



ITC Limited

Statement of Standalone Unaudited Financial Results for the Quarter and Six Months ended 30th September, 2018

(₹ in Crores)

Particulars		3 Months	Corresponding 3	Preceding	6 Months	6 Months	Twelve Months
		ended	Months	3 Months	ended	ended	ended
		30.09.2018	ended	ended	30.09.2018	30.09.2017	ended
		(Unaudited)	30.09.2017	30.06.2018	(Unaudited)	(Unaudited)	31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Gross Revenue from sale of products and services	(i)	11094.89	9676.20	10722.22	21817.11	23398.41	43956.90
Other operating revenue	(ii)	177.62	87.72	152.37	329.99	165.93	372.87
REVENUE FROM OPERATIONS[(i)+(ii)]	1	11272.51	9763.92	10874.59	22147.10	23564.34	44329.77
OTHER INCOME	2	504.12	494.21	403.85	907.97	970.98	2129.84
TOTAL INCOME (1+2)	3	11776.63	10258.13	11278.44	23055.07	24535.32	46459.61
EXPENSES							
a) Cost of materials consumed		3381.90	2858.00	3052.92	6434.82	5752.90	11756.21
b) Purchases of stock-in-trade		876.09	558.82	1254.38	2130.47	1549.71	2991.98
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and intermediates		21.68	939.55	(197.92)	(176.24)	889.76	1041.85
d) Excise duty		203.66	(550.21)	167.56	371.22	3295.55	3702.23
e) Employee benefits expense		596.31	606.54	742.97	1339.28	1281.17	2487.46
f) Finance costs		13.50	29.01	7.34	20.84	39.39	86.65
g) Depreciation and amortization expense		327.47	282.42	298.69	626.16	550.63	1145.37
h) Other expenses		1986.90	1589.71	1652.56	3639.46	3287.34	6809.06
TOTAL EXPENSES	4	7407.51	6313.84	6978.50	14386.01	16646.45	30020.81
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	5	4369.12	3944.29	4299.94	8669.06	7888.87	16438.80
EXCEPTIONAL ITEMS	6	-	-	-	-	-	412.90
PROFIT BEFORE TAX (5+6)	7	4369.12	3944.29	4299.94	8669.06	7888.87	16851.70
TAX EXPENSE	8	1414.45	1304.45	1481.26	2895.71	2688.53	5628.45
a) Current Tax		1340.09	1320.39	1397.52	2737.61	2694.41	5599.83
b) Deferred Tax		74.36	(15.94)	83.74	158.10	(5.88)	28.62
PROFIT FOR THE PERIOD (7-8)	9	2954.67	2639.84	2818.68	5773.35	5200.34	11223.25
OTHER COMPREHENSIVE INCOME	10	(200.12)	(29.04)	78.42	(121.70)	127.78	382.34
A (i) Items that will not be reclassified to profit or loss		(173.28)	(26.07)	96.04	(77.24)	138.05	426.22
(ii) Income tax relating to items that will not be reclassified to profit or loss		(8.52)	1.14	(1.81)	(10.33)	(0.69)	(31.61)
B (i) Items that will be reclassified to profit or loss		(28.17)	(6.29)	(24.30)	(52.47)	(14.64)	(18.69)
(ii) Income tax relating to items that will be reclassified to profit or loss		9.85	2.18	8.49	18.34	5.06	6.42
TOTAL COMPREHENSIVE INCOME (9+10)	11	2754.55	2610.80	2897.10	5651.65	5328.12	11605.59
PAID UP EQUITY SHARE CAPITAL (Ordinary Shares of ₹ 1/- each)	12	1224.19	1218.36	1220.74	1224.19	1218.36	1220.43
RESERVES EXCLUDING REVALUATION RESERVES	13						50179.64
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	14						
(a) Basic (₹)		2.42	2.17	2.31	4.73	4.28	9.22
(b) Diluted (₹)		2.40	2.15	2.29	4.69	4.24	9.16

Notes :

1 The Unaudited Standalone Financial Results, Segment Results and Balance Sheet were reviewed by the Audit Committee and approved by the Board of Directors of the Company at the meeting held on 26th October, 2018.

