



ITC Limited
Virginia House
37 J. L. Nehru Road
Kolkata 700 071, India
Tel. : 91 33 2288 9371
Fax : 91 33 2288 4016 / 1256 / 2259 / 2260

27th October, 2017

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
Six Months ended 30th September, 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 Six Months ended 30th September, 2017 and Unaudited Half-Yearly Balance Sheet as on the said date, approved by the Board of Directors of the Company at the meeting held on 27th October, 2017. The meeting commenced at 11.30 a.m. and concluded at 2.20 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



ITC Limited

Statement of Standalone Unaudited Financial Results for the Quarter and Six Months ended 30th September, 2017

Particulars		₹ in Crores					
		3 Months ended 30.09.2017	Corresponding 3 Months ended 30.09.2016	Preceding 3 Months ended 30.06.2017	6 Months ended 30.09.2017	6 Months ended 30.09.2016	Twelve Months ended 31.03.2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Gross Revenue from sale of products and services	(i)	9676.20	13491.37	13722.21	23398.41	26648.05	55001.69
Other operating revenue	(ii)	87.72	125.24	78.21	165.93	221.62	446.77
REVENUE FROM OPERATIONS[(i)+(ii)]	1	9763.92	13616.61	13800.42	23564.34	26869.67	55448.46
OTHER INCOME	2	494.21	475.35	476.77	970.98	895.87	1985.91
TOTAL INCOME (1+2)	3	10258.13	14091.96	14277.19	24535.32	27765.54	57434.37
EXPENSES							
a) Cost of materials consumed							
b) Purchases of stock-in-trade		2858.00	3000.10	2894.90	5752.90	5880.14	11765.56
c) Changes in inventories of finished goods, stock-in-trade, work-in-progress and intermediates		558.82	501.11	990.89	1549.71	1505.95	3566.57
d) Excise duty				(49.79)	889.76	530.84	644.17
e) Employee benefits expense		(550.21)	3955.90	3845.76	3295.55	7154.92	15359.78
f) Finance costs		606.54	600.33	674.63	1281.17	1300.64	2444.31
g) Depreciation and amortization expense		29.01	10.72	10.38	39.39	20.82	22.95
h) Other expenses		282.42	268.44	268.21	550.63	529.69	1038.04
TOTAL EXPENSES	4	1589.71	1759.00	1697.63	3287.34	3340.92	7090.03
PROFIT BEFORE TAX (3-4)		6313.84	10265.74	10332.61	16646.45	20263.92	41931.41
TAX EXPENSE	5	3944.29	3826.22	3944.58	7888.87	7501.62	15502.96
a) Current Tax	6	1304.45	1326.19	1384.08	2688.53	2616.92	5302.06
b) Deferred Tax		1320.39	1263.30	1374.02	2694.41	2504.05	5285.65
PROFIT FOR THE PERIOD (5-6)	7	(15.94)	62.89	10.06	(5.88)	112.87	16.41
OTHER COMPREHENSIVE INCOME		2639.84	2500.03	2560.50	5200.34	4884.70	10200.90
A (i) Items that will not be reclassified to profit or loss	8	(29.04)	(25.19)	156.82	127.78	38.38	77.00
(ii) Income tax relating to items that will not be reclassified to profit or loss		(26.07)	(40.78)	164.12	138.05	22.92	40.80
B (i) Items that will be reclassified to profit or loss		1.14	6.22	(1.83)	(0.69)	9.74	24.22
(ii) Income tax relating to items that will be reclassified to profit or loss		(6.29)	14.32	(8.35)	(14.64)	8.74	18.29
TOTAL COMPREHENSIVE INCOME (7+8)		2.18	(4.95)	2.88	5.06	(3.02)	(6.31)
PAID UP EQUITY SHARE CAPITAL	9	2610.80	2474.84	2717.32	5328.12	4923.08	10277.90
(Ordinary shares of ₹ 1/- each)	10	1218.36	1211.16	1215.22	1218.36	1211.16	1214.74
RESERVES EXCLUDING REVALUATION RESERVES	11						
EARNINGS PER SHARE (of ₹ 1/- each) (not annualised):	12						44126.22
(a) Basic (₹)		2.17	2.07	2.11	4.28	4.04	8.43
(b) Diluted (₹)		2.15	2.04	2.09	4.24	3.99	8.38

Notes :

- The Unaudited Standalone Financial Results, Segment Results and Balance Sheet were reviewed by the Audit Committee and approved by the Board of Directors of the Company at the meeting held on 27th October, 2017.
- 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, 3,14,81,220 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 September, 2017 stands increased to ₹ 1218,36,46,491/-.
- 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 not included 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 six months ended 30th September, 2017 are not comparable with the previous periods. Following additional information is being provided to facilitate such comparison:

Particulars	₹ in Crores					
	3 Months ended 30.09.2017	Corresponding 3 Months ended 30.09.2016	Preceding 3 Months ended 30.06.2017	6 Months ended 30.09.2017	6 Months ended 30.09.2016	Twelve Months ended 31.03.2017
Gross Sales Value (net of rebates and discounts) (A)	16391.58	15769.89	16010.66	32402.24	31111.49	64174.17
Taxes other than Excise Duty / NCCD (B)*	6715.38	2278.52	2288.45	9003.83	4463.44	9172.48
Gross Revenue from sale of products and services [C = (A-B)]	9676.20	13491.37	13722.21	23398.41	26648.05	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.

