



VST Industries Limited

April 12, 2018

The General Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
**Mumbai – 400 001**

The Manager  
Listing Department  
National Stock Exchange of India Ltd.  
“Exchange Plaza”  
Bandra Kurla Complex, Bandra (E)  
**Mumbai – 400 051**

STOCK CODE : 509966

STOCK SYMBOL : VSTIND

Dear Sir,

**Sub : Audited Financial Results**

Pursuant to Regulation 33(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith the statement containing the audited financial results for the year ended 31<sup>st</sup> March, 2018 which was considered and approved at the Board Meeting held today. Also, we enclose herewith the following :


1. Audit Report issued by Statutory Auditors
2. Form A (Unmodified opinion)

The above information is also available on the website of the Company :  
[www.vsthyd.com](http://www.vsthyd.com)

The meeting of the Board of Directors commenced at 09.30 a.m. and concluded at 02.30 p.m.

Please take the above on record.

Yours faithfully,  
For VST INDUSTRIES LIMITED

  
PHANI K. MANGIPUDI  
COMPANY SECRETARY

Encl : As above



VST Industries Limited  
 Regd Office: Azamabad, Hyderabad - 500 020.  
 Phone: 91-40-27688000, Fax: 91-40 - 27615336  
 CIN:L29150TG1930PLC000576, Email: corporate@vstind.com, Website: www.vsthyd.com

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018

Sl. No.	PARTICULARS	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	Current year ended	Previous year ended
		31-03-2018 (Audited)	31-12-2017 (Unaudited)	31-03-2017 (Audited)	31-03-2018 (Audited)	31-03-2017 (Audited)
Col.1	Col.2	Col.3	Col.4	Col.5	Col.6	Col.7
1.	Income from Operations					
	(a) Gross Sales / Income from Operations	29960	25668	56715	135748	225724
	(b) Other Operating Income	32	28	59	116	406
	Income from Operations (Gross)	29992	25696	56774	135864	226130
2.	Other Income	782	546	424	2380	2007
3.	Total Income from Operations (1+2)	30774	26242	57198	138244	228137
4.	Expenses:					
	(a) Cost of Materials consumed	15109	11691	8720	46325	46847
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	240	(29)	1776	705	(11)
	(c) Excise duty	2078	1799	34732	41106	133891
	(d) Employee benefits expense	2520	2117	2401	8920	8969
	(e) Depreciation and amortisation expense	1107	936	1054	3916	3692
	(f) Other expenses	2083	2130	2807	9327	11659
	Total Expenses	23137	18644	51490	110299	205047
5.	Profit before Tax (3 - 4)	7637	7598	5708	27945	23090
6.	Tax Expense					
	(a) Current tax	3049	2488	2343	9956	8125
	(b) Deferred tax	(245)	134	(193)	(200)	(188)
	Total Tax Expenses	2804	2622	2150	9756	7937
7.	Profit after Tax Expense (5 - 6)	4833	4976	3558	18189	15153
8.	Other Comprehensive Income	7	39	(95)	62	(129)
9.	Total Comprehensive Income (7+8)	4840	5015	3463	18251	15024
10.	Paid-up Equity Share Capital (Face Value of ₹ 10 per Share)	1544	1544	1544	1544	1544
11.	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year				56665	52353
12.	Earnings per Share (EPS) (of ₹ 10/- each) (not annualised) - Basic and diluted EPS	31.30	32.22	23.04	117.79	98.13

Notes:

- The above mentioned results were reviewed by the Audit Committee at its meeting held on 11th April, 2018 and approved by the Board of Directors at its meeting held on 12th April, 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 collected on behalf of government) and 'Excise duty' for the quarter and year ended 31st March, 2018 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 33 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. The restated financial results for the quarter and 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 summarised as follows:  
(₹ in Lakhs)

Particulars	Notes	Previous year 3 months ended	Previous year ended
		31-03-2017	31-03-2017
Profit after Tax for the period (as per previous GAAP)		4510	16721
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	(iii)	(1138)	(1747)
Reclassification of actuarial gain / losses, arising in respect of defined employee benefit schemes to Other Comprehensive Income (OCI)		158	158
Tax Adjustments		28	21
Profit after Tax for the period (as per Ind AS)		3558	15153
Other Comprehensive Income (net of tax)		(95)	(129)
Total Comprehensive Income as reported under Ind AS		3463	15024

B. Reconciliation of equity as reported under previous Generally Accepted Accounting Principles (GAAP) is summarised 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 Fair Value through Other Comprehensive Income (FVOCI) (net of tax)	(ii), (iii)	70
Tax Adjustments - Freehold Land		125
Equity as reported under Ind AS		53897
Comprising:		
Paid up equity share capital		1544
Reserves		52353



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 (FVOCI) 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. Standalone Balance Sheet

