



ITC Limited

Statement of Unaudited Consolidated Financial Results for the Quarter and Six Months ended 30th September, 2020

(₹ in Crores)

Particulars		3 Months	Corresponding 3	Preceding	6 Months	6 Months	Twelve
		ended 30.09.2020	Months ended 30.09.2019	3 Months ended 30.06.2020	ended 30.09.2020	ended 30.09.2019	Months ended 31.03.2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Gross Revenue from sale of products and services	(i)	13075.14	12759.44	10426.43	23501.57	25291.75	50968.50
Other operating revenue	(ii)	72.67	107.95	52.03	124.70	233.54	424.97
REVENUE FROM OPERATIONS[(i)+(ii)]	1	13147.81	12867.39	10478.46	23626.27	25525.29	51393.47
OTHER INCOME	2	582.25	629.88	925.13	1507.38	1277.17	2597.89
TOTAL INCOME (1+2)	3	13730.06	13497.27	11403.59	25133.65	26802.46	53991.36
<b>EXPENSES</b>							
a) Cost of materials consumed		3636.95	3461.47	3086.56	6723.51	6586.48	13810.70
b) Purchases of stock-in-trade		1166.47	720.74	1646.11	2812.58	2517.14	4237.90
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and intermediates		(42.31)	255.49	(737.21)	(779.52)	(481.24)	(703.13)
d) Excise duty		1071.09	427.36	704.39	1775.48	805.95	1989.42
e) Employee benefits expense		1070.47	1035.95	1104.75	2175.22	2114.82	4295.79
f) Finance costs		13.27	13.99	15.82	29.09	28.57	54.68
g) Depreciation and amortization expense		404.60	415.84	418.99	823.59	794.78	1644.91
h) Other expenses		1844.14	2124.32	1728.30	3572.44	4202.33	8502.63
TOTAL EXPENSES	4	9164.68	8455.16	7967.71	17132.39	16568.83	33832.90
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	5	4565.38	5042.11	3435.88	8001.26	10233.63	20158.46
EXCEPTIONAL ITEMS	6	-	-	-	-	-	(132.11)
PROFIT BEFORE TAX (5+6)	7	4565.38	5042.11	3435.88	8001.26	10233.63	20026.35
TAX EXPENSE	8	1146.69	868.39	868.81	2015.50	2623.40	4441.79
a) Current Tax		1090.62	1029.68	854.33	1944.95	2710.08	4846.15
b) Deferred Tax		56.07	(161.29)	14.48	70.55	(86.68)	(404.36)
PROFIT FOR THE PERIOD (7-8)	9	3418.69	4173.72	2567.07	5985.76	7610.23	15584.56
SHARE OF PROFIT / (LOSS) OF ASSOCIATES AND JOINT VENTURES	10	(5.25)	0.97	(4.34)	(9.59)	5.43	8.22
PROFIT AFTER TAX, SHARE OF PROFIT OF ASSOCIATES AND JOINT VENTURES (9+10)	11	3413.44	4174.69	2562.73	5976.17	7615.66	15592.78
OTHER COMPREHENSIVE INCOME	12	150.42	(52.18)	13.43	163.85	(295.13)	(1,469.97)
A (i) Items that will not be reclassified to profit or loss		150.97	(43.21)	(16.79)	134.18	(279.50)	(1,490.98)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.43	2.58	0.97	1.40	4.81	10.14
B (i) Items that will be reclassified to profit or loss		5.22	(16.28)	32.99	38.21	(23.38)	0.74
(ii) Income tax relating to items that will be reclassified to profit or loss		(6.20)	4.73	(3.74)	(9.94)	2.94	10.13
TOTAL COMPREHENSIVE INCOME (11+12)	13	3563.86	4122.51	2576.16	6140.02	7320.53	14122.81
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO :</b>							
OWNERS OF THE PARENT		3368.17	4119.16	2511.00	5879.17	7474.17	15306.23
NON-CONTROLLING INTERESTS		45.27	55.53	51.73	97.00	141.49	286.55
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO :							
OWNERS OF THE PARENT		3519.31	4067.27	2524.43	6043.74	7179.33	13835.90
NON-CONTROLLING INTERESTS		44.55	55.24	51.73	96.28	141.20	286.91
PAID UP EQUITY SHARE CAPITAL (Ordinary Shares of ₹ 1/- each)	14	1230.50	1228.65	1229.22	1230.50	1228.65	1229.22
RESERVES EXCLUDING REVALUATION RESERVES	15						6404.04
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	16						
(a) Basic (₹)		2.74	3.35	2.04	4.78	6.09	12.47
(b) Diluted (₹)		2.74	3.34	2.04	4.78	6.06	12.45

