# About the Company

Percept Limited is a public, unlisted company that is currently active. The company operates in the internet-based services sector, specifically providing event management, tour operator services, public relation, and consultant fee and distribution services. It was incorporated on May 8, 2002, and is based in Mumbai, Maharashtra.  
  
The company has a total of 4 directors. One of them is a promoter director. The managing director is HARINDRA PAL SINGH. HARINDRA PAL SINGH also holds the largest share of the company, with a stake of 9.62%. The top two director shareholders collectively hold a stake of 9.65%.  
  
The company's shares are held by promoters to the extent of 84.50% and by non-promoters to the extent of 15.50%.  
  
Percept Limited has one associate company, Bollywood Merchandise Private Limited. The company has four subsidiary companies, namely Allied Media Network Private Limited, Percept Live Private Limited, and Percept H Private Limited. Additionally, Percept Limited has one holding company, Percept Finserve Private Limited.  
  
For 2022-2023, the company's revenue from operations has increased by a significant 226.60% compared to the previous year, reaching 5,079.62 lakhs. This growth is reflected in the profit after tax (PAT), which has seen a massive 529.61% increase, standing at 560.64 lakhs. EBITDA has also seen a substantial 142.85% increase, reaching 215.29 lakhs. The company's return on capital employed stands at 3.58%. The debt levels have decreased, with long-term borrowings decreasing by 11.30% and short-term borrowings by 6.97%. The total debt to equity ratio has improved from 1.17 in the previous year to 0.95 in 2022-2023, indicating a healthier financial position. Networth has increased to 4,780.52 lakhs.  
  
Yes Bank Ltd has the highest charge amount, and IDBI Bank Ltd is among the top bankers with open charges.  
  
Percept Limited's most recent rating was withdrawn by ICRA on 27-Oct-2014. Prior to that, ICRA downgraded the company's rating to D on 14-May-2013. In a previous development, ICRA upgraded the company's rating to B on 20-Mar-2012.  
  
PATKAR AND PENDSE were the recent auditors for the year 2022-2023.  
  
The company has a total of 75 High Court cases, with 17 pending and 58 disposed. In the District Court, there are 66 cases, with 29 pending and 37 disposed. Additionally, the company has 8 NCLT cases, with 5 pending and 3 disposed.  
  
Percept Limited has one EPF establishment in the state of Maharashtra, with one delayed establishment in the financial year 2024-2025, specifically in April 2024, with a maximum delay of 1 day.

# **Ratios Analysis**

# **Ratios**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Financial Term** | **2018-2019** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** |
| Revenue Growth (%) | -41.35 | -8.15 | -83.45 | 78.92 | 226.6 |
| EBITDA Margins (%) | 0 | 0 | 0 | 0 | 4.24 |
| EBT Margins (%) | 0 | 0 | 0 | 0 | 11.04 |
| PAT Margins (%) | 0 | 0 | 0 | 0 | 11.04 |
| Return on Equity (%) | 0 | 0 | 0 | 0 | 11.73 |
| Return on Fixed Assets (%) | 0 | 0 | 0 | 0 | 0 |
| Return on Capital Employed (%) | 0 | 0 | 0 | 0 | 3.58 |
| Current Ratio | 0.48 | 0.46 | 0.39 | 0.35 | 0.35 |
| Quick Ratio | 0.48 | 0.46 | 0.39 | 0.35 | 0.35 |
| Interest Coverage Ratio | 0 | 0 | 0 | 0 | 140.38 |
| Long-term Debt/Equity | 0 | 0 | 0 | 0.28 | 0.22 |
| Total Assets/Equity | 3.5 | 3.73 | 3.93 | 3.57 | 3.13 |
| Total Debt/Equity | 0.92 | 1.05 | 1.22 | 1.17 | 0.95 |
| Total Debt/Total Assets | 0.26 | 0.28 | 0.31 | 0.33 | 0.3 |
| Total Debt/EBITDA | 0 | 0 | 0 | 0 | 21.08 |
| Fixed Assets Turnover | 201.28 | 204.76 | 12.08 | 62.97 | 339.77 |
| Total Asset Turnover | 0.34 | 0.3 | 0.06 | 0.14 | 0.36 |
| Working Capital Turnover | -3 | -2 | 0 | -1 | -2 |
| Inventory Days | 0 | 0 | 0 | 0 | 0 |
| Receivables Days | 0 | 0 | 0 | 0 | 0 |
| Payable Days | 0 | 0 | 0 | 0 | 0 |
| Cash Conversion Cycle | 0 | 0 | 0 | 0 | 0 |
| Raw Material Consumption (% of Sales) | 0 | 0 | 0 | 0 | 0 |
| Total Employee Cost (% of Sales) | 27.04 | 24.94 | 66.58 | 29.47 | 14.18 |
| Finance Cost (% of Sales) | 3.38 | 2.65 | 14.94 | 7.63 | 0.03 |
| Total Other Expenses (% of Sales) | 95.33 | 87.21 | 106.55 | 102.83 | 81.59 |

## **Analysis of Revenue Growth (%):**

• The significant drop in Revenue Growth from -41.35% in 2018-2019 to -83.45% in 2020-2021 may have been caused by a severe contraction in the company's market or operational challenges, and this affects the company's ability to generate profits and maintain its operations.

