

Fundamental Analysis for Paints and Varnish Industry in India using Bottom-up Approach

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Abstract This research Bottom-up (Company Analysis, Industry Analysis, and finally the Economy) approach has been adopted. The paint industry is directly proportional to the growth of the country as its use in manufacturing, buildings, and development of infrastructure.

This analysis is carried out based on secondary data that is available online. The data collected from the reports published by Companies, Website of Companies, and Website of NSE, for the past three financial years (March 2020 to March 2018) period of all the Companies.

The three companies are good potential candidates for a bottom-up approach because of their market cap. Once a candidate such as one of these three companies is identified as a "good" company, an investor conducts a deep dive into its management, and the organizational structure, financial statements, marketing efforts, and the price per share. This would include calculating financial ratios for the company, analyzing how those figures have changed over time, and project future growth.

Next, the analysis takes a step up from the individual firm and would compare with that of its competitors and then the industry. Doing so can show if any of these companies stand apart from their peers or if it shows anomalies that others do not have. The next step up is to compare an individual company with a larger scope of paint companies on a relative basis. Finally, the macroeconomic data will be included for decision making, looking at trends in unemployment, inflation rate, interest rates, GDP growth rate, and so on.

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Keywords — Company Analysis, Industry Analysis, Financial Ratios, Future Growth, Inflation Rate, Interest Rate

I. INTRODUCTION

The project is a holistic report based on the company's fundamentals and the reports that the company is mandated to submit to the investors and exchanges. The report covers the Profitability of the company, Financial aspects of the firms, Growth possibilities, Solvency, Operating Efficiency, and Valuations of the firm based on Ratio Analysis.

The report does not cover the management's commentary and past performance before the years taken into consideration. The report is solely based on the past fouryearly reports released by the companies.

The analysis is based on quantitative parameters, industry conditions & financial performance. It is studying the historical and present data to forecast future financial, business performance of the Companies. The stock evaluation helps to estimate if the security will perform good or bad. It helps in deciding on buying the stocks which are underpriced and selling the overpriced stock. There are mainly two approaches for the fundamental analysis, they are:

a) Top-Down Approach (EIC): It includes Economic, Industry, and Company Analysis.

b) Bottom-up Approach (CIE): It includes Company, Industry, and Economic Analysis.

For this Research, I am following the Bottom-up Approach. It includes first the study of the company which consists of the analysis of the performance of the company. Secondly, the study of the industry in which the companies are operating and lastly the overall economy. [1][2]



Figure 1: Analysis Pyramid

II. INDUSTRY PROFILE

Shalimar Paints started in 1902 in Kolkata pioneering the paint industry in India and from there on India has had small Indian producers with two foreign companies to compete for the market share. From then the market has evolved exponentially both in terms of market size and range of products.

The domestic paint industry has been estimated to become a ₹ 500 billion industry with industrial needs providing for 1/4th the contribution and 3/4th being contributed by decorative paint industry.

The decorative paint market includes multiple categories based on the surface:

- Exterior wall paints
- Interior wall paints
- Wood finishes (Varnish)
- Enamels
- Ancillary products like Primers, Putties, etc.

Industrial paint industry which contributes to 1/4th the revenue of the industry comes from automotive coatings, marine coatings, packaging coatings, powder coatings, protective coatings, and other general industrial coatings. The paints sector is raw material intensive, with over 600 raw materials and ½ of it are Crude-based derivatives which are needed in the manufacturing process. Since most of the raw materials are petroleum-based, the industry benefits from decreased crude prices.

The Manufacturing sector has the potential to reach US\$ 1 trillion by 2025 in India; India is expected to rank amongst the top three growing economies of the world and was set to become the manufacturing destinations of the world by 2020. The Supply exceeds demand in both the decorative as well as the industrial paint segments. The industry is fragmented. Whereas the Demand for decorative paints depends on the housing sector and good monsoons. Demand for the Industrial variant of paint arises for Auto sector,

heavy engineering products, and consumer durables. Both of which are eventually based on the growing economy.

Few aspects such as distribution network, working capital efficiency and technology used to reduce costs. Increase in Price in the unorganized sector for the decorative segment does make/break the demand due to multiple options available. The Bargaining power of customers is quite high due to the availability of a wide array of choices. For a sophisticated consumer of the industrial paints there are limits to their bargaining power with the suppliers. Therefore, margins are better in the decorative segment. In both categories, organized sector firms will focus on brand building. Increasing the price must corelate directly to the product quality due to the competitive nature of the industry.

The first half of FY2018-19 was impacted by the supply chain disturbances due to the new GST rate reduction from 28% to 18% which led to distribution channel reducing the existing stock. The September-October period which was the festive period in India helped the paint Industry to come back to its feet. The rising crude prices and depreciating currency value ruined the odds of the paint industry making massive profits that it was used to and so it experienced significant raw material price inflation during the year which eventually led to a few rounds of price increases by the industry players.

In a strong competitive market, industry players are using different strategies to tap the growing demand in the market to gain a larger share. The new shift that is visible where there is a gradual shift in the preferences of people who were using the traditional whitewash to now using the highquality paints like emulsions and enamel paints, which is helping the industry to earn more. The last quarter of FY2019-20 was impacted by a coronavirus (COVID-19) which decreased the demand. The COVID-19 also caused the price of the raw materials to go down drastically but the currency kept depreciating while there were huge transportation and logistics issues due to which the industry could not take massive advantage of the Negative Crude Prices.

The demand of the Paints might also hurt companies for the next 2-3 Quarters of the FY2020-2021 as per the commentary of the CXOs of these respective companies as people are trying to save up than spend cash on revamping.

III. RESEARCH METHODOLOGY USED

The Research uses secondary data that is available online and uses financial ratios to understand of the companies. These ratios are formed using the standard formulas available. The companies are compared based the ratios that are chosen against their competitors and expected theoretical values.



The research uses ratios such as:

- Current Ratio
- Quick Ratio
- Debt to Equity Ratio
- Interest Coverage Ratio
- Return on Capital Employed
- Net Profit Margin
- Asset Turnover Ratio
- Earnings per Share
- Cash Conversion Cycle

All the above ratios must be better or around the theorical assumed values; the academically derived values have a deeper meaning and reason why they should be what they are.

These ratios mainly are chosen considering the Going Concern principle of Accounting and assumes that an investor is inclined to invest once and consider looking out for other firms to invest in while this grow. The investment methodology used his is called "Coffee can Investing". Research based on these ratios can be applied to any sector and can be frequently used to evaluate investments for 5-10year term.

The main agenda of this method and these ratios for predicting the security for investing is to ensure that the company is trying to grow in a healthy and organic way which over time will help the investor to grow his/her money invariably.

When evaluating a company's financial results or comparing so many firms, it is easy to become so interested in measuring a wide range of financial factors that it forgets the original purpose. Why do we watch the financial reports? What is it we want to know?

Let us return to key questions:

- Is the business profitable?
- Can the business pay its bills?
- How is the business financed?
- How does this year compare to last year?
- How does our performance compare to our competitors?
- How does the business compare to the industry norms?

These key questions show a company's financial stability relies on a balance of profitability, short-term liquidity and long-term liquidity. Historically there has been a stronger focus on sustainability. After the recession 's problems in liquidity in the late 1980s, both in the short and long term, it has grown in value. Companies that are profitable, but have weak short-term or long-term liquidity strategies, do not withstand trade cycle troughs. When trade becomes difficult in a recession these firms are facing financial problems and struggling or could be taken over. By comparison, firms that are not sustainable but cash-rich do not thrive in the long run either. These businesses are taken over for their cash flow or by those who think they can make the company more profitable. Thus, those firms who prosper and thrive in the long run have a well-rounded financial profile and do well in all areas of financial performance.

It is necessary to identify the major differences in results when evaluating each component of financial success, either as opposed to last year or when opposed with a rival. Highlighting recent improvements helps you to concentrate on important developments or big causes that may have substantial consequences for the company.

Finally, consider financial results in the sense of the corporate, political, and economic climate in which the company works.

