



VST Industries Limited

Azamabad, Hyderabad - 500 020, Andhra Pradesh

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR
QUARTER ENDED 31st DECEMBER, 2008

(Rs. in Lakhs)

Sl. No.	PARTICULARS	QUARTER ENDED		NINE MONTHS ENDED		YEAR ENDED
		31-12-2008 (UNAUDITED)	31-12-2007 (UNAUDITED)	31-12-2008 (UNAUDITED)	31-12-2007 (UNAUDITED)	31-03-2008 (AUDITED)
Col.1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7
1.	(a) Gross Sales / Income from Operations	29436	20062	74149	57030	77344
	(b) Less:- Excise Duty	16710	10815	45539	31850	43347
	(c) Net Sales / Income from Operations	12726	9247	28610	25180	33997
	(d) Other Operating Income	60	79	163	149	166
	Total	12786	9326	28773	25329	34163
2.	Expenditure:					
	(a) (Increase)/Decrease in Stock-in-Trade and Work-in -progress	1	30	(237)	(188)	48
	(b) Consumption of Raw Materials	6405	4026	13966	10322	13642
	(c) Employee Cost	1143	1058	3379	3214	4496
	(d) Depreciation	403	353	1162	1009	1372
	(e) Other Expenditure	2018	1602	6314	5392	7464
	Total	9970	7069	24584	19749	27022
3.	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	2816	2257	4189	5580	7141
4.	Other Income	418	240	1808	1138	1268
5.	Profit before Interest & Exceptional Items (3+4)	3234	2497	5997	6718	8409
6.	Interest	(11)	(22)	(9)	(108)	(197)
7.	Profit after Interest but before Exceptional Items (5-6)	3245	2519	6006	6826	8606
8.	Exceptional Items	-	-	-	-	-
9.	Profit from Ordinary activities before Tax (7+8)	3245	2519	6006	6826	8606
10.	Tax Expenses	1066	838	1636	2185	2771
11.	Net Profit from Ordinary activities after Tax (9- 10)	2179	1681	4370	4641	5835
12.	Extraordinary Items (Net of Tax Expense)	-	-	-	-	-
13.	Net Profit for the Period (11 -12)	2179	1681	4370	4641	5835
14.	Paid-up Equity Share Capital (Face value of Rs.10 per Share)	1544	1544	1544	1544	1544
15.	Reserves excluding Revaluation Reserve as per the balance sheet of previous accounting year	-	-	-	-	21229
16.	Earnings per Share (EPS) Rs.					
	a) Basic and Diluted EPS before extraordinary Items for the period, for the year to date and for the previous year	14.11	10.88	28.30	30.05	37.79
	b) Basic and Diluted EPS after extraordinary Items for the period, for the year to date and for the previous year	14.11	10.88	28.30	30.05	37.79
17.	Public Shareholding					
	- Number of Shares	10476018	10476018	10476018	10476018	10476018
	- Percentage of Shareholding	67.84	67.84	67.84	67.84	67.84

Notes :

1. As the Company's business activity falls within a single primary business segment viz. "Tobacco and related products", the disclosure requirements of Accounting Standard 17 "Segment Reporting" as notified under Section 211 (3C) of the Companies Act, 1956, is not applicable.
2. The Post Manufacturing Expenses dispute related to excise duty payable on clearances from the factory between 01-03-1975 to 28-02-1983 in which allowable post manufacturing expenses were denied by the excise department. The company had won the case on merits, after which the excise department had rejected the claim for refund of excess duty paid on principles of unjust enrichment. This issue was held in favour of the Company by the Hon'ble High Court of Andhra Pradesh and consequently, a refund of Rs.1261 lakhs (including an interest of Rs.545 lakhs) was received from the excise department during the previous year ended 31st March 2008. Considering various aspects involved including the legal advice obtained on possibility of further litigation, as a matter of prudence, no effect has been given to the said refund received in above mentioned results, pending progress in the matter.
3. Other Expenditure includes Rs.316 lakhs and 1352 lakhs for the quarter and nine months ended 31st December 2008 being Loss/(Gain) on foreign exchange fluctuations. (corresponding previous quarter and nine months ended 31st December 2007 - Rs. 48 lakhs and Rs. (71) lakhs respectively).
4. To facilitate comparison, figures of the previous period have been re-arranged, where necessary.
5. During the Quarter, 21 investor complaints were received to which the company had responded. No complaints were pending either at the beginning or at the end of the quarter.
6. Limited Review of Financial Results as per Clause 41 of Listing Agreement with the Stock Exchanges has been carried out by the Statutory Auditors for the quarter ended 31st December, 2008.
7. The above mentioned results were reviewed by the Audit Committee on 15th January, 2009 and approved by the Board of Directors at its meeting held on 16th January, 2009.

Place : Hyderabad

Date : 16th January, 2009

**BY ORDER OF THE BOARD
VST INDUSTRIES LIMITED**

Sd/-

**R.S. NORONHA
MANAGING DIRECTOR**