Notes :

- The Unaudited Consolidated 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 6th, November 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'.
- During the quarter ended 30th September, 2020, 1,28,05,310 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, 2020 stands increased to ₹ 1230,50,36,551/-.
- The Company, on 27th July, 2020, acquired 100% of the equity share capital of Sunrise Foods Private Limited (Sunrise). Consequently, Sunrise and its two wholly owned subsidiaries viz., Hobbits International Foods Private Limited and Sunrise Sheetgrah Private Limited, became wholly owned subsidiaries of the Company with effect from the aforesaid date. Further, the Board of Directors of the Company at the meeting held on 4th September, 2020 approved the amalgamation of Sunrise and its subsidiaries with the Company and the related Schemes of amalgamation. The Schemes, which are subject to approvals as necessary, will take effect from 27th July, 2020, being the appointed date. The fair values of assets and liabilities acquired have been provisionally determined and recorded in accordance with Ind AS 103 on 'Business Combinations' and have been reflected in 'FMCG - Others' segment. Accordingly, financial results of the Group and 'FMCG-Others' segment for the quarter and six months ended 30.09.2020 include those of Sunrise from 27th July, 2020 and hence are not comparable with previous periods.
- The Company, on 29th July, 2020, subscribed to the initial share capital of ITC Indivision Limited (IIVL) of ₹ 1 crore, consequent to which IIVL became a wholly owned subsidiary of the Company.
- The Company on 17th September, 2020 acquired, in the second tranche, 1964 Compulsorily Convertible Preference Shares of ₹ 10/- each of Delectable Technologies Private Limited (Delectable), consequent to which the Company's shareholding in Delectable aggregated 20.06% of its share capital on a fully diluted basis.
- The Group 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 Group has considered internal and external sources of information up to the date of approval of the Consolidated Financial Results, including credit reports and related information, economic forecasts, market value of certain investments etc. Based on the current estimates, the Group does not expect any significant impact on such carrying values. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of the Consolidated Financial Results.
- 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, 2020 which needs to be explained.

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

(₹ in Crores)

