

Financial Analysis of SAN Corporate Service

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Chapter -1

Introduction

History of accounts

Accounting's history can be traced back thousands of years to the cradle of civilization in Mesopotamia and is said to have developed alongside writing, counting and money. The early Egyptians and Babylonians created auditing systems, while the Romans collated detailed financial information.

Book keeping

Bookkeeping is the process of recording your company's financial transactions into organized accounts on a daily basis. It can also refer to the different recording techniques businesses can use.

Accounting

Accounting is the process of recording financial transactions pertaining to a business. The accounting process includes summarizing, analyzing, and reporting these transactions to oversight agencies, regulators, and tax collection entities.

Types of Accounting

- Financial accounting.
- Management accounting.
- Cost accounting.

Financial Accounting

Financial Accounting is the process of recording, summarizing and reporting transactions and revenue-expense generations in a time period. For example, investors or sponsors need to verify an account statement before showing interest in associating with the business.

Management Accounting

Managerial accounting, also called management accounting, is a method of accounting that creates statements, reports, and documents that help management in making better decisions related to their business' performance. Managerial accounting is primarily used for internal purposes.

Cost Accounting

Cost accounting is the reporting and analysis of a company's cost structure. Cost accounting involves assigning costs to cost objects that can include a company's products, services, and any business activities.

Golden rules

The three golden rules of accounting are:

Real A/c: Debit the receiver, credit the giver.

- cash, furniture, machinery, loans, banks, investments, land, equity,

Personal A/c: Debit what comes in, credit what goes out.

- customers, vendors, salary accounts of employees, drawings and capital accounts of owners

Nominal A/c: Debit expenses and losses, credit incomes and gains.

- service revenue, sales revenue, wages expense, utilities expense, supplies expense, and interest expense.

Secretary ship

An in-house legal expert; a compliance officer of the Company. An expert in corporate laws, securities laws & capital market and corporate governance. Chief advisor to the board of directors on best practices in corporate governance. Responsible for all regulatory compliances of company.

Tax consulting

Tax consultants are professionals who specialize in tax law and financial-related counseling. They advise clients on income tax returns and a range of financial matters, including trust, estate and retirement taxes.

Corporate law Consulting

Corporate law consultants guide businesses through these complex transactions, conducting due diligence, negotiating terms, and ensuring legal compliance throughout the process. Intellectual Property Protection: In today's knowledge-based economy, intellectual property is a valuable asset.

Company

A company, sometimes abbreviated as "co.", is a legal entity formed by a group of individuals to engage in and operate a business, typically for commercial or industrial purposes.

Types of companies

Companies can be classified using various criteria, and understanding these classifications can help you better understand the business landscape and the different types of entities operating within it.

1. By Legal Structure:

- Corporations: These are the most common type, offering limited liability to shareholders. They can be further categorized:
 - Public Companies: Shares are traded on stock exchanges.
 - Private Companies: Shares are not publicly traded and owned by a limited group.

- Partnerships: Owned and operated by 2 or more people who share profits and losses. Partners have unlimited liability.
- Sole Proprietorships: Owned and operated by one person with full control and bears all financial risks.
- Limited Liability Companies (LLCs): Combine features of corporations and partnerships, offering limited liability to members with flexible management structures.

2. By Size:

- Micro-sized Companies: Very small, often with less than 10 employees and a low annual turnover.
- Small Companies: Defined thresholds by government regulations based on employee count and turnover.
- Medium-Sized Companies: Fall between small and large companies based on size and turnover.
- Large Companies: Significant number of employees and high turnover, often operating internationally.

3. By Ownership:

- Publicly Owned Companies: Owned by the general public through shares traded on stock exchanges.
- Privately Owned Companies: Owned by individuals or a small group of investors, and their shares are not publicly traded.
- State-Owned Enterprises (SOEs): Owned and controlled by the government.

4. By Purpose:

- Profit-Oriented Companies: Aim to generate profits for owners or shareholders.
- Non-Profit Organizations (NPOs): Focus on social or charitable goals and don't distribute profits to owners.

5. Other Classifications:

- By Industry: Companies can be classified based on their industry, such as technology, healthcare, manufacturing, or retail.
- By Location: Companies can be classified based on their geographical location, such as domestic or international.
- By Listing Status: Companies can be classified as listed (traded on a stock exchange) or unlisted.

TYPES OF AUDIT:

I. Internal Audit:

Internal audits evaluate a company's internal audit, including its corporate governance and accounting processes. These types of audits ensure compliance with laws and regulations and help to maintain accurate and timely financial reporting and data collection. Internal Auditors are hired by companies who work on behalf of their management teams. These audits also provide management with the tools necessary to attain operational efficiency by identifying problems and correcting lapses before they are discovered in an external audit.

Types of Internal Audit:

❖ Compliance Audit

A company may be required to adhere to local laws, compliance needs, government regulations, external policies, or other restrictions. To demonstrate compliance with these rules, a company may task an internal audit committee to review, compile appropriate information, and provide an overall opinion on the status of the compliance requirement.

❖ Internal Financial Audit

Public Companies are required to perform certain levels of external financial auditing where a completely independent third party provides an opinion on the company's financial records. Companies may want to dive further into audit findings or perform an internal financial audit in preparation for an external audit. Many of the tests between an internal or external auditor may be similar; the nature of independence separates the two types of audits for financial audits.

❖ Environmental Audit

As companies become continually more environmentally conscious, some take the steps of reviewing the business' impact on the planet. This results in an internal audit covering how a company safely sources raw materials, minimizes greenhouse gases during production, utilizes eco-friendly distribution methods, and reduces energy consumption. Companies leveraging triple bottom line reporting may perform internal environmental audits as part of annual reporting.

❖ Technology/IT Audit

An IT audit may have different objectives. The internal audit may be the result of an external lawsuit, a company complaint, or a target to become more efficient. An internal audit focused on technology reviews the controls, hardware, software, security, documentation, and backup/recovery of systems. The goal is likely to assess general IT accuracy and processing capabilities.

❖ Performance Audit

An internal audit focused on performance pays less attention to the processes and more on the final result. The company will have likely had set performance objectives or metrics that may be tied to performance bonuses or

other incentives. As a result, an internal auditor assesses the outcome of an objective that may not be easily quantifiable.

❖ **Operational Audit**

An operational audit is most likely to occur when key personnel leaves or when new management takes over an entity. The company may want to assess how things are done and whether resources are being used more efficiently. During an operational internal audit, the auditor will review whether current staff and processes fulfil the mission statement, value, and objectives of a company.

❖ **Construction Audit**

Development, operating, real estate, or construction companies may perform construction audits to ensure not only appropriate physical development of a building but appropriate project billing along the life of the project. This mostly includes adherence to contract terms with the general contractor, sub-contractors, or standalone vendors as necessary.

❖ **Special Investigations**

Many of the audits above may be recurring and performed each year. In some cases, it might make sense for an internal audit committee to evaluate a special circumstance that will occur only once. This may entail gathering a report on the efficiency on a recent merger, the hiring of a key employee, or a complaint from staff. When selecting the individuals for the special investigation audit, a company must be especially mindful to select members with appropriate expertise and independence.

II. External Audit:

Unqualified audits performed by outside parties can be extremely helpful in removing any bias in reviewing the state of a company's financials. Financial audits seek to identify if there are any material misstatements in the financial statements.

An unqualified, or clean, auditor's opinion provides financial statement users with confidence that the financials are both accurate and complete. External audits, therefore, allow stakeholders to make better, more informed decisions related to the company being audited.

External auditors follow a set of standards that are different from those of the company or organization hiring them to do the work. When audits are performed by third parties, the resulting auditor's opinion expressed on items being audited (a company's financials, internal controls, or a system) can be candid and honest without affecting daily work relationships within the company.

Types of external audit:

1. Financial Statement Audit

This is the most common type of external audit. In a financial statement audit, an independent auditor examines a company's financial statements to provide an opinion on whether they are fairly presented and in accordance with generally accepted accounting principles (GAAP) or International Financial Reporting Standards (IFRS). This assures stakeholders, like shareholders and creditors, that the financial statements are reliable.

2. Operational Audit

An operational audit assesses how effectively and efficiently an organization uses its resources to achieve its business objectives. It examines internal controls, processes, and procedures to identify areas for improvement. Operational audits can help organizations save money, improve efficiency, and mitigate risks.

3. Compliance Audit

A compliance audit determines whether an organization is adhering to specific laws, regulations, contracts, or industry standards. Compliance audits are often required by government agencies or regulatory bodies. They can also be conducted by an organization itself to ensure it is following its own internal policies and procedures.

4. Information Technology (IT) Audit

An IT audit evaluates an organization's information technology (IT) infrastructure, controls, and processes. It aims to identify and assess risks related to IT security, data privacy, and business continuity. IT audits can help organizations protect their IT assets and ensure that their IT systems are functioning effectively.

5. Forensic Audit

A forensic audit is an investigation conducted to detect and investigate financial fraud or other wrongdoing. Forensic auditors use a variety of techniques to gather evidence, including interviewing witnesses, reviewing documents, and analyzing financial data. Forensic audits can be used to help organizations recover assets that have been lost due to fraud and to hold perpetrators accountable.

Chapter-2

Company`s Profile



San Corporate Services

SAN Corporate Services Is a Facilitation Centre for Providing All Types of Digital Signature Certificates for Various Purposes Such as Roc, IT Filing, E-Tendering in Railways, NLC, Directorate General of Supplies and Disposals, Directorate General of Foreign Trade, Across India.

San Corporate Services Do Registers Private Limited Company, Public Limited Company, Limited liability partnership OPC and Trade Mark and Offers Advisory Services for Business and Legal Services for NRIs, Company Law Matters, Income Tax, GST, Insurance and Service Tax Matters

SAN Promoted & Managed by Professionals, Is in The Business of Financial Intermediation and Consultancy. The Company, With Its Registered Office in Chennai Along with Business Associates Throughout the Country Serves the Corporate Sector and Individuals & Partnership Firms by Arranging Project Finance & Working Capital Finance and We Professionally Registers Private Limited Company, Public Limited Company and LLP and Trade Mark Online And Offering Advisory Services For Business And Legal

This Company Is Also Provide RA of E-Mudhra for Providing All Types of Digital Signature Certificates (DSC)For Various Purposes Such as Roc, IT Filing, E-Tendering, DGFT.

