

Statement of Unaudited Standalone Financial Results for the Quarter and Six Months ended 30th September, 2019

(₹ in Crores)

Particulars		3 Months ended	Corresponding 3	Preceding	6 Months ended	6 Months ended	Twelve
		30.09.2019	Months ended	3 Months ended	Months ended	Months ended	Months ended
		(Unaudited)	30.09.2018	(Unaudited)	30.09.2019	30.09.2018	31.03.2019
			(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Gross Revenue from sale of products and services	(i)	11750.16	11094.89	11361.35	23111.51	21817.11	45221.41
Other operating revenue	(ii)	121.31	177.62	141.47	262.78	329.99	562.98
REVENUE FROM OPERATIONS[(i)+(ii)]	1	11871.47	11272.51	11502.82	23374.29	22147.10	45784.39
OTHER INCOME	2	654.33	504.12	620.17	1274.50	907.97	2484.54
TOTAL INCOME (1+2)	3	12525.80	11776.63	12122.99	24648.79	23055.07	48268.93
EXPENSES							
a) Cost of materials consumed		3408.42	3381.90	3098.29	6506.71	6434.82	13184.97
b) Purchases of stock-in-trade		742.32	876.09	1816.23	2558.55	2130.47	4300.32
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and intermediates		330.98	21.68	(774.66)	(443.68)	(176.24)	(180.14)
d) Employee benefits expense		632.26	596.31	690.31	1322.57	1339.28	2728.44
e) Finance costs		13.33	13.50	15.22	28.55	20.84	34.19
f) Depreciation and amortization expense		395.67	327.47	358.89	754.56	626.16	1311.70
g) Other expenses		2195.12	2190.56	2106.97	4302.09	4010.68	8445.29
TOTAL EXPENSES	4	7718.10	7407.51	7311.25	15029.35	14386.01	29824.77
PROFIT BEFORE TAX (3-4)	5	4807.70	4369.12	4811.74	9619.44	8669.06	18444.16
TAX EXPENSE (Refer Note 4)	6	784.60	1414.45	1637.80	2422.40	2895.71	5979.84
a) Current Tax		950.76	1340.09	1563.38	2514.14	2737.61	5849.24
b) Deferred Tax		(166.16)	74.36	74.42	(91.74)	158.10	130.60
PROFIT FOR THE PERIOD (5-6)	7	4023.10	2954.67	3173.94	7197.04	5773.35	12464.32
OTHER COMPREHENSIVE INCOME	8	(43.37)	(200.12)	(213.01)	(256.38)	(121.70)	362.56
A (i) Items that will not be reclassified to profit or loss		(34.91)	(173.28)	(218.57)	(253.48)	(77.24)	358.32
(ii) Income tax relating to items that will not be reclassified to profit or loss		2.27	(8.52)	2.23	4.50	(10.33)	3.69
B (i) Items that will be reclassified to profit or loss		(15.46)	(28.17)	5.12	(10.34)	(52.47)	0.85
(ii) Income tax relating to items that will be reclassified to profit or loss		4.73	9.85	(1.79)	2.94	18.34	(0.30)
TOTAL COMPREHENSIVE INCOME (7+8)	9	3979.73	2754.55	2960.93	6940.66	5651.65	12826.88
PAID UP EQUITY SHARE CAPITAL (Ordinary Shares of ₹ 1/- each)	10	1228.65	1224.19	1225.86	1228.65	1224.19	1225.86
RESERVES EXCLUDING REVALUATION RESERVES	11						56723.93
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	12						
(a) Basic (₹)		3.28	2.42	2.59	5.87	4.73	10.19
(b) Diluted (₹)		3.27	2.40	2.57	5.84	4.69	10.13

Notes :

