



ITC

STOCK INFO.	BLOOMBERG
BSE SENSEX: 14,338	ITC IN
	REUTERS CODE
S&P CNX: 4,248	ITC.BO

25 May 2007

Buy

Rs167

Previous Recommendation: Buy

	YEAR	NET SALES	PAT	EPS	EPS	P/E	P/BV	ROE	ROCE	EV/	EV/	
	END	(RS M)	(RS M)	(RS)	GROWTH (%)	(X)	(X)	(%)	(%)	SALES	EBITDA	
Equity Shares (m)	3,755.2											
52-Week Range	196/140											
1,6,12 Rel. Perf. (%)	2/-12/-42											
M.Cap. (Rs b)	626.0	03/07A	123,693	27,000	7.2	18.4	22.8	6.0	26.1	36.7	4.7	14.7
M.Cap. (US\$ b)	15.4	03/08E	139,164	28,083	7.5	4.0	22.3	5.4	24.0	34.0	4.2	14.1
		03/09E	170,720	33,846	9.0	20.5	18.5	4.7	25.5	36.1	3.3	11.3

- ITC's 4QFY07 results were below our expectations, with PAT at Rs6.5b against our estimate of Rs7b. Revenues at Rs34.6b were in line with our estimate of Rs34.7b.
- EBITDA grew just 14.9% YoY; EBITDA margin declined 200bp to 26.8% against our estimate of 28.8%. Rising proportion of low-margin New FMCG and Agri-business sales, coupled with lower than expected margin expansion in Cigarettes and Hotels resulted in the EBITDA margin decline.
- Cigarette revenues grew 14.3% YoY to Rs32.9b, driven by 7.3% volume growth and better sales mix. Other FMCG business grew 63.1% YoY to Rs4.9b while margins were at -9.7%, a 420bp improvement YoY. Hotels business grew by just 15.6% YoY to Rs3b due to higher base in 4QFY06 (the company had changed the method of reporting transactions through credit card). Agri and Paper business revenues grew 15.5% and 12.2% YoY, respectively.
- The management has guided 20-25% profit growth in Hotels, while rich sales mix would drive the Paper business. Agri business is expected to remain in investment mode for the next 2-3 years. Existing Food businesses are likely to break even by FY08 but full fledged entry into HPC (Home and Personal Care) could delay the turnaround of New FMCG businesses beyond our expectation of FY09. Cigarette volume growth holds the key to medium-term stock performance.
- We estimate EPS at Rs7.5 for FY08 and Rs9 for FY09. The stock currently trades at 22.3x FY08E and 18.5x FY09E earnings. We maintain **Buy**.

QUARTERLY PERFORMANCE

(Rs Million)

Y/E MARCH	FY06				FY07				FY06	FY07
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
<b>Net Sales</b>	<b>22,669</b>	<b>21,832</b>	<b>25,560</b>	<b>27,845</b>	<b>28,498</b>	<b>28,876</b>	<b>31,656</b>	<b>34,663</b>	<b>97,905</b>	<b>123,693</b>
YoY Change (%)	24.7	22.2	37.5	27.9	25.7	32.3	23.8	24.5	28.2	26.3
Total Exp	14,401	13,633	16,777	19,820	18,792	19,149	20,828	25,360	64,579	84,129
<b>EBITDA</b>	<b>8,268</b>	<b>8,198</b>	<b>8,783</b>	<b>8,024</b>	<b>9,706</b>	<b>9,727</b>	<b>10,828</b>	<b>9,303</b>	<b>33,326</b>	<b>39,564</b>
Margins (%)	36.5	37.6	34.4	28.8	34.1	33.7	34.2	26.8	34.0	32.0
Depreciation	-801	-830	-831	-862	-876	-910	-921	-922	-3,323	-3,629
Interest	-11	3	-15	-97	-7	-35	9	1	-211	-33
Other Income	845	781	489	746	849	795	698	1,023	2,899	3,365
<b>PBT</b>	<b>8,301</b>	<b>8,152</b>	<b>8,426</b>	<b>7,812</b>	<b>9,672</b>	<b>9,578</b>	<b>10,614</b>	<b>9,404</b>	<b>32,691</b>	<b>39,267</b>
Tax	-2,718	-2,429	-2,603	-2,138	-3,149	-2,782	-3,440	-2,897	-9,888	-12,267
Rate (%)	32.7	29.8	30.9	27.4	32.6	29.0	32.4	30.8	30.2	31.2
<b>Reported PAT</b>	<b>5,583</b>	<b>5,723</b>	<b>5,823</b>	<b>5,675</b>	<b>6,523</b>	<b>6,796</b>	<b>7,174</b>	<b>6,507</b>	<b>22,803</b>	<b>27,000</b>
YoY Change (%)	20.1	17.3	24.8	35.9	16.8	18.7	23.2	14.7	24.1	18.4
Extraordinary Inc/(Exp)	195	0	454	4	0	0	0	0	450	0
<b>Adjusted PAT</b>	<b>5,388</b>	<b>5,723</b>	<b>5,368</b>	<b>5,671</b>	<b>6,523</b>	<b>6,796</b>	<b>7,174</b>	<b>6,507</b>	<b>22,353</b>	<b>27,000</b>
YoY Change (%)	15.9	17.3	15.0	-26.5	21.1	18.7	33.6	14.7	2.0	20.8

