

"A study on fundamental Analysis of selected companies in Textile Sector using DuPont Analysis"

Unicap Financial Services Pvt. Ltd.

**Submitted by,
ABHIJIT A
USN: 1GA21BA001**

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Affiliated to
Visvesvaraya Technological University, Belagavi**



**In partial fulfillment of the requirements for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION
Under the guidance of**

**Internal Guide:
Dr. Shreelatha H R
Associate Professor
Department of MBA, GAT**


**External Guide:
Mr. Mayur Sharma
Co-Founder
Unicap Financial services**

**Department of Management Studies and Research Center
GLOBAL ACADEMY OF TECHNOLOGY
Raja Rajeshwari Nagar, Bengaluru- 560098
Batch: 2021-2023
MAY 2023**

STUDENT'S DECLARATION

I, ABHIJIT A, USN: 1GA21BA001 hereby declare that the Project report entitled as "A study on Fundamental Analysis of selected companies in Textile Sector using DuPont Analysis" under Mr. Mayur Sharma at "Unicap Financial Services Limited" is the original work carried out by me under the guidance of, Dr. Shreelatha. H. R, Associate Professor, Department of MBA, Global Academy of Technology, Bengaluru.

I also declare that this project work is towards the partial fulfilment of the requirements for the university regulations for the award of the degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone a project work for a period of eight weeks, I further declare that this project report is based on the original study undertaken by me and has not been given for the award of any degree/diploma from any other university/institution.



Signature

DATE:01/06/2023

PLACE: Bengaluru




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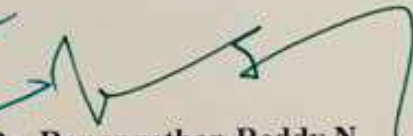
CERTIFICATE

This is to certify that **Mr. ABHIJIT A** bearing **USN: 1GA21BA001** is a bonafide student of Master of Business Administration program of this Institute (**Batch 2021-2023**), affiliated to Visvesvaraya Technological University, Belagavi. The Project Work (**21MBASP41**) titled as "A Study on Fundamental Analysis of Selected Companies in Textile Sector using Du-Pont Analysis" is a original work prepared by him under the guidance of **Dr. Shreelatha H R**, Associate Professor, Department of Management Studies and Research Centre, in partial fulfillment of the requirements for the award of the Degree of Master of Business Administration of Visvesvaraya Technological University, Belagavi, Karnataka.


1/6/23
Internal Guide

Dept. of Management Studies
& Research Centre


HOD
1/6/23
Head of the Department
Dept. of Management Studies (MBA)
& Research Centre
Global Academy of Technology
Rajarajeshwari Nagar, Bengaluru - 560 098


Dr. Ranaprathap Reddy N

PRINCIPAL
Global Academy of Technology
Rajarajeshwari Nagar, Bengaluru - 560 098

Viva-voce held on.....

Examiners:

Name

Signature

Internal Examiner: _____

External Examiner: _____

COMPANY CERTIFICATE



Date: 13th May, 2023

Unicap Financial Services

No4, Sai Spandana, Sirur Park Road, between 3rd & 4th cross, Sampigne Road, Malleshwaram, Bangalore 86

TO WHOMSOEVER IT MAY CONCERN

This is to certify that Mr. Abhijit A, A student in 2nd Year (4th Sem) pursuing a Master of Business Administrator, at the Global Academy of Technology, Bangalore (Usn no: 1GA21BA001) has completed his internship on "A study on fundamental Analysis of selected companies in Textile Sector using DuPont Analysis" with UNICAP FINANCIAL SERVICES from March 20th, 2022 to May 13th, 2023.

During the internship, he was exposed to different business processes in the company. He demonstrated good organizational and analytical skills in the tasks assigned to him. His conduct during the training was good.

We wish him every success in his life and career.

For UNICAP FINANCIAL SERVICES


Partner

Mayur Sharma
(Co-Founder, Unicap Financial Services)



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mayur@turboprofits.club

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EXECUTIVE SUMMARY

The analysis reveals that the textile industry experienced a contraction in 2020 due to the pandemic but rebounded strongly in 2021, followed by moderate growth in 2022. Inflation rates increased over the years with fluctuations, and India's exports and imports displayed fluctuations with a recovery in recent years. Trident Ltd. and Welspun India Ltd. showed positive trends in profitability and return on equity, while Page Industries, Raymond Ltd., and Siyaram Silk Mills exhibited inconsistent financial performance. All companies displayed exceptionally high return on equity values. To make suitable investment choices, investors should conduct thorough due diligence, consider additional financial ratios, industry trends, and market conditions, and consult with financial professionals. Monitoring macroeconomic factors and market conditions is essential. A comprehensive assessment of financial health, industry prospects, and management strategies is crucial. Investors should also evaluate factors like cash flow, debt levels, and qualitative aspects to make informed decisions in the textile industry.

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CHAPTER – 1

INTRODUCTION

1.1 INTRODUCTION

Fundamental analysis is a vital approach in understanding the financial performance and investment potential of companies within the textile sector. By delving into the fundamental aspects of these companies, investors can gain insights into their profitability, operational efficiency, and financial stability. One powerful tool within fundamental analysis is the DuPont Analysis, which provides a comprehensive framework for evaluating a company's return on equity (ROE) and identifying the key drivers of its financial performance.

The textile sector is a dynamic industry with unique challenges and opportunities. It encompasses companies involved in the production of fabrics, apparel, home textiles, and technical textiles, catering to diverse consumer and industrial markets. Understanding the fundamental factors that impact the performance of textile companies is crucial for investors seeking to make informed investment decisions.

Fundamental analysis examines a range of quantitative and qualitative factors to evaluate a company's intrinsic value. It goes beyond short-term market fluctuations and focuses on assessing a company's underlying financial strength, competitive positioning, and growth prospects. By analyzing financial statements, industry dynamics, management effectiveness, and macroeconomic factors, investors can assess the true worth of a company and make sound investment decisions.

The textile sector is one of the oldest and largest industries in India, contributing significantly to the country's economy. The sector employs over 45 million people directly and indirectly and contributes around 7% to the country's GDP. India is the world's second-largest producer of textiles and garments. Despite facing competition from countries like China and Bangladesh, India's textile sector continues to grow, driven by factors such as a large domestic market, skilled workforce, favorable government policies, and a strong supply chain.

The textile sector is an important component of the Indian stock market, with several listed companies operating in the sector. Some of the major textile companies listed on the Indian stock exchanges include Raymond Limited, Welspun India Limited, Grasim Industries Limited, and Bombay Dyeing and Manufacturing Company Limited. The performance of the textile sector in the Indian stock market is subject to various factors such as global demand for textiles, input costs, currency movements, and government policies. Investors should conduct thorough research and analysis before making investment decisions in the sector.

One useful tool for conducting a fundamental analysis of the textile sector is the DuPont analysis. DuPont analysis is a financial ratio analysis method that helps investors and analysts understand the financial health and performance of a company. It was developed by the DuPont Corporation in the 1920s and is also known as the DuPont model or the DuPont identity.

DuPont analysis can be a powerful tool for understanding a company's financial performance and identifying areas of strength and weakness. However, it is important to note that the analysis is only as good as the quality of the underlying financial data, and it should be used in conjunction with other financial analysis methods to gain a comprehensive understanding of a company's financial health.

The DuPont analysis breaks down a company's return on equity (ROE) into three components: net profit margin, asset turnover, and financial leverage. By examining these three components, investors and analysts can gain a better understanding of what is driving a company's ROE and whether it is sustainable.

By breaking down ROE into these three components, analysts can identify which component is driving the overall return.

1.2 HOW DUPONT ANALYSIS WILL HELP INVESTOR TO INVEST?

The DuPont Analysis can help investors in their investment decisions in several ways:

Performance evaluation: The DuPont Analysis provides a comprehensive breakdown of a company's return on equity (ROE) into its key components: profit margin, asset turnover, and equity multiplier. By analyzing these components, investors can assess how effectively a company generates profits, utilizes its assets, and employs financial leverage. This evaluation allows investors to compare the financial performance of different companies and identify those with superior operational efficiency and profitability.

Identifying strengths and weaknesses: The DuPont Analysis helps investors uncover the specific areas where a company excels or faces challenges. For example, if a company has a high profit margin but a low asset turnover, it may indicate strong pricing power but inefficiencies in asset utilization. By understanding these strengths and weaknesses, investors can make informed judgments about a company's competitive advantages, risks, and potential for growth.

Industry and peer comparisons: The DuPont Analysis facilitates meaningful comparisons between companies within the same industry. Investors can use this analysis to benchmark a company's financial performance against its industry peers. By identifying companies with superior DuPont Analysis ratios, investors can uncover potential investment opportunities or pinpoint industry leaders that outperform their competitors.

Trend analysis: By conducting the DuPont Analysis over multiple periods, investors can observe trends in a company's financial performance. This analysis allows investors to track changes in profit margins, asset turnover, and equity multiplier, providing insights into a company's ability to maintain or improve its profitability and operational efficiency over time. Trend analysis helps investors assess a company's trajectory and make informed decisions about its future prospects.

Risk assessment: The DuPont Analysis assists in evaluating a company's financial risk. For instance, a high equity multiplier may indicate a significant reliance on debt, increasing the company's vulnerability to economic downturns or interest rate fluctuations. By considering the equity multiplier alongside other risk indicators, investors can evaluate the financial stability and risk profile of a company, aligning their investment decisions with their risk tolerance.

Investment strategy alignment: The DuPont Analysis aids in aligning investment strategies with specific objectives. For instance, investors focused on growth opportunities may prioritize companies with high asset turnover and profit margins, indicating efficient capital utilization and strong growth potential. On the other hand, investors seeking stability and income may prioritize companies with lower financial leverage and consistent profit margins. By understanding the components of ROE, investors can tailor their investment strategies to suit their preferences and objectives.

Overall, the DuPont Analysis provides a structured framework for evaluating the financial performance and profitability drivers of companies. By leveraging this analysis, investors can make more informed investment decisions, identify companies with competitive advantages, assess risks, and align their investment strategies with their financial goals. However, it is essential to consider the broader investment landscape, industry dynamics, qualitative factors, and other financial metrics alongside the DuPont Analysis to gain a comprehensive understanding of a company's investment potential.

1.3 STATEMENT OF PROBLEM

The volatility and unpredictability of the textile industry is a major issue in the stock market's textile sector. Another issue is the industry's strong competition, with so many textile companies operating on a global scale. It can be hard for investors to forecast which are in profit or loss. Finally, the textile industry is facing to adapt to changing consumer demands, including the rise of sustainable and ethical fashion. Textile companies that are slow to adapt to these trends may be at risk of losing market share and profitability, which can have a negative impact on their stock prices. As a result, investors must carefully evaluate a company's balance sheet and market positioning before investing in textile stocks.

This study is to evaluate the effectiveness of DuPont analysis in assessing the financial performance and sustainability of selected companies in the textile sector. The study aims to determine if there are any unique challenges faced by textile companies that may impact the effectiveness of the DuPont analysis in this industry

1.4 OBJECTIVES OF THE STUDY

1. To understand fundamental analysis in relation with textile industry.
2. To make a comparison of financial performance among selected companies based on fundamental analysis
3. To suggest the investor most suitable investment option based on fundamental analysis

CHAPTER – 2

INDUSTRY PROFILE &

COMPANY PROFILE

2.1 INDUSTRY PROFILE

The Indian textile and apparel industry is expected to grow at a 10% CAGR from 2019 to 2025-26, reaching US\$ 190 billion. India represents 4% of global textile and apparel trade.

India is the world's largest cotton producer. During the cotton season 2021-22, estimated production was 362.18 lakh bales. Domestic consumption for the cotton season 2021-22 is expected to be 338 lakh bales. Cotton production in India is expected to reach 7.2 million tonnes (43 million bales of 170 kg each) by 2030, owing to rising consumer demand.

Fiber production in India reached 2.40 MT in FY21 (until January 2021), while yarn production was 4,762 million kgs during the same period.

India's textile and apparel exports (including handicrafts) totaled US\$ 44.4 billion in FY22, representing a 41% increase year on year. In FY22, India's textile and apparel exports to the United States, its single largest market, accounted for 27% of total export value. In FY22, readymade garment exports including cotton accessories totaled US\$ 6.19 billion.

The textile industry in India employs approximately 4.5 crore people, including 35.22 lakh handloom workers.

2.2 COMPANY PROFILE

UNICAP FINANCIAL SERVICES

About Company

Unicap Financial Services is a fintech start up, established with a group of professionals in the field of finance carrying a decade of experience providing cutting-edge access to market data & world-class news feed that covers the Indian Financial Markets.

Vision: We aim to be the Best Financial App Service Provider in India.

Mission & Goals

To educate investors about the opportunities that India's emerging growth story presents, It is important that Indian investors get maximum benefit by investing in great ideas that the Indian equity space offers. In This, we are committed to informing our investors about emerging stories. Our firm belief is that our nation's overall economic growth and development will uplift all stakeholders involved.

Across the country, we have taken along with us Research Professionals, Financial Analysts, Innovators, Technologists, Financial Experts, and Ideates and work we are working with the zeal of a missionary in accomplishing the task of Informing and Educating our Subscribe.

Experience

For 3 Years, we have been providing 100% Profitable Results, High-Quality Research, and Complete Transparency on Brokerages for beginners. The whole product comes at ZERO COST.

Services

Turbo Profits Club Information Subscription Service

Turbo Profits Club App and Website offer access to accurate equity news & market data curated by experts. The platform provides Financial News and Reports, Company News, Breaking News, Results Information and brokerage reports, etc. Turbo Profits Club is a one-stop financial news app for all the up-to-date information.

Service they provide

- Economic-Stock research data
- Training/Guidance on Stock
- Market Basket Reports

Smart Self-Managed Market Asset for Retail Trader- (Investment)

- Margin Investment Facilities (As Per Stock Brokers' Terms and Conditions)
- Lowest interest rate On Funding
- Zero Brokerage on Intraday
- Holdings At Minimum Charges
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CHAPTER – 3

REVIEW OF

LITERATURE

3. LITERATURE REVIEW

1. **Khan, Rehman, Khan, Ullah & Alam (2022)** conducted the study indicated that net profit margin (NPM) and equity multiplier (EM) positively and significantly impacted ROE and these findings are in line with AÇIKGÖZ and KILIÇ. The study findings indicated that sampled companies could not translate their assets efficiently in generating income as shown by negative coefficient of asset turnover.
2. **Makhmudovna (2022)** conducted this article is on the creation, execution, and real-world use of models and techniques to evaluate activity and development management, which are crucial for enhancing the financial and economic situation of textile industry businesses. As the demand grows for accurate, reliable, and timely analysis of the state of these types of enterprises, there is a rising need to create economic and mathematical models and methods to meet these requirements.
3. **Ebrahimi, Rasouliyan, Panahiyan & Ghodrati (2021)** conducted a study that highlights the importance of easy access to up-to-date machinery for technological stability in the textile industry. However, due to political and economic challenges, repairing and maintaining machinery is equally crucial as supplying new ones. Adapting technology to meet market demands, monthly maintenance of machinery, and using up-to-date equipment are essential for sustainability. The study concludes that entrepreneurial and innovative managers can play a significant role in addressing the challenges faced by the industry.
4. **Normuminovich, Payziyevna & Azimdjanovna (2021)** conducted a study that examines the development of the textile industry in Uzbekistan since independence, with a focus on its significant contribution to the country's GDP and employment. The textile industry has been a priority for the government, with targeted policies and investment strategies aimed at its growth. Uzbekistan has a strong foundation in textile manufacturing, supported by a robust technical base, ample resources and labor, and a reliable education and training system. The study highlights the potential of the textile industry to meet the domestic market's needs and increase exports.
5. **Kaur (2021)** conducted the study focused on analyzing the impact of COVID-19 on the textile industry in Punjab, based on data collected from 123 textile entrepreneurs. It identified seven primary business-related issues, including digital capabilities, employment, health issues, and goods in transit, among others. The study highlights the challenges faced by entrepreneurs during the pandemic while also showcasing their

ability to adapt to new opportunities. The stress levels of the surveyed entrepreneurs were also measured, revealing that a significant proportion of them were suffering from physical or mental illness. Overall, the study provides valuable insights into the impact of the pandemic on the textile industry in Punjab.

