

ITC Limited

Statement of Standalone and Consolidated Financial Results

(₹ in Crores)

Particulars		STANDALONE					CONSOLIDATED	
		FOR THE QUARTER AND TWELVE MONTHS ENDED 31st MARCH, 2016					FOR THE TWELVE MONTHS ENDED 31st MARCH, 2016	
		3 months ended 31.03.2016	Corresponding 3 months ended 31.03.2015	Preceding 3 months ended 31.12.2015	Twelve months ended 31.03.2016	Twelve months ended 31.03.2015	Twelve months ended 31.03.2016	Twelve months ended 31.03.2015
	(Audited)*	(Audited)*	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	
INCOME FROM OPERATIONS								
a) NET SALES / INCOME FROM OPERATIONS (Net of Excise Duty)	(1)	10062.38	9188.25	9102.66	36475.27	36083.21	39066.85	38433.31
b) OTHER OPERATING INCOME	(2)	106.35	104.53	74.07	362.12	424.19	360.17	401.50
TOTAL INCOME FROM OPERATIONS (Net) (1+2)	(3)	10168.73	9292.78	9176.73	36837.39	36507.40	39427.02	38834.81
EXPENSES								
a) Cost of materials consumed		3033.84	2803.44	2760.36	11054.75	10987.83	11160.78	11089.10
b) Purchases of stock-in-trade		819.82	759.37	703.23	2590.08	3898.66	2593.48	3918.80
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		125.98	98.87	(128.02)	58.17	(214.53)	51.22	(235.72)
d) Employee benefits expense		465.35	454.39	449.81	1883.51	1780.04	2946.57	2772.28
e) Depreciation and amortisation expense		254.89	249.57	262.54	1034.45	961.74	1113.43	1027.96
f) Other expenses		2036.66	1933.60	1786.16	7012.65	6581.85	7618.62	7088.73
TOTAL EXPENSES	(4)	6736.54	6299.24	5834.08	23633.61	23995.59	25484.10	25661.15
PROFIT FROM OPERATIONS BEFORE OTHER INCOME AND FINANCE COSTS (3-4)	(5)	3432.19	2993.54	3342.65	13203.78	12511.81	13942.92	13173.66
OTHER INCOME	(6)	411.60	370.37	677.93	1803.74	1543.13	1548.73	1256.51
PROFIT FROM ORDINARY ACTIVITIES BEFORE FINANCE COSTS (5+6)	(7)	3843.79	3363.91	4020.58	15007.52	14054.94	15491.65	14430.17
FINANCE COSTS	(8)	12.27	15.51	16.09	49.13	57.42	58.47	68.12
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX (7-8)	(9)	3831.52	3348.40	4004.49	14958.39	13997.52	15433.18	14362.05
TAX EXPENSE	(10)	1336.32	987.22	1351.67	5113.68	4389.79	5371.96	4596.42
NET PROFIT FOR THE PERIOD (9-10)	(11)	2495.20	2361.18	2652.82	9844.71	9607.73	10061.22	9765.63
SHARE OF PROFIT/(LOSS) OF ASSOCIATES	(12)	N.A.	N.A.	N.A.	N.A.	N.A.	8.23	12.89
MINORITY INTEREST	(13)	N.A.	N.A.	N.A.	N.A.	N.A.	157.84	115.35
NET PROFIT AFTER TAXES, MINORITY INTERESTS AND SHARE OF PROFIT/(LOSS) OF ASSOCIATES (11+12-13)	(14)	2495.20	2361.18	2652.82	9844.71	9607.73	9911.61	9663.17
PAID UP EQUITY SHARE CAPITAL (Ordinary shares of ₹ 1/- each)	(15)	804.72	801.55	803.67	804.72	801.55	804.72	801.55
RESERVES EXCLUDING REVALUATION RESERVES	(16)	-	-	-	32071.87	29881.73	33102.76	30877.01
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	(17)							
(a) Basic (₹)		3.10	2.95	3.30	12.26	12.05	12.35	12.11
(b) Diluted (₹)		3.09	2.93	3.28	12.20	11.93	12.28	12.00

\* The figures for the 3 months ended 31.03.2016 and corresponding 3 months ended 31.03.2015 are the balancing figures between the audited figures in respect of the full financial year and the year to date figures upto the third quarter of the respective financial years.

