

Balance Sheet as at 31st March, 2022

Note	As at 31st March, 2022 (₹ in Crores)		As at 31st March, 2021 (₹ in Crores)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3A	19559.15	18502.87
(b) Capital work-in-progress	3B	2445.44	3329.97
(c) Investment Property	3C	364.20	315.56
(d) Goodwill	3D	577.20	577.20
(e) Other Intangible assets	3E	2007.22	2004.32
(f) Other Intangible assets under development	3F	23.84	3.50
(g) Right of use assets	3G	712.84	726.84
(h) Financial Assets			
(i) Investments	4	15657.32	12937.42
(ii) Loans	5	5.06	2.37
(iii) Others	6	1572.40	17234.78
(iv) Other non-current assets	7	1228.92	44150.49
			13012.24
			1231.62
			39765.12
Current assets			
(a) Inventories	8	9997.77	9470.87
(b) Financial Assets			
(i) Investments	9	11624.95	14048.71
(ii) Trade receivables	10	1952.50	2090.29
(iii) Cash and cash equivalents	11	184.97	231.28
(iv) Other Bank Balances	12	3692.97	3770.25
(v) Loans	5	5.73	2.77
(vi) Others	6	2287.97	19749.09
(c) Other current assets	7	1195.15	30942.01
			1197.00
			21338.30
			1006.07
			31815.24
TOTAL ASSETS		75092.50	71580.36
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	1232.33	1230.88
(b) Other Equity		60167.24	61399.57
			57773.74
			59004.62
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	4.54	5.28
(ii) Lease Liabilities	15	259.79	272.36
(iii) Other financial liabilities	16	96.50	360.83
(iv) Provisions	17	186.87	157.07
(c) Deferred Tax liabilities (Net)	18	1667.14	2214.84
			17227.73
			2401.79
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	0.74	0.35
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		100.96	59.34
Total outstanding dues of creditors other than micro enterprises and small enterprises		4122.44	4059.97
(iii) Lease Liabilities	15	46.09	51.36
(iv) Other financial liabilities	16	1503.59	5773.82
(b) Other current liabilities	19	5097.28	1247.82
(c) Provisions	17	55.60	169.05
(d) Current Tax Liabilities (Net)	20	551.39	11478.09
			217.06
			10173.95
TOTAL EQUITY AND LIABILITIES		75092.50	71580.36

The accompanying notes 1 to 30 are an integral part of the Financial Statements.

In terms of Note 1 attached

For S R B & C LLP
Chartered Accountants
Firm Registration Number: 324982E/E300003

Sudhir Soni
Partner
Mumbai, May 18, 2022

On behalf of the Board

S. PURI	Chairman & Managing Director
R. TANDON	Director
S. DUTTA	Chief Financial Officer
R. K. SINGHI	Company Secretary

Kolkata, May 18, 2022

Statement of Profit and Loss for the year ended 31st March, 2022

	Note	For the year ended 31st March, 2022 (₹ In Crores)	For the year ended 31st March, 2021 (₹ In Crores)
I Revenue From Operations	21A, 21B	59745.56	48524.56
II Other Income	22	2589.97	3250.99
III Total Income (I+II)		62335.53	51775.55
IV EXPENSES			
Cost of materials consumed		16064.50	13605.07
Purchases of Stock-in-Trade		10734.48	6896.41
Changes in inventories of finished goods, Stock-in-Trade, work-in-progress and intermediates		(566.46)	(526.86)
Excise duty		3404.29	3039.43
Employee benefits expense	23	3061.99	2820.95
Finance costs	24	41.95	47.47
Depreciation and amortization expense		1652.15	1561.83
Other expenses	25	8113.10	7167.06
Total expenses (IV)		42906.00	34611.36
V Profit before exceptional items and tax (III-IV)		19829.53	17164.19
VI Exceptional items		–	–
VII Profit before tax (V+VI)		19829.53	17164.19
VIII Tax expense:			
Current Tax	26	4833.88	4035.36
Deferred Tax	26	(62.16)	97.15
IX Profit for the year (VII-VIII)		15057.83	13031.68
Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss:			
– Remeasurements of the defined benefit plans	27(v)	31.62	(30.10)
– Equity instruments through other comprehensive income		545.25	252.00
– Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge		(11.90)	(6.64)
(ii) Income tax relating to items that will not be reclassified to profit or loss	26	(4.96)	0.49
B (i) Items that will be reclassified to profit or loss:			
– Debt instruments through other comprehensive income		3.71	–
– Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge		14.78	40.76
(ii) Income tax relating to items that will be reclassified to profit or loss	26	(4.65)	(10.26)
X Other Comprehensive Income [A (i-ii)+B (i-ii)]		573.85	246.25
XI Total Comprehensive Income for the year (IX+X)		15631.68	13277.93
XII Earnings per equity share (Face Value ₹ 1.00 each):	27(i)		
(1) Basic (in ₹)		12.22	10.59
(2) Diluted (in ₹)		12.22	10.59

