CHAPTER 5: CONCLUSION AND SUGGESTION

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5.1   CONCLUSION

Sun Pharmaceutical Industries Ltd has the highest average value of marketcap/net operating revenue among pharmaceutical firms, with a value of 20.699, according to the table displaying average marketcap/net operating revenue values above. The lowest average market cap/net operating revenue ratio is 3.157 for Alkem Laboratories Ltd. For retail businesses, Heads UP Ventures Ltd., with a value of 9.623, has the highest average market capitalization/net operating revenue. Future Enterprises Ltd., with a value of 0.402, has the lowest average market capitalization/net operating revenue. The average market capitalization and net operating revenue of pharmaceutical companies are higher than that of a few retail companies. According to the market capitalization/net operating revenue average table above, retail companies will have greater average market capitalization/net operating revenue during the years 2021–2022. Retail businesses' average market capitalization and net operating income are higher in 2020–21. The average market capitalization and net operating revenue of pharmaceutical businesses are higher in 2019–20. Pharmaceutical businesses' average market capitalization and net operating income have increased from 2018 to 2019. The average market capitalization and net operating revenue of pharmaceutical companies increased from 2017 to 2018. The average market capitalization and net operating revenue of pharmaceutical companies increased from 2016 to 2017. The average market capitalization and net operating revenue of pharmaceutical companies increased from 2015 to 2016. The average market capitalization and net operating revenue of pharmaceutical companies increased from 2014 to 2015. The average market capitalization and net operating revenue of pharmaceutical companies increased from 2013 to 2014. The average market capitalization and net operating revenue of pharmaceutical companies increased from 2012 to 2013.

With a score of 28.148, Divis Laboratories Ltd has the greatest average value of net profit margin (%) among pharmaceutical businesses, according to the above average value of net profit margin (%) table. The lowest average net profit margin (%) belongs

to Sun Pharmaceutical Industries Ltd, which is -0.852. With a rating of 4.92, Trent Ltd has the greatest average net profit margin (%) among retail businesses. With a rating of -117.286, Heads UP Ventures Ltd. has the lowest average net profit margin (%). Pharmaceutical companies typically have larger net profit margins (%) than particular retail companies. It is clear from the above average net profit margin (%) table that pharmaceutical businesses will have greater average net profit margins (%) in 2021–2022. Pharmaceutical businesses' average net profit margins (%) are greater in 2020–21. Pharmaceutical businesses' average net profit margins (%) are higher in 2019–20. Pharmaceutical businesses' average net profit margins (%) increased in 2018–19. Pharmaceutical businesses' average net profit margins (%) were higher in 2017–18. Pharmaceutical businesses' average net profit margins (%) were higher in 2016–17. Pharmaceutical businesses' average net profit margins (%) increased from 2015 to 2016. The average net profit margin (%) for pharmaceutical companies in the years 2014–2015 was greater. The average net profit margin (%) for pharmaceutical companies in 2013–14 was greater. The average net profit margin (%) for pharmaceutical companies during the 2012–2013 fiscal year was greater.

The above average value of net profit/share (Rs.) table enables one to draw the conclusion that Abbott India Ltd. has the greatest average value of net profit/share (Rs.) among pharmaceutical firms, with a value of 190.022. The lowest average net profit/share (Rs.) is 0.62 for Sun Pharmaceutical Industries Ltd. In terms of retail businesses, V-Mart Retail Ltd has the greatest average net profit per share (Rs.) at a value of 19.122. The lowest average net profit/share (Rs.) is -6.341 for Aditya Birla Fashion & Retail Ltd. In comparison to a few retail companies, pharmaceutical companies often have higher average net profit per share (Rs.) values. The average net profit/share (Rs.) table above indicates that pharmaceutical businesses will have higher average net profit/share during the years 2021–2022. (Rs.). Pharmaceutical businesses' average net profit/share will increase between 2020 and 21. (Rs.). The average net profit/share for pharmaceutical companies is higher in 2019–20. (Rs.). The average net profit/share for pharmaceutical companies in 2018–19 was greater (Rs.). Pharmaceutical businesses' average net profit/share increased during the fiscal year 2017–18. (Rs.). Pharmaceutical businesses' average net profit/share increased in 2016–17. (Rs.). Pharmaceutical businesses' average net profit/share increased from 2015 to 2016. (Rs.). Pharmaceutical businesses' average net profit/share increased from 2014 to

2015. (Rs.). The average net profit/share for pharmaceutical companies increased from 2013 to 2014. (Rs.). Pharmaceutical firms' average net profit/share increased throughout the 2012–2013 year (Rs.).

