

A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF AURUM JEWELS LTD CHENNAI, TAMILNADU

Submitted in partial fulfillment of the requirements for the award of

Master of Business Administration

by

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

SATHYABAMA
INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)

**Accredited with Grade "A" by NAAC
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BONAFIDE CERTIFICATE

This is to certify that this Project Report is the Bona fide work of **D.MAHALAKSHMI (39410105)** who have done the Project work entitled **A Study on Financial performance analysis of Aurum Jewels Ltd, Chennai, Tamil Nadu** under my supervision from January 2021 to march 2021.

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DECLARATION

I **MAHALAKSHMI D (39410105)** hereby declare that the Project Report entitled “ **A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF AURUM JEWELS LTD**” done by me under the guidance of **Dr.R.THAMILSELVAN, M.Com,MBA,M.Phill,B.Ed.,Ph.D** (Internal) and **MR.NAVEEN.M MBA**(External) at **AURUM JEWELS LTD CHENNAI** is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

DATE:

PLACE: CHENNAI

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MAHALAKSHMI D

ABSTRACT

The project titled "A Study on Financial Performance analysis of Aurum jewels Ltd" deals with the financial statement analysis refers to an assessment of the viability, stability and profitability of a business, project. The main aim of financial performance analysis is to judge the financial health undertaking and to judge the earning capacity of the organisation and to provide the company with appraise for investment opportunity or potentially. The idea behind this study is to analyse the financial operating position of the company. This research is done with help of secondary data which is gathered from the annual report of past five years the company. The financial performance can be measured by using various financial tools such as profitability ratio, solvency ratio, comparative statement, common size, trend analysis are the tools to analyse the financial performance of the company etc. Based on the analysis, findings have been arrived that the company has got enough funds to meet its debts & liabilities.

The study reveals the financial performance of the company has been better. But the company's profit over the last two years has been decreasing when compared to previous years. So, the management should take necessary steps to improve their financials.

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CHAPTER- I

1.1 INTRODUCTION OF STUDY:

A Study of financial performance analysis with reference to AURUM jewels limited is based on understanding the past present and future of the company. The study explains in brief about the financial position of the company. The objectives of the study is to analyze the performance and regulations of the company to meet its current obligations. Financial statement analyze is a technique of revising and analyzing an organization accounting reports or financial reports as to consider its previous present or upcoming execution. It ensures the firms policies and operations in monetary terms. Financial performance analysis is mainly for decision making purpose.

The information given in financial statement is of immense use in decision through analyses and interpretation of financial statement. Financial analysis is the process of identifying financial strength and weakness of firm by properly establishing the relationship between the items of balance sheet and profit and loss account.

FINANCIAL PERFORMANCE ANALYSIS:

Financial Performance in broader sense refers to the degree to which financial objectives being or has been accomplished and is an important aspect of finance risk management. It is the process of measuring the results of a firm's policies and operations in monetary terms. It is used to measure firm's overall financial health over a given period of time and can also be used to compare similar firms across the same industry or to compare industries or sectors in aggregation.



MEANING OF FINANCIAL STATEMENT ANALYSIS

The term 'financial analysis', also known as analysis and interpretation of financial statements', refers to the process of determining financial strengths and weaknesses of the firm by establishing strategic relationship between the items of the balance sheet, profit and loss account and other operative data.

"Analysing financial statements," according to Metcalf and Titard, "is a process of evaluating the relationship between component parts of a financial statement to obtain a better understanding of a firm's position and performance."

In the words of Myers, "Financial statement analysis is largely a study of relationship among the various financial factors in a business as disclosed by a single set-of statements and a study of the trend of these factors as shown in a series of statements."

The analysis and interpretation of financial statements is essential to bring out the mystery behind the figures in financial statements., ability to pay interest and debt maturities (both current and long-term) and profitability of a sound dividend policy.

The term 'financial statement analysis' includes both 'analysis', and 'interpretation'. A distinction should, therefore, be made between the two terms. While the term 'analysis' is used to mean the simplification of financial data by methodical classification of the data given in the financial statements, 'interpretation' means, 'explaining the meaning and significance of the data so simplified.'



DEFINITION:

Financial analysis is the process of identifying the financial strengths and weakness of firm by properly establishing relationship between the items of the balance sheet and profit and loss account. The purpose of financial analysis is to diagnose the information contained in the financial statements so as to judge the profitability and financial soundness of the firm. A financial analyst, analyses the financial statements with various tools of analysis before commenting upon the financial position of the enterprises

Significance of Financial Performance Measurement:

- Assessing the operational efficiency and managerial effectiveness of the company.
- Analysing the financial strengths and weaknesses and creditworthiness of the company.
- Analysing the current position of financial analysis, Assessing the types of assets owned by a business enterprise and the liabilities which are due to the enterprise.
- Providing information about the cash position company is holding and how much debt the company has in relation to equity.
- Studying the reasonability of stock and debtors held by the company.

The parties involved:

- **Trade creditors:** interested in the liquidity of the firm (appraisal of firm's liquidity)
- **Bond holders:** interested in the cash-flow ability of the firm (appraisal of firm's capital structure, the major sources and uses of funds, profitability over time, and projection of future profitability)
- **Investors:** interested in present and expected future earnings as well as stability of these earnings (appraisal of firm's profitability and financial condition)

OBJECTIVES OF FINANCIAL ANALYSIS

However, the following purposes or objectives of financial statements analysis may be stated to bring out the significance of such analysis:

- i) To assess the earning capacity or profitability of the firm.
- ii) To assess the operational efficiency and managerial effectiveness.
- iii) To assess the short term as well as long term solvency position of the firm.
- iv) To identify the reasons for change in profitability and financial position of the firm.
- v) To make inter-firm comparison.
- vi) To make forecasts about future prospects of the firm.
- vii) To assess the progress of the firm over a period of time.
- viii) To help in decision making and control.

The operational efficiency of the concern as a whole as well as department wise can be assessed. Hence the management can easily locate the areas of efficiency and inefficiency. The solvency of the firm, both short-term and long-term, can be determined with the help of financial statement analysis which is beneficial to trade creditors and debenture holders. The comparative study in regard to one firm with another firm or one department with another department is possible by the analysis of financial statements. Analysis of past results in respects of earning and financial position of the enterprise is of great help in forecasting the future results. Hence it helps in preparing budgets. It facilitates the assessments of financial stability of the concern. The long-term liquidity position of funds can be assessed by the analysis of financial statements.

Parties interested in financial analysis:

The following parties are interested in the analysis of financial statements:

- (1) Investors or potential investors.
- (2) Management.
- (3) Creditors or suppliers.
- (4) Bankers and financial institutions.
- (5) Employees.
- (6) Government.
- (7) Trade associations.
- (8) Stock exchanges.
- (9) Economists and researchers.
- (10) Taxation authorities

Limitations of financial analysis:

Financial analysis is a powerful mechanism of determining financial strengths and weaknesses of a firm. But, the analysis is based on the information available in the financial statements. Thus, the financial analysis suffers from serious inherent limitations of financial statements.

The financial analyst has also to be careful about the impact of price level changes, window-dressing of financial statements, changes in accounting policies of a firm, accounting concepts and conventions, and personal judgments, etc.

Some of the important limitations of financial analysis are, however, summed up as below:

- (i) It is only a study of interim reports
- (ii) Financial analysis is based upon only monetary information and non-monetary factors are ignored.
- (iii) It does not consider changes in price levels.
- (iv) As the financial statements are prepared on the basis of a going concern, it does not give exact position. Thus accounting concepts and conventions cause a serious limitation to financial analysis.
- (v) Changes in accounting procedure by a firm may often make financial analysis misleading.
- (vi) Analysis is only a means and not an end in itself. The analyst has to make interpretation and draw his own conclusions. Different people may interpret the same analysis in different ways.

Types of Financial Analysis:

Financial analysis can be both internal and external.

Internal financial analysis:

Internal financial analysis (also known as managerial financial analysis) is necessary for meeting the own requirements of a company. It is aimed on determination of liquidity or results estimation of a last fiscal period. Usual output of internal analysis is a set of administrative decisions - combination of various measures intended for optimization of certain issue within the business. The internal analysis is typically performed inside a company by its financial department and constantly revised because of changes in macro- and microeconomic environment. Due to the nature of data sources using for the internal analysis (internal accounting books and reports), its results are always precise.

External financial analysis:

An external analyst does not have access to internal financial data and, hence, has to carry out so-called external financial analysis, when initiative does not belong to a company's management, but to a third party. The main goal and objectives of external analysis may differ from its managerial analogue. The defining a creditworthiness and investment possibilities by an investor, may serve purposes of an external financial analysis. In similar way, financial liquidity or solvency can be of interest for a bank. To make a better decision, potential business partners wish to know maximum available information about a firm and amount of risk involved in respect of investments profitability and possible gains and losses. External financial analysis is based on published accounting statements and aimed on prediction of a possible bankruptcy, assessment of business performance and financial sustainability of a company. Irrespective of type of the analysis, its methods are very similar in their determination and interpretation of various financial ratios, studying of changes over time and structural changes of articles. Correct application of financial analysis allows answering many questions concerning financial health of a business.

1.1 INDUSTRY PROFILE:

In a jewellery industry, the value of gold would always be lesser than what its price rate. And hence if a customer wished to sell gold jewellery, it would often deprive of its worth as a jewellery devised immunerable ways to detect heavily on gold weight thereby giving the customer amount, below expectations. Aurum introduced a revolutionary policy of giving back 100% market value of a gold to a customer so as to increase and sustain faith in the gold jewellery industry. Quality leaders, still – in the new millennium. Today under the leadership of dimple Chaudury she has carved niche for itself and its one of the few jewellery organisations where the operations are run by team of hardworking, dedicated, and qualified professionals.

The Aurum sector plays a significant role in the Indian economy, contributing around 7% to country's GDP and 15% to India's total merchandise export. It employs over 4.64 million people, which is expected to reach 8.23 million by 2022. One of the fastest growing sectors, it is extremely export oriented and labour intensive.

Based on its potential for growth and value addition, the Government declared gems and jewellery sector as a focus area for export promotion. The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market.

India is deemed to be the hub of the global jewellery market because of its low costs and availability of high-skilled labour. India is the world's largest cutting and polishing centre for diamonds, with the cutting and polishing industry being well supported by Government policies. Moreover, India exports 75% of the world's polished diamonds as per statistics from aurum. India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs). Government has viewed this sector as a thrust area for export promotion. The Indian Government presently allows 100% Foreign Direct Investment (FDI) in the sector through the automatic route.

1.2 COMPANY PROFILE:

Aurum Jewels Limited is a Non-govt company, incorporated on 14 Mar, 2007. It's a public unlisted company and is classified as 'Company limited by shares'.

Company's authorized capital stands at Rs 1000.0 lakhs and has 33.4902% paid-up capital which is Rs 334.9 lakhs. Aurum Jewels Limited last annual general meet (AGM) happened on 30 Sep, 2017. The company last updated its financials on 31 Mar, 2017 as per Ministry of Corporate Affairs (MCA).

Aurum Jewels Limited is majorly in Manufacturing (Metals & Chemicals, and products thereof) business from last 13 years and currently, company operations are active.

Aurum Jewels Limited Company's main objective is Manufacture of basic precious and non-ferrous metals and work to be done under the same is Manufacture of basic precious and non-ferrous metals. The latest Annual General Meeting of AURUM JEWELS LIMITED COMPANY was last held on 30 September 2017 and the Balance sheet was last updated on 31 March 2017.



Directors are basically the people or the force running the Entity i.e. the Decision makers of the concerned organization and the Directors of AURUM JEWELS LIMITED COMPANY are Dimple Chaudhury, Sheik SamsuAlam, Rupsona Begam Shekh, Hajra Bibi Shahalam, JakariaMohdNurulhSekh& Mehta Sujathaa. As per the Contact information with the MCA, the email address in the Registrar of Companies (R.O.C)

1.2.1 Company details:

CIN U27205TN2007PLC062706

Company Name	AURUM JEWELS LIMITED
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Company Status	ACTIVE
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ROC	ROC-Chennai
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Registration Number	62706
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Company Category	Company limited by Shares
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Company Sub Category	Non-govt company
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Class of Company	Public
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Date of Incorporation	14 March 2007
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Age of Company	13 years, 9 month, 12 days
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1.2.2 Area of Operations:

- Chennai
- Kolkata
- Cuttack
- Bangalore
- Hyderabad
- Lucknow
- Varanasi
- Patna

1.2.3 Vision, Mission and Quality Policy:

Our Mission:

AURUM aims to be the world's largest jewellery manufacturer and timeless jewellery creator, delivering innovative designs of finest quality to everyone of the customers delight.

Our Vision:

AURUM Will achieve the world's largest jewellery manufacturer status through art infrastructure, product research & development, dedicated team involvement, lean management practices, ethical business approach, better value for money, customer focus, continuous improvement of processes and the products to penetrate into newer market.

Quality Policy:

We at AURUM committed to ensures quality in our jewellery by building systems and procedures at all stages in order to enhance Customer Satisfaction and make them delight. We review, measure and continually improve through product, process, quality and system objectives related to our business

History of Company:

AURUM JEWELS LIMITED is a public company. It was incorporated in 14/03/2007. This company is registered under Registrar of Companies (ROC-Chennai) and it is classified as the Indian Non-Government Company.

Its authorized capital is Rs. 100,000,000 and its Paid up capital is Rs. 33,490,200. Aurum Jewels Limited Annual General Meeting (AGM) was last held on 2013-09-30 and its balance sheet date is 2013-03-31...

Aurum Jewels Limited was involved in Basic precious metal & bye products of gold, manufacturing, Basic precious metal & bye products of silver, manufacturing, Basic precious metals & bye products of platinum group, manufacturing, Manufacture of basic precious metals and by products

Gold Purity Analyser:

It is accepted method of chemistry analysis and determination of purity and fineness of precious metals. XRF analysis is a Multi Elemental testing alternative

Given the current high value of gold, quantifying its fineness and purity is more critical than ever. Whether you buy gold, sell or produce jewellery, fabricate metal, or recycle scrap metal, you need a fast, highly accurate method to determine karatage (gold content) for quality control and pricing.

