

# Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015).

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 conservation and development 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, ethical corporate citizenship, empowerment, control and

accountability. 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.

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

**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.

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

**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.

## THE GOVERNANCE STRUCTURE

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

Strategic supervision	by the Board of Directors
Strategic management	by the Corporate Management Committee headed by the Managing Director
Executive management	by the Divisional Chief Executive assisted by the Divisional Management Committee

The three-tier governance structure ensures that:

- 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;
- Strategic management of the Company, uncluttered by the day-to-day tasks of executive management, remains focused and energised; and
- Executive management of the divisional business free from collective strategic responsibilities for ITC as a whole, remains focused on enhancing the quality, efficiency and effectiveness of the business to achieve best-in-class performance.

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 are designed to support effective management of multiple businesses while retaining focus on each one of them.

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](http://www.itcportal.com).

## 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 aligned 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, annually reviews its role and also evaluates the performance of the Directors and the Board Committees.

**Board Committees:** The roles of the Board Committees are determined by the Board from time to time, details of which are provided below under the head 'Committees of the Board'.

**Corporate Management Committee (CMC):** The primary role of the CMC is strategic management of the Company's businesses within Board approved direction / framework and realisation of Company goals. The CMC assesses the performance of the businesses and allocates resources, and operates under the strategic supervision and control of the Board.

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

The Executive Committee for Business Vertical within the Division is responsible to deliver comprehensive business results under the overall direction and supervision of the Divisional Chief Executive supported by the DMC.

**Chairman:** The primary role of the Chairman of the Company is to provide leadership to the Board. As the Chairman of the Board, he presides over its meetings and leads and assists the Board in setting and realising the Company's strategic vision and related short and long term goals. He is responsible, inter alia, for the working of the Board, for its balance of membership (subject to Board and Shareholder approvals) and for ensuring that all Directors are enabled and encouraged to play a full part in the activities of the Board. Based on information and feedback from the Managing Director,

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the Chairman ensures that all relevant issues are on the Board agenda and the Board is kept informed on all matters of importance. He presides over General Meetings of Shareholders.

The present Chairman, at the request of the Nomination & Compensation Committee and the Board, recognising the need for orderly transition in a company of ITC's size and complexity, agreed to continue as Chairman in non-executive capacity and also play the role of Mentor to the executive management. Providing mentorship to the executive management and support towards management of critical external stakeholders' relationships, accordingly, form part of the role of the present Chairman.

**Managing Director:** The Managing Director carries total responsibility for the strategic management of the Company and accordingly heads the CMC. His primary role is to provide leadership to 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 CMC, for ensuring that all relevant issues are on the agenda and that all CMC Members are enabled and encouraged to play a full part in its activities.

**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.

**Executive Director:** The Executive Director assists the Board in realising its role of strategic supervision of the Company in pursuit of its purpose and goals. As a member of the CMC, Executive Director contributes to the strategic management of the Company's businesses within Board approved direction / framework.

An Executive Director accountable to the Board for a business, assumes overall responsibility for its strategic management, including governance processes and top management effectiveness. As Director accountable to the Board for a corporate function, the overall strategic responsibility for its performance, including governance processes and senior management effectiveness, forms part of the Executive Director's role.

**CMC Member:** The CMC Member contributes to the strategic management of the Company's businesses within Board approved direction / framework. A CMC Member accountable for a business, assumes

responsibility for its strategic management, including governance processes and top management effectiveness. Where accountable for a corporate function, the overall strategic responsibility for its performance, including governance processes and senior management effectiveness, forms part of the CMC Member's role.

**Divisional Chief Executive:** The Divisional Chief Executive for a business has the executive responsibility for its day-to-day operations and to provide leadership to the DMC in its task of executive management of the business and the Verticals within the Division.

The Chief Operating Officer - Business Vertical is responsible for providing leadership to the Vertical and realising the tactical and strategic objectives of the respective business area.

### 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 Shareholders.

#### Composition

The ITC Board is a balanced Board, comprising Executive and Non-Executive Directors. The Non-Executive Directors include the Chairman and independent professionals. At least one-third of the total strength of the Board is required to comprise Independent Directors.

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 thirteen, including the Managing Director, two other Executive Directors and six Non-Executive Independent Directors, of which two are Women Directors.

Composition of the Board as on 31st March, 2018:

Category	No. of Directors	Percentage to total no. of Directors
Executive Directors	3	25
Non-Executive Independent Directors	6	50
Other Non-Executive Directors	3	25
<b>Total</b>	<b>12</b>	<b>100</b>

Director	Category	No. of other Directorship(s)	No. of Membership(s) / Chairmanship(s) of Audit Committee / Stakeholders Relationship Committee of other Indian public limited companies
Y. C. Deveshwar	Chairman & Non-Executive Director	5	Nil
S. Puri *	Chief Executive Officer & Executive Director	4	Nil
N. Anand	Executive Director	8	1
R. Tandon	Executive Director & Chief Financial Officer	9	3 [all as Chairman]
S. Banerjee	Independent Director	Nil	Nil
A. Duggal	Independent Director	6	5 [including 1 as Chairman]
S. B. Mathur	Independent Director	11	9 [including 3 as Chairman]
N. Rao	Independent Director	5	2
S. S. H. Rehman	Independent Director	Nil	Nil
M. Shankar	Independent Director	3	2
S. B. Mainak	Non-Executive Director - Representative of Life Insurance Corporation of India as Investor	6	3 [including 2 as Chairman]
D. R. Simpson	Non-Executive Director - Representative of Tobacco Manufacturers (India) Limited, a subsidiary of British American Tobacco p.l.c.	2	Nil

\* Re-designated as Managing Director w.e.f. 16th May, 2018, subject to the approval of the Shareholders.

### Meetings and Attendance

The Company's Governance Policy requires the Board to meet at least five times a year. The intervening period between two Board meetings was well within the maximum gap of 120 days prescribed under the Listing Regulations 2015. The tentative 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 generally circulated at least seven days prior to the Board meeting.

### Information placed before the Board

In addition to matters required to be placed before the Board under the Governance Policy of the Company, the following are also tabled for the Board's periodic review / information:

- External Audit Management Reports (through the Audit Committee).
- Status of safety and legal compliance.
- Status and effectiveness of risk management systems and processes.
- Succession to senior management (through the Nomination & Compensation Committee).
- Show cause / demand / prosecution / 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.
- 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.
- Product liability claims of a substantial nature, if any.
- Default, if any, in payment of dues to any major creditor.
- Write-offs / disposals (fixed assets, inventories, receivables, advances etc.) on a half-yearly basis.
- Significant development in Human Resources / Industrial Relations.
- Material non-compliance of any regulatory or listing requirements and in relation to shareholders' services.
- All other matters required to be placed before the Board for its review / information under the Listing Regulations 2015 and other statutes.

### 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 DMCs.

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### Details of Board Meetings during the financial year

During the financial year ended 31st March, 2018, six meetings of the Board were held, as follows:

Sl. No.	Date	Board Strength	No. of Directors present
1	11th April, 2017	14	12
2	26th May, 2017	15	14
3	27th July, 2017	15	13
4	28th July, 2017	15	13
5	27th October, 2017	13	12
6	19th January, 2018	13	13

### 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
S. Puri	6	Yes
N. Anand	6	Yes
R. Tandon	6	Yes
S. Banerjee	6	Yes
A. Duggal	6	Yes
S. B. Mainak	6	Yes
S. B. Mathur	6	Yes
N. Rao	4	No
S. S. H. Rehman	6	Yes
M. Shankar	6	Yes
D. R. Simpson	6	Yes
Z. Alam <sup>1</sup>	4	Yes
A. Malik <sup>2</sup>	3	Yes
P. B. Ramanujam <sup>3</sup>	0	No

1. Resigned as Non-Executive Director w.e.f. 20th March, 2018.

2. Appointed Non-Executive Director w.e.f. 11th April, 2017 and resigned w.e.f. 1st August, 2017.

3. Resigned as Non-Executive Director w.e.f. 1st August, 2017.

### COMMITTEES OF THE BOARD

Currently, there are five Board Committees – the Audit Committee, the Nomination & Compensation Committee, the Securityholders Relationship Committee, the CSR and Sustainability Committee and the Independent Directors Committee. The terms of reference of the Board Committees are determined by the Board from time to time, other than the Independent Directors Committee the terms of reference of which have been adopted as prescribed under law. Meetings of each Board Committee are convened by the respective Committee Chairman. Matters requiring the Board's attention / approval, as emanating from the Board Committee meetings, are placed before the Board with clearance of the Committee Chairman. Minutes of Board Committee meetings are placed before the Board for its information. 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 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 role of the Committee includes the following:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- To recommend the appointment, remuneration, terms of appointment and removal of Statutory Auditors;
- To recommend the appointment, remuneration and removal of Cost Auditors, where necessary;
- To approve transactions of the Company with related parties, including modifications thereto;

- (e) To review and monitor the Statutory Auditors' independence and performance, and effectiveness of the audit process;
- (f) To evaluate the Company's internal financial controls and risk management systems;
- (g) To review with the management the following:
  - (i) Annual financial statements and Auditors' Report thereon before submission to the Board for approval;
  - (ii) Quarterly financial statements before submission to the Board for approval;
- (h) To review the following:
  - (i) Management discussion and analysis of financial condition and results of operations;
  - (ii) Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
  - (iii) Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
  - (iv) System for storage, retrieval, security etc. of books of account maintained in the electronic form;
  - (v) Functioning of Whistle Blower mechanism in the Company.

