



ITC Limited

REPORT

AND

ACCOUNTS

2017



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ITC: Growing Contribution Across Agriculture, Manufacturing and Services

ITC's journey to create an exemplary Indian enterprise is inspired by its abiding vision to serve larger national priorities. A journey that has transformed ITC into a multi-business and multi-dimensional corporation, making it one of India's most admired and valuable companies.



ITC's diversified portfolio of businesses, spanning FMCG, Paperboards & Packaging, Agri Business, Hotels and Information Technology, enables it to have a significant presence across all the 3 sectors of the Indian economy, namely, agriculture, manufacturing and services, providing the Company with the unique opportunity to contribute meaningfully to the growth and development of the country.

ITC's commitment to "Put India First" is manifest in many ways — in its strategy to create multiple drivers of growth for the Indian economy through a diversified portfolio of businesses; in the creation of world-class brands that create, capture and retain value in India; in establishing state-of-the-art brick and mortar assets for the nation; in its investment in cutting-edge R&D and in its Social Investment Programmes that address some of the key challenges facing India today — poverty, unemployment and environmental degradation.

ITC's diversified portfolio of businesses, spanning FMCG, Paperboards & Packaging, Agri Business, Hotels and Information Technology, enables it to have a significant presence across all the 3 sectors of the Indian economy, namely, agriculture, manufacturing and services, providing the Company with the unique opportunity to contribute meaningfully to the growth and development of the country.

In Agriculture, driven by its celebrated e-Choupal programme, ITC's engagements

with farmers across the country to enhance productivity, provide critical market linkages and create rural assets have raised farm incomes, improving the quality of life of the rural population and transforming village ecosystems.

In Manufacturing, supported by substantial investments in state-of-the-art technology, ITC has created world-class manufacturing facilities across the length and breadth of the country for its FMCG, Paperboards, Packaging and Printing businesses. Powered by deep consumer insights, cutting-edge R&D, superior branding skills, the culinary expertise of hotels chefs, packaging excellence and an extensive trade marketing & distribution capacity, ITC's bouquet of world-class FMCG brands in the Branded Packaged Foods, Personal Care, Education and Stationery, Lifestyle Retailing, Incense Sticks (Agarbattis) and Safety Matches sectors, continue to gain significant consumer franchise, earning market leadership across segments.

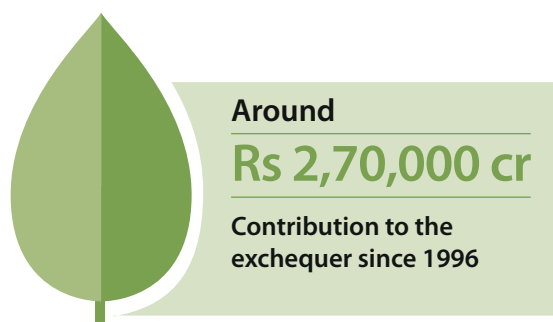
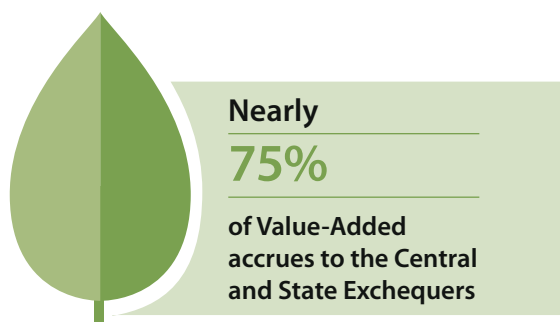
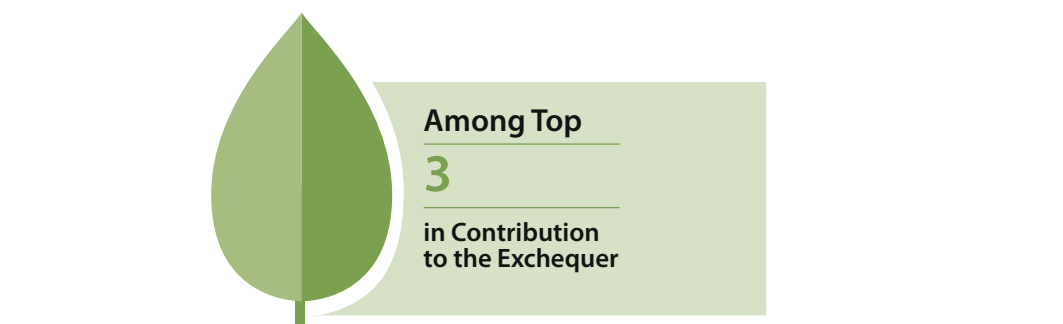
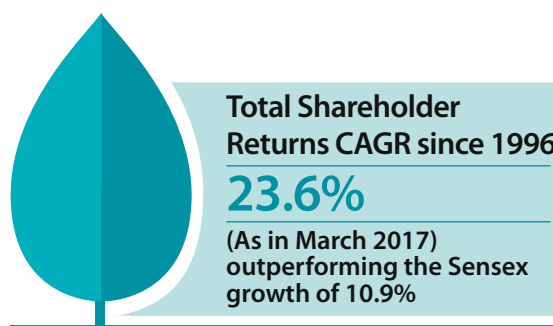
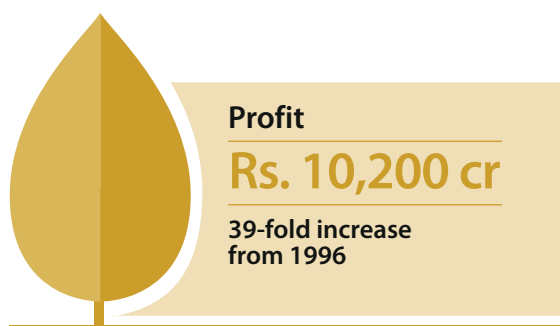
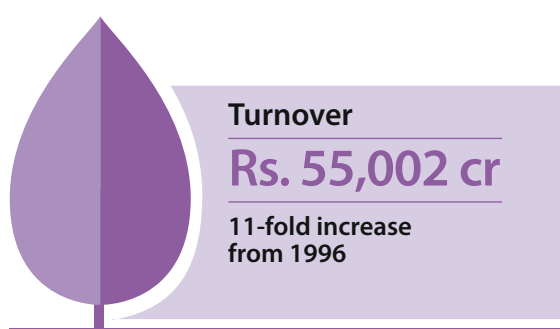
In the Services sector, ITC Hotels is the greenest luxury hotel chain in the world. It is acknowledged worldwide for its iconic properties, its fine art of hospitality, signature cuisine and service excellence. The Company's wholly owned subsidiary, ITC Infotech, is a specialised full services global player in the Information Technology segment.