The above average value of PBDIT margin (%) table leads to the conclusion that Divis Laboratories Ltd. has the greatest average value of PBDIT margin (%) among pharmaceutical firms, with a value of 40.337. The lowest average PBDIT margin (%) figure, 17.685, belongs to Sun Pharmaceutical Industries Ltd. With a value of 17.607, Future Enterprises Ltd has the highest average PBDIT margin (%) among retail businesses. The company with the lowest average PBDIT margin (%) is Heads UP Ventures Ltd, with a figure of -100.645. Pharmaceutical companies typically have greater average PBDIT margins (%) than particular retail companies. The above average PBDIT margin (%) table leads to the conclusion that pharmaceutical businesses will have greater average PBDIT margins (%) in the years 2021–2022. The average PBDIT margin (%) for pharmaceutical companies is greater in 2020–21. Pharmaceutical businesses' average PBDIT margin (%) is greater in 2019–20. Pharmaceutical businesses' average PBDIT margin (%) has increased from 2018 to 2019. Pharmaceutical businesses had greater average PBDIT margins (%) during the 2017–18 fiscal year. Pharmaceutical businesses' average PBDIT margin (%) was higher in 2016–17. Pharmaceutical businesses' average PBDIT margin (%) increased from 2015 to 2016. Pharmaceutical businesses' average PBDIT margin (%) increased from 2014 to 2015. Pharmaceutical businesses' average PBDIT margin (%) was greater in 2013–2014. The average PBDIT margin (%) for pharmaceutical businesses in 2012–2013 was greater.

Divis Laboratories Ltd has the greatest average value of PBIT margin (%) among pharmaceutical firms, with a value of 36.753, according to the above average value of PBIT margin (%) table. The lowest average PBIT margin (%) value was recorded by Sun Pharmaceutical Industries Ltd at 12.139. Trent Ltd has the greatest average PBIT margin (%) among retail businesses, with a score of 9.707. The company with the lowest average PBIT margin (%) is Heads UP Ventures Ltd, with a number of -103.857. Pharmaceutical companies typically have greater average PBIT margins (%) than particular retail companies. From the above average PBIT margin (%) data, it can be inferred that pharmaceutical businesses will have greater average PBIT margins (%) in the years 2021–2022. The average PBIT margin (%) for pharmaceutical companies is

greater in 2020–21. Pharmaceutical businesses' average PBIT margin (%) is greater in 2019–20. The average PBIT margin (%) for pharmaceutical companies during 2018–19 is greater. Pharmaceutical businesses had greater average PBIT margins (%) during the 2017–18 fiscal year. Pharmaceutical businesses' average PBIT margin (%) was higher in 2016–17. Pharmaceutical businesses' average PBIT margin (%) was higher in 2015–16. Pharmaceutical businesses' average PBIT margin (%) increased from 2014 to 2015. Pharmaceutical businesses had greater average PBIT margins (%) in 2013–2014. The average PBIT margin (%) for pharmaceutical companies in 2012–2013 was greater.

