

A STUDY ON FINANCIAL KEY PERFORMANCE INDICATORS IN TVS ELECTRONICS

Submitted in partial fulfillment of the requirements for the award of Degree in

MASTER OF BUSINESS ADMINISTRATION

by

GURURAJA.R
Register No.41410110



**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**

MAY 2023



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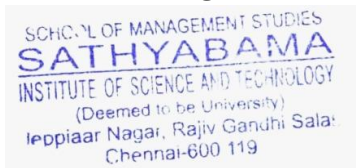
BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **GURURAJA.R (41410110)** who carried out the project entitled "A study on Financial Key performance Indicators in TVS Electronics" under my supervision from January 2023 to March 2023.

Dr.RANI
Internal Guide

External Guide

Dr. BHUVANESWARI .G
Dean – School of Management Studies



Submitted for Viva voce Examination held on 05/05/2023

Internal Examiner

External Examiner



April 02, 2023

To
Dr.G Sundari,
Dean – Student Affairs
Sathyabama College
Chennai - 600119

Dear Madam,

This is to certify that student **Mr. R Gururaja (Reg No.41410110)** of your Institute pursuing II year MBA has successfully completed their project in our office in the topic **A STUDY ON FINANCIAL KEY PERFORMANCE INDICATORS IN TVS ELECTRONICS** at Chennai during the period between January 02,2023 and April 02, 2023.

We wish him all the very best in his future endeavors.

Yours truly,
For TVS Electronics Ltd.,

Nageswar Rao R
Vice President HR&CHRO

TVS Electronics Limited

Arihant E-Park", No.117/1, 9th Floor, L.B.Road, Adyar, Chennai - 600 020. Tel: +91-44-4200 5200

Registered Office: "Greenways Towers", No.119,2nd Floor,St. Mary's Road,Chennai – 600018.

Corporate Identity Number:

L30007TN1995PLC032941 E-mail id: Contactus@tvs-

DECLARATION

This is to declare that this Project Report is the bonafide work of **GURURAJA.R (41410110)** who carried out the project entitled “**A study on Financial Key performance Indicators in TVS Electronics**” under my supervision from January award of Master of Business Administration degree.

DATE: 05/05/2023

PLACE: Chennai

A rectangular box containing a handwritten signature in black ink, which appears to read 'Gururaja.R'.

GURURAJA.R

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GURURAJA.R

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ABSTRACT

Financial Key performance indicators is an overall study about the financial health of the company. It is like a health checkup for humans. If the health is not in good state proper treatment must be given. same for the companies financials proper care should be given as it is the heart of the business. For this study I have analyzed the income statement, balance sheet, ratios needed for the cash management and cash flow management. In that I have mainly focused on cash from operations. As these are the list of things to be taken care of for the Study of Financial KPI. After the study I have interpreted some findings and given some suggestions to the company and investors as well. Thus i have done my research in the name of **A study of financial key performance indicators in TVS electronics.**

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CHAPTER 1 – INTRODUCTION

1.1. INTRODUCTION:

Financial performance is an important study about how the company uses its asset and how it is financially strong. Overall, a central focus of financial analysis is evaluating the company's ability to earn a return on its capital that is at least equal to the cost of that capital, to profitably grow its operations, and to generate enough cash to meet obligations and pursue opportunities. It is used mainly by the investors and shareholders to get a clear picture about cash position and idea of whether to invest or not. It typically shows the trends prevailing in the financial concept. The finance department has to be very careful in analyzing, the statements for taking credit decision, operational decision, performance evaluation and Budgeting. The major things used in this analysis is

- INCOME STATEMENT
- BALANCE SHEET
- CASH FLOW STATEMENT

Income Statement: It is all about income and expense statement. It shows the results of the business. Its main focus is on Net profit or Net loss. For a business Income or revenue is important one. The amount of income earned shows the positive growth of performance of the company. From that the management could plan for what to be done whether to keep that as reserve or to spend the necessary expenses. On the other hand, the amount spent for expenses also plays the Vital role. As mentioned in the above paragraph necessary expenses comprises of Buying machinery, Maintenance, wages or salary to employees and other expenses related to business. It may also include as direct or indirect expense. From this statement a management of any organization could know about components of income and they could control over unnecessary expenses. And they can also forecast for the future.

BALANCE SHEET: It is one of the factors for showing the financial performance of any business entity. It comprises of all the assets and liabilities. It has its own equation

- $\text{Assets} = \text{Liabilities} + \text{Capital}$
- $\text{Capital} = \text{Assets} - \text{Liabilities}$

If an analyst or investor wants to analyze a financial performance of any company can mainly depend on this balance sheet statement. It is like heart for the company. Its originality is based on the balance of asset and liabilities. Both the sides have to be in same valuation. The preparation of balance sheet involves of Current asset, Current liabilities, Fixed asset, Intangible asset, Long term liabilities, capital, Drawings. From this balance sheet one can understand the liquidity position, solvency condition, Nature and value of asset.

Cash flow statement: It is based on the movement of cash. It is a statement of changes in financial position prepared on cash basis. It has some benefits such as guide as a forecast, Effective cash management, formulation of financial policies, Cash budget preparation, Revaluation. In this statement there is three major headings such as.

- Cash flow using operating activities
- Cash flow using financing activities
- Cash flow using investing activities

1.2. INDUSTRY PROFILE:

Global Economic Review

The global economy has recovered in 2021 following the disruption caused by COVID-19 in 2020. On the back of international collaboration in adapting functional health policies and efficient fiscal and monetary policies coupled with vaccinations across the globe, the global economy is estimated to grow by 6.1% in 2021, compared to a contraction of 3.1% in 2020, as stated by International Monetary Fund (IMF). The global recovery has largely spearheaded by the emerging markets and developing economies growing its gross domestic product (GDP) at an average of 6.8% and the advanced economies growing at an average of 5.2%. The biggest contributor to the growth in advanced economies were France, Italy and UK growing at 7%, 6.6% and 7.4% respectively. Similarly, the biggest contributor to the growth of developing economies were its neighboring countries and India estimated to be growing at 8.1% and 8.9% respectively. The crude prices saw a sharp increase of 36% between August 2021 and February 2022 owing to a strong demand, short-lived effects of the Omicron variant of the COVID-19 pandemic followed by the Ukraine and Russia war. The average oil price stood at US\$ 69.07 a barrel compared to US\$ 41.29 a barrel.

Indian Economic Overview

Following the second wave of the COVID-19 pandemic, India's economy was well on its path to recovery, with both industry and services showing steady progress.

Outbreak of new variants, supply chain disruptions, and the recent rise in inflation, have been some challenges faced by the country during the recent past. To address these difficulties, the Government increased infrastructure expenditure to not only restore medium-term demand but also enact significant supply-side reforms to position the economy for long-term growth. As per the second advance estimates of the National Statistics Organization (NSO), Indian economy is estimated to grow at 8.9% in 2021-22 compared to a contraction of 6.6% in 2020-21. Moreover, for nine months ended 2021-22, the aggregate Index of Eight Core Industries was recorded at 12.6% (provisional) over the same period last year. Further, the impact of the third wave of the pandemic on recovery was minimal compared to the previous waves.

Consumer Electronics Market

With the increasing adoption of work from home and a hybrid culture, homes have emerged as the new headquarters for day-to-day operations of each employee.

Against this backdrop, consumers are looking for solutions and products which bring comfort and support in improving day-to-day lives of people. Owing to this reason, there has been a paradigm shift towards premium products promising to simplify consumers' lives. Strong demand for premium segment products such as larger screen TVs, higher capacity refrigerators and washing machines, and especially IoT and AI-enabled products, were witnessed not only from the developed metro markets but also from smaller tier-II towns. In 2021, appliances and consumer electronics industry stood at US\$ 9.84 billion in 2021, which is expected to be more than double to reach US\$ 21.18 billion by 2025. Despite the disruption caused by the second wave of the pandemic, the consumer durables output increased by 98.2% in May 2021, compared to a 70.3% decline in May 2020. The total active subscriber base of DTH in India increased from 69.57 million in March 2021 to 69.86 million in June 2021.

1.3 COMPANY PROFILE:

TVS Electronics Company overview

1.About them:

They embarked on their journey in the year 1987, under the leadership of Mr. Gopal Srinivasan. Over the years, they have emerged as one of the frontrunners in the IT peripherals, point-of-sale solutions, and comprehensive warranty management services. TVS Electronics Limited (TVS-E) has gradually evolved from a hardware manufacturing company to an organization with a strong and diversified portfolio of products and services spread under two primary business verticals – products and solutions, and customer support services. They cater to the needs of end-to-end product lifecycle management for both institutional and retail customers. Their services range from designing and manufacturing a product to customer support service, warranty management and end-of-life services.

2. Drivers

Values

Their values lie at the core of the organization. These values are constant and ensure that they stay true to who they are under all circumstances. Fair conduct, perseverance in delighting customers, constant pursuit of quality and engendering leadership skills in all their employees are the pillars upon which their identity has been forged over the decades.

3. Legacy

The TVS Group has proven excellence across industry segments where it operates, and has a strong brand equity. The TVS name is synonymous with trust, values and customer-centricity. The Group is one of the five largest family-owned business groups in India with a revenue of US\$ 6 billion. One of the many pioneering achievements of the Group over the years, was the fact that it emerged as one of the first companies in Asia to be accredited with the Deming Award for quality. Over the years, the Group has reinforced its position globally, and has emerged as an employer of choice with more than 36,000 people across the world.

4.Strengths?

- Their rich experience and strong expertise in understanding customer needs
- Pan-India presence
- Diversified portfolio with the unique edge of software bundling, product design solutions & customization for customers

- Superior quality of products and services built to meet the needs of Indian business
- Enduring bonds with partners
- Prudent financial management
- Consistent investments in IT

Products and Solutions

1. Point of Transaction Products (PTX)

- Dot Matrix Receipt Printer
- POS Systems
- Text Keyboard
- Specialty Printers

2. Track & Trace Products (T&T)

- Barcode Scanners
- Handheld Computer

3. Security & Surveillance Solutions (S&S)

- CCTV Cameras & Recorder + Video Analytics

4. Personal & Productivity Products (P&P)

- Web Cam
- Champ Elite Combo

TVS Electronics VISION

- To build trust authentically
- To be leaders
- To win in the marketplace
- To promote initiative

TVS Electronics Clientele

- HP
- Future group
- Amazon
- Daikin
- Atos
- HDFC Bank

- AXIS bank
- Eureka Forbes

At TVS Electronics, they believe that an organization is only as capable as its employees are to this end, they see the employees as the cornerstone of our value system. After all, it is the driven professional who will ensure customer satisfaction, maintain quality protocols, and lead them to success. Thus, they promote a culture of leadership within the organization for their employees to stay ready for business. They are cognizant of the well-being of those who work with them seeking to offer solutions proactively, and be there for their employees at every stage.

Board of Directors

1. Gopal Srinivasan

(Chairman)

2. Sri Lalitha Gopal

(Managing Director)

3. M Lakshmi Narayan

(Chairman- CSR)

4. M F Farooqui

(Chairman- Nomination and remuneration Committee)

5. R S Raghavan

(Non-executive independent director)

6. K Balakrishnan

(Stakeholders relationship committee)

7. V Sumantran

(Non-executive independent director)

8. Subhasri Sriram

(Chairperson- Audit committee)

1.4. OBJECTIVES OF THE STUDY

This project is designed mainly to identify and evaluate the financial performance

1.4.1 Primary objective:

1. A Study on Financial key performance indicators in TVS electronics

1.4.2 Secondary objectives:

- To study about the of profitability of the Company by analyzing the financial statement
- To analyze the major indicators for the change in the profit.
- To analyze about the cash flow position of the company

1.5. SCOPE & SIGNIFICANCE OF THE STUDY

The main need of this study is to study about the profit position. The electronics sector has the potential to become one of the top exports in India in the upcoming 3-5 years. This may also help the investors to avail more ROI (Return on Investment). This might help the company in some manner.

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CHAPTER 2 – REVIEW OF LITERATURE

2.1 INTRODUCTION

1. **Albertini, E. (2013). Does environmental management improve financial performance? A meta-analytical review. *Organization & Environment*, 26(4), 431-457.**

The relationship between corporate environmental performance and financial performance has received a high degree of attention in research literature and the results are still contradictory. Most of the findings have shown that environmental performance improves financial performance while others have suggested that the relationship is neutral or even negative.

2. **Pätäri, S., Arminen, H., Tuppurä, A., & Jantunen, A. (2014). Competitive and responsible? The relationship between corporate social and financial performance in the energy sector. *Renewable and Sustainable Energy Reviews*, 37, 142-154.**

Our key research objective in this study is to examine whether investments in corporate social responsibility (CSR) have an effect on corporate financial performance (CFP), or vice versa. The context is the energy industry, in which sustainability issues are of vital importance. Our data set is compiled from the KLD database and Thomson ONE. We use panel data on energy-sector companies covering the years 1991 and 2009 in order to assess Granger causality between CSR strengths/concerns and CFP.

