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FINANCIAL PERFORMANCE OF ITC Ltd. USING RATIO ANALYSIS

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Abstract

ITC has a diversified presence across industries such as FMCG, hotels, software as ITC InfoTech, packaging, paperboards, specialty papers and agribusiness. ITC's diversified portfolio, commitment to quality, and focus on sustainable business practices have helped it maintain a prominent position in India's corporate landscape. The aim of this paper is to analyze the profitability, liquidity and leverage position of the ITC Ltd. during 2012-13 to 2021-22. The overall financial performance of the ITC Company is not satisfactory. The company has to reduce debts or outsiders funds and also should concentrate to increase the profits and also the company needs to reduce the liabilities and try to improve the assets.

Introduction

ITC Limited is an Indian conglomerate company headquartered in Kolkata, West Bengal. ITC has a diversified presence across industries such as FMCG, hotels, software as ITC InfoTech, packaging, paperboards, specialty papers and agribusiness. 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 Limited, originally known as the Imperial Tobacco Company of India Limited, is a conglomerate based in India with a diversified presence across various sectors. Established in 1910, ITC has grown into one of India's foremost private sector companies with a significant global footprint.

ITC operates in a multitude of industries, including fast-moving consumer goods (FMCG), hotels, paperboards and packaging, agri-business, and information technology. It's known for its iconic brands like Aashirvaad, Sunfeast, Bingo and Classmate, among others.

Apart from its business operations, ITC is widely recognized for its commitment to sustainability and social responsibility. The company has undertaken numerous initiatives focused on environmental conservation, rural development, and community welfare.

ITC's diversified portfolio, commitment to quality, and focus on sustainable business practices have helped it maintain a prominent position in India's corporate landscape.

ITC Competitors: Dabur, Nestle, HUL, Tata

Review of Literature

Idrish Alladdr. Mahendra H. Maisuria (2015) conducted research on an accounting technique of analysis and interpretation of Financial Statements and concluded that Comparison of different aspects of all the firms can be done effectively with this. It helps the clients to decide in which firm the risk is less or in which one they should invest so that maximumbenefit can be earned.

Mohammed Nuhu (2014) conducted research on Role of Ratio Analysis in Business Decisions and concluded that the data Collected via the primary data sources were analyzed using simple averages and percentages.

According to Igben (1999:423), "Accounting {or financial} ratio is a proportion or fraction or percentage expressing the relationship between one item in a set financial statements and another item in the financial statements.

Sarfaraz Hashemkhani Zolfani and Prasenjit Chatterjee (2019) conducted research on Comparative Evaluation of Sustainable Design Based on Step-Wise Weight Assessment Ratio Analysis (SWARA) and Best Worst Method (BWM) Methods and concluded that the study contributes by applying two approaches based on MADM methods for weighting the criteria related to the sustainable design of household furnishing materials. Step-Wise Weight Assessment Ratio Analysis (SWARA) and Best Worst Method (BWM) are two specialized and new methodsfor weighting criteria with different approaches.

Chnar Abdullah Rashid (2021) conducted research on The efficiency of financial ratios analysis to evaluate company's profitability and concluded that the review discovered that profitability is the most important measure to evaluate companies' performance.

Prabhuraj Jayaraj conducted research on ratio analysis aims to analyze the position of the company using the financial tools and concluded that it helps to identify and give suggestion the area of weaker position of business transactions.

Sangmi and Nazir (2010) conducted research on the financial performance of two key banks in India after a reform in the banking sector. The work was centered on a 5 year secondary data obtained from annual reports of the individual banks. The CAMEL model was used for the analysis. The authors established that relative to asset quality, liquidity, capital adequacy and management capability, the banks' performance were sound and satisfactory and concluded that the performance of the two may not adequately proxy the overall impact of the reforms on Indianbanks.

Sumninder and Samiya (2013) conducted research on how size, solvency, liquidity, equity capital, and leverage impacted on the profitability of some life insurance companies. The research employed multiple linear regression analysis to quantity the extent to which the specified indicators influenced the profitability of the firms over a 5 year period and concluded that the study revealed that size and liquidity of life insurers positively influenced the firms' profitability whilstthe reverse holds for equity capital.