SEGMENT-WISE PERFORMANCE (YOY %)

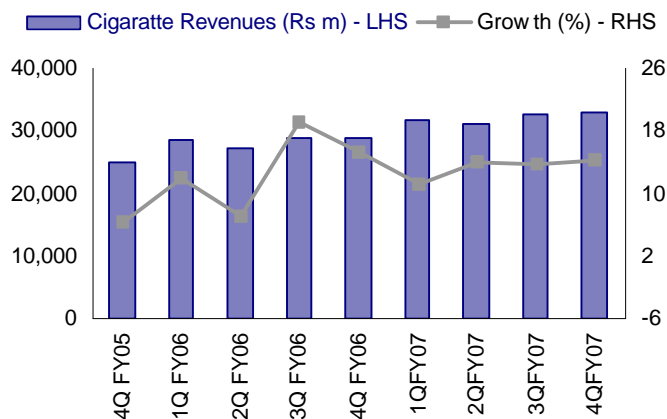
ITC - SEGMENTAL	1QFY06	2QFY06	3QFY06	4QFY06	1QFY07	2QFY07	3QFY07	4QFY07
<b>Sales Growth (% YoY)</b>								
Cigarettes	12.0	7.2	19.1	15.1	11.1	13.9	13.8	14.3
FMCG - Others	90.4	87.1	71.2	75.7	79.6	65.9	67.6	63.1
Hotels	35.5	27.1	31.4	45.5	35.3	30.5	28.5	15.6
Agri Business	64.2	15.5	63.1	55.8	47.4	86.6	19.5	15.5
Paper and Packaging	22.1	21.9	25.3	15.5	8.8	11.1	11.0	12.2
<b>EBIT Margin (%)</b>								
Cigarettes	24.4	25.1	24.1	22.1	25.8	25.4	25.3	22.5
FMCG - Others	-27.3	-14.3	-15.1	-13.9	-16.2	-12.0	-10.6	-9.7
Hotels	20.0	17.9	35.0	37.1	29.0	28.8	42.0	38.5
Agri Business	4.8	6.6	2.3	1.1	4.2	5.3	2.8	0.9
Paper and Packaging	19.4	19.5	18.7	16.5	20.9	21.2	19.2	18.2

