



VST Industries Limited

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

(₹ in Lakhs)

Sl. No.	PARTICULARS	3 months ended 30-06-2017 (Unaudited)	Preceding 3 months ended 31-03-2017 (Audited)	Corresponding 3 months ended 30-06-2016 (Unaudited)	Previous year ended 31-03-2017 (Audited)
Col.1	Col.2	Col.3	Col.4	Col.5	Col.6
1.	Income from Operations				
	(a) Gross Sales / Income from Operations	56186	56715	58602	225724
	(b) Other Operating Income	38	59	96	406
	Income from Operations (Gross)	56224	56774	58698	226130
2.	Other Income	571	424	605	2007
3.	Total Income from Operations (1+2)	56795	57198	59303	228137
4.	Expenses:				
	(a) Cost of Materials consumed	9673	8720	12212	46847
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(107)	1776	625	(11)
	(c) Excise duty	35268	34732	33778	133891
	(d) Employee benefits expense	2174	2402	2055	8970
	(e) Depreciation and amortisation expense	935	1054	817	3692
	(f) Other expenses	2685	2807	3338	11659
	Total Expenses	50628	51491	52825	205048
5.	Profit before Tax (3 - 4)	6167	5707	6478	23089
6.	Tax Expense				
	(a) Current tax	2184	2288	2153	8070
	(b) Deferred tax	4	(193)	(47)	(188)
	Total Tax Expenses	2188	2095	2106	7882
7.	Profit after Tax Expense (5 - 6)	3979	3612	4372	15207
8.	Other Comprehensive Income	5	(149)	(32)	(183)
9.	Total Comprehensive Income (7+8)	3984	3463	4340	15024
10.	Paid-up Equity Share Capital (Face Value of ₹ 10 per Share)	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	25.80	22.42	28.11	97.29



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**Notes:**

- The above mentioned results were reviewed by the Audit Committee at its meeting held on 1st August, 2017 and approved by the Board of Directors at its meeting held on 2nd August, 2017.
- 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. Limited Review has been carried out by the Statutory Auditors for the quarter ended 30th June, 2016 and 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 is given hereunder:

A. Reconciliation of above mentioned results to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follows:

Particulars	Notes	Preceding 3 months ended 31-03-2017	Corresponding 3 months ended 30-06-2016	Previous year ended 31-03-2017
Profit after Tax for the period (as per previous GAAP)		4510	4161	16721
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	(iii)	(1139)	236	(1748)
Reclassification of actuarial gain / losses, arising in respect of defined employee benefit schemes, to Other Comprehensive Income (OCI)		158	-	158
Tax Adjustments		83	(25)	76
Profit after Tax for the period (as per Ind AS)		3612	4372	15207
Other Comprehensive Income (net of tax)		(149)	(32)	(183)
<b>Total Comprehensive Income as reported under Ind AS</b>		<b>3463</b>	<b>4340</b>	<b>15024</b>

B. Reconciliation of equity as reported under previous Generally Accepted Accounting Principles (GAAP) is summarised hereunder:

Particulars	Notes	Previous year 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
<b>Equity as reported under Ind AS</b>		<b>53897</b>

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 (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.

- The figures for the quarter ended 31st March, 2017 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto third quarter of the said financial year.
- 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. This Report does not have any impact on the above mentioned results and notes which need to be explained.
- 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.
- To facilitate comparison, figures of previous period have been re-arranged, where necessary.

BY ORDER OF THE BOARD  
VST INDUSTRIES LIMITED

*N. Sai Sankar*

N. SAI SANKAR  
MANAGING DIRECTOR  
DIN: 00010270

Place: Hyderabad  
Date: 2nd August, 2017



# 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 ended 30 June 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 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 2 August 2017. 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: 2 August 2017