



International Journal of Advanced Research in Education and Technology (IJARETY)

Volume 12, Issue 3, May-June 2025

Impact Factor: 8.152



A Study on Financial Statement Analysis in Swamy Automobiles Maruti Suzuki Authorised Service

Mr. V. Vijaykumar, Ms. S. Nandhini

Assistant Professor, Department of Management Studies, Jaya Engineering College, Thirunindravur, Chennai,
Tamil Nadu, India

II MBA, Jaya Engineering College, Thirunindravur, Chennai, Tamil Nadu, India

ABSTRACT: Financial statement analysis is a critical process used by both external and internal stakeholders to evaluate a company's financial health, performance, and business value. It involves establishing meaningful relationships between various items in the two primary financial statements—the income statement and the position (balance) sheet—to draw conclusions about profitability, financial strength, and future prospects. This analysis helps in assessing efficiency, soundness, and growth potential of a business by comparing historical data and trends in sales, expenses, profits, assets, and liabilities. Ultimately, financial analysis supports decision-making aimed at ensuring adequate returns on invested capital and determining the company's capacity to meet financial obligations such as interest payments.

KEYWORDS: Financial statement analysis, income statement, balance sheet, profitability, financial soundness, business performance, trend analysis, financial strength, return on investment, financial decision-making, asset valuation, liabilities, growth potential.

I. INTRODUCTION

Financial statement analysis is the process of analyzing a company's financial statements for decision-making purposes. External stakeholders use it to understand the overall health of an organization and to evaluate financial performance and business value. Internal constituents use it as a monitoring tool for managing the finances. Analysis means establishing a meaningful relationship between various items of the two financial statements with each other in such a way that a conclusion is being drawn. By financial statements by means of two statements. These are prepared at the end of a given period of time. They are the indicators of profitability and financial soundness of the business concern. The term financial analysis is also known as analysis and interpretation of Financial statements. It refers to the establishing meaningful relationship between various items of the two financial statements Income statement and position statement. It determines financial strength and weakness of the firm. Thus, the analysis and interpretation of financial statements is very essential to measure the efficiency, profitability, financial soundness and future prospects of the business units. Financial analysis serves the following purposes. The main objective of a business is to earn a satisfactory return on the funds invested in it. Financial analysis helps in ascertaining whether adequate profits are being earned on the capital invested in the business or not. It also helps in knowing the capacity to pay the interest. Financial statements of the previous years can be compared and the trend regarding various expenses, purchase, sales, gross profits and net profit etc. can be ascertained. Value of assets and liabilities can be compared and the future prospects of the business can be envisaged. The trend and other analysis of the business provides information indicating the growth potential of the business.

OBJECTIVES OF THE STUDY

Assessing Financial Performance

- To evaluate a company's profitability, efficiency, and operational performance over a period.

Analyzing Trends Over Time

- To identify growth patterns, changes, or anomalies in key financial areas through comparative and trend analysis.

Supporting Decision Making

To aid management, investors, and stakeholders in making informed financial and strategic decisions.

- Determining Profitability and Efficiency
To evaluate how well a company utilizes its resources to generate profits.

- Planning and Forecasting
To provide a basis for future financial planning, budgeting, and forecasting.

SCOPE OF THE STUDY

Analysis of Key Financial Statements:

- Balance Sheet: Assessment of assets, liabilities, and equity to understand the company's financial position at a specific point in time.
- Income Statement: Evaluation of revenues, expenses, and profitability over a given period.

Trend Analysis

- Observing changes in financial data over multiple periods to identify patterns, growth trends, or declines.

Comparative Analysis

- Comparing the financial performance of the firm with competitors or industry averages to evaluate relative standing.
- Evaluating Financial Strength and Weakness
- Identifying strengths to build upon and weaknesses to address for better financial management and planning.

Decision Support

- Assisting management, investors, lenders, and other stakeholders in making strategic financial decisions.

