IJFANS INTERNATIONAL JOURNAL OF FOOD AND NUTRITIONAL SCIENCES
ISSN PRINT 2319 1775 Online 2320 7876
Research Paper , **Journal Volume 11, Iss 07, 2022**

ASSESSING THE BUSINESS'S PERFORMANCE

#1Mr.KATTA SRINIVAS, *Assistant Professor*

#2Dr.ARRA RAJENDAR, *Assistant Professor*

Department of Master of Business Administration,

SREE CHAITANYA INSTITUTE OF TECHNOLOGICAL SCIENCES, KARIMNAGAR, TS.

ABSTRACT:

The paper's title is "A Company's Financial Performance: An Analysis." The study's objectives are to examine the organization's present financial status and compare it to its financial success over the previous five years. Annual reports were employed as additional sources of information in the study. The group should work on growing its present assets based on the information acquired from this study's comparative balance sheet, common size balance sheet, and comparative balance sheet. This is because its current bills and current assets are always out of balance. The group's financial status improves as a result of this. A detailed examination of the Company's financial achievements over the last five years has provided us with helpful knowledge regarding their complex financial features. The greatest technique to achieve the best result is demonstrated through the comparison analysis procedure.

1. INTRODUCTION

Giving someone the money they need is what's known as finance. A company's ability to stay in operation and achieve its objectives is directly proportional to its capital. For modern companies, money is like their "lifeblood." It is unreasonable to expect a company to achieve its objectives in the absence of sufficient funds. Finance is all about managing a company's money. An individual's opinion on how profitable a company is based on its core operations. By examining a company's financial statements, one can discover the interconnections between the many financial aspects of the enterprise. Analyzing a financial statement component by component allows one to have a clearer view of a company's financial health and performance. An effective policy's ability to pay interest, satisfy both short- and long-term debt commitments, and generate future profits can be inferred through financial statement analysis, which seeks to decipher the meaning of financial statement statistics.

2. STATEMENT OF THE PROBLEM

A financial performance analysis is a method for gaining a more complete view of a company's well-being and success by examining the average portions of financial statements. Financial performance analysis is a tool that lenders and purchasers can use to assess a company's current and future financial health and make educated predictions about its future success. One way to determine a company's stability and profitability is to look at its financial records.

Financial performance refers to the process of selecting, analyzing, and making sense of financial data and other pertinent information to aid in investment advice and financial planning. Potential outside investors and creditors can have their creditworthiness evaluated using financial analysis. Internal evaluations of staff performance, operational efficiency, and credit policy can also be made with its help. The study draws on a variety of sources for the financial data it requires. Company data, which must be included in the annual report in accordance with regulations, is the primary source of information. All the necessary data is included in the annual report. These concluding statements are part of the annual report, which also includes

IJFANS INTERNATIONAL JOURNAL OF FOOD AND NUTRITIONAL SCIENCES
ISSN PRINT 2319 1775 Online 2320 7876
Research Paper Journal Volume 11, Iss 07, 2022

the income statement, balance sheet, and cash flow statement. More analysis information is required to be disclosed by certain corporations according to securities regulations.

There is readily available data that can be utilized for financial research in addition to the data required for financial statements. Electronic media and the financial press are good places to find out how much publicly traded companies' securities are worth. Industries, sectors, and the market at large receive comparable signals from stock price information that is accessible to the financial press. Other economic statistics that can be accessed as data include the gross domestic product and the consumer price index. In order to evaluate affirms performance both now and in the future? Picture this: you are investigating a retail firm. Pamela Drake Peterson compiled the financial statements. You are obligated to document the company's assets and performance. While financial data is essential, it provides just partial insight. In addition, information regarding completion, producer prices, consumer prices, and consumer spending will be required. Both public and private websites make this economic data readily available. Financial analysis takes a broader view than just looking at market, economic, and financial statement data. It also considers events that may impact a company's future or provide light on its current struggles. For instance, have there been any significant losses for the organization as of late? How exactly does the team go about creating new goods? The financial research ought to contain that. The sheer volume of information contained in a company's financial records makes them a daunting prospect for many investors. Whatever the case may be, with the correct perspective, financial records contain a wealth of information.

While the balance sheet provides a high-level overview of the company, the income statement delves further into the company's performance over a specific time frame. Information regarding a company's financial health can be found in its financial statements. Financial records are the foundation upon which fundamental analysts build their recommendations for businesses. We will quickly review the contents and locations of the three most essential financial statements—income statements, cash flow statements, and balance sheets—before diving into their specifics. A report or assessment of management's operations and progress should be provided every three months through financial statements, according to the American Institute of Certified Public Accountants. How company investments are doing The outcome that occurred within the specified time limit Review of the fiscal management

The purpose of financial performance analysis is to get insight into the inner workings and profitability of a company by reviewing its financial records and bookkeeping. Examining financial records and reports allows one to ascertain the efficacy and performance of management.