• The sharp increase in Revenue Growth from -83.45% in 2020-2021 to 78.92% in 2021-2022 may be due to a recovery in the company's market or the implementation of successful turnaround strategies, and this affects the company's potential to return to profitability and growth.

• The projected surge in Revenue Growth to 226.6% in 2022-2023 may be based on optimistic assumptions about market conditions or the company's performance, and this affects the company's future financial planning and investment decisions.

• Financial Risk: The extreme fluctuations in Revenue Growth over the years indicate a high level of volatility and uncertainty in the company's operations and market, which poses a significant financial risk for potential investors or lenders. The projected high growth in 2022-2023 should be viewed with caution as it may not materialize if the underlying assumptions do not hold true.

## **Analysis of EBITDA Margins (%):**

• The change from '0%' in EBITDA Margin from 2018-2022 to '4.24%' in 2022-2023 may be caused by an increase in operational efficiency or a rise in total revenue, and this affects the company's profitability positively.

• The consistent '0%' EBITDA Margin from 2018-2021 may be caused by the company's inability to convert revenue into EBITDA, indicating poor operational profitability during these years.

• The projected increase in EBITDA Margin to '4.24%' in 2022-2023 may be caused by anticipated improvements in operational efficiency or revenue growth, but this should be viewed with caution as it is a projection and not actual data.

• Financial Risk: The historical trend of '0%' EBITDA Margin indicates a potential risk in the company's ability to generate profits from its operations. If the projected increase in EBITDA Margin does not materialize, the company's financial health could be at risk, impacting its ability to service any loan provided by the bank.

## **Analysis of EBT Margins (%):**

• The change from '0%' in EBT Margin from 2018-2022 to '11.04%' in 2022-2023 may be caused by an increase in operational efficiency or a decrease in depreciation, depletion, and amortization expenses, and it affects the company's financial health positively by indicating improved profitability before tax.

• The consistent '0%' EBT Margin from 2018-2021 may be caused by the company's inability to generate profit before tax, possibly due to high operational costs or depreciation expenses, and it affects the company's financial health negatively by indicating poor financial performance.

• The projected increase in EBT Margin to '11.04%' in 2022-2023, after a consistent '0%' in previous years, may be caused by expected improvements in revenue generation or cost management, and it affects the company's future financial outlook positively by suggesting potential for improved profitability.

• **Financial Risk:** The sudden projected increase in EBT Margin for 2022-2023, after years of no profitability, carries a risk of over-optimism. If the company fails to achieve this projection due to unforeseen operational or market challenges, it could lead to financial instability and potential difficulties in repaying the loan.

## **Analysis of PAT Margins (%):**

• The change from 0% to 11.04% in PAT Margin from 2021-2022 to 2022-2023 may be caused by an increase in net profitability after tax deductions. This affects the company's ability to generate profit from its revenue, indicating improved financial performance.

• The consistent 0% PAT Margin from 2018-2019 to 2021-2022 may be caused by the company's inability to generate profit after tax deductions during these years. This affects the company's financial health, indicating a lack of profitability.

• The sudden increase in PAT Margin in 2022-2023 may be caused by significant changes in the company's operations, such as cost reduction or revenue increase. This affects the company's financial stability, indicating a potential turnaround in its financial performance.

• **Financial Risk:** The sudden increase in PAT Margin in 2022-2023, after four years of 0% PAT Margin, presents a financial risk. This abrupt change may indicate instability in the company's operations or financial management, which could potentially lead to unpredictable future performance.

## **Analysis of Return on Equity (%):**

• The change from '0%' in ROE from 2018-2022 to '11.73%' in 2022-2023 may be caused by an increase in net profit or a decrease in shareholders' equity, and affects the company's efficiency in generating profit from shareholders' equity.

• The consistent '0%' ROE from 2018-2022 may be caused by the company not generating any net profit or having negative shareholders' equity during these years, and affects the company's inability to generate profit from shareholders' equity.

• The sudden increase in ROE in 2022-2023 may be caused by a significant improvement in the company's profitability or a reduction in shareholders' equity, and affects the company's improved efficiency in generating profit from shareholders' equity.

