

RESEARCH REPORT

ON

ITC LIMITED



ITC is one of India's foremost private sector companies with a market capitalization of US \$ 45 billion and a turnover of US \$ 7 billion. ITC ranks among India's 10 Most Valuable (Company) Brands, in a study conducted by Brand Finance and published by the Economic Times. ITC also ranks among Asia's 50 best performing companies compiled by Business Week. ITC has a diversified presence in FMCG, Hotels, Paperboards & Specialty Papers, Packaging, Agri-Business, and Information Technology. While ITC is an outstanding market leader in its traditional businesses of Cigarettes, Hotels, Paperboards, Packaging and Agri-Exports, it is rapidly gaining market share even in its nascent businesses of Packaged Foods & Confectionery, Branded Apparel, Personal Care and Stationery. The company has 13 businesses in 5 segments. It exports its products in 90 countries. Its products are available in 6 million retail outlets.

ITC'S BUSINESS



FMCG Businesses

- o India's Leading FMCG marketer
- o 25+ Mother Brands in Foods, Personal Care Products, Education & Stationery Products, Agarbattis & Matches
- o Annual consumer spend of over ₹24,000 crores
- o Exporting to over 60 countries
- o Products reach over 200 million households in India
- o Products available in nearly 7 million retail outlets in India
- o ITC e-Store: 45+ categories, over 700 products
- o Extensive digital adoption across manufacturing, distribution, consumer insighting



Agri Business

- o Powering NextGen Agriculture through value addition, digital adoption and climate smart agriculture
- o Extensive engagement with farmers for over 100 years
- o ITCMAARS*- bringing the power of digital technologies to farmers
- o ITC e-Choupal has empowered 4 million farmers
- o Sourcing over 4 mn tonnes of agri produce from 22 states
- o Supporting over 20 value chain clusters
- o Largest procurer of wheat after the Government's FCI
- o One of India's largest exporters of agri commodities



Paperboards & Packaging Businesses

- o One of India's largest, greenest and most technologically advanced
- o Clear leader in the Value-added Paperboards segment
- o Leading provider of superior value-added packaging solutions
- o Anchoring local forestry value chains, empowering farmers, enhancing green cover
- o First in India to obtain Forest Stewardship Council-Forest Management (FSC-FM)
- o Extensive use of Industry 4.0 technologies
- o Pioneer in sustainable packaging





ITC Hotels

- o Trailblazer in 'Responsible Luxury' & Sustainability
- o One of India's pre-eminent hospitality chains
- o 113 hotel properties in over 70 locations
- o Iconic Cuisine Brands
- o All luxury collection hotels are LEED® Platinum certified
- o ITC Hotels and Welcomhotels have achieved the global 2030 Carbon emissions targets well ahead of time
- o ITC Windsor, ITC Grand Chola and ITC Gardenia - first three LEED® Zero Carbon Hotels in the world



ITC Infotech

- o Wholly owned subsidiary of ITC Limited
- o Leading global technology services and solutions provider with presence in 29 countries
- o Partner of choice for customers in their Digital Transformation and Software as a Service (SaaS) adoption journey
- o One of industry's largest organizations of Product Lifecycle Management services expertise
- o Focus on sharpening domain-led offerings in Digital Manufacturing Solutions, Digital Workplace Solutions, Core Hospitality Automation and Customer Experience
- o Business-friendly solutions leveraging strategic pillars of Customer Centricity, Employee Centricity and Operational Excellence



DETAILS OF BUSINESS ACTIVITIES

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	FMCG	Cigarettes: Cigarettes, Cigars etc.	39.68%
		Others: Branded Packaged Foods Businesses (Staples & Meals; Snacks; Dairy & Beverages; Biscuits & Cakes; Chocolates, Coffee & Confectionery); Personal Care Products; Education and Stationery Products; Safety Matches and Agarbattis; Apparel.	27.01%
2.	Hotels	Hoteliering.	2.16%
3.	Agri Business	Agri-commodities such as wheat, rice, spices, coffee, soya and leaf tobacco.	20.52%
4.	Paperboards, Paper & Packaging	Paperboards, Paper including Specialty Paper & Packaging including flexibles.	10.63%

