

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of V-Guard Industries Limited

Report on the Audit of Standalone Financial Results

Opinion

1. We have audited the statement of standalone financial results of V-Guard Industries Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2023 and the standalone balance sheet and the standalone statement of cash flows as at and for the year ended on that date (together hereinafter referred as "standalone financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations') which has been initialled by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023 and the standalone balance sheet and the standalone statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of V-Guard Industries Limited

Report on the Standalone Financial Results

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Board of Directors' Responsibilities for the Standalone Financial Results

4. These standalone financial results have been prepared on the basis of the standalone financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the profit and other comprehensive income and other financial information of the Company and the standalone balance sheet and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the Directors of the Company, as aforesaid.
5. In preparing the standalone financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

7. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 12 below).



Price Waterhouse Chartered Accountants LLP

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To the Board of Directors of V-Guard Industries Limited

Report on the Standalone Financial Results

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

10. The standalone financial results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
11. The standalone financial results of the Company for the quarter and year ended March 31, 2022, were audited by another firm of chartered accountants under the Act who, vide their report dated May 19, 2022, expressed an unmodified opinion on those standalone financial results.
12. The standalone financial results dealt with by this report has been prepared for the express purpose of filing with stock exchanges on which the Company's shares are listed. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2023 on which we issued an unmodified audit opinion vide our report dated May 30, 2023.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Amit Kumar Agrawal

Partner

Membership Number: 064311

UDIN: 23064311BGYDLN7597

Place : Kochi

Date : May 30, 2023

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2023

(₹ in lakhs)

Sl. No	Particulars	For the three months ended			For the year ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Refer note 10 below)	(Unaudited)	(Refer note 10 below)	(Audited)	(Audited)
1	Income					
	Revenue from operations	1,08,013.94	97,797.46	1,05,026.96	4,04,960.32	3,47,666.74
	Other income	183.22	579.38	330.46	1,496.60	1,092.26
	Total income	1,08,197.16	98,376.84	1,05,357.42	4,06,456.92	3,48,759.00
2	Expenses					
	Cost of raw materials consumed	30,483.16	27,777.08	41,446.91	1,22,343.84	1,37,476.66
	Purchase of stock-in-trade	47,923.19	30,273.65	30,457.59	1,56,749.73	1,17,888.24
	(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	(1,501.72)	12,129.27	2,932.04	8,911.78	(13,969.56)
	Employee benefits expense	7,601.24	7,631.96	6,356.56	29,486.20	26,688.06
	Depreciation and amortization expenses	1,603.99	1,549.60	1,232.41	5,844.06	4,750.00
	Finance costs	1,008.20	231.12	156.39	1,592.41	752.49
	Other expenses	14,863.01	13,930.60	12,751.71	57,391.75	46,168.34
	Total expenses	1,01,981.07	93,523.28	95,333.61	3,82,319.77	3,19,754.23
3	Profit before tax (1-2)	6,216.09	4,853.56	10,023.81	24,137.15	29,004.77
4	Tax expenses:					
	Current tax	(827.21)	1,149.78	1,095.08	3,589.23	6,901.02
	Deferred tax expense / (credit)	2,409.84	121.81	(131.63)	2,615.45	(575.97)
	Total tax expenses	1,582.63	1,271.59	963.45	6,204.68	6,325.05
5	Profit for the period / year (3-4)	4,633.46	3,581.97	9,060.36	17,932.47	22,679.72
6	Other comprehensive income					
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of tax	2,005.43	-	(54.98)	2,005.43	(54.98)
	Other comprehensive income for the period / year net of tax	2,005.43	-	(54.98)	2,005.43	(54.98)
7	Total comprehensive income for the period / year (Comprising Profit for the period / year and Other comprehensive income for the period / year (5+6))	6,638.89	3,581.97	9,005.38	19,937.90	22,624.74
8	Earnings per equity share (EPS) (nominal value of ₹ 1/-each) (not annualised)					
	(a) Basic (₹)	1.07	0.83	2.10	4.15	5.27
	(b) Diluted (₹)	1.06	0.82	2.09	4.12	5.23