### Composition

The Audit Committee presently comprises four Non-Executive Directors, three of whom are Independent Directors. The Chairman of the Committee is an Independent Director. The Executive Director & Chief Financial Officer, the Head of Internal Audit and the representative of the Statutory Auditors are Invitees to meetings of the Audit Committee. The Head of Internal Audit, who reports to the Audit Committee, is the Coordinator, and the Company Secretary is the Secretary to the Committee. The representatives of the Cost Auditors are invited to meetings of the Audit Committee whenever matters relating to cost audit are considered. All members of the Committee are financially literate; three 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 and 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, 2018, eight meetings of the Audit Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	8th May, 2017	5	4
2	26th May, 2017	5	4
3	27th July, 2017	5	4
4	18th August, 2017	5	5
5	27th October, 2017	5	4
6	14th December, 2017	5	3
7	19th January, 2018	5	5
8	24th March, 2018	4	4

#### Attendance at Audit Committee Meetings during the financial year

Member	No. of meetings attended
S. B. Mathur	8
A. Duggal	7
S. B. Mainak <sup>1</sup>	5
S. S. H. Rehman	8
Z. Alam <sup>2</sup>	5
P. B. Ramanujam <sup>3</sup>	0

1. Appointed Member w.e.f. 2nd August, 2017.

2. Ceased to be Member w.e.f. 20th March, 2018.

3. Ceased to be Member w.e.f. 1st August, 2017.

## II. NOMINATION & COMPENSATION COMMITTEE

The Nomination and Remuneration Committee of the Board, under the nomenclature 'Nomination & Compensation Committee', inter alia, identifies persons qualified to become Directors and formulates criteria for evaluation of performance of the Directors and the Board as a whole. The Committee's role also includes recommending to the Board the appointment, remuneration and removal of Directors, CMC Members and managers one level below that of Executive Director. This Committee also has the responsibility for administering the Employee Stock Option Schemes of the Company.

### Composition

The Nomination & Compensation Committee presently comprises the Chairman of the Company and four other Non-Executive Directors, three of whom are Independent Directors. The Chairman of the Committee is an Independent Director. The Company Secretary is the Secretary to the Committee.

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

### Meetings and Attendance

#### Details of Nomination & Compensation Committee Meetings during the financial year

During the financial year ended 31st March, 2018, six meetings of the Nomination & Compensation Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	11th April, 2017	5	5
2	26th May, 2017	5	5
3	27th July, 2017	5	5
4	28th July, 2017	5	5
5	27th October, 2017	5	5
6	19th January, 2018	5	5

#### Attendance at Nomination & Compensation Committee Meetings during the financial year

Member	No. of meetings attended
S. Banerjee	6
Y. C. Deveshwar	6
S. B. Mainak	6
S. S. H. Rehman	6
M. Shankar	6

### Remuneration Policy

ITC's remuneration policy aims at attracting and retaining high calibre talent. The remuneration policy, therefore, is market-led and takes into account the competitive circumstance of each business so as to attract and retain quality talent and leverage performance significantly.

The Policy on remuneration of Directors, Key Managerial Personnel and other employees of the Company is available on the Company's corporate website [www.itcportal.com](http://www.itcportal.com) and is also provided in the Annexure forming part of this Report.

### Remuneration of Directors

Remuneration of the Managing Director and the other Executive Directors is determined by the Board, on the recommendation of the Nomination & Compensation Committee, subject to the approval of the Shareholders. The Managing Director and the other Executive Directors are entitled to performance bonus for each financial year up to a maximum of 300% and 200% of their basic / consolidated salary, respectively, as may be determined by the Board, on the recommendation of the Nomination & Compensation Committee. Such remuneration is linked to the performance of the Company inasmuch as the performance bonus is based on various qualitative and quantitative performance criteria.

Non-Executive Directors, including Independent Directors, are entitled to remuneration by way of commission for each financial year, presently ranging between ₹ 30,00,000/- and ₹ 60,00,000/- individually, as approved

by the Shareholders. Non-Executive Directors' commission is determined by the Board based, inter alia, on Company performance and regulatory provisions and is payable on a uniform basis to reinforce the principle of collective responsibility. Mr. Y. C. Deveshwar, Chairman and Non-Executive Director effective 5th February, 2017, in view of his enlarged role, is entitled to additional remuneration and benefits as approved by the Shareholders, apart from the remuneration as applicable to the other Non-Executive Directors of the Company. Non-Executive Directors are also entitled to sitting fees for attending meetings of the Board and its Committees, the quantum of which is determined by the Board. The sitting fees to Non-Executive Directors as determined by the Board are ₹ 1,00,000/- for each meeting of the Board, ₹ 50,000/- for each meeting of the Audit Committee, Nomination & Compensation Committee, CSR and Sustainability Committee and Independent Directors Committee, and ₹ 10,000/- for each meeting of the Securityholders Relationship Committee. Non-Executive Directors are also entitled to coverage under Personal Accident Insurance.

#### Performance Evaluation of Directors

Performance evaluation of the Board, the Board Committees and individual Directors was carried out in accordance with the Policy approved by the Nomination & Compensation Committee in this regard, synopsis of which is provided in the 'Report of the Board of Directors & Management Discussion and Analysis' in the Report and Accounts.

#### Details of Remuneration paid to the Directors during the financial year ended 31st March, 2018

(₹ in Lakhs)

Director	Basic/ Consolidated Salary/ Remuneration	Perquisites/ other Benefits	Performance Bonus/ Commission	Sitting Fees	Total
Y. C. Deveshwar	1200.00	729.36	1045.67 #	10.50	2985.53
S. Puri	144.00	33.49	229.14	-	406.63
N. Anand	96.00	67.73	192.00	-	355.73
R. Tandon	96.00	23.04	192.00	-	311.04
S. Banerjee	-	-	40.00	9.50	49.50
A. Duggal	-	-	40.00	10.00	50.00
S. B. Mainak	-	-	40.00 *	13.00	53.00
S. B. Mathur	-	-	40.00	10.50	50.50
N. Rao	-	-	39.23	6.00	45.23
S. S. H. Rehman	-	-	40.00	14.10	54.10
M. Shankar	-	-	40.00	11.00	51.00
D. R. Simpson	-	-	7.01	7.50	14.51
Z. Alam <sup>1</sup>	-	-	17.21 *	7.00 *	24.21
A. Bajjal <sup>2</sup>	-	-	29.92	-	29.92
A. V. Girija Kumar <sup>3</sup>	-	-	12.38 *	-	12.38
R. E. Lerwill <sup>4</sup>	-	-	8.99	-	8.99
A. Malik <sup>5</sup>	-	-	-	3.00	3.00
P. B. Ramanujam <sup>6</sup>	-	-	40.00	-	40.00
K. Vaidyanath <sup>7</sup>	-	-	13.04	-	13.04

# Includes ₹ 1039.64 Lakhs paid towards performance bonus as Executive Chairman till 4th February, 2017.

\* Paid to the Public Financial Institution the Director represents / represented.

1. Resigned as Non-Executive Director w.e.f. 20th March, 2018.

2. Ceased to be Non-Executive Director w.e.f. 30th December, 2016.

3. Ceased to be Non-Executive Director on conclusion of the 105th AGM held on 22nd July, 2016.

4. Resigned as Non-Executive Director w.e.f. 22nd June, 2016.

5. Appointed Non-Executive Director w.e.f. 11th April, 2017 and resigned w.e.f. 1st August, 2017.

6. Resigned as Non-Executive Director w.e.f. 1st August, 2017.

7. Ceased to be Non-Executive Director w.e.f. 29th July, 2016.

Note: Disclosure with respect to Non-Executive Directors - Pecuniary relationship or transaction: None.

Inherent in the concept of trusteeship is the responsibility to ensure equity, namely, that the rights of all shareholders, large or small, are protected.



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### Employee Stock Option Schemes

The Company granted 65,03,860 Options during the financial year to the eligible employees and Directors of the Company, other than Independent Directors, and eligible employees of some of its subsidiary companies.

Each Option entitles the holder thereof to apply for and be allotted ten Ordinary Shares of the Company of ₹ 1/- each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of five years from the date of such vesting.

