



# Enduring Value

NATION FIRST: SAB SAATH BADHEIN

## RESULTS UPDATE & FAQ Q1 FY22



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## Q1. What is ITC's Vision and Mission?

### Vision:

To sustain ITC's position as one of **India's most valuable and admired corporations** through **world-class performance**, creating **growing value for the Indian economy** and the **Company's stakeholders**.

### Mission:

To enhance the wealth generating capability of the enterprise in a globalising environment, **delivering superior and sustainable stakeholder value**.

## Q2. What are the Core Values of ITC?

ITC's core values are aimed at developing a customer focused, high-performance organisation which creates value for all its stakeholders.



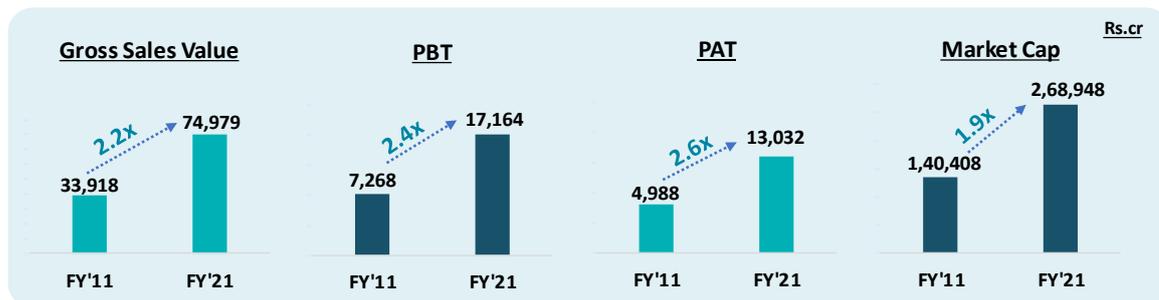
Please refer <https://www.itcportal.com/about-itc/values/index.aspx#sectionb2%20for%20more%20details>

## Q3. How does the Company effectively manage a highly diversified business portfolio? What is the Company's Corporate Governance structure?

ITC's 'Strategy of Organisation' is crafted in a manner that enables focus on each business while harnessing the diversity of the portfolio to create unique sources of competitive advantage.

Please refer <https://www.itcportal.com/about-itc/values/index.aspx#sectionb4> for details of ITC's Governance Structure.

**Q4. What has been the financial performance track record of the Company over the last decade?**



**Growth largely organic and funded through Retained Earnings**

*Gross Sales Value includes all taxes (GST, Compensation Cess, VAT, Excise Duty, NCCD, etc.)*