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

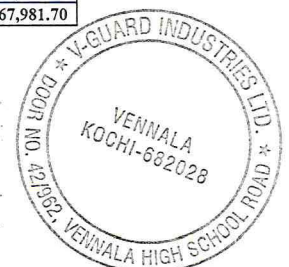
(₹ in lakhs)

Sl. No	Particulars	For the three months ended			For the year ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Refer note 10 below)	(Unaudited)	(Refer note 10 below)	(Audited)	(Audited)
1	Segment Revenue					
	(a) Electronics	27,583.98	19,353.04	24,712.94	1,00,084.61	81,559.56
	(b) Electricals	51,809.64	43,077.40	50,726.42	1,77,245.29	1,59,707.55
	(c) Consumer Durables	28,620.32	35,367.02	29,587.60	1,27,630.42	1,06,399.63
	Total	1,08,013.94	97,797.46	1,05,026.96	4,04,960.32	3,47,666.74
	Less : Inter segment revenue	-	-	-	-	-
	Revenue from operations	1,08,013.94	97,797.46	1,05,026.96	4,04,960.32	3,47,666.74
2	Segment Results					
	(a) Electronics	2,683.92	2,090.77	4,416.08	12,582.41	13,900.71
	(b) Electricals	4,956.86	3,654.59	5,449.72	13,508.72	15,206.23
	(c) Consumer Durables	75.13	(446.82)	495.20	978.10	1,709.60
	Total	7,715.91	5,298.54	10,361.00	27,069.23	30,816.54
	(Add) / Less: (i) Finance cost	1,008.20	231.12	156.39	1,592.41	752.49
	(ii) Other un-allocable expense net of un-allocable income	491.62	213.86	180.80	1,339.67	1,059.28
	Profit before tax	6,216.09	4,853.56	10,023.81	24,137.15	29,004.77
3	Segment Assets					
	(a) Electronics	38,633.89	32,484.66	38,934.31	38,633.89	38,934.31
	(b) Electricals	55,130.94	47,700.56	59,950.69	55,130.94	59,950.69
	(c) Consumer Durables	60,078.13	60,604.94	71,965.27	60,078.13	71,965.27
	(d) Unallocated	1,17,650.05	87,248.79	37,382.31	1,17,650.05	37,382.31
	Total assets	2,71,493.01	2,28,038.95	2,08,232.58	2,71,493.01	2,08,232.58
4	Segment Liabilities					
	(a) Electronics	14,645.12	12,664.84	11,398.85	14,645.12	11,398.85
	(b) Electricals	35,927.55	30,097.46	25,458.65	35,927.55	25,458.65
	(c) Consumer Durables	21,044.15	19,213.21	17,000.17	21,044.15	17,000.17
	(d) Unallocated	41,076.50	17,060.94	14,124.03	41,076.50	14,124.03
	Total liabilities	1,12,693.32	79,036.45	67,981.70	1,12,693.32	67,981.70

V-GUARD INDUSTRIES LTD.

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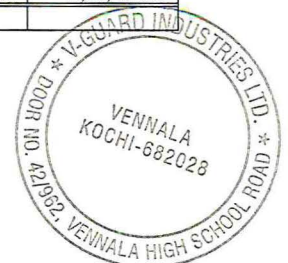
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STANDALONE BALANCE SHEET AS AT 31.03.2023

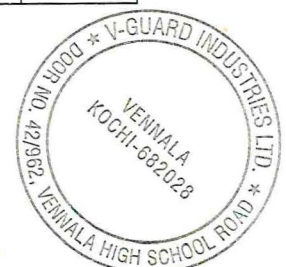
(₹ in lakhs)