3. **Friede, G., Busch, T., & Bassen, A. (2015). ESG and financial performance: aggregated evidence from more than 2000 empirical studies. *Journal of sustainable finance & investment*, 5(4), 210-233.**

The search for a relation between environmental, social, and governance (ESG) criteria and corporate financial performance (CFP) can be traced back to the beginning of the 1970s. Scholars and investors have published more than 2000 empirical studies and several review studies on this relation since then. The largest previous review study analyzes just a fraction of existing primary studies, making findings difficult to generalize. Thus, knowledge on the financial effects of ESG criteria remains fragmented. To overcome this shortcoming, this study extracts all provided primary and secondary data of previous academic review studies. Through doing this,

the study combines the findings of about 2200 individual studies. Hence, this study is by far the most exhaustive overview of academic research on this topic and allows for generalizable statements.

4. Nollet, J., Filis, G., & Mitrokostas, E. (2016). Corporate social responsibility and financial performance: A non-linear and disaggregated approach. *Economic Modelling*, 52, 400-407.

The present paper examines the relationship between Corporate Social Performance (CSP) and Corporate Financial Performance (CFP), using both accounting-based (Return on Assets and Return on Capital) and market-based (Excess Stock Returns) performance indicators. We use Bloomberg's Environmental Social Governance (ESG) Disclosure score covering the S&P500 firms in the period 2007–2011 which allows for the examination of both linear and nonlinear relationships to be considered. The results of the linear model suggest that there is a significant negative relationship between CSP and Return on Capital.

4.1 Lewellen, J., & Lewellen, K. (2016). Investment and cash flow: New evidence. *Journal of Financial and Quantitative Analysis*, 51(4), 1135-1164.

We study the investment–cash flow sensitivities of U.S. firms from 1971–2009. Our tests extend the literature in several key ways and provide strong evidence that cash flow explains investment beyond its correlation with q . A dollar of current- and prior-year cash flow is associated with \$0.32 of additional investment for firms that are the least likely to be constrained and \$0.63 of additional investment for firms that are the most likely to be constrained, even after correcting for measurement error in q . Our results suggest that financing constraints and free-cash-flow problems are important for investment decisions.

5. Maina, F. G., & Sakwa, M. M. (2017). Understanding financial distress among listed firms in Nairobi stock exchange: A quantitative approach using the Z-score multi-discriminant financial analysis model.

The paper assesses the financial distress among listed firms in Nairobi Stock Exchange in Kenya. The Capital Market Authority (CMA) has a regulatory responsibility to keep surveillance of firms listed in Nairobi Stock Exchange (NSE) with regards to capital, liquidity and other aspects with overall aim of ensuring financial stability of these firms. The expectation is therefore that the firms will be financially prudent and healthy which in turn will attract investors. The recent crisis where a

number of NSE listed companies' including stock brokers experienced financial distress is an indication that there is a missing link between surveillance and the management of these firms. If this is not rectified the public can lose interest in investing in Nairobi Stock Exchange.

6. Lin, S., Martinez, D., Wang, C., & Yang, Y. W. (2018). Is other comprehensive income reported in the income statement more value relevant? The role of financial statement presentation. *Journal of Accounting, Auditing & Finance*, 33(4), 624-646

This study examines (a) whether other comprehensive income (*OCI*) is more value relevant when reported in a more prominent and transparent location in financial statements, (b) how economic condition affects value relevance of *OCI* reported in different locations, and (c)

whether value relevance of *OCI* is affected by the implementation of Accounting Standard Update (ASU) 2011-05, which requires reporting *OCI* in either a combined statement of income and comprehensive income or a separate statement of comprehensive income (*SCI*), and prohibits reporting *OCI* only in the statement of changes in shareholders' equity (*SSE*). Using manually collected data for the period 2000-2012, we find that investors consistently priced *OCI* reported in the *SSE* during the entire test period.

7. Jaf, R. A., Shatnawi, H., & Al-Kake, F. (2019). The impact of strategic analysis for operating income on the performance evaluation case study on Baghdad soft drink company. In *International Conference on Accounting, Business, Economics and Politics, ICABEP* (pp. 414-423).

Presently, it is believed that the strategic analysis of Operating Income indicators of firms. For this reason, nowadays, this particular aspect is a major concern in the managerial accounting. This due to the many competitive firms which appeared in the regional and global markets and to the rapid changes in all fields of life. The purpose of this study is to examine the potential impact of strategic analysis for operating income on the performance evaluation. The study includes two main variables: strategic analysis and operating income using one of the total strategic analysis tools, the "resources analysis method" to analyze the change in operating income in the years considered and comparing them taking into account three components: growth, price recovery and productivity.

8. Wyrobek, J. (2020). Application of machine learning models and artificial intelligence to analyze annual financial statements to identify companies with unfair corporate culture. *Procedia Computer Science*, 176, 3037-3046.

The purpose of the publication was to create a model that, based on the annual financial statements, identifies the risk of significant financial irregularities occurring in the enterprise. These irregularities may relate to different types of financial fraud that do not necessarily affect the annual financial statements. A characteristic feature of irregularities is that they are large-scale and will have a drastic impact on the company's reputation. The results of the research show that machine learning and artificial intelligence algorithms were able to learn to recognize patterns of such scams and can detect them very effectively.

8.1 Günay, F., & Fatih, E. C. E. R. (2020). Cash flow based financial performance of Borsa İstanbul tourism companies by Entropy-MAIRCA integrated model. *Journal of multidisciplinary academic tourism*, 5(1), 29-37.

The cash flow of a company is a key element for the firm value. The firm value of a company is depending largely on the ability to generate cash flows. In other words, a company's firm value is calculated by using cash flows. Financial performance analysis helps companies ineffective decision-making, planning, and auditing functions. Traditional ratio analysis uses the statement of financial position (balance sheet) and the profit and loss statement (income statement) to measure financial performance. However, the income statement of a company just shows the accounting profits. Depending on this, traditional ratios can sometimes be over or underestimated on measuring financial performances.

9. Musanovic, E. B., & Halilbegovic, S. (2021). Financial statement manipulation in failing Small and Medium-Sized Enterprises in Bosnia and Herzegovina. *Journal of Eastern European and Central Asian Research (JEECAR)*, 8(4), 556-569.

The overall objective of this research is to analyze the financial condition of failing companies prior to bankruptcy, in comparison with non-failing companies, which are matched on the industry, size, and time-period. The sample consists of 168 SMEs from the wholesale and retail industry, whose financial statements were analyzed for the 2011-2015 period. The analysis is primarily based on the ratio analysis and the models developed for bankruptcy prediction and financial statement manipulation.

10. Daugėlaitė, S., & Kušleikienė, L. (2022). Cash flow analysis of company „Transpo“ for 2019–2021. *Applied Scientific Research*, 1(1), 155-169.

The article deals with the theoretical aspects of the cash flow statement analysis and presents the cash flow classification. Horizontal and vertical analysis of the financial statements of the transport company “Transpo” for 2019–2021 was performed: cash flows from operating activities, cash flows from investing activities, cash flows from financing activities, cash flows, cash and cash equivalents were analyzed. The company's operating cash flows were mainly affected by net profit, depreciation and amortization expenses.

11. Oscar Akotey, J., Sackey, F. G., Amoah, L., & Frimpong Manso, R. (2013). The financial performance of life insurance companies in Ghana. *The journal of Risk finance*, 14(3), 286-302.

The aim of this research is to assess the financial performance of the life insurance industry of an emerging economy. In particular the study delves into the major determinants of the profitability of the life insurance industry of Ghana. The study also examines the relationship among the three measures of insurers' profitability, which are investment income, underwriting profit and the overall (total) net profit.

12. Garba, T., & Abubakar, B. A. (2014). Corporate board diversity and financial performance of insurance companies in Nigeria: An application of panel data approach. *Asian Economic and Financial Review*, 4(2), 257-277.

The major objective of this study is to investigate the relationship between board diversity and financial performance of insurance companies in Nigeria, with specific reference to how gender diversity, ethnic diversity, board size, board composition and foreign directorship affect financial performance of insurance companies listed on the Nigerian Stock Exchange. This study selects 12 listed insurance companies using non-probability sampling method in the form of availability sampling technique for a period of 6 years i.e. 2004 to 2009. Using ROA, ROE and TOBIN's Q as measures of firm performance and applying Feasible Generalised Least Squares (FGLS) and random effects estimators, the findings of this study reveal that gender diversity and foreign directors have a positive influence on insurance companies' performance.

13. **Przychodzen, J., & Przychodzen, W. (2015). Relationships between eco-innovation and financial performance—evidence from publicly traded companies in Poland and Hungary. *Journal of Cleaner Production*, 90, 253-263.**

While the analysis of the linkages between eco-innovative activities and financial performance is a popular topic in the existing body of literature, many questions about these relationships, especially in transition economies in Central and Eastern Europe (CEE), remain unanswered. In this paper, we explore four types of eco-innovation (product, process, market and sources of supply) and their impact on accounting-based measures of financial performance using the data on Polish and Hungarian publicly traded companies from the years 2006–2013. Our results indicated that eco-innovators were generally characterized by higher returns on assets and equity and lower earnings retention. Additionally, companies that introduce eco-innovation were also significantly larger, more likely to face lower financial risk exposure and more likely to possess greater free cash flow than conventional firms. The findings suggest that strong asset and financial capabilities are relevant pre-conditions for the development of eco-innovativeness and that there is a need for environmental policy to create clear incentives for SMEs to increase activities in that area.

14. **Rodriguez-Fernandez, M. (2016). Social responsibility and financial performance: The role of good corporate governance. *BRQ Business Research Quarterly*, 19(2), 137-151.** The objective of this theoretical---empirical study is to investigate the bidirectional relationship between Corporate Social Responsibility and Financial Performance in Spanish listed companies. A complete theoretical framework --- based on agency, stewardship, dependency resources, and stakeholder theories --- provides the basis for the conceptual model. An important contribution is the use of a social behavioral index formed by four components: Global Reporting Initiative participation, Dow Jones Sustainability Index firm inclusion, Good Corporate Governance Recommendations compliance, and Global Compact signee. The conclusions drawn from the empirical study performed on the companies registered on the Madrid Stock Exchange demonstrate positive relationships in both directions, namely that the social is profitable and that the profitable is social, thereby originating a positive feedback virtuous circle. The results of this analysis have practical applications in the boardroom; they are proof that all social policies increment financial resources, and vice versa, that increased financial performances lead to greater social benefits.

15. Wang, Z., & Sarkis, J. (2017). Corporate social responsibility governance, outcomes, and financial performance. *Journal of cleaner production*, 162, 1607-1616.

Prior research has shown mixed results for the relationship between corporate social responsibility (CSR) and corporate financial performance. Call for investigations on mediators and moderators have been put on notice to provide further explanations of previous mixed findings. This study responds to the calls for research by investigating the mediation effect of CSR outcomes, on the relationship between CSR governance and financial performance. We extract CSR governance and outcomes data from the Bloomberg environmental, social and governance (ESG) database and financial performance data from the COMPUSTAT database. Using a sample of 1980 firm-year observations from the top 500 Green companies in the United States for the years 2009 through 2013, we find that CSR outcomes mediate the relationships between CSR governance and financial performance. The results suggest that whether companies implement CSR governance successfully to generate good CSR outcomes plays an important role influencing companies' financial performance.

16. Beg, K. (2018). Impact of accounting information system on the financial performance of selected FMCG companies. *Asian Journal of Applied Science and Technology*, 2(3),08-17

Accounting information system is a combination of people, equipment, policies, and procedures that work together to collect data and transform it into useful information. It is a system, an assemblage of various facilities and personnel, providing information to support managerial decision-making process. It is an entity, composed of various inter dependent subsystems, working together to provide timely, reliable, and accurate information for decision making. This study investigated the role of accounting information system on the financial performance of ten major Indian FMCG companies. A self-administered questionnaire designed on five point likert scale has been used to collect data. Judgmental sampling has been applied and the sample size is 283 employees. The findings after application of simple linear regression highlighted that there is a significant impact of accounting information system on the financial performance in the companies under study.

16.1. Gambo, E. M. J., Bello, B. A., & Rimamshung, S. A. (2018). Effect of board size, board composition and board meetings on financial performance of listed consumergoods in Nigeria. *International Business Research*, 11(6), 1-10.