The Innov-X GoldXpert XRF analyser is an easy-to-use, cost-effective method to obtain alloy chemistry and karat classification with one Non Destructive and nonintrusive test. Additionally, an exclusive GoldXpert software feature helps identify gold-plated objects and sends an alert to the screen.



Gold Tester:

Karat meter is a scientific instrument which uses X-rays to give an exact reading of the purity of gold. Due to its very high precision and fast result, X-ray analysis has been adopted by international agencies in India as part of the certification process used to hallmark gold. It is an accurate, non-destructive means of testing the purity of gold and other related elements. X-Ray method of Gold analysis gives the purity of gold up to 10-12 microns and hence it gives the analysis of coating only.

Using this technique, the precise percentage or karat (of karat) in a solid piece of jewellery can be determined in 30 seconds. It also accurately determines the element composition of all types of gold, white gold, platinum, silver, palladium, rhodium and related alloys.



1.3 Need for study:

Financial analysis is a powerful mechanism which helps in ascertaining the strengths and weakness in the operation and financial position of an enterprise. Financial analysis is the starting point for making plans, before using any Sophistical forecasting and planning procedures. This study helps to understand financial position of the company. This study suggests possible solution to overcome working capital problem. The financial statements need to evaluate a company's profitability, liquidity, and solvency. The most common methods used for financial statement analysis are trend analysis, common-size statements, and ratio analysis. These methods include calculations and comparisons of the results to historical company data, competitors, or industry averages to determine the relative strength and performance of the company being analysed.

1.4 Statement of the problem

The problem faced is to control the inventory and is absolutely necessary to run the efficient business and make into progress. We take look at common inventory management problem causes like stocks in Godowns, lack of knowledge of employees in using of chemicals, high cost of inventory, low rate of inventory turnover, high cost of storage. And being unaware of inventory levels has large negative impact on supply chain. Inefficient process is with the availability of technology many companies still be outdated of inventory management system. Moreover, the competitions are increasing drastically, so that the need of the customers are constantly changing and now they are looking to distributors to more flexible with their orders. Because of inventory rises and falls, the financial position and turnover of the company is decreasing.

1.5 Objectives of Study:

- To study the earning capacity or profitability of the Aurum jewels ltd.
- To analyse and compare the financial position of the company under study
- To measure the short term as well as long term credit worthiness position of the company under study
- To determine liquidity position of the company based on turnover of the company under study

1.6 Scope of study:

The study covers almost the entire area of financials operations covered by “Aurum Jewels Limited”. The study has been conducted with the help of data obtained from auditing financial records. The auditing financial records of the company pertaining to past 5 years of auditing financial records are obtained from the company annual report. The Conclusions are drawn from the analysis done with the ratios, comparative, common size study. The study elucidates the financial position of the company with respect to the past five years. It helps the company to place itself among various other competitive companies.

The study through the analysis reveals the pros and cons of the company's financial status. It enables the reader to understand the various financial aspects of a company through uncomplicated interpretation and findings for study purpose.

1.7 Limitations of the study:

Here the study is based on past five years data. Only past data of accounting information is included in the financial statements, which are analysed. The future cannot be just like past. Hence, the analysis of financial data. cannot provide a basis for future estimation.

1.8 Chapter Framework:

Financial Performance Analysis Organised into Five Chapters Namely:

Chapter-1

This Chapter Deals with Introduction, Industry Profile, Company Profile, Objectives of Study, Need for Study, theoretical Study, Statement of Problem and Limitations of Study.

Chapter-2

This Chapter Deals with Review of Literature

Chapter-3

This Chapter Deals with Research Methodology, Research Design, Data Collection, Sample Size and Period Of Study.

Chapter-4

It Deals with Data Analysis and Interpretations.

Chapter-5

This Chapter Deals with Findings, Suggestions and Conclusions.

CHAPTER II

2.1 REVIEW OF LITERATURE

“Jagannadha Rao (1998):” “Financial performance of the company is the cumulative result”. Pg. no 33. This study states that there is poor condition of financial performance of the corporation is the cumulative result of unfavourable factors such as continuous low capacity utilization of the units, fall in sugar recovery in some of the units, poor operational performance, high cane price advised by the State Government and paid up by the company, low levy price of sugar.

“Pai, Vadivel & Kamala (1998)” have studied about the diversified companies and financial performance. Main purpose of research was found out the relationship between diversified firms and their financial performance. For the purpose of research, they have selected seven large firms and analysed those firm which having different products-both related and otherwise-in their portfolio and operating in diverse industries. In this study, a set of performance measures / ratios was employed to determine the level of financial performance and variation in performance from one firm to another has been observed and statistically established. They revealed that the diversified firms studied have been healthy financial performance.

“Hitchings (1999)”: “ratio checked is a complex and valued tool”. journal of the operative Research Society 1-17. In this study realized that ratio examination is a complex and valued tool in credit assessment which is to estimate the capability of a mortgagor to meet its debt obligations.

“Bollen (1999)”: “Ratio Variables in info analysis”. This study describes the ratios as indices of concepts; a problem can arise if it is retreated on other indices or variables that hold a common component.

“Shukla, M. S. 7 (2000)” highlighted the financial performance analysis of gems and jewellery in the Indian historical perspective. He told that pearls and precious stones were known as specialty of India at a very remote epoch. India was indeed

the first and for a long time the only source of diamonds and pearls known to the European nations.

“Aggarwal & Singla (2001)” have studied about developed a single index of financial performance through the technique of Multiple Discriminate Analysis (MDA), by selecting 11 ratios and selected ratios used as inputs. For the purpose of analysis they selected only those ratios, which was relevant in distinguish between profit making units and loss making units in Indian paper industry. They concluded that, the model has correctly classified 82.14 percent of units selected as profit making and loss marking. They mentioned in their study the inventory turnover ratio, interest coverage ratio, net profit to total assets and earnings per share are the most important indicators of financial performance. Also they suggested suggests that the results of Multiple Discriminate Analysis could be used as predictor of future profitability

“Loundes (2001)” analyzed ‘The Financial performance of Australian Government Trading Enterprises Pre & Post-Reform’ revealed that during the 1990's. Main objectives of the study was to discover whether there had been any change in the financial performance of government trading enterprises operating in electricity, gas, water, railways and ports industries as a result of these changes. He had concluded that that it did not appear to have been a noticeable enhancement in the financial performance of most of this business, although railways have improved slightly, from a low base. He has suggested several measures introduced to improve the efficiency and financial performance of government trading enterprises in Australia.

“ Ramamrutham, Usha B. K., Meera Sushil Kumar 10 (2001)” explained that the jewellery of India is a vital expression of the country s aesthetic and cultural history. They presented factual information with many fascinating tales recorded in historical chronicles. The jewellery of India represents one of the greatest traditions of human craftsmanship in the world. It has been worn by women as adornment and by men as a proclamation of the power and as a symbol of rank and religious loyalty.

“Garga, Pawan Kumar 11 (2002)” studied the various aspects of financial needs to export promotion activities besides highlighting the hidden potential of India s major products and how India can increase its share in the world exports.

“Bhandari, Vandana 12 (2004)” found in his study that costumes, textiles and jewellery of India unravels the beautiful and sophisticated language of traditional Indian costumes. In this detailed study of the complex role played by clothing and ornamentation in Indian society. It focuses on the state of Rajasthan, one of India's most celebrated and historically rich regions. She explored that how Indian costumes and jewellery reflects the wearer's marital status, occupation, seasonal changes and religious commitment, serving as an essential symbol of their identity. Bhandari demonstrated in his study the cultural, social, historic and technical aspects of textiles, costumes and jewellery.

“Mukherjee, Arpita and Nitisha Patel 13 (2005)” stated that the Indian gems and jewellery sector offers huge potential for growth and exports and government provides various incentives for promoting exports. They reported that India is the largest consumer of the gold. Indian gems and jewellery sector is leading foreign exchange earner and employment provider.

“Kala, Alok 15 (2005)” discussed the various financial performance there to Product wise, Year-wise and port-wise data of gems and jewellery have been presented during the period to Latest tools and technology for gems and jewellery sector have been discussed and various types of information regarding gems and jewellery trade have been presented in this year book. It is an essential for traders of gems and jewellery products.

“Sur & Chakraborty (2006)” have discussed about financial performance of Indian Pharmaceutical industry. They have been made the comparative analysis the financial performance of Indian Pharmaceutical industry for the period 1993 to 2002 by selecting six notable companies of the industry. They explained that the Indian Pharmaceutical industry has been playing a very significant role in increasing the life expectancy and in decreasing the mortality rate and it is the 5th largest in terms of volume and the 14th largest in value terms in the world. The comparison has been made from almost all points of view regarding financial performance using relevant mathematical programming methodology tool DEA (Data envelopment analysis).

“Dietrich Berger (2007)” told that, recently, selling gold jewelry and jewelry with gemstones have grown to be extremely popular because of the escalating gold and rare metal prices.

“Gaabalwe(2007)” has done descriptive studies on “financial performance measurement of South Africa’s top companies: an exploratory investigation” he has made study on the base of empirical, he applied accounting tools like ratio and applied statistical tools like mean, standard deviation, and z test. For the purpose of analysis he has facilitated the analysis and interpretation; the ZScores of the sampled companies were expediently used to classify the companies into three categories like high, medium and low. Results also implied significant differences for the current ratio, liquidity ratio, return on capital employed ratio, debts-equity ratio, whereas insignificant differences for inventory ratio, debtors ratio, total assets turnover ratio, current assets turnover ratio, gross profit margin ratio, net profit ratio.

“Paul newton & Helon (2007)” has done descriptive studies on “financial performance measurement “: an exploratory investigation” he has made study on the base of empirical, he applied accounting tools like ratio and applied statistical tools like mean, standard deviation, and z test. For the purpose of analysis he has facilitated the analysis and interpretation; the ZScores of the sampled companies were expediently used to classify the companies into three categories like high, medium and low. Results also implied significant differences for the current ratio, liquidity ratio, return on capital employed ratio, debts-equity ratio, whereas insignificant differences for inventory ratio, debtors ratio, total assets turnover ratio, current assets turnover ratio, gross profit margin ratio, net profit ratio.

“Jhala (2007)” discussed in her Ph. D thesis about “An Analytical Study of Financial Performance of Refinery Industry of India” and for the purpose of analysis, seven units have taken for the period 1998-2003 for the analytical study of performance of the selected units. In this research, she has covered the financial aspects of these 7 units and has been analyzed by performance analysis. She had tried to get most significant and viscous finance related data of the selected units and Z-score, Anova test, various ratio analysis, correlation matrix trend analysis.

“Mathur, Asha Rani 16 (2007)” identified the fabled wealth of India. For centuries, her gold and gems brought to her land both merchants and invaders. She told about

the tradition, ranges, varieties, best known techniques and manifestations and an overview of contemporary jewellery. Mathur's study is a glimpse of Indian jewellery in its totality.

"Toby (2007)" did research on "Financial management modelling of the performance of Nigerian Quoted Small and medium-sized Enterprises. He has concluded that the sustained growth, adequate liquidity and requisite profitability in the Small and Medium sized Enterprise sector is significantly related to their investment and financing decisions.

"Mukherjee, Ishita 18 (2008)" dealt with an emerging global industry the gems and jewellery industry, which is on the way to a huge information. This industry is extremely global in nature. She told that gems and jewellery industry can be classified into various sub-sectors such as gemstones, jewellery and pearls. Over the years, the global gems and jewellery markets have been impacted by various developments like falling trade barriers, increasing competition, changing customer preferences and developments in technology in various areas.

"GJEPC 19 (2008)" highlighted that financial statement of the current global economic meltdown has hit the Indian gems and jewellery industry. Update on the diamond industry and reduction in the value addition norms for gems and jewellery industry has also been discussed. Export and import data of gems and jewellery products have also been displayed in this newsletter.

"Neumann and Roberts (2008)": "financial occasions are indicated more esteem", This investigation portrays money related measures are given additional incentive over nonbudgetary measures and ROI is the single execution gauge to which directors give more weightage

"Pan, Albert 21 (2008)" presented a full view of Chinese gems and jewellery market and suitable suggestions for sales jewellery products in China. Albert discussed and analysed China market competition, market size, sale channel, consumer characteristic, import and export process, market trend and potential forecast etc.

"GJEPC 22 (2009)" discussed the major highlights of the Foreign Trade Policy (FTP) for gems and jewellery sector. It studied the contribution of various gems and jewellery products in India's exports of last ten years. It also discussed the

objectives, functions and facilities provided by Gem and Jewellery Export Promotion Council (GJEPC) to boost the trade of gems and jewellery products.

“Siegel, Dina 23 (2009)” highlighted the presence of Indian dealers, community and Indian market in Antwerp. In his study, Siegel stated that most of the families involved in the diamond sector in Antwerp came from the region of Gujarat, a region with a longstanding tradition of migration all over the world.

“Government of India (2009), The Sparkle of Success”: The Indian Gem and Jewellery Industry, Gem and Jewellery Export Promotion Council, Ministry of Commerce and Industry, Government of India, New Delhi.

“Siegel, Dina (2009)”, The Mazzel Ritual: Culture, Customs and Crime in the Diamond Trade, Springer Science+Business Media, New York. 24.

“Kala, Alok (2009)”, Journal of Gem and Jewellery Industry, International Journal House, Jaipur, Vol. 47, No. 4, April, pp Simoni, Christian and Samuel Rabino (2010), Italian and Indian Gold and Jewellery SMEs, Marketing Practices in the USA: A Comparative Case Study Published in Journal of Small Business and Enterprise Development, Vol. 17, Issue 3, pp Online at emeraldinsight.com. 2

“Simoni, Christian and Samuel Rabino 25 (2010)” examined current patterns of international marketing activities of Italian gold firms with a special emphasis on the USA market and juxtaposed them with those adopted 339 by Indian gold firms. They evaluated small companies based in two regions (Arezzo and Hyderabad, India). They told that competitive behaviour of Italian Small and Medium Enterprises (SMEs) is primarily reactive, whereas Indian companies strategically focus on the expending Indian immigrant community.

