

**Czech University of Life Sciences Prague**

**Faculty of Economics and Management**

**Department of Economics**



## **Bachelor Thesis**

**A study of profitability analysis of Saurashtra  
Cement Limited**

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# BACHELOR THESIS ASSIGNMENT

Bc. Darshan Pareshkumar Vyas

Business Administration

Thesis title

**Analytical study of profitability of Saurashtra cement Ltd.**

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## **Objectives of thesis**

The main objectives are to evaluate the profitability position of Saurashtra Cement Limited, to assess the financial strength of the cement industry and to make suggestions of possible steps for financial soundness of the company.

## **Methodology**

In the thesis techniques of financial analysis will be used for evaluating the performance of cement sector as well as basic techniques of statistical analysis, especially index analysis.

Ratio analysis is an important tool of financial analysis. It is an attempt to present the information of the financial statements in simplified systematized and summarized form by establishing the quantitative relationship of the items of financial statements.

## **The proposed extent of the thesis**

40 – 50 pages

## **Keywords**

cement, profitability ratio, financial statement, financial analysis

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## **Recommended information sources**

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## **Declaration**

I declare that I have worked on my bachelor thesis titled "A study of profitability analysis of Saurashtra Cement limited" by myself, and I have used only the sources mentioned at the end of the thesis. As the bachelor thesis author, I declare that the thesis does not break any copyrights.

In Prague on date of submission

30<sup>th</sup> November 2023

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# **A study of profitability Analysis of Saurashtra Cement Limited**

## **Abstract**

This thesis deals with assessing the financial position and performance of Saurashtra Cement Limited, India's largest cement manufacturing company. The literature review provides information about various financial statements and an overview of the cement industry in India. The practical part analyses the financial position, which is represented by the Balance sheet, and the financial performance, which is represented by the Statement of profit or loss of the company by using vertical and horizontal analysis of these statements covering financial years 2016-2021 with the focus on the representation and changes of the reported assets, liabilities, expenses, revenues and profit for the chosen period to identify the potential financial problems and the most significant factors influencing the yield. The selected profitability ratio is also calculated to measure the company's profitability. The findings showed the Experienced a slight decline (-0.79%) from 2017 to 2021, indicating reduced investment in physical assets during this period. In Financial Assets, Non-current investments showed a significant shift, decreasing by 100% in 2018-19. This could be a strategic reallocation of financial resources. In Current Assets, Cash and bank balances demonstrated substantial volatility, increasing by 2174.24% in 2021. This could imply a change in the company's liquidity strategy. Witnessed a sharp increase of 117.38% in 2020, followed by a significant decline of -43.84% in 2021. This may indicate inventory management challenges. Other Non-current Assets Showed a notable increase of 56.30% in 2017-18, potentially due to strategic investments. Findings from this analysis reveal intricate details about Saurashtra Cement Limited's financial landscape. The conclusion synthesizes these findings, providing a succinct overview of the company's financial position and performance over the specified period. It also underscores the pivotal factors influencing the company's profit, offering valuable insights for stakeholders and decision-makers. Further, the thesis also describes findings based on analysis. Besides results, the conclusion is also formulated, which gives insight into the overall financial position and financial performance of the SCL company for a given period. It also represents significant factors influencing the profit of Saurashtra Cement Limited.

**Keywords:** financial statements, financial analysis, financial position, balance sheet, assets, liabilities, equity, financial performance, Income statement, expenses, revenues, profit

# Studie o analýze ziskovosti společnosti Saurashtra Cement Limited

## Abstrakt

Tato disertační práce se zabývá hodnocením finančního postavení a výkonnosti společnosti Saurashtra Cement Limited, největšího výrobce cementu v Indii. Literární přehled poskytuje informace o různých finančních prohlášeních a přehledu cementového průmyslu v Indii. Praktická část analyzuje finanční postavení, které je zastoupeno bilancí, a finanční výkonnost, která je zastoupena výkazem zisků a ztrát společnosti pomocí vertikální a horizontální analýzy těchto prohlášení, pokrývajících finanční roky 2016-2021 s důrazem na zobrazení a změny hlášených aktiv, závazků, nákladů, výnosů a zisku za vybrané období s cílem identifikovat potenciální finanční problémy a nejvýznamnější faktory ovlivňující výnosnost. Vybraný ukazatel ziskovosti je také vypočítán k měření ziskovosti společnosti. Závěry ukázaly, že v období 2017-2021 zaznamenal mírný pokles (-0,79%), což naznačuje sníženou investici do hmotného majetku během tohoto období. V případě finančních aktiv prokázaly nehmotné investice významný posun, klesající o 100% v roce 2018-19. To by mohlo být strategické přerozdělení finančních prostředků. V případě běžných aktiv prokázaly hotovost a bankovní zůstatky významnou volatilitu, zvyšující se o 2174,24% v roce 2021. To by mohlo naznačovat změnu strategie likvidity společnosti. Skladem byl zaznamenán prudký nárůst o 117,38% v roce 2020, následovaný významným poklesem -43,84% v roce 2021. To může naznačovat výzvy v řízení zásob. Další nehmotné aktiva prokázala významný nárůst o 56,30% v roce 2017-18, pravděpodobně v důsledku strategických investic. Zjištění z této analýzy odhalují složité detaily finančního prostředí společnosti Saurashtra Cement Limited. Závěr syntetizuje tato zjištění, poskytující stručný přehled o finančním postavení a výkonnosti společnosti během stanoveného období. Rovněž zdůrazňuje klíčové faktory ovlivňující zisk společnosti, nabízejíce cenné poznatky pro stakeholdery a rozhodovatele. Dále práce popisuje zjištění na základě analýzy. Kromě výsledků je formulován také závěr, který poskytuje vhled do celkového finančního postavení a výkonnosti společnosti SCL po dané období. Rovněž reprezentuje významné faktory ovlivňující zisk společnosti Saurashtra Cement Limited.

**Klíčová slova:** finanční výkazy, finanční analýza, finanční pozice, bilance, aktiva, pasiva, vlastní kapitál, finanční výkonnost, výkaz zisku a ztráty, náklady, výnosy, zisk.

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# 1. Introduction

Since antiquated times, all features of the economy have been critical to the development of the worldwide economy. The essential, optional, and tertiary areas of the economy are the horticultural, modern, and administration areas, individually. Every area is crucial for the by and large financial thriving of the country. Today, the modern area has affected the monetary fate of a few countries, especially India. Concerning modern area, the improvement of foundation and the arrangement of the best friendly principles that anyone could hope to find in the country both rely upon the concrete business. The Indian concrete industry has been positioned as the second biggest on the planet (Mohan Kumar, Safer Pasha, and Bhanu Prakash, 2015). The concrete area is the most significant in the worldwide economy. Financial making arrangements for framework improvement confronted a sizable hindrance, which must be overwhelmed by a vigorous concrete area that gives the fundamental materials expected to make streets, spans, structures, and so on. The best material expected for any development project is concrete. Hence, the improvement of the country's foundation relies significantly upon the concrete area. The various development projects embraced by the focal government, state legislatures, the public area, and different associations, including private firms, spur an exorbitant interest for concrete given the size of the locale and the quantity of individuals of the country. Also, as fulfilling lodging needs is the main need for each home, the principal private concrete industry was laid out in Gujarat in 1914 and started working there. With an all-out introduced limit of 140 million tons, the Indian concrete area comprises of 20 enormous concrete industrial facilities and 365 little concrete plants. With an assembling limit of approximately 366 million tons starting around 2015, India was the second-biggest concrete maker on the planet, behind China. Public concrete creation limit was 395 million tons in 2016, and it is expected to increment to 550 million tons in 2020. Then again, as per Pankaj Yadav (2017), China created 2483.18 MT and involved 2511 MT of concrete in 2016.

Considering that every Indian consumes just 201 kg of concrete on normal as of Walk 2017, there is a basic business valuable chance to satisfy rising need in industrialized and certain creating economies. Without a far reaching portion, 98% of the data is misleading, with some of it coming from the public area and some from the confidential area. The best 20 organizations are answerable for around 70% of the general item. The absolute introduced limit of in excess of 350 million tons incorporates 210 sizable concrete plants. Nearly, starting around 2016, there were around 350 concrete offices with an expected result limit of around 11.10 million tons.

The third-greatest region in India, Andhra Pradesh, Rajasthan, and Tamil Nadu, is where the nation's concrete area is concentrated. Of the country's 210 biggest concrete manufacturing plants, 77 are situated in these three states. ([www.ibef.org](http://www.ibef.org))

The Association's 2016-17 Financial plan gave inclination to the development of streets and other framework, which will eventually influence the country's concrete industry. The Indian government has remembered USD 8.22 billion for the spending plan for the development of new streets and expressways, which will uphold the nation's concrete area. With about 67% of the country's concrete utilization going towards lodging, it is guessed that the concrete business in India would keep on developing altogether. (Source: Emkay Worldwide Monetary Administrations, Association Financial plan 2016-17)

The provincial regions might be restoring interest for concrete, however we are focusing on framework improvement and lodging for every one of the two crore homes in metropolitan regions. With 67% of India's absolute concrete utilize gathered in these districts, they are viewed as the nation's significant concrete creating locales. Moreover, the Indian economy in general is growing, basically because of modern turn of events, land business achievement, rising development, and expanded interest in the foundation area (Burnage, LG. also, Shruti, Yamini, 2009). Thus, the concrete business is encountering a blast.

Benefit is characterized as "the provided speculation's capacity to procure a return from its utilization" by (Harward and Upton, 1961). An organization's productivity can be utilized to assess its outcome in making money. A fair harmony between the sums gathered and gave is shown by the advantage number. Benefit is how much cash the organization will ultimately make, though execution is the adequacy of the firm. Deals and speculations are two different ways that a business could make money. The organization's representatives and capital ventures will create suitable returns for its tasks. "The advantage of monetary administration is a trial of effectiveness and control," as (Weston and Brigham, 1977) suitably notices, "so that for proprietors a proportion of the worth of their speculation, for indebted individuals a level of safety, for the public authority the pace of tax collection and the reason for legitimate activity, and public interest is a financial pointer progress, public efficiency, and rising expectations for everyday comforts," and benefits are the subsequent benefit. All in all, benefits are not roused by benefit. Benefit rates are significant on the grounds that they show how much benefits a firm produced using a deal as well as the profit from the items or capital the organization utilized. Benefit gauges show how well the business is doing in general.

## **2. Objectives And Methodology**

### **2.1 Objectives**

The main objectives are to evaluate the profitability position of Saurashtra Cement Limited, to assess the financial strength of the cement industry and to make suggestions of possible steps for financial soundness of the company.

### **2.2 Methodology**

Information assembled from the appropriate legitimate structure, specific distributions, and other printed or online sources structure the premise of the approach for the writing survey. The data gathered from the picked organization's distributed yearly reports will act as the establishment for the viable piece of the proposal. To assess the organization's monetary status and execution and to make the down to earth part of the proposition, vertical and level investigation of the budget reports will be utilized. Chosen productivity examination proportions will be figured. The aftereffects of the proposal will be formed utilizing the review, blend, correlation, and allowance draws near.

To assess the productivity status, the asset report and pay proclamation (explanation of benefit and loss) of the organization will be dissected. The review traverses the financial years 2017 through 2021. Information are taken from the organization's yearly reports. The discoveries of the even examination will be displayed in rates, and everything will be contrasted with its nearby ancestor from the earlier year (there will be no base year). There are a few proportions that are utilized to check the picked organization's productivity. The writing audit for this proposal incorporates meanings of vertical and level investigation as well as the equations for the endorsed benefit examination rates.

### **2. Selected ratios for profitability analysis**

The monetary examination evaluates financial strategy, grows long haul plans for business action, and recognizes tasks or organizations for venture. It likewise looks at financial patterns. This is achieved by consolidating monetary information with numbers. Working out proportions from the data in the fiscal summaries to contrast with those of different organizations or the organization's previous presentation is one of the most famous strategies for breaking down monetary information. Liquidity proportions, monetary influence proportions, and benefit proportions are the three classifications under which monetary

proportions fall (Sugumar V. and Prema, N. 2019).

To decide the general significance of various components in fiscal reports, vertical examination is used. It supports recognizing relative equilibrium and changes from one year to another.

Pattern examination is one more name for even investigation. This approach empowers for correlation and showcases past information. This approach looks at two years and shows how a particular thing develops over the long run. It tends to be utilized as a base year one of the picked Year or as a base year the past one.

Various benefit examination proportions are associated with measurements for working execution, resource usage, and so on. The accompanying rates will be applied to the proposal:

- Ratio of gross profit Ratio of net income
- Ratio of cash profits to total investment
- Return on assets and Net Capital Employed.

### **Gross profit ratio**

Overall, shows the associations in discount deals that are generally beneficial. Absolute benefits and deals, or net deals procured in the wake of deducting the quantity of things returned by clients from the complete exchange, are the action's limitations. While breaking down the results of a consuming business, this estimation is significant. A low net revenue will speed up the organization's breakdown, which might be brought about by deficient deals, expanded item costs at the retail location or scaled down retail costs, or unfortunate administration nearby. Monetary administration should figure out what caused the high-benefit rate to implode and do whatever it takes to improve things. Following is a rundown of the general benefit, which is a sign of powerful administration:

$$\text{Gross Profit Ratio} = \text{Gross Profit} / \text{Revenue} * 100 \dots\dots (1)$$

### **Net profit ratio**

The absolute overall revenue shows the administration's capacity to create sufficient income from deals to pay all acquiring expenses, charges, and expenses related with giving deals administrations, as well as having sufficient edge to remunerate investors for their interest in the organization reasonably. This measurement is an effective method for checking how well a business is doing.

Productivity the rate not entirely settled as follows founded on all out overall revenues:

$$\text{Net Profit Ratio} = \text{Net Profit} / \text{Revenue} * 100\dots (2)$$

### **Return on net worth**

Return on Total assets shows the proprietor's profit from speculation. There ought to be less benefit on speculation since, obviously; organizations are made to create a gain as a profit from venture. It is frequently alluded to as an investor discount. The accompanying equation has been utilized to ascertain repayment for the entire sum:

$$\text{Return on Net worth} = \text{Net profit after tax} / \text{total shareholder's funds} * 100\dots\dots (3)$$

### **Return on net capital employed**

A business' benefit examination marker is called return on net capital utilized. It likewise shows how capital consumptions were utilized actually to produce the planned return. The positioning functions admirably for checking inside administration adequacy. A superior presentation test brings about a higher rating, while a more regrettable exhibition test brings about a lower rating.

This rating's delivery follows an equation that is:

$$\text{Return on Net Capital Employ} = \text{Operating Profit before Interest and Tax} / \text{Net Capital Employed}\dots\dots (4)$$

### **Return on Investment**

It evaluates the monetary instruments used in its corporate resources for benefit. return for capital invested in corporate money leases uncovers a critical indicator of benefit over the course of time. All in all, this measurement looks at the monetary strength of organizations. Mechanized Profit from Speculations Benefit execution preceding lessening profit, interest, and duties is viewed as rewarding in the ongoing setting. Incomes from non-business exercises and ventures that are as of now not in activity are additionally avoided. Based on the accompanying equation, return for capital not entirely set in stone:

$$\text{ROI} = \text{operation Profit (Before Depreciation, Interest and Tax)} / \text{Investment} * 100\dots (5)$$

“All out Venture is the term used to depict all cash put into a firm, including credits, stock, and different sorts of funding.

### **Cash profit ratio**

The money benefit proportion works out an organization's capitalization in light of deals based execution. More trustable is the overall revenue. A sign of execution where pre-charge benefit unpredictability is high A deterioration charge no affects the tasks in real money yields all out yearly yield. Since different types of despairing might be seen diversely by organizations, looking at execution strengths is additionally straightforward.

$$\text{Cash profit ratio} = \text{Cash profit} / \text{Sales} * 100 \dots \dots \dots (6)$$

Where cash profit = total profit + depreciation

### **Turnover Debt ratio**

The records receivable turnover proportion, otherwise called the turnover obligation proportion, measures how really a business deals with its records receivable (obligation due by clients). It shows how oftentimes the records receivable are gathered throughout a specific time span. The turnover obligation proportion is determined utilizing the accompanying equation:

$$\text{Turnover Debt Ratio} = \text{Net Credit Sales} / \text{Average Accounts Receivable} \dots \dots \dots (7)$$

### **Return on Equity (ROE)**

The Profit from Value is a monetary proportion that surveys an organization's productivity and viability in restoring funding to its proprietors. It uncovers how much benefit a business makes for each dollar of value put resources into it by investors. The profit from value estimation recipe is as per the following:

$$\text{ROE} = (\text{Net Income} / \text{Shareholders' Equity}) * 100 \dots \dots \dots (8)$$

### **Return on Sales (ROS)**

The functional overall revenue, usually alluded to as the working edge or return on deals (ROS), is a monetary proportion that evaluates an organization's benefit by communicating working benefit as an extent of net deals income. It shows the amount of every dollar of deals is transformed into working benefit. The profit from deals is determined utilizing the accompanying equation:

$$\text{ROS} = (\text{Operating Profit} / \text{Net Sales}) \times 100 \dots \dots \dots (9)$$

**Return on Asset**

A monetary proportion called return on resources (ROA) checks an organization's benefit comparable to its complete resources. It shows how successfully a business produces benefits from its interest in resources. The accompanying equation is utilized to decide return on resources:

$$\text{ROA} = \text{EBIT} / \text{Average Total Assets} \dots \dots \dots (10)$$

**Vertical Analysis**

The equilibrium of the monetary records, where each detail is determined as a level of the other thing, is utilized for direct examination. Subsequently, all that on the monetary record is communicated as a level of complete resources, while everything on the pay proclamation is communicated as a level of all out deals.

The one-time monetary detailing articulation is where vertical investigation is most often used to see assessed account adjusts. The immediate examination upholds pattern investigation by aiding the location of record related changes after some time, like correlations north of a five-year duration.

**Horizontal Analysis**

A fiscal report examination strategy known as "flat investigation" or "pattern examination" shows changes in related budget summary things over the long haul. It is a helpful device for surveying pattern conditions.

