

The Directors present the Company's Report on Corporate Governance.

ITC Limited has been one of the frontrunners in India to have put in place a formalised system of Corporate Governance. Its governance framework enjoins the highest standards of ethical and responsible conduct of business to create value for all stakeholders.

THE COMPANY'S GOVERNANCE PHILOSOPHY

ITC defines Corporate Governance as a systemic process by which companies are directed and controlled to enhance their wealth-generating capacity. Since large corporations employ a vast quantum of societal resources, ITC believes that the governance process should ensure that these resources are utilised in a manner that meets stakeholders' aspirations and societal expectations. This belief is reflected in the Company's deep commitment to contribute to the "triple bottom line", namely the development, nurture and regeneration of the nation's economic, social and environmental capital.

ITC's Corporate Governance structure, systems and processes are based on two core principles:

- (i) Management must have the executive freedom to drive the enterprise forward without undue restraints, and
- (ii) This freedom of management should be exercised within a framework of effective accountability.

ITC believes that any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders' aspirations and societal expectations.

From this definition and core principles of Corporate Governance emerge the cornerstones of ITC's governance philosophy, namely trusteeship, transparency, empowerment & accountability, control and ethical corporate citizenship. ITC believes that the practice of each of these creates the right corporate culture that fulfils the true purpose of Corporate Governance.

Trusteeship recognises that large corporations, which represent a coalition of interests, namely those of the shareholders, other providers of capital, business associates and employees, have both an economic and a social purpose, thereby casting the responsibility on the Board of Directors to protect and enhance shareholder value, as well as fulfil obligations to other stakeholders. Inherent in the concept of trusteeship is the responsibility to ensure equity, namely, that the rights of all shareholders, large or small, are protected.

Transparency means explaining the Company's policies and actions to those to whom it has responsibilities. Externally, this means maximum appropriate disclosures without jeopardising the Company's strategic interests and internally, this means openness in the Company's relationship with its employees and in the conduct of its business. ITC believes transparency enhances accountability.

Empowerment is a process of unleashing creativity and innovation throughout the organisation by truly vesting decision-making powers at the most appropriate levels and as close to the scene of action as feasible, thereby helping actualise the potential of its employees. Empowerment is an essential concomitant of ITC's first core principle of governance that management must have the freedom to drive the enterprise forward. ITC believes that empowerment combined with accountability provides an impetus to performance and improves effectiveness, thereby enhancing shareholder value.

Control ensures that freedom of management is exercised within a framework of checks and balances and is designed to prevent misuse of power, facilitate timely management of change and ensure effective management of risks. ITC believes that control is a necessary concomitant of its second core principle of governance that the freedom of management should be exercised within a framework of appropriate checks and balances.

Ethical Corporate Citizenship means setting exemplary standards of ethical behaviour, both internally within the

The cornerstones of ITC's governance philosophy are trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship.



organisation, as well as in external relationships. ITC believes that unethical behaviour corrupts organisational culture and undermines stakeholder value. Governance processes in ITC continuously reinforce and help realise the Company's belief in ethical corporate citizenship.

THE GOVERNANCE STRUCTURE

The practice of Corporate Governance in ITC is at three interlinked levels:

Strategic supervision	by the Board of Directors
Strategic management	by the Corporate Management Committee
Executive management	by the Divisional / Strategic Business Unit (SBU) Chief Executive assisted by the respective Divisional / SBU Management Committee

The three-tier governance structure ensures that:

- (a) Strategic supervision (on behalf of the shareholders), being free from involvement in the task of strategic management of the Company, can be conducted by the Board with objectivity, thereby sharpening accountability of management;
- (b) Strategic management of the Company, uncluttered by the day-to-day tasks of executive management, remains focused and energised; and
- (c) Executive management of a Division or Business, free from collective strategic responsibilities for ITC as a whole, focuses on enhancing the quality, efficiency and effectiveness of the business.

The core roles of the key entities flow from this structure. The core roles, in turn, determine the core responsibilities of each entity. In order to discharge such responsibilities, each entity is empowered formally with requisite powers.

The structure, processes and practices of governance enable focus on the Corporate purpose while simultaneously facilitating effective management of the wider portfolio of businesses.

The Governance Document that sets out the structure, policies and practices of governance within the organisation is available on the Company's corporate website www.itcportal.com for general information.

ROLES OF VARIOUS ENTITIES

Board of Directors (Board): The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic supervision of ITC,

its wholly owned subsidiaries and their wholly owned subsidiaries. As trustees, the Board ensures that the Company has clear goals relating to shareholder value and its growth. The Board sets strategic goals and seeks accountability for their fulfilment. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations. The Board, as part and parcel of its functioning, also periodically reviews its role.

Corporate Management Committee (CMC): The primary role of the CMC is strategic management of the Company's businesses within Board approved direction / framework. The CMC operates under the strategic supervision and control of the Board.

