

**A STUDY FINANCIAL ANALYSIS WITH SPECIAL REFERENCE WITH CHENNAI  
TESTING LABORATORY PRIVATE LIMITED, CHENNAI.**

**PROJECT REPORT**

**SUBMITTED TO THE**

**UNIVERSITY OF MADRAS IN PARTIAL FULFILLMENT FOR THE AWARD OF  
THE DEGREE IN**

**BACHELOR OF BUSINESS ADMINISTRATION**

**SUBMITTED BY**

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**APRIL 2024 – 2025**

### **Declaration**

**We R. Lingesh, L. Akash, S. Saravanan, R. Mukesh, B. N. Prathish** has been declared that this project entitled "**A STUDY FINANCIAL ANALYSIS WITH SPECIAL REFERENCE WITH CHENNAI TESTING LABORATORY PRIVATE LIMITED, CHENNAI.**" Has been submitted to me partial fulfillment of the requirement for the degree of Bachelor of Business Administration, University of Madras. I also declare that this project is the result of my own efforts and that is not submitted to any other university for the award of degree.

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## **BONAFIDE CERTIFICATE**

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Signature of the Guide

Signature of HOD

Signature of the External Examiner

Signature of Internal Examiner

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SUBMITTED ON \_\_\_\_\_

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## **ACKNOWLEDGEMENT**

First and foremost, I would like to praise and thank God, the all mighty. Who has granted countless blessing, knowledge, and opportunity to complete the Project work.

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I also do not like to miss the opportunity to acknowledge the contribution of all faculty members of our department for their kind assistance and cooperation during the development of my project.

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## **Abstract**

This project focuses on conducting a comprehensive financial analysis of **Chennai Testing Laboratory**, a company engaged in providing quality testing and analytical services across various industrial sectors. The primary goal of the study is to assess the company's financial health by analysing its past and present financial performance, identifying strengths and weaknesses, and providing recommendations for future financial planning and strategy. Financial analysis serves as a crucial tool in understanding the company's operational efficiency, profitability, and long-term sustainability.

The analysis involves a detailed examination of Chennai Testing Laboratory's financial statements, including the balance sheet, income statement, and cash flow statement over a selected period. Key financial ratios such as current ratio, quick ratio, debt-to-equity ratio, return on equity, net profit margin, and asset turnover are calculated and interpreted to evaluate the company's liquidity, solvency, profitability, and operational effectiveness. In addition, both horizontal and vertical analyses are employed to identify significant changes and trends in financial performance.

To supplement the ratio and trend analysis, the study also considers external factors such as market conditions, industry benchmarks, and regulatory changes that may have influenced the company's financial outcomes. By benchmarking Chennai Testing Laboratory's financial indicators against industry standards, the analysis provides valuable insights into the company's competitive position in the market.

The outcomes of this project aim to support informed decision-making by the company's management and stakeholders. Recommendations are proposed based on the findings to enhance financial planning, improve cost control, increase profitability, and ensure sustainable growth. This project demonstrates the importance of financial analysis as an essential component of strategic management and organizational development.

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This is to certify that **Mr. R. Lingesh** BBA (3<sup>rd</sup> Year) from Dharmamurthi Rao Bhahadur Calavala Cunnan Chetty's Hindu College, Pattabiram, has successfully completed the Internship Training in "**E-INVOICING USING TALLY PRIME & OTHER ACCOUNTING ACTIVITES**" at Chennai Testing Laboratory Private Limited, Guindy, Chennai – 600 032 from **22<sup>nd</sup> May 2024 to 22<sup>nd</sup> June 2024**.

For **Chennai Testing Laboratory Private Limited**

A handwritten signature in black ink, appearing to read "N. Rajendrakumar".

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For **Chennai Testing Laboratory Private Limited**

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# **CHAPTER-1**

## **INTRODUCTION**

### **1.1 FINANCIAL ANALYSIS**

Analysis of financial statement is a systematic process of critical evaluation of the financial information given in financial statement so that these information may be understood properly. For the purpose of analysis individual items are studied, their relationship with other relevant figures is established and the data are sometime re-arranged to have better understanding of the information with the help of various tools for the purpose.

Financial statement analysis is a process of selection, relation and evaluation of a financial statement. The first procedure is to select from the total available about a business enterprise. The second procedure is to arrange the information in a way that will bring out significant relationships.

The final procedure is to study these relationships and interpret the results. Modern technology has provided opportunities to investors to move their funds from one market to another market around the world. Strong financial position of a company helps to attract investors. The more the financially strong a company, the more company is wealthy. There are two kinds of users of financial statement.

Those are internal and external user. Management of a company evaluates their financial statement end of each accounting period to understand their business activity. Even each division of a company frequently compares the performance of those divisions by using financial statement information.

## **1.2 Accounting**

Accounting is the system of recording financial transactions with both numbers and text in the form of financial statements. It provides an essential tool for billing customers, keeping track of assets and liabilities (debts), determining profitability, and tracking the flow of cash. The system is largely self-regulated and designed for the users of financial information, who are referred to as stakeholder's business owners, lenders, employees, manager, customers, and others.

Stakeholders utilize financial statements to help make business, lending, and investment decisions. (bookkeeping) and performing bank reconciliations. Accounting has several specialized fields and roles. Private (internal) accounting generally refers to 9 accountants who work within a single business entity. Small business accountants may assume general roles which require preparing the records professionals are generally divided into three fields: tax, audit, and advisory. The tax field focuses on federal, state, and local tax filings.

Audit roles test the validity of financial statements and internal controls. Advisory services perform general financial consulting. Public accounting firms have several different clients, whereas private accounting refers to working for one specific business entity.

## **1.3 There are five different types of accounts:**

Asset, liability, equity, revenue, and expense. Each account type includes sub-accounts to record transaction details. For example, cash assets may include several different cash and savings accounts.

**1.3.1 Asset accounts:** Cash and cash equivalents, accounts receivable, inventory, allowance for doubtful accounts (contra account), prepaid expense, investment, property, plant, and equipment, accumulated depreciation (contra account), intangible assets, accumulated amortization (contra account) and others.