**Q5. What has been the performance track record of the Company over the last 3 years?**

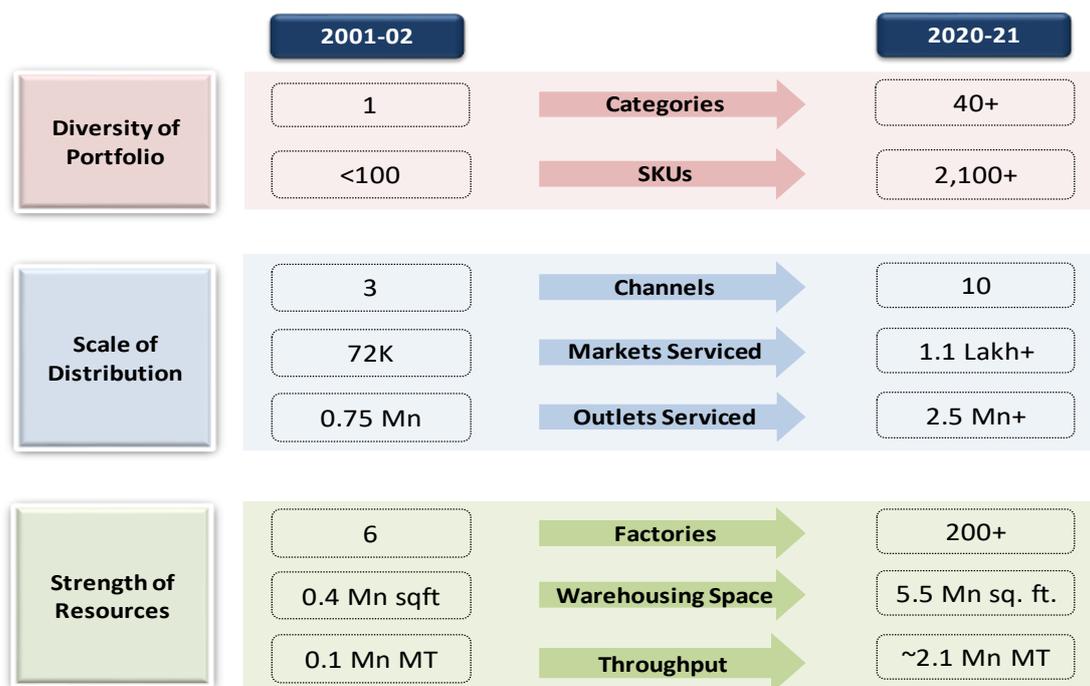
- In FY21, the Company's **Earnings Per Share (EPS)** was impacted by the disruptions to its operating segments and stood at Rs. 10.6 per share. However, during the immediately preceding three-year period i.e. between FY17 and FY20,
  - o The Company's EPS **registered a robust growth of 47%** in absolute terms from Rs. 8.4 to Rs. 12.3 (CAGR of 14%).
  - o The **Return on Segment Capital Employed (ROCE)** improved sharply from 61% to **72%**.
- In the FMCG-Others segment, Segment EBITDA grew at a CAGR of 42% between FY18 to FY21. Segment **EBITDA margins expanded by ~500 bps over the last 3 years.**

**Q6. Please provide some dimensions of the Company's transformation in the FMCG-Others segment over the years.**

- The Company's deep & wide multi-channel distribution network, with growing presence in emerging channels continue to deliver competitive advantage through superior product availability, visibility and freshness. Consumer preference for 'contactless shopping' and home delivery, continues to gain prominence. During the quarter ending June 30, 2021:
  - Market and outlet coverage is at 1.4x and 1.1x respectively compared to pre-Covid levels.
  - The stockists network doubled over the base quarter to sharp target rural markets to drive growth, mitigate the impact of disruptions in the wholesale channel and effectively service emergent demand.
  - Direct-to-market shipments were also scaled up substantially to ensure freshness and reduced time-to-market in categories such as Atta, Snacks and Biscuits.
  - Sales in the e-Commerce channel more than doubled over the same period last year taking its salience to 8% of Segment Revenue during the quarter.
  - The Businesses remained proactively engaged with e-Commerce platforms with account specific strategies, SKU assortment and aligned supply chains to service emergent demand in an efficient manner.
- **'ITC e-store'**, the Company's exclusive D2C platform is now operational in 11 cities. Powered by state-of-the-art digital technologies and a robust fulfilment infrastructure, the platform

offers consumers on-demand access to a wide range of the Company's FMCG products across 45+ categories and over 800 products under one roof. Consumer response has been excellent and the platform has received the highest rating in the 'Experience Leaders' quadrant (Delivery Delight Index survey, Redseer).

ITC's FMCG-Others Segment has grown manifold in scale, diversity of portfolio and in terms of resources deployed, as shown below:



**Q7. In the FMCG-Others Segment, please provide an overview ITC's scale, offerings, Brands and market standing.**

Over the years, ITC has developed a robust and vibrant portfolio of 25 world-class Indian brands which garnered an annual consumer spend of over 22,000 cr. in FY21. The market standing and offerings under various brands are as detailed below:

Brands	Market Standing	Offerings
	#1 in Branded Atta	- Atta, Salt & Spices
	#1 in Cream Biscuits #3 in Overall Biscuits	- Biscuits & Cakes
	#1 in Bridges Snacks	- Bridges, Potato chips & Namkeens
	#1 in Notebooks	- Educational & Stationery products
	#2 in Noodles	- Noodles & Pasta
	#1 in Dhoop #2 in Agarbatti	- Matches, Dhoop & Agarbatti
	#2 in Deodorants #2 in Body Wash	- <b>Engage:</b> Fragrances and Deodorants - <b>Vivel:</b> Soaps, Bodywash & Handwash

