



ITC Limited

Statement of Unaudited Standalone Financial Results for the Quarter and Nine Months ended 31st December, 2019

(₹ in Crores)

Particulars		3 Months ended	Corresponding 3	Preceding	9 Months	9 Months	Twelve
		31.12.2019	Months ended	3 Months ended	ended	ended	Months ended
		(Unaudited)	31.12.2018	(Unaudited)	30.09.2019	31.12.2019	31.03.2019
			(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Gross Revenue from sale of products and services	(i)	11912.16	11340.15	11750.16	35023.67	33157.26	45221.41
Other operating revenue	(ii)	100.85	91.11	121.31	363.63	421.10	562.98
REVENUE FROM OPERATIONS[(i)+(ii)]	1	12013.01	11431.26	11871.47	35387.30	33578.36	45784.39
OTHER INCOME	2	983.62	836.39	654.33	2258.12	1744.36	2484.54
TOTAL INCOME (1+2)	3	12996.63	12267.65	12525.80	37645.42	35322.72	48268.93
<b>EXPENSES</b>							
a) Cost of materials consumed		3360.82	3414.82	3408.42	9867.53	9849.64	13184.97
b) Purchases of stock-in-trade		743.90	838.57	742.32	3302.45	2969.04	4300.32
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and intermediates		441.77	47.12	330.98	(1.91)	(129.12)	(180.14)
d) Employee benefits expense		669.11	629.17	632.26	1991.68	1968.45	2728.44
e) Finance costs		12.44	5.61	13.33	40.99	26.45	34.19
f) Depreciation and amortization expense		416.21	335.36	395.67	1170.77	961.52	1311.70
g) Other expenses		2184.74	2175.81	2195.12	6486.83	6186.49	8445.29
TOTAL EXPENSES	4	7828.99	7446.46	7718.10	22858.34	21832.47	29824.77
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	5	5167.64	4821.19	4807.70	14787.08	13490.25	18444.16
EXCEPTIONAL ITEMS (Refer Note 5)	6	(132.11)	-	-	(132.11)	-	-
PROFIT BEFORE TAX (5+6)	7	5035.53	4821.19	4807.70	14654.97	13490.25	18444.16
TAX EXPENSE (Refer Note 6)	8	893.60	1612.12	784.60	3316.00	4507.83	5979.84
a) Current Tax		1075.13	1537.25	950.76	3589.27	4274.86	5849.24
b) Deferred Tax		(181.53)	74.87	(166.16)	(273.27)	232.97	130.60
PROFIT FOR THE PERIOD (7-8)	9	4141.93	3209.07	4023.10	11338.97	8982.42	12464.32
OTHER COMPREHENSIVE INCOME	10	(364.22)	427.94	(43.37)	(620.60)	306.24	362.56
A (i) Items that will not be reclassified to profit or loss		(367.62)	390.33	(34.91)	(621.10)	313.09	358.32
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.43	13.21	2.27	4.93	2.88	3.69
B (i) Items that will be reclassified to profit or loss		3.52	37.51	(15.46)	(6.82)	(14.96)	0.85
(ii) Income tax relating to items that will be reclassified to profit or loss		(0.55)	(13.11)	4.73	2.39	5.23	(0.30)
TOTAL COMPREHENSIVE INCOME (9+10)	11	3777.71	3637.01	3979.73	10718.37	9288.66	12826.88
PAID UP EQUITY SHARE CAPITAL (Ordinary Shares of ₹ 1/- each)	12	1229.11	1224.69	1228.65	1229.11	1224.69	1225.86
RESERVES EXCLUDING REVALUATION RESERVES	13						56723.93
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	14						
(a) Basic (₹)		3.37	2.62	3.28	9.24	7.35	10.19
(b) Diluted (₹)		3.36	2.60	3.27	9.20	7.30	10.13

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 31st January, 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 31st December, 2019, 46,35,560 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, 2019 stands increased to ₹ 1229,11,25,771/-.
- The Company, on 6th December, 2019, acquired 100 Equity Shares and 1,864 Compulsorily Convertible Preference Shares, both of ₹ 10/- each, of Delectable Technologies Private Limited, representing 11.15% of its share capital on a fully diluted basis, at an aggregate consideration of ₹ 1.87 Crores.
- Exceptional items represent cost of leaf tobacco stocks (including taxes) destroyed at a third party owned warehouse due to fire, for which insurance claim has been filed and is under process.
- 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 31st March, 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 three quarters of the financial year commencing from quarter ended 30th September, 2019. Consequently, Tax Expense for the quarter and nine months ended 31st December, 2019 includes a credit of ₹ 340.00 Crores and ₹ 680.00 Crores respectively (quarter ended 30th September, 2019 - ₹ 340.00 Crores).
- 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 nine months ended 31st December, 2019 which needs to be explained.