6. **Zohra & Abdul (2021)** conducted a analysis on the factors affecting ROE by studying the Net Profit Margin, Asset Turnover, and Equity Multiplier of 20 textile companies listed in the NSE in India from 2010 to 2020. Regression analysis is used to identify the causes for changes in ROE. The selected companies in the textile industry have a low and similar net profit margin, but their ROA is higher than their ROE due to their asset value.
7. **Rehman (2021)** conducted study highlights the importance of financial literacy in making sound financial decisions, such as retirement planning, insurance, real estate, emergency funds, and children's education. The results suggest that households with financial knowledge are better equipped to make investment decisions. The study also examined the impact of risk tolerance on investment decision-making and found a positive, but insignificant relationship between the two. The level of risk tolerance plays a crucial role in the financial decision-making process, as it affects investment decisions. Overall, the study emphasizes the need for financial education and awareness to make informed financial decisions and manage investment risks effectively.
8. **Jafaur Ahamed (2020)** conducted a study compares the financial performance of the top two pharmaceutical industries in Bangladesh. The results show that SQPL has been more profitable in utilizing its owner's funds, operating more efficiently, and generating sufficient returns for its owners. In contrast, Beximco Pharmaceuticals Ltd. applies an aggressive debt-equity policy that doesn't magnify its revenue due to the lack of sufficient returns, resulting in interest burden and under-utilization of resources. To achieve a high RoE, Beximco Pharmaceuticals must focus on reducing its interest expenses, utilizing its full capacities, and increasing its assets turnover.
9. **Elisabet, Noguer, Serrat, & Coenders (2020)** conducted a paper presents a graphical approach to display firms based on margin, turnover, and leverage using a standard compositional biplot, and to cluster firms into strategic groups using k-means compositional cluster analysis. Classic financial ratios at the industry or cluster level can be calculated using the usual formulae from the compositional centre, which is the industry or cluster geometric means rather than the totals or arithmetic means commonly used. The methodology is demonstrated using farm-tourism firms as an example. This

approach provides a useful tool for practitioners to analyze and compare financial performance across firms and industries.

10. **Bhagyalakshmi & Saraswathi (2019)** conducted a study that focused on the application of DuPont analysis in the automobile industry and found that higher asset turnover ratios were the primary driver of higher return on equity in these companies. The study also used multiple regression analysis to determine the association between various financial indicators and return on equity. The results indicated that there was a significant difference in the financial performance of selected companies based on their return on equity and return on assets. Overall, the study highlights the importance of measuring and analyzing key financial indicators in assessing the profitability of firms.
11. **Islam (2017)** conducted a study that examines some ratio analysis that showed the overall internal liquidity position of the company, that is not satisfactory; because of the entire ratio performance is not good, operating efficiency ratio is not good, indicates that lower efficiency generate capacity in terms of sale, debt-equity ratio is increasing overtime in order to employ the more debt financing as long-term borrowing compare to the equity financing, which make the firm more risky.
12. **Chellasamy (2016)** conducted a analysis of Indian textile industry holds a significant place in the country's economy. Among the chosen textile companies, Gangotri Textile Limited and Ambika Cotton Mills Limited have performed satisfactorily, while the others need to improve their performance. In today's business world, competition is intense due to globalization. Therefore, companies should aim not only for high profits but also to fulfill their social and moral obligations while utilizing their resources effectively. Ultimately, the objective is to achieve maximum targets.
13. **Seon Kim (2016)** conducted a study that aims to evaluate the financial performance of a food distribution company. To achieve this objective, the study utilizes the DuPont analysis, measuring the ROE and ROA ratios and presenting the data in tables to showcase changes over time. The DuPont analysis is based on the examination of the Return on Equity (ROE) and Return on Investment (ROI) metrics. It is important to note that the findings may have varied if a larger sample was included in the study, and the period studied from 2013 to 2015 is relatively short, making it difficult to gauge the long-term impact of these variables on the company's financial performance.
14. **Verma, Kumavat, & Biswas (2015)** conducted a study that utilized Data Envelopment Analysis (DEA) to identify the corrective measures that can enhance the efficiency of mills in the Textile industry. The results can help the industry in choosing a more

efficient strategy. However, the study does not guarantee that the results will translate into attainable recommendations. The findings revealed that seven mills were efficient in 2013, which increased from five mills in 2012, indicating that these mills made correct and accurate use of their resources.

15. **Burja & Mărginean (2014)** conducted the analysis on the DuPont model is a valuable tool for identifying the key factors that impact the performance of furniture industry companies. Moreover, the study indicates that the model can potentially generate novel hypotheses regarding how these companies can enhance their profitability. Specifically, by examining the correlations between Turnover and ROE and other indicators over extended periods of time, the analysis highlights the usefulness of studying performance as a complex economic phenomenon that is influenced by specific indicators. Overall, the study demonstrates the practical applicability and utility of this approach.
16. **Anand (2014)** conducted a study utilized comparative ratio analysis to determine the financial soundness of the companies. The results showed that the textile industry is traditionally a capital-intensive industry with a high gearing ratio. The null hypothesis was accepted, indicating that there was no significant difference in the profitability, liquidity, and solvency position of the selected textile companies. While the profitability margins varied slightly due to the volatile textiles market and fluctuating raw material prices, the liquidity and solvency position remained almost the same across all textile companies. Overall, the study provides insights into the effective utilization of available resources by the textile sector in India.
17. **Raza, Jawaid & Adnan (2013)** conducted a research paper focuses on the impact of DuPont analysis on the insurance sector in the South Asian region. The main objective is to investigate why investors sometimes do not prefer highly profitable companies. To achieve this, we ranked insurance companies based on two methods: the Net Income method (effect method) and the DuPont analysis method (effort method). While previous research mostly focused on the effect method, our analysis compared the difference between the two methods, specifically looking at IGI and Habib Insurance. The findings indicate that investors should use the effort method, as opposed to the effect method, when evaluating the performance of insurance companies.
18. **Tariq, Ali, Usman, Abbas & Bashir (2013)** resulted a findings of the current research are limited to the non-financial sector of Pakistan and are not applicable to the financial sector due to the differences in their capital structure. The researcher used profitability as the measure of the firm's financial performance, but future research could include

other measures such as return on assets (ROA), return on equity (ROE), and earnings per share (EPS) to provide a more comprehensive analysis of the financial performance of firms. Therefore, caution must be taken when generalizing the results of this study to other sectors or countries. Further research in this area could explore additional financial performance measures and expand the scope to other sectors and countries to provide a more comprehensive understanding of the topic.

19. **Sheela & Karthikeyan (2012)** conducted the analysis use profitability ratios such as ROI and ROE to illustrate how a company can compare its performance and position with that of its competitors. This is achieved by analyzing the trends in a company's returns in relation to the trends of its various components and by forecasting the company's returns based on forecasts of these components. The paper examines the performance of three companies in the pharmaceutical industry - Cipla Pharmaceutical, Dr. Reddy's Laboratories, and Ranbaxy Laboratories - with a particular focus on the ROE and ROI metrics. It is demonstrated that Cipla is prioritizing its financial performance by implementing strategies to reduce expenses and costs.
20. **Botika (2012)** conducted a research that provides a comprehensive exploration of the DuPont components to identify which of the three areas has the greatest impact on a stock's abnormal behavior. The results of the analysis reveal an intriguing evolution over time. Specifically, in 2007, a strong correlation was observed between cumulated abnormal returns and profitability and ROA. However, the years 2008 and 2009 were more ambiguous, making it difficult for investors to predict stock performance. Overall, the research suggests that the DuPont components are a crucial and reliable means of analyzing a stock's abnormal returns, thereby providing valuable support for market participants in making investment decisions.
21. **Marimuthu (2012)** analysed the study focused on evaluating the performance of textile industry companies in Tamil Nadu, India, and found that they performed better than the 1376 companies included in the CMIE Prowess database. The study emphasized the importance of evaluating a company's industrial activity performance in terms of earning capacity, share price, and profits. The study specifically found that KPRML was efficient in generating income and assets, and had an overall good efficiency. The analysis included the structure of income statements, balance sheets, and working capital over an eleven-year period. Additionally, the study examined key financial ratios such as current ratio, quick ratio, debt-equity ratio, interest cover, and creditor and debtor ratios using

tables. It should be noted that the study's findings are specific to the textile industry in Tamil Nadu and may not be generalizable to other regions or industries.

22. **Mark T. Soliman (2008)** conducted the study, the DuPont analysis is an effective instrument for examining financial statements. Unlike other methods, this analysis breaks down Return on Net Operating Assets (RNOA) using a simple and theoretically grounded framework for valuation, which is relevant to the operational activities of the firm. More specifically, the analysis emphasizes the importance of monitoring fluctuations in asset turnover, highlighting its value for financial statement analysis.
23. **Kouliavtsev, Christoffersen & Russel (2007)** conducted a study that reveals that the development of production processes in various textile sectors shows significant discrepancies that cannot be detected through industry-level analysis. Specifically, there are variations in the levels and trends of marginal productivity of labor and capital, the capacity to achieve minimum efficient scale, and the extent of input substitutability. For instance, the decline or negativity of marginal productivity of capital implies excessive capital investment in the industry.
24. **Razzaque, Rahman & Salat (2007)** conducted a study that states researchers used the modified Jones Model to analyze the data collected from fourteen firms operating in the sector. The results indicate that discretionary accruals were significant for five out of the fourteen firms in the period between 1992 to 2002. However, the researchers could not conclude robustly that earnings had been managed within the observation period. Overall, the study suggests that further research is required to understand the earnings management practices in the textile sector of Bangladesh. The findings can be useful for policymakers, investors, and other stakeholders in the sector.
25. **Bilalis, Wassenhove, Maravelakis, Enders, Moustakis & Antoniadis (2006)** conducted the results of the analysis highlighted significant improvement potential in the areas of human resource management and knowledge management. The study suggests that these areas are crucial for enhancing the overall performance of the textile sector. The findings indicate that while the textile industry has shown progress in areas such as supply chain management and strategy formulation, there is still room for improvement in other areas, including quality and flexibility. The study underscores the importance of effective human resource and knowledge management in achieving sustainable growth and competitiveness in the textile industry. Overall, the study provides valuable insights into the performance of the textile sector and identifies areas for improvement to enhance its overall competitiveness.

CHAPTER – 4
RESEARCH
METHODOLOGY

4.1 RESEARCH METHODOLOGY

The research design for this study will be an observational study, where the researcher observes and measures the relationship of ROE using DuPont Analysis for Stock Performance of Textile Sector. The secondary data are used in this paper. Data are extracted from websites of chosen companies, annual reports, Money Control, Screener. For the selected five organizations, data analysis is carried out with the use of fundamental tools. The companies are selected with respect to their performance and growth in the market. The period of study is 5 years (April 2017 to March 2022).

Tools and Techniques: Ratio Analysis using DuPont Analysis

4.2 LIST OF RATIOS

EARNING PER SHARE (EPS): EPS is a financial metric used to measure a company's profitability. EPS is an important metric because it shows how much profit a company is generating on a per-share basis, and is often used by investors to evaluate a company's financial health and potential for growth.

$$EPS = \frac{\text{NET INCOME}}{\text{NUMBER OF OUTSTANDING SHARES}}$$

PE RATIO: PE ratio is a valuation ratio used to evaluate a company's stock price relative to its earnings per share (EPS). The PE ratio is a widely used metric in the stock market and is often used by investors to determine if a company's stock is overvalued or undervalued. A high PE ratio suggests that investors are willing to pay more for each dollar of the company's earnings, indicates stock may be overvalued. A low PE ratio suggests that the stock may be undervalued, as investors are not willing to pay as much for each dollar of earnings.

$$PE\ RATIO = \frac{\text{SHARE PRICE}}{\text{EARNING PER SHARE}}$$

PRICE TO SALES RATIO: Price-to-sales ratio is a valuation ratio that measures a company's stock price relative to its revenue per share. A high P/S ratio may indicate a premium for revenue growth potential, while a low P/S ratio may indicate an undervaluation relative to revenue. However, other factors such as profitability and growth prospects should also be considered when evaluating a company's valuation

$$PRICE\ TO\ SALES\ RATIO = \frac{\text{MARKET CAPITALIZATION}}{\text{REVENUE OR SALES OVER PAST 12 MONTHS}}$$

PRICE TO BOOK VALUE: The P/B ratio is often used to evaluate a company's valuation relative to its assets. However, like other valuation metrics, it should not be used in isolation and should be considered along with other factors such as profitability, growth prospects, and industry dynamics.

$$PRICE\ TO\ BOOK\ RATIO = \frac{MARKET\ PRICE}{BOOK\ VALUE}$$

RETURN ON EQUITY: ROE is an important metric for investors because it indicates how efficiently a company is using its shareholder equity to generate profits. A high ROE suggests that a company is effectively using its capital to generate profits, while a low ROE may indicate that the company is not using its equity effectively or that it is not generating sufficient profits.

$$RETURN\ ON\ EQUITY = \frac{NET\ INCOME}{SHAREHOLDER'S\ EQUITY}$$

RETURN ON ASSET: ROA is an important metric for investors because it shows how much profit a company is generating for each dollar of assets it holds. A high ROA suggests that a company is using its assets effectively to generate profits, while a low ROA may indicate that the company is not using its assets effectively or that it is not generating sufficient profits.

$$RETURN\ ON\ ASSET = \frac{NET\ INCOME}{TOTAL\ ASSETS}$$

4.3 FORMULA TO CALCULATE DU-PONT

The DuPont analysis breaks down a company's return on equity (ROE) into three components: net profit margin, asset turnover, and financial leverage. By examining these three components, investors and analysts can gain a better understanding of what is driving a company's ROE and whether it is sustainable.

The formula for the DuPont analysis is as follows:

$$ROE = \text{Net Profit Margin} \times \text{Asset Turnover} \times \text{Financial Leverage}$$

Where,

$$\text{Net Profit Margin} = \text{Net Income} / \text{Total Revenue}$$

$$\text{Asset Turnover} = \text{Total Revenue} / \text{Average Total Assets}$$

Financial Leverage = Average Total Assets / Average Shareholders' Equity

4.4LIMITATIONS

- The textile sector comprises various companies, and difficult to compare their financial performance. The analysis may not be as effective if companies are not comparable.
- The DuPont analysis only focuses on the drivers of return on equity and does not provide a complete picture of a company's financial performance. Investors should also consider financial performance when making investment decisions.
- The analysis is based on historical financial data, and it may not accurately reflect a company's future financial performance.

CHAPTER – 5
DATA ANALYSIS &
INTERPRETATION

DATA ANALYSIS

5.1 ECONOMY ANALYSIS

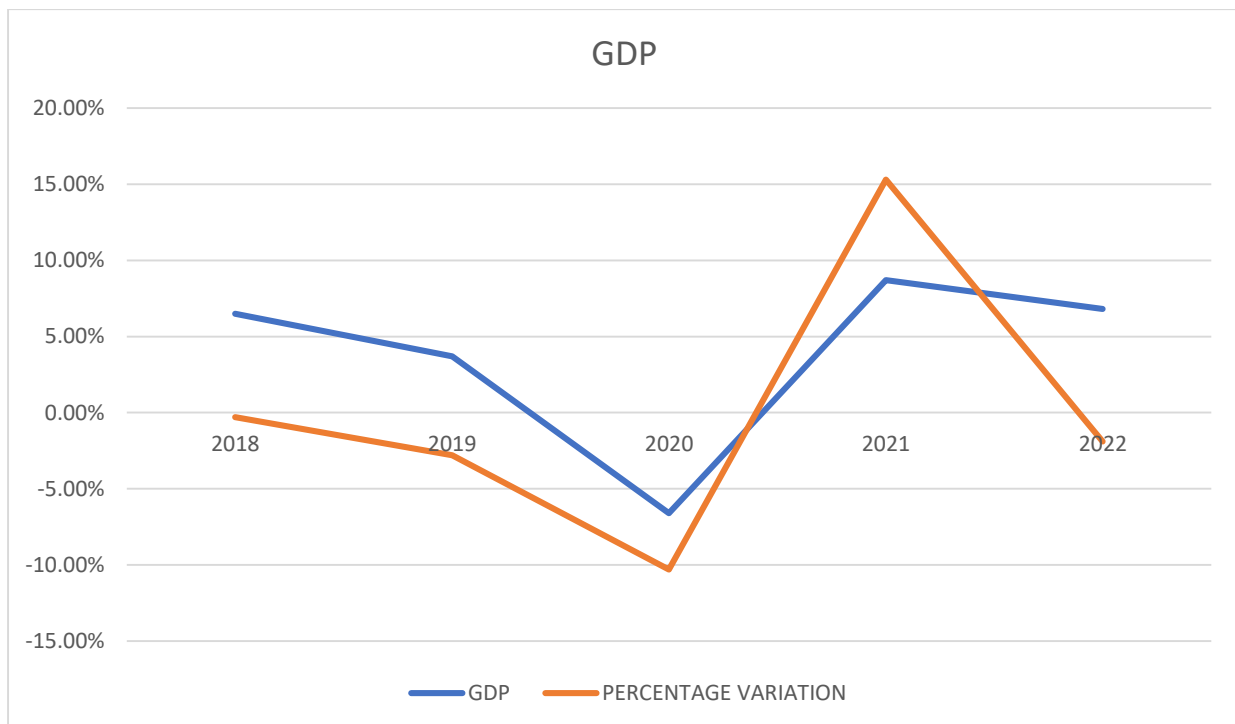
1. GDP

Table No. 5.1 :- Table Describing GDP of India for 5 Years

YEAR	2018	2019	2020	2021	2022
GDP	6.50%	3.70%	-6.60%	8.70%	6.80%
PERCENTAGE					
VARIATION	-0.30%	-2.80%	-10.30%	15.30%	-1.90%

Source:- Prepared by Researcher based on https://en.wikipedia.org/wiki/Economy_of_India

Graph No. 5.1:- Graph Showing GDP of India for 5 Years



Source:- Prepared by Researcher based on https://en.wikipedia.org/wiki/Economy_of_India

In 2018, the GDP growth rate was 6.50%, indicating a positive economic growth trend. In 2019, the GDP growth rate declined to 3.70%, showing a slight slowdown in economic growth compared to the previous year (a percentage variation of -0.30%). In 2020, there was a significant contraction in the economy, with the GDP growth rate falling to -6.60%. This indicates a recessionary phase, likely due to the impact of the COVID-19 pandemic and related lockdown measures. The percentage variation of -10.30% reflects a substantial decline compared to the previous year. In 2021, the economy rebounded strongly, with the GDP growth

rate surging to 8.70%. This indicates a robust recovery from the previous year's downturn, likely driven by factors such as stimulus measures and easing of restrictions. The percentage variation of 15.30% highlights the significant rebound in growth compared to 2020. In 2022, there was a slight moderation in the GDP growth rate, which stood at 6.80%. This indicates a relatively stable growth rate, but slightly lower than the previous year. The percentage variation of -1.90% indicates a mild decline in growth compared to 2021.

