

May 19, 2022

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
Ref: Scrip Code: 532953	Ref: Scrip Code: VGUARD

Dear Sir & Madam,

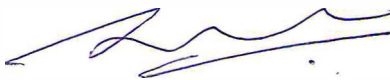
Sub : Submission of Investor presentation pursuant to Regulation 30 of SEBI (listing Obligations and Disclosure Requirements) Regulation 2015.

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we hereby submit the earnings presentation on Audited Financial Results of the Company for the quarter and year ended March 31, 2022.

Kindly take the above information on record.

Thanking you.

For V-Guard Industries Limited



Jayasree K
Company Secretary



V-Guard Industries

Q4 FY22 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.



Table of Contents

MD's Message	04
Key Highlights	05
Financial Highlights	6-9
Segment-wise/Geographical Breakup of Revenues	10-12
Annexure	13-15

Managing Director's Message



Commenting on the performance for Q4 FY22, Mr. Mithun Chittilappilly, Managing Director – V-Guard Industries Limited said, “We are pleased to report a strong performance in the fourth quarter with quarterly revenues surpassing the milestone of Rs. 1,000 crore for the first time. Despite some challenges related to the third wave in the first few weeks of the quarter, we were able to effectively carry forward the momentum from the prior quarter and end the fiscal year on a strong note. We have set new benchmarks as revenues in both Q4 and Fiscal Year FY22 are the highest ever in our history. Electricals and Consumer Durables segments achieved strong growth, while Electronics showed a moderate growth. Across geographies we have witnessed balanced growth as both South and Non-South Markets have contributed well.

Margin pressure continues in select categories due to commodity price inflation. In a competitive market, we have taken large price hikes across the portfolio over the last few quarters and will be taking further price actions wherever gaps still exist. In addition, we have instituted cost optimisation measures across our operations to support and restore margins.

During the year we had taken a conscious call to increase our inventory norms. With the risk of supply chain disruptions diminishing, we are now moving towards normative inventory levels. There has been some improvement in our working capital position as compared to the end of previous quarter. We believe we are well placed to meet customer demand over the coming months and this will enable us to get back to normal inventory levels, resulting in stronger cash flows from the business.

In February, 2022 we invested Rs. 15.17 crore in V-Guard Consumer Products (VCPL), our wholly owned subsidiary which has commissioned its first factory. The investments in VCPL will enable us to be more self-reliant in our operations as well as help us to gain long-term cost efficiencies.

As we enter a new fiscal year, V-Guard is well-positioned to benefit from the resilient customer demand given a wider product portfolio, expanded national presence and investments in capacity augmentation.”

Key Highlights – Q4 FY22



Revenue increased by 23.7% YoY in Q4 FY22

- Q4 FY22 revenue increased by 23.7% YoY to Rs. 1,050.3 crore, with 14% price growth and 9% volume growth
- South and Non-South markets witnessed YoY growth of 25.4% and 21.5%, respectively
- Non-South markets contributed to 42.9% of total revenues in Q4 FY22 as compared to 43.7% in Q4 FY21
- Full year revenues grew 28.7% from Rs. 2,699 crore to Rs. 3,475 crore

Stable EBITDA and increase in PAT

- Gross margins contracted by 270 bps YoY, at 28.7% in Q4 FY22 as high commodity costs continue to impact margins
- Ad/promotional spends decreased, at 1.2% of revenues in Q4 FY22 as compared to 1.7% in Q4 FY21
- EBITDA at Rs. 110.8 crore in Q4 FY22 was flat compared to Rs. 109.9 crore in Q4 FY21
- EBITDA margins contracted by 230 bps YoY, at 10.6% as compared to 12.9% in Q4 FY21
- Q4 FY22 PAT of Rs. 90.6 crore, increased 32.6% YoY as we switched to the new tax regime.
- Full year PAT grew by 14% from Rs. 199 crore to Rs. 227 crore

Cash flow generation and balance sheet

- CFO generation in FY22 was negative at Rs. 34.3 crore as higher inventory was maintained to overcome possible supply disruptions
- ROE and ROCE at 16.2% and 20.3% respectively for the year ended 31st March 2022
- Net cash of Rs. 43.9 crore on balance sheet as on 31st March 2022, as against Rs. 271.1 crore as on 31st March 2021 on account of higher working capital and investments in subsidiary

