THE INDIAN TEXTILE INDUSTRY - A FINANCIAL ANALYSIS

A Report Submitted in Fulfilment of the Project Work Requirements of the Subject Financial Analysis and Working Capital Management.

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GROUP 3

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SIYARAM SILK MILLS LIMITED

A REPORT BY OSAMA DALWAI, I012

COMPANY PROFILE

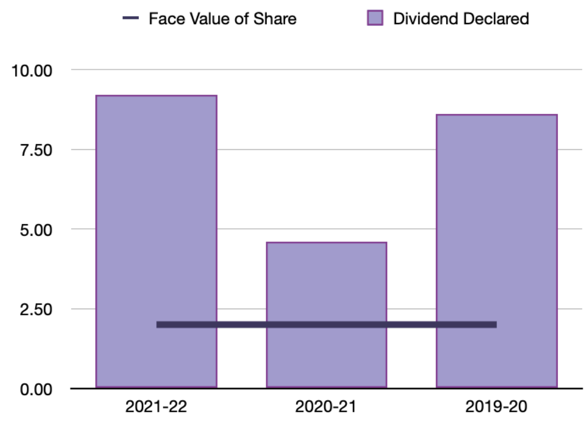
Siyaram Silk Mills Limited, bearing Corporate Identity Number L17116MH1978PLC020451 was incorporated in 1978 as a business in the Textiles and Apparels industry, with the key focus of the company being fabrics, readymade garments and dyed yarns. The NIC Code for the textile industrial activity is 131. The company caters to the demands in this industry through a portfolio of its brands - Siyaram's, Siyaram's Mozzo, Oxemberg, J. Hampstead and Cadini - each with a unique brand positioning and catering specific market segments by demographic, income group, product specifications etc.

The company is headquartered in Mumbai, Maharashtra, India and has an international presence facilitated by an international subsidiary. Siyaram Silk Mills Limited is currently being led by Chairman, Managing Director - Mr. Rameshkumar Poddar.

Dividends are the ultimate test of returns that a company offers its investors. Siyaram Silk Mills Limited has in the recent past declared timely dividends to its investors. Proposed final dividend for the Financial Year 2020-21 of ₹ 4.60 per share was declared and paid during the last completed financial year (2021-22). Interim and second interim dividends, each of ₹ 3 per share were declared and paid during the year. A final dividend of ₹ 3.20 per share was proposed for the financial year 2021-22. This brings the total dividend for the financial year to ₹ 9.20 per share. The graphical representation of the dividend information for the last three financial years (2019-20, 2020-21 and 2021-22) is shown below.

Dividend Distribution Statistics

Financial Year	Dividend Type	Dividend Amount	Share Face Value	Dividend (%)
2021-22	Interim Dividend	3.00	2.00	150%
	Interim Dividend	3.00	2.00	150%
	Final Dividend	3.20	2.00	160%
	Total for the Year	**9.20**	**2.00**	**460%**
2020-21	Final Dividend	4.60	2.00	230%
	Total for the Year	**4.60**	**2.00**	**230%**
2019-20	Special Dividend	4.00	2.00	200%
	Interim Dividend	2.20	2.00	110%
	Interim Dividend	2.40	2.00	120%
	Total for the Year	**8.60**	**2.00**	**430%**



The company has an evidently consistent record of issuing dividends both in terms of frequency of issue and the rate of the return.

INDUSTRY PROFILE

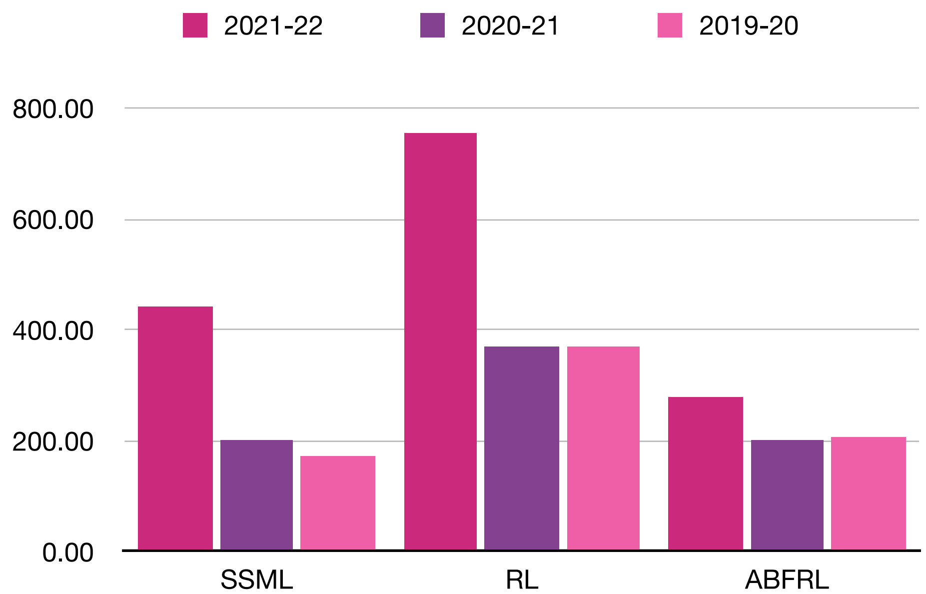
The company belongs to the Indian Textile and Apparel industry which comprises of organisations that either produce textiles for use in clothing manufacturing business, organisations that manufacture clothing or both. In the Indian scenario, there is a wide demand for both the lines, textiles and clothing. However, not all organisations undertake both activities. The Indian textile and apparel industry has players in only textile manufacturing line such as Alok Industries; only clothing/apparel manufacturers like Aditya Birla Fashion and Retail Limited (with brands like Van Heusen, Allen Solly, Louis Philippe etc. in its catalogue) and textile and apparel manufacturers like Siyaram Silk Mills Limited and Raymond Ltd.

While in the domain of textile manufacturing, the Raymond and Siyaram brand have a strong position, they have a good competition in the clothing/apparel sector and thus, for the purpose of a comprehensive analysis, this report will undertake a competitive analysis of Siyaram Silk Mills Limited by comparing its recent financial performance with two of its closest competitors, Raymond Ltd. (textile and apparel manufacturing) and Aditya Birla Fashion and Retail Limited (apparel manufacturing) to undertake comprehensive analysis of competitive position across closest possible industry members that vie for the same customers.

Stock Price Data

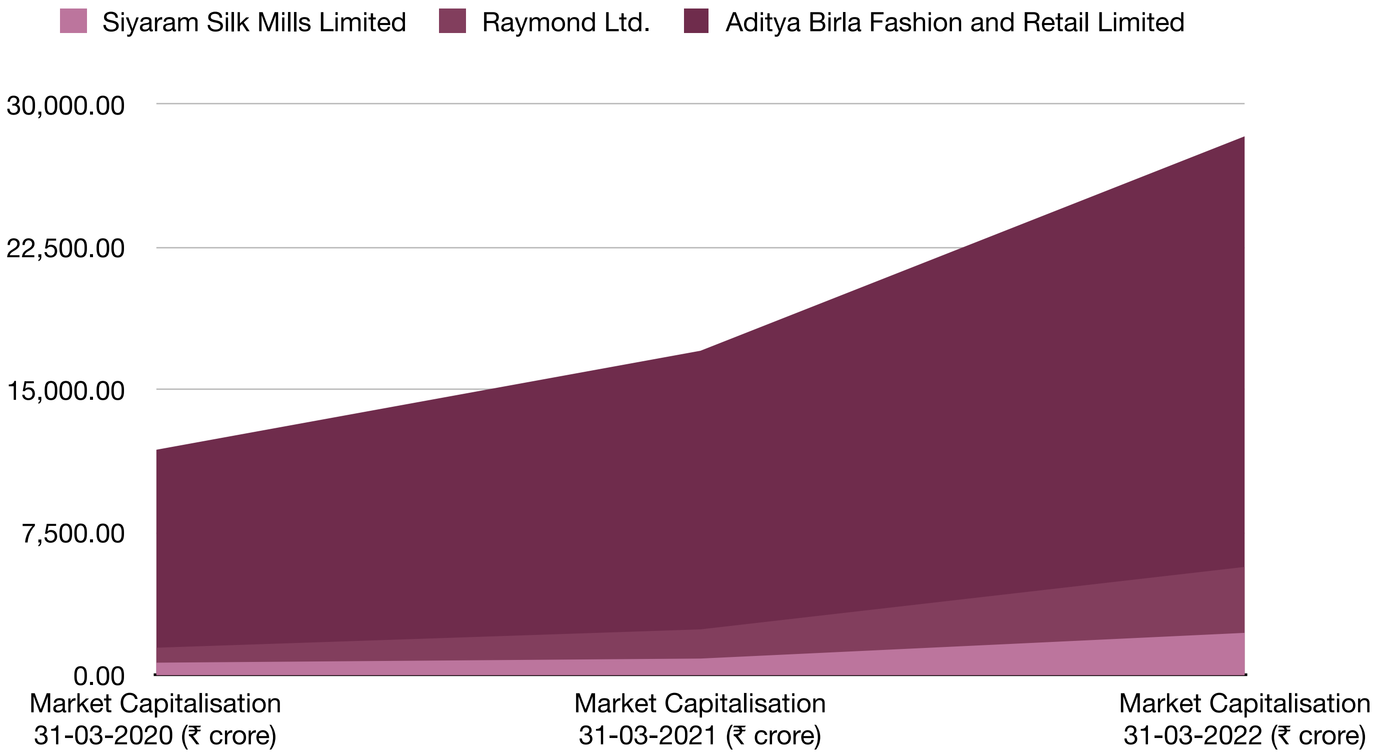
Financial Year	Siyaram Silk Mills Limited		Raymond Ltd.		Aditya Birla Fashion and Retail Limited	
	High	Low	High	Low	High	Low
2021-22	474.45	409.30	860.95	645.00	305.50	252.10
2020-21	224.45	182.75	408.95	327.55	223.55	182.60
2019-20	227.0	119.00	525.00	209.50	263.00	149.65

Source: BSE Prices of Shares as Provided in the Annual Reports



Market Capitalisation Data

	Market Capitalisation 31-03-2020 (₹ crore)	Market Capitalisation 31-03-2021 (₹ crore)	Market Capitalisation 31-03-2022 (₹ crore)
Siyaram Silk Mills Limited	656.18	872.72	2,223.75
Raymond Ltd.	1,443.24	2,407.97	5,690.38
Aditya Birla Fashion and Retail Limited	11,853.01	17,058.38	28,334.23



A general growing trend can be observed in respect of the market capitalisation of these companies in the textile and apparel industry. In general, this implies a trend of growth in the performance of the companies in the sector. Further, the growth has been higher between the last two financial years. The market cap expresses the industry presence of the company. While Siyaram Silk Mills Limited has a smaller market cap than Raymond Ltd. and ABFRL, it enjoys a very competitive market cap compared to many other companies in the industry and its growth rate stands shoulder-to-shoulder with the companies having larger market caps. Siyaram's growth potential, favourable performance and its impact on share price and trading can be observed in the fact that of the companies analysed above, between the financial years ending 2021 and 2022, SSML had the highest growth in market cap (at 154.81% from ₹ 872.72 crore on 31-03-2021 to ₹ 2,223.75 crore on 31-03-2022). The growth rate between these financial years for Raymond Ltd and ABFRL can be computed as 136.31% and 66.10% respectively.

INTERPRETIVE FINANCIAL ANALYSIS

The various components of the financial statements and the detailed notes to accounts have enabled the following financial analysis along the lines of liquidity, capital leveraging, activity and turnover, profitability and valuation.

The summary of all calculations derived is tabulated below. The complete calculations and formulas used can be found in Appendix A.1.

Ratio Analysis - FY 2021-22

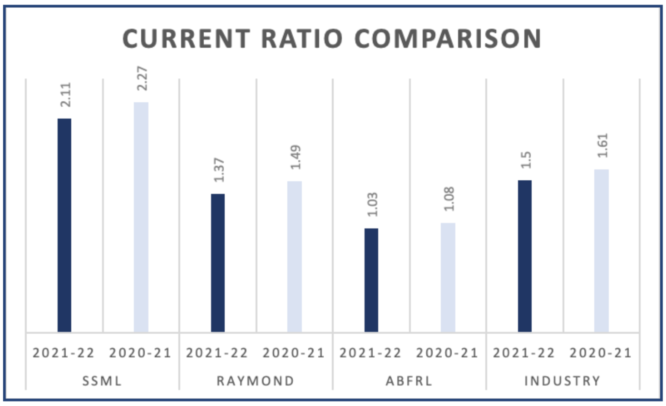
	SSML	Raymond	ABFRL	Industry Avg.
Current Ratio	2.11	1.37	1.03	1.50
Quick Ratio	1.22	0.78	0.40	0.80
Debt-Equity Ratio	0.29	0.95	0.17	0.47
Proprietary Ratio	0.62	0.31	0.25	0.39
Inventory Turnover Ratio	2.73	1.80	3.50	2.68
Fixed Assets Turnover Ratio	3.85	3.66	1.62	3.04
Net Profit Ratio/Margin	10.97%	-8.77%	-1.03%	0.39%
Return on Equity	22.67%	-21.85%	-2.89%	-0.69%
Earnings per Share	45.34	(59.47)	(0.87)	(5.00)
Earnings Yield Ratio	10.80%	-6.96%	-0.29%	1.18%

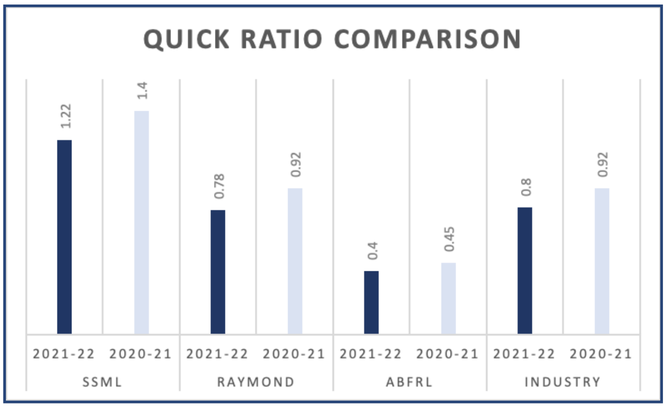
Ratio Analysis - FY 2020-21

	SSML	Raymond	ABFRL	Industry Avg.
Current Ratio	2.27	1.49	1.08	1.61
Quick Ratio	1.40	0.92	0.45	0.92
Debt-Equity Ratio	0.25	0.85	0.22	0.44
Proprietary Ratio	0.64	0.35	0.28	0.42
Inventory Turnover Ratio	1.86	0.94	2.53	1.78
Fixed Assets Turnover Ratio	2.22	1.79	1.14	1.72
Net Profit Ratio/Margin	0.47%	-11.61%	-12.54%	-7.89%
Return on Equity	0.69%	-13.94%	-34.46%	-15.90%
Earnings per Share	1.14	(41.54)	(7.95)	(16.12)
Earnings Yield Ratio	0.61%	-11.48%	-3.95%	-4.94%

Liquidity Analysis

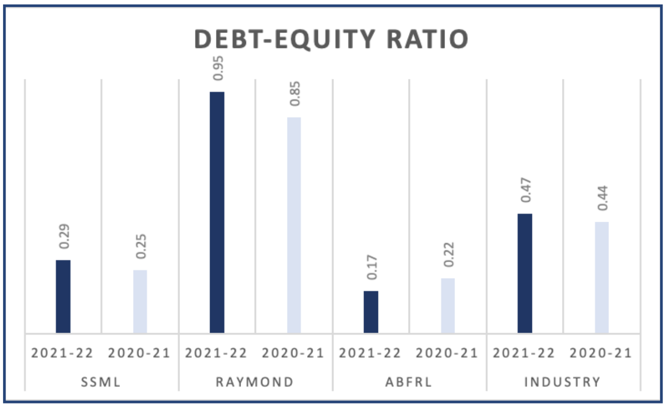
The liquidity of the company has been assessed using the current ratio and the quick ratio, the most popular measures of liquidity. Siyaram Silk Mills Limited (SSML) has enjoyed a favourable current ratio across both financial years as per the basic standards for current and quick ratios (2:1 and 1:1 respectively) and in comparison to competitors and the approximate market overall as well. The overall industry appears to have faced a minor downfall in liquidity. This may be attributed to the reduced scope of business for the sector in the pandemic and immediate post-pandemic period where the business' own liquidity and the liquidity of its debtors, creditors etc. may also have been affected. However, the positive indicators for SSML are that even in the declining liquidity of the overall industry (and the company itself), it has been able to maintain its liquidity as per acceptable norms and thus there don't appear to be visible concerns over short-term liquidity of the organisation.

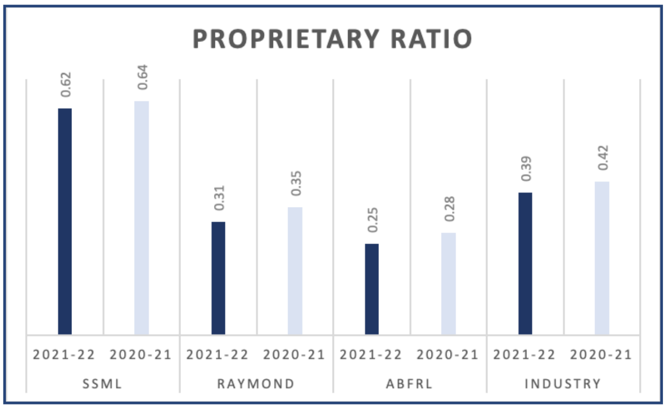




Leverage Ratios

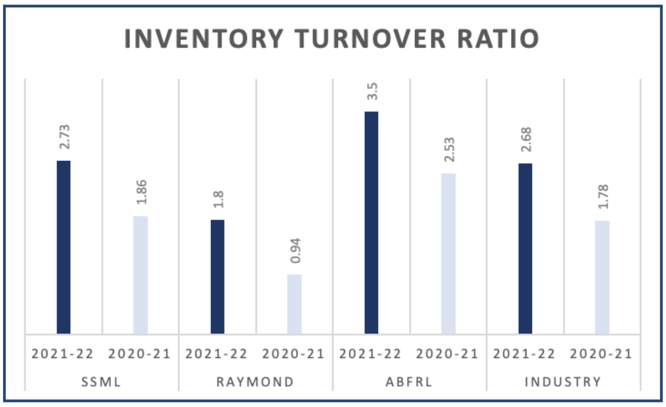
A company that thrives on its own capacity to generate funds will not face significant concerns in long-term self-sustenance. Both the debt-equity ratio and the proprietary ratio of SSML indicate that the business is largely self sustained and that equity and equity generated funds (reserves, surplus and profits) are financing most of the business. The ratios have had a very minor variation with a 0.04 increase in debt-equity ratio indicating a minor increase in the element of debt and accordingly a minor decrease in the proprietary ratio as lesser assets are funded by equity. The effect is quite small though and does not indicate any heavy external financial burden on the company. The long-term liquidity and solvency of the company is good as internally generated funds are capable of meeting outside obligations. The company has a lower debt leverage in comparison to the average for the market which appears to be inflated due to the higher debt leverage of Raymond Ltd.

