption amid imposed lockdown which, had negatively impacted the market resulting in a decline of ~0.5% in CY2020 compared to CY2019. Again the demand pint up in CY 2021 with projection till 2027 the industry will grow with a CAGR of 2.5% - 3.5%, raising the industry value around 1800 USD Billion dollar and the volume growth will also increase to 193 billion till CY2027. Increasing demand for apparel from the fashion industry coupled with the growth of e-commerce platforms is expected to drive the market over the forecast period. Textile industry's main pillar is fibers, which act as raw materials, which consists of two type one is Natural fibers, cotton, jute, Flax, wool and silk etc. and the second one is man made which consists of polyester, nylon. The fiber market was dominated by cotton with 39% share followed by polyester 35% share rest are followed by wool, silk and other till the CY2023.

Source: CRISIL, Company report

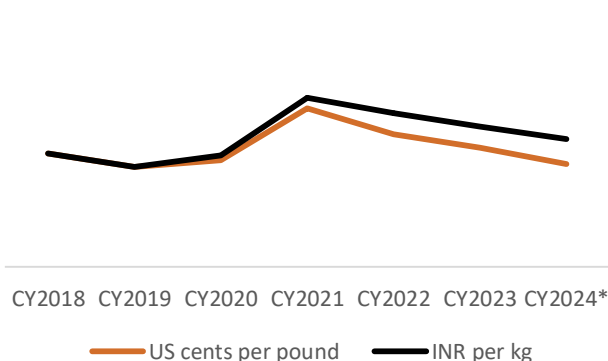
Cotton Fiber

Cotton is a major component in the textile industry, as it contribute 40% in the industry, the cotton prices grows at a CAGR of 2% from the CY19 to CY24. The price during this period was 92 US cent per pound. The cotton prices saw an uptick of ~55% in CY2022, owing to demand revival post Covid-19 coupled with global macroeconomic tensions involving Russia – Ukraine war. Going ahead, the prices saw a dip consecutively in CY23 and CY24. The dip in CY24 can be majorly attributed to slowdown of demand in end-use segments.

Note : Vedant source mostly cotton based ethnic wear, rising cotton price can impact gross margin. As we can see that how perfectly the global and Indian cotton prices are correlated.

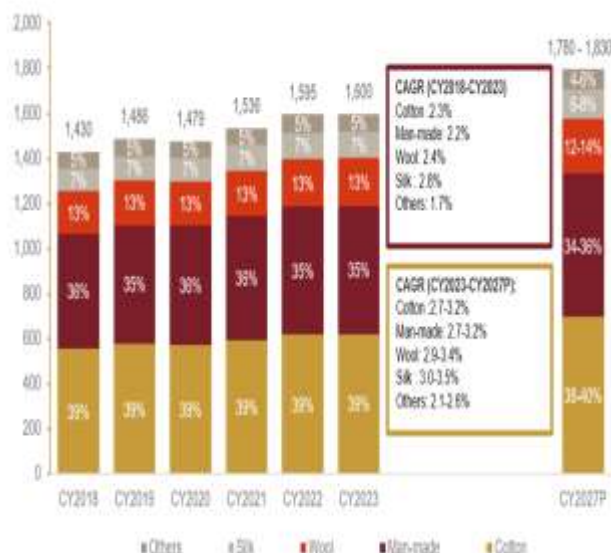
Source: CRICIL, Company Report

Global vs Indian cotton Price



Source: fred.stlouisfed.org

Global textile sales by raw material (value)



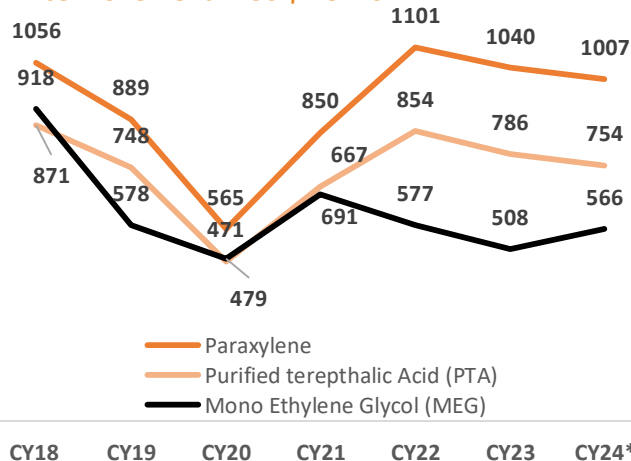
Source: World Economic Outlook

Polyester Fiber

Polyester stable fiber (common polyester/cheap one) and polyester filament yarn (mostly use in shiny products and sports wear) both are manufactured by paraxylene, purified terephthalic acid and MEG (mono ethylene glycol). The price of polyester have experienced a dip during 2018 - 2020, after the covid the prices have rises since 2022 aligning with crude oil price as these raw materials are the bio product of crude oil except MEG. again in 2023 - 2024 the price of crude oil got decline attributed to correction in crude oil prices and the slowdown in the major economies like US and Europe Union.

Source: CRICIL, Company Report

Price Movement In US \$ Per Ton



Source: CRICIL, Industry Publication and MI&A

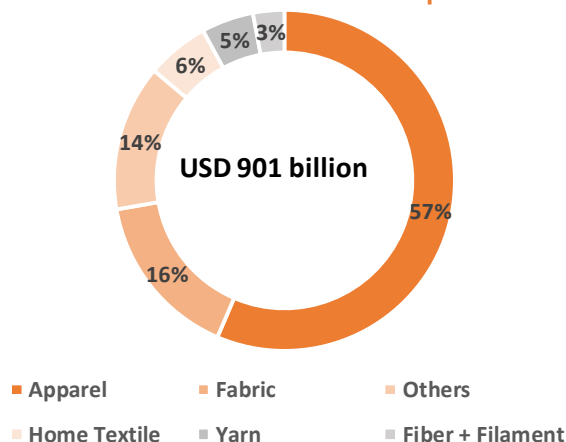
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Overview of Global textile Trade

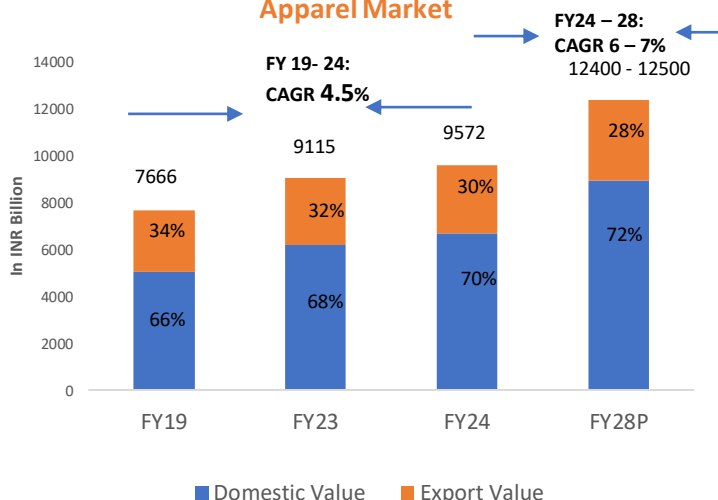
According to WTO report the world trade will decline by 0.2% due to uncertainties in the tariff policies. The textile trade was grown at a CAGR of 1% during 2018-23, which currently valued at USD 901 billion in CY2023.

Global textile trade breakup



Source: CRISIL, ITU, MI&A

Trend and outlook of Indian Textile and Apparel Market



Commentary: The future growth in Indian textile and apparel market will be led by various economic factors such as increase in discretionary income, rising urban population. Further, the demand is poised by increase in online retailing, shift from cotton to man-made fiber, robust growth of technical textiles segment. Additionally, global industry expanding outside of China would aid the Indian export markets in the growth trajectory.

And if the tariff imposed by the USA will remain the desired level as compare to the peer countries such Bangladesh, Vietnam, Thailand then it will also help in the growth of the sector.

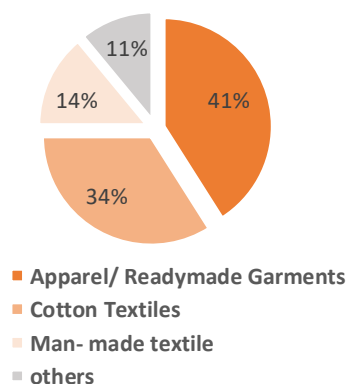
Source: CRISIL, Company Report, MDA

Overview of Indian Textile & Apparel Sector

The Indian Textile sector is one of the oldest sector in the economy. The industry contributes nearly 2% to the country's GDP, 10% to industrial production, and 8.21 % to India's overall exports. In global terms India is the 6th largest exporter of textile and apparel in 2023, with a share of ~4% in world textile export. The major export destination for Indian textile and apparel is Europe and US, these two alone consist of 47% of the total export. Indian textile and apparel industry is projected to grow at a CAGR of 6.0-7.0% between FY2024 and FY2028, to reach a value of Rs. 12,400-12,500 billion in FY2028. During this period, exports are expected to grow at a CAGR of 4.5-5.5% while domestic industry is expected to grow at slightly higher pace of 7.0-8.0%. The fundamental strength of this sector is its production base of natural fibres (cotton, wool silk) to man-made fibres, polyester, nylon, acrylic etc. also the close linkage with agriculture helps the industry to get the raw material at the best price which help firm to sustain its gross margin.

Due to the average monsoon, easing inflation, weeding and festivals, the CRISIL has projected a revenue growth of 8 – 10% for the organised apparel sector in FY25. As in the FY26 till July we have seen above average monsoon, moderate level inflation (~2.82% combined), the rest months have good number of weeding dates & festivals which can drive the organised apparel sector in the FY 26, along with the trendy fashion and new designs. When we look at the global textile and apparel sector trade growth CAGR 4% to reach US \$1.2 Trillion dollar while the Indian textile and apparel sector trade growth projection is CAGR of ~10% to reach the value of USD 350 billion by 2030.

Breakup of textile and Apparel Export (FY24)



Source: CRICIL, Industry Publication and MI&A

Country Wise Comparison of various factor in textile Industry

Country	Labour cost	Power cost	Water cost	Lending rate	Average production capacity	EODB (2020)
China	338	141	319	57	129	31
Vietnam	115	82	361	65	129	70
Bangladesh	68	95	117	113	95	168
Ethiopia	50	32	194	76	62	159
India	100	100	100	100	100	63

Note: India's costs are indexed to 100, and other countries are compared with India basis

Source: World Bank, Invest India, CRISIL

Commentary: In the year 2023 Vietnam and Bangladesh enjoys the fruit of potential textile trade destinations due to the free trade agreements (FTA) with various countries such as US, Canada, Japan and UK. FTA helps these countries to trade freely among themselves with lower import duties which gives them cost competitiveness over Indian exporters. India is in talks with countries for Comprehensive economic partnership agreements (CEPS) and Free trade agreements which can enhance the market size and facilitates exporters in Indian textile industries. And after the US election the new president, Donald Trump, with his ambition to make America great again (MEGA) put reciprocal tariff charges, to various countries with whom it has large trade deficit gap, including Bangladesh(~37%) and Vietnam(~46%) but India got a bit relief with charges of ~26%, which is lower than its major competitors.

Effectively Applied Tariff in Apparel Trade

HSN 62

Exporters	Canada	Germany	Japan	United Kingdom	US
India	17.5%	9.4%	0%	9.4%	14.4%
Bangladesh	0%	0%	0.1%	0%	14.4%
China	2.1%	11.8%	7.1%	11.8%	14.4%
Vietnam	0%	1.4%	0%	2.6%	14.4%

HSN 61

Exporters	Canada	Germany	Japan	United Kingdom	US
India	16.8%	9.2%	0%	9.2%	10.8%
Bangladesh	0%	0%	0.1%	0%	10.8%
China	16.85	11.5%	6.6%	11.5%	10.8%
Vietnam	0%	2.4%	0%	3.9%	10.8%

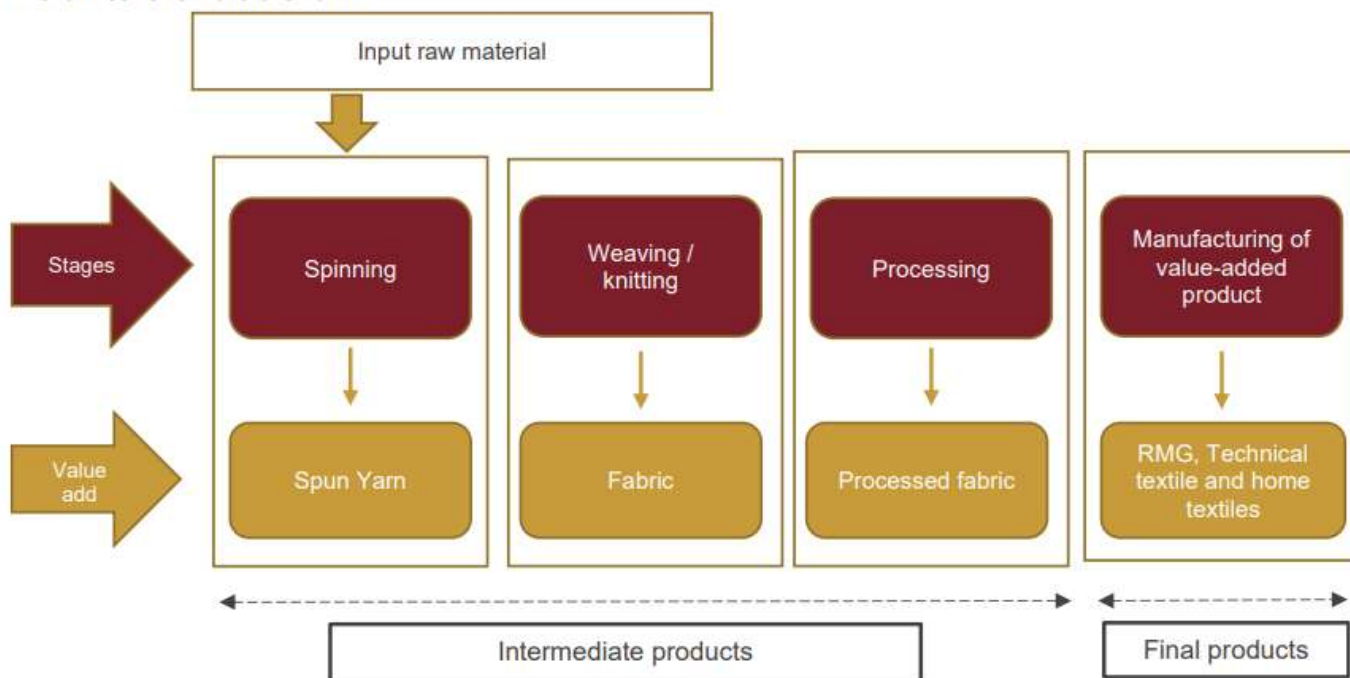
NOTE: HSN 61 can be refers to the casual wears including knitted wear(t-shirts, sweatshirts, undergarments, leggings) And HSN 62 woven clothes (mostly formal wear Blazers, Denim etc.)

