

FINANCIAL STATEMENT ANALYSIS

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1. INTRODUCTION:

Financial management companies, with material and financial analysis of the solutions used to finance covered the region's decision. Total order between the long-term and short-term cannot be divided. All have objects that are the same to guarantee the recovery of the cost of capital is not to show the importance of greater financial risk.

Meaning capital investment you need distribution founding capital or loans to finance such investments, and when funds or projects, are you doing on a long-term approach. capital management and debt management balance between debt financing and short and medium-term debt management work by improving the long-term clients (for example, to determine the conditions of the loan.

The more relieved and different ways that are not available in the summer for the company, or the means and legal means to finance the government, dominated. Long-term Investment Company is one of the most important decisions. In order to benefit from public funding from the front to carry out or develop. Usually, the use of tools and resources for additional in mean returns to the car / purchase buildings or other property of the organization that is old. Breakdown of life and sometimes the situation in terms of the so-called financial community, and is usually used to compare data. Analysis of the flow that identify the good and better, and allows you to change the practice, and that act accordingly. You can also go to the network in front of the company's internal and external, and are not, we can see how it's released.

OBJECTIVES OF THE STUDY:

- Through the analysis of financial condition and evaluation.
- To determine the level of profit
- and determines the value of the Investment
- Reading groups based on the responsibility of dealing with liquidity now

SCOPE FOR THE STUDY

Contributions major makers to source - a source that is needed for a number of people through your time, technology, and intellectual capital and, of course money. For you, the process of making decisions that are clearly the most high and open, with a selection of our conclusion that, as developed and must be screwed, costs of proposals that have been proposed are compared, you see the results of all the measures taken by the Government.

Long-term investment company is one of the most important decisions. In order to benefit from public funding from the front to carry out or develop. Usually, the use of tools and resources for additional in mean returns to the car / purchase buildings or other property of the organization that is old. It is considered necessary to contribute to decision-making:

- The rate of the population - the company will be able to?
- How long will you return from the investment?

- How much time is needed for the recovery of these funds?
- Why was expected to be considered?

2. LITERATURE SURVEY

The level analysis is used as part of a comprehensive financial analysis is a tool that is important. It can be demonstrated that the situation of people in the industry who would. However, the government can only seal in time. Analysis of state information is only part of the puzzle. (Leslie Rogers, 1997)

Economic conditions in the performance and valuation of financial companies and researchers to raise awareness about the frequency used. In the analysis of the company's financial statements, the opinion itself, that, management, employees, customers, suppliers, competitors, regulatory teachers, as well as many. Science teachers, for example, funds the country has made major terms of distribution, but the usual works for the success of the company the company's future. To study the economic situation in a different direction. (Barnes, 1986) The state of the economy can be divided into several groups, sometimes. The most oriented analysis should be rejected by three to five years. The second type of analysis, video analysis, a relationship between two or more companies compared, such as industry. A method of analysis that is related to drinking between the company and the industry. Repair and improvement services information, and the organization's annual industry quickly. (Ezzamel, Mar-Molinero, and carafe, 1987)

The economic situation, as well as the health of financial companies and a variety of symptoms that can differ among companies and industries time. Other products must be considered, as well as the company's products, management, competitors and future vision. (Fieldsend, Bohemians and Macleay, 1987) The company works in some situations and models now. a number of visits price (P / E). New York Stock Exchange, American Stock Exchange,

and NASDAQ published in newspapers. As part of the final price, the price is high and the level of participation is lower in fifty-two days a week, every year there is the BDI and the cost/benefit, and the level of trading today, the highest price of the day previous, the day to change a little. stock prices. The maximum price/earnings (P / E) reserves and earnings per share are calculated by dividing the current market price. To determine the value of the stock market now for the income used to intermediaries. Price growth in profit on sales volume and the impact of the individual, the risk (or instability), debt structure, distribution policy, management quality, as well as some other reason. Relationship P / E should be compared with the same effort and who is not. (Garcia-Ayuso, 1994).

3. RESEARCH METHODOLOGY

3.1. RESEARCH METHODOLOGY

In this chapter, the tools and the purpose of research. It was imposed on the teaching of information and tools to discover information, and there are certain ways.

3.2. RESEARCH DESIGN

Researchers specialized systems such as printing blue can be saved or the project researchers. There are no updates on the study; the study did not have ideas about this application will be active. Therefore, research is very important. To describe the various parts of the study describes the nature and analytical activities of financial companies.

3.3. RESEARCH INSTRUMENT

This research, based on data from the second copy, and annual reports, web sites and books.

3.4. SOURCE OF DATA COLLECTION

This information is published in the annual report for the field of construction and developers Pvt. Ltd. The annual report containing the final result be considered relevant and reliable.

