

## Godrej Agrovet (GAVL) - BUY

### Company Update

Current Market Price (CMP)

**Rs. 675**

Fair Value (FV)

**Rs. 740**

### Rationale:

- Meetings with multiple business heads bolster confidence in turnaround & growth story.
- Transformation is visible across business segments.
- Earnings growth could be attractive, valuations are still undemanding.
- Raise FY25-27E EPS by 8-13% amid expectations of a sustainable turnaround.
- Upgrade to BUY, with a revised June 2025 SOTP-based Fair Value of Rs740.

(SoTP: Sum of the parts, EPS: Earnings per share)

### Company Update:

#### **Positives:**

- Mgmt undertook measures to cut costs & turn around underperforming businesses.
- GAVL has inducted numerous senior management professionals in recent years.
- Focus on value-added and specialty segments across almost all segments.
- Continued improvement in the dairy, poultry & standalone crop protection businesses.

#### **Negatives:**

- Investor interest in GAVL has faded in the past few years amid sluggish earnings growth.

[Click here](#)

For detailed report dated 21st Jun 2024. Note: CMP & valuation may differ due to difference in dates



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