- The Unaudited Standalone Financial Results, Segment Results, Balance Sheet and Cash Flow Statement were reviewed by the Audit Committee and approved by the Board of Directors of the Company at the meeting held on 24th October, 2019.
- 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'.
- During the quarter ended 30th September, 2019, 2,78,58,610 Ordinary Shares of ₹ 1/- each were issued and allotted under the Company's Employee Stock Option Schemes. Consequently, the issued and paid-up Share Capital of the Company as on 30th September, 2019 stands increased to ₹ 1228,64,90,211/-.
- The Company has exercised the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Deferred Tax Liabilities (net) as at March 31, 2019 and the estimate of tax expense for the year ended 31st March, 2020 have been re-measured. The resultant impact is being recognised over the current and the remaining quarters of the financial year. Consequently, tax expense for the current quarter and six months ended 30th September, 2019 includes a credit of ₹ 340.00 Crores.
- This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company does not have any exceptional item to report for the above periods.

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, 2019 which needs to be explained.

ITC LIMITED

Unaudited Segment-wise Revenue, Results, Assets and Liabilities for the Quarter and Six Months ended 30th September, 2019

(₹ in Crores)

STANDALONE						
Particulars	3 Months ended 30.09.2019	Corresponding 3 Months ended 30.09.2018	Preceding 3 Months ended 30.06.2019	6 Months ended 30.09.2019	6 Months ended 30.09.2018	Twelve Months ended 31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
a) FMCG - Cigarettes	5326.83	5026.06	5433.40	10760.23	10153.65	20712.95
- Others	3288.31	3160.35	3060.05	6348.36	6030.38	12505.28
Total FMCG	8615.14	8186.41	8493.45	17108.59	16184.03	33218.23
b) Hotels	426.63	362.55	392.59	819.22	703.83	1665.45
c) Agri Business	2647.52	2219.73	3611.23	6258.75	5371.00	9396.54
d) Paperboards, Paper & Packaging	1565.42	1424.46	1527.53	3092.95	2780.29	5860.16
Total	13254.71	12193.15	14024.80	27279.51	25039.15	50140.38
Less : Inter-segment revenue	1504.55	1098.26	2663.45	4168.00	3222.04	4918.97
Gross Revenue from sale of products and services	11750.16	11094.89	11361.35	23111.51	21817.11	45221.41
2. Segment Results						
a) FMCG - Cigarettes	3844.45	3579.07	3849.13	7693.58	7137.46	14551.07
- Others [Note (i)]	90.46	58.45	78.02	168.48	108.57	315.72
- Restructuring of Lifestyle Retailing Business	-	-	-	-	-	70.47
Total FMCG	3934.91	3637.52	3927.15	7862.06	7246.03	14937.26
b) Hotels	17.43	15.56	10.39	27.82	28.78	177.74
c) Agri Business	249.42	236.07	202.95	452.37	430.58	776.63
d) Paperboards, Paper & Packaging	355.91	310.91	329.76	685.67	606.57	1239.23
Total	4557.67	4200.06	4470.25	9027.92	8311.96	17130.86
Less : i) Finance Costs	13.33	13.50	15.22	28.55	20.84	34.19
ii) Other un-allocable (income) net of un-allocable expenditure [Note (ii)]	(263.36)	(182.56)	(356.71)	(620.07)	(377.94)	(1347.49)
Profit Before Tax	4807.70	4369.12	4811.74	9619.44	8669.06	18444.16
3. Segment Assets						
a) FMCG - Cigarettes	8405.01	8255.27	8392.38	8405.01	8255.27	8315.15
- Others	9568.16	8488.58	9536.33	9568.16	8488.58	8093.09
Total FMCG	17973.17	16743.85	17928.71	17973.17	16743.85	16408.24
b) Hotels	6510.03	5793.13	6368.81	6510.03	5793.13	6016.28
c) Agri Business	3873.39	3322.49	4626.16	3873.39	3322.49	3901.03
d) Paperboards, Paper & Packaging	6925.76	6979.35	6966.82	6925.76	6979.35	6966.69
Total	35282.35	32838.82	35890.50	35282.35	32838.82	33292.24
Unallocated Corporate Assets	33947.44	29813.85	38781.55	33947.44	29813.85	36505.68
Total Assets	69229.79	62652.67	74672.05	69229.79	62652.67	69797.92
4. Segment Liabilities						
a) FMCG - Cigarettes	4650.75	4408.37	4980.18	4650.75	4408.37	4720.75
- Others	2238.88	2100.21	2080.61	2238.88	2100.21	2017.30
Total FMCG	6889.63	6508.58	7060.79	6889.63	6508.58	6738.05
b) Hotels	911.55	600.31	874.64	911.55	600.31	608.42
c) Agri Business	816.96	949.21	1019.28	816.96	949.21	907.32
d) Paperboards, Paper & Packaging	844.94	871.52	795.40	844.94	871.52	755.90
Total	9463.08	8929.62	9750.11	9463.08	8929.62	9009.69
Unallocated Corporate Liabilities	2711.01	3373.43	3960.35	2711.01	3373.43	2838.44
Total Liabilities	12174.09	12303.05	13710.46	12174.09	12303.05	11848.13

