



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

TO THE MEMBERS OF THE COMPANY

Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

NOTICE IS HEREBY GIVEN that the Resolutions set out hereunder for increase in the Authorised Share Capital of the Company, consequential amendment to the Articles of Association of the Company and issue of Bonus Shares are proposed to be passed by means of Postal Ballot and Electronic Voting (e-voting). The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Resolutions is annexed.

The Board of Directors of your Company at the meeting held on 20th May, 2016 has appointed Mr. R. L. Auddy, Senior Solicitor and Partner, Messrs. Sandersons & Morgans, Advocates & Solicitors, as the Scrutinizer for scrutinizing the Postal Ballot and e-voting process.

Members have the option to vote either by Postal Ballot or through e-voting. Members desiring to exercise their votes by Postal Ballot are requested to read carefully the instructions printed on the Postal Ballot Form and return the same, completed and signed, in the enclosed self-addressed postage prepaid envelope, so as to reach the Scrutinizer on or before the close of working hours on **Monday, 27th June, 2016**. Members desiring to opt for e-voting are requested to read carefully the instructions given in the Notes forming part of the Notice.

Based on the Scrutinizer's Report to the Chairman of the Company, the Results of the Postal Ballot and e-voting will be declared on **Tuesday, 28th June, 2016 at 2.30 p.m.** at the Registered Office of the Company. Such Results, alongwith the Scrutinizer's Report, will be available on the Company's corporate website www.itcportal.com under the section 'Investor Relations' and will be forwarded to the Stock Exchanges where the Company's shares are listed. National Securities Depository Limited (NSDL), engaged by the Board of Directors of the Company for facilitating e-voting, will also display these Results on its website www.evoting.nsdl.com.

SPECIAL BUSINESS

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

"Resolved that, in accordance with the provisions of Section 61 of the Companies Act, 2013, or any amendment thereto or modification thereof, the Share Capital of the Company be increased from ₹ 1000,00,00,000/- (Rupees One Thousand Crores) divided into 1000,00,00,000 (One Thousand Crores) Ordinary Shares of ₹ 1/- (Rupee One) each to ₹ 2000,00,00,000/- (Rupees Two Thousand Crores) divided into 2000,00,00,000 (Two Thousand Crores) Ordinary Shares of ₹ 1/- (Rupee One) each by creation of further 1000,00,00,000 (One Thousand Crores) Ordinary Shares of ₹ 1/- (Rupee One) each."

2. To consider and, if thought fit, to pass the following resolution as a Special Resolution: -

"Resolved that, in accordance with the provisions of Section 14 of the Companies Act, 2013, or any amendment thereto or modification thereof, the Articles of Association of the Company be amended by the deletion of the existing Article 4 and by the substitution therefor the following -

'4. The Share Capital of the Company as from 27th June, 2016 is ₹ 2000,00,00,000/- divided into 2000,00,00,000 Ordinary Shares of ₹ 1/- each.' "

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

"Resolved:

- (a) that in accordance with the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('the Regulations'), including any amendment or modification of the Act and / or the Regulations, and the enabling provisions of the Articles of Association of the Company and subject to such approval(s) as may be necessary from any authority, consent be and is hereby accorded to the Board of Directors of the Company ('the Board', which term shall be deemed to include any Committee thereof) for

capitalisation of a sum not exceeding ₹ 410,45,97,601/- (Rupees Four Hundred Ten Crores Forty Five Lakhs Ninety Seven Thousand Six Hundred and One) from the Securities Premium Account / Free Reserves of the Company, as appropriate, for the purpose of issue of Bonus Shares of ₹ 1/- (Rupee One) each, credited as fully paid-up Ordinary Shares to the holders of the Ordinary Shares of the Company as on Monday, 4th July, 2016, being the 'Record Date' determined by the Board for this purpose, in the proportion of 1 (One) Bonus Share of ₹ 1/- each for every existing 2 (Two) fully paid-up Ordinary Shares of ₹ 1/- each held by them and that the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the nominal amount in the Share Capital of the Company held by each such Member, and not as income;