Source: CRICIL, WTO and Company report

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Indian textile value chain

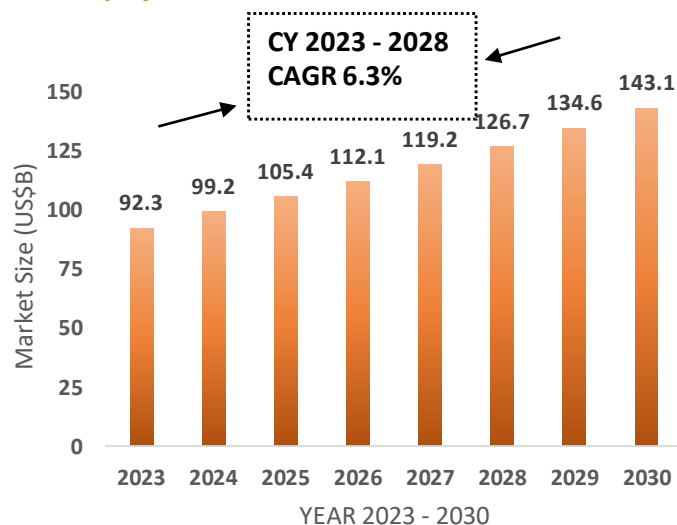


Source: CRISIL

Global Ethnic wear market

Due to various religion and cultural diversity in the globe, different festivals and occasions are celebrated, which act as an oxygen for Ethnic wear market. The main growth drivers for this market are increasing the fashion design, Fashion awareness, wedding, urbanization and changing life style of individuals. The global ethnic wear market size was estimated at USD 77.6 billion in 2020 and is projected to reach USD 126.2 billion by 2028, growing at a CAGR of 6.3% from 2021 to 2028.

Growth projection in Global ethnic market



Source: Grandviewresearch, Company report

Key Highlights Of Global ethnic wear market

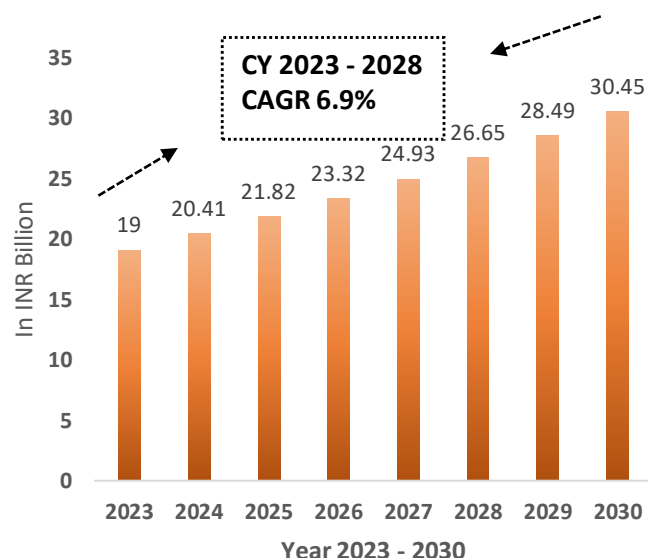
- ❑ The Global ethnic wear market is dominated by the Asia Pacific, in terms of value, with largest revenue share of 67% in 2020 and it is projected to grow a CAGR of 6.5%. India has great potential to dominate this market.
- ❑ In terms of value, the offline sector has a major portion of 63% in the year 2020. But after COVID and increasing e-commerce presence, online traction and convenience will lead to the online sector which is projected to grow at CAGR 6.3%.
- ❑ Women participation has a larger share in terms of value which accounted to 73% in 2020 and will grow CAGR 6.6% for the forecasted period 2023. The growth is led by the increasing women population and the increasing number of women working participation. **In India only 31% of working age women are in labour force, while this percentage for major economies is 54%.** Fulfilment of this large gap will help the women ethnic wear.
- ❑ In terms of value, men accounts for ~16% of market share in the ethnic wear till 2020 and projected to grow CAGR 6.2% till the forecasted period. The growth drivers are increasing fashion sense, ethnic wear at festivals, occasions, and mass and digital media marketing by brands such as SNITCH.

Source: Goldman Sachs, Grandviewresearch

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Projected Growth of Indian Ethnic Market



Source: Grandviewresearch, Company report

Key Growth Drivers



Source: Grandviewresearch, Company report

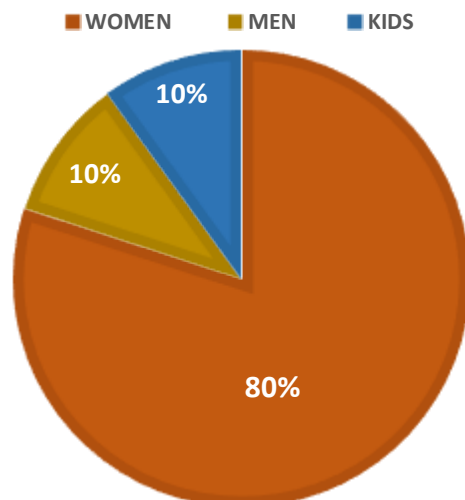
Overview of Indian Ethnic wear market

The Indian ethnic wear market is a vibrant and integral part of the country's rich cultural heritage. From traditional sarees to exquisite lehengas and designer Kurtis, ethnic wear holds a cherished position in every Indian's wardrobe. In terms of revenue India accounts 20% of the global ethnic wear market in 2023. still the offline store are the highest contributor for this segment but the online stores are also shown potential growth it the year and might contribute more with the increasing e – commerce in India along with the Digitalization of the economy.

The ethnic market can be segmented in three categories Demographic, Geographic and psychographic. Under the demographic the potential customers are millennials and Gen Z, driving the ethnic market with demand of contemporary designs. On the basis of geographical segmentation it is divided into rural and urban areas. The growth in metro cities are high while the rural area or tier2 and tier 3 cities are showing growth with increase in the urbanization, disposable income and fashion trend. And the psychological segment is driven by the desire of comfort and convenience by the customers.

The future of the Indian ethnic wear market looks promising. With increasing disposable income, younger unmarried population, changing fashion trends, and a growing sense of cultural pride, the demand for ethnic wear is expected to continue rising. Technological advancements, such as improved e-commerce platforms and virtual try-on tools, will enhance the online shopping experience and bridge the gap between online and offline retail.

Ethnic Market Distribution



Source: MOSL, Company report

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Industry Landscape and Overview

INR Bn	Total Market			Women			Men			Kids		
	FY15	FY20	FY25	FY15	FY20	FY25	FY15	FY20	FY25	FY15	FY20	FY25
Total Ethnic Wear	1292	1800	2400	1034	1458	1920	138	172	240	120	170	240
% of Ethnic				80	81	80	11	10	10	9	9	10
Indian												
Wedding/Celebration Wear	753	1020	1375	550	735	1004	100	133	179	103	153	193
as % of Total Ethnic Wear	58	57	57	53	50	52	72	77	74	86	90	80
as % of Total Wedding				73	72	73	13	13	13	14	15	14
Branded												
Wedding/Celebration Wear	75	204	440	33	147	301	10	25	55	32	24	58
% of Wedding and Celebration	10	20	32	6	20	30	10	19	31	31	16	30
Unbranded												
Wedding/Celebration Wear	678	816	935	517	588	703	90	108	124	71	129	134
% of Wedding and Celebration	90	80	68	94	80	70	90	75	69	69	84	70

Story with charts

Indian Wedding Wear Overview

It is 4th largest industry in terms of market valuation around \$130billion, which is around 2x of USA (\$70B) and when look at the global lance it comes at the second largest market after China. with the wedding celebration contains broad scale it provide employment opportunities to million of people. India host around 10 million wedding every year. in terms of number more than 30% of the weddings (3.2 million) occur in the month of November to December. The weeding industry help in the growth of other sector as well such as Hospitality, Tourism, retail (apparel and jewelry) etc. the government of Indian has taken some initiatives to boost the sector and make its presence at global level, through the ministry of tourism it has assigned 26 key destinations for wedding. "wed in India " initiative, inspired by the strategy Make In India, which encourage affluent industrialist to organize weeding in India to secure the amount (1,00,000 crore)spent in abroad as destination wedding.

Weeding/Celebration Wear

5.6% CAGR

FY 2020 – 25

Weeding/Celebration Wear

CAGR 10.0%

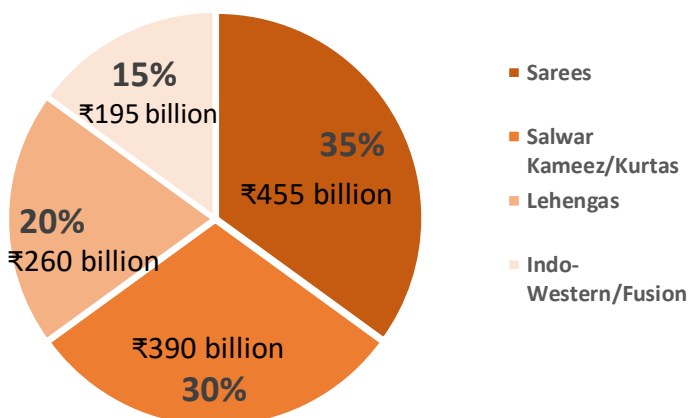
FY 2025 – 30

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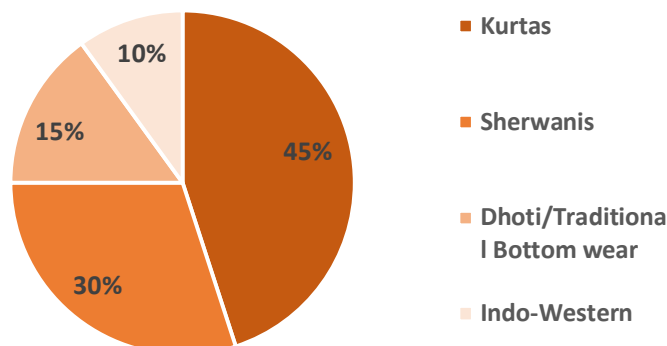
Women Ethnic Wear CAGR 11 – 12% FY 25 - 30

Product Market Share



Men Ethnic Wear CAGR ~ 12.0% FY 25 - 30

Product Market Share



Regional and Demographic

Urban Market: (65% Share)

Under urban market growing at a **CAGR 11 – 12%**
Tier1 cities: Mumbai, Delhi, Bangalore leading premium segment

Tier2/3 cities: (35% share) growing at **CAGR 8-9%**

•25-35 years: 40% of purchases by working women segment.

•35-45 years: 35% by high disposable income group

•18-25 years: 25% by fusion wear preference

Men urban concentration (70%)

The urban segment is growing at CAGR 8-9%
The major contribution is the tier 1 cities.

•25-40 years: 60% of market by wedding/professional age

•40+ years: 25% by traditional preference

•18-25 years: 15% by fashion-conscious segment

Price Segement Analysis

Segment	Market Share (%)	Growth (CAGR)
Luxury (₹15,000+)	8%	12%
Premium (₹ 5,000 -15,000)	22%	10%
Mid – Range (₹1,500 -5,000)	45%	9%
Value (₹500 – 1,500)	25%	7%

Segment	Market Share (%)	Growth (CAGR)
Premium (₹8,000+)	15%	13%
Mid – Range (₹2,000 – 8,000)	55%	11%
Value (₹500 – 2,000)	30%	9%

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Industry Overview

Porter's 5 Forces of Ethnic and Wedding Wear

1.Threat of New Entrants

(Moderate To Low)

Brand Loyalty:

consumers are highly brand conscious in their wedding and celebration wear. With the thinking that “**Shadi Jewan me ek hi Baar Hote Hai**”

Capital Requirement:

In case of D2C the capital requirement is moderate but to open physical store like EBOs then it require huge capital.

Distribution channels:

This is also one of the hurdle for new player but the existing players enjoys this leverages.

Porter's Five Force Level

Buying Power of Buyers

3

Supplier Power

1

Buying Power of Buyers

4

Buying Power of Buyers

3

Buying Power of Buyers

2

2.Threat of Substitution

(Moderate)

Unbranded tailored made :

Some people prefer to wear tailored made outfit for their wedding due to the unique design offered by the designer.

Western Formal Wear for wedding :

In the metropolitan cities its growing but the tier 2 and tier 3 cities have low risk of this.

3.Industrial rivalry

(High)

Increasing Branded Players:

Manyavar, BIBA, FabIndia, Savyasachi, Ethnix

Unorganised Players:

There are unorganised and local boutique shops dominate the ~ 70 – 80% of the ethnic and wedding wear market.

4. Bargaining Power of Supplier

(Low)

Ethnic and wedding wear mostly need cotton for their product and as the cotton, silk, Polyester are abundant in India as well as globally.

5. Bargaining Power of Buyers

(Moderate to High)

Number of Buyers:

Indian accounts for 10 million wedding each year, which shows the high buyer demand. But the number of firms available to offer the products.

