

July 24, 2024

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, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra-East, Mumbai- 400 051
Scrip Code: 532953	Symbol: VGUARD

Dear Sir/Madam,

Sub: Submission of Investor Presentation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit Investor Presentation on Un-Audited Financial Results of the Company for the Quarter ended June 30, 2024.

We request you to kindly take the above information on record.

Thanking You,

Yours Sincerely,

For V-Guard Industries Limited

Vikas Kumar Tak
Company Secretary & Compliance Officer
Membership No. FCS 6618



Encl: As above

V-Guard Industries

Q1 FY25 Earnings Presentation



Disclaimer

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

V-Guard Industries Limited (V-Guard) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



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Managing Director's Message



Commenting on the performance for Q1 FY25, Mr. Mithun Chittilappilly, Managing Director – V-Guard Industries Limited said, “We have reported consolidated net revenues of Rs. 1,477 crore in Q1 FY25, higher by 21.6% on a year-on-year basis. The business has delivered strong topline growths in Electronics and Consumer Durables segments led by strong demand for summer products. Wires which is the largest category under the Electricals segment was impacted by trade de-stocking due to the softening of copper prices in June.

Overall, we witnessed a good performance by all our regions, with the contribution from non-South markets to total revenue exceeding 50% during the quarter.

Gross margins continue to improve with benefit of softening commodity prices and various pricing and cost effectiveness initiatives flowing through. We continue to deliver robust cash flows through effective management of working capital.

The year has started well and we are optimistic about delivering a good performance in coming quarters.”

Key Highlights – Q1 FY25



Revenue increased by 21.6% YoY in Q1 FY25

- Q1 FY25 revenue increased by 21.6% YoY to Rs. 1,477.10 crore
- South markets witnessed a YoY growth of 17.3% whereas Non-South markets grew by 29.5% in Q1 FY25
- Non-South markets contributed to 50.9% of total revenues in Q1 FY25 as compared to 48.4% in Q1 FY24

EBITDA performance and PAT

- Gross margin expanded by 380 bps YoY, at 36.3% in Q1 FY25 due to a combination of pricing actions, cost effectiveness initiatives and product mix
- Ad/promotional spends, at 2.8% of revenues in Q1 FY25 as compared to 2.2% in Q1 FY24
- EBITDA at Rs. 155.77 crore in Q1 FY25 grew 48.7% YoY, as compared to Rs. 104.75 crore in Q1 FY24
- EBITDA margins expanded by 190 bps YoY, at 10.5% as compared to 8.6% in Q1 FY24
- Q1 FY25 PAT increased 54.1% YoY to Rs. 98.97 crore

Robust cash flow generation and balance sheet

- CFO generation continued to remain strong for Q1 FY25 at Rs. 370.58 crore compared to Rs. 210.94 crore for Q1 FY24
- ROE and ROCE at 15.2% and 17.7%, respectively over the last 12 months
- Net cash as on 30th June 2024 is Rs. 136.48 crore, as against net debt of Rs. 195.83 crore as on 30th June 2023. Repayment of long-term debt pertaining to the Sunflame acquisition has started from April 2024.

P&L Snapshot (including Sunflame)



P&L Statement	Q1 FY25	Q1 FY24	Change	Q4 FY24	FY24	FY23	Change
Particulars	(Rs. Cr)	(Rs. Cr)	%	(Rs. Cr)	(Rs. Cr)	(Rs. Cr)	%
Net Revenue	1,477.10	1,214.76	21.6%	1,342.77	4,856.67	4,127.19	17.7%
COGS	940.82	819.91	14.7%	882.61	3,224.03	2,884.80	11.8%
Gross Margin	36.3%	32.5%	3.8%	34.3%	33.6%	30.1%	3.5%
EBITDA (excluding other income)	155.77	104.75	48.7%	127.85	426.71	320.12	33.3%
as a % to Net Revenue (NR)	10.5%	8.6%	1.9%	9.5%	8.8%	7.8%	1.0%
Other Income	6.91	11.79	-41.4%	4.89	34.03	16.23	109.7%
EBITDA including other income	162.68	116.54	39.6%	132.74	460.74	336.35	37.0%
as a % to NR	11.0%	9.6%	1.4%	9.9%	9.5%	8.1%	1.4%
PBT	132.36	85.91	54.1%	100.63	340.32	255.74	33.1%
as a % to NR	9.0%	7.1%	1.9%	7.5%	7.0%	6.2%	0.8%
PAT	98.97	64.22	54.1%	76.17	257.58	189.05	36.2%
as a % to NR	6.7%	5.3%	1.4%	5.7%	5.3%	4.6%	0.7%

