



ITC Limited

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18th May, 2023

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.
P. J. Towers
Dalal Street
Mumbai 400 001

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

Dear Sirs,

Audited Financial Results – Media Statement and Presentation

Further to our letter dated 18th May, 2023 forwarding the Audited Financial Results of the Company for the Quarter and Twelve Months ended 31st March, 2023, we now enclose a copy of the Media Statement issued by the Company and a presentation on the Company's financial performance for the aforesaid period for information of the investors.

Yours faithfully,
ITC Limited

(R. K. Singhi)
Executive Vice President &
Company 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
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cc: Societe de la Bourse de Luxembourg
35A Boulevard Joseph II
L-1840 Luxembourg



Media Statement

May 18, 2023

Standalone Financial Results for the Quarter and Year ended 31st March, 2023

Highlights

- **Board recommends to shareholders for their approval, a Special Dividend of Rs. 2.75 per share in addition to the Final Dividend of Rs. 6.75 per share for the financial year ended 31st March, 2023.** Together with the **Interim Dividend of Rs. 6.00 per share** paid on 3rd March, 2023, **Total Dividend for the financial year ended 31st March, 2023 amounts to Rs. 15.50 per share** (FY22: Rs. 11.50 per share).
 - **Strong growth momentum sustained across operating segments**
 - **Q4:** Gross Revenue (ex-Wheat exports) up 16.1% YoY and EBITDA up 18.9% YoY; EBITDA Margin at 36.1% up 385 bps
 - Reported Gross Revenue up 6.1%; base quarter included wheat exports that were banned during the current year
 - PAT up 21.4% YoY
 - **Full Year:** Gross Revenue up 17.6% and EBITDA up 26.5%; EBITDA Margin at 34.5% up 240 bps
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- 12 Hotel properties of the Company have received **LEED Zero Carbon certification** (first 12 in the world) and 2 hotel properties have received **LEED Zero Water certification** (first 2 in the world).
 - ITC sustained its **'AA' rating by MSCI-ESG** – the highest amongst global tobacco majors. The Company has also been included in the **Dow Jones Sustainability Emerging Markets Index** and rated at the **'Leadership Level' score of 'A-' for both Climate Change and Water Security by CDP.**
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- **Strong growth in FMCG – Others Segment continues; Q4 Segment Revenue up 19.4% YoY, at appx. 1.6x of Q4 FY20**
 - Staples, Biscuits, Snacks, Noodles, Dairy, Beverages, Soaps, Fragrances, Agarbatti drive growth
 - Education & Stationery Products Business continues to witness strong traction
 - Q4 Segment EBITDA up 76% YoY; margin expansion driven by multi-pronged interventions viz. premiumisation, supply chain agility, judicious pricing actions, digital initiatives, strategic cost management and fiscal incentives (including PLI)
- **Sustained volume claw back from illicit trade on the back of deterrent actions by enforcement agencies and relative stability in taxes**
 - Q4 Cigarettes Net Segment Revenue up 13.7% YoY; Segment PBIT up 14.0% YoY
 - Market standing reinforced through focused portfolio/market interventions and agile execution.
- **Stellar performance in Hotels Business; Q4 Segment Revenue at 2x of Q4 FY22 and at appx. 1.7x of Q4 FY20**
 - RevPAR well ahead of pre-pandemic levels
 - Q4 Segment EBITDA at 272 cr. at 2.5x of Q4 FY20, up 240 cr. YoY

- Q4 Segment EBITDA margin at 34.8% (Vs. 8.1% in Q4 FY22 and 23.1% in Q4 FY20) driven by higher RevPAR, operating leverage and structural cost interventions.
- **Agri Business Q4 Segment Revenue up appx. 20% YoY (ex-Wheat exports)**
 - Q4 Segment PBIT up 25.9% YoY driven by growth in value-added agri products and leaf tobacco exports
 - Leveraged strong customer relationships, robust sourcing network and agile execution
 - Restrictions imposed on wheat & rice exports impact Agri Business Segment Revenue
 - Capacity utilisation of recently commissioned value-added Spices processing facility equipped with state-of-the-art technology in Guntur being scaled up
- **Paperboards, Paper and Packaging Segment includes the impact of planned shut down of pulp mills for capacity expansion**
 - Softening of pulp prices, muted demand mainly in global markets and relatively higher base impacted YoY Segment Revenue growth
 - Fine Paper segment remains buoyant
 - Q4 Segment Revenue at 2221 cr.; 3 Yr. CAGR at 15%
 - Q4 Segment PBIT at 445 cr.; 3 Yr. CAGR at 16%

Exceptional items represent proceeds received in partial settlement of the insurance claim towards leaf tobacco stocks, which were destroyed due to fire at a third party owned warehouse in an earlier year.

PERFORMANCE HIGHLIGHTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

After two years of pandemic-led disruptions, FY 2022-23 marked a return to normalcy in operations. However, geopolitical tensions, continued supply chain dislocations and climate crisis resulted in unprecedented inflation and volatility in global commodity and energy prices. Central banks across the world responded swiftly with sharp increase in interest rates within a relatively short time frame. The Indian economy remained a bright spot in FY 2022-23 amidst the global slowdown. Real GDP growth for the year is estimated at 7.0% with the pace of growth decelerating during the second half of the year to around 4.8%. 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.

Overall for FY 2022-23, Gross Revenue at Rs. 69480.89 crores increased by 17.6%, while EBITDA increased by 26.5% to Rs. 23944.47 crores. Profit Before Tax and Exceptional items at Rs. 24677.54 crores grew by 24.4% and Profit After Tax at Rs. 18753.31 crores grew by 24.5% over previous year. Total Comprehensive Income for the year stood at Rs. 18782.57 crores (previous year Rs. 15631.68 crores). Earnings Per Share for the year stood at Rs. 15.15 (previous year Rs. 12.22).

CORPORATE ACTION

The operating environment in the last three financial years has been extremely challenging due to disruptions caused by the pandemic, unprecedented inflationary pressures and sluggish demand conditions, amongst others.

It is heartening to note that, powered by the ITC Next Strategy of building a Future Ready, Consumer Centric, Climate Positive and Inclusive organisation anchored on the paradigm of 'Responsible Competitiveness', the Company has emerged stronger and enhanced its competitiveness across

operating segments through this period, and sustained its position as a global exemplar in Sustainability.

The Board of Directors of the Company have recommended to the shareholders for their approval, a Special Dividend of Rs. 2.75 per share in addition to the Final Dividend of Rs. 6.75 per share for the financial year ended 31st March, 2023. Together with the Interim Dividend of Rs. 6.00 per share paid on 3rd March, 2023, the total Dividend for the financial year ended 31st March, 2023 amounts to Rs. 15.50 per share (previous year Rs. 11.50 per share). Total cash outflow on account of Dividend (including interim Dividend of Rs. 7448.41 crores paid in March 2023) will be Rs. 19255.02 crores.

FMCG – OTHERS

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. In the Education & Stationery Products business, notebook sales registered sharp growth with resumption of educational institutions. The Incense Sticks (Agarbattis) business witnessed robust recovery during the year after two years of pandemic induced disruptions.

Segment Revenue for the year grew by 19.6% with Segment EBITDA growing at a faster pace of 34.9% to Rs. 1953.97 crores. Segment EBITDA margins expanded by 115 bps amidst severe inflationary pressures. The Businesses continued to drive improvement in profitability through multi-pronged interventions viz. premiumisation, supply chain agility, judicious pricing actions, digital initiatives, strategic cost management and fiscal incentives (including PLI).

The Businesses continue to leverage the power of digital to drive superior consumer insights & innovation, deepen consumer engagement and enhance brand loyalty. 'Sixth Sense', the Marketing Command Centre and Consumer Data Hub – an AI-powered hyper-personalised platform backed by a robust partner ecosystem for content and data, is being increasingly utilised to gain insights on market trends and consumer behaviour, as well as synthesise the same to craft contextual and hyper-personalised brand communication and product development.

Over 90 new products anchored on the vectors of Health & Nutrition, Hygiene, Protection & Care, Convenience & On-the-Go, Indulgence etc., were launched across target markets during the year, leveraging the R&D platforms of the Company's Life Sciences and Technology Centre (ITC LSTC) and agile product development teams across Businesses.

In line with the Company's multi-channel Go-to-Market strategy, market coverage was stepped up to appx. 2.1x of pre-pandemic levels. In rural markets, direct reach enhancement was supported through a hub and spoke distribution model with the continued expansion of rural stockists network to 1.2x over previous year and collaborations with rural-focused eB2B players. Further, sales through the e-Commerce channel stood at 4.7x over FY 2019-20 levels, taking the channel salience to over 10%.

'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.

During the year, the Company implemented a digitally-powered integrated planning and supply chain tool, which leverages Artificial Intelligence and Machine Learning technologies for Inventory optimisation and productivity enhancement. This intervention is expected to enhance supply chain agility and efficiency, while also further improving market servicing.

The FMCG Businesses continue to expand their export footprint leveraging the equity of their world-class brands – with a reach now spanning over 60 countries. The PLI scheme has provided further fillip to the Company's exports across Biscuits & Cakes, Snacks, Dairy and Ready-to-Eat categories.

Branded Packaged Foods Businesses

The Branded Packaged Foods Businesses remain focused on addressing emerging consumer needs with innovations anchored on the vectors of health, nutrition, wellness, immunity, naturals, indulgence and convenience, leveraging superior consumer insights, capabilities of ITC LSTC and the cuisine expertise resident in the Company's Hotels Business.

With the overarching vision to 'Help India Eat Better', the Company's Nutrition strategy seeks to create a sustainable ecosystem anchored on a portfolio of healthier, affordable & accessible 'Good For You/Free From' value added products, supported by responsible policies in line with national priorities on nutrition.

The Company has spearheaded 'ITC Mission Millets', leveraging its enterprise strengths in agriculture, food and hospitality to implement multi-dimensional interventions in this area. The holistic programme follows a strategic 3-fold approach – developing a 'good-for-you' product portfolio, implementing sustainable farming systems, and enhancing consumer awareness through an Educate, Empower and Encourage approach. The Company has implemented a focused strategy in crafting a millet products portfolio under its world-class Indian brands for every occasion, age and formats, and has launched a range of millet-based products. In the Staples Business, 'Ragi Flour', 'Gluten Free Flour', 'Multi-Millet Mix' were launched under the 'Aashirvaad Nature's Super Foods' brand. The Biscuits Business augmented its portfolio with the launch of 'Sunfeast Farmlite Super Millets', with two variants - Chocochip Millet and Multi Millet cookies. The Company is further developing a comprehensive millets-based portfolio under popular brand names and in familiar formats to enable easier adoption.

Key highlights of the Branded Packaged Foods Businesses are given below:

- In the Staples Business, 'Aashirvaad' witnessed robust growth on an elevated base and fortified its market standing across geographies. The value-added portfolio, consisting of Multigrain, Select and Sugar Release Control Atta posted healthy growth driven by higher salience in Modern Trade and e-Commerce channels. The range was further augmented with the launch of 'Aashirvaad Ragi Vermicelli', 'Aashirvaad Bansi Rava', 'Aashirvaad Samba Broken Wheat', 'Aashirvaad Double Roasted Suji Rava' and 'Aashirvaad Besan'. The Business also launched Frozen Indian Flat Breads (Paratha, Naan and Chapati), hitherto offered only in international markets, in select domestic markets as well.

Aashirvaad Salt strengthened leadership in key focus geographies and posted healthy growth during the year.

In the Spices category, the 'Sunrise' brand strengthened its market standing in the core market of West Bengal and extended gains in East/North East markets to fortify its position as one of the leading Spices brands of the region. Aashirvaad Spices continues to enhance its presence in emerging channels and core markets to enable full portfolio play along with expansion of the blended portfolio.

- 'Sunfeast' Biscuits witnessed strong growth during the year, driven by robust performance of the core portfolio, scale up of innovations and the launch of several exciting and differentiated new variants. The Business continues to strengthen its core portfolio with investments behind powerful brand ideas, superior products and calibrated pricing actions. The portfolio was augmented with the launch of 'Sunfeast Supermilk' and 'Sunfeast Thin Arrowroot' in select markets.
- The Snacks Business sustained its robust growth trajectory driven by the core variants as well as new launches. 'Bingo!' continues to be the market leader in the Bridges segment across the country, and in the potato chips segment in South India. A slew of new launches during the year,

viz., 'Bingo! Hashtags' and 'Bingo! Street Bites', and refreshed packs of 'Bingo! Tedhe Medhe' namkeen portfolio, elicited excellent consumer response.