The study made use of secondary data generated from annual report and account of the sampled companies through Nigeria Stock Exchange fact book. The findings include the following: Board size is negatively significant at 1% with T. Value of

_-2.70, Board

composition is positively significant at 1% with T- Value of 2.15 and finally, Board meeting isnegatively insignificant with T- Value of _1.45. This study concluded that smaller board size are more effective than larger board size, good proportion of board composition is a good factor to enhance ROA of listed consumer goods companies in Nigeria and frequent board meeting will have negative effect on the ROA of listed consumer goods companies in Nigeria

because it will limits the chances for external directors to conduct a meaningful oversight over management. Hence the study recommends among others; That smaller board size should be used in listed consumer goods companies in Nigeria to enhance their ROA, the listed consumergoods companies should continue to maintain good proportion of independence directors.

17. Effiong, S. A., & Ejabu, F. E. (2020). Liquidity risk management and financial performance: are consumer goods companies involved. *International Journal of RecentTechnology and Engineering*, 9(1), 580-589.

The study examines the effect of liquidity risk management on the financial performance of consumer goods companies. It was aimed at establishing the extent of concern of consumer goods companies in the management of their liquid cash, cash defensive intervals, long term debts, and quick ratios, for the purpose of turning around their financial performance. Data

were obtained from the annual reports and accounts of studied companies and were converted to liquidity measurement parameters. Analyses were done using multiple regression analysis methods and findings show that long term debts, quick ratios, and cash defensive intervals have a significant effect on EPS and ROA, while cash ratio and long term debts affect ROCE only. Specifically, it was empirically established that there exists a significant relationship between liquidity risk management and the financial performance of consumer goods

companies .Findings further reveal that companies' non-concerned attitude to liquidity risk management affects the financial performance of consumer goods companies significantly. The study recommends that consumer goods companies should

incorporate a clear liquidity risk management approach in their strategic policy framework and communicate the same to all functional units.

18. Adoke, R. H., & Abdulaziz, M. A. (2021). An empirical investigation of decisions and financial performance: A study of consumer goods listed in Nigeria stock exchange. *UNILAG Journal of Business*, 7(2), 29-42.

The study investigates the Effects of Decisions and Financial Performance of 15 quoted Consumers Goods firms listed on the Nigerian Stock Exchange. Return on Assets proxied financial performance; Ratio of total currents to total current liabilities, proxied liquidity, Dividend payout ratio, proxied dividend, Ratio of total debts to total equity, proxied leverage decision, Ratio of total assets to total debt, proxied working capital decision, While Firm age serves as control variable which is defined as firms' incorporated period. The study uses an ex-post facto research design and longitudinal panel which consists of time series and cross-sectional data. The data were analyzed using descriptive statistics and regression. The study revealed that all explanatory variables, except liquidity decision and working capital decision, have a positive significant effect on financial performance. Specifically, dividend decisions employed, leverage, and firm age have an insignificant effect on financial performance. The study concludes that the explanatory variables affect Consumers firms' financial performance in Nigeria. Therefore, the study recommends that the management of Consumers Goods Companies in Nigeria should only use liquidity and working capital in their decision making as it enhances firms' financial performance and desists using leverage and dividend as part of their decision components.

19. Albertini E. (2013). Does environmental management improve financial performance? A meta-analytical review. *Organization & Environment*, 26(4), 431-457

The relationship between corporate environmental performance and financial performance has received a high degree of attention in research literature and the results are still contradictory. Most of the findings have shown that environmental performance improves financial performance while others have suggested that the relationship is neutral or even negative. Our article integrates prior research studying this relationship and identifies the potential moderators that may have played a role in the apparent inconsistent results observed to date. We conducted a meta-analysis of 52 studies over a 35-year period that confirms a positive relationship between environmental performance and financial performance.

20. Adekunle, S. A., & Aghedo, E. M. (2014). Corporate governance and financial performance of selected quoted companies in Nigeria. *European Journal of Business and Management*, 6(9).

This study examines the relationship between corporate governance and financial performance of randomly selected quoted firms in Nigeria. It investigates corporate governance variables and analyses whether they impact on firm performance as measured by return on asset (ROA) and profit margin (PM). Based on the review of existing literature, four corporate governance variables were selected namely: composition of board member, board size, CEO status and ownership concentration which served as the independent variables. The ordinary least square regression was used to estimate the relationship between corporate governance and firm performance. Findings from the study show that there is positive and significant relationship between composition of board member and board size as independent variables and firm performance. CEO status also has positive relationship with firm performance but insignificant at $P < 0.05$. However, ownership concentration has negative relationships with return on asset (ROA) but positive relationship with profit margin (PM).

21. Post, C., & Byron, K. (2015). Women on boards and firm financial performance: A meta-analysis. *Academy of management Journal*, 58(5), 1546-1571.

Despite a large body of literature examining the relationship between women on boards and firm financial performance, the evidence is mixed. To reconcile the conflicting results, we statistically combine the results from 140 studies and examine whether these results vary by firms' legal/regulatory and socio-cultural contexts. We find that female board representation is positively related to accounting returns and that this relationship is more positive in countries with stronger shareholder protections—perhaps because shareholder protections motivate boards to use the different knowledge, experience, and values that each member brings. We also find that, although the relationship between female board representation and market performance is near zero the relationship is positive in countries with greater gender parity (and negative in countries with low gender parity)—perhaps because societal gender differences in human capital may influence investors' evaluations of the future earning potential of firms that have more female directors. Lastly, we find that female board representation is positively related to boards' two primary responsibilities: monitoring and strategy involvement.

22. Sodeyfi, S. (2016). Review of Literature on the Nexus of Financial Leverage, Product Quality, & Business Conditions. *International Journal of Economic Perspectives*, 10(2).

This article reviews related the link and empirical studies for the nexus of financial leverage, product quality, and business conditions. Due to different dimensions, review will be also divided into four sections in order to provide readers better literature review information. Although many studies analyzed the effects of financial leverage on various aggregates such as investments, very rare studies have focused on interactions between financial leverage and product quality. Thus, this article will provide important documentation for researchers studying in similar field.

23. Hussain, N., Rigoni, U., & Orij, R. P. (2018). Corporate governance and sustainability performance: Analysis of triple bottom line performance. *Journal of business ethics*, 149, 411-432.

The study extends the existing literature by investigating the impact of selected corporate governance mechanisms on each dimension of sustainability performance, as defined by the GRI framework. Our approach allows to identify which governance mechanisms foster triple bottom line performance, also revealing that some mechanisms fit only specific dimension(s) of sustainability. The fact-based findings provide support for a new beginning in the theorising process in which the theories must try not only to provide rationale for the impact of corporate governance on sustainability, but also to explain which dimension of sustainability might be more affected. The most important implication for practitioners is the support for sustainability practices, which may be gained through implementation of particular corporate governance mechanisms. The findings contribute also to the improvement of the ongoing standard setting process, in particular as it concerns the in-depth revision of the economic dimension of sustainability carried out under the new GRI framework.

24. Bonner, S. E., Clor-Proell, S. M., & Koonce, L. (2014). Mental accounting and disaggregation based on the sign and relative magnitude of income statement items. *The Accounting Review*, 89(6), 2087-2114.

Current financial reporting guidance allows managers flexibility as to whether to disaggregate income statement items. Such flexibility is problematic if managers prefer to aggregate in some situations and disaggregate in others because we conjecture that investors' evaluations of firms will predictably differ depending on whether performance information is shown in an aggregated or disaggregated fashion. We conduct a series of related experiments within the context of compound financial instruments to investigate whether managers' preferences follow the predictions of mental accounting theory; specifically, that presentation preferences vary as a function of the sign and relative magnitude of the income statement items. Results reveal that managers' disaggregation preferences reflect mental accounting. Further, the effects of mental accounting are moderated only when managers feel high pressure to report transparently. Finally, and most importantly, the preferred presentations of managers result in the highest firm valuations from investors, indicating that investors also rely on mental accounting. Our study has implications for standard setters, regulators, and researchers.

25. **Procházka, D. (2016). Classification Of Expenses In Income Statement: Is There Any Difference Between Nature And Function From The Students' Point Of View?. TOJET.** Financial statements serve as an important tool of informing investors and other users about the financial position and performance of companies. The decision-usefulness of information indicating a particular company's performance is dependent, inter alia, on the classification of expenses presented in the operating section of the income statement. Using a sample of 216 students enrolled into a university course "Introduction to Accounting", a regression model contains a weak form of evidence (significant at 10%) for the difference in the results of a midterm test, checking for the students' knowledge of both methods (classification by nature and classification by function). The students solving an example, requiring the classification of expenses by their function, perform slightly better (by 2.5%) than their colleagues, unravelling the same example with the classification of expenses by their nature. The finding has inferences for the education as well as the practices. A weaker comprehension of accounting procedures relating to the classification of expenses by their nature in accounting courses, if not removed by practical experience, can result in material errors contained in the financial statements of real companies and thus to mislead the users.

CHAPTER 3 – RESEARCH METHODOLOGY

3.1 METHODOLOGY:

Research methodology is mainly needed for the purpose of framing the research process and the designs and tools that are used for the project purpose. Research methodology helps to find the financial performance of the company. This descriptive research methodology is framed for the purpose of finding the **financial key performance indicators in TVS electronics**.

3.2 RESEARCH DESIGN:

Descriptive Research Design was adopted by the research or for the purpose of collecting and analysis of data in manner that aimed to combine relevant data along with economic infrastructure and time in mind. It was conceptual structure within which research conducted, collected, measured and analyzed.

3.3 SOURCES OF DATA:

Data collection is the term used to describe a process of preparing and collecting data.

- Secondary Data – Company Website, Published annual reports & Review of literature from published articles

3.4 PERIOD OF STUDY: January 2023 to April 2023

3.5 TOOLS FOR ANALYSIS:

3.5.1 Comparative Statement

A comparative statement is a document used to compare a particular financial statement with prior period statements. Previous financials are presented alongside the latest figures in side-by-side columns, enabling investors to identify trends, track a company's progress and compare it with industry rivals.

3.5.2 Ratio Analysis

Ratio analysis is a quantitative method of gaining insight into a company's liquidity, operational efficiency, and profitability by studying its financial statements such as the balance sheet and income statement. Ratio analysis is a cornerstone of fundamental equity analysis.

3.5.3 Cash flow management

Cash flow management is the process of planning, tracking, and controlling the movement of cash in and out of a business. It involves forecasting future cash needs and ensuring that there are sufficient funds available to meet these needs, as well as managing any excess cash in a way that maximizes its value.

CHAPTER 4 – DATA ANALYSIS AND INTERPRETATION

4.1. PERCENTAGE ANALYSIS- Comparative Income statement

I have derived the values from 2017-2018 to 2021-2022 annual report. Along with comparative I have added the leverage part also. In that all the leverages such as operating, Financial and combined leverage for all the five years there is no significant difference in the value. So, I have on Earnings per share (EPS) part for subsequent years

1. 2017-2018

Particulars	2017	2018	Percentage
Revenue from Operations	2,52,316	4,17,798	66
Other income	307	220	-28
Total Revenue	2,52,623	4,18,018	65
Total Expenses:	2,51,750	4,15,942	65
Profit Before tax	873	2,076	138
Exceptional items	0	369	0
Profit before tax	873	1,707	96
Tax Expense:			
Current tax	0	550	0
Deferred tax	278	271	-3

Tax relating to earlier years	-38	0	-100
Total tax expense	240	821	242

Workings:

1. Comparative Statement= Current year- Base Year
2. Percentage= Difference value/Base year* 100
3. Profit before tax=Total Revenue-Total expenses
4. Profit for the year= Profit before tax-total tax expenses

Leverage-2017-2018 workings

Particulars	Value
Sales	417742
Variable cost	0
Contribution	417742
Fixed cost	0
EBIT	417742
Interest	142
EBT	417600
Tax	821
EAT	416779

EPS=EAT/No of equity

shares=0.02239

416779/18612818=

0.02239

EPS Percentage

Particulars	2017	2018	Percentag e
EPS	3.4	8.7	156

INTERPRETATION

From the above Comparative income statement for the year 2017-2018 the profit for the year has increased by 40%. This shows that the companies' operation is in a positive range. In these year's the value for EPS has been increased by 156%. This shows that company has generated more profit per outstanding share. This also indicates that the company has operated efficiently in that year.

2. 2018-2019

Particulars	2018	2019	Percentage
Revenue from Operations	4,10,890	2,75,684	-33
Other income	220	373	70
Total Revenue	4,11,110	2,76,057	-33
Total Expenses:	4,09,034	2,74,277	-33
Profit Before tax	2,076	1,780	-14
Exceptional items	369	-358	-197
Profit before tax	2,445	1,422	-42
Tax Expense:			
Current tax	550	690	25
Deferred tax	271	-14	-105
Tax relating to earlier years	0	2	0
Total tax expense	821	678	-17
Profit for the year	1,624	744	-54

Workings:

1. Comparative Statement= Current year- Base Year
2. Percentage= Difference value/Base year* 100
3. Profit before tax=Total Revenue-Total expenses
4. Profit for the year= Profit before tax-total tax expenses

Leverage-2018-2019 workings

Particulars	Value
Sales	275565
Variable cost	0
Contribution	275565
Fixed cost	0
EBIT	275565
Interest	41
EBT	275524
Tax	676
EAT	274848

EPS=EAT/No of equity shares=0.01476

274848/ 18612818

= 0.01476

EPS Percentage

Particulars	2018	2019	Percentage
EPS	8.7	4	-54

INTERPRETATION

From the above Comparative income statement for the year 2018-2019 the profit for the year has decreased by 54%. This shows that the companies' operation is in a Negative range, but it doesn't taken as loss there might be some other investments or some causes. In these year's the value for EPS has been decreased by 54%. This shows that the company has earned less profit per outstanding share. This indicates that the company has operated less efficiently in that year.