With every firms with their unique designs give lower buying power to the customer.

Conclusion:

The industry is moderately profitable and highly competitive.

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• INDIAN WEEDING INDUSTRY

TAM ~ ₹7,50,000 Cr.
TOTAL ADDRESSABLE MARKET

- ❑ Every year 1 Cr. Weeding happen in India out of which 51% mid level wedding .
- ❑ And each mid level weeding cost around 15 lakh to 20 lakh.
- ❑ If we take the lower value i.e. 15 lakh into no of weddings (51,00,000) then we reach a value of ~7.5 Lakh Cr. i.e. our TAM

SAM ~ ₹1,00,000 Cr.
Serviceable Addressable Market

- ❑ In a middle class Indian weeding on an average we spent 2 lakh on Ethnic and celebration wear including close relatives and friends.
- ❑ Therefor the no of weeding i.e. 51 lakh into 2 lakh ~ 1lakh Cr. is my SAM

SOM ~ ₹10,000 Cr.
Serviceable Operatable Market

- ❑ As the Indian Ethnic wear market is dominated by the unorganised players with a market share of ~90%
- ❑ The value for the Organised players ~10,000 Cr. i.e SOM
- ❑ In the year 2025 Vedant Revenue is ~1300 Cr. So $1300/10000 \sim 13\%$
- ❑ we can say that Vedant have enough headroom to grow.

Key Assumptions :

- Indian Apparel market will grow @ 10% CAGR till 2030
- And the Ethnic industry will grow at @11- 12% CAGR
- The growth projection is based on the secondary data available in the public forum such as : **IBEF, GrowthX, Statista**

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Business Model Canvas

Value Proposition

- Pan- India Brand Assurance
- Celebrity Endorsement
- Affordable designer wear

Customer Relation

- Emotional connect
- Brand Value
- Loyalty

Customer segment

middle class aspiring for luxury product at reasonable Price
Weeding Related:

- Bride & Groom
- Close Relatives
- Close Friends
- Festivals
- Celebrations

Channel

Offline

- EBOs
- MBOs

Online

- Official Website
- Ecommerce

Key Resources

- Data Driven replenishment
- Wearhouse
- Stores
- Facility

Key Partners

- Franchise partners
- Designers
- Wage Workers
- Suppliers
- Delivery Partners

Key Activity

- Deigning new patterns based on the location
- Brand Marketing through social media

Revenue

- Revenue from retail sales
- Franchise Commission
- Cross selling

Cost Structure

- EBOs & MBOs Rent
- Marketing & Advertisement
- Salaries
- Wages

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Concall Analysis of FY25 (Q4)

Financial Results :

- Consolidated revenue for the FY24- 25 is ₹1386 Cr and in FY23-24 it was ₹1368 Cr an +1.4% increase.
- The gross margin remains stagnant with a 0.2% increase.
- EBITDA margin has taken a dip of ~1.5% from 48.1% in FY24 To 46.6% in FY25.
- The sales of customer in FY25 has increased by average 2.2%.
- The same store sales growth (SSSG) was declined in the Q4 FY25 by 4.5% compared to Q4 FY24.
- Excluding Andhra Pradesh and Telangana the YoY growth is ~10%
- The Q4 FY25 revenue has increased marginally by ~1% from 363 Cr to 367Cr.

Market Trend:

- Macro Events, lower disposable income leads to subdued demand in the mid premium retail segment in FY25.
- The increased rental inflation also stop VFL store expansion.
- In 2025 the slow down of inflation consecutively from February now in June close to 2.3%, which can help in the retail consumption growth.
- In upcoming Q3 & Q4 of FY26 estimated good number of wedding dates, which might help in the revenue growth.
- Mohey and Twamev has shown growth in the FY25, where Mohey is close to the leading Manyavar contribution in the overall revenue.

Strategic focus:

- They will focus on the Product, Marketing and Operation area. In product introduce new designs. In marketing try to go 100% digital and instead of Big campaigns will try to do 10 -12 small campaigns. while in Operations they launched “VFLPariwar” app.
- Slowdown in the rental inflation will leads to the aggressive expansion in the retail outlets.
- In FY26 their main focus to improve the SSSG or try to maintain the growth.
- They are trying to take a strategic shift from bridal brand to wedding wear brand for women section through introducing sarees, Lehenga, suit etc.
- Considering the potential of geographical area, transform the small stores into big stores.

Source: Company Concall and Presentation

Future Outlook:

- Mohey and Twamev will lead to the new growth potential for the company.
- Will try to reach the Tier – 3 end market and Tier- 4 market as an expansion plan for overall Manyavar.
- Diwas will cater to the Millennials and Gen Z by providing mid range and trendy designs.

Inventory and Receivables :

- The pile up in the inventory was due to 1.)negligible weeding dates in Q1 FY25 leads to inventory spillover 2.)the early production because the labour took long holiday in the occasion of Eid.
- The negative receivables reflect due to the new store openings and the more replenishment of Mohey stocks in the Manyavar – Mohey store.

Productivity and Expansion:

- With good growth potential in the Mohey segment they will try to increase the Mohey space in the Manyavar – Mohey stores.
- Diwas has shown good progress after its launch in CY2024, will be a focus segment in the year ahead.
- The primary and the secondary growth for the company are moving at the same pace.
- In Q4 FY25 expanded the retail footprint area by 36000 square feet, which leads the gross area of 1.79 million.
- The company has added one exclusive brand outlet of Twamev and one brand outlet of Mohey during the Q4 FY25.

Guideline:

VFL has maintained its EBITDA margin (46.6%) from the last two years despite the with subdued growth in the Top line (1.4%) due to Macro volatility leading to poor mid premium discretionary demand and the poor performance of AP and Telangana. The management is prioritizing the improvement of Same store sales growth through marketing, product design and operational efficiency , with the long - term vision of expansion when the rental inflation goes down and the growth potential of Mohey and Twamev will be the key driver in the long run for the company provided that the stability at macro level and improved discretionary demand.

Source: Company Concall and Presentation

Vedant Fashion Ltd.



Concall Analysis of FY25 (Q4)

Financial Results :

- During Q2 FY26, Retail Sales (i.e. Sale of our Customers) grew by +4.6% as compared to Q2 FY25, whereas in H1 FY26 retail sales grew by +13.8% compared to H1 FY25.
- During H1 FY26, Company's SSSG grew by +8.2% as compared to H1 FY25.
- During H1 FY26, Company reported growth in Revenue from operations by +7.2% as compared to H1 FY25
- Company continued to report industry-leading Gross Margin % of 65.2 % in Q2 FY26 and 66.1% in H1 FY26

Market Trend:

- GST rationalization enforce them to change the price tag that impacted the dispatch process ~20 days, directly affecting the reported revenue for the quarter.
- Majority of the product moves to 18% bracket but company maintain the same price by lowering the profit margin.
- 3500 sq. feet addition and 2 each new international stores open.
- Mohey expanding towards non bridal will increase the total addressable market.

Strategic focus:

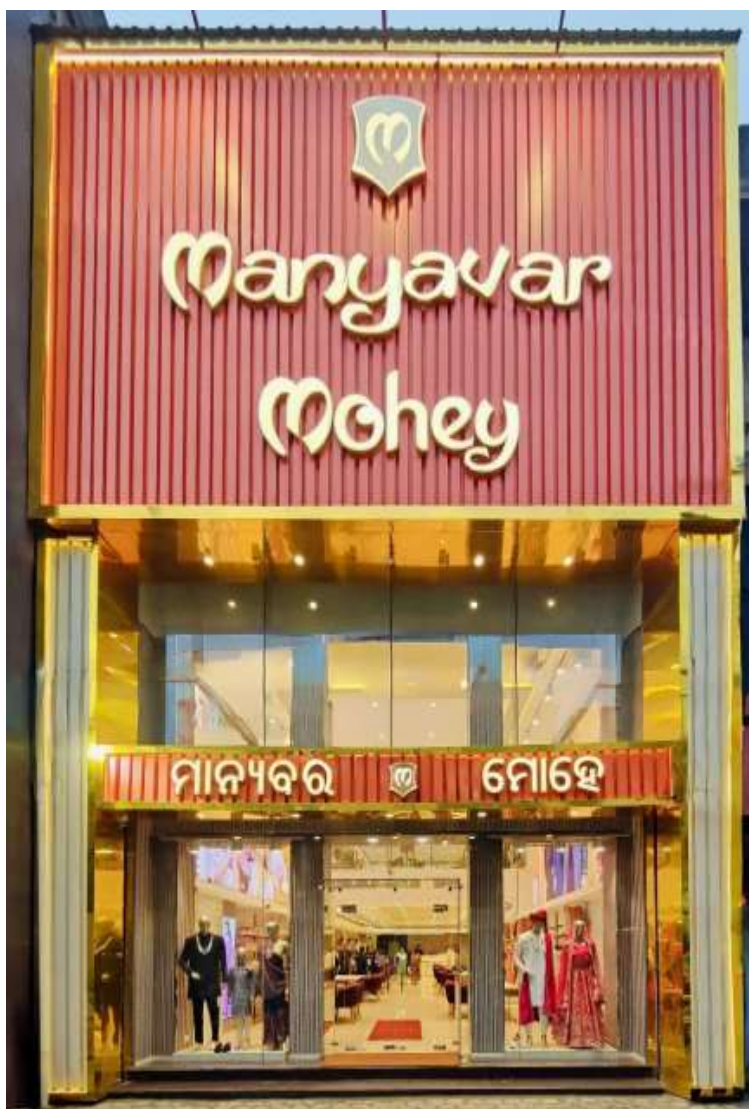
- The management has took a new initiative launched "Manyavar Shadi Show" which revolve around the wedding excitement and chaos.
- Company focusing on doubling the designs .
- Diwas seen as a subline of Manyavar, over the year will delink the Manyavar tag.
- The management has done a capex of ~11 Cr. With some store and will roll out if the results will positive then do the rollout. For further capex in FY26.

Future Outlook:

- The management seeing slowing of competitors store opening dur to subdued demand growth due to macro economic factor.

Inventory and Receivables :

- Management guidance the receivable days in FY25 ~77 Days with compression to Sep25 ~79 days .



Vedant Fashion Ltd.



Management Analysis – Board of Directors



Mr. Ravi Modi
Founder & Chairman

*Mr. Ramesh Kancharla has completed his doctor of medicine in paediatrics from mangalore university. Before joining the Rainbow he was associated with Kings college hospital, London where he completed his speciality in paediatrics, gastroenterology, hepatology and nutrition. He has 26 years of experience in this field.
As of Dec25 no political nexus founding during the research.*



Mrs. Shilpi Modi
Whole Time Director

*Mr. Aluri Srinivasa Rao hold bachelor of Pharmacy from BITS Pilani and MBA from Osmania University, Hyderabad. Mr Rao has three decade of experience in private equity and business leadership, he has been the managing director at Morgan Stanley for Asia private equity.
As of Dec25 no political nexus founding during the research.*



Mr. Sunish Sharma
Non Executive Director

*Dr. Anil Dhawan hold and MBBS and MD degree from PGIMER Chandigarh. He held the license to practice in USA, he is also follow member of royal college of pediatrics and child health. he is associated with King's College Hospital, London UK as Director Research and Innovation and the Director of Paediatric Liver GI and Nutrition Center and Mowat Labs.
As of Dec25 no political nexus founding during the research.
he is on th board for six years from 2018.*



Mrs. Abanti Mitra
Independent Director

*Mr. Santanu Mukharjee holds a Bachelors of Science degree from university of Calcutta. He is a certified associate of the Indian Institute of Bankers and having more than 38 years of experience in Baking sector. He is in the board since 2021.
As of Dec25 no political nexus founding during the research.*



*Ms. Sundari Raviprasad Pisupati holds a bachelors of Law degree form the national law school of India University, Bangalore, where she was topper and gold medallist. She also holds a law degree from Colombia university and hold a licence to work in both Inida and New York. She is on the board from September 2021.
As of Dec25 no political nexus founding during the research.*

Mr. Manish Mahendra Choksi
Independent Director



*Dr. Dinesh Kumar Chirla is one of the promoters of the company. Dr. Chirla is on the board of our Company since 2005. He graduated (MBBS) from Marathwada University, MD (Paediatrics) from Dr. Babasaheb Ambedkar Marathwada University and DM (Neonatology) from Bombay University. He is Member of Royal College of Paediatrics' (MRCPCH), Royal College of Paediatrics, London, UK and was included in CSST (Neonatology) from Royal College of Paediatrics, London, UK.
As of Dec25 no political nexus founding during the research.*

Mr. Tarun Puri
Independent Director

Vedant Fashion Ltd.



Management Analysis – Key Managerial Personnel



Mr. Navin Pareek
Company Secretary

Dr. Adarsh Kancharla is one of the promoters of the Company. He holds a Bachelor of Medicine and Bachelor of Surgery (MBBS) and a Doctor of Medicine (MD) in Paediatrics from Sri Ramachandra Institute of Higher Education and Research, Chennai, Tamil Nadu. Dr. Adarsh is keenly involved in various managerial interventions and actively participates in diverse employee engagement endeavours to foster a dynamic and youthful organisational culture.

As of Dec25 no political nexus founding during the research.



Mr. Rahul Murarka
Chief Financial Officer

Commentary

The company has a strong management of leadership with the robust experience in their respective field, the founder/Managing Director is having 2 decade of experience in retail clothing sector, he started with a salesperson and gradually build his own company in the year 1999 and make it listed in the Indian stock market in CY2022. Further, the Independent directors are having diversified experience along with the reputed degree in the field of education. Some of them are Ex – president in Nike, Non Executive Director of Asian paint and Consultant as well.

Basis of my screening of the publicly available data I don't find and political nexus of the leaders of the company and also the Independent Director of the company, the Independent Directors hold reputed value in the marketplace. Further I don't find any conflict of interest of Independent Directors with the company, as per reported.

