

Pick of *the week*

VIP Industries

Recommendation:	Buy
Target Price:	₹690
Current Price:	₹526
Time Period:	12 Months
Date:	1st April 2024



- VIP Industries reported a weak operational performance in Q3FY24.
- We expect VIP to push for E-com, digital marketing & Modern Trade channels.
- Gross Margins improved to 55.8% buoyed by deflationary raw material trends.
- Company launched new backpack collection & was received very well.
- ECOM business fundamentals show results with 50% yoy growth.
- Management has laid down an 18-month road map to re-gain lost glory and market share.

Recommend BUY with an increased Fair Value of Rs 690 at 40x FY26E.