2. INFLATION

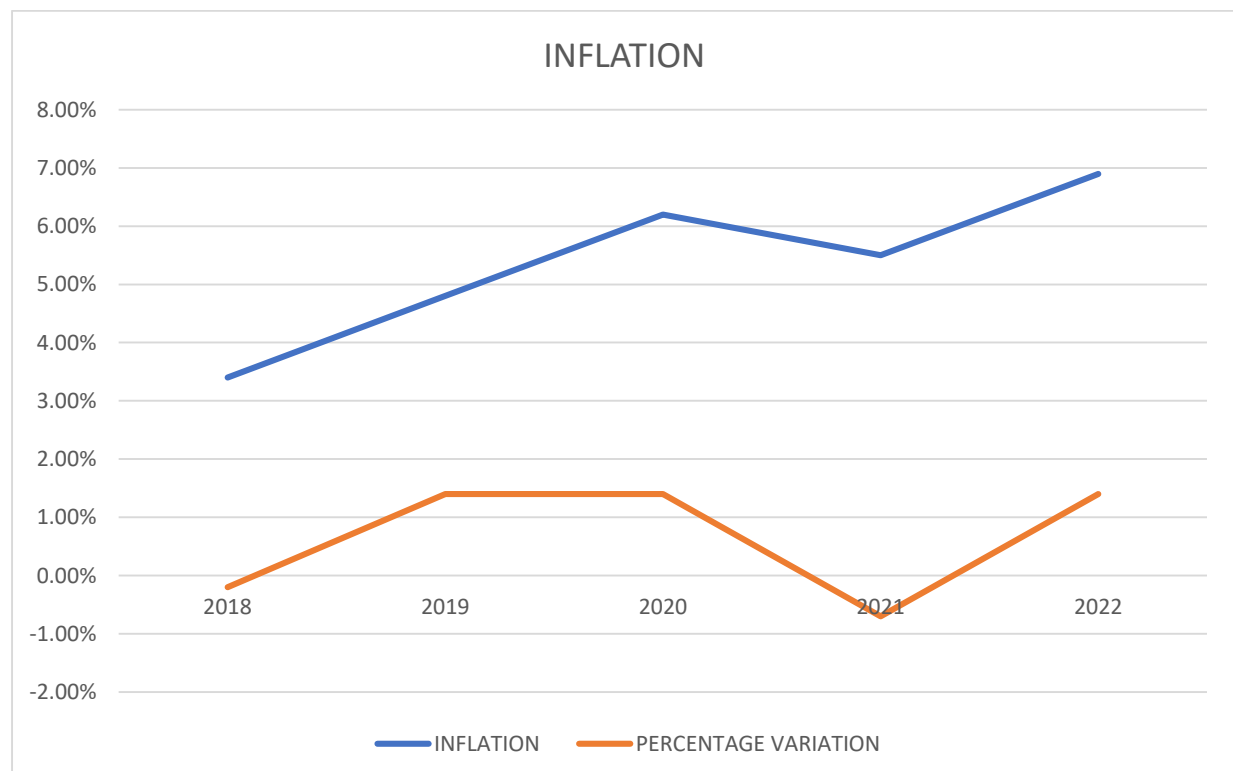
Table No. 5.2:- Table Describing Inflation of India for 5 Years

YEAR	2018	2019	2020	2021	2022
INFLATION	3.40%	4.80%	6.20%	5.50%	6.90%
PERCENTAGE					
VARIATION	-0.20%	1.40%	1.40%	-0.70%	1.40%

Source: Prepared by Researcher based on https://en.wikipedia.org/wiki/Economy_of_India

Inflation generally increased from 2018 to 2022, with the highest inflation rate observed in 2022 at 6.90%. Inflation had a fluctuating pattern over the years, with some years experiencing higher rates of increase compared to others. The percentage variation shows that there were fluctuations in the rate of change in inflation. For example, in 2019, inflation decreased compared to 2018, but then increased in the following years. The percentage variation in 2021 to 2022 indicates a decrease in the inflation rate compared to the previous year. Overall, this table provides a snapshot of the inflation rates and their variations over the specified years, giving an understanding of the changes in price levels over time.

Graph No. 5.2: - Graph Showing Inflation of India for 5 Years



Source: Prepared by Researcher based on https://en.wikipedia.org/wiki/Economy_of_India

PROFIT AND GROWTH

The key growth drivers of the textile sector include the availability of raw materials, presence of entire value chains, skilled labor, and large and continuously growing domestic and international markets. However, the industry faced a complete shutdown for a long period due to the first and second waves of the pandemic. The uncertainty in the market led to the cancellation of orders by both international and domestic buyers. Disrupted logistics and frozen external trade affected the entire value chain.

As a result, the textile market fell nearly 30% from USD 106 billion in 2019-20 to USD 75 billion in 2020-21. However, it is expected to recover and grow at a compound annual growth rate (CAGR) of 10% from 2019-20 to reach USD 190 billion by 2025-26. India's textile exports reached USD 33.5 billion in 2019-20, but due to the impact of the pandemic, they are expected to fall by around 15% to USD 28.4 billion in 2020-21. Nevertheless, the exports are projected to grow to USD 60 billion by 2025-26, with a CAGR of 11%. In terms of government support, Rs 12,382 crore has been allocated to the textile sector in the Union Budget 2022-23. Various schemes such as the Textile Cluster Development Scheme, National Technical Textiles Mission, PM Mega Integrated Textile Region and Apparel Parks Scheme, and Production Linked Incentive Scheme have received budget allocations. Furthermore, Rs 17,822 crore has been allocated between FY 2016 and FY 2022.

The textile sector has also attracted foreign direct investment (FDI), with 100% FDI allowed under the automatic route. Major contributors to FDI in the Indian textile sector include Japan, Mauritius, Italy, and Belgium.

FY22 was a remarkable year for the textile sector as companies recovered from prior losses and posted positive growth numbers year-on-year (YoY) in terms of revenue, EBITDA, and PAT. During FY22, the total net sales of these companies increased by 53.46% compared to FY21, and the total operating profit surged by 86.4% YoY. Additionally, the total net profit soared by an impressive 3,697.23% YoY.

5.2 INDUSTRY ANALYSIS

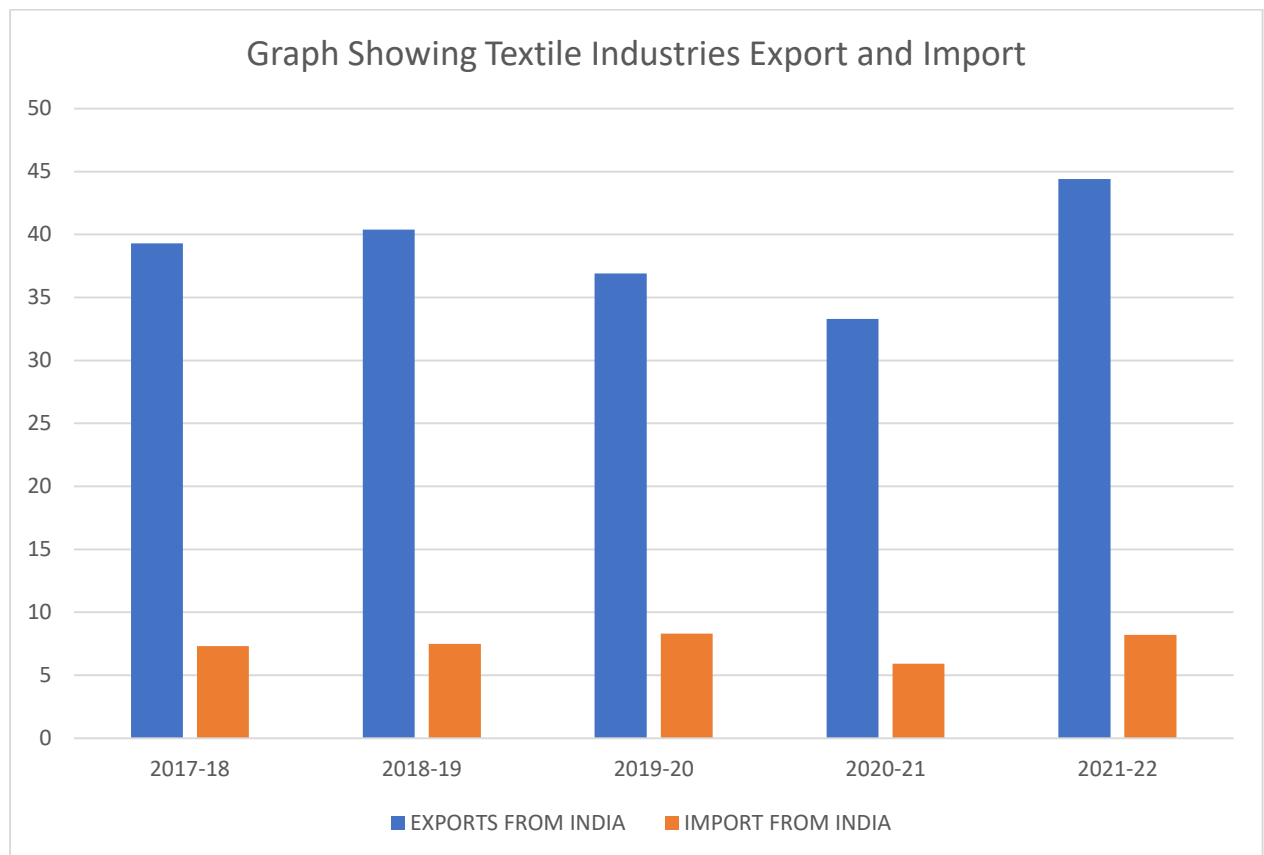
1. EXPORT AND IMPORT

Table No. 5.3:- Table Describing export & Import of Textile Industry from India for 5 Years

YEAR	2017-18	2018-19	2019-20	2020-21	2021-22
EXPORTS FROM					
INDIA	39.3	40.4	36.9	33.3	44.4
IMPORT FROM					
INDIA	7.3	7.5	8.3	5.9	8.2

Source: Prepared by Researcher based on <https://www.ibef.org/blogs/the-textile-and-apparel-exports-of-india>

Graph No. 5.3:- Graph Showing Export & Import of Textile Industry from India for 5 Years



Source: Prepared by Researcher based on <https://www.ibef.org/blogs/the-textile-and-apparel-exports-of-india>

The table represents the exports from India and imports to India for the years 2017-18 to 2021-22. The values in the table indicate the amount in billion dollars. In 2017-18, India's exports were 39.3 billion dollars, while imports were 7.3 billion dollars. In the following year, 2018-19, exports increased slightly to 40.4 billion dollars, and imports also rose to 7.5 billion dollars.

However, in 2019-20, both exports and imports experienced a decline. Exports dropped to 36.9 billion dollars, and imports increased to 8.3 billion dollars. This indicates a decrease in the value of goods and services exported from India and an increase in the value of goods and services imported into India. The year 2020-21 saw a further decline in exports to 33.3 billion dollars, while imports decreased to 5.9 billion dollars. This suggests a significant decrease in both exports and imports compared to the previous year. In the most recent year, 2021-22, India's exports showed a significant recovery, reaching 44.4 billion dollars. Imports also increased to 8.2 billion dollars, indicating a positive trend in trade. Overall, the table shows fluctuations in India's trade performance over the years, with varying levels of exports and imports. The data suggests that the COVID-19 pandemic and other economic factors may have influenced India's international trade during this period.

GDP CONTRIBUTED BY TEXTILE SECTOR

The domestic garment and textile sector in India plays a crucial role in the country's economy, contributing around 2% to the GDP and accounting for 7% of the industry output in value terms. It is not only a significant economic contributor but also one of the largest employers in India. With its extensive presence across the textile value chain, from raw materials to finished products, the sector thrives on India's abundant availability of resources like cotton, silk, jute, and wool.

The garment and textile sector in India holds immense significance for the economy due to various reasons:

Economic Contribution: The sector contributes significantly to India's economy. In 2019-20, the domestic textile and apparel market was valued at \$150.5 billion, highlighting its substantial economic impact.

Trade and Exports: India is a major player in the global textile market. In CY 2021, India's textile exports amounted to \$41 billion, demonstrating its competitive position. The sector's export growth rate, with a CAGR of 2.7, has been marginally higher than the global average.

Employment Generation: The textile and garment sector is one of the largest employers in India. It provides direct employment to approximately 45 million workers and indirectly supports an additional 100 million jobs in supporting sectors. This makes it a crucial source of livelihood for a significant portion of the population.

Government Initiatives: The Indian government has launched various initiatives and policies to support the growth of the textile sector. These include schemes for skill development, infrastructure development, technology upgradation, and export promotion, aimed at enhancing the sector's competitiveness and sustainability.

Overall, the garment and textile sector in India plays a vital role in the economy, generating employment, contributing to trade and exports, supplying raw materials for other industries, and preserving cultural heritage. Its continued growth and development are crucial for India's economic progress and social well-being.

5.3 COMPANY ANALYSIS

1. TRIDENT LTD.

Trident Ltd is an Indian company engaged in the manufacturing and export of textiles, yarns, and paper products. The company operates in the home textile and paper segments. Trident has vertically integrated manufacturing facilities in Punjab and Madhya Pradesh, India.

Financial Performance:

Trident's revenue has demonstrated a positive trend, with steady growth in recent years. The company has maintained healthy profit margins, although they may vary from year to year depending on market conditions. ROE measures a company's profitability relative to shareholders' equity. Trident has generally maintained a decent ROE, indicating efficient utilization of shareholders' investments. Assessing Trident's debt levels is essential for understanding its financial health. Lower debt levels are generally preferable as they indicate lower financial risk and higher flexibility.

Market Position and Growth Prospects:

Trident Ltd has a strong market position in the textile and paper industries. The company is known for its quality products and exports to over 100 countries. Trident's vertical integration, manufacturing capabilities, and focus on innovation contribute to its competitive advantage.

The growth prospects of Trident depend on various factors, including domestic and global demand for its products, industry dynamics, and the company's ability to adapt to market trends. It is important to stay updated with the latest news and market developments regarding Trident and the sectors in which it operates.

