

ITC Limited

Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended 31st December, 2015

(₹ in Crores)

Particulars		3 Months ended 31.12.2015	Corresponding 3 Months ended 31.12.2014	Preceding 3 Months ended 30.09.2015	9 Months ended 31.12.2015	9 Months ended 31.12.2014	Twelve Months ended 31.03.2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
INCOME FROM OPERATIONS							
a) NET SALES / INCOME FROM OPERATIONS (Net of Excise Duty)	(1)	9102.66	8800.22	8804.70	26412.89	26894.96	36083.21
b) OTHER OPERATING INCOME	(2)	74.07	142.37	99.53	255.77	319.66	424.19
TOTAL INCOME FROM OPERATIONS (Net) (1+2)	(3)	9176.73	8942.59	8904.23	26668.66	27214.62	36507.40
EXPENSES							
a) Cost of materials consumed		2760.36	2731.05	2691.47	8020.91	8184.39	10987.83
b) Purchases of stock-in-trade		703.23	579.50	438.00	1770.26	3139.29	3898.66
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		(128.02)	167.01	89.34	(67.81)	(313.40)	(214.53)
d) Employee benefits expense		449.81	419.12	450.93	1418.16	1325.65	1780.04
e) Depreciation and amortisation expense		262.54	237.63	258.83	779.56	712.17	961.74
f) Other expenses		1786.16	1581.71	1674.40	4975.99	4648.25	6581.85
TOTAL EXPENSES	(4)	5834.08	5716.02	5602.97	16897.07	17696.35	23995.59
PROFIT FROM OPERATIONS BEFORE OTHER INCOME AND FINANCE COSTS (3-4)	(5)	3342.65	3226.57	3301.26	9771.59	9518.27	12511.81
OTHER INCOME	(6)	677.93	581.99	399.20	1392.14	1172.76	1543.13
PROFIT FROM ORDINARY ACTIVITIES BEFORE FINANCE COSTS (5+6)	(7)	4020.58	3808.56	3700.46	11163.73	10691.03	14054.94
FINANCE COSTS	(8)	16.09	8.37	10.31	36.86	41.91	57.42
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX (7-8)	(9)	4004.49	3800.19	3690.15	11126.87	10649.12	13997.52
TAX EXPENSE	(10)	1351.67	1165.19	1258.90	3777.36	3402.57	4389.79
NET PROFIT FOR THE PERIOD (9-10)	(11)	2652.82	2635.00	2431.25	7349.51	7246.55	9607.73
PAID UP EQUITY SHARE CAPITAL (Ordinary shares of ₹ 1/- each)	(12)	803.67	799.54	802.65	803.67	799.54	801.55
RESERVES EXCLUDING REVALUATION RESERVES	(13)	-	-	-	-	-	29881.73
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	(14)						
(a) Basic (₹)		3.30	3.30	3.03	9.16	9.10	12.05
(b) Diluted (₹)		3.28	3.27	3.01	9.10	9.00	11.93

Notes :

- (i) The Unaudited Financial Results and Segment Results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 22nd January, 2016.
- (ii) Figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure.
- (iii) The Company does not have any Exceptional or Extraordinary item to report for the above periods.
- (iv) The launch and rollout costs of the Company's brands 'Fiama Di Wills', 'Vivel', 'Superia' and 'Engage' covering the range of personal care products of soaps, face washes, shower gels, skin care and deodorants, 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'.
- (v) During the quarter, 1,01,95,100 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 31st December, 2015 stands increased to ₹803,66,90,171/-.
- (vi) 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 forwarded to the Stock Exchanges. This Report does not have any impact on the above 'Results and Notes' for the Quarter ended 31st December, 2015 which needs to be explained.

