

**August 16, 2023****CMP = Rs.452.15****MCAP (Rs. In Crores) =5,64,657.23****Ratio = 10:1 (every 10 shares of ITC will get 1 share of ITC Hotels Limited)**

Please note that the Board of Directors of the Company ('the Board') at the meeting held today i.e., 14th August, 2023, has subject to necessary statutory and regulatory approvals, considered and approved 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').

The said Scheme involves the demerger of the Demerged Undertaking (as defined in the Scheme) comprising the Hotels Business (as defined in the Scheme) of the Demerged Company into the Resulting Company on a going concern basis and in consideration, the consequent issuance of equity shares by the Resulting Company to all the shareholders of the Demerged Company in accordance with the Share Entitlement Ratio i.e. **"for every 10 (Ten) Ordinary Shares of face and paid-up value of Re. 1 each held in the Demerged Company, 1 (One) equity share of face and paid-up value of Re. 1 in the Resulting Company"**.

Further details as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular dated 13th July, 2023, are given in the Enclosure. Capitalised terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

### Rationale and benefits of the Scheme

1. The Resulting Company is a newly incorporated entity which will have the ability to raise capital from equity and debt markets towards funding its growth requirements.
2. The Resulting Company as a focused entity would attract the right sets of investors, strategic partners and collaborations, whose investment strategies and risk profiles are aligned more sharply with the hospitality industry.
3. The Scheme would unlock value of the Hotels Business for existing shareholders of the Demerged Company through independent market driven valuation of their shares in the Resulting Company which will be listed pursuant to the Scheme, along with the option and flexibility to remain invested in a pure play hospitality focused listed entity.

<https://www.bseindia.com/xml-data/corpfilings/AttachLive/cd6cc39f-c7ae-4992-a507-cf03c161331c.pdf>

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