

# V-Guard Industries

Q1 FY2019 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 FY19, Mr. Mithun Chittilappilly, Managing Director – V-Guard Industries Limited said,

*"We have made a steady start to the year delivering a topline growth of ~19% in Q1 FY19, adjusted for the GST-related price impact, on a low base last year. The growth was driven by Digital UPS, Fans, Water Heaters, Wires and Switchgear segments. We have also received a good response to the recent launches in Kitchen Appliances and Modular Switches segments. A weak summer adversely impacted growth in Stabilizer and Pump categories.*

*We are making good progress in penetrating and improving our brand visibility in the non-South markets. We are continuously expanding our product portfolio and gaining scale in these regions. Non-South markets recorded a robust growth of ~30% YoY (GST adjusted) in Q1 FY19 and now contribute to 44% of overall sales as compared to 40% a year ago.*

*EBITDA margins have improved to 7.8% in Q1 FY19, up 150 bps. As planned, we had some spillover from the brand rejuvenation exercise we undertook last quarter. Ad spends will revert to historical trends from Q2 FY19.*

*We remain confident of maintaining our 15% growth trajectory over the next few years driven by continued expansion into non-South markets, efforts on innovation, R&D and product development in order to roll-out differentiated offerings. We welcome the reduction in the GST rates from 28% to 18% on consumer durables such as mixer grinders and storage water heaters, which we have fully passed on to our customers. We believe that the rationalisation of rates and other steps taken under GST will stimulate consumer demand and formalisation of the economy."*

# Key Highlights – Q1 FY2019



## **GST adjusted revenue growth of 19% YoY**

- Reported growth of 11.6% YoY to Rs. 634.9 crore - driven by Digital UPS, Kitchen Appliances, Fans, Water Heaters, Wires and Switchgear segments
- Weak summer adversely impacted growth in Stabilizer and Pump categories
- Non-South markets recorded robust growth of 22.5% YoY (~30% GST adjusted) in Q1 FY19; 44.1% of sales (40.2% in Q1 FY18)
- South markets grew 4.2% YoY (~12% GST adjusted)
- Expect to maintain volume growth of 15% CAGR over the next few years

## **Gross profit up 26% YoY to Rs 193.0 crore**

- Reported gross margins expand 340 bps YoY and 110 bps QoQ
- Underlying improvement, adjusted for GST price deflation, stood at ~150 bps YoY

## **EBITDA grew 39% YoY to Rs 49.7 crore; PAT grew 48% YoY to Rs 34.4 crore**

- ATL spends to the tune of Rs. 29.8 crore (4.7% of sales) in Q1 FY19 vs Rs. 18.3 crore (3.2% of sales) in Q1 FY18, up 63% in line with expected spillover from brand rejuvenation exercise last quarter (ATL spends at 6.9% of sales in Q4 FY18)
- Ad spends to be in line with historical trends from Q2 FY19
- EBITDA margins at 7.8% in Q1 FY19 as compared to 6.3% in Q1 FY18

## **Working capital cycle at 62 days in Q1 FY19**

- Working capital cycle at 62 days in Q1 FY19 vs 64 days in Q1 FY18
- Cash flow from operations of Rs. 67.7 crore in Q1 FY19 as compared to Rs. 57.5 crore in Q1 FY18
- Rs. 13 crore GST refund pending to be received
- Net cash of Rs. 138.2 crore on balance sheet as on 30<sup>th</sup> June 2018

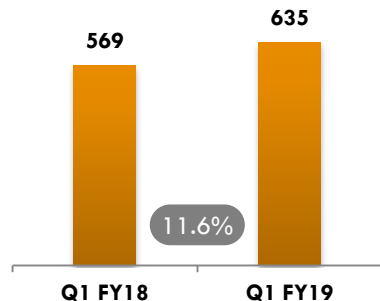
## **Strong return ratios**

- Strong return ratios maintained with ROE and ROCE of 18.2% and 22.5% respectively (TTM basis) in Q1 FY19, despite significant investments in brand building

