

Financial Performance of Sri Meenakshi Electricals In Coimbatore City

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Abstract- This study highlights the problems faced by the street food vendors. Street vending is an ancient form of business, it is still not developed to the fullest even in this modern futuristic world. The main objective of this project is to know the problems which are majorly faced by the street food vendors. The study was conducted in Coimbatore city with sample size of 113 respondents through random sampling method. the method used for the study is simple percentage analysis. The obtained result of the study is that most of the respondents are less educated and uneducated, they didn't get government scheme benefits and supports. Most of the problems are tackled by street food vendors, other than finance for vending, only to sustain but not to the next stage that is shops.

I. INTRODUCTION

Financial analysis is the process of examining a data, competitions or industry averages to determine the relative strength and performance of the company company's performance in the context of its industry and economic environment in order to arrive at a being analyze. decision or recommendation. Often, the decisions and OBJECTIVES recommendations addressed by financial analysts

1. To analyse the Liquidity and Solvency pertain to providing capital to companies specifically, performance of Sri Meenakshi Electricalswhether to invest in the company's debt or equity
2. To find out Trend Analysis of Sri Meenakshi securities and at what price. An investor in debt Electricalssecurities is concerned about the company's ability to

II. REVIEW OF LITERATURE

AmalenduBhunia., (2017) aims to identify the analysis used to evaluate economic trends, set financial strengths and weaknesses of the Indian financial policy, build long-term plans for business public sector pharmaceutical enterprises by properly activity, and identify projects or companies for establishing relationships between the items of the investment.One of the common ways to analyze balance

sheet and profit and loss account. financial data is to calculate ratios from the data in the

Daniel A. Moses Joshunar (2015), the study has financial statements to compare against those of other been conducted to identify the financial strength and companies or against the company's own historical weakness of Tata motors Ltd, using past 5 years performace. financial statements. Trend analysis and ratio analysis

STATEMENT OF THE PROBLEMS:

Financial statement analysis is used to identify the Financial performance of the company is satisfactory trends and relationships between financial statement and also suggested to increase the loan levels of the items. Both internal and external users of the financial company for the better performance. statements need to evaluate a company's profitability, liquidity and solvency. The most common methods used for financial statement are trend analysis and ratio analysis. These methods include calculations SCOPE:

LIMITATION OF THE STUDY:

The financial analysis is done to suggest the The study is limited to only five years (2017-2022) possible solutions, The study is confined to Sri financial data. Analysis and interpretation are Meenakshi Electricals. The study is carried out for purely based on Secondary data which are taken 5 years (2017-2022) data of Sri Meenakshi from published annual report of Sri Meenakshi Electricals. The scope of the study is to collecting Electricals. The values calculated are from past financial data of the company financial statement and these are not indicators of future.

III. RESEARCH METHODOLOGY

LIQUIDITY RATIO:

The research methodology is a systematic way to

TABLE: CURRENT RATIO:

YEAR	CURRENT ASSETS (IN CR)	CURRENT LIABILITY (IN CR)	CURRENT RATIO
2017-2018	2024.44	1489.98	1.35:1
2018-2019	2112.83	1586.01	1.33:1
2019-2020	2244.86	1618.44	1.38:1
2020-2021	2556.64	1687.55	1.51:1
2021-2022	2739.62	1902.09	1.44:1

design of the project is popularly known as research design. The study depends mainly in company's report, books and company's profile. Financial statements of the previous years can be compared and the trends regarding various expenses, purchases, sales, gross profit and net profit can be ascertained. The tools are used ratio analysis in the four year period of 2017-22.

DATA COLLECTION:

Data are facts may be derived from several source.

Data is of two types Primary and Secondary.

SOLVENCY RATIO

PRIMARY DATA

TABLE: STOCK TURNOVER RATIO:

YEAR	COST OF GOODS SOLD (IN CR)	INVENTORIES (IN CR)	STOCK TURNOVER RATIO
2017-2018	4361.56	868.06	5.02 Times
2018-2019	5178.43	1078.06	4.80 Times
2019-2020	5263.51	891.37	5.90 Times
2020-2021	7070.59	1717.73	4.11 Times
2021-2022	11350.04	1715.99	6.61 Times

Primary data refers to that data which has been obtained by the researcher directly from the respondents for specific research work.

SECONDARY DATA

The data which are collected from the existing document or reports like final accounts and balance sheet and annual reports of the Sri Meenakshi Electricals company. Method to assess the performance of the company and observation of the work in finance department.

TREND ANALYSIS

TABLE: INVENTORIES:

YEAR	INVENTORIES	TREND PERCENT AGE
2017-2018	868.06	100
2018-2019	1078.06	124
2019-2020	891.37	102
2020-2021	1717.73	197
2021-2022	1715.99	197

INTERPRETATION

current ratio for the financial year 2017-2018 to 2021-2022. The current ratio of the year 2018 is 1.35 and it is decreased in the year 2019 to 0.02. The current ratio again increased in the year 2020 & 2021 is 0.05 & 0.12 and it reduced to 0.66 in the year 2022.

Liquid Ratio is representing the liquid ratio for the financial year of 2017-18 and 2021-22. The liquid ratio of the year 2018 is 0.82 and it reduced to 0.42 in 2019. Then the liquid ratio increased to 0.05 in the year 2020 & 2021. Then it also increased to 0.03 in the year 2022.

The stock turnover ratio for the financial year of 2017-18 to 2021-22. The stock turnover ratio for the year 2018 is 5.02 times and it reduced 0.22 times in the year of 2019. Then it increased to 1.1 times in the year 2020 and it reduced 1.79 times in the year 2021.

Then it increased to 2.5 times to 2022.

The Inventories have registered a continuous increase in all the years. The percentage in 2022 is 197 as compared to

100 in 2018. The increase in inventories is quite satisfactory to the company.

IV. FINDINGS

- The current ratio is high in 2021 at 1.50 and it get reduced in the year 2022 at 1.44.
- The liquid ratio is high in 2018 at 0.82 then it decreased to 0.4 in 2019. Then it increase in every year that is 2020 to 2022.
- The stock turnover ratio must be at low level, Now the company has their stock turnover ratio at high level that means the company purchased stock of every year is equal to their production. There is no wastage of money on invest in stock.
- The liquidity ratios like current ratios, liquid ratios are not showing effectiveness in all years (2017-2018 to 2021-2022).

V. SUGGESTIONS

- The company has to increase the profit maximization and has to reduce their operating expenses like Bank charges, Accounting and Legal Fees etc..
- The company should maintain the sufficient cash and bank balance; they should invest the idle cash in marketable securities or in short term investment in shares, debentures and other securities.
- The company can invest their shares on other companies to increase their asset value and it is a source of income for the company.
- The company can increase its current assets by investing more in current assets or by decreasing its current liabilities so that it can Maintain a standard ratio.

VI. CONCLUSION

The financial position of Sri Meenakshi Electrical is well and good. The liquidity position, short term solvency position and profitability is satisfactory. The progress made by the company during the last five years is well. The company is growing speedily after analyzing the management of Sri Meenakshi Electricals has a competent management, which cares about shareholders interests and believes in company's future. Sri Meenakshi Electricals is one of the fastest growing electrical company in Coimbatore and a company which has improving profitability margins and decreasing working capital cycle.

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