II. REVIEW OF LITERATURE

Maria Zain (2018), in this article he discusses about the return on assets is an important percentage that shows the company's ability to use its assets to generate income. He said that a high percentage indicates that company's is doing a good utilizing the company's asset to generate income. He notices that the following formula is one method of calculating the return on assets percentage. $\text{Return on Assets} = \frac{\text{Net Profit}}{\text{Total Assets}}$. The net profit figure that should be used is the amount of income after all expenses, including taxes.

James Clausen (2018), in this article expresses about the liquidity ratio. He Pronounce that it is analysis of the financial statements is used to measure company performance. It also analyses of the income statement and balance sheet. Investors and lending institutions will often use.

Gopinathan Thachappilly (2018), in his studies, states that the Liquidity Ratios help Good Financial. He knows that a business has high profitability, it can face short-term financial problems and its funds are locked up in inventories and receivables not realizable for months.

Jo Nelgadde (2018), in this thesis, he briefly discusses about the asset management ratio. It divided into different types of categories. He states that about the used to analyze accounts receivable and other working capital figures to identify significant changes in the company's operations and financial accounts.

Lucia Jenkins (2019), Understanding the use of various financial ratios and techniques can help in gaining a more complete picture of a company's financial outlook. He thinks the most important thing is fixed cost and variable cost. Fixed costs are those costs that are always present, regardless of how much or how little is sold.

Elizabith & Greg, (2019) showed that all financial performance measures as interest margins, return on assets, and capital adequacy are positively correlated with customer service quality scores. Many researchers have been too much focus on asset and liability management in the banking sector, (Arzu & Gokhan, 2019) discussed the asset and liability management in financial crisis.

Medhat, (2019) used multiple regression analysis and correlations to test the financial performance of Omani Commercial banks. He used the ROA and the interest income as performance proxies (dependent variables), and the bank size, the asset management and the operational efficiency as independent variables.

Khan (2019) found that the bank with higher total capital, deposits, credits, or total assets does not always mean that has better profitability performance. According to Dr. M. Ravichandran the financial performance can be measured by using various financial tools such as profitability ratio, solvency ratio, comparative statement.

M. Ganga (2020) on the evaluation of financial performance of Equites Micro Finance Private Limited in Chennai. According to them financial analysis is important to plan and control the firm’s financial resources. They adopted various research techniques to find the evaluation of financial performance of the organization.

III. RESEARCH METHODOLOGY

Research methodology is the specific procedures or techniques used to identify, select, process, and analysis information about a topic. In a research paper, the methodology section allows the reader to critically evaluate a study’s overall validity and reliability. The process used to collect information and data for the purpose of making business decisions. The methodology may include publication research, interviews, surveys and other research techniques, and could include both present and historical information.

Research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. It constitutes the blueprint for the collection, measurement and analysis of data. The design adopted in the study is analytical done at branch level.

Data collection is one of the most important aspects of research. The information in tough research methodology must be accurate and relevant. The data collection method can be classified into two methods.

Secondary data means data that are already available i.e., they refer to data which has already been collected and analyzed by someone else. The secondary data for the study was collected from book, company websites, magazines and other sources.

Period of the study is 5 years 2019-2020,2020-2021,2021-2022,2022-2023, and 2023-2024

RATIO ANALYSIS: CURRENT RATIO:

$$\text{CURRENT RATIO}=\text{CURRENT ASSET}/\text{CURRENT LIABILITIES}$$

Current ratio is the ratio of current assets to current liabilities. Current assets are the assets that are expected to be realized in cash or sold or consumed during the normal operating cycle of the business or within one year, whichever is longer, they include cash in hand and bank, bills receivable, net sundry debtors, stock of raw materials, finished goods and short term or temporary investments.

QUICK RATIO:

$$\text{QUICK RATIO}=\text{LIQUID ASSET}/\text{CURRENT LIABILITY}$$

Quick Ratio is used as a measure of the company's ability to meet its current obligations since bank overdraft is secured by the inventories, the other current assets must be sufficient to meet other current liabilities. It indicates whether the firm is in a position to pay its current liabilities within a month or immediately Liquid Assets includes: (a) Cash in hand (b) Cash at Bank (c) Short-term investments.