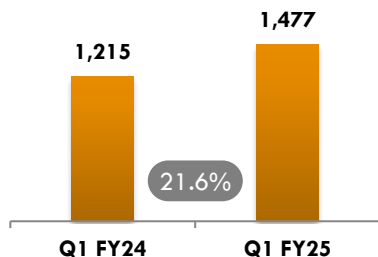
P&L Snapshot (excluding Sunflame)



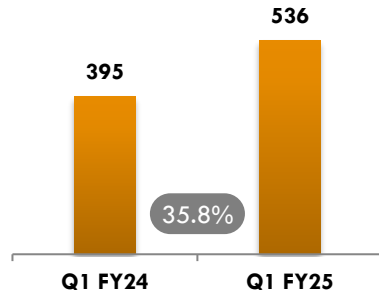
P&L Statement	Q1 FY25	Q1 FY24	Change	Q4 FY24	FY24	FY23	Change
Particulars	(Rs. Cr)	(Rs. Cr)	%	(Rs. Cr)	(Rs. Cr)	(Rs. Cr)	%
Net Revenue	1,418.44	1,151.61	23.2%	1,269.79	4,582.55	4,070.29	12.6%
COGS	905.05	779.08	16.2%	841.92	3,054.09	2,849.73	7.2%
Gross Margin	36.2%	32.3%	3.9%	33.7%	33.4%	30.0%	3.4%
EBITDA (excluding other income)	153.14	97.21	57.5%	119.90	397.83	310.66	28.1%
as a % to Net Revenue (NR)	10.8%	8.4%	2.4%	9.4%	8.7%	7.6%	1.1%
Other Income	6.55	11.34	-42.2%	4.09	31.29	15.77	98.4%
EBITDA including other income	159.69	108.55	47.1%	123.99	429.12	326.43	31.5%
as a % to NR	11.3%	9.4%	1.9%	9.8%	9.4%	8.0%	1.4%
PBT	131.13	80.15	63.6%	93.81	315.94	247.73	27.5%
as a % to NR	9.2%	7.0%	2.2%	7.4%	6.9%	6.1%	0.8%
PAT	98.17	59.91	63.9%	71.25	239.36	183.02	30.8%
as a % to NR	6.9%	5.2%	1.7%	5.6%	5.2%	4.5%	0.7%

Financial Highlights (Q1 FY25 vs. Q1 FY24)

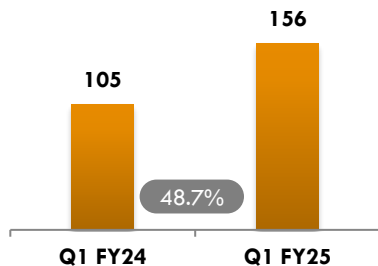
Net Revenue (Rs. crore)



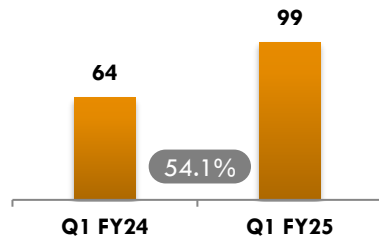
Gross Profit (Rs. crore)



EBITDA (Rs. crore)



PAT (Rs. crore)