Shareholding Patter

The majority share holding is with the promoter and promoter group, which is 74.9%, just below the SEBI shelling limit of 75%, there is no marginal decrease in the promoter shareholding since its listing in the stock market. Under the public share holding of 4.07% there is 1 resident individual holding 0.10% and some Non Resident Indian is holding 0.33%. And the FIIs and DIIs holdings are 9.88% and 11.10% respectively. There is a good sign that the pledging % of promotor holding is 0%. There is a marginal decrease in the FIIs holding in June quarter FY26 which has been hold by DIIs.

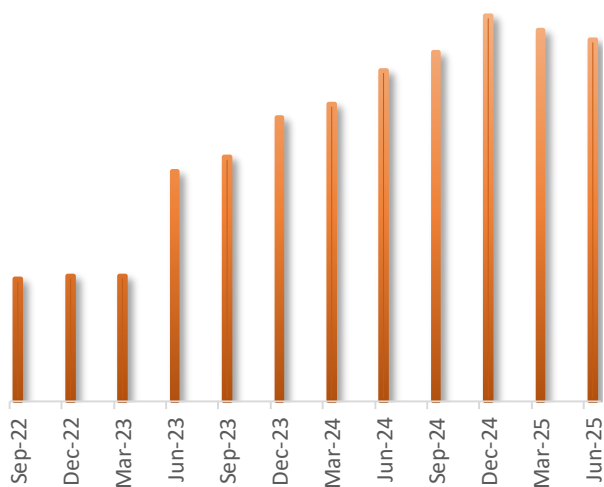
	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
Promoters	84.91%	84.89%	84.87%	74.99%	74.99%	74.98%	74.97%	74.97%	74.97%	74.95%	74.95%	74.95%
FIIs	3.35%	3.41%	3.41%	6.27%	6.68%	7.75%	8.13%	9.04%	9.53%	10.54%	10.14%	9.88%
DIIs	9.74%	9.71%	9.88%	15.57%	14.88%	13.73%	12.64%	11.89%	11.57%	10.38%	10.59%	11.10%
Public	2.00%	1.99%	1.83%	3.16%	3.46%	3.55%	4.27%	4.09%	3.93%	4.13%	4.31%	4.07%
No. of Shareholders	57,587	63,439	61,207	68,261	74,737	74,379	92,083	83,644	75,719	71,971	73,545	75,621

Vedant Fashion Ltd.



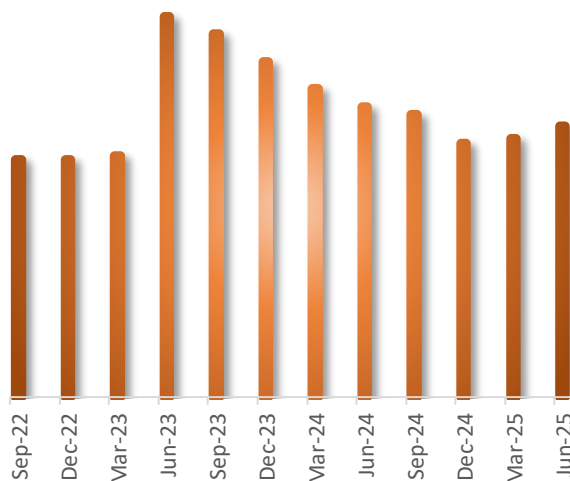
Institutional Holdings

FII's Holding Pattern Quarterly



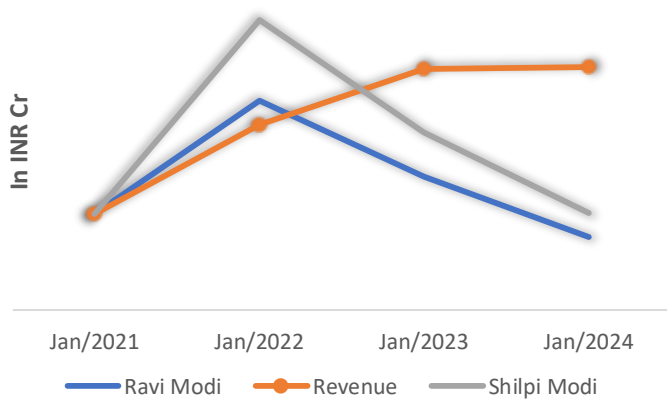
Source: Company Report, Trendlyn

DII's Holding Pattern Quarterly

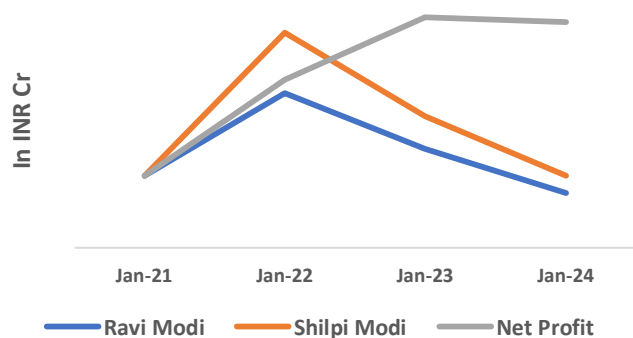


Source: Company Report, Trendlyn

Revenue Vs Directors' Remuneration



Net Profit Vs Directors' Remuneration



Source: Company Analysis ,BSE, Trendlyn

Peer Remuneration Comparison

In INR Cr

V2Retail	132013
Aditya Bir. Fashion	21108
Shoppers Stop	320003
Vedant Fashion Ltd	308943
Go Fashion	188302
Trent	397511
V-Mart Retail	123333

Source: Company Analysis ,BSE, Trendlyn

Vedant Fashion Ltd.



Key Managerial Remuneration

Commentary On Remuneration

During FY25 the company has incurred managerial remuneration of INR 74.73 Million as against INR 136.68 Million in FY24 (a – 45% decrease in YoY basis). The details are in below table. There is a significant decreases in the remuneration of the Directors' (-45%) which seems a prudent move by the management to cut its cost as the company's revenue and net income growth is subdued from the past 3 years. Further the remuneration of the CFO and Company secretary has been marginally improved which also shows a good governance by the management.

In INR Million

Year	Designation	Ratio of remuneration with median employee salary	2023	2024	Remuneration %	Growth YoY Sales %	Growth YoY Net Profit %
Ravi Modi	Chairman	145.14	82.01	44.84	-45%	1%	-2%
Shilpi Modi	Whole Time Director	96.74	54.67	29.89	-45%	1%	-2%
Rahul Murarka	CFO	–	6.92	7.86	14%	1%	-2%
Naveen Pareek	Company Secretary	–	3.16	3.65	16%	1%	-2%
Total			136.68	74.73	-45%	1%	-2%

The ratio of median remuneration of key managerial persons with median employee salary is 145x where as the Peer's ratio of median KPM remuneration is 151x. The decrease in the remuneration of Directors -45% is due to subdued sales and lower profit growth.

Amounts ₹ Cr	Mar-22	Mar-23	Mar-24
Sales	1041	1355	1368
Sales Growth YoY %	84.25%	30.16%	0.96%
Managerial Remuneration	22.98	14.68	8.62
Growth YoY %	-	-36.12%	-41.26%

Board Efficiency

Basis our research, Board of Directors (BOD) has adequate representations of Independent directors, Legal and advisors, and Industry experts as required by the statute.

The efficiency of BOD can be gauged with their contribution in various important meetings held in FY24. The details are as under:

Members of the Board	Apr-23	Jun-23	Jul-23	Oct-23	Jan-24	Mar-24	AGM Aug 24, 2023
Mr. Ravi Modi	P	P	P	P	P	P	P
Mrs. Shilpi Modi	P	P	P	P	P	P	P
Mr. Manish Mahendra Choksi	P	P	P	p	P	P	P
Mr. Sunish Sharma	P	P	P	p	P	P	P
Mr. Tarun Puri	P	P	P	p	P	P	P
Ms. Abanti Mitra	P	A	P	P	P	P	P

In the FY24 the company has been supervised efficiently by BOD as all the members of the board have attended all the board meeting which shows good participation by the members of board in the key matter discussed in the meeting during the year and help company take the informed decisions.

Vedant Fashion Ltd.



Governance

Members of the Audit Committee	Designation	Apr 28, 2023	Jul 26, 2023	Oct 31, 2023	Jan 25, 2024	Mar 23, 2024
Ms. Abanti Mitra, Non-Executive & Independent Director	Chairperson of the Committee	Yes	Yes	Yes	Yes	Yes
Mr. Manish Mahendra Choksi, Non-Executive & Independent Director	Member	Yes	Yes	Yes	Yes	Yes
Mr. Ravi Modi, Chairman & Managing Director	Member	Yes	Yes	Yes	Yes	Yes
Mr. Tarun Puri*, Non-Executive & Independent Director	Member	Not Applicable	Yes	Yes	Yes	Yes

Commentary:

Under Security and Exchange Board Of India (SEBI), The 2/3 of the members of Audit Committee should be Independent director and The chairperson must be an Independent director. Generally for the transparency and to avoid the conflict of interest the CMD/CFO are not part of the committee. But in case of Vedant MR. Ravi Modi is the active member of the board which is a cautionary concern to look further.

SWOT Analysis “VFL”

- Market leader in Indian wedding and celebration wear with strong brand portfolio (Manyavar, Mohey, Twamev, And Mebaz)
- Asset-light franchise model with high profitability and wide omni-channel presence.
- Strong supply chain, vendor relationships, and technology-driven inventory systems

S	W
O	T

- Heavy reliance on Indian wedding seasonality and cultural occasions for revenue.
- Limited international presence (only ~3–4% revenue from overseas)
- Brand portfolio heavily centered around ethnic wear, leaving low diversification into casual/Western apparel.

- Expanding premium and women's ethnic wear segments (Mohey, Twamev).
- Rising disposable income and higher wedding/event spends in India
- Growth potential in Tier-2/3 cities and global Indian diaspora markets.
- Leveraging e-commerce and omni-channel retail to scale customer reach

- Intense competition from regional players and growing online ethnic wear brands.
- Changing consumer preferences toward Western wear in urban India.
- Economic slowdowns or reduced wedding/event spending can directly hit sales.

Vedant Fashion Ltd.



Quarterly Snapshot

In INR Mn

Particulars (INR Crores)	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY26 Q1 A	FY26 Q2 (E)
Net Revenue	312	218	474	363	240	268	511	367	281	278
YoY growth (%)	-4.10%	-30.13%	117.43%	-23.42%	-33.88%	11.67%	90.67%	1.18%	17.08%	14.88%
Total Expenditure	163	125	232	188	127	146	269	202	160	140
EBITDA	149	93	242	175	113	122	242	165.00	121	138
EBITDA margins (%)	47.76%	42.66%	51.05%	48.21%	47.08%	45.52%	47.36%	44.96%	43.06%	49.64%
Depreciation	30	32	34	38	37	39	39	39	40	42
Interest	9	11	11	14	13	14	14	14	14	15
Other Income	15	15	19	24	21	22	22	22	26	21
Extra-Ordinary Expenses	0	0	0	0	0	0	0	0	0	0
Profit Before Tax	125	65	212	148	83	90	211	135	93	102
Tax	32	16	54	32	21	23	53	33.75	22	35
Net Profit	93	49	158	116	62	67	157	101	71	82
YoY growth (%)	-9.08%	-47.31%	222.45%	-26.58%	-46.55%	8.06%	134.33%	-12.72%	13.71%	51.85%
Net Profit Margins (%)	29.81%	22.48%	33.33%	31.96%	25.83%	25.00%	30.72%	27.59%	25.09%	29.50%

Yearly Snapshot

Particulars (INR Crores)	FY20	FY21	FY22	FY23	FY24	FY25A	FY26E	FY27E
Net Revenue	916	565	1,041	1,355	1,368	1,386	1,618	1,877
YoY growth (%)	14.30%	-38.32%	84.25%	30.16%	0.96%	1.32%	14.02%	16.01%
Raw Materials	251	136	249	333	364	432	429	493
Gross Profit	665	429	792	1,022	1,004	954	1,189	1,384
Gross margins (%)	72.60%	75.93%	76.08%	75.42%	73.39%	68.83%	73.49%	73.73%
Gross Profit (including Job Work)	598	377	696	913	919	961	1,103	1,284
Gross margins (%)	65.28%	66.73%	66.86%	67.38%	67.18%	67.72%	68.17%	68.41%
Employees Cost	53	38	58	57	57	41	67	77
Other Expenses	217	137	220	275	274	217	347	403
Total Expenditure	521	311	527	665	695	744	843	973
% of Sales	56.88%	55.04%	50.62%	49.08%	50.80%	53.68%	52.10%	51.84%
EBITDA	395	254	514	690	673	642	775	904
EBITDA margins (%)	43.12%	44.96%	49.38%	50.92%	49.20%	46.32%	47.90%	48.16%
Depreciation	88	95	94	103	134	153	167	189
EBIT	307	159	420	587	539	489	608	715
Interest	26	26	28	42	45	56	55	59
Other Income	32	60	50	40	86	98	98	111
Extra-Ordinary Expenses	0	0	0	0	0	0	0	0
Profit Before Tax	313	193	442	585	564	531	651	767
Tax	75	49	108	147	134	133	146	193
Net Profit	238	144	334	438	430	398	505	574
YoY growth (%)	—	-39.50%	131.94%	34.13%	-4.02%	-7.38%	19.66%	17.86%
Net Profit Margins (%)	25.98%	25.49%	32.08%	33.06%	31.43%	28.73%	30.10%	30.58%

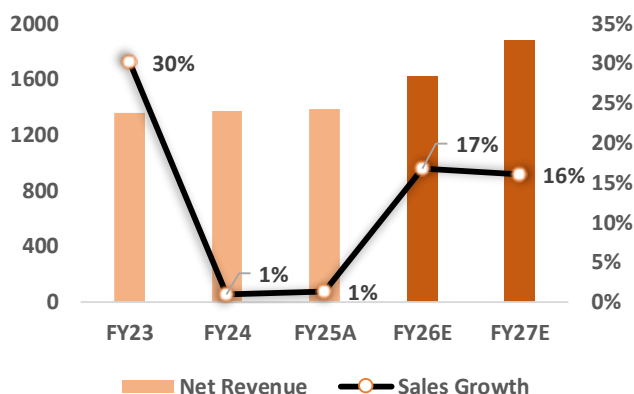
Vedant Fashion Ltd.