CASH RATIO:

Cash ratio is a liquidity measure that shows a company's ability to cover its short-term obligations using cash ratio and can only cash and cash equivalents. The cash ratio is derived by adding a company's total reserves of cash and near-cash securities and dividing that sum by its total current liabilities.

$$\text{CASH RATIO}=\text{CASH}/\text{CURRENT LIABILITIES}$$

INVENTORY RATIO:

Inventory turnover is a ratio showing how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand. Calculating inventory turnover can help businesses make better decisions on pricing, manufacturing, marketing and purchasing new inventory.

$$\text{INVENTORY TURNOVER RATIO}=\text{SALES}/\text{INVENTORY}$$

FIXED ASSET TURNOVER RATIO:

$$\text{FIXED ASSET TURNOVER RATIO}=\text{SALES}/\text{TOTAL FIXED ASSET}$$

The fixed asset turnover ratio (FAT) is, in general, used by analysts to measure operating performance. This efficiency ratio compares net sales (income statement) to fixed assets (balance sheet) and measures a company's ability to generate net sales from its fixed-asset investments, namely property, plant, and equipment (PP&E). The fixed asset balance is used as a net of accumulated depreciation.

RETURN ON ASSET

Return on assets is a profitability ratio that provides how much profit a Company can generate from its assets. In other words, return on assets (ROA) measures how efficient a company's management is in earning profit from their economic resources or assets on their balance sheet.

$$\text{RETURN ON ASSET}=\text{NET INCOME}/\text{TOTAL ASSET}$$

ROA is shown as percentage, and the higher the number, the more efficient a company's management is at managing its balance sheet to generate profits.

DEBT TO ASSET RATIO:

$$\text{DEBT TO ASSET RATIO}=\text{TOTAL LIABILITY}/\text{TOTALASSET}$$

The Debt-to-assets ratio analyses a company's balance sheet. The calculation includes long- term and short-term debt (borrowings maturing within one year) of the company. It also encompasses all assets-both tangible and intangible. It indicates how much debt is used to carry a firm's assets, and how those assets might be used to service debt. It, therefore, measures a firm's degree of leverage.

DEBT TO EQUITY RATIO:

Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage and is calculated by dividing a company's total liabilities by its shareholder equity. D/E ratio is an important metric in corporate finance. It is a measure of the degree to which a company is financing its operations with debt rather than its own resources. Debt to equity ratio is a particular type of gearing ratio.

$$\text{DEBT TO EQUITY RATIO}=\text{TOTAL LIABILITY}/\text{TOTAL EQUITY}$$

IV. DATA ANALYSIS AND INTERPRETATIONS

CURRENT RATIO:

PARTICULARS	2020	2021	2022	2023	2024
CURRENT RATIO=CURRENT ASSETS/CURRENT LIABILITIES					
CURRENT ASSET	817.8907	824.7735	8146.05	8270.49	8782.99
CURRENT LIABILITIES	642.0779	541.9671	5081.24	5322.18	5670.27
CURRENT RATIO	1.2738	1.52181	1.6032	1.55396	1.54895

INTERPRETATION:

From the balance sheet the past 5 years of the current ratio was 2020- 1.2738, 2021- 1.52181, 2022- 1.6032, 2023- 1.55396, 2024- 1.54895. The minimum ratio was registered as 1.2738 in the year 2020 and the maximum ratio was registered as 1.6032 in the year 2022.

QUICK RATIO:

PARTICULARS	2020	2021	2022	2023	2024
QUICK RATIO = CURRENT ASSET-INVENTORY/CURRENT LIABILITY					
CURRENT ASSET	817.8907	824.7735	8146.05	8270.49	8782.99
INVENTORY	425376.3	424406.3	413641.5	450694.7	450459.2
CURRENT LIABILITIES	642.0779	541.9671	5081.24	5322.18	5670.27
QUICK RATIO	15.5391	81.6265	81.4524	82.6643	87.822

INTERPRETATION:

From the balance sheet the past 5 years of the quick ratio was 2020-15.5391, 2021-81.6265, 2022-81.454, 2023-82.6643, 2024-87.822. The minimum ratio was registered as 15.5391 in the year 2020 and the maximum ratio was registered as 87.822 in the year 2024.