• Financial Risk: The sudden increase in ROE in 2022-2023 after a consistent '0%' in previous years indicates a potential risk of financial instability or inconsistency in the company's operations. This could also suggest that the company may have reduced its shareholders' equity, which could potentially lead to a higher financial risk for the bank if the company fails to maintain its profitability.

## **Analysis of Return on Fixed Assets (%):**

• The consistent '0%' in ROFA from 2018-2019 to 2022-2023 may be caused by a lack of earnings before interest and taxes (EBIT) or an absence of fixed assets, and this affects the company's ability to generate profits from its fixed assets.

• The unchanged '0%' ROFA over the years may be due to the company's inability to effectively utilize its fixed assets to generate profits, which impacts the company's overall profitability and financial health.

• The persistent '0%' ROFA could be a result of the company's business model not being heavily reliant on fixed assets for generating profits, which influences the company's operational efficiency and return on investment.

• **Financial Risk:** The continuous '0%' ROFA presents a significant financial risk as it indicates the company's inability to generate profits from its fixed assets, which could potentially lead to liquidity issues and impact the company's ability to repay the loan.

## **Analysis of Return on Capital Employed (%):**

• The change from '0%' in ROCE from 2018-2019 to 2019-2020 may be caused by the company's inability to generate profits from its total capital, which affects the company's efficiency and profitability.

• The consistent '0%' ROCE from 2019-2020 to 2021-2022 may be caused by the company's continued lack of profitability from its capital employed, which affects the company's financial health and potential for growth.

• The increase to '3.58%' in ROCE from 2021-2022 to 2022-2023 may be caused by an improvement in the company's ability to generate profits from its capital employed, which affects the company's profitability and indicates a potential turnaround in its financial performance.

• Financial Risk: The company's low ROCE over the years indicates a high financial risk. It suggests that the company has been inefficient in using its capital to generate profits, which could lead to potential solvency issues and may affect its ability to repay the loan.

## **Analysis of Current Ratio:**

• The decrease in the Current Ratio from 0.48 in 2018-2019 to 0.46 in 2019-2020 may be caused by an increase in short-term liabilities or a decrease in short-term assets, and it affects the company's ability to cover its short-term obligations.

• The further decrease in the Current Ratio from 0.46 in 2019-2020 to 0.39 in 2020-2021 suggests a continued increase in short-term liabilities or decrease in short-term assets, which further weakens the company's liquidity position.

• The stagnation of the Current Ratio at 0.35 from 2021-2022 to 2022-2023 may be caused by a balance in the growth of short-term assets and liabilities, but it still indicates a weak liquidity position as the ratio is below 1.

• Financial Risk: The consistently low Current Ratio, below 1, over the years indicates a significant financial risk. The company may face liquidity problems and struggle to meet its short-term obligations, which could lead to solvency issues in the long run.

## **Analysis of Quick Ratio:**

• The decrease in Quick Ratio from 0.48 in 2018-2019 to 0.46 in 2019-2020 may be caused by an increase in current liabilities or a decrease in liquid assets, and it affects the company's ability to meet its short-term obligations.

• The further decrease in Quick Ratio from 0.46 in 2019-2020 to 0.39 in 2020-2021 suggests a continued increase in current liabilities or decrease in liquid assets, which further impacts the company's short-term financial health.

• The stagnation of Quick Ratio at 0.35 from 2021-2022 to 2022-2023 may be due to a balance between the company's liquid assets and current liabilities, but it still indicates a potential liquidity issue as the ratio is below 1.

• Financial Risk: The consistent decrease and low Quick Ratio over the years indicates a potential liquidity risk. The company may struggle to meet its short-term obligations without selling inventory, which could lead to operational disruptions and financial instability.

## **Analysis of Interest Coverage Ratio:**

• The change from '0' to '140.38' in the Interest Coverage Ratio from 2021-2022 to 2022-2023 may be caused by a significant increase in the company's EBIT or a substantial decrease in its interest expense. This change indicates a strong improvement in the company's ability to service its debt.

• The consistent '0' Interest Coverage Ratio from 2018-2019 to 2021-2022 may have been caused by the company's inability to generate sufficient earnings (EBIT) to cover its interest expenses. This situation suggests a period of financial stress for the company.

• The sudden increase in the Interest Coverage Ratio in 2022-2023 may be due to a one-time event or anomaly, such as a large sale or a significant reduction in debt. This change, if not sustainable, may not necessarily indicate long-term financial stability.

• **Financial Risk:** The dramatic increase in the Interest Coverage Ratio in 2022-2023, following four years of zero ratios, raises concerns about the consistency and sustainability of the company's earnings and its ability to service debt in the long term. If the company cannot maintain this performance, it may face difficulties in meeting its interest obligations, posing a risk to potential lenders.

