

A STUDY ABOUT FINANCIAL PERFORMANCE OF SUPER DIGITAL SIGNS PVT LTD

Submitted in partial fulfillment of the requirements for the award of

MASTER OF BUSINESS ADMINISTRATION

By

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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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SCHOOL OF MANAGEMENT STUDIES

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **SANJAY.S (41410268)** who carried out the project entitled "**A STUDY ABOUT FINANCIAL PERFORMANCE OF SUPER DIGITAL SIGNS PVT LTD**" under my supervision from January 2023 to April 2023.

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DECLARATION

I **SANJAY.S (41410268)** hereby declare that the Project Report entitled “ **A STUDY ABOUT FINANCIAL PERFORMANCE OF SUPER DIGITAL SIGNS PVT LTD** ” done by me under the guidance of **Dr. Shetty Deepa Thangam Geeta** is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

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PROJECT COMPLETION LETTER

DATE: 27/04/2023

TO WHOMSOEVER IT MAY CONCERN

Sub: Summer Project Completion letter

We wish to confirm that **Mr. SANJAY S** (Reg. Num: 41410268), who has completed MBA in Sathyabama institute Of Science and Technology, Chennai, has successfully completed the finance project in our concern titled "A STUDY ABOUT FINANCIAL PERFORMANCE OF SUPER DIGITAL SIGNS PVT LTD " from 25/01/2023 to 31/03/2023.

During this tenure with us, the student's conduct & behavior was observed to be good. We wish success in all the future endeavors.

Super digital signs pvt Ltd,

J.Jayakumar
Manager



ACKNOWLEDGEMENT

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

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SANJAY.S

ABSTRACT

This has given excellent learning opportunities for me to related theory in to practice and to know how organization actually function and how it delivers the end results. The main objective of the project is to understand the financial position of the company using the ratio analysis, vertical analysis, horizontal analysis and index analysis. Both primary data and secondary data were used. For the data collection. Relevant information was collected for theoretical background from various texts, websites, journals and publications. In the organization workers are well treated by their supervisors. The project report comprised a summary of the problem, the scope of the study, objectives, and limitations as well as the theoretical underpinnings of financial ratio analysis. In this project analyzing the five years data. It was a good opportunity to me to learn new things through this project. This paper mainly focused on reviewing and evaluating current articles that have been conducted on analyzing companies' performance regarding profitability. Thus, this review discovered that profitability is the most important measure to evaluate companies' performance. Hence, other financial indicators such as liquidity can be used for further article reviews to boost the effectiveness of companies' performance.

Keywords:

Ratio analysis

Financial performance

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CHAPTER 1

INTRODUCTION OF THE STUDY

1.1. INTRODUCTION

Performance evaluation of a company is usually related to how well a company can use its assets, shareholder equity and liability, revenue and expenses. Financial ratio analysis is one of the best tools of performance evaluation of any company. In order to determine the financial position of the super digital signs Pvt Ltd company and to make a judgment of how well the super digital signs Pvt Ltd company efficiency, its operation and management and how well the company has been able to utilize its assets and earn profit. We used ratio analysis for easy measurement of liquidity position, asset management condition, profitability and market value and debt coverage situation of the super digital signs Pvt Ltd company for performance evaluation. It analyzes the company use of its assets and control of its expenses. It determines the greater the coverage of liquid assets to short-term liabilities and it also computes ability to pay super digital signs Pvt Ltd company monthly mortgage payments from the cash generated. It measures super digital signs Pvt Ltd company overall efficiency and performance. It determines the share market condition of super digital signs Pvt Ltd Company. It also used to analyze the super digital signs Pvt Ltd company past financial performance and to establish the future trend of financial position.

As markets and an increasing proportion of business activity transcends national borders that have made it easier to sell internationally. For business, this process has given many opportunities. The company can expand their business but this will also put the company into the competition in the global market. As the time goes by the global market has become more competitive, a tight business competition in the era of globalization forces every company to adapt in one of the companies that operated in Chennai. To survive and compete in the market the company not only focused on the strategy but also expected to be able to pay attention to the importance of financial statement for the continuity of the company in the market. The financial statement is very useful for the company to

evaluate the policies that will be applied as well as the policies that has been applied in a company. The term financial statement refers to an organized collection of data on the basis of accounting principles and conventions to disclose its financial information. There are two methods to analyse the financial statements of a company. First is horizontal analysis is a technique for evaluating a series of financial statements data over a period of time. Furthermore, there is a vertical analysis is a technique that expresses each financial statement item as a percentage of a base amount. Therefore, researcher is interested to conduct research titled “Analysing Financial Statement Using Horizontal - Vertical Analysis to Evaluating the Company Financial Performance for Period 2018-2022

1.2. INDUSTRY PROFILE

Signage is the design or use of signs and symbols to communicate a message. A signage also means signs collectively or being considered as a group. The term signage is documented to have been popularized in 1975 to 1980.

Signs are any kind of visual graphics created to display information to a particular audience. This is typically manifested in the form of wayfinding information in places such as streets or on the inside and outside buildings. Signs vary in form and size based on location and intent, from more expansive banners, billboards, and murals, to smaller street signs, street name signs, sandwich boards and lawn signs. Newer signs may also use digital or electronic displays.

The main purpose of signs is to communicate, to convey information designed to assist the receiver with decision-making based on the information provided. Alternatively, promotional signage may be designed to persuade receivers of the merits of a given product or service. Signage is distinct from labelling, which conveys information about a particular product or service.

In general, signs perform the following roles or functions:

- Information-provision: signs conveying information about services and facilities, such as maps, directories, instructional signs or interpretive signage used in museums, galleries, zoos, parks and gardens, exhibitions, tourist and cultural attractions that

enhance the customer's experience. Retail signage state product names or simply the prices. Highway signs, Billboards, digital displays of stock market quotes, etc.

- Persuasion: promotional signage designed to persuade users of the relative merits of a company, product or brand.
- Direction/ Navigation: signs showing the location of services, facilities, functional spaces and key areas, such as sign posts or directional arrows.
- Identification: signs indicating services and facilities, such as room names and numbers, restroom signs, or floor designations.
- Safety and Regulatory: signs giving warning or safety instructions, such as warning signs, traffic signs, exit signs, signs indicating what to do in an emergency or natural disaster or signs conveying rules and regulations.
- Navigation – may be exterior or interior (e.g. with interactive screens in the floor as with "informational footsteps" found in some tourist attractions, museums, and the like or with other means of "dynamic wayfinding").

Signs may be used in exterior spaces or on premise locations. Signs used on the exterior of a building are often designed to encourage people to enter and on the interior to encourage people to explore the environment and participate in all that the space has to offer. Any given sign may perform multiple roles simultaneously. For example, signage may provide information, but may also serve to assist customers navigate their way through a complex service or retail environment.

1.3. COMPANY PROFILE

Super Digital Sign is known for offering the best printing services. Our shop is located in Triplicane, Chennai. We are engaged in this service for about 25 years. We also do printing on display boards for advertisement purposes. We have contacts with many advertising companies and corporate companies. They engage in huge contract like stickering government trains and government bus as well as private bus and other vehicles. They involve in huge flex bannering, digital printing, LED billboard for private and as well as government entities for telecasting their advertisement and others. Super digital signs known to be the industries visual merchandising leader, serving about more

than 500 elite clients in Chennai. Irrespective of what your product or message is, SDS bring your ideas to life through brand displays that are eye catching. Is a complete in-house signage solutions provider offering diverse solutions in Signage requirements, It is managed by, a team of highly experienced Signage Professionals who have been in this industry for more than 15 years. SDS specializes in each and every stage of fabrication and gives distinctive attention to each requirement, starting from concept, designing & technical elements.

Super digital signage is a complete platform of mature advertising and textile system, including all kinds of high-end brand products such as digital printing, textile printing, digital engraving, and signage and led, etc.

Super digital signs Pvt Ltd an expertise in manufacturing of all sort of Acrylic Fabrication, Wood Fabrication, Fiberglass works, Mall Podiums, Kiosks, Display stands, Metal Stands, Fiber Glass Stands, Acrylic Displays, Window Displays, Shop Fit outs etc.

1.3.1.PRODUCT PROFILE

They are known for the following products given below

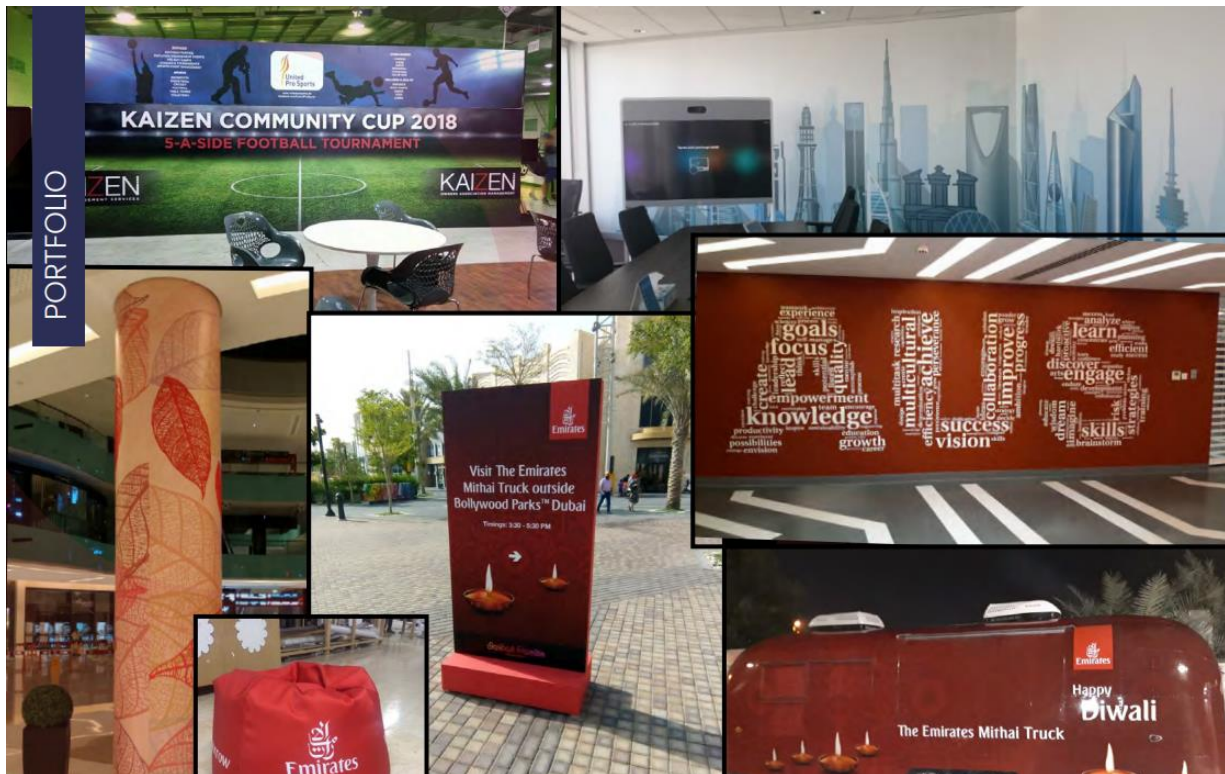
- Name board
- Flex printing
- In shop sign
- Digital banner
- Metal letter sign board
- Advertising signage
- Letter engraving

