



ITC Limited
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29th January, 2024

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,

Unaudited Financial Results – Media Statement and Presentation

Further to our letter dated 29th January, 2024 forwarding the Unaudited Financial Results of the Company for the Quarter and Nine Months ended 31st December, 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
U.S.A.

cc: Societe de la Bourse de Luxembourg
35A Boulevard Joseph II
L-1840 Luxembourg



ITC Limited
Virginia House
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Media Statement

January 29, 2024

Standalone Financial Results for the Quarter ended 31st December, 2023

Highlights

- **Board recommends Interim Dividend of Rs. 6.25 per share for the Financial Year ending 31st March, 2024**
- **Gross Revenue up 2.1% YoY; PAT at Rs. 5,572 crores, up 10.8% YoY**
 - Gross Revenue (ex-Agri Business) +3.9% YoY; 2-yr CAGR +10.5%
- **Resilient performance in FMCG – Others amidst subdued demand conditions; Segment Revenue up 7.6% YoY on a high base; 2-yr CAGR @ 12.8%**
 - Staples, Dairy, Beverages, Fragrances, Personal Wash, Homecare, Agarbattis and Notebooks drive growth
 - Segment EBITDA margin expanded 100 bps YoY to 11.0%; Segment PBIT up 24.1% YoY.
- **Cigarettes Segment witnesses consolidation on a high base after a period of sustained growth momentum; Net Segment Revenue and Segment PBIT up 2.3% YoY**
 - 2-yr CAGR: Net Segment Revenue +9.3%, Segment PBIT +9.4%
 - Market standing reinforced through focused portfolio/market interventions & agile execution
 - Differentiated and premium offerings continued to perform well
 - Sustained volume claw back from illicit trade on the back of deterrent actions by enforcement agencies and relative stability in taxes.
- **Best ever quarter for the Hotels Segment; Segment Revenue and PBIT up 18% and 57% YoY respectively**
 - Segment EBITDA margin up 470 bps YoY to 36.2% driven by higher RevPARs, structural cost interventions and operating leverage
 - Demerger update: The Stock Exchanges have given their no-objection to the Scheme of Arrangement for demerger.
- **Agri Business Segment impacted by trade restrictions on agri commodities (-2.2% YoY); Revenue +14.2% YoY (excl. Wheat & Rice)**
 - Geopolitical tensions and climate emergencies have led to concerns over food security and food inflation globally. To ensure India remains food secure, Government has had to impose trade restrictions on agri commodities; consequently limiting business opportunities for the Agri Business. The Company continues to engage with farmers to build resilience in agrarian practices against extreme weather events; the Company's Climate Smart Agriculture programme covers over 23 lakh acres and about 7.5 lakh farmers in the country
 - Strong customer relationships and agile execution in Leaf Tobacco & Value Added Agri products continue to drive growth in these categories
 - The state-of-the-art facility¹ to manufacture and export Nicotine and Nicotine derivative products has been commissioned; export shipments expected to commence from Q4 FY24.
- **Paperboards, Paper and Packaging Segment remains impacted by low priced Chinese supplies in global markets, muted domestic demand, surge in wood cost and high base effect**
 - Global demand remains subdued; domestic demand recovery slows post-festive season
 - Subdued realisations and surge in domestic wood prices exerted pressure on margins; structural advantages of the integrated business model, Industry 4.0 initiatives, strategic investments in High Pressure Recovery Boiler and proactive capacity augmentation in Value Added Paperboards aided in partly mitigating pressure on margins
 - Record high production of in-house chemical pulp leveraging recent capacity expansion
 - Capacity utilisation of Nadiad packaging and printing unit in Gujarat progressively ramped up.
 - The state-of-the-art premium Moulded Fibre Products manufacturing facility² is expected to be commissioned shortly.

¹ Set up by ITC IndiVision Ltd. - a wholly owned subsidiary of the Company

² Being set up by ITC Fibre Innovations Limited - a wholly owned subsidiary of the Company

The global economy remains sluggish with the pace of growth projected to decelerate for the third year in a row - from 2.6% in 2023 to 2.4% in 2024, nearly 75 bps below the average of the 2010s. Developing economies are projected to grow just 3.9% representing about 100 bps below the average of the previous decade, largely due to structural weakness in the Chinese economy. In Advanced economies, growth is set to slow to 1.2% in 2024 from 1.5% in 2023 (source: World Bank GEP Jan'24). The recent conflict in the Middle East has heightened geopolitical risks, and an escalation could weigh on growth even as the global economy continues to cope with the overlapping shocks of the past four years—the COVID-19 pandemic, the Russia-Ukraine conflict, unprecedented inflation, and subsequent sharp increase in interest rates.

India remains a bright spot amidst a slowing global economy with Real GDP growing by an impressive 7.6% YoY in Q2 FY24. This was driven by multi-dimensional and purposeful policy interventions by the Government of India with particular focus on infrastructure creation, which, inter alia, reflected in the strong growth of 11% YoY in Fixed Investments. Private Consumption, on the other hand, remained muted (especially in the value segment and rural markets), growing by only 3.1% YoY well below the long-term average of about 7% p.a. Improving farm terms of trade, good recovery in winter crop sowing, and higher government spending augur well for a pick-up in rural demand going forward.

Amidst a challenging macro-economic and operating environment as stated above, and high base effect in some of its operating segments, the Company delivered resilient performance during the quarter. Gross Revenue stood at Rs. 17,483 crores representing a growth of 2.1% YoY (excl. Agri Business: up 3.9%) while PBT (before exceptional items) at Rs. 6,731 crores grew by 0.8% YoY. PAT grew by 10.8% YoY to Rs. 5,572 crores. Earnings Per Share for the quarter stood at Rs. 4.47 (previous year Rs. 4.06).

Exceptional items represent expenses aggregating Rs. 5.52 crores incurred during the quarter and nine months ended 31st December, 2023 in relation to the demerger of the Company's Hotels Business into ITC Hotels Limited.

The Company has reassessed its provisions relating to uncertain tax positions for earlier years based on a favourable order of the Hon'ble Supreme Court received during the quarter. This has resulted in a credit of Rs. 468.44 crores in the Current Tax expense for the quarter and nine months ended 31st December, 2023.

The Board of Directors have recommended Interim Dividend of Rs. 6.25 per share (previous year Rs. 6.00 per share) for the financial year ending 31st March, 2024.

With its focus on consumer centricity, purposeful innovation, agility, and execution excellence, the Company remains confident of navigating the short-term challenges and creating sustained value for all stakeholders.

FMCG – OTHERS

- **The FMCG Businesses continue to deliver resilient performance with Segment Revenue growing 7.6% YoY to Rs. 5,209 crores on a high base (2-yr CAGR +12.8%); Segment EBITDA margins expanded 100 bps YoY to 11%.**
 - The FMCG Businesses delivered resilient performance amidst slowdown in consumer demand; Staples, Dairy, Beverages, Fragrances, Personal Wash, Homecare, Agarbattis, Classmate Notebooks & Pens drive growth.
 - Growth in both traditional and emerging channels (viz. Modern Trade, e-Commerce, Quick Commerce) continued to be driven by sharp execution of channel-specific business plans, collaborations, format-based assortments and category-specific sell-out strategies. Competitive intensity remained high in certain categories such as Biscuits, Snacks, Noodles, popular Soaps, including from local/regional players.
 - Strategic portfolio augmentation leveraging agile and purposeful innovation continues to be stepped up towards addressing evolving consumer needs and accelerating premiumisation.
 - While certain commodity prices declined on a YoY basis, the cost table remains elevated compared to pre-pandemic levels; commodities such as wheat, maida, sugar etc. witnessed sequential uptick in prices. The Businesses continue to drive profitability improvement through multi-pronged interventions viz. premiumisation, supply chain optimisation, digital initiatives across the value chain, strategic cost management and judicious pricing actions.
 - The Company's Trade Marketing & Distribution highway has transformed into a smart omni-channel network including 6 Direct to Consumer (D2C) platforms. Category specific D2C platforms viz. Classmateshop.com, Dermafique.com and Aashirvaad.com/Meri Chakki are being scaled up to gain consumer insights, as well as commerce. These initiatives continue to receive encouraging consumer response.
 - The Company's digitally powered eB2B platform, UNNATI app (now also available in several vernacular languages) covers over 6.4 lakh outlets, facilitating sharp and direct engagement with retailers, superior analytics, personalised recommendations of hyperlocal baskets based on consumer purchase insights, and deeper brand engagement.