Chairman: The Chairman of ITC is the Chief Executive of the Company. He is the Chairman of the Board and the CMC. His primary role is to provide leadership to the Board and the CMC for realising Company goals in accordance with the charter approved by the Board. He is responsible, inter alia, for the working of the Board and the CMC, for ensuring that all relevant issues are on the agenda and for ensuring that all Directors and CMC members are enabled and encouraged to play a full part in the activities of the Board and the CMC, respectively. He keeps the Board informed on all matters of importance. He is also responsible for the balance of membership of the Board, subject to Board and Shareholder approvals. He presides over General Meetings of Shareholders.

Divisional Management Committee (DMC) / SBU Management Committee (SBU MC): The primary role of the DMC / SBU MC is executive management of the Divisional / SBU business to realise tactical and strategic objectives in accordance with Board approved plan.

Executive Director: The Executive Directors, as members of the CMC, contribute to the strategic management of the Company's businesses within Board approved direction / framework. As Directors accountable to the Board for a business / corporate function, they assume overall responsibility for its strategic management, including its governance processes and top management effectiveness. As Directors accountable to the Board for a wholly owned subsidiary or its wholly owned subsidiary, they act as the custodians of ITC's interests and are responsible for their governance in accordance with the charter approved by the Board.



Non-Executive Director: Non-Executive Directors, including Independent Directors, play a critical role in imparting balance to the Board processes by bringing an independent judgement on issues of strategy, performance, resources, standards of Company conduct etc.

Divisional / **SBU CEO:** The Divisional / SBU CEO is the Chief Operating Officer for a business with executive responsibility for its day-to-day operations and provides leadership to the DMC / SBU MC in its task of executive management of the business.

BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

Composition

The ITC Board is a balanced Board, comprising Executive and Non-Executive Directors. The Non-Executive Directors include independent professionals. Executive Directors, including the Chairman, do not generally exceed one-third of the total strength of the Board.

The Governance Policy requires that the Non-Executive Directors, including Independent Directors, be drawn from amongst eminent professionals with experience in business / finance / law / public enterprises. Directors are appointed / re-appointed with the approval of the Shareholders for a period of three to five years or a shorter duration in accordance with retirement guidelines as determined by the Board from time to time. All Directors are liable to retire by rotation unless otherwise approved by the Shareholders. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election. In terms of the Articles of Association of the Company, the strength of the Board shall not be fewer than five nor more than eighteen. The present strength of the Board is fifteen, of which four are Executive Directors.

The following is the composition of the Board as on 31st March, 2010:

Category	No. of Directors	Percentage to total no. of Directors
Executive Directors	4	27
Non-Executive Independent Directors	9	60
Other Non-Executive Directors	2	13
Total	15	100

Director	Category	No. of other Directorship(s) ¹	No. of Membership(s) [including Chairmanship(s)] of Board Committees of other companies ²
Executive Directors			
Y. C. Deveshwar	Chairman	2	Nil
K. N. Grant ³		1	1
A. Singh ⁴		1	Nil
K. Vaidyanath		6	3 [all as Chairman]
Non-Executive Dire	ctors		
A. Baijal ⁵	Independent Director	4	2 [all as Chairman]
S. H. Khan	Independent Director	7	10 [including 5 as Chairman]
S. B. Mathur	Independent Director	12	5 [including 2 as Chairman]
P. B. Ramanujam	Independent Director	Nil	Nil
B. Sen	Independent Director	6	5 [including 1 as Chairman]
B. Vijayaraghavan	Independent Director	Nil	Nil
S. Banerjee ⁶	Independent Director - Representative of Specified Undertaking of the Unit Trust of India as Investor	Nil	Nil
A. V. Girija Kumar ⁷	Independent Director - Representative of General Insurers (Public Sector) Association of India as Investor	Nil	Nil
D. K. Mehrotra	Independent Director - Representative of Life Insurance Corporation of India as Investor	5	Nil
H. G. Powell		Nil	Nil
A. Ruys		Nil	Nil

- Excludes Directorship in Indian Private Limited Companies & Foreign Companies, Membership of Managing Committees of Chambers of Commerce / Professional Bodies and Alternate Directorship.
- 2. Represents Membership / Chairmanship of Audit Committee and Investors Grievance Committee of Indian Public Limited Companies.
- 3. Appointed Executive Director w.e.f. 20th March, 2010.
- Appointed Executive Director w.e.f. 22nd March, 2010, on completion of his term on 21st March, 2010.
- 5. Appointed Director w.e.f. 22nd January, 2010.
- 6. Appointed Director w.e.f. 4th February, 2010.
- 7. Appointed Director w.e.f. 19th March, 2010.

Note: Other Directorships and Committee Memberships of Directors are as on 31st March, 2010.



Meetings and Attendance

The Company's Governance Policy requires the Board to meet at least six times in a year. The intervening period between two Board meetings was well within the maximum gap of four months prescribed under Clause 49 of the Listing Agreement. The annual calendar of meetings is broadly determined at the beginning of each year.