COMPANY PRODUCTS

Fig 1.1



Fig 1.2



1.4. STATEMENT OF THE PROBLEM

Ratio is considered the as one of the effective tools of the financial analysis. The ratio is understand as one number expressed in terms of another. It is as expression of relationship between two numbers by dividing one figure to another. Ratio analysis is very important tool of financial analysis. It is the process of establishing a significant relationship between the items of financial statements to provide a meaningful understanding of the performance and position of a firm.

1.5. OBJECTIVES OF THE STUDY

To study the financial position of the firm

- To measure a firm's liquidity and profitability
- To study the financial ratio analysis statement of SDS Ltd company.
- To study about the growth of the company.
- To evaluate performance and progress of the SDS company.

1.6. NEED OF STUDY

- The study helps to know a liquidity, solvency, profitability and turnover position of the company.
- To know the financial system in SDS company
- In this to know that the company ratio statement.
- In the study we can get the result of the company growth through analyzing the company balance sheet.
- To know that this analysis the SDS company working capacity.

1.7. SCOPE OF STUDY:

Finance is said to be the life blood of any business. The main is to understand the depth shows the financial analysis of the firm. The study of ratio analysis further the study is based on last 5 years annual reports SDS Company.

This study is conducted for SDS COMPANY

- It includes the study of the Receivables Management System at SDS.
- The impact of receivables on the profitability of SDS, estimation and planning working capital requirements and to analyze the liquidity position of the company.
- The source of information for this project is collected from the Accounts Department of SDS.
- The annual reports and financial statements of the company is studied.
- The information for this project is gathered by interviewing the executives at the Accounts Department at SDS.

CHAPTER 2

REVIEW OF LITERATURE

2.1. REVIEW OF LITERATURE:

In this Chapter, the researcher has made an attempt to study and understand the performance of the company. This attempt includes, understanding the basic analysis of SDS Company. For this, the researcher has used various books, research Journals and websites. The detailed list is further elaborated in the Bibliography. Through this Literature Survey researcher wants to find out which are the important parameters of ratio analysis and receivable management.

Davis (1976) He explained the uses and the limitation of ratio analysis. He views that the ratio analysis can be used for investment decision and performance analysis as the past performance of a company provides clues for future performance.

Bedback (1980) in this study on raw material management in cooperative sugar mills his concentrate on planning, storing, and controlling of raw materials. He opined that stock level setting material turnover ratio, input – output ratio, material cost analysis etc.

Jugalc (1986) He study on Employment in sugar factories, he analyzed the direct and indirect employment opportunities generated by sugar mills at factory and farm site. His opined that a sugar mill of 1250 TCD capacity required 628 employees and that of 2500 TCD capacity required 700.

Barnes (1987) He explained in his study evaluate the company's past and present financial ratios are used to forecast the performance of a company. A higher ratio

will indicate a better position for the company to meet its short-term financial obligation.

Sinha (1988) He has studied the sugar industry in India from different angles. He studies on various aspects like agro-economics of sugar cane, technical performance, cost structure, utilization of by products, labor relations, financial and administrative policies etc. he suggested for the improvement in plant efficiency development of sugar cane and infrastructure facilities, reduction in cost of production etc, for the development of the industry.

Ansari (1990) He study the organization and management in cooperative sugar mills. He analyzed the suitability of organization system adopted by the sugar mills in their efficient management. He has recommended that these should be professionalism in the organization and management of the sugar mills for improving their working performance.

Biradar (1990) He research on the co-operative sugar factories. His analysis the working of sugar co-operative and their socio-economic impact on rural area. In this conclusion was that sugar co-operative have played a significant role in bringing socio – economic change in the rural area.

Jagdish (1992) in his research sugar and sugarcane production, trends and policies studied. He analyze the sugar cane and sugar pricing and distribution. He study on for the period from 1990-1991 to 1995-96 in which various ratio like profitability ratios, liquidity ratios, leverage ratios, and turn over ratios were calculated.

Pijush Chattopadhyay (1995) he has made an attempt to highlight the role of computerized management information system (CMIS) in the functioning of sugar factories. In his research he discussed about the concept, need, objective, benefits and impact of CMIS on the working of sugar factory.

Wallis (2002) the entire U.S. Economy is under excessive stress. Faced with this surroundings, receiver managers increasingly want to ensure the feasibility of their very own enterprise. Although there's no incentive to preserve revenues, implementing strict safety features in phrases of credit score authorization is essential, so powerful management of this asset (usually the biggest asset at the stability sheet) is a necessary condition in trendy monetary surroundings.

Wimely (2012) it represents the single largest capital investment on the balance sheet. While the age- old battle of whether or not long term debt should be considered part of the capital structure of an organization is commonly acknowledgment credit policy based on financial analysis and non-financial data, Lower credit standard boost credit are (5C): character, capital, capacity, conditions and collateral.

Stevenson (2005) average collection period is uniform in the sample units. The integration on recognition function within another department may be desirable. Nevertheless, these must a struggle of awareness amongst credit objectives and others. There would incentives for the sales department, for instance, to maximize the turnover and thus sales staff may offer more generous credit terms than the industry norm or offer credit to risky customers.

RamaduJanki (2007) disclosed in their study - "Management of receivables within the Indian commercial automobile enterprise" - that the enterprise has appreciably reduced management, but a few person agencies scored far worse in this area.

Deloof (2003) determined that there was a tremendous terrible correlation between general working profits and the Belgian corporation's debts receivable, stock, and payable days. These effects display that managers can create cost for their shareholders by way of lowering the amount of 1-day bills receivable and inventory to a reasonable minimum. The terrible relationship between accounts payable and

profitability is inconsistent with the view that genes with terrible profitability are waiting longer to pay payments.

Reddy (2004) studied the scale of factoring agencies and their additives and liquidity management. They also attempted to take a look at the connection among the factoring business enterprise's liquidity and profitability. Their end is that the amount of 30 various borrowers and creditor payables is the three predominant components of present day belongings and current assets that determine the size of the operating capital.

Sooke (1992) performed a survey of ninety four Japanese organizations in the United States (1992) and determined that U.S. Groups' running capital management practices differed in phrases of low inventory levels and excessive stages of accounts receivable. The examine indicates that U.S. Groups gather inventory; Japanese corporations have a higher proportion of total accounts receivable. You can outline a hard and fast for each credit client. This should be achieved in a prepared way to accelerate cash earnings without compromising the debtor's relationship.

Stoner (1997) organizes organizational overall performance as a potential to perform correctly, profitably, continue to exist, expand, and cause opportunities and threats. Stoner (1997) successfully makes use of the manufacturing manner as a key thing in controlling enterprise performance. In addition, it additionally emphasizes profit innovation, asset management and average entrepreneurship to achieve sustained overall performance.

Pandey (2001) mentioned that during order to research customers and set standards, there are aspects to recollect: average fees and default rates. For him, the average profits paid refers to the length of superb debt, and the default price is the ratio of uncollected debts receivable to overall bills receivable. Pandey (2001)

used 5C credit score as a well-known for placing standards. 5 C consists of; man or woman, capacity, situation, capital and collateral.

Ramachandran (2009) analyzed the relationship between India's paper industry productivity and interest and pre-tax profits. Research shows that money conversion cycles and inventory days are negatively related to hobby and pre-tax profits, while payable repayment days and account compensation days are positively associated with interest and pre-tax earnings.

Grzegor (2008) proposed a portfolio control technique in receivables control in his research. It makes use of portfolio control concept to 31 determine the extent of bills receivable within the employer. He observed that the level of accounts receivable has expanded, and the agency's internet working capital and the cost of preserving and managing accounts receivable have extended.

Ksenija (2013) he investigated how listed organizations indexed at the regulated market of the Republic of Serbia managed their account burial decay times. A sample of 108 agencies become used. The accounts receivable coverage turned into checked at some point of the 2008-2011 crisis. A brief-term impact turned into examined and the observe confirmed that there has been a superb correlation but no massive relationship between the debts receivable and the 2 dependent variables (profitability, return on overall belongings and running margin). This suggests that the effect of accounts receivable on the profitability of the corporation is converting throughout the crisis

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 to be used for the project purpose. Research methodology helps to find the ratio analysis and receivable management. This time research methodology is framed for the purpose of finding the level of impact of performance of the company

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

- Secondary Data - Websites and online journals, Published reports & Review of literature from published articles
- Analysis through their annual year report from 2017 to 2021.

