



ITC Limited
Virginia House
37 J. L. Nehru Road
Kolkata 700 071, India
Tel. : 91 33 2288 9371
Fax : 91 33 2288 2258 / 2259 / 2260

31st March, 2025

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 Pulp and Paper Undertaking of Aditya Birla Real Estate Limited

We write to advise that, pursuant to approval of the Board of Directors of the Company at the meeting held today i.e. 31st March, 2025, the Company has entered into a Business Transfer Agreement ('BTA') with Aditya Birla Real Estate Limited ('ABREL') for acquisition of ABREL's pulp and paper business operated under the name of 'Century Pulp and Paper', along with the assets, liabilities, contracts, employees etc. ('Undertaking'), as a going concern on a slump sale basis, subject to the conditions precedent specified in the BTA.

In the context of the above, enclosed please find the relevant disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Master Circular dated 11th November, 2024.

A copy of the Media Release being issued by the Company, along with a presentation in this regard, is also enclosed.

The Board Meeting commenced at 3.00 p.m. and concluded at 6.15 p.m.

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

Sl. No.	Particulars	Disclosures
1.	Name of the target entity	<p>No separate entity is being acquired.</p> <p>The Company has entered into a BTA with ABREL for acquisition of the Undertaking pertaining to manufacture, distribution and sale of pulp and paper products operated under the name of 'Century Pulp and Paper' ('CPP'), as a going concern on a slump sale basis, as per the terms and conditions laid down in the BTA.</p>
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>	No.
3.	Industry to which the entity being acquired belongs	Paper and Paperboards.
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>Established in 1984 at Lalkuan (Nainital, Uttarakhand), CPP is a well-established player in the Indian Paper industry with an installed capacity of 4.8 lakh MT per annum.</p> <p>The acquisition is in line with the Company's strategy to drive the next phase of growth in its Paperboards and Specialty Papers Business by expanding capacity at a new location, given the limited scope for expansion at the existing facilities.</p>
5.	Brief details of any governmental or regulatory approvals required for the acquisition	The completion of the aforesaid acquisition is subject to approval from (i) the Competition Commission of India; (ii) Ministry of Environment, Forest and Climate Change, Government of India; and (iii) any other authority as may be necessary.
6.	Indicative time period for completion of the acquisition	The transaction is expected to be consummated in about 6 months, subject to receipt of statutory approvals and fulfilment of the conditions laid down in the BTA.
7.	Consideration - whether cash consideration or share swap or any other form and details of the same	Cash.

Sl. No.	Particulars	Disclosures																
8.	Cost of acquisition and / or the price at which the shares are acquired	Lumpsum consideration of up to ₹ 3,500 crores on a cash-free debt-free basis, payable on Closing, subject to adjustments in accordance with the terms and conditions set out in the BTA.																
9.	Percentage of shareholding / control acquired and / or number of shares acquired	Not Applicable.																
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>The transaction involves acquisition of the Undertaking pertaining to manufacture, distribution and sale of pulp and paper products from ABREL.</p> <table border="1"> <tr> <td>Products / line of business of the target entity</td><td colspan="2">As stated above</td></tr> <tr> <td>Date of incorporation</td><td colspan="2">Undertaking was established in 1984</td></tr> <tr> <td rowspan="3">Last 3 years' turnover (Pulp and Paper Segment of ABREL)</td><td>2023-24</td><td>₹ 3,375 crores</td></tr> <tr> <td>2022-23</td><td>₹ 3,572 crores</td></tr> <tr> <td>2021-22</td><td>₹ 2,818 crores</td></tr> <tr> <td>Country of operations</td><td colspan="2">India</td></tr> </table>	Products / line of business of the target entity	As stated above		Date of incorporation	Undertaking was established in 1984		Last 3 years' turnover (Pulp and Paper Segment of ABREL)	2023-24	₹ 3,375 crores	2022-23	₹ 3,572 crores	2021-22	₹ 2,818 crores	Country of operations	India	
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Press Release
March 31, 2025

ITC announces strategic acquisition of Pulp & Paper Undertaking of Aditya Birla Real Estate Limited

ITC Limited has signed a Business Transfer Agreement today to acquire the Pulp and Paper Undertaking ('CPP') of Aditya Birla Real Estate Limited ('ABREL'). Established in 1984 at Lalkuan (Nainital, Uttarakhand), CPP is a well-established player in the Indian Paper industry with an installed capacity of 4.8 Lakh MT per annum.