Source: Company/Motilal Oswal Securities

**Cigarettes – impact of VAT imposition still unclear**

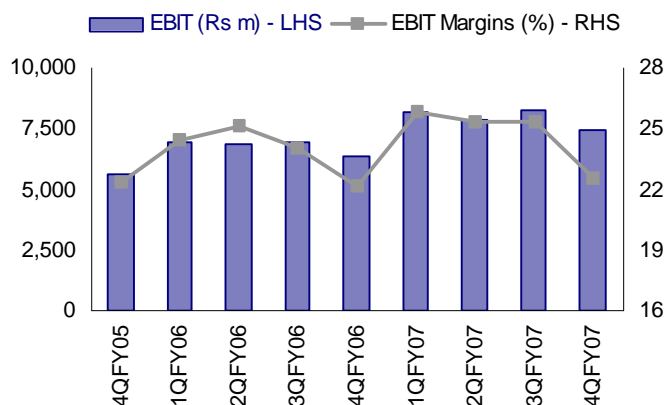
Cigarette revenues grew 14.3% YoY to Rs32.9b, driven by 7.3% volume growth, 2% mix change (approx) and 5% price increase in 4QFY07. Sales growth factors in higher volumes due to early purchases in anticipation of price increases in April 2007. PBIT margins for the quarter expanded by 40bp to 22.5%. During the year, the government increased the excise on cigarettes by 6% while VAT became effective from 1 April 2007. ITC has taken a 20% price hike on its cigarettes portfolio to neutralize the 12.5% VAT, excise and cess. The management expects clarity on cigarette volumes to emerge by the end of June 2007. Our estimates factor 7% decline in cigarette volumes in FY08.

CIGARETTES - STRONG GROWTH MOMENTUM CONTINUES



Source: Company/Motilal Oswal Securities

CIGARETTES – STEADY MARGIN EXPANSION



Source: Company/Motilal Oswal Securities

**Other FMCG business – Processed Foods continue to power growth**

Other FMCG business grew 63.1% YoY during 4QFY07. PBIT margin was -9.7%, a 420bp improvement on YoY basis. *Sunfeast* and *Aashirvaad* entered the category of brands with sales exceeding Rs5b.

**Branded Packaged Foods**

Branded Packaged Foods recorded an impressive growth of 51% in FY07. The range of offerings now comprises more than 150 distinct food products under six brands. During the year, ITC forayed in the high growth salty snacks segment, with its *Bingo* range of potato chips and finger snacks customized for Indian taste in 16 flavors, which has evoked good consumer

response. Management expects *Bingo* to garner 25-30% market share in the coming 3-4 years.

- ✎ Biscuits sales increased by 55% in FY07. Product mix improved, with enhanced sales of cookies, creams, etc, which helped to neutralize the impact of high input costs. ITC introduced *Sunfeast Special* in the fast-growing mid-price cookies segment, three variants in the premium creams segment, and the *FIT KIT* range of products endorsed by Sachin Tendulkar in two unique variants. On the manufacturing front, the business expanded its production capacity by adding facilities at two more locations. The Biscuits business has seen sharp increase in costs due to rise in wheat prices. Exemption of excise for biscuits below Rs100 per kg and reduction in grammage is expected to improve profit margins.
- ✎ *Aashirvaad Atta* became a Rs5b brand, with a 52% market share and market leadership in most major markets. *Aashirvaad Select*, the company's premium 'atta' (wheat flour) offering, was extended to target markets. The business also scaled up the branded spices volumes under the *Aashirvaad* brand.
- ✎ *Candyman* and *Mint-o* brands registered 51% growth in 4QFY07, driven by *Eclair*s, *Cofitino* and the new variants launched during the year, viz. *Natkhat Mango* and *Maha Mango*. The business added incremental capacity during the year to meet enhanced business volumes.
- ✎ Twelve new products were introduced under *Kitchens of India*. *KOI* is now exported to USA, UK, Switzerland, Canada, Australia and Germany. *Sunfeast Benne Vita* was launched in the pasta segment in four innovative variants.

We expect the Branded Foods business to continue growth momentum, backed by differentiated products and innovation according to the tastes of the Indian consumer. We believe that ITC seems best placed to exploit the expected surge in demand for branded foods due to cuisine experience of the Welcomgroup, strong R&D and strong backend provided by its E-Choupal Network. The management expects the existing Foods business to break even by FY08.

