

**A STUDY ON FINANCIAL PERFORMANCE OF AUTOMOBILE INDUSTRY WITH
SPECIAL REFERENCE HERO MOTORCORP LIMITED**

Submitted in partial fulfillment of the requirements for the award of

Master of Business Administration

by

**NIVETHA M
Register No. 39410141**



SCHOOL OF BUSINESS ADMINISTRATION

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**

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BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **NIVETHA M 39410141** who have done the Project work entitled **A STUDY ON FINANCIAL PERFORMANCE OF AUTOMOBILE INDUSTRY WITH SPECIAL REFERENCE HERO MOTORCORP LIMITED** under my supervision from January 2021 to April 2021..

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Submitted for Viva voce Examination held on _____.

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DECLARATION

I **NIVETHA M 39410141** hereby declare that the Project Report entitled **A STUDY ON FINANCIAL PERFORMANCE OF AUTOMOBILE INDUSTRY WITH SPECIAL REFERENCE HERO MOTORCORP LIMITED** done by me under the guidance of Dr.R.THAMILSELVAN, M.com., MBA., M.Phil., Ph.D. Associate professor, Department of management studies at SATHYABAMA INSTITUTE OF SCIENCE AND TECHNOLOGY, CHENNAI is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

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NIVETHA M

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ABSTRACT:

This aim of this project is to analysis the liquidity and profitability position of the company using the financial tools.

This study is based on financial statements such as Ratio Analysis, Comparative balance sheet. By using this tools combined it enables to determine in an effective manner.

The study is made to evaluate the financial position, the operational results as well as financial progress of a business concern. It explains the ways in which ratio analysis can be of assistance in long-rang planning, budgeting and asset management to strengthen financial performance and help avoid financial difficulties.

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CHAPTER – I

1.1 INTRODUCTION:

Financial position, defined as the status of financial well-being regarding a company, is important to every single business. The status of the assets, liabilities, and owner's equity (and their interrelationship) of an organization, as reflected in its financial statement.

The Financial Position of a company is measured by the performance it takes in company financial statement:

- A positive and growing cash flow statement
- Growing profits in the profit & loss statement
- A balance of assets, liabilities & owner's equity in the balance sheet

It explained as the leverage, solvency, and cash standing of a company which ultimately leads to the ability of the business to survive, is an important factor in large and small businesses alike. Overall, financial position summary forms the most basic aspects of accounting Assets, Liabilities and owner's equity.

These three factors sum the essence of the financial position of any business. This is so important that a statement of financial position has become one of the most Important reports in a business.

When it comes to assets, companies have a lot to balance. They must maintain proper amount of cash, equipment, and more.

When it comes to liabilities, a company does not want to outpace itself. Owner's equity is an investment that made by owners in a company or Organization.

The structure of the statement of financial position is similar to the basic accounting equation.

For a corporation the format will be:

Assets = liabilities + stakeholder's equity

1.2 INDUSTRY PROFILE:

India became the fourth largest auto market in 2019 displacing Germany with about 3.99 million units sold in the passenger and commercial vehicles categories. India is expected to displace Japan as the third largest auto market by 2021.

The two wheelers segment dominates the market in terms of volume owing to a growing middle class and a young population. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector.

India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India and major automobile players in the Indian market is expected to make India a leader in the two-wheeler and four-wheeler market in the world by 2020.

The Indian automotive industry consists of five segments: commercial vehicles; multi-utility vehicles & passenger cars; two-wheelers; three-wheelers; and tractors. With 7,822,963 units sold in the domestic market and 753,591 units exported during the first nine months of FY2007, the industry (excluding tractors) marked a growth of 43% over the corresponding previous. The two-wheeler sales have witnessed a spectacular growth trend since the mid-nineties. India is the second largest producer and manufacturer of two-wheelers in the world. Indian two-wheeler industry has got spectacular growth in the last few years. Indian two-wheeler industry had a small beginning in the early 50's. The Automobile Products of India (API) started manufacturing scooters in the country. Bikes are a major segment of Indian two wheeler industry, the other two being scooters and mopeds. Indian companies are among the largest two-wheeler manufacturers in the world. Hero MotoCorp and Bajaj Auto are two of the Indian companies that top the list of world companies manufacturing two-wheelers. The two-wheeler market was opened to foreign companies in the mid 1980s. The openness of Indian market to foreign companies lead to the arrival of new models of two-wheelers into India. Easy availability of loans from the banks, relatively low rate of interest and the discount of prices offered by the dealers and manufacturers lead to the increasing demand for two-wheeler vehicles in India. This lead to the strong growth of Indian automobile industry.

1.2.1 Market Size

Domestic automobiles production increased at 2.36% CAGR between FY16-20 with 26.36 million vehicles being manufactured in the country in FY20. Overall, domestic automobiles sales increased at 1.29% CAGR between FY16-FY20 with 21.55 million vehicles being sold in FY20.

Two wheelers and passenger vehicles dominate the domestic Indian auto market. Passenger car sales are dominated by small and mid-sized cars. Two wheelers and passenger cars accounted for 80.8% and 12.9% market share, respectively, accounting for a combined sale of over 20.1 million vehicles in FY20.

Overall, automobile export reached 4.77 million vehicles in FY20, growing at a CAGR of 6.94% during FY16-FY20. Two wheelers made up 73.9% of the vehicles exported, followed by passenger vehicles at 14.2%, three wheelers at 10.5% and commercial vehicles at 1.3%.

EV sales, excluding E-rickshaws, in India witnessed a growth of 20% and reached 1.56 lakh units in FY20 driven by two wheelers.

Premium motorbike sales in India recorded seven-fold jump in domestic sales, reaching 13,982 units during April-September 2019. The sale of luxury cars stood between 15,000 to 17,000 in the first six months of 2019.

1.2.2 Investments

In order to keep up with the growing demand, several auto makers have started investing heavily in various segments of the industry during the last few months. The industry has attracted Foreign Direct Investment (FDI) worth US\$ 24.5 billion between April 2000 and June 2020, according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the recent/planned investments and developments in the automobile sector in India are as follows:

- ❖ In October 2020, MG Motors announced its interest in investing Rs. 1,000 crore (US\$ million) to launch new models and expand operations in spite of the anti-China sentiments.

- ❖ In October 2020, Ultra Automotive, a manufacturer of electric motorcycle in India, raised a disclosed amount in a series B investment from Go Frugal Technologies, a software company.
- ❖ In September 2020, Toyota Kirloskar Motors announced investments of more than Rs 2,000 crore (US\$ 272.81 million) in India directed towards electric components and technology for domestic customers and exports
- ❖ During early September 2020, Mahindra & Mahindra signed a MoU with Israel-based REE Automotive to collaborate and develop commercial electric vehicles
- ❖ Volkswagen announced merger of its three entities in India, the new entity will be called Skoda Auto Volkswagen India Private Limited.
- ❖ In April 2020, TVS Motor Company bought UK's iconic sporting motorcycle brand, Norton, for a sum of about Rs. 153 crore (US\$ 21.89 million), making its entry into the top end (above 850cc) segment of the superbike market.
- ❖ As of May 2019, Jaguar Land Rover (JLR) launched its locally assembled Range Rover Velar, making JLR cars more affordable by quite some margin.
- ❖ In March 2020, Lithium Urban Technologies partnered with renewable energy solutions provider, Fourth Partner Energy, to build charging infrastructure across the country.
- ❖ In January 2020, Tata Auto Company Systems, the auto-components arm of Tata Group entered a joint venture with Beijing-based Prestolite Electric to enter the electric vehicle (EV) components market.
- ❖ In December 2019, Force Motors planned to invest Rs. 600 crore (US\$ 85.85 million) to develop two new models over the next two years.
- ❖ In December 2019, Morris Garages (MG), a British automobile brand, announced plans to invest an additional Rs. 3,000 crore (US\$ 429.25 million) in India.

- ❖ Audi India planned to launch nine all-new models including Sedans and SUVs along with futuristic Electron EV by end of 2019.
- ❖ MG Motor India planned to launch MG ZS EV electric SUV in early 2020 and have plans to launch affordable EV in the next 3-4 years.
- ❖ BYD Tata Motors and Ashok Leyland will supply 5,500 electric buses for different state departments.

1.2.3 Government Initiatives

The Government of India encourages foreign investment in the automobile sector and has allowed 100% foreign direct investment (FDI) under the automatic route.

Some of the recent initiatives taken by the Government of India are -

- ❖ Under Union Budget 2019-20, the Government announced to provide additional income tax deduction of Rs. 1.5 lakh (US\$ 2,146) on the interest paid on the loans taken to purchase EVs.
- ❖ The Government aims to develop India as a global manufacturing centre and a Research and Development (R&D) hub.
- ❖ Under NATRIP, the Government of India is planning to set up R&D centres at a total cost of US\$ 388.5 million to enable the industry to be on par with global standards
- ❖ The Ministry of Heavy Industries, Government of India has shortlisted 11 cities in the country for introduction of EVs in their public transport systems under the FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme. The Government will also set up incubation centre for start-ups working in the EVs space.
- ❖ In February 2019, the Government of India approved FAME-II scheme with a fund requirement of Rs. 10,000 crore (US\$ 1.39 billion) for FY20-22.

1.2.4 Achievements

Following are the achievements of the Government in the last four years:

- ❖ In H12019, automobile manufacturers invested US\$ 501 million in India's auto-tech start-ups according to Venture intelligence.
- ❖ Investment flow into EV start-ups in 2019 (till end of November) increased nearly 170% to reach US\$ 397 million.
- ❖ On 29th July 2019, Inter-ministerial panel sanctioned 5,645 electric buses for 65 cities.
- ❖ NATRIP's proposal for "Grant-In-Aid for test facility infrastructure for EV performance Certification from NATRIP Implementation Society" under the FAME Scheme was approved by Project Implementation and Sanctioning Committee (PISC) on 3rd January 2019.
- ❖ Under NATRIP, following testing and research centers have been established in the country since 2015
 - International Centre for Automotive Technology (ICAT), Manesar
 - National Institute for Automotive Inspection, Maintenance & Training (NIAIMT), Sachar
 - National Automotive Testing Tracks (NATRAX), Indore
 - Automotive Research Association of India (ARAI), Pune
 - Global Automotive Research Centre (GARC), Chennai

SAMARTH Udyog - Industry 4.0 centers: 'Demo cum experience' centers are being set up in the country for promoting smart and advanced manufacturing helping SMEs to implement Industry 4.0 (automation and data exchange in manufacturing technology).

1.2.5 Road Ahead

The automobile industry is supported by various factors such as availability of skilled labor at low cost, robust R&D centers, and low-cost steel production. The industry also provides great opportunities for investment and direct and indirect employment to skilled and unskilled labor.

Indian automotive industry (including component manufacturing) is expected to reach Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026.

1.2.6 MOTORCYCLE

A motorcycle, often called a motorbike, bike, or cycle, is a two- or three-wheeled motor vehicle. Motorcycle design varies greatly to suit a range of different purposes: long-distance travel, commuting, cruising, sport, including racing, and off-road riding. Motorcycling is riding a motorcycle and being involved in other related social activity such as joining a motorcycle club and attending motorcycle rallies.

The 1885 Daimler Reitwagen made by Gottlieb Daimler and Wilhelm Maybach in Germany was the first internal combustion, petroleum-fueled motorcycle. In 1894, Hildebrand & Wolfmüller became the first series production motorcycle.

In 2014, the three top motorcycle producers globally by volume were Honda (28%), Yamaha (17%) (both from Japan), and Hero MotoCorp (India). In developing countries, motorcycles are considered utilitarian due to lower prices and greater fuel economy. Of all the motorcycles in the world, 58% are in the Asia-Pacific and Southern and Eastern Asia regions, excluding car-centric Japan.

According to the US Department of Transportation, the number of fatalities per vehicle mile traveled was 37 times higher for motorcycles than for cars.

There are many systems for classifying types of motorcycles, describing how the motorcycles are put to use, or the designer's intent, or some combination of the two. Six main categories are widely recognized: cruiser, sport, touring, standard, dual purpose, and dirt bike. Sometimes sport touring motorcycles are recognized as a seventh category. Strong lines are sometimes drawn between motorcycles and their smaller cousins, mopeds, scooters, and under bones, but other classification schemes include these as types of motorcycles.

There is no universal system for classifying all types of motorcycles. There are strict classification systems enforced by competitive motorcycle sport sanctioning bodies, or legal definitions of a motorcycle established by certain legal jurisdictions

for motorcycle registration, emissions, road traffic safety rules or motorcyclist licensing.

There are also informal classifications or nicknames used by manufacturers, riders, and the motorcycling media. Some experts do not recognize sub-types, like naked bike, that "purport to be classified" outside the six usual classes, because they fit within one of the main types and are recognizable only by cosmetic changes.

There are three major types of motorcycle: street, off-road, and dual purpose. Within these types, there are many sub-types of motorcycles for different purposes. There is often a racing counterpart to each type, such as road racing and street bikes, or motocross including dirt bikes.

Street bikes include cruisers, sport bikes, scooters and mopeds, and many other types. Off-road motorcycles include many types designed for dirt-oriented racing classes such as motocross and are not street legal in most areas. Dual purpose machines like the dual-sport style are made to go off-road but include features to make them legal and comfortable on the street as well.

Each configuration offers either specialized advantage or broad capability, and each design creates a different riding posture. In some countries the use of pillion seats (rear seats) is restricted.