2 Consequent to the introduction of Goods and Services Tax (GST) with effect from 1st July 2017, Central Excise [other than National Calamity Contingent Duty (NCCD) on cigarettes], Value Added Tax (VAT) etc. have been replaced by GST. In accordance with Indian Accounting Standards and Schedule III of the Companies Act, 2013, GST, GST Compensation Cess, VAT, etc. are excluded and NCCD is not excluded from Gross Revenue from sale of products and services for applicable periods. In view of the aforesaid restructuring of indirect taxes, Gross Revenue from sale of products and services and Excise duty for the six months ended 30th September, 2018 are not comparable with the previous period.

On a comparable basis, Gross Sales Value[^] (net of rebates and discounts) for the six months ended 30th September, 2018 and 30th September, 2017 are ₹36615.82 Crores and ₹32402.24 Crores respectively.

[^]Gross Sales Value includes GST, GST Compensation Cess, Service Tax, VAT, Luxury Tax etc., as applicable

3 The launch and rollout costs of the Company's brands 'Fiama', 'Vivel', 'Superia', 'Engage', 'Savlon' and 'Shower to Shower' covering the range of personal care products of soaps, face washes, shower gels, skin care, deodorants, handwash and ayurvedic talc, and the continuing significant brand building costs of the Foods businesses are reflected under 'Other expenses' stated above and in Segment Results under 'FMCG-Others'.

4 During the quarter ended 30th September, 2018, 3,45,02,440 Ordinary Shares of ₹ 1/- each were issued and allotted under the Company's Employee Stock Option Schemes (ESOS). Consequently, the issued and paid-up Share Capital of the Company as on 30th September, 2018 stands increased to ₹ 1224,19,14,761.

5 This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Limited Review

The Limited Review, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed and the related Report does not have any impact on the above 'Results and Notes' for the Quarter and Six months ended 30th September, 2018 which needs to be explained.

ITC Limited

(₹ in Crores)

Balance Sheet		STANDALONE	
Particulars		As at current half year end 30.09.2018	As at previous year end 31.03.2018
		(Unaudited)	(Audited)
A	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, Plant and Equipment	17300.11	15120.00
	(b) Capital work-in-progress	3521.98	5016.85
	(c) Intangible assets	545.08	445.99
	(d) Intangible assets under development	13.14	8.73
	(e) Financial Assets		
	(i) Investments	11889.98	13493.77
	(ii) Loans	7.99	7.40
	(iii) Others	88.13	1741.28
	(f) Income Tax Assets (Net)	-	18.66
	(g) Other non-current assets	1857.52	2025.63
	Non-Current Assets	35223.93	37878.31
2	CURRENT ASSETS		
	(a) Inventories	7934.08	7237.15
	(b) Financial Assets		
	(i) Investments	11852.49	9903.45
	(ii) Trade receivables	3103.52	2357.01
	(iii) Cash and cash equivalents	66.54	96.03
	(iv) Other Bank Balances	2268.57	2498.85
	(v) Loans	4.27	4.15
	(vi) Others	1375.88	1147.95
	(c) Other current assets	823.39	1258.41
	Current Assets	27428.74	24503.00
	TOTAL ASSETS	62652.67	62381.31
B	EQUITY AND LIABILITIES		
	EQUITY		
	(a) Equity Share capital	1224.19	1220.43
	(b) Other Equity	49125.43	50179.64
	Equity	50349.62	51400.07
	LIABILITIES		
1	NON-CURRENT LIABILITIES		
	(a) Financial Liabilities		
	(i) Borrowings	11.13	11.13
	(ii) Other financial liabilities	14.48	35.36
	(b) Provisions	125.87	121.91
	(c) Deferred tax liabilities (Net)	2061.97	1917.94
	(d) Other non-current liabilities	38.44	38.30
	Non-Current Liabilities	2251.89	2124.64
2	CURRENT LIABILITIES		
	(a) Financial Liabilities		
	(i) Borrowings	93.06	-
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	43.79	29.43
	Total outstanding dues of creditors other than micro enterprises and small enterprises	3537.51	3352.85
	(iii) Other financial liabilities	932.01	778.30
	(b) Other current liabilities	4612.99	4656.78
	(c) Provisions	24.45	39.24
	(d) Current Tax Liabilities (Net)	807.35	-
	Current Liabilities	10051.16	8856.60
	TOTAL EQUITY AND LIABILITIES	62652.67	62381.31

