



**ITC Limited**  
Virginia House  
37 J. L. Nehru Road  
Kolkata 700 071, India  
Tel. : 91 33 2288 9371  
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19<sup>th</sup> January, 2018

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

The General Manager  
Dept. of Corporate Services  
BSE Ltd.  
1st floor, New Trading Ring  
Rotunda Building  
P. J. Towers  
Dalal Street, Fort  
Mumbai 400 001

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

Dear Sirs,

**Unaudited Financial Results for the Quarter and  
Nine Months ended 31<sup>st</sup> December, 2017**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Unaudited Financial Results of the Company alongwith the Segment-wise Revenue, Results, Assets and Liabilities for the Quarter and Nine Months ended 31<sup>st</sup> December, 2017 approved by the Board of Directors of the Company at the meeting held on 19<sup>th</sup> January, 2018. The meeting commenced at 10.45 a.m. and concluded at 12.40 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)  
Sr. Deputy Secretary

Encl. as above.



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

Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended 31st December, 2017

(₹ in Crores)

Particulars		3 Months ended 31.12.2017	Corresponding 3 Months ended 31.12.2016	Preceding 3 Months ended 30.09.2017	9 Months ended 31.12.2017	9 Months ended 31.12.2016	Twelve Months ended 31.03.2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Gross Revenue from sale of products and services	(i)	9852.74	13470.89	9676.20	33251.15	40118.94	55001.69
Other operating revenue	(ii)	99.45	99.08	87.72	265.38	320.70	446.77
REVENUE FROM OPERATIONS((i)+(ii))	1	9952.19	13569.97	9763.92	33516.53	40439.64	55448.46
OTHER INCOME	2	626.92	687.94	494.21	1597.90	1583.81	1985.91
TOTAL INCOME (1+2)	3	10579.11	14257.91	10258.13	35114.43	42023.45	57434.37
<b>EXPENSES</b>							
a) Cost of materials consumed		2941.91	2912.58	2858.00	8694.81	8792.72	11765.56
b) Purchases of stock-in-trade		498.90	864.89	558.82	2048.61	2370.84	3566.57
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and intermediates		140.22	(400.90)	939.55	1029.98	129.94	644.17
d) Excise duty		180.17	4321.58	(550.21)	3475.72	11476.50	15359.78
e) Employee benefits expense		595.02	572.31	606.54	1876.19	1872.95	2444.31
f) Finance costs		24.02	13.59	29.01	63.41	34.41	22.95
g) Depreciation and amortization expense		290.75	266.54	282.42	841.38	796.23	1038.04
h) Other expenses		1691.47	1753.12	1589.71	4978.81	5094.04	7090.03
TOTAL EXPENSES	4	6362.46	10303.71	6313.84	23008.91	30567.63	41931.41
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (3-4)	5	4216.65	3954.20	3944.29	12105.52	11455.82	15502.96
EXCEPTIONAL ITEMS (Refer Note 6)	6	412.90	-	-	412.90	-	-
PROFIT BEFORE TAX (5+6)	7	4629.55	3954.20	3944.29	12518.42	11455.82	15502.96
TAX EXPENSE	8	1539.35	1307.47	1304.45	4227.88	3924.39	5302.06
a) Current Tax		1457.14	1398.14	1320.39	4151.55	3902.19	5285.65
b) Deferred Tax		82.21	(90.67)	(15.94)	76.33	22.20	16.41
PROFIT FOR THE PERIOD (7-8)	9	3090.20	2646.73	2639.84	8290.54	7531.43	10200.90
OTHER COMPREHENSIVE INCOME	10	86.86	(161.61)	(29.04)	214.64	(123.23)	77.00
A (i) Items that will not be reclassified to profit or loss		78.07	(168.22)	(26.07)	216.12	(145.30)	40.80
(ii) Income tax relating to items that will not be reclassified to profit or loss		3.67	10.37	1.14	2.98	20.11	24.22
B (i) Items that will be reclassified to profit or loss		7.84	(5.75)	(6.29)	(6.80)	2.99	18.29
(ii) Income tax relating to items that will be reclassified to profit or loss		(2.72)	1.99	2.18	2.34	(1.03)	(6.31)
TOTAL COMPREHENSIVE INCOME (9+10)	11	3177.06	2485.12	2610.80	8505.18	7408.20	10277.90
PAID UP EQUITY SHARE CAPITAL (Ordinary shares of ₹ 1/- each)	12	1219.05	1212.14	1218.36	1219.05	1212.14	1214.74
RESERVES EXCLUDING REVALUATION RESERVES	13						44126.22
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	14						
(a) Basic (₹)		2.54	2.18	2.17	6.82	6.23	8.43
(b) Diluted (₹)		2.52	2.17	2.15	6.76	6.19	8.38

