



**February 14, 2024**

To,

The Listing Department,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.

**Scrip Code : 532613**

To,

The Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex  
Bandra (East), Mumbai-400 051.

**Trading Symbol : VIPCLOTHNG**

**Sub: VIP CLOTHING LTD. – Investor Presentation on the Un-audited Financial Results for the Quarter ended on December 31, 2023.**

Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we enclose herewith the Investor Presentation on the Un-audited Financial Results for the Quarter ended on December 31, 2023.

The Investor Presentation has been uploaded on the website of the company [www.vipclothing.in](http://www.vipclothing.in)

This is for your information and record.

Thanking you

Yours faithfully,  
For **VIP Clothing Limited**

**ARCHANA MUNGUNTI**  
**Company Secretary**  
**Membership No.: A31071**



CIN: L18101MH1991PLC059804

Registered Office: C-6, Road No.22, M.I.D.C., Andheri (East), Mumbai – 400 093

## **Q3 & 9M FY24 – Earnings Update**

Revenue from Operations reported at ₹448.91 Mn in Q3 FY24 and ₹1,509.01 Mn for 9M FY24

EBITDA stands at (₹11.33) Mn in Q3 FY24 and ₹30.73 Mn for 9M FY24

PAT at (₹33.80) Mn in Q3 FY24 and (₹52.51) Mn for 9M FY24

**Mumbai, 14<sup>th</sup> February, 2024:** VIP is an established innerwear manufacturer with portfolio of marquee brands like VIP, Frenchie, Feelings and Leader. The company in its board meeting held on 13<sup>th</sup> February 2024 has inter-alia considered and approved the Unaudited Financial Results of the Company for the third quarter and nine months ended on 31<sup>st</sup> December 2023.

### **Financial Statement Highlights**

Particulars (₹ in Mn)	Q3 FY24	Q3 FY23	YoY%	Q2 FY24	9M FY24	9M FY23	YoY%
Revenue from operations	448.91	441.56	1.66%	523.45	1,509.01	1,490.09	1.27%
Other Income	1.03	4.41		1.32	3.29	16.37	
Total Income	449.93	445.97	0.89%	524.78	1,512.30	1,506.46	0.39%
Total Expenses excl. D&A & Finance Cost	460.24	400.44		516.70	1,478.28	1,410.43	
EBITDA (excl. Other Income)	(11.33)	41.12		6.75	30.73	79.66	(61.42%)
EBITDA Margin (%)	(2.52%)	9.31%		1.29%	2.04%	5.35%	
Finance Cost	22.01	23.07		22.99	65.74	72.57	
Depreciation & Amortization	6.59	6.95		6.81	20.16	23.99	
PBT before exceptional item	(38.90)	15.52		(21.71)	(51.88)	(0.52)	
Exceptional Item	-	61.32			-	61.32	
PBT	(38.90)	76.85			(51.88)	60.80	
Total Tax	(5.1)	25.97		3.05	0.64	14.20	
PAT	(33.80)	50.88		(24.77)	(52.51)	46.61	
PAT Margin %	(7.53%)	11.52%		(4.73%)	(3.48%)	3.13%	
Other Comprehensive Income	(0.09)	0.19		(1.15)	(2.01)	(1.39)	
Net PAT	(33.89)	51.06		(25.92)	(54.53)	45.22	
Diluted EPS	(0.41)	0.62		(0.30)	(0.64)	0.56	

*\*The Company has conservatively and prudently made a provision of ₹22.5 Mn in relation to certain old receivable in the 9MFY24 period vis a vis a provision of ₹7.5 Mn in 9M FY23 period.*

## **Management Discussion and Analysis:**

*\*Figures in ₹ Mn, unless specified*

- Revenue from operations remained stable at ₹1,509.01 Mn in 9M FY24 versus ₹1,490.10 Mn in 9M FY23. This muted growth was seen due to challenging demand environment across industry
- Gross Profit margin remained stable for 9M FY24 and stood at 28.8% as compared to 28.4% in 9M FY23
- In 9M FY24, EBITDA amounted to ₹30.72 Mn, reflecting a decrease from ₹77.37 Mn in 9M FY23. This decline in EBITDA resulted from the expansion of both the sales and marketing team, as well as the operations team, aimed at expanding business operations.

