

# V-GUARD INDUSTRIES LIMITED

Registered Office: 42/962, Vennala High School Road,  
Vennala P.O., Kochi - 682 028, Kerala, India

Tel : +91 484 3005000, 2005000

Fax: +91 484 3005100

Email: mail@vguard.in

CIN: L31200KL1996PLC010010



www.vguard.in

January 22, 2018

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

**Sub: - Outcome of Board Meeting and disclosures under SEBI (LODR) Regulations, 2015 – reg.**

Dear Sir / Madam,

This is to inform you that the Board of Directors of the Company at their meeting held on January 22, 2018 have approved and adopted the Unaudited Standalone Financial Results and Limited Review Report for the quarter ended December 31, 2017, which is reviewed by the members of Audit Committee in their meeting held on the same day. Please find enclosed herewith copy of the Unaudited Standalone Financial Results and Limited Review Report for the quarter ended December 31, 2017.

The following other decisions were also taken by the Board in the said meeting.

2,50,768 no. of options has been granted to eligible employees under Employee Stock Option Scheme (ESOS) 2013 and the options carry the right to apply for equivalent number of equity shares of the Company at face value of Re. 1/- each. Options granted would be vested over a period of four years from the date of grant on the basis of time and performance and vested options can be exercised over a period of 6 years from the date of vesting. Options granted are exercisable at Re. 1/-each.

The Board has allotted 9,09,131 nos. of equity shares having face value of Re. 1/- each to the employees who have exercised stock options under ESOS 2013. Out of the total number of 9,09,131 equity shares allotted, 3,82,425, 4,31,744 and 94,962 nos. of equity shares were allotted at a price of Re. 1/-, Rs. 34.64 and Rs. 71.36 each respectively.

The Board has approved raising of funds by way of issue of equity shares or any other instrument or security including non-convertible debentures or fully / partly convertible debentures or by way of a composite issue of non-convertible debentures and warrants (entitling the warrant holders to apply for equity shares or any other eligible securities) through qualified institutional placement or private placement or combination of the above, as may be considered appropriate, subject to such approvals as may be required including the approval of the members in general meeting or through postal ballot. process and further subject to such other statutory / regulatory approvals, as applicable, for an aggregate amount of up to Rs.500 crores (Rupees Five Hundred crores).

The aforesaid meeting commenced at 12.30 p.m. and concluded at 3.00 p.m.

Kindly take the documents on record and disseminate the same on the website of the Exchange.

Thanking You,

For V-Guard Industries Limited

Jayasree K  
Company Secretary  
Encl: As above.



# V-GUARD INDUSTRIES LIMITED

Registered Office: 42/962, Vennala High School Road,  
Vennala P.O., Kochi - 682 028, Kerala, India