➤ **Branded Packaged Foods Businesses**

- ‘**Aashirvaad’ Atta** posted robust growth reinforcing its leadership position in the Branded Atta industry
 - Value-added atta range sustained its strong growth momentum driven by increased thrust in Modern Trade and e-Commerce channels.
 - In line with its strategy to address value-added adjacencies leveraging mother brands, the Aashirvaad portfolio was augmented with the launch of ‘Aashirvaad Atta with Millets’ and ‘Aashirvaad Millet Batter Mix’, which contain the benefits of super grains like Jowar, Bajra, Ragi, Quinoa and Navane, and are naturally gluten free and a source of essential nutrients. These products have received excellent response and continue to gain consumer franchise in launch markets. Other value-added differentiated variants such as ‘Gluten Free Flour’, ‘Ragi Flour’, Rava (‘Aashirvaad Samba Broken Wheat’, ‘Aashirvaad Bansi Rava’ and ‘Aashirvaad Double Roasted Suji Rava’), ‘Aashirvaad Organic Dals’, ‘Aashirvaad Besan’ and ‘Aashirvaad Vermicelli’ continued to scale up.
 - ‘**Sunfeast’ Biscuits and Cakes** recorded resilient performance during the quarter with scale up of recent launches such as ‘Sunfeast Supermilk’ in Tamil Nadu and strong growth of the ‘Mom’s Magic’ cookies range. The ‘Sunfeast Dark Fantasy’ range of differentiated cookies sustained its leadership position in the premium segment. Portfolio mix was further enriched with the launch of ‘Sunfeast Dream Crème – Cookie & Crème’ and ‘Bounce Day & Night’.
 - ‘**YiPPee! Noodles** sustained its position as a strong No. 2 brand amidst increasing competitive intensity. ‘YiPPee! Magic with Millets’, a recently launched variant, is being scaled up. The portfolio was enhanced with the introduction of ‘YiPPee! Wow Masala’, which witnessed excellent consumer response in launch markets. In line with its purpose of creating ‘A Better World’, the brand launched the ‘YiPPee! Better World: Create Magic’ initiative in partnership with the Times of India to convert post-consumption plastic waste to playground equipment for parks in Delhi-NCR, Mumbai, Bengaluru and Kolkata.
 - ‘**Bingo! Snacks** continued to strengthen its product portfolio across an exciting range of snacks and namkeens, with a focus on the target cohort i.e. youth segment. Recently launched variants viz. ‘Bingo! Nachos Chilli Limon’ and millet-based ‘Bingo! Tedhe Medhe Chatpata Twist’ have been well received by consumers and are being scaled up. The portfolio was further strengthened with the launch of ‘Bingo! 2X Hot and Spicy Korean-Style chips’ in 3 sizzling variants - Original, Hot & Spicy, and Hashtag, blending the essence of fiery Korean spices with Bingo!’s classic crunch.
 - In the **Spices** category, ‘**Sunrise**’ posted robust growth during the quarter. Product portfolio was fortified with the launch of ‘Sunrise Restaurant Magic Masala’ and ‘Sunrise Yellow Mustard Powder’. In line with its strategy to expand presence in new markets, the Business launched a range of spices, ‘Swaad Bihar Ka’ catering to the taste and preferences of consumers in Bihar. ‘**Aashirvaad Spices**’ continues to enhance its presence in blended spices to enable full portfolio play.
 - The Frozen Snacks category under the ‘**ITC Master Chef**’ brand delivered robust growth, powered by a range of innovative and differentiated offerings. Recently launched variants such as ‘ITC Master Chef Paneer Pakoda’, ‘ITC Master Chef Batata Vada’ and ‘ITC Master Chef Crispy Onion Rings’ continue to gain strong traction.
 - ‘**Aashirvaad Svasti**’ fresh dairy portfolio comprising pouch milk, curd, lassi and paneer recorded strong growth on the back of best-in-class quality standards, differentiated products and superior taste profile. ‘Aashirvaad Mithaas’ range of Indian desserts was further augmented with the launch of ‘Badam Halwa’ and ‘Moong Dal Halwa’, which elicited excellent consumer response.
- In the **Personal Care Products Business**, ‘Fiama’ range of personal wash products and ‘Engage’ range of fragrances registered strong growth fuelled by sharp communication and consumer engagement, wider distribution and emerging channels. In the Homecare portfolio, Nimyle posted robust growth on the back of its unique proposition of ‘100% Natural Action’ and hygienic floors for children and pets. The product range of ‘Dermafique’, a Digital First premium skin care brand, was expanded with the launch of Shower Mousse in 2 variants - Aqua Cloud and Hydra Soft with Natural Moisturizing Factor Technology which provides 24 hour hydrated and moisturised skin.
- In the **Education and Stationery Products Business**, ‘Classmate’ Notebooks fortified its leadership position with continued focus on portfolio premiumisation, exports and leveraging institutional strengths. The premium portfolio comprising ‘Paperkraft’, ‘Classmate Pulse’ and ‘Classmate Interaktiv’ continued to scale up. Business launched ‘Classmate Play Series’ Notebooks in Classmate Interaktiv featuring 3 collectible cover design variants. Further, ‘Paperkraft’ range of Expression Series was augmented with the launch of new theme based A5 notebooks.

- ‘**Mangaldeep’ Agarbattis and Dhoop** recorded robust growth during the quarter anchored on a range of differentiated products and enhanced visibility. The portfolio was fortified with the launch of ‘Mangaldeep Scent’ in 3 variants.

FMCG – CIGARETTES

The Cigarettes Business witnessed consolidation on a high base after a period of sustained growth momentum. 2-yr CAGR: Net Segment Revenue +9.3%, Segment PBIT +9.4%

- 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.
- Differentiated variants and premium segment continue to perform well.
- Sharp escalation in costs of leaf tobacco and certain other inputs, along with increase in taxes were largely mitigated through improved mix, strategic cost management and calibrated pricing.
- As seen in the past, stability in taxes on cigarettes, backed by deterrent actions by enforcement agencies, enables volume recovery for the legal cigarette industry from illicit trade leading to higher demand for Indian tobaccos and bolstering revenue to the exchequer from the tobacco sector.

HOTELS

Stellar performance in Hotels Business continues with record highs in Revenue and Profits; Segment Revenue up 18.2% YoY (2-yr CAGR +33%); Segment PBIT up 57.1% YoY

- Strong growth in ARRs and Occupancies witnessed across properties driven by retail, MICE segments and marquee events like the ICC Cricket World Cup
 - Strategic investments towards renovations and refurbishments continue in line with the commitment to deliver exceptional quality and seamless experience across properties.
- Segment EBITDA margin expanded by 470 bps YoY to 36.2% driven mainly by higher RevPAR, operating leverage and strategic cost management initiatives.
- Welcomhotel Chennai has been reopened in January 2024 after a comprehensive renovation; the iconic property brings back signature dining experiences, well-appointed rooms and grander banquets. The property is certified as a LEED Platinum and LEED Zero Carbon hotel.
- In line with its ‘asset-right’ strategy, the Business added three new properties during the quarter viz. ‘Fortune Park, Aligarh’, ‘Fortune Park, Tiruppur’ & ‘Fortune Park East Delhi, Vivek Vihar’. With this, the Business has added 22 properties to its portfolio in the last 24 months. The pipeline of managed properties continues to be strengthened across Welcomhotel, Mementos, Storii, Fortune and WelcomHeritage brands.
- The Business has been recognised as the Best Luxury Hotel Chain in India at the Travel + Leisure India’s Best Awards 2023 for the seventh consecutive year.

AGRI BUSINESS

Agri Business Revenue grew by 14.2% YoY (excl. Wheat & Rice) driven by Value Added Agri products & Leaf Tobacco

- The operating environment remained challenging due to various policy interventions of the Government of India to ensure food security and control inflation which limited business opportunities for the Agri Business.
- Capacity utilisation of the recently commissioned state-of-the-art value-added Spices processing facility in Guntur was ramped up. The Business is leveraging the facility’s multi-dimensional capabilities, its identity-preserved sourcing expertise, custody of supply chain and strong customer relationships to rapidly grow export of spices to Food Safe Markets.
- The state-of-the-art facility (set up by IIVL, a wholly-owned subsidiary of the Company) to manufacture and export Nicotine and Nicotine derivative products has been commissioned. Regulatory approvals to commence shipments to the EU are in place, with exports expected to commence in Q4 FY24. The distinctive capabilities of the Company’s Agri Business in crop development and the ability to provide complete traceability & assurance of sustainability across the value chain, will enable establishing IIVL as the trusted partner for supplying high quality nicotine/nicotine derivative products to discerning customers.

- ITCMAARS (Metamarket for Advanced Agriculture and Rural Services) – a crop-agnostic ‘phygital’ full stack AgriTech platform has been scaled up across nine states. Over 1600 Farmer Producer Organisations (FPOs) encompassing more than 11.4 lac farmers have been added to the Company’s network.