- In the Instant Noodles category, 'YiPee!' witnessed strong growth during the year, aided by judicious pricing interventions and focused brand investments. The product portfolio was augmented with the launch of 'Quik Mealz', in a differentiated 'noodles in a bowl' format, in target markets.
- In the Dairy & Beverages Business, the 'Aashirvaad Svasti' fresh dairy portfolio comprising pouch milk, curd, lassi and paneer continued to gain strong consumer traction on the back of best-in-class quality standards, differentiated products and superior taste profile. These products are currently available in Bihar, West Bengal and Jharkhand markets. The value-added portfolio is constantly being enriched with launch of differentiated offerings such as 'Litchi' flavoured Lassi, select Indian desserts under 'Aashirvaad Mithaas', 'Paneer Slice' and organic range of 'Aashirvaad Svasti Ghee' in select markets.
- 'B Natural' juices witnessed a resurgence during the year with return to normalcy in market conditions. The Business continued to leverage the 'Fruit and Fibre' proposition of 'B Natural' to deepen consumer connect and increase brand affinity. The Dairy Beverages portfolio leveraged the strong equity of 'Sunfeast' and 'Dark Fantasy' to grow rapidly in target markets and in emerging channels.
- In the Frozen Snacks category, the range of 'ITC Master Chef' continued to deliver industry leading growth, powered by a range of innovative and differentiated offerings. The portfolio offers a delectable range of Indian & Western snacks, dips & spreads, Frozen Prawns and Frozen Vegetables.

New launches across categories continue to garner excellent consumer response and are being scaled up in the target markets.

The Company continues to leverage the benefits of the state-of-the-art Ancillary Manufacturing and Logistics Facilities (AMLF) at Pudukkottai and Kapurthala. These facilities are co-located with the respective ICMLs and provide several structural advantages including inventory optimisation, delayering operations and lowering cost of market servicing. The Company recently commissioned a new ICML at Khordha, Odisha. With this, 11 ICMLs are operational in locations proximal to large demand centres.

The Company has made significant investments in food processing and remains focused on establishing itself as the leading player in the branded packaged foods industry. The Government's Production Linked Incentives (PLI) Scheme for the food processing industry will incentivise fresh investments, enable building Indian brands for the global market, promote exports and boost farmer incomes. The Company has been included under the PLI Scheme towards sales-based incentives in the Ready to Eat, Fruits & Vegetables and Marine categories respectively as well as for incentives towards expenditure incurred for branding and marketing in export markets. The Company has made investments under the scheme towards scaling up manufacturing capacities across categories and is confident of achieving performance targets specified therein.

The Business implemented several strategic cost management initiatives in areas such as supply chain optimisation, smart procurement and productivity improvement through automation, leveraging new-age technologies such as Industry 4.0 and smart utilities. These interventions helped mitigate the unprecedented cost inflation witnessed during the year and also offset start-up costs of new facilities and strategic investments in brand building for gestating categories.

Personal Care Products

In the Personal Care Products Business, portfolio premiumisation, launch of innovative and differentiated range of products and agility in mitigating the impact of commodity inflation enabled

the Business to strengthen the core and grow emerging categories during the year, in spite of a challenging operating environment.

In the Personal Wash segment, 'Fiama' registered strong growth in line with increased traction towards premium offerings, fuelled by investments in brand building, wider distribution and growth across channels. A new range of 'Happy Naturals' Perfume mists and Shower Gels were launched during the year to meet the growing demand for 'Naturals'. The portfolio was further augmented with launch of 'Deep Clean Charcoal and Grapefruit' range of gel bathing bars and shower gel, exclusively for men. The 'Vivel' range of soaps continued to build momentum and posted healthy growth during the year.

The Fragrance category witnessed strong growth across segments. The premium range of 'Engage L'amante' and 'Engage EDP' perfumes continued to garner encouraging response. The Business launched a new premium EDP range with best-in-class fragrances for occasion-based use.

The Company is setting up a state-of-the-art Personal Care and Home Care products manufacturing unit in Uluberia, West Bengal, in line with its strategy of building in-house manufacturing capabilities for products with unique formulations, enhancing supply chain agility and responsiveness, and reducing distance to market.

Education and Stationery Products

The Education and Stationery Products industry recorded a strong recovery with progressive resumption of physical classes at educational institutions and demand recovering to pre-pandemic levels. The Business reinforced its market leadership position in the industry, delivering a competitively superior performance driven by portfolio premiumisation, judicious pricing actions and continued focus on cost and working capital management.

The 'Classmate' Notebooks portfolio was augmented with the launch of craft books and 40+ notebook variants under the 'Interaktiv' range. During the year, the Business also strengthened its reach amongst the youth through 'Classmate Pulse', with launch of notebooks integrating QR based AR (Augmented Reality) technology. The 'Paperkraft' portfolio was further scaled up through launch of 'Paperkraft Vintage Kraft' cover series for leisure writing and 'Paperkraft Debossed PU' series with motivational quotes. The Writing Instruments portfolio was bolstered with the launch of 'Classmate Hook' pens, a unique innovation that enhances the brand's visibility and appeal.

The Business sustained its leadership position on e-Commerce platforms through consistent availability of a wide assortment of products, backed by focused interventions to enhance consumer traction.

The Business continues to ramp up capacity utilisation of its dedicated notebook manufacturing facility. Equipped with state-of-the-art technology, the facility enables the Business to develop highly differentiated notebook formats, drive cost reduction and address opportunities in overseas markets.

Incense Sticks (Agarbattis) and Safety Matches

The Agarbatti industry witnessed robust recovery with the opening of places of worship and markets across the country.

The Company's flagship brand 'Mangaldeep' effectively leveraged market opportunities and continued to enhance its standing in the Incense Sticks category. New launches during the year include 'Mangaldeep 3 in 1' Agarbatti, 'Dhuno Cups' and bamboo-less 'Dhoop Sticks'. Proactive steps were also taken towards driving portfolio premiumisation and cost optimisation. Unprecedented inflationary headwinds in key ingredients were mitigated by leveraging economies of scale, superior portfolio mix and driving sourcing efficiencies.

In the Safety Matches industry, the Business strengthened its market leadership position by leveraging the brand 'Homelites' – built on differentiated positioning of stronger, longer and karborised sticks.

FMCG – CIGARETTES

After two years of severe disruptions due to the pandemic, the legal cigarette industry recovered during the year with normalisation in the operating environment.

The Business continues to counter illicit trade and reinforce market standing by fortifying the product portfolio through innovation, democratising premiumisation across segments and enhancing product availability backed by superior on-ground execution. Several differentiated variants such as 'Classic Connect', 'Gold Flake Indie Mint', 'Gold Flake Kings Mixpod', 'Classic Alphatec', 'Gold Flake Smart Mintz', 'Wills Fab' and 'Lucky Strike' were introduced. The Business also expanded its presence in focus markets with the launch of differentiated offerings across segments and strengthened its presence in Duty-Free outlets at International as well as Domestic airports.

Manufacturing facilities continue to be modernised by inducting contemporary technologies towards securing higher levels of productivity, product excellence and driving innovation. New benchmarks continue to be set in areas of quality, sustainability, supply chain responsiveness and productivity. Cutting-edge technologies such as Industry 4.0 and Data Sciences are being leveraged to build a smart manufacturing environment of connected systems.

Punitive taxes on the legal cigarette industry over the years have created extremely attractive tax arbitrage opportunities for unscrupulous players resulting in rapid growth in illicit cigarette trade, making India the 4th largest illicit cigarette market globally, accounting for about one-fourth of the domestic industry, according to Euromonitor estimates. It is pertinent to note that strong deterrent actions by enforcement agencies have led to significant rise in seizure of illicit cigarettes in recent years.

The extremely stringent regulations along with the discriminatory and steep taxation on cigarettes have had numerous negative, albeit unintended repercussions. These include revenue loss to the Exchequer, widespread availability of tobacco products of dubious quality and hygiene, large component of tobacco consumption remaining outside the tax net and persistent negative impact on the livelihood of tobacco farmers.

The recent stability in taxes on cigarettes has enabled the legal cigarette industry to partially claw back volumes lost to illicit trade, thereby engendering domestic demand for Indian tobaccos, while also mitigating loss of tax revenue to the Exchequer due to illicit trade.

The Company continues to engage with policy makers for a framework of pragmatic, equitable, non-discriminatory, evidence-based regulations and taxation policies that balance the economic imperatives of the country and tobacco control objectives, to maximise the potential of cigarettes within the overall tobacco basket, cognising for the unique tobacco consumption pattern in India.

HOTELS

The Hotels Segment witnessed a stellar recovery during the year, clocking robust growth in Revenue and Profits buoyed by weddings, leisure and MICE segments along with progressive pick-up in business travel. 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 ITC Hotels website with enhanced functionalities and the recently revamped full stack ITC Hotels App for Food Delivery, Room & Table Reservations, Loyalty Benefits, Exclusive Offers and more, continue to receive excellent response and are being leveraged effectively to enhance guest engagement and enable revenue growth.

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.

The Company remains a trailblazer in green hoteliering and sustainability globally. With the largest footprint of 22 USGBC LEED Platinum certified properties, the Group reaffirmed its commitment to the ethos of 'Responsible Luxury'.

AGRI BUSINESS

Despite restrictions imposed on wheat & rice exports during the year, the Agri Business Segment delivered a resilient performance with Segment Revenue and Results growing by 12.2% and 28.8% respectively. Margin expansion was driven by leaf tobacco exports and value-added agri products.

Leaf Tobacco

The Business continued to leverage its crop development expertise, superior product quality, world-class processing facilities and sustainability credentials to strengthen its position as a reliable supply chain partner. Deep farmer engagement, strong customer relationships, agility and supply chain efficiency enabled the Business to deliver enhanced value to existing customers and consolidate its pre-eminent position as the largest Indian exporter of unmanufactured tobacco.

The Business continues to set benchmarks in leaf threshing operations through focused initiatives and innovative technological & digital solutions. Investments continue to be made in the Company's Green Leaf Threshing plants (GLT) at Anaparti, Chirala and Mysuru towards delivering world-class quality and upgrading processing technology. The energy needs of all three GLTs are substantially met from renewable sources in line with the Company's philosophy of adopting a low-carbon growth path.

The state-of-the-art facility to manufacture and export Nicotine & Nicotine derivative products being set up by the Company's wholly owned subsidiary, ITC IndiVision Limited, is expected to be commissioned shortly. The facility is being geared to manufacture purest nicotine derivatives conforming to US and EU pharmacopoeia standards.

Strategic cost management across the value chain continues to be a key focus area for the Business. The AI/ML powered smart buying platform continues to be scaled up to facilitate efficient leaf tobacco buying across auction platforms. Several initiatives implemented in recent years have led to improved operating efficiencies across manufacturing and supply chains.

Other Agri Commodities

The operating environment remained challenging during the year due to various policy interventions of the Government of India to ensure food security and control inflation arising out of geopolitical conflicts and erratic weather pattern.

Notwithstanding the challenging operating environment, the Business leveraged market opportunities to deliver robust performance during the year. This was achieved on the back of the Company's strong farm linkages and sourcing networks, multi modal logistics capability, agile supply chain operations, focused scale up of Value-Added Agri Products (VAAP) portfolio and deep customer relationships.

The strategic focus of the Business in recent years has been to accelerate growth by rapidly developing and scaling up VAAP straddling multiple value chains comprising Spices, Coffee, Frozen Marine Products and Processed Fruits amongst others. The portfolio continues to be rapidly scaled up, leveraging the Company's deep rural linkages and extensive sourcing expertise towards strengthening and customising supply chains for traceable, attribute based and identity-preserved sourcing of agri-commodities.

In line with its strategy of expanding value-added portfolio, the Company has commissioned a world-class, state-of-the-art Spices processing facility in Andhra Pradesh. This facility, compliant with Global Food Safety standards, will enable the Company in expanding its customer reach in high-margin food-

safe export markets, besides promoting inclusive spices value chains benefiting thousands of Indian farmers. During the year, with robust growth in exports of value-added spices to 'food-safe' markets, viz. USA, EU and Japan, the Business consolidated its position as a preferred supplier for discerning customers in these markets besides strengthening its domestic business.

Adoption of analytics-led smart supply chain management and procurement tools is being stepped up for securing cost competitive advantage for the Business.

The Business continues to leverage its strong farm linkages and wide sourcing network across geographies towards meeting the growing requirements of Aashirvaad atta. During the year, the Business further scaled up its strategic sourcing and supply chain interventions including focused crop development towards securing the right varieties for Aashirvaad atta to provide consumers best-in-class product quality and experience, use of multi-modal transportation, blend/cost optimisation through geographical and varietal arbitrage and enabling supply of attribute based/identity preserved crop. The Business also ramped up direct buying at various atta factories. Milk procurement network in Bihar and West Bengal was strengthened towards meeting the growing requirements of the Company's Fresh Dairy portfolio while sourcing of Spices was scaled up for the Sunrise and Aashirvaad brands.