Bhunia etal (2013) researched into the financial performance of some public sector pharmaceutical and drug enterprises in India. The research was aimed at assessing both short and long term solvency, profitability and liquidity trends, efficiency of financial processes and to examine determinants of liquidity and profitability behaviors. They concluded that both companies had strong liquidity positions. Financial stability of the two companies also demonstrated an increasingly declining trend.

Tehrani etal2 (2012) conducted research to evaluates a companies' performance using the technique of data envelopment analysis. Performance assessment indexes were generated from financial statements as well as ratios from articles and books and concluded that the analysis disclosed that nine out of the thirty-six companies were efficient; implying that the remainder twenty-seven companies were inefficient.

Kumbirai and Webb (2010) conducted research on the performance of commercial banks in South from 2005 to 2009. Credit quality, liquidity and Profitability ratios were the metrics deployed in the analysis. The paper relied on descriptive financial ratio analysis to analyze, measure and describe the performance of the banks and concluded that the study determined that total bank performance improved significantly in the first two years of the study. A substantial variation in trend was observed at the inception of the global financial crisis in 2007, hitting peak levels during 2008- 2009. This occasioned decreasing profitability, liquidity and declining credit quality in the South African Banking sector.

Assumptah and Martin conducted research on how Capital Structure affect financial performance of Banks listed in Nairobi Securities Exchange; and explicitly establish how leverage risk, debt equity, debt, interest rate and their blends affect the operations of listed banks in the Nairobi Stock Exchange (NSE) concluded that study established that capital structure influenced the financial performance of 56.4% of the listed banks on NSE

Mwangi and Murigu (2015) conducted a study to examine the factors that influence the profitability of Kenya's general insurance firms and concluded that higher equity capital, management capability and leverage facilitated improved financial performance of the general insurance companies in Kenya.

Sebe-Yeboah and Mensah (2014) conducted research on ADB's financial performance with the deployment of varied analytical tools. The study delivered an on-going capability to appraise bank's financial performance and concluded that ADB's attitude towards the financing of agriculture was shrinking. The liquidity position of the banks indicated a descending trend and fellfurther down in 2010.

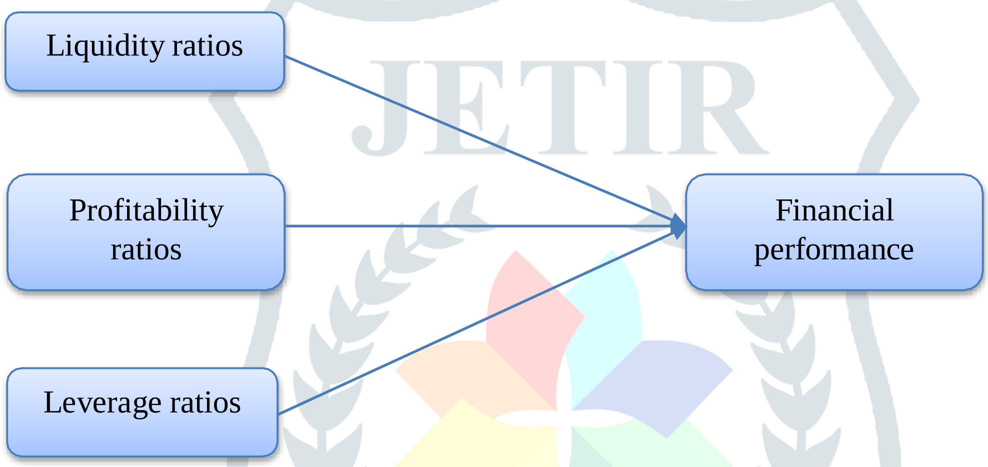
Sarpong Jnr et al (2014) conducted research on how efficient operating banks in Ghana were. The research employed financial ratios analysis methodology to evaluate the efficiency of listed banks on the Ghana Stock Exchange and concluded that the outcome of the research revealed that sufficient capitalization was maintained by all the banks.