ITC is today a global exemplar in sustainability. ITC's businesses have generated sustainable livelihoods for 6 million people, many of whom represent the weakest in society. It is the only enterprise in the world to be carbon positive (12 years), water positive (15 years), and solid waste recycling positive (10 years). Over 48% of the total energy requirement of ITC is met from renewable sources. ITC has pioneered the green building movement in India, establishing 22 green buildings. All its premium luxury hotels have the unique distinction of being LEED® Platinum certified.

The Journey of Transformation in Creating a New ITC



Highlights



ITC Today: Business Leadership

13 businesses spanning
FMCG, Hotels, Agri-Business, Paperboards & Packaging
and Information Technology

FMCG Businesses



- ❖ India's leading marketer
- ❖ ITC Foods is the 3rd largest and fastest growing



Hotels



- ❖ ITC Hotels is world's greenest luxury hotel chain
- ❖ One of the fastest growing hospitality chains in India





Agri-Business



- ❖ No.1 in profitability
- ❖ Pioneer in Rural Transformation through ITC e-Choupal
- ❖ One of the largest exporters of coffee



Paperboards & Packaging



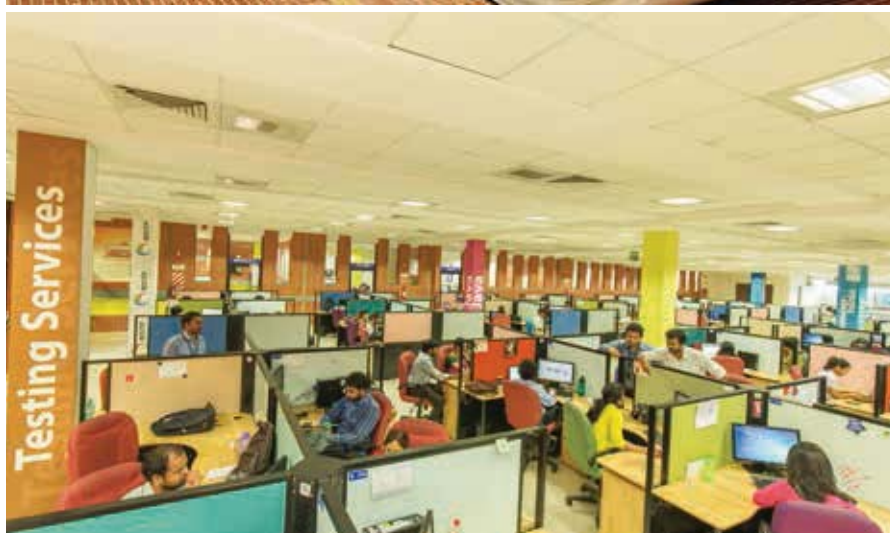
- ❖ Market Leader in Revenue & Profits
- ❖ Most environment friendly pulp mill in Asia
- ❖ Sustained investments to enhance competitiveness and import substitution
- ❖ Large-scale Afforestation programme