IV. LITERATURE REVIEW

Baresa, Suzana, Sinisa Bogdan, and Zoran Ivanovic concluded that the basic analysis and historical data are the basis for predicting the future prices of a specific task. It decides the potential prices by evaluating the market, reviewing the company's financial statements, and even allowing review of the business. They also claimed that in the future, the fundamental analysis did not include any promise of benefit, but it measured the possible risk before anv decisions were made. They analyzed the fundamentals of the firms and based on the historical data available tried to predict the future price of the stock of the company. But failed to consider key aspects market movement that could change the momentum of the price. [3]

Mr. Suresh A.S. has found the investment to be either in Physical Asset or in Financial Asset. Both types of investments relate to Risk and Return. Safety & liquidity is also considered. The high-income citizen has a high-risk ability to bear and vice versa. Speculation is different from investment, as we can predict future risks and returns while investing. Equally relevant for decision making is the theoretical analysis and the technical analysis. Mr. Suresh related the Risk vs Return. He assumed that investments can either be Physical Assets or Financial Assets, which is true to a great extent and so rationalized the price of the stock based on the safety metrics available and fundamentals of the firm. Some fundamentally strong companies fail because of poor R&D and rivals coming up with new technology was not assumed. [4]



A. J. Mounika Reddy, Dr. K. Sowmya, evaluated the Cement Sector 's fundamental analysis and found that the inflation rate reduced, leading in a minimum increase in raw material costs and other expenses. It is observed that chosen companies' values are higher than the inherent interest that is not gained from long-term investing, but it can be bought for short-term gains from speculation. Reduced Inflation rate may not always lead to minimum increase in raw material, the price may vary vastly based on need of the raw material. Similarly, other costs may also similarly base on the need and requirement than assumptions. [5]

B. Dyna Seng, Jason R. Hancock, had also researched the usefulness of information included in the financial statements to evaluate earnings or changes. Such data help in predicting future earnings. There is every now and then scope for abnormal returns. Earnings and returns always seem to have an association. Predictability for gain would mean predictability of return. Over time they predicted that stock price will go up. Under the assumption that earnings have an association with the price will work exceptionally well and is completely true most of the times but at times the PE multiples could go to extremes. Normal industry average versus a good company's PE multiple could vary largely. Usually the PE multiple goes down in a good bear market. But in a very good Bull market the PE multiples could be three to four time of the industry average. Over time the predicted that stock price will go up, is right. So, prediction of price based on the fundamentals is good for a longer horizon (five to ten years or more) but in a shorter term, this may not be true as bubbles can be formed. [6]

C. Dr. Kshitija Gandhi, has researched about the paint and varnish industry based on the Top-Down approach. Dr Gandhi had predicted that the Paint and Varnish industry will grow exponentially over time and as the Macros of the Economy looked favorable for growth. Over time they predicted that stock price will go up. Key [7]

Observation, none of the papers cover the essential aspects of the company or why the price of a particular stock is meant to go up. The main reasons are the Capital Employed, Interest Coverage Ratio, Cash Conversion Cycle, and Earnings per Share.

V. RATIO ANALYSIS

In the ratio analysis, detailed study has been done about the ratio from annual report of the companies, and provide the average ratio, standard deviation and coefficient of variance and provide the interpretation on the basis of the result received from the analysis The secondary data has been collected from the respective company's websites [8][9][10]

A. Liquidity ratio.

Liquidity ratio means the ability to pay the bill and loan in a timely. This analysis is important for the lender and creditor. This helps to understand the financial situation of the borrower while before granting the loan. The liquidity ratio refers to the ability to convert the assets into cash.

1. THE CURRENT RATIO shows the relationship between the current assets and current liabilities. It shows whether the company has enough resources the pay their debit or loan which are taken from the banking and other financial instituted. If the higher the ratio will say the safe the company. In the above table, we have calculated the Current ratio for selected housing Finance Companies.

| Current Ratio | | | | | |
|----------------------------------|--------|--------|--------|--------|--|
| Year's | | | | | |
| Companies Name | Mar-20 | Mar-19 | Mar-18 | Mar-17 | |
| Asian Paints Ltd. | 1.73 | 1.47 | 1.55 | 1.79 | |
| Berger Paints India Ltd. | 1.56 | 1.64 | 1.63 | 1.74 | |
| Kansai Nerolac Paints Ltd. | 2.71 | 2.44 | 2.9 | 3.37 | |



Figure 2 Current Ratio

Interpretation: Kansai Nerolac has the best Current Ratio as per the data with us. But this also suggests that the company has a very high current ratio compared to their peer group, which indicates that management may not be using their assets efficiently. So Asian Paints and Berger Paints are doing extremely well and well over the theoretical value of 1.

2. QUICK RATIO also shows that the ability to repay the short team debts with the help of assets this calculate by adding the available cash with the hand. which is generally may have a very high level of closing



stock; this ratio will help in providing more authentic repayment ability of the company against the current ratio including closing stock.

| Quick Ratio | | | | |
|----------------------------|------------|------------|------------|------------|
| | Year's | | | |
| Companies Name | Mar- 20 | Mar- 19 | Mar- 18 | Mar- 17 |
| Asian Paints Ltd. | 1.66 | 1.52 | 1.55 | 1.79 |
| Berger Paints India Ltd. | 1.56 | 1.64 | 1.63 | 1.74 |
| Kansai Nerolac Paints Ltd. | 2.71 | 2.44 | 2.9 | 3.37 |

Table 2 Quick Ratio





Interpretation: A value of 1 is called the standard quick ratio. It means the company is completely loaded with precisely enough funds to be liquidated immediately to pay off its existing liabilities. A business with a quick ratio of less than 1 will not be able to pay off its current obligations entirely in the near run, whereas a corporation with a quick ratio greater than 1 will be able to get rid of its existing liabilities immediately. In the above Table we have calculated the Quick Ratio were as the highest average is for Kansai Nerolac Paints suggesting that the company is in the best shape to pay off its obligations.

B. Solvency Ratio.

The Solvency ratio is to help the measure of whether the companies have sufficient cash to pay the companies long term or the short-term debt. The highest ratio means the company is the safest in the market and the lowest the solvency means the company has the probability that will make the default on its debt. It measures the cash flow capacity to relate to the liability of the company. By this ratio, we can understand the company's health by evaluating its repayment ability to its loan term debt, interest on the debt.

3. DEBIT TO EQUITY is calculated by total debt divided by the total equity shareholder. It shows the capacity of the company to raise more debt. In the case of the company having a higher debt comparative to the shareholder fund, the individual will not invest the money in the company. It is also if the company having higher debt will not good for the long run of the company. Even though the company debt is low that also not good for the company. The company needs to maintain the balance between the shareholder and debt fund. If the higher the ratio the risk to invest the money if the ratio is low means the company having relatively good to invest.

| Debt to Equity | | | | |
|-------------------------------|--------|--------|--------|--------|
| Companies Name | Mar-20 | | | |
| Asian Paints Ltd. | 0.04 | Mar-19 | Mar-18 | Mar-17 |
| Berger Paints India Ltd. | 0.1 | 0.07 | 0.06 | 0.07 |
| Kansai Nerolac Paints Ltd. | 0.05 | 0.21 | 0.19 | 0.21 |

Table 3 Debt to Equity Ratio



Figure 4 Debt To Equity Ratio

Interpretation: This shows that Asian Paints has the least amount of Debt which is an amazing thing as its liabilities are considerably lower and so will be able to withstand a few bad quarters. But this also shows that Asian Paints has not leverages enough in order to grow which might be bad as its competitors are trying to grow rapidly and catch up. In general, the debt can grow or go down also based on the amount the company has surplus which it can tap to grow.