“Gaur jighyasu (2010)” focuses on the measurement of financial performance of business group companies of Non metallic mineral products industries of India. This

study uses the 57 business group companies' financial data of Non metallic mineral products industries of India such as glass, cement, jewellery and gems etc.

“AmalenduBhunia (2010)” took the analysis of pharmaceutical company's financial performance to understand how the management of finance playing a crucial role in the growth. For a period of twelve years the study has undertaken from 1997-98 to 2008-09.

“Kuriyan, Vinod 26 (2010)” reported that the Indian diamond industry stands clearly above most of the competition. He told that the single easiest way to check on how the Indian diamond industry is doing today is to look at all the online diamond trading systems such as index online, etc. He also reported that the industry should push harder to ensure that its products get to more markets around the world if it wants to sustain value growth.

“Bijlani, Shanoo and Regan Luis 27 (2010)” reported that gems and jewellery industry has the potential to grow at an estimate of \$ 45 billion to \$100 billion by They stated that the jewellery industry featured two major sub-segments gold and diamonds with the former constituting 80 per cent of the jewellery market. Gems and Jewellery Products (GJPs) are expected to grow at compounded annual growth rate of 15 per cent. However, the Indian gems and jewellery market is unregulated and pricing is mostly based on the value of gold and labour charges. Most purchases in jewellery are investment oriented and so, they get commoditized. The integration of jewellery, luxury and fashion should be the next step for the ever-growing gems and jewellery sector.

“Shynmalie and Dhamika Abeysinghe 29 (2010)” observed that the gems and jewellery industry in Sri Lanka has been capable enough to develop a competitive product base but has been positioned to experience a reduction in market value. This reduction has resulted in the disintegration of the industry value system, forcing the firms to work in isolation. They stated that the industry value system is handled by private sector entrepreneurship without state interference.

“Kala, Alok 30 (2010)” reported that gems and jewellery industry has registered a 16 per cent increase in the total gems and jewellery exports in The industry

contributes 13 per cent to India's total merchandise exports. The figure stated that India's diamond share in world market witnessed an increase from 60 to 70 per cent in value terms. The USA remained India's largest consumer of jewellery. He stated that Indian diamond industry has now come out of recession. 35

"Kuriyan, Vinod (2010)," Indian Diamond Industry Stands Above the Others, Published in Solitaire International, MeneckDavar Publication, Mumbai, March, pp Online at

"Bijlani, Shanoo and Regan Luis (2010)", Study Thinks Indian Industry could Reach \$ 100 Bn by 2015, Published in Solitaire International, MeneckDavar Publication, Mumbai, February, pp Available from Export Import Bank (2010), Indian Gems and jewellery: A Sector Study, Occasional Paper no. 138, Quest Publications, Mumbai. Online from Ekanayake,

"Shynmalie and Dhamika Abeysinghe (2010)", Entrepreneurial Strategic Innovation Model for Attaining Premium Value for the Sri Lankan Gem and Jewellery Industry.

"Sharma Nishi (2011)" studied the financial performance of passenger and commercial vehicle segment of the automobile industry in the terms of four financial parameters namely liquidity, profitability, leverage and managerial efficiency analysis for the period of decade from 2001-02 to 2010-11. The study concludes that profitability and managerial efficiency of Tata motors as well as Mahindra & Mahindra Ltd are satisfactory but their liquidity position is not satisfactory. The liquidity position of commercial vehicle is much better than passenger vehicle segment.

2.2 THEORITICAL ANALYSIS:

Ratio Analysis

Ratio analysis is the comparison of line items in the financial statements of a business. Ratio analysis is used to evaluate a number of issues with an entity, such as its liquidity, efficiency of operations, and profitability. This type of analysis is particularly useful to analysts outside of a business, since their primary source of information about an organization is its financial statements. Ratio analysis is particularly useful when used in the following two ways:

1. Current Ratio:

The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. ... The current ratio is called "current" because, unlike some other liquidity ratios, it incorporates all current assets and current liabilities.

Formula: $\text{Current Ratio} = \text{Current asset} / \text{Current liabilities}$

2. Quick Ratio

The quick ratio is an indicator of a company's short-term liquidity position and measures a company's ability to meet its short-term obligations with its most liquid assets. ... An "acid test" is a slang term for a quick test designed to produce instant result.

Formula: $\text{Quick ratio} = \text{Current assets} - \text{inventory} / \text{current liabilities}$

3.Cash Ratio: The cash ratio is a measure of the liquidity of a firm, namely the ratio of the total assets and cash equivalents of a firm to its current liabilities. The metric calculates the ability of a company to repay its short-term debt with cash or near-cash resources, such as securities which are easily marketable.

Formula: $\text{Cash Ratio} = \text{cash} + \text{cash \& cash equivalents} / \text{current liabilities}$

4. Gross Profit Ratio:

Gross profit ratio (GP ratio) is a financial ratio that measures the performance and efficiency of a business by dividing its gross profit figure by the total net sales. ... It is then called gross profit percentage or gross profit margin.

Formula: *Gross Profit Ratio*=Gross profit/ sales*100

5.Net Profit Ratio:

The Net profit percentage is the ratio of profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income tax recognized

Formula: *Net profit ratio*= Net profit / sales*100

6. Operating Profit Ratio:

Operating ratio (also known as operating cost ratio or operating expense ratio) is computed by dividing operating expenses of a particular period by net sales made during that period. Like expense ratio, it is expressed in percentage.

Formula: *operating Profit Ratio*=Operating profit/ sales*100

7.Debt to Net Worth Ratio:

If you have no debt, your net worth is simply the sum of all of your assets. Then, to find your debt-to-net-worth ratio, divide your total debt by your total net worth and multiply by 100 to get a percentage.

Formula: *Debt to Net Worth Ratio*=Total liabilities/ Net worth.

8.Inventory Turnover Ratio:

Inventory turnover is a ratio that measures the number of times inventory is sold or consumed in a given time period. Also known as inventory turns, stock turn, and stock turnover, the inventory turnover formula is calculated by dividing the cost of goods sold (COGS) by average inventory.

Formula: *Inventory Turnover Ratio*=Cost of goods sold/ average inventory.

9.Capitalturnover Ratio:

The capital turnover ratio is calculated by dividing net annual sales by the average amount of working capital—Total assets minus current liabilities—during the same 12-month period.

Formula: *Capital Turnover Ratio*=Sales/ capital employed

10.Return on Equity

Return on equity (ROE) is a measure of financial performance calculated by dividing net income by shareholders' equity. Because shareholders' equity is equal to a company's assets minus its debt, ROE is considered the return on net assets.

Formula: *Return on Equity*=Net income/shareholder equity

11.Earning Per Share:

Earning per share is a small variation of return on equity capital. It provides a view of the comparative earnings when it compares with that of similar other companies. Thus, the earnings per share are a good measure of profitability.

Formula: *Earning Per Share*= Net profit after preference dividend/ No of equity shares

12.Return on Asset:

Return on asset is an indicator of how profitable a company is relative better to its total assets. ROA gives a manager, investor, or analyst an idea as to how efficient a company management is at using its assets to generate earnings.

Formula: *Return on asset*=Net income/ total assets

13. Fixed Assets to Net worth Ratio:

This ratio is relationship between fixed assets and share capital fund. This ratio is also called fixed assets to net worth ratio.

Formula: *Fixed assets to worth Ratio*= Fixed Assets / Net worth

14.Share Holder Equity Ratio:

Shareholders' equity (or business net worth) shows how much the owners of a company have invested in the business—either by investing money in it or by retaining earnings over time. On the balance sheet, shareholders' equity is broken down into three categories: common shares, preferred shares and retained earnings.

Formula: *Shareholder Equity Ratio*= Total Asset-Total liabilities

15.Debt-Equity Ratio

This ratio helps to ascertain the soundness of the long term financial position of the Company. It indicates the proportion between total long term debt and the shareholder funds. This also indicates the extent to which the firm depends upon outsiders for its existence.

Formula: *Debt Equity Ratio*= Total Long Term debt / Shareholders funds

16. Proprietary Ratio:

Proprietary Ratio shows the relationship between shareholders' funds to total assets of the concern. The shareholders' funds are equity share capital, preference share capital, undistributed profits, reserves and surpluses.

Formula: *Proprietary Ratio* = Share Holders funds / total assets

17. Asset Turnover Ratio:

Asset turnover, total asset turnover, or asset turns is a financial ratio that measures the efficiency of a company's use of its assets in generating sales revenue or sales income to the company.

Formula: *Asset Turnover Ratio* = Net sales / Average total asset

2.2.2 Importance of ratio analysis

- ***Financial statement analysis:***

Understanding financial statements are important for stakeholders of the company. Ratio analysis helps in understanding the comparison of these numbers; furthermore, it helps in estimating numbers from income statements and balance sheets for the future. For e.g. Equity shareholder looks into the P/E dividend Payout ratio, etc. while creditors, Gross margin ratio, Debt to asset ratio, etc.

- ***Efficiency of Company***

Ratio analysis is important in understanding the company's ability to generate profit. Return on Asset, Returns on Equity tell us how much profit the company is able to generate over assets of the firm and equity investments in the firm, while gross margin and operating margin ratios tell us the company's ability to generate profit from sales and operating efficiency.

- ***Planning and forecasting:***

From a Management and investor point of view, ratio analysis helps to understand and estimate the company's future financials and operations. Ratios formed from past financial statement analysis helps in estimating future financials, budgeting, and planning for the future operations of the company.

- ***Identifying risk and taking corrective actions:***

The company operates under various business, market, operations related risks. Ratio analysis helps in understanding these risks and helps management to prepare and take necessary actions. Leverage ratios help in performing sensitivity analysis of various factors affecting the company's profitability like sales, cost, debt. Financial leverage ratios like Interest Coverage ratio and Debt Coverage ratio tell how much the company is dependent on external capital sources and the company's ability to repay debt.

- ***Peers comparision:***

Investor, as well as the company's management, makes a comparison with Competitors Company to understand efficiency, profitability and market share. Ratio analysis is helpful for companies to perform SWOT (Strengths, Weakness, Opportunities, and Threats) analysis in the market. It also tells whether the company is able to perform growth or not over a period from past financials and whether the company's financial position is improving or not.

- ***A Better source of communication:***

Ratio analysis is important while presenting the financials of the company to its stakeholders. Ratios make it easy to understand than complex and huge numbers. Sometimes numbers can be deceitful which leads to investors losing confidence, but ratio analysis helps the investor to understand the situation of the company after comparison and helps them to keep investing in the business.

- ***Financial solvency***

The company's ability to pay short-term debt is determined by liquidity. Current Ratio, Acid-test ratio tells us whether a company is able to pay its short-term obligation within a year. The company continuously runs analysis on past financial statements to understand and prepare for payment of short-term obligations.

- ***Decision making:***

Ratios provide important information on the operational efficiency of the company, and the utilization of resources by the company. It helps management to forecast and planning for future, new goals, concentrate on the different markets, etc.

- ***Trend line:***

Ratio analysis gives us the trend line, which indicates whether a company is able to perform over a period or not. Companies gather data from past reporting periods

trend line formed can be used to understand and judge future performance and any possible issue which cannot be found from just one-year ratio analysis.

- ***Important tool:***

Financial analysis of the company cannot be done without ratio analysis. Ratio analysis is an important tool that is required to perform all actions whether the comparison with peer companies, measuring the efficiency of the company in various aspects of creating a financial model of the company to forecast future performance.

- ***All in one package:***

Ratio analysis includes ratios, which measure various aspects of business like liquidity, efficiency, solvency, leverage, profitability and market value. It gives reliable information to investors and management from all perspectives to make their own decisions. An investor should not depend on just one ratio to make investment decisions but should perform a thorough analysis of various ratios and understand its meaning related to the company's future performance.

2.2.3 Trend line:

Trendlines are easily recognizable lines that traders draw on charts to connect a series of prices together or show some data's best fit. The resulting line is then used to give the trader a good idea of the direction in which an investment's value might move.

A trendline is a line drawn over pivot highs or under pivot lows to show the prevailing direction of price. Trendlines are a visual representation of support and resistance in any time frame. They show direction and speed of price, and also describe patterns during periods of price control.

CHAPTER III

3. RESEACH METHODOLOGY:

Research methodology is a way to systematically solve the research problem. It may be understood as a science of study how research is done scientifically. In this study the various steps that are generally adopted by the researcher in studying his research problem along with the logic behind them.

3.1 Research design

The proposed study is of Descriptive in Nature. Research design is needed because it facilitates the smooth sailing of the various research operations, thereby making research as efficient as possible. A research design for a particular problem usually involves the consideration of the following factors.

3.2 Source of Data

The Secondary data was collected from company annual reports (Balance sheet, income statement etc) books, websites.

3.3 Period of Study

The period of study is 3 months.

3.4 Tools Used for Analysis

The following are major tools used in analysis and interpretation.

1. Ratio analysis
2. Comparative balance sheet statement:
3. Common size Balance sheet.
4. Trend analysis

CHAPTER IV

DATA INTERPRETATION AND ANALYSIS

TABLE:4.1 CURRENT RATIO:

(In Lakhs)

PARTICULARS	CURRENT ASSET	CURRENT LIABILITY	RATIO (Times)
2015-2016	1042.34	729.0	1.42
2016-2017	3512.5	2270.8	1.55
2017-2018	3291.9	1097.6	2.99
2018-2019	6615.6	1346.9	4.91
2019-2020	5502.1	482.7	11.4

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATION:

The current ratio was found highest in the year 2019-2020 with 11.4 whereas it was lowest in the year 2015-2016 with 1.42. From this comparing to 2015-2016 the current ratio increased in 2019-2020.

