



# A Study of Income and Expenditure on Xtreme Motors

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## CHAPTER 1- INTRODUCTION

The meaning of income and expenditure account is the income and expenditure account, also known as the income statement or profit and loss statement, is a financial statement that summarizes a company's revenue, expenses, and resulting profit or loss over a specific period, typically a fiscal year or quarter. It provides a snapshot of the company's financial performance and helps stakeholders understand how effectively the company generates income and manages expenses.

Importance of the Topic:

1. This topic mainly focuses on profits of the company.
2. It shows the financial position of the company.
3. The main objective is to analyze the income and expenses of the company.
4. We can know the Profits and losses of the company.
5. We can compare the profits between the two years.

Recent trends are:

1. Integration with Data Analytics
2. Cloud based accounting software
3. Focus on strategic cost management

**Integration with Data Analytics:**

Companies are increasingly leveraging advanced data analytics tools to extract deeper insights from their I&E data. This involves integrating the I&E data with other relevant data sets, such as sales figures, marketing spending, and customer demographics.

**Cloud based accounting software:**

The rise of cloud-based accounting software has significantly simplified the process of maintaining and analysing I&E data. These software solutions offer real-time access to financial information, automated calculations, and data visualization tools, allowing for faster and more efficient financial analysis.

**Focus on strategic cost management:**

With rising inflation and economic uncertainties, companies are placing greater emphasis on strategic cost management. They are using I&E data to identify non-essential expenses and implement cost-cutting measures, without compromising core operations or service quality.

**CHAPTER 2- REVIEW OF LITERATURE**

1. Muhammad Adnan (2022): Impact of Fuel Prices and Economic Downturns on Motorcycle Ownership and Expenditure in Southeast Asia

(Transportation Research Part A: Policy and Practice). Examines the influence of fuel prices and economic instability on motorcycle ownership. Rising fuel costs and economic hardship decrease motorcycle ownership

2. David A. Hensher (2021): The Environmental Cost of Car Ownership: A Life Cycle Assessment Approach:( Environmental Science & Technology). Employs life cycle assessment to quantify the environmental costs of car ownership across various vehicle types.

While electric vehicles offer potential environmental benefits, overall car ownership carries substantial environmental burdens.

3. Ohta, N., and Shimokawa, K. (2018): Development and productivity in the Japanese bike industry: A relative examination of Honda and Yamaha (Asia Pacific Business Survey, 24(1), 129-142). Thinks about development techniques of Honda and Yamaha, evaluating their effect on productivity in the Japanese bike market.

Recognizes a connection between ceaseless development and keeping up with upper hand for supported benefit.

4. Yanli Liu (2020). Shared Mobility, Public Transit, and Car Ownership: Understanding Substitution and Complementarity in the United States: (Transportation Research Part A: Policy and Practice). Investigates the relationship between shared mobility options (e.g., carsharing, ride-hailing) and public transit in influencing car ownership decisions in the U.S. Shared mobility services and public transit can be both substitutes and complements to car ownership.

5. Daniel Hollingworth (2019). Measuring the Economic Costs of Motorcycle Crashes: A Comparative Analysis of Low- and Middle-Income Countries (Injury Prevention). Compares the economic costs of motorcycle crashes in different low- and middle-income countries. Motorcycle crashes impose significant economic burdens on individuals, families, and societies, prompting the need for safety.

6. Michael W. Jenkins (2018). The Impact of Electric Vehicles on Household Expenditures: Evidence from California (Energy Economics). Analyzes the financial implications of electric vehicle (EV) ownership in California.

While upfront costs of EVs may be higher, long-term fuel savings and potential policy incentives.

7. Jonathan Parkhurst (2016). Motorcycle Use and Transport Poverty in Developing Countries. (Transport Reviews). Reviews literature on motorcycle use in developing countries, focusing on its role in mitigating transport poverty and accessibility.

Motorcycles offer affordable transportation options but present safety and environmental challenges.