History of SAN corporate service

SAN Corporate Services Promoted & Managed by Professionals, is in the business of Financial Intermediation and Consultancy started in 2009 with its Registered office in Chennai along with Business Associates throughout the Country serves the Corporate sector and individuals & Partnership Firms by arranging Project Finance & Working Capital Finance and we Professionally registers Private Limited Company, Public Limited Company, LLP OPC and Trade Mark online and offering Advisory services for Business and legal services for NRIs, Company Law Matters, Income Tax, GST, Insurance and Service Tax matters.

Services done on SAN corporate services

Ministry of Corporate Affairs

The Ministry Of Corporate Affairs Is an Indian government ministry primarily concerned with administration of the companies act 2013, the companies act 1956, the limited liability partnership act, 2008, and the insolvency and bankruptcy code, 2016.

It is responsible mainly for the regulation of Indian enterprises in the industrial and services sector. The ministry is mostly run by civil servants of the ICLS cadre. These officers are selected through the civil services examination conducted by union public service commission. The highest post, director general of corporate affairs (DGCOA), is fixed at apex scale for the ICLS. The current minister is Nirmala Sitaraman.

1. Service Done On MCA

- I. E-Filing
- II. Obtain Digital Signature Certificate (DSC)
- III. Apply For Director Identification Number (DIN)
- IV. View Master Data Details Of A Company/LLP Registered With ROC.
- V. LLP E-Filing.
- VI. LLP Services.
- VII. Company E-Filing.
- VIII. Company Services
- IX. Raise Complaints.

I. E-Filing

Electronic Filing Is The Process Of Submitting Tax Returns Over The Internet Using Tax Preparation Software That Has Been Preapproved By The Relevant Tax Authority

II. DSC

Digital Signature Certificate (DSC) Is A Digital Form (USB- E Token) Of Signature Which Certifies And Validates The Identity Of A Person For Some Purpose.

It Contains A Person`S Name, Signature, Date Of Issuance Of The Certificate, Date Of Issuance Of The Certificate, Date Of Expiry, And The Of The Certifying Authority.

III. Director Identification Number

DIN Is A Unique Director Identification Number Allotted By The Central Government To Any Person Intending To Be A Director Or An Existing Director Of A Company.

It Is An 8-Digit Unique Identification Number Which Has A Lifetime Validity. Through DIN, Details Of The Directors Are Maintained In A Database

IV. Master Data

Details About A Company Or A Director That Are Stored In The MCA Database Is Referred To As Master Data. This Data Is Based On The Eforms Filed By The Company. You Can View The Details Of Companies Or Directors By Using The Master Data User Services Offered By MCA

V. LLP Filing

LLP Is An Alternative Corporate Business Form That Gives The Benefits Of Limited Liability Of A Company And Flexibility Of A Partnership

VI. Company Incorporation

We Offer Company Incorporation Service Nationally Or Internationally. We Can Assist Our Customers Is Selecting The Most Suitable Country Of Their Particular Purposes.

2. Tax Consultants

We Are Income Tax Consultants Providing Service Of Filing Income Tax Returns And Assist Faster Refunds To Our Stomers. The Following Income Tax Services. Preparation & Filling Of Income Return.

3. SECRETARIAL SERVICES

Incorporation of Private and Public companies, limited by shares or guarantee, unlimited companies. Aterations, modifications and changes with respect to the tanies of companies, objects.

SAN Corporate Services is a Facilitation Centre for providing all types of Digital Signature Certificates for various purposes such as ROC, IT filing, E-tendering in Railways, NLC,

DGS &D, DGFT across India.

SAN promoted & managed by professionals, is in the business of financial intermediation and consultancy. The company, with its registered office in Chennai along with business associates throughout the Country serves the corporate sector and individuals & Partnership Firms by arranging project finance & working capital finance and we professionally registers Private Limited Company, Public Limited Company and LLP and Trade Mark online and offering advisory services for business and legal services for NRIs, Company Law Matters, Income Tax, Sales Tax, Life Insurance and Service Tax matter

4. Accounting services

Every company registered in India has to get his accounts audited from a chartered accountant every year. We have team of professionals to conduct such audits.

For in depth checking of day-to-day transactions, large business organizations require internal audit. We have sufficient and capable staff strength to conduct these types of audits.

General Accounting and Bookkeeping Services: The service involves preparing and maintaining day-to-day bookkeeping and monthly or quarterly management accounts.

Preparation of Financial Statements: - The service involves preparing a company's annual accounts and schedules ready for the statutory annual audit.

Tax planning & Returns: - The service involves helping the clients make necessary periodic income tax, sales tax and other returns. It also includes helping the client make sound investment decisions and help him avail various rebates and deductions.

Procedures relating to Board Meetings, General meetings including the pre and post meeting formalities such as notice for the meetings, preparing resolutions etc.

Procedural compliances with respect to the induction and expulsion of members, variation in membership rights

Preparation of annual reports and annual accounts including Balance Sheet, Profit and loss account, income and expenditure statement, auditors report, directors' report, statement on corporate governance, compliance certificate, directors, chairman's statement etc.

Procedures and compliances related to making inter-company loans, investments, guarantees, and providing of securities.

Filing of the documents including the forms and the returns with the Registrar of Companies.

5. Income Tax Consultation

- Preparation & Filing of Income return
- For individuals, firms, companies, trust or HUF.
- Permanent Account Number (PAN) and TAN number support services.
- Advisory services on Income Tax, Fringe Benefits Tax & servicetax
- E filing of TDS returns, FBT & related tax returns.

6. NRI Advisory services:

- Income tax planning
- Global Investment planning in movable and immovable properties
- Advisory on bank operations, borrowing & Lending in India
- Compliance support services on FEMA
- Advising NRIs settling in India on business Opportunities

Foreign Investment Services

- Formulating an entry strategy into India such as opening a liaison office, subsidiary etc.,
- Formulating an appropriate investment strategy for companies seeking to invest in India
- Obtaining investment approvals from Foreign Investment Promotion Board (FIPB) or Reserve bank of India, as applicable
- Transfer pricing to include Designing TP Policy, Review of existing policy, documentation, and representation and assistance in advanced pricing arrangements.

7. Business Startup Services

Business setup in Chennai is becoming simple with the improvement government department application process and fees for registering a new business in Chennai also reduced considerably over years.

GST- Goods and Service Tax Act is new act replaced all state-level sales tax, service tax, and other types of indirect taxes into a single tax. GST registration was made mandatory for all service provider and traders whose gross turnover during the previous financial year was above Rs.20,00,000. Apart from the threshold limit for GST registration requirements below are few instances requiring GST registration.

Everyone may come across confusions and rapid changes in GST rules, GST rates, GST due dates etc. This is inherent nature of any new law because it will take some time to align with practical issues, we help you to comply with GST rules and regulations, GST returns filing requirements, GST registration modification or change, surrender or cancel GST registration, GST account preparation etc.

8. GST Registration & Filing

According to GST rules, it is mandatory for a business that has a turnover of above Rs.40 lakh to register as a normal taxable entity. This is referred to as the GST registration process. The turnover is Rs.10 lakh for businesses that are present in hill states and North-Eastern states. The GST registration process can be completed within 6 working days.

9. Trademark Registration

A trademark is a unique identifier, often referred to as a “brand” or “logo”. Once a trade mark is registered, the ® symbol may be used with the trademark. A Trademark is thus an intangible property of its owner and the owner has the authority to enforce it in the case of unlawful uses. A Trademark can be in various forms like Logos, Words, Shapes, Sounds and Smells-or any combination of these.

10. MSME/SSI Registration

Udyog Aadhaar MSME/SSI unit is an entity which meets set criteria. Udyog Aadhaar, MSME or SSI unit registration is not mandatory as per any statute but entities can avail few benefits available under different laws by registering themselves.

11. Apeda Register

Agricultural & Processed Food Products Export Development Authority (APEDA) is a government organization established in 1985 through an act for the development and promotion of export of scheduled products. It provides financial assistance, information, guidelines towards the development of scheduled products. The products specified under the APEDA ACT are called schedule products and exporters of such scheduled products are required register under APEDA.

12. IEC Registration

A 10 digit code, which is issued to the companies by the Director General of Foreign Trade, Government of India, Ministry of Commerce. It is mandatory for any entity or person to carry with the export and import business.

Full Form: – It stands for “Importer Exporter Code”.

IEC Code Number Notification: – The Importer Exporter Code Number is issued by the policy circular no.15 which in turn is issued by the DGFT.

Eligibility: – The entire list of eligibility criteria, conditions and legal provisions to avail the IEC code is found in Foreign Trade (Regulation) Rules, Notification No. GSR 791 (E), dated 30-12-1993 issued by the Ministry of Commerce in 1993.

13. FSSAI Registration

The Food Safety and Standards Authority of India (FSSAI) is an independent agency created by the Indian government’s Ministry of Health & Family Welfare. The Food Safety and Standards Act, 2006, a consolidated act pertaining to food safety and regulation in India, is what gave rise to the establishment of the FSSAI. It is a body that oversees and controls the Indian food industry. By policing and overseeing food safety, FSSAI Licence is in charge of defending and advancing public health.

Works done at

SAN Corporate Service During Internship period:

- Done companies Name checking
- E-filling
- DIN Application
- company registration at MCA
- Applied DSE
- Worked on excel, word

Chapter -3

Data Analysis

Trend Analysis:

Trend analysis is a technique used in technical analysis that attempts to predict future stock price based on recently observed trend data. Trend analysis uses historical data, such as price movements and trade volume, to forecast the long-term direction of market sentiment.

