

A STUDY ON FINANCIAL STATEMENT ANALYSIS AT PERFETTI VAN MELLE LTD

Submitted in partial fulfillment of the requirements for the award of

Bachelor of Commerce

by

SENTHIL KUMAR P K

(40740328)



**DEPARTMENT OF BUSINESS ADMINISTRATION SCHOOL OF
MANAGEMENT STUDIES**

SATHYABAMA
INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

**Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE
JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI - 600 119**

APRIL - 2023



SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)

Accredited "A" Grade by NAAC | 12B Status by UGC | Approved by AICTE

www.sathyabama.ac.in

DEPARTMENT OF BUSINESS ADMINISTRATION

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **SENTHIL KUMAR P K (40740328)** who carried out the Project Training at "**PERFETTI VAN MELLE INDIA LTD**" under our supervision for a period of 3 months from January 2023 to March 2023.

Dr. S. KRISHNAKUMARI, MBA., Ph.D.
Internal guide

MEHABUB BASHA
External Guide

SCHOOL OF MANAGEMENT STUDIES
SATHYABAMA
INSTITUTE OF SCIENCE AND TECHNOLOGY
Dr. BHUVANESHWARI G. MBA, Ph.D.
Leoplaar Nagar, Rajiv Gandhi Salai,
Chennai-600 119
Dean – School of Management Studies

Submitted for Viva Voce Examination held on **08.05.2023**

Internal Examiner

External Examiner

DECLARATION

I **SENTHIL KUMAR P K (40740328)** hereby declare that the Project work done by me under the guidance of **Dr. S. KRISHNAKUMARI, MBA., Ph.D(Internal)** and **Mr. MEHABUB BASHA(External)** at **PERFETTI VAN MELLE PVT LTD., via. Guduvancherry, No.7, Karanai Puducherry Village & post PIN- 603 203** is submitted in partial fulfillment of the requirements for the award of Bachelor of Commerce.

DATE: 29.04.2023

Senthikumar

PLACE: CHENNAI

**SIGNATURE OF THE
CANDIDATE**

ACKNOWLEDGEMENT

I am pleased to acknowledge my sincere thanks to Board of Management of **SATHYABAMA** for their kind encouragement in doing this project and for completing it successfully. I am grateful to them.

I convey my thanks to **Dr. G. Bhuvaneswari, MBA., Ph.D., Dean - School of Management Studies** and **Dr. A. Palani, M.Com., M.Phil., M.B.A., Ph.D., Head of the Department, Dept. of Business Administration** for providing me necessary support and details at the right time during the progressive reviews.

I would like to express my sincere and deep sense of gratitude to my Project Guide **Dr. KRISHNAKUMARI, MBA, Ph.D** for her valuable guidance, suggestions and constant encouragement paved way for the successful completion of my project work.

I wish to express my thanks to all Teaching and Non-teaching staff members of the **Department of Business Administration** who were helpful in many ways for the completion of the training.

SENTHIL KUMAR P K

ABSTRACT

The main purpose of this study is to determine, forecast and evaluate the best of economic conditions and company's performance in the future. The other purpose of this study is to analyze the financial statement and then give information for financial managers to make through decisions about their business. The financial statement applies tools, analytical techniques and required methods for business analysis. It is a diagnostic tool for evaluating financing activities, investment activities and operational activities as well as an assessment tool for management decisions and other business decisions. The analysis of financial statements, respectively the analysis of the financial reports are used by managers, shareholders, investors and all other interested parties regarding the company's state. Managers use financial reports to see the situation in which the company stands and then provide information to shareholders, to see how reasonable are the investments made in the company. To potential investors, the analysis of the financial statements of the company is very important, because, first they want to know the actual state of the company and then decide whether to invest or not.

TABLE OF CONTENTS

CHAPTER.NO	TITLE	PAGE NO.
	ABSTRACT	vi
	LIST OF TABLES	ix
	LIST OF CHARTS	x
1	INTRODUCTION	
	1.1 Introduction Financial Statement Analysis	2
	1.2 Industry profile	4
	1.3 Company profile	6
	1.4 Statement of the Problem	11
	1.5 Need for the Study	11
	1.6 Objectives of the Study	12
	1.7 Scope of the Study	12
	1.8 Limitations of the Study	12
	1.9 Chapter Framework	13
2	REVIEW OF LITERATURE	14
3	RESEARCH METHODOLOGY	20
	3.1 Research Design	20
	3.2 Sources of Data	20
	3.3 Period of the Study	20
	3.4 Analytical Tools	120

4	DATA ANALYSIS AND INTERPRETATION	
	4.1 Current Ratio	29
	4.2 Liquid Ratio	31
	4.3 Absolute Liquidity Ratio	33
	4.4 Quick Ratio	35
	4.5 Debt Equity Ratio	37
	4.6 Proprietary Ratio	39
	4.7 Fixed Asset to Net Worth Ratio	41
	4.8 Net Profit Margin	43
	4.9 Gross Profit Ratio	45
	4.10 Operating Cost Ratio	47
	4.11 Total Asset Turnover Ratio	49
	4.12 Fixed Asset Turnover Ratio	51
	4.13 Current Asset Turnover Ratio	53
	4.14 Working Capital Turnover Ratio	55
	4.15 Stock Turnover Ratio	57
5	FINDINGS, SUGGESTIONS AND CONCLUSION	
	5.1 Findings of the Study	69
	5.2 Suggestions	71
	5.3 Conclusion	72
	REFERENCES	73

LIST OF TABLES

TABLE NO.	PARTICULARS	PAGE NO.
4.1	Table Showing Current Ratio	29
4.2	Table Showing Liquid Ratio	31
4.3	Table Showing Absolute Liquidity Ratio	33
4.4	Table Showing Quick Ratio	35
4.5	Table Showing Debt Equity Ratio	37
4.6	Table Showing Proprietary Ratio	39
4.7	Table Showing Fixed Asset to Net Worth Ratio	41
4.8	Table Showing Net Profit Ratio	43
4.9	Table Showing Gross Profit Ratio	45
4.10	Table Showing Operating Profit Ratio	47
4.11	Table Showing Total Asset Turnover Ratio	49
4.12	Table Showing Fixed Asset Turnover Ratio	51
4.13	Table Showing Current Asset Turnover Ratio	53
4.14	Table Showing Working Capital Turnover Ratio	55
4.15	Table Showing Stock Turnover Ratio	57
4.16	Table Showing Comparative Balance Sheet of 2017– 18	59
4.17	Table Showing Comparative Balance Sheet of 2018 – 19	61
4.18	Table Showing Comparative Balance Sheet of 2019 - 20	63
4.19	Table Showing Comparative Balance Sheet of 2020 – 21	65
4.20	Table Showing Comparative Balance Sheet of 2021 – 22	67

LIST OF CHARTS

CHART. NO.	PARTICULARS	PAGE NO.
4.1	Chart Showing Current Ratio	30
4.2	Chart Showing Liquid Ratio	32
4.3	Chart Showing Absolute Liquidity Ratio	34
4.4	Chart Showing Quick Ratio	36
4.5	Chart Showing Debt Equity Ratio	38
4.6	Chart Showing Proprietary Ratio	40
4.7	Chart Showing Fixed Asset To Net Worth Ratio	42
4.8	Chart Showing Net Profit Ratio	44
4.9	Chart Showing Gross Profit Ratio	46
4.10	Chart Showing Operating Profit Ratio	48
4.11	Chart Showing Total Asset Turnover Ratio	50
4.12	Chart Showing Fixed Asset Turnover Ratio	52
4.13	Chart Showing Current Asset Turnover Ratio	54
4.14	Chart Showing Working Capital Turnover Ratio	56
4.15	Chart Showing Stock Turnover Ratio	58

**A STUDY ON FINANCIAL STATEMENT
ANALYSIS AT
PERFETTI VAN MELLE LTD**

CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION TO FINANCIAL STATEMENT ANALYSIS

The managerial activity of planning and managing a company's financial resources is known as financial management. Although it existed as a separate discipline within economics until 1890, it is relatively new.

The responsibilities of a finance manager in a business are the subject of financial management. Budgeting, financial forecasting, cash management, credit administration, investment analysis, and money acquisition are just a few of his many responsibilities. Management finance has seen a rise in both demand and opportunity as a result of the recent trend toward business activity going global.

As these are used by investors and financial analysis to examine the performance of the company in order to make investment decisions, financial statements are prepared and presented for the external users of accounting information. As a result, they should be prepared very carefully and contain as much information as possible about investment decisions. Planning of the budget summary is the obligation of top administration. The budget summary for the most part ready from the bookkeeping records kept up with by the organizations.

An organization's long-term stability, profitability, and liquidity are all influenced by its financial performance. Accounting and financial statements are used to determine a company's operational and financial characteristics.

The purpose of such analysis is to ascertain, from the financial records and reports, the management's efficiency and performance. The process of evaluating a company's performance in relation to its industry and economic environment in order to make a decision or offer a recommendation is known as financial analysis. Financial analysts frequently address issues such as whether to invest in a company's debt or equity securities and at what price, as well as other aspects of capital provision to businesses.

An investor in debt securities is concerned about the business's capacity to repay the loan's principal and interest. An owner with a residual interest in the company is an equity securities investor who is concerned about the company's ability to pay dividends and the likelihood of an increase in its share price. Rounding, the ability of a company to earn a return on its capital that is at least equal to the cost of that capital, grow its operations profitably, and generate enough cash to meet obligations and pursue opportunities is a major focus of financial analysis. Professionals carry out the process of financial analysis by preparing reports using ratios that contain Perfetti Van Melle India Limited information. By analysing the financial performance, management can both make changes to their financial position and improve performance.

Financial analysis is the process of examining a company's performance in the context of its industry and economic environment in order to arrive at a decision or recommendation. Often, the decisions and recommendations addressed by financial analysts pertain to providing capital to companies—specifically, whether to invest in the company's debt or equity securities and at what price. An investor in debt securities is concerned about the company's ability to pay interest and to repay the principal lent. An investor in equity securities is an owner with a residual interest in the company and is concerned about the company's ability to pay dividends and the likelihood that its share price will increase.

Fundamental financial analysis starts with the information found in a company's financial reports. These financial reports include audited financial statements, additional disclosures required by regulatory authorities, and any accompanying (unaudited) commentary by management. Basic financial statement analysis—as presented in this reading—provides a foundation that enables the analyst to better understand other information gathered from research beyond the financial reports.

A financial statement analysis that distinguishes leverage arising from financing activities from leverage arising from other activities. Operations - The analysis produces two leveraging equations: one for borrowing to finance operations and one for borrowing during operations. These leveraging equations explain how different types of leverage affect book rates of return on equity. According to empirical evidence, financial statement analysis explains cross sectional differences in current and future rates of return, as well as price-to-book ratios based on expected rates of return on equity. As a result, the paper concludes that balance sheet line items for operating liabilities are priced differently than those for financing liabilities.

As a result, financial statement analysis that distinguishes between the two types of liabilities provides insight into future operations.

1.2 INDUSTRY PROFILE

India candy market was valued USD 1643.64 Million in value terms in FY2020 and is forecast to grow at CAGR of 15.40% in value terms to reach USD 3661.68 Million by FY2026. India candy market is witnessing consistent growth, owing to increasing disposable incomes bringing brand consciousness and inclination towards imported products, and growing organized retail and e-commerce channels along with robust supply chain networks. Moreover, factors such as rising population, emergence of premium candy segments, and entry of foreign players are further fueling the candy market in India.

Indians like to celebrate festivals by gifting sweets. Moreover, today's generation prefer candies as an alternative and they start relishing it at a pretty young age. While the West may be more calorie conscious, the Indian kids start off by indulging in all sorts of sugar boiled candies. No wonder, the candy industry is one of the synchronized and well-developed sectors among other sectors in the country. Post 2008 recession, the candy production has experienced rapid growth, on account of continuously changing lifestyle and economic development in the country. Today, India has become an attractive destination for investments and several large multinational companies are entering the market. This has resulted in gradual transformation of a commodity market into a branded products market, being dominated by multinational companies.

India candy market can be segregated based on type, organized vs unorganized and region. The most dominant segment in the country is sugar candy, due to continuous launch of innovative products supported by aggressive branding. The adoption of premium chocolate candies as gifts on festivals and functions is also growing considerably in the country due to marketing and awareness of chocolate candies as a product by indulgence rather than impulse product. India candy market has also been segmented into organized and unorganized sector. In FY2026, organized sector accounted for a majority share in India candy market; however, the unorganized sector is expected to decline during the forecast period.

Perfetti Van Melle India Private Limited, Parle Products Private Limited, ITC Limited, Mondelez

India Foods Private Limited, Nestle India Limited, DS Group Private Limited, Mars International

India Private Limited, Lotte India Corporation Limited, Hershey India Private Limited, and

Ravalgaon Sugar Farm Limited are some of the companies operating in the candy market of India.

1.3 COMPANY PROFILE

Perfetti Van Melle is an Italian-Dutch multinational company of confectionery and gum, It was formed in 2001 with the merger of the Perfetti of Italy, and the Van Melle of the Netherlands. Perfetti Van Melle is headquartered in Lainate, Italy, and Breda, Netherlands.

Perfetti Van Melle is the sixth largest confectionery manufacturer in the world. It employs 17,000 people via 30 subsidiary companies and distributes its products in over 159 countries.

Perfetti Van Melle India Private Limited is a 30 years 4 months old Private Company incorporated on 26 Jun 1992. Its registered office is in , India. The Company's status is Active, and it has filed its Annual Returns and Financial Statements up to 31 Mar 2021 (FY 20202021).

It's a company limited by shares having an authorized capital of Rs. 65.00 Crore and a paidup capital of Rs 27.87 Crore as per MCA. 6 Directors and 1 Signatories are associated with the organization. The Key Managerial Personnel (KMP) at Perfetti Van Melle India Private Limited India are Anand Kumar Tiwari as Company Secretary. Atul Sud, Massimo Terrevazzi, Sameer Suneja and 3 other members are presently associated as directors.



FIG. 1.3.1- PERFETTI VAN MELLE – LOGO

Perfetti Van Melle is a privately owned company, producing and distributing candies and chewing gums in more than 150 countries worldwide. Employing over 17.000 people and operating 37 companies throughout the world, Perfetti Van Melle has a true global reach: it is present in the Asia Pacific Region, Europe, Middle East, Africa and the Americas. The industrial adventure of Perfetti Van Melle began many years ago, but it was in March 2001 that the current Group was set up through the merger of Perfetti Spa and Van Melle N.V. In July 2006 the Group acquired the Spanish company Chupa Chups S.A., famous all over the world for its lollypops. Our brands convey the passion we have for our products. We continuously explore new ways of doing things and innovative ideas that will inspire and delight our consumers worldwide. Our global brands Mentos, Chupa Chups, Alpenliebe gratify, refresh, inspire consumers of all ages around the globe. Other brands are extremely popular in regional markets with innovative tastes that match local preferences.

FIG -1.3.2



PERFETTI VAN MELLE CENTRES IN INDIA

Manufacturing Locations :

- ♦ Rudrapur, Uttarakhand.
- ♦ Manesar , Haryana.
- ♦ Chennai, Tamilnadu.

Sales Office Locations:

- ♦ **North Branch** – Gurgaon, Haryana.
- ♦ **East Branch** – Kolkata, West Bengal.
- ♦ **West Branch** – Mumbai, Maharashtra.
- ♦ **South Branch** – Bangalore, Karnataka.

PRODUCTION AND QUALITY:

For the products being human consumables in the form of sweets and confectionary, all the food prevention requirements warranted by the food safety and standard act 2006 are applicable.

QUALITY ASSURANCE:

- ♦ Since the top management of Perfetti Van Melle India Private Limited firmly believes in the manufacturing & selling of high quality sweets and confectionary, fruit jellies, fruit bars, and proprietary ayurvedic medicine and
- ♦ other consumable product has heavily invested in setting and maintaining a full-fledged

Quality Assurance set-up which functions independently of the manufacturing function.

FOOD SAFETY MANAGEMENT SYSTEM:

A set of general food safety requirements world-wide that apply to all organizations in the food chain. Use of this system is to ensure that food products do not cause adverse human health effects.

VISION:

We will enhance our world leadership in confectionery by creating value for consumers through innovative and gratifying high-quality products.

MISSION:

- Develop, manufacture and market high-quality and innovative products for our consumers through the efficient use of our resources and in collaboration with our business partners.
- Create a fulfilling workplace for our employees built on trust, mutual respect, and appreciation of their diversity.
- Value the role we play in our communities, as a socially and environmentally committed organization.
- Generate economic value through superior growth and profitability.

VALUES:

Living the Perfetti Van Melle Values requires courage, vision, trust, commitment, and pragmatism. The following values will guide the actions in realizing their mission:

- ♦ Integrity without Compromise
- ♦ Achieving Excellence
- ♦ Dedication to the Consumer
- ♦ Care for our People
- ♦ Social & Environmental Responsibility
- ♦ Independence

1.4 STATEMENT OF THE PROBLEM

- Inaccurate financial reporting can be due to unintentional mistakes or, in some cases, fraud.
- The risks of inaccurate financial reporting include
 - Bad operational decisions
 - i. Economic loss
 - ii. Penalties
 - iii. Fines
 - iv. Legal action and even bankruptcy

A problem statement is a concise description of an issue to be addressed or a condition to be improved upon. It identifies the gap between the current (problem) state and desired (goal) state of a process or product. Focusing on the facts, the problem statement should be designed to address the 5 W's – who, what, where, when, and why.

1.5 NEED FOR THE STUDY

- This study seeks to identify the trends and relationships between financial statement items in Perfetti Van Melle Pvt Ltd. Both internal management and external users (such as analysts, creditors, and investors) of the financial statements need to evaluate a company's profitability, liquidity, and solvency.
- The calculations and comparisons of the results to historical company data, competitors, or industry averages to determine the relative strength and performance of the company being analyzed.
- The purpose of financial statements is to provide a picture of a company's financial position and performance based on three regularly produced financial statements, which together provide an overall picture of financial health. Financial statements are records that convey a company's business activities and financial performance. Accounting firms, investors, government agencies, and others frequently audit financial statements.
- The income statement depicts the entity's financial performance, which typically includes the income and expenses incurred during the period, while

the financial statement records the entire financial position of the business at a specific date. Stakeholders can assess the entity's financial performance and position by using the statements, and they can especially clearly understand each component, such as revenues, expenses, assets, liabilities, and equity.

- The significance of the Perfetti Van Melle India Ltd. study can be seen in the fact that an analysis of financial performance enables management to modify their financial position and improve the company's performance based on the study's findings.

