



ITC Limited
Virginia House
37 J. L. Nehru Road
Kolkata 700 071, India
Tel. : 91 33 2288 9371
Fax : 91 33 2288 4016 / 1256 / 2259 / 2260

21st June, 2016

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

The General Manager
Dept. of Corporate Services
BSE Limited
1st floor, New Trading Ring
Rotunda Building, P. J.
Towers
Dalal Street, Fort
Mumbai 400 001

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

Dear Sirs,

Notice of the 105th Annual General Meeting

We enclose, in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, a copy of the Notice dated 20th May, 2016 convening the 105th Annual General Meeting of the Company on 22nd July, 2016 at Kolkata.

Yours faithfully,
ITC Limited

(B. B. Chatterjee)
Executive Vice President &
Company Secretary

Encl. as above.



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

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



ITC Limited

CIN : L16005WB1910PLC001985

Registered Office : Virginia House, 37 Jawaharlal Nehru Road, Kolkata 700 071

Tel : 91 33 2288 9371 • Fax : 91 33 2288 2358 • E-mail : isc@itc.in • Website : www.itcportal.com

NOTICE OF 105TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Hundred and Fifth Annual General Meeting of the Members of ITC Limited will be held at Science City, Main Auditorium, JBS Haldane Avenue, Kolkata 700 046, on Friday, the 22nd day of July, 2016, at 10.00 a.m. for the transaction of the following businesses:-

ORDINARY BUSINESS

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2016, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and the Auditors.
2. To declare dividend for the financial year ended 31st March, 2016.
3. To appoint a Director in place of Mr. Nakul Anand (DIN: 00022279) who retires by rotation and, being eligible, offers himself for re-election.
4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, or any amendment thereto or modification thereof, the appointment of Messrs. Deloitte Haskins & Sells, Chartered Accountants (Registration No. 302009E), as the Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the Hundred and Sixth Annual General Meeting be and is hereby ratified, and remuneration of ₹ 2,65,00,000/- to Messrs. Deloitte Haskins & Sells to conduct the audit for the financial year 2016-17 payable in one or more instalments plus service tax as applicable, and reimbursement of out-of-pocket expenses incurred, be and is hereby approved.”

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the applicable provisions of the Companies Act, 2013, or any amendment thereto or modification thereof, Mr. Sanjiv Puri (DIN: 00280529) be and is hereby appointed a Director of the Company, liable to retire by rotation, and further that the appointment of and the remuneration paid / payable to Mr. Puri as Wholetime Director of the Company for the period from 6th December, 2015 up to the date of this Meeting, as also the appointment of and the remuneration payable to Mr. Puri as Wholetime Director for a further period of three years from the date of this Meeting, or till such earlier date to conform with the policy on retirement and as may be determined by the Board of Directors of the Company and / or by any applicable statutes, rules, regulations or guidelines, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, be and are hereby approved.”

6. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the applicable provisions of the Companies Act, 2013, or any amendment thereto or modification thereof, Mr. Rajiv Tandon (DIN: 00042227) be and is hereby appointed a Director of the Company, liable to retire by rotation, and further that the appointment of and the remuneration paid / payable to Mr. Tandon as Wholetime Director of the Company for the period from 22nd January, 2016 up to the date of this Meeting, as also the appointment of and the remuneration payable to Mr. Tandon as Wholetime Director for a further period of three years from the date of this Meeting, or till such earlier date to conform with the policy on retirement and as may be determined by the Board of Directors of the Company and / or by any applicable statutes, rules, regulations or guidelines, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, be and are hereby approved.”

7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, or any amendment thereto or modification thereof, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Nirupama Rao (DIN: 06954879) be and is hereby appointed an Independent Director of the Company for a period of five years with effect from 8th April, 2016, or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.”

8. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the applicable provisions of the Companies Act, 2013, or any amendment thereto or modification thereof (‘the Act’), this Meeting hereby approves the appointment of Mr. Yogesh Chander Deveshwar (DIN: 00044171) as Non-Executive Director, not liable to retire by rotation, and Chairman of the Company for a period of three years with effect from 5th February, 2017, on remuneration as applicable to the other Non-Executive Directors of the Company, and as Chairman, Mr. Deveshwar would be entitled to additional remuneration and benefits as may be determined by the Board of Directors of the Company, subject to the approval of the Members, provided however that the aggregate remuneration, including commission, paid to the Directors other than the Wholetime Directors in a financial year shall not exceed one percent of the net profits of the Company, in terms of Section 197 of the Act and computed in the manner referred to in Section 198 of the Act.”

9. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the applicable provisions of the Companies Act, 2013, or any amendment thereto or modification thereof, consent be and is hereby accorded to variation in the terms of remuneration paid / payable to the Wholetime Directors of the Company with effect from 1st April, 2016, as set out in the Explanatory Statement annexed to the Notice convening this Meeting.”

10. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the applicable provisions of the Companies Act, 2013, or any amendment thereto or modification thereof (‘the Act’), and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Directors of the Company other than the Wholetime Directors be paid annually, for a period not exceeding three years, for each of the financial years commencing from 1st April, 2016, commission ranging between ₹ 30,00,000/- and ₹ 60,00,000/- individually, as the Board of Directors of the Company (‘the Board’) may determine based on performance and guidelines framed by the Board for this purpose, in addition to the fees for attending the meetings of the Board / Committee thereof, provided however that the aggregate remuneration, including commission, paid to such Directors in a financial year shall not exceed one percent of the net profits of the Company, in terms of Section 197 of the Act and computed in the manner referred to in Section 198 of the Act.”

11. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Section 148 of the Companies Act, 2013, or any amendment thereto or modification thereof, the remuneration of Mr. P. Raju Iyer, Cost Accountant, appointed by the Board of Directors of the Company as the Cost Auditor to conduct audit of Cost Records maintained by the Company in respect of ‘Paper and Paperboard’ and ‘Nicotine Gum’ products for the financial year 2016-17, at ₹ 4,00,000/- plus service tax as applicable, and reimbursement of out-of-pocket expenses incurred, be and is hereby ratified.”

12. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“Resolved that, in accordance with the provisions of Section 148 of the Companies Act, 2013, or any amendment thereto or modification thereof, the remuneration of Messrs. Shome & Banerjee, Cost Accountants, appointed by the Board of Directors of the Company as the Cost Auditors to conduct audit of Cost Records maintained in respect of all applicable products of the Company, other than ‘Paper and Paperboard’ and ‘Nicotine Gum’, for the financial year 2016-17, at ₹ 5,00,000/- plus service tax as applicable, and reimbursement of out-of-pocket expenses incurred, be and is hereby ratified.”

The Register of Members of the Company will remain closed from Wednesday, 1st June, 2016 to Friday, 3rd June, 2016, both days inclusive. Share Transfers received in order at the Investor Service Centre of the Company, 37 Jawaharlal Nehru Road, Kolkata 700 071 by 5.30 p.m. on Tuesday, 31st May, 2016, will be processed for payment of dividend, if declared, to the transferees or to their mandatees, and the dividend, if declared, will be paid on Monday, 25th July, 2016 to those Members entitled thereto and whose names will appear in the Register of Members of the Company on 3rd June, 2016, or to their mandatees, subject however to the provisions of Section 126 of the Companies Act, 2013, or any amendment thereto or modification thereof. In respect of dematerialised shares, the dividend will be paid on the basis of beneficial ownership as on 31st May, 2016, as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

By Order of the Board

ITC Limited

B. B. Chatterjee

Executive Vice President &

Company Secretary

Dated : 20th May, 2016.

NOTES:

- (i) **A Member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint a proxy to attend and vote on his behalf. A proxy need not be a Member of the Company.**

Proxies, in order to be effective, must be received at the Investor Service Centre of the Company ('ISC'), 37 Jawaharlal Nehru Road, Kolkata 700 071, not less than forty-eight hours before the commencement of the AGM i.e. by 10.00 a.m. on 20th July, 2016.