**1.3.2 Equity accounts:** Common stock, additional paid-in capital, retained earnings, treasury stock (contra account).

**1.3.3 Revenue accounts:** Sales revenue and others.

**1.3.4 Expense accounts:** Selling, general, and administrative, interest, repairs, depreciation (noncash), amortization (non-cash) and others.

**1.3.5 Liability accounts:** Accounts payable, notes payable, accrued expenses, deferred revenue, long-term bonds payable and others.

## 1.4 Financial Statements

Financial statements are the end results of the completed accounting record. They include the balance sheet, income statement, statement of shareholders' equity, statement of cash flows, and notes to the financial statements. The information provides predictive value, feedback, and timely data to stakeholders. The balance sheet reports business assets, liabilities, and equity up to a specific time period.

## 1.5 ADVANTAGE OF FINANCIAL STATEMENT ANALYSIS

- The most important benefit if financial statement analysis is that it provides an idea to the Investors about deciding on investing their funds in a particular company.
- Another advantage of financial statement analysis is that regulatory authorities like IASB can ensure the company following the required accounting standards.
- Financial statement analysis is helpful to the government agencies in analysing the taxation owed to the firm.
- Above all, the company is able to analyse its own performance over a specific time period.
- Informed Decision-Making Financial analysis provides a clear picture of a company's financial health, helping stakeholders make informed decisions on investments, loans, or business strategies.
- Profitability Assessment It allows businesses to assess their profit margins, identify cost saving opportunities, and focus on more profitable operations, thereby improving overall profitability.

- Cash Flow Management By analysing cash flow statements, businesses can manage their liquidity effectively, ensuring they have enough cash to meet short-term obligations and plan for future investments.
- Risk Identification Financial analysis helps in identifying potential financial risks or weaknesses, enabling businesses to take proactive measures to mitigate risks such as debt management or operational inefficiencies.
- Benchmarking Performance Financial analysis can compare a company's financial performance against industry standards or competitors, helping businesses assess their market position and identify areas for improvement.
- Investment Planning It provides insight into the company's value and growth prospects, which is essential for attracting investors or securing financing at favourable terms.
- Strategic Planning Financial analysis is crucial for setting realistic budgets, forecasting future performance, and making long-term strategic decisions based on solid financial data.

## **1.6 LIMITATION OF FINANCIAL STATEMENT ANALYSIS**

- Financial Statements Are Derived from Historical Costs - Transactions are initially recorded at their cost. This is a concern when reviewing the balance sheet, where the values of assets and liabilities may change over time. Some items, such as marketable securities, are altered to match changes in their market values, but other items, such as fixed assets, do not change. Thus, the balance sheet could be misleading if a large part of the amount presented is based on historical costs.
- Financial Statements Only Cover a Specific Period of Time - A user of financial statements can gain an incorrect view of the financial results or cash flows of a business by only looking at one reporting period. Any one period may vary from the normal operating results of a business, perhaps due to a sudden spike in sales or season effects. It is better to view a large number of consecutive financial statements to gain a better view of ongoing results.

- Financial Statements Could be Wrong Due to Fraud- The management team of a company may deliberately skew the results presented. This situation can arise when there is undue pressure to report excellent results, such as when a bonus plan calls for payouts only if the reported sales level increases. One might suspect the presence of this issue when the reported results spike to a level exceeding the industry norm, or well above a company's historical trend line of reported results.
- Financial Statements Do Not Cover Non-Financial Issues-The financial statements do not address non-financial issues, such as the environmental attentiveness of a company's operations, or how well it works with the local community. A business reporting excellent financial results might be a failure in these other areas.
- Financial Statements May Not Have Been Verified- If the financial statements have not been audited, this means that no one has examined the accounting policies, practices, and controls of the issuer to ensure that it has created accurate financial statements. An audit opinion that accompanies the financial statements is evidence of such a review.
- Financial Statements Have No Predictive Value- The information in a set of financial statements provides information about either historical results or the financial status of a business as of a specific date. The statements do not necessarily provide any value in predicting what will happen in the future. For example, a business could report excellent results in one month, and no sales at all in the next month, because a contract on which it was relying has ended.
- The study is conducted in very short duration (summer training).The analysis is limited to just couple of years of data study. Limited interaction with the concerned head due to their busy schedule. Very less information and time spent with company staff. The financial data is sensitive in nature the same could not acquire easily. Every person has its own preparation to analysis the financial data so maybe it varies from person to personal result

## **1.7 Objective of the Study:**

### **1.7.1 Primary Objectives:**

To study the financial position with refers to Chennai testing laboratories private limited.

### **1.7.2 Secondary objectives:**

- 1) To analysis organisation financial efficiency and strength.
- 2) To known the organised profitability and liquidity.
- 3) To identify the organised solvency and consistency.
- 4) To evaluate financial risk of the organisation.
- 5) To ensure the financial condition and it's utilisation of resources.

## **1.8 Needs of the study:**

To study financial analysis effectively, Hever should begin by developing a strong understanding of the three core financial statements: the income statement, balance sheet, and cash flow statement. These form the foundation for evaluating a company's performance and financial health. It's also important to grasp horizontal and vertical analysis techniques, which allow comparisons over time and within a single financial period. Hever should study common-size financial statements to standardize data for easier comparison, as well as gain proficiency in analyzing cash flows to assess a company's liquidity and operational strength. As he progresses, learning valuation methods like discounted cash flow (DCF), comparable company analysis, and precedent transactions will be essential for assessing a company's worth. Additionally, Hever should understand budgeting and forecasting techniques, including scenario and sensitivity analysis. Proficiency in financial modeling using Excel is highly valuable, enabling him to create dynamic, data-driven models for decision-making. Finally, staying informed about industry trends and macroeconomic factors will help provide context to financial data and support more informed analysis.