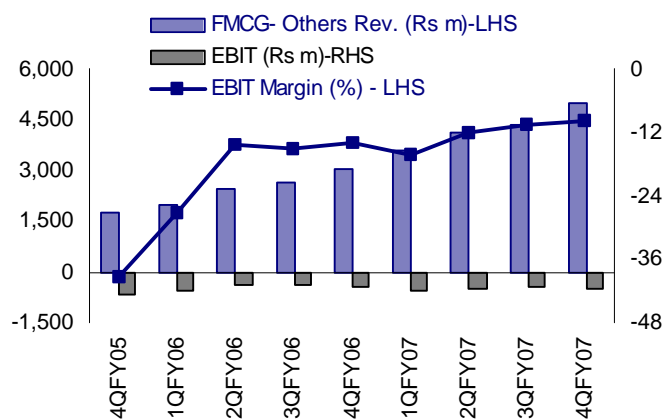
### Lifestyle Retailing

Sales during the quarter grew by over 52% YoY. All the major brands – *Classic*, *Wills Sport* and *Wills Clublife* maintained growth momentum, driven by expansion of consumer franchise. The company increased the *Wills Lifestyle* and *John Players* exclusive outlets to 200 and 170, respectively. The business continued to post significant improvement in operating parameters such as average realizations, footfalls/conversion and sell-through rates. The company in collaboration with some leading Indian designers introduced the *Wills Signature* range in select *Wills Lifestyle* stores.

We believe that the Branded Apparel business holds potential, as:

- ✎ Branded garments are likely to grow by more than 20% per annum due to rising impact of media and organized retailing
- ✎ There is a perceptible shift in trend away from tailoring even in category-2 towns, which augurs well for mass market brands like *John Players*
- ✎ Improving distribution network will increase availability and boost sales
- ✎ ITC has been able to find the right product and brand mix, with extension into outwear, denims, premium and popular segments

OTHER FMCG - GROWTH MOMENTUM CONTINUES, WITH REDUCED LOSSES



Source: Company/Motilal Oswal Securities

Stationery sales doubled during the year, Greetings Cards and Match Boxes continued to gain ground, with growing distribution network.

**E-Choupal and Choupal Sagar – huge investments in pipeline**

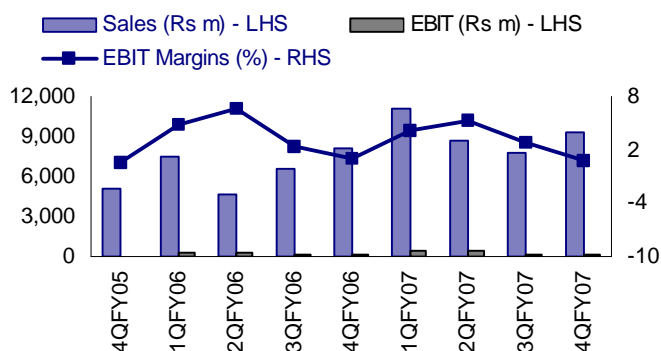
Agri business reported 15.5% topline growth for 4QFY07 though PBIT dropped from 1.1% in 4QFY06 to 0.9% in 4QFY07. Growth was lead by exports of leaf tobacco, soya and rice.

The E-Choupal network was further ramped up during the quarter to 6,400 installations. The network now reaches out to over 3.5m farmers in the states of Madhya Pradesh, Haryana, Uttaranchal, Uttar Pradesh, Rajasthan, Karnataka, Maharashtra, Andhra Pradesh and Kerala.

Rural retail initiative gained momentum with the launch of six more Choupal Sagers during the quarter. ITC now has 18 Choupal Saagars operational in Madhya Pradesh, Maharashtra and Uttar Pradesh. It plans to increase the number of Choupal Sagers to 40 in the coming 12 months. Existing Choupal Sagers continue to ramp up well, with rising customer affiliation and strong support from companies, which have identified E-Choupal as a tool to enter the rural hinterlands.

The company expects the Choupal Sagers to break even in two years from the date of commissioning of stores. Choupal Fresh, a project for retailing fruits and vegetables is expected to remain as a pilot project for some time before it is ramped up with more stores across locations. The company currently has three cash & carry and well as retail stores at Hyderabad, Pune and Chandigarh. We expect the entire Agri initiative to remain in the investment mode for the coming 2-3 years, which might result in continued margin pressure.

