

A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF RAMCO CEMENT LIMITED

Submitted in partial fulfillment of the requirement for the reward of

BACHELOR OF COMMERCE

By

SURIYA HARISH A

39740236



**BACHELOR OF COMMERCE 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 – 600119

MAY 2022



SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

Accredited "A" Grade by NAAC | 12B Status by UGC | Approved by AICTE

www.sathyabama.ac.in

SCHOOL OF MANAGEMENT STUDIES

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **SURIYA HARISH A (39740236)** who has done the Project work entitled **A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF RAMCO CEMENT LTD** under my supervision from December 2021 to February 2022.

Dr. R. THAMILSELVAN

Internal Guide

External Guide

Dr. BHUVANESWARI G.

Dean, School of Management Studies

Submitted for Viva voice Examination held on _____

Internal Examiner

External Examiner

DECLARATION

I **SURIYA HARISH A (39740236)**. Hereby declare that the Project Report entitled “**A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF RAMCO CEMENT LTD**” done by me under the guidance of Dr. THAMILSELVAN .R, M.Com, M.B.A, MPhil, B.Ed., Ph.D., Associate Professor, Department of Management Studies is submitted in partial fulfillment of the requirements for the award of Bachelor of Commerce degree.

DATE:

PLACE : CHENNAI

SURIYA HARISH. A

ACKNOWLEDGEMENT

I am pleased to acknowledge my sincere thanks to Board of Management of **SATHYABAMA** for their kind encouragement in doing this project and for completing it successfully. I am grateful to them.

I convey my thanks to **Dr. G. Bhuvaneswari, MBA., Ph.D., Dean - School of Management Studies** and **Dr. A. Palani, M.Com., M.Phil., M.B.A., Ph.D., Head , School of Management Studies** for providing me necessary support and details at the right time during the progressive reviews.

I would like to express my sincere and deep sense of gratitude to my project training GUIDE **DR THAMILSELVAN.R, M. COM, MBA, M.Phil B.Ed., Ph.D.,** for his valuable guidance, suggestions and constant encouragement paved way for the successful completion of my project work.

I wish to express my thanks to all Teaching and Non-teaching staff members of the **Department of Bachelore of commerce** who were helpful in many ways for the completion of the training.

SURIYA HARISH A

ABSTRACT

In this project we are looking at the Financial Performance Analysis in a core sector industry. Balance sheet review of the last five years along with the changes in the component wise analysis of Current Asset and Current Liabilities to identify the causes of changes, with trend analysis and comparative Balance sheet for a term of five years covering a case study of a company to establish "The story of revival of a sick company". In the words of Myers, "Financial Performance Analysis is largely a study of relationship among the various financial factors in a business as disclosed by a single set of statements and a study of the trends of these factors as shown in a series of statements." The purpose of financial analysis is to diagnose the information content in financial statements so as to judge the profitability and financial soundness of the firm. In this project we will perform the financial analysis of Limited we will go through the financial statements of the company to diagnose financial soundness.

CHAPTER NO.	TITLE	PAGE NO.
	DECLARATION LIST OF TABLES LIST OF FIGURES	i. ii. iii.
1.	INTRODUCTION	
	1.1 Need for the Study	1
	1.2 Objectives of the Study	2
	1.3 Scope of the Study	2
	1.4 Limitation of the Study	3
	1.5 Company Profile	3
2.	REVIEW OF LITERATURE	
	2.1 Review of literature	6
	2.2 Theoretical Review	11
3.	RESEARCH METHODOLOGY	
	3.1 Research methodology	16
	3.2 data collection	16
	3.3 statistical Tools	16
4	DATA ANALYSIS & INTERPRETATION	
	4.1 Ratio analysis	17
5	FINDINGS, SUGGESTIONS AND CONCLUSION	
	5.1 Findings	37
	5.2 suggestions	38
	5.3 conclusion	39
	REFERANCE	40
	APPENDIX	41
	comparative balance sheet	42
	Statement of profit and loss account	46

TABLE OF CONTENTS

CHAPTER	TITILE	PAGE NO
4	4.1 RATIO ANALYSIS	
	4.1.1 Gross Profit ratio	17
	4.1.2 Absolute liquidity ratio	19
	4.1.3 working capital ratio	21
	4.1.4 Debt Equity Ratio	23
	4.1.5 Debt to total asset ratio ratio	25
	4.1.6 Fixed Asset Ratio	27
	4.1.7 gross profit ratio	29
	4.1.8 Net profit ratio	31
	4.1.9 Operating ratio	33
	4.1.10 Debtors Turnover ratio	35

CHAPTER I

INTRODUCTION

Financial Performance in broader sense refers to the degree to which financial objectives being or has been accomplished and is an important aspect of finance risk management. It is the process of measuring the results of a firm's policies and operations in monetary terms. It is used to measure firm's overall financial health over a given period of time and can also be used to compare similar firms across the same industry or to compare industries or sectors in aggregation.

Financial statements are primarily prepared for decision-making. They play a dominant role in setting the framework of managerial decision. The published financial statements of business may be of considerable interest to present the same to their respective potential shareholders, managers, moneylenders, banks, financial institutions, trade organization and many others.

1.1 NEED FOR THE STUDY

- To understand the meaning, significance and limitation of financial statement analysis.
- To calculate liquidity, solvency, profitability and activity ratios of the organization.
- To make a comparative study and give solutions for the organisational improvement.

1.2 OBJECTIVES OF THE STUDY:

- The study has been undertaken with a broad objective of evaluating performance of RAMCO CEMENTS LIMITED. The following are the specific objective of the study.
- To trace out of the history and profile of the company.
- To analyze the overall performance of the RAMCO Cements in respect of liquidity efficiency and effectiveness in financial management.
- To find out the various financial ratios related to RAMCO

1.3 SCOPE OF THE STUDY

- . The study entitled “A study on the financial performance of RAMCO CEMENTS PVT LTD” is to analyze the financial performance of RAMCO CEMENTS PVT LTD for the last 5 years.
- The study is based on the financial position of the firm by using Ratio analysis, Trend analysis and Comparative statements. Financial statements help the management to analyze profit, solvency, liquidity and efficiency etc. this analysis will give the exact picture of the company. These studies will also help the management to take managerial decisions. These studies help the management to understand the new possibilities.

1.4 LIMITATION OF THE STUDY

The limitations of the study are as follows

1. The study is covered only to the past financial performance of company under taken for the study.
2. Some of the data has not given by the company due to maintenance of financial secrecy.
3. The period of the study is restricted to last 5 years
4. So the study cannot be covered to all the areas. The financial data cannot be estimated accurately for the future period due to the financial crisis.

we made use of the trading center throughout most of the term. Students calculate and interpret financial data, build spreadsheet models, and make general conclusions about the financial health of a company and its intrinsic value.

1.5 COMPANY PROFIL



Birth Of The Ramco Cements Limited :

In the 1950s, investment in Cement Industry was not attractive due to price controls and the massive investments required. Only those entrepreneurs who were not profit-minded but cared for the country's development came forward to invest in the Cement Industry.

When Shri. Manubai Shah, Central Minister for Industries in late fifties came to Madras to meet the Industrialists, he called upon Shri P A C Ramasamy Raja and requested him to start a cement factory in TN. This was readily accepted by Shri PACR and this marked the birth of The Ramco Cements Limited in 1961.

Concern for Investors:

On the night of September 3, 1962, while the whole city slept, PAC Ramasamy Raja lay on his bed in the Madras General Hospital, seriously ill. As all his near and dear watched with tears in their eyes, PAC Ramasamy Raja summoned his son Ramasubrahmaneya Rajha to his bedside. "There is no more hope", he whispered, "You should take care of everything from now. My main concern is for The Ramco Cements Limited. I have taken a lot of money as shares from well-wishers and I have not paid them back any dividends as yet. This has to be taken care of immediately". Those were his last words.

PACR's Dream Come True:

PACR's last wish was dutifully fulfilled by the former Chairman Shri.P.R.Ramasubrahmaneya Rajah. Today, The Ramco Cements Limited is not only one of the most respected cement companies in the country but also leads in giving the best return to the investors. With a cement capacity of 15.5 millions tons per annum, the company is the fifth largest producer of cement in India. It is also one of the largest wind energy producers in the country with a capacity of 125.95 MW.

Birth of Cement Plants:

The first plant of RCL at Ramasamy Raja Nagar, near Virudhunagar in Tamil Nadu, commenced its production in 1962 with a capacity of 200 tonnes, using wet process. In 70s, the plant switched over to more efficient dry process. A second kiln was also added to bring the total capacity to 15 lakh tons per annum.

The second venture of RCL is its Jayanthipuram plant near Vijayawada in A.P., set up in 1987. The 36.50 lakh ton per annum plant employs the latest state-of-the-art

technology. The third venture of RCL is at Alathiyur in TN. It was set up in 1997 and expanded by addition of another line in 2001. The 30.50 lakh tons per annum plant is the most modern plant in the country.

Ariyalur plant started operations in 2009 with a capacity of 2 MTPA. It is well-equipped with modern quality control systems. Currently Line 2 of the plant with a capacity of another 2 MTPA was commissioned in 2012. Other Ventures: In 2000, RCL acquired Gokul Cements situated in Mathod in Karnataka whose capacity is 2.90 lakh tons per annum. Being an eco-friendly company, RCL set up the Ramco Windfarm in 1993 at Muppandal in TN. This was followed by wind farms in Poolavadi near Coimbatore in 1995, Oothumalai in 2005 and in Mathod - the combined capacity of the wind farms is about 125.95 MW. In the year 1999, RCL commissioned the most sophisticated Ready Mix Concrete Plant in Medavakkam in South Chennai. In 2002, a state-of-art Dry Mortar plant was commissioned near Sriperumpudur, Tamilnadu which manufactures dry mortar, cement based putty and tile fix compound. The Company has four satellite grinding units, located at Chengalpattu and Salem in Tamil Nadu, Kolaghat in West Bengal and Vizag in Andhra Pradesh. The aggregate grinding capacity of the four plants is 40 lac tonnes per annum.

CHAPTER 2

2.1 REVIEW OF LITERATURE

1. Abbie Smith Earnings and management incentives says in Journal of Accounting and Economics Volume 16, Issues 1–3, January–July 1993, Pages 337-347 This comment evaluates the three papers and suggests avenues for future research into the stewardship role of accounting data and opportunistic financial reporting behaviour.

2. Daniel Quan.C , Sheridan Titman Commercial Real Estate Prices and Stock Market Returns: An International Analysis Pages 21-34 | Published online: 02 Jan 2019 This study examines the relation between stock returns and changes in property values and rents based on data from 17 countries. Although we find no relation between real estate values and rents and stock returns in the United States, we find significant relations in a number of other countries. When the data are pooled, the relation between stock returns and both value changes and changes in rental rates is very strong.

3. David Denis J, Diane Denis K Managerial discretion, organizational structure, and corporate performance Journal of Accounting and Economics Volume 16, Issues 1– 3, January–July 1993, Pages 209-236 . this Study examine the impact of highly leveraged transactions on managerial discretion over investment policy using a sample of 39 proposed leveraged recapitalizations. We find significant decreases in undistributed cash flow, capital expenditures, and total assets following completed recapitalizations.

4. George Baker P Growth, corporate policies, and the investment opportunity set Journal of Accounting and Economics Volume 16, Issues 1–3, January–July 1993, Pages 161-165 . The paper is somewhat weekend by the failure

to distinguish between equity value growth and asset growth, and by a sample segmentation technique that separates firms into growth and nongrowth subsamples, and finds that the growth firms are larger and substantially more profitable.

5. Greg Clinch Joseph Magliolo CEO compensation and components of earnings in bank holding companies Journal of Accounting and Economics Volume 16, Issues 1– , January–July 1993, Pages 241-272 . This study analyses the relation between cash compensation of bank CEOs and accounting earnings from selected discretionary transactions. Results indicate that income from discretionary transactions accompanied by cash flow effects is reflected in the CEO compensation function.