Mahbuba and Farzana (2013) conducted research on how CSR relates to profitability of Dutch Bangla Bank Ltd. (DBBL) and concluded that the research found that 90.7% of the variations in profits of the bank were accountable to the benefits emanating from corporate social responsibility.

Statement of the Problem

Financial position of the organization is influenced by the financial activities like liquidity, profitability and leverage position. Frequent analysis of financial position is required for the company to monitor the progress of its achievements and to modify the existing methods if requited any. An attempt is required to analyze the financial performance of the company for the overall growth and success of the organization.

Conceptual Model



Objectives of the Study

The following are the objectives of the present study.

- To analyze the profitability of the organization from 2012-13 to 2021-22.
- To analyze the liquidity position of the organization from 2012-13 to 2021-22.
- To analyze the leverage position of the organization from 2012-13 to 2021-22.

Scope of the Study

The current study is undertaken for the purpose of evaluating the financial performance ofthe ITC Ltd., for the last ten years (2012-13 to 2021-22) with the help of the ratio analysis.

Need of the Study

Ratio analysis is important for the company to analyze its financial position, liquidity, profitability, risk, solvency, efficiency, operations effectiveness, and proper utilization of funds which also indicates the trend or comparison of financial results that can be helpful for decision making for investment.

Ratios measure the relationship between two or more components of financial statements. They are used most effectively when results over several periods are compared. This allows you to follow your company's performance over time and uncover signs of trouble.

It provides significant information to users of accounting information regarding the performance of the business. It helps in comparison of two or more firms. It helps in determining both liquidity and long term solvency of the firm.

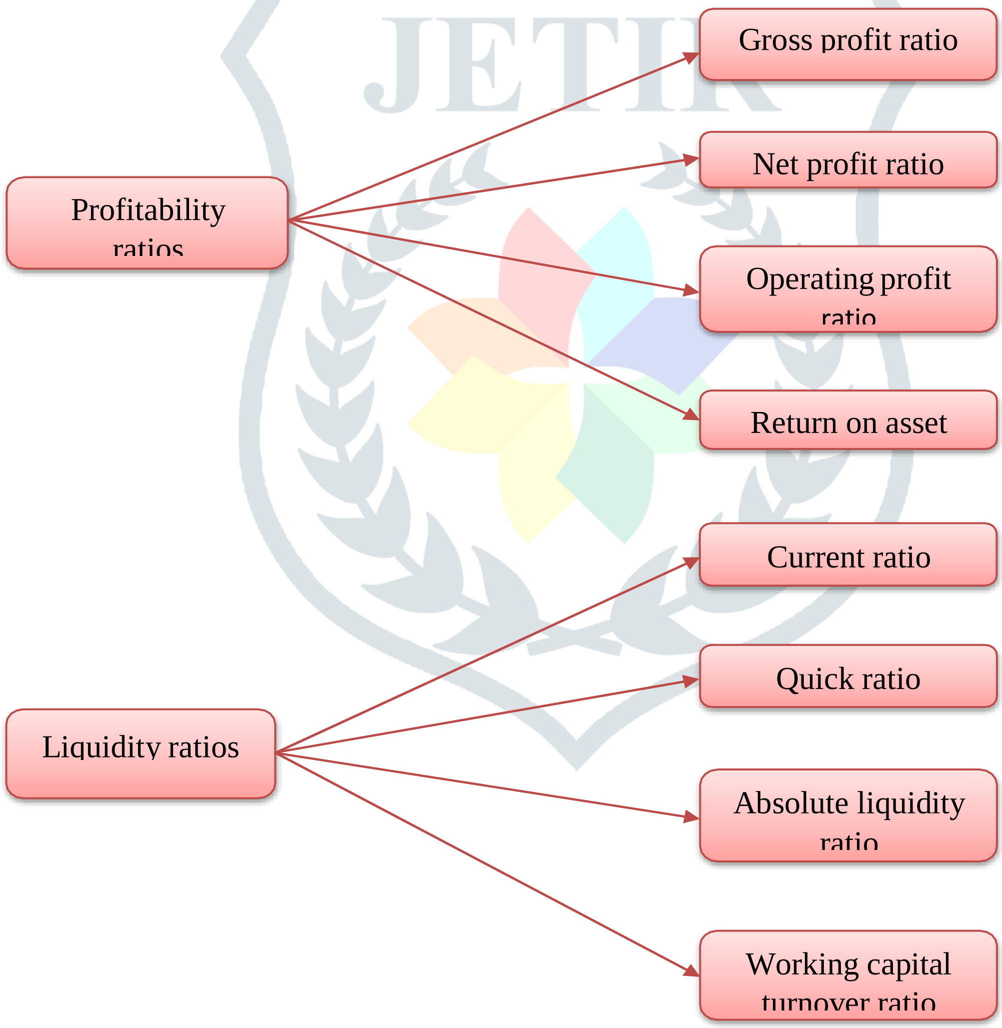
Ratios measure companies' operational efficiency, liquidity, stability and profitability, giving investors more relevant information than raw financial data. Investors and analysts can gain profitable advantages in the stock market by using the widely popular, and arguably indispensable,technique of ratio analysis.