CASH RATIO:

PARTICULARS	2020	2021	2022	2023	2024
CASH RATIO = CASH AND CASH EQUIVALENTS/CURRENT LIABILITIES					
CASH AND CASH EQUIVALENTS	19.306	94.136	2319.05	44.63	87.37
CURRENT LIABILITIES	642.0779	541.9671	5081.24	5322.18	5670.27
CASH RATIO	30.069	17.3698	0.4564	0.10839	0.115408

INTERPRETATION

From the balance sheet the past 5 years of the Cash ratio was 2020-30.069, 2021-17.3698, 2022-0.4564, 2023-0.10839, 2024-0.115408. The minimum ratio was registered as 0.10839 in the year 2023 and the maximum ratio was registered as 30.069 in the year 2020.

30.069 in the year 2020.

INVENTORY TURNOVER RATIO:

PARTICULARS	2020	2021	2022	2023	2024
INVENTORY TURNOVER RATIO= SALES/INVENTORY					
SALES	2640.59	19506.66	21466.73	23760.67	25039.05
INVENTORY	425376.3	424406.3	413641.5	450694.7	450459.2
INVENTORY TURNOVER RATIO	0.62076	4.59623	5.1897	5.27202	5.5586

INTERPRETATION:

From the balance sheet the past 5 years of the Inventory turnover ratio was 2020-0.62076, 2021-4.59623, 2022-5.1897, 2023-5.27202, 2024-5.5586. The minimum ratio was registered as 0.62076 in the year 2020 and the maximum ratio was registered as 5.5586 in the year 2024.

FIXED ASSET TURNOVER RATIO:

PARTICULARS	2020	2021	2022	2023	2024
FIXED ASSET TURNOVER RATIO= SALES/TOTAL FIXED ASSET					
SALES	2640.59	19506.66	21466.73	23760.67	25039.05
TOTAL FIXED ASSET	151.046	1391.87	1296.2	1338.02	1348.3
FIXED ASSET TURNOVER RATIO	17.482	14.0147	16.5638	17.7581	18.5708

INTERPRETATION:

From the balance sheet the past 5 years of the Fixed asset turnover ratio was 2020-17.482, 2021-14.0417, 2022-16.5638, 2023-17.7581, 2024-18.5708. The minimum ratio was registered as 14.0147 in the year 2021 and the maximum ratio was registered as 18.5708 in the year 2024.

RETURN ON ASSET:

PARTICULARS	2020	2021	2022	2023	2024
RETURN ON ASSET= NET INCOME/TOTAL ASSET					
NET INCOME	8.227	3.555	70.99	102.2	123.64
TOTAL ASSET	9689.36	9639.60	9442.05	9608.51	10131.29
RETURN ON ASSET	8.4907	3.6890	0.7518	0.10636	0.12204

INTERPRETATION:

From the balance sheet the past 5 years of the Return on asset was 2020-8.4907, 2021-3.689, 2022-0.7518, 2023-0.10636, 2024-0.12204. The minimum ratio was registered as 0.10636 in the year 2023 and the maximum ratio was registered as 8.4907 in the year 2020.

RETURN ON EQUITY:

PARTICULARS	2020	2021	2022	2023	2024
RETURN ON EQUITY = NET INCOME/TOTAL EQUITY					
NET INCOME	8.227	3.555	70.99	102.2	123.64
TOTAL EQUITY	114.865	116.175	1223.29	1298.36	1368.07
RETURN ON EQUITY	0.07162	0.03060	0.05803	0.07871	0.09038

INTERPRETATION:

From the balance sheet the past 5 years of the Return on equity was 2020-0.07162, 2021- 0.0306, 2022-0.05803, 2023-0.07871, 2024-0.09038. The minimum ratio was registered as 0.0306 in the year 2021 and the maximum ratio was registered as 0.09038 in the year 2024.

