

Financial Statement Analysis of J K Cement

Submitted in partial fulfillment of the requirements for the award of

Bachelor of Commerce

by

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DEPARTMENT OF BUSINESS ADMINISTRATION
SCHOOL OF MANAGEMENT STUDIES

SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

**Accredited with Grade “A” by NAAC | 12B Status by UGC | Approved by AICTE
JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI - 600 119**

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BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of Charumathi 40740052) who carried out the Project Trained at RYAS & RAJAGOPALAN Chartered Accountants under our supervision for a period of 3 months from January 2023 to March 2023.

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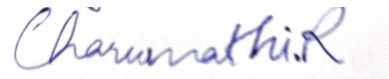
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DECLARATION

I Charumathi R (40740052) hereby declare that the Project work done by me under the guidance of **Dr.Rani.J** (Internal) and **Rajagopalan.S** (External) at RYAS & RAJAGOPALAN Chartered Accountants, Door no. 42, 4th Floor, Sindhur plaza, Montieth Road, Egmore, Chennai -600 008. is submitted in partial fulfillment of the requirements for the award of Bachelor of Commerce.

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ABSTRACT

Finance is the life blood of any business enterprise. Every business needs finance for smooth running of the firm. The present study is an attempt to make a financial performance analysis and changes in financial position of J K Cement Limited as financial performance influence the liquidity and profitability. Financial statements used as a management tool by company executive and investor's in assessing the overall position and also the operating results of the company. Thus, Financial Analysis aids to evaluate the financial health of a firm. The main objective of this study is that to know about the financial performance of the company by identifying the strength and weakness of the firm and the way by which theoretical accounting procedures are put into practical usage. It indicates that whether the organization is improving or worsening in past years. It aims to analyze the liquidity and also about the profitability position of the firm. The changes can be observed by the comparison of the balance sheet at the beginning and at the end of the period and these changes will help in forming an opinion about the progress of a company. Thus, the overall financial performance of the company is good. The study has been undertaken for the period of three years from 2018 to 2022. The data used in this study is secondary data through company's annual report. This project also involves in an analysis of financial statements of the company of various statements like Ratio analysis, common size statement, comparative statement and Trend analysis has been used to examine to the financial performance and also to make suggestions to improve the financial flow of the company.

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CHAPTER-1

INTRODUCTION

1.1 INTRODUCTION ABOUT THE FINANCIAL STATEMENT ANALYSIS

Finance is the master key that unlocks all production and merchandising opportunities. For the preparation and administration of financial decisions, financial success is critical. It is a method of determining how well a firm uses its assets from its core business mode to generate money, as well as a method of determining an organization's overall financial health over time.

Every business, large, medium, or small, requires funding to continue operations and meet its goals. Finance is so important nowadays that it is rightfully referred to as the "living blood" of businesses. No business can achieve its goals without enough funding. As a result, the study of financial performance is critical, as it is the process of calculating the financial results of a company's operations.

Financial performance analysis is the process of determining a company's financial strengths and weaknesses by correctly defining the relationship between balance sheet and profit and loss account components. It also aids in short- and long-term forecasting, as well as the identification of growth through the use of various financial techniques in financial performance analysis. In the development of the Indian economy, the bank plays a critical role. In emerging countries, a sound and efficient banking sector provides the required financial inputs to the economy. It also assesses an organization's overall financial health over a period of time. The financial performance of an organization is concerned with the bank's financial strengths and weaknesses, as well as the relationship between the balance sheet and the income statement.

Meaning of Finance

Business concern needs finance to meet their requirements in the economic world. Any kind of business activity depends on finance. Hence, it is called as lifeblood of business organization. Whether the business concerns are small or big, they need finance to fulfil their business activities. In the modern world, all the activities are concerned with economic activities and very particular to earning profit through any venture or activities. The entire business activities are directly related with making profit. A business concern needs finance to meet all the requirements. Hence finance may be called as capital, investment, fund etc., but each item is having different meanings and unique characters. Increasing the profit is the main aim of any kind of economic activity.

Financial Analysis

Financial analysis is the process of Identifying the strength and weakness of the company with the help of accounting information provided by the financial statements of profit and

loss account and balance sheet. It is a process of evaluation of relationship between components part of financial statement to obtain better understanding of firm position and performance.

1.2 INTRODUCTION TO THE INDUSTRY

A binder is a substance used in construction that sets, hardens, and adheres to other materials in order to bind them together. Cement is typically used to bind sand and gravel (aggregate) together. Cement is mixed with fine aggregate which produces mortar for masonry, or mixed with sand and gravel which produces concrete. Concrete is the most widely used material and is planet's most-consumed resource. Cements used in construction are usually inorganic, based on lime or calcium silicate, and are graded as either non-hydraulic or hydraulic, depending on their tendency to set in the presence of water (see hydraulic and non-hydraulic lime plaster). India is the world's second-largest cement manufacturer. India's infrastructure and construction sectors have a lot of room for development, and the cement industry is expected to benefit greatly from it. Some recent initiatives, such as the development of 98 smart cities, are expected to give the sector a significant boost. Several international players, including Lafarge-Holcim, Heidelberg Cement, and Vicat, have recently invested in the country. The ready availability of raw materials for making cement, such as limestone and coal, is a significant factor that aids the sector's development. Cement production reached 329 million tons (MT) in FY20, with 381 MT forecast by FY22. However, consumption was 327 MT in FY20 and is expected to rise to 379 MT by FY22. By 2020, cement production capacity is expected to reach 550 MT. Since India has abundant and high-quality limestone deposits throughout the region, the cement industry has enormous growth potential. The Indian cement market, according to CLSA (institutional brokerage and investment group), is seeing increased demand. J K Cement, ACC, DALMIA, and ULTRATECH Cement are among the company's key players. Cement companies in India posted a sharp increase in earnings in the second quarter of FY21, as demand for the industry increased due to rural recovery. The demand outlook remained high as the rural markets stabilized. CLSA anticipates a 14% YOY rise in EBITDA in the cement industry for its coverage stocks in FY21.

1.3 INTRODUCTION OF THE COMPANY

JK Cement Ltd is one of India's leading manufacturers of Grey Cement and the third largest White Cement manufacturer in the World. Over four decades, the Company has partnered India's multi-sectorial infrastructure needs on the strength of its product excellence, customer orientation and technology leadership. JK Cement's operations commenced with commercial production at its flagship grey cement unit at Nimbahera, Rajasthan in 1975.

The Company has an installed Grey Cement capacity of 14.7 MnTPA as on date, making

it one of the top cement manufacturers in the Country. JK Cement Ltd. is the No. 1 manufacturer of Wall Putty in the World and the third largest manufacturer of White Cement, globally, with a total white cement capacity of 1.20 MnTPA and wall putty capacity of 1.2MnTPA. JK White Cement is sold across 43 countries around the globe and the Company has a strong international presence with two subsidiaries, JK Cement Works Fujairah FZC and JK White Cement (Africa) Ltd.

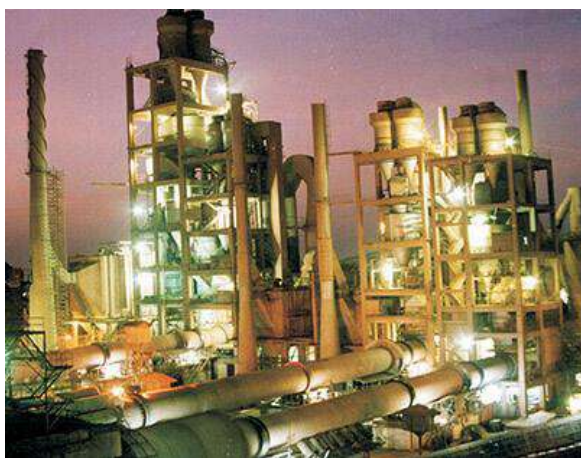
JK Cement also manufactures White cement & Grey Cement based Value Added Products like JKC WallMaxX & JKC ShieldMaxX (Wall Putty), JKC LevelMaxX & JKC LevelMaxX Plus (Coarse Putty), JKC GypsoMaxX & JKC PlastoMaxX (Gypsum plaster) and JKC TileMaxX- (Tile Adhesive & Grouts).

The Company's manufacturing plants have modern equipments like Fuzzy Logic, QCX & other computer based process controls. The use of high-purity raw materials and quality testing at each stage of the cement manufacturing process, uphold its quality standards, help to maintain the critical parameters of its content to ensure product quality.

JK Cement's integrated management systems - ISO 9001, ISO 14001, ISO 45001 and ISO 50001 are certified by Lloyd's Register Quality Assurance (LRQA), UK and the SA 8000 Management System is certified by RINA, Italy. All these facilities put together, ensure consistency in quality & performance.

The Company's laboratory is also accredited by National Accreditation Board for Testing and calibration Laboratories (NABL) - the first for any Indian Cement Plant. JK Cement Ltd. is also a Member of Indian Green Building Council (IGBC).

JK Cement is a pioneer in felicitating outstanding contributions of architects. The brainchild of Mr. Yadupati Singhania, Late Managing Director, JK Cement Ltd., Architect of the Year Award (AYA) was instituted in 1990 to inspire the professionals to strive towards further raising the bar in architecture standards of the Country. AYA since then has lived up to its legacy of awarding excellence every year and has helped pave the way for a better tomorrow in design.



1.4 PRODUCT PROFILE

In India the cement industry has tremendous potential for development as limestone of good quality is found throughout the country. Cement is an important element in any construction initiative, from building a small factory to building multi-purpose projects. It is, therefore, correctly ranked as a basic industry. The Indian cement sector accounts for about 1.2% of GDP and employs more than 0.5 million people.

India is the world's second largest cement producer with ~509 million tonnes per year (mtpa) of cement production capacity as of March 2019 and accounts for over 8% of the global installed capacity.

Cement production stood at 28.1 million tons as of July 2019. It is estimated that the capacity for cement production will reach 550 MT by 2020. Of the total capacity, 98% is owned by the private sector and the remainder by the public sector. Some 70% of the total production is accounted for by the top 20 companies.

Industry FDI inflows related to the manufacture of cement & gypsum products reached US\$ 5.3 billion between April 2000 and June 2019. In order to boost economic growth, the Government of India is strongly focused on infrastructure development and is aiming for 100 smart cities.

The government also intends to expand the capacity of the railways and the handling and storage facilities to ease the transport of cement and reduce the cost of transportation. Due to the growing demands of various divisions, i.e. housing, commercial construction and industrial construction, the demand for the cement industry is expected to constantly reach 550-600 million tons per annum by 2025.

India has a lot of development potential in the infrastructure and construction sectors and is expected to benefit to a large extent from the cement sector. Some of the recent major initiatives are expected to provide a major boost to the sector, such as the development of 98 smart cities.

1.5 STATEMENT OF THE PROBLEM

Analyzing financial performance is the process of evaluating the common parts of financial statements to obtain a better understanding of firm's position and performance. Financial performance analysis enables the investors and creditors evaluate past and current performance and financial position, and to predict future performance. Financial statement is used to judge the profitability and financial soundness of a firm. In this study, an attempt is made to identify the financial strength and weakness of the firm by properly establishing

relationship between the items in the balance sheet and profit and loss account of J K Cement Ltd.

1.6 Need for the Study

Study is analytical in nature, meaning that it deals primarily with secondary data collected from the J K Cement financial statements over the last five years.

1.7 Scope of the Study

The study aims to analyze the liquidity, profitability, solvency position of the company. Liquidity ratios like current ratio, quick ratio etc. is prepared to analyze the financial position of the company. Profitability of the company is found out by using ratios like return on net profit ratio, return on capital employed ratio etc. The changes can be observed by comparison of the balance sheet at the beginning and at the end of a period and these changes can help in forming an opinion about the progress of an enterprise.

1.8 Objectives of the Study

- To analyze the liquidity and profitability position of the firm.
- To compare the balance sheets of different years of the company.
- To evaluate the financial growth of the company using trend analysis.
- To evaluate the financial performance using comparative statements and common size statements.

1.9 Limitations of the Study

1. The period considered for the study is the last 5 years' financial statement only. So it is not possible to find out the life time performance of the company.
2. Figures are rounded off whenever it was necessary.
3. The study is made exclusively on the financial aspects of the company.
4. Most of the information is collected from the financial statements. So the limitations of financial statements may affect the study.
5. Non-monetary factors like human behavior, their relationship etc. are not considered.

CHAPTER 2

2.1 THE MAIN THEME OF RESEARCH

Review of literature

- **Kennedy and Muller (2012)**, has explained that “The analysis and interpretation of financial statements are an attempt to determine the significance and meaning of financial statements data so that the forecast may be made of the prospects for future earnings, ability to pay interest and debt matureness (both current and long term) and profitability and sound dividend policy.”
- **AL-Dalayeen, (2016)** The Indian cement industry is the world's second largest, employing over a million people across the country. Because India's construction industry is heavily reliant on the cement industry, it contributes to the Indian economy. The financial performance of five main cement companies in India is examined in this paper. The data was collected from annual reports of cement firms from 2005-06 to 2014-15 and analyzed using one-way ANOVA as a statistical tool. The data analysis reveals that there is a considerable difference in the gross profit ratio, net profit ratio, current ratio, simple ratio, and debt equity ratio among chosen cement companies in India.
- **Andal. V & Suganya. S & et al (2020)** carried out the study on Financial Performance Analysis of Puma, manufacturer of sports apparels and sports equipment company. The analysis done by using vertical and horizontal and also financial ratios have been prepared to know the overall performance of the company. These analysis and ratios will help the company for the future growth and to improve the market share of the company. This study finally concludes that the company is performing well, and it will continue to make profit and revenues for the next financial years. The current ratio of PUMA has only reduced and in all other contexts, The financial position of puma is satisfactory.
- **Bansal, (2013)** the purpose of this paper is to identify the factors that influence working capital requirements in the Indian cement industry. ACC Cement is a firm that is listed on both the NSE (National Stock Exchange) and the BSE (Bombay Stock Exchange) in India. For this research, data from the years 2000 to 2012 was used. WCR (working capital requirement) was used as the dependent variable, with growth in sales, company size, performance, operating cash flow, operating productivity, debt equity ratio, company indicator, and raw material price as the independent variables. It was discovered that the debt to equity ratio is the only factor that influences the working capital requirements of a company.
- **Baran, Pastýr, & Baranová, (2016)** financial analysis is a powerful method for fostering the decision-making of various stakeholders in today's volatile global environment, and it's an essential part of business monitoring. Financial analysis made it simple to identify the factors that had the greatest effect on the business. It aids the company in predicting future

growth as well as the risk of bankruptcy.

