ITC Limited
Virginia House
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Kolkata 700 071, India
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Enduring Value

26th July, 2018

The Manager
Listing Department
National Stock Exchange
of India Limited
Exchange Plaza,
Plot No. C-1, G Block
Bandra-Kurla Complex
Banda (East)
Mumbai 400 051

The General Manager
Dept. of Corporate Services
BSE Limited
P. J. Towers
Dalal Street, Fort
Mumbai 400 001

The Secretary
The Calcutta Stock
Exchange Limited
7, Lyons Range
Kolkata 700 001

Dear Sirs,

Unaudited Financial Results for the Quarter ended 30th June, 2018

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Unaudited Financial Results of the Company along with the Segment-wise Revenue, Results, Assets and Liabilities for the Quarter ended 30th June, 2018 approved by the Board of Directors of the Company at the meeting held on 26th July, 2018. The meeting commenced at 4.00 p.m. and concluded at 5.00 p.m.

A copy of the 'Limited Review' Report of the Auditors of the Company in respect of the said Results is also enclosed.

Yours faithfully,
ITC Limited

(R. K. Singhi)
Executive Vice President &
Company Secretary

Encl. as above.

Enduring Value

cc: Securities Exchange Commission
Division of Corporate Finance
Office of International Corporate Finance
Mail Stop 3-9
450 Fifth Street
Washington DC 20549
U.S.A.

cc: Societe de la Bourse de Luxembourg
35A Boulevard Joseph II
L-1840 Luxembourg

ITC Limited

Statement of Standalone Unaudited Financial Results for the Quarter ended 30th June, 2018

(₹ in Crores)

Particulars		3 Months ended 30.06.2018	Corresponding 3 Months ended 30.06.2017	Preceding 3 Months ended 31.03.2018	Twelve Months ended 31.03.2018
		(Unaudited)	(Unaudited)	(Audited)#	(Audited)
Gross Revenue from sale of products and services	(i)	10722.22	13722.21	10705.75	43956.90
Other operating revenue	(ii)	152.37	78.21	107.49	372.87
REVENUE FROM OPERATIONS[(i)+(ii)]	1	10874.59	13800.42	10813.24	44329.77
OTHER INCOME	2	403.85	476.77	516.50	2129.84
TOTAL INCOME (1+2)	3	11278.44	14277.19	11329.74	46459.61
EXPENSES					
a) Cost of materials consumed		3052.92	2894.90	3061.40	11756.21
b) Purchases of stock-in-trade		1254.38	990.89	927.93	2991.98
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and intermediates		(197.92)	(49.79)	11.87	1041.85
d) Excise duty		167.56	3845.76	226.51	3702.23
e) Employee benefits expense		742.97	674.63	611.27	2487.46
f) Finance costs		7.34	10.38	23.24	86.65
g) Depreciation and amortization expense		298.69	268.21	303.99	1145.37
h) Other expenses		1652.56	1697.63	1830.25	6809.06
TOTAL EXPENSES	4	6978.50	10332.61	6996.46	30020.81
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	5	4299.94	3944.58	4333.28	16438.80
EXCEPTIONAL ITEMS	6	-	-	-	412.90
PROFIT BEFORE TAX (5+6)	7	4299.94	3944.58	4333.28	16851.70
TAX EXPENSE	8	1481.26	1384.08	1400.57	5628.45
a) Current Tax		1397.52	1374.02	1448.28	5599.83
b) Deferred Tax		83.74	10.06	(47.71)	28.62
PROFIT FOR THE PERIOD (7-8)	9	2818.68	2560.50	2932.71	11223.25
OTHER COMPREHENSIVE INCOME	10	78.42	156.82	167.70	382.34
A (i) Items that will not be reclassified to profit or loss		96.04	164.12	210.10	426.22
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.81)	(1.83)	(34.59)	(31.61)
B (i) Items that will be reclassified to profit or loss		(24.30)	(8.35)	(11.89)	(18.69)
(ii) Income tax relating to items that will be reclassified to profit or loss		8.49	2.88	4.08	6.42
TOTAL COMPREHENSIVE INCOME (9+10)	11	2897.10	2717.32	3100.41	11605.59
PAID UP EQUITY SHARE CAPITAL (Ordinary Shares of ₹ 1/- each)	12	1220.74	1215.22	1220.43	1220.43
RESERVES EXCLUDING REVALUATION RESERVES	13				50179.64
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	14				
(a) Basic (₹)		2.31	2.11	2.41	9.22
(b) Diluted (₹)		2.29	2.09	2.39	9.16