Risk Factors:

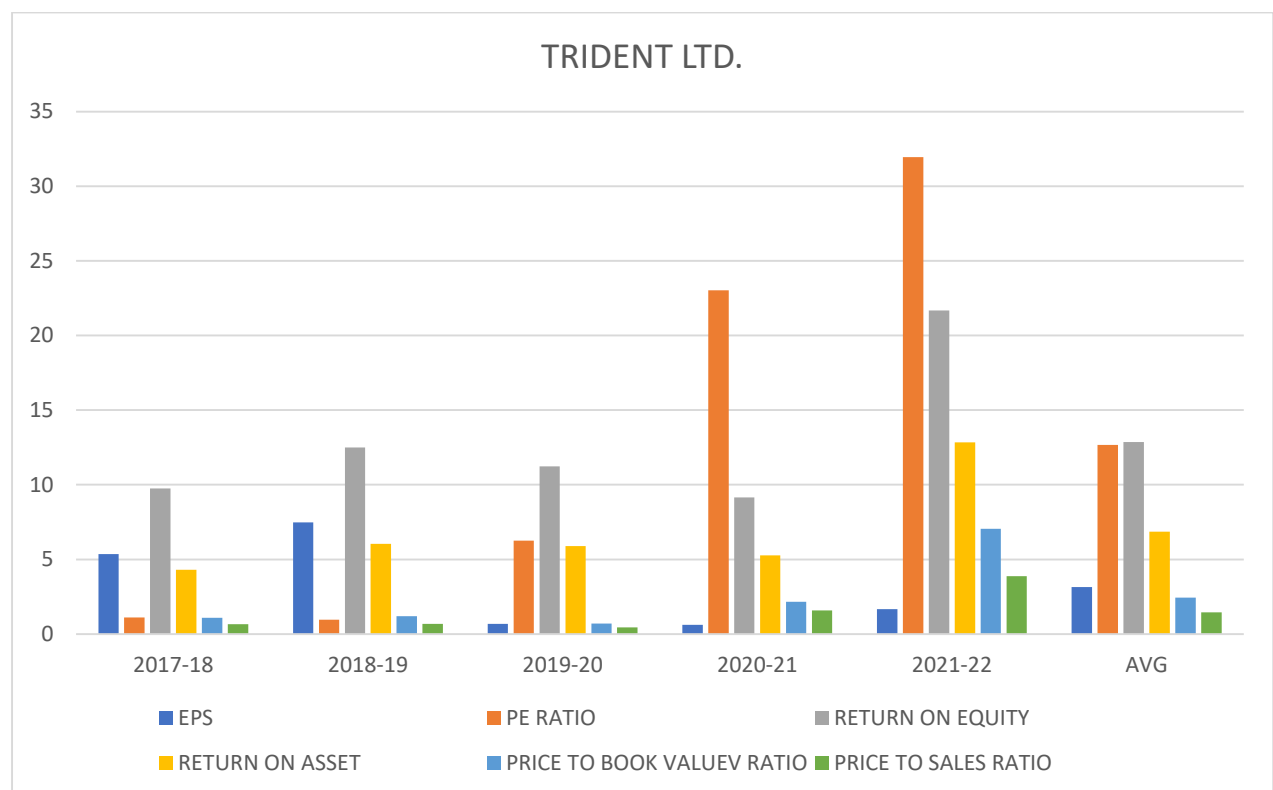
As with any investment, there are inherent risks to consider. These may include economic conditions, changes in government policies, currency fluctuations, and industry-specific challenges. Analyzing these risks and their potential impact on Trident's business is crucial for making informed investment decisions.

Table No. 5.4:- Table Describing Ratio Analysis of Trident Ltd. for 5 Years

RATIO ANALYSIS FOR TRIDENT LTD.						
PARTICULARS	2017-18	2018-19	2019-20	2020-21	2021-22	AVG
EPS	5.35	7.47	0.68	0.61	1.67	3.156
PE RATIO	1.11	0.96	6.25	23.03	31.95	12.66
RETURN ON EQUITY	9.76	12.5	11.24	9.14	21.68	12.864
RETURN ON ASSET	4.31	6.03	5.88	5.27	12.84	6.866
PRICE TO BOOK VALUE						
RATIO	1.08	1.2	0.7	2.15	7.04	2.434
PRICE TO SALES RATIO	0.65	0.68	0.45	1.58	3.87	1.446

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.4:- Graph Showing Ratio Analysis of Trident Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The table provides the ratio analysis for Trident Ltd. for the years 2017-2018 to 2021-2022. The ratios are categorized into six categories: EPS (earnings per share), PE ratio (price-to-earnings ratio), return on equity, return on assets, price-to-book value ratio, and price-to-sales ratio.

EPS, which represents the portion of a company's profit allocated to each outstanding share of common stock, fluctuated over the years, with the highest EPS of 7.47 in 2018-19 and the lowest EPS of 0.61 in 2020-21. The PE ratio, which indicates how much investors are willing to pay per rupee of earnings, shows an inconsistent trend over the years. The PE ratio was lowest in 2018-19 at 0.96 and the highest in 2021-22 at 31.95. Return on equity (ROE) and return on assets (ROA), which measures a company's profitability and efficiency respectively, show an upward trend, with the highest ROE and ROA of 21.68% and 12.84% respectively in 2021-22. The price-to-book value (P/B) ratio, which compares a company's market value to its book value, shows a significant increase over the years, with the highest P/B ratio of 7.04 in 2021-22. The price-to-sales (P/S) ratio, which compares a company's market capitalization to its sales revenue, shows an upward trend, with the highest P/S ratio of 3.87 in 2021-22.

Overall, the average ratios for the five years show that Trident Ltd. has been performing reasonably well, with a ROE and ROA of 12.86% and 6.87% respectively, and an average P/E ratio of 12.66. However, the company's P/B and P/S ratios have increased significantly in recent years, which may indicate that the market is overvaluing the company.

2. WELSPUN INDIA LTD

Welspun India Ltd is a leading Indian company engaged in the textile industry, primarily focused on home textiles. It is part of the larger Welspun Group, which has diverse business interests across sectors like textiles, steel, infrastructure, and energy.

Financial Performance:

Welspun India's financial performance has shown growth over the years, although it's important to review the latest financial reports for up-to-date information. Key financial indicators to consider include revenue growth, profitability, return on equity (ROE), and debt levels. Analyzing the company's financial statements will provide insights into its financial health and performance.

Market Position and Competitors:

Welspun India is a recognized player in the global home textile industry and competes with other domestic and international companies. Assessing the company's market position, market share, and competitive advantages can help evaluate its performance and growth potential.

Risk Factors:

Like any company, Welspun India faces certain risks that could impact its performance. These include industry-specific risks, such as fluctuations in raw material prices and currency exchange rates, as well as macroeconomic factors and market competition. It is important to consider these risks when assessing the company's investment potential.

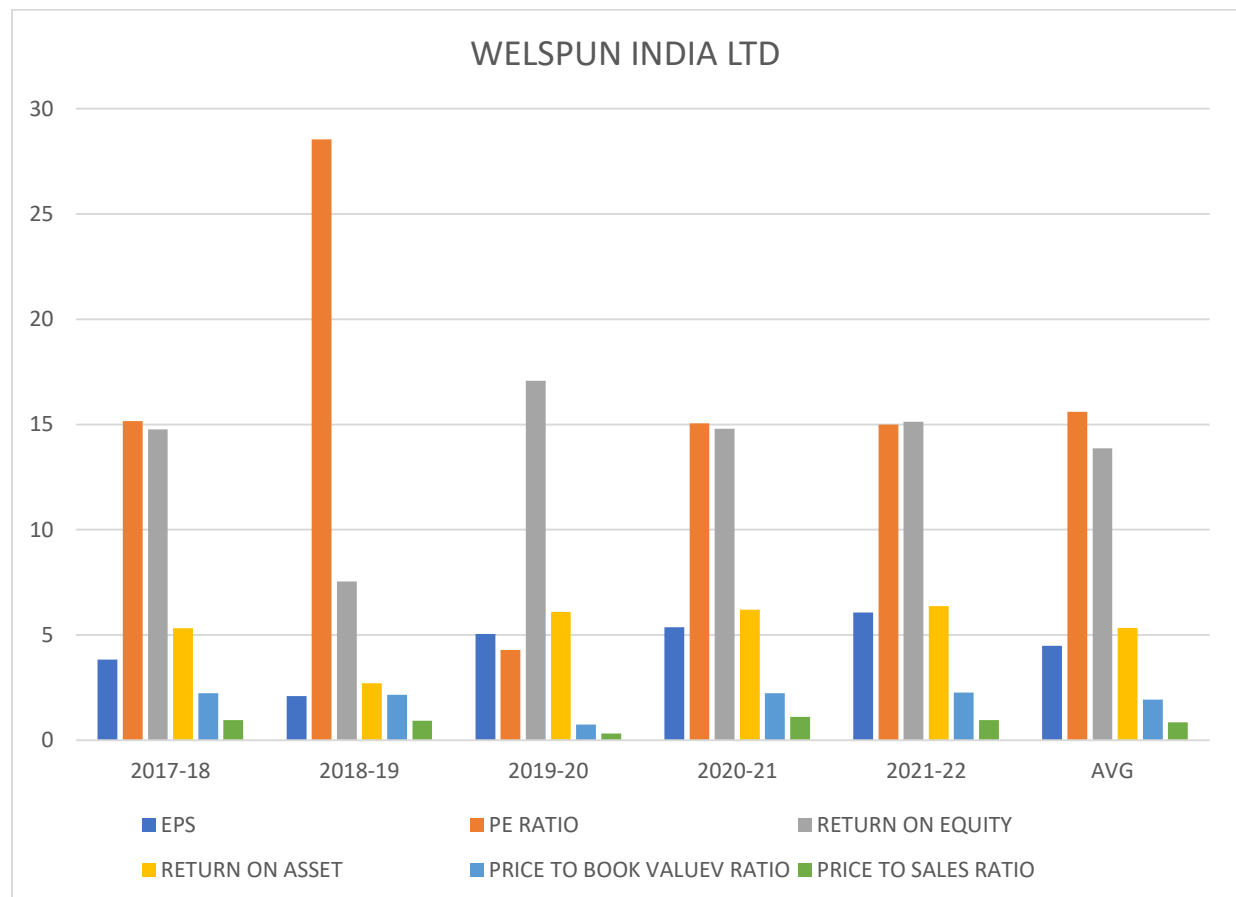
Table No. 5.5:- Table Describing Ratio Analysis of Welspun India Ltd. for 5 Years

RATIO ANALYSIS FOR WELSPUN INDIA LTD						
PARTICULARS	2017-18	2018-19	2019-20	2020-21	2021-22	AVG
EPS	3.83	2.09	5.05	5.37	6.06	4.48
PE RATIO	15.16	28.54	4.28	15.06	14.99	15.606
RETURN ON EQUITY	14.77	7.54	17.07	14.8	15.13	13.862
RETURN ON ASSET	5.32	2.71	6.1	6.21	6.37	5.342
PRICE TO BOOK						
VALUE RATIO	2.23	2.16	0.74	2.24	2.26	1.926

PRICE TO SALES						
RATIO	0.96	0.92	0.32	1.11	0.96	0.854

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.5:- Graph Showing Ratio Analysis of Welspun India Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The table provides the ratio analysis for Welspun India Ltd. for the years 2017-2018 to 2021-2022. The ratios are categorized into six categories: EPS (earnings per share), PE ratio (price-to-earnings ratio), return on equity, return on assets, price-to-book value ratio, and price-to-sales ratio.

EPS, which represents the portion of a company's profit allocated to each outstanding share of common stock, shows an inconsistent trend over the years, with the highest EPS of 6.06 in 2021-22. The PE ratio, which indicates how much investors are willing to pay per rupee of earnings, shows an inconsistent trend over the years. The PE ratio was highest in 2018-19 at 28.54 and lowest in 2019-20 at 4.28. Return on equity (ROE) and return on assets (ROA), which measures a company's profitability and efficiency respectively, show an upward trend,

with the highest ROE and ROA of 17.07% and 6.37% respectively in 2021-22. The price-to-book value (P/B) ratio, which compares a company's market value to its book value, shows an inconsistent trend over the years, with the highest P/B ratio of 2.26 in 2021-22. The price-to-sales (P/S) ratio, which compares a company's market capitalization to its sales revenue, shows an inconsistent trend over the years, with the lowest P/S ratio of 0.32 in 2019-20.

Overall, the average ratios for the five years show that Welspun India Ltd. has been performing reasonably well, with a ROE and ROA of 13.86% and 5.34% respectively, and an average P/E ratio of 15.61. The P/B and P/S ratios have also been relatively stable, with an average P/B ratio of 1.93 and an average P/S ratio of 0.85. However, the inconsistent trends in some ratios indicate that the company may need to focus on improving its financial performance in the coming years.

3. PAGE INDUSTRIES LIMITED

Page Industries Ltd is an Indian company that is primarily involved in the manufacturing, distribution, and marketing of innerwear, loungewear, and sportswear. It is the exclusive licensee of Jockey International Inc. (USA) for manufacturing, distribution, and marketing of Jockey brand products in India, Sri Lanka, Bangladesh, Nepal, and the United Arab Emirates.

Market Presence:

Page Industries has a significant market share in the innerwear segment in India. The company has established a vast distribution network comprising exclusive Jockey outlets, multi-brand outlets, and e-commerce channels to reach customers across different regions.

Financial Performance:

Page Industries has shown strong financial performance over the years. The company has witnessed consistent revenue growth, reflecting its brand popularity and market demand. Profitability indicators, such as profit margins and return on equity, have generally been robust. Reviewing the company's financial statements will provide more specific and up-to-date information about its financial performance.

Growth and Expansion:

Page Industries has been focused on expanding its presence and product offerings. The company has been introducing new product lines, diversifying into related segments, and exploring international markets for growth opportunities. Assessing its expansion strategies and execution capabilities can help evaluate its growth potential.

Risk Factors:

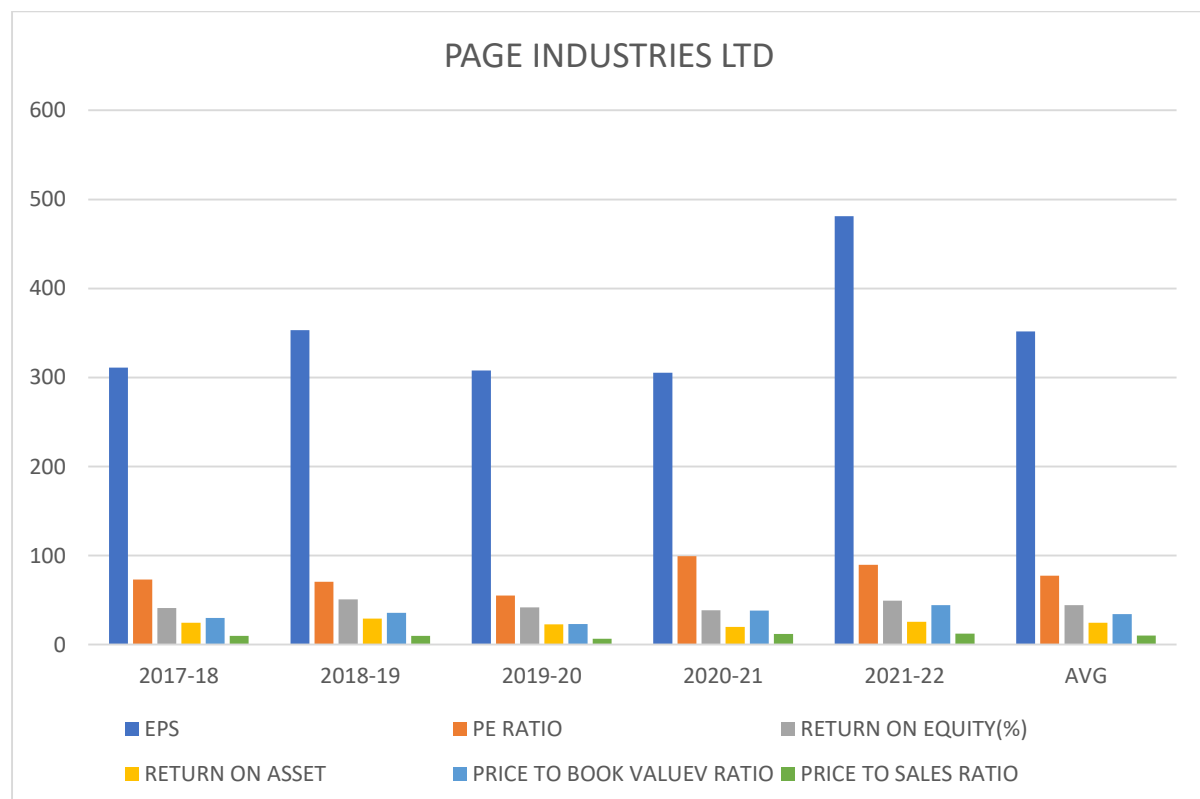
Like any company, Page Industries faces certain risks, including intense competition, changes in consumer preferences, fluctuations in raw material prices, and macroeconomic factors that may impact consumer spending. Understanding and evaluating these risks is crucial for assessing the company's performance and investment potential.