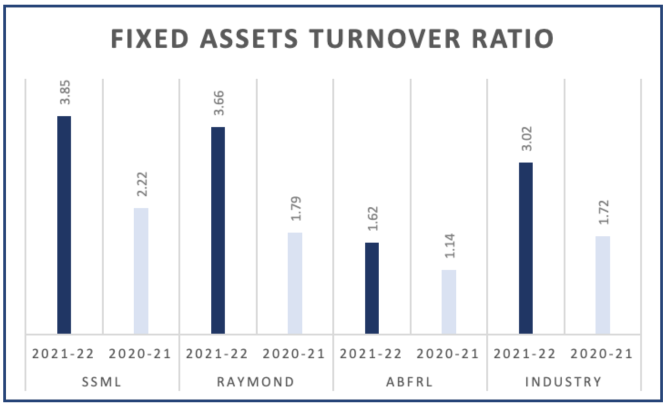




Activity Ratios

Activity has been assessed on two grounds - ability to convert inventory and the ability to convert fixed assets into sales. The company has experienced an increase in the inventory turnover ratio indicating an increase in demand. This can be attributed to the full scale resumption of markets after the pandemic period. In light of this, it is important to assess the continuity of this shift and to accordingly assess production capacities. In terms of competition, Aditya Birla Fashion and Retail Limited (ABFRL) is the company that enjoys a greater inventory turnover ratio but this may be due to small difference in operations that ABFRL majorly deals in finished clothing at its brands which have a larger retail market, whereas SSML has both fabrics and clothing in its brand portfolio, thus having greater wholesale and retail markets. SSML also has industry leading fixed assets turnover ratios that indicate a greater ability to utilise the assets of the business in generating revenues. A positive indicator is that the ratio has improved over the two financial years under review.





Profitability Analysis

SSML was profitable in the visibly slow period of economic activity for the industry during the FY 2020-21 and this has also translated into a growth in profits in the latest completed financial year (2021-22). The positive profitability contributes to a positive Return on Equity during the said periods. The company is even more profitable than ABFRL which performed better on the activity ratios. This indicates good operational capabilities of SSML that stem from both asset management and production and operations capabilities. It is clearly evident that the company's ratios, and thus performance, is better than industry standard in this regard.

Valuation and DuPont Analysis

The profitability of the company, as mentioned above, led to positive returns to investors, which are evident from the Earnings per Share (EPS) of the company for the two financial years. This, thus, corroborates the dividend distribution history of the company. We can now also infer that the dividend for the financial year 2020-21 must have been issued through a utilisation of previous reserves as the amount of dividend exceeds the EPS. Due to its ability to provide returns to investors, the company has provided investors a positive yield on the market value of their share, unlike the other companies analysed.

In line with the above, the returns of the company can be broken down into three components using the DuPont Analysis as follows:

$$\text{Return on Equity} = \frac{\text{Profit After Tax}}{\text{Net Sales}} \times \frac{\text{Net Sales}}{\text{Total Assets}} \times \frac{\text{Total Assets}}{\text{Equity}}$$

$$= \frac{₹\ 21{,}251.63\ \text{lakh}}{₹\ 1{,}93{,}752.11\ \text{lakh}} \times \frac{₹\ 1{,}93{,}752.11\ \text{lakh}}{₹\ 1{,}51{,}548.08\ \text{lakh}} \times \frac{₹\ 1{,}51{,}548.08\ \text{lakh}}{₹\ 93{,}729.55\ \text{lakh}}$$

$$= 0.109684637756977 \times 1.27848607517825 \times 1.61686554560435$$

$$= 0.226733511469968$$

$$= 22.67\%$$

This indicates that each element of organisational efficiency has positively contributed to the returns generated to investors. The company is profitable in terms of its profit generation capabilities (ability to control costs such that total costs are less than total revenue), its revenue generation capabilities (the ability to utilise organisational infrastructure to yield effective and efficient operations) and to finance its operations at low costs (by self-funding a large part of its business to reduce costs of finance and improve profitability).

BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

A REPORT BY VARAD GANDHI, I014

COMPANY PROFILE

Bombay Dyeing and Manufacturing Company is a major player in the textile industry in India. Started with Manufacturing of Cotton Textile and Non-Woven fabrics, the company has expanded its business widely into retail and real estate where the company develops high grade fibers for developing construction materials which has been quite a substantial business for their manufacturing segment. The company information is as follows-

NIC Code-
Real Estate: 6810
Polyester Staple Fibre: 20302
Home Textiles: 4751

Corporate Headquarters Location-
Worli, Mumbai- 400025

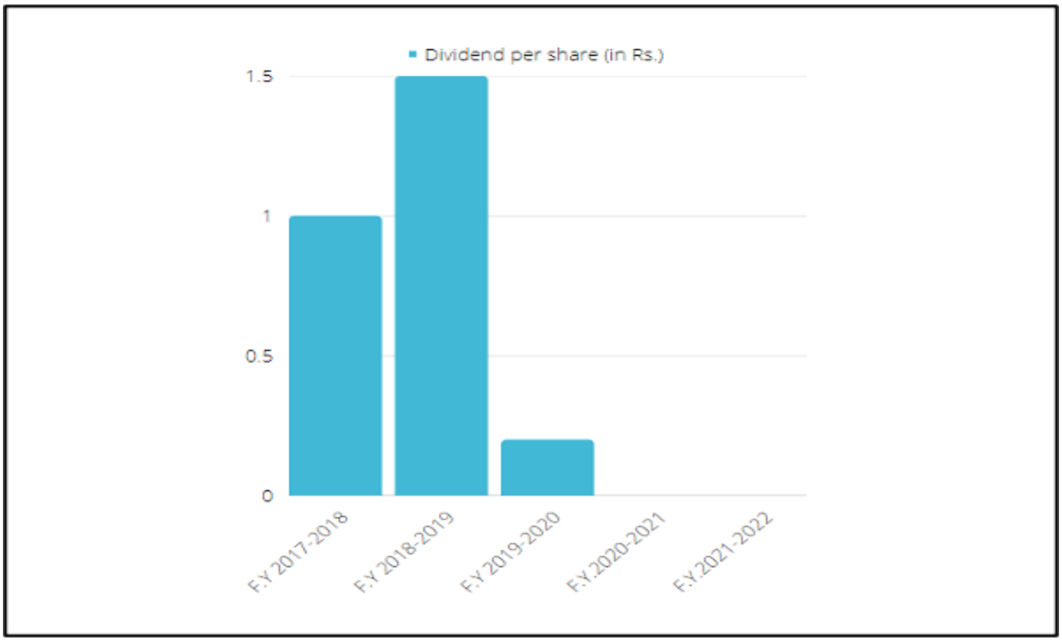
Date of Incorporation- 23rd August 1879

Name of Chairman- Mr. Nusli N. Wadia
CEO- Mr. Suresh Khurana

Dividends-

- The dividends have been issued from the financial year 2014-2015.
    - The last date of issue of the dividends were 15.07.2020.
        - Dividends for the financial year 2020-21 are not declared.

The dividends per share in the graphical format are as follows-



INDUSTRY PROFILE

Founded in 1879 by Nowrosjee Wadia, The Bombay Dyeing and Manufacturing Company falls into Manufacturing and Retail sector wherein they are primarily focused on development of home textiles and production of Polyester Fibre.

The industry to which the company belongs is the Textiles industry as it is one of the six producers of PSF (Polyester Fibre) in India with a market share of 15%. Beginning with small cotton yarns dipped in dye the company has now become one of the biggest textile manufacturers in India.

Three Industry leaders are based on the textiles business wherein the home and industry grade cloth are made-

PAGE INDUSTRIES | **ARVIND LTD** | **WELSPUN INDIA LTD**

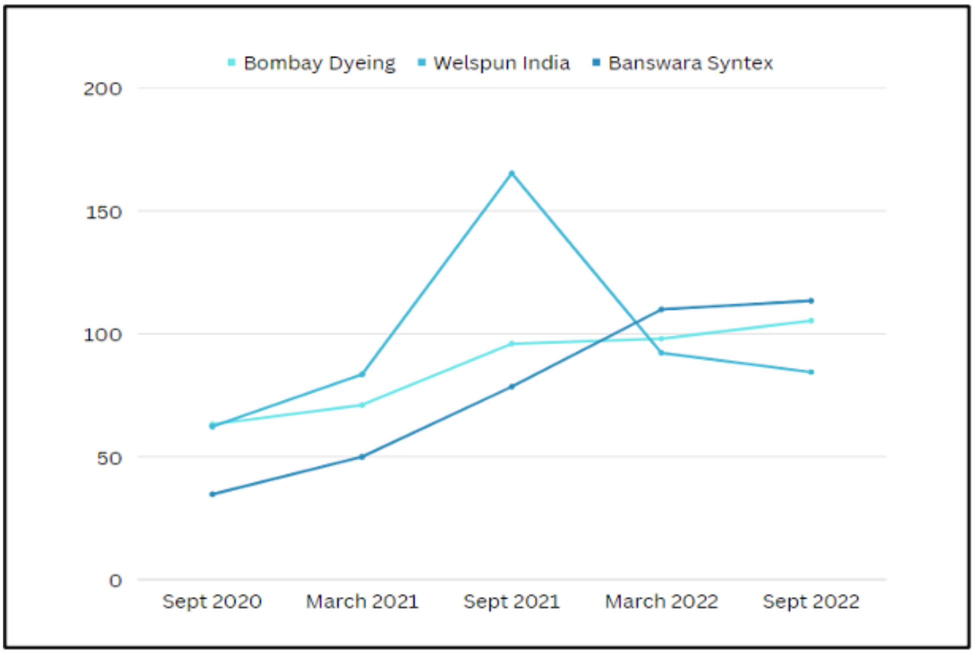
Three Industry laggards based on their decline in the performance in the recent years-

ALPS INDUSTRIES | **FUTURE LIFE** | **BOMBAY RAYON**

Company performance over the last two years compared to competitors-

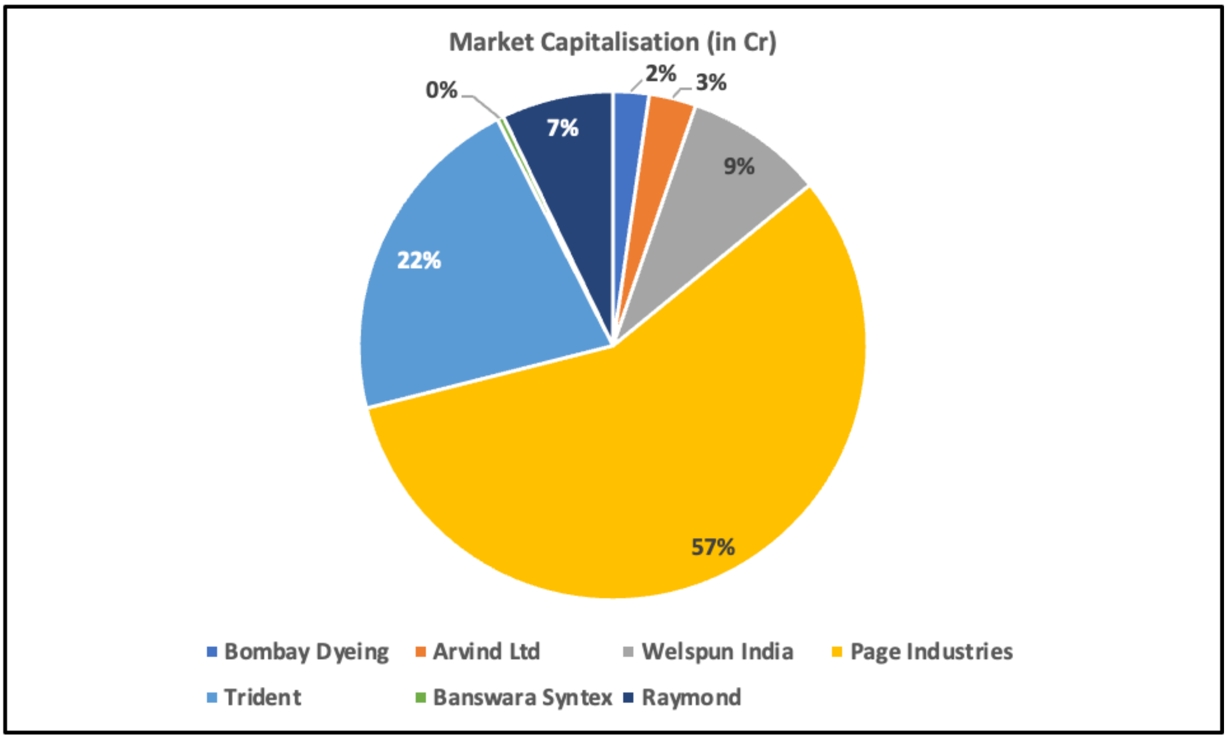
The competitors selected for the purpose are Welspun India because of the home textiles segment and Banswara Syntex due to the spinning yarn mills segment which is the main segment of Bombay Dyeing.

Based on the Bar graph given below, Bombay dyeing has shown quite an upward trend starting from ₹ 63.40 in September 2020 to ₹ 103.40 in September 2022. The other two competitors, Welspun and Banswara Syntex have had a general upward trend with a lot of instability.



Market Capitalisation of Bombay Dyeing along with the major competitors-

Bombay Dyeing does engage in apparels and home textiles along with polyester fiber material and the overall market capitalisation of the company is quite low as it has focused more on developing industry grade fibers and related materials rather than consumer-grade products.



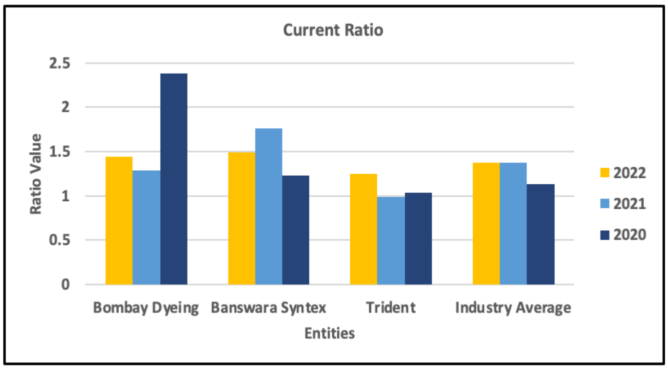
Company Name	Market Capitalisation (in Cr)
Bombay Dyeing	2,165.00
Arvind Ltd	2,842.00
Welspun India	8,349.00
Page Industries	53,962.00
Trident	20,307.00
Banswara Syntex	389.00
Raymond	6,734.00

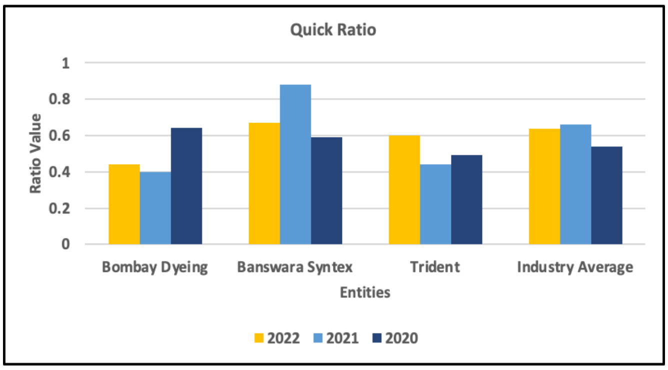
FINANCIAL STATEMENT ANALYSIS OF BOMBAY DYEING

In this section a combination of different ratios will be used in order to evaluate the performance of Bombay dyeing on the basis of its ability to meet the short term and long-term liabilities in the recent years. All the different terms used are in terms of Crores. The Analysis is provided with a comparison of Bombay dyeing along with Industry Average (Banswara Syntex and Trident) and also their ratios are separately provided for better understanding the contribution of companies towards industry average.

Liquidity Ratios of Bombay Dyeing over a 3-year period

	2019-20	2020-21	2021-22
Current Ratio	2.380	1.292	1.443
Quick Ratio	0.643	0.407	0.443



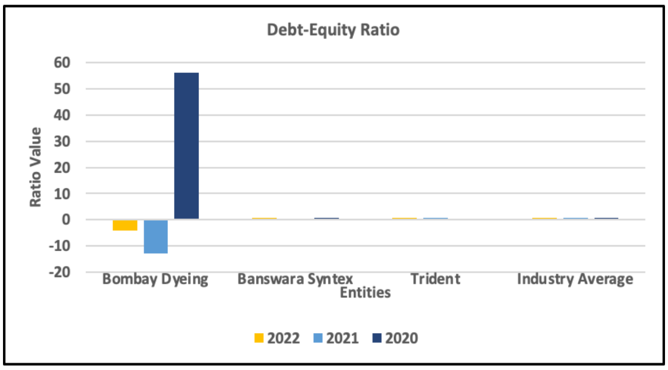


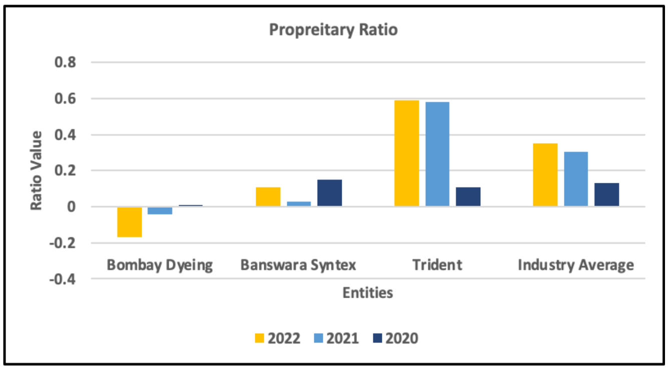
Analysis of the Liquidity-

Based on the Current and Quick Ratios calculated over the period of 3 financial years, there has been a constant decrease in the ratios given the fact that the number of liabilities increase during the COVID pandemic. Quick Ratio has been below satisfactory levels which proves that the immediate demands were difficult to be fulfilled by the company. The Liquidity Analysis is performed with the Industry where Banswara Syntex and Trident have been considered for the Industry Average where Bombay Dyeing has a better performance than the Industry which shows that they can meet the short-term obligations well.

