

May 22, 2023



**Current Price:** ₹ 419.90

### STOCK DATA

BSE Code	500875
NSE Symbol	ITC
Reuters	ITC.BO
Bloomberg	ITC IN

### VALUE PARAMETERS

52 W H/L(Rs)	433.45/258.05
Mkt. Cap.(Rs Cr)	521852.47
Latest Equity(Subscribed)	1242.8
Latest Reserve (cons.)	67912.46
Latest EPS (cons.) -Unit Curr.	15.40
Latest P/E Ratio -cons	27.27
Latest Bookvalue (cons.) -Unit Curr.	55.64
Latest P/BV - cons	7.55
Dividend Yield -%	3.04
Face Value	1.00

### SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2023
Foreign	44.16
Institutions	42.05
Govt Holding	0.04
Non Promoter Corp. Hold.	0.96
Public & Others	12.80

### Consolidated Financial Result

In Cr.

Particulars	Qtr Ending Mar. 23	Qtr Ending Mar. 22	Var. (%)
Total Income	17634.89	16555.53	6.52
OPM (%)	37.56	33.82	374bps
OP	6,624.00	5,599.40	18
Other income	682.52	498.62	37
PBITD	7,306.52	6,098.02	20
Net Finance Charges	12.15	10.71	13
PBDT	7,294.37	6,087.31	20
Depreciation	461.40	466.96	-1
PBT before EO	6,832.97	5,620.35	22
EO	55.02	0.00	
PBT after EO	6,777.95	5,620.35	21
Tax expense	1,607.95	1,360.67	18
PAT	5,170.00	4,259.68	21
Minority Interest	67.11	70.18	-4
Share of Profit of Associates	17.57	6.19	184
Profit after Minority Interest and Share of profit of Associates	5,175.44	4,195.69	23
EPS (Rs)	4.12	3.40	

### Q4 PAT rises 23.4 % YoY to Rs 5,175.44 cr, above estimates

It recorded revenue from operations at Rs 17,634.89 crore in the fourth quarter of FY23, up 6.52 per cent from Rs 16555.53 crore in Q4FY22. EBITDA grew 19.82% to Rs 7306.52 crore in Q4 FY23 from Rs 6,098.02 crore in Q4 FY22. EBITDA margin improved 374 bps to 37.56%. Profit before tax during the quarter stood at Rs 6,777.95 crore, up by 20.60% on year on year basis. The company sustained its strong growth momentum across all operating segments during the period under review.

Total FMCG segment revenue increased 16.2% YoY to Rs 12,300.78 crore during the period under review. In the FMCG segment, cigarettes revenue rose by 14.16% YoY to Rs 7,355.83 crore and the revenue from other FMCG segment improved by 19.39% YoY to Rs 4,944.95 crore during the quarter.

The FMCG-others segment registered strong growth amidst subdued demand conditions. Robust growth was witnessed across all major categories of branded packaged foods viz. Staples, Biscuits, Snacks, Noodles, Beverages. While 'Fiama' and 'Vivel' range of personal wash products and engage fragrances grew well, the Hygiene portfolio witnessed moderation in demand, even as it remained well ahead of pre-pandemic levels. 'ITC e-Store', the Company's exclusive Direct to Consumer (D2C) platform, is now operational in 10,000+ pin-codes and continues to receive excellent consumer response. Category specific D2C platforms viz. Classmateshop.com, Dermafique.com and Aashirvaad.com/Meri-Chakki are being scaled up to foster consumer insights, as well as commerce. The Company's digitally powered eB2B platform – UNNATI was rapidly scaled up during the year covering nearly 5.4 lakh outlets facilitating

sharp and direct engagement with retailers, superior analytics and deeper brand engagement.

Hotel business revenue stood at Rs 781.71 crore (up 100.62% YoY). Revenue per available room (RevPAR) was well ahead of pre-pandemic levels. Segment EBITDA was at Rs 272 crore (up 240 crore YoY and 2.5 times over Q4 FY20). Segment revenue doubled over FY22 and stood at 1.4x of pre-pandemic levels. Segment EBITDA margins stood at 32.2% representing an expansion of 930 bps over FY20. ITC Narmada – a luxury 291-key hotel in Ahmedabad was launched during the year and has elicited excellent guest response. The Company's 'asset-right' strategy envisages a substantial part of incremental room additions, going forward, to accrue through management contracts. The Business had launched two new brands last year - 'Mementos' in the Luxury Lifestyle segment and 'Storii' in the Premium segment. During the year, 11 new properties were added under management contracts to the Group portfolio, including Mementos Ekaaya Udaipur, Storii Shanti Morada at Goa, Storii Amoha Retreat at Dharamshala, Welcomhotel Jim Corbett & Welcomhotel Ahmedabad.

Paperboards, paper & packaging revenues were at Rs crore (down 18.04% YoY) during the quarter. The company said that the softening of pulp prices, muted demand mainly in global markets and relatively higher base impacted YoY segment revenue growth while Fine Paper segment remained buoyant.

However, agri-business revenue declined 18.04% YoY to Rs 3,578.60 crore in Q4 FY23. Restrictions imposed on wheat & rice export impacted the segment revenue.

ITC Infotech reported revenue of Rs 877 crore in Q4 FY23, up 30% YoY. EBITDA stood at Rs 158 crore (up 33% YoY).

For FY23, gross revenue stood at Rs 69,480.89 crore, rising 17.6%, while EBITDA increased by 26.5% to Rs 23,944.47 crore. Profit before tax and exceptional items was at Rs 24,677.54 crore grew by 15.5% over previous year and profit after tax stood at Rs 18753.31 crore (previous year Rs 15631.68 crore).

The board recommended final dividend of Rs 6.75 and special dividend of Rs 2.75 per ordinary share FY23, subject to declaration by the members. The dividend, if declared, will be paid between 14 August 2023 and 17 August 2023 and 30 May 2023 is been fixed as the record date for the purpose.

## Management Comment

"With steep inflation eating into household budgets, consumption demand remained subdued particularly in rural markets and for discretionary categories in urban markets. Against the backdrop of a challenging operating environment as aforesaid, the Company's consumer centricity, agility in seizing market opportunities, focus on execution excellence and proactive strategic interventions enabled it to post strong performance across all operating segments," ITC said in a statement.

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