- **Bhayani, (2010)** the effectiveness of any company can be used to assess its profitability. Internal and external factors, such as the size of the business, liquidity management, expansion of the organization, expense component, and inflation rate, all have a significant impact on the firm's profitability. The purpose of this paper is to determine which variables are used to determine the profitability of the Indian cement industry. The study includes all listed cement companies operating in India from 2001 to 2008. Backward regression analysis was used on the study's variables to determine profitability. The study's findings show that liquidity, company age, operating profit ratio, interest rate, and inflation rate that plays a role in the profitability of the Indian cement industry.
- **Chandrasekaran. S (2021)** Study focused on the Financial performance Analysis of XI Dynamics India Private Limited. The company is providing Housing loans and mortgage loans to affordable segments. This study is to analyze the financial position, identifying the strength and weakness of the firm and identify the difficulty of the processing in mortgage. The study has been evaluated through secondary data and used various application tools to evaluate the financial performance like ratio analysis, and comparative balance sheet. And concluded that the company's financial performance is very good and also they are trying to generate more funds from other sources in order to expand the business.
- **Chidambaram Rameshkumar & Dr. N. Anbumani (2013)**, he argue that Ratio Analysis enables the business owner/manager to spot trends in a business and to compare its performance and condition with the average performance of similar businesses in the same industry.
- **Damor, (2012)** The cement industry plays an important role in a country's growth and development. It provides the necessary infrastructure for the country's economic growth. Villages are home to more than 60% of our country's inhabitants. Roads, buildings, and other infrastructures provide opportunities for the large rural population to improve their economic status. There are many cement manufacturing companies that produce higher-quality cement. As a result, in the cement industry, there is a need for comparison. The profitability analysis of the cement industry provides a good picture of the company's ability to generate profit and its management. This "profitability analysis" paper covers a wide range of topics such as gross profit, net profit, return on investment, and return on capital employed, among others.
- **Delen, Kuzey, & Uyar, (2013)** This paper examines how financial ratios can be used to assess a company's performance. It aids in the identification of specific ratios that can accurately predict a company's performance. The researcher used a two-step data analysis approach, which included: Using exploratory factor analysis (EFA) to determine underlying dimensions of financial ratios; and Identifying the potential relationship between the firm's performance and financial ratios using predictive modeling methods. The researchers used four decision-tree algorithms to examine this relationship: CHAID, C5.0, QUEST, and

C&RT.

- **EL-Maude, (2016)** The influence of capital structure on financial performance of businesses in the Nigerian cement industry is investigated in this research. A sample of four publicly traded firms was chosen from the study's population of seven companies. The post factor study design was used to examine the effects of long and short term debts on Return on Assets (ROA) and Return on Equity (ROE). The study concluded, however that businesses in the cement industry's performance is not optimized due to their inability to use debts in their capital structures. Finally, the paper suggests that cement companies should promote the use of long-term debt in their capital structures because it improves financial performance.
- **Farah Naz, (2016)** Financial output primarily represents business sector outcomes and results over time, demonstrating the sector's overall financial health. It shows how effectively a company uses its capital to increase profits and wealth for its shareholders. This paper conducts a thorough review of the financial results literature pertaining to Pakistan's cement industry. Profitability ratios, asset usage ratios, debt ratios, liquidity ratios, and the cash conversion cycle were used to assess the financial performance of the cement sector from 2006 to 2014. The expected variable is Return on Investment (ROI), and the predictor variables are five ratio parameters. Except the leverage ratios the test analysis discovered that all parameters have a positive relationship with the dependent variable. To resolve the study's shortcomings in the future, the number of years considered should be expanded and other variables such as MVA, CAPM, and EVA should be reviewed for the research to analyze other variables which might influence financial results.
- **Hasanaj & Kuqi, (2019)** The main goal of this research is to identify, predict, and assess the best future economic conditions and company performance. The study's other goal is to analyze financial statements and provide information to financial managers so that they can make business decisions. The financial statement makes use of tools, analytical techniques, and necessary procedures for business analysis. It is a diagnostic tool for evaluating financing activities, investment activities and operational activities as well as an assessment tool for management decisions and other business decisions. The analysis of financial statements, respectively the analysis of the financial reports are used by managers, shareholders, investors and all other interested parties regarding the company's state.
- **Houghton & Woodliff, (1987)** The researchers used financial ratios to see if they could predict business failure in this study. Human Information Processing (HIP) and environmental predictability prediction were used to achieve this.
- **Kanagavalli. G& Devi R.S. (2018)** examined a study on Financial Performance of selected automobile companies. The purpose of the study is to evaluate and compare the financial performance of selected three companies to rate their financial performances for the period of 5 years from 2013-2017 by ratio analysis. The aim of the study is to analyze by comparing

the risk of different companies, on their strengths and weaknesses. Ratio analysis helps to compare the financial statements of the firms and comparison of financial performance also investigated over a period of time. The study found that there is the positive strong relationship of liquidity ratio. The Profitability Ratios of Hero Motocorp is higher than other automobile companies. It shows Hero Motocorp earned high profit and it is good for the company. After analyzing all the aspects, concern with this research, we can say that Bajaj Auto and TVS Motors are satisfactory but Hero Motocorp sustains a good position in the market.

- ***Kishore Kumar Das & Rupsa Mahapatra (2021)*** carried out the study on Financial Performance of MSME sector. MSME is an important pillar of Indian economy as this sector is continuously contributing greatly to the growth and development of Indian economy by creating around 70 million employment, manufacturing more than 6000 products, contributing more than 45% of manufacturing production and 40% from exports. This study is done to evaluate the financial performance of MSME Sector. The study is to know about the financial performance and trends, there are different statistical tools such as correlation, regression, ANOVA are being used for the analysis and interpretation. This sector is showing best results and the policies, innovative plans, are implemented in this sector. This study concluded that MSME sector is the most demandable and emerging sector which contribute the most towards national development and financial growth. And also here is a significant change in the performance of MSME sector is an incremental way which is a good sign.
- ***Kumaraswamy, (2016)*** The current research aims to investigate the influence of working capital on the firm performance of cement manufacturing Gulf Cooperation Council (GCC) firms for the period 2008-2014 as an extension of previous literatures that proven the relationship between working capital and firm performance. Using linear regression models, four theories about working capital components were explored. The study discovered a positive relationship between inventory conversion period and profitability, as well as a negative relationship between average payment period and company profitability. According to the regression model, the most important considerations are average collection period and inventory conversion period, followed by average payment period. It demonstrates that the average collection period and high inventory levels have a significant impact on the profitability of GCC cement manufacturing companies.
- ***M. Devi, (2017)*** After China, India has the world's second-largest cement industry. It contributes significantly to the employment, infrastructure, and housing sectors. By the financial year 2025, production capacity is expected to exceed 550-600 million tones per annum (MTPA). The author chose two organizations for this research. Ultra Tech Cement is India's biggest cement company and one of the world's top cement producers. India Cement is the oldest and biggest cement manufacturing company in Tamil Nadu. They began producing cement in 1949 at their Sankar nagar plant, which was capable of producing one lakh tones of cement per year. As a result, a comparative analysis was

conducted. The Ultratech Cement Company's short-term solvency situation must be improved.

- **Mobeen Ur Rehman, (2013)** The effect of running assets management on the profitability of the Pakistan cement industry is investigated in this paper. Secondly the study outlines the main factor that primarily determines working capital in the financials of the Pakistan cement sector. To manage a firm's liquid assets, or working capital management, and to achieve a desired level of profitability and risk, figures were collected from Annual Reports and a sample of ten Pakistani cement companies listed on the KSE from 2003 to 2002.
- **Mrs.J.Dhivya, (2017)** The cement industry in India is the world's second-largest consumer of the material. Cement firms have seen an 85 percent increase in net profit. With this enormous achievement, India's cement industry has contributed nearly 8% to the country's economic growth. ACC Limited is India's largest cement and concrete producer. With 17 modern cement factories, more than 40 ready mix concrete plants, 21 sales offices, and some zonal offices, ACC's activities are spread throughout the country. ACC has a distinguished track record of achievement in the areas of creative research, product development, and specialized consultancy. The research is focused on the ACC LIMITED's financial performance. The main goal is to examine the cement industry's financial performance, with main objectives also assessing the industry's profitability, liquidity, and operational position. The analysis is conducted using secondary data. The information was gathered from the company's annual report and balance sheet. The data was analyzed using tools such as ratio analysis and trend analysis. The study's findings mean that the company's liquidity and solvency are in good shape.
- **Muthusamy. A & Karthika. S (2019)** examined a study on financial performance of selected cement companies in India is to evaluate the liquidity and profitability of two selected cement firms, their paper on convenience sampling method was treated. The study analyses the financial performance of two major Cement companies via., UltraTech Cement Limited and Shree Cement Limited. Statistical instruments such as the descriptive and correlation approach used and the five year data outcome measure suggest that the profitability position in the two companies is fulfilled, but the liquidity position in the two companies is not fulfilled.
- **Nirmala. M & Pavithra. K (2020)** The research was conducted to investigate the determinants of the financial performance on selected cement companies In India. Infrastructure is the first key role of demand in the production of cement. this study, the analysis was done by ratio analysis. The data for this research used secondary data in nature and data taken from 2009-2010 to 2018-2019. This study concludes that some comparative ratios showing the negative relationship and the companies have to concentrate and improve in those particular ratios. This study helps the financial investors, cement companies to know and take decision for future process in the concern.
- **Panigrahi, (2017)** The relationship between the effectiveness of working capital

management and its various components, such as inventory, cash and bank balances, and various current liabilities. The goal of the research is to determine the efficiency and effectiveness of management in each working capital segment. Because the net concept of working capital has been widely adopted in this research, the management of both current assets and existing liabilities will be evaluated in due course. For the study, a sample list of 30 Bombay Stock Exchange (BSE) listed cement companies from various parts of India was chosen. The information relating to the nature of the business, size, age, state and area, business background, value of total assets, and annual financial statements of sample businesses for the period 2006 to 2015 was derived from the CMIE Prowess 4.0 database software. For the various statistical analyses necessary for this study, statistical software, SPSS 21.0 edition, is used. The existence of a relationship between working capital management and profitability, average receivable period, inventory conversion period, average payment period, and cash conversion cycle, which expresses working capital efficiency, has been investigated. Profitability and the number of days of accounts payables and inventory are found to have a negative relationship, but profitability and the number of days of accounts receivables have a positive relationship.

- **Peeler J. Patsula (2013)**, he define that a sound business analysis tells others a lot about good sense and understanding of the difficulties that a company will face. We have to make sure that people know exactly how we arrived to the final financial positions. We have to show the calculation but we have to avoid anything that is too mathematical. A business performance analysis indicates the further growth and the expansion. It gives a physiological advantage to the employees and also a planning advantage.
- **Sabamaithily, (2016)** The purpose of this paper is to investigate the impact of working capital management (WCM) on profitability of the Indian cement industry. It focuses on the effect of working capital on performance, taking into account a variety of factors that influence working capital management. The study, which is based on secondary data, is restricted to 24 Cement Industries from the Bombay Stock Exchange. Regression analysis was used to test six independent variables (CR, QR, WCTR, DTR, FATR, and ITR) and one dependent variable (ROI). The study's results show that WCM has a significant effect on selected predictor variables such as (CR, QR) on Profitability (ROI) and has a significant impact on WCM on P chosen by the cement industry in India for the study period.
- **Shah, (2017)** The current research looked at the issues and future prospects of a few cement companies in India. For the inquiry, only secondary data was gathered from annual reports of cement industries and industry profiles. The study spans five years, from 2010-11 to 2014-15. This research focused solely on the company's financial issues. Statistical approaches such as Mean, S.D. (Standard Deviation), and F ANOVA are used to analyze accounting ratios.
- **Sharma, (2015)** The purpose of this paper is to investigate the effectiveness and versatility of cement manufacturing companies in India. The effectiveness of the cement industry in

India has been assessed using various data envelopment analysis (DEA) models. According to the major conclusions of the DEA analysis, 43 percent of businesses are found to be technically effective. Returns to scale results show that 14 companies are experiencing higher returns to scale, 12 are experiencing declining returns to scale, and the remaining 21 are experiencing constant returns to scale. The findings show that international firms are theoretically more efficient than domestic firms, and that large-scale firms are more scale efficient than small- and medium-scale firms due to economies of scale. The research emphasizes the importance of flexibility in inefficient firms' production processes in order to put their productivity up at par with that of efficient firms.

- **Sheela christina (2017)** carried out the study on Financial performance of Wheels India Limited Chennai. The study deals with analytical type of research design with the help of secondary data collection for this purpose the researcher took past 5years data and also checked out the validity and reliability before conducting the study. The researcher used the following financial tool namely ratio analysis, comparative balance sheet, and DuPoint analysis and also statistical tools such as trend analysis, and correlation. Profitability ratios indicate there is a decrease in the profit level, utilization of fixed assets and working capital in the last financial year. Thus, the company can take necessary steps to improve sales and profit. Finally, reveals that the financial performance is satisfactory.
- **Tanveer Bagh, (2016)** The aim of this research was to investigate the influence of working capital management (WCM) on the performance of selected manufacturing companies listed on the Karachi Stock Exchange (KSE). Quantitative research techniques, such as correlation matrices and multiple regressions, secondary data, and purposive sampling, have all been devised. Inventory turnover (ITO), cash conversion cycle (CCC), average collection period (ACP), and average payment period (APP) have all been used as independent variables in the WCM (APP). The dependent variable was firm performance (FP), which included return on asset (ROA), return on equity (ROE), and earnings per share (EPS). WCM has an impact on the FP of chosen companies, according to the findings of the research. It will benefit students' academic, legal, and practical behaviour. The conclusions of the study provided deeper insights into WCM methods and presented recommendations that improved the FP of the targeted companies
- **ZUBAIR ARSHAD, (2013)** The aim of this study is to determine the empirical influence of the working capital management and profitability of Pakistan cement industry. In this case, the researcher used a quantitative research approach to test a research theory. The study used ratios from 21 listed cement companies on the Karachi stock exchange between 2004 and 2010. The findings revealed that there is a considerable negative relationship between working capital management and company's profitability.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Research Design

Research design is the basic frame work which provides guidelines for the rest of research process. It is a map or a blueprint according to which the research is conducted. It specifies the methods for data collection and data analysis.