Solvency Ratios

	2019-20	2020-21	2021-22
Debt-Equity Ratio	56.02	-12.76	-4.15
Proprietary Ratio	-0.01	-0.44	-0.17





Analysis with the Industry-

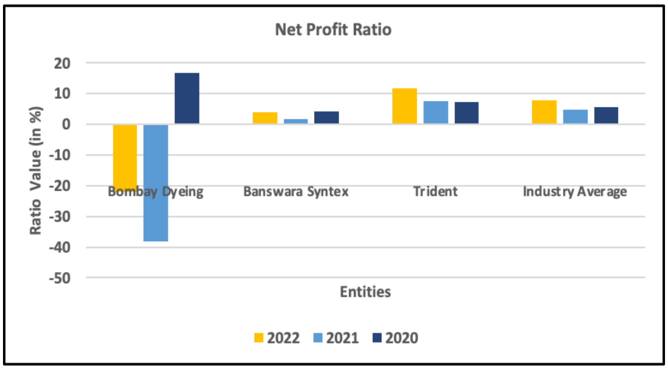
Given the Debt-to-Equity Ratio in the last 2 years, it has been negative due to the negative equity which is due to the retained earnings being negative giving a sign that the company has heavy losses. In the financial year of 2019-20, a very high debt-equity ratio is observed which does prove that the company was majorly dependent on lending capital for outsiders to finance the growth. This shows that the company must work accordingly to reduce its debts in the long term which means making profit through the business.

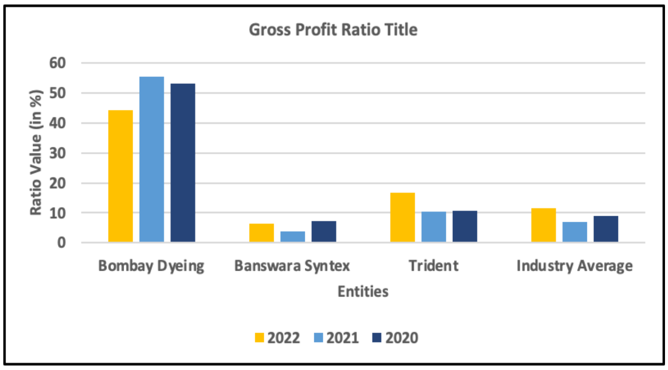
On the other hand, the proprietary ratio is quite low (some of it negative) during the last 3 years which does prove that the company heavily depended on its debts to run the business.

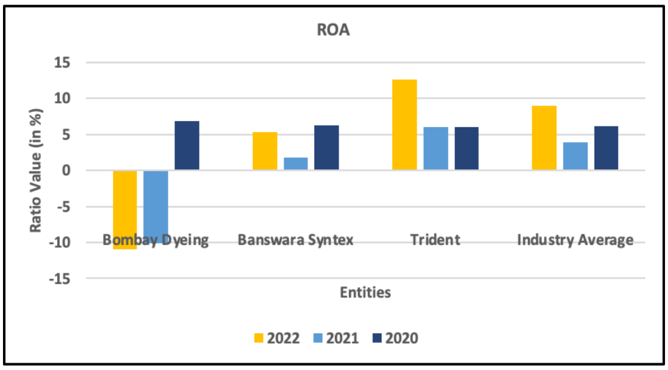
Based on the comparison made between its competitors and the Industry average (from the competitors selected), Bombay dyeing has been quite unstable the last 3 financial years because of its negative retained earnings and its dependence on debt to run its business.

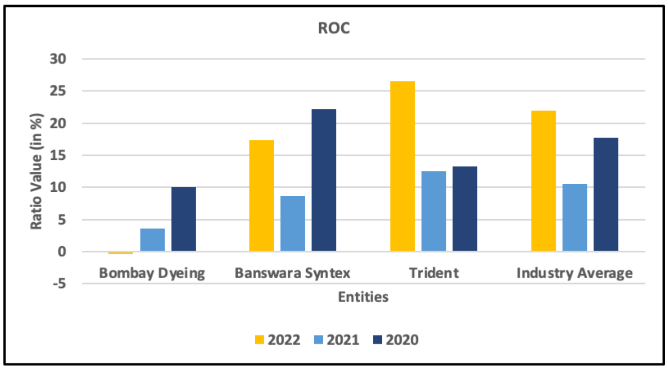
Profitability Ratios

	2019-20	2020-21	2021-22
Net Profit Ratio	16.86%	-38.23%	-21.88%
Gross Profit Ratio	53.15%	55.52%	44.38%
Return on Assets	6.81%	-10.10%	-10.89%
Return on Capital Employed	10.85%	3.53%	-0.44%







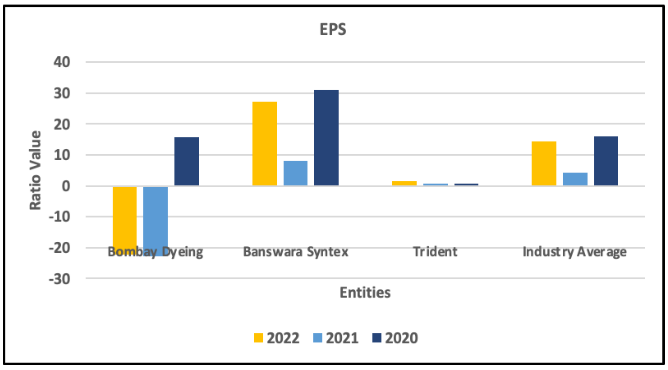


Analysis of Profitability-

A negative Gross Profit ratio in the last two years shows that the company has a loss-making business. Same goes with the net profit margin where the production costs have exceeded the total revenue by substantial amount. To get back in the game, efficient techniques will have to adopted which generates substantial revenue to overcome the losses incurred. A negative return on asset ratio suggests that the company is not a preferable investment opportunity. Similar thing has occurred in the ROC where it entered a negative territory which proves that the company has made substantial losses during the fiscal year 2022. Given the comparison with the Industry, Bombay Dyeing has been on the far end thus proving that their expenses were too large which did put them into a loss-making situation.

Valuation Ratios

	2019-20	2020-21	2021-22
Earnings per Share	15.88	-22.69	-22.31
Dividend Yield Ratio	0.44	0	0



Analysis-

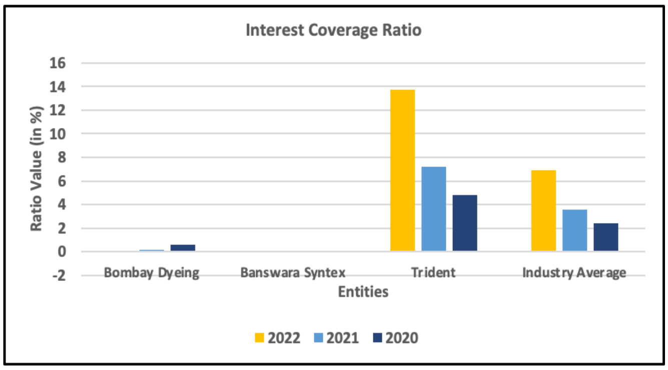
As we can see EPS has been constantly decreasing sine financial year 2019-2020 which does imply that the company is making losses which is making the investors back off which does affect the paying off long-term liability.

Dividend Yield ratio is 0 for the last 2 financial years since the company did not declare any dividends. The 2019-2020 financial statements do reveal that the company has low dividend yield.

Compared with the Industry as a whole, the overall EPS has declined and been negative because of the accumulated losses of Bombay Dyeing.

Coverage Ratios

	2019-20	2020-21	2021-22
Interest Coverage Ratio	0.62	0.13	-0.02



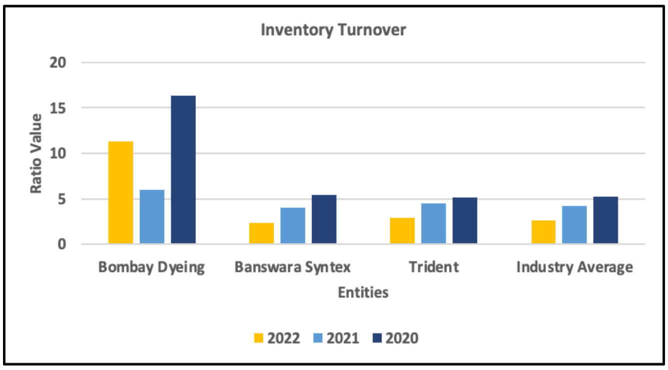
Interpretive Analysis-

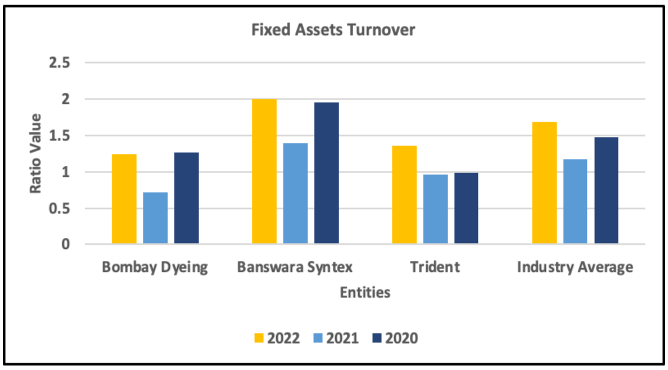
The interest coverage ratio of the company has been below 1 overall (negative in the last financial year) which shows that the company is finding it difficult to pay of its existing debt and will require to generate more revenues to pay off its long-term debts in the future.

The Interest Coverage ratio of Bombay Dyeing is fairly low than the industry average which shows that company should work more towards the generation of more revenues through its different channels of trade.

Activity Ratios

	2019-20	2020-21	2021-22
Inventory Turnover Ratio	16.33	5.97	11.29
Fixed Assets Turnover Ratio	1.24	0.72	1.27





Interpretive Analysis-

In the recent years, the Inventory turnover ratio has been in the acceptable range of 5-10 which does show that the company is not on the verge running out of or retaining the stock. The company has to now take into consideration all these factors together in order to rethink its strategy as to how they can balance out the stock while generating substantial revenues.

Given the Industry average, Bombay dyeing has had quite a high Inventory turnover ratio which can be a problem of running out of inventory. The Fixed Asset Turnover ratio of the company has been quite satisfactory with the Industry levels which means that their stock is getting utilised efficiently.

DuPont Analysis

The different ratios such as Earnings per share and the Net Profit Ratio prove that the company has been a loss-making company in the financial year 2021-2022. There are several problems related to this where the company did not issue dividends in the last financial year. Thus the overall performance of the company can be found out by using Du Pont analysis as follows-

$$\text{ROE} = \frac{\text{Profit After Tax}}{\text{Net Sales}} \times \frac{\text{Net Sales}}{\text{Total Assets}} \times \frac{\text{Total Assets}}{\text{Equity}}$$

The overall profitability of the company cannot be calculated as the Company has substantial losses which doesn't create an opportunity to generate profits from its shareholder's investments.

For the FY 2019-2020, the ROE is about 5.507 which marks about 550.7% ROE which thus proves that the company was strongly profitable in its operations and profit generations overall.

TRIDENT LIMITED

A REPORT BY ROHIT BHATIA, I006

COMPANY PROFILE

Trident Limited, a part of USD 1 billion Trident Group is headquartered in Ludhiana, Punjab. Established in the year 1990, the Company has evolved as a global textile player under the visionary leadership of its founder chairman Mr Rajinder Gupta, a first-generation entrepreneur. Trident Limited is a leading manufacturer of Yarn, Bath Linen, Bed Linen, Wheat Straw-based Paper, Chemicals and Captive Power. The Company has state-of-the-art manufacturing facilities in Barnala (Punjab) and Budni (Madhya Pradesh). The Company has a strong clientele in 100 countries across the globe. As on 31 March 2019, the Company had two subsidiaries - Trident Global Corp Limited, the Indian wholly owned subsidiary and Trident Europe Limited, the overseas wholly owned subsidiary. Trident Global Corp Limited majorly serves as the Retail Arm of the Company. It is the face of the Company in the domestic markets.

CIN Code: L99999PB1990PLC010307

BSE Code: 521064

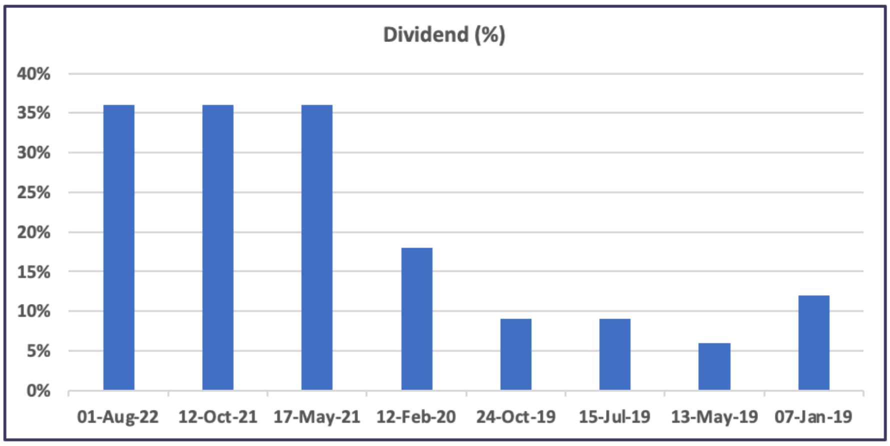
NIC Code: 17200

Chairman: Mr. Rajinder Gupta

Headquarters: Ludhiana Punjab, India

Dividend Distribution Statistics

Dividend Date	Dividend (%)
01-Aug-22	36%
12-Oct-21	36%
17-May-21	36%
12-Feb-20	18%
24-Oct-19	9%
15-Jul-19	9%
13-May-19	6%
07-Jan-19	12%



It is evident from the above graph that the company has regularly declared dividends to its investors and the rate of dividends indicate greater return on the value of the share in the recent years.

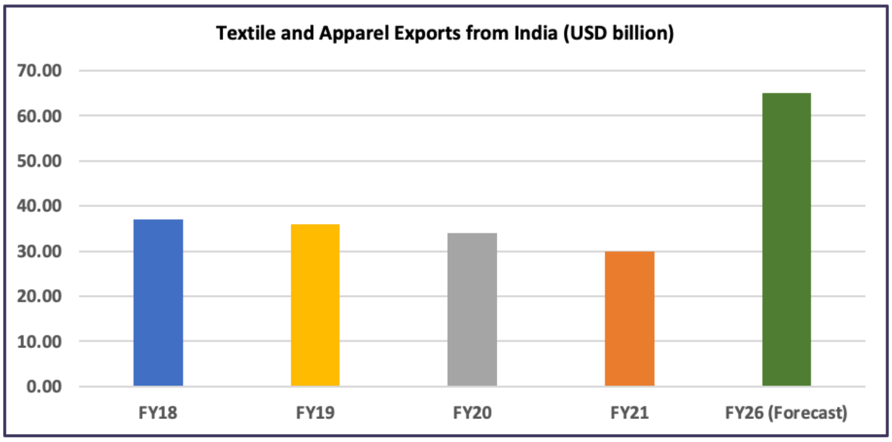
INDUSTRY PROFILE

About the Textile Industry

- One of the nation's oldest sectors, the textile industry in India has been around for many years.
- The textile business is incredibly diverse, with the capital-intensive sophisticated mills sector at one end of the spectrum and the hand-spun and hand-woven textiles sector at the other.
- The major segment of the textiles industry is the decentralised power looms/hosiery and knitting sector.
- When compared to other industries in the nation, the textile industry is distinctive due to its tight ties to agriculture (for raw materials like cotton) and the old culture and traditions of the nation in terms of textiles.
- The textiles sector in India has the ability to manufacture a wide range of goods that are suited for various market niches both domestically and internationally.

Textile and Apparel Exports from India (USD billion)

Year	Amount
FY18	37.00
FY19	36.00
FY20	34.00
FY21	30.00
FY26 (Forecast)	65.00



Market Leaders

PAGE INDUSTRIES	KPR MILL	TRIDENT LIMITED	ALOK INDUSTRIES

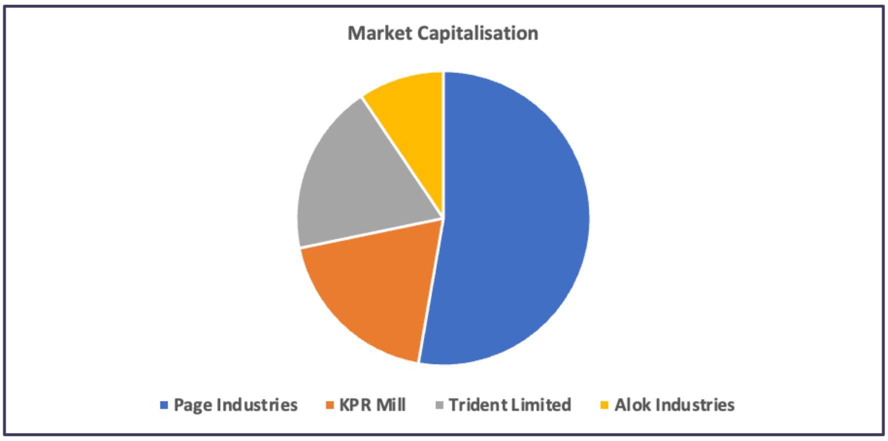
Page industries has the largest market capitalisation at ₹ 54.445.46 Cr . Followed by KPR mill and Trident Ltd. KPR mill and Trident Ltd have almost the same market capital.

Market Laggers

SPICE ISLAND ₹ 3.35 cr	RAJASTHAN PETRO ₹ 3.04 cr	KARAN WOO-SIN ₹2.21 cr

Market Capitalisation

Company	Market Share in ₹ Cr.
Page Industries	54,445.46
KPR Mill	19,644.05
Trident Limited	**19,415.59**
Alok Industries	9,756.70



Stock Performance

Trident ltd has given a good performance over a year as compared to page industries and KPR mills Ltd. Market price of Trident is very less of about ₹ 38.25.