Towards enhancing the competitiveness of domestic agri-value chains, strengthening market linkages and further augmenting value creation opportunities, the Company has successfully scaled up ITCMAARS (Metamarket for Advanced Agriculture and Rural Services) – a crop-agnostic 'phygital' full stack AgriTech platform across nine states, with over 1150 Farmer Producer Organisations (FPOs) encompassing more than 5,00,000 farmers added to the Company's network within a short period since launch. This initiative, powered by cutting-edge digital technologies, is creating a robust eco system to deliver seamless hyperlocal and personalised solutions to the farming community and ensure financial inclusion, whilst creating new and scalable revenue streams, strengthening sourcing efficiencies and powering the Company's world-class Indian brands.

PAPERBOARDS, PAPER & PACKAGING

The Paperboards, Paper & Packaging Segment demonstrated strong performance during the year on the back of robust growth across end-user segments; Segment Revenue and Segment Results grew by 18.8% and 34.9% respectively.

The Paperboards and Specialty Papers Business delivered robust performance amidst heightened inflationary pressures. The Business continued to leverage its key sources of competitive advantage which comprise secure access to high-quality and sustainable fibre base at competitive costs, in-house chemical and mechanical pulp manufacturing capacity (incl. the first-in-India BCTMP mill), world-class product quality, innovation anchored on deep consumer insights and engagement with end-user industries, wide range of products, best-in-class service levels and green credentials. These capabilities have been enhanced by digital interventions which have enabled delivering superior productivity and operational efficiencies.

The Business fortified its clear leadership in the Value Added Paperboard (VAP) segment through innovation focused on developing customised solutions for end-use industries and maintaining best-in-class customer service levels.

The Packaging and Printing Business, a one-stop packaging solutions provider to several segments, remained resilient and registered robust growth in domestic and exports businesses. Amidst heightened competitive intensity and sluggish economic conditions, the Business has been aggressively pursuing new business development opportunities across segments which resulted in several additions to key accounts during the year. To cater to its growing customer base across the country and to further improve customer service levels, the Business has commissioned a greenfield manufacturing plant in Nadiad, Gujarat with state-of-the-art equipment for the Cartons platform. The capacity utilisation at the facility is being progressively scaled up.

The Company is actively engaged in developing and promoting suitable paper and paperboard substrates to replace single-use plastics. The sustainable products portfolio comprises 'FiloBev', 'FiloServe', 'FiloPack', 'OmegaBev' and 'OmegaBev Vio', which are alternatives to plastic coated containers, cups and other deep freeze applications. Innovative packaging solutions continue to be crafted, leveraging deep understanding of end-user needs and capabilities of the Company's Life Sciences and Technology Centre. Along with a steady pipeline of pioneering solutions such as 'Bioseal' (compostable packaging solution), 'Oxyblock' (recyclable coating solution to enhance barrier properties in packaging) and 'Germ free coating' (solution for microbial free packaging surface addressing the consumer consciousness towards hygiene and safety), the Business has also pioneered several innovative solutions towards "Reducing, Reusing and Recycling" of plastic substrates which are under various stages of commercialisation. Going forward, the Business will continue to invest resources to develop sustainable packaging solutions. During the year, the Company set up a new wholly owned subsidiary, ITC Fibre Innovations Limited, to foray into the fast-growing premium Moulded Fibre Products (MFP) space with applications across industries including food serving and delivery, pharmaceutical, beauty and electronics; construction of a state-of-the-art MFP manufacturing facility in Sehore, Madhya Pradesh, is underway.

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

In line with its superordinate goal of serving larger national priorities and creating value for all stakeholders, the Company has evolved a new paradigm of 'Responsible Competitiveness' that focuses on extreme competitiveness but in a manner that replenishes the environment and supports sustainable livelihoods.

The Company is a global exemplar in sustainability, and continues to be a carbon, water and solid waste re-cycling positive organisation. The Company sustained its 'AA' rating by MSCI-ESG for the fifth successive year - the highest amongst global tobacco companies. It is also a part of the Dow Jones Sustainability Emerging Markets Index for the third year in a row – a reflection of being a sustainability leader in the industry. The Company was rated at the 'Leadership Level' score of 'A-' for both Climate Change and Water Security (Asia and Global average at 'C' for climate change and 'B' for water security) by CDP, a reputed independent global platform for disclosures on environmental impacts.

As a testament to ITC Hotels Responsible Luxury ethos and the Company's Triple Bottom Line philosophy, all major hotel properties of the Company are LEED Platinum certified. ITC Grand Chola, the 600-key super-premium luxury hotel complex in Chennai, is amongst the world's largest LEED Platinum certified green hotels. In 2020, ITC Windsor's best practices on carbon management distinguished it as the first hotel in the world to be LEED Zero Carbon certified. Since then, 11 more ITC Hotels have been certified as LEED Zero Carbon. ITC Mughal became the first hotel globally to be awarded the LEED Zero Water Certification by the US Green Building Council, followed by ITC Sonar, which is also the second hotel to be awarded the certification globally. Further, the Company's 'Sankhya' data centre in Bengaluru became the first data centre in the world to be awarded the LEED Zero Carbon certification.

In the area of water stewardship, the Company has stepped up its initiatives in both demand and supply side management. On the demand side, in addition to the Kovai paper mill, which became the second site in the world to have received the Platinum-level certification under the 'Alliance for Water Stewardship Standards (AWS)', this year, the Malur unit became the first food processing facility in Asia to be awarded this recognition, which is the gold standard for water stewardship in the world.

The Company has exceeded its commitment on plastic neutrality for the second consecutive year by collecting and sustainably managing more than 60,000 tonnes of plastic waste, which is more than the plastic packaging utilised by the Company, across 36 States/Union Territories.

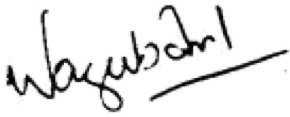
The Company has installed and commissioned 178 MW of renewable energy capacity in the form of solar and wind power across the country. Additionally, the Company's Paperboards & Specialty Papers

Business commissioned a state-of-the-art and future-ready High Pressure Recovery Boiler which will contribute towards reducing carbon footprint.

Please refer link below for performance highlights of the quarter:

<https://www.itcportal.com/investor/pdf/ITC-Quarterly-Result-Presentation-Q4-FY2023.pdf>

The Board of Directors, at its meeting on 18th May 2023, approved the financial results for the year ended 31st March 2023, which are enclosed.



(Nazeeb Arif)
Executive Vice President
Corporate Communications



Enduring Value

NATION FIRST: SAB SAATH BADHEIN

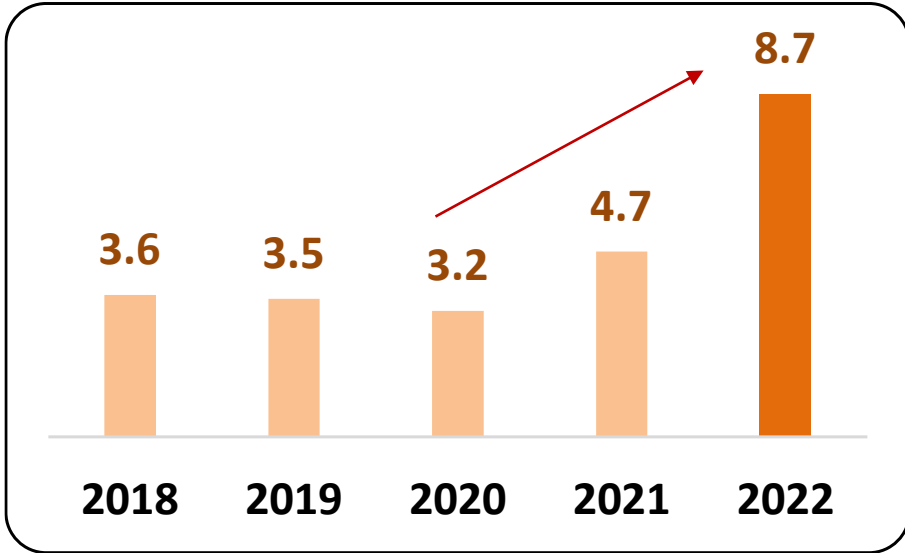
Q4 & FY23 Results

This presentation contains certain forward-looking statements including those describing the Company's strategies, strategic direction, objectives, future prospects, estimates etc. Investors are cautioned that "forward looking statements" are based on certain assumptions of future events over which the Company exercises no control. Therefore there can be no guarantee as to their accuracy and readers are advised not to place any undue reliance on these forward looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. These statements involve a number of risks, uncertainties and other factors that could cause actual results or positions to differ materially from those that may be projected or implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: growth, competition, acquisitions, domestic and international economic conditions affecting demand, supply and price conditions in the various businesses in the Company's portfolio, changes in Government regulations, tax regimes and other statutes, and the ability to attract and retain high quality human resource.

Macro Economic Context

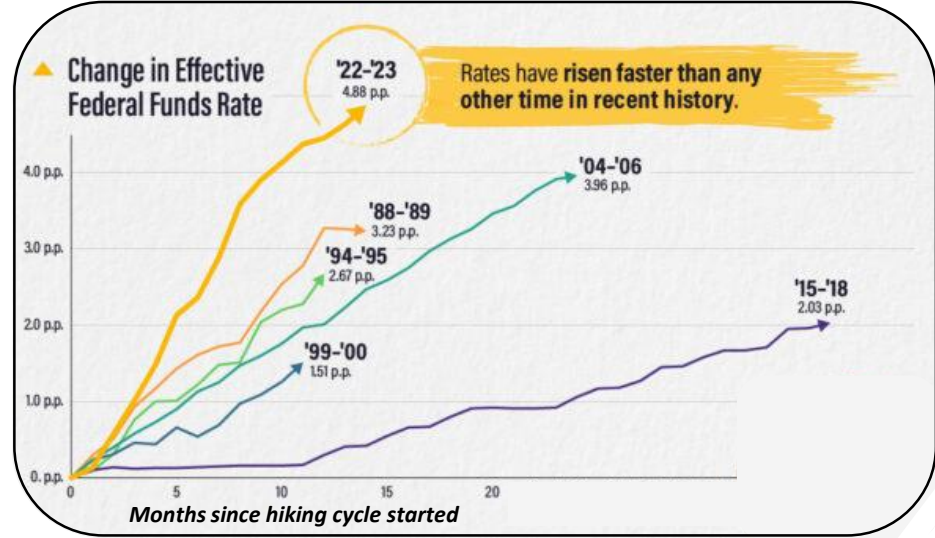
Unprecedented Inflationary Pressure in 2022 across Major Economies

Global Consumer Inflation (Average) (%)



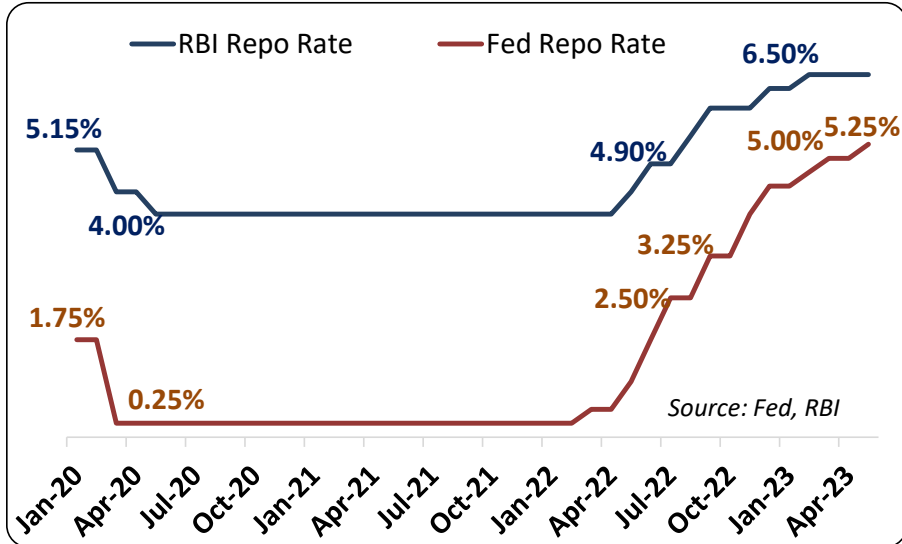
Source: IMF WEO Apr'23

US Interest rates : Steepest rise in history



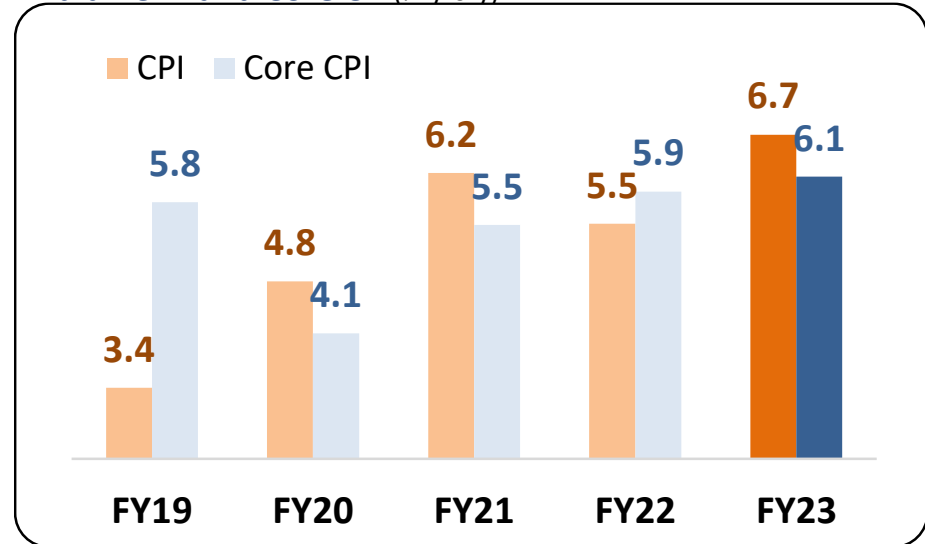
Source : Visual Capitalist

Central Bank Rates (%)