1.2.7. Introduction to Indian Two-wheeler Sector:

The Indian automotive industry consists of five segments: commercial vehicles; multi-utility vehicles & passenger cars; two-wheelers; three-wheelers; and tractors. With 7,822,963 units sold in the domestic market and 753,591 units exported during the first nine months of FY2007, the industry (excluding tractors) marked a growth of 43% over the corresponding previous. The two-wheeler sales have witnessed a spectacular growth trend since the mid-nineties. India is the second largest producer and manufacturer of two-wheelers in the world. Indian two-wheeler industry has got spectacular growth in the last few years. Indian two-

wheeler pg. 9 industry had a small beginning in the early 50's. The Automobile Products of India (API) started manufacturing scooters in the country. Bikes are a major segment of Indian two wheeler industry, the other two being scooters and mopeds. Indian companies are among the largest two-wheeler manufacturers in the world. Hero Motocorp and Bajaj Auto are two of the Indian companies that top the list of world companies manufacturing two-wheelers. The two-wheeler market was opened to foreign companies in the mid 1980s. The openness of Indian market to foreign companies lead to the arrival of new models of two-wheelers into India. Easy availability of loans from the banks, relatively low rate of interest and the discount of prices offered by the dealers and manufacturers lead to the increasing demand for two-wheeler vehicles in India. This lead to the strong growth of Indian automobile industry.

1.3 COMPANY PROFILE:



FIGURE 1.3 REFER TO COMPANY LOGO

Hero MotoCorp Ltd. (Formerly Hero Honda Motors Ltd.) is the world's largest manufacturer of two – wheelers, based in India.

In 2001, the Company achieved the coveted position of being the largest two-wheeler manufacturing Company in India and also, the 'World No.1' two-wheeler Company in terms of unit volume sales in a calendar year. Hero MotoCorp Ltd. continues to maintain this position till date.

1.3.1 HISTORY:

Hero started its operations in 1984 as a joint venture between [Hero Cycles](#) (sometimes called Hero Group, not to be confused with the [Hero Group](#) food company of Switzerland) of India and [Honda](#) of Japan. In June 2012, Hero MotoCorp approved a proposal to merge the investment arm of its parent Hero Investment Pvt. Ltd. with the automaker. This decision came 18 months after its split from Hero Honda.

"Hero" is the brand name used by the Munjal brothers for their flagship company, Hero Cycles Ltd. A joint venture between the Hero Group and Honda Motor Company was established in 1984 as the Hero Honda Motors Limited at [Dharuhera](#), India. Munjal family and Honda group both owned 26% stake in the Company.

During the 1980s, the company introduced motorcycles that were popular in India for their fuel economy and low cost. A popular advertising campaign based on the slogan 'Fill it – Shut it – Forget it' that emphasised the motorcycle's fuel efficiency helped the company grow at a double-digit pace since inception. In 2001, the company became the second largest two-wheeler manufacturing company in India and globally. It maintains global industry leadership to date. The technology in the bikes of Hero Motocorp (earlier Hero Honda) for almost 26 years (1984–2010) has come from the Japanese counterpart Honda.

Hero MotoCorp was started in 1984 as Hero Motocorp Motors Ltd. 1956 -- Formation of Hero Cycles in Ludhiana(majestic auto limited)

- 1975 -- Hero Cycles becomes largest bicycle manufacturer in India.
- 1983 -- Joint Collaboration Agreement with Honda Motor Co. Ltd. Japan signed Shareholders Agreement signed
- 1984 -- Hero MotoCorp Motors Ltd. incorporated
- 1985 -- Hero MotoCorp motorcycle CD 100 launched.
- 1989 -- Hero MotoCorp motorcycle Sleek launched.

- 1991 -- Hero MotoCorp motorcycle CD 100 SS launched.
- 1994 -- Hero MotoCorp motorcycle Splendor launched.
- 1997 -- Hero MotoCorp motorcycle Street launched.
- 1999 -- Hero MotoCorp motorcycle CBZ launched.
- 2001 -- Hero MotoCorp motorcycle Passion and Hero Motocorp Joy launched.
- 2002 -- Hero MotoCorp motorcycle Dawn and Hero Motocorp motorcycle Ambition launched. • 2003 -- Hero MotoCorp motorcycle CD Dawn, Hero Motocorp motorcycle Splendor, Hero MotoCorp motorcycle Passion Plus and Hero Motocorp motorcycle Karizma launched.
- 2004 -- Hero MotoCorp motorcycle Ambition 135 and Hero Motocorp motorcycle CBZ* launched.
- 2005 -- Hero MotoCorp motorcycle Super Splendor, Hero MotoCorp motorcycle CD Deluxe, Hero MotoCorp motorcycle Glamour, Hero MotoCorp motorcycle Achiever and Hero Motocorp Scooter Pleasure.
- 2007 -- New Models of Hero Motocorp motorcycle Splendor NXG, New Models of Hero Motocorp motorcycle CD Deluxe, New Models of Hero Motocorp motorcycle Passion Plus and Hero Motocorp motorcycle Hunk launched.
- 2008 -- New Models of Hero Motocorp motorcycles Pleasure, CBZ Xtreme, Glamour, Glamour Fi and Hero Motocorp motorcycle Passion Pro launched.
- 2009 -- New Models of Hero Motocorp motorcycle Karizma: Karizma - ZMR and limited edition of Hero Motocorp motorcycle Hunk launched
- 2010 -- New Models of Hero Motocorp motorcycle Splendor Pro and New Hero Motocorp motorcycle Hunk and New Hero Motocorp Motorcycle Super Splendor launched.
- 2011 -- New Models of Hero Motocorp motorcycles Glamour, Glamour Fi, CBZ Xtreme, Karizma launched. New licensing arrangement signed between Hero and Honda. August-- Hero and Honda part company, thus forming Hero MotoCorp and

Honda moving out of the Hero Motocorp joint venture. November-- Hero launched its first ever Off Road Bike Named Hero "Impulse".

1.3.2. VISION:

The story began with a simple vision – the vision of a mobile and an empowered India, powered by its bikes. Hero MotoCorp Ltd., company's new identity, reflects its commitment towards providing world class mobility solutions with renewed focus on expanding company's footprint in the global arena.

1.3.3. MISSION:

Hero MotoCorp's mission is to become a global enterprise fulfilling its customers' needs and aspirations formobility, setting benchmarks in technology, styling and quality so that it converts its customers into its brandadvocates. The Company will provide an engaging environment for its people to perform to their true potential. Itwill continue its focus on value creation and enduring relationships with its partners.

1.3.4. STRATEGY:

Hero MotoCorp's key strategies are to build a robust product portfolio across categories, explore growth opportunities globally, continuously improve its operational efficiency, aggressively expand its reach to customers, continue to invest in brand building activities and ensure customer and shareholder delight.

1.3.5 MANUFACTURING:

Hero Honda bikes are manufactured across three globally benchmarked manufacturing facilities. Two of these are based at Gurgaon and Dharuhera which are located in the state of Haryana in northern India. The third and the latest manufacturing plant is based at Haridwar, in the hill state of Uttarakhand.

1.3.6. TECHNOLOGY:

In the 1980's the Company pioneered the introduction of fuel-efficient, environment friendly four-stroke motorcycles in the country. It became the first Company to launch the Fuel Injection (FI) technology in Indian motorcycles, with the launch of the Glamour FI in June 2006.

Its plants use world class equipment and processes and have become a benchmark in leanness and productivity.

Hero MotoCorp, in its endeavor to remain technology pioneer, will continue to innovate and develop cutting edge products and processes.

1.3.7 PRODUCTS

Hero Honda's product range includes variety of motorcycles that have set the industry standards across all the market segments. The Company also started manufacturing scooter in 2005. Hero Honda offers large no. of products and caters to wide variety of requirements across all the segments.

1.3.8 DISTRIBUTION :

The Company's growth in the two-wheeler market in India is the result of an intrinsic ability to increase reach in new geographies and growth markets. Hero MotoCorp's extensive sales and service network now spans over to 5000 customer touch points. These comprise a mix of authorized dealerships, Service & Spare Parts outlets, and dealer-appointed outlets across the country.

1.3.9 .BRAND:

The new Hero is rising and is poised to shine on the global arena. Company's new identity "Hero MotoCorp Ltd." is truly reflective of its vision to strengthen focus on mobility and technology and creating global footprint. Building and promoting new brand

identity will be central to all its initiatives, utilizing every opportunity and leveraging its strong presence across sports, entertainment and ground-level activation.

“Hero” is the brand name used by the Munjal brothers for their flagship company Hero Cycles Ltd. A joint venture between the Hero Group and Honda Motor Company was established in 1984 as the Hero Motocorp Motors Limited At Dharuhera India. Munjal family and Honda group both own 26% stake in the Company. In 2010, it was reported that Honda planned to sell its stake in the venture to the Munjal family. During the 1980s, the company introduced motorcycles that were popular in India for their fuel economy and low cost. A popular advertising campaign based on the slogan 'Fill it - Shut it - Forget it' that emphasised the motorcycle's fuel efficiency helped the company grow at a double-digit pace since inception. The technology in the bikes of Hero Motocorp for almost 26 years (1984–2010) has come from the Japanese counterpart Honda. Hero MotoCorp has three manufacturing facilities based at Dharuhera, Gurgaon in Haryana and at Hardware in Uttarakhand. These plants together are capable of churning out 3 million bikes per year. Hero MotoCorp has a large sales and service network with over 3,000 dealerships and service points across India. Hero Motocorp has a customer loyalty program since 2000, called the Hero Motocorp Passport Program. The company has a stated aim of achieving revenues of \$10 billion and volumes of 10 million two-wheelers by 2016-17. This in conjunction with new countries where they can now market their two-wheelers following the disengagement from Honda, Hero MotoCorp hopes to achieve 10 per cent of their revenues from international markets, and they expected to launch sales in Nigeria by end-2011 or early-2012. In addition, to cope with the new demand over the coming half decade, the company was going to build their fourth factory in South India and their fifth factory in Western India. There is no confirmation where the factories would be build.

1.4 NEED FOR THE STUDY:

- ❖ Financial analysis is the starting point for making plans, before using any forecasting and planning procedure.
- ❖ Every company should know its financial performance. By knowing the financial performance, they can able to analysis whether the company attains satisfactory level or not. They can able to know the liquidity position, profitability position and the solvency position.
- ❖ The financial performance is done whether the funds of the company is utilized in an effective manner or not. So, in order to understand the financial position of Hero MotocropLmtied.
- ❖ By analysis of financial performance of Hero Motocrop Limited. ltd it would be able to get a fair picture of the financial positions of the company.
- ❖ Whether the financial condition of the firm is sound.
- ❖ By showing the financial performance to various lenders and creditors it is possible to get credit in easy terms if good financial condition is maintained in the company within assets out weighting the liabilities.
- ❖ This study suggests possible solution to overcome working capital problem.

1.5 STATEMENT OF PROBLEM:

Industries are providing one of the most basic needs of people to maintain sustained growth for improving the standard of life. It has a unique position as a self-reliant industry, from the production of raw materials to the delivery of finished products, with substantial value-addition at each stage of the process. It is a major contribution to the country's economy. Business concerns are facing severe competition in the present world of a liberalized economy. The survival, growth and organizational success greatly depend on the efficient management of its finance. Company form of organization is followed in the economic development of a nation like India. Even though the industry is the biggest in the country and performing well, many textile mills are being closed every year due to various reasons

So the present topic entitled," An evaluation of the financial performance analysis of the HERO MOTORCORP LIMITED" has been undertaken to highlight the importance of efficient financial management of the company under study.

1.6 OBJECTIVES OF STUDY:

Primary objective:

1. To Study the Financial Performance of Automobile Industry (Two-wheeler)

Secondary objectives:

1. To Evaluate the Liquidity Position of the Company Under Study
2. To Evaluate the Profitability Position of the Company Under Study.
3. To Evaluate the Turnover Position of the Company Under Study.
4. To Study the Performance of the Company through Comparative Analysis and Common Size Statement.

1.7 SCOPE OF THE STUDY:

- ❖ The scope of the study is to have an idea about financial performance analysis of Hero Motocorp Limited.
- ❖ The project is pertained to the company's data available for past 10 years.
- ❖ Their report starts with the outline of the organization in focus, presenting the mission and vision of the organization.

- ❖ Those who looking information about financial performance analysis of India Motocorp Limited. They might get help from this report.

1.8 LIMITATIONS OF THE STUDY:

- ❖ Financial statements are generally based on historical book cost.
- ❖ The ratio analysis does not predict the future. It shows the historical data.
- ❖ The financial position disclosed by balance sheet can't be exact hence they have interim reports.
- ❖ The period of study is a short one and in-depth study was not possible.
- ❖ To have a better analysis it is advisable to base the study on the monthly or quarterly operational data of the organization. Data of this type are not available for outsiders. So, the study has to bare these limitations.

CHAPTER –2

2.1 REVIEW OF LITERATURE:

1. **Kennedy and Muller (2012)**, has explained that “The analysis and interpretation of financial statements are an attempt to determine the significance and meaning of financial statements data so that the forecast may be made of the prospects for future earnings, ability to pay interest and debt maturities (both current and long term) and profitability and sound dividend policy.”
2. **Kaur Harpreet (2016)** the author tries to examine the qualities & quantities performer of Maruti Suzuki Co. & how had both impact on its market share in India. For this study secondary data has been collected from annual reports, journals, report automobile sites. Result shows that MSL has been successfully leading automobile sector in India for last few years.
3. **Kumar Mohan M.S, Vasu. V. and Narayana T. (2016)** the study has been made through using different ratios, mean, standard deviation and Altman's Z score approach to study the financial health of the company. The study reveals there is a positive correlation between liquidity and profitability ratios except return on total assets as well as Z score value indicate good health of the company.
4. **Ravichandran, M. & Subramaniam M Venkata (2016)** the main idea behind this study is to assessment of viability, stability and profitability of Force Motors Limited. Operating position of the company can be measured by using various financial tools such as profitability ratio, solvency ratio, comparative statement & graphs etc. This study finds that company has got enough funds to meet its debts & liabilities. Company can further improve financial performance by reducing the administrative, selling & operating expenses.
5. **Jothi, K. & Geetha Lakshmi, A. (2016)** this study tries to evaluate the profitability & financial position of selected companies of Indian automobile industry using statistical tools like, ratio analysis, mean, standard deviation, correlation. The study reveals the positive relationship between profitability, short term and long-term capital.