SEASONAL TREND IN AGRIB-BUSINESS



Source: Company/Motilal Oswal Securities

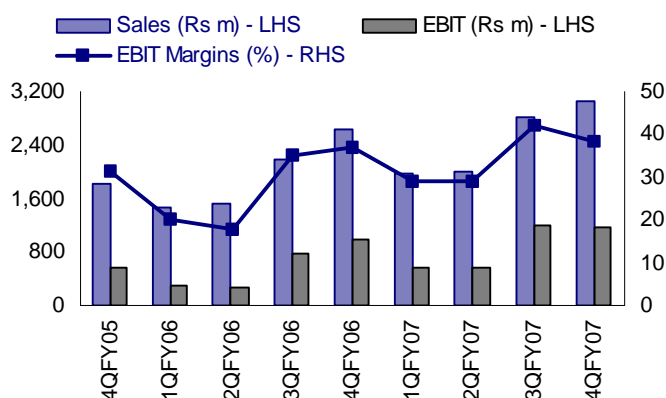
**Hotels – steady growth continues**

The Hotels business reported topline growth of 15.6% YoY. Sales growth in 4QFY07 is lower than the earlier quarters due to higher base effect – the company had changed the method of reporting credit card transactions in 4QFY06. It used to report sales through credit cards net of collection charges, but from 4QFY06 sales through credit cards were shown on gross basis and collection charges were shown as expense. As the entire FY06 sales were adjusted in 4QFY06, sales were inflated. Adjusting for this, sales growth for the quarter is 21% YoY.

Margin expansion at 140bp was lower than earlier quarters. This was due to upfront costs associated with new agreement with Starwood Hotels for branding seven of the company’s properties under the brand *The Luxury Collection*.

Construction activity of a new super-deluxe luxury hotel at Bangalore is progressing as per plans. Ground work for the project at Chennai is expected to commence in another 4-5 months. We expect the Hotels division to grow in the coming year on the back of higher occupancy levels and higher average revenue per room. Margins are expected to expand further, albeit slowly, as the current buoyancy in room rentals is expected to sustain due to delays in commissioning of new properties. Management has given a guidance of 20-25% profit growth in the coming year through a mix of higher occupancy and increase in average room rent (ARR).

HOTELS – STEADY GROWTH CONTINUES



Source: Company/Motilal Oswal Securities

### Paperboards and Paper – richer sales mix boosts margins

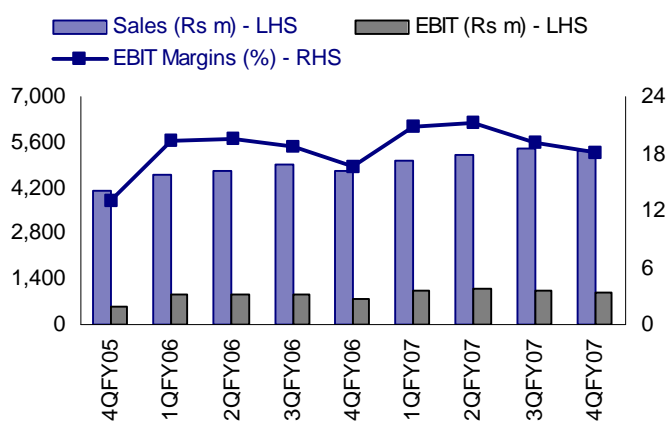
The Paperboard division reported 12.2% sales growth and 23.5% PBIT growth. PBIT margins expanded by 170bp to 18.2% in 4QFY07. Lower volume growth was on account of lack of capacity. However, benefits of captive power plant resulted in better margins. Production during the year increased by 6.7% to 390,458 MT. Sales of value added paperboards (VAP) grew by 15% and contributed 35% to sales. We expect volume growth to increase substantially once the proposed paperboard capacity of 90,000 TPA and 100,000 TPA of uncoated paper unit start operations by CY09. We expect the Paperboard SBU to report steady growth in sales and profits. Sales mix is expected to improve further once the new 1,00,000 TPA ECF mill starts production from 3QFY08.