- 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 19th January, 2018.
  - 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'.
  - During the quarter, 68,10,380 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 31st December, 2017 stands increased to ₹ 1219,04,56,871/-.
  - This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - 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 - 18 on Revenue and Schedule III of the Companies Act, 2013, GST, GST Compensation Cess, VAT, etc. are excluded, but does not exclude NCCD, in 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 and nine months ended 31st December, 2017 are not comparable with the previous periods. Following additional information is being provided to facilitate such comparison:

(₹ in Crores)

Particulars	3 Months ended 31.12.2017	Corresponding 3 Months ended 31.12.2016	Preceding 3 Months ended 30.09.2017	9 Months ended 31.12.2017	9 Months ended 31.12.2016	Twelve Months ended 31.03.2017
Gross Sales Value (net of rebates and discounts) (A)	16746.20	15746.93	16391.58	49148.44	46858.42	64174.17
Taxes other than Excise Duty / NCCD (B)*	6893.46	2276.04	6715.38	15897.29	6739.48	9172.48
Gross Revenue from sale of products and services [C = (A-B)]	9852.74	13470.89	9676.20	33251.15	40118.94	55001.69

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

Excise duty for the quarter ended 30th September, 2017 represents NCCD net of reversal of excise duty on closing inventories held as on 30th June, 2017.

- Exceptional Items represent provisions for earlier years of ₹ 412.90 Crores (₹ 270.00 Crores post tax), in respect of Tamil Nadu entry tax that have been written back during the current quarter, based on a favourable order of the Hon'ble Supreme Court.

**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, 2017 which needs to be explained.

**ITC LIMITED**  
**Unaudited Segment-wise Revenue, Results, Assets and Liabilities**  
**for the Quarter and Nine Months ended 31st December, 2017**

(₹ in Crores)