PAPERBOARDS, PAPER & PACKAGING

The Segment remains impacted by low-priced Chinese supplies in global markets, muted domestic demand, unprecedented increase in domestic wood costs and high base effect; Segment Revenue declined 9.7% YoY

- Subdued consumer demand and a relatively muted festive season weighed on customer offtake during the quarter; export markets remain impacted by low priced Chinese supplies.
- Margins were impacted largely by sharp drop in realisations and unprecedented surge in domestic wood costs due to increased demand from competing industries; Segment PBIT declined 51.2% YoY.
- Demand for Fine paper remained relatively firm and Décor paper witnessed strong performance.
- Integrated business model and strategic interventions in import pulp substitution, High Pressure Recovery Boiler, digital interventions and cost competitive fibre chain partially mitigated inflationary impact. Business leveraged the recent investment in pulp mill capacity expansion to register record high in-house chemical pulp production during the quarter.
- The Packaging and Printing Business continues to focus on accelerating new business development in domestic and export markets offering innovative and customised solutions, with special focus on consumer electronics, QSR and personal care products. Capacity utilisation at the recently commissioned Nadiad unit in Gujarat continues to be ramped up to efficiently service customers in proximal markets.
- The sustainable paperboards/packaging solutions portfolio continues to witness strong growth leveraging cutting-edge innovation platforms. The Company’s wholly owned subsidiary, ITC Fibre Innovations Limited, is in the process of setting up a state-of-the-art premium Moulded Fibre Products manufacturing facility in Badiyakhedi, Madhya Pradesh. The project is progressing as per schedule and is expected to be commissioned by the end of the financial year.

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

ITC is a global exemplar in ‘Triple Bottom Line’ performance and is the only enterprise in the world of comparable dimensions 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). The Company sustained its ‘AA’ rating by MSCI-ESG for the 6th successive year - the highest amongst global tobacco companies. The Company has also been included in the **Dow Jones Sustainability Emerging Markets Index** for the fourth year in a row - a reflection of being a sustainability leader in the industry and a recognition of its continued commitment to people and planet.

ITC has also been 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.

The Company’s infrastructure facilities continue to set new benchmarks of sustainability. All luxury collection hotels of the Company are now **LEED Platinum certified** with 12 ITC Hotels being certified as **LEED Zero Carbon** and 2 ITC Hotels being certified as **LEED Zero Water**. Further, the Foods factory and the Cigarettes factory at Ranjangaon became the third and fourth units after Kovai Paper and Malur Foods unit to receive an AWS certification in Platinum category.

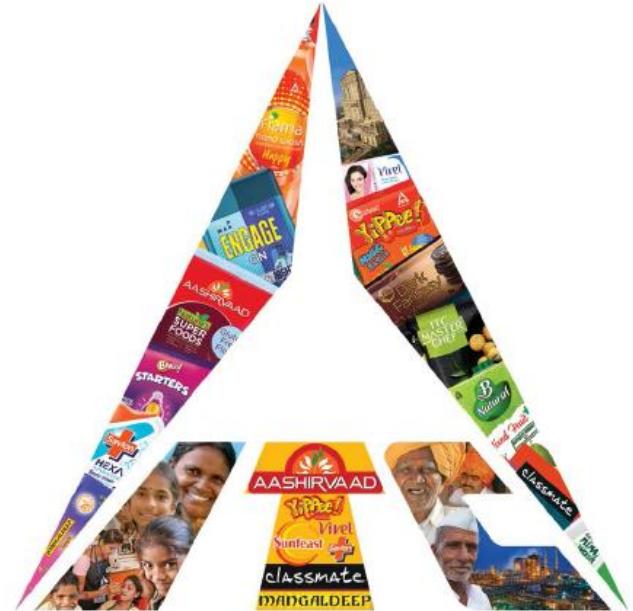
The Sustainability & Integrated Report 2023 is available on the Company’s corporate website at
<https://www.itcportal.com/sustainability/sustainability-integrated-report-2023/ITC-Sustainability-Integrated-Report-2023.pdf>

Please refer link below for performance highlights of the quarter:

<https://www.itcportal.com/investor/pdf/ITC-Quarterly-Result-Presentation-Q3-FY2024.pdf>

The Board of Directors, at its meeting on 29th January 2024, approved the financial results for the quarter ended 31st December 2023, which are enclosed.


(Nazeeb Arif)
Executive Vice President
Corporate Communications



Enduring Value

NATION FIRST: SAB SAATH BADHEIN

Q3 FY24 Results

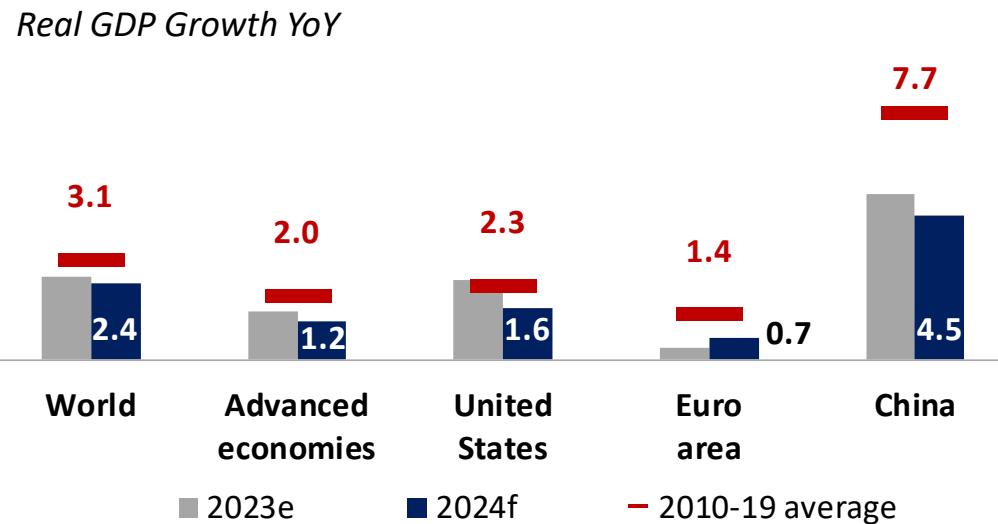
29th January, 2024

Forward-Looking Statements

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

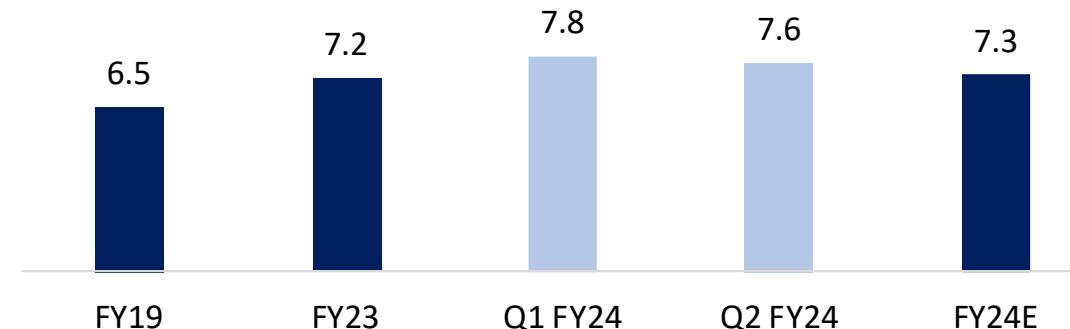
**Global economy 3rd consecutive year of deceleration
weakness likely to persist**



- **Structural weakness** in Chinese economy
- **Geo-political & Climate dynamics** pose downside risks
- **Debt distress** in emerging and low income economies

India remains a bright spot

Real GDP Growth YoY

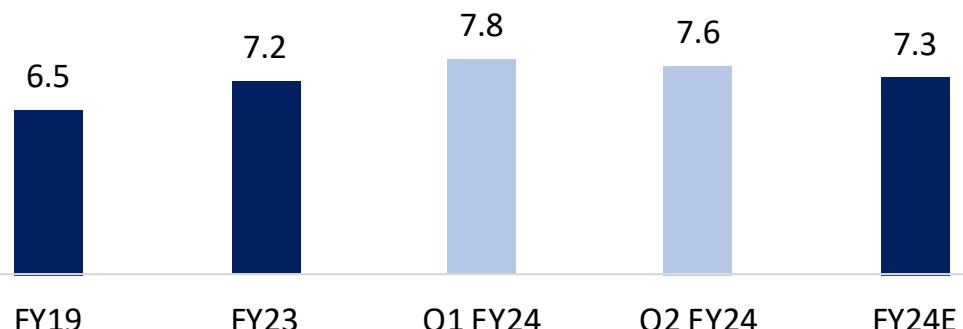


- GDP growth remains above long term average
- **Overall macros well-managed | Timely Policy interventions by Govt. of India**
 - *Core Inflation largely stable*
 - *Favourable External Balances and Forex Reserve*
 - *Infrastructure push by Government*
 - *Buoyant tax collections*
 - *Strong Bank and Corporate Balance Sheets*