FINANCIAL STATEMENT ANALYSIS

Financial Ratios

TYPES OF RATIOS	FY 2022	FY 2021	Formula used
1. Liquidity Ratios			
a. Current Ratio	1.25	0.99	Current assets / Current Liabilities
b. Quick Ratio	0.60	0.44	Quick Assets / Current liabilities
2. Solvency Ratios			
a. Debt- Equity Ratio	0.69	0.73	Total liabilities / Shareholders Fund
b. Proprietary Ratio	0.59	0.58	Shareholders Funds / Total Assets
3. Profitability Ratios			

a. Gross Profit	51.47%	55.86%	Gross profit / Net sales * 100
b. Net Profit ratio	11.74%	7.62%	Net profit after interest and tax / Net sales * 100
c. ROE	21.46%	10.42%	Profit after interest and tax / SHF * 100
d. ROA	12.67%	6.01%	Profit after interest and tax / Total asset * 100
e .RoCE	28.59%	13.35%	EBITD/ Capital employed * 100
4. Valuation Ratios			
a. EPS	1.60	0.68	net profit after intrest and Tax / No of equity share *100
b. P/E Ratio	24.64	20.93	market price per share / Earnings per share MPS is ₹ 39.40 as on 15th September 2022 MPS was ₹ 14.20 on 31st March 2021
5. Activity Ratios			
a. Inventory Turnover Ratio	4.34	6.48	Cost of goods sold / Avg. of stock
b Fixed Asset Turnover Ratio	2.11	1.35	Net sales/ Net fixed assets
Equity Multiplier	1.69	1.73	Total assets/ Shareholders equity
DU point analysis	0.21	0.10	(Profit after tax/Net sales) * (Net sales/Total assets) * (Total assets/ Equity)

Comparison with KPR Mill, Page Industries and Trident Limited for FY 2021-22

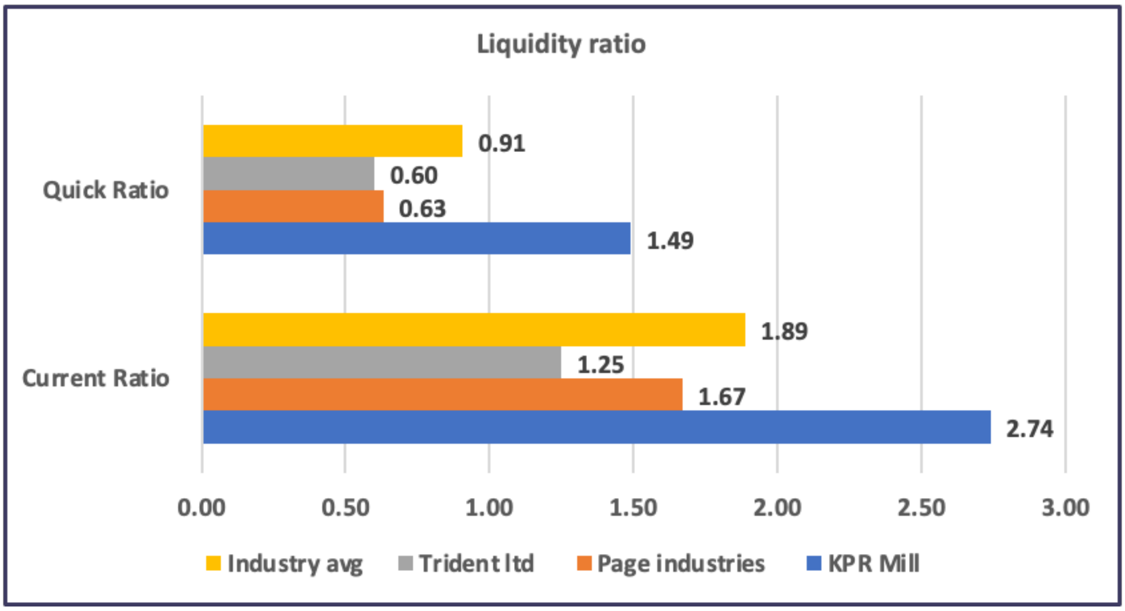
TYPES OF RATIOS	KPR Mill	Page Industries	Trident Limited	Industry Avg.
Current Ratio	2.74	1.67	1.25	1.89
Quick Ratio	1.49	0.63	0.60	0.91
Debt- Equity Ratio	0.16	0	0.69	0.28
Net Profit ratio	17.93%	13.80%	11.74%	14.49%
RoCE	37.10%	63.92%	28.59%	43.20%
ROA	21.75%	25.46%	12.67%	19.96%
ROE	27.76%	49.48%	21.46%	32.90%
EPS	21.24	481.03	1.60	167.96
Asset Turnover Ratio	1.39	2.05	2.11	1.85
Inventory Turnover Ratio	2.95	1.32	4.34	2.87

Interpretive Financial Analysis

Liquidity Ratios

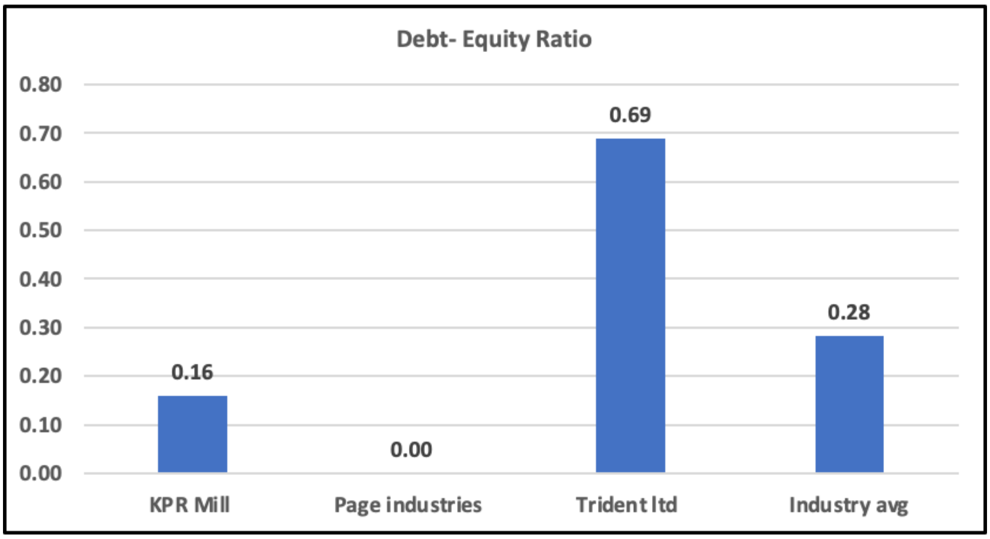
- Current ratio has increased from 2021 to 2022 by 79% that is from 0.99:1 to 1.25: 1
  It means that company is able to meet its obligations it has a larger proportion of short-term asset value relative to the value of its short-term liabilities but it is not enough as the ideal ratio is 2:1 . Current Ratio of trident ltd is less than the industry average.

- KPR mills has highest current ratio and no of assets are more as compared to Page industries and Trident Ltd.
- Quick ratio of Trident has increased In 2022 as compared to 2021. It signifies that company would be able to generate more cash and be liquid in case of emergency Ideal Quick ratio is 1:1 but Trident has Quick ratio of less than 1 which is not very feasible and has less average as compared to industry average.
- KPR mill the adequate quick ratio and is more liquid as compared to page industries and Trident Ltd.



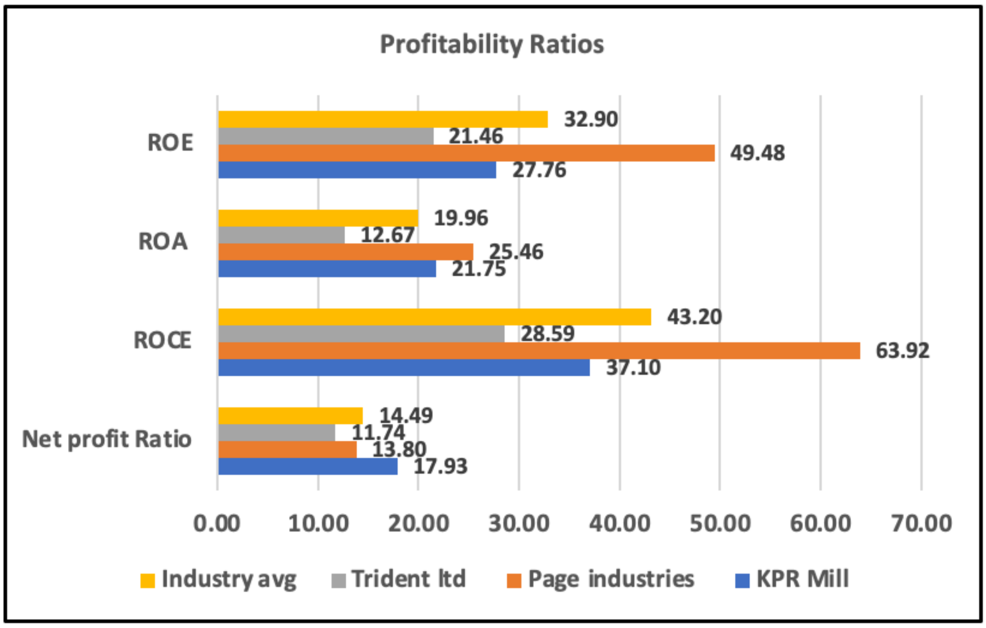
Solvency Ratios

- For Trident Ltd. Debt equity ratio has decreased in the year 2022 which is indicating a lower amount of financing by debt via lenders, versus funding through equity via shareholders. Proprietary ratio has almost remained constant throughout both years. Debt equity ratio of Trident Ltd. is more than the industry average which is 0.28.
- Page industries has 0 debt equity ratio which means the firm does not finance increased operations through borrowing at all, which limits the total return that can be realised and passed on to shareholders.



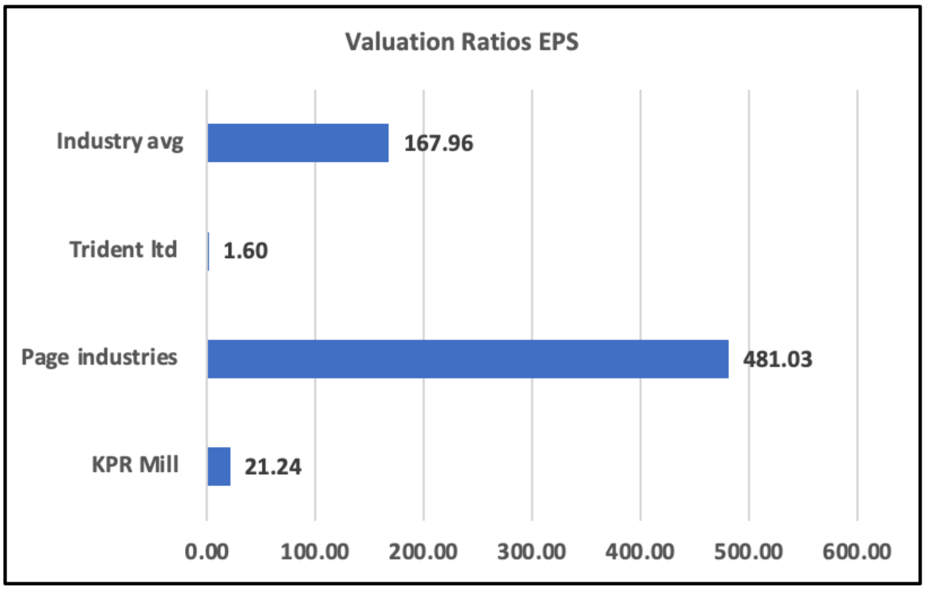
Profitability Ratios

- The sales of the company has increased by 53% from the previous year 2021 . Thus the et profit margin of the company has increased from 7.62 % to 11.74 %. Although the net profit margin is less than industry avg. KPR Mill has the highest profit among the other industries for year 2022.
- Return on asset and Return on equity has almost doubled in 2022 for Trident Ltd as the earnings and the total assets have increased but is less than the industry average. Page industries has the highest return on asset and return on equity in the year 2022 followed by KPR Mills and Trident Limited.
- Return on capital employed has increased by 15% int the year 2022 as the earning have increased and capital employed but it is less than the industry average.



Valuation Ratios

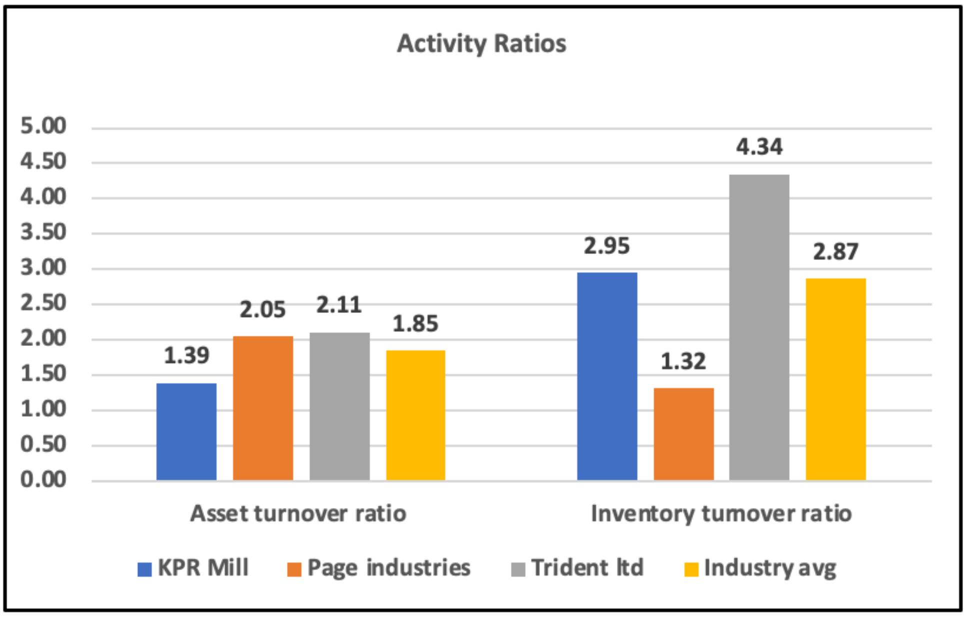
- Earning per share have increased from 0.68 to 1.60 for Trident Limited but earning per share is very less which means more number of shares have been subscribed than it should have been, that is why the shares have been falling in year 2022.



- EPS is very less as compared to the industry average. Page industries has the highest EPS due to earnings and less no of shares.
- Market price of trident ltd on 15th Sep 2022 is Rs 39.40 and PE ratio of 24.64 And on 31st March is 14.20 and Pe ratio of 20.93.

Activity Ratios

- Inventory turnover ratio has decreased in the year 2022 from 6.48 to 4.34 . An inventory turnover ratio between 4 and 6 is usually a good indicator that restock rates and sales are balanced, although every business is different. This good ratio means you will neither run out of products nor have an abundance of unsold items filling up storage space.
- Inventory turnover Ratio of trident ltd is more than the industry avg and has the highest among other companies.
- The fixed asset turnover ratio measures how efficiently a company is generating net sales from its fixed-asset investments. It has increased for Trident ltd, for the year 2022. And is more than the industry average.



DuPont Analysis

DuPont analysis breaks ROE into its constituent components to determine which of the factors are most responsible for changes in ROE.

ROE = (Profit after Tax / Net sales) * (Net sales / Total Assets) * (Total assets / Equity)

For the year 2022, using Du point analysis Return on Equity of Trident Ltd, Is 21.46 % and for year 2021 is 10.46%. This indicates company has given good returns to the investors. Total income due to sales have been much greater than the total expenses, Thus there have been more profits in the year 2022 and assets have been increasing at significant value. The company is better at converting the equity to financial profits.

RAYMOND LTD

A REPORT BY ROHINI BHATTACHARJEE, I008

COMPANY PROFILE

Raymond has been identified with Trust, Quality, and Excellence since its inception in 1925. Raymond is a diversified firm having primary commercial interests in the Textile & Apparel sectors, as well as presence in other areas like FMCG, Real Estate, Engineering, and Prophylactics in national and international markets. Since the last nine decades, Raymond has been known for producing world-class quality goods to more than a billion of its customers.

Raymond is a vertically and horizontally integrated textile producer with state-of-the- art infrastructure that has the capacity to make textiles from fibre to fabric. Raymond provides an extensive variety of shirting and suiting materials, including Worsted textiles, Cotton, Wool blends, Linen, and Denim. The garmenting division of Raymond Group has a substantial position in the B2B market. Our state-of-the-art and wholly-owned subsidiaries, Silver Spark Apparel Ltd, Celebrations Apparel Ltd, and Everblue Apparel Ltd, make suits, trousers, shirts, and jeans for the world's biggest fashion brands and are the only manufacturer of Full canvas premium jackets in India.

Raymond Consumer Care has a significant position in the FMCG market for the Raymond Group. The firm primarily serves the male grooming area with its pioneering Park Avenue and KS brands, the home care segment with its Premium brand, and the sexual health segment with its KamaSutra brand.

NIC code of the company

National Industrial Classification Code or the NIC code was created with the intention of determining and analysing how each economic activity contributes to national wealth.
In Press Note 4 (2014 series) dated 26 June 2014, the Department of Policy and Promotion decided to transition to the NIC 2008 version from the NIC 1987 version. Since then, all Indian businesses have been encouraged to adhere to NIC 2008.

The NIC 2008 is more compatible with the international categorisation system. This allows the registration compliance procedures to run efficiently.

The NIC code of the textile industry of Raymond Ltd. is 131.