## **1.9 Scope of the study:**

The scope of financial analysis encompasses a wide range of activities aimed at evaluating a company's financial health and performance. In addition to evaluating financial performance, financial analysis plays a crucial role in strategic planning and forecasting. By analysing trends over time through horizontal and vertical analysis, companies can identify areas of growth, inefficiency, or financial strain. This forward-looking approach allows management to set realistic goals, allocate resources effectively, and prepare for future challenges. For investors and creditors, financial analysis provides a foundation for decision-making, helping them assess the potential risks and returns associated with investing in or lending to a business. Financial analysis aids in comparing a company's performance with industry standards or competitors through benchmarking. This helps identify strengths, weaknesses, and areas where a company may have a competitive advantage or need improvement. For internal management, it offers insights into cost control, pricing strategies, and investment opportunities. For external stakeholders like shareholders, regulators, and financial institutions, it ensures transparency and accountability. Ultimately, the broad scope of financial analysis makes it an essential discipline in maintaining a company's financial integrity, promoting sustainable growth, and enhancing stakeholder confidence.

## **1.10 Review of Literature:**

**Eugene F. Brigham and Joel F. Houston** (in their book "Fundamentals of Financial Management") "Finance is the science of managing monetary resources and making investment decisions with the goal of maximizing value." Richard A. Brealey, Stewart C. Myers, and Franklin Allen (in "Principles of Corporate Finance") "Finance is concerned with the allocation and management of assets and liabilities over time under conditions of varying degrees of uncertainty and risk."

**J. K. Lasser** (in "J.K. Lasser's Your Income Tax") "Finance is the management of money, banking, investments, and other financial instruments to ensure proper distribution and growth of capital. "Peter Grant "Financial accounting is the process of recording, processing, and reporting a company's business transactions" according to Bierman and Drebin:" Accounting may be defined as identifying, measuring, recording and communicating of financial information."

According to the Committee of Terminology of **American Institute of Certified Public Account**" Accounting is the art of recording, classifying summarizing in a significant manner and in terms of money, transaction, and events which are, in part at least of a financial character and interpreting the results thereof."

"Financial Analysis is the process of evaluating businesses, projects, budgets, and other finance-related entities to determine their performance and suitability." – **Pratt & Nissen** (from "Valuing a Business"). - This definition focuses on financial analysis as the methodical evaluation of financial data to assess an entity's overall performance, stability, and financial health.

"Financial analysis is the evaluation of the financial performance of a company using its financial statements and other relevant information." – **Robert C. Higgins** (from "Analysis for Financial Management"). Higgins' definition emphasizes using financial statements like the balance sheet, income statement, and cash flow statement as tools to evaluate a company's financial status.

"Financial analysis is a systematic process of comparing, interpreting, and evaluating the financial information of a business, focusing on its profitability, solvency, and growth." – **Thomas H. Lee** (from "Financial Statement Analysis"). - Lee's definition underscores that financial analysis involves comparing and interpreting financial data to assess a company's profitability, solvency (ability to meet long-term obligations), and growth potential.

"It involves the assessment of a company's financial position and performance to make better decisions for investments or management strategies. **Paul P. Pacter** (from "Corporate Financial Reporting"). - This viewpoint highlights the practical application of financial analysis, which can be used for investment decisions, strategic planning, and management adjustments.

**W. Johnson** in his book '**Elementary Accounting**' says that "modern accounting has often been called 'the language of business. Its responsibility is applying a thorough knowledge of the theory of accounting i.e., generally accepted principles of accounting to the practical field of business in order that income and financial position may be stated fairly".

**According to the American Institute of Certified Public Accountants (AICPA)** "Accounting is the art of recording, classifying and summarizing in a significant manner and in terms of money transactions and events which are of a financial character and interpreting the results thereof".

According to **M.S. Gosav** (The Substance of Accountancy) "Trial balance is a statement containing the balances of all ledger accounts, as at any given date, arranged in the form of debit and credit columns placed side by side and prepared with the object of checking the arithmetical accuracy of ledger posting.

**According to R. N. Carter**, "Single entry cannot be termed as a system, as it is not based on any scientific system, like double entry system. For this purpose, single entry is now-a-days known as preparation of accounts from incomplete records". Kohler, in his 'Dictionary for Accountants' defines single entry system as "A system of book keeping in which as a rule only records of cash and personal accounts are maintained. It is always incomplete double entry, varying with the circumstances".

**ICAI:** Accounting standards are more than just a skeleton or a frame work defining what should be done in preparing financial statements. They also draw the boundaries within which acceptable conduct lies and in that and may other respects. They are similar in nature to laws.

**Jain:** Accounting standards are the policy documents and authoritative statements of best accounting practices issued by recognised expert accountancy bodies relating to various aspects of measurements and disclosure of accounting transactions and events. These are stated to be the norms of accounting policies and practices by way of guidelines to direct us how the items which go to make up the financial statements, should be dealt and presented.

**Harvey and Keer:** "Accounting standards are a method or an approach to preparing accounts which has been chosen and established by the bodies overseeing the profession".**T.P. Ghosh:** "Accounting standards are the policy documents issued by the recognised expert accountancy body relating to various aspects of measurement, treatment and disclosure of accounting transactions and events". **Farlex:** "Accounting standard is a principle that governs current accounting practices and that is used as reference to determine the appropriate treatment of complex transaction".

**Brigham and Houston's** "Fundamentals of Financial Management" is a seminal text that serves as a cornerstone for understanding the principles of financial management. The authors meticulously cover key concepts such as the time value of money, risk and return, capital budgeting, and financial analysis, making the material accessible to both students and practitioners. The book is structured to facilitate learning, with clear explanations, practical examples, and a variety of exercises that reinforce the theoretical concepts presented.

"Principles of Corporate Finance" by **Brealey, Myers, and Allen** is a foundational text that explores the essential concepts and practices of corporate finance. The book emphasizes the role of financial managers in maximizing company value through informed decision-making, risk assessment, and strategic financial planning. The authors delve into various topics, including capital budgeting, financial markets, and the implications of financial theory on real-world applications. They provide a comprehensive framework for understanding how financial decisions impact a firm's overall performance and shareholder value. The integration of theory with practical examples makes this text a valuable resource for both students and professionals in the field of finance.