Board Agenda

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are circulated at least seven working days prior to the Board meeting.

Information placed before the Board

The following are tabled for the Board's periodic review / information / approval:

- Half-Yearly summary of bank guarantees issued.
- Internal Audit findings and External Audit Management Reports (through the Audit Committee).
- Status of safety and legal compliance.
- Risk management processes.
- Succession of senior management (through the Nominations Committee).
- Show Cause, demand, prosecution and adjudication notices, if any, from revenue authorities which are considered materially important, including any exposure that exceeds 1% of the Company's net worth, and their outcome.
- Default, if any, in payment of dues to any major creditor.

- Product liability claims of a substantial nature, if any.
- Significant court judgement or order passing strictures, if any, on the conduct of the Company or a subsidiary of the Company or any employee, which could negatively impact the Company's image.
- Write-offs / disposals (fixed assets, inventories, receivables, advances etc.) on a half-yearly basis.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including Clause 49 of the Listing Agreement.

Post-meeting follow-up system

The Governance processes in the Company include an effective post-meeting follow-up, review and reporting process for action taken / pending on decisions of the Board, the Board Committees, the CMC and the Divisional / SBU Management Committees.

Details of Board Meetings during the financial year

During the financial year ended 31st March, 2010, six meetings of the Board were held, as follows:

SI. No.	Date	Board Strength	No. of Directors present
1	22nd May, 2009	13	12
2	23rd July, 2009	13	11
3	24th July, 2009	13	12
4	23rd October, 2009	12	11
5	22nd January, 2010	13	10
6	19th March, 2010	14	11

Ethical Corporate Citizenship means setting exemplary standards of ethical behaviour, both internally within the organisation, as well as in external relationships.



Attendance at Board Meetings and at Annual General Meeting (AGM) during the financial year

Director	No. of Board meetings attended	Attendance at last AGM
Y. C. Deveshwar	6	Yes
K. N. Grant ¹	NA	NA
A. Singh	6	Yes
K. Vaidyanath	6	Yes
A. Baijal ²	3	Yes
S. Banerjee ³	1	NA
A. V. Girija Kumar ⁴	NA	NA
R. K. Kaul ⁵	4	Yes
S. H. Khan	6	Yes
S. B. Mathur	6	Yes
D. K. Mehrotra	3	Yes
H. G. Powell	5	Yes
P. B. Ramanujam	6	Yes
A. Ruys	3	No
B. Sen	6	Yes
B. Vijayaraghavan	6	Yes

- 1. Appointed Executive Director w.e.f. 20th March, 2010.
- Appointed Director w.e.f. 22nd January, 2010; earlier representing Specified Undertaking of the Unit Trust of India up to 26th August, 2009.
- 3. Appointed Director w.e.f. 4th February, 2010.
- 4. Appointed Director w.e.f. 19th March, 2010.
- 5. Ceased to be Director w.e.f. 19th March, 2010.

COMMITTEES OF THE BOARD

Currently, there are five Board Committees – the Audit Committee, the Compensation Committee, the Investor Services Committee, the Nominations Committee and the Sustainability Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairman. Signed minutes of Board Committee meetings are placed for the information of the Board. Matters requiring the Board's attention / approval are generally placed

in the form of notes to the Board from the respective Committee Chairman. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

I. AUDIT COMMITTEE

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of operations, both domestic and overseas;
- safeguarding of assets and adequacy of provisions for all liabilities:
- reliability of financial and other management information and adequacy of disclosures;
- compliance with all relevant statutes.

The Audit Committee is empowered, pursuant to its terms of reference, inter alia, to:

- investigate any activity within its terms of reference and to seek any information it requires from any employee;
- obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

The role of the Committee includes the following:

- (a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (b) Recommending the appointment and removal of external auditors, fixation of audit fee and approval of payment of fees for any other services rendered by the auditors;
- (c) Reviewing with the management the financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices
 - The going concern assumption
 - Major accounting entries based on exercise of judgement by management



- Significant adjustments arising out of audit
- Compliance with Accounting Standards
- Compliance with Stock Exchange and legal requirements concerning financial statements
- Related party transactions
- Qualifications in draft audit report
- Report of the Directors & Management Discussion and Analysis;
- (d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board;
- (e) Reviewing the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- (f) Reviewing reports of internal audit, including that of wholly owned subsidiaries, and discussion with internal auditors on any significant findings and follow-up thereon;
- (g) Reviewing the findings of any internal investigations by the internal auditors and the executive management's response on matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board:

- (h) Discussion with the external auditors, before the audit commences, on nature and scope of audit, as well as after conclusion of the audit, to ascertain any areas of concern and review the comments contained in their management letter;
- (i) Reviewing the Company's financial and risk management policies;
- (j) Looking into the reasons for substantial defaults, if any, in payment to shareholders (in case of non-payment of declared dividends) and creditors;
- (k) Considering such other matters as may be required by the Board;
- (I) Reviewing any other areas which may be specified as role of the Audit Committee under the Listing Agreement, Companies Act and other statutes, as amended from time to time.