Corporate headquarters location

New Hind House

Narottam Morarjee Marg

Ballard estate

Mumbai-400001

India

Date of incorporation

10 September 1925

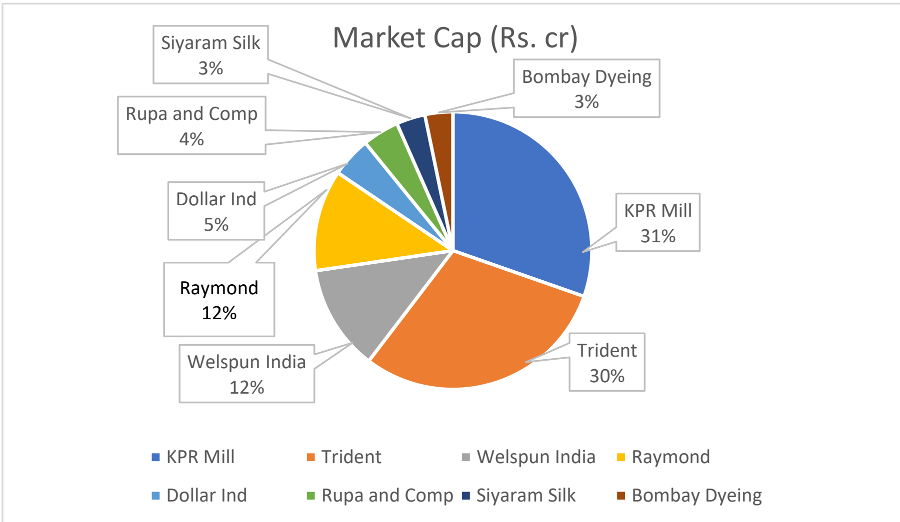
Name of chairman & CEO

GAUTAM HARI SINGHANIA (Chairman & Managing Director)
Sunil Kataria (CEO of its lifestyle business)

Dividends issued

Announcement Date	Ex-Date	Dividend Type	Dividend (%)	Dividend (Rs)	Remarks
16-05-2022	30-06-2022	Final	30	3.00	Rs.3.0000 per share (30%) Final Dividend
30-04-2019	23-05-2019	Final	30	3.00	Rs.3.0000 per share (30%) Final Dividend

INDUSTRY PROFILE



India is the second-largest manufacturer of textiles and apparel in the world. It is also the fifth-largest exporter of textiles, including clothes, home furnishings, and technical goods. Natural fibres such as cotton, jute, silk, and wool, as well as synthetic/ man-made fibres such as polyester, viscose, nylon, and acrylic, are produced on a large scale in India, which is the industry's primary strength. The textiles and clothing sector contributes 2.3% to the gross domestic product, 13% to industrial output, and 12% to exports. Approximately 45 million people are employed in the textile industry, including 3.5 million who use handlooms. The Indian textile and clothing sector is anticipated to increase at a 10 percent CAGR from 2019-20 to 2025- 26, reaching $ 190 billion. The Indian clothing industry is projected to reach US$ 135 billion by 2025, up from US$ 40 billion in 2020.

India has a competitive edge over other major textile manufacturers in terms of trained labour and manufacturing costs. In FY22, India's textile and garment exports (including handicrafts) reached $44.4 billion, a 41 percent rise year- over-year. In FY22, exports of ready-made clothing, including cotton accessories, totalled $6.19 billion.

From April 2000 to March 2022, the textiles sector (including dyed and printed) received Foreign Direct Investment (FDI) of $3.99 billion. 100 percent FDI (automatic route) is permitted in India's textile industry.

Company Stock Performance

Company's annual revenue growth of 74.02% outperformed its 3-year CAGR of -1.8%. (Source: Consolidated Financials)

Stock gave a 3-year return of 71.73% as compared to Nifty Midcap 100 which gave a return of 103.24%. (As of last trading session)

Company has spent 3.68% of its operating revenues towards interest expenses and 14.24% towards employee cost in the year ending 31 Mar, 2022. (Source: Consolidated Financials)

Financials of Raymond

Revenue

₹ 7,081 Cr

YoY: 14.61%

Net Profit/Loss

₹ 502 Cr

YoY: 85.08%

Jun-22 Mar-22 Mar-21 Mar-20

Mar-19 Mar-18 Mar-17

Net Worth

₹ 2,359 Cr

YoY: 0.00%

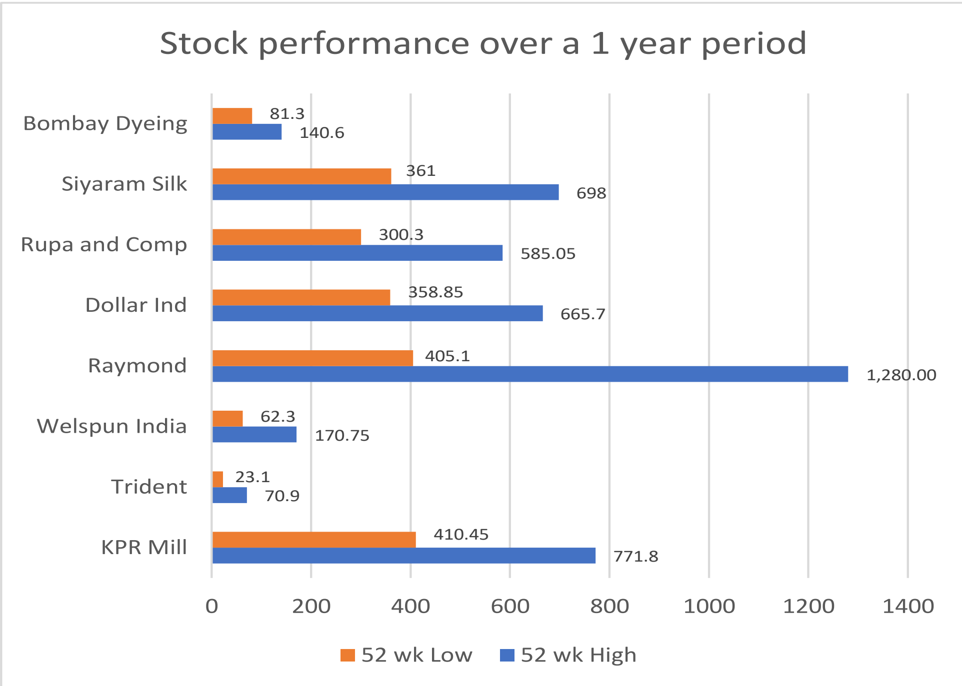
Debt

₹ 2,066 Cr*

YoY: -0.46%

Jun-22 Mar-22 Mar-21 Mar-20

Mar-19 Mar-18 Mar-17



FINANCIAL STATEMENT ANALYSIS

Leverage Ratios

Debt-Equity Ratio

The debt-equity ratio is a measure of the relative contribution of the creditors and shareholders or owners in the capital employed in business.

$$\textit{Debt-Equity Ratio} = \frac{\textit{External Equity}}{\textit{Internal Equity}}$$

Proprietary Ratio

Proprietary ratio is a type of solvency ratio that is useful for determining the amount or contribution of shareholders or proprietors towards the total assets of the business.

$$\textit{Proprietary Ratio} = \frac{\textit{Proprietor's Funds}}{\textit{Total Funds}}$$

Liquidity Ratios

An important class of financial metrics used to determine a debtor's ability to pay off current debt obligations without raising external capital.

Current Ratio

The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year.

$$\textit{Current Ratio} = \frac{\textit{Current Assets}}{\textit{Current Liabilities}}$$

Quick Ratio

Current ratio or acid-test ratio is a type of liquidity ratio, which measures the ability of a company to use its near cash or quick assets to extinguish or retire its current liabilities immediately.

$$\textit{Quick Ratio} = \frac{\textit{Quick Assets}}{\textit{Current Liabilities}}$$

Profitability Ratios

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

Sales Based Ratios

Gross Profit Ratios

Gross margin is the difference between revenue and cost of goods sold, divided by revenue. Gross margin is expressed as a percentage.

$$\textit{Gross Profit Ratio} = \frac{\textit{Gross Profit}}{\textit{Net Sales}} \times 100$$

Net Profit Ratios

Profitability ratio that measures the company's profits to the total amount of money brought into the business.

$$\textit{Net Profit Ratio} = \frac{\textit{Net Profit After Interest and Taxes}}{\textit{Net Sales}} \times 100$$

Investment Based Ratios

Return on Asset

The return on assets shows the percentage of how profitable a company's assets are in generating revenue.

$$\text{Return on Assets} = \frac{\text{Net Profit After Interest and Taxes}}{\text{Total Assets}} \times 100$$

Return on Equity

Return on equity (ROE) is the measure of a company's net income divided by its shareholders' equity.

$$\text{Return on Equity} = \frac{\text{Net Profit After Interest and Taxes}}{\text{Shareholders' Equity}} \times 100$$

Turnover Ratios

A turnover ratio represents the amount of assets or liabilities that a company replaces in relation to its sales.

Debtors' Turnover Ratio

Receivable Turnover Ratio or Debtor's Turnover Ratio is an accounting measure used to measure how effective a company is in extending credit as well as collecting debts.

$$\text{Debtors' Turnover Ratio} = \frac{\text{Credit Sales}}{\text{Avg. Debtors (in ₹)}}$$

Inventory Turnover Ratio

Inventory turnover is a financial ratio showing how many times a company has sold and replaced inventory during a given period.

$$\text{Inventory Turnover Ratio} = \frac{\text{Cost of Goods Sold}}{\text{Avg. Inventory}}$$

Coverage Ratios

A coverage ratio, broadly, is a metric intended to measure a company's ability to service its debt and meet its financial obligations, such as interest payments or dividends.

Interest Coverage Ratio

The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.

$$\text{Interest Coverage Ratio} = \frac{\text{Earnings Before Interest and Taxes}}{\text{Interest Charges}}$$

Valuation Ratios

Valuation ratios, sometimes called market value ratios, are measurements of how appropriately shares in a company are valued and what type of return an investor may get.

Earnings per Share

Earnings per share (EPS) is a company's net profit divided by the number of common shares it has outstanding. EPS indicates how much money a company makes for each share of its stock and is a widely used metric for estimating corporate value.

$$EPS = \frac{\text{Net Profit After Interest, Taxes and Preference Dividend}}{\text{No. Of Equity Share}}$$

Dividend Yield Ratio

Dividend yield is the financial ratio that measures the quantum of cash dividends paid out to shareholders relative to the market value per share.

$$\text{Dividend Yield Ratio} = \frac{\text{Dividend per Equity Share}}{\text{Market Price per Equity Share}} \times 100$$

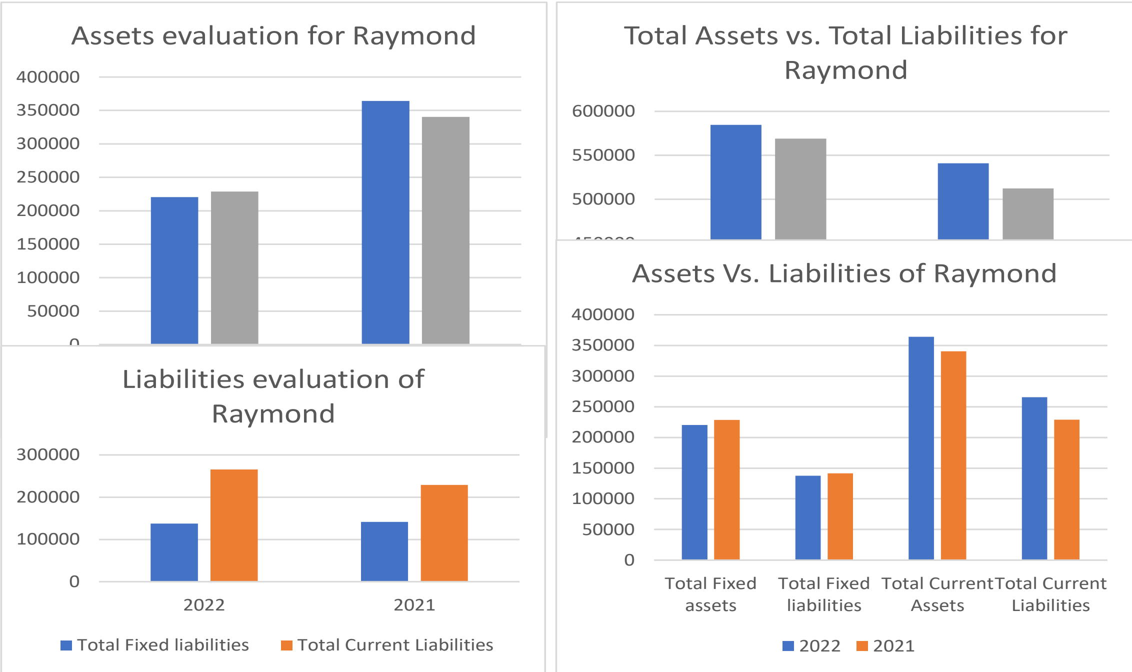
Dividend Pay-Out Ratio

The dividend payout ratio shows how much of a company's earnings after tax (EAT) are paid to shareholders.

$$\text{Dividend Pay-Out Ratio} = \frac{\text{Dividend per Equity Share}}{\text{Earnings per Equity Share}} \times 100$$

S No.	TYPES OF RATIOS	Value as of 2022	Value as of 2021
1	Shareholders' Funds	₹ 1,81,232.34	₹ 1,98,394.86
2	Current Ratio	1.371061592	1.486755377
3	Quick Ratio	0.79016473	0.920479467
4	Proprietary Ratio	0.310041414	0.348634331
5	Debt- Equity Ratio	0.95	0.85
6	Gross Profit	₹ 74,658.00	₹ 13,871.00
7	Gross Profit Ratio	16.628%	8.083%
8	Net Profit	₹ 39,592.00	₹ 11,849.00
9	Net Sales	₹ 4,48,988.01	₹ 1,71,617.61
10	Net Profit Ratio	8.818%	6.904%
11	Return on Assets	6.773%	2.082%
12	Return on Equity	21.846%	5.972%
13	Debtors Turnover Ratio	6.75	3.26
14	Inventory/Stock Turnover Ratio	1.80	0.94
15	Interest Coverage Ratio	3.87	0.49
16	Book Value of Shares	₹ 272.23	₹ 250.70
17	Face Value of Share	10	10
18	No. of Shares	66573731	66573731
19	Dividend	₹ 3.00	₹ 0.00
20	Earnings per Share	₹ 59.47	₹ 41.54

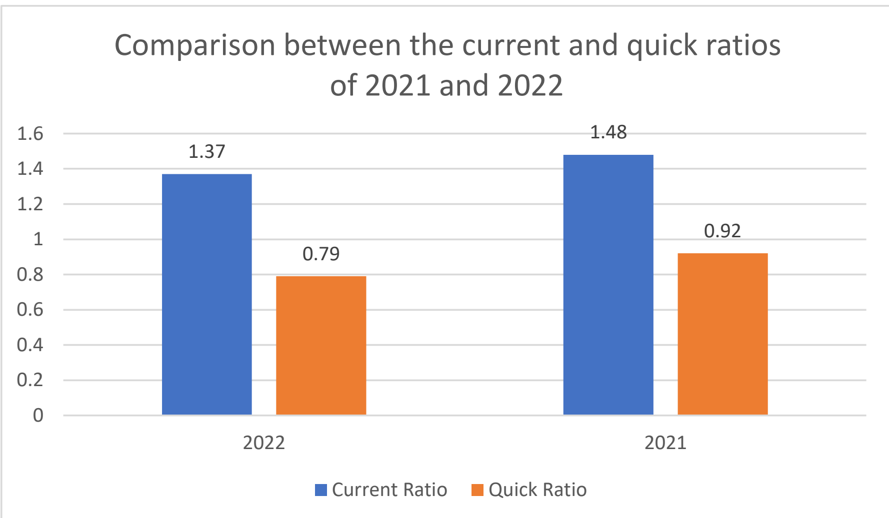
S No.	TYPES OF RATIOS	Value as of 2022	Value as of 2021
21	Dividend Yield Ratio	1.102%	0.000%
22	Dividend Payout Ratio	5.045%	0.000%



Did the company experience and increase or a decrease in liquidity over the two-year period evaluated? What effect do the liquidity figures have on the company's long term and/or short-term performance?

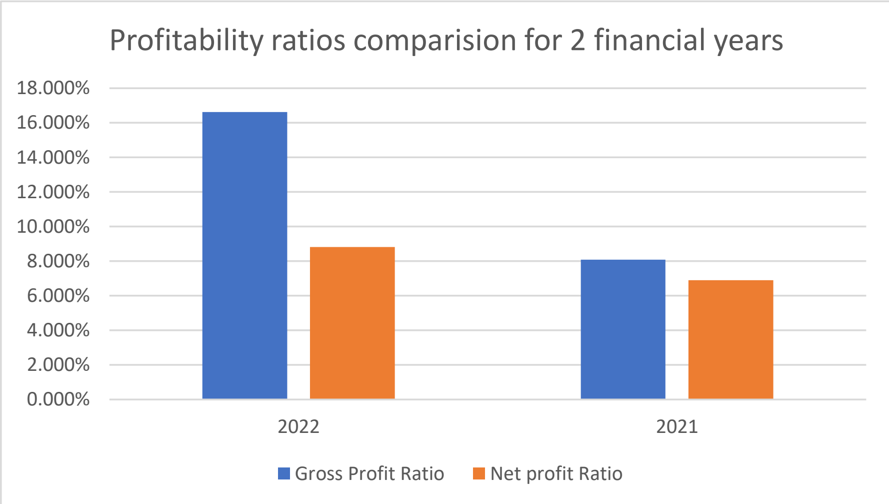
In general, a company's liquidity is defined by its liquidity ratios (quick ratios and the current ratio). Since Raymond's Current ratio was greater in 2021 than in 2022, we may deduce that Raymond's current assets were worth more in 2021 than in 2022. This means that the company's liquidity situation was stronger in 2021 than in 2022.

Regarding its short-term performance, the corporation should have no trouble paying off its short-term debts and obligations. Since short-term obligations have been repaid, there should be no problems paying off long- term loans; nevertheless, liquidity ratios are not a reliable measure of a company's capacity to pay off its long-term debts.

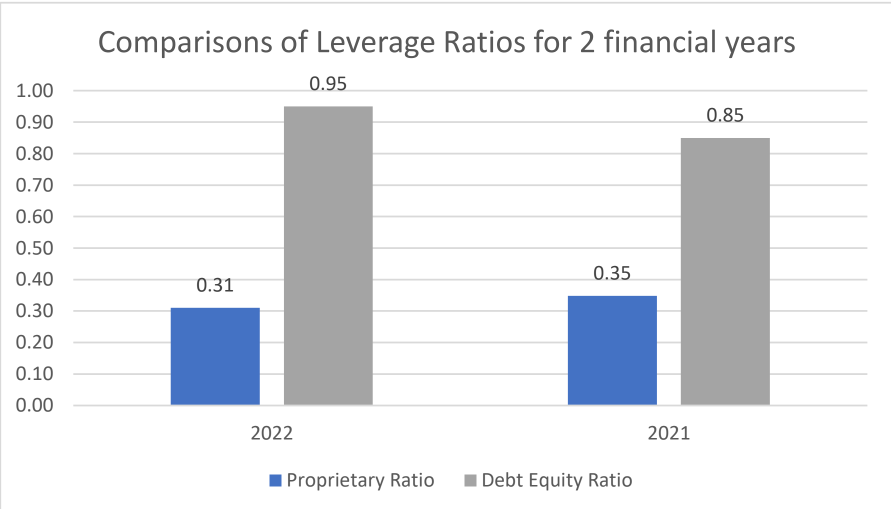


Did the company experience an increase or decrease in profit margin over the two-year period evaluated? What effect do the Profit Margin figures have on the company's long term and/or short-term performance?