6. Ivan Bull Financial performance of leveraged buyouts: An empirical analysis Journal of Business Venturing Volume 4, Issue 4, July 1989, Pages 263-279 . This study compares management performance before and after leveraged buyouts of 25 sample companies. Average performance for the two years before a leveraged buyout is compared to average performance for the two years after a buyout.

7. James Brickley A Stock-based incentive compensation and investment behaviour Journal of Accounting and Economics Volume 16, Issues 1–3, January–July 1993, Pages 349-372 This paper examines how excessive concern over current stock price can motivate managers to use observable investment decisions to manipulate the market's inferences about the firm. The result can be overinvestment or underinvestment.

8. Jennifer Gaver J, Kenneth Gaver Additional evidence on the association between the investment opportunity set and corporate financing, dividend, and compensation policies. Journal of Accounting and Economics Volume 16, Issues 1–3, January–July 1993, Pages 125-160 This paper presents additional evidence on the relation between the investment opportunity set and financing,

dividend, and compensation policies. Our results are based on a sample of 237 growth firms and 237 nongrowth firms.

9. Jothi, K. & Kalaivani, P. (2015) studied the comparative performance of Honda Motors and Toyota Motor that both companies have satisfactory short-term liquidity position. As for as cash ratio concerned Honda company has upper hand upper hand in sound cash management practice during the study period.

10. Kevin Murphy.J , Jerold Zimmerman Financial performance surrounding CEO turnover Journal of Accounting and Economics Volume 16, Issues 1–3, January–July 1993, Pages 273-315. It concludes that turnover-related changes in R&D, advertising, capital expenditures, and accounting accruals are due mostly to poor performance. To the extent that outgoing or incoming managers exercise discretion over these variables, the discretion appears to be limited to firms where the CEO's departure is preceded by poor performance.

11. Karen Hopper wrick Stock-based incentives and investment decisions Journal of Accounting and Economics Volume 16, Issues 1–3, January–July 1993, Pages 373380 A model is developed where suboptimal investment results from compensation plans overemphasizing current stock return.

12 .Kaur Harpreet (2016) the author tries to examine the qualities & quantities performer of Maruti Suzuki co. & how had both impact on its market share in India, for this study secondary data has been collected from annual reports, journals, report automobile sites. Result shows that MSL has been successfully leading automobile sector in India for last few years.

13 .Kumar Mohan M.S, Vasu. V. and Narayana T. (2016) the study has been made through using different ratios, mean, standard deviation and Altman's Z score approach to study the financial health of the company. The study reveals there

is a positive correlation between liquidity and profitability ratios except return on total assets as well as Z score value indicate good health of the company.

14 .KumarNeeraj&KaurKuldip (2016) made an attempt to test the size and profitability relationship in the Indian automobile industry. To analyze the relationship linear regression model as well as cross-sectional has been employed for the year 1998 to 2014. The time series analysis showed the positive relationship between firm size and profitability but cross-sectional show no relationship between firm size and profitability. .

16.Larry Y Highly leveraged transactions and managerial discretion over investment policy Journal of Accounting and Economics Volume 16, Issues 1–3, January–July 1993, Pages 237-245 The evidence indicates that highly levered companies that remain publicly-owned experience improvements in operating performance and reductions in capital expenditures following the leverage boost comparable to those of companies that have gone private.

17. Martin Fridson , Martin S. Fridson Financial Warnings Pages 90-91 | Published online: 02 Jan 2019 . This book provides an encyclopedic checklist for the early detection of negative earnings surprises, including quantitative and time-tested qualitative danger signals.

18. Maheshwari. S N FINANCIAL MANAGEMENT principles and practice pages B.25 – B.130 Ninth edition 2004, This is comprehensive test book shows ratio analysis, categories of ratios.

19. Nicholas Barberis, Richard Thaler Chapter 18 A survey of behavioral finance Handbook of the Economics of Finance Volume 1, Part B, 2003, Pages 1053-1128 The field has two building blocks: limits to arbitrage, which argues that it can be

difficult for rational traders to undo the dislocations caused by less rational traders; and psychology, which catalogues the kinds of deviations from full rationality we might expect to see.

20. Oliver Kim: Yoon Suh Incentive efficiency of compensation based on accounting and market performance Journal of Accounting and Economics Volume 16, Issues 1– 3, January–July 1993, Pages 25-53 .

21. Richard Lamber A The use of accounting and security price measures of performance in managerial compensation contracts Journal of Accounting and Economics Volume 16, Issues 1–3, January–July 1993, Pages 101-123 . The first two papers analyze the role that earnings can play in removing the ‘noise’ in stock price in a rational expectations pricing model. The Sloan paper analytically and empirically examines the role that earnings can play in removing macroeconomic factors from stock price.

22. Richard Sloan G Accounting earnings and top executive compensation Journal of Accounting and Economics Volume 16, Issues 1–3, January–July 1993, Pages 55-100 This paper investigates the role of accounting earnings in top executive compensation contracts. It provides evidence in support of the hypothesis

23. Robert Whaley.E Chapter 19 Derivatives Handbook of the Economics of Finance Volume 1, Part B, 2003, Pages 1129-120 . This chapter reviews the evolution of derivatives contract markets and derivatives research over the past thirty years. The chapter has six complementary sections.

24. Stephen Brown .J The Efficient Market Hypothesis, the Financial Analysts Journal, and the Professional Status of Investment Management Journal of Accounting and Economics Pages 5-14 | Published online: 01 Apr 2020 . The practical implication of the efficient market hypothesis (EMH)

2.1 THEORETICAL REVIEW

RATIO ANALYSIS

A ratio is a mathematical relationship between two items expressed in a quantitative form. Ratio can be defined as Relationship expressed in quantitative terms between figures which have cause and effect relationship which are connected with each other in some manner or the other. Ratio analysis involves the process of computing determining and presenting the relationship of items or groups of items of financial statements.

2.1.1 CURRENT RATIO

The ratio of current assets to current liabilities is called current ratio. In order to measure the short-term liquidity or solvency of a concern, comparison of current assets and current liabilities is inevitable. Current ratio indicates the ability of a concern to meet its current obligations as and when they are due for payment.

Current ratio = Current assets / Current liabilities

2.1.2 ABSOLUTE LIQUIDITY RATIO

This ratio also known as absolute liquidity ratio or super quick ratio. Its calculated when liquidity is highly restricted in terms of cash and cash equivalents.

Cash position ratio = cash and company balances + marketable securities / current liabilities.

2.1.3 WORKING CAPITAL RATIO

A measure comparing the depletion of working capital to the generation of sales over a given period. This provides some useful information as to how effectively a company is using its working capital to generate sales.

Working capital ratio = Net sales / Working Capital

2.1.4 DEBT EQUITY RATIO

The debt-equity ratio is a measure of the relative contribution of the creditors and shareholders or owners in the capital employed in business. Simply stated, ratio of the total long term debt and equity capital in the business is called the debt-equity ratio.

Debt equity ratio = long term debt /shareholders fund

2.1.5 DEBT TO TOTAL CAPITAL RATIO

The debt-to-capital ratio is a measurement of a company's financial leverage. The debt-to-capital ratio is calculated by taking the company's interest-bearing debt, both short- and long-term liabilities and dividing it by the total capital. Total capital is all interest-bearing debt plus shareholders' equity, which may include items such as common stock, preferred stock, and minority interest.

Debt to total capital ratio = debt / share holder fund + debt

2.1.6 DEBT TO TOTAL ASSET RATIO

Total-debt-to-total-assets is a measure of the company's assets that are financed by debt rather than equity. When calculated over a number of years, this leverage ratio shows how a company has grown and acquired its assets as a function of time. Investors use the ratio to evaluate whether the company has enough funds to meet its current debt obligations and to assess whether the company can pay a return on its investment.

Debt to total asset ratio = total debt / total asset

2.1.7 PROPRIETARY RATIO

This ratio is also termed as capital ratio or net worth to total asset ratio. This is one of the variant of debt equity ratio. This shows the relationship between shareholders funds and total assets

Proprietary ratio = Net worth / Total Assets

2.1.8 DEBTORS TURNOVER RATIO

It represents how quickly the debtors are converted into cash. This ratio is used to measure the firms liquidity position. This ratio establishes the relationship between receivables and credit sales. Debtors turnover ratio = Net sales / Average debtors.

2.1.9 FIXED ASSET RATIO

Fixed Assets ratio is a type of solvency ratio long-term solvency which is found by dividing total fixed assets (net) of a company with its long-term funds. It shows the amount of fixed assets being financed by each unit of long-term funds.

It helps to determine the capacity of a company to discharge its obligations towards long-term lenders indicating its financial strength and ensuring its long-term survival.

Fixed asset ratio = fixed asset / long term fund

TREND PERCENTAGE ANALYSIS

The next important tools of analysis are trend percentage which plays significant role in analyzing the financial stature of the enterprise through base years performance ratio computation. This not only reveals the trend movement of the financial performance of the enterprise but also highlights the strengths and weaknesses of the enterprise

The following ratio is being used to compute the trend percentage.

$$\frac{\text{Current year}}{\text{Base year}} = \text{-----} \times 100$$

This trend ratio is being computed for every component for many numbers of years which not only facilitates comparison but also guides the firm to understand the trend path of the firm.

COMPARETIVE BALANCE SHEET

The comparative balance sheet analysis is the study of the trend of the same items, group of items and computed items in two or more balance sheet of the same business enterprise on different dates. The changes in periodic balance sheet items reflect the conduct of a business. The changes can be observed by comparison of the conduct of a business the changes can be observed by comparison of the balance sheet at the beginning at the end of period and these changes can help in forming an opinion about the progress of an enterprise.

Procedure of Comparative Balance Sheet:

- The Comparative balance sheet has two columns for the data of original balance sheet.
- Third column is used to show increases in figures.
- The Fourth column is use to give percentages of increase or decrease.
- Uses of comparative balance sheet:
- Comparative statement helps to comparing the figures with those of the previous years event, it is possible to determine where expenses increased or decreased
- Comparative balance sheet helps to how to plan the following years event.

COMMON SIZE BALANCE SHEET:

A balance sheet in which the items are expressed as percentages of total assets or total liabilities. A common-size statement is most useful when one attempts to compare a company to similar companies of different size or when one is comparing year-to-year variations in capital structure in the same company. This type of financial statement can be used to allow for easy analysis between companies or between time periods of a company.

RESEARCH METHODOLOGY

3.1 RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problem. It may be understood as a science of study how research is done scientifically. In this study the various steps that are generally adopted by the researcher in studying his research problem along with the logic behind them.

Research design

The proposed study is of DESCRIPTIVE IN NATURE. Research design is needed because it facilitates the smooth sailing of the various research operations, thereby making research as efficient as possible. A research design for a particular problem usually involves the consideration of the following factors.

3.2 DATA COLLECTION

SECONDARY DATA

The Secondary have been collected from company annual report, journal, magazine, and website.

3.3 PERIOD OF THE STUDY Study periods from 2016-2017 to 2020-2021.

3.3 TOOLS USED FOR STUDY

The following are major tools used in analysis and interpretation.

- Ratio analysis.
- Common size balance sheet statement.
- Comparative balance sheet statement.