Source: Fed, RBI

India : CPI and Core CPI (% y-o-y)



Source : MOSPI

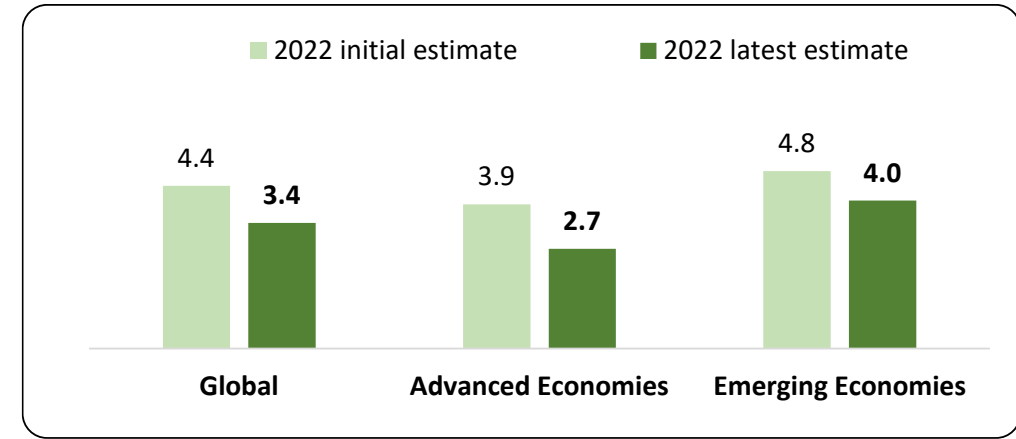
Slowdown in Global Growth estimates

- **2022 Global GDP growth at 3.4%** (Vs. earlier est. 4.4%)
- **2023 Global GDP growth now estimated at 2.8%** (Vs. earlier est. 3.8%)

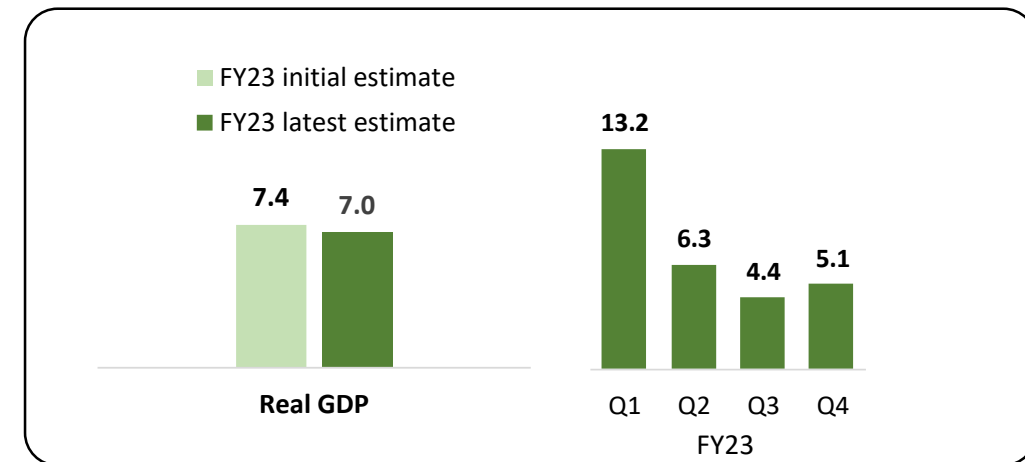
India remains relatively better placed though growth expected to drop

- **FY23 GDP** estimated to have grown by **6.8% - 7.0%**
- **FY24 GDP** growth est. ~ **5.5% - 6.5%**
- **Inflation** in FY24 expected to drop to ~**5.3%** Vs. 6.7% in FY23
 - Remains elevated vs. Pre-covid levels

Global Growth Slowdown (% y-o-y)



Real GDP Growth (% y-o-y)



India Macros : Key Positives and Monitorables



Q4 and FY23 Results

Headline Financials & Business Highlights

Robust growth across all operating segments amidst a challenging operating environment

Gross Revenue ▲ +17.6%	EBITDA ▲ +26.5%	Overall EBITDA Margin 34.5% ▲ 240 bps
PAT ▲ +24.5%	EPS ▲ +24.0%	Total Dividend Rs. 15.50 per share <i>Including Special dividend of Rs. 2.75 per share</i>

- **Strong growth in FMCG – Others Segment; Revenue up 19.6% YoY, at appx. 1.5x of FY20**
 - *Segment EBITDA at 1954 cr. up 34.9% YoY*
 - *Segment EBITDA margin at 10.2% - up 115 bps YoY amidst severe inflationary pressures*

- **Sustained volume claw back in Cigarettes from illicit trade on the back of deterrent actions by enforcement agencies and relative stability in taxes**
 - *Segment Revenue up 20.3% YoY; Segment PBIT up 20.6% YoY*

- **Stellar performance in Hotels; Segment Revenue at 2x of LY levels and at appx. 1.4x of FY20**
 - *RevPAR well ahead of pre-pandemic levels*
 - *Segment EBITDA at 832 cr., nearly double that of FY20; up 754 cr. YoY*
 - *Segment EBITDA Margin at 32.2%; up 930 bps over FY20*

- **Robust growth in Agri Business; Segment Revenue up 12.2% YoY (up 19.7% ex-Wheat exports)**
 - *Segment PBIT up 28.8% YoY*
 - *Margin expansion driven by Leaf tobacco exports & value-added agri products portfolio*
 - *Restrictions imposed on wheat & rice exports impact Segment Revenue*
- **Strong performance in Paperboards, Paper & Packaging; Segment Revenue up 18.8% YoY, Segment PBIT up 34.9% YoY**
 - *Performance driven by strategic interventions (in house pulp manufacturing, pro-active capacity expansion in value-added products, digital) and higher realisations*

**Strong growth
trajectory
sustained**

Gross Revenue
ex – Wheat Exports

▲ +16.1%

EBITDA

▲ +18.9%

Profit After Tax

▲ +21.4%

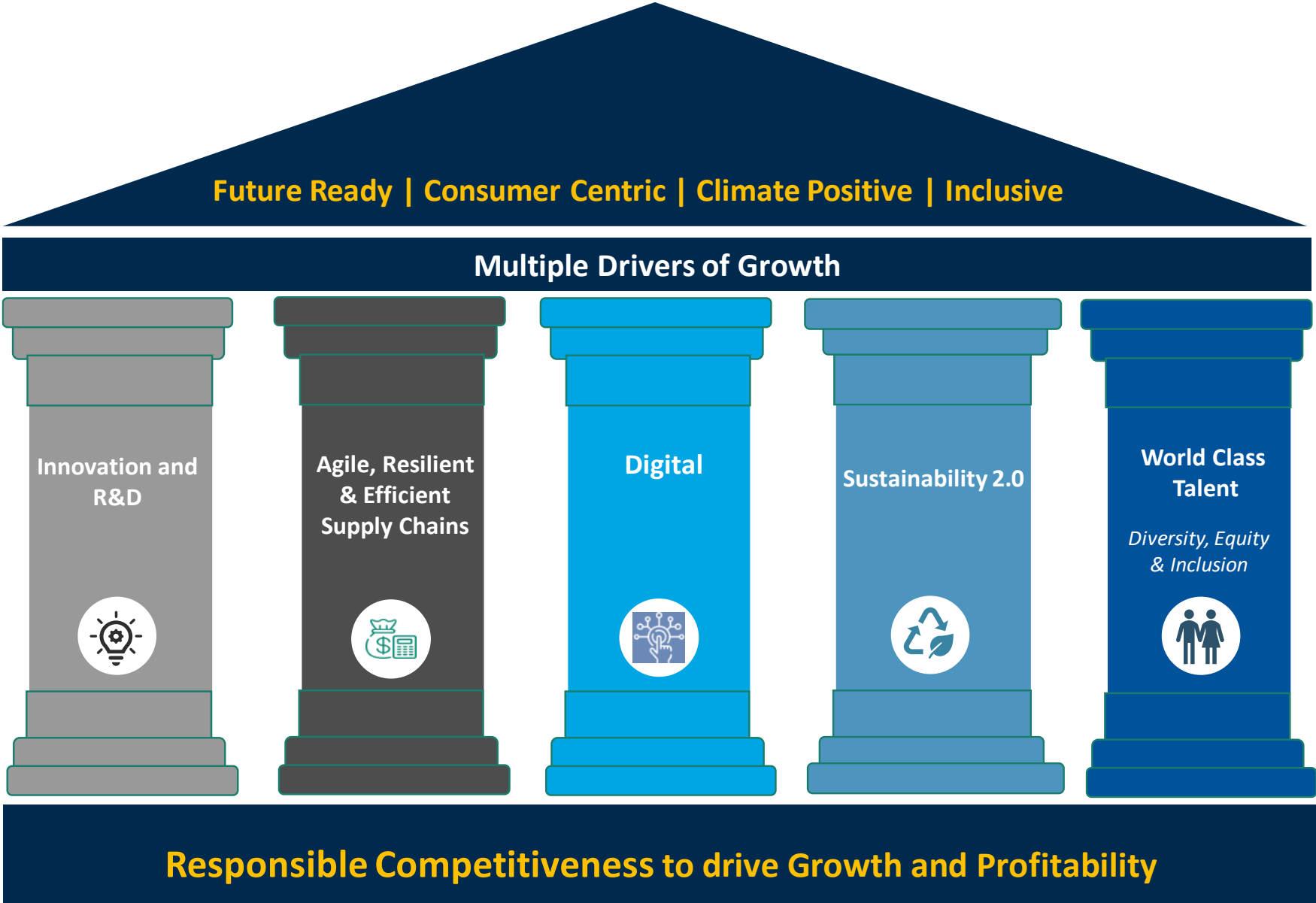
Overall EBITDA Margin

36.1% ▲ 385 bps

- **Strong growth in FMCG – Others; Segment Revenue up 19.4% YoY, at appx. 1.6x of Q4 FY20**
 - *Segment EBITDA up 76% YoY; margin expansion driven by multi-pronged interventions viz. premiumisation, supply chain agility, judicious pricing actions, digital initiatives, strategic cost management and fiscal incentives (including PLI)*
- **Growth momentum sustained in Cigarettes Business**
 - *Net Segment Revenue up 13.7% YoY; Segment PBIT up 14.0% YoY*
- **Stellar performance in Hotels Business; Segment Revenue at 2x of Q4 FY22 and at appx. 1.7x of Q4 FY20**
 - *RevPAR well ahead of pre-pandemic levels*
 - *Q4 Segment EBITDA at 272 cr. at 2.5x of Q4 FY20, up 240 cr. YoY*
 - *Q4 Segment EBITDA margin at 34.8%*

- **Agri Business Segment Revenue up 20.1% (ex-Wheat exports) YoY;**
 - *Segment PBIT up 25.9% YoY driven by growth in value-added agri products and leaf tobacco exports*

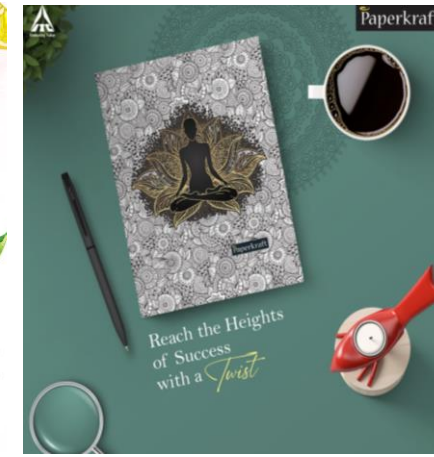
- **Paperboards, Paper and Packaging Segment includes the impact of planned shut down of pulp mills for capacity expansion**
 - *Pulp prices softened after a sharp rise in the first half of the year*
 - *Fine Paper segment remains buoyant; muted demand in global markets in Paperboards*
 - *Segment Revenue at 2221 cr.; 3 Yr. CAGR at 15%*
 - *Segment PBIT at 445 cr.; 3 Yr. CAGR at 16%*



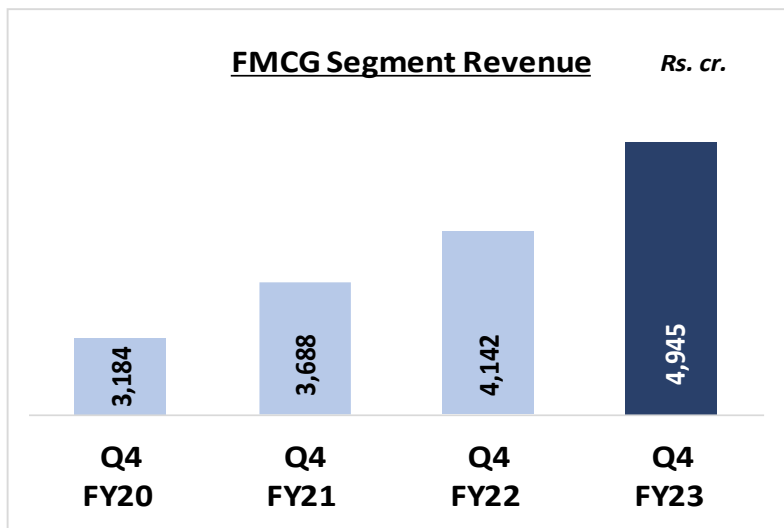


Enduring Value

FMCG Others



- **Robust performance witnessed across markets and channels**
 - Staples, Biscuits, Snacks, Noodles, Dairy, Beverages, Soaps, Fragrances, Agarbatti drive growth
 - Education & Stationery Products Business continues to witness strong traction
- **Growing presence in emerging channels**
 - Rapid growth in E-Com / Quick Commerce / Modern Trade / Institutional channels
- **Acquired 39.4% in Sproutlife Foods Pvt. Ltd. on 4th May'23**
 - D2C startup catering to health-conscious consumers under the clean label, new-age digital-first brand 'Yoga Bar'
 - Will enable ITC to enhance market presence in the fast growing, nutrition-led healthy foods space.