Commentary on Revenue

In recent quarter (**Q1 FY26**) the revenue from operation posted is INR 281 (17.08 % QoQ), The company has achieved a 3 year & 5 Year CAGR ~10% & 12% respectively. Further the annual performance estimation till FY27E is to reach its pre covid level average of ~15%, as the recent dip in the revenue caused by the uncertainty in the global market that leads to the disruption in the supply chain which left people with poor discretionary income.

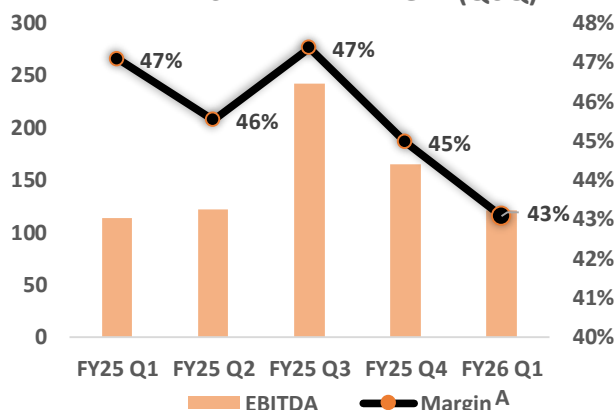
Sales VS Sales Growth (YoY)



Gross Profit analysis

VFL has consistently maintained its gross profit margin in between 70% – 75%. Which shows its strength over managing the COGS (cost of goods sold) effectively despite the challenges of covid and adaptation of the automation technologies.

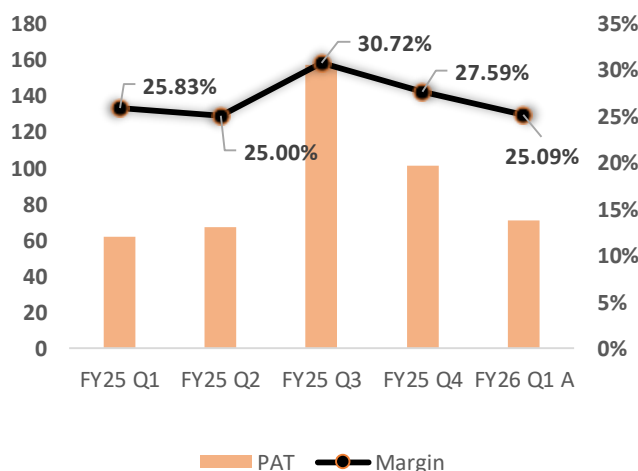
EBITDA VS EBITDA MARGIN (QoQ)



Commentary on EBITDA

The company has maintained an average EBITDA margin of 46% from the past 1.5 year despite a 200bps decrease in the recent quarter comparing with the preceding quarter. Which shows the resilience of the company in their cash operating margin. On annual basis the company also has shown an average of 49% EBITDA margin regardless of subdued growth in the industry.

PAT VS PAT MARGIN



Commentary on Profit After Tax (PAT)

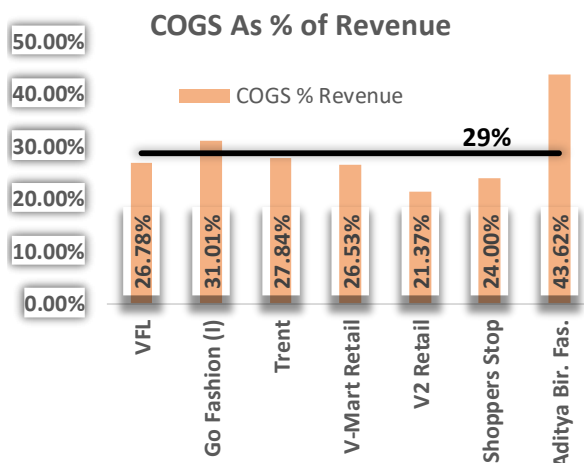
PAT margin of the company is in downward trend from the past 2 quarters due to subdued revenue growth, The company has given a PAT growth of CAGR 6% YoY and maintained a median PAT margin of ~31% YoY basis. The analyst has estimated a 450bps increase in the PAT margin in the Q2 FY26 which leads the margin to ~29% YoY in FY26.

Vedant Fashion Ltd.

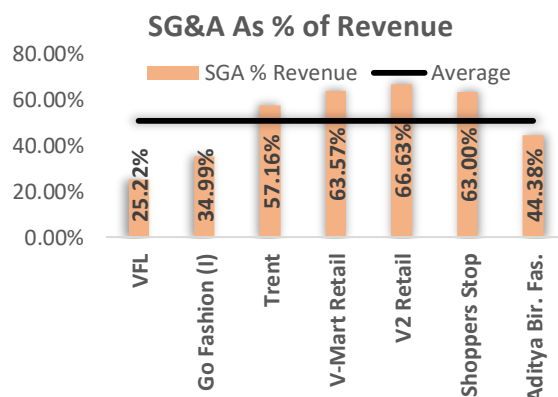


Commentary:

The cost of COGS as % of Revenue (26.7%) of VFL is below the industry average (29%) which shows the **cost effectiveness** and also helps in **maintaining the gross margin** of the firm compare to its peers in the FY25. the COGS trend has been increased in the company in form of stock in trade because the complete outsourcing of Mohey and increase job worker charges due to increase in the production volume.



Selling General and Administrative (SG&A) expenses as % of revenue (25.2%) is the lowest below the industry average (50%) due to its light asset business model and adaptation of automation, this helps in maintaining the industry leading EBITDA margin of 46% in the FY25.



Percentage of Fixed Asset distribution

Land	22%	3%	1%	1%	1%	1%	1%
Building	22%	26%	62%	66%	71%	74%	80%
Plant Machinery	0%	0%	0%	0%	0%	0%	0%
Equipments	1%	2%	1%	1%	1%	1%	1%
Computers	0%	1%	0%	0%	0%	0%	0%
Furniture n fittings	3%	5%	4%	3%	2%	2%	2%
Vehicles	1%	1%	0%	0%	0%	0%	0%
Intangible Assets	51%	61%	28%	27%	22%	20%	16%
Other fixed assets	1%	1%	1%	1%	1%	1%	1%
Gross Block	100%	100%	100%	100%	100%	100%	100%

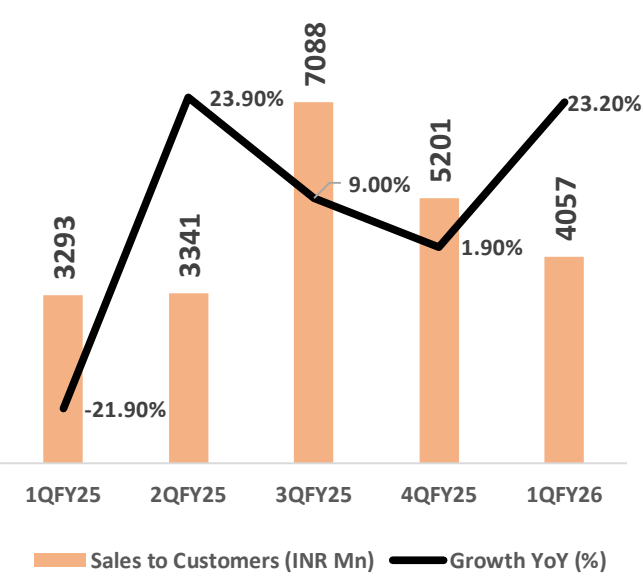
Commentary:

Vedant Fashion Limited is an asset light company as it outsourced most of its items from job workers and most of its EBOs are franchisee owned and rest are owned by the company itself. As a result the fixed asset growth is limited (900 INR Cr.) Instead of net asset growth we will analyse the expansion of stores and sales of customer to get the Capex improvement or growth indicator of the company.

Vedant Fashion Ltd.

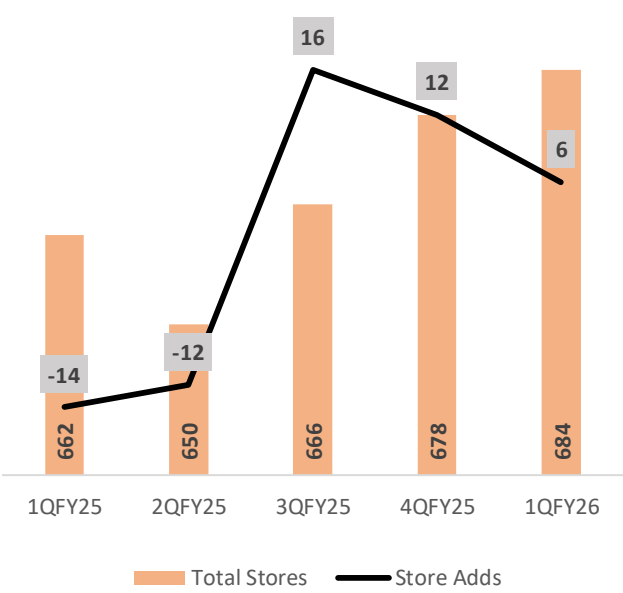


Sales To Customer



The sales to customer

6 stores added in 1QFY26



The store opening growth of Vedant fashion limited

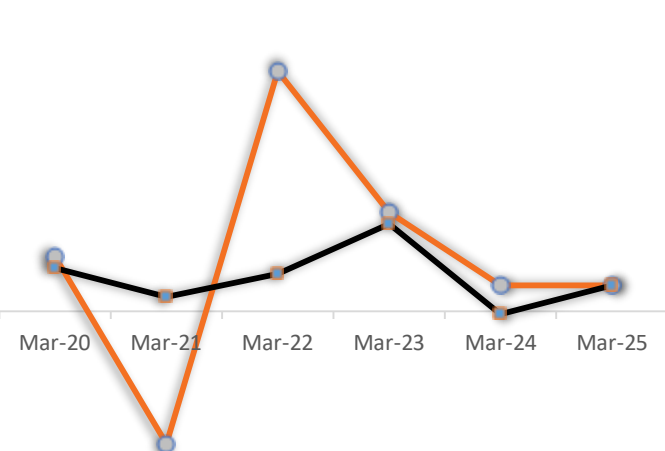
Vedant Fashion Ltd.



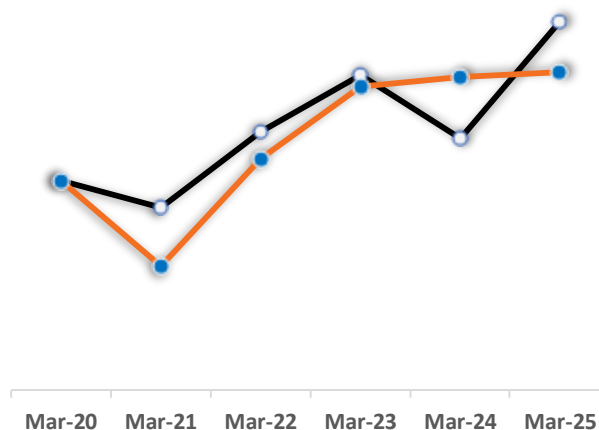
Inventories

Particulars	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Revenue	504	596	760	794	915	542	1009	1326	1365	1386
RevenueYoY Growth%		18%	28%	4%	15%	-41%	86%	31%	3%	2%
COGS	92.3	133.7	231	210.6	251.2	136.3	249.3	332.9	363.5	396.9
%Growth in COGS		45%	73%	-9%	19%	-46%	83%	34%	9%	9%
Inventory	86	97	88	90	115	100	142	173	138	202
Average Inventory		91.5	92.5	89	102.5	107.5	121	157.5	155.5	170
%Average Inventory Growth			1%	-4%	15%	5%	13%	30%	-1%	9%
AverageInventory%COGS		68%	40%	42%	41%	79%	49%	47%	43%	43%
Inventory Days (COGS)		250	146	154	149	288	177	173	156	156
Inventory Turnover		1.5x	2.5x	2.4x	2.5x	1.3x	2.1x	2.1x	2.3x	2.3x

● %Growth in COGS ● %Average Inventory growth



● Inventory ● Revenue



Peer Analysis	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
VFL	288	177	173	156	156
Go Fashion (I)	333	459	386	318	326
Trent	102	128	105	83	77
V-Mart Retail	216	224	199	163	169
V2 Retail	308	264	184	199	159
Shoppers Stop	290	244	235	242	273
Aditya Bir. Fas.	263	287	277	262	282
Average	257	255	223	203	206
Median	288	244	199	199	169

Commentary:

The inventory level is high due to the nature of the business as they need to maintain the supply as to meet the demand with different SKU also leads to increase the inventory amount as the Twamev and Mohey are the high MRP product increasing of this products leads to increase in the inventory value in the books. for example, earlier 100 unit of Manyavar stock *10,000 = 10 lakh now 90 Manyavar *10,000 =9,00,000 and 10 high priced SKUs (Mohey and Twamev) *40,000 = 4,00,000 sum up to 13 lakh hence the inventory increases by 3 lakh with same number of units. The companies inventory level is lower than the industry average. And when we see the revenue and inventory trend, the inventory is always above the revenue as company produce early to meet the demand such as weeding and festival seasons.

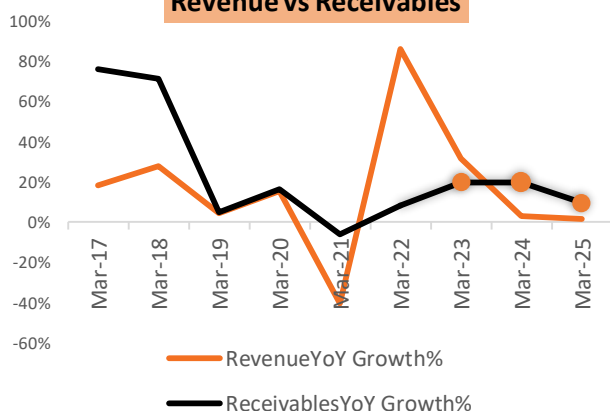
Vedant Fashion Ltd.