### Valuation and view

The management has guided 20-25% profit growth in Hotels, while rich sales mix would drive the Paper business. Agri business is expected to remain in investment mode for the next 2-3 years. Existing Food businesses are likely to break even by FY08 but full fledged entry into HPC (Home and Personal Care) could delay the turnaround of New FMCG businesses beyond our expectation of FY09. Cigarette volume growth holds the key to medium-term stock performance.

We estimate EPS at Rs7.5 for FY08 and Rs9 for FY09. The stock currently trades at 22.3x FY08E and 18.5x FY09E earnings. We maintain **Buy**.

PAPER AND PAPERBOARDS – IMPROVING EBITDA MARGINS



Source: Company/Motilal Oswal Securities

## ITC: an investment profile

### Company description

ITC is an associate of BAT (British American Tobacco) controls more than 2/3<sup>rd</sup> of the cigarette market in India. ITC has emerged as a diversified conglomerate with leading presence in Paperboards, Hotels and Processed foods. E-Choupal, the agri rural initiative of the company has been widely appreciated for its foresight in harnessing the potential in the rural market.

### Key investment arguments

- ✎ Strong pricing power due to dominant market share in the cigarettes
- ✎ Hotels and Paperboard businesses have achieved self sustenance levels
- ✎ Fastest growing company in the processed food sector
- ✎ Excellent long term potential in its rural initiative of E Choupal and Choupal Sagar

### Key investment risks

- ✎ A high indirect tax regime could dampen cigarette growth.
- ✎ Some of the SBU's like paper and Hotels are capital intensive with long gestation periods.

#### COMPARATIVE VALUATIONS

		ITC	HLL	NESTLE
P/E (x)	FY08E	22.3	25.0	26.2
	FY09E	18.5	22.1	22.4
EV/EBITDA (x)	FY08E	14.1	22.2	16.4
	FY09E	11.3	19.1	14.0
EV/Sales (x)	FY08E	4.2	2.9	3.2
	FY09E	3.3	2.6	2.8
P/BV (x)	FY08E	5.4	15.1	15.7
	FY09E	4.7	14.6	14.2

#### SHAREHOLDING PATTERN (%)

	MAR.07	DEC.06	MAR.06
Promoter	0.0	0.0	0.0
Domestic Inst	37.1	37.3	36.2
Foreign	47.1	47.3	49.0
Others	15.8	15.4	14.8

### Recent developments

- ✎ ITC entered the salty snacks market, with its *Bingo* range of potato chips and finger snacks
- ✎ ITC Welcomgroup entered into an agreement with Starwood Hotels & Resorts to bring in its premium brand, *The Luxury Collection* to India.
- ✎ Branded Packaged Foods business expanded with rollout of variants like *Mango Natkhat*, *Maha Mango*, *Sunfeast Benne Vita* pasta in four variants.

### Valuation and view

- ✎ We have EPS forecasts of Rs7.5 for FY08 and Rs9 for FY09.
- ✎ ITC is currently trading at 22.3x FY08E EPS and 18.5x FY09E EPS. We maintain **Buy**.

### Sector view

- ✎ We have a cautious view on the sector on the back of inflationary tendency in the economy, which might impact volumes as well as profit margins of companies.
- ✎ Companies with low competitive pressures and broad product portfolios will be able to better withstand any slowdown in a particular segment.
- ✎ Longer-term prospects are bright, given rising incomes and low penetration.

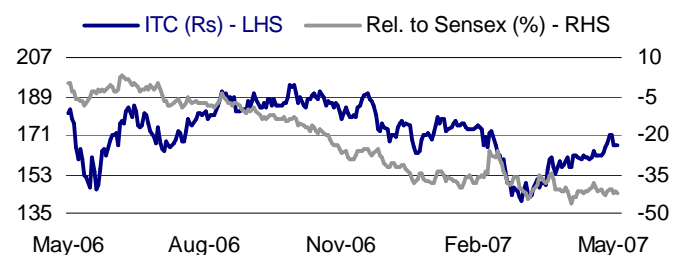
#### EPS: MOST FORECAST VS CONSENSUS (RS)