Scaling up D2C



900+ FMCG products
45+ categories



AASHIRVAAD
MERI CHAKKI
SPECIALLY GROUND, JUST FOR YOU



DERMAFIQUE
cell by cell

Supporting startups in the D2C space

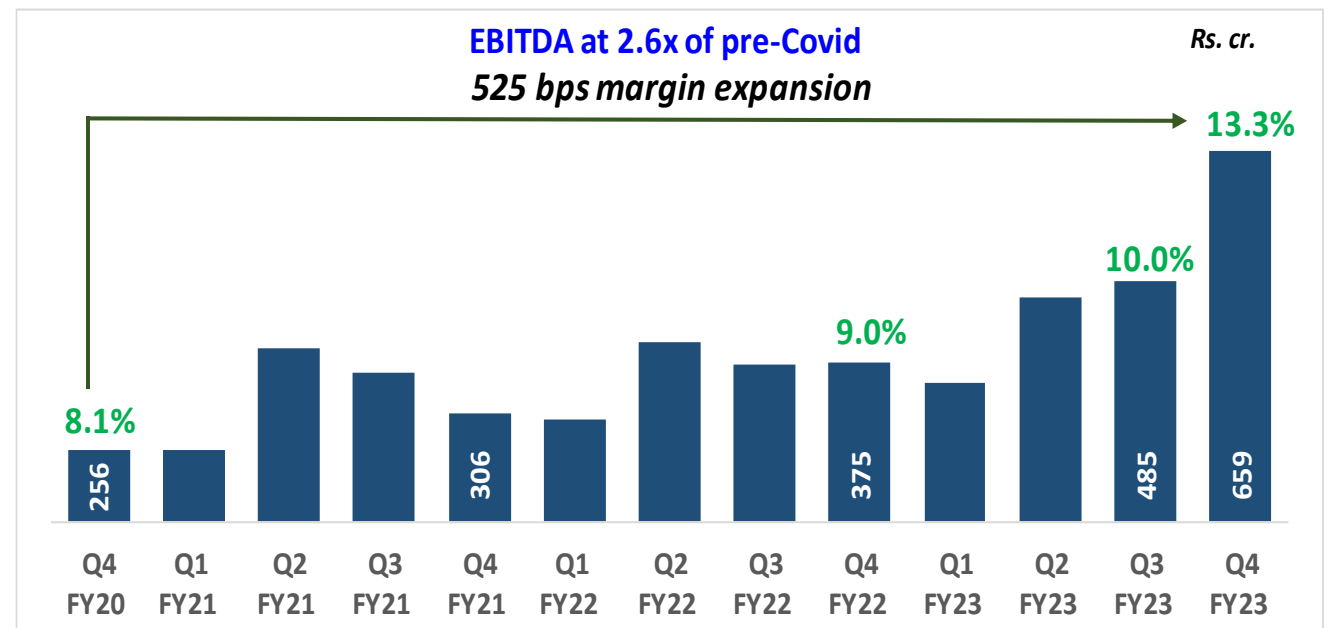
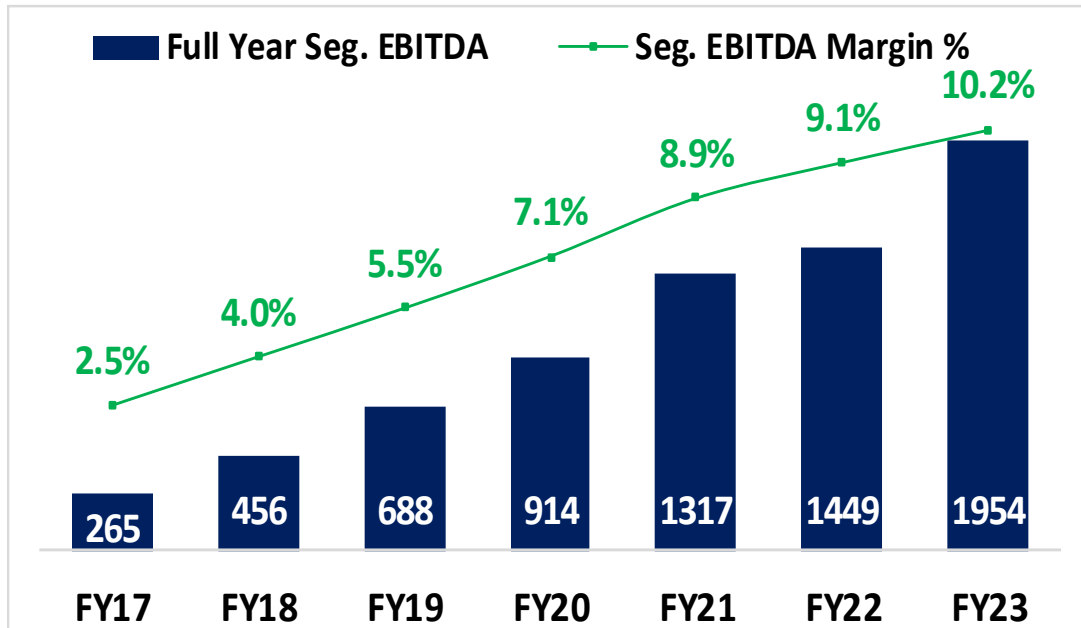






▪ **Segment EBITDA Margin at 13.3% (Q4 FY22: 9.0%)**

- Margin expansion driven by multi-pronged interventions viz. premiumisation, supply chain agility, judicious pricing actions, digital initiatives, strategic cost management and fiscal incentives (including PLI)
- Input costs remain at elevated levels, even as some of the commodities witnessed sequential moderation in prices





11 ICMLs
Operational



25% Female
Workforce

Key Business Drivers

Freshness
Market Responsiveness
Cost
Quality

Proximity to large consumption centres

Shorter Distance to market
Lower lead time
On Time In Full fulfilment
Lower inventory norms

Delayed Operations

Direct Shipments
Elimination of Multiple handling
Lower Warehouse cost
Freight Optimisation

ICML Trichy



AMLF Kapurthala



Responsive
Supply Chain



Shorter
Distance-to-market,
Reduced Emissions



Co-hosted Automated
Warehouses



Quality, Hygiene
& Freshness

Common Infra & Utilities



Aashirvaad Besan | Ragi Vermicelli
 100% Chana Dal |
 Source of Calcium, Protein and Iron



Paneer Pakoda
 Beat your
 craving instantly



Super Millets Cookies
 Ragi and Jowar |
 Ragi and Jowar Chocochip



Sunfeast Supermilk
 Immunity Nutrients



B Natural Select | Sunfeast Smoothies
 Tender Coconut water |
 Strawberry with Chia Seeds



Fiama Body Wash
 Men Range | Happy Naturals



Fiama Happy Naturals
 Perfume Mist



Engage Man Intense
 24 Hours



Savlon Cool
 Menthol & Glycerine

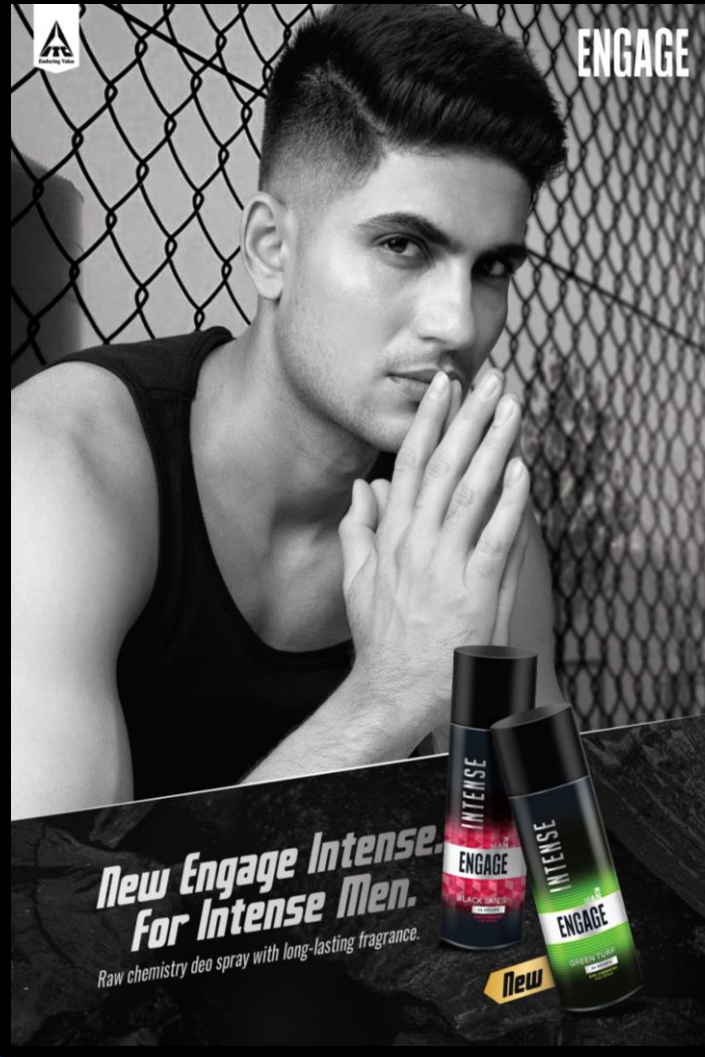


Mangaldeep Sambrani Cups
 Pure and Natural

Multi-point touch strategy



Leveraging emerging trends



Cohort based marketing



Leveraging regional connect - Strongaa Oru Milk Biscuit!



#Bingo collaboration with 'East Bengal' Football Club

SAVLON #Handambassador

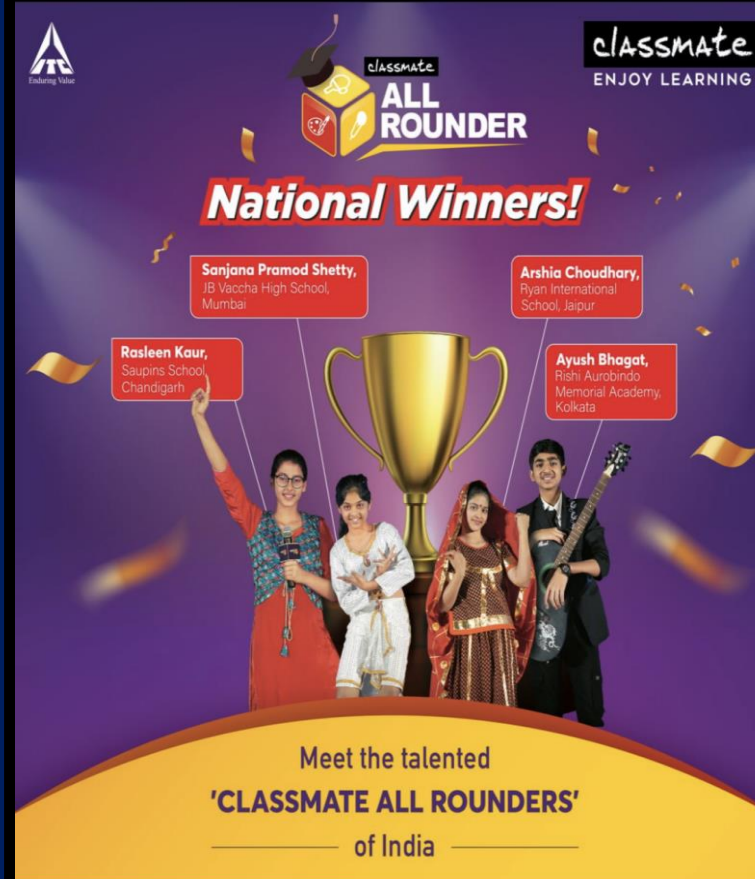


Handwash reminder by
Sachin Tendulkar ka Haath !

