



ITC Limited
Virginia House
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2nd July, 2020

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,

Related Party Transactions

We enclose, in terms of Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, statement on related party transactions of the Company for the half year ended 31st March, 2020, in the required format.

Yours faithfully,
ITC Limited

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

Encl. as above.

1. OTHER RELATED PARTIES WITH WHOM THE COMPANY AND ITS SUBSIDIARIES HAD TRANSACTIONS:

i) Associates & Joint Ventures:

Associates

- a) Gujarat Hotels Limited
- b) Divya Management Limited
- c) Antrang Finance Limited
- d) ATC Limited
- e) International Travel House Limited
– being associates of the Group
- f) Tobacco Manufacturers (India) Limited, UK
– of which the Company is an associate

Joint Ventures

- a) Maharaja Heritage Resorts Limited
- b) ITC Essentra Limited

ii) a) Key Management Personnel:

S. Puri*	Chairman & Managing Director
N. Anand	Executive Director
B. Sumant	Executive Director
R. Tandon	Executive Director & Chief Financial Officer
S. Banerjee [#]	Non-Executive Director
H. Bhargava	Non-Executive Director
A. Duggal [#]	Non-Executive Director
A. Jerath	Non-Executive Director (w.e.f. 31.01.2020)
S. B. Mathur [#]	Non-Executive Director
A. Nayak [#]	Non-Executive Director (w.e.f. 13.07.2019)
N. Rao [#]	Non-Executive Director
A. K. Seth [#]	Non-Executive Director (w.e.f. 13.07.2019)
M. Shankar [#]	Non-Executive Director
D. R. Simpson	Non-Executive Director
Y. C. Deveshwar	Chairman & Non-Executive Director (passed away on 11.05.2019)
J. Pulinthnam	Non-Executive Director (up to 22.12.2019)
S. S. H. Rehman [#]	Non-Executive Director (up to 14.09.2019)

*appointed as the Chairman of the Company w.e.f. 13.05.2019

[#] Independent Director

Company Secretary

R. K. Singhi

Members - Corporate Management Committee

- S. Puri
- N. Anand
- B. Sumant
- R. Tandon
- C. Dar
- S. K. Singh
- S. Sivakumar
- K. S. Suresh (up to 08.06.2019)



b) Relatives of Key Management Personnel:

- B. Deveshwar (wife of Late Y. C. Deveshwar)
- T. Anand (wife of N. Anand)
- R. Tandon (wife of R. Tandon)
- N. Singhi (wife of R. K. Singhi)

iii) Employee Trusts:

- a) IATC Provident Fund
- b) ITC Defined Contribution Pension Fund
- c) ITC Management Staff Gratuity Fund
- d) ITC Employees Gratuity Fund
- e) ITC Gratuity Fund 'C'
- f) ITC Pension Fund
- g) ILTD Seasonal Employees Pension Fund
- h) ITC Platinum Jubilee Pension Fund
- i) ITC Bhadrachalam Paperboards Limited Management Staff Pension Fund
- j) ITC Bhadrachalam Paperboards Limited Gratuity Fund 'A'
- k) ITC Bhadrachalam Paperboards Limited Gratuity Fund 'C'
- l) ITC Hotels Limited Employees Superannuation Scheme
- m) Greenacre Holdings Limited Provident Fund
- n) Greenacre Holdings Limited Gratuity Fund

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Related Party Disclosures (contd.)

2. DISCLOSURE OF TRANSACTIONS BETWEEN THE GROUP AND RELATED PARTIES FOR THE HALF YEAR (HY) ENDED ON 31.03.2020 AND THE STATUS OF OUTSTANDING BALANCES AS AT 31.03.2020



(₹ in Crores)