4. INTEREST COVERAGE RATIOS in the above ratio the company's ability to pay the interest amount form their income earn. It shows that the company is how much time paid the interest to the debt holder. Companies need to earn more to pay the interest. In this ratio 1.5 is the idol situation to pay the interest to debt holder if the ratio is below the 1.5 ratios mean the investor needs to understand or think twice to invest the money.



| Intrest Coverage Ratio | | | | | |
|------------------------|--------|--------|---------|--------|--|
| | Mar-20 | Mar-19 | Mar-18 | Mar-17 | |
| Asian Paints | 34.16 | 30.55 | 75.59 | 79.08 | |
| Berger Paints | 22.43 | 24.86 | 29.68 | 43.73 | |
| Kansai Nerolac | 32.9 | 70.89 | 117.557 | | |

Table 4 Interest Coverage Ratio.



Figure 5 Interest Coverage Ratio.

Interpretation: The ability for Asian Paints to pay back

| Net Profit Margin | | ę | | |
|-------------------------------|--------|--------|--------|--------|
| | Year's | | | Y |
| Companies Name | Mar-20 | Mar-19 | Mar-18 | Mar-17 |
| Asian Paints Ltd. | 13.24 | 11.07 | 11.95 | 12.56 |
| Berger Paints India Ltd. | 10.24 | 8.14 | 8.83 | 10.06 |
| Kansai Nerolac Paints Ltd. | 9.72 | 8.16 | 10.86 | 12.29 |

Interest on Debt taken is considerably better so it makes more sense to invest in it. This coupled with the Debt to Equity Ratio allow us to understand the leverage the company has incurred to grow. It also shows that in all the three firms are around the same level so it should not be a big factor to judge these firms based on this. This ratio helps to understand if the firm can pay back the addition capital that it may want to raise via taking loans, a low Interest Coverage Ratio doesn't permit this to happen. The higher the ratio, the more it is permitted to take.

C. Profitability ratio

The profitability ratio helps to understand whether the company will generate enough sales related to the expenses for a specific period. Profit Is the left after deducting expenses from the revenue done by the firm.

1) **RETURN ON CAPITAL EMPLOYED:** It helps to understand that how effectively the company has used its capital fund to their production and earns the profit from that business. From the above ratio, we can understand that the company is good enough to invest the money. In this the higher the ratio means the more efficient use the company with the capital. If the ratio is relatively low, it means the company having not employed the capital and not generating the value to share value.

| ROCE(Growth %) | | | | | |
|-----------------|--------|--------|--------|--------|--|
| | Mar-20 | Mar-19 | Mar-18 | Mar-17 | |
| Asian Paints | 35.83 | 35.44 | 36.65 | 39.33 | |
| Berger Paints | | 28.66 | 29.59 | 33.58 | |
| Kansai Nerolac | 18.43 | 21.12 | 26.21 | 28.35 | |



Figure 6 Return on Capital Employed (Percentage)

Interpretation: Ultimately, ROCE of a firm shows you how much benefit a business earns per $\gtrless 1$ of labor employees. Obviously, the greater the more benefit a business can make per $\gtrless 1$. Therefore, a higher ROCE represents greater performance through similarities between the firms. Asian Paints proves here why it is practically doubling every 3-4 years. Asian Paints here is investing back a huge sum of money back into the firm.

5. NET PROFIT MARGIN is calculating how much percentage of earning is balanced after deducting all operating expenses and non-operating expenses in each period time.

Table 6 Net Profit Margin.



Figure 7 Net Profit Margin.

Interpretation: The Margins are greater and better for Asian Paints. This means that Asian Paints will make much more than its competitors if the sales per liter or per pint remains the same. This helps Asian Paints compound their profits over long term. The only way to increase the margins is usually by cutting costs or increasing price but in a highly price sensitive country like India, increasing price may not be the right option.



So all of the players might want to consider cutting costs.

D. Turnover ratio

Turnover ratio means the investment objective and the portfolio manger's investing style.

5. ASSET TURNOVER RATIO: The asset turnover ratio measures the value of a Company's sales or revenue relative to the value of its assets. This helps to understand how efficiently the company is using the assets to generate revenue. An investor uses the assets turnover ratio to compare select companies from the sector. The asset turnover ratio tends to be higher for companies in certain sectors than in others.

| Asset Turnover Ratio | | | | |
|----------------------------|--------|--------|--------|--------|
| | Year's | | | |
| Companies Name | Mar-20 | Mar-19 | Mar-18 | Mar-17 |
| Asian Paints Ltd. | 1.44 | 1.48 | 1.53 | 1.68 |
| Berger Paints India Ltd. | 1.38 | 1.16 | 1.18 | 1.46 |
| Kansai Nerolac Paints Ltd. | 1.25 | 1.38 | 1.36 | 1.45 |





Figure 8 Asset Turnover Ratio.

Interpretation: Investors and analysts are most interested in evaluating how easily a business transforms its fixed assets or existing assets into revenues. In these situations, the analyst can use measures to measure the utility of these asset types, such as the fixed-asset turnover ratio or the working capital ratio. The working capital ratio calculates how effectively a business uses its working capital funding to produce profits or income. Asian Paints was the best till last year, but Burger has taken over as of now.

E. Earnings Ratio.

Earnings Ratio The total Amount is of profit is earned after deducting all the expenses paying all the loan interest and paying all the short term borrowing the balance amount Know as the earnings ratio. The individual will go through the entire earnings ratio before investing the money in the companies. Investor's main concern is to earn profit from the company that having highest the earning people will move to that stock or company. **EARNINGS PER SHARE(EPS):** In the EPS the Company whose Total Net Income divided by the total number of outstanding shares used by the investor to measure the company's performance. In the sector the companies whose EPS is higher those companies provide a higher profit. A high P/E ratio could mean that a company's stock is overvalued, or else that investors are expecting high growth rates in the future.

| Earnings Per Share(%) | | | | |
|-----------------------|--------|--------|--------|--------|
| | Mar-20 | Mar-19 | Mar-18 | Mar-17 |
| Asian Paints | 25.45 | 5.91 | 5.13 | 11.13 |
| Berger Paints | 35.96 | 8.02 | -2.71 | 27.81 |
| Kansai Nerolac | 15.08 | -11.99 | 1.09 | -43.52 |

Table 8 Earnings per Share.



Figure 9 Earnings per Share.

Interpretation: It can be useful to compare the P / E ratio within an industry group, though in unexpected ways. Although it seems like a stock that can be "overvalued" through relation to its EPS compared to peers, the opposite tends to be the rule. Whether it is expected to grow or outperform its peers, investors are willing to pay more for a stock, regardless of its historic EPS. In a bull market it is normal for stocks with the highest PE ratios in a stock index to exceed the other stocks in the index average. As Asian Paint reinvests a huge amount back into itself, the EPS is low and ergo Kansai Nerolac has a better EPS.

F. Operating Efficiency

The Cash Conversion cycle for any business must be as low as possible, this shows that the company is capable of get the cash back that they have invested.

| Cash Conversion Cycle | | | | | |
|-----------------------|--------|--------|--------|--------|--|
| | Mar-20 | Mar-19 | Mar-18 | Mar-17 | |
| Asian Paints | 29.52 | 25.08 | 20.18 | 16.11 | |
| Berger Paints | | 49.19 | 48.48 | 44.7 | |
| Kansai Nerolac | 59.31 | 49.7 | 37.64 | 26.22 | |

Table 9 Cash Conversion Cycle.





Figure 10 Cash Conversion Cycle.

Interpretation: If too much inventory builds up, cash is tied to goods that cannot be sold – that's not good news for the firm. Management might have to slash prices, possibly selling its product at a loss, to move this inventory out quickly. If CCC is poorly handled it means the company is having trouble collecting payment from customers. This is because CCC is essentially a loan to the customer, so when the customers delay payment, the company loses out. The longer a firm must wait to be paid, the longer that money is unavailable elsewhere for investment. The company, on the other hand, benefits by slowing down CCC's payment to its suppliers, as this allows it to use the money longer. So, Kansai Nerolac is doing extremely well in terms of CCC.

VI. CONCLUSION

Investing into companies based on their fundamentals is not for everyone as the volatility of the market's day to day movement or year on year movement may not be worth the risk at times. But having this in the back of the mind, my conclusion are as follows:

Having a high ROCE for a well-established company allows a company to grow rapidly. It helps the firm spend more on its R&D and key areas that it should improve on. When the firm has a clear pathway on where it wants to grow in, the direction and cash helps the firm to achieve those targets faster and will be able to overtake its competitors over time. This also starts a chain of reactions that help the company compound its revenue over time.

