A REPORT ON THE FINANCIAL PERFORMANCE ANALYSIS OF COIRFED, ALAPPUZHA

PROJECT REPORT

Submitted to Mahatma Gandhi University in partial fulfillment

of the requirements for the award of the Degree of

MASTER OF BUSINESS ADMINISTRATION

Submitted by

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CERTIFICATE

*This is to certify that the project report entitled "**FINANCIAL PERFORMANCE ANALYSIS OF COIRFED ALAPPUZHA** "is a bonafide report of the project work undertaken by **SONA ELSA ZACHARIAH,** fourth semester MBA student of our college during a period of 8 weeks commencing from 1st April to 31st May,2021.*

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DECLARATION

I hereby declare that this project report entitled **"Financial Performance Analysis of COIRFED, Alappuzha**" is a *bonafide* report of the study undertaken by me, under the guidance of **Prof. Dr. Asha Lakshmi R K**, Department of Management Studies, MACFAST, Tiruvalla.

I also declare that this project report has not been submitted to any other University or Institute for the award of any degree or diploma.

Place: Tiruvalla
Date: 31-05-2021

SONA ELSA ZACHARIAH

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Sona Elsa Zachariah

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ABBREVIATIONS

CCRI	Central Coir Research Institute
CICI	Central Institute of Coir Technology
COIRFED	The Kerala State Co-operative Coir Marketing Federation Ltd
CVP	Cost Volume Profit
EPS	Earnings Per Share
GDP	Gross Domestic Product
ICDP	Integrated Coir Development Project
MA	Moving Average
MGNREGA	The Mahatma Gandhi National Rural Employment Guarantee Act 2005
MT	Metric Tons
PVC	Polyvinyl Chloride
RB	Rubber Backing Units
RBCM	Rubber Backed Cat Mats & Tiles Units
RCP	Rubberized Coir Product Units
ROA	Return On Asset
ROS	Return On Sales

CONTENTS

CHAPTER 1
INTRODUCTION

1.1 BACKGROUND OF THE STUDY

The project which is entitled as "A Study on Financial Performance Analysis of the COIRFED Alappuzha". The project is undertaken with the aim of getting a clear picture about the company and the industry so as to study the financial performance of the company. Financial Performance in broader sense refers to the degree to which financial objectives being or has been accomplished and is an important aspect of Financial Risk Management. The purpose of financial analysis in the present study helps to diagnose the information contained in financial statements. It also helps to judge the profitability and financial soundness of the firm. Typically, financial analysis is used to analyze whether an entity is stable, solvent, liquid or profitable enough to be invested in. when looking at a specific company, the financial analyst will often focus on the income statement, balance sheet and cash flow statement. In addition, one key area of financial analysis involves extrapolating the company's past performance into an estimate of the company's future performance.

Finance is defined as the administrative function in an organization which relate with the arrangement of cash and credit to the organization to carry out its objectives as satisfactory as possible. Financial analysis refers to an assessment of the of the viability, stability and profitability of a business, sub-business or project.

The purpose of financial analysis in the present study helps to diagnose the information contained in financial statements. It also helps to judge the profitability and financial soundness of the firm.

1.2 STATEMENT OF THE PROBLEM

Finance is considered as the lifeblood of an organization to run the concern efficiently. There is a close relationship between the finance function and other functions like production, marketing, personal etc. therefore it is critical for the survival and growth of any organization. "Financial Performance Analysis" is an attempt to examine the various financial aspect of the business organization. The study is mainly connected with the Finance Department of the company. This study helps, even a layman to understand what the present positions of the company is on several aspects like liquidity, solvency, efficiency etc…which cannot be understood easily by going

through the audited financial reports of the company. The present study attempts to investigate various aspects of financial management of the company to judge the profitability and financial soundness of the firm.

1.3 RELEVANCE AND SCOPE OF THE STUDY

A study of Financial Performance Analysis of Coirfed, Alappuzha. Financial Performance Analysis help to identify firm's current position in case of profitability, liquidity, efficiency etc…using the tools such as ratio analysis, trend analysis, du-pond analysis etc…

This study helps to analyze the profitability trend of 5 years and sales revenue of the company. It reviews the performance of the company for the years, as revealed by the annual reports of COIRFED.

Major scope of this study is to find out the financial strength and weakness of the firm from analyzing the financial statements.

1.4 OBJECTIVES OF THE STUDY

- To study the financial performance of COIRFED, Alappuzha over a period of five years (2015-16 to 2019-20).
- To evaluate financial position of the company in terms of solvency, profitability, liquidity and efficiency
- To determine the drivers of return on equity of the company by performing a DuPont analysis
- To estimate the trend in sales and profit of the firm.

CHAPTER 2
INDUSTRY PROFILE

2.0 INDUSTRY PROFILE

Coir Industry is of great importance to coconut producing countries like India, Sri Lanks, Malaysia, Indonesia, Philippines and Thailand etc. India stood first in the production of coir in the world with a production of 70% of the total. There is two major tyres of fibre namely white and brown fibre. White fibre or retted fibre, which suited for spinning yarn, is extracted from husk after a process known as retting. This method is commonly followed in the state of Kerala where logoon and backwater sources are available in abundance.

Retted fibre is covered into different varieties of coir yarn for further processing into finished product like rope, doormat, matting carpet, geo-textiles etc…for export and for internal consumption. Coir fibre extracted from un-retted husk by a process of mechanical decortication is called brown fibre. Brown fibre comprises of bristle fibre which is the thicker coarser and long stapled and mattress fibre, which is finer and short stapled. Brown fibre is mainly used for stuffing, manufacture of curled coir urbanization in the rubberized coir manufacturing industry, non-woven geo-textiles etc… coir pith or coir dust, a waste product in the industry constitutes as much as 70% of the husk. It is an excellent surface in all kinds of soil. The pith in combination with cement has been an excellent insulating material.

Indian Coir Industry is an important cottage contributing to the economy of the major age industry coconut growing state and union territories. Coir Industries are of the largest cottage industries in India. its history goes back to 1859. It also during this year that a Spanish born American the first coir industry factory in India. His name was James Darrough.

The coir sector has a strong co-operative footing with nearly 2.5 lakhs worker's member of the primary coir co-operatives.

- The husk retting and fibre extraction sector
- The yarn spinning sector
- The products manufacturing sector the export sector

World Scenario

The global annual production of coir fibre is about 350000 metric tons (MT). Even in the world's top two production, India and Sri Lanka, which account for about 90% global exports of coir fibre production, combined this renewable husk, which acquire more or less year round as a waste during coconut processing.

Traditional uses for the resilient and durable coir fibre include rope and twine. Brooms, bushes, doormat, rugs, mattresses and other upholstery. Often in the form of rubberized coir pads. In the 1980's and 90's global exports of coir fibre. Then since 1990, rapidly growing domestic demand in India more than double global production benefiting exclusively the Indian Coir Industry. finally, since 2001, a raising Chinese demand for coir, an expanding market for coir based erosion control products, and the spread of coir pith as a part moss substitute in horticultural has further pushed up global production and prices. In turn other coconut growing countries, including Philippines, Thailand and Vietnam are now expanding their production and export of coir fibre. These changes are also reflected in the international trade in coir

Historically, Sri Lanka had been the world's largest exporter of various fibre grades, whereas India exports largely value added products- yarn, mat and rags. While in 1990 about 80% of global production was exported, growth of the Indian domestic market dropped that rate to below 40%. Global trade volume for the coir fibre, value added products- yarn, mats, rugs and coir pith now stands at about $140 million per year with Indian and Sri Lanka respectively accounting for about $70 and $60 million of that amount. This may not seem much but in the coconut region of producing coir is an important factor. In Sri Lanka, coir related exports account for 6% of the agricultural exports, over 1% of all export and 0.35% of GDP. Moreover, Coir million and value addition, mostly spinning and weaving, are important regional employees, particularly in rural Southern India and costal Sri Lanka. They give work to 500000+ people, many of them women working part time. Yet working condition and productivity is generally poor. The challenges for the Coir Industry is too sustainable expand for this versatile renewable resources while maintaining its roles as employer for the poor. This may require producers to innovate production, improve product consistency and in particular develop novel applications jointly with their customers in importing countries.

Indian Scenario

Indian coir Industry is an important cottage industry contributing significantly to the economy of the major coconut growing states and Union territories, that is Kerala, Tamil Nadu, Andra Pradesh, Karnataka, Maharashtra, Goa etc…Indian account for more than 80% of the world population of coconut fibre. The exports from this industry are around Rs. 70 crores.

Coconut husk is the basic raw material for coir products. Around 50% of the available coir husk is used to produce given for expansion of home markets though publicity and advertisements, product diversification, adoption of new technologies, research and development, training for artisan including women and social welfare measures for coir workers, most of whom are SC/ST and women saltine dotted with coconut palms growth of coir industry in other coastal states has been in significant.Coir industry employs more than 5.5 lakhs person and majority of them ate women from rural areas belongings to the economically weaker section in the society. Apart from India, Sri Lanka, Thailand, Indonesia etc… are the other coir producing countries in the world.

Indian accounts for more than two thirds of the world production of coir product. Kerala is at the home of Indian Coir Industry, particularly white fibre accounting for 61% of the coconut production and over 85% of coir products.

Present Scenario

The Indian Coir Industry which was mostly confined to the southern states of India has proliferated to other coconut producing states due to the concerted efforts made by the Coir Board with the support of the state Governments concerned. The industry is currentlypassing through a transformation in terms of technology used, concentration of units, investment, composition of export basket, etc. The research and development activities of Coir Board in association with various reputed organizations have led to the introduction of new products, machinery, equipment and processing technologies in coir sector. This has resulted in better productivity, better income, better living/working conditions of workers and over-all economic development of the stakeholders of the industry. Of late, there has been a proliferation of coir industrial units in the State of Tamil Nadu due to the abundant availability of the basic raw material of the industry

i.e.,coconut husk and the increased demand for „coir fibre" / „coir pith" from the export market. The export market of coir products has been witnessing major shifts in terms of the composition of products exported. The export of traditional products like mats, mattings, carpets has been showing declining trends and demand for „coir pith", „coir fibre", „tufted mats", etc. are increasing steadily over the past few years.

State Scenario

Coir Industry occupies a unique place among the rural traditional cottage industry in India. Coir Industry in Kerala is a traditional industry. the state of Kerala also known as the land of coconut, is the largest producer of coir in India. It accounts for more than 75% of the total production. It is the most important employment generator among traditional industries in the state employing around 3.83 lakhs of which over 76% are women. Besides its earns foreign exchange of over 300 crores per year with a potential for phenomenal growth. In spite of concentrated efforts of the state and central government, the coir industry still remains as backward one, due to the competition from product of other natural as well as synthetic fibre both in domestic and international markets. Coir industry is second to agricultural as a source of employment in Kerala providing employment to 3.83 lakhs person, of whom 3.25 lakh are women.

The coconut output is estimated at 5759 million nuts annually. Cooperative scheme in the coir sector was originally stated by the government of erstwhile Travancore state in 1950 and ever since then the government have been extending all helping hands to the sector for its growth through support and welfare measures for the workers. Alappuzha is the nerve Centre of Kerala famous coir industry. Here we can see coconut husks being beaten into fibre for making beautiful mats and other coir products both men and women are actively involved in the production of the coir. The women are involved in the yarn spinning sector and the men in the product weaving sector. Coir Industry enjoys the status as the largest cottage industry in the state of Kerala, giving employment to over a million people.

Company Profile

The Kerala State Co-operative Coir Marketing Federation Ltd, the apex Federation of Co-operative Societies engaged in the manufacture of coir and coir products is entrusted with the task of marketing the products of the co-operative societies. It provides sustenance to workers especially women. Coirfed and its member societies provide higher employment, better wages and better living conditions to the coir workers by eliminating middlemen. At present 628 coir primaries are affiliated to Coirfed.

At Coirfed has setup an array of 47 showrooms and more than 100 retail to sell the materials produced by the member societies. The procurement of the produce of the member societies is done through four regional offices and one central store. Coirfed has set up number for state of the art factories for the manufacture of coir fibre, rubberized coir products, PVC tufted mats and pith briquette.

Coirfed is making efforts to sell the materials to serve a noble cause of providing substance to around 4 lakhs coir workers. Most of these workers are women. It is estimated that around 20 lakhs people are indirectly supported by this industry. The products range of Coirfed include Coir Fibre, Coir pith soil conditioner, 80 varieties of coir yarn, coir geo-textiles, alluring range of coir products like mats, mattings, rugs, coir tiles and rubberized coir products like Mattress, Pillows, PVC tufted mats, Pith Briquettes, Garden materials like pots, climbers etc…The products of Coirfed are marketed under the brands Cocofert, Cocoplus, Cocogeofabric, Dustout and Deepsleep.

Coirfed is facing stiff competition from the other natural fibres and synthetic materials. At present Coirfed is making efforts to expand the reach of ecofriendly and bio-degradable coir products through the help and assistance of all good citizens with care for nature and mankind Coirfed is instrumental in implementing the novel schemes of Government of Kerala like Distress Purchase Scheme, Fiber subsidy scheme, Price Fluctuation Fund, Purchase Price Stabilization Scheme etc.

History of the Company

The Kerala State Co-operative Coir Marketing Federation Ltd(COIRFED) NO. 679. Alappuzha was formed on 27 October 1979. Its commercial production was started in December 28th 1979. The main objective of the federation is marketing of the production of the member's society's viz… coir yarn, coir mats and coir matting. The federation itself has taken up manufacturing and marketing of rubberized coir mattress.

The members of the federation are the primary societies. There were 431 members including government when federation was formed in 1979. Now the federation has a total membership of around 619 primary societies. The total membership of these societies is about two lakh coir workers in the state. The federation has around 100 sales outlets in the country.

The federation purchase and store the products societies centre at Alappuzha, Kollam, Kozhikode and Kochi and warehouses at different parts of the state. The federation has started manufacturing rubberized coir products viz. Mattresses, pillow, cushion etc… The plant was commissioned in August 1991. The federation also has a rubber backed unit, which produce rubber backed door mats and matting.

Objectives of COIRFED

- Raising the funds required for the business.
- It aims to provide an improvement in the lifestyle of the people in the rural areas by providing employment in the organization.
- It helps to avoid harmful rivalry among primary societies.
- It is the moderator between the government and the primary societies.
- It makes the arrangement for the purchase coir fibres, yarn and other coir products from the affiliated societies.

Vision of the Company

"To acts as a nodal agency of Co-ordinating the technological, commercial and academic development in the entire gamut of activities related to the coir sector in Kerala and emerge as a Centre of excellence, for research and development, industrial consulting and knowledge disseminating globally".

Mission

"Enduring an appropriate place for golden fibre stockholders of the sector in all walks of life, and to consistently pursue, innovation and improvement in coir and coir related products through continuous research, education training and executive application"

Coirfed Units

Coirfed situated near the coastal regions of Alappuzha has been particularly chosen for this project because of the facilities like inland water ways, availability of raw materials and skilled labours. The area of operation is interstate and its Head Office is at Alappuzha. The administrative staffs are working in the Head Office. The production is being carried out at the following places.

- Rubberized Coir Product Units(RCP)
- Rubber Backing Unit(RB)
- Rubber Backed Cat Mats and Tile Unit(RBCM)
- Five Defibering Units

The RCP and RB units are located near the Head Office. The defibreing are located at the following places:

- Ananthapuram, Kasargod
- Thavam, Kannur
- Mampatta, Kozhikode
- Thumpur, Thrissur
- Vandoor, Malappuram

Product Profile

Coirfed is engaged in marketing of coir yarn, coir doormats, mattings which purchase from primary societies and in manufacturing and marketing of rubberized coir products like mattresses, pillows, cushions etc…The coir products of Coirfed follows Coir Board standard. To ensure quality it has double inspection. That is inrenal inspection and final product inspection.

- Coir Matting

Coir matting makes the ideal furnishing floors, stairs, corridors, wall paneling and ceiling keys the lines. The raw material for coir matting id coir fibre. The coir fibre is plenty in the state itself. They are available in natural bleached and solid colours.

- Coir Yarn

The largest supplier of quality coir yarn, Coirfed specializes is the finest varieties. The skilled workers, using their traditional skill therapy make the best in anjenjo, aratory, and vycome.

- Coir Rugs

Coir matting cuts to specified length and suitably finished ere marketed as “coir rugs”. Coir rugs can be in natural palm colour of fibre or in different shades, in woven pattern or printed designs are specifically produced for overseas market.

- Carpets

Coir carpets are commonly known as “Alleppey Carpets”. These are manufactured by the same techniques as that of mourzouks, but for the difference in the thickness and number of the rforman wrap stands. Mourzouks and Carnatic pile carpets intricate, Geometric or floral designs can be woven on the mourzouks, which are very dense and highly durable.

- Coir Tiles

Coir tiles are innovative designs that gives you looks of a tiled floor with natural goodness of coir. A wide range of coir pattern is available. And mixed with a wide pattern of colours the choice is virtually limitless.

- Coir Mats

To insulate the interior of vehicle from the noise, heat and pollution of its engine, there is no alternative to coir mats. Cut to fit latest models: these car mats are extremely handy and very easy to maintain through all climates. Available with or without rubber backing.

- Rubberized Products

Rubberized coir is the wonder product born out of magical properties of two of nature's finest gifts-rubber and coir. The cushions which can be folded are available in different varieties like coir cushions and steel ne largest chair cushion etc.

- Mats

Coir is an exemplary comfort material accepted in the market for its functional utility and fitness for the purpose. The brushing qualities of coir door mats and their ability to keep the dirt away make the products a unique one. The traditional of fibre from the husk is a laboratories and time consuming process after separating the nuts, the husk are processed by various retting techniques generally in ponds of brackish water for three to six months or in back waters or lagoons.

- Coir Geo Textiles

It is a natural coir fibre, spin into coir yarn. It is then woven into coir geo textiles.It holds a lace prevents soil erosion. Coir geo textiles are biodegradable and well suited to the world demand for an eco-friendly product. Several filed experiments have established the efficiency of geo textiles, a soil erosion control slope stabilization and soil conversion.

- Coir Pith

Extraction of fibre from coconut husks the major industry activity in the coconut growing parts of our country. After the separation of fibre 70% husks remains waste pith. The accumulation of the premises of the coir industry has become a great problem. Most of the research efforts have been concentrated to make it as a raw material for another industrial use.

- Miscellaneous

To those aesthetically inclined these are the factor products. Little trinkets in unusual designs, for unusual purpose. The most popular and widely used manufactured goods are:

- ❖ Carpets
- ❖ Car Mats
- ❖ Coir Mattings
- ❖ Coir Tiles
- ❖ Coir Geo Textiles

- Eco-Friendly Products
  - ❖ Mulch Mats
  - ❖ Coco Dise
  - ❖ Coco Liner
  - ❖ Coco Basket

Organization Structure

In coirfed there are about 520 working employees including Officers, General Manager, Works Manager, Engineers, Service Manager and Managing Director. In Coirfed there are mainly four manager- Personal Manager, Works Manager, Finance Manager and Marketing Manager. They assist the Managing Director for the effective function of the organization. Finance Manager is assisted by Assistant Fiancé Manager and division clerk. Personal Manager is assisted by Assistant Finance Manager with Works Manager, there is a section superintendent. Marketing Manager gives order to marketing executives, sales officers are controlled by marketing executives.

2.1 BUSINESS PROCESS OF THE INDUSTRY

Government of Kerala promoted Coirfed and the director board governs it. Since it is the apex federation of primary society's Coirfed is responsible for the procurement and marketing of coir and coir products produced by the primary sectors. The purchase price of the product from the primary society is fixed based on the cost of production. There is no direct sale from the head office. Coirfed setup 4 regional offices for the procurement and 100 showrooms for sales and marketing out of that 44 are own showrooms and 56 are agency showrooms.

Coir is a unique natural fibre used in diverse applications. It is an important sector as far as economy of Kerala State is concerned. Most of the coir workers are coming from socially and economically backward classes. The industry provides direct employment to more than 3.5 lakhs workers, majority of whom are female. It is mainly concentrated in costal districts of the state. The major constituents in the coir sector are Co-operative, private, public, Government undertaking and unorganized manufacturing units. But, over a period of time, the coir sector has not grown appreciably and has remained almost stagnant.

2.2 MARKET DEMAND & SUPPLY- CONTRIBUTION TO GDP- REVENUE GENERATIONS

Coir Board is a statutory body established by an act of parliament, and it has now assumed the role of a promotional organization as envisaged in the vision. The main objective is to attain a quantum leap in the production and sale of coir products both in foreign and domestic markets. Co-operative plays a big role in the industry with a number of activities and a large share of workers under their fold. Kerala State Coir Co-operative Marketing Federation(COIRFED) is the apex body in this sector to achieve technical development, develop new processes and innovative products and achieve quality improvement. Central Coir Research Institute(CCRI), Alappuzha and Central Institute of Coir Technology(CICT), Bangalore were established under the aegis of the Coir Board. Value added products and product diversification are the aim of these Institutes. Coirply, Pithplus and Coirret, Geotextiles are some of the notable contribution by these institutes.

Market Demand & Supply

Coir products are used in a variety of industries such as upholstery, agriculture, horticulture, hydroponics, geo-textile, etc. Consumers are moving towards the utilization of eco-friendly products, which drives the market for coir products. In developed regions such as Europe and North America, where hydroponics industry is trending, the demand for coir pith is increasing due to its extraordinary properties as a soil-less growing media. Coir products are widely applicable owing to their advanced properties such as high water as absorption, high durability, soil erosion control capacity, etc. Traditionally, coir fiber had been used in the making of coir rope, twines, brooms, brushes, doormats, rugs, and others. of coir, coir usage has increased in agriculture, horticulture, and hydroponics industries. Coir is further modified into different types of products, which are coir fiber, coir pith, coir yarn, coir pith block, coir rope, bales, etc. that is prompting more industries to use coir and coir products.

The growing demand for eco-friendly products among consumers is expected to drive the growth of the coir market

As the world is going green and adopting sustainable methods, utilization of eco-friendly products has increased. Coir and coir products are prominent examples of eco-friendly products. Coir pith can be used as a substitute for peat moss and coir fiber for wood. Rubberized coir is also frequently

utilized in the automobile industry due to its environment-friendly properties. Coir is a 100% natural and organic resource, which does not harm the environment and is also available at a low cost. Global concerns over sustainability and environment protection are increasing the usage of eco-friendly products, which are also creating more demand for coir products.

Growing demand for hydroponic vegetables and fruits is providing a lucrative opportunity for the coir market.

Hydroponics is effective way to grow a vegetables and fruits such as tomato, lettuce, cucumber, and others. The demand for hydroponic tomatoes is increasing as they offer more nutritional benefits than soil- grown tomatoes. Hydroponic tomatoes eliminate the variables, which restrain growth such as pH, salinity, disease, and poor drainage. Other hydroponic vegetables such as lettuce and cucumber, offer similar benefits to the consumers. Coir pith is one of the most used growing media for the hydroponics system. Coir pith has properties such as better air-to-water ratio, which helps the crop grow without any restrains. The growing demand for hydroponic fruits and vegetables provides better opportunities for the growth of coir products in the future.

Increasing demand for geotextile products is driving the coir market

Geotextile products are used for controlling soil erosion, increasing soil stability, etc. due to their advanced properties. Geotextiles are utilized in civil engineering, agricultural, and horticulture. Traditionally, synthetic polymers are primarily used for manufacturing geotextiles, but coir has emerged as an eco-friendly and low- cost substitute for these. In horticulture and hydroponics industries, coir geotextiles are suitable for use as they absorb water and control soil erosion. The wide applicability of geotextile products and eco-friendly property of coir geotextiles are promoting the growth of the coir market.