CHAPTER IV

DATA ANALYSIS AND INTERPRETATION

4.1 CURRENT RATIO

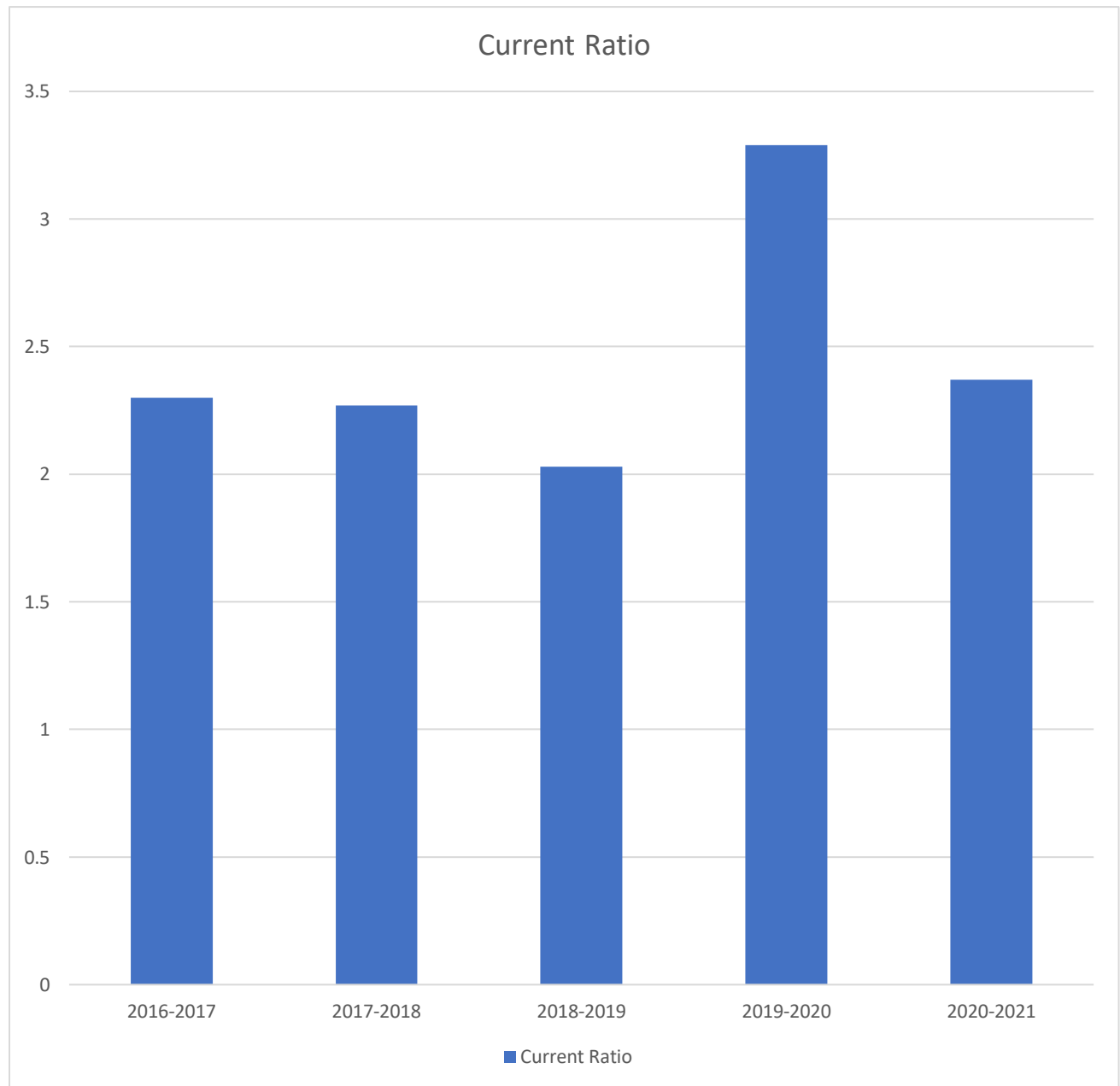
Table 4.1 Current Ratio (Rs. In crore)

Years	Current asset	Current liability	Current Ratio (in times)
2016-2017	265522.10	115078.78	2.30
2017-2018	254541.75	111982.87	2.27
2018-2019	297260.58	146225.58	2.03
2019-2020	296040.62	89711.82	3.29
2020-2021	365015.55	153955.55	2.37

source: company annual report 2016-2017 2020-2021

INTERPRETATION: Year 2016 indicates business can pay debts due within one year out of the current assets. Year 2018 shows low current ratio of 2.03 this indicates that the business is not well placed to pay its debts. A decline in this ratio can be attributable to an increase in short-term debt, a decrease in current assets, or a combination of both.

CHART : 4.1



4.2 ABSOLUTE LIQUIDITY RATIO

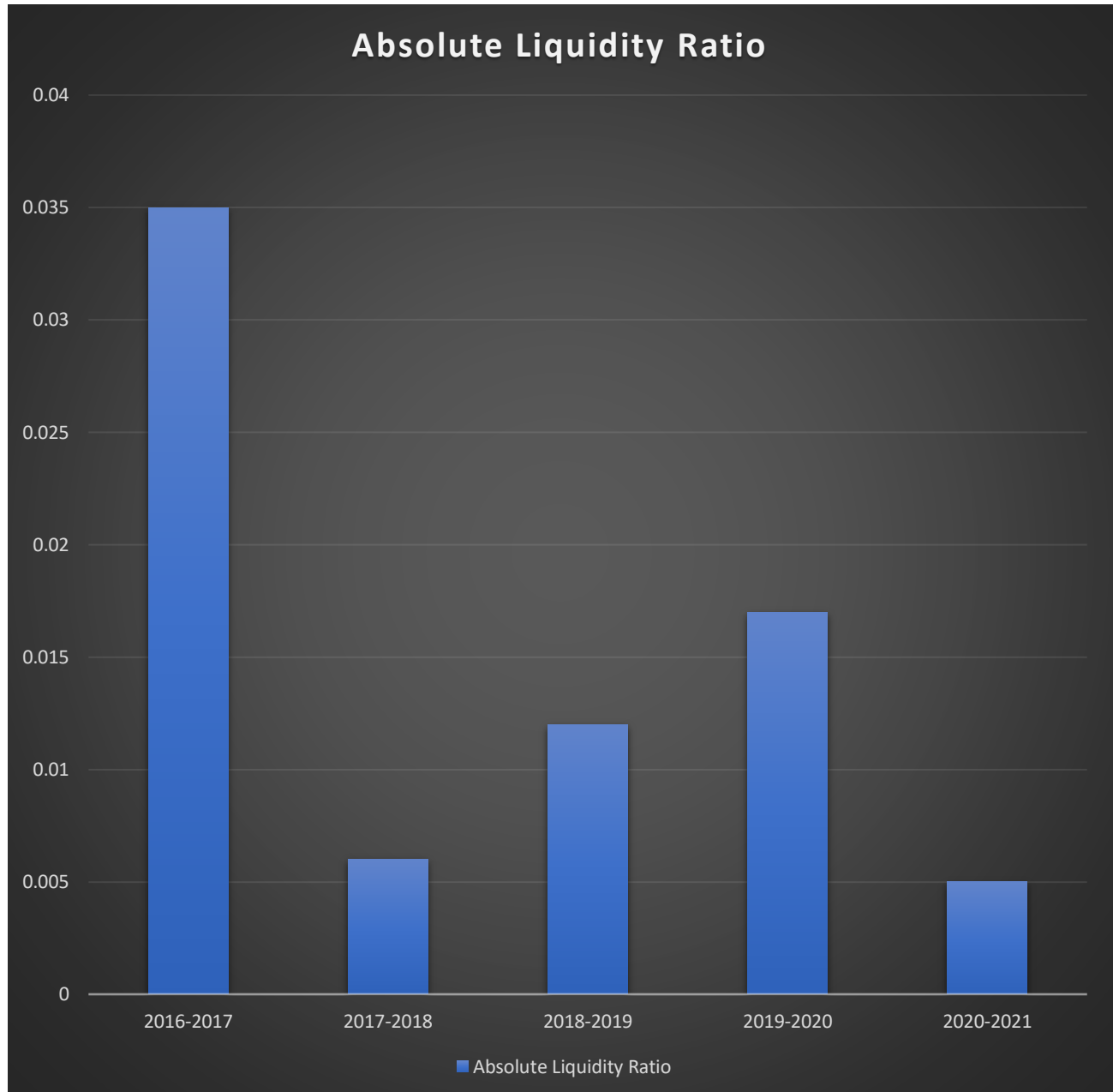
Table 4.2 **ABSOLUTE LIQUIDITY RATIO** (Rs. In crore)

Years	Cash-company	Current liability	Liquidity ratio (in time)
2016-2017	4467.88	115078.78	0.035
2017-2018	1211.05	111982.87	0.006
2018-2019	3132.25	146225.58	0.012
2019-2020	3233.69	89711.82	0.017
2020-2021	336.86	153955.55	0.005

Source: company annual report 2016-2017 2020-2021

INTERPRETATION: From the table, it is inferred that the absolute liquidity ratio is high in the year 2016 and 2019 with 0.017 and low in the year 2018 with 0.006. The current year 2020 cash position ratio has decreased to 0.005 when compared to the previous year 2019 with 0.017

Chart 4.2



4.3 WORKING CAPITAL RATIO

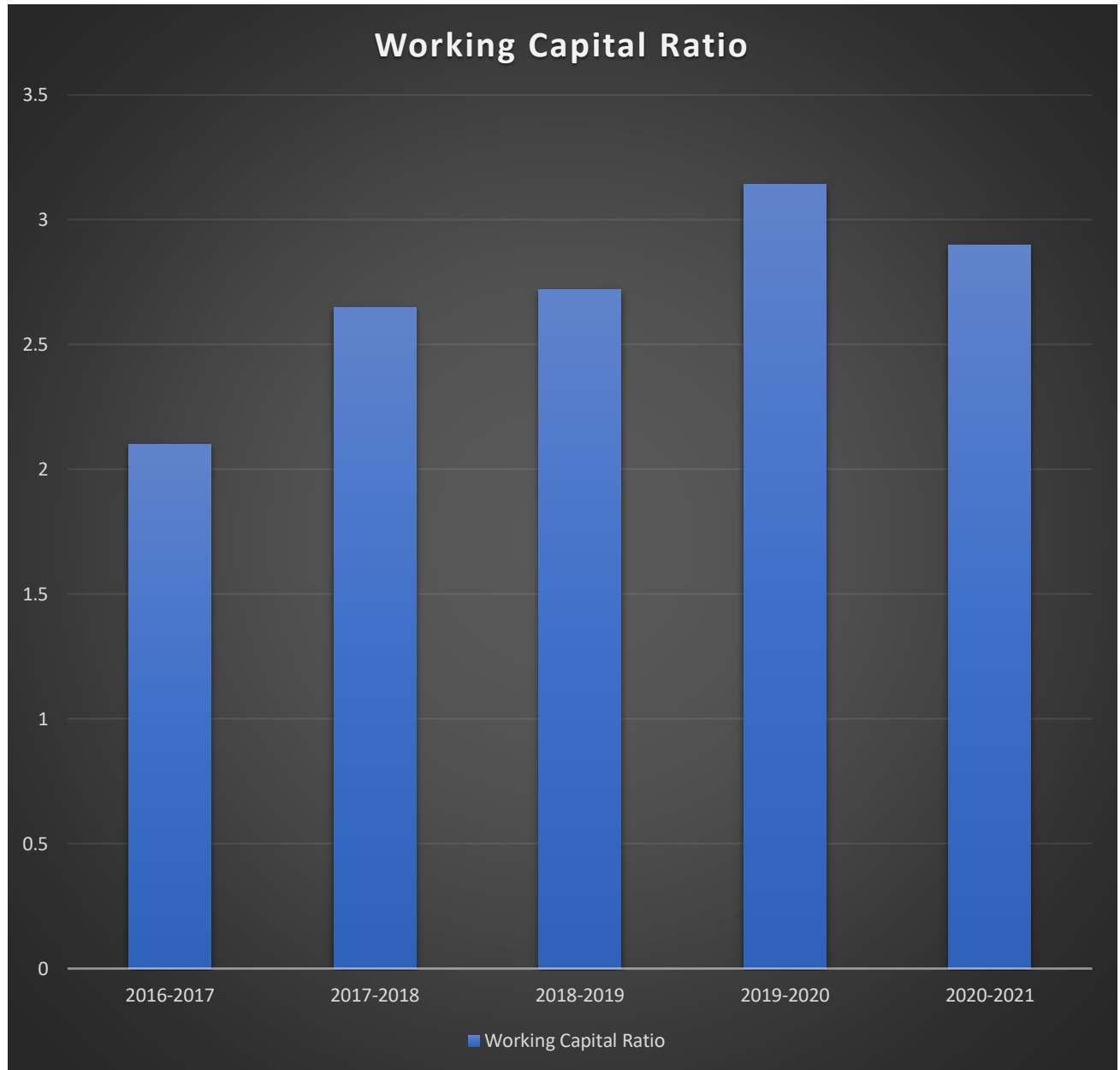
Table 4.3 **WORKING CAPITAL RATIO** (Rs. In crore)

Years	Working capital	sales	Working capital Ratio
2016-2017	1828.57	3856.75	2.10
2017-2018	1627.25	4318.14	2.65
2018-2019	1855.42	5060.24	2.72
2019-2020	1678.88	5285.42	3.14
2020-2021	1789.15	5188.70	2.90

Source: company annual report 2016-2017 2020-2021

INTERPRETATION: From the above table it is found that the dividend payout ratio is found to be in the year 2019 with 3.14 and low in the years 2016,2017 and 2020 with 2.65. the current year 2021 dividend payout ratio is found to be decreasing with 2.90 when compared to the previous year.