RELATED PARTY TRANSACTIONS SUMMARY	Associates		Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Employee Trusts		Total	
	HY ended on March 31, 2020	HY ended on March 31, 2019	HY ended on March 31, 2020	HY ended on March 31, 2019	HY ended on March 31, 2020	HY ended on March 31, 2019	HY ended on March 31, 2020	HY ended on March 31, 2019	HY ended on March 31, 2020	HY ended on March 31, 2019	HY ended on March 31, 2020	HY ended on March 31, 2019
1. Sale of Goods/ Services	1.67	1.98	16.40	15.58							18.07	17.56
2. Purchase of Goods/ Services	67.11	69.54	127.34	135.15							194.45	204.69
3. Sale of Property, Plant and Equipment					0.18	-					0.18	-
4. Value of share based payment												
Reimbursement for share based payments	(0.15)	0.56	0.02	0.15							(0.13)	0.71
5. Rent Income	0.51	0.52									0.51	0.52
6. Rent Paid *	2.31	2.49			0.22	0.11	0.16	0.40			2.69	3.00
7. Remuneration of Managers on Deputation reimbursed	3.09	2.48									3.09	2.48
8. Remuneration of Managers on Deputation recovered	2.46	2.60	0.48	0.53							2.94	3.13
9. Contribution to Employees' Benefit Plans									56.67	53.22	56.67	53.22
10. Expenses Recovered	0.14	0.14	0.10	0.13					0.24	0.27
11. Expenses Reimbursed	0.13	0.15			0.02	0.02					0.15	0.17
12. Advances Given during the half year	0.68	0.26									0.68	0.26
13. Adjustment/Receipt towards Refund of Advances	0.68	-									0.68	-
14. Deposits Given during the half year					0.05	-	0.05	-			0.10	-
15. Remuneration to Key Management Personnel ¹												
15A. - Short term benefits					26.76	20.51					26.76	20.51
15B. - Other remuneration					3.73	3.38					3.73	3.38
15C. - Share based payment granted ²												
16. Outstanding Balances [#]												
i) Receivables	2.99	1.76	7.98	3.53							10.97	5.29
ii) Advances Given	0.05	0.49							-	54.86	0.05	55.35
iii) Deposits Given ³					0.07	0.08	0.07	0.40			0.14	0.48
iv) Advance Taken												
v) Deposits Taken	0.63	0.63									0.63	0.63
vi) Payables	7.73	9.99	8.49	16.21					90.67	-	106.89	26.20
17. Impairment of investment in Joint Venture as at the half year end			4.67	4.82							4.67	4.82

* Includes rent pertaining to leases classified as Right of Use Assets.

[#] The amounts outstanding are unsecured and will be settled in cash.

¹ Post employment benefits are actuarially determined on overall basis and hence not separately provided.

² During the year, the Company granted Stock Options to the Executive Directors and KMP under its Employee Stock Option Schemes at 'market price' [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014]. The Company also granted Employee Stock Appreciation Linked Reward Units (ESAR Units) to the aforesaid persons under the 'ITC Employee Cash Settled Stock Appreciation Linked Reward Plan'. Since such Stock Options and ESAR Units are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Stock Options/ ESAR Units, and accordingly the said grants have not been considered as remuneration. However, in accordance with Ind AS -102, the Group has recorded employee benefits expense by way of share based payments to employees at ₹ 18.29 Crores for the half year ended 31st March, 2020 [2019 (HY2) - ₹ 103.11 Crores]), of which ₹ 22.43 Crores [2019 (HY2) - ₹ 20.23 Crores] is attributable to the Executive Directors and KMP.

³ Outstanding deposit balance excludes deposit with KMP and Relative of KMP which were existing on the date of cessation of being designated as KMP.

Note : Figures of previous period have been regrouped / rearranged wherever necessary.

Related Party Disclosures (contd.)

3. INFORMATION REGARDING SIGNIFICANT TRANSACTIONS / BALANCES
(Generally in excess of 10% of the total transaction value of the same type)



RELATED PARTY TRANSACTIONS SUMMARY	HY ended on March 31, 2020	HY ended on March 31, 2019
1. Sale of Goods / Services		
International Travel House Limited	1.62	1.93
ITC Essentra Limited	16.38	15.58
2. Purchase of Goods / Services		
International Travel House Limited	52.51	54.42
ITC Essentra Limited	127.23	134.98
3. Sale of Property, Plant and Equipment		
K.S. Suresh	0.11	-
R. K. Singhi	0.07	-
4. Value of share based payment		
<i>Reimbursement for Share Based Payments</i>		
Maharaja Heritage Resorts Limited	0.01	0.09
International Travel House Limited	(0.17)	0.39
ATC Limited	0.02	0.18
5. Rent Received		
International Travel House Limited	0.51	0.52
6. Rent Paid		
Gujarat Hotels Limited	2.31	2.49
B. Deveshwar (Related Party upto 11.05.2019)	-	0.38
7. Remuneration of Managers on Deputation reimbursed		
Gujarat Hotels Limited	3.08	2.48
8. Remuneration of Managers on Deputation recovered		
International Travel House Limited	1.15	1.33
ATC Limited	0.99	0.97
Gujarat Hotels Limited	0.32	0.30
ITC Essentra Limited	0.31	0.27
9. Contribution to Employees' Benefit Plans		
IATC Provident Fund	21.33	16.61
ITC Defined Contribution Pension Fund	4.29	11.61
ITC Pension Fund	12.20	10.64
ITC Employees Gratuity Fund	12.58	10.00

