

ITC Limited

PART I: Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended 31st December, 2012

(₹ in Crores)

Particulars		3 months ended 31.12.2012	Corresponding 3 months ended 31.12.2011 In the previous year	Preceding 3 months ended 30.09.2012	9 Months ended 31.12.2012	9 Months ended 31.12.2011	Twelve Months ended 31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
GROSS INCOME		11239.50	9182.83	10489.42	31416.28	28443.69	36072.69
GROSS SALES / INCOME FROM OPERATIONS		10824.67	8806.73	10223.86	30606.07	25536.29	34871.86
EXCISE DUTIES		3187.60	2613.30	3077.86	6079.79	7508.21	10073.43
INCOME FROM OPERATIONS							
a) NET SALES / INCOME FROM OPERATIONS (Net of Excise Duty)	(1)	7927.07	6196.43	7146.00	21425.28	17937.08	24798.43
b) OTHER OPERATING INCOME	(2)	85.08	83.47	80.58	226.47	270.44	375.39
TOTAL INCOME FROM OPERATIONS (Net) (1+2)	(3)	7712.10	6278.90	7226.58	21651.75	18215.52	25173.82
EXPENSES							
a) Cost of materials consumed		2374.48	1946.22	2079.41	6522.16	5777.82	7660.91
b) Purchases of stock-in-trade		646.62	248.67	1103.03	2507.48	1443.68	2037.21
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		50.00	(7.09)	(318.06)	(511.82)	(384.42)	(65.58)
d) Employee benefits expense		346.22	288.70	289.24	1047.91	933.14	1265.41
e) Depreciation and amortisation expense		205.22	173.89	180.06	580.67	510.47	686.61
f) Other expenses		1431.12	1420.76	1384.89	4164.85	3882.55	5427.26
TOTAL EXPENSES	(4)	5059.56	4070.54	4727.17	14319.43	12153.12	17023.71
PROFIT FROM OPERATIONS BEFORE OTHER INCOME AND FINANCE COSTS (3-4)	(5)	2652.54	2208.36	2499.41	7332.32	6062.40	8150.11
OTHER INCOME	(6)	328.80	290.63	184.98	684.72	629.88	825.34
PROFIT FROM ORDINARY ACTIVITIES BEFORE FINANCE COSTS (5+6)	(7)	2982.34	2498.99	2684.39	8017.04	6692.28	8975.45
FINANCE COSTS	(8)	26.15	22.33	23.29	62.20	63.09	77.82
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX (7-8)	(9)	2957.19	2476.66	2661.10	7954.84	6629.17	8897.63
TAX EXPENSE	(10)	905.34	775.88	824.88	2464.43	2091.16	2735.16
NET PROFIT FOR THE PERIOD (9-10)	(11)	2051.85	1700.88	1836.42	5490.41	4538.01	6162.37
PAID UP EQUITY SHARE CAPITAL (Ordinary shares of ₹ 1/- each)	(12)	787.83	779.62	785.63	787.83	779.82	781.84
RESERVES EXCLUDING REVALUATION RESERVES	(13)	-	-	-	-	-	17967.00
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	(14)						
(a) Basic (₹)		2.61	2.19	2.34	7.00	6.88	7.93
(b) Diluted (₹)		2.57	2.16	2.31	6.91	6.79	7.84

PART II: Select Information for the Quarter and Nine Months ended 31st December, 2012

	3 months ended 31.12.2012	Corresponding 3 months ended 31.12.2011 In the previous year	Preceding 3 months ended 30.09.2012	9 Months ended 31.12.2012	9 Months ended 31.12.2011	Twelve Months ended 31.03.2012
A. Particulars of Shareholding						
1. PUBLIC SHAREHOLDING						
- NUMBER OF SHARES	7854708537	7772008729	7832583758	7854708537	7772008729	7794273319
- PERCENTAGE OF SHAREHOLDING	99.70	99.69	99.70	99.70	99.69	99.69
2. PROMOTERS AND PROMOTER GROUP SHAREHOLDING	NII	NII	NII	NII	NII	NII
a) Pledged / Encumbered	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
b) Non - encumbered	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