3. 2019-2020

Particulars	2019	2020	Percentage
Revenue from Operations	2,75,684	25,872	-91
Other income	373	533	43
Total Revenue	2,76,057	26,405	-90
Total Expenses:	2,74,277	26,057	-90
Profit Before tax	1,780	348	-80
Exceptional items	-358	-350	-2
Profit before tax	1,422	-2	-100
Tax Expense:			
Current tax	690	136	-80
Deferred tax	-14	-177	1164
Tax relating to earlier years	2	0	-100
Total tax expense	678	-41	-106
Profit for the year	744	39	-95

Workings:

1. Comparative Statement= Current year- Base Year
2. Percentage= Difference value/Base year* 100
3. Profit before tax=Total Revenue-Total expenses
4. Profit for the year= Profit before tax-total tax expenses

Leverage-2019-2020 workings

Particulars	Value
Sales	25797
Variable cost	0
Contribution	25797
Fixed cost	0
EBIT	25797
Interest	236
EBT	25561
Tax	-41
EAT	25602

EPS=EAT/No of equity shares=0.0013

25602/18650318=0.0013

EPS Percentage

Particulars	2019	2020	Percentage
EPS	4	0.2	-95

INTERPRETATION

From the above Comparative income statement for the year 2019-2020 the profit for the year has decreased by 95%. This shows that the companies' operation is in a Negative range, but it doesn't take as loss there might be some other investments or some causes. In these year's the value for EPS has been decreased by 95%. This shows that the company has earned less profit per outstanding share. This indicates that the company has operated less efficiently in that year.

4. 2020-2021

Particulars	2020	2021	Percentage
Revenue from Operations	25,872	22,460	-13
Other income	533	206	-61
Total Revenue	26,405	22,666	-14
Total Expenses:	26,057	22,572	-13
Profit Before tax	348	94	-73
Exceptional items	-350	0	-100
Profit before tax	-2	94	-4800
Tax Expense:			
Current tax	136	43	-68
Deferred tax	-177	-26	-85
Total tax expense	-41	17	-141
Profit for the year	39	77	97

Workings:

1. Comparative Statement= Current year- Base Year
2. Percentage= Difference value/Base year* 100
3. Profit before tax=Total Revenue-Total expenses
4. Profit for the year= Profit before tax-total tax expenses

Leverage-2020-2021 workings

Particulars	Value
Sales	22411
Variable cost	0
Contribution	22411
Fixed cost	0
EBIT	22411
Interest	190
EBT	22221
Tax	17
EAT	22204

EPS=EAT/No of equity shares=0.0011

22204/18650318=0.0011

EPS Percentage

Particulars	2020	2021	Percentage
EPS	0.2	0.4	100

INTERPRETATION

From the above Comparative income statement for the year 2020-2021 the profit for the year has Increased by 97%. This shows that the companies' operation is in a Positive range. In these year's the value for EPS has been increased by 100%. This shows that company has generated more profit per outstanding share. This also indicates that the company has operated efficiently in that year.

5. 2021-2022

Particulars	2021	2022	Percentage
Revenue from Operations	22,460	30,792	37
Other income	206	123	-40
Total Revenue	22,666	30,915	36
Total Expenses:	22,572	28,882	28
Profit Before tax	94	2,033	2063
Exceptional items	0	49	0
Profit before tax	94	2,082	2115
Tax Expense:			
Current tax	43	630	1365
Deferred tax	-26	-58	123
Total tax expense	17	572	3265

Profit for the year	77	1,510	1861
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Workings:

1. Comparative Statement= Current year- Base Year
2. Percentage= Difference value/Base year* 100
3. Profit before tax=Total Revenue-Total expenses
4. Profit for the year= Profit before tax-total tax expenses

Leverage-2021-2022 workings

Particulars	Value
Sales	30747
Variable cost	0
Contribution	30747
Fixed cost	0
EBIT	30747
Interest	96
EBT	30651
Tax	571
EAT	30080

EPS=EAT/No of equity
 shares=0.0016
 30080/18650318=0.0016

EPS Percentage

Particulars	2021	2022	Percentage
EPS	0.4	8.1	1925

INTERPRETATION

From the above Comparative income statement for the year 2021-2022 the profit for the year has increased by 1861%. This shows that the companies' operation is in a Positive range. In these year's the value for EPS has been increased by 1925%. This shows that company has generated more profit per outstanding share. This also indicates that the company has operated efficiently in that year.

4.1.1 PERCENTAGE ANALYSIS- Comparative Balance sheet 2017-2018

Particulars	2017	2018	Percentage
ASSETS			
Total non-current assets	8,153	6,856	-16
Current Assets	30,189	96,245	219
Total Assets	38,342	1,03,101	169
EQUITY AND LIABILITIES			
Total equity	6,786	8,357	23
Total non-current liabilities	467	326	-30
Total current liabilities	31,089	94,418	204
Total Liabilities	31,556	94,744	200
TOTAL EQUITY AND LIABILITIES	38,342	1,03,101	169

Interpretation

The assets and liabilities for the year 2017-18 has been increased by 169%. As increase in assets implies that company is expanding, investing in new projects. And increase in liabilities implies that company is taking more debts for its finance growth or operations.

2018-2019

Particulars	2018	2019	Percentage
ASSETS			
Total non-current assets	6,906	6,454	-7
Current Assets	96,698	10,018	-90
Total Assets	1,03,604	16,472	-84
EQUITY AND LIABILITIES			
Total equity	8,357	8,698	4
Total non-current liabilities	326	390	20
Total current liabilities	94,921	7,384	-92
Total Liabilities	95,247	7,774	-92
TOTAL EQUITY AND LIABILITIES	1,03,604	16,472	-84

Interpretation

The assets and liabilities for the year 2018-19 has been Decreased by 84%. As decrease in asset implies that company is downsizing and experiencing operational challenges. As decrease in liabilities implies that company is paying off its debts.

2019-2020

Particulars	2019	2020	Percentage
ASSETS			
Total non-current assets	6,454	6,935	7
Current Assets	10,018	10,894	9
Total Assets	16,472	17,829	8
EQUITY AND LIABILITIES			
Total equity	8,698	8,062	-7
Total non-current liabilities	390	769	97
Total current liabilities	7,384	8,998	22
Total Liabilities	7,774	9,767	26
TOTAL EQUITY AND LIABILITIES	16,472	17,829	8

Interpretation

The assets and liabilities for the year 2019-20 has been increased by 8%. As increase in assets implies that company is expanding, investing in new projects. And increase in liabilities implies that company is taking more debts for its finance growth or operations.

2020-2021

Particulars	2020	2021	Percentage
ASSETS			
Total non-current assets	6,935	6,361	-8
Current Assets	10,894	10,614	-3
Total Assets	17,829	16,975	-5
EQUITY AND LIABILITIES			
Total equity	8,062	8,179	1
Total non-current liabilities	769	495	-36
Total current liabilities	8,998	8,301	-8
Total Liabilities	9,767	8,796	-10
TOTAL EQUITY AND LIABILITIES	17,829	16,975	-5

Interpretation

The assets and liabilities for the year 2020-21 has been decreased by 5%. As decrease in asset implies that company is downsizing and experiencing operational challenges. As decrease in liabilities implies that company is paying off its debts.

2021-2022

Particulars	2021	2022	Percentage
ASSETS			
Total non-current assets	6,278	5,584	-11
Current Assets	10,697	14,658	37
Total Assets	16,975	20,242	19
EQUITY AND LIABILITIES			
Total equity	8,179	9,261	13
Total non-current liabilities	495	449	-9
Total current liabilities	8,301	10,532	27
Total Liabilities	10,981	8,796	25
TOTAL EQUITY AND LIABILITIES	16,975	20,242	19

Interpretation

The assets and liabilities for the year 2021-22 has been increased by 19%. As increase in assets implies that company is expanding, Investing in new projects. And increase in liabilities implies that company is taking more debts for its finance growth or operations.

Factors Considered for Cash management:

There are some factors which should be taken to analyze the cash management. They are as follows

- 1. Revenue**
- 2. Sales**
- 3. Working capital**

These are the things which needs to be taken care of and analyzed well.

I.Revenue

Year	Values
2017-2018	4,18,018
2018-2019	2,76,057
2019-2020	2,6405
2020-2021	22,666
2021-2022	30,915



Interpretation

From the above diagram the value in the starting period F.Y (2017-2018) It is 4,18,018 and it gradually decreased in the following year. There is a difference of 1,41,961 and the value has decreased for the following two consecutive years. As from annual report it is understood that other income has a flow of both positive and negative values. As the pandemic hit the world at 2020 it has affected the whole business all around the world, so the major source of revenue sales got declined and it also included other operating revenues which might directly related to business. But in the F.Y 2021-2022 it got slight increased from the previous years. This shows a positive sign. This shows that ROI will be positive one.

Sales

Year	Value
2017-2018	4,17,742
2018-2019	2,75,565
2019-2020	25,797
2020-2021	22,411
2021-2022	30,747

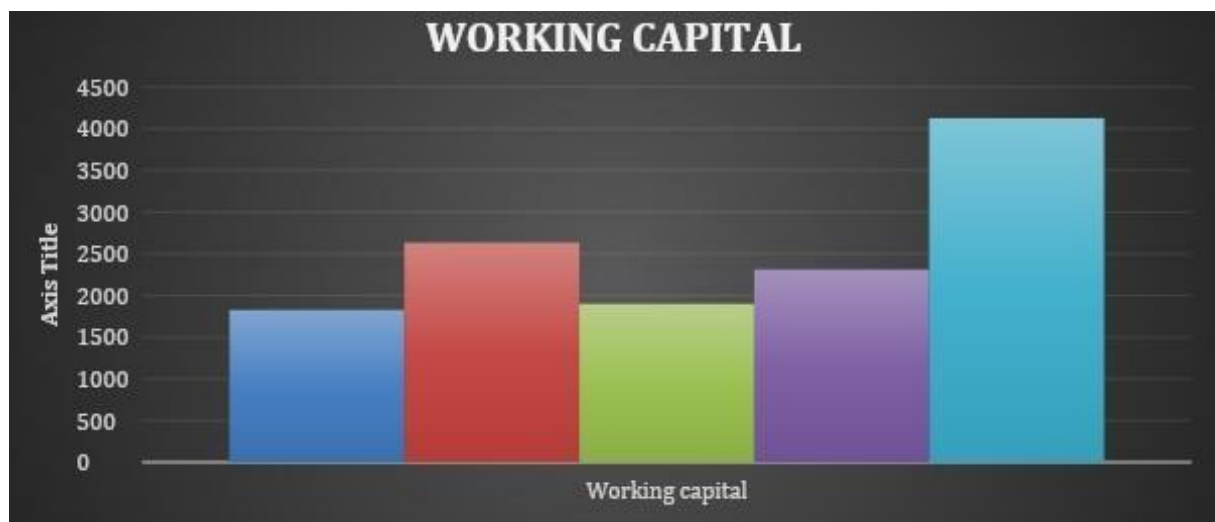


Interpretation

From the above diagram the value in the starting period F.Y 2017-2018 It is 4,17,742 and it gradually decreased in the following year. There is a difference of 1,42,177 and the value has decreased for the following two consecutive years. As from annual report it is understood that its main types of sales are through products and service distribution. As the pandemic hit the world at 2020 it has affected the whole business all around the world, so the sales have got declined. But in the F.Y 2021-2022 it got slight increased from the previous years. This shows a positive sign. This shows that ROI will be positive one.

Working Capital

Year	Values
2017-2018	1827
2018-2019	2634
2019-2020	1896
2020-2021	2313
2021-2022	4126



Interpretation

From the above diagram it is showing that working capital has a oscillation for the four consecutive years (Increase and decrease) and in the F.Y (2021-2022) it has doubled the value of 1813 which is a positive sign. As working capital= Current asset- Current liabilities it gives clear picture of financial health of the company. This proves that company's financial health is in positive. So, it is suitable for both the company (day-to-day operations) and investors to invest.

