



**A STUDY ON FINANCIAL PERFORMANCE ANALYSIS ON TOP ANIL MAARKETING
COMPANY, DINDIGUL**

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ABSTRACT

Financial banking is the science of managing money and other assets pertaining to a specific business. We all know that banks offer basic loans, deposits and financial advice, but they also facilitate transactions on sophisticated financial instruments such as private equity, bonds and mutual funds. Most top performing candidates typically view careers in banking as the pinnacle of achievement, and sectors such as treasury, equity trading, investment banking and private banking are viewed as the most lucrative jobs for new graduates. In addition to traditional bank, other financial institutions such as credit unions, trust companies, mortgage loan companies, insurance companies, brokerage firms and asset management firms also offer a host of financial advice. Hence, when viewing the opportunities in the sector, one must also carefully consider these other specialized financial institutions. The study entitled the financial performance analysis an Company. The objective of this study is to compare the current financial performance with last five years and to study the existing financial position of Company. The data used in this study is secondary data through annual report. The data that used in this study, comparative balance sheet, common size balance sheet, comparative balance sheet analysis ,that the current liabilities is higher than the current asset in every year and it is to be suggest that the company can concentrate on their increasing the level of the current asset. So the company improves this financial position. The study of financial performance on The Company has revealed the great deal of their various financial aspects for five years. The comparative analysis unlocks the overall performance methodology

Key words: Finance, Ratio Analysis, Trend Analysis, Comparative Statement.

INTRODUCTION

Finance is the life, blood of business; It's rightly termed as the science of money. Finance is very essential for the smooth of the business. According to Wheeler, "Finance is that business activity which is concerned with the organization and conversation of capital funds in meeting financial needs and overall objectives of a business enterprise".

Financial management is that management activity which is concerned with the planning and controlling of a firm financial reserve. Financial management as an academic discipline has undergone fundamental changes as regards its scope and coverage. In the early years of its evolution it was treated synonymously with the raising of funds. In the current literature pertaining to this growing academic discipline, a broader scope so as to include in addition to procurement of funds, efficient use of resource is universally recognized. Financial analysis can be defined as a study of relationship between many factors as disclosed by the statement and study of the trend of these factors.

The basis for financial planning, analysis and decisions-making is the financial information. Financial information is needed to predict, compare and evaluate the firms earning ability. It is also required to aid in economic to decisions making investment and financial decision making. The financing information of an enterprise is contained in the financial statements or accounting reports.

The financial analysis process is identifying the performance and trend and the areas of strength and weakness of the firm by properly establishing relationships between the items of the balance sheet and profit and loss account. It is the study of the performance of the unit and therefore is aimed at the financial performance in an individual unit.

This is therefore aimed at analyzing the performance and trend and the areas of strength

and weakness of a business undertaking by regrouping and analysis of figures obtained from a financial statement and balance sheet by the tools and techniques of management accounting. Financial analysis is regarded as the final step of accounting that results in the presentation of final and the exact data that helps the business managers, creditors and investors.

Is the financial analysis a ratio is used as an index for evaluating the financial positions and performance of the firm. The absolute accounting figures reported in the financial statement do not provide a meaningful understanding of the performance and the financial positions of a firm. But the accounting figures convey the meaning when it is related to some other related information for example Rs.5 Cores net profit may look impressive, but the firms performance can said to be good or bad only when net profit figures is related to the firm investment.

STATEMENT OF THE PROBLEM

- Every organization prepare final accounts i.e., trading, profit & loss a/c and balance sheet but it only shows profitability and financial position of the organization.
- The financial statement analysis takes non-financial into consideration and provides basis for comparisons and decision making.
- The goal of such analysis and performance is to determine the efficiency of operation of the firm.
- The financial statement only shows the process and activity done but financial analysis and performance shows depth efficiency of functions.
- Hence this study conducted an analysis to know about Anil Foods and to identify the growth of the firm and know how financial performance plays a vital role in growth of the firm.

OBJECTIVE OF THE STUDY

PRIMARY OBJECTIVE

- To study the overall financial performance of the Anil Foods for the last five years.