Information Technology



- ❖ Digital Full Services Global Player
- ❖ 9 Development Centres



World-Class Indian Brands



World-Class Indian Brands



25 mother brands
in FMCG with an annual consumer
spend of nearly Rs. 14,000 cr



Reaches over
125 million
households

Consumer spend



Aashirvaad -
Rs 3,500 cr



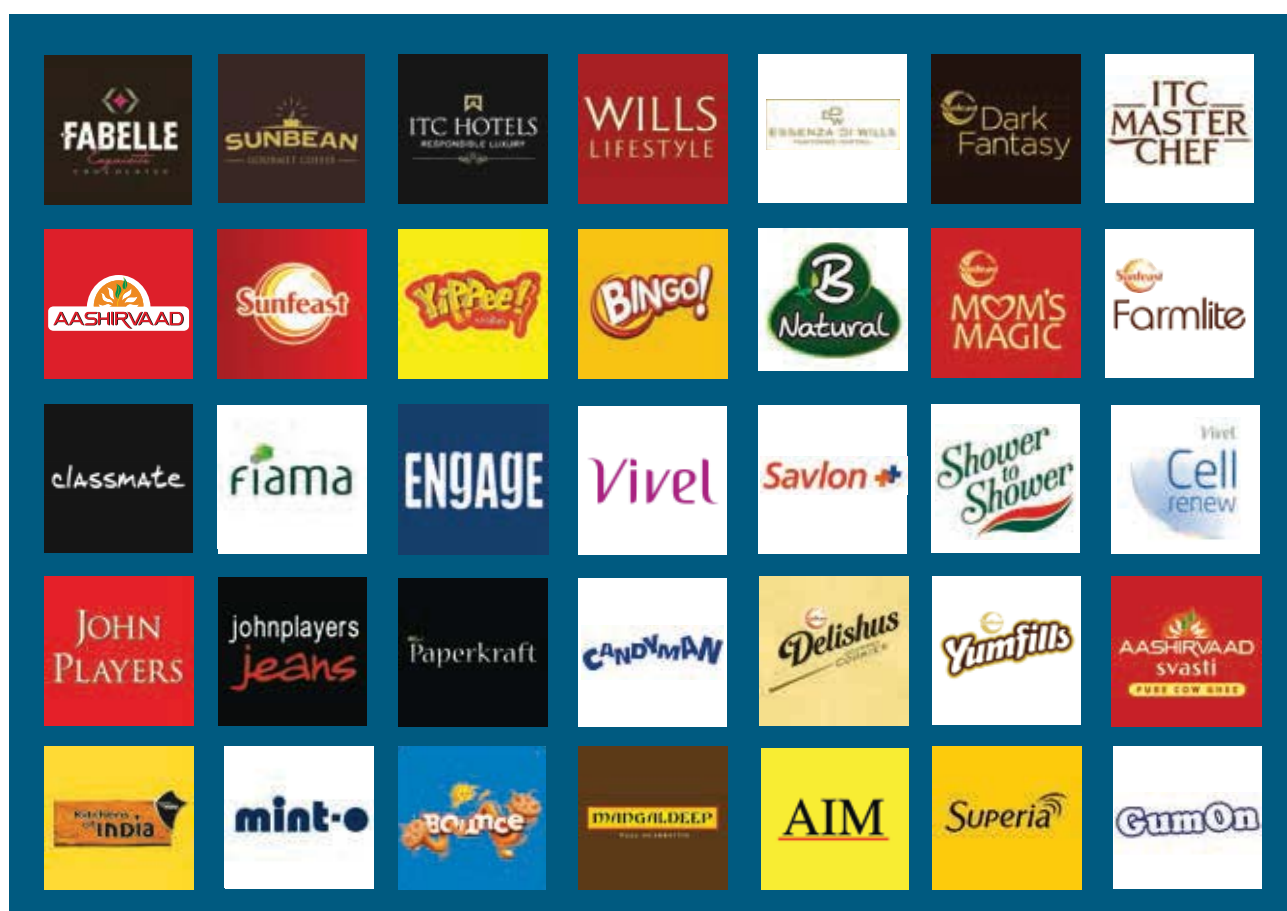
Sunfeast -
over
Rs 3,000 cr



Classmate, YiPPee!
& Bingo! - over
Rs 1,000 cr
each



Vivel, Mangaldeep &
Candyman - over
Rs 500 cr
each



ITC Today: A Snapshot

Non-cigarette businesses account for:

