



ITC Limited

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18th October, 2022

The Manager
Listing Department
National Stock Exchange of
India Ltd.
Exchange Plaza,
Plot No. C-1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

The General Manager
Dept. of Corporate Services
BSE Ltd.
P. J. Towers
Dalal Street
Mumbai 400 001

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

Dear Sirs,

**Agreement to acquire further shares in
Mother Sparsh Baby Care Private Limited ('Mother Sparsh')**

This has reference to our letters dated 26th November, 2021, 18th December, 2021 and 15th March, 2022 in connection with acquisition of 16% of the share capital of Mother Sparsh (on a fully diluted basis).

We write to advise that the Company today has entered into an agreement to acquire further 1000 Compulsorily Convertible Preference Shares of ₹ 10/- each of Mother Sparsh. The said shares, once acquired, will take the Company's shareholding in Mother Sparsh to 22% (on a fully diluted basis).

Enclosed please find the relevant disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours faithfully,
ITC Limited

(R. K. Singhi)
Executive Vice President &
Company Secretary

Encl. as above.



cc: Securities Exchange Commission
Division of Corporate Finance
Office of International Corporate Finance
Mail Stop 3-9
450 Fifth Street
Washington DC 20549
U.S.A.

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

Enclosure

Sl. No.	Particulars	Disclosures
1.	Name of the target entity	Mother Sparsh Baby Care Private Limited ('Mother Sparsh').
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter / promoter group / group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at 'arm's length'	No.
3.	Industry to which the entity being acquired belongs	Personal care.
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<p>The current shareholding of the Company in Mother Sparsh is 16% (on a fully diluted basis).</p> <p>The Company has executed (i) a Share Subscription Agreement on 18th October, 2022 to acquire 1000 Compulsorily Convertible Preference Shares of ₹ 10/- each of Mother Sparsh, subject to completion of conditions precedent; and (ii) an Amended and Restated Shareholders' Agreement in connection with such proposed acquisition.</p> <p>Upon completion of the aforesaid acquisition, the Company's shareholding in Mother Sparsh would aggregate 22% of its share capital (on a fully diluted basis).</p> <p>The said acquisition is in line with the Company's continued interest in the fast growing direct to consumer (D2C) space in the 'personal care' category.</p>
5.	Brief details of any governmental or regulatory approvals required for the acquisition	None.
6.	Indicative time period for completion of the acquisition	This share acquisition is expected to be completed within ten days of the execution of the agreements referred to in (4) above.

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7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash.																						
8.	Cost of acquisition or the price at which the shares are acquired	₹ 13.50 crores (approx.)																						
9.	Percentage of shareholding / control acquired and / or number of shares acquired	<p>1000 Compulsorily Convertible Preference Shares of ₹ 10/- each of Mother Sparsh are proposed to be acquired.</p> <p>The total shareholding percentage of the Company in Mother Sparsh after the proposed acquisition shall stand at 22% (on a fully diluted basis).</p>																						
10.	Brief background about the entity acquired in terms of products / line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>Mother Sparsh is a premium ayurvedic and natural personal care start-up in the D2C space, with focus on mother and baby care segments.</p> <p>Other details are as follows:</p> <table border="1"> <tbody> <tr> <td>Products / line of business of the target entity</td> <td colspan="3">As stated above</td> </tr> <tr> <td>Date of incorporation</td> <td colspan="3">5th February, 2016</td> </tr> <tr> <td rowspan="3">Last 3 years' turnover</td> <td>2021-22</td> <td>₹</td> <td>33.53 crores</td> </tr> <tr> <td>2020-21</td> <td>₹</td> <td>15.57 crores</td> </tr> <tr> <td>2019-20</td> <td>₹</td> <td>3.36 crores</td> </tr> <tr> <td>Country of operations</td> <td colspan="3">India</td> </tr> </tbody> </table>	Products / line of business of the target entity	As stated above			Date of incorporation	5 th February, 2016			Last 3 years' turnover	2021-22	₹	33.53 crores	2020-21	₹	15.57 crores	2019-20	₹	3.36 crores	Country of operations	India		
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