Importance of Trend Analysis:

- Trend analysis identifies current and future movements of an investment or group of investments.
- It compares past and current financial ratios to various institutions to project how long the current trend will continue
- It is helpful to investors who wish to make the most of their investments,
- The process of a trend analysis begins with identifying the category of the investments that are under consideration
- It is possible to determine if all or most of those factors are still exerting an influence

Use of Trend Analysis

It is used by both-Accounting analysis and technical analysis,

Use in Accounting

Sales and cost information of the organization's profit and loss statement can be arranged on a horizontal line for multiple periods and examine trends and data inconsistencies. For instance, take the example of a sudden spike in the expenses in a particular quarter followed by a sharp decline in the next period, which is an indicator of expenses booked twice in the first quarter. Thus, the trend analysis in accounting is essential for examining the financial statement for inaccuracies to see whether certain heads should be adjusted before the conclusion is drawn from the financial statements.

Trend Analysis in accounting compares the overall growth of key financial statement line item over the years from the base case. For example, in the case of Colgate, we assume that 2007 is the base case and analyze the sales and net profit performance over the years.

Sales have increased by 16.3% over eight years (2008-2015).

We also note that the overall net profit has decreased by 20.3% over the eight years.

TREND ANALYSIS:

Use Internal use of the trend analysis in accounting (the revenue and cost analysis) is one of the most useful management tools for forecasting.

Understanding Trend Analysis

Trend analysis tries to predict a trend, such as a bull market run, and ride that trend until data suggests a trend reversal, such as a bull-to-bear market. Trend analysis is helpful because moving with trends, and not against them, will lead to profit for an investor. It is based on the idea that what has happened in the past gives traders an idea of what will happen in the future. There are three main types of trends; short-, intermediate- and long-term

A trend is a general direction the market is taking during a specified period of time. Trends can be both upward and downward, relating to bullish and bearish markets, respectively. While there is no specified minimum amount of time required for a direction to be considered a trend, the longer the direction is maintained, the more notable the trend.

Trend analysis helps you compare your business against other businesses to establish a benchmark of how your business should be operating, at both the initial stage and ongoing, or developing.

Analyzing market trends is key to adapting and changing your business, keeping current and ahead of the industry, and for continual growth.

Trend analysis consists of:

- Trend data, for assessing changes within your own business performance over time
- Benchmark data, for comparing your business to a similar organization (learn about benchmarking your business for greater performance)
- Market trends, for analyzing the data from a whole industry or sector.
- When used internally (the revenue and cost analysis function), trend analysis is one of the most useful management tools available. The following are examples of this type of usage:
 - Examine revenue patterns to see if sales are declining for certain products, customers, or sales regions. This could lead to a decision to curtail certain products, or to shift resources toward other products.
 - Examine expense report claims for evidence of fraudulent claims. For example, a salesperson who continually claims much higher meal expenses might be submitting duplicate receipts for meals.
 - Examine expense line items to see if there are any unusual expenditures in a reporting period that require additional investigation.
 - Extend revenue and expense line items into the future for budgeting purposes, to estimate future results.

Technical Analysis

Technical analysis is a method used by investors to evaluate securities and forecast future price movements based on historical price data and trading volume. It relies on the premise that historical price movements tend to repeat themselves and that patterns can be identified to predict future price direction.

One of the fundamental tools used in technical analysis is trend analysis. Investors create trend lines by connecting the highs or lows of an asset's price over a certain period. These trend lines provide valuable information about the direction and strength of the trend.

There are different types of trends that investors analyze;

Types of Trend Analysis

There are two main ways to categorize trend analysis: by the direction of the trend and by the timeframe.

1. By Direction

Uptrend: An uptrend is a period of sustained increase in the value of a variable. This could be the price of a stock, the number of users of a website, or the sales of a product.

Downtrend: A downtrend is a period of sustained decrease in the value of a variable. This could be the price of a stock, the number of users of a website, or the sales of a product.

Sideways Trend: A sideways trend is a period of time in which the value of a variable fluctuates within a relatively narrow range. This can indicate that there is no clear upward or downward trend in the data.

2. By Timeframe

Short-term Trend: Short-term trends are trends that last for a few days or weeks. They are often identified using technical analysis, which is a method of forecasting future price movements based on past price data.

Intermediate-term Trend: Intermediate-term trends are trends that last for a few months or quarters. They are often identified using fundamental analysis, which is a method of forecasting future price movements based on a company's financial statements and other factors.

Long-term Trend: Long-term trends are trends that last for several years or even decades. They are often driven by demographic changes, technological advancements, and other major economic or social forces.

Ratio Analysis:

Ratio analysis is a financial analysis technique used to evaluate a company's performance by examining relationships between items in its financial statements, providing insights into aspects such as profitability, liquidity, solvency, and efficiency.

TYPES OF RATIO ANALYSIS:

❖ Liquidity ratios:

Liquidity Ratio measure a company's ability to pay its short-term debt. Liquidity ratios include the working capital ratio, which looks at which subtracts current debt from current assets, the quick ratio, also known as the acid test, which looks at whether the company can pay its current liabilities using account receivables; and the cash ratio which measures how much a company's liabilities and short-term obligations are payable using only cash or cash-equivalents.

❖ Efficiency ratios:

Efficiency ratios measure a company's ability to use its assets, meet its liabilities, and make sales to turn a profit. The inventory turnover ratio is a metric that compares the cost of goods sold to the average value of inventory within an accounting period. The fixed asset return ratio compares of fixed assets with sales figures, and the total assets turnover ratio compares fixed assets to total assets. These ratios, known as activity ratios or asset management ratios, provide essential data to financial directors and investors essential data.

❖ Solvency ratios:

Solvency ratios, also known as debt management ratios, show how a company is financing its operations with long-term debt versus financing them with equity or retained earnings. Companies can calculate the total debt ratio by dividing the total assets by total liabilities, and can find the debt-to-equity ratio by dividing the total liabilities by the shareholder's equity.

❖ Profitability ratios:

Financial directors can calculate profitability ratios in a few ways. One example is to divide net income by sales, giving a figure of profit per dollar or the net profit margin. Companies can also divide the net income by total assets to determine the return on total assets or ROA. Another method is to divide the earnings before interest and taxes (EBIT, sometimes also expanded to earnings before interest, taxes, depreciation, and amortization, or EBITDA) by total assets to get the BEP, or basic earning power ratio. You can also divide the net income by common equity to calculate the return on equity or ROE. Another example of a profitability ratio is gross profit margin ratio or gross margin, which shows how much profit a company retains after turnover costs.

❖ **Market value ratios:**

The market value ratios, also known as market prospect ratios, are essential for large, publicly traded firms. they deal with share prices and market valuation in an attempt to determine the financial soundness of a company as an investment. Market value ratios include the P/E ratio or price/earnings ratio, determined by dividing the price per share by earnings per share. Companies calculate the price/cash flow ratio by dividing the stock price by the cash flow per share, and can divide the stock price by the book value per share to get the market/book ratio. Market prospect ratios also include dividend yield, dividing dividends per share by stock price per share.

ADVANTAGES OF RATIO ANALYSIS:

The basic objective of ratio analysis is to help management in interpretation of financial statements to enable it to perform the managerial functions efficiently. The following are the advantages of ratio analysis.

❖ **FORECASTING:**

Ratios reveal the trends in costs, sales, profits and other inter-related facts, which will be helpful in forecasting future events.

❖ **MANAGERIAL CONTROL:**

Ratios can be an “Instrument of control” regarding sales, costs and profit.

❖ **FACILITATES COMMUNICATION:**

ratios facilitate the communication function of management as ratios convey the information relating to the present and future quickly, forcefully and clearly.

❖ **MEASURES EFFICIENCY:**

Ratios help to know operational efficiency by comparison of present ratios with those of the past working and also with those of other firms in the industry

❖ **FACILITATING INVESTMENT DECISIONS:**

Ratios are helpful in computing return on investment. This helps the management in exercising effective decisions regarding profitable avenues of investment.

❖ **USEFUL IN MEASURING FINANCIAL SOLVENCE:**

The financial statements disclose the assets and liabilities with each other, whereas ratios indicate the liquidity position of the company and the proportion of borrowed funds to total resources which reveal the short term and long- term solvency position of a firm.

❖ **INTER FIRM COMPARISON:**

The technique of inner-firm comparison can be carried out successfully only with the help of ratio analysis. Otherwise, no firm may come forward to disclose full information. Inter-firm comparison helps the management to compare its performance with an external “bench-mark” or standard.

Trend Analysis

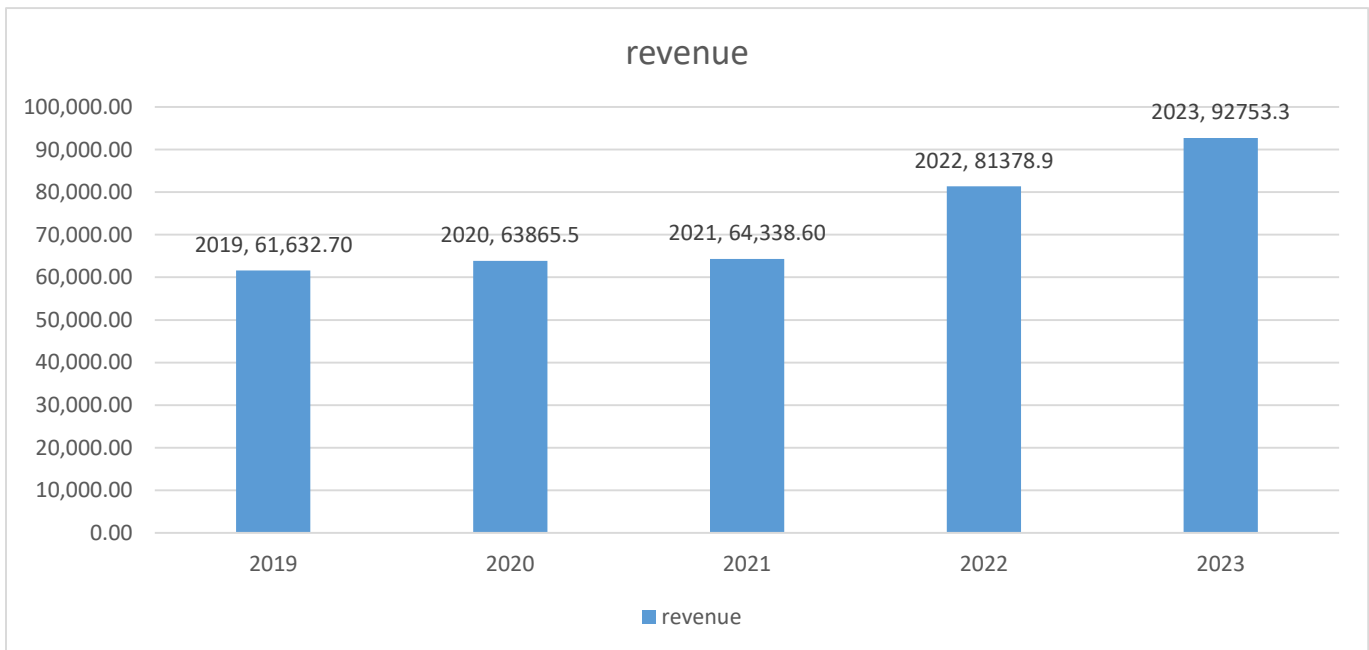
1. Revenue

Tabulation:

Year	2019	2020	2021	2022	2023
Revenue	61,632.70	63,865.50	64,338.60	81,378.90	92,753.30

Formula:

Revenue = Sales x Average Price of Service or Sales Price



Interpretation:

From the above chart the revenue of the company reveals increasing trend during the year 2019, the revenue was 61,632 has been increased to 92,753.30 in 2022-2023

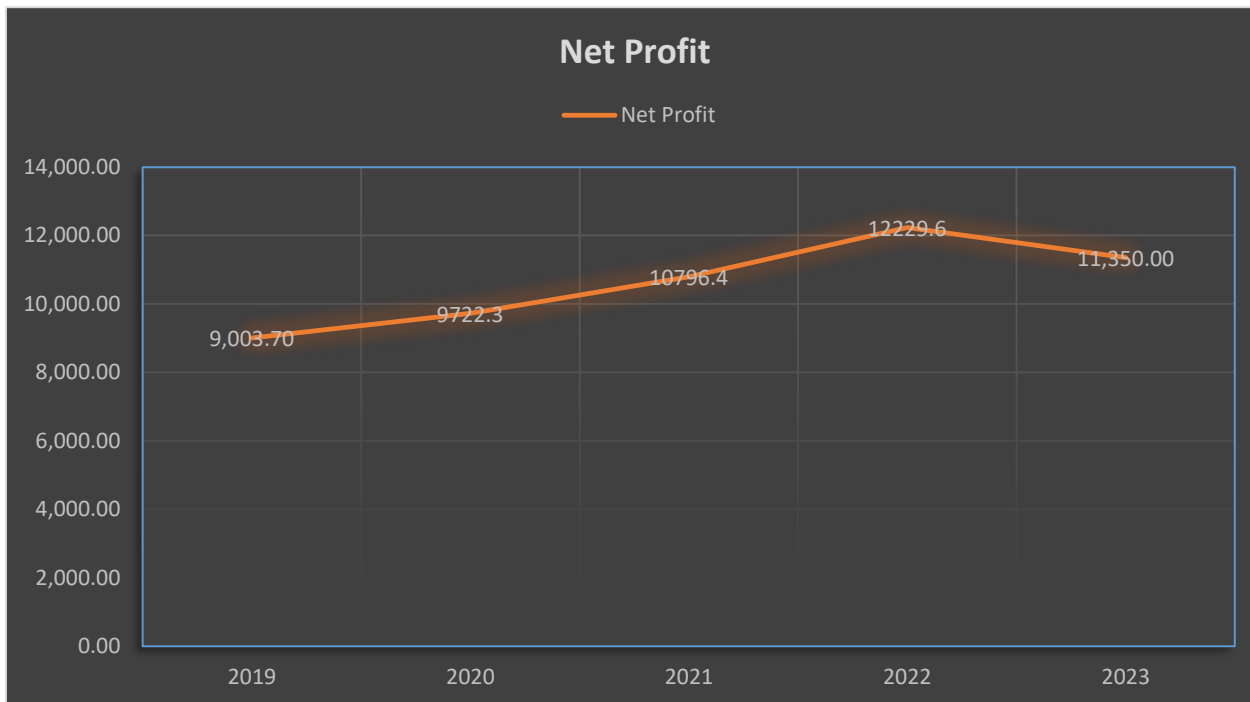
2. Net profit

Tabulation:

Year	2019	2020	2021	2022	2023
Revenue	9,003.70	9,722.30	10,796.40	12,229.60	11,350.00

Formula:

$$\text{Net Profit} = \text{Total Revenue} - \text{Total Expenses}$$



Interpretation:

From the above chart the Net Profit of the company reveals increasing trend during the year 2019, the Net Profit was 9,003.70 has been increased to 11,350.00 in 2022-2023

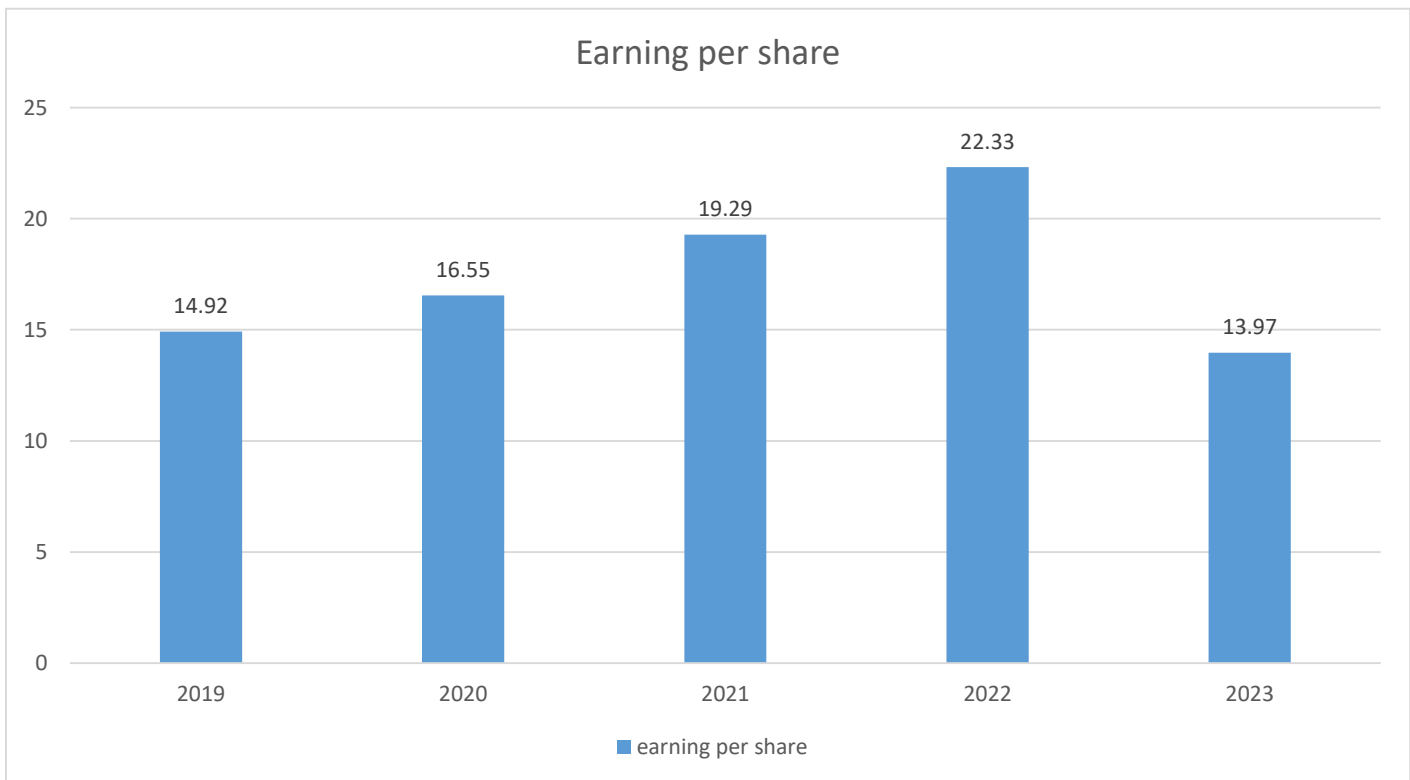
3. Earning per share (EPS)

Tabulation:

Year	2019	2020	2021	2022	2023
EPS	14.92	16.55	19.29	22.33	20.69

Formula:

$$\text{EPS} = \frac{\text{Net income} - \text{Preferred dividends}}{\text{weighted average of common shares outstanding during the period}}$$