Table No. 5.6:- Table Describing Ratio Analysis of Page Industries Ltd. for 5 Years

RATIO ANALYSIS FOR PAGE INDUSTRIES LIMITED						
PARTICULARS	2017-18	2018-19	2019-20	2020-21	2021-22	AVG
EPS	311.08	353.19	307.72	305.35	481.03	351.674
PE RATIO	72.92	70.7	55.13	99.29	89.79	77.566
RETURN ON EQUITY(%)	40.95	50.83	41.86	38.48	49.28	44.28
RETURN ON ASSET	24.56	29.16	22.68	20.03	25.46	24.378
PRICE TO BOOK VALUE RATIO	29.86	35.83	23.03	38.24	44.25	34.242
PRICE TO SALES RATIO	9.92	9.74	6.41	11.94	12.4	10.082

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.6:- Graph Showing Ratio Analysis of Page Industries Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The table provides the ratio analysis for Page Industries Limited for the years 2017-2018 to 2021-2022. The ratios are categorized into six categories: EPS (earnings per share), PE ratio (price-to-earnings ratio), return on equity, return on assets, price-to-book value ratio, and price-to-sales ratio.

EPS, which represents the portion of a company's profit allocated to each outstanding share of common stock, shows an inconsistent trend over the years, with the highest EPS of 481.03 in 2021-22. The PE ratio, which indicates how much investors are willing to pay per rupee of earnings, shows an inconsistent trend over the years, with the highest PE ratio of 99.29 in 2020-21. Return on equity (ROE) and return on assets (ROA), which measures a company's profitability and efficiency respectively, show an inconsistent trend over the years, with the highest ROE and ROA of 50.83% and 29.16% respectively in 2018-19. The price-to-book value (P/B) ratio, which compares a company's market value to its book value, shows an inconsistent trend over the years, with the highest P/B ratio of 44.25 in 2021-22. The price-to-sales (P/S) ratio, which compares a company's market capitalization to its sales revenue, shows an inconsistent trend over the years, with the highest P/S ratio of 12.4 in 2021-22.

Overall, the average ratios for the five years show that Page Industries Limited has been performing quite well, with a high ROE of 44.28% and an average P/E ratio of 77.57. The P/B and P/S ratios have also been relatively high, with an average P/B ratio of 34.24 and an average P/S ratio of 10.08. However, the inconsistent trends in some ratios indicate that the company may need to focus on improving its financial performance in the coming years.

4. RAYMOND LTD

Raymond Limited is an Indian textile and apparel company that operates in several business segments, including textiles, branded apparel, shirting, suiting, denim, and garmenting.

Business segmentation:

Raymond is known for its high-quality textiles, including shirting and suiting fabrics. The company has a strong presence in both the domestic and international markets. Raymond's textiles are widely recognized for their craftsmanship and innovative designs.

Financial Performance:

Raymond's financial performance has varied over time due to market conditions and industry dynamics. Key financial indicators to consider include revenue growth, profit margins, return on equity, and debt levels. Reviewing the company's financial statements will provide more specific and up-to-date information about its financial performance.

Risk Factors:

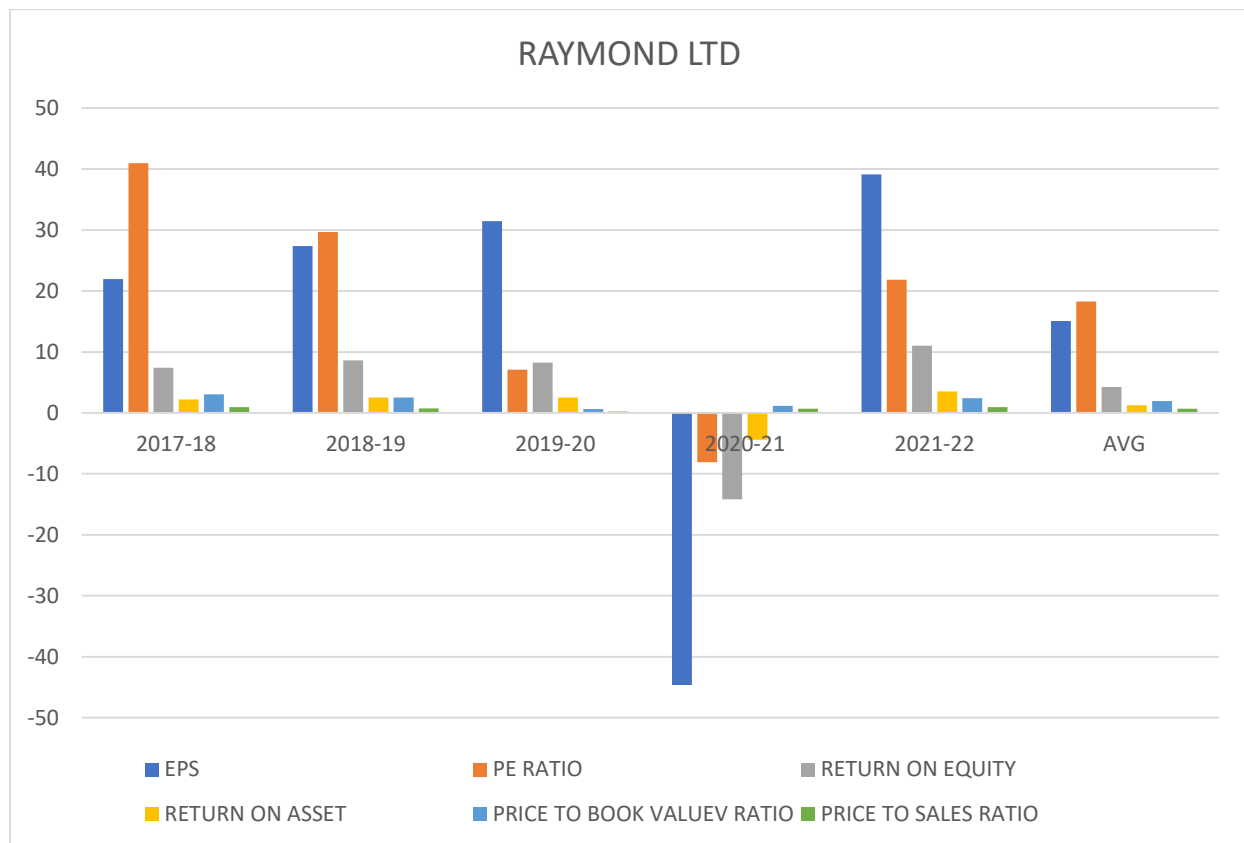
As with any company, Raymond faces certain risks, including changes in consumer preferences, competitive pressures, fluctuations in raw material prices, and macroeconomic factors. It is important to assess these risks and their potential impact on the company's performance.

Table No. 5.7:- Table Describing Ratio Analysis of Raymond Ltd. for 5 Years

RATIO ANALYSIS FOR RAYMOND LTD						
PARTICULARS	2017-18	2018-19	2019-20	2020-21	2021-22	AVG
EPS	21.93	27.37	31.44	-44.63	39.11	15.044
PE RATIO	40.94	29.65	7.09	-8.1	21.85	18.286
RETURN ON EQUITY	7.42	8.59	8.26	-14.16	11.03	4.228
RETURN ON ASSET	2.2	2.52	2.53	-4.4	3.52	1.274
PRICE TO BOOK						
VALUE RATIO	3.04	2.54	0.61	1.15	2.41	1.95
PRICE TO SALES						
RATIO	0.93	0.75	0.22	0.7	0.92	0.704

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.7:- Graph Showing Ratio Analysis of Raymond Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The table shows the ratio analysis for Raymond Ltd for the years 2017-18 to 2021-22.

EPS (Earnings per share) shows the profit earned by the company on a per-share basis. Raymond Ltd had a fluctuating EPS over the years, with negative earnings in 2020-21, but a high positive EPS in 2021-22. PE Ratio (Price to Earnings Ratio) shows the price paid by investors for each rupee of earnings generated by the company. The lower the PE ratio, the more attractive the investment. Raymond Ltd had a high PE ratio in 2017-18 and 2018-19, indicating that investors were willing to pay a high price for each rupee of earnings. However, the PE ratio dropped significantly in 2019-20 and became negative in 2020-21, indicating a decline in investor confidence. The PE ratio improved slightly in 2021-22. Return on Equity (ROE) measures the company's profitability relative to shareholders' equity. It indicates how efficiently the company is using its equity to generate profits. Raymond Ltd had a low ROE in all the years except 2021-22, indicating that the company was not efficiently using its equity to generate profits. Return on Assets (ROA) measures the company's profitability relative to its total assets. It indicates how efficiently the company is using its assets to generate profits. Raymond Ltd had a low ROA in all the years except 2021-22, indicating that the company was

not efficiently using its assets to generate profits. Price to Book Value Ratio (P/BV Ratio) compares the market price of the company's stock to its book value (total assets minus total liabilities). It indicates whether the stock is undervalued or overvalued. Raymond Ltd had a fluctuating P/BV ratio over the years, with a low ratio in 2019-20 and a high ratio in 2021-22, indicating an increase in market value. Price to Sales Ratio (P/S Ratio) compares the market price of the company's stock to its sales per share. It indicates how much investors are willing to pay for each rupee of sales generated by the company. Raymond Ltd had a low P/S ratio in all the years, indicating that investors were not willing to pay a high price for each rupee of sales generated by the company.

5. SIYARAM SILK MILLS

Siyaram Silk Mills Ltd is an Indian textile company primarily engaged in the manufacturing and marketing of fabrics, apparel, and home furnishing products.

Market Presence:

Siyaram Silk Mills has a strong presence in the domestic and international markets. The company has an extensive distribution network that includes exclusive brand outlets, multi-brand outlets, and e-commerce platforms. Siyaram's products are available in numerous retail outlets across India.

Financial Performance:

It is important to review Siyaram Silk Mills' financial statements for up-to-date information on its financial performance. Key financial indicators to consider include revenue growth, profit margins, return on equity, and debt levels. Evaluating the company's financials will provide insights into its financial health and performance.

Growth Strategies:

Siyaram Silk Mills has pursued growth strategies including expanding product lines, entering new markets, and enhancing brand visibility. The company continuously introduces new designs and collections to cater to evolving consumer preferences.

Risk Factors:

Like any company, Siyaram Silk Mills faces certain risks including changes in consumer behavior, competitive pressures, fluctuations in raw material prices, and macroeconomic factors. It is important to assess these risks when evaluating the company's performance and investment potential.

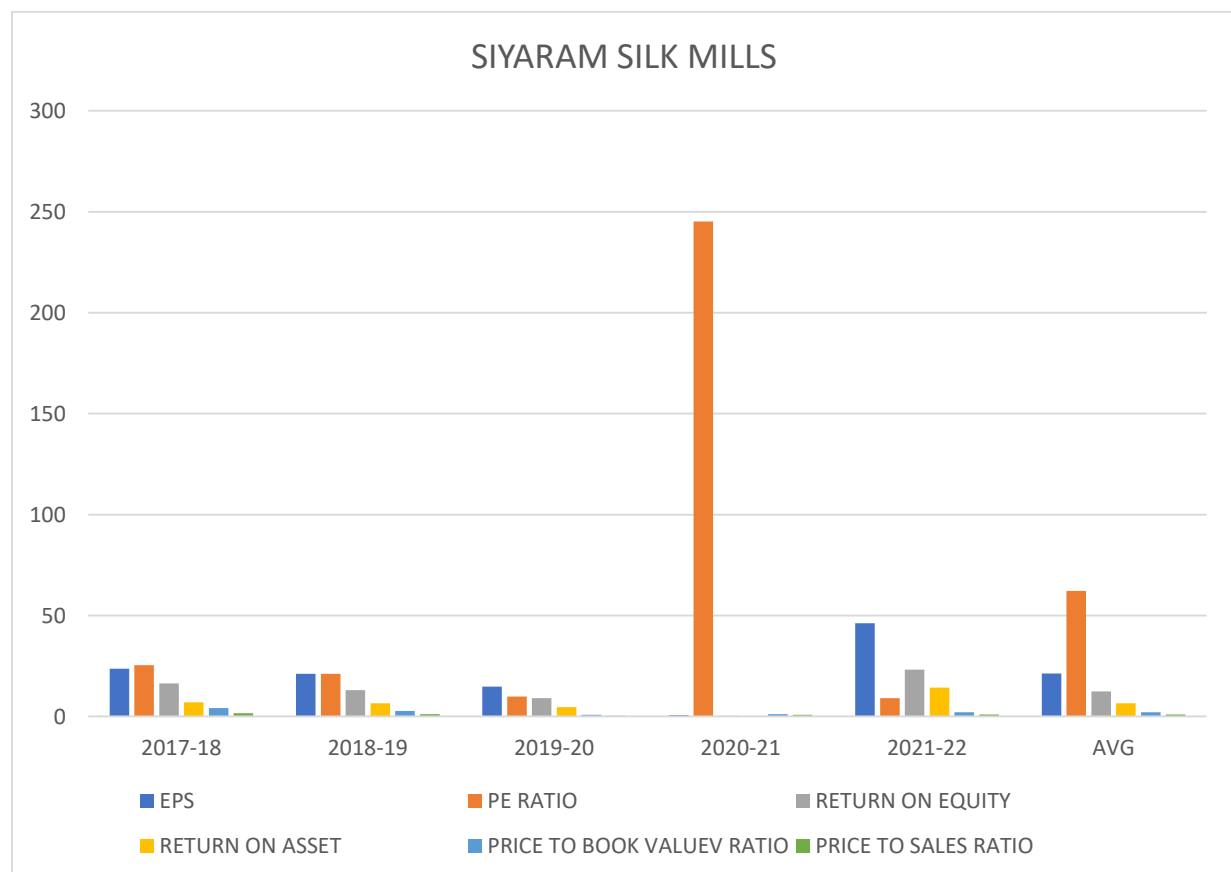
Table No. 5.8:- Table Describing Ratio Analysis of Siyaram Silk Mills Ltd. for 5 Years

RATIO ANALYSIS FOR SIYARAM SILK MILLS LTD.						
PARTICULARS	2017-18	2018-19	2019-20	2020-21	2021-22	AVG
EPS	23.64	21.14	14.77	0.76	46.14	21.29
PE RATIO	25.51	21.17	9.98	245.26	9.09	62.202
RETURN ON EQUITY	16.33	13.12	9.08	0.46	23.15	12.428

RETURN ON ASSET	7.13	6.59	4.65	0.29	14.29	6.59
PRICE TO BOOK						
VALUEV RATIO	4.2	2.77	0.86	1.14	2.11	2.216
PRICE TO SALES						
RATIO	1.65	1.15	0.39	0.8	1.03	1.004

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.8:- Graph Showing Ratio Analysis of Siyaram Silk Mills Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The table provides the ratio analysis for Siyaram Silk Mills for the years 2017-18 to 2021-22.

EPS (Earnings per share) shows the profit available to each outstanding share of the company. The company's EPS has been fluctuating during the period, with the highest EPS in 2021-22. PE (Price to Earnings) Ratio indicates the amount investors are willing to pay for each rupee of earnings. The company's PE Ratio has been fluctuating, with a sharp increase in 2020-21. Return on Equity (ROE) measures how much profit a company generates with each rupee of shareholder equity. Siyaram Silk Mills ROE has been fluctuating, with the highest ROE in

2021-22. Return on Assets (ROA) indicates how much profit the company is generating with its assets. The company's ROA has also been fluctuating during the period, with the highest ROA in 2021-22. Price to Book Value (P/BV) Ratio compares the market price of the stock with its book value. Siyaram Silk Mills P/BV Ratio has been fluctuating with a sharp decrease in 2019-20. Price to Sales (P/S) Ratio compares the market price of the stock with its sales. The company's P/S Ratio has been fluctuating with the highest P/S Ratio in 2017-18.

Overall, Siyaram Silk Mills has shown fluctuating performance in terms of ratios over the period, with some sharp fluctuations in certain ratios.