Macro Economic Environment

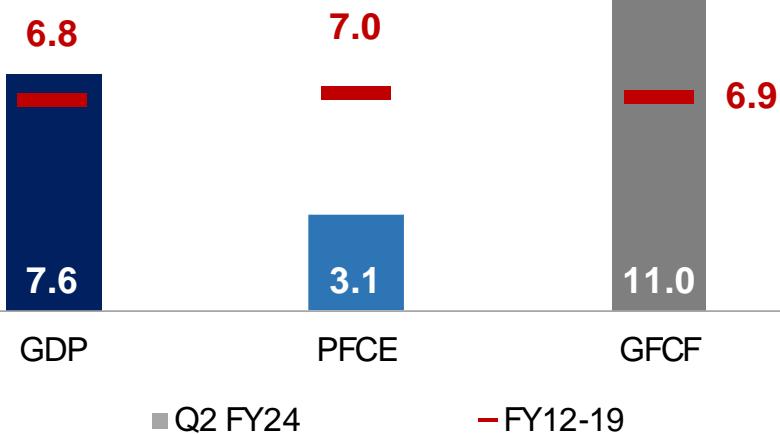
India remains a bright spot

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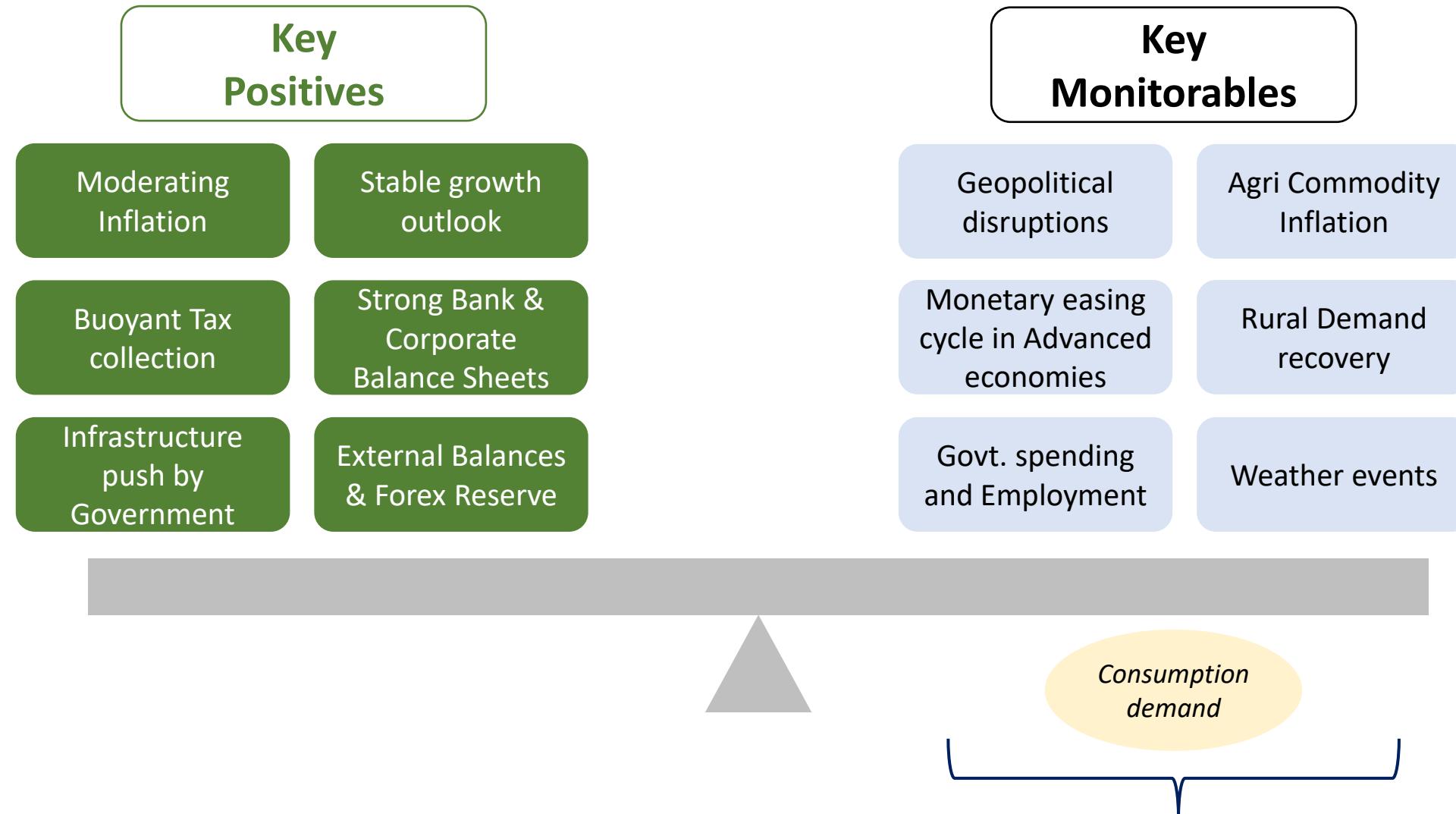


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- **Overall macros well-managed | Timely Policy interventions by Govt. of India**
 - *Core Inflation largely stable*
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 - *Infrastructure push by Government*
 - *Buoyant tax collections*
 - *Strong Bank and Corporate Balance Sheets*

India growth led by Investments Consumption subdued



- GDP growth led by **Investments (Government Capex)**
 - *Green shoots in Private Capex in certain sectors*
- **Private Consumption** remains subdued; 400 bps below trend growth



Q3 FY24 Results

Key Highlights

Gross Revenue

ex – Agri Business

▲ +3.9%

2-yr CAGR +10.5%

Profit After Tax

▲ +10.8%

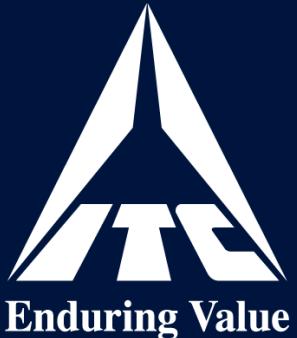
2-yr CAGR +15.8%

Interim Dividend

Rs. 6.25
per share

- Resilient performance in **FMCG – Others** amidst subdued demand conditions; Segment Revenue up 7.6% YoY on a high base; **2-yr CAGR +12.8%**
 - *Staples, Dairy, Beverages, Fragrances, Personal Wash, Homecare, Agarbattis and Notebooks drive growth*
 - *Segment EBITDA margin expanded 100 bps YoY to 11.0%*
 - *Segment PBIT up 24.1% YoY*
- **Cigarettes Segment** witnesses consolidation on a high base after a period of sustained growth momentum
 - *Net Segment Revenue and Segment PBIT up 2.3% YoY*
 - **2-yr CAGR: Net Segment Revenue +9.3%, Segment PBIT +9.4%**
 - *Differentiated variants and premium segments continue to perform well*
- Best ever quarter for the **Hotels Segment**; Segment Revenue and Segment PBIT up 18% and 57% YoY respectively
 - *Segment EBITDA margin up 470 bps YoY to 36.2% driven by higher RevPARs, structural cost interventions and operating leverage*
 - *Demerger update: The Stock Exchanges have given their no-objection to the Scheme of Arrangement for demerger*