ITC LIMITED

Unaudited Segment-wise Revenue, Results, Assets and Liabilities for the Quarter and Six Months ended 30th September, 2018

(₹ in Crores)

STANDALONE						
Particulars	3 Months ended 30.09.2018	Corresponding 3 Months ended 30.09.2017	Preceding 3 Months ended 30.06.2018	6 Months ended 30.09.2018	6 Months ended 30.09.2017	Twelve Months ended 31.03.2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
a) FMCG - Cigarettes	5026.06	4554.21	5127.59	10153.65	13328.37	22894.01
- Others	3160.35	2804.11	2870.03	6030.38	5405.00	11328.60
Total FMCG	8186.41	7358.32	7997.62	16184.03	18733.37	34222.61
b) Hotels	362.55	300.18	341.28	703.83	605.07	1417.51
c) Agri Business	2219.73	1967.98	3151.27	5371.00	4728.50	8067.67
d) Paperboards, Paper & Packaging	1424.46	1309.41	1355.83	2780.29	2669.23	5249.64
Total	12193.15	10935.89	12846.00	25039.15	26736.17	48957.43
Less : Inter-segment revenue	1098.26	1259.69	2123.78	3222.04	3337.76	5000.53
Gross Revenue from sale of products and services[@]	11094.89	9676.20	10722.22	21817.11	23398.41	43956.90
2. Segment Results						
a) FMCG - Cigarettes	3579.07	3291.67	3558.39	7137.46	6565.81	13340.82
- Others [Note (i)]	58.45	20.49	50.12	108.57	25.92	164.12
Total FMCG	3637.52	3312.16	3608.51	7246.03	6591.73	13504.94
b) Hotels	15.56	4.24	13.22	28.78	9.55	139.79
c) Agri Business	236.07	256.20	194.51	430.58	491.31	848.62
d) Paperboards, Paper & Packaging	310.91	274.19	295.66	606.57	531.48	1042.16
Total	4200.06	3846.79	4111.90	8311.96	7624.07	15535.51
Less : i) Finance Costs	13.50	29.01	7.34	20.84	39.39	86.65
ii) Other un-allocable (income) net of un-allocable expenditure [Note (ii)]	(182.56)	(126.51)	(195.38)	(377.94)	(304.19)	(989.94)
iii) Exceptional items	-	-	-	-	-	(412.90)
Profit Before Tax	4369.12	3944.29	4299.94	8669.06	7888.87	16851.70
3. Segment Assets						
a) FMCG - Cigarettes	8255.27	8389.61	7921.69	8255.27	8389.61	7956.89
- Others	8488.58	7744.46	8617.93	8488.58	7744.46	7623.20
Total FMCG	16743.85	16134.07	16539.62	16743.85	16134.07	15580.09
b) Hotels [Note (iii)]	5793.13	5356.60	5693.28	5793.13	5356.60	5520.54
c) Agri Business	3322.49	2929.88	3491.69	3322.49	2929.88	3407.41
d) Paperboards, Paper & Packaging	6979.35	6774.68	6861.90	6979.35	6774.68	6739.83
Total	32838.82	31195.23	32586.49	32838.82	31195.23	31247.87
Unallocated Corporate Assets	29813.85	25898.12	34371.89	29813.85	25898.12	31133.44
Total Assets	62652.67	57093.35	66958.38	62652.67	57093.35	62381.31
4. Segment Liabilities						
a) FMCG - Cigarettes*	4408.37	4416.35	4710.36	4408.37	4416.35	4624.83
- Others	2100.21	1749.29	1906.46	2100.21	1749.29	1906.52
Total FMCG	6508.58	6165.64	6616.82	6508.58	6165.64	6531.35
b) Hotels	600.31	479.61	601.18	600.31	479.61	521.45
c) Agri Business	949.21	1198.51	930.69	949.21	1198.51	900.18
d) Paperboards, Paper & Packaging	871.52	749.53	764.87	871.52	749.53	787.13
Total	8929.62	8593.29	8913.56	8929.62	8593.29	8740.11
Unallocated Corporate Liabilities	3373.43	3925.49	3599.35	3373.43	3925.49	2241.13
Total Liabilities	12303.05	12518.78	12512.91	12303.05	12518.78	10981.24