COMPANY PROFILE

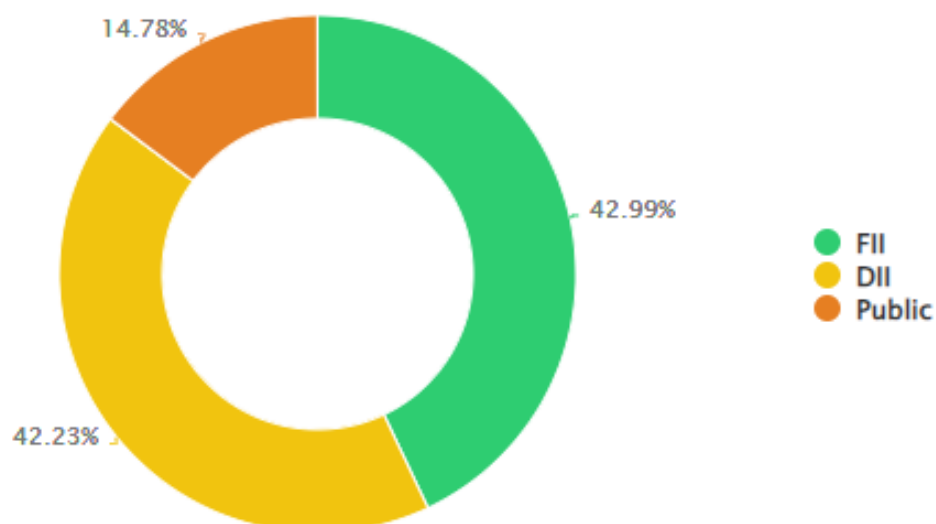
ITC Limited	
	
Formerly	Imperial Tobacco Company of India Limited (1910–1970) India Tobacco Company Limited (1970–1974) I.T.C. Limited (1974–2001) ITC Limited (2001–present)
Type	Public
Traded as	BSE: 500875 NSE: ITC BSE SENSEX constituent NSE NIFTY 50 constituent
ISIN	INE154A01025
Industry	Conglomerate
Predecessor	W.D. & H.O. Wills
Founded	24 August 1910; 112 years ago
Headquarters	Virginia House, Kolkata, West Bengal, India
Area served	Indian subcontinent Gulf countries
Key people	Sanjiv Puri (Chairman & MD)

Products	Consumer goods Apparel Education Hotels and Resorts Paperboards & Specialty papers Packaging Agribusiness Information technology Cigarettes
Brands	Gold Flake Wills Navy Cut Classic Aashirvaad Fiamma Di Wills Savlon Classmate
Revenue	▲ ₹62,504 crore (US\$7.8 billion) (2022)
Operating income	▲ ₹20,722 crore (US\$2.6 billion) (2022)
Net income	▲ ₹15,485 crore (US\$1.9 billion) (2022)
Total assets	▲ ₹77,259 crore (US\$9.7 billion) (2022)
Total equity	▲ ₹62,455 crore (US\$7.8 billion) (2022)
No. of employees	36,500 (2021)
Divisions	ITC Hotels ITC Paperboards and Specialty Papers Division ITC Infotech Sunrise Foods
Website	www.itcportal.com