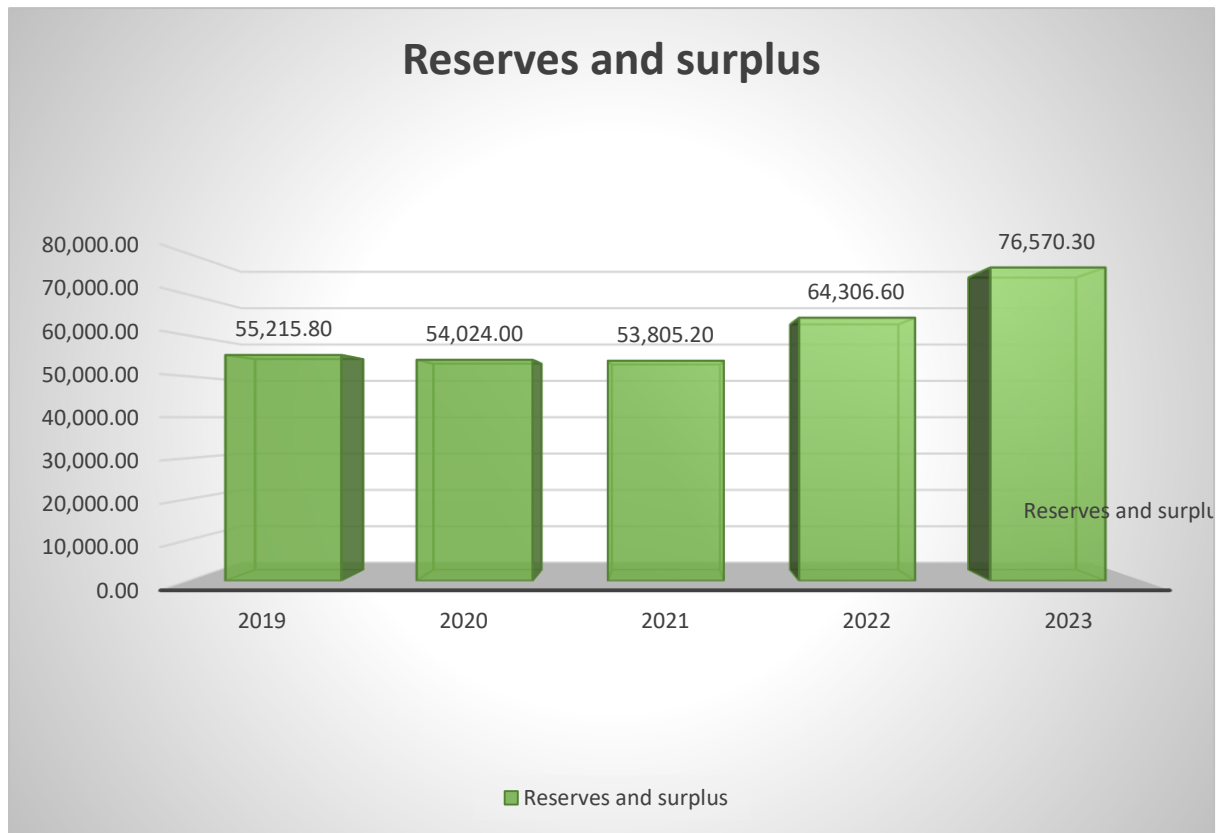
Interpretation:

From the above chart the Earning Per Share of the company reveals decreasing trend during the year 2019, the EPS was 14.92 has been decreased to 13.97 in 2022-2023

4. Reserves and Surplus

Tabulation:

Year	2019	2020	2021	2022	2023
EPS	55,215.80	54,024.00	53,805.20	64,306.60	76,570.30



Interpretation:

From the above chart the Reserves of the company reveals increasing trend during the year 2019, the Reserves was 55,215.80 has been increased to 76,570 in 2022-2023

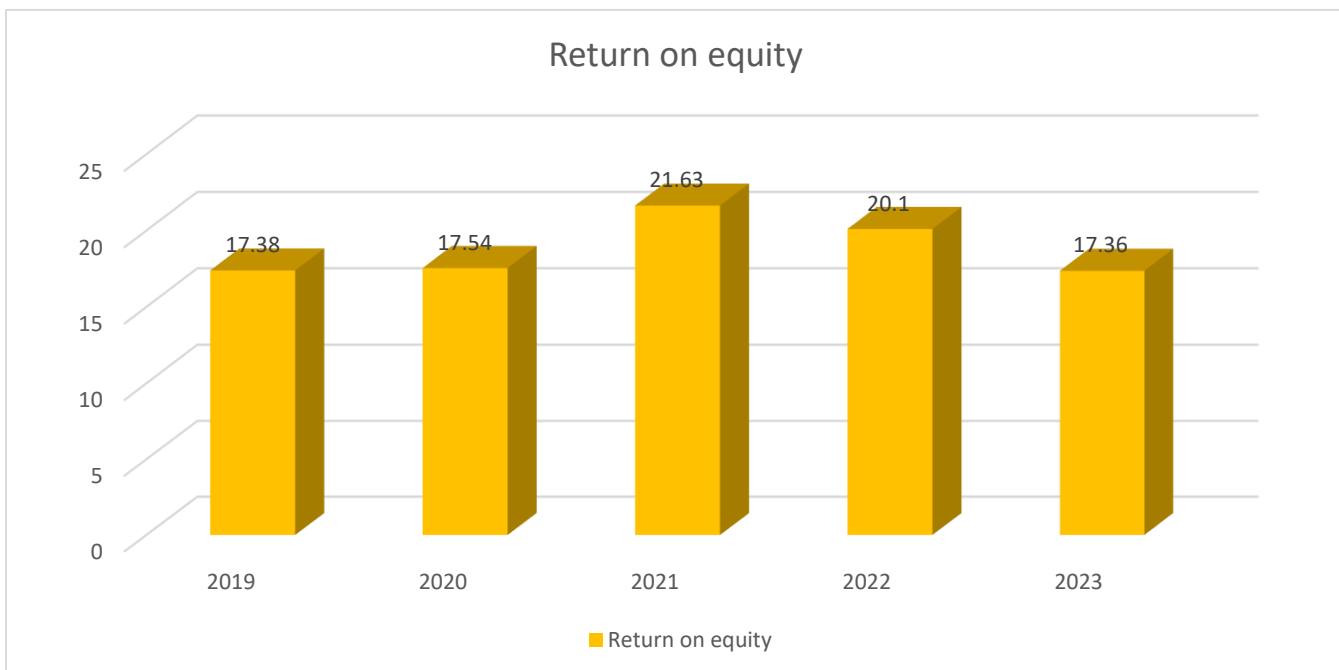
5. Return on Equity (ROE)

Tabulation:

Year	2019	2020	2021	2022	2023
ROE	17.38	17.54	21.63	20.10	17.36

Formula:

$$\text{Return on equity} = \frac{\text{Net returns}}{\text{Cost of investment}}$$



Interpretation:

From the above chart the Return on Equity of the company reveals decreasing trend during the year 2019, the ROE was 17.38 has been decreased to 17.36 in 2022-2023

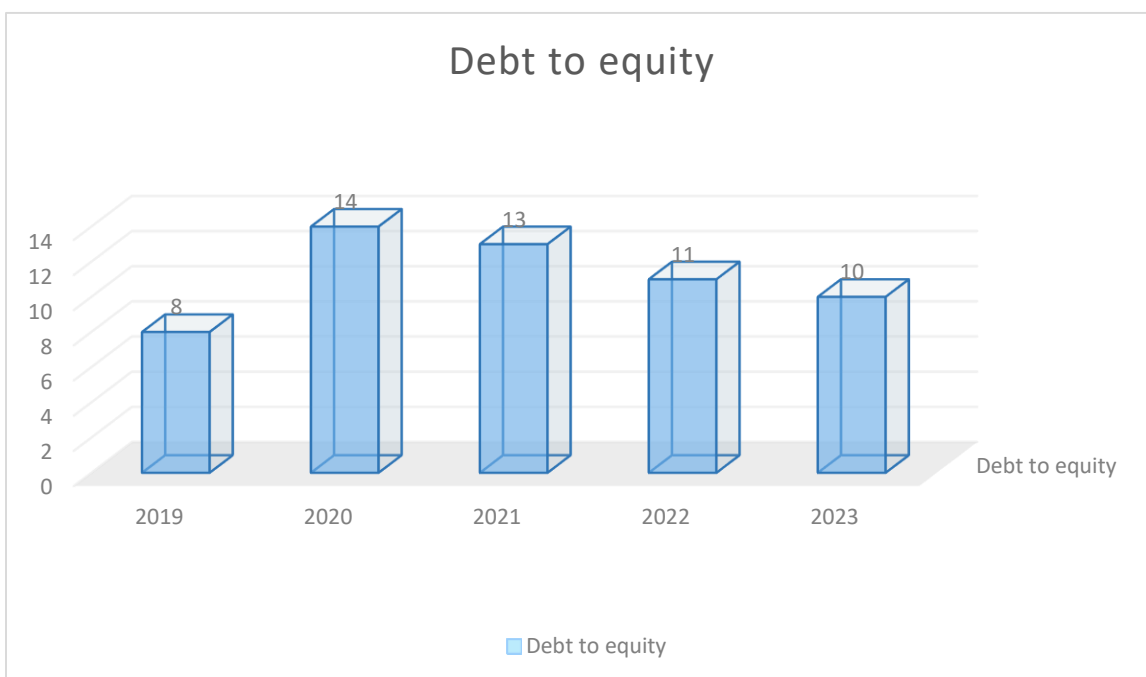
6. Debt to equity:

Tabulation:

Year	2019	2020	2021	2022	2023
DER	0.8	0.14	0.13	0.11	0.10

Formula:

$$\text{Debt to equity} = \frac{\text{Total Liabilities}}{\text{Shareholders equity}}$$



Interpretation:

From the above chart the Debt on Equity of the company reveals increasing trend during the year 2019, the revenue was 61,632 has been increased to 92,753.30 in 2022-2023