# ITC LIMITED

## Unaudited Segment-wise Revenue, Results, Assets and Liabilities for the Quarter and Nine Months ended 31st December, 2019

(₹ in Crores)

Particulars	STANDALONE					
	3 Months ended 31.12.2019	Corresponding 3 Months ended 31.12.2018	Preceding 3 Months ended 30.09.2019	9 Months ended 31.12.2019	9 Months ended 31.12.2018	Twelve Months ended 31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Segment Revenue</b>						
a) FMCG - Cigarettes	5310.98	5073.38	5326.83	16071.21	15227.03	20712.95
- Others	3312.32	3200.98	3288.31	9660.68	9231.36	12505.28
<b>Total FMCG</b>	<b>8623.30</b>	<b>8274.36</b>	<b>8615.14</b>	<b>25731.89</b>	<b>24458.39</b>	<b>33218.23</b>
b) Hotels	552.31	451.86	426.63	1371.53	1155.69	1665.45
c) Agri Business	2094.71	1924.61	2647.52	8353.46	7295.61	9396.54
d) Paperboards, Paper & Packaging	1555.37	1542.51	1565.42	4648.32	4322.80	5860.16
<b>Total</b>	<b>12825.69</b>	<b>12193.34</b>	<b>13254.71</b>	<b>40105.20</b>	<b>37232.49</b>	<b>50140.38</b>
Less : Inter-segment revenue	913.53	853.19	1504.55	5081.53	4075.23	4918.97
<b>Gross Revenue from sale of products and services</b>	<b>11912.16</b>	<b>11340.15</b>	<b>11750.16</b>	<b>35023.67</b>	<b>33157.26</b>	<b>45221.41</b>
<b>2. Segment Results</b>						
a) FMCG - Cigarettes	3755.97	3557.66	3844.45	11449.55	10695.12	14551.07
- Others [Note (i)]	107.62	76.66	90.46	276.10	185.23	315.72
- Restructuring of Lifestyle Retailing Business	-	-	-	-	-	70.47
<b>Total FMCG</b>	<b>3863.59</b>	<b>3634.32</b>	<b>3934.91</b>	<b>11725.65</b>	<b>10880.35</b>	<b>14937.26</b>
b) Hotels	87.33	60.29	17.43	115.15	89.07	177.74
c) Agri Business	213.44	198.81	249.42	665.81	629.39	776.63
d) Paperboards, Paper & Packaging	333.96	332.13	355.91	1019.63	938.70	1239.23
<b>Total</b>	<b>4498.32</b>	<b>4225.55</b>	<b>4557.67</b>	<b>13526.24</b>	<b>12537.51</b>	<b>17130.86</b>
Less : i) Finance Costs	12.44	5.61	13.33	40.99	26.45	34.19
ii) Other un-allocable (income) net of un-allocable expenditure [Note (ii)]	(681.76)	(601.25)	(263.36)	(1301.83)	(979.19)	(1347.49)
iii) Exceptional Items *	132.11	-	-	132.11	-	-
<b>Profit Before Tax</b>	<b>5035.53</b>	<b>4821.19</b>	<b>4807.70</b>	<b>14654.97</b>	<b>13490.25</b>	<b>18444.16</b>
<b>3. Segment Assets</b>						
a) FMCG - Cigarettes	8026.25	8409.75	8405.01	8026.25	8409.75	8315.15
- Others	9036.61	8234.67	9568.16	9036.61	8234.67	8093.09
<b>Total FMCG</b>	<b>17062.86</b>	<b>16644.42</b>	<b>17973.17</b>	<b>17062.86</b>	<b>16644.42</b>	<b>16408.24</b>
b) Hotels	6629.57	5842.96	6510.03	6629.57	5842.96	6016.28
c) Agri Business	3878.66	3621.37	3873.39	3878.66	3621.37	3901.03
d) Paperboards, Paper & Packaging	6932.46	6939.70	6925.76	6932.46	6939.70	6966.69
<b>Total</b>	<b>34503.55</b>	<b>33048.45</b>	<b>35282.35</b>	<b>34503.55</b>	<b>33048.45</b>	<b>33292.24</b>
Unallocated Corporate Assets	38319.52	33196.99	33947.44	38319.52	33196.99	36505.68
<b>Total Assets</b>	<b>72823.07</b>	<b>66245.44</b>	<b>69229.79</b>	<b>72823.07</b>	<b>66245.44</b>	<b>69797.92</b>
<b>4. Segment Liabilities</b>						
a) FMCG - Cigarettes	4532.75	4776.20	4650.75	4532.75	4776.20	4720.75
- Others	2208.12	2101.30	2238.88	2208.12	2101.30	2017.30
<b>Total FMCG</b>	<b>6740.87</b>	<b>6877.50</b>	<b>6889.63</b>	<b>6740.87</b>	<b>6877.50</b>	<b>6738.05</b>
b) Hotels	938.10	610.01	911.55	938.10	610.01	608.42
c) Agri Business	829.05	920.21	816.96	829.05	920.21	907.32
d) Paperboards, Paper & Packaging	795.70	805.25	844.94	795.70	805.25	755.90
<b>Total</b>	<b>9303.72</b>	<b>9212.97</b>	<b>9463.08</b>	<b>9303.72</b>	<b>9212.97</b>	<b>9009.69</b>
Unallocated Corporate Liabilities	2572.87	2908.02	2711.01	2572.87	2908.02	2838.44
<b>Total Liabilities</b>	<b>11876.59</b>	<b>12120.99</b>	<b>12174.09</b>	<b>11876.59</b>	<b>12120.99</b>	<b>11848.13</b>

\*Refer note 5 to the standalone financial results.

Note (i): In respect of FMCG-Others segment, earnings before interest, taxes, depreciation and amortization (EBITDA) for the quarter and nine months ended 31.12.2019 is ₹ 255.82 Crores and ₹ 657.52 Crores respectively (quarter ended 31.12.2018 - ₹ 173.38 Crores; quarter ended 30.09.2019 - ₹ 221.02 Crores; nine months ended 31.12.2018 - ₹ 459.98 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.

**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.

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For and on behalf of the Board

Dated : 31st January, 2020  
Place : Kolkata, India

Director & Chief Financial Officer

Chairman & Managing Director