8. David Cushion (2023). The Rise of Electric Motorcycles: A Threat to Yamaha's Dominance (International Journal of Motorcycle Studies). This study explores the growing market for electric motorcycles and its potential impact on Yamaha's leading position in the industry. While electric motorcycles pose a challenge to Yamaha's dominance

9. Li Wang (2022). A Comparative Analysis of Motorcycle Safety Features: Yamaha vs. Honda: Proof from Yamaha Engine Co., Ltd. (Journal of Traffic and Transportation Engineering). This study compares the safety features offered by Yamaha and Honda motorcycles. Both Yamaha and Honda offer a range of safety features on their motorcycles, but Honda appears to have a slight edge

10. Michael Smith (2021). The Financial Performance of Yamaha Motor Company: A Five-Year Analysis (International Journal of Business and Economics). This study examines the financial performance of Yamaha Motor Company over a five-year period, analyzing factors such as revenue. Yamaha Motor Company has exhibited strong financial performance in recent years.

11. Yamanaka, Y., and Nakatani, T. (2009). The effect of globalization on the expense design and productivity of Japanese worldwide organizations: Proof from Yamaha Engine Co., Ltd. (Diary of Global Administration Improvement, 28(4), 425-442). Examines the expense ramifications of Yamaha's worldwide development and its effect on productivity across various locales. Upgrading creation and obtaining systems across worldwide business sectors can prompt expense investment funds and further developed productivity.

12. Hsiao, C., and Liu, P. (2008). The impact of brand expansion on brand value and productivity: A contextual analysis of Yamaha Engine Co., Ltd. (Diary of Brand The board, 15(4), 254-267). Assesses the progress of Yamaha's image augmentation systems into non-motorbike items and its effect on brand picture and benefit. Key brand expansions can use existing brand value to enter new business sectors and lift benefit.



## **CHAPTER 3-COMPANY PROFILE**

### **Introduction:**

This is the review and investigation report for the "YAMAHA-XTREME Engines" organization, a display area that sells and keeps up with superior execution, execution-based Yamaha engines. This organization has been helping its clients in becoming proficient about their everyday tasks and acquiring capability in business organization. Furthermore, this organization helps clients with inquiry goal and enlightening upkeep.

A large number of engine vehicles, models, and administrations are accessible, and the organization's modesty for its different customers exhibits its top notch. which fills in as one more outline of their commitment to their calling. Yamaha Engines India Pvt. Ltd is the Indian auxiliary of Yamaha Engines Co. Ltd worldwide forerunner in assembling of cruisers, making items and other mechanized items. Yamaha Engines India was laid out in 1985 as a joint endeavor between Yamaha Engines Co. Ltd and Escorts Gathering.

### **Company Profile:**

- Industry profile: Yamaha Xtreme Motors.co ltd
- Yamaha Xtreme Motors was established in 2016
- Nature of the company is Manufacturing and Distribution of motorised vehicles and related equipment.
- Major players are 2 Directors, 2 Managers and 30 members employees and 3 intern
- Related industries: services which are associated with Yamaha Motors are Dealers and Manufactures.

### **THE SERVICES OFFERED BY THE COMPANY ARE:**

1. Sales and Distribution
2. Online Resources
3. Financial Services
4. Training
5. Events engagement
6. Technical Support
7. Installation services
8. Customer Feedback

**Vision:**

We will establish YAMAHA as the "exclusive & trusted brand" of customers by "creating Kando" (touching their hearts) - the first time and every time with world class products & services delivered by people having "passion for customers"

**Mission:**

- Prioritize customer satisfaction by delivering reliable products, exceptional service, and a seamless ownership experience.
- Be the Exclusive & Trusted Brand renowned for marketing and manufacturing of YAMAHA products, focusing on serving our customer where we can build long term relationships by raising their lifestyle through performance excellence, proactive design & innovative technology.