3.1.1. THEROTICAL BACKGROUND OF THE STUDY RATIO ANLAYSIS:

RATIO ANLAYSIS

Ratio express the relationship in mathematical terms between figures. Ratio analysis is a powerful tool of financial analysis. In financial analysis, a ratio analysis is a method of determine and interpreting different items in financial statement. The term ratio refers to the relations of mathematical terms between 2 individual groups or figures connected with each other and are selected from financial statement of the concern. The relationship between two or more accounting figure are called as financial ratios.

Ratio analysis is a widely used tool for financial analysis. It can be used to compare the risk and return relationships of firms of different sizes. It can be defined as the systematic

use of ratio interpret the financial statements so that the strengths and weaknesses of a firm as well as its historical performance and current financial condition can be determined.

The rationale of ratio analysis lies in the fact that it makes related information comparable. A single figure by itself has no meaning but when expressed in terms of a related figure, it yields significant inferences.

Ratio Analysis

Ratio analysis is the process of determining and interpreting numerical relationship based on financial statement. According to Batty J. Management Accounting “Ratio can assist of items in its basic functions of forecasting, planning coordination, control and communication”.

It helps to know about the liquidity, solvency, capital structure and profitability of an organization. It is helpful tool to aid applying judgment, otherwise complex situations.

The term ratio refers to numerical and quantitative relationship between two variables. This relationship can be expressed as 1. Time 2. Percentage

Tools or techniques of financial statement analysis

1. Comparative statement or comparative financial and operating statement

Comparative statement deals with the comparison of different items of the profit and loss account and balance sheet of two or more periods. Financial statement such as comparative balance sheet, comparative profit and loss account, comparative cost of production statement, comparative statement of working capital,

2. Comparative income statement

three income information are obtained from the comparative income statement. They are gross profit, operating profit and net profit. The changes or the improvement in the profitability of the business concern is find out over a period of time. If the changes or improvement is not satisfactory, the management can find out the reasons for it and some corrective action can be taken.

3. Comparative balance sheet

The financial condition of the business concern can be finding out by preparing comparative balance sheet. The various items of balance sheet for two different periods are used, the assets are classified as current assets and fixed assets for comparison. The liabilities are classified as current liabilities, long term liabilities and shareholders' net worth.

4. Common size financial statements

Common size financial statements are those, which figures reported are converted into percentage to some common base. In the income statement, the sale figure is assumed to 100 and all figures are expressed as a percentage of sales. Similarly, in the balance sheet, the total of assets or liabilities is taken of sales. Similarly, in the total of assets or liabilities is taken as 100 and all the figures are expressed as a percentage of this total.

5. Fund flow analysis

Fund flow analysis deals with detailed sources and application of funds of the business concern for a specific period. It indicates where funds come from and how they are used during the period under review. It highlights the changes in the financial structure of the company.

6. Cash flow analysis

Cash flow analysis is based on the movement of cash and bank balances. In words, the movement of cash instead of movement of working capital would be considered in the cash flows. They are actual cash flows and notional cash flow.

7. Ratio analysis

ratio analysis is an attempt of developing meaningful relationship between individual items in the balance sheet or profit and loss account.

Ratio analysis is not only useful to internal parties of business concern but also useful to external parties. Ratio analysis highlights the liquidity, solvency, profitability and capital gearing.

8. Cost volume profit analysis

This analysis discloses the prevailing relationship among sales, cost and profit. The cost divided into two. They are fixed cost and variable cost. There is a constant relationship between sales and variable cost. Cost analysis enables the management for better profit planning.

9. Trend analysis

10. The ratios of different items for various periods are find out and then compared under this analysis. The analysis of the ratios over a period of year's givens an idea of whether the business concern is trending upward or downward.

CHAPTER 4

ANALYSIS AND INTERPRETATION

4.1. ANALYSIS AND INTERPRETATION:

4.1.1 CURRENT RATIO

The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations

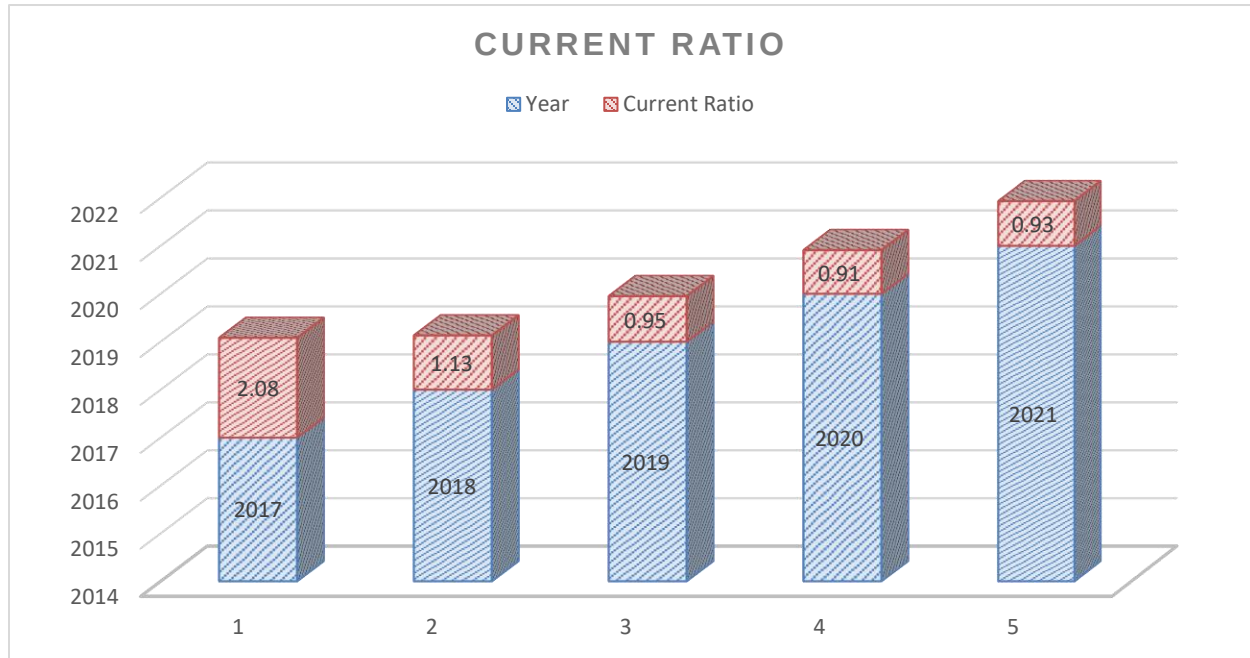
$$\text{Current Ratio} = \frac{\text{Current asset}}{\text{Current liabilities}}$$

Table 4.1

Year	Current Assets	Current Liabilities	Current Ratio
2017	1355700755.34	651673075.78	2.08
2018	661396989.58	584961287.53	1.13
2019	577430939.92	604909438.53	0.95
2020	1189019016.13	1303720360.79	0.91
2021	1143740305.22	1222468622.33	0.93

Source: Annual report

Graph 4.1



In the year 2017 current ratio would be 2.08% and later it has been decreased from 1.13% in 2018 and 0.95% in 2019, in 2020 0.91% and 2021 it has been increased to 0.93%. The company current ratio in 2017 increasing than it decreasing in 2018, 2019, and 2020 is 1.13, 0.95, and 0.91 in 2021 the ratio is 0.93. But in the 2017 the current ratio is high

4.1.2. LIQUID RATIO

Liquidity ratios are an important class of financial metrics used to determine a debtor's ability to pay off current debt obligations without raising external capital

$$\text{Liquid Ratio} = \frac{\text{Quick Assets}}{\text{Current Liabilities}}$$

Table 4.2

Year	Current Assets	Closing Stock	Quick Assets
2017	1355700755.34	1222220846.42	133479908.92
2018	661396989.58	470550088.62	190846900.96
2019	577430939.92	275264966.12	302165973.8
2020	1189019016.13	681983234.95	507035781.18
2021	1143740305.22	780029489.58	363710815.64

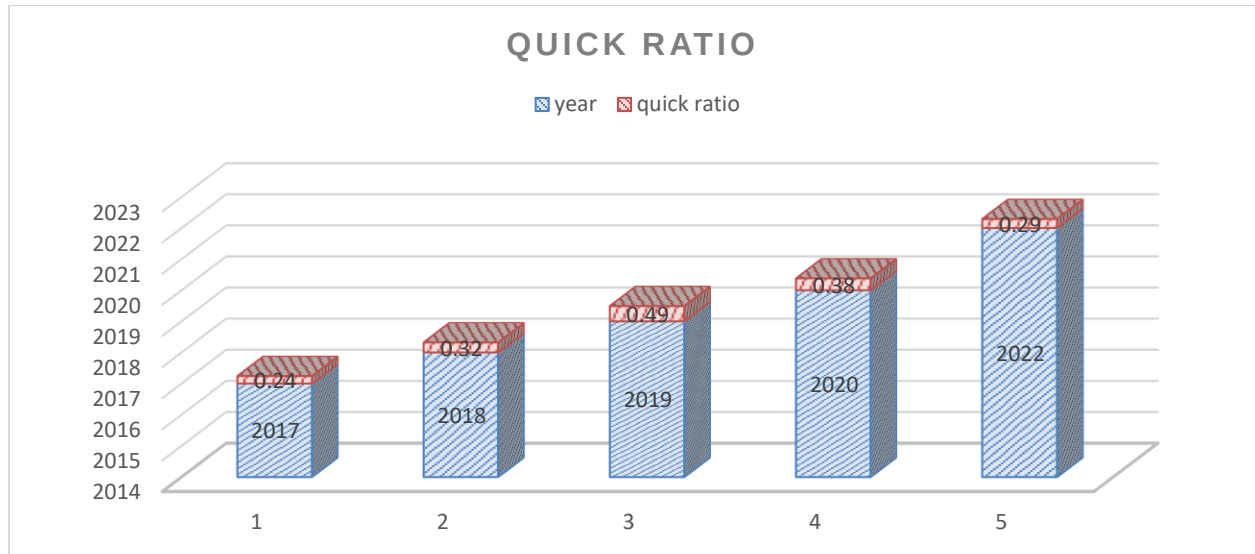
Source: Annual report

Table 4.3

Year	Quick Assets	Current Liabilities	Quick Ratio
2017	133479908.92	651673075.78	0.24
2018	190846900.96	584961287.53	0.32
2019	302165973.8	604909438.53	0.49
2020	507035781.18	1303720360.79	0.38
2021	363710815.64	1222468622.33	0.29