With a value of 36.696, Divis Laboratories Ltd has the greatest average value of PBT margin (%) among pharmaceutical businesses, according to the above average value of PBT margin (%) table. The lowest average PBT margin (%) value belongs to Sun Pharmaceutical Industries Ltd, which is -5.062. Trent Ltd has the greatest average PBT margin (%) among retail companies, with a value of 6.689. The company with the lowest average PBT margin (%) is Heads UP Ventures Ltd, with a number of -114.905. Pharmaceutical companies typically have greater average PBT margins (%) than particular retail companies. From the above average PBT margin (%) data, it can be inferred that pharmaceutical businesses will have greater average PBT margins (%) in the years 2021–2022. The average PBT margin (%) for pharmaceutical companies is greater in 2020–21. Pharmaceutical businesses' average PBT margin (%) is greater in 2019–20. The average PBT margin (%) for pharmaceutical companies in 2018–19 was greater. Pharmaceutical businesses' average PBT margin (%) was higher in 2017–18. Pharmaceutical businesses' average PBT margin (%) was higher in 2016–17. Pharmaceutical businesses' average PBT margin (%) was higher in 2015–16. Pharmaceutical businesses had greater average PBT margins (%) in the years 2014–2015. Pharmaceutical businesses' average PBT margin (%) was higher in 2013–2014. The average PBT margin (%) for pharmaceutical companies in 2012–2013 was greater.

According to the above average value of return on assets (%) table, Divis Laboratories Ltd. has the greatest average value of return on assets (%) among pharmaceutical businesses, with a value of 18.379 The lowest average return on assets (%) is -0.539 for Sun Pharmaceutical Industries Ltd. With a rating of 10.025, Avenue Supermarts Ltd has the highest average return on assets (%) among retail businesses. With a rating of -13.67, Heads UP Ventures Ltd. has the lowest average return on assets (%).

Pharmaceutical companies typically have higher average return on assets (%) values than particular retail companies. From the above average return on assets (%) table, it can be inferred that pharmaceutical businesses will have greater average return on assets (%) in the years 2021–2022. Pharmaceutical businesses' average return on assets (%) is greater in 2020–21. Pharmaceutical businesses' average return on assets (%) is greater in 2019–20. Pharmaceutical businesses' average return on assets (%) has increased throughout the 2018–19 fiscal year. Pharmaceutical businesses' average return on assets (%) has increased from 2017 to 2018. Pharmaceutical businesses' average return on assets (%) has increased from 2016 to 2017. Pharmaceutical businesses' average return on assets (%) has increased from 2015 to 2016. The average return on assets (%) for pharmaceutical companies in 2014–15 was greater. Pharmaceutical businesses had better average returns on assets (%) during the 2013–2014 fiscal year. Pharmaceutical businesses had better average returns on assets (%) during the 2012–2013 period.

With a score of 26.532, Abbott India Ltd has the greatest average value of return on capital employed (%) among pharmaceutical firms, according to the above average value of return on capital employed (%) table. The lowest average return on capital employed (%) is 1.616 for Sun Pharmaceutical Industries Ltd. Bella Casa Fashion & Retail Ltd has the highest average return on capital employed (%) of all retail companies, with a value of 21.943. The lowest average return on capital employed (%) is -18.437 for Future Enterprises Ltd. Pharmaceutical companies typically have higher average return on capital employed (%) values than particular retail companies. From the above average return on capital employed (%) table, it can be deduced that pharmaceutical businesses will have greater average return on capital employed (%) during the years 2021–2022. Pharmaceutical businesses' average return on capital employed (%) is greater in 2020–21. The average return on capital employed (%) for pharmaceutical companies in 2019–20 is greater. Pharmaceutical businesses' average return on capital employed (%) has increased from 2018 to 2019. The average return on capital employed (%) for retail enterprises in 2017–18 was greater. The average return on capital employed (%) for retail enterprises in 2016–17 was greater. Pharmaceutical businesses' average return on capital employed (%) increased from 2015 to 2016. The average return on capital employed (%) for pharmaceutical companies in the period 2014–15 has increased. The average return on capital employed

(%) for pharmaceutical companies in 2013–14 was greater. The average return on capital employed (%) for pharmaceutical companies in 2012–2013 was greater.