In an even examination, the statements for at least two periods are utilized. Regularly, the base time frame is the soonest one. The articles on the articulations of the base time frame are appeared differently in relation to the things on the remarks for every ensuing period. Ordinarily, the two sums and rates are given to address the progressions.



### **3. Literature Review**

A hypothetical starting point for the proposition, the writing assessment centers around the characteristics of the picked budget summaries as per Indian bookkeeping guidelines. The productivity examination procedures chose as the establishment for the hypothetical piece of the proposal is likewise shrouded in the writing survey. It depicts the qualities of India's concrete industry.

#### **3.1 The Indian accounting system (Company Act – section 133, IND AS)**

Indian Bookkeeping Standard otherwise called Ind-Similar to, the bookkeeping standard utilized by Indian organizations. It was made by the Bookkeeping Norms Board (ASB), an association that was laid out in 1977. The Establishment of Sanctioned Bookkeepers of India (ICAI) has a board of trustees called ASB that is comprised of scholastics, government organizations, and other expert associations. CII, FICCI, ICAI, and ASSOCHAM delegates, among others. A parliamentary regulation laid out the independent association known as ICAI. "Focal Government to endorse bookkeeping norms" is Segment 133 of the Indian Organizations Demonstration of 2013.

In meeting with and subsequent to surveying the suggestions made by the Public Monetary Announcing Authority, the Focal Government might endorse the bookkeeping norms or any enhancements thereto as suggested by the Foundation of Contracted Bookkeepers of India, laid out under area 3 of the Sanctioned Bookkeepers Act, 1949.

#### **3.2 The mandatory financial statements in India**

India's required financial statements are the following:

- Income statement;
- Balance sheet; and
- Cash Flow statement.
- Notice of equity changes.

##### **3.2.1 The Statement of financial performance – the Income statement in India**

The pay explanation is utilized to decide the organization's yearly pay, costs, interest, assessments, and benefits or misfortunes. Either a multi-step or a solitary step construction can be utilized to offer this expression. Moreover, financial backers much of the time overlook the

pay articulation. Financial backers need to decide the organization's productivity. Financial backers regularly look at information as a period series examination to decide how well the administration is performing.

The pay proclamation shows the organization's prosperity over a particular timeframe, regularly a year. To give financial backers a more clear view, some pay proclamations are additionally isolated into practical and utilitarian classifications. The pay explanation is utilized by banks to survey an organization's capacity to take care of its obligations when they become due. The financial backers follow the line to get a few advantages that can be reported when the duty is paid to the banks.

### **3.2.2 The Statement of financial position – the Balance Sheet in India**

Budget summary investigation, as indicated by Drake (2010), is the most common way of picking, surveying, and deciphering monetary information alongside other important data to help venture and monetary direction. By accurately laying out the connection between the things on the monetary record and the benefit and misfortune account, it is additionally conceivable to decide the company's monetary assets and shortcomings (Bansal R., Kumar Kar, S., and Mishra S.). The accounting report, which covers both present moment and long haul liabilities, is fundamental for showing the organization's resources and liabilities. With regards to fixed resources, the resources might be physical or immaterial, like the organization's altruism, brand names, or licenses. It is habitually alluded to as the image of the total firm since it portrays the monetary condition of the business at a specific future date. The asset report is utilized by leasers to check the degree of the organization's liabilities. The leasers will actually want to look at the organization's liquidity proportions and its capacity to reimburse the obligations because of this.

### **3.2.3 Cash Flow Statement**

An income proclamation is a fiscal summary that rundowns how much cash and cash counterparts are coming into and leaving a business. The money from working exercises, the money from speculation exercises, and the money from funding exercises make up the main part of the income explanation. The immediate and aberrant methodologies are two methods for deciding income.

### **3.2.4 Statement of changes in equity**

The compromise of the initial equilibrium and shutting equilibrium of investor's value is known

as the explanation of changes in value. A fiscal report sums up investor value related exercises for a bookkeeping period.

### **3.3 Cement Industry in India**

India creates over 7% of the world concrete and is the second-biggest shipper of the material. Toward the start of FY20, India had a limit of around 545 million tons (MT) of concrete. 98% of those choices are in the confidential area, and some are found in state-claimed organizations. Roughly 70% of India's complete concrete creation is delivered by the main 20 organizations. India has the best amount and nature of limestone holds, which gives the concrete area fantastic development potential.

The interest in concrete is expected to grow to 550-600 MTPA by 2025 because of expanded request from various enterprises, including lodging, business advancement, and modern development. In FY21, India delivered 294.4 million tons (MT) of concrete, contrasted with 329 million tons (MT) in FY20.

In February 2021 contrasted with February 2020, Indian concrete creation became by 7.8%. 262 million tons (MT) of concrete were created in India in general in FY21 (through February 2021). In FY22, it is guessed that request will increment by around 65% and concrete creation will ascend by 10% to 12%.

The pursuit has profited from various government drives, including MGNREGA, Top state leader Gib Kalyan Rozgar Abhiyan, Matir Srisht (West Bengal), and local area administration programs (Jharkhand).

The institutional business and gathering effective money management firm CLSA claims that there is an enormous interest for concrete created in India. ACC, Dalmia, and Ultratech Concrete are the three biggest organizations recorded by the Organization. The second quarter of FY21 saw an expansion in industry interest, drove by provincial recovery, while Indian concrete organizations detailed a sensational fall in compensation. Request stayed high as nearby business sectors became accustomed to it. With their spread offers, CLSA expects a 14% YoY expansion in EBITDA in the concrete market at FY21.

Development By 2021, it is anticipated that the post-Coronavirus flare-up will bring about an expansion popular for concrete in the foundation and land areas. The area will likely increment concrete assembling limit by around 8 MTPA. Following the public authority's conclusion of Coronavirus, development activities continued, and Indian concrete organizations announced great wages and industry request development in the second from last quarter of

FY21.

With 350 concrete plants framing others, there are 210 significant concrete plants with a joined introduced limit of 410 MT. 77 of India's 210 critical concrete plants are situated in the provinces of Andhra Pradesh, Rajasthan, and Tamil Nadu. India sold 63,771 crore (or \$9.05 billion) worth of concrete in FY20. Clinker, asbestos, and shipments of concrete to India all developed at a CAGR of 6.44% somewhere in the range of FY16 and FY19. As of January 2020, it has added up to US \$ 1.66 billion at FY20. The RBI's principles for the Credit Assurance Upgrade Enterprise will be acclimated to FY20 to build the money source for foundation finance.

Information from the Division of Modern Turn of events and Inner Exchange (DPIIT) show that between April 2000 and Walk 2021, concrete and gypsum products pulled in FDI worth US\$5.87 billion.

Somewhere in the range of FY16 and FY20, the CAGR for commodities of concrete to India, clinker, and asbestos moved by 1.68%, contacting US \$ 1.98 billion. India has sent concrete to Bangladesh, the US, the UAE, Nepal, Sri Lanka, and Sri Lanka.

The development of foundation to help financial development is a first concern for the Indian government, which is planning to make 100 shrewd urban communities. To make concrete unreservedly open and to bring down transportation costs, the public authority likewise needs to grow the limit of rail lines, storerooms, and different methods of transportation. These activities will animate development movement, bringing concrete interest up simultaneously. The Metropolitan Revival Mission: AMRUT, Savvy Urban areas Mission, and Swachh Bharat Mission were each given Rs. 13,750 crore (US \$ 1.88 billion), Rs. 12,294 crore (US \$ 1.68 billion), and separately, while Rs. 27,500 crore (US \$ 3.77 billion) was given under the Pradhan Mantri Awas Yojana ([www.ibef.org](http://www.ibef.org))

## **4. Practical Part**

### **4.1 General Information About Saurashtra Cement Limited– Introduction of the Company**

The Mehta Gathering's essential business, Saurashtra Concrete Restricted (SCL), was laid out in 1956. SCL produces Portland Pozzolana Concrete (PPC), Standard Portland Concrete (OPC), and Sulfate Opposing Portland Concrete (SRPC), making it one of the top organizations in the Indian concrete market.

SCL sells concrete under the trademark "HATHI Concrete." The item is presented in bowsers, large packs (1 MT), and 50 kg HDPE/PP/paper sacks relying upon the client. The item is picked for its guaranteed life span and is notable in the business for its particular green tone and elevated degree of outside clean.

The Gujarat region's SCL office at Ranavav has a 1.5 MTPA limit. The office is a state of the art energy-saving venture that complies with global norms and utilizes the most current innovation presented by dependable worldwide organizations. The middle gives neighborhood benefits in light of its closeness to the ports of Porbandar and Veraval/Okha, the action of the rail line organization, and the motorways. SCL can contend well both at home and in significant product markets like those in Sri Lanka, the Center East, and Africa.

The reception of SCL's ongoing presentation as of late has made costly impacts. Further developed power has come about because of laid out control frameworks and present day hardware. With expanded steadfastness, consistency, better expense control, predominant quality, and low contamination levels, another enamoring power station that can be worked with various fills, including coal, pet coke, and lignite, has worked on generally speaking execution.

#### **4.1.1 Production**

The concrete line is delivered and appropriated by Saurashtra Concrete Ltd (SCL). Occupations are decisively joined to increment circulation all through our business sectors and proposition clients a full form answer at a reasonable cost.

Limestone, which makes up 80% of concrete, and dirt, which makes up 20%. To make a "rough," powdered, flour-like surface, these are squashed and ground. Warmed to around 1450 ° C (2642 ° F) in a turning heater, the "food" goes through complex synthetic responses and is changed to clinker. Concrete is made by appropriately crushing clinker and a modest quantity

of gypsum. This segment can be made into concrete that will be broadly utilized by adding extra fixings.

#### **4.1.2 Clients of SCL Infrastructure**

- Simplex Infrastructure Ltd. and Patel Infrastructure Ltd. Gammon India Ltd. AFCONS Infrastructure Ltd.
- Limak Soma JV Utilities IVRCL Adani Port Nirma Ltd. Backbone Enterprises Ltd. Sarjan Construction Co
- The Project Sardar Sarovar
- Ranjit Buldecon Ltd., Sadbhav Engineers Ltd., and UP State Bridge Corpn.
- Amar Construction Company 5.
- DIC-NCC (JV) - New Hampshire Project
- The Saurashtra Jaldhara Committee of LARSEN & TOUBRO Ltd.
- K Raheja Group, Hiranandani Group, and Lokhandwala Construction
- M/s. DRAIL-MSKEL (JV): NHAI Project: R & B Department, Government of Gujarat, Bhildi-Jetpur Road.
- Hindustan Construction Company, Ltd.
- Porbandar to Bhildi NHAI Project: Longjian Road and Bridge Limited Co.
- Dahej's ABG Shipyard Limited.
- Jamnagar-based Indian Construction CO. (Gujarat) Ltd. RAMCO Industries, Inc.
- Rajkamal Builder 14.

#### **Oil & Gas**

- Reliance Industries Limited
- Essar Oil Limited
- IOTL (Indian Oil Subsidiary), Jamnagar

#### **Large Industries**

- 18. IFFCO Ltd. and Gujarat Heavy Chemicals Ltd.
- Nirma Ltd.
- Indian Rayon

#### **Utilities**

- Project Sardar Sarovar, No. 21
- Swaminarayan Temple, Delhi Public School, and SP International Airport, A'bad
- Twenty-three. CPWD Armed Forces Wind World India Limited

- 24. Military Engineer Services (IAF), Central Public Works Dept. (IIT Gandhinagar, NIFT Gandhinagar)

#### **4.1.3 The quality policy of SCL**

SCL's assertion in regards to quality:

"Our strategy is to make and convey materials and concrete to our clients that are of reliably excellent follow all pertinent lawful and administrative guidelines, and address client issues inside a foreordained conveyance period.

We are devoted to putting an ISO 9001: 2008 agreeable quality administration framework into spot and encouraging a climate where each worker can add to our organization's continuous development and advancement in all features."

#### **4.1.4 Achievement of SCL Cement: -**

- Saurashtra Cement Limited is an OHS - OHSAS 180001: 2007, ISO 9001: 2008, and EMS ISO 14001: 2004 approved firm with an IMS (Integrated Management System) certification. Certificate for Quality Systems from RWTUV, Germany.
- The 1995–96 Best Production Performance National Production Award.
- Second Best Production National Production Award 1994–1995–1996–1997.
- The CAPEXIL Export Recognition Award, 1995
- The Indira Gandhi National Memorial Award for Indian Industry Excellence.
- In addition to the aforementioned, the business has won 50 awards from the Indian Bureau of Mines and the Director-General of Mining Safety in the categories of environmental pollution, land management, safety, operation, and forestry, among others.

## **4.2 Analysis of financial position – the balance sheet**

A vertical and level assessment of the resources, liabilities, and value things on the monetary record is important for the examination of the organization's monetary status. The upward examination recognizes the main components, while the flat investigation looks at changes after some time.

#### **4.2.1 Horizontal analysis of the Balance sheet items.**

Pattern examination is one more name for level investigation. This approach empowers for correlation and presentations past information. This approach looks at two years and shows how a particular thing develops after some time. It very well may be utilized as a base year one of the picked Year or as a base year the past one. This exploration plainly represents how remarkable occasions advance over the long run, how this effects the improvement of the business, their tasks, and what it means for incomes.



STANDALONE STATEMENT OF FINANCIAL POSITION (IN LAKH “00000” IN RUPEES)										
Particulars	2016-17	%	2017-18	%	2018-19	%	2019-20	%	2020-21	%
<b>ASSETS</b>										
<b>Non-current assets</b>										
Property Plant and Equipment	19880.18	-	33387.54	67.94%	34847.20	4.37%	34790.80	0.16%	34516	0.79%
Intangible Assets	20.42	-	0	0.00%	0	0.00%	0	0.00%	8	0.00%
Tangible Capital Work- in-Progress	4898.33	-	4330.00	11.60%	3701.99	14.50%	3793.78	2.48%	5979	57.60%
Right of Use Assets	0	-	0	0	0	0	285.70	0.00%	0	0.00%
Other Intangible Assets	0	-	7.23	0%	12.83	77.46%	13.78	7.40%	0	0.00%
<b>Financial Assets</b>										
(i) Investments		-	614.09	0%	531.79	13.40%	353.45	33.54%		0.00%
(ii) Loans		-	171.32	0.00%	281.93	64.56%	258.45	8.33%		0.00%
(iii) Other Financial Assets		-	116.43	0.00%	105	9.82%	51.66	50.80%	0	100.00%
Non-current Investments	1880.18	-		100%		0%		0%	760	0.00%
Deferred Tax Assets (net)	50.46	-		100.00%	188.43	0.00%		0.00%	221	0.00%
Long-term Loans and Advances	1850.15	-		100.00%	0	0.00%		0.00%	2437	0.00%
Other Non-current Assets	68.59	-	1286.52	17.75%	2010.83	56.30%	2423.02	20.50%	43997	0.58%
<b>Total non-Current Assets</b>	<b>28648.31</b>	<b>-</b>	<b>39913.13</b>	<b>39.32%</b>	<b>41680</b>	<b>4.43%</b>	<b>41970.64</b>	<b>0.70%</b>	<b>43997</b>	<b>4.83%</b>
<b>Currents Assets</b>										
Inventories	6080	-	5628.77	7.43%	7841.51	39.31%	9965.73	27.09%	5597	43.84%
<b>Financial Assets</b>										
(i) Trade Receivables	1450.72	-	1894.49	30.59%	1580.27	16.59%	3435.17	117.38%	2902	15.52%
(ii) Cash and Bank	6967.61	-	555.05	92.03%	743.37	33.93%	826.87	11.23%	188.05	21.24%

<b>Particulars</b>	<b>2016-17</b>	<b>%</b>	<b>2017-18</b>	<b>%</b>	<b>2018-19</b>	<b>%</b>	<b>2019-20</b>	<b>%</b>	<b>2020-21</b>	<b>%</b>
Balances										
(iii) Bank Balances other than (ii) above		-	7582.28	0.00%	7303.88	3.67%	9408.82	28.82%		100.00%
(iv) Short-term Loans and Advances	1121.34	-	509.24	54.59%	11.74	97.69%	7.75	33.99%	5	35.48%
(v) Other Financial Assets		-	219.13	0.00%	199.27	9.06%	215.19	7.99%		100.00%
Other Current Assets	562.67	-	1241.97	120.73%	439.42	64.62%	661.23	50.48%	1374	107.79%
Total Current Assets	16183.06	-	17630.93	8.95%	18119.46	2.77%	24520.76	35.33%	28683	16.97%
<b>Total Asset</b>	<b>44831.37</b>	<b>-</b>	<b>57544.06</b>	<b>28.36%</b>	<b>59799.46</b>	<b>3.92%</b>	<b>66491.4</b>	<b>11.19%</b>	<b>72680</b>	<b>9.31%</b>

*Table 1 Horizontal analysis of Assets*

*Source: Own processing based on the Standalone Statement of Financial Position of Saurashtra Cement Limited FY 2017-2021.*