CHART 4.3



4.4 DEBT EQUITY RATIO

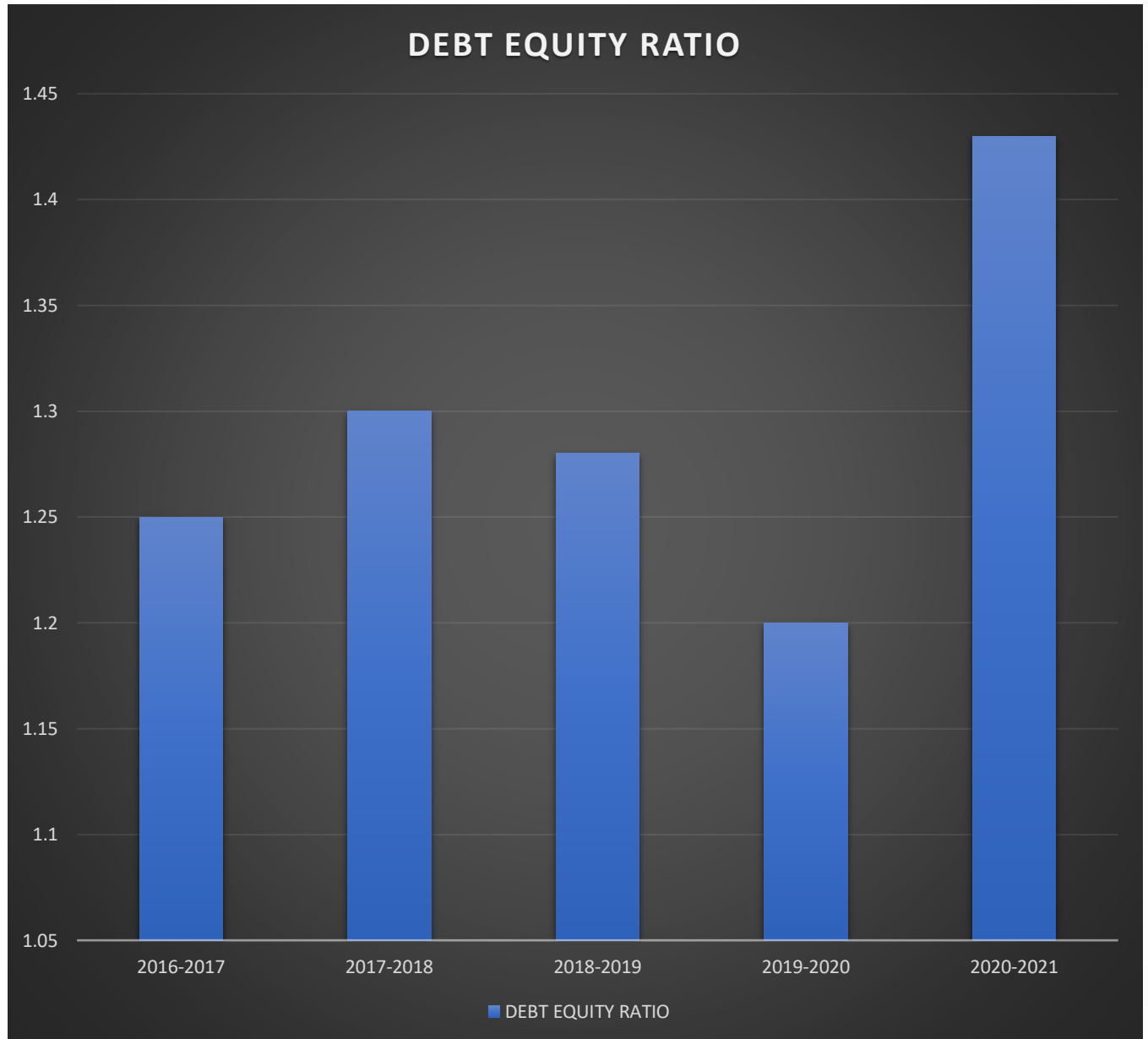
Table 4.4 **DEBT EQUITY RATIO** (Rs. In crore)

Years	Total long term debt	Share holder fund	Debt-equity ratio(time)
2016-2017	659.55	3517.66	1.25
2017-2018	619.81	3489.59	1.30
2018-2019	610.69	3530.98	1.28
2019-2020	559.59	3357.46	1.20
2020-2021	834.43	3325.46	1.43

Source: company annual report 2016-2017 2020-2021

INTERPREATION : The debt-equity ratio is another leverage ratio that compares a company's total liabilities to its total shareholders' equity. In the debt ratio, a lower the percentage means that a company is using less leverage and has a stronger equity position. In the year 2021 the debt equity ratio is higher which means that the company is having a higher leverage

CHART 4.4



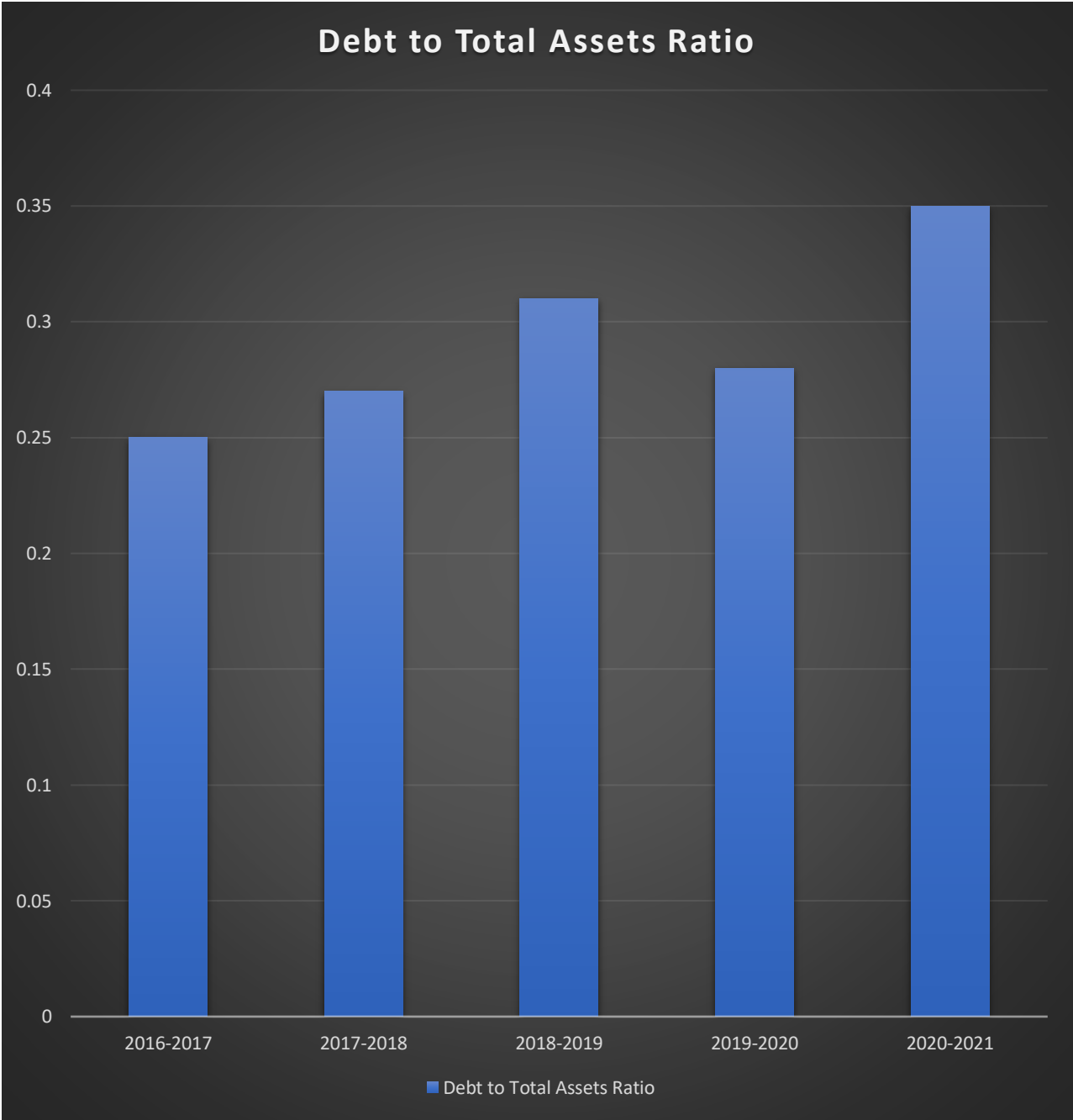
4.5 Debt to total assets ratio

4.6 Table 4.5 **Debt to total assets ratio (Rs in crores)**

Year	Total debt	Total assets	Debt to total assets ratio
2016-2017	954.89	5075.49	0.25
2017-2018	856.75	5149.87	0.27
2018-2019	820.80	5098.59	0.31
2019-2020	764.97	5986.98	0.28
2021-2020	1254.43	7586.79	0.35

Source: company annual report 2016-2017 2020-2021

INTERPRETATION: This enables comparisons of leverage to be made across different companies. The higher the ratio, the higher the degree of leverage, and consequently, financial risk. This is a broad ratio that includes long-term and short-term debt (Long term Borrowings maturing within one year), as well as all assets tangible and intangible. The debt to total asset ratio is higher for the last 3 years this shows that the company has a higher degree of leverage