- (ii) Corporate Members are required to send to ISC a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representatives to attend and vote at the AGM.
- (iii) Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM, is annexed.
- (iv) In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions placed at this AGM will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) and also e-voting at the AGM venue, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of NSDL. The Board has appointed Mr. R. L. Auddy, Senior Solicitor and Partner, Messrs. Sandersons & Morgans, Advocates & Solicitors, as the Scrutinizer for this purpose.
- (v) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **15th July, 2016 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting at the AGM venue. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
- (vi) The facility for e-voting will be available at the AGM venue to those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting, may attend the meeting but will not be entitled to cast their votes once again.
- (vii) Unclaimed dividend for the financial year ended 31st March, 2009 will be due for transfer to the Investor Education and Protection Fund of the Central Government ('IEPF') on 29th August, 2016, pursuant to the provisions of Section 205A of the Companies Act, 1956 / Section 124 of the Companies Act, 2013, once notified. In respect of the said unclaimed dividend, it will not be possible to entertain claims received by ISC after 26th August, 2016.
- Details of unclaimed dividend in respect of the financial year ended 31st March, 2009 and up to and including the financial year ended 31st March, 2015 are available on the Company's corporate website www.itcportal.com under the section 'Investor Relations'.
- Members should write to ISC if they have not encashed their dividend warrants in respect of the aforesaid financial year(s).
- (viii) Members who wish to update or register their e-mail addresses with the Company or with the Depositories may use the Form for updation / registration; the Form can also be downloaded from the Company's corporate website under the section 'Investor Relations'.
- (ix) Members may visit the Company's corporate website to view the Financial Statements or access information pertaining to the Company. Queries, if any, should be sent at least 10 days before the AGM to the Executive Vice President & Company Secretary at the Registered Office of the Company.
- (x) Members are required to bring their admission slips to the AGM. Duplicate admission slips or copies of the Report and Accounts will not be made available at the AGM venue.

The procedure with respect to **remote e-voting** is provided below:-

I. In case of Members who receive the Notice in electronic mode:

- (a) Open the e-mail and the PDF file viz. '**ITC e-voting.pdf**' with your Client ID No. or Registered Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
- (b) Launch internet browser by typing the URL: **https://www.evoting.nsdl.com/** and click on '**Shareholder – Login**'.
- (c) Insert user ID and password as initial password stated in (a) above. Click on '**Login**'.
- (d) Password change menu appears. Change the password with a new password of your choice with minimum 8 digits/ characters or combination thereof. Please do not share your password with any other person and take utmost care to keep your password confidential.
- (e) Home page of remote e-voting opens. Click on '**e-voting: Active Evoting Cycles**' and select the Electronic Voting Event Number (EVEN) of ITC Limited.
- (f) Now you are ready for remote e-voting as '**Cast Vote**' page opens.
- (g) Cast your vote by selecting appropriate option and click on '**Submit**'. Thereafter click on '**Confirm**' when prompted; upon confirmation, your vote is cast and you will not be allowed to change your vote.
- (h) Thereafter the message '**Vote cast successfully**' will be displayed.
- (i) Corporate and institutional shareholders (companies, trusts, societies etc.) are required to send a scanned copy (in PDF / JPG format) of the relevant Board Resolution / appropriate authorisation to the Scrutinizer through e-mail at **rla.itcscrutinizer@gmail.com** with a copy marked to NSDL's e-mail ID **evoting@nsdl.co.in**.

II. In case of Members who receive the Notice by post:

- (a) User ID and initial password is provided in the admission slip for the AGM.
- (b) Please follow the steps from Sl. Nos. (b) to (i) mentioned in (I) above, to cast your vote.

III. Members already registered with NSDL for remote e-voting can use their existing user ID and password for Login. Thereafter please follow the steps from Sl. Nos. (e) to (i) mentioned in (I) above, to cast your vote.

IV. Those who become Members of the Company after despatch of the Notice but on or before 15th July, 2016 (cut-off date) may write to NSDL at **evoting@nsdl.co.in** or to the Company at **isc@itc.in** requesting for user ID and password. On receipt of user ID and password, the steps from Sl. Nos. (b) to (i) mentioned in (I) above should be followed for casting of vote.

V. In case of any query / grievance, you may refer to the Frequently Asked Questions for Shareholders and e-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website **www.evoting.nsdl.com or contact:**

- (a) Mr. Amit Vishal, Senior Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th & 5th Floors, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 at telephone no. 022-2499 4360 or toll free no. 1800222990 or at e-mail ID **AmitV@nsdl.co.in**;
- (b) Mr. A. Bose, Head of ISC, at telephone nos. 033-2288 6426 / 0034 or at e-mail ID **arun.bose@itc.in**. You may also send your queries to the e-mail ID **isc@itc.in**.

VI. The period for remote e-voting starts at 9.00 a.m. on 18th July, 2016 and ends at 5.00 p.m. on 21st July, 2016, when remote e-voting will be blocked by NSDL.

VII. General Information

- (a) There will be one vote for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.
- (b) **The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes.** The declared Results, alongwith the Scrutinizer's Report, will be available forthwith on the Company's corporate website **www.itcportal.com** under the section 'Investor Relations' and on the website of NSDL; such Results will also be forwarded to the National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Limited.