A low Cash Conversion Cycle ensures that the investment is being churned into profits quicker. This is key for any business. Faster moving products help the company understand the market requirements and also the consumer behavior over time. With this the company can provide better service to ensure that they consistently keep selling their products hence also helping in the domino's effect that helps the revenue to compound over time.

Overall, the key ratios taken into consideration helps us understand Asian Paints is a wise investment when considering investing in the Paint and Varnish Industry. Asian Paints clearly stands out among its competitors.

Paint industry has the potential to grow rapidly in the coming years as the economy will have a recovery phase and as expressed earlier, paints are used everywhere.

Paints being so versatile and widely used should be a sector a retail investor and an institutional investor should consider investing in due to its nature.

Asian Paints having lesser Debt to Equity and excellent Cash Flows helps us to understand that its Interest Coverage Ratio is also excellent allowing it to cover its liabilities and also the help it grow much more using leverage that will be needed. Also, Asian Paints has been very consistent with its performance, which is seen in the total revenue that the firm earns per year. Which is twice more that both its competitors combined.

In the recession mode when the firms can't generate much income then it is also in a position to handle the stress. In normal conditions the firm can give massive discounts and change the game which clearly the competitors can't afford to do.

Asian Paints when considered in a holistic way, sounds like a very good investment based on its Cash Flows, Lower Debt To Equity Ratio, Cash Conversion Cycle, High ROCE and will fare much better in an Acid Test.

| 11.1 Asian Paints Balance Sheet and Breakdown | | | | | |
|---|-----------|-----------|-----------|-----------|--|
| | Mar-20 | Mar-19 | Mar-18 | Mar-17 | |
| Income Statement (₹ Cr) | | | | | |
| Operating Revenue | 20,263.45 | 19,349.84 | 16,887.19 | 15,396.56 | |
| Other Income | 304.31 | 233.04 | 288.09 | 262.43 | |
| Total Income | 20,567.76 | 19,582.88 | 17,175.28 | 15,658.99 | |
| Total Expenditure | 16,099.55 | 15,586.38 | 13,680.06 | 12,372.25 | |
| Increase/Decrease in Stock | -239.15 | -284.94 | 161.34 | -422.41 | |
| Raw Material Consumed | 9,981.99 | 9,941.41 | 8,128.17 | 7,452.60 | |
| Power & Fuel Cost | 114.93 | 119.63 | 110.3 | 106.02 | |
| Employee Cost | 1,366.09 | 1,236.83 | 1,115.48 | 1,033.62 | |
| Other Manufacturing Expenses | 1,946.12 | 1,895.34 | 1,691.68 | 1,662.75 | |
| General and Administration Expenses | 502.92 | 431.58 | 618.54 | 611.57 | |
| Selling and Distribution Expenses | 2,125.41 | 1,941.15 | 1,642.79 | 1,531.70 | |
| Miscellaneous Expenses | 301.24 | 305.38 | 211.76 | 396.4 | |

APPENDIX



| Operating Profit | 4 468 21 | 3 996 50 | 3 495 22 | 3 286 74 |
|---------------------------------------|--------------------|---|---------------|-----------|
| Interest | 107.95 | 110.47 | 41.47 | 37.33 |
| PBDT | 4,360.26 | 3,886.03 | 3,453.75 | 3,249.41 |
| Depreciation | 780.5 | 622.14 | 360.47 | 334.79 |
| PBT & Exceptional Items | 3,579.76 | 3,263.89 | 3,093.28 | 2,914.62 |
| Exceptional Items | | | | |
| Profit before Tax | 3,579.76 | 3,263.89 | 3,093.28 | 2,914.62 |
| Provision for Tax Profit after Tax | 2 723 45 | 1,096.58 | 1,041.55 | 947.98 |
| Minority Interest | -69.02 | -52.12 | -58 59 | -76.82 |
| Share of Associate | 50.74 | 40.73 | 45.79 | 49.61 |
| Consolidated Profit | 2,705.17 | 2,155.92 | 2,038.93 | 1,939.43 |
| | | | | |
| Liabilities (R Cr) | | | | |
| Shareholder's Funds | 10,130.16 | 9,470.55 | 8,410.23 | 7,603.89 |
| Share Capital | 95.92 | 95.92 | 95.92 | 95.92 |
| Minority Interest | 403 53 | 361.25 | 327.65 | 375.45 |
| Non-Current Liabilities | 1.223.90 | 1,236.95 | 574.53 | 540.98 |
| Long-Term Borrowings | 18.63 | 19.07 | 28.33 | 41.07 |
| Deferred Tax/Payment Liabilities | 427 | 514.01 | 397.52 | 343.03 |
| Other Long Term Liabilities | 597.52 | 548.28 | 8.56 | 10.85 |
| Long Term Provisions | 180.75 | 155.59 | 140.12 | 146.03 |
| Current Liabilities | 4,380.38 | 5,180.09 | 4,451.07 | 3,884.87 |
| Trade Pavables | 321.48 2 126 57 | 290.23 | 492.42 | 504.43 |
| Other Current Liabilities | 2,130.37 | 1,966,58 | 2,139.90 | 1,922.03 |
| Short Term Provisions | 242.51 | 222.69 | 152.07 | 190.68 |
| Total Liabilities | 16,137.97 | 16,248.84 | 13,763.48 | 12,405.19 |
| | | | | |
| Assets (R Cr) | 100 | ~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~ | | |
| Non-Current Assets | 8,557.86 | 8,621.89 | 6,849.40 | 5,439.51 |
| Fixed Assets | 6,272.31 | 6,496.56 | 3,732.24 | 3,303.74 |
| Von Current Investments | 140.24 | 209.67 | 1,405.11 | 257.54 |
| Long Term Loans & Advances | 622.83 | 515.44 | 563.56 | 364.73 |
| Other Non Current Assets | 16.11 | 6.17 | 64.46 | 212.85 |
| Current Assets | 7,580.11 | 7,626.95 | 6,914.08 | 6,965.68 |
| Inventories | 3,389.81 | 3,149.86 | 2,658.31 | 2,626.94 |
| Currents Investments | 512.48 | 1,174.53 | 1,056.67 | 1,351.34 |
| Cash and Bank | 782.83 | 444.88 | 404.65 | 801.21 |
| Trade Receivables | 1,795.22 | 1,907.33 | 1,/30.63 | 1,446.60 |
| Other Current Assets | 337.47 | 379.20 | 456.75 | 551.43 |
| Total Assets | 16 137 97 | 16 248 84 | 13,763,48 | 12,405,19 |
| Total Debt* | 354.69 | 626.59 | 533.43 | 560.34 |
| Net Current Assets | 3,199.73 | 2,446.86 | 2,463.01 | 3,080.81 |
| Contingent Liabilities | 322.06 | 230.83 | 247.53 | 282.48 |
| | | | | |
| Cashflow (R Cr) | 2 (21 00 | 2 4 60 5 4 | 0 110 44 | 1 507 22 |
| Cash From Operating Activities | 2,631.89 | 2,469.54 | 2,113.44 | 1,527.33 |
| Adjustment | 5,020.20 751 48 | 556.63 | 134.76 | 91 31 |
| Changes In working Capital | -737.1 | -409.71 | -79.65 | -602.81 |
| Tax Paid | -1,010.75 | -982 | -1,080.74 | -925.4 |
| Cash Flow from Investing Activities | -521.42 | -944.49 | -1,599.28 | -656.1 |
| Cash from Financing Activities | -2,465.20 | -1,117.46 | -1,379.14 | -756.43 |
| Net Cash Inflow / Outflow | -354.73 | 407.59 | -864.98 | 114.8 |
| Patios | | | | |
| Financials | | | | |
| Adjusted EPS (Rs) | 28.2 | 22.48 | 21.26 | 20.22 |
| Cash EPS (Rs) | 36.53 | 29.08 | 25.15 | 23.99 |
| Adjusted Book Value (Rs) | 105.61 | 98.73 | <u>87.</u> 68 | 79.27 |
| Dividend per Share (Rs) | 12 | 10.5 | 8.7 | 10.3 |
| Cash Flow per Share (Rs) | 27.44 | 25.75 | 22.03 | 15.92 |
| Free Cash Flow per Share (Rs) | 24.55 | 12.63 | 9.45 | 10.62 |
| Profitability | | | | 1 |
| ROCE (%) | 35.83 | 35.44 | 36.65 | 39 33 |
| ROE (%) | 27.79 | 24.24 | 25.62 | 27.84 |
| ROA (%) | 16.82 | 14.44 | 15.68 | 17.13 |
| Operating Margin (%) | 22.05 | 20.65 | 20.7 | 21.35 |
| Net Margin (%) | 13.24 | 11.07 | 11.95 | 12.56 |