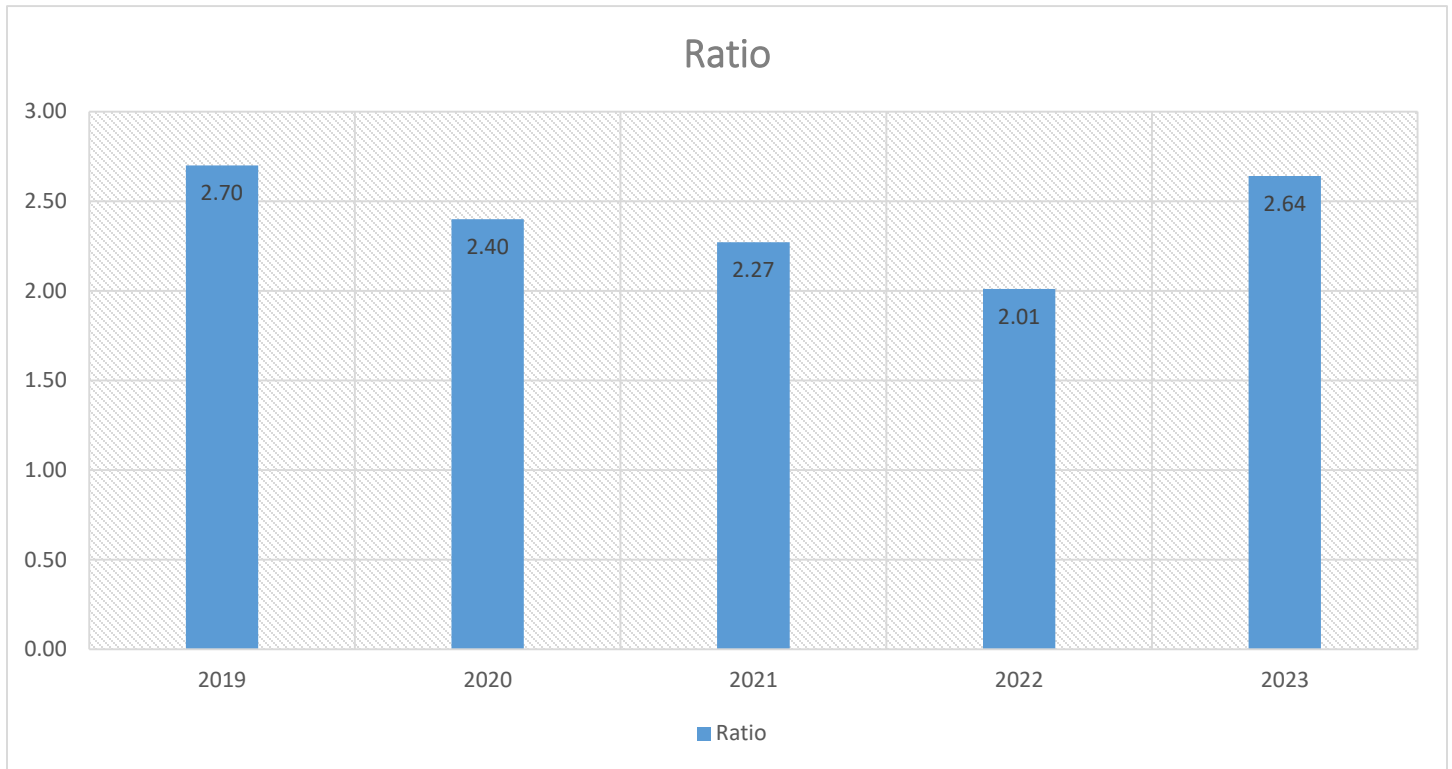
Ratio Analysis

1.Liquidity Ratios:

Current Ratio

$$\text{Formula: Current ratio} = \frac{\text{Current Assets}}{\text{Current liabilities}}$$

Year	Current Assets	Current liabilities	Ratio
2018 - 2019	57,910.60	21,435.00	2.70
2019 - 2020	51,985.10	21,639.30	2.40
2020 - 2021	52,318.60	23,004.00	2.27
2021 – 2022	62,075.20	30,832.90	2.01
2022 - 2023	66,109.60	26,775.30	2.64



Interpretation:

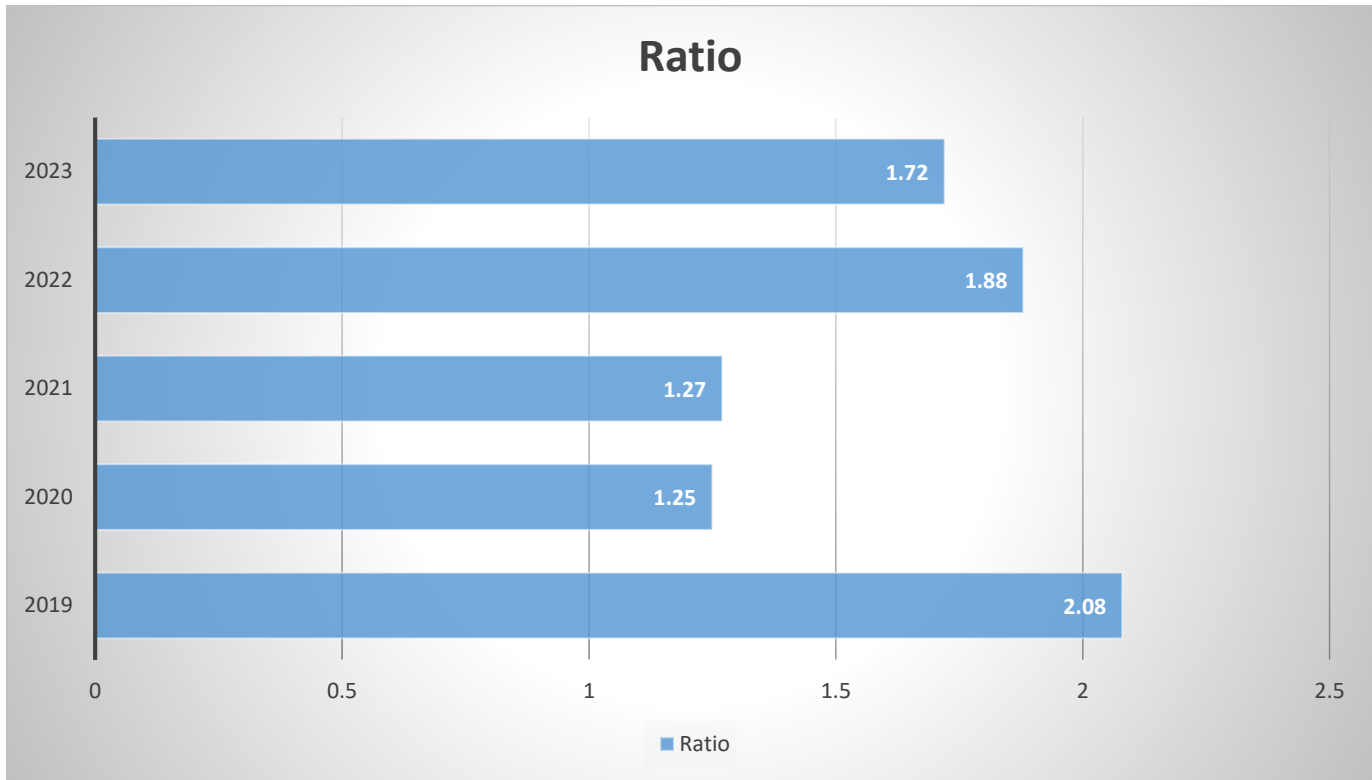
From the above chart the Current ratio of the company reveals decreasing trend during the year 2019, the revenue was 2.70 has been decreased to 2.64 in 2022-2023

2.Solvency Ratios:

Formula:

$$\text{Solvency ratio} = \frac{\text{Total debt}}{\text{Total Tangible Assets}}$$

Year	Total Debt	Total Tangible Assets	Ratio
2018 - 2019	9,947	4765.50	2.08
2019 - 2020	9,724	7736.50	1.25
2020 - 2021	10,451	8217.10	1.27
2021 – 2022	17,593	9348.00	1.88
2022 - 2023	17,467	10103.80	1.72



Interpretation:

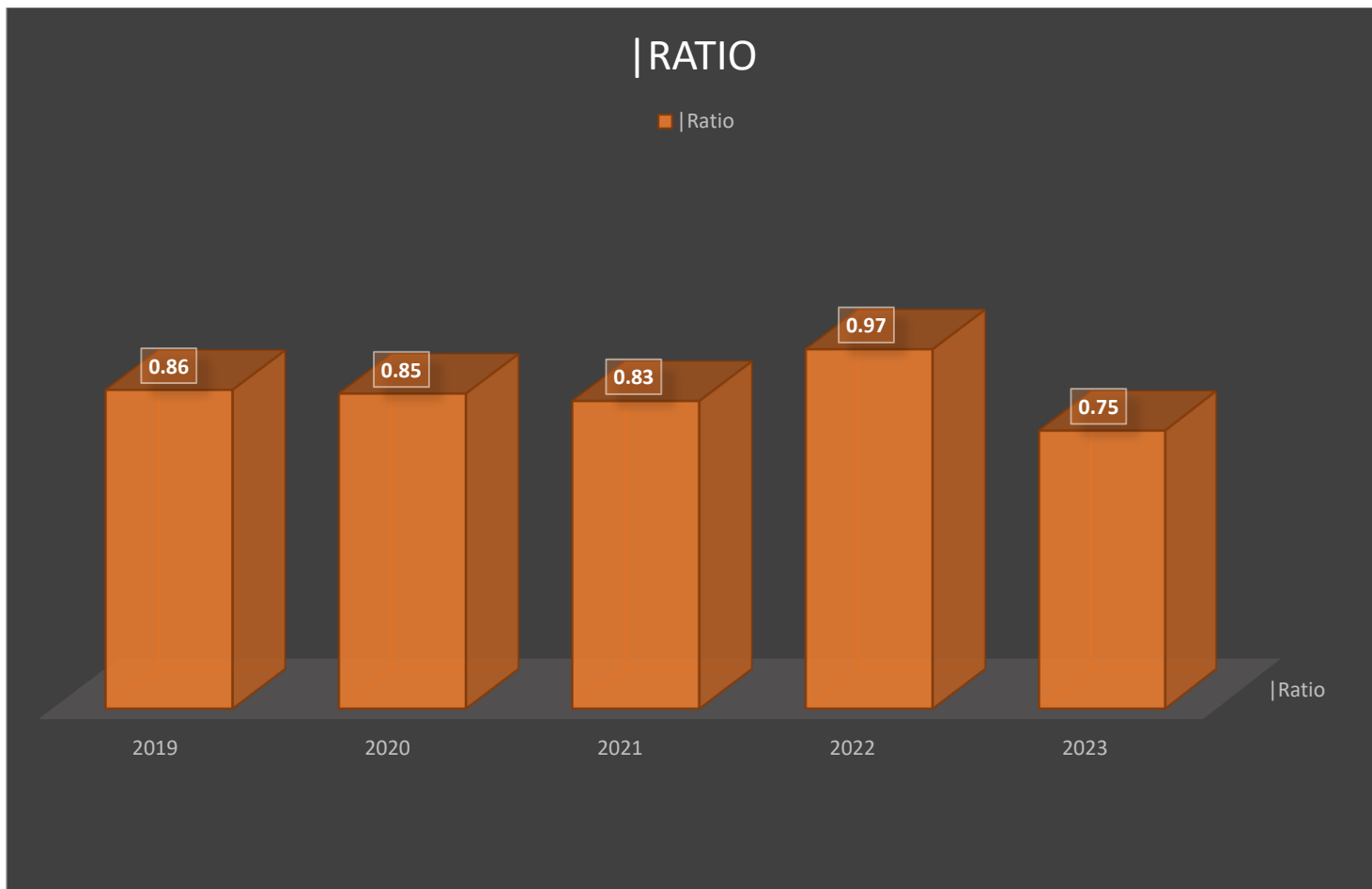
From the above table the solvency ratio of the company reveals increasing trend during the year 2019, The ratio was 2.08 has been decreased to 1.72 in 2022-2023.