B. Investor Complaints	3 months ended 31.12.2012
Pending at the beginning of the quarter	NII
Received during the quarter	NII
Disposed off during the quarter	NII
Remaining unresolved at the end of the quarter	NII

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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 18th January, 2013.
- (ii) Figures for the previous periods are re-classified / re arranged / re-grouped, wherever necessary, as per the format revised by SEBI in conformity with the amended Schedule VI to the Companies Act, 1956.
- (iii) The Company does not have any Exceptional or Extraordinary item to report for the above periods.
- (iv) Gross Income comprises Gross Sales / Income from Operations, Other Operating Income and Other Income.
- (v) The launch and rollout costs of the Company's brands 'Flama Di Wills', 'Vivel' and 'Superta' covering the range of personal care products of soaps, face washes, shower gels, shampoos, conditioners and skin care, and the continuing significant brand building costs of the Foods business are reflected under 'Other expenses' stated above and in Segment Results under 'FMCG-Others'.
- (vi) During the quarter, 2,19,84,270 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, 2012 stands increased to ₹ 787,82,78,630/-.
- (vii) This statement is as per Clause 41 of the Listing Agreement.

Limited Review

The Limited Review, as required under Clause 41 of the Listing Agreement 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, 2012 which needs to be explained

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ITC LIMITED

Unaudited Segment-wise Revenue, Results and Capital Employed for the
Quarter and Nine Months ended 31st December, 2012

(₹ In Crores)

	STANDALONE					
	3 Months ended 31.12.2012	Corresponding 3 Months ended 31.12.2011 In the previous year	Preceding 3 Months ended 30.09.2012	9 Months ended 31.12.2012	9 Months ended 31.12.2011	Twelve Months ended 31.03.2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
a) FMCG - Cigarettes - Gross	8808.40	8808.70	8418.81	10288.47	10665.57	22250.41
- Net	3637.38	3232.83	3385.15	10348.75	9074.53	12324.41
- Others - Gross	1749.47	1370.16	1700.35	4969.12	3921.51	5544.55
- Net	1782.70	1370.72	1600.80	4946.55	3909.14	5525.64
Total FMCG - Gross	8897.86	7184.86	8118.97	24257.59	20487.08	27784.06
- Net	5440.06	4603.55	5075.95	15293.30	12983.67	17850.05
b) Hotels - Gross	309.47	278.75	216.08	758.84	720.40	1006.30
- Net	309.46	278.72	216.08	758.77	720.32	1006.16
c) Agri Business - Gross	1830.97	1139.41	2023.08	5346.27	4281.09	5695.31
- Net	1830.97	1139.41	2023.08	5346.27	4281.09	5695.31
d) Paperboards, Paper & Packaging - Gross	1129.62	1090.19	1121.88	3379.44	3098.87	4129.79
- Net	1001.50	878.42	1059.00	3178.25	2943.41	3923.35
Total - Gross	11668.02	8633.21	11481.61	33742.14	28585.44	38828.36
- Net	8442.04	7000.10	8375.79	24677.59	20026.49	28474.87
Less: Inter-segment revenue - Gross	843.35	824.48	1267.65	3237.07	3060.15	3754.50
- Net	814.97	804.67	1229.79	3152.31	2991.41	3676.44
Gross sales / Income from operations	10824.87	8805.73	10223.95	30505.07	26535.29	34871.86
Net sales / Income from operations	7627.07	6195.43	7146.00	21425.28	17937.08	24798.43
2. Segment Results						
a) FMCG - Cigarettes	2233.54	1844.20	2080.17	6213.52	5149.79	8907.67
- Others	(23.98)	(46.53)	(30.31)	(93.13)	(178.81)	(195.49)
Total FMCG	2209.56	1797.67	2049.86	6120.39	4970.98	8712.18
b) Hotels	55.49	101.74	15.30	97.02	186.48	279.37
c) Agri Business	172.83	141.67	259.74	603.74	537.59	843.15
d) Paperboards, Paper & Packaging	228.58	224.32	282.53	775.82	740.98	936.78
Total	2666.28	2265.30	2607.43	7596.97	6446.04	8571.48
Less: i) Interest (including other finance costs)	25.15	22.33	23.29	52.20	63.09	77.92
ii) Other un-allocable (income) net of un-allocable expenditure	(316.08)	(233.69)	(78.98)	(420.07)	(246.22)	(403.97)
Profit Before Tax	2957.19	2478.86	2661.10	7954.84	6629.17	8897.63
Tax Expense	905.34	775.68	824.88	2464.43	2081.16	2735.18
Profit After Tax	2051.85	1703.18	1836.22	5490.41	4548.01	6162.37
3. Capital Employed						
a) FMCG - Cigarettes *	4525.03	4188.19	4187.85	4625.03	4188.19	3599.31
- Others	2358.33	1852.48	2359.40	2359.33	1852.48	1888.90
Total FMCG	6883.36	6040.67	6547.25	6984.36	6040.67	5488.21
b) Hotels	3415.54	3080.80	3388.68	3415.54	3080.80	3237.59
c) Agri Business	1478.35	1539.24	1098.40	1478.35	1559.24	1701.65
d) Paperboards, Paper & Packaging	4719.18	4002.27	4674.45	4719.18	4082.27	4353.69
Total Segment Capital Employed	16494.43	14740.98	15688.79	16494.43	14740.98	14881.43
* Segment Liabilities of FMCG-Cigarettes is before considering ₹ 810.68 Crores (31.12.2011 - ₹ 831.41 Crores; 30.09.2012 - ₹ 783.16 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'.						