The vesting period for conversion of Options is as follows:

On completion of 12 months from the date of grant of the Options : 30% vests

On completion of 24 months from the date of grant of the Options : 30% vests

On completion of 36 months from the date of grant of the Options : 40% vests

### Shares and Options of Directors

Director	No. of Ordinary Shares of ₹ 1/- each held (singly / jointly) as on 31st March, 2018	No. of Options granted during the financial year
Y. C. Deveshwar	10,15,000	10,000
S. Puri	1,00,000	2,70,000
N. Anand	29,475	1,35,000
R. Tandon	2,89,750	1,35,000
S. Banerjee	Nil	Nil
A. Duggal	Nil	Nil
S. B. Mainak	Nil	Nil
S. B. Mathur	1,70,500	Nil
N. Rao	Nil	Nil
S. S. H. Rehman	17,732	Nil
M. Shankar	Nil	Nil
D. R. Simpson	Nil	Nil

Note: Options were granted at 'market price' as defined under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

### Service Contract, Severance Fee and Notice Period

The appointment of the Managing Director and the other Executive Directors is governed by resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointment read with the service rules of the Company. A separate Service Contract is not entered into by the Company with those elevated to the Board from the management cadre, since they already have a Service Contract with the Company. Letters of appointment have been issued by the Company to the Independent Directors, incorporating their roles, duties, responsibilities etc., which have been accepted by them.

There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors who have all been drawn from amongst the management cadre. The statutory provisions will however apply. With respect to notice period of Directors, the statutory provisions will also apply.

### III. SECURITYHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board, under the nomenclature 'Securityholders Relationship Committee', oversees redressal of shareholder and investor grievances and, inter alia, approves transmission of shares, sub-division / consolidation / renewal of share certificates, issue of duplicate share certificates etc. and allotment of shares upon exercise of Options under the Company's Employee Stock Option Schemes.

#### Composition

The Securityholders Relationship Committee presently comprises three Directors. The Chairman of the Committee is an Independent Director. The Company Secretary is the Secretary to the Committee.

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

#### Meetings and Attendance

#### Details of Securityholders Relationship Committee Meetings during the financial year

During the financial year ended 31st March, 2018, fourteen meetings of the Securityholders Relationship

Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	28th April, 2017	3	2
2	15th May, 2017	3	2
3	29th June, 2017	4	2
4	27th July, 2017	4	3
5	28th August, 2017	3	2
6	18th September, 2017	3	2
7	27th October, 2017	3	3
8	21st November, 2017	3	2
9	14th December, 2017	3	2
10	19th January, 2018	3	3
11	1st February, 2018	3	2
12	16th February, 2018	3	2
13	6th March, 2018	3	2
14	24th March, 2018	3	3

#### Attendance at Securityholders Relationship Committee Meetings during the financial year

Member	No. of meetings attended
S. S. H. Rehman <sup>1</sup>	6
S. Puri	13
R. Tandon	13
P. B. Ramanujam <sup>2</sup>	0

1. Appointed Member w.e.f. 26th May, 2017 and Chairman of the Committee w.e.f. 2nd August, 2017.

2. Ceased to be Member and Chairman of the Committee w.e.f. 1st August, 2017.

#### IV. CSR AND SUSTAINABILITY COMMITTEE

The role of the CSR Committee of the Board, under the nomenclature 'CSR and Sustainability Committee', is inter alia to review, monitor and provide strategic direction

to the Company's CSR and sustainability practices towards fulfilling its triple bottom line objectives. The Committee seeks to guide the Company in integrating its social and environmental objectives with its business strategies and assists in crafting unique models to support creation of sustainable livelihoods. The Committee formulates & monitors the CSR Policy and recommends to the Board the annual CSR Plan of the Company in terms of the Companies Act, 2013.

#### Composition

The CSR and Sustainability Committee presently comprises the Chairman of the Company and five other Non-Executive Directors, two of whom are Independent Directors. The Chairman of the Company is the Chairman of the Committee. The Company Secretary is the Secretary to the Committee.

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

#### Meetings and Attendance

##### Details of CSR and Sustainability Committee Meetings during the financial year

During the financial year ended 31st March, 2018, three meetings of the CSR and Sustainability Committee were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	11th April, 2017	6	5
2	26th May, 2017	6	6
3	27th October, 2017	6	5

The structure, processes and practices of governance are designed to support effective management of multiple businesses while retaining focus on each one of them.

## Report on Corporate Governance

### Attendance at CSR and Sustainability Committee Meetings during the financial year

Member	No. of meetings attended
Y. C. Deveshwar	3
S. B. Mainak	3
N. Rao	3
M. Shankar	3
D. R. Simpson	3
Z. Alam <sup>1</sup>	1
A. Malik <sup>2</sup>	N.A.

1. Ceased to be Member w.e.f. 20th March, 2018.

2. Member of the Committee from 26th May, 2017 to 31st July, 2017.

### V. INDEPENDENT DIRECTORS COMMITTEE

The statutory role of the Independent Directors Committee of the Board is to review the performance of the non-Independent Directors including the Chairman of the Company, and the Board and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

#### Composition

The Independent Directors Committee comprises all the Independent Directors of the Company, whose names are provided under the section 'Board of Directors and Committees' in the Report and Accounts.

#### Meetings and Attendance

##### Details of Independent Directors Committee Meeting during the financial year

During the financial year ended 31st March, 2018, one meeting of the Independent Directors Committee was held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	11th April, 2017	7	6

### Attendance at Independent Directors Committee Meeting during the financial year

Member	No. of meeting attended
S. Banerjee	1
A. Duggal	1
S. B. Mathur	1
N. Rao	1
S. S. H. Rehman	1
M. Shankar	1
P. B. Ramanujam <sup>1</sup>	0

1. Ceased to be Member w.e.f. 1st August, 2017.

### CORPORATE MANAGEMENT COMMITTEE

The primary role of the CMC is strategic management of the Company's businesses within Board approved direction/framework and realisation of Company goals. The CMC, inter alia, formulates the Company's business plans and organisational policies, systems & processes, reviews business performance against approved plans and operates under the strategic supervision and control of the Board.

#### Composition

The CMC presently comprises the Managing Director, the other Executive Directors and six senior members of management. The Managing Director is the Chairman of the Committee. The composition of the CMC is determined by the Board on the recommendation of the Nomination & Compensation Committee. The Company Secretary is the Secretary to the CMC.

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

#### Meetings and Attendance

Matters requiring the Board's attention / approval are placed in the form of notes from the relevant Executive Director / CMC Member, backed by comprehensive background information, along with DMC's recommendation / approval, where applicable. Minutes of CMC meetings are placed before the Board for its information.

**Details of Corporate Management Committee Meetings during the financial year**

During the financial year ended 31st March, 2018, thirty nine meetings of the CMC were held, as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	28th April, 2017	10	10
2	15th May, 2017	10	10
3	28th June, 2017	10	8
4	7th & 8th July, 2017	10	8
5	12th & 13th July, 2017	10	9
6	18th July, 2017	10	9
7	22nd & 23rd August, 2017	10	9
8	21st & 22nd September, 2017	10	10
9	12th & 13th October, 2017	10	10
10	23rd October, 2017	10	9
11	22nd & 23rd November, 2017	10	9
12	20th December, 2017	10	9
13	9th January, 2018	10	10
14	17th January, 2018	10	9
15	6th February, 2018	9	8
16	6th February, 2018	9	8
17	12th February, 2018	9	8
18	13th February, 2018	9	7
19	15th February, 2018	9	8
20	15th February, 2018	9	8
21	19th February, 2018	9	8
22	22nd February, 2018	9	9
23	22nd February, 2018	9	9
24	27th February, 2018	9	9
25	27th & 28th February, 2018	9	9
26	5th March, 2018	9	9
27	5th March, 2018	9	9
28	8th, 9th, 12th, 13th & 14th March, 2018	9	9
29	9th March, 2018	9	9
30	14th March, 2018	9	8
31	19th March, 2018	9	8
32	19th March, 2018	9	8
33	21st March, 2018	9	9
34	22nd March, 2018	9	9
35	22nd March, 2018	9	9
36	26th March, 2018	9	9
37	26th March, 2018	9	9
38	26th March, 2018	9	9
39	30th March, 2018	9	9

**Attendance at Corporate Management Committee Meetings during the financial year**

Member	No. of meetings attended
S. Puri	39
N. Anand	38
R. Tandon	39
C. Dar	37
S. K. Singh	35
S. Sivakumar	39
R. Sridhar	39
B. Sumant	29
K. S. Suresh	37
B. B. Chatterjee <sup>1</sup>	11

1. Ceased to be Member on retirement w.e.f. 4th February, 2018.

**RISK MANAGEMENT COMMITTEE**

The role of the Risk Management Committee, constituted pursuant to the Listing Regulations 2015, is inter alia to approve the strategic risk management framework of the Company, and review the risk mitigation strategies and results of risk identification, prioritisation & mitigation plans for all businesses / functions.

**Composition**

The Risk Management Committee presently comprises the Managing Director, the other Executive Directors and senior members of management. The Managing Director is the Chairman of the Committee. The Chief Risk Officer is the Secretary to the Committee.

The names of the members of the Risk Management Committee, including its Chairman, are provided below.