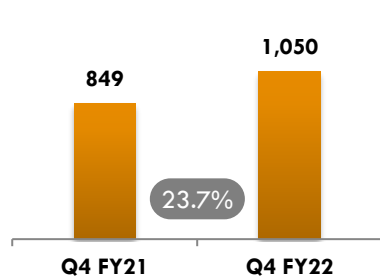
P&L Snapshot



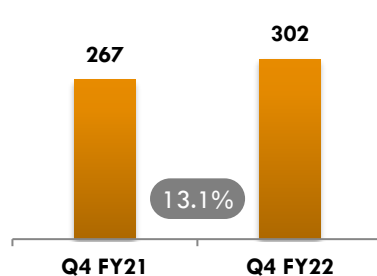
P&L Statement Particulars	Q4 FY22 (Rs. Cr)	Q4 FY21 (Rs. Cr)	Change %	Q3 FY22 (Rs. Cr)	FY22 (Rs. Cr)	FY21 (Rs. Cr)	Change %
Net Revenue	1,050.27	849.10	23.7%	960.70	3,474.66	2,699.00	28.7%
COGS	748.37	582.24	28.5%	666.37	2,413.95	1,848.73	30.6%
Gross Margin	28.7%	31.4%	-2.7%	30.6%	30.5%	31.5%	-1.0%
EBITDA (excluding other income)	110.82	109.93	0.8%	84.40	332.14	306.49	8.4%
as a % to Net Revenue (NR)	10.6%	12.9%	-2.3%	8.8%	9.6%	11.4%	-1.8%
Other Income (including finance income)	3.30	4.36	-24.2%	2.93	12.93	21.10	-38.7%
EBITDA including other income	114.13	114.29	-0.1%	87.33	345.07	327.59	5.3%
as a % to NR	10.9%	13.5%	-2.6%	9.1%	9.9%	12.1%	-2.2%
PBT	100.24	100.29	0.0%	72.46	290.05	284.67	1.9%
as a % to NR	9.5%	11.8%	-2.3%	7.5%	8.3%	10.5%	-2.2%
PAT	90.60	68.34	32.6%	52.50	226.80	198.98	14.0%
as a % to NR	8.6%	8.0%	0.6%	5.5%	6.5%	7.4%	-0.8%

Financial Highlights (Q4 FY22 vs. Q4 FY21)

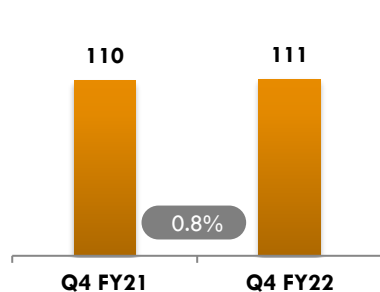
Total Income (Rs. crore)



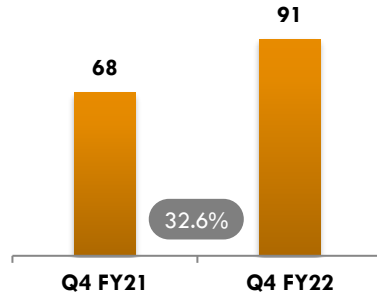
Gross Profit



EBITDA (Rs. crore)



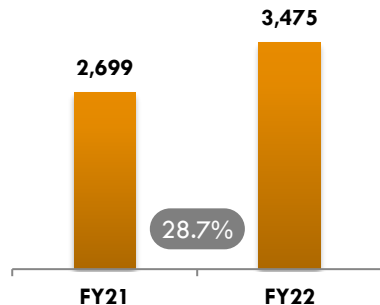
PAT (Rs. crore)