The figures for the preceding 3 months ended 31.03.2018 are the balancing figures between the audited figures in respect of the full financial year ended 31.03.2018 and the year to date figures upto the third quarter of that financial year.

Notes :

1 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 26th July, 2018.

2 Consequent to the introduction of Goods and Services Tax (GST) with effect from 1st July 2017, Central Excise [other than National Calamity Contingent Duty (NCCD) on cigarettes], Value Added Tax (VAT) etc. have been replaced by GST. In accordance with Indian Accounting Standard, as applicable and Schedule III of the Companies Act, 2013, GST, GST Compensation Cess, VAT, etc. are excluded and NCCD is not excluded from Gross Revenue from sale of products and services for applicable periods. In view of the aforesaid restructuring of indirect taxes, Gross Revenue from sale of products and services and Excise duty for the quarter ended 30th June, 2018 are not comparable with the previous periods. The following additional information is being provided to facilitate such comparison:

(₹ in Crores)

Particulars	3 Months ended 30.06.2018	Corresponding 3 Months ended 30.06.2017	Preceding 3 Months ended 31.03.2018	Twelve Months ended 31.03.2018
Gross Sales Value (net of rebates and discounts) (A)	18171.66	16010.66	17933.48	67081.92
Taxes other than Excise Duty / NCCD (B)*	7449.44	2288.45	7227.73	23125.02
Gross Revenue from sale of products and services [C = (A-B)]	10722.22	13722.21	10705.75	43956.90

* Taxes include GST, GST Compensation Cess, Service Tax, VAT, Luxury Tax etc., as applicable for the reported periods.

3 The launch and rollout costs of the Company's brands 'Fiama', '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'.

4 ITC Global Holdings Pte. Limited, Singapore, ceased to be a subsidiary of the Company pursuant to its dissolution by High Court of the Republic of Singapore vide order dated 10th July, 2018.

5 During the quarter ended 30th June, 2018, 31,17,410 Ordinary Shares of ₹ 1/- each were issued and allotted under the Company's Employee Stock Option Schemes (ESOS). Consequently, the issued and paid-up Share Capital of the Company as on 30th June, 2018 stands increased to ₹ 1220,74,12,321.

6 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 ended 30th June, 2018 which needs to be explained.

ITC LIMITED

Unaudited Segment-wise Revenue, Results, Assets and Liabilities
for the Quarter ended 30th June, 2018

(₹ in Crores)