We not only can use the information that is necessary for the analysis of secondary sources. Responsibility for balance and working capital,

purchase, sales, and other indicators and reports about the data that is collected in the company's annual report.

Another source of information in the annual report on the investigations carried out on the basis of commonly used for making mercy builders and developers Pvt. LTD. The registration of the research department of the field of construction and in favor of Pvt. LTD.

3.5. FINANCIAL TOOLS

- Ratio analysis

Technical analysis is a method to analyze and interpret financial statements. This decision is to establish the conditions are different and translators. Analysis of life is not the end itself. The proportion of the organization's accounting on the balance sheet and statement of income in the form of control accounting estimates used to describe the relationship between the page and the individual.

- Correlation

Part of the two is a statistical measure of the relationship between. Updates can be extended from 1 until 1. Connect zero indicates that there is no relationship between. -1 in the region of one of the resources that are too negative, so to intervene, is also another decline. 1 introduction of two pages in the same direction, this does not mean the relationship is very good.

3.6. HYPOTHESIS

The hypothesis was designed to test different ways to strengthen the relationship

- There is no relationship between Net sales Vs. Net profit
- There is no relationship between Net sales Vs. Total Assets
- There is no relationship between Net sales Vs. Gross Profit
- There is no relationship between Net sales Vs. current assets
- There is no relationship between Net Profit Vs. Working Capital

4. DATA ANALYSIS & INTERPRETATION

4.1. CURRENT RATIO

The following table indicates the relationship between the media and the debt now.

Table No: 4.1

CURRENT RATIO (Rs in '000)

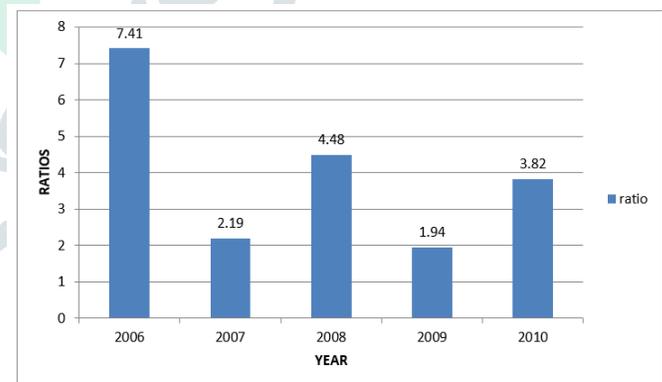
	Current Assets	Current Liabilities	Ratio
2006	585.74	79.04	7.41
2007	697.65	318.84	2.19
2008	720.21	160.65	4.48
2009	913.28	471.17	1.94
2010	1156.42	302.66	3.82
Average			3.87

Interpretation

In 2006, the total population in 2008, descended 7.41, 4.48 and 3.82 people in 2010, the total population in 2007 came to 19.2 in 2009 and 1.94.

As a general rule, the strength in the ratio of 2: 1 (or) more accepted by the company. Although the pace of growth is more important, it tends to increase the debt ratio of 2: 1 indicates a state company

CHART NO: 4.1. CURRENT RATIO



4.2. QUICK RATIO

Current liabilities, the table below shows the relationship of funds

Table No:4.2

Quick Ratio

(Rs in '000)

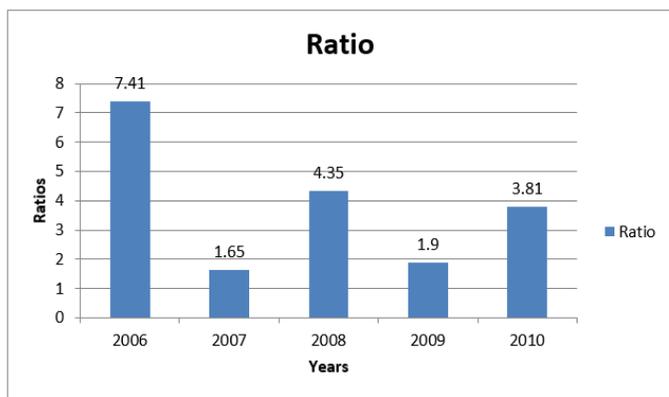
Year	Quick Assets	Current Liabilities	Ratio
2006	585.74	79.04	7.41
2007	524.70	318.84	1.65
2008	698.83	160.65	4.35
2009	894.33	471.17	1.9
2010	1154.31	302.66	3.81
Average			3.82

Interpretation

Quick ratio of 7.41 in 2006, 2010, 2008 equilibrium, 4.35, 3.81, 2,009 space liquidity balance of 2007 is 1.9 to 1.65.

