

**ANNEXURE**  
**Statement 7 : Selected Financial Ratios - Selected Foreign Direct  
Investment Companies - Industry-Wise, 1990-91 to 1992-93**

SELECTED FINANCIAL RATIOS	Engineering (139)			Chemicals (67)			Tea (14)			1990-91
	1990-91	1991-92	1992-93	1990-91	1991-92	1992-93	1990-91	1991-92	1992-93	
1	2	3	4	5	6	7	8	9	10	11
<b>A. Capital structure ratios</b>										
1. Net fixed assets to total net assets	29.7	27.7	28.3	36.1	34.7	33.3	50.3	65.9	66.9	31
2. Net worth to total net assets	31.8	29.1	30.1	41.7	40.5	40.5	60.7	71.9	74.7	33
3. Debt to equity	54.0	71.4	65.0	40.9	43.4	44.6	14.6	7.1	7.1	53
4. Debt to equity (equity adjusted for revaluation reserve)	58.3	78.0	71.4	48.7	50.5	50.6	23.0	18.3	18.7	61
5. Short term bank borrowings to inventories	36.6	41.5	43.0	45.3	41.7	42.0	35.6	44.1	52.7	52
6. Total outside liabilities to net worth	214.8	244.2	231.8	139.9	146.6	146.8	64.8	39.2	33.8	201
<b>B. Liquidity ratios</b>										
7. Current assets to current liabilities *	1.3	1.4	1.4	1.5	1.5	1.5	1.4	1.4	1.5	1
8. Quick assets to current liabilities	56.3	59.2	63.2	44.0	46.9	50.8	49.0	34.1	45.1	44
9. Current assets to total net assets	68.2	67.7	69.1	60.5	62.3	62.7	42.9	31.3	30.6	67
10. Sundry creditors to current assets	29.2	28.4	27.7	27.9	29.5	28.4	23.8	23.1	19.0	30
11. Sundry creditors to net working capital	116.2	108.8	100.4	86.4	88.4	82.4	81.6	87.0	54.8	113
<b>C. Assets utilization and turnover ratios</b>										
12. Sales to total net assets	114.6	102.7	93.1	121.5	131.7	133.7	79.5	57.0	46.9	140
13. Sales to gross fixed assets	207.0	202.0	182.7	183.5	203.6	209.8	117.3	71.5	58.5	339
14. Inventories to sales	27.2	28.7	30.7	25.6	23.3	23.4	10.9	11.9	14.6	18
15. Sundry debtors to sales	20.4	24.0	28.1	12.2	12.0	13.0	4.5	4.6	7.1	8
16. Exports to sales	7.3	8.3	8.9	9.2	8.3	7.5	19.7	22.3	29.3	13
17. Gross value added to gross fixed assets	55.3	53.0	46.7	44.2	46.2	47.7	74.0	40.9	32.9	79
18. Raw materials consumed to value of production	57.8	58.4	57.7	55.3	56.4	55.5	0.3	1.7	4.2	58
<b>D. Sources and uses of funds ratios @</b>										
19. Gross fixed assets formation to total uses of funds		28.6	40.4		41.0	39.9		85.8	41.3	
20. Gross capital formation to total uses of funds		50.7	61.4		62.4	67.8		103.3	55.8	
21. External sources of funds to total sources of funds		74.7	73.3		52.4	50.8		27.8	78.8	
22. Increase in bank borrowings to total external sources		18.5	13.9		4.2	23.9		75.9	13.0	
23. Gross savings to gross capital formation		49.0	46.5		75.4	77.8		67.4	46.9	
<b>E. Profitability and profit allocation ratios</b>										
24. Gross profits to total net assets	14.2	12.8	10.5	14.9	15.7	16.1	24.7	13.6	7.8	15
25. Gross profits to sales	12.4	12.5	11.2	12.3	11.9	12.1	31.1	23.9	16.6	11
26. Profits after tax to net worth	19.3	16.4	9.3	18.0	15.4	15.7	18.0	7.6	3.5	20
27. Tax provision to profits before tax	37.5	40.4	46.5	38.3	45.7	41.5	51.2	52.3	55.1	50
28. Profits retained to profits after tax	71.0	67.7	53.3	58.3	51.1	53.0	45.0	27.8	3.0	75
29. Dividends to net worth	5.6	5.3	4.3	7.5	7.5	7.4	9.9	5.5	3.4	4
30. Ordinary dividends to ordinary paid-up capital	18.4	19.8	17.2	31.4	29.6	31.2	62.9	48.3	34.2	27