1.6 OBJECTIVE OF THE STUDY

- Analyzing the financial statements of Perfetti Van Melle.
- To assess the earning capacity or profitability of the firm.
- To assess the operational efficiency and managerial effectiveness.
- To assess the short term as well as long term solvency position of the firm.
- To make recommendation based on the analysis of financial statement.

1.7 SCOPE OF THE STUDY

This research study is useful for Perfetti Van Melle Pvt Ltd to compare current performance with historical conditions using trend analysis, analyse financial ratios to assess profitability, solvency, working capital management, liquidity, and operating effectiveness and compare with peer companies or industry averages to find out how well companies are performing.

1.8 LIMITATIONS OF THE STUDY

- ♦ Errors in the secondary data would have affected the study.
- ♦ The time and resources available for the data are limited, so in-depth study could not be conducted.

1.9 CHAPTER FRAMEWORK

CHAPTER 1: INTRODUCTION

This chapter discusses about introduction to Financial performance analysis, Industry Profile, Company Profile, Need for the study, Statement of the Problem, Objectives of the study, Scope of the study, Limitations of the study.

CHAPTER 2: REVIEW OF LITERATURE

This chapter discusses about Review of Literature of various authors who had conducted research on the topic relating to the financial performance analysis and Theoretical studies of various ratio analysis used in the study.

CHAPTER 3: RESEARCH METHODOLOGY

This chapter discusses about introduction to Research Methodology, Research design, Source of the data, Tools used for the study, Period of the study.

CHAPTER 4: DATA ANALYSIS AND INTERPRETATION

This chapter discusses about various Ratio Analysis, Trend Analysis and Comparative. Balance Sheet for 5 years from 2018-2022.

CHAPTER 5: FINDINGS, SUGGESTIONS AND CONCLUSION

This chapter discusses about Findings, Suggestions and Conclusions.

CHAPTER 2

REVIEW OF LITERATURE

The review of literature guides the researchers for getting better understanding of methodology used, limitations of various available estimation procedures and data base and lucid interpretation and reconciliation of the conflicting results. Besides this, the review of empirical studies explore the avenues for future and present research efforts related with the subject matter. Empirical literature is reported in such a manner that other investigators understand precisely what was done and what was found in a particular research study to the extent that they could replicate the study to determine whether the findings are reproduced when repeated.

LIST OF REVIEWS

- **Shaikh Salman Masood (2020)** The purpose of this project is to financially study company Tata Motors Limited by doing ratio analyses and research. Both quantitative and qualitative methods were used for this report. Qualitative methods are introduction and literature review. Quantitative methods are analyses and charts. Information is taken from yahoo finance for three years: 2017,2018,2019. This report shows whether the changes are major or minor and the financial position of Tata Motors Limited

- **P Mohammed BuhariSaleem (2020)** conducted a study on the nestle india limited. Profitability ratio is used to analyze the company's ability to generate income as compared to its expenses and other cost associated with the generation of income during a specified period. Profitability ratios also compare income statement accounts and categories to show a company's ability to make profits from its operations. 10 Profitability ratios concentrate on a company's return on investment in inventory and other assets .These ratios normally show how well companies can achieve profits from their operations. Investors, creditors can use the profitability ratios to evaluate a company's return on investment based on its relative level of resources and assets. In other words, profitability ratios can be used to evaluate

whether the companies are making enough operational profit from their assets. In other words, profitability ratios relate to efficiency ratios because they show how well companies are using their assets to generate profits. Profitability is also important to the concept of solvency and going concern. Profitability ratio indicates the final result of the company.

- **Saifkulaib (2020)** conducted a study on the financial position of Sony. Sony Corporation is a brand in the electronics sector and works as the trans-national media company, for producing and selling the goods according to the demands of the customer. This shows that the strategies of a business and the culture of an organization directly impact the individual who plays a major role in strategy development and focuses on the mission of the business. Financial decisions of the organization are taken after analyzing the financial statements and the financial ratios which will define the liquidity or profitability position of the company. Sony has a great command over this business industry because it is adapting itself to the changing business environment.

- **BSR Murthy (2018)** conducted a study on the financial statements of Hatsun Agro Product Ltd. The Financial Statement analyses helps to see the current performance condition of a firm compare past performance. The performances of Companies are dependent more on the management's ability in formulating strategic plans and the efficient implementation of its strategies. The Result and Remedies can be helpful for management of a firm, it is attempts to analyze the financial statements and measure the performance in terms of assets utilization and profitability activities. In detail the research methodology used for the study that has focused on the past and present performance of a firm, the data was collected from income Statement and balance 11 sheet from website. The study has been undertaken on the evaluation of financial performance of company at a particular period. Financial analysis is important to plan to control the firm's financial resources. Researcher has used various Analysis techniques of Financial Statement.

- **Medarapusudhakar (2017)** conducted a study on the analysis of financial statements of Infosys. And found that the Financial statements are prepared primarily for decision making. They play a dominant role in setting the framework of management decisions. But the information provided in financial statements is not an end itself as no meaningful conclusions can be drawn from these statements alone. The information provided in the financial statements is of immense use in making decisions through financial analysis. The Infosys has increased the investments 2015-16, but current assets of Infosys are decreased in 2015-16. Net worth value is increased in the year 2015-16. It will create company value addition.

- **Dr A Ramya, Dr S Kavitha (2017)** conducted a study on the analysis of the financial position of Maruthi Suzuki India Limited. Financial performance analysis is the process of determining the operation and financial characteristics of a firm from accounting and financial statements. The goal of such an analysis is to determine the efficiency and performance of the firm's management, as reflected in the financial records and reports. The study focuses on the overall financial position of particular Maruthi Suzuki company during the specific period based on the selected variables, which may interest not only for the respective companies in the industry but also brings a process of development operational aspects of the entire industry. The study is much important to the management from the point of decision-making purpose, to identify the strength, weakness areas of the company and finally helps to maximize the intrinsic value of the company.

- **Prof P Uma Eswari (2017)** conducted a study on the analysis of financial position of Britannia Biscuits Ltd. The Financial Statement analysis is largely a study of relationship among the various financial factors in a business as disclosed by a single set of statements, and a study of the trend of these factors as shown in a series of statements. This project report covers all the aspects relating to the Profitability ratios of Britannia Industries Ltd interpreted according to standards. Britannia was incorporated in 1918 as Britannia Biscuits Co Ltd in Calcutta. In 1924, Pea Frean UK acquired a controlling stake, which later passed on to the Associated Biscuits International (ABI) and UK based company. The company is

engaged in the manufacture of biscuits, Rusks, cookies and cakes. Britannia operates in a single segment, foods including bakery products such as biscuits, bread, cakes, Rusk, and dairy products. The company is headquarter in Kolkata, India and employs 2,358 people. Global Markets Direct, the leading business information provider, presents an in-depth business, strategic and financial analysis of Britannia Industries Ltd.

- **Chilukuri, H., & Varghese, S. (2016)** conducted a analysis on financial statements of Ashok Leyland Limited, India. The Current Ratio reveals the relationship between current assets and current liabilities. This ratio also reveals that how efficiently the working capital of the firm is used. If Current Ratio is equal to 2, it indicates that the concern has the ability to meet current obligations. Here the Current Ratio has decreased in 2013 and then its showing increasing trend every year. It is a good Sign for the company. Over all, the Current Ratio is less than 2. It indicates that the concern has difficulty in meeting its current obligations. The Quick Ratio reveals the relationship between quick assets (current assets – inventories) and current liabilities. This ratio also reveals the ability of the firm to convert its current assets quickly into cash in order to meet its current liabilities.

- **R Ramanan (2015)** conducted a study on the analysis of financial statements of Reliance Industries Limited (RIL). The ratios used in this project are in terms of solvency, turnover, and profitability ratios. The trend analysis has done for the indicator such as Sales and Expenses. The company performance was good during the period 2010 and 2011, but in 2012 and 2013 the company performance was not good, due to recession in European countries and affected the exports of the company. Then slowly the global economic condition was improved a little bit in 2014, and the customer demand for the retail products and oil exports increased in the year 2014.

- **Kennedy and Muller (1999)**, have explained that “The analysis and interpretation of financial statements are an attempt to determine the significance and meaning of financial statements data so that the forecast may be made of the prospects for

future earnings, ability to pay interest and debt maturities (both current and long term) and profitability and sound dividend policy.”

- **Susan Ward (2008)**, emphasizes that financial analysis using ratios between key values helps investors cope with the massive amount of numbers in company financial statements. For example, they can compute the percentage of net profit a company is generating on the funds it has deployed. All other things remain the same, a company that earns a higher percentage of profit compared to other companies is a better investment option.

- **Matthew J. Anderson**: This study assesses the information search and evaluation behavior of professional and non-professional financial analysts. These groups were analyzed because they are demonstrably interested in financial analysis. The study compares problem-solving behavior during the analysis of an initial public offering of an equity security, using a process tracing technique. The general results of the study suggest that professionals tend to treat data in different ways than non-professionals. Principal differences include strategy selection, weights attached to data, and final conclusions. However, professionals also seem to use different data than that generally proposed in fundamental analysis texts.

- **I.M. Pandey (2005)**: An efficient allocation of capital is the most important financial function in modern times. It involves decision to commit the firm's funds to the long term 14 assets. The firm's value will increase if investments are profitable and add to the shareholders wealth. Financial decisions are important to influence the firm's growth and to involve commitment of large amount of funds. The types of investment decisions are expansion of existing business, expansion of new business and replacement and modernization. The capital budgeting decisions of a firm has to decide the way in which the capital project will be financed. The financing or capital structure decision. The assets of a company can be financed either by increasing the owners claims on the creditors' claims. The various means of financing represent the financial structure of an enterprise.

- **Peeler J. Patsula (2013)**, he defines that a sound business analysis tells others a lot about good sense and understanding of the difficulties that a company will face. We have to make sure that people know exactly how we arrived to the final financial positions. We have to show the calculation but we have to avoid anything that is too mathematical. A business performance analysis indicates the further growth and the expansion. It gives a physiological advantage to the employees and also a planning advantage.

- **Chidambaram Rameshkumar & Dr. N. Anbumani (2013)**, he argue that Ratio Analysis enables the business owner/manager to spot trends in a business and to compare its performance and condition with the average performance of similar businesses in the same industry.

CHAPTER 3 RESEARCH METHODOLOGY

3.1 INTRODUCTION

Research Methodology is a systematic way of solving the problem. It includes the overall research design, the sampling procedures, data collection method and analysis procedure.

3.2 RESEARCH DESIGN

The research design used in the study is analytical research has to analysis the balance sheet which is historical data derive conclusion form it.

3.3 SOURCES OF DATA

The number of data used for the study in secondary data is collected from the five years balance sheet for their analysis part.

3.4 ANALYTICAL TOOLS

The main tools used for analysis of the collected data:

- 1. Ratio Analysis**
- 2. Comparative Balance Sheets**
- 3. Bar Diagram**

3.5 PERIOD OF THE STUDY

A study about Financial Statement Analysis for 3 months. The study pertains for five years (2018 – 2022) from **2018 – 2019** to **2021 – 2022**.

3.4.1 Ratio Analysis.

Ratio analysis is a widely – use tool of financial analysis. It can be used to compare the risk and return relationship of firms of different sizes. It is defined as the systematic use of ratio to interpret the financial statements so that the strengths and weakness of a firm as well as its historical performance and current financial condition can be determined. The term ratio refers to the numerical or quantitative relationship between two items and variables. These ratios are expressed as (i) percentages, (ii) fraction, and (iii) proportion of numbers. These alternative methods of expressing items which are related to each other are, for the purpose of financial analysis, referred to as ratio analysis. It should be noted that computing the ratios does not already inherent in the profit and sales. What the ratio do is that they reveal the relationship in a more meaningful way so as to enable equity investors, management and lenders make better investment and credit decisions.

Classification of Ratios:

- ♦ Liquidity Ratio
- ♦ Solvency Ratio
- ♦ Turnover Ratio
- ♦ Profitability Ratio

TYPES OF LIQUIDITY RATIO:

The importance of adequate liquidity in the sense of the ability of a firm to meet current/short-term obligations when they become due for payment can hardly be over stresses. In fact, liquidity is a prerequisite for the very survival of a firm. The short-term creditors of the firm are interested in the short-term solvency or liquidity of a firm. But liquidity implies from the viewpoint of

utilization of the funds of the firm that are idle or they earn very little. The liquidity ratio measures the ability of a firm to meet its short-term obligations and reflect the short-term financial strength and solvency of a firm.

A. Current Ratio :

The current ratio is the ratio of total current assets to total current liabilities. It is calculated by dividing current assets by current liabilities. Generally, current ratio of 2:1 is considered satisfactory or ideal.

$$\text{CURRENT RATIO} = \text{CURRENT ASSET} / \text{CURRENT LIABILITIES}$$

The current assets of a firm represents those assets which can be in the ordinary course of business, converted into cash within a short period of time, normally not exceeding one year and include cash and bank balances, marketable securities, inventory of raw materials, semi-finished and finished goods, debtors net of provision for bad and doubtful debts, bill receivable and prepaid expenses. The current liabilities defined as liabilities which are short term maturing obligations to be met, as originally contemplated, within a year , consist of trade creditors, bills payable, bank credit, and provision for taxation, dividends payable and outstanding expenses.

B. Liquid Ratio :

It is the ratio of liquid assets to current liabilities. It is the measure of instant debt paying ability of the business enterprise. It is also known as quick ratio, acid test ratio, or near money ratio. Ideal ratio is 1:1. 6

$$\text{LIQUID RATIO} = \text{LIQUID ASSETS} / \text{CURRENT LIABILITIES}$$

C. Absolute Liquidity Ratio:

This ratio is also known as cash position or super quick ratio. It is a variation of quick ratio. This ratio establishes the relationship absolute liquid assets and current liabilities. Absolute liquid assets are cash in hand. Bank balance and readily marketable securities. Both the debtors and bills receivable are excluded from liquid assets as there is always an uncertainty with respect to their realization. In other words, liquid assets minus debtors and bill receivable are absolute liquid assets. The acceptable norm of this ratio is 0.5:1.

$$\text{ABSOLUTE LIQUIDITY RATIO} = \frac{\text{CASH IN HAND \& AT BANK} + \text{MARKETABLE SECURITIES}}{\text{CURRENT LIABILITIES}}$$

D. Quick Ratio:

The quick ratio is used to ascertain information pertaining to the capability of a company in paying off its current liabilities on an immediate basis.

$$\text{QUICK RATIO} = \frac{(\text{CURRENT ASSETS} + \text{INVENTORY})}{\text{CURRENT LIABILITIES}}$$

TYPES OF SOLVENCY RATIO:

Solvency refers to the ability of the firm to pay its outside liabilities both short term and long term. Solvency ratios are used to analyse long term financial position of the business.

A .Debt-Equity Ratio:

It express the relationship between long term debt and equity. Long term debt means funds invested by outsiders. It includes debenture, mortgages, all long term loans.

$$\text{DEBT EQUITY RATIO} = \text{LONG TERM DEBT} / \text{SHAREHOLDERS FUND}$$

B .Proprietary Ratio:

It establishes the relationship between shareholders or proprietors fund and total assets. It shows how much funds have been contributed by shareholders in the total assets of the firm.

$$\text{PROPRIETARY RATIO} = \text{SHAREHOLDERS FUND} / \text{TOTAL ASSETS}$$

C .Fixed Asset To Net Worth Ratio:

This ratio establishes the relationship between two components that is fixed assets and proprietor's fund. This ratio indicates the extent to which shareholders' funds are invested in the fixed assets. This ratio is also known as proprietors fund ratio.

$$\text{FIXED ASSET TO NET WORTH RATIO} = \text{FIXED ASSET} / \text{TOTAL SHAREHOLDERS FUND}$$

TYPES OF PROFITABILITY RATIO :

The main object of a business concern is to earn profit. A company should earn profits to survive and to grow over a long period. The operating efficiency of a business concern is ultimately adjudged by the profits earned by it. Profitability should distinguish from profits. Profits refers to the absolute quantum of profit, whereas profitability refers to the ability to earn

profits. In other words, an ability to earn the maximum from the maximum use of available resources by the business concern is known as profitability. Profitability reflects the final result of a business operation. Profitability ratios are employed by the management in order to assess how efficiently they carry on business operations. Profitability is the main base for liquidity as well as solvency. Creditors, bank and financial institutions are interested in obligations and regular and improved profits enhance the long term solvency position of the business.

A.Net Profit Ratio:

It is also known as net margin. This measures the relationship between net profits and sales of a firm.

$\text{NET PROFIT RATIO} = (\text{NET PROFIT} / \text{REVENUE FROM OPERATIONS}) * 100$
--

A high net profit margin would ensure adequate return to the owners as well as enable a firm to withstand adverse economic conditions when selling price is declining, cost of production is rising and demand for the product is falling. A low net margin has the opposite implications. However, a firm with low profit margin can earn a high rate of return on investment if it has a higher turnover. This aspect is covered in detail in the subsequent discussion. The profit margin should therefore be evaluated in relation to the turnover ratio. In other words, the overall rate of return is the product of the net profit margin and the investment turnover ratio. Similarly, the gross profit margin and net profit margin should be jointly evaluated.

B. Gross Profit Ratio:

Gross profit ratio is a financial that measures the performance and efficiency of a business by dividing its gross profit by the total net sales. It is then called gross profit percentage or gross profit margin. A gross profit margin ratio of 65% is considered to be healthy.

$$\text{GROSS PROFIT RATIO} = (\text{GROSS PROFIT} / \text{REVENUE FROM OPERATION}) * 100$$

C .Operating Profit Ratio:

It is computed by dividing operating expenses of a particular period by net sales made during that period. It is also known as operating expense ratio. Between 60% to 80% is considered as good.

$$\text{OPERATING PROFIT RATIO} = (\text{OPERATING COST} / \text{REVENUE FROM OPERATION}) * 100$$

TYPES OF ACTIVITY RATIO:

Activity ratios are concerned with measuring the efficiency in asset management. These ratios are called efficiency ratios or asset utilization ratios. The efficiency with which the assets are used would be reflected in the speed and rapidly with which assets are converted into sales. The greater is the ratio of turnover or conversion, the more efficient is the utilization of assets, other things being equal. For this reason, such ratios are designed as turnover ratios.

A. Total Asset Turnover Ratio:

Total asset turnover ratio measures the ability of the organization to efficiently produce sale and used to evaluate the operations of the business. Ideally a company with high total asset turnover ratio can operate with fewer assets than an efficient competitor and so requires a less debt and equity to operate. Ideal ratio of total asset turnover ratio that is between 0.25 and 0.5.

$$\text{TOTAL ASSET TURNOVER RATIO} = \text{SALES} / \text{TOTAL ASSETS}$$

B. Fixed Asset Turnover Ratio:

The ratio express the relationship between cost of goods sold or sales and fixed assets. Following formula is used for measurement of the ratio.

$$\text{FIXED ASSET TURNOVER RATIO} = \text{SALES} / \text{NET FIXED ASSET}$$

In computing fixed assets turnover ratio, fixed assets are generally taken at written down value at the end of the year. However, there is no rigidity about it. It may be taken at the original cost or at the present market value depending on the object of comparison. In fact, the ratio will have automatic improvement if the written down value is used. It would be better if the ratio is worked out on the basis of the original cost of fixed assets.