**P. Grant** provides an in-depth exploration of the principles and practices that underpin financial accounting. The book is designed to serve as a resource for both students and professionals, offering a thorough understanding of financial statements, accounting standards, and the regulatory environment that governs financial reporting. Grant begins by laying the foundational concepts of accounting, including the accounting equation, the double-entry system, and the importance of accurate record-keeping.

**Bierman and R. Drebin** serves as a foundational text for students and professionals seeking to understand the principles and practices of financial accounting. The book is structured to provide a thorough introduction to the key concepts, terminology, and methodologies used in the field of accounting. The authors emphasize the importance of financial statements, including the balance sheet, income statement, and cash flow statement, explaining how these documents are prepared and interpreted. They delve into the accounting cycle, detailing the processes from transaction analysis to the preparation of financial reports.

**T. H. Lee's "Financial Statement Analysis"** serves as a foundational text that not only provides essential analytical techniques but also encourages critical thinking about the broader implications of financial data. By mastering these concepts, analysts can contribute to more informed decision-making, ultimately driving better outcomes for businesses and their stakeholders. The income statement, the balance sheet, and the cash flow statement. Each of these documents provides unique insights into a company's financial performance and position.

**R. N. Carter** is a comprehensive textbook designed to introduce students and professionals to the fundamental concepts of accounting within the context of business operations. The book emphasizes the importance of accounting as a critical tool for decision-making in various business environments. It aims to bridge the gap between theoretical accounting principles and their practical applications in real-world scenarios.

**Kohler's 'Dictionary for Accountants'** serves as an essential reference tool for both students and professionals in the field of accounting. Published in 2005 by Wiley, this comprehensive dictionary provides clear and concise definitions of accounting terms, concepts, and practices, making it an invaluable resource for anyone looking to deepen their understanding of the discipline. The book covers a wide range of topics, including financial accounting, managerial accounting, auditing, taxation, and financial reporting, ensuring that readers can find relevant information across various areas of the field.

**T. P. Ghosh** serves as an essential resource for accounting professionals, students, and educators seeking to navigate the complex landscape of accounting standards. Published by Taxmann Publications in 2016, the book provides an in-depth analysis of various accounting principles and frameworks, including International Financial Reporting Standards (IFRS) and Indian Accounting Standards (Ind AS). Ghosh meticulously breaks down each standard, offering clear explanations, practical examples, and illustrative case studies that enhance understanding.

**Farlex Financial Dictionary** is an invaluable tool for anyone looking to deepen their understanding of financial terminology and concepts. With over 26,000 entries, it serves as a comprehensive reference for students, professionals, and anyone interested in finance. The dictionary covers a wide array of topics, including investment strategies, financial instruments, economic theories, and regulatory frameworks. This breadth of content makes it suitable for both novices seeking foundational knowledge and seasoned professionals looking for precise definitions of complex terms.

**M. J. Baker** presents a comprehensive exploration of the principles and practices that underpin effective marketing strategies in a dynamic business environment. Now in its third edition, the book has been updated to reflect the latest trends and developments in marketing theory and practice, making it a valuable resource for both students and practitioners. Baker begins by establishing a solid foundation in marketing concepts, emphasizing the importance of understanding consumer behaviour and market dynamics.

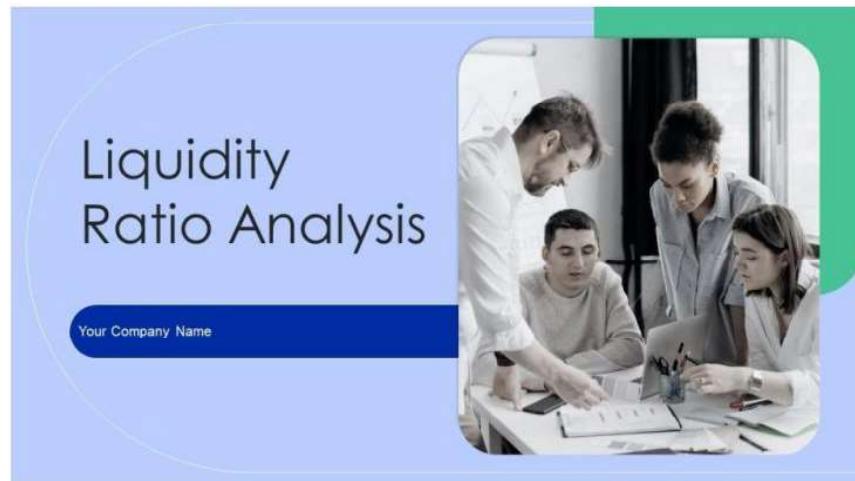
**Ross, Westerfield, and Jaffe's *Corporate Finance* (2016)** is a foundational text in the field of financial management and corporate decision-making. The authors provide a comprehensive framework that blends theoretical foundations with practical applications, making it one of the most widely used textbooks in finance education. One of the central themes of the book is the principle of value maximization, which asserts that the primary goal of a corporation is to maximize shareholder wealth. This concept underpins much of the financial decision-making processes discussed in the book, including capital budgeting, capital structure, and dividend policy.

**Khan and Jain's *Financial Management* (2018)** is a comprehensive and widely adopted textbook that provides an in-depth understanding of financial principles, tools, and applications. The book is structured to serve both academic and practical perspectives, making it suitable for students, educators, and finance professionals alike. The authors begin by establishing a strong foundation in financial theory, covering key areas such as the objectives of financial management, time value of money, risk and return analysis, and financial statement analysis. A notable feature of their approach is the integration of real-life examples and case studies, which bridge the gap between theoretical concepts and practical application.

**Creswell, J. W. *Research Design* (2014)** provides a comprehensive framework for understanding and applying research designs in the social sciences, with a particular emphasis on qualitative, quantitative, and mixed methods approaches. His work has been widely cited and adopted across disciplines for its clarity, practicality, and conceptual depth. A key contribution of Creswell's work lies in his systematic comparison of research methodologies. He emphasizes that the choice of a research design should be informed by the nature of the research problem, the philosophical worldview of the researcher, and the intended audience. The book delineates the core characteristics of each method: qualitative research is exploratory and focused on understanding meanings and experiences, quantitative research is grounded in testing hypotheses and examining relationships using statistical analysis, while mixed methods combine both to gain a broader and deeper understanding of complex issues.