6. **Maheshwari, V. (2016)** made an attempt to analyse the financial soundness of the Hero Honda motors limited have identified three factors, namely liquidity position, solvency position and profitability position based on the study of period 2010 to 2016 using ratio analysis and Altman's Z score model.
7. **Agarwal, Nidhi (2015)** the study focus on the comparative financial performance of Maruti Suzuki and Tata motors ltd. The financial data and information required for the study are drawn from the various annual reports of companies. The liquidity and leverage analysis of both the firms are done. To analyze the leverage position four ratios are considered namely, capital gearing, debt-equity, total debt and proprietary ratio. The result shows that Tata motors ltd has to increase the portion of proprietor's fund in business to improve long term solvency position.
8. **Krishnaveni, M. & Vidya, R. (2015)** find that Indian automobile industry is a high flying sector these days and emerging as an export hub in wake of liberalisation and globalization. This paper revises the category wise production, sales and exports of automobile industry in India. Industry growth can be viewed in term of pre and post liberalization. As government allows 100 percent FDI, increase 15% in customs duty on cars and MUVs to encourage local manufacturer and concessional import duty on specified parts of hybrid vehicles.
9. **Sarwade Walmik Kachru (2015)** analyzed the effects of liberalization, government de-licensing and liberal trade policies on the growth of Indian automobile industry .The study recommends that investing four- wheeler is going to be smart potion not only in India but all around the world.
10. **Becker Dieter (2015)** the report shows about the current state and future prospects of the worldwide automobile industry. This survey report the manufacturer, executive and consumer views about four aspects, mobility culture, technological fit, business model readiness and market share.
11. **Surekha B. & Krishnalah K.Rama (2015)** this study reveals the prosperity of Tata motors company. It can be concluded that inner strength of company is

remarkable. Company can further improve its profitability by optimum capital gearing, reduction in administration and financial expenses for the growth of company.

12. **Anu B. (2015)** made an attempt to examine the relationship between capital structure indicators, market price per shares and also to test relationship between debt-equity and market price per share of selected companies in industry. The study concludes that all three companies support the hypothesis that there is relation between debt-equity and MPS.
13. **Takeh Ata &NavaprabhaJubiliy (2015)** Author has made conceptual model to outline the impact of capital structure on the financial performance i.e. capital structure is independent variable that value is measured by using four ratios namely, financial debt, total debt equity, total asset debt and interest coverage ratio whereas financial performance is dependent variable that value is measured by using four ratios as return on assets, return on equity , operating profit margin and return on capital employed. Researcher has selected 13 major steel industries and applied various statistical tools like standard deviation, correlation matrix, anova etc are employed for testing hypothesis with help of SPSS22.
14. **Moses Joshua Daniel (2016)** in his study “A Study on Financial Status of TATA Motors Ltd” stated the main objectives to analyzing the overall financial status of the TATA Motors Ltd by using various financial tools. In order to analyze financial status in terms of Profitability, Solvency, Activity and Financial stability various accounting ratios have been used. It is cleared from the study that 37 the company’s financial performance is satisfactory. The company has stable growth and it shows a greater status in all the areas it works. The company has been suggested to reduce the expenditure as it increases every year. Decrease in expenses will increase the profitability.

15. **Huda Salhe Meften & Manish Roy Tirkey (2014)** have studied the financial analysis of Hindustan petroleum corporation ltd. The study is based on secondary data. The company has got excellent gross profit ratio and trend is rising in with is appreciable indicating efficiency in production cost. The net profit for the year 2010-11 is excellent & it is 8 times past year indicating reduction in operating reduction in operating expenses and large proportion of net sales available to the shareholders of company.
16. **Srivastava Anubha (2014)** Data analysis has been done using the top down approach ,i.e. Economic analysis, industry analysis, company and technical analysis to find relationship between automobile sector index with market index. Mahindra and Mahindra have a great position on the stock market and will attract investor and this could lead to expansion and growth. Thus Tata motors and Maruti Suzuki need to take care of their stock and expansion.
17. **Sarangi Pradeepta K et al (2014)** undertook a study to forecast the future trend of automobile industry. The study highlighted the six different experiments have been carried out for period of 12 years data to estimate values for next 3 years. In each experiment graph has been plotted using spreadsheet and then linear trend has been drawn and expanded to calculate future values.
18. **Kumar Sumesh & Kaur Gurbachan (2014)** Automobile sector is the dominant player in economy of world. After liberalization Indian automobile industry has emerged as a major contributor to India's GDP. The study identified that there is no significant in the means score of various financial ratios of Maruti Suzuki and Tata motors but in meeting their longterm obligations and efficacy of utilizing the assets show the significant difference in the effective of the Firm.
19. **Dharmaraj and Kathirvel (2013)** in their study related to "Analyzing the Financial Performance of Selected Indian Automobile Companies", suggested that the financial performance of Atul Auto Ltd, Ashok Leyland, HMT Ltd, Tata Motors Ltd, and SML ISUZU Ltd are highly improved as compared to the group average value for all ratios. In India there is a huge scope for automobile

companies. They are financially strong and they are growing at the rate of 17 per cent per annum and contributing to the Indian economy reasonably. Finally, the study provides companies with understanding of the activities that would enhance their financial performances. The results of this study imply that it might be necessary for all Companies to take all required decisions to enhance their financial position.

20. **Hotwani Rakhi (2013)** the author examines the profitability position and growth of company in light of sales and profitability of Tata Motors for past ten years. Data is analyzed through ratios, standard deviations and coefficient of variance. The study reveals that there not exists a strong relationship between sales & profitability of company.

21. **Daniel A. Moses Joshunar (2013)** the study has been conducted to identify the financial strength and weakness of the Tata motors Ltd. using past 5year financial statements. Trend analysis & ratio analysis used to comment of financial status of company. Financial performance of company is satisfactory and also suggested to increase the loan levels of company for the better performance.

22. **Kavitha and Palanivelu (2013)** main objectives of their study is known about the financial health of the steel industries and to analyze and compare the financial performances of NSE listed steel industries based on ratio analysis and Z Score (Altman's model). They suggested that the companies" try to increase production and sales get maximize profit to strengthen financial position of the NSE listed companies. The management may utilize maximum production capacity and reduce interest burden increase profit. The policy of borrowed financing in selected steel group of companies under study was not proper.

23. **Hari Govinda Rao & et al. (2013)** in their study entitled “An Empirical Analysis on Financial Performance of Public Sector Housing Corporation in India: A Case Study of HUDCO”, stated that the main concept of their study is Profitability and liquidity management is of crucial importance in financial management decision. The most favourable financial performance could be achieved by a company that can trade between profitability and liquidity performance indicators. The purpose of this study is to find out the financial position of and know the significance of them. Descriptive statistics discloses that performance of the selected unit in terms of liquidity, solvency and profitability position is very satisfactory and relatively efficient financial position is found in 36 all the cases. They suggested that both the institutions under the study should concentrate on financial profitability, especially unexplained variables in purpose of creating shareholders’ wealth.

24. **Venkataramana and Ramakrishnan (2012)** evaluate the profitability and financial position of selected cement companies in India through various financial ratio and applied correlation, mean, standard deviation and variance. The study uses liquidity and profitability ratios for assessment of impact of liquidity ratios on profitability performance of selected cement companies.

25. **Hima Bindu and Subrahmanyam (2012)** in their study dealt with the evaluation of earning power, analysis of operating efficiency, analysis of financial efficiency and measurement of financial health of Dairy Industry in Andhra Pradesh using Z score analysis. The financial health of Amrit Corp Limited, GSKCH Limited, Heritage Foods India Limited and NDDB differs and these companies fall under too healthy zone. The financial health of Ravi Leela Dairy Products Limited is in danger and the unit is considered to be in bankruptcy zone. Its failure is certain and it would occur probably within a period of two years.

26. **Mistry Dharmendra S. (2012)** understood a study to analyze the effect of various determinants on the profitability of the selected companies. It concluded that debt equity ratio, inventory ratio, total assets were important determinants

which effect positive or negative effect on the profitability. It suggested to improve solvency as to reduce fixed financial burden on the company profit & give the benefit of trading on equity to the shareholders.

27. **Fozia Mehtab and Arun Kr. Kaushik (2012)** its objective is to find out about the historical performance and current financial condition of Wipro limited with the help of various ratios and thereby offers appropriate suggestions for the better performance of the organization. The information and data are collected through rough formal and informal discussion with the officers of accounts department of the company on the basis of needs. Most of the calculations are made on the financial statements of the company provided statements like published annual reports, financial reports, company's websites etc. The data analysis is done using various activity, solvency, profitability and turnover ratios. After analyzing the financial statements of the company it can be concluded though the financial position of the 60 company is found quite satisfactory as the company's sales is rising continuously, yet it should take some steps to decrease its expenses because the net profit has not increased much. It concludes the company should try to increase its profit after tax.

28. **Prasanta Paul (2011)** reported that "Financial Performance Evaluation - A Comparative Study of Some Selected NBFCs". In this study, five listed NBFCs 32 have been considered for analyzing comparative financial performance. Different statistical tools like, Arithmetic mean, Standard Deviation, Coefficient of Variance, Correlation and Analysis of Variance have been used extensively. Arithmetic Mean (AM) is an ideal measure of central tendency, which is rigidly defined, easy to calculate, based on all observations and affected least by fluctuations of sampling has been applied in this study. It has been used to get a stable average and it is easy to understand the results of the study

29. **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.

30. **Shinde Govind P. & Dubey Manisha (2011)** the study has been conducted considering the segments such as passenger vehicle, commercial vehicle, utility vehicle, two and three wheeler vehicle of key players performance and also analyze SWOT analysis and key factors influencing growth of automobile industry.

2.2 THEORETICAL STUDY:

LIQUIDITY RATIO:

It shows ability of the business to pay its short-term liabilities. Inability to pay-off short-term liabilities affects its credibility as well as its credit rating. Continues default on the part of the business leads to commercial bankruptcy.

2.2.1 CURRENT RATIO:

Current ratio may be defined as the relationship between current assets and current liabilities it is the most common ratio for measuring liquidity. It is calculated by dividing current assets and current liabilities. Current assets are those, the amount of which can be realized with in a period of one year. Current liabilities are those amounts which are payable with in a period of one year.

To know whether the business has sufficient current assets to meet its current liabilities with margin for possible losses in current assets.

Current Ratio = Current Asset \Current Liability

2.2.2 LIQUID RATIO:

A measure of company liquidity and ability to meet its obligations. Quick ratio, often referred to as acid-test ratio, is obtained by subtracting inventories from current assets and then dividing by current liabilities.

Liquid ratio = Liquid assets / current liabilities

2.2.3 CASH RATIO:

The Cash Ratio, Sometimes Referred to as the Cash Asset Ratio, is a Liquidity Metric that Indicates a Company's Capacity to Pay off SHORT TERM DEBT OBLIGATION with its cash and cash Equivalents. Compared to Other Liquidity Ratio Such as the CURRENT RATIO and QUICK RATIO, the Cash Ratio is a Stricter, More Conservative Measure Because Only Cash and Cash Equivalents – a Company's Most Liquid Assets – are Used in the Calculation.

Cash ratio = Cash & Cash equivalents / Current liabilities

2.2.4 PROFITABILITY RATIO:

Profit making is the main objective of business. Aim of every business concern is to earn maximum profits in absolute term and also in relative terms i.e. profit is to be maximum in term of risk undertaken.

Profitability Ratio = Profit after tax / Sales

2.2.5 GROSS PROFIT RATIO:

Gross profit ratio establishes the relationship between gross profit and net sales. It also reveals the amount of gross profit for each rupee of sale. This ratio is calculated by dividing the gross profit by Net sales. It is usually indicated as a percentage.