On the basis of product type, the global coir market has been segmented as –

- White Fiber
- Brown Fiber

On the basis of nature, the global coir market has been segmented as –

- Conventional
- Organic

On the basis of source, the global coir market has been segmented as -

- Green Coconut
- Brown Coconut

On the basis of form, the global coir market has been segmented as-

- Bales
- Blocks
- Disk & Coins
- Husk Chips
- Grow Bags & Open Tops Ropes

On the basis of end use, the global coir market has been segmented as-

- Coir Pith
- Coir Fiber
- Tufted Mats
- Handloom Mats
- Curled Coir & Coir Yarn
- Geotextiles
- Others

On the basis of region, the global coir market has been segmented as-

- North America
- Latin America
- Europe
- South Asia
- East Asia
- Middle East & Africa

Contribution to GDP

National GDP and Annual Coir Exports While in Kerala, the government introduced the Integrated Coir Development Project (ICDP) in 1993 to increase productivity and quality in the manufacture of coir products (Menon, 2013). This effort includes further modernization of machines to increase industrial 2003 productivity and, in turn, increase worker welfare Historically, Sri Lanka had been the world's largest exporter of various fiber grades, whereas India exports largely value added

products – yarn, mats, and rugs. While in 1990 about 80% of global production was exported, growth of the Indian domestic market dropped that rate to below 40%. Global trade volume for coir fiber, value added products – yarn, mats, rugs – and coir pith now stands at about $140 million per year with India and Sri Lanka respectively accounting for about $70 and $60 million of that amount. This may not seem much but in the coconut regions of producing countries coir is an important economic factor. In Sri Lanka, coir related exports account for 6% of agricultural exports, over 1% of all exports and 0.35% of GDP.

Revenue Generation

In 2020-21, the current figure of domestic revenue is 10,000 crores and the export revenue is 2,728 crore. Though the country set an all-time record in coir exports in 2020-2021 by achieving a revenue of 2,728.05 crores, there was a 5.2 per cent decline in the quantity compared to the previous year. The country exported 9,64,046 tonnes of coir products to 110 countries recording a 196 crore increase in revenue over the previous year's (2019-20) export revenue of 2,532.28 crores. The plan is to establish more husk collection centres, introduce incentive schemes for exports of coir products formulate a coir procurement policy and ensure minimum wages to coir workers by including coir under MGNREGA.

The Vision Document for 2025

Coir board has prepared a vision document aiming to achieve a threefold increase in coir production and export by 2025. The objective of the vision document is to increase the domestic revenue from 10,000 crores to 125,000 crore and increase the export revenue from 2,728 crore to 7,500 crore and create 1.45 lakh employment opportunities within the next five years. The vision document has been prepared with the aim to uplift coir industry by promoting export, improving domestic sales and developing new technology. The vision document envisages subsidy scheme for coir wood industry, introduction of welfare scheme for coir workers and credit plan for setting up coir units and set an annual target of 3,500 crore increase in export revenue.

ACTIVITY	CURRENT FIGURES	2025
Husk utilization	**42%**	**50%**
Husk availability	**23,904 million nuts**	**32,000 million nuts**
Fibre production	**7.5 lakh tonne**	**12 lakh tonne**
Export revenue	**2,728 crore**	**7,500 crore**
Domestic revenue	**10,000 crore**	**125,000 crore**
Employment generation	**7.35 lakh**	**8.80 lakh**

2.3 LEVEL AND TYPES OF COMPETITION-FIRMS OPERATING IN THE INDUSTRY

The companies in the global coir market such as Geewin Exim, SMS Exporters, Sai Cocopeat Export Private Limited, Kumaran Coir, Allwin Coir, Travancore Coco tuft Pvt. Ltd, BENLION COIR INDUSTRIES and Classic Coir

Competitors in Kerala

- William Goodacre & Sons India Pvt Ltd, Alleppey
- N.C John & Sons Pvt Ltd
- D.C Mills, Alleppey
- Travancore Fibre India, Alleppey
- Palm Fibre India Ltd, Alleppey
- Kerala Balers Pvt Ltd, Allepey

2.4 PRICING STRATEGIS IN THE INDUSTRY

Effective pricing strategies shall help a company sell its products in a competitive market to witness a profit. This strategy is one of the other marketing strategies followed in the system of every management. It is indeed a known fact that a company's ultimate goal is to maximize their turnover. In order to maximize the profit, one has to choose the right strategy for price setting.
Business magnate might use different combinations of price strategies to increase sales, but finding the right strategy is a crucial step in the journey towards success. An increase in sales volume is expected to increase a company's profit. There are different strategies one can depend on in the process of price setting. A few significant factors are given below:

- Penetrating & Psychological Pricing Strategies

In order to gain a great market share, many companies embrace the penetration pricing strategy. The company aims to set up a customer-based price in the market. This is primarily achieved by providing a free to low price for their products or services to a limited period of time. This later on, with a revised version comes into the market as a premium product with a little raise in the price. This strategy is implied to meet the expectation that consumers will hop on to new brands when they're priced low. On the other hand, a psychological pricing strategy is a method that embraces a consumer's emotional response rather than considering their rational one. Here consumer ignores the quality of a service/ product but sticks on to the costing price.

- **Product Line & Economy Pricing Strategies**

The product line pricing strategy is nothing but, providing service with an option to upgrade upon choosing higher value packs. Consumers are pushed to compare the packages and choose a wise plus cost- effective product or service. The other purpose of the product line strategy is to bring a product or service to the spotlight which had low visibility or recognition earlier. Whereas, economy pricing strategy embraces no to the low marketing cost in product or service promotion. It's more like the budget pricing of a product or service.

- **Customer Value - Based Pricing Strategy**

This is the most effective method that is followed by many successful companies. Value-based pricing is a nothing but, price setting strategy that exclusively focuses on consumer perceived value of a service or product. This is entirely based on how consumers value the product or service and how they find it worth buying. Many companies that offer unique and high-value products choose this strategy in setting the price. The value-based pricing embraces customer's abilities to buy a product by considering the unparalleled experience upon buying a particular service or a product. A value-based strategy will enable manufacturing companies to extend the life-cycle of existing products and will help to establish a great bond with value- added suppliers.

- **Pricing Analytics**

Manufacturers and service providers predict the future well enough to carry out a price optimization system. We evaluate the past performance with a specific set of market conditions and suggest the state of conditions for the probability of profit for your product or service in the market. This will help the automotive industry to gain an insight into pricing strategy. Pricing analytics include the process of finding the underperformers of a particular industry. It's highly crucial to analyze why certain product lines become your cause of down economy. We develop reports exclusively after researching the probabilities and will let you understand the customer value definition with facts and figures.

- **Customer Satisfaction**

When a pricing system includes detailed pricing analytics, it will definitely boost the customers' satisfaction. The system of achieving maximum profit with minimum wasted effort shall only be obtained upon consulting the business consultants. This will help your sales team create a budget based service or product that shall come with a package deal to the customers which in turn allows you to enhance customer's ability to purchase. Almost everything in business aims for justification for the value of a specific price. Customers do not buy a product or service by just seeing the price tag, they meticulously research before buying it.

2.5 PROSPECTS AND CHALLENGES OF THE INDUSTRY

Prospects of the Industry

The perspective issues relating to the industry is that support because it gives livelihood for lakhs of workers by utilizing the discarded material of coconut. The industry also fetches crores of foreign exchange by export of coir and coir products.

- **Employment Opportunities**

Being labor-intensive industry, coir industry provides self-employment opportunities to the people with small size of investment and little efforts and reduces unemployment and under employment problems. "The extensive improvement in the utilization of coconut husk from 50 percent to 60 percent will lead to employment generation up to 8,00,000 workers during the end of 11th Five Year Plan Period".

- **Entrepreneurship Development**

Coir industry is a great opportunity to the people for establishing as well as operating the industrial units without experience. It creates a good amount of savings and entrepreneurial skill among the people particularly in rural areas. Coir entrepreneurs also improve social welfare of a country. Thus, large amount of human resources is not only mobilized but also utilized by the coir sector for emerging as well as promoting entrepreneurship especially in rural areas and thereby improving the country's economy.

- **Income Generation**

Coir industry generates income to the people viz., owners and workers. It generates more income to the entrepreneurs with low capital investment and less training. Further, it also generates income to the people those who are engaged in coir industry. The Coir industry enormously contributes to reduce unemployment, to alleviate poverty, to improve the standard of living of the people, to provide income and to protect wealth of the people in the Indian society. It is the social uplift to the people especially those who are living below poverty line. Out of 80 percent of the women workforce, a major portion of the women workers are economically very weaker sections of the society. In India, alone, about half a million people depend on this industry for their livelihood.

- **Regional Dispersal of Industries**

The migration of people from rural to urban areas for employment and earning more income leads to many evil consequences like overcrowding, pollution, creation of slums, etc. These problems in the Indian society can be solved by establishing and operating coir industry in terms of utilizing local and available natural resources and bring about dispersion of industries in various parts of the country and thereby promoting balanced regional economic development.

- **Technological Development**

During initial stage, Coir industry was started as well as operated on traditional way. Now-a-days, it is avenue for absorbing innovation. They provide ample opportunities for the development of technology and technology in turn, creates an environment conducive to the development of coir units. They also facilitate the transfer of technology from one to the other. As a result, the economy reaps the benefit of improved technology.

- **Promotion of Exports**

India exports 14 items of coir and coir products to more than 105 countries in the world and India has earned more foreign exchange through exports of coir and coir products to foreign countries. Indian coir and coir products have greater demand in the international markets due to its special features like colour, design, quality, uses, price, attractiveness and craftsmanship. Therefore, coir industries in India have potential for better overseas marketing.

- **Better Industrial Relations**

Industrial disputes are reduced and efficiency of employees has increased through better industrial relations between the owner and workers. The waste of production and working days are comparatively less in coir units. Therefore, the better performance of coir industries in India in terms of number of units, investment, production, employment and exports leads to the growth and development of the country's economy.

- **Government Supports**

The government of India provides various assistances through Coir Board and DIC for promoting the coir industry in the form subsidies and trainings. The subsidies include power subsidy, capital

subsidy and machinery subsidy and tax concessions. Further, Government is conducting various training programmes to their coir entrepreneurs or the coir manufacturer for promoting coir industry. Special training programmes have been formulated for women artisans. Modern traditional rats would to provide to the trained women so as to increase employment and earnings.

Challenges of the Industry

Despite of favorable contribution to employment and income of the people and country's economy in innumerable ways, the Coir Sector does not get the required support from the government, banks, financial institutions and other lending institutions in order to provide quality goods and services, to meet the competition, to create demand and to attract customers in both National as well as International markets. Even though the Coir Sector has potentials in India, they are facing a number of problems. The major challenges faced by the coir industries in India are enumerated below.

- **Material Problems**

Material is the basic and prime input to any industrial concern. The operation of the coir units depends on the availability of the coconut husk (basic raw materials). Further, the coir units are facing several problems day by day in procuring and using the raw materials. Coir industry in India is suffering a number of material problems like non-availability of materials, shortage of materials, poor quality of raw materials and high cost of materials.

- **Labour Problems**

Labour is one of the most fundamental factors of production which determine the success of an industrial unit. There are a number of unskilled workers engaged in coir units and their productivity is very low when comparing other village industries. A major portion of the workers in coir industry are women especially in the spinning as well as manufacturing sectors and their productivity is very low when comparing men workers. Labour absenteeism, low rate of wages, labour turnover, routine work, low labour productivity are the major problems of labour in coir industry.

- **Financial Problems**

The coir units have more borrowed funds rather than the owned funds for its establishment as well as operation purposes. They depend on State Financial Corporations, Commercial Banks and

Creditors for its requirements of both long-terms and short-term capital requirement purposes. They have no access to other sources of long-term funds like capital markets. The financial problem of coir units is timely non-available of borrowings, higher rate of interest, security, bank's rigid procedures. The credit worthiness of coir borrowers is generally weak and therefore they face reluctant creditors who may be induced to lend only at a very high rate of interest.

- **Production Problems**

Coir units are unable to compete with other small scale industries due to non-availability of modern technology. Most of the coir units are using traditional methods and ratts to the coir production. The traditional methods and techniques lead to low productivity. Thus, Poor labour productivity, machine breakdowns, low rate of demand, power cut problems and higher rate of power charges are the chief production problems of coir units.

- **Marketing Problems**

Marketing of finished products is another major problem faced by the industrial units. A number of marketing problems faced by coir industry like transport expenses, salesman expenses, involvement of agent, middlemen charges, substitute goods, market rate fluctuations and inadequate storage facilities for coir and coir products are some of the hardships faced by the industry.

2.6 KEY DRIVERS OF THE INDUSTRY

Growing demand for Eco-Friendly products and lightweight properties of coir drives the growth of the global coir industry. As it is a material that occur in nature it is completely renewable and is therefore considered an excellent choice for environmental sustainability.

Growth in End-User Industries and the number of bio-products obtained from coir are boosting the growth of the coir industry. However, the use of other natural fibers and synthetics are likely to restrain the growth of the coir industry.

Coir Industry: Drivers and Restraints

Growing demand for eco-friendly products and lightweight properties of coir drives the growth of the global coir industry. As it is a material that occurs in nature it is completely renewable and is therefore considered an excellent choice for environmental sustainability. Growth in the end- user industries and the number of bi-products obtained from coir are boosting the growth of the coir industry. However, the use of other natural fibers and synthetics are likely to restrain the growth of the coir industry. Furthermore, Coir ply has all the properties of phenol-bonded ply with the added strength of fiber reinforced phenol bonding. This, in turn, is creating several growth opportunities for the key players in the coir industry. The government is encouraging private investments in its handloom and coir industries to enhance productivity and maintain the competitive edge. The policy also proposes to introduce power looms to promote state-of-the-art units of international standards

CHAPTER 3
REVIEW OF LITERATURE

3.1 BRIEF TTHEORETICAL CONSTRUCT RELATED TO THE PROBLEM

Financial Performance Analysis

Financial performance analysis includes analysis and interpretation of financial statements in such a way that it undertakes full diagnosis of the profitability and financial soundness of the business. Financial performance analysis is the process of identifying the financial strengths and weaknesses of the firm by properly establishing the relationship between the items of balance sheet and profit and loss account. It also helps in short-term and long term forecasting and growth can be identified with the help of financial performance analysis. There are generally six steps to developing an effective analysis of financial statements.

- Identify the industry economic characteristics
- Identify company strategies
- Assess the quality of the firm's financial statements
- Analyze current profitability and risk
- Prepare forecasted financial statements
- Value the firm

A financial analyst will thoroughly examine a company's financial statements the income statement, balance sheet, and cash flow statement. One of the most common ways to analyze financial data is to calculate ratios from the data in the financial statements to compare against those of other companies or against the company's own historical performance.

There are two types of financial analysis:

- Fundamental Analysis

Fundamental Analysis Fundamental analysis uses ratios gathered from data within the financial statements, such as a company's earnings per share (EPS), in order to determine the business's value. Using ratio analysis in addition to a thorough review of economic and financial situations surrounding the company, the analyst is able to arrive at an intrinsic value for the security. The end goal is to arrive at a number that an investor can compare with a security's current price in order to see whether the security is undervalued or overvalued.

- Technical Analysis

Technical analysis uses statistical trends gathered from trading activity, such as moving averages (MA). Essentially, technical analysis assumes that a security's price already reflects all publicly-available information and instead focuses on the statistical analysis of price movements. Technical analysis attempts to understand the market sentiment behind price trends by looking for patterns and trends rather than analyzing a security's fundamental attributes.

Advantages of Financial Analysis

- Pattern detection and forecasting:

Financial statement has the ability to reveal earnings per year, sales and profits accrued. Though sales figures may vary, the financial planners will be in a position to find a correlative pattern over a few years of data of sales-figures.

- Budget outline in real-time:

Decision making for planning the future, budget estimations, corrective actions required for efficient budgeting, and many such decisions rely heavily on financial statements. the statement reveal how much you can spend on marketing or product launches, strategizing for marketing-campaigns, future expansions, requirements of funding etc. Information is power in decision making and planning. This in term improves productivity, budget overruns such to keep the company healthy and increase profits year after year.

Disadvantages of Financial Analysis

- Based on pattern of the market:

A big disadvantage of the financial statements analysis and use for making strategic decisions based on figures and data pertaining to current market conditions which may fluctuate. Past performance is a good indicator and motivator. It cannot, however, guarantee the fluctuations and future demands. A cautious approach is called for in interpretation of financial ratios and statements to prevent excessive risk-taking based purely on forecasts.

- Analysis of At-One-Time basis:

As the name suggests the forecast and analysis is applicable at that one time only. It does not reveal or compare the past performance or future forecast at one glance. One will need to exercise caution by generating and reporting on a continuous basis rather than a one-time basis. Such extrapolation

of data and financial analysis undertaken frequently is crucial to the company's health and decision-making abilities.

Financial Statement

Financial statement is intended to provide information on the resources available to management, how these resources were finished, and what the firm accomplished with them. The balance sheet, the income statement and the statement of cash flow. Information from the basic financial statement can be used to calculate financial ratios and to analyses to operations of the firm to determine what factors influences a firm earnings, cash flow and risk characteristics. It will necessary analysis historical data; the ultimate goal of this analysis is to provide insights to the financial performance of the company.

Financial analysis is commonly called analysis and interpretation of financial statement. Analysis of financial statement means establishing relationship between the items in financial statement for determining the financial strength and weakness of the business. In the word Metcalf and Titard, ‘‘Analyzing financial statement is a process of evaluating the relationship between component parts of financial statement to obtain a better understanding of a firm and its performance.

They are useful for the following reasons:

- To determine the ability of a business to generate cash, and the sources and uses of that cash.
- To determine whether a business has the capability to pay back its debts.
- To track financial results on a trend line to spot any looming profitability issues.
- To derive financial ratios from the statements that can indicate the condition of the business.
- To investigate the details of certain business transactions, as outlined in the disclosures that accompany the statements

Four Types of Financial Statements

1. Statement of Financial Position

Statement of Financial Position, also known as the Balance Sheet, presents the financial position of an entity at a given date. It is comprised of the following three elements:

- Assets: Something a business owns or controls (e.g. cash, inventory, plant and machinery, etc.)
- Liabilities: Something a business owes to someone (e.g. creditors, bank loans, etc.)

- Equity: What the business owes to its owners. This represents the amount of capital that remains in the business after its assets are used to pay off its outstanding liabilities. Equity therefore represents the difference between the assets and liabilities

2. **Income Statement**

Income Statement, also known as the *Profit and Loss Statement*, reports the company's financial performance in terms of net profit or loss over a specified period. Income Statement is composed of the following two elements:

- Income: What the business has earned over a period (e.g. sales revenue, dividend income, etc.)
- Expense: The cost incurred by the business over a period (e.g. salaries and wages, depreciation, rental charges, etc.) Net profit or loss is arrived by deducting expenses from income.

3. Cash Flow Statement

Cash Flow Statement, presents the movement in cash and bank balances over a period. The 24 movement in cash flows is classified into the following segments:

- Operating Activities: Represents the cash flow from primary activities of a business.
- Investing Activities: Represents cash flow from the purchase and sale of assets other than inventories (e.g. purchase of a factory plant).
- Financing Activities: Represents cash flow generated or spent on raising and repaying share capital and debt together with the payments of interest and dividends.

4. **Statement of Changes in Equity**

Statement of Changes in Equity, also known as the Statement of Retained Earnings, details the movement in owners' equity over a period. The movement in owners' equity is derived from the following components:

- Net Profit or loss during the period as reported in the income statement
- Share capital issued or repaid during the period
- Dividend payments
- Gains or losses recognized directly in equity (e.g. revaluation surpluses)

Purpose OF Financial Statement

The following are the main purpose of the analysis of financial statements:

- To estimate the earning capacity of the firm.
- To determine the long -term liquidity of the funds.
- To judge the solvency of the firm.
- To determine the debt capacity of the firm.
- To decide about the future prospects of the firm. 6. To measure the efficiency of operations.

Objectives of Financial Analysis

- Reviewing the company's performance over past periods.
- Assessing the current financial position.
- Forecasting the profitability trends.
- Forecasting financial failure.

Limitation of Financial Analysis

- Not a Substitute of Judgement
- Based on Past Data
- Problem in Comparability
- Reliability of Figures
- Various methods of Accounting and Financing
- Change in Accounting Methods
- Changes in the Value of Money
- Limitations of the Tools Application for Analysis
- No Assessment of Managerial Ability
- Change of Business Condition

Techniques/ Tools Financial Performance Analysis

An analysis of financial performance can be possible through the use of one or more tools / Techniques of financial analysis:

- **Accounting techniques**

It is also known as financial techniques. Various accounting techniques such as Comparative Financial Analysis, Common-size Financial Analysis, Trend Analysis, Fund Flow Analysis, Cash Flow Analysis, CVP Analysis, Ratio Analysis, Value Added Analysis etc. may be used for the purpose of financial analysis.

The main analysis used here are:

1. **Ratio Analysis**
2. **Trend Analysis**
3. **Correlation Analysis**
4. **Regression Analysis – Time Series Analysis**
5. **DuPont Analysis**
6. **Comparative Balance Sheet Analysis**

1. Ratio Analysis

In order to evaluate financial condition and performance of a firm, one of the' widely used and powerful tool is ratio or index. Ratios express the numerical relationship between two or more things. Accounting ratios are used to describe significant relationships, which exist between figures shown on a balance sheet, in a profit and loss account, in a budgetary control system or in any other part of the accounting organization. Ratio analysis plays an important role in determining the financial strengths and weaknesses of a company relative to that of other companies in the same industry. The analysis also reveals whether the company's financial position has been improving or deteriorating over time. The value of ratio analysis enables the equity or credit analyst, lenders, traders and other users to evaluate past performance, assess the current financial position of the Company, and gain insights useful for projecting future results.

Ratios can be classified into four broad groups on the basis of items used:

A. **Liquidity Ratio**
B. **Solvency Ratio**
C. **Activity Ratio**
D. **Profitability Ratio**

A. Liquidity Ratio

Liquidity ratios are the ratios that measure the ability of a company to meet its short term debt obligations. These ratios measure the ability of a company to pay off its short-term liabilities when they fall due.

The liquidity ratios are a result of dividing cash and other liquid assets by the short term borrowings and current liabilities. They show the number of times the short term debt obligations are covered by the cash and liquid assets. If the value is greater than 1, it means the short term obligation is fully covered. Higher the liquidity ratios are, the higher the margin of safety that the company possess to meet its current liabilities. Liquidity ratios greater than 1 indicates the company is in good financial health and it is less likely fall into financial difficulties.

The concept of cash cycle is also important for better understanding of liquidity ratios that continuously cycles through the operations of a company. A company's cash is usually tied up in the finished goods, the raw materials, and trade debtors. It is not until the inventory is sold, but also when sales invoices are raised, and the debtors make payments that the company receives cash. The cash tied up in the cash cycle is known as working capital, and liquidity ratios try to measure the balance between current assets and current liabilities. In other words, a company should possess the ability to translate its short term assets into cash. The liquidity ratios attempt to measure the ability of a company.