EXPLANATORY STATEMENT

Annexed to the Notice convening the Hundred and Fifth Annual General Meeting to be held on Friday, 22nd July, 2016.

Item Nos. 5 & 6

The Board of Directors of the Company ('the Board') at the meeting held on 30th October, 2015, on the recommendation of the Nomination & Compensation Committee, have approved the appointment of Mr. Sanjiv Puri and Mr. Rajiv Tandon as Additional Directors, and subject to the approval of the Members, also as Wholetime Directors, with effect from 6th December, 2015 and 22nd January, 2016, respectively, on the remuneration stated below. The Board at the meeting held on 20th May, 2016, on the recommendation of the Nomination & Compensation Committee, has recommended for the approval of the Members, the appointment of Mr. Puri and Mr. Tandon as Directors, and also as Wholetime Directors of the Company, for a period of three years from the date of this Meeting, as set out in the respective Resolutions relating to their appointment.

- (I) **Consolidated Salary** – ₹ 7,20,000/- per month.
- (II) **Performance Bonus** – Not exceeding 150% of Consolidated Salary, payable annually for each financial year, as may be determined by the Board.
- (III) **Perquisites** – In addition to the aforesaid Consolidated Salary and Performance Bonus, Mr. Puri and Mr. Tandon shall each be entitled to perquisites like gas, electricity, water, furnishings, leave travel concession for self and family, club fees, personal accident insurance, sampling of the Company's products and services etc. in accordance with the rules of the Company, the monetary value of such perquisites being limited to ₹ 10,00,000/- per annum, for the purposes of which limit perquisites shall be valued as per the provisions of the Income-tax Act/ Rules wherever applicable, and in absence of any such provision, perquisites shall be valued at actual cost. However, the following shall not be included in the aforesaid perquisite limit:-
 - (a) Rent free accommodation owned / leased / rented by the Company, or Housing Allowance in lieu thereof, as per the rules of the Company.
 - (b) Contributions to Provident Fund and Superannuation Fund up to 27% of salary and contribution to Gratuity Fund up to 8.33% of salary, as defined in the rules of the respective Funds, or up to such other limit as may be prescribed under the Income-tax Act and the Rules thereunder for this purpose.
 - (c) Perquisite value in terms of the Income-tax Act / Rules upon exercise of Options granted under the Company's Employee Stock Option Schemes.
 - (d) Medical expenses for self and family as per the rules of the Company.
 - (e) Use of chauffeur driven Company car and telecommunication facilities at residence (including payment for local calls and long distance official calls).

- (f) Encashment of unavailed leave as per the rules of the Company at the time of retirement/ cessation of service.
- (g) Long service award as per the rules of the Company.
- (h) Costs and expenses incurred by the Company in connection with joining/ transfer/ retirement as per the rules of the Company.

The aggregate of the remuneration and perquisites / benefits, including contributions towards Provident Fund, Superannuation Fund and Gratuity Fund, payable to all Wholetime Directors of the Company taken together, shall be within the limit prescribed under the Companies Act, 2013, or any amendment thereto or modification thereof ('the Act').

Additional information in respect of Mr. Puri and Mr. Tandon, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'.

Notices under Section 160 of the Act proposing the appointment of Mr. Puri and Mr. Tandon have been received. Requisite consents, pursuant to Section 152 of the Act, have been filed by Mr. Puri and Mr. Tandon.

Mr. Puri and Mr. Tandon, and their relatives, are interested in the Resolutions relating to their respective appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Resolutions.

The Board recommends these Resolutions for your approval.

Item No. 7

The Board of Directors of the Company ('the Board') at the meeting held on 22nd January, 2016, on the recommendation of the Nomination & Compensation Committee, have approved the appointment of Ms. Nirupama Rao, as Additional Director, and subject to the approval of the Members, also as Independent Director, with effect from 8th April, 2016, in terms of Section 149 read with Schedule IV of the Companies Act, 2013, or any amendment thereto or modification thereof ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The Board at the meeting held on 20th May, 2016, on the recommendation of the Nomination & Compensation Committee, has recommended for the approval of the Members, the appointment of Ms. Rao as Independent Director of the Company for a period of five years with effect from 8th April, 2016.