CONSOLIDATED						
Particulars	3 Months ended 30.09.2020	Corresponding 3 Months ended 30.09.2019	Preceding 3 Months ended 30.06.2020	6 Months ended 30.09.2020	6 Months ended 30.09.2019	Twelve Months ended 31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Segment Revenue</b>						
a) FMCG - Cigarettes	5627.67	5841.91	4330.05	9957.72	11983.83	23679.13
- Others	3930.63	3296.22	3378.84	7309.47	6364.29	12875.08
<b>Total FMCG</b>	<b>9558.30</b>	<b>9138.13</b>	<b>7708.89</b>	<b>17267.19</b>	<b>18348.12</b>	<b>36554.21</b>
b) Hotels	87.73	445.82	24.92	112.65	857.42	1926.44
c) Agri Business	3040.85	2673.59	3764.56	6805.41	6295.99	10453.87
d) Paperboards, Paper & Packaging	1458.67	1565.42	1026.44	2485.11	3092.95	6107.18
e) Others	579.59	540.18	556.68	1136.27	1063.40	2202.77
<b>Total</b>	<b>14725.14</b>	<b>14363.14</b>	<b>13081.49</b>	<b>27806.63</b>	<b>29657.88</b>	<b>57244.47</b>
Less : Inter-segment revenue	1650.01	1603.70	2655.06	4305.07	4366.13	6275.97
<b>Gross Revenue from sale of products and services</b>	<b>13075.13</b>	<b>12759.44</b>	<b>10426.43</b>	<b>23501.56</b>	<b>25291.75</b>	<b>50968.50</b>
<b>2. Segment Results</b>						
a) FMCG - Cigarettes	3409.20	4036.44	2535.24	5944.44	8182.19	15838.46
- Others	282.85	92.04	129.06	411.91	171.93	424.94
<b>Total FMCG</b>	<b>3692.05</b>	<b>4128.48</b>	<b>2664.30</b>	<b>6356.35</b>	<b>8354.12</b>	<b>16263.40</b>
b) Hotels	(193.97)	17.01	(257.39)	(451.36)	26.83	154.00
c) Agri Business	270.27	249.40	178.66	448.93	451.18	829.74
d) Paperboards, Paper & Packaging	330.29	355.91	160.11	490.40	685.67	1305.33
e) Others	128.33	77.01	115.46	243.79	145.83	290.95
<b>Total</b>	<b>4226.97</b>	<b>4827.81</b>	<b>2861.14</b>	<b>7088.11</b>	<b>9663.63</b>	<b>18843.42</b>
Less : i) Finance Costs	13.27	13.99	15.82	29.09	28.57	54.68
ii) Other un-allocable (income) net of un-allocable expenditure [Note(i)]	(351.68)	(228.29)	(590.56)	(942.24)	(598.57)	(1369.72)
iii) Exceptional items	-	-	-	-	-	132.11
<b>Profit Before Tax</b>	<b>4565.38</b>	<b>5042.11</b>	<b>3435.88</b>	<b>8001.26</b>	<b>10233.63</b>	<b>20026.35</b>
<b>3. Segment Assets</b>						
a) FMCG - Cigarettes	7936.36	9013.44	7219.47	7936.36	9013.44	7483.78
- Others	12766.95	9683.03	10325.06	12766.95	9683.03	8809.78
<b>Total FMCG</b>	<b>20703.31</b>	<b>18696.47</b>	<b>17544.53</b>	<b>20703.31</b>	<b>18696.47</b>	<b>16293.56</b>
b) Hotels	7538.05	7832.54	7531.43	7538.05	7832.54	7563.12
c) Agri Business	3956.93	4172.49	4611.25	3956.93	4172.49	4333.55
d) Paperboards, Paper & Packaging	7251.64	6917.79	7057.20	7251.64	6917.79	6816.90
e) Others	1564.06	999.92	1602.39	1564.06	999.92	1601.91
<b>Total</b>	<b>41013.99</b>	<b>38619.21</b>	<b>38346.80</b>	<b>41013.99</b>	<b>38619.21</b>	<b>36609.04</b>
Unallocated Corporate Assets	32383.49	33078.02	43397.47	32383.49	33078.02	40758.00
<b>Total Assets</b>	<b>73397.48</b>	<b>71697.23</b>	<b>81744.27</b>	<b>73397.48</b>	<b>71697.23</b>	<b>77367.04</b>
<b>4. Segment Liabilities</b>						
a) FMCG - Cigarettes	4353.84	4891.28	4929.25	4353.84	4891.28	4148.85
- Others	2519.51	2223.78	2546.21	2519.51	2223.78	2122.96
<b>Total FMCG</b>	<b>6873.35</b>	<b>7115.06</b>	<b>7475.46</b>	<b>6873.35</b>	<b>7115.06</b>	<b>6271.81</b>
b) Hotels	743.97	888.07	781.01	743.97	888.07	830.17
c) Agri Business	961.53	784.00	1078.50	961.53	784.00	972.06
d) Paperboards, Paper & Packaging	968.40	844.82	930.03	968.40	844.82	764.12
e) Others	356.55	298.53	389.79	356.55	298.53	375.72
<b>Total</b>	<b>9903.80</b>	<b>9930.48</b>	<b>10654.79</b>	<b>9903.80</b>	<b>9930.48</b>	<b>9213.88</b>
Unallocated Corporate Liabilities	3936.92	2794.84	2825.16	3936.92	2794.84	2502.43
<b>Total Liabilities</b>	<b>13840.72</b>	<b>12725.32</b>	<b>13479.95</b>	<b>13840.72</b>	<b>12725.32</b>	<b>11716.31</b>