SUNRISE School Connect Program



CLASSMATE All Rounder



classmate ENJOY LEARNING

National Winners!

- Sanjana Pramod Shetty, JB Vaccha High School, Mumbai
- Arshia Choudhary, Ryan International School, Jaipur
- Rasleen Kaur, Saupins School, Chandigarh
- Ayush Bhagat, Rishi Aurobindo Memorial Academy, Kolkata

Meet the talented
'CLASSMATE ALL ROUNDERS'
of India

MOM'S MAGIC #HugHerMore



Sharp Targeted Communication



BRING HOME A
Divine Aroma

SHOP NOW ON [iStore.in](#)



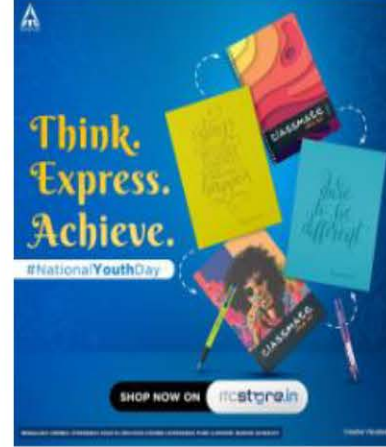
Packed with
Fresh Berries

SHOP NOW ON [iStore.in](#)



Harvesting
Excellent Taste

SHOP NOW ON [iStore.in](#)



Think.
Express.
Achieve.

#NationalYouthDay

SHOP NOW ON [iStore.in](#)



Worry about fun,
not the sun!

SHOP NOW ON [iStore.in](#)




ITC Store
United
Taste
CONTEST

Mysore Pak originated
in which part of the
Nation?

A Kolkata
B Delhi
C Chandigarh
D Karnataka

SHOP NOW ON [iStore.in](#)



WHAT'S YOUR
STRESS-BUSTING
snack

SHOP NOW ON [iStore.in](#)



BINGO!

You found your spicy
snack match

SHOP NOW ON [iStore.in](#)



The sweet & sour

TAMARIND
& DATE

ITC
MASTER
CHEF

SHOP NOW ON [iStore.in](#)



Pongal-o-Pongal!
Happy Surya & Mattu Pongal

SHOP NOW ON [iStore.in](#)



Give the Festivities,
A Clean and Clutter-Free Start!
Happy Bhogi Pongal

SHOP NOW ON [iStore.in](#)



Mark a New Beginning. With the
ARO-MA OF LOVE
#HappyMakarSankranti

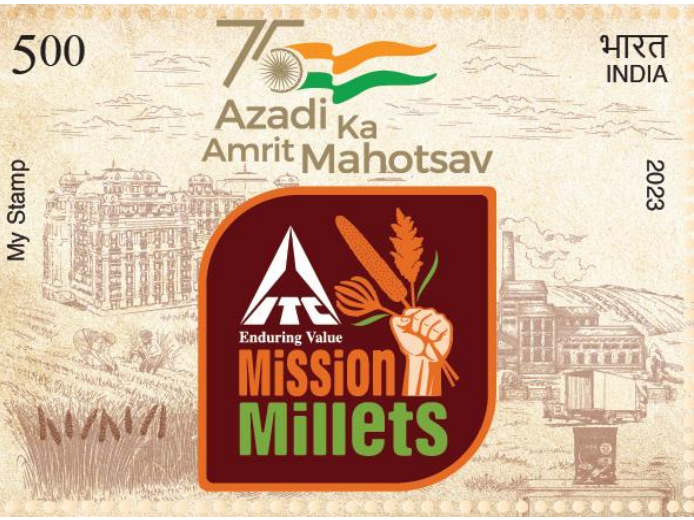
SHOP NOW ON [iStore.in](#)

ITC Mission Millets

Leveraging Enterprise Strengths in Agri, Food & Hospitality



UN: 2023 the International Year of Millets



ITC launches Mission Millets to drive offtake, empower farmers

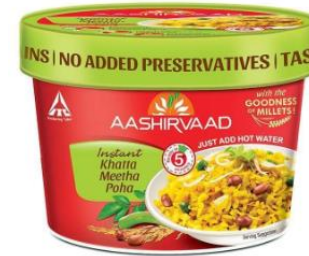


Resilient and Versatile Crop	Climate Smart Agriculture	Farmer Benefits
Short duration crop Gluten free Non-allergenic	Carbon neutral Water efficient Climate resistant	Higher Yields & Incomes



- Sustainable food ecosystem
- Healthy communities
- Consumer Awareness

Millets: The humble Superfood



Winning in Emerging Channels

Modern Trade



Fast-tracking E-Com, D2C, Cash & Carry



New Routes to Market

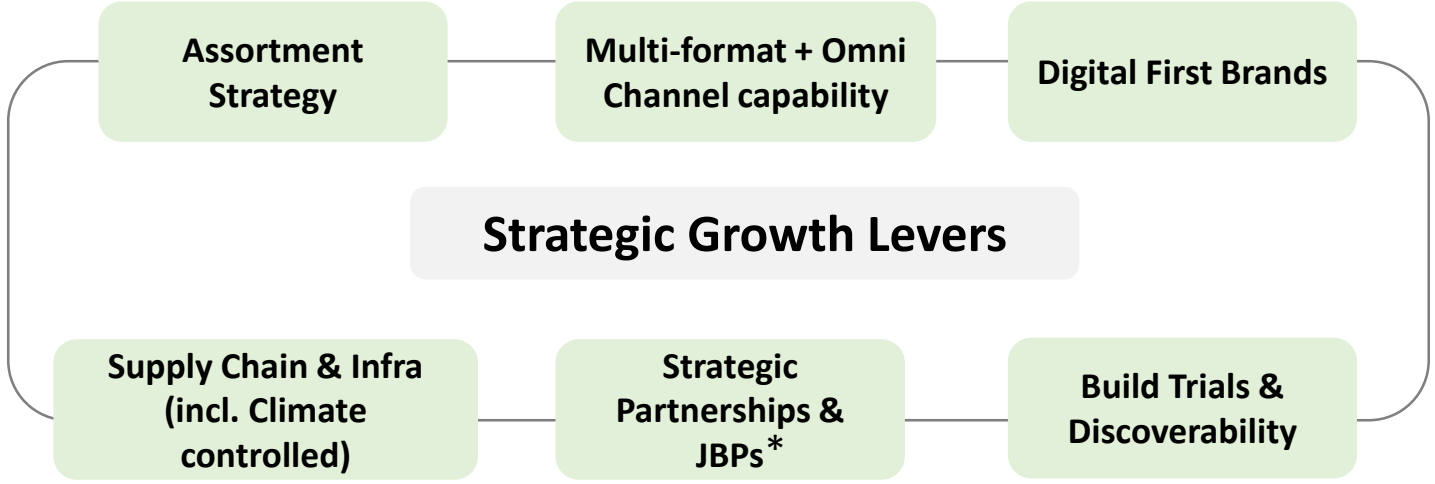
On the Go



QSR

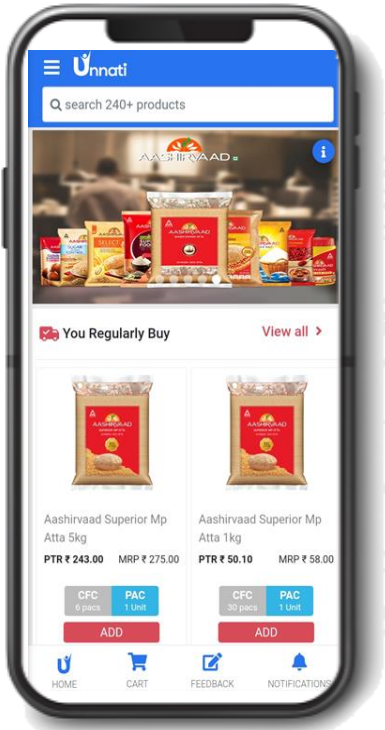


Direct Marketing



*Joint Business Plan

eB2B: UNNATI



Nearly 5.4 lakh
Outlet penetration

Project PACE



Project Lighthouse



Project Zen



Next Generation Agile
FMCG Supply Chain

Project Trinetra AI based image recognition



Leveraging Data & Analytics to drive productivity, efficiency & for data driven decision making



Enduring Value

FMCG Cigarettes



Segment Revenue
7356 cr. ▲ 14.2%

Segment Results
4689 cr. ▲ 14.0%

- **Net Segment Revenue*** up 13.7%; **Segment PBIT** up 14.0%
- **Innovation & democratising premiumisation** across segments
- **Portfolio Vitality | Product Availability | Execution Excellence**
 - *Recent launches continue to gain traction*
 - *Market standing further reinforced through focused portfolio*
 - *Robust growth across regions & markets*

Innovation

- **Classic Connect**
- **Gold Flake SLK**
- **Gold Flake Mixpod**
- **American Club Clove Mint**
- **Gold Flake Indie Mint**

Portfolio Fortification

- **Gold Flake Neo SMART Filter**
- **Wills Deluxe**
- **Bristol Deluxe FT**
- **Capstan FT**

Recent Introductions

- **Classic Alphatec**
- **Classic Verve Balanced Taste**
- **American Club NY Cool & LA Twist**
- **American Club Smash**
- **Gold Flake XPOD**
- **Lucky Strike**
- **Gold Flake Smart Mintz**
- **Players Klov**



Enduring Value

Hotels Business



Segment Revenue

782 cr.

(+101%; 1.7x of Q4FY20)

Segment EBITDA

272 cr.

+240 cr. YoY

+164 cr. over Q4 FY20

- **RevPAR** well ahead of pre-pandemic levels; Retail, Leisure, Weddings and MICE drive growth
- Healthy pipeline of management contracts under **Welcomhotel, Mementos, Storii** and **Fortune brands**
 - *Phased openings over the next few quarters*
- **Segment EBITDA margin at 34.8%** (Q4 FY20: 23.1%); margin expansion driven by higher RevPAR, operating leverage and structural cost interventions



Mission Millet @ ITC Hotels



Avartana, ITC Grand Chola

First 2 Hotels in the World to receive LEED Zero Water Certification



ITC Mughal



ITC Sonar



First 12 Hotels in the World to receive LEED Zero Carbon Certification

LEEDZero



Others: Sheraton New Delhi | Welcomhotel Coimbatore | ITC Mughal | Welcomhotel Chennai | Welcomhotel Bengaluru | ITC Grand Chola | ITC Windsor

Activation of Storii & Mementos

Mementos – Memories Available



Storii in a Bottle

The Storii Box



Keti & Kahaani

Mementos Udaipur launched



Mementos Udaipur

Phased openings over the next few quarters



Storii Moira Riviera, Goa

STORII
— BY ITC HOTELS —

MEMENTOS
BY ITC HOTELS

WELCOMHOTEL

Multiple Value Drivers



ASSET
RIGHT



STRENGTHEN
BRAND
POSITIONING



LEVERAGE
DIGITAL



AUGMENT
REVENUE
STREAMS



MEMENTOS
BY ITC HOTELS




Member ITC's hotel group

Green credentials

Signature experiences & services

Enhance brand visibility



ALL YOU NEED IS
THE ITC HOTELS APP



GOURMET COUCH



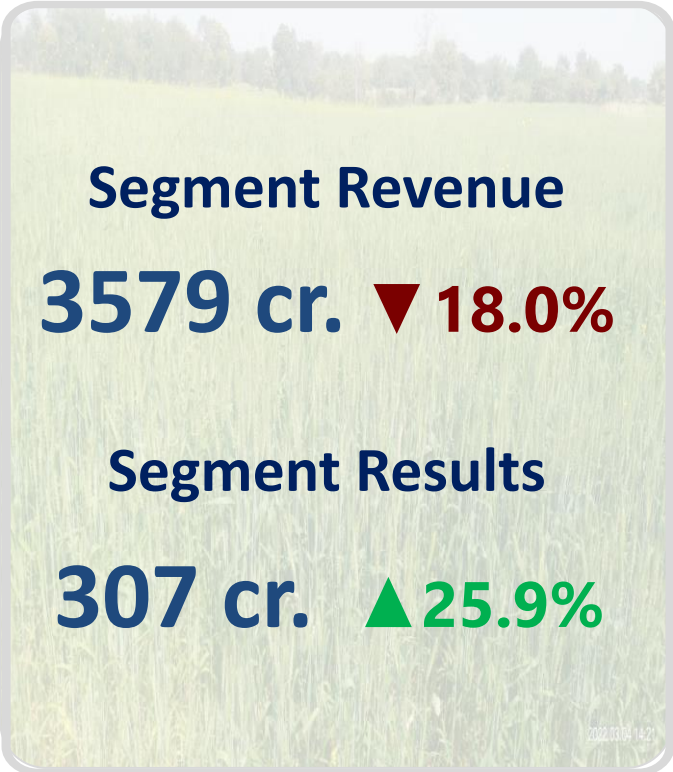
ITC Club Privé



Enduring Value

Agri Business





Segment Revenue
3579 cr. ▼ 18.0%

Segment Results
307 cr. ▲ 25.9%



- **Segment Revenue (ex-Wheat exports) up appx. 20%. Segment PBIT up 25.9% YoY** driven by growth in value-added agri products and leaf tobacco exports
 - *Strategic sourcing support to Branded Packaged Foods Businesses – Wheat, Dairy, Beverages & Spices*
- Strategic focus on rapidly **scaling up Value-Added product portfolio** to enhance value capture across multiple crop value chains
 - *Capacity utilisation of state-of-the-art value-added Spices processing facility in Guntur being scaled up*
 - *World-class manufacturing facility^ at Mysuru for export of Nicotine & Nicotine derivative products to US/EU has been substantially completed; expected to be commissioned shortly*