4.2 Ratio analysis

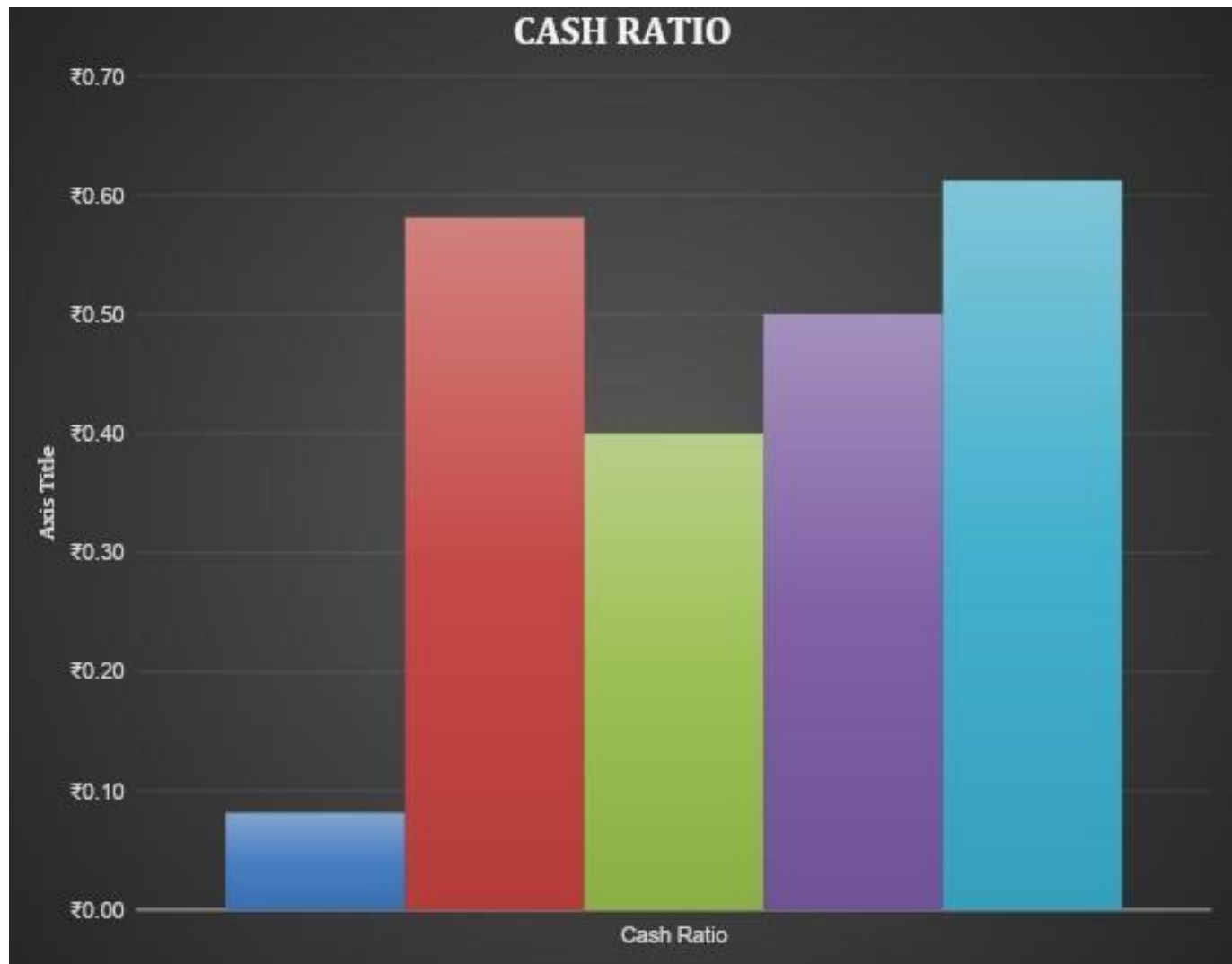
1.Cash ratio

The cash ratio is a liquidity measure that shows a company's ability to cover its short-term obligations using only cash and cash equivalents. The cash ratio is derived by adding a company's total reserves of cash and near-cash securities and dividing that sum by its total current liabilities.

Cash ratio= Current Asset-Inventories-receivables / Current liabilities

Year	Current asset	Inventories	Receivables	Current liabilities	Ratio
2017-2018	96245	48521	40033	94418	0.08
2018-2019	10018	3161	2563	7384	0.58
2019-2020	17,829	3,067	4,254	8,998	0.40

2020-2021	10,614	3,696	2,767	8,301	0.50
2021-2022	14658	4692	3515	10532	0.61



Interpretation

As cash ratio has so many features it also acts as a tool to find the financial health of the company. As it consists of current asset, inventories, Trade receivables and Current liabilities, it seems that they are all in the positive ones. From the above table as like cash flow statement it also deviates year by year. And in the F.Y 2021-2022 it increased a huge as this shows the good sign. So, investing in this company will give a positive return.

Net profit ratio

Profitability ratios, such as the net profitability ratio, are crucial metrics in financial analysis, as they show how companies use their assets to generate profits and value for owners. These ratios can help companies maximize efficiency and discover new ways to improve their finances. Understanding net profitability can help you improve your professionalism and identify areas for financial growth in a company.

Net profit ratio= Net profit/Total sales *100

Year	Net profit	Total sales	Ratio
2017-2018	2445	417742	59
2018-2019	744	275565	27
2019-2020	39	25797	15
2020-2021	77	22411	34
2021-2022	1510	30747	491



Interpretation

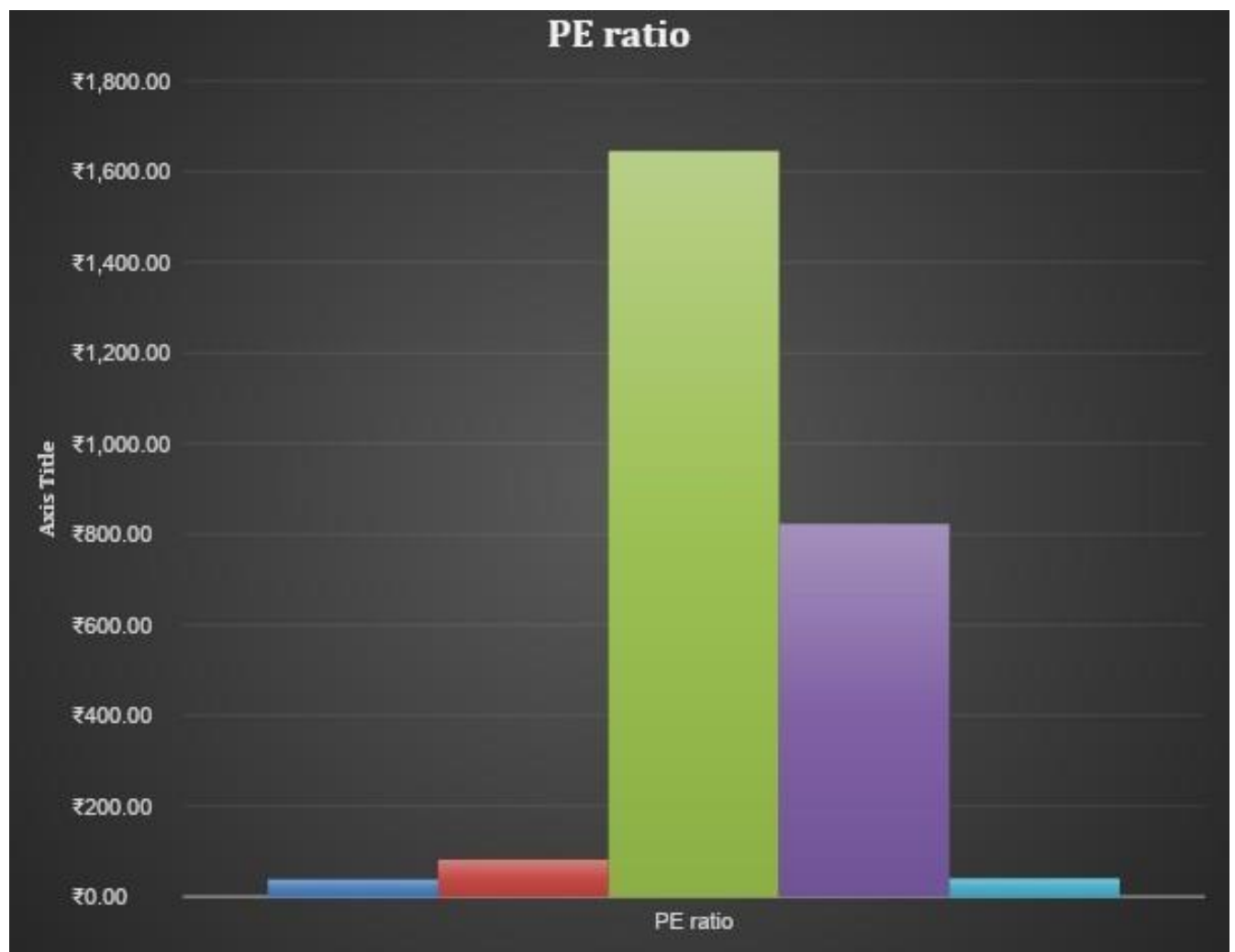
As net profit ratio shows the profitability of the company. As per the above diagram it is higher value in the F.Y 2017-2018. But in the consecutive years it is going in a declining values. This is expenses might be higher than the revenue. But in the F.Y 2021-2022 it got a tremendous increase in the percentage. As sales also a important factor to detect the net profit, As the sales also goes in a changing factor (Refer sales table). That matches the net profit changes. This gives a clear picture that it is feasible to invest in the company.

PE Ratio

The price-to-earnings ratio is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS). The price-to-earnings ratio is also sometimes known as the price multiple or the earnings multiple.

PE ratio= Current market price/Earnings per share

Year	Current market price	Earnings per share	Ratio
2017-2018	329	8.7	37.82
2018-2019	329	4.0	82.25
2019-2020	329	0.2	1645
2020-2021	329	0.4	823
2021-2022	329	8.1	40.62



Interpretation

As this a crucial one that every investor used to analyze before investing. As per this diagram the ratio is increasing in one year and decreasing in one year. As this is purely based on the capital market as market price is one of the main factors for deriving PE ratio. So, we can't come to a conclusion whether to invest or not as it purely based on company's future action. But we assume that the future years might become higher.

***Note: Market price taken from 03/04/2023**

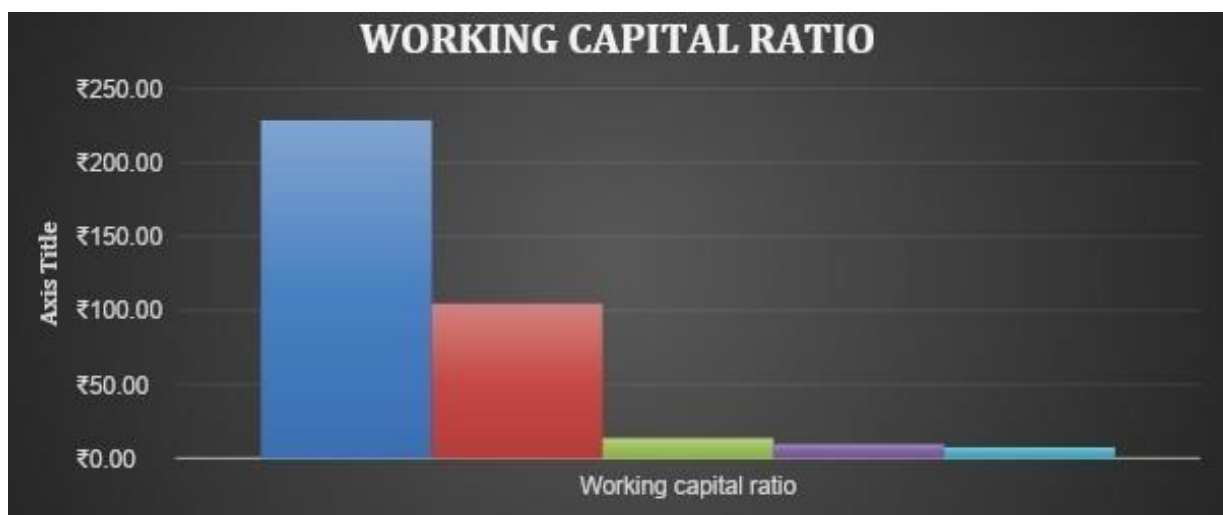
Working Capital

In short, working capital is the money available to meet your current, short-term obligations. To make sure your working capital works for you, you'll need to calculate your current levels, project your future needs and consider ways to make sure you always have enough cash.

Working capital ratio= Net sales/ Working capital

Working capital=Current asset- Current liabilities

Year	Net sales	Working capital	Ratio
2017-2018	417742	1827	228.65
2018-2019	275565	2634	104.62
2019-2020	25797	1896	13.61
2020-2021	22411	2313	9.69
2021-2022	30747	4126	7.45



Interpretation

From the above graph it shows a continuous decline in the ratio. Which might be thought as company is struggling to meet its short-term obligations. But that is not only reason. The company might have thought of investing in a long-term investment. So, this doesn't mean that company is declining it might pay all its current liabilities.