**Q8. Please provide an overview of other Operating segments.**

Hotels 2 <sup>nd</sup> largest Hotel Chain	AGRI No 1. Agri business Player	Paper Clear Market Leader
<ul style="list-style-type: none"> <li>▪ <b>108 properties with over 10,000 Keys</b></li> <li>▪ <b>Leader in Profitability</b></li> <li>▪ <b>One of the fastest growing</b> hospitality chains in India</li> <li>▪ <b>Trailblazer in Green</b> Hoteliering (<i>All ITC Luxury Hotels LEED Platinum certified</i>)</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Leading Agri Business</b> player in India</li> <li>▪ <b>Pioneer</b> in rural transformation (<i>e-Choupal</i>)</li> <li>▪ <b>Digitising Agri value chain</b> with e-Choupal 4.0 - a crop-agnostic 'phygital' integrated agri solutions platform</li> <li>▪ <b>Largest procurer of Wheat</b> after FCI</li> <li>▪ No 1. leaf tobacco exporter in India (5<sup>th</sup> largest in World)</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>No. 1</b> in Revenue</li> <li>▪ <b>No. 1</b> in Profitability</li> <li>▪ <b>World-class</b> Environmental Performance</li> <li>▪ <b>Best-in-Class</b> operating metrics</li> </ul>
<ul style="list-style-type: none"> <li>▪ <b>World's first hotel</b> chain to receive <b>Platinum certification</b> in infection risk management by M/s DNV</li> <li>▪ <b>World-class properties and iconic cuisine brands</b></li> <li>▪ <b>'Asset-right'</b> growth strategy</li> <li>▪ Focus on <b>sweating existing assets</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Best-in-class</b> profitability</li> <li>▪ <b>Sourcing &amp; Supply</b> operations in <b>22 states</b></li> <li>▪ <b>Delivering competitive advantage</b> to ITC's Branded Packaged Foods Business through distinctive sourcing capabilities</li> <li>▪ <b>World-class</b> processing facilities</li> <li>▪ <b>Focus on scaling up Value-added segment</b> (<i>Spices, Coffee, Aqua, MAPE, etc.</i>)</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Integrated Operations</b> (<i>BCTMP first-of-kind in India</i>)</li> <li>▪ <b>Secure, sustainable &amp; cost competitive fibre base</b> (<i>Cumulative plantations @ over 8.5 lakh acres</i>)</li> <li>▪ <b>43% of energy</b> consumption from <b>renewable sources</b></li> </ul>

**Q9. How does the Company choose new categories in the FMCG space? Which are the new categories it has forayed into in recent years?**

The choice of category is guided by its growth prospects, profitability profile and the ability of the Company to effectively leverage its institutional strengths with a view to achieving leadership status within a reasonable time frame. Synergies with existing categories in terms of overlap of distribution reach, brand extension possibility, procurement efficiencies, etc. are considered while choosing new categories.

In the Branded Packaged Foods Businesses, Chocolates, Dairy, Coffee and Frozen Foods are some of the areas that the Company has entered into over the last few years. In the Personal Care Products Business, the Business has successfully entered the Hygiene space with the acquisition of 'Savlon' brand about five years ago and more recently, the 'Nimyle' brand in the Floor Cleaner segment.

**Q10. Is the Company open to making acquisitions in order to accelerate growth in the FMCG segment?**

ITC examines prospects for inorganic growth that arise from time to time not only in this business segment but also in the other businesses, guided by considerations such as strategic fit, valuation, financial viability and ease of integration.

In recent times, the Company has acquired Brands such as 'Savlon', 'Nimyle' and 'Charmis' to strengthen its presence in Personal Care Products Business. **It is pertinent to note that 'Savlon' has reached nearly 1200 crores in consumer spend during FY21.** In July'20, the Company **acquired 100% of the equity share capital of M/s Sunrise Foods Private Limited (Sunrise)**, an Indian company primarily engaged in the business of spices under the trademark 'Sunrise'.