RELATED PARTY TRANSACTIONS SUMMARY	HY ended on March 31, 2020	HY ended on March 31, 2019
10. Expenses Recovered		
International Travel House Limited	0.14	0.14
Maharaja Heritage Resorts Limited	0.09	0.13
11. Expenses Reimbursed		
Gujarat Hotels Limited	0.12	0.13
International Travel House Limited	-	0.02
12. Advances Given during the half year		
International Travel House Limited	0.68	0.26
13. Adjustment/Receipt towards Refund of Advances		
International Travel House Limited	0.68	-
14. Deposits Given during the half year		
N. Anand	0.05	-
T. Anand	0.05	-
15. Remuneration to Key Management Personnel (KMP) *		
15A. Short term benefits		
Y. C. Deveshwar	3.53	8.68
S. Puri	6.95	3.09
N. Anand	3.49	1.95
R. Tandon	3.24	1.54
B. Sumant	3.19	1.17
15B. Other Remuneration		
Y. C. Deveshwar	-	0.35
S. Banerjee	0.40	0.35
H. Bhargava	0.39	0.36
A. Duggal	0.37	0.36
S. B. Mathur	0.38	0.36
A. Nayak	0.39	-
N. Rao	0.38	0.32
S. S. H. Rehman	-	0.39
A. K. Seth	0.38	-
M. Shankar	0.39	0.36
D.R. Simpson	0.38	0.34

RELATED PARTY TRANSACTIONS SUMMARY	HY ended on March 31, 2020	HY ended on March 31, 2019
16. Outstanding Balances		
i) Receivables		
ATC Limited	0.52	1.15
Maharaja Heritage Resorts Limited	2.30	3.33
International Travel House Limited	2.83	0.60
ITC Essentra Limited	5.68	0.20
ii) Advances Given		
Employee Trust - Pension Funds	-	41.98
Employee Trust - Gratuity Funds	-	17.53
International Travel House Limited	0.05	0.49
iii) Deposits Given		
Y. C. Deveshwar	-	0.05
B. Deveshwar	-	0.38
N. Anand	0.05	-
T. Anand	0.05	-
R. Tandon	0.03	0.03
N. Singhi	0.03	0.03
iv) Deposits Taken		
International Travel House Limited	0.63	0.63
v) Payables		
ATC Limited	2.39	3.16
Gujarat Hotels Limited	2.01	2.09
International Travel House Limited	3.34	4.75
ITC Essentra Limited	8.49	16.21
Employee Trust - Pension Funds	60.69	-
Employee Trust - Gratuity Funds	29.97	-
17. Impairment of investment in Joint Venture as at the half year end		
Loqix Developers Private Limited	4.67	4.82

In accordance with Ind AS - 102, the Group has recognised employee benefits expense by way of share based payments (refer Note 2), of which ₹ 22.43 Crores [2019 (HY2)- ₹ 20.23 Crores] is attributable to Executive Directors and KMP: S. Puri ₹ 6.48 Crores [2019 (HY2)- ₹ 5.91 Crores], N. Anand ₹ 4.12 Crores [2019 (HY2)- ₹ 0.31 Crore], B. Sumant ₹ 2.07 Crores [2019 (HY2)- ₹ 1.20 Crores], R. Tandon ₹ 3.54 Crores [2019 (HY2)- ₹ 2.57 Crores], R. K. Singhi ₹ 0.57 Crore [2019 (HY2)- ₹ 0.51 Crore] and Y.C. Deveshwar Nil [2019 (HY2)- ₹ 0.06 Crore].