

[ITC Sab Saath Badhein \(/sab-saath-badhein/default.html\)](/sab-saath-badhein/default.html)

(/EmailThisPage=https://wwwcentre/press-releases-content.aspx?id=1623&type=C&news=financial-results-for-the-quarter-ended-30th-september-2015)

(HTTPS://WWW.ITCPORTAL.COM/ABOUT-ITC-PORTAL/)

LIMITED/) US.ASPX)

(/)

ABOUT ITC (/ABOUT-ITC/INDEX.ASPX)

BUSINESSES (/BUSINESSES/INDEX.ASPX)

BRANDS (/BRANDS-MICROSITE/DEFAULT.ASPX)

SUSTAINABILITY (/SUSTAINABILITY/INDEX.ASPX)

MEDIA CENTRE (/MEDIA-CENTRE/INDEX.ASPX)

INVESTOR RELATIONS (/INVESTOR/INDEX.ASPX)

CAREERS (/CAREERS/INDEX.ASPX)

ITC RESOURCES

[Home](#) / [Media Centre](#) / [Press Releases](#)

PRESS RELEASES

[Press Releases \(press-releases.aspx\)](#)

[Press Reports \(press-reports.aspx\)](#)

Financial Results for the Quarter ended 30th September, 2015

30 Oct 2015

[Click here to download the Financial Results \(/about-itc/shareholder-value/key-financials/Q2-1516.pdf\)](/about-itc/shareholder-value/key-financials/Q2-1516.pdf) 

Financial Results for the Quarter ended 30th September, 2015

Highlights



Vivel Celebrates #WomensEqualityDay with #VoiceOfArt
[watch now](#)

[\(/stories-pop/vivel.aspx\)](/stories-pop/vivel.aspx)



Financial Results for the Quarter ended 30th June, 2020
[read more](#)

[\(/media-centre/press-releases-content.aspx?id=2302&type=C&news=standalone-financial-results-for-the-quarter-ended-30th-june-2020\)](/media-centre/press-releases-content.aspx?id=2302&type=C&news=standalone-financial-results-for-the-quarter-ended-30th-june-2020)



Green shoots up the farm
[read more](#)

[\(/media-centre/press-releases-content.aspx?id=2315&type=C&news=itc-taking-up-the-farm\)](/media-centre/press-releases-content.aspx?id=2315&type=C&news=itc-taking-up-the-farm)

FMCG-Cigarettes Segment continues to be impacted by unprecedented pressure on legal cigarette industry volumes even as illegal trade grows unabated.

FMCG-Others Segment registers revenue growth of 7.1% amidst a sluggish demand environment and prolonged disruption in the Instant Noodles category. Underlying Revenue growth at 10% appx., excluding the Instant Noodles category.

Hotels Segment registers a healthy revenue growth of 10.9% driven by strong growth in room occupancy and Food & Beverage revenue. Segment Results include the impact of gestation costs of ITC Grand Bharat commissioned in November 2014.

Agri Business Segment Revenue impacted by lack of trading opportunities in wheat, coffee and soya.

Paperboards, Paper & Packaging Segment impacted by the continuing slowdown in the FMCG & Cigarette industry, reduction of import duty under various regional Free Trade Agreements and cheap imports from China.

FMCG (/media-centre/press-releases-content.aspx?id=1623&type=C&news=financial-results-for-the-quarter-ended-30th-september-2015#fmcg)| **Cigarettes** (/media-centre/press-releases-content.aspx?id=1623&type=C&news=financial-results-for-the-quarter-ended-30th-september-2015#cigaret)| **Hotels** (/media-centre/press-releases-content.aspx?id=1623&type=C&news=financial-results-for-the-quarter-ended-30th-september-2015#hotel)

Agri Business (/media-centre/press-releases-content.aspx?id=1623&type=C&news=financial-results-for-the-quarter-ended-30th-september-2015#agri)| **Paperboards, Paper & Packaging** (/media-centre/press-releases-content.aspx?id=1623&type=C&news=financial-results-for-the-quarter-ended-30th-september-2015#paper)

The Company's performance during the quarter remained subdued reflecting the unprecedented pressure on legal cigarette industry volumes, lack of trading opportunities in agri-commodities and sluggish demand environment prevailing in the FMCG industry coupled with prolonged disruption in the Instant Noodles category due to regulatory challenges. Net Revenue for the quarter stood at Rs. 8804.70 crores. Profit Before Tax at Rs. 3690.15 crores and Net Profit at Rs. 2431.25 crores registered a growth of 3.0% and 0.3% respectively during the quarter. Earnings Per Share for the quarter stood at Rs. 3.03.