**Meetings and Attendance**
**Details of Risk Management Committee Meetings during the financial year**

During the financial year ended 31st March, 2018, two meetings of the Risk Management Committee were held, as follows:

Sl. No.	Date	Committee Strength (including Invitees)	No. of Members & Invitees present
1	30th October, 2017	7	7
2	26th February, 2018	7	7

## Report on Corporate Governance

### Attendance at Risk Management Committee Meetings during the financial year

Member	No. of meetings attended
S. Puri (Chairman)	2
N. Anand	2
R. Tandon	2
S. Sivakumar	2
B. Sumant	2
Invitee	No. of meetings attended
R. Parasuram	2
S. K. Singh	2

### SUBSIDIARY COMPANIES

All subsidiaries of the Company are managed by their respective Board of Directors in the best interest of those companies and their shareholders. Pursuant to the Listing Regulations 2015, the minutes of Board meetings of subsidiary companies and details of significant transactions and arrangements entered into by them are placed before the Board of Directors of the Company. The financial statements of the subsidiary companies are reviewed by the Audit Committee of the Company. Performance review reports of wholly owned subsidiaries are also placed before the Board of Directors of the Company on a half-yearly basis.

The Company does not have any material subsidiary. The Company's Policy for determination of a material subsidiary may be accessed on its corporate website at <http://www.itcportal.com/about-itc/policies/policy-on-material-subsidiaries.aspx>.

### FAMILIARISATION PROGRAMME FOR DIRECTORS

ITC believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions. Visits to Company facilities are also organised for the Directors. Further details may be accessed on the Company's corporate website at <http://www.itcportal.com/about-itc/leadership/board-of-directors.aspx>.

### DISCLOSURES

- Details of non-compliances, penalties and strictures by Stock Exchanges / SEBI / Statutory Authorities on any matter related to capital markets during the last three years:  
**None**
- Inter-se relationships between Directors and Key Managerial Personnel of the Company:  
**None**
- Materially significant related party transactions which may have potential conflict with the interests of the Company at large:  
**None**
- Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large:  
**None**

The CSR and Sustainability Committee provides strategic direction to the Company's CSR and Sustainability practices towards fulfilling its Triple Bottom Line objectives.

- Compliance Officer under the Listing Regulations 2015:  
**R. K. Singhi, Executive Vice President & Company Secretary**
- Information with respect to 'Commodity Price Risk or Foreign Exchange Risk and Hedging Activities' is provided in the 'Report of the Board of Directors & Management Discussion and Analysis' and in the 'Notes to the Financial Statements', forming part of the Report and Accounts.

### MEANS OF COMMUNICATION

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance.

Towards this end -

- The quarterly results of the Company were announced within a month from the end of the quarter. Audited annual results along with the results for the fourth quarter were announced within sixty days from the end of the financial year. Extract of these results were published, inter alia, in 'The Times of India' and 'Bartaman' / 'Sangbad Pratidin' from Kolkata, and on an all India basis in major newspapers, and also in 'Luxemburger Wort', Luxembourg; annual results were also published in 'Financial Times', London. Further, quarterly results, shareholding pattern and other important information relating to the Company were submitted to the Stock Exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective websites. As in the past, the Company will publish its quarterly, half-yearly and annual financial results and also post such results on the Company's corporate website **www.itcportal.com**. The Company's presentations on the results, quarterly results updates along with FAQs are made available on the Company's corporate website.
- The Company's corporate website provides comprehensive information on ITC's portfolio of businesses, CSR and Sustainability initiatives, EHS performance, shareholding pattern, key Company Policies, and contact details of Company's employees

responsible for assisting investors & handling investor grievances. The website has entire sections dedicated to ITC's profile, history and evolution, its core values, corporate governance and leadership. An exclusive section on 'Shareholder Value' serves to inform and service Shareholders, enabling them to access information at their convenience. The entire Report and Accounts as well as quarterly, half-yearly and annual financial results are available in downloadable formats under the section 'Shareholder Value' on the Company's corporate website as a measure of added convenience to investors. The 'Media Centre' section includes all major media releases from the Company and relevant media reports.

- The Report of the Board of Directors, forming part of the Report and Accounts, includes all aspects of Management Discussion and Analysis as required under the Listing Regulations 2015.

### ITC CODE OF CONDUCT

The ITC Code of Conduct, adopted by the Board of Directors, is applicable to Directors, senior management and employees of the Company. The Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct in relation to the Company's business and reputation. The Code covers ITC's commitment to CSR and sustainable development, concern for occupational health, safety and environment, a gender friendly workplace, transparency and auditability, legal compliance and the philosophy of leading by personal example. The Code is available on the Company's corporate website.

#### Declaration as required under the Listing Regulations 2015

All Directors and senior management of the Company have affirmed compliance with the ITC Code of Conduct for the financial year ended 31st March, 2018.

Gurugram, 16th May, 2018.

S. Puri  
Managing Director

## Report on Corporate Governance

### WHISTLEBLOWER POLICY

Synopsis of the Whistleblower Policy of the Company is provided in the 'Report of the Board of Directors & Management Discussion and Analysis' in the Report and Accounts. The Whistleblower Policy is also available on the Company's corporate website.

### POLICY ON RELATED PARTY TRANSACTIONS

The Policy may be accessed on the Company's corporate website at <http://www.itcportal.com/about-itc/policies/policy-on-rpt.aspx>.

### ITC CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING - 2015

The ITC Code of Conduct for Prevention of Insider Trading - 2015, approved by the Board of Directors, inter alia, prohibits trading in securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

### DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS 2015

The status of compliance with the discretionary requirements under the Listing Regulations 2015 is provided below:

- Separate posts of Chairman and Chief Executive Officer:** The Company has a Chairman in non-executive capacity and a Managing Director.
- Chairman's Office:** Chairman's Office is maintained by the Company and expenses towards performance of the Chairman's duties are borne by the Company / reimbursed to him.

- Shareholder Rights:** The quarterly, half-yearly and annual financial results of the Company are posted on the Company's corporate website and extract of these results are published in newspapers on an all India basis. Significant events are also posted on the Company's website under the 'Media Centre' section. The complete Annual Report is sent to every Shareholder of the Company.
- Audit Opinion:** It has always been the Company's endeavour to present financial statements with unmodified audit opinion. The Statutory Auditors have issued an unmodified audit opinion on the Company's financial statements for the year ended 31st March, 2018.
- Internal Audit:** The Head of Internal Audit reports to the Audit Committee of the Board.

### GENERAL SHAREHOLDER INFORMATION

Provided in the 'Shareholder Information' section of the Report and Accounts.

### CONFIRMATION OF COMPLIANCE

As required under the Listing Regulations 2015 –

- It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations 2015.
- The Statutory Auditors' Certificate that the Company has complied with the conditions of Corporate Governance is annexed to the 'Report of the Board of Directors & Management Discussion and Analysis'.

#### Notes:

- Reference to Division / Divisional Business includes Strategic Business Unit (SBU), Business Vertical and Shared Services.
- Reference to Divisional Management Committee includes SBU Management Committee, Shared Services Management Committee and Executive Committee for Business Vertical.
- Reference to Divisional Chief Executive includes Heads of SBU, Business Vertical and Shared Services.

The ITC Code of Conduct is derived from three interlinked fundamental principles – good corporate governance, good corporate citizenship and exemplary personal conduct.

## ANNEXURE TO THE REPORT ON CORPORATE GOVERNANCE

### Remuneration Policy

ITC's Remuneration Strategy is designed to attract and retain high quality talent, that gives each of its businesses a unique competitive advantage and enables the Company achieve its objectives.

ITC's Remuneration Strategy is a key and integral component of the broader Human Resource Strategy of the Company and, whilst focusing on remuneration and related aspects of performance management, is aligned with and reinforces the employee value proposition of a superior quality of work life, that includes an enabling work environment, an empowering and engaging work culture and opportunities to learn and grow.

The Compensation approach endeavours to align each employee with the Company's Superordinate goal and enables a congruence between individual aspirations and the Company's mission and vision.

### Policy

It is ITC's policy:

1. To ensure that its Remuneration practices support and encourage meritocracy.
2. To ensure that Remuneration is market-led and takes into account the competitive context of each business.
3. To leverage Remuneration as an effective instrument to enhance performance and therefore, to link a significant component of remuneration to both individual and collective performance outcomes.
4. To adopt a comprehensive approach to Remuneration in order to support a superior quality of personal and work life, combining both cash and non-cash components / benefits, in a manner so as to judiciously balance short term with long term priorities.
5. To design Remuneration practices such that they reinforce ITC's values and culture and to implement them in a manner that complies with all relevant regulatory requirements.

### Remuneration of Executive Directors, Key Managerial Personnel and Senior Management

1. Remuneration of Executive Directors, Key Managerial Personnel and Senior Management is determined and recommended by the Board Nomination & Compensation Committee and approved by the Board. Remuneration of Executive Directors is also subject to the approval of the shareholders.
2. Remuneration is reviewed and revised periodically, when such a revision is warranted by the market. Since the market for Board-level and senior leadership talent is global, remuneration of top management of global corporations as well as Indian corporations of comparable size is considered. The review also cognises for the Company's diverse multi-business portfolio and its unique strategy of organisation.
3. Apart from fixed elements of remuneration and benefits / perquisites, Executive Directors, Key Managerial Personnel and Senior Management are also eligible for Performance Bonus and Employee Stock Options that are linked to their individual performance and the overall performance of the Company. These elements of compensation design, facilitate alignment of the priorities of Executive Directors, Key Managerial Personnel and Senior Management with the long-term interests of stakeholders.