The following are the liquidity ratios used in this analysis:

a. **Current Ratio**
b. **Quick Ratio**
c. **Absolute liquidity Ratio**

a. Current Ratio:

The current ratio is also called the working capital ratio, as working capital is the difference between current assets and current liabilities. The current ratio is calculated by dividing current assets by current liabilities. A ratio less than 1 may indicate liquidity issues. A very high current ratio may mean there is excess cash that should possibly be untested elsewhere in the business or that there is too much inventory. Most believe that a ratio between 1.2 and 2.0 is sufficient. Low values for the current ratio (values less than 1) indicate that a firm may have difficulty meeting entrant obligations. However, an investor should also take note of a company's operating cash flow in order to get a better sense of its liquidity. A low current ratio can often be supported by a strong operating cash flow.

Current Ratio = Current Asset / Current Liabilities

b. Quick Ratio:

The term 'liquidity' refers to the ability of a firm to pay its short-term obligation as and when they become due. The term quick assets or liquid assets refers current assets which can be converted into cash immediately it comprises all current assets except stock and prepaid expenses it is determined by dividing quick assets by quick liabilities.

Quick ratio = Quick Assets / Quick Liabilities

c. Absolute Liquid Ratio

The meaning of computing absolute liquid ratio is to eliminate accounts receivables from the list of liquid assets because there may be some doubt about their quick collection. This ratio is useful only when used in conjunction with current ratio and quick ratio.

Absolute Liquid ratio = Cash and Bank Balance / Current Liabilities.

B. Solvency Ratio (Leverage Ratio)

Many financial analyses are interested in the relative use of debt and equity in the firm. The term 'solvency' refers to the ability of a concern to meet its long-term obligations. Accordingly, long-term solvency ratios indicate a firm's ability to meet the fixed interest and cost and repayment schedule associate with its long-term borrowings. (i.e.) Debt Equity Ratio, Proprietary Ratio, etc….

The following are the Leverage ratios used in this analysis:

a. **Total Debt Equity Ratio**
b. **Long Term Debt to Shareholders Net Worth**
c. **Fixed Asset Ratio**
d. **Fixed Assets to Net Worth Ratio**
e. **Proprietor Ratio**

a. Total Debt- Equity Ratio

The relationship between borrowed funds and owner's capital is a popular measure of long term solvency of the firm. This relationship is shown by the debt equity ratio. This ratio indicates the relative proportion of debt and equity in financing the assets of the firm.

Total Debt Equity Ratio= Total Debt / Equity

b. Long Term Debt to Shareholders Net Worth

Long term debt to equity ratio is a leverage ratio compare ng the total amount of long-term debt against the shareholder's equity of a company. The goal of this ratio is to determine how much leverage the company is taking. A higher ratio means the company is taking on more debt.

Long Term Debt to Shareholders Net Worth = Long Term Debt / ShareholdersFund

c. Fixed Asset Ratio

Fixed Assets Ratio is a typical solvency ratio (long term solvency) which is found by dividing total fixed assets of a company with long term funds. It shows the amount of fixed assets being financed by each units of long- term funds.

Fixed Asset Ratio= fixed Assets / Capital Employed

d. Fixed Assets to Net Worth Ratio (Fixed Asset to Proprietors Fund Ratio)

Fixed Assets to Net Worth ratio indicates the financial strength of a company the ratio is equal to the fixed assets of a company divided by its equity capital. Equity capital is the amount of money invested in a company by its shareholders. If the ratio is greater than 1, some of the company's assets have been financed by debt.

Equity Capital Ratio = Fixed Assets/ Shareholders Fund

e. Proprietary Ratio

Proprietary ratio relates to the shareholder's fund to total assets. It is calculated by dividing shareholders fund by the total assets. Proprietary ratio relates to the proprietor's funds to total assets. It reveals the owner's contribution to the total value of assets.

Proprietary ratio = Shareholders fund / Total assets.

C. ACTIVITY RATIOS/ TURNOVER RATIOS

These ratios evaluate the use of the resources of the business concern along with the use of the components of total assets. They are intended to measure the effectiveness of the assets management the efficiency with which the assets are used would be reflected in the speed and rapidity with which the assets are converted into sales. The greater the rate of turnover, the more efficient the management will be.

The following are the activity ratios in this analysis:

a. Inventory Turnover Ratio
b. Inventory Holding Period
c. Fixed Asset Turnover Ratio
d. Current Asset Turnover Ratio
e. Total Asset Turnover Ratio
f. Capital Turnover Ratio
g. Working Capital Turnover Ratio

a. Inventory Turnover Ratio

Inventory turnover ratio shows the relationship between costs of goods sold and average inventory or stock. Inventory turnover ratio measures the velocity of stock into sales. Usually high inventory turnover ratio indicates effective management of inventory because more frequently the stock is sold, therefore a lesser amount of money is required to finance the inventory. It shows how many times accompanies inventory is sold and replaced over a period of time. It is calculated as follows:

Inventory Turnover Ratio = Net sales / Inventory

b. Inventory Holding Period

The inventory holding period shows the number of days on average that a business holds inventory. To calculate the inventory holding period we divide inventory by cost of sales and multiply the answer by 365 for the holding period in days, or by 12 for the holding period in months.

Inventory Holding Period = 365 / Inventory Turnover Ratio

c. Fixed Assets Turnover Ratio

It establishes the relationship between net sale and fixed asset. It measures the ability of the company management to generate sales volume from the companies fixed assets base.

The ratio indicates whether or not the company is over investing in assets in order to generate sales, and the level of productivity of these assets. The ratio indicates the extent to which the investment in fixed assets contribution towards sales, if it is compared with a previous year. The ratio is calculated as follows:

Fixed Asset Turnover Ratio = Net Sales / Net Fixed Assets

d. Current Assets Turnover Ratio

The ratio which expresses the relationship between current assets to sale is known as current assets turnover ratio. In other words, this ratio shows how effectively a company can use its assets to generate sales. It can be calculated as follows:

Current Asset Turnover ratio = Net Sales / Current Assets

e. Total Assets Turnover Ratio

Total assets turnover ratio measures the value of a company's sales or revenues generated relative to the value of its assets. The asset turnover ratio can often be used as an indicator of the efficiency with which a company is deploying its assets in generating revenue.

Total Assets Turnover ratio = Net Sales / Total Assets

f. Capital Turnover Ratio

Capital turnover is the measure that indicates organization’s efficiency in relation to the utilization of capital employed in the business and it is calculated as;

Capital Turnover Ratio = Sales / Capital Employed

g. Working Capital Turnover Ratio

Current asset will change with the changes in sales. This ratio expresses the relationship between the working capital and sales. Working capital turnover ratio indicates the velocity of the utilization of net working capital. The ratio indicates the number of times the working capital is turned over in the course of a year. It is a good measure over-trading and under-trading.

The formula for the working capital ratio is as follows;

Working capital turnover ratio = Net sales / Working Capital

D. PROFITABILITY RATIOS

For meaningful conclusions, the profitability ratios of this quarter should be compared to the profitability ratios of similar quarter in the previous years. The profitability ratios of a business concern can be measured by the profitability ratios. These highlight the end result of business activities by which alone the overall efficiency of a business unit can be judged.

The following are the profitability ratios used in this analysis:

a. Net profit ratio

b. Gross Profit Ratio

c. Operating Ratio

a. Net Profit Ratio

Net profit ratio establishes a relationship between net profit (after taxes) and sales. It is determined by dividing the net income after tax to the net sales for the period and measures the profit per rupee of sales. The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized. As such, it is one of the best measures of the overall results of a firm, especially when combined with an evaluation of how well it is using its working capital. The measure is commonly reported on a trend line, to judge performance over time. It is also used to compare the results of a business with its competitors. Net Profit Ratio analyses the amount of money generated for every rupee of sales. This ratio measures your ability to cover all operating costs including indirect costs.

Net Profit Ratio = Net Profit / Net Sales * 100

b. **Gross Profit Ratio**

Gross Profit Ratio analyses the amount of profit earned on the products without considering indirect costs. It measures the gross profit per rupee of sales. The gross profit ratio shows the proportion of profits generated by the sale of products or services, before selling and administrative expenses. It is used to examine the ability of a business to create sellable products in a cost-effective manner. The ratio is of some importance, especially when tracked on a trend line, to see if a business can continue to provide products to the marketplace for which customers are willing to pay a reasonable amount.

A decreasing gross profit percentage may indicate decreased sales prices, higher costs of production or a shift from high profit to low profit products.

Gross profit ratio = Gross Profit / Net Sales * 100

c. Operating Ratio

Operating ratio shows the efficiency of a company's management by comparing cost of goods sold of a company to net sales. The operating ratio shows how efficient a company's management is at keeping costs low while generating revenue or sales. The smaller the ratio, the more efficient the company is at generating revenue.

Operating Ratio = Cost of Goods Sold / Net Sales ×100

2. TREND ANALYSIS

Trend analysis is the practice of collecting information and attempting to spot a pattern, or trend, in the information. Although trend analysis is often used to predict future event, it could be used to estimate uncertain event in the past, such as how many ancient kings probably ruled between two dates, based on data such as the average year which other known kings reigned. 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.

Trend analysis is the process of trying to look at current trends in order to predict future ones and is considered a form of comparative analysis. This can include attempting to determine whether a current market trend, such as gains in a particular market sector, is likely to continue, as well as

whether a trend in one market area could result in a trend in another. Though an analysis may involve a large amount of data, there is no guarantee that the results will be correct

Advantages of Trend Analysis:

- **Possibility of making Inter-Firm Comparison:**

Trend analysis helps the analyst to make a proper comparison between the two or more firms over a period of time. It can also be compared with industry average. That is, it helps to understand the strength or weakness of a particular firm in comparison with other related firm in the industry.

- **Usefulness**:

Trend analysis (in terms of percentage) is found to be more effective in comparison with the absolutes figures/data on the basis of which the management can take the decisions.

- **Useful for Comparative Analysis:**

Trend analyses is very useful for comparative analysis of date in order to measure the financial performances of firm over a period of time and which helps the management to take decisions for the future i.e. it helps to predict the future.

- **Measuring Liquidity and Solvency:**

Trend analysis helps the analyst/and the management to understand the short-term liquidity position as well as the long-term solvency position of a firm over the years with the help of related financial Trend ratios.

- **Measuring Profitability Position:**

Trend analysis also helps to measure the profitability positions of an enterprise or a firm over the years with the help of some related financial trend ratios (e.g. Operating Ratio, Net Profit Ratio, Gross Profit Ratio etc.).

Disadvantages of Trend Analysis:

- **Selection of Base Year:**

It is not so easy to select the base year. Usually, a normal year is taken as the base year. But it is very difficult to select such a base year for the propose of ascertaining the trend. Otherwise, comparison or trend analyses will be of no value.

- **Consistency:**

It is also very difficult to follow a consistent accounting principle and policy particularly when the trends of business accounting are constantly changing.

- **Useless in Inflationary Situations:**

Analysis of trend percentage is useless at the time of price-level change (i.e. in inflation). Trends of data which are taken for comparison will present a misleading result.

Methods of Calculation of Trend Percentage

The Statement of any of the years is taken as the base. Every item in the base year statement is taken as 100. Trend ratios are computed by dividing each figure in the other year's statement with the corresponding item in the base year statement and the result is expressed as percentages.

3. DUPONT ANALYSIS

DuPont analysis is a fundamental performance measurement framework popularized by the DuPont Corporation and is also referred to as the "DuPont identity." DuPont analysis is a useful technique used to decompose the different drivers of the Return On Equity (ROE). Decomposition of ROE allows investors to focus their research on the distinct company performance indicators otherwise cursory evaluation.

Many equity investors look into return on equity for judging whether company is generating good return on the investment of the shareholders. However, it may not be prudent to look at ROE, instead one should go for DuPont analysis in order to have a better understanding about the return on equity.

DuPont can be calculated as

ROE = (Net Income / Sales) * (Sales / Assets) * (Assets / Shareholder's Equity)

In the above equation we have ROE broken down into net profit margin which implies that how much profit the company is earning from sales, asset turnover which implies that how efficiently the company is using its assets, and equity multiplier which is a measure of how much the company is leveraged. If a company's ROE goes up due to an increase in the net profit margin or asset turnover, it is a positive sign for the company. However, if the ROE is increasing due to equity multiplier, it may not be a good sign indicating that company Some ROE is increasing due to excess leverage.

Limitations of DuPont Analysis

- Does not include the cost of capital
- The DuPont identity is not very useful for industries such as investment banking. Here, the sub-elements of the model are not as relevant or meaningful. One way to get around this is to create elements that are "weakly meaningful".
- The DuPont identity is an accounting identity (i.e. it is true by definition). The model relies on accounting data, which can be altered by companies to hide short-term weaknesses (even though this is unethical).
- Garbage in, garbage out: this follows from the previous point. Your output depends on what you're inputting.

4. CORRELATION ANALYSIS

The Correlation Analysis is the statistical tool used to study the closeness of the relationship between two or more variables. The variables are said to be correlated when the movement of one variable is accompanied by the movement of another variable.

The correlation analysis is used when the researcher wants to determine the possible association between the variables and to begin with; the following steps are to be followed:

- Determining whether the relation exists and then measuring it (The measure of correlation is called as the *Coefficient of Correlation).*

- Testing its significance

- Establishing the cause-and-effect relation, if any.

In the correlation analysis, there are two types of variables- *Dependent and Independent.* The purpose of such analysis is to find out if any change in the independent variable results in the change in the dependent variable or not. Now the question arises that what is the need to study the correlation? The study of correlation is very useful in the practical life due to the following reasons:

- Several variables show some kind of relationship, such as income and expenditure, demand and sales, etc. and hence, with the help of correlation analysis the degree of relationship between these variables can be measured in one figure.
- Once the closeness of variables is determined, we can estimate the value of unknown variable provided the value of another variable is given. This can be done using the regression analysis.
- The correlation analysis helps the manufacturing firm in estimating the price, cost, sales of its product on the basis of the other variables that are functionally related to it.
- It contributes towards the economic behavior as it helps an economist in identifying the critically important variables on which several other economic variables depend on.

The correlation analysis is the most widely used method and is often the most abused statistical measures. This is because the researcher may overlook the fact that the correlation only measures the **strength of linear relationships** and does not necessarily imply a relationship between the variables.

The equation for correlation coefficient is:

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n(\sum x^2) - (\sum x)^2]\,[n(\sum y^2) - (\sum y)^2]}}$$

Advantages of Correlation Analysis

- A correlational study can be conducted on variables that can be measured and not manipulated, for example when an experimental method would be impractical or unethical to conduct.
- A correlation can demonstrate the presence or absence of a relationship between two factors so is good for indicating areas where experimental research could take place and show further results.

Limitations of Correlation Analysis

- A correlational analysis can only be used when the variables are two measurable on a scale.
- No cause and effect can be established in correlational research as it's not certain that one Variable caused another to happen, it could be one or the other or it could even be an unknown variable that causes the correlation.

5. REGRESSION ANALYSIS

Regression analysis is a set of statistical methods used for the estimation of relationship between a dependent variable and one or more independent variable. It can be utilized to assess the strength of the relationship between variables and for modeling the future relation between them.
Regression analysis includes several variations such as linear, multiple linear and nonlinear.
Here we use the simple linear regression analysis
Equation, $Y = a + bX$
Where,
Y = Dependent Variable
X = independent variable
a = intercept
b = slope

6. COMPARATIVE BALANCESHEET

The comparative balance sheet is the study of the trend of the same items and computed items I two or more balance sheet of the same business enterprise on different dates. 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.

3.2 AN OVERVIEW OF EARLIER STUDIES

A number of researches have already undertaken various studies on different aspects relating to the management of finance of different types of industries. Some of those studies were reviewed and a brief report is given below.

Taylor, R k (2006) in his study mentions that financial statements as the aid towards financial analysis. He indicates that the financial statements help the business organization in having some extremely useful information in the form of balance sheet which mirrors the financial position on a particular date in terms of the structure of assets, liabilities and owner's equity and the profit and loss account which shows the result of operations during a certain period of time, in terms of therevenue obtained and the cost incurred during the year. Thus the financial statements provide a summarized view of the financial position and operations of a firm.

S Sreedharna (2010) mentions about the importance of ratio analysis which helps in the analysis of the financial performance of the company. He indicates that the situation of the two companies is not the same. Similarly, the factors influencing the performance of the company in one year may change in another year. It is also helpful in analyzing the profit of the company which enables the company's survival and growth over a long period of time. Therefore, the analysis of the ratio is very much important in order to assess and examine the financial performance of the company.

A K Phophalia, Saritha Sharma and G R Basotia (2008) indicates that ratio analysis is the process of determining and presenting the relationship of the items in financial statements. It is the numerical relationship between two items of financial statements. He also points out that the advantage of working with ratio analysis is that, it enables the organization to properly judge the

performance and financial position of the enterprise which automatically helps the organization in their decision making process, dragonizing the organizations financial ills and studies about the financial trends that is happening in the organization.

Lina Warrad and Dr. Raina AI Omari (2015) studies about the impact of the activity ratios on the financial performance analysis. He tells that most professional analysts and investors tend to focus on Return on Asset (ROA) as their primary measure of firm performance. He also indicates that ROA is a better metric of financial performance than income statement profitability measures like return on sales(ROS). Return on asset explicitly takes into account the assets used to support business activities. It determines whether the company is able to generate an adequate profit on its assets rather than simply showing return on sales(ROS).

Lambrix and Singhvi (2006) states that ratio analysis is a widely used tool for financial performance analysis. He tells that ratio analysis is a major tool in order to interpret financial statements so that strengths and weaknesses of the firm. He also mentions that ratios are relative figures reflecting the relationship between related variables.

JhaSuvita, Hui Xiaofeng (2012) mentions that to analyze the financial performance of different ownership structured commercial banks in Nepal based on their financial characteristics and identify the determinants of performance of the banks with help of financial ratios. The performance evaluation of banks is important for all parties including depositors, investors, bank managers and regulators. The evolution of a firm's performance usually employs the financial ratio method, because it provides a simple description about the firm's financial performance in comparison with previous periods and helps to improve its performance of management. The study reveals the result that the public sector banks where significantly less efficient when compared to their counterpart private banks mainly because of the funds available and also the customer dealings by the public sector banks.

ChoudharyHimanshuTripathi Gaurav (2012) states that to assess the operational efficiency of the companies in the Indian organized retail industry in terms of inventory turnover and also to investigate the impact of inventory turnover on financial performance. A thorough analysis of the

inventory management practices adopted at these companies suggests that each retailer plans its inventory level keeping in view its positioning in minds of its customers and, of course, the sales forecasting. The inventory level is based on forecasting which plays a crucial role in the performance of the company.

Curtis C. Versoor mention that financial performance and an emphasis on ethical as an aspect of corporate governance report that, this is the first study to demonstrate a link between overall performance and emphasis on ethics as an aspect of corporate governance. It identifies the 26.8% of the 500 large US public corporation in their annual reports to shareholders, commit to ethical behavior towards their stakeholders or emphasis compliance with their code of conduct.

Collis and Jarvis (2002) then states that this may indicate that small companies experience problems in gaining access to appropriate benchmarks, but could also be the results of competitors filing abbreviated accounts which reduces the amount of information available for calculating ratio and making comparison. In addition, as many small companies operate in the service sector, they occupy niche markets and may be less concerned with competition than those in other markets.

Melse (2004), reports that ratio analysis provides an insight into the financial health of a firm by looking into it liquidity, solvability, profitability, activity and capital and market structure.
Jooste (2004) investigates that many authors agree that cash flow information is a better indicator of financial performance than traditional earnings.

Bhatawdekar (2010) explains that Financial Ratio Analysis is the systematic use of ratio to interpret the components of financial statements for evaluation of strength and weaknesses of a firm in addition to its historical performance and present financial condition.

Pai, Vadivel & Kamala (1995)have studied about the diversified companies and financial performance. Main purpose of research was to found out the relationship between the diversified firms and their financial performance. For the purpose of research, they have selected seven large firms and analyzed those firm which different products-both related and otherwise-in their portfolio and operating in diverse industry. 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.

3.3 UNIQUNESS OF RESAERCH STUDY

- Ratio analysis refer to the analysis of various pieces of financial information in the financial statements of a business. They are mainly used by external analysts to determine various aspects of a business, such as its profitability, liquidity, and solvency. It helps in comparison. It helps in trend line and operational efficiency.
- Comparative balance sheet presents side by side information about an entity's assets, liability and shareholder's equity as of multiple points in time. It helps in comparison and forecasting.
- These Research Study has conducted during the period of Indian pandemic COVID-19.
- The tools used for analysis are adjusted as well as have advanced techniques.

CHAPTER 4
METHODOLOGY OF THE STUDY

4.0 METHODOLOGY OF THE STUDY

Methodology is the systematic, theoretical analysis of the methods applied to a field of study. It comprises the theoretical analysis of the body of methods and principles associated with a branch of knowledge. Typically, it encompasses concepts such as paradigm, theoretical model, phases and quantitative or qualitative techniques. So it is easy to derive that one of the most significant factor in a research work is to determine research methodology. The study will be conducted with reference to the data related to the balance sheet of COIRFED, Alappuzha for the financial year 2015-2016 to 2019-2020. This chapter discusses the methodology used for the study. The researchers need to provide a clear description of how data were collected. It explains sections as research design, population, sampling and sampling techniques/methods, data validity, data reliability and data analysis.

4.1 RESEARCH APPROACH AND DESIGN

The success of a study depends largely on the methodology used. The appropriate methodology will improve the validity of the findings. For the purpose of getting data both primary and secondary sources are used. The present study is mainly based on secondary data. Primary data also used where the secondary data need more explanation. Secondary data was collected from the documents, which were in printed forms like annual reports, books of accounts, records of the company, broachers, magazines, references books based on financial management and websites.

The research approach is a plan and procedure that consist of the steps of broad assumptions to detailed method of data collection, analysis, and interpretation. It is therefore, based on the nature of the research problem being addressed. The two basic research approaches are quantitative and qualitative research. Both types have different purposes. Quantitative research is statistics based. It involves questions that can best be answered in numbers. Qualitative research is descriptive in nature, because it generally deals with non-numerical and unquantifiable things. Quantitative research is much more numbers-driven. The emphasis is on the collection of numerical data. The conclusion then makes inferences based on that data. The research design refers to the overall strategy that you choose to integrate the different components of the study in a coherent and logical way, thereby, ensuring you will effectively address the research problem; it constitutes the

blueprint for the collection, measurement, and analysis of data. It is the set of methods and procedures used in collecting and analyzing measures of the variables specified in the problem research. The design of a study defines the study type (descriptive, correlation, semi-experimental, experimental, review, meta-analytic) and sub-type (e.g., descriptive-longitudinal case study), research problem, hypotheses, independent and dependent variables, experimental design, and, if applicable, data collection methods and a statistical analysis plan. A research design is a framework that has been created to find answers to research questions.

4.2 SOURCES OF ONLINE DATA

Data has been obtained from published reports like the annual reports of the company, balance sheets, and profit and loss account, booklets, records such as files, reports maintained by the company. Mainly the annual report consists of two parts;

1) Profit and Loss Account

2) Balance Sheet

Profit and loss account reveals the income and expenditure of the company. Balance Sheet reveals the financial position of the organization. Those two statements are prepared by the highly qualified and experts with the help of available information or data.

4.3 SAMPLING DESIGN

Sampling design is a mathematical function that gives you the probability of any given sample being drawn. Since sampling is the foundation of nearly every research project, the study of sampling design is a crucial part of statistics, and is often a one or two semester course. The main types of probability sampling methods are simple random sampling, stratified sampling, cluster sampling, multistage sampling, and systematic random sampling. The key benefit of probability sampling method is that they guarantee that the sample chosen is representative of the population. A sample design is the framework, or road map, that serves as the basis for the selection of a survey sample and affects many other important aspects of a survey as well. ... the sample design provides the basic plan and methodology for selecting the sample. A sample design can be simple or complex.

