

Continuous Assignment 3

1. For your allotted company, please state the summarized income statement equation for the last two years from the latest given company annual report with all figures in Rs. Crores ... Please comment within 100 words.

Summarized income statement equation is: Revenue – Expense – Dividend = Retained Earnings
(All amounts in ₹ Lakhs, unless otherwise stated)

	Revenue	Expense	Dividend	R-E-D		Retained earnings
	R	E	D			X=R-E-D
Year ended 31 st March 2019	135219.18	129603	707.2	4908.98	=	4908.98
Year ended 31 st March 2018	110658.54	105395.04	423.61	4839.89	=	4839.89

As required by the question, the same has been presented below in Rs. Crores
(All amounts in ₹ Crores, unless otherwise stated)

	Revenue	Expense	Dividend	R-E-D		Retained earnings
	R	E	D			X=R-E-D
Year ended 31 st March 2019	1352.1918	1296.03	7.072	49.0898	=	49.0898
Year ended 31 st March 2018	1106.5854	1053.9504	4.2361	48.3989	=	48.3989

- The company's total income increased by 22.19% in FY 2019 versus 2018 and also the expenses increased by 22.96%.
- The company increased its dividend payments by 66.94% in FY 2019 versus 2018.
- There is 1.42% increase in retained earnings.

2. For your allotted company, please mention five biggest items as part of the income and expenses/dividends (along with their proportions) as mentioned in the annual report (to the extent available) ... Please give your comments within 100 words

Item	Value	Proportions	Comments
Revenue from operations	134,248.51	99.28% of total income	The revenue from operations is the largest source of income and it has increased by 22.19% compared to the previous year
Cost of materials consumed	101,160.67	79.78% of total expenses	The major expense incurring item for the company is the cost of goods sold
Other expenses	18,984.56	14.9% of total expenses	14.9% of the company's total expenses are incurred due to manufacturing costs, freight charges, selling expenses, sales commission, travel etc..
Employee benefits	7503.46	5.91% of total expenses	5.91% of the company's total expenses are towards providing benefits for their employees
Changes in inventories of finished goods, stock-in-trade and WIP	-4,700.65	3.7% of total expenses	Change in inventories negative as closing inventories is more than the opening inventories i.e. reduce from COGS for current FY as unsold.

Current tax	2,643.20	31.33% of PBT	The taxes the company needs to pay in the current fiscal year consume 31.33% of the company's PBT
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