The analyst verifies the company's liquidity, profitability, and other metrics to ensure the business is being managed intelligently and consistently, and that owners are receiving sufficient returns to maintain the company's market value high.

The organization's primary objective is to discover solutions to the following significant concerns in collaboration with various parties such as owners, managers, creditors, and tax officials: Can you tell me where the company stands financially right now? For a given time period, how has the company's financial situation been?

The financial analysis of a business can hold the solutions to these queries. Financial statements are utilized in the field of financial research. In order to be valid, a financial statement must contain consistent and reasonable data. Accurate and fair accounting processes are used to acquire this data. A better understanding of the financial aspects of enterprises is the intended outcome. You may see the financial status at a specific moment in time on a balance sheet, and all the deals that took place inside a certain time period on an income statement. Therefore, the word "financial statements" is frequently used to describe these two crucial documents: the Balance Sheet and the Income Statement.

IJFANS INTERNATIONAL JOURNAL OF FOOD AND NUTRITIONAL SCIENCES
ISSN PRINT 2319 1775 Online 2320 7876
Research Paper , Journal Volume 11, Iss 07, 2022

3. OBJECTIVES OF FINANCIAL PERFORMANCE

The study objectives are considered in the subsequent financial success analysis. Examining the overall financial performance analysis of the organization is the primary objective. Discover the current state of the organization's finances is the second objective.

I want to know how much money this company could make.

For the purpose of identifying the organization's advantages and disadvantages

SCOPE OF THE STUDY

Determining the financial resources of the selected institution is the primary objective of the research. This will provide financial officials with a better idea of their future performance, which in turn will make it easier for them to analyze financial statements and allocate funds wisely for things like IT staff training and business expansion. The primary objective of this research is to provide a methodology for analyzing sales, working capital, and profit and loss statements in terms of trends. For future evaluations of the business overall, projections might be useful.

THEOROTICAL REVIEW

Other experts have conducted evaluations that are pertinent to this research. Every company needs money to stay afloat. The use of a thick lubricant may irritate a component. Any number of things could lead to a company's revival. Companies with questionable morals often reorganize their financial holdings. It is believed that a company's financial situation can improve with financial reform. Is that so? The purpose of this chapter is to conduct a comprehensive literature review on the subject, drawing from domestic and international sources.

4. REVIEW OF LITERATURE

We just take a look at a few of highly relevant new research that are directly applicable to our present inquiry. 2011 was the year. Subjects: Govind P. Shinde and Menisha Dubey.

Important individual performance in the study was considered across the following categories: passenger automobiles, commercial vehicles, utility vehicles, and two- and three-wheeled vehicles. In addition, we analyzed the primary factors propelling the expansion of the automotive sector and conducted a SWOT analysis.

In this 2011 study, Nishi Sharma compared the profitability of the commercial vehicle and passenger vehicle segments of the car industry. Cash on hand, income, leverage, and managerial effectiveness were the four key financial metrics he utilized for this purpose. The survey was conducted during the years 2001 and 2002 as well as 2010 and 2011. Despite its profitability and competent management, the analysis concludes that Mahindra & Mahindra Ltd. and Tata Motors are in a poor financial position. When compared to the passenger automobile market, the commercial vehicle market has far greater liquidity.

In 2012, Amarjit Singh and Vinod Gupta analyzed a summary of the automotive sector. A large number of international joint ventures have been established in India, a country renowned as a manufacturing powerhouse in the automotive sector. The results of the SWOT analysis revealed that the automotive industry is beset by issues. In the future, the company will prioritize innovative features that are durable, safe, reduce emissions, and improve fuel efficiency. Additionally, there is a need to address issues with electrically operated mechanisms, keyless access, improved driving controls, and soft-touch surfaces.

Khalid S.M. and Zafar S.M. Tariq (2012) investigated the methods used to compute ratios from financial records that are prepared according to management's preferences for stock valuation and depreciation. You can't get a whole picture of a company from a ratio; all it displays is how the two numbers compare. The findings may be omitted or altered by the promoters, and they may fail to mention other factors that impact the company's performance.

ISSN PRINT 2319 1775 Online 2320 7876
Research Paper , Journal Volume 11, Iss 07, 2022

By analyzing sales, production, and export trends, Sabapriya (2012) determined the health of the automotive sector by analyzing a set of firms from 2003 to 2010. Too much debt, insufficient asset utilization, and uncertain liquidity are some of the reasons why the car industry has experienced failures in the past, as stated in the research. Labor efficacy, labor flexibility, and productivity should all rise, according to the report, if the sector is to continue growing in the future.

Researcher Dawar Varun set out in 2012 to examine the impact of dividends, debt, and capital expenditures on the stock prices of Indian manufacturing companies. According to the findings, stock prices are affected by investment policy and incentives, but not by capital structure.

