

A Study on Comparative Financial Statement of Hatsun Agro Product Ltd (With Reference Last Five Financial Year 2013 To 2017)

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Abstract- *The Financial Statement analyses helps to see the current performance condition of a firm compare past performance. The performances of Companies are dependent more on the management's ability in formulating strategic plans and the efficient implementation of its strategies. The Result and Remedies can be helpful for management of a firm, it is attempts to analyze the financial statements and measure the performance in terms of assets utilization and profitability activities. In detail the research methodology used for the study that has focused on the past and present performance of a firm, the data was collected from income Statement and balance sheet from website. the study has been undertaken on the evaluation of financial performance of company at a particular period. Financial analysis is important to plan to control the firm's financial resources. Researcher has used various Analysis techniques of Financial Statement.*

Keywords- Income Statement, Balance Sheet and Analysis Techniques,

I. INTRODUCTION

Hat sun Agro Product Ltd. has been committed to inspiring the lives of customers through providing high range of quality dairy products. HAP manufactures and markets products that cater to both cooking and consumption, like milk, curd, ice creams, dairy whitener, skimmed milk powder, ghee, pannier and lots more.

Introduction to Financial Statement

Financial statement analysis is structural and logical way to present overall financial performance of a Firm; it's also help to evaluate for financial decision making of the business operation. In financial analysis is the most dominant and logical structure to help business related stakeholder. The analysis of financial statements is a process to obtain a better

understanding of the firm's position and performance, a careful examination of its financial statement as invaluable document / performance reports.

Income Statement Analysis

The profit and loss account shows the result of firm financial operation during a certain period of time in terms of the revenues obtained a summarized view of the financial position and operation of firm.

Balance sheet Analysis

Financial Statement provides some useful information to firm Stakeholders, the extent the Income and balance sheet mirror of financial position of a particular period in terms of the structure of asset, liabilities, owners' equity, and so on.

Financial Statement Analysis Techniques

Financial analysis is the approach to judge the effectiveness of the finance function of a firm. Financial analysis is the process of determining significant financial operating and financial characteristics of a firm. The Financial statement is indicators of two significant factors-profitability and financial soundness.

II. LITERATURE REVIEW

The survey of related literature covers many financial Statement studies that were done nationally and international levels, here, this study covers some of them as follows:

M.Y.Khan & P.K.Jain." Management accounting" in (2007) "Financial performance is the process of selection, relation and evaluation the focus of financial position. The

financial statement is significant relationship that exists between them. The analysis of financial statement is a process of evaluating the relationship between component parts of financial statement to obtain a better understanding of the firm's position and performance".

The study of Laitinen (2006) presents a framework for the public financial statements of the partner firm's financial statement analysis, a network of small and medium sized enterprises. The proportion of income and balance sheet statement items is traced by a simple estimation to the resources used by the network and identified by each firm. The virtual network income and balance sheet statements are made up of the allocated size.

Gangadevi (2008) studied the financial leverage and financing decision for the selected 30 electronic companies analyzed for the five years period (1998 to 2003), In his study he found that the company has a inverse relationship standard like high operating leverage should kept low financial leverage and vice-versa. So, it is desirable that a company has low operating leverage and a high financial leverage.

Noel Capon et al (1994) studied the Strategic Planning impact on financial performance by meta-analysis which has omitted a major study on corporate planning in the fortune five hundred manufacturing firms. He concluded that there is a small but positive relationship between the strategic planning and the performance existed.

III. METHODOLOGY OF THE STUDY

The papers contain briefly study of the data included in financial statements to explain the financial statement performance of the Hutsun Agro Products Ltd, and that will help the management for Financial planning the future operations according to the previous performance, and also contain the converting process of the data of financial statements to meaningful information through several techniques, the financial statement analysis among them.

IV. OBJECTIVE OF THE STUDY

The objectives of the study are outlined below:

- To Discussed the Financial Measurement and analysis.
- To analyze the balance sheet and income statement performance of the Firms.
- To study the financial health of the company by using various Financial Ratios.

V. DATA COLLECTION

For the success of the present study required data was collected mainly from secondary source like Published Annual Reports, Journals, books and websites. The annual report of hut Sung Agro Products , from the financial year 2013 to 2017. This data research helps to evaluate the overall Firm financial performance assesses the Financial Strength and Weakness of the Firms.

Tools used for data analysis: The last 5 years annual report of the Selected Company Financial Statement Analysis is compiling and tabulated for the purpose of study. We are using various analysis tools and techniques; there are Ratio Analysis, Comparative studies of Balance sheet and Income Statement with Percentage.

From the Table-1: observation is clear from the Comparative Income Statement of the FY ended 2012-13 and 2016-17 of Hut Sun Agro Products Ltd. That the revenue generated from the sales has increased by 15.17%, (328.52 cr) in the year 2014 comparing to Previous Financial year 2013, 17.81% (444.13 cr) in the year 2015 comparing to Presiding Financial Year 2014, 17.44% (512 cr) in the year 2016 comparing to Presiding Financial Year 2015 and 21.95% (757.43 cr) in the year 2017 comparing to Presiding Financial Year 2016

The Total revenue generated from the sales and other Sources has increased by 14.11%, (304.47 cr) in the year 2014 comparing to Previous Financial year 2013, 25.72% (633.53 cr) in the year 2015 comparing to Presiding Financial Year 2014, 12.72% (393.88 cr) in the year 2016 comparing to Presiding Financial Year 2015 and 19% (663.18 cr) in the year 2017 comparing to Presiding Financial Year 2016.