3.2 Sources of Data

Secondary data had been collected from annual report published by the Company. These annual reports had been downloaded from the official website of the company.

3.3 Methodology of the Study

Research comprises, defining and re-defining problems, formulating hypothesis or suggesting solution, collecting, organizing and evaluating data, at last carefully testing the conclusion to determine whether they fit the formulated hypothesis.

3.5 Data Collection

Secondary data are those data which are gathered for some other purpose and are already available in the firm's internal records and publications. The secondary data is collected from annual report of the company of the last 5 years from 2018-2022.

3.6 Period of the Study

The study is made by making comparison of past five (2018-2022) year of financial information.

3.7 Analytical Tools

A Number of techniques or devices are used to undertake financial analysis. The fundamental objective of analytical method is to simply the data into understandable terms. The following are the important tools of financial analysis.

1. Comparative statement
2. Common Size statement
3. Trend Analysis
4. Ratio Analysis

3.7.1 Comparative Statement

Comparative statement is those statement which is used to study financial position for two or more periods. It is also Called as horizontal financial analysis.

Types of Comparative Statement

1 Comparative Balance sheet

2 Comparative Profit and Loss Account

Comparative Balance Sheet

It shows the account of current assets and current liability on different dates and also shows the increase and decrease in these accounts. Comparative Profit and Loss Account It shows the operational results and progress of business in a given period of time.

3.7.2 Common Size Statement

Common size statement is another technique of financial analysis. Common size financial statement is those statement in which terms are converted into percentages taking some common base. These statements are also called 100 percent statement or common percentage. Common size statement includes common size balance sheet and common size profit and loss account.

3.7.3 Ratio Analysis

The term accounting ratios is used to describe significant relationship between figures shown on balance sheet, in a profit and loss account, in a budgetary control system or in any, other part of the accounting organization. Ratio simply refers to one number expressed in terms of another number. Ratio analysis is a technique of analysis and interpretation of financial statement. It is the process of establishing and interpreting the various ratios for helping in making certain decision. However, ratio analysis is not an end to itself. It is only a means of better understanding of financial strength, weakness of a firm. Calculation of mere accounting ratios does not serve any purpose unless several appropriate ratios are analysed and interpreted.

Objectives of Ratio Analysis

- To study the short-term solvency of a firm.
- To study the long-term solvency of a firm.
- To determine the profitability of a firm.
- To measure the performance of a firm.
- To facilitate the process of financial forecasting.

- To communicate the strength and weakness of a firm.
- To enable managerial decision making.

Liquidity Ratio

The term liquidity refers to the firm's ability to meet its current liabilities. Liquidity ratios are used to measure the liquidity position or short-term financial position of a firm. These ratios are used to assess the short-term debt paying ability of a firm, important liquidity ratios are current ratio and quick ratio.

Current Ratio

Current ratio may be defined as the relationship between current assets and current liabilities. This ratio is also known as working capital ratio. It is a measure of general liquidity and is the most widely used to make the analysis of short term financial or liquidity of a firm. It is calculated by dividing the total current assets by total current liabilities and the ideal current ratio is 2:1. It is calculated as follows

$$\text{Current Ratio} = \text{Current asset} / \text{Current liabilities}$$

The higher the current ratio, the greater the firm's ability to meet the short-term debts. A very high current ratio indicates too much of money is blocked in current assets etc. In short, a very high current ratio indicates that the firm will find it difficult to pay off its debts.

Quick Ratio

The term liquidity ratio refers to the ability of a firm to pay off its short-term obligations as and when they become due. Cash in hand and cash at bank are the most liquid asset. The other assets included in the liquid assets are bills receivables, sundry debtors, marketable and short term or temporary investments.

The Ideal liquid or quick ratio is 1:1. The liquid ratio can be calculated as follows

$$\text{Quick ratio} = \text{Liquid assets} / \text{Current liabilities}$$

$$\text{Quick Assets} = \text{Current Assets} - (\text{stock} + \text{prepaid expenses})$$

Liquid ratio is considered to be superior to current ratio in testing the liquidity position of a firm. If the current ratio is 2:1 and quick ratio is 1:1; the liquidity position may be considered satisfactory. If the current ratio is higher than 2:1, but quick ratio is less than 1:1, it indicates excessive inventory.

Absolute Liquid Ratio or Cash Ratio

This ratio establishes the relationship between super quick assets and quick liabilities. And it is taken as a ratio of absolute liquid assets or absolute quick assets include cash in hand, cash at bank and marketable securities or short-term investments. It is also known as cash ratio. And ideal absolute liquid ratio is 0.5: 19

$$\text{Absolute Liquid Ratio} = \text{Absolute Liquid Assets} / \text{Current Liabilities}$$

Solvency Ratio

Solvency ratio is one of the various ratios used to measure the ability of a company to meet its long-term debts. Solvency ratio is also called leverage ratio. It focuses on the long-term sustainability of a company instead of the current liability payments.

Proprietary Ratio

Proprietary ratio establishes the relationship between shareholders or proprietors fund and total assets. This ratio shows how much funds have been contributed by shareholders in the total assets of the firm. Proprietary ratio is also known as equity ratio or net worth ratio. It is computed as follows:

$$\text{Proprietary Ratio} = \text{Shareholder's fund} / \text{Total assets}$$

This ratio shows financial health of the firm. A high ratio indicates safety to the creditors and low ratio show greater risk to the creditors. The ideal ratio is 0.5:1 or above.

Profitability Ratios

The ultimate aim of any business enterprise is to earn maximum profit. To the management, profit is the measure of efficiency and control. Profitability ratio measures the ability of the firm to earn an adequate return on sales, total assets and invested capital.

There are two types of profitability ratios.

First, profitability based on sales and it includes gross profit ratio, operating ratio, operating profit ratio and net profit ratio.

Second, profitability ratio based on investment and it includes return on investment, return on shareholders fund ratio, return on equity ratio and return on total assets. Profit is important for everyone associated with the company including creditors and owners.

Return on shareholder's fund

This is the ratio of net profit to shareholder's fund or net worth. It measures the profitability from shareholders point of view. This ratio is called the 'mother of all the ratio'. This is perhaps the most important ratio because it measures the return that is earned on the

owner's capital.

It is calculated as follows:

$$\text{Return on shareholders' fund} = \text{Net profit after interest and tax} / \text{Shareholder's fund}$$

Return in Investment (ROI)

When a firm invest money in a business, it naturally expects adequate return on its investment. Therefore, the firm wants to know how much profit is earning on its investment. For this, ROI is computed. It establishes the relationship between return and investment. It is also called accounting rate of return.

$$\text{ROI} = \text{Profit before interest and tax} / \text{Capital employed}$$

Capital employed may be gross capital employed or net capital employed. Gross capital employed means total assets minus current liabilities. Alternatively, it refers to total of share capital, revenue reserves, debenture and other long-term loans. Profit before interest and tax is calculated as gross profit minus operating expenses. The ideal return on investment ratio is 15%. The higher the return on investment, greater is the overall profitability and more is the efficient use of capital employed.

Net Profit Ratio

Net profit ratio is the ratio of net profits to revenues for accompany or business segment. It measures the overall profitability. Net profit and net sales are the two components of net profit ratio. Net profit is the final profit after adjusting all expenses and all incomes. The main objectives of the ratio is to measure the overall profitability. This ratio indicates how much of the sales are left after meeting expenses. The ideal net profit ratio is 5% - 10%.

$$\text{Net profit ratio} = \text{Net Profit} \times 100 / \text{Net sales}$$

Net profits can be taken as profit before tax and profits after tax. Higher the ratio, better is the profitability.

Chapter 4

DATA ANALYSIS AND INTERPRETATION

4.1 RATIO ANALYSIS

One of the most powerful tools in financial analysis is the ratio analysis. It is the procedure for calculating and understanding different ratios. The ratio analysis is used to investigate a company's liquidity, profitability, and solvency. The financial statements may be analyzed more clearly with the use of ratios, and decisions can be taken based on this analysis.

4.1.1 Liquidity Ratio

(A) CURRENT RATIO

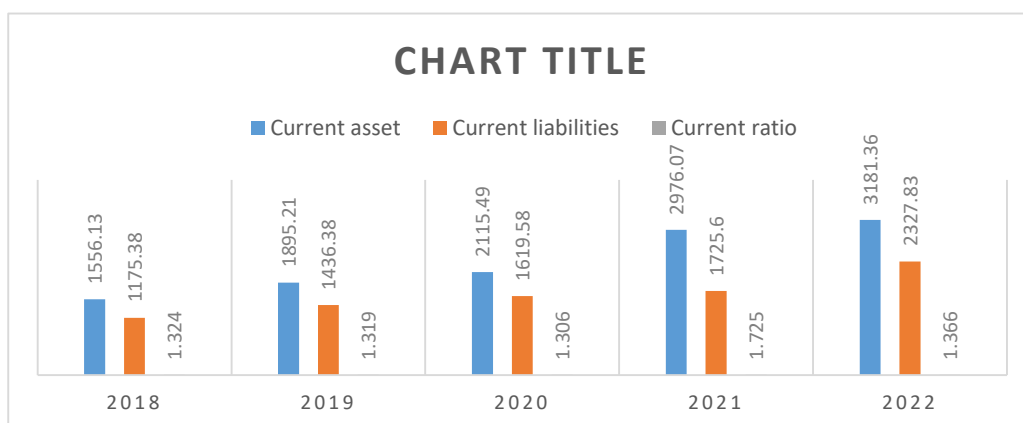
Current Ratio = Current Asset / Current Liability

(Ideal Ratio = 2:1)

4.1 Table Showing Current Ratio

year	Current asset	Current liabilities	Current ratio
2018	1556.13	1175.38	1.324
2019	1895.21	1436.38	1.319
2020	2115.49	1619.58	1.306
2021	2976.07	1725.60	1.725
2022	3181.36	2327.83	1.366

Figure 4.1 Showing Current Ratio



Interpretation:

The above tables shows that the year from 2018-2022 the current ratio is increased from 1.324 to 1.366.

B) QUICK RATIO FORMULA

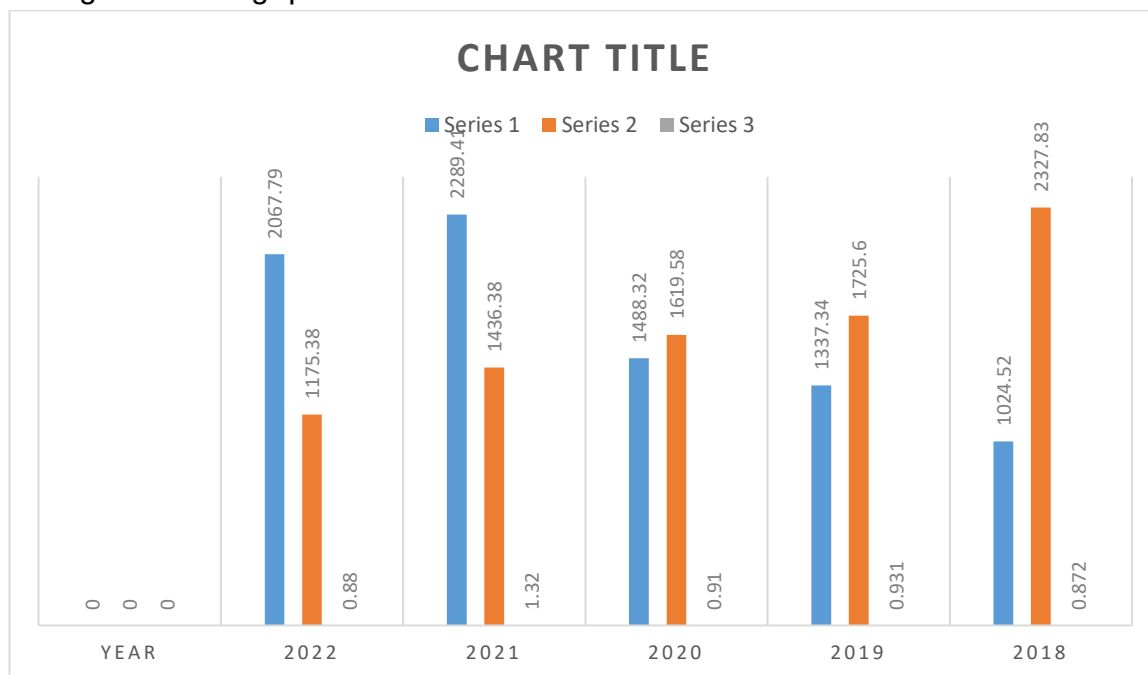
There's a few different ways to calculate the quick ratio. The most common approach is to add the most liquid assets and divide the total by current liabilities:

$$\text{Quick ratio} = \text{current asset} / \text{current liabilities}$$

4.2. Table showing quick asset ratio

year	Quick asset	Current liabilities	Quick ratio
2022	2067.79	1175.38	0.88
2021	2289.41	1436.38	1.32
2020	1488.32	1619.58	0.91
2019	1337.34	1725.60	0.931
2018	1024.52	2327.83	0.872

4.2 figure showing quick asset ratio



Interpretation:

The above figure shows that the year from 2018-2022 the quick ratio is increased from 0.87 to 0.88.

