

Statement of Unaudited Standalone Financial Results for the Quarter ended 30th June, 2020

(₹ in Crores)

Particulars		3 Months ended	Corresponding	Preceding	Twelve
		30.06.2020	3 Months ended 30.06.2019	3 Months ended 31.03.2020 <sup>#</sup>	Months ended 31.03.2020
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
Gross Revenue from sale of products and services	(i)	9435.61	11361.35	11300.05	46323.72
Other operating revenue	(ii)	66.14	141.47	119.99	483.62
REVENUE FROM OPERATIONS[(i)+(ii)]	1	9501.75	11502.82	11420.04	46807.34
OTHER INCOME	2	896.82	620.17	755.54	3013.66
TOTAL INCOME (1+2)	3	10398.57	12122.99	12175.58	49821.00
<b>EXPENSES</b>					
a) Cost of materials consumed		3048.44	3098.29	3254.23	13121.76
b) Purchases of stock-in-trade		1676.61	1816.23	987.26	4289.71
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and intermediates		(778.13)	(774.66)	(174.43)	(176.34)
d) Excise duty		590.43	190.37	577.76	1187.64
e) Employee benefits expense		696.92	690.31	666.53	2658.21
f) Finance costs		16.79	15.22	14.73	55.72
g) Depreciation and amortization expense		398.18	358.89	392.50	1563.27
h) Other expenses		1620.90	1916.60	1945.16	7822.11
TOTAL EXPENSES	4	7270.14	7311.25	7663.74	30522.08
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	5	3128.43	4811.74	4511.84	19298.92
EXCEPTIONAL ITEMS	6	-	-	-	(132.11)
PROFIT BEFORE TAX (5+6)	7	3128.43	4811.74	4511.84	19166.81
TAX EXPENSE	8	785.67	1637.80	714.76	4030.76
a) Current Tax		767.95	1563.38	852.70	4441.97
b) Deferred Tax		17.72	74.42	(137.94)	(411.21)
PROFIT FOR THE PERIOD (7-8)	9	2342.76	3173.94	3797.08	15136.05
OTHER COMPREHENSIVE INCOME	10	(5.73)	(213.01)	(761.21)	(1381.81)
A (i) Items that will not be reclassified to profit or loss		(17.83)	(218.57)	(744.22)	(1365.32)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.97	2.23	4.69	9.62
B (i) Items that will be reclassified to profit or loss		14.87	5.12	(29.42)	(36.24)
(ii) Income tax relating to items that will be reclassified to profit or loss		(3.74)	(1.79)	7.74	10.13
TOTAL COMPREHENSIVE INCOME (9+10)	11	2337.03	2960.93	3035.87	13754.24
PAID UP EQUITY SHARE CAPITAL (Ordinary Shares of ₹ 1/- each)	12	1229.22	1225.86	1229.22	1229.22
RESERVES EXCLUDING REVALUATION RESERVES	13				62799.94
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	14				
(a) Basic (₹)		1.91	2.59	3.09	12.33
(b) Diluted (₹)		1.91	2.57	3.09	12.31

# The figures for the preceding 3 months ended 31.03.2020 are the balancing figures between the audited figures in respect of the full financial year ended 31.03.2020 and the year to date figures upto the third quarter of that financial year.

**Notes :**

- The Unaudited Standalone Financial Results and Segment Results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at the meeting held on 24th July, 2020.
- The continuing significant brand building costs covering a range of personal care and branded packaged food products are reflected under 'Other expenses' stated above and in Segment Results under 'FMCG-Others'.
- The Company on 9th July, 2020, incorporated a wholly owned subsidiary in the name of 'ITC IndiVision Limited'; the initial subscribed share capital of the said company would be ₹ 1 crore.
- As reported earlier, the Company had entered into a Share Purchase Agreement (SPA) on 23rd May, 2020, to acquire 100% of the equity share capital of Messrs. Sunrise Foods Private Limited, an Indian company primarily engaged in the business of spices under the trademark 'Sunrise', subject to fulfilment of various terms and conditions as specified in the SPA. The Company and the sellers are working towards consummation of the transaction.
- The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, plant & equipment, intangible assets, investments, inventories, trade receivables, etc. For this purpose, the Company has considered internal and external sources of information up to the date of approval of the Standalone Financial Results including credit reports and related information, economic forecasts, market value of certain investments etc. Based on the current estimates, the Company does not expect any significant impact on such carrying values. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of Standalone Financial Results.

6 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 ended 30th June, 2020 which needs to be explained.