Particulars	STANDALONE			
	3 Months ended 30.06.2018	Corresponding 3 Months ended 30.06.2017	Preceding 3 Months ended 31.03.2018	Twelve Months ended 31.03.2018
	(Unaudited)	(Unaudited)	(Audited)#	(Audited)
1. Segment Revenue				
a) FMCG - Cigarettes	5127.59	8774.16	4936.45	22894.01
- Others	2870.03	2600.89	3051.82	11328.60
Total FMCG	**7997.62**	**11375.05**	**7988.27**	**34222.61**
b) Hotels	341.28	304.89	408.00	1417.51
c) Agri Business	3151.27	2760.52	1808.31	8067.67
d) Paperboards, Paper & Packaging	1355.83	1359.82	1300.81	5249.64
Total	**12846.00**	**15800.28**	**11505.39**	**48957.43**
Less : Inter-segment revenue	2123.78	2078.07	799.64	5000.53
Gross Revenue from sale of products and services @	**10722.22**	**13722.21**	**10705.75**	**43956.90**
2. Segment Results				
a) FMCG - Cigarettes	3558.39	3274.14	3505.76	13340.82
- Others [Note (i)]	50.12	5.43	91.21	164.12
Total FMCG	**3608.51**	**3279.57**	**3596.97**	**13504.94**
b) Hotels	13.22	5.31	75.47	139.79
c) Agri Business	194.51	235.11	123.97	848.62
d) Paperboards, Paper & Packaging	295.66	257.29	242.42	1042.16
Total	**4111.90**	**3777.28**	**4038.83**	**15535.51**
Less : i) Finance Costs	7.34	10.38	23.24	86.65
ii) Other un-allocable (income) net of un-allocable expenditure [Note (ii)]	(195.38)	(177.68)	(317.69)	(989.94)
iii) Exceptional items	-	-	-	(412.90)
Profit Before Tax	**4299.94**	**3944.58**	**4333.28**	**16851.70**
3. Segment Assets				
a) FMCG - Cigarettes	7921.69	7782.40	7956.89	7956.89
- Others	8617.93	8005.99	7623.20	7623.20
Total FMCG	**16539.62**	**15788.39**	**15580.09**	**15580.09**
b) Hotels [Note (iii)]	5693.28	5282.18	5520.54	5520.54
c) Agri Business	3491.69	3374.96	3407.41	3407.41
d) Paperboards, Paper & Packaging	6861.90	6369.80	6739.83	6739.83
Total	**32586.49**	**30815.33**	**31247.87**	**31247.87**
Unallocated Corporate Assets	34371.89	28694.84	31133.44	31133.44
Total Assets	**66958.38**	**59510.17**	**62381.31**	**62381.31**
4. Segment Liabilities				
a) FMCG - Cigarettes*	4710.36	3352.99	4624.83	4624.83
- Others	1906.46	1497.79	1906.52	1906.52
Total FMCG	**6616.82**	**4850.78**	**6531.35**	**6531.35**
b) Hotels	601.18	481.36	521.45	521.45
c) Agri Business	930.69	650.19	900.18	900.18
d) Paperboards, Paper & Packaging	764.87	585.69	787.13	787.13
Total	**8913.56**	**6568.02**	**8740.11**	**8740.11**
Unallocated Corporate Liabilities	3599.35	4720.85	2241.13	2241.13
Total Liabilities	**12512.91**	**11288.87**	**10981.24**	**10981.24**

The figures for the preceding 3 months ended 31.03.2018 are the balancing figures between the audited figures in respect of the full financial year ended 31.03.2018 and the year to date figures upto the third quarter of that financial year.

@ Refer Note 2 to the Statement of Standalone Financial Results.

* Segment Liabilities of FMCG-Cigarettes is before considering ₹ 121.29 Crores (30.06.2017 - ₹ 634.60 Crores; 31.03.2018 - ₹ 233.02 Crores) in respect of certain disputed taxes. These have been included under 'Unallocated Corporate Liabilities'.

Note (i): In respect of FMCG-Others segment, earnings before interest, taxes, depreciation and amortization (EBITDA), for the quarter ended 30.06.2018 is ₹ 127.76 Crores (quarter ended 30.06.2017 - ₹ 68.80 Crores; quarter ended 31.03.2018 - ₹ 174.59 Crores; and twelve months ended 31.03.2018 - ₹ 455.58 Crores).

(ii): As stock options are granted under ITC ESOS to align the interests of employees with those of shareholders and also to attract and retain talent for the enterprise as a whole, the option value of ITC ESOS do not form part of the segment performance reviewed by the Corporate Management Committee.