C. Current Asset Turnover Ratio:

An activity ratio measuring the firm's ability to generate sales through current assets (cash, inventories) it can be calculated by dividing the firms net sales by average current assets. A high current asset turnover ratio indicates a high use of current assets of the company. The decrease of current assets turnover indicates the firms increasing need of sources of finance. If the access to sources of finance is limited, this will cause the increase of the company's financial expenses. Ideal ratio is same as the total asset turnover ratio.

$$\text{CURRENT ASSET TURNOVER RATIO} = \text{NET SALES} / \text{CURRENT ASSET}$$

D. Working Capital Turnover Ratio:

This ratio, should the number of times the working capital results in sales. In other words, this ratio indicates the efficiency or otherwise in the

utilization of short term funds in making sales. Working capital means the excess of current over the current liabilities.

$$\text{WORKING CAPITAL TURNOVER RATIO} = \text{SALES} / \text{NET WORKING CAPITAL}$$

E. Stock Turnover Ratio:

Stock turnover ratio shows the relationship between cost of goods sold and average stock or inventory. It is also called merchandise turnover ratio. It is obtained by dividing cost of goods sold by average stock. It indicates the number of times the stock is turned over or converted into sales. It is used to test the efficiency in inventory management, a high turnover indicates that the inventory is sold fast. Ideal ratio is between 5 and 10.

$$\text{STOCK TURNOVER RATIO} = \frac{\text{REVENUE FROM OPERATIONS}}{\text{AVERAGE INVENTORY}}$$

3.4.2 Comparative Balance Sheets.

A comparative balance sheet is a statement that shows the financial position of an organization over different periods for which comparison is made or required. The financial position is compared with two or more periods to depict the trend, direction of change, analyse and take suitable actions. A Company balance sheet analysis is a simple way of comparing the data on two or more balance sheets that have different dates. A comparative balance sheet analysis is a method of analysing a company balance sheet over time to identify changes and trends. The comparative balance sheet has two-column of amount against each balance sheet items; one column shows the current year financial position, whereas another column will show the previous year's financial position so that investors or other stakeholders can easily understand and analyse the company's financial performance against last year.

CHAPTER 4
DATA ANALYSIS AND INTERPRETATION

TABLE 4.1 SHOWING CURRENT RATIO

$$\text{CURRENT RATIO} = \text{CURRENT ASSET} / \text{CURRENT LIABILITIES}$$

YEAR	CURRENT ASSETS	CURRENT LIABILITIES	RATIO
2017-2018	179,653,911	76,840,273	2.34
2018 -2019	174,600,610	70,335,115	2.48
2019-2020	180,720,376	77,401,212	2.33
2020-2021	191,610,416	84,157,385	2.27
2021-2022	242,391,008	131,662,050	1.84

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the current ratio is increased in the year 2018-2019 with 2.48 Whereas, exceptionally low in the year 2021-2022 with 1.84. It is noticed that year after year the Current ratio is declining.

CHART 4.1 CURRENT RATIO

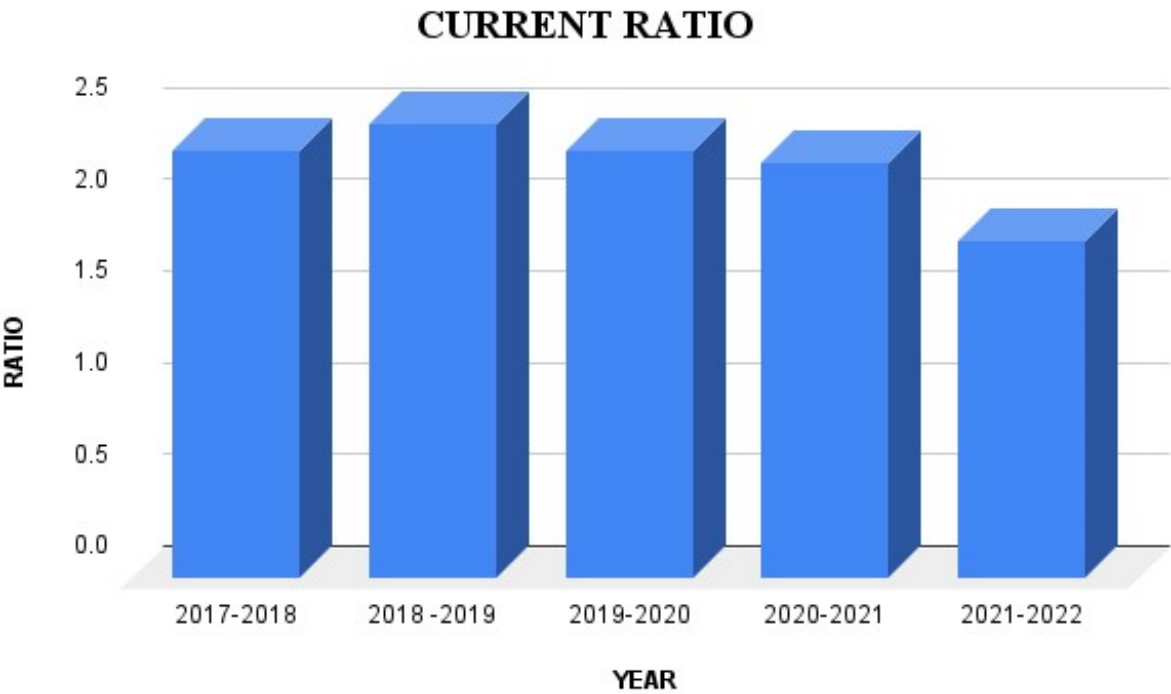
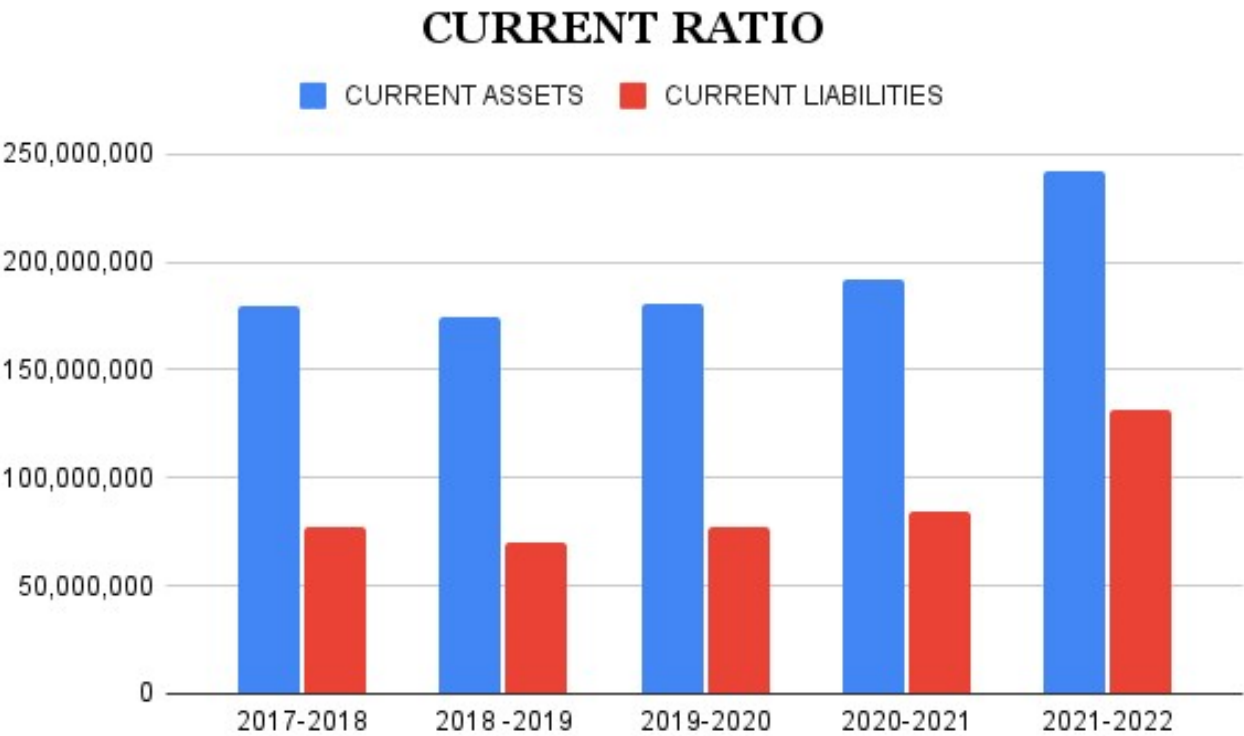


TABLE 4.2 SHOWING LIQUID RATIO

LIQUID RATIO = LIQUID ASSETS / CURRENT LIABILITIES

YEAR	LIQUID ASSETS	CURRENT LIABILITIES	RATIO
2017-2018	12,018,275	76,840,273	0.15
2018 -2019	5,019,381	70,335,115	0.07
2019-2020	15,138,818	77,401,212	0.19
2020-2021	9,410,830	84,157,385	0.11
2021-2022	35,75,913	131,662,050	0.02

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the liquid ratio is increased in the year 2019-2020 with 0.19 Whereas, exceptionally low in the year 2021-2022 with 0.02. It is noticed that year after year the Liquid ratio is declining.

CHART 4.2 LIQUID RATIO

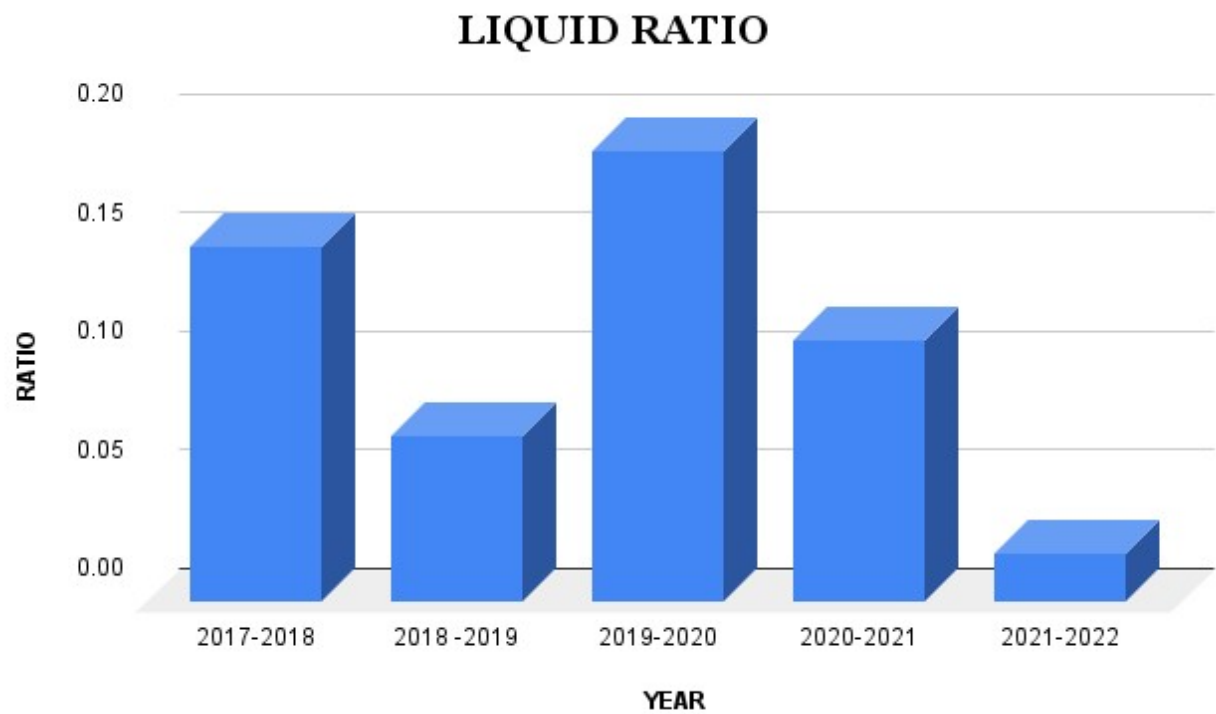
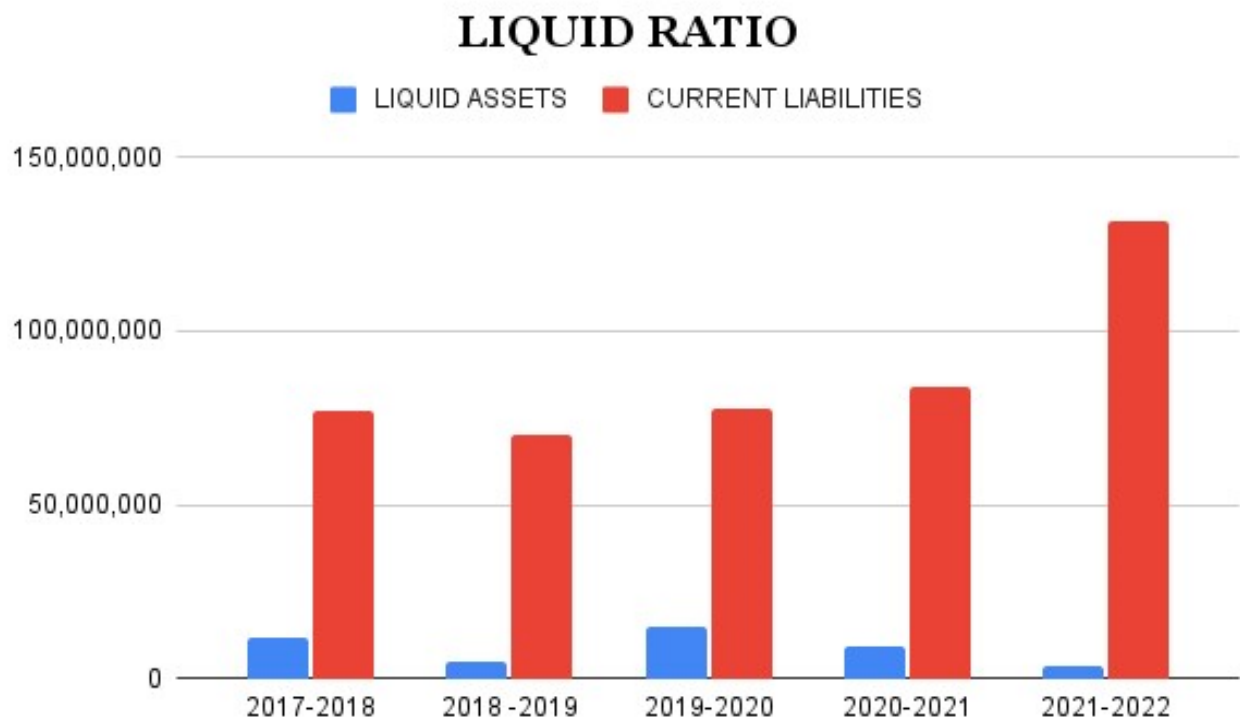


TABLE 4.2 SHOWING ABSOLUTE LIQUIDITY RATIO

ABSOLUTE LIQUIDITY RATIO = CASH IN HAND & AT BANK + MARKETABLE SECURITIES / CURRENT LIABILITIES
--

YEAR	CASH IN HAND AT BANK	MARKETTABLE SECURITY	CASH IN HAND AT BANK + MARKETTABLE SECURITY	CURRENT LIABILITIES	RATIO
2017-2018	12,018,275.00	37,968,442.00	49,986,717.00	76,840,273.00	0.65
2018-2019	5,019,381.00	37,968,442.00	42,987,823.00	70,335,115.00	0.61
2019-2020	15,138,818.00	37,968,442.00	53,107,260.00	77,401,212.00	0.69
2020-2021	9,410,830.00	37,968,442.00	47,379,272.00	84,157,385.00	0.56
2021-2022	3,575,913.00	37,968,442.00	41,544,355.00	131,662,050.00	0.32

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the absolute liquidity ratio is increased in the year 2019-2020 with 0.69. Whereas, exceptionally low in the year 2021-2022 with 0.32. It is noticed that year after year the Absolute Liquidity ratio is declining.