C) ABSOLUTE LIQUID RATIO

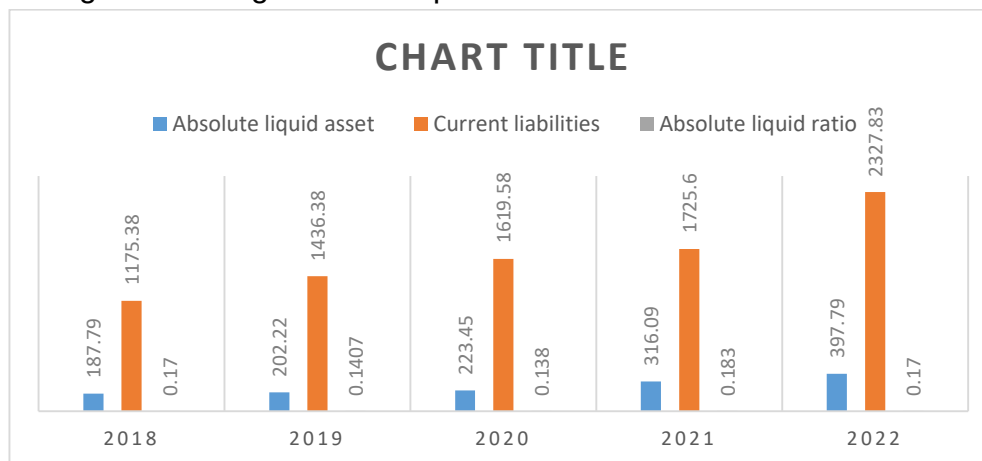
Absolute Liquid Ratio is a type of liquidity ratio that is calculated to analyze the short term solvency or financial position of the firm. It is calculated to exclude the receivables from the current and liquid assets and to know about the absolute liquid assets. Although receivables, debtors and bills receivables are generally more liquid than inventories, yet there may be doubts regarding their realization into cash immediately or on time as there are the chances of bad debts. To exclude this possibility, absolute ratio is calculated. The absolute liquid ratio is also known as Cash ratio. The absolute liquid ratio formula is:

$$\text{Absolute Liquid Ratio} = \text{Absolute Liquid Assets} / \text{Current Liabilities}$$

4.3 table showing absolute liquid ratio:

Year	Absolute liquid asset	Current liabilities	Absolute liquid ratio
2018	187.79	1175.38	0.170
2019	202.22	1436.38	0.1407
2020	223.45	1619.58	0.138
2021	316.09	1725.60	0.183
2022	397.79	2327.83	0.170

4.3 figure showing absolute liquid ratio



Interpretation:

The above table shows that the year from 2018-2022 the absolute liquid ratio is not increased and

not decreased.

4.1.2 SOLVENCY RATIO:

A solvency ratio is a performance metric that helps us examine a company's financial health. In particular, it enables us to determine whether the company can meet its financial obligations in the long term.

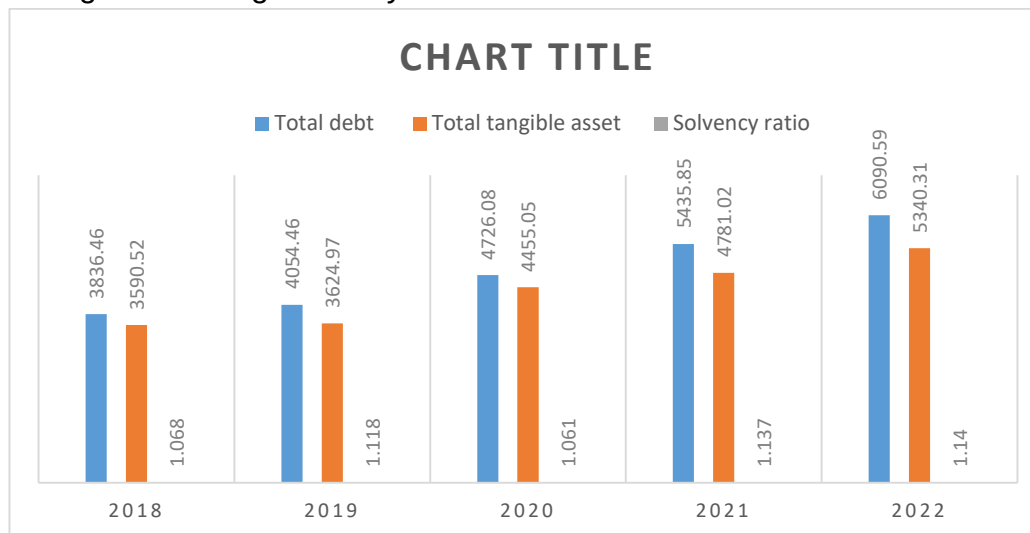
The metric is very useful to lenders, potential investors, suppliers, and any other entity that would like to do business with a particular company. It usually compares the entity's profitability with its obligations to determine whether it is financially sound. In that regard, a higher or strong solvency ratio is preferred, as it is an indicator of financial strength. On the other hand, a low ratio exposes potential financial hurdles in the future.

$$\text{Solvency Ratio} = \text{total debt} / \text{total tangible asset}$$

4.4 table showing solvency ratio

year	Total debt	Total tangible asset	Solvency ratio
2018	3836.46	3590.52	1.068
2019	4054.46	3624.97	1.118
2020	4726.08	4455.05	1.061
2021	5435.85	4781.02	1.137
2022	6090.59	5340.31	1.140

4.4 figure showing solvency ratio



Interpretation:

The above table shows that the year from 2018-2022 the solvency ratio is increased from 1.06 to 1.14.

4.1.3 PROPRIETARY RATIO:

Proprietary ratio is the one that is used to express a relationship between the amount invested by proprietors in the business and the total assets owned by the business. In other words, the proprietary ratio measures the extent of assets funded by the proprietor's funds. It denotes the percentage of assets funded by a shareholder's fund in a business. The intent is to ascertain the risk involved and capital stability and also the cost of capital involved.

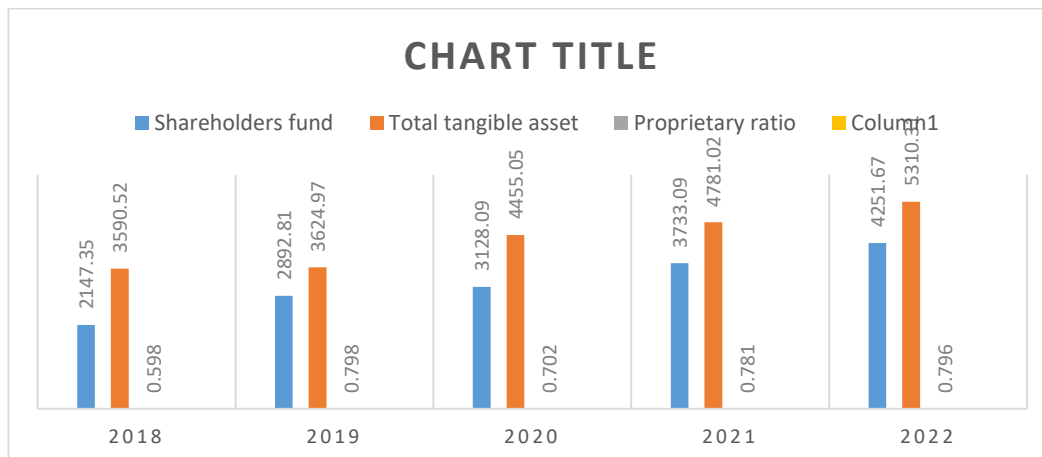
Proprietary ratio is one of the four main Solvency ratios. Solvency ratios are those ratios that measure an enterprise's capability to meet its long-term obligations. Such measures are made using parameters, like the value of long-term debt, the assets available within the organisation, the funds invested in the firm, etc.

$$\text{Proprietary ratio} = \text{shareholders fund} / \text{total tangible asset}$$

4.5 table showing proprietary ratio:

Year	Shareholders fund	Total tangible asset	Proprietary ratio
2018	2147.35	3590.52	0.598
2019	2892.81	3624.97	0.798
2020	3128.09	4455.05	0.702
2021	3733.09	4781.02	0.781
2022	4251.67	5310.31	0.796

4.5 figure showing proprietary ratio:



Interpretation:

The above table shows that the year from 2018-2022 the proprietary ratio is increased from 0.598 to 0.796.

4.1.4 PROFITABILITY RATIO:

Profitability ratios are a class of financial metrics that are used to assess a business's ability to generate earnings relative to its revenue, operating costs, balance sheet assets, or shareholders' equity over time, using data from a specific point in time. They are among the most popular metrics used in financial analysis.

Types of Profitability Ratios

Profitability ratios generally fall into two categories—margin ratios and return ratios.

Margin ratios give insight, from several different angles, into a company's ability to turn sales into a profit. Return ratios offer several different ways to examine how well a company generates a return for its shareholders using the money they've invested.

Some common examples of the two types of profitability ratios are:

- A) gross profit ratio
- B) operation cost ratio
- C) operation profit ratio
- D) net profit ratio
- E) return on investment ratio
- F) dividend payout ratio

A) GROSS PROFIT RATIO:

The gross profit ratio is calculated by dividing the gross profit by the net sales. To make it easier to read and compare, the result is usually multiplied by 100 so it can be expressed as a percentage. This allows you to determine what percentage of the company's revenue is profit.

$$\text{Gross profit ratio} = \text{gross profit} \times 100 / \text{net sales}.$$

4.6 table showing gross profit

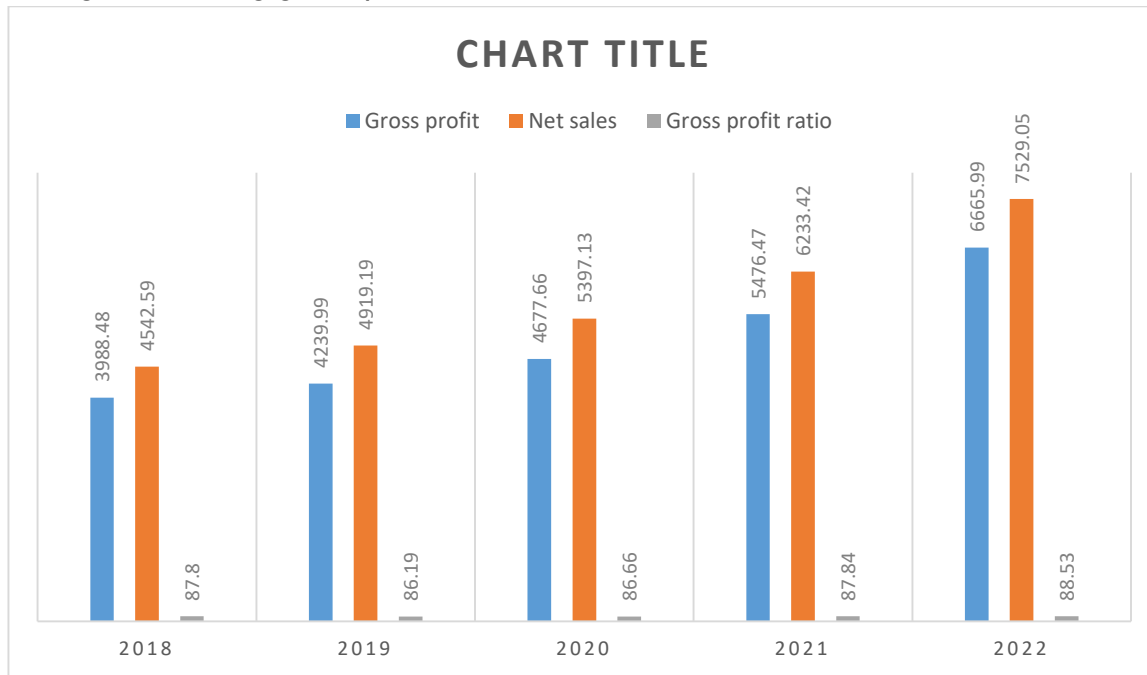
year	Gross profit	Net sales	Gross profit ratio
2018	3988.48	4542.59	87.80
2019	4239.99	4919.19	86.19
2020	4677.66	5397.13	86.66
2021	5476.47	6233.42	87.84

2022	6665.99	7529.05	88.53
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Interpretation:

The above table shows that the year from 2018-2022 the gross profit ratio is increased from 87.80 to 88.53.

4.6 figure showing gross profit ratio:



B) OPERATION COST RATIO

Also known as operating cost ratio or operating expense ratio, the operating ratio compares operating expenses to net sales. It's a common metric companies use to determine how efficient their management is at keeping operating costs low while also earning revenue or making sales.

Operating cost ratio= operating cost /net sales.

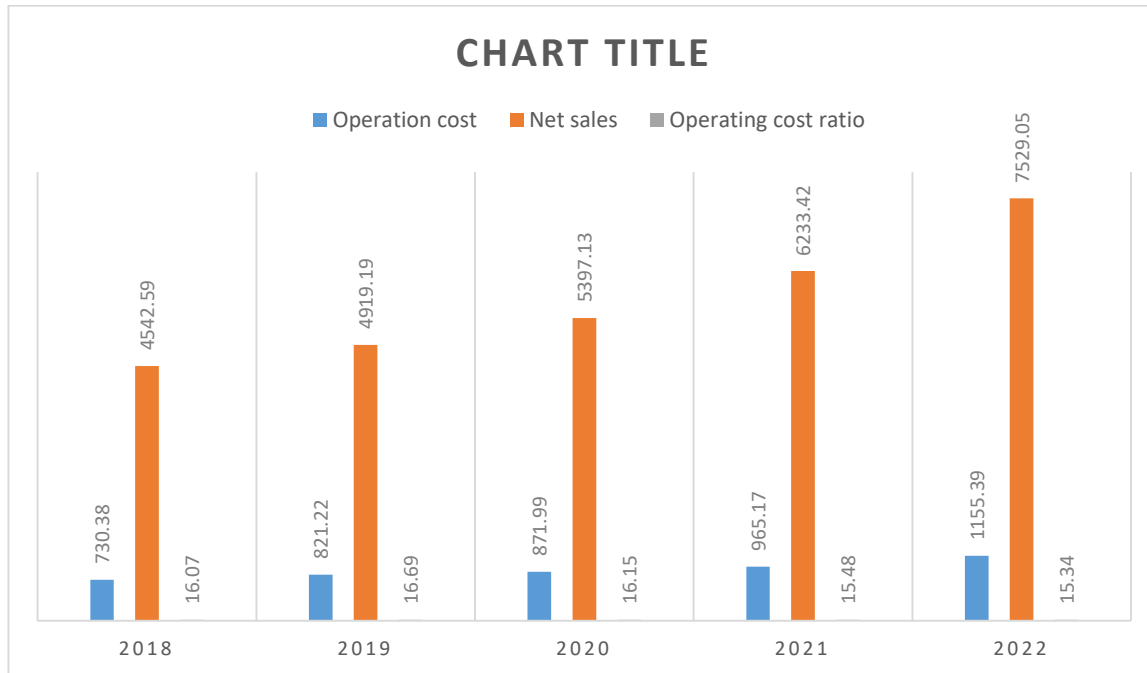
4.7 table showing operating cost ratio

Year	Operation cost	Net sales	Operating cost ratio
2018	730.38	4542.59	16.07
2019	821.22	4919.19	16.69
2020	871.99	5397.13	16.15
2021	965.17	6233.42	15.48
2022	1155.39	7529.05	15.34

Interpretation:

The above table shows that the year from 2018-2022 the operating cost ratio is decreased from 16.07 to 15.34.