Note (i): 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 Particulars		CONSOLIDATED	
		As at	As at
		current half year end	previous year end
		30.09.2020	31.03.2020
		(Unaudited)	(Audited)
A	ASSETS		
1	Non-current assets		
	(a) Property, Plant and Equipment	19281.10	19632.92
	(b) Capital work-in-progress	3514.56	3251.61
	(c) Investment Property	382.00	385.36
	(d) Goodwill on Consolidation	1571.28	202.53
	(e) Other Intangible assets	1244.64	525.37
	(f) Intangible assets under development	5.03	4.85
	(g) Right of Use Assets	962.35	967.16
	(h) Investment accounted for using the equity method	258.67	266.56
	(i) Financial Assets		
	(i) Investments	9056.82	10448.46
	(ii) Loans	4.72	5.27
	(iii) Others	84.80	615.65
	(j) Deferred tax assets (Net)	56.57	56.29
	(k) Income Tax Assets (Net)	41.18	38.42
	(l) Other non-current assets	1557.53	1461.24
	<b>Non-current assets</b>	<b>38021.25</b>	<b>37861.69</b>
2	Current assets		
	(a) Inventories	10960.83	8879.33
	(b) Biological assets other than bearer plants	93.93	86.20
	(c) Financial Assets		
	(i) Investments	14955.20	17948.33
	(ii) Trade receivables	2352.88	2562.48
	(iii) Cash and cash equivalents	351.84	650.35
	(iv) Other Bank Balances	3480.97	6626.99
	(v) Loans	4.42	6.33
	(vi) Others	1853.62	1818.54
	(d) Other current assets	1322.54	926.80
	<b>Current assets</b>	<b>35376.23</b>	<b>39505.35</b>
	<b>Total Assets</b>	<b>73397.48</b>	<b>77367.04</b>
B	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	1230.50	1229.22
	(b) Other Equity	57852.51	64044.04
	<b>Attributable to the owners of the parent</b>	<b>59083.01</b>	<b>65273.26</b>
	Non-controlling interests	473.75	377.47
	<b>Total Equity</b>	<b>59556.76</b>	<b>65650.73</b>
	LIABILITIES		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	5.91	5.90
	(ii) Lease liabilities	211.61	204.00
	(iii) Other financial liabilities	206.69	127.87
	(b) Provisions	186.61	175.37
	(c) Deferred tax liabilities (Net)	1710.90	1627.20
	(d) Other non-current liabilities	15.50	16.20
	<b>Non-current liabilities</b>	<b>2337.22</b>	<b>2156.54</b>
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	22.43	1.42
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	59.89	37.93
	Total outstanding dues of creditors other than micro enterprises and small enterprises	4213.63	3591.90
	(iii) Lease liabilities	50.78	63.87
	(iv) Other financial liabilities	1367.96	1394.88
	(b) Other current liabilities	5144.87	4072.72
	(c) Provisions	171.37	148.18
	(d) Current Tax Liabilities (Net)	472.57	248.87
	<b>Current liabilities</b>	<b>11503.50</b>	<b>9559.77</b>
	<b>Total Equity and Liabilities</b>	<b>73397.48</b>	<b>77367.04</b>

## ITC Limited

## Consolidated Cash Flow Statement for the half year ended 30th September, 2020

(₹ in Crores)