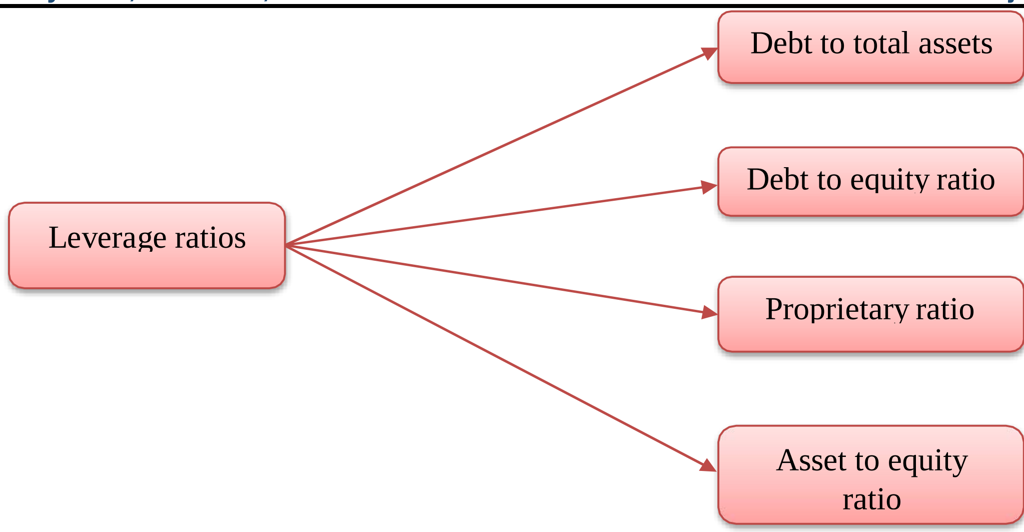
Research Methodology

For the current study only secondary data is applied.

Sources of Secondary data: The secondary data was collected from the https://www.itcportal.com

Tools





Limitations of the Study

1. The present study is only applicable for FMCG under ITC Ltd.
2. The data is collected for a particular period 2012-13-2021-22, The results are applicable for studyperiod.
3. The study period is limited to 2 months.
4. The present study considers only secondary data for an analysis.

Data Analysis & Interpretation

Current Ratio

Current ratio defines the relationship between current assets and current liabilities and it is calculated by dividing current assets by current liabilities.

Current Ratio = Current assets / Current liabilities

Table No. 1 : The Current Ratio of ITC Ltd.

Year	Current Assets	Current Liabilities	Ratios
2012-13	17591.47	10330.73	1.70
2013-14	20928.73	11504.32	1.82
2014-15	23955.03	11681.91	2.05
2015-16	24134.74	14587.86	1.65
2016-17	24537.39	6830.07	3.59
2017-18	24503	8856.6	2.77
2018-19	29568.96	9621.56	3.07
2019-20	36506.91	9089.41	4.02
2020-21	31815.42	10174.17	3.13
2021-22	30942.01	11478.09	2.70

Source : Various Annual Reports of the ITC Ltd.