5.4 DU-PONT ANALYSIS

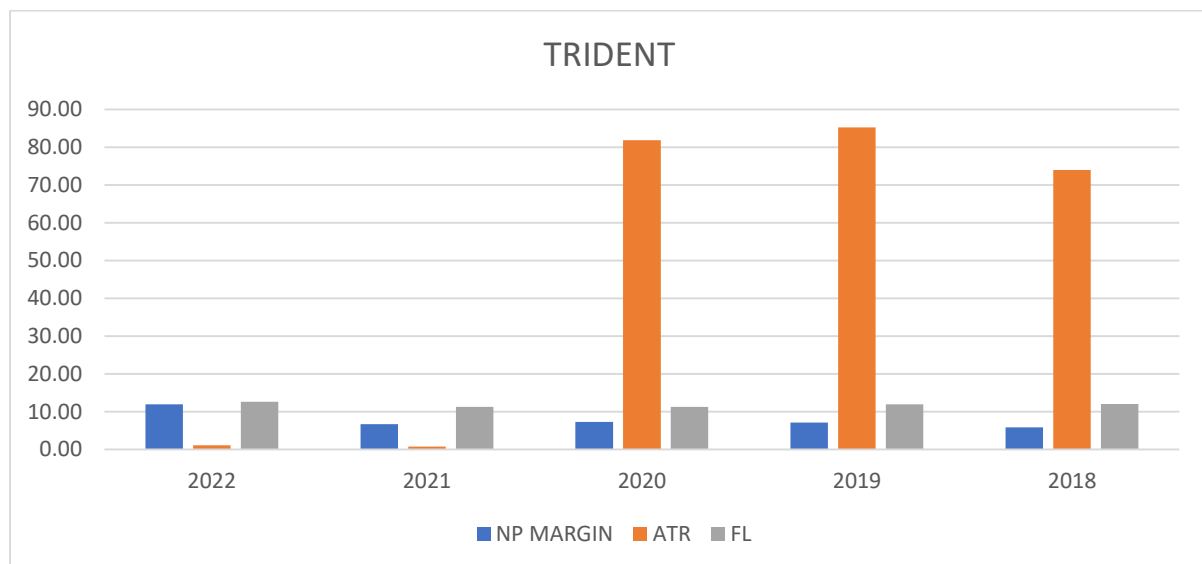
1. TRIDENT

Table No. 5.9:- Table Describing DuPont Analysis of Trident Ltd. for 5 Years

TRIDENT LTD.						
Years	2022	2021	2020	2019	2018	AVERAGE
NP MARGIN	11.90	6.70	7.26	7.07	5.82	7.75
ATR	1.13	0.78	81.84	85.25	73.97	48.59
FL	12.62	11.29	11.22	11.98	12.03	11.83

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.9:- Graph Showing DuPont Analysis of Trident Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

NP Margin (Net Profit Margin) of the company's average net profit margin over the years is 7.75%. This indicates that, on average, 7.75% of the company's total revenue is converted into net profit. ATR (Asset Turnover Ratio) of the average asset turnover ratio is 48.59. This suggests that the company generates 48.59 units of revenue for every unit of assets it possesses. FL (Financial Leverage) of the average financial leverage is 11.83. This indicates that the company has an average debt-to-equity ratio of 11.83. The company's net profit margin shows an increasing trend from 2018 to 2022, indicating improved profitability. The asset turnover ratio experienced significant fluctuations, suggesting variations in the company's efficiency in utilizing its assets to generate revenue. The financial leverage remains relatively stable, indicating a consistent proportion of debt in the capital structure.

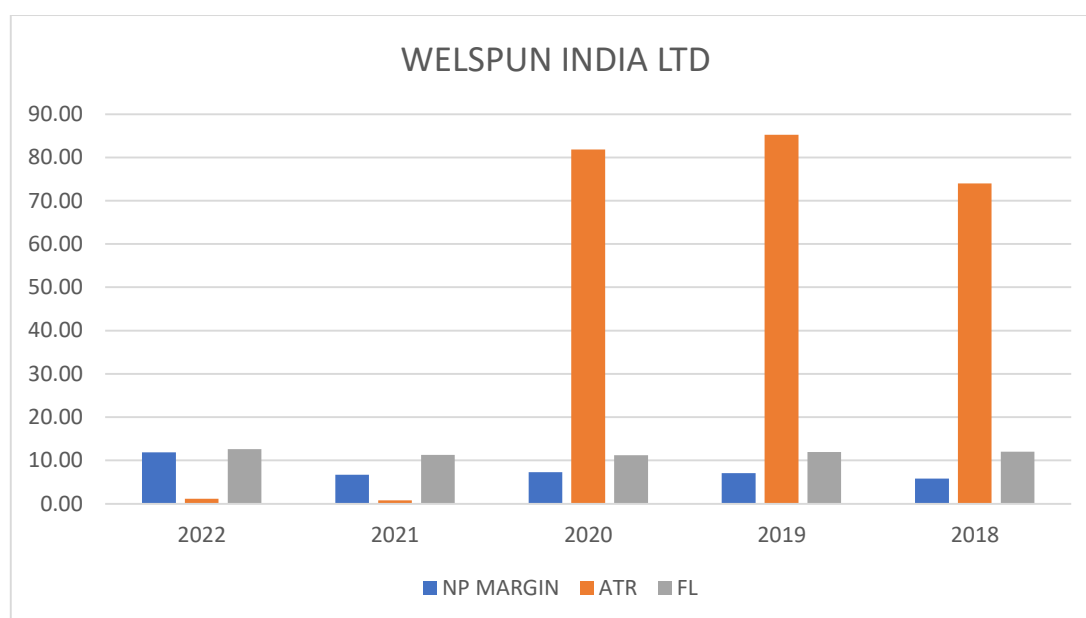
2. WELSPUN INDIA LTD

Table No. 5.10:- Table Describing DuPont Analysis of Welspun India Ltd. for 5 Years

WELSPUN INDIA LTD.						
YEARS	2022	2021	2020	2019	2018	AVERAGE
NP MARGIN	6.51	7.50	7.77	3.46	6.11	6.27
ATR	0.90	84.58	81.11	84.29	79.64	66.10
FL	62.65	60.69	61.92	62.35	62.19	61.96

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.10:- Graph Showing DuPont Analysis of Welspun India Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The average net profit margin is 6.27%. This implies that, on average, 6.27% of the company's total revenue is converted into net profit. The average asset turnover ratio is 66.10, indicating that the company generates 66.10 units of revenue for every unit of assets. The average financial leverage is 61.96, suggesting an average debt-to-equity ratio of 61.96. The company's net profit margin shows some variability over the years, with higher margins seen in 2020 and 2021 compared to other years. The asset turnover ratio exhibits significant fluctuations, suggesting variations in the company's efficiency in utilizing its assets to generate revenue. The financial leverage remains relatively stable, indicating a consistent proportion of debt in the capital structure.

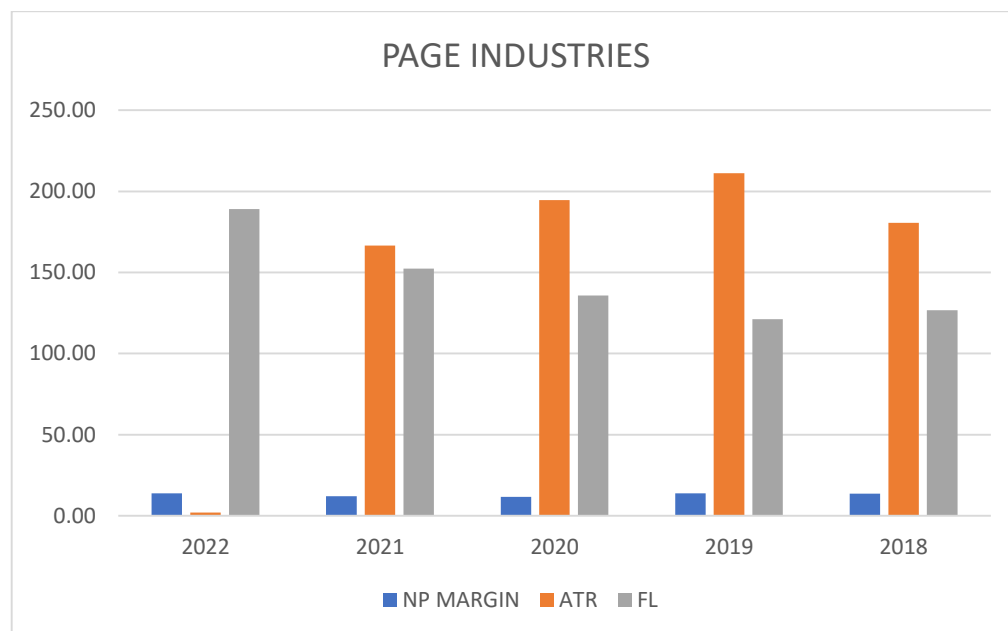
3. PAGE INDUSTRIES

Table No. 5.11:- Table Describing DuPont Analysis of Page Industries Ltd. for 5 Years

PAGE INDUSTRIES LTD.						
YEARS	2022	2021	2020	2019	2018	AVERAGE
NP MARGIN	13.80	12.02	11.65	13.81	13.59	12.97
ATR	2.04	166.65	194.68	211.18	180.64	151.04
FL	188.96	152.45	135.69	121.13	126.67	144.98

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.11:- Graph Showing DuPont Analysis of Page Industries Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The average net profit margin is 12.97%, indicating that, on average, 12.97% of the company's total revenue is converted into net profit. The average asset turnover ratio is 151.04, indicating that the company generates 151.04 units of revenue for every unit of assets. The average financial leverage is 144.98, suggesting an average debt-to-equity ratio of 144.98. Page Industries consistently maintains a relatively high net profit margin, indicating its ability to convert a significant portion of its revenue into net profit. The asset turnover ratio exhibits significant fluctuations, suggesting variations in the company's efficiency in utilizing its assets to generate revenue. The financial leverage shows some variability, indicating changes in the proportion of debt in the company's capital structure.

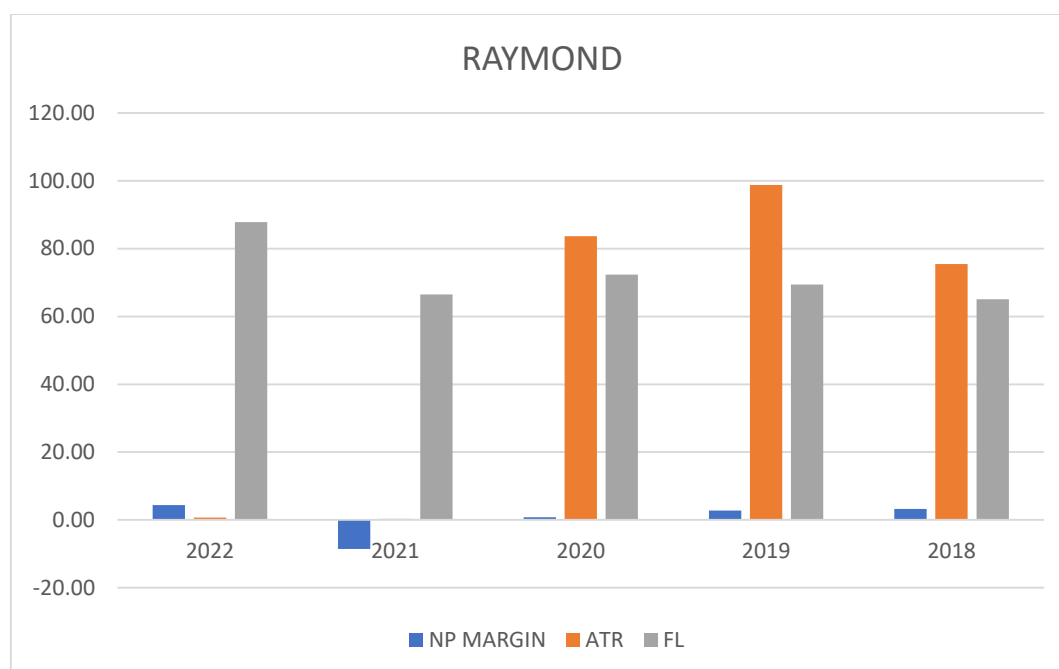
4. RAYMOND LTD.

Table No. 5.12:- Table Describing DuPont Analysis of Raymond Ltd. for 5 Years

RAYMOND LTD.						
YEARS	2022	2021	2020	2019	2018	AVERAGE
NP MARGIN	4.39	-8.53	0.77	2.77	3.25	0.53
ATR	0.68	0.29	83.67	98.76	75.40	51.76
FL	87.81	66.44	72.29	69.36	65.07	72.19

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.12:- Graph Showing DuPont Analysis of Raymond Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The average net profit margin is 0.53%. This implies that, on average, 0.53% of the company's total revenue is converted into net profit. The average asset turnover ratio is 51.76, indicating that the company generates 51.76 units of revenue for every unit of assets. The average financial leverage is 72.19, suggesting an average debt-to-equity ratio of 72.19. Raymond's net profit margin shows fluctuations, with a negative margin in 2021 and positive margins in other years. This indicates varying levels of profitability over the years. The asset turnover ratio exhibits significant fluctuations, suggesting variations in the company's efficiency in utilizing its assets to generate revenue. The financial leverage shows some variability, indicating changes in the proportion of debt in the company's capital structure.

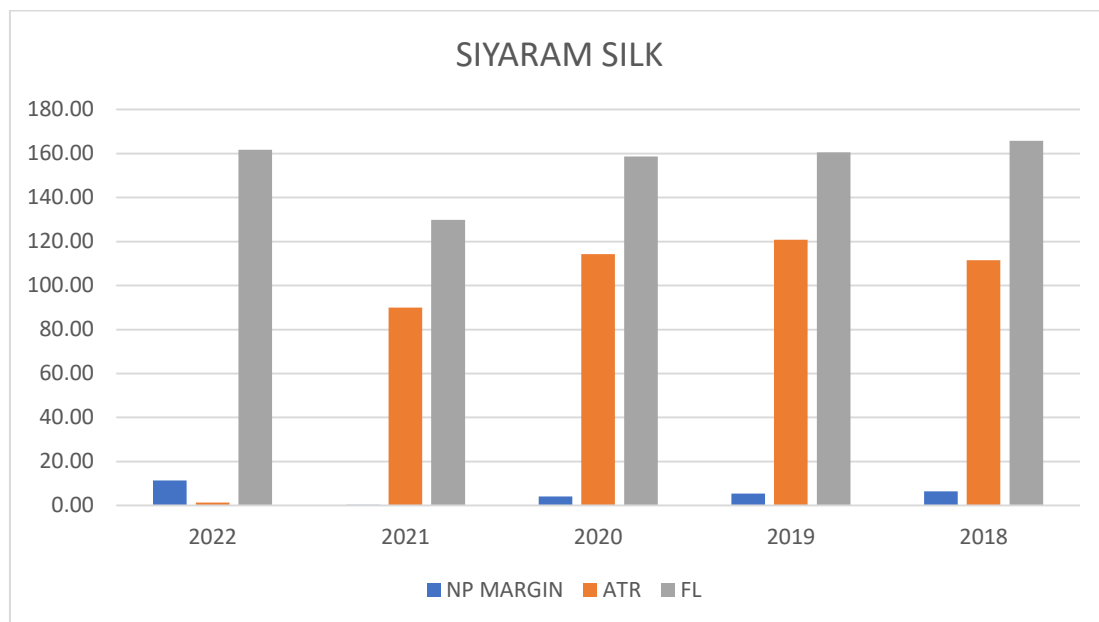
5. SIYARAM SILK MILLS

Table No. 5.13:- Table Describing DuPont Analysis of Siyaram Silk Mills Ltd. for 5 Years

SIYARAM SILK MILLS LTD.						
YEARS	2022	2021	2020	2019	2018	AVERAGE
NP MARGIN	11.35	0.32	4.07	5.45	6.39	5.52
ATR	1.40	89.98	114.27	120.87	111.50	87.60
FL	161.74	129.86	158.63	160.58	165.75	155.31

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.13:- Graph Showing DuPont Analysis of Siyaram Silk Mills Ltd for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The average net profit margin is 5.52%, indicating that, on average, 5.52% of the company's total revenue is converted into net profit. The average asset turnover ratio is 87.60, indicating that the company generates 87.60 units of revenue for every unit of assets. The average financial leverage is 155.31, suggesting an average debt-to-equity ratio of 155.31. Siyaram Silk's net profit margin shows variability, with different levels of profitability in different years. The highest margin is observed in 2022. The asset turnover ratio exhibits fluctuations, suggesting variations in the company's efficiency in utilizing its assets to generate revenue. The financial leverage shows some variability, indicating changes in the proportion of debt in the company's capital structure.

