



# S. GUHA & ASSOCIATES

Chartered Accountants

Head Office :

16/1, GIRISH VIDYA RATNA LANE, KOLKATA-700 009

Ph : (033) 2360 9686, 2350-6991 • E-mail : sguhaassociates@gmail.com • Website : sguhaassociates.com

Branches :

KOLKATA NEW DELHI MUMBAI SILIGURI AGARTALA DEOGHAR PATNA GUWAHATI PORT BLAIR BOLPUR

## TO WHOMSOEVER IT MAY CONCERN

**Certificate on pre scheme and post scheme net worth of ITC Limited as at 31<sup>st</sup> December, 2023 in relation to the Scheme of Arrangement amongst ITC Limited ("Demerged Company") and ITC Hotels Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 ("Scheme")**

We, S. Guha & Associates, Chartered Accountants, have verified the books and records of ITC Limited ("Company") (CIN: L16005WB1910PLC001985), having its Registered Office at Virginia House, 37 Jawaharlal Nehru Road, Kolkata 700 071.

Based on such verification, we certify that net worth of ITC Limited pre and post Scheme as at 31<sup>st</sup> December, 2023 was ₹ 71,537.69 crore and ₹ 65,473.15 crore respectively. The detailed calculation of the net worth pre and post Scheme, as prepared by management, is enclosed.

This Certificate is being issued on the request of the Company for submission to the Hon'ble National Company Law Tribunal, Kolkata Bench in connection with the proceedings under the Scheme.

The post scheme net worth is prepared to indicate the effect of the proposed demerger on the financial position/ performance of the Demerged and the Resulting Companies. The same will undergo changes on the Effective Date (as defined in the Scheme) as per the position of assets and liabilities of the Demerged Undertaking (as defined in the Scheme) and accounting requirements in accordance with applicable accounting standards prescribed under section 133 of the Act read together with Rule 3 of the Companies (Indian Accounting Standards) Amendment Rules, 2015, as amended.

**For S. Guha & Associates**  
**Chartered Accountants**  
**Firm's Registration No. 322493E**

*Sourabh Mitra*

**Sourabh Mitra**

**Partner**

**Membership No. 308743**

**UDIN: 24308743BKAUNI5820**

**Place: Kolkata**

**Date: 13<sup>th</sup> February, 2024**





**ITC Limited**  
Virginia House  
37 J. L. Nehru Road  
Kolkata 700 071, India  
Tel.: +91 33 22889371, 22889900  
Fax : +91 33 22882256/2257/2259/2260

**Computation of pre scheme and post scheme net worth of ITC Limited as at 31st December, 2023 in relation to the Scheme of Arrangement ("Scheme") amongst ITC Limited ("Demerged Company") and ITC Hotels Limited ("Resulting Company") and their respective shareholders and creditors under sections 230 to 232 read with other applicable provisions of the Companies Act, 2013**

| Particulars  | Amount<br>(₹ Crores) |
|--|----------------------|
| Equity Share capital   | 1,247.56             |
| Add: Reserves (Refer Note 2)   |                      |
| - Securities Premium   | 14,541.36            |
| - Contingency Reserve  | 363.05               |
| - General Reserve  | 17,585.31            |
| - Share Option Outstanding Account   | 534.12               |
| - Retained Earnings  | 37,266.29            |
| <b>Net Worth as at 31st December, 2023 (Pre Scheme)</b>                                  | <b>71,537.69</b>     |
| Less: Adjustment for the effects of proposed demerger based on the Scheme (Refer Note 1) | (6,064.54)           |
| <b>Net Worth as at 31st December, 2023 (Post Scheme)</b>                                 | <b>65,473.15</b>     |

**Notes:**

1. Adjustment for the effects of proposed demerger based on the Scheme

| Particulars   | Amount<br>(₹ Crores) |
|---|----------------------|
| Book Value of assets of the Demerged Undertaking as at 31st December, 2023  | 11,610.83            |
| Less: Book Value of liabilities of the Demerged Undertaking as at 31st December, 2023   | 1,503.28             |
| <b>Net Assets of the Demerged Undertaking as at 31st December, 2023</b>   | <b>10,107.56</b>     |
| Less: Estimated value of investment held by Demerged Company (basis 40% shareholding) in the Resulting Company as per Clause 19.1.2 of the Scheme | (4,043.02)           |
| <b>Effect of proposed demerger on the Net Worth of the Demerged Company</b>   | <b>6,064.54</b>      |

2. Net worth has been computed in terms of regulation 2(1)(s) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 read with sub-section (57) of section 2 of the Companies Act, 2013, which defines it as the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

3. The net worth of the Demerged Undertaking has been calculated basis the Scheme and standalone financial results of the Demerged Company as at 31st December, 2023. The net worth calculations are provisional and prepared to indicate the effect of the proposed demerger on the net worth of the Demerged Company. The same will undergo changes on the Effective Date (as defined in the Scheme) as per the position of assets and liabilities of the Demerged Undertaking and accounting requirements in accordance with applicable Ind AS. The actual financial position, which may prevail after the Scheme becomes effective, may vary from the above calculations.

For ITC Limited

  
Authorized Signatory

Date: 13th February, 2023



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

Visit us at [www.itcportal.com](http://www.itcportal.com) • Corporate Identity Number : L16005WB1910PLC001985 • e-mail: [enduringvalue@itc.in](mailto:enduringvalue@itc.in)