4.3 CASHFLOW MANAGEMENT

2017-2018

Particulars	RS	RS
Revenue from operations		417798
Add: Increase in current liabilities and Decrease in current asset		
Current liabilities		
Trade Payables	64971	
Provision	193	
Current Assets	0	
		65164
		482962
Less: Increase in current asset and decrease in current liability		
Current Assets		
Inventories	33,210	
Trade Receivables	27366	
Other Financial assets	90	
Other Current Assets	2774	
Current Liabilities		
Borrowings	1620	
Other financial Liabilities	123	
Other Current Liabilities	92	
		65,275
Cash from Operation		417,687

2018 – 2019

Particulars	RS	RS
Revenue from operations		275,684
Add: Increase in current Liabilities and Decrease in current asset		
Current liabilities		
Total outstanding dues of micro enterprises and small enterprises	139	
Other financial Liabilities	221	
Provisions	83	
Other Current Liabilities	111	
Current Assets		
Inventories	45360	
Trade Receivables	37511	
Other Current Asset	2595	86020
		361,704
Sub: Increase in current Asset and Decrease in current Liabilities		
Current Assets		
Other Investments	1,506	
Current Liabilities		
Borrowings	329	
Total outstanding dues of creditors other than micro enterprises and small enterprises	87762	89,597
Cash from Operation		<u>272,107</u>

2019 – 2020

Particulars	RS	RS
Revenue from operations		25,872
Add: Increase in current liabilities and Decrease in current asset		
Current liabilities		
Borrowings	1443	
Lease Liabilities	598	
Other financial Liabilities	38	
Provisions	99	
Current Assets		
Inventories	94	
Other Investments	1487	
Other Financial assets	126	
		3885
		29,757
Sub: Increase in current Asset and Decrease in current liabilities		
Current Assets		
Trade Receivables	1691	
Other Current Assets	316	
Current Liabilities		
Total outstanding dues of micro enterprises and small enterprises	146	
Total outstanding dues of creditors other than micro enterprises and small enterprises	329	
Other Current Liabilities	89	
		2571
Cash from operations		27,186

2020- 2021

Particulars	RS	RS
Revenue from operations		22,460
Add: Increase in current liabilities and Decrease in current asset		
Current liabilities		
Total outstanding dues of micro enterprises and small enterprises	283	
Total outstanding dues of creditors other than micro enterprises	435	
Other financial Liabilities	188	
Other Current Liabilities	203	
Current Assets		
Trade Receivables	1487	
Other Current Assets	487	
		3083
		25,543
Sub: Increase in current Asset and Decrease in current liabilities		
Current Assets		
Inventories	629	
Other Investments	1575	
Other Financial assets	36	
Current Liabilities		
Lease Liabilities	283	
Borrowings	1443	
Provisions	80	
		4046
Cash from operations		21,497

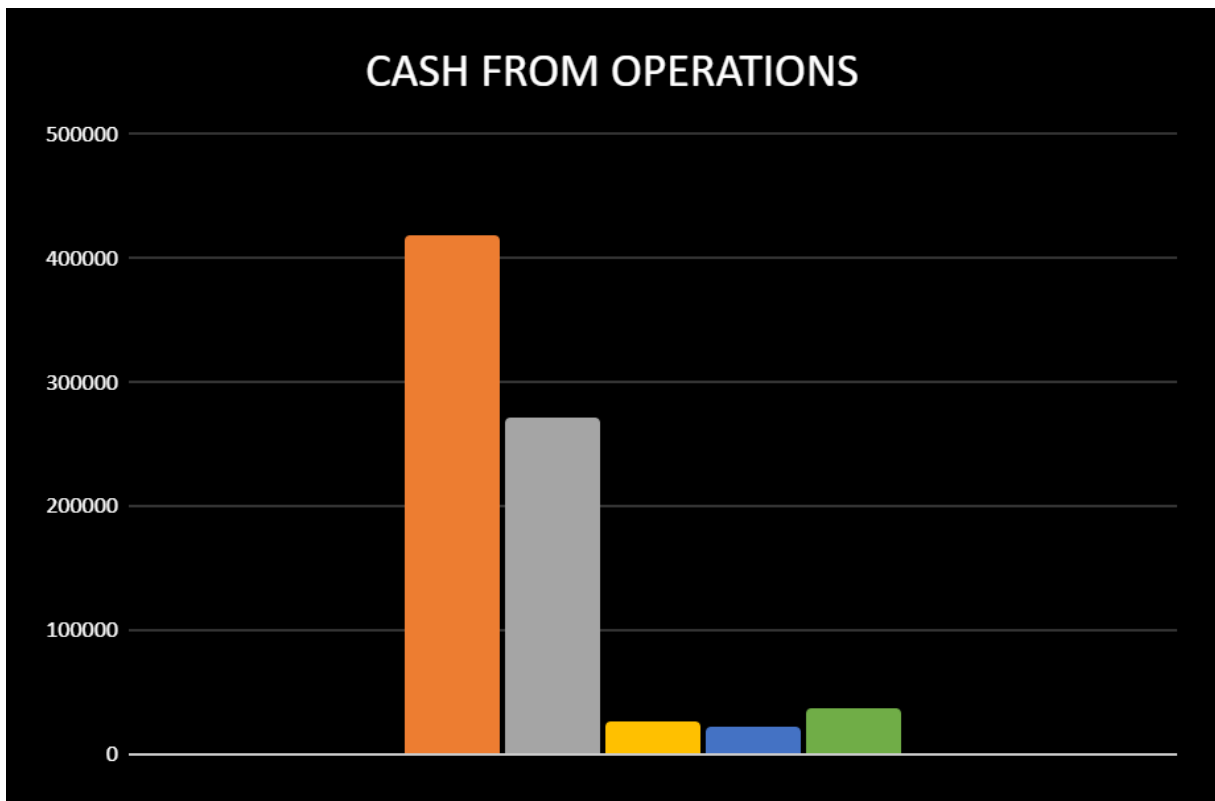
2021 – 2022

Particulars	RS	RS
Revenue from operations		30792
Add: Increase in current and non-current liabilities and Decrease in current and non-Current asset		
Current liabilities		
Borrowings	376	
Dues of micro enterprises and small enterprises	55	
Dues of other than micro enterprises and small enterprises	1588	
Provisions	38	
Current Tax Liabilities	130	
Other Current Liabilities	175	
Current Assets	0	
		2362
		33154
Sub: Increase in current and non-current Asset and Decrease in current and non-Current liabilities		
Current Assets		
Inventories	996	
Investments	1769	
Trade Receivables	228	
Other Financial assets	164	
Other Current Assets	50	
Current Liabilities		
Lease Liabilities	76	
Other financial Liabilities	55	131
Cash from operations		36230

Cash from operations

From the cash flow statement I have focused on cash from operations as the company's main source of income is from operations.

Year	value
2017-2018	417687
2018-2019	272107
2019-2020	27186
2020-2021	21,497
2021-2022	36,230



Interpretation

From the above graph it shows a biggest change in between the year 2017-18 to 2021-22. As the year starting from the value in lakhs it shows declining values in the upcoming years. As the years in 2020-21 due to the corona virus many industries have closed or paused their operations, So the value might be decreased due to that cause comparing to previous year 2019-20. But in the last year it has increased a slight at a huge. So, this shows that cash from operations is performing well.

CHAPTER – 5 FINDINGS, SUGGESTIONS AND RECOMMENDATIONS AND CONCLUSION.

5.1 Findings:

1. By interpreting Eps it is found out that the earnings have a changing flow like a wave. In the years of F.Y 2018-19 and 2019-20 it has decreased due to operations. But in the year F.Y 2021-22 it has increased a lot after the pandemic attack of pandemic in 2020. That shows the company has focused a lot on operations

2. In revenue factor the values have been decreasing in the following consecutive years. By analyzing annual report the other income factors are also changing in both positive and negative aspects. In the Financial year 2020-21 as the pandemic paused all the operations of every industry sector. This paves the way to decline in sales. But in F.Y 2021-22 the value has increased. This is a good sign

3. It follows the other factors such as sales, Working capital. The value has been continuously declining and in the F.Y 2021-22 it has increased a lot in values.

4. In the following tool ratio analysis also has the same impact

5. The cash ratio is flowing in two sides(Positive or negative) But last year has increased this might be because of current assets or liabilities.

6. The net profit ratio has two sides (Positive and negative) but in the last year it has increased. It might be the net profit or sales which is the main key to find a net profit ratio.

7. The PE ratio has the same flow but we could see the increase of value in the F.Y 2019-20. This might be the increase in the value of EPS which is divided by the Market price.

8. The final ratio of working capital also has the same position of PE ratio. As its components like net sales or working capital must be the reason for its decline and increase

9. Next I have taken cash from operations with the support of the balance sheet.

From that I have interpreted that the value has been decreasing continuously and as usual in the F.Y 2021-22 it got increased. This symbolizes that cash from operations is performing well.

10. With the support of cash from operations I have worked fund flow statements and working capital statements.

11. In the Fund flow statement I have interpreted that the cash flow is higher than the application of the fund. This proves its operations is good.

12. From working capital I have interpreted that it is performing well compared to base year.

13. And finally I have analyzed the cash flow statement and in all the consecutive 5 years all the three factors such as cash from operations, Investing and financing are changing in positive and negative ways.

14. The change in cash from operations might be from the operating expenses, current asset and liabilities and lot more. Those lead to the change in cash flow

15. The change in cash from investing might be from expansion activities or other investments

16. The change in cash from financing might be from offering dividends to the public or other factors.

5.2 SUGGESTIONS & RECOMMENDATIONS

1. As the EPS has increased in the last year. This shows that the company has revived. From this I suggest that investors invest and company can also operate more as we couldn't predict the future as we have seen in the analysis part the value has decreased in the consecutive 2 years.
2. The revenue is the major pillar for a company's proceeding. As for this company the revenue is from operation (i.e) Sales and service and distribution. I suggest the company to think for another source of income as this is an electronic based so they can innovate any new electronics like television kind as it has everlasting demand always and revenue will also increase.
3. As the sales are also important to support the operation part of the company. Since for this part it has no flaws. But due to competition with other companies, the company should speed up the sales even if there is no marketing. So, I suggest to improve the branding.
4. Next is working capital. As it is the mixture of current assets and current liabilities. As a financial perspective I would suggest the company to pay off all its debts and don't concentrate more on buying assets.
5. All the four ratios have increased in last F.Y 2021-2022. From this I would suggest the company to focus on its operations more in the upcoming years. As it would push you in the market for a long period.
6. Finally, As I said before the company must focus more on its operations. As interpreting the cash from operations it shows the both side aspects(positive and negative) and in the last F.Y 2021-2022 it increased. This positive value should be maintained for the grip of the company.
7. From the overall study I would suggest the investors to invest in this company without any hesitations and shareholders also don't need to worry as the EPS is in a good position.
8. But it has no negative factor as it has a better brand in the midst of people. The company can go in a flow. These are my suggestions and recommendations.

5.3 Limitation of study:

- This study is purely based on the data got from annual report and informations got from the company
- This study is all about financial health of the company
- The research is fully based on secondary data

5.4 Conclusion:

Financial health is an important study which helps the company to plan about its operations and other expansion events. It is also conducted by the investors to plan whether they can invest or not. It is helpful in many ways and many companies appoint professionals to analyze the financial statements of the company. To get a genuine analysis the company and the person responsible for the preparation of a financial statement has to be careful and genuine.

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ANNEXURE I RESEARCH ARTICLE
A STUDY ON FINANCIAL KEY PERFORMANCE INDICATORS IN
ELECTRONICS INDUSTRIES

Dr. Rani, Gururaja. R

*Associate professor-School of Management Studies, Student-2nd
Year MBA Department of Management Studies
Sathyabama Institute of Science and Technology Chennai, India*

Abstract

Financial Key performance indicators are a broad analysis of the company's financial situation. It is comparable to a human health examination. If the health isn't good, the right care needs to be offered. The company's finances should also receive attention because they are its lifeblood. I have examined the income statement, balance sheet, and ratios necessary for managing cash and cash flow for this study. I have largely concentrated on cash from operations in this. As these are the items on the list of tasks for the Financial KPI Study, they must be completed. After the investigation, I assessed some results and made recommendations to the business and investors. So, I conducted my research under the heading Financial Key Performance Indicators Study on Electronics industries

Key words- Key performance indicators, Financial, Electronics Industries.