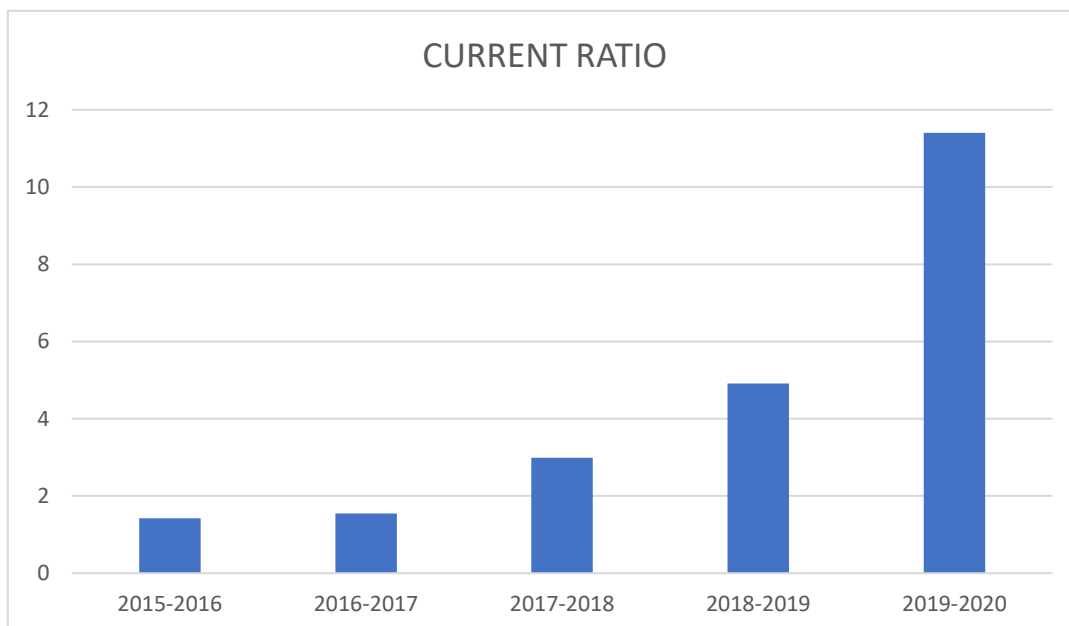


Chart:4.1.Current ratio

TABLE:4.2 QUICK RATIO:**(In Lakhs)**

PARTICULARS	QUICK ASSET	CURRENT LIABILITY	QUICK RATIO(Times)
2015-2016	529.1	729.0	0.72
2016-2017	1105.1	2270.8	0.49
2017-2018	813.4	1097.6	0.74
2018-2019	2915.6	1346.9	2.16
2019-2020	363.2	482.7	0.75

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATIONS:

The quick ratio was found to be highest in the year 2018-2019 with 2.16 whereas it was lowest in the year 2016-2017 with 0.049.

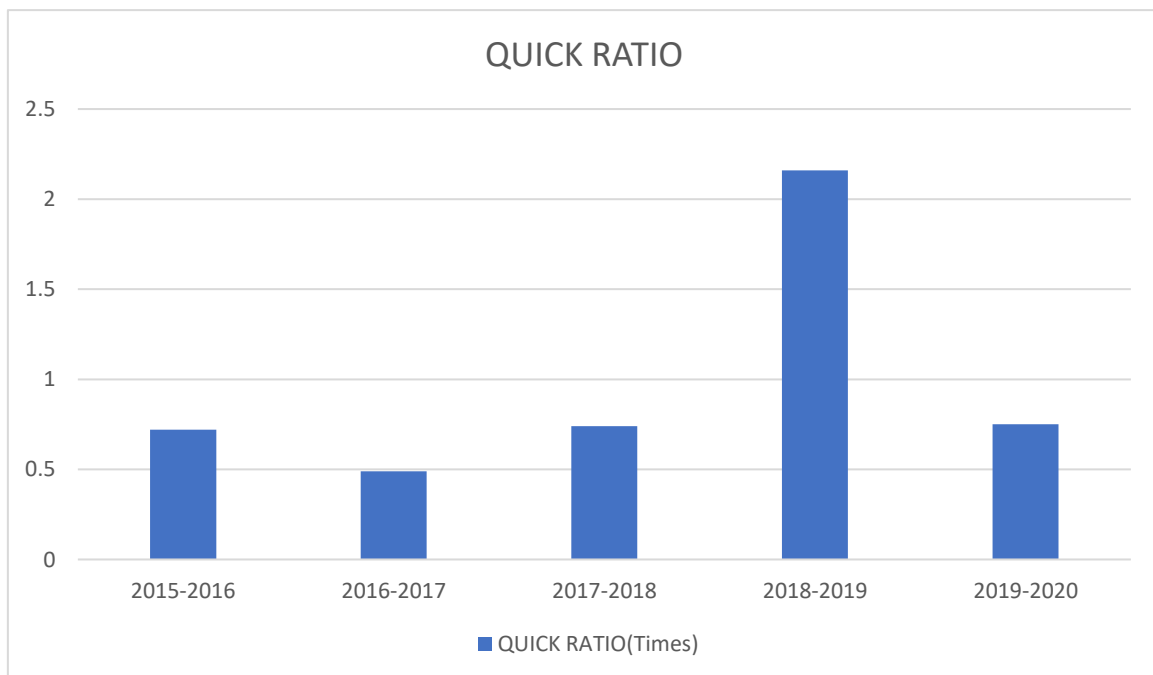
**Chart 4.2 quick ratio**

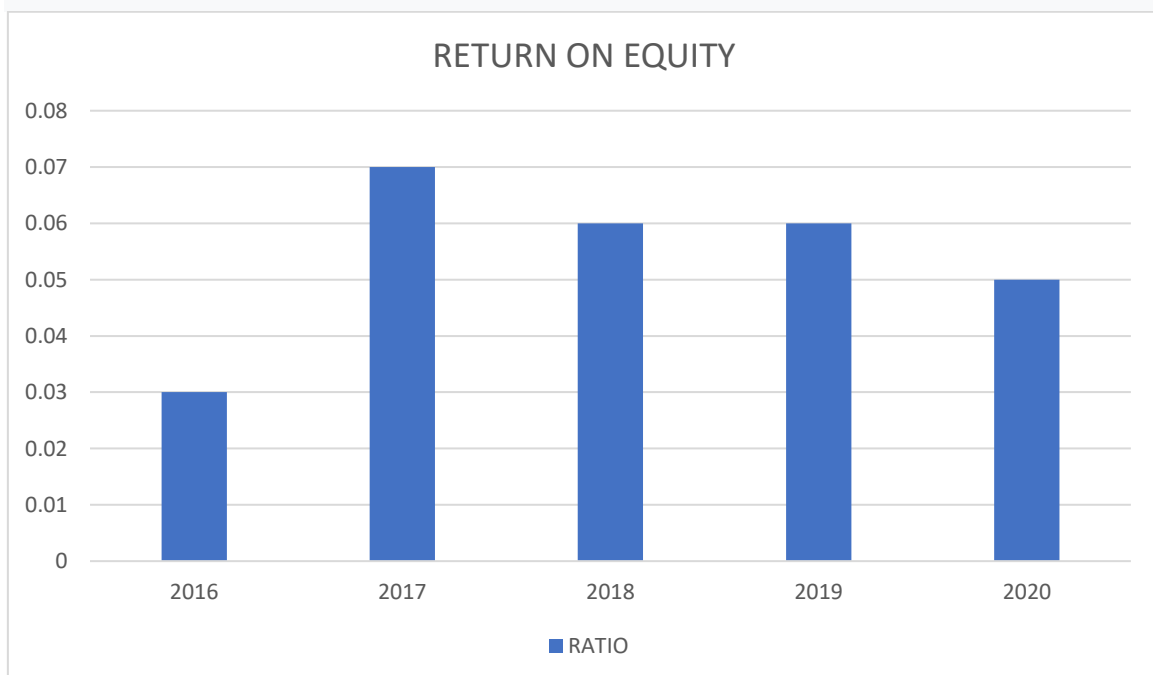
TABLE 4.3 RETURN ON EQUITY**(In Lakhs)**

YEAR	NET INCOME	SHARE HOLDERFUNDS	RATIO (Times)
2015-2016	10.6	361.1	0.03
2016-2017	27.6	379.3	0.07
2017-2018	130.3	2227.6	0.06
2018-2019	151.7	2378.9	0.06
2019-2020	117.8	2444.2	0.05

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATION:

Here, Return on equity (ROE) states that in the year 2016-2017 it is increased with 0.07 whereas it decreased in the year 2015-2016 with 0.03.

**CHART:4.3Return on Equity**

4.4 RETURN ON ASSETS:

(In Lakhs)

PARTICULARS	NET INCOME	TOTAL ASSETS	ROA (Times)
2015-2016	10.6	2117.2	0.01
2016-2017	27.6	3983.0	0.01
2017-2018	130.3	4580.6	0.03
2018-2019	151.7	8152.6	0.02
2019-2020	117.8	6963.6	0.02

source: Company annual reports (2015-2016 to 2019-2020)

INTERPRETATION:

If 2018 is highly generated with 0.02 and 2015-2016 is generated with 0.005 only, 2017-2018 was more efficient since it has made more income on assets. Also the return on assets becomes more useful when it is compared to the industry average or other benchmarks such as historical performance or a target return

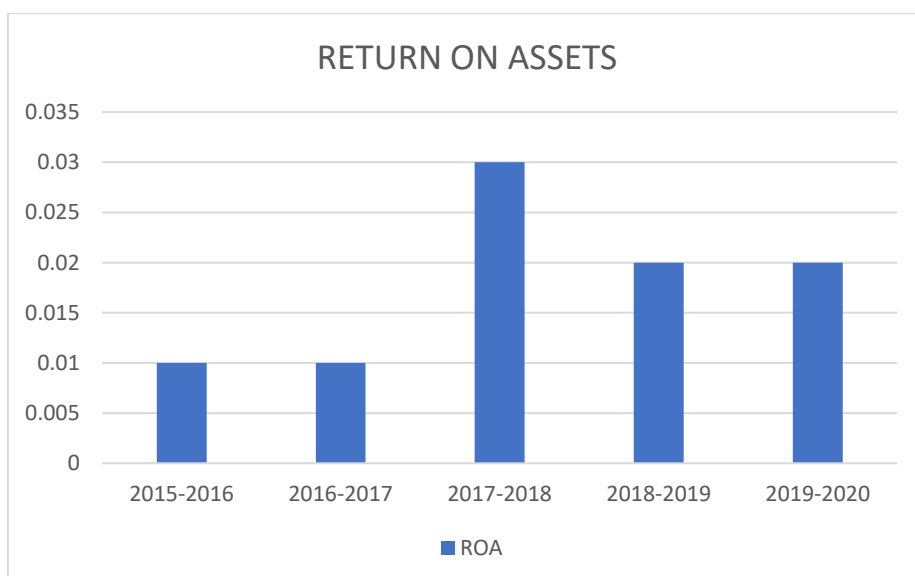


Chart 4.4 Return on assets

TABLE:4.5 FIXED ASSETS TO NETWORTH RATIO: (In Lakhs)

PARTICULARS	FIXED ASSET	NET WORTH	RATIO (Times)
2015-2016	62.0	361.1	0.17
2016-2017	58.8	379.3	0.16
2017-2018	1106.3	2227.6	0.5
2018-2019	1204.5	2378.9	0.51
2019-2020	1089.2	2444.2	0.45

Source: Company annual reports (2015-2016 to 2019-2020)

INTERPRETATION:

Fixed assets to net worth ratio was higher in 2018-2019 with 0.51 which is usually undesirable, as it indicates that the firm is vulnerable to unexpected events and changes in the business climate.

This ratio indicates the extent to which the owners' cash is frozen in the form of fixed assets, such as property, plant, and equipment, and the extent to which funds are available for the company's operations

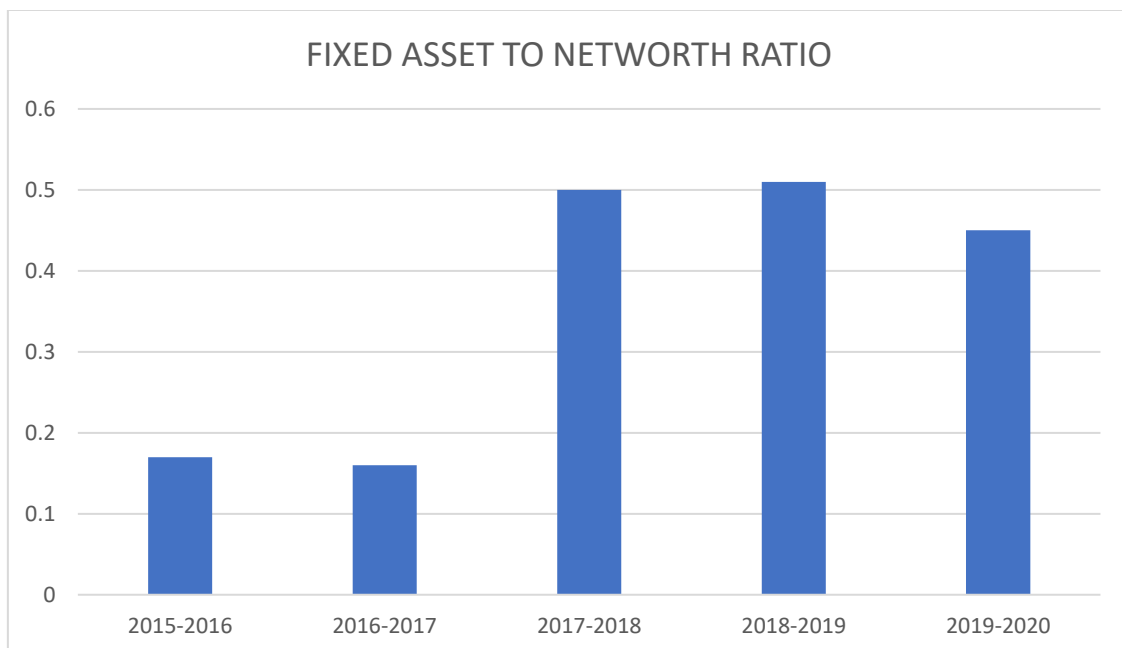


Chart 4.5 Fixed assets to net worth ratio

TABLE:4.6 SHARE HOLDERS EQUITY RATIO**(In Lakhs)**

PARTICULARS	TOTALL ASSET	TOTALL LIABILITIES	RATIO (Times)
2015-2016	2117.2	1756.1	1.21
2016-2017	3983.0	3603.8	1.11
2017-2018	4580.6	2353.0	1.95
2018-2019	8152.6	5773.7	1.41
2019-2020	6963.6	4519.3	1.54