### Remuneration of Non-Executive Directors and Chairman

Remuneration of Non-Executive Directors is in the form of annual commission, which is determined by the Board within the limit stipulated under the Companies Act, 2013 and approved by the shareholders. Commission is based, inter alia, on Company performance and is generally payable on a uniform basis to reinforce the principle of collective responsibility. Individual performance may be taken into account in exceptional circumstances. Non-Executive Directors are also entitled to sitting fees for attending meetings of the Board and Committees thereof, the quantum of which is determined by the Board. Non-Executive Directors, who are not Independent Directors, are also eligible for Stock Options as approved by the shareholders.

The present Chairman, at the request of the Nomination & Compensation Committee and the Board, recognising the need for orderly transition in a company of ITC's size and complexity, agreed to continue as Chairman in non-executive capacity and also play the role of Mentor to the new executive management, and is entitled to additional remuneration and benefits, as determined by the Board within the limit stipulated under the Companies Act, 2013 and approved by the shareholders.

### Remuneration of Management Staff

1. Remuneration of Management Staff is business-specific and approved by the Corporate Management Committee on the recommendation of the Business and Corporate Human Resources.
2. Remuneration is reviewed and revised periodically, when such a revision is warranted by the market. The quantum of revision is linked to market trends, the competitive context of the business, as well as the track record of the individual manager.
3. Variable Pay in the form of Annual Performance Bonus cognises for the performance rating of the individual manager, the performance of the Business and the overall performance of the Company.
4. The Nomination & Compensation Committee may grant Stock Options under the Company's Employee Stock Option Schemes to managers at middle and senior levels, linked to their performance and potential, with benefits vesting in phases over a period of time.

### Remuneration of Non-Management Employees

1. Remuneration of non-management employees is market-led, business specific, leverages performance and is approved by the Management Committee of the Business.
2. Remuneration of non-management unionised employees is determined through a process of negotiations with the recognised union/s or employee representatives, through a long-term agreement.
3. The collective bargaining process is anchored in mutuality of interests, characterised by industrial democracy and partnership with enlightened trade unions, aimed at enhancing the competitiveness of the unit and business, and thereby improving the quality of life of the workforce through fair and equitable compensation.
4. Remuneration, comprising fixed and variable components, is arrived at based on benchmarking with region-cum-industry practices and cognizing for market dynamics, competitiveness of the unit / plant, overall performance of the business, availability of skills, inflation / cost of living and the impact of cost escalation and productivity gains on present and future competitiveness.

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# Shareholder Information

## AGM Details

Date	Friday, 27th July, 2018
Venue	Science City Main Auditorium JBS Haldane Avenue Kolkata 700 046
Time	10.00 a.m.
Book Closure Dates	Tuesday, 29th May, 2018 to Thursday, 31st May, 2018 (both days inclusive)
Dividend Payment Date	Tuesday, 31st July, 2018

## Registrar & Share Transfer Agents

The in-house Investor Service Centre of the Company (ISC) provides share registration and related services to the Shareholders and Investors. The ISC is registered with the Securities and Exchange Board of India (SEBI) as Category II Share Transfer Agent. During the year, the ISO Quality Management System Certification for investor servicing by ISC was upgraded to ISO 9001:2015 by Messrs. Det Norske Veritas, accredited agency for this purpose.

## Shareholder / Investor complaints

The Company attends to Shareholder / Investor complaints within five working days except where constrained by disputes or legal impediments. Pending cases relating to disputes over title to shares in which the Company has been made a party, are not material in nature.

During the financial year, two investor complaints (both relating to dividend), in terms of the Complaint Identification Policy of the Company approved by the Securityholders Relationship Committee, were received and were promptly resolved.

National Stock Exchange, Bombay Stock Exchange and Calcutta Stock Exchange have confirmed that there were no investor complaints pending against the Company at the end of each quarter as also on 31st March, 2018, which position was also reflected on SCORES, the web based complaint redressal system of SEBI. The e-mail ID earmarked by the Company for this purpose is [isc@itc.in](mailto:isc@itc.in).

## Shareholder Satisfaction Survey

A Shareholder Satisfaction Survey was conducted by the Company during the year to assess the service standards of ISC. Amongst the Shareholders who participated in the Survey, 97% expressed that they were satisfied with the services provided by ISC.

## Share and Debenture Transfer Committee

The Share and Debenture Transfer Committee of the Company met thirty one times during the financial year ended 31st March, 2018 to approve share transfers. The processing activities with respect to requests received for share transfers are generally completed within three working days. There were no share transfers pending as on 31st March, 2018.

The Committee presently comprises the following:

R. Tandon, Executive Director & Chief Financial Officer	- Chairman
K. S. Suresh, General Counsel	- Member
R. K. Singhi, Executive Vice President & Company Secretary	- Member

A. Bose, Deputy Secretary and Head of ISC, is the Secretary to the Committee and also the Compliance Officer under the SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

## Dematerialisation of Shares and Liquidity

The shares of the Company are available for trading in the dematerialised form 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.

During the financial year, 1,72,01,605 shares of the Company, covered in 2,710 requests and constituting 0.14% of the issued and subscribed Share Capital of the Company, were dematerialised. The processing activities with respect to requests received for dematerialisation are generally completed within three working days.

The Company's shares are amongst 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 stood at ₹ 3,11,820 Crores (US\$ 47.84 billion) on 31st March, 2018.

**Distribution of Shareholding as on 31st March, 2018**

No. of Shares Slab	No. of Shareholders				No. of Shares			
	Physical	Demat	Total	%	Physical	Demat	Total	%
1 – 5000	30,841	7,21,244	7,52,085	94.50	2,61,58,900	23,52,08,953	26,13,67,853	2.14
5001 – 10000	3,221	14,544	17,765	2.23	2,42,15,545	10,71,05,608	13,13,21,153	1.08
10001 – 20000	1,950	9,768	11,718	1.47	2,66,76,773	13,79,87,684	16,46,64,457	1.35
20001 – 30000	845	4,345	5,190	0.65	2,07,12,589	10,76,28,544	12,83,41,133	1.05
30001 – 40000	265	1,941	2,206	0.28	90,29,195	6,72,77,457	7,63,06,652	0.63
40001 – 50000	180	1,312	1,492	0.19	80,31,295	5,89,90,517	6,70,21,812	0.55
50001 – 100000	336	2,418	2,754	0.35	2,34,07,897	16,87,32,494	19,21,40,391	1.57
100001 and above	132	2,501	2,633	0.33	3,64,60,01,070	7,53,71,30,390	11,18,31,31,460	91.63
<b>Total</b>	<b>37,770</b>	<b>7,58,073</b>	<b>7,95,843</b>	<b>100.00</b>	<b>3,78,42,33,264</b>	<b>8,42,00,61,647</b>	<b>12,20,42,94,911</b>	<b>100.00</b>

**Categories of Shareholders as on 31st March, 2018**

Category	No. of Shares held	%
<b>(A) Institutional Shareholding</b>		
Financial Institutions, Insurance Companies, Mutual Funds, Banks and Others	4,51,87,29,757	37.03
Foreign Portfolio Investors and Foreign Institutional Investors	2,19,23,04,870	17.96
<b>Sub-Total (A)</b>	<b>6,71,10,34,627</b>	<b>54.99</b>
<b>(B) Non-Institutional Shareholding</b>		
Foreign Companies	3,62,02,92,462	29.66
NRIs, OCIs and Foreign Nationals	7,31,10,058	0.60
Bodies Corporate	49,76,10,097	4.08
Public and Others	1,27,75,55,748	10.47
<b>Sub-Total (B)</b>	<b>5,46,85,68,365</b>	<b>44.81</b>
<b>Public Shareholding (A+B)</b>	<b>12,17,96,02,992</b>	<b>99.80</b>
<b>Shares underlying Global Depository Receipts</b>	<b>2,46,91,919</b>	<b>0.20</b>
<b>Total</b>	<b>12,20,42,94,911</b>	<b>100.00</b>

**Global Depository Receipts**

Pursuant to the offer of Global Depository Receipts (GDRs) made in 1993 by the Company, 2,46,91,919 GDRs, representing 2,46,91,919 underlying shares i.e. 0.20% of the issued and subscribed Share Capital of the Company, were outstanding as on 31st March, 2018.

The Company's GDRs are listed on the Luxembourg Stock Exchange (Code: 004660919) at Societe de la Bourse de Luxembourg, 35A Boulevard Joseph II, L-1840, Luxembourg. The Listing Fee for the calendar year 2018 has been paid to the said Exchange.

## Shareholder Information

### Listing of Shares on Stock Exchanges with Stock Code

Stock Exchange	Stock Code
<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Plot No. C/1, G Block 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
<b>BSE Limited (BSE)</b> 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
<b>The Calcutta Stock Exchange Limited (CSE)</b> 7, Lyons Range Kolkata 700 001 Telephone no. : 033-4025 3000 Facsimile no. : 033-4025 3030 e-mail : cseisc@cse-india.com Website : www.cse-india.com	10000018

The Listing Fees for the financial year 2018-19 have been paid to the Stock Exchanges.