**Notes :**

- (i) The audited 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 20th May, 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 'Fama Di Wills', 'Vivel', 'Superia', 'Engage', 'Savlon' and 'Shower to Shower' covering the range of personal care products of soaps, face washes, shower gels, skin care, deodorants, handwash and ayurvedic talc, 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 1,05,16,820 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 March, 2016 stands increased to ₹ 8,04,72,06,991.
- (vi) The Company, on 22nd March, 2016, acquired the entire equity share capital of Technico Agri Sciences Limited from Technico Pty Limited, Australia (wholly owned subsidiary of the Company). Consequently, Technico Agri Sciences Limited has become a direct subsidiary of the Company.
- (vii) The Company's cigarette factories were shut from 1st April to 15th April, 2016 pending clarity with respect to Rules on health warnings on cigarette packaging. The Hon'ble Supreme Court on 4th May, 2016 passed an Order transferring to the Karnataka High Court all writ petitions pending in various Courts challenging the Rules prescribing the 85% pictorial warnings on packages of tobacco products and observed that all parties should endeavour to follow the Rules. The cigarette factories were again shut from 4th May and production progressively resumed from 8th May, 2016.
- (viii) The Board of Directors of the Company has recommended a dividend of ₹ 8.50 (including a Special Dividend of ₹ 2.00) per Ordinary Share of ₹ 1/- each for the financial year ended 31st March, 2016 and the dividend, if declared, will be paid on Monday, 25th July, 2016 to those members entitled thereto.
- (ix) The Register of Members of the Company shall remain closed for the purpose of dividend from Wednesday, 1st June, 2016 to Friday, 3rd June, 2016, both days inclusive.
- (x) The 105th Annual General Meeting of the Company has been convened for Friday, 22nd July, 2016.
- (xi) This statement is as per Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

ITC Limited

(₹ in Crores)

STATEMENT OF ASSETS AND LIABILITIES		STANDALONE		CONSOLIDATED	
		As at current year end 31.03.2016 (Audited)	As at previous year end 31.03.2015 (Audited)	As at current year end 31.03.2016 (Audited)	As at previous year end 31.03.2015 (Audited)
A	EQUITY AND LIABILITIES				
1	SHAREHOLDERS' FUNDS				
	(a) Share Capital	804.72	801.55	804.72	801.55
	(b) Reserves and surplus	32124.28	29934.14	33159.69	30933.94
	(c) Money received against share warrants	-	-	-	-
	<b>Shareholders' Funds</b>	<b>32929.00</b>	<b>30735.69</b>	<b>33964.41</b>	<b>31735.49</b>
2	SHARE APPLICATION MONEY PENDING ALLOTMENT	-	-	-	-
3	MINORITY INTEREST	-	-	262.33	225.11
4	NON-CURRENT LIABILITIES				
	(a) Long-term borrowings	25.83	38.69	42.81	60.68
	(b) Deferred tax liabilities (net)	1848.42	1631.60	1862.21	1642.77
	(c) Other long-term liabilities	15.13	7.05	50.92	42.67
	(d) Long-term provisions	112.19	100.72	136.01	124.16
	<b>Non-Current Liabilities</b>	<b>2001.57</b>	<b>1778.06</b>	<b>2091.95</b>	<b>1870.28</b>
5	CURRENT LIABILITIES				
	(a) Short-term borrowings	3.60	0.02	43.95	195.39
	(b) Trade payables	2265.59	1904.62	2404.20	2020.47
	(c) Other current liabilities	4000.08	3671.18	4108.09	3782.04
	(d) Short-term provisions	8318.59	6106.09	8388.85	6162.01
	<b>Current Liabilities</b>	<b>14587.86</b>	<b>11681.91</b>	<b>14945.09</b>	<b>12159.91</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>49518.43</b>	<b>44195.66</b>	<b>51263.78</b>	<b>45990.79</b>
B	ASSETS				
1	NON-CURRENT ASSETS				
	(a) Fixed assets	16705.36	16292.63	18285.35	17771.51
	(b) Goodwill on consolidation	-	-	226.51	231.97
	(c) Non-current investments	6392.90	2441.64	4556.45	807.68
	(d) Deferred tax assets (net)	-	-	41.75	38.57
	(e) Long-term loans and advances	2285.43	1506.36	2341.28	1565.47
	(f) Other non-current assets	-	-	1.24	1.24
	<b>Non-Current Assets</b>	<b>25383.69</b>	<b>20240.63</b>	<b>25452.58</b>	<b>20416.44</b>
2	CURRENT ASSETS				
	(a) Current investments	6461.34	5963.82	6605.66	6135.09
	(b) Inventories	8519.82	7836.76	9156.41	8586.87
	(c) Trade receivables	1686.35	1722.40	1919.84	1982.07
	(d) Cash and bank balances	6563.95	7588.61	7012.92	7896.22
	(e) Short-term loans and advances	501.84	549.89	557.46	568.67
	(f) Other current assets	401.44	293.55	558.91	405.43
	<b>Current Assets</b>	<b>24134.74</b>	<b>23955.03</b>	<b>25811.20</b>	<b>25574.35</b>
	<b>TOTAL ASSETS</b>	<b>49518.43</b>	<b>44195.66</b>	<b>51263.78</b>	<b>45990.79</b>

**ITC LIMITED**

**Standalone (For the Quarter and Twelve Months ended 31st March, 2016) and Consolidated (For the Twelve Months ended 31st March, 2016)  
Segment-wise Revenue, Results and Capital Employed**

(₹ in Crores)

Particulars	STANDALONE				CONSOLIDATED		
	3 Months ended 31.03.2016	Corresponding 3 Months ended 31.03.2015	Preceding 3 Months ended 31.12.2015	Twelve Months ended 31.03.2016	Twelve Months ended 31.03.2015	Twelve Months ended 31.03.2016	Twelve Months ended 31.03.2015
	(Audited) *	(Audited) *	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>1. Segment Revenue</b>							
a) FMCG - Cigarettes	4639.17	4210.70	4379.86	17485.82	16804.56	18685.98	17765.99
- Others	2704.12	2566.51	2477.65	9704.40	9011.25	9723.85	9027.23
<b>Total FMCG</b>	<b>7343.29</b>	<b>6777.21</b>	<b>6857.51</b>	<b>27190.22</b>	<b>25815.81</b>	<b>28409.83</b>	<b>26793.22</b>
b) Hotels	362.97	346.42	345.27	1286.11	1186.96	1358.92	1256.16
c) Agri Business	1806.79	1427.89	1480.99	7456.88	8380.48	7456.88	8380.47
d) Paperboards, Paper & Packaging	1238.24	1202.58	1260.03	5017.39	4973.90	5017.39	4973.90
e) Others	-	-	-	-	-	1,825.59	1748.02
<b>Total</b>	<b>10751.29</b>	<b>9754.10</b>	<b>9943.80</b>	<b>40950.60</b>	<b>40357.15</b>	<b>44068.61</b>	<b>43151.77</b>
Less : Inter-segment revenue	688.91	565.85	841.14	4475.33	4273.94	5001.76	4718.46
<b>Net sales / Income from operations</b>	<b>10062.38</b>	<b>9188.25</b>	<b>9102.66</b>	<b>36475.27</b>	<b>36083.21</b>	<b>39066.85</b>	<b>38433.31</b>
<b>2. Segment Results</b>							
a) FMCG - Cigarettes	3018.56	2706.15	2983.83	11752.43	11196.27	12348.08	11636.85
- Others	70.83	48.52	18.75	70.51	34.08	57.46	31.22
<b>Total FMCG</b>	<b>3089.39</b>	<b>2754.67</b>	<b>3002.58</b>	<b>11822.94</b>	<b>11230.35</b>	<b>12405.54</b>	<b>11668.07</b>
b) Hotels	42.65	42.04	25.83	55.69	49.08	60.89	52.44
c) Agri Business	174.49	164.43	231.44	933.72	903.97	933.72	903.97
d) Paperboards, Paper & Packaging	202.95	190.56	240.98	907.62	921.48	907.62	921.48
e) Others	-	-	-	-	-	166.10	231.60
<b>Total</b>	<b>3509.48</b>	<b>3151.70</b>	<b>3500.83</b>	<b>13719.97</b>	<b>13104.88</b>	<b>14473.87</b>	<b>13777.56</b>
Less : i) Finance Costs	12.27	15.51	16.09	49.13	57.42	58.47	68.12
ii) Other un-allocable (income) net of un-allocable expenditure	(334.31)	(212.21)	(519.75)	(1287.55)	(950.06)	(1017.78)	(652.61)
<b>Profit Before Tax</b>	<b>3831.52</b>	<b>3348.40</b>	<b>4004.49</b>	<b>14958.39</b>	<b>13997.52</b>	<b>15433.18</b>	<b>14362.05</b>
<b>3. Capital Employed</b>							
a) FMCG - Cigarettes **	5249.10	5818.58	5028.17	5249.10	5818.58	5726.81	6348.29
- Others	4852.00	3987.85	4462.86	4852.00	3987.85	4992.23	4051.48
<b>Total FMCG</b>	<b>10101.10</b>	<b>9806.43</b>	<b>9491.03</b>	<b>10101.10</b>	<b>9806.43</b>	<b>10719.04</b>	<b>10399.77</b>
b) Hotels [Note (i)]	4474.90	4300.96	4419.31	4474.90	4300.96	5193.03	4944.01
c) Agri Business	2358.73	1958.84	2002.88	2358.73	1958.84	2479.60	2097.42
d) Paperboards, Paper & Packaging	5520.32	5425.91	5404.51	5520.32	5425.91	5509.93	5423.70
e) Others	-	-	-	-	-	678.82	708.98
<b>Total Segment Capital Employed</b>	<b>22455.05</b>	<b>21492.14</b>	<b>21317.73</b>	<b>22455.05</b>	<b>21492.14</b>	<b>24580.42</b>	<b>23573.88</b>

\* The figures for the 3 months ended 31.03.2016 and corresponding 3 months ended 31.03.2015 are the balancing figures between the audited figures in respect of the full financial year and the year to date figures upto the third quarter of the respective financial years

\*\* Segment Liabilities of FMCG-Cigarettes is before considering ₹ 651.54 Crores (31.03.2015 - ₹ 629.98 Crores; 31.12.2015 - ₹ 645.44 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) : On being the successful bidder under the SARFAESI Act, the Company paid an amount of ₹ 515.44 Crores in 2014-15 to IFCL Limited as consideration for the purchase of a 5 star hotel resort in Goa operating under the name Park Hyatt Goa Resort & Spa and IFCL issued requisite Sale certificate in favour of the Company. The erstwhile owners of the property thereafter challenged the sale. By its judgement dated 23.03.2016, the Bombay High Court set aside the sale and directed IFCL Limited to refund the sale consideration to the Company. The Company and IFCL Limited have approached the Hon'ble Supreme Court against the High Court judgment. The Hon'ble Supreme Court by its interim order dated 22.04.2016 has issued notice in the matter, ordered status quo and directed that the sale consideration shall remain with IFCL. In the absence of a stay on the order of the High Court, the amount of ₹ 515.44 Crores and the stamp duty paid in 2015-16 amounting to ₹ 25.77 Crores, has been adjusted in 2015-16 from Capital Work In Progress and reflected in Capital Advance.

**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.   |
| Others (In Consolidated Segment) |   |            | - | Information Technology services, Filter Rods etc.   |
- (3) Segment results of 'FMCG : Others' are after considering significant business development, brand building and gestation costs of the 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 : 20th May, 2016  
Place : Kolkata

For and on behalf of the Board

Executive Director &  
Chief Financial Officer

Chairman