Source: Annual report

Graph 4.2



In 2017 the quick ratio is 0.24% and it has been increased in the year 2018 and 2019 is 0.32% and 0.49%, in the 2020 and 2021 it has been decreased from 0.38% and 0.29%. In the graph the quick ratio is decreasing and increasing. The standard ratio would be 0.2. The five-year ratio is above 0.2

4.1.3. FIXED ASSETS TURNOVER RATIO

The fixed asset turnover ratio reveals how efficient a company is at generating sales from its existing fixed assets

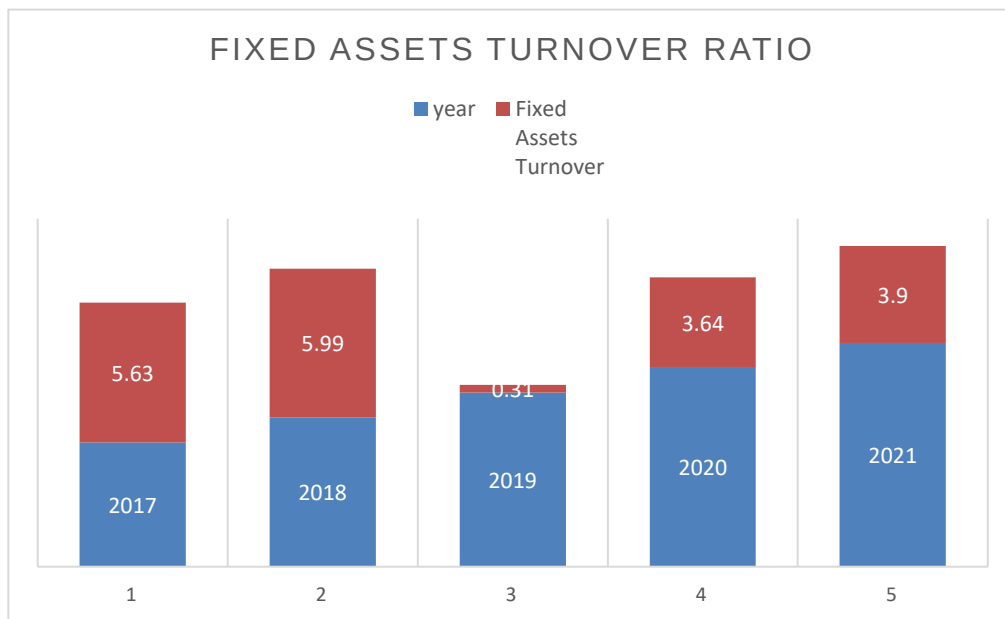
$$\text{Fixed Assets Turnover Ratio} = \frac{\text{Sales}}{\text{Fixed Assets}}$$

Table 4.4

Year	Sales	Fixed Assets	Fixed Assets Turnover
2017	1458140259.74	258568750.00	5.63
2018	1542727406.80	257204431.53	5.99
2019	802640650.30	255915032.86	0.31
2020	886123762.25	243398074.92	3.64
2021	893474545.00	228860112.23	3.90

Source: Annual report

Graph 4.3



In the 2017 fixed assets turnover ratio is 5.63% it has been increased in the year 2018 is 5.99% than it decreased 0.31% in the 2019, later it has been increased in the year 2020 and 2021 is 3.64% and 3.90%. The fixed asset turnover ratio is increased in 2017 and 2018 than rapidly it Decreased in 2019, in the 2020, 2021 the ratio is increasing.

4.1.4. TOTAL ASSETS TURNOVER RATIO

The asset turnover ratio measures the value of a company's sales or revenues relative to the value of its assets

$$\text{Total Assets Turnover Ratio} = \frac{\text{Sales}}{\text{Total Assets}}$$

Table 4.5

Year	Sales	Fixed Assets	Total Assets Turnover
2017	1458140259.74	1614269505.34	0.90
2018	15427274068.80	918601421.11	1.67
2019	802640650.30	833345972.78	0.96
2020	886123762.25	1372600417.45	0.65
2021	893474545.00	1432417091.05	0.61

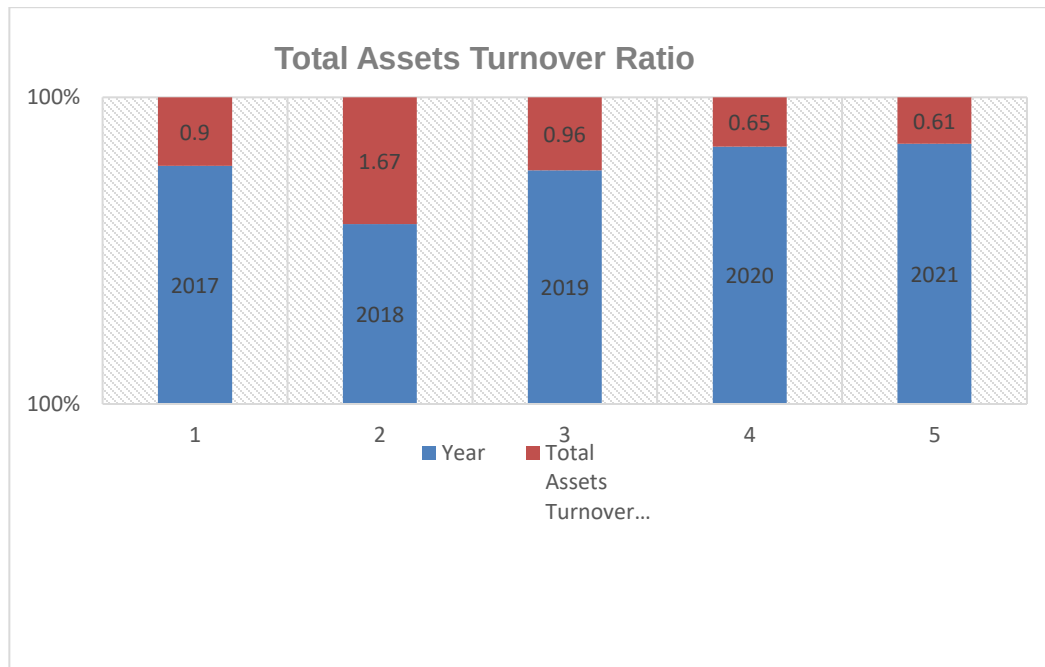
Source: Annual report

Table 4.6

Year	Fixed Assets	Current Assets	Total Assets
2017	258568750.00	1355700755.34	1614269505.34
2018	257204431.53	661396989.58	918601421.11
2019	255915032.86	577430939.92	833345972.78
2020	228860112.23	1143740305.22	1372600417.45
2021	243398074.92	1189019016.13	1432417091.05

Source: Annual report

Graph 4.4



In above graph the 2016 the total asset turnover ratio is 0.90% in the next (2018) year it increased 1.67%. Later it has been decreased in 2019 and 2020 is 0.96% and 0.65%, 0.61% in the 2021.

The total asset turnover ratio is show that above graph. In the 2018 the ratio is too high. In the 2019, 2020, and 2021 the ratio is decrease.

4.1.5. GROSS PROFIT RATIO

The gross profit ratio is a profitability measure calculated as the gross profit ratio to net sales. It shows how much profit the company generates after deducting its cost of revenues

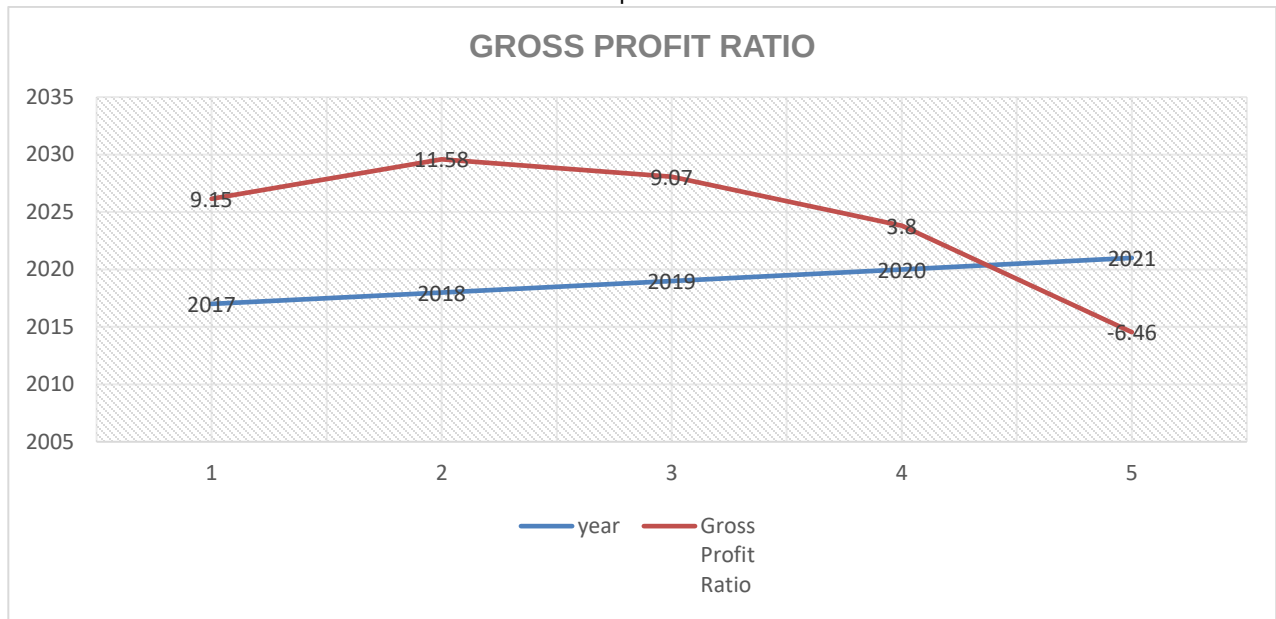
$$\text{Gross Profit Ratio} = \frac{\text{Gross Profit}}{\text{Net Sales (100)}}$$

Table 4.7

Year	Gross Profit	Net Sales	Gross Profit Ratio
2017	133421079.32	1458140259.74	9.15
2018	178764710.74	1542727406.80	11.58
2019	72808973.61	802640650.30	9.07
2020	33727402.92	886123762.25	3.80
2021	-57791856.33	893474545.00	-6.46

Source: Annual report

Graph 4.5



In above graph the 2017 the gross profit ratio is 9.15% later it has been increased 11.58% in the year 2017 and in 2019 and 2020 it is decreased 9.07% and 3.80%. In the 2021 gross profit ratio is (loss) -6.46%. The gross profit ratio is show in the above graph in the 2017 the ratio is 9.15 and in 2018 the ratio is 11.58 it is more than previous year than it is rapidly change in 2021 it is coming in loss.