Since 2021, the Profitability ratios (Gross and Net Profit ratio) have improved in 2022, showing that the company's capacity to transform activities into lucrative ventures has increased. Increasing profitability is often sought. Since profitability ratios are high, the corporation has more earnings to reinvest in the business, which may lead to greater long-term profits.



Did the company experience a change in its leverage over the two- year period evaluated? What impact do these Debt-to-Equity figures have on the company's overall long term and short-term performance?

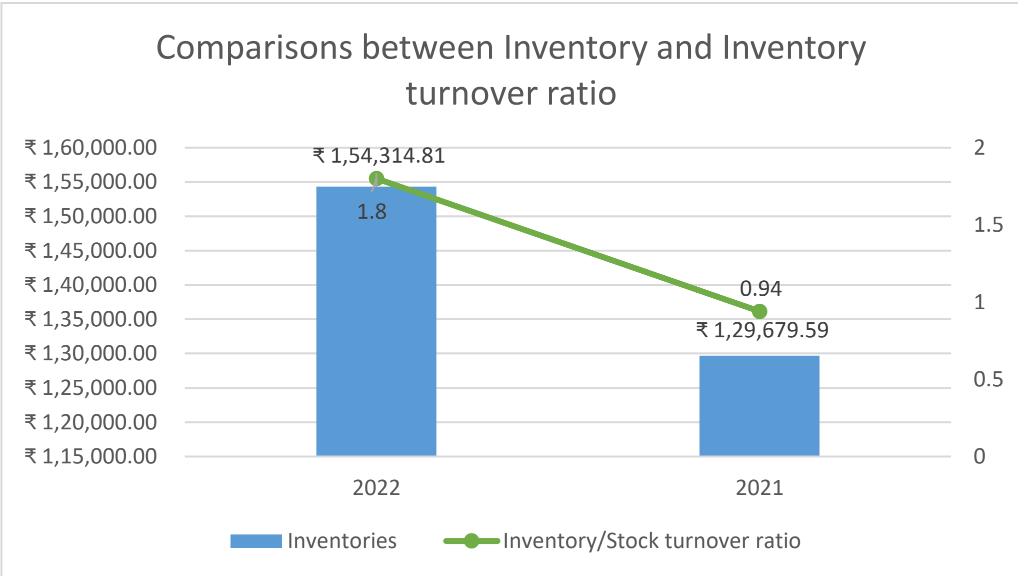


The leverage ratio is the ratio of a company's liabilities to its assets or shareholders' equity. A high ratio indicates that the company has taken on more debt than it can manage and will be unable to satisfy its financial obligations with its existing cash flow. Since the Debt-to-Equity ratio is relatively low, the firm should be able to pay off its obligations with its present cash flow, if necessary. The proprietary ratio is likewise low, indicating that the bulk of the business's assets are held by its shareholders. In 2021, the Debt-to-Equity ratio was lower than in 2022, indicating that the firm used more external loans to fund its development. In 2022, the ratio of business-owned assets to total assets decreased, suggesting that loans were utilised to acquire more firm assets.

How does inventory and inventory turnover affect liquidity? Did the company experience and increase or decrease in inventory turnover?

Inventory turnover indicates a company's liquidity, or the rate at which it can sell its inventory without value loss and pay off its short-term loans. Stock is the least liquid asset, therefore determining how fast it can be sold reveals the financial health of a company.

In 2021, the inventory was valued lower than what it was in 2022, which means an increase in production post-pandemic. The inventory turnover ratio has also increased since 2021, indicating that the company regularly restocks its inventory to keep up with the demand. Due to the pandemic, sales were low in 2021, leading in excess inventory and a low inventory turnover ratio. However, as the markets recover and more people venture out, there is a greater demand for shirts and other clothes, resulting in more sales and a higher inventory turnover ratio.



RUPA & COMPANY LTD

A REPORT BY ADITYA HURIA, I021

COMPANY PROFILE

Rupa & Company Ltd is the leading knitwear company in India, offering everything from undergarments to casual clothes. The corporation was established in 1985. The company's principal activity is the production of knitted undergarments, casual clothing, and thermal wear. The Parent Company also operates a Windmill-based Power Generation Unit. This is because Rupa believes in progressing not just in terms of numbers, but also in terms of technological and product advancements. Rupa occasionally introduces new variations within each sub-brand in response to shifting consumer tastes and market demands. These items use the most recent fabric developments, cutting-edge production processes, and innovative design features to provide the end-user with the highest level of style and comfort. synonymous with quality and long lastingness The Rupa brand is interwoven throughout the hosiery supply chain. They possess top-of-mind recognition in all market categories and have gained the confidence of millions of people worldwide. In 2014, the corporation approved the establishment of a 100% subsidiary in Bangladesh. Oban Fashions Private Limited entered into a definitive licence agreement with French Connection Limited on April 7, 2016, whereby the wholly-owned subsidiary acquired the exclusive licence from French Connection Limited to develop, manufacture, market, and sell innerwear and related products under the FCUK brand name in India. In addition, on March 9, 2017, Oban Fashions Private Limited entered into a licence agreement with Fruit of the Loom Inc, a New York corporation that is a wholly-owned subsidiary of Berkshire Hathaway Company, whereby Oban Fashions Private Limited acquired the exclusive licence from Fruit of the Loom Inc to manufacture, distribute, advertise, and sell innerwear and outerwear products for men, boys, girls, and toddlers in India under their brand names and trademarks.

NIC code of the company: 17110

Corporate headquarters location: Rupa & Company Limited 1, Ho Chi Minh Sarani Metro Tower 8th Floor Kolkata 700071

Date of Incorporation: 6th Feb 1985

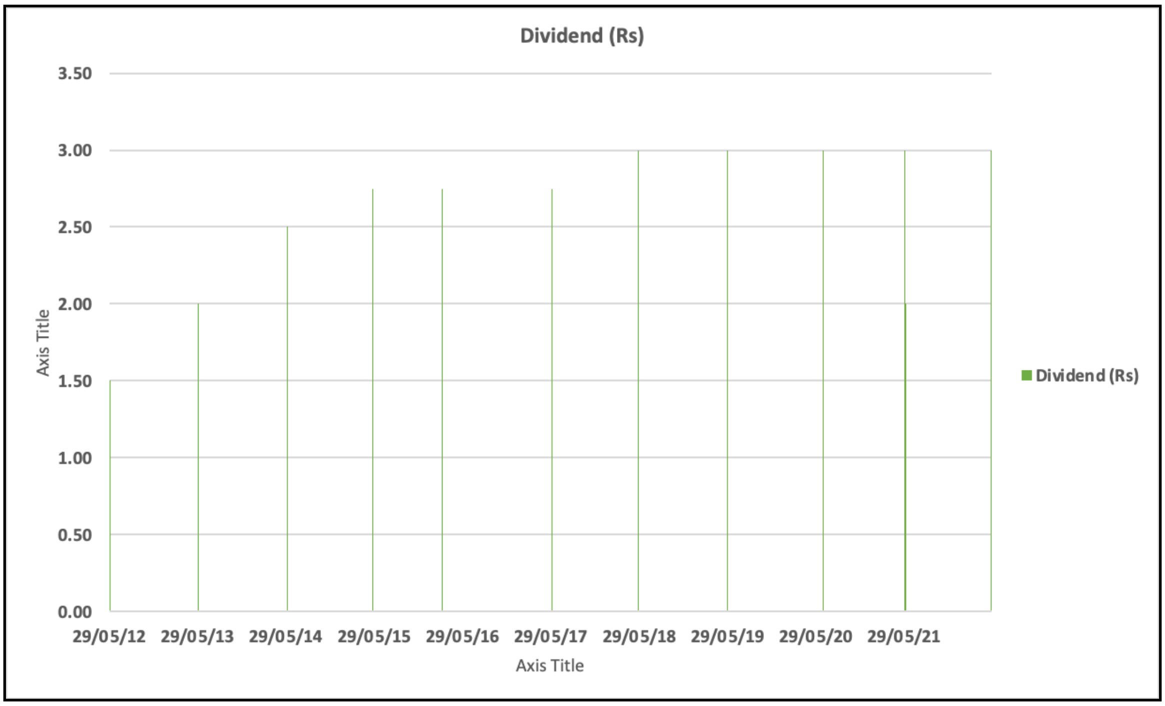
Name of Chairman: Mr. Prahlad Rai Agarwala

Dividends:

For the year ending March 2022 Rupa and Company has declared an equity dividend of 300.00% amounting to Rs 3 per share. At the current share price of Rs 336.50 this results in a dividend yield of 0.89%.

The company has a good dividend track report and has consistently declared dividends for the last 5 years.

Announcement Date	Ex-Date	Dividend Type	Dividend (%)	Dividend (Rs)	Remarks
23-05-2022	08-08-2022	Final	300	3.00	Rs.3.0000 per share (300%) Dividend
31-05-2021	23-08-2021	Final	300	3.00	Rs.3.0000 per share (300%) Dividend
01-06-2021	23-08-2021	Special	200	2.00	Rs.2.0000 per share (200%) Special Dividend
26-06-2020	10-09-2020	Final	300	3.00	Rs.3.0000 per share (300%) Dividend
27-05-2019	29-08-2019	Final	300	3.00	Rs.3.0000 per share (300%) Dividend
23-05-2018	23-08-2018	Final	300	3.00	Rs.3.0000 per share (300%) Dividend
02-06-2017	23-08-2017	Final	275	2.75	Rs.2.7500 per share (275%) Dividend



INDUSTRY PROFILE

Market Sector: Textile Industry

India is among the world's largest producers of Textiles and Apparel

The domestic apparel & textile industry in India contributes 2% to the country's GDP, 7% of industry output in value terms, The share of textile, apparel and handicrafts in India's total exports was 11.4% in 2020-21. India holds 4% share of the global trade in textiles and apparel. India is the 6th largest exporter of textiles and apparel in the world.

India is one of the largest producers of cotton and jute in the world. India is also the 2nd largest producer of silk in the world and 95% of the world's hand-woven fabric comes from India. The Indian technical textiles segment is estimated at $16 bn, approximately 6% of the global market.

The textiles and apparel industry in India is the 2nd largest employer in the country providing direct employment to 45 million people and 100 million people in allied industries.

India has also become the second-largest manufacturer of PPE in the world. More than 600 companies in India are certified to produce PPEs today, whose global market worth is expected to be over $92.5 bn by 2025, up from $52.7 bn in 2019.

Industry Leaders:

Page Industries

Arvind Industries

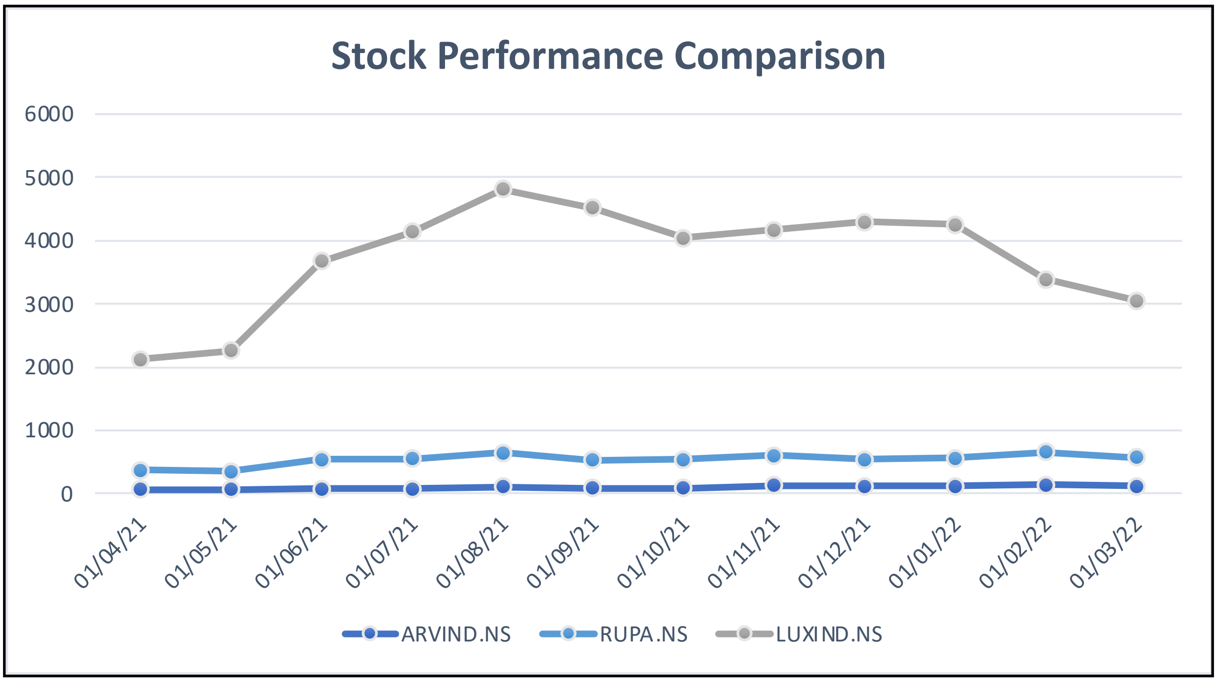
Lux Industries Ltd

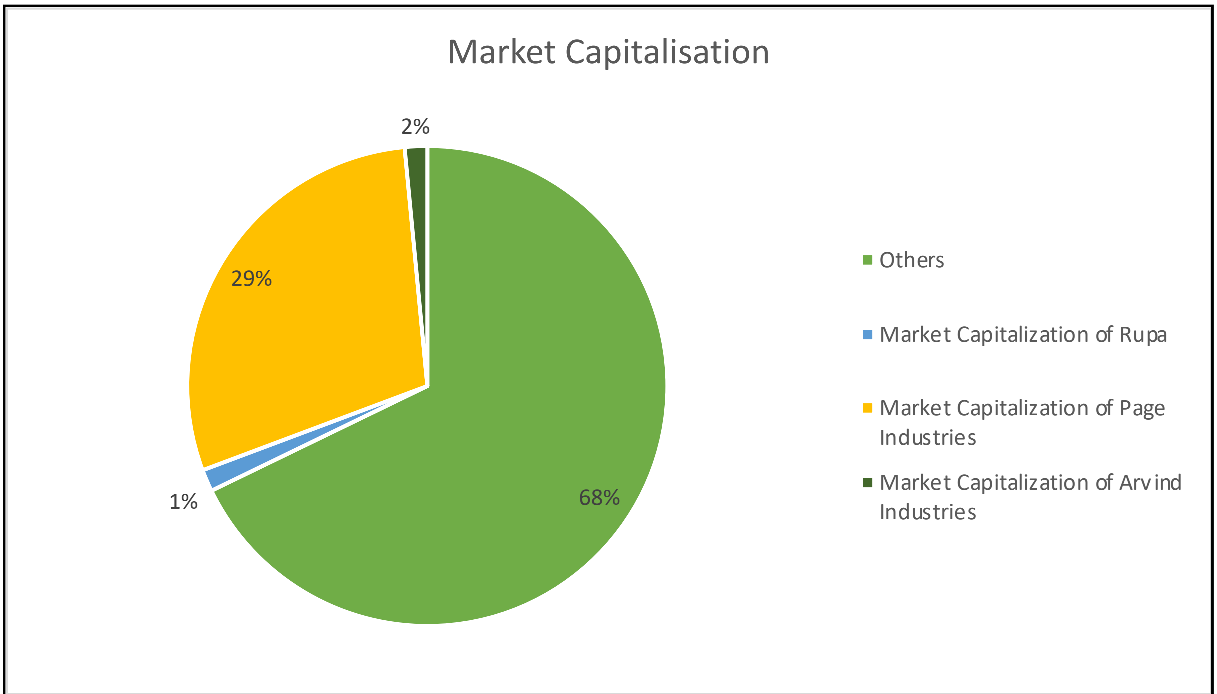
Industry Laggards:

RLF Ltd.

Addi Industries

Samtex Fashions





RATIO ANALYSIS

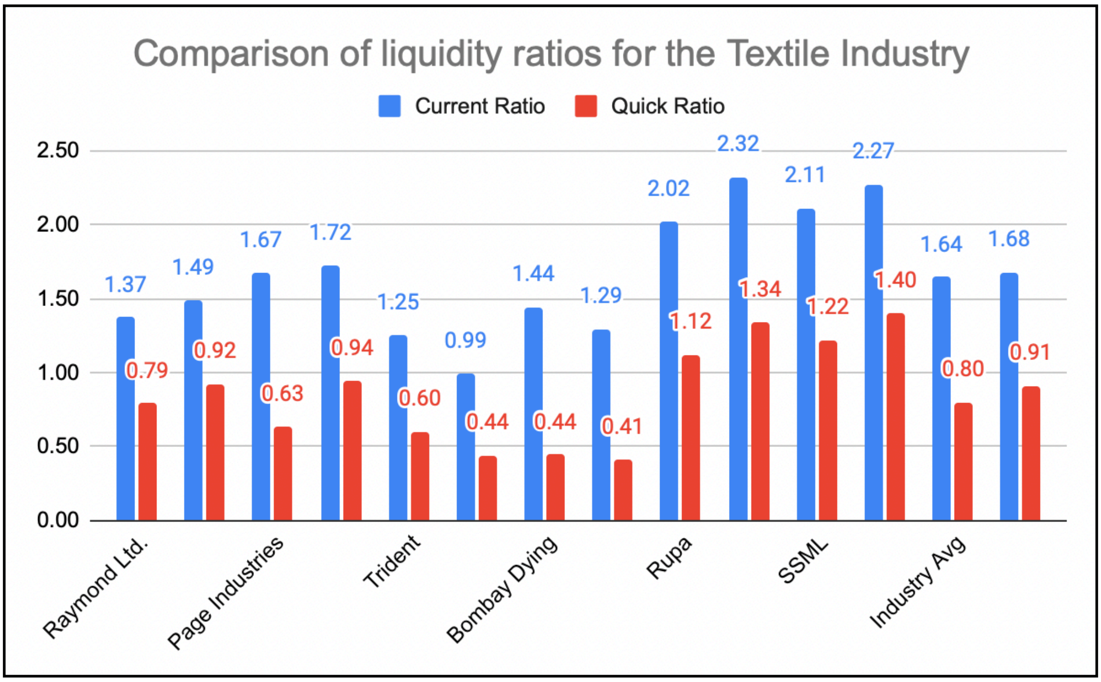
RATIO ANALYSIS			
Ratio	**Formula**	**March 31, 2022**	**March 31, 2021**
Liquidity Ratios			
Current Ratio	Current Assets/Current Liabilities	2.02	2.32
Quick ratio	Current Assets-Inventories/Current liabilities	1.12	1.34
Solvency Ratios			
Debt Equity Ratio	Total Long Term Debt/Shareholders Fund	0.42	0.18
Proprietary Ratio	Shareholders Fund/Total Assets	0.56	0.76
Profitability Ratios			
Operating Profit	(Operating Cost/Net Sales)*100	67.85	46.79
Gross Profit Ratio	(Gross Profit/Net Sales)*100	33.12	54.27
Net profit Ratio	(EAT/Net Sales)*100	13.35	13.51
Return on Assets	(EAT/Total Assets)*100	12.16	15.12
Return on Capital Employed	(EAT/Net Capital Employed)*100	14.86	19.11
Activity/Turnover Ratios			
Inventory Turnover Ratio	Net Sales/Average Inventories	2.47	3.32
Debtors Turnover Ratio	Net Credit Sales/Average Debtors	2.64	3.56
Du Pont Analysis (ROE decomposition)			
Profit Margin	Net Income/ Revenue	0.13	0.13
Assets Turnover	Sales/Total Assets	0.91	1.12
Leverage	Assets/Equity	1.79	1.58

INTERPRETIVE ANALYSIS

Did the company experience and increase or a decrease in liquidity over the two-year period evaluated? What effect do the liquidity figures have on the company's long term and/or short term performance?