4.6 FIXED ASSET RATIO

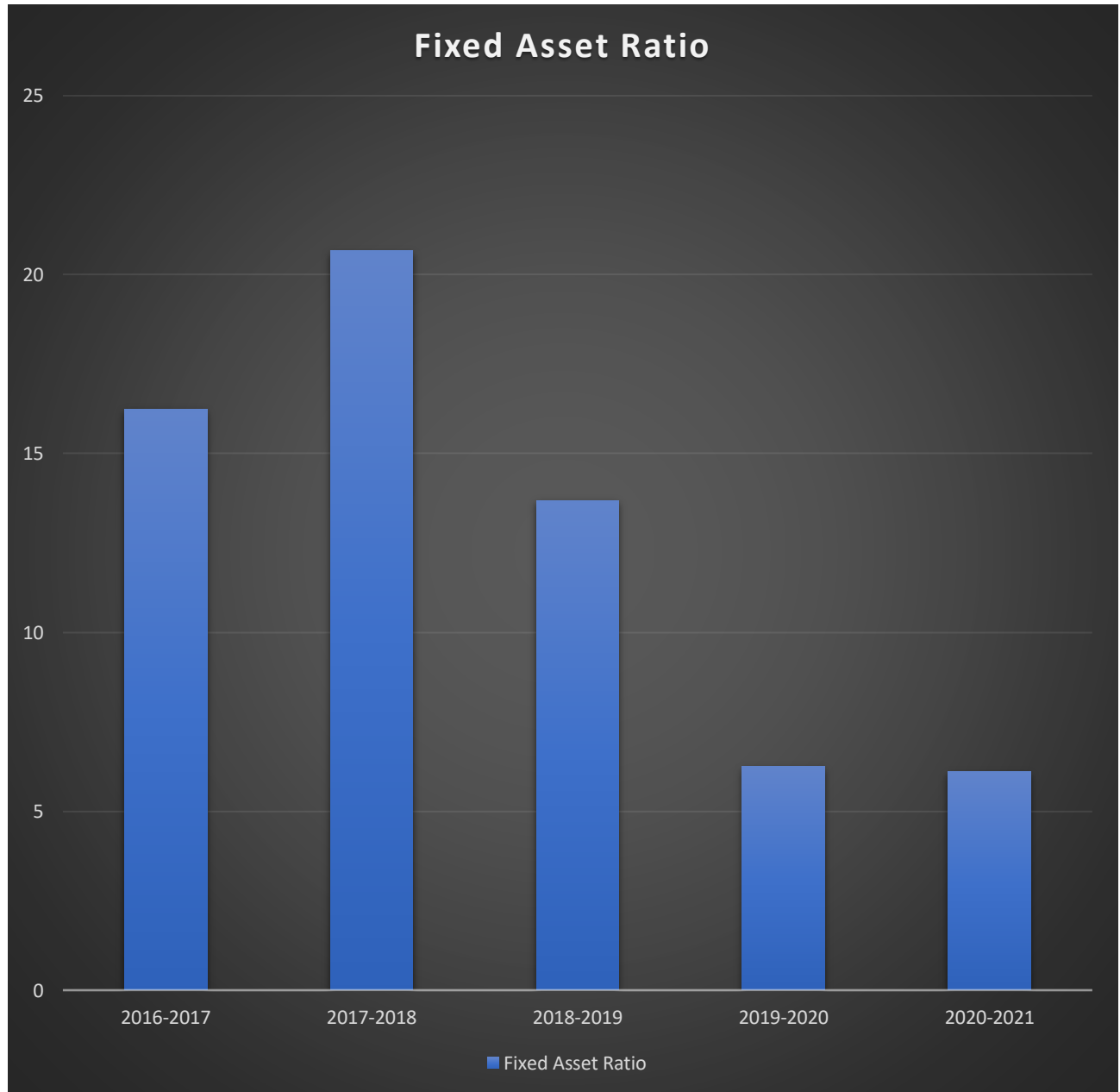
Table 4.6 **FIXED ASSET RATIO** (Rs. In crore)

Years	Fixed asset	Long term fund	Fixed asset ratio (in time)
2016-2017	8177.61	503.63	16.23
2017-2018	8602.98	416.31	20.66
2018-2019	9599.18	701.18	13.69
2019-2020	11465.40	1832.34	6.25
2020-2021	13208.60	2162.62	6.10

Source: company annual report 2016-2017 AND 2020-2021

INTERPRETATION: From the above chart it is inferred that the company has invested same amount in both long term fund and the fixed asset. Even though the current year (2021) fixed assets are in the decreasing rate that the ratios are equal to 6.10. This means that the company fixed asset position is satisfactory.

CHART 4.6



4.7 GROSS PROFIT RATIO (in crore)

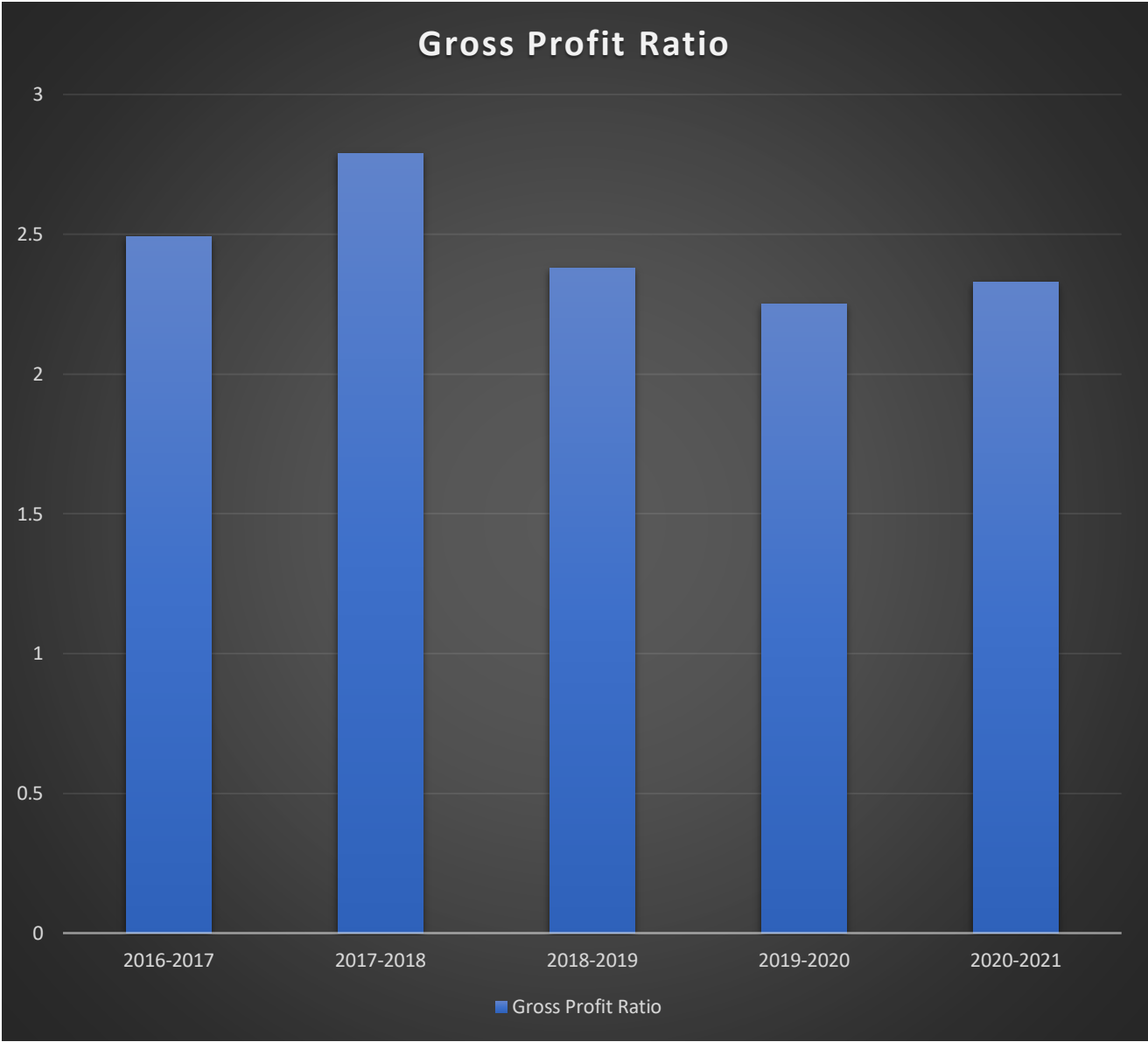
Table 4.7 **GROSS PROFIT RATIO** (Rs. In crore)

Year	Gross profit	Net sales	Gross profit ratio %
2016-2017	1543.88	3856.75	2.49
2017-2018	1545.05	4318.14	2.79
2018-2019	2121.99	5060.24	2.38
2019-2020	2343.49	5285.42	2.25
2020-2021	2221.90	5188.70	2.33

Source: company annual report 2016-2017 2020-2021

INTERPRETATION : The ratio indicates the efficiency of production or trading operations. In 2016 the gross profit margin was 2.49% In 2017 and 2018, the gross profit margin was 2.38% and 0.34 used.

CHART 4.7



4.8 NET PROFIT RATIO

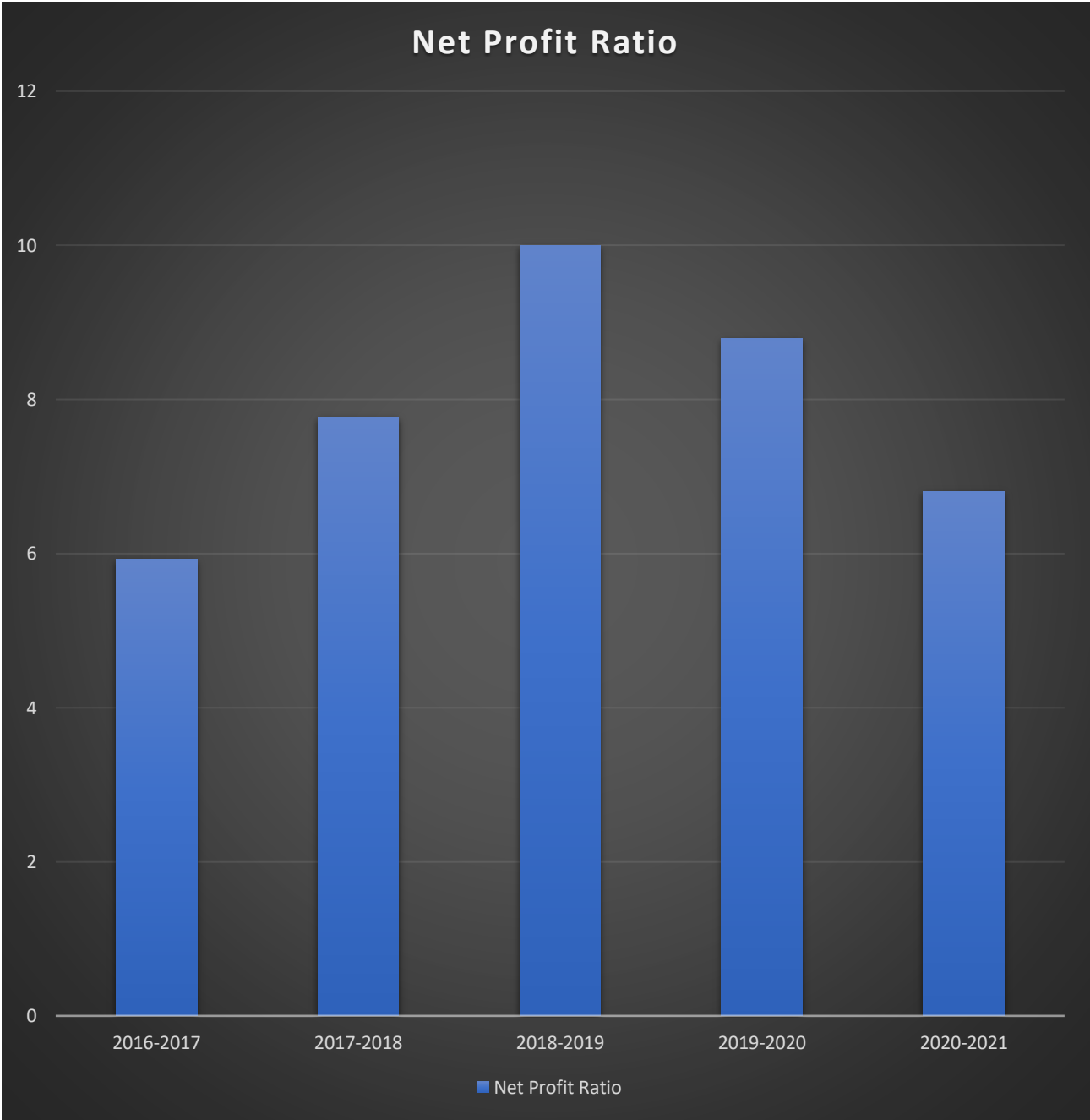
Table 4.8 **NET PROFIT RATIO** (Rs. In crore)

Year	Net profit	Net sales	Net profit ratio %
2016-2017	649.29	3856.75	5.93
2017-2018	555.66	4318.14	7.77
2018-2019	505.89	5060.24	10.00
2019-2020	601.09	5285.42	8.79
2020-2021	761.08	5188.70	6.81

Source: company annual report 2016-2017 2020-2021

INTERPRETATION: In 2016, the company having 5.93 of net profit. In 2017 and 2018, the company having 7.77% and 10.00% of Net Profit. In 2017, The Company Profit Decrease in 2019 and The company profit increase in 2020.