Composition

The Audit Committee presently comprises five Non-Executive Directors, all of whom are Independent Directors. The Director responsible for the Finance function, the Head of Internal Audit and the representative of the Statutory Auditors are Invitees to the Audit Committee. The Head of Internal Audit is the Co-ordinator and the Company Secretary is the Secretary to the Committee. The representative of the Cost Auditors is invited to meetings of the

ITC believes that large corporations which employ a vast quantum of societal resources should ensure that these resources are utilised in a manner that meets stakeholders' aspirations and societal expectations.

This belief is reflected in the Company's deep commitment to contribute to the "triple bottom line", namely the development, nurture and regeneration of the nation's economic, social and environmental capital.



Audit Committee whenever matters relating to cost audit are considered. All members of the Committee are financially literate; two members, including the Chairman of the Committee, have accounting and financial management expertise.

The names of the members of the Audit Committee, including its Chairman, are provided under the section 'Board of Directors & Committees' in the Report and Accounts.

Meetings and Attendance

Details of Audit Committee Meetings during the financial year

During the financial year ended 31st March, 2010, nine meetings of the Audit Committee were held, as follows:

SI. No.	Date	Committee Strength	No. of Members present
1	2nd April, 2009	4	4
2	15th May, 2009	4	4
3	22nd May, 2009	4	4
4	25th June, 2009	4	4
5	23rd July, 2009	4	4
6	1st October, 2009	4	3
7	23rd October, 2009	4	4
8	14th December, 2009	4	3
9	22nd January, 2010	4	3

Attendance at Audit Committee Meetings during the financial year

Director	No. of meetings attended
S. B. Mathur	9
A. Baijal ¹	NA
A. V. Girija Kumar ¹	NA
R. K. Kaul ²	6
P. B. Ramanujam	9
B. Vijayaraghavan	9

^{1.} Appointed Member w.e.f. 19th March, 2010.

II. REMUNERATION COMMITTEE

The Remuneration Committee of the Board, under the nomenclature 'Compensation Committee', inter alia, recommends to the Board the compensation terms of Executive Directors and the seniormost level of management immediately below the Executive Directors. This Committee also has the responsibility for administering the Employee Stock Option Schemes of the Company.

Composition

The Compensation Committee presently comprises five Non-Executive Directors, four of whom are Independent Directors. The Chairman of the Committee is a Non-Executive Independent Director.

The names of the members of the Compensation Committee, including its Chairman, are provided under the section 'Board of Directors & Committees' in the Report and Accounts.

Meetings and Attendance

Details of Compensation Committee Meetings during the financial year

During the financial year ended 31st March, 2010, three meetings of the Compensation Committee were held, as follows:

SI. No.	Date	Committee Strength	No. of Members present
1	23rd July, 2009	4	4
2	24th July, 2009	4	4
3	21st January, 2010	4	4

Attendance at Compensation Committee Meetings during the financial year

Director	No. of meetings attended
S. H. Khan	3
A. Baijal ¹	NA
S. B. Mathur	3
H. G. Powell	3
B. Sen	3

^{1.} Appointed Member w.e.f. 19th March, 2010.

^{2.} Ceased to be Member w.e.f. 19th March, 2010.



AGM Details

Date	Friday, 23rd July, 2010
Venue	Science City Main Auditorium JBS Haldane Avenue Kolkata 700 046
Time	10.30 a.m.
Book Closure Dates	Friday, 11th June, 2010 to Friday, 18th June, 2010 (both days inclusive)
Dividend Payment Date	Monday, 26th July, 2010

Registrar & Share Transfer Agents

The in-house Investor Service Centre of the Company (ISC) provides share registration and other related services. The Company is registered with SEBI as Category II Share Transfer Agent. During the year, the ISO Quality Management System Certification for ISC for investor servicing was upgraded from ISO 9001: 2000 to ISO 9001: 2008.

Shareholder Satisfaction Survey

In the Shareholder Satisfaction Survey conducted during the year, investors expressed a high degree of satisfaction with the services provided by ISC.

Share and Debenture Transfer Committee

The Share and Debenture Transfer Committee of the Company generally meets every week for approving share transfers. The processing activities with respect to requests received for share transfers are generally completed within three working days from the date of receipt of request. There were no share transfers pending as on 31st March, 2010. The Committee met forty-eight times during the financial year.

The Committee comprises the following:

Company Secretary

K. Vaidyanath, Executive Director - ChairmanB.B. Chatterjee, Executive Vice President & - Member

K.S. Suresh, General Counsel - Member

A. Bose, Deputy Secretary and Head of ISC, is the Secretary to the Committee and is also the Compliance

Officer under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

Shareholder / Investor Complaints

The Company attends to Shareholder / Investor complaints and other correspondence generally within a period of five working days except where constrained by disputes or legal impediments. There are some pending cases relating to disputes over title to Shares in which the Company has been made a party. These cases however are not material in nature.