ANOVA-BASED HYPOTHESIS TESTING SUMMARY

NULL HYPOTHESIS	P VALUE	DECISION
"There is no significant difference in MarketCap/Net Operating Revenue for selected Pharmaceutical Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in MarketCap/Net Operating Revenue for selected Retail Companies of India."	0.0598	"Null Hypothesis is Accepted"
"There is no significant difference in Net Profit Margin (%) for selected Pharmaceutical Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in Net Profit Margin (%) for selected Retail Companies of India."	0.0333	"Null Hypothesis is Rejected"
"There is no significant difference in Net Profit/Share (Rs.) for selected Pharmaceutical Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in Net Profit/Share (Rs.) for selected Retail Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in PBDIT Margin (%) for selected Pharmaceutical Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in PBDIT Margin (%) for selected Retail Companies of India."	0.0204	"Null Hypothesis is Rejected"

NULL HYPOTHESIS	P VALUE	DECISION
"There is no significant difference in PBIT Margin (%) for selected Pharmaceutical Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in PBIT Margin (%) for selected Retail Companies of India."	0.0310	"Null Hypothesis is Rejected"
"There is no significant difference in PBT Margin (%) for selected Pharmaceutical Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in PBT Margin (%) for selected Retail Companies of India."	0.0386	"Null Hypothesis is Rejected"
"There is no significant difference in Return on Assets (%) for selected Pharmaceutical Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in Return on Assets (%) for selected Retail Companies of India."	0.0028	"Null Hypothesis is Rejected"
"There is no significant difference in Return on Capital Employed (%) for selected Pharmaceutical Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in Return on Capital Employed (%) for selected Retail Companies of India."	0.1229	"Null Hypothesis is Accepted"

TWO TAILED T-TEST BASED HYPOTHESIS TESTING SUMMARY

NULL HYPOTHESIS	P VALUE	DECISION
"There is no significant difference in MarketCap/Net Operating Revenue between selected Pharmaceutical and Retail Companies of India."	0.0016	"Null Hypothesis is Rejected"
"There is no significant difference in Net Profit Margin (%) between selected Pharmaceutical and Retail Companies of India."	0.0108	"Null Hypothesis is Rejected"
"There is no significant difference in Net Profit/Share (Rs.) between selected Pharmaceutical and Retail Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in PBDIT Margin between selected Pharmaceutical and Retail Companies of India."	0.0009	"Null Hypothesis is Rejected"
"There is no significant difference in PBIT Margin between selected Pharmaceutical and Retail Companies of India."	0.0024	"Null Hypothesis is Rejected"
"There is no significant difference in PBT Margin between selected Pharmaceutical and Retail Companies of India."	0.0059	"Null Hypothesis is Rejected"
"There is no significant difference in Return on Assets (%) between selected Pharmaceutical and Retail Companies of India."	0.0000	"Null Hypothesis is Rejected"
"There is no significant difference in Return on Capital Employed (%) between selected Pharmaceutical and Retail Companies of India."	0.0092	"Null Hypothesis is Rejected"

5.2 SUGGESTIONS

SUGGESTIONS FOR THE PHARMACEUTICAL COMPANIES

- This study suggests to investors that there may be no risk associated with investing in the sample units under study as the profitability of the samples has been analysed. Through this analysis, investors can learn which of the study's units are the most promising bets.

- Problems arise for companies reliant on the domestic market as a result of government policies that aim to provide low cost drugs to the people. As a result, management ought to work on reducing product costs.

- The company's management needs to investigate all of the variables that have an impact on profitability, such as "product cost, product life cycle, competition, economic growth, sales growth, export" etc.

- The pharmaceutical and retail industries could benefit from an appropriate mix of capital, which could be made possible if banks and financial institutions were encouraged to provide low-cost term finance.

- Using their own internal models, businesses have predicted how much money they will make from their production and trading activities using various profit ratios. Companies in the pharmaceutical industry are advised to maintain a high profit to revenue ratio by cutting costs. The companies also need to have policies in place to keep COGS as low as possible while keeping sales as high as possible.

- Selected businesses must have sufficient cash on hand. Companies must examine business bill clients, analyse the age of accounts receivable, pay suppliers on different schedules, use different pricing strategies, and finally keep pricing constantly with the economy in order to maintain optimum levels. Businesses can improve their cash flow by adopting the aforementioned tactics.