SECONDARY OBJECTIVE

- To interpret the profitability and efficiency of the company.
- To know the short term & long term solvency positions of the company.
- To analyze the financial stability of the company.
- To know about the financial requirement of the forth coming years.
- To find out the capacity of company in adverse economic conditions.
- To decide the future prospects of the company.
- To study the fitness of financial ratios in measuring and predicting the performance and financial positions of Anil Foods.
- To study the operating efficiency of the company.
- To study the financial mechanism in maintain ratio position.

NEED OF THE STUDY:

Financial statement analysis is used to identify the trends and relationships between financial statement items. Both internal management and external users (such as analysts, creditors, and investors) of the financial statements need to evaluate a company's profitability, liquidity, and solvency.

The most common methods used for financial statement analysis are trend analysis, common-size statements, and ratio analysis. These methods include calculations and comparisons of the results to historical company data, competitors, or industry averages to

determine the relative strength and performance of the company being analyzed.

A company's financial performance tells investors about its general well-being. It's a snapshot of its economic health and the job its management is doing providing insight into the future: whether its operations and profits are on track to grow and the outlook for its stock.

SCOPE OF THE STUDY

- The scope of the study is entitled towards analyzing the performance of the Anil Foods.
- The study encloses some of the financial tools and techniques in the calculation, so that the real financial positions of the company could be observed.
- The financial positions of the company reveal the profitability and credits worthiness, in the study the financial tools such as Ratio Analysis, Trend Analysis & Correlation are performed to bring out the real financial positions of the company in future.
- The scope of the study is geared towards identifying important areas of control and to establish model for better control of the various components of working capital.
- The study would also attempt to identify the various sources available for financing of working capital.

RESEARCH DESIGN:

The Research approach used for the study is descriptive. The form of the study is on the cash management in general and specific to the final position. A research design is concerned with turning question into a testing project. The best design depends on the research questions.

The research design has been considered as a "Blue print" for research, dealing with at least four problems: What question to study, what data are relevant, what data to collect, and how to analyze the results.

RESEARCH METHODOLOGY:

Introduction

Research methodology is a way to systematically solve the problem. It may be understood as a science of studying how research is done systematically. In that various steps, those are generally adopted by a researcher in studying his problem along with the logic behind them.

It is important for the research to know not only the research method but also know methodology. The procedures by which researcher goes about their work of describing, explaining and predicting phenomenon are called methodology methods comprise the procedures used for generating, collecting and evaluating data. This entire means that is necessary for the researcher to design his methodology for his problem as the same may differ from problem to problem.

Data collection

Data collection is important step in any project and success of any project will be largely depend upon how much accurate you will be able to collect and how much time, money and effort will be required to collect that necessary data, this is also important step. Data collection plays an important role in research work. Without prior data available for analysis you cannot do the research work accurately.

Types of data collection

These are two types of data collection methods available for the research, They are as follows.

- Primary data collection
- Secondary data collection

Primary data collection

The primary data collection is that which is collected fresh or first hand and for first time which is original in nature, Primary data can collect through personal interview, questionnaire etc., to support the secondary data.

Secondary data collection

The secondary data are those which have already collected and stored. Secondary data

easily get those secondary data from records, journals, annual reports of the company etc. It will save the time, money and efforts to collect the data. Secondary data also made available through trade magazines, balance sheets, books etc.

This project is based on primary data collected through personal interview of head of accountant department and other concerned staff member of the finance department.

But primary data collection had limitations such as matter of confidential information thus project is based on the secondary information collected through five years annual report the company, supported by various books an internet slides. The data collection was aimed at study financial performance of the company.

Research Design

Research design is purely and simply the framework or plan for a study that guides the collection and analysis of data. "Analytical research" Technique was adopted in this project.

Sample Size

The sample sizes chose from secondary data from the last five years financial statements (2018 - 2023).

Tools and Techniques used

In this study certain tools and techniques are applied to test the financial information. A financial statistical process control tools has also been used.

Analytical Tools

- Ratio Analysis
- Trend Analysis

COMPANY PROFILE

ANIL is a leading Indian FMCG company with interested in varieties of healthy Indian food choices. Our focus is to nourish people's lives by offering a wide range of convenient, delicious and affordable food products for the entire family to enjoy balanced healthful diet.