4.7 figure showing operating cost ratio:



C) OPERATING PROFIT RATIO:

Operating profit Ratio = Operating Profit / Net Sales × 100

Since, the operating profit ratio is expressed as a percentage, therefore we need to multiply by 100, the value obtained by the division of operating profit with the net sales.

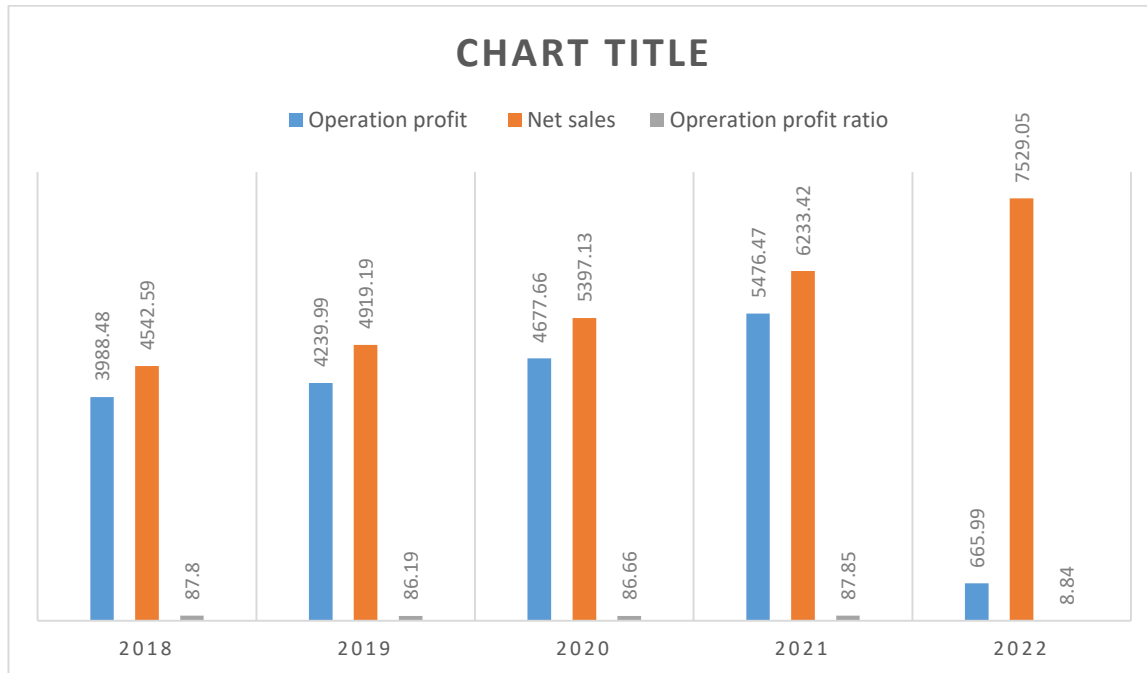
4.8 table showing that operation profit ratio:

Year	Operation profit	Net sales	Operation profit ratio
2018	3988.48	4542.59	87.80
2019	4239.99	4919.19	86.19
2020	4677.66	5397.13	86.66
2021	5476.47	6233.42	87.85
2022	665.99	7529.05	8.84

Interpretation:

The above table shows that the year from 2018-2022 the operating profit ratio is decreased from 8.84 to 87.80.

4.8 figure showing that operating profit ratio



D) NET PROFIT RATIO:

Net Profit Ratio, also referred to as the Net Profit Margin Ratio, is a profitability ratio that measures the company's profits to the total amount of money brought into the business.

$$\text{Net profit ratio} = \frac{\text{net profit}}{\text{net sales}}$$

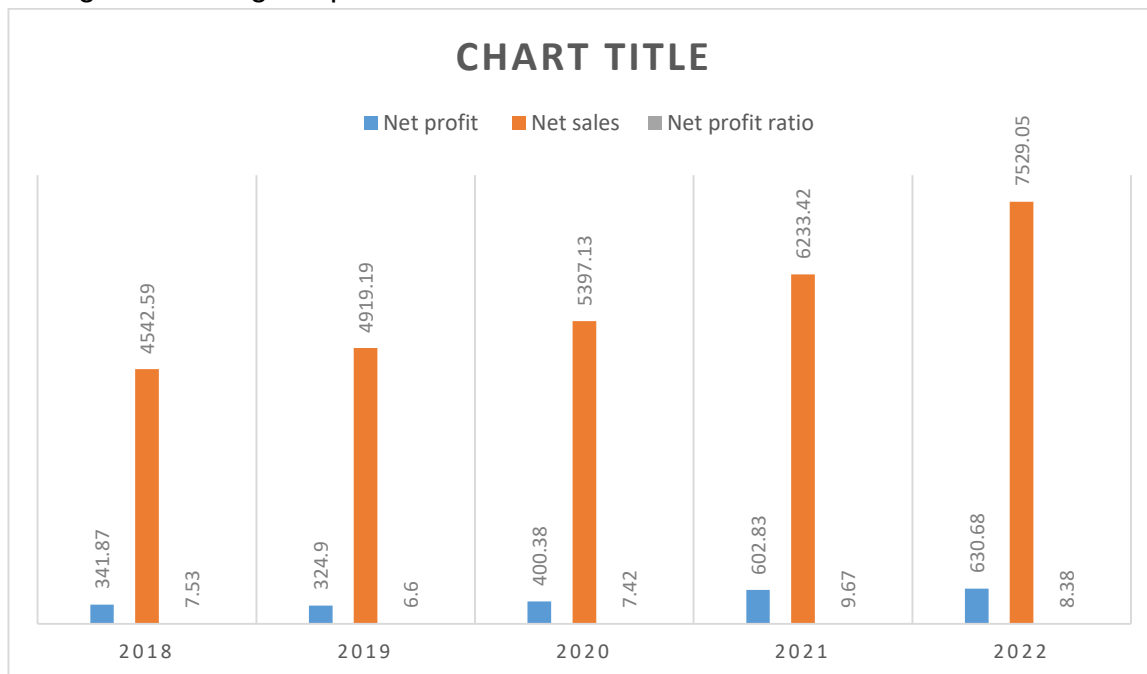
4.9 table showing net profit ratio:

year	Net profit	Net sales	Net profit ratio
2018	341.87	4542.59	7.53
2019	324.90	4919.19	6.6
2020	400.38	5397.13	7.42
2021	602.83	6233.42	9.67
2022	630.68	7529.05	8.38

Interpretation:

The above table shows that the year from 2018-2022 the net profit ratio is increased from 7.53 to 8.38.

4.9 figure showing net profit ratio:



E) RETURN ON SHAREHOLDERS FUND

It is calculated by dividing a company's earnings after taxes (EAT) by the total shareholders' equity, and multiplying the result by 100%. The higher the percentage, the more money is being returned to investors. This ratio helps business owners and financing professionals determine a company's financial health.

Return on shareholders' funds = $\frac{\text{net profit after tax and interest}}{\text{shareholders' funds}} \times 100$

4.10 table showing return on shareholders' funds

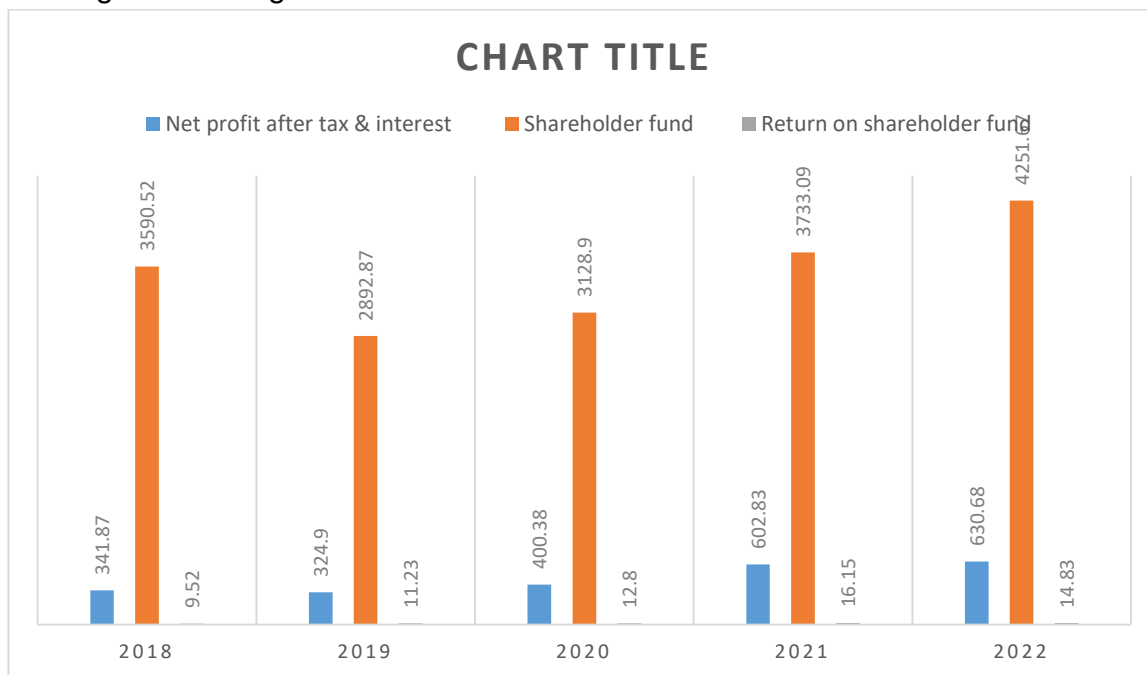
Year	Net profit after tax &	Shareholder fund	Return on shareholder
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	interest		fund
2018	341.87	3590.52	9.52
2019	324.90	2892.87	11.23
2020	400.38	3128.90	12.8
2021	602.83	3733.09	16.15
2022	630.68	4251.67	14.83

Interpretation:

The above table shows that the year from 2018-2022 the net profit ratio is increased from 9.52 to 14.83.

4.10 figure showing return on shareholder funds



F) DIVIDEND PAYOUT RATIO

The dividend payout ratio is the ratio of the total amount of dividends paid out to shareholders relative to the net income of the company. It is the percentage of earnings paid to shareholders via dividends. The amount that is not paid to shareholders is retained by the company to pay off debt or to reinvest in core operations. It is sometimes simply referred to as simply the payout ratio.

Dividend payout ratio = equity dividend/ net profit after tax.

4.11 table showing dividend payout ratio

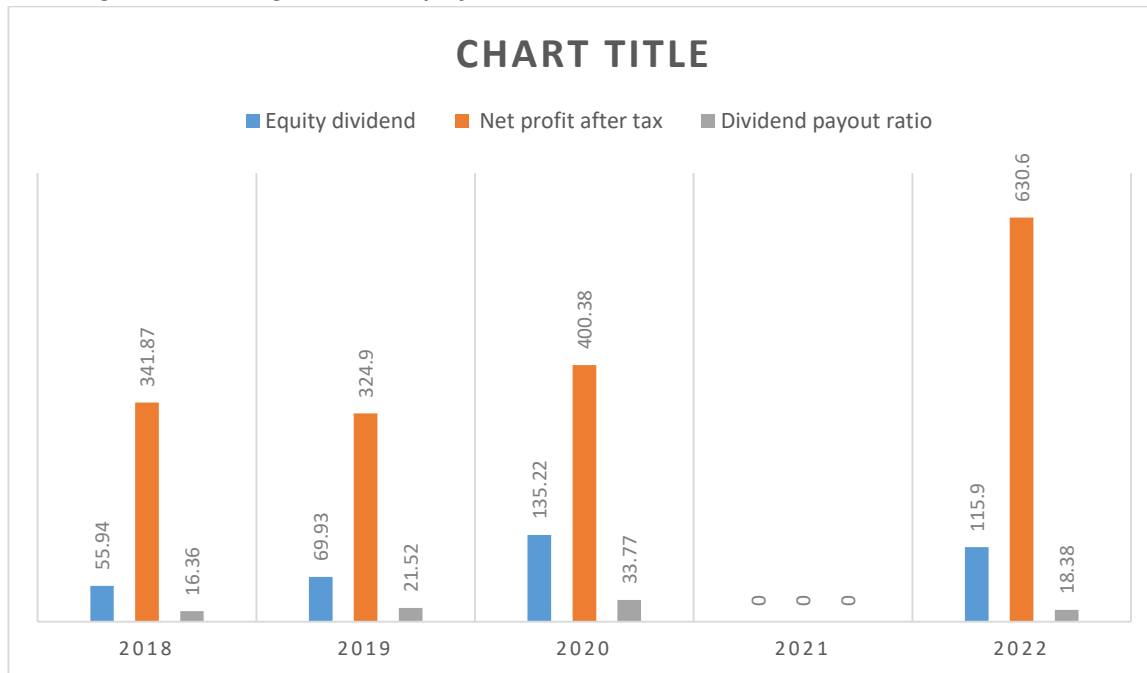
year	Equity dividend	Net profit after tax	Dividend payout ratio
2018	55.94	341.87	16.36
2019	69.93	324.90	21.52

2020	135.22	400.38	33.77
2021	0	0	0
2022	115.90	630.6	18.38

Interpretation:

The above table shows that the year from 2018-2022 the dividend payout ratio is increased from 16.36 to 18.38.