FMCG-Others


Segment Revenue registered an underlying growth of 10% appx. during the quarter. While most categories witnessed expansion in gross margin driven by product mix enrichment and stable input costs, Segment Results were impacted due to gestation costs of new categories viz. Juices, Gums and Dairy and higher brand investments to reassure consumers on the quality and safety of Yippee! Noodles.

The Company continues to leverage its state-of-the-art R&D facilities and robust product development processes to launch innovative and differentiated products in the market. Recent launches include 'Farmlite Oats with Chocolate' premium health cookies, 'Delishus' gourmet cookies, 'Marie Light' biscuits in a new pack with a richer taste and flavour profile, 'GumOn' strawberry chewing gum, an orange flavoured jelly under the 'Jellicious' brand, new cologne and perfume sprays under the 'Engage' brand and several variants of soaps under the 'Vivel' and 'Savlon' brands.

The **Branded Packaged Foods Businesses** posted healthy growth in revenue despite sluggish demand conditions, whilst also enhancing market standing across most major categories.

In the **Staples, Snacks and Meals Business**, 'Aashirvaad' atta sustained its high growth trajectory consolidating its leadership position across markets. The 'Bingo!' range of snack foods registered robust growth driven by the finger snacks portfolio comprising the 'Mad Angles', 'Tangles' and 'Tedhe Medhe' sub-brands.

In the **Instant Noodles** category, regulatory issues largely pertaining to a competitor's products impacted performance during the quarter. The Business launched a focused and integrated 360 degree communication campaign to reassure consumers on the quality and safety of YiPPee! Noodles. This intervention has aided a smart recovery in the consumer franchise of YiPPee! Noodles in recent weeks.

 Vivel Celebrates #WomensEqualityDay with #BusinessAppeared on received an encouraging response from consumers (used as #1 in the soap market positioning.



Financial Results for the Quarter ended 30th June, 2020 by the 'Mom's Magic' range of premium cookies business also migrated its popular range of cookies (/media-centre/press-releases-content.aspx?id=2302&type=C&news=standalone-financial-results-for-the-quarter-ended-30th-june-2020)



Green shoots cent up the farm sub more (/media-centre/press-releases-content.aspx?id=2315&type=C&news=itc-taking-up-the-farm)

The 'B Natural' range of juices, which is now available in all target markets, continues to receive positive consumer response. Product portfolio was augmented during the quarter with the introduction of 'Apple Awe' taking the total number of variants to 8. The Company seeks to leverage its agri-sourcing expertise and deep distribution reach to scale up the brand going forward.

During the quarter, the **Personal Care Products Business** focused on augmenting its product portfolio with the launch of new variants in the Personal Wash and Deodorising products categories, and driving product mix enrichment. The Business continues to leverage the recently acquired trademarks - 'Savlon' and 'Shower to Shower' - to expand its product portfolio and gain access to newer consumer segments and markets.

Cigarettes

The performance of the Cigarettes business remained muted during the quarter due to taxation and regulatory headwinds facing the legal cigarette industry in India.

The operating environment for the legal cigarette industry in India was rendered even more challenging with two rounds of sharp increase in Excise Duty - in July 2014 and February 2015. This includes a cumulative increase of 115% on filter cigarettes of 'length not exceeding 65 mm', which has widened the price differential between legal and illegal cigarettes. Over the last 3 ½ years, the incidence of Excise Duty and VAT on cigarettes, at a per unit level, has gone up cumulatively by 98% and 124% respectively which is exerting severe pressure on legal industry volumes even as illegal trade grows unabated.

It is pertinent to note that steep increases in Excise Duty on cigarettes in recent years have resulted in widening the differential in Excise Duty rates (on a per kg. of tobacco basis) between cigarettes and other tobacco products from 29 times in 2005/06 to over 53 times currently.


High incidence of taxation and a discriminatory regulatory regime on cigarettes in India have over the years led to a significant shift in tobacco consumption to lightly taxed or tax-evaded tobacco products like bidi, khaini, chewing tobacco, gutkha and illegal cigarettes which presently constitute over 89% of total tobacco consumption in the country. Thus, the share of legal cigarettes in overall tobacco consumption has progressively declined from 21% in 1981-82 to 11% in 2014-15 even as overall tobacco consumption has increased in India. Besides adversely impacting the performance of the legal cigarette industry, this has led to sub-optimisation of the revenue potential from the tobacco sector.