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATIONS:

Here, we state that the Shareholder equity is higher in 2017-2018 with 1.94 whereas it is lower in 2016-2017 with 1.10, Since this ratio calculates the proportion of owners' investment in total assets of the company, therefore, a higher ratio is considered to be favourable for higher level of investment by the shareholders attracts more investment by the potential shareholders as they think that the company is safe for investing as already, the level of investment by the investor is higher

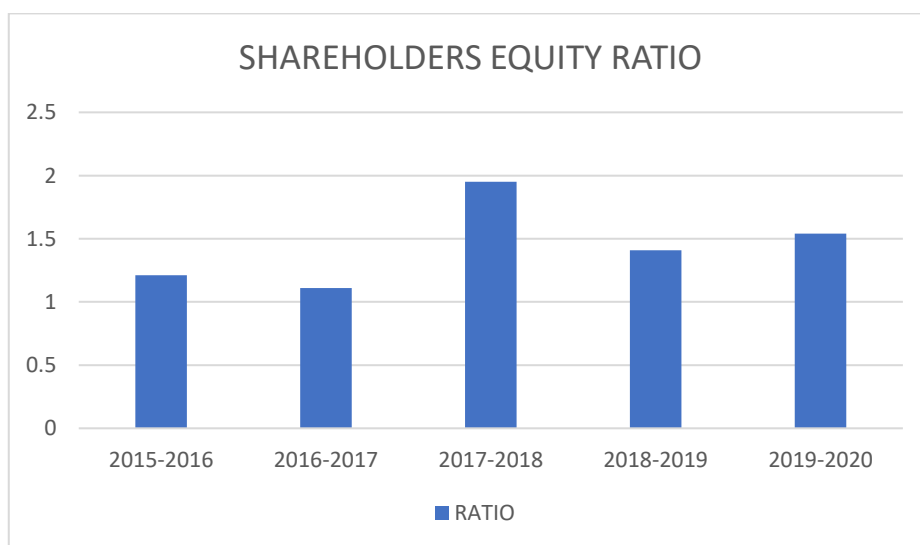
**Chart 4.6 Shareholder equity**

TABLE:4.7 DEBT-EQUITY RATIO**(In Lakhs')**

PARTICULARS	TOTAL DEBT	SHAREHOLDERS FUND	DEBT EQUITY RATIO (Time)
2015-2016	1756.1	361.1	4.86
2016-2017	3603.8	379.3	9.5
2017-2018	2353.0	2227.6	1.06
2018-2019	5773.7	2378.9	2.43
2019-2020	4519.3	2444.2	1.85

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATIONS:

The debt-equity ratio is another leverage ratio that compares a Company's total liabilities to its total shareholders' equity. In the debt ratio, a lower the percentage means that a Company is using less leverage and has a stronger equity position. In the year 2016- 2017 the debt equity ratio is higher which means that the Company is having a higher leverage.

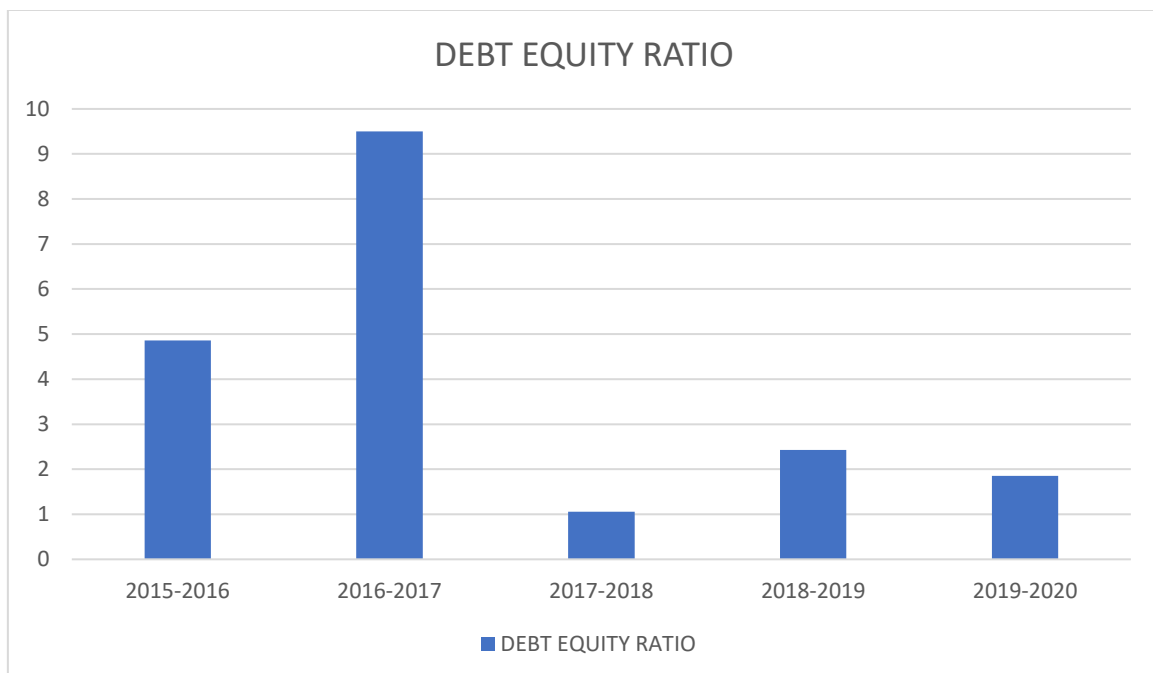
**Chart 4.7 Debt equity ratio**

TABLE 4.8 PROPRIETARY RATIO:**(In Lakhs)**

PARTICULAR	SHAREHOLDERS FUND	TOTAL ASSET	RATIO (Times)
2015-2016	361.1	2117.2	0.17
2016-2017	379.3	3983.0	0.1
2017-2018	2227.6	4580.6	0.49
2018-2019	2378.9	8152.6	0.29
2019-2020	2444.2	6963.6	0.35

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATIONS:

It shows that proprietary ratio was high in the year 2017-2018 with 0.49 and low in the year 2016-2017 with 0.10. Thus, it can be said that the Company is maintaining the Long Term solvency.

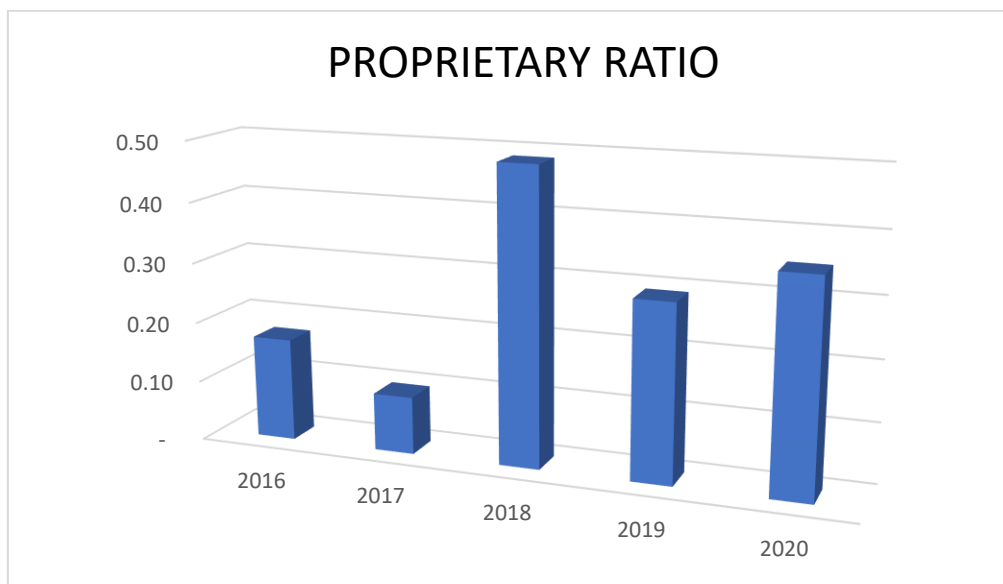
**Chart 4.8 Proprietary ratio**

TABLE 4.9 ASSET TURNOVER RATIO:**(In Lakhs)**

PARTICULAR	SALES	AVG OF TOTAL ASSET	RATIO (Times)
2015-2016	535.8	1088.9	1.94
2016-2017	6281.7	3050.1	1.3
2017-2018	12854.2	4281.8	1.06
2018-2019	27817.2	6366.6	1.28
2019-2020	36382.1	7558.1	0.92

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATION:

A higher ratio (2015-2016 with 1.94) is favourable, as it indicates a more efficient use of assets. Conversely, a lower ratio (2019-2020 with 0.92) indicates the company is not using its assets as efficiently. This might be due to excess production capacity, poor collection methods, or poor inventory management.

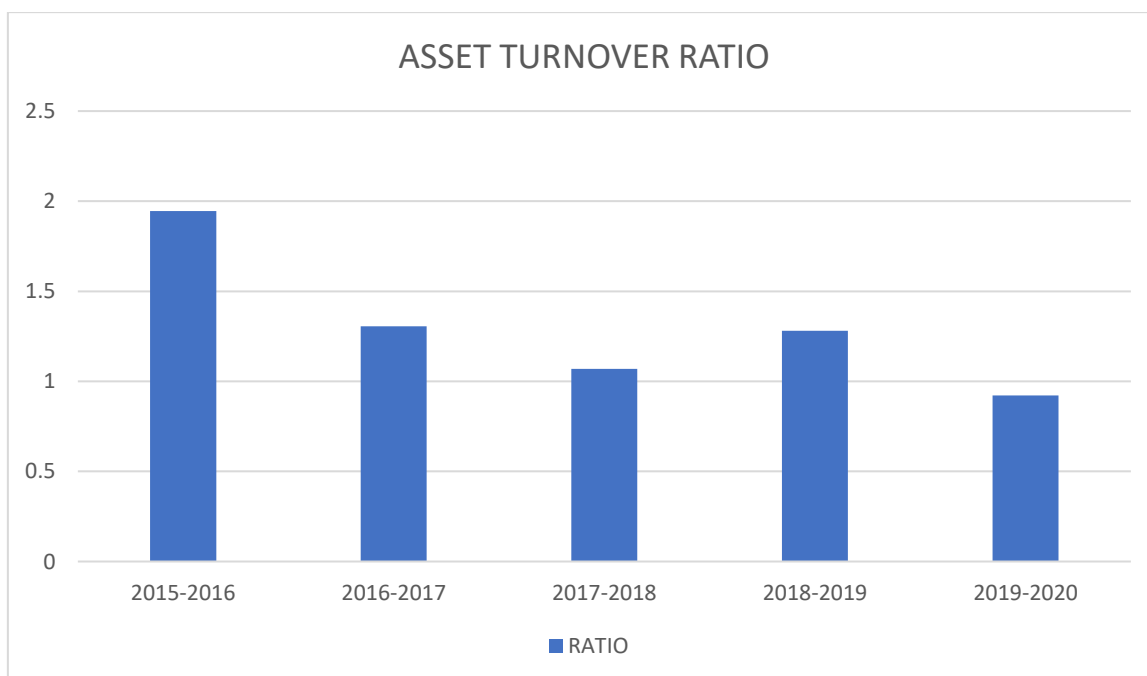
**Chart 4.9 Assets turnover ratio**

TABLE: 4.10 GROSS PROFIT RATIO:**(In Lakhs)**

YEARS	GROSS PROFIT	NET SALES	RATIO*100(%)
2015-2016	392.2	535.8	73.2
2016-2017	4867.7	6281.7	77.5
2017-2018	8927.9	12854.2	69.5
2018-2019	10885.5	27817.2	39.1
2019-2020	13243.8	36382.1	36.4

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATION:

Generally, the higher the gross profit margin the better. A high gross profit margin means that the company did well in managing its cost of sales. It also shows that the company has more to cover for operating, financing, and other costs. The gross profit margin may be improved by increasing sales price or decreasing cost of sales. It states that gross profit ratio is increased in the year 2016-2017 with 77.49 and it is decreased in the year 2019-2020 with 36.48

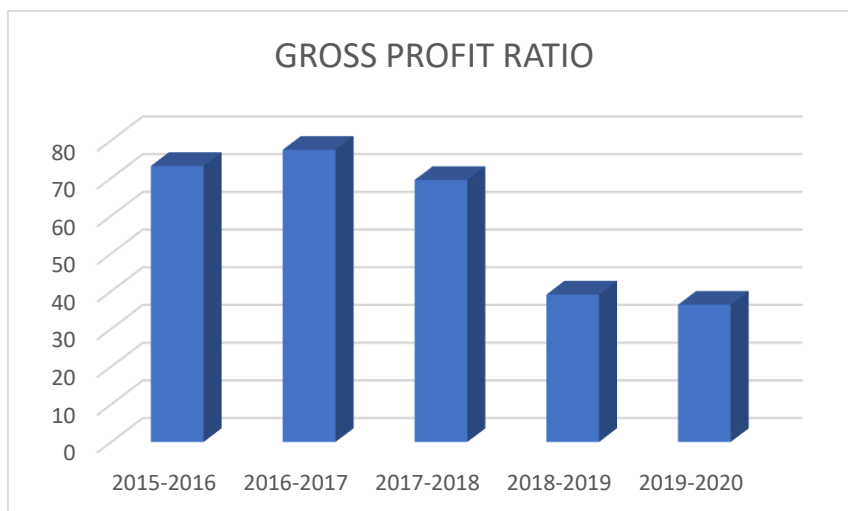
**Chart 4.10 Gross profit ratio**

TABLE 4.11NET PROFIT RATIO:

(In Lakhs)

YEARS	NET PROFIT	SALES	RATIOS *100(%)
2015-2016	10.61	535.79	1.97
2016-2017	27.6	6,281.73	0.43
2017-2018	130.25	12,854.24	1.01
2018-2019	19.64	27,817.23	0.07
2019-2020	152.00	36,382.07	0.41

source: Company annual reports (2015-2016 to 2019-2020)

INTERPRETATIONS:

Here, Net profit ratio increased with the year 2015-16 with 1.97% and it is decreased in the year 2018-2019 with 0.07.