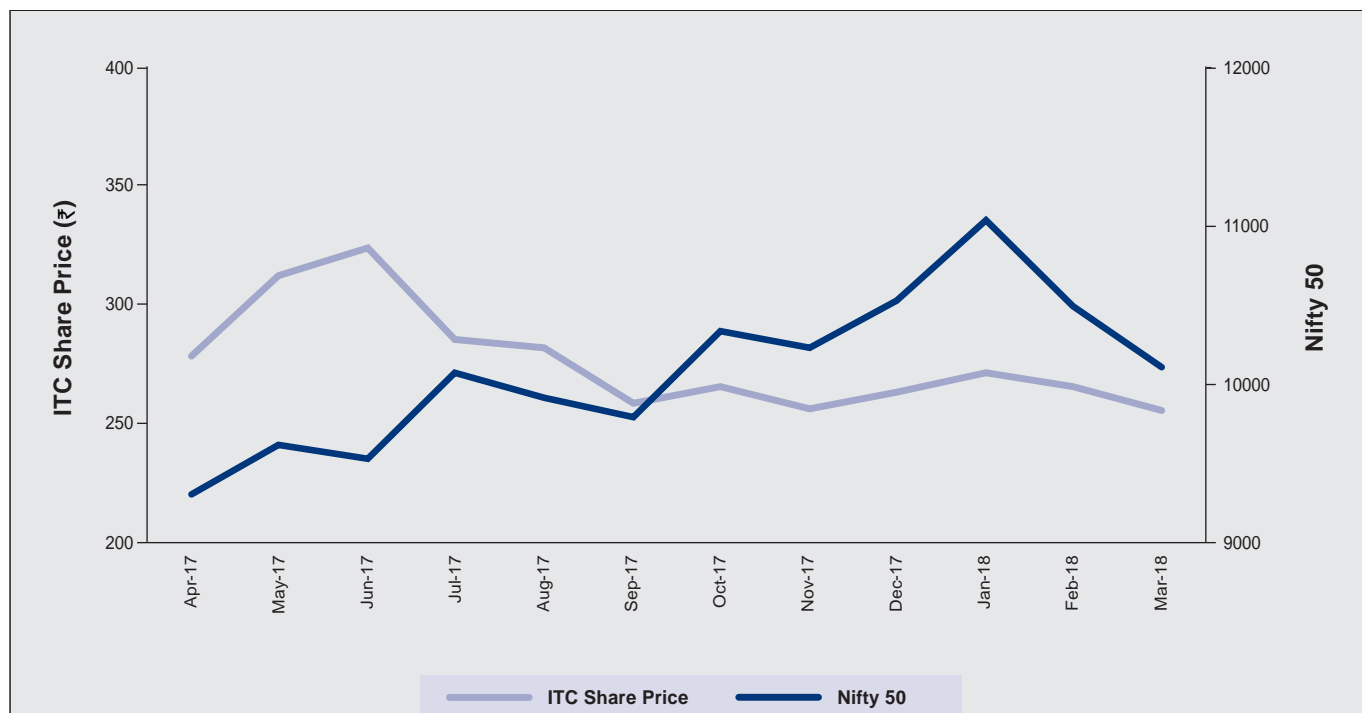
Stock Exchange	Reuters Code	Bloomberg
NSE	ITC.NS	ITC IS
BSE	ITC.BO	ITC IB

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

Year & Month	NSE			BSE			LSE		
	High (₹)	Low (₹)	Volume in 000's (Nos.)	High (₹)	Low (₹)	Volume in 000's (Nos.)	High (US\$)	Low (US\$)	Volume in 000's (Nos.)
2017 APRIL	292.90	270.90	1,61,631	292.85	271.00	16,344	4.54	4.23	1
MAY	319.85	271.00	2,79,575	319.90	270.90	22,857	4.90	4.20	14
JUNE	324.70	299.15	2,04,109	324.80	299.00	23,390	5.01	4.67	10
JULY	367.70	276.40	4,69,345	353.20	276.90	35,219	N.A.	N.A.	Nil
AUGUST	289.90	270.10	2,35,843	289.50	270.05	18,615	N.A.	N.A.	Nil
SEPTEMBER	284.35	256.80	2,66,494	284.60	257.10	16,908	N.A.	N.A.	Nil
OCTOBER	276.00	258.50	1,87,816	276.10	258.10	10,462	N.A.	N.A.	Nil
NOVEMBER	271.20	250.40	2,38,310	271.15	250.35	12,442	N.A.	N.A.	Nil
DECEMBER	267.50	250.00	1,77,780	267.40	250.50	17,884	N.A.	N.A.	Nil
2018 JANUARY	283.30	259.55	3,12,418	283.10	259.60	21,799	N.A.	N.A.	Nil
FEBRUARY	290.30	262.15	2,83,591	290.15	262.10	21,598	N.A.	N.A.	Nil
MARCH	272.00	252.50	1,98,313	271.70	251.30	15,426	N.A.	N.A.	Nil

There was no trading in the Company's shares on CSE during the financial year 2017-18.

### ITC Share Price vis-à-vis Nifty 50



Note: Indicates monthly closing positions.

During the year, the performance of the Company's share price remained subdued relative to Nifty 50, reflecting the sharp increase in taxation and regulatory pressures on the cigarette industry.

### ITC Share Price & Volume traded on NSE



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

## Shareholder Information

### Dividend History (Last 10 Years)

As one of India's foremost private sector companies, the Company has performed consistently for over a century now and has rewarded Shareholders since inception with uninterrupted dividends.

Financial Year	Dividend per Share (₹)	Dividend (₹ in Crores)	Dividend Distribution Tax (₹ in Crores)	Total Dividend including Dividend Distribution Tax (₹ in Crores)
2017-18	5.15 *	6,285.21	1,291.94	7,577.15
2016-17	4.75 \$	5,770.01	1,174.64	6,944.65
2015-16	8.50 ^	6,840.13	1,392.48	8,232.61
2014-15	6.25	5,009.71	1,019.86	6,029.57
2013-14	6.00	4,771.91	810.99	5,582.90
2012-13	5.25	4,148.46	705.03	4,853.49
2011-12	4.50	3,518.29	570.75	4,089.04
2010-11	4.45 @	3,443.48	558.62	4,002.10
2009-10	10.00 #	3,818.18	634.15	4,452.33
2008-09	3.70	1,396.53	237.34	1,633.87

\* Subject to the approval of the Shareholders.

\$ On expanded Share Capital arising out of Bonus Shares issued in the ratio of 1:2.

^ Includes special dividend of ₹ 2.00 per share.

@ On expanded Share Capital arising out of Bonus Shares issued in the ratio of 1:1 and includes special dividend of ₹ 1.65 per share.

# Includes special Centenary dividend of ₹ 5.50 per share.

### Financial Calendar

Financial Year 2018-19 (1st April - 31st March)		
1	First Quarter Results	July 2018
2	Second Quarter and Half-Year Results	October / November 2018
3	Third Quarter Results	January / February 2019
4	Fourth Quarter and Annual Results	May 2019

### Particulars of past three AGMs

AGM	Financial Year	Venue	Date	Time	Special Resolution passed
106th	2016-17	Science City	28/07/2017	10.00 a.m.	None
105th	2015-16	Main Auditorium JBS Haldane Avenue	22/07/2016		
104th	2014-15	Kolkata 700 046	31/07/2015		

### Postal Ballot

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

## Plant Locations

### CIGARETTE FACTORIES

#### Bengaluru

1. Meenakunte Village  
Jala Hobli  
Bengaluru North Taluk  
Karnataka 562 157

#### Kolkata

2. 93/1, Karl Marx Sarani  
Kolkata  
West Bengal 700 043

#### Munger

3. Basdeopur P.O.  
District Munger  
Bihar 811 202

#### Pune

4. Plot No. B - 27, MIDC  
Ranjangaon  
Taluka Shirur  
District Pune  
Maharashtra 412 220

#### Saharanpur

5. Sardar Patel Marg  
Saharanpur  
Uttar Pradesh 247 001

### GREEN LEAF THRESHING PLANTS

#### Anaparti

1. Anaparti  
District East Godavari  
Andhra Pradesh 533 342

#### Chirala

2. Chirala  
District Prakasam  
Andhra Pradesh 523 157

#### Nanjangud

3. Thandya Industrial Area  
Immavu & Adakanahalli Villages  
Nanjangud Taluk  
District Mysuru  
Karnataka 571 302

### PACKAGING & PRINTING FACTORIES

#### Chennai

1. Tiruvottiyur  
Chennai  
Tamil Nadu 600 019

#### Haridwar

2. Plot No. 1, Sector - 11  
Integrated Industrial Estate  
Haridwar  
Uttarakhand 249 403

#### Munger

3. Basdeopur P.O.  
District Munger  
Bihar 811 202

### PAPER & PAPERBOARD MILLS

#### Bollaram

1. Anrich Industrial Estate  
Bollaram Village, Jinnaram Mandal  
District Sangareddy  
Telangana 502 325

#### Sarapaka

2. Sarapaka Village  
District Bhadradi Kothagudem  
Telangana 507 128

#### Thekkampatty

3. Thekkampatty Village  
Vivekanandapuram Post  
Mettupalayam Taluk  
District Coimbatore  
Tamil Nadu 641 113

#### Tribeni

4. Village & Post Chandrahati  
District Hooghly  
West Bengal 712 504

### FOODS FACTORIES

#### Dhulagarh

1. F - 26, Howrah Food Park  
Dhulagarh, Sankrail  
District Howrah  
West Bengal 711 302

#### Haridwar

2. Plot No. 1, Sector - 11  
Integrated Industrial Estate  
Haridwar  
Uttarakhand 249 403

#### Kamrup

3. NH - 37, Bortejpur  
Mouza Rampur  
Kukurmara, District Kamrup  
Assam 781 134

#### Kapurthala

4. Plot No. A-1-A  
Integrated Mixed Use Industrial Park  
Village Jhalthikriwal, District Kapurthala  
Punjab 144 601

#### Malur

5. Survey Nos. 15/1 & 15/2  
Madivala Gram Panchayat  
Yeshwanthpura Village, District Kolar  
Karnataka 563 130

#### Munger

6. Sitakund Industrial Area  
Village Nandalpur, District Munger  
Bihar 811 202

#### Nanjangud

7. Survey No. 77/3  
Thandya Industrial Area  
Immavu & Adakanahalli Villages  
Nanjangud Taluk, District Mysuru  
Karnataka 571 302