STRENGTH

More than three decades of excellence in understanding people's growing needs and testes and maintaining a strong customer base. Customer satisfaction and their positive word of mouth in recommending ANIL products to others has been our greatest strength.

COMPANY HISTORY

Anil group was fund in the year 1984 by Mr. Nagarajan. His legendary is being followed by Mr. N. kamala Hassan and Mr. N. Sugumar, the second generation entrepreneurs in Dindigul district of Tamilnadu. Originating from humble roots, the brand ANIL has come to rule every house hold today through steady hard work, sincerity, loyalty and honestly.

ANIL works together with dealers and clients extensively across boundaries to meet the needs of customer thus rising to become one of the chief manufactures and distributors in the food industry. Starting with vermicelli, today, ANIL brand encompasses a wide range of products that caters to most of the food needs in households.

This phenomenal success of ANIL can be attributed to the following: Best quality, reasonable pricing, attractive and safe packaging, hygienic production without any chemical addition and continuous availability in the market at all seasons. To make affordable top quality food at very reasonable price to everyone has been the online motto of our founders and the brand as a whole.

PRODUCTS:

ATTA

When flour or Atta is the staple food for most north Indians. It also is included in south Indian cuisines. When is healthier option to rice and hence it is preferred by many. For those suffering from diabetes, wheat is the best option. Wheat flour has many nutritive values including protein and fiber content.

APPALAM

Appalams are the most include side dish in an everyday south Indian house to add on the crisp factor to their lunch. The Dies shaped

Appalams are made of well dried urad dial paste. To make this, the gram is first soaked and grinded with water after which they are cut in shapes and kept away for draying. The Appalams are sun-dried until all of the moisture and packed away. To make these Appalams, deep frying in a pan of oil for a few seconds in enough.

RAGI FLOUR

Ragi flour is a nutritional food supplement which is rich in calcium, fiber, protein, iron and other minerals. The flour produced can be used in a variety of dishes both sweet and spicy in nature. Ragi flour is generally used to prepare a healthy breakfast, " kanji" which is a sweet dish prepared with jiggery or sugar and milk.

THINA VERMICELLI

Thina vermicelli is an important healthy alternative for rice. When compared to rice. When compared to rice, it has low glycolic index i.e. only gradually increase blood sugar after food intake. It is high carbohydrates, dietary, fiber, minerals and iron. Thinai builds body strength and makes one highly immune. The risk of gastric problems and heart problems can be considerable decreased with regular in take of thinai in the diet.

LEMON VERMICELLI

Lemon semia is one of the easiest, last time consuming morning breakfast. Lemon semia is made by first boiling the semia with ample amount of salt and draining then it completely to let it cool. Squeezing some lemon juice over the boiled semia along with some tempering of mustard and turmeric will finish the recipe. Lemon semia adds a tangy and colorful change from the everyday breakfast.

ANIL SAMBA BROKEN WHEAT

Wheat It is quality product selected from the variety of wheat processed at hygienic facility. No artificial ingredients are added and are packed in tight food grade polyester to ensure the real taste of wheat. Apart from the regular usage it is useful for dietary preparation and is one of the recommended products for the diabetic patient.

RICE FLOUR

Rice has been the staple food of India since historical times. A variant form of this rice is the ground form of it which can be stored for long durations and used to make instant recipes. Rice is first roasted or dried to remove any moisture in it and then ground into a fine powder as the recipe flour. This flour can be used to make many recipes like kozhukattai, puttu, idiyappam etc.

ROASTED SHORT VERMICELLI

Vermicelli or semia is an Indian form of spaghetti made from hard ground wheat. It helps satisfy the noodles craze that is popular in the west. Semia comes in both roasted and non-roasted packed forms. The roasted semia makes it a ready to use instant noodle. The short spaghetti is used in making sweet dishes like kheer or payasam.

VARAGU VERMICELLI

Ragi semia is made from the flour of Ragi extracted during the milling process. The Indian authentic noodles of Ragi are used in the preparation of many dishes. They can be prepared in variations just as the normal vermicelli in Indian cuisine like ragi upma with plenty of vegetables. It is best to add it to dishes along with a combination of sugar or jiggery and grated coconut.