The Company shall continue to pursue opportunities for inorganic growth that are value-accretive and synergistic.

**Q11. What is the rationale behind acquisition of M/s Sunrise Foods? What was the consideration paid by the Company for the same?**

**Sunrise Foods Private Limited (Sunrise) had been mainly engaged in the business of spices under the trademark ‘Sunrise’.** Sunrise is a **market leader in eastern India** in the fast-growing Spices category with a **rich heritage and brand legacy of over 70 years**. Over the years, the brand has built a loyal consumer franchise, both in the basic and blended spice segments.

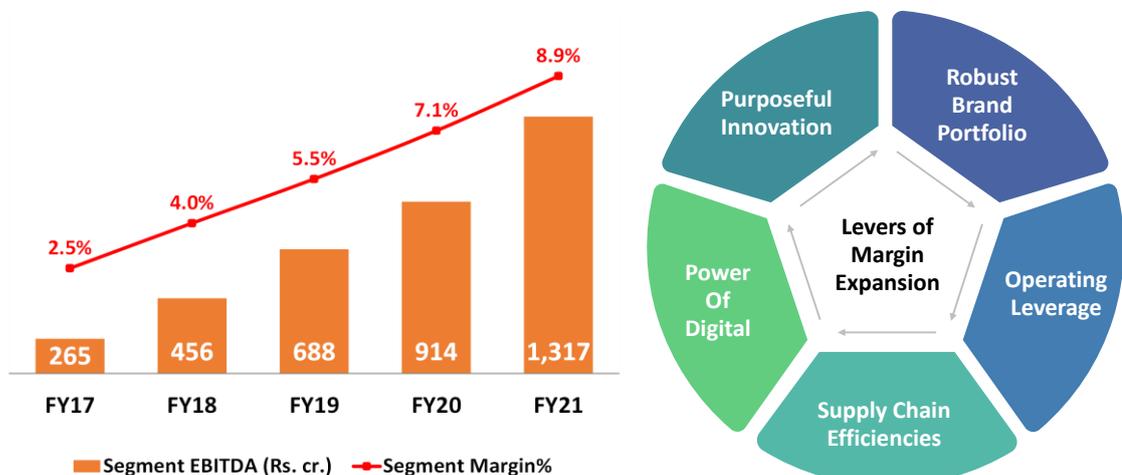
ITC’s Aashirvaad range of spices has strong presence in Telangana and Andhra Pradesh and the Company is one of India’s leading producers and exporters of high-quality food safe spices. The acquisition will **augment the Company’s product portfolio and is aligned to ITC’s aspiration to significantly scale up its Spices business** and expand its footprint across the country. The deep consumer-connect of Sunrise in the focus markets, together with **synergies arising out of the sourcing and supply chain capabilities of the Company’s Agri Business** and its pan-India and multi-channel distribution network, will provide significant value creation opportunities for the Company.

The upfront **consideration for the acquisition is Rs. 2150 crores** on a cash-free, debt-free basis. In addition, the sellers are entitled to contingent consideration of an amount not exceeding Rs. 150 crores, which is payable upon Sunrise achieving mutually agreed operational and financial milestones, over a period of two years.

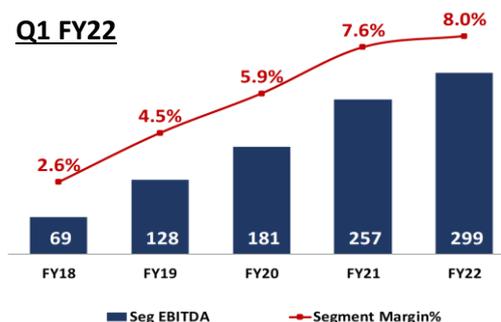
The Scheme of Amalgamation of Sunrise with the Company was approved by the Honourable National Company Law Tribunal, Kolkata Bench, vide order dated 26th February, 2021. The Scheme became effective from 1st April, 2021, consequent to filing of certified copies of the order with the Registrar of Companies, West Bengal on 1st April, 2021. Consequently, Sunrise has amalgamated with ITC with effect from the Appointed Date being 27th July, 2020, and has been fully integrated with the Branded Packaged Foods Businesses of the Company.