4.4 DATA ANALYSIS TOOLS

The main analysis used here are:

1. **Ratio Analysis**
2. **Trend Analysis**
3. **Correlation Analysis**
4. **Regression Analysis – Time Series Analysis**
5. **DuPont Analysis**
6. **Comparative Balance Sheet Analysis**

4.5 REPORT STRUCTURE

The report is presented in seven chapters as given below;

Chapter 1 – It includes the introduction of the project study

Chapter 2 – This chapter deals with the industry profile

Chapter 3 – This chapter deals with the Review of literature of the study

Chapter 4 – This chapter includes the methodology of the study

Chapter 5 – This chapter deals with the data analysis, interpretation and inferences

Chapter 6 – This chapter includes the findings of the study

Chapter 7 – This chapter deals with the Conclusion

4.6 LIMITATIONS OF THE STUDY

- The study has been based on secondary data sources, namely published financial statements of the company. Therefore, the reliability of the ratios is linked to the accuracy of information in these statements.
- The study is for a period of five years only. I.e. FY 2015-16 to 2019-20.
- The study involves the use of various financial tools, which itself is having its own limitation

CHAPTER 5

DATA ANALYSIS, INTERPRETATION AND INFERENCE

RATIO ANALYSIS

1. LIQUIDITY RATIO

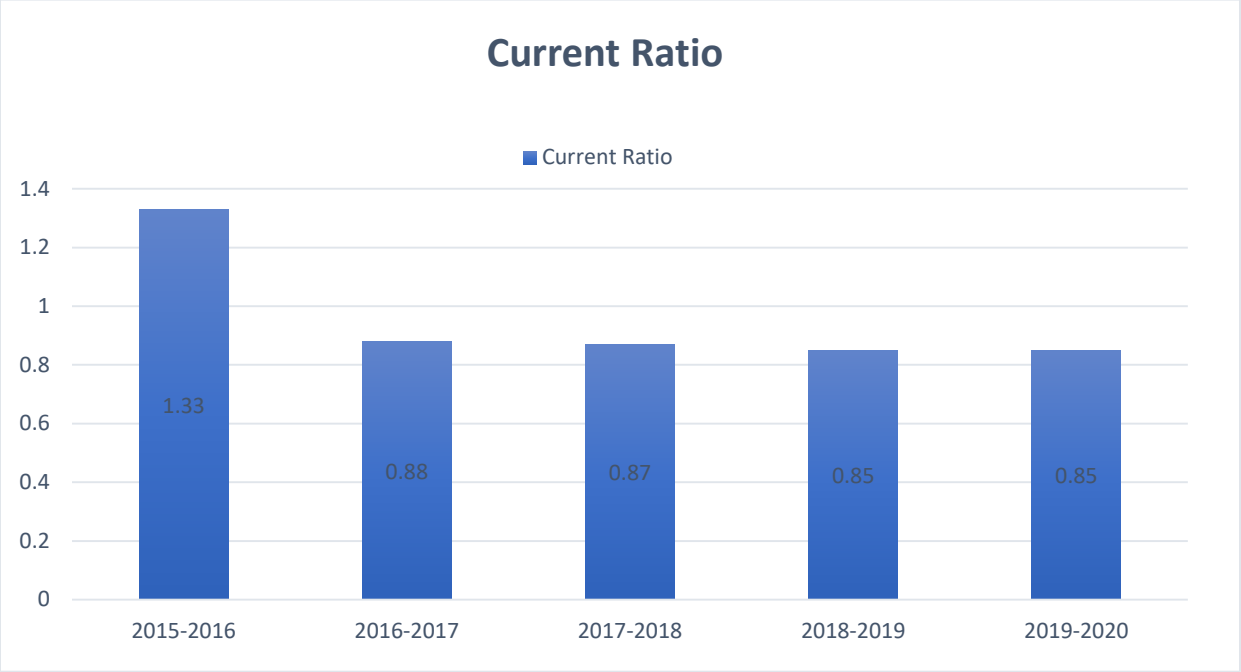
CURRENT RATIO

CURRENT RATIO = CURRENT ASSETS
CURRENT LIABILITIES

TABLE NO: 5.1.1 TABLE SHOWING CURRENT RATIO

YEAR	CURRENT ASSETS	CURRENT LIABILITIES	CURRENT RATIO
2015-2016	3216438322	2425494833	1.32
2016-2017	3590324287	4074616672	0.88
2017-2018	3458249026	3989799577	0.87
2018-2019	3377137651	3929060792	0.85
2019-2020	3263049913	3831458142	0.85
AVERAGE RATIO			0.954

FIGURE NO:5.1.1GRAPH SHOWING CURRENT RATIO



INTERPRETATION:

The objective of computing current ratio is to measure the ability of the firm to pay off its obligation in time. A current ratio of 2:1 indicates a highly solvent position.

In the above chart, current ratio calculation is showing the highest value 1.33 in the year 2016 and lowest value 0.85 for the year 2019 and 2020. The current ratio would be highest in 2016 because of decreased current liability. That is advance due by value for the year 2016 is less as compared to others. That's why the current asset ratio is higher. Also the current ratio is less in the year 2019 and 2020 because of decrease in current asset. This is because of decreased value of cash at bank. Hence it is clear that the short term liquidity position of the firm is not good and also liquidity position of the firm is not satisfactory.

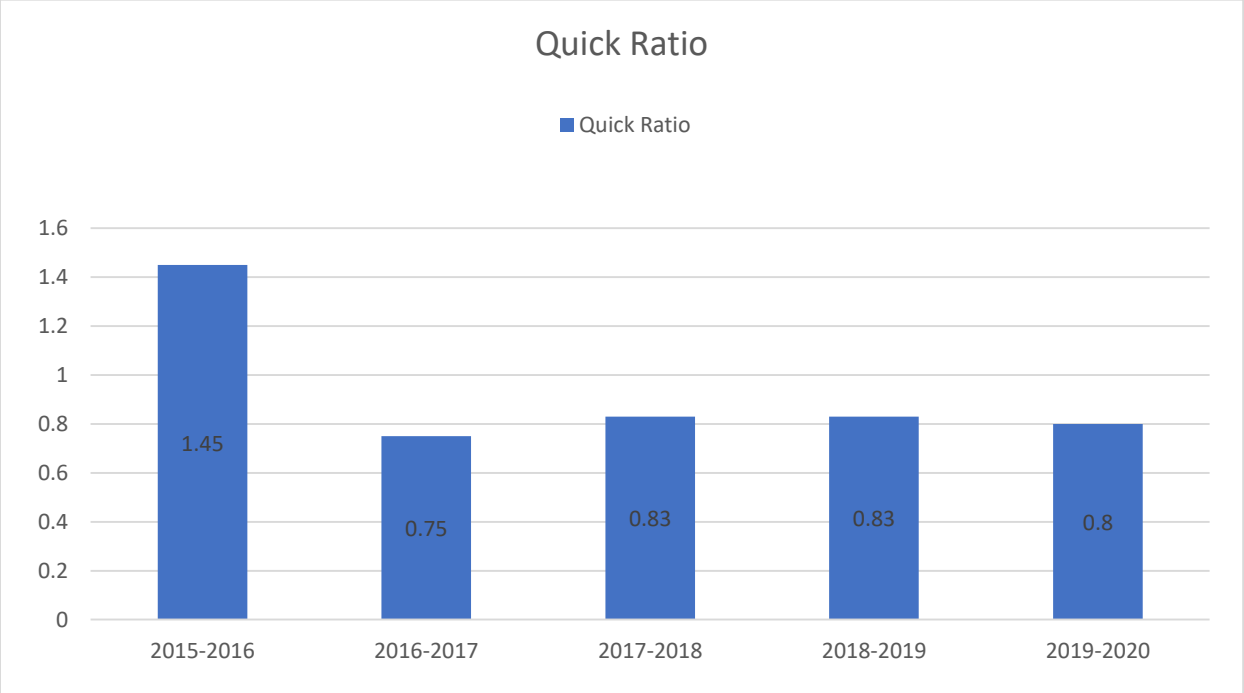
QUICK RATIO

QUICK RATIO = QUICK ASSETS
CURRENT LIABILITIES

TABLE NO :5.1.2 TABLE SHOWING QUICK ASSET RATIO

YEAR	QUICK ASSETS	CURRENT LIABILITIES	QUICK RATIO
2015-2016	3521429890	2425494833	1.45
2016-2017	3119713852	4074616672	0.75
2017-2018	3325670194	3989799577	0.83
2018-2019	3279103752	3929060792	0.83
2019-2020	3089161490	3831458142	0.80
AVERAGE RATIO			0.932

FIGURE NO: 5.1.2 GRAPH SHOWING QUICK RATIO



INTERPRETATION:

Quick ratio indicates whether the firm is in a position to pay its current liabilities within a month or immediately. The standard ratio is 1: 1.

From the above graph, it is clear that the quick ratio with value 1.45 in the year 2016 is higher and in the rest of the year it is near to standard value one. The quick ratio is highest for the year 2016 because of decrease in current liability. That is advance due by value for the year 2016 is less as compared to other years.

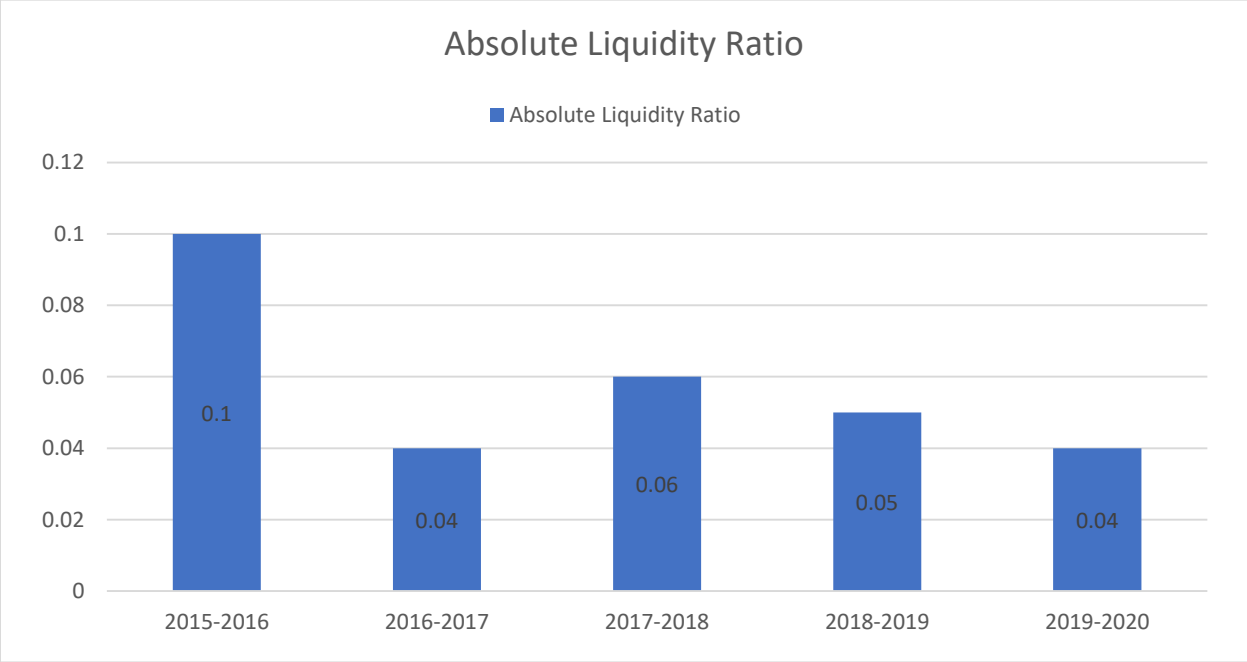
ABSOLUTE LIQUIDITY RATIO

ABSOLUTE LIQUIDITY RATIO = ABSOLUTE LIQUIDITY ASSET / CURRENT LIABILITIES

TABLE NO: 5.1.3 TABLE SHOWING ABSOLUTE LIQUIDITY RATIO

YEAR	ABSOLUTE LIQUIDITY ASSET	CURRENT LIABILITIES	ABSOLUTE LIQUIDITY RATIO
2015-2016	248332789.31	2425494833	0.10
2016-2017	194963394.5	4074616672	0.04
2017-2018	267884055	3989799577	0.06
2018-2019	216829305	3929060792	0.05
2019-2020	179062534.1	3831458142	0.04
AVERAGE RATIO			0.058

FIGURE NO: 5.1.3 GRAPG SHOWING ABSOLUTE LIQUIDITY RATIO



INTERPRETATION:

The acceptable norm of this ratio is 0.75: 1. Hence the absolute ratio is high during 2016 with 0.1 and lowest during the year 2017 and 2020 with value 0.04. Here also the current liabilities are very much less as compared to other year. The absolute ratio would be highest in 2016 because of decreased current liability. That is advance due by value for the year 2016 is less as compared to others. That's why the absolute ratio is higher. Hence we concluded that the absolute liquidity ratios are below the satisfactory level.

2. LEVERAGE RATIO

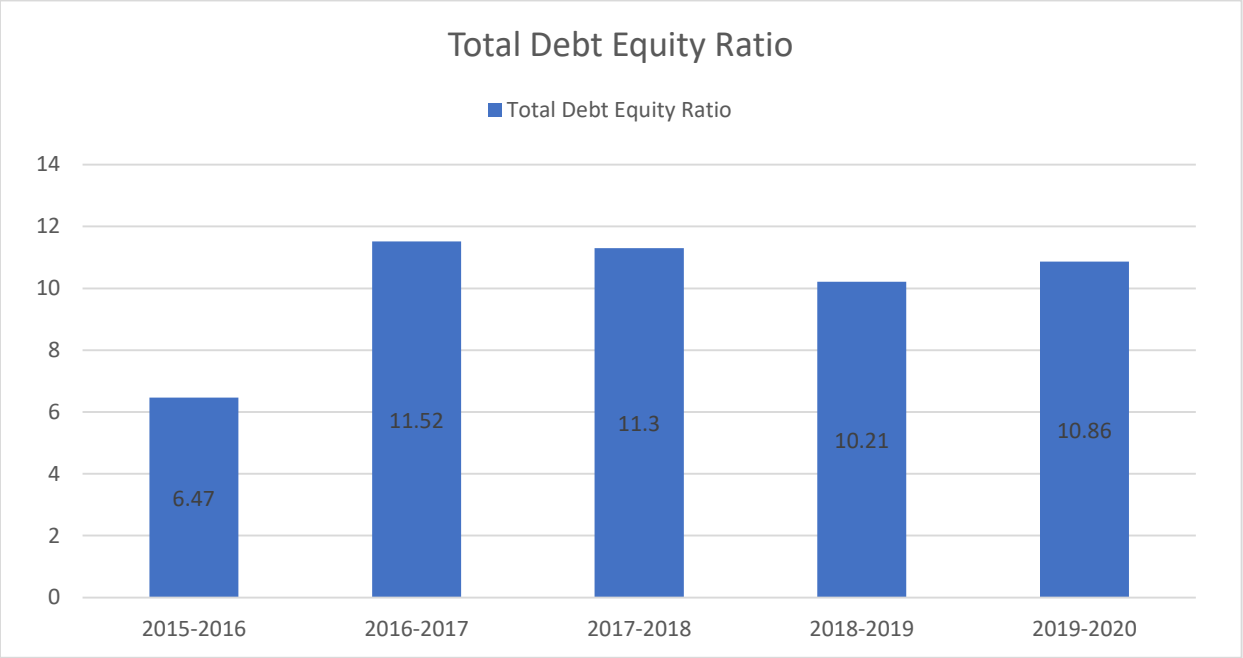
TOTAL DEBT EQUITY RATIO

TOTAL DEBT EQUITY RATIO = TOTAL DEBT / EQUITY

TABLE NO:5.2.1 TABLE SHOWING TOTAL DEBT EQYITY RATIO

YEAR	TOTAL DEBT	EQUITY	TOTAL DEBT EQUITY RATIO
2015-2016	4211328650	650000000	6.47
2016-2017	4462991934.67	387348411	11.52
2017-2018	4378090865.41	387264437.1	11.30
2018-2019	4318582954.69	388495311	10.21
2019-2020	4221000305.25	388515311.1	10.86
AVERAGE RATIO			10

FIGURE NO: 5.2.1 GRAPH SHOWING TOTAL DEBT EQUITY RATIO



INTERPRETATION:

The total debt equity ratio measures the relative proportion of debt and equity in financing the assets of a firm. The ideal debt equity ratio is 1:1 that the funds provided by outsiders and shareholders must be equal. Debt equity ratio indicates the degree of protection the creditors have. A high ratio indicates higher proportion of debt content in the capital structure.

Here the ratios are very high in all the year. The total debt equity ratio for the year 2017 is highest with the value 11.52 and less value in the year 2016. The debt equity ratio for the year 2016 is lowest because of increased value of equity (shareholders fund). So we can conclude that the firm depends on debt or external borrowings.

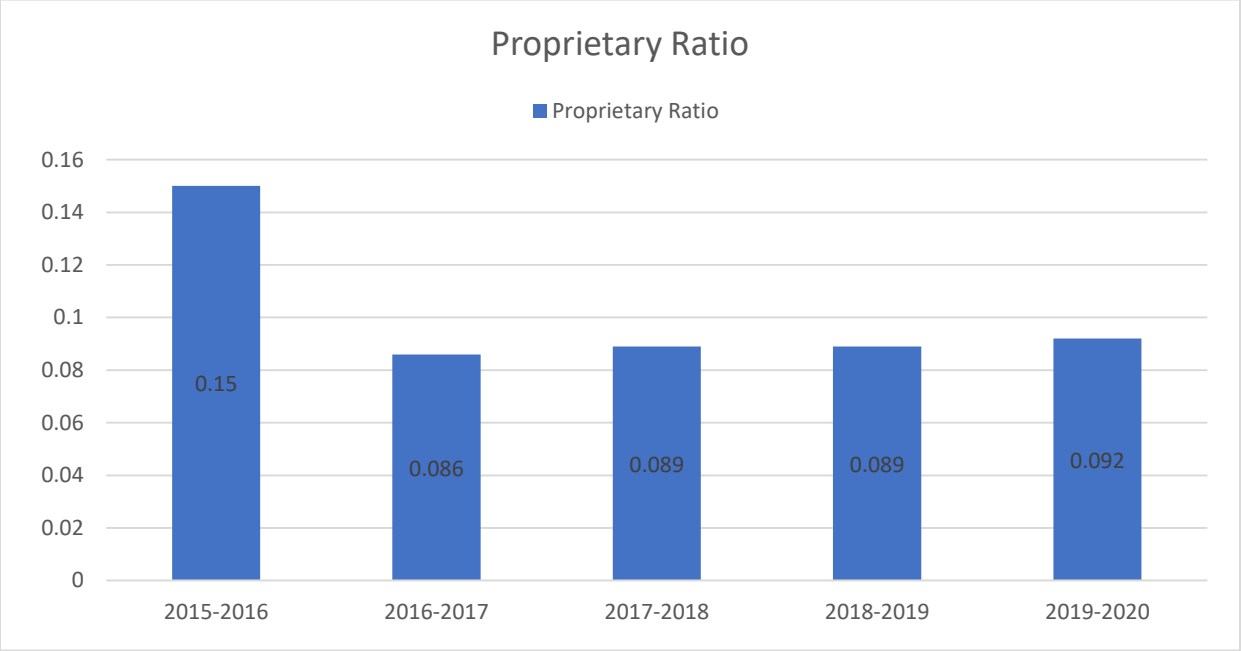
PROPRIETARY RATIO

PROPRIETARY RATIO = SHAREHOLDERS FUND
TOTAL ASSET

TABLE NO: 5.2.2TABLE SHOWING PROPERIETARY RATIO

YEAR	SHAREHOLDERS FUND	TOTAL ASSET	PROPRIETARY RATIO
2015-2016	650000000	4211328650	0.15
2016-2017	387348411	4462991934.67	0.086
2017-2018	387264437.1	4378090865.41	0.089
2018-2019	388495311	4318582954.69	0.089
2019-2020	388515311.1	4221000305.25	0.092
AVERAGE RATIO			0.10

FIGURE NO: 5.2.2 GRAPH SHOWING PROPRIETORY RATIO



INTERPRETATION:

Proprietary ratio shows how much funds have been contributed by the shareholders in the total assets of the firm. Generally, a ratio of 0.5:1 or more is considered ideal. It indicates the long term financial position of the firm and in turn, indicates the financial health of the firm. Higher proprietary ratio indicates that the firm is less dependent on creditors for its working capital

In the above table and graph the proprietary ratio is very higher in the year 2016 and it is because of higher value of shareholder's fund. And the rest of the years the proprietary ratio is very much less because of increased value of total asset that is investment values has drastic increase in all the years.

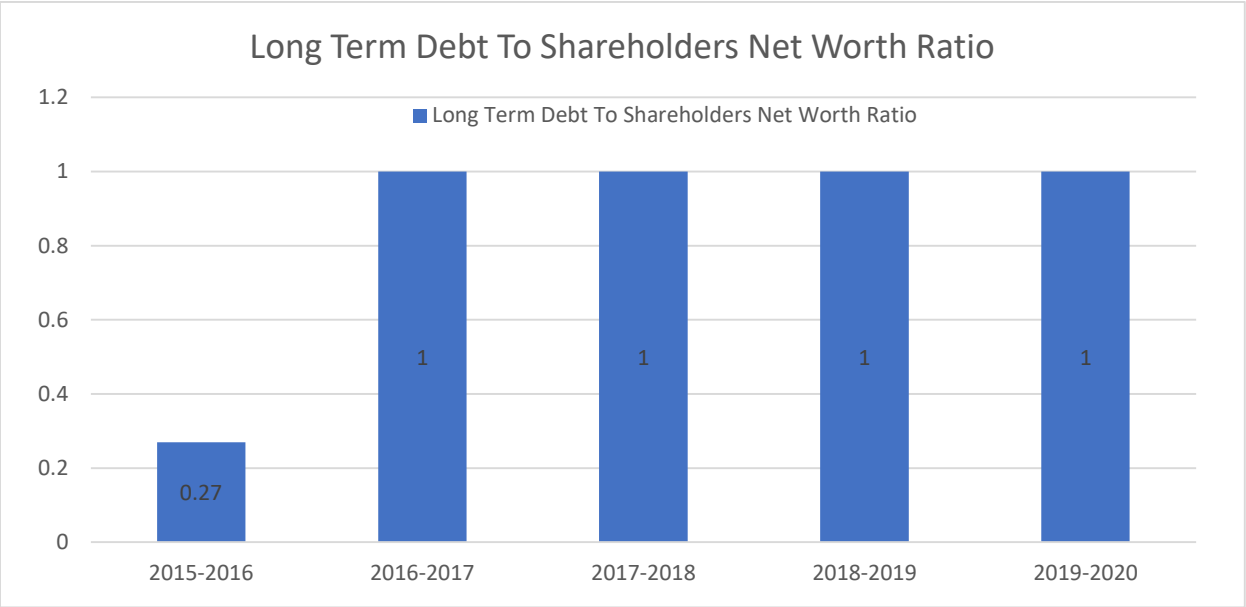
LONG TERM DEBT TO SHAREHOLDERS NET WORTH

LONG TERM DEBT TO SHAREHOLDERS NET WORTH = LONG TERM DEBT
SHAREHOLDERS FUND

TABLE NO:5.2.3 TABLE SHOWING LONG TERM DEBT TO SHAREHOLDERS NET WORTH RATIO

YEAR	LONG TERM DEBT	SHEREHOLDERS FUND	LONG TERM DEBT TO SHAREHOLDERS NET WORTH RATIO
2015-2016	1785833817	650000000	0.27
2016-2017	388375262.7	387348411	1
2017-2018	388291288.8	387264437.1	1
2018-2019	389522162.7	388495311	1
2019-2020	389542162.7	388515311.1	1
AVERAGE RATIO			0.854

FIGURE NO: 5.2.3 GRAPH SHOWING LONG TERM DEBT TO SHAREHOLDERS NET WORTH RATIO



INTERPRETATION:

The long term debt to shareholder's net worth ratio is constant for four years (2017-2020) and less for the year 2016. This ratio is lower because of higher value of long term debt in the year 2016. That is in 2016 the shareholders' value is too much higher as compared to other years The average ratio of these five year is 0.854. so all the year they performed good.