- (b) that the Bonus Shares so allotted shall rank pari passu in all respects with the fully paid-up Ordinary Shares of the Company as existing on the Record Date, save and except that they shall not be entitled to any dividend in respect of any financial year up to and including 31st March, 2016;
- (c) that the Bonus Shares so allotted shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company;
- (d) that no letter of allotment shall be issued in respect of the Bonus Shares but in the case of Members who hold Ordinary Shares (or opt to receive the Bonus Shares) in dematerialised form, the Bonus Shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository Participants and in the case of Members who hold Ordinary Shares in certificate form, the share certificates in respect of the Bonus Shares shall be despatched, within the prescribed time limit;
- (e) that no fractions arising out of the issue and allotment of the Bonus Shares shall be allotted by the Company and the Company shall not issue any certificate or coupon in respect thereof but all such fractional entitlements shall be consolidated and the Bonus Shares, in lieu thereof, shall be allotted by the Board to nominees appointed by the Board, who shall hold the same as trustees for the Members entitled thereto, and sell the said Shares so arising at the then prevailing market rate and pay to the Company the net sale proceeds thereof, after adjusting therefrom the cost and expenses in respect of such sale, for distribution to Members in proportion to their fractional entitlements;
- (f) that the Board be and is hereby authorised to take necessary steps for listing of such Bonus Shares on the Stock Exchanges where the Ordinary Shares of the Company are listed, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable guidelines, rules or regulations;
- (g) that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as may be necessary or expedient, and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem fit or desirable and its decision shall be final and binding.”

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

Dated : 20th May, 2016.

NOTES:

- (i) The Postal Ballot Notice is being sent to the Members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories on **Friday, 20th May, 2016**. The Postal Ballot Notice is being sent in electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the other Members.
- (ii) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **20th May, 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 Postal Ballot or e-voting. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
- (iii) **Members can opt for only one mode of voting i.e. either Postal Ballot or e-voting**. In case any Member votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot shall be considered invalid.
- (iv) The Resolutions, if passed by requisite majority, will be deemed to be passed on the last date specified for receipt of duly completed Postal Ballot Forms or e-voting i.e. **Monday, 27th June, 2016**.
- (v) Members who hold Ordinary Shares in the certificate form and wish to receive Bonus Shares in dematerialised form should complete and return the enclosed Form of Request to the Investor Service Centre of the Company, by **Friday, 1st July, 2016**, failing which once the Bonus Share issue is approved by the Members, the Bonus Shares shall be issued in certificate form.

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

I. In case of Members who receive the Postal Ballot 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 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 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 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 Postal Ballot Notice by post:

- (a) User ID and initial password is provided in the Postal Ballot Form.
- (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 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. 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 the following:

- (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 - Investor Service Centre, at telephone nos. 033 2288 6246 / 0034 or at e-mail ID **arun.bose@itc.in**. You may also send your queries to the e-mail ID **isc@itc.in**.

- V. **The period for e-voting starts at 9.00 a.m. on 29th May, 2016 and ends at 5.00 p.m. on 27th June, 2016.** E-voting will be blocked by NSDL at 5.00 p.m. on 27th June, 2016.
- VI. There will be one e-vote for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.

EXPLANATORY STATEMENT

Annexed to the Notice dated 20th May, 2016.

Item Nos. 1 & 2

It is considered desirable that the Share Capital of your Company be enlarged commensurate with the nature and size of your Company including the need to issue further Ordinary Shares to give effect to the recommendation of Bonus Shares as stated in the Resolution under Item No. 3.

Article 48 of the Articles of Association of the Company read with Section 61 of the Companies Act, 2013 permits your Company to increase its Share Capital by Ordinary Resolution.

Further, the existing Article 4 of the Articles of Association of the Company specifies the present Share Capital of your Company and accordingly, substitution of the said Article is considered necessary to reflect the increased Share Capital.

A copy of the Memorandum and Articles of Association of the Company will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on working days up to 27th June, 2016.

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

The Board of Directors of your Company recommends these Resolutions for your approval.

Item No. 3

The Board of Directors of your Company have pleasure in proposing issue of Shares by way of bonus shares by increasing the issued, subscribed and paid-up Share Capital of the Company to a sum not exceeding ₹ 1215,18,04,592/- after capitalising a sum not exceeding ₹ 410,45,97,601/- from the Securities Premium Account / Free Reserves, as appropriate, as per the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 and the same is proposed to be applied in paying up in full not exceeding 410,45,97,601 Ordinary Shares of ₹ 1/- each.