The Company received just one complaint relating to non-receipt of share certificates during the financial year ended 31st March, 2010. The said complaint has been resolved.

The e-mail ID earmarked for investor complaints: isc@itc.in

Dematerialisation of Shares and Liquidity

The Shares of the Company are required to be traded in the dematerialised form and are available for trading under both the Depository Systems in India – NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's Shares under the Depository System is INE154A01025. The annual custody fee for the financial year 2010-11 has been paid to NSDL and CDSL, the Depositories.

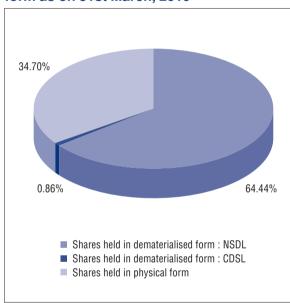
During the year, 84,23,357 Shares of the Company, covered in 2,848 requests and constituting 0.22% of the issued and subscribed Share Capital of the Company, were dematerialised. As on 31st March, 2010, 2,49,33,12,183 Shares of the Company constituting 65.30% of the issued and subscribed Share Capital stand dematerialised. The processing activities with respect to requests received for dematerialisation are generally completed within one working day.

The Company's Shares are among the most liquid and actively traded shares on the Indian Stock Exchanges and consistently rank among the top frequently traded shares, both in terms of number of shares traded as well as in terms of value. The Company's market capitalisation for the first time crossed Rs. 1,00,000 crores during the year and stood at Rs. 1,00,437 crores on 31st March, 2010.

Distribution of Shareholding as on 31st March, 2010

No. of Shares		No. of Sha	areholders				No. of Share	S		
Slab	Physical	Demat	Total	%	Physical	%	Demat	%	Total	%
1 - 5000	41,507	2,78,084	3,19,591	94.17	4,29,11,633	1.13	11,85,38,562	3.10	16,14,50,195	4.23
5001 - 10000	2,880	7,518	10,398	3.06	2,10,86,220	0.55	5,46,87,066	1.44	7,57,73,286	1.99
10001 - 20000	1,153	3,992	5,145	1.52	1,58,94,019	0.42	5,59,88,189	1.46	7,18,82,208	1.88
20001 - 30000	452	1,329	1,781	0.52	1,10,64,715	0.29	3,26,29,225	0.86	4,36,93,940	1.15
30001 - 40000	147	506	653	0.19	50,90,295	0.13	1,75,46,266	0.46	2,26,36,561	0.59
40001 - 50000	85	375	460	0.14	37,84,350	0.10	1,69,33,405	0.44	2,07,17,755	0.54
50001 - 100000	85	563	648	0.19	58,04,965	0.15	3,82,75,418	1.00	4,40,80,383	1.15
100001 and above	45	662	707	0.21	1,21,92,28,410	31.93	2,15,87,14,052	56.54	3,37,79,42,462	88.47
Total	46,354	2,93,029	3,39,383	100.00	1,32,48,64,607	34.70	2,49,33,12,183	65.30	3,81,81,76,790	100.00

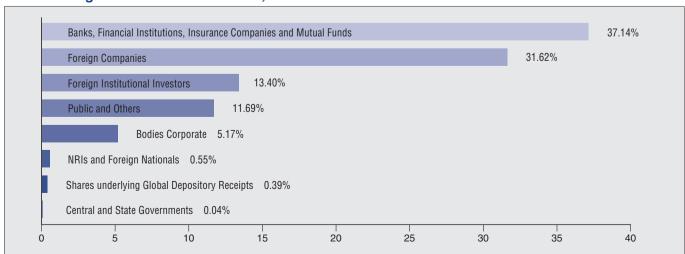
Shares held in Physical and Dematerialised form as on 31st March, 2010



Categories of Shareholders as on 31st March, 2010

Sategories of Shareholders as off 31st march, 2010						
Category	No. of Shares held	%				
(A) Institutional Shareholding						
Banks, Financial Institutions, Insurance Companies and Mutual Funds	1,41,81,87,984	37.14				
Foreign Institutional Investors	51,17,14,478	13.40				
Central and State Governments	15,18,140	0.04				
Sub-Total (A)	1,93,14,20,602	50.58				
(B) Non-Institutional Shareholding						
Foreign Companies	1,20,73,51,692	31.62				
NRIs and Foreign Nationals	2,09,23,062	0.55				
Bodies Corporate	19,75,71,154	5.17				
Public and Others	44,62,09,296	11.69				
Sub-Total (B)	1,87,20,55,204	49.03				
Public Shareholding (A+B)	3,80,34,75,806	99.61				
Shares underlying Global Depository Receipts	1,47,00,984	0.39				
Total	3,81,81,76,790	100.00				