Multiple Sourcing Models
Farmer | Trader | Mandi

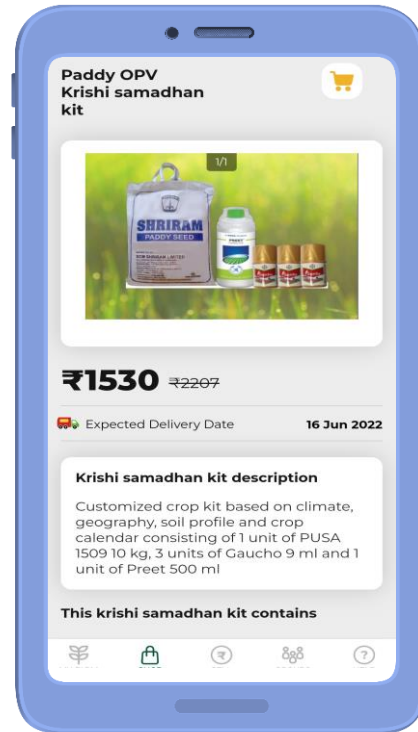


Multi Modal Transportation
Railway | Coastal | Road

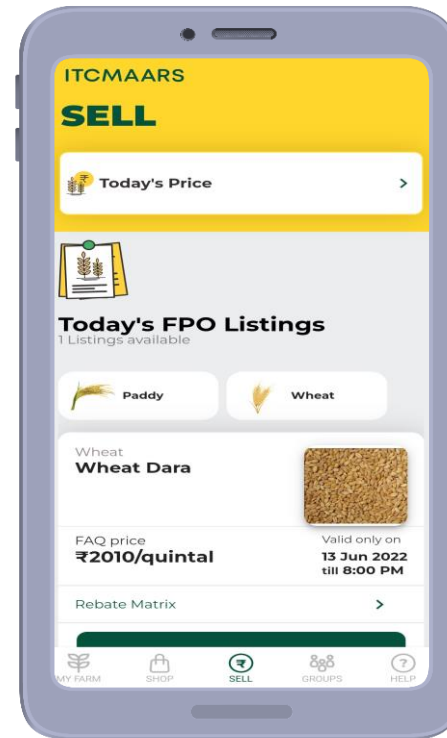
[^] Being undertaken by ITC IndiVision Limited, the Company's wholly owned subsidiary



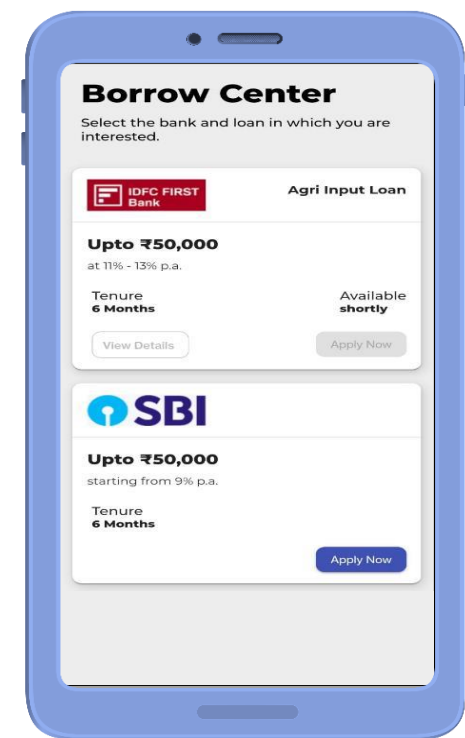
Advisory



Inputs



Outputs



Services

~1150 FPOs
9 states

~5.7 lac
Farmer registrations

~4.2 lac
App downloads

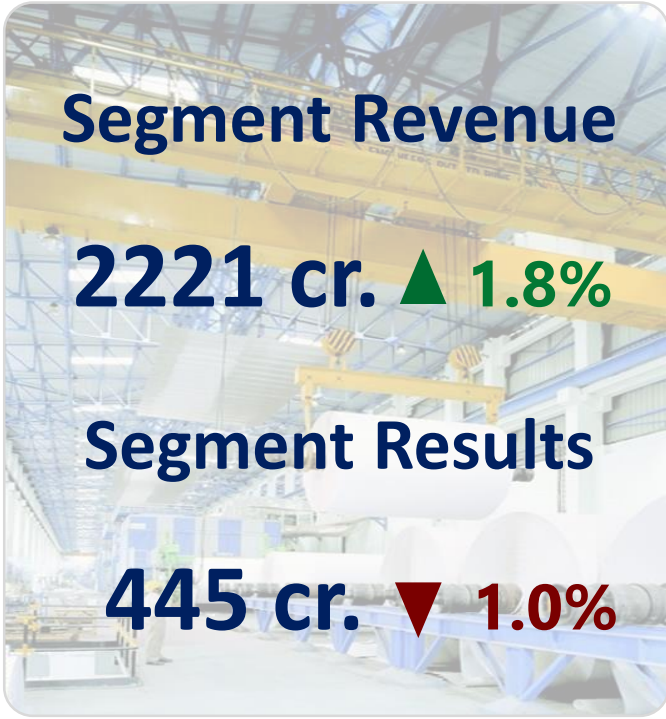
~60
Tie-ups with partners



Enduring Value

Paperboards, Paper & Packaging

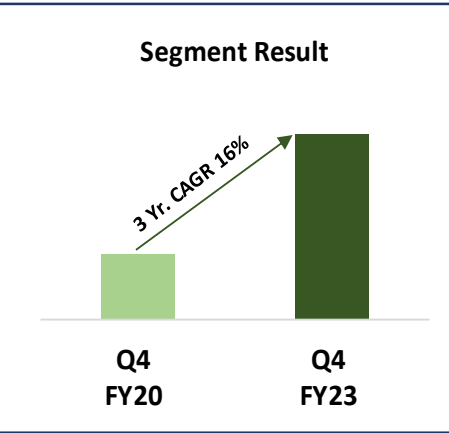
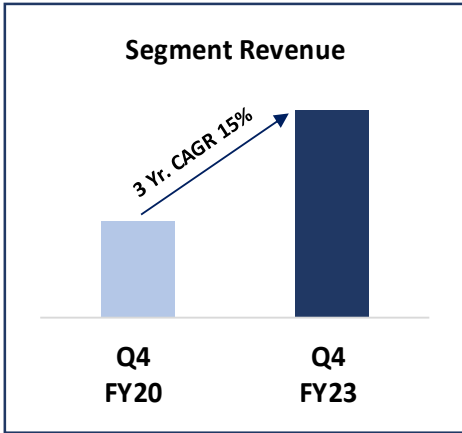


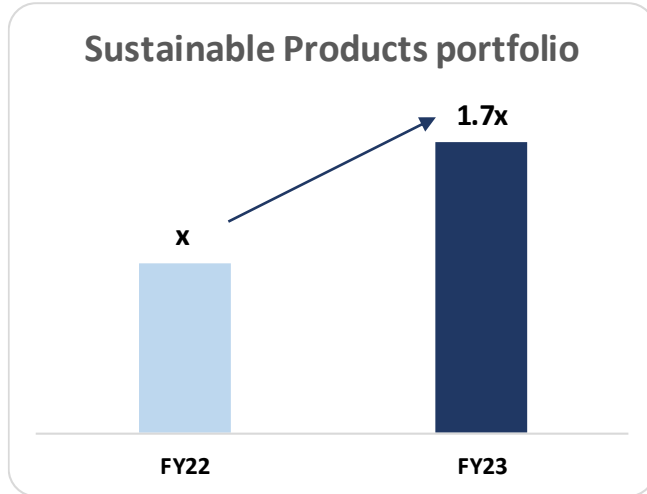


Segment Revenue
2221 cr. ▲ 1.8%

Segment Results
445 cr. ▼ 1.0%

- **Paperboards, Paper & Packaging Segment posted resilient performance**
 - *Planned shutdown of pulp mills for capacity expansion during the quarter*
 - *Softening of pulp prices, muted demand in global markets and relatively higher base impacted YoY Segment Revenue growth. 3 Yr. CAGR 15%*
- **Robust growth in Fine Paper segment** driven by strong demand for notebooks and publications
- **Rapid scale up in Sustainable Products** portfolio
- Strategic interventions (in house pulp manufacturing, pro-active capacity expansion in value-added products, Digital) continue to be leveraged
- **Second Carton line** commissioned at Nadiad, Gujarat; capacity utilization being ramped up





Premium Moulded Fibre Products (MFP)



Foray into MFP through a new WOS[^]

Foundational investment for

- *Market development*
- *Tech absorption & evaluation*
- *Crafting sustainable value propositions*



Financials

<i>Rs. cr.</i>	Q4 FY23	Q4 FY22	YoY growth	FY23	FY22	YoY growth
Gross Revenue*	17,224	16,227	6.1%	69,481	59,101	17.6%
Net Revenue	16,150	15,307	5.5%	65,427	55,724	17.4%
EBITDA	6,209	5,224	18.9%	23,944	18,934	26.5%
PBT (bei)	6,522	5,442	19.8%	24,678	19,830	24.4%
PAT	5,087	4,191	21.4%	18,753	15,058	24.5%

**Gross Revenue (ex-Wheat exports) for FY23 up 19.6% YoY*

Exceptional items of 73 cr. represent proceeds received during the quarter in partial settlement of the insurance claim towards leaf tobacco stocks which were destroyed due to fire at a third party owned warehouse in an earlier year

Segment Revenue & Results Q4 FY23



Rs. cr.	Q4		
	FY23	FY22	YoY growth
Segment Revenue			
a) FMCG - Cigarettes	7356	6443	14.2%
- Others	4945	4142	19.4%
Total FMCG	12301	10585	16.2%
b) Hotels	782	390	100.6%
c) Agri Business	3579	4366	-18.0%
d) Paperboards, Paper & Packaging	2221	2183	1.8%
Total	18882	17524	7.7%
Less : Inter Segment revenue	1658	1297	27.8%
Gross Revenue from sale of products & services	17224	16227	6.1%

Rs. cr.	Q4		
	FY23	FY22	YoY growth
Segment Results			
a) FMCG - Cigarettes	4689	4114	14.0%
- Others	502	236	112.6%
Total FMCG	5191	4350	19.3%
b) Hotels	200	(34)	
c) Agri Business	307	244	25.9%
d) Paperboards, Paper & Packaging	445	450	-1.0%
Total	6142	5010	22.6%
Less : i) Finance Cost	12	10	
ii) Other un-allocable (income) net of un-allocable expenditure	(391)	(443)	
Profit Before Exceptional Items & Tax	6522	5442	19.8%

Segment Revenue & Results FY23



Rs. cr.	Full Year		
	FY23	FY22	YoY growth
Segment Revenue			
a) FMCG - Cigarettes	28207	23451	20.3%
- Others	19123	15994	19.6%
Total FMCG	47329	39446	20.0%
b) Hotels	2585	1285	101.2%
c) Agri Business	18172	16196	12.2%
d) Paperboards, Paper & Packaging	9081	7642	18.8%
Total	77168	64569	19.5%
Less : Inter Segment revenue	7687	5467	40.6%
Gross Revenue from sale of products & services	69481	59101	17.6%

Rs. cr.	Full Year		
	FY23	FY22	YoY growth
Segment Results			
a) FMCG - Cigarettes	17927	14869	20.6%
- Others	1374	923	48.8%
Total FMCG	19301	15792	22.2%
b) Hotels	542	(183)	
c) Agri Business	1328	1031	28.8%
d) Paperboards, Paper & Packaging	2294	1700	34.9%
Total	23465	18340	27.9%
Less : i) Finance Cost	42	42	
ii) Other un-allocable (income) net of un-allocable expenditure	(1254)	(1531)	
Profit Before Exceptional Items & Tax	24678	19830	24.4%