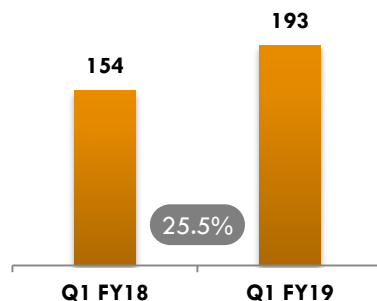
# Financial Highlights (Q1 FY19 vs Q1 FY18)



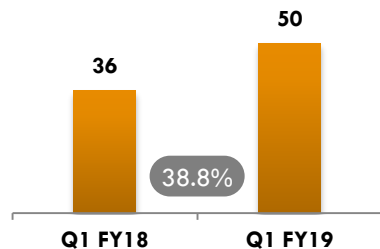
**Total Income (Rs. crore)**



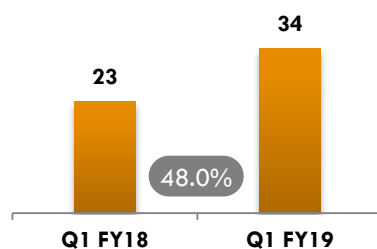
**Gross Profit**



**EBITDA (Rs. crore)**



**PAT (Rs. crore)**



| Key ratios (%)                                   | Q1 FY19 | Q1 FY18 |
|--------------------------------------------------|---------|---------|
| Gross Margin                                     | 30.4%   | 27.0%   |
| EBITDA Margin                                    | 7.8%    | 6.3%    |
| Net Margin                                       | 5.4%    | 4.1%    |
| Ad Expenditure (incl. promotions)/Total Revenues | 6.4%    | 4.7%    |
| Employee Cost/ Total Operating Income            | 7.8%    | 7.5%    |
| Other Expenditure/ Total Operating Income        | 15.2%   | 13.7%   |
| Tax rate                                         | 22.2%   | 24.6%   |
| Diluted EPS (Rs.)                                | 0.79    | 0.54    |

# Financial Highlights – Balance Sheet Perspective



| Balance Sheet Snapshot (Rs. cr) | 30 June 2018 | 31 Mar 2018 | 30 June 2017 |
|---------------------------------|--------------|-------------|--------------|
| Net worth                       | 790.5        | 751.6       | 662.1        |
| Gross debt                      | 11.6         | 2.4         | 4.9          |
| Current Investments             | 145.2        | 75.2        | 143.4        |
| Cash and cash equivalents       | 4.5          | 4.7         | 6.5          |
| Net Cash Position (Rs. crore)   | 138.2        | 77.5        | 145.2        |
| Fixed Assets                    | 210.6        | 208.1       | 192.4        |

| Balance Sheet Snapshot (Rs. cr) | 30 June 2018 | 31 Mar 2018 | 30 June 2017 |
|---------------------------------|--------------|-------------|--------------|
| Debtor (days)                   | 56           | 70          | 40           |
| Inventory (days)                | 67           | 70          | 74           |
| Creditor (days)                 | 61           | 74          | 50           |
| Working Capital Turnover (days) | 62           | 66          | 64           |
| RoE* (%)                        | 18.2%        | 17.7%       | 18.9%        |
| RoCE* (%)                       | 22.5%        | 22.2%       | 23.9%        |