**ITC LIMITED**  
**Unaudited Segment-wise Revenue, Results, Assets and Liabilities**  
**for the Quarter ended 30th June, 2020**

(₹ in Crores)

Particulars	STANDALONE			
	3 Months ended 30.06.2020	3 Months ended 30.06.2019	Preceding 3 Months ended 31.03.2020#	Twelve Months ended 31.03.2020
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>1. Segment Revenue</b>				
a) FMCG - Cigarettes	3853.79	5433.40	5130.53	21201.74
- Others	3374.57	3060.05	3183.55	12844.23
<b>Total FMCG</b>	<b>7228.36</b>	<b>8493.45</b>	<b>8314.08</b>	<b>34045.97</b>
b) Hotels	22.58	392.59	465.75	1837.28
c) Agri Business	3746.30	3611.23	1887.26	10240.72
d) Paperboards, Paper & Packaging	1026.44	1527.53	1458.86	6107.18
<b>Total</b>	<b>12023.68</b>	<b>14024.80</b>	<b>12125.95</b>	<b>52231.15</b>
Less : Inter-segment revenue	2588.07	2663.45	825.90	5907.43
<b>Gross Revenue from sale of products and services</b>	<b>9435.61</b>	<b>11361.35</b>	<b>11300.05</b>	<b>46323.72</b>
<b>2. Segment Results</b>				
a) FMCG - Cigarettes	2356.38	3849.13	3403.00	14852.55
- Others [Note (i)]	125.41	78.02	146.95	423.05
<b>Total FMCG</b>	<b>2481.79</b>	<b>3927.15</b>	<b>3549.95</b>	<b>15275.60</b>
b) Hotels	(242.58)	10.39	42.60	157.75
c) Agri Business	178.73	202.95	123.11	788.92
d) Paperboards, Paper & Packaging	160.12	329.76	285.70	1305.33
<b>Total</b>	<b>2578.06</b>	<b>4470.25</b>	<b>4001.36</b>	<b>17527.60</b>
Less : i) Finance Costs	16.79	15.22	14.73	55.72
ii) Other un-allocable (income) net of un-allocable expenditure [Note (ii)]	(567.16)	(356.71)	(525.21)	(1827.04)
iii) Exceptional Items	-	-	-	132.11
<b>Profit Before Tax</b>	<b>3128.43</b>	<b>4811.74</b>	<b>4511.84</b>	<b>19166.81</b>
<b>3. Segment Assets</b>				
a) FMCG - Cigarettes	6736.71	8392.38	6903.91	6903.91
- Others	10209.59	9536.33	8694.53	8694.53
<b>Total FMCG</b>	<b>16946.30</b>	<b>17928.71</b>	<b>15598.44</b>	<b>15598.44</b>
b) Hotels	6577.62	6368.81	6646.08	6646.08
c) Agri Business	4304.84	4626.16	4030.59	4030.59
d) Paperboards, Paper & Packaging	7073.03	6966.82	6823.85	6823.85
<b>Total</b>	<b>34901.79</b>	<b>35890.50</b>	<b>33098.96</b>	<b>33098.96</b>
Unallocated Corporate Assets	44298.77	38781.55	42136.40	42136.40
<b>Total Assets</b>	<b>79200.56</b>	<b>74672.05</b>	<b>75235.36</b>	<b>75235.36</b>
<b>4. Segment Liabilities</b>				
a) FMCG - Cigarettes	4701.65	4980.18	3991.11	3991.11
- Others	2559.08	2080.61	2133.61	2133.61
<b>Total FMCG</b>	<b>7260.73</b>	<b>7060.79</b>	<b>6124.72</b>	<b>6124.72</b>
b) Hotels	812.57	874.64	858.06	858.06
c) Agri Business	1175.76	1019.28	1098.29	1098.29
d) Paperboards, Paper & Packaging	930.03	795.40	764.73	764.73
<b>Total</b>	<b>10179.09</b>	<b>9750.11</b>	<b>8845.80</b>	<b>8845.80</b>
Unallocated Corporate Liabilities	2619.93	3960.35	2360.40	2360.40
<b>Total Liabilities</b>	<b>12799.02</b>	<b>13710.46</b>	<b>11206.20</b>	<b>11206.20</b>

# The figures for the preceding 3 months ended 31.03.2020 are the balancing figures between the audited figures in respect of the full financial year ended 31.03.2020 and the year to date figures upto the third quarter of that financial year.

Note (i): In respect of FMCG-Others segment, earnings before interest, taxes, depreciation and amortization (EBITDA) for the quarter ended 30.06.2020 is ₹ 257.34 Crores (quarter ended 30.06.2019 is ₹ 180.69 Crores, quarter ended 31.03.2020 is ₹ 256.47 Crores and twelve months ended 31.03.2020 - ₹ 914.00 Crores).

Note (ii): As stock options and stock appreciation linked reward units are granted under the ITC Employee Stock Option Schemes (ITC ESOS) and ITC Employee Cash Settled Stock Appreciation Linked Reward Plan (ITC ESARP), respectively, to align the interests of employees with those of shareholders and also to attract and retain talent for the enterprise as a whole, the charge thereof do not form part of the segment performance reviewed by the Corporate Management Committee.

**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 & Meals; Snacks; Dairy & Beverages; Biscuits & Cakes; Chocolates, Coffee & Confectionery); Education and Stationery Products; Personal Care Products; Safety Matches and Agarbattis; Apparel.
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.

(4) Figures for the corresponding previous periods are re-arranged, wherever necessary, to conform to the figures of the current period.

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

For and on behalf of the Board

Dated : 24th July, 2020  
Place : Kolkata, India

Director & Chief Financial Officer

Chairman & Managing Director