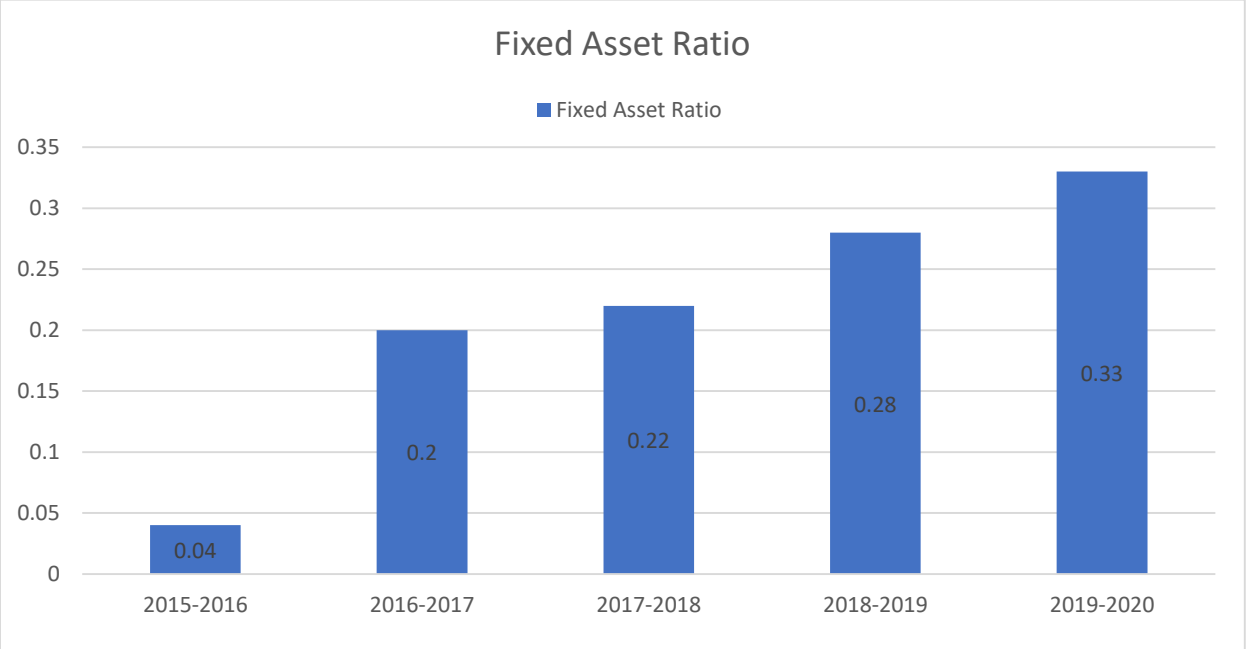
FIXED ASSET RATIO

FIXED ASSET RATIO = FIXED ASSET
CAPITAL EMPLOYED

TABLE NO: 5.2.4 TABLE SHOWING FIXED ASSET RATIO

YEAR	FIXED ASSET	CAPITAL EMPLOYED	FIXED ASSET RATIO
2015-2016	71698266.53	1785833817	0.04
2016-2017	80231449.9	388375262.7	0.20
2017-2018	86857590.7	388291288.4	0.22
2018-2019	111311550.2	389522132.7	0.28
2019-2020	132323958	389542163.3	0.33
AVERAGE RATIO			0.21

FIGURE NO: 5.2.4GRAPH SHOWING FIXED ASSET RATIO



INTERPRETATION:

Fixed asset ratio is calculated to know whether the fundamental principle of sound financial policy that all fixed assets must be financed out of capital employed is followed or not. The ratio helps in ascertaining the proportion of long term funds invested in fixed assets. A higher ratio indicates that the financial position is not sound where as a lower ratio indicates a better financial position.

From the graph we can see that the fixed asset ratio for the year 2019 is higher than other all values. This is because of fixed asset value for the year 2019 is higher as compared to other years because of increased value of investments. So we can understand that the ratio indicates a better financial position. And decreased value of fixed asset ratio in the year 2016 is due to increased value of capital employed.

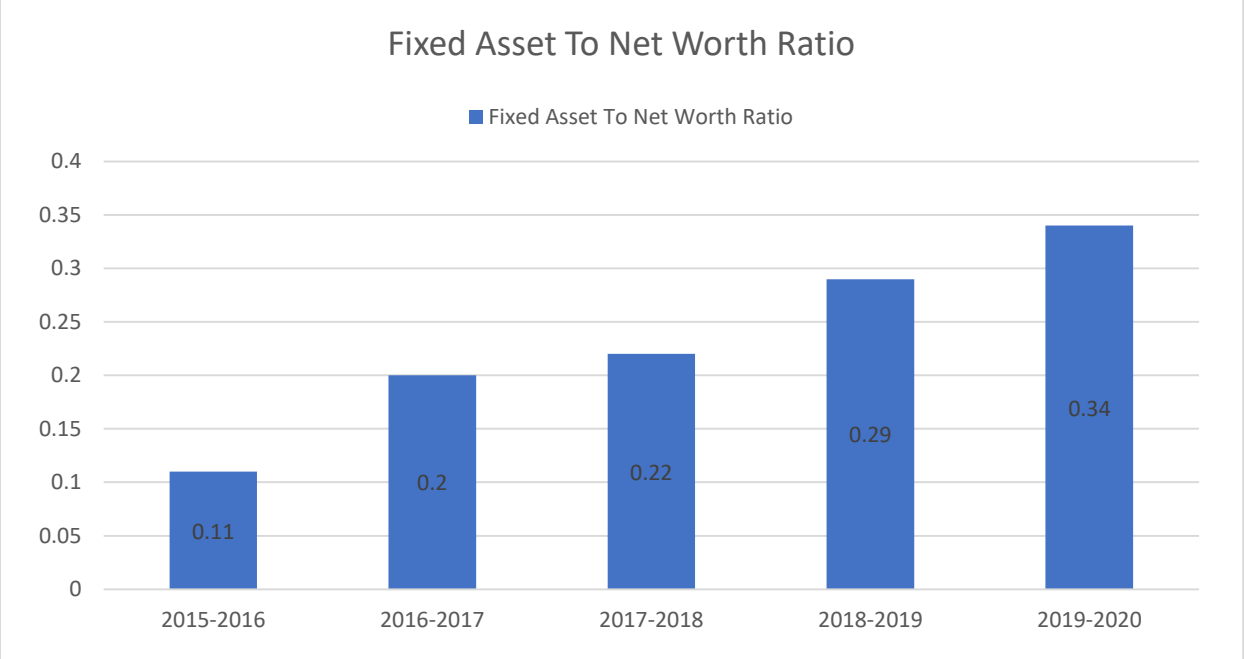
FIXED ASSET TO NET WORTH RATIO

FIXED ASSET TO NET WORTH RATIO = FIXED ASSET
SHAREHOLDERS FUND

TABLE NO: 5.2.5 TABLE SHOWING FIXED ASSET TO NET WORTH RATIO

YEAR	FIXED ASSET	SHAREHOLDERS FUND	FIXED ASSET TO NET WORTH RATIO
2015-2016	71698266.53	650000000	0.11
2016-2017	80231449.9	387348411	0.20
2017-2018	86857590.7	387264437.1	0.22
2018-2019	111311550.2	388495311	0.29
2019-2020	132323958	388515311.1	0.34
AVERAGE RATIO			0.23

FIGURE NO: 5.2.5 GRAPH SHOWING FIXED ASSET TO NET WORTH RATIO



INTERPRETATION:

If the ratio is greater than one, it means that the creditors fund has used to acquire part of fixed asset. Here the ratios are very much satisfactory. Hence we can conclude that the company does not need to use creditors fund for acquiring fixed assets.

From the graph and table, we can see a considerable increasing in ratios in all the year. The fixed asset to net worth ratio is higher for the year 2019. This is because of fixed asset value for the year 2019 is higher as compared to other year because of increased value of investments.

3. ACTIVITY RATIO

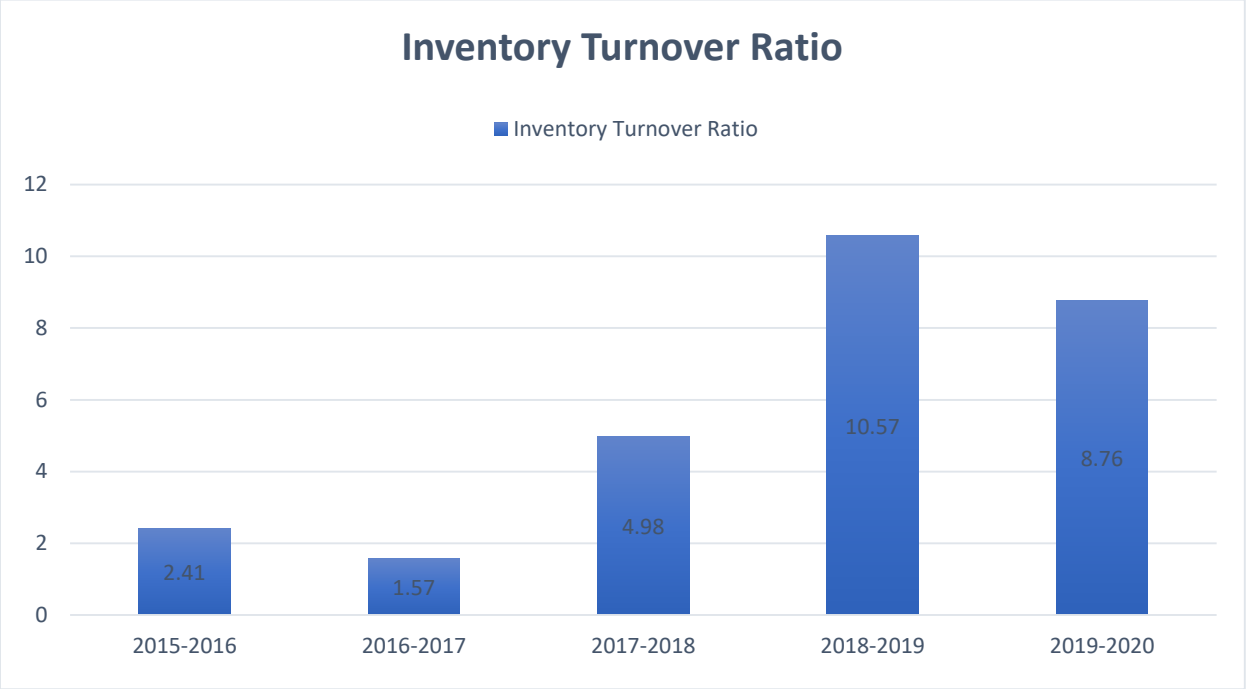
INVENTORY TURNOVER RATIO

INVENTORY TURNOVER RATIO = COST OF GOODS SOLD / AVERAGE INVENTORY

TABLE NO: 5.3.1 TABLE SHOWING INVENTORY TURNOVER RATIO

YEAR	COST OF GOODS SOLD	AVERAGE INVENTORY	INVENTORY TURNOVER RATIO
2015-2016	528726379.5	218887736.9	2.41
2016-2017	508509161.1	324505518.5	1.57
2017-2018	949150283.2	190708322	4.98
2018-2019	1114383652	105355424.4	10.57
2019-2020	1139249366	130066478.9	8.76
AVERAGE RATIO			5.65

FIGURE NO: 5.3.1 GRAPH SHOWING INVENTORY TURNOVER RATIO



INTERPRETATION:

Inventory turnover ratio is a measure of liquid inventory. This ratio measure how quickly inventory is sold. It helps in calculating how efficiently the stock or inventory is used. This ratio is also an index of profitability because a high ratio indicates that inventory is sold quickly which in turn results in more profit. A good inventory turnover ratio is between 5 and 10 for most company, which indicates that you sell and restock your inventory every 2 months.

From the above table and graph the inventory turnover ratio is highest for the year 2019 and lowest ratio in the year 2017. An inventory turnover ratio would be highest in 2019 because of cost of goods sold. That is, it has higher value for opening stock and closing stock. The highest ratio 10.57 during the year 2019 that means inventory is sold quickly but now decreased the sale of inventory slightly.

INVENTORY HOLDING PERIOD

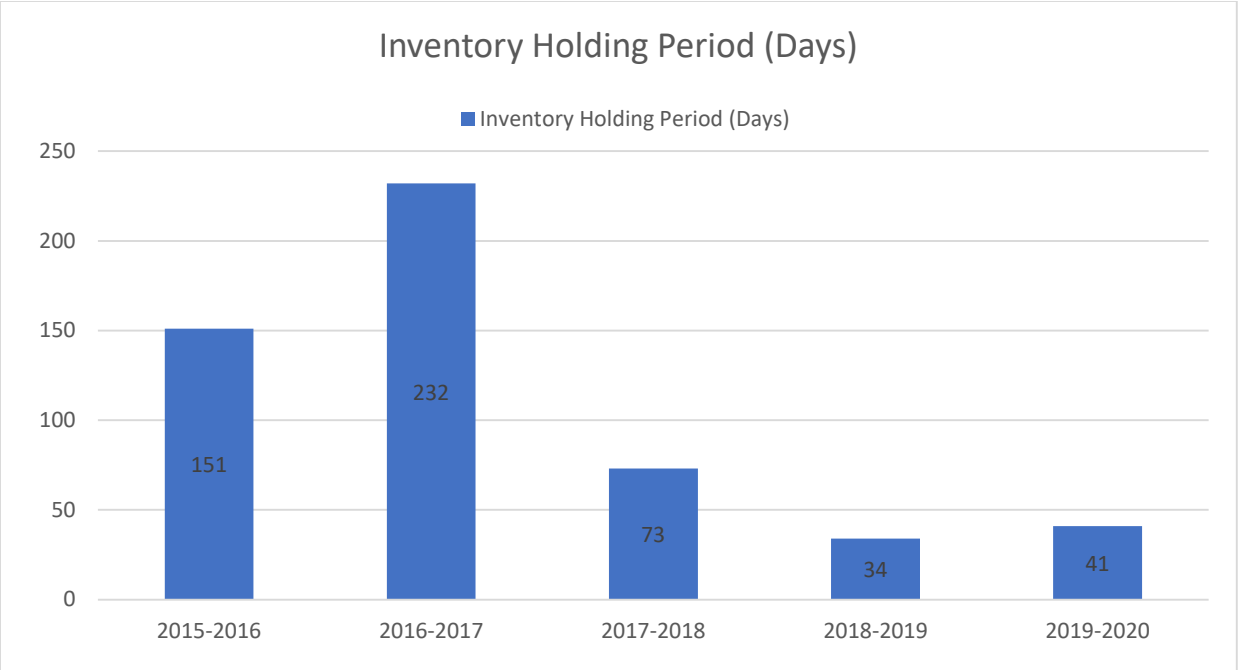
INVENTORY HOLDING PERIOD = 365

INVENTORY TURNOVER RATIO

TABLE NO: 5.3.2TABLE SHOWING INVENTORY HOLDING PERIOD (DAYS)

YEAR	INVENTORY TUNOVER RATIO	INVENTORY HOLDING PERIOD (DAYS)
2015-2016	2.41	151
2016-2017	1.57	232
2017-2018	4.98	73
2018-2019	10.57	34
2019-2020	8.76	41
AVERAGE RATIO		106.2

FIGURE NO: 5.3.2GRAPH SHOWING INVETORY HOLDING PERIOD (DAYS)



INTERPRETATION:

A short inventory holding period indicates a good inventory management where a long inventory holding period shows a poor management of inventory. The above graphs show a shorter period during the years 2019 and 2020 which indicates that the inventories during this year were sold quickly and management of inventories were satisfactory. During the year 2017 the inventory holding period was high which results in poor inventory management and sales.

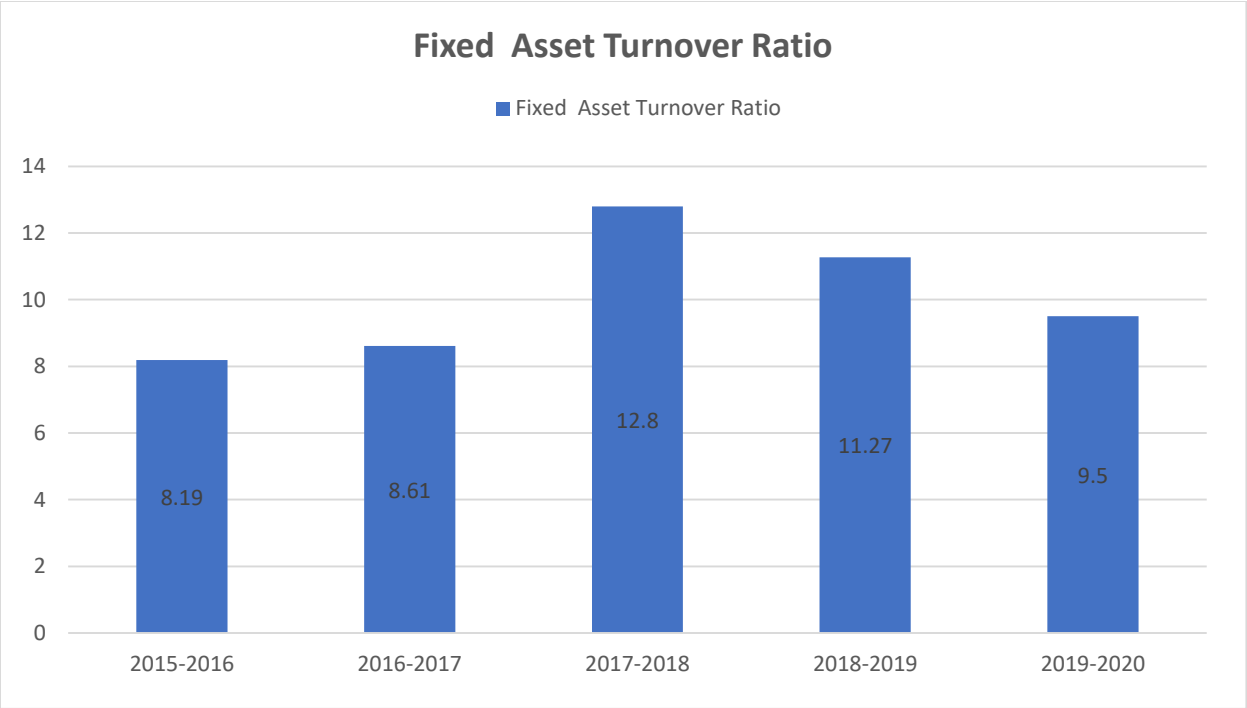
FIXED ASSET TURNOVER RATIO

FIXED ASSET TURNOVER RATIO = NET SALES
FIXED ASSET

TABLE NO: 5.3.3 TABLE SHOWING FIXED ASSET TURNOVER RATIO

YEAR	NET SALES	FIXED ASSET	FIXED ASSET TURNOVER RATIO
2015-2016	587730794.24	71698266.53	8.19
2016-2017	691093873.39	80231449.9	8.61
2017-2018	1108582669.02	86857590.7	12.8
2018-2019	1255089422.88	111311550.2	11.27
2019-2020	1257203998.00	132323958	9.50
AVERAGE RATIO			10

FIGURE NO: 5.3.3 GRAPH SHOWING FIXED ASSET TURNOVER RATIO



INTERPRETATION:

Fixed asset turnover ratio is used to know whether the fixed assets are effectively utilized or not. It measures the efficiency with which a firm is utilizing its fixed assets in producing sales. This ratio helps to determine to what extent the investment in fixed assets has been achieving its objective of generating sales. A higher ratio indicates better utilization of fixed assets and vice versa.

The above graphs and figure shows that fixed asset turnover ratio is highest for the year 2018 because of increased value of net sales and lowest for the year 2016 because of decreased value of net sales in the year 2016 as compared to others. The average of these ratio is 10. So we can conclude that in all the year it shows a better utilization of fixed asset in generating sales and perform well.

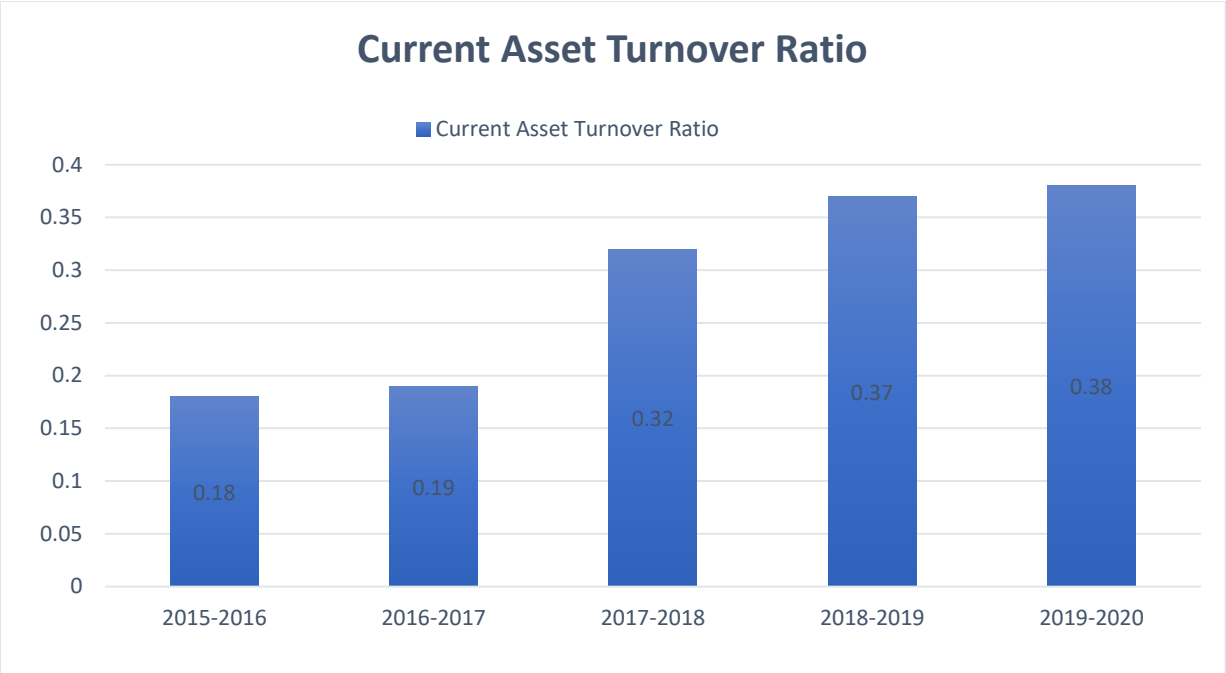
CURRENT ASSET TURNOVER RATIO

CURRENT ASSET TURNOVER RATIO = NET SALES
CURRENT ASSET

TABLE NO: 5.3.4 TABLE SHOWING CURRENT ASSET TURNOVER RATIO

YEAR	NET SALES	CURRENT ASSET	CURRENT ASSET TURNOVER RATIO
2015-2016	587730794.24	3216438322	0.18
2016-2017	691093873.39	3590324287	0.19
2017-2018	1108582669.02	3458249026	0.32
2018-2019	1255089422.88	3377137651	0.37
2019-2020	1257203998.00	3263049913	0.38
AVERAGE RATIO			0.28

FIGURE NO: 5.3.4 GRAPH SHOWING CURRENT ASSET TURNOVER RATIO



INTERPRETATION:

Current assets turnover ratio indicates the ability of the company to realize the cash from the debtors as well as less amount of money blocked in inventories. A high current assets turnover ratio indicates the ability of the organization to achieve maximum sales with minimum investment in current assets, higher the current ratio better will be the situation.