DEBT TO ASSET RATIO:

PARTICULARS	2020	2021	2022	2023	2024
DEBT TO ASSET RATIO = TOTAL LIABILITY/TOTAL ASSET					
TOTAL LIABILITY	854.071	847.785	8218.76	8310.15	8763.22
TOTAL ASSET	9689.36	9639.60	9442.05	9608.51	10131.29
DEBT TO ASSET RATIO	8.8145	0.0879	0.8704	0.8649	0.86496

INTERPRETATION:

From the balance sheet the past 5 years of the Debt to asset ratio was 2020-8.8145, 2021- 0.0879, 2022-0.8704, 2023-0.8649, 2024-0.86496. The minimum ratio was registered as 0.0879in the year 2021 and the maximum ratio was registered as 8.8145 in the year 2020.

COMPARATIVE BALANCESHEET STATEMENT FOR THE YEAR END 31ST MARCH 2019-2020.

INTERPRETATION:

From the table above, we can reduce that cash represents 2.05% of the total assets while inventory represents 0.15% of the total assets. In the liabilities section, we can deduce that trade payable represents 0.09%, Other Current Liabilities 0.39%, Short Term Provisions 0.46% of the total liabilities. Therefore, the assets and liabilities are being increased satisfactorily.

COMPARATIVE BALANCESHEET STATEMENT FOR THE YEAR END 31ST MARCH 2022-2023.

Particulars	31-Mar-23	31-Mar-22	INCREASE/DECREASE	% IN CHANGES
ASSETS				
NON -CURRENT ASSET				
Property, plant and equipment	1277.44	1245.02	32.42	39.40
Investment properties	14.56	14.56	-	
Financial assets				
Investment	0.14	0.12	0.02	7.00
Loans	-	-	-	
Other financial assets	45.88	36.3	9.58	4.79
other non-current assets	-	-	-	
TOTAL NON -CURRENT ASSET (A)	1338.02	1296	42.02	31.84
CURRENT ASSETS			0	
Inventories	4506.94	4136.41	370.53	12.16
Financial assets				
Trade receivables	2292.84	2319.05	-26.21	-87.48
cash and cash Equivalents	44.63	58.49	-13.86	-3.22
Bank Balances	140.69	124.05	16.64	8.45
Other current assets	1285.39	1508.05	-222.66	-5.77
TOTAL CURRENT ASSET(B)	8270.49	8146.05	124.44	66.46
TOTAL ASSETS(A+B)	9608.51	9442.05	166.46	57.72
EQUITY AND LIABILITIES				
Equity share capital	275.34	275.34	-	
other equity	1023.02	947.95	75.07	13.63
TOTAL EQUITY(C)	1298.36	1223.29	75.07	17.30
NON -CURRENT LIABILITIES				
Provisions	126.9	128.38	-1.48	-85.74
Borrowings	2711.16	2861.88	-150.72	-17.99
Differed tax liability	102.67	100.26	2.41	42.60
Other non- current liabilities	47.24	47	0.24	196.83
TOTAL NON- CURRENT LIABILITIES(D)	2987.97	3137.52	-149.55	-19.98
CURRENT LIABILITIES				
borrowings	4583.19	4520.75	62.44	73.40
trade payables	107.56	47.48	60.08	1.79
other financial liabilities	488.28	344.01	144.27	3.38
provisions	59.43	65.6	-6.17	-9.63
other current liabilities	83.72	103.4	-19.68	-4.25
TOTAL CURRENT LIABILITIES(E)	5322.18	5081.24	240.94	22.09
TOTAL LIABILITIES(C+D+E)	8310.15	8218.76	91.39	90.93

INTERPRETATION

From the table above, we can reduce that cash represents -3.22% of the total assets while inventory represents 12.16% of the total assets. In the liabilities section, we can deduce that trade payable represents 57.72%, Other Current Liabilities 22.09%, Short Term Provisions - 9.63% of the total liabilities. Therefore, the assets and liabilities are being increased satisfactorily.

COMPARATIVE BALANCESHEET STATEMENT FOR THE YEAR END 31ST MARCH 2023-2024.