4.11 figure showing dividend payout ratio



4.2 COMPARATIVE STATEMENT

A comparative balance sheet is a side-by-side comparison of the entire balance sheet report of a current accounting period and a previous accounting period.

A date-to-date comparison within the company helps a business owner or investor identify financial performance trends over time. Investors can also compare companies who use the same accounting principles for reasons such as how organizations in the same business vertical respond to the changes in seasons.

Investors also use comparative balance sheets to do a comparative analysis of financial ratios. We'll expand on this in a later section.

The line items that are included in a comparative balance sheet are the same that are included in an individual balance sheet. The general categories included are: assets, liabilities, and equity. The categories are further broken down into current assets, current liabilities, long-term assets, and long-term liabilities.

Advantages of a Comparative Balance Sheet

The comparative figures in comparative balance sheets can help you identify trends and areas of weaknesses or strengths. It can also help you understand fluctuations caused by seasons so that you can make better-informed business decisions.

This comparative report, along with other comparative reports such as the comparative income statement, helps potential investors determine the financial health of your business and whether it's growing, getting worse, or stagnant.

It can help you see the variance in how much a line item has changed from one period to another so that you focus on what is causing the increase or decrease in figures in a particular area of the balance sheet.

Comparative Balance Sheet Analysis Formulas and Calculations

Earlier, we mentioned that you could express figures on comparative balance sheets as percentages and financial ratios for further analysis.

During an analysis of comparative balance sheets, these tools add alternative angles to consider. We'll discuss three in this guide:

- Percentage change from prior period balance
- Common size ratio
- Liquidity ratios
- Percentage Change

The percentage change simply allows you to see increases or decreases in figures expressed as a percentage.

The percentage change formula is:

Percentage Change = (Absolute figures of current period – Absolute figures of previous period of time) / Absolute figures of previous period of time) * 100

4.12 table showing comparative statement

PARTICULARS	CHANGE IN PERCENTAGES			
	2018-2019	2019-2020	2020-2021	2021-2022
EQUITIES AND LIABILITIES				
SHAREHOLDER'S FUNDS				
Equity Share Capital	10%	0%	0%	0%
TOTAL SHARE CAPITAL	10%	0%	0%	0%

Reserves and Surplus	36%	8%	20%	14%
TOTAL RESERVES AND SURPLUS	36%	8%	20%	14%
TOTAL SHAREHOLDERS FUNDS	35%	8%	19%	14%
NON-CURRENT LIABILITIES				
Long Term Borrowings	-5%	17%	17%	-7%
Deferred Tax Liabilities [Net]	17%	34%	42%	24%
Other Long Term Liabilities	5%	16%	10%	25%
Long Term Provisions	38%	16%	4%	12%
TOTAL NON-CURRENT LIABILITIES	-2%	19%	19%	1%
CURRENT LIABILITIES				
Short Term Borrowings	41%	-13%	-17%	553%
Trade Payables	-37%	11%	21%	22%
Other Current Liabilities	94%	19%	6%	-15%
Short Term Provisions	405%	16%	-23%	-5%
TOTAL CURRENT LIABILITIES	22%	13%	7%	35%
TOTAL CAPITAL AND LIABILITIES	16%	13%	17%	13%
ASSETS				
NON-CURRENT ASSETS				
Tangible Assets	1%	23%	7%	12%
Intangible Assets	70%	24%	114%	-2%
Capital Work-In-Progress	534%	-8%	-4%	-85%
Other Assets				
FIXED ASSETS	14%	19%	6%	3%
Non-Current Investments	10%	-7%	27%	114%
Deferred Tax Assets [Net]				
Long Term Loans And Advances				
Other Non-Current Assets	34%	-21%	-10%	3%
TOTAL NON-CURRENT ASSETS	13%	14%	8%	16%
CURRENT ASSETS				
Current Investments	408%	-100%	8468%	132%
Inventories	-1%	12%	9%	62%
Trade Receivables	8%	10%	41%	26%
Cash And Cash Equivalents	-21%	47%	84%	-76%

Short Term Loans And Advances				
OtherCurrentAssets	44%	103%	14%	64%
TOTAL CURRENT ASSETS	22%	12%	41%	7%
TOTAL ASSETS	16%	13%	17%	13%

Interpretation:

The above table shows that the year from 2018-2022 the comparative statement of balance sheet is increased in both liabilities and asset. 2018-2019 is increased to 16%.2019-2020 is increased to 13%. 2020-2021 is increased 17%. 2021-2022 is increased 13%.

4.3 COMMON SIZE STATEMENT:

Common size statement is a form of analysis and interpretation of the financial statement. It is also known as vertical analysis. This method analyses financial statements by taking into consideration each of the line items as a percentage of the base amount for that particular accounting period.

Common size statements are not any kind of financial ratios but are a rather easy way to express financial statements, which makes it easier to analyse those statements.

Common size statements are always expressed in the form of percentages. Therefore, such statements are also called 100 per cent statements or component percentage statements as all the individual items are taken as a percentage of 100.

A common size balance sheet is a statement in which balance sheet items are being calculated as the ratio of each asset in relation to the total assets. For the liabilities, each liability is being calculated as a ratio of the total liabilities.

Common size balance sheets can be used for comparing companies that differ in size. The comparison of such figures for the different periods is not found to be that useful because the total figures seem to be affected by a number of factors.

Standard values for various assets cannot be established by this method as the trends of the figures cannot be studied and may not give proper results.

Preparing Common Size Balance Sheet

(1) Take the total of assets or liabilities as 100.

(2) Each individual asset is expressed as a percentage of the total assets, i.e., 100 and different liabilities are also calculated as per total liabilities.

Limitations of Common Size Statement

Following are the limitations discussed

1. It is not helpful in the decision-making process as it does not have any approved benchmark.
2. For a business that is impacted by fluctuations due to seasonality, it can be misleading.

4.13 Table showing common size balance sheet

PARTICULARS	PERCENTAGE				
	2018 AMOUNT	2019 AMOUNT	2020 AMOUNT	2021 AMOUNT	2022 AMOUNT
EQUITIES AND LIABILITIES					
SHAREHOLDER'S FUNDS					
Equity Share Capital	1%	1%	1%	1%	1%
TOTAL SHARE CAPITAL	1%	1%	1%	1%	1%
Reserves and Surplus	35%	41%	39%	40%	40%
TOTAL RESERVES AND SURPLUS	35%	41%	39%	40%	40%
TOTAL SHAREHOLDERS FUNDS	36%	42%	40%	41%	41%
NON-CURRENT LIABILITIES	0%	0%	0%	0%	0%
Long Term Borrowings	35%	28%	29%	29%	24%
Deferred Tax Liabilities [Net]	4%	4%	5%	6%	7%
Other Long Term Liabilities	5%	5%	5%	4%	5%
Long Term Provisions	0%	0%	1%	0%	0%
TOTAL NON-CURRENT LIABILITIES	44%	38%	40%	40%	36%
CURRENT LIABILITIES	0%	0%	0%	0%	0%

Short Term Borrowings	2%	2%	2%	1%	7%
Trade Payables	11%	6%	6%	6%	6%
Other Current Liabilities	7%	11%	12%	11%	8%
Short Term Provisions	0%	1%	1%	1%	1%
TOTAL CURRENT LIABILITIES	20%	21%	21%	19%	23%
TOTAL CAPITAL AND LIABILITIES	100%	100%	100%	100%	100%
ASSETS					
NON-CURRENT ASSETS					
Tangible Assets	60%	52%	57%	52%	52%
Intangible Assets	0%	0%	0%	0%	0%
Capital Work-In-Progress	1%	8%	6%	5%	1%
Other Assets	0%	0%	0%	0%	0%
FIXED ASSETS	62%	60%	63%	58%	53%
Non-Current Investments	9%	9%	7%	8%	15%
Deferred Tax Assets [Net]	0%	0%	0%	0%	0%
Long Term Loans And Advances	0%	0%	0%	0%	0%
Other Non-Current Assets	3%	4%	3%	2%	2%
TOTAL NON-CURRENT ASSETS	74%	73%	73%	68%	69%
CURRENT ASSETS	0%	0%	0%	0%	0%

Current Investments	1%	6%	0%	1%	2%
Inventories	9%	8%	8%	7%	11%
Trade Receivables	3%	3%	3%	3%	4%
Cash And Cash Equivalents	9%	6%	8%	13%	3%
Short Term Loans And Advances	0%	0%	0%	0%	0%
OtherCurrentAssets	4%	4%	8%	8%	11%
TOTAL CURRENT ASSETS	26%	27%	27%	32%	31%
TOTAL ASSETS	100%	100%	100%	100%	100%

Interpretation:

The above table shows that the year from 2018-2022 the common size statement of balance sheet is increased in both liabilities and asset.

4.4 TREND ANALYSIS

Trend analysis provides a means to analyze company data over a period of time by focusing on the change in specific line items within the income statement and balance sheet.

This tool is used with the assumption that history always repeats itself, and that the exact time of this repetition can be predicted.

Trend analysis evaluates an organization's financial information over a period of time.

Periods may be measured in months, quarters, or years, depending on the circumstances. The goal is to calculate and analyze the amount change and percent change from one period to the next.

Amount of change = Current year amount – Base year amount

The only way to gauge the true significance of a change is to calculate the percent change. The percent change is calculated as the current year amount minus the base year amount, divided by the base year amount.

Percent change = (Current year amount – Base year amount) ÷ Base year amount

Trend analysis is often used to evaluate each line item on the income statement and balance sheet.

This analysis points to the reason we perform trend analysis—to identify the increases and decreases in dollar amounts from one year to the next and to take a close look at unusual trends.

A common approach is to establish the oldest year as the base year and compute future years as a

percentage of the base year.

$$\text{Trend percentage} = \text{Current year} \div \text{Base year}$$

How is a Trend Analysis Used in Financial Trading?

Trend analysis is the act of using past and present market trends to predict future movement patterns. It is considered a part of comparative analysis, where two details from a market are compared to bring out a future result.

Trend analysis in financial trading aims to predict market movements, like a bear run (more selling than buying), and uses this trend for trading till a reversal occurs. Reversals mostly occur at a resistance (the highest point which a trend can reach before bouncing back) or a support (lowest point where a trend can reach before bouncing off).

The movement of the market within a specific period of time is called a trend. Trends can differ depending on the type of market at that period.

Trends are of three different types; short trends, long-term trends, and scalp or swing trends (Trends used in analyzing future patterns for more than a month but less than three months).

- Trend lines aim to predict (although most traders would say the word predict is over used) market movement like bull market runs (a period filled with high-buying activities), and made use of that pattern, till a reversal (resistance levels) to a bear run (period of high-selling activities).
- The motto for this tool is that history repeats itself
- This tool is mainly focused on short, scalp, and long-term trading.

Markets are separated into bullish and bearish market, two terms for defining high buying and selling periods respectively.

Trend analysis works better when a given trend has occurred for a long amount of time. The longer a trend occurs, the stronger it becomes, and the more chance it has of staying that way.

Experienced statisticians are able to use this tool to determine if a market will continue in its current pattern, or reverse to the opposite pattern. It is also helpful in comparing stocks in two markets like the London Stock Exchange (LSE), and the New York Stocks Exchange (NYSE).

It is important to note that no matter how good a system can be, it is highly incapable of providing perfect future predictions at all times. Thus, investors should understand that this system is also accompanied with risks.

4.14 Table showing trend analysis

particular	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
Equity share capital	69.93	77.27	77.27	77.27	77.27	100	110.4	110.4	110.4	110.4
Reserve	2077.4	2815.5	3051.6	3655.8	4174.40	100	135.5	146.8	175.9	200.9

& surplus	2	4	3	2						
Long term borrowing	2069.71	1956.48	2283.91	2671.97	2475.51	100	94.52	110.34	129.0	119.6
Deferred tax liabilities	267.19	312.50	418.11	593.94	738.48	100	116.9	156.48	222.29	276.3
Other long liabilities	299.11	314.50	364.20	402.41	501.71	100	105.11	121.76	134.53	167.73
Long term provision	25.08	34.68	40.38	41.92	47.06	100	138.27	161.00	167.14	187.63
Short term borrowing	113.52	159.82	138.85	115.09	751.88	100	140.78	122.31	101.38	662.3
Trade payable	643.06	407.36	452.64	549.95	669.15	100	63.34	70.38	85.52	104.05
Other current liabilities	399.96	774.03	917.83	975.83	826.66	100	193.52	229.37	243.98	206.68
Short term provision	18.84	95.17	110.70	84.72	80.14	100	505.1	587.6	449.6	425.4
Total liabilities	5983.8	6947.3	7855.1	9168.9	10342.7	100	116.1	131.3	153.22	172.8
Assets										
Tangible asset	3590.52	3624.97	4455.05	4781.02	5340.31	100	100.95	124.07	133.15	148.73
Intangible assets	6.17	10.5	13.04	27.39	27.39	100	170.17	211.34	443.92	443.92
Capital work in progress	87.81	556.44	509.20	488.53	71.03	100	63.36	579.88	556.34	80.89
Noncurrent investment	556.94	610.39	566.21	718.75	1540.07	100	109.59	101.66	129.05	276.52
Other noncurrent investment	186.23	249.75	197.09	176.66	182.08	100	134.10	105.83	94.86	97.77

t										
Current investment	77.58	394.31	1.03	88.25	204.70	100	508.26	01.32	113.75	259.98
Investment	531.61	557.87	627.71	686.66	1113.57	100	104.93	117.97	129.16	209.47
Trade receivable	187.97	202.22	223.45	316.09	397.79	100	107.58	118.87	168.15	211.62
Cash & cash equivalent	543.52	429.74	631.13	1161.78	282.60	100	79.06	116.11	213.75	51.99
Other current assets	215.45	311.07	632.72	723.3	1182.71	100	144.38	293.66	335.71	548.94
Total assets	5983.81	6947.26	7855.08	9168.93	10342.26	100	116.1	131.27	153.22	172.83

Interpretation:

The above table shows that the year from 2018 to 2022 trend analysis. From the percentage the asset and liabilities increased 72.83.