CHART 4.2 SHOWING ABSOLUTE LIQUIDITY RATIO

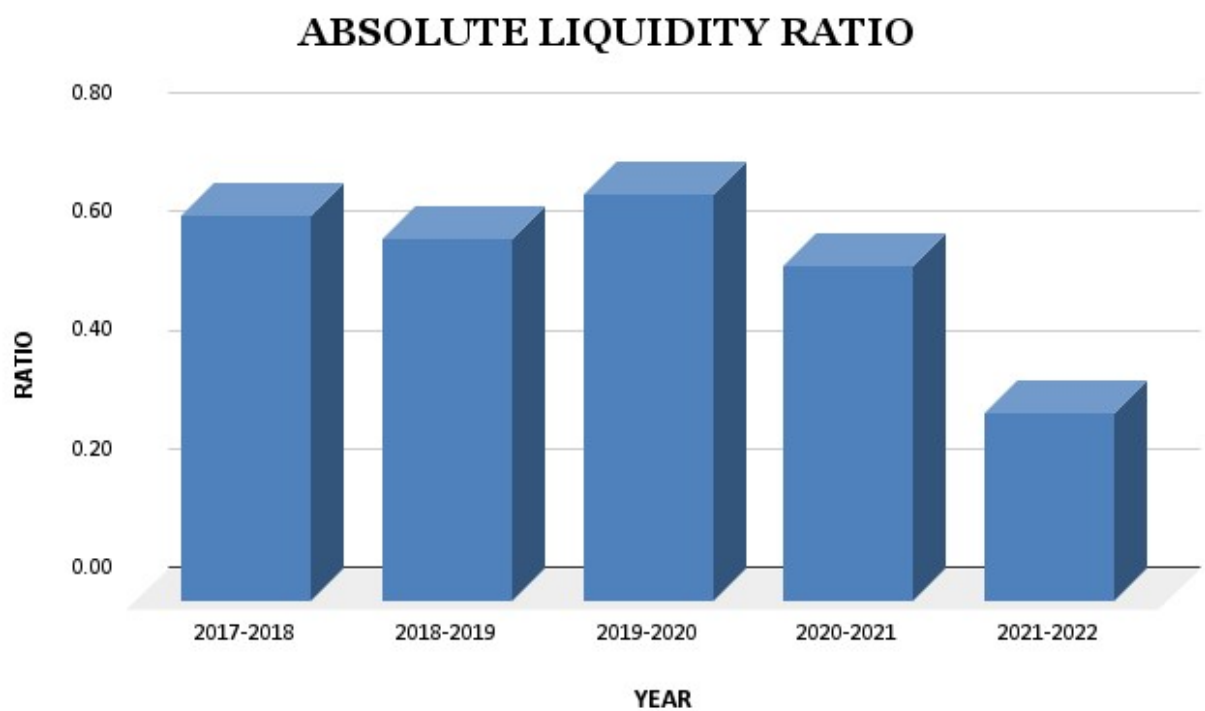
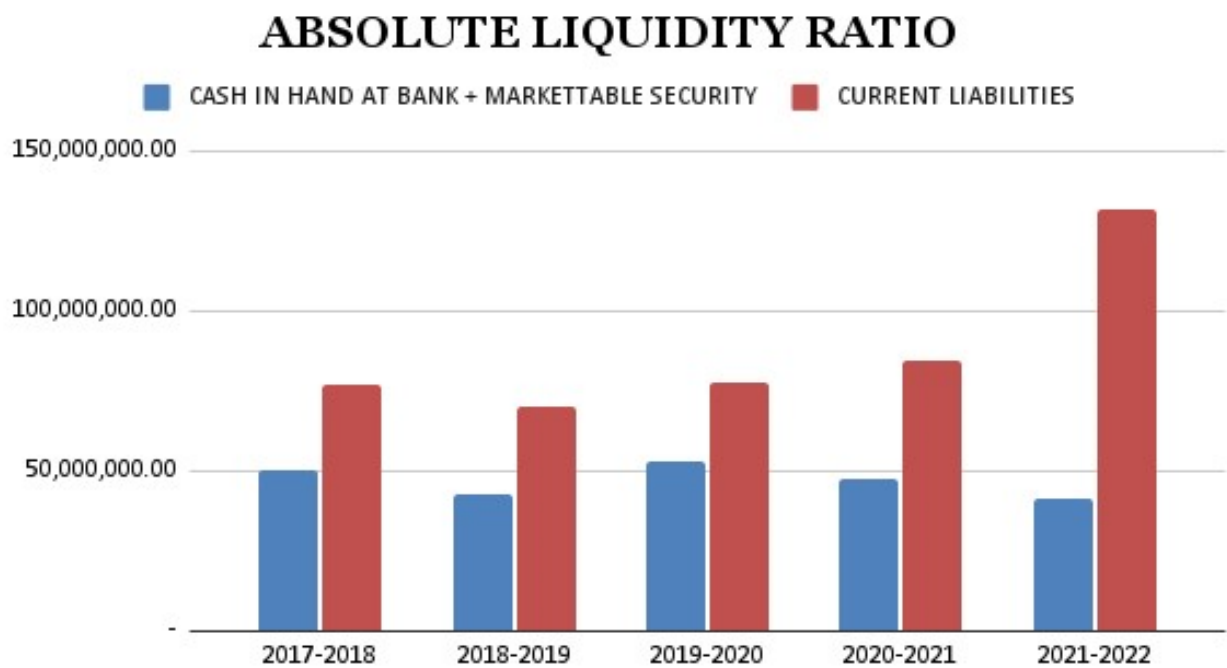


TABLE 4.4 QUICK RATIO

$$\text{QUICK RATIO} = (\text{CURRENT ASSETS} + \text{INVENTORY}) / \text{CURRENT LIABILITIES.}$$

YEAR	CURRENT ASSETS	INVENTORY	CURRENT LIABILITIES	RATIO
2017-2018	179,653,911	87,673,000	76,840,273	1.2
2018 -2019	174,600,610	101,106,000	70,335,115	1.04
2019-2020	180,720,376	90,083,000	77,401,212	1.17
2020-2021	191,610,416	92,145,000	84,157,385	1.18
2021-2022	242,391,008	126,645,343	131,662,050	0.88

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the quick ratio is increased in the year 2017-2018 with 1.2 Whereas, exceptionally low in the year 2021-2022 with 0.88. It is noticed that year after year the Quick ratio is declining.

CHART 4.4 QUICK RATIO

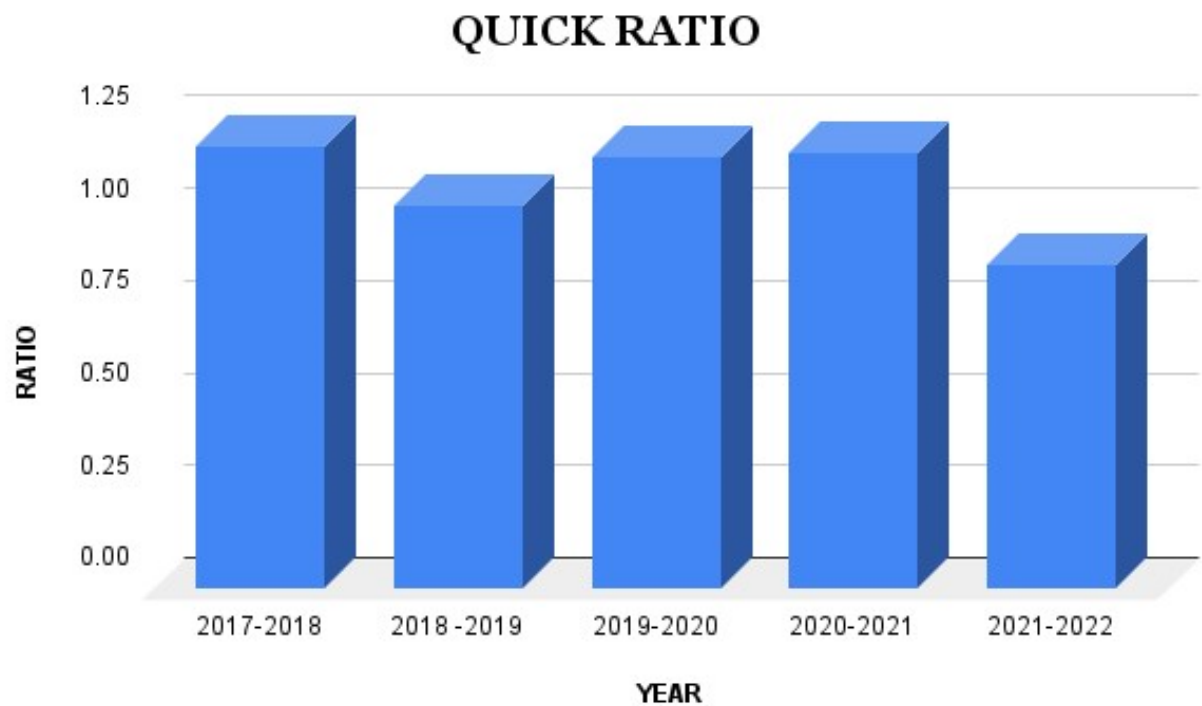
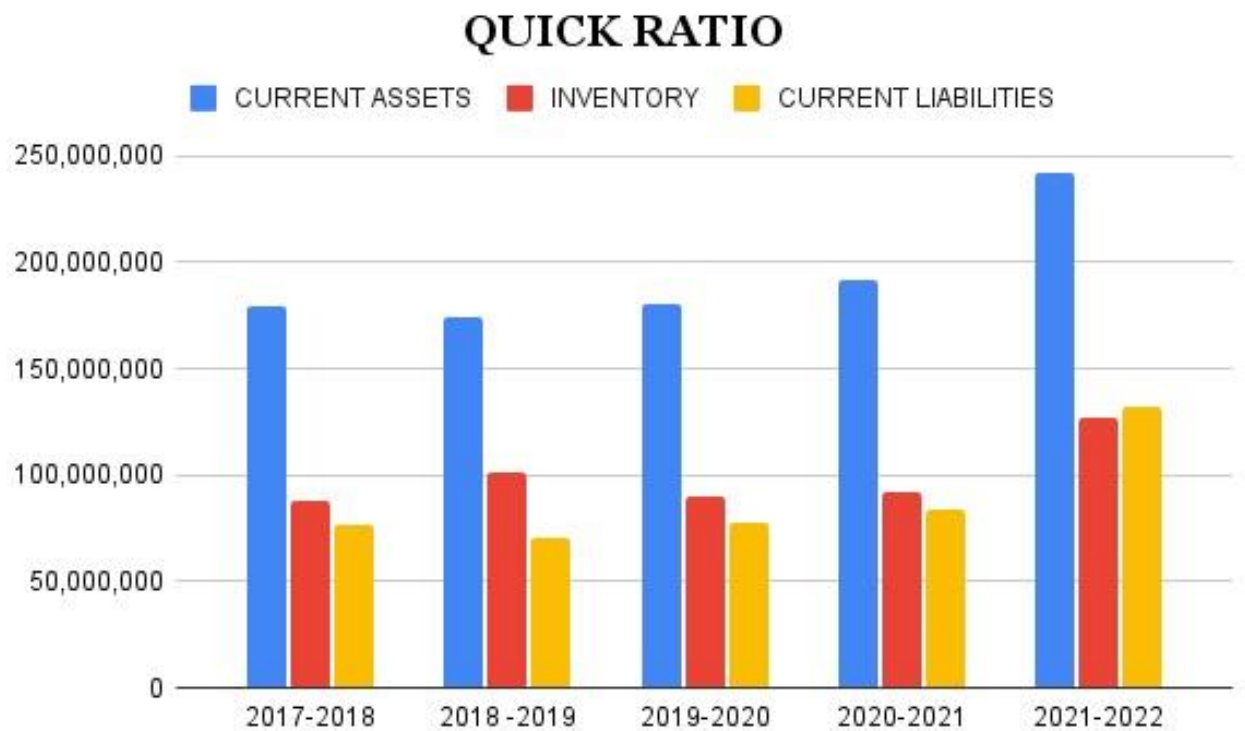


TABLE 4.5 DEBT EQUITY RATIO

$\text{DEBT EQUITY RATIO} = \frac{\text{LONG TERM DEBT}}{\text{SHAREHOLDERS FUND}}$

YEAR	LONG TERM DEBT	SHARE HOLDER'S FUND	RATIO
2017-2018	3,331,628.00	128,410,490.00	0.03
2018-2019	1,872,798.00	128,410,490.00	0.01
2019-2020	4,167,397.00	128,410,490.00	0.03
2020-2021	3,474,372.00	128,410,490.00	0.03
2021-2022	1,022,939.00	128,410,490.00	0.01

(Source of data: Company Annual Report)

Interpretation :

From the above table it is inferred that, the debt equity ratio is increased in the years 2017-2018 , 2019-2020 & 2020-2021 with 0.03 Whereas, exceptionally low in the years 2018-2019 & 2021-2022 with 0.01. It is noticed that year after year the Debt Equity ratio is declining.

CHART 4.5 DEBT EQUITY RATIO

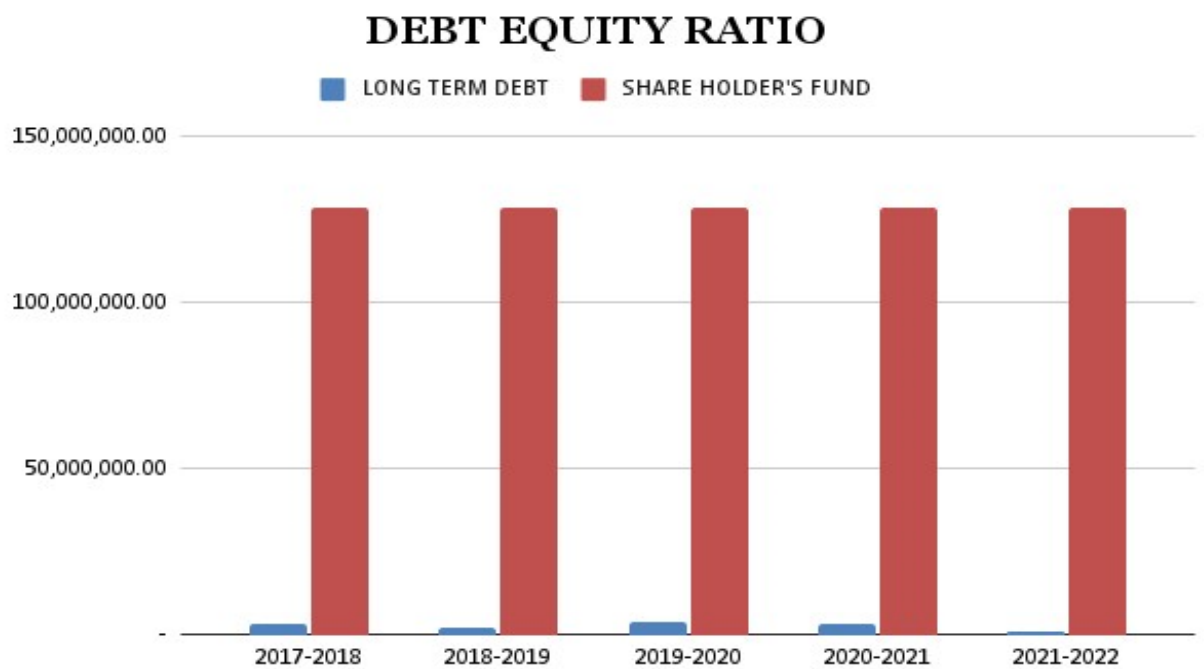
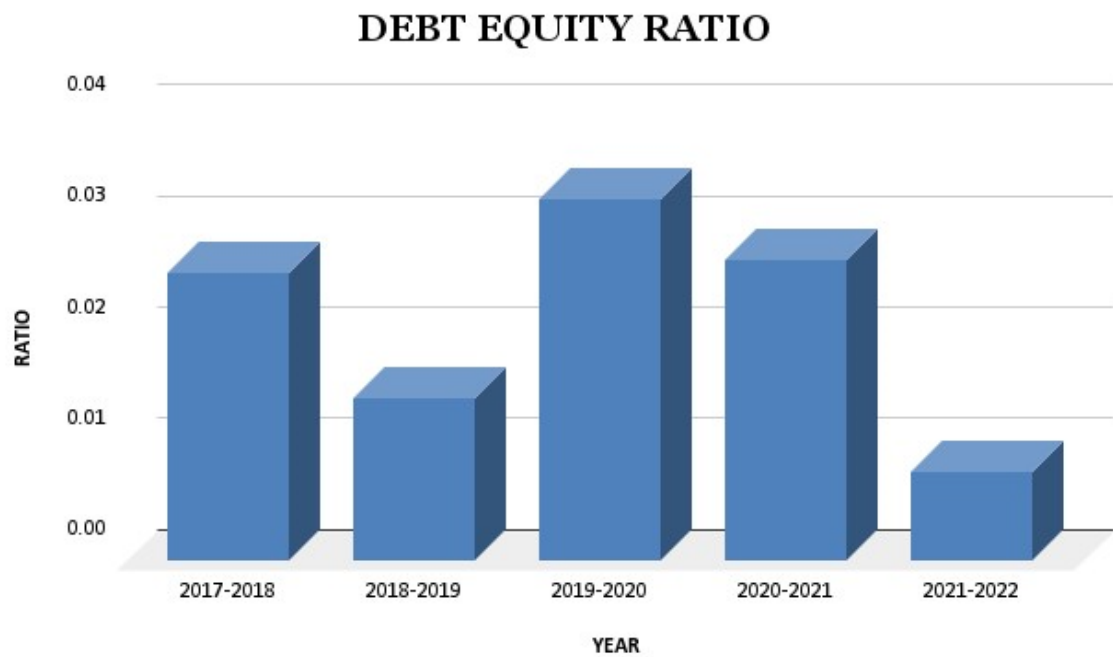


TABLE 4.6 PROPRIETARY RATIO

PROPRIETARY RATIO = SHAREHOLDERS FUND / TOTAL ASSET
--

YEAR	SHAREHOLDER'S FUND	TOTAL ASSET	RATIO
2017-2018	128,410,490.00	222,653,583.00	0.58
2018-2019	128,410,490.00	210,962,732.00	0.61
2019-2020	128,410,490.00	210,547,997.00	0.61
2020-2021	128,410,490.00	223,001,144.00	0.58
2021-2022	128,410,490.00	274,615,621.00	0.47

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the proprietary ratio is increased in the years 2018-2019 & 2019-2020 with 0.61 Whereas, exceptionally low in the year 2021-2022 with 0.47. It is noticed that year after year the Debt Equity ratio is declining.