Particulars	31-Mar-24	31-Mar-23	INCREASE/DECREASE	% IN CHANGES
ASSETS				
NON- CURRENT ASSET				
Property, plant and equipment	1187.14	1277.44	-90.3	-13.15
Investment properties	104.2	14.56	89.64	1.16
Financial assets				
Investment	0.25	0.14	0.11	2.27
Loans	-	-	-	
Other financial assets	56.71	45.88	10.83	5.24
other non-current assets	-	-	-	
TOTAL NON- CURRENT ASSET (A)	1348.3	1338.02	10.28	131.16
CURRENT ASSETS				
Inventories	4504.59	4506.94	-2.35	-19.85
Financial assets			0	
Trade receivables	2652.37	2292.84	359.53	7.38
cash and cash Equivalents	87.37	44.63	42.74	2.04
Bank Balances	300.19	140.69	159.5	1.88
Other current assets	1238.47	1285.39	-46.92	-26.40
TOTAL CURRENT ASSET(B)	8782.99	8270.49	512.5	17.14
TOTAL ASSETS(A+B)	10131.29	9608.51	522.78	19.38
EQUITY AND LIABILITIES				
Equity share capital	275.34	275.34		
other equity	1092.73	1023.02	69.71	15.68
TOTAL EQUITY(C)	1368.07	1298.36	69.71	19.63
NON -CURRENT LIABILITIES				
Provisions	150.52	126.9	23.62	6.37
Borrowings	2780.9	2711.16	69.74	39.88
Differed tax liability	106.69	102.67	4.02	26.54
Other non- current liabilities	54.84	47.24	7.6	7.22
TOTAL NON -CURRENT LIABILITIES(D)	3092.95	2987.97	104.98	29.46
CURRENT LIABILITIES				
borrowings	5075.94	4583.19	492.75	10.30
trade payables	63.21	107.56	-44.35	-1.43
other financial liabilities	368.08	488.28	-120.2	-3.06
provisions	69.5	59.43	10.07	6.90
other current liabilities	93.54	83.72	9.82	9.53
TOTAL CURRENT LIABILITIES(E)	5670.27	5322.18	348.09	16.29
TOTAL LIABILITIES(C+D+E)	8763.22	8310.15	453.07	19.34

INTERPRETATION

From the table above, we can reduce that cash represents 2.04% of the total assets while inventory represents 19.85 % of the total assets. In the liabilities section, we can deduce that trade payable represents -1.43%, Other Current Liabilities 16.29%, Short Term Provisions 6.90% of the total liabilities. Therefore, the assets and liabilities are being increased.

V. FINDINGS OF THE STUDY

- From the balance sheet the past 5 years of the current ratio was 2020- 1.2738, 2021- 1.52181, 2022- 1.6032, 2023- 1.55396, 2024- 1.54895. The minimum ratio was
- registered as 1.2738 in the year 2020 and the maximum ratio was registered as 1.6032 in the year 2022.
- From the balance sheet the past 5 years of the quick ratio was 2020-15.5391, 2021- 81.6265, 2022-81.454, 2023- 82.6643, 2024-87.822. The minimum ratio was
- registered as 15.5391 in the year 2020 and the maximum ratio was registered as 87.822 in the year 2024.
- From the balance sheet the past 5 years of the Cash ratio was 2020-30.069, 2021- 17.3698, 2022-0.4564, 2023- 0.10839, 2024-0.115408. The minimum ratio was
- registered as 0.10839 in the year 2023 and the maximum ratio was registered as
- 30.069 in the year 2020.
- From the balance sheet the past 5 years of the Inventory turnover ratio was 2020- 0.62076, 2021-4.59623, 2022- 5.1897, 2023-5.27202, 2024-5.5586. The minimum
- ratio was registered as 0.62076 in the year 2020 and the maximum ratio was registered as 5.5586 in the year 2024.
- From the balance sheet the past 5 years of the Fixed asset turnover ratio was 2020- 17.482, 2021-14.0417, 2022- 16.5638, 2023-17.7581, 2024-18.5708. The minimum
- ratio was registered as 14.0147 in the year 2021 and the maximum ratio was registered as 18.5708 in the year 2024.
- From the balance sheet the past 5 years of the Return on asset was 2020-8.4907, 2021- 3.689, 2022-0.7518, 2023- 0.10636, 2024-0.12204. The minimum ratio was
- registered as 0.10636 in the year 2023 and the maximum ratio was registered as 8.4907 in the year 2020.
- From the balance sheet the past 5 years of the Return on equity was 2020-0.07162, 2021-0.0306, 2022-0.05803, 2023-0.07871, 2024-0.09038. The minimum ratio was
- registered as 0.0306 in the year 2021 and the maximum ratio was registered as 0.09038 in the year 2024.
- From the balance sheet the past 5 years of the Debt to asset ratio was 2020-8.8145, 2021-0.0879, 2022-0.8704, 2023-0.8649, 2024-0.86496. The minimum ratio was
- registered as 0.0879 in the year 2021 and the maximum ratio was registered as 8.8145 in the year 2020.