Shareholding Pattern as on 31st March, 2010





Top Ten Shareholders as on 31st March, 2010

SI. No.	Name of the Shareholder	No. of Shares held	%
1	Tobacco Manufacturers (India) Limited	99,27,82,440	26.00
2	Life Insurance Corporation of India	52,37,99,168	13.72
3	Specified Undertaking of the Unit Trust of India	44,83,60,545	11.74
4	Myddleton Investment Company Limited	16,21,03,980	4.25
5	The New India Assurance Company Limited	8,55,21,835	2.24
6	General Insurance Corporation of India	7,33,67,104	1.92
7	The Oriental Insurance Company Limited	7,06,15,780	1.85
8	National Insurance Company Limited	6,57,61,110	1.72
9	ICICI Prudential Life Insurance Company Limited	5,30,66,676	1.39
10	Rothmans International Enterprises Limited	5,16,51,630	1.35

Global Depository Receipts

Pursuant to the offer of Global Depository Receipts (GDRs) made by the Company in 1993, 1,47,00,984 GDRs, representing 1,47,00,984 underlying Shares of the Company i.e. 0.39% of the issued and subscribed Share Capital, were outstanding as on 31st March, 2010.

The Company's GDRs are listed on the Luxembourg Stock Exchange (Code: 004660919) at Societe de la Bourse de Luxembourg, 11, av de la Porte-Neuve, L-2227 Luxembourg. The Listing Fee for the calendar year 2010 has been paid.

Listing of Shares on Stock Exchanges with Stock Code

Stock Exchange	Stock Code
National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (E) Mumbai 400 051 Telephone nos.: 022-2659 8100/14 Facsimile no.: 022-2659 8120 e-mail: ignse@nse.co.in website: www.nseindia.com	ITC
Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street Mumbai 400 001 Telephone nos.: 022-2272 1233/34 Facsimile no.: 022-2272 1919 e-mail: is@bseindia.com website: www.bseindia.com	500875
The Calcutta Stock Exchange Ltd. 7, Lyons Range Kolkata 700 001 Telephone nos.: 033-2210 4470/77 Facsimile no.: 033-2210 2210 e-mail: cseisc@cse-india.com website: www.cse-india.com	10000018

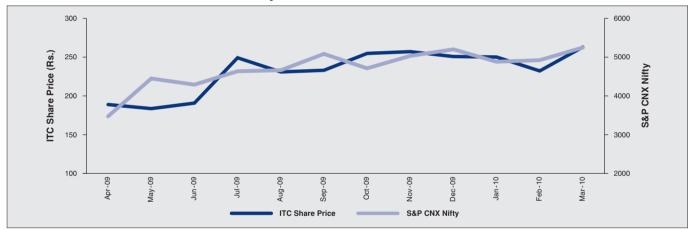
Stock Exchange	Reuters Code	Bloomberg
National Stock Exchange of India Ltd.	ITC.NS	ITC IS
Bombay Stock Exchange Ltd.	ITC.BO	ITC IB

The Listing Fee for the financial year 2010-11 has been paid to the Stock Exchanges.

Monthly High and Low Quotes and Volume of Shares traded on National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Calcutta Stock Exchange (CSE) and GDRs on Luxembourg Stock Exchange (LSE)

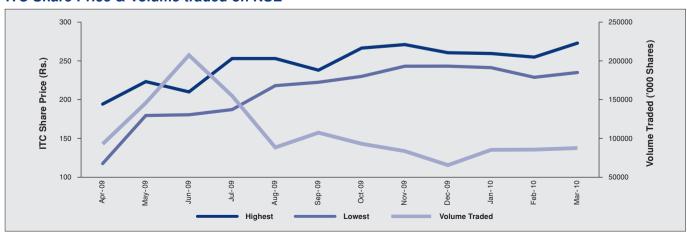
	NSE		BSE		CSE			LSE				
Year & Month	High (Rs.)	Low (Rs.)	Volume in 000's (Nos.)	High (Rs.)	Low (Rs.)	Volume in 000's (Nos.)	High (Rs.)	Low (Rs.)	Volume in 000's (Nos.)	High (US\$)	Low (US\$)	Volume in 000's (Nos.)
2009 APRIL	194.25	177.50	9,27,80	194.80	177.60	1,19,02	Nil	Nil	Nil	3.82	3.60	Nil
MAY	223.25	179.55	14,57,95	209.00	179.35	1,53,86	196.00	182.60	12	4.17	3.76	Nil
JUNE	210.00	180.50	20,73,53	209.70	180.25	2,92,39	199.00	191.20	6	4.39	3.95	20
JULY	253.00	187.20	15,48,43	252.25	187.20	2,61,16	239.00	227.90	1	5.23	4.00	7
AUGUST	253.00	218.05	8,83,60	252.00	218.00	1,12,93	Nil	Nil	Nil	5.23	4.41	1
SEPTEMBER	238.00	222.40	10,73,97	237.90	223.00	1,14,64	232.55	232.50	Nil	4.90	4.55	46
OCTOBER	266.50	230.00	9,30,63	267.90	230.00	1,15,47	Nil	Nil	Nil	5.66	4.86	8
NOVEMBER	271.00	243.10	8,36,31	271.30	244.00	99,99	264.50	264.45	Nil	5.81	5.24	Nil
DECEMBER	260.50	243.20	6,55,42	260.40	232.00	76,34	256.90	245.30	27	5.57	5.21	Nil
2010 JANUARY	259.50	241.25	8,52,57	259.60	241.50	99,84	255.40	247.50	8	5.64	5.30	Nil
FEBRUARY	254.85	228.80	8,55,65	254.65	229.00	77,74	250.10	246.40	21	5.49	4.80	2
MARCH	272.90	235.00	8,75,67	272.70	232.00	1,20,01	264.75	236.35	34	5.96	5.03	29

