

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



30th January, 2017

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

Dear Sir /Madam,

Sub: Outcome of Board Meeting held on 30th January, 2017 & intimations under SEBI (LODR) Regulations, 2015

This is to inform you that the Board of Directors at their meeting held on 30th January, 2017 have approved and adopted the Unaudited Financial Statements of the Company for the quarter ended 31st December, 2016. Please find enclosed herewith a copy of the Unaudited Financial Results for the quarter ended 31st December, 2016.

The Board of Directors also considered the commencement of commercial production of Stabilizers and Electric Water Heaters in March, 2017 at the new manufacturing facilities set up at Sikkim. With the commencement of commercial production, the production capacity of the products would get increased. Total investment outlay for Stabilizer and Electric water Heater Factories are Rs.12.50 crores and Rs.25.00 crores respectively.

The Board considered and approved the Increase in the Authorized Share Capital of the Company from Rs.40,00,00,000/- (Rupees Forty Crores only) divided into 40,00,00,000 (Forty crores only) equity shares of Re.1/- each to Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided into 50,00,00,000 (Fifty crores only) equity shares of Re.1/- each, which shall rank pari-passu in all respect with the existing shares of the Company and consequently amending the existing Clause V of the Memorandum of Association of the Company.

The Board recommended the Issue of Bonus shares by way of Capitalization of Reserves in the ratio of 2:5 (two shares for every five shares held) to the members, (whether in physical or in demat form) subject to the approval of the members and the Stock Exchanges where the shares of the Company are listed.

The Bonus Shares will be issued out of Free Reserves. Reserves and Surplus of the Company amounted to Rs. 440.69 crores as at 31.03.2016, of which Rs. 12.09 crores is required for implementing the issue of Bonus shares to the members.





The pre bonus Issue Share capital of the Company is Rs. 30.25 crores whereas the post Bonus share Capital will be Rs.42.34 crores.

The above mentioned figures of the Reserves and Surplus of Rs. 440.69 crores is based on audited financial statements for the year ended 31st March, 2016. The estimated period of the final issue for Bonus Shares would be not later than 30.03.2017, if approved by requisite majority of the members of the Company and the stock exchanges.

The Board has allotted 2,58,970 equity shares having face value of Re. 1/- each to the employees who have exercised the stock options under Employees Stock Option Scheme, ESOS 2013. Among the 2,58,970 equity shares, 1,89,320, 47,825 and 21,825 equity shares were allotted at Re. 1/-, Rs. 48.50 and Rs. 99.90 each respectively.

The Nomination and Remuneration Committee of the Company in their meeting held on 30th January, 2017 has approved the grant of 58,900 Stock Options to eligible employees of the Company, in terms of Employee Stock Option Scheme 2013 ("ESOS – 2013"). The said options carry the right to apply for equivalent number of equity shares of the Company of face value of Re.1/- each, the brief terms of which are as under:

1. Vesting: The options shall vest over a period of 4 years on the basis of time and performance.
2. Exercise period: 6 years from the date of vesting of options.
3. Exercise price: Re. 1/- per share for 58,900 number of stock options.

The aforesaid meeting commenced at 12.45 p.m. and concluded at 4.30 p.m.

Kindly take the documents and information on record.

Thanking You,

Yours sincerely,

For V-Guard Industries Limited

Jayasree K
Company Secretary



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

1. We have reviewed the accompanying statement of unaudited financial results of V-Guard Industries Limited ('the Company') for the quarter and nine months ended December 31, 2016 (the "Statement"). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable accounting standards 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W/E300004
Chartered Accountants



per Aditya Vikram Bhauwala
Partner
Membership No.: 208382



Place: Kochi
Date: January 30, 2017

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 FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31.12.2016

(₹ in Lakhs)