Interpretation

During the period 2012-13 to 2021-22 the current ratio was fluctuating with an increasing and decreasing manner but it is not meeting the thumb rule 2:1 so it is not satisfactory.

Quick Ratio

The quick or liquidity ratio is to measure the firm's liquidity. The ratio is established a relationship between quick assets and current liabilities. The quick ratio is calculated by dividing the total quick assets by total current liabilities.

Quick Ratio =Quick Assets / Current Liabilities

Table No. 2 : The Quick Ratio of ITC Ltd.

Year	Quick Assets	Current Liabilities	Ratios
2012-13	10991.27	10330.73	1.06
2013-14	13569.19	11504.32	1.18
2014-15	16118.27	11681.91	1.38
2015-16	15614.92	14587.6	1.07
2016-17	16673.4	6830.07	2.44
2017-18	17265.85	8856.6	1.95
2018-19	21981.72	9621.56	2.28
2019-20	28468.84	9089.41	3.13
2020-21	22344.55	10174.17	2.20
2021-22	20944.24	11478.09	1.82

Source : Various Annual Reports of the ITC Ltd.

Interpretation:

During the period 2012-13 to 2021-22 the quick ratio also fluctuating in an increasing and decreasing manner. The quick ratio should maintain at least 1:1 but it is not satisfying the rule.

Absolute Liquidity Ratio

It is used by creditors for determining the relative ease with which a company can clear short term liabilities. It is calculated by dividing the cash and cash equivalents by current liabilities.

Absolute Liquidity Ratio = cash & cash equivalents / Current Liability

Table No. 3 The Absolute Liquidity Ratio of ITC Ltd.

Year	Cash & Cash Equivalents	Current Liability	Ratios
2012-13	3615	10330.73	0.35
2013-14	3289.37	11504.32	0.29
2014-15	7588.61	11681.91	0.65
2015-16	6563.95	14587.6	0.45
2016-17	2747.27	6830.07	0.40
2017-18	2594.88	8856.6	0.29
2018-19	3768.73	9621.56	0.39
2019-20	6843.27	9089.41	0.75
2020-21	4001.5	10174.17	0.39
2021-22	3877.94	11478.09	0.34

Source : Various Annual Reports of the ITC Ltd.

Interpretation

During the period 2012-13 to 2021-22 the absolute liquidity ratio was below 1 with an increasingand decreasing manner. But in 2020 the ratio was highest 0.75% overall the ratio is not satisfactory.

Proprietary Ratio

Proprietary ratio is a type of solvency ratio that is useful for determining the amount or contribution of shareholders or proprietors towards the total assets of the business. It is also known as equity ratio or shareholder equity ratio or net worth ratio.

Proprietary Ratio = Shareholders Funds / Total Tangible Assets

Table No. 4 : The Proprietary Ratio of ITC Ltd.

Year	Shareholders' Funds	Total Tangible Assets	Ratios
2012-13	22287.85	11118.55	2.00
2013-14	26262.02	11948.69	2.20
2014-15	30735.69	13777.14	2.23
2015-16	32929	13816.77	2.38
2016-17	45340.96	14469.32	3.13
2017-18	51400.07	15120	3.40
2018-19	57949.79	17945.65	3.23
2019-20	64029.16	19612.74	3.26
2020-21	59004.58	19216.75	3.07
2021-22	61399.57	24973.95	2.46

Source : Various Annual Reports of the ITC Ltd.

Interpretation:

During the period 2013-2018 the proprietary ratio was increasing year by year graduallyfrom 2% to 3.40% but from 2019-2022 the ratio was decreasing fom3.23% to 2.6%.But higher the ratio the long term position will be good.

Debt Equity Ratio

The Debt-to-equity (D/E) ratio indicates how much debt a company is using to finance itsassets relative to the value of shareholders' equity.

Debt Equity=Total debt/Total shareholders' equity

Table No. 5 Table showing the Debt Equity Ratio of ITC Ltd.