3.Profitability Ratios:

Formula:

$$\text{Profitability Ratios} = \frac{\text{Net profit}}{\text{Revenue}}$$

Year	Net profit	Revenue	Ratio
2018 - 2019	7,614	8,761	0.86
2019 - 2020	8,681	10,207	0.85
2020 - 2021	10,061	12,054	0.83
2021 – 2022	12,135	12,411	0.97
2022 - 2023	9,177	12,136	0.75



Interpretation:

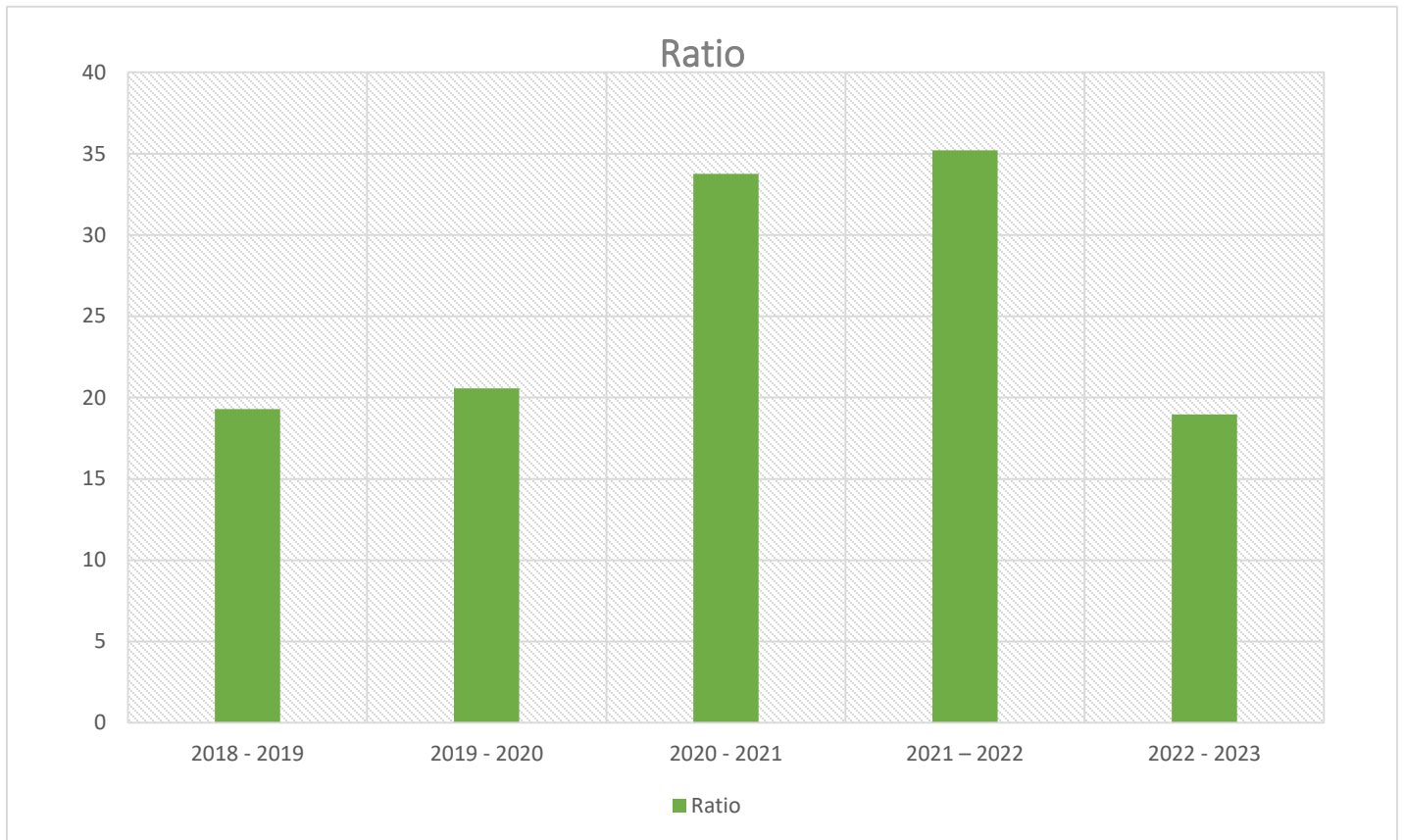
From the above table the profitability ratio of the company reveals increasing trend during the year 2019, The ratio was 0.86 has been decreased to 0.75 in 2022- 2023.

4.Coverage Ratios:

Formula:

$$\text{Interest Coverage Ratio} = \frac{\text{EBIT}}{\text{Interest Expenses}}$$

Year	EBIT	Interest Expenses	Ratio
2018 - 2019	14,226.40	737.50	19.29
2019 - 2020	15,070.20	732.80	20.56
2020 - 2021	17,175.10	508.80	33.75
2021 – 2022	18,751.10	532.50	35.21
2022 - 2023	19,113.60	1,007.70	18.96



Interpretation:

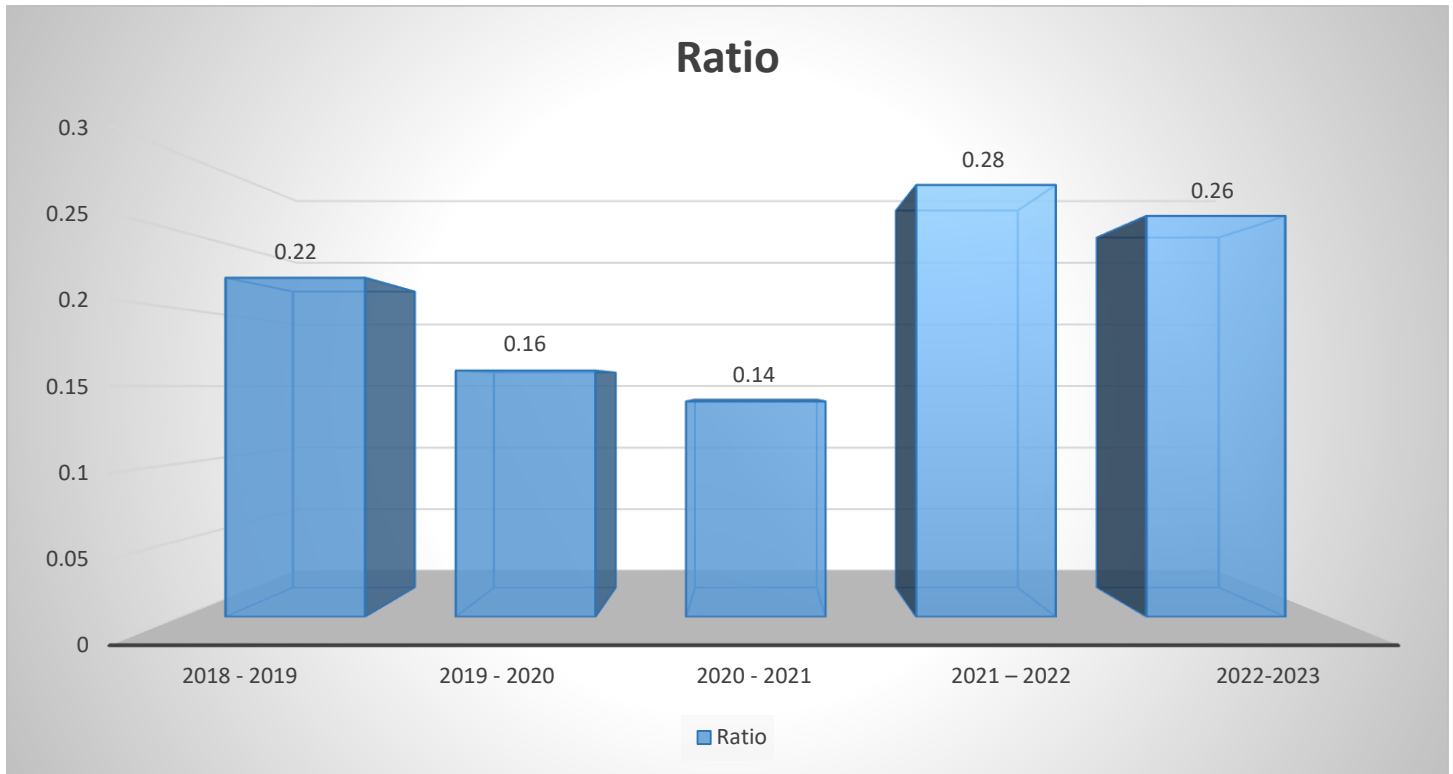
From the above table the Coverage Ratios of the company reveals Decreasing trend during the year 2019, The ratio was 19.29 has been decreased to 18.96 in 2022-2023.

5. Market Prospect Ratios:

Formula:

$$\text{Market Prospect Ratio} = \frac{\text{Market Capitalization}}{\text{Total book value}}$$

Year	Market Capitalization	Total Book Value	Ratio
2018 - 2019	79.76	359.69	0.22
2019 - 2020	83.23	496.18	0.16
2020 - 2021	91.80	623.87	0.14
2021 – 2022	108.67	386.28	0.28
2022 - 2023	123.46	470.95	0.26



Interpretation:

From the above table the Market Prospect Ratios of the company reveals increasing trend during the year 2019, The ratio was 0.22 has been increased to 0.26 in 2022-2023.