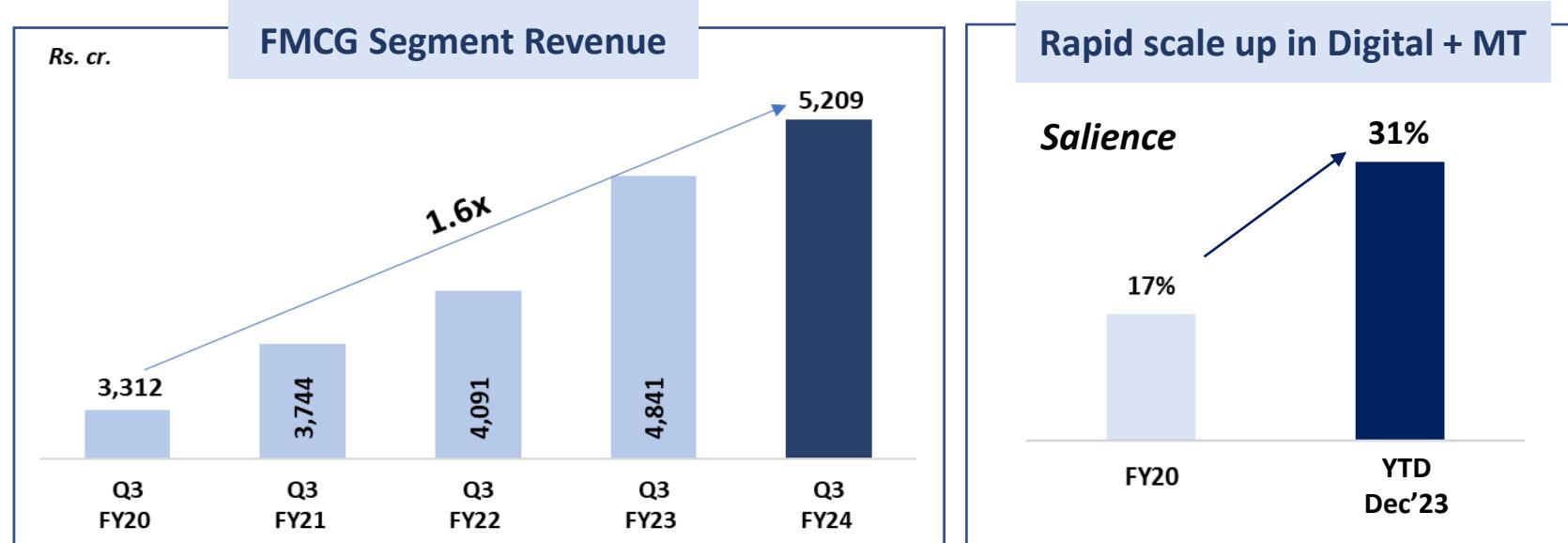
- **Agri Business Segment impacted by trade restrictions on agri commodities**
 - *Geopolitical tensions & climate emergencies have led to concerns on food security and food inflation; trade restrictions imposed by Govt. on agri commodities limit business opportunities for the segment*
 - **Segment Revenue (excl. Wheat & Rice) up 14.2% YoY** driven by Value Added Agri products & Leaf Tobacco
- **Paperboards, Paper and Packaging Segment remains impacted by low priced Chinese supplies in global markets, muted domestic demand, surge in wood cost and high base effect**
 - *Global demand remains subdued; domestic demand recovery slows post-festive season*
 - *Subdued realisations and surge in domestic wood prices exerted pressure on margins; structural advantages of the integrated business model, Industry 4.0 initiatives, strategic investments in High Pressure Recovery Boiler and proactive capacity augmentation in Value Added Paperboards aided in partly mitigating pressure on margins*
 - *Record high production of in-house chemical pulp leveraging recent capacity expansion*
 - **State-of-the-art premium Moulded Fibre Products manufacturing facility[^]** is expected to be commissioned shortly



FMCG Others

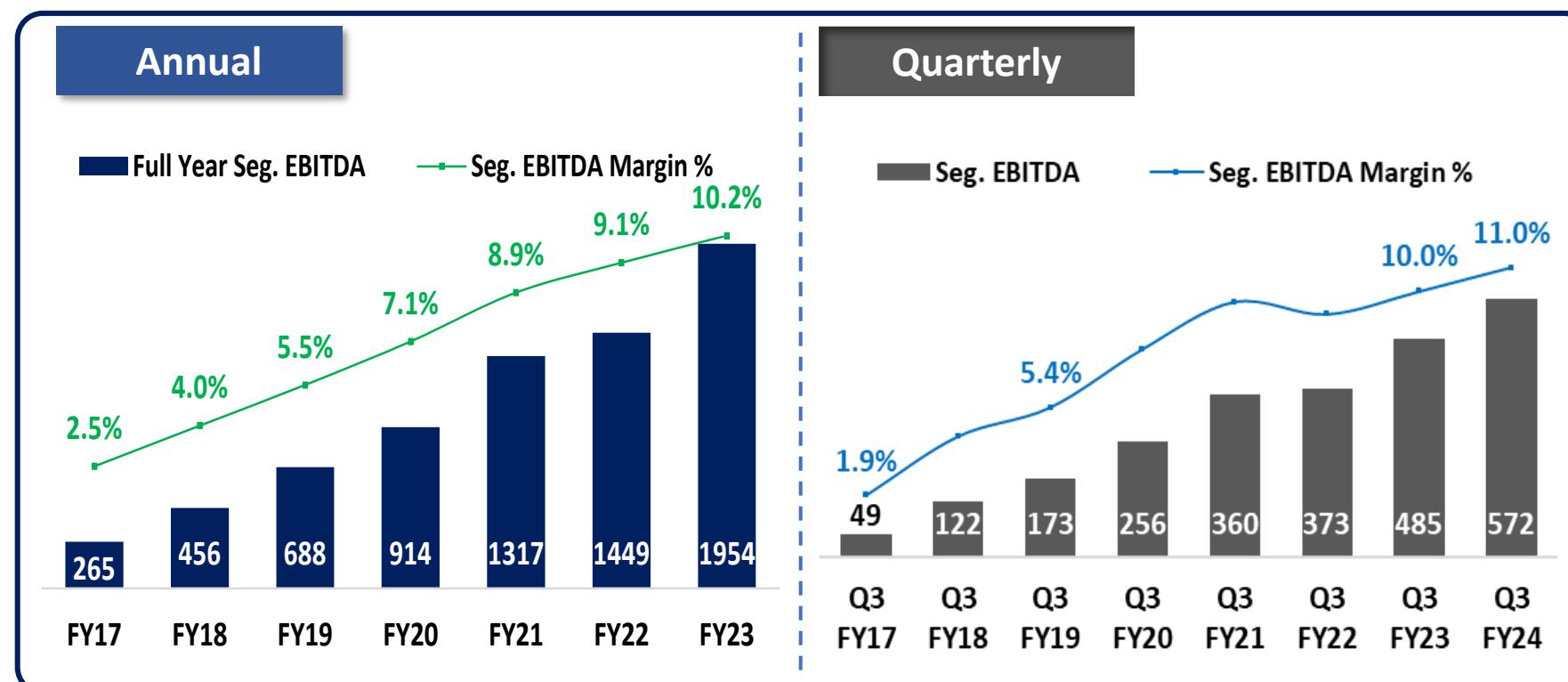


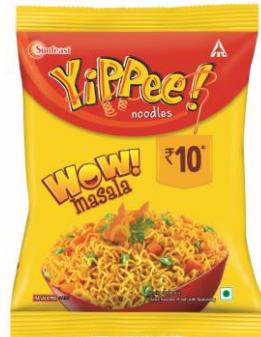
- Segment Revenue up **7.6% YoY** on a high base; **2-yr CAGR +12.8%**
 - Staples, Dairy, Beverages, Fragrances, Personal Wash, Homecare, Agarbattis and Notebooks drive growth
- Strategic **portfolio augmentation** leveraging agile and **purposeful innovation** continues to be stepped up towards addressing evolving consumer needs and accelerating **premiumisation**
- **Strong growth in Alternate Channels**
 - Channel-specific business plans, collaborations, format-based assortments and category-specific sell-out strategies drive growth
- **Commodity price deflation** on YoY basis; **sequential uptick** in certain commodities (viz. wheat, maida, sugar etc.)
 - Competitive intensity remained high in certain categories, including from local / regional players



- **Q3 Segment EBITDA margins at 11.0% up 100 bps YoY**

- *Margin expansion driven by multi-pronged interventions viz. premiumisation, supply chain optimisation, judicious pricing actions, digital initiatives and strategic cost management*





**Aashirvaad Atta
with Millets
25% millets inside**

**Sunfeast YiPPee!
Wow! Masala**

**Sunfeast Dream Crème
Cookie and Crème**

**Sunfeast Supermilk
Immunity Nutrients**

**Fabelle Exquisite Chocolate
Truffles Exquisite**

**Sunrise Spices
Chicken Masala**



**Aashirvaad Whole Spices
Black Pepper | Cardamom |
Jeera**

**Dermafique Shower Mousse
Hydra Soft | Aqua Cloud**

**Aashirvaad Mithaas
Badam Halwa |
Moong Dal Halwa**

**Classmate Interaktiv
Play Series**

**Mangaldeep Scent
Majestic Oud |
Blue Lagoon**

Deepening Consumer Engagement



Sharpening Value Proposition



* इस प्रोमो के बिना पैक भी बाजार में उपलब्ध हैं



Scan the QR code

40+ Quality Control Tests

100% Atta, 0% Maida

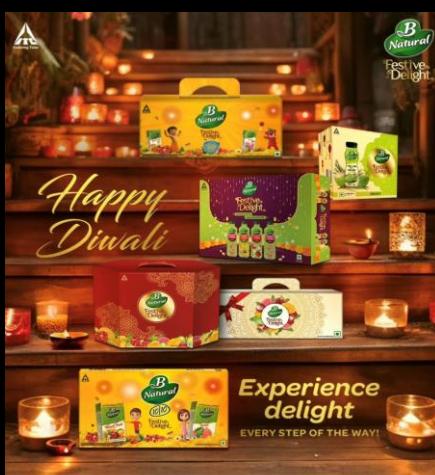
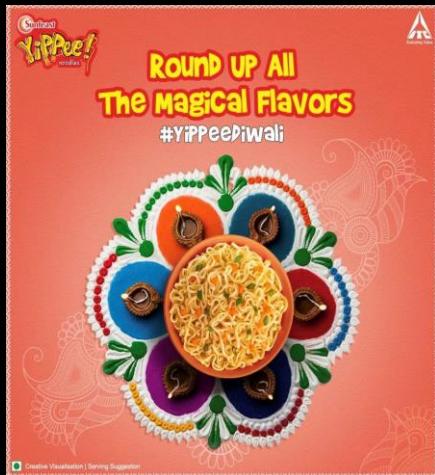
Building Brand Associations