\*Calculations are on a trailing twelve month basis

# Segment-wise Breakup of Revenues – Q1 FY19 vs Q1 FY18



| Products           | Q1 FY19<br>(Rs. Cr) | Contribution<br>(%) | Q1 FY18<br>(Rs. Cr) | Contribution<br>(%) | YoY growth<br>(%) | Like-to-like<br>Growth (%) |
|--------------------|---------------------|---------------------|---------------------|---------------------|-------------------|----------------------------|
| Electronics        | 240.5               | 38%                 | 226.8               | 40%                 | 6%                | 11%                        |
| Electricals        | 261.4               | 41%                 | 236.6               | 42%                 | 10%               | 20%                        |
| Consumer Durables  | 133.0               | 21%                 | 105.7               | 19%                 | 26%               | 36%                        |
| <b>Grand Total</b> | <b>634.9</b>        | <b>100%</b>         | <b>569.1</b>        | <b>100%</b>         | <b>12%</b>        | <b>19%</b>                 |

| Products                               | Q1 FY19<br>(Rs. Cr) | Contribution<br>(%) | Q1 FY18<br>(Rs. Cr) | Contribution<br>(%) | YoY growth<br>(%) | Like-to-like<br>Growth (%) |
|----------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|----------------------------|
| Stabilizers                            | 141.3               | 22%                 | 141.3               | 25%                 | 0%                | 3%                         |
| UPS (Digital + Standalone)             | 99.3                | 16%                 | 85.5                | 15%                 | 16%               | 24%                        |
| Pumps                                  | 68.9                | 11%                 | 69.0                | 12%                 | 0%                | 5%                         |
| Cables & Wires (PVC + LT)              | 174.0               | 27%                 | 157.8               | 28%                 | 10%               | 21%                        |
| Water Heaters (Electric + Solar)       | 49.6                | 8%                  | 43.3                | 8%                  | 14%               | 22%                        |
| Fans                                   | 67.5                | 11%                 | 55.1                | 10%                 | 22%               | 34%                        |
| Kitchen Appliances (Cooktops + Mixers) | 13.0                | 2%                  | 7.3                 | 1%                  | 79%               | 92%                        |
| Switchgears                            | 15.3                | 2%                  | 9.7                 | 2%                  | 57%               | 65%                        |
| Modular Switches                       | 3.2                 | 0%                  | 0.0                 | 0%                  |                   |                            |
| Air Coolers                            | 2.9                 | 0%                  | 0.0                 | 0%                  |                   |                            |
| <b>GRAND TOTAL</b>                     | <b>634.9</b>        | <b>100.0%</b>       | <b>569.1</b>        | <b>100.0%</b>       | <b>12%</b>        | <b>19%</b>                 |

Electronics – Stabilizers, UPS, Solar Inverter; Electricals – Cables & Wires, Pumps, Switchgears, Modular Switches; Consumer Durables – Fans, Water Heaters, Kitchen Appliances, Air Coolers

Note 1: V-Guard adopted Ind-AS framework starting Q1 FY18. Comparable prior period numbers have been restated in compliance with Ind-AS.

Note 2: Consequent to the introduction of GST w.e.f. July 01, 2017, Central Excise, Value Added Tax (VAT), etc. have been subsumed into GST. Unlike Excise Duties, levies like GST, VAT, etc. are not part of Revenue. Hence, the growth calculations appearing in this section, are not strictly comparable with prior periods.

# Geographical Breakup of Revenues

| Region        | Q1 FY19<br>(Rs. Cr) | Contribution<br>(%) | Q1 FY18<br>(Rs. Cr) | Contribution<br>(%) | YoY growth<br>(%) | Like-to-like<br>growth (%) |
|---------------|---------------------|---------------------|---------------------|---------------------|-------------------|----------------------------|
| South         | 354.6               | 55.9%               | 340.3               | 59.8%               | 4.2%              | 12%                        |
| Non-South     | 280.3               | 44.1%               | 228.8               | 40.2%               | 22.5%             | 30%                        |
| Total Revenue | 634.9               | 100%                | 569.1               | 100%                | 12%               | 19%                        |