Particulars	STANDALONE					
	3 Months ended 31.12.2017	Corresponding 3 Months ended 31.12.2016	Preceding 3 Months ended 30.09.2017	9 Months ended 31.12.2017	9 Months ended 31.12.2016	Twelve Months ended 31.03.2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Segment Revenue</b>						
a) FMCG - Cigarettes	4629.19	8287.97	4554.21	17957.56	25047.04	34001.98
- Others	2871.78	2569.26	2804.11	8276.78	7626.07	10511.83
<b>Total FMCG</b>	<b>7500.97</b>	<b>10857.23</b>	<b>7358.32</b>	<b>26234.34</b>	<b>32673.11</b>	<b>44513.81</b>
b) Hotels	404.44	370.51	300.18	1009.51	955.21	1341.73
c) Agri Business	1530.86	1671.92	1967.98	6259.36	6346.06	8264.55
d) Paperboards, Paper & Packaging	1279.60	1335.82	1309.41	3948.83	3990.13	5362.86
<b>Total</b>	<b>10715.87</b>	<b>14235.48</b>	<b>10935.89</b>	<b>37452.04</b>	<b>43964.51</b>	<b>59482.95</b>
Less : Inter-segment revenue	863.13	764.59	1259.69	4200.89	3845.57	4481.26
<b>Gross Revenue from sale of products and services *</b>	<b>9852.74</b>	<b>13470.89</b>	<b>9676.20</b>	<b>33251.15</b>	<b>40118.94</b>	<b>55001.69</b>
<b>2. Segment Results</b>						
a) FMCG - Cigarettes	3269.25	3033.69	3291.67	9835.06	9255.15	12513.91
- Others	46.99	(19.66)	20.49	72.91	(27.44)	28.12
<b>Total FMCG</b>	<b>3316.24</b>	<b>3014.03</b>	<b>3312.16</b>	<b>9907.97</b>	<b>9227.71</b>	<b>12542.03</b>
b) Hotels	54.77	42.15	4.24	64.32	44.02	110.95
c) Agri Business	233.34	236.61	256.20	724.65	770.88	905.80
d) Paperboards, Paper & Packaging	268.26	246.03	274.19	799.74	725.67	965.84
<b>Total</b>	<b>3872.61</b>	<b>3538.82</b>	<b>3846.79</b>	<b>11496.68</b>	<b>10768.28</b>	<b>14524.62</b>
Less : i) Finance Costs	24.02	13.59	29.01	63.41	34.41	22.95
ii) Other un-allocable (income) net of un-allocable expenditure [Note (i)]	(368.06)	(428.97)	(126.51)	(672.25)	(721.95)	(1001.29)
iii) Exceptional items**	(412.90)	-	-	(412.90)	-	-
<b>Profit Before Tax</b>	<b>4629.55</b>	<b>3954.20</b>	<b>3944.29</b>	<b>12518.42</b>	<b>11455.82</b>	<b>15502.96</b>
<b>3. Segment Assets</b>						
a) FMCG - Cigarettes	7829.31	7792.74	8389.61	7829.31	7792.74	7994.51
- Others	7436.51	6596.10	7744.46	7436.51	6596.10	7113.91
<b>Total FMCG</b>	<b>15265.82</b>	<b>14388.84</b>	<b>16134.07</b>	<b>15265.82</b>	<b>14388.84</b>	<b>15108.42</b>
b) Hotels [Note (ii)]	5402.59	5039.01	5356.60	5402.59	5039.01	5082.80
c) Agri Business	2986.56	2750.70	2929.88	2986.56	2750.70	2991.57
d) Paperboards, Paper & Packaging	6815.89	6323.56	6774.68	6815.89	6323.56	6322.79
<b>Total</b>	<b>30470.86</b>	<b>28502.11</b>	<b>31195.23</b>	<b>30470.86</b>	<b>28502.11</b>	<b>29505.58</b>
Unallocated Corporate Assets	29357.27	23248.16	25898.12	29357.27	23248.16	24710.37
<b>Total Assets</b>	<b>59828.13</b>	<b>51750.27</b>	<b>57093.35</b>	<b>59828.13</b>	<b>51750.27</b>	<b>54215.95</b>
<b>4. Segment Liabilities</b>						
a) FMCG - Cigarettes**	4684.73	2999.09	4416.35	4684.73	2999.09	2447.84
- Others	1879.37	1414.40	1749.29	1879.37	1414.40	1407.21
<b>Total FMCG</b>	<b>6564.10</b>	<b>4413.49</b>	<b>6165.64</b>	<b>6564.10</b>	<b>4413.49</b>	<b>3855.05</b>
b) Hotels	512.94	452.29	479.61	512.94	452.29	420.62
c) Agri Business	1027.58	1001.44	1198.51	1027.58	1001.44	795.88
d) Paperboards, Paper & Packaging	786.75	615.62	749.53	786.75	615.62	623.85
<b>Total</b>	<b>8891.37</b>	<b>6482.84</b>	<b>8593.29</b>	<b>8891.37</b>	<b>6482.84</b>	<b>5695.40</b>
Unallocated Corporate Liabilities	2980.80	3302.69	3925.49	2980.80	3302.69	3179.59
<b>Total Liabilities</b>	<b>11872.17</b>	<b>9785.53</b>	<b>12518.78</b>	<b>11872.17</b>	<b>9785.53</b>	<b>8874.99</b>

\* Refer note 5 to the financial results.