**Q12. (a) Please update on the margin expansion trajectory in the FMCG-Others segment.**

The **Segment EBITDA margins** of the FMCG-Others segment have been on an upward trajectory over the last three years and have **moved up by ~500 bps. Segment EBITDA for FY21 grew by 44% to Rs. 1317 crores**, with Segment EBITDA margins expanding by ~180 bps vs. FY20. This was driven by higher operating leverage, enhanced operational efficiencies, portfolio premiumisation and product mix enrichment, notwithstanding incremental operating costs due to COVID-19 and gestation costs of new categories/facilities.



During the quarter ending 30th June, 2021, **Segment EBITDA** grew by **16%** to Rs. 299 cr. Sharp escalation in input costs was mitigated through judicious pricing & cost saving actions and richer business mix; **Margins expanded by 40 bps & 100 bps at the Segment EBITDA and Segment EBIT levels respectively.**



Please refer to the Investor Presentation <https://www.itcportal.com/investor/pdf/ITC-Quarterly-Result-Presentation-Q1-FY2022.pdf>

**(b) Please provide an overview of the margin profile of the Branded Packaged Foods Businesses and the Personal Care Products Business.**

**The Branded Packaged Foods Businesses** of the Company comprise ‘Staples & Meals’, ‘Snacks’, ‘Dairy & Beverages’, ‘Biscuits & Cakes’ and ‘Chocolates, Coffee & Confectionery’. These Businesses **have evolved over a period of time and are currently at different stages of their lifecycles.** As such, the revenue dimensions, cost structures and profitability profiles of each of these businesses are distinct from one another. For example, **EBIT margin for the Staples Business**, which is a relatively mature category, is in the **high single digit range** while for **Snack Foods** the same is in the **mid-single digit range** representing upfront investments towards category development and brand building.

**The Personal Care Products Business** comprise ‘Personal Wash & Hygiene’, ‘Health’, ‘Fragrances’, ‘Home Care’, ‘Skin Care’ and ‘Talc’ categories. The Company continues to **make significant investments** in this Business primarily in the **area of brand building, R&D and product development** towards competing effectively with incumbent players comprising firmly entrenched MNCs and domestic companies. Presently, each category is **operating at industry benchmarked gross margins.** With enhanced scale and consumer connect, each category is expected to earn best-in-class EBIT margins progressively over the medium-term.

**Q13. Please provide an overview of the capex plan of the Company.**

The Company’s capex plans **are directed primarily towards capacity gearing, productivity enhancement, ensuring the highest standards in quality and environment, health & safety, and R&D.**

In the FMCG-Others segment, in the recent years, the Company has been investing behind setting up **state-of-the-art owned integrated consumer goods manufacturing and logistics facilities (ICMLs)** across regions in line with demand projections. These ICMLs provide structural advantages such as enhancing market responsiveness, reducing the cost of servicing proximal markets, ensuring delivery of products fresher to the market and providing heightened focus on product hygiene, safety and quality. Currently, **nine ICMLs have been operationalized** and two more are at an advanced stage (Hyderabad and Odisha). Going forward, additional investments in equipment lines will be added on a modular basis in line with demand growth.

**In the Hotels Business**, most of the planned investments in the current capex cycle are expected to be completed shortly – the construction of 3 new properties - ITC Narmada, a Luxury Collection hotel in Ahmedabad and Welcomhotels at Bhubaneswar and Guntur - with

around 500 rooms is nearing completion. In line with the Company's **asset-right strategy**, a large part of incremental room additions going forward is expected to accrue through management contracts. During the quarter ending June 30, 2021, Welcomhotel Tavleen Chail, a premier mountain resort in Himachal Pradesh, located amidst the breathtaking surroundings of the Himalayas, was added to the Welcomhotel portfolio of managed properties. Towards engendering enhanced value creation, the Company will continue to aggressively pursue this strategy leveraging its brands and digital investments, focus on sweating existing assets, create additional revenue streams and examine alternative structures.