4.1.6. NET PROFIT RATIO

The net profit ratio of after-tax profits to net sales

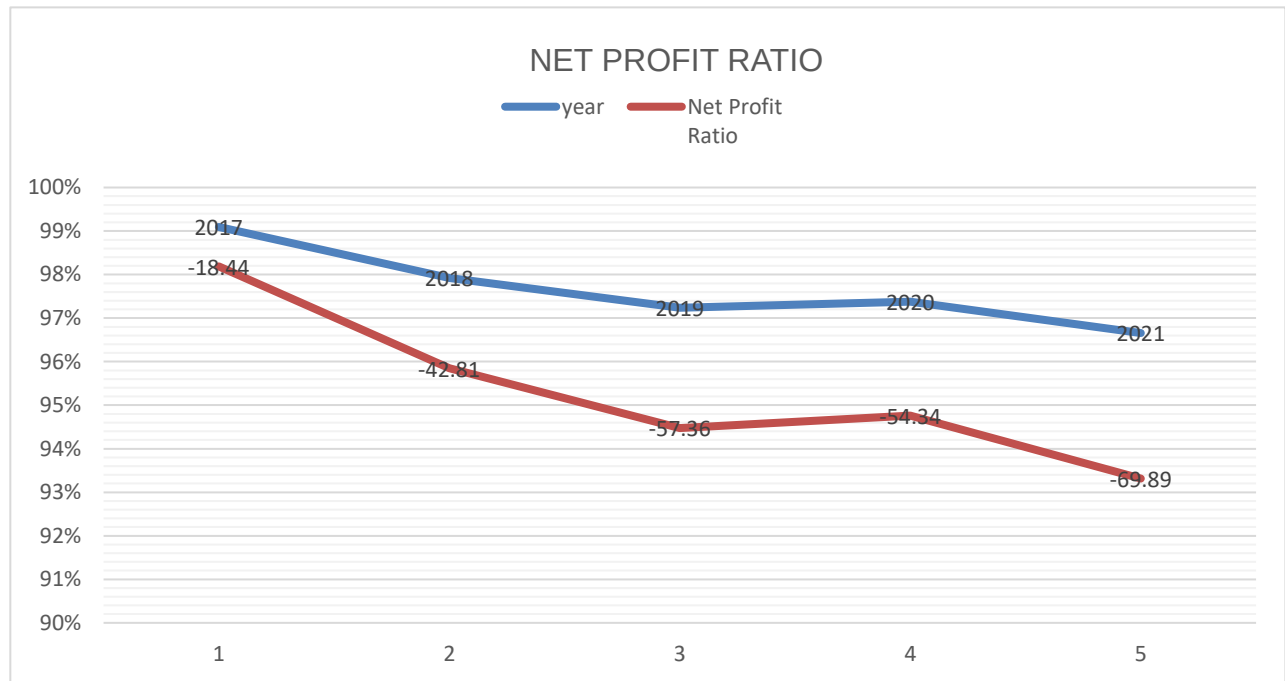
$$\text{Net Profit Ratio} = \frac{\text{Net Profit}}{\text{Net Sales (100)}}$$

Table 4.8

Year	Net Profit	Net Sales	Net Profit Ratio
2017	-266894966.08	1458140259.74	-18.44
2018	-660565107.80	1542727406.80	-42.81
2019	-460397731.51	802640650.30	-57.36
2020	-481596483.64	886123762.25	-54.34
2021	-624467291.14	893474545.00	-69.89

Source: Annual report

Graph 4.6



The net profit ratio is -18.44% and -42.81% in the 2017 and 2018 than it is decrease in the 2019, 2020 and 2021 is -57.36%, -54.34% and -69.89% the company get loss. In the 2017, 2018, 2019, 2020 and 2021 the company suffering from losses.

4.1.7. CAPITAL TURNOVER RATIO

Working capital turnover measures how effective a business is at generating sales for every dollar of working capital put to use.

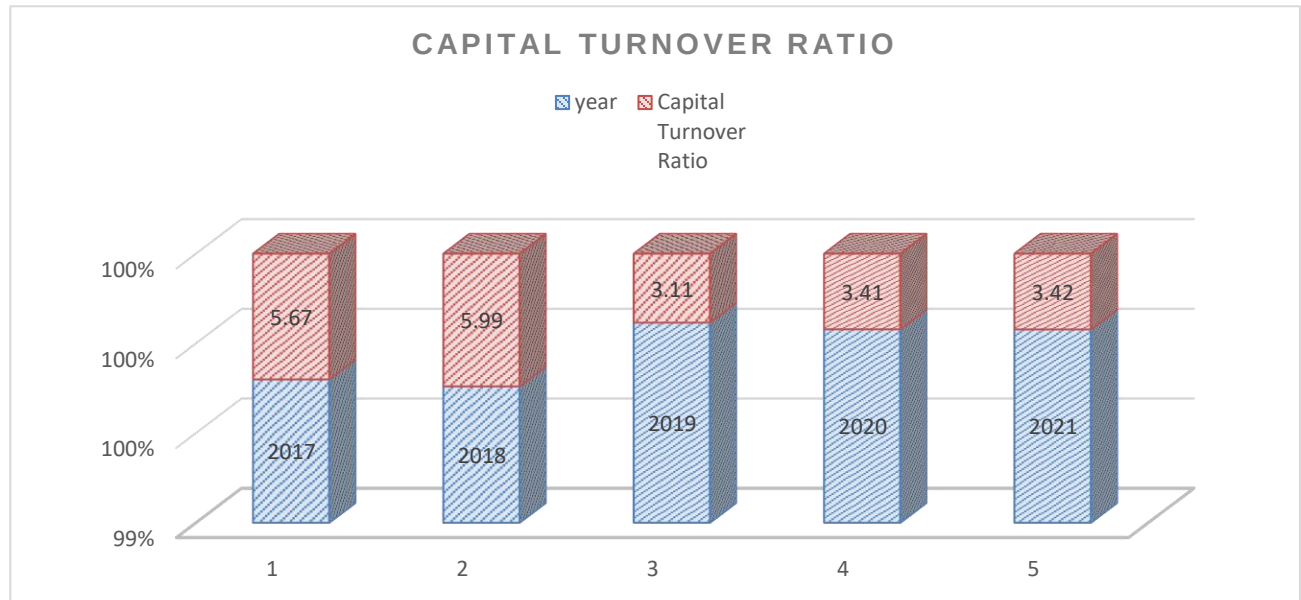
$$\text{Capital Turnover Ratio} = \frac{\text{Sales}}{\text{Capital Employed}}$$

Table 4.9

Year	Sales	Capital Employed	Capital Turnover Ratio
2017	1458140259.74	256931963.00	5.67
2018	15427274068.80	257291234.00	5.99
2019	802640650.30	257962867.00	3.11
2020	886123762.25	259509601.00	3.41
2021	893474545.00	260602812.00	3.42

Source: Annual report

graph 4.7



In the 2017 and 2018 the capital turnover ratio is 5.67% and 5.99% later it has been decreased 3.11% and 3.41% in 2019 and 2020. In the 2021 the ratio is 3.42%. The company's capital turnover ratio in the 2018 the ratio is standard than it is decrease in the next year in the 2020 and 2021 it is increased.

4.1.8. RAW MATERIAL COST RATIO

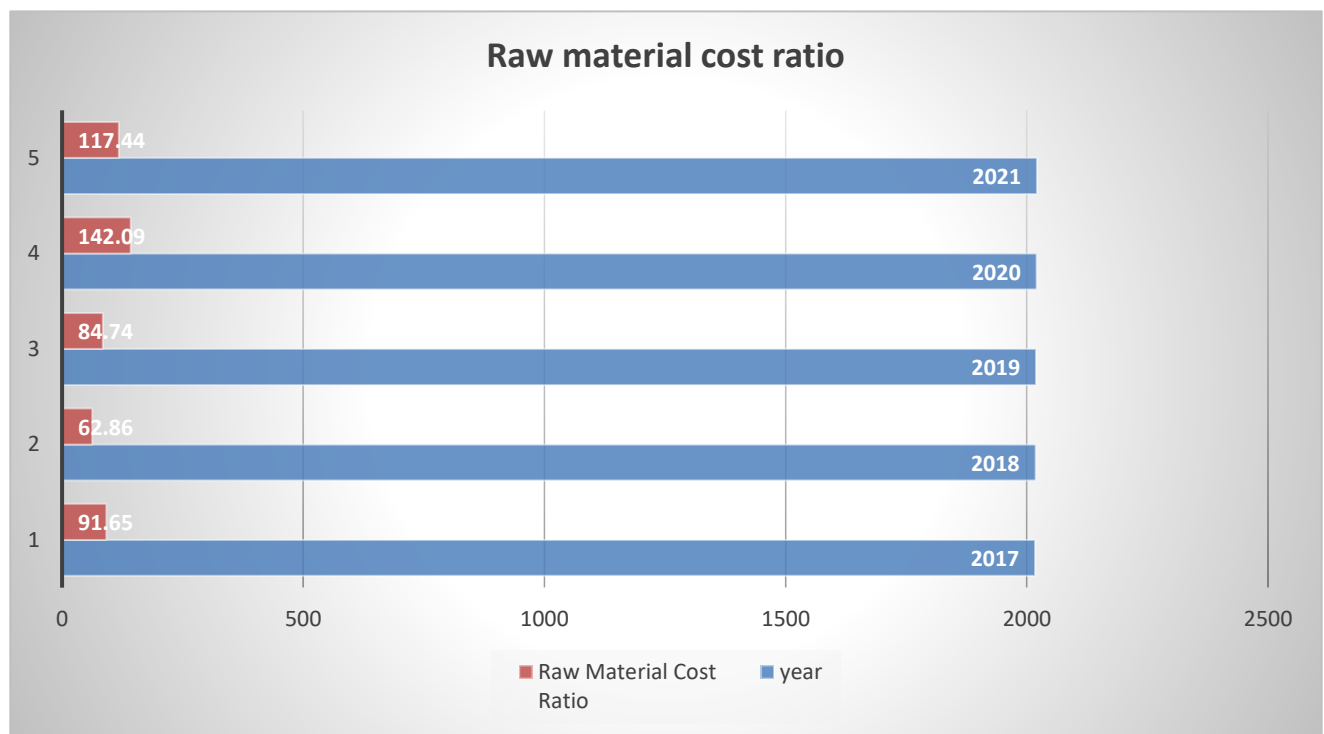
The relationship between cost of material consumed and sales volumes especially in a manufacturing set up