WHEAT VERMICELLI

There is a growing popularity among the consumers for traditional foods due to their health benefits, and wheat is one among them. Traditional foods like vermicelli are the expression of our Indian culture, history and life style. Wheat vermicelli is a traditional product prepared by using whole or refined wheat flour. Hard dough is prepared, cold extruded and dried in the sun. In wheat vermicelli, when flour remains as the basic ingredient used.

PAYASAM VERMICELLI

Payasam vermicelli can be made from whole wheat flour. It is one of the long type vermicelli. The appearance of payasam vermicelli is much thinner than noodles. It is mainly used for making payasam which are most

commonly prepared on the festivals. They are fat-free and very low in sodium. It is rich in carbohydrates that are essential for energy production in the body. Payasam can be made within 20 minutes.

CORN VERMICELLI

Corn or solam vermicelli contains a variety of beneficial phytochemicals that act as antioxidants to the body. It has high fiber content which is vital for overall digestive function. It is remarkably rich in antioxidants and helps to slow down the process of aging.

TAMARIND VERMICELLI

Tamarind vermicelli or semia is another form of semia where in the sour taste of tamarind dominates the dish. It is made by tempering mustard, curry leaves, and chilies in a little oil and adding on tamarind water in it. Once the water comes to boil, the Semia is added in either its roasted or non-roasted form until it is well cooked. The tamarind water that is needed for the recipe can be freshly made by soaking some tamarind in hot water that is needed for the recipe can be freshly made by soaking some tamarind in hot water or by using packaged pastas available in the market.

KAMBU VERMICELLI

Kambu vermicelli is an excellent repository of proteins, calcium, folic acid and fat. Kambu gives instant energy. It eliminates gastrointestinal disorders, constipation, gas and excess gas. It strengthens the immune system and helps in making digestion process easier.

IDIYAPPAM FLOUR

Idiyappam are made a form of ground rice. The rice is dried and ground to a fine paste to form the flour which is of smooth texture and white in color. Idiyappam from the a healthy dinner recipe in south Indian. The flour can be mixed with hot water and some salt and then pressed inside through an idiyappam maker. The idiyappam can be steamed in a normal idly maker for a few minutes and served hot with chutney.

KOZHUKATTI FLOUR

Kozhukattai have been a traditional food made during Ganesh chaturathi. They are called asmodhak in north India and kozhukattai in south India. Kozhukattai are made by mixing the kozhukattai rice flour with ample amount of water and salt to make dough. Then this dough is sapped into pitted forms and filled with coconut and jiggery mixture.

MURUKKU FLOUR

Murukku flour is made by grinding dry rice flour along with dry urad dal flour. The packed flour is then mixed with water, salt, asafetida, and sesame seeds. The mixture is then kneaded into Murukku dough. By using Murukku mould, the dough is deep fried spirally in oil to get Murukku. They are an all-time favorite snack for south Indian people to rejoice with tea.

MAIDA

Maida is milled from the endosperm just like wheat then finely refined and balanced to get its smooth and white texture. Media is rightly named as all- purpose flour due to its universal cooking properties, in an Indian household, Maida can be used in making parathas, Maida can be used un making parathas, shawarmas, puris and other lip-smacking dishes.

NOODLES

Noodles have been an all-time favorite for people of all ages. They found their origin from china and Italy, where they were made from all-purpose flour. Due to their fast cooking time and immense flavors, they quickly became a popular dish. Our noodles have the qualities of fiber and protein which boosts the health of people while enjoying the taste. Noodles are usually made by boiling in water with salt and the packed masala.

ROASTED RAVA

Rava is milled from Maida, by grinding the husked wheat after which the flour is ground. Rava is also called as semolina or shoji. After milling of the wheat, it is passed through a fine mesh till the flour and Rava are separated. Rava is used to make many Indian dishes in a short time like Rava dosa, Rava upma, Rava idly, khichadi and also sweets like Rava.

BABY APPALAMS

Appalams are thin disc shaped crispies that have been making an excellent side dish in most of Indian. Appalams are made from gram flour-urad dal flour which is ground into the fine pasts, cut into disc and then dried in the sun for some days. There are many flavors in the Appalams like salt, paper flaked, chilly flaked, etc . the packed Appalams are then deep fried in oil for a couple of seconds and served as a side dish or a starter. Baby Appalams are smaller versions of the same.

