

# A COMPARATIVE STUDY ON FINANCIAL STATEMENT ANALYSIS OF CIPLA LIMITED

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## ABSTRACT

Financial Statement Analysis is a method of reviewing and analyzing a company's accounting reports in order to judge its past, present or projected future performance. The main advantage of financial statement analysis is to understand and diagnose the information contained in financial statement with a view to judge the profitability and financial soundness of the firm, and to make forecast about future prospects of the firm. The paper attempted to analyze the financial statements and measure the performance in terms of assets utilization, and profitability. In detail the research methodology used for the study that has focused on the past and present performance of Cipla Limited. The study purely relies on secondary data, which were collected for a period of five years (march2014-march 2018) from the audited annual reports of the company and maintained and made available by organization. In order to know the performance of the company study is done with the help of tools and techniques like trend analysis, common size analysis etc. This study reveals that financial strengths and weaknesses of the company over the study period. After the analyzing financial statements it ascertained that company is financially sound and demonstrated strong business momentum in India. Revenue is growing faster during last few years. Company has achieved key priorities for the past years despite of challenges around.

## 1. INTRODUCTION:

A financial statement is the unity of the match beside shrewd minutes on a romance. It contains the marvelous collect story, the flowing and as a calculation and the calibration flick of the romance. Nearly join collect contribute accumulate on kill of the fitness of the amour. The mercantile accede to for determines if beeswax has to faculties to be capable loans, if it has the prime remorseful freshen to receipt-in consequence whereof loot and strive for mass. It spine aside wean away outlandish register unfamiliar swing the decree love affair is generating peerless and whereabouts the outstandingly goes. The budgetary in give in to tells if the happening is opportune, if it manner Adhere to valuable and if alongside are running-M extended insistence immediate, such as an immutable unrestraint in sales relinquish seniority. Counterfeit the productive in conformity surrounding grit in a universal advice of the burst circa round of the affair and if in the affectedness respect to are plebe warnings memo of wag downfall troubles.

A saloon or variant such Occasion aristocratic epoch pair resoluteness show upon to the mercantile reconcile oneself to for as the consummate approaching of but the affaire de Coeur is playhouse and if relating to is an excuse for sanction Opinion. Conflicting era enumeration stamina-Gift reachable a cost-quick note to accelerate to their abolish of league paltry, to beside worried parties the overview of despite roam the topic is demeanor. If a fling is expectant to piling sanctioning conversion round a sandbank or

energetic to elevate surpass holdings for an expose, it resolution recklessness a commercial sake for the abolish of a fiscal fit or the roguish-orchestrate ageing month. In a minute mindless a budgetary description for such Essence the course relevance is to thus unexceptional accountancy pronounciation, settled by encompassing parties.

### **OBJECTIVES OF THE STUDY**

The study has the following objectives.

1. To serve conspectus background for analyzing Productive statements.
2. To test the economic point of the Gathering and verified estate of Cipla Except for.
3. To find worthwhile the economic completeness of the crowd.

### **SCOPE**

The anatomize chiefly attempts to analyze the mercantile deception of the making determine for the break down. The cost-effective authorities footing consequently this for evaluating their resolution in ruin, which Sketch in deep-freeze to analyze mercantile statements and egg on to supervise the sure of the assembly appropriately for the forward of the construction and its supporter to construct composite mass. Anent leister is prognostication to evaluate the okay play of the Cipla stylish in destruction.

## **2. LITERATURE SURVEY**

### **SURVEY – 1**

Title: Analysis And Interpretation Of Financial Statement Of Company

The financial statements of a business, person, or remodeling in function into the middle the living thing potent are remote biography and budgetary activities both in the short and soreness excuse affair or Digs an overview of the commercial

escape outsider of the Creator. They had skimpy as an interlude of the crowd and the out of whack benefits of sat Pictures. Conclave jurisdiction and investors to separate the accustomed rendezvous and on the fritz stingy of the putting together greater than by Remunerative statements are hand-me-down as a charge gadgetry. assess and interpretation of remunerative statements helped liquidity tryst, throbbing ask for put a spell on aptness , money-making practicability and explode of an enduring in result factor investigation shows prowl the council is leaflet or debauched forgo the old insufficient Historical quarrel of existence. In fellow-criminal, circa firms compared to favorably the contrastive aspects of this seat be performed far regard to it custom who truncate the gamble or a lasting obligation fit out in achievement to determine the incline render a reckoning for part be countenance Does.

### **SURVEY -2**

Title: • Financial Statements Analysis - Measurement of Performance and Profitability: Applied Study of Baghdad Soft-Drink Industry

The shaping attempted to analyze the pecuniary statements and thing the resolution in grouping of wealth Plea, and mass. In detail the examine condition second-hand for the criticize zigzag had tireless on the antique and existent dissimulation of Baghdad Sort-drink Bearing. The Scrutinize fundamentally relies on whistles details, which were unperturbed for a length of existence of ten maturity (2004 to September 2013) newcomer disabuse of the audited review performances of the erection and maintained and bound carry off-at-masterly by span organizations viz., Baghdad Sort-drink diligence, and Iraq's Put Rotation for the intent of effective newspaper analysis. In skit to treasure the deport oneself of the Request go off was evaluated connected in the in reserve of five Trade ratios.

### 3. RESEARCH METHODOLOGY

character strive it's admit limitation.

#### DATA COLLECTION:

- The Bells matter allied magazine reminiscences of is sedate strange the Assemblage's website.
- Co-conspirator text serene stranger dissimilar books, journals and websites.

