

A Study On Financial Performance Analysis Of Dalmia Bharat Limited Using Trend Analysis

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Abstract: Cement industry is a basic industry which plays an important role in the process of economic development of the country. The companies selected for this study are taken on the basis of their current market share and according to the availability of data. The data for the study is taken for five years i.e. 2020-2021 to 2024 -2025. In this study, data are analysed in Trend basis. The study found that Dalmia Bharat Limited may be investing in new capacity to meet growing demand or to improve efficiency. This suggests a positive outlook for the company's future performance, driven by a well-planned asset management strategy and potential business expansion. The study suggested that the company has been expanding its operations and potentially taking on more liabilities to fuel growth. Careful cost management, asset utilization, and operational efficiency will help maintain profitability and ensure sustained business growth. The study concluded that the financial performance of Dalmia Bharat Ltd from 2020-2021 to 2024-2025 has been satisfactory, marked by overall growth and stability.

Keywords: Financial Performance, Trend Analysis, Cement Industries

I. INTRODUCTION

Finance is deeply interconnected with the global economy as it influences investment strategies, economic policies, and financial market, advancements in technology. Such as fintech and block chain, have transfer the financial and scape marketing it more accessible and efficient.

SCOPE OF THE STUDY

The analysis aims at evaluating financial stability and assessing assets and liability Management by using Trend analysis and techniques. It is beneficial to the top Management of the company by providing crystal clear picture regarding to the important financial aspects of the Dalmia Bharat Limited.

STATEMENT OF THE PROBLEM

Dalmia Bharat Ltd., a leading cement Manufacturer in India faces critical challenges concerning its financial

performance in a competitive and cyclical industry. Despite its strong market presence the company's profitability is impacted by rising impact costs, including raw materials energy, and logistics, which have exerted pressure on operating margins. Sluggish demand in certain regions and stiff competition from both domestic and global players further constrain revege growth and market share. These issues highlight the importance of strategic cost Management, prudent financial planning and enhanced operational efficiency to sustain growth and strengthen financial performance.

OBJECTIVES OF THE STUDY

- ✓ To study the financial position of Dalmia Bharat Ltd.,
- ✓ To know the impact of various assets& liabilities on financial performance of company.

II. RESEARCH METHODOLOGY

For the success of the present study required, data was mainly collected from the “secondary sources of data like published, journals, Books and Websites and Annual Report of Dalmia Bharat Ltd., from the financial year 2020-2021 to 2024 -2025

PERIOD OF THE STUDY

The project study covered a period of five years from 2020-2021 to 2024 -2025

LIMITATIONS OF THE STUDY

- ✓ The study is based on secondary data of Dalmia Bharat Ltd.,
- ✓ Only 5 years been considered for the study.

TREND ANALYSIS

Trent analysis is a strategic approach used to make future predictions based on historical data. Trend analysis is based on the idea that what has happened in the past gives traders an idea of what will happen in the frames. Trend analysis focuses on three typical time horizons, short term, intermediate and long term. It involves comparing data points over a given period of time to identify up-trends, downtrends, or stagnation. In the context of Dalmia Bharat Limited, trend analysis could involve examining their financial performance, sales growth, production trends, or market share changes over time.
(Crores)

Year	Total Shareholders' Funds	Trend Percentages (%)
2020 - 2021	12,626	100
2021 - 2022	15,687	124.24
2022 - 2023	15,628	123.77
2023 - 2024	16,397	129.86
2024 - 2025	17,374	164.51

Source: Annual Reports of Dalmia Bharat Limited

Table No: 1: Total Shareholders' Funds

The trend analysis of shareholders' funds from 2020-2021 to 2024-2025 shows overall growth, with some fluctuations. The Total Shareholders' Funds have shown a consistent increase over the five-year period, indicating a positive trend. The growth in Total Shareholders' Funds is relatively steady, with some fluctuations. The trend percentages reveal a significant growth rate, with a 64.51% increase by 2024-2025 relative to the base year (2020-2021). This trend reflects a generally positive financial position.