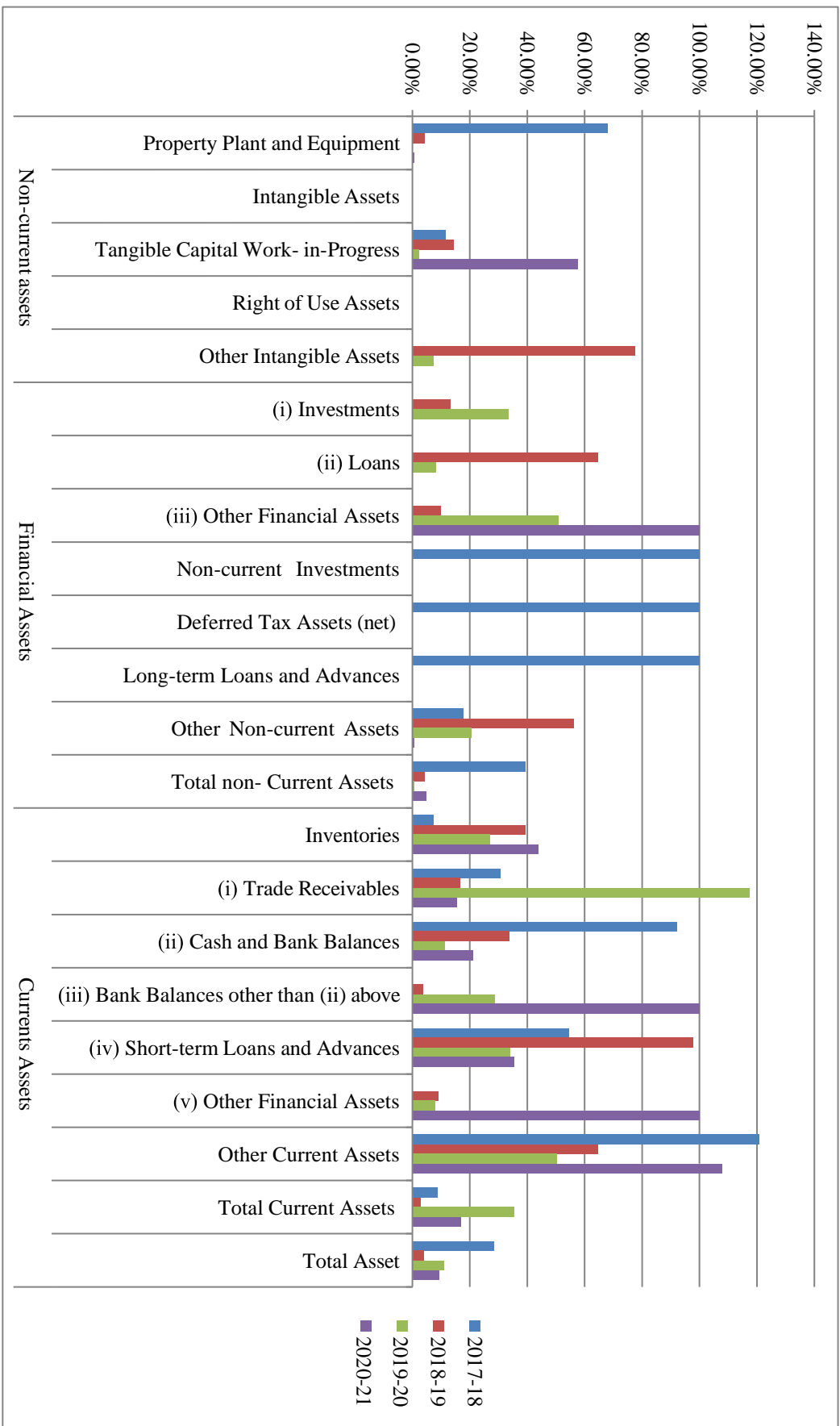


Figure 1 Horizontal Analysis of Assets

Source: Own processing based on the Standalone Statement of Financial Position of Saurashtra Cement Limited FY 2017-2021.

Table 1 shows the flat investigation of resources, like land, plant, and hardware, as well as their portions of the general extent and their significance to the business. For quite some time (2016 - 2021) the progressions are shown in the table above on a solitary line.

As per research, property, plant, and hardware encountered a negative development rate from 2017 to 2021 of - 0.79%. This recommends that in 2021 Saurashtra Concrete Restricted expanded speculation spending as opposed to adding to its machines and offices.

Money and bank adjusts moved by 11.23% in 2020 over the past two years, and by 2174.24% in 2021, proceeding with a vertical pattern from the prior year. The inventories moved by 117.38% in 2020, while they declined by - 43.84% in 2021. This recommends that Saurashtra Concrete Restricted's rundown to cash transformation was more regrettable than it was the earlier year.

#### **4.2.2 Horizontal analysis of Equity and Liabilities**

<b>STANDALONE STATEMENT OF FINANCIAL POSITION (IN LAKH “00000” IN RUPEES)</b>										
<b>EQUITY</b>	<b>2016-17</b>	<b>%</b>	<b>2017-18</b>	<b>%</b>	<b>2018-19</b>	<b>%</b>	<b>2019-20</b>	<b>%</b>	<b>2020-21</b>	<b>%</b>
a) Equity Share Capital	6919.42	14.95%	6919.42	0%	6934.04	0.21%	6952.15	0.26%	6982	0.43%
b) Other Equity	21417.90	3.59%	34744.51	62.22%	34004.09	-2.13%	38259.76	12.52%	44707	16.85%
<b>Total Equity</b>	<b>28337.32</b>	<b>6.15%</b>	<b>41663.93</b>	<b>47.03%</b>	<b>40938.13</b>	<b>-2%</b>	<b>45211.91</b>	<b>10.44%</b>	<b>51689</b>	<b>15.92%</b>
<b>LIABILITIES</b>										
<b>Non-Current Liabilities</b>										
<b>(a) Financial Liabilities</b>										
(i) Borrowings	212.18	0.7665	295.68	39.35%	401.75	36%	620.29	54.40%	462	25.52%
(ii) Lease Liabilities	-	-	-	-	-	-	162.45	0%	-	-
(b) Provisions	1097.25	7%	1159.66	6%	1240.06	6.93%	1286.62	3.75%	1283	0.28%
(c) Deferred Tax Liabilities (Net)	-	-	36.24	0	0	-	503.81	0%	1706	238.62%
(d) Other Long-term Liabilities	972.73	10.32%		100%	-	-	-	-	44	0%
<b>Total Non-Current Liabilities</b>	<b>2282.16</b>	<b>12.44%</b>	<b>1491.58</b>	<b>34.64%</b>	<b>1641.81</b>	<b>10.07%</b>	<b>2573.17</b>	<b>56.73%</b>	<b>3495</b>	<b>35.82%</b>
<b>Current Liabilities</b>										
<b>(a) Financial Liabilities</b>										
(i) Borrowings	1462.02	-18.40%	1306.38	-10.65%	2597.02	98.80%	1833.47	-29.40%	1278	30.30%

	<b>2016-17</b>	<b>%</b>	<b>2017-18</b>	<b>%</b>	<b>2018-19</b>	<b>%</b>	<b>2019-20</b>	<b>%</b>	<b>2020-21</b>	<b>%</b>
(ii) Trade Payables										
Total Outstanding dues of Micro Enterprises and Small Enterprises	-	-	64.27	0%	93.68	45.76%	59.46	36.53%	-	0%
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	4819.11	75.96%	5149.85	6.86%	6249.13	21.35%	5399.46	-13.6	3696	-31.55%
(iii) Lease Liabilities	-	-	-	-	-	-	131.05	0%	-	0%
(iv) Other Financial Liabilities	-	-	1925.10	0%	1950.83	2.43%	4019.45	103.84%	-	0%
b) Other Current Liabilities	7612.02	7.41%	5635.09	-25.97%	6040.92	6.82%	6954.87	15.54%	11462	64.81%
c) Provisions	318.74	-0.7242	268.90	-15.64%	288.39	7.25%	308.56	7%	338	10%
d) Current Tax Liabilities (Net)	-		38.96	0%	-	-	-	-	-	0%
<b>Total Current Liabilities</b>	<b>14211.89</b>	<b>11.26%</b>	<b>14388.55</b>	<b>1.24%</b>	<b>17219.52</b>	<b>19.68%</b>	<b>18706.32</b>	<b>8.63%</b>	<b>16775</b>	<b>-10.32%</b>
<b>Total Equity and Liabilities</b>	<b>44831.37</b>	<b>8.03%</b>	<b>57544.06</b>	<b>28.36%</b>	<b>59799.46</b>	<b>3.92%</b>	<b>66491.40</b>	<b>11%</b>	<b>72680</b>	<b>9.31%</b>

Table 2 Horizontal analysis of Equity and Liabilities

Source: Own processing based on the Standalone Statement of Financial Position of Saurashtra Cement Limited FY 2017-2021.

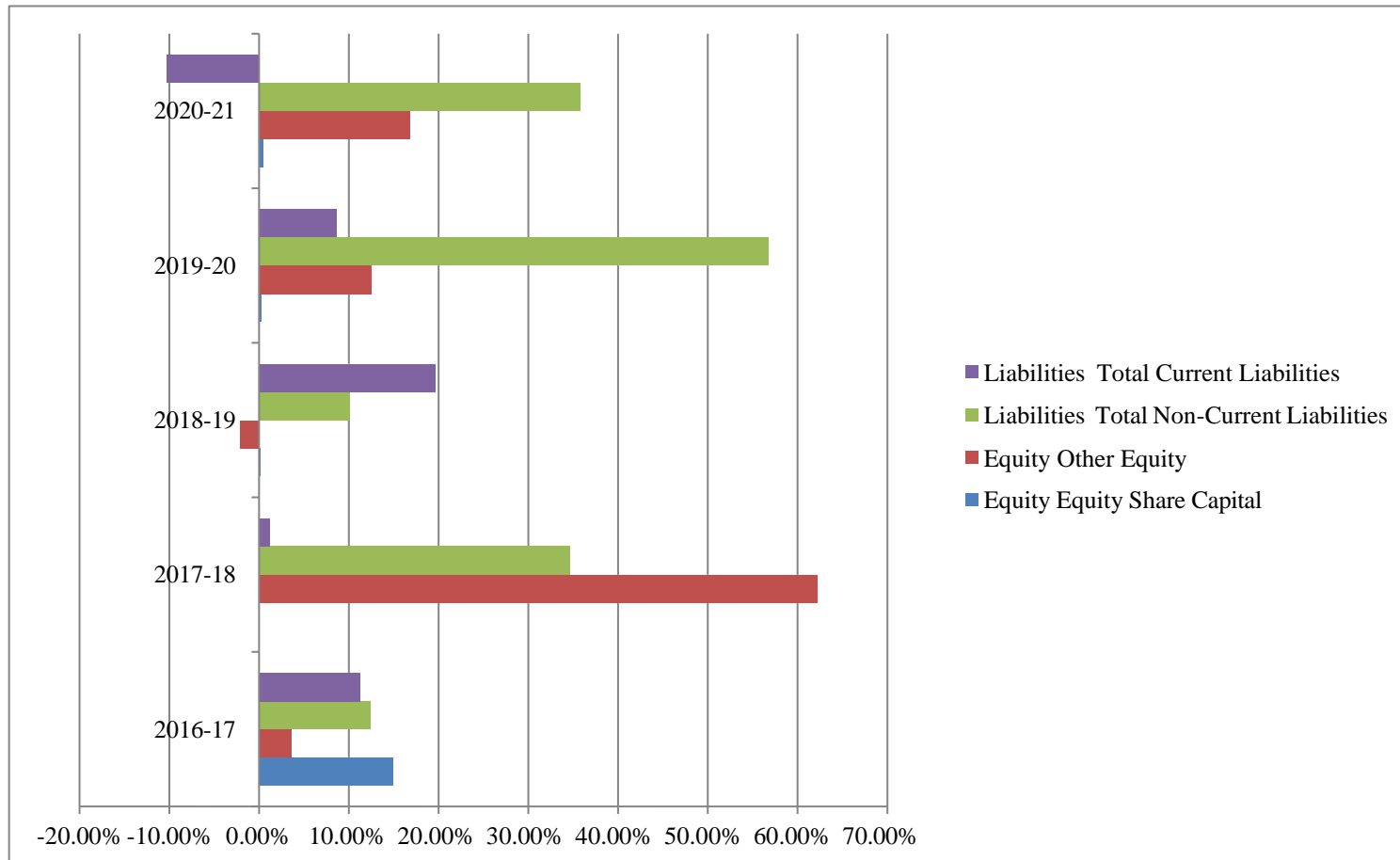


Figure 2 Horizontal analysis of Equity and Liabilities

Source: Own processing based on the Standalone Statement of Financial Position of Saurashtra Cement Limited FY 2017-2021.

The flat examination of liabilities and value is shown in Table 2. Long haul obligation (Borrowings) makes up the biggest part of the absolute non-current liabilities among the classifications under non-current punishments. The enormous shortage for Saurashtra Concrete Restricted in 2016-17 was 212.18 lacs, or 76.65% of the aggregate sum of liabilities and value. In 2020, it was raised by another 54.40%. It has, in any case, declined by - 25.52%, or 462 lacs. Moreover, there has been a huge ascent in conceded charge liabilities, which developed to 238.62% in 2021 over the past five years. As may be obvious, the proportion of momentary obligation to add up to current liabilities was 1833.47 lacs in 2019-20, which is - 29.40%, - - 30.30% in 2021, - - 10.65% in 2018, and - - 98.80% in 2019.

The biggest rates of generally current liabilities are taken up by profession payable. Full neglected balances owed by leasers other than miniature and private companies under the heading of exchange were 4819.11 lacs in 2016-17 (74.96%), and they were - 31.55% in 2021. Around 64.81% of the all out current liabilities in 2021 were comprised of other current liabilities. Moreover, arrangements expanded by 9.54% from 15.54% in 2020 to 2021.

#### **4.2.3 Vertical analysis of the Balance sheet items**

To decide the overall significance of various components in budget reports, vertical examination is used. It supports recognizing corresponding equilibrium and changes from one year to another. It makes it clear whether a specific thing's portion of the all out is rising or declining, as well as how that influences it. In any case, decreasing the pace of certain things doesn't be guaranteed to suggest losing the entire measure of cash worth; it could likewise infer a more tremendous change in another thing's ability.



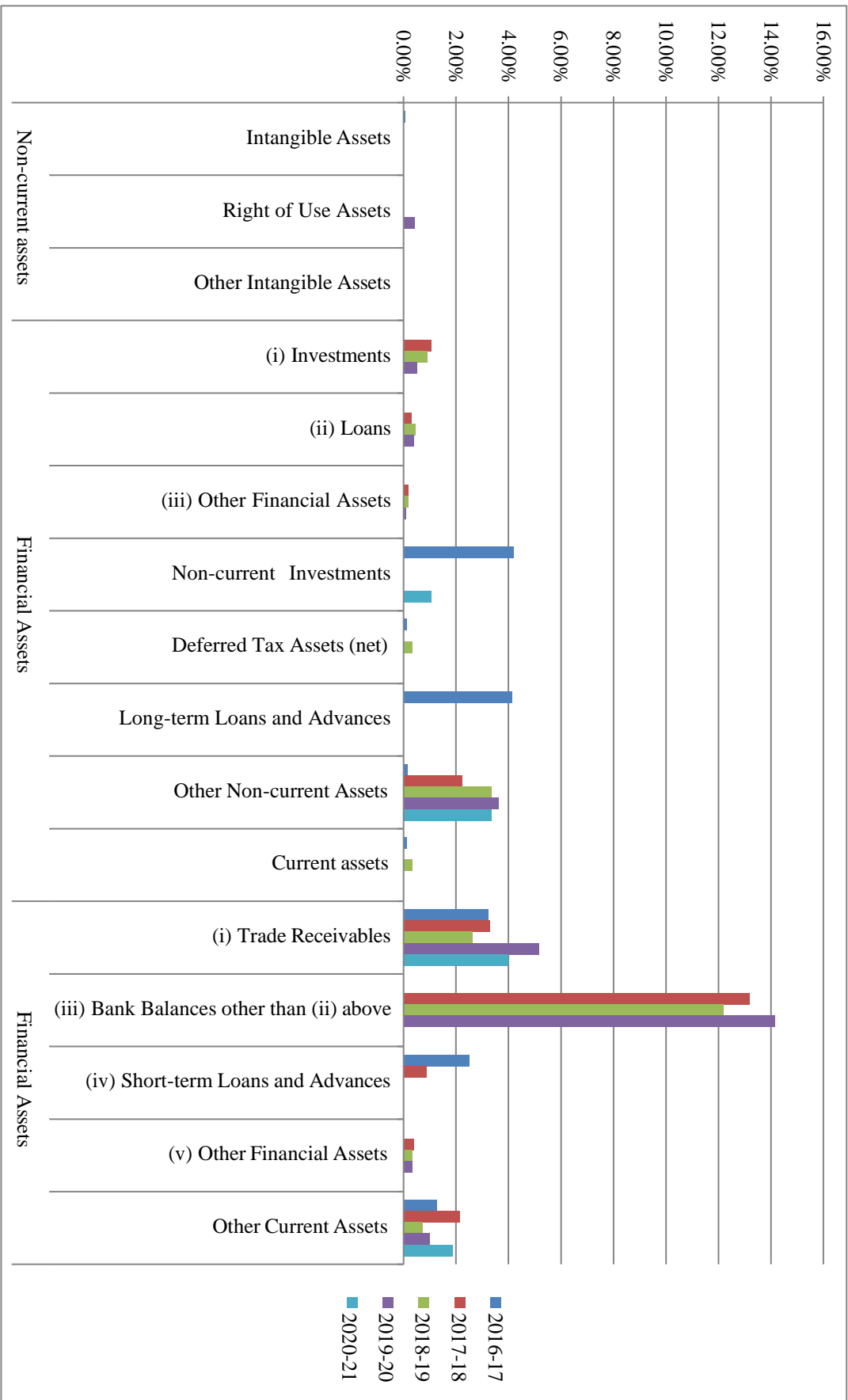


Figure 3 Vertical analysis of Assets

Source: Own processing based on the Standalone Statement of Financial Position of Saurashtra Cement Limited FY 2017-2021.

The Independent Assertion of Monetary Situation for Saurashtra Concrete Restricted is displayed in figure 3, and it shows how the extents of the different components have changed over the long haul. Structures, producing plants, apparatus, and different kinds of property, plant, and hardware can all show these changes.

We can see from the table that non-current resources and all resources consolidated are being taken up by property, plant, and gear in the biggest sums. 58.27% of absolute resources were consumed by it in 2019, 52.32% in 2020, and 47.49% in 2021. It hardly diminished to 52.32% in 2021.

Stocks, which added up to 9965.73 lacs, were the thing on the organization's equilibrium in 2019-20 that was the second-most biggest after property, plant, and apparatus. When contrasted with different years, which have resources adding up to 5597 lacs, 2020-21 showed the most reduced degree of input.