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| Cash Profit Margin (%) | 15 | 12.59 | 12.07 | 11.92 |
|-----------------------------|-------------|-------------|-------------|-------------|
| | | | | |
| Growth | | | | |
| Revenue Growth (%) | 4.72 | 14.58 | 9.68 | 7.88 |
| Operating profit Growth (%) | 11.8 | 14.34 | 6.34 | 9.89 |
| Net Profit Growth (%) | 25.66 | 5.63 | 4.33 | 11.15 |
| EPS Growth (%) | 25.48 | 5.74 | 5.13 | 11.13 |
| Book Value Growth (%) | 6.96 | 12.61 | 10.6 | 16.54 |
| | | | | |
| Solvency | | | | |
| Debt to Equity | 0.04 | 0.07 | 0.06 | 0.07 |
| Short term debt to equity | 3.17 | 6.3 | 5.86 | 6.63 |
| Current Ratio | 1.73 | 1.47 | 1.55 | 1.79 |
| Quick Ratio | 0.96 | 0.86 | 0.96 | 1.12 |
| Interest Coverage | 34.16 | 30.55 | 75.59 | 79.08 |
| | | | | |
| Operating Efficiency | | | | |
| Debtors to sales (%) | 8.86 | 9.86 | 10.25 | 9.4 |
| Asset Turnover | 1.44 | 1.48 | 1.53 | 1.68 |
| Receivable days | 28.93 | 29.97 | 29.02 | 24.89 |
| Inventory Days | 51.1 | 47.84 | 48.27 | 43.71 |
| Payable days | 50.51 | 52.73 | 57.1 | 52.49 |
| Cash Conversion Cycle | 29.52 | 25.08 | 20.18 | 16.11 |
| | | | | |
| Valuation | | | | |
| Price / Earnings | 59.1 | 66.38 | 52.72 | 52.98 |
| Price / Book Value | 15.78 | 15.11 | 12.78 | 13.51 |
| Dividend Yield (%) | 0.72 | 0.7 | 0.78 | 0.96 |
| EV/EBITDA | 35.68 | 35.85 | 30.79 | 31.19 |
| Close Price (Rs) | 1,666.50 | 1,492.70 | 1,120.40 | 1,073.50 |
| High Price (Rs) | 1,916.70 | 1,508.95 | 1,262.00 | 1,227.30 |
| Low Price (Rs) | 1,291.25 | 1,111.50 | 1,033.70 | 842.75 |
| Market Cap (Rs Cr) | 1,59,869.87 | 1,43,103.06 | 1,07,497.54 | 1,02,749.50 |

11.2 Berger Paints Balance Sheet and Breakdown

| | | TTM | Mar-19 | Mar-18 | Mar-17 |
|-------------------------------------|-----|---------------------------------|----------|----------|----------|
| Income Statement (R Cr) | | | | | |
| Operating Revenue | | 6,483.07 | 6,061.86 | 5,165.73 | 4,552.25 |
| Other Income | 1 | 68.34 | 60.03 | 45.87 | 54.54 |
| Total Income | 3 | 6,551.41 | 6,121.89 | 5,211.60 | 4,606.79 |
| Total Expenditure | 1 | 5,418.76 | 5,180.29 | 4,358.74 | 3,833.69 |
| Increase/Decrease in Stock | 3 | | -173.95 | -99.97 | -125.09 |
| Raw Material Consumed | | THE | 3,426.09 | 2,730.63 | 2,376.11 |
| Power & Fuel Cost | 6 | | 59.13 | 48.27 | 43.79 |
| Employee Cost | | | 408.51 | 356.58 | 306.72 |
| Other Manufacturing Expenses | 100 | 1. for | 916.31 | 780.11 | 731.46 |
| General and Administration Expenses | | 404 | 126.13 | 119.55 | 112.1 |
| Selling and Distribution Expenses | | ^{na<u>li</u>ch in Eng} | 201.75 | 248.73 | 241.34 |
| Miscellaneous Expenses | | | 216.32 | 174.84 | 147.26 |
| Operating Profit | | 1,132.65 | 941.6 | 852.86 | 773.1 |
| Interest | | 42.64 | 32.33 | 24.55 | 16.22 |
| PBDT | | 1,090.01 | 909.27 | 828.31 | 756.88 |
| Depreciation | | 176.29 | 137.77 | 124.21 | 108.05 |
| PBT & Exceptional Items | | 913.72 | 771.5 | 704.1 | 648.83 |
| Exceptional Items | | | | | 44.2 |
| Profit before Tax | | 913.72 | 771.5 | 704.1 | 693.03 |
| Provision for Tax | | 243.15 | 273.15 | 243.91 | 229.42 |
| Profit after Tax | | 670.57 | 498.35 | 460.19 | 463.61 |
| Minority Interest | | 1.58 | 0.41 | | |
| Share of Associate | | -6.22 | -0.9 | 0.64 | 10.05 |
| Consolidated Profit | | 665.93 | 497.86 | 460.83 | 473.66 |
| | | | | | |
| Liabilities (R Cr) | | | | | |
| Shareholder's Funds | | 2,556.66 | 2,472.70 | 2,194.51 | 1,901.56 |
| Share Capital | | 97.11 | 97.11 | 97.1 | 97.1 |
| Share Warrants & Outstandings | | | | | |
| Total Reserves | | 2,459.55 | 2,373.21 | 2,095.21 | 1,803.59 |
| Minority Interest | | 1.58 | 3.45 | | |
| Non-Current Liabilities | | 582.97 | 1,439.52 | 1,182.37 | 966.21 |
| Long-Term Borrowings | | 266.5 | 238.92 | 249.47 | 262.08 |
| Deferred Tax/Payment Liabilities | | 56.33 | 87.1 | 82.46 | 80.69 |
| Other Long Term Liabilities | | 252.96 | 19.79 | 8.99 | 6.83 |
| Long Term Trade Payables | | | | | |
| Long Term Provisions | | 7.18 | 1,093.71 | 841.45 | 616.61 |