VI. SUGGESTIONS

- Company needs to maintain more cash balances for its working capital needs.
- It may be suggested that the financial services limited should utilize limited funds for the purchase of fixed assets it affects the growth of the company.
- It is suggested to raise the funds by issuing more shares.
- The company should concentrate more on the current assets.
- The company is maintaining more reserves.so it is suggested to utilize optimum.
- Fixed assets do not make major impact in financial business as it not a manufacturing concern hence decrease in fixed assets can be omitted. It does not bring any major changes in the profits of the company but however it is good to have more fixed assets.
- In order to increase the profitability of the company, it is suggested to control the cost of goods sold and operating expenses.
- The quantum of sales generated should be improved impressively in order to enjoy better growth rate in assets capital employed.
- The company has to increase its earning per share by issuing debenture capital.

VII. CONCLUSION

Financial Statement analysis is largely a study of relationship among the various financial factors in a business as disclosed by a single set of statements. It is a process of evaluating the relationship between component parts of a financial statement to obtain a better understanding of a firm's position and performance. Financial statements analysis is an attempt

to determine the significance and meaning of the financial statement data so that forecast may be made the future earnings. Ability to pay interest and debt maturities (both current and long term) and profitability of a sound policy. A number of methods or devices are used for the analysis the balance sheet and income statements of the SWAMY AUTOMOBILES MARUTI SUZUKI AUTHORISED SERVICE for a period of 5 years (2019-2024). The analysis was done by using various financial tools. The graphs were used accordingly to support the analysis. This project entitled financial performance analysis helped in knowing the firm's financial strengths and weakness which helps the company to make better utilization of its resources.

REFERENCES

1. Subramanyam, K. R. (2014). Financial Statement Analysis. McGraw-Hill Education.
2. Penman, S. H. (2021). Financial Statement Analysis and Security Valuation (6th ed.). McGraw-Hill Education.
3. Bernstein, L. A., & Wild, J. J. (2000). Analysis of Financial Statements. McGraw-Hill.
4. Wahlen, J. M., Baginski, S. P., & Bradshaw, M. T. (2017). Financial Reporting, Financial Statement Analysis and Valuation. Cengage Learning.
5. Maheshwari, S. N., & Maheshwari, S. K. (2020). Financial Statement Analysis. Vikas Publishing Hous
6. White, G. I., Sondhi, A. C., & Fried, D. (2003). The Analysis and Use of Financial Statements. Journal of Finance, 58(2), 631–657.
7. Beaver, W. H. (1966). Financial Ratios as Predictors of Failure. Journal of Accounting Research, 4, 71–111.
8. Lev, B., & Thiagarajan, S. R. (1993). Fundamental Information Analysis. Journal of Accounting Research, 31(2), 190–215.
9. Palepu, K. G., Healy, P. M., & Peek, E. (2016). Business Analysis and Valuation: IFRS Edition. Cengage Learning.
10. www.swamyautomobiles.co.in-official website of SWAMY AUTOMOBILES (Company data and reports).
11. www.investopedia.com – For definitions and financial analysis tutorials.
12. www.moneycontrol.com – For Indian company financial data.
13. Annual Reports of SWAMY AUTOMOBILES MARUTI SUZUKI AUTHORISED
14. Company Balance sheets and profit & Loss statements.

International Journal of Advanced Research in Education and Technology

ISSN: 2394-2975

Impact Factor: 8.152