# Business Outlook



- The Company is confident of achieving a volume growth of 15% over the next few years driven by expansion into non-South markets and introduction of new product categories. Revival in consumer demand post the short term disruption caused by GST and demonetisation, moderate inflation levels and revival in rural demand with expectations of a third consecutive year of normal monsoons in 2018 are expected to augur well for the Company.
- We continue to undertake business strengthening initiatives and putting in place best in class processes and systems to future-proof the organization. We will be focused on successfully executing the objectives of 'Udaan Phase-II' as well as seeing through the successful pan-India implementation of salesforce.com.
- The Company envisages adding 3,000-5,000 retailers across the country every year over the next five years with higher addition in the non-South region.
- Going forward, the Company shall continue to build upon its competitive positioning in the consumer electricals, electronics and durables industry. The Company will maintain its thrust on advertising and promotions to increase its brand visibility and penetration in the non-South markets under its new brand identity reflecting the company's transformation into a leading multi-product, pan-India player in the Consumer Electricals space.
- Two-thirds of the Company's distribution network has already been established in the non-South region. This provides significant potential for revenue growth and operating leverage to expand on existing investments. The Company envisages the non-South markets to contribute to 50% over the next five years.
- Efforts on innovation, R&D and product development will continue to be made in order to roll out differentiated offerings in a competitive industry. We have products that are connected, controlled and M2M capable and are bringing capabilities like machine learning as well. We are also building in auto diagnostics into devices. We are also working on a digital strategy for the company that includes looking at the predictive maintenance in plants, using Artificial Intelligence. We are focusing on Six Sigma, TPM, lean manufacturing, etc at our 10 plants in India. The manufacturing execution system (MES) acts as an enabler for Industry 4.0, providing real-time factory data.
- The cash positive balance sheet enables us to pursue inorganic opportunities, if valuations favour. We are looking at companies having product range synergy with V-Guard, providing manufacturing capabilities or strong regional players where V-Guard can expand its geographic footprint. Further, the Board has approved raising of funds up to an aggregate of Rs. 500 crore through debt or equity or a combination of both.



## Annexure

# Company Overview



## **Comprehensive portfolio catering to the mass consumption market**

- **Electronics** – Stabilizers, UPS, Solar Inverter; **Electricals** – Cables & Wires, Pumps, Switchgears, Modular Switches; **Consumer Durables** – Fans, Water Heaters, Kitchen Appliances, Air Coolers
- Household consumption market will continue to grow at a significant pace going forward

## **Invested in a strong distribution network**

- Spread over 30 branches nationwide
- Network of 30,000+ retailers

## **Strong Brand Equity**

- Aggressive ad spends and sales promotions have created a strong equity and brand recall
- Strong established player in South India with leadership in the Voltage Stabilizer segment

## **Expanding towards a pan India presence**

- Significant investments committed towards aggressive expansion in non-South markets
- Increased capacities for house-wiring cables and solar water heaters

## **Mix of in-house and outsourcing production model provides flexibility**

- Follows an asset light model outsourcing ~58% of its products from a range of vendors
- Tie-ups with SSIs/self-help groups spread across southern India
- Blended manufacturing policy helps optimize capex and working capital requirements

## **Increasing market share across all product lines**

- Leadership position in its flagship product, voltage stabilizers, with over 51% market share
- Successfully gained market share in all of its product categories
- Rapidly expanding market share in the non-South markets

# Production Model



**PVC Cable Factory**



**Solar Water Heater Factory**



**Stabilizer Manufacturing Units**

| Product                                 | No. of Units | Location                 |
|-----------------------------------------|--------------|--------------------------|
| <b>Own Manufacturing Facilities</b>     |              |                          |
| PVC Wiring Cables                       | 2            | Coimbatore, Kashipur     |
| Pumps & Motors                          | 1            | Coimbatore               |
| Fans                                    | 1            | Himachal Pradesh         |
| Water Heater                            | 2            | Himachal Pradesh, Sikkim |
| Solar Water Heaters                     | 1            | Perundurai               |
| Stabilizers                             | 2            | Sikkim                   |
| <b>Outsourced production facilities</b> |              |                          |
| Stabilizers                             | 57           | Across India             |
| Pumps                                   | 18           | "                        |
| Fans                                    | 11           | "                        |
| UPS                                     | 9            | "                        |