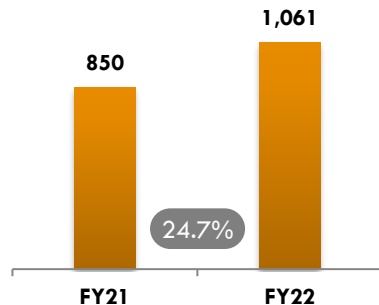
Key ratios (%)	Q4 FY22	Q4 FY21
Gross Margin	28.7%	31.4%
EBITDA Margin (excl. other income)	10.6%	12.9%
Net Margin	8.6%	8.0%
Ad & Promotion Exp./ Total Revenues	1.2%	1.7%
Employee Cost/ Total Operating Income	6.1%	6.7%
Other Expenditure/ Total Operating Income	12.1%	11.8%
Tax rate	9.6%	31.9%
Diluted EPS (Rs.)	2.09	1.58

Financial Highlights (FY22 vs. FY21)

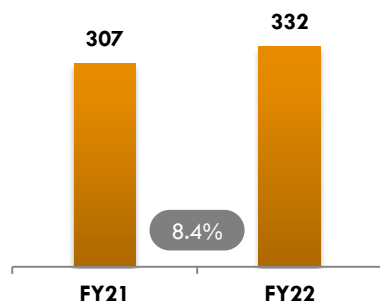
Total Income (Rs. crore)



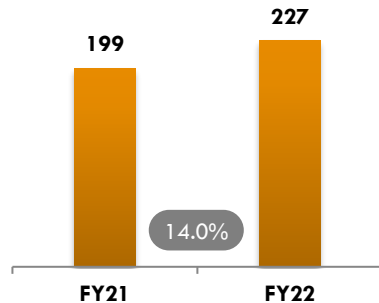
Gross Profit



EBITDA (Rs. crore)



PAT (Rs. crore)



Key ratios (%)	FY22	FY21
Gross Margin	30.5%	31.5%
EBITDA Margin (excl other income)	9.6%	11.4%
Net Margin	6.5%	7.4%
Ad & Promotion Exp./ Total Revenues	1.6%	1.0%
Employee Cost/ Total Operating Income	7.7%	8.3%
Other Expenditure/ Total Operating Income	13.3%	11.8%
Tax rate	21.8%	30.1%
Diluted EPS (Rs.)	5.23	4.61

Financial Highlights – Balance Sheet Perspective



Balance Sheet Snapshot (Rs. Cr)	31 March 2022	31 December 2021	31 March 2021
Net Worth	1,402.5	1,305.7	1,207.8
Gross Debt	10.0	10.0	10.0
Cash & Cash Equivalents (inc. bank balance)	53.9	35.8	281.1
Net Cash Position (Rs. crore)	43.9	25.8	271.1
Fixed Assets	416.5	402.3	373.3

Balance Sheet Snapshot (Rs. Cr)	31 March 2022	31 December 2021	31 March 2021
Debtor (days)*	50	40	52
Inventory (days)*	129	142	124
Creditor (days)*	73	81	93
Working Capital Turnover (days)	106	102	83
RoE* (%)	16.2%	15.7%	16.5%
RoCE* (%)	20.3%	21.7%	22.2%

Note: *Calculations are on a trailing twelve month basis

Segment-wise Breakup – Q4 FY22 vs. Q4 FY21



Segment Revenue	Q4 FY22 (Rs. Cr)	Contribution (%)	Q4 FY21 (Rs. Cr)	Contribution (%)	YoY growth (%)
Electronics	247.1	23.5%	242.8	28.6%	1.8%
Electricals	507.3	48.3%	382.7	45.1%	32.6%
Consumer Durables	295.9	28.2%	223.7	26.3%	32.3%
Grand Total	1,050.3	100.0%	849.1	100.0%	23.7%

Segment Result	Q4 FY22 (Rs. Cr)	Margin (%)	Q4 FY21 (Rs. Cr)	Margin (%)	YoY growth (%)
Electronics	44.2	17.9%	53.1	21.9%	-16.8%
Electricals	54.5	10.7%	43.0	11.2%	26.7%
Consumer Durables	5.0	1.7%	8.9	4.0%	-44.4%
Grand Total	103.6	9.9%	105.0	12.4%	-1.3%