Particulars		As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
A. Assets			
1. Non-current assets			
Property, plant and equipment		34,092.27	33,164.97
Capital work-in-progress		1,217.27	864.37
Investment property		27.90	27.90
Other intangible assets		1,761.56	808.54
Intangible assets under development		364.79	783.85
Right of use assets		8,786.26	6,025.69
Financial assets			
(a) Investment in subsidiaries		81,798.45	6,864.70
(b) Other investments		3,340.00	3,340.00
(c) Loans		103.43	143.94
(d) Other financial assets		1,929.94	1,525.43
Current tax assets (net)		3,036.65	2,210.60
Deferred tax assets (net)		735.48	862.92
Other non-current assets		998.34	1,291.15
		1,38,192.34	57,914.06
2. Current assets			
Inventories		68,941.33	84,988.85
Financial assets			
(a) Trade receivables		53,173.69	47,924.29
(b) Cash and cash equivalents		2,365.27	5,344.86
(c) Other bank balances		44.66	42.86
(d) Loans		156.39	175.18
(e) Other financial assets		541.79	13.14
Other current assets		8,077.54	11,829.34
		1,33,300.67	1,50,318.52
	Total assets	2,71,493.01	2,08,232.58
B. Equity and liabilities			
1. Equity			
Equity share capital		4,321.74	4,315.42
Other equity		1,54,477.95	1,35,935.46
	Total equity	1,58,799.69	1,40,250.88
2. Non-current liabilities			
Financial liabilities			
(a) Borrowings		27,290.60	-
(b) Lease liabilities		6,542.62	4,843.31
(c) Other financial liabilities		2,540.31	572.55
Provisions		1,366.85	1,289.68
		37,740.38	6,705.54
3. Current liabilities			
Financial liabilities			
(a) Borrowings		14,670.23	1,000.00
(b) Lease liabilities		1,551.74	791.33
(c) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		5,621.72	4,272.32
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		37,688.53	40,468.63
(d) Other financial liabilities		3,845.96	5,390.69
Other current liabilities		5,380.97	4,411.38
Provisions		6,193.79	4,758.35
Current tax liabilities (net)		-	183.46
		74,952.94	61,276.16
	Total liabilities	1,12,693.32	67,981.70
	Total equity and liabilities	2,71,493.01	2,08,232.58



STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31.03.2023

Particulars	(₹ in lakhs)	
	For the year ended	For the year ended
	31.03.2023 (Audited)	31.03.2022 (Audited)
A. Cash flow from operating activities		
Profit before tax	24,137.15	29,004.77
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortization expenses	5,844.06	4,750.00
Loss on property, plant and equipment sold / scrapped / written off (net)	12.93	67.49
Finance costs	1,592.41	752.49
Finance income	(177.83)	(319.46)
Carrying value adjustment of put option liability	47.45	106.99
Gain on sale of investments	(532.55)	(17.38)
(Gain) / loss on lease modifications	(15.34)	-
Liabilities / provisions no longer required written back	(12.04)	(14.83)
Loss allowance for trade receivables (net)	(745.81)	207.24
Impairment allowance for doubtful advances (net)	(308.99)	344.32
Share based payments expense	1,336.88	1,555.02
	7,041.17	7,431.88
Operating profit before working capital changes	31,178.32	36,436.65
Movement in working capital		
Decrease / (increase) in inventories	16,429.30	(22,122.94)
(Increase) / decrease in trade receivables	(4,141.24)	(9,659.77)
Decrease / (increase) in loans to employees and others	59.30	46.73
(Increase) / decrease in other financial assets	(467.14)	(95.01)
Decrease / (increase) in other assets	4,032.08	(1,409.69)
(Decrease) / increase in trade payables	(1,803.38)	841.97
(Increase) / decrease in other financial liabilities	(1,379.19)	105.95
Increase / (decrease) in provisions	1,355.54	601.52
Decrease / (increase) in other liabilities	928.73	655.05
	15,014.00	(31,036.19)
Cash generated from operations	46,192.32	5,400.46
Income tax paid (net of refunds)	(4,597.41)	(8,690.01)
Net cash flow from / (used in) operating activities (A)	41,594.91	(3,289.55)
B. Cash flow from investing activities		
Purchase of property, plant and equipment, intangible assets including capital work-in-progress, intangible assets under development and capital advances	(5,286.79)	(7,744.93)
Proceeds from sale of property, plant and equipment	151.70	8.64
Investment in equity shares of subsidiary companies	(73,053.75)	(5,979.75)
Acquisition of cash balance as part of business combination	71.28	-
(Investment in) / redemption of fixed deposits with maturity more than 3 months (net)	(0.88)	20.80
Finance income	170.69	329.16
Proceeds from sale of current investments (net)	532.55	17.38
Net cash flow (used in) / from investing activities (B)	(77,415.20)	(13,348.70)
C. Cash flow from financing activities		
Proceeds from exercise of share options (including share application money)	200.39	456.49
Payment of principal portion of lease liabilities	(1,119.86)	(713.09)
Proceeds / (repayment) of short term borrowings (net)	13,670.23	-
Proceeds / (repayment) of long term borrowings	27,290.60	-
Finance costs paid	(1,592.41)	(671.91)
Dividends paid on equity shares	(5,608.25)	(5,160.69)
Net cash flow from / (used in) financing activities (C)	32,840.70	(6,089.20)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(2,979.59)	(22,727.45)
Cash and cash equivalents at the beginning of the year	5,344.86	28,072.31
Cash and cash equivalents at the end of the year	2,365.27	5,344.86
Components of cash and cash equivalents:		
(a) Cash on hand	1.07	0.19
(b) Balances with bank:		
In current accounts	2,364.20	5,344.67
	2,365.27	5,344.86