\*\* Segment Liabilities of FMCG-Cigarettes is before considering ₹ 229.14 Crores (31.12.2016 - ₹ 651.37 Crores; 30.09.2017 - ₹ 638.09 Crores; 31.03.2017 - ₹ 629.83 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'. Also refer note 6 to the financial results.

Note (i): 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.

Note (ii): Includes ₹ 541.21 Crores (31.12.2016 - ₹ 541.21 Crores; 30.09.2017 - ₹ 541.21 Crores; 31.03.2017 - ₹ 541.21 Crores) towards payment to IFCI Limited 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 Limited 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 Limited to refund the sale consideration to the Company. The Company and IFCI Limited have approached the Hon'ble Supreme Court against the High Court judgement. The Hon'ble Supreme Court by its order dated 22.04.2016 has directed maintenance of status quo and that the amount paid by ITC shall remain with IFCI Limited until further orders. The hearing of the matter is completed and is awaiting judgement by the Hon'ble Supreme 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.

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.


(4) 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

For and on behalf of the Board

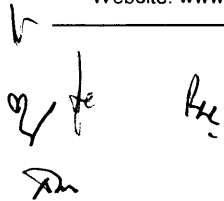
Dated : 19th January, 2018  
Place : Kolkata, India

  
Director & Chief Financial Officer

  
Chief Executive Officer & Director

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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 and Nine Months ended 31<sup>st</sup> December, 2017 ("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 5<sup>th</sup> 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 5<sup>th</sup> 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)



Extract of Standalone Unaudited Financial Results for the Quarter and Nine Months ended 31st December, 2017				
Sl. No.	Particulars	₹ in Crores)		
		3 Months ended 31.12.2017	9 Months ended 31.12.2017	Corresponding 3 Months ended 31.12.2016
1	Total Income from Operations	10579.11	35114.43	14257.91
2	Net Profit / (Loss) for the period (before tax and Exceptional items)	4216.65	12105.52	3954.20
3	Net Profit / (Loss) for the period before tax (after Exceptional items)	4629.55	12518.42	3954.20
4	Net Profit / (Loss) for the period after tax (after Exceptional items)	3090.20	8290.54	2646.73
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	3177.06	8505.18	2485.12
6	Equity Share Capital	1219.05	1219.05	1212.14
7	Earnings Per Share (of ₹ 1/- each) (not annualised):			
	1. Basic (₹):	2.54	6.82	2.18
	2. Diluted (₹):	2.52	6.76	2.17

**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 - 18 on Revenue 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 and nine months ended 31st December, 2017 are not comparable with the previous periods.

On a comparable basis, Gross Sales Value (net of rebates and discounts) for the quarter and nine months ended 31st December, 2017 grew by 6.3% and 4.9% respectively over the corresponding period of the previous year.

b) Exceptional Items represent provisions for earlier years of ₹ 412.90 Crores (₹ 270.00 Crores post tax), in respect of Tamil Nadu entry tax that have been written back during the current quarter, based on a favourable order of the Hon'ble Supreme Court.


c) 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 19th January, 2018. The full format of the Statement of Standalone Unaudited Financial Results are available on the Company's website ([www.itcportal.com](http://www.itcportal.com)) and on the websites of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)), BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and the Calcutta Stock Exchange Limited ([www.cse-india.com](http://www.cse-india.com)).

d) 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, 2017 which needs to be explained.

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

Dated : 19th January, 2018  
Place : Kolkata, India

For and on behalf of the Board

  
Director & Chief Financial Officer

  
Chief Executive Officer & Director