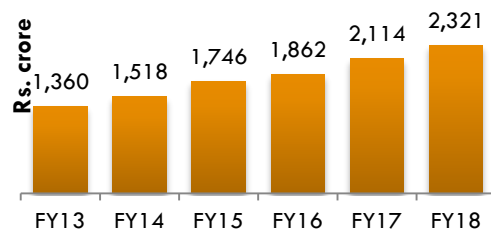
## Outsourcing Objectives

- Asset light model outsourcing ~58% products
- Complete control over supply chain ecosystem
- R&D support to vendors' technical teams
- Quality assurance official posted at vendors' production units to ensure maintenance of quality
- Owns all its designs and moulds
- Helps procure raw material for the vendors, negotiating price with the supplier
- Tie-ups with SSIs/self-help groups across Southern India for flagship product, Stabilizers
- Blended manufacturing policy helps optimize capex and working capital requirements

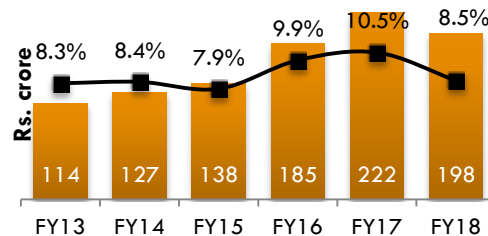
# Financial Highlights (FY13-18)



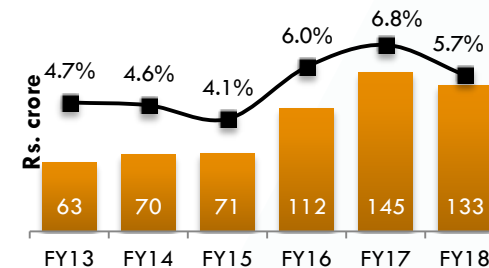
## Revenue



## EBITDA and EBITDA Margins

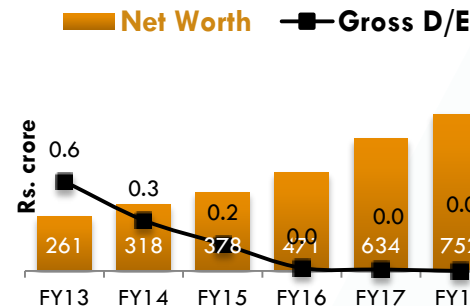
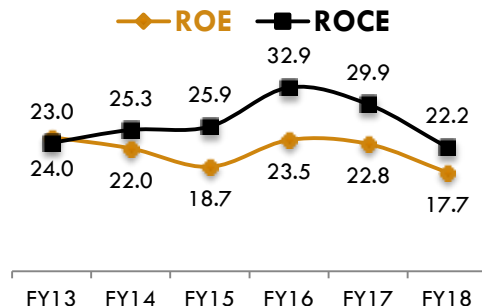


## PAT and PAT Margins



**Note 1:** Please note that consequent to the introduction of Goods and Service Tax (GST) with effect from July 01, 2017, Central Excise, Value Added Tax (VAT), etc. have been subsumed into GST. In accordance with Indian Accounting Standard - 18 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT, etc. are not part of Revenue. Hence, the revenue and growth calculations for FY18, are not strictly comparable with FY17 and prior periods.

**Note 2:** V-Guard underwent brand rejuvenation in Q4 FY18 where significant investments (Rs. 45 crore ATL spends) were made resulting in lower EBITDA and PAT for FY18.