$$\text{Raw Material Cost Ratio} = \frac{\text{Direct Raw Material Cost}}{\text{Net Sales (100)}}$$

Table 4.10

Year	Direct Raw Material Cost	Net Sales	Raw Material Cost Ratio
2017	1336492028.86	1458140259.74	91.65
2018	969821359.74	1542727406.80	62.86
2019	680164501.41	802640650.30	84.74
2020	1259114628.16	886123762.25	142.09
2021	1049312655.96	893474545.00	117.44

Graph 4.8



Raw material cost ratio is 91.65% in the 2017. Later it has been decreased 62.86% in 2018 than it increased 84.74% and 142.09 in 2019 and 2020. 117.44% in 2021. The raw material cost of ratio is shown in the above graph in the 2020 the ratio is increased than in the next it decrease.

4.1.9. ADMINISTRATIVE OVERHEAD RATIO

An overhead ratio is a measurement of the operating costs of doing business compared to the company's income.

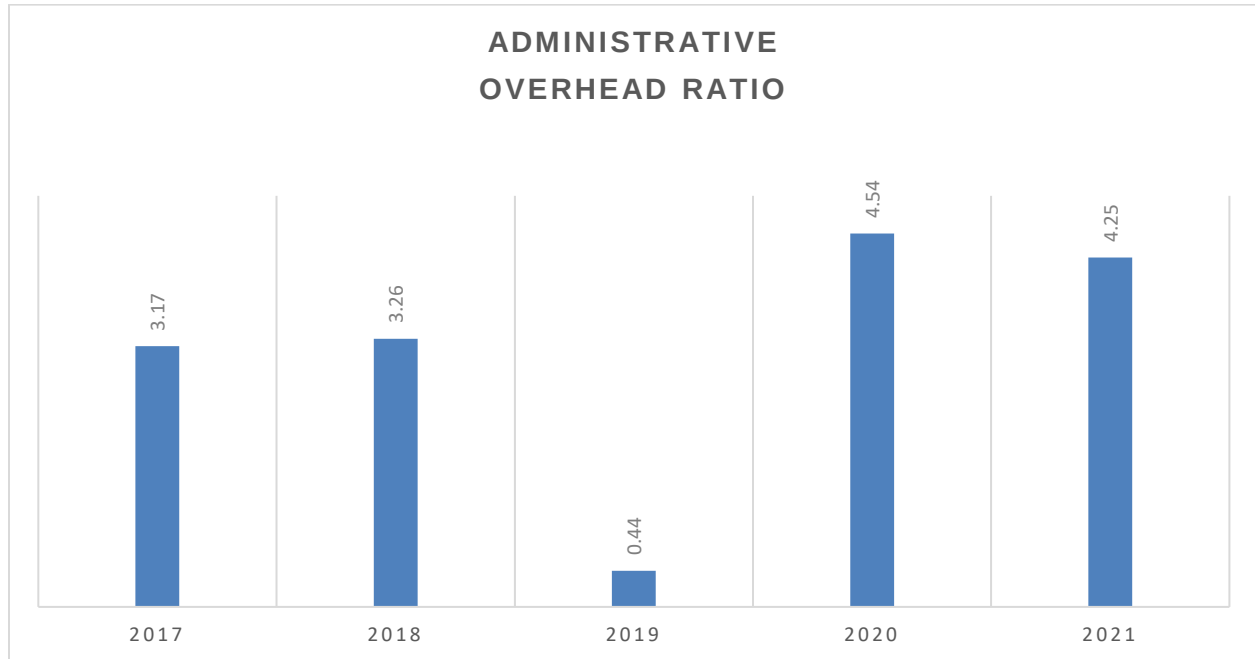
$$\text{Administrative Overhead Ratio} = \frac{\text{Administrative overhead exp}}{\text{Net Sales (100)}}$$

Table 4.11

Year	Administrative overhead exp	Net Sales	Administrative Overhead Ratio
2017	46340902.05	1458140259.74	3.17
2018	50419287.37	1542727406.80	3.26
2019	3581941.32	802640650.30	0.44
2020	40237397.53	886123762.25	4.54
2021	38021348.20	893474545.00	4.25

Source: Annual report

Graph 4.9



In above graph the year 2017 and 2018 the administrative overhead ratio is 3.17% and 3.26% but in the 2019 it is decreased 0.44% than it increased 4.54% and 4.25% in 2020 and 2021. The company's administrative overhead ratio in the 2017 and 2018 the ratio is 3.17% and 3.27% than in 2019 it is decrease in 2020 and 2021 it is increased.

4.1.10. FIXED ASSETS TO SHARE CAPITAL RATIO

The shareholder equity ratio shows how much of a company's assets are funded by issuing stock rather than borrowing money.

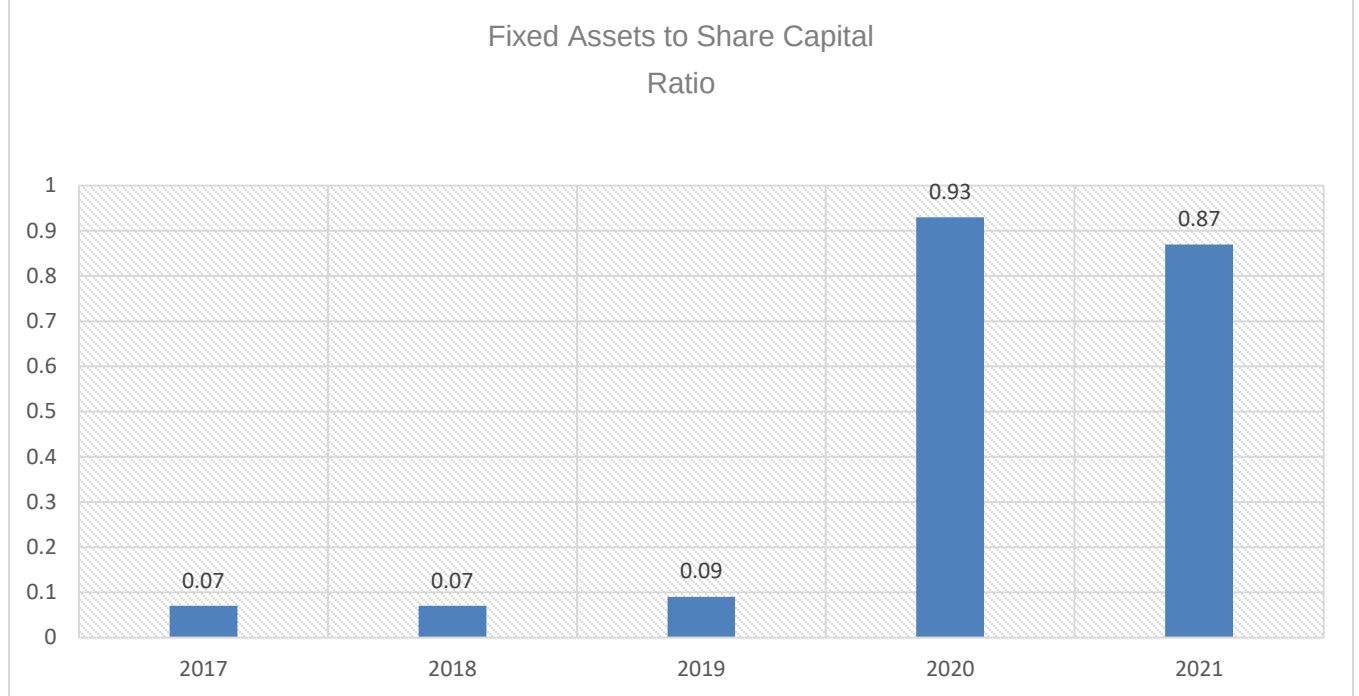
$$\text{Fixed Assets to Share Capital Ratio} = \frac{\text{Fixed Assets}}{\text{Share Capital}}$$

Table 4.11

Year	Fixed Assets	Share Capital	Fixed Assets to Share Capital Ratio
2017	258568750.00	3401624156.33	0.07
2018	257204431.53	3401020054.15	0.07
2019	255915032.86	257962867.00	0.09
2020	228860112.23	259509601.00	0.93
2021	243398074.92	260602812.00	0.87

Source: Annual report

Graph 4.10



In above graph the 2017, 2018 and 2019 the fixed asset to share capital ratio is 0.07%, 0.07% and 0.09% in the 2020 and 2021 the ratio is increased little bit 0.93% and 0.87%. The fixed asset to share capital ratio in 2017 to 2021 has been slightly changes and in 2020 and 2021 it will be increased.