On-ground presence during Ayodhya Ram Mandir Pran Pratishtha

Deepening Consumer Engagement

Celebrating moments



Building Brands with Purpose

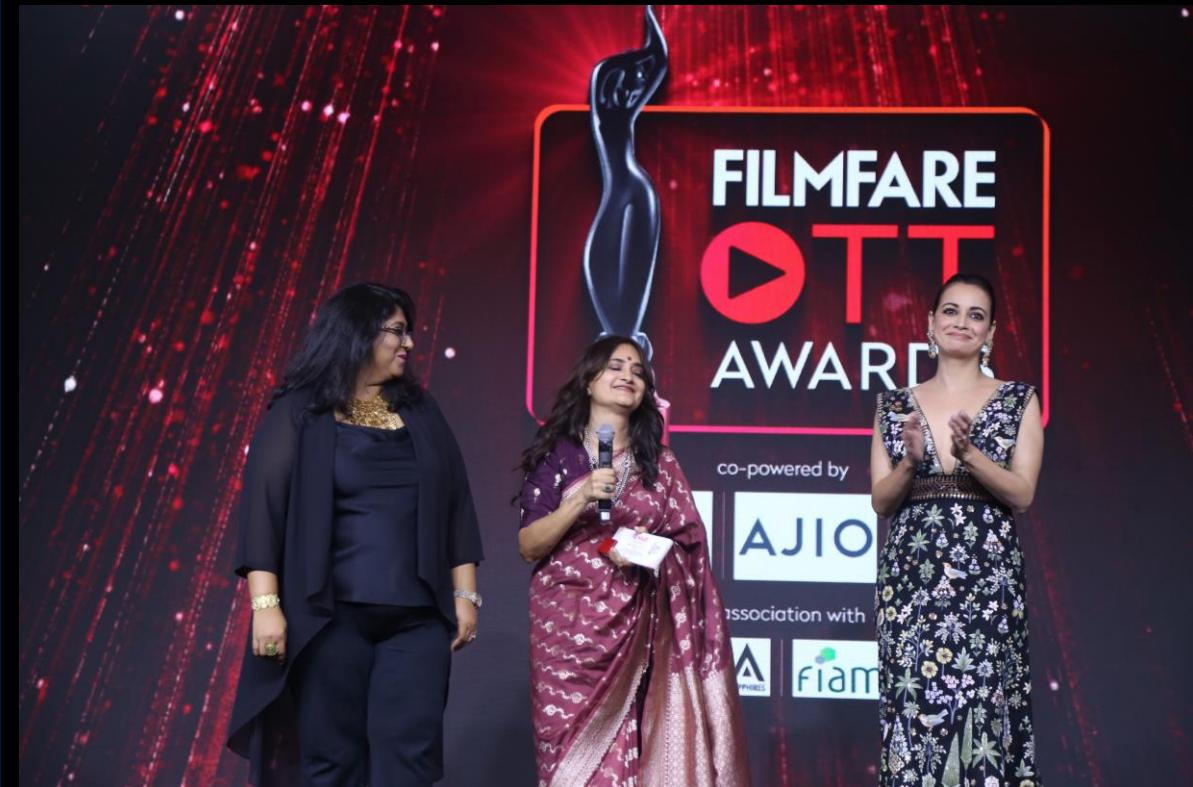


Mom's Magic



#MaaKehtiHaiTryKaro

Fiama - Mental Health Well-being



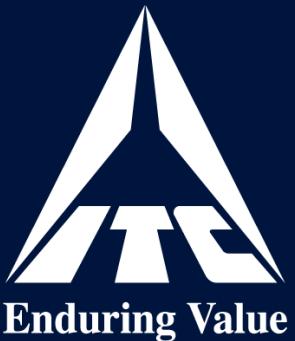
YiPPee! "Create Magic"



Campaign to convert plastic waste into park equipment

Fiama introduced a special recognition award in collaboration with Filmfare

SENSITIVE PORTRAYAL OF MENTAL HEALTH
Awarded to Director Anvita Dutt for the movie 'Qala'



FMCG Cigarettes



Segment Revenue

7549 cr. ▲ 3.6%

Segment Results

4728 cr. ▲ 2.3%

- Net Segment Revenue* and Segment PBIT up 2.3% YoY
 - 2-yr CAGR: Net Segment Revenue +9.3%, Segment PBIT +9.4%
- Portfolio Vitality | Product Availability | Execution Excellence
 - Differentiated variants and premium segments continue to perform well
 - Market standing reinforced by fortifying the product portfolio/ market interventions & agile execution
 - Innovation & democratising premiumisation across segments
- Sharp cost escalation (Leaf Tobacco & certain other inputs) + increase in taxes → largely mitigated through improved mix, strategic cost management and calibrated pricing

Relative stability in taxes, backed by deterrent actions by enforcement agencies, enables continued volume recovery from illicit trade

Innovation

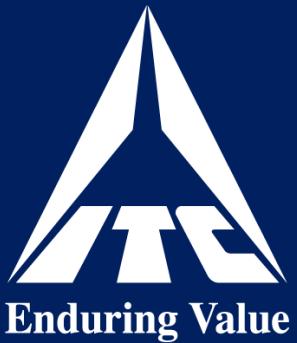
- Classic Connect
- Gold Flake SLK
- American Club Clove Mint
- Gold Flake Indie Mint

Portfolio Fortification

- Gold Flake Neo SMART Filter
- Wills Deluxe
- Bristol Deluxe FT
- Flake XL
- Flake Skipper

Recent Introductions

- | | | |
|--------------------------------|-----------------------------|--------------------|
| • Classic Alphatec | • American Club Clove Magik | • Players Rush |
| • Classic Verve Balanced Taste | • Classic Icon | • Capstan Victory |
| • GF Glostar | • GF Rush | • Bristol Maja Mix |



Hotels



Welcomhotel Chennai

Segment Revenue

842 cr.

(+18%; 2 Yr. CAGR 33%)

Segment Results

230 cr.

(+57%)

Managed properties scaled up[^]

22 Hotels in last 24 months

(Jan 2022 – Dec 2023)

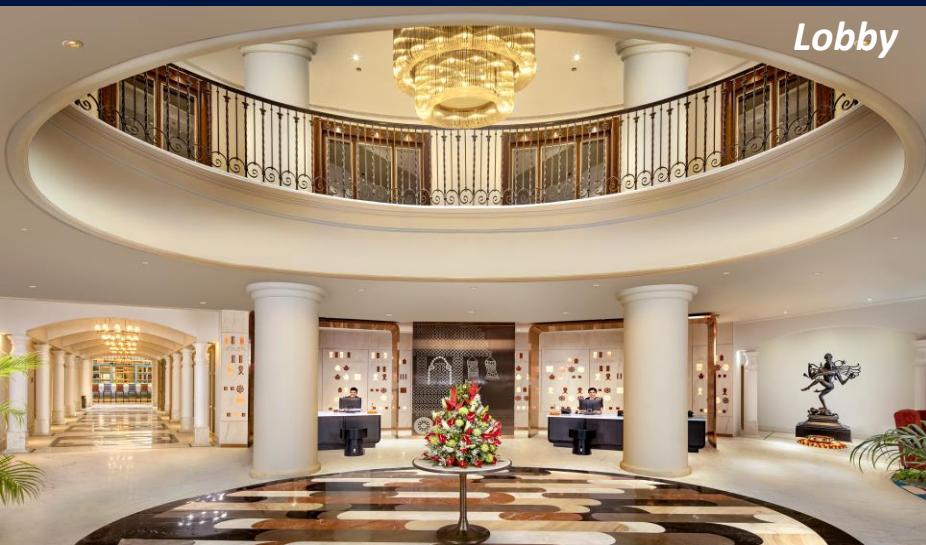
25 Hotels in next 24 months

(Jan 2024 – Dec 2025)