Chapter 5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 Findings of the Study

As a conventional rule, a current ratio of 2:1 is considered satisfactory. Current ratio of super auto forge private limited company shows that they are maintaining current ratio as 2 and more standard, which indicates the ability of the firm to meet its current obligations is more. But it is more than 2:1, it may also indicates that they are not using current assets efficiently, or indicates idleness of working capital.

- Quick ratios of the company is sufficient. It indicates that the firm position in meeting its current obligation is satisfactory. It shows that the firm had sufficient liquid assets.
- Net profit ratio has increased from beginning itself. It has increased from 7.53 in 2018, which drops to 6.6 in 2019 and increased by 7.42 in 2020 and increased by 9.67 in 2021 and drops to 8.38 in 2022 .This indicates that there is an improvement in the operational efficient of the business and it leads to the increase in the profitability position of the firm.
- The gross profit in the year 2018 is 87, and in 2019 and 2020 is 86 and in 2021 is 87 and in 2022 is 88 this shows the company is maintained a good profit margin.
- Working capital turnover ratio in the year 2017-2018 shows a highly increase trend which indicator of efficient use of the company's short-term assets and liabilities to support sales. But in the year 2020 there is a drastic decrease. So, a low working capital turnover ratio implies that the company is not generating sales sufficient enough from the working capital available.
- Comparative balance sheet proves that the financial performance for each succeeding year is very much satisfactory as compared with previous year during the period of 2018-2022.
- In common size income statement, the profit of the year is in increasing trend year by year. It is increased by 22.22% which shows the company is earning its profit yearly.
- From trend analysis, the balance sheet total shows an increasing trend year by year.
- The working capital turnover ratio can be improved by providing incentives to customers who pay on time will help in increasing the working capital.
- The gross profit can be maintained or further improved by increasing the gross profit and factors decreasing the gross profit ratio should thoroughly checked. Thus, by reducing their expenses which in turn will increase the profitability ratio.
- The liquidity position of the company can be utilized in a better or other effective purpose.
- The trend analysis of current assets, non-current assets, and non-current liabilities shows increasing trend. The company has to maintain it for the upcoming years.

5.2 Suggestions

Based on the findings the following the suggestions can be given to the company for a better business to the possible

- 1) The Company can invest more in current assets than in working capital
- 2) The Company can improve the net profit by reducing interest and financial charges

3) The Company has to increase its current asset and improves the sort-term financial position and cost of goods sold has be reduced.

5.3 CONCLUSION

The study of financial performance analysis of Company has revealed the great deal of their various financial aspects for five years. The comparative analysis unlocks the overall performance methodology. It aids the company, the shareholders as well as the creditors in taking valuable decisions and scope with deviations. As such, there are more avenues and scope for the companies to improve and thrive successfully in the nature.

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APPENDIX

PROFIT AND LOSS ACCOUNT

PROFIT & LOSS ACCOUNT OF J. K. CEMENT (in Rest. Cr.)	MAR 22	MAR 21	MAR 20	MAR 19	MAR 18
	12 MThs	12 MThs	12 MThs	12 MThs	12 MThs
INCOME					
REVENUE FROM OPERATIONS [GROSS]	7,529.05	6,233.42	5,397.13	4,919.19	4,709.55
Less: Excise/Service Tax/Other Levies	0.00	0.00	0.00	0.00	166.96
REVENUE FROM OPERATIONS [NET]	7,529.05	6,233.42	5,397.13	4,919.19	4,542.59
TOTAL OPERATING REVENUES	7,678.58	6,328.28	5,463.77	4,981.30	4,591.21
Other Income	142.80	113.36	85.88	79.91	127.65
TOTAL REVENUE	7,821.38	6,441.64	5,549.65	5,061.21	4,718.86
EXPENSES					
Cost Of Materials Consumed	1,155.39	965.17	871.99	821.22	730.38
Purchase Of Stock-In Trade	134.63	66.40	59.55	21.54	0.85
Operating And Direct Expenses	0.00	0.00	0.00	0.00	0.00

Changes In Inventories Of FG,WIP And Stock-In Trade	-19.04	19.47	-66.53	-4.72	42.01
Employee Benefit Expenses	504.17	412.14	390.90	353.50	325.46
Finance Costs	249.32	223.16	222.87	222.09	245.35
Depreciation And Amortization Expenses	282.02	244.68	214.39	194.37	186.27
Other Expenses	4,421.36	3,351.20	3,026.33	2,979.65	2,731.86
TOTAL EXPENSES	6,727.84	5,282.22	4,719.49	4,587.63	4,262.17
PROFIT/LOSS BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX	1,093.54	1,159.41	830.16	473.57	456.69
Exceptional Items	-130.00	-166.87	-178.15	0.00	-16.96
PROFIT/LOSS BEFORE TAX	963.54	992.55	652.01	473.57	439.73
TAX EXPENSES-CONTINUED OPERATIONS					
Current Tax	257.00	307.56	171.24	103.70	94.14
Less: MAT Credit Entitlement	0.00	0.00	0.00	0.00	0.00
Deferred Tax	90.07	60.13	92.30	44.98	3.72
Tax For Earlier Years	-14.21	22.03	-11.90	0.00	0.00

TOTAL TAX EXPENSES	332.86	389.72	251.64	148.68	97.85
PROFIT/LOSS AFTER TAX AND BEFORE EXTRAORDINARY ITEMS	630.68	602.83	400.38	324.90	341.87
PROFIT/LOSS FROM CONTINUING OPERATIONS	630.68	602.83	400.38	324.90	341.87
PROFIT/LOSS FOR THE PERIOD	630.68	602.83	400.38	324.90	341.87
OTHER ADDITIONAL INFORMATION					
EARNINGS PER SHARE					
Basic EPS (Rs.)	81.62	78.02	51.82	45.28	48.89
Diluted EPS (Rs.)	81.62	78.02	51.82	45.28	48.89
VALUE OF IMPORTED AND INDIGENIOUS RAW MATERIALS STORES, SPARES AND LOOSE TOOLS					
Imported Raw Materials	0.00	0.00	0.00	0.00	0.00
Indigenous Raw Materials	0.00	0.00	0.00	0.00	0.00
STORES, SPARES AND LOOSE TOOLS					
Imported Stores And Spares	0.00	0.00	0.00	0.00	0.00

Indigenous Stores And Spares	0.00	0.00	0.00	0.00	0.00
DIVIDEND AND DIVIDEND PERCENTAGE					
Equity Share Dividend	115.90	0.00	135.22	69.93	55.94
Tax On Dividend	0.00	0.00	27.79	14.37	11.39
Equity Dividend Rate (%)	150.00	150.00	75.00	100.00	100.00

Balance sheet

BALANCE SHEET OF J. K. CEMENT (in Rs. Cr.)	MAR 22	MAR 21	MAR 20	MAR 19	MAR 18
	12 mths	12 mths	12 mths	12 mths	12 mths
EQUITIES AND LIABILITIES					
SHAREHOLDER'S FUNDS					
Equity Share Capital	77.27	77.27	77.27	77.27	69.93
TOTAL SHARE CAPITAL	77.27	77.27	77.27	77.27	69.93
Reserves and Surplus	4,174.40	3,655.82	3,051.63	2,815.54	2,077.42
TOTAL RESERVES AND SURPLUS	4,174.40	3,655.82	3,051.63	2,815.54	2,077.42
TOTAL SHAREHOLDERS	4,251.67	3,733.09	3,128.90	2,892.81	2,147.35

FUNDS					
NON-CURRENT LIABILITIES					
Long Term Borrowings	2,475.51	2,671.97	2,283.91	1,956.48	2,069.71
Deferred Tax Liabilities [Net]	738.48	593.94	418.11	312.50	267.19
Other Long Term Liabilities	501.71	402.41	364.20	314.42	299.11
Long Term Provisions	47.06	41.92	40.38	34.68	25.08
TOTAL NON-CURRENT LIABILITIES	3,762.76	3,710.25	3,106.60	2,618.08	2,661.08
CURRENT LIABILITIES					
Short Term Borrowings	751.88	115.09	138.85	159.82	113.52
Trade Payables	669.15	549.95	452.64	407.36	643.06
Other Current Liabilities	826.66	975.83	917.40	774.03	399.96
Short Term Provisions	80.14	84.72	110.70	95.17	18.84
TOTAL CURRENT LIABILITIES	2,327.83	1,725.60	1,619.58	1,436.38	1,175.38
TOTAL CAPITAL AND LIABILITIES	10,342.26	9,168.93	7,855.08	6,947.26	5,983.81
ASSETS					
NON-CURRENT ASSETS					

Tangible Assets	5,340.31	4,781.02	4,455.05	3,624.97	3,590.52
Intangible Assets	27.39	27.90	13.04	10.50	6.17
Capital Work-In-Progress	71.03	488.53	509.20	556.44	87.81
Other Assets	0.00	0.00	0.00	0.00	0.00
FIXED ASSETS	5,438.73	5,297.44	4,977.29	4,191.91	3,684.50
Non-Current Investments	1,540.07	718.75	565.21	610.39	556.94
Deferred Tax Assets [Net]	0.00	0.00	0.00	0.00	0.00
Long Term Loans And Advances	0.00	0.00	0.00	0.00	0.00
Other Non-Current Assets	182.08	176.66	197.09	249.75	186.23
TOTAL NON-CURRENT ASSETS	7,160.89	6,192.85	5,739.59	5,052.05	4,427.68
CURRENT ASSETS					
Current Investments	204.70	88.25	1.03	394.31	77.58
Inventories	1,113.57	686.66	627.17	557.87	531.61
Trade Receivables	397.79	316.09	223.45	202.22	187.97
Cash And Cash Equivalents	282.60	1,161.78	631.13	429.74	543.52
Short Term Loans And Advances	0.00	0.00	0.00	0.00	0.00

OtherCurrentAssets	1,182.71	723.30	632.71	311.07	215.45
TOTAL CURRENT ASSETS	3,181.36	2,976.07	2,115.49	1,895.21	1,556.13
TOTAL ASSETS	10,342.26	9,168.93	7,855.08	6,947.26	5,983.81
OTHER ADDITIONAL INFORMATION					
CONTINGENT LIABILITIES, COMMITMENTS					
Contingent Liabilities	621.35	822.50	1,429.38	1,533.04	1,158.87
CIF VALUE OF IMPORTS					
Raw Materials	0.00	0.00	0.00	0.00	0.00
Stores, Spares And Loose Tools	0.00	0.00	0.00	0.00	0.00
Trade/Other Goods	0.00	0.00	0.00	0.00	0.00
Capital Goods	0.00	0.00	0.00	0.00	0.00
EXPENDITURE IN FOREIGN EXCHANGE					
Expenditure In Foreign Currency	843.39	647.59	315.61	267.59	0.00
REMITTANCES IN FOREIGN CURRENCIES FOR DIVIDENDS					
Dividend Remittance In Foreign	--	--	--	--	--

Currency					
EARNINGS IN FOREIGN EXCHANGE					
FOB Value Of Goods	--	--	--	--	--
Other Earnings	4.29	6.95	10.88	11.06	--
BONUS DETAILS					
Bonus Equity Share Capital	--	--	--	--	--
NON-CURRENT INVESTMENTS					
Non-Current Investments Quoted Market Value	--	39.78	40.10	43.87	41.28
Non-Current Investments Unquoted Book Value	1,540.07	678.97	525.11	566.52	515.67
CURRENT INVESTMENTS					
Current Investments Quoted Market Value	204.70	88.25	1.03	394.31	--
Current Investments Unquoted Book Value	--	--	--	--	--

Comparative statement**COMPARATIVE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2019 AND MARCH 2018**

PARTICULARS	2019 AMOUNT (in cr)	2018 AMOUNT (in cr)	CHANGE IN ABSOLUTE VALUE	CHANGE IN PERCENTAGES
EQUITIES AND LIABILITIES				
SHAREHOLDER'S FUNDS				
Equity Share Capital	77.27	69.93	7.34	10%
TOTAL SHARE CAPITAL	77.27	69.93	7.34	10%
Reserves and Surplus	2,815.54	2,077.42	738.12	36%
TOTAL RESERVES AND SURPLUS	2,815.54	2,077.42	738.12	36%
TOTAL SHAREHOLDERS FUNDS	2,892.81	2,147.35	745.46	35%
NON-CURRENT LIABILITIES			-	
Long Term Borrowings	1,956.48	2,069.71	-113.23	-5%
Deferred Tax Liabilities [Net]	312.50	267.19	45.31	17%
Other Long Term Liabilities	314.42	299.11	15.31	5%
Long Term Provisions	34.68	25.08	9.60	38%
TOTAL NON-CURRENT LIABILITIES	2,618.08	2,661.08	-43.00	-2%
CURRENT LIABILITIES			-	
Short Term Borrowings	159.82	113.52	46.30	41%
Trade Payables	407.36	643.06	-235.70	-37%
Other Current Liabilities	774.03	399.96	374.07	94%