India is the fifth-largest producer of paper and paperboards in the world, with an estimated production of around 23 million MT per annum and an annual industry turnover of over Rs. 80,000 cr. India's per capita consumption at appx. 16 Kg. per annum is low as compared to the global average of 57 Kg., reflecting immense headroom for growth. India is one of the fastest growing markets in the world with demand for paper and paperboards growing at 6%-7% p.a., translating to incremental demand of over 1 million MT annually. End-user industries such as FMCG, Food Service / Quick Service Restaurants, Pharmaceuticals, e-Commerce, Education & Stationery and increasing demand for sustainable packaging solutions are expected to be the key drivers of growth going forward.

ITC's Paperboards & Specialty Papers Business is a reputable player in the industry offering a wide range of products manufactured at its four world-class facilities with an annual throughput of over 1 million MT. The Business is an exemplar in sustainability with over 50% of its energy requirements met from renewable sources. The integrated nature of the business model is a key source of competitive advantage for the Business besides creating a significant economic multiplier. The key elements of the business model comprise access to sustainable and cost-competitive fibre chain, in-house pulp manufacturing capability, world-class product quality, state-of-the-art manufacturing facilities, strong sales and distribution network, increasing digitalisation across all nodes of operations along with robust forward linkages with the Company's Education & Stationery Products and Packaging & Printing Business.

CPP is a one-of-a-kind asset with a strong strategic fit with ITC's Paperboards & Specialty Papers Business. The acquisition will immediately add significant scale and economies to existing operations with potential for further capacity expansion, provide locational advantage for efficient customer servicing and proximity to key raw material sources, mitigate operational risks through multi-site operations and enhance resilience across industry cycles through portfolio diversification. The Business expects to drive structural improvement in profitability of CPP through several value unlock interventions such as capacity debottlenecking, product quality upgrade, efficiency improvement leveraging TPM/Digital initiatives, supply chain optimisation, overhead rationalisation, and procurement efficiencies.

Commenting on the acquisition, **Mr. B Sumant, Executive Director, ITC Limited** said, "The acquisition will strengthen the market standing of ITC's Paperboards and Specialty Papers Business and engender new opportunities in the domestic and international markets. The acquisition aligns with the Company's strategy of driving the next horizon of growth in the Paperboards and Specialty Papers Business by expanding capacity at a new location considering that the existing facilities are already saturated. The strong linkages to afforestation and livelihood creation pursued by both the entities contribute meaningfully to national priorities. We are delighted to welcome CPP into the ITC fold and I am confident that together we will continue to set new benchmarks in customer satisfaction, operational excellence and sustainability."

A presentation on the acquisition is enclosed.

Nazeeb Arif, Executive Vice President, Corporate Communications

FMCG • PAPERBOARDS & PACKAGING • AGRI-BUSINESS • INFORMATION TECHNOLOGY

Visit us at www.itcportal.com • Corporate Identity Number : L16005WB1910PLC001985 • e-mail : enduringvalue@itc.in



Announcing Strategic Acquisition of Century Pulp & Paper Undertaking (CPP)



This presentation contains certain forward-looking statements including those describing the Company's strategies, strategic direction, objectives, future prospects, estimates etc. Investors are cautioned that "forward looking statements" are based on certain assumptions of future events over which the Company exercises no control. Therefore there can be no guarantee as to their accuracy and readers are advised not to place any undue reliance on these forward looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. These statements involve a number of risks, uncertainties and other factors that could cause actual results or positions to differ materially from those that may be projected or implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: growth, competition, acquisitions, domestic and international economic conditions affecting demand, supply and price conditions in the various businesses in the Company's portfolio, changes in Government regulations, tax regimes and other statutes, and the ability to attract and retain high quality human resource.

Leading FMCG Marketer

Branded Packaged Foods



Personal Care



Education & Stationery



Safety Matches & Incense Sticks



Well-established player in Paperboards, Paper & Packaging



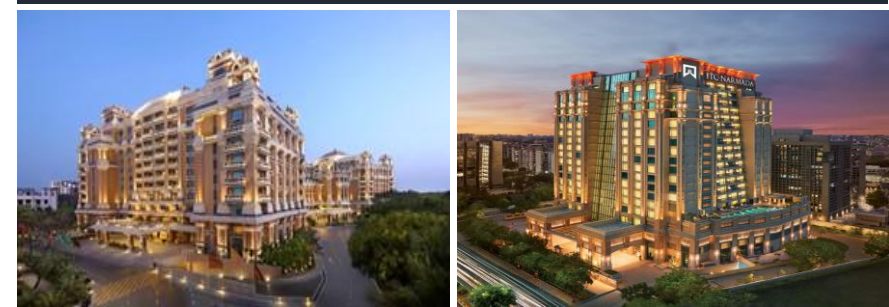
Foremost Agri Player Pioneering Rural Transformation