Tel : +91 484 3005000, 2005000

Fax: +91 484 3005100

Email: mail@vguard.in

CIN: L31200KL1996PLC010010



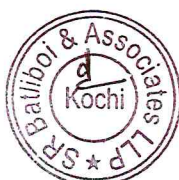
www.vguard.in

## STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 31.12.2017

| Sl. No | Particulars                                                                                                                     | For the three months ended |                  |                  | For the nine months ended |                   |
|--------|---------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------|------------------|---------------------------|-------------------|
|        |                                                                                                                                 | 31.12.2017                 | 30.09.2017       | 31.12.2016       | 31.12.2017                | 31.12.2016        |
|        |                                                                                                                                 | Unaudited                  | Unaudited        | Unaudited        | Unaudited                 | Unaudited         |
| 1      | <b>Income</b>                                                                                                                   |                            |                  |                  |                           |                   |
|        | Revenue from operations                                                                                                         | 52,351.61                  | 55,991.94        | 44,724.16        | 165,250.17                | 149,388.22        |
|        | Other Income                                                                                                                    | 256.61                     | 205.78           | 334.56           | 778.45                    | 1,025.12          |
|        | <b>Total Income</b>                                                                                                             | <b>52,608.22</b>           | <b>56,197.72</b> | <b>45,058.72</b> | <b>166,028.62</b>         | <b>150,413.34</b> |
| 2      | <b>Expenses</b>                                                                                                                 |                            |                  |                  |                           |                   |
|        | Cost of materials consumed                                                                                                      | 14,267.55                  | 15,118.77        | 12,196.87        | 45,418.19                 | 42,460.73         |
|        | Purchases of Stock-in-Trade                                                                                                     | 23,081.87                  | 19,164.70        | 19,563.05        | 69,834.98                 | 66,203.87         |
|        | Changes in inventories of finished goods, Stock-in-Trade and work-in-progress                                                   | (1,981.44)                 | 3,685.87         | (1,215.16)       | (1,333.40)                | (5,103.65)        |
|        | Excise duty on sale of goods (Refer Note 4)                                                                                     | -                          | -                | 609.50           | 953.42                    | 1,868.56          |
|        | Employee benefits expense                                                                                                       | 4,313.66                   | 4,219.30         | 3,628.38         | 12,815.28                 | 10,152.80         |
|        | Depreciation and amortization expense                                                                                           | 478.39                     | 470.43           | 420.20           | 1,399.60                  | 1,203.36          |
|        | Finance costs                                                                                                                   | 47.47                      | 43.29            | 50.30            | 135.16                    | 162.49            |
|        | Other expenses                                                                                                                  | 7,729.96                   | 7,101.11         | 6,332.10         | 22,654.92                 | 18,625.69         |
|        | <b>Total Expenses</b>                                                                                                           | <b>47,937.46</b>           | <b>49,803.47</b> | <b>41,585.24</b> | <b>151,878.15</b>         | <b>135,573.85</b> |
| 3      | <b>Profit/(loss) before exceptional items and tax (1-2)</b>                                                                     | <b>4,670.76</b>            | <b>6,394.25</b>  | <b>3,473.48</b>  | <b>14,150.47</b>          | <b>14,839.49</b>  |
| 4      | Exceptional items                                                                                                               | -                          | -                | -                | -                         | -                 |
| 5      | <b>Profit/(loss) before tax (3-4)</b>                                                                                           | <b>4,670.76</b>            | <b>6,394.25</b>  | <b>3,473.48</b>  | <b>14,150.47</b>          | <b>14,839.49</b>  |
| 6      | <b>Tax expense:</b>                                                                                                             |                            |                  |                  |                           |                   |
|        | Current tax                                                                                                                     | 1,275.14                   | 1,756.96         | 1,029.63         | 3,773.50                  | 4,454.82          |
|        | Deferred tax                                                                                                                    | (180.60)                   | (12.39)          | (85.79)          | (173.83)                  | (165.39)          |
|        |                                                                                                                                 | 1,094.54                   | 1,744.57         | 943.84           | 3,599.67                  | 4,289.43          |
| 7      | <b>Profit/(loss) for the period (5-6)</b>                                                                                       | <b>3,576.22</b>            | <b>4,649.68</b>  | <b>2,529.64</b>  | <b>10,550.80</b>          | <b>10,550.06</b>  |
| 8      | <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)                    | (30.77)          | (48.56)          | (95.55)                   | (139.64)          |
|        | <b>Other Comprehensive Income/(Loss) for the period net of tax</b>                                                              | <b>(32.00)</b>             | <b>(30.77)</b>   | <b>(48.56)</b>   | <b>(95.55)</b>            | <b>(139.64)</b>   |
| 9      | <b>Total Comprehensive Income for the period (Comprising Profit/(loss) and Other Comprehensive Income for the period (7+8))</b> | <b>3,544.22</b>            | <b>4,618.91</b>  | <b>2,481.08</b>  | <b>10,455.25</b>          | <b>10,410.42</b>  |
| 10     | <b>Paid up equity share capital (Face value of ₹ 1/- each)</b>                                                                  | <b>4,246.54</b>            | <b>4,246.54</b>  | <b>3,021.94</b>  | <b>4,246.54</b>           | <b>3,021.94</b>   |
| 11     | <b>Earnings per equity share (EPS) (Refer Note 6) (nominal value of ₹ 1/-each) (not annualised)</b>                             |                            |                  |                  |                           |                   |
|        | (a) Basic                                                                                                                       | 0.84                       | 1.09             | 0.60             | 2.48                      | 2.50              |
|        | (b) Diluted                                                                                                                     | 0.82                       | 1.07             | 0.59             | 2.43                      | 2.47              |