There hasn't been a perceptible change in that frame of mind of speculations over the past three years, as per perceptions.

#### **4.2.4 Vertical analysis of Equity and Liabilities**

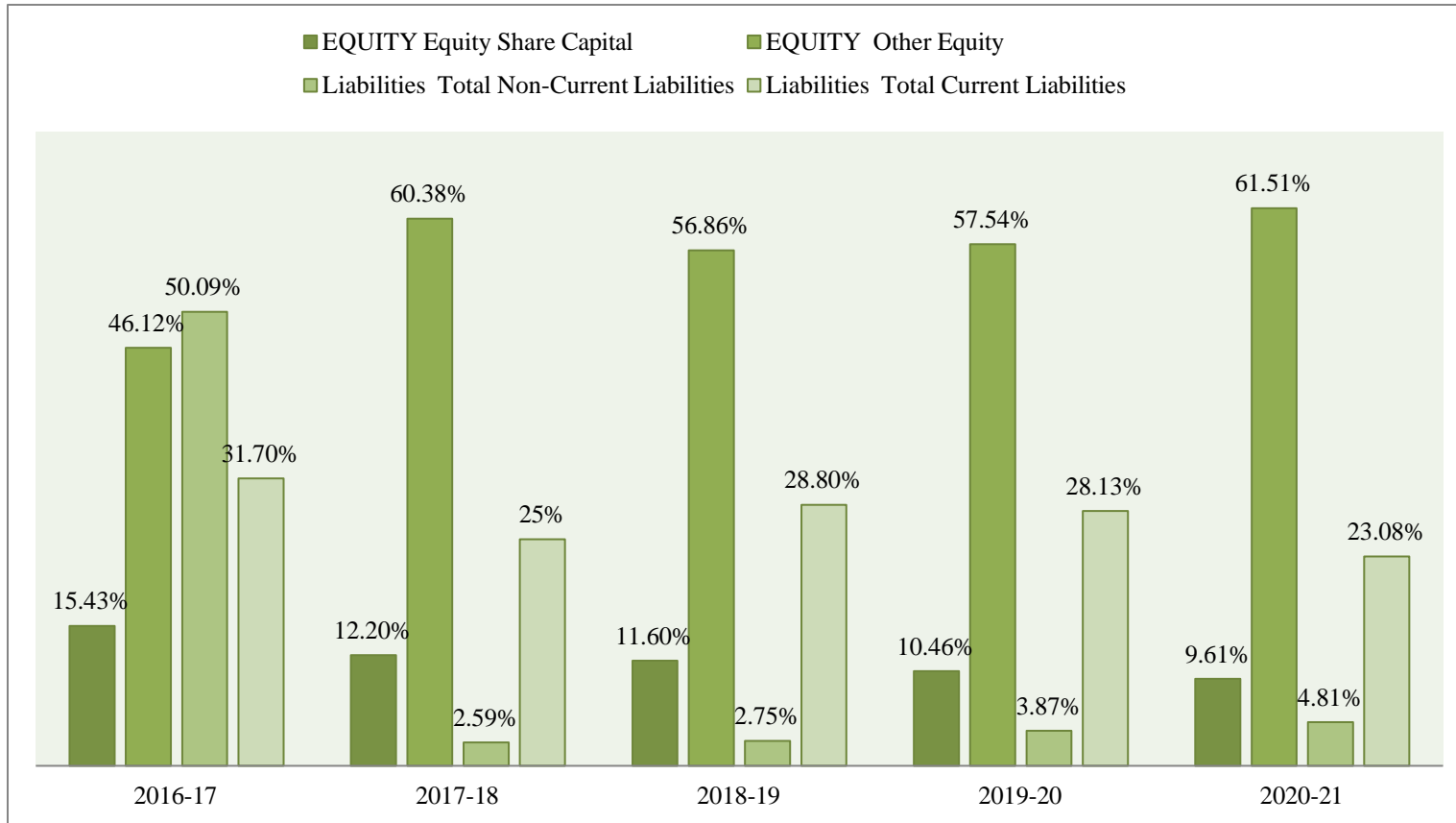


Figure 4 Vertical analysis of Equity and Liabilities

Source: Own processing based on the Standalone Statement of Financial Position of Saurashtra Cement Limited FY 2017-2021.

It is impressively easier to analyze the fiscal summaries of various organizations and businesses because of the upward examination. An upward assessment of value and liabilities is displayed in figure 4.

The biggest piece of the generally speaking non-current liabilities is addressed by an Arrangement in the things under non-current liabilities. A huge arrangement of 1097.25 lacs was made by Saurashtra Concrete Restricted in 2016-17, representing 2.45% of the complete proportion of liabilities to value.

It made up 1.77% of all value and liabilities in 2020-21. Conceded charge liabilities made up the biggest level of all non-current liabilities in 2020-21, representing 2.35%. The organization with the best obligation in 2019-20 was Saurashtra Concrete Ltd. with 620.29, representing 0.93% of all liabilities and value.

As may be obvious, other current liabilities represent most of absolute current liabilities; in 2019-20, they were 6954 lacs, or 10.46% of complete current liabilities. It was 15.77% in 2021. In 2020-21, the momentary obligation as a level of current liabilities was 1278 lacs, or 1.76%. 2020 had a 2.76% increment; 2019 saw a 4.34% increment; 2018 saw a 2.27% expansion; and 2016-17 saw a 3.26% increment.

### **4.3 Analysis of financial performance – the income statement**

As indicated by Pawan Kumar, Dr. V. K. Gupta, and Dr. Anil Kumar Goyal (2013), monetary investigation is in some cases alluded to as breaking down and figuring out budget summaries. To recognize the main components (by vertical examination) and the progressions over the long run (by level investigation), the investigation of the organization's monetary presentation includes the vertical and flat examination of the things of the Assertion of Benefit and Misfortune: costs and incomes).

#### **4.3.1 Horizontal analysis of Income statement**

<b>STANDALONE STATEMENT OF INCOME (IN LAKH “00000” IN RUPEES)</b>										
<b>Particulars</b>	<b>2016-17</b>	<b>%</b>	<b>2017 -18</b>	<b>%</b>	<b>2018 -19</b>	<b>%</b>	<b>2019-20</b>	<b>%</b>	<b>2020 -21</b>	<b>%</b>
Revenue From Operations (Gross)	53557.20	-9.57%	59200.70	10.54%	62119.04	4.93%	60818.36	-2.09%	66891	9.98%
Less: Excise Duty	6069.45	-2.96%	0	-100%	884.05	0%	0	-100%	0	0%
Revenue From Operations (Net)	47487.75	-10.35%	59,200.70	24.67%	63,003.09	6.42%	60818.36	-3.47%	66,891	9.98%
Other Income	1063.65	-16.94%	17,67.43	66.17%	0	-100%	840.94	0%	1,230	46.26%
Total Revenue Expenses	48551.40	-10.51%	60,968.13	25.57%	0	-100%	61659.30	0%	68,601	11.26%
Cost of Materials Consumed	3573.56	-17.38%	48,22.49	34.95%	62,84.98	0	6107.28	-2.83%	77,360	26.67%
Excise Duty on sale of goods	0	0%	18,35.67	0%	0	-100%	0	0%	0	0%
Purchases of Stock-in-Trade	203.86	-74.70%	0	-100%	0	0%	0	0%	0	0%

	<b>2016-17</b>	<b>%</b>	<b>2017 -18</b>	<b>%</b>	<b>2018 -19</b>	<b>%</b>	<b>2019-20</b>	<b>%</b>	<b>2020 -21</b>	<b>%</b>
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	212.14	-66.90%	(125.45)	-159.14%	(292.68)	133.30%	(1138.83)	289.01%	1570	-237.86%
Employee Benefits Expense	3925.15	0.38%	41,49.47	5.72%	4939.83	19.04%	4524.83	-8.40%	4,529	0.09%
Finance Costs	365.41	-23.98%	341.88	-6.44%	474.33	38.74%	447.51	-5.65%	437	-2.35%
Depreciation, Amortization and Impairment	1417.03	11.70%	17,74.30	25.21%	1833.54	3.34%	1968.23	7.35%	2,004	1.82%
Other Expenses	37299.78	0.85%	43,519.58	16.68%	50,755.68	16.63%	40405.97	-20.39%	42,069	4.12%
<b>Total Expenses</b>	<b>46996.93</b>	<b>-2.93%</b>	<b>56,318.21</b>	<b>19.83%</b>	<b>63,995.68</b>	<b>13.63%</b>	<b>52314.99</b>	<b>-18.25%</b>	<b>58,345</b>	<b>11.53%</b>
<b>Profit before Exceptional Items and Tax</b>	<b>1554.47</b>	<b>-73.36%</b>	<b>46,49.92</b>	<b>199.13%</b>	<b>(992.59)</b>	<b>-121.35%</b>	<b>9344.31</b>	<b>-10.41%</b>	<b>10,256</b>	<b>9.76%</b>
<b>Exceptional Items</b>	<b>0</b>	<b>-100%</b>	<b>0</b>	<b>0%</b>	<b>319.72</b>	<b>0%</b>	<b>(1600)</b>	<b>-600.44%</b>	<b>0</b>	<b>-100%</b>

	<b>2016-17</b>	<b>%</b>	<b>2017 -18</b>	<b>%</b>	<b>2018 -19</b>	<b>%</b>	<b>2019-20</b>	<b>%</b>	<b>2020 -21</b>	<b>%</b>
<b>Profit before Tax</b>	<b>1554.47</b>	-77.38%	<b>4,649.92</b>	199.13%	<b>(672.87)</b>	-114.47%	<b>7744.31</b>	94%	<b>10,256</b>	32.43
<b>Tax Expense</b>										
Current Tax	344.37	-76.58%	999.45	190.23%		-100%	1357.81	0%	2898	113.43%
Current Tax Adjustments of Earlier Years	0	-100%	22.48	0%	20.45	-9.03%	4.92	-75.94%	2	-59.35%
MAT Credit Entitlement Reversed	0	-100%	0	0%	0	0%	0%	0%	0	0%
Deferred Tax	246.52	-60.54%	(2622.66)	-1163.88%	(206.07)	-92.14%	720.60	-449.69%	118	-83.62%
<b>Total tax Expenses</b>			(1600.73)		(185.62)		2083.33			
<b>Profit For The Year</b>	<b>590.89</b>	-76.30%	<b>6,250.65</b>	957.84%	<b>(487.25)</b>	-107.80%	<b>5660.98</b>	-1260.94%	<b>7,238</b>	27.86%

Table 3 Horizontal analysis of Standalone Statement of Income

Source: Own processing based on the Standalone Statement of Income of Saurashtra Cement Limited FY 2017-2021.

A budget report examination technique that presentations changes in the amounts of related fiscal summary things is classified "level examination," likewise alluded to as "pattern investigation." It is a valuable device for evaluating pattern conditions. In the examination over, 2016 filled in as the benchmark year, while 2017 filled in as the comparator year. The asset report and pay explanation for the year 2017 have been contrasted with those for the year 2016 for each detail. The leftover years have likewise been treated along these lines.

Table 5 shows how the benefit changed somewhere in the range of 2017 and 2021 and what variables impacted it. Examination of a couple of pay proclamation sums is expected to decide if the benefit expanded or diminished. Concerning incomes, Table 5 shows that incomes from activities (net) expanded over the earlier year; for example, in 2021, they expanded by 9.98%, in 2019 they expanded by 6.42%, and in 2020 they declined by - 3.47%.

In the table above, we have analyzed SCL's benefit and misfortune proclamation and decided the reason for the benefit's year-over-year decline.

#### **4.3.2 Vertical analysis of Income statement**



<b>STANDALONE STATEMENT OF INCOME (IN LAKH “00000” IN RUPEES)</b>										
<b>Particulars</b>	<b>2016-17</b>	<b>%</b>	<b>2017-18</b>	<b>%</b>	<b>2018-19</b>	<b>%</b>	<b>2019-20</b>	<b>%</b>	<b>2020-21</b>	<b>%</b>
Revenue From Operations (Gross)	53557.2	100%	5920.7	100%	62119.04	100%	60818.4	100	6689.1	100
Less: Excise Duty	6069.45	11%	0	0%	884.05	1%	0	0%	0	0%
Revenue From Operations (Net)	47487.8	88.67%	59,200.70	100%	63,003.09	101.42%	60818.4	100%	66,89.1	100%
Other Income	1063.65	1.99	1,767	2.99	0	0	840	1.38	1,230	1.84
<b>Total Revenue</b>	<b>48551.4</b>	<b>-10.51%</b>	<b>60968.13</b>	<b>25.57%</b>	<b>0</b>	<b>-100%</b>	<b>6165.93</b>	<b>0%</b>	<b>686.01</b>	<b>11.26%</b>
<b>Expenses</b>										
Cost of Materials Consumed	3573.56	-17.38%	4822.49	34.95%	6284.98	0%	6107.28	-2.83%	7736	26.67%

<b>Particulars</b>	<b>2016-17</b>	<b>%</b>	<b>2017-18</b>	<b>%</b>	<b>2018-19</b>	<b>%</b>	<b>2019-20</b>	<b>%</b>	<b>2020-21</b>	<b>%</b>
Excise Duty on sale of goods	0	0%	1835.67	0%	0	0%	0	0%	0	0%
Purchases of Stock-in-Trade	203.86	-74.70%	0	-100%	0	0%	0	0%	0	0%
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	212.14	-67%	-125.45	-159%	-292.68	133.30%	-1138.83	289%	1570	-238%
Employee Benefits Expense	3925.15	0.38%	4149.74	5.72%	4939.83	19.04%	4524.83	-8.40%	4529	0.09%
Finance Costs	365.41	0.68%	342	0.58%	474	0.76%	447.51	0.74%	437	0.65%
Depreciation, Amortization and Impairment	1417.03	2.65%	1774.3	3%	1833.54	3%	1968.23	3%	2004	3%
Other Expenses	37299.8	69.64%	43519.58	73.51%	50755.68	81.17%	40406	66.44%	42069	62.89%
<b>Total Expenses</b>	<b>46996.9</b>	<b>87.70%</b>	<b>56318.21</b>	<b>95.13%</b>	<b>63995.68</b>	<b>103.02%</b>	<b>52315</b>	<b>86.02%</b>	<b>58345</b>	<b>87.22%</b>

<b>Particulars</b>	<b>2016-17</b>	<b>%</b>	<b>2017-18</b>	<b>%</b>	<b>2018-19</b>	<b>%</b>	<b>2019-20</b>	<b>%</b>	<b>2020-21</b>	<b>%</b>
<b>Profit before Exceptional Items and Tax</b>	<b>1554.47</b>	<b>2.90%</b>	<b>4,650</b>	<b>7.85%</b>	<b>-992.59</b>	<b>-1.60%</b>	<b>9344.31</b>	<b>15.36%</b>	<b>10256</b>	<b>15.33%</b>
<b>Exceptional Items</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>319.72</b>	<b>0.51%</b>	<b>-1600</b>	<b>-2.63%</b>	<b>0</b>	<b>0%</b>
<b>Profit before Tax</b>	<b>1554.47</b>	<b>2.90%</b>	<b>4,650</b>	<b>7.85%</b>	<b>-672.87</b>	<b>-1.08%</b>	<b>7744.31</b>	<b>12.73%</b>	<b>10256</b>	<b>15.33%</b>
<b>Tax Expense</b>										
Current Tax	344.37	-77.38%	999.45	190.23%	0	-100%	1357.81	0%	2898	113.43%
Current tax adjustments of Earlier years	0	-100%	22.48	0%	20.45	-9.03%	4.92	-75.94%	2%	-59.35%
MAT Credit Entitlement Reversed	0	100%	0	0%	0	0%	0	0%	0	0%
Differed Tax	246.52	-60.54%	-2622.68	-1163.8%	-206.07	-92.14%	720.6	-449.69%	118	-83.62%
<b>Profit for the years</b>	<b>590.89</b>	<b>-76.30%</b>	<b>6250.65</b>	<b>957.84%</b>	<b>-487.62</b>	<b>-107.8%</b>	<b>5660.98</b>	<b>-1260.9%</b>	<b>7238</b>	<b>27.86%</b>

*Table 4 Vertical analysis of Standalone Statement of Income*

*Source: Own processing based on the Standalone Statement of Income Saurashtra Cement Limited FY 2017-2021.*

As per Table 4, Saurashtra Concrete Restricted just has four things recorded under the heading of pay. Income from activities (Net) is the main part, as was recently referenced in the pay examination. Throughout the span of the five-year study, activities (Net) income — which incorporates productive deals of labor and products — took around 100 percent. The last year, 2021, represents all of the gross income from tasks. Since extra pay just makes up a little piece of income from tasks (Gross), the adjustment of other pay no affects it.

As per Table 4, the expense of materials utilized has the biggest rate portion of generally speaking costs in the year 2021. From 10.04% in 2020 to 11.57% in 2021, it extraordinarily expanded. Pay rates, compensation, rewards, commitments to benefits and different assets, remuneration for exiting the workforce, and staff government assistance costs are undeniably included under the heading of worker benefits costs, which saw a small increment to 6.77% in 2021 from the earlier year. Likewise, the review shows that the supporting expense stays stable throughout recent years on the grounds that the negligible part of the money cost has not changed a lot.

Stores, spare parts, consumables, power and gas, cargo charges, transportation expenses, and demurrage are instances of extra expenses. As it has been noticed that there is a little expansion in different costs, it is dropped to 86.02% contrasted with 2019 from 87.22% in 2021 and 2020.

#### **4.4 Selected ratios for Profitability Analysis**

For the organization, the accompanying proportions were determined: Gross Profit Ratio, Net Profit Ratio, Return on Net worth, return on net capital employed, Return on Investment Ratio, Cash profit ratio, Turnover Debt Ratio, Return on Equity, Return On sales, Return on Assets.