## **Analysis of Long-term Debt/Equity:**

• The change from '0' to '0.28' in the Long-term Debt/Equity ratio between 2020-2021 and 2021-2022 may have been caused by an increase in long-term debt or a decrease in shareholders' equity, indicating a higher financial leverage.

• The subsequent decrease from '0.28' to '0.22' in the Long-term Debt/Equity ratio between 2021-2022 and 2022-2023 may have been caused by a reduction in long-term debt or an increase in shareholders' equity, suggesting a reduction in financial risk.

• The consistent '0' Long-term Debt/Equity ratio from 2018-2019 to 2020-2021 indicates that the company had no long-term debt or a significantly high shareholders' equity during this period, implying a low financial risk.

• Financial Risk: The sudden increase in the Long-term Debt/Equity ratio in 2021-2022 indicates a rise in financial risk for the company. This could potentially impact the company's ability to secure future loans, especially if the trend continues or if the company fails to manage its long-term debt effectively.

## **Analysis of Total Assets/Equity:**

• The increase in the Total Assets/Equity ratio from 3.5 in 2018-2019 to 3.93 in 2020-2021 may be caused by an increase in total assets or a decrease in shareholders' equity. This indicates a higher financial leverage, which could mean the company is relying more on debt to finance its assets.

• The decrease in the Total Assets/Equity ratio from 3.93 in 2020-2021 to 3.13 in 2022-2023 may be due to a decrease in total assets or an increase in shareholders' equity. This suggests that the company is reducing its financial leverage, possibly by paying off debt or increasing equity through retained earnings or additional capital contributions.

• The fluctuation in the Total Assets/Equity ratio, particularly the drop from 3.93 in 2020-2021 to 3.57 in 2021-2022, may be caused by significant changes in the company's financial structure. This could affect the company's risk profile and its ability to secure additional financing.

• Financial Risk: The high Total Assets/Equity ratio, especially the peak at 3.93 in 2020-2021, indicates a high level of financial risk. This suggests that the company is heavily reliant on debt financing, which could lead to increased interest expenses and potential difficulties in meeting its financial obligations.

## **Analysis of Total Debt/Equity:**

• The increase in Total Debt/Equity from 0.92 in 2018-2019 to 1.22 in 2020-2021 may have been caused by an increase in total debt or a decrease in shareholders' equity, indicating a higher financial risk as the company is increasingly financed by debt.

• The decrease in Total Debt/Equity from 1.22 in 2020-2021 to 0.95 in 2022-2023 may be due to a reduction in total debt or an increase in shareholders' equity, suggesting a decrease in financial risk as the company is less reliant on debt for financing.

• The slight decrease in Total Debt/Equity from 1.22 in 2020-2021 to 1.17 in 2021-2022 may be due to a minor reduction in total debt or a slight increase in shareholders' equity, indicating a marginal decrease in financial risk.

• Financial Risk: The fluctuating Total Debt/Equity ratio over the years indicates a varying level of financial risk. The peak at 1.22 in 2020-2021 suggests a period of high financial risk due to increased reliance on debt. However, the subsequent decrease to 0.95 in 2022-2023 suggests a reduction in financial risk, although it still remains higher than the 2018-2019 level.

## **Analysis of Total Debt/Total Assets:**

• The increase in the Total Debt/Total Assets ratio from 0.26 in 2018-2019 to 0.33 in 2021-2022 may be caused by an increase in the company's borrowing or a decrease in total assets, and this affects the company's financial risk as it indicates a higher proportion of assets are financed by debt.

• The decrease in the Total Debt/Total Assets ratio from 0.33 in 2021-2022 to 0.3 in 2022-2023 may be due to a reduction in total debt or an increase in total assets, and this affects the company's financial stability as it indicates a lower proportion of assets are financed by debt.

• The overall upward trend in the Total Debt/Total Assets ratio from 0.26 in 2018-2019 to 0.3 in 2022-2023 may be due to a consistent increase in total debt or a decrease in total assets over the years, and this affects the company's financial leverage as it indicates a growing reliance on debt financing.

• Financial Risk: The increasing trend in the Total Debt/Total Assets ratio over the years indicates a growing financial risk for the company as it suggests a higher reliance on debt financing, which could lead to increased interest expenses and potential difficulties in meeting its debt obligations.

## **Analysis of Total Debt/EBITDA:**

• The change from '0' to '21.08' in parameter 'Total Debt/EBITDA' from 2021-2022 to 2022-2023 may be caused by a significant increase in total debt or a decrease in EBITDA, and affects the company's ability to repay its debt.

• The consistent '0' in parameter 'Total Debt/EBITDA' from 2018-2019 to 2021-2022 indicates that the company had no debt or a very high EBITDA, suggesting a strong financial health during these years.