## **Key developments during Q3FY24:**

- Onboarded ~20 new distributors in Q3 FY24 in order to increase the company's market presence in target markets
- The Company launched 3 new products under the brand Feelings and Leader

## **Management Comment:**

We are pleased to provide a comprehensive overview of our company's performance in Q3 FY24. The revenue from operations stood at ₹ 448.91 Mn in Q3FY24 compared to Rs. 441.56 Mn in Q3FY23, resulting a 1.66% increase for the period despite Q3 being a seasonally weak quarter further hit by the red sea crisis which impacted export sales. However, we witnessed a sharp decline in our profitability which led to a negative EBITDA of (₹ 11.33) Mn in Q3FY24 due to team building and enhancement exercise, higher offtake of our entry level products and subdued demand trajectory in the industry.

In terms of the performance over 9M FY24 our revenue from operations remained stable ₹1,509.01 Mn in 9M FY24, compared to ₹1,490.09 Mn in 9M FY23, which grew by 1.27% Y-o-Y. EBITDA margin for 9M FY24 stood at 2.04%.

At VIP, we're undergoing a transformational journey and our focused on maintaining our emphasis on sustainable sales practices while safeguarding our operating margins and enhancing overall operating efficiencies. Aligned with our objectives, we remain committed to improving consumer reach and experience, diversifying and enhancing our product range, and driving operational excellence through onboarding best in class talent and adopting digital transformation.

In pursuit of the abovementioned goals, we are committed to expanding our presence across India. Our continuous efforts to augment our reach have not only strengthened our position in core markets but also allowed us to extend into new regions. Moreover, in Q3 FY24, we have successfully onboarded ~20 new distributors. Apart from the traditional channel, we have also started supplying

to the prestigious Central Police Force Canteen Unit. Further, our focused implementation of Distribution Management System is progressing as planned, optimizing our supply chain and enhancing our understanding of customer needs. This has played a pivotal role in launching 3 new products that align more closely with customer preferences.

Additionally, our latest product offerings have begun to receive preliminary positive responses from the market, largely attributed to our ongoing marketing efforts. We remain committed to allocating dedicated marketing resources for these new products, which will play a pivotal role in diversifying our revenue streams in the upcoming quarter.

To enhance the market presence of our various brands, the Company is strategically investing in marketing activities to with a view to increase brand recall and distinctly showcase the brand's strong value proposition of style, quality, and comfort. We recognize the vast potential for growth in the ecommerce sector, and to effectively seize these opportunities, we've formed a partnership with Cocoblu, a reputable service provider specializing in crafting robust ecommerce marketing strategies. This collaboration aims to maximize our efficiency in capitalizing on the burgeoning opportunities within the ecommerce landscape during the current quarter.

On the industry front, the innerwear market has undergone a notable transformation, witnessing substantial growth over the past decade and showcasing remarkable resilience. Standing at a market size of ₹ 61,091 crores in 2023, the market is anticipated to grow to ₹ 75,466 crores by 2025, with a CAGR of 11.2%.

In summary, VIP Clothing Ltd. is poised for expansion and is advancing successfully in its strategic endeavours. We acknowledge the commitment of our workforce, the confidence of our shareholders, and the backing of our esteemed customers and partners. We are optimistic about our capability to navigate through upcoming challenges and realize our long-term objectives.

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### **About VIP Clothing Limited**

Incorporated in 1991, headquartered in Mumbai, VIP Clothing Ltd. (VIP) is engaged in the business of manufacturing, marketing and distribution of Men's and Women's innerwear and socks under the brand name VIP, Frenchie, Feelings and Leader. VIP has in-house manufacturing facility located in Tamil Nadu and is accredited with TUV- ISO 9000 certificate that reflects its emphasis on Quality Management System, designing, manufacturing and delivery. It is one of the India's leading intimate apparel company providing intimate wear to consumers across various segments under different brands and possesses one of the widest and largest sales and distribution network for innerwear

products. The Company has more than ~180 sales and marketing professionals, ~38,000 retailers touchpoints and network of ~470 distributors and wholesalers.

Archana Mungunti  
**VIP Clothing Limited**  
[archana.mungunti@viporg.com](mailto:archana.mungunti@viporg.com)  
Contact: 022-40209000

Krunal Shah/ Vinayak Shirodkar/ Naman Maheshwari  
**Captive IR Strategic Advisors Pvt Ltd**  
[krunal@cap-ir.com/vinayak@cap-ir.com/naman@cap-ir.com](mailto:krunal@cap-ir.com/vinayak@cap-ir.com/naman@cap-ir.com)  
Contact: +91-93724 67194

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