Chart 4.8



4.9 OPERATING PROFIT RATIO

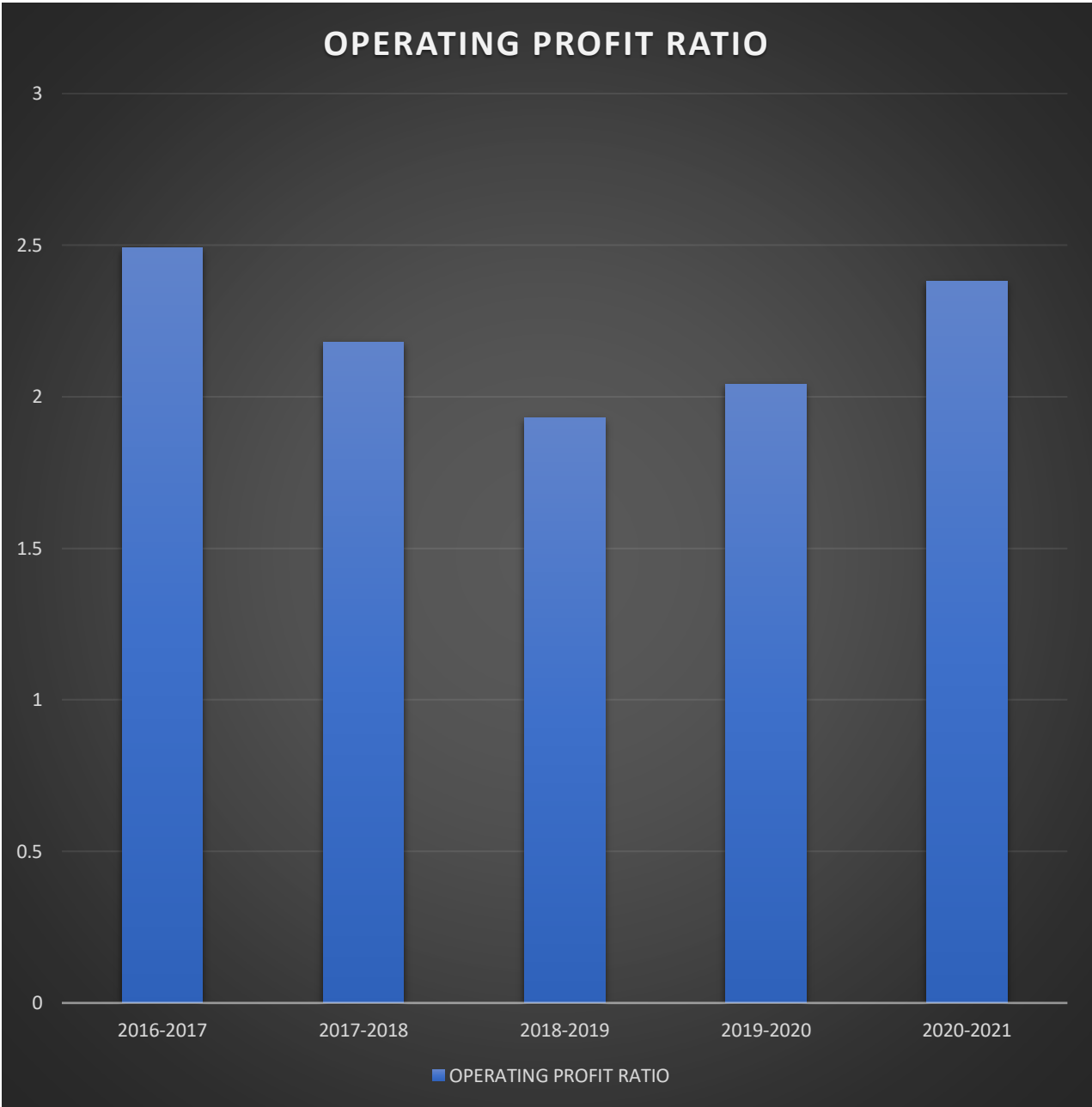
Table 4.9 **OPERATING PROFIT RATIO** Rs. In crore)

Year	Operating expenses	Net sales	Operating profit ratio %
2016-2017	1545.04	3856.75	2.49
2017-2018	1972.86	4318.14	2.18
2018-2019	2614.98	5060.24	1.93
2019-2020	2579.70	5285.42	2.04
2020-2021	2172.86	5188.70	2.38

Source: company annual report 2016-2017 2020-2021

INTERPRETATION: In 2016 the company having 2.49 of operating profit. In 2017 and 2018, the company having 2.18 and 1.93 of operating profit. In 2017, the company profit decrease 2019 and the company profit increase in 2021

Chart 4.9



4.10 DEBTORS TURNOVER RATIO (in CR)

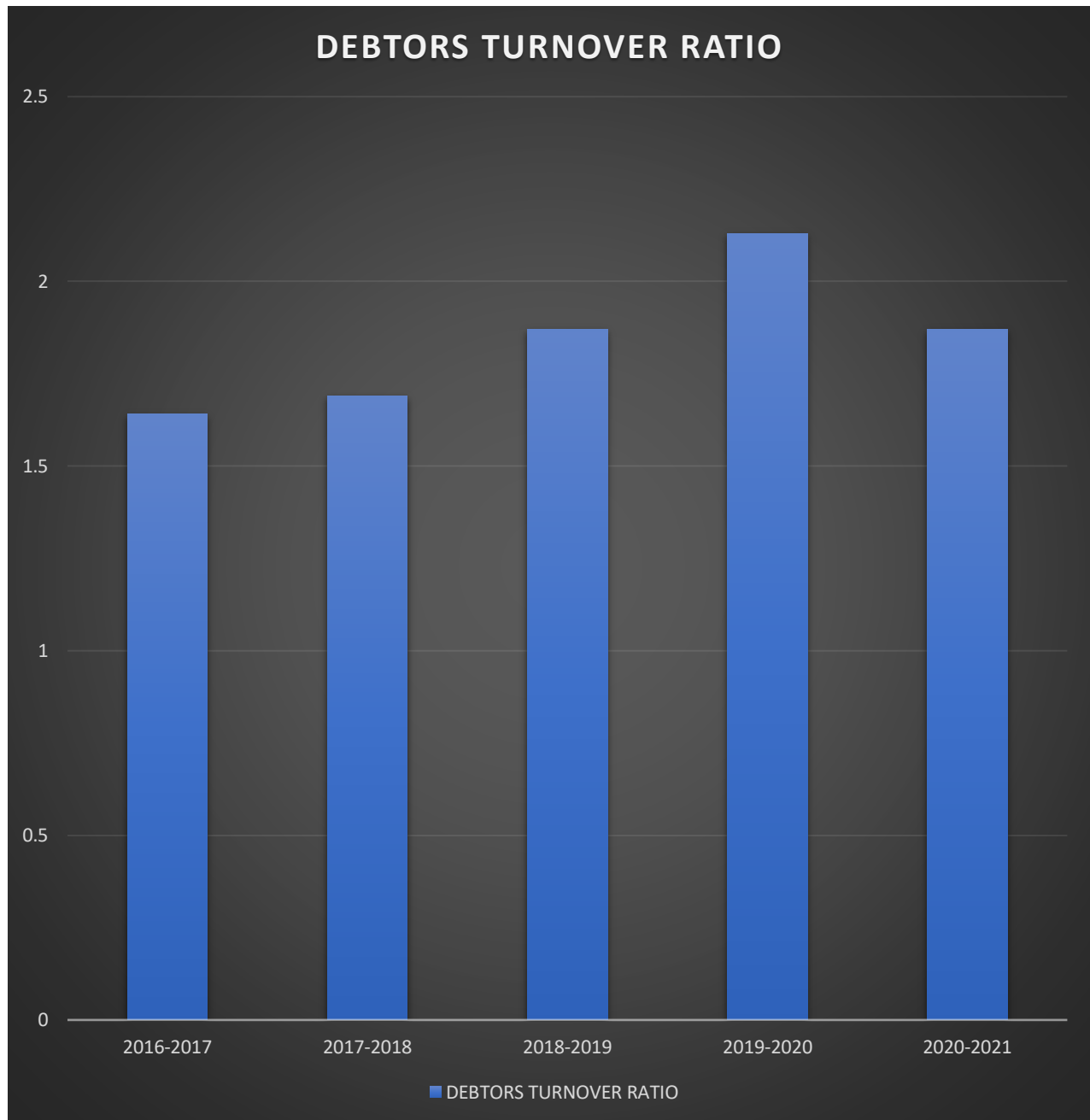
Table 4.10 DEBTORS TURNOVER RATIO (in CR)

Year	Net sales	Average debtors	Debtors turnover ratio(in time)
2016-2017	3856.75	2345.84	1.64
2017-2018	4318.14	2548.93	1.69
2018-2019	5060.24	2699.31	1.87
2019-2020	5285.42	2480.79	2.13
2020-2021	5188.70	2760.69	1.87

Source: company annual report 2016-2017 2020-2021

INTERPRETATION : A higher debtors turnover ratio is more is more favourable compared with a higher ratio analysis. if debtors turnover ratio reveal that it is decreasing in the last year signifying that there is an improvement in the utilization

Chart 4.10



CHAPTER V

FUNDING, SUGGESTIONS, CONCLUSION

5.1 FINDING

1. The current year (2021) current ratio is found to be 2.37 it is in a increasing position.
2. The current year (2021) absolute liquidity ratio is found to be the lowest (0.005) due to the increase in the liabilities.
3. The current year (2021) working capital ratio has decreased to when compared 2.90 to the previous year 2020 with 3.14
4. The current year (2021) debt equity ratio is found to be increasing with 1.43 when compared to the previous year with 1.20. This is due to the increase in the net profit
5. In the year 2021 the debt to total asset is higher which means that the company is having a higher leverage the current year (2021) fixed assets are in the increasing rate that the ratios are equal to 0.002. This means that the company fixed asset position is satisfactory .
6. The current year (2021) and the previous year (2020) ratio is high with 6.10 .This shows that the company debts are very high and involves higher risk of insolvency.
7. The current year 2021 gross profit ratio has increase to 2.33 when compared to the previous year 2020 with 2.25
8. The current year 2021 net profit ratio has decrease to 6.81. when compared to the previous year 2020 with 8.79
9. The current year operation profit ratio has increase to 2.38. when compared to the previous year 2020 with 2.04
10. The current year debtors turnover ratio has decrease to 1.87. when compared to the previous year with 2.13.

5.2 SUGGESTIONS

1. Company may look into the measures how to reduce the Loans and Advances in the coming periods.
2. Company may look into maintain the current assets and current liabilities. Current liabilities may reduce coming periods.
3. It is suggested to the company can strongly focus on cost reduction strategy that will make a company more profitability.
4. The company has a bright future if it concentrates more on its working capital short term, investments, thus achieving the overall objectives of the company.
5. Thus it is essential to avoid excessive liquidity but to maintain sufficient liquidity to ensure smooth running of the company operation.
6. The company has better liquidity position and has to maintain same in the future.
7. In the comparative statement of for the year 2020 and 2021 the current assets of the year 2021 has been decreased to a great extent. And that the company has decrease its liabilities and increase it asset to have a good liquidity position
8. In all the 5 years the Ramco cement Company has sold its fixed asset and reduced its reserves to pay its bills and that care to be taken so that the company should have a fixed amount as reserve for future.
9. In the current ratio of Ramco cement even though the current assets are twice as current liabilities there is a fluctuation in the current ratio. The company should take proper steps to make the ratio in a constant term.
10. In the debt ratio of ramco cement, a lower the percentage means that a company is using less leverage and has a stronger equity position. In the year 2021 the ratio is higher (9.67%) which means that the company is having a higher leverage.

5.3 CONCLUSION

The efficient and smooth functioning of all the activities of the company depends upon the financial performance of the company. The financial performance analysis thus is a forward-looking exercise as it is helpful in future financial planning decision making. It determine to analysis forecasting future financial position. Through financial statement analysis, the present position and operating efficiency of the firm as a whole and its different departments can be identified. Further, the reasons for change in the profitability financial position of the firm can be found and necessary measures can be taken. Financial performance can improve the financial strength of company. The company liquidity position has to increase and it will solve future problem. The company is maintaining the reserves and surplus better so it can face financial stress in the future. To proper maintain of financial performance to achieve the company goal By analysing the financial performance of the company of the Company it is inferred that the company financial position is found to be good. The ratios of the company are satisfactory. The profitability of the company is satisfactory but does not show a higher change in the profit when compared with the previous years.

