

## 1. Common Sized Analysis

Firm	Coromandel FY 19	Coromandel FY 18	Chambal Fertilizers FY 19
<b>Common Sized Balance Sheets: Assets Side</b>			
Cash & Bank Balances	1.51	5.64	0.58
Accounts Receivable	39.89	42.69	34.66
Loans and Advances	4.05	4.14	-
Inventories	30.65	22.97	9.50
Other Current Assets	6.68	7.43	1.96
<b>Total Current Assets</b>	<b>82.78</b>	<b>82.88</b>	<b>46.71</b>
Fixed Assets	13.97	13.74	49.93
Other Non-Current Assets	3.26	3.38	3.36
<b>Total Assets</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Common Sized Balance Sheets: Liabilities Side</b>			
Accounts Payable	63.52	62.01	37.83
Other Current Liab & Provision	3.42	7.05	9.03
Long-term Liabilities	1.30	1.53	33.14
<b>Net Worth</b>	<b>31.76</b>	<b>29.41</b>	<b>20.00</b>
<b>Total Equity And Liabilities</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Common Sized Profit &amp; Loss Statement</b>			
Total Sales	100	100	100
Other Income & Exceptional Items	0.10	0.54	(1.13)
Cost of Goods Sold	70.62	68.78	59.76
Gross Profit	29.38	31.22	40.24
Operating/Other Expenses	18.46	19.93	27.03
PBDIT	11.02	11.82	12.09
Interest	1.90	1.60	2.48
Depreciation & Amortization	0.86	0.89	1.42
Tax	2.81	3.12	2.44
<b>Profit After Tax</b>	<b>5.45</b>	<b>6.21</b>	<b>5.75</b>

Observation	Comment
<b>Common Sized Balance Sheets: Assets Side</b>	
<b>Current Assets V/s Fixed Assets</b>	It can be clearly deduced looking at the proportions of current assets and fixed assets that Chambal Fertilizers is more capital intensive with a 49.93% of total assets accounting for fixed assets. On the other hand, Coromandel International has a whopping 82% of total assets accounting for current assets.
<b>Inventories</b>	Coromandel International has much higher share of inventories in total assets when compared to Chambal Fertilizers. Also, it is further using cash to stock up more inventories which can be derived from increase in inventory proportion from 2018 to 2019 and fall in cash & bank balances proportion.
<b>Common Sized Balance Sheets: Liabilities Side</b>	
<b>Accounts Payable</b>	Accounts payable proportion being higher in Coromandel than Chambal Fertilizers suggests that it buys more of raw materials on credit.
<b>Long Term Liabilities</b>	The proportion of long Term Liabilities for Chambal Fertilizers at 33% is relatively higher as compared to 1.3% for Coromandel indicating that Chambal Fertilizers has raised more capital through debt.
<b>Common Sized Profit &amp; Loss Statement</b>	
<b>COGS and Operating Expenses</b>	It is interesting to note that even though Gross Profit for Chambal Fertilizers is higher when compared to Coromandel but the PBDIT for both the companies is round about the same. This is due to the fact that operating and other expenses for Chambal Fertilizers is higher compared to Coromandel International.
<b>Interest and Depreciation &amp; Amortization</b>	The interest and depreciation & amortization as a proportion of total sales are relatively higher in case of Chambal Fertilizes due to the fact that the company has more of fixed assets and long term liabilities compared to Coromandel International.

## 2. Index-based Analysis

Financial Year	Coromandel FY 19	Coromandel FY 18	Coromandel FY 17
<b>Indexed Balance Sheet: Assets Side</b>			
Cash & Bank Balances	94.93	330.94	100
Accounts Receivable	100.94	100.62	100
Loans and Advances	81.96	78.08	100
Inventories	187.95	131.19	100
Other Current Assets	290.28	300.71	100
<b>Total Current Assets</b>	<b>128.03</b>	<b>119.38</b>	<b>100</b>
Fixed Assets	111.07	101.79	100
Other Non-Current Assets	71.90	69.58	100
<b>Total Assets</b>	<b>122.31</b>	<b>113.92</b>	<b>100</b>
<b>Indexed Balance Sheet: Liabilities Side</b>			
Accounts Payable	130.10	118.29	100
Other Current Liab & Provision	86.87	166.80	100
Long-term Liabilities	78.25	86.12	100
<b>Net Worth</b>	<b>116.18</b>	<b>100.19</b>	<b>100</b>
<b>Total Equity And Liabilities</b>	<b>122.31</b>	<b>113.92</b>	<b>100</b>
<b>Indexed Profit &amp; Loss Statement</b>			
Total Sales	129.71	109.14	100
Other Income & Exceptional Items	24.13	108.88	100
Cost of Goods Sold	128.20	105.05	100
<b>Gross Profit</b>	<b>133.51</b>	<b>119.37</b>	<b>100</b>
Operating/Other Expenses	126.62	115.04	100
<b>PBDIT</b>	<b>140.54</b>	<b>126.88</b>	<b>100</b>
Interest	112.03	79.68	100
Depreciation & Amortization	113.04	98.43	100
Tax	158.11	147.35	100
<b>Profit After Tax</b>	<b>151.06</b>	<b>144.94</b>	<b>100</b>

Observation	Comment
<b>Total Assets, Net Worth And Profit After Tax</b>	Looking at Total Assets, Net Worth and PAT it can be clearly deduced that the company is on the rise with every year recording a positive growth compared to previous year. PAT has increased by 50% from 2017 indicating that company is also more profitable over the past 2 years.
<b>Cash &amp; Bank Balances And Inventories</b>	One interesting observation is that there was a rapid rise in cash & bank balances during 2017-2018 but then it fell off during 2018-2019 which can be attributed to the fact that the company decided to stock up more inventory which may be because of more demand for its products in the market.
<b>Other Income &amp; Exceptional Items</b>	The major fall in other income & exceptional items and rise in the Gross Profit in 2019 from 2017 indicates that even after a fall in the other income the rise in sales was so much that the Gross Profit in 2019 was still 33% more than 2017.
<b>Other Current Liabilities &amp; Provision</b>	The other current liabilities & provision decreased rapidly in 2019 as compared to 2018 and 2017 which indicates the fact that the company reduced its short term borrowings.