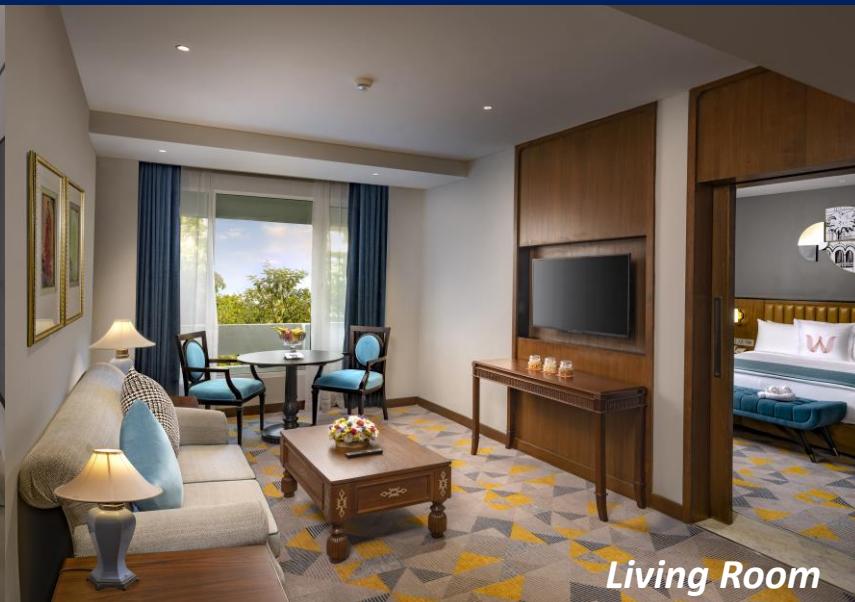
- **Strong growth in ARRs and Occupancy** witnessed across properties driven by retail, MICE segments and marquee events like the ICC Cricket World Cup
- **Segment EBITDA margin expanded by 470 bps YoY to 36.2%** driven mainly by higher RevPARs, operating leverage and strategic cost management initiatives
- Healthy pipeline of management contracts under **Mementos, Welcomhotel, Storii, Fortune and WelcomHeritage brands**
 - *Phased openings over the next few quarters*
- **Welcomhotel Chennai** has been reopened in January 2024 after a comprehensive renovation
- **Demerger update:** The Stock Exchanges have given their no-objection to the Scheme of Arrangement for demerger.

Avartana & Yi Jing launched at ITC Maratha





Relaunch post comprehensive renovation in January 2024



New Hotels in the pipeline

 **ITC HOTELS**
RESPONSIBLE LUXURY



 **MEMENTOS**
BY ITC HOTELS

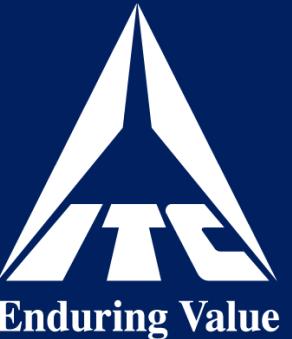


 **WELCOMHOTEL**
BY ITC HOTELS



 **STORII**
BY ITC HOTELS





Agri Business



ITCMAARS Agri Expert 38 m, Latur, Maharashtra

फसल डॉक्टर

फसल डॉक्टर से पारंपरिक समस्या का संरूप समाधान! किसान मित्रों, आईटीसी मार्म ऐप से अब आप अपनी फसलों के रोग व कीट की समस्या के संरूप समाधान प्राप्त करें।

कृषि मित्र से अब किसानों को सवाल पूछना हुआ आसान कृषि मित्र का उपयोग करके किसानों को जवाब देने के लिए अपैप ऐप को अपडेट करें।

Call us Toll-Free 1800-000-0000 Ask a question

Mandi price Crop Doctor Crop Calendar

Borrow Center Fertilizer calculator Refer & Earn

FARM BUY SELL COMMUNITY

MY FARM BUY SELL COMMUNITY

Like 793 Comment 428 Share 172

ITCMAARS

ईचौपाल

किसानों के लिए मैं, किसानों का अपना

ITCMAARS Agri Expert 38 m, Latur, Maharashtra

फसल डॉक्टर

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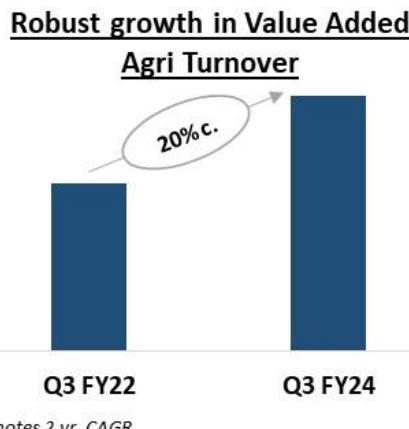
FARM BUY SELL COMMUNITY

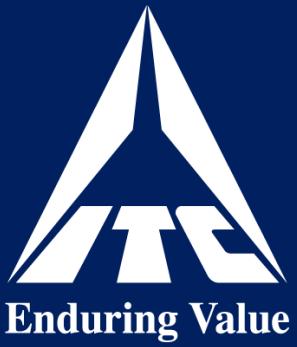
MY FARM BUY SELL COMMUNITY

Segment Revenue
3055 cr. ▼ 2.2%

Segment Results
339 cr. ▼ 13.3%

- Operating environment remained challenging due to various policy interventions of the Government of India to ensure food security and control inflation
- Strong **customer relationships** & **agile execution** in Leaf Tobacco & Value Added Agri products continue to drive growth
- **Strategic sourcing support** to Branded Packaged Foods – Wheat, Dairy, Beverages & Spices
- The **state-of-the-art facility[^]** to manufacture and export **Nicotine and Nicotine derivative products** has been commissioned
 - *Export shipments expected to commence from Q4 FY24*





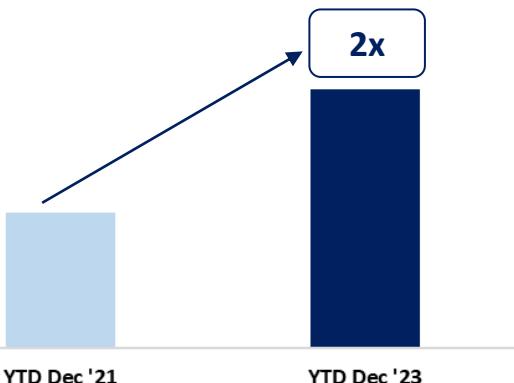
Paperboards, Paper & Packaging



Segment Revenue
2081 cr. ▼ 9.7%

Segment Results
296 cr. ▼ 51.2%

Rapid scale up of Sustainable products



- Paperboards, Paper and Packaging Segment remains impacted by low priced Chinese supplies in global markets, muted domestic demand, surge in wood cost and high base effect
- Demand for Fine paper remained relatively firm; Décor paper witnessed strong performance
- Margins impacted by sharp drop in realisations and unprecedented surge in domestic wood costs due to increased demand from competing industries
- Focus on accelerating New Business Development in domestic and export markets offering innovative and customised solutions, with special focus on consumer electronics, QSR and personal care products
- **Sustainable Products** portfolio continues to witness strong growth leveraging cutting-edge innovation platforms
 - State-of-the-art premium **Moulded Fibre Products** manufacturing facility[^] being set up in Badiyakhedi, Madhya Pradesh; facility expected to be commissioned by the end of the financial year



Financials

Key Financials – Q3 FY24



Rs. Cr.	Q3 FY24	Q3 FY23	YoY growth	2 Yr. CAGR
Gross Revenue	17,483	17,122	2.1%	2.5%
EBITDA	6,024	6,223	-3.2%	8.7%
PBT	6,725	6,678	0.7%	10.7%
PAT	5,572	5,031	10.8%	15.8%

PBT (excl. Paperboards, Paper and Packaging) +6% YoY; 2-yr CAGR +13%

PBT includes exceptional item aggregating Rs. 5.52 crores incurred during the quarter and nine months ended 31st December, 2023 in relation to the demerger of the Company's Hotels Business into ITC Hotels Limited.

The Company has reassessed its provisions relating to uncertain tax positions for earlier years based on a favourable order of the Hon'ble Supreme Court received during the quarter. This has resulted in a credit of Rs. 468.44 crores in the Current Tax expense for the quarter and nine months ended 31st December, 2023.