• The sudden spike in 'Total Debt/EBITDA' in 2022-2023 may indicate a drastic change in the company's financial strategy or an unexpected financial event, impacting the company's financial stability and risk profile.

• Financial Risk: The sharp increase in the Total Debt/EBITDA ratio to 21.08 in 2022-2023 poses a significant financial risk, as it suggests that the company would take over 21 years of EBITDA to repay its total debt, indicating potential financial stress and a high risk for lenders.

## **Analysis of Fixed Assets Turnover:**

• The drastic decrease in Fixed Assets Turnover from 204.76 in 2019-2020 to 12.08 in 2020-2021 may have been caused by a significant drop in revenue or an increase in fixed assets, indicating less efficient use of fixed assets.

• The subsequent increase in Fixed Assets Turnover from 12.08 in 2020-2021 to 62.97 in 2021-2022 suggests an improvement in revenue generation from fixed assets, possibly due to better asset utilization or a decrease in fixed assets.

• The sharp rise in Fixed Assets Turnover to 339.77 in 2022-2023, compared to 62.97 in 2021-2022, may indicate a substantial increase in revenue or a decrease in fixed assets, suggesting highly efficient use of fixed assets.

• Financial Risk: The extreme fluctuations in the Fixed Assets Turnover ratio over the years indicate instability in the company's ability to generate revenue from its fixed assets, which could pose a financial risk for the bank if the borrower cannot maintain consistent performance.

## **Analysis of Total Asset Turnover:**

• The decrease in Total Asset Turnover from 0.34 in 2018-2019 to 0.3 in 2019-2020 may have been caused by a decrease in revenue or an increase in total assets, and it affects the company's efficiency in generating revenue from its assets.

• The significant drop in Total Asset Turnover from 0.3 in 2019-2020 to 0.06 in 2020-2021 could be due to a substantial decrease in revenue or a significant increase in total assets, indicating a severe decline in the company's ability to generate revenue from its assets.

• The increase in Total Asset Turnover from 0.06 in 2020-2021 to 0.36 in 2022-2023 may be due to an increase in revenue or a decrease in total assets, suggesting an improvement in the company's efficiency in generating revenue from its assets.

• Financial Risk: The fluctuating Total Asset Turnover ratio over the years indicates instability in the company's ability to efficiently generate revenue from its assets. This inconsistency poses a financial risk as it may lead to unpredictability in the company's future performance, which could affect the bank's decision to provide a loan.

## **Analysis of Working Capital Turnover:**

• The change from -3 in 2018-2019 to -2 in 2019-2020 in the Working Capital Turnover ratio may be caused by an increase in revenue or a decrease in working capital, and it affects the company's efficiency in generating revenue from its working capital.

• The change from -2 in 2019-2020 to 0 in 2020-2021 in the Working Capital Turnover ratio may be caused by a significant increase in revenue or a decrease in working capital, indicating an improvement in the company's efficiency in using its working capital to generate revenue.

• The change from 0 in 2020-2021 to -1 in 2021-2022 in the Working Capital Turnover ratio may be caused by a decrease in revenue or an increase in working capital, suggesting a decline in the company's efficiency in generating revenue from its working capital.

• Financial Risk: The consistently negative Working Capital Turnover ratio over the years indicates a potential financial risk. It suggests that the company is not efficiently using its working capital to generate revenue, which could lead to liquidity issues and impact the company's ability to repay the loan.

## **Analysis of Inventory Days:**

• The constant '0' in parameter 'Inventory Days' from 2018-2023 may be caused by the absence of inventory or the company's ability to sell its inventory immediately after production, which affects the company's cash flow positively.

• The unchanged '0' in parameter 'Inventory Days' over the years may be due to the company's business model, possibly a service-based model that doesn't require inventory, which impacts the company's operational efficiency positively.

• The persistent '0' in parameter 'Inventory Days' could be a result of the company's efficient inventory management system, which ensures that goods are sold as soon as they are produced, thereby reducing the holding cost and positively affecting the company's profitability.

• **Financial Risk:** The constant '0' in Inventory Days, while indicating efficiency, could also suggest a lack of buffer stock, which may pose a risk in case of unexpected demand surge or supply chain disruptions.

## **Analysis of Receivables Days:**

• The constant '0' in parameter 'Receivables Days' from 2018-2023 may be caused by the company's immediate collection of payments from customers, and this affects the company's cash flow positively by ensuring a steady inflow of cash.

• The lack of change in 'Receivables Days' over the years may be due to the company's consistent credit policy, which affects the predictability and stability of the company's cash flow.

• The '0' value in 'Receivables Days' throughout the years could be due to the company's business model of upfront payments, which affects the company's dependency on debt financing by reducing it significantly.