## Gross Profit Ratio

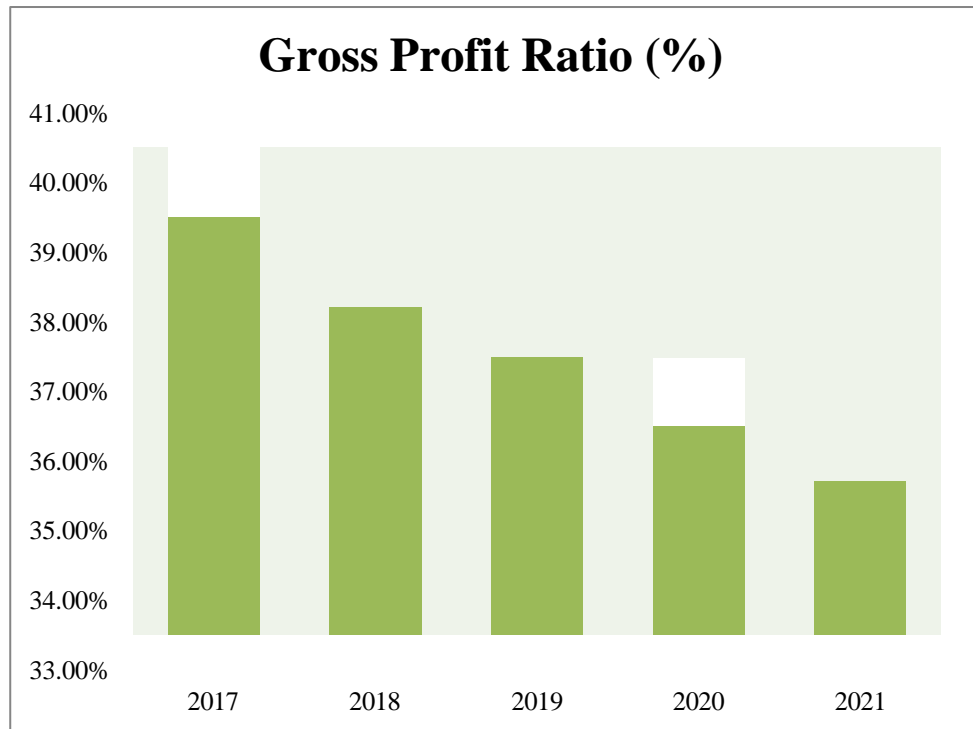


Figure 5 Gross Profit Ratio (%)

Source: Own processing

The Gross Profit Ratio level of Saurashtra Concrete Confined for the five-year time frame from 2017 to 2021 gives a delineation. The organization accomplished a net advantage level of 40.00% in 2017, in this way showing that 40% of its all-out deals were as yet viewed as in net benefit subsequent to deducting cost of products sold. Regardless, this degree diminished throughout the long term. In 2018, it dropped to 38.18%, and in 2019, it further dropped to 37.50%. This decline shows that the business was less able to hold a bigger piece of the advantages from its arrangements over these years. The pattern continued once the Net Advantage Extent came to 36.92% in 2020; by 2021, it had diminished to 35.71%. This consistent downfall all through the five-year time span might highlight various plausible situations

## Net Profit Ratio

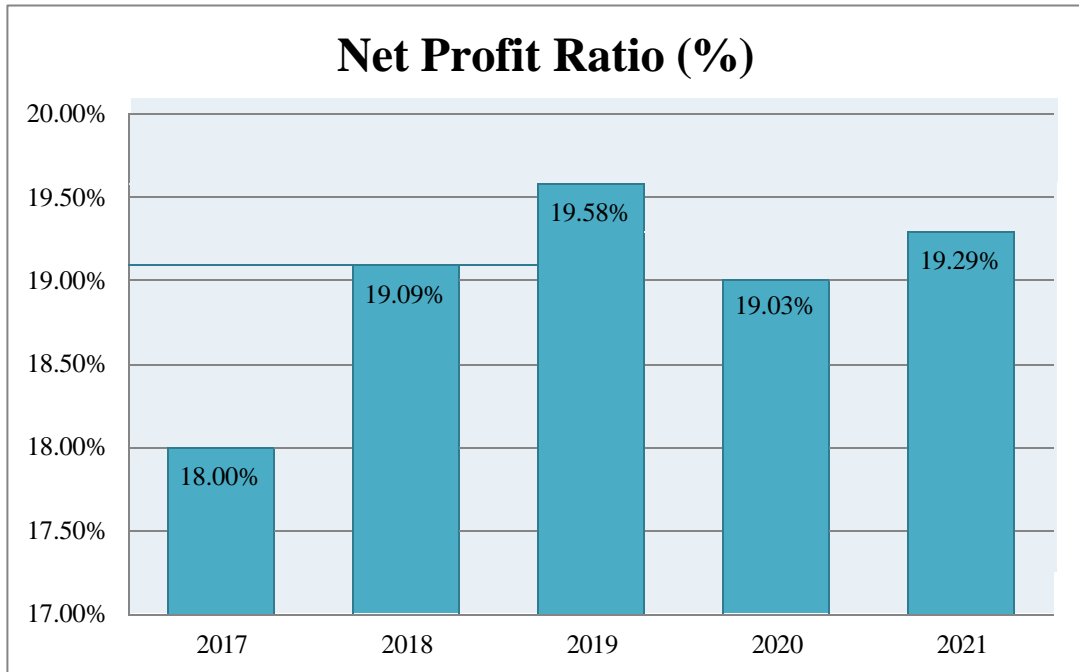


Figure 6 Net Profit Ratio (%)

Source: Own process

We can see a five-year pattern in the Net Profit Ratio of Saurashtra Concrete Restricted somewhere in the range of 2017 and 2021. The organization's Net Benefit Proportion was 18.00% starting around 2017. The level of net benefit got from all out income is shown by this proportion. The Net Benefit Proportion is projected to increment consistently during the resulting five years. It increased to 19.09% in 2018, implying that the business had the option to keep a greater amount of its income as net benefit subsequent to deducting all expenses and duties. In 2019, the vertical pattern continued, with the Net Profit Ratio ascending to 19.58%. This can show a superior capacity to make money corresponding to income. Notwithstanding different varieties, the proportion held consistent at 19.03% in 2020. The Net Benefit Proportion expanded to 19.29% in 2021.

## Return on net worth

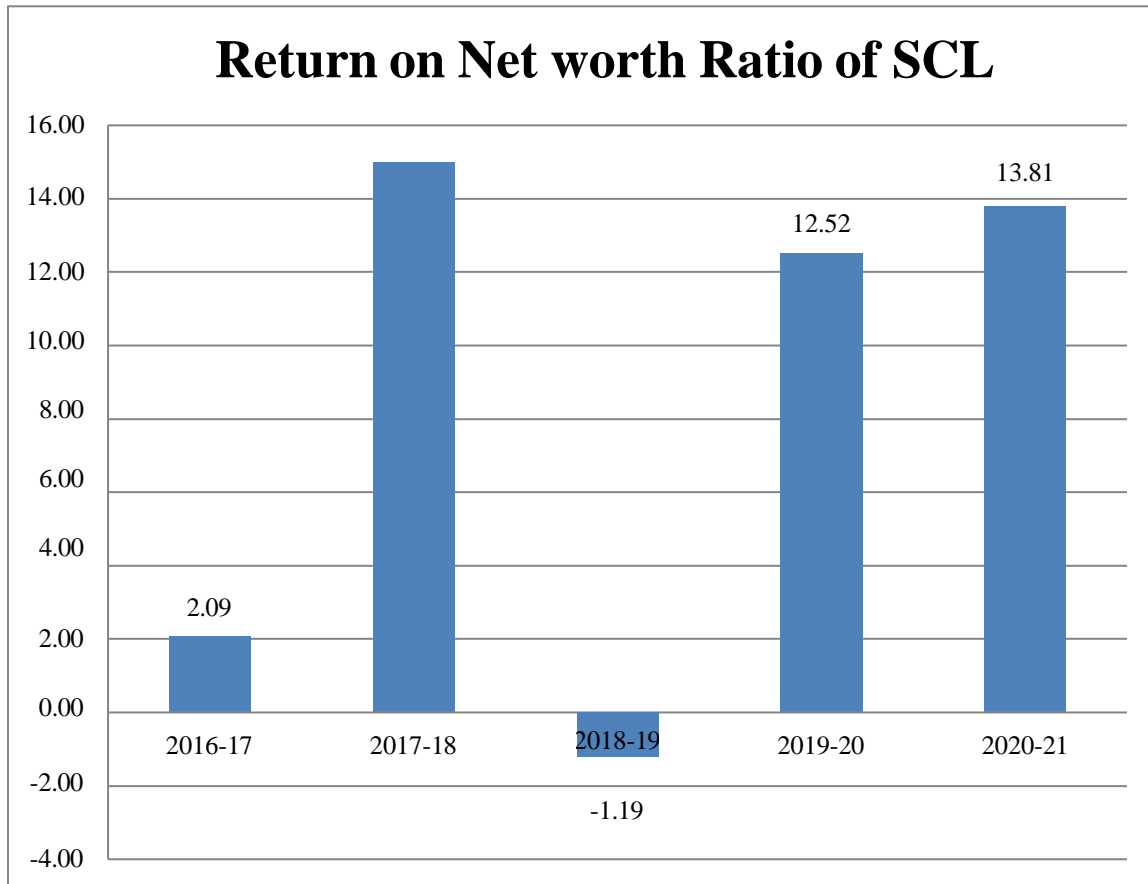


Figure 7 Return on net worth Ratio

Source: Own processing

Return on net worth Ratio is a proportion of how beneficial a proprietor's ventures are. Over the most recent five years, SCL has seen an expansion in its profit from total assets proportion. The profit from the total assets of SCL was negative in the year 2018-19, as displayed in table 10 above. In contrast with the past five years, it was 15% in the 2017-18 monetary year. In the 2019-20 monetary year, it was 12.52%. Yet again in the following year, 2020-21, it was raised to 13.81%. All through the examination period, the typical Proportion was 14.08%.

## Return on net capital employed

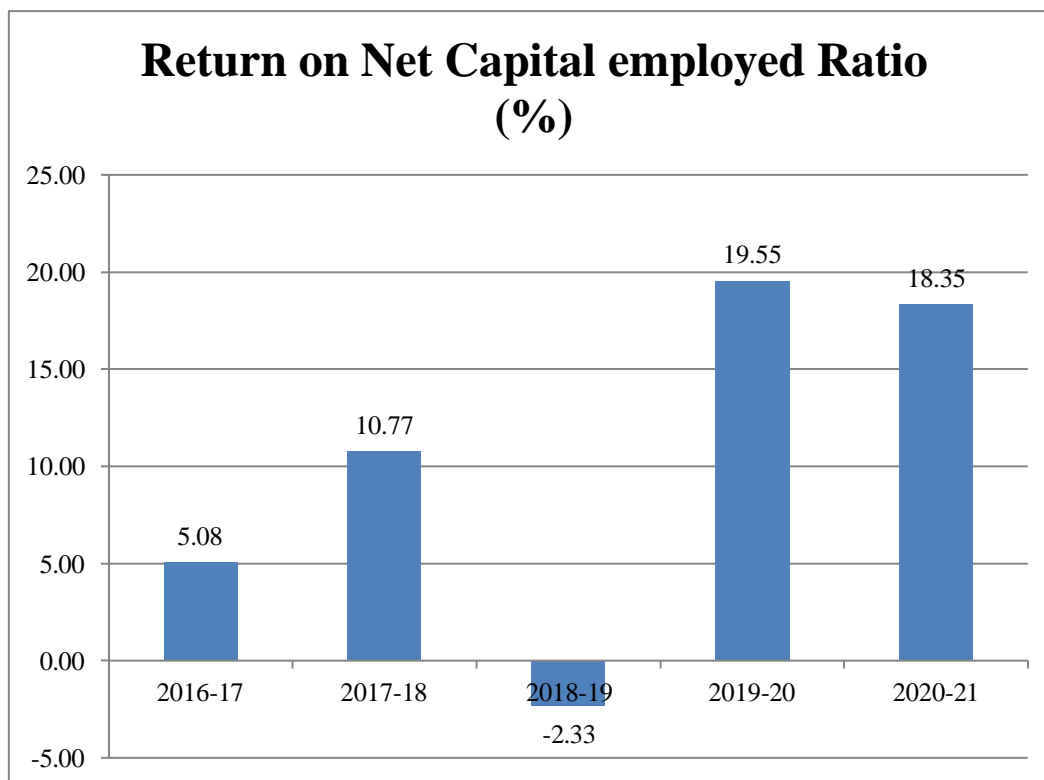


Figure 8 Return on net capital employed Ratio

Source: Own processing

Figure 8 presentations Saurashtra Concrete Restricted's profit from Return on net capital employed Ratio from 2016-17 to 2020-21. In the 2016-17 monetary years, it was 5.08%. It moved by 10.77% in the 2017-18 monetary years. In the year 2018-19, it diminished - 2.33%. In the year 2019-20, it arrived at a limit of 19.55%. In the years 2020-21, it was raised by another 18.35%. All through the examination period, the typical Proportion was 17.14%.



## Return on Investment Ratio

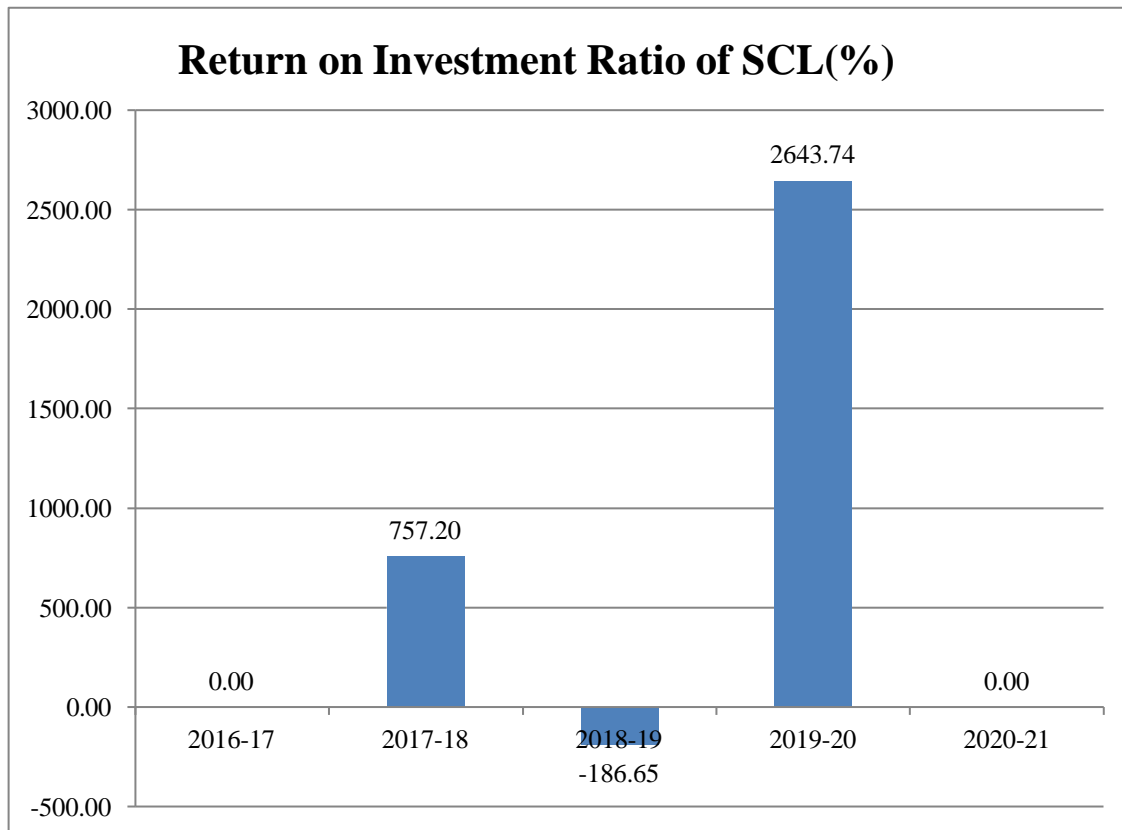


Figure 9 Return on Investment Ratio

Source: Own processing

Figure 9 shows the SCL profit from venture proportion from 2010-2011 to 2014-2015. During the review time frame, the typical Proportion was 438.724%; in 2010-2011, it was 176.4%. It moved by 282.13% in the 2011-12 financial year. In the year 2012-13, it arrived at a limit of 750.67%. It fell by 388.76% in the 2013-14 financial year. In the 2014-15 financial year, it was again expanded by 596.13%.

## Cash profit ratio

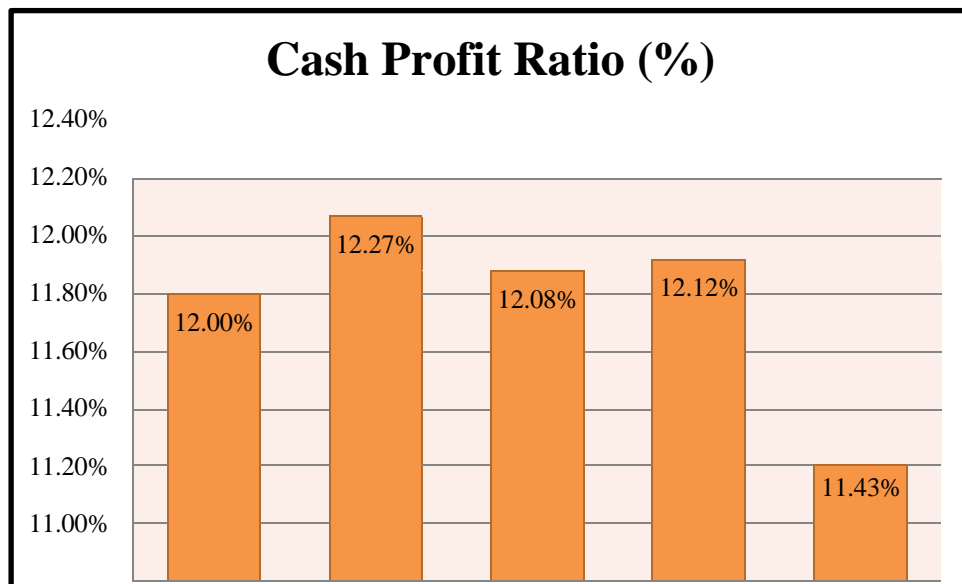


Figure 10 Cash Profit Ratio

Source: Own processing

The level of an organization's deals that is changed over into cash Profit is estimated by the money benefit proportion, usually alluded to as the money net revenue. The money benefit proportions from 2017 through 2021 are accessible. In 2017, the organization's money benefit proportion was 12.00%, meaning it had the option to turn 12 pennies of each and every dollar of income it made into cash benefit. The money benefit proportion expanded barely to 12.27% in 2018. The money benefit proportion did, be that as it may, decline somewhat in 2019 to 12.08%. A positive sign, especially in a troublesome financial circumstance, was that the organization had the option to hold its money overall revenue in 2020, when the proportion remained generally predictable at 12.12%. To wrap things up, the money benefit proportion fell impressively to 11.43% in 2021. This fall can be reason to worry as it demonstrates a decrease in the organization's ability to transform income into cash benefit. It very well may be welcomed on by rising costs, declining deals, or other monetary hardships.