(iii): Includes ₹ 541.21 Crores (30.06.2017 - ₹ 541.21 Crores; 31.03.2018 - ₹ 541.21 Crores) towards payment to IFCI Limited (IFCI) and applicable stamp duty for purchase of a five star hotel resort in Goa operating under the name Park Hyatt Goa Resort & Spa and IFCI issued required 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 IFCI to refund the sale consideration to the Company. The Company and IFCI had approached the Hon'ble Supreme Court against the High Court judgement. The Hon'ble Supreme Court, by its judgement and order dated 19.03.2018 has set aside the impugned judgement and order of the Hon'ble Bombay High Court, thereby upholding the sale of Park Hyatt Goa Resort & Spa to the Company and directed the erstwhile owners to hand over possession to the Company within a period of six months along with relevant accounts.

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; 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.

Registered Office :
Virginia House, 37 J.L. Nehru Road,
Kolkata 700 071, India

Dated : 26th July, 2018
Place : Kolkata, India

For and on behalf of the Board

Director & Chief Financial Officer | Managing Director | Chairman

Enduring Value

ITC Limited

Extract of Standalone Unaudited Financial Results for the Quarter ended 30th June, 2018

(₹ in Crores)

Sl. No.	Particulars	3 Months ended 30.06.2018	Twelve Months ended 31.03.2018	Corresponding 3 Months ended 30.06.2017
1	Total Income from Operations	11278.44	46459.61	14277.19
2	Net Profit / (Loss) for the period (before tax, Exceptional and/or Extraordinary items)	4299.94	16438.80	3944.58
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	4299.94	16851.70	3944.58
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	2818.68	11223.25	2560.50
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	2897.10	11605.59	2717.32
6	Equity Share Capital	1220.74	1220.43	1215.22
7	Reserves (excluding Revaluation Reserve)		50179.64	
8	Earnings Per Share (of ₹ 1/- each) (not annualised):			
	1. Basic (₹):	2.31	9.22	2.11
	2. Diluted (₹):	2.29	9.16	2.09

Note:

a) Consequent to the introduction of Goods and Services Tax (GST) with effect from 1st July 2017, Central Excise [other than National Calamity Contingent Duty (NCCD) on cigarettes], Value Added Tax (VAT) etc. have been replaced by GST. In accordance with Indian Accounting Standard, as applicable and Schedule III of the Companies Act, 2013, GST, GST Compensation Cess, VAT, etc. are excluded, but does not exclude NCCD, in Total Income from Operations for applicable periods. In view of the aforesaid restructuring of indirect taxes, Total Income from Operations for the quarter ended 30th June, 2018 are not comparable with the previous periods.

On a comparable basis, Gross Sales Value (net of rebates and discounts) for the quarter ended 30th June, 2018 grew by 13.5% for the Company over the corresponding period of the previous year.

b) The above is an extract of the detailed format of Statement of Standalone Unaudited Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detailed Financial Results and this extract were reviewed by the Audit Committee and approved by the Board of Directors of the Company at the meeting held on 26th July 2018. The full format of the Statement of Standalone Unaudited Financial Results are available on the Company's website (www.itcportal.com) and on the websites of the National Stock Exchange of India Limited (www.nseindia.com), BSE Limited (www.bseindia.com) and the Calcutta Stock Exchange Limited (www.cse-india.com).

c) 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 30th June, 2018 which needs to be explained.

Registered Office :
Virginia House, 37 J.L. Nehru Road,
Kolkata 700 071, India

Dated : 26th July, 2018
Place : Kolkata, India

For and on behalf of the Board

Director & Chief Financial Officer

Managing Director

Chairman

Deloitte
Haskins & Sells

Chartered Accountants
13th & 14th Floor
Building - Omega
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
ITC LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ITC LIMITED** ("the Company"), for the Quarter ended 30th June, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.

   This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. 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.

3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 302009E)

P.R. Ramesh

P.R. Ramesh
Partner
(Membership No. 70928)

KOLKATA, 26th July, 2018