ITC Share Price vis-à-vis S&P CNX Nifty



Note - Indicates monthly closing positions.

ITC Share Price & Volume traded on NSE



Note - Indicates monthly high & low price and monthly volume.



Dividend History (Last 10 Years)

Financial Year	Dividend per Share (Rs.)	Total Dividend (Rs. in Crores)
2009-10	10.00*	3818.18*
2008-09	3.70	1396.53
2007-08	3.50	1319.02
2006-07	3.10	1166.29
2005-06	2.65 **	995.12 **
2004-05	31.00#	773.25
2003-04	20.00#	495.36
2002-03	15.00#	371.27
2001-02	13.50#	334.14
2000-01	10.00#	245.41

^{*} Subject to approval of Members. Includes special Centenary Dividend of Rs.5.50 per Share.

Financial Calendar

Financial Year 2010-11								
1	First Quarter Results	July 2010						
2	Second Quarter and Half-Year Results	October 2010						
3	Third Quarter Results	January 2011						
4	Fourth Quarter and Annual Results	May 2011						

Particulars of past three AGMs

1		•				
	AGM	Financial Year	Venue	Date	Time	Special Resolutions passed
	98th	2008-09	Science City Main Auditorium JBS Haldane Avenue Kolkata 700 046	24/07/2009		Appointment of Auditors.
	97th	2007-08		30/07/2008	10.30 a.m.	 Appointment of Auditors. Payment of commission to Non-Executive Directors.
	96th	2006-07	Nomata 700 040	27/07/2007		Appointment of Auditors.

Postal Ballot

No special resolution requiring a postal ballot was proposed last year. No special resolution requiring a postal ballot is being proposed for the ensuing AGM.

^{**} On expanded Share Capital arising out of issue of Bonus Shares in the ratio of 1:2.

[#] On face value of Rs.10/- per Share.



Shareholder Referencer

Unclaimed Dividend

Unclaimed dividend for the years prior to and including the financial year 2001-02 has been transferred to the General Revenue Account of the Central Government / the Investor Education and Protection Fund established by the Central Government (IEPF), as applicable.

Shareholders who have not encashed their dividend warrants relating to financial year(s) up to and including 1993-94 may claim such dividend (transferred to the General Revenue Account) from the Registrar of Companies, West Bengal, Government of India, Nizam Palace, II MSO Building, 2nd Floor, 234/4 A.J.C. Bose Road, Kolkata 700 020, in the prescribed form. This form can be furnished by the Investor Service Centre of the Company (ISC) on request or can be downloaded from the Company's corporate website www.itcportal.com under the section 'Investor Relations'.

The dividend for the undernoted years, if unclaimed / unpaid for 7 years, will be transferred by the Company to IEPF in accordance with the schedule given below. Communication has been sent by the Company to the concerned Shareholders advising them to write to ISC with respect to unclaimed / unpaid dividend. Attention is drawn that the unclaimed dividend for the financial year 2002-03 will be due for transfer to IEPF on 30th August, 2010.

Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

ITC Limited

Financial Year	Dividend Identification No.	Date of Declaration of Dividend	Total Dividend (Rs.)	Unclaimed Dividend as on 31/03/2010		Due for transfer to IEPF on
				(Rs.)	%	
2002-03	73rd	25th July, 2003	3,71,26,78,290.00	2,13,28,800.00	0.57	30th August, 2010*
2003-04	74th	30th July, 2004	4,95,35,77,020.00	2,72,62,500.00	0.55	4th September, 2011
2004-05	75th	29th July, 2005	7,73,24,56,356.00	4,19,54,783.00	0.54	3rd September, 2012
2005-06	76th	21st July, 2006	9,95,12,91,267.00	5,79,56,063.00	0.58	26th August, 2013
2006-07	77th	27th July, 2007	11,66,29,29,029.00	7,64,10,164.00	0.66	1st September, 2014
2007-08	78th	30th July, 2008	13,19,01,73,540.00	8,36,71,407.00	0.63	4th September, 2015
2008-09	79th	24th July, 2009	13,96,53,10,312.00	9,32,42,325.00	0.67	29th August, 2016

^{*}It will not be possible to entertain claims received by ISC after 27th August, 2010.