CHAPTER 5

FINDINGS, SUGGESTION & CONCLUSION

5.1. FINDINGS

- The company current ratio is higher in the 2017 but it increasing 2018 to 2021. Where the currents assets increase due to the increase in sales.
- It I found that the quick ratio is increasing and decreasing from 2017 to 2022. Which means the SDS company face issues in liquidate the assets
- The fixed asset turnover ratio is increased in 2017 band 2018 but in the 2019 it is rapidly decreased. Because the company facing issues in sales.
- Gross loss and net loss of the company shows that it is increasing 2017 to 2012.
- It is found that the raw material cost of the company increasing.
- In the recent year 2020 and 2021 the administrative overhead expenses are increased.
- In the 2017, 2018, and 2019 the fixed asset to share capital ratio is slightly changes but in the 2020 and 2021 it is increased rapidly.
- The total assets of the company are fluctuating 2017 to 2021.
- It is found that from the company is suffering from gross loss.

5.2. SUGGESTIONS

- The company needs to improve the current assets and current liabilities by making increase in sales.
- The company should increase the sales, and reducing the wasting on transportation expenses.
- The company should try to increase their capital assets and the fixed assets for increasing the fixed assets turnover ratio.
- The quick ratio is fluctuating year to year so that the company should set the standard of a ratio.
- In the 2019 the fixed assets turnover ratio is decreased 0.31% so the company should increase their sales.
- In the 2018 the company position is good the total asset turnover ratio is also good but in 2019, 2020, and 2022 the ratio is decreased so that the company should maintain their position.
- The company should improve their gross profit and net profit.
- The company should take necessary steps to control administrative overhead and selling expenses.

5.3. CONCLUSION

The study on 'Ratio analysis' it was an interesting study. It is based on financial statement. Through this ratio to analyze the company balance sheet, trading account and profit and loss account to know the company position in the market. The study mainly based on different types of ratios. In the project analyzing the five years financial statement analysis. Analyzing the financial statement through using the ratios and using the graphs. This project helps to me to learn new things and to know the organization work. How they are achieve their goals.

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ANNEXURE II-RESEARCH ARTICLE

A STUDY ABOUT FINANCIAL PERFORMANCE OF SUPER DIGITAL SIGNS PVT LTD

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ABSTRACT

Excellent learning opportunities have been provided for me as a consequence, allowing me to apply theory to practice and understand how organizations truly operate and produce outcomes. The main objective of the project is to understand the financial position of the company using the ratio analysis, vertical analysis, horizontal analysis and index analysis. Both primary data and secondary data were used. For the data collection. For the theoretical backdrop, pertinent data was gathered from numerous texts, websites, journals, and publications. In the organization workers are well treated by their supervisors. The project report comprised a summary of the problem, the scope of the study, objectives, and limitations as well as the theoretical underpinnings of financial ratio analysis. In this project analyzing the five years data. It was a good opportunity to me to learn new things through this project. This paper's major objective was to examine and assess recent studies that had been done on analyzing the profitability of firms. As a result, this research found that the most crucial factor in assessing a company's performance is its profitability. Hence, Additional article reviews can use other financial metrics like liquidity to improve the efficiency of businesses' performance.

INTRODUCTION

For the purpose of performance evaluation, we employed ratio analysis to quickly analyse the liquidity position, asset management condition, profitability, market value, and debt coverage situation of the super digital signs Pvt Ltd organisation. One of the finest methods for assessing a company's success is through the use of financial ratios. In order to determine the financial position of the super digital signs Pvt Ltd company and to make a judgment of how well the super digital signs Pvt Ltd company efficiency. , its management and operation, as well as how successfully the business has been able to make use of its resources and turn a profit. For the purpose of performance evaluation, we employed ratio analysis to quickly analyse the liquidity position, asset management condition, profitability, market value, and debt coverage situation of the super digital signs Pvt Ltd organisation. It examines how the business uses its resources and manages its costs. It determines the greater the coverage of liquid assets to short-term liabilities and it also compute ability to pay super digital signs Pvt Ltd company monthly mortgage payments from the cash generate. It measures super digital signs Pvt Ltd company overall efficiency and performance. It determines of share market condition of super digital signs Pvt Ltd Company. It also used to analysis the super digital signs Pvt Ltd company past financial performance and to establish the future trend of financial position.

Markets, as well as an increasing amount of commercial activity, are global in nature. This procedure has created a lot of commercial prospects. The firm can grow, but doing so will also make it more competitive in the worldwide market. As the time goes by the global market has become more competitive, a tight business competition in the era of globalization forces every company to adapt in one of the company that operated in Chennai. The corporation anticipated to be able to pay attention to the significance of financial statements for the continuation of the company in the market in order to survive and compete in the market, in addition to focusing on strategy. The financial statement is very useful for the company to evaluate the policies that will be applied as well as the policies that has been applied in a company. An organised collection of data based on accounting rules and standards to disclose its financial information is referred to as a financial statement. There are two methods to analyse the financial statements of a company. The first strategy is horizontal analysis, which is a method for assessing a number of financial statements' data throughout time. Furthermore, an organised collection of data based on accounting rules and standards to disclose its financial information is referred to as a financial statement. Therefore, researcher is interested to conduct research

titled “Analysing Financial Statement Using Horizontal - Vertical Analysis to Evaluating the Company Financial Performance for Period 2017-2021

STATEMENT OF THE PROBLEM

Ratio is regarded as one of the most useful instruments for financial analysis. The ratio is understood as one number expressed in terms of another. By dividing one figure by another, it serves as a statement of the connection between two numbers. A key method for doing financial analysis is ratio analysis. To give a meaningful insight of a company's performance and position, a strong link between the financial statement elements must be established.

OBJECTIVES OF THE STUDY

To study the financial position of the firm

- To evaluate a company's profitability and liquidity.
- To study the financial ratio analysis statement of SDS Ltd company.
- To research the company's expansion.
- To evaluate performance and progress of the SDS company.

NEED OF STUDY

- The research aids in understanding the company's liquidity, solvency, profitability, and turnover positions.
- To know the financial system in SDS company
- In this to know that the company ratio statement.
- In the study we can get the result of the company growth through analyzing the company balance sheet.
- To know that this analysis the SDS company working capacity.

SCOPE OF STUDY

Finance is said to be the life blood of any business. The main is to understand the depth shows the financial analysis of the firm. The study of ratio analysis further the study is based on last 5 years annual reports SDS Company.

This study is conducted for SDS COMPANY

- It includes the study of the Receivables Management System at SDS.
- The impact of receivables on the profitability of SDS, estimation and planning working capital requirements and to analyze the liquidity position of the company.
- The source of information for this project is collected from the Accounts Department of SDS.
- The annual reports and financial statements of the company is studied.
- The information for this project is gathered by interviewing the executives at the Accounts Department at SDS.

REVIEW OF LITERATURE

Davis (1976) He explained the uses and the limitation of ratio analysis. He views that the ratio analysis can be used for investment decision and performance analysis as the past performance of a company provides clues for future performance.

Bedback (1980) in this study on raw material management in cooperative sugar mills his concentrate on planning, storing, and controlling of raw materials. He opined that stock level setting material turnover ratio, input – output ratio, material cost analysis etc.

Jugalc (1986) He study on Employment in sugar factories, he analyzed the direct and indirect employment opportunities generated by sugar mills at factory and farm site. His opined that a sugar mill of 1250 TCD capacity required 628 employees and that of 2500 TCD capacity required 700.

Barnes (1987) He explained in his study evaluate the company's past and present financial ratios are used to forecast the performance of a company. A higher ratio will indicate a better position for the company to meet its short-term financial obligation.

RESEARCH METHODOLOGY

In order to frame the research process, as well as the designs and tools that will be employed for the project's objective, research methodology is mostly required.. Research methodology helps to find the ratio analysis and receivable management. This time research methodology is framed for the purpose of finding the level of impact of performance of the company

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

- Secondary Data: Online journals and websites, reports that have been published, and reviews of the literature that has been published
- Analysis through their annual year report from 2017 to 2021.

THEROTICAL BACKGROUND OF THE STUDY RATIO ANLAYSIS

Ratio express the relationship in mathematical terms between figures. A technique for financial analysis is ratio analysis. A ratio analysis is a technique used in financial analysis to identify and analyses various things in financial statements. The term ratio refers to the relations of mathematical terms between 2 individual groups or figures connected with each other and are selected from financial statement of the concern. Financial ratios are the relationships between two or more accounting figures.

Ratio analysis is a widely used tool for financial analysis. It can be used to compare the risk and return relationships of firms of different sizes. It is the methodical application of ratios to assess financial statements in order to identify a firm's assets and liabilities, past financial performance, and present financial status. Ratio analysis makes linked information comparable, which is its justification. A single figure has no significance on its own, but when it is explained in terms of a related figure, it produces meaningful conclusions. Ratio Analysis Ratio analysis is the practice of calculating and examining numerical connections based on financial information.

Ratio Analysis

Ratio analysis is the process of identifying and understanding numerical connection based on financial statement. Betty J. Management Accounting claims “Ratio can assist of items in its basic functions of forecasting, planning coordination, control and communication”. Understanding an organization's liquidity, solvency, capital structure, and profitability is beneficial. It is helpful tool to aid applying judgment, otherwise complex situations.

ANALYSIS AND INTERPRETATION

CURRENT RATIO

A liquidity ratio called the current ratio gauges a company's capacity to meet short-term obligations.

Year	Current Assets	Current Liabilities	Current Ratio
2017	1355700755.34	651673075.78	2.08
2018	661396989.58	584961287.53	1.13
2019	577430939.92	604909438.53	0.95
2020	1189019016.13	1303720360.79	0.91
2021	1143740305.22	1222468622.33	0.93

Source: Annual report

In the year 2017 current ratio would be 2.08% and later it has been decreased from 1.13% in 2018 and 0.95% in 2019, in 2020 0.91% and 2021 it has been increased to 0.93%. The company's current ratio increased in 2017 but decreased in 2018, 2019, and 2020. In 2021, the ratio was 0.93. But in the 2017 the current ratio is high

LIQUID RATIO

Liquidity ratios, a crucial class of financial metrics, are used to evaluate a debtor's ability to pay back current debt obligations without the need for outside financing.