CHART 4.5 DEBT EQUITY RATIO

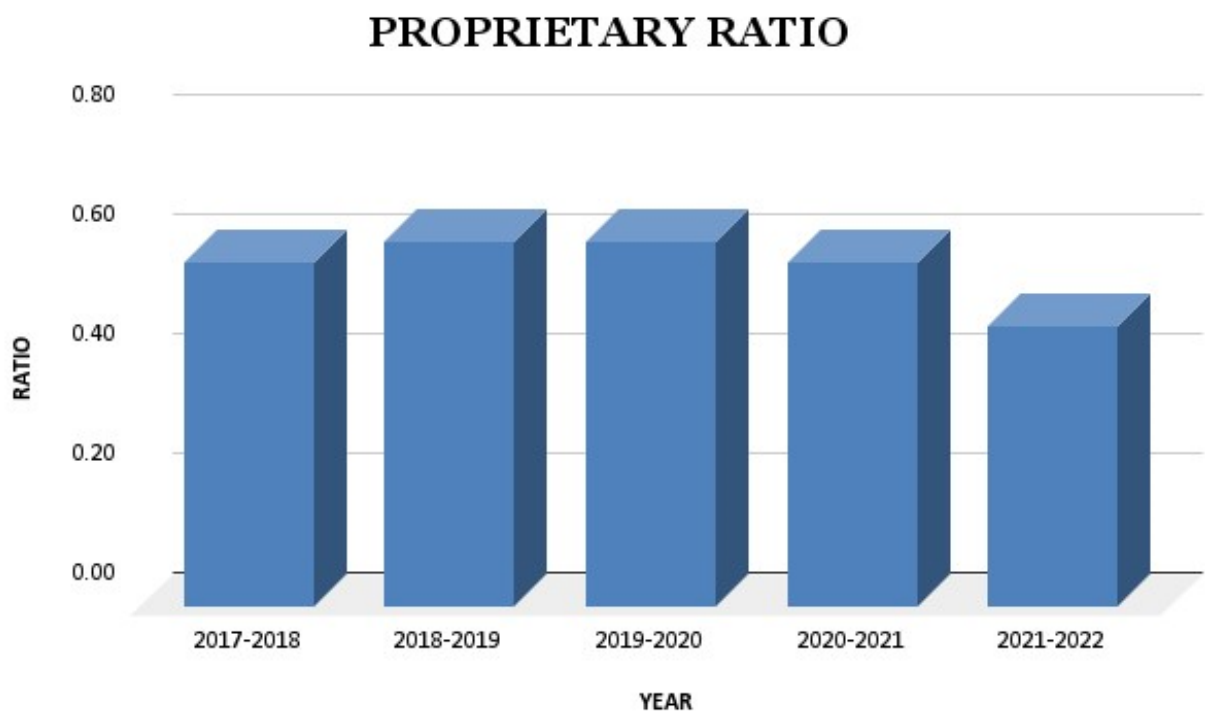
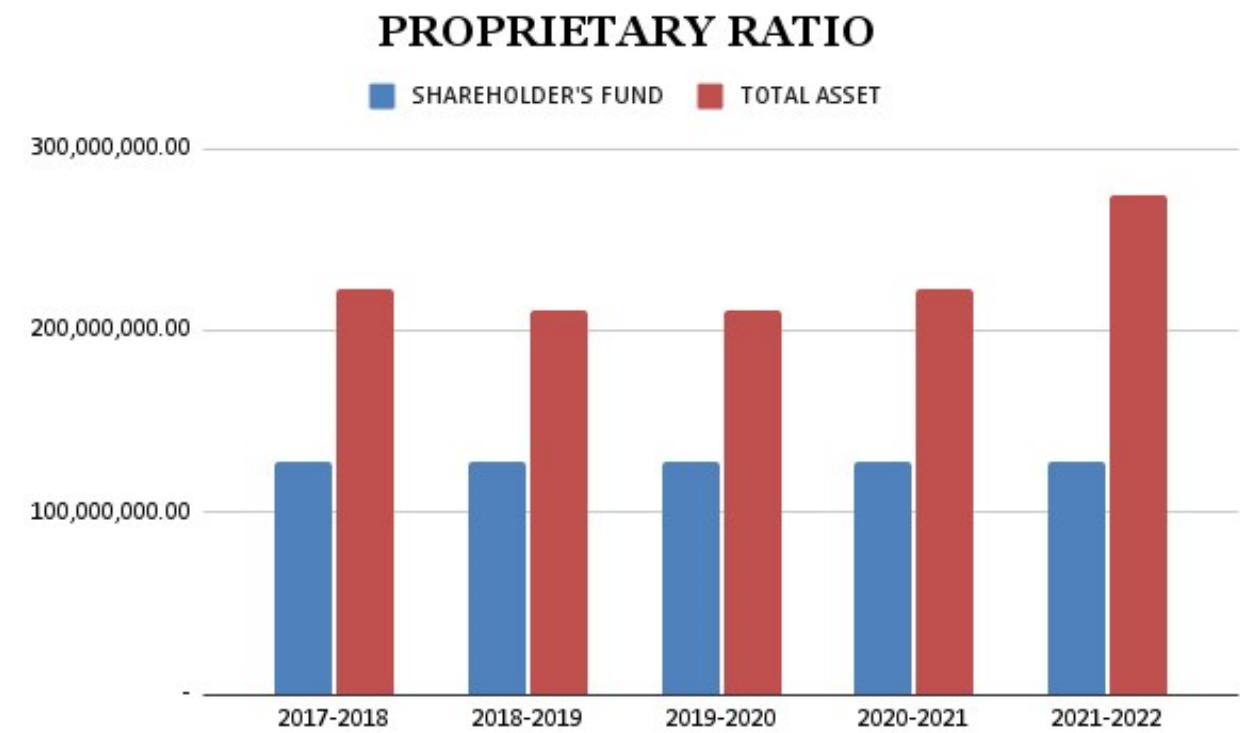


TABLE 4.7 FIXED ASSET TO NET WORTH RATIO

$$\text{FIXED ASSET TO NET WORTH RATIO} = \text{FIXED ASSET} / \text{TOTAL SHAREHOLDERS FUND}$$

YEAR	FIXED ASSET	TOTAL SHAREHOLDERS FUND	RATIO
2017-2018	34,332,253.00	128,410,490.00	0.27
2018-2019	27,852,253.00	128,410,490.00	0.22
2019-2020	21,317,752.00	128,410,490.00	0.17
2020-2021	14,998,882.00	128,410,490.00	0.12
2021-2022	16,046,010.00	128,410,490.00	0.12

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the fixed asset to net worth ratio is increased in the year 2017-2018 with 0.27. Whereas, exceptionally low in the year 2021-2022 with 0.12. It is noticed that year after year the Fixed Asset to Net Worth ratio is declining.

CHART 4. 7 FIXED ASSET TO NET WORTH RATIO

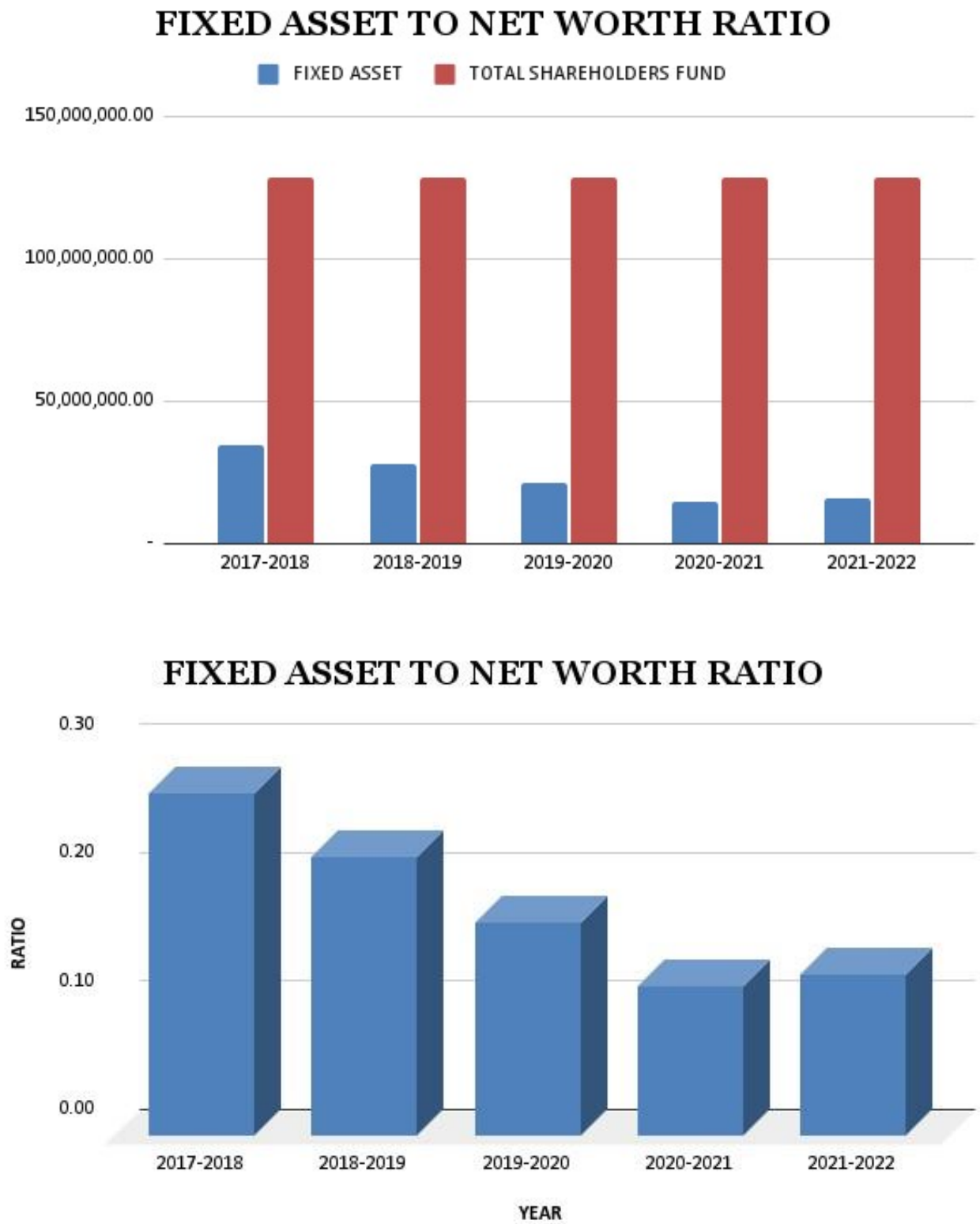


TABLE 4.8 NET PROFIT RATIO

$$\text{NET PROFIT RATIO} = (\text{NET PROFIT} / \text{REVENUE FROM OPERATIONS}) * 100$$

YEAR	NET PROFIT	REVENUE FROM OPERATION	RATIO
2017-2018	12,592,188.00	569,167,167.00	2.21
2018-2019	12,091,294.00	656,858,287.00	1.84
2019-2020	7,672,115.00	698,880,365.00	1.10
2020-2021	16,294,497.00	478,707,097.00	3.40
2021-2022	60,118,244.00	869,735,646.00	6.91

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the net profit ratio is increased in the year 2021 – 2022 with 6.91. Whereas, exceptionally low in the year 2019-2020 with 1.10. It is noticed that year after year the Net Profit ratio is inclining.

CHART 4.8 NET PROFIT RATIO

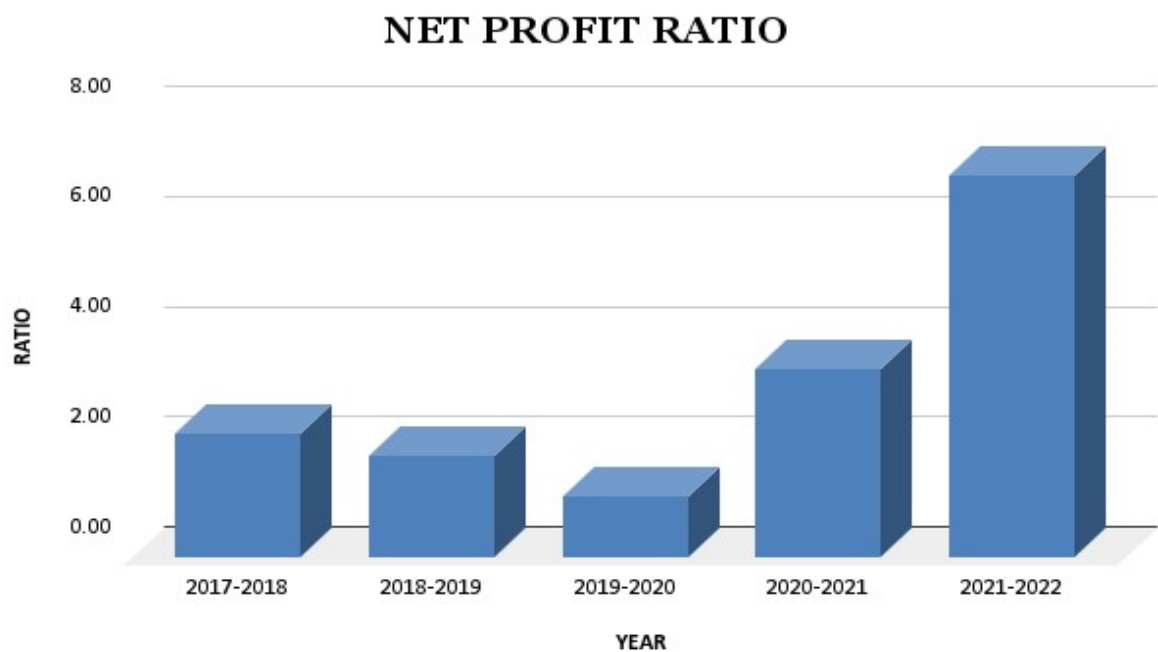
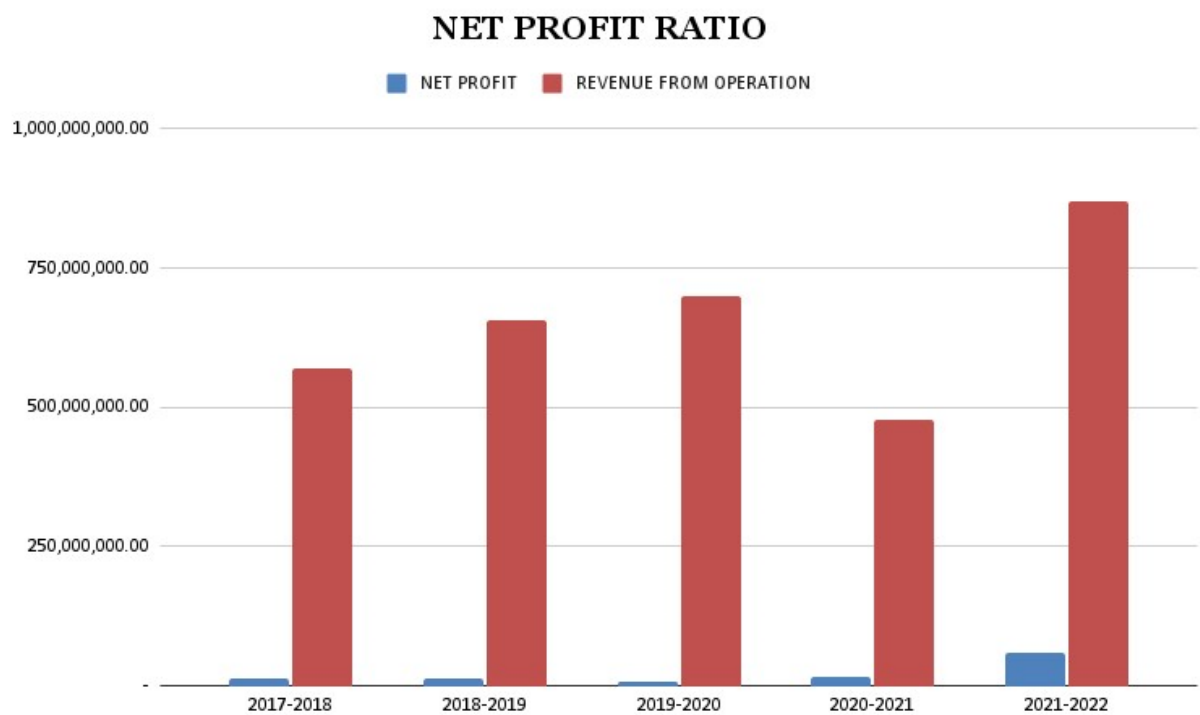


TABLE 4.9 GROSS PROFIT RATIO

$\text{GROSS PROFIT RATIO} = (\text{GROSS PROFIT} / \text{REVENUE FROM OPERATION}) * 100$

YEAR	GROSS PROFIT	REVENUE FROM OPERATION	RATIO
2017-2018	135,633,739.00	569,167,167.00	23.83
2018-2019	119,724,634.00	656,858,287.00	18.23
2019-2020	118,441,339.00	698,880,365.00	16.95
2020-2021	94,473,130.00	478,707,097.00	19.74
2021-2022	177,617,414.00	869,735,646.00	20.42

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the gross profit ratio is increased in the year 2017 – 2018 with 23.83. Whereas, exceptionally low in the year 20192020 with 16.95. It is noticed that year after year the Gross Profit ratio is inclining.

CHART 4.9 GROSS PROFIT RATIO

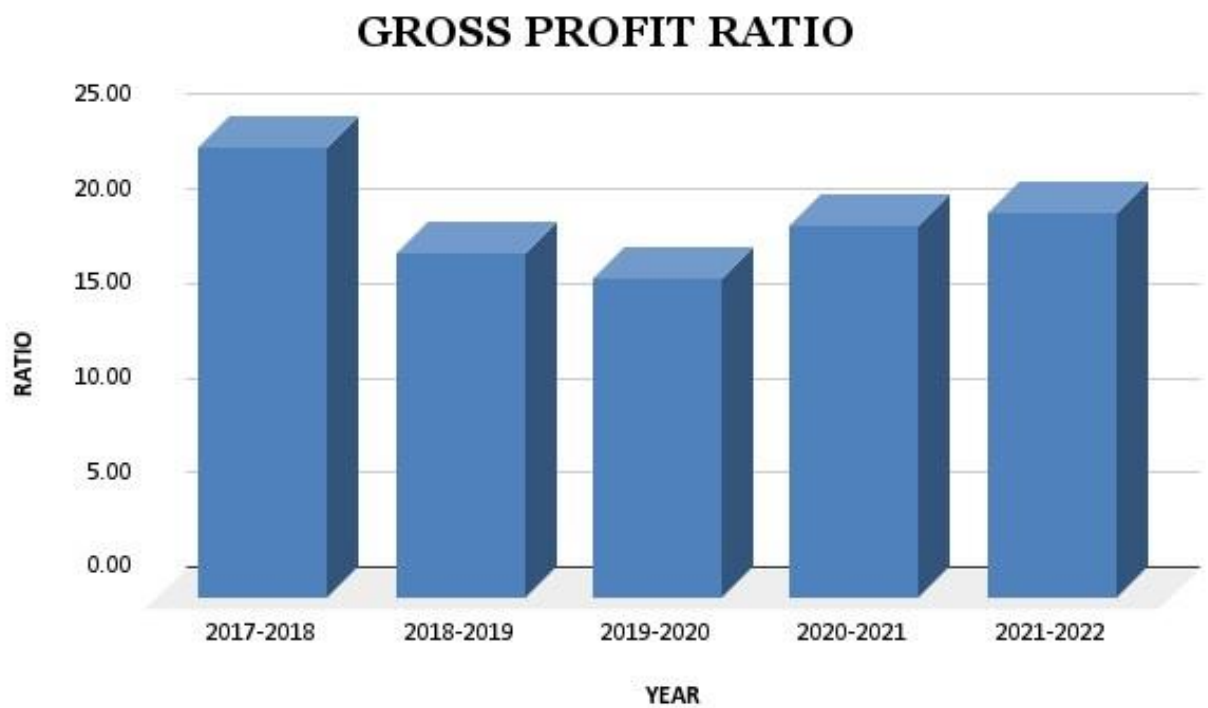
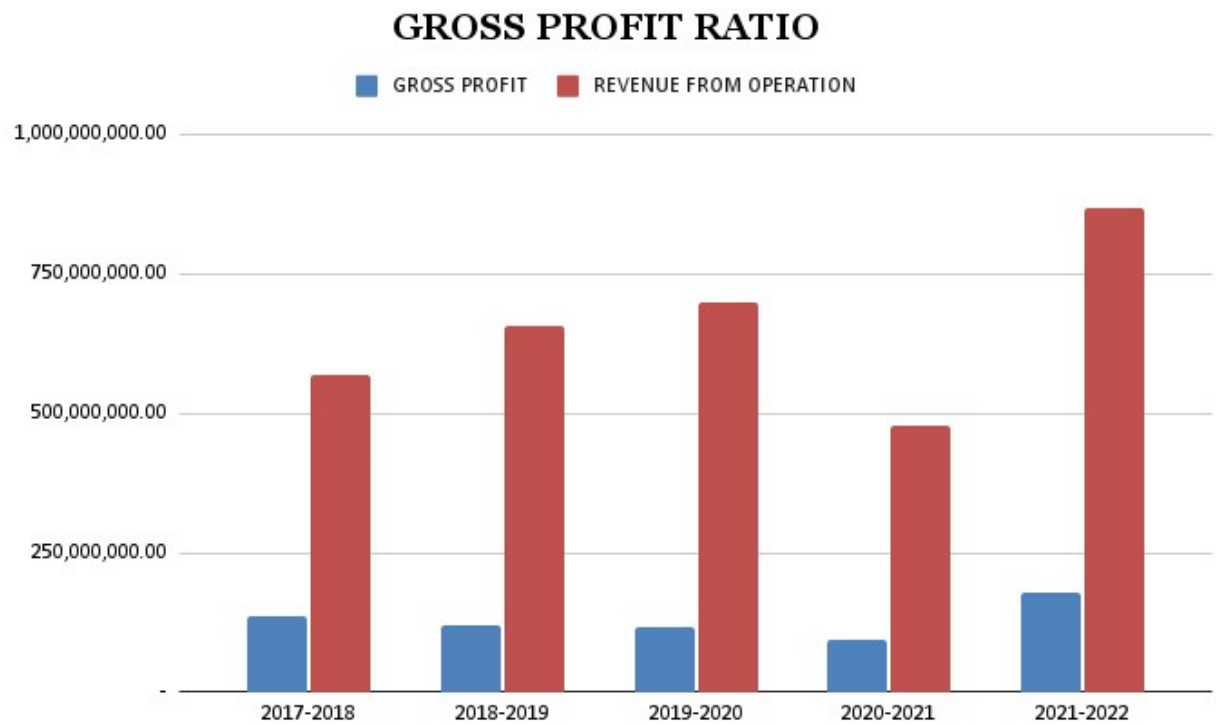