ITC LIMITED

Unaudited Segment-wise Revenue, Results and Capital Employed for the Quarter and Nine Months ended 31st December, 2015

(₹ in Crores)

Particulars	STANDALONE					
	3 Months ended 31.12.2015	Corresponding 3 Months ended 31.12.2014	Preceding 3 Months ended 30.09.2015	9 Months ended 31.12.2015	9 Months ended 31.12.2014	Twelve Months ended 31.03.2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
a) FMCG - Cigarettes	4379.86	4141.94	4317.18	12846.65	12593.86	16804.56
- Others	2477.65	2314.12	2351.62	7000.28	6444.74	9011.25
Total FMCG	6857.51	6456.06	6668.80	19846.93	19038.60	25815.81
b) Hotels	345.27	330.26	290.04	923.14	840.54	1186.96
c) Agri Business	1480.99	1597.86	1843.74	5650.09	6952.59	8380.48
d) Paperboards, Paper & Packaging	1260.03	1198.77	1254.14	3779.15	3771.32	4973.90
Total	9943.80	9582.95	10056.72	30199.31	30603.05	40357.15
Less : Inter-segment revenue	841.14	782.73	1252.02	3786.42	3708.09	4273.94
Net sales / Income from operations	9102.66	8800.22	8804.70	26412.89	26894.96	36083.21
2. Segment Results						
a) FMCG - Cigarettes	2983.83	2886.31	2968.94	8733.87	8490.12	11196.27
- Others	18.75	11.46	(11.10)	(0.32)	(14.44)	34.08
Total FMCG	3002.58	2897.77	2957.84	8733.55	8475.68	11230.35
b) Hotels	25.83	28.71	(5.54)	13.04	7.04	49.08
c) Agri Business	231.44	238.84	293.94	759.23	739.54	903.97
d) Paperboards, Paper & Packaging	240.98	213.88	209.25	704.67	730.92	921.48
Total	3500.83	3379.20	3455.49	10210.49	9953.18	13104.88
Less : i) Finance Costs	16.09	8.37	10.31	36.86	41.91	57.42
ii) Other un-allocable (income) net of un-allocable expenditure	(519.75)	(429.36)	(244.97)	(953.24)	(737.85)	(950.06)
Profit Before Tax	4004.49	3800.19	3690.15	11126.87	10649.12	13997.52
3. Capital Employed						
a) FMCG - Cigarettes *	5028.17	5887.77	5191.79	5028.17	5887.77	5818.58
- Others	4462.86	3681.04	4747.89	4462.86	3681.04	3987.85
Total FMCG	9491.03	9568.81	9939.68	9491.03	9568.81	9806.43
b) Hotels [Note (i)]	4419.31	3732.76	4420.84	4419.31	3732.76	4300.96
c) Agri Business	2002.88	1807.43	1696.95	2002.88	1807.43	1958.84
d) Paperboards, Paper & Packaging	5404.51	5482.34	5422.53	5404.51	5482.34	5425.91
Total Segment Capital Employed	21317.73	20591.34	21480.00	21317.73	20591.34	21492.14

* Segment Liabilities of FMCG-Cigarettes is before considering ₹ 645.44 Crores (31.12.2014 - ₹ 624.89 Crores; 30.09.2015 - ₹ 640.14 Crores; 31.03.2015 - ₹ 629.98 Crores) in respect of disputed Taxes, the recovery of which has been stayed or where States' appeals are pending before Courts. These have been included under 'Unallocated Corporate Liabilities'.

Note (i): Includes ₹ 541.21 Crores (30.09.2015 - ₹ 541.21 Crores; 31.03.2015 - ₹ 515.44 Crores) towards payment to IFCI Limited and applicable stamp duty for purchase of a luxury beach resort in South Goa operating under the name Park Hyatt Goa Resort & Spa, on being the successful bidder. IFCI Limited have issued requisite Sale Certificates in favour of the Company. The erstwhile owners of the property have thereafter challenged the sale. The matter is pending before the Honourable Bombay High Court.

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.
- (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.
- (4) The Company's Agri Business markets agri commodities in the export and domestic markets; supplies agri raw materials to the Branded Packaged Foods Businesses and sources leaf tobacco for the Cigarettes Business.
- (5) 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

Dated : 22nd January, 2016
Place : Kolkata, India

For and on behalf of the Board

Executive Director &
Chief Financial Officer

Chairman