#### Assignment - S

## 1) Explain Dupont Analysis

### Dupont Analysis

A Dupont Analysis is used to evaluate the component Pouts of a company's ROE [Return or equify] This allows an investors to determine what Principal contribute the most to the changes in ROB. An we took like this to compene the operationter investors can ephicians of two simpar Pirms

# Dupont Analysis us Roturn on Lavity.

The victure on equities matric is not income divided by starsholders oquite the Rayrons analysis is still the ROE, Just on expanded version The ROE conculation voucals four well a company williso captial even shareholder with a desport analysis inventors and analysts can dig who what Dries changes in Rot or why on ROU is considered high or low. That is a Dopone analysis can help doduce whether it's . Pro Fitability. Use of Asots or older . Houth driving ROE,

#### Formula:

Desport Braltis

= ret Proprit x soules x Assola x Equity.

Use and Porpose of proposit Analysis & Dupont Anagysis is a Promowerk for analysing

Fundamental Verfermans originally Popularised by Resport corportion, now widely used to compare to operational applicancy of two similar Girms a Rupont analysis is or useful technique wood to decompose the different drivers of voture on

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