The accompanying notes 1 to 30 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number: 324982E/E300003

Sudhir Soni

Partner

Mumbai, May 18, 2022

On behalf of the Board

S. PURI Chairman & Managing Director

R. TANDON Director

S. DUTTA Chief Financial Officer

R. K. SINGHI Company Secretary

Kolkata, May 18, 2022

Cash Flow Statement for the year ended 31st March, 2022

	For the year ended 31st March, 2022 (₹ in Crores)	For the year ended 31st March, 2021 (₹ in Crores)
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	19829.53	17164.19
ADJUSTMENTS FOR:		
Depreciation and amortization expense	1652.15	1561.83
Share based payments to employees	32.51	27.15
Finance costs	41.95	47.47
Interest Income	(1004.59)	(1224.82)
Dividend Income	(857.46)	(723.94)
(Gain)/Loss on sale of property, plant and equipment, lease termination - Net	(59.05)	55.04
Doubtful and bad debts	10.64	25.98
Doubtful and bad advances, loans and deposits	1.15	33.04
Net (gain)/loss arising on financial instruments mandatorily measured at fair value through profit or loss	(524.19)	(1107.53)
Foreign currency translations and transactions - Net	11.07	(695.82)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	19133.71	15845.41
ADJUSTMENTS FOR:		
Trade receivables, advances and other assets	(235.39)	(99.11)
Inventories	(526.90)	(1350.89)
Trade payables, other liabilities and provisions	946.39	184.10
CASH GENERATED FROM OPERATIONS	19317.81	15450.48
Income tax paid	(4510.02)	(3956.62)
NET CASH FROM OPERATING ACTIVITIES	14807.79	11493.86
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment, Intangibles, ROU asset etc.	(1812.03)	(1582.09)
Sale of property, plant and equipment	137.22	2.66
Purchase of current investments	(60325.53)	(51625.18)
Sale/redemption of current investments	63554.78	56785.92
Payment towards business combination/contingent purchase consideration	(71.25)	(2189.22)
Investment in subsidiaries	(427.24)	(361.57)
Investment in associate	(1.87)	(1.87)
Purchase of non-current investments	(4777.02)	(1486.71)
Redemption proceeds of non-current investments	2731.24	1712.05
Dividend Income	857.46	723.94
Interest received	962.97	1199.36
Investment in bank deposits (original maturity more than 3 months)	(3525.01)	(3706.02)
Redemption/maturity of bank deposits (original maturity more than 3 months)	3617.42	6259.37
Investment in deposit with housing finance company	(3011.37)	(78.38)
Redemption/maturity of deposit with housing finance companies	578.82	844.43
Loans given	(12.51)	(2.12)
Loans realised	6.86	5.32
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	(1517.06)	6497.89

→ Financial Ratio Analysis of ITC Company :-

① EBITDA Margin = $\frac{\text{EBITDA}}{\text{Total Revenue}}$

See the P&L statement of ITC company for the year ended 31st March, 2022 (₹ in crores) :-

Total Income = 62335.53

Total Expenses = 42506.00

Finance costs = 41.95

Depreciation and Amortization = 1652.15

$$\Rightarrow \text{EBITDA} = 62335.53 - 42506 + 41.95 + 1652.15 \\ = 21523.63$$

$$\therefore \text{EBITDA Margin} = \frac{21523.63}{62335.53} \times 100 \\ = 34.53\%$$