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| Current Liabilities | 1,892.05 | 1,650.45 | 1,520.08 | 1,179.49 |
|--|--|---|---|---|
| Short Term Borrowings | 521.11 | 245.01 | 172.7 | 144.13 |
| Trade Payables | | 999 | 955.25 | 761.2 |
| Other Current Liabilities | | 253.42 | 238.58 | 244.44 |
| Short Term Provisions | 5 024 46 | 5 5 6 6 1 2 | 153.55 | 29.72 |
| | 5,054.40 | 5,300.12 | 4,890.90 | 4,047.20 |
| Assets (R Cr) | | | | |
| Non-Current Assets | 1,809.22 | 2,865.10 | 2,420.23 | 1,989.54 |
| Fixed Assets | 1,103.47 | 1,372.13 | 1,267.17 | 1,135.96 |
| Capital Work in Progress | 276.4 | 169.89 | 97.16 | 62.21 |
| Intangible assets under development | | | | |
| Long Term Loans & Advances | 17.9 | 1 162 12 | 937.49 | 671.44 |
| Other Non Current Assets | 827.24 | 16.84 | 12.87 | 15.07 |
| Current Assets | 2,943.39 | 2,701.02 | 2,476.73 | 2,057.72 |
| Inventories | 1,215.62 | 1,233.53 | 1,007.34 | 935.47 |
| Currents Investments | 311.5 | 250.8 | 227.59 | 367.27 |
| Cash and Bank Trade Paceivables | 300.96 | 238.48 | 204.97 | 102.45 |
| Short Term Loans and Advances | 17.66 | 240.25 | 303.32 | 62.48 |
| Other Current Assets | 184.55 | 66.48 | 41.11 | 11.91 |
| Total Assets | 5,034.47 | 5,566.12 | 4,896.96 | 4,047.26 |
| Total Debt* | | 520.05 | 422.17 | 406.21 |
| Net Current Assets | 1,051.34 | 1,050.57 | 956.65 | 878.23 |
| Contingent Liabilities | | 358.92 | 330.23 | 364.89 |
| Cashflow (R Cr) | | | | |
| Cash From Operating Activities | | 561.67 | 421.9 | 394.51 |
| Profit Before Tax | 1 / | 771.5 | 704.1 | 703.08 |
| Adjustment | · /· | 125.79 | 122.68 | 38.47 |
| Changes In working Capital | | -92.54 | -127.97 | -127.52 |
| 1 ax Paid Cash Flow from Investing Activities | | -243.08 | -2/6.91 | -219.52 |
| Cash from Financing Activities | | -179.14 | -200.13 | -82.42 |
| Net Cash Inflow / Outflow | | -26.52 | 38.34 | 3.69 |
| | | | | |
| | | | | |
| Ratios | - | | | |
| Ratios Financials Adjusted EPS (Rs) | 6.86 | 5 13 | 4.75 | 4.88 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) | 6.86 | 5.13 | 4.75 | 4.88 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) | 6.86 6.86 28.24 | 5.13 6.55 25.44 | 4.75 6.02 22.58 | 4.88 5.89 19.57 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) | 6.86 6.86 28.24 0.37 | 5.13 6.55 25.44 1.9 | 4.75 6.02 22.58 1.8 | 4.88 5.89 19.57 1.75 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) | 6.86 6.86 28.24 0.37 | 5.13 6.55 25.44 1.9 5.78 | 4.75 6.02 22.58 1.8 4.35 | 4.88 5.89 19.57 1.75 4.06 |
| Ratios Image: Constraint of the second s | 6.86 6.86 28.24 0.37 | 5.13 6.55 25.44 1.9 5.78 2.32 | 4.75 6.02 22.58 1.8 4.35 1.68 | 4.88 5.89 19.57 1.75 4.06 1.81 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability | 6.86 6.86 28.24 0.37 | 5.13 6.55 25.44 1.9 5.78 2.32 | 4.75 6.02 22.58 1.8 4.35 1.68 | 4.88 5.89 19.57 1.75 4.06 1.81 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) | 6.86 6.86 28.24 0.37 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) | 6.86 6.86 28.24 0.37 26.67 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROA (%) | 6.86 6.86 28.24 0.37 26.67 14.28 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 9.53 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROE (%) ROE (%) ROA (%) Operating Margin (%) Nat Margin (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 | $ \begin{array}{r} 4.75 \\ 6.02 \\ 22.58 \\ 1.8 \\ 4.35 \\ 1.68 \\ \end{array} $ $ \begin{array}{r} 29.59 \\ 22.49 \\ 10.29 \\ 16.51 \\ 8 22 \\ \end{array} $ | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROE (%) ROA (%) Operating Margin (%) Net Margin (%) Cash Profit Margin (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROA (%) Operating Margin (%) Net Margin (%) Cash Profit Margin (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROA (%) Operating Margin (%) Net Margin (%) Growth | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROA (%) Operating Margin (%) Net Margin (%) Growth Revenue Growth (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 |
| RatiosFinancialsAdjusted EPS (Rs)Cash EPS (Rs)Adjusted Book Value (Rs)Dividend per Share (Rs)Cash Flow per Share (Rs)Free Cash Flow per Share (Rs)ProfitabilityROCE (%)ROE (%)ROA (%)Operating Margin (%)Net Margin (%)GrowthRevenue Growth (%)Operating profit Growth (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROA (%) Operating Margin (%) Net Margin (%) Growth Revenue Growth (%) Operating profit Growth (%) Net Profit Growth (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 25.95 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 0.42 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.01 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROA (%) Operating Margin (%) Cash Profit Margin (%) Growth Revenue Growth (%) Operating profit Growth (%) EPS Growth (%) Book Value Growth (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 8.02 12.68 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15 34 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 |
| RatiosFinancialsAdjusted EPS (Rs)Cash EPS (Rs)Adjusted Book Value (Rs)Dividend per Share (Rs)Cash Flow per Share (Rs)Free Cash Flow per Share (Rs)ProfitabilityROCE (%)ROE (%)ROA (%)Operating Margin (%)Cash Profit Margin (%)GrowthRevenue Growth (%)Operating profit Growth (%)Net Profit Growth (%)EPS Growth (%)Book Value Growth (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 8.02 12.68 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROE (%) Operating Margin (%) Operating Margin (%) Growth Revenue Growth (%) Operating profit Growth (%) Net Profit Growth (%) Book Value Growth (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 | 5.13 6.55 25.44 1.9 5.78 2.32 2.32 2.32 2.32 2.32 2.32 2.32 2.32 1.9 2.32 2.32 2.32 1.9 2.32 1.9 2.32 1.10 10.49 10.4 8.29 8.02 12.68 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROE (%) Operating Margin (%) Net Margin (%) Growth Revenue Growth (%) Operating profit Growth (%) EPS Growth (%) Book Value Growth (%) Solvency Debt to Equity | 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 0.1 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 8.29 8.02 12.68 0.21 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Cash Flow per Share (Rs) Profitability ROCE (%) ROE (%) ROA (%) Operating Margin (%) Net Margin (%) Growth Revenue Growth (%) Operating profit Growth (%) Net Profit Growth (%) Book Value Growth (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 0.1 0.2 