The major items of capital expenditure in the **Paperboards, Paper and Packaging segment** going forward comprise of investments for gaining structural cost advantages in the segment and are in line with the growth needs of the Business.

In the short term, the Company shall primarily focus on timely completion/operationalisation of the ongoing projects. The spends would be appropriately calibrated depending on several factors such as pick-up in economic activity and improvement in demand conditions.

**Q14. What is the Dividend policy of the Company? What has been trend of dividend pay-outs in recent years?**

As per the Dividend Distribution policy approved by the Board of Directors on 18th March, 2020, effective financial year 2019-20, in the medium term, the dividend pay-out ratio is expected to be around 80% to 85% of the Profit After Tax of the Company. The Board may declare interim dividend(s) at its discretion. The



The Board's recommendation to the shareholders on the final dividend may include special dividend(s) as considered appropriate. **At its meeting held on June 1, 2021, in line with the Company's track record of consistent increase in annual dividend payouts, the Directors have recommended Final Dividend of Rs. 5.75 per share for the financial year ending 31st March, 2021. Together with the Interim Dividend of Rs. 5.00 per share paid on 10th March 2021, the total Dividend for the financial year ended 31st March 2021 amounts to Rs. 10.75 per share (previous year: Rs. 10.15 per share).** Total cash outflow on account of Dividends (including interim Dividend of Rs. 6152.68 crores paid in March 2021) will be Rs. 13230.27 crores.

Refer chart alongside for Dividends in the last 5 years.

Please refer to the following link for the Dividend Distribution policy of the Company. <http://www.itcportal.com/about-itc/policies/dividend-distribution-policy.pdf>

**Q15. Please provide a brief overview of Q1 FY22 results.**

Localised lockdowns and mobility restrictions imposed by States in a bid to contain the sharp increase in daily Covid-19 infections in the second wave rendered the operating environment during the quarter extremely challenging and impacted the strong recovery momentum

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witnessed in recent quarters. The situation continues to improve with the progressive easing of restrictions and increased mobility from mid-June'21.

Against this backdrop, the Company delivered a resilient performance during the quarter. **Gross Revenue stood at Rs. 12,884.45 crores representing a growth of 36.6% y-o-y** while **EBITDA at Rs. 3992.16 crores grew 50.8% y-o-y**. Lower Other Income due to lower market yields and treasury corpus limited the flow through to **PBT and PAT** which grew by **28.4%** and **28.6%** y-o-y respectively. **Earnings Per Share** for the quarter was **Rs. 2.45** (previous year Rs. 1.91).

- **Strong sequential recovery momentum in Cigarettes led to volumes reaching nearly pre-Covid levels in Q4 FY21; second wave caused disruptions in convenience store operations during the quarter**
  - Week-on-week improvement underway since mid-June'21 with most markets returning to normalcy and witnessing faster recovery compared to first wave
  - Certain markets in Kerala, Odisha and North East remain partially impacted
  - Cigarettes **Segment Revenue** and **Segment EBIT** up **33%** and **37%** y-o-y respectively
- **Progressive recovery in Hotels witnessed in H2 FY21, impacted by second wave**
  - After severe disruptions during the quarter, business is rebounding with the easing of restrictions led by leisure destinations, staycations and weekend getaways
  - Structural cost management actions aid in mitigating impact
- **Robust performance by FMCG-Others Segment; Revenue up 10.4% including Sunrise on a high base (LY+10.3%, LY comparable +18.8%)** driven mainly by Hygiene products, Fragrances, Spices, Snacks, Dairy and Agarbattis
  - **Hygiene** portfolio performs well, delivering strong sequential growth, after normalising in H2 FY21 at elevated levels
  - Strong y-o-y growth in **Discretionary/'Out-of-Home'** products on favourable base; sequential performance impacted by second wave, albeit by a lower magnitude compared to first wave
  - High base effect in **Staples and Convenience Foods** leads to moderation in y-o-y growth rates; sequential pick up in the wake of the second wave - lower impact compared to first wave in the absence of pantry loading
  - **Sales in the e-Commerce channel more than doubled** y-o-y, taking its salience to 8% of Segment Revenue during the quarter
  - **Education & Stationery Products Business** remains impacted due to continued closure of educational institutions
  - **Segment EBITDA and Segment EBIT up 16% and 38% respectively**; sharp escalation in input costs mitigated through judicious pricing & ongoing cost saving programmes and richer business mix; **Margins expand 40 bps & 100 bps** at the **Segment EBITDA** and **Segment EBIT** levels respectively
- **Strong growth in external revenue of Agri Businesses driven by wheat, rice and leaf tobacco exports, leveraging strong customer relationships and robust sourcing network**
  - Zero disruptions in supplies to key customers despite significant operational challenges