ITC Infotech: Specialised Global Tech Services & Solutions provider

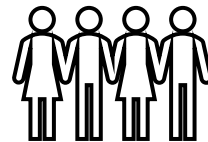


ITC Hotels: India's Pre-eminent Hospitality chain Trailblazer in Responsible Luxury



**69,446 cr.**

FY24 Gross Revenue

**24,479 cr.**FY24 EBITDA
Margins @ 38%**12**Future-ready
Businesses**25+**World-class
Mother Brands in FMCG**Consistently in the
Top League**
Profits | Market Cap**Amongst Top 3**Contribution to the
Exchequer**60 lakh**Sustainable livelihoods
supported**World-class
Talent****Global exemplar**
In Sustainability

India one of the fastest growing markets in the world

Domestic Industry size estimated at 23 mln. MT p.a.

- Growing at 6-7% p.a.
- Annual Incremental demand > **1mln. MT**

Industry Revenue > Rs. 80,000 cr. annually



Employment

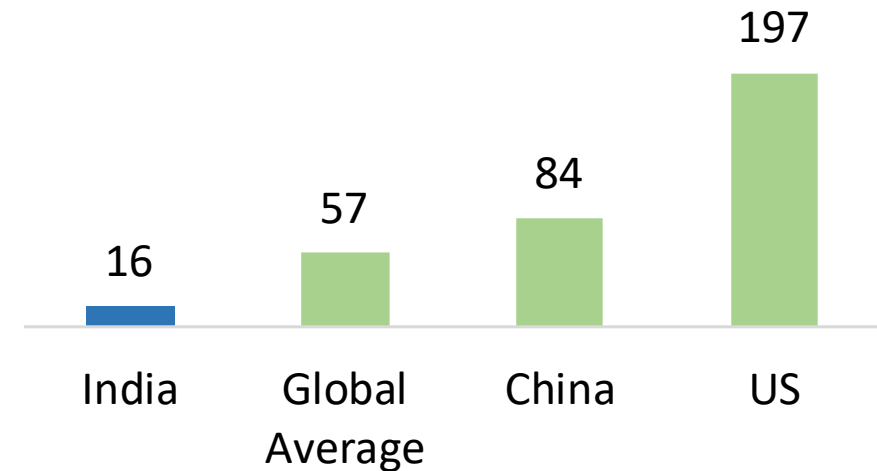
Direct employment to over 5 Lakh persons

Indirect employment to 15 lakh



Immense headroom for Growth

Per capita consumption (in Kgs)



Growth Drivers : FMCG, Food Service/QSR Packaging, Pharma, E-commerce, Sustainable packaging, Education & Stationery, Exports etc.



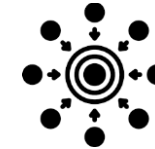
8,344 cr.
FY24 Revenue



21%
EBITDA Margin
FY19-FY24 Avg.



**Well-established player in
Paperboards & Specialty Papers**
Scale | Range | Customisation



**One stop shop packaging
solutions provider**



Best-in-class operating metrics
Superior Process knowhow



Sustainability Exemplar
50% Energy from Renewable Sources |
AWS* Certification | GreenCo Platinum+

- Annual throughput ~1 mln MT
- **Structural advantages** → backward integration, sustained investments in *TPM, Industry 4.0*
- 4 **world-class** manufacturing facilities
- Bhadrachalam - **largest site** with ~8 Lakh TPA capacity
 - Sustained investments over **4 decades** for growth
 - **3x scale-up in last 2 decades** – fresh investments, de-bottlenecking, efficiencies
 - Limited headroom for expansion - Business has been **exploring alternative sites**





Fibre chain
Secure | Cost-competitive | Sustainable |
Resilience | Wood & Pulp Yield



In-house Pulp
Import substitution

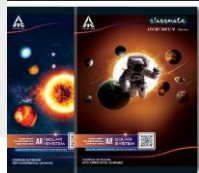


HPRB*
Future-ready | Sustainable

Sustainable Competitive Advantage



Manufacturing Excellence
Digital | TPM | Lean
Industry 4.0



Robust forward linkages

Till date, ITC has received FSC®-FM certification for close to
1.49 lakh acres
of plantations involving over
25,000 farmers