Gross Profit Ratio = Gross Profit / Net sales * 100

2.2.6 NET PROFIT RATIO:

Net profit ratio is also termed as sales margin ratio or profit margin ratio or net profit to sales ratio. This ratio reveals the firms overall efficiency in operating the business. Net profit ratio is used to measure the relationship between net profit (either before or after

taxes) and sales.

$$\text{Net Profit Ratio} = \text{Net Profit} / \text{Net Sales} * 100$$

2.2.7 OPERATING RATIO:

Operating ratio represent the different between the cost of goods sold and sales. Operating ratio measures the amount of expenditure incurred in production, sales and distribution of output. It indicates operational efficiency of the concern.

$$\text{Operating Ratio} = \text{Cost of goods sold} + \text{Operating expenses} / \text{Net sales} * 100$$

2.2.8 RETURN ON INVESTMENT:

It is the percentage of return on funds invested in the business by its owners. This ratio tells the owner whether or not all the effort put into the business has been worthwhile.

$$\text{Return on Investment} = \text{EBIT} / \text{Investment} * 100$$

2.2.9 RETURN ON ASSETS (ROA):

It is measured in terms of relationship between net profits and assets employed to earn that profit. This ratio measures the profitability of the firm in terms of assets employed in the firm.

$$\text{Return on assets} = \text{EAT} / \text{Total Assets}$$

2.2.10 RETURN ON EQUITY (ROE):

It measures the profitability of equity funds invested in the firm. This ratio reveals how profitably of the owner's funds have been utilized by the firm. It also measures the percentage return generated to equity shareholders.

$$\text{Return on equity} = \text{EBIT} / \text{Shareholder's Equity}$$

2.2.11 DEBTOR TURNOVER RATIO:

It represents how quickly the debtors are converted into cash. This ratio is used to measure the firm liquidity position. This ratio establishes the relationship between receivables and credit sales.

$$\text{Debtor turnover ratio} = \text{Net sales} / \text{Average debtors}.$$

2.2.12 FIXED TURNOVER RATIO:

Fixed-asset turnover is the ratio of sales to the value of fixed assets. It indicates how well the business is using its fixed assets to generate sales. This ratio measures the efficiency with which a firm is utilizing its fixed assets in generating sales.

$$\text{Fixed assets turnover ratio} = \text{Net sales} / \text{Fixed assets}$$

2.2.13 CURRENT ASSETS TURNOVER RATIO:

Current assets turnover ratio is the relationship between sales or cost of goods sold and current assets employed in the business. This ratio measures the efficiency with which a firm is utilizing its current assets in generating sales

$$\text{Current assets turnover ratio} = \text{Net sales} / \text{Current Asset}$$

2.2.14 PROPRIETARY RATIO:

This ratio is also termed as capital ratio or net worth to total asset ratio. This is one of the variant of dept equity ratio. This shows the relationship between shareholders funds and total assets

$$\text{Proprietary ratio} = \text{Net worth} / \text{Total Assets}$$

2.2.15 WORKING CAPITAL TURNOVER RATIO:

To show the flow of cash and it should be a positive number. Bankers look at net working capital over time to determine a company's ability to financial crises. Loans are often tied to minimum working capital requirements

$$\text{Working capital} = \text{Current asset} - \text{Current liabilities}$$

A measure comparing the depletion of working capital to the generation of sales over a given period. This provides some useful information as to how effectively a company is using its working capital to generate sales.

$$\text{Working capital turnover ratio} = \text{Net sales} / \text{Working Capital}$$

2.2.16 INVENTORY TURNOVER RATIO:

Inventory turnover is a financial ratio showing how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand.

$$\text{Inventory turnover ratio} = \text{cost of goods sold} / \text{Average inventory}$$

2.2.17 DEBT-EQUITY RATIO:

The Debt to Equity ratio (also called the “debt-equity ratio”, “risk ratio”, or “gearing”), is a leverage ratio that calculates the weight of total debt and financial liabilities against total shareholders’ equity. Unlike the debt-assets ratio which uses total assets as a denominator, the D/E Ratio uses total equity. This ratio highlights how a company’s capital structure is tilted either toward debt or equity financing

$$\text{Debt equity ratio} = \text{Total long term debt} / \text{Shareholder fund}$$

2.2.18 DEBTOR TURNOVER RATIO:

The receivables turnover ratio is an accounting measure used to quantify a company's effectiveness in collecting its accounts receivable, or the money owed to it by its customers or clients. This ratio measures how well a company uses and manages the credit it extends to customers and how quickly that short-term debt is collected or is paid.

A firm that is very good at collecting on its payments due will have a higher accounts receivable turnover ratio. It is useful to compare a firm's ratio with that of its peers in the same industry to gauge whether it is on par with its competitors

$$\text{Debtor turnover ratio} = \text{Sales} / \text{Trade Receivables}$$

COMPARATIVE BALANCE SHEET:

The comparative balance sheet is a balance sheet which provides financial figures of Assets, Liability and equity for the —two or more period of the same companyll or —two or more than two company of same industry or —two or more subsidiaries of same companyll at the same page format so that this can be easily understandable and easy to analysis.

The comparative balance sheet has two-column of amount against each balance sheet items; one column shows the current year financial position, whereas another column will show the previous year's financial position so that investors or other stakeholders can easily understand and analyze the company's financial performance against last year.

Comparative Financial Statements is the most commonly used technique for analyzing financial statements. This technique determines the profitability and financial position of a business by comparing financial statements for two or more time periods. Hence, this technique is also termed as Horizontal Analysis. Typically, the income statements and balance sheets are prepared in a comparative form to undertake such an analysis.

Furthermore, there is a provision attached to comparing the financial data showcased by such statements. This relates to making use of the same accounting principles for preparing each of the comparative statements. In case the same accounting principles are not followed to prepare such statements, then the difference must be disclosed in the footnote below

A comparative balance sheet showcases:

- Assets and liabilities of business for the previous year as well as the current year.
- Changes (increase or decrease) in such assets and liabilities over the year both in absolute and relative terms.

Thus, a comparative balance sheet not only gives a picture of the assets and liabilities in different accounting periods. It also reveals the extent to which the assets and liabilities have changed during such periods.

Furthermore, such a statement helps managers and business owners to identify trends in the various performance indicators of the underlying business.

Steps To Prepare a Comparative Balance Sheet.

TREND ANALYSIS:

Trend analysis is an analysis of the trend of the company by comparing its financial statements to analyze the trend of market or analysis of the future on the basis of results of past performance and it's an attempt to make the best decisions on the basis of results of the analysis done.

Trend analysis involves the collection of information from multiple time periods and plotting the information on a horizontal line for further review. The intent of this analysis is to spot actionable patterns in the presented information.

When trend analysis is being used to predict the future, keep in mind that the factors formerly impacting a data point may no longer be doing so to the same extent. This means that an extrapolation of a historical time series will not necessarily yield a valid prediction of the future. Thus, a considerable amount of additional research should accompany trend analysis when using it to make predictions.

Procedure for Calculating Trends:

- (i) One year is taken as a base year. Generally, the first or the last is taken as base year.
- (ii) The figures of base year are taken as 100.

(iii) Trend percentages are calculated in relation to base year. If a figure in other year is less than the figure in base year the trend percentage will be less than 100 and it will be more than 100 if figure is more than base year figure. Each year's figure is divided by the base year's figure.

CHAPTER-3

3.1 RESEARCH METHODOLOGY:

The Research Design Applied for the Study is described as 'Descriptive Research' Study.

3.2 RESEARCH DESIGN:

Secondary data has been collected from Records, Journals, Annual Reports of the company etc. This Project is based on Secondary Information Collected through five Years Annual Report of the company, Supported by Various books and interest Sides.

3.3 OF PERIOD OF THE STUDY:

The research study was conducted for 3 months.

3.4 STATISTICAL TOOLS:

The statistical tools applied for the study may include

3.5 TOOLS USED FOR THE STUDY

FINANCIAL TOOLS

- Ratio analysis
- Statement of changes in working capital
- Comparative Balance Sheet
- Trend analysis

CHAPTER– 4

DATA ANALYSIS AND INTERPRETATION

Table 4.1 Current Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	CURRENT ASSETS	CURRENT LIABILITIES	RATIO (Times)
2016	5,935.09	4,048.82	1.465
2017	7,453.18	4,093.33	1.820
2018	8,848.18	4,343.32	2.037
2019	8,115.64	4,130.36	1.964
2020	8,280.56	3,976.06	2.084

SOURCE: SECONDARY DATA

INTERPRETATION:

The above table shows that the current ratio in the year 2016 was 0.86 and 0.146 and then it Increase to 1.820 in the year 2017, further move downwards to 2.037 in the year 2018. The Current Ratio of all the above three years is above the Standard, So the Society can meet its short term Obligation. The Company is able to Generate enough from operations to pay for its Current Obligations With Current Assets

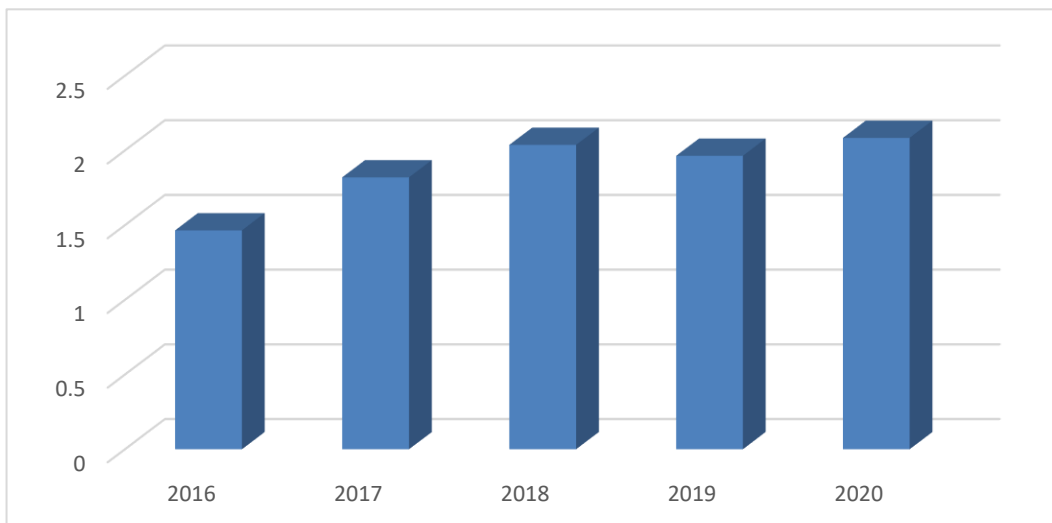


Figure 4.1 current Ratio for the period of 2016 - 2020

Table 4.2 Quick Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	QUICK ASSETS	QUICK LIABILITIES	RATIO (Times)
2016	5,262.11	4,048.82	1.299
2017	6,796.87	4,093.33	1.660
2018	8,024.06	4,343.32	1.847
2019	7,043.27	4,130.36	1.705
2020	7,188.59	3,976.06	1.807

SOURCE: SECONDARY DATA

INTERPRETATION:

The Chart Shows that Liquid Ratio in 2016 is Below 1.5, in 2017- 2020 is Above 1.5. The Quick Ratio of all the Above Five Years is Above the Standard, So the Society can meet its Short term Obligation. The Company is Able to Generate Enough from Operations to Pay for its Current Obligation with Current Assets.

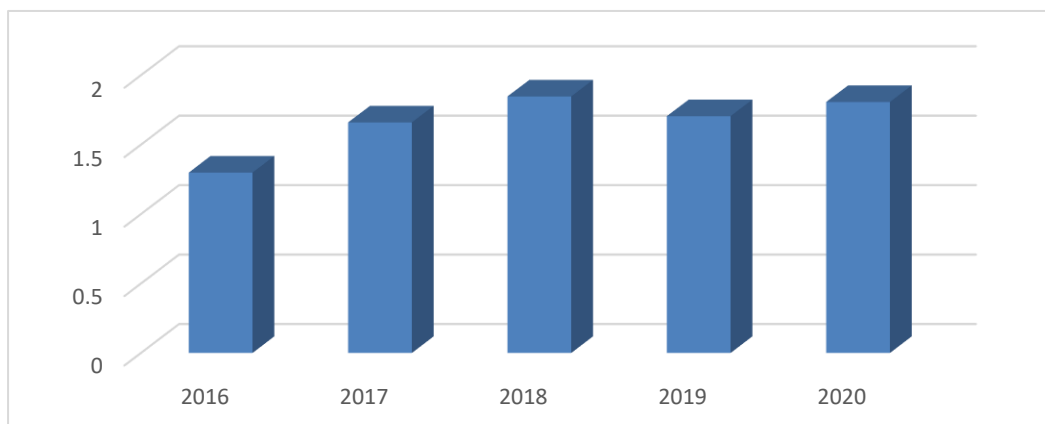


Figure 4.2 Quick Ratio for the period of 2016 - 2020

Table 4.3 Cash Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	CASH & CASH EQUIVALENTS	CURRENT LIABILITIES	RATIO (Times)
2016	131.36	4,048.82	0.0324
2017	136.73	4,093.33	0.0334
2018	141.34	4,343.32	0.0325
2019	136.46	4,130.36	0.0330
2020	241.86	3,976.06	0.0608

SOURCE: SECONDARY DATA

INTERPRETATION:

The above table shows that the cash ratio from 2016 to 2020. The Cash Ratio of all the Above Five Years is Above the Standard. In the year of 2018 and 2019 the cash ratio goes down and the year of 2019, it goes up. In 2020, the company having 0.060% of cash to pay its current liability

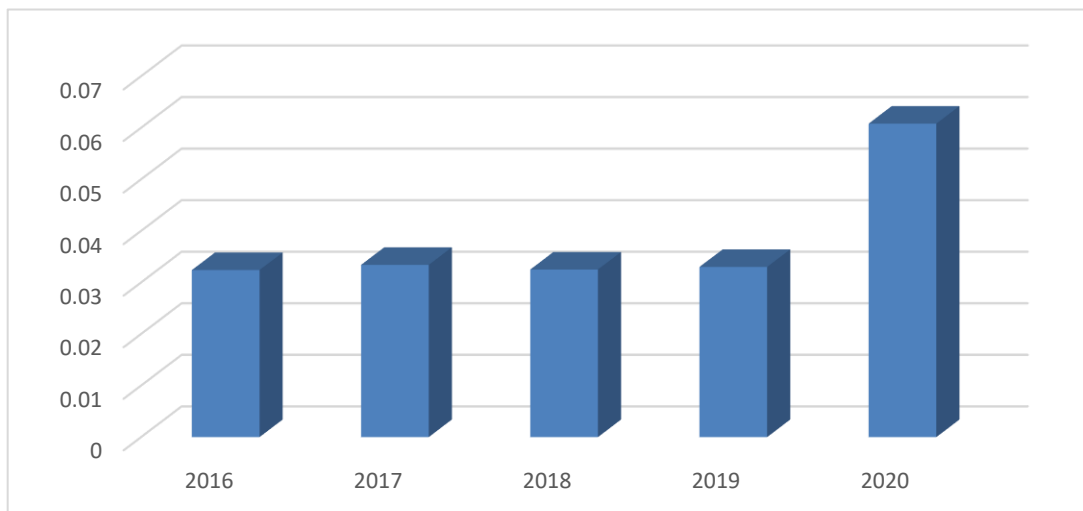


Figure 4.3 Cash Ratio for the period of 2016 – 2020

Table 4.4 Working Capital Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	WORKING CAPITAL	TOTAL SALE	RATIO (Times)
2016	1,886.27	28,442.70	6.63
2017	3,359.85	28,474.99	11.79
2018	4,504.86	32,230.49	13.97
2019	3,985.28	33,650.54	11.84
2020	4,304.50	28,836.09	14.92

SOURCE: SECONDARY DATA

INTERPRETATION:

That Chart Shows that Working Capital in 2016 is 6.63. It Further Increases up to 11.79 and In 2020 the Working Capital is 14.92.