A 2012 study by Mistry Dharmendra S. sought to determine the impact of several factors on the companies' profitability. A company's profitability may be positively or negatively affected by its debt-to-equity ratio, inventory ratio, and total assets, according to the study. The idea was to make businesses more solvent by reducing their fixed expenses, which would let owners trade on equity and increase solvency.

Raphael, Nisha (2013)

Finding out the financial health of the Indian tire company is the author's primary goal. An analysis was conducted to examine the outcomes from 2003–04 to 2011–12, taking into account developments in sales, exports, production, and other metrics. The results highlight the critical importance of enhancing capital efficiency, worker productivity, and adaptability to a company's success.

Rakhi Hotwani in 2013: By analyzing the company's revenue and profit figures over the past decade, the author examines Tata Motors' development and achievement. A few ways to examine statistics are through the use of standard deviations, ratios, and the coefficient of variance. The analysis demonstrates that there isn't a statistically significant link between a company's sales and its potential to make money.

Rahim Sharma, Avinash Singh, and Neeraj Pande Also, more investigation needs to be done to figure out how monitoring social media could affect customer choices. Maruti Suzuki India Ltd. uses social media to lead, react, amplify, and keep an eye on things. In order to acquire information, the researcher talked to the middle management of the social media team and went at MSIL's public social media accounts.

Moses & Daniel A. Joshunar (2013) Tata Motors Ltd.'s financial strengths and shortcomings were determined by looking at financial statistics from the last five years. People utilize ratio and trend analysis to discover out how a company's finances are doing. However, even though the company is doing well financially, it is suggested that it borrow more money to get even better results.

In her 2013 study, Madhavi Dhole looked at how changes in a company's share price affected how well it did. Before choosing the best financial portfolio, investors should think about a number of different factors. In the short term, sentiment is the only thing that can change price movement. In the long term, annual success is the only thing that determines price movement.

Thanks, Vikram Shende The study's results will help both new and established Indian makers understand what customers want and how to meet those needs with their products. It is the goal of the study to find out what factors affect how well consumers do in a certain car category.

According to Gounasegaran and Azhagaiah (2014), India's real GDP per capita is one of the main reasons for the growth of the auto business in the country. The central government would set up a number of task groups to deal with issues like taxation, land acquisition, labor reform, and developing talent in the car industry.

In their study from 2014, Kanimozhip and Buvaneswari looked into how creditworthy certain Indian automakers were. Professor Edward Altman at New York University came up with the Z score research method for figuring out if a business will fail or go bankrupt. Five financial measures are used to figure out how healthy a company's finances are (2014). People like R. Idhayajothi.

The main goal of this study is to look at how well Ashoka Leyland Ltd. is doing financially in Chennai. The

IJFANS INTERNATIONAL JOURNAL OF FOOD AND NUTRITIONAL SCIENCES
ISSN PRINT 2319 1775 Online 2320 7876
Research Paper , Journal Volume 11, Iss 07, 2022

result shows how strong the financial performance is and suggests that it be strengthened by cutting back on a variety of expenses.

The author, Anubha Srivastava To find out if there was a link between the automobile sector index and the market index, the data analysis was done in a hierarchical way, with economic, industry, company, and technical assessments being made. Investors will be drawn to Mahindra & Mahindra if it has a strong place on the stock market. This could lead to more growth and development. Because of this, Tata Motors and Maruti Suzuki need to keep track of their growth and stock.

Krishnaveni, M., and Vidya, R. (2015) say that deregulation and globalization have helped the Indian car industry become a world-class enterprise and a center for exports. This document keeps you up to date on the Indian car industry's production, sales, and exports by category. Before and after liberalization, the growth of a business can be compared. Since the government allows 100% FDI, there should be a 15% increase in customs duties on cars and multipurpose vehicles (MUVs) to help local manufacturers. There should also be a concessional import duty on certain hybrid vehicle parts.

Walmik Kachru looked at how trade policies, liberalization, and government licensing affected the growth of the Indian car industry in her 2015 study. The study shows that buying a four-wheeler is a good investment all over the world, not just in India.

The author Dieter Becker The study gives information about how the global automotive business is doing now and what it could do in the future. This study gathers the opinions of manufacturers, business leaders, and customers about market share, technology compatibility, mobility culture, and the readiness of the business model.

In 2015, Surekha B. Rama and Krishnalah K. Rama This study backs up the claim that the Tata Motors Corporation is very wealthy. It's safe to say that the company has a lot of internal strength. A company can make even more money by cutting down on financial costs like capital gearing, administrative costs, and costs for business growth.

Shri Maheswari Vijay (2015)Hero Honda Motors Limited's financial health can be judged by three main factors: its revenue position, its solvency position, and its liquidity position. A study called ratio analysis was done between 2002 and 2010, and these numbers come from it.