REFERENCE

JOURNALS:

Abe De Jong, et al, 2008, **Capital structure around the world**, the role of firm and country's specific determinants, Journal of Banking & Finance, 32(9), pp.1954-1969.

Dirnitios Louzius, 2012, A comparative study of mortgage, Business and consumer loan portfolios, journal of Banking & Finance, 36(4), pp.1012-1027

Malcom and Jeffrey Wurgler, 2002, Market Timing and Capital Structure, Journal of Finance, HBS

Nadia Zedek, 2016, Product diversification and bank performances: Does ownership structure matter? Journal of Banking & finance, 71, pp.154-167

Yusuf, G, and Hakan C, 2011, data Envelopment Analysis: An augmented method for the analysis of firm performance, International release journal of finance and economics, 79

BOOKS:

John Wild. J Financial Accounting 7th Edition 2017.

Maheshwari S.N Financial Management 9th Edition 2004.

Moorthy. A Financial Management 9th Edition 2018.

Murphy K.R. and Cleveland, J.N. Performance Appraisal: An Organizational Perspective, Boston: Allyn and Bacon, 1991

Palmer, J.K. and Feldman, Jack M, "Accountability and Need for Cognition Effects on Contrast, Halo, and Accuracy in Performance Ratings", Journal of Psychology, 139 (2), 2005, 119-137

APPENDIX

COMPARATIVE BALANCE SHEET

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

			₹ In Crores
	Note No.	31-03-2017	31-03-2016
REVENUE			
Revenue from operations	36	4,564.23	4,130.91
Other Income	37	42.80	88.43
Total Revenue		<u>4,607.03</u>	<u>4,219.34</u>
EXPENSES			
Cost of Materials Consumed	38	640.58	578.88
Purchase of Stock-in-Trade	39	31.07	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress	40	14.94	9.94
Excise Duty on Sale of Goods	41	614.69	557.65
Employee Benefits Expense	42	277.73	258.70
Finance Costs	43	103.52	181.86
Depreciation and Amortization Expense	44	265.53	304.79
Other Expenses	45	1,808.82	1,654.15
Total Expenses		<u>3,756.88</u>	<u>3,545.97</u>
Profit Before Tax		850.15	673.37
Tax Expenses	28		
Current Tax		187.00	149.76
Excess tax provision related to earlier years written back		-	(23.84)
Net Current tax expenses		<u>187.00</u>	<u>125.92</u>
Deferred Tax		15.90	24.52
MAT Credit Recognition for Current year		-	(19.26)
MAT Credit Recognition for Previous year		(2.04)	-
Net Deferred tax expenses		<u>13.86</u>	<u>5.26</u>
Total Tax Expenses		<u>200.86</u>	<u>131.18</u>
Profit for the year	(A)	<u>649.29</u>	<u>542.19</u>
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurement losses on defined benefit obligations (net)		(3.57)	(2.84)
Deferred Tax credit on above		1.24	0.98
Fair value gain/(loss) on Equity Instruments through OCI		1.09	(0.18)
Total Other Comprehensive Income for the year, net of tax	(B)	<u>(1.24)</u>	<u>(2.04)</u>
Total Comprehensive Income for the year	(A) + (B)	<u>648.05</u>	<u>540.15</u>
Earnings per equity share of face value of ₹1 each	50		
Basic and Diluted in Rupees		27	23
<i>Significant Accounting Policies, Judgments and Estimates</i>	1 - 6		
<i>See accompanying notes to the financial statements</i>	7 - 57		

BALANCE SHEET AS AT 31ST MARCH 2018

	Note No.	31-03-2018	₹ In Crores 31-03-2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7	5,008.78	4,877.28
Capital Work in Progress	8	150.03	97.42
Investment Property	9	237.57	240.63
Intangible Assets	10	51.76	65.10
Intangible Assets under Development	11	24.89	22.84
Investments in Subsidiary and Associates	12	131.90	121.79
Financial Assets			
<i>Other Investments</i>	12a	27.37	26.53
<i>Loans</i>	13	41.84	46.29
<i>Other Financial Assets</i>	14	15.66	9.81
Other Non-Current Assets	15	102.34	82.62
		<u>5,792.14</u>	<u>5,590.31</u>
Current Assets			
Inventories	16	559.94	575.43
Financial Assets			
<i>Trade Receivables</i>	17	442.31	554.90
<i>Cash and Cash Equivalents</i>	18	88.21	81.65
<i>Bank Balances other than Cash and Cash Equivalents</i>	19	31.20	36.43
<i>Loans</i>	20	31.10	27.26
Other Financial Assets	21	57.71	31.23
Other Current Assets	22	87.81	111.69
		<u>1,298.28</u>	<u>1,418.59</u>
Total Assets		<u>7,090.42</u>	<u>7,008.90</u>
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	23	23.56	23.81
Other Equity	24	4,018.62	3,717.70
		<u>4,042.18</u>	<u>3,741.51</u>
Non Current Liabilities			
Financial Liabilities			
<i>Borrowings</i>	25	416.31	503.63
Provisions	26	8.65	3.61
Deferred Tax Liabilities (net)	27	759.68	728.14
Deferred Government Grants	28	12.71	11.48
		<u>1,197.35</u>	<u>1,246.86</u>
Current Liabilities			
Financial Liabilities			
<i>Borrowings</i>	29	582.64	634.51
<i>Trade Payables</i>	30	267.14	255.79
<i>Other Financial Liabilities</i>	31	775.42	997.84
Other Current Liabilities	32	143.16	80.38
Provisions	33	48.43	46.51
Deferred Government Grants	34	1.13	0.96
Liabilities for Current tax	35	32.97	4.54
		<u>1,850.89</u>	<u>2,020.53</u>
Total Equity and Liabilities		<u>7,090.42</u>	<u>7,008.90</u>
<i>Significant Accounting Policies, Judgments and Estimates</i>	1 - 6		
<i>See accompanying notes to the financial statements</i>	7 - 56		

BALANCE SHEET AS AT 31ST MARCH 2019

	Note No.	As at 31.03.2019 ₹ In Lakhs	As at 31.03.2018 ₹ In Lakhs
I ASSETS			
(1) Non - Current Assets			
(a) Property, Plant and Equipments	6	43,483.52	41,759.65
(b) Capital Work-in-progress	6	490.58	990.48
(c) Intangible Assets	6	750.61	602.16
(d) Investment Property	7	66.35	69.77
(e) Investment in Subsidiary & Associates	8 (A)	2,44,027.90	2,33,149.43
(f) Financial Assets			
Other Investment	8 (B)	3,690.46	3,416.44
Other Financial Assets	9	660.83	555.59
(g) Other Non-Current Assets	10	218.62	251.00
		<u>2,93,388.87</u>	<u>2,80,794.52</u>
(2) Current Assets			
(a) Inventories	11	28,678.58	28,450.91
(b) Financial Assets			
Trade Receivables	12	9,460.27	8,950.98
Cash and Cash Equivalents	13	6,351.51	4,366.47
Other Financial Assets	14	244.92	224.71
(c) Current Tax Asset		10,446.62	7,080.22
(d) Other Current Assets	15	2,040.91	1,666.25
		<u>57,222.81</u>	<u>50,739.54</u>
TOTAL ASSETS		<u>3,50,611.68</u>	<u>3,31,534.06</u>
II EQUITY & LIABILITIES			
(1) Share Holders Fund			
(a) Equity Share Capital	16	866.63	866.63
(b) Other Equity	17	3,04,350.51	2,87,682.36
Total Equity		<u>3,05,217.14</u>	<u>2,88,548.99</u>
(2) Non Current Liabilities			
(a) Financial Liabilities			
Borrowings	18	2,560.92	5,570.44
(b) Deferred Tax Liabilities (Net)	19	5,581.73	3,364.10
(c) Deffered Government Grants	20	139.13	150.83
		<u>8,281.78</u>	<u>9,085.37</u>
(3) Current Liabilities			
(a) Financial Liabilities			
Borrowings	21	13,171.87	13,003.27
Trade Payables			
Dues of Micro and Small Enterprises	22	71.59	-
Dues of creditors other than Micro and Small Enterprises	22	4,751.09	4,932.69
Other Financial Liabilities	23	9,741.85	8,524.52
Deferred Government Grants		11.69	11.70
(b) Other Current Liabilities	24	2,093.67	2,415.93
(c) Provisions	25	7,271.00	5,011.59
		<u>37,112.76</u>	<u>33,899.70</u>
TOTAL EQUITY & LIABILITIES		<u>3,50,611.68</u>	<u>3,31,534.06</u>
Significant Accounting Policies, Judgements & Estimates	1-5		
See accompanying notes to the financial statements.	6-48		

BALANCE SHEET AS AT 31ST MARCH 2020

	Note No	As at 31-Mar-2020 ₹ in Lakhs	As at 31-Mar-2019 ₹ in Lakhs
I ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipments	6	43,232.21	40,651.68
Capital Work -in- Progress	6	1,877.88	91.21
Intangible Assets	6	575.04	750.61
Investment Property	7	65.16	66.35
Investment in Subsidiaries and Associates	8-A	25,015.20	22,271.90
Financial Assets			
Other investment	8-B	3,042.85	3,690.46
Loans	9	331.77	411.57
Other Financial Assets	9	767.19	654.67
Other Non - Current Assets	10	512.31	204.17
		<u>75,419.61</u>	<u>68,792.62</u>
CURRENT ASSETS			
Inventories	11	31,710.27	25,111.22
Financial Assets			
Trade Receivables	12	7,818.20	9,324.64
Cash and Cash Equivalents	13	1,706.01	989.48
Other Financial Assets	14	188.95	244.92
Current Tax Assets		5,964.28	6,188.39
Other Current Assets	15	3,356.33	1,957.92
		<u>50,744.04</u>	<u>43,816.57</u>
TOTAL ASSETS		<u><u>1,26,163.65</u></u>	<u><u>1,12,609.19</u></u>
II EQUITY AND LIABILITIES			
SHARE HOLDERS' FUND			
Equity Share Capital	16	866.63	866.63
Other Equity	17	77,603.84	72,650.67
Total Equity		<u>78,470.47</u>	<u>73,517.30</u>
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	18	2,573.76	2,560.92
Other Financial Liabilities	19	213.67	-
Deferred Tax Liability (Net)	20	1,812.44	861.65
Deferred Government Grants	21	127.43	139.13
		<u>4,727.30</u>	<u>3,561.70</u>
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	22	18,168.67	13,171.87
Trade Payables			
Dues of Micro and Small Enterprises	23	328.24	71.59
Dues of creditors other than Micro and Small Enterprises	23	5,718.59	3,835.86
Other financial Liabilities	24	9,625.46	9,602.24
Deferred Government Grants		11.70	11.69
Other Current liabilities	25	1,902.26	1,857.99
Provisions	26	7,210.96	6,978.95
		<u>42,965.88</u>	<u>35,530.19</u>
TOTAL EQUITY & LIABILITIES		<u><u>1,26,163.65</u></u>	<u><u>1,12,609.19</u></u>
Significant Accounting Policies, Judgements and Estimates	1-5		
See accompanying notes to the financial statements	6-51		