The amount to be capitalised under this Item includes the amount necessary for issue of Bonus Shares upon exercise up to a maximum of 1,61,98,821 Options (equivalent to 16,19,88,210 Ordinary Shares) by the Optionees in accordance with the Employee Stock Option Schemes of the Company ('the Schemes') as vested or would vest prior to 4th July, 2016 being the 'Record Date' determined by the Board of Directors of your Company for the purpose of issue of Bonus Shares, and shall stand reduced to the extent such Options are not exercised prior to the Record Date.

Consequent upon issue of Bonus Shares, in accordance with the provisions of the Schemes read with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, appropriate adjustments will be made in respect of Options remaining unexercised, whether vested or not, on the Record Date with respect to the number of Options and the Exercise Price.

The fully paid-up Bonus Shares shall be distributed to the Members whose names shall appear in the Register of Members of the Company in respect of shares held in the certificate form, and / or whose names shall appear in the Register of Beneficial Owners as per details to be furnished by the Depositories in respect of shares held in the dematerialised form, as on the Record Date, in the proportion of 1 (One) Bonus Share of ₹ 1/- each for every existing 2 (Two) fully paid-up Ordinary Shares of ₹ 1/- each held by them respectively on the Record Date.

The Directors and Key Managerial Personnel of your Company and their relatives are interested in this Resolution to the extent of their respective holdings of shares and / or Options in the Company.

The Board of Directors of your Company recommends this Resolution for your approval.

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

Dated : 20th May, 2016.

SPECIMEN



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

POSTAL BALLOT FORM

Serial No. :

1. Name(s) of Member(s) including joint holders, if any :

2. Registered address of the sole / first named Member :

3. DP ID No. & Client ID No.* / Registered Folio No.** :
[* Applicable to Members holding shares in dematerialised form
**Applicable to Members holding shares in certificate form]

4. No. of Ordinary Shares held :

5. I / We hereby exercise my / our vote in respect of the following Resolutions to be passed through Postal Ballot and e-voting, by conveying my / our assent or dissent to the said Resolutions by placing tick (✓) mark in the appropriate box below:

Resolutions	No. of Ordinary Shares for which votes cast	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
I. Ordinary Resolution for increase in the Authorised Share Capital of the Company.			
II. Special Resolution for amendment to Article 4 of the Articles of Association of the Company.			
III. Ordinary Resolution for issue of Bonus Shares in the proportion of 1 (One) Bonus Share of ₹ 1/- each for every existing 2 (Two) fully paid-up Ordinary Shares of ₹ 1/- each.			

Place :

Date :

Signature of Member

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number (EVEN)	User ID	Password

Note : Please read the instructions printed overleaf carefully before exercising your vote.

QUALITY FORMS PVT. LTD. PH : 2455-6649



05/16

INSTRUCTIONS

- (a) Members desiring to exercise vote by Postal Ballot should complete and sign this Postal Ballot Form and send it to the **Scrutinizer, Mr. R. L. Auddy**, in the enclosed self-addressed postage prepaid envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.
- (b) In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his / her absence by the next named Member.
- (c) Assent must be accorded by placing a tick (✓) mark in the column 'I/ We assent to the Resolution (FOR)' or dissent must be accorded by placing a tick (✓) mark in the column 'I/ We dissent to the Resolution (AGAINST)'.
- (d) In respect of shares held by corporate and institutional shareholders (companies, trusts, societies etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board Resolution / appropriate authorisation, with the specimen signature(s) of the authorised signatory(ies) duly attested.
- (e) The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in the dematerialised form or in the certificate form, respectively.
- (f) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- (g) Members seeking duplicate Postal Ballot Forms can write to the Investor Service Centre, ITC Limited, 37 Jawaharlal Nehru Road, Kolkata 700 071 or e-mail at itcbonus2016@itc.in.
- (h) Members are requested not to send any other paper alongwith this Postal Ballot Form.
- (i) **Completed Postal Ballot Forms, as stated above, should reach the Scrutinizer no later than the close of working hours on Monday, 27th June, 2016.** Postal Ballot Forms received after this date will be considered invalid.

GENERAL INFORMATION

- (a) One Postal Ballot Form is being sent for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.
- (b) **Members can opt for only one mode of voting i.e. either Postal Ballot or e-voting.** In case any Member votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot shall be considered invalid.
- (c) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member on **Friday, 20th May, 2016** being the cut-off date.