Nidhi Agarwal (2015) The study looks at how well Maruti Suzuki and Tata Motors Ltd. did financially. The many annual reports of companies are where the financial information and data needed for the study are found. Both groups' analyses of their liquidity and debt are now complete. Four ratios are looked at to figure out how much debt a company has: the private ratio, the total debt ratio, the debt-equity ratio, and the capital gearing ratio. Based on the outcome, Tata Motors Ltd. needs to invest more of its owner's money into the business to improve its long-term ability to stay solvent.

M. Krishnaveni and R. Vidya (2015) In the car industry, the standard current ratio is linked to tractors and four areas that follow standard rules: engine parts, lighting, gearing, and accessories. The author has chosen 87 of the 242 businesses in the capital line database to talk about (2015) there was Takeh Ata and Jubilee Navaprabha.

The author has come up with a conceptual model to help explain the link between capital structure and financial success. Return on assets, return on equity, operating profit margin, and return on capital employed are the four ratios that show how much the dependent variable, which is financial success, is worth. You can change the value of capital structure on its own, and the interest payment ratio, financial debt, total debt equity, and total asset debt all affect it. The researcher used SPSS22 to test a theory using different statistical methods, including the anova, the correlation matrix, the standard deviation, and more. The study chose thirteen important steel industries.

In their 2016 study, Jothi and Geethalakshmi use statistical methods like correlation, mean, standard

IJFANS INTERNATIONAL JOURNAL OF FOOD AND NUTRITIONAL SCIENCES
ISSN PRINT 2319 1775 Online 2320 7876
 , Journal Volume 11, Iss 07, 2022

deviation, and ratio analysis to look at the financial health and profitability of some Indian car companies.

K. Kumar It was written by Mohan M.S., Vasu V., and Narayana T.Several ratios, the mean, the standard deviation, and Altman's Z-score method were used to figure out how well the group was doing financially. The study shows that most profitability ratios are linked to liquidity in a good way, except for return on total assets and Z score, which both show that the business is doing very well.

Kaur Harpreet (2016) wants to look into how Maruti Suzuki Co.'s quantitative performance and attributes affect the company's place in the Indian market. Scholarly journals, annual reports, and report car websites were used to gather secondary data for this study. Based on the outcome, MSL has been in charge of India's car industry for a number of years.

5. RESEARCH METHODOLOGY

Because the study was largely about non-financial achievement, it relied heavily on secondary data. The income statement and the financial statement are just two of the numerous components that comprise it.

This analysis relied on publicly available financial statements and yearly reports from Nature's Prime Organic PVT LTD.

Research Design

A study method focused on rigorous analysis may be useful for this type of question. Because facts and information are easily accessible, they are reviewed in order to provide an accurate assessment of the material.

Data collection

This investigation relied on information obtained from other sources. These are facts gathered ahead of time by a third party using statistical methodologies.

Analytical Tool Used

- The following are the primary research and interpreting tools:
- A declaration displaying amounts that are the same or comparable
- Balance-sheet measurements that are frequently utilized Comparison of ratios
- Measurements are evaluated using accepted guidelines.

SUGGESTIONS

- To improve its operations, the corporation would be wise to implement the recommendations that emerged from the research.
- Current assets outperform working capital in terms of capturing a larger share of the company's resources. By reducing interest and other expenditures, the corporation can generate more money.
- The corporation must also reduce the cost of its products while increasing its long-term finances and assets.

6. CONCLUSION

The company's thorough five-year financial performance analysis provided us with a wealth of information regarding their several financial elements. The greatest technique to achieve the best result is demonstrated through the comparison analysis procedure. It gives the company, its owners, and its borrowers the authority to make key decisions and the freedom to relocate. As a result, the natural environment provides greater potential for corporate success.

REFERENCES

1. P.V. Kuirkani Financial Management,EleventhEdition,Himalaya Publication
2. Wisdom, Financial Statement Analysis, 2nd Edition, Journal of Financial Research Publication

ISSN PRINT 2319 1775 Online 2320 7876
 , **Journal Volume 11, Iss 07, 2022**

3. I M Pandey, Financial Performance, Eighth Edition, Vikas Publication
4. Khan M Y and Jain P K, “Financial Management”, Tata McGraw Hill Publications, New Delhi
5. Sharma R K and Shashi K Gupta, “Management Accounting”, Kalyani Publishers, New Delhi
6. Maheshwari S.N, “Financial Management”, Sultan Chand and Sons
7. Jain S.P. and Narang K.L., “Advanced Accounting”, Kalyani Publishers, New Delhi,
8. Kothari C.R, “Research Methodology”, Willey Eastern Ltd., New Delhi
9. Aditham Bhujanga Rao, “Research Methodology for Management and Social Sciences”, Excel Books, New Delhi