## Turnover Debt Ratio

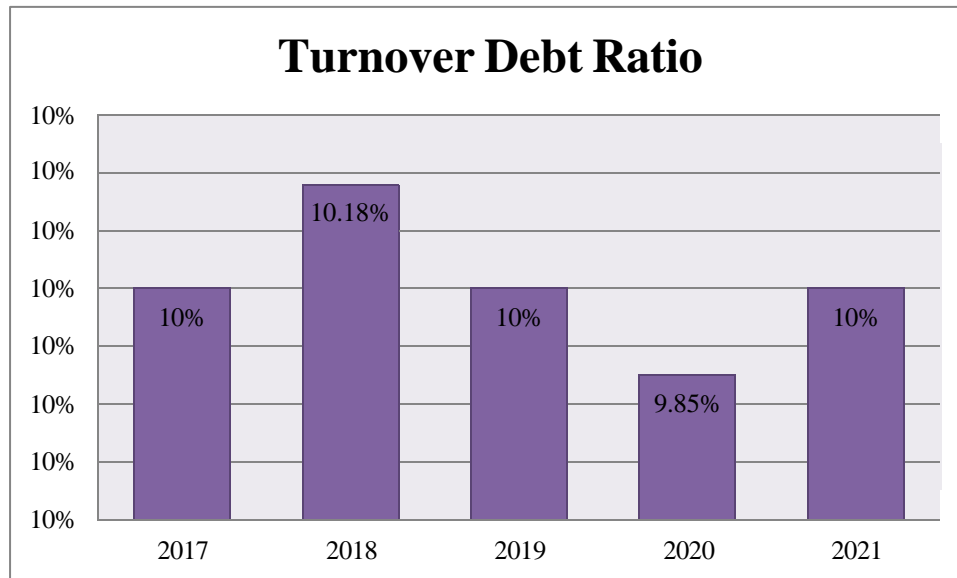
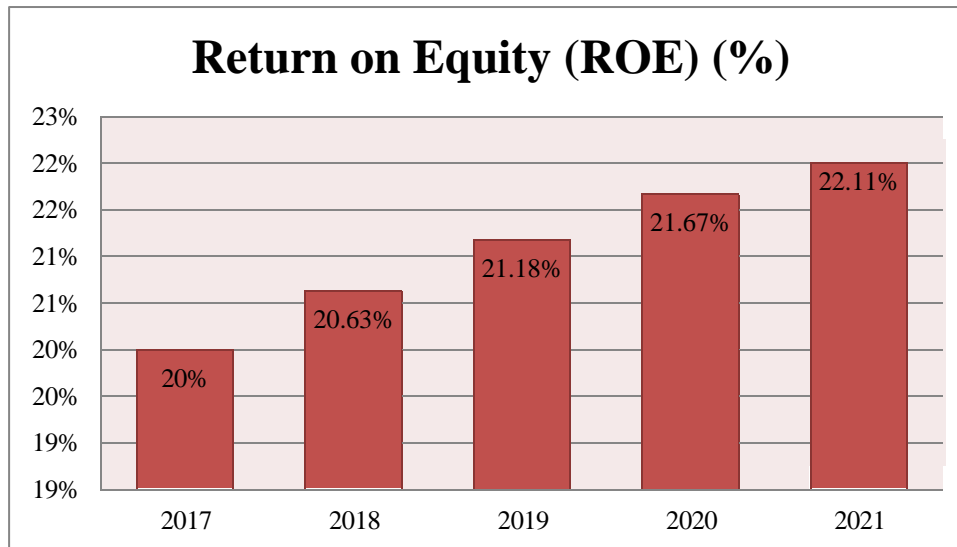


Figure 11 Turnover Debt Ratio

Source: Own processing

The Turnover Debt Ratio, otherwise called the turnover obligation proportion, is a monetary pointer that surveys how successfully a business deals with its records receivable, explicitly how quickly it gathers neglected solicitations from clients. The Turnover Obligation Proportion for 2017 was 10%, implying that the business gathered 10% of its records receivable on normal during that year. The proportion possibly improved to 10.18% in 2018. This shows that the adequacy of gathering records of sales has somewhat moved along. Be that as it may, in 2019, the proportion returned to 10%, which is generally where it was in 2017. This can imply that the organization's techniques for dealing with its records receivable stayed steady, with little variety in how rapidly clients are paid. The rate dropped to 9.85% in 2020. A lower Turnover Obligation Proportion can demonstrate a little decrease in the viability of the organization of records receivable, showing that it took the business somewhat longer to gather late installments than it did the prior year. At long last, the proportion came to 10% in 2021. This demonstrates that the organization's outcome in dealing with its records receivable has gotten back to a level like what was seen in 2017 and 2019.

## Return on Equity

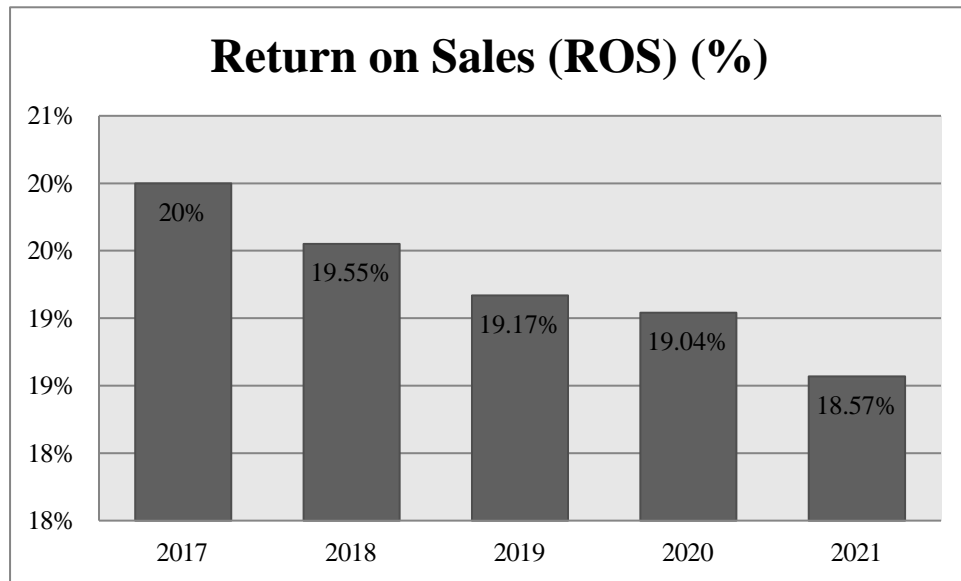


*Figure 12: Figure 12 Return on Equity*

*Source: Own processing*

A pivotal monetary pointer known as return on Equity (ROE) evaluates an organization's benefit and viability in utilizing investors' value to deliver profit. The organization's ROE for 2017 was 20%, and that truly intends that for each dollar of value put by investors in the organization, an arrival of \$0.20 was delivered. Before very long, the ROE showed positive increment. It developed to 20.63% in 2018, showing that the organization's benefit and viability in utilizing value to deliver profit both expanded. The ROE kept on ascending in 2019, expanding to 21.18%, showing a consistent rising pattern. The ROE arrived at 21.67% in 2020, proceeding with the vertical pattern. This recommends that regardless of plausible monetary challenges, the organization's monetary soundness and productivity were moving along. The ROE at last arrived at 22.11% in 2021, the most noteworthy worth in the dataset introduced. This shows that the business produced exceptional profit in contrast with the investors' value contributed, making it a helpful venture prospect.

## Return On sales

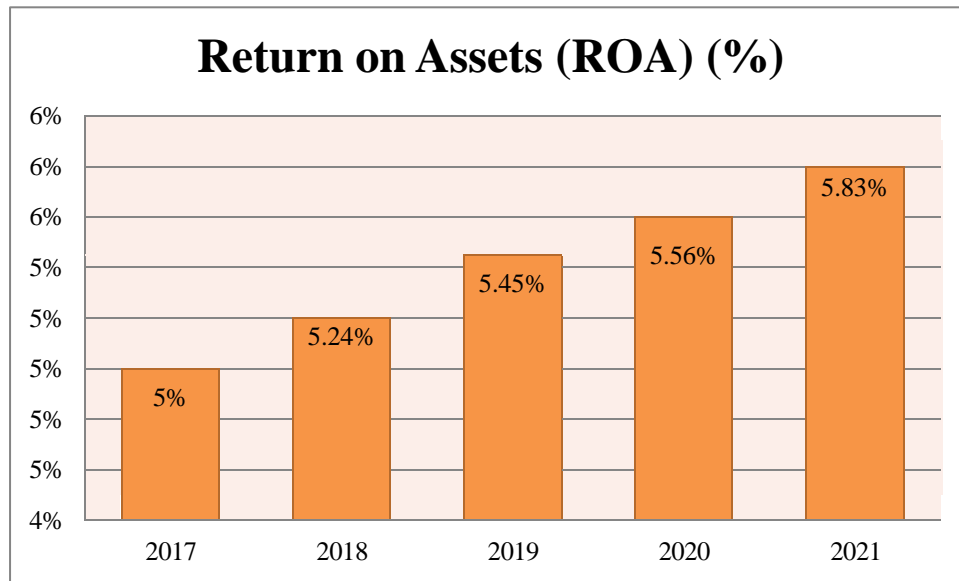


**Figure 13:** Figure 13 Return on Sales

*Source:* Own processing

Return on sales (ROS), normally alluded to as the working net revenue, surveys the extent of an organization's income that outcomes in working benefit. The business' ROS in 2017 was 20%. In any case, the ROS diminished to some degree to 19.55% in 2018. This drop raises the likelihood that the organization's working expenses have filled with respect to its pay, prompting a fairly diminished net revenue. The ROS dropped considerably more in 2019 to 19.17%. The ROS was 19.04% in 2020 as the crumbling persevered. The ROS was 18.57% in 2021, the least worth in the dataset that was provided. This proceeded with fall shows that the business kept on experiencing issues being beneficial, perhaps because of elements like developing contest, increasing costs, or alterations in market elements.

## Return on Assets



**Figure 14:** Figure 14 Return on Assets

*Source:* Own processing

A significant monetary marker called Return on assets (ROA) measures an organization's ability to create a gain comparable to its complete resources. The business' ROA for 2017 was 5%. This shows that the organization made \$5 in benefit for each \$1 in all out resources. In 2018, the ROA expanded marginally, ascending to 5.24%. The ROA expanded further in 2019 to 5.45%. The ROA arrived at 5.56% in 2020, proceeding with the vertical pattern. The best ROA in the dataset was kept in 2021, when the ROA was 5.83%. This recommends that during that year, the organization's resource proficiency arrived at its most extreme point. A rising ROA demonstrates that administration was using sound judgment to boost benefits from the organization's resource base.

## **5. Results and Discussion**

In light of the down to earth part of the postulation, the monetary status and execution of the organization are assessed. Information from the accounting report is utilized to evaluate the organization's monetary status, while the pay articulation is utilized to survey its monetary exhibition. Both interior (the organization's pay and costs) and outer (like legislative limitations or changes in the worth of the public money) elements can influence benefit.

### **5.1 Assessment of the financial position of Saurashtra Cement Limited**

Vertical and even asset report investigation is utilized to inspect Saurashtra Concrete Restricted's monetary circumstance. The SCL level review uncovered that ongoing resources, like inventories and other existing resources, had the best changes in resources (see Table 1). 15.20% of the all out resources are held in current resources. Inventories make up 25.92% of complete resources, while other current resources make up 41.91%. The upward assessment, notwithstanding, uncovered that these aggregates are unimportant corresponding to the absolute resources. Yet again the critical part of liabilities is a drawn out obligation, which is declining in 2021 yet expanding before very long. Exchange payable, arrangements, and transient obligation are the ongoing liabilities things that have changed the most altogether. With respect to value changes (See Table 2), the organization's portion capital expanded somewhat during the past three years. The beyond two years have seen an expansion for possible later use and excess, which is the primary part of value. As per the upward examination, the organization's non-current resources, which make up 44.34% of all out resources and incorporate property, plant, and hardware, and substantial capital work underway, which represents practically 10.93% of absolute resources in 2017, are the main resources. Moreover, non-current resources make up most of SCL's resources, representing 63.90% of the organization's all out resources in 2017 (see Table 3). Other current liabilities, which represent 16.98% of all value and liabilities, are the main wellsprings of funding under the heading of liabilities. Besides, the extra value, involving stores and overabundance, addresses a sizable wellspring of financing for SCL inside value. Because of its hearty resource base and low level of liabilities, Saurashtra Concrete Restricted seems, by all accounts, to be working great as per the even investigation.

The findings of the current study on Saurashtra Cement Limited's financial performance highlight various aspects of the company's balance sheet and financial structure. The negative growth rate of -0.79% in Property, Plant, and Equipment (PPE) from 2017 to 2021 indicates a

reduced investment in physical assets during this period. In contrast, Cash and Bank Balances exhibited a substantial increase of 2174.24% in 2021, suggesting a potential shift in the company's liquidity strategy, which contrasts with the findings in the study by Baskar (2019) on JK Tyre & Industries Limited. Inventories witnessed a notable increase of 117.38% in 2020, followed by a significant decline of -43.84% in 2021, indicating potential challenges in inventory management for Saurashtra Cement Limited. This differs from Baskar's study, which focused on profitability performance and did not delve into inventory management issues. Other Non-current Assets showed a significant increase of 56.30% in 2017-18 in the current study, possibly attributed to strategic investments. In comparison, Baskar's study did not explicitly mention changes in non-current assets but emphasized the net profit-earning capacity, operating profit ratio, and profitability rates. Equity share capital remained relatively stable in both studies, but the current study notes a significant increase of 16.85% in other equity in 2020-21 for Saurashtra Cement Limited. This indicates changes in the company's equity structure, a factor not discussed in Baskar's analysis. Non-current liabilities, specifically borrowings, increased by 54.40% in 2020 for Saurashtra Cement Limited, while deferred tax liabilities grew substantially by 238.62% from 2017 to 2021. In contrast, Baskar's study on JK Tyre & Industries Limited did not focus on these specific liabilities. Short-term borrowings for Saurashtra Cement Limited decreased by -29.40% in 2021, and trade payables witnessed a notable decline of -31.55% in the same period. Other current liabilities showed a significant increase of 64.81% in 2021, and provisions increased by 9.54% from 2020 to 2021. These changes in current liabilities and provisions indicate shifts in Saurashtra Cement Limited's short-term financial obligations, which were not extensively discussed in Baskar's study.

## **5.2 Assessment of the financial performance of Saurashtra Cement Limited**

The Assertion of Benefit or Misfortune was upward and evenly broke down to evaluate the organization's monetary exhibition. The upward examination exhibited that the material spent and different charges are the most required costs. Different expenses might incorporate lease, corporate social obligation (CSR) costs, trade contrasts, lawful and proficient charges, subcontract expenses, fix and upkeep, protection, rates and assessments, travel and movement, bank charges, correspondence expenses, availability and content expenses, and different expenses. 69.94% of absolute expenses are comprised of different costs. 6.67% of by and large costs are comprised of the expense of the materials utilized.



The acquisition of Stock-in-Exchange caused the clearest changes, as per the flat review, but they are not overwhelmingly. In 2017 (see table 5), the acquisition of stock-in-exchange diminished by - 74.40%. changes in completed items inventories and back expenses can be distinguished as critical movements. Notwithstanding costs, the income from tasks (Gross) is higher in 2021 than it was a long time previously. The main changes will be changes in unfamiliar trade gains (misfortunes) and changes in fair worth of monetary instruments. All things considered, the aggregates are unimportant, and the partnership has zero command over how these things will change. As indicated by the organization's yearly report, fluctuating money trade rates could affect how well the organization performs.

The second set of findings from the current study on Saurashtra Cement Limited's financial performance provides insights into the composition of assets, liabilities, and equity, as well as changes over the years. A key observation is the dominance of Property, Plant, and Equipment (PPE) within non-current assets, representing a substantial portion of total assets, with a declining trend (58.27% in 2019, 52.32% in 2020, and 47.49% in 2021). This suggests a potential shift in the company's asset composition, possibly reflecting strategic decisions related to capital investment. Inventories experienced fluctuations, reaching the lowest level in 2020-21, constituting 7.70% of total assets. This signifies potential changes in inventory management practices by Saurashtra Cement Limited. Financial assets, particularly cash and bank balances, showed significant variations over the years, increasing from 15.54% in 2016-17 to 25.87% in 2020-21. This highlights a noteworthy emphasis on liquidity management, aligning with the findings of Tank and Dhadhal's (2019) study on selected cement companies. Equity share capital remained relatively stable, and other equity increased progressively over the years. The total equity as a percentage of total liabilities and equity remained substantial, ranging from 59.54% in 2016-17 to 72.11% in 2020-21. This underscores the company's reliance on equity financing and stability in its capital structure. Long-term borrowings constitute a significant portion of non-current liabilities, with variations observed over the years. This suggests changes in Saurashtra Cement Limited's approach to long-term financing. Deferred tax liabilities showed a substantial increase, reaching 2.35% of total liabilities and equity in 2020-21, indicating potential adjustments in tax planning or financial reporting practices. Trade payables and other current liabilities constitute a significant portion of total current liabilities, with a notable decline of -31.55% in trade payables observed in 2021. This reflects changes in the company's short-term obligations and payment strategies. Comparing these findings with the study by Tank and Dhadhal (2019) on selected cement companies in

India, both studies employ ratio analysis to assess profitability, but the focus areas differ. While Tank and Dhadhal emphasize net profit ratio, return on equity ratio, return on capital employed ratio, and return on asset ratio, the current study delves into the composition of assets, liabilities, and equity, providing a comprehensive view of Saurashtra Cement Limited's financial structure and strategic decisions.