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of V-Guard Industries Limited

Report on the Audit of Consolidated Financial Results

Opinion

1. We have audited the statement of consolidated financial results of V-Guard Industries Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (Refer note 3 to the consolidated financial results) for the year ended March 31, 2023 and the consolidated balance sheet and the consolidated statement of cash flows as at and for the year ended on that date (together hereinafter referred as "consolidated financial results"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') which has been initialled by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated financial results:

(i) include the financial results of the following entities

Holding Company

V-Guard Industries Limited

Subsidiaries:

V-Guard Consumer Products Limited

Guts Electro-Mech Limited

Sunflame Enterprises Private Limited (from January 12, 2023, refer note 8 to the consolidated financial results)

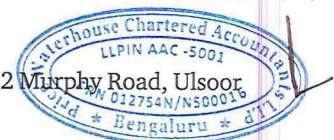
(ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2023 and the consolidated balance sheet and the consolidated statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in sub-paragraph 11 of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/NS00016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

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To the Board of Directors of V-Guard Industries Limited
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Board of Directors' Responsibilities for the Consolidated Financial Results

4. These consolidated financial results have been prepared on the basis of the consolidated financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the profit and other comprehensive income and other financial information of the Group and the consolidated balance sheet and the consolidated statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.
5. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

7. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors of V-Guard Industries Limited
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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 14 below)
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results/financial information, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
10. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

11. We did not audit the financial statements of two subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 18,692.76 lakhs and net assets of Rs. 13,359.14 lakhs as at March 31, 2023, total revenues of Rs. 12,889.07 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 1,045.43 lakhs and cash flows (net) of Rs. 1,232.74 lakhs for the year ended March 31, 2023, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 10 above.



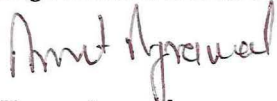
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INDEPENDENT AUDITOR'S REPORT
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Our opinion on the consolidated financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

12. The consolidated financial results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
13. The consolidated financial results of the Group for the quarter and year ended March 31, 2022, were audited by another firm of chartered accountants under the Act who, vide their report dated May 19, 2022, expressed an unmodified opinion on those consolidated financial results.
14. The consolidated financial results dealt with by this report have been prepared for the express purpose of filing with stock exchanges on which the Holding Company's shares are listed. These results are based on and should be read with the audited consolidated financial statements of the group, for the year ended March 31, 2023 on which we have issued an unmodified audit opinion vide our report dated May 30, 2023.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Amit Kumar Agrawal
Partner
Membership Number: 064311
UDIN: 23064311BGYDLP1200

Place : Kochi
Date : May 30, 2023

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2023



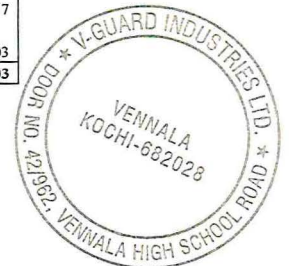
(₹ in lakhs)

