

January 31, 2019

The Manager Listing Department, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001	The Manager Listing Department, National Stock Exchange of India Limited, Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra-East, Mumbai- 400 051
Ref:- Scrip Code: 532953	Ref:- Symbol: VGUARD

**Sub: - Outcome of Board Meeting and various disclosures under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 - reg.**

Dear Sir / Madam,

This is to inform you that the Board of Directors of the Company at their meeting held on January 31, 2019, have approved and adopted the Unaudited Standalone Financial Results for the quarter ended December 31, 2018 and Limited Review Report issued by the Statutory Auditors. The Unaudited Standalone Financial Results were reviewed by the members of Audit Committee in their meeting held on the same day. Please find enclosed copy of the Unaudited Standalone Financial Results for the quarter ended December 31, 2018 and Limited Review Report.

The Nomination and Remuneration Committee in their meeting held on January 31, 2018 approved grant of options to eligible employee(s) under Employee Stock Option Scheme (ESOS) 2013 and the same was approved by the Board of Directors in their meeting. Details of grant approved are as under:

Brief details of option granted	57,143 options granted to eligible employee(s) under Employee Stock Option Scheme (ESOS) 2013.
Whether the scheme is in terms of SEBI (SBEB) Regulations, 2014	The scheme is in due compliance with the terms of SEBI (SBEB) Regulations, 2014.
Total number of shares covered by these options	Options carry the right to apply for equivalent number of equity shares of the Company at face value of Re. 1/- each.
Vesting Period	Options granted will be vested over a period of four years, basis time and performance criteria.
Time within which options may be exercised	6 years from the date of vesting.
Exercise Price	Re.1/- per option.

**V-GUARD INDUSTRIES LTD.**  
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Options lapsed	If an Employee Stock Option is not vested or expires or becomes un-exercisable due to any reason, it shall be available for future Grants, subject to compliance with all Applicable Laws. The Nomination and Remuneration Committee will have powers to re-grant such options.
Brief details of significant terms of ESOS 2013	The ESOS2013 is administered by the Nomination and Remuneration Committee. Options granted under ESOS2013 will vest not less than one year and not more than four years from the date of grant of such options. Vesting of options is subject to continued employment with the Company and fulfilment of performance criteria, if any. The Exercise Price shall be determined by the Nomination and Remuneration Committee, from time to time, but should not be less than face value of the share and not more than the prevailing market value of the shares as on the date of Grant. The Employee Stock Options granted shall be capable of being exercised within a period of six years from the date of vesting of the respective Employee Stock Options.

The aforesaid meeting commenced at 12.45 p.m. and concluded at 3.00 p.m.

Kindly take the information on record.

Thanking you

For V-Guard Industries Limited



Jayasree K  
Company Secretary

Encl: as above



STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 31.12.2018

(₹ in lakhs)

Sl. No	Particulars	For the three months ended			For the nine months ended		For Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>						
	Revenue from operations	59,427.29	59,758.12	52,967.91	182,674.51	166,266.30	232,127.11
	Other Income	262.39	235.70	210.91	650.58	633.99	745.21
	Finance Income	172.82	156.16	45.70	499.05	144.46	366.23
	<b>Total Income</b>	<b>59,862.50</b>	<b>60,149.98</b>	<b>53,224.52</b>	<b>183,824.14</b>	<b>167,044.75</b>	<b>233,238.55</b>
<b>2</b>	<b>Expenses</b>						
	Cost of raw materials consumed	20,280.35	19,211.29	14,883.85	56,974.51	46,434.32	63,788.68
	Purchase of Stock-in-Trade	24,226.54	23,843.17	23,081.87	72,840.00	69,834.98	100,566.15
	(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	(2,917.90)	(998.46)	(1,981.44)	(1,977.27)	(1,333.40)	(2,840.63)
	Excise duty on sale of goods (Refer Note 3)	-	-	-	-	953.42	953.42
	Employee benefits expense	4,915.39	5,058.30	4,313.66	14,949.27	12,815.28	17,020.35
	Depreciation and amortization expense	558.07	545.58	478.39	1,627.13	1,399.60	1,911.15
	Finance costs	53.29	26.62	47.47	104.69	135.16	166.07
	Other expenses	8,427.27	7,659.06	7,729.96	25,760.18	22,654.92	33,945.67
	<b>Total Expenses</b>	<b>55,543.01</b>	<b>55,345.56</b>	<b>48,553.76</b>	<b>170,278.51</b>	<b>152,894.28</b>	<b>215,510.86</b>
<b>3</b>	<b>Profit before exceptional items and tax (1-2)</b>	<b>4,319.49</b>	<b>4,804.42</b>	<b>4,670.76</b>	<b>13,545.63</b>	<b>14,150.47</b>	<b>17,727.69</b>
<b>4</b>	<b>Exceptional items</b>	-	-	-	-	-	-
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>4,319.49</b>	<b>4,804.42</b>	<b>4,670.76</b>	<b>13,545.63</b>	<b>14,150.47</b>	<b>17,727.69</b>
<b>6</b>	<b>Tax expense:</b>						
	Current tax	964.24	1,069.32	1,275.14	3,083.82	3,773.50	4,522.64
	Deferred tax	(14.77)	(83.20)	(180.60)	(166.46)	(173.83)	(103.65)
		949.47	986.12	1,094.54	2,917.36	3,599.67	4,418.99
<b>7</b>	<b>Profit for the period/year (5-6)</b>	<b>3,370.02</b>	<b>3,818.30</b>	<b>3,576.22</b>	<b>10,628.27</b>	<b>10,550.80</b>	<b>13,308.70</b>
<b>8</b>	<b>Other Comprehensive Income/(Loss)</b>						
	Net other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of tax	-	-	(32.00)	-	(95.55)	(10.77)
	<b>Other Comprehensive Income/(Loss) for the period net of tax</b>	<b>-</b>	<b>-</b>	<b>(32.00)</b>	<b>-</b>	<b>(95.55)</b>	<b>(10.77)</b>
<b>9</b>	<b>Total Comprehensive Income for the period (Comprising Profit/(loss) and Other Comprehensive Income for the period (7+8))</b>	<b>3,370.02</b>	<b>3,818.30</b>	<b>3,544.22</b>	<b>10,628.27</b>	<b>10,455.25</b>	<b>13,297.93</b>
<b>10</b>	<b>Paid up equity share capital (Face value of ₹ 1/- each)</b>	<b>4,267.37</b>	<b>4,264.11</b>	<b>4,246.54</b>	<b>4,267.37</b>	<b>4,246.54</b>	<b>4,256.76</b>
<b>11</b>	<b>Earnings per equity share (EPS)</b> (nominal value of ₹ 1/-each) (not annualised)						
	(a) Basic	0.79	0.90	0.84	2.49	2.48	3.13
	(b) Diluted	0.78	0.88	0.82	2.45	2.43	3.08