Short Term Provisions	95.17	18.84	76.33	405%
TOTAL CURRENT LIABILITIES	1,436.38	1,175.38	261.00	22%
TOTAL CAPITAL AND LIABILITIES	6,947.26	5,983.81	963.45	16%
ASSETS			-	
NON-CURRENT ASSETS			-	
Tangible Assets	3,624.97	3,590.52	34.45	1%
Intangible Assets	10.50	6.17	4.33	70%
Capital Work-In-Progress	556.44	87.81	468.63	534%
Other Assets	-	-	-	
FIXED ASSETS	4,191.91	3,684.50	507.41	14%
Non-Current Investments	610.39	556.94	53.45	10%
Deferred Tax Assets [Net]	-	-	-	
Long Term Loans And Advances	-	-	-	
Other Non-Current Assets	249.75	186.23	63.52	34%
TOTAL NON-CURRENT ASSETS	5,025.05	4,427.68	597.37	13%
CURRENT ASSETS			-	
Current Investments	394.31	77.58	316.73	408%
Inventories	557.87	561.61	-3.74	-1%
Trade Receivables	202.22	187.97	14.25	8%
Cash And Cash Equivalents	429.74	543.52	-113.78	-21%
Short Term Loans And Advances	-	-	-	

OtherCurrentAssets	311.07	215.45	95.62	44%
TOTAL CURRENT ASSETS	1,895.21	1,556.13	339.08	22%
TOTAL ASSETS	6,947.26	5,983.81	963.45	16%

Comparative statement of 2019-2020

PARTICULARS	2020 AMOUNT (in cr)	2019 AMOUNT (in cr)	CHANGE IN ABSOLUTE VALUE	CHANGE IN PERCENTAGES
EQUITIES AND LIABILITIES				
SHAREHOLDER'S FUNDS				
Equity Share Capital	77.27	77.27	-	0%
TOTAL SHARE CAPITAL	77.27	77.27	-	0%
Reserves and Surplus	3,051.63	2,815.54	236.09	8%
TOTAL RESERVES AND SURPLUS	3,051.63	2,815.54	236.09	8%
TOTAL SHAREHOLDERS FUNDS	3,128.90	2,892.81	236.09	8%
NON-CURRENT LIABILITIES			-	
Long Term Borrowings	2,283.91	1,956.48	327.43	17%
Deferred Tax Liabilities [Net]	418.11	312.50	105.61	34%
Other Long Term Liabilities	364.20	314.42	49.78	16%
Long Term Provisions	40.38	34.68	5.70	16%
TOTAL NON- CURRENT LIABILITIES	3,106.60	2,618.08	488.52	19%
CURRENT LIABILITIES			-	
Short Term Borrowings	138.85	159.82	-20.97	-13%
Trade Payables	452.64	407.36	45.28	11%

Other Current Liabilities	917.40	774.03	143.37	19%
Short Term Provisions	110.70	95.17	15.53	16%
TOTAL CURRENT LIABILITIES	1,619.58	1,436.38	183.20	13%
TOTAL CAPITAL AND LIABILITIES	7,855.08	6,947.26	907.82	13%
ASSETS			-	
NON-CURRENT ASSETS			-	
Tangible Assets	4,455.05	3,624.97	830.08	23%
Intangible Assets	13.04	10.50	2.54	24%
Capital Work-In-Progress	509.20	556.44	-47.24	-8%
Other Assets	-	-	-	
FIXED ASSETS	4,977.29	4,191.91	785.38	19%
Non-Current Investments	565.21	610.39	-45.18	-7%
Deferred Tax Assets [Net]	-	-	-	
Long Term Loans And Advances	-	-	-	
Other Non-Current Assets	197.09	249.75	-52.66	-21%
TOTAL NON-CURRENT ASSETS	5,739.59	5,025.05	714.54	14%
CURRENT ASSETS			-	
Current Investments	1.03	394.31	-393.28	-100%
Inventories	627.17	557.87	69.30	12%
Trade Receivables	223.45	202.22	21.23	10%
Cash And Cash Equivalents	631.13	429.74	201.39	47%

Short Term Loans And Advances	-	-	-	
Other Current Assets	632.71	311.07	321.64	103%
TOTAL CURRENT ASSETS	2,115.49	1,895.21	220.28	12%
TOTAL ASSETS	7,855.08	6,947.26	907.82	13%

Comparative statement of 2020-2021

PARTICULARS	2021 AMOUNT (in cr)	2020 AMOUNT (in cr)	CHANGE IN ABSOLUTE VALUE	CHANGE IN PERCENTAGES
EQUITIES AND LIABILITIES				
SHAREHOLDER'S FUNDS				
Equity Share Capital	77.27	77.27	-	0%
TOTAL SHARE CAPITAL	77.27	77.27	-	0%
Reserves and Surplus	3,655.82	3,051.63	604.19	20%
TOTAL RESERVES AND SURPLUS	3,655.82	3,051.63	604.19	20%
TOTAL SHAREHOLDERS FUNDS	3,733.09	3,128.90	604.19	19%
NON-CURRENT LIABILITIES			-	
Long Term Borrowings	2,671.97	2,283.91	388.06	17%
Deferred Tax Liabilities [Net]	593.94	418.11	175.83	42%
Other Long Term Liabilities	402.41	364.20	38.21	10%
Long Term Provisions	41.92	40.38	1.54	4%
TOTAL NON- CURRENT LIABILITIES	3,710.25	3,106.60	603.65	19%
CURRENT LIABILITIES			-	
Short Term Borrowings	115.09	138.85	-23.76	-17%
Trade Payables	549.95	452.64	97.31	21%
Other Current Liabilities	975.83	917.40	58.43	6%

Short Term Provisions	84.72	110.70	-25.98	-23%
TOTAL CURRENT LIABILITIES	1,725.60	1,619.58	106.02	7%
TOTAL CAPITAL AND LIABILITIES	9,168.93	7,855.08	1,313.85	17%
ASSETS			-	
NON-CURRENT ASSETS			-	
Tangible Assets	4,781.02	4,455.05	325.97	7%
Intangible Assets	27.90	13.04	14.86	114%
Capital Work-In-Progress	488.53	509.20	-20.67	-4%
Other Assets	-	-	-	
FIXED ASSETS	5,297.44	4,977.29	320.15	6%
Non-Current Investments	718.75	565.21	153.54	27%
Deferred Tax Assets [Net]	-	-	-	
Long Term Loans And Advances	-	-	-	
Other Non-Current Assets	176.66	197.09	-20.43	-10%
TOTAL NON-CURRENT ASSETS	6,192.85	5,739.59	453.26	8%
CURRENT ASSETS			-	
Current Investments	88.25	1.03	87.22	8468%
Inventories	686.66	627.17	59.49	9%
Trade Receivables	316.09	223.45	92.64	41%
Cash And Cash Equivalents	1,161.78	631.13	530.65	84%
Short Term Loans And Advances	-	-	-	

Other Current Assets	723.30	632.71	90.59	14%
TOTAL CURRENT ASSETS	2,976.07	2,115.49	860.58	41%
TOTAL ASSETS	9,168.93	7,855.08	1,313.85	17%

Comparative statement of 2021-2022

PARTICULARS	2022 AMOUNT (in cr)	2021 AMOUNT (in cr)	CHANGE IN ABSOLUTE VALUE	CHANGE IN PERCENTAGES
EQUITIES AND LIABILITIES				
SHAREHOLDER'S FUNDS				
Equity Share Capital	77.27	77.27	-	0%
TOTAL SHARE CAPITAL	77.27	77.27	-	0%
Reserves and Surplus	4,174.40	3,655.82	518.58	14%
TOTAL RESERVES AND SURPLUS	4,174.40	3,655.82	518.58	14%
TOTAL SHAREHOLDERS FUNDS	4,251.67	3,733.09	518.58	14%
NON-CURRENT LIABILITIES			-	
Long Term Borrowings	2,475.51	2,671.97	-196.46	-7%
Deferred Tax Liabilities [Net]	738.48	593.94	144.54	24%
Other Long Term Liabilities	501.71	402.41	99.30	25%
Long Term Provisions	47.06	41.92	5.14	12%
TOTAL NON- CURRENT LIABILITIES	3,762.76	3,710.25	52.51	1%
CURRENT LIABILITIES			-	
Short Term Borrowings	751.88	115.09	636.79	553%
Trade Payables	669.15	549.95	119.20	22%
Other Current Liabilities	826.66	975.83	-149.17	-15%

Short Term Provisions	80.14	84.72	-4.58	-5%
TOTAL CURRENT LIABILITIES	2,327.83	1,725.60	602.23	35%
TOTAL CAPITAL AND LIABILITIES	10,342.26	9,168.93	1,173.33	13%
ASSETS			-	
NON-CURRENT ASSETS			-	
Tangible Assets	5,340.31	4,781.02	559.29	12%
Intangible Assets	27.39	27.90	-0.51	-2%
Capital Work-In-Progress	71.03	488.53	-417.50	-85%
Other Assets	-	-	-	
FIXED ASSETS	5,438.73	5,297.44	141.29	3%
Non-Current Investments	1,540.07	718.75	821.32	114%
Deferred Tax Assets [Net]	-	-	-	
Long Term Loans And Advances	-	-	-	
Other Non-Current Assets	182.08	176.66	5.42	3%
TOTAL NON-CURRENT ASSETS	7,160.89	6,192.85	968.04	16%
CURRENT ASSETS			-	
Current Investments	204.70	88.25	116.45	132%
Inventories	1,113.57	686.66	426.91	62%
Trade Receivables	397.79	316.09	81.70	26%
Cash And Cash Equivalents	282.60	1,161.78	-879.18	-76%
Short Term Loans And Advances	-	-	-	

OtherCurrentAssets	1,182.71	723.30	459.41	64%
TOTAL CURRENT ASSETS	3,181.36	2,976.07	205.29	7%
TOTAL ASSETS	10,342.26	9,168.93	1,173.33	13%

Common size statement of 2018-2022

PARTICULARS	2018 AMOUNT	2019 AMOUNT	2020 AMOUNT	2021 AMOUNT	2022 AMOUNT	COMMON SIZE ANALYSIS (IN %)				
						2018	2019	2020	2021	2022
EQUITIES AND LIABILITIES										
SHAREHOLDERS FUNDS										
Equity Share Capital	69.93	77.27	77.27	77.27	77.27	1%	1%	1%	1%	1%
TOTAL SHARE CAPITAL	69.93	77.27	77.27	77.27	77.27	1%	1%	1%	1%	1%
Reserves and Surplus	2,077.42	2,815.54	3,051.63	3,655.82	4,174.40	35%	41%	39%	40%	40%
TOTAL RESERVES AND SURPLUS	2,077.42	2,815.54	3,051.63	3,655.82	4,174.40	35%	41%	39%	40%	40%
TOTAL SHAREHOLDERS FUNDS	2,147.35	2,892.81	3,128.90	3,733.09	4,251.67	36%	42%	40%	41%	41%
NON-CURRENT LIABILITIES						0%	0%	0%	0%	0%
Long Term Borrowings	2,069.71	1,956.48	2,283.91	2,671.97	2,475.51	35%	28%	29%	29%	24%
Deferred Tax Liabilities [Net]	267.19	312.50	418.11	593.94	738.48	4%	4%	5%	6%	7%
Other Long Term Liabilities	299.11	314.42	364.20	402.41	501.71	5%	5%	5%	4%	5%
Long Term Provisions	25.08	34.68	40.38	41.92	47.06	0%	0%	1%	0%	0%

TOTAL NON-CURRENT LIABILITIES	2,661.08	2,618.08	3,106.60	3,710.25	3,762.76	44%	38%	40%	40%	36%
CURRENT LIABILITIES						0%	0%	0%	0%	0%
Short Term Borrowings	113.52	159.82	138.85	115.09	751.88	2%	2%	2%	1%	7%
Trade Payables	643.06	407.36	452.64	549.95	669.15	11%	6%	6%	6%	6%
Other Current Liabilities	399.96	774.03	917.40	975.83	826.66	7%	11%	12%	11%	8%
Short Term Provisions	18.84	95.17	110.70	84.72	80.14	0%	1%	1%	1%	1%
TOTAL CURRENT LIABILITIES	1,175.38	1,436.38	1,619.58	1,725.60	2,327.83	20%	21%	21%	19%	23%
TOTAL CAPITAL AND LIABILITIES	5,983.81	6,947.26	7,855.08	9,168.93	10,342.26	100%	100%	100%	100%	100%
ASSETS										
NON-CURRENT ASSETS										
Tangible Assets	3,590.52	3,624.97	4,455.05	4,781.02	5,340.31	60%	52%	57%	52%	52%
Intangible Assets	6.17	10.50	13.04	27.90	27.39	0%	0%	0%	0%	0%
Capital Work-In-Progress	87.81	556.44	509.20	488.53	71.03	1%	8%	6%	5%	1%
Other Assets	-	-	-	-	-	0%	0%	0%	0%	0%
FIXED ASSETS	3,684.50	4,191.91	4,977.29	5,297.44	5,438.73	62%	60%	63%	58%	53%
Non-Current Investments	556.94	610.39	565.21	718.75	1,540.07	9%	9%	7%	8%	15%

Deferred Tax Assets [Net]	-	-	-	-	-	0%	0%	0%	0%	0%
Long Term Loans And Advances	-	-	-	-	-	0%	0%	0%	0%	0%
Other Non-Current Assets	186.23	249.75	197.09	176.66	182.08	3%	4%	3%	2%	2%
TOTAL NON-CURRENT ASSETS	4,427.68	5,052.05	5,739.59	6,192.85	7,160.89	74%	73%	73%	68%	69%
CURRENT ASSETS						0%	0%	0%	0%	0%
Current Investments	77.58	394.31	1.03	88.25	204.70	1%	6%	0%	1%	2%
Inventories	531.61	557.87	627.17	686.66	1,113.57	9%	8%	8%	7%	11%
Trade Receivables	187.97	202.22	223.45	316.09	397.79	3%	3%	3%	3%	4%
Cash And Cash Equivalents	543.52	429.74	631.13	1,161.78	282.60	9%	6%	8%	13%	3%
Short Term Loans And Advances	-	-	-	-	-	0%	0%	0%	0%	0%
Other Current Assets	215.45	311.07	632.71	723.30	1,182.71	4%	4%	8%	8%	11%
TOTAL CURRENT ASSETS	1,556.13	1,895.21	2,115.49	2,976.07	3,181.36	26%	27%	27%	32%	31%
TOTAL ASSETS	5,983.81	6,947.26	7,855.08	9,168.93	10,342.26	100%	100%	100%	100%	100%