The Company Working Capital is Rising Up.

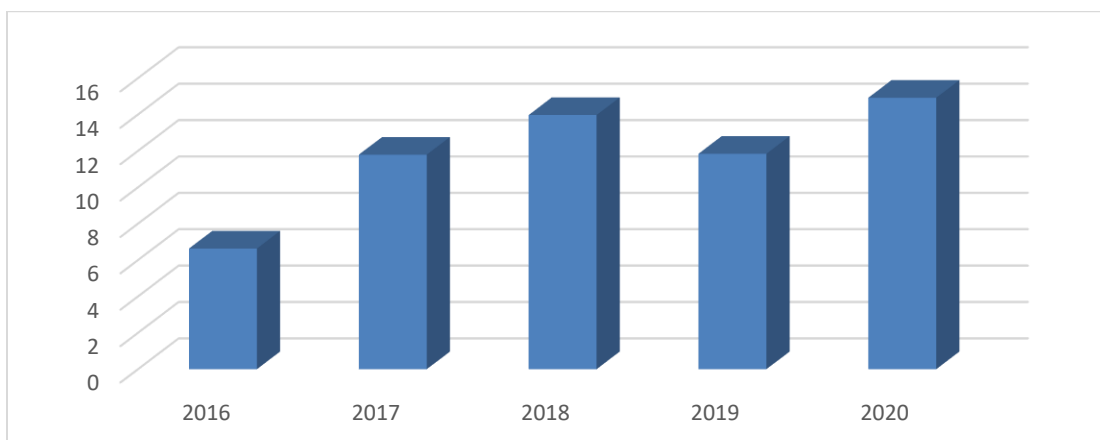


Figure 4.4 Working Capital Ratio for the period of 2016 – 2020

Table 4.5 Gross Profit Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	GROSSS PROFIT	SALE	RATIO(%)
2016	4,434.87	28,442.70	15.609
2017	4,658.46	28,474.99	16.381
2018	5,244.16	32,230.49	16.290
2019	5,010.73	33,650.54	14.890
2020	3,896.32	28,836.09	13.588

SOURCE: SECONDARY DATA

INTERPRETATION:

The ratio indicates the efficiency of production or trading operations. In 2014 the gross profit margin was 15.6%. In 2015 and 2016, the gross profit margin was 16.38% and 0.34 used

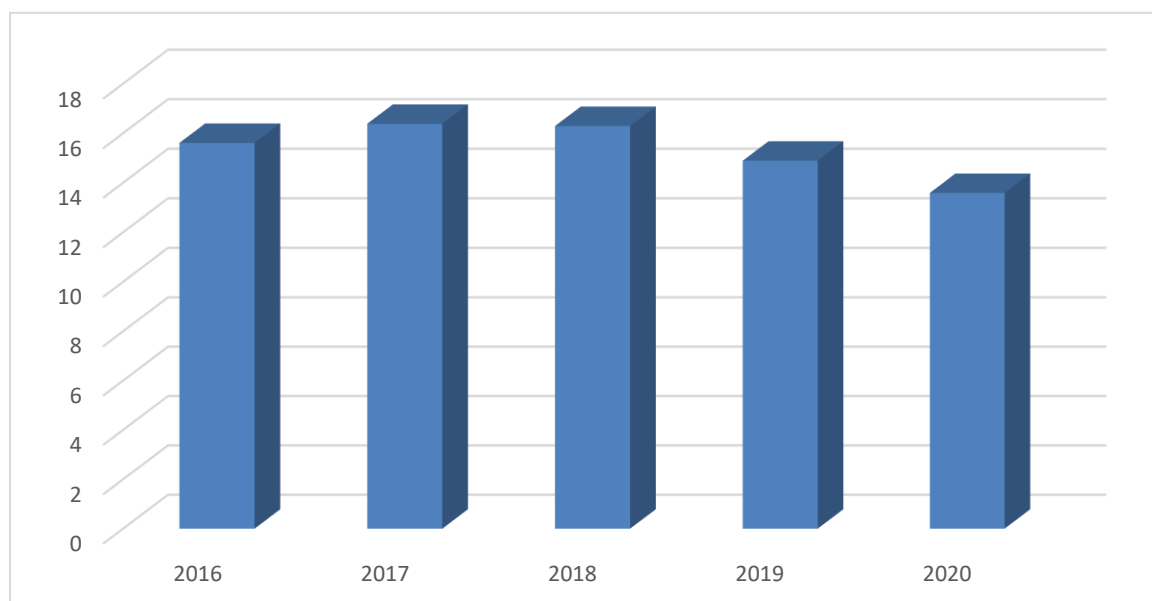


Figure 4.5 Gross Profit Ratio for the period of 2016 – 2020

Table 4.6 Net Profit Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	NET PROFIT	SALE	RATIO(%)
2016	3,160.19	28,442.70	11.11%
2017	3,377.12	28,474.99	11.84%
2018	3,697.36	32,230.49	11.47%
2019	3,384.87	33,650.54	10.05%
2020	3,633.26	28,836.09	12.59%

SOURCE: SECONDARY DATA

INTERPRETATION:

In 2016, the company having 10.95% of net profit. In 2017 and 2018, the company having 11.84% and 11.47% of Net Profit. In 2017, The Company Profit Decrease in 2019 and The company profit increase in 2020.

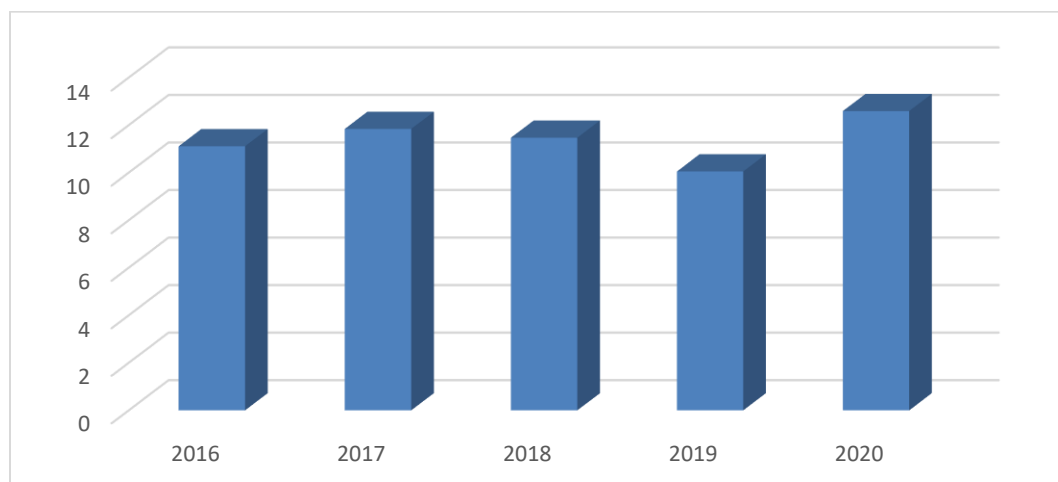


Figure 4.6 Gross Profit Ratio for the period of 2016 – 2020

Table 4. 7 Fixed Assets Turnover Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	NET SALE	FIXED ASSETS	RATIO (Times)
2016	28,442.70	4442.14	15.617
2017	28,474.99	4860.64	17.069
2018	32,230.49	4972.93	15.429
2019	33,650.54	5160.44	15.335
2020	28,836.09	6458.35	22.390

SOURCE: SECONDARY DATA

INTERPRETATION:

A higher Fixed-asset turnover ratio is more favorable compared with a lower ratio. Analysis of fixed assets turnover ratio reveals that it is increasing in the last year signifying that there is an improvement in the utilization of resources.

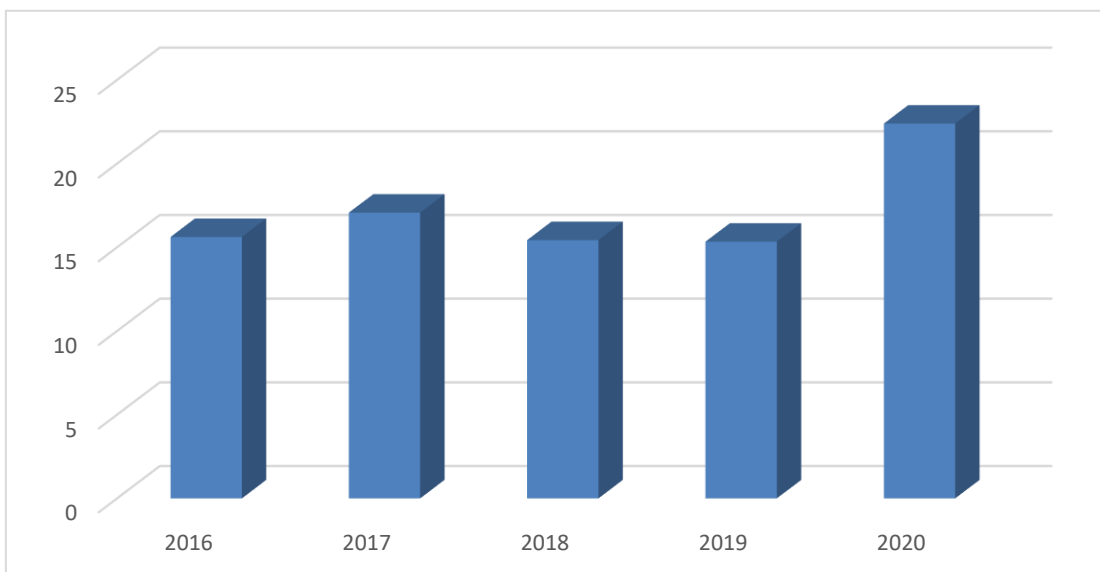


Figure 4.7 Fixed Assets Turnover Ratio for the period of 2016 – 2020

Table 4.8 Current Assets Turnover Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	NET SALE	CURRENT ASSET	RATIO (Times)
2016	28,442.70	5,935.09	15.617
2017	28,474.99	7,453.18	17.069
2018	32,230.49	8,848.18	15.429
2019	33,650.54	8,115.64	15.335
2020	28,836.09	8,280.56	22.390

SOURCE: SECONDARY DATA

INTERPRETATION:

Analysis of current assets turnover ratio reveals that it is increasing during 2018 to 2019. A higher ratio is always more favorable. Higher turnover ratios mean the company is using its assets more efficiently. This chart shows that the company isn't using its assets efficiently.

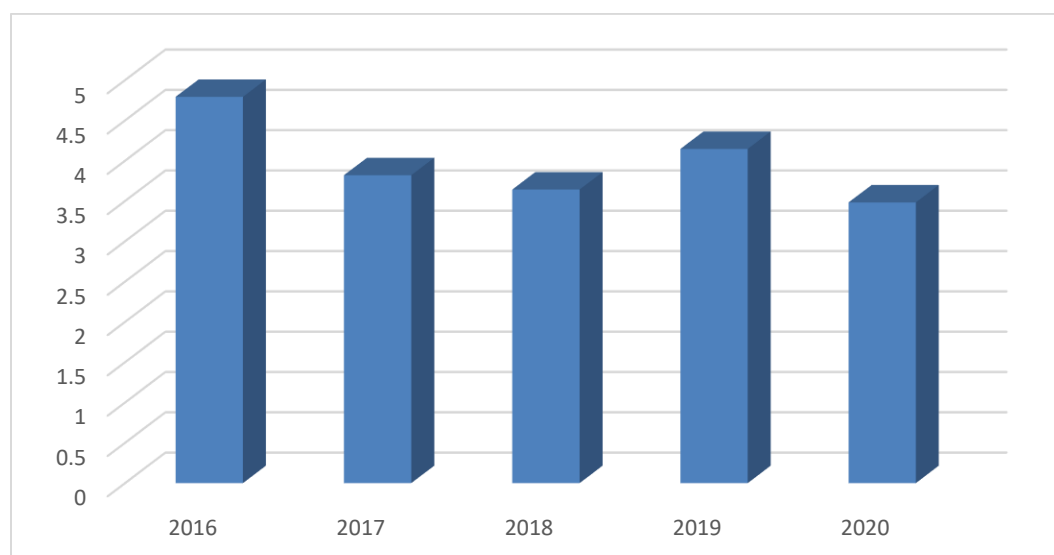


Figure 4.8 Current Assets Turnover Ratio for the period of 2016 – 2020

Table 4.9 Proprietor's Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	SHAREHOLDER'S FUNDS	TOTAL ASSETS	RATIO (Times)
2016	7,944.75	12,340.69	0.643
2017	10,111.29	10,111.29	0.688
2018	11,768.88	11,768.88	0.703
2019	12,857.12	12,857.12	0.878
2020	14,136.40	14,136.40	0.753

SOURCE: SECONDARY DATA

INTERPRETATION:

It shows that proprietary ratio was high in the year 2019 with 0.878 and low in the year 2016 with 0.643. Thus, it can be said that the company is maintaining the long term solvency. The current year (2020) proprietary ratio is found to be 0.0753 it is in a decreasing position compare to 2019. The Proprietary ratio which shows the relationship between the shareholders' funds to total tangible assets. The ratio is in the decreasing manner due to the fluctuation in the total assets.

