



ITC Limited

Virginia House

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Kolkata 700 071, India

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11th March, 2024

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

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

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

Dear Sirs,

Acquisition of Shares of Sproutlife Foods Private Limited

Further to our letters dated 17th January, 2023, 19th April, 2023 and 5th May, 2023 on the subject, we write to advise, pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') that the Company has today acquired 2,356 Compulsorily Convertible Preference Shares of Rs. 10/- each of Sproutlife Foods Private Limited ('Sproutlife'), in terms of the Securities Subscription & Purchase Agreement and the Shareholders Agreement executed on 19th April, 2023.

Summarised details of the aforesaid acquisition, as required under Regulation 30 of the Listing Regulations read with the SEBI Circular dated 13th July, 2023, are given in the **Enclosure**.

Yours faithfully,
ITC Limited

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

Enclosed: a/a



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	Sproutlife Foods Private Limited ('Sproutlife').
2.	<p>Whether the acquisition would fall within related party transaction(s)?</p> <p>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'</p>	<p>Yes - Sproutlife is an associate company.</p> <p>No - the Company does not have any promoter/promoter group. The group companies do not have any interest in the acquisition.</p> <p>Yes - the acquisition of Compulsorily Convertible Preference Shares ('CCPS') has been done at 'arm's length'.</p>
3.	Industry to which the entity being acquired belongs	New and innovative food products.
4.	Objects and impact 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>As advised earlier vide our letter dated 17th January, 2023, the acquisition is in line with the strategy to augment the Company's future ready portfolio in foods segment.</p> <p>The aforesaid CCPS have been acquired pursuant to a follow-on investment in terms of the Securities Subscription & Purchase Agreement and the Shareholders Agreement executed on 19th April, 2023 to acquire 100% of the share capital (on a fully diluted basis) of Sproutlife in one or more tranches, subject to the terms and conditions detailed therein.</p>
5.	Brief details of any governmental or regulatory approvals required for the acquisition	None.
6.	Indicative time period for completion of the acquisition	The Company has acquired the CCPS today i.e. on 11 th March, 2024.
7.	Consideration - whether cash consideration or share swap or any other form and details of the same	Cash.
8.	Cost of acquisition and / or the price at which the shares are acquired	~ Rs. 50 crores.

Sl. No.	Particulars	Disclosures																
9.	Percentage of shareholding / control acquired and /or number of shares acquired	With the acquisition of 2,356 CCPS as aforesaid, the Company's shareholding in Sproutlife aggregates 44.74% of its share capital (on a fully diluted basis) at a total investment of ~ Rs. 225 crores.																
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>Sproutlife is a start-up engaged in the business of manufacturing and selling food products under the trademark 'Yoga Bar'. Positioned as a digital first brand, Yoga Bar currently has high salience of on-line sales (D2C, e-commerce platforms etc.) with growing presence in offline stores.</p> <p>Other details are as follows:</p> <table border="1" data-bbox="774 824 1385 1189"> <tr> <td data-bbox="774 824 1026 936">Products /line of business of the target entity</td> <td colspan="2" data-bbox="1026 824 1385 936">Manufacture and sale of food products</td> </tr> <tr> <td data-bbox="774 936 1026 1003">Date of incorporation</td> <td colspan="2" data-bbox="1026 936 1385 1003">13th February, 2015</td> </tr> <tr> <td data-bbox="774 1003 1026 1115" rowspan="3">Last 3 years' turnover</td> <td data-bbox="1026 1003 1177 1037">2022-23</td> <td data-bbox="1177 1003 1385 1037">₹ 88 crores</td> </tr> <tr> <td data-bbox="1026 1037 1177 1070">2021-22</td> <td data-bbox="1177 1037 1385 1070">₹ 68 crores</td> </tr> <tr> <td data-bbox="1026 1070 1177 1115">2020-21</td> <td data-bbox="1177 1070 1385 1115">₹ 39 crores</td> </tr> <tr> <td data-bbox="774 1115 1026 1189">Country of operations</td> <td colspan="2" data-bbox="1026 1115 1385 1189">India</td> </tr> </table>	Products /line of business of the target entity	Manufacture and sale of food products		Date of incorporation	13 th February, 2015		Last 3 years' turnover	2022-23	₹ 88 crores	2021-22	₹ 68 crores	2020-21	₹ 39 crores	Country of operations	India	
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