Sl. No	Particulars	For the three months ended			For the year ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Refer note 10 below)	(Unaudited)	(Refer note 10 below)	(Audited)	(Audited)
1	Income					
	Revenue from operations	1,14,014.38	98,083.84	1,05,916.89	4,12,604.42	3,50,018.59
	Other income	263.24	603.40	268.02	1,643.83	1,076.36
	Total income	1,14,277.62	98,687.24	1,06,184.91	4,14,248.25	3,51,094.95
2	Expenses					
	Cost of raw materials consumed	38,338.79	30,407.92	42,365.73	1,36,092.23	1,41,250.61
	Purchase of stock-in-trade	42,024.42	26,848.50	29,500.43	1,44,442.86	1,14,256.86
	Decrease / (increase) in inventories of finished goods, work-in-progress and traded goods	(2,052.33)	11,813.36	3,127.94	7,904.18	(14,118.04)
	Employee benefits expense	8,023.82	7,757.94	6,518.75	30,293.04	26,999.53
	Depreciation and amortization expenses	1,906.32	1,668.31	1,292.31	6,442.49	4,914.73
	Finance costs	1,015.84	238.51	175.67	1,619.13	788.06
	Other expenses	17,813.89	14,668.34	13,205.34	61,880.68	47,606.75
	Total expenses	1,07,070.75	93,402.88	96,186.17	3,88,674.61	3,21,698.50
3	Profit before tax (1-2)	7,206.87	5,284.36	9,998.74	25,573.64	29,396.45
4	Tax expenses:					
	Current tax	(481.38)	1,196.17	1,130.08	4,026.45	7,061.02
	Deferred tax expense / (credit)	2,415.48	159.57	(88.92)	2,642.49	(508.32)
	Total tax expenses	1,934.10	1,355.74	1,041.16	6,668.94	6,552.70
5	Profit for the period / year (3-4)	5,272.77	3,928.62	8,957.58	18,904.70	22,843.75
6	Other comprehensive income					
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of tax	2,003.76	-	(50.55)	2,003.76	(50.55)
	Other comprehensive income for the period / year net of tax	2,003.76	-	(50.55)	2,003.76	(50.55)
7	Total comprehensive income for the period / year (Comprising Profit for the period / year and Other comprehensive income for the period / year (5+6))	7,276.53	3,928.62	8,907.03	20,908.46	22,793.20
8	Profit for the period / year attributable to:					
	Equity holders of the parent company	5,272.77	3,928.62	8,969.84	18,911.35	22,769.24
	Non controlling interests	-	-	(12.26)	(6.65)	74.51
9	Total comprehensive income for the period / year	7,276.53	3,928.62	8,918.14	20,915.11	22,717.54
	Equity holders of the parent company	7,276.53	3,928.62	8,918.14	20,915.11	22,717.54
	Non controlling interests	-	-	(11.11)	(6.65)	75.66
10	Earnings per equity share (EPS) (nominal value of ₹ 1/-each) (not annualised)					
	(a) Basic (₹)	1.22	0.91	2.08	4.38	5.29
	(b) Diluted (₹)	1.21	0.90	2.07	4.35	5.25

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(₹ in lakhs)