② PAT Margin = $\frac{\text{PAT}}{\text{Total Revenue}}$

where PAT = 15057.83 and

Total Revenue = 62335.53

$$\Rightarrow \text{PAT Margin} = 24.16\%$$

$$③ \text{Return on Equity (RoE)} = \frac{\text{Net Profit}}{\text{shareholder's equity}}$$

where Net Profit = PAT = 15057.83

and Shareholder's equity = Equity share capital +
other equity
(This is as per the Balance sheet of ITC) = 61399.57

$$\therefore \text{RoE} = \frac{15057.83}{61399.57} \times 100 = 24.52\%$$

$$④ \text{Return on Asset (RoA)} = \frac{\text{Net Income}}{\text{Total Assets}}$$

For ITC; Net Income = 15057.83

Total Assets = 75092.5

$$\therefore \text{RoA} = 20.05\%$$

$$⑤ \text{Return on Capital Employed (RoCE)} = \frac{\text{EBIT}}{(\text{Total Assets} - \text{Current Liabilities})}$$

$$\text{where EBIT} = \text{EBITDA} - (\text{Depreciation & Amortization}) \\ = 21523.63 - 1652.15 = 19871.48$$

$$\text{Total Assets} = 75092.5 \text{ and } \left. \begin{array}{l} \\ \end{array} \right\} \text{As per balance sheet, Current Liabilities} = 11478.09$$

$$\therefore \text{RoCE} = \frac{19871.48}{(75092.5 - 11478.09)} = 31.24\%$$

$$\textcircled{6} \text{ Interest Coverage Ratio} = \frac{\text{EBIT}}{\text{Interest Expense}}$$

where EBIT = 19871.48

Interest Expense = Finance cost = 41.95

$$\therefore \text{Interest Coverage Ratio} = \boxed{473.69}$$

$$\textcircled{7} \text{ Debt to Equity Ratio} = \frac{\text{Total debt}}{\text{Total equity}}$$

where Total debt = Current liabilities + Non-current
Liabilities - Trade payables

$$= 11478.09 + 2214.84 - (100.96 + 4122.44) \\ = 9469.53$$

$$\therefore \text{Ratio} = \frac{9469.53}{61399.57} = \boxed{0.154}$$

$$\textcircled{8} \text{ Debt to Asset Ratio} = \frac{\text{Total debt}}{\text{Total Assets}}$$

$$= \frac{9469.53}{75092.5} = \boxed{12.61\%}$$

$$\textcircled{9} \text{ Financial Leverage Ratio} = \frac{\text{Average total Asset}}{\text{Average total equity}}$$

where Average total Asset } = \left(\frac{75092.5 + 71580.36}{2} \right)

$$\Rightarrow \text{Average Total Asset} = 73336.43$$

and Average Total Equity = $\left(\frac{61399.57 + 59004.62}{2} \right)$

$$= 60202.095$$

$$\therefore \text{Financial Leverage Ratio} = \frac{73336.43}{60202.095}$$

$$= 1.22$$

$$\textcircled{i} \quad \text{Fixed Assets Turnover} = \frac{\text{Operating Revenues}}{\text{Total Average Asset}}$$

where Operating Revenues = 59745.56

and Total Average Asset = 73336.43

$$\therefore \text{Fixed Assets Turnover} = 0.815$$

$$\textcircled{ii} \quad \text{Working Capital Turnover} = \frac{\text{Revenue (operations)}}{\text{Avg. Working Capital}}$$

where working capital = Current Assets - Current Liabilities.

\therefore Working capital in 2022 = 19463.92

Working capital in 2021 = 21641.29

\therefore Average working capital = 20552.61

$$\Rightarrow \text{Working Capital Turnover} = \frac{59745.56}{20552.61}$$

$$= 2.907$$

$$\textcircled{12} \quad \text{Total Assets Turnover} = \frac{\text{Operating Revenue}}{\text{Avg. Total Assets}}$$

$$= \frac{59745.56}{73336.43} = \boxed{0.815}$$

$$\textcircled{13} \quad \text{Accounts Receivable Turnover Ratio} = \frac{\text{Operating Revenue}}{\text{Avg. Receivables}}$$

where Avg. Receivables for ITC = $\frac{(1952.5 + 2090.29)}{2}$
 $= \boxed{2021.4}$

$$\therefore \text{Accounts Receivable Turnover Ratio} = \frac{59745.56}{2021.4} = \boxed{29.56}$$

$$\textcircled{14} \quad \text{Price to Sales Ratio} = \frac{\text{Current share price}}{\text{Sales per share}}$$