	For the half year ended 30th September, 2020		For the half year ended 30th September, 2019	
<b>A. Cash Flow from Operating Activities</b>				
PROFIT BEFORE TAX		7991.67		10239.06
ADJUSTMENTS FOR :				
Depreciation and amortization expense	823.59		794.78	
Share based payments to employees	12.70		64.84	
Finance costs	29.09		28.57	
Interest Income	(679.72)		(769.89)	
Dividend Income	(0.05)		(8.31)	
Loss on sale of property, plant and equipment - Net	36.53		30.58	
Doubtful and bad debts	10.92		12.41	
Doubtful and bad advances, loans and deposits	32.58		(0.63)	
Share of (profit) / loss of associates and joint ventures	9.59		(5.43)	
Net (gain) / loss arising on investments mandatorily measured at Fair Value through profit or loss	(749.53)		(461.81)	
Foreign currency translations and transactions - Net	7.01		(7.43)	
Impairment of investment in joint venture	(4.67)	(471.96)	-	(322.32)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		7519.71		9916.74
ADJUSTMENTS FOR :				
Trade receivables, advances and other assets	(135.09)		(64.17)	
Inventories and biological assets other than bearer plants	(2007.31)		(1446.92)	
Trade payables, other liabilities and provisions	763.32	(1379.08)	67.86	(1443.23)
CASH GENERATED FROM OPERATIONS		6140.63		8473.51
Income tax paid		(1732.65)		(2716.93)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>4407.98</b>		<b>5756.58</b>
<b>B. Cash Flow from Investing Activities</b>				
Purchase of property, plant and equipment, Intangibles etc.	(887.25)		(1251.60)	
Sale of property, plant and equipment	3.76		19.78	
Purchase of current investments	(30649.26)		(41309.42)	
Sale/redemption of current investments	34567.72		41040.98	
Investment in associate	(1.87)		-	
Purchase of non-current investments	(88.64)		(774.11)	
Redemption proceeds of non-current investments	1480.10		1767.63	
Acquisition of subsidiaries	(2205.60)		-	
Dividend from associates and joint venture	7.18		8.34	
Dividend from others	0.05		8.31	
Interest received	743.80		768.18	
Investment in bank deposits (original maturity more than 3 months)	(3238.72)		(1392.20)	
Redemption / maturity of bank deposits (original maturity more than 3 months)	6415.67		3269.70	
Investment in deposit with housing finance companies	(39.22)		(675.53)	
Redemption / maturity of deposit with housing finance companies	427.00		699.15	
Loans given	(1.02)		(2.94)	
Loans realised	3.48		5.86	
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>6537.18</b>		<b>2182.13</b>
<b>C. Cash Flow from Financing Activities</b>				
Proceeds from issue of share capital	214.58		517.95	
Proceeds from current borrowing	10.00		-	
Repayment of non-current borrowings	(0.03)		(0.07)	
Payment of lease liabilities	(27.07)		(23.13)	
Interest paid	(25.19)		(23.99)	
Net increase in statutory restricted accounts balances	25.72		3.19	
Dividend paid	(11521.01)		(7048.71)	
Dividend distribution tax (paid) / refund received	13.99		(1373.65)	
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(11309.01)</b>		<b>(7948.41)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(363.85)</b>		<b>(9.70)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>677.04</b>		<b>342.88</b>
<b>CASH AND CASH EQUIVALENTS ON ACQUISITION OF SUBSIDIARY [See Note 2 below]</b>		<b>57.10</b>		<b>-</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		<b>370.29</b>		<b>333.18</b>

## Notes :

## 1. CASH AND CASH EQUIVALENTS :

Cash and cash equivalents as above	370.29	333.18
Unrealised gain / (loss) on foreign currency cash and cash equivalents	(30.88)	(26.24)
Cash credit facilities	12.43	1.32
Cash and cash equivalents	<u>351.84</u>	<u>308.26</u>

2. Cash &amp; Cash Equivalents include ₹ 57.10 Crores of Sunrise and its two wholly owned subsidiaries, acquired during the period.

**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.
Others			-	Information Technology services, Branded Residences etc.

(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 : 6th November, 2020  
Place : Kolkata, India

Executive Director

Chairman & Managing Director