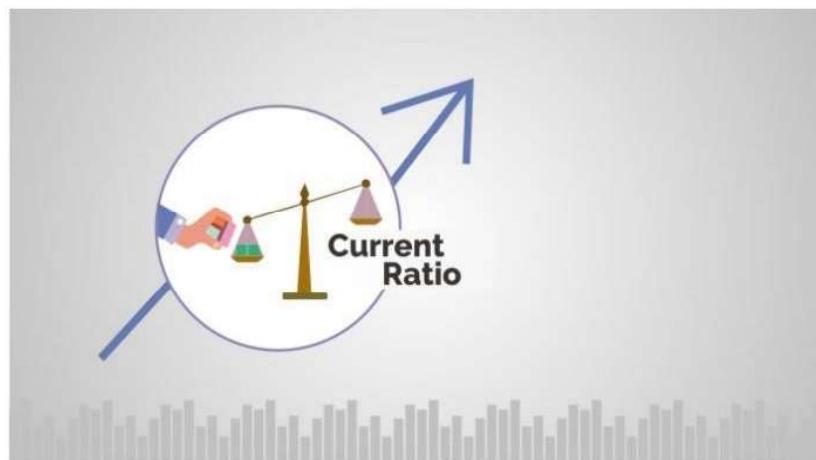
## **1.11 Types of Ratio:**

### **1.11.1 Liquidity Ratio:**



The liquidity ratio is a financial metric used to assess a company's ability to meet its short-term obligations with its most liquid assets. It provides an indication of the company's financial health by showing how easily it can convert assets into cash to cover immediate liabilities.

### **1.11.2 Current Ratio:**



The current ratio is a financial metric that measures a company's ability to pay its short-term liabilities with its short-term assets. It indicates the liquidity position of a business and is a key indicator of financial health.

### **1.11.3 Quick ratio:**



The quick ratio, also known as the acid-test ratio, is a financial metric used to assess a company's ability to meet its short-term liabilities with its most liquid assets. It is considered a more conservative measure than the current ratio, as it excludes inventory, which may not be as easily converted into cash.

### **1.11.4 Working Capital:**



The Working Capital Ratio (also known as the Current Ratio) is a financial metric that measures a company's ability to pay off its short-term liabilities with its short-term assets. It is an important indicator of a company's liquidity and overall financial health.

### 1.11.5 Absolute Liquid Ratio:



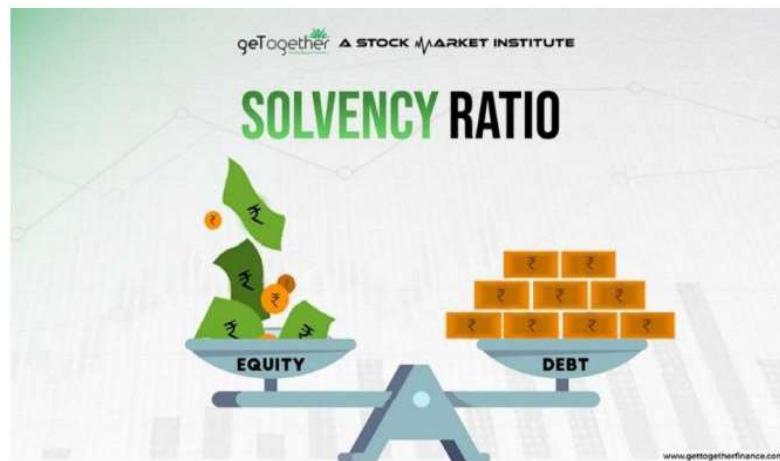
a financial metric used to assess a company's ability to cover its short-term liabilities with its most liquid assets. It provides a more conservative measure of liquidity than the current ratio, as it focuses on assets that can be quickly converted into cash without significant loss in value.

### 1.11.6 Cash Ratio:



Cash Ratio is a financial metric that measures a company's ability to cover its short-term liabilities using only its most liquid assets, which are cash and cash equivalents. It is a more stringent version of the Current Ratio because it excludes receivables and inventory, focusing only on the most liquid assets.

### **1.11.7 Solvency ratio:**



a key financial metric used to measure a company's ability to meet its long-term debt obligations. It assesses the financial health of a business by comparing its total assets to its total liabilities.

#### **1.11.7.1 Debt equity Ratio:**



Debt Equity Ratio (DER) is a financial ratio that compares the total debt of a company to its shareholders' equity. It is used to assess the financial leverage of a company and to understand the balance between debt and equity financing.

#### **1.11.7.2 Debt-to-Assets Ratio:**



a financial metric that shows the proportion of a company's assets that are financed by debt. It helps in assessing the financial risk of a company by indicating how much of the company's assets are funded by borrowing.

#### **1.11.7.3 Proprietary Ratio:**



Proprietary Ratio is a financial metric that measures the proportion of a company's total assets financed by the shareholders' equity. It reflects the financial strength and stability of a business, indicating how much of the company's assets are owned by the shareholders as opposed to being financed through debt. A higher ratio typically signals a lower level of financial risk and greater financial stability.

#### **1.11.8 Profitability ratio:**



a financial metric used to assess a company's ability to generate profit relative to its revenue, assets, or equity. These ratios help investors, analysts, and company management evaluate how efficiently a business is operating and how well it is using its resources to generate earnings.

##### **1.11.8.1 Profit margin ratio:**



a financial metric that shows the percentage of profit a company generates from its total revenue. It indicates how efficiently a company converts its sales into profits. The higher the profit margin, the more profitable a company is in relation to its sales.

#### **1.11.8.2 Return on Assets (ROA):**



A financial metric used to measure a company's ability to generate profit from its assets. It indicates how efficiently a company is using its assets to produce net income.