6 The Company does not have any exceptional item to report for the above periods.

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 Six Months ended 30th September, 2017 which needs to be explained.

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ITC LIMITED
Unaudited Segment-wise Revenue, Results, Assets and Liabilities
for the Quarter and Six Months ended 30th September, 2017

Particulars	STANDALONE (₹ in Crores)					
	3 Months ended 30.09.2017	Corresponding 3 Months ended 30.09.2016	Preceding 3 Months ended 30.06.2017	6 Months ended 30.09.2017	6 Months ended 30.09.2016	Twelve Months ended 31.03.2017
1. Segment Revenue	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
a) FMCG - Cigarettes - Others	4554.21 2804.11	8528.47 2671.66	8774.16 2600.89	13328.37 5405.00	16759.07 5056.81	34001.98 10511.83
Total FMCG	7358.32	11200.13	11375.05	18733.37	21815.88	44513.81
b) Hotels	300.18	297.34	304.89	605.07	584.70	1341.73
c) Agri Business	1967.98	1880.06	2760.52	4728.50	4674.14	8264.55
d) Paperboards, Paper & Packaging	1309.41	1331.41	1359.82	2669.23	2654.31	5362.86
Total	10935.89	14708.94	15800.28	26736.17	29729.03	59482.95
Less : Inter-segment revenue	1259.69	1217.57	2078.07	3337.76	3080.98	4481.26
Gross Revenue from sale of products and services *	9676.20	13491.37	13722.21	23398.41	26648.05	55001.69
2. Segment Results						
a) FMCG - Cigarettes - Others	3291.67 20.49	3216.88 (3.26)	3274.14 5.43	6565.81 25.92	6221.46 (7.78)	12513.91 28.12
Total FMCG	3312.16	3213.62	3279.57	6591.73	6213.68	12542.03
b) Hotels	4.24	0.65	5.31	9.55	1.87	110.95
c) Agri Business	256.20	296.96	235.11	491.31	534.27	905.80
d) Paperboards, Paper & Packaging	274.19	231.95	257.29	531.48	479.64	965.84
Total	3846.79	3743.18	3777.28	7624.07	7229.46	14524.62
Less : i) Finance Costs	29.01	10.72	10.38	39.39	20.82	22.95
ii) Other un-allocable (income) net of un-allocable expenditure [Note (i)]	(126.51)	(93.76)	(177.68)	(304.19)	(292.98)	(1001.29)
Profit Before Tax	3944.29	3826.22	3944.58	7888.87	7501.62	15502.96
3. Segment Assets						
a) FMCG - Cigarettes - Others	9958.86 7813.73	7816.59 6825.79	7782.40 8005.99	9958.86 7813.73	7816.59 6825.79	7994.51 7113.91
Total FMCG	17772.59	14642.38	15788.39	17772.59	14642.38	15108.42
b) Hotels [Note (ii)]	5361.47	4930.88	5282.18	5361.47	4930.88	5082.80
c) Agri Business	2929.46	2817.81	3374.96	2929.46	2817.81	2991.57
d) Paperboards, Paper & Packaging	6824.75	6242.72	6369.80	6824.75	6242.72	6322.79
Total	32888.27	28633.79	30815.33	32888.27	28633.79	29505.58
Unallocated Corporate Assets	26242.01	21018.47	28694.84	26242.01	21018.47	24710.37
Total Assets	59130.28	49652.26	59510.17	59130.28	49652.26	54215.95
4. Segment Liabilities						
a) FMCG - Cigarettes** - Others	5985.60 1818.56	2858.54 1333.26	3352.99 1497.79	5985.60 1818.56	2858.54 1333.26	2447.84 1407.21
Total FMCG	7804.16	4191.80	4850.78	7804.16	4191.80	3855.05
b) Hotels	484.48	383.62	481.36	484.48	383.62	420.62
c) Agri Business	1198.09	1089.73	650.19	1198.09	1089.73	795.88
d) Paperboards, Paper & Packaging	799.60	583.39	585.69	799.60	583.39	623.85
Total	10286.33	6248.54	6568.02	10286.33	6248.54	5695.40
Unallocated Corporate Liabilities	4269.38	4175.57	4720.85	4269.38	4175.57	3179.59
Total Liabilities	14555.71	10424.11	11288.87	14555.71	10424.11	8874.99

* Refer note 5 to the financial results.

** Segment Liabilities of FMCG-Cigarettes is before considering ₹ 638.09 Crores (30.09.2016 - ₹ 661.60 Crores; 30.06.2017 - ₹ 634.60 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'.