Segment Revenue Q3 FY24



Rs. cr.	Q3		
	FY24	FY23	YoY growth
Segment Revenue			
a) FMCG - Cigarettes	7,549	7,288	3.6%
- Others	5,209	4,841	7.6%
Total FMCG	12,758	12,130	5.2%
b) Hotels	842	712	18.2%
c) Agri Business	3,055	3,124	-2.2%
d) Paperboards, Paper & Packaging	2,081	2,306	-9.7%
Total	18,736	18,271	2.5%
Less : Inter Segment Revenue	1,253	1,149	9.0%
Gross Revenue from sale of products and services	17,483	17,122	2.1%

- **FMCG Cigarettes**

- *Net Segment Revenue* up 2.3% YoY on a high base*
 - **2 Yr. CAGR at 9.3%**

- **FMCG Others**

- *Revenue up 7.6% YoY amidst subdued demand conditions*
 - **2 Yr. CAGR at 12.8%**
- *Staples, Dairy, Beverages, Fragrances, Personal Wash, Homecare, Agarbattis, and Notebooks drive growth*

- **Hotels**

- *Best-ever quarter; Revenue up 18% YoY*

- **Agri Business**

- *Revenue up 14% YoY (excl. Wheat & Rice)*

- **Paperboards, Paper & Packaging**

- *Segment remains impacted by low-priced Chinese supplies, muted demand & sharp drop in global pulp prices*

Segment Results Q3 FY24



Rs. cr.	Q3		
	FY24	FY23	YoY growth
Segment Results			
a) FMCG - Cigarettes	4,728	4,620	2.3%
- Others	432	348	24.1%
Total FMCG	5,160	4,968	3.9%
b) Hotels	230	146	57.1%
c) Agri Business	339	391	-13.3%
d) Paperboards, Paper & Packaging	296	606	-51.2%
Total	6,025	6,112	-1.4%
Less : i) Finance Cost	12	10	
ii) Other un-allocable (income) net of un-allocable expenditure	-718	-576	
iii) Exceptional items	6		
Profit Before Tax	6,725	6,678	0.7%

- **FMCG Cigarettes**
 - Segment PBIT up 2.3% YoY on a high base
 - 2 Yr. CAGR at 9.4%
- **FMCG-Others:**
 - EBITDA margin at 11.0% ; Up 100 bps YoY
- **Hotels:**
 - EBITDA margins @ 36.2% up 470 bps YoY
- **Paperboards, Paper & Packaging:**
 - Sharp drop in realisation + surge in wood cost weigh on margins

ITC – A Global Exemplar in Sustainability

Impactful Social Performance



ITC e-Choupal
4 Million Farmers
empowered



Afforestation
Over 11.7 lac acres
greened



Watershed Development
Over 15.3 lac acres
covered



Livestock Development
Over 21.9 lac milch
animals covered



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



Women Empowerment
Over 1.4 lac
poor women benefitted



**Skilling & Vocational
Training**
Skilled over 1.06 lac youth



Primary Education
Reaching over
15 lac Children



**Mother & Child Health
and Nutrition**
Over 12.5 lac
beneficiaries covered



Climate Smart Agriculture
Over 23 lac acres
covered*

Strategic Interventions to Combat Climate Change

De-Carbonization

Climate Adaptation and Resilience

Circularity

Building Green Infrastructure

Nature based solutions

Inclusive Value Chains

Renewable Energy

50%



Specific GHG Emissions

50%



Recyclable Plastic Packaging

100%



Plastic Neutrality

100% Collection since FY22

Water Security for All



5x of ITC's Net Consumption

AWS Certification
for High Water Stressed Sites by 2035

Biodiversity & Agriculture

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

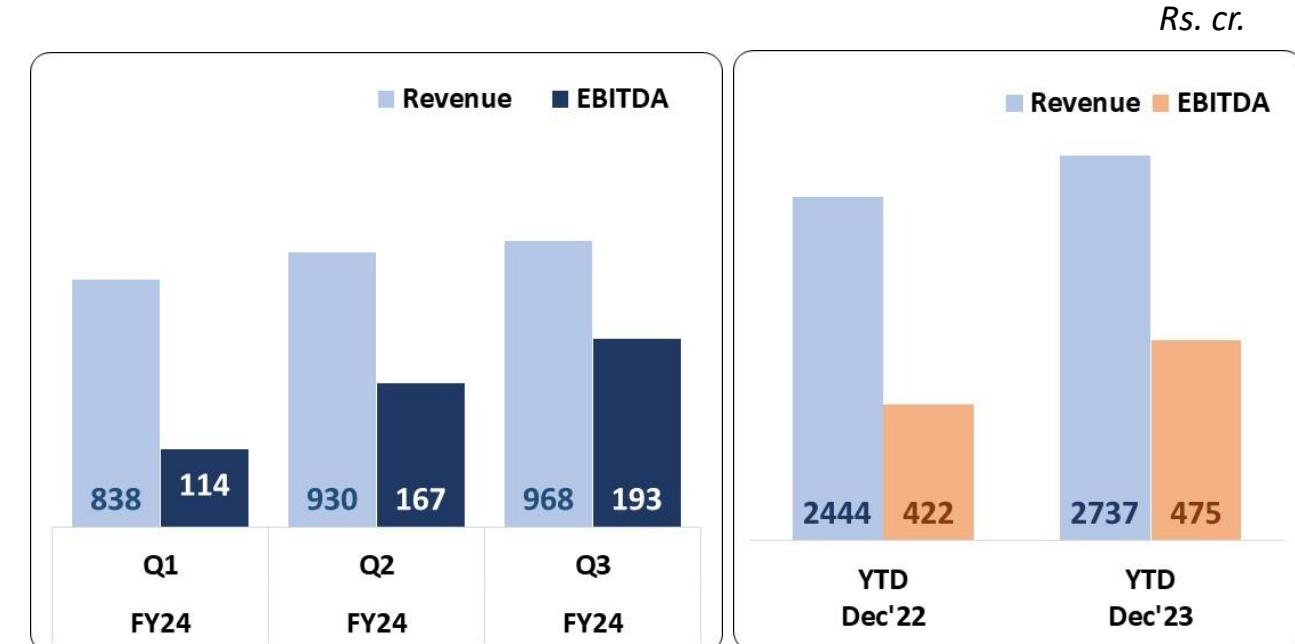
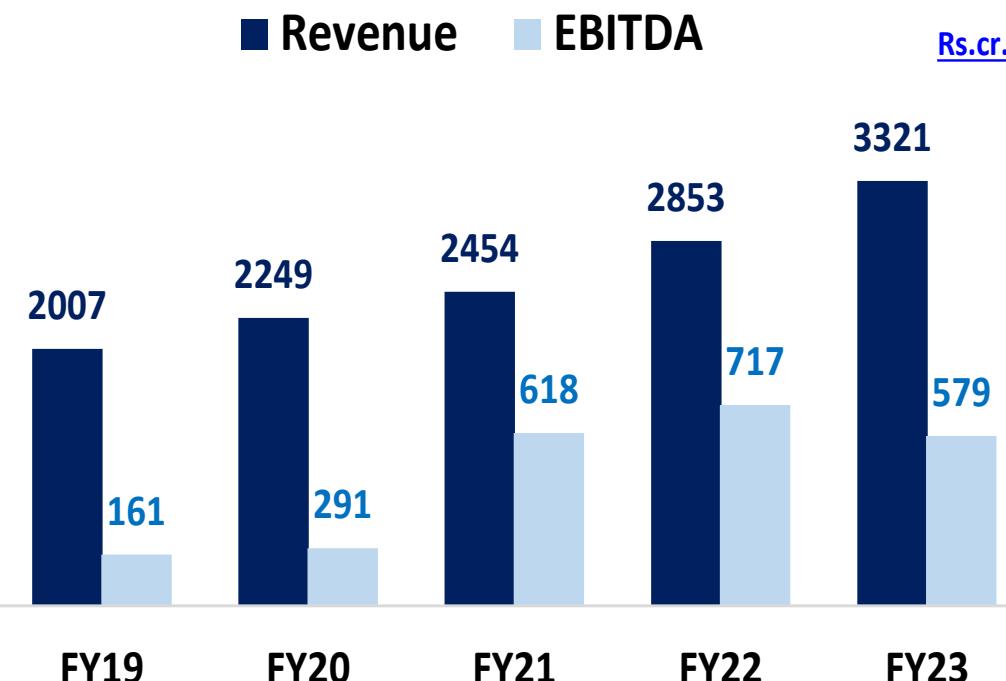
Sustainability – Highlights

- Exceeded commitment on **Plastic Neutrality**; collected and sustainably managed over 60,000 MT of plastic waste in FY23
- **100% critical Tier - 1 suppliers trained on ESG related aspects** (as on Jan 24)
- Best-in-class ESG Ratings:
 - **AA rating by MSCI** for the **6th 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:**
 - **Four Units of ITC** (Paper mill at Kovai, ICML Malur, ICML Ranjangaon and Cigarettes factory at Ranjangaon) have been **Platinum level certified** by AWS (Alliance for Water Stewardship)
- **Bio Diversity:**
 - Winner of the first **UNDP Mahatma Award for Biodiversity** → in recognition of efforts in promoting biodiversity conservation through intensive community engagement



ITC Infotech





- *Revenue up 11.0% YoY and 4.1% QoQ*
- *Healthy Total Contract Value (TCV) signings; strong pipeline*
- *Investments continue in **Capability building** in strategic focus areas, sales org. & infrastructure.*

Q3 EBITDA margin
 @ upper-end of mid-tier IT cos.



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



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



**and
Inclusive.**

Links



Product/initiative	Link
Bingo! on Instagram	https://www.instagram.com/bingo_snacks/
YiP Pee! 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 : Creating Enduring Value for India	https://youtu.be/VwnE4eN_BTk
Details on the Company's Sustainability 2.0 vision	https://www.itcportal.com/sustainability/sustainability-integrated-report-2023/ITC-Sustainability-Integrated-Report-2023.pdf
Quarterly Media Statement	https://www.itcportal.com/investor/pdf/ITC-Press-Release-Q3-FY2024.pdf