#### Panchla

8. Mouza Kulai, J. L. No. 26  
P.S. Panchla, District Howrah  
West Bengal 711 322

#### Pune

9. Plot No. D - 1, MIDC  
Ranjangaon, Taluka Shirur  
District Pune  
Maharashtra 412 220

#### Uluberia

10. Mouza Amraberia, J. L. No. 8  
P.S. Uluberia, District Howrah  
West Bengal 711 303

### PERSONAL CARE PRODUCTS FACTORIES

#### Haridwar

1. Plot No. 1, Sector - 11  
Integrated Industrial Estate  
Haridwar  
Uttarakhand 249 403

#### Kamrup

2. NH - 37, Bortejpur  
Mouza Rampur  
Kukurmara, District Kamrup  
Assam 781 134

#### Manpura

3. Village Manpura  
Tehsil Baddi, District Solan  
Himachal Pradesh 174 101

### LIFESTYLE RETAILING

#### Design & Technology Centre

#### Manesar

- Plot No. 3, Sector - 5  
IMT Manesar, Gurugram  
Haryana 122 050

### PLANTS UNDER CONSTRUCTION

#### Ambarnath

1. Integrated Consumer Goods  
Manufacturing Facility  
Off Kalyan Badlapur Road  
Ambarnath, District Thane  
Maharashtra 421 505

#### Khordha

2. Integrated Consumer Goods  
Manufacturing and Logistics Facility  
IDCO Plot No. 4  
Kholadwara Industrial Area  
District Khordha  
Odisha 752 050

#### Medak

3. Integrated Consumer Goods  
Manufacturing and Logistics Facility  
Village Manhorabad, District Medak  
Telangana 502 336

## Shareholder Information

### Pudukkottai

- Integrated Consumer Goods Manufacturing and Logistics Facility Vadugapatti & Velur Villages Taluk Illupur, District Pudukkottai Tamil Nadu 621 316

### Sehore

- Integrated Consumer Goods Manufacturing and Logistics Facility Industrial Area Badiya Khedi District Sehore Madhya Pradesh 466 001

## HOTELS

### Owned Hotels

#### Agra

- ITC Mughal Taj Ganj Agra Uttar Pradesh 282 001

#### Bengaluru

- ITC Gardenia 1, Residency Road Bengaluru Karnataka 560 025
- ITC Windsor 25, Windsor Square Golf Course Road Bengaluru Karnataka 560 052
- WelcomHotel Bengaluru 46, Richmond Road Bengaluru Karnataka 560 025

#### Chennai

- ITC Grand Chola 63, Mount Road, Guindy Chennai Tamil Nadu 600 032
- WelcomHotel Chennai Cathedral Road Chennai Tamil Nadu 600 086

#### Coimbatore

- WelcomHotel Coimbatore 1266/14, West Club Road Race Course Area, Coimbatore Tamil Nadu 641 018

#### Jaipur

- ITC Rajputana Palace Road Jaipur Rajasthan 302 006

#### Kolkata

- ITC Sonar 1, JBS Haldane Avenue Kolkata West Bengal 700 046

### Mumbai

- ITC Maratha Sahar, Mumbai Maharashtra 400 099
- ITC Grand Central 287, Dr. B. Ambedkar Road Parel, Mumbai Maharashtra 400 012

### New Delhi

- ITC Maurya Sardar Patel Marg Diplomatic Enclave New Delhi 110 021
- Sheraton New Delhi Hotel District Centre, Saket New Delhi 110 017

### Licensed Hotels

#### Ahmedabad

- Fortune Park, Ahmedabad Ellis Bridge Ahmedabad Gujarat 380 006

#### Gurugram

- ITC Grand Bharat P.O. Hasanpur, Tauru District Mewat Gurugram Haryana 122 105

#### Kota

- WelcomHeritage Umed Bhawan Palace Palace Road, Kota Rajasthan 324 001

#### Port Blair

- Fortune Resort Bay Island Marine Hill Port Blair Andaman & Nicobar Islands 744 101

#### Vadodara

- WelcomHotel Vadodara R. C. Dutt Road, Alkapuri Vadodara Gujarat 390 007

### Hotels Under Operating Services

#### Aurangabad

- WelcomHotel Rama International R - 3, Chikalthana Jalna Road Aurangabad Maharashtra 431 003

#### Hyderabad

- ITC Kakatiya 6-3-1187, Begumpet Hyderabad Telangana 500 016

### Jodhpur

- WelcomHotel Jodhpur Khasra No. 53 Uchiyada Village, Jodhpur Rajasthan 342 027

### Khimsar

- WelcomHotel Khimsar Fort & Dunes P.O. Khimsar District Nagaur Rajasthan 341 025

### Mamallapuram

- WelcomHotel Kences Palm Beach No. 53, Devaneri Village East Coast Road District Kanchipuram Mamallapuram Tamil Nadu 603 104

### Mussoorie

- WelcomHotel The Savoy Library Bazar, Gandhi Chowk P.O. Savoy, Mussoorie Uttarakhand 248 179

### New Delhi

- WelcomHotel Dwarka Plot No. 3, Sector - 10 District Centre, Dwarka New Delhi 110 075

### Pahalgam

- WelcomHotel Pine-n-Peak Aru Road, Near Amusement Park Pahalgam Jammu & Kashmir 192 126

### Panchkula

- WelcomHotel Bella Vista SM - 8, City Center, Sector - 5 Panchkula Haryana 134 109

### Visakhapatnam

- WelcomHotel Grand Bay Beach Road Visakhapatnam Andhra Pradesh 530 002

## CHOUPAL SAAGARS – RURAL SERVICES CENTRES

### Amravati

- Old Survey Nos. 12/5A, 12/6 & 12/7 Gat No. 19 Patwari Halka No. 48 Mouza Degaon Pargana Nandgaon Peth Taluka & District Amravati Maharashtra 444 901

### Badaun

- Arazi Nos. 10 & 12/3 (Part) Village Khunak Tehsil & District Badaun Uttar Pradesh 243 601

## Shareholder Information

### Bahraich

3. Khasra Nos. 475-476, 477 (Part), 496-kha (Part), 497, 498 (Part), 500-Mi, 501-505, 507 & 509  
Village Mohammad Nagar  
Tehsil, Pargana & District Bahraich  
Uttar Pradesh 271 801

### Chandouli

4. Khasra Nos. 57-62 & 641  
Village Muhabatpur, Ganj Khwaja  
Pargana Dhoos  
Tehsil Mughal Sarai  
District Chandouli  
Uttar Pradesh 232 104

### Chindwara

5. Survey Nos. 16/1-16/2 & 16/4-16/7  
Settlement No. 7  
Patwari Halka No. 34, R. I. Circle  
Village Imaliya Bohata, Chindwara - I  
Tehsil & District Chindwara  
Madhya Pradesh 480 001

### Dewas

6. Survey Nos. 294/2 & 295  
Patwari Halka No. 26  
Village Lohar Pipliya  
Tehsil & District Dewas  
Madhya Pradesh 455 001

### Dhar

7. Survey No. 438, Patwari Halka No. 13  
Village Jaitpura  
Tehsil & District Dhar  
Madhya Pradesh 454 001

### Gonda

8. Arazi Nos. 420 (Part), 421-424, 427-428, 431, 433-434, 442-446, 447 (Part), 448 (Part), 450-456, 456 (kha) & 457 (Part)  
Village Haripur  
Tehsil & District Gonda  
Uttar Pradesh 271 001

### Hardoi

9. Arazi Nos. 658 & 659  
Village Korriyan, Pargana Gopamau  
Tehsil & District Hardoi  
Uttar Pradesh 241 001

### Hathras

10. Khasra No. 21, Village Srinagar  
Tehsil Sasni, District Hathras  
Uttar Pradesh 204 216

### Itarsi

11. Survey Nos. 309/1, 310/2 & 310/3  
Patwari Halka No. 11  
Village Raisalpur  
Tehsil Itarsi, District Hoshangabad  
Madhya Pradesh 461 111