As a general rule, the ratio of 1: 1 (or more) to the company in the position that common. This can take into account the 1: 1 company.

Chart No. 4.2 QUICK RATIO



4.3. ABSOLUTE LIQUIDITY RATIO

Responsibility in this table indicates the number of absolute money and the same money

Table No. 4.3

ABOSULTE LIQUIDITY RATIO (Rs in ‘000)

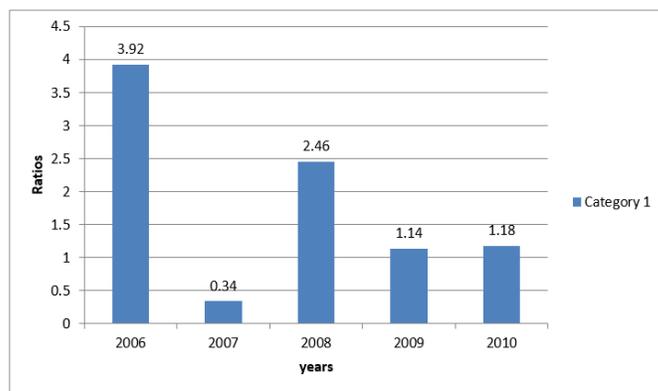
Year	Absolute Liquid Assets	Current Liabilites	Ratio
2006	310.04	79.04	3.92
2007	108.59	318.84	0.34
2008	394.66	160.65	2.46
2009	538.50	471.17	1.14
2010	356.49	302.66	1.18
Average			

Interpretation

The perfect balance of water in 2006 to 0.34 in 2008, 3.92 ratios of water to 2.46, but the volume of water in 2010, 2007 and 2009, the ratio of water to 1.18 with a ratio of 1 to 14 with water until the maximum.

The ratio was acceptable levels of 1: 2; This is because 1: 2007, and indicates the status of the company, 2.

Chart No: 4.3 ABSOLUTE LIQUID RATIOS



5. FINDINGS OF THE STUDY

FINDINGS & SUGGESTIONS

1. According to the current decline in the proportion of 7.41, 2.19, 4.48, 1.98 and 3.82 marks in 2006, all assets and liabilities to increase stability.
2. Updates quickly in relation to ambient temperatures in the period 2006-10, with 7.41, 1.65, 4.35, 1.9 and 3.81 of the road. The current liquidity position of the company is satisfactory.
3. The perfect water balance of 3.92 since 2006, was reduced from 1.18 until 10.
4. Changes in the dynamics of the relationship. tribal areas, compared to last year. Therefore, the long-term solvency of the company growing.
5. Working capital increased from 0.72% to 1.13% in 2006-10.
6. Since 2006, the trend of increased sales volume of non-domestic - 10 (1.26, 1.82, 4.24, 3.69 and 6.82). The company uses efficient housing
7. The rate of capital replacement in 2006-08 (increased to 0.98, 1.01 and 1.04), but down from 0.98 percent in 2006. The increase this year, to 0.99
8. The proportion of housing sales, from 2006-10 is gradually improving, 2.93, 3.74, 4.20, 6.07 and 8.17. This suggests that they are not the media that is now the capital increase.

9. Calculating the collapse of network revenue. 0.33 until 0.42 compared to previous years, the increase in the current year.
10. Net profit this year has improved. Thus, on the back of the property increases 0.17-0.31.
11. Proportionality between capital and increase reserves increase 4.19 until 2.02 percent. Capital increase all the time, but this time of the year, with additional savings
12. Profit per share in 2006, larger, and more. 101.56. This increase in the number of weight reduction in the next years and a decrease in total income. In this, the net profit increased because of the increasing costs of operations and maintenance. Thus, earnings per share
13. Contaminated with results of 0.99, 0.51, 0.41, 0.57 and 0.69 2006-10.
14. The rate of income compared to the previous year. An increase per share increase from 3.09 to 2.39 will be deducted.
15. Improving the investment return of 0.32 compared to 0.42 a year ago. Money is also handy, and they have contributed to an increase in choice.

SUMMARY OF FINDINGS:

1. After analyzing the financial statements, the company doubled the capital position of the company last year, it is the best situation.
2. 2 years, this is the biggest benefit of the community. It is better to describe it before them in a public hearing.
3. The company will use the complex to help the plants developed organization. The company must not be late.
4. Deposit companies, from the beginning, that is, income is not. Interest rates on fixed deposits

6. CONCLUSION

General conditions in the company any good. In particular, this year, the headquarters of the profits improved since last year, a similar fact. In these circumstances, the market is now, necessitated by the need for the various sectors of education.

REFERENCES

www.googlefinance.com

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