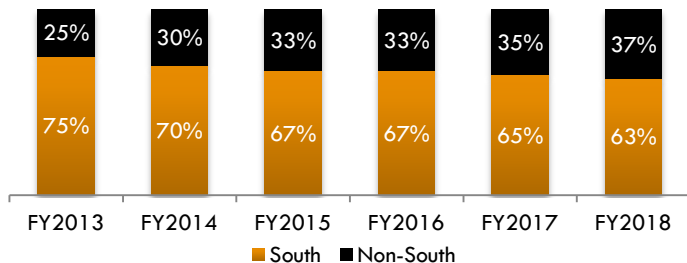
**Note 3:** V-Guard adopted Ind-AS framework starting FY18. Numbers for FY17 have been reinstated in compliance with Ind-AS to draw meaningful comparison. Prior period numbers are in IGAAP and not comparable.

# Operational Highlights (FY13-18)

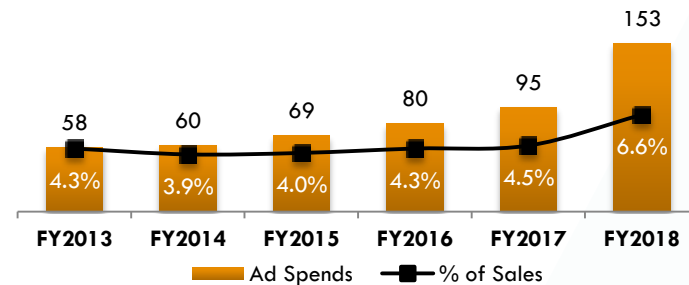


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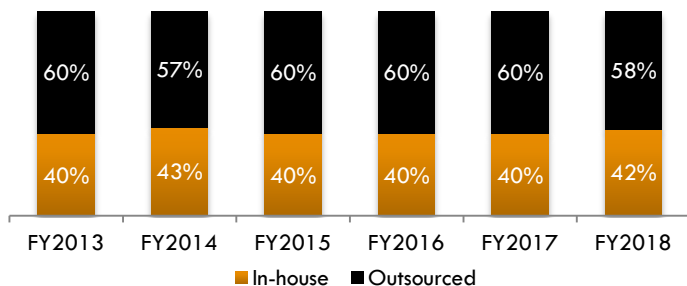
## Expanding Geographic Presence



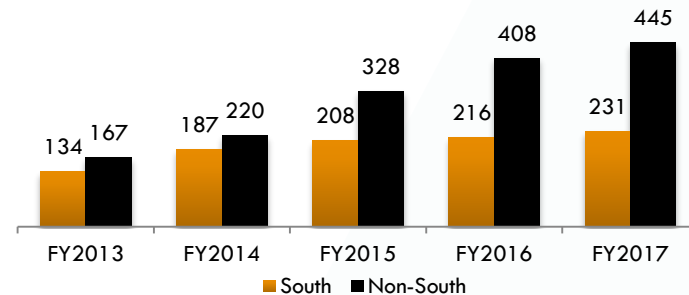
## Ad & Promo Spends and as a % of Sales



## In-house Manufacturing vs. Outsourcing



## Strong Growth in Distributor Network



# Segment-wise Breakup of Revenues – FY18 vs FY17



| Products           | FY18<br>(Rs. Cr) | Contribution<br>(%) | FY17<br>(Rs. Cr) | Contribution<br>(%) | YoY growth<br>(%) |
|--------------------|------------------|---------------------|------------------|---------------------|-------------------|
| Electronics        | 729.2            | 31.4%               | 664.8            | 31.4%               | 9.7%              |
| Electricals        | 1,017.1          | 43.8%               | 940.9            | 44.5%               | 8.1%              |
| Consumer Durables  | 575.0            | 24.8%               | 508.5            | 24.0%               | 13.1%             |
| <b>Grand Total</b> | <b>2,321.3</b>   | <b>100.0%</b>       | <b>2,114.2</b>   | <b>100.0%</b>       | <b>9.8%</b>       |