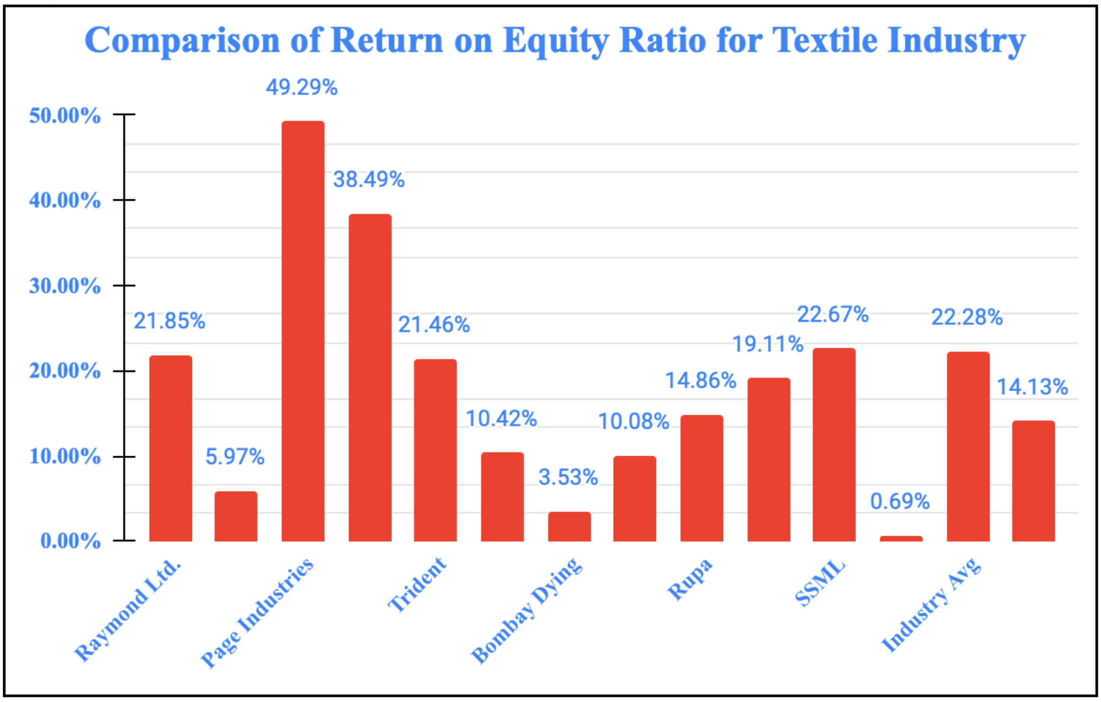
The company experienced an increase in liquidity over the period evaluated.

In general, the more liquid assets you have to cover short-term liabilities, the more likely it is that you'll be able to pay debts as they become due without running out of funds to support ongoing operations. The inflation rates, require companies to have more liquidity to ensure a proper supply chain is maintained and that demand is met.



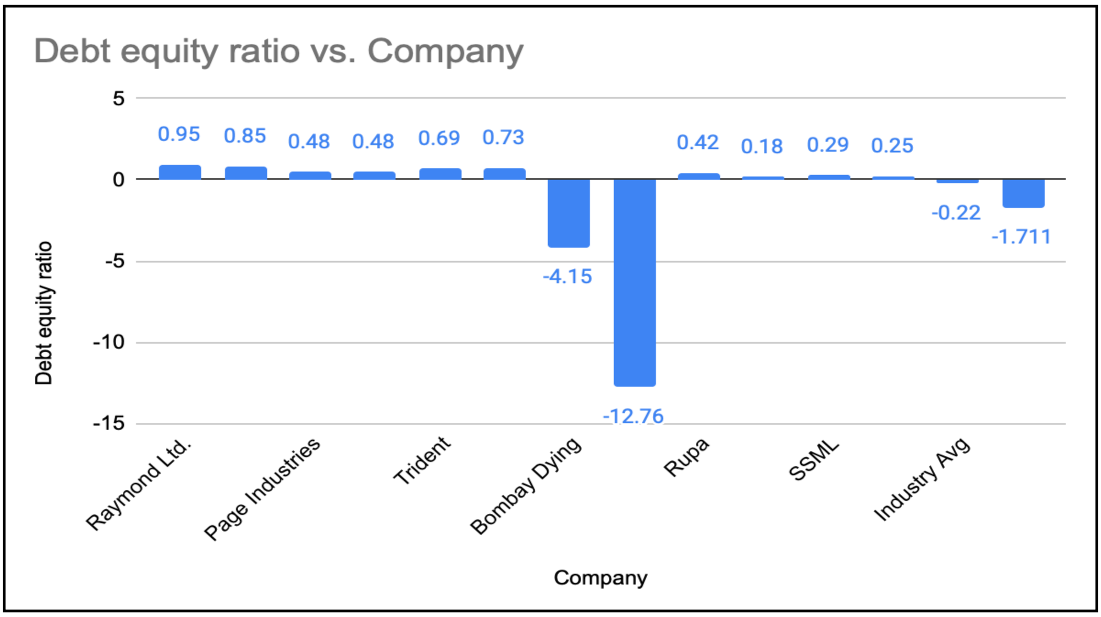
Did the company experience an increase or decrease in profit margin over the two year period evaluated? What effect do the Profit Margin figures have on the company's long term and/or short term performance?

The company experienced a small increase in the profit ratio, the more profit the company makes, the more likely it is to pay off its debts and make more revenues and more profits. Despite the pandemic, Rupa continued to sell and constantly increase profit on a year to year basis.



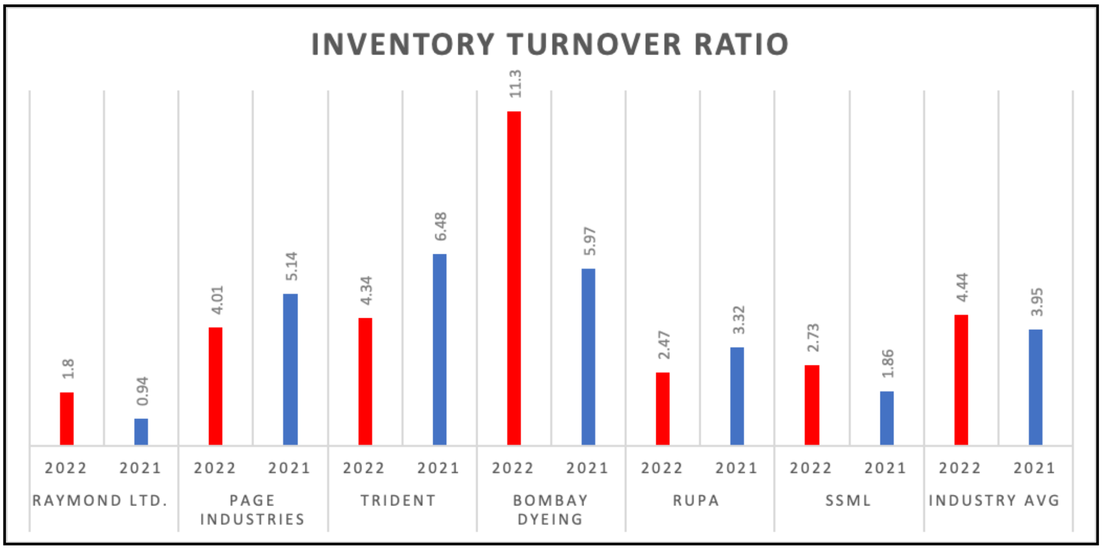
Did the company experience a change in its leverage over the two year period evaluated? What impact do these Debt to Equity figures have on the company's overall long term and short term performance?

The turnover of the company has increased significantly, Debt to Equity ratio measures the degree to which the company is financing its operations with debt rather than its own resources. If the ratio increases that means that the company is taking more risks, in the short term, the debt does not have to paid off, so it's good for the company as it provides an opportunity. In the long term it carries more risk because of the obligations.



How does inventory and inventory turnover affect liquidity? Did the company experience and increase or decrease in inventory turnover?

Inventory turnover measures the frequency with which a corporation sells and replaces its inventory over a certain time period. It is computed by dividing the cost of goods sold by the average quantity of items on hand. The greater the inventory turnover, the quicker a business sells and replaces its stock. This is an essential indicator for retailers, as it reveals how efficiently they are utilising their money and how rapidly they are turning over their inventory.



PAGE INDUSTRIES

A REPORT BY DEEPAK CHAUDHARY, I010

COMPANY PROFILE

Page Industries Limited located in Bangalore, India is the exclusive licensee of JOCKEY International Inc. (USA) for manufacture, distribution, and marketing of the JOCKEY® brand in India, Sri Lanka, Bangladesh, Nepal and the UAE. Page Industries is also the exclusive licensee of Speedo International Ltd. for the manufacture, marketing, and distribution of the Speedo brand in India.

JOCKEY is the company's flagship brand and a market leader in the innerwear category. Page Industries and Brand Jockey have pioneered the innerwear industry on many fronts. The company has established the premium segment in the innerwear category in India through brand Jockey. The introduction of high-quality products coupled with an organized and extensive network of distributors pan India has created a paradigm shift in the way consumers perceive innerwear in our country.

Speedo International Limited appointed Page Industries as their sole licensee for the manufacturing, marketing and distribution of the Speedo brand in India. The vision of Speedo is to "inspire people to swim; with Speedo." The mission of Page Industries is to be the number one swimwear brand in the country in terms of both market share and profitability. Within just six years of its operations, the brand is present in over 1286 stores in 86 cities and towns across the country.

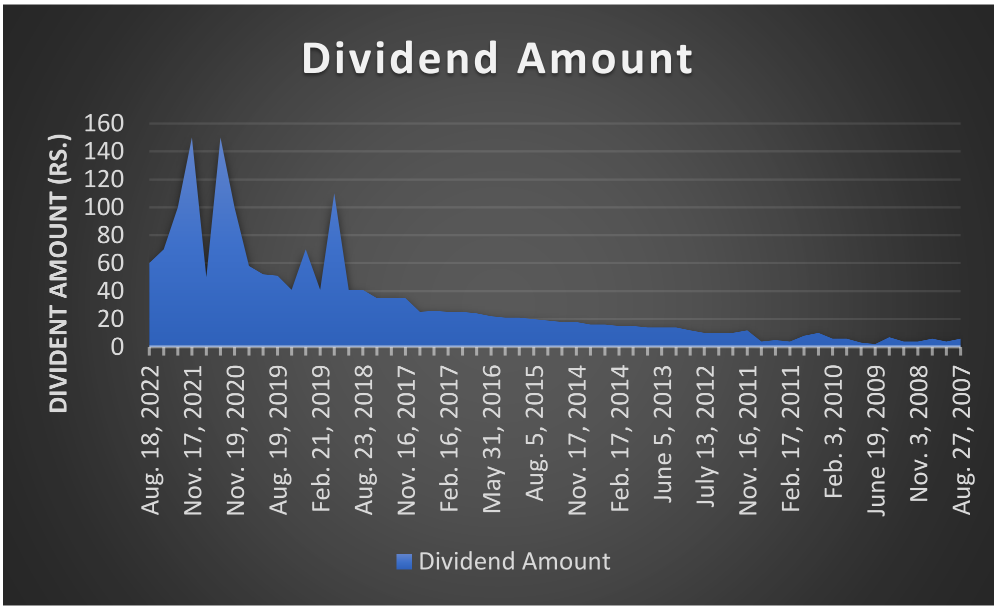
CIN Code: L18101KA1994PLC016554
BSE Code: 532827
NIC Code: 18101
Chairman: Mr. Pradeep Jaipuria
Headquarters: Bangalore, Karnataka, India

Dividends:

Ex-Date	Dividend Amount	Dividend Type	Record Date
Aug. 18, 2022	60.00	INTERIM	Aug. 20, 2022
June 2, 2022	70.00	INTERIM	June 3, 2022
Feb. 17, 2022	100.00	INTERIM	Feb. 18, 2022
Nov. 17, 2021	150.00	INTERIM	Nov. 20, 2021
Aug. 18, 2021	50.00	INTERIM	Aug. 21, 2021
Feb. 17, 2021	150.00	INTERIM	Feb. 19, 2021
Nov. 19, 2020	100.00	INTERIM	Nov. 21, 2020

Feb. 18, 2020	58.00	INTERIM	Feb. 22, 2020
Nov. 21, 2019	52.00	INTERIM	Nov. 22, 2019
Aug. 19, 2019	51.00	INTERIM	Aug. 20, 2019
May 30, 2019	41.00	INTERIM	June 1, 2019
Feb. 21, 2019	70.00	SPECIAL	Feb. 22, 2019
Feb. 21, 2019	41.00	INTERIM	Feb. 22, 2019
Nov. 20, 2018	110.00	SPECIAL	Nov. 22, 2018
Nov. 20, 2018	41.00	INTERIM	Nov. 22, 2018
Aug. 23, 2018	41.00	INTERIM	Aug. 24, 2018
May 31, 2018	35.00	INTERIM	June 2, 2018
Feb. 15, 2018	35.00	INTERIM	Feb. 17, 2018
Nov. 16, 2017	35.00	INTERIM	Nov. 17, 2017
Aug. 2, 2017	25.00	FINAL	-
June 1, 2017	26.00	INTERIM	June 2, 2017
Feb. 16, 2017	25.00	INTERIM	Feb. 17, 2017

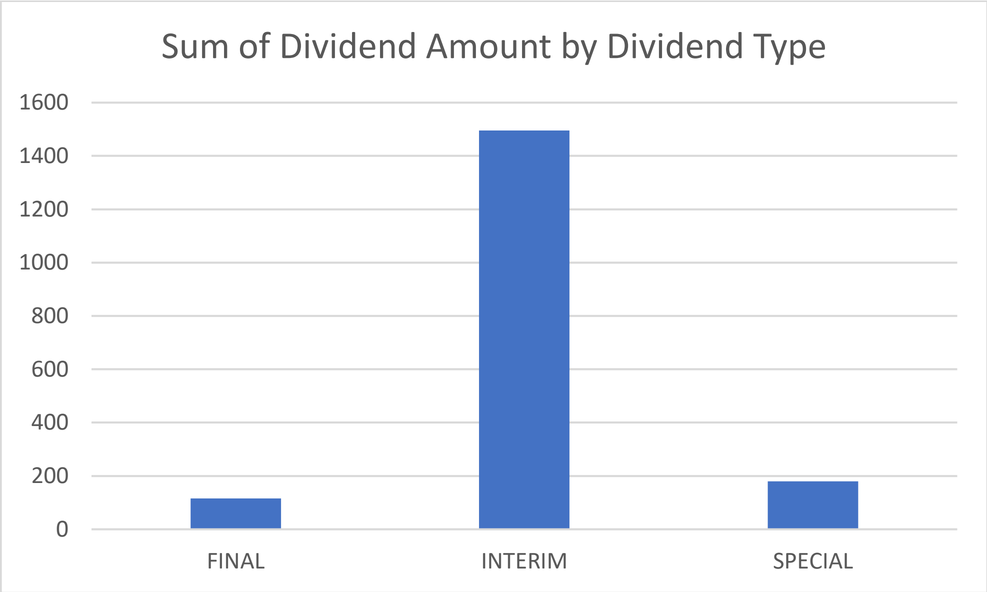
Dividend Amount VS Date:



Here, we can see that the corporation is raising the amount of dividends it pays to stockholders, with the greatest dividend payments occurring on November 19, 2020 and February 17, 2021.

Sum of Dividend Amount by Divided Type:

Thus, it is clear from this that intermediate dividends are paid more frequently and in larger amounts than final and special dividends.



INDUSTRY PROFILE

Sector: Textile Industry

TEXTILE AND APPAREL INDUSTRY ANALYSIS

India is the world's second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home and technical products. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibers like cotton, jute, silk and wool to synthetic/man-made fibers like polyester, viscose, nylon and acrylic.

The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. Around 45 million people are working in the textile business, including 3.5 million people who work on handlooms. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US$ 190 billion by 2025-26. The Indian apparel market stood at US$ 40 billion in 2020 and is expected to reach US$ 135 billion by 2025.

India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to other major textile producers. India's textile and apparel exports (including handicrafts) stood at US$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US$ 6.19 billion in FY22.