- **Paperboards, Paper and Packaging Segment Revenue up 54% and Segment EBIT up 145%** driven by Value Added Paperboards, Décor paper and Carton packaging; significant improvement in profitability driven by richer product mix, higher realisations on the back of surge in global pulp prices and structural cost saving interventions
- **Relentless focus on cost reduction:** 7% reduction in fixed 'Other Expenses' y-o-y
- **Nearly 100% of eligible employees vaccinated with at least one dose**

*Please refer to the quarterly Press Release and Investor Presentation uploaded on the Corporate Website for detailed segment wise update*

1. **Quarterly Press Release:** <https://www.itcportal.com/investor/pdf/ITC-Press-Release-Q1-FY2022.pdf>
2. **Investor Presentation:** <https://www.itcportal.com/investor/pdf/ITC-Quarterly-Result-Presentation-Q1-FY2022.pdf>

**Q16. Please explain the Company's 'Triple Bottom Line' philosophy & Environment, Social & Governance (ESG) credentials**



ITC believes that when enterprises make societal value creation an integral part of their corporate strategy, powerful drivers of innovation emerge that make growth more enduring for all stakeholders. At ITC, this paradigm is called 'Responsible Competitiveness' - an abiding strategy that focuses on extreme competitiveness but in a manner that replenishes the environment and creates sustainable livelihoods.

The Company's innovative business models synergise the building of economic, environmental and social capital, thus embedding sustainability at the core of its corporate strategy. Today, this strategy has not only contributed to building strong businesses of the future as well as a portfolio of winning world-class brands, but also in making the Company a global exemplar in 'Triple Bottom Line' performance. The Company's pursuit of the Triple Bottom-Line approach has allowed it to develop unique, sustainable and industry-leading solutions to some of the most pressing sustainable development challenges being faced by our country.

ITC is a global exemplar in sustainability, and is the only enterprise in the world of comparable dimensions to have achieved and sustained the three key global indices of environmental sustainability of being 'water positive' (for 19 years), 'carbon positive' (for 16 years), and 'solid waste recycling positive' (for 14 years). ITC is rated 'AA' by MSCI-ESG - the highest amongst global tobacco companies and is also a part of Dow Jones Sustainability

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Emerging Markets Index - a reflection of being a sustainability leader in the industry and a recognition of the Company's continued commitment to people and planet.

In line with the Company's credo of 'Putting India First', the Company continued to support the nation's fight against the pandemic including debottlenecking transportation of medical oxygen, supporting the health infrastructure with the facilitation of necessary equipment, provision of PPE kits, supply of dry ration to the needy and vulnerable sections of society, etc.

Refer link below for highlights:

<https://www.itcportal.com/investor/pdf/ITC-Quarterly-Result-Presentation-Q1-FY2022.pdf>

The Company has adopted a comprehensive set of sustainability policies that are being implemented across the organisation in pursuit of its 'Triple Bottom Line' agenda. These policies are aimed at strengthening the mechanisms of engagement with key stakeholders, identification of material sustainability issues and progressively monitoring and mitigating the impacts along the value chain of each Business.

As the world prepares for a post-pandemic future, ITC is actively working towards Sustainability 2.0, an agenda which reimagines sustainability under the pressing challenges of climate change. With a view to 'Building Back Better', Sustainability 2.0 calls for inclusive strategies that can support sustainable livelihoods, pursue newer ways to fight climate change and enable the transition to a net zero economy, work towards ensuring water security for all and create an effective circular economy for post-consumer packaging waste. It also entails protecting and restoring biodiversity.