Total Revenue = 62335.53 Crores

No. of shares = 2×10^{10} as per 31st March 2022

& Current share price = Rs 424.10

$$\therefore \text{Sales per share} = \frac{62335.53 \times 10^7}{2 \times 10^{10}} = (\text{Rs } 31.17)$$

$$\therefore \text{Price to Sales Ratio} = \boxed{13.6}$$

- To
for ITC
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S. No.
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→ Technical analysis :- For ITC company
 Initial closing price = 378.43

①	S.No	Closing Price	Points Gain	Points lost
②		386.55	8.12	0
③		387.29	0.74	0
④		388.03	0.74	0
⑤		396.15	8.12	0
⑥		393.20	0	2.95
⑦		399.85	6.65	0
⑧		398.37	0	1.48
⑨		399.11	0.74	0
⑩		408.34	9.23	0
⑪		411.29	2.95	0
⑫		415.72	4.43	0
⑬		425.70	9.98	0
⑭		424.22	0	1.48
⑮		423.85	0	0.37

$$\therefore \text{Average Points gained} = 51.7$$

$$\text{Average points lost} = 6.28$$

$$\therefore RS = 8.23 \Rightarrow RSI = 100 - \frac{100}{(1+RS)}$$

$$\therefore RSI = 89.16 = 100 - \left(\frac{100}{9.23} \right)$$



ITC Ltd, India, D, NSE O 432.70 H 432.80 L 421.70 C 424.10

Market Closed

Symbol	Last	Chng (%)
USD/INR	82.069	+0.282 (+0.34%)
NSEI *	18265.95	+1.55 (+0.01%)
SBI *	573.50	-10.10 (-1.73%)
RELI *	2479.55	+7.65 (+0.31%)
TAMO *	503.65	+3.15 (+0.63%)
ITC *	424.10	-7.35 (-1.70%)
INFY *	1270.70	+5.10 (+0.40%)
ICBK *	934.40	-3.50 (-0.37%)
SUN *	956.80	-5.05 (-0.53%)
YESB *	16.10	0.00 (0.00%)
TISC *	109.65	+0.10 (+0.09%)
NSEBANK	43198.15	-85.85 (-0.20%)
AXBK *	888.25	+9.80 (+1.12%)
VDAN *	283.75	+4.65 (+1.67%)
HDBK *	1644.50	+0.05 (+0.00%)
CL	72.58	-0.58 (-0.79%)
COAL *	236.35	+3.50 (+1.50%)
ASOK *	147.05	+0.40 (+0.27%)
HALC *	440.35	-4.70 (-1.06%)
ONGC *	164.80	-0.20 (-0.12%)

Investing.com

RSI (14) 68.1864



② MACD :- Starting from 16/3/2024 in BTC charts

<u>SNo</u>	<u>Closing Price</u>	<u>12 Day EMA</u>	<u>26 Day EMA</u>	<u>MACD</u>	<u>S.No</u>
1	381.4				1
2	375.61				2
3	378.79				3
4	377.00				4
5	377.65				5
6	380.75				6
7	378.79				7
8	380.18				8
9	379.77				9
10	382.70				10
11	383.53				11
12	378.95				12
13	386.29	379.59			13
14	387.43	380.00			14
15	388.65	380.99			15
16	395.98	381.81			16
17	393.56	383.39			17
18	400.10	384.72			18
19	398.52	386.33			19
20	398.75	387.97			20
21	400.44	389.52			
22	408.35	391.24			
23	411.74	393.38			
24	416.15	395.73			
25	425.41	398.83			
26	424.53	402.09			
27	427.17	405.18	391.96	13.22	
28	424.52	408.39	393.72	14.67	
29	428.85	410.77	395.60	15.17	
30	431.50	413.71	397.53	16.18	