- A strong and healthy financial position is indicated by a high net profit ratio and an operating profit ratio. Companies in the pharmaceutical industry can increase their profit margin by discontinuing unprofitable products, expanding their customer base, and cutting costs. The best approach, apart from these, is to work on increasing sales while cutting costs at the same time.

- The pharmaceutical industry needs to pay more attention to the cost of goods sold and operating expenses if it wants to increase its profitability.

- All of the chosen companies can stand to benefit from a higher return on assets, so it's in the best interest of all businesses to keep that ratio at a high level.

- Several methods exist for reducing waste in the workplace, including focusing on and fixing the processes that lead to defects, cutting back on unnecessary production, cutting back on downtime, boosting transportation efficiency, cutting back on excess inventory, and cutting back on unnecessary processing. All of these tactics have the potential to raise the percentage of manufactured goods and services that ultimately reach consumers, who in turn spend more money. For instance, pharmaceutical firms may employ regional demand tracking software to manufacture and distribute only as much medication as is required in a given area.

SUGGESTIONS FOR THE RETAIL COMPANIES

- Companies can improve their performance at customer relationship management by investing in their employees through a development and training programme.

- A high-quality Distribution Network is essential for satisfying customers. Customers' satisfaction with the provided goods and services can be better monitored if service providers have a thorough understanding of their needs and expectations.

- It is recommended that unstructured retailers keep up their marketing efforts to keep their current customers and attract new ones.

- Given the findings about the age gap in retailers' marketing approaches, it's suggested that the unorganised retailers put more effort into the Price Strategy and the Promotion Strategy in order to attract new customers and keep the old ones around.

- Those who live in rural areas are more likely to shop in disorganised markets. Therefore, various sales promotion activities should be undertaken in an effort to attract more rural buyers.

- It is beneficial for retail establishments to have a larger floor area, so careful floor planning is essential.

- Store ambience and credit facilities are two areas where unorganised retailers can stand to improve.

- For the convenience of their customers, shops should stock more popular items.

- Since the retail industry is well-known for impulsive purchases, it is important for retailers to target customers who aren't driven solely by a need.

- In the retail industry, eye-catching displays are more important than any other form of advertising. In light of this, it is imperative that informal merchants make better use of such methods as well.

- To help the unorganised retail sector better understand government policies, it is suggested that the government provide education and raise awareness among this sector.

- The government should encourage the formation of co-operative societies and associations for the unorganised retailers so that they can buy directly from suppliers and farmers, thereby increasing the income level of the unorganised retailers from their retail business.

- If the government ensures that unorganised female retailers have access to better credit facilities from banks and financial institutions, it may help these businesses survive and grow.

- In order to increase the worth of unorganised retail businesses and boost retail sales, the government may arrange and impart more training programmes on managerial strategy, product strategy, price strategy, shopping convenience strategy, promotion strategy, ethics strategy, returns and exchange strategy, physical aspects strategy, and distribution strategy.

- Those unorganised retailers without the financial wherewithal to invest in improving their business's performance may be eligible for generous loans from the government through the financial sector.

- In order to help the unorganised retailers improve their performance, the government may arrange a proactive skill development programme focused on consumer goodwill, bargaining ability, convenient timings, and home delivery.

- When it comes to the unorganised retailers' back-end developments like personality development, managerial skill development, green marketing development, marketing skill development, value and intellectual development due to retailing, the government may organise the business ethics awareness

programme. The program's creators also owe it to viewers to clarify how retailers' investments in their businesses' back ends affect consumers' quality of life.

5.2 SCOPE FOR THE FURTHER STUDY

Companies operating in the pharmaceutical and retail sectors in India are the primary focus of this research.

- Some pharmaceutical and chemical firms can be compared and contrasted in terms of financial performance.
- Foreign direct investment (FDI) and government policies can be studied for their effects on the retail and pharmaceutical sectors' bottom lines.
- There is room for more research into the impact of mergers and acquisitions on the financial performance of specific sectors of the pharmaceutical and retail industries.
- The effects of India's new Goods and Services Tax (GST) regime on the pharmaceutical and retail industries' bottom lines could be investigated in the future.
- A deeper analysis of the effect of profitability on the stock market performance of specific companies is possible.