#### **1.11.8.3 Return on Equity:**



Return on Equity (ROE) is a financial metric that measures the profitability of a company in relation to the shareholders' equity. It indicates how effectively a company is using its equity capital to generate profits.

#### 1.11.8.4 Gross Profit Margin Ratio:



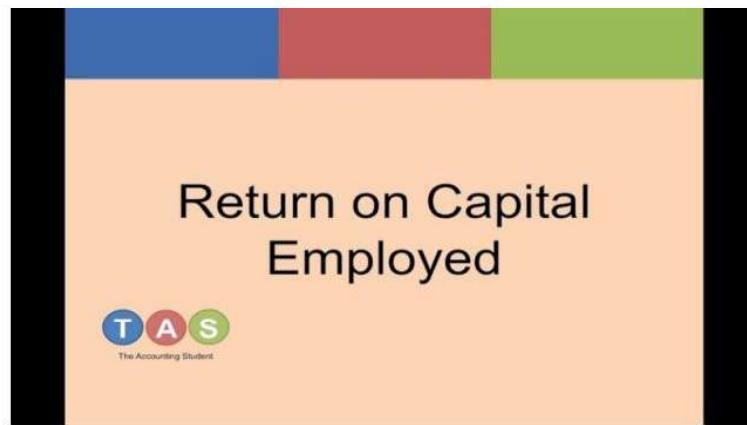
Gross Profit Margin Ratio measures the percentage of revenue that exceeds the cost of goods sold (COGS). It is a key indicator of a company's financial health, showing how efficiently it produces and sells its products.

#### 1.11.8.5 Net Profit Margin:



Net Profit Margin is a financial metric that shows the percentage of profit a company makes for every dollar of revenue, after accounting for all expenses, taxes, and interest. It indicates how efficiently a company converts revenue into actual profit.

#### 1.11.8.6 Return on capital employed:



Return on Capital Employed (ROCE) is a financial metric that measures the profitability and efficiency of a company in generating profits from its capital employed. It shows how well a company is using its capital (equity and debt) to generate earnings before interest and taxes (EBIT).

#### 1.11.9 Efficiency Ratio:



The efficiency ratio typically refers to a measure of how effectively an entity utilizes its resources to generate revenue or achieve a particular outcome. It is often used in different contexts, such as finance, business, or energy, but the general idea remains the same: it compares output to input.

#### **1.11.9.1 Inventory Turnover Ratio:**



Inventory Turnover Ratio is a financial metric that measures how efficiently a company manages its inventory. It indicates how many times a company's inventory is sold and replaced over a period, typically a year. A higher turnover ratio suggests that a company is selling its inventory quickly, while a lower ratio may indicate overstocking or slow sales.

#### **1.11.9.2 Receivable Turnover Ratio:**



The Receivable Turnover Ratio is a financial metric that measures how efficiently a company collects its accounts receivable, or the amount of money owed by customers for goods or services provided on credit. A higher ratio indicates that a company is able to collect its receivables more quickly, which is generally a positive sign of liquidity and operational efficiency.

#### **1.11.9.3 Fixed Asset Turnover Ratio:**



Fixed Assets Turnover Ratio measures how efficiently a company is using its fixed assets (like property, plant, and equipment) to generate revenue. A higher ratio indicates that the company is effectively utilizing its fixed assets to produce sales, while a lower ratio may suggest underutilization or inefficiency.

#### **1.11.9.4 Payables Turnover Ratio:**



Payables Turnover Ratio measures how efficiently a company pays off its suppliers or creditors. It shows how often a company pays its accounts payable during a given period, typically a year.

#### **1.11.9.5 Total Assets Turnover Ratio:**



Financial metric that measures the efficiency of a company in using its total assets to generate sales revenue. It shows how well the company is utilizing its assets to produce income.

### **1.12 Importance of ratio analysis**

- Financial Statement Analysis- Understanding financial statements are important for Stakeholders of the company. Ratio analysis helps in understanding the comparison of these numbers; furthermore, it helps in estimating numbers from income statements and balance sheets for the future. For e.g. Equity shareholder looks into the P/E ratio, the Dividend payout ratio, etc. while creditors observe Debt to Equity ratio, Gross margin ratio, Debt to asset ratio, etc.
- Efficiency of Company-Ratio analysis is important in understanding the company's ability to generate profit. Return on Asset, Returns on Equity tell us how much profit the company is able to generate over assets of the firm and equity investments in the firm, while gross margin and operating margin ratios tell us the company's ability to generate profit from sales and operating efficiency.
- Planning and Forecasting- From a Management and investor point of view, ratio analysis helps to understand and estimate the company's future financials and operations. Ratios formed from past financial statement analysis helps in estimating future financials, budgeting, and planning for the future operations of the company.

- Identifying Risk and Taking Corrective Actions- The company operates under various business, market, operations related risks. Ratio analysis helps in understanding these risks and helps management to prepare and take necessary actions. Leverage ratios help in performing sensitivity analysis of various factors affecting the company's profitability like sales, cost, debt.
- Financial leverage ratios like Interest Coverage ratio and Debt Coverage ratio tell how much the company is dependent on external capital sources and the company's ability to repay debt.
- Peers Comparison- Investor, as well as the company's management, makes a comparison with Competitors Company to understand efficiency, profitability and market share. Ratio analysis is helpful for companies to perform SWOT (Strengths, Weakness, Opportunities, and Threats analysis in the market. It also tells whether the company is able to perform growth or not over a period from past financials and whether the company's financial position is improving or not.
- Financial Solvency- The company's ability to pay short-term debt is determined by liquidity. Current Ratio, Acid-test ratio tells us whether a company is able to pay its short-term obligation within a year. The company continuously runs analysis on past financial statements to understand and prepare for payment of short-term obligations.
- Decision Making- Ratios provide important information on the operational efficiency of the company, and the utilization of resources by the company. It helps management to forecast and planning for future, new goals, concentrate on the different markets, etc.