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

| Sl. No | Particulars                                                | For the three months ended |                  |                  | For the nine months ended |                   |
|--------|------------------------------------------------------------|----------------------------|------------------|------------------|---------------------------|-------------------|
|        |                                                            | 31.12.2017                 | 30.09.2017       | 31.12.2016       | 31.12.2017                | 31.12.2016        |
|        |                                                            | Unaudited                  | Unaudited        | Unaudited        | Unaudited                 | Unaudited         |
| 1      | <b>Segment Revenue</b>                                     |                            |                  |                  |                           |                   |
|        | (a) Electronics                                            | 12,933.96                  | 16,455.78        | 11,780.16        | 52,065.58                 | 47,198.32         |
|        | (b) Electricals                                            | 24,536.90                  | 23,341.28        | 20,326.56        | 71,535.12                 | 64,510.37         |
|        | (c) Consumer Durables                                      | 14,880.75                  | 16,194.88        | 12,617.44        | 41,649.47                 | 37,679.53         |
|        | <b>Total</b>                                               | <b>52,351.61</b>           | <b>55,991.94</b> | <b>44,724.16</b> | <b>165,250.17</b>         | <b>149,388.22</b> |
|        | Less : Inter Segment Revenue                               | -                          | -                | -                | -                         | -                 |
|        | <b>Income from operations</b>                              | <b>52,351.61</b>           | <b>55,991.94</b> | <b>44,724.16</b> | <b>165,250.17</b>         | <b>149,388.22</b> |
| 2      | <b>Segment Results</b>                                     |                            |                  |                  |                           |                   |
|        | (a) Electronics                                            | 1,434.06                   | 2,694.97         | 1,092.56         | 6,528.62                  | 6,498.38          |
|        | (b) Electricals                                            | 2,597.12                   | 1,948.90         | 1,517.50         | 5,213.53                  | 5,091.45          |
|        | (c) Consumer Durables                                      | 645.83                     | 1,796.00         | 837.85           | 2,380.50                  | 3,082.86          |
|        | <b>Total</b>                                               | <b>4,677.01</b>            | <b>6,439.87</b>  | <b>3,447.91</b>  | <b>14,122.65</b>          | <b>14,672.69</b>  |
|        | (Add)/Less: (i) Interest                                   | 47.47                      | 43.29            | 50.30            | 135.16                    | 162.49            |
|        | (ii) Other un-allocable expense net of un-allocable income | (41.22)                    | 2.33             | (75.87)          | (162.98)                  | (329.29)          |
|        | (iii) Exceptional items                                    | -                          | -                | -                | -                         | -                 |
|        | <b>Profit Before Tax</b>                                   | <b>4,670.76</b>            | <b>6,394.25</b>  | <b>3,473.48</b>  | <b>14,150.47</b>          | <b>14,839.49</b>  |
| 3      | <b>Segment Assets</b>                                      |                            |                  |                  |                           |                   |
|        | (a) Electronics                                            | 20,301.90                  | 18,104.83        | 14,499.61        | 20,301.90                 | 14,499.61         |
|        | (b) Electricals                                            | 33,903.26                  | 31,659.24        | 26,687.17        | 33,903.26                 | 26,687.17         |
|        | (c) Consumer Durables                                      | 25,678.53                  | 25,410.17        | 19,898.71        | 25,678.53                 | 19,898.71         |
|        | (d) Unallocated                                            | 23,311.04                  | 21,510.26        | 23,595.85        | 23,311.04                 | 23,595.85         |
|        | <b>Total segment assets</b>                                | <b>103,194.73</b>          | <b>96,684.50</b> | <b>84,681.34</b> | <b>103,194.73</b>         | <b>84,681.34</b>  |
| 4      | <b>Segment Liabilities</b>                                 |                            |                  |                  |                           |                   |
|        | (a) Electronics                                            | 6,361.12                   | 4,815.95         | 5,358.07         | 6,361.12                  | 5,358.07          |
|        | (b) Electricals                                            | 8,982.54                   | 9,137.42         | 7,191.32         | 8,982.54                  | 7,191.32          |
|        | (c) Consumer Durables                                      | 9,475.85                   | 8,582.90         | 8,187.91         | 9,475.85                  | 8,187.91          |
|        | (d) Unallocated                                            | 6,744.47                   | 6,452.33         | 5,309.65         | 6,744.47                  | 5,309.65          |
|        | <b>Total segment liabilities</b>                           | <b>31,563.98</b>           | <b>28,988.60</b> | <b>26,046.95</b> | <b>31,563.98</b>          | <b>26,046.95</b>  |
| 5      | <b>Capital Employed</b>                                    |                            |                  |                  |                           |                   |
|        | (a) Electronics                                            | 13,940.78                  | 13,288.88        | 9,141.54         | 13,940.78                 | 9,141.54          |
|        | (b) Electricals                                            | 24,920.72                  | 22,521.82        | 19,495.85        | 24,920.72                 | 19,495.85         |
|        | (c) Consumer Durables                                      | 16,202.68                  | 16,827.27        | 11,710.80        | 16,202.68                 | 11,710.80         |
|        | (d) Unallocated                                            | 16,566.57                  | 15,057.93        | 18,286.20        | 16,566.57                 | 18,286.20         |
|        | <b>Total capital employed</b>                              | <b>71,630.75</b>           | <b>67,695.90</b> | <b>58,634.39</b> | <b>71,630.75</b>          | <b>58,634.39</b>  |



*M. H.*



# V-GUARD INDUSTRIES LIMITED

Registered Office: 42/962, Vennala High School Road,  
Vennala P.O., Kochi - 682 028, Kerala, India