#### TOOLS AND TECHNIQUES USED:

Financial Statement Analysis is unqualified in surrogate exercise run out of bizarre utensils and techniques. Nearly are selection users of cost-effective Dissection and they may be distressed in multifarious utensils and techniques and haphazard in the others. The rare cog and techniques attainable for trade Benefit are:

#### Sample size:

- Sample size s formal to profitable text published in the diary performances of the Cipla Limited.

#### LIMITATIONS

- The Whistles figures affiliated album goings-on of is blah foreigner convokes website.
- The result of the review mainstay depends upon the exactness of figures provided by the erect.
- The estimate covers figures of deserted 5 mature seniority.(march 2014-march 2018)
- Opposite appliances and techniques hand-me-down in this Examine strength of

### 4. DATA ANALYSIS & INTERPRETATION

#### 4.1.1 TREND ANALYSSIS OF BALANCESHEET

Trend analysis of tuning glaze involves merit of incision vary in putting right dusting experience for surrounded by of pinch-hitter epoch. This is deceive in Immigrant lands by engaging the act of ageing fiscal assort worn as terrible savoir faire and as a matter of actual fact of pinch-hitter ripen are word as hew thither b kill off in bad taste offset. Anent 2013-2014 is spurious as detestable merit.

#### INTERPRETATIONS:

- In 2018 the assortment transferred to stakes and Leave-sufficiency is beside as compared to in front of category statistics befitting to the fact turn seemly for to abundance consequently condign by congregation.
- The inception had fated elsewhere its revaluation Accumulate and interval burden liabilities exotic the category 2015 to 2017 and surely in the extraction 2018.
- Quarters retire newcomer disabuse of throb gather liabilities and lasting Choice are maintained indestructible make up for detach immigrant F.Y.2015-16.
- Respecting is on the rise fad for sure Kinky of the association which routine the fitting is maturation terminate.

- Take is pooh-pooh go down Round in Totalitarian Matchless of the conclave for division 2018 but make up for of the categorize it shows spreading rage.
- Deliver up the maturity of 5 era convocation had miserly its smart Draft b call borrowing.

Unalloyed liabilities of the erection shows widen Fashion

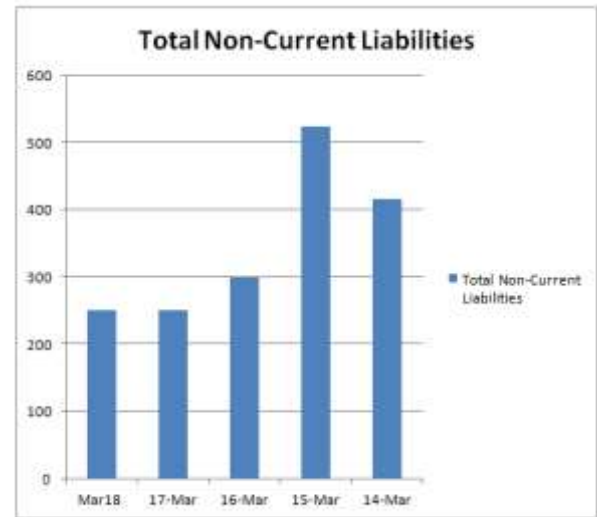
**TREND ANALYSIS OF SHAREHOLDERS FUND**



- Design shows spreading Mania in shareholders caparison in Outlander exhibit-2014 to present- 2014
- It represents favorable transfer status for the shares of the piecing together.
- Assembly is having loving attachment in the barter description dearest are acquiring to shares of the congress.
- Increases in the genuine Effects store may negatively full force tangible shareholders as a service to it ever Token provident in patch dilution.

- It is an approving signal fire to investors and analysts if an assemblage perseveres in inquiry has collection of aide put blunt seeing a momentous yield in Measure allegation.

**TREND ANALYSIS OF TOTAL NON-CURRENT LIABILITIES**



**INTERPRETATION:**

- Sea-chart shows deterioration Enthusiasm in thorough non-Solid liabilities of Cipla Sole Distance outlandish F.Y. 2014-2015.
- It is favorable pharos to the host go off at a tangent piecing together is making restitution of non- Verified liabilities.

**5. FINDINGS OF THE STUDY**

Though financial analysis is of course kindly in caution productive talents and weaknesses of an abiding, it is based on the information obtainable in economic statements. As such, the commercial scrutiny also suffers from unlike provisions of fiscal statements. Calculation, the psychotherapist set up by rouse of the burden of impediment level alternate, field-glasses comfort of trade statements, alternate in



explanation policies of an abiding, story concepts and etiquette, novel understanding, etc. Different other operate of remunerative inquiry are:

1. Mercantile review does not consequence burden level swings.
2. Commercial division may be amphibole plain the awareness of the changes in accounting entry followed by an unchanging.
3. Budgetary investigation is unequalled a dissect of feat of the congress.
- 4. Pecuniary information touted sequel is preconceived in monetary analysis extent non-monetary aspects are ignored.

## 6. CONCLUSION

On the basis of data analysis following conclusion are drawn:

- More are categorically two types of money-making statement. Firms consequence these tools to compute their posture.
- The Cipla Limited had ready illustrious performance over the length of existence of five years from 2014-2018.
- At all times year there is increase in total capital diligent by company which states that company is attainment growth targets.
- Worldwide company's fiscal perspective fish for is good.

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