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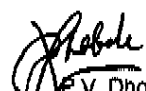
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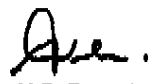
Notes :

- (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 and Smoking Mixtures. |
| | : | Others | - | Branded Packaged Foods (Staples, Biscuits, Confectionery, Snack Foods, Pasta & Noodles, Ready to Eat Foods), Garments, Educational and other Stationery products, Matches, Agarbattis and Personal Care products. |
| Hotels | | | - | Hotelliering. |
| 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 and Personal Care Products businesses.
- (4) ITC Grand Chola, the Company's 600-key super premium integrated luxury hotel complex in Chennai was inaugurated on 15th September, 2012. The Hotel has been accredited as the World's largest LEED Platinum rated hotel, in the new construction category. The segment results of 'Hotels' for the quarter and nine months reflect the gestation cost of the newly opened property.
- (5) The Company's Agri Business markets agri commodities in the export and domestic markets; supplies agri raw materials to the Branded Packaged Foods Business and sources leaf tobacco for the Cigarettes Business. The segment results for the quarter/nine months are after absorbing costs relating to the strategic e-Choupal initiative.
- (6) Figures for the 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 : 18th January, 2013
Place : Kolkata, India

For and on behalf of the Board


F.V. Dhobale
Executive Director


Y.C. Deveshwar
Chairman

Deloitte Haskins & Sells

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The Board of Directors
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LIMITED REVIEW REPORT

We have reviewed the accompanying statement of Unaudited Financial Results of ITC Limited ("the Company") for the Quarter and Nine Months ended 31st December, 2012 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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**Deloitte
Haskins & Sells**

Further, we also report that we have traced the number of shares as well as the percentage of shareholdings in respect of aggregate amount of public shareholdings in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Management.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 302009E)

P.R. Ramesh

P.R. Ramesh

Partner

Membership No.: 70928



Place: Kolkata

Date: 18th January, 2013