| Products                               | FY18<br>(Rs. Cr) | Contribution<br>(%) | FY17<br>(Rs. Cr) | Contribution<br>(%) | YoY growth<br>(%) |
|----------------------------------------|------------------|---------------------|------------------|---------------------|-------------------|
| Stabilizers                            | 443.2            | 19.1%               | 428.1            | 20.2%               | 3.5%              |
| UPS (Digital + Standalone)             | 286.0            | 12.3%               | 236.7            | 11.2%               | 20.8%             |
| Pumps                                  | 275.4            | 11.9%               | 261.8            | 12.4%               | 5.2%              |
| Cables & Wires (PVC + LT)              | 688.6            | 29.7%               | 638.8            | 30.2%               | 7.8%              |
| Water Heaters (Electric + Solar)       | 284.5            | 12.3%               | 265.0            | 12.5%               | 7.4%              |
| Fans                                   | 228.4            | 9.8%                | 200.7            | 9.5%                | 13.8%             |
| Kitchen Appliances (Cooktops + Mixers) | 58.4             | 2.5%                | 42.8             | 2.0%                | 36.6%             |
| Switchgears                            | 51.5             | 2.2%                | 40.3             | 1.9%                | 27.6%             |
| Modular Switches                       | 1.6              | 0.1%                | 0.0              | 0.0%                | 0.0%              |
| Air coolers                            | 3.7              | 0.2%                | 0.0              | 0.0%                | 0.0%              |
| <b>GRAND TOTAL</b>                     | <b>2,321.3</b>   | <b>100.0%</b>       | <b>2,114.2</b>   | <b>100.0%</b>       | <b>9.8%</b>       |

Electronics – Stabilizers, UPS, Solar Inverter; Electricals – Cables & Wires, Pumps, Switchgears, Modular Switches; Consumer Durables – Fans, Water Heaters, Kitchen Appliances, Air Coolers

**Note 1:** V-Guard adopted Ind-AS framework starting Q1 FY18. Comparable prior period numbers have been restated in compliance with Ind-AS.

**Note 2:** Consequent to the introduction of GST w.e.f. July 01, 2017, Central Excise, Value Added Tax (VAT), etc. have been subsumed into GST. Unlike Excise Duties, levies like GST, VAT, etc. are not part of Revenue. Hence, the growth calculations appearing in this section, are not strictly comparable with prior periods.

# Geographical Breakup of Revenues

| Region        | FY18<br>(Rs. Cr) | Contribution<br>(%) | FY17<br>(Rs. Cr) | Contribution<br>(%) | YoY growth<br>(%) |
|---------------|------------------|---------------------|------------------|---------------------|-------------------|
| South         | 1,462.8          | 63%                 | 1,385.5          | 66%                 | 5.6%              |
| Non-South     | 858.5            | 37%                 | 728.7            | 34%                 | 17.8%             |
| Total Revenue | 2,321.3          | 100%                | 2,114.2          | 100%                | 9.8%              |

# Market Size across Product Segments



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| Products                      |             | STABILIZERS                                                        | PVC CABLES                                   | COOKTOPS                                                     | MOTOR PUMPS                                                   |
|-------------------------------|-------------|--------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------|
| Market Size<br>(Rs. Crore)*   | Organized   | 700.00                                                             | 5,500.00                                     | 420.00 – 450.00                                              | 5,500.00                                                      |
|                               | Unorganized | 550.00                                                             | 4,000.00                                     | 180.00 – 200.00                                              | 5,000.00                                                      |
|                               | Total       | 1,250.00                                                           | 9,500.00                                     | 600.00 – 650.00                                              | 10,500.00                                                     |
| Key Players                   |             | Micro tech, Livguard, Bluebird, Capri, Logicstat, Premier, Everest | Polycab, Havells, Finloex, RR Cables, Anchor | Prestige, Bajaj Electrials, TTK Prestige, Preethi, Butterfly | Crompton Greaves, Kirloskar, CRI, Texmo                       |
| Production Model              |             | 80% Outsourced                                                     | 100% In-House                                | 100% Outsourced                                              | 90% Outsourced                                                |
| Distribution Channel Strategy |             | Consumer Durable stores, Electrical and Hardware Stores            | Electrical and Hardware Stores               | Consumer Durables / Kitchen Appliances stores                | Electrical and hardware Stores, Pump and Pipe fittings Stores |