Trade Receivables

Particulars	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Revenue	504	596	760	794	915	542	1,009	1,326	1,365	1,386
RevenueYoY Growth%		18%	28%	4%	15%	-41%	86%	31%	3%	2%
Trade receivables	107	188	322	337	391	366	395	473	565	619
ReceivablesYoY Growth%		76%	71%	5%	16%	-6%	8%	20%	19%	10%
Total Asset	364	492	940	1,147	1,591	1,623	1,749	2,161	2,503	2,747
Receivable %TotalAsset	29%	38%	34%	29%	25%	23%	23%	22%	23%	23%
Receivables%Revenue	21%	32%	42%	42%	43%	68%	39%	36%	41%	45%
Average Receivables		186.9	266.8	345.6	369.1	401.3	411.5	457.0	519.0	565.0
Average Receivables%Revenue		31%	35%	44%	40%	74%	41%	34%	38%	41%
Average receivables days		114.5	128.1	158.9	147.2	270.2	148.9	125.8	138.8	148.8
ReceivableTurnoverRatio	4.7x	3.2x	2.4x	2.4x	2.3x	1.5x	2.6x	2.8x	2.4x	2.2x

Revenue vs Receivables



Receivable Ageing

Percentage

No Due	96%
<6 Months	3%
6months - 1 year	0%
1-2 Year	0%
2-3 year	0%
>3 Year	0%

Total 100%

Peer Analysis (Receivable Days)	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
VFL	77	115	155	155	156	246	143	130	151	163
Go Fashion (I)		76	56	51	52	69	55	40	38	46
Trent	3	1	3	2	2	3	1	2	2	1
V-Mart Retail	0	0	0	0	0	0	0	0	0	0
V2 Retail	0	0	0	0	0	0	0	1	0	0
Shoppers Stop	4	6	5	5	4	6	5	3	7	5
Aditya Bir. Fas.				35	35	42	34	26	33	19
Average	17	33	36	35	36	52	34	29	33	33
Median	3	4	4	5	4	6	5	3	7	5

Commentary:

The company's receivables has increased in the last two years as mention by the company that it is due to the increase of Mohey and Twamev in the stores which eventually increase the ASP as the new product mix have high MRP and it is misaligned with respect to revenue due to low customer demand as less number of wedding season and opening of new stores. The receivables credit risk is backed by taking security deposited and bank guarantee from the customers. And the aging of trade receivables, 96% of the revenue collection days are below 90 days which is constant as past year.

Vedant Fashion Ltd.



Trade Payables

Particulars	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Revenue	760	794	915	542	1,009	1,326	1,365	1,386
RevenueYoY Growth%	28%	4%	15%	-41%	86%	31%	3%	2%
COGS	231	210.6	251.2	136.3	249.3	332.9	363.5	396.9
%Growth in COGS	73%	-9%	19%	-46%	83%	34%	9%	9%
Trade Payables	43	60	49	48	68	84	88	102
%Growth in Trade Payables	26%	40%	-18%	-2%	42%	24%	5%	16%
Average Trade Payables	38.5	51.5	54.5	48.5	58	76	86	95
%Growth in Avg. Trade Payables	17%	34%	6%	-11%	20%	31%	13%	10%
Trade Payable%COGS	17%	24%	22%	36%	23%	23%	24%	24%
Trade Payables Days	61	89	79	130	85	83	86	87
Trade Turnover	19.7x	15.4x	16.8x	11.2x	17.4x	17.4x	15.9x	14.6x



Particulars	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
VFL	90	61	89	79	130	85	83	86	87
Go Fashion	41	47	53	29	42	48	60	53	43
Trent	70	74	68	58	65	56	51	41	35
V-Mart Retail	83	73	56	64	97	97	112	127	131
V2 Retail				75	134	108	70	92	105
Shoppers Stop	76	84	224	277	391	349	287	283	303
Aditya Bir. Fas.			223	198	307	335	253	241	258
Average	72	68	119	111	167	154	131	132	137
Median	76	73	79	75	130	97	83	92	105

Commentary:

The company has maintained the trade payable days between an average of 80 – 90 days which is acceptable in this industry because the company works in asset light model which mean it outsourced more than half of its products from the manufactures with consistent bulk orders which allows them to negotiate the credit period and keeping the trade payable day as low as possible allows them to maintain a healthy relationship with their suppliers that helps them to keep the payable days around 3 to 4 months.

Manyavar is the leading men ethnic and celebration brand in India, supplier wants to work with them and ready to give the extended credit period. Management says its adjusted receivables days ~54 days because the collect the money up front from the franchisees and this mean they collect money faster and pay later to the supplier which helps them to maintain a efficient working capital.

And unlike, fast fashion the trend in the wedding and celebration don't change quickly which assure suppliers to give more credit period.

Vedant Fashion Ltd.



Profitability Ratios

Gross Margin	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	51.65%	51.93%	51.93%	51.17%	54.28%	55.29%	55.22%	56.80%
Shoppers Stop	39.00%	42.00%	42.00%	38.00%	40.00%	42.00%	41.00%	41.00%
V2 Retail	32.00%	32.00%	28.00%	29.00%	30.00%	29.00%	27.00%	32.00%
V-Mart Retail	32.00%	32.00%	32.00%	33.00%	35.00%	35.00%	34.00%	35.00%
Trent	52.00%	50.00%	46.00%	41.00%	45.00%	43.00%	44.00%	43.00%
Go Fashion (I)	67.21%	66.88%	66.85%	63.23%	66.24%	66.70%	66.57%	68.59%
VFL	69.34%	73.70%	74.16%	75.88%	76.05%	75.43%	73.42%	73.38%
Average	49.03%	49.79%	48.71%	47.33%	49.51%	49.49%	48.74%	49.97%
Median	51.65%	50.00%	46.00%	41.00%	45.00%	43.00%	44.00%	43.00%

EBITDA Margins	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	7.00%	7.00%	14.00%	11.00%	14.00%	13.00%	11.00%	9.00%
Shoppers Stop	4.00%	7.00%	16.00%	3.00%	11.00%	17.00%	17.00%	15.00%
V2 Retail	10.00%	7.00%	11.00%	9.00%	10.00%	10.00%	12.00%	14.00%
V-Mart Retail	11.00%	9.00%	13.00%	12.00%	12.00%	11.00%	8.00%	12.00%
Trent	10.00%	9.00%	15.00%	4.00%	13.00%	14.00%	16.00%	16.00%
Go Fashion (I)	19.00%	28.00%	33.00%	19.00%	31.00%	32.00%	32.00%	32.00%
VFL	31.00%	34.00%	43.00%	43.00%	48.00%	50.00%	48.00%	46.00%
Average	13.14%	14.43%	20.71%	14.43%	19.86%	21.00%	20.57%	20.57%
Median	10.00%	9.00%	15.00%	11.00%	13.00%	14.00%	16.00%	15.00%

EBIT Margin	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.		5.00%	5.00%	-6.00%	3.00%	4.00%	1.00%	0.25%
Shoppers Stop	7.00%	3.00%	4.00%	-7.00%	4.00%	9.00%	8.00%	5.80%
V2 Retail	9.00%	2.00%	6.00%	3.00%	3.00%	3.00%	7.00%	8.80%
V-Mart Retail	9.00%	7.00%	7.00%	5.00%	5.00%	4.00%	0.40%	5.56%
Trent	9.00%	8.00%	12.00%	2.00%	10.00%	12.00%	18.00%	13.01%
Go Fashion (I)	17.00%	19.00%	22.00%	8.00%	18.00%	21.00%	20.00%	20.00%
VFL	31.00%	35.00%	37.00%	37.00%	43.00%	45.00%	43.00%	41.00%
Average	13.67%	11.29%	13.29%	6.00%	12.29%	14.00%	13.91%	13.49%
Median	9.00%	7.00%	7.00%	3.00%	5.00%	9.00%	8.00%	8.80%

PBT Margin	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.		1.84%	-0.38%	-15.96%	-1.78%	-0.66%	-5.92%	-7.47%
Shoppers Stop	6.25%	3.07%	-2.08%	-19.84%	-3.89%	3.95%	2.41%	0.15%
V2 Retail	8.23%	2.01%	1.43%	-2.42%	-2.54%	-2.26%	2.66%	5.20%
V-Mart Retail	9.17%	6.97%	4.21%	-0.93%	0.60%	-0.53%	-4.67%	1.35%
Trent	6.82%	6.39%	4.73%	-7.91%	2.47%	6.70%	15.52%	11.68%
Go Fashion (I)	16.40%	14.74%	17.35%	-1.20%	11.97%	16.39%	14.42%	14.50%
VFL	29.82%	34.96%	34.06%	32.21%	40.63%	42.51%	40.06%	37.50%
Average	12.78%	10.00%	8.47%	-2.29%	6.78%	9.44%	9.21%	8.99%
Median	8.70%	6.39%	4.21%	-2.42%	0.60%	3.95%	2.66%	5.20%

Vedant Fashion Ltd.



PAT Margin	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.		3.95%	-1.88%	-14.02%	-1.45%	-0.48%	-5.26%	-6.25%
Shoppers Stop	5.79%	1.82%	-4.10%	-15.27%	-1.87%	2.88%	1.78%	0.24%
V2 Retail	5.55%	2.67%	1.43%	-2.04%	-2.07%	-1.67%	2.32%	3.82%
V-Mart Retail	6.38%	4.32%	2.95%	-0.56%	0.72%	-0.32%	-3.48%	1.41%
Trent	4.03%	3.61%	3.04%	-6.98%	0.78%	4.78%	11.94%	8.95%
Go Fashion (I)	11.11%	10.88%	13.52%	-1.59%	8.98%	12.48%	10.88%	11.08%
VFL	19.53%	22.72%	25.87%	23.54%	30.26%	31.66%	30.26%	27.99%
Average	8.73%	7.14%	5.83%	-2.42%	5.05%	7.05%	6.92%	6.75%
Median	6.09%	3.95%	2.95%	-2.04%	0.72%	2.88%	2.32%	3.82%

Interpretation:

The profitability ratios of Vedant Fashion Limited is constantly stable and leading in the industry as compared with its peers which shows its market strength. and company is increasing its product mix with high average selling products helps it to maintain the margin levels but when the number of competition increases in the organised market it may affect the margin of the company.

Efficiency Ratios

Receivable Turnover ratio	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.		10.4x	10.4x	8.7x	10.7x	14.0x	11.1x	19.21x
Shoppers Stop	73.0x	73.0x	91.3x	60.8x	73.0x	121.7x	52.1x	73.00x
Trent	121.7x	182.5x	182.5x	121.7x	365.0x	182.5x	182.5x	365.00x
Go Fashion (I)	6.5x	7.2x	7.0x	5.3x	6.6x	9.1x	9.6x	7.93x
VFL	2.4x	2.4x	2.5x	1.6x	2.6x	2.9x	2.4x	2.24x
Average	50.9x	55.1x	57.6x	39.6x	137.2x	66.0x	51.5x	93.47x
Median	39.8x	10.4x	31.3x	8.7x	41.9x	14.0x	11.1x	46.11x

Fixed Asset turnover ratio	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.		3.2x	1.8x	0.9x	1.3x	1.5x	1.2x	0.7x
Shoppers Stop	5.5x	5.8x	1.8x	1.0x	1.5x	1.9x	1.7x	1.5x
V2 Retail	8.9x	7.5x	2.1x	1.4x	1.7x	2.2x	2.6x	2.1x
V-Mart Retail	8.4x	8.7x	2.5x	1.5x	1.5x	1.7x	1.7x	3.1x
Trent	3.5x	4.0x	1.3x	0.9x	1.0x	1.8x	5.1x	4.4x
Go Fashion (I)	7.3x	1.5x	1.5x	1.0x	1.4x	1.7x	1.5x	1.5x
VFL	2.4x	3.2x	1.9x	1.3x	2.1x	2.6x	2.1x	2.0x
Average	6.0x	4.8x	1.8x	1.1x	1.5x	1.9x	2.2x	2.2x
Median	6.4x	4.0x	1.8x	1.0x	1.5x	1.8x	1.7x	2.0x

Vedant Fashion Ltd.



Inventory Turnover Ratio	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	2.0x	1.8x	1.4x	1.3x	1.3x	1.4x		1.3x
Shoppers Stop	6.4x	1.9x	1.6x	1.3x	1.5x	1.6x	1.5x	1.3x
V2 Retail	2.4x	1.9x	2.6x	1.4x	1.7x	2.4x	2.4x	2.3x
V-Mart Retail	2.7x	2.9x	2.4x	1.7x	1.6x	1.8x	2.2x	2.1x
Trent	3.0x	2.6x	3.1x	3.6x	2.9x	3.5x	4.4x	4.7x
Go Fashion (I)	1.3x	1.2x	1.1x	0.8x	1.0x	1.2x		1.1x
VFL	2.5x	2.3x	2.4x	1.2x	2.0x	2.1x	2.3x	1.8x
Average	3.1x	2.2x	2.1x	1.7x	1.7x	2.0x	2.2x	2.1x
Median	2.6x	2.0x	2.4x	1.4x	1.6x	1.8x	2.2x	1.8x

Cash Conversion Cycle	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	19 days	21 days	3 days	23 days	55 days	43 days
Shoppers Stop	-37 days	-146 days	-76 days	-47 days	-34 days	-25 days
V2 Retail	91 days	101 days	141 days	105 days	72 days	54 days
V-Mart Retail	85 days	275 days	179 days	119 days	100 days	39 days
Trent	54 days	65 days	42 days	43 days	41 days	43 days
Go Fashion (I)	127 days	168 days	123 days	121 days	102 days	102 days
VFL	220 days	412 days	227 days	207 days	209 days	261 days
Average	69 days	114 days	82 days	70 days	69 days	73 days
Median	54 days	69 days	55 days	43 days	55 days	43 days

Working Capital Days	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	16	7	3	25	42	68
Shoppers Stop	-27	-37	-40	-16	-4	-37
V2 Retail	62	131	114	86	80	23
V-Mart Retail	58	106	89	71	40	39
Trent	39	39	50	38	28	15
Go Fashion (I)	155	190	189	156	138	102
VFL	159	209	126	111	136	313
Average	66	92	76	67	66	75
Median	58	106	89	71	42	39

Interpretation:

- The Companies receivables and the receivables days has been spiked in the last 3 years which is a concerning point but when we analyse the industry then its below the industry median.
- VFL's fixed asset turnover ratio is also above the peers average which is a good sign.
- The inventory turnover ratio of the company align with the industry average and maintained it from the years.
- Cash conversion cycle is also a concerning point as we can the its above the industry cycle and the working capital days are also above the industry standards.