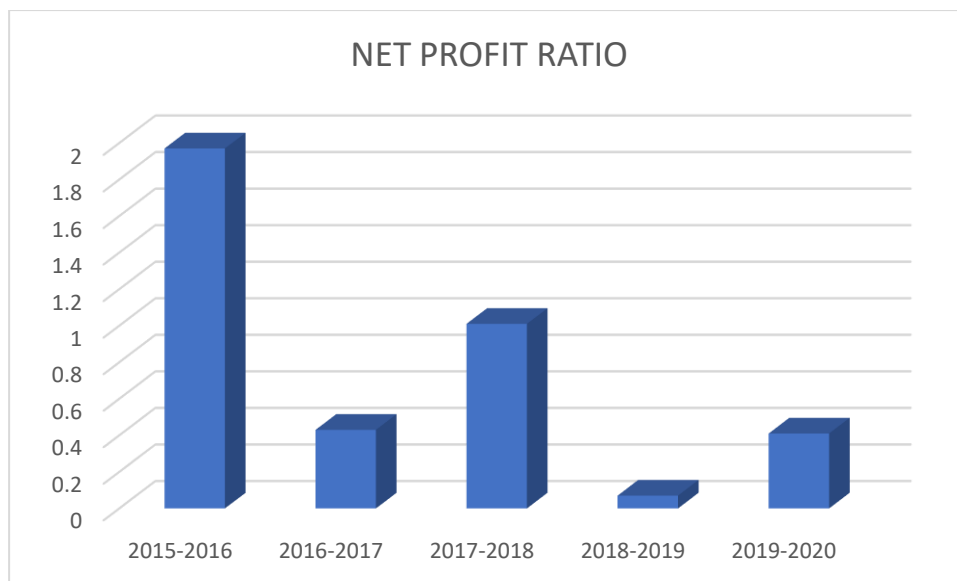
**Chart 4.11** Net profit ratio

TABLE 4.12 EARNING PER SHARE:**(In Lakhs)**

YEARS	NETPROFIT AFTERPRI DIVIDEND	NO OF EQUITY SHARES	RATIOS (Times)
2015-2016	10.61	17.91	0.59
2016-2017	27.60	17.91	1.54
2017-2018	130.25	37.91	3.44
2018-2019	151.70	37.91	4
2019-2020	117.80	49.87	2.36

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATIONS:

The earning per share shows was found to be high in the year 2018-2019 with 4.00 and low in the year 2015-2016 with 0.59. the current year (2020) EPS is 2.36 and previous year with 4.00. thus it is decrease in net profit.

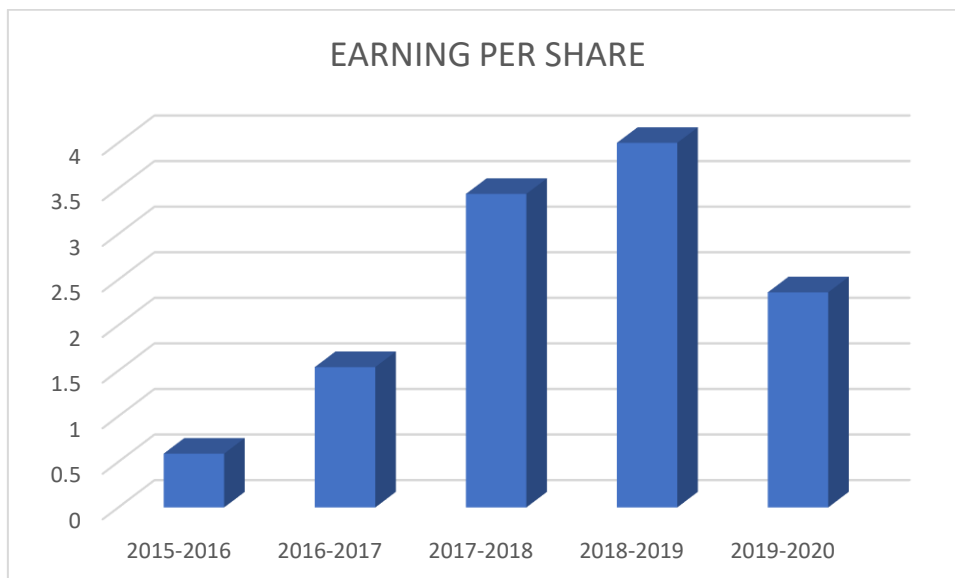
**CHART:4.12 Earning per share**

TABLE 4.13 DEBT TO NET WORTH RATIO:**(In Lakhs)**

YEAR	TOTAL LIABILITIES	NET WORTH	RATIO (Times)
2015-2016	1,756.09	361.09	4.86
2016-2017	3,603.77	379.27	9.5
2017-2018	2,352.98	2,227.61	1.06
2018-2019	5,773.73	2,378.92	2.43
2019-2020	4,519.33	2,444.22	1.85

source: company annual reports (2015-2016 to 2019-2020)

INTERPRETATIONS:

Here, debt to net worth ratio is increased in the year 2016-2017 with 9.50 and it is decreased in the year 2017-2018 with 1.06. Higher debt included in the capital employed means higher risk of insolvency. This shows that the Company's debts are very high and involves higher risk of insolvency

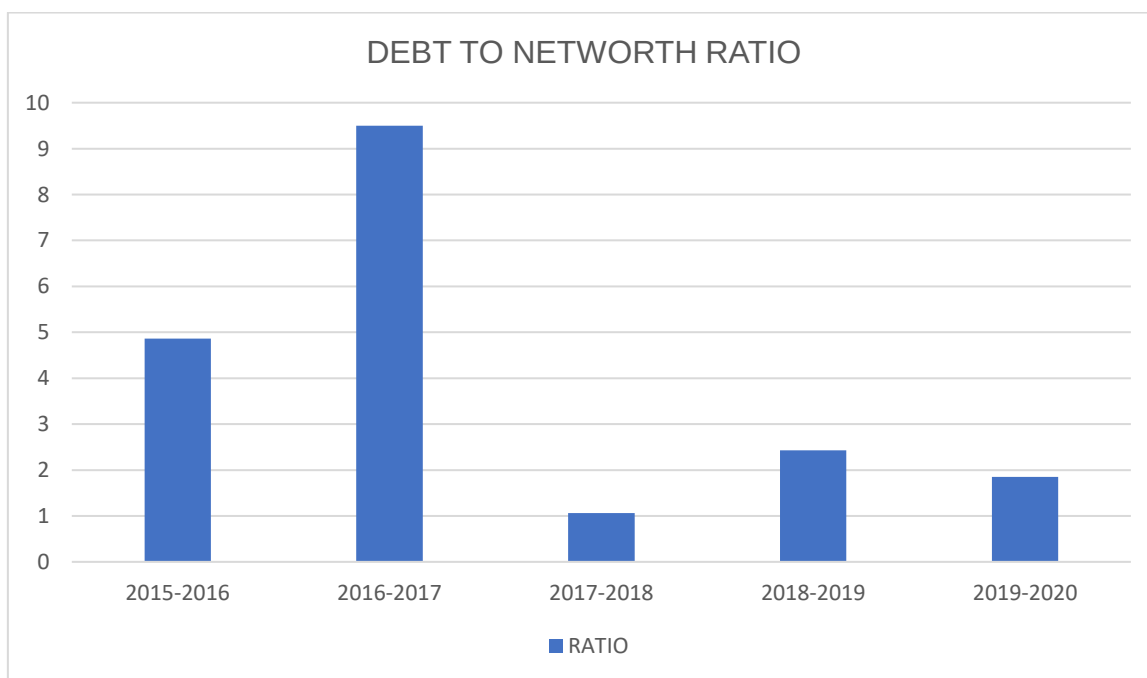
**Chart:4.13 Debt to net worth**

TABLE 4.14 CAPITAL TURNOVER RATIO:**(In Lakhs)**

YEARS	SALES	CAPITAL EMPLOYED	RATIOS (Times)
2015-2016	535.79	388.18	1.38
2016-2017	6,281.73	1,712.19	3.66
2017-2018	12,854.24	3,482.96	3.69
2018-2019	27,817.23	6,805.74	4.08
2019-2020	36,382.07	6,480.89	5.61

Source: Company annual reports (2015-2016 to 2019-2020)

INTERPRETATIONS:

Generally, a high working capital turnover ratio is better. A low ratio indicates inefficient utilization of working capital during the period. The ratio should be compared with the previous years' ratio, competitors' or industry's average ratio to have a meaningful idea of the company's efficiency in using its working capital. It states that, in 2019-2020 it is increased with 5.61 whereas it is decreased in the year 2015-2016 with 1.38.

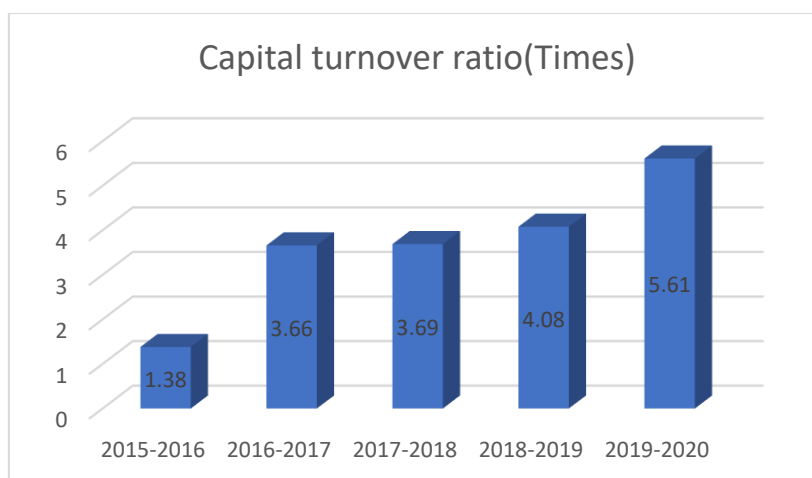


Chart:4.14 Capital turnover ratio

4.15 COMPARITIVE BALANCESHEET FOR THE YEAR 2015-2016 (In Lakhs)

PARTICULARS	2016	2015	INC/DEC	%
I.Equities and liabilities				
Share holders funds				
Share capital	334.90	10.08	324.82	96.99
Reserves & surplus	26.18	21.77	4.41	16.84
Other non current liability				
Long term borrowings	1026.00	926.00	100	9.74
Deferred tax Liabilities	1.09	0.09	1.00	91.74
Current liabilities				
Trade payables	15.65	10.82	4.83	30.86
Other current liabilities	640.00	101.10	538.90	84.21
Short term provisions	73.35	4.04	69.31	94.49
	2,117.18	1074.07	1043.11	49.26
II.ASSETS				
Non current Assets				
Fixed assets	62.05	16.40	45.65	73.56
Investments	364.90	24.00	340.90	93.42
Other non current Assets	647.89	918.48	(270.59)	(41.76)
Current Assets				
Inventory	513.25	80.00	433.25	84.41
Trade Receivables	510.00	31.19	479.81	94.08
Cash and Cash Equivalents	19.09	4.00	15.09	79.04
	2,117.18	1074.07	1043.11	49.26

COMPARITIVE BALANCESHEET FOR THE YEAR 2016-2017 (In Lakhs)

PARTICULARS	2017	2016	INC/DEC	%
I.Equities and liabilities				
Share holders funds				
Share capital	334.90	334.90	-	
Reserves & surplus	44.37	26.18	18.18	4.97
Non current liabilities				
Long term borrowings	1,331.95	1026.00	305.95	22.97
Deffered tax liability	0.98	1.09	8.09	825.51
Current Liabilities				
Trade payables	2,094.37	15.65	2,078.72	99.25
Other current liabilities	136.05	640.00	(503.95)	(370.41)
Short term provisions	40.42	73.35	(32.93)	(81.46)
	3,983.04	2,117.18	1865.86	46.84
II.ASSETS				
Non current Assets				
Fixed Assets	58.84	62.05	(3.21)	(5.45)
Investments	365.68	364.90	0.78	0.21
Other non current assets	46.00	1,647.89	(1,601.89)	(3482)
Current assets				
Inventory	2,407.45	513.25	1894.2	78.69
Trade Receivables	1,073.24	510.00	563	52.45
Cash and Cash Equivalents	31.82	19.09	12.73	40.006
	3,983.04	2,117.18	1865.86	46.84

COMPARITIVE BALANCESHEET FOR THE YEAR 2017-2018 (In Lakhs)

PARTICULARS	2018	2017	INC/DEC	%
I.Equities and liabilities				
Share holders funds	2,059.07	334.90	1,724.17	84.97
Share capital	168.54	44.37	124.18	73.67
Reserves & surplus				
Other non current liability	1,253.26	1,331.95	(78.69)	(6.27)
Long term borrowings	2.08	0.98	1.10	52.88
Deferred tax Liabilities				
Current liabilities	643.20	2,094.37	(1,451.18)	(225.61)
Trade payables	222.55	136.05	86.50	38.86
Other current liabilities	231.88	40.42	191.47	82.57
Short term provisions	4,580.59	3,983.04	597.55	13.04
II.ASSETS				
Non current Assets	1,106.32	58.84	1047.48	94.68
Fixed assets	40.86	365.68	(324.82)	(794.9)
Investments	141.50	46.00	95.5	67.49
Other non current Assets				
Current Assets	2,478.53	2,407.45	71.00	2.86
Inventory	713.35	1,073.24	(359.89)	(50.45)
Trade Receivables	100.03	31.82	68.21	68.21
Cash and Cash Equivalents	4,580.59	3,983.04	597.55	13.04