ITC – A Global Exemplar in Sustainability



ITC e-Choupal
4 Million Farmers
empowered

Afforestation
Over 10,43,000 acres
greened

Watershed Development
Over 1.47 million acres
covered

Livestock Development
Over 21 lac milch
animals covered

Solid Waste Management
Well-being Out of Waste
programme covers
55 lac households



Women Empowerment
over 1.2 lac
poor women benefitted

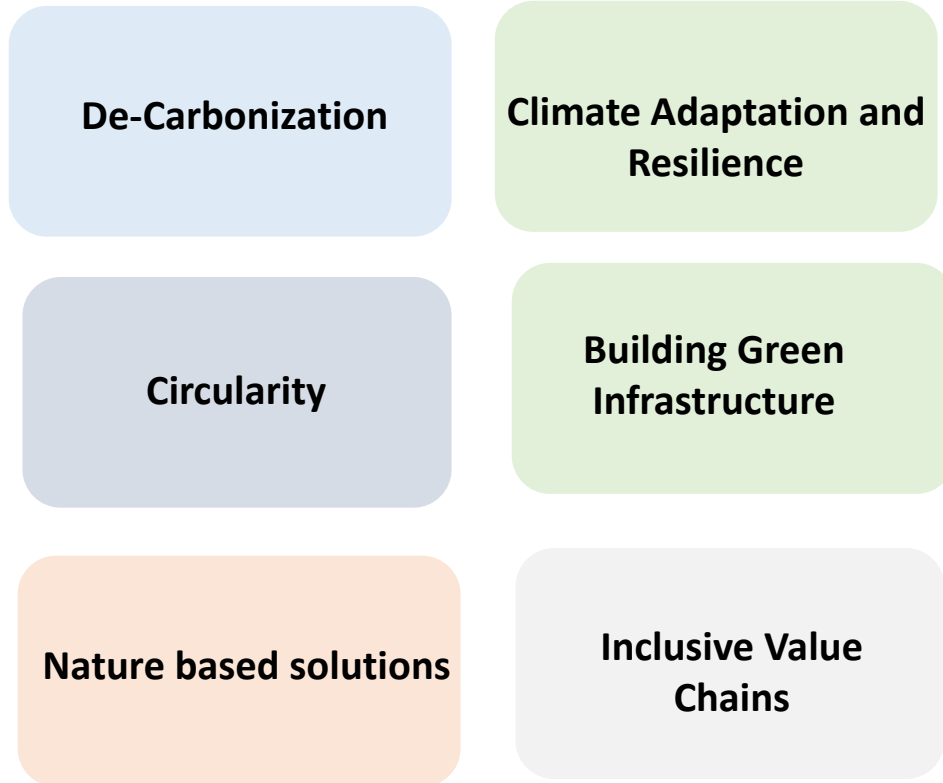
**Skilling & Vocational
Training**
Covering over 1.2 lac youth

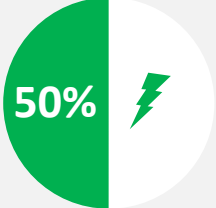




Primary Education
Reaching over
11 lac Children

Mother & Child Health
Over 6.8 lac beneficiaries
covered

Climate Smart Agriculture
23 lac acres covered

Strategic Interventions to Combat Climate Change



<p>Renewable Energy</p>  <p>50%</p>	<p>Specific GHG Emissions</p>  <p>50%</p>	<p>Recyclable Plastic Packaging</p>  <p>100%</p>	<p>Plastic Neutrality</p>  <p>100% Collection in FY22</p>						
<p>Water Security for All</p>  <p>5x of ITC's Net Consumption</p> <p>AWS Certification for High Water Stressed Sites by 2035</p>		<p>Biodiversity & Agriculture</p> <table border="1"> <tr> <td>1 million acres</td> <td>Biodiversity Conservation</td> </tr> <tr> <td>3 million acres</td> <td>Climate Smart Village</td> </tr> <tr> <td>1.5 million acres</td> <td>Social Farm and Forestry</td> </tr> </table>		1 million acres	Biodiversity Conservation	3 million acres	Climate Smart Village	1.5 million acres	Social Farm and Forestry
1 million acres	Biodiversity Conservation								
3 million acres	Climate Smart Village								
1.5 million acres	Social Farm and Forestry								

Proactively work towards achieving 'Net Zero' emission status

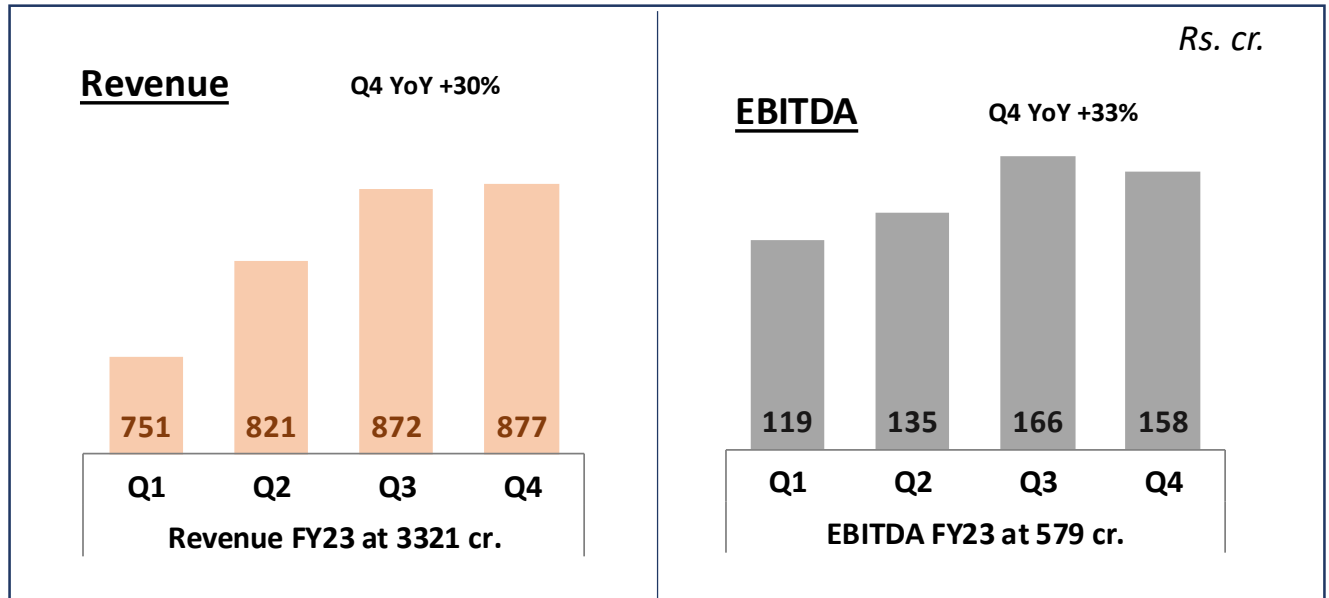
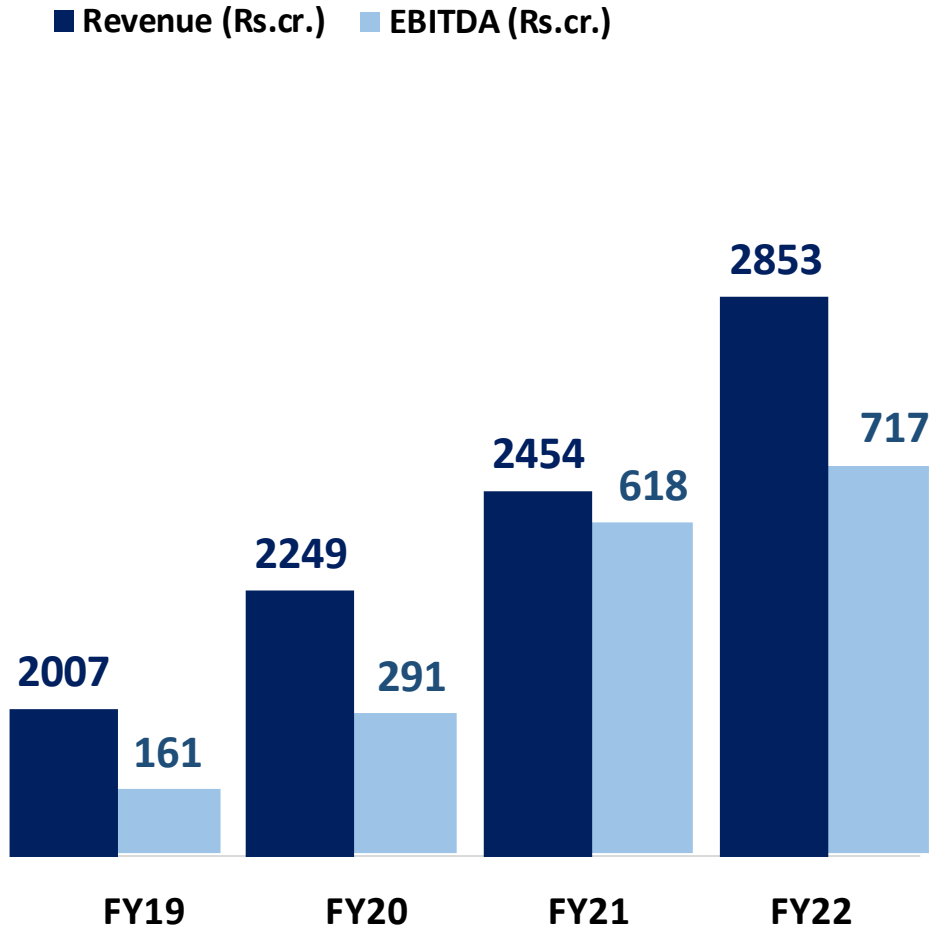
Supporting Sustainable Livelihoods: From 6 million to 10 million

- Comprehensive set of **policies & guidelines** institutionalized across Businesses in line with S2.0 vision and targets
- Exceeded commitment on **Plastic Neutrality**; collected and sustainably managed over 60,000 MT of plastic waste in FY23
- **60% critical Tier - 1 suppliers trained on ESG** related aspects during FY23
- Best-in-class ESG Ratings:
 - **AA rating by MSCI** for the 5th consecutive year; **A- Leadership score under CDP ratings - ahead of Asia & Global average**; Continues to be included in the **Dow Jones Sustainability Emerging Markets Index** - a reflection of being a sustainability leader in the industry
- The only enterprise of comparable dimensions globally to have achieved and sustained the three key global indices of environmental sustainability of being **‘water positive’ (for 21 years)**, **‘carbon positive’ (for 18 years)**, and **‘solid waste recycling positive’ (for 16 years)**
- **Water Stewardship:**
 - **ICML Malur → first F&B unit in Asia** and **Paper mill at Kovai → second site in the world** to receive **Platinum level certification** by AWS (Alliance for Water Stewardship)



ITC Infotech





- **EBITDA includes:**
 - Certain costs associated with **Strategic Partner Agreement** signed with **PTC Inc.**
 - *Higher employee costs and overheads in line with industry trends*
- Investments continue in **Capability building** in **strategic focus areas & infrastructure.**
- **Q4 Revenue up 30% and EBITDA up 33%**

Q4 FY23 Adj. EBITDA margin @ upper-end of mid-tier IT cos.



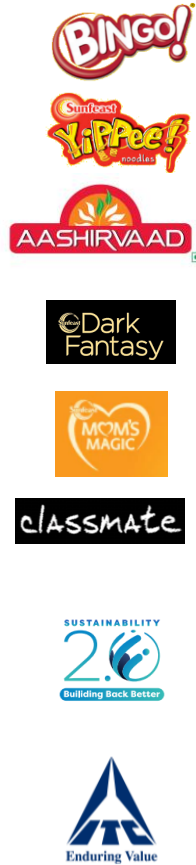
**A passion for
Profitable growth...**



**in a way that is
Sustainable...**



**and
Inclusive.**



Product/initiative	Link
Bingo! on Instagram	https://www.instagram.com/bingo_snacks/
YiPPee! on Instagram	https://www.instagram.com/sunfeast_yippee/
Aashirvaad on Instagram	https://www.instagram.com/aashirvaad/
Sunfeast Dark Fantasy on Instagram	https://www.instagram.com/sunfeastdarkfantasy/
Mom's Magic on Instagram	https://instagram.com/sfmomsmagic/
Classmate on Instagram	https://instagram.com/classmatebyitc/
ITC Spearheading Water Stewardship	https://youtu.be/kHqOXrqbyNw
Details on the Company's Sustainability 2.0 vision	https://www.itcportal.com/sustainability/sustainability-integrated-report-2022/ITC-Sustainability-Integrated-Report-2022.pdf
Quarterly Media Statement	https://www.itcportal.com/investor/pdf/ITC-Press-Release-Q4-FY2023.pdf