(Per cent)

SELECTED FINANCIAL RATIOS	All Textiles (8)			Rubber and Rubber Products (8)			Leather (6)			
	1990-91	1991-92	1992-93	1990-91	1991-92	1992-93	1990-91	1991-92	1992-93	
1	14	15	16	17	18	19	20	21	22	
<b>A. Capital structure ratios</b>										
1. Net fixed assets to total net assets	32.7	30.3	34.2	34.2	36.9	44.7	19.2	17.5	24.0	
2. Net worth to total net assets	36.3	39.0	47.5	38.7	37.0	33.4	21.9	25.3	27.9	
3. Debt to equity	46.5	31.2	32.5	53.5	70.0	95.2	70.9	74.3	64.3	
4. Debt to equity (equity adjusted for revaluation reserve)	46.5	31.2	36.9	81.4	117.2	144.3	77.3	79.3	99.6	
5. Short term bank borrowings to inventories	68.4	63.9	60.9	48.5	60.9	62.8	37.6	36.0	39.3	
6. Total outside liabilities to net worth	175.3	156.4	110.5	158.6	170.4	199.3	356.3	294.6	258.5	
<b>B. Liquidity ratios</b>										
7. Current assets to current liabilities *	1.4	1.4	1.8	1.5	1.5	1.5	1.2	1.4	1.3	
8. Quick assets to current liabilities	38.8	42.3	60.9	65.4	67.2	69.6	17.2	22.6	22.1	
9. Current assets to total net assets	66.9	69.4	65.4	62.2	57.2	53.6	77.6	78.0	72.1	
10. Sundry creditors to current assets	20.9	27.2	13.9	27.2	25.0	25.2	5.2	6.0	6.0	
11. Sundry creditors to net working capital	69.4	91.4	32.0	77.9	70.5	71.2	26.5	21.0	23.7	
<b>C. Assets utilization and turnover ratios</b>										
12. Sales to total net assets	94.4	88.7	74.6	104.0	88.9	81.5	201.2	204.0	171.5	

13. Sales to gross fixed assets	164.0	171.0	135.4	153.6	136.1	114.4	524.8	572.6	418.1
14. Inventories to sales	36.8	35.9	39.8	19.0	18.5	18.1	26.2	25.3	27.7
15. Sundry debtors to sales	18.1	22.4	28.7	21.0	21.7	22.8	4.2	5.0	5.8
16. Exports to sales	31.9	38.8	41.6	8.5	8.0	7.7	8.7	8.3	4.8
17. Gross value added to gross fixed assets	62.5	64.4	59.9	31.7	29.8	25.2	151.8	157.8	98.9
18. Raw materials consumed to value of production	55.7	49.5	43.1	61.7	59.8	59.6	56.0	55.0	59.4
<b>D. Sources and uses of funds ratios @</b>									
19. Gross fixed assets formation to total uses of funds		22.8	46.9		38.0	84.8		14.6	30.8
20. Gross capital formation to total uses of funds		39.2	69.1		44.4	90.6		54.3	82.7
21. External sources of funds to total sources of funds		41.1	14.3		79.0	85.0		50.7	153.5
22. Increase in bank borrowings to total external sources		- 1.0	- 3.7		21.3	0.7		20.3	20.8
23. Gross savings to gross capital formation		155.0	146.0		47.5	24.5		82.3	- 16.8
<b>E. Profitability and profit allocation ratios</b>									
24. Gross profits to total net assets	19.6	19.0	18.5	8.5	8.6	7.0	14.1	13.1	4.2
25. Gross profits to sales	20.7	21.4	24.9	8.2	9.6	8.6	7.0	6.4	2.4
26. Profits after tax to net worth	26.0	24.8	16.2	8.1	6.9	5.3	24.7	21.8	-
27. Tax provision to profits before tax	26.2	38.0	37.6	29.9	41.3	19.9	15.8	29.6	#
28. Profits retained to profits after tax	81.5	80.6	83.2	50.8	49.5	52.5	86.6	80.6	&
29. Dividends to net worth	4.8	4.8	2.7	4.0	3.5	2.5	3.3	4.2	0.8
30. Ordinary dividends to ordinary paid-up capital	12.8	14.0	9.8	27.3	29.1	20.9	8.2	11.7	2.7

Note: Figures in brackets represent the number of companies.  
 \* Item B.7 is the actual ratio of current assets to current liabilities.  
 @ Adjusted for revaluation, etc.  
 - Numerator negative.  
 # Denominator negative.  
 & Numerator and denominator both negative.