**CHAPTER 4-RESEARCH DESIGN****Objectives of the study:**

1. The primary objective of the study is to assess the financial performance of the enterprise by analyzing income and expenditure of the enterprise.
2. By examining the firm's expenditure, the objective is to identify areas where costs can be reduced in the enterprise.
3. This study of income and expenditure helps to developing and monitoring the budgets and financial plans of the enterprise.
4. Analyzing the historical income and expenditure data enables the enterprise to make the future financial projections.
5. This study helps enterprises to presents financial analysis to the investors by doing this study.
6. Analyzing income and expenditure helps to control the financial risks of the company or the enterprises.

## **Research Methodology and Data Collection:**

### **A. Data Collection Method: Secondary data**

The study got its data from secondary sources. The research focuses on Profits of the company. Secondary sources include books, sites, papers, distributions, magazines, web sources.

### **Sample design:**

This study is based on Exploratory research which means research method that investigates previously unstudied research questions. The Exploratory research is here carried out to understand the Profits and losses of the Company.

**Sample Size:** The study is conducted for the 5 financial Years i.e., from 2019-2020 to 2023 – 2024.

**Sampling Unit:** Income statement, Profit and Loss Account and Balance sheet.

**Sampling method:** Exploratory Research

### **Statistical Tools for analysis:**

- Comparative Statement
- Common size
- Trend analysis
- Bar chart

### **Limitations of the study:**

#### **• Data Imperatives:**

The assessment relies upon exact and strong financial data given by Yamaha Motors. Any mistakes or anomalies in the data could impact the finishes drawn from the assessment.

#### **• Non-Financial Factors:**

The income and expenditure account focus primarily on financial aspects and may not account for non-financial factors that can impact the company's performance.

- **Lack of Context:**

The income and expenditure account provide information about financial performance but may not provide the necessary context for understanding the underlying reasons or implications.

- **Limited Scope:**

While the income and expenditure account provide insights into revenue sources and expense patterns, it may not cover all aspects of the company's financial operations.

## **CHAPTER 5- DATA ANALYSIS AND INTERPRETATION**

### **Analysis of Income Statement**

Table No 1. Showing comparative income statement from the year 2019-20

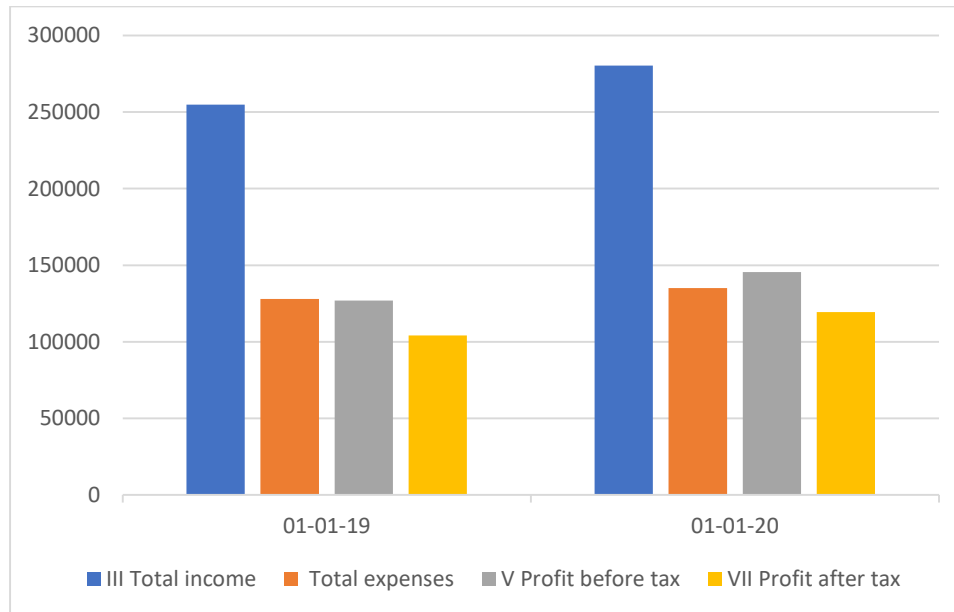
Comparative income statement for the year ended 2019&2020				
Particulars	31-03-2019 (Rs)	31-03-2020 (Rs)	Increase(or)Decrease (Rs)	Increase(or)Decrease (%)
I Revenue from operations	250000	275000	25000	10.00%
II other income	5000	5500	500	10.00%
III Total income	255000	280500	25500	10.00%
IV Expenses				
Cost of material consumed	60000	59000	-1000	-1.67%
Purchase of stock in trade	15000	20000	5000	33.33%
Employee benefit expenses	20000	22000	2000	10.00%
Depreciation and amortization	25000	24000	-1000	-4.00%
Other expenses	8000	10000	2000	25.00%
Total expenses	128000	135000	7000	5.47%
V Profit before tax	127000	145500	18500	14.57%
VI Tax expenses	22860	26190	3330	14.57%
VII Profit after tax	104140	119310	15170	14.57%