TABLE 4.10 OPERATING PROFIT RATIO

$$\text{OPERATING PROFIT RATIO} = \frac{\text{OPERATING COST/ REVENUE FROM OPERATIONS}}{\text{REVENUE FROM OPERATIONS}} \times 100$$

YEAR	OPERATING PROFIT	REVENUE FROM OPERATION	RATIO
2017-2018	145,186,932.00	569,167,167.00	25.51
2018-2019	113,947,848.00	656,858,287.00	17.35
2019-2020	111,961,339.00	698,880,365.00	16.02
2020-2021	93,849,130.00	478,707,097.00	19.60
2021-2022	175,442,414.00	869,735,646.00	20.17

Interpretation:

From the above table it is inferred that, the operating profit ratio is increased in the year 2017 – 2018 with 25.51 Whereas, exceptionally low in the year 2019-2020 with 16.02. It is noticed that year after year the Operating Profit ratio is Inclining.

CHART 4. 10 OPERATING PROFIT RATIO

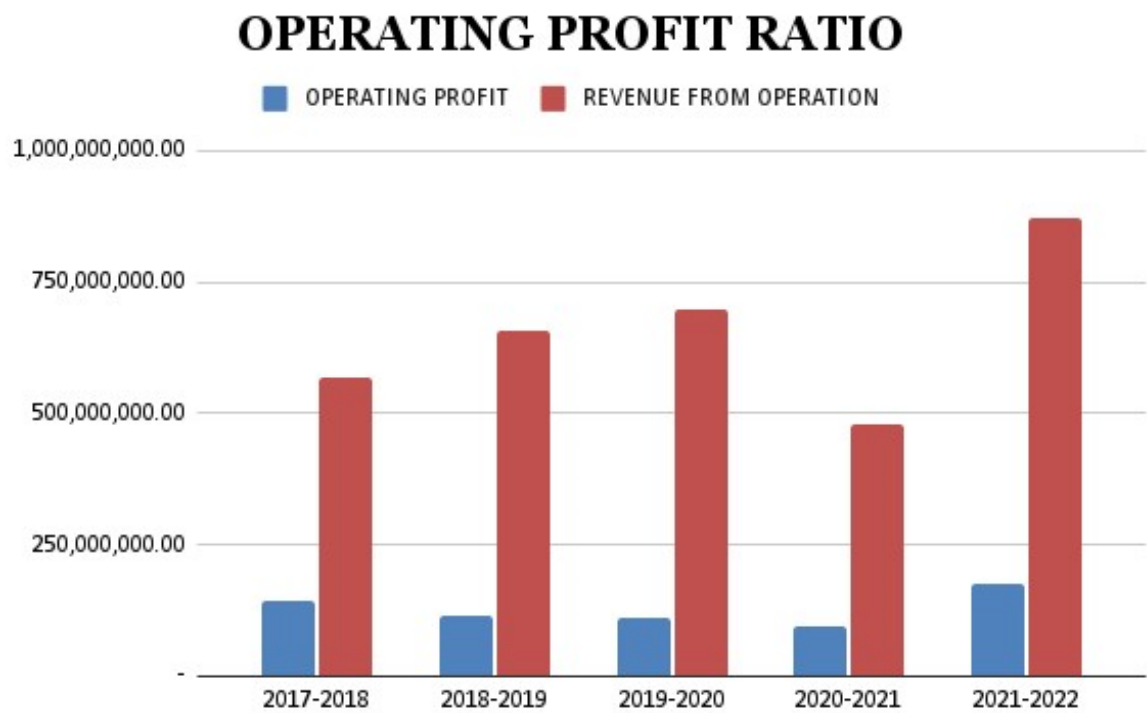


TABLE 4.11 TOTAL ASSET TURNOVER RATIO

TOTAL ASSET TURNOVER RATIO = SALES / TOTAL ASSETS
--

YEAR	SALES	TOTAL ASSET	RATIO
2017-2018	569,167,167.00	222,653,583.00	2.56
2018-2019	656,858,287.00	210,962,732.00	3.11
2019-2020	698,880,365.00	210,547,997.00	3.32
2020-2021	478,707,097.00	233,001,144.00	2.05
2021-2022	869,735,646.00	274,615,621.00	3.17

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the total asset turnover ratio is increased in the year 2019-2020 with 3.32. Whereas, exceptionally low in the year 2020-2021 with 2.05. It is noticed that year after year the Total Asset Turnover ratio is Inclining.

CHART 4.11 TOTAL ASSET TURNOVER RATIO

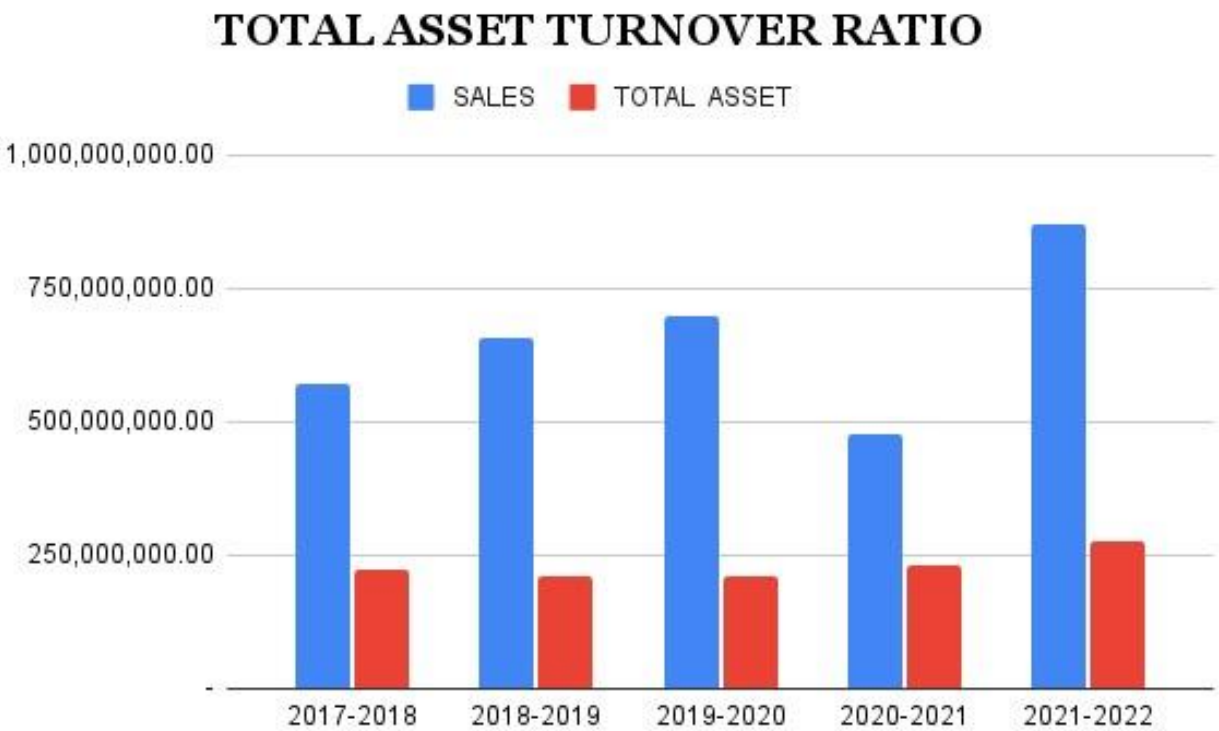
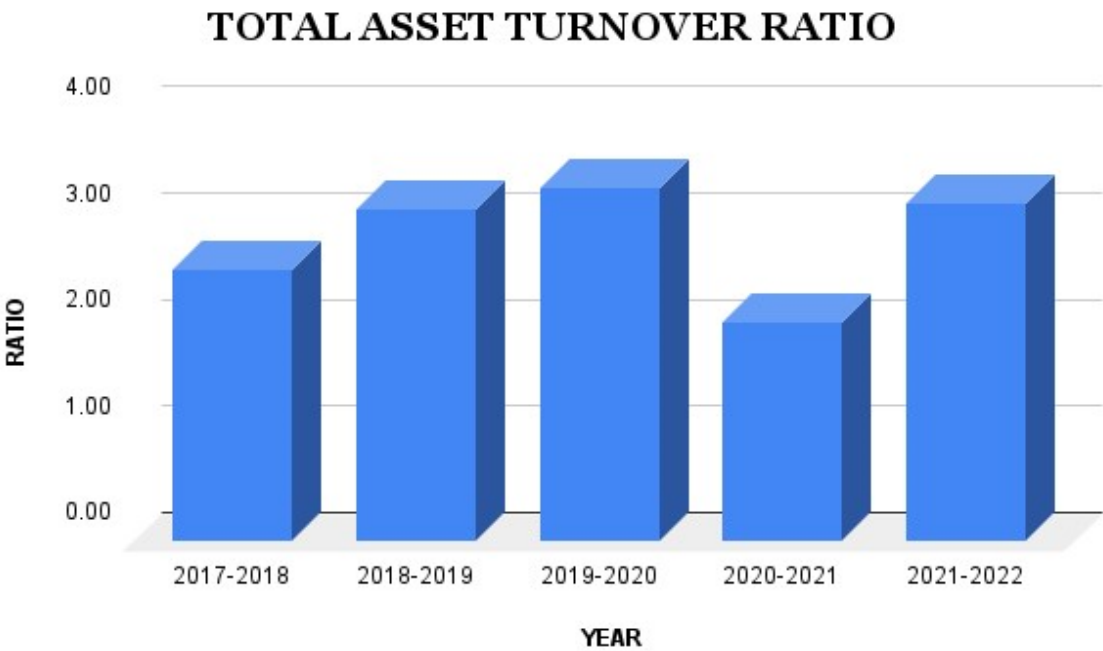


TABLE 4.12 FIXED ASSET TURNOVER RATIO

FIXED ASSET TURNOVER RATIO = SALES / NET FIXED ASSET

YEAR	SALES	NET FIXED ASSET	RATIO
2017-2018	569,167,167.00	34,332,253.00	16.58
2018-2019	656,858,287.00	27,852,253.00	23.58
2019-2020	698,880,365.00	21,317,752.00	32.78
2020-2021	478,707,097.00	14,998,882.00	31.92
2021-2022	869,735,646.00	16,046,010.00	54.20

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the fixed asset turnover ratio is increased in the year 2021-2022 with 54.20. Whereas, exceptionally low in the year 2017-2018 with 16.58. It is noticed that year after year the Fixed Asset Turnover ratio is Inclining.

CHART 4.12 FIXED ASSET TURNOVER RATIO

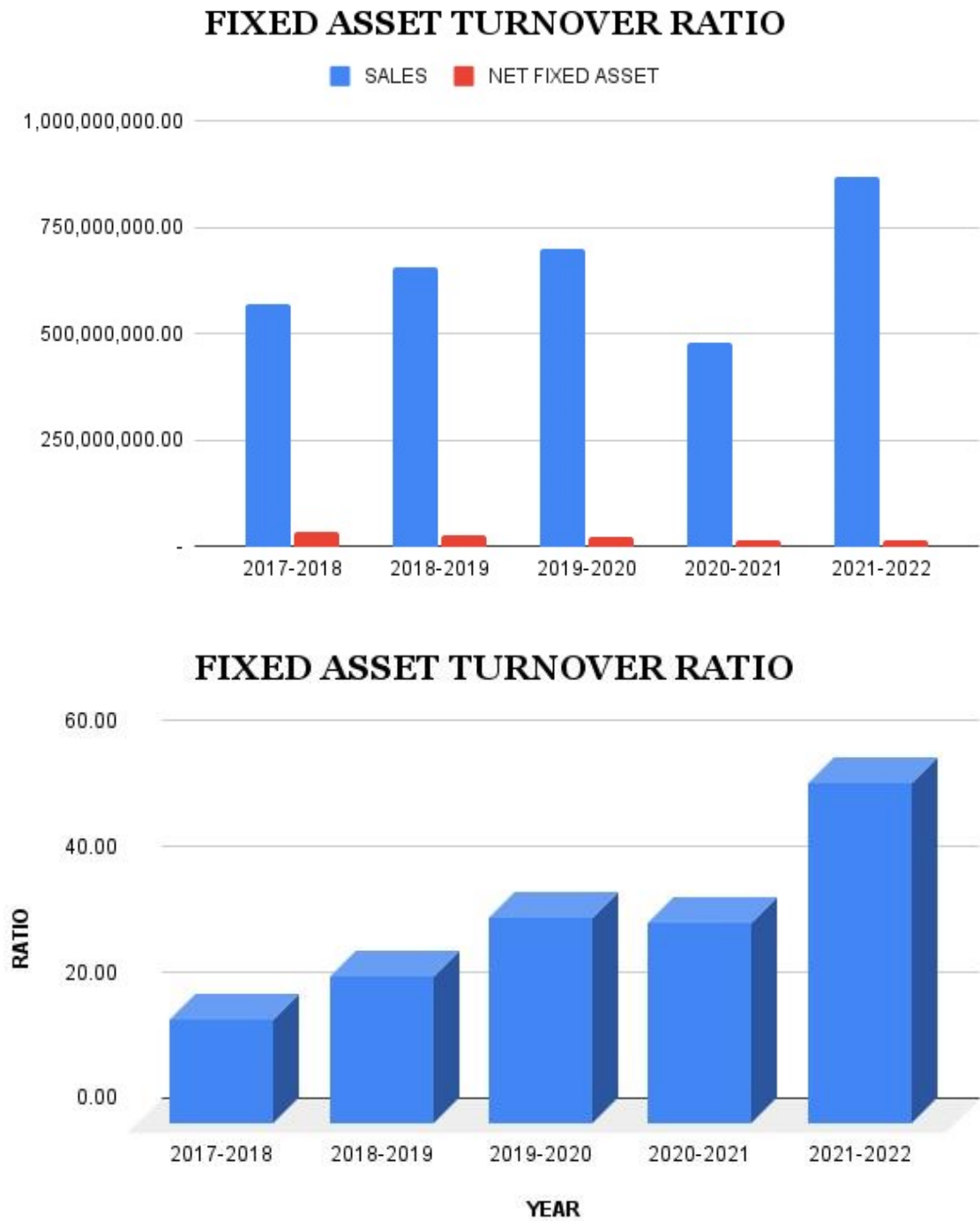


TABLE 4.13 CURRENT ASSET TURNOVER RATIO

CURRENT ASSET TURNOVER RATIO = NET SALES / CURRENT ASSET

YEAR	NET SALES	CURRENT ASSET	RATIO
2017-2018	569,167,167.00	179,653,911.00	3.17
2018-2019	656,858,287.00	174,600,610.00	3.76
2019-2020	698,880,365.00	180,720,376.00	3.87
2020-2021	478,707,097.00	191,610,416.00	2.50
2021-2022	869,735,646.00	242,391,008.00	3.59

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the current asset turnover ratio is increased in the year 2019-2020 with 3.87. Whereas, exceptionally low in the year 2020-2021 with 2.50. It is noticed that year after year the Current Asset Turnover ratio is Inclining.