Particulars	₹ in Lakhs	
	As at current year end 31-03-2018 (Audited)	As at previous year end 31-03-2017 (Audited)
<b>A. ASSETS</b>		
<b>1. Non - Current Assets</b>		
(a) Property, Plant and Equipments	19506	21997
(b) Capital Work-in-Progress	3422	82
(c) Intangible Assets	1	4
(d) Financial Assets		
(i) Investments	202	177
(ii) Loans	15	16
(iii) Other Financial Assets	2	2
(e) Deferred Tax Assets (net)	2482	2300
(f) Other Non-Current Assets	298	398
Sub-total - Non - Current Assets	25928	24976
<b>2. Current Assets</b>		
(a) Inventories	25287	32931
(b) Financial Assets		
(i) Investments	41409	17182
(ii) Trade Receivables	2733	1204
(iii) Cash and Cash Equivalents	2852	1192
(iv) Other Bank Balances	907	802
(v) Loans	2	3
(vi) Other Financial Assets	0	15
(c) Current Tax Assets (net)	262	116
(d) Other Current Assets	7033	1344
Sub-total - Current Assets	80485	54789
<b>TOTAL - ASSETS</b>	<b>106413</b>	<b>79765</b>
<b>B. EQUITY AND LIABILITIES</b>		
<b>1. Equity</b>		
(a) Equity Share capital	1544	1544
(b) Other Equity	56665	52353
Sub-total - Equity	58209	53897
<b>2. Liabilities</b>		
Non - Current Liabilities		
(a) Provisions	1415	1091
Sub-total - Non - Current Liabilities	1415	1091
<b>3. Current Liabilities</b>		
(a) Financial Liabilities		
(i) Trade Payables	5809	5599
(ii) Other Financial Liabilities	1309	1005
(b) Other Current Liabilities	39671	18173
Sub-total - Current Liabilities	46789	24777
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>106413</b>	<b>79765</b>

- The figures for the quarter ended 31st March, 2018 and 31st March, 2017 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the respective financial years.
- The above results of the Company have been audited by the Statutory Auditors, who have issued an unqualified audit report.
- 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.
- The Board of Directors recommend dividend for the year 2017-18 - ₹ 77.5/- (2016-17 - ₹ 75/-) per Equity Share of ₹ 10 each. The payment is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.
- To facilitate comparison, figures of previous periods have been re-arranged, where necessary.

Place: Hyderabad  
Date: 12th April, 2018



BY ORDER OF THE BOARD  
VST INDUSTRIES LIMITED

*Devraj Lahiri*  
DEVRAJ LAHIRI  
MANAGING DIRECTOR  
DIN: 03588071

# B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City  
Orwell, 6th Floor, Unit-3  
Sy. No. 83/1, Plot No. 2, Raidurg  
Hyderabad-500081, India

Telephone : +91 40 7182 2000  
Fax : +91 40 7182 2399

**Independent Auditor's Report on Quarterly Financial Results and Annual Financial Results of VST Industries Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.**

To  
The Board of Directors  
VST Industries Limited

We have audited the accompanying annual financial results ('the statement') of VST Industries Limited ('the Company') for the year ended 31 March 2018 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016. Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in the statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter of the respective financial years had only been reviewed and not subjected to audit.

This statement has been prepared on the basis of the Ind AS annual financial statements and reviewed unaudited quarterly financial results up to the end of the third quarter, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company in their meeting held on 12 April 2018. Our responsibility is to express an opinion on the statement based on our audit of the Ind AS annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS), specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.

We conducted our audit in accordance with the Standards on Auditing generally accepted in India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement. An audit includes examining, on a test check basis, evidence supporting the amounts disclosed in the statement. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion.

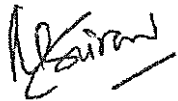


**VST Industries Limited**  
Auditor's Report (continued)

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, the statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
- (ii) gives a true and fair view of the financial performance including other comprehensive income and other financial information for the year ended 31 March 2018.

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



**Sriram Mahalingam**  
*Partner*  
Membership No: 049642

Place: Hyderabad  
Date: 12 April 2018

FORM A

[Audit Report with unmodified opinion)

Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of the Company	VST Industries Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2018
3.	Type of Audit observation	Unmodified
4.	Frequency of observation	Not applicable
5.	To be signed by	
	For B S R & Associates LLP Firm Registration No.116231WW-100024 Chartered Accountants	 S. THIRUMALAI Chairman-Audit Committee
	 Sriram Mahalingam Partner Membership No.049642 Statutory Auditor	 DEVRAJ LAHIRI Managing Director
	12 April 2018 Hyderabad	 ANISH GUPTA Chief Financial Officer



VST Industries Limited

To

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

April 12, 2018

Dear Sir/Madam,

**Sub : Declaration pursuant to Regulation 33(3)(d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015**

DECLARATION

I, Anish Gupta, Chief Financial Officer of VST Industries Limited (CIN:L29150TG1930PLC000576) having its Registered Office at Azamabad, Hyderabad 500 020, India, hereby declare that, the Statutory Auditors of the Company, Messrs. BSR & Associates LLP (ICAI Firm Registration No: 116231W/W-100024) have issued an Audit Report with unmodified opinion on Audited Financial Results of the Company (Standalone) for the quarter and year ended on March 31, 2018.

This Declaration is given in compliance to Regulation 33(3)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, vide Notification No.SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016.

Request you to take this on record.

Yours faithfully  
VST INDUSTRIES LIMITED

  
ANISH GUPTA  
Chief Financial Officer