Sl. No	Particulars	For the three months ended			For the year ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Refer note 10 below)	(Unaudited)	(Refer note 10 below)	(Audited)	(Audited)
1	Segment Revenue					
	(a) Electronics	27,174.10	19,135.19	24,735.56	99,400.78	81,559.56
	(b) Electricals	52,529.86	43,581.63	51,566.64	1,79,883.12	1,62,059.40
	(c) Consumer Durables	28,620.32	35,367.02	29,614.69	1,27,630.42	1,06,399.63
	(d) Sunflame	5,690.10	-	-	5,690.10	-
	Total	1,14,014.38	98,083.84	1,05,916.89	4,12,604.42	3,50,018.59
	Less : Inter segment revenue	-	-	-	-	-
	Revenue from operations	1,14,014.38	98,083.84	1,05,916.89	4,12,604.42	3,50,018.59
2	Segment Results					
	(a) Electronics	3,251.94	2,216.48	4,307.88	13,085.36	13,676.37
	(b) Electricals	4,775.13	3,967.07	5,552.13	13,856.85	15,857.82
	(c) Consumer Durables	(112.58)	(446.82)	495.20	790.39	1,709.60
	(d) Sunflame	799.84	-	-	799.84	-
	Total	8,714.33	5,736.73	10,355.21	28,532.44	31,243.79
	(Add) / Less: (i) Finance cost	1,015.84	238.51	175.67	1,619.13	788.06
	(ii) Other un-allocable expense net of un-allocable income	491.62	213.86	180.80	1,339.67	1,059.28
	Profit before tax	7,206.87	5,284.36	9,998.74	25,573.64	29,396.45
3	Segment Assets					
	(a) Electronics	51,831.19	44,795.70	44,583.46	51,831.19	44,583.46
	(b) Electricals	58,672.34	50,912.19	62,879.75	58,672.34	62,879.75
	(c) Consumer Durables	60,701.65	60,775.90	71,965.27	60,701.65	71,965.27
	(d) Sunflame	82,374.58	-	-	82,374.58	-
	(e) Unallocated	37,113.41	74,828.96	31,254.21	37,113.41	31,254.21
	Total assets	2,90,693.17	2,31,312.75	2,10,682.69	2,90,693.17	2,10,682.69
4	Segment Liabilities					
	(a) Electronics	16,376.78	13,877.03	12,007.32	16,376.78	12,007.32
	(b) Electricals	36,837.29	30,834.38	26,308.51	36,837.29	26,308.51
	(c) Consumer Durables	21,049.15	19,213.21	17,000.17	21,049.15	17,000.17
	(d) Sunflame	14,507.01	-	-	14,507.01	-
	(e) Unallocated	41,160.91	17,060.93	14,124.03	41,160.91	14,124.03
	Total liabilities	1,29,931.14	80,985.55	69,440.03	1,29,931.14	69,440.03





CONSOLIDATED BALANCE SHEET AS AT 31.03.2023

(₹ in lakhs)

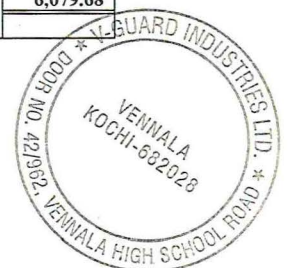
Particulars		As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
A. Assets			
1. Non-current assets			
Property, plant and equipment		45,924.89	37,281.53
Capital work-in-progress		2,370.02	915.09
Investment property		177.90	27.90
Goodwill		25,280.17	366.40
Other intangible assets		42,579.78	846.63
Intangible assets under development		364.79	783.85
Right of use assets		10,729.02	7,771.76
Financial assets			
(a) Other investments		3,340.45	3,340.00
(b) Loans		506.13	143.94
(c) Other financial assets		2,019.36	1,489.49
Current tax assets (net)		3,076.05	2,210.66
Deferred tax assets (net)		819.79	908.49
Other non-current assets		2,981.59	1,561.60
		1,40,169.94	57,647.34
2. Current assets			
Inventories		76,743.76	85,958.47
Financial assets			
(a) Current investments		12.23	-
(b) Trade receivables		56,865.70	48,412.63
(c) Cash and cash equivalents		3,954.20	6,079.68
(d) Other bank balances		2,732.99	46.86
(e) Loans		168.01	175.39
(f) Other financial assets		638.21	72.79
Other current assets		9,408.13	12,289.53
		1,50,523.23	1,53,035.35
	Total assets	2,90,693.17	2,10,682.69
B. Equity and liabilities			
1. Equity			
Equity share capital		4,321.74	4,315.42
Other equity		1,56,440.29	1,36,380.45
Equity attributable to equity holders of the parent		1,60,762.03	1,40,695.87
Non controlling interests		-	546.79
	Total equity	1,60,762.03	1,41,242.66
2. Non-current liabilities			
Financial liabilities			
(a) Borrowings		27,290.60	-
(b) Lease liabilities		6,684.11	4,864.56
(c) Other financial liabilities		2,540.31	572.55
Deferred tax liabilities (net)		10,325.54	-
Provisions		1,421.94	1,342.58
		48,262.50	6,779.69
3. Current liabilities			
Financial liabilities			
(a) Borrowings		14,670.23	1,179.22
(b) Lease liabilities		1,653.49	791.39
(c) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		6,407.42	4,398.31
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		42,447.28	40,949.28
(d) Other financial liabilities		4,231.76	5,828.47
Other current liabilities		5,778.67	4,422.73
Provisions		6,348.05	4,843.31
Current tax liabilities (net)		131.74	247.63
		81,668.64	62,660.34
	Total liabilities	1,29,931.14	69,440.03
	Total equity and liabilities	2,90,693.17	2,10,682.69



