



VST Industries Limited
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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017							
(₹ in Lakhs)							
Sl. No.	PARTICULARS	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	Year to date figures for the current period ended	Year to date figures for the previous year ended	Previous year ended
Col.1	Col.2	31-12-2017 (Unaudited)	30-09-2017 (Unaudited)	31-12-2016 (Unaudited)	31-12-2017 (Unaudited)	31-12-2016 (Unaudited)	31-03-2017 (Audited)
		Col.3	Col.4	Col.5	Col.6	Col.7	Col.8
1	Income from Operations						
	(a) Gross Sales / Income from Operations	25663	23934	5067	105788	109009	223723
	(b) Other Operating Income	28	18	61	84	347	465
	Income from Operations (Gross)	25691	23952	5628	105872	109356	226130
2	Other Income	546	481	477	1593	1583	2007
3	Total Income from Operations (1+2)	26237	24433	6105	107465	120939	228137
4	Expenses						
	(a) Cost of Materials consumed	11691	9852	12703	31216	38127	46847
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(29)	601	(1148)	465	(1787)	(11)
	(c) Excise duty	1799	1961	33312	39028	99150	133891
	(d) Employee benefits expense	2117	2109	2125	6460	6568	8970
	(e) Depreciation and amortisation expense	926	938	962	2809	2638	1692
	(f) Other expenses	2130	2429	2372	7244	8852	11659
	Total Expenses	18664	17890	50331	87162	153357	205048
5	Profit before Tax (3 - 4)	7573	6543	6277	20303	17382	23089
6	Tax Expense						
	(a) Current tax	2488	2235	2176	6907	5782	8070
	(b) Deferred tax	134	(93)	(141)	45	5	(188)
	Total Tax Expenses	2622	2142	2132	6952	5787	7882
7	Profit after Tax Expense (5 - 6)	4951	4401	4145	13351	11595	15207
8	Other Comprehensive Income	39	11	(41)	55	(34)	(183)
9	Total Comprehensive Income (7+8)	5015	4412	4104	13411	11561	15024
10	Paid-up Equity Share Capital (Face Value of ₹ 10 per Share)	1544	1544	1544	1544	1544	1544
11	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year						52353
12	Earnings per Share (EPS) (of ₹ 10/- each) (not annualised)						
	- Basic and diluted EPS	32.48	28.57	26.58	86.85	74.87	97.29

Notes:

- The above mentioned results were reviewed by the Audit Committee at its meeting held on 18th January, 2018 and approved by the Board of Directors at its meeting held on 19th January, 2018
- With implementation of Goods & Service tax (GST) with effect from 1st July, 2017, your Company's main product is now subjected to GST and Compensation Cess in addition to Central Excise (currently only National Calamity Contingent Fund). Due to such restructuring of indirect taxes, the figures for 'Gross Sales' (net of GST and Compensation Cess) and 'Excise duty' for the quarter and nine months ended 31st December, 2017 are not comparable with the previous periods
- The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and in terms of Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5th July, 2016

The Company adopted Ind AS from 1st April, 2017, and accordingly, these financial results including for all periods presented, are in accordance with Ind AS. Limited Review has been carried out by the Statutory Auditors for the quarter and nine months ended 31st December, 2016 and the restated financial results for the year ended 31st March, 2017, has been audited by the Statutory Auditors. Restated financial results and reconciliation of net profit in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards are as given hereunder

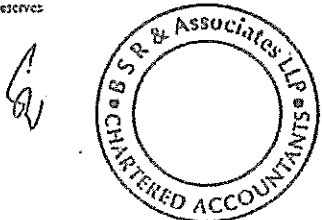
A. Reconciliation of above mentioned results to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarized as follows (₹ in Lakhs)

Particulars	Notes	Previous year	Year to date	Previous year
		3 months ended	figures for the	ended
		31-12-2016	31-12-2016	31-03-2017
Profit after Tax for the period (as per previous GAAP)		4518	12211	16721
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	(ii)	(409)	(609)	(1748)
Reclassification of actuarial gain / losses, arising in respect of defined employee benefit schemes to Other Comprehensive Income (OCI)		-	-	158
Tax Adjustments		34	(7)	76
Profit after Tax for the period (as per Ind AS)		4145	11595	15207
Other Comprehensive Income (net of tax)		(41)	(34)	(183)
Total Comprehensive Income as reported under Ind AS		4104	11561	15024

B. Reconciliation of equity as reported under previous Generally Accepted Accounting Principles (GAAP) is summarized hereunder (₹ in Lakhs)

Particulars	Notes	Previous year
		ended
		31-03-2017
Equity as reported under previous GAAP		53707
Impact of measuring derivative financial instruments, being cash flow hedges, at fair value (net of tax)		(5)
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL) or FVOCI (net of tax)	(ii), (iii)	70
Tax Adjustments - Land		125
Equity as reported under Ind AS		53897

Comprising:
Paid up equity share capital 1544
Reserves 52353



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i) Exemptions applied at transition - Ind AS 101 allows first time adopters exemption from the retrospective application of certain requirements under Ind AS. Accordingly, the Company has applied the following exemptions in its standalone financial results:

Property, plant and equipment and intangible assets were carried in the Balance Sheet prepared in accordance with previous GAAP as at 31st March, 2016. Under Ind AS, the Company has elected to regard such carrying values as deemed cost on the date of transition. Further, the Company had revalued certain freehold land and buildings based on professional valuation as at 31st March, 1989 and had a balance of ₹ 265 Lakhs in revaluation reserve on the date of transition. On transition, such revaluation reserve has been adjusted in retained earnings.

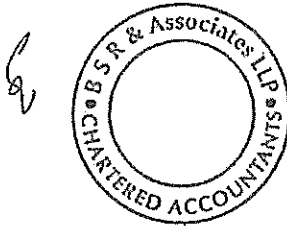
ii) Under previous GAAP, non-current investments were stated at cost. Where applicable, provision was made to recognise a decline, other than temporary, in valuation of such investments. Under Ind AS, equity instruments have been classified as Fair Value through Other Comprehensive Income (FVTOCI) through an irrevocable election on the date of transition.

iii) Under previous GAAP, current investments were stated at lower of cost and fair value. Under Ind AS, these financial assets have been classified as Fair Value through Profit or Loss (FVTPL) on the date of transition and fair value changes after the date of transition has been recognised in profit or loss.

4. Limited Review of the above mentioned results as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the Statutory Auditors, who have issued an unqualified review report.
5. The Company has a single operating segment viz. "tobacco and related products", and accordingly, reviews business performance at an overall Company level. Therefore, the disclosure as per Ind AS 108 - 'Operating Segments' is not applicable.
6. To facilitate comparison, figures of previous periods have been re-arranged, where necessary.

Place: Hyderabad
Date: 19th January, 2018

BY ORDER OF THE BOARD
VST INDUSTRIES LIMITED
Devraj Lohari
DEVRAJ LOHARI
MANAGING DIRECTOR
DIN: 03585071



B S R & Associates LLP

Chartered Accountants

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Review Report To the Board of Directors of VST Industries Limited

We have reviewed the accompanying Statement of Unaudited Financial Results ('the Statement') of VST Industries Limited ('the Company') for the quarter and nine months ended 31 December 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.

This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company in their meeting held on 19 January 2018, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement, based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with Indian Accounting Standards (IND AS) notified under Section 133 of Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/ W-100024



Sriram Mahalingam
Partner
Membership No: 049642

Place: Hyderabad
Date: 19 January 2018