The Total Expenditure generated from the Operations has increased by 13.42%, (269.31 cr) in the year 2014 comparing to Previous Financial year 2013, 27.03% (615.46 cr) in the year 2015 comparing to Presiding Financial Year 2014, 10.01% (289.51 cr) in the year 2016 comparing to Presiding Financial Year 2015 and 18.44% (586.77 cr) in the year 2017 comparing to Presiding Financial Year 2016.

The Total Net profit incrementally generated from the Operations and Non operations but net profit growth has increased differently year by year from 2013 to 2017 of the firm. 82.87%, (37.02 cr) in the year 2014 comparing to Previous Financial year 2013, -52.06% (-42.52 cr) in the year 2015 comparing to Presiding Financial Year 2014, 21.34% (121.44 cr) in the year 2016 comparing to Presiding Financial

Year 2015 and 121.44% (73.47 cr) in the year 2017 comparing to Presiding Financial Year 2016.

Above Table-2: observation is clear from the Comparative Balance sheet Statement of the FY ended 2012-13 and 2016-17 of Hut Sun Agro Products Ltd. That the Net Worth value has increased by 38.46%, (49.83 cr) in the year 2014 comparing to Previous Financial year 2013, 23.45% (42.07 cr) in the year 2015 comparing to Presiding Financial Year 2014, 4.15% (9.2 cr) in the year 2016 comparing to Presiding Financial Year 2015 and 50.49% (116.45 cr) in the year 2017 comparing to Presiding Financial Year 2016.

the total Debt has increased by 19.26%, (63.89 cr) in the year 2014 comparing to Previous Financial year 2013, 19.65% (77.72 cr) in the year 2015 comparing to Presiding Financial Year 2014, 9.70% (45.9 cr) in the year 2016 comparing to Presiding Financial Year 2015 and 32.97% (171.19 cr) in the year 2017 comparing to Presiding Financial Year 2016.

From the Table-3; observation is clear from the Financial Ratio of the FY ended 2012-13 and 2016-17 of Hut Sun Agro Products Ltd. That The Operating Margin Ratio is 6.82 in the financial year 2013, Slightly Increasing 7.12 in the Financial year 2014, slightly decreasing 6.76 in the year, Slightly increasing 8.84 in the Financial year 2016 and again increasing 9.03 in the financial year 2017.

That the Profit before Interest and tax margin Ratio is 4.49 in the financial year 2013, Slightly Increasing 4.50 in the Financial year 2014, slightly decreasing 3.54 in the financial year 2015, Slightly increasing 5.72 in the Financial year 2016 and decreasing 5.56 in the financial year 2017.

The Net Profit Ratio is 2.06 in the financial year 2013, Slightly Increasing 3.27 in the financial year 2014, slightly decreasing 1.33 in the financial year 2015, slightly increasing 1.75 in the financial year 2016 and increasing 3.18 in the financial year 2017.

The current Ratio is 0.56 in the financial year 2013, slightly decreasing 0.44 in the financial year 2014, slightly increasing 0.6 in the financial year 2015, slightly increasing 0.56 in the financial year 2016 and increasing 0.54 in the financial year 2017.

The Asset turnover Ratio is 4.74 in the financial year 2013, slightly decreasing 4.48 in the financial year 2014, slightly decreasing 4.31 in the financial year 2015, slightly increasing 4.87 in the financial year 2016 and decreasing 4.47 in the financial year 2017.

VI. CONCLUSION

The research study revealed that financial performs a firm is a fundamental role on investment decisions making and organization performances, which has been shown to be major force in investment decision making. This is achieved by implementing the best fundamental concepts of financial statement analysis for any Firm. Present the Company Net sales and Net Income are Continuously Growing Keep this kind of Growth forever, The firm Need to Reduce the Operating Expenditure for Maximizing the Profit.

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Table 1, Comparative Analysis Income Statement of Hut Sun Agro Products