Vedant Fashion Ltd.



Leverage Ratios

Debt/Equity	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	4.95	1.36	1.48	1.97	2.34	0.74
Shoppers Stop	33.54	17.55	27.83	11.53	9.25	10.32
V2 Retail	1.17	1.47	1.54	1.72	1.91	2.45
V-Mart Retail	1.17	1.47	1.54	1.72	1.91	2.45
Trent	0.13	0.13	2	1.72	0.43	0.41
Go Fashion (I)	1.09	1.2	0.57	0.65	0.78	0.73
VFL	0.29	0.19	0.24	0.21	0.28	0.27
Average	6.05	3.34	5.03	2.79	2.41	2.48
Median	1.17	1.36	1.54	1.72	1.91	0.74

Debt/Asset	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	0.54	0.36	0.34	0.39	0.43	0.3
Shoppers Stop	0.55	0.6	0.56	0.52	0.53	0.54
V2 Retail	0.55	0.6	0.56	0.52	0.53	0.54
V-Mart Retail	0.42	0.35	0.43	0.49	0.49	0.32
Trent	0.05	0.05	0.61	0.55	0.24	0.24
Go Fashion (I)	0.5	0.51	0.33	0.37	0.41	0.39
VFL	0.19	0.13	0.15	0.14	0.18	0.18
Average	0.4	0.37	0.43	0.43	0.40	0.36
Median	0.5	0.36	0.43	0.49	0.43	0.32

Debt/EBITDA	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	4.2	6.17	3.6	4.22	6.21	7.61
Shoppers Stop	4.07	47.86	7.83	3.42	3.88	4.68
V2 Retail	4.23	7.92	5.94	4.99	3.52	3.29
V-Mart Retail	2.42	4.34	4.42	4.95	6.47	2.06
Trent	0.57	2.63	7.94	4.01	0.89	0.79
Go Fashion (I)	2.02	5.98	2.02	1.58	1.91	1.87
VFL	0.77	0.87	0.55	0.45	0.67	0.75
Average	2.92	12.48	5.29	3.86	3.81	3.38
Median	3.25	6.08	5.18	4.12	3.70	2.68

Vedant Fashion Ltd.



Debt/Capital	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	83.00%	58.00%	60.00%	66.00%	70.00%	42.00%
Shoppers Stop	97.00%	95.00%	97.00%	92.00%	90.00%	91.00%
V2 Retail	54.00%	60.00%	61.00%	63.00%	66.00%	71.00%
V-Mart Retail	53.00%	41.00%	51.00%	61.00%	65.00%	49.00%
Trent	11.00%	11.00%	67.00%	63.00%	30.00%	29.00%
Go Fashion (I)	52.00%	55.00%	36.00%	40.00%	44.00%	42.00%
VFL	22.00%	16.00%	20.00%	17.00%	22.00%	21.00%
Average	53.14%	48.00%	56.00%	57.43%	55.29%	49.29%
Median	53.00%	55.00%	60.00%	63.00%	65.00%	42.00%

CFO/Debt	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	0.12	0.31	0.23	0.10	0.14	0.33
Shoppers Stop	0.26	0.00	0.18	0.23	0.20	0.17
V2 Retail	0.23	0.01	0.15	0.20	0.18	0.26
V-Mart Retail	0.17	0.26	-0.01	0.13	0.28	0.45
Trent	1.20	0.95	0.01	0.13	0.77	0.74
Go Fashion (I)	0.22	0.32	0.13	0.31	0.47	0.39
VFL	0.79	1.24	1.3	1.57	1.09	0.81
Average	0.43	0.44	0.28	0.38	0.45	0.45
Median	0.23	0.29	0.14	0.17	0.24	0.36

Debt Burden	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	0.06	0.26	0.15	-0.01	0.06	0.21
Shoppers Stop	0.26	0.00	0.18	0.23	0.2	0.17
V2 Retail	0.19	-0.06	0.11	0.17	0.1	0.11
V-Mart Retail	0.06	0.19	-0.18	-0.08	0.19	0.29
Trent	0.82	0.65	-0.03	0.08	0.54	0.36
Go Fashion (I)	0.11	0.28	0.05	0.2	0.38	0.32
VFL	0.78	1.29	1.34	1.58	1.09	0.80
Average	0.33	0.37	0.23	0.31	0.37	0.32
Median	0.19	0.26	0.11	0.17	0.20	0.29

Interpretation:

- Vedant Fashion Limited shows minimal reliance on debt.
- Comparing the debt with Equity, Asset and EBITDA shows company low leverage and while the ratios below the 1 shows company has negligible debt burden.
- After analyzing all the debt ratios, we can conclude that the company is not under any sever debt condition.
- The debt taken by the Vedant fashion limited is lower than the its industry peers.

Vedant Fashion Ltd.



Capital Allocation Ratios

ROCE (Post Tax)	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	-21.68%	-5.75%	4.26%	6.29%	0.96%		-2.00%
Shoppers Stop	7.47%	0.11%	-6.98%	7.72%	10.53%	7.93%	8.00%
V2 Retail	8.21%	8.16%	3.24%	4.18%	4.13%	9.02%	17.00%
V-Mart Retail	16.06%	9.07%	4.87%	5.68%	6.73%	0.72%	8.00%
Trent	5.88%	10.45%	2.48%	1.93%	9.78%	31.91%	31.00%
Go Fashion (I)	11.88%	14.30%	3.48%	9.28%	13.76%	13.02%	15.00%
VFL	24.01%	18.80%	11.67%	24.65%	27.05%	22.27%	26.00%
Average	7.40%	7.88%	3.29%	8.53%	10.42%	14.15%	14.71%
Median	8.21%	9.07%	3.48%	6.29%	9.78%	11.02%	15.00%

ROIC	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.	26.00%	-22.00%	-6.00%	4.00%	6.00%	1.00%	0.00%
Shoppers Stop	7.00%	0.00%	-7.00%	8.00%	11.00%	8.00%	11.00%
V2 Retail	8.00%	8.00%	3.00%	4.00%	4.00%	9.00%	10.00%
V-Mart Retail	16.00%	9.00%	5.00%	6.00%	7.00%	1.00%	12.00%
Trent	6.00%	10.00%	2.00%	2.00%	10.00%	32.00%	23.00%
Go Fashion (I)	12.00%	14.00%	3.00%	9.00%	14.00%	13.00%	14.00%
VFL	24.00%	19.00%	12.00%	25.00%	27.00%	22.00%	19.00%
Average	14.14%	5.43%	1.71%	8.29%	11.29%	12.29%	12.71%
Median	12.00%	9.00%	3.00%	6.00%	10.00%	9.00%	12.00%

EBIT Margin	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Aditya Bir. Fas.		5.00%	5.00%	-6.00%	3.00%	4.00%	1.00%	0.25%
Shoppers Stop	7.00%	3.00%	4.00%	-7.00%	4.00%	9.00%	8.00%	5.80%
V2 Retail	9.00%	2.00%	6.00%	3.00%	3.00%	3.00%	7.00%	8.80%
V-Mart Retail	9.00%	7.00%	7.00%	5.00%	5.00%	4.00%	0.40%	5.56%
Trent	9.00%	8.00%	12.00%	2.00%	10.00%	12.00%	18.00%	13.01%
Go Fashion (I)	17.00%	19.00%	22.00%	8.00%	18.00%	21.00%	20.00%	20.00%
VFL	31.00%	35.00%	37.00%	37.00%	43.00%	45.00%	43.00%	41.00%
Average	13.67%	11.29%	13.29%	6.00%	12.29%	14.00%	13.91%	13.49%
Median	9.00%	7.00%	7.00%	3.00%	5.00%	9.00%	8.00%	8.80%

Interpretation:

- The ROCE has been robust between 20% - 25% from the last 3 years and also it was above the industry average of 10% - 15% which is a good sign.
- ROIC is also healthy, averaging at 21% and peaking at 27% in the year of 2023 that is after the covid effect later it came down to its average of ~21% till the FY25.
- The EBIT margin of VFL is above the from its peers with average of ~40% from the last 5 years which show the company's operational efficiencies.

Source: Company Analysis ,Screener

Vedant Fashion Ltd.



Valuation Ratios

Vedant Fashion Ltd.	Mar-22	Mar-23	Mar-24	Mar-25	Average	Median
Enterprise Value (EV)	23727.42	27942.94	22927.40	19311.06	23477.21	23327.41
EV/EBITDA	49.40	42.48	34.84	30.05	39.19	38.66
Price/Earnings	76.11	65.40	54.34	48.51	61.09	59.87
Price/Sales	23.26	20.86	16.46	13.59	18.54	18.66
Price/CFO	68.81	60.24	46.59	48.50	56.04	54.37
Price/Book Value	21.65	19.83	14.05	10.55	16.52	16.94

V2 Retail	Mar-22	Mar-23	Mar-24	Mar-25	Average	Median
Enterprise Value (EV)	894.17	658.37	1976.40	6786.73	2578.92	1435.29
EV/EBITDA	13.34	7.70	13.25	26.07	15.09	13.30
Price/Earnings			52.51	82.55	18.30	16.91
Price/Sales	0.80	0.29	1.25	3.16	1.38	1.03
Price/CFO	8.60	2.78	15.68	26.67	13.43	12.14
Price/Book Value	1.95	0.97	5.32	17.17	6.35	3.64

Aditya Birla Fashion Ltd.	Mar-22	Mar-23	Mar-24	Mar-25	Average	Median
Enterprise Value (EV)	14020.51	13076.99	16380.24	15321.92	14699.92	14671.22
EV/EBITDA	12.32	8.40	40.10	21.93	20.69	17.13
Price/Earnings						
Price/Sales	1.23	0.58	1.15	1.51	1.12	1.19
Price/CFO	10.56	11.33	5.51	6.74	8.54	8.65
Price/Book Value	3.62	2.16	1.84	1.63	2.31	2.00

Trent	Mar-22	Mar-23	Mar-24	Mar-25	Average	Median
Enterprise Value (EV)	49983.42	53257.31	141806.83	191206.43	109063.50	97532.07
EV/EBITDA	84.05	47.80	71.96	67.80	67.90	69.88
Price/Earnings	1310.52	124.18	95.00	123.38	413.27	123.78
Price/Sales	10.08	5.93	11.34	11.05	9.60	10.57
Price/CFO	780.72	82.17	104.04	113.98	270.23	109.01
Price/Book Value	19.18	18.83	34.50	34.66	26.79	26.84

Shoppers Stop	Mar-22	Mar-23	Mar-24	Mar-25	Average	Median
Enterprise Value (EV)	7235.41	9453.68	11065.25	9331.90	9271.56	9392.79
EV/EBITDA	26.80	13.60	15.43	13.17	17.25	14.52
Price/Earnings		61.29	107.41	553.89	152.29	84.35
Price/Sales	2.05	1.77	1.92	1.30	1.76	1.85
Price/CFO	13.47	13.08	14.78	11.00	13.08	13.28
Price/Book Value	67.86	34.51	27.53	18.78	37.17	31.02

Interpretation:

- The companies Enterprise Value has been decreased from 23727.42cr (in 2022) to 19311.06 (2025) due the subdued demand in the retail sector.
- EV/EBITDA average 39.19x, with peak of 49 in 2022 and 42 in 2023 this spike is due to the lower demand in covid and sudden spike boosted these numbers.
- P/E ratio average is around 61x, peaking at 76x in 2022. It should be noted that the elevated P/E during 2021–22 were driven by depressed EPS (COVID effect)

Vedant Fashion Ltd.



Dupont Analysis

RETURN ON EQUITY (ROE)

Particulars	Mar-22	Mar-23	Mar-24	Mar-25
NET PROFIT	308.36	422.89	414.18	388.47
AVERAGE SHAREHOLDERS EQUITY	1091.745	1239.59	1498.465	1694.095
RETURN ON EQUITY	28.24%	34.12%	27.64%	22.93%

ROE - DUPONT EQUATION

Particulars	Mar-22	Mar-23	Mar-24	Mar-25
NET PROFIT	308.36	422.89	414.18	388.47
REVENUE	1008.75	1325.96	1367.53	1386.48
NET PROFIT MARGIN (A)	30.57%	31.89%	30.29%	28.02%

REVENUE	1008.75	1325.96	1367.53	1386.48
AVERAGE TOTAL ASSETS	1685.795	1954.89	2334.565	2627.445
ASSET TURNOVER RATIO (B)	0.6x	0.7x	0.6x	0.5x

AVERAGE TOTAL ASSETS	1685.795	1954.89	2334.565	2627.445
AVERAGE SHAREHOLDERS EQUITY	1091.745	1239.59	1498.465	1694.095
EQUITY MULTIPLIER (C)	1.5x	1.6x	1.6x	1.6x

RETURN ON EQUITY (A*B*C)	28.24%	28.24%	28.24%	28.24%
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RETURN ON ASSETS (ROA)

Particulars	Mar-22	Mar-23	Mar-24	Mar-25
NET PROFIT	308.36	422.89	414.18	388.47
AVERAGE TOTAL ASSETS	1685.795	1954.89	2334.565	2627.445
RETURN ON ASSETS (ROA)	18.29%	18.29%	18.29%	18.29%

ROA - Dupont Equation

Particulars	Mar-22	Mar-23	Mar-24	Mar-25
NET PROFIT	308.36	422.89	414.18	388.47
REVENUE	1008.75	1325.96	1367.53	1386.48
NET PROFIT MARGIN (A)	30.57%	31.89%	30.29%	28.02%

REVENUE	1008.75	1325.96	1367.53	1386.48
AVERAGE TOTAL ASSETS	1685.795	1954.89	2334.565	2627.445
ASSET TURNOVER RATIO (B)	0.6x	0.6x	0.6x	0.6x

RETURN ON ASSET (A*B)	18.29%	19.08%	18.12%	16.77%
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Summery

- The ROE has been decreased from 28.24% in 2022 to 22.93% in 2025 which shows the poor sales. The Primary reason for the decrease in the ROE is due to decrease in the Net Profit from 30.57% in CY2022 to 28.02% in CY2025, which shows the poor sales in these year.
- The Asset Turnover Ratio has marginally fluctuate in these period and mostly its constant which shows the asset efficiency of the company has been stable during CY2022 - CY2025. And the equity multiplier has also been constant during these period which shows that company has not dependent on financial leverage.
- Return on asset (ROA) has also impacted due to net profit margin as it decreased from 18.29% to 16.77% during CY2022 - CY2025.