SEGMENT WISE REVENUE, RESULTS, ASSETS, LIABILITIES AND CAPITAL EMPLOYED

(₹ in lakhs)

Sl. No	Particulars	For the three months ended			For the nine months ended		For Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Segment Revenue</b>						
	(a) Electronics	15,252.45	16,136.75	12,988.75	55,440.48	52,147.46	72,919.66
	(b) Electricals	25,790.95	25,413.12	24,989.86	77,340.28	72,253.31	101,711.09
	(c) Consumer Durables	18,383.89	18,208.25	14,989.30	49,893.75	41,865.53	57,496.36
	<b>Total</b>	<b>59,427.29</b>	<b>59,758.12</b>	<b>52,967.91</b>	<b>182,674.51</b>	<b>166,266.30</b>	<b>232,127.11</b>
	Less : Inter Segment Revenue	-	-	-	-	-	-
	<b>Income from operations</b>	<b>59,427.29</b>	<b>59,758.12</b>	<b>52,967.91</b>	<b>182,674.51</b>	<b>166,266.30</b>	<b>232,127.11</b>
<b>2</b>	<b>Segment Results</b>						
	(a) Electronics	2,221.95	2,028.58	1,434.06	6,485.72	6,528.62	7,975.23
	(b) Electricals	1,543.81	1,544.12	2,597.12	4,917.42	5,213.53	7,573.57
	(c) Consumer Durables	475.68	1,151.25	645.83	2,008.67	2,380.50	2,072.19
	<b>Total</b>	<b>4,241.44</b>	<b>4,723.95</b>	<b>4,677.01</b>	<b>13,411.81</b>	<b>14,122.65</b>	<b>17,620.99</b>
	(Add)/Less: (i) Interest	53.29	26.62	47.47	104.69	135.16	166.07
	(ii) Other un-allocable expense net of un-allocable income	(131.34)	(107.09)	(41.22)	(238.51)	(162.98)	(272.77)
	(iii) Exceptional items	-	-	-	-	-	-
	<b>Profit Before Tax</b>	<b>4,319.49</b>	<b>4,804.42</b>	<b>4,670.76</b>	<b>13,545.63</b>	<b>14,150.47</b>	<b>17,727.69</b>
<b>3</b>	<b>Segment Assets</b>						
	(a) Electronics	22,259.21	22,921.80	20,301.90	22,259.21	20,301.90	30,384.44
	(b) Electricals	36,778.87	35,104.75	33,903.26	36,778.87	33,903.26	38,062.72
	(c) Consumer Durables	27,946.99	27,574.43	25,678.53	27,946.99	25,678.53	26,347.61
	(d) Unallocated	35,704.64	30,840.89	23,311.04	35,704.64	23,311.04	20,669.64
	<b>Total segment assets</b>	<b>122,689.71</b>	<b>116,441.87</b>	<b>103,194.73</b>	<b>122,689.71</b>	<b>103,194.73</b>	<b>115,464.41</b>
<b>4</b>	<b>Segment Liabilities</b>						
	(a) Electronics	6,802.46	6,752.34	6,361.12	6,802.46	6,361.12	10,535.27
	(b) Electricals	13,216.21	11,870.47	8,982.54	13,216.21	8,982.54	8,853.24
	(c) Consumer Durables	11,902.71	10,444.60	9,475.85	11,902.71	9,475.85	12,659.39
	(d) Unallocated	7,021.18	7,402.86	6,744.47	7,021.18	6,744.47	8,255.10
	<b>Total segment liabilities</b>	<b>38,942.56</b>	<b>36,470.27</b>	<b>31,563.98</b>	<b>38,942.56</b>	<b>31,563.98</b>	<b>40,303.00</b>
<b>5</b>	<b>Capital Employed</b>						
	(a) Electronics	15,456.75	16,169.46	13,940.78	15,456.75	13,940.78	19,849.17
	(b) Electricals	23,562.66	23,234.28	24,920.72	23,562.66	24,920.72	29,209.48
	(c) Consumer Durables	16,044.28	17,129.83	16,202.68	16,044.28	16,202.68	13,688.22
	(d) Unallocated	28,683.46	23,438.03	16,566.57	28,683.46	16,566.57	12,414.54
	<b>Total capital employed</b>	<b>83,747.15</b>	<b>79,971.60</b>	<b>71,630.75</b>	<b>83,747.15</b>	<b>71,630.75</b>	<b>75,161.41</b>