Year	Total Debt	Total Equity	Ratios
2012-13	11729.58	22287.85	0.53
2013-14	12967.37	26262.02	0.49
2014-15	13459.97	30735.69	0.44
2015-16	16589.43	32929	0.50
2016-17	8874.99	45340.96	0.20
2017-18	10981.24	51400.07	0.21
2018-19	11848.13	57949.79	0.20

2019-20	11206.2	64029.16	0.18
2020-21	12575.96	59004.58	0.21
2021-22	13692.93	61399.57	0.22

Source : Various Annual Reports of the ITC Ltd.

Interpretation

During the period 2013-2015 the debt equity ratio was decreasing and in 2016 it increased to 0.50% and from 2017-2022 the ratio was not stable it is an increasing and decreasingmanner.

Debt to Total Asset Ratio

The debt to total assets ratio shows the degree to which a company has used debt to itsfinance its assets.

Debt to total assets =Total Debt / Total Assets

Table No: 6 : The Debt to Total Asset Ratio of ITC Ltd.

Year	Total Debt	Total Assets	Ratios
2012-13	11729.58	34017.43	0.34
2013-14	12967.37	39229.39	0.33
2014-15	13459.97	44195.66	0.30
2015-16	16589.43	49518.43	0.34
2016-17	8874.99	54215.95	0.16
2017-18	10981.24	62381.31	0.18
2018-19	11848.13	69797.92	0.17
2019-20	11206.2	75235.36	0.15
2020-21	12575.96	71580.54	0.18
2021-22	13692.93	75092.5	0.18

Source : Various Annual Reports of the ITC Ltd.

Interpretation

During the period the 2012-13 to 2021-22 the debt ratio was fluctuating with an increasing and decreasing manner with the ratio of less than 1 so it is maintaining more assets than the liabilities.

Net Profit Ratio

The net profitability ratio, also referred to as the net profit margin is a way to measure the financial performance or profitability of a business in relation to the costs associated with the production and distribution of products along with other expenses.

NPR = Net Profit / Net Sales × 100

Table No. 7 : The Net Profit Ratio of ITC Ltd.

Year	Net Profit	Net Sales	Ratios
2012-13	7418.39	30839.27	24.06
2013-14	8785.21	34345.74	25.58
2014-15	9607.73	38050.53	25.25
2015-16	9844.71	38641.13	25.48
2016-17	10200.9	42074.59	24.24
2017-18	11223.25	42757.38	26.25

2018-19	12464.32	47480.19	26.25
2019-20	15136.05	48633.36	31.12
2020-21	13031.64	48736.1	26.74
2021-22	15057.83	62335.53	24.16

Source : Various Annual Reports of the ITC Ltd.

Interpretation

During the period the 2013-2020 the net profit ratio was increasing gradually from 24.60% to 31.12% and from 2021 & 2022 the ratio was decreasing from 26.7% to 24.16%.

Gross Profit Ratio

Gross profit ratio is a profitability measure that is calculated as the ratio of Gross Profit (GP) to Net Sales and therefore shows how much profit the company generates after deducting its cost of revenues.

GPR = Gross profit / Net sales × 100

Table No. 8 : The Gross Profit Ratio of ITC Ltd.

Year	Gross Profit	Net Sales	Ratios
2012-13	10684.18	30839.27	34.64
2013-14	12659.11	34345.74	36.86
2014-15	13997.52	38050.53	36.79
2015-16	14958.39	38641.13	38.71
2016-17	15502.96	42074.59	36.85
2017-18	16438.8	42757.38	38.45
2018-19	18444.16	47480.19	38.85
2019-20	19298.92	48633.36	39.68
2020-21	17164.15	48736.1	35.22
2021-22	19829.53	62335.53	31.81

Source : Various Annual Reports of the ITC Ltd.

Interpretation

During the period 2013-16 the gross profit ratio was increasing from 34.64% to 38.71% and in 2017 it decreased and in 2020 it was 39.68% and from 2021-22 it decrease from 35.22% to31.81%.

