



ITC Limited
Virginia House
37 J. L. Nehru Road
Kolkata 700 071, India
Tel. : 91 33 2288 9371
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26th November, 2021

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,

**Agreement to acquire 16% of the share capital of
Mother Sparsh Baby Care Private Limited**

Enclosed please find disclosure on the subject matter, pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the media statement being issued is also enclosed.

Yours faithfully,
ITC Limited

(R. K. Singhi)
Executive Vice President &
Company Secretary

Encl. as above.



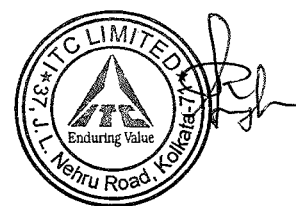
cc: Securities Exchange Commission
Division of Corporate Finance
Office of International Corporate Finance
Mail Stop 3-9
450 Fifth Street
Washington DC 20549
U.S.A.

cc: Societe de la Bourse de Luxembourg
35A Boulevard Joseph II
L-1840 Luxembourg

Enclosure

Sl. No.	Particulars	Disclosures
1.	Name of the target entity	Mother Sparsh Baby Care Private Limited ('Mother Sparsh').
2.	Whether the acquisition would fall within related party transaction(s) and 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'	No.
3.	Industry to which the entity being acquired belongs	Personal care.
4.	Objects and effects 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>The Company has entered into a Share Subscription Agreement on 26th November, 2021 to acquire 16% of the share capital of Mother Sparsh (on a fully diluted basis), subject to completion of conditions precedent, and a Shareholders' Agreement in connection with such proposed acquisition.</p> <p>The said acquisition will, inter alia, enable access to the fast growing direct to consumer (D2C) space in the 'personal care' category, which has been identified by the Company as an area of interest.</p>
5.	Brief details of any governmental or regulatory approvals required for the acquisition	None.
6.	Indicative time period for completion of the acquisition	This share acquisition is expected to be completed, in two tranches, within 8 months from the date of execution of the Agreements referred to in (4) above.
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash.

Sl. No.	Particulars	Disclosures																		
8.	Cost of acquisition or the price at which the shares are acquired	₹ 20 crores.																		
9.	Percentage of shareholding / control acquired and / or number of shares acquired	16% of the share capital of Mother Sparsh (on a fully diluted basis) is proposed to be acquired (100 Equity Shares and 1980 Compulsorily Convertible Preference Shares).																		
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>Mother Sparsh is a premium ayurvedic and natural personal care start-up in the D2C space, with focus on mother and baby care segments. Other details are as follows:</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">5th February, 2016</td> </tr> <tr> <td>Last 3 years' turnover</td> <td>2020-21</td> <td>₹ 15.44 crores</td> </tr> <tr> <td></td> <td>2019-20</td> <td>₹ 3.36 crores</td> </tr> <tr> <td></td> <td>2018-19</td> <td>₹ 1.13 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	5 th February, 2016		Last 3 years' turnover	2020-21	₹ 15.44 crores		2019-20	₹ 3.36 crores		2018-19	₹ 1.13 crores	Country of operations	India	
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Media Statement
26th November, 2021

ITC to acquire 16% stake in Mother Sparsh, a D2C ayurvedic and natural personal care brand

Kolkata: ITC agrees to invest in Mother Sparsh Baby Care Private Limited ('Mother Sparsh'), a premium ayurvedic and natural personal care brand in the D2C space with a focus on the mother and baby care segment. It has a wide range of baby and mother care products that leverages the wisdom and knowledge of Ayurveda for potent product delivery.

ITC has agreed to acquire 16% of the share capital of Mother Sparsh on a fully diluted basis.

This investment is in line with the 'ITC Next' strategy articulated by Chairman Sanjiv Puri which aims to build a future ready organization with a digital first culture. One of the identified pillars of this strategy is to accelerate digital transformation by developing digital first FMCG brands. ITC has also been focusing on strengthening D2C platforms of distribution and has created a vibrant ITC eStore.



Recognising the significant potential of naturals and Ayurveda, ITC has taken this strategic step forward to invest in this segment. Over the last few years, ITC has been engaging with the start-up ecosystem whilst also exploring innovative distribution channels.

Commenting on the development, Sameer Satpathy, Chief Executive, Personal Care Products Business, ITC stated – “We believe that this investment provides an exciting opportunity which is in alignment with our aspiration to have a significant play both in the naturals and ayurvedic segment as well as in the D2C channel. Mother Sparsh has, within a short span of time, evolved into an effective D2C brand with a range of innovative products and a lot of promise.”

Speaking on this investment from ITC, Himanshu, CEO, Mother Sparsh said – “We are delighted that ITC has come forward to invest in our company which has been growing from strength to strength every year. ITC has been a frontrunner in developing a portfolio of vibrant FMCG brands and has been making giant strides in this space through focus on innovation and digitalization. We believe that this partnership will provide a unique synergy of strengths to build our brand further.”

Copy forwarded, with compliments:
Nazeeb Arif
Executive Vice President & Head,
Corporate Communications Department
ITC Limited