[@] Refer Note 2 to the Statement of Standalone Financial Results.

* Segment Liabilities of FMCG-Cigarettes is before considering ₹ 122.02 Crores (30.09.2017 - ₹ 638.09 Crores; 30.06.2018 - ₹ 121.29 Crores and 31.03.2018 - ₹ 233.02 Crores) in respect of certain disputed taxes. These have been included under 'Unallocated Corporate Liabilities'.

Note (i): In respect of FMCG-Others segment, earnings before interest, taxes, depreciation and amortization (EBITDA), for the quarter and six months ended 30.09.2018 is ₹ 158.84 Crores and ₹ 286.60 Crores respectively (quarter ended 30.09.2017 - ₹ 89.77 Crores; quarter ended 30.06.2018 - ₹ 127.76 Crores; six months ended 30.09.2017 - ₹ 158.57 Crores and twelve months ended 31.03.2018 - ₹ 455.58 Crores).

(ii): As stock options are granted under ITC ESOS to align the interests of employees with those of shareholders and also to attract and retain talent for the enterprise as a whole, the option value of ITC ESOS do not form part of the segment performance reviewed by the Corporate Management Committee.

(iii): Consequent to the judgement and order dated 19th March, 2018 of the Hon'ble Supreme Court of India, the Company has on 19th September, 2018 taken the possession of Park Hyatt Goa Resort & Spa. The hotel has since commenced commercial operations from 15th October, 2018 as ITC Grand Goa, Resort & Spa.

Notes :

- (1) The Company's corporate strategy aims at creating multiple drivers of growth anchored on its core competencies. The Company is currently focused on four business groups : FMCG, Hotels, Paperboards, Paper & Packaging and Agri Business. The Company's organisational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.

The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Corporate Management Committee, which is the Chief Operating Decision Maker.

- (2) The business groups comprise the following :

FMCG	:	Cigarettes	-	Cigarettes, Cigars etc.
	:	Others	-	Branded Packaged Foods Businesses (Staples; Snacks and Meals; Dairy and Beverages; Confections); Apparel; Education and Stationery Products; Personal Care Products; Safety Matches and Agarbattis.
Hotels			-	Hoteliering.
Paperboards, Paper & Packaging			-	Paperboards, Paper including Specialty Paper & Packaging including Flexibles.
Agri Business			-	Agri commodities such as soya, spices, coffee and leaf tobacco.

- (3) Segment results of 'FMCG : Others' are after considering significant business development, brand building and gestation costs of Branded Packaged Foods businesses and Personal Care Products business.

Registered Office :
Virginia House, 37 J.L. Nehru Road,
Kolkata 700 071, India

For and on behalf of the Board

Dated : 26th October, 2018
Place : Gurugram, India

Director & Chief Financial Officer

Managing Director

Chairman