• **Financial Risk:** While the '0' Receivables Days indicates a strong cash flow, it may also suggest a lack of credit sales, which could limit the company's customer base and potentially hinder growth. It's important to ensure that this strategy doesn't restrict the company's market reach and potential for revenue expansion.

## **Analysis of Payable Days:**

• The constant '0' in parameter 'Payable Days' from 2018-2023 may be caused by the company not having any outstanding payments to suppliers, and this affects the company's cash flow management, indicating it is efficient.

• The unchanged '0' in parameter 'Payable Days' over the years could also be due to the company's policy of immediate payment to suppliers, which affects the company's liquidity as it may not have sufficient cash reserves for unexpected expenses.

• The persistent '0' in parameter 'Payable Days' might be a result of the company not purchasing any goods, which affects the company's operations and could indicate a lack of production or sales activity.

• **Financial Risk:** The constant '0' in Payable Days over multiple years could indicate a potential risk of the company not engaging in regular business operations, which could lead to a lack of revenue generation and financial instability.

## **Analysis of Cash Conversion Cycle:**

• The constant '0' in the Cash Conversion Cycle (CCC) from 2018 to 2023 may be caused by the company's efficient management of inventory, receivables, and payables, and it affects the company's liquidity by indicating a quick conversion of investments into cash.

• The lack of change in the CCC over the five-year period may be due to consistent operational strategies and practices, which affects the stability of the company's working capital management.

• The sustained '0' in the CCC could be a result of the company's ability to immediately convert its inventory into sales and pay its suppliers, which affects the company's cash flow positively by reducing the need for external financing.

• **Financial Risk:** The constant '0' in the CCC, while indicating efficiency, may also suggest a lack of growth or expansion in the company's operations. If the company is not investing in inventory or extending credit to customers, it may be missing opportunities for growth. This could pose a risk to the company's long-term financial health and stability.

## **Analysis of Raw Material Consumption (% of Sales):**

• The constant '0%' in parameter 'Raw Material Consumption (% of Sales)' from 2018-2019 to 2022-2023 may be caused by the company not spending on raw materials, which affects the cost efficiency of the company positively.

• The unchanged '0%' in parameter 'Raw Material Consumption (% of Sales)' over the years could be due to the company's business model not requiring raw materials, which impacts the company's operational structure.

• The persistent '0%' in parameter 'Raw Material Consumption (% of Sales)' might be a result of the company's potential involvement in service-based sectors, which affects the company's cost structure by eliminating raw material costs.

• Financial Risk: The constant '0%' in 'Raw Material Consumption (% of Sales)' could indicate a risk of data inaccuracy or misrepresentation, which could lead to incorrect financial analysis and decision-making.

## **Analysis of Total Employee Cost (% of Sales):**

• The increase in Total Employee Cost (% of Sales) from 24.94% in 2019-2020 to 66.58% in 2020-2021 may have been caused by a significant rise in employee costs or a decrease in sales, indicating a labor-intensive operation during this period.

• The subsequent decrease in Total Employee Cost (% of Sales) from 66.58% in 2020-2021 to 29.47% in 2021-2022 could be due to cost-cutting measures, improved sales, or a combination of both, suggesting better cost efficiency.

• The projected further decrease in Total Employee Cost (% of Sales) to 14.18% in 2022-2023 indicates an expectation of continued improvement in cost efficiency, possibly due to increased sales, reduced labor costs, or more efficient operations.

• Financial Risk: The significant fluctuation in Total Employee Cost (% of Sales) over the years indicates instability in the company's cost management or revenue generation, which could pose a financial risk if not properly managed. The bank should consider this volatility when assessing the borrower's creditworthiness.

## **Analysis of Finance Cost (% of Sales):**

• The decrease in Finance Cost (% of Sales) from 3.38% in 2018-2019 to 2.65% in 2019-2020 may have been caused by an increase in total revenue or a decrease in finance costs, and this indicates improved financial efficiency during this period.

• The significant increase in Finance Cost (% of Sales) from 2.65% in 2019-2020 to 14.94% in 2020-2021 may have been caused by a surge in finance costs or a decrease in total revenue, and this suggests a higher burden of financial costs on sales during this period.

• The drastic decrease in Finance Cost (% of Sales) from 14.94% in 2020-2021 to 0.03% in 2022-2023 may have been caused by a significant reduction in finance costs or a substantial increase in total revenue, and this indicates a remarkable improvement in financial efficiency during this period.

• Financial Risk: The extreme fluctuations in the Finance Cost (% of Sales) ratio over the years indicate potential instability in the company's financial management, which could pose a risk to the bank in terms of loan repayment.

## **Analysis of Total Other Expenses (% of Sales):**

• The decrease in Total Other Expenses (% of Sales) from 95.33% in 2018-2019 to 87.21% in 2019-2020 may have been caused by improved cost management and affects the company's profitability positively by reducing the proportion of revenue spent on miscellaneous expenses.