INTRODUCTION:

An important analysis of a company's financial performance shows how well its assets are used and how financially stable it is. A major goal of financial analysis is to determine if a firm can successfully expand its operations, produce enough cash flow to pay its debts, and make a return on its capital that is at least equal to that capital's cost. It is mostly utilized by shareholders and investors to acquire a clear image of the cash position and a decision on whether or not to invest. It often depicts the dominant financial thought trends. When evaluating the financial statements for credit choices, operational decisions, performance evaluations, and budgeting, the finance department must use extreme caution. The key elements used in this analysis are

- INCOME STATEMENT
- BALANCE SHEET
- CASH FLOW STATEMENT

Income Statement:

Income and expense statements are crucial. It displays the company's outcomes. It is primarily concerned with net profit or a net loss. Income or revenue is crucial for a firm. The quantity of income generated demonstrates the company's improving performance, allowing management to decide whether to use it as a reserve or to pay for necessary expenses. The amount spent on expenses, on the other hand, is also quite important. As was noted in the paragraph above, necessary expenses include those for machinery, maintenance, staff wages or salaries, and other business-related costs. Additionally, direct and indirect costs could be included. The administration of any organization might determine from this remark. about income components and control unnecessary expenses. And they can also forecast the future.

BALANCE SHEET:

It is one of the indicators used to illustrate how well a corporate entity's finances are doing. It includes each and every asset and liability. It has its own formula:

$$\begin{aligned} \text{Capital} &= \text{Assets} - \\ &\text{Liabilities;} \text{Assets} = \\ &\text{Liabilities} + \text{Capital.} \end{aligned}$$

This balance sheet statement can be relied upon in large part if an analyst or investor wishes to evaluate the financial performance of any organization. It resembles the company's beating heart. The valuation of both sides must match. When preparing the balance sheet, current assets, current liabilities, fixed assets, intangible assets, long-term liabilities, capital, and withdrawals are all taken into account. One can determine the nature, value, and liquidity situation of assets from this balance sheet.

Cash flow statement:

It is dependent on the flow of money. It is a cash-basis statement of changes in financial status. It has some advantages including serving as a forecasting guide, effective cash management, developing financial policies, creating cash budgets, and revaluation. There are three main headings in this claim, including.

- Cash flow using operating activities
- Cash flow using financing activities
- Cash flow using investing activities

Review of literature:

Albertini, E. (2013). Does environmental management improve financial performance? A meta-analytical review. *Organization & Environment*, 26(4), 431-457.

The research literature has given much emphasis to the connection between corporate environmental performance and financial performance, but the findings are still inconclusive. The majority of research indicates that environmental performance enhances financial performance, although some studies indicate that there may be a neutral or even adverse relationship.

Pätäri, S., Arminen, H., Tuppur, A., & Jantunen, A. (2014). Competitive and responsible? Financial performance and corporate social responsibility in the energy business. 37, 144–154, *Reviews of Renewable and Sustainable Energy*.

Examining the relationship between corporate social responsibility (CSR) spending and corporate financial performance (CFP) is the main goal of this study. The energy sector serves as the framework, and sustainability concerns are very important in this sector. Thomson ONE and the KLD database were used to construct our data set. We evaluate Granger causation between CSR strengths/concerns and CFP using panel data on energy sector enterprises spanning the years 1991 and 2009.

Friede, G., Busch, T., & Bassen, A. (2015). A compilation of evidence from more than 2000 empirical studies on ESG and financial performance. *Journal of Sustainable Finance & Investment*, 5(4), 210-233.

Beginning in the early 1970s, researchers began looking for a link between corporate financial performance (CFP) and environmental, social, and governance (ESG) factors. Since then, more than 2000 empirical research and numerous review papers on this relationship have been published by academics and investors. Only a small portion of the primary studies that have been examined in the largest prior review study, making conclusions difficult to generalize. As a result, there is still a lack of consensus regarding how ESG criteria affect finances. This study pulls all available primary and secondary data from earlier academic review studies in order to address this flaw. By doing this, the study synthesizes the results of over 2200 distinct studies. As a result, this study provides the most thorough summary of academic research on the subject and enables generalizations.

Nollet, J., Filis, G., & Mitrokostas, E. (2016). Corporate social responsibility and financial performance: A non-linear and disaggregated approach. *Economic Modelling*, 52, 400-407.

The present paper examines the relationship between Corporate Social Performance (CSP) and Corporate Financial Performance (CFP), using both accounting-based (Return on Assets and Return on Capital) and market-based (Excess Stock Returns) performance indicators. We use Bloomberg's Environmental Social Governance (ESG) Disclosure score covering the S&P500 firms in the period 2007–2011 which allows for the examination of both linear and nonlinear relationships to be considered. The results of the linear model suggest that there is a significant negative relationship between CSP and Return on Capital.

Maina, F. G., & Sakwa, M. M. (2017). Understanding financial distress among listed firms in Nairobi stock exchange: A quantitative approach using the Z-score multi-discriminant financial analysis model.

The article evaluates the level of financial hardship among publicly traded companies on Kenya's Nairobi Stock Exchange. With the overarching goal of preserving the financial stability of these firms, the Capital Market Authority (CMA) has a regulatory duty to maintain monitoring of companies listed on the Nairobi Stock Exchange (NSE) with regard to capital, liquidity, and other characteristics. Therefore, it is anticipated that the businesses will be financially responsible and sound, which will draw in investors. There is a gap between surveillance and the administration of these companies, as evidenced by the current crisis in which several NSE-listed companies, including stock brokers, encountered financial trouble. The public may lose interest in investing in the Nairobi Stock Exchange if this is not corrected.

SCOPE & SIGNIFICANCE OF THE STUDY:

This study's primary purpose is to investigate the profit situation. In the next three to five years, India's electronics industry has the potential to rank among the country's top exports. Additionally, this might enable investors to receive higher ROIs. This could in some way benefit the sector.

SOURCES OF DATA:

Secondary Data –Websites of the company, published annual reports, and a review of published papers' literature

TOOLS FOR ANALYSIS:

Comparative statement:

A comparative statement contrasts a specific financial statement with financial statements from preceding periods. The comparison of historical financial data with the most recent information in columns allows investors to see trends, track a company's progress, and evaluate how it compares to rivals.

Ratio Analysis:

Ratio analysis is a statistical technique for analysing a company's income statement and balance sheet to discover more about its profitability, efficiency, and liquidity. Fundamental equities research is built on ratio analysis.

Cash flow management:

The practice of organizing, monitoring, and regulating the flow of money into and out of a company is known as cash flow management. It entails anticipating future cash requirements, making sure there are enough resources on hand to satisfy these demands, and managing any extra cash in a way that maximizes its value.

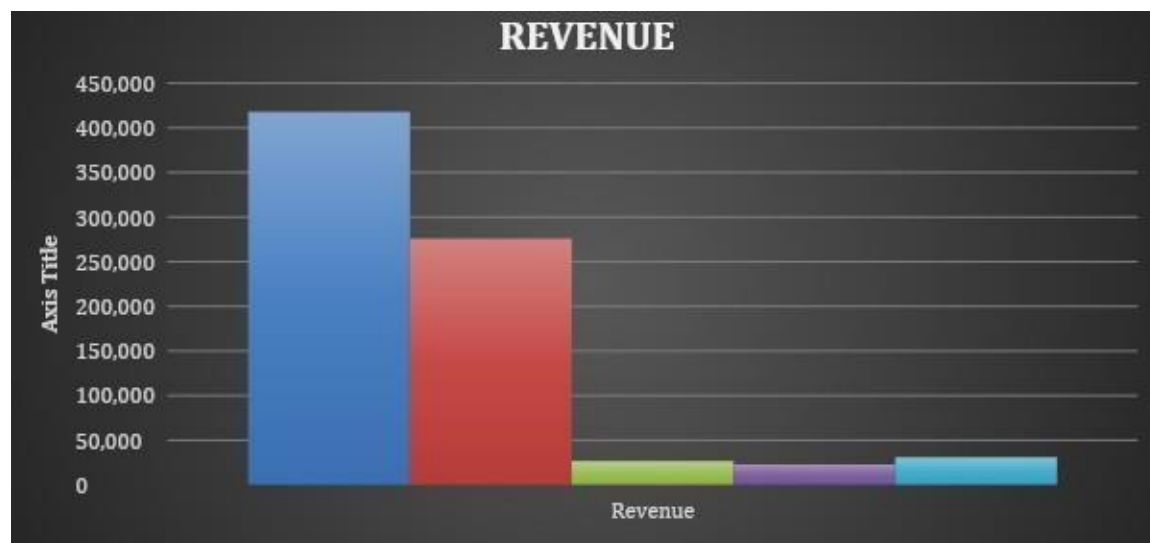
1. Factors Considered for Cash management:

There are some factors that should be taken to analyze cash management. They are as follows

1. Revenue
2. Sales
3. Working capital

1. Revenue

Year	Values
2017-2018	4,18,018
2018-2019	2,76,057
2019-2020	2,6405
2020-2021	22,666
2021-2022	30,915



Interpretation:

The value in the first fiscal year (F.Y.) (2017–2018) is shown in the diagram above. It is 4,18,018 and steadily fell in the year after. There is a 1,41,961-dollar difference, and the value dropped for the next two years in a row. According to the annual report, other income fluctuates between positive and negative figures. As the epidemic spread throughout the world in 2020, it had an impact on every industry, which led to a fall in sales as well as other operating revenues that may have had a direct impact on the company. However, it somewhat grew from the prior years in the F.Y. 2021-2022. This indicates something good. This demonstrates that ROI will be favorable.

Sales

Year	Values
2017-2018	4,17,742
2018-2019	2,75,565
2019-2020	25,797
2020-2021	22,411
2021-2022	30,747

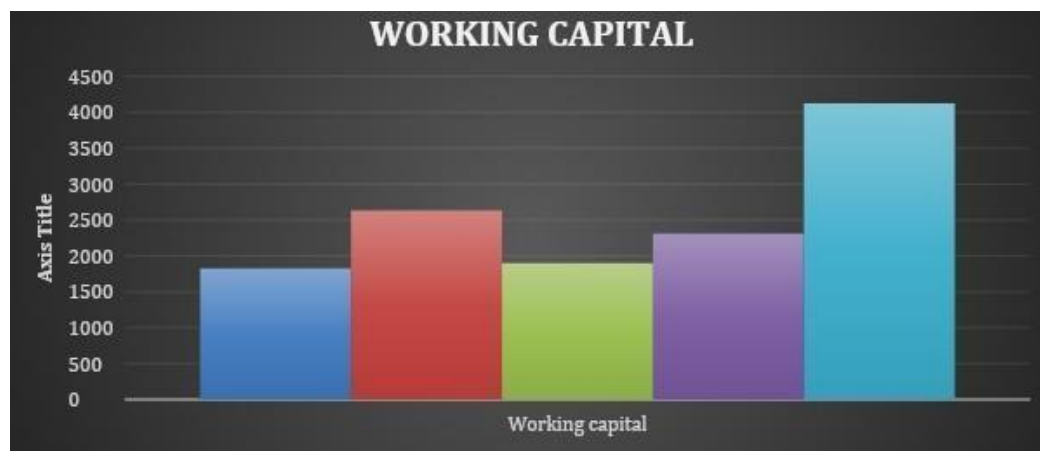


Interpretation:

According to the above diagram, the value for the first fiscal year (F.Y.) 2017-2018 It is 4,17,742, and in the year after, it gradually fell. There is a 1,42,177-dollar gap, and the value has fallen for the next two years in a row. According to the annual report, the company's primary sales methods are through the distribution of products and services. Sales have decreased due to the pandemic, which began in 2020 and affected every industry globally. However, it somewhat grew from the prior years in the F.Y. 2021-2022. This indicates something good. This demonstrates that the ROI will be positive.

Working Capital:

Year	Values
2017-2018	1827
2018-2019	2634
2019-2020	1896
2020-2021	2313
2021-2022	4126



Interpretation

According to the following graphic, working capital has fluctuated for four years in a row (increase and drop), but it has doubled in value in the F.Y. (2021-2022), which is a good indicator. Working capital delivers a comprehensive view of the company's financial situation because it equals Current Assets - Current Liabilities. This demonstrates that the company's financial situation is sound. Therefore, investing is appropriate for both the business (day-to-day operations) and investors.