Key ratios (%)	Q1 FY25	Q1 FY24
Gross Margin	36.3%	32.5%
EBITDA Margin (excl. other income)	10.5%	8.6%
Profit after Tax %	6.7%	5.3%
Ad & Promotion Exp./ Net Revenue	2.8%	2.2%
Employee Cost/ Net Revenue	8.3%	8.6%
Other Expenditure/ Net Revenue	17.5%	15.3%
Tax rate	25.2%	25.2%
Diluted EPS (Rs.)	2.25	1.47

Financial Highlights – Balance Sheet Perspective



Balance Sheet Snapshot (Rs. Cr)	30 June 2024	31 March 2024	30 June 2023
Net Worth	1,920.49	1,814.22	1,676.78
Gross Debt	217.32	291.03	379.17
Current Investments	272.25	30.17	90.24
Cash & Cash Equivalents (inc. bank balance)	81.55	57.37	93.10
Net Cash Position (Rs. crore)	136.48	-203.49	-195.83
Fixed Assets	1,125.70	1,116.81	1,025.17

Balance Sheet Snapshot	30 June 2024	31 March 2024	30 June 2023
Debtor (days)*	35	44	43
Inventory (days)*	90	92	87
Creditor (days)*	76	62	60
Working Capital Turnover (days)*	49	74	70
RoE* (%)	15.2%	14.2%	11.9%
RoCE* (%)	17.7%	15.7%	12.6%

Note: *Calculations are on a **trailing twelve month basis**

Based on Consolidated Financials

Segment-wise Breakup – Q1 FY25 vs. Q1 FY24



Segment Revenue	Q1 FY25 (Rs. Cr)	Contribution (%)	Q1 FY24 (Rs. Cr)	Contribution (%)	YoY growth (%)
Electronics	513.12	34.7%	363.73	29.9%	41.1%
Electricals	487.70	33.0%	456.72	37.6%	6.8%
Consumer Durables	417.62	28.3%	331.16	27.3%	26.1%
Sunflame	58.66	4.0%	63.15	5.2%	-7.1%
Grand Total	1,477.10	100.0%	1,214.76	100.0%	21.6%

Segment Result	Q1 FY25 (Rs. Cr)	Margin (%)	Q1 FY24 (Rs. Cr)	Margin (%)	YoY growth (%)
Electronics	103.51	20.2%	67.08	18.4%	54.3%
Electricals	49.17	10.1%	39.40	8.6%	24.8%
Consumer Durables	21.73	5.2%	8.35	2.5%	160.2%
Sunflame	2.73	4.7%	6.47	10.2%	-57.8%
Grand Total	177.14	12.0%	121.30	10.0%	46.0%

Based on changes in internal reporting of segment results, certain costs pertaining to corporate functions which were previously allocated to various segments are now presented under unallocable expense. Accordingly, segment information including comparatives for previous periods have been restated.

Electronics – Stabilizers, UPS, Inverters

Electricals – Wires, Pumps, Switchgears, Modular Switches

Consumer Durables – Fans, Water Heaters, Kitchen Appliances, Air Coolers

Sunflame – Products sold under trademark Sunflame and Superflame

Geographical Breakup of Revenues



Region	Q1 FY25 (Rs. Cr)	Contribution (%)	Q1 FY24 (Rs. Cr)	Contribution (%)	YoY growth (%)
South	696.18	49.1%	593.72	51.6%	17.3%
Non-South	722.26	50.9%	557.89	48.4%	29.5%
Total (excl. Sunflame)	1,418.44	100.0%	1,151.61	100.0%	23.2%
Sunflame	58.66		63.15		-7.1%
Total Revenue	1,477.10		1,214.76		21.6%



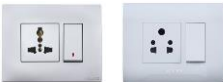



Annexure

Market Overview of V-Guard's Product Portfolio








Electronics	Product	Total Market Size (Rs. Crs.)	Indicative Org. Market Size (%)	Industry Growth Rate (%)	VG Share in Org. Market (%)	Other Key Players
	Stabilizers	1,600-2,000	65-70%	4-6%	40-45%	Microtek, Everest, Premier
	DUPS & Battery	13,000-16,000	65-70%	13-15%	5-7%	Exide, Luminous, Microtek