In the view of your Board, the association of Ms. Rao and the rich experience she brings with her, would benefit the Company. Declaration has been received from Ms. Rao that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations. In the opinion of your Board, Ms. Rao fulfils the conditions specified in the

Act, the Rules thereunder and the Listing Regulations for appointment as Independent Director and she is independent of the management of the Company. In addition to coverage under Personal Accident Insurance and sitting fees for attending the meetings of the Board/ Committee thereof, Ms. Rao would be entitled to remuneration by way of commission, as covered in the Resolution under Item No. 10 and as may be determined by the Board.

Ms. Rao does not hold any share in the Company in her individual capacity or on a beneficial basis for any other person. Additional information in respect of Ms. Rao, pursuant to the Listing Regulations and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the section 'Your Directors'.

Notice under Section 160 of the Act proposing the appointment of Ms. Rao has been received. Requisite consent, pursuant to Section 152 of the Act, has been filed by Ms. Rao.

Ms. Rao and her relatives are interested in this Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution. Ms. Rao is not related to any of the Directors or Key Managerial Personnel of the Company.

The Board recommends this Resolution for your approval.

Item No. 8

The Members of the Company at the Annual General Meeting ('the AGM') held on 29th July, 2011 approved the re-appointment of Mr. Yogesh Chander Deveshwar as a Director, not liable to retire by rotation, and also as Wholetime Director and Chairman of the Company for a period of five years with effect from 5th February, 2012. Mr. Deveshwar will complete his present term on 4th February, 2017. This AGM will be his last as Chief Executive Officer of the Company. The Board of Directors of the Company ('the Board') have resolved to put on record on the occasion of this AGM, the immense contribution of Mr. Deveshwar to the transformation of ITC under his leadership.

It may be recalled that when Mr. Deveshwar assumed office as Executive Chairman in January, 1996, the Company was confronted with formidable challenges. The early diversification efforts had either failed or were languishing, the businesses were not competitive enough in an emerging liberalised economic environment, and the Company's reputation was at a low ebb. It was critically important then to create a new future for the organisation by redefining a vision that would invigorate and inject new life to every sinew of the enterprise.

The contributions of Mr. Deveshwar are far too many to recount but an attempt is being made to cover some of the salient ones. Mr. Deveshwar put in place a new strategy of organisation with systems and processes supported by a digital backbone leveraging the power of information technology, and framed a three tier governance structure appropriate to a multi-business corporation infusing the concept of distributed leadership.

Mr. Deveshwar's vision to make ITC an engine of growth for the Indian economy, keeping societal value creation as an integral part of business purpose, has led to the creation of multiple drivers of growth, world-class Indian Brands, and recognition as a global exemplar in Sustainability. ITC's businesses and value-chains today support sustainable livelihoods for around six million people, many of whom represent the weakest sections of society.

Mr. Deveshwar's period of Executive Chairmanship witnessed transformation of ITC into one of India's most admired and valuable corporations. Today, ITC is a leading FMCG marketer in India, a trailblazer in premium luxury green Hotels, a clear market leader in the Indian Paperboard and Packaging industry, a player of promise in the field of Information Technology through ITC Infotech and the country's foremost Agri business player. ITC has also created several world-class Indian Brands in the FMCG space that support the competitiveness of domestic value chains of which they are a part, ensuring creation and retention of value within the country. To make the Company future-ready, Mr. Deveshwar inspired the setting up of a globally benchmarked ITC Life Sciences and Technology Centre to drive innovation and cutting-edge R&D for next-generation products.

It may also be recalled that at the time Mr. Deveshwar took over as Executive Chairman, the Revenue of the Company was less than ₹ 5,200 crores and Profit Before Tax (PBT) was ₹ 452 crores. The Company's Revenue has presently grown tenfold to ₹ 51,582 crores and PBT has grown 33 times to ₹ 14,958 crores. Total Shareholder Returns grew at a compound annual rate of 23.3% during this period, placing the Company amongst the foremost in the country in terms of efficiency of servicing financial capital.

Globally acknowledged as a thought and action leader, benchmarks achieved by the Company were so exemplary that the Harvard Business Review in the year 2012 ranked him the 7th Best Performing CEO in the World rubbing shoulders with icons like Steve Jobs, the then CEO of Apple, who was ranked first. In 2011, Mr. Deveshwar was conferred the Padma Bhushan, one of the highest civilian awards in the country, by the Government of India in recognition of his distinguished service of a high order to the Nation.