COMPARITIVE BALANCESHEET FOR THE YEAR 2018-2019 (In Lakhs)

PARTICULARS	2019	2018	Inc/Dec	%
I.Equities and liabilities				
Share holders funds				
Share capital	2,059.07	2,059.07	-	
Reserves & surplus	319.84	168.54	151.30	47.30
Other non current liability				
Long term borrowings	4,420.99	1,253.26	3,167.73	71.65
Deferred tax Liabilities	5.84	2.08	3.75	64.21
Current liabilities				
Trade payables	859.05	643.20	215.85	25.12
Other current liabilities	13.55	222.55	(209.00)	(1542)
Short term provisions	474.30	231.88	242.42	51.11
	8,152.65	4,580.59	3572.06	43.81
II.ASSETS				
Non current Assets				
Fixed assets	1,204.55	1,106.32	98.22	8.154
Investments	19.95	40.86	(20.91)	(104.81)
Other non current Assets	312.56	141.50	171.06	54.72
Current Assets				
Inventory	3,699.95	2,478.53	1,221.42	33.01
Trade Receivables	2,226.77	713.35	1,513.43	67.96
Cash and Cash Equivalents	688.86	100.03	588.83	85.47
	8,152.65	4,580.59	3572.06	43.81

COMAPARITIVE BALANCESHEET FOR THE YEAR 2019-2020 (In Lakhs)

PARTICULARS	2020	2019	INC/DEC	%
I.Equities and liabilities				
Share holders funds				
Share capital				(171.41)
	758.66	2,059.07	(1,300.42)	
Reserves & surplus	1,685.56	319.84	1,365.72	81.02
Other non current liability				
Long term borrowings	4,025.56	4,420.99	(395.43)	(9.82)
Deferred tax Liabilities	11.11	5.84	5.28	47.52
Current liabilities				
Trade payables	327.41	859.05	(531.64)	(162.37)
Other current liabilities	9.94	13.55	(3.61)	(36.31)
Short term provisions	145.30	474.30	(329.00)	(226.42)
	6,963.55	8,152.65	(1162.65)	(16.69)
II.ASSETS				
Non current Assets				
Fixed assets	1,089.15	1,204.55	(115.39)	(10.59)
Investments	19.95	19.95		-
Other non current Assets	352.37	312.56	39.80	11.29
Current Assets				
Inventory	5,138.88	3,699.95	1,438.93	28.00
Trade Receivables	304.93	2,226.77	(1,921.84)	(630.25)
Cash and Cash Equivalents	58.27	688.86	(630.59)	(1063)
	6,963.55	8,152.65	(1162.65)	(16.69)

4.16 COMMON SIZE BALANCESHEET

SHOWING BALANCESHEET FOR THE YEAR 2015-2016

(In Lakhs)

PARTICULARS	2016	%	2015	%
I.Equities and Liabilities				
Share holders funds				
Share capital	334.9	15.84	10.08	0.93
Reserves and surplus	26.18	1.23	21.77	2.02
Non current Liabilities				
Long term borrowings	1026.00	48.46	926.00	86.21
Deferred Tax Liabilities	1.09	0.05	0.09	0.12
Current liabilities				
Trade payables	15.65	0.73	10.82	1.00
Other current liabilities	640.00	30.23	101.10	9.41
Short Term Provisions	73.35	3.46	4.04	0.37
	2,117.18	100	1074.07	100
II. ASSETS				
Non current Assets				
Fixed assets	62.05	2.93	16.40	1.52
Investments	364.9	17.2	24.00	2.2
Other non current assets	647.89	30.56	918.48	85.51
Current Assets				
Inventory	513.25	24.2	80.00	7.44
Trade receivables	510.00	24.09	31.19	1.6
Cash and Cash Equivalents	19.09	0.9	4.00	1.48
	2,117.18	100	1074.07	100

SHOWING BALANCESHEET FOR THE YEAR 2016-2017 (In Lakhs)

PARTICULARS	2017	PERCENTAGE	2016	PERCENTAGE
I.Equities and Liabilities				
Share holders funds				
Share capital	334.9	8.4	334.9	15.84
Reserves and surplus	44.37	1.11	26.18	1.23
Non current Liabilities				
Long term borrowings	1331.95	33.44	1026	48.46
Deferred Tax Liabilities	0.98	0.02	1.09	0.05
Current liabilities				
Trade payables	2,094.37	52.58	15.65	0.73
Other current liabilities	136.05	3.41	640	30.23
Short Term Provisions	40.42	1.01	73.35	3.46
	3983.04	100	2117.2	100
II. ASSETS				
Non current Assets				
Fixed assets	58.84	1.47	62.05	2.93
Investments	365.68	9.18	364.9	17.2
Other non current assets	46	1.15	647.9	30.56
Current Assets	-	-	-	-
Inventory	2407.45	60.44	513.25	24.2
Trade receivables	1073.24	26.94	510	24.09
Cash and Cash Equivalents	31.82	0.79	19.09	0.9
	3983.04	100	2117.2	100

SHOWING BALANCESHEET FOR THE YEAR 2017-2018

(In Lakhs)

PARTICULARS	2018	PERCENTAGE	2017	PERCENTAGE
I.Equities and Liabilities				
Share holders funds				
Share capital	2059.1	44.95	334.9	8.4
Reserves and surplus	168.54	3.67	44.37	1.11
Noncurrent Liabilities				
Long term borrowings	1253.3	27.36	1332	33.44
Deferred Tax Liabilities	2.08	0.04	0.98	0.02
Current liabilities				
Trade payables	643.2	14.04	2094.4	52.58
Other current liabilities	222.55	4.85	136.05	3.41
Short Term Provisions	231.88	5.06	40.42	1.01
	4580.6	100	3983	100
II. ASSETS				
Non current Assets				
Fixed assets	1106.3	24.15	58.84	1.47
Investments	40.86	0.89	365.68	9.18
Other non current assets	141.5	3.08	46	1.15
Current Assets				
Inventory	2478.5	54.1	2407.5	60.44
Trade receivables	713.35	15.57	1073.2	26.94
Cash and Cash Equivalents	100.03	2.18	31.82	0.79
	4580.6	100	3983	100

SHOWING BALANCESHEET FOR THE YEAR 2018-2019
(In Lakhs)

PARTICULARS	2019	PERCENTAGE	2018	PERCENTAGE
I.Equities and Liabilities				
Shareholders funds				
Share capital	2059.1	25.25	2059.1	44.95
Reserves & surplus	319.84	3.92	168.54	3.67
Non-current liabilities				
Long term borrowing	4421	54.22	1253.3	27.36
Deferred tax liability	5.84	0.07	2.08	0.04
Current Liabilities				
Trade payables	859.05	10.53	643.2	14.04
Other current liabilities	13.55	0.16	222.55	4.85
Short term provisions	474.3	5.81	231.88	5.06
	8152.7	100	4580.6	100
II. ASSETS				
Non current assets				
Fixed assets	1204.6	14.77	1106.3	24.15
Investments	19.95	0.24	40.86	0.89
Other non current assets	312.56	3.83	141.5	3.08
Current Assets				
Inventory	3700	45.38	2478.5	54.1
Trade receivables	2226.8	27.31	713.35	15.57
Cash and Cash equivalents	688.86	8.44	100.03	0
	8152.7	100	4580.6	100

SHOWING BALANCESHEET FOR THE YEAR 2019-2020
(In Lakhs)

PARTICULARS	2020	PERCENTAGE	2019	PERCENTAGE
I.Equities and Liabilities				
Shareholders funds				
Share capital	758.66	10.89	2,059.07	25.25
Reserves & surplus	1,685.56	24.20	319.84	3.92
Non-current liabilities				
Long term borrowing	4,025.56	57.80	4,420.99	54.22
Deferred tax liability	11.11	0.15	5.84	0.07
Current Liabilities				
Trade payables	327.41	4.70	859.05	10.53
Other current liabilities	9.94	0.14	13.55	0.16
Short term provisions	145.30	2.08	474.30	5.81
	6,963.55	100.00	8,152.65	100.00
II. ASSETS				
Non current assets				
Fixed assets	1,089.15	15.64	1,204.55	14.77
Investments	19.95	0.28	19.95	0.24
Other non current assets	352.37	5.06	312.56	3.83
Current Assets				
Inventory	5,138.88	73.00	3,699.95	45.38
Trade Receivables	304.93	4.00	2,226.77	27.31
Cash and cash equivalents	58.27	0.83	688.86	8.44
	6,963.55	100.00	8,152.65	100.00

TREND ANALYSIS

4.17 TABLE Showing trend analysis of current Assets

(In Lakhs)

YEARS	X	Y	X ²	XY	TREND	DEVIATIONS
2015-2016	-2	1042.3	4	4169.4	32668	-31625
2016-2017	-1	3512.5	1	3512.5	36298	-32786
2017-2018	0	3291.9	0	0	39929	-36637
2018-2019	1	6615.6	1	6615.6	43559	-36944
2019-2020	2	5502.1	4	22008	47190	-41688
		19964	10	36306		

Where, Deviation = y – Trend value

$$Y = a + b(x)$$

Where, $a = \Sigma y / n$

$$b = \Sigma xy \div \Sigma x^2$$

$$a = \Sigma y / n = 19964.4 / 5 = 39928.88$$

$$b = \Sigma xy \div \Sigma x^2 = 13922.7 / 10 = 3630.586$$

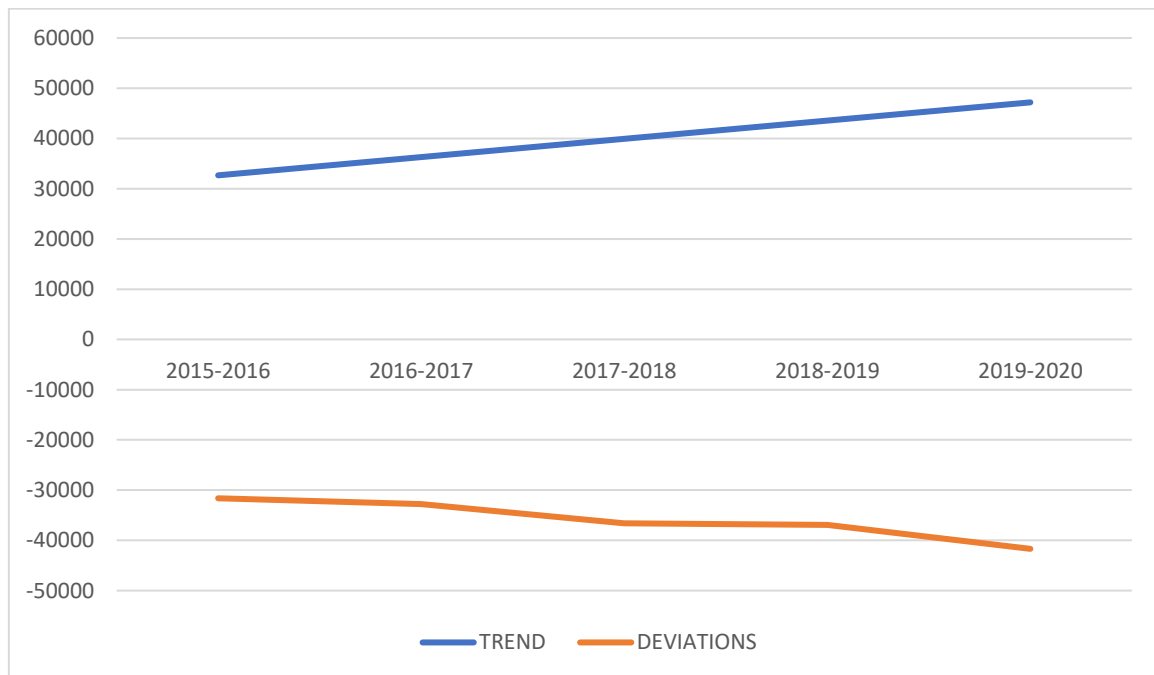
$$2015-2016 = 39928.88 + 3630.586 (-2) = 32667.71$$

$$2016-2017 = 39928.88 + 3630.586(-1) = 36298.29$$

$$2017-2018 = 39928.88 + 3630.586(0) = 39928.88$$

$$2018-2019 = 39928.88 + 3630.586(1) = 43559.47$$

$$2019-2020 = 39928.88 + 3630.586(2) = 47190.05$$



4.17 Chart showing trend analysis of current asset.

4.18 Table Showing trend analysis of current Liabilities

(In Lakhs)

YEARS	X	Y	X ²	XY	TREND	DEVIATIONS
2015-2016	-2	729	4	2916	-507.5	1236.5
2016-2017	-1	2270.8	1	2270.8	338.95	1931.9
2017-2018	0	1097.6	0	0	1185.4	-87.8
2018-2019	1	1346.9	1	1346.9	2031.9	-684.95
2019-2020	2	482.7	4	1930.8	2878.3	-2395.6
		5927	10	8464.5		