• The increase in Total Other Expenses (% of Sales) from 87.21% in 2019-2020 to 106.55% in 2020-2021 may have been caused by unexpected or unplanned expenses, and it negatively affects the company's profitability as it indicates more revenue is being spent on miscellaneous expenses.

• The decrease in Total Other Expenses (% of Sales) from 102.83% in 2021-2022 to 81.59% in 2022-2023 may be due to cost-cutting measures or increased revenue, and it positively impacts the company's profitability by reducing the proportion of revenue spent on miscellaneous expenses.

• Financial Risk: The fluctuating Total Other Expenses (% of Sales) ratio indicates instability in the company's cost management. If the company continues to spend a high percentage of its revenue on miscellaneous expenses, it may struggle to maintain profitability, posing a financial risk for potential lenders.

# **Balance Sheet Analysis**

# **Balance Sheet**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Financial Term** | **2018-2019** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** | **2023-24** |
| Share Capital | 441.47 | 441.47 | 441.47 | 441.47 | 441.47 | 0 |
| Reserves & Surplus | 4996.24 | 4556.94 | 3908.9 | 3778.4 | 4339.05 | 0 |
| Money Received against Warrants | 0 | 0 | 0 | 0 | 0 | 0 |
| Networth | 5437.7 | 4998.41 | 4350.36 | 4219.87 | 4780.52 | 0 |
| Share Application Money Pending Allotment | 0 | 0 | 0 | 0 | 0 | 0 |
| Deffered Government Grants | 0 | 0 | 0 | 0 | 0 | 0 |
| Minority Interest | 0 | 0 | 0 | 0 | 0 | 0 |
| Long-term Borrowings | 6.1 | 5.15 | 3.47 | 1202.48 | 1066.64 | 0 |
| Secured Long-term Borrowings | 6.1 | 5.15 | 3.47 | 1202.48 | 1066.64 | 0 |
| Unsecured Long-term Borrowings (A)+ (B)+ (C) +(D) | 0 | 0 | 0 | 0 | 0 | 0 |
| Bonds/ Debentures (A) | 0 | 0 | 0 | 0 | 0 | 0 |
| Term Loans (B) | 0 | 0 | 0 | 0 | 0 | 0 |
| From banks | 6.1 | 5.15 | 3.47 | 1202.48 | 1066.64 | 0 |
| From other parties | 6.1 | 5.15 | 3.47 | 1202.48 | 1066.64 | 0 |
| Loans and advances from related parties (C) | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Unsecured Long-term Borrowings (D) | 0 | 0 | 0 | 0 | 0 | 0 |
| Deferred Tax Liabilities | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Non Current Liabilities | 0 | 0 | 0 | 0 | 0 | 0 |
| Long-term Provisions | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Non Current Liabilities | 0 | 0 | 0 | 0 | 0 | 0 |
| Short-term Borrowings | 0 | 0 | 0 | 0 | 0 | 0 |
| Secured Short-term Borrowings | 0 | 0 | 0 | 0 | 0 | 0 |
| Unsecured Short-term Borrowings (A)+ (B)+ (C) | 0 | 0 | 0 | 0 | 0 | 0 |
| Loans repayable on demand (A) | 0 | 0 | 0 | 0 | 0 | 0 |
| From banks | 6.1 | 5.15 | 3.47 | 1202.48 | 1066.64 | 0 |
| From other parties | 6.1 | 5.15 | 3.47 | 1202.48 | 1066.64 | 0 |
| Loans and advances from related parties (B) | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Unsecured Short-term Borrowings (C) | 0 | 0 | 0 | 0 | 0 | 0 |
| Trade Payables | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Current Liabilities | 0 | 0 | 0 | 0 | 0 | 0 |
| Short-term Provisions | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Current Liabilities | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Equity & Liabilities | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Equity & Liabilities | 0 | 0 | 0 | 0 | 0 | 0 |
| FIXED ASSET | 0 | 0 | 0 | 0 | 0 | 0 |
| Tangible Assets | 4988.63 | 5268.48 | 5291.91 | 3731.92 | 3471.97 | 0 |
| Intangible Assets | 1134.94 | 1398.76 | 1424.26 | 0.75 | 133.33 | 0 |
| Net Block of Assets | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Work in Progress | 0 | 0 | 0 | 0 | 0 | 0 |
| Intangible Asset under Development | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Fixed Asset | 1134.94 | 1398.76 | 0 | 0 | 0 | 0 |
| Non Current Investment | 1134.94 | 1398.76 | 0 | 0 | 0 | 0 |
| Deferred Tax Assets (Net) | 0 | 0 | 0 | 0 | 0 | 0 |
| Long-term Loans & Advances | 0 | 0 | 1424.26 | 0.75 | 133.33 | 0 |
| Other Non Current Assets | 0 | 0 | 1424.26 | 0.75 | 133.33 | 0 |
| Total Non Current Assets | 0 | 0 | 0 | 0 | 0 | 0 |
| Current Investment | 0 | 0 | 0 | 0 | 0 | 0 |
| Inventories | 3850.36 | 3868.06 | 3867.65 | 3731.17 | 3338.64 | 0 |
| Trade Receivables | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash & Cash Equivalents | 0 | 0 | 0 | 0 | 0 | 0 |
| Short-term Loans & Advances | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Current Assets | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Current Assets | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Total Assets | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL ASSETS | 0 | 0 | 0 | 0 | 0 | 0 |

