



A STUDY ON FINANCIAL PERFORMANCE OF MAHINDRA AND MAHINDRA COMPANY

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ABSTRACT

This study main focus is to analysis the overall performance of the Mahindra And Mahindra Company and to analysis the overall performance of all income and expenditure , assets and liabilities in the format of profit &loss and balance sheet with the help of financial statement and it is analyzed. This is called performance it is help the firm to take any decision and to get knowledge about their financial aspects in the business. The method used to analyzed their performance was ratio analysis (liquidity, profitability and activity ratio).

KEYWORDS: Financial performance analysis, Ratio Analysis, Mahindra Company

1. INTRODUCTION

Finance is the study of money and how it is used. Finance is, correspondingly, often split into three areas. A general-purpose set of financial statements usually includes a balance sheet, income statement, statement of owner's equity and statement of cash flows. Financial Performance is an important which influences the profitability and liquidity of organization Financial analysis is the process of evaluating business, project, budgets, and other finance-related transactions to determine their performance and suitability.

2. STATEMENT OF THE PROBLEM

- One of the most fundamental facts about business is that the financial performance analysis of firm shapes its financial structure. As fast growing society for a business analysis of financial performance is important, and to be stable in this society. So it is needed to measure the efficiency functioning of the Mahindra and Mahindra company. And, measure their performance of activity.
- This helps to take financial decision for concern. On the above point of view, the research conducted the study on financial performance of the Mahindra and Mahindra company.

3. OBJECTIVES OF THE STUDY

- To identify the liquidity position of the Mahindra and Mahindra company.
- To evaluate the profitability capacity of the Mahindra and Mahindra company.
- To analyze the working capital of Mahindra and Mahindra company

4. RESEARCH METHODOLOGY

A research methodology or involves specific techniques that are adopted in research process to collect, assemble and evaluate data.

SOURCE OF STUDY

- The study is based on secondary data and the data is collected from the database of the company

PERIOD OF THE STUDY

- The present study covers over a period of 5 years from 2017-2021-

TABLE 4.1.2 SHOWING LIQUID RATIO

S.NO	YEAR	LIQUID ASSETS	CURRENT LIABILITIES	LIQUID RATIO
1	2017	34795.08	36643.54	0.94
2	2018	39901.75	39832.47	1.00
3	2019	49740.45	49149.54	1.01
4	2020	57205.88	58743.33	0.97
5	2021	52933.57	54009.52	0.98

ANALYTICAL SOURCE OF DATA**INTERPRETATION**

The above table shows on performance of liquid ratio. In 2017 the ratio was 0.94:1, next year in 2018 it increase to 1.00:1, in 2019 it increase to 1.01:1 and then it decreased to 0.97:1 in 2020 and in 2021 it increase to 0.98:1, it shows that decreasing and increasing in their performance. The current ratio shows highest level of growth in 2019 at 1.01:1 and lowest level of growth in 2017 at 0.94:1

5. TOOLS AND RATIO ANALYSIS**TOOLS AND TECHNIQUES**

- Data was collected from the secondary source in the form of annual report was analyzed using the tools, ratio analysis

RATIO ANALYSIS

- Ratio analysis is an important technique in financial analysis. It is a cornerstone of fundamental analysis.
 - Liquidity Ratios
 - Profitability Ratios
 - Activity Ratios

6. REVIEW OF LITERATURE

B.Surekha K.Rama Krishnaiah (2015) explained profitability ratios to assess the financial position of the company for this study. By using various tools to analyze the overall financial study of the company. And, the company has stable growth and also suggested to reduce the expenditure on this study. The company can further improve its profitability through optimum capital gearing and reduction in administration and financial expenses.

Nilesh P.Movalia(2015) this study is based on the company's capital structure and profitability by using the data methodology was employed. For analysing and interpretation of data which were used by the regression analysis. The company maintains ideal capital structure, its helps to generate more profit and suggested to decrease the amount of debt so it affects to its profitability of a company. There is a significant relation between capital structure and profitability.

Nisha Rapheal (2013) had explained the study among leading tyre companies, they compared as per the financial performance of Indian tyre companies. On this study ,terms of various financial indicators, sales trend, and production trend for the period of 2003-2004 to 2011-2012. And also the company has 80% rank in Indian ranks and certain suggestions for the company has low utilization of assets and to improve labor productivity and capital efficiency.

7. TABLE**Operating Profit Ratio****TABLE 4.2.3 SHOWING OPERATING PROFIT RATIO**

S.NO	YEAR	OPERATING PROFIT	SALES	OPERATING PROFIT RATIO
1	2017	69251.7	76362.47	90.68
2	2018	75556	84503.15	89.41
3	2019	78656.98	92724.98	84.82
4	2020	87460.57	105806.29	82.66
5	2021	77576.32	96241.68	80.60

The above table shows on performance of operating profit ratio. In 2017 the ratio was 90.68%, next year in 2018 it decrease to 89.41%, in 2019 it decreased to 84.82% and then it decreased to 82.66% in 2020 and in 2021 it decrease to 80.60%, it shows that decreasing in their performance. The current ratio shows highest level of growth in 2017 at 90.68% and lowest level of growth in 2021 at 80.60%

8. SUGGESTION

- As liquidity ratios are not up to their standard level so they need to increase the level of current assetsto meet their short-term debts.
- The profitability ratios are increasing but they have to increases their turnover to increases profit.
- The Activity Ratio has a healthy performance but for future performance they have to increase turnoverand profit.

9. CONCLUSION

This study is analysed with the help of 5 years (2017-2018 to 2020-2021) financial statement of Mahindra and Mahindra company and collected data about Mahindra And Mahindra and used analytical research design and analysed the financial performance. This study resulted that the overall efficiency of business is good. For future growth, they should reduce the cash outflow and expenses. Then they will increase their turnover and profit which helps to increase financial performance of business

10. REFERENCE

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