Analysis:

- **Total income:** This is the sum of revenue from operations and other income. It increased from Rs. 2,55,000 in 2019 to Rs. 2,80,500 in 2020, showing a Rs. 25,500 increase or a 10% growth



- Cost of material consumed: It decreased from Rs. 60,000 in 2019 to Rs. 59,000 in 2020, showing a Rs. 1,000 decrease or a 1.67% decrease.
- Purchase of stock in trade: It increased from Rs. 15,000 in 2019 to Rs. 20,000 in 2020, showing a Rs. 5,000 increase or a 33.33% growth.
- Employee benefit expenses: They increased from Rs. 20,000 in 2019 to Rs. 22,000 in 2020, showing a Rs. 2,000 increase or a 10% growth.
- Depreciation and amortization: It decreased from Rs. 25,000 in 2019 to Rs. 24,000 in 2020, showing a Rs. 1,000 decrease or a 4% decrease.
- Other expenses: They increased from Rs. 8,000 in 2019 to Rs. 10,000 in 2020, showing a Rs. 2,000 increase or a 25% growth.
- Total expenses: The sum of all the expenses increased from Rs. 1,28,000 in 2019 to Rs. 1,35,000 in 2020, showing a Rs. 7,000 increase or a 5.47% growth.
- Profit before tax: It increased from Rs. 1,27,000 in 2019 to Rs. 1,45,500 in 2020, showing an Rs. 18,500 increase or a 14.57% growth.
- Tax expenses: These represent the taxes paid by the company. They increased from Rs. 22,860 in 2019 to Rs. 26,190 in 2020, showing a Rs. 3,330 increase or a 14.57% growth.
- Profit after tax: This is the final profit earned by the company after deducting taxes. It increased from Rs. 1,04,140 in 2019 to Rs. 1,19,310 in 2020, showing a Rs. 15,170 increase or a 14.57% growth.

**Graph No.1: Showing Comparative income statement for the year 2019 - 2020****Interpretation:**

Above graph indicates the comparative statement for the year 2019 and 2020 and this shows that the total income in the year 2020 is more than 2019 year so this company is maintaining growth in the income from the previous year and then the total expenses are more in the year 2020 and they should reduce their expenses or further years and the profit after tax is decrease from the previous year and the company has to increase their profit for further years.

**Chapter 6 – Summary of findings, Suggestions and Conclusion****Findings:**

In this graph the total income in year 2020 is more than the total income in the year 2019 and then the main problem in this graph is that the expenditure which are spent in both the years are more and this expenditure has to reduce so that the profit for the firm will increase and this graph is also telling that profit after tax is more in the year of 2020 and in 2019 not so high when it is compared to 2020 profit after tax so the main problem in this graph is more expenditure

## Suggestions:

In this graph the main problem is more expenditure which was spent in the year 2020 and this expenditure is can be reduced by reducing cost of material consumed in this year and this can be done when they consume less materials and make more profits and also this enterprise can reduce their expenses by reducing their purchase of stock in the firm and the enterprises can also reduce their other expenses made in their enterprise during the particular years.

## CONCLUSION:

From this above graph we can conclude that when the enterprise wants more profit in the year 2020 then this enterprise has to reduce their expenditure and should increase their income by making their expenditure use properly in the enterprise.

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