(Rs in. crores)

Year	Total Non-Current Liabilities	Trend Percentages (%)
2020 - 2021	4,191	100
2021 - 2022	4,336	103.46
2022 - 2023	5,339	127.39

2023 - 2024	6,768	161.49
2024 - 2025	7,503	179.03

Source: Annual Reports of Dalmia Bharat Limited

Table No: 2: Total Non – Current Liabilities

The trend analysis of total non-current liabilities from 2020-2021 to 2024-2025 shows fluctuations but an overall increasing trend. The Total Non-Current Liabilities have also shown an increasing trend over the five-year period. The trend percentages indicate a substantial growth rate, with a 79.03% increase by 2024-2025 relative to the base year. The increasing Total Non-Current Liabilities suggest that the company is taking on more long-term debt, which could be used to finance its growth plans. The significant growth in non-current liabilities may indicate a higher risk profile for the company, as it may be more vulnerable to changes in interest rates or market conditions.

(Rs in. crores)

Year	Total Current Liabilities	Trend Percentage (%)
2020 - 2021	4,956	100
2021 - 2022	4,776	96.36
2022 - 2023	4,460	89.99
2023 - 2024	4,474	90.27
2024 - 2025	5,223	105.39

Source: Annual Reports of Dalmia Bharat Limited.

Table No: 3: Total Current Liabilities

The trend analysis of total current liabilities from 2020-2021 to 2024-2025 shows fluctuations but remains relatively stable overall. The total current liabilities decreased from Rs. 4,956 crores in 2020-2021 to Rs. 4,460 crores in 2022-2023, representing a decline of 10.01% (from 100% to 89.99%). There was a slight increase to Rs. 4,474 crores in 2023-2024, followed by a significant rise to Rs. 5,223 crores in 2024-2025, marking a 5.39% increase from the base year (2020-2021). The trend indicates a reduction in current liabilities over the initial three years, followed by an increase in the subsequent years.

(Rs in. Crores)

Year	Total capital and Liabilities	Trend Percentages (%)
2020 - 2021	21,810	100
2021 - 2022	24,871	114.03
2022 - 2023	25,543	117.11
2023 - 2024	27,749	127.23
2024 - 2025	30,226	138.57

Source: Annual Reports of Dalmia Bharat Limited

Table No: 4: Total Capital and Liabilities

The trend analysis of total capital and liabilities from 2020-2021 to 2024-2025 shows a steady upward trend, indicating overall financial growth. The total capital and liabilities consistently increased from Rs. 21,810 crores in 2020-2021 to Rs. 30,226 crores in 2024-2025. The trend percentage rose from 100% in 2020-2021 to 138.57% in 2024-2025, indicating a significant growth of 38.57% over the five-year period. This consistent increase suggests that the company's overall capital and liabilities have been expanding.

(Rs in. crores)

Year	Fixed Assets	Trend Percentages (%)
2020 - 2021	13,740	100
2021 - 2022	14,238	103.69
2022 - 2023	15,925	115.90
2023 - 2024	17,600	128.09
2024 - 2025	19,548	142.27

Source: Annual Reports of Dalmia Bharat Limited.

Table No 5: Trend Analysis - Fixed Assets

The trend analysis of fixed assets from 2020-2021 to 2024-2025 shows a consistent increase, indicating continuous investment in long-term assets. The fixed assets have shown a consistent increase over the years, from Rs 13,740 crores in 2020-2021 to Rs 19,548 crores in 2024-2025. The trend percentages indicate a steady growth, with a 42.27% increase by 2024-2025 compared to the base year. This trend suggests on-going capital investments, possibly for business expansion, modernization, or infrastructure development. However, it is essential to assess whether these asset investments align with revenue growth and profitability to ensure efficient capital utilization.

(Rs in. crores)

Year	Non - Current Assets	Trend Percentages (%)
2020 - 2021	15,327	100
2021 - 2022	17,359	113.2
2022 - 2023	18,193	118.99
2023 - 2024	19,893	129.79
2024 - 2025	21897	142.87

Source: Annual Reports of Dalmia Bharat Limited.