Operating Profit Ratio

Operating profit ratio establishes a relationship between operating Profit earned and net revenue generated from operations (net sales). Operating profit ratio is a type of profitability ratiowhich is expressed as a percentage.

OPR = Operating Profit / Sales * 100

Table No. 9 : The Operating Profit Ratio of ITC Ltd.

Year	Operating profit	Sales	Ratios
2012-13	29901.27	30839.27	0.97
2013-14	33238.6	34345.74	0.97
2014-15	36507.4	38050.53	0.96
2015-16	36837.39	38641.13	0.95
2016-17	40088.68	42074.59	0.95

2017-18	40627.54	42757.38	0.95
2018-19	44995.65	47480.19	0.95
2019-20	45619.7	48633.36	0.94
2020-21	45485.11	48736.1	0.93
2021-22	59745.56	62335.53	0.96

Source : Various Annual Reports of the ITC Ltd.

Interpretation

Duing the period 2013-2021 the operating profit ratio was decreasing from 0.97% to 0.93% and in 2022 it increased to 0.96%.

Working Capital Turnover Ratio

Working capital turnover ratio is the ratio between the net revenue or turnover of abusiness and its working capital.

WCT Ratio = Sales / Net Working Capital

Table No. 10 : The WCT Ratio of ITC Ltd.

Year	Sales	Networking Capital	Ratios
2012-13	30839.27	7260.74	4.25
2013-14	34345.74	9424.41	3.64
2014-15	38050.53	12273.12	3.10
2015-16	38641.13	9546.88	4.05
2016-17	42074.59	17707.32	2.38
2017-18	42757.38	15646.4	2.73
2018-19	47480.19	19947.4	2.38
2019-20	48633.36	27417.5	1.77
2020-21	48736.1	21641.25	2.25
2021-22	62335.53	27064.07	2.30

Source : Various Annual Reports of the ITC Ltd.

Interpretation

During the period 2013-15 the working capital turnover ratio was in decreasing manner from 4.25% to 3.10% and in 2016 it increased to 4.05% and from 2017 2022 the ratio was fluctuating with an increasing and decreasing manner. The working capital turnover ratio is to beimproved.

Return on Assets

The term return on assets (ROA) refers to financial ratio that indicates how profitable acompany is in relation to its total assets.

ROA= Net income/Total assets

Table No. 11 : The Return on assets of ITC Ltd.

Year	Net Income	Total assets	Ratios
2012-13	7418.39	34017.43	0.22
2013-14	8785.21	39229.39	0.22

2014-15	9607.73	44195.66	0.22
2015-16	9844.71	49518.43	0.20
2016-17	10200.9	54215.95	0.19
2017-18	11223.25	62381.31	0.18
2018-19	12464.32	69797.92	0.18
2019-20	15136.05	75235.36	0.20
2020-21	13031.64	71580.54	0.18
2021-22	15057.83	75092.5	0.20

Source : Various Annual Reports of the ITC Ltd.

Interpretation

During the period 2013 -14 the return on asset ratio was increasing and from 2015-2020 the ratio was decreasing from 0.22 to 0.18 and in 2020 it increased to 0.20 and in 2021 it decreased to 0.18 and again in 2022 it increased to 0.20.

Asset to Equity Ratio

The asset to equity ratio reveals the proportion of an entity's assets that has been funded by shareholders. The inverse of this ratio shows the proportion of assets that has been funded with debt.

Asset to Equity Ratio = Total assets/Total equity

Table No. 12 : The Asset to Equity Ratio of ITC Ltd.

Year	Total assets	Total Equity	Ratios
2012-13	34017.43	22287.85	1.53
2013-14	39229.39	26262.02	1.49
2014-15	44195.66	30735.69	1.44
2015-16	49518.43	32929	1.50
2016-17	54215.95	45340.96	1.20
2017-18	62381.31	51400.07	1.21
2018-19	69797.92	57949.79	1.20
2019-20	75235.36	64029.16	1.18
2020-21	71580.54	59004.58	1.21
2021-22	75092.5	61399.57	1.22

Source : Various Annual Reports of the ITC Ltd.