The Company's **17<sup>th</sup> Sustainability Report**, details the progress made across all dimensions of the 'Triple Bottom Line' for the year 2019-20. This report is in conformance with the Global Reporting Initiative (GRI) standards under 'In Accordance – Comprehensive' category and is **third-party assured** at the **highest criteria of 'reasonable assurance'** as per International Standard on Assurance Engagements (ISAE) 3000. The 18th Sustainability Report, covering the sustainability performance of your Company for the year 2020-21, is being prepared in accordance with the GRI Standards and will be made available shortly.

**Please refer to the following link**

- **17th Sustainability Report:** <https://www.itcportal.com/sustainability/sustainability-report-2020/sustainability-report-2020.pdf>
- **ITC Sustainability at a glance:** <https://www.itcportal.com/sustainability/index.aspx>

In addition, the **Business Responsibility Report (BRR)**, annexed to the Report and Accounts 2021 maps the sustainability performance of the Company against the reporting framework suggested by Securities and Exchange Board of India.

The Company has voluntarily prepared its **Integrated Report** for the financial year 2020-21. As a green initiative, the Report has been hosted on the Company's corporate website at <https://www.itcportal.com/about-itc/shareholder-value/itc-integrated-report-2021.pdf>

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**Q17. Please provide a brief on ITC's Digital journey.**

The pandemic has given wings to the trend of Digitalisation that was already gathering momentum. Accelerated digital transformation is integral to ITC's future-ready strategy and is increasingly being harnessed to enhance competitive advantage.

Cutting-edge digital technologies are being increasingly deployed across strategic impact areas spanning Consumer Experience, Smart and Agile Manufacturing & Supply Chain Operations, Employee Experience and Intelligent Insights Platforms. Foundational initiatives such as the 'DigiNext' and 'Young Digital Leaders Forum' have been implemented towards steering the Company through its digital journey and fostering a data driven and 'digital first' culture across the organisation.

The FMCG Businesses continue to increasingly leverage 'Sixth Sense', the Marketing Command Centre and Consumer Data Hub – an AI powered hyper-personalised platform backed by a robust partner ecosystem for content and data - to gain insights on market trends and consumer behaviour and synthesise the same to craft contextual brand communication and product development. Over 2000 content assets have been deployed leveraging this platform within a relatively short span of time at significantly lower cost.

Cutting-edge digital technologies including Industry 4.0, Advanced Analytics, Big Data and industrial Internet of Things (IoT) continue to be deployed towards strengthening the Company's real time operations and execution platform. Several digitally powered interventions are underway towards enhancing productivity, driving efficiency and reducing costs. These initiatives are anchored on the key pillars of synchronised planning and forecasting, next generation agile supply chain, smart manufacturing and sourcing, and smart demand capture and fulfilment. Strategic investments are also being made towards enhancing value creation leveraging data and analytics. Key interventions include augmenting the Company's NextGen data architecture powered by Artificial Intelligence/Machine Learning (AI/ML), identifying and prioritising use cases for impactful outcomes and setting up a Data Science academy comprising data scientists and engineers to drive and sustain data and analytics programmes.

Towards enhancing the competitiveness of domestic agri value chains, foster new business models and value creation opportunities, ITC is scaling up e-Choupal 4.0 - a crop-agnostic 'phygital' integrated agri solutions platform. This digitally powered platform seeks to empower the farming community by delivering customised solutions by synergistically integrating NextGen agri-technologies. These include e-Marketplace for agri inputs and farm outputs, wide range of advisory services covering weather forecasts, agronomy, best practices for improved productivity, quality assurance, etc.

The Company's TM&D vertical continues to leverage digital technologies to drive productivity, improve market servicing, draw actionable insights for sharp-focused interventions, augment sales force capability and deepen connect with retailers.

Several Robotic Process Automation BOTs are operational across businesses thereby eliminating non-value adding and repetitive work. Access to secure and contemporary platforms has been provided by seamlessly and securely implementing remote working for its employees through extensive IT enablement.



## Notes