CHART 4. 13 CURRENT ASSET TURNOVER RATIO

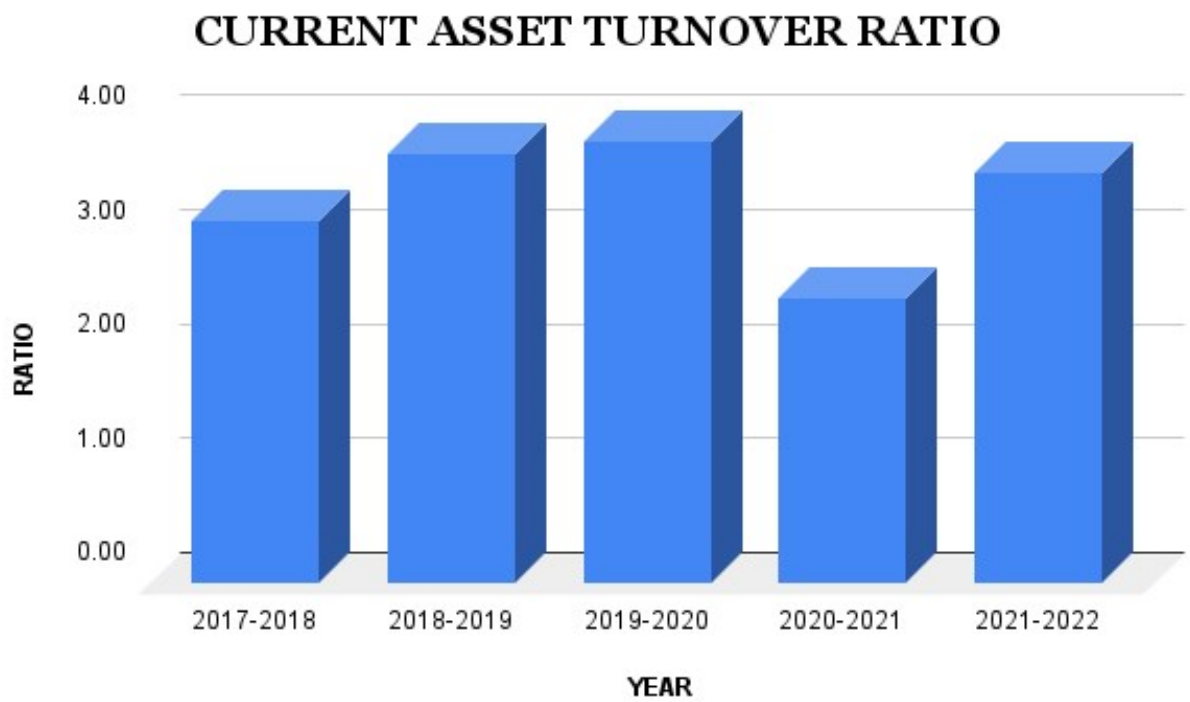
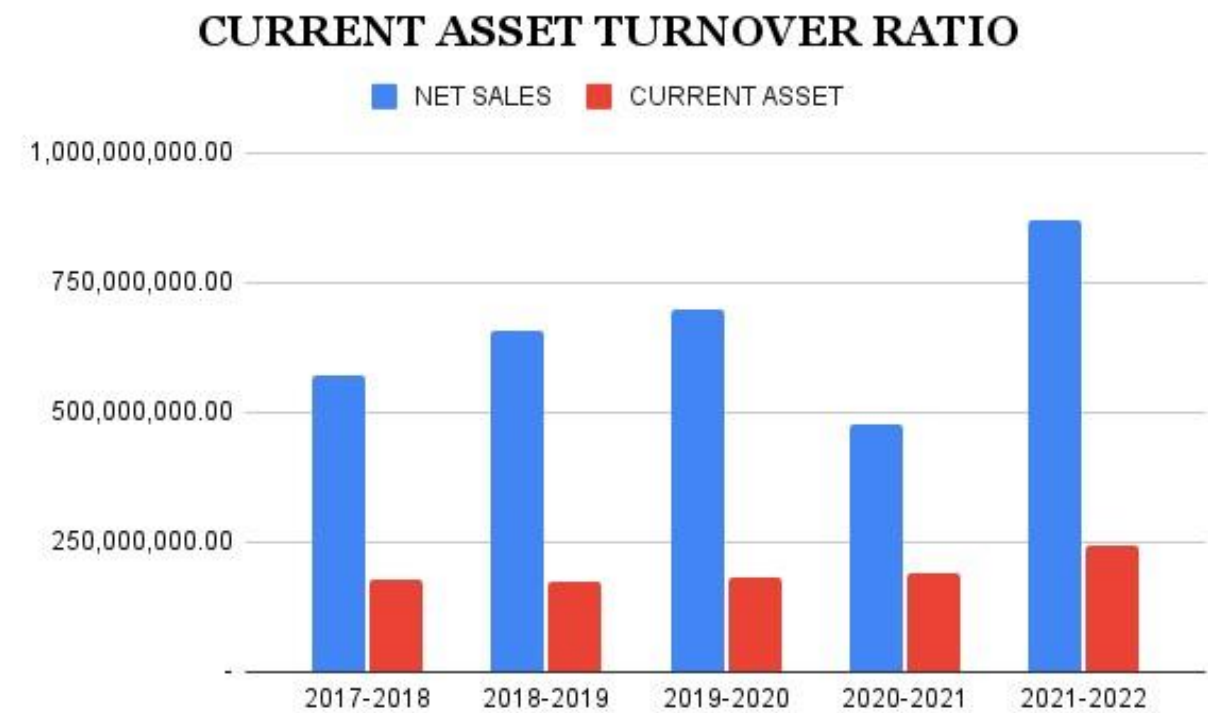


TABLE 4.14 WORKING CAPITAL TURNOVER RATIO

WORKING CAPITAL TURNOVER RATIO = SALES / NET WORKING CAPITAL

YEAR	SALES	NET WORKING CAPITAL	RATIO
2017-2018	569,167,167.00	102,813,638.00	5.54
2018-2019	656,858,287.00	104,265,495.00	6.30
2019-2020	698,880,365.00	103,319,164.00	6.76
2020-2021	478,707,097.00	107,453,031.00	4.46
2021-2022	869,735,646.00	110,728,958.00	7.85

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the working capital turnover ratio is increased in the year 2021-2022 with 7.85. Whereas, exceptionally low in the year 2020-2021 with 4.46. It is noticed that year after year the Working Capital Turnover ratio is Inclining.

CHART 4.14 WORKING CAPITAL TURNOVER RATIO

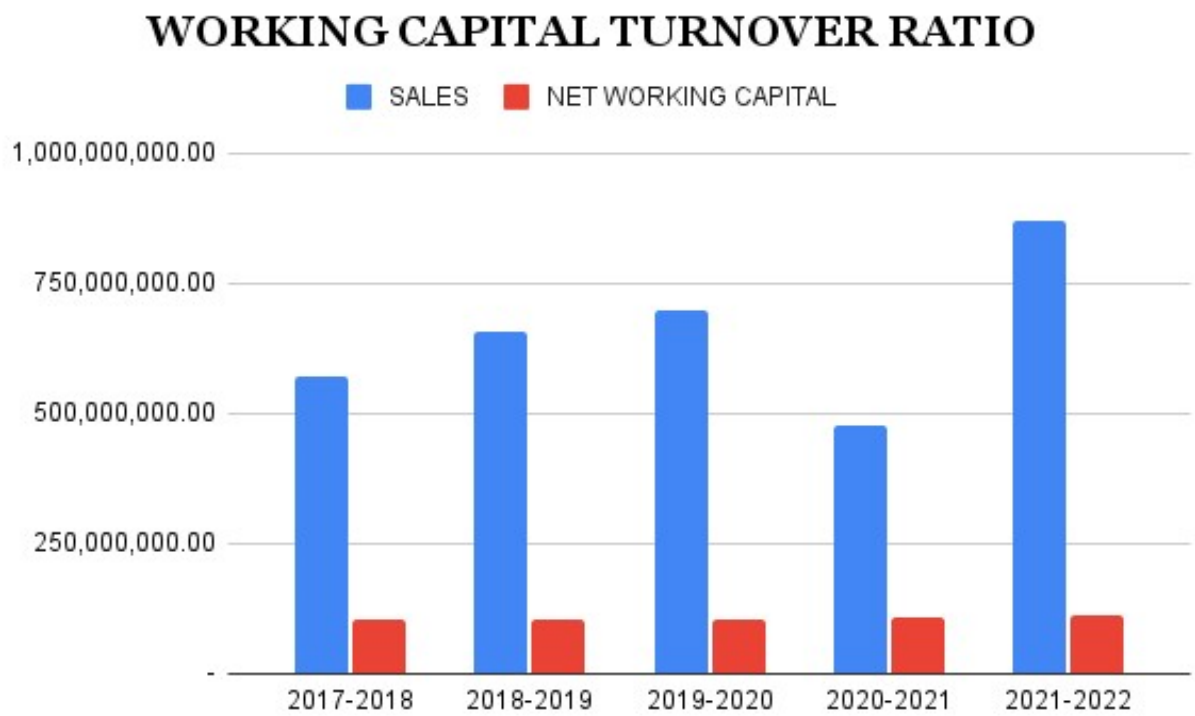


TABLE 4.15 STOCK TURNOVER RATIO

STOCK TURNOVER RATIO = REVENUE FROM OPERATIONS / AVERAGE INVENTORY

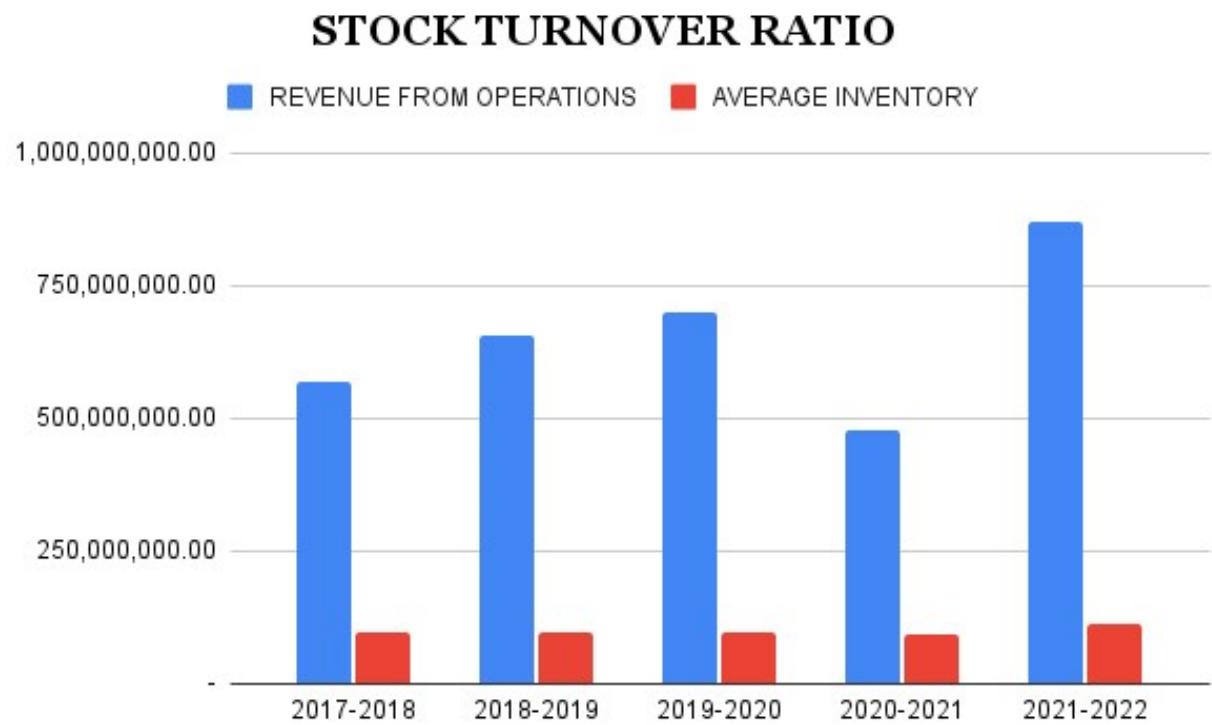
YEAR	REVENUE FROM OPERATIONS	AVERAGE INVENTORY	RATIO
2017-2018	569,167,167.00	95,932,576.50	5.93
2018-2019	656,858,287.00	94,389,500.00	6.96
2019-2020	698,880,365.00	95,594,500.00	7.31
2020-2021	478,707,097.00	91,114,000.00	5.25
2021-2022	869,735,646.00	109,395,171.00	7.95

(Source of data: Company Annual Report)

Interpretation:

From the above table it is inferred that, the stock turnover ratio is increased in the year 2021-2022 with 7.95. Whereas, exceptionally low in the year 2020-2021 with 5.25. It is noticed that year after year the Stock Turnover ratio is Inclining.

CHART 4.15 STOCK TURNOVER RATIO



COMPARATIVE BALANCE SHEET OF THE YEAR 2017 –2018

PARTICULARS	AS AT 31 MARCH 2018	AS AT 31 MARCH 2017	COMPARISON	%
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	34,114,846	55,197,281	-21,082,435	-38%
Capital work-in-progress	138,537	-	138,537	0
Intangible assets	78,870	36,000	42,870	119%
Financial assets			0	0
Investments			0	0
Loans	4,617,419	5,055,262	-437,843	-8%
Trade Receivables	4,050,000	10,124,138	-6,074,138	-59%
Other non-current assets			0	0
Deferred tax assets, net			0	0
	42,999,672	70,412,681	-27,413,009	-38%
CURRENT ASSETS			0	0
Inventories	87,673,000	104,192,153	-16,519,153	-15%
Financial assets			0	0
Trade receivables	72,223,731	64,331,101	7,892,630	12%
Cash and cash equivalents	12,018,275	7,996,633	4,021,642	50%
Other bank balances			0	0
Loans	3,331,628	4,115,370	-783,742	-19%
Others			0	0
Current tax assets			0	0
	179,653,911	185,827,521	-6,173,610	-3%
TOTAL ASSETS	222,653,583	256,240,202	-33,586,619	-13%
			0	0
EQUITY AND LIABILITIES			0	0
EQUITY			0	0
Equity share capital	202,346,490	202,346,490	0	0
Other equity	-224,547,597	-234,971,971	10,424,374	-4%
TOTAL EQUITY	22,201,107	32,625,481	-10,424,374	-31%

NON-CURRENT LIABILITIES			0	0
Financial Liabilities			0	0
Borrowings	166,338,816	181,283,816	-14,945,000	-8%
Provisions	1,675,601	1,770,148	-94,547	-5%
	168,014,417	183,008,964	-14,994,547	-8%
CURRENT LIABILITIES			0	0
Financial Liabilities			0	0
Borrowings	3,125,513	51,714,242	-48,588,729	-93%
Trade payables	56,064,678	34,091,863	21,972,815	64%
Other financial liabilities	5,064,044	3,780,225	1,283,819	33%
Other current liabilities	9,286,855	14,729,069	-5,442,214	-36%
Provisions	-	1,541,319	0	0
Current tax liabilities			0	0
Deferred tax liabilities	3,299,183	-	0	0
	76,840,273	105,856,718	-29,016,445	-27%
TOTAL LIABILITIES	244,854,690	288,865,682	-44,010,992	-15%
TOTAL EQUITY AND LIABILITIES	222,653,583	256,240,202	-33,586,619	-13%

(Source of data: Company Annual Report)

COMPARATIVE BALANCE SHEET OF THE YEAR 2018-2019

PARTICULARS	AS AT 31 MARCH 2019	AS AT 31 MARCH 2018	COMPARISON	%
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	27,634,846	34,114,846	-6,480,000	-18%
Capital work-in-progress	138,537	138,537	0	0
Intangible assets	78,870	78,870	0	0
Financial assets			0	0
Investments			0	0
Loans	4,459,869	4,617,419	-157,550	-3%
Trade Receivables	4,050,000	4,050,000	0	0
Other non – current assets			0	0
Deferred tax assets, net			0	0
	36,362,122	42,999,672	-6,637,550	-15%
Current assets			0	0
Inventories	101,106,000	87,673,000	13,433,000	15%
Financial assets			0	0
Trade receivables	64,063,170	72,223,730	-8,160,560	-11%
Cash and cash equivalents	5,019,381	12,018,275	-6,998,894	-58%
Other bank balances			0	0
Loans	1,872,798	3,331,628	-1,458,830	-43%
Others	2,539,261	4,407,277	-1,868,016	-42%
Current tax assets			0	0
	174,600,610	179,653,910	-5,053,300	-2%
TOTAL ASSETS	210,962,732	222,653,583	-11,690,851	-5%
			0	0
EQUITY AND LIABILITIES			0	0
EQUITY			0	0
Equity share capital	202,346,490	202,346,490	0	0
Other equity	-211,290,597	-224,547,597	13,257,000	-5%
TOTAL EQUITY	8,944,107	22,201,107	-13,257,000	-59%

NON-CURRENT LIABILITIES			0	0
Financial Liabilities			0	0
Borrowings	147,000,000	166,338,816	-19,338,816	-11%
Provisions	2,497,536	1,675,601	821,935	49%
	149,497,536	168,014,417	-18,516,881	-11%
CURRENT LIABILITIES			0	0
Financial Liabilities			0	0
Borrowings	9,281,843	3,125,513	6,156,330	196%
Trade payables	55,541,129	56,064,678	-523,549	-0.9%
Other financial liabilities	1,866,309	5,064,044	-3,197,735	-63%
Other current liabilities	1,660,735	9,286,856	-7,626,121	-82%
Provisions			0	0
Current tax liabilities			0	0
Deferred tax liabilities	2,059,288	3,299,183	-1,239,895	-37%
	70,335,115	76,840,274	-6,505,159	-8%
TOTAL LIABILITIES	219,832,651	244,854,691	-25,022,040	-10%
TOTAL EQUITY AND LIABILITIES	210,962,732	222,653,583	-11,690,851	-5%

(Source of data: Company Annual Report)

COMPARATIVE BALANCE SHEET OF THE YEAR 2019-2020

PARTICULARS	AS AT 31 MARCH 2020	AS AT 31 MARCH 2019	COMPARISON	%
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	21,100,345	27,634,846	-6,534,501	-23%
Capital work-in-progress	138,537	138,537	0	0
Intangible assets	78,870	78,870	0	0
Financial assets			0	0
Investments			0	0
Loans	4,459,869	4,459,869	0	0
Trade Receivables	4,050,000	4,050,000	0	0
Other non-current assets			0	0
Deferred tax assets, net			0	0
	29,827,621	36,362,122	-6,534,501	-17%
CURRENT ASSETS			0	0
Inventories	90,083,000	101,106,000	-11,023,000	-10%
Financial assets			0	0
Trade receivables	63,368,794	64,063,170	-694,376	-1%
Cash and cash equivalents	15,138,818	5,019,381	10,119,437	201%
Other bank balances			0	0
Loans	4,167,397	1,872,798	2,294,599	122%
Others	7,962,367	2,539,261	5,423,106	213%
Current tax assets			0	0
Other current assets			0	0
	180,720,376	174,600,610	6,119,766	3%
TOTAL ASSETS	210,547,997	210,962,732	-414,735	-0.19%
EQUITY AND LIABILITIES			0	0
EQUITY			0	0
Equity share capital	202,346,490	202,346,490	0	0
Other equity	-202,010,387	-211,290,597	9,280,210	-4
TOTAL EQUITY	336,103	-8,944,107	9,280,210	-103%

NON-CURRENT LIABILITIES			0	0
Financial Liabilities			0	0
Borrowings	129,900,000	147,000,000	-17,100,000	-11%
Provisions	2,910,683	2,497,536	413,147	16%
	132,810,683	149,497,536	-16,686,853	-11%
CURRENT LIABILITIES			0	0
Financial Liabilities			0	0
Borrowings	13,069,522	9,281,843	3,787,679	40%
Trade payables	59,904,079	55,541,129	4,362,950	7%
Other financial liabilities	1,856,319	1,866,309	-9,990	-0.53%
Other current liabilities	1,641,181	1,660,735	-19,554	-1%
Provisions	-	-	0	0
Current tax liabilities			0	0
Deferred tax liabilities	930,111	2,059,288	-1,129,177	-54%
	77,401,212	70,409,304	6,991,908	9%
TOTAL LIABILITIES	210,211,895	219,906,840	-9,694,945	-4%
TOTAL EQUITY AND LIABILITIES	210,547,997	210,962,732	-414,735	-0.19%