Particulars / year	2016-17		2015-16		2014-15		2013-14	
	CV	CV%	CV	CV%	CV	CV%	CV	CV%
Income Statement								
Sales Turnover	757.43	21.95	512.38	17.44	444.13	17.81	328.52	15.17
Excise Duty	2.37	43.49	0.86	18.74	4.59	-	0	-
Net Sales	755.06	21.92	511.52	17.44	439.54	17.63	328.52	15.17
Other Income	1.62	40.80	-2.01	-33.44	-2.48	-29.21	5.19	157.27
Stock Adjustments	-93.5	-223.36	-115.63	-73.42	196.47	-504.03	-29.24	300.21
Total Income	663.18	19.00	393.88	12.72	633.53	25.72	304.47	14.11
Expenditure								
Raw Materials	446.22	17.40	196.88	8.32	535.86	29.26	191.29	11.67
Power & Fuel Cost	11.64	12.91	14.86	19.73	10.8	16.74	-9.13	-12.39
Employee Cost	16.63	15.09	17.1	18.36	17.17	22.60	13.85	22.30
Selling and Admin Expenses	29.74	37.38	79.57	-	-	-	-	-
Miscellaneous Expenses	82.56	24.43	-18.9	-5.30	51.63	16.92	73.3	31.61
Total Expenses	586.79	18.44	289.51	10.01	615.46	27.03	269.31	13.42
Operating Profit	74.77	24.54	106.38	53.64	20.55	11.56	29.97	20.28
PBDIT	76.39	24.75	104.37	51.08	18.07	9.70	35.16	23.27
Interest	2.59	3.83	4.67	7.42	23.11	58.02	-4.15	-9.44
PBDT	73.8	30.61	99.7	70.52	-5.04	-3.44	39.31	36.70
Depreciation	38.51	35.96	13.06	13.89	29.06	44.73	14.65	29.11
Profit Before Tax	35.29	26.34	86.64	182.98	-34.1	-41.87	24.66	43.42
PBT (Post Extra-ord)Items	35.29	26.34	86.64	182.98	-34.1	-41.87	24.66	43.42
Tax	-38.17	-51.95	65.28	796.10	8.44	-3516.67	-12.36	-101.98
Reported Net Profit	73.47	121.44	21.34	54.49	-42.53	-52.06	37.02	82.87

- Source: Money Control.com
- Note-1: CV Means Change value
- Note-2: CV% Means Change Value with Percentage

Table 3, Ratio Analysis of Hut Sun Agro products

Particulars / year	Hut sun Agro Products				
	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13
Operating Profit Margin (%)	9.03	8.84	6.76	7.12	6.82
Profit Before Interest And Tax Margin (%)	5.56	5.72	3.54	4.5	4.49
Net Profit Margin (%)	3.18	1.75	1.33	3.27	2.06
Current Ratio	0.54	0.56	0.6	0.44	0.56
Asset Turnover Ratio	4.47	4.87	4.31	4.48	4.74

Source: Money Control.

Table 2, Comparative Balance Sheet analysis of Hut Sun Agro Products

Particulars / Year	2016-17		2015-16		2014-15		2013-14	
	CV	CV%	CV	CV%	CV	CV%	CV	CV%
Total Share Capital	4.35	40.02	0	0.00	0.1	0.93	0	0.00
Equity Share Capital	4.35	40.02	0	0.00	0.1	0.93	0	0.00
Reserves	112.1	51.00	9.2	4.37	41.97	24.89	49.83	41.95
Net worth	116.45	50.49	9.2	4.15	42.07	23.45	49.83	38.46
Secured Loans	86.54	22.82	-19.06	-4.79	38.91	10.83	64.67	21.94
Unsecured Loans	84.65	60.46	64.96	86.60	38.81	107.21	-0.78	-2.11
Total Debt	171.19	32.97	45.9	9.70	77.72	19.65	63.89	19.26
Total Liabilities	287.64	38.36	55.1	7.93	119.79	20.83	113.72	24.65
Application Of Funds								
Gross Block	426.91	38.20	110.79	11.00	216.53	27.40	172.14	27.85
Less: Accum. Deprci	85.5	18.18	95.81	25.58	87.95	30.68	60.23	26.60
Net Block	341.41	52.75	14.98	2.37	128.58	25.53	111.91	28.57
Capital Work in Progress	-	-	-23.38	-100.00	-82.93	-78.01	61.53	137.41
Investments	-0.01	-3.85	-0.54	-67.50	0	0.00	0.12	17.65
Inventories	-50.24	-14.49	88.24	34.13	169.97	191.93	-22.14	-20.00
Sundry Debtors	26.05	174.71	2.28	18.05	-9.27	-42.33	-20.88	-48.81
Cash and Bank Balance	25.87	87.84	5.88	24.95	12.84	119.66	-19.5	-64.51
Total Current Assets	1.68	0.43	96.4	32.71	173.54	143.20	-62.52	-34.03
Loans and Advances	64.28	74.46	-18.17	-17.39	-5.76	-5.22	44.08	66.61
Total CA, Loans & Advances	65.96	13.81	78.23	19.60	167.78	72.49	-18	-7.38
Current Liabilities	183.08	45.94	56.93	16.67	76.23	28.72	46.29	21.13
Provisions	-5.6	-61.95	-10.21	-53.04	17.43	957.69	-4.92	-73.00
Total CL & Provisions	177.48	43.94	46.72	12.95	93.66	35.05	41.37	18.32
Net Current Assets	-111.52	-159.59	31.51	82.12	74.12	-207.33	-59.81	-248.59
Total Assets	229.88	32.04	22.57	3.25	119.77	20.83	113.75	24.66

Source: Money Control.com

Note-1: CV Means Change value

Note-2: CV% Means Change Value with Percentage