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Symbol	Last	Chng (%)
USD/INR	82.067	+0.280 (+0.34%)
NSEI *	18265.95	+1.55 (+0.01%)
SBI *	573.50	-10.10 (-1.73%)
RELI *	2479.55	+7.65 (+0.31%)
TAMO *	503.65	+3.15 (+0.63%)
ITC *	424.10	-7.35 (-1.70%)
INFY *	1270.70	+5.10 (+0.40%)
ICBK *	934.40	-3.50 (-0.37%)
SUN *	956.80	-5.05 (-0.53%)
YESB *	16.10	0.00 (0.00%)
TISC *	109.65	+0.10 (+0.09%)
NSEBANK	43198.15	-85.85 (-0.20%)
AXBK *	888.25	+9.80 (+1.12%)
VDAN *	283.75	+4.65 (+1.67%)
HDBK *	1644.50	+0.05 (+0.00%)
CL	72.58	-0.58 (-0.79%)
COAL *	236.35	+3.50 (+1.50%)
ASOK *	147.05	+0.40 (+0.27%)
HALC *	440.35	-4.70 (-1.06%)
ONGC *	164.80	-0.20 (-0.12%)

③ The Bollinger Bands :-

We need a data of closing prices for 20 Days.

S.No Closing Price

1 383.25

2 379.07

3 386.54

4 387.43

5 388.63

6 396.09

7 393.70

8 400.27

9 392.98

10 392.93

11 400.27

12 408.19

13 411.48

14 412.22

15 415.96

16 425.36

17 424.62

18 426.96

19 424.56

20 428.65

∴ 20 Day SMA \Rightarrow

$$404.53$$

and
Standard Deviation \Rightarrow

$$\sqrt{\frac{\sum (x - \bar{x})^2}{(N-1)}} = 15.96$$

∴ As per the theory of
Bollinger Bands \Rightarrow

$$\text{Upper band} = 404.53 + 2(15.96)$$

$$= [436.45]$$

$$\text{Lower band} = 404.53 - 2(15.96)$$

~~$$= [372.61]$$~~

$$\text{Current Market Price} \quad \left. \begin{array}{l} \\ \end{array} \right\} = 423.97$$



ITC Ltd, India, D, NSE □ O 432.70 H 432.80 L 421.70 C 424.10
BB (20, 2) □ 410.7100 437.5073 383.9126



Symbol	Last	Chng (%)
USD/INR	82.075	+0.288 (+0.35%)
NSEI *	18265.95	+1.55 (+0.01%)
SBI *	573.50	-10.10 (-1.73%)
RELI *	2479.55	+7.65 (+0.31%)
TAMO *	503.65	+3.15 (+0.63%)
ITC *	424.10	-7.35 (-1.70%)
INFY *	1270.70	+5.10 (+0.40%)
ICBK *	934.40	-3.50 (-0.37%)
SUN *	956.80	-5.05 (-0.53%)
YESB *	16.10	0.00 (0.00%)
TISC *	109.65	+0.10 (+0.09%)
NSEBANK	43198.15	-85.85 (-0.20%)
AXBK *	888.25	+9.80 (+1.12%)
VDAN *	283.75	+4.65 (+1.67%)
HDBK *	1644.50	+0.05 (+0.00%)
CL	72.60	-0.56 (-0.77%)
COAL *	236.35	+3.50 (+1.50%)
ASOK *	147.05	+0.40 (+0.27%)
HALC *	440.35	-4.70 (-1.06%)
ONGC *	164.80	-0.20 (-0.12%)

* As per technical Analysis:-

- RSI was found to be [89.16]

As it is in the overbought region; It is going an estimate of shooting stocks.

- MACD was positive and is increasing, it is better to short stock at this point to gain good amount of profit.
- As per the Bollinger Bands, the current market price is lying in between the upper band and 20 Day SMA.
⇒ It is providing a prediction to sell/short the ~~stock~~ stock to get a profit.

So, overall; The technical analysis predicted to "short" the stock at this point of time.

* As per financial Analysis:-

The ROE and DOA ratios are high enough indicating a positive sign for the investors to invest and also a low debt ratio is adding up to this point. So, based on these ratios, it appears that the company is generating strong profits.

This analysis is predicting to "buy" the stock at this point of time.

In my point of view; A trader would definitely get a good amount of profit if he/she sells the stock since its proved from technical analysis; however as per financial analysis; the stock price might go up more and hence I prefer to "buy" the stocks at this point of time.