



PRESS RELEASES

AUGUST 3/2015

V-GUARD INDUSTRIES PROFIT AFTER TAX INCREASED BY 13% IN FIRST QUARTER OF FINANCIAL YEAR 2015-16

Kochi, August 03, 2015

India's leading consumer electrical and electronics company, V-Guard Industries Ltd., announced its results for the first quarter ended June 30, 2015 of FY 15-16.

Performance Highlights of Q1 of FY 2015-16:

- Net Revenue from operations for the first quarter, ending June 30, 2015 of FY 15-16, was Rs. 499.28 crores; an increase of 4.52 % over corresponding period of last financial year (Rs. 477.69 crores)
- Profit after Tax for the quarter, ending June 30, 2015 of FY 15-16, was Rs. 25.16 crores; showing an increase of 13% over corresponding period of last financial year (Rs. 22.25 crores).
- Owing to intermittent rains sales of summer dependent products were

impacted adversely.

- There was reduction in the inventory turnover days and due to this there was decrease in financial charges. Better product mix has also contributed for improvement in margin.

Other Strategic Initiatives

- The Company has embarked into a transformation initiative in June, 2014, for strengthening the Supply Chain Management. One of the main focus areas of the project is improving efficiency in inventory management and consequent working capital improvement
- Through an initiative in Customer Service area commenced in the year 2013, the Company has commenced centralized customer call management system, established new service network of independent Authorised Service Providers for multi products, pan India with the support of robust IT system for overall service management
- Capacity of House Wiring Cables of the Integrated manufacturing facility for Wires & Cables at Chavady, Coimbatore will be enhanced and the total production capacity from all the plants after the enhancement will be 8.25 lakhs coils per month. The new facility in Coimbatore will be operational in 18 months time

Business Outlook:

Mr. Mithun. K. Chittilappilly, Managing Director, V-Guard Industries Ltd said the environment continues to be challenging as the construction and related activities have slowed down significantly in India. We expect that the demand to rebound in the second half of this financial year.