### Jagdishpur

12. Khasra Nos. 2377-2380  
Village Kathura, Pargana Jagdishpur  
Tehsil Musafirkhana, District Amethi  
Uttar Pradesh 227 817

### Mandsaur

13. Survey Nos. 30-33  
Patwari Halka No. 14, Village Azizkhedi  
Tehsil & District Mandsaur  
Madhya Pradesh 458 001

### Mhow

14. Survey Nos. 188/2, 189/1, 189/2, 189/4, 190/1, 191 & 192/2  
Patwari Halka No. 20  
Village Gawli Palasia  
Vikaskhand Mhow  
Tehsil Mhow, District Indore  
Madhya Pradesh 453 441

### Nagda

15. Khasra Nos. 1393 (Part), 1394 (Part), 1396/1 & 1397/1  
Patwari Halka No. 23  
Village Padliya Kala  
Tehsil Nagda, District Ujjain  
Madhya Pradesh 456 335

### Parbhani

16. Gat No. 803  
Village Asola  
Tehsil & District Parbhani  
Maharashtra 431 401

### Pilibhit

17. Khasra No. 261  
Village Sandiya Mustakil  
Tehsil, Pargana & District Pilibhit  
Uttar Pradesh 262 001

### Ratlam

18. Survey Nos. 107/1-107/3  
R. I. Circle No. 5, Moondri  
Patwari Halka No. 31  
Village Kharakhedi  
Tehsil & District Ratlam  
Madhya Pradesh 457 001

### Sehore

19. Khasra Nos. 208-209  
Patwari Halka No. 36  
Village Rafiqganj  
Tehsil & District Sehore  
Madhya Pradesh 466 001

### Ujjain

20. Survey Nos. 433/3, 456 & 458  
R. I. Circle No. 2  
Patwari Halka No. 19  
Village Kamed  
Tehsil Ghattia, District Ujjain  
Madhya Pradesh 456 001

### Vidisha

21. New Revenue Survey Nos. 18 & 18/2  
Patwari Halka Nos. 35 & 45  
Village Bais  
Tehsil & District Vidisha  
Madhya Pradesh 464 001

### Wardha

22. Survey Nos. 151/1 & 151/4  
Mouza No. 17  
Mouza Inzapur  
Tehsil & District Wardha  
Maharashtra 442 001

### Washim

23. Survey No. 104  
Patwari Halka No. 10  
Mouza Zakalwadi  
Taluka & District Washim  
Maharashtra 444 505

### Yavatmal

24. Bhumapan Kramank 15  
Bhumapan Kramank Upvibhag 2A  
Village Parwa  
Taluka & District Yavatmal  
Maharashtra 445 001

## Shareholder Referencer

### Transfer of Dividend and corresponding Ordinary Shares to the Investor Education and Protection Fund

During the financial year 2017-18, unclaimed dividend for the financial year 2009-10 aggregating ₹ 15,40,70,060/- and the corresponding 76,79,834 Ordinary Shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund established by the Central Government (IEPF), pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Shareholders may claim their unclaimed dividend for the years prior to and including the financial year 2009-10 and the corresponding shares, from the IEPF Authority by applying in the prescribed Form No. IEPF-5. This Form can be downloaded from the website of the IEPF Authority [www.iepf.gov.in](http://www.iepf.gov.in), the access link of which is also available on the Company's corporate website [www.itcportal.com](http://www.itcportal.com) under the section 'Investor Relations'.



## Shareholder Referencer

### Transfer of Dividend and corresponding Ordinary Shares to the Investor Education and Protection Fund (Contd.)

The unclaimed dividend for the undernoted years and the corresponding shares will be transferred by the Company to IEPF in accordance with the schedule given below. Communication has been sent to the concerned Shareholders advising them to write to the Investor Service Centre of the Company (ISC) to claim their dividend. Notices in this regard have also been published in newspapers. Details of such unclaimed dividend and corresponding shares are available on the Company's corporate website under the section 'Investor Relations'. Attention in particular is drawn that the unclaimed dividend for the financial year 2010-11 and the corresponding shares will be due for transfer to IEPF on 4th September, 2018.

Financial Year	Dividend Identification No.	Date of declaration of Dividend	Total Dividend (₹)	Unclaimed Dividend as on 31/03/2018		Due date for transfer to IEPF
				(₹)	%	
2010-11	81st	29th July, 2011	34,43,47,81,921	14,68,07,350	0.43	4th September, 2018 *
2011-12	82nd	27th July, 2012	35,18,29,33,284	15,24,63,396	0.43	2nd September, 2019
2012-13	83rd	26th July, 2013	41,48,46,73,429	17,73,43,924	0.43	1st September, 2020
2013-14	84th	30th July, 2014	47,71,90,97,700	21,67,56,942	0.45	5th September, 2021
2014-15	85th	31st July, 2015	50,09,70,66,528	22,82,67,947	0.46	5th September, 2022
2015-16	86th	22nd July, 2016	68,40,13,10,170	32,03,25,787	0.47	27th August, 2023
2016-17	87th	28th July, 2017	57,70,01,46,310	32,50,84,807	0.56	2nd September, 2024

\* It will not be possible to entertain any claim received by ISC after 3rd September, 2018.

### Unclaimed Shares

The status of unclaimed shares of the Company transferred to the demat account, 'ITC Limited - Unclaimed Suspense Account', in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015), is as follows:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 1st April, 2017	3,922	1,20,41,597
Number of Shareholders who approached the Company during the year for transfer of shares from the Unclaimed Suspense Account	132	9,77,192
Number of Shareholders to whom the shares were transferred from the Unclaimed Suspense Account upon receipt and verification of necessary documents	146	11,64,450
Unclaimed Bonus Shares issued by the Company during the financial year 2016-17 transferred to the Unclaimed Suspense Account	3,268	24,88,991
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31st March, 2018	7,044	1,33,66,138

Note: 131 requests for transfer of 4,46,944 shares from the Unclaimed Suspense Account were pending as on 31st March, 2018 for want of necessary documents from the Shareholders.

Voting rights in respect of the aforesaid 1,33,66,138 shares will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned Shareholders.

### Service of documents

The Company sends Notices, Report and Accounts and other communications in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the other Shareholders.

Shareholders who wish to update or register their e-mail addresses with the Company may use the updation / registration Form sent along with the Report and Accounts; this Form can also be downloaded from the Company's corporate website under the section 'Investor Relations'.

### Remittance of Dividend through Electronic Mode

The Company provides the facility for remittance of dividend to Shareholders through NECS (National Electronic Clearing Service) / RTGS (Real Time Gross Settlement) / NEFT (National Electronic Funds Transfer).

Shareholders, who have not opted for remittance of dividend through electronic mode and wish to avail the same, are required to provide their bank details, including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System Code) to their respective Depository Participants (DPs) or to the ISC, where shares are held in the dematerialised form and in the certificate form, respectively.

Shareholders holding shares in the certificate form may use the NECS Mandate Form for this purpose, which can be downloaded from the Company's corporate website under the section 'Investor Relations' or can be furnished by ISC on request.

### Bank Details

Shareholders holding shares in the certificate form are requested to advise ISC of change in their address / mandate / bank details to facilitate better servicing.

Shareholders are advised that their bank details or addresses, as available with the Company, will be printed on the dividend warrants as required under the Listing Regulations 2015 as a measure of protection against fraudulent encashment.

### Permanent Account Number (PAN)

Attention is drawn that Shareholders holding shares in the certificate form are mandatorily required to furnish copy of PAN Card in the following cases:

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

### Nomination Facility

Shareholders who hold shares in the certificate form and wish to make any nomination / change nomination made earlier in respect of their shareholding in the Company, should submit to ISC the prescribed Form; this Form can be downloaded from the Company's corporate website under the section 'Investor Relations' or can be furnished by ISC on request.

### Depository Services

Shareholders may write to the respective Depository or to ISC for guidance on depository services. The contact details of the Depositories are given below:

#### National Securities Depository Limited

Trade World, 'A' Wing, 4th Floor  
Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel  
Mumbai 400 013

Telephone no. : 022-2499 4200  
Facsimile no. : 022-2497 6351  
e-mail : info@nsdl.co.in  
Website : www.nsdl.co.in

#### Central Depository Services (India) Limited

Marathon Futurex, 'A' Wing, 25th Floor  
Mafatlal Mills Compound  
N. M. Joshi Marg, Lower Parel  
Mumbai 400 013

Telephone no. : 022-2302 3333  
Facsimile no. : 022-2300 2035  
e-mail : helpdesk@cdslindia.com  
Website : www.cdslindia.com

### Address for Correspondence with ISC

Investor Service Centre  
ITC Limited  
37 Jawaharlal Nehru Road  
Kolkata 700 071

Telephone nos. : 1800-345-8152 (Toll free)  
033-2288 6426 / 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 the respective DPs, other than for dividend and Report and Accounts, which should be addressed to ISC.

In all correspondence with ISC, Registered Folio numbers / DP ID & Client ID numbers should be furnished to facilitate prompt response. Shareholders are requested to also provide their e-mail addresses and contact numbers.

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