BALANCE SHEET

as at 31st March 2021

		₹ in Crores	
Particulars	Note No.	31-03-2021	31-03-2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	6	6,662.86	5,731.63
Capital Work in Progress	7	2,325.46	1,814.27
Investment Property	8	236.02	238.81
Intangible Assets	9	57.71	56.66
Intangible Assets under Development	10	29.73	26.10
Investments in Subsidiaries & Associates	11	173.04	163.09
Financial Assets			
<i>Other Investments</i>	12	27.88	25.61
<i>Loans</i>	13	70.40	60.05
<i>Other Financial Assets</i>	14	21.36	18.86
Other Non-Current Assets	15	290.14	343.95
		9,894.60	8,479.03
Current Assets			
Inventories	16	597.90	645.26
Financial Assets			
<i>Trade Receivables</i>	17	375.18	526.85
<i>Cash and Cash Equivalents</i>	18	106.14	61.20
<i>Bank Balances other than Cash and Cash Equivalents</i>	19	35.72	30.22
<i>Loans</i>	20	27.70	29.79
<i>Other Financial Assets</i>	21	133.50	102.43
Current Tax Assets	22	0.70	2.29
Other Current Assets	23	174.32	169.93
		1,451.16	1,567.97
Total Assets		11,345.76	10,047.00
EQUITY & LIABILITIES			
Equity			
Equity Share Capital	24	23.59	23.56
Other Equity	25	5,603.21	4,895.00
		5,626.80	4,918.56
Non Current Liabilities			
Financial Liabilities			
<i>Borrowings</i>	26	2,162.62	1,832.34
<i>Lease Liabilities</i>	27	7.95	8.06
Provisions	28	32.06	24.03
Deferred Tax Liabilities (net)	29	1,087.65	917.23
Deferred Government Grants	30	11.45	12.83
		3,301.73	2,794.49
Current Liabilities			
Financial Liabilities			
<i>Borrowings</i>	31	939.10	1,191.75
<i>Lease Liabilities</i>	31a	0.11	0.10
<i>Trade Payables</i>	32		
- <i>Total outstanding dues of micro enterprises and small enterprises</i>		4.15	14.15
- <i>Total outstanding dues of creditors other than micro enterprises and small enterprises</i>		359.28	327.29
<i>Other Financial Liabilities</i>	33	890.82	668.15
Other Current Liabilities	34	190.38	102.09
Provisions	35	32.01	29.04
Deferred Government Grants	36	1.38	1.38
		2,417.23	2,333.95
Total Equity and Liabilities		11,345.76	10,047.00
Significant Accounting Policies, Judgments and Estimates	1 - 5		
See accompanying notes to the financial statements	6 - 64		

PROFIT AND LOSS ACCOUNT

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

			₹ In Crores
	Note No.	31-03-2017	31-03-2016
REVENUE			
Revenue from operations	36	4,564.23	4,130.91
Other Income	37	42.80	88.43
Total Revenue		4,607.03	4,219.34
EXPENSES			
Cost of Materials Consumed	38	640.58	578.88
Purchase of Stock-in-Trade	39	31.07	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress	40	14.94	9.94
Excise Duty on Sale of Goods	41	614.69	557.65
Employee Benefits Expense	42	277.73	258.70
Finance Costs	43	103.52	181.86
Depreciation and Amortization Expense	44	265.53	304.79
Other Expenses	45	1,808.82	1,654.15
Total Expenses		3,756.88	3,545.97
Profit Before Tax		850.15	673.37
Tax Expenses	28		
Current Tax		187.00	149.76
Excess tax provision related to earlier years written back		-	(23.84)
Net Current tax expenses		187.00	125.92
Deferred Tax		15.90	24.52
MAT Credit Recognition for Current year		-	(19.26)
MAT Credit Recognition for Previous year		(2.04)	-
Net Deferred tax expenses		13.86	5.26
Total Tax Expenses		200.86	131.18
Profit for the year	(A)	649.29	542.19
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurement losses on defined benefit obligations (net)		(3.57)	(2.84)
Deferred Tax credit on above		1.24	0.98
Fair value gain/(loss) on Equity Instruments through OCI		1.09	(0.18)
Total Other Comprehensive Income for the year, net of tax	(B)	(1.24)	(2.04)
Total Comprehensive Income for the year	(A) + (B)	648.05	540.15
Earnings per equity share of face value of ₹1 each	50		
Basic and Diluted in Rupees		27	23
<i>Significant Accounting Policies, Judgments and Estimates</i>	1 - 6		
<i>See accompanying notes to the financial statements</i>	7 - 57		

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

₹ In Crores

	Note No.	31-03-2018	31-03-2017
REVENUE			
Revenue from operations	36	4,566.31	4,564.23
Other Income	37	36.64	43.51
Total Revenue		4,602.95	4,607.74
EXPENSES			
Cost of Materials Consumed	38	736.68	624.38
Purchase of Stock-in-Trade	39	30.00	31.07
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress	40	(16.10)	14.94
Excise Duty on Sale of Goods	41	159.95	614.69
Employee Benefits Expense	42 & 49	303.98	277.73
Finance Costs	43	59.21	103.52
Depreciation and Amortization Expense	44	292.20	284.49
Transportation and Handling Expenses		928.10	738.27
Power and Fuel		729.07	516.41
Other Expenses	45	595.20	552.09
Total Expenses		3,818.29	3,757.59
Profit Before Tax		784.66	850.15
Tax Expenses	27		
Current Tax		204.54	187.00
Excess tax provision related to earlier years written back		(4.86)	-
Net Current tax expenses		199.68	187.00
Deferred Tax		22.02	15.90
Deferred tax adjustments of earlier year		7.30	(2.04)
Net Deferred tax expenses		29.32	13.86
Total Tax Expenses		229.00	200.86
PROFIT FOR THE YEAR	A	555.66	649.29
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurement losses on defined benefit obligations (net)	49	(0.28)	(3.57)
Deferred Tax (charge)/credit on above	27	(2.22)	1.24
Fair value gain/(loss) on Equity Instruments through OCI	12a	0.78	1.09
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR	B	(1.72)	(1.24)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(A) + (B)	553.94	648.05
Earnings per equity share of face value of ₹ 1 each	50		
Basic and Diluted in ₹		23	27
<i>Significant Accounting Policies, Judgments and Estimates</i>	1 - 6		
<i>See accompanying notes to the financial statements</i>	7 - 56		

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

INCOME	Note No.	2018-19 ₹ in Lakhs	2017-18 ₹ in Lakhs
1 Revenue from Operations	26	1,03,649.55	95,882.91
2 Other Income	27	1,907.55	2,252.68
3 Other Finance Income	28	499.97	866.31
4 Total Revenue		1,06,057.07	99,001.90
5 Expenses			
Cost of Materials Consumed	29	52,982.67	48,880.69
Cost of Resale materials		176.98	76.56
Changes in Inventories of Finished Goods and Work-in-progress	30	863.35	1,286.87
Excise Duty on Sale of Goods		-	2,677.88
Employee Benefit Expense	31	9,147.13	8,061.48
Finance Costs	32	1,510.57	2,165.54
Depreciation and Amortization Expenses	6	2,949.15	2,790.20
Other Expenses	33	27,708.40	23,129.55
Total Expenses		95,338.25	89,068.77
6 Profit / (Loss) Before Exceptional items and Tax		10,718.82	9,933.13
7 Exceptional items	34	-	1,264.97
8 Profit / (Loss) Before Tax		10,718.82	11,198.10
9 Income Tax Expenses			
Current Tax	36	2,534.28	2,914.20
Deferred Tax	36	2,243.29	1958.82
Mat Credit	36	(1509.93)	(1553.50)
Total Tax Expenses		3,267.64	3,319.52
10 Profit / (Loss) for the year		7,451.18	7,878.58
11 Share of Profit/(Loss) of Associates		9,783.87	9,723.70
12 Total Profit for the Year		17,235.05	17,602.28
13 Other Comprehensive Income			
Item that will not be reclassified to profit / (loss) in subsequent periods			
Acturaial Gain / (Loss) on defined benefit obligation (net)		(60.60)	67.99
Fair value gain/(loss) on Equity Instruments through OCI (Net)		274.78	604.41
14 Total Comprehensive Income for the year before share of OCI of Associates net of tax		214.18	672.40
15 Share of OCI of Associates		94.12	(62.00)
Total Comprehensive Income for the year net of tax		308.30	610.40
16 Total Comprehensive Income for the year Net of Tax		17,543.35	18,212.68
Earnings per equity share of face value of ₹ 1 each		20.63	21.07
Basic & Diluted (in ₹)		₹ 1	₹ 1
Significant Accounting Policies, Judgements & Estimates	1-5		
See accompanying notes to the financial statements.	6-48		

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020

	Note No	2019-20 ₹ in Lakhs	2018-19 ₹ in Lakhs
INCOME			
Revenue from operations	27	82,631.33	89,775.35
Other Income	28	5,159.29	3,284.39
Other Finance Income	29	182.42	137.97
Total Revenue		87,973.04	93,197.71
EXPENSES			
Cost of materials consumed	30	42,521.49	44,615.81
Cost of Resale materials		99.98	162.52
Change in inventories of Finished Goods and Work in Progress	31	(2,186.10)	712.48
Employee benefit expenses	32	9,152.76	8,092.21
Finance costs	33	1,459.73	1,506.29
Depreciation and amortisation expenses	6	2,577.26	2,460.69
Other expenses	34	25,729.86	25,844.95
Total Expenses		79,354.98	83,394.95
Profit/(Loss) before exceptional items and tax		8,618.06	9,802.76
Exceptional Items	35	505.69	-
Profit / (Loss) before Tax		9,123.75	9,802.76
Income Tax expenses	37		
Current Tax		1,489.56	1,934.19
Deferred Tax		874.42	2,059.39
MAT Credit		208.37	(1,509.93)
Total Tax Expenses		2,572.35	2,483.65
Profit / (Loss) for the year		6,551.40	7,319.11
Other Comprehensive income			
Item will not be reclassified to profit / (loss) in subsequent periods:			
Actuarial Gain/(loss) on defined benefit obligation		(77.84)	(60.60)
Fair value gain/(loss) on Equity instruments through OCI		(636.62)	279.15
Tax effect on Other Comprehensive Income		74.52	(4.37)
Total Comprehensive income for the year, net of Tax		5,911.46	7,533.29
Earnings per equity share of face value of ₹ 1 each			
Basic & Diluted in Rupees		7.56	8.45
Significant Accounting Policies, Judgements and estimates	1-5		
See accompanying notes to the financial statements	6-51		

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2021

Particulars	Note No	31-03-2021	31-03-2020
INCOM			
Revenue from operations	37	5,268.44	5,368.44
Other Income	38	34.64	37.20
otal Income		5,303.08	5,405.64
EXPENSES			
Cost of Materials Consumed	39	818.84	921.15
Changes in Inventories of Finished Goods and Work-in-progress	40	46.52	(47.39)
Employee Benefits Expense	41	402.13	368.20
Finance Costs	42	87.62	71.35
Depreciation and Amortization Expense	43	355.30	315.26
Transportation and Handling Expenses		1,026.08	1,137.90
Power and Fuel		794.67	1,050.87
Other Expenses	44	641.11	810.79
		4,172.27	4,628.13
Less: Captive Consumption of finished goods		8.87	9.70
otal Expenses		4,163.40	4,618.43
Profit Before Tax		1,139.68	787.21
ax Expenses	29		
Current Tax		245.63	139.02
Current Tax adjustments of earlier years		(1.61)	0.24
Net Current tax expenses		244.02	139.26
Deferred Tax		115.80	74.28
MAT Credit Recognition		-	(36.74)
Deferred tax adjustments of earlier years		18.78	9.32

Net Deferred tax expenses		134.58	46.86
otal Tax Expenses		378.60	186.12
PROFIT FOR THE YEAR	A	761.08	601.09
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurement losses on defined benefit obligations, net	41	(7.94)	(10.54)
ax credit on above			
	29	2.77	3.68
Fair value gain / (loss) on Equity Instruments through OCI	12	2.04	(0.95)
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR	B	(3.13)	(7.81)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(A) + (B)	757.95	593.28
Earnings per equity share of face value of ₹ 1 each	51		
Basic EPS in ₹		32	25
Diluted EPS in ₹		32	25
<i>Significant Accounting Policies, Judgments and Estimates</i>	<i>1 - 5</i>		
<i>See accompanying notes to the financial statements</i>	<i>6 - 64</i>		