Electronics – Stabilizers, UPS, Inverters

Electricals – Wires, Pumps, Switchgears, Modular Switches

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

Segment-wise Breakup – FY22 vs FY21



Segment Revenue	FY22 (Rs. Cr)	Contribution (%)	FY21 (Rs. Cr)	Contribution (%)	YoY growth (%)
Electronics	815.1	23.5%	758.9	28.1%	7.4%
Electricals	1,596.2	45.9%	1,203.5	44.6%	32.6%
Consumer Durables	1,063.4	30.6%	736.7	27.3%	44.4%
Grand Total	3,474.7	100.0%	2,699.0	100.0%	28.7%

Segment Result	FY22 (Rs. Cr)	Margin (%)	FY21 (Rs. Cr)	Margin (%)	YoY growth (%)
Electronics	139.0	17.1%	144.2	19.0%	-3.6%
Electricals	152.1	9.5%	106.5	8.8%	42.8%
Consumer Durables	17.1	1.6%	40.3	5.5%	-57.5%
Grand Total	308.2	8.9%	290.9	10.8%	5.9%

Electronics – Stabilizers, UPS, Inverters

Electricals – Wires, Pumps, Switchgears, Modular Switches

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

Geographical Breakup of Revenues

Region	Q4 FY22 (Rs. Cr)	Contribution (%)	Q4 FY21 (Rs. Cr)	Contribution (%)	YoY growth (%)
South	599.2	57.1%	477.9	56.3%	25.4%
Non-South	451.1	42.9%	371.1	43.7%	21.5%
Total Revenue	1,050.3	100%	849.1	100%	23.7%



Region	FY22 (Rs. Cr)	Contribution (%)	FY21 (Rs. Cr)	Contribution (%)	YoY growth (%)
South	2,024.3	58.3%	1,578.3	58.5%	28.3%
Non-South	1,450.4	41.7%	1,120.7	41.5%	29.4%
Total Revenue	3,474.7	100.0%	2,699.0	100.0%	28.7%







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 (%)	Key Players
	Stabilizers	1,700-1,800	55-60%	7-8%	42-45%	Microtek, Livguard, Bluebird
	DUPS & Battery	11,500 -12,000	65-70%	8-10%	4-6%	Luminous, Microtek, Exide

Electricals	Product	Total Market Size (Rs. Crs.)	Indicative Org. Market Size (%)	Industry Growth Rate (%)	VG Share in Org. Market (%)	Key Players
	House Wiring Cables	16,500 -17,000	62-65%	8-10%	6-8%	Polycab, Finolex, Havells
	Switchgears*	3,000-3,500	75-80%	8-10%	3-5%	Havells, Legrand, Schneider
	Modular Switches	6,000-6,500	70-75%	8-10%	**	Anchor, Legrand, Havells
	Pumps*	3,000-3,500	60-65%	5-8%	8-10%	Crompton, Kirloskar, CRI

*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 (%)	Key Players
	Water Heaters	2,500-2,600	65-70%	10-12%	14-16%	Havells, Bajaj, Crompton, Racold
	Electric Fans	9,200-9,500	75-80%	8-10%	3-5%	Crompton, Usha, Havells, Orient Bajaj
	Solar Water Heaters	500-600	60-65%	6-8%	14-16%	Sudarshan Saur, Supreme Solar
	Air Coolers	4,500-5,000	30-35%	15-20%	**	Symphony, Bajaj, Voltas
	Kitchen Appliances - <ul style="list-style-type: none"> Mixer Grinders Gas Stoves Water Purifiers Other Small Kitchen Appliances# 	12,000-14,000	65-75%	8-10%	**	Mixer Grinders - Bajaj, Preethi, Prestige Gas Stoves - Stovekraft, Sunflame, 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 ~ 50% 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 & Roorkee (Uttarakhand), Kala Amb (Himachal Pradesh) and Sikkim.

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 42% of total revenues in FY21. 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 31 branches which cover ~40,000+ retailers across the country.



For further information, please contact:

Sudarshan Kasturi (Senior VP & CFO)

V-Guard Industries Limited

Tel: +91 484 300 5601

Email: sudarshan.kasturi@vguard.in

Mayank Vaswani / Shruti Joshi

CDR India

Tel: +91 982 094 0953 / +91 750 656 7349

Email: mayank@cdr-india.com / shruti@cdr-india.com



THANK YOU