The above graph it is observed that the current asset ratio is fluctuating continuously. The current asset turnover ratio is higher for the year 2020 with value 0.38 and lower for the year 2016 with value 0.18. In 2016, net sales are less as compared to other years. That's why current asset turnover ratio is less in 2016.

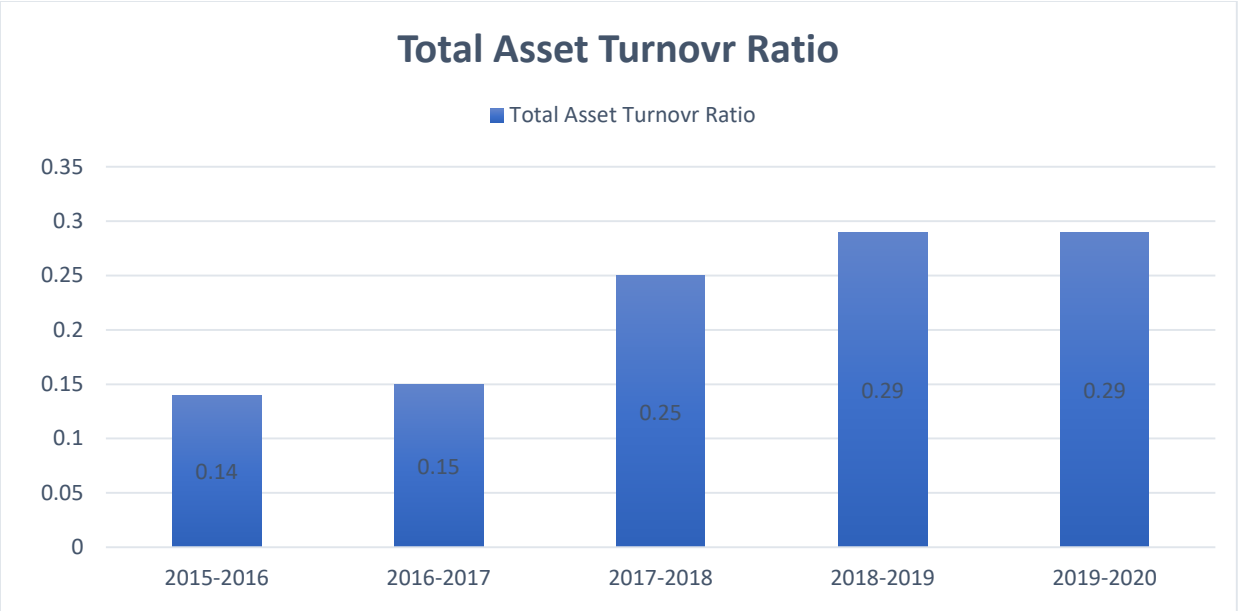
TOTAL ASSET TURNOVER RATIO

TOTAL ASSET TURNOVER RATIO = NET SALES
TOTAL ASSET

TABLE NO: 5.3.5 TABLE SHOWING TOTAL ASSET TURNOVER RATIO

YEAR	NET SALES	TOTAL ASSET	TOTAL ASSET TURNOVER RATIO
2015-2016	587730794.24	4211328650	0.14
2016-2017	691093873.39	4462991934.67	0.15
2017-2018	1108582669.02	4378090865.41	0.25
2018-2019	1255089422.88	4318582954.69	0.29
2019-2020	1257203998.00	4221000305.25	0.29
AVERAGE RATIO			0.22

FIGURE NO: 5.3.5 GRAPG SHOWING TOTAL ASSET TURNOVER RATIO



INTERPRETATION:

This ratio indicates the number of times total assets are being turned over in a year.
The higher the ratio indicates over trading of total assets while low ratio indicates idle capacity.
In the above graph we can see that the total asset ratio is fluctuating all the year. The higher ratio can be seen in 2019 and 2020 and lower ratio can be seen in 2016. In 2016, the net sales are less as compared to other year. That's why total asset turnover ratio is less as compared to other year.

CAPITAL TURNOVER RATIO

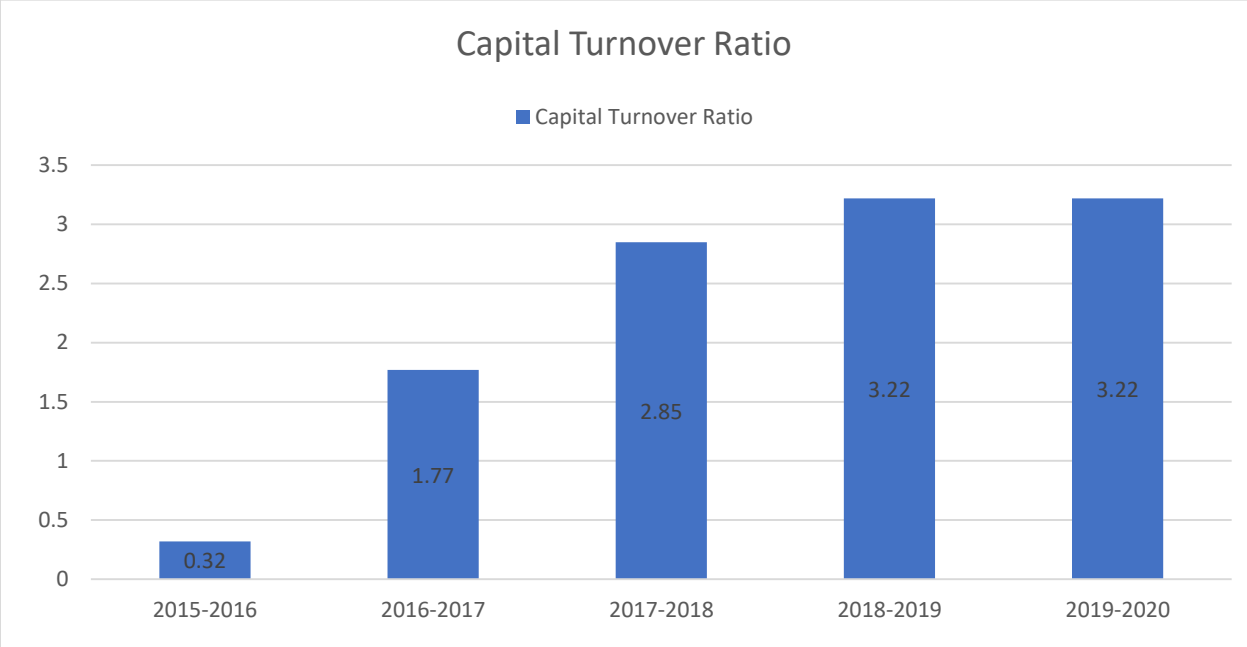
CAPITAL TURNOVER RATIO = SALES

CAPITAL EMPLOYED

TABLE NO: 5.3.6 TABLE SHOWING CAPITAL TURNOVER RATIO

YEAR	SALES	CAPITAL EMPLOYED	CAPITAL TURNOVER RATIO
2015-2016	587730794.24	1785833817	0.32
2016-2017	691093873.39	388375262.7	1.77
2017-2018	1108582669.02	388291288.4	2.85
2018-2019	1255089422.88	389522132.7	3.22
2019-2020	1257203998.00	389542163.3	3.22
AVERAGE RATIO			2.27

FIGURE NO: 5.3.6 GRAPH SHOWING CAPITAL TURNOVER RATIO



INTERPRETATION:

Capital turnover ratio indicates the efficiency of the organization with which the capital employed is being utilized. A high ratio indicates the capability of the organization to achieve maximum sales with minimum amount of capital employed.

From the above graph it shows that capital turnover ratio increases year by year and same for both 2019 and 2020. A considerable decrease in the year 2016 is due to reduced value of net sales. So we can conclude that the company able to achieve maximums sales with minimum amount of capital employed.

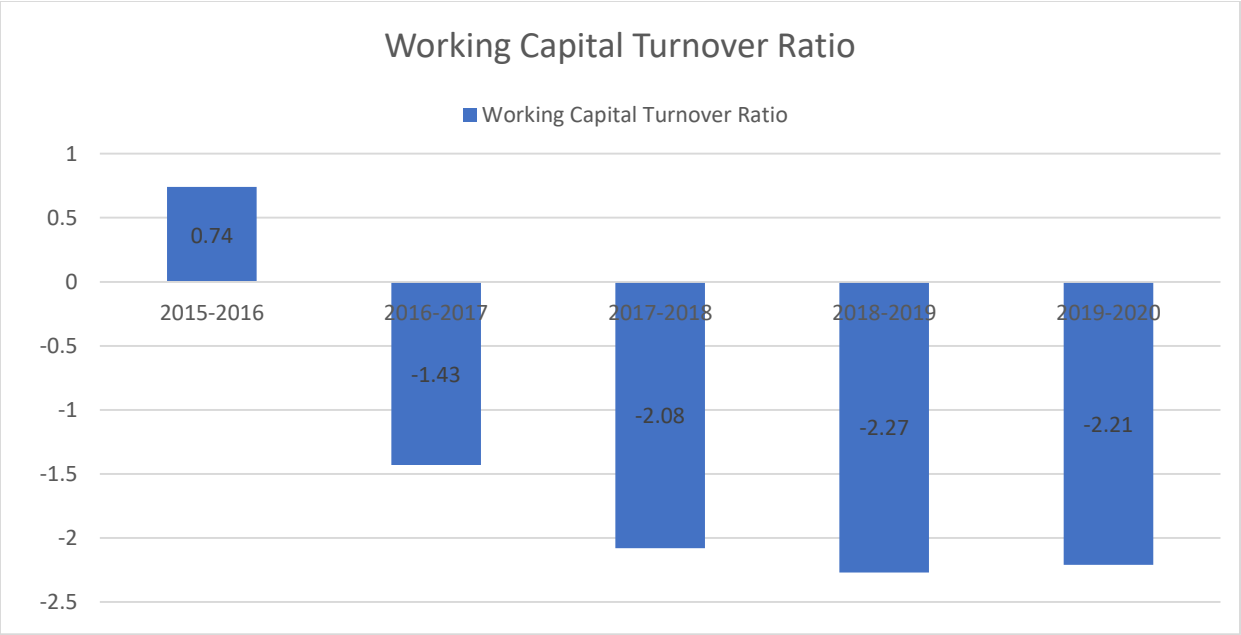
WORKING CAPITAL TURNOVER RATIO

WORKING CAPITAL TURNOVER RATIO = NET SALES
WORKING CAPITAL

TABLE N0: 5.3.7TABLE SHOWING WORKING CAPITAL TURNOVER RATIO

YEAR	NET SALES	WORKING CAPITAL	WORKING CAPITAL TURNOVER RATIO
2015-2016	587730794.24	790943489	0.74
2016-207	691093873.39	(484292385)	(1.43)
2017-2018	1108582669.02	(531550551)	(2.08)
2018-2019	1255089422.88	(551923141)	(2.27)
2019-2020	1257203998.00	(568308229)	(2.21)
AVERAGE RATIO			(1.45)

FIGURE NO: 5.3.7 GRAPH SHOWING WORKING CAPITAL TURNOVER RATIO



INTERPRETATION:

Working capital turnover ratio is used to determine how efficiently the working capital is utilized in the business. It indicates whether working capital is effectively utilized in making sales. Generally, higher the ratio the better is the utilization of working capital and vice-versa.

The above graph shows decreasing trend in the subsequent years that means utilization of working capital is reduced each year. The lowest ratio shows by 2019 and highest ratio show by 2015.

4. PROFITABILITY RATIO

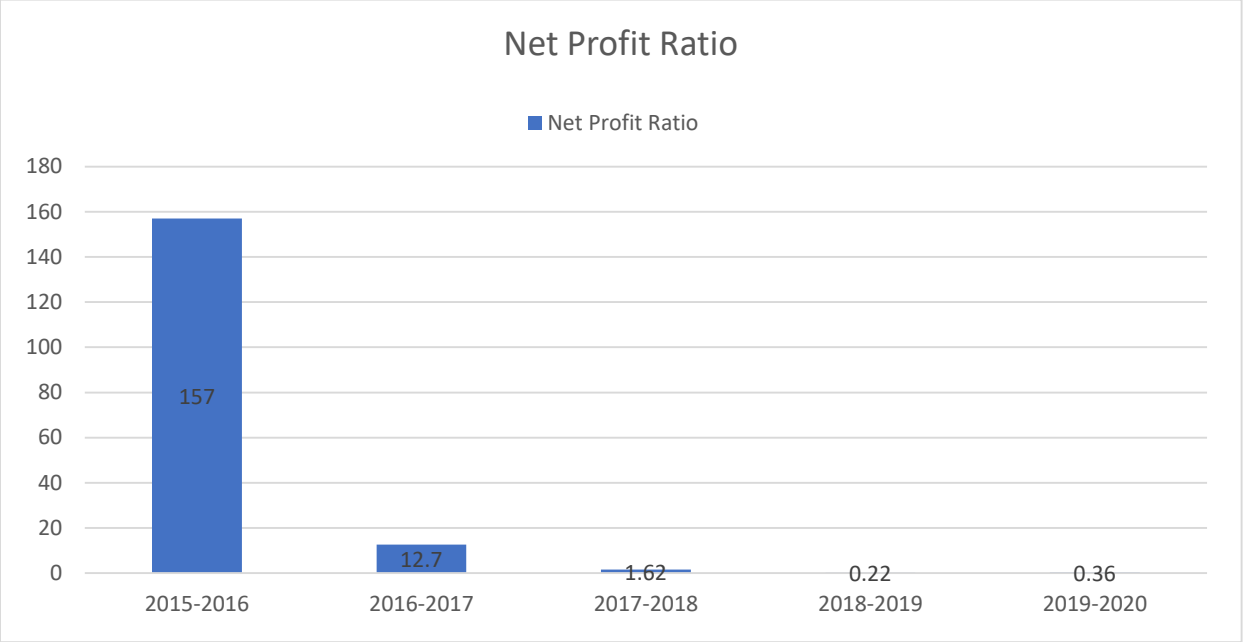
NET PROFIT RATIO

$$\text{NET PROFIT RATIO} = \frac{\text{NET PROFIT}}{\text{NET SALES}} \times 100$$

TABLE NO: 5.4.1 TABLE SHOWING NET PROFIT RATIO

YEAR	NET PROFIT	NET SALES	NET PROFIT RATIO
2015-2016	923192061.39	587730794.24	157
2016-2017	88082436.07	691093873.39	12.7
2017-2018	18029948.38	1108582669.02	1.62
2018-2019	2850494.48	1255089422.88	0.22
2019-2020	4607318.77	1257203998.00	0.36
AVERAGE RATIO			34.38

FIGURE NO: 5.4.1 GRAPH SHOWING NET PROFIT RATIO



INTERPRETATION:

Net profit ratio is used to measure the overall profitability of the firm; this ratio indicates how much of sales is left after meeting all expenses. Higher the ratio, better is the profitability.

From the above graph it is clear that the net profit is higher in the year 2016 only. Rest of the year the net profit is comparatively less. We have higher net profit value 157 in the year 2016, because of high net profit and less net sales. So here we can say the company is not profitable.

GROSS PROFIT RATIO

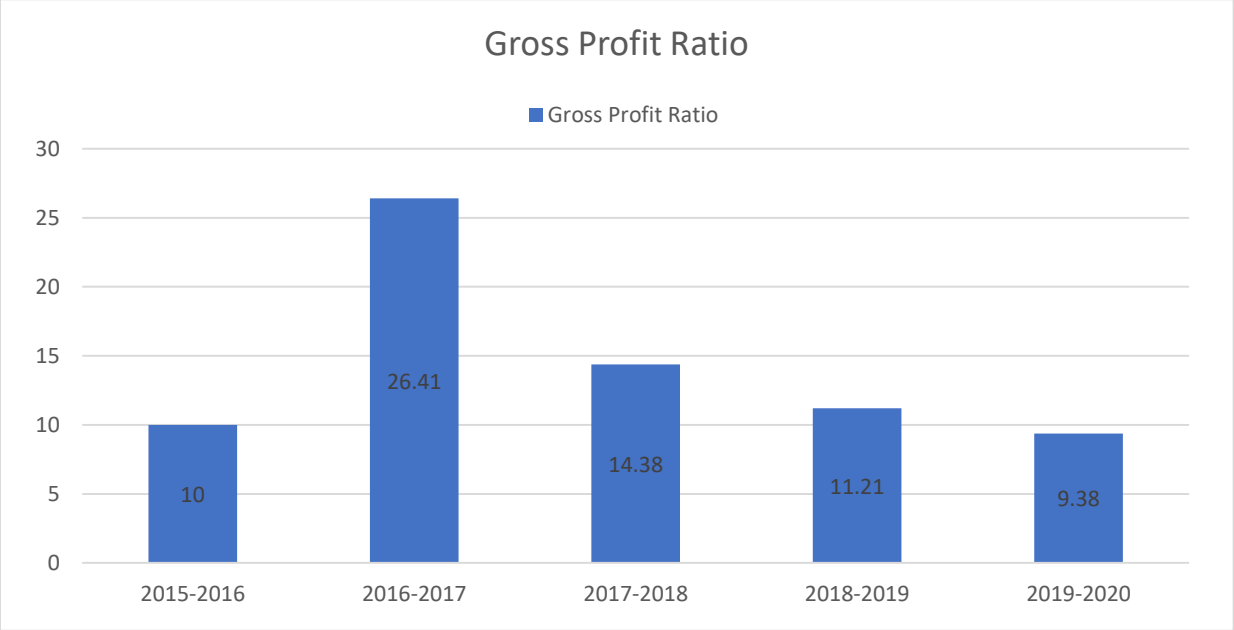
GROSS PROFIT RATIO = GROSS PROFIT × 100

NET SALES

TABLE NO: 5.4.2 TABLE SHOWING GROSS PROFIT RATIO

YEAR	GROSS PROFIT	NET SALES	GROSS PROFIT RATIO
2015-2016	59004414.71	587730794.24	10
2016-2017	182584712.29	691093873.39	26.41
2017-2018	159432385.82	1108582669.02	14.38
2018-2019	140705770.46	1255089422.88	11.21
2019-2020	117954631.73	1257203998.00	9.38
AVERAGE RATIO			14.27

FIGURE NO: 5.4.2 GRAPH SHOWING GROSS PROFIT RATIO



INTERPRETATION:

The gross profit ratio is highest for the year 26.41% in the year 2017 and lowest for 9.38% in the year 2020. This is due to higher gross profit. Even though the gross profit ratio shows an increase, it is not much good for the firm.

OPERATING RATIO

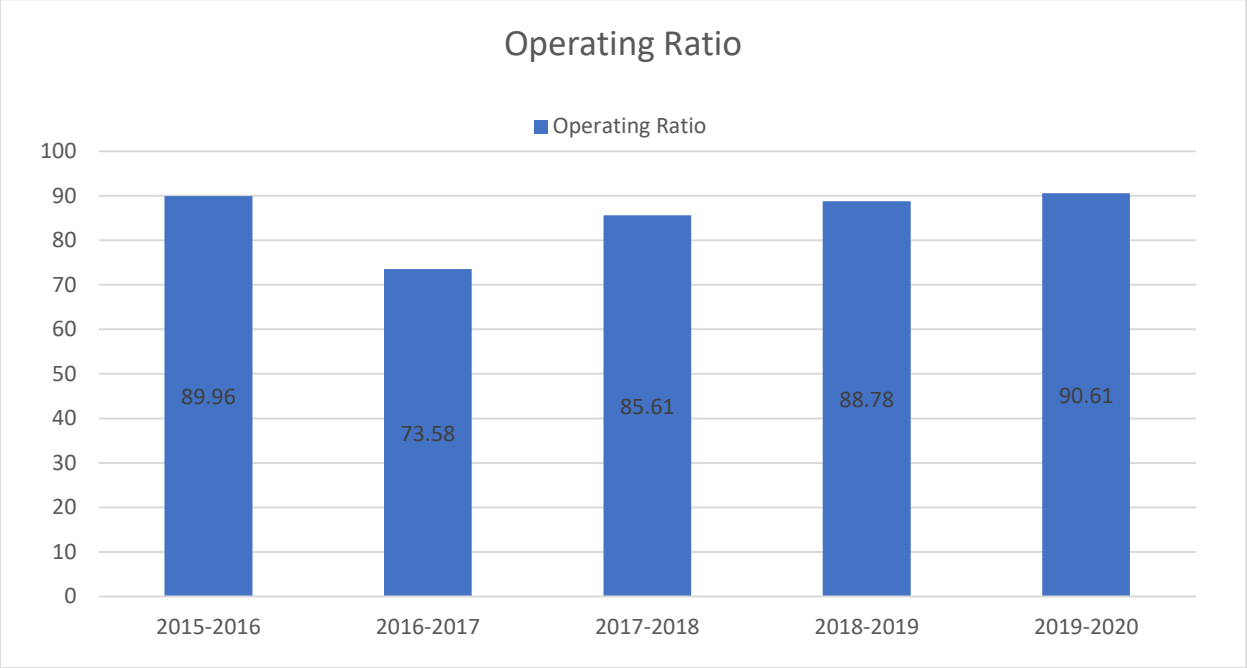
OPERATING RATIO = COST OF GOODS SOLD × 100

NET SALES

TABLE NO: 5.4.3 TABLE SHOWING OPERATING RATIO

YEAR	COST OF GOODS SOLD	NET SALES	OPERATING RATIO
2015-2016	528726379.5	587730794.24	89.96
2016-2017	508509161.1	691093873.39	73.58
2017-2018	949150283.2	1108582669.02	85.61
2018-2019	1114383652	1255089422.88	88.78
2019-2020	1139249366	1257203998.00	90.61
AVERAGE RATIO			85.70

FIGURE NO: 5.4.3 GRAPH SHOWING OPERATING RATIO



INTERPRETATION:

Operating Ratio is the indicative of the proportion that the cost of sales bears to sales. Here the ratios are high; from this analysis clear that the firm will not have any efficient control over cost. If the firm can reduce the operating cost, then they can earn profit out of that. The average of this ratio is 85.70.