Erstwhile ITC Hotels Limited

Financial Year	Date of Declaration of Dividend	Total Dividend (Rs.)	Unclaimed Dividend as on 31/03/2010		Due for transfer to IEPF on
			(Rs.)	%	
2003-04	14th July, 2004	6,04,32,984.00	6,89,499.00	1.14	18th August, 2011

Bank Details

Shareholders holding Shares in the physical form are requested to notify / send the following to ISC to facilitate better servicing:

- i) any change in their address / mandate / bank details, and
- ii) particulars of the bank account in which they wish their dividend to be credited, in case the same have not been furnished earlier.

Shareholders are advised that respective bank details as furnished by them or by NSDL / CDSL to the Company, for Shares held in the physical form and in the dematerialised form respectively, will be printed on dividend warrants as a measure of protection against fraudulent encashment.

In the event Shareholders wish to receive dividend in a bank account other than the one specified by them while opening their Depository Account, they may advise the same to their Depository Participants (DPs) furnishing complete details of such bank account including the MICR code.



Shareholder Referencer

Permanent Account Number (PAN)

Shareholders holding Shares in the physical form are advised that SEBI has made it mandatory that copy of PAN Card is to be furnished in the following cases:

- i) Transferees' PAN Cards for transfer of shares,
- ii) Surviving joint holders' PAN Cards for deletion of name of deceased shareholder,
- iii) Legal heirs' PAN Cards for transmission of shares,
- iv) Joint holders' PAN Cards for transposition of shares.

Remittance of Dividend through Electronic Clearing

The facility for payment of dividend through Electronic Clearing Service (ECS) / National Electronic Clearing Service (NECS) was extended in 2009 to Shareholders at 77 locations.

The facility for remittance of dividend through ECS has now been replaced with NECS by Reserve Bank of India. The Company will accordingly be providing the facility for remittance of dividend through NECS to Shareholders at various locations, including the following:

Agra, Ahmedabad, Allahabad, Amritsar, Asansol, Aurangabad, Belgaum, Bengaluru, Bhilwara, Bhopal, Bhubaneshwar, Bijapur, Burdwan, Calicut, Chandigarh, Chennai, Coimbatore, Davangere, Dehradun, Delhi, Dhanbad, Durgapur, Ernakulam, Erode, Gadag, Gorakhpur, Guwahati, Gwalior, Haldia, Hubli, Hyderabad, Indore, Jabalpur, Jaipur, Jalandhar, Jammu, Jamnagar, Jamshedpur, Jodhpur, Kakinada, Kanpur, Kochi, Kolhapur, Kolkata, Lucknow, Ludhiana, Madurai, Mangalore, Mumbai, Mysore, Nagpur, Nashik, Nellore, Panaji, Patna, Puducherry, Pune, Raipur, Rajkot, Ranchi, Salem, Shimla, Shimoga, Siliguri, Solapur, Surat, Thiruvananthapuram, Tiruchirapalli, Tirupati, Tirupur, Trichur, Udaipur, Udupi, Vadodara, Varanasi, Vijayawada and Visakhapatnam.

Shareholders holding Shares in the physical form, who wish to avail the NECS facility, may send their mandate in the prescribed form to the Company, in the event they have not done so earlier. The NECS mandate form can be furnished by ISC on request or can be downloaded from the Company's corporate website www.itcportal.com under the section 'Investor Relations'.

Nomination Facility

Shareholders who hold Shares in the physical form and wish to make any nomination / change nomination made earlier in respect of their shareholding in the Company, may submit to ISC the prescribed Form 2B. This Form can be furnished by ISC on request or can be downloaded from the Company's corporate website www.itcportal.com under the section 'Investor Relations'.

Mumbai 400 001

Depository Services

Shareholders may write to the respective Depository or to ISC for guidance on depository services.

Address for Correspondence with Depositories

National Securities Depository Limited
Trade World, 'A' Wing, 4th Floor
Kamala Mills Compound

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 17th Floor
Dalal Street, Fort

Senapati Bapat Marg, Lower Parel

Mumbai 400 013

Telephone no. : 022-2499 4200 Telephone no. : 022-2272 3333 Facsimile no. : 022-2497 6351 Facsimile no. : 022-2272 3199

e-mail : info@nsdl.co.in e-mail : investors@cdslindia.com website : www.nsdl.co.in website : www.cdslindia.com

Address for Correspondence with ISC

Investor Service Centre ITC Limited 37 Jawaharlal Nehru Road

Kolkata 700 071

India

Telephone nos. : 033-2288 6426 / 2288 0034

Facsimile no. : 033-2288 2358 e-mail : isc@itc.in website : www.itcportal.com

Shareholders holding Shares in the dematerialised form should address their correspondence to their respective DPs, other than for dividend and Report and Accounts which should be addressed to ISC.

In all correspondence with ISC, to facilitate prompt response, account numbers / DP ID & Client ID numbers are required to be furnished. Shareholders are requested to also provide their e-mail address and telephone / fax numbers.