# **Profit and Loss Analysis**

# **Profit and Loss**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Financial Term** | **2018-2019** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** | **2023-24** | **Nov-2024** | **Mar-2025** |
| Revenue from Sale of Products | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revenue from Sale of Services | 5717.67 | 5251.76 | 869.28 | 1555.29 | 5079.62 | 6782.7 | 4263.55 | 7500 |
| Other Operating Revenues | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gross Sales | 5717.67 | 5251.76 | 869.28 | 1555.29 | 5079.62 | 6782.7 | 4263.55 | 7500 |
| Less:Duties | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Revenue from Operations | 5717.67 | 5251.76 | 869.28 | 1555.29 | 5079.62 | 6782.7 | 4263.55 | 7500 |
| Other Income | 679.42 | 345.13 | 120.99 | 497.3 | 352.96 | 851.3 | 39.17 | 500 |
| Total Revenue | 6397.08 | 5596.89 | 990.26 | 2052.59 | 5432.58 | 7634 | 4302.72 | 8000 |
| Cost of Materials Consumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Purchases of Stock in Trade | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Changes in Inventories of Finished Goods, Work In Progress and Stock In Trade | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Employee Benefit Expense | 1546.25 | 1309.98 | 578.74 | 458.38 | 720.05 | 1005.41 | 711.9 | 1050 |
| Managerial Remuneration | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Employee Benefit Expense | 1546.25 | 1309.98 | 578.74 | 458.38 | 720.05 | 0 | 0 | 0 |
| Total Other Expenses | 5450.68 | 4580.32 | 926.21 | 1599.31 | 4144.28 | 6023.45 | 3259.95 | 6235.37 |
| Payment to Auditors | 0 | 8 | 3 | 3 | 4 | 0 | 0 | 0 |
| Insurance Expenses | 13.67 | 0.99 | 0.46 | 0.11 | 0.15 | 0 | 0 | 0 |
| Power and Fuel | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Expenses | 5437.01 | 4571.33 | 922.75 | 1596.2 | 4140.13 | 0 | 0 | 0 |
| EBITDA | -1279.26 | -638.55 | -635.68 | -502.4 | 215.29 | 605.14 | 330.87 | 714.63 |
| EBITDA % | 0 | 0 | 0 | 0 | 4.24 | 0 | 0 | 0 |
| Finance Costs | 193.32 | 139 | 129.9 | 118.66 | 1.49 | 1.17 | 0 | 0 |
| Total Depreciation, Depletion and Amortization Expense | 6.71 | 6.88 | 3.46 | 6.74 | 6.12 | 5.65 | 0 | 6.5 |
| Total Expenses | 7196.96 | 6036.18 | 1638.31 | 2183.09 | 4871.94 | 7035.68 | 3971.85 | 7291.87 |
| Profit before Exceptional and Extraordinary Items and Tax | -799.87 | -439.29 | -648.05 | -130.5 | 560.64 | 598.32 | 330.87 | 708.13 |
| Prior Period Items before Tax | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Exceptional Items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit before Extraordinary Items and Tax | -799.87 | -439.29 | -648.05 | -130.5 | 560.64 | 598.32 | 330.87 | 708.13 |
| Extraordinary Items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit before Tax | -799.87 | -439.29 | -648.05 | -130.5 | 560.64 | 598.32 | 330.87 | 708.13 |
| Current Tax | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Deferred Tax | 3251.09 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Movement in Regulatory Deferral Account Balances related to Profit or Loss and the Related Deferred Tax Movement | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit/(Loss) for the Period from Continuing Operations | -4050.96 | -439.29 | -648.05 | -130.5 | 560.64 | 598.32 | 0 | 0 |
| Profit/(Loss) from Discontinuing Operations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tax Expense of Discontinuing Operations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit/(Loss) from Discontinuing Operations (After Tax) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit/(Loss) | -4050.96 | -439.29 | -648.05 | -130.5 | 560.64 | 598.32 | 0 | 0 |