Leading supplier
of FSC® certified paper and
paperboards in India

26%
of the wood consumed by ITC is
FSC®-FM certified

* High Pressure Recovery Boiler

Growth



- Continue to premiumise the portfolio
- Scale up Sustainable Paperboard & Packaging solutions
- Expand capacity at a new site to drive next phase of growth

Cost Agility



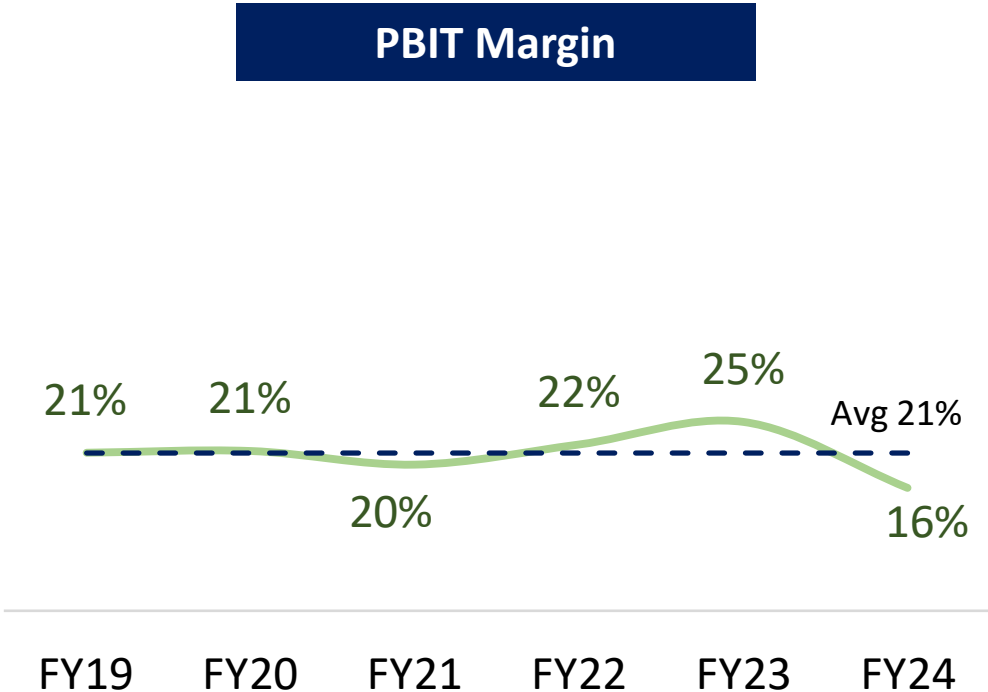
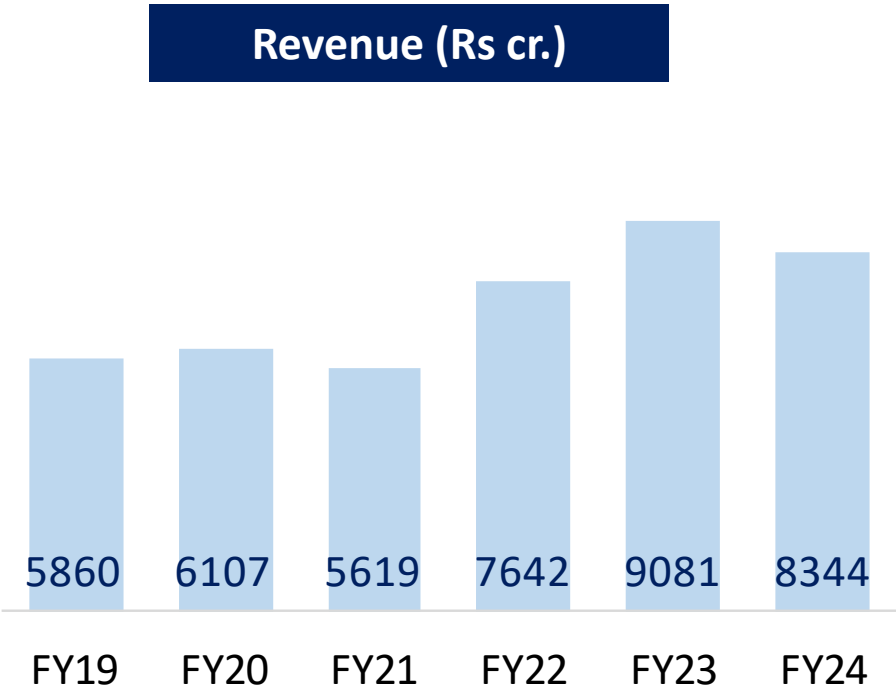
- In-house chemical pulp & BCTMP
- Industry 4.0 & Digital
- HPRB, RE investments
- Cost-competitive fibre chain
- Powerful TPM* | Lean programs