CHAKKI FRESH ATTA

Wheat flour stays fresher when it is freshly milled and directly delivered from the flour mills. Our chakki fresh Atta are freshly ground wheat flour with high nutrition values. The ground wheat flour is made sure so that its fiber and proteins are not wasted while grinding it. The wheat flour is highly nutritive and absorbs more water so that the chapattis stay for a longer time. Chakki fresh Atta can be used to make many varieties of chapattis and poor's.

CRYSTAL SALT

Lodi zed crystal salts are freshly made frame the salt producers and loized to the right quantity to add on health benefits. The crystal salts are not made by machinery but are hand made in hygienic conditions with care for human health. These crystals add both flavor and help in the right physical and mental and mental development in children.

FINDINGS:

- The quick ratio reaches 0.93:1 which is near by the ideal quick ratio.
- The Absolute liquid ratio reaches 0.74:1 which is reaches by the ideal Absoluteliquid ratio. So the company financial position is well and good.
- The Debt Equity ratio is increased 0.63 during the year 2020-2021. So the company Equity Position is well and good.
- The Proprietary ratio is increased (0.72) during the year 2020-2021.

- The capital gearing ratio is increased (0.63) in the year 2020-21. A high capital gearing ratio, a fixed amount of profit will go to the person who have provided fixed interest bearing fund will be distributed among the equity shareholders.
- The return on shareholder's fund ratio is increased (0.62) during the year 2022- 2023.
- The Total Asset ratio increased (0.43) in the year 2022-23.
- The Inventory turnover ratio increased (21.66) in the year 2021-22. Highest turnover of inventory denotes the more efficiency of its management.
- The capital turnover ratio increased (8.82) during the year 2022-23.
- The Debtors turnover ratio increased (28.89) during the year 2020-21.
- The debtors collection period for the year 2021-22 is low (10 days), compared with each year because high debtor ratio which is good sign for the company.
- The creditor's turnover ratio increased in 2021-22.
- The Working capital Turnover Ratio increased in (34.21) the year 2019-20. A high working capital turnover ratio shows efficient use of working capital and quick turnover of current assets like stock and debtors.
- The Gross Profit Ratio increased (7.45) during the year 2020-21.
- Net Profit Ratio increased (3.60) during the year 2020-21.
- The Inventory to working Capital Turnover Ratio increased (1.88) during the year 2020- 21.

SUGGESTIONS

From the data analysis and interpretation the researcher has given certain suggestions for improving the financial efficiency of Top Anil Maarketing Company, is operating in a cost effective manner. In the operation of the researcher, it can reach a further higher standard which is not a long way ahead.

- Steps to taken to increase the turnover ratio.
- By investing more in the current asset it will help the company to maintain an effective working capital management.
- To maintain a better liquidity position the company has to invest more in its current asset.
- If the company increases the share holder's investment, it helps in reducing the long-term debts. Therefore the value of interest paid to the outsiders will be reduced and the return on investment will be high.
- The study reveals that the company has increased its income for all the years.
- The company should increase its current asset like cash, investment and other asset to meet its current obligations and when they are due for the payment.
- Steps should be taken to maintain the Net profit, Return on Shareholders fund, fixed asset for the future years.
- The company should maintain effectively the Income and Expenditures for the future period.
- It is necessary to divert the advances effectively.
- The company can deploy the capital in profitable ways that will increase the Return in Capital employed.
- The firm can adopt strategies, so that the long-term funds and not by short-term funds so that the company can meet its current obligations without any trouble.
- The company profits are huge in the current year; it is better to declare the dividend to shareholders. The company is utilizing the

fixed assets, which major help to the growth of the organization. The company should maintain that perfectly.

CONCLUSION

The study is made on the topic financial performance using ratio analysis with five years data in Top Anil Maarketing Company. The current and liquid ratio indicates the short term financial positions of Top Anil Maarketing Company. Whereas debt equity and proprietary ratios shows the long term financial positions. Similarly, activity ratio and profitability ratios are helpful in evaluating the efficiency of performance in Top Anil Maarketing Company. The financial performances of the company for the five years are analyzed and it is provided that the company is financially sound.

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