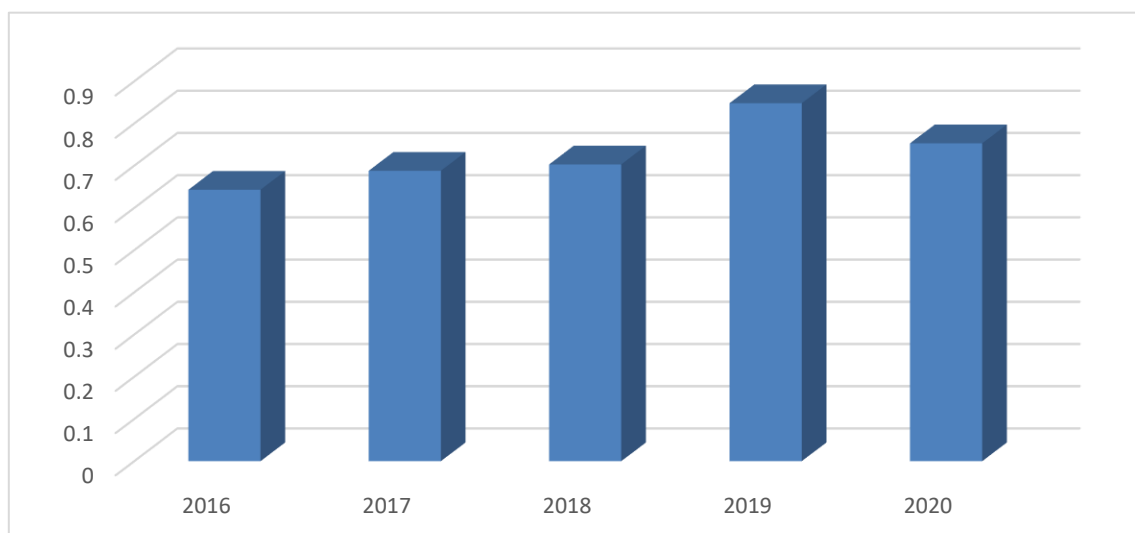


Figure 4.9 Proprietor's Ratio for the period of 2016 – 2020

Table 4.10 Debt Equity Ratio for the period of 2016 – 2020 (Rs. In Cr.)

YEAR	DEBT	SHAREHOLDER'S EQUITY	RATIO (Times)
2016	347.12	7944.75	0.044
2017	489.64	10,111.29	0.048
2018	626.60	11,768.88	0.053
2019	653.71	12,857.12	0.050
2020	636.87	14,136.40	0.045

SOURCE: SECONDARY DATA

INTERPRETATION:

From the above chart, in 2016 to 2020 it is in positive value. In 2018, the debt - equity ratio is increased 0.053.

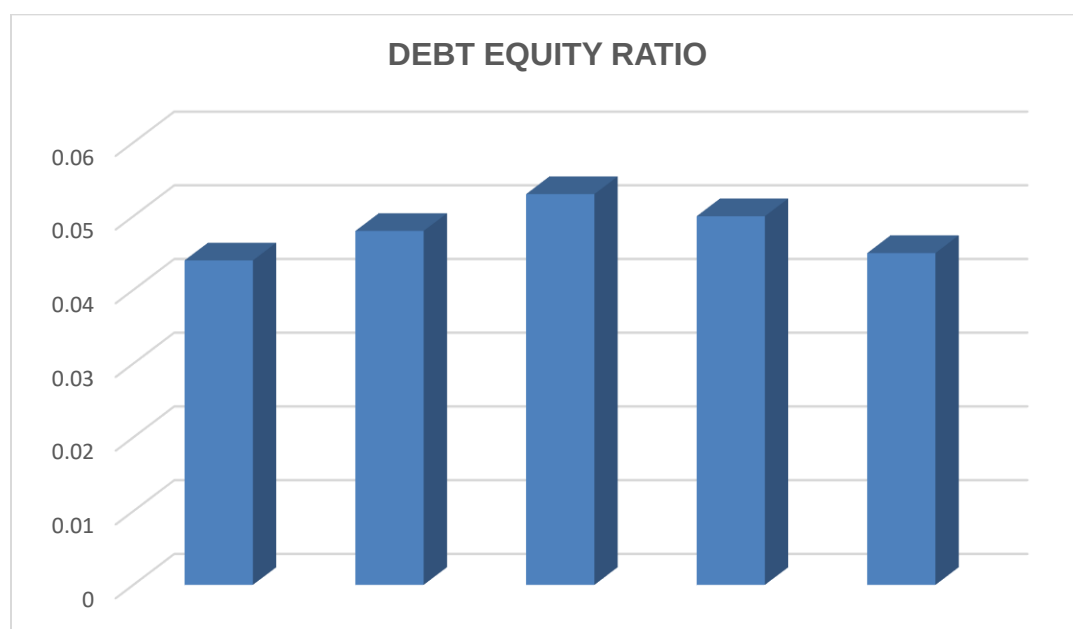


Figure 4.10 Debt Equity Turnover Ratio for the period of 2016 – 2020

Table 4.11 Inventory Position for the Period 2016 – 2020 (Rs. In Cr.)

YEAR	2016	2017	2018	2019	2020
Raw Material	375.16	395.02	512.98	615.99	567.65
Goods in Transit of Raw Material	13.57	27.43	150.70	38.25	48.82
Working in Process	27.91	31.89	31.60	31.37	50.13
Finished Goods					
Two Wheelers	111.25	55.85	103.37	113.21	263.33
Spare Parts	54.66	42.91	44.21	37.60	38.50
Stores and Spares	70.70	82.32	63.92	98.91	97.98
Loose Tools	19.73	20.89	18.40	24.59	25.52
TOTAL	672.98	656.31	823.58	1,072.37	1,091.97

Table 4.12 Inventory Turnover Ratio for the period of 2016 – 2020 (Rs. In Cr)

YEAR	SALE	Average Inventory	RATIO (Times)
2016	28,442.70	10821.17	26.41
2017	28,474.99	947.97	31.38
2018	32,230.49	739.94	39.13
2019	33,650.54	644.64	43.39
2020	28,836.09	744.33	42.50

SOURCE: SECONDARY DATA

INTERPRETATION:

The chart shows that inventory turnover ratio in 2016 it is 26.41, in 2017 it is increases to 31.38 and in 2018 again it is increased and reached to 39.13 and in 2019 and 2020 again it is increasing more than 40.

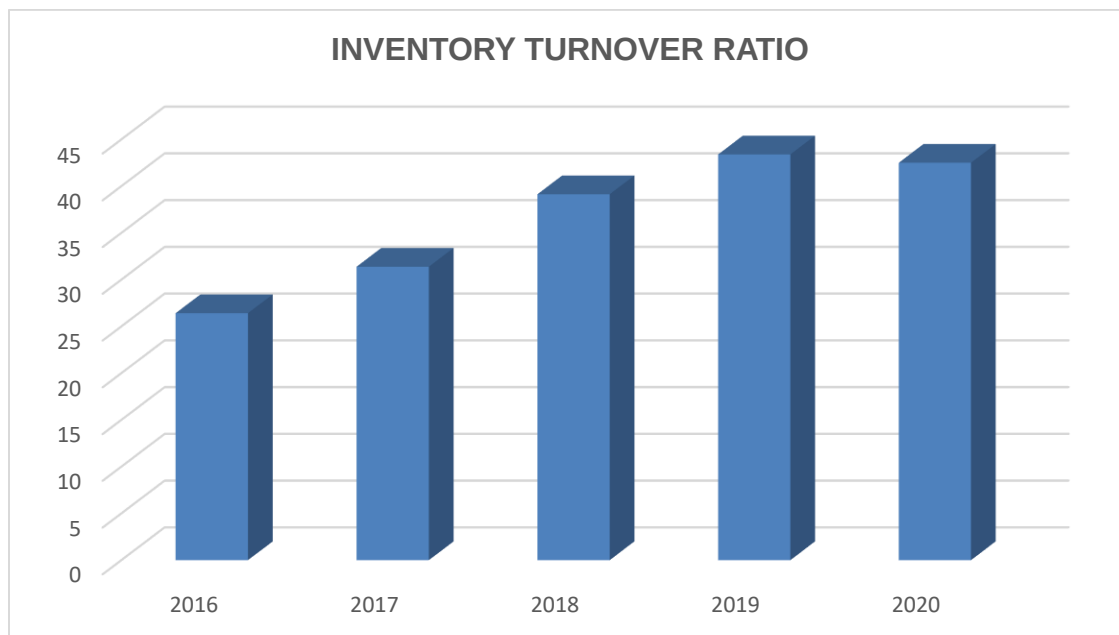


Figure 4.12 Inventory Turnover Ratio for the period of 2016 – 2020.

4.13 Debtor Turnover Ratio for the period of 2016 – 2020 (Rs. In Cr)

YEAR	SALE	TRADE RECEIVABLE	RATIO (Times)
2016	28,442.70	1282.80	22.17
2017	28,474.99	1561.87	18.23
2018	32,230.49	1520.18	21.20
2019	33,650.54	2821.57	11.92
2020	28,836.09	1603.14	17.98

SOURCE: SECONDARY DATA

INTERPRETATION:

The chart shows that debtor turnover ratio in 2016 it is 22.17, in 2017 it is decreases to 0.44 and in 2018 again it is increase and reached to 7.6 and in 2019 again it increases to 10 and in 2020 it is decreased and reached to 9.5

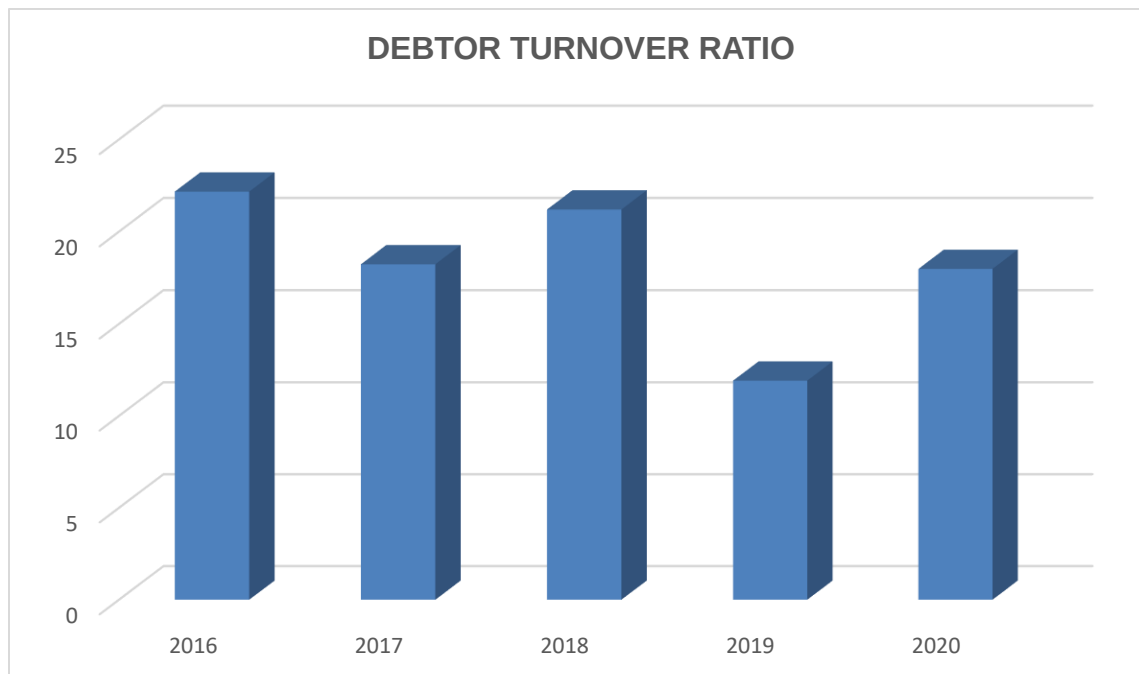


Figure 4.13 Debtor Turnover Ratio for the period of 2016 – 2020.

