

**VST Industries Limited**  
Azamabad, Hyderabad - 500 020, Andhra Pradesh  
**UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2009**

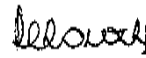
(Rs. In Lakhs)

Sl. No.	PARTICULARS	Quarter Ended		Nine Months Ended		Year Ended
		31-12-2009 (Unaudited)	31-12-2008 (Unaudited)	31-12-2009 (Unaudited)	31-12-2008 (Unaudited)	31-03-2009 (Audited)
Col.1	Col.2	Col.3	Col.4	Col.5	Col.6	Col.7
1.	(a)Gross Sales / Income from Operations	28764	29436	84707	74149	100474
	(b)Less:-Excise Duty	16182	16710	48018	45539	62366
	(c)Net Sales / Income from Operations	12582	12726	36689	28610	38108
	(d)Other Operating Income	88	60	236	163	198
	Total	12670	12786	36925	28773	38306
2.	Expenditure:					
	(a) (Increase)/Decrease in Stock-in-Trade and Work-in -progress	(790)	1	(792)	(237)	(293)
	(b) Consumption of Raw Materials	8076	6405	21383	13966	18386
	(c) Employees Cost	1291	1143	3815	3379	4889
	(d) Depreciation	454	403	1248	1162	1582
	(e) Other Expenditure	1431	2018	4664	6314	8413
	Total	10462	9970	30318	24584	32977
3.	Profit from Operations before Other Income, Interest & Exceptional Item ( 1- 2)	2208	2816	6607	4189	5329
4.	Other Income	249	418	1623	1808	1940
5.	Profit before Interest & Exceptional Item ( 3 + 4)	2457	3234	8230	5997	7269
6.	Interest (net)	(19)	(11)	(79)	(9)	(104)
7.	Profit after Interest but before Exceptional Item ( 5 - 6)	2476	3245	8309	6006	7373
8.	Exceptional Item (refer note 3)	-	-	-	-	1261
9.	Profit from Ordinary activities before Tax ( 7 +8)	2476	3245	8309	6006	8634
10.	Tax Expenses	740	1066	2448	1636	2452
11.	Net Profit from Ordinary activities after Tax ( 9- 10)	1736	2179	5861	4370	6182
12.	Extraordinary Items ( Net of Tax Expense)	-	-	-	-	-
13.	Net Profit for the Period ( 11 -12)	1736	2179	5861	4370	6182
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	-	-	-	-	21992
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	11.24	14.11	37.96	28.30	40.04
	b) Basic and Diluted EPS after extraordinary Items for the period, for the year to date and for the previous year	11.24	14.11	37.96	28.30	40.04
17.	Public Shareholding					
	- Number of Shares	10476018	10476018	10476018	10476018	10476018
	- Percentage of Shareholding	67.84	67.84	67.84	67.84	67.84
18.	Promoters and Promoter Group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of shares	4965902	4965902	4965902	4965902	4965902
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the company)	32.16	32.16	32.16	32.16	32.16

## Notes:

- 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.
- Other Expenditure includes Loss/(Gain) on foreign exchange:
  - for the quarter and nine months ended 31st December, 2009 - Rs.(347) & Rs.(650) lakhs respectively.
  - for the quarter and nine months ended 31st December, 2008 - Rs.316 lakhs & Rs.1352 lakhs respectively.
  - for the year ended 31st March, 2009 - Rs.1561 lakhs.
- The Post Manufacturing Expenses dispute relates 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.1260.79 lakhs (including an interest of Rs.545.51 lakhs) was received from the excise department during the year ended 31st March, 2008. Considering various aspects involved, the said refund received had been considered in the Profit and Loss Account for the year ended 31st March, 2009.
- To facilitate comparison, figures of the previous period have been re-arranged, where necessary.
- During the Quarter, 62 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.
- 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 and nine months ended 31st December, 2009.
- The above mentioned results were reviewed by the Audit Committee on 12th January, 2010 and approved by the Board of Directors at its meeting held on 13th January, 2010.

BY ORDER OF THE BOARD  
VST INDUSTRIES LIMITED



R.S. NOKONHA  
MANAGING DIRECTOR

Place: Hyderabad  
Date : 13th January, 2010