Where, Deviation = y – Trend value

$$Y = a + b(x)$$

Where, $a = \Sigma y / n$

$$b = \Sigma xy \div \Sigma x^2$$

$$a = \Sigma y / n = 5927 / 5 = 1185.4$$

$$b = \Sigma xy \div \Sigma x^2 = 8464.5 / 10 = 846.45$$

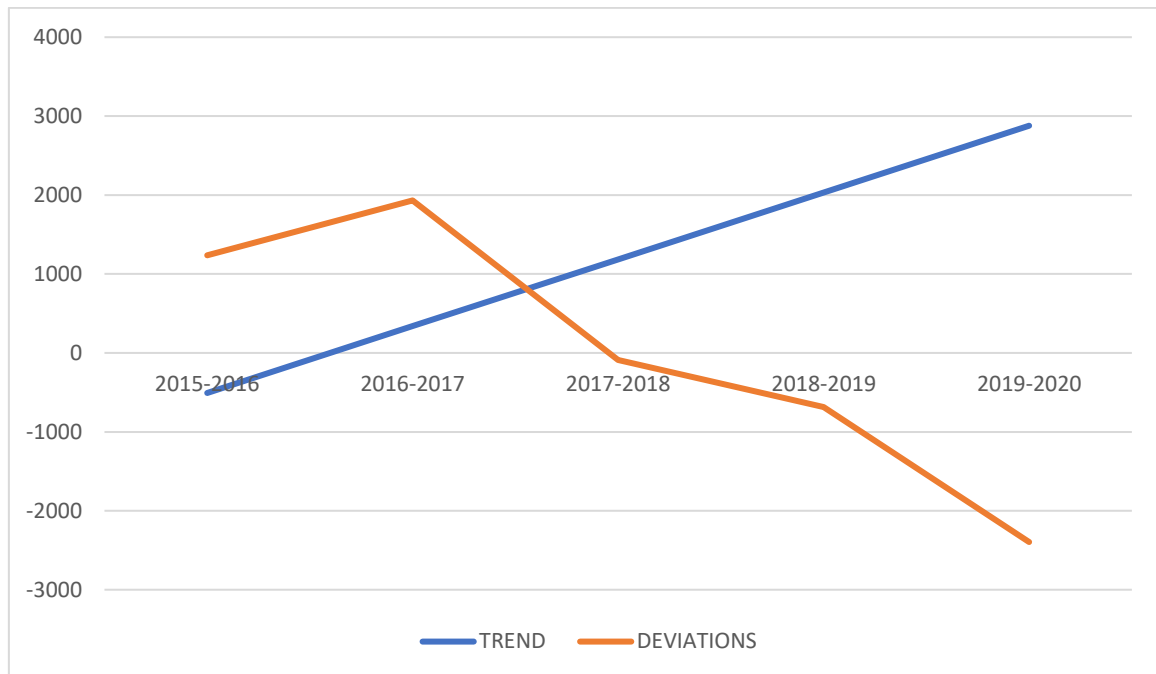
$$2015-2016 = 1185.4 + 846.45 (-2) = -507.5$$

$$2016-2017 = 1185.4 + 846.45(-1) = 338.95$$

$$2017-2018 = 1185.4 + 846.45(0) = 1185.4$$

$$2018-2019 = 1185.4 + 846.45(1) = 2031.85$$

$$2019-2020 = 1185.4 + 846.45(2) = 2878.3$$



4.18 chart showing trend analysis of current liability.

CHAPTER V

FINDINGS, SUGGESTIONS, CONCLUSIONS

5.1 FINDINGS:

- In the year 2020 the return on asset was 0.016 whereas it is increased in the year 2018 with 0.02 and it is decreased in the year 2016 with 0.005
- In the year 2020 the fixed asset to net worth ratio was 0.45 whereas it is increased in the year 2019 with 0.51 and decreased in the year 2017 with 0.16
- The proprietary ratio was increased in the year 2017-2018 with 0.49 whereas it is decreased in the year 2016-2017 with 0.10
- The asset turnover ratio was decreased in the year 2019-2020 with 0.92 whereas it is increased in the year 2015-2016 with 1.944
- The gross profit ratio was decreased in the year 2019-2020 with 36.40 whereas it is increased in the year 2016-2017 with 77.49
- The Net profit ratio was increased in the year 2015-2016 with 1.97% whereas it is decreased in the year 2018-2019 with 0.07
- The debt equity ratio for current year was 1.85 whereas it is increased in the year 2016-2017 with 9.50 and decreased in the year 2017-2018 with 1.06
- The trend analysis shows that the current asset and current liabilities of past five years have drastically changed and thus the company's debt, turnover is much lower comparing to year by year.

5.2 SUGGESTIONS:

- ❖ Company must achieve the targets by utilizing the current assets and reducing current liabilities.
- ❖ The company may keep better liquidity position to meet its obligations and to maintain sufficient working capital.
- ❖ The company should focus on the financial plans and to create strategic partnership and to enhance the ideas for future predictions.
- ❖ Management should give more importance towards the raise in investments in fixed assets by way of acquiring from the available excessive cash and bank balance and other working capital assets.
- ❖ Company need to improve their present stock turnover ratio by way of conducting more promotional activities for their products and need to give effective training and development program to their sales executives and staffs.
- ❖ Management needs to improve their income generating capacity by way of discarding the old assets which are not giving any income and to acquire the new assets and technology which are having high potentiality in production.

5.3 CONCLUSION

The following some important conclusions are drawn from the available data of the company.

The company has increasing cash and bank balances, which is in line with the increase requirement of working capital for increasing as the percentages of cash and bank balances. It reveals the strength and weakness of the firm. It has to know that investing in a company involves a lot of risk, so before putting into a company they have to check the past records and based on that they have to act accordingly. According to this project I came to know, by comparing to the previous years the current year has incurred some losses and the Company's liquidity position has to increase so that they can compensate future losses so that it cannot face financial stress in the future. To properly maintain financial performance to achieve the Company goal. By analysing the financial performance of the company, it is inferred that the Company's financial position is found to be moderate. The ratios of the Company are not much satisfactory comparing to previous years. The profitability of the Company is not much satisfactory.

Management should take the corrective action towards the reduction of operating activities cost and indirect expenses of the company they are burdening the operating and financial risk of the company. The company has to make optimum utilization of the funds there is a rise in reserves and surplus to satisfy future and uncertainties.

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APPENDIX

CONSOLIDATED BALANCESHEET 2015-2016 TO 2019-2020 (in rupees)

PARTICULARS	2016	2017	2018	2019	2020
I.Equities and liabilities					
Share holders funds					
Share capital	3,34,90,200	3,34,90,200	20,59,07,160	20,59,07,160	75,865,500
Reserves & surplus	26,18,440	44,36,600	1,68,54,264	3,19,84,410	168,556,435
Non currentLiabilities					
Long term borrowings	1026,00,000	13,31,94,600	12,53,26,000	44,20,99,186	402,556,220
Deferred tax Liabilities	1,09,218	97,967	2,08,352	5,83,666	1,111,218
Current liabilities					
Trade payables	15,65,006	20,94,37,271	6,43,19,591	8,59,05,038	32,741,375
Other current liabilities	6,40,00,000	1,36,05,400	2,22,55,400	13,55,400	994,355
Short term provisions	73,34,891	40,41,535	2,31,88,278	4,74,30,117	14,529,940
	21,17,17,755	39,83,03,573	45,80,59,045	81,52,64,979	696,355,042
II.ASSETS					
Non current Assets					
Fixed assets	62,04,867	58,83,930	11,06,32,328	12,04,54,812	108,915,419
Investments	3,64,89,832	3,65,67,971	40,85,771	19,95,000	1,995,000
Other non current Assets	6,47,89,044	46,00,000	1,41,50,000	3,12,56,457	35,236,919
Current Assets					
Inventory	513,25,000	24,07,45,477	24,78,53,138	36,99,95,319	513,887,978
Trade Receivables	510,00,000	10,73,24,120	7,13,34,767	22,26,77,361	30,493,080
Cash and Cash Equivalents	19,09,012	31,82,075	1,00,03,041	6,88,86,030	5,826,646
	21,17,17,755	39,83,03,573	45,80,59,045	81,52,64,979	696,355,042

Statement of Profit And Loss For The Year 2015-2016 (in rupees)

	<u>INCOME</u>	Note No.	As on 31.03.2016	As on 31.03.2015
I	Revenue from operations	11	5,35,78,565	6,35,93,782.00
II	Other income	12	20,52,138	21,06,184.76
III	Total revenue (I + II)		5,56,30,703.13	6,56,99,966.76
IV	Expenses			
	Cost of Material consumed	13	1,43,57,048.00	1,51,52,565.00
	Depreciation and Amortisation	6	8,63,033.46	2,62,803.85
	Employee Benefit Expenses	14	2,50,04,575.00	3,30,81,860.00
	Finance Cost	15	2,508.74	2,038.36
	Other Expenses	16	1,43,42,439.00	1,58,80,753.00
	Total expenditure		5,45,69,604.20	6,43,80,020.21
V	Profit /(loss) for the period		10,61,098.93	13,19,946.55
VI	Extraordinary items		-	-
VII	Profit before tax		10,61,099	13,19,946.55
VIII	Tax Expense			
	Current Tax		2,60,681	3,79,976.88
	Deferred Tax		1,09,218	9,163.00
IX	Profit after taxes		6,91,200.00	9,30,807.00
X	Earnings per share (Rs.)			
	(a) Basic		6.86	9.23
	(b) Diluted		6.86	9.23

Statement of Profit And Loss For The Year 2016-2017 (in rupees)

	INCOME	NOTE NO	As on 31.3.2017	As on 31.3.2016
I	Revenue from operations	12	62,81,72,732	5,35,78,565.00
II	Other income	13	1,58,184	20,52,138.13
III	Total revenue (I + II)		62,83,30,915.54	5,56,30,703.13
IV	Expenses			
	Cost of Material consumed	14	57,94,95,232.57	1,43,57,048.00
	Depreciation and Amortisation	6	10,88,456.17	8,63,033.46
	Employee Benefit Expenses	15	2,66,57,156.00	2,50,04,575.00
	Finance Cost	16	3,380.98	2,508.74
	Other Expenses	17	1,83,26,602.00	1,43,42,439.00
	Total expenditure		62,55,70,827.71	5,45,69,604.20
V	Profit /(loss) for the period		27,60,087.83	10,61,098.93
VI	Extraordinary items		-	-
VII	Profit before tax		27,60,088	10,61,098.93
VIII	Tax Expense			
	Current tax		8,43,961	2,60,680.72
	Deferred tax		97,967	1,09,218.00
IX	Profit after taxes		18,18,160.00	6,91,200.00
X	Earnings per share (Rs.)			
	(a) basic		0.54	0.21
	(b) Diluted		0.54	0.21

Statement of profit and loss for the year 2017-2018
(in rupees)

	INCOME	NOTE NO	31.3.2018	31.3.2017
I	Revenue from operation	12	1,28,54,23,551	62,81,72,731.54
II	Other income	13	1,24,12,090	1,58,184.00
III	Total revenue (I + II)		1,29,78,35,641.18	62,83,30,915.54
IV	Expenses			
	Cost of Material consumed	14	1,19,96,44,756.24	57,94,95,232.57
	Depreciation and Amortisation	6	1,95,24,787.00	10,88,456.17
	Employee Benefit Expenses	15	1,34,47,156.00	2,66,57,156.00
	Finance Cost	16	83,016.00	3,380.98
	Other Expenses	17	5,21,10,564.78	1,83,26,602.00
	Total Expenditure		1,28,48,10,280.02	62,55,70,827.71
V	Profit /(loss) for the period		1,30,25,361.16	27,60,087.83
VI	Extraordinary items		-	-
VII	Profit before tax		1,30,25,361	27,60,087.83
VIII	Tax Expense			
	- Current Tax		43,39,218	8,43,960.97
	- Deferred Tax		1,10,385	97,967.00
IX	Profit after taxes		85,75,758.28	18,18,160.00
X	Earnings per share (Rs.)			
	Basic		2.26	0.48
	Diluted		2.26	0.48

Statement of profit and loss for the year 2018-2019
(in rupees)

	INCOME	NOTE NO	As on 31.03.2019	As on 31.03.2018
I	Revenue from operations	12	2,78,17,22,876	1,28,54,23,551
II	Other income	13	3,06,47,119	1,24,12,090
III	Total revenue (I + II)		2,81,23,69,995	1,29,78,35,641
IV	Expenses			
	Cost of Material consumed	14	2,67,28,67,740	1,19,61,44,756
	Depreciation and Amortisation	6	1,78,57,116	1,95,24,787
	Employee Benefit Expenses	15	5,83,33,779	3,78,84,235
	Finance Cost	16	52,84,652	83,016
	Other Expenses	17	3,83,80,147	2,76,73,486
	Total Expenditure		2,79,27,23,434	1,28,13,10,280
V	Profit /(loss) for the period		1,96,46,561	1,65,25,361
VI	Extraordinary items		-	-
VII	Profit before tax		1,96,46,561	1,65,25,361
VIII	Tax Expense			
	- Current Tax		41,41,100	45,80,352
	- Deferred Tax		3,75,314	1,10,385
IX	Profit after taxes		1,51,30,146	1,18,34,624
X	Earnings per share (Rs.)			
	Basic		3.99	3.12
	Diluted		3.99	3.12

Statement of profit and loss account for the year 2019-2020 (in rupees)

	INCOME	Note No.	As on 31.03.2020	As on 31.03.2019
I	Revenue from operations	12	3,63,82,07,145	2,78,17,22,876
II	Other income	13	6,94,625	3,06,47,119
III	Total revenue (I + II)		3,63,89,01,770	2,81,23,69,995
IV	Expenses			
	Cost of Material consumed	14	3,50,57,69,021	2,67,28,67,740
	Depreciation and Amortisation	6	1,59,26,536	1,78,57,116
	Employee Benefit Expenses	15	80,95,376	5,83,33,779
	Finance Cost	16	2,14,06,989	52,84,652
	Other Expenses	17	7,25,44,417	3,83,80,147
	Total Expenditure		3,62,37,42,338	2,79,27,23,434
V	Profit /(loss) for the period		1,51,59,431	1,96,46,561
VI	Extraordinary items		-	-
VII	Profit before tax		1,51,59,431	1,96,46,561
VIII	Tax Expense			
	- Current Tax		40,10,400	41,01,100
	- Deferred Tax		2,75,000	3,75,314
IX	Profit after taxes		1,20,55,560	1,51,70,146
X	Earnings per share (Rs.)			
	Basic		3.00	4.00
	Diluted		3.00	4.00