The imposition of discriminatory and punitive VAT rates by some States provides an attractive tax arbitrage opportunity for illegal cigarette trade by criminal elements. The consequential decline in legal cigarette volumes in such States has led to stagnation/decline in revenue collections, even as illegal cigarettes gained significant traction. On the other hand, the pragmatic decisions of several State Governments to rationalise VAT on cigarettes have facilitated improvement in revenue buoyancy and containing the growth of illegal trade.

According to an independent study conducted by Euromonitor International - a renowned global research organisation - India is now the 4th largest market for illegal cigarettes in the world. In fact, illegal trade comprising smuggled foreign and domestically manufactured tax-evaded cigarettes is estimated to constitute one-fifth of the overall cigarette industry in India resulting in a huge revenue loss of over Rs.9000 crores per annum to the national exchequer.

The unprecedented fall in legal cigarette volumes and the consequent reduction in the utilisation of Indian Flue Cured Virginia tobacco in cigarette manufacture is having a devastating impact on tobacco farmers in the country. The sharp decline in domestic demand has led to a significant drop in tobacco prices in the ongoing auctions in Andhra Pradesh causing deep distress to the livelihoods of thousands of tobacco farmers. A stable, fair and equitable cigarette taxation policy would be imperative to provide a strong domestic demand base to the Indian tobacco farmer, insulating him from the volatilities typically associated with international markets while helping realise the full export potential of Indian leaf tobacco. This assumes critical significance especially in view of the fact that there are no economically viable alternative crops for farmers in the tobacco growing regions of the country.

The Company continues to engage with the concerned authorities, both at the Central Government and State level, highlighting the need for moderation in tax rates on cigarettes to maximize the revenue potential from the tobacco sector, arrest the growth of the

 Vivel celebrates Women's Equality Day
with #VoiceOfArt
watch now
(/stories-pop/vivel.aspx)

 Financial Results for the Quarter ended
30th June, 2020
read more
(/media-centre/press-releases-content.aspx?id=2302&type=C&news=standalone-financial-results-for-the-quarter-ended-30th-june-2020)

 Green shoots
up the farm
read more
(/media-centre/press-r id=2315&type=C&news: itc-taking-up-the-farm

The hospitality sector continues to be adversely impacted by a weak pricing scenario in the backdrop of excessive room inventory in key domestic markets and sluggish macroeconomic environment both in India and key source markets. Despite a challenging operating environment, the Business recorded robust growth in revenue driven by improvement in room occupancy and strong growth in the Food & Beverage segment.

During the quarter, the Business commenced operations at Fortune Park, Ahmedabad. The 77- room centrally located property has been taken on long-term lease by the Company and is operated by Fortune Park Hotels Ltd. – a wholly-owned subsidiary of the Company.

Segment Results reflect the impact of gestation costs of the recently commissioned ITC Grand Bharat, Gurgaon and higher depreciation charge due to revision in useful life of fixed assets in accordance with Schedule II of the Companies Act 2013 with effect from 1st April 2014.

In yet another international recognition in its debut year, the ITC Grand Bharat, Gurgaon has been ranked No. 4 among the Top 100 Hotels & Resorts of the World on the coveted Conde Nast Traveler U.S. Readers' Choice Awards. The luxury retreat is the only hotel from India to feature in the Top 50 of the world's best.

Agri Business

Segment Revenue during the quarter was impacted by the lack of export opportunities in wheat, coffee and soya. While export of Indian wheat was adversely impacted by lower international prices and poor quality due to unseasonal rains, soya and coffee trading opportunities were constrained due to adverse price parity in view of higher crop output and sharp currency depreciation in competing origins.

The Business continued to provide strategic sourcing support to the Company's Cigarette business and leverage its deep rural linkages to source superior quality wheat, chip stock potatoes and fruit pulp at competitive prices for the Branded Packaged Foods Businesses.

Paperboards, Paper & Packaging

The Paperboards, Paper & Packaging segment continued to be impacted by the slowdown in the FMCG and Cigarette industry. Reduction of import duties under various Free Trade Agreements, especially with ASEAN which became effective from 1st January 2014, also weighed on the performance of the domestic Paper and Paperboard industry. Cheap imports from China also adversely impacted the domestic industry. Consequently, Segment Revenue and profit remained subdued during the quarter.