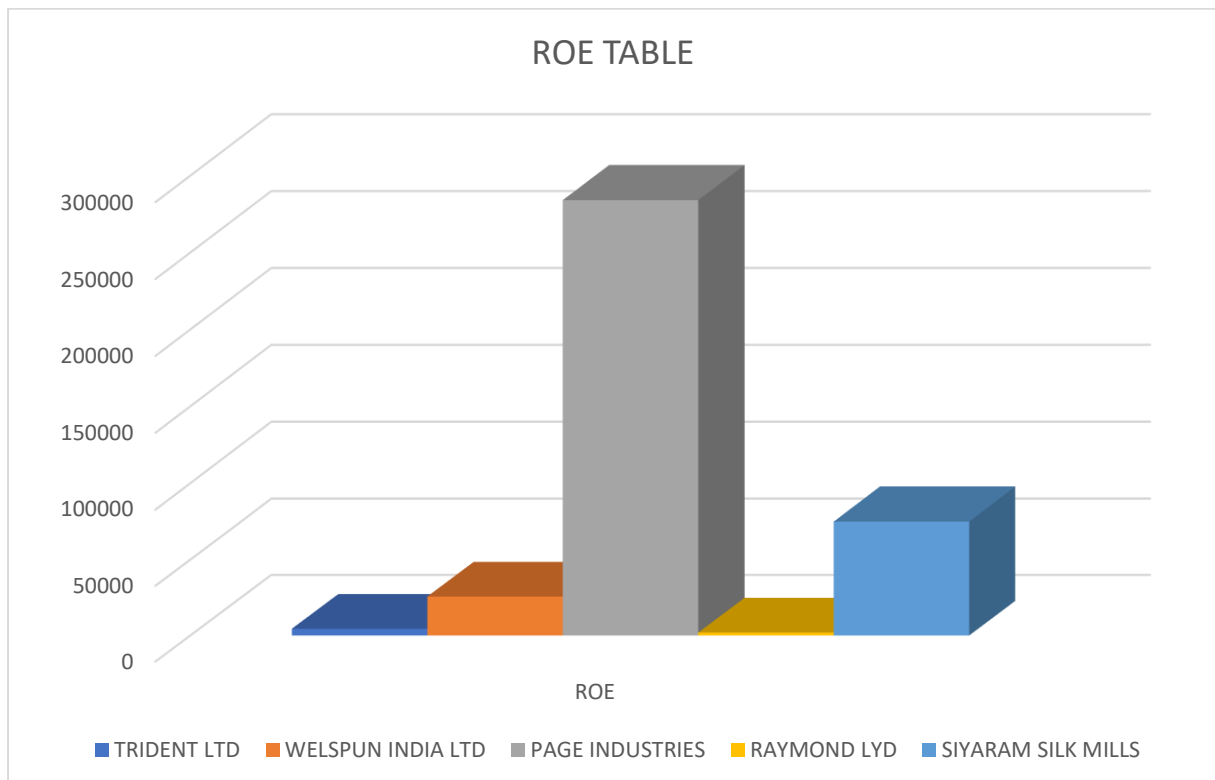
5.5 ROE OF DU-PONT ANALYSIS

Table No. 5.14:- Table Describing ROE of DuPont Analysis of all companies for 5 Years

COMPANY NAME	TRIDENT LTD.	WELSPUN INDIA LTD.	PAGE INDUSTRIES LTD.	RAYMOND LTD.	SIYARAM SILK MILLS LTD.
ROE	4454.14	25681.02	284101.01	1980.45	75050.57

Source: Prepared by Researcher based on Financial Report of the Company

Graph No. 5.14:- Graph Showing DuPont Analysis of all companies for 5 Years



Source: Prepared by Researcher based on Financial Report of the Company

The table provides the return on equity (ROE) values for five companies: Trident Ltd, Welspun India Ltd, Page Industries, Raymond Ltd, and Siyaram Silk Mills. ROE measures the profitability of a company relative to its shareholders' equity. Here's the interpretation of the ROE values within the context of the DuPont analysis:

Trident Ltd company's ROE is exceptionally high at 4454.14%, indicating that it generates significant profits relative to its equity. To further understand the drivers of this high ROE,

additional information such as net profit margin, asset turnover ratio, and financial leverage is required. Welspun India's ROE is 25681.02%, which is remarkably high, suggesting that the company generates substantial profits compared to its equity. Further analysis using net profit margin, asset turnover ratio, and financial leverage is necessary to evaluate the factors contributing to such a high ROE. Page Industries demonstrates an exceptionally high ROE of 284101.01%, indicating substantial profitability relative to its equity. The company's net profit margin, asset turnover ratio, and financial leverage would provide insights into the drivers of its high ROE. Raymond's ROE is 1980.45%, which is relatively high and suggests the company generates solid profits in relation to its equity. Additional analysis of net profit margin, asset turnover ratio, and financial leverage is required to gain a comprehensive understanding of the factors impacting the ROE. Siyaram Silk Mills has an extremely high ROE of 75050.57%, indicating significant profitability compared to its equity. Analyzing the net profit margin, asset turnover ratio, and financial leverage would provide a deeper understanding of the drivers behind the company's high ROE.

It's important to note that while the ROE values indicate profitability, they don't provide insights into the specific drivers contributing to the performance. Conducting a comprehensive DuPont analysis by considering net profit margin, asset turnover ratio, and financial leverage would provide a more complete understanding of the factors influencing the ROE for each company.

CHAPTER – 6

FINDINGS, CONCLUSION
& SUGGESTIONS

6.1 FINDINGS

1. The economy experienced a sharp contraction of -6.60% in 2020 due to the COVID-19 pandemic but rebounded strongly with a growth rate of 8.70% in 2021, followed by a moderate decrease to 6.80% in 2022.
2. The analysis reveals that inflation generally increased from 2018 to 2022, with the highest rate observed in 2022 at 6.90%, showing fluctuations and some variations in the rate of change over the years.
3. The analysis reveals that India's exports and imports experienced fluctuations over the years, with a decline in 2019-20 followed by a significant recovery in 2021-22.
4. Trident Ltd. experienced varying earnings per share and price-to-earnings ratios, while demonstrating an upward trend in return on equity and return on assets, but its significant increase in price-to-book value and price-to-sales ratios suggests a potential overvaluation in recent years.
5. Welspun India Ltd. exhibited inconsistent trends in earnings per share and price-to-earnings ratio, but demonstrated an upward trend in return on equity and return on assets, with relatively stable price-to-book value and price-to-sales ratios over the five-year period.
6. Page Industries Limited has demonstrated inconsistent trends in earnings per share and price-to-earnings ratio, while showcasing strong return on equity, return on assets, and relatively high price-to-book value and price-to-sales ratios, indicating a need for further evaluation of its financial performance.
7. Raymond Ltd experienced fluctuating earnings and investor confidence, with a significant decline in 2020-21, while showing improvement in profitability and market valuation in 2021-22.
8. Siyaram Silk Mills demonstrated inconsistent financial performance, with notable fluctuations in earnings, valuation, and profitability ratios, indicating the need for careful evaluation and monitoring of the company's financial health.
9. The findings of this analysis for Trident Ltd. indicate that the company has shown improved net profit margin over the years, fluctuating asset turnover ratio, and a consistent level of financial leverage, suggesting a focus on profitability and a stable capital structure.
10. The findings of this analysis for Welspun India Ltd. indicate that the company has shown variable net profit margins over the years, fluctuating asset turnover ratio, and a

consistent level of financial leverage, suggesting a mixed performance in terms of profitability and efficiency in utilizing assets, with a stable capital structure.

11. Page Industries demonstrates strong profitability, reflected in a consistently high net profit margin, efficient asset utilization with fluctuations in the asset turnover ratio, and varying levels of financial leverage, indicating changes in the company's capital structure and its impact on profitability.
12. Raymond has experienced fluctuating profitability, with a negative net profit margin in 2021 and positive margins in other years, along with significant variations in the asset turnover ratio and fluctuations in the financial leverage, indicating challenges in maintaining consistent profitability and efficiency in asset utilization.
13. Siyaram Silk has shown fluctuating levels of profitability, with variable net profit margins over the years, along with fluctuations in the asset turnover ratio and financial leverage, indicating challenges in maintaining consistent profitability and efficiency in asset utilization. However, there is a notable improvement in the net profit margin in 2022.
14. The findings of the analysis reveal that Trident Ltd, Welspun India Ltd, Page Industries, Raymond Ltd, and Siyaram Silk Mills have exceptionally high return on equity (ROE) values, indicating significant profitability relative to their equity; however, further analysis of net profit margin, asset turnover ratio, and financial leverage is necessary to understand the specific factors contributing to these high ROE values.

6.2 CONCLUSION

In conclusion, the analysis of the provided information highlights various trends and insights for the mentioned economic indicators and companies. Inflation rates increased with fluctuations, and India's exports and imports showed fluctuations with a recovery in recent years. The financial performance of the analyzed companies varied, with Trident Ltd and Welspun India Ltd showing upward trends in profitability and return on equity, while Page Industries, Raymond Ltd, and Siyaram Silk Mills exhibited inconsistent financial performance and fluctuations in key ratios. Further analysis is necessary to understand the specific factors driving these trends. Additionally, all companies demonstrated exceptionally high return on equity values, indicating significant profitability relative to their equity. In addition, it is important to note that the COVID-19 pandemic had a significant impact on the economy, causing a contraction in 2020, followed by a strong rebound in 2021. The analysis also highlights the fluctuations and variations in inflation rates over the years, indicating changes in the rate of price growth. The findings suggest that Trident Ltd and Welspun India Ltd have generally shown positive trends in terms of profitability and return on equity, indicating their ability to generate profits relative to their invested capital. On the other hand, Page Industries, Raymond Ltd, and Siyaram Silk Mills have exhibited mixed financial performance with fluctuations in earnings, valuation, and profitability ratios, indicating the need for further evaluation and monitoring. It is important for investors and stakeholders to consider these findings and conduct a comprehensive assessment of the companies' financial health, including analyzing additional financial ratios and factors such as cash flow, debt levels, and market conditions.

Based on the provided return on equity (ROE) values, it can be concluded that Page Industries has the best performance in the DuPont analysis among the listed companies. Page Industries' ROE of 284101.01% indicates a significantly high profitability relative to its equity. However, it is important to conduct a comprehensive analysis using additional financial ratios and factors to gain a more thorough understanding of the company's financial performance and make a more informed judgment. Therefore, considering the provided ROE values, Page Industries stands out as the company with the best performance in the DuPont analysis, reflecting its strong profitability and efficient utilization of resources. However, it's important to conduct a comprehensive analysis using additional financial metrics and qualitative factors to gain a more holistic understanding of a company's performance and prospects.

6.3 SUGGESTIONS

For all companies: It is crucial for investors and stakeholders to conduct comprehensive due diligence and analysis beyond the DuPont analysis. This includes assessing industry trends, competitive landscape, and management strategies. Additionally, monitoring macroeconomic factors, regulatory changes, and market conditions is important for understanding the potential risks and opportunities that could impact the companies' financial performance.

It's recommended to consult with financial professionals or conduct further research to make informed investment decisions based on a thorough analysis of the companies' financial health and prospects.

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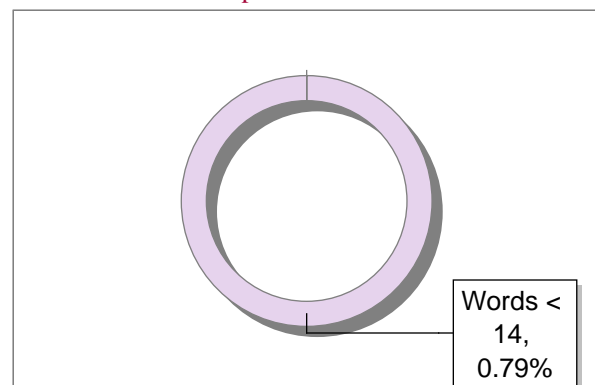
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ANNEXURE



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A

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A-Satisfactory (0-10%)

B-Upgrade (11-40%)

C-Poor (41-60%)

D-Unacceptable (61-100%)

LOCATION	MATCHED DOMAIN	%	SOURCE TYPE
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2	core.ac.uk	1	Publication
3	static.careers360.mobi	1	Publication
4	www.revistanorteamerica.unam.mx	1	Publication
5	www.researchgate.net	<1	Internet Data
6	bprd.nic.in	<1	Publication
7	metacritic.com	<1	Internet Data
8	1library.co	<1	Internet Data
9	A Comparative Policy Analysis of Healthcare PPPs Examining Evidence from Two Sp by Acerete-2015	<1	Publication
10	World Economic Prospects Monthly by -2019	<1	Publication
11	How do zombie firms affect debt financing costs of others From spillover effect by Yu-2021	<1	Publication
12	citeseerx.ist.psu.edu	<1	Internet Data

13	moam.info	<1	Internet Data
14	wedocs.unep.org	<1	Internet Data

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Trident

[Previous Years »](#)

Key Financial Ratios

----- in Rs. Cr. -----

	Mar '22	Mar '21	Mar '20	Mar '19	Mar '18
Investment Valuation Ratios					
Face Value	1.00	1.00	1.00	10.00	10.00
Dividend Per Share	0.36	0.36	0.36	3.00	1.50
Operating Profit Per Share (Rs)	2.92	1.59	1.65	19.30	16.72
Net Operating Profit Per Share (Rs)	13.58	8.87	9.22	102.42	89.60
Free Reserves Per Share (Rs)	--	--	--	--	--
Bonus in Equity Capital	--	--	--	--	--
Profitability Ratios					
Operating Profit Margin(%)	21.50	17.94	17.89	18.84	18.65
Profit Before Interest And Tax Margin(%)	16.63	10.46	10.74	11.76	9.67
Gross Profit Margin(%)	16.69	10.49	10.79	11.86	9.81
Cash Profit Margin(%)	16.53	14.45	14.29	13.95	14.47
Adjusted Cash Margin(%)	16.53	14.45	14.29	13.95	14.47
Net Profit Margin(%)	11.77	7.65	7.27	7.10	5.82
Adjusted Net Profit Margin(%)	11.74	7.62	7.23	7.04	5.74
Return On Capital Employed(%)	21.93	10.20	11.67	13.23	9.78
Return On Net Worth(%)	21.46	10.42	11.52	12.65	9.87
Adjusted Return on Net Worth(%)	21.46	9.62	11.52	12.65	9.87
Return on Assets Excluding Revaluations	7.45	6.51	5.82	57.52	52.86
Return on Assets Including Revaluations	7.45	6.51	5.82	57.52	52.86
Return on Long Term Funds(%)	28.66	13.73	14.55	17.12	12.42
Liquidity And Solvency Ratios					
Current Ratio	0.73	0.56	0.61	0.62	0.63
Quick Ratio	1.26	0.94	0.78	1.02	1.16
Debt Equity Ratio	0.41	0.45	0.54	0.71	0.94
Long Term Debt Equity Ratio	0.08	0.08	0.23	0.33	0.52
Debt Coverage Ratios					
Interest Cover	13.74	6.81	4.80	5.62	4.31
Total Debt to Owners Fund	0.41	0.45	0.54	0.71	0.94
Financial Charges Coverage Ratio	17.62	11.49	7.81	8.70	7.73
Financial Charges Coverage Ratio Post Tax	14.39	10.48	7.09	7.21	6.67
Management Efficiency Ratios					
Inventory Turnover Ratio	5.36	4.48	5.15	5.21	5.05
Debtors Turnover Ratio	14.08	12.33	9.99	9.16	10.63
Investments Turnover Ratio	1.29	0.94	1.03	1.04	0.88
Fixed Assets Turnover Ratio	1.13	0.77	0.86	1.01	0.92
Total Assets Turnover Ratio	1.30	0.95	1.04	1.05	0.88
Asset Turnover Ratio	1.36	0.97	0.98	1.02	0.87

Average Raw Material Holding	--	--	--	--	--
Average Finished Goods Held	--	--	--	--	--
Number of Days In Working Capital	70.30	76.47	54.57	71.32	77.89
Profit & Loss Account Ratios					
Material Cost Composition	53.95	51.18	52.25	52.86	55.13
Imported Composition of Raw Materials Consumed	--	--	--	--	--
Selling Distribution Cost Composition	0.45	0.53	0.54	0.46	0.40
Expenses as Composition of Total Sales	65.70	67.69	55.98	57.12	53.97
Cash Flow Indicator Ratios					
Dividend Payout Ratio Net Profit	44.14	--	62.63	37.09	28.75
Dividend Payout Ratio Cash Profit	31.35	--	31.70	18.72	11.41
Earning Retention Ratio	55.86	100.00	37.37	62.91	71.25
Cash Earning Retention Ratio	68.65	100.00	68.30	81.28	88.59
AdjustedCash Flow Times	1.37	2.27	2.36	2.85	3.76