Note (i): In respect of FMCG-Others segment, earnings before interest, taxes, depreciation and amortization (EBITDA) for the quarter and six months ended 30.09.2019 is ₹ 221.02 Crores and ₹ 401.71 Crores respectively (quarter ended 30.09.2018 - ₹ 158.84 Crores; quarter ended 30.06.2019 - ₹ 180.69 Crores; six months ended 30.09.2018 - ₹ 286.60 Crores and twelve months ended 31.03.2019 - ₹ 688.25 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.

ITC Limited

(₹ in Crores)

Balance Sheet		STANDALONE	
Particulars		As at current half year end 30.09.2019	As at previous year end 31.03.2019
		(Unaudited)	(Audited)
A	ASSETS		
1	Non-current assets		
	(a) Property, Plant and Equipment	18902.04	17945.65
	(b) Capital work-in-progress	2446.99	3391.47
	(c) Investment Property	385.37	-
	(d) Intangible assets	534.77	540.75
	(e) Intangible assets under development	4.32	9.89
	(g) Right of use assets	706.23	-
	(h) Financial Assets		
	(i) Investments	13328.32	14071.45
	(ii) Loans	4.62	6.21
	(iii) Others	1078.85	2380.49
	(i) Other non-current assets	1453.71	1883.05
	Non-current assets	38845.22	40228.96
2	Current assets		
	(a) Inventories	8940.92	7587.24
	(b) Financial Assets		
	(i) Investments	12955.68	12506.55
	(ii) Trade receivables	3665.38	3646.22
	(iii) Cash and cash equivalents	165.01	162.71
	(iv) Other Bank Balances	2825.07	3606.02
	(v) Loans	4.35	5.02
	(vi) Others	1015.74	1360.29
	(c) Other current assets	812.42	694.91
	Current assets	30384.57	29568.96
	Total Assets	69229.79	69797.92
B	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	1228.65	1225.86
	(b) Other Equity	55827.05	56723.93
	Equity	57055.70	57949.79
	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	7.89	7.89
	(ii) Lease liabilities	277.89	-
	(iii) Other financial liabilities	115.58	41.90
	(b) Provisions	137.04	132.64
	(c) Deferred tax liabilities (Net)	1946.90	2044.14
	Non-current liabilities	2485.30	2226.57
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	41.22	54.32
	Total outstanding dues of creditors other than micro enterprises and small enterprises	3444.74	3313.96
	(ii) Lease liabilities	64.18	-
	(iii) Other financial liabilities	1045.53	972.94
	(b) Other current liabilities	4719.54	4910.40
	(c) Provisions	29.09	25.24
	(d) Current Tax Liabilities (Net)	344.49	344.70
	Current liabilities	9688.79	9621.56
	Total Equity and Liabilities	69229.79	69797.92