PART I Sl. No	Particulars	For the three months ended			For the nine months ended		For the Year ended 31.03.2016
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
1	Income from operations						
	(a) Net sales/income from operations (Net of excise duty)	45,713.38	49,320.33	41,415.34	152,023.56	133,970.48	184,977.53
	(b) Other operating income	244.91	189.57	212.73	712.70	927.11	1,250.53
	Total income from operations (net)	45,958.29	49,509.90	41,628.07	152,736.26	134,897.59	186,228.06
2	Expenses						
	(a) Cost of materials consumed	12,196.88	15,990.06	12,219.20	42,460.74	38,871.22	50,289.92
	(b) Purchases of stock-in-trade	19,545.09	21,610.47	17,161.00	66,185.92	53,527.29	74,638.24
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,224.45)	(4,282.53)	(620.01)	(5,239.02)	3,265.14	6,304.84
	(d) Employee benefits expense	3,378.72	3,268.51	2,869.26	9,764.58	8,259.33	11,082.97
	(e) Selling and Distribution expense	4,001.77	3,459.65	3,009.98	11,819.13	9,167.82	12,296.40
	(f) Depreciation and amortisation expense	420.20	395.49	383.04	1,203.36	1,153.13	1,535.70
	(g) Other expenses	4,201.17	4,134.85	3,526.83	12,176.47	10,350.50	13,814.97
	Total Expenses	42,519.38	44,576.50	38,549.30	138,371.18	124,594.43	169,963.04
3	Profit / (Loss) from operations before other Income, finance cost and Exceptional Items (1-2)	3,438.91	4,933.40	3,078.77	14,365.08	10,303.16	16,265.02
4	Other Income	334.55	377.43	182.07	1,025.12	513.78	723.21
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	3,773.46	5,310.83	3,260.84	15,390.20	10,816.94	16,988.23
6	Finance costs	(50.30)	(53.55)	(147.52)	(162.49)	(769.10)	(892.29)
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)	3,723.16	5,257.28	3,113.32	15,227.71	10,047.84	16,095.94
8	Exceptional items	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	3,723.16	5,257.28	3,113.32	15,227.71	10,047.84	16,095.94
10	Tax expense	(927.20)	(1,337.38)	(965.00)	(4,233.49)	(3,077.15)	(4,927.83)
11	Net Profit / (Loss) for the period / year (9+10)	2,795.96	3,919.90	2,148.32	10,994.22	6,970.69	11,168.11
12	Paid-up equity share capital (Face value of ₹ 1/- each) [Also refer note 2 below]	3,021.94	3,018.05	3,001.80	3,021.94	3,001.80	3,008.52
13	Reserve excluding Revaluation Reserves as per balance sheet						44,068.53
14	Earnings per share (EPS) (of ₹ 1/- each) (not annualised) [Also refer note 2 below]						
	(a) Basic	0.93	1.30	0.72	3.65	2.32	3.72
	(b) Diluted	0.91	1.28	0.71	3.60	2.30	3.69
	See accompanying notes to the financial results						



Mithu



-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

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(₹ in Lakhs)

Sl. No	Particulars	For the three months ended			For the nine months ended		For the Year ended
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Net Segment Revenue						
	(a) Electronics	11,875.97	13,657.79	10,989.72	47,578.36	40,673.35	56,274.97
	(b) Electrical / Electro-mechanical	32,034.80	34,318.48	28,997.80	100,272.83	89,994.88	123,878.55
	(c) Others	2,047.52	1,533.63	1,640.55	4,885.07	4,229.36	6,074.54
	Total	45,958.29	49,509.90	41,628.07	152,736.26	134,897.59	186,228.06
	Less : Inter Segment Revenue	-	-	-	-	-	-
	Income from operations	45,958.29	49,509.90	41,628.07	152,736.26	134,897.59	186,228.06
2	Segment Results						
	(Profit before tax & interest from each segment)						
	(a) Electronics	1,154.26	2,150.33	1,536.89	6,522.34	5,357.84	7,663.04
	(b) Electrical / Electro-mechanical	2,281.55	2,810.33	1,621.40	7,927.96	5,100.85	8,597.37
	(c) Others	281.40	204.12	119.81	659.32	552.52	930.96
	Total	3,717.21	5,164.78	3,278.10	15,109.62	11,011.21	17,191.37
	(Add) / Less : (i) Interest	50.30	53.55	147.52	162.49	769.10	892.29
	(ii) Other un-allocable expense net of un-allocable income	(56.25)	(146.05)	17.26	(280.58)	194.27	203.14
	(iii) Exceptional items	-	-	-	-	-	-
	Profit Before Tax	3,723.16	5,257.28	3,113.32	15,227.71	10,047.84	16,095.94
3	Segment Assets						
	(a) Electronics	14,544.99	14,780.73	13,235.27	14,544.99	13,235.27	16,744.15
	(b) Electrical / Electro-mechanical	43,045.99	45,878.37	39,322.92	43,045.99	39,322.92	38,725.73
	(c) Others	4,048.92	3,575.39	3,599.89	4,048.92	3,599.89	2,978.48
	(d) Unallocated	23,520.81	18,736.54	12,901.98	23,520.81	12,901.98	13,202.58
	Total segment assets	85,160.71	82,971.03	69,060.06	85,160.71	69,060.06	71,650.94
4	Segment Liabilities						
	(a) Electronics	5,440.95	4,889.69	4,024.74	5,440.95	4,024.74	5,391.47
	(b) Electrical / Electro-mechanical	14,275.44	14,932.65	11,921.98	14,275.44	11,921.98	11,540.70
	(c) Others	1,156.25	877.41	696.55	1,156.25	696.55	756.87
	(d) Unallocated	5,379.61	6,495.87	7,289.93	5,379.61	7,289.93	6,884.85
	Total segment liabilities	26,252.25	27,195.62	23,933.20	26,252.25	23,933.20	24,573.89
5	Capital Employed						
	(a) Electronics	9,104.04	9,891.04	9,210.53	9,104.04	9,210.53	11,352.68
	(b) Electrical / Electro-mechanical	28,770.55	30,945.22	27,400.94	28,770.55	27,400.94	27,185.03
	(c) Others	2,892.67	2,697.98	2,903.34	2,892.67	2,903.34	2,221.61
	(d) Unallocated	18,141.20	12,240.67	5,612.05	18,141.20	5,612.05	6,317.73
	Total capital employed	58,908.46	55,775.41	45,126.86	58,908.46	45,126.86	47,077.05