### **1.13 General about Finance:**

Finance is the study and management of money, investments, and other financial instruments. It involves the processes of acquiring, saving, investing, and managing resources to achieve individual, corporate, or governmental goals. At its core, finance helps people and organizations make informed decisions about how to allocate resources over time under conditions of uncertainty. There are three main categories of finance: personal finance, corporate finance, and public finance. Personal finance focuses on individual and household decisions, like budgeting, saving, investing, and retirement planning. Corporate finance involves managing a company's capital structure, funding strategies, and investment decisions to maximize shareholder value. Public finance deals with government spending, taxation, and budgeting to manage the economy and provide public services.

Financial markets play a vital role in the economy by facilitating the exchange of funds between savers and borrowers. Markets like stock exchanges, bond markets, and commodity markets provide platforms where investors can buy and sell securities. These markets also help in price discovery, risk management, and liquidity creation, which are essential for economic growth and stability. With the rise of technology, the world of finance has evolved rapidly. Fintech innovations like mobile banking, blockchain, and digital wallets have made financial services more accessible and efficient. As financial tools become more sophisticated, understanding the fundamentals of finance is increasingly important for making smart financial decisions and achieving long-term financial success.

Finance is a discipline concerned with the management, creation, and study of money, investments, and other financial instruments. It encompasses a broad range of activities including budgeting, lending, borrowing, saving, and investing. Finance plays a fundamental role in both individual and institutional decision-making by providing the tools and frameworks necessary to allocate resources efficiently under conditions of risk and uncertainty.

The field of finance is traditionally divided into three key areas: personal finance, corporate finance, and public finance. Personal finance involves the financial decisions of individuals and households, such as income management, savings, investments, and retirement planning. Corporate finance pertains to the financial activities of businesses, including capital structure decisions, funding strategies, and value maximization. Public finance focuses on the financial operations of governments, including taxation, budgeting, and expenditure to promote economic stability and growth.

Financial markets are central to the functioning of modern economies. They facilitate the movement of capital from savers to borrowers, thereby promoting investment and economic development. These markets comprising stock exchanges, bond markets, and money markets—enhance liquidity, aid in price discovery, and provide mechanisms for managing financial risk. The integrity and efficiency of these markets are essential for maintaining investor confidence and ensuring economic progress. In recent years, technological advancements have significantly transformed the financial landscape. Innovations in financial technology (fintech), such as digital banking, blockchain, and algorithmic trading, have increased the speed, accessibility, and transparency of financial services. As financial systems grow more complex, a solid understanding of finance becomes increasingly vital for individuals, corporations, and policymakers to make informed and effective financial decisions.

## **Chapter – 2**

### **2.1 Company profile**

#### **CHENNAI TESTING LABORATORY PRIVATE LIMITED**

A Super 19, TVK Industrial Estate, Guindy, NA, Chennai, Tamil Nadu 600032, India.



**CHENNAI TESTING LABORATORY PRIVATE LIMITED** is an Indian Private Limited Company incorporated on 03-Jan-2000. It operates in the OTHER COMMUNITY, SOCIAL AND PERSONAL SERVICE ACTIVITIES based in Chennai, India. With an authorized capital of ₹2.00 Cr and a paid-up capital of ₹1.14 Cr the company is classified as a Private. The company currently has 2 directors. RAJI ASHOK,ASHOK KUMAR HARINATH all of whom were appointed as promoters The registered office is in A Super 19, TVK Industrial Estate, Guindy , NA, Chennai, Tamil Nadu 600032, India.

#### **Board of Directors:**

- . Directors of **CHENNAI TESTING LABORATORY PRIVATE LIMITED** are **RAJI ASHOK**, and **ASHOK KUMAR HARINATH**.

CHENNAI TESTING LABORATORY PRIVATE LIMITED's Annual General Meeting (AGM) was last held on 30 Dec 2023. And as per records from Ministry of Corporate Affairs (MCA), its balance sheet was last filed on 2023-03-31. CHENNAI TESTING LABORATORY PRIVATE LIMITED's NIC code is 930 (which is part of its CIN). As per the NIC code, it is involved in other service activities.

CHENNAI TESTING LABORATORY PRIVATE LIMITED (CIN: U93000TN2000PTC043869) is a Private company incorporated on 03 Dec 2000. It is classified as Non-government company and is registered at Registrar of Companies, Chennai. Its authorized share capital is Rs. 20000000.00 and its paid up capital is Rs. 11400900.00.

**Current status of CHENNAI TESTING LABORATORY PRIVATE LIMITED is – Active.**

<b>Basic Information</b>	
<b>CIN</b>	U93000TN2000PTC043869
<b>Name</b>	CHENNAI TESTING LABORATORY PRIVATE LIMITED
<b>Listed on Stock Exchange</b>	Unlisted
<b>Company Status</b>	Active
<b>ROC</b>	ROC Chennai
<b>Registration Number</b>	43869
<b>Company Category</b>	Company limited by shares
<b>Company Sub Category</b>	Non-government company
<b>Class of Company</b>	Private
<b>Date of Incorporation</b>	2000-01-03
<b>Age of Company.</b>	25 years

## **Annual Compliance Status**

Date of Last Annual General Meeting	2023-09-30
Date of Last Filed Balance Sheet	2023-03-31

## **Regulatory Filings of CHENNAI TESTING LABORATORY**

All companies in India are required to file various documents like financials, loan agreements, list of shareholders, details of directors, details of funding rounds and a lot more. These documents are credible and offer incredible insights about a company. However, understanding a company by viewing its documents is an extremely difficult and time consuming process.

Our reports are designed to save you significant time by surfacing key information easily and structuring it in a way that helps in your research.

Understanding the key findings and information in our reports can be crucial if you're a customer, vendor, investor, partner or even a potential employee of CHENNAI TESTING LABORATORY

## **Litigation Search Report of CHENNAI TESTING LABORATORY**

Get a list of all litigations CHENNAI TESTING LABORATORY is contesting or have contested in the past. Litigation search report is crucial if you are a potential vendor, employee or a customer of CHENNAI TESTING LABORATORY. This report helps you understand the risk associated in dealing with CHENNAI TESTING LABORATORY and its Directors better.