	MOST FORECAST	CONSENSUS FORECAST	VIATION (%)
FY08	7.5	8.2	-8.0
FY09	9.0	9.3	-2.8

#### TARGET PRICE AND RECOMMENDATION

CURRENT PRICE (RS)	TARGET PRICE (RS)	UPSIDE (%)	RECO.
167	195	17.0	Buy

#### STOCK PERFORMANCE (1 YEAR)



INCOME STATEMENT						(RS MILLION)				
Y/E MARCH	2005	2006	2007E	2008E	2009E					
<b>Net Sales</b>	<b>76,395</b>	<b>97,905</b>	<b>123,693</b>	<b>139,164</b>	<b>170,720</b>					
Change (%)	18.5	28.2	26.3	2.5	22.7					
Total Expenditure	-48,438	-64,579	-84,129	-97,935	-121,035					
<b>EBITDA</b>	<b>27,956</b>	<b>33,326</b>	<b>39,564</b>	<b>41,229</b>	<b>49,685</b>					
Change (%)	18.2	19.2	18.7	4.2	20.5					
Margin (%)	36.6	34.0	32.0	29.6	29.1					
Depreciation	-3,129	-3,323	-3,629	-4,122	-4,642					
Int. and Fin. Charges	-508	-211	-33	-25	-20					
Other Income - Recurring	2,411	2,899	3,365	3,796	4,244					
<b>Profit before Taxes</b>	<b>26,731</b>	<b>32,691</b>	<b>39,267</b>	<b>40,877</b>	<b>49,267</b>					
Change (%)	15.3	22.3	20.1	4.1	20.5					
Margin (%)	35.0	33.4	31.7	29.4	28.9					
Tax	-7,879	-10,584	-12,267	-13,408	-16,160					
Deferred Tax	-481	696	0	858	1,035					
Tax Rate (%)	-31.3	-30.2	-31.2	-30.7	-30.7					
<b>Profit after Taxes</b>	<b>18,371</b>	<b>22,803</b>	<b>27,000</b>	<b>28,083</b>	<b>33,846</b>					
Change (%)	15.4	24.1	18.4	4.0	20.5					
Margin (%)	24.0	23.3	21.8	20.2	19.8					
Non-rec. (Exp)/Income	3,543	-450	0	0	0					
<b>Reported PAT</b>	<b>18,371</b>	<b>22,353</b>	<b>27,000</b>	<b>28,083</b>	<b>33,846</b>					

BALANCE SHEET						(RS MILLION)				
Y/E MARCH	2005	2006	2007E	2008E	2009E					
Share Capital	2,482	3,755	3,762	3,762	3,762					
Reserves	76,474	86,860	99,828	113,097	129,091					
<b>Net Worth</b>	<b>78,956</b>	<b>90,615</b>	<b>103,590</b>	<b>116,860</b>	<b>132,853</b>					
Loans	2,454	1,197	0	0	0					
Deferred Liability	3,761	3,248	3,376	3,509	3,644					
<b>Capital Employed</b>	<b>85,171</b>	<b>95,060</b>	<b>106,966</b>	<b>120,368</b>	<b>136,497</b>					
Gross Block	57,463	62,272	69,272	79,272	89,272					
Less: Accum. Deprn.	-17,955	-20,654	-24,257	-28,379	-33,021					
<b>Net Fixed Assets</b>	<b>39,508</b>	<b>41,617</b>	<b>45,015</b>	<b>50,893</b>	<b>56,251</b>					
Capital WIP	1,862	2,434	8,000	14,000	6,000					
Investments	38,747	35,170	45,398	44,269	61,631					
<b>Curr. Assets, L&amp;A</b>	<b>35,393</b>	<b>51,619</b>	<b>53,310</b>	<b>60,118</b>	<b>70,478</b>					
Inventory	20,030	26,363	34,534	40,171	48,430					
Account Receivables	5,278	5,480	6,101	6,672	7,717					
Cash and Bank Balance	557	8,558	948	1,022	1,518					
Others	9,529	11,218	11,726	12,252	12,813					
<b>Curr. Liab. and Prov.</b>	<b>30,338</b>	<b>35,781</b>	<b>44,757</b>	<b>48,912</b>	<b>57,863</b>					
Account Payables	18,920	21,484	26,947	30,612	36,002					
Other Liabilities	2,171	2,675	3,457	3,597	4,140					
Provisions	9,247	11,622	14,352	14,704	17,721					
<b>Net Current Assets</b>	<b>5,055</b>	<b>15,838</b>	<b>8,553</b>	<b>11,206</b>	<b>12,615</b>					
<b>Application of Funds</b>	<b>85,171</b>	<b>95,060</b>	<b>106,966</b>	<b>120,368</b>	<b>136,497</b>					