(Source of data: Company Annual Report)

COMPARATIVE BALANCE SHEET OF THE YEAR 2020-2021

PARTICULARS	AS AT 31 MARCH 2021	AS AT 31 MARCH 2020	COMPARISON	%
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	14,860,345	21,100,345	-6,240,000	-29%
Capital work-in-progress	138,537	138,537	0	0
Intangible assets	-	78,870	78,870	100%
Financial assets			0	0
Investments			0	0
Loans	4,459,869	4,459,869	0	0
Trade Receivables	11,931,977	4,050,000	7,881,977	194%
Other non-current assets			0	0
Deferred tax assets, net			0	0
	31,390,728	29,827,621	1,563,107	5%
CURRENT ASSETS			0	0
Inventories	92,145,000	90,083,000	2,062,000	2%
Financial assets			0	0
Trade receivables	82,668,573	63,368,794	19,299,779	30%
Cash and cash equivalents	9,410,830	15,138,818	-5,727,988	-37%
Other bank balances			0	0
Loans	3,474,372	4,167,397	-693,025	-16%
Others	3,911,641	7,962,367	-4,050,726	-50%
Current tax assets			0	0
Other current assets			0	0
	191,610,416	180,720,376	10,890,040	6%
TOTAL ASSETS	223,001,144	210,547,997	12,453,147	5%
EQUITY AND LIABILITIES			0	0
EQUITY			0	0
Equity share capital	202,346,490	202,346,490	0	0
Other equity	-184,301,995	-202,010,387	17,708,392	-8%

TOTAL EQUITY	18,044,495	336,103	17,708,392	5%
NON-CURRENT LIABILITIES			0	0
Financial Liabilities			0	0
Borrowings	116,300,000	129,900,000	-13,600,000	-10%
Provisions	4,499,264	2,910,683	1,588,581	54%
	120,799,264	132,810,683	-12,011,419	-9%
CURRENT LIABILITIES			0	0
Financial Liabilities			0	0
Borrowings	45,685,315	13,069,522	32,615,793	249%
Trade payables	35,462,664	59,904,079	-24,441,415	-40%
Other financial liabilities	1,761,321	1,856,319	-94,998	-5%
Other current liabilities	1,238,728	1,641,181	-402,453	-24%
Provisions	-	-		0
Current tax liabilities			0	0
Deferred tax liabilities	9,357	930,111	-920,754	-98%
	84,157,385	77,401,212	6,756,173	8%
TOTAL LIABILITIES	204,956,649	210,211,895	-5,255,246	-2%
TOTAL EQUITY AND LIABILITIES	223,001,144	210,547,997	12,453,147	5%

(Source of data: Company Annual Report)

COMPARATIVE BALANCE SHEET OF THE YEAR 2021-2022

PARTICULARS	AS AT 31 MARCH 2022	AS AT 31 MARCH 2021	COMPARISON	%
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	16,046,010	14,860,345	1,185,665	7%
Capital work-in-progress			0	0
Intangible assets			0	0
Financial assets			0	0
Investments			0	0
Loans	3,525,701	4,459,869	-934,168	-20%
Trade Receivables	12,652,902	11,931,977	720,925	6%
Other non-current assets			0	0
Deferred tax assets, net			0	0
Others			0	0
	32,224,613	31,390,728	833,885	2%
CURRENT ASSETS				
Inventories	126,645,343	92,145,000	34,500,343	37%
Financial assets			0	0
Investments			0	0
Trade receivables	81,846,333	82,668,573	-822,240	-0.99%
Cash and cash equivalents	3,575,913	9,410,830	-5,834,917	-62%
Other bank balances			0	0
Loans	122,939	423,591	-300,652	-70%
Others	30,197,480	6,962,422	23,235,058	333%
Current tax assets			0	0
Other current assets			0	0
	242,391,008	191,610,416	50,780,592	26%
TOTAL ASSETS	274,615,621	223,001,144	51,614,477	23%

EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	202,346,490	202,346,490	0	0
Other equity	124,219,793	-184,301,995	60,082,202	-32%
TOTAL EQUITY	78,126,697	18,044,495	60,082,202	332%
NON-CURRENT LIABILITIES				
Financial Liabilities			0	0
Borrowings	59,600,000	116,300,000	-56,700,000	-48.7%
Trade payables			0	0
Other financial liabilities			0	0
Provisions	5,181,475	4,499,264	682,211	15%
Differed Tax Liabilities(net)	45,399	9,357	36,042	385%
Other non-current liabilities			0	0
	64,826,874	120,808,621	-55,981,747	0
CURRENT LIABILITIES				
Financial Liabilities			0	0
Borrowings	76,403,851	45,685,315	30,718,536	67%
Trade payables	54,055,698	35,462,665	18,593,033	52%
Other current liabilities			0	0
Provisions	1,202,501	3,000,049	-1,797,548	-59.9%
Current tax liabilities			0	0
	131,662,050	84,148,029	47,514,021	56%
TOTAL LIABILITIES	196,488,924	204,956,650	-8,467,726	-4%
TOTAL EQUITY AND LIABILITIES	274,615,621	223,001,144	51,614,477	23%

(Source of data: Company Annual Report)

CHAPTER 5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 FINDINGS

- The Current Ratio is increased in the year 2018-2019 with 2.48. Whereas, exceptionally low in the year 2021-2022 with 1.84. It is noticed that year after year the Current ratio is declining.
- The Liquid Ratio is increased in the year 2019-2020 with 0.19. Whereas, exceptionally low in the year 2021-2022 with 0.02. It is noticed that year after year the Liquid ratio is declining.
- The Absolute Liquidity Ratio is increased in the year 2019-2020 with 0.69. Whereas, exceptionally low in the year 2021-2022 with 0.32. It is noticed that year after year the Absolute Liquidity ratio is declining.
- The Quick Ratio is increased in the year 2017-2018 with 1.2. Whereas, exceptionally low in the year 2021-2022 with 0.88. It is noticed that year after year the Quick ratio is declining.
- The Debt Equity Ratio is increased in the years 2017-2018, 2019-2020 & 2020-2021 with 0.03. Whereas, exceptionally low in the years 2018-2019 & 2021-2022 with 0.01. It is noticed that year after year the Debt Equity ratio is declining.
- The Proprietary Ratio is increased in the years 2018-2019 & 2019-2020 with 0.61. Whereas, exceptionally low in the year

2021-2022 with 0.47. It is noticed that year after year the Debt Equity ratio is declining.

- The Fixed Asset to Net worth Ratio is increased in the year 2017-2018 with 0.27. Whereas, exceptionally low in the year 2021-2022 with 0.12. It is noticed that year after year the Fixed Asset to Net Worth ratio is declining.
- The Net Profit Ratio is increased in the year 2021 – 2022 with 6.91. Whereas, exceptionally low in the year 2019-2020 with 1.10. It is noticed that year after year the Net Profit ratio is inclining.
- The Gross Profit Ratio is increased in the year 2017 – 2018 with 23.83. Whereas, exceptionally low in the year 2019-2020 with 16.95. It is noticed that year after year the Gross Profit ratio is Inclining.
- The Operating Profit Ratio is increased in the year 2017 – 2018 with 25.51
Whereas, exceptionally low in the year 2019-2020 with 16.02. It is noticed that year after year the Operating Profit ratio is Inclining.
- The Total Asset Turnover Ratio is increased in the year 2019-2020 with 3.32. Whereas, exceptionally low in the year 2020-2021 with 2.05. It is noticed that year after year the Total Asset Turnover ratio is Inclining.
- The Fixed Asset Turnover ratio is increased in the year 2021-2022 with 54.20. Whereas, exceptionally low in the year 2017-

2018 with 16.58. It is noticed that year after year the Fixed Asset Turnover ratio is Inclining.

- The Current Asset Turnover Ratio is increased in the year 2019-2020 with 3.87. Whereas, exceptionally low in the year 2020-2021 with 2.50. It is noticed that year after year the Current Asset Turnover ratio is Inclining.
- The Working Capital Turnover Ratio is increased in the year 2021-2022 with 7.85. Whereas, exceptionally low in the year 2020-2021 with 4.46. It is noticed that year after year the Working Capital Turnover ratio is Inclining.
- The Stock Turnover Ratio is increased in the year 2021-2022 with 7.95. Whereas, exceptionally low in the year 2020-2021 with 5.25. It is noticed that year after year the Stock Turnover ratio is Inclining.

5.2 SUGGESTIONS

- i) The business can improve its liquidity position to ensure long-term viability.
- ii) The business might look into ways to keep its current assets and liabilities. The company might be able to keep an optimal liquidity ratio thanks to this.
- iii) In order for the business to become more profitable in the years to come, it is suggested that it place a strong emphasis on the gross profit, net profit, and operation profit ratio.
- iv) If the company focuses more on turnover and achieves the company's overall goals, it will have a bright future.

- v) The debt-to-equity ratio needs to be concentrated for the years after 2020. The company can concentrate on achieving a better debt-to-equity ratio.
- vi) The proprietary ratio for the years 2020 and beyond must be closely monitored by the business.
- vii) Over time, the company has increased its Assets investment. The business should be careful not to put too much money into non-current assets, as this will reduce its liquidity. The company's debt-to-equity ratio may become unbalanced as a result of this.

5.3 CONCLUSION

One of the world's fastest-growing private companies is Perfetti Van Melle Pvt Ltd. The organization shows a fluctuating pattern in its monetary situation throughout the long term. It never moves into a situation that results in a loss, and neither can it be seen in a steady increase. Administrative issues and the pandemic year might be the justification for the changes. The organization is attempting to tackle these issues however hasn't reached in its fullest. To safeguard the company's smooth operation, more effort ought to be made. It is possible to draw the conclusion that the company's liquidity and solvency are satisfactory, but that it must also improve its profitability.

REFERENCES

- Afshin Mehrpouya, Imran Chowdhury (2018), "Re-thinking the CSP–CFP

Linkage: Analyzing the Mechanisms Involved in Translating Socially

Responsible Behavior to Financial Performance", Sustainability, Stakeholder

Governance, and Corporate Social Responsibility, Vol 38, pp. 227-25

- Agus Wahyudin, Badingatus Solikhan (2017), "Corporate governance

implementation rating in Indonesia and its effects on financial performance", Corporate Governance, Vol 17, Issue 2, pp. 250-265

- AnandaraoSuvvari, Raja SethuDurai S., PhanindraGoyari (2019), "Financial performance assessment using Grey relational analysis (GRA): An application to life insurance companies in India", Grey Systems: Theory and Application, Vol 9, Issue 4, pp. 502-516

- Avinandan Mukherjee, Rosita Nunez (2019), "Doing well by doing good: can voluntary CSR reporting enhance financial performance?" Journal of Indian Business Research, Vol 11, Issue 2, pp. 100-119

- Binod Guragai, Paul D. Hutchison (2020), "Financial performance following discontinued operations", Review of Accounting and Finance, Vol 19, Issue 4, pp. 429-447

- Carmen-Pilar Martí-Ballester (2015), "Socially Responsible Investment: The Financial Performance of Spanish Equity Pension Plans", The UN Global Compact: Fair Competition and Environmental and Labour Justice in International Markets, Vol 16, pp. 103-121
- Carolina Herrera-Cano, Maria Alejandra Gonzalez-Perez (2019), "Representation of Women on Corporate Boards of Directors and Firm Financial Performance", Diversity within Diversity Management, Vol 22, pp. 37-60
- Deven Krishnan, Rafikul Islam, SuhaimiMhd. Sarif (2019), "A hierarchical model to enhance financial and strategic performance of an oil and gas company in Malaysia", International Journal of Energy Sector Management, Vol 14, Issue 2, pp. 482-503
- Fernando Munoz, Maria Vargas, Ruth Vicente (2021), "Style-changing behavior in the socially responsible mutual fund industry: consequences on financial and sustainable performance", Sustainability Accounting, Management and Policy Journal, From Volume: 1 Issue: 1, to Vol 12 Issue: 2
- Hapsoro, Dody and Husain, Zul Fahmi (2019), "Does Sustainability Report Moderate the Effect of Financial Performance on Investor Reaction? Evidence of Indonesian Listed Firms", International Journal of Business, Vol 24, Issue 3, pp. 308-328

- Henri Kriswanto (2019), "FINANCIAL PERFORMANCE AND MACRO ECONOMIC ENVIRONMENT AS PREDICTORS OF FINANCIAL DISTRESS NATIONAL PRIVATE BANKS IN INDONESIA", International Journal of Economics, Business and Management Research, Vol 3, Issue 10, pp 58-71
- Hiep Ngoc Luu, Loan Quynh Huong Vu, Le Quoc Tuan (2019), "Income diversification and financial performance of commercial banks in Vietnam: Do experience and ownership structure matter", Review of Behavioral Finance, Vol12, Issue 3, pp. 185-199
- Karen L. Xie, Kevin Kam Fung So, Wei Wang (2017), "Joint effects of management responses and online reviews on hotel financial performance: A data-analytics approach", International Journal of Hospitality Management, Volume 62, Pages 101-110
- Kofi MintahOware, T. Mallikarjunappa (2020), "Disability employment and financial performance: the effect of technological innovation of listed firms in India", Social Responsibility Journal, From Volume: 1 Issue: 1/2, to Vol17 Issue: 1
- Lee, Jin-Woo (2017), "Financial performance analysis based on efficiency evaluation of Regional Public Hospital", Journal of the Korea Academia- Industrial cooperation Society, Vol18, Issue 4, Pages.614-623.
- Mahdi Salehi, ArashArianpoor (2021), "The relationship among financial and non-financial aspects of business sustainability performance: evidence from Iranian panel data", The TQM Journal, From Volume: 20 Issue: 1, to Vol 33 Issue: 7

- Mahdi Salehi, Mahmoud LariDashtBayaz, SohilaKhorashadizadeh (2018), “Corporate social responsibility and future financial performance: Evidence from Tehran Stock Exchange”, EuroMed Journal of Business, Vol 13, Issue 3, pp. 351-371
- Maj Syed Mohd Mustafa, Dr. MohdTaqi (2017), “A Study on the Financial Performance Evaluation of Punjab National Bank”, International Journal of Business and Management Invention, Vol 6, Issue 1, PP—05-15.
- Maria J. Martinez-Romero, Ruben Martinez-Alonso, M. Pilar CasadoBelmonte (2020), “The influence of socio-emotional wealth on firm financial performance: evidence from small and medium privately held family businesses”, International Journal of Entrepreneurship and Small Business, Vol40, Issue 1, (pp. 7-146)
- Masood Nawaz Kalyar, Aftab Shoukat, Imran Shafique (2019), “Enhancing firms’ environmental performance and financial performance through green supply chain management practices and institutional pressures”, Sustainability Accounting, Management and Policy Journal, Vol 11, Issue 2, pp. 451-476
- Masoud RahiminezhadGalankashi, Farimah Mokhatab Rafiei (2021), “Financial performance measurement of supply chains: a review”, International Journal of Productivity and Performance Management, From Volume: 53 Issue: 1, to Vol 70 Issue: 3
- Maqsood Ahmad, Syed Zulfiqar Ali Shah (2020), “Overconfidence heuristic- driven bias in investment

decision-making and performance: mediating effects of risk perception and moderating effects of financial literacy”, Journal of Economic and Administrative Sciences, From Volume: 19 Issue: 1, to Volume: 37 Issue: 1

- Maximiliano Gonzalez, Juan David Idrobo, Rodrigo Taborda, “Family firms and financial performance: a meta-regression analysis”, Academia Revista Latinoamericana de Administración, Vol 32, Issue 3, pp. 345-372
- Nixon Kamukama, Diana Susan Kyomuhangi, Richard Akisimire, Laura A.

Orobia (2017), “Competitive advantage: Mediator of managerial competence and financial performance of commercial banks in Uganda”, African Journal of Economic and Management Studies, Vol 8, Issue 2, pp. 221-234.

ANNEXURE

BALANCE SHEETS

PARTICULARS	31 MAR 22	31 MAR 21	31 MAR 20	31 MAR 19	31 MAR 18
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	16,046,010	14,860,345	21,100,345	27,634,846	34,114,846
Capital work-in-progress			138,537	138,537	138,537
Intangible assets			78,870	78,870	78,870
Financial assets					
Investments					
Loans	3,525,701	4,459,869	4,459,869	4,459,869	4,617,419
Trade Receivables	12,652,902	11,931,977	4,050,000	4,050,000	4,050,000
Other non-current assets					
Deferred tax assets, net					
Others					
	32,224,613	31,390,728	29,827,621	36,362,122	42,999,672
CURRENT ASSETS					
Inventories	126,645,343	92,145,000	90,083,000	101,106,000	87,673,000
Financial assets					
Investments					
Trade receivables	81,846,333	82,668,573	63,368,794	64,063,170	72,223,730
Cash and cash equivalents	3,575,913	9,410,830	15,138,818	5,019,381	12,018,275
Other bank balances					
Loans	122,939	423,591	4,167,397	1,872,798	3,331,628
Others	30,197,480	6,962,422	7,962,367	2,539,261	4,407,277
Current tax assets					
Other current assets					
	242,391,008	191,610,416	180,720,376	174,600,610	179,653,910
TOTAL ASSETS	274,615,621	223,001,144	210,547,997	210,962,732	222,653,583
EQUITY AND LIABILITIES					
EQUITY					
Equity share capital	202,346,490	202,346,490	202,346,490	202,346,490	202,346,490
Other equity	-124,219,793	-184,301,995	-202,010,387	-211,290,597	-224,547,597

TOTAL EQUITY	78,126,697	18,044,495	336,103	8,944,107	22,201,107
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	59,600,000	116,300,000	129,900,000	147,000,000	166,338,816
Trade payables				2,497,536	1,675,601
Other financial liabilities					
Provisions	5,181,475	4,499,264	2,910,683		
Differed Tax Liabilities(net)	45,399	9,357			
Other non-current liabilities					
	64,826,874	120,808,621	132,810,683	149,497,536	168,014,417
CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	76,403,851	45,685,315	13,069,522	9,281,843	3,125,513
Trade payables	54,055,698	35,462,665	59,904,079	55,541,129	56,064,678
Other current liabilities			1,856,319	1,866,309	5,064,044
Provisions	1,202,501	3,000,049	1,641,181	1,660,735	9,286,856
Current tax liabilities				2,059,288	3,299,183
	131,662,050	84,148,029	77,401,212	70,335,115	76,840,274
TOTAL LIABILITIES	196,488,924	204,956,650	210,211,895	219,832,651	244,854,691
TOTAL EQUITY AND LIABILITIES	274,615,621	223,001,144	210,547,997	210,962,732	222,653,583

(Source of data: Company Annual Report)