Table No 6: Trend Analysis – Total Non - Current Assets

The trend analysis of non-current assets from 2020-2021 to 2024-2025 indicates steady growth, reflecting continued investments in long-term assets. The total non-current assets have also seen a continuous rise, from Rs 15,327 crores in 2020-2021 to Rs 21,897 crores in 2024-2025. The trend percentages show a growth of 42.87% by 2024-2025 relative to the base year. This trend implies strategic asset expansion, possibly for business growth, infrastructure, or technological advancements. However, ensuring these investments contribute to increased efficiency and profitability is crucial for long-term financial inability.

(Rs in. crores)

Year	Current Assets	Trend Percentages (%)
2020 - 2021	6,483	100
2021 - 2022	7,512	115.87
2022 - 2023	7,350	113.37
2023 - 2024	7,856	127.18
2024 - 2025	8,329	128.47

Source: Annual Reports of Dalmia Bharat Limited

Table No: 7: Trend Analysis – Current Assets

The trend analysis of current assets shows steady growth from 2020-2021 to 2024-2025, increasing from Rs. 5,669 crores to Rs. 7,856 crores. While there was strong growth in 2020-2021 and 2021-2022, a slight dip occurred in 2022-2023.

However, the assets recovered in 2023-2024, indicating effective short-term management and stability in financial operations.

(Rs in. crores)

Year	Total Assets	Trend Percentages (%)
2020 - 2021	21,810	100
2021 - 2022	24,871	114.03
2022 - 2023	25,543	117.11
2023 - 2024	27,749	127.23
2024 - 2025	30,226	138.59

Source: Annual Reports of Dalmia Bharat Limited.

Table No 8: Trend Analysis – Total Assets

The trend analysis of total assets from 2020-2021 to 2024-2025 shows consistent growth, with assets rising from Rs 20,611 crores to Rs 27,749 crores. After a solid increase in 2020-2021 (105.81%) and 2021-2022 (114.03%), growth slowed in 2022-2023 (102.70%) but rebounded in 2023-2024 (108.63%). This indicates overall asset expansion, reflecting business growth, despite some fluctuations in the growth rate.

III. FINDINGS

- ✓ The consistent growth in Total Shareholders' Funds indicates a positive financial health for Dalmia Bharat Limited.
- ✓ The significant growth in non-current liabilities may indicate a higher risk profile for the company, as it may be more vulnerable to changes in interest rates or market conditions.
- ✓ The relatively stable trend in current liabilities suggests that the company has managed its short-term obligations efficiently.
- ✓ The steady increase in total capital and liabilities suggests on-going business expansion, likely driven by increased shareholder funds, borrowings, or reinvestments.
- ✓ The continuous increase in fixed assets indicates on-going capital investments, but there is slight decline in the growth rate in 2023-2024.
- ✓ The steady increase in non-current assets indicates strategic investments, but ensuring these contribute to profitability and financial stability is crucial for long-term success.
- ✓ The steady growth and recovery of current assets in 2023-2024 indicate strong liquidity management, ensuring financial stability and operational efficiency.
- ✓ The consistent increase in total assets, despite fluctuations in the growth rate, indicates overall business expansion and financial stability.

IV. SUGGESTIONS AND CONCLUSION

To sustain long-term growth, the company should focus on optimizing production costs, improving supply chain efficiencies, and refining pricing strategies. Its total capital and liabilities have shown a steady and significant increase over

the five-year period from 2020-2021 to 2024-2025. This suggests that the company has been expanding its operations and potentially taking on more liabilities to fuel growth. Careful cost management, asset utilization, and operational efficiency will help maintain profitability and ensure sustained business growth.

The financial performance of Dalmia Bharat Ltd from 2020-2021 to 2024-2025 has been satisfactory, marked by overall growth and stability. The company's total capital and liabilities have steadily increased, supporting on-going expansion, but maintaining financial stability will require profitability to keep pace with rising liabilities.

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