Source : Dion Global Solutions Limited

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Welspun India

[Previous Years »](#)

Key Financial Ratios

----- in Rs. Cr. -----

	Mar '23	Mar '22	Mar '21	Mar '20	Mar '19
Investment Valuation Ratios					
Face Value	1.00	1.00	1.00	1.00	1.00
Dividend Per Share	--	0.15	0.15	1.00	0.30
Operating Profit Per Share (Rs)	4.02	9.01	10.77	10.04	7.91
Net Operating Profit Per Share (Rs)	57.23	67.84	59.28	52.99	53.70
Free Reserves Per Share (Rs)	--	--	--	--	--
Bonus in Equity Capital	--	--	--	--	--
Profitability Ratios					
Operating Profit Margin(%)	7.02	13.28	18.17	18.95	14.73
Profit Before Interest And Tax Margin(%)	2.53	9.05	12.45	11.57	7.17
Gross Profit Margin(%)	2.59	9.16	12.62	11.66	7.28
Cash Profit Margin(%)	6.93	9.84	15.86	15.27	13.71
Adjusted Cash Margin(%)	6.93	9.84	15.86	15.27	13.71
Net Profit Margin(%)	2.68	5.84	8.84	8.92	2.62
Adjusted Net Profit Margin(%)	2.61	5.77	8.72	8.84	2.58
Return On Capital Employed(%)	6.46	14.65	18.02	13.80	10.05
Return On Net Worth(%)	4.28	11.28	15.77	16.91	5.69
Adjusted Return on Net Worth(%)	4.28	11.28	18.81	15.38	14.05
Return on Assets Excluding Revaluations	35.81	35.17	33.23	27.94	24.78
Return on Assets Including Revaluations	35.81	35.17	33.23	27.94	24.78
Return on Long Term Funds(%)	8.04	19.34	23.21	18.58	12.73
Liquidity And Solvency Ratios					
Current Ratio	0.67	0.61	0.72	0.64	0.72
Quick Ratio	0.63	0.85	0.99	1.01	1.07
Debt Equity Ratio	0.26	0.38	0.39	0.71	0.90
Long Term Debt Equity Ratio	0.01	0.04	0.08	0.27	0.50
Debt Coverage Ratios					
Interest Cover	4.70	8.62	--	7.01	5.15
Total Debt to Owners Fund	0.26	0.38	0.39	0.71	0.90
Financial Charges Coverage Ratio	8.80	12.01	--	11.10	9.49
Financial Charges Coverage Ratio Post Tax	7.57	9.22	--	10.10	6.87
Management Efficiency Ratios					
Inventory Turnover Ratio	4.55	6.27	5.56	5.04	6.05
Debtors Turnover Ratio	8.00	8.63	7.93	6.65	6.84
Investments Turnover Ratio	1.27	1.40	1.29	1.11	6.05
Fixed Assets Turnover Ratio	3.04	1.54	0.93	1.25	1.29
Total Assets Turnover Ratio	1.27	1.41	1.29	1.12	1.15
Asset Turnover Ratio	1.22	1.42	1.26	1.11	1.13

Average Raw Material Holding	--	--	--	--	--
Average Finished Goods Held	--	--	--	--	--
Number of Days In Working Capital	45.59	46.03	51.36	46.87	32.27
Profit & Loss Account Ratios					
Material Cost Composition	61.27	64.39	52.70	54.18	54.32
Imported Composition of Raw Materials Consumed	--	13.75	15.35	13.34	15.91
Selling Distribution Cost Composition	--	0.05	0.05	0.06	0.15
Expenses as Composition of Total Sales	--	1.13	0.13	0.01	0.49
Cash Flow Indicator Ratios					
Dividend Payout Ratio Net Profit	--	3.84	--	27.50	46.06
Dividend Payout Ratio Cash Profit	--	2.25	--	15.13	12.02
Earning Retention Ratio	100.00	96.16	100.00	69.75	81.33
Cash Earning Retention Ratio	--	97.75	100.00	84.07	91.31
AdjustedCash Flow Times	2.27	1.96	1.35	2.44	2.99

Source : Dion Global Solutions Limited

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Page Industries

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Key Financial Ratios

----- in Rs. Cr. -----

	Mar '22	Mar '21	Mar '20	Mar '19	Mar '18
Investment Valuation Ratios					
Face Value	10.00	10.00	10.00	10.00	10.00
Dividend Per Share	370.00	250.00	161.00	344.00	131.00
Operating Profit Per Share (Rs)	704.21	472.12	477.48	553.10	484.73
Net Operating Profit Per Share (Rs)	3,484.41	2,539.89	2,640.82	2,557.14	2,287.43
Free Reserves Per Share (Rs)	--	--	--	--	--
Bonus in Equity Capital	65.50	65.50	65.50	65.50	65.50
Profitability Ratios					
Operating Profit Margin(%)	20.21	18.58	18.08	21.62	21.19
Profit Before Interest And Tax Margin(%)	18.42	16.25	15.86	20.28	19.92
Gross Profit Margin(%)	18.52	16.36	15.99	20.54	20.09
Cash Profit Margin(%)	15.40	14.14	13.62	14.71	14.57
Adjusted Cash Margin(%)	15.40	14.14	13.62	14.71	14.57
Net Profit Margin(%)	13.80	12.02	11.65	13.81	13.59
Adjusted Net Profit Margin(%)	13.73	11.94	11.55	13.63	13.48
Return On Capital Employed(%)	68.06	54.59	58.56	73.42	59.55
Return On Net Worth(%)	49.28	38.48	41.86	50.83	40.95
Adjusted Return on Net Worth(%)	49.28	38.48	41.86	50.83	40.95
Return on Assets Excluding Revaluations	976.01	793.34	735.06	694.82	759.65
Return on Assets Including Revaluations	976.01	793.34	735.06	694.82	759.65
Return on Long Term Funds(%)	68.06	54.60	59.03	78.28	60.70
Liquidity And Solvency Ratios					
Current Ratio	1.61	1.58	1.59	1.71	1.63
Quick Ratio	0.65	0.89	0.54	0.58	0.64
Debt Equity Ratio	--	--	0.03	0.09	0.06
Long Term Debt Equity Ratio	--	--	0.02	0.03	0.04
Debt Coverage Ratios					
Interest Cover	23.01	16.25	14.65	38.27	32.11
Total Debt to Owners Fund	--	--	0.03	0.09	0.06
Financial Charges Coverage Ratio	25.05	18.36	16.46	40.18	33.79
Financial Charges Coverage Ratio Post Tax	19.70	14.57	12.95	27.14	23.54
Management Efficiency Ratios					
Inventory Turnover Ratio	3.99	5.11	4.10	3.80	4.49
Debtors Turnover Ratio	25.72	26.87	29.81	20.99	19.57
Investments Turnover Ratio	3.57	3.20	3.48	3.37	4.49
Fixed Assets Turnover Ratio	6.67	5.31	5.64	7.41	8.73
Total Assets Turnover Ratio	3.58	3.21	3.49	3.39	2.87
Asset Turnover Ratio	3.94	3.27	3.48	3.27	3.13

Average Raw Material Holding	--	--	--	--	--
Average Finished Goods Held	--	--	--	--	--
Number of Days In Working Capital	38.03	40.19	30.11	54.68	40.08
Profit & Loss Account Ratios					
Material Cost Composition	49.09	37.97	44.25	47.90	40.55
Imported Composition of Raw Materials Consumed	--	--	--	--	--
Selling Distribution Cost Composition	1.71	1.12	3.31	3.67	3.79
Expenses as Composition of Total Sales	1.35	0.62	0.40	0.40	0.55
Cash Flow Indicator Ratios					
Dividend Payout Ratio Net Profit	62.36	81.87	52.32	95.69	38.89
Dividend Payout Ratio Cash Profit	55.58	69.10	44.38	88.70	35.99
Earning Retention Ratio	37.64	18.13	47.68	4.31	61.11
Cash Earning Retention Ratio	44.42	30.90	55.62	11.30	64.01
AdjustedCash Flow Times	--	0.00	0.07	0.17	0.13

Source : Dion Global Solutions Limited

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Raymond

[Previous Years »](#)

Key Financial Ratios

----- in Rs. Cr. -----

	Mar '22	Mar '21	Mar '20	Mar '19	Mar '18
Investment Valuation Ratios					
Face Value	10.00	10.00	10.00	10.00	10.00
Dividend Per Share	3.00	--	--	3.00	3.00
Operating Profit Per Share (Rs)	74.12	-0.05	39.37	38.75	34.11
Net Operating Profit Per Share (Rs)	639.99	263.23	492.34	533.78	490.64
Free Reserves Per Share (Rs)	--	--	--	--	--
Bonus in Equity Capital	63.88	63.88	65.71	69.28	69.28
Profitability Ratios					
Operating Profit Margin(%)	11.58	-0.02	7.99	7.25	6.95
Profit Before Interest And Tax Margin(%)	7.39	-7.68	3.00	3.75	3.62
Gross Profit Margin(%)	7.83	-8.29	3.12	3.94	3.77
Cash Profit Margin(%)	13.30	1.40	6.42	6.01	4.58
Adjusted Cash Margin(%)	13.30	1.40	6.42	6.01	4.58
Net Profit Margin(%)	-9.29	-6.76	2.95	2.25	3.25
Adjusted Net Profit Margin(%)	-8.77	-6.26	2.84	2.14	3.12
Return On Capital Employed(%)	16.64	-0.21	7.34	10.32	9.65
Return On Net Worth(%)	-21.84	-7.09	4.26	5.39	7.44
Adjusted Return on Net Worth(%)	24.32	-7.09	2.20	7.17	3.64
Return on Assets Excluding Revaluations	272.23	250.70	275.18	223.00	214.57
Return on Assets Including Revaluations	272.23	250.70	275.18	223.00	214.57
Return on Long Term Funds(%)	20.40	-0.23	11.31	18.82	13.82
Liquidity And Solvency Ratios					
Current Ratio	0.99	1.42	0.74	0.61	0.69
Quick Ratio	0.71	1.07	0.90	0.96	0.74
Debt Equity Ratio	0.95	0.73	0.74	1.08	0.88
Long Term Debt Equity Ratio	0.59	0.60	0.13	0.14	0.31
Debt Coverage Ratios					
Interest Cover	3.01	-0.04	1.17	1.68	1.62
Total Debt to Owners Fund	0.95	0.73	0.74	1.08	0.88
Financial Charges Coverage Ratio	3.83	0.82	1.97	2.30	2.27
Financial Charges Coverage Ratio Post Tax	-0.21	1.16	2.28	2.04	2.31
Management Efficiency Ratios					
Inventory Turnover Ratio	2.76	1.75	2.47	3.09	3.21
Debtors Turnover Ratio	6.52	3.12	5.25	5.06	4.52
Investments Turnover Ratio	1.21	0.61	1.03	1.15	1.22
Fixed Assets Turnover Ratio	2.10	1.02	1.85	2.26	2.26
Total Assets Turnover Ratio	1.21	0.61	1.03	1.15	1.24
Asset Turnover Ratio	1.33	0.59	1.07	1.23	1.21

Average Raw Material Holding	--	--	--	--	--
Average Finished Goods Held	--	--	--	--	--
Number of Days In Working Capital	21.39	139.32	74.83	68.11	34.93
Profit & Loss Account Ratios					
Material Cost Composition	43.13	35.48	51.59	51.33	53.42
Imported Composition of Raw Materials Consumed	--	--	--	--	--
Selling Distribution Cost Composition	2.41	1.53	3.29	3.68	4.10
Expenses as Composition of Total Sales	3.42	3.70	4.55	4.48	4.96
Cash Flow Indicator Ratios					
Dividend Payout Ratio Net Profit	--	--	--	24.94	7.82
Dividend Payout Ratio Cash Profit	--	--	--	10.09	3.95
Earning Retention Ratio	100.00	100.00	100.00	81.25	84.04
Cash Earning Retention Ratio	100.00	100.00	100.00	91.10	94.67
AdjustedCash Flow Times	2.85	45.74	6.19	7.13	8.06

Source : Dion Global Solutions Limited

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Siyaram Silk Mills

[Previous Years »](#)

Key Financial Ratios

----- in Rs. Cr. -----

	Mar '22	Mar '21	Mar '20	Mar '19	Mar '18
Investment Valuation Ratios					
Face Value	2.00	2.00	2.00	2.00	2.00
Dividend Per Share	9.20	4.60	8.60	4.40	4.20
Operating Profit Per Share (Rs)	71.32	11.71	36.11	51.47	52.43
Net Operating Profit Per Share (Rs)	406.03	232.03	362.28	387.18	369.46
Free Reserves Per Share (Rs)	--	--	--	--	--
Bonus in Equity Capital	49.54	49.54	49.54	49.54	49.54
Profitability Ratios					
Operating Profit Margin(%)	17.56	5.04	9.96	13.29	14.18
Profit Before Interest And Tax Margin(%)	14.23	-0.52	5.56	9.73	10.53
Gross Profit Margin(%)	14.48	-0.54	5.68	9.88	10.69
Cash Profit Margin(%)	14.26	5.85	8.34	9.10	10.13
Adjusted Cash Margin(%)	14.26	5.85	8.34	9.10	10.13
Net Profit Margin(%)	11.16	0.49	4.22	5.57	6.44
Adjusted Net Profit Margin(%)	10.96	0.47	4.13	5.48	6.34
Return On Capital Employed(%)	27.00	4.08	11.77	17.74	17.23
Return On Net Worth(%)	22.67	0.68	9.34	13.35	16.44
Adjusted Return on Net Worth(%)	23.23	0.68	9.34	13.97	17.33
Return on Assets Excluding Revaluations	199.98	165.12	163.64	161.60	144.79
Return on Assets Including Revaluations	199.98	165.12	163.64	161.60	144.79
Return on Long Term Funds(%)	31.84	4.17	15.05	23.20	26.01
Liquidity And Solvency Ratios					
Current Ratio	1.45	1.68	1.23	1.29	1.11
Quick Ratio	1.54	1.16	1.28	1.59	1.72
Debt Equity Ratio	0.23	0.10	0.45	0.54	0.81
Long Term Debt Equity Ratio	0.04	0.08	0.13	0.18	0.20
Debt Coverage Ratios					
Interest Cover	17.17	1.18	3.04	4.29	6.18
Total Debt to Owners Fund	0.23	0.10	0.45	0.54	0.81
Financial Charges Coverage Ratio	20.41	3.23	4.73	5.57	7.95
Financial Charges Coverage Ratio Post Tax	16.00	3.23	4.36	4.37	6.03
Management Efficiency Ratios					
Inventory Turnover Ratio	4.72	4.30	3.97	4.32	4.03
Debtors Turnover Ratio	5.89	3.72	4.74	4.46	4.77
Investments Turnover Ratio	1.66	1.28	1.53	1.55	1.41
Fixed Assets Turnover Ratio	2.33	1.43	2.16	2.63	3.14
Total Assets Turnover Ratio	1.66	1.28	1.53	1.56	1.42
Asset Turnover Ratio	1.90	1.11	1.49	1.51	1.66

Average Raw Material Holding	--	--	--	--	--
Average Finished Goods Held	--	--	--	--	--
Number of Days In Working Capital	84.57	58.91	85.30	102.93	120.41
Profit & Loss Account Ratios					
Material Cost Composition	57.39	46.71	54.00	48.51	54.37
Imported Composition of Raw Materials Consumed	--	--	--	--	--
Selling Distribution Cost Composition	0.75	0.67	3.16	3.40	2.96
Expenses as Composition of Total Sales	6.66	7.41	9.47	8.67	8.83
Cash Flow Indicator Ratios					
Dividend Payout Ratio Net Profit	23.37	--	56.22	10.19	9.24
Dividend Payout Ratio Cash Profit	18.32	--	27.90	6.32	5.99
Earning Retention Ratio	77.19	100.00	43.78	90.27	91.24
Cash Earning Retention Ratio	82.03	100.00	72.10	93.86	94.22
AdjustedCash Flow Times	0.77	1.19	2.37	2.46	3.08

Source : Dion Global Solutions Limited