Electricals	Product	Total Market Size (Rs. Crs.)	Indicative Org. Market Size (%)	Industry Growth Rate (%)	VG Share in Org. Market (%)	Other Key Players
	House Wiring Cables	21,000-25,000	65-70%	9-10%	8-9%	Polycab, Finolex, Havells
	Switchgears*	4,000-4,500	75-80%	8-10%	~ 5%	Legrand, Havells, Anchor
	Modular Switches	7,000-9,000	75-80%	12-14%	**	Anchor, Legrand, Havells
	Pumps*	5,000-6,000	65-70%	7-9%	9-12%	Crompton, Kirloskar, Texmo

*Market estimates of VG active product segments only | ** Recent entry/ Growth plan under activation

Market Overview of V-Guard's Product Portfolio

Appliances	Product	Total Market Size (Rs. Crs.)	Indicative Org. Market Size (%)	Industry Growth Rate (%)	VG Share in Org. Market (%)	Other Key Players
	Water Heaters	3,000-4,000	80-85%	8-10%	14-16%	Bajaj, Havells, Crompton, Racold
	Electric Fans	12,000-14,000	80-85%	8-10%	5-7%	Crompton, Havells, Orient, Usha, Bajaj
	Solar Water Heaters	800-900	60-65%	5-7%	15-17%	Sudarshan Saur, Supreme Solar, Racold
	Air Coolers	6,500-8,000	35-40%	11-12%	**	Symphony, Bajaj, Voltas
	Kitchen Appliances <ul style="list-style-type: none"> Mixer Grinders Gas Stoves Water Purifiers Other Kitchen Appliances# 	3,500-5,000 2,500-3,000 6,000-6,500 2,200-2,500	70-75% 60-65% 60-65% 75-80%	9-10% 11-13% 15-18% 10-15%	** 5-7% ** **	Mixer Grinders - Bajaj, Preethi, Butterfly Gas Stoves - Prestige, Butterfly Water Purifiers - Eureka Forbes, Kent RO, HUL Pureit Others - Faber, Bajaj, Havells

Includes Induction Cooktop, Rice Cooker, Sandwich Makers, Toasters, Grills, Kettles, Chimneys, etc.

** Recent entry/ Growth plan under activation

About V-Guard Industries

V-Guard Industries Limited (BSE:532953, NSE: VGUARD) is a Kochi based company, founded in 1977 by Kochouseph Chittilapilly to manufacture and market Voltage stabilizers. The Company has since then established a strong brand name and aggressively diversified to become a multi-product Company catering to the Light Electricals sector manufacturing Voltage stabilizers, Digital UPS systems & Batteries, Pumps, House wiring cables, Switch gears, Modular switches, Electric water heaters, Fans, Solar water heaters, Air coolers and various Kitchen appliances.

V-Guard outsources ~ 35% of its product profile while the rest are manufactured in – house while keeping a strong control in designs and quality. It has manufacturing facilities at Coimbatore (Tamil Nadu), Kashipur, Pantnagar & Haridwar (Uttarakhand), Kala Amb (Himachal Pradesh), Hyderabad (Telangana), Faridabad (Haryana), Sikkim and Vapi (Gujarat).

V-Guard has been a dominant player in the South market, though the last ten years have also seen the Company expanding rapidly in the non-South geographies with their contribution increasing from 5% of total revenues in FY08 to around 45% of total revenues in FY24. Significant investments continue to be made to expand its outlet coverage in the non-South geographies and become a dominant pan-India player.

V-Guard has a diversified client base and an extensive marketing & distribution network. Its client base differs from product to product and includes direct marketing agents, distributors and retailers. The Company today has a strong network of 32 branches which cover ~60,000+ channel partners across the country.



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THANK YOU