E: MOST Estimates

RATIOS					
Y/E MARCH	2005	2006	2007E	2008E	2009E
<b>Basic (Rs)</b>					
<b>EPS</b>	<b>4.9</b>	<b>6.1</b>	<b>7.2</b>	<b>7.5</b>	<b>9.0</b>
Cash EPS	5.7	7.0	8.3	8.6	10.2
BV/Share	210	24.1	27.6	31.1	35.4
DPS	2.0	2.6	3.3	3.4	4.1
Payout %	419	43.6	45.9	45.1	45.1
<b>Valuation (x)</b>					
P/E		27.5	22.8	22.3	18.5
Cash P/E		24.0	20.2	19.4	16.3
EV/Sales		6.0	4.7	4.2	3.3
EV/EBITDA		17.5	14.7	14.1	11.3
P/BV		6.9	6.0	5.4	4.7
Dividend Yield (%)		16	2.0	2.0	2.4
<b>Return Ratios (%)</b>					
RoE	23.3	25.2	26.1	24.0	25.5
RoCE	32.0	34.6	36.7	34.0	36.1
<b>Working Capital Ratios</b>					
Debtor (Days)	25	20	18	18	17
Asset Turnover (x)	0.9	1.0	1.2	1.2	1.3
<b>Leverage Ratio</b>					
Debt/Equity (x)	0.0	0.0	0.0	0.0	0.0

CASH FLOW STATEMENT						(RS MILLION)				
Y/E MARCH	2005	2006	2007E	2008E	2009E					
OP/(loss) before Tax	24,827	30,003	35,935	37,106	45,043					
Int./Div. Received	2,411	2,899	3,365	3,796	4,244					
Depreciation and Amort.	3,129	3,323	3,629	4,122	4,642					
Interest Paid	-508	-211	-33	-25	-20					
Direct Taxes Paid	-7,879	-10,584	-12,267	-13,408	-16,160					
(Incr)/Decr in WC	-5,311	-2,782	-324	-2,580	-913					
<b>CF from Operations</b>	<b>16,670</b>	<b>22,648</b>	<b>30,305</b>	<b>29,012</b>	<b>36,836</b>					
(Incr)/Decr in FA	-8,777	-5,382	-12,566	-16,000	-2,000					
(Pur)/Sale of Investments	-8,207	3,577	-10,228	1,129	-17,362					
<b>CF from Invest.</b>	<b>-16,985</b>	<b>-1,804</b>	<b>-22,793</b>	<b>-14,870</b>	<b>-19,360</b>					
Issue of Shares	872	650	0	0	0					
(Incr)/Decr in Debt	1245	-1256	-1,197	0	0					
Dividend Paid	-8,792	-11,347	-14,485	-14,813	-17,853					
Exceptional Income	3,543	-450	0	0	0					
Others	3,664	-440	560	745	872					
<b>CF from Fin. Activity</b>	<b>532</b>	<b>-12,843</b>	<b>-15,122</b>	<b>-14,068</b>	<b>-16,981</b>					
<b>Incr/Decr of Cash</b>	<b>217</b>	<b>8,001</b>	<b>-7,610</b>	<b>74</b>	<b>495</b>					
Add: Opening Balance	340	557	8,558	948	1,022					
<b>Closing Balance</b>	<b>557</b>	<b>8,558</b>	<b>948</b>	<b>1,022</b>	<b>1,518</b>					



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**Disclosure of Interest Statement**

	ITC
1. Analyst ownership of the stock	No
2. Group/Directors ownership of the stock	No
3. Broking relationship with company covered	No
4. Investment Banking relationship with company covered	No

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