Customization



- Solutions for end-use industries - collaborations
- Best-in-class service levels

Sustainability at the Core



FY20-24 Cumulative Free Cash Flow generation over **Rs 4,000 cr.**

Recent performance impacted by:

- Sharp increase in low-priced imports into India and other international markets
- Unprecedented surge in domestic wood prices
 - *Other Wood Based Industries (WBIs) procuring from core sourcing catchments*
 - *Lower Plantations during Covid years*



Wood prices expected to moderate in next few quarters

- *Plantation activity picking up pace*

Investigations initiated by Govt. on cheap imports

- *Industry expects trade remedies to be introduced in coming months*

Strategic interventions

Sharpening Portfolio

Collaboration with Wood Based Industries (WBIs)

Plantation strategy reset +
Collaborative PPP model on
degraded forest land

Continued thrust:
Strategic Cost Management +
Digital → improved efficiencies

Business structurally well placed

Integrated business model
Strong end-user engagements
Digital Initiatives

Core area Plantations
In-house pulp, energy efficiency,
process excellence

Business started in 1984 at
Lalkuan, Uttarakhand

Strong presence in North
– large market



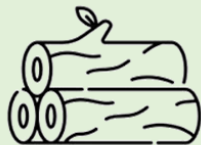
Well-established player in the Industry

Installed Capacity: 4.8 lakh MT p.a.



Wood & Bagasse based **in-house pulp**
manufacturing capability

Robust fibre sourcing linkages



Strong performance track-record

Revenue: Rs. 2958 cr. *

EBITDA: Rs. 506 cr. *





Adds Significant Scale & Economies

- Immediate addition to scale & economies while not adding to industry capacity
- Scope for further expansion
- Faster time-to-market vs. Greenfield option (~5-6 yrs)
- Greenfield site with suitable RM linkages & approvals difficult to find



Locational Advantage

- Facility in North India complements existing facilities in South
- Efficient customer servicing across markets
- Proximity to key raw material sources



De-risks Operations

- Multi-site operations with matching capabilities
- Portfolio diversification enhances resilience across industry cycles



Significant Value Unlock opportunity

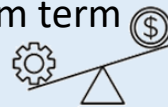
- Quality improvement
- Mix enrichment
- Capacity debottlenecking
- Pulp import substitution
- Efficiency improvement thru' TPM | Digital
- Supply chain optimisation
- Procurement efficiencies
- Operating leverage

Expected to be **EPS accretive** in the first full year of operations



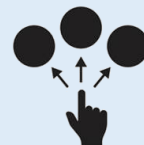
Drive structural improvement in Profitability

- Targeting **30% to 40% increase in EBITDA/Ton** (over normalised levels) post 2 full years of operations, through identified value unlock interventions.
- Capacity debottlenecking.
- Expect **high-teens ROCE** on investments in the medium term

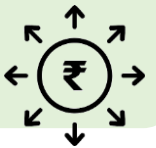


Strategic Optionality Value

- Additional capacity, Pulp import substitution



Acquisition within **Capital Allocation framework** of the Company



- **Aligned with growth strategy** to expand capacity at a new site to drive next phase of growth
 - Capex at existing facilities to be suitably calibrated
- Paperboards, Paper & Packaging Segment expected to **continue generating robust Free Cash Flow** going forward
 - **Free Cash Flow generation over Rs 4,000 cr. during FY20 to FY24**

Business Transfer Agreement



- **Acquisition of Pulp and Paper Undertaking of ABREL*** as a **going concern** on a **slump sale** basis
- **Lumpsum consideration of upto Rs 3,500 cr.** on a cash-free, debt-free basis payable on Closing, subject to adjustments as per the Business Transfer Agreement
- Transaction **expected to be consummated in appx. 6 months** subject to fulfilment of necessary Closing conditions and receipt of statutory approvals (incl. transfer of land lease, Competition Commission of India)

Management



- The Undertaking will be part of ITC's Paperboards, Paper & Packaging Segment



Enduring Value

NATION FIRST: SAB SAATH BADHEIN

Thank You