2. Ratio

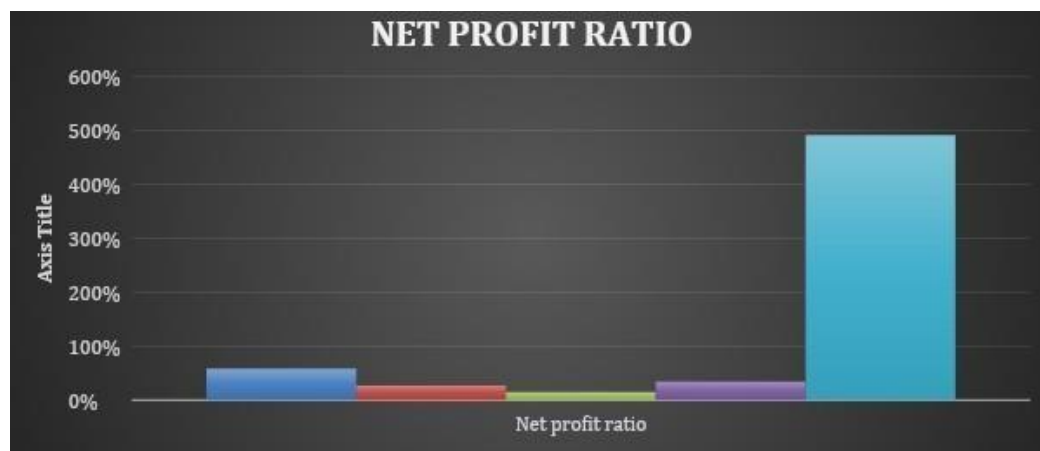
analysisNet

profit ratio

Profitability ratios, such as the net profitability ratio, are crucial metrics in financial analysis, as they show how companies use their assets to generate profits and value for owners. These ratios can help companies maximize efficiency and discover new ways to improve their finances. Understanding net profitability can help you improve your professionalism and identify areas for financial growth in a company.

$$\text{Net profit ratio} = \text{Net profit} / \text{Total sales} * 100$$

Year	Net profit	Total sales	Ratio
2017-2018	2445	417742	59
2018-2019	744	275565	27
2019-2020	39	25797	15
2020-2021	77	22411	34
2021-2022	1510	30747	491



Interpretation:

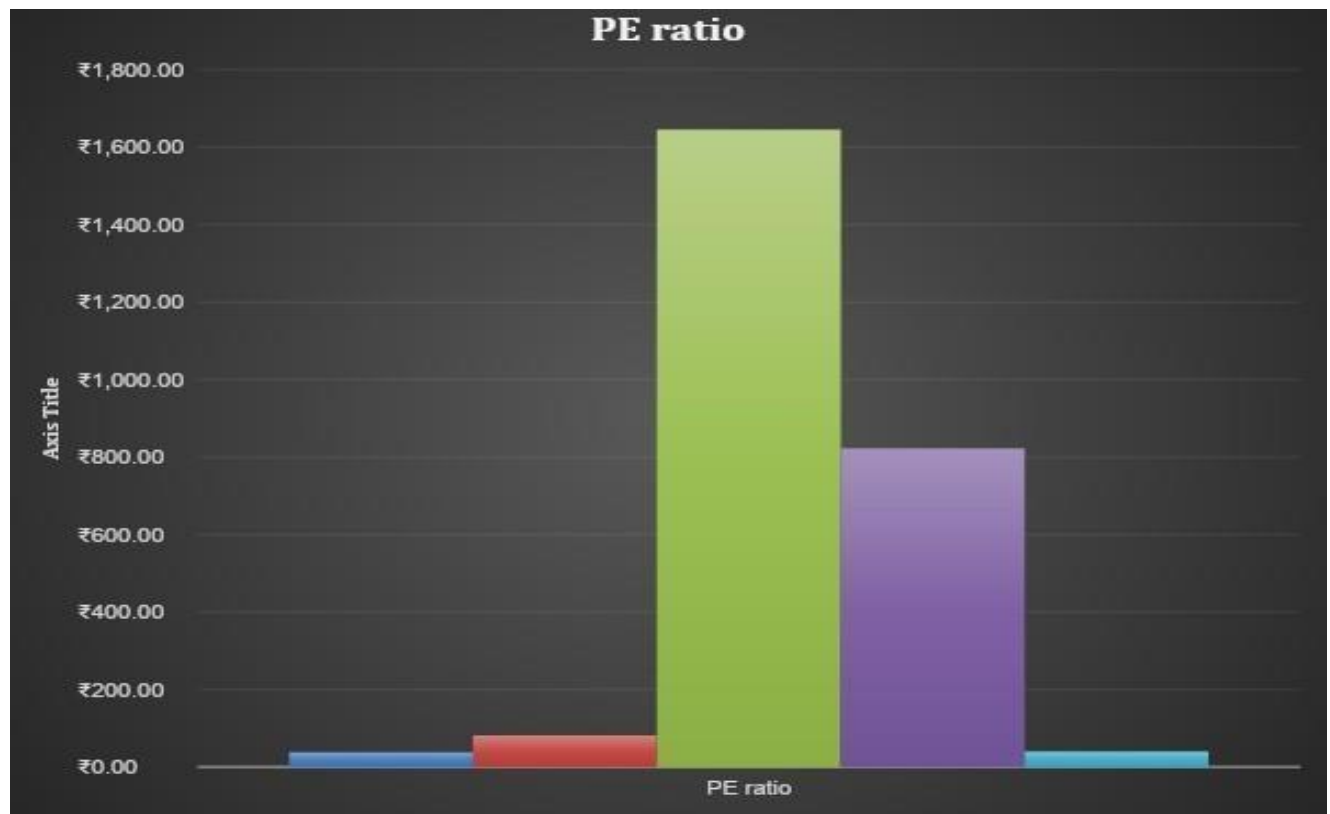
As the net profit ratio demonstrates, the business is profitable. According to the diagram above, the value is higher in FY 2017–2018. But its values are dropping throughout the course of the years. There is a chance that the expenses will exceed the income. However, the percentage saw a significant increase in FY 2021–2022. As sales are a factor in determining net profit, they are also a factor that changes (see sales table). That corresponds to changes in net profit. This paints a clear picture of why investing in the business is reasonable.

PE Ratio

The price-to-earnings ratio is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS). The price-to-earnings ratio is also sometimes known as the price multiple or the earnings multiple.

$$\text{PE ratio} = \text{Current market price} / \text{Earnings per share}$$

Year	Current market price	Earnings per share	Ratio
2017-2018	329	8.7	37.82
2018-2019	329	4.0	82.25
2019-2020	329	0.2	1645
2020-2021	329	0.4	823
2021-2022	329	8.1	40.62



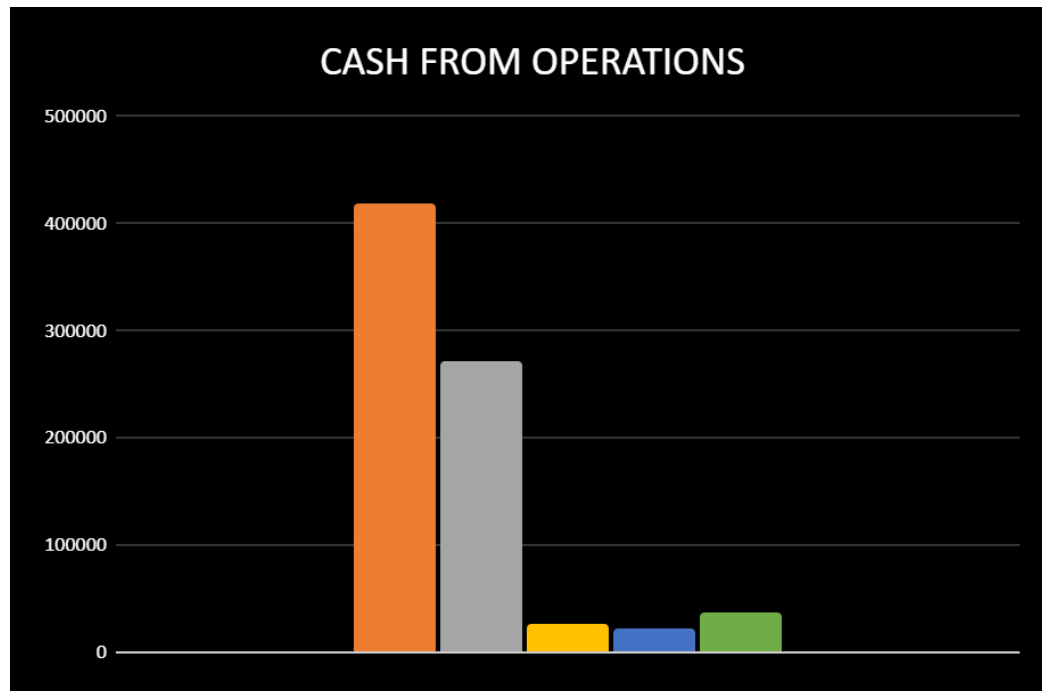
Interpretation

Because it's so important, every investor used to consider it before making a purchase. The ratio is increasing in one year and reduces in one year, according to this diagram. Since market price is one of the primary factors used to calculate the PE ratio, this is solely based on the capital market. Therefore, we are unable to decide whether to invest or not because it depends only on the company's future behavior. However, we anticipate that the years to come might be more expensive.

3. CASHFLOW MANAGEMENT

From the cash flow statement I have focused on cash from operations as the company's main source of income is from operations.

Year	value
2017-2018	417687
2018-2019	272107
2019-2020	27186
2020-2021	21,497
2021-2022	36,230



Interpretation

From the above graph shows the biggest change between the years 2017-18 to 2021-22. As the year starts from the value in lakhs it shows declining values in the upcoming years. In the years 2020-21 due to the coronavirus, many industries have closed or paused their operations, so the value might be decreased due to that cause compared to the previous year 2019-20. But in the last year, it has increased slightly at a huge. So, this shows that cash from operations is performing well.

FINDINGS, SUGGESTIONS AND RECOMMENDATIONS, AND CONCLUSION.

1. Findings:

1. Values for the revenue factor have been falling for the past many years. The other revenue factors can be examined in the annual report to see how they are evolving, both positively and negatively. The epidemic halted all business operations in every industry sector in the fiscal year 2020–21. This creates the possibility of a drop in sales. However, the value has grown for FY 2021–2022. This is encouraging.
2. It comes after the other elements, such as sales and working capital. The value has been steadily decreasing, but in FY 2021–22, it has significantly surged in value.
3. In the following tool ratio analysis also has the same impact
4. The net profit ratio has a positive and a negative side, but it has been better over the past year. The primary factor in determining a net profit ratio may be sales or net profit.
5. The PE ratio has the same flow, however the figure for FY 2019–20 may rise. This might be the rise in the EPS value, which is calculated by dividing the market price.

6. Next, using the balance sheet as backup, I took cash from operations. I deduced from that that the value has been steadily declining, and as usual, it grew in FY 2021–22. This signifies that the operating cash flow is performing well.
7. I have worked on fund flow statements and working capital accounts with the assistance of cash from operations.
8. I have deduced from the Fund Flow Statement that the Cash Flow is greater than the Fund Application. This demonstrates that it runs efficiently.
9. Working capital has led me to believe that it is doing well in comparison to the base year.
10. And finally, after studying the cash flow statement, I discovered that throughout the course of the last five years, all three factors—cash from operations, investing, and financing—have changed both positively and negatively.
11. The operational costs, current assets and liabilities, and a whole host of other factors could all affect the change in cash from operations. These caused the shift in cash flow.
12. The cash flow from investing may come from business expansion or other investments.
13. Business growth or other investments may generate cash flow from investments.

2. SUGGESTIONS & RECOMMENDATIONS

1. As EPS has risen during the past year. This demonstrates that the business has recovered. In light of this, I advise investors to invest and businesses to expand operations because it is impossible to anticipate the future, as evidenced by the fact that the value has fallen over the past two years.
2. revenue is the major pillar for a company's proceeding. As for this company the revenue is from operation (i.e) Sales and service and distribution. I suggest the company think of another source of income as this is electronic- based so they can innovate any new electronics like television kind as it has everlasting demand always and revenue will also increase.
3. As crucial as the sales are in supporting the business's operational division. Since it is flawless in this area, however, even without marketing, the business should increase sales because it faces competition from other businesses. Therefore, I recommend enhancing the branding.
4. Working capital comes next. Considering that it consists of both current assets and current liabilities. From a financial standpoint, I advise the corporation to pay off its debts and stop focusing on acquiring assets.
5. The last F.Y. 2021-2022 saw a rise in each of the four ratios. In light of this, I would advise the business to increase its operational focus in the next years. Because it would force you to stay in the market for a while.
6. Lastly, as I've already stated, the business needs to concentrate more on its operations. When assessing the cash from operations, it exhibits both good and negative sides, and in the most recent F.Y. 2021–2022, it grew. This desirable quality ought to be preserved for the benefit of the business.
7. From the whole analysis, I would advise investors to invest in this business without any reservations, and shareholders shouldn't be concerned either because the EPS is doing well.
8. However, it has no drawbacks because of its stronger brand recognition among consumers. The business can operate in a flow. These are the advice and recommendations I have.

Limitation of the study:

- This study is purely based on the data got from the annual report and information got from the company
- This study is all about the financial health of the company
- The research is fully based on secondary data

Conclusion:

A crucial analysis that aids in planning the company's operations and other growing events is financial health. Investors also do it to determine whether they can make an investment or not. It is beneficial in a variety of ways, and many businesses hire experts to evaluate their financial statements. The business and the individual in charge of preparing the financial statement must be diligent and sincere if they want to receive a real analysis.

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