Table 4.14 Creditor Turnover Ratio for the period of 2016 – 2020 (Rs in Cr)

YEAR	SALE	TRADE PAYABLE	RATIO (Times)
2016	28,442.70	2766.88	10.27
2017	28,474.99	3247.27	8.76
2018	32,230.49	3318.81	9.71
2019	33,650.54	3355.28	10.03
2020	28,836.09	3030.51	9.5

SOURCE: SECONDARY DATA

INTERPRETATION:

The chart shows that Creditor Turnover ratio in 2016 it is 10.27, in 2017 it is decreases to 8.76 and in 2018 again it is increase and reached to 9.71 and in 2019 again it increases to 10 and in 2020 it is decreased and reached to 9.5

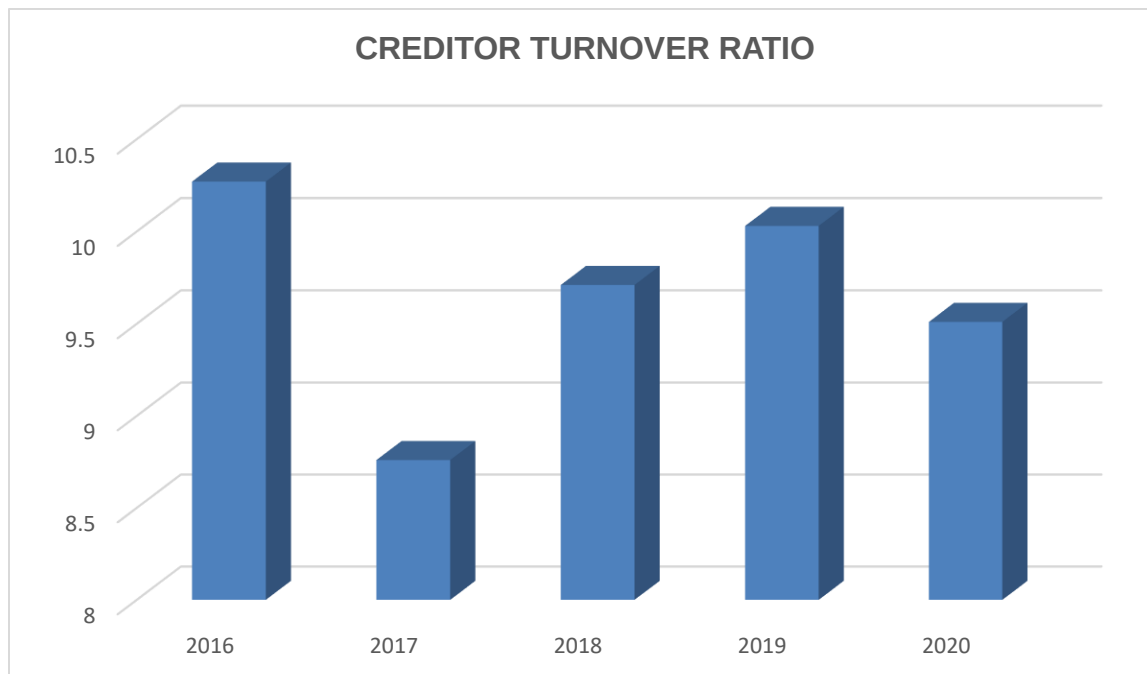


Figure 4.14 Debtor Turnover Ratio for the period of 2016 – 2020.

TREND ANALYSIS RATIO:

Table 4.15 Trend analysis for current assets for the period 2016-2020 (Rs. In Cr)

YEAR	CURRENT ASSETS	TREND ANALYSIS
2016	5,935.09	100
2017	7,453.18	125.5
2018	8,848.18	149
2019	8,115.64	137.7
2020	8,280.56	139.5

SOURCE: SECONDARY DATA

INTERPRETATION:

From the above trend analysis showing, it is inferred as base year 2016. Current asset has been Increasing during the year 2016 and 2017. The current year 2020 trend percentage for current asset is 139.5.

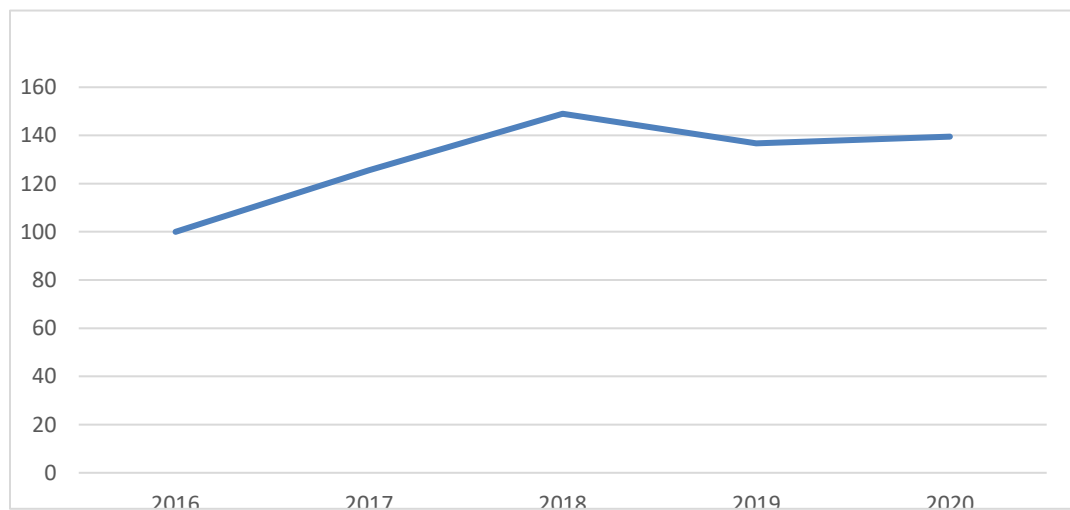


Figure 4.2.1 Trend analysis for current assets for the period of 2016-2020

Table 4.16 Trend analysis for current liability for the period 2016-2020 (Rs. In Cr)

YEAR	CURRENT LIABILITIES	TREND ANALYSIS
2016	4,048,82	100
2017	4,093.33	101
2018	4,343.32	107
2019	4,130.36	102
2020	3,976.06	98

SOURCE: SECONDARY DATA

INTERPRETATION:

From the above trend analysis showing, it is inferred as base year 2016. Current Liabilities has been Increasing during the year 2016 and 2017. The current year 2020 trend percentage for current asset is 98.

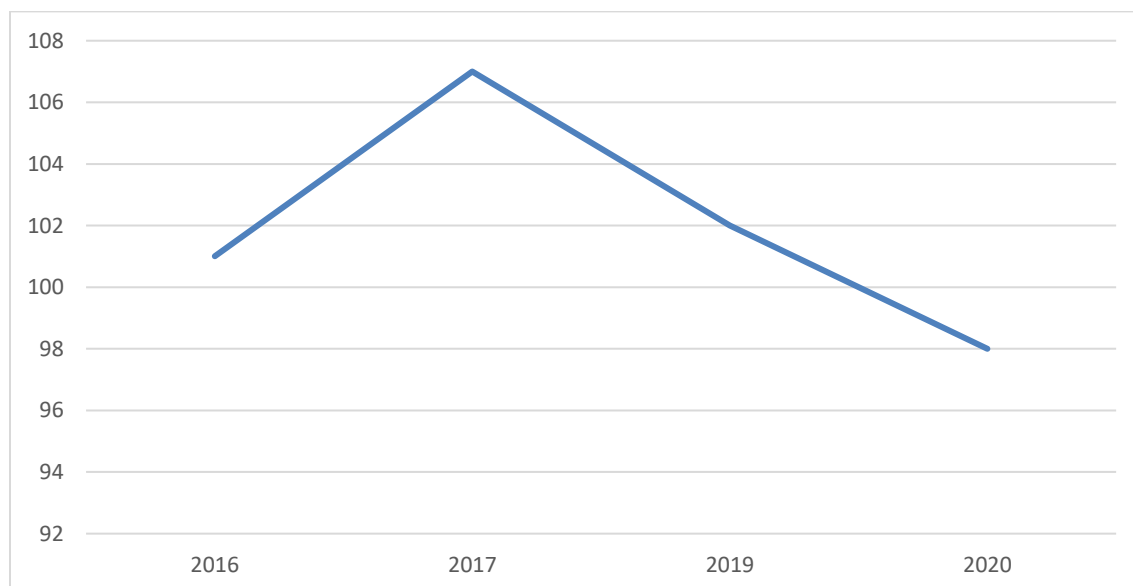


Figure 4.16 Trend analysis for current liability for the period of 2016-2020

Table 4.17 Trend analysis for sale for the period of 2016-2020 (Rs. In Cr)

YEAR	SALE	TREND ANALYSIS
2016	28,442.70	100
2017	28,474.99	100
2018	32,230.49	113
2019	33,650.54	118
2020	28,836.09	101

SOURCE: SECONDARY DATA

INTERPRETATION:

The sales have continuously increased in all the years up to 2019, though in different proportions. The percentage in 2018 is 101% as compared to 100 in 2020. The increase in sales is quite satisfactory.

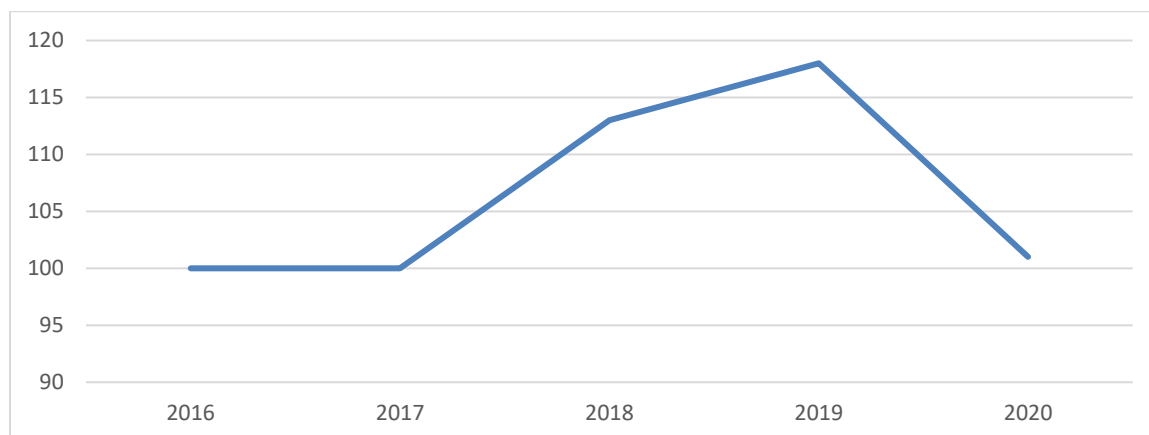


Figure 4.17 Trend analysis for sale for the period of 2016-2020

Table 4.18 Trend analysis for Net profit for the period of 2016-2020 (Rs. In Cr)

YEAR	NET PROFIT	TREND ANALYSIS
2016	3,160.19	100
2017	3,377.12	93.57
2018	3,697.36	116.9
2019	3,384.87	107
2020	3,633.26	114.9

SOURCE: SECONDARY DATA

INTERPRETATION:

The Net Profit have continuously increased in all the years up to 2020, though in different proportions. The percentage in 2017 is 93.57% as compared to 114.9 in 2020. The increase in Net Profit is quite satisfactory

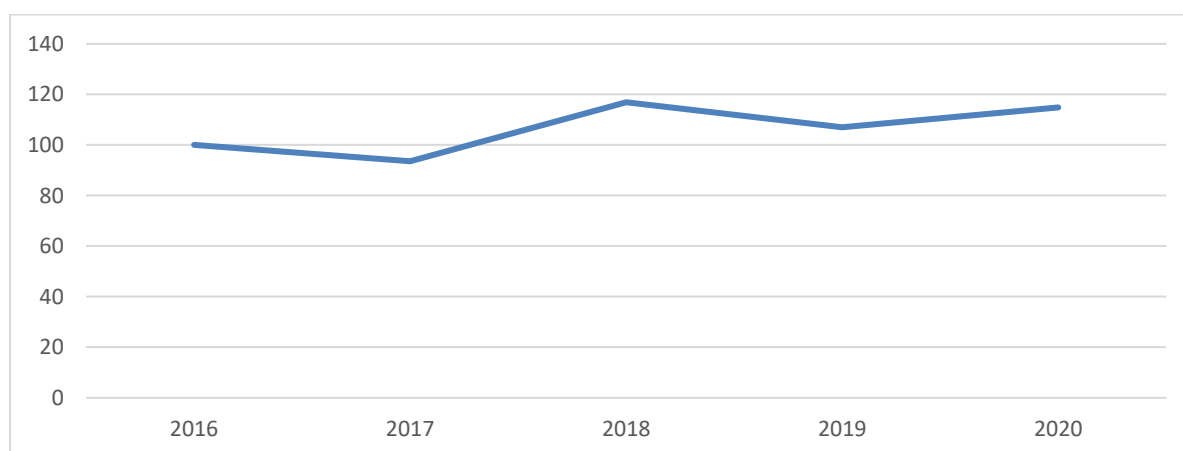


Figure 4.18 Trend analysis for net profit for the period of 2016-2020

4.3 COMPARATIVE BALANCE SHEET

TABLE 4.3.1 COMPARATIVE BALANCE SHEET OF 2016-2017 (Rs. In Cr)

PARTICULARS	2016	2017	AMT CHANGES (2016-2017)
ASSETS			
Tangible Assets	3,717.85	4,310.73	592.88
Intangible Assets	118.89	84.86	34.03
Capital Work in Progress	288.34	270.72	17.62
FIXED ASSETS	4,442.14	4,860.64	418.5
Non-Current Investments	1,019.36	1,349.00	329.64
Long Term Loans And Advances	870.42	48.36	- 822.06
Other Non-Current Assets	73.68	983.08	909.4
TOTAL NON-CURRENT ASSETS	6,405.60	7,241.08	835.48
CURRENT ASSETS			
Current Investments	3,247.01	4,540.85	1293.84
Trade Receivable	1,282.80	1,561.87	279.07
Cash and Cash Equivalents		136.73	
Short Term Loans And Advances	521.46	24.18	-497.28
Other Current Assets	79.48	533.24	453.76