➤ FUNDAMENTALS

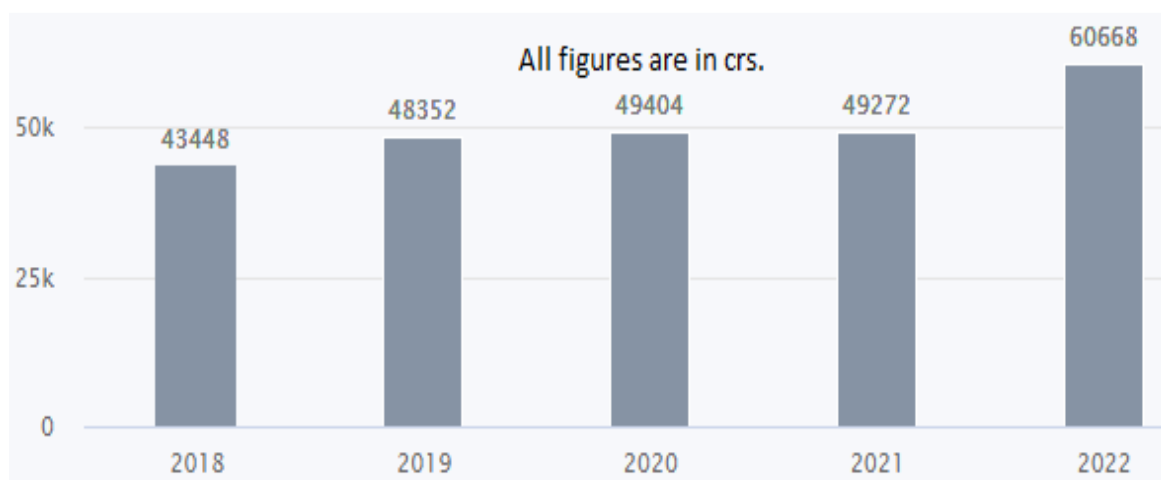
Market Cap	₹4,70,485Cr	ROE	24.82%
P/E Ratio(TTM)	25.74	EPS(TTM)	14.72
P/B Ratio	7.47	Dividend Yield	3.23%
Industry P/E	NA	Book Value	52.93
Debt to Equity	0.00	Face Value	1