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 8.02 12.68 0.21 9.91 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 7.87 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 0.21 7.58 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROE (%) ROA (%) Operating Margin (%) Net Margin (%) Growth Revenue Growth (%) Operating profit Growth (%) Book Value Growth (%) Book Value Growth (%) Solvency Debt to Equity Short term debt to equity Current Ratio Ouick Patio | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 0.1 0.2 1.56 0.91 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 8.02 12.68 0.21 9.91 1.64 0.80 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 7.87 1.63 0.97 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 0.21 7.58 1.74 0.95 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROE (%) ROA (%) Operating Margin (%) Net Margin (%) Growth Revenue Growth (%) Operating profit Growth (%) Net Profit Growth (%) Book Value Growth (%) Solvency Debt to Equity Short term debt to equity Current Ratio Quick Ratio Interest Coverage | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 0.1 0.2 1.56 0.91 22.43 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 8.02 12.68 0.21 9.91 1.64 0.89 24.86 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 7.87 1.63 0.97 29.68 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 0.21 7.58 1.74 0.95 43.73 |
| RatiosFinancialsAdjusted EPS (Rs)Cash EPS (Rs)Adjusted Book Value (Rs)Dividend per Share (Rs)Cash Flow per Share (Rs)Free Cash Flow per Share (Rs)ProfitabilityROCE (%)ROE (%)ROA (%)Operating Margin (%)Cash Profit Margin (%)GrowthRevenue Growth (%)Operating profit Growth (%)Net Profit Growth (%)Book Value Growth (%)SolvencyDebt to EquityShort term debt to equityCurrent RatioQuick RatioInterest Coverage | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 0.1 0.2 1.56 0.91 22.43 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 8.02 12.68 0.21 9.91 1.64 0.89 24.86 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 7.87 1.63 0.97 29.68 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 0.21 7.58 1.74 0.95 43.73 |
| RatiosFinancialsAdjusted EPS (Rs)Cash EPS (Rs)Adjusted Book Value (Rs)Dividend per Share (Rs)Cash Flow per Share (Rs)Free Cash Flow per Share (Rs)ProfitabilityROCE (%)ROA (%)Operating Margin (%)Net Margin (%)Cash Profit Margin (%)GrowthRevenue Growth (%)Operating profit Growth (%)Book Value Growth (%)Book Value Growth (%)SolvencyDebt to EquityShort term debt to equityCurrent RatioQuick RatioInterest Coverage | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 0.1 0.2 1.56 0.91 22.43 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 8.02 12.68 0.21 9.91 1.64 0.89 24.86 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 7.87 1.63 0.97 29.68 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 0.21 7.58 1.74 0.95 43.73 |
| RatiosFinancialsAdjusted EPS (Rs)Cash EPS (Rs)Adjusted Book Value (Rs)Dividend per Share (Rs)Cash Flow per Share (Rs)Free Cash Flow per Share (Rs)ProfitabilityROCE (%)ROE (%)ROA (%)Operating Margin (%)Net Margin (%)Cash Profit Margin (%)GrowthRevenue Growth (%)Operating profit Growth (%)Book Value Growth (%)Book Value Growth (%)SolvencyDebt to EquityShort term debt to equityCurrent RatioQuick RatioInterest CoverageOperating EfficiencyDebtors to sales (%) | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 0.1 0.2 1.56 0.91 22.43 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 8.29 8.02 12.68 0.21 9.91 1.64 0.89 24.86 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 7.87 1.63 0.97 29.68 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 0.21 7.58 1.74 0.95 43.73 |
| Ratios Financials Adjusted EPS (Rs) Cash EPS (Rs) Adjusted Book Value (Rs) Dividend per Share (Rs) Cash Flow per Share (Rs) Free Cash Flow per Share (Rs) Profitability ROCE (%) ROE (%) ROA (%) Operating Margin (%) Net Margin (%) Cash Profit Margin (%) Growth Revenue Growth (%) Operating profit Growth (%) Net Profit Growth (%) Book Value Growth (%) Book Value Growth (%) Solvency Debt to Equity Short term debt to equity Current Ratio Quick Ratio Interest Coverage Operating Efficiency Debtors to sales (%) Asset Turnover | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 0.1 0.2 1.56 0.91 22.43 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 8.29 8.02 12.68 0.21 9.91 1.64 0.89 24.86 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 7.87 1.63 0.97 29.68 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 0.21 7.58 1.74 0.95 43.73 |
| RatiosFinancialsAdjusted EPS (Rs)Cash EPS (Rs)Adjusted Book Value (Rs)Dividend per Share (Rs)Cash Flow per Share (Rs)Free Cash Flow per Share (Rs)ProfitabilityROCE (%)ROE (%)ROA (%)Operating Margin (%)Net Margin (%)GrowthRevenue Growth (%)Operating profit Growth (%)Net Profit Growth (%)Book Value Growth (%)Book Value Growth (%)Current RatioQuick RatioInterest CoverageOperating EfficiencyDebtors to sales (%)Asset TurnoverReceivable daysInvanceNet waysInvanceDestore of the provention of the proven | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 0.1 0.2 1.56 0.91 22.43 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 8.02 12.68 0.21 9.91 1.64 0.89 24.86 11.08 1.16 41.06 67.46 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 7.87 1.63 0.97 29.68 13.4 1.18 43.9 67.12 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 0.21 7.58 1.74 0.95 43.73 12.7 1.46 40.6 60.2 |
| RatiosFinancialsAdjusted EPS (Rs)Cash EPS (Rs)Adjusted Book Value (Rs)Dividend per Share (Rs)Cash Flow per Share (Rs)Free Cash Flow per Share (Rs)ProfitabilityROCE (%)ROE (%)ROA (%)Operating Margin (%)Net Margin (%)Cash Profit Margin (%)GrowthRevenue Growth (%)Operating profit Growth (%)Book Value Growth (%)Book Value Growth (%)SolvencyDebt to EquityShort term debt to equityCurrent RatioQuick RatioInterest CoverageOperating EfficiencyDebtors to sales (%)Asset TurnoverReceivable daysInventory DaysPavable davs | 6.86 6.86 28.24 0.37 26.67 14.28 17.47 10.24 10.11 17.27 34.77 35.96 0.1 0.2 1.56 0.91 22.43 | 5.13 6.55 25.44 1.9 5.78 2.32 28.66 21.38 9.53 15.53 8.14 10.49 17.35 10.4 8.29 8.02 12.68 0.21 9.91 1.64 0.89 24.86 11.08 1.16 41.06 67.46 59.34 | 4.75 6.02 22.58 1.8 4.35 1.68 29.59 22.49 10.29 16.51 8.83 11.06 13.48 10.32 -0.74 -2.71 15.34 0.19 7.87 1.63 0.97 29.68 13.4 1.18 43.9 67.13 62.54 | 4.88 5.89 19.57 1.75 4.06 1.81 33.58 26.78 13.39 16.98 10.06 11.32 7.79 13.79 27.06 27.81 21.74 0.21 7.58 1.74 0.95 43.73 12.7 1.46 40.6 60.3 56.19 |