TOTAL CURRENT ASSETS	5,935.09	7,453.18	1518.09
TOTAL ASSETS	14,694.26	16,738.80	2,044.54
LIABILITIES			
Equity Share Capital	39.94	39.94	-
TOTAL SHARE CAPITAL	39.94	39.94	-
Reserves and Surplus	7,904.81	10,071.35	2166.54
TOTAL SHAREHOLDERS FUNDS	7,944.75	10,111.29	2166.54
NON-CURRENT LIABILITIES			
LONG TERM BORROWINGS	0.00	0.00	-
DEFERRED TAX LIABILITIES	227.79	414.34	186.55
Other LongTerm Liabilities	0.00	34.89	34.89
Long Term Provisions	84.44	75.30	-9.14
TOTAL NON-CURRENT LIABILITIES	347.12	489.64	142.52
CURRENT LIABILITIES			
Trade Payables	2,766.88	3,247.27	480.39
Other Current Liabilities	483.19	807.05	323.86

Short Term Provisions	798.75	39.01	-759.74
TOTAL CURRENT LIABILITIES	4,048.82	4,093.33	44.51

TABLE 4.3.2 COMPARATIVE BALANCE SHEET OF 2017-2018 (Rs. In Cr)

PARTICULARS	2017	2018	AMT CHANGES (2017-2018)
ASSETS			
Tangible Assets	4,310.73	4,485.89	175.16
Intangible Assets	84.86	168.65	83.79
Capital Work in Progress	270.72	203.78	-66.94
FIXED ASSETS	4,860.64	4,972.93	112.29
Non-Current Investments	1,349.00	1,934.08	585.08
Long Term Loans And Advances	48.36	45.68	-2.68
Other Non-Current Assets	983.08	937.93	-45.15
TOTAL NON-CURRENT ASSETS	7,241.08	7,890.62	649.54
CURRENT ASSETS			
Current Investments	4,540.85	5,591.12	1,050.27
Trade Receivables	1,561.87	823.58	-738.29

Cash and Cash Equivalents	136.73	141.34	4.61
Short Term Loans And Advances	24.18	27.56	3.38
Other Current Assets	533.24	744.40	211.16
TOTAL CURRENT ASSETS	7,453.18	8,848.18	1395
TOTAL ASSETS	14,694.26	16,738.80	2,044.54
LIABILITIES			
Equity Share Capital	39.94	39.94	-
TOTAL SHARE CAPITAL	39.94	39.94	-
Reserves and Surplus	10,071.35	11,728.94	1,657.59
TOTAL SHAREHOLDERS FUNDS	10,111.29	11,768.88	1,657.59
NON-CURRENT LIABILITIES			
DEFERRED TAX LIABILITIES	414.34	511.66	97.32
Other Long Term Liabilities	34.89	0.00	-34.89
Long Term Provisions	75.30	114.94	39.64
TOTAL NON-CURRENT LIABILITIES	489.64	626.60	136.96

CURRENT LIABILITIES			
Trade Payables	3,247.27	3,318.81	71.54
Other Current Liabilities	807.05	964.72	157.67
Short Term Provisions	39.01	59.79	20.78
TOTAL CURRENT LIABILITIES	4,093.33	4,343.32	249.99
TOTAL CAPITAL AND LIABILITIES	14,694.26	16,738.80	2044.54

TABLE 4.3.2 COMPARATIVE BALANCE SHEET OF 2018-2019 (Rs. In Cr)

PARTICULARS	2018	2019	AMT CHANGES (2018-2019)
ASSETS			
Tangible Assets	4,485.89	4,477.53	-8.36
Intangible Assets	168.65	141.05	-27.6
Capital Work in Progress	203.78	360.67	156.89
FIXED ASSETS	4,972.93	5,160.44	187.51
Non-Current Investments	1,934.08	2,801.51	867.43
Long Term Loans And Advances	45.68	59.96	14.28
Other Non-Current Assets	937.93	1,503.64	565.71
TOTAL NON-CURRENT	7,890.62	9,525.55	1,634.93

ASSETS			
CURRENT ASSETS			
Current Investments	5,591.12	3,167.10	2,423.02
Trade Receivables	1,520.18	2,821.57	1,301.39
Cash and Cash Equivalents	141.34	136.46	-4.88
Short Term Loans And Advances	27.56	25.03	-2.53
Other Current Assets	744.40	893.11	148.71
TOTAL CURRENT ASSETS	8,848.18	8,115.64	-732.54
TOTAL ASSETS	16,738.80	17,641.19	902.39
LIABILITIES			
Equity Share Capital	39.94	39.95	0.01
TOTAL SHARE CAPITAL	39.94	39.95	0.01
Reserves and Surplus	11,728.94	12,807.58	1,078.64
TOTAL SHAREHOLDERS FUNDS	11,768.88	12,809.58	1,040.7
NON-CURRENT LIABILITIES			

DEFERRED TAX LIABILITIES	511.66	536.51	24.85
Other Long Term Liabilities	0.00	0.00	-
Long Term Provisions	114.94	117.20	2.26
TOTAL NON-CURRENT LIABILITIES	626.60	653.71	27.11
CURRENT LIABILITIES			
Trade Payables	3,318.81	3,355.28	36.47
Other Current Liabilities	964.72	716.05	-248.67
Short Term Provisions	59.79	59.03	-0.76
TOTAL CURRENT LIABILITIES	4,343.32	4,130.36	212.96
TOTAL CAPITAL AND LIABILITIES	16,738.80	17,641.19	902.39

TABLE 4.3.3 COMPARATIVE BALANCE SHEET OF 2019-2020 (Rs. In Cr)

PARTICULARS	2019	2020	AMT CHANGES (2019-2020)
ASSETS			
Tangible Assets	4,485.89	4,477.53	-8.36
Intangible Assets	168.65	141.05	-27.6
Capital Work in Progress	203.78	360.67	156.89

Long Term Loans And Advances	45.68	59.96	14.28
Other Non-Current Assets	937.93	1,503.64	565.71
TOTAL NON-CURRENT ASSETS	7,890.62	9,525.55	1,634.93
CURRENT ASSETS			
Current Investments	5,591.12	3,167.10	2,423.02
Trade Receivables	1,520.18	2,821.57	1,301.39
Cash and Cash Equivalents	141.34	136.46	-4.88
Short Term Loans And Advances	27.56	25.03	-2.53
Other Current Assets	744.40	893.11	148.71
TOTAL CURRENT ASSETS	8,848.18	8,115.64	-732.54
TOTAL ASSETS	16,738.80	17,641.19	902.39
LIABILITIES			
Equity Share Capital	39.94	39.95	0.01
TOTAL SHARE CAPITAL	39.94	39.95	0.01
Reserves and Surplus	11,728.94	12,807.58	1,078.64

TOTAL SHAREHOLDERS FUNDS	11,768.88	12,809.58	1,040.7
NON-CURRENT LIABILITIES			
DEFERRED TAX LIABILITIES	511.66	536.51	24.85
Other Long Term Liabilities	0.00	0.00	-
Long Term Provisions	114.94	117.20	2.26
TOTAL NON-CURRENT LIABILITIES	626.60	653.71	27.11
CURRENT LIABILITIES			
Trade Payables	3,318.81	3,355.28	36.47
Other Current Liabilities	964.72	716.05	-248.67
Short Term Provisions	59.79	59.03	-0.76
TOTAL CURRENT LIABILITIES	4,343.32	4,130.36	212.96
TOTAL CAPITAL AND LIABILITIES	16,738.80	17,641.19	902.39

CHAPTER 5

5.1 FINDINGS:

- ❖ The current year 2020 current ratio is found to be the highest 2.084 due to the decrease in the liabilities.
- ❖ The Quick Ratio of all the above then Four years is above the Standard Quick Ratio.
- ❖ The current year 2020 cash ratio has increased to 1.20 when compared to the previous year 2019 with 1.17.
- ❖ The Fixed Assets Turnover Ratio of the firm has in 2019 the ratio is 15.335 and it increase in the next year 2020 with 22.390.
- ❖ The Current Assets Turnover Ratio is Increasing during the Period of 2017 and again decrease in the Period of 2019, and Again increase in the Next year 2020 with 22.390.
- ❖ Share Capital has been remained Constant.
- ❖ Gross profit ratio is rising which is good for the company.
- ❖ Net profit ratio is showing rising percentage of profit of Hero MotoCrop Limited which show it is a growing company.
- ❖ It Showed that Inventory Turnover Ratio of company is in 2016 Which rises to in 20 and increases again to
- ❖ The Working Capital Ratio is Increasing during the Period of 2017 and 2018 Again Decreasing in the Period of 2019, and Again Increasing in the Next Year 2020 with 14.92

5.2 SUGGESTIONS

- ❖ It is suggested to the company can strongly focus on cost reduction strategy that will make a company more profitability.
- ❖ The company has a bright future if it concentrates more on its working capital short term, investments, thus achieving the overall objectives of the company.

- ❖ Thus it is essential to avoid excessive liquidity but to maintain sufficient liquidity to ensure smooth running of the company operation.
- ❖ The company has better liquidity position and has to maintain same in the future.
- ❖ If Company Cut Down its Unnecessary expenses then they can increase their net Profit Which is a major Impact for Company.
- ❖ Company may look into the measures how to reduce the loans and Loans and Advances in the coming periods.
- ❖ Company may look into maintain the current assets and current liabilities. Current liabilities may reduce coming periods

5.3 CONCLUSION:

- ❖ The Company has been to increase its Sales and Profit during the Year. The Net Profit ratio has increased which proved the company has been able to control the cost Effectively.
- ❖ Financial performance can improve the financial strength of company. The company liquidity position has to increase and it will solve future problem. The company is maintaining the reserves and surplus better so it can face financial stress in the future. To proper maintain of financial performance to achieve the company goal.
- ❖ The Current Assets of the company are enough to meet the Current Liabilities, Hero Moto Crops Limited Holding the Highe4st Share in Two Wheeler's Market.
- ❖ The company has increasing liabilities over years. The company has also raised its investments and reserves for future purpose.
- ❖ This clearly shows that the company is in the developing nature and their position in the society is satisfactory.

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APPENDIX

BALANCE SHEET OF HERO MOTOCROP LIMITED (in Rs. Cr.)

PARTICULARS	MAR 20	MAR 19	MAR 18	MAR 17	MAR 16
	12 mths	12 mths	12 mths	12 mths	12 mths
EQUITIES AND LIABILITIES					
SHAREHOLDER'S FUNDS					
Equity Share Capital	39.95	39.95	39.94	39.94	39.94
TOTAL SHARE CAPITAL	39.95	39.95	39.94	39.94	39.94
Reserves and Surplus	14,081.01	12,807.58	11,728.94	10,071.35	7,904.81
TOTAL RESERVES AND SURPLUS	14,081.01	12,807.58	11,728.94	10,071.35	7,904.81
TOTAL SHAREHOLDERS FUNDS	14,136.40	12,857.12	11,768.88	10,111.29	7,944.75
NON-CURRENT LIABILITIES					
Long Term Borrowings	0.00	0.00	0.00	0.00	0.00
Deferred Tax Liabilities [Net]	392.83	536.51	511.66	414.34	227.79
Other Long Term Liabilities	121.67	0.00	0.00	0.00	34.89
Long Term Provisions	122.37	117.20	114.94	75.30	84.44
TOTAL NON-CURRENT LIABILITIES	636.87	653.71	626.60	489.64	347.12
CURRENT LIABILITIES					

Short Term Borrowings	0.00	0.00	0.00	0.00	0.00
Trade Payables	3,030.51	3,355.28	3,318.81	3,247.27	2,766.88
Other Current Liabilities	798.99	716.05	964.72	807.05	483.19
Short Term Provisions	146.56	59.03	59.79	39.01	798.75
TOTAL CURRENT LIABILITIES	3,976.06	4,130.36	4,343.32	4,093.33	4,048.82
TOTAL CAPITAL AND LIABILITIES ASSETS	18,749.33	17,641.19	16,738.80	14,694.26	12,340.69
NON-CURRENT ASSETS					
Tangible Assets	5,976.99	4,477.53	4,485.89	4,310.73	3,717.85
Intangible Assets	140.09	141.05	168.65	84.86	118.89
Capital Work-In-Progress	160.25	360.67	203.78	270.72	288.34
Other Assets	0.00	0.00	0.00	0.00	0.00
FIXED ASSETS	6,458.35	5,160.44	4,972.93	4,860.64	4,442.14
Non-Current Investments	3,528.17	2,801.51	1,934.08	1,349.00	1,019.36
Deferred Tax Assets [Net]	0.00	0.00	0.00	0.00	0.00
Long Term Loans And Advances	67.27	59.96	45.68	48.36	870.42
Other Non-Current Assets	406.98	1,503.64	937.93	983.08	73.68
TOTAL NON-CURRENT ASSETS	10,460.77	9,525.55	7,890.62	7,241.08	6,405.60
CURRENT					

ASSETS					
Current Investments	4,694.48	3,167.10	5,591.12	4,540.85	3,247.01
Cash And Cash Equivalents	241.86	136.46	141.34	136.73	131.36
Short Term Loans And Advances	22.36	25.03	27.56	24.18	521.46
Other Current Assets	634.75	893.11	744.40	533.24	79.48
TOTAL CURRENT ASSETS	8,288.56	8,115.64	8,848.18	7,453.18	5,935.09
TOTAL ASSETS	18,749.33	17,641.19	16,738.80	14,694.26	12,340.69