The findings of the financial analysis of Saurashtra Cement Limited showcase a dynamic performance over the past five years. Notable fluctuations in net revenue from operations were observed, characterized by a significant increase of 24.67% in 2017-18 and a subsequent decline of -3.47% in 2020-21. This trend in revenue was accompanied by the removal of excise duty in subsequent years, contributing to changes in the overall revenue composition. Other income exhibited substantial variations, experiencing a remarkable increase of 66.17% in 2017-18 and a subsequent decline in 2020-21, potentially impacting the company's overall profitability. The cost structure also witnessed fluctuations, with the cost of materials consumed showing a significant increase of 34.95% in 2017-18 and a subsequent decline of -2.83% in 2020-21. Variations in employee benefits expense, finance costs, and depreciation contributed to changes in total expenses. Profit before tax demonstrated fluctuations, marked by a significant increase in 2017-18 and a subsequent decline in 2020-21. Current tax expenses and deferred tax showed variations, influencing the overall profit for the year. Notable exceptional items in 2018-19 and 2019-20 played a role in substantial changes in profit figures. In terms of revenue composition, net revenue from operations consistently accounted for the majority of total revenue, reaching 100% in 2021. The cost of materials consumed had the largest share of expenses, increasing from 10.04% in 2020 to 11.57% in 2021. Employee benefits costs and other expenses maintained relatively stable proportions in total expenses over the years. Comparing these findings with the study on the financial performance of Ultra Tech Cement Ltd by Mayilsamy and Pradeep (2021), both companies operate in the cement industry, an advanced sector in the country. The studies share commonality in utilizing financial tools such as ratios for analysis. However, while Saurashtra Cement Limited experienced fluctuations in revenue and expenses with notable increases and subsequent declines, Ultra Tech Cement Ltd faced challenges in profitability, liquidity ratios, and a gradual rise and fall in growth during the study period. The comparison highlights industry-specific dynamics and emphasizes the importance of understanding context and industry-specific factors in financial analysis

### **5.3 Assessment of profitability ratio analysis of Saurashtra Cement Limited**

Saurashtra Concrete Restricted (SCL) had a typical net benefit proportion of 13.29%. The business' net benefit is adequate. The net overall revenue for the business is 13.29%. It shows that Saurashtra Concrete Restricted's benefit is less wonderful than the typical net overall revenue and is great inside the adequate edge of 100. SCL's run of the mill net benefit proportion is 10.34%. In 2016-17 and 2018-19, the net benefit proportion was low, at 1.105 and - 0.78%, separately. In spite of Saurashtra Concrete Restricted detailing a developing pattern as far as net benefit proportion, which recommends that the company's administration can create an adequate number of benefits over deals, the organization has encountered misfortunes. Saurashtra Concrete Restricted has a typical money benefit proportion of 15.28%. The money benefit proportion for the business is adequate. The organization's money benefit proportion is 15.28%, which is well inside the norm of 100 and demonstrates that Saurashtra Concrete Restricted's productivity is more conventional than the ideal money net revenue. The typical profit from Saurashtra Concrete Restricted's total assets proportion was 14.08%. The net benefit shows that 14.08% of value investors' cash was utilized. Subsequently, the enterprise faces more prominent monetary gamble, while value investors will get lower income. From 2016-17 to 2020-21, Saurashtra Concrete Restricted's profit from net capital utilized proportion arrived at the midpoint of 17.14%. The profit from total assets proportion utilized in this occasion isn't extremely high. The functional benefit is subsequently not exactly the net capital utilized, as shown by this measurement. SCL's typical profit from speculation during the exploration time frame was 438.724%. This profit from venture rate is sad and shows how little SCL might create.

The findings of the financial analysis of Saurashtra Cement Limited reveal several key trends in its financial performance over the five-year period. The Gross Profit Ratio consistently declined from 40.00% in 2017 to 35.71% in 2021, indicating a diminishing ability to retain a larger portion of sales revenue as gross profit. In contrast, the Net Profit Ratio demonstrated a generally positive trend, increasing from 18.00% in 2017 to 19.29% in 2021, showcasing the company's improved ability to convert revenue into net profit. Return on Net Worth experienced an overall increase, reaching 13.81% in 2020-21, with a rebound from a negative value in 2018-19. The Return on Net Capital Employed Ratio fluctuated but showed an increasing trend, reaching 18.35% in 2020-21, reflecting efficient capital utilization. The Return on Investment Ratio exhibited significant variations, reflecting the company's ability to

generate returns on invested capital, with the ratio peaking in 2012-13 at 750.67%. However, the Cash Profit Ratio displayed fluctuations and a notable decline from 12.27% in 2018 to 11.43% in 2021, suggesting challenges in converting sales into cash profit. The Turnover Debt Ratio remained stable around 10%, indicating a consistent approach to managing accounts receivable, with a slight decrease in 2020 possibly indicating delayed payments. Comparing these findings with the study by Parmar and Shukla (2021) on the financial analysis of a cement manufacturing company, both studies focus on the Indian cement industry. While Parmar and Shukla emphasize the impact of inventory management on profitability, the current analysis delves into broader financial ratios. Both studies highlight the importance of ratio analysis in assessing financial performance. In terms of profitability, Saurashtra Cement Limited demonstrated an increasing trend in Return on Equity (ROE), reaching 22.11% in 2021, indicating improved efficiency in utilizing equity. However, Return on Sales (ROS) exhibited a declining trend, decreasing from 20% in 2017 to 18.57% in 2021, suggesting challenges in maintaining profitability, potentially influenced by operational costs or market dynamics. Return on Assets (ROA) showed a positive trend, increasing from 5% in 2017 to 5.83% in 2021, indicating effective asset utilization. The comparison underscores the dynamic nature of financial performance, influenced by industry-specific factors, market conditions, and management strategies. It also highlights the need for a comprehensive analysis, considering various financial ratios to gain a holistic understanding of a company's financial health.

#### **5.4 Factors influencing the profit**

In most of its a very long time in activity, the company made money. There are both inside and outside factors that can influence the yield. The particulars of the area should likewise be thought about.

The development of pay and costs influences the benefit. Consumed material, finance costs, and different expenses, together, greatesty affect yield. Installments are affected by deterioration and amortization, yet they are important to lessen misfortunes later on and increment benefits.

#### **5.5 The main possible problem areas**

The exhibition of the business might be influenced by a couple of expected issues.

→ Long haul obligations brought about through borrowings are unsafe because of the likely ascent in financing costs and credit risk.

- Swapping scale misfortunes are a gamble related with changes in the public money's conversion standard.
- Transportation is a gamble related with dependence on an imposing business model of transport specialist co-ops.

## **5.6 Suggestions**

- The Saurashtra Concrete Restricted's net benefit proportion is common. With regards to return on net capital utilized, return on total assets, and profit from venture, the organization is struggling. To upgrade its net benefit, the company ought to hence help item deals while scaling back costs.
- The business ought to put more and procure more to get a more prominent profit from venture.

## 6 Conclusion

By looking at the portrayal and changes of the detailed resources, liabilities, costs, and incomes for a chose period in the organization's budget reports, this postulation tried to assess the monetary position and execution of a chose Indian concrete assembling organization. It additionally tried to distinguish any expected monetary issues as well as the key elements influencing benefit.

The monetary presentation of the organization can be assessed by taking a gander at the pay proclamation and accounting report of the organization, individually. Resources, value, and liabilities of the business are recorded on the accounting report starting around a specific date. The pay explanation, otherwise called a proclamation of benefit or misfortune, records the expenses, receipts, and profit for a particular time frame period for the business.

Thesaurashtra Concrete Restricted is one of the most significant and unmistakable concrete creation organizations examined in the proposal. For the down to earth segment and the proposition's decisions, the organization's freely accessible yearly reports were utilized. In the postulation, the bookkeeping time frames from 2016 through 2021 were analyzed.

The organization's monetary circumstance concentrates on uncovered that the non-current resources, principally the things of plant, property, and hardware, are its most significant resources. Long haul obligations are the greatest liabilities. Long haul obligation levels were consistently declining.

The organization's benefit is influenced by the development of its own deals and expenses, as well as by industry-and country-explicit regulations.

## 7 References

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## 8 Appendix

### Appendix 1 Standalone Statement of Financial Position of March 31, 2017



#### BALANCE SHEET AS AT MARCH 31, 2017

	Note	March 31, 2017 ₹ in lacs	As at March 31, 2017 ₹ in lacs	As at March 31, 2016 ₹ in lacs
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	2	6,919.42		6,019.42
Reserves and Surplus	3	21,417.90		20,675.38
			28,337.32	26,694.80
<b>Non-current Liabilities</b>				
Long-term Borrowings	4	212.18		120.11
Other Long-term Liabilities	5	972.73		881.77
Long-term Provisions	6	1,097.25		1,027.87
			2,282.16	2,029.75
<b>Current Liabilities</b>				
Short-term Borrowings	7	1,462.02		1,792.02
Trade Payables	8			
- Outstanding dues of micro enterprises and small enterprises			Nil	Nil
- Outstanding dues of creditors other than micro enterprises and small enterprises		4,819.11		2,738.80
Other Current Liabilities	9	7,612.02		7,086.82
Short-term Provisions	10	318.74		1,155.71
			14,211.89	12,773.35
			44,831.37	41,497.90
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	19,880.18		20,101.59
Intangible Assets	11	20.42		35.95
Tangible Capital Work-in-progress	11	4,898.33		3,957.72
Non-current Investments	12	1,880.18		1,880.18
Deferred Tax Assets (net)	13	50.46		296.99
Long-term Loans and Advances	14	1,850.15		1,164.91
Other Non-current Assets	15	68.59		12.16
			28,648.31	27,449.50
<b>Current Assets</b>				
Inventories	16	6,080.72		4,828.89
Trade Receivables	17	1,450.72		1,405.18
Cash and Bank Balances	18	6,967.61		6,388.65
Short-term Loans and Advances	19	1,121.34		1,029.17
Other Current Assets	20	562.67		396.51
			16,183.06	14,048.40
			44,831.37	41,497.90
<b>TOTAL</b>				
			44,831.37	41,497.90

Significant Accounting Policies and Notes are an integral part of the Financial Statements 1 - 37

As per our Report of even date attached

For and on Behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**Jay M. Mehta** Executive Vice Chairman

**M. N. Rao** Director

**M. S. Gilotra** Managing Director

**PARESH H. CLERK**

**Rakesh H. Mehta** Chief Financial Officer

Partner

**Sonali Sanas** Vice President (Legal) & Company Secretary

Membership No. 36148

Mumbai, Dated May 23, 2017

Mumbai, Dated May 23, 2017

Appendix 2 Standalone Statement of Income of March 31, 2017

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

	Note	For the Year ended March 31, 2017 ₹ in lacs	For the Year ended March 31, 2017 ₹ in lacs	For the Year ended March 31, 2016 ₹ in lacs
Revenue from Operations (Gross)	21		53,557.20	59,224.62
Less: Excise Duty			6,069.45	6,254.50
Revenue from Operations (Net)			47,487.75	52,970.12
Other Income	22		1,063.65	1,280.57
<b>Total Revenue</b>			<b>48,551.40</b>	<b>54,250.69</b>
<b>Expenses</b>				
Cost of Materials Consumed	23		3,573.56	4,325.21
Purchases of Stock-in-trade	24		203.86	805.80
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	25		212.14	640.93
Employee Benefits Expense	26		3,925.15	3,910.41
Finance Costs	27		365.41	480.67
Depreciation, Amortisation and Impairment	11		1,417.03	1,268.64
Other Expenses	28		37,299.78	36,984.64
<b>Total Expenses</b>			<b>46,996.93</b>	<b>48,416.30</b>
<b>Profit before Exceptional Items and Tax</b>			<b>1,554.47</b>	<b>5,834.39</b>
Exceptional Items	29		Nil	1,037.00
<b>Profit before Tax</b>			<b>1,554.47</b>	<b>6,871.39</b>
<b>Tax Expense</b>				
Current Tax		344.37		1,470.17
Current Tax Adjustments of Earlier Years		Nil		(139.55)
MAT Credit Entitlement Reversed		Nil		538.07
		344.37		1,868.69
Deferred Tax		246.52		624.81
			590.89	2,493.50
<b>Profit for the year</b>			<b>963.58</b>	<b>4,377.89</b>
<b>Earnings per equity share of ₹10 par value per share</b>				
Basic and diluted (₹ per share)	36		1.50	7.51

Significant Accounting Policies and Notes are an integral part of the Financial Statements 1 - 37

As per our Report of even date attached

For and on Behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**Jay M. Mehta** Executive Vice Chairman

**M. N. Rao** Director

**M. S. Gilotra** Managing Director

**Rakesh H. Mehta** Chief Financial Officer

**Sonali Sanas** Vice President (Legal) & Company Secretary

**PARESH H. CLERK**

Partner

Membership No. 36148

Mumbai, Dated May 23, 2017

Mumbai, Dated May 23, 2017

Appendix 3 Standalone Statement of Financial Position of March 31, 2019, and March 31, 2018



61<sup>st</sup> ANNUAL REPORT 2018-19

**BALANCE SHEET AS AT MARCH 31, 2019**

	Note No.	As at March 31, 2019 ₹ in lakhs	As at March 31, 2018 ₹ in lakhs
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	<b>34,847.20</b>	33,387.54
(b) Capital Work-in-Progress	2	<b>3,701.99</b>	4,330.00
(c) Other Intangible Assets	2	<b>12.83</b>	7.23
(d) Financial Assets			
(i) Investments	3	<b>531.79</b>	614.09
(ii) Loans	4	<b>281.93</b>	171.32
(iii) Other Financial Assets	5	<b>105.00</b>	116.43
(e) Deferred Tax Assets (Net)	18	<b>188.43</b>	-
(f) Other Non-Current Assets	6	<b>2,010.83</b>	1,286.52
<b>SUB-TOTAL</b>		<b>41,680.00</b>	39,913.13
<b>CURRENT ASSETS</b>			
(a) Inventories	7	<b>7,841.51</b>	5,628.77
(b) Financial Assets			
(i) Trade Receivables	8	<b>1,580.27</b>	1,894.49
(ii) Cash and Cash Equivalents	9	<b>743.37</b>	555.05
(iii) Bank Balances other than (ii) above	10	<b>7,303.88</b>	7,582.28
(iv) Loans	11	<b>11.74</b>	509.24
(v) Other Financial Assets	12	<b>199.27</b>	219.13
(c) Other Current Assets	13	<b>439.42</b>	1,241.97
<b>SUB-TOTAL</b>		<b>18,119.46</b>	17,630.93
<b>TOTAL ASSETS</b>		<b>59,799.46</b>	57,544.06
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	<b>6,934.04</b>	6,919.42
(b) Other Equity	15	<b>34,004.09</b>	34,744.51
<b>SUB-TOTAL</b>		<b>40,938.13</b>	41,663.93
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	<b>401.75</b>	295.68
(b) Provisions	17	<b>1,240.06</b>	1,159.66
(c) Deferred Tax Liabilities (Net)	18	<b>-</b>	36.24
<b>SUB-TOTAL</b>		<b>1,641.81</b>	1,491.58
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	<b>2,597.02</b>	1,306.38
(ii) Trade Payables	20		
• Total Outstanding dues of Micro Enterprises and Small Enterprises		<b>93.68</b>	64.27
• Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		<b>6,249.13</b>	5,149.85
(iii) Other Financial Liabilities	21	<b>1,950.38</b>	1,925.10
(b) Other current liabilities	22	<b>6,040.92</b>	5,635.09
(c) Provisions	23	<b>288.39</b>	268.90
(d) Current Tax Liabilities (Net)	24	<b>-</b>	38.96
<b>SUB-TOTAL</b>		<b>17,219.52</b>	14,388.55
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>59,799.46</b>	57,544.06

Significant Accounting Policies and Notes are an integral part of the Financial Statements

1 to 44

As per our report of even date attached

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136

**K C Patel**  
Partner  
Membership No. 30083  
Mumbai, Dated May 25, 2019

For and on Behalf of the Board of Directors

M. N. Mehta      Chairman  
Jay M. Mehta    Executive Vice-Chairman  
M. N. Rao        Director  
M. S. Gilotra    Managing Director  
Rakesh Mehta    Chief Financial Officer  
Sonal Sanas      Sr. Vice President (Legal) & Company Secretary