The Nomination & Compensation Committee and the Board have strongly urged Mr. Deveshwar to continue for a longer period in his present role. Mr. Deveshwar however expressed his desire to shed the executive role, in accordance with the indication given by him at the 100th AGM in 2011, and put in place a youthful leadership at the helm in the longer term interest of the Company. 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, Mr. Deveshwar has instead agreed to provide guidance and mentorship to the new executive management, that is planned to be put in place, as Non-Executive Chairman on expiry of his current term.

Accordingly the Board of Directors at the meeting held on 20th May, 2016, on the recommendation of the Nomination & Compensation Committee, have recommended for the approval of the Members, the appointment of Mr. Deveshwar as Non-Executive Director, not liable to retire by rotation, and Chairman of the Company for a period of three years with effect from 5th February, 2017 on such remuneration as set out in the Resolution.

Additional information in respect of Mr. Deveshwar, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'.

Notice under Section 160 of the Companies Act, 2013 ('the Act') proposing the appointment of Mr. Deveshwar has been received. Requisite consent, pursuant to Section 152 of the Act, has been filed by Mr. Deveshwar.

Mr. Deveshwar and his relatives are interested in this Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

Item No. 9

The Board of Directors of the Company ('the Board') at the meeting held on 20th May, 2016, on the recommendation of the Nomination & Compensation Committee, have approved, subject to the approval of the Members, variation in the terms of remuneration paid/ payable to the Wholetime Directors of the Company, as follows:-

Wholetime Directors	Period	Consolidated Salary per month	Performance Bonus
Mr. Y. C. Deveshwar (Chairman)	From 1st April, 2016 till the residual period of their respective appointment.	₹ 41,00,000/-	Not exceeding 250% of Consolidated Salary, payable annually for each financial year, as may be determined by the Board.
Mr. N. Anand		₹ 8,00,000/-	Not exceeding 200% of Consolidated Salary, payable annually for each financial year, as may be determined by the Board.
Mr. S. Puri	From 1st April, 2016 till the date of this Meeting and for the term of their respective appointment as covered in the Resolutions under Item Nos. 5 & 6.	₹ 8,00,000/-	Not exceeding 200% of Consolidated Salary, payable annually for each financial year, as may be determined by the Board.
Mr. R. Tandon			

The other terms of remuneration of the Wholetime Directors remain unchanged.

Additional information in respect of the Wholetime Directors, pursuant to the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'.

The Wholetime Directors (and their relatives) are interested in this Resolution insofar as the same relates to variation in their respective remuneration. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

Item No. 10

The Members of the Company at the Annual General Meeting held on 26th July, 2013 approved payment of remuneration by way of commission to the Non-Executive Directors of the Company, including Independent Directors, not exceeding one percent of the net profits of the Company, for each financial year, ranging between ₹ 12,00,000/- and ₹ 20,00,000/-, individually, for a period of three years from 1st April, 2013 to 31st March, 2016.

In order to bring the remuneration of the Non-Executive Directors in line with the current trends and commensurate with the time devoted and the contribution made by them, the Board of Directors of the Company ('the Board') at the meeting held on 20th May, 2016, have recommended for the approval of the Members, payment of remuneration by way of commission to the Non-Executive Directors of the Company for a period not exceeding three years with effect from 1st April, 2016, as set out in the Resolution.

Additional information in respect of the Non-Executive Directors, pursuant to the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'.

The Non-Executive Directors (and their relatives) are interested in this Resolution insofar as the same relates to their respective commission. None of the Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

Item Nos. 11 & 12

The Board of Directors of the Company ('the Board') at the meeting held on 8th April, 2016, on the recommendation of the Audit Committee, have approved the appointment and remuneration of Mr. P. Raju Iyer, Cost Accountant, to conduct audit of Cost Records maintained by the Company in respect of 'Paper and Paperboard' and 'Nicotine Gum' products, and Messrs. Shome & Banerjee, Cost Accountants, to conduct audit of Cost Records maintained in respect of the other applicable products of the Company viz. Soyabean Oil, Facewash, Handwash, Flexibles, Coffee, Milk Powder etc. for the financial year 2016-17.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors needs ratification by the Members.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Resolutions.

The Board recommends these Resolutions for your approval.

By Order of the Board
ITC Limited
B. B. Chatterjee
Executive Vice President &
Company Secretary

Dated : 20th May, 2016.