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 Kochi  
 CHARTERS & ASSOCIATES LLP  
 INVTANTS

**Notes:**

1. These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and relevant amendment thereafter.
2. The above standalone unaudited financial results for the three months ended December 31, 2018 were reviewed by the Audit Committee at the meeting held on January 31, 2019 and approved by the Board of Directors and taken on record at the meeting held on January 31, 2019.
3. According to the requirements of Ind AS and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, revenue for the nine months ended December 31, 2017 and for the year ended March 31, 2018 are reported inclusive of excise duty. The Government of India has implemented Goods and Service Tax ("GST") from July 01, 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per Ind AS, the revenue from operations for the period commencing July 01, 2017 is reported net of GST. Had the previously reported revenue shown net of excise duty, comparative revenue of the Company would have been as follows:

Particulars	For the nine months ended	For the year ended
	31.12.2017	31.03.2018
Revenue from Operations (Net of Excise duty)	165.312.88	231.173.69

4. Ind AS 115 "Revenue from Contracts with Customers" is mandatory for reporting period beginning on or after April 01, 2018 and has replaced existing Ind AS related there to. Under the modified retrospective approach, there were no significant adjustments required to be made to the retained earnings as at April 01, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results for the quarter and nine months ended December 31, 2018.
5. During the quarter ended December 31, 2018, the Company allotted 326,356 equity shares on exercise of stock options by eligible employees under the Employees Stock Option Scheme, 2013.
6. 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. Electronics includes Stabilizers, Digital UPS, UPS and Solar Inverters; Electricals includes PVC Insulated Cables, LT Cables, Switch Gears, Single Phase Pumps, Three Phase Pumps and Modular Switches; Consumer Durables includes Electric Water Heaters, Solar Water Heaters, Fans, Induction Cooktops, Mixer Grinders, Glasstop Gas Stoves, Rice Cookers and Air Coolers.
7. Figures for the previous periods have been regrouped and / or reclassified wherever necessary to conform with the current period presentation.

Place Kochi  
Date: 31.01.2019

For V-GUARD INDUSTRIES LIMITED



Managing Director



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**Limited Review Report****Review Report to  
The Board of Directors  
V-Guard Industries Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of V-Guard Industries Limited (the 'Company') for the quarter ended December 31, 2018 and year to date from April 01, 2018 to December 31, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**per Aditya Vikram Bhauwala**

Partner

Membership No.: 208382

Kochi

January 31, 2019



## V-Guard's Net Revenue for Q3 FY 2018-19 increases by 12%

**India, January 31, 2019:**

India's leading consumer electrical and electronics company, V-Guard Industries Ltd., announced its results for the quarter ended December 31, 2018.

### **Highlights:**

- Net Revenue from operations for the quarter ended December 31, 2018 stood at Rs.594.27 crores; Growth of 12% compared to Rs.529.68 crores in the same period of previous year.
- Profit After Tax for the quarter under review was Rs.33.70 crores; Lower by 5% compared to Rs.35.44 crores in the same period of previous year.
- Growth driven by Stabilizer, Digital UPS, Water Heater and Fan.

### **Business Outlook:**

Commenting on the company's performance, **Mr. Mithun K Chittilappilly, Managing Director, V-Guard Industries Ltd** said *"Volatility in commodity prices and currency exchange rate impacted the margins during the period under review. We are taking various actions to improve the margins in the coming quarter. We continue to make good progress in the non-South markets"*.