Mumbai, Dated May 25, 2019

Appendix 4 Standalone Statement of Income of March 31, 2019, and March 31, 2018

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

	Note No.	For the Year ended March 31, 2019 ₹ in lakhs	For the Year ended March 31, 2018 ₹ in lakhs
Revenue from Operations	25	<b>62,119.04</b>	59,200.70
Other Income	26	<b>884.05</b>	1,767.43
<b>Total Income</b>		<b>63,003.09</b>	60,968.13
<b>Expenses</b>			
(a) Cost of Materials Consumed	27	<b>6,284.98</b>	4,822.49
(b) Excise Duty on sale of goods		-	1,835.67
(c) Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	28	<b>(292.68)</b>	(125.45)
(d) Employee Benefits Expense	29	<b>4,939.83</b>	4,149.74
(e) Finance Costs	30	<b>474.33</b>	341.88
(f) Depreciation and Amortisation Expenses	2	<b>1,833.54</b>	1,774.30
(g) Other Expenses	31	<b>50,755.68</b>	43,519.58
<b>Total Expenses</b>		<b>63,995.68</b>	56,318.21
<b>Profit / (Loss) before Exceptional Items and tax</b>		<b>(992.59)</b>	4,649.92
Exceptional Items	32	<b>319.72</b>	-
<b>Profit / (Loss) before tax</b>		<b>(672.87)</b>	4,649.92
Tax Expense	39		
(a) Current tax		-	999.45
(b) Relating to previous years		<b>20.45</b>	22.48
(c) Deferred tax		<b>(206.07)</b>	(2,622.66)
<b>Total Tax Expense</b>		<b>(185.62)</b>	(1,600.73)
<b>Profit / (Loss) for the year</b>		<b>(487.25)</b>	6,250.65
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plan		<b>(53.22)</b>	(1.53)
(b) Effect of measuring Equity Instruments on Fair Value		<b>(82.31)</b>	(4.61)
(c) Income tax on (a) & (b)		<b>18.60</b>	0.53
<b>Total Other Comprehensive Income for the year (net of tax)</b>		<b>(116.93)</b>	(5.61)
<b>Total Comprehensive Income for the year</b>		<b>(604.18)</b>	6,245.04
<b>Earnings per Equity Share of Face Value of ₹ 10 each :</b>			
(a) Basic (₹ per share)	43	<b>(0.70)</b>	9.03
(b) Diluted (₹ per share)	43	<b>(0.70)</b>	9.03
<b>Significant Accounting Policies and Notes are an integral part of the Financial Statements</b> 1 to 44			

As per our report of even date attached

For **MANUBHAI & SHAH LLP**  
Chartered Accountants  
Firm Registration No. 106041W / W100136

**K C Patel**  
Partner  
Membership No. 30083  
Mumbai, Dated May 25, 2019

**For and on Behalf of the Board of Directors**

M. N. Mehta Chairman  
Jay M. Mehta Executive Vice-Chairman  
M. N. Rao Director  
M. S. Gilotra Managing Director  
Rakesh Mehta Chief Financial Officer  
Sonali Sanas Sr. Vice President (Legal) & Company Secretary

Mumbai, Dated May 25, 2019

Appendix 5 Standalone Statement of Financial Position of March 31, 2020, and March 31, 2019



62<sup>nd</sup> Annual Report 2019-20

**BALANCE SHEET AS AT MARCH 31, 2020**

	Note No.	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	34,790.80	34,847.20
(b) Capital Work-in-Progress	2	3,793.78	3,701.99
(c) Right of Use Assets	2	285.70	-
(d) Other Intangible Assets	2	13.78	12.83
(e) Financial Assets			
(i) Investments	3	353.45	531.79
(ii) Loans	4	258.45	281.93
(iii) Other Financial Assets	5	51.66	105.00
(f) Deferred Tax Assets (Net)	18	-	188.43
(g) Other Non-Current Assets	6	2,423.02	2,010.83
<b>SUB-TOTAL</b>		<b>41,970.64</b>	<b>41,680.00</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	7	9,965.73	7,841.51
(b) Financial Assets			
(i) Trade Receivables	8	3,435.17	1,580.27
(ii) Cash and Cash Equivalents	9	826.87	743.37
(iii) Bank Balances other than (ii) above	10	9,408.82	7,303.88
(iv) Loans	11	7.75	11.74
(v) Other Financial Assets	12	215.19	199.27
(c) Other Current Assets	13	661.23	439.42
<b>SUB-TOTAL</b>		<b>24,520.76</b>	<b>18,119.46</b>
<b>TOTAL ASSETS</b>		<b>66,491.40</b>	<b>59,799.46</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	6,952.15	6,934.04
(b) Other Equity	15	38,259.76	34,004.09
<b>SUB-TOTAL</b>		<b>45,211.91</b>	<b>40,938.13</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	620.29	401.75
(ii) Lease Liabilities	34	162.45	-
(b) Provisions	17	1,286.62	1,240.06
(c) Deferred Tax Liabilities (Net)	18	503.81	-
<b>SUB-TOTAL</b>		<b>2,573.17</b>	<b>1,641.81</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	1,833.47	2,597.02
(ii) Trade Payables	20		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		59.46	93.68
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		5,399.46	6,249.13
(iii) Lease Liabilities	34	131.05	-
(iv) Other Financial Liabilities	21	4,019.45	1,971.83
(b) Other current liabilities	22	6,954.87	6,019.47
(c) Provisions	23	308.56	288.39
<b>SUB-TOTAL</b>		<b>18,706.32</b>	<b>17,219.52</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>66,491.40</b>	<b>59,799.46</b>

Significant Accounting Policies and Notes are an integral part of the Financial Statements

1 to 45

As per our Report of even date attached

For MANUBHAI & SHAH LLP  
Chartered Accountants  
Firm Registration No. 106041W / W100136

Kaushik C Patel  
Partner  
Membership No. 30083  
Ahmedabad, Dated May 18, 2020

For and on Behalf of the Board of Directors

Jay M. Mehta Executive Vice-Chairman  
M. N. Rao Director  
M. S. Gilotra Managing Director  
Rakesh Mehta Chief Financial Officer  
Sonali Sanas Sr. Vice President (Legal) & Company Secretary

Mumbai, Dated May 18, 2020

Appendix 6 Standalone Statement of Income of March 31, 2020, and March 31, 2019

Statutory Reports      Standalone Financial Statements

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**

	Note No.	For the Year ended March 31, 2020 ₹ in lakhs	For the Year ended March 31, 2019 ₹ in lakhs
Revenue from Operations	24	60,818.36	62,170.03
Other Income	25	840.94	833.06
<b>Total Income</b>		<b><u>61,659.30</u></b>	<b><u>63,003.09</u></b>
<b>Expenses</b>			
(a) Cost of Materials Consumed	26	6,107.28	9,342.43
(b) Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	(1,138.83)	(292.68)
(c) Employee Benefits Expense	28	4,524.83	4,939.83
(d) Finance Costs	29	447.51	474.33
(e) Depreciation and Amortisation Expenses	2	1,968.23	1,833.54
(f) Other Expenses	30	40,405.97	47,698.23
<b>Total Expenses</b>		<b><u>52,314.99</u></b>	<b><u>63,995.68</u></b>
<b>Profit / (Loss) before Exceptional Items and tax</b>		<b>9,344.31</b>	<b>(992.59)</b>
Exceptional Items	31	(1,600.00)	319.72
<b>Profit / (Loss) before tax</b>		<b>7,744.31</b>	<b>(672.87)</b>
Tax Expense	39		
(a) Current tax		1,357.81	-
(b) Relating to previous years		4.92	20.45
(c) Deferred tax		720.60	(206.07)
<b>Total Tax Expense</b>		<b><u>2,083.33</u></b>	<b><u>(185.62)</u></b>
<b>Profit / (Loss) for the year</b>		<b><u>5,660.98</u></b>	<b><u>(487.25)</u></b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plan		(81.18)	(53.22)
(b) Effect of measuring Equity Instruments on Fair Value		(178.33)	(82.31)
(c) Income tax on (a) & (b)		28.37	18.60
<b>Total Other Comprehensive Income for the year (net of tax)</b>		<b><u>(231.14)</u></b>	<b><u>(116.93)</u></b>
<b>Total Comprehensive Income for the year</b>		<b><u>5,429.84</u></b>	<b><u>(604.18)</u></b>
<b>Earnings per Equity Share of Face Value of ₹ 10 each :</b>			
(a) Basic (₹ per share)	44	8.15	(0.70)
(b) Diluted (₹ per share)	44	8.11	(0.70)
<b>Significant Accounting Policies and Notes are an integral part of the Financial Statements</b>	<b>1 to 45</b>		

As per our Report of even date attached

For MANUBHAI & SHAH LLP  
Chartered Accountants  
Firm Registration No. 106041W / W100136  
Kaushik C Patel  
Partner  
Membership No. 30083  
Ahmedabad, Dated May 18, 2020

For and on Behalf of the Board of Directors

Jay M. Mehta      Executive Vice-Chairman  
M. N. Rao      Director  
M. S. Gilotra      Managing Director  
Rakesh Mehta      Chief Financial Officer  
Sonali Sanas      Sr. Vice President (Legal) & Company Secretary  
Mumbai, Dated May 18, 2020

Appendix 7 Standalone Statement of Financial Position of March 31, 2021 and March 31, 2020

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Saurashtra Cem Saurashtra Cement Ltd. BSE 73.40 ▼ -1.70 (-2.26%) NSE 8.05 ▲ 0.30 (3.87%) Trade + Add

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BALANCE SHEET OF SAURASHTRA CEMENT (in Rs. Cr.)	MAR 21	MAR 20	MAR 19	MAR 18	MAR 17
	12 mths	12 mths	12 mths	12 mths	12 mths
<b>EQUITIES AND LIABILITIES</b>					
<b>SHAREHOLDER'S FUNDS</b>					
Equity Share Capital	69.82	69.52	69.34	69.19	69.19
<b>TOTAL SHARE CAPITAL</b>	<b>69.82</b>	<b>69.52</b>	<b>69.34</b>	<b>69.19</b>	<b>69.19</b>
Reserves and Surplus	447.07	374.10	333.10	347.19	291.94
<b>TOTAL RESERVES AND SURPLUS</b>	<b>447.07</b>	<b>374.10</b>	<b>333.10</b>	<b>347.19</b>	<b>291.94</b>
<b>TOTAL SHAREHOLDERS FUNDS</b>	<b>524.09</b>	<b>452.07</b>	<b>409.37</b>	<b>416.39</b>	<b>361.13</b>
<b>NON-CURRENT LIABILITIES</b>					
Long Term Borrowings	4.62	6.20	4.02	2.96	2.12
Deferred Tax Liabilities [Net]	17.06	5.04	0.00	0.36	26.59
Other Long Term Liabilities	0.44	1.62	0.00	0.00	0.00
Long Term Provisions	12.83	12.87	12.40	11.60	10.97
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>34.95</b>	<b>25.73</b>	<b>16.42</b>	<b>14.92</b>	<b>39.69</b>
<b>CURRENT LIABILITIES</b>					
Short Term Borrowings	12.78	18.33	25.97	13.06	14.62
Trade Payables	36.96	54.59	63.43	52.14	50.68
Other Current Liabilities	114.62	111.05	79.91	75.60	83.36
Short Term Provisions	3.38	3.09	2.88	3.08	3.19
<b>TOTAL CURRENT LIABILITIES</b>	<b>167.75</b>	<b>187.06</b>	<b>172.20</b>	<b>143.88</b>	<b>151.85</b>
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>726.80</b>	<b>664.91</b>	<b>597.99</b>	<b>575.19</b>	<b>552.67</b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Tangible Assets	345.16	350.77	348.47	333.88	317.18
Intangible Assets	0.08	0.14	0.13	0.07	0.20
Capital Work-In-Progress	59.79	37.94	37.02	43.30	47.88
Other Assets	0.00	0.00	0.00	0.00	0.00
<b>FIXED ASSETS</b>	<b>405.79</b>	<b>388.84</b>	<b>385.62</b>	<b>377.25</b>	<b>365.27</b>
Non-Current Investments	7.60	3.53	5.32	8.93	8.93
Deferred Tax Assets [Net]	0.00	0.00	1.88	0.00	0.00
Long Term Loans And Advances	2.21	2.58	2.82	1.71	3.02
Other Non-Current Assets	24.37	24.75	21.16	13.58	13.86
<b>TOTAL NON-CURRENT ASSETS</b>	<b>439.97</b>	<b>419.71</b>	<b>416.80</b>	<b>401.47</b>	<b>391.08</b>
<b>CURRENT ASSETS</b>					

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Saurashtra Cem Saurashtra Cement Ltd. BSE 73.40 ▼ -1.70 (-2.26%) NSE 8.05 ▲ 0.30 (3.87%) Trade + Add

<b>CURRENT ASSETS</b>					
Current Investments	0.00	0.00	0.00	0.00	0.00
Inventories	55.97	99.66	78.42	56.29	58.39
Trade Receivables	29.02	34.35	15.80	18.94	14.51
Cash And Cash Equivalents	188.05	102.36	80.47	81.35	69.68
Short Term Loans And Advances	0.05	0.08	0.12	2.32	2.41
OtherCurrentAssets	13.74	8.76	6.39	14.81	16.60
<b>TOTAL CURRENT ASSETS</b>	<b>286.83</b>	<b>245.21</b>	<b>181.19</b>	<b>173.72</b>	<b>161.59</b>
<b>TOTAL ASSETS</b>					
	<b>726.80</b>	<b>664.91</b>	<b>597.99</b>	<b>575.19</b>	<b>552.67</b>
<b>OTHER ADDITIONAL INFORMATION</b>					
<b>CONTINGENT LIABILITIES, COMMITMENTS</b>					
Contingent Liabilities	37.29	59.29	33.39	34.10	35.67
<b>CIF VALUE OF IMPORTS</b>					
Raw Materials	0.00	0.00	0.00	0.00	0.00
Stores, Spares And Loose Tools	0.00	0.00	0.00	0.00	0.00
Trade/Other Goods	0.00	0.00	0.00	0.00	0.00
Capital Goods	0.00	0.00	0.00	0.00	0.00
<b>EXPENDITURE IN FOREIGN EXCHANGE</b>					
Expenditure In Foreign Currency	90.64	97.49	103.54	56.81	56.70
<b>REMITTANCES IN FOREIGN CURRENCIES FOR DIVIDENDS</b>					
Dividend Remittance In Foreign Currency	--	--	--	--	--
<b>EARNINGS IN FOREIGN EXCHANGE</b>					
FOB Value Of Goods	--	--	--	--	--
Other Earnings	5.43	18.91	28.44	6.57	27.52
<b>BONUS DETAILS</b>					
Bonus Equity Share Capital	3.00	3.00	3.00	3.00	3.00
<b>NON-CURRENT INVESTMENTS</b>					
Non-Current Investments Quoted Market Value	7.59	3.52	5.31	0.00	0.00
Non-Current Investments Unquoted Book Value	0.01	0.01	0.01	8.93	8.93
<b>CURRENT INVESTMENTS</b>					
Current Investments Quoted Market Value	--	--	--	--	--
Current Investments Unquoted Book Value	--	--	--	--	--

Source : Dion Global Solutions Limited

**RESULTS OF SAURASHTRA CEM**

**RESULTS OF CEMENT - MAJOR SECTOR**

News Results Estimates Analysis

News Results Estimates Analysis

12.08.2021



16.04.2017



## Appendix 8 Standalone Statement of Income of March 31, 2021, and March 31, 2020

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Saurashtra Cem Saurashtra Cement Ltd. BSE 73.40 ▼ -1.70 (-2.26%) NSE 8.05 ▲ 0.30 (3.87%) Trade + Add

Saurashtra Cement is not traded on NSE in the last 30 days

### FINANCIALS

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PROFIT & LOSS ACCOUNT OF SAURASHTRA CEMENT (in Rs. Cr.)	MAR 21	MAR 20	MAR 19	MAR 18	MAR 17
	12 mths	12 mths	12 mths	12 mths	12 mths
<b>INCOME</b>					
REVENUE FROM OPERATIONS [GROSS]	668.91	602.24	611.87	586.05	522.78
Less: Excise/Service Tax/Other Levies	0.00	0.00	0.00	18.36	60.69
REVENUE FROM OPERATIONS [NET]	668.91	602.24	611.87	567.70	462.08
TOTAL OPERATING REVENUES	673.71	608.18	621.19	573.65	470.19
Other Income	12.30	8.41	8.84	17.68	10.78
TOTAL REVENUE	686.01	616.59	630.03	591.33	480.97
<b>EXPENSES</b>					
Cost Of Materials Consumed	77.36	61.07	62.85	48.22	35.74
Operating And Direct Expenses	0.00	0.00	0.00	0.00	0.00
Changes In Inventories Of FG,WIP And Stock-In Trade	15.70	-11.39	-2.93	-1.25	2.12
Employee Benefit Expenses	45.29	45.25	49.40	41.50	39.10
Finance Costs	4.37	4.48	4.74	3.42	3.65
Depreciation And Amortisation Expenses	20.04	19.68	18.34	17.74	15.36
Other Expenses	420.69	404.06	507.56	435.18	361.72
TOTAL EXPENSES	583.45	523.15	639.96	544.81	459.72
PROFIT/LOSS BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX	102.56	93.44	-9.93	46.52	21.25
Exceptional Items	0.00	-16.00	3.20	0.00	0.00
PROFIT/LOSS BEFORE TAX	102.56	77.44	-6.73	46.52	21.25
<b>TAX EXPENSES-CONTINUED OPERATIONS</b>					
Current Tax	28.98	13.58	0.00	10.22	3.44
Less: MAT Credit Entitlement	0.00	0.00	0.00	0.00	0.00
Deferred Tax	1.18	7.21	-2.06	-26.23	3.77
Tax For Earlier Years	0.02	0.05	0.20	0.00	0.00
TOTAL TAX EXPENSES	30.18	20.83	-1.86	-16.01	7.22
PROFIT/LOSS AFTER TAX AND BEFORE EXTRAORDINARY ITEMS	72.38	56.61	-4.87	62.53	14.03
PROFIT/LOSS FROM CONTINUING OPERATIONS	72.38	56.61	-4.87	62.53	14.03
PROFIT/LOSS FOR THE PERIOD	72.38	56.61	-4.87	62.53	14.03
OTHER ADDITIONAL INFORMATION					

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## List of Abbreviations

SCL-Saurashtra Cement Limited

ICAI- Institute of Chartered Accountants of India  
ASB- Accounting Standards Board

Ind-AS- Indian Accounting Standard

FDI- Foreign Direct Investment

MT- Million tonnes

MTPA-Million tonnes per annum

EBITDA-Earnings before interest and tax

ACC-Associated Cement Company

DPIIT-Department of industrial development and internal trade

ROI-Return on Investment

PPC-Portland Pozzolana Cement

OPC-Ordinary Portland Cement

SRPC-Sulphate Resisting Portland Cement

HDPE-High Density Polyethylene

PP-Per Procurationem

IMS-Integrated Management System