Year	Current Assets	Closing Stock	Quick Assets
2017	1355700755.34	1222220846.42	133479908.92
2018	661396989.58	470550088.62	190846900.96
2019	577430939.92	275264966.12	302165973.8
2020	1189019016.13	681983234.95	507035781.18
2021	1143740305.22	780029489.58	363710815.64

Source: Annual report

Year	Quick Assets	Current Liabilities	Quick Ratio
2017	133479908.92	651673075.78	0.24
2018	190846900.96	584961287.53	0.32
2019	302165973.8	604909438.53	0.49
2020	507035781.18	1303720360.79	0.38
2021	363710815.64	1222468622.33	0.29

In 2017 the quick ratio is 0.24% and it has been increased in the year 2018 and 2019 is 0.32% and 0.49%, in the 2020 and 2021 it has been decreased from 0.38% and 0.29%.

In the graph the quick ratio is decreasing and increasing. The standard ratio would be 0.2. The five-year ratio is above 0.2

FIXED ASSETS TURNOVER RATIO

The fixed asset turnover ratio reveals how efficient a company is at generating sales from its existing fixed assets

Year	Sales	Fixed Assets	Fixed Assets Turnover
2017	1458140259.740	258568750.000	5.630
2018	1542727406.800	257204431.530	5.990
2019	802640650.300	255915032.860	0.310
2020	886123762.250	243398074.920	3.640
2021	893474545.000	228860112.230	3.900

Source: Annual report

The fixed asset turnover ratio was 5.63% in 2017, climbed to 5.99% in 2018, declined to 0.31% in 2019, and then increased to 3.64% and 3.90% in 2020 and 2021, respectively. The fixed asset turnover ratio is increased in 2017 and 2018 than rapidly it Decreased in 2019, in the 2020, 2021 the ratio is increasing.

TOTAL ASSETS TURNOVER RATIO

The asset turnover ratio calculates the value of sales or revenues compared to the value of an organization's assets.

Year	Sales	Fixed Assets	Total Assets Turnover
2017	1458140259.74	1614269505.34	0.90
2018	15427274068.80	918601421.11	1.67
2019	802640650.30	833345972.78	0.96
2020	886123762.25	1372600417.45	0.65
2021	893474545.00	1432417091.05	0.61

Source: Annual report

Year	Fixed Assets	Current Assets	Total Assets
2017	258568750.00	1355700755.34	1614269505.34
2018	257204431.53	661396989.58	918601421.11
2019	255915032.86	577430939.92	833345972.78
2020	228860112.23	1143740305.22	1372600417.45
2021	243398074.92	1189019016.13	1432417091.05

Source: Annual report

In above graph the 2016 the total asset turnover ratio is 0.90% in the next (2018) year it increased 1.67%. Later it has been decreased in 2019 and 2020 is 0.96% and 0.65%, 0.61% in the 2021. The graph above displays the overall asset turnover ratio. In the 2018 the ratio is too high. In the 2019, 2020, and 2021 the ratio is decrease.

GROSS PROFIT RATIO

A measure of profitability known as the gross profit ratio is the gross profit as a percentage of net sales. It displays the company's profit after deducting its cost of sales.

Year	Gross Profit	Net Sales	Gross Profit Ratio
2017	133421079.32	1458140259.74	9.15
2018	178764710.74	1542727406.80	11.58
2019	72808973.61	802640650.30	9.07
2020	33727402.92	886123762.25	3.80
2021	-57791856.33	893474545.00	-6.46

Source: Annual report

In above graph the 2017 the gross profit ratio is 9.15% later it has been increased 11.58% in the year 2017 and in 2019 and 2020 it is decreased 9.07% and 3.80%. In the 2021 gross profit ratio is (loss) -6.46%. The gross profit ratio is seen in the graph above; in 2017, it was 9.15; in 2018, it was 11.58; it increased from the prior year and changed quickly; by 2021

NET PROFIT RATIO

The net profit ratio of after-tax profits to net sales

Year	Net Profit	Net Sales	Net Profit Ratio
2017	-266894966.08	1458140259.74	-18.44
2018	-660565107.80	1542727406.80	-42.81
2019	-460397731.51	802640650.30	-57.36
2020	-481596483.64	886123762.25	-54.34
2021	-624467291.14	893474545.00	-69.89

Source: Annual report

The net profit ratio is -18.44% and -42.81% in the 2017 and 2018 than it is decrease in the 2019, 2020 and 2021 is - 57.36%, -54.34% and -69.89% the company get loss. In the 2017, 2018, 2019, 2020 and 2021 the company suffering from losses.

CAPITAL TURNOVER RATIO

The ratio of sales generated per dollar of working capital used in a company is known as working capital turnover.

Year	Sales	Capital Employed	Capital Turnover Ratio
2017	1458140259.74	256931963.00	5.67
2018	1542727406.80	257291234.00	5.99
2019	802640650.30	257962867.00	3.11
2020	886123762.25	259509601.00	3.41
2021	893474545.00	260602812.00	3.42

Source: Annual report

In the 2017 and 2018 the capital turnover ratio is 5.67% and 5.99% later it has been decreased 3.11% and 3.41% in 2019 and 2020. In the 2021 the ratio is 3.42%. The company's capital turnover ratio in the 2018 the ratio is standard than it is decrease in the next year in the 2020 and 2021 it is increased.

RAW MATERIAL COST RATIO

The connection between material consumption costs and sales quantities, particularly in a manufacturing environment

Year	Direct Raw Material Cost	Net Sales	Raw Material Cost Ratio
2017	1336492028.86	1458140259.74	91.65
2018	969821359.74	1542727406.80	62.86
2019	680164501.41	802640650.30	84.74
2020	1259114628.16	886123762.25	142.09
2021	1049312655.96	893474545.00	117.44

Raw material coat ratio is 91.65% in the 2017. Later it has been decreased 62.86% in 2018 than it increased 84.74% and 142.09 in 2019 and 2020. 117.44% in 2021. The raw material cost of ratio is shows in the above graph in the 2020 the ratio is increased than in the next it decrease.

ADMINISTRATIVE OVERHEAD RATIO

An overhead ratio measures the running expenses incurred by a firm in relation to its revenue.

Year	Administrative overhead exp	Net Sales	Administrative Overhead Ratio
2017	46340902.05	1458140259.74	3.17
2018	50419287.37	1542727406.80	3.26
2019	3581941.32	802640650.30	0.44
2020	40237397.53	886123762.25	4.54
2021	38021348.20	893474545.00	4.25

Source: Annual report

In above graph the year 2017 and 2018 the administrative overhead ratio is 3.17% and 3.26% but in the 2019 it is decreased 0.44% than it increased 4.54% and 4.25% in 2020 and 2021. The company's administrative overhead ratio in the 2017 and 2018 the ratio is 3.17% and 3.27% than in 2019 it is decrease in 2020 and 2021 it is increased.

FIXED ASSETS TO SHARE CAPITAL RATIO

The shareholder equity ratio demonstrates how much of a business's assets are financed through the sale of shares as opposed to borrowing money.

Year	Fixed Assets	Share Capital	Fixed Assets to Share Capital Ratio
2017	258568750.00	3401624156.33	0.07
2018	257204431.53	3401020054.15	0.07
2019	255915032.86	257962867.00	0.09
2020	228860112.23	259509601.00	0.93
2021	243398074.92	260602812.00	0.87

Source: Annual report

In above graph the 2017, 2018 and 2019 the fixed asset to share capital ratio is 0.07%, 0.07% and 0.09% in the 2020 and 2021 the ratio is increased little bit 0.93% and 0.87%. The fixed asset to share capital ratio in 2017 to 2021 has been slightly changes and in 2020 and 2021 it will be increased.

FINDINGS

- The company current ratio is higher in the 2017 but it increasing 2018 to 2021. Where the currents assets increase due to the increase in sales.
- It I found that the quick ratio is increasing and decreasing from 2017 to 2022. Which means the SDS company face issues in liquidate the assets
- The fixed asset turnover ratio is increased in 2017 band 2018 but in the 2019 it is rapidly decreased. Because the company facing issues in sales.
- Gross loss and net loss of the company shows that it is increasing 2017 to 2012.
- The cost of the company's raw materials is observed to be rising. In the recent year 2020 and 2021 the administrative overhead expenses are increased.
- In the 2017, 2018, and 2019 the fixed asset to share capital ratio is slightly changes but in the 2020 and 2021 it is increased rapidly.
- The total assets of the company are fluctuating 2017 to 2021.
- It is found that from the company is suffering from gross loss.

SUGGESTIONS

- The company needs to improve the current assets and current liabilities by making increase in sales.
- The company should increase the sales, and reducing the wasting on transportation expenses.
- To raise the fixed assets turnover ratio, the firm should aim to expand its capital assets and fixed assets. The quick ratio varies from year to year, thus the business should establish a standard ratio.
- In the 2019 the fixed assets turnover ratio is decreased 0.31% so the company should increase their sales.
- In the 2018 the company position is good the total asset turnover ratio is also good but in 2019, 2020, and 2022 the ratio is decreased so that the company should maintain their position.
- The company should improve their gross profit and net profit.
- The company should take necessary steps to control administrative overhead and selling expenses.

CONCLUSION

'Ratio analysis' study it was a worthwhile study. It is based on financial statement. Through this ratio to analyze the company balance sheet, trading account and profit and loss account to know the company position in the market. The study's primary foundation is a variety of ratios. In the project analyzing the five years financial statement analysis. Analyzing the financial statement through using the ratios and using the graphs. This project helps to me to learn new things and to know the organization work. How they are achieve their goals.

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