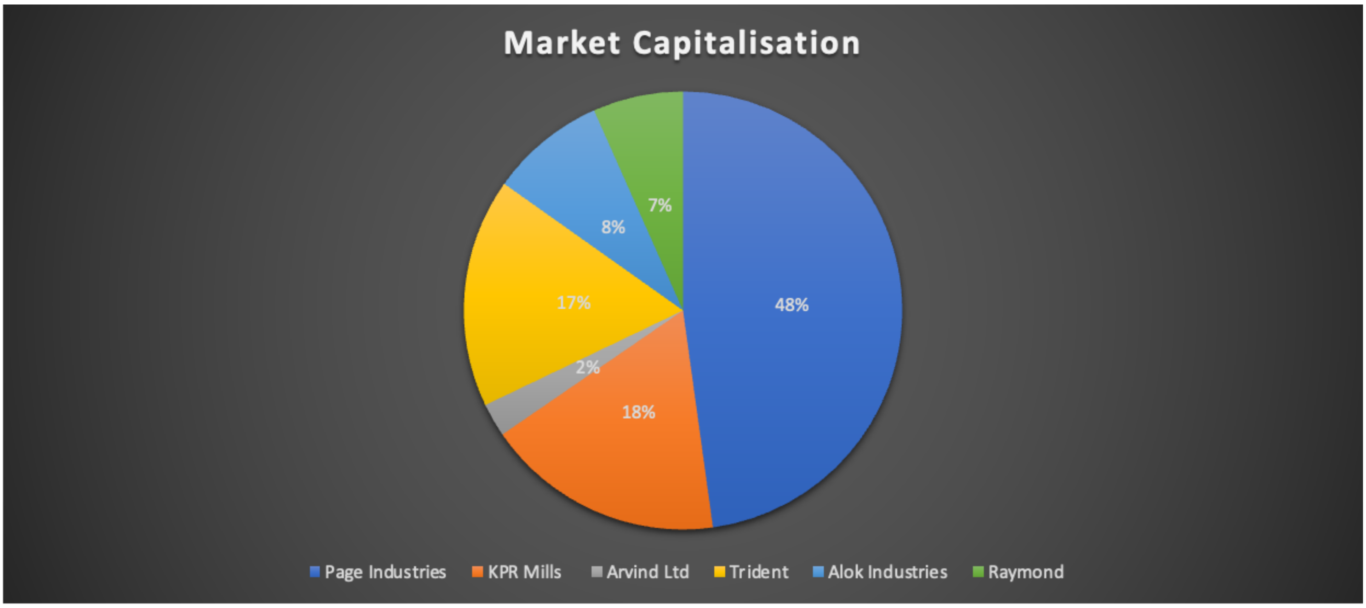
The Government's Rs. 10,683 crore (US$ 1.44 billion) PLI scheme is expected to be a major booster for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

For the export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/ weavers to sell their handloom products in the international markets under the National Handloom Development Programme (NHDP). Alongside, the Ministry of Textiles has also been implementing Handloom Marketing Assistance (HMA), a component of the National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/ events in domestic as well as export markets.

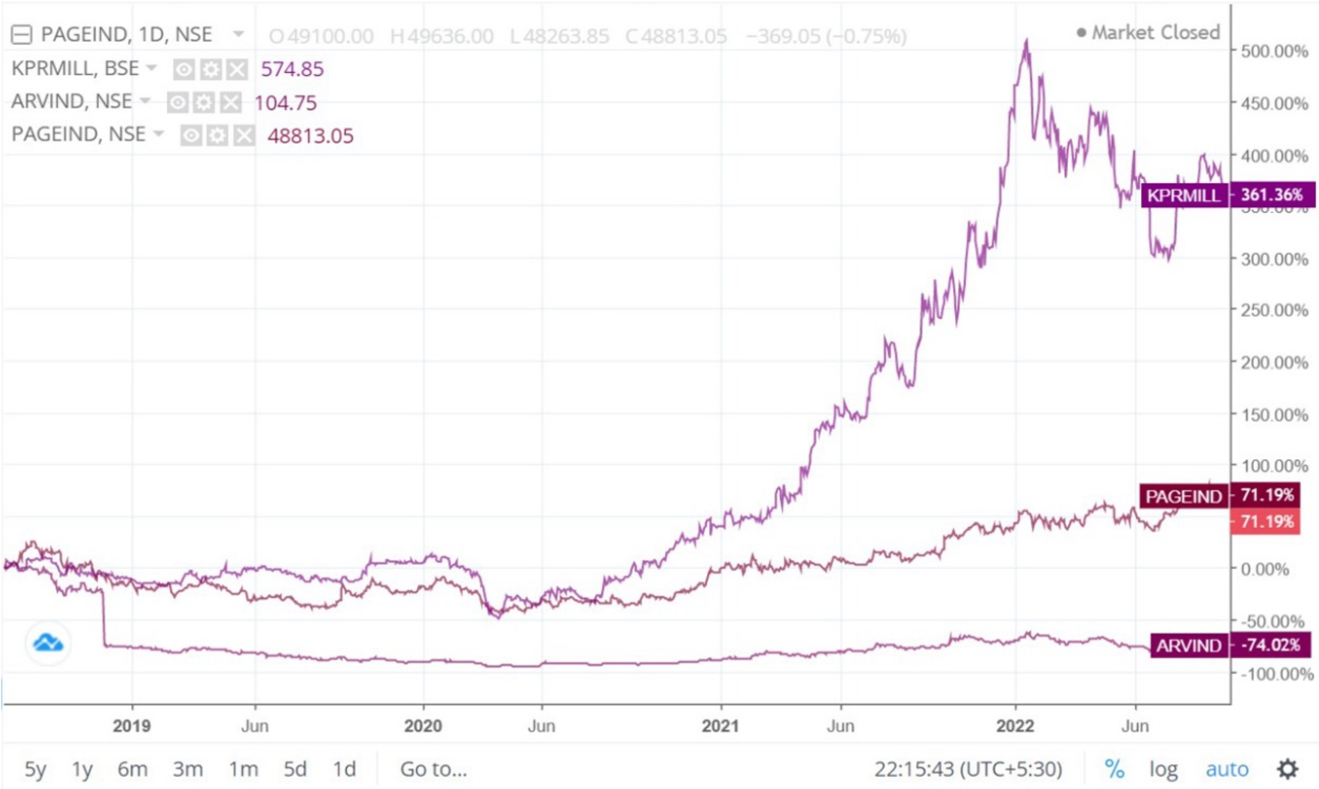
To support the handloom weavers/weaver entrepreneurs, the Weaver MUDRA Scheme was launched to provide margin money assistance at 20% of the loan amount subject to a maximum of Rs. 10,000 (US$ 134.22) per weaver. The loan is provided at an interest rate of 6% with credit guarantee of three years.

The new Economic Cooperation and Trade Agreements with Australia and the UAE will open multiple opportunities for textiles and handloom. Indian textile exports to Australia and the UAE will now face zero duties, and the government is expecting that soon, Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty. Top players in the textiles sector are attaining sustainability in their products by manufacturing textiles that use natural recyclable materials. Top players in the textiles sector are attaining sustainability in their products by manufacturing textiles that use natural recyclable materials.

Market Capitalisation Comparison with Competitors:



Stock Performance comparative analysis:



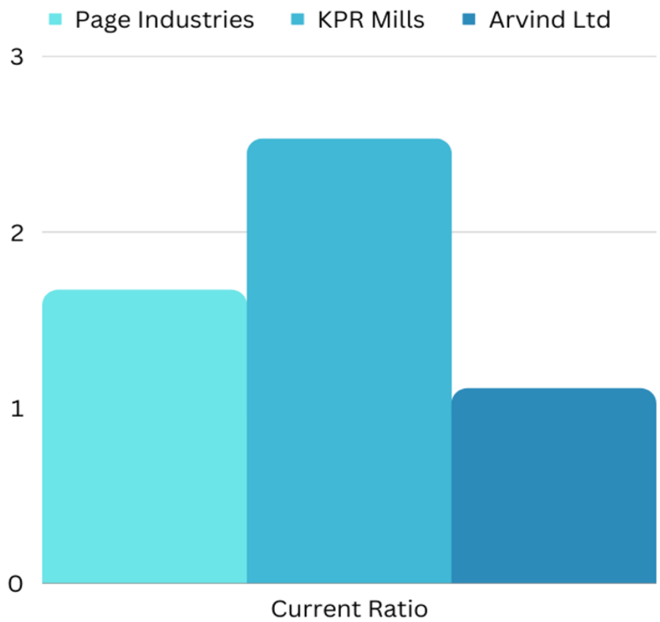
FINANCIAL RATIO ANALYSIS OF PAGE INDUSTRIES

Types of Ratios	FY 2022	FY 2021	Formula Used
1. Liquidity Ratios			
a. Current Ratio	1.67	1.72	Current assets / Current Liabilities
b. Quick Ratio	0.63	0.94	Quick Assets/ Current Liabilities
2. Leverage Ratios			
a. Debt- Equity Ratio	0.48	0.48	Total liabilities / Shareholders Fund
b. Proprietary Ratio	0.91	0.98	Shareholders Fund /Total assets
3. Profitability Ratios			
a. ROE	49.29%	38.49%	profit after interest and tax / SHF *100
b. ROA	25.46%	20.04%	profit after interest and tax / total asset *100
4. Valuation Ratios			
a. EPS	481.03	305.35	Net Profit After Interest and Tax / No of equity share *100
b. P/E Ratio	81.1	93.9	market price per share / Earnings per share
5. Activity Ratios			
a. Inventory Turnover Ratio	4.01	5.14	Cost of Goods Sold/ AVG Inventories
b. Fixed Asset Turnover Ratio	1.85	1.68	Net Sales/ Net Fixed Assets

Equity Multiplier	1.93	1.92	Total Assets/ Shareholders' equity
DU point analysis	49.29%	38.49%	(Profit after tax/net sales) * (net sales/Total assets) * (Total assets/ Equity)

Ratio Analysis

Liquidity Ratios



CURRENT RATIO

The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. It tells investors and analysts how a company can maximise the current assets on its balance sheet to satisfy its current debt and other payables.

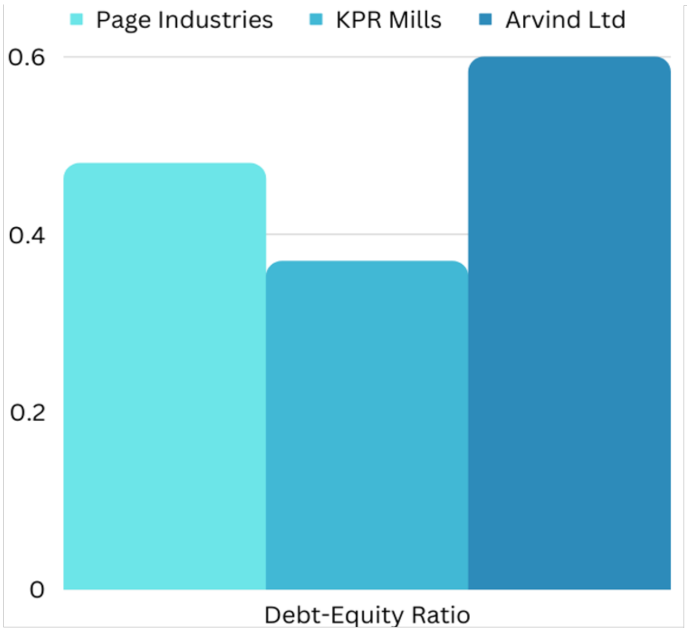
Analysis: Current ratio of Page Industries is 1.67 which is decent and shows that the company can pay off their short-term obligation but there is scope of improvement because 2:1 is considered as idea current ratio

QUICK RATIO

The Quick Ratio, also known as the Acid-test or Liquidity ratio, measures the ability of a business to pay its short-term liabilities by having assets that are readily convertible into cash. These assets are, namely, cash, marketable securities, and accounts receivable. These assets are known as "quick" assets since they can quickly be converted into cash

Analysis: Quick ratio of Page Industries is 0.63 which is decent and shows that the company can pay off their short-term obligation but there is scope of improvement because 1:1 is considered as idea Quick ratio

Leverage Ratios



DEBT-EQUITY RATIO

The Debt to Equity ratio (also called the "debt-equity ratio", "risk ratio", or "gearing"), is a leverage ratio that calculates the weight of total debt and financial liabilities against total shareholders' equity. Unlike the debt-assets ratio which uses total assets as a denominator, the D/E Ratio uses total equity. This ratio highlights how a company's capital structure is tilted either toward debt or equity financing.

Analysis: Debt to Equity ratio of Page industries is 0.48 which is good enough company do not have too much external debt which is good for the company and the investors.

PROPRIETARY RATIO

The proprietary ratio is the inverse of debt ratio. It is a part to whole comparison. The proprietary ratio measures the amount of funds that investors have contributed towards the capital of a firm in relation to the total capital that is required by the firm to conduct operations.

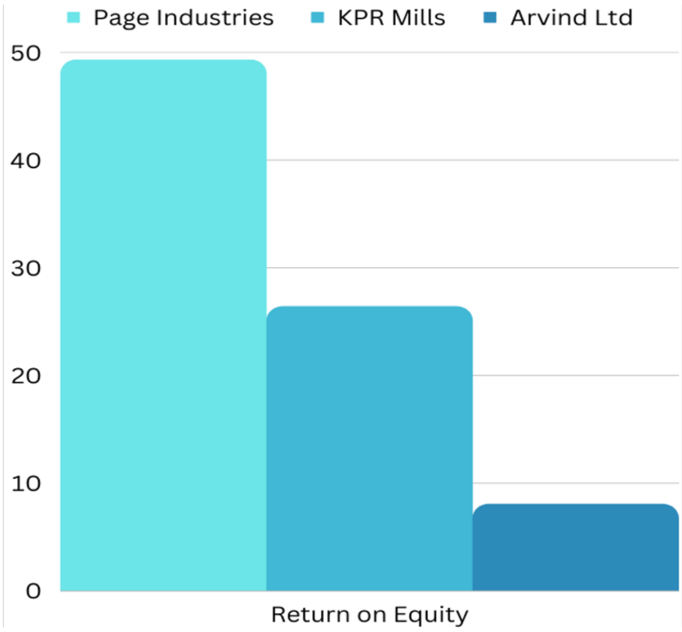
Analysis: Page industries have proprietary ratio of 0.91, which is better than its competitors and its good for the company and provide relief to creditors because the company is in good position.

Profitability Ratios

RETURN ON ASSET

The Return on Asset is commonly expressed as a percentage by using a company's net income and its average assets. A higher ROA means a company is more efficient and productive at managing its balance sheet to generate profits while a lower ROA indicates there is room for improvement.

Analysis: Return on Asset of Page Industries is 25.46% which good enough and better than its competitors which is good sign for investors and shows that company can produce relatively higher earning in comparison to its asset base i.e., more efficient use of its capital.

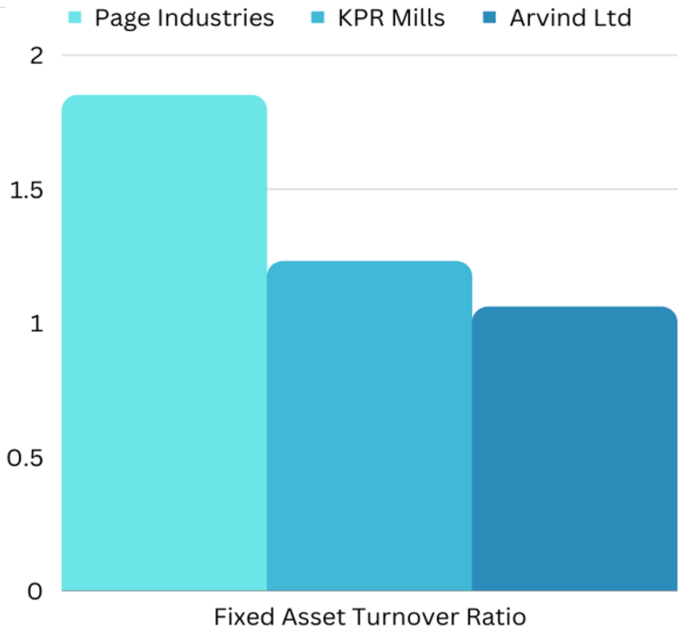


RETURN ON EQUITY

Return on Equity (ROE) is the measure of a company's annual return (net income) divided by the value of its total shareholders' equity, expressed as a percentage (e.g., 12%). Alternatively, ROE can also be derived by dividing the firm's dividend growth rate by its earnings retention rate (1 – dividend payout ratio).

Analysis: The Return on Equity of Page Industries is 49.29% which is too good because its higher than its competitors and it shows that company is good at converting its equity financing into profits.

Turnover Ratios



INVENTORY TURNOVER RATIO

The inventory turnover ratio, also known as the stock turnover ratio, is an efficiency ratio that measures how efficiently inventory is managed. The inventory turnover ratio formula is equal to the cost of goods sold divided by total or average inventory to show how many times inventory is "turned" or sold during a period. The ratio can be used to determine if there are excessive inventory levels compared to sales.

Analysis: The industries on Page have an inventory turnover ratio of 4.01, indicating a requirement for inventory every three months, which is advantageous for liquidity since less capital is required to store inventory but there is scope of improvement.

FIXED ASSETS TURNOVER RATIO

Fixed Asset Turnover (FAT) is an efficiency ratio that indicates how well or efficiently a business uses fixed assets to generate sales. This ratio divides net sales by net fixed assets, calculated over an annual period. The net fixed assets include the amount of property, plant, and equipment, less the accumulated depreciation.

Analysis: Fixed Asset turnover ratio of Page Industries is 1.85 which is better than it peers and it implies that implies more effective utilisation of investments in fixed assets to generate revenue.

DuPont Analysis

The DuPont analysis is a framework for analysing fundamental performance popularised by the DuPont Corporation. DuPont analysis is a useful technique used to decompose the different drivers of return on equity (ROE). The decomposition of ROE allows investors to focus on the key metrics of financial performance individually to identify strengths and weaknesses. There are two versions of the tool—one which accounts for decomposition in three steps while the other does so in five steps.

$$
\begin{aligned}
&\text{DuPont Analysis} = \text{Net Profit Margin} \times \text{AT} \times \text{EM}\\
&\textbf{where:}\\
&\text{Net Profit Margin} = \frac{\text{Net Income}}{\text{Revenue}}\\
&\text{AT} = \text{Asset turnover}\\
&\text{Asset Turnover} = \frac{\text{Sales}}{\text{Average Total Assets}}\\
&\text{EM} = \text{Equity multiplier}\\
&\text{Equity Multiplier} = \frac{\text{Average Total Assets}}{\text{Average Shareholders' Equity}}
\end{aligned}
$$

DuPont analysis is a useful technique used to decompose the different drivers of return on equity. An investor can use analysis tools like this to compare the operational efficiency of two similar firms. Managers can use DuPont analysis to identify strengths or weaknesses that should be addressed.

ROE = (Profit after Tax/ net sales) * (Net sales/total Assets) * (Total assets / Equity)

Using DuPont analysis, Page Industries' Return on Equity for 2022 is 49.29%, compared to 38.49% for 2021. This shows that the company has provided investors with better returns than anticipated. Sales-related revenue has been significantly higher than expenses as a whole, resulting in higher profits in 2022 and significant asset growth. The business does a better job of transforming equity into monetary gains, which is advantageous for its investors.