Interpretation

During the period 2013 the asset to equity ratio was highest and from 2014-22 the ratio was gradually fluctuating in a decreasing manner.

Findings

- ✓ It is found that the current ratio of ITC Company for the study period i.e., 2013 to 2022 is not following the thumb rule (2:1).The current ratio values are fluctuating every year. Only in 2015 it is nearly satisfying but in 2017, 2019, 2020 the ratio values are more than 2:1 and remaining years it is less than 2:1. Hence it is noticed that ITC Company is not satisfying with current ratio.
- ✓ It is found that the quick ratio of ITC Company for the study period i.e., 2012-13 to 2021-22 is not following the

thumb rule (1:1). The quick ratio values are fluctuating every year. Only in 2018, 2022 it is nearly satisfying but in 2017,19,20,21 the ratio values are more than 1:1 and the remaining years it is less than 1:1. Hence it is noticed that ITC Company is not satisfying the quick ratio.

- ✓ It is observed that the absolute liquidity ratio of ITC Company for the study period i.e., 2012-13 to 2021-22 the most favorable liquidity ratio should be 1:2 but from 2012-13 to 2021-22 the absolute liquidity ratio is below 1. So it is observe that ITC Company is not satisfactory with the absolute liquidity ratio.
- ✓ It is found that the working capital turnover ratio of ITC Company for the study period i.e., 2012-13 to 2021-22 is found that it is maintaining above 1.5 so the ITC Company indicates a solid financial ground in terms of liquidity.
- ✓ It is observed that the gross profit ratio of ITC Company for the study period i.e., 2013- 2022 the values are fluctuating every year. Only in 2020 the ratio was highest i.e., 39.68% and the remaining years it was less. The gross profit should be more when compared to netprofit. So it satisfies the gross profit ratio.
- ✓ It is analyzed that the net profit ratio of ITC Company for the study period i.e., 2012-13 to 2021-22 the ratios are fluctuating every year. Only in 2020 the ratio was highest i.e., 31.12.So the net profit ratio was in an increasing manner from 2013-2020.
- ✓ It is found that the operating profit ratio of ITC Company for the study period i.e., 2013- 2022. The ratios are fluctuating every year. In 2013 &14 the ratio was highest and the remaining years are less but it satisfies the operating ratio margin 20%.
- ✓ It is analyzed that the return on asset ratio of ITC Company for the study period i.e., 2013- 2022 the values are fluctuating every year but in 2018,19,22 it was not satisfying but the remaining years it satisfies the return on asset ratio.
- ✓ It is observed that the debt to total assets of ITC Company for the study period i.e., 2013- 2022 the investors and creditors look for a company which has less than 0.5 of debt to assets. So the ratio between the period 2013-22 the debt to total asset is satisfying becauseit is less than 0.5. So it is satisfactory.
- ✓ It is found that the debt to equity ratio of ITC Company for the study period i.e., 2012-13 to 2021-22 the ratio should be greater than 40 or 50 % only in 2015 it is nearly satisfying and the remaining years it is less. Hence it is noticed that the ITC Company is not satisfying the debt to equity ratio.
- ✓ It is observed that the asset to equity ratio of ITC Company for the study period i.e., 2013- 2022 the ratio should maintain 100% but from 2013 to 2022 the asset to equity ratio is notsatisfying.
- ✓ It is found that the proprietary ratio of ITC Company for the study period i.e., 2013-2022. The ratios are fluctuating every year and it is not constant in any year. But when the ratio is high the long term position of the company will be good.

Suggestions

1. The liabilities of ITC Company are more so it is not good for the company. So the company should try to reduce

their liabilities in the coming years.

2. The ITC Company should use more borrowers fund than the owners fund to attain the idealdebt equity ratio.
3. The ITC Company should try to reduce the current assets for increasing the value of thefinancial resources.

Conclusion

It is analyzed that the overall financial performance of the ITC Company is not satisfactory. The company has to reduce debts or outsiders funds and also should concentrate to increase the profits and also the company needs to reduce the liabilities and try to improve the assets.

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