Chapter -4

Findings and suggestion

Findings:

- Revenue ratio of the company reveals increasing trend during the year **2019**, the revenue was 61,632 has been increased to 63865.50 in **2020**. Increased every year during **2022-2023** at 92,753.30.
- Net profit per share of the company reveals decreased trend during the year **2019**, the NPPS was 9003.70 has been increased to 9,722.30 in **2020**. It's increased every year during **2022-2023** it was 11,350.00
- Earning per share of the company reveals increasing trend during the year **2019**, the ratio was 14.92 has been increased to 16.55 in **2020**. Then it increases in the year **2021** to 19.29. Increases year during **2022** to 22.33 and decrease on **2023** it was 20.69.
- Reserves and surplus of the company reveals increased trend during the year **2019**, the reserves was 55,215.80 has been decreased to 54, 024.00 in **2020**. Then it continually increased in the year **2021** at 53,805.20. Increased every year during **2022-2023** it was 76,570.30.
- Returns on equity ratio of the company reveals increasing trend during the year **2019**, the ratio was 17.38 has been increased to 17.54 in **2020**. Then it increases in the year **2021** at 21.63. Increased every year during **2022-2023** it was 17.36.
- Debt to equity ratio of the company reveals increasing trend during the year **2019**, the ratio was 0.8 has been decreased to 0.14 in **2020**. Then it decreases every year compare to pervious year **2022-2023** it was 0.10.
- Current ratio of the company reveals increasing trend during the year **2019**, the ratio was 2.70 has been decreased to 2.40 in **2020**. Then it decreases every year compare to pervious year **2022-2023** it was 2.64.
- Solvency ratio of the company reveals increasing trend during the year 2019, the ratio was 2.08 has been decreased to 1.25 in 2020. Then it decreases every year compare to pervious year 2022-2023 it was 1.72
- profitability ratio of the company reveals increasing trend during the year 2019, the ratio was 0.86 has been decreased to 0.85 in 2020. Then it decreases every year compare to pervious year 2022-2023 it was 0.75
- Coverage ratios of the company reveals increasing trend during the year 2019, the ratio was 19.29 has been increased to 20.56 in 2020. Then it decreases every year compare to pervious year 2022-2023 it was 18.96
- Market prospect ratios of the company reveals increasing trend during the year 2019, the ratio was 0.22 has been decreased to 0.16 in 2020. Then it increases every year compare to pervious year 2022-2023 it was 0.26.

Suggestion:

- The company has shown consistent revenue growth over the years. To sustain this growth, the company should focus on expanding its customer base, entering new markets, or introducing new products or services.
- While the net profit per share has generally increased, there were some decreases observed. The company should evaluate its cost structure, streamline operations, and implement efficiency measures to ensure consistent profitability growth.
- Although the EPS has shown an overall increasing trend, the decrease in 2023 indicates some volatility. The company should focus on maintaining stable earnings growth by aligning its business strategies with long-term objectives and managing risks effectively.
- The increasing trend in reserves and surplus indicates good financial health. The company should continue to build its reserves while also considering strategic investments or returning value to shareholders through dividends or buybacks.
- While the return on equity has shown fluctuations, maintaining a consistently high ROE is essential for shareholders' confidence. The company should aim to improve operational efficiency, optimize capital structure, and generate higher returns on investments to enhance ROE.
- The decreasing trend in the debt to equity ratio is positive, indicating improved financial leverage. The company should continue to manage its debt levels prudently and consider refinancing options to reduce interest expenses further.
- While the current ratio has fluctuated, it still indicates satisfactory liquidity levels. The company should monitor its liquidity position closely to ensure it can meet short-term obligations. Additionally, maintaining a healthy solvency ratio is crucial for long-term financial stability and growth.
- Although profitability ratios have decreased slightly, maintaining a focus on cost control, revenue optimization, and operational efficiency will help improve profitability. Similarly, ensuring adequate coverage ratios will enhance the company's ability to meet its financial obligations.
- The increasing trend in market prospect ratios suggests positive investor sentiment. The company should continue to communicate its growth strategies, financial performance, and market opportunities effectively to attract investors and stakeholders.

Conclusion

Conclusion:

My internship at SAN Corporate Services solidified my belief that practical experience is an invaluable complement to theoretical studies. While classroom learning provides a strong foundation, the internship offered a real-world immersion that significantly enhanced my knowledge and skillset.

A Month of Immersive Learning:

For a month, SAN Corporate Services became my professional classroom. I actively participated in various tasks, gaining firsthand experience in the day-to-day operations of a corporate services firm. This hands-on approach proved far more enriching than simply reading about these processes in textbooks.

Specific Skills Developed:

Company Registration: I delved into the intricacies of company registration, gaining a comprehensive understanding of the process.

Legal Document Management: In the legal section, I played a crucial role in organizing original petition files chronologically, significantly improving their accessibility.

Information Gathering: I actively sought guidance from senior officers and experienced personnel, absorbing their wealth of knowledge and insights.

Planting the Seed for a Future Career:

Through these interactions, my interest in becoming a company secretary blossomed. The office staff provided valuable insights into the CS profession, outlining the importance of relevant studies. This guidance has significantly shaped my future career aspirations.

Case Studies and Practical Application:

I had the opportunity to work on case studies within the legal section. Applying theoretical knowledge to real-world scenarios solidified my understanding and provided a sense of accomplishment.

Conclusion: A Fulfilling Internship:

By the internship's conclusion, I felt a deep sense of achievement. Not only did I gain valuable skills and knowledge, but I also discovered a potential career path that aligns with my interests. The internship at SAN Corporate Services served as a transformative experience, proving the crucial role practical training plays in a student's development.

This expanded version adds details, highlights specific skills learned, and emphasizes the impact the internship had on your career aspirations.

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Annexue

Consolidated Balance Sheet

----- in Rs. Cr. -----

	Mar 23	Mar 22	Mar 21	Mar 20	Mar 19
	12 mths	12 mths	12 mths	12 mths	12 mths
EQUITIES AND LIABILITIES					
SHAREHOLDER'S FUNDS					
Equity Share Capital	1,097.60	1,096.40	1,095.80	1,142.70	1,206.80
Total Share Capital	1,097.60	1,096.40	1,095.80	1,142.70	1,206.80
Reserves and Surplus	76,570.30	64,306.60	53,805.20	54,024.00	55,215.80
Total Reserves and Surplus	76,570.30	64,306.60	53,805.20	54,024.00	55,215.80
Employees Stock Options	0.00	0.00	0.00	155.00	0.00
Total Shareholders Funds	77,667.90	65,403.00	54,901.00	55,321.70	56,422.60
Minority Interest	58.90	51.50	149.80	187.50	263.70
NON-CURRENT LIABILITIES					
Long Term Borrowings	6,127.20	5,646.30	745.80	484.00	2,836.80
Deferred Tax Liabilities [Net]	1,515.30	1,214.10	460.60	279.30	338.40
Other Long Term Liabilities	4,694.40	4,085.50	3,165.30	2,990.30	1,419.90
Long Term Provisions	294.70	272.10	305.70	376.80	208.40
Total Non-Current Liabilities	12,631.60	11,218.00	4,677.40	4,130.40	4,803.50
CURRENT LIABILITIES					
Short Term Borrowings	8,882.10	9,523.30	6,036.30	5,402.00	6,808.50
Trade Payables	5,972.30	6,252.20	5,417.40	5,840.00	6,266.00
Other Current Liabilities	10,077.50	13,249.30	10,002.50	9,061.00	7,254.80
Short Term Provisions	1,843.40	1,808.10	1,547.80	1,336.30	1,105.70
Total Current Liabilities	26,775.30	30,832.90	23,004.00	21,639.30	21,435.00
Total Capital And Liabilities	117,133.70	107,505.40	82,732.20	81,278.90	82,924.80

ASSETS					
NON-CURRENT ASSETS					
Tangible Assets	10,103.80	9,348.00	8,217.10	7,736.50	4,766.50
Intangible Assets	4,304.50	4,355.50	1,308.50	1,636.20	1,376.20
Capital Work-In-Progress	617.10	1,601.50	1,853.20	1,881.10	2,141.80
Fixed Assets	15,025.40	15,305.00	11,378.80	11,253.80	8,284.50
Non-Current Investments	2,150.00	1,988.30	1,204.00	1,068.50	815.10
Deferred Tax Assets [Net]	210.00	229.80	166.40	600.50	560.40
Other Non-Current Assets	3,290.20	3,621.00	4,149.70	3,681.60	4,752.20
Total Non-Current Assets	51,024.10	45,430.20	30,413.60	29,293.80	25,734.20
CURRENT ASSETS					
Current Investments	30,923.20	24,165.50	17,570.70	18,963.50	22,071.60
Inventories	118.80	133.40	106.40	186.50	395.10
Trade Receivables	18,686.50	11,521.90	9,429.80	10,447.40	10,048.90
Cash And Cash Equivalents	9,188.00	10,383.60	16,979.30	14,449.90	15,852.90
OtherCurrentAssets	7,193.10	15,870.80	8,232.40	7,937.80	8,822.10
Total Current Assets	66,109.60	62,075.20	52,318.60	51,985.10	57,190.60
Total Assets	117,133.70	107,505.40	82,732.20	81,278.90	82,924.80
OTHER ADDITIONAL INFORMATION					
CONTINGENT LIABILITIES, COMMITMENTS					
Contingent Liabilities	13,045.60	13,307.20	11,606.30	17,275.00	22,587.50
BONUS DETAILS					
Bonus Equity Share Capital	1,094.34	1,094.34	1,094.34	1,141.18	1,205.19
NON-CURRENT INVESTMENTS					
Non-Current Investments Quoted Market Value	3.30	4.10	2.60	0.00	0.00
Non-Current Investments Unquoted Book Value	2,068.70	1,906.80	1,055.00	930.20	691.60
CURRENT INVESTMENTS					
Current Investments Quoted Market Value	22,836.70	19,090.20	13,138.20	13,546.10	17,768.60
Current Investments Unquoted Book Value	8,086.50	5,075.30	4,432.50	5,417.40	4,303.00