Vedant Fashion Ltd.



PEER COMPARISON (DUPONT EQUATION)

Metrics	Vedant Fashions Ltd	Aditya Bir. Fas.	Shoppers Stop	V2 Retail	V-Mart Retail	Trent	Go Fashion (I)
Net Profit Margin (A)	27.99%	-6.20%	0.24%	3.82%	1.41%	8.95%	11.08%
Asset Turnover Ratio (B)	0.5	0.45	0.76	1.18	1.34	1.82	0.66
Equity Multiplier (C)	1.54	2.41	18.99	4.61	3.01	1.72	1.85
Return on Equity (A*B*C)	21.55%	-6.72%	3.46%	20.78%	5.69%	28.02%	13.53%

MOAT ASSESSMENT

Particulars	Mar-22	Mar-23	Mar-24	Mar-25
Gross Profit Margin	71.66%	71.96%	75.51%	70.16%
EBITDA Margin	47.62%	49.61%	48.12%	46.35%
Net Profit Margin	30.57%	31.89%	30.29%	28.02%
ROIC	22.95%	25.18%	20.46%	17.25%
ROCE	27.54%	37.42%	28.71%	22.55%
ROE	18.29%	21.63%	17.74%	14.79%
EPS	₹ 12.71	₹ 17.42	₹ 17.05	₹ 15.99
ROA	18.29%	21.63%	17.74%	14.79%

RETURN ON INCREMENTAL INVESTED CAPITAL (ROIIC) PROFILING

ROIIC Profiling - VEDANT FASHIONS LTD

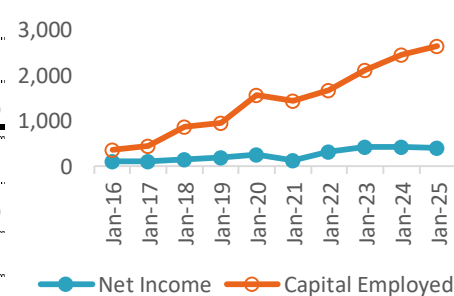
Rs Cr	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Net Income	90.2	106.0	149.4	182.3	245.1	130.7	308.4	422.9	414.2	388.5
Capital Employed	253.1	336.7	714.5	771.2	1,313.6	1,296.1	1,343.7	1,679.4	2,024.6	2,252.0

ROIIC Profiling	Rolling 10Yr
Cumulative Net Income	2,437.7
Incremental Capital Deployed	1,998.91
Reinvestment Rate	82.00%
ROIIC	14.92%
Intrinsic Compounding Rate	12.24%
Stock Price (10 Year CAGR)	#DIV/0!
Stock Price (5 Year CAGR)	#DIV/0!

Rolling 5 Yr
1,664.6
955.89
57.42%
26.96%
15.48%
xxx
xxx

Rolling 3 Yr
1,225.5
572.54
46.72%
-6.01%
-2.81%
-12.02%
xxx

Net Income vs Capital Employed



Commentary:

- ❑ We can analyse from the graph that the company has done a healthy capital employment throughout the year, which can be reflect from its reinvestment rate for rolling 10 year it is 82%, for rolling 5 year 57% and the last 3 year it is 46%.
- ❑ The last 3 year ROIIC is negative due the decrease in the net profit from year 2023 (₹422 cr.) to (₹388 cr.) 2025.
- ❑ The company has a healthy reinvestment rate (~47%) for the last 3 years.

Vedant Fashion Ltd.



DCF VALUATION

In INR Cr.	Actual							Estimation				
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26	Mar-27	Mar-28	Mar-29	Mar-30
Revenue	794.15	915.17	542.41	1008.75	1325.96	1367.53	1386.48	1566.72	1770.40	2000.55	2120.58	2247.82
Revenue Growth	5.67%	15.24%	-40.73%	85.98%	31.45%	3.14%	1.39%	13.00%	13.00%	13.00%	6.00%	6.00%
Gross Profit	590	665	429	792	1022	1004	1082	1097	1239	1400	1378	1461
Gross Margins	74%	73%	76%	76%	75%	73%	70%	70%	70%	68%	67%	65%
EBITDA	273.59	398.12	235.04	480.34	657.8	658.09	642.61	769	869	898	908	894
Less: Depreciation	8.46	82.46	89.05	88.03	97.46	134.85	153.06	172.96	195.44	220.85	249.56	282.00
Less: Tax Amount	96	96	63	125	164	158	174	192	217	225	227	224
Less: Change in Fixed Asset (New Capex)	-64	230	-37	49	22	146	24	26	28	30	32	34
Less: Change in Working Capital	297.8063	45	-140	175	119	16	7	8	8	9	10	10
FCFF	233.05	-10.09	119.24	218.12	373.43	219.42	291.58	369.93	420.00	413.72	389.70	343.74
Add Depreciation	8.46	82.46	89.05	88.03	97.46	134.85	153.06	172.96	195.44	220.85	249.56	282.00
Final FCFF	241.51	72.37	208.29	306.15	470.89	354.27	444.64	542.89	615.45	634.57	639.26	625.74
PVF	-	-	-	-	-	-	0.9	0.81	0.73	0.66	0.59	0.53
PV of Explicit Cash Flow	-	-	-	-	-	-	400	440	449	419	377	332

Key Assumptions

Sales Growth	13%	6%
Gross Margin	70%	65%
Tax Rate %	30%	25%
Depreciation	10%	8%
EBITDA	45%	44%
Capex	15%	10%
WC Days	110 Days	135Days

WACC Calculation

Calculation of Cost of Equity

(Ke)

Risk Free Rate	6.48%
ERP	7.18%
Beta	0.60

Cost of Equity 10.79%

Calculation of Cost of Debt

(Kd)

Cost of debt (pre - Tax)	0%
Marginal Tax Rate	22%
Cost of debt Kd (Post Tax)	0%

Total Equity	17,517.0
Total Debt	0.0
Total Capital	17,517.0

Equity/Total Capital	1
Debt/Total Capital	0

Discounted Rate (WACC) 10.79%

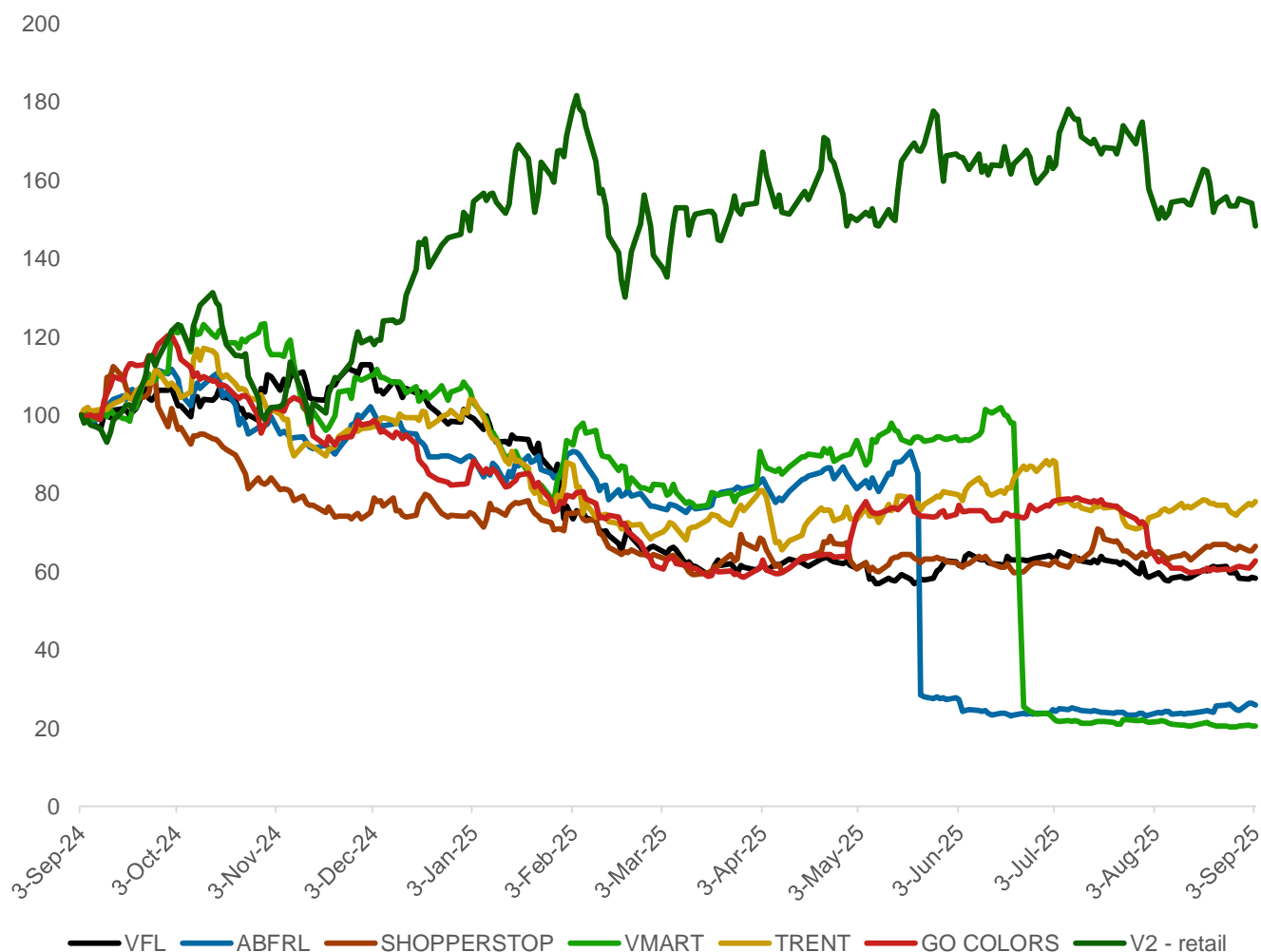
DCF Valuation Of Vedant Fashion Ltd.

Total PV of Explicit CF	2416.81
Total Terminal Value	7339
Total Value of Operating Assets	9755.84
Less: Borrowings	0
Less: Equity Option	-2.5
Add: Cash & Investment	17
Add: Other Asset	1051
Valuation of VFL	10821
Market Capitalization	17743
Premium	64%
Verdict	Overvalued

Vedant Fashion Ltd.



PEER PERFORMANCE



S.No.	Name	CMP Rs.	MCap Rs.Cr.	P/E	PEG	Debt / Eq	OPM %	ROCE %	ROE %
1	Trent	5130.05	182366.8	115.2	0.84	0.41	16.69	30.71	30.4
2	Vedant Fashions	738.2	17935.11	45.25	6.04	0.27	45.56	25.93	22.26
3	V - Mart	1961.95	6786.27	84.43	0.84	2.45	13.78	16.87	23.28
4	Aditya Bir. Fas.	86.9	10604.13			0.74	10.18	-2.87	-10.93
5	Shoppers Stop	545.85	6010.47	336.72	11.7	10.32	15.62	7.96	3.39
6	V2 Retail	1653.9	5720.77	71.14	0.71	2.45	13.78	16.87	23.28

Vedant Fashion Ltd.



Analyst Coverage Universe

Sr. No	Date	Research Name	LTP	Target	Price at Reco (Rs.)	Type
1	16-Sep-25	Consensus Share Price Target	739.4	847.5	-	Buy
2	31-Jan-25	Motilal Oswal	783.6	1065	933.8	Neutral
3	30-Oct-24	Motilal Oswal	783.6	1500	1344.6	Neutral
4	23-Sep-24	ICICI Securities Limited	783.6	1600	1356	Buy
5	29-Jan-24	Motilal Oswal	783.6	1200	1105.85	Neutral
6	01-Nov-23	ICICI Securities Limited	783.6	1400	1295.15	Accumulate
7	27-Jul-23	ICICI Securities Limited	783.6	1550	1231	Accumulate
8	02-May-23	Motilal Oswal	783.6	1435	1249.85	Buy
9	01-May-23	ICICI Securities Limited	783.6	1550	1272.15	Buy
10	30-Mar-23	Motilal Oswal	783.6	1400	1104.35	Buy
11	30-Mar-23	Motilal Oswal	783.6	1400	1104.35	Buy
12	30-Jan-23	ICICI Securities Limited	783.6	1550	1158.85	Buy

Source: Trendlyn Research Reports

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Technical Analysis of Vedant Fashion Limited



Observation:

The stock was into a range bound zone moving between ₹1,500 to ₹1,000 from July 2023 till March 2025. shows an confusion between the buyers and sellers.

Breakdown and Trend:

In the mid march 2025 the price broke decisively below the lower range boundary of the 1,500 – 1,000 range with an above average volume, signalling the initiation of the downward trend and confirming the distribution by strong hands which is also affirm by the RSI momentum below 30.