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31.03.2023

(₹ in lakhs)

Particulars	For the year ended		For the year ended	
	31.03.2023		31.03.2022	
	(Audited)		(Audited)	
A. Cash flow from operating activities				
Profit before tax		25,573.64		29,396.45
Adjustments to reconcile profit before tax to net cash flows				
Depreciation and amortization expenses	6,442.49		4,914.73	
Loss on property, plant and equipment sold / scrapped / written off (net)	18.17		71.40	
Finance costs	1,619.13		788.06	
Finance income	(241.80)		(320.14)	
Carrying value adjustment of put option liability	47.45		106.99	
Gain on sale of investments	(544.88)		(17.38)	
(Gain) / loss on lease modifications	(15.34)		-	
Liabilities / provisions no longer required written back	(24.74)		(14.83)	
Loss allowance for trade receivables (net)	(774.88)		568.15	
Impairment allowance for doubtful advances (net)	(308.99)		-	
Share based payments expense / (reversals)	1,336.88		1,555.02	
		7,553.49		7,652.00
Operating profit before working capital changes		33,127.13		37,048.45
Movement in working capital				
Decrease / (increase) in inventories	12,810.62		(22,807.87)	
(Increase) / decrease in trade receivables	(3,017.93)		(9,829.35)	
(Increase) / decrease in loans to employees and others	45.19		47.56	
(Increase) / decrease in other financial assets	(638.50)		(117.29)	
Decrease / (increase) in other assets	3,260.42		(2,832.89)	
Increase / (decrease) in trade payables	1,520.91		(2,166.19)	
Increase / (decrease) in other financial liabilities	(1,198.83)		2,625.54	
Increase / (decrease) in provisions	1,395.91		620.85	
(Decrease) / increase in other liabilities	(39.57)		2,612.49	
		14,138.22		(31,847.15)
Cash generated from operations		47,265.35		5,201.30
Income tax paid (net of refunds)		(4,884.41)		(8,882.84)
Net cash flow from / (used in) operating activities (A)		42,380.94		(3,681.54)
B. Cash flow from investing activities				
Purchase of property, plant and equipment, intangible assets including capital work-in-progress, intangible assets under development and capital advances	(10,262.97)		(12,461.64)	
Proceeds from sale of property, plant and equipment	147.18		13.99	
Acquisition of Non controlling interests of subsidiary company	(620.00)		-	
Acquisition of subsidiary company	(65,533.50)		-	
Acquisition of cash balance as part of business combination	1,084.91		-	
Proceeds from sale of current investments (net)	532.65		17.38	
(Investment in) / redemption of fixed deposits with maturity more than 3 months (net)	(2,674.12)		16.80	
Finance income	209.60		329.84	
Net cash flow (used in) / from investing activities (B)		(77,116.25)		(12,083.63)
C. Cash flow from financing activities				
Proceeds from exercise of share options (including share application money)	200.39		456.49	
Proceeds / (repayment) of short term borrowings (net)	13,491.01		(122.10)	
Proceeds / (repayment) of long term borrowings	27,290.60		-	
Payment of principal portion of lease liabilities	(1,144.79)		(713.10)	
Finance costs paid	(1,619.13)		(692.65)	
Dividends paid on equity shares	(5,608.25)		(5,160.69)	
Net cash flow from / (used in) financing activities (C)		32,609.83		(6,232.05)
Net (decrease) / increase in cash and cash equivalents (A+B+C)		(2,125.48)		(21,997.22)
Cash and cash equivalents at the beginning of the year		6,079.68		28,076.90
Cash and cash equivalents at the end of the year		3,954.20		6,079.68
Components of cash and cash equivalents:				
(a) Cash on hand		1.95		0.53
(b) Balances with bank:				
In current accounts		3,952.25		6,079.15
		3,954.20		6,079.68