TREND ANALYSIS

TABLE NO: 5.5.1 TREND ANALYSIS OF NET SALES

YEAR	NET SALES	TREND PERCENTAGE (%)
2015 2016	587730794.24	100
2016-2017	691093873.39	117.59
2017-2018	1108582669.02	188.62
2018-2019	1255089422.88	213.55
2019-2020	1257203998.00	213.90

FIGURE NO:5.5.1 GRAPH SHOWING TREND ANALYSIS OF NET SALES

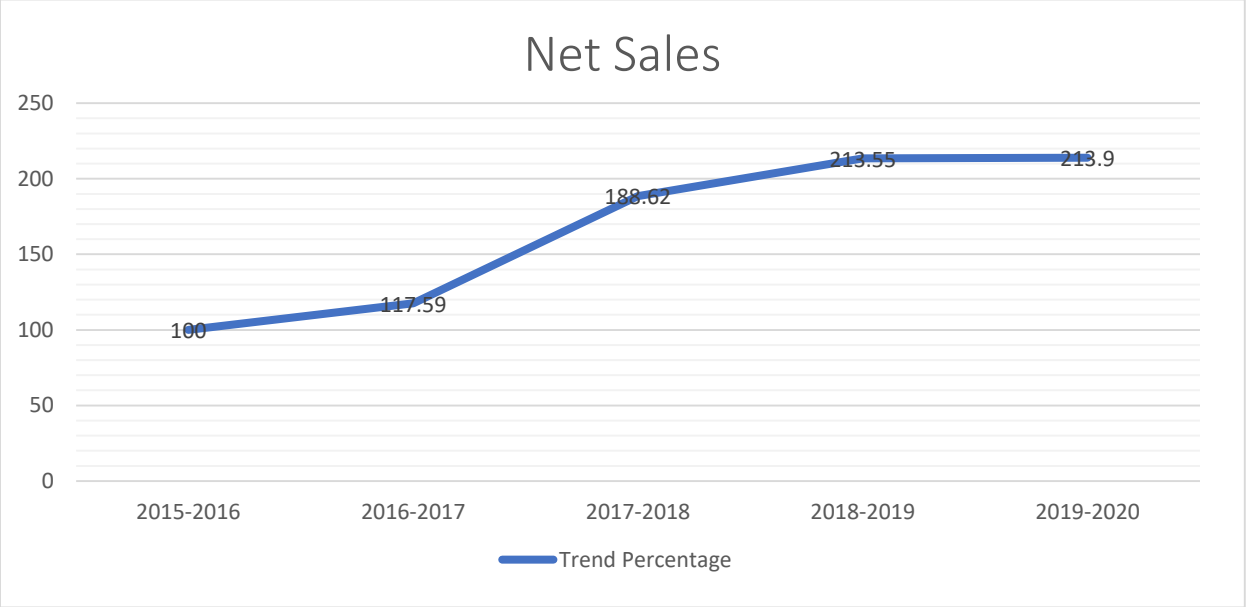


TABLE NO 5.5.2 TREND ANALYSIS OF CURRENT ASSET

YEAR	CURRENT ASSETS	TREND PERCENTAGE(%)
2015-2016	3216438322	100
2016-2017	3590324287	111.62
2017-2018	3458249026	107.51
2018-2019	3377137651	104.99
2019-2020	3263149913	101.45

FIGURE NO:5.5.2 TREND ANALYSIS OF CURRENT ASSETS

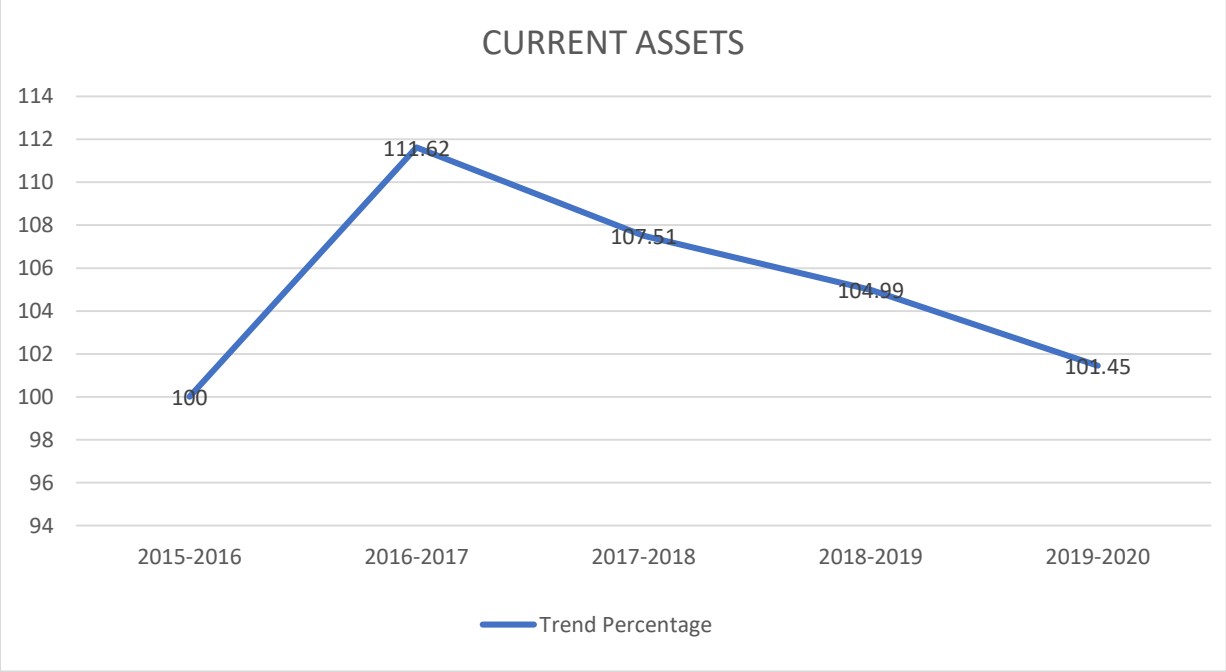


TABLE NO: 5.5.3 TRENT ANALYSIS OF CURRENT LIABILITY

YEAR	CURRENT LIABILITIES	TREND PRRCENTAGE(%)
2015-2016	2425494833	100
2016-2017	4074616672	167.99
2017-2018	3989799577	164.49
2018-2019	3929060792	161.99
2019-2020	3831458142	157.97

FIGURE NO: 5.5.3 TREND ANALYSIS OF CURRENT LIABILITY

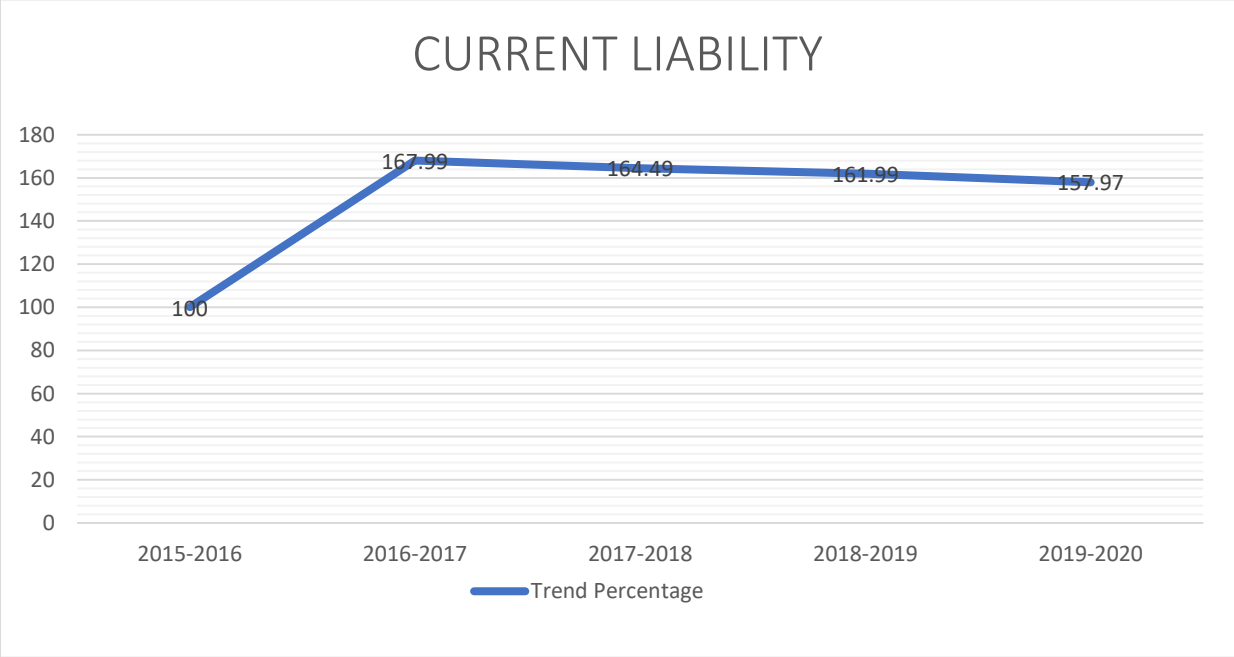


TABLE NO: 5.5.4 TREND ANALYSIS OF FIXED ASSET

YEAR	FIXED ASSET	TREND PERCENTAGE(%)
2015-2016	71698266.53	100
2016-2017	80231449.9	111.90
2017-2018	86857590.9	121.14
2018-2019	111311550.2	155.24
2019-2020	132323958	184.55

FIGURE NO: 5.5.4 TREND ANALYSIS OF FIXED ASSET

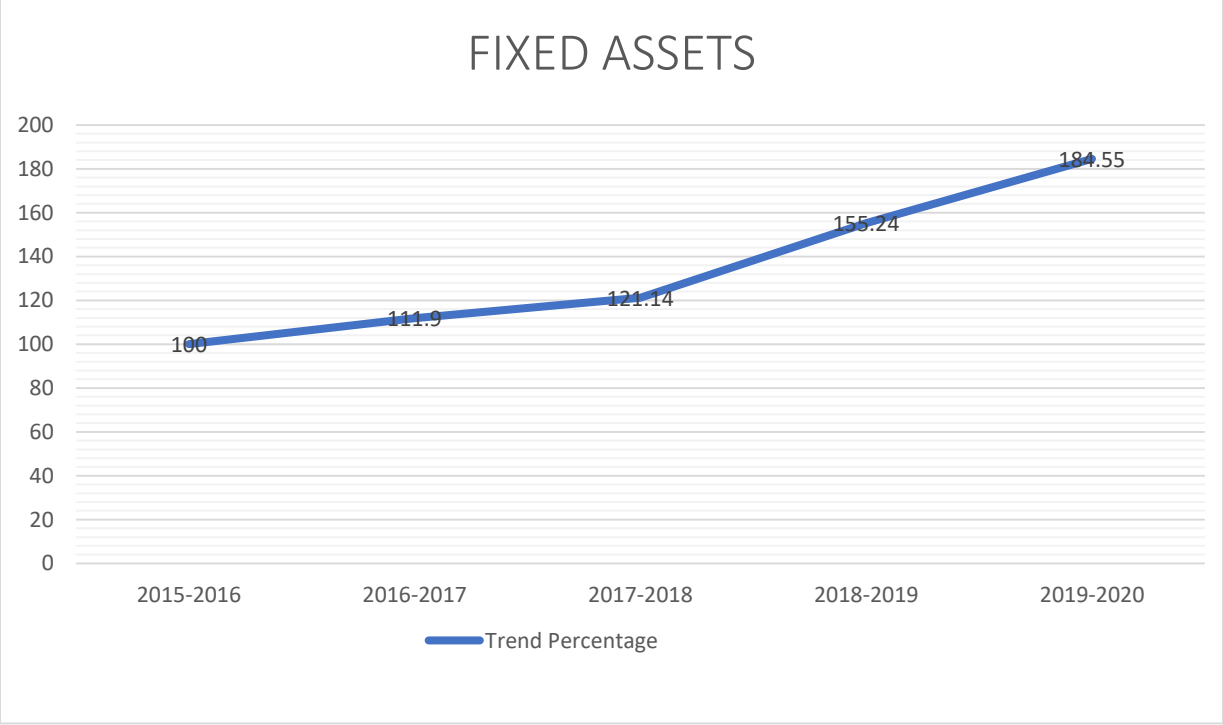


TABLE NO: 5.5.5 TREND ANALYSIS OF WORKING CAPITAL

YEAR	WORKING CAPITAL	TREND PERCENTAGE(%)
2015-2016	790943489	100
2016-2017	(484292385)	(61.2)
2017-2018	(531550551)	(67.20)
2018-2019	(551923141)	(67.76)
2019-2020	(568308229)	(71.85)

FIGURE NO:5.5.5 TREND ANALYSIS OF WORKING CAPITAL

DUPONT ANALYSIS

DUPONT ANALYSIS (ROE) = NET PROFIT × SALES × ASSET
SALES ASSET EQUITY

TABLE NO: 5.6.1 TABLE SHOWING PROFIT MARGIN

YEAR	NET PROFIT	NET SALES	PROFIT MARGIN
2015-2016	923192061.39	587730794.24	157
2016-2017	88082436.07	691093873.39	12.7
2017-2018	18029948.38	1108582669.02	1.62
2018-2019	2850494.48	1255089422.88	0.22
2019-2020	4607318.77	1257203998.00	0.36

TABLE NO: 5.6.2 TABLE SHOWING ASSET TURNOVER

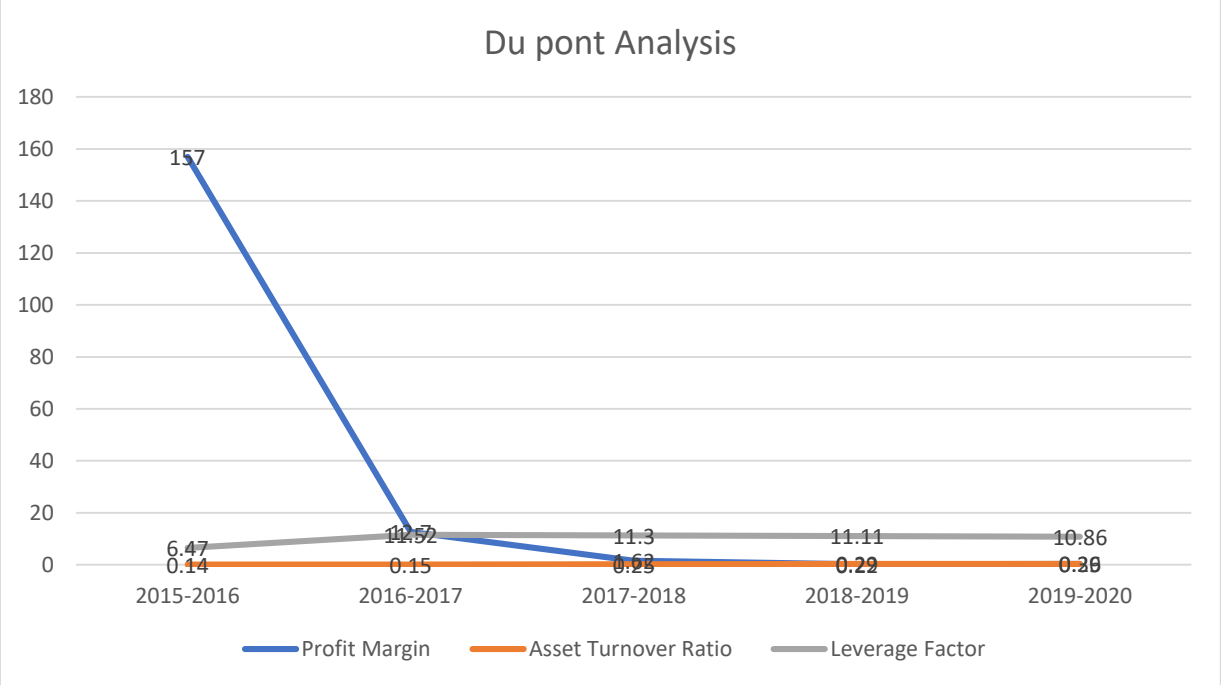
YEAR	SALES	TOTAL ASSET	ASSET TURNOVER RATIO
2015-2016	587730794.24	4211328650	0.14
2016-2017	691093873.39	4462991934.67	0.15
2017-2018	1108582669.02	4378090865.41	0.25
2018-2019	1255089422.88	4318582954.69	0.29
2019-2020	1257203998.00	4221000305.25	0.29

TABLE NO: 5.6.3 TABLE SHOWING LEVERAGE FACTOR

YEAR	TOTAL ASSET	EQUITY	LEVERAGE FACTOR
2015-2016	4211328650	650000000	6.47
2016-2017	4462991934.67	387348411	11.52
2017-2018	4378090865.41	387264437.1	11.30
2018-2019	4318582954.69	388495311	11.11
2019-2020	4221000305.25	388515311.1	10.86

FIGURE NO 5.6.1 GRAPH SHOWING DU PONT ANALYSIS

The graph below shows the trend of 3 components of ROE namely Profit Margin, Asset turnover and leverage Factor used in Du Pont Analysis.



CORRELATON ANALYSIS

HYPOTHESIS 1-FINDING THE SIGNIFICANCE BETWEEN SALES AND PROFIT

H0 – There is no significance between sales and profit

$$r = \frac{n(\Sigma xy) - (\Sigma x)(\Sigma y)}{\sqrt{[\, n\Sigma x^2 - (\Sigma x)^2 \,][\, n\Sigma y^2 - (\Sigma y)^2 \,]}}$$

YEAR	NET SALES	NET PROFIT
2015-2016	587730794.24	923192061.39
2016-2017	69109387.39	88082436.07
2017-2018	110852669.02	18029948.38
2018-2019	1255089422.88	2850494.48
2019-2020	1257203998.00	4607318.77

TABLE NO: 5.7.1 TABLE SHOWING CORRELATION BETWEEN SALES AND PROFIT

X	Y	XY	X^2	Y^2
5877	9231	54250587	34539129	85211361
691	880	608080	477481	774400
1108	180	199440	1227664	32400
12250	28	343000	150062500	784
12572	46	578312	158055184	2116
32498	**10365**	**5579419**	**344361958**	**86021061**

(Rupees in Lakhs)

$r = \frac{5(5579419) - (32498)(10365)}{\sqrt{5(344361958) - (32498)^2} \times \sqrt{5(86021061) - (10365)^2}}$

$= \frac{27897095 - 336841770}{\sqrt{1721809790 - 105612004} \times \sqrt{430105305 - 107433225}}$

$= - \frac{308944675}{\sqrt{1616197786} \times \sqrt{322672080}}$

$= \frac{-308944675}{40201.96 \times 17963.07}$

$= \frac{308944675}{722150621.6}$

$= - 0.428$

H1= There is a significant relationship between sales and profit.

INTERPRETATION:

Since the sales and profit is showing a negatively correlation, we can reject H1 and accept H0.

HYPOTHESIS 2-FINDING THE SIGNIFICANCE BETWEEN CURRENT ASSETS AND CURRENT LIABILITIES

H0 – There is no significance between current Assets and current Liabilities.

YEAR	CURRENT ASSETS	CURRENT LIABILITIES
2015-2016	3216438322	2425494833
2016-2017	3590324287	4074616672
2017-2018	3458249026	3989799577
2018-2019	3377137651	3929060792
2019-2020	3263149913	3831458142

$$r = \frac{n(\Sigma xy) - (\Sigma x)(\Sigma y)}{\sqrt{[\, n\Sigma x^2 - (\Sigma x)^2 \,][\, n\Sigma y^2 - (\Sigma y)^2 \,]}}$$

TABLE NO: 5.7.2 TABLE SHOWING CORRELATION BETWEEN CURRENT ASSETS AND CURRENT LIABILTIES

X	Y	XY	X^2	Y^2
321	242	77682	103041	58564
359	407	146113	128881	165649
345	398	137310	119025	158404
337	392	132104	113569	153664
326	383	124858	106276	146689
1688	**1822**	**618067**	**570792**	**682970**

(Rupees in Crores)

$r = \frac{5(618067) - (1688)(1822)}{\sqrt{5(570792) - (1688)^2} \times \sqrt{5(682970) - (1822)^2}}$

$= \frac{3090335 - 3075536}{\sqrt{2853960 - 2849344} \times \sqrt{3414850 - 3319684}}$

$= \frac{14799}{\sqrt{2564616} \times \sqrt{95166}}$

$= \frac{147999}{1601.44 \times 308.49}$

= 14799

494028.22

=0.0299

H1= There is a significant relationship between current assets and current liability.

INTERPRETATION:

Since the current assets and current liabilities shows a positive correlation. We can reject H0 and accept H1.

HYPOTHESIS 3-FINDING THE SIGNIFICANCE BETWEEN FIXED ASSETS AND CURRENT ASSESTS

H0 – There is no significance between Fixed Assets and Current Assets.

YEAR	FIXED ASSETS	CURRENT ASSETS
2015-2016	71698266.53	3216438322
2016-2017	80231449.9	3590324287
2017-2018	86857590.7	3458249026
2018-2019	111311550.2	3377137651
2019-2020	132323958	3263149913

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[\, n\sum x^2 - (\sum x)^2 \,][\, n\sum y^2 - (\sum y)^2 \,]}}$$

TABLE NO:5.7.3 TABLE SHOWING CORRELATION BETWEEN FIXED ASSET AND CURRENT ASSETS

X	Y	XY	X^2	Y^2
716	32164	23029424	512656	1034522896
802	35903	28794206	643204	1289025409
868	34582	30017176	753424	1195914724
1113	33771	37587123	1238769	1140480441
1323	32631	43170813	1750329	1064782161
4822	**169051**	**162598742**	**4898382**	**5724725631**

(Rupees in Lakhs)

$$r = \frac{5(162598742) - (4822)(169051)}{\sqrt{5(4898382) - (4822)^2} \times \sqrt{5(5724725631) - (169051)^2}}$$

$$= \frac{812993710 - 815163922}{\sqrt{24491910 - 23251684} \times \sqrt{2.862362816 \times 10^{10} - 2.85782406 \times 10^{10}}}$$

$$= \frac{-2170212}{\sqrt{1240226} \times \sqrt{45387560}}$$

$$= \frac{-2170212}{1113.65 \times 6737.02}$$

$$= -0.28$$

H_1 =There is a significance relation between fixed assets and current assets.

INTERPRETATION:

Since the fixed assets and current assets are showing negative correlation, so we can reject H1 and accept H0.

REGRESSION ANALYSIS

REGRESSION ANLYSIS OF NET PROFIT

TABLE NO: 5.8.1 REGRESSION ANALYSIS OF NET PROFIT FROM 2015-2016 TO 2019-2020

YEAR	X	Y	XY	X^2
2015-2016	1	923192061.39	923192061.39	1
2016-2017	2	88082436.07	176164872.7	4
2017-2018	3	18029948.38	54089872.14	9
2018-2019	4	2850494.48	11401977.92	16
2019-2020	5	4607318.77	23036593.85	25
TOTAL	**15**	**1036762259**	**1187885350**	**55**

Y = a+ bX

Where $b = \frac{N\Sigma XY - \Sigma X\Sigma Y}{N\Sigma X^2 - \Sigma(x)^2}$

$= \frac{5(1187885350) - 15(1036762259)}{5(55) - (15\times15)}$

$= \frac{5939426750 - 1.555143389 \times 10^{10}}{275 - 225}$

$= \frac{- 9612007140}{50}$

$= -192240142.8$

$a = \frac{\Sigma Y - b(\Sigma x)}{N}$

$= \frac{1036762259 - (-192240142.8)\ (15)}{5}$

$= \frac{1036762259 - - 2883602142}{5}$

$= \frac{3920364401}{5}$

= 784072880.2

Profit for the year 2020-2021 to 2025-2026

Y = a+ bX

2020-2021

Y = 784072880.2+(-192240142.8) × 1

= 784072880.2 – 192240142.8

= 591832737.4

2021-2022

Y = 784072880.2 + (-192240142.8) × 2

= 784072880.2 – 384480285.6

= 399592594.6

2022-2023

Y = 784072880.2 + (-192240142.8) × 3

= 784072880.2 – 576720428.4

= 207352451.8

2023-2024

Y = 784072880.2 + (-192240142.8) × 4

= 784072880.2 – 768960571.2

= 15112309

2024-2025

Y = 784072880.2 + (-192240142.8) ×5

= 784072880.2 - 961200714

= - 177127833.8

TABLE NO: 5.8.2 ESTAMATED NET PROFIT FROM 2020-2021 TO 2024-2025

YEAR	PROFIT
2020-2021	591832737.4
2021-2022	399592594.6
2022-2023	207352451.8
2023-2024	15112309
2024-2025	-177127833.8

INTERPRETATION:

On the basic of last 5 years' profit position it is possible to predict the profit trend for the further years also. Here the trend shows negative growth in the future period.