| Cash Conversion Cycle | | 49.19 | 48.48 | 44.7 |
|-----------------------|-----------|-----------|-----------|-----------|
| | | | | |
| Valuation | | | | |
| Price / Earnings | 75.18 | 63.13 | 54.04 | 49.51 |
| Price / Book Value | 18.26 | 12.72 | 11.36 | 12.34 |
| Dividend Yield (%) | 0.37 | 0.59 | 0.7 | 0.72 |
| EV/EBITDA | 44.23 | 33.68 | 29.45 | 30.72 |
| Close Price (Rs) | 515.55 | 323.75 | 256.7 | 242.1 |
| High Price (Rs) | 533.75 | 349.9 | 286.3 | 276.8 |
| Low Price (Rs) | 285.2 | 250 | 229.3 | 170.82 |
| Market Cap (Rs Cr) | 50,066.38 | 31,429.65 | 24,901.29 | 23,449.65 |
| | | | | |

11.3 Kansai Nerolac Balance Sheet and Breakdown

| | Mar-20 | Mar-19 | Mar-18 | Mar-17 |
|-------------------------------------|--------------|-------------|----------|----------|
| Income Statement (R Cr) | | | | |
| Operating Revenue | 5,279.97 | 5,424.32 | 4,658.08 | 4,052.55 |
| Other Income | 25.53 | 60.52 | 70.91 | 98 |
| Total Income | 5,305.50 | 5,484.84 | 4,728.99 | 4,150.55 |
| Total Expenditure | 4,475.51 | 4,671.80 | 3,864.29 | 3,315.15 |
| Increase/Decrease in Stock | 48.92 | -201.78 | -117.93 | -34.27 |
| Raw Material Consumed | 2,853.36 | 3,269.28 | 2,600.06 | 2,126.66 |
| Power & Fuel Cost | 73.63 | 86.76 | 75.79 | 71.27 |
| Employee Cost | 310.37 | 283.41 | 235.08 | 186.8 |
| Other Manufacturing Expenses | 401.27 | 438.74 | 366.89 | 328.02 |
| General and Administration Expenses | 45.74 | 49.53 | 40.86 | 37.58 |
| Selling and Distribution Expenses | 550.08 | 553.57 | 512.97 | 476.07 |
| Miscellaneous Expenses | 192.14 | 192.29 | 150.57 | 123.02 |
| Operating Profit | 829.99 | 813.04 | 864.7 | 835.4 |
| Interest | 20.91 | 9.97 | 0.67 | |
| PBDT | 809.08 | 803.07 | 864.03 | 835.4 |
| Depreciation | 142.12 | 106.28 | 77.07 | 70.09 |
| PBT & Exceptional Items | 666.96 | 696.79 | 786.96 | 765.31 |
| Exceptional Items | - 3 | - | - 12 | |
| Profit before Tax | 666.96 | 696.79 | 786.96 | 765.31 |
| Provision for Tax | 151.18 | 249.13 | 273.21 | 255.23 |
| Profit after Tax | 515.78 | 447.66 | 513.75 | 510.08 |
| Minority Interest | 5.23 | 5.09 | 0.65 | -1.24 |
| Share of Associate | - 1 3 11 | LIL XIYI | - | |
| Consolidated Profit | 521.01 | 452.75 | 514.4 | 508.84 |
| | Tesa | 194 000 | | |
| Liabilities (R Cr) | and a second | In Engineen | | |
| Shareholder's Funds | 3,760.30 | 3,416.33 | 3,132.32 | 2,814.50 |
| Share Capital | 53.89 | 53.89 | 53.89 | 53.89 |
| Total Reserves | 3,706.41 | 3,362.44 | 3,078.43 | 2,760.61 |
| Minority Interest | 21.68 | 20.09 | 16.38 | 15.25 |
| Non-Current Liabilities | 184.4 | 131.04 | 91.22 | 97.67 |
| Long-Term Borrowings | 23.44 | 4.35 | 9.71 | 18.2 |
| Deferred Tax/Payment Liabilities | 108.11 | 126.67 | 81.38 | 79.47 |
| Other Long Term Liabilities | 52.78 | | | |
| Long Term Provisions | 0.07 | 0.02 | 0.13 | |
| Current Liabilities | 917.24 | 950.43 | 890 | 708.83 |
| Short Term Borrowings | 149.82 | 96.51 | 16.83 | |
| Trade Payables | 595.39 | 693.38 | 699.87 | 560.66 |
| Other Current Liabilities | 150.22 | 139.48 | 147.8 | 119.84 |
| Short Term Provisions | 21.81 | 21.06 | 25.5 | 28.33 |
| Total Liabilities | 4,883.62 | 4,517.89 | 4,129.92 | 3,636.25 |
| | | | | |
| Assets (R Cr) | 1 | | 1 | |
| Non-Current Assets | 2,395.08 | 2,197.54 | 1,544.93 | 1,245.98 |
| Fixed Assets | 1,906.21 | 1,464.89 | 1,035.36 | 957.28 |
| Capital Work in Progress | 169.1 | 316.35 | 345.98 | 154.37 |
| Non Current Investments | 1.03 | 1.14 | 0.89 | 0.87 |

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| Long Term Loans & Advances | 311.03 | 404 73 | 162.7 | 133.46 |
|-------------------------------------|----------|----------|----------|----------|
| Other Non Current Assets | 7 71 | 10.43 | | |
| Deferred tax asset | | | | |
| Current Assets | 2 488 54 | 2 320 35 | 2 584 99 | 2 390 27 |
| Inventories | 1 008 35 | 1 111 06 | 829.18 | 703.2 |
| Currents Investments | 305.1 | 1,111.00 | 510.06 | 530.75 |
| Cash and Pank | 102.02 | 06.10 | 262.61 | 261.44 |
| Trade Bassivables | 796.09 | 755.59 | 702.64 | 500.44 |
| Shart Term Lange and Advances | 1(7.22 | 120.27 | 154.56 | 390.44 |
| Other Current Assets | 29.76 | 139.37 | 154.50 | 289.00 |
| Tetel Assets | 28.70 | 4 517 99 | 13.04 | 2 (2) 25 |
| Total Assets | 4,883.62 | 4,517.89 | 4,129.92 | 3,030.25 |
| Total Debt* | 178.22 | 107.95 | 35.16 | 28.65 |
| Net Current Assets | 1,5/1.30 | 1,369.92 | 1,694.99 | 1,681.44 |
| Contingent Liabilities | 75.99 | 42.23 | 9.84 | 8.96 |
| | | | | |
| Cashflow (R Cr) | | | | |
| Cash From Operating Activities | 595.07 | 99.92 | 360.02 | 351.2 |
| Profit Before Tax | 666.96 | 696.79 | 786.96 | 765.31 |
| Adjustment | 150.68 | 74.11 | 23.46 | -5.96 |
| Changes In working Capital | -57.04 | -360.25 | -174.01 | -182.04 |
| Tax Paid | -165.53 | -310.73 | -276.39 | -226.11 |
| Cash Flow from Investing Activities | -376.22 | 88.45 | -162.74 | -557.25 |
| Cash from Financing Activities | -140.69 | -222.89 | -191.58 | -216.2 |
| Net Cash Inflow / Outflow | 78.16 | -34.52 | 5.7 | -422.25 |
| | and the | A. | | |
| Ratios | | | | |
| Financials | | | | 1 |
| Adjusted EPS (Rs) | 9.67 | 8.4 | 9.55 | 9.44 |
| Cash EPS (Rs) | 12.21 | 10.28 | 10.96 | 10.77 |
| Adjusted Book Value (Rs) | 69.78 | 63.39 | 58.12 | 52.23 |
| Dividend per Share (Rs) | 3.15 | 2.6 | 2.6 | 3 |
| Cash Flow per Share (Rs) | 11.04 | 1.85 | 6.68 | 6.52 |
| Free Cash Flow per Share (Rs) | 6.66 | -6.19 | 1.34 | 3.36 |
| | j. | | etty. | |
| Profitability | VEN ITD | | 18 - C | |
| ROCE (%) | 18.43 | 21.12 | 26.21 | 28.35 |
| ROE (%) | 14.37 | 13.67 | 17.28 | 19.16 |
| ROA (%) | 10.97 | 10.35 | 13.23 | 14.84 |
| Operating Margin (%) | 15.72 | 14.99 | 18.56 | 20.61 |
| Net Margin (%) | 9.72 | 8.16 | 10.86 | 12.29 |
| Cash Profit Margin (%) | 11.17 | 9.26 | 11.16 | 11.6 |
| | | | | |
| Growth | | | | |
| Revenue Growth (%) | -2.66 | 16.45 | 14.94 | 7.58 |
| Operating profit Growth (%) | 2.08 | -5.97 | 3.51 | 36.66 |
| Net Profit Growth (%) | 15.22 | -12.86 | 0.72 | -43.45 |
| EPS Growth (%) | 15.08 | -11.99 | 1.09 | -43.52 |
| Book Value Growth (%) | 10.07 | 9.07 | 11.29 | 12.15 |
| | | | | |
| Solvency | | | | |
| Debt to Equity | 0.05 | 0.03 | 0.01 | 0.01 |
| Short term debt to equity | 3.98 | 2.82 | 0.54 | |
| Current Ratio | 2.71 | 2.44 | 2.9 | 3.37 |
| Quick Ratio | 1.61 | 1.27 | 1.97 | 2.38 |
| Interest Coverage | 32.9 | 70.89 | 1,175.57 | |
| | | | | |
| Operating Efficiency | | | | |
| Debtors to sales (%) | 14.91 | 13.93 | 15.08 | 14.57 |
| Asset Turnover | 1.25 | 1.38 | 1.36 | 1.45 |
| Receivable days | 47.78 | 44.47 | 44.56 | 41.45 |
| - | | | | - |



| Inventory Days | 65.64 | 59.17 | 52.8 | 46.93 |
|-----------------------|-----------|-----------|-----------|-----------|
| Payable days | 54.11 | 53.94 | 59.72 | 62.16 |
| Cash Conversion Cycle | 59.31 | 49.7 | 37.64 | 26.22 |
| Valuation | | | | |
| Price / Earnings | 39.94 | 54.43 | 52.82 | 40.03 |
| Price / Book Value | 5.53 | 7.21 | 8.67 | 7.24 |
| Dividend Yield (%) | 0.82 | 0.57 | 0.52 | 0.79 |
| EV/EBITDA | 25.06 | 30.32 | 31.04 | 24.1 |
| Close Price (Rs) | 387.45 | 458.5 | 505.8 | 378.65 |
| High Price (Rs) | 573 | 543.2 | 614 | 404.75 |
| Low Price (Rs) | 293.7 | 343 | 372.35 | 277.2 |
| Market Cap (Rs Cr) | 20,809.62 | 24,641.20 | 27,171.34 | 20,367.73 |

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