Notes :-

- The above unaudited financial results for the quarter and nine months ended December 31, 2016 were reviewed by the Audit Committee at the meeting held on January 30, 2017 and approved by the Board of Directors and taken on record at the meeting held on January 30, 2017.
- Vide resolution passed by the shareholders of the Company at the Annual General Meeting held on July 26, 2016, the equity shares of the Company with face value of ₹ 10 per share were sub-divided into 10 equity shares of ₹ 1 each. Consequently, in accordance with Accounting Standard (AS) 20 - "Earnings Per Share", the basic and diluted earnings per share of the previous periods have been retroactively adjusted for comparative purposes.
- During the quarter ended December 31, 2016, the Company allotted 388,689 equity shares of face value of ₹ 1 each on exercise of stock options by eligible employees under the Employees Stock Option Scheme, 2013.
- At the meeting held on January 30, 2017, the Board of Directors recommended a bonus issue by way of capitalisation of reserves in the ratio of 2:5 (Two shares for every Five shares held) to the members subject to approval of the members and the stock exchanges where the shares of the Company are listed.
- Figures for the previous periods have been regrouped and / or reclassified wherever necessary to conform with the current period presentation.

Place: Kochi
Date: 30.01.2017



For V-GUARD INDUSTRIES LIMITED
M. H.
Managing Director





V-Guard Industries Ltd. maintains growth momentum; PAT up by 30% in Third Quarter of Financial Year 2016-17

India, 30th Jan, 2017:

India's leading consumer electrical and electronics company, V-Guard Industries Ltd., announced its results for the third quarter that ended on December 31, 2016 of FY 16-17.

Highlights:

- **Net Revenue from operations** for the **Third Quarter**, ending December 31, 2016-17 fiscal, was Rs.459.58 crores; **an increase of 10.40%** over corresponding period of last financial year (Rs.416.28 crores)
- **Profit After Tax** for the Quarter, ending December 31, 2016-17 fiscal, was **Rs. 27.96 crores**; showing an increase of 30% over corresponding period of last financial year (**Rs. 21.48 crores**)
- Pumps has driven growth for the quarter under review along with Fans and Solar Water Heaters.
- The Board commemorating the 40th foundation day of the Company, recommended bonus issue of 2 equity shares of Re. 1/- each for every 5 shares held, subject to the approval of the members of the Company, by capitalizing free reserves of the Company.

Business Outlook:

Commenting on the company's performance, **Mr. Mithun. K. Chittilappilly, Managing Director, V-Guard Industries Ltd** said *"We were able to perform reasonably well in a market condition which was affected by various economic decisions. Demonetization had some impact on some product segment and sales growth of some of the products had come down from earlier quarters. We have proactively introduced various facilities such as arranging finance through NBFC and installing card machines, cash discount facilities to channel partners etc. Sales in Tamil Nadu Region was affected due to the socioeconomic situation prevalent in the State and because of cyclone affecting many parts of Chennai and suburban areas.*

"The business outlook remains positive considering upcoming summer season. We would look at expanding to newer cities, launch newer products that resonate with the younger generation."

Key developments

- A new manufacturing unit at Sikkim is being set up with an investment outlay of Rs. 12.50 crores (excluding land and building) with built up area of 60,000 sq. ft. for increasing the capacity of Stabilizer and the unit is expected to commence commercial production in March, 2017.
- Manufacturing unit for Electric Water Heater at Sikkim with an investment of Rs. 25 crores (excluding land) with built up area of 80,000 sq.ft. is being set up and would commence commercial production in March, 2017.