\*Company estimates FY16

# Market Size across Product Segments



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| Products                      |             | WATER HEATERS                                            | FANS                                                     | UPS                     | Digital UPS                                                                    |
|-------------------------------|-------------|----------------------------------------------------------|----------------------------------------------------------|-------------------------|--------------------------------------------------------------------------------|
| Market Size (Rs. Crore)*      | Organized   | 1,325.00                                                 | 5,000.00                                                 | 160.00                  | 4,500.00                                                                       |
|                               | Unorganized | 700.00                                                   | 1,500.00                                                 | 240.00                  | 750.00                                                                         |
|                               | Total       | 2,025.00                                                 | 6,500.00                                                 | 400.00                  | 5,250.00                                                                       |
| Key Players                   |             | A.O. Smith, Racold, Bajaj, Venus, Crompton Greaves, Usha | Crompton, Usha, Bajaj Electricals, Havells, Orient       | Numeric, APC, Emerson   | Microtek, Luminous, Su-Kam, Exide                                              |
| Production Model              |             | 55% Outsourced                                           | 90% Outsourced                                           | 100% Outsourced         | 100% Outsourced                                                                |
| Distribution Channel Strategy |             | Consumer Durable stores, Electrical and Hardware Stores  | Consumer Durable stores , Electrical and Hardware Stores | Consumer Durable stores | Consumer Durable stores, Electrical and Hardware stores, Battery Retail stores |

\*Company estimates FY16

# Market Size across Product Segments

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| Products                      |             | SOLAR WATER HEATER                       | SWITCHGEAR                 | GAS STOVES                                    | MIXER GRINDERS                                   |
|-------------------------------|-------------|------------------------------------------|----------------------------|-----------------------------------------------|--------------------------------------------------|
| Market Size (Rs. Crore)*      | Organized   | 420.00                                   | 1,400.00                   | 1,000.00                                      | 1,500.00                                         |
|                               | Unorganized | 180.00                                   | 600                        | 1,000.00                                      | 1,000.00                                         |
|                               | Total       | <b>600.00</b>                            | <b>2,000.00^</b>           | <b>2,000.00</b>                               | <b>2,500.00</b>                                  |
| Key Players                   |             | Racold, Emmvee Solar, Sudarshan, Supreme | Havells, Legrand, L&T, ABB | Butterfly (glass top), Sun Flame (steel)      | Preethi, Bajaj Electricals, Butterfly, Panasonic |
| Production Model              |             | 100% In-House                            | 100% Outsourced            | 100% Outsourced                               | 100% Outsourced                                  |
| Distribution Channel Strategy |             | Direct Marketing Channel                 | Electrical stores          | Consumer Durables / Kitchen Appliances stores | Consumer Durables / Kitchen Appliances stores    |

\*Company estimates FY16; ^The market size where V-Guard is present; total domestic switchgear market estimated at Rs. 4,000 crore

# About V-Guard Industries

V-Guard Industries Limited (BSE:532953, NSE: VGUARD) is a Kochi based company, incepted 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, Invertors & Digital UPS systems, Pumps, House wiring/LT cables, Electric water heaters, Fans, Solar water heaters and has also recently forayed into Induction cooktops, switchgears and mixer grinders.

V-Guard outsources 60% 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 (Uttaranchal) and Kala Amb (Himachal Pradesh).

V-Guard has been a dominant player in the South market, though the last five 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 33% of total revenues in FY15. Significant investments continue to be made to expand its distributor base 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 29 branches, 624 distributors, 5,562 channel partners and ~25,000+ retailers across the country.



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