The recently completed in-house pulp mill expansion project has been fully operationalised and is performing optimally. To further reduce its dependence on imports, the Business has embarked on setting up India's first Bleached Chemical Thermo-Mechanical Pulp mill at its Bhadrachalam unit. The project is progressing as per schedule.

The Board of Directors, at its meeting in Kolkata on 30th October 2015, approved the financial results for the quarter ended 30th September 2015, which are enclosed.

[Click here for the Financial Results \(/about-itc/shareholder-value/key-financials/quarterly-results.aspx\)](/about-itc/shareholder-value/key-financials/quarterly-results.aspx)

< (press-releases-content.aspx?id=1635&type=C&news=ITC-Infotech-forms-strategic-partnership-with-Ramco-Systems)
> (press-releases-content.aspx?id=1598&type=C&news=Financial-Results-for-the-Quarter-ended-30th-June-2015)

Archives

Select Year

 <p>Vivel Celebrates #WomensEqualityDay with #VoiceOfArt watch now (/story/vivel.aspx?id=3)</p>	 <p>Financial Results for the Quarter ended 30th June, 2020 read more (/media-centre/press-releases-content.aspx?id=2302&type=C&news=standalone-financial-results-for-the-quarter-ended-30th-june-2020)</p>	 <p>Green shoot up the farm read more (/media-centre/press-releases-content.aspx?id=2315&type=C&news=itc-taking-up-the-farm)</p>
--	--	---

ITC on Social Media (<http://itcportal.mobi/experience-itc/itc-on-social-media.aspx>)

[Subscribe to updates \(/UserSubscription.aspx\)](/UserSubscription.aspx)

Registered Office:
ITC LIMITED
Virginia House,
37, J. L. Nehru Road
Kolkata - 700071, India
Ph: +91-33-22889371
Fax: +91-33-22880655
Corporate Identity
Number:
L16005WB1910PLC001985
For any queries or
grievances, contact Mr.
Aurko Dasgupta at
contactus@itc.in
(mailto:contactus@itc.in)

ABOUT ITC (/ABOUT-ITC/INDEX.ASPX)

Our Values
Our Profile
Global Honours
Leadership Speaks
ITC Leadership
Exemplar in
Sustainability
ITC Research and
Development
Our Policies
Shareholder Value
ITC Apps

BUSINESSES

Fast Moving
Consumer
Goods (FMCG)
Hotels
Paperboards &
Specialty Papers
Packaging
Agri Business
Information
Technology
Group Companies

SUSTAINABILITY (/SUSTAINABILITY/INDEX.ASPX)

ITC's Sustainability
Initiatives
Corporate Social
Responsibility
Environment, Health
& Safety
ITC Sustainability
Policies
ITC CSR Policy
ITC Impact Studies

MEDIA CENTRE (/MEDIA-CENTRE/INDEX.ASPX)

Key Facts About ITC
Business Information
Tweets by
@ITCCorpCom
Everyday Stories
From ITC
ITC In The News
Press Releases
Press Reports

Brands

Investor Relations
Careers
Downloads
Contact Us
Store Locator
ITC on Social Media

© ITC Limited 2020

[Terms of Use \(/terms-of-use.aspx\)](/terms-of-use.aspx) [Privacy Policy \(/about-itc/policies/privacy-policy.aspx\)](/about-itc/policies/privacy-policy.aspx) [Sitemap \(/sitemap.aspx\)](/sitemap.aspx)



Vivel Celebrates #WomensEqualityDay
with #VoiceOfArt
watch now

[\(/stories-pop/vivel.aspx\)](/stories-pop/vivel.aspx)



Financial Results for the Quarter ended
30th June, 2020
read more

[\(/media-centre/press-releases-content.aspx?id=2302&type=C&news=standalone-financial-results-for-the-quarter-ended-30th-june-2020\)](/media-centre/press-releases-content.aspx?id=2302&type=C&news=standalone-financial-results-for-the-quarter-ended-30th-june-2020)



Green shoot
up the farm
read more

[\(/media-centre/press-releases-content.aspx?id=2315&type=C&news=itc-taking-up-the-farm\)](/media-centre/press-releases-content.aspx?id=2315&type=C&news=itc-taking-up-the-farm)