➤ SHAREHOLDING

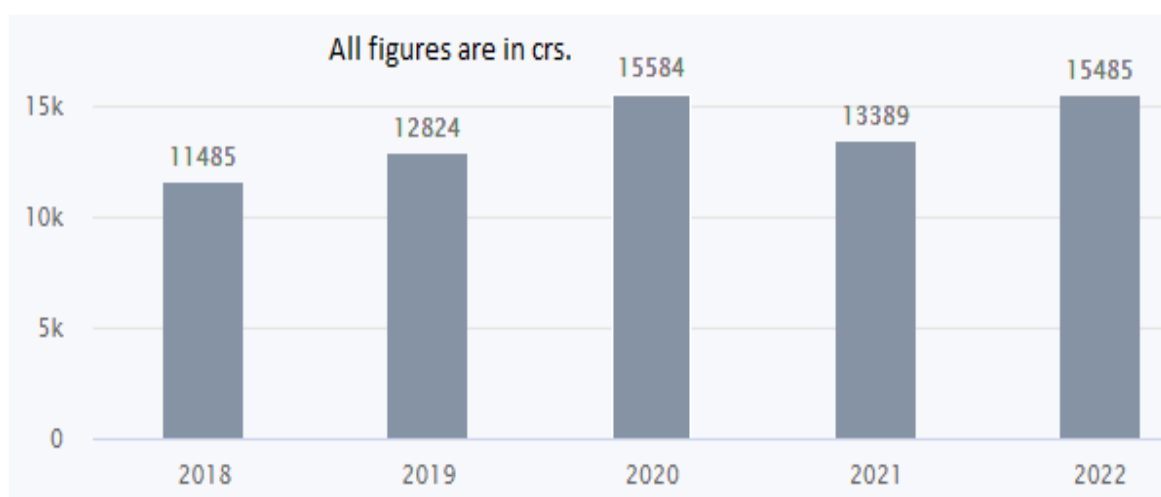


FINANCIALS

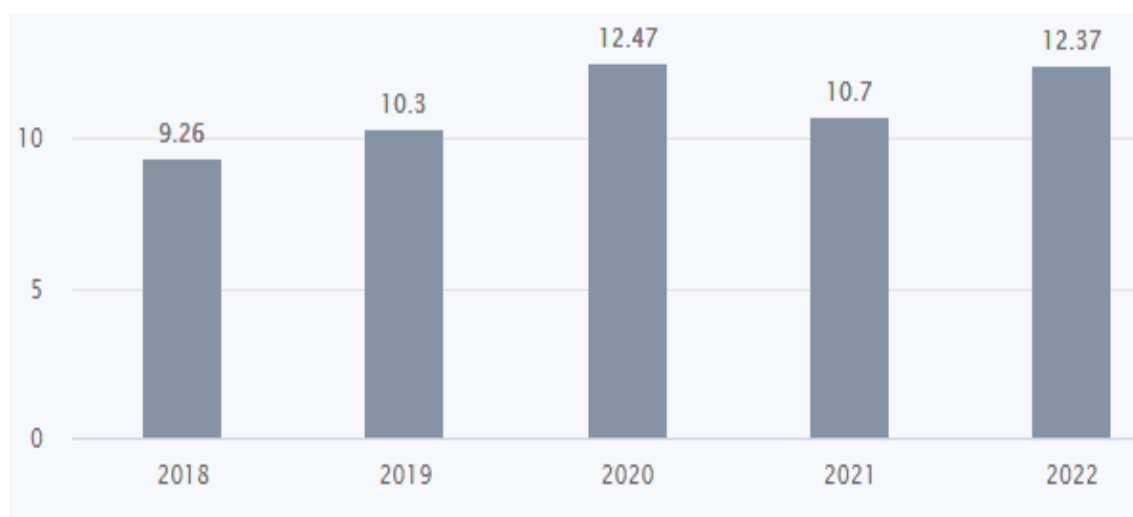
➤ **REVENUE**



➤ **NET PROFIT**



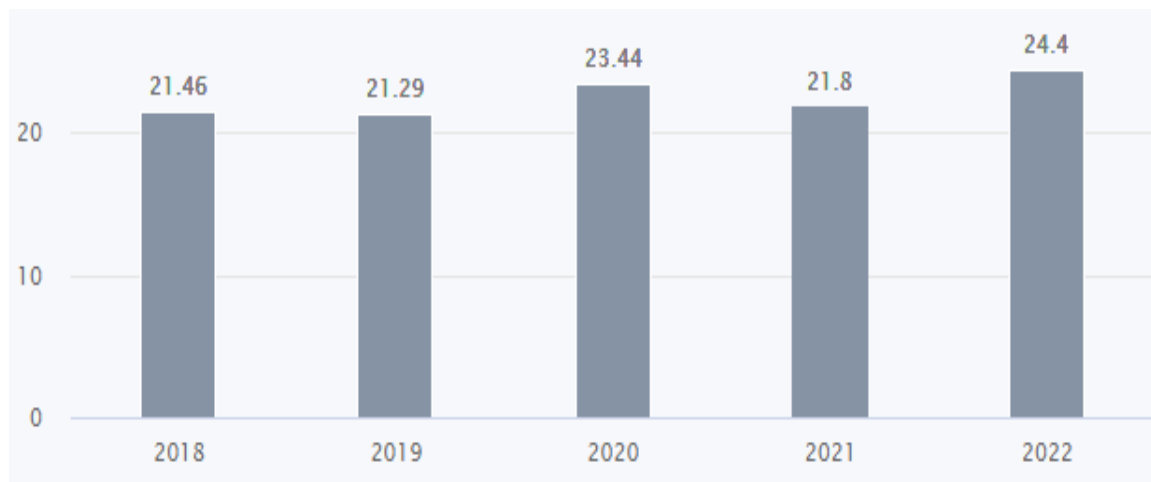
➤ EPS



➤ BVPS



➤ **ROE**



TECHNICAL ANALYSIS



**BUY ITC AT 378 TARGET 430,470 STOPLOSS 325
(1-3 MONTHS)**

Community Sentiments



- 77% BUY
- 23% SELL
- 0% HOLD

77%

of moneycontrol
users recommend
buying ITC

RATIO ANALYSIS

ANNUAL	FY 2022	FY 2021	FY 2020
Return on Equity (%)	24.52	22.08	23.63
Return on Capital Employed (%)	31.23	28.02	29.26
Return on Assets (%)	20.05	18.20	20.11
Interest Coverage Ratio (x)	513.08	395.48	347.36
Asset Turnover Ratio (x)	0.77	0.62	60.63
Price to Earnings (x)	20.53	20.66	13.99
Price to Book (x)	5.03	4.56	3.30
EV/EBITDA (x)	14.18	14.11	9.78
EBITDA Margin (%)	38.20	41.27	45.85

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