ITC Limited

Standalone Cash Flow Statement for the half year ended 30th September, 2019

(₹ in Crores)

	For the half year ended 30th September, 2019		For the half year ended 30th September, 2018	
A. Cash Flow from Operating Activities				
PROFIT BEFORE TAX		9619.44		8669.06
ADJUSTMENTS FOR :				
Depreciation and amortization expense	754.56		626.16	
Share based payments to employees	79.02		140.08	
Finance costs	28.55		20.84	
Interest Income	(725.65)		(617.78)	
Dividend Income	(69.26)		(64.83)	
Loss on sale of property, plant and equipment - Net	30.58		49.85	
Doubtful and bad debts	7.72		8.99	
Doubtful and bad advances, loans and deposits	(0.67)		1.89	
Net gain recognised on disposal of subsidiary	-		(1.53)	
Net (gain)/loss arising on investments mandatorily measured at fair value through profit or loss	(446.20)		(228.64)	
Foreign currency translations and transactions - Net	(3.32)	(344.67)	2.72	(62.25)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		9274.77		8606.81
ADJUSTMENTS FOR :				
Trade receivables, loans, advances and other assets	2.57		(363.63)	
Inventories	(1353.68)		(696.93)	
Trade payables, other liabilities and provisions	(90.45)	(1441.56)	302.95	(757.61)
CASH GENERATED FROM OPERATIONS		7833.21		7849.20
Income tax paid		(2514.34)		(1916.84)
NET CASH FROM OPERATING ACTIVITIES		5318.87		5932.36
B. Cash Flow from Investing Activities				
Purchase of property, plant and equipment, Intangibles etc.	(1125.54)		(1388.84)	
Sale of property, plant and equipment	20.39		1.69	
Purchase of current investments	(39988.20)		(38578.66)	
Sale/redemption of current investments	39625.31		38927.30	
Investment in subsidiary	(104.93)		(187.05)	
Purchase of non-current investments	(774.11)		(326.66)	
Redemption proceeds of non-current investments	1767.63		17.00	
Proceeds on disposal of subsidiary	-		2.01	
Dividend Income	9.04		9.13	
Interest received	744.73		655.84	
Investment in bank deposits(original maturity more than 3 months)	(883.48)		(604.33)	
Redemption / maturity of bank deposits(original maturity more than 3 months)	3185.60		1866.12	
Investment in deposit with housing finance companies	(548.49)		(61.12)	
Redemption / maturity of deposit with housing finance companies	699.15		536.42	
Loans given	(0.93)		(3.47)	
Loans realised	3.19		2.75	
NET CASH USED IN INVESTING ACTIVITIES		2629.36		868.13
C. Cash Flow from Financing Activities				
Proceeds from issue of share capital	517.95		657.06	
Proceeds from current borrowings	-		90.00	
Repayment of lease liabilities	(20.54)		-	
Interest paid	(24.33)		(80.33)	
Net increase in statutory restricted accounts balances	3.19		15.63	
Dividend paid	(7048.71)		(6285.21)	
Income tax on dividend paid	(1373.52)		(1230.15)	
NET CASH USED IN FINANCING ACTIVITIES		(7945.96)		(6833.00)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		2.27		(32.51)
OPENING CASH AND CASH EQUIVALENTS		162.75		96.02
CLOSING CASH AND CASH EQUIVALENTS		165.02		63.51
<i>Note:</i>				
CASH AND CASH EQUIVALENTS :				
Cash and cash equivalents as above		165.02		63.51
Unrealised gain / (loss) on foreign currency cash and cash equivalents		(0.01)		(0.03)
Cash credit facilities		-		3.06
Cash and cash equivalents		<u>165.01</u>		<u>66.54</u>

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); 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.

(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 October, 2019
Place : Kolkata, India

Director & Chief Financial Officer

Chairman & Managing Director