Tel : +91 484 3005000, 2005000

Fax: +91 484 3005100

Email: mail@vguard.in

CIN: L31200KL1996PLC010010



## Notes:

- The above unaudited financial results for the three months ended December 31, 2017 were reviewed by the Audit Committee at the meeting held on January 22, 2018 and approved by the Board of Directors and taken on record at the meeting held on January 22, 2018.
- The Company adopted Indian Accounting Standards ("Ind AS") effective April 1, 2017 (transition date being April 1, 2016) and accordingly, the financial results for the quarter and nine months ended December 31, 2017 have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The Company has opted to avail the relaxation provided by SEBI in respect of disclosure requirements for corresponding figures of earlier periods. The Ind AS financial results and financial information for the three months ended December 31, 2016 and nine months ended December 31, 2016 have been presented after incorporating the applicable Ind AS adjustments.
- Reconciliation of net profit under the previously applicable Generally Accepted Accounting Principles (referred to as 'Previous GAAP') and total comprehensive income as reported in these financial results under Ind AS for the three months ended December 31, 2016 and nine months ended December 31, 2016 is as below:

| Particulars                                                                                   | For the three months ended 31.12.2016 (Unaudited) | For the nine months ended 31.12.2016 (Unaudited) |
|-----------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------|
| Profit after tax as per Previous GAAP                                                         | 2,795.96                                          | 10,994.22                                        |
| Impact of Fair Valuation of Share based payments                                              | (314.88)                                          | (583.80)                                         |
| Actuarial Loss on Defined Benefit plan reclassified to Other Comprehensive Income, net of tax | 48.56                                             | 139.64                                           |
| Net profit for the period under Ind AS                                                        | 2,529.64                                          | 10,550.06                                        |
| Other Comprehensive Income (net of tax expense)                                               | (48.56)                                           | (139.64)                                         |
| Total Comprehensive Income under Ind AS as reported                                           | 2,481.08                                          | 10,410.42                                        |

- According to requirements of Ind AS and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, revenue for the three months and nine months ended December 31, 2016 and for the three months ended June 30, 2017 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 18, the revenue 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 three months ended 31.12.2016 | For the nine months ended |            |
|---------------------------------------------------------|---------------------------------------|---------------------------|------------|
|                                                         |                                       | 31.12.2017                | 31.12.2016 |
| Net sales/ Revenue from Operations (Net of Excise duty) | 44,114.66                             | 164,296.75                | 147,519.66 |

- 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 and Three Phase Pumps; Consumer Durables includes Electric Water Heaters, Solar Water Heaters, Fans, Induction Cooktops, Mixer Grinders and Glasstop Gas Stoves.
- At the meeting held on March 17, 2017, the Board of Directors pursuant to approval of the shareholders at the Extraordinary General Meeting held on March 06, 2017, had allotted 12,13,29,846 fully paid up bonus shares having face value of ₹ 1 each in the ratio 2:5 to the shareholders of the Company by capitalising free reserves of the Company. Consequently, in accordance with Ind AS 33 - "Earnings per Share", the basic and diluted earnings per share of the previous periods have been retroactively adjusted for comparative purposes.
- Figures for the previous periods have been regrouped and / or reclassified wherever necessary to conform with the current period presentation.

Place: Kochi  
Date: 22.01.2018

For V-GUARD INDUSTRIES LIMITED

Managing Director



**Limited Review Report**

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

We have reviewed the accompanying statement of unaudited standalone financial results of V-Guard Industries Limited (the 'Company') for the quarter ended December 31, 2017 and year to date from April 01, 2017 to December 31, 2017 (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, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

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 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 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.

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.

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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, 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 22, 2018

**V-GUARD**

## V-Guard's Profit After Tax for the third quarter increases by 43%

**January 22, 2018:**

India's leading consumer electrical and electronics company, V-Guard Industries Ltd., announced its results for the quarter ended December 31, 2017.

### **Highlights:**

- Net Revenue from operations for the Quarter ended December 31, 2017 was Rs. 523.5 crores; an increase of 17% over corresponding period of previous year (Rs.447.2 crores)
- Profit After Tax for the Quarter ended December 31, 2017 was Rs.35.4 crores; an increase of 43% over corresponding period of previous year (Rs.24.8 crores)
- Net Revenue from operations for the nine months period ended December 31, 2017 was Rs. 1,652.50 crores; an increase of 10.6% over corresponding period of previous year (Rs.1,493.9 crores)
- Profit After Tax for the nine months period ended December 31, 2017 was Rs.104.6 crores; which was at the same level as that of the corresponding period of previous year.

### **Business Outlook:**

Commenting on the company's performance, **Mr. Mithun. K. Chittilappilly, Managing Director, V-Guard Industries Ltd** said *"We have been able to perform well in almost all product verticals. Outlook remains positive for the coming quarter, considering the season for many of the product verticals."*

### **Key developments**

- Launch of Rice Cookers during the quarter in the kitchen appliance category in the markets of Andhra Pradesh & Telangana.
- New addition to the 'Electrical Segment' by launch of Modular Switches.
- Company is in the midst of a brand rejuvenation exercise which includes rolling out a refreshingly new brand identity.