Notes:

1. The above standalone and consolidated financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of Companies Act, 2013 read with relevant rules issued thereunder.
2. The above standalone and consolidated financial results for the quarter and year ended March 31, 2023 were reviewed by the Audit Committee and approved by the Board of Directors and taken on record at the meetings held on May 30, 2023.
3. The consolidated financial results include the results of the following entities:
Holding Company:
 - V-Guard Industries LimitedSubsidiaries:
 - V-Guard Consumer Products Limited
 - Guts Electro-Mech Limited
 - Sunflame Enterprises Private Limited (w.e.f January 12, 2023. Refer note 8 below)
4. During the quarter and year ended March 31, 2023, the Company allotted 402,032 equity shares and 632,498 equity shares respectively pursuant to exercise of stock options by employees under the Employees Stock Option Scheme, 2013.
5. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and segment information is presented accordingly. Accordingly, the management has identified Electronics, Electricals, Consumer Durables and Sunflame as business segments. Electronics includes Stabilizers, Digital UPS, UPS and Solar Inverters; Electricals includes PVC Insulated Cables, Switch Gears, Pumps and Modular Switches; Consumer Durables includes Electric Water Heaters, Solar Water Heaters, Fans, Kitchen Appliances and Air Coolers; Sunflame includes products sold under trademark Sunflame and Superflame.
6. In accordance with the Scheme of Amalgamation (Scheme) as approved by the Hon'ble National Company Law Tribunal, Simon Electric Private Limited (Simon) has been merged with the Company with appointed date of March 25, 2023. As per the Scheme, subsequent to the year end the Company has allotted 1,083,008 equity shares to the erstwhile shareholders of Simon (0.76646 equity shares of the Company of Re.1 each fully paid up for every 100 equity shares held in Simon of Rs.10 each fully paid up). The fair value of consideration in the form of shares amounts to Rs.2,683.69 lakhs, which has been disclosed under other equity as at the year end pending issuance. The acquisition has been accounted for in accordance with Ind AS 103 - "Business Combinations". As per the purchase price allocation carried out by an independent valuation expert, the Company has recognised a bargain purchase gain of Rs. 2,045.76 lakhs under other comprehensive income and accumulated the same to capital reserve under other equity.
7. The Company's Board of Directors at its meeting held on July 27, 2022 had approved the acquisition of balance 26% of equity shares of Guts Electro-Mech Limited, subsidiary company. During the year, the Company has exercised the call option on the balance 26% of equity shares in accordance with the Share Purchase and Subscription Agreement dated August 31, 2017. Consequently, Guts Electro-Mech Limited has become a wholly-owned subsidiary of the Company.
8. The Company has completed the acquisition of 100% shareholding of Sunflame Enterprises Private Limited on January 12, 2023 for an aggregate consideration of Rs.68,033.50 lakhs (including deferred consideration of Rs.2,500.00 lakhs) computed after the closing adjustments relating to working capital and net debt as described in the Share Purchase Agreement dated December 9, 2022. Accordingly, Sunflame Enterprises Private Limited has become a wholly-owned subsidiary of the Company with effect from January 12, 2023. The acquisition has been accounted for in accordance with Ind AS 103 - "Business Combinations".
9. The Board of Directors have recommended a final dividend of Rs 1.3 per share (130%) for the year ended March 31, 2023 subject to the approval of the members in the ensuing Annual General Meeting.
10. The figures for the quarters ended March 31, 2023 and March 31, 2022 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2023 and March 31, 2022 respectively and the unaudited published year-to-date figures up to December 31, 2022 and December 31, 2021 respectively, being the date of the end of the third quarter of the respective financial years, which were subjected to limited review.

Place: Kochi
Date: 30.05.2023

For V-GUARD INDUSTRIES LIMITED


Managing Director