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 (30.09.2016 - ₹ 541.21 Crores; 30.06.2017 - ₹ 541.21 Crores; 31.03.2017 - ₹ 541.21 Crores) towards payment to IFICI 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 IFICI 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 IFICI Limited to refund its order dated 22.04.2016 has directed maintenance of status quo and that the amount paid by ITC shall remain with IFICI Limited until further orders. The matter is pending before the Hon'ble Supreme Court.

ITC Limited

(₹ in Crores)

Balance Sheet		STANDALONE	
		As at current half year end 30.09.2017 (Unaudited)	As at previous year end 31.03.2017 (Audited)
Particulars			
A	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, Plant and Equipment	14362.69	14469.32
	(b) Capital work-in-progress	4286.85	3491.33
	(c) Intangible assets	465.30	410.92
	(d) Intangible assets under development	4.95	45.69
	(e) Financial Assets		
	(i) Investments	9673.85	8485.51
	(ii) Loans	9.32	5.84
	(iii) Others	719.73	99.83
	(f) Other non-current assets	2748.78	2670.12
	Non-Current Assets	32271.47	29678.56
2	CURRENT ASSETS		
	(a) Inventories	7625.63	7863.99
	(b) Financial Assets		
	(i) Investments	11777.53	10099.78
	(ii) Trade receivables	2637.31	2207.50
	(iii) Cash and cash equivalents	46.46	156.15
	(iv) Other Bank Balances	677.76	2591.12
	(v) Loans	4.20	3.37
	(vi) Others	993.97	1004.91
	(c) Other current assets*	3095.95	610.57
	Current Assets	26858.81	24537.39
	TOTAL ASSETS	59130.28	54215.95
B	EQUITY AND LIABILITIES		
	EQUITY		
	(a) Equity Share capital	1218.36	1214.74
	(b) Other Equity	43356.21	44126.22
	Equity	44574.57	45340.96
	LIABILITIES		
1	NON-CURRENT LIABILITIES		
	(a) Financial Liabilities		
	(i) Borrowings	17.99	17.99
	(ii) Other financial liabilities	24.11	9.21
	(b) Provisions	132.57	131.37
	(c) Deferred tax liabilities (Net)	1865.94	1871.70
	(d) Other non-current liabilities	34.99	14.65
	Non-Current Liabilities	2075.60	2044.92
2	CURRENT LIABILITIES		
	(a) Financial Liabilities		
	(i) Borrowings	600.07	0.01
	(ii) Trade payables	2942.74	2551.22
	(iii) Other financial liabilities	818.13	784.78
	(b) Other current liabilities*	7450.32	3351.15
	(c) Provisions	39.22	41.83
	(d) Current Tax Liabilities (Net)	629.63	101.08
	Current Liabilities	12480.11	6830.07
	TOTAL EQUITY AND LIABILITIES	59130.28	54215.95

* Consequent to the introduction of GST, inter-state stock transfer of goods has become taxable with availability of input tax credit, the utilisation of which is available in subsequent periods. As a result, movement in Other Current Assets and Other Current Liabilities is not comparable with earlier period.

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 : 27th October, 2017
Place : Bengaluru, India

For and on behalf of the Board


Director & Chief Financial Officer


Chief Executive Officer & Director

Website: www.itcportal.com | E-mail: enduringvalue@itc.in | Phone: +91-33-2288 9371 | Fax: +91-33-2288 0655 | CIN : L16005WB1910PLC001985

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ITC Limited

Extract of Standalone Unaudited Financial Results for the Quarter and Six Months ended 30th September, 2017				
Sl. No.	Particulars	3 Months ended 30.09.2017	6 Months ended 30.09.2017	Corresponding 3 Months ended 30.09.2016
1	Total Income from Operations	10258.13	24535.32	14091.96
2	Net Profit / (Loss) for the period (before tax, Exceptional and/or Extraordinary items)	3944.29	7888.87	3826.22
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	3944.29	7888.87	3826.22
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	2639.84	5200.34	2500.03
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	2610.80	5328.12	2474.84
6	Equity Share Capital	1218.36	1218.36	1211.16
7	Earnings Per Share (of ₹ 1/- each) (not annualised):			
	1. Basic (₹):	2.17	4.28	2.07
	2. Diluted (₹):	2.15	4.24	2.04

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 not included 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 six months ended 30th September, 2017 are not comparable with the previous periods.

On a comparable basis, Gross Sales Value (net of rebates and discounts) for the quarter and six months ended 30th September, 2017 grew by 3.9% and 4.1% respectively 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 27th October, 2017. 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 does not have any impact on the above 'Results and Notes' for the Quarter and Six Months ended 30th September, 2017 which needs to be explained.

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

Dated : 27th October, 2017
Place : Bengaluru, India

For and on behalf of the Board

Regine A.S.
Director & Chief Financial Officer

Am
Chief Executive Officer & Director

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

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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 Six Months ended 30th September, 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 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)

BENGALURU, 27th October, 2017