REGRESSION ANLYSIS OF NET SALES

TABLE NO: 5.8.3 REGRESSION ANALYSIS OF NET SALES FROM 2015-2016 TO 2019-2020

YEAR	X	Y	XY	Y^2
2015-2016	1	58773094.24	58773094.24	1
2016-2017	2	69109387.29	138218774.6	4
2017-2018	3	110852669.02	332558007.1	9
2018-2019	4	1255089422.88	5020357692	16
2019-2020	5	1257203998.00	3286019990	25
TOTAL	**15**	**2751028571**	**1.183592756×10^{10}**	**55**

Y = a+ bX

Where $b = \frac{N\Sigma XY - \Sigma X\Sigma Y}{N\Sigma X^2 - \Sigma(x)^2}$

$= \frac{5(1.183592756\times10^{10}) - 15(2751028571)}{5(55) - (15\times15)}$

$= \frac{5.91796378\times10^{10} - 4.126542857\times10^{10}}{275-225}$

$= \frac{1.791420923\times10^{10}}{50}$

$= 358284184.6$

$a = \frac{\Sigma Y - b(\Sigma x)}{N}$

$= \frac{2751028571 - 358284184.6(15)}{5}$

$= \frac{2751028571 - 5374262769}{5}$

$= \frac{-2623234198}{5}$

$= -52464839.6$

Sales for the year 2020-2021 to 2025-2026

Y = a+ bX

2020-2021

Y = -52464839.6 + 358284184.6 (1)

= 305819345

2021-2022

Y = -52464839.6 + 358284184.6 (2)

= 52464839.6 + 716568369.2

= 664103529.6

2022-2023

Y = -52464839.6 + 358284184.6 (3)

= 52464839.6 + 1074852554

= 1022387714

2023-2024

Y = -52464839.6 + 358284184.6 (4)

= 52464839.6 + 1433136738

= 1380671898

2024-2025

Y = -52464839.6 + 358284184.6 (5)

= 52464839.6 + 1791420923

= 1738956083

TABLE NO: 5.8.4 ESTAMATED NET SALES FROM 2020-2021 TO 2024-2025

YEAR	SALES
2020-2021	305819345
2021-2022	664103529.6
2022-2023	1022387714
2023-2024	1380671898
2024-2025	1738956083

INTERPRETATION:

Future trend of the sales showing a positive trend, even though the future profit is negative. It indicates that the consumers are need the product and the company can survive by reducing cost of production.

COMPARATIVE BALANSHEET AS ON 31ST MARCH 2017-2018(TABLE NO: 5.9.1)

PARTICULARS	2017	2018	ABSOLUTE CHANGE	PERCENTAGE
ASSETS				
a) Fixed Assets				
Investments	78095.28	78095.28	0	0
Other Investments	14717026.17	14717026.17	0	0
Other Assets	4150722.54	4150722.54	0	0
Computer Accessories	5487613.69	5565803.69	78190	1.42
Land and Buildings	32069384.19	32069384.19	0	0
Plant and Machinery	12349457.74	18023181.74	5673724	45.94
Furniture and Fittings	7927518.16	8793644.24	866126.08	10.92
Vehicle	2225107.00	2229457.00	4350	0.19
Office Equipment's	690046.02	693796.02	3750	0.54
Molds and Dyes	308526.11	308526.11	0	0
Library	76048.55	76048.55	0	0
Utensils	151904.42	151904.42	0	0
Total Fixed Assets	80231449.9	86857590	6626140.0	8.26
b) Current Assets				
Cash in Hand	3711367.06	3655572.34	(55794.72)	(1.50)
Cash at Bank	191252027.41	260528482.62	69276455.21	36.22
Deposits Adjustments	233984657.75	290535167.75	56550510	24.17
Advance Receivable	2644418261.37	2720919961.60	76501700.23	2.89
Stock Deficits	46347537.05	46331010.05	(16527)	(0.035)
Closing Stock	470610435.90	132578831.95	(338031604)	71.82
Total Current Assets	3590324287	3454549026	(135775261)	(3.78)
c) profit & Loss Account	792436197.54	832984248.42	40548050.88	5.11
TOTAL ASSETS	**4462991934.67**	**4378090865.41**	**(84901069.26)**	**(1.90)**

Liabilities				
a) Long Term Liabilities				
Equity Share Capital	387348411	387264437.1	(83973.9)	(0.022)
R. F Primaries	595.47	595.47	0	0
Statutory Fund & Reserve	1026256.26	1026256.26	0	0
Total Long Term Liabilities	388375262.7	388291288.8	(83973.9)	(0.022)
b) Short Term Liabilities				
Borrowings	251990086.91	176369489.69	(75620597.22)	30
Short Term Loan	73101893.81	73101893.81	0	0
Price Fluctuation Fund	28547734.36	28547734.36	0	0
Special Price Fluctuation Fund	14487335.53	14487335.53	0	0
Other Funds	222919345.22	222919345.22	0	0
Grand & Subsidy from Gov.	558220869.31	558220869.31	0	0
Other Liabilities	14116759.11	14100232.11	(16527)	(0.11)
Advance Payable	2911232647.69	2902052676.53	(9179971.16)	(0.31)
Total Short Term Liabilities	4074616672	3989799577	(84817095)	(2.08)
TOTAL	**4462991935**	**4378090865.41**	**(84901069.59)**	**(1.90)**

COMPARATIVE BALANCSHEET AS ON MARCH 31ST 2018-2019(TABLE NO: 5.9.2)

PARTICULARS	2018	2019	ABSOLUTE CHANGE	PERCENTAGE
ASSETS				
a) Fixed Assets				
Investments	78095.28	24532054.78	24453959.5	31.3
Other Investments	14717026.17	14717026.17	0	0
Other Assets	4150722.54	4150722.54	0	0
Computer Accessories	5565803.69	5565803.69	0	0
Land and Buildings	32069384.91	32069384.91	0	0
Plant and Machinery	18023181.74	18023181.74	0	0
Furniture and Fittings	8793644.24	8793644.24	0	0
Vehicle	2229457.00	2229457.00	0	0
Office Equipment's	693796.02	693796.02	0	0
Molds and Dyes	308526.11	308526.11	0	0
Library	76048.55	76048.55	0	0
Utensils	151904.42	151904.42	0	0
Total Fixed Assets	86857590.7	111311550.2	24453959.5	28.15
b) Current Assets				
Cash in Hand	7355572.34	7900822.34	545250	7.41
Cash at Bank	260528482.63	208928482.62	(51600000.01)	(19.80)
Deposits Adjustments	290535167.75	337736243.72	47201075.97	16.24
Advance Receivable	2720919961.60	2680207092.96	(40712868.64)	(1.50)
Stock Deficits	46331010.05	46331010.05	0	0
Closing Stock	132578831.95	96033998.89	(36544833.06)	(27.56)
Total Current Assets	3458249026	3377137651	(81111375)	(2.34)
c) profit & Loss Account	832984248.42	830133753.94	(2850494.48)	(0.34)
TOTAL ASSETS	**4378090865.41**	**4318582924.69**	**(59507940.72)**	**(1.36)**

Liabilities				
a) Long Term Liabilities				
Equity Share Capital	387264437.1	388495311	1230873.9	0.32
R. F Primaries	595.47	595.47	0	0
Statutory Fund & Reserves	1026256.26	1026256.26	0	0
Total Long Term Liabilities	388291288.8	389522162.7	1230873.93	0.32
b) Short Term Liabilities				
Borrowings	176369489.69	81107661.03	(95261828.66)	(54)
Short Term Loan	73101893.81	73101893.81	0	0
Price Fluctuation Fund	28547734.36	28832783.86	285049.5	0.99
Special Price Fluctuation Fund	14487335.53	14772381.03	285045.5	1.96
Other Funds	222919345.22	222919345.22	0	0
Grand & Subsidy from Gov.	558220869.31	571678869.31	13458000	2.41
Other Liabilities	14100232.11	13459608.23	(640623.88)	(4.54)
Advance Payable	2902052676.53	2923188249.47	21135572.94	0.72
Total Short Term Liabilities	3989799577	3929060792	(60738785)	(1.52)
TOTAL	**4378090865.41**	**4318582594.69**	**(59508270.72)**	**(1.36)**

COMPARATIVE BALANCESHEET AS ON 31ST MARCH 2019- 2020
(TABLE NO: 5.9.3)

PARTICULARS	2019	2020	ABSOLUTE CHANGE	PERCENT AGE
ASSETS				
a) Fixed Assets				
Investments	24532054.78	24532054.78	0	0
Other Investments	14717026.17	14717026.17	0	0
Other Assets	4150722.54	4150722.54	0	0
Computer Accessories	5565803.69	5871139.13	305335.44	5.48
Land and Buildings	32069384.91	44617509.91	12548125	39.12
Plant and Machinery	18023181.74	25702661.39	7679479.65	42.60
Furniture and Fittings	8793644.24	8869641.52	75997.28	0.86
Vehicle	2229457.00	2229457.00	0	0
Office Equipment's	693796.02	1073725.43	339929.41	48.99
Molds and Dyes	308526.11	308526.11	0	0
Library	76048.55	76048.55	0	0
Utensils	151904.42	175445.05	23540.63	15.50
Total Fixed Assets	111311550	132323958	21012408	18.88
b) Current Assets				
Cash in Hand	7900822.34	6401755.60	(1499066.74)	(18.97)
Cash at Bank	208928482.62	172660778.48	(36267704.14)	(17.36)
Deposits Adjustments	337736243.72	325660190.32	(12076053.4)	(3.57)
Advance Receivable	2680207092.96	2538107755.05	(142099337.9)	(5.30)
Stock Deficits	44331010.05	46331010.05	2000000	(4.51)
Closing Stock	96033998.89	173988423.00	77954424.11	(81.17)
Total Current Assets	3375137751	3263149913	(111987838)	(3.31)
c) Profit & Loss Account	830133753.94	825526432.17	(4607321.77)	(0.55)
TOTAL ASSETS	**4318582924.69**	**4221000305.25**	**(97582619.44)**	**(2.25)**

Liabilities				
a) Long Term Liabilities				
Equity Share Capital	388495311	388515311	2000	5.14
R.F primaries	595.47	595.47		0
Statutory Fund & Reserves	1026256.26	1026256.26		0
Total Long Term Liabilities	389522162.7	389542162.7	20000	5.13
b) Short Term Liabilities				
Borrowings	81107661.03	83107661.03	2000000	2.46
Short Term Loan	73101893.81	73101893.81	0	0
Price Fluctuation Fund	28832783.86	29293515.73	460731.87	1.60
Special Price Fluctuation Fund	14772381.03	15233112.90	460731.87	3.12
Other Funds	222919345.22	222919345.22	0	0
Grand & Subsidy from Gov.	571678869.31	363581832.21	(208097037.1)	(0.36)
Other Liabilities	13459608.23	13459608.23	0	0
Advance Payable	2923188249.47	3030761173.17	107572923.7	3.68
Total Short Term Liabilities	3929060792	3831458142	(97602650)	2.48
TOTAL LIABILITIES	**4318582954.69**	**4221000305.25**	**(97582649.44)**	**(2.25)**

COMPARATIVE BALANCE SHEET AS ON 31ST MARCH 2017-2020
(TABLE NO: 5.9.4)

PARTICULARS	2017	2020	ABSOLUTE CHANGE	PERCENT AGE
ASSETS				
a) Fixed Assets				
Investments	78095.28	24532054.78	24453959.5	313
Other Investments	14717026.17	14717026.17	0	0
Other Assets	4150722.54	4150722.54	0	0
Computer Accessories	5487613.69	5871139.13	383525.44	6.99
Land and Buildings	32069384.19	44617509.91	12548125.72	39.12
Plant and Machinery	12349457.74	25702661.39	13353203.65	108
Furniture and Fittings	7927518.16	8869641.52	942123.36	11.88
Vehicle	2225107.00	2229457.00	4350	0.19
Office Equipment's	690046.02	1073725.43	383679.41	55.60
Molds and Dyes	308526.11	308526.11	0	0
Library	76048.55	76048.55	0	0
Utensils	151904.42	175445.05	23540.63	15.49
Total Fixed Assets	80231449.9	132323958	52092508.1	64.92
b) Current Assets				
Cash in Hand	3711367.06	6401755.60	2690388.54	72.49
Cash at Bank	191252027.41	172660778.48	(18591248.93)	(9.72)
Deposits Adjustments	233984657.75	325660190.32	91675532.57	39.18
Advance Receivable	2644418261.37	2538107755.05	(106310506.3)	(4.02)
Stock Deficits	46347537.05	46331010.05	(16527)	(0.036)
Closing Stock	470610435.90	173988423.00	(296622012.9)	(63)
Total Current Assets	3590324287	3263149913	(327174374)	(9.11)
c) profit & Loss Account	792436197.54	825526432.17	33090234.63	4.17
TOTAL ASSETS	**4462991934.67**	**4221000305.25**	**(241991629.4)**	**(5.42)**

Liabilities				
a) Long Term Liabilities				
Equity Share Capital	387348411	388515311	1166900	0.30
R.F Primaries	595.47	595.47	0	0
Statutory Fund & Reserve	1026256.26	1026256.26	0	0
Total Long Term Liabilities	388375262.7	389542162.7	1166900	0.30
b) Short Term Liabilities				
Borrowings	251990086.91	83107661.03	(168882425.9)	(67)
Short Term Loan	73101893.81	73101893.81	0	0
Price Fluctuation Fund	28547734.36	29293515.73	745781.37	2.61
Special Price Fluctuation Funds	14487335.53	15233112.90	745777.37	5.15
Other Funds	222919345.22	222919345.22	0	0
Grand & Subsidy from Gov.	558220869.31	363581832.21	(194639037.1)	(34.87)
Other Liabilities	14116759.11	13459608.23	(657150.88)	(4.65)
Advance Payable	2911232647.69	3030761173.17	119528525.5	4.10
Total Short Term Liabilities	4074616672	3831458142	(243158530)	(5.97)
TOTAL LIABILITIES	**4462991935**	**4221000305.25**	**(241991629.8)**	**(5.42)**

CHAPTER 6
FINDINGS OF THE STUDY

Findings

1. It is found that the current ratio, quick ratio and absolute ratio under liquidity ratio from the 5 year 2016 to 2020 were below the standard norms. The current liabilities remain higher than current assets in all the five years, which means that the firm is not in a position to meet the short term liabilities.
2. For leverage ratios, the total debt equity ratio shows the proportions of equity and debt a company is financing its assets. Here shows a higher debt equity ratio indicates that the company is getting more of its financing by borrowing money, which subjects the company to potential risks if debt levels are too high.
3. Activity ratios asses how effectively a company is able to generate revenue in the form of cash and sales based on its asset, liability and capital share. Here shows a lower ratio indicates that too much capital is tied up in assets and that assets are not being efficiently in generating sales.
4. Profitability ratio is used to evaluate the company's ability to generate income as compared to its expenses and other cost associated with the generation of income during a particular period. So by assessing all the ratios, we can say that the company is not profitable.
5. Trend analysis made for sales shows an increase in net sales for all the year.
6. Trend analysis made for current assets are increasing for a while but later it shows a huge decreasing trend.
7. Trend analysis made for current liability shows that the current liability is decreasing over a period of time. It is good for the company's financial position.
8. Trend analysis made for fixed assets shows an increasing trend. It will help to improve the sales
9. Trend analysis made for working capital shows decreasing trend for all the year.
10. Using Du-pont analysis it is being identified tat profit margin, asset turnover and leverage factor are the drivers of return on equity.
11. By regression analysis, the profit for the future period shows negative growth.
12. By regression analysis, the sales showing positive trend even the future profit is negative. So company can survive by reducing cost of production.

CHAPTER 7
CONCLUSION

Conclusion

Efficient and effective financial performance is very important for all organizations to survive and to have better profitability. Financial performance analysis is very important to check the profitability and to find the future threats of the company.

For financial performance analysis, I have conducted my study at COIRFED, Alappuzha. The main objective of the study was to analyze the financial performance and to secure practical knowledge regarding different aspects of the company. It helped me to familiarize with a real world organization system and to understand the various levels in the organization. Data were collected from the balance sheet, annual report. The various tools used for the analysis are ratio analysis, trend analysis, correlation analysis, regression analysis comparative balance sheet analysis and DuPont analysis. During the period of study, the functioning of the company and all activities was studied in brief. The study was aimed in getting insight to the day to day operations of typical industry. This helps us to gain practical knowledge about management and function by way of comparison between practical and theoretical knowledge. This study comes to the conclusion that; the company has to increase efficiency in maximum utilization of its resources effectively.

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APPENDIX

BALANCSHEET AS ON 31-3-2016

LIABILITIES	**AMOUNT**	**ASSETS**	**AMOUNT**
Share Capital	650000000	Cash	248332789.31
Subscribed Capital	388295000	Investment	78690.75
Paid Up Capital	387397711	Reserve Fund	155109.16
Deposits(customer)	695.65	Other Investments	8828836.51
Borrowings	417192190.72	Computer & Accessories	103267.36
Statutory Reserve Fund	339327592.95	Grand & Subsidies	370289.58
Interest Payable	26342	Spl R.F. invested	559215.55
Grand & Subsidiary from gov.	667609610.31	Building fund Invested	45596.63
Staff Security Deposits	32265.24	Trade Risk Fund Invested	5736.60
Unclaimed Dividends	8299.62	Common Good Fund Invested	780.43
Establishment and Contingency	20813512.56	Single Fund Invested	6636.88
Sales Tax	36742.51	Deposits Adjustments	262045440.92
Income Tax Payable	68416	Loan and Advance to Members	7500
Advance Due By	1340520271.30	Amount Objected Audit	364941.81
		Bills Receivable	771.42
		Loss in Discrete Purchase Receivable	149701.25
		Miscellaneous Income	90316308.21
		Receipts and Other sales omission	32354.56
		Movables	30986508.81
		Other Assets	1718778.77
		Immovable	13947778.77
		Stock in Trade	304991567.73
		Advance Due To	2325087987
		Profit and Loss Account	923192061.39
TOTAL	**4211328650**		**4211328650**

BALANCESHEET AS ON 31-03-2017

LIABILITIES	**AMOUNT**	**ASSETS**	**AMOUNT**
Share Primaries	4368208.00	Cash in hand	3711367.06
Share government	382980203.00	Cash at Bank	191252027.41
R.F.Primaries	595.47	Investments	78095.28
Borrowings	251990086.91	Other Investments	14717026.17
Short Term Loan	73101893.81	Other Assets	4150722.54
Statutory Reserve Fund	1026256.26	Computer & Accessories	5487613.69
Price Fluctuation Fund	28547734.36	Land and Buildings	32069384.91
Spl. Price Fluctuation Fund	14487335.53	Plant & Machinery	12349457.74
Other Funds	222919345.22	Furniture & Fittings	7927518.16
Grand & Subsidiaries-govt	558220869.31	Moulds & Dyes	308526.11
Other Liabilities	14116759.11	Vehicles	2225107.00
Advance-due by	2911232647.69	Office Equipment's	690046.02
		Library	76048.55
		Advance due to	2644418261.37
		Deposits Adjustments	233984657.75
		Utensils	1519.4.42
		Stock Deficit	46347537.05
		Closing Stock	470610435.90
		Profit & Loss Account	792436197.54
TOTAL	**4462991934.67**	**TOTAL**	**4462991934.67**

BALANCESHEET AS ON 31-3-2018

LIABILITIES	**AMOUNT**	**ASSETS**	**AMOUNT**
Share Primaries	4284234.12	Cash in hand	7355572.34
Share government	382980203.00	Cash at Bank	260528482.63
R.F.Primaries	595.47	Investments	78095.28
Borrowings	176369489.69	Other Investments	14717026.17
Short Term Loan	73101893.81	Other Assets	4150722.54
Statutory Reserve Fund	1026256.26	Computer & Accessories	5565803.69
Price Fluctuation Fund	28547734.36	Land and Buildings	32069384.19
Spl. Price Fluctuation Fund	14487335.53	Plant & Machinery	18023181.74
Other Funds	222919345.22	Furniture & Fittings	8793644.24
Grand & Subsidiaries-govt	558220869.11	Moulds & Dyes	308526.11
Other Liabilities	14100232.11	Vehicles	2229457.00
Advance-due by	2902052676.53	Office Equipment's	693796.02
		Library	76048.55
		Advance due to	2720919961.60
		Deposits Adjustments	290535167.75
		Utensils	151904.42
		Stock Deficit	46331010.05
		Closing Stock	132578831.95
		Profit & Loss Account	832984248.42
TOTAL	**4378090865.41**	**TOTAL**	**4378090865.41**

BALANCESHEET AS ON 31-3-2019

LIABILITIES	**AMOUNT**	**ASSETS**	**AMOUNT**
Share Primaries	5515108.00	Cash in hand	7900822.34
Share government	382980203.00	Cash at Bank	208928482.62
R.F.Primaries	595.47	Investments	24532054.78
Borrowings	81107661.03	Other Investments	14717026.17
Short Term Loan	73101893.81	Other Assets	4150722.54
Statutory Reserve Fund	1026256.26	Computer & Accessories	5565803.69
Price Fluctuation Fund	28832783.86	Land and Buildings	32069384.91
Spl. Price Fluctuation Fund	14772381.03	Plant & Machinery	18023181.74
Other Funds	222919345.22	Furniture & Fittings	8793644.24
Grand & Subsidiaries-govt	571678869.31	Moulds & Dyes	208526.11
Other Liabilities	13459608.23	Vehicles	2229457.00
Advance-due by	2923188249.47	Office Equipment's	693796.02
		Library	76048.55
		Advance due to	2680207092.96
		Deposits Adjustments	337736243.72
		Utensils	151904.42
		Stock Deficit	46331010.05
		Closing Stock	96033998.94
		Profit & Loss Account	830133753.94
TOTAL	**4318582954.69**	**TOTAL**	**4318582954.69**

BALANCESHEET AS ON 2020

LIABILITIES	AMOUNT	ASSETS	AMOUNT
Share Primaries	5535108.12	Cash in hand	6401755.60
Share government	382980203.00	Cash at Bank	172660778.48
R.F.Primaries	595.47	Investments	24532054.78
Borrowings	83107661.03	Other Investments	14717026.17
Short Term Loan	73101893.81	Other Assets	4150722.54
Statutory Reserve Fund	1026256.26	Computer & Accessories	5871139.13
Price Fluctuation Fund	29293515.73	Land and Buildings	44617509.91
Spl. Price Fluctuation Fund	15233112.90	Plant & Machinery	25702661.39
Other Funds	222919345.22	Furniture & Fittings	8869641.52
Grand & Subsidiaries-govt	363581832.21	Moulds & Dyes	308526.11
Other Liabilities	13459608.23	Vehicles	2229457.00
		Office Equipment	1073725.43
		Library	76048.55
		Deposits Adjustments	325660190.32
		Utensils	175445.05
		Stock Deficit	46331010.05
		Closing Stock	173988423.00
		Profit & Loss Account	825526435.17
TOTAL	**4221000305.25**	**TOTAL**	**4221000305.25**