Our litigation search covers both civil and criminal cases and spans 670+ Courts and Organisations like the Supreme Court, High Courts, District Courts, Tribunals and much more. Click here to see our complete coverage.

## **Outstanding Payments to Micro & Small Enterprises**

Companies are required to file half yearly returns showing payments due to Micro & Small Enterprises that have been delayed more than 45 days. This information is crucial to understand if CHENNAI TESTING LABORATORY pays its vendors promptly. When seen over a period of time, this information could show if the company has slowed down in making payments to its small vendors. This information is available only if the company has filed its half yearly returns with the registrar of companies.

## **Investor Complaints & Serious Complaints About CHENNAI TESTING LABORATORY:**

This section contains details of investor complaints or serious complaints filed with the registrar of companies. This information can surface potential red flags about a company.

## **Directors & Key Managerial Personnel of CHENNAI TESTING LABORATORY:**

### **Current Directors & Key Managerial Personnel of CHENNAI TESTING LABORATORY:**

DIN	Director Name	Designation	Appointment Date
02034792	RAJI ASHOK	Director	2000-01-03
02133059	ASHOK KUMAR HARINATH	Director	2000-01-03

### **Principal Products & Services of CHENNAI TESTING LABORATORY**

This information shows products and services that contribute highest to the company's revenue. Analysing this over a period of time can show the evolution of the company in terms of the products and services it offers.

### **Subsidiaries, Associate Companies & Join Ventures of CHENNAI TESTING**

#### **LABORATORY:**

This section contains list of associate companies and joint ventures as per the most recently available annual returns. This information would not be available if the company has not filed annual returns at all or it does not have any subsidiaries or joint ventures.

#### **Board Meetings of CHENNAI TESTING LABORATORY:**

This section contains list of board resolutions reported by the company to the Registrar of Companies.

#### **Auditors of CHENNAI TESTING LABORATORY :**

This section contains auditors of a company over the years. This information is available if the company has filed their annual returns with the Registrar of Companies.

## **2.2 Industrial profile**

### **Vision:**

"To Benchmark, The Business of Testing & Analysis, Our Credibility, Employee Satisfaction, & Well Being of All Stakeholders"

### **Mission:**

To Make Society "QUALITY CONSCIOUS" Whole statistical.

### **Product Services:**

No matter what industry you are in or products you have, Contract Laboratory can help you with all your laboratory testing and scientific research needs including new product design and development, scientific research and development (R&D) studies, experiments, assays, analysis, inspection, certification, engineering, formulation, reverse engineering, QC quality control testing, failure investigations, etc.

Food testing sector is essential to get the best out of existing food labs & boost compliance by . In order to motivate the good and earnest labs to keep up the worthy practices followed In food testing and also to encourage the lesser competent labs to strive towards better business Practices, a detailed ranking matrix is proposed. This ranking matrix, will also help in Generating more business through the FBOs for the more competent and proficient labs.

## **Overview of Food Testing Laboratory Infrastructure in India**

### **Introduction**

Food Safety appropriately remains a high priority for industry stakeholders, regulatory Agencies as well as the consumers. Efforts are being put in at each level to reduce the risks Related to food and with the emergence of new safety challenges and complexities stakeholders Are trying to establish and upgrade mechanisms to comply with the requisite norms.

Given the Scenario, importance of Food testing laboratories in the Indian food ecosystem cannot be Undermined. Food testing laboratories ensure an effective food safety mechanism in the Country.

The scientific analysis in the food testing laboratories determines whether the food Tested is fit for human consumption and devoid of any form of adulteration / contamination denial India, National Accreditation Board for Testing and Calibration Laboratories (NABL), a Constituent Board of Quality Council of India is the nodal agency for the accreditation of food Testing laboratories.

NABL has been established with the objective to provide Government, Industry Associations and Industry in general with a scheme for third party assessment of the Quality and technical competence of testing and calibration laboratories.

On the other hand, FSSAI is the nodal agency governing the food safety scenario in India. As The country's food regulator, FSSAI is also mandated to recognize and notify laboratories Through a well-defined regulation in order to improve and streamline the food testing activity.

The authority thus has formulated regulations for recognition and notification of laboratories to Improve and streamline the process of notification of food laboratories. This regulation not only Provides a legal foundation for the operation of the laboratory system that already exists under The ambit of FSS Act 2006, but also ushers transparency by defining the procedural

Requirements for the recognition and notification of food testing laboratories. In addition, Through a policy and provision in the regulation, the authority has also enabled recognition and Notification of food testing laboratories that are situated abroad provided they are accredited by The Indian accreditation board or accreditation board of their own country.

The authority has Recently received applications from food testing laboratories situated in the neighbouring Countries like Srilanka and Bangladesh for their recognition and notification as FSSAI notified Laboratories.

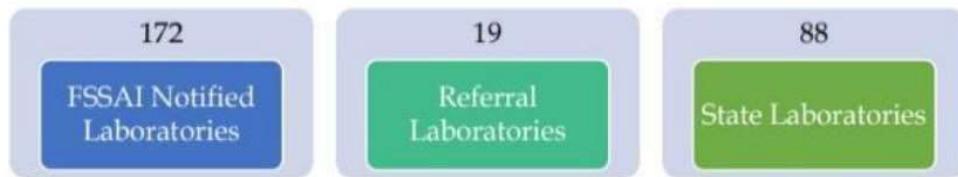
The FSSAI Act provides for the establishment of food testing laboratories for Analysis of food samples. As per Sec 43 (1) of FSS Act, the Food Authority may notify food Laboratories and research institutions accredited by National Accreditation Board for Testing

#### **FOOD SAFETY AND STANDARDS ACT, 2006 No. 34 OF 2006 [23<sup>rd</sup> August, 2006]**

“An Act to consolidate the laws relating to food and to establish the Food Safety and Standards Authority Of India for laying down science based standards for articles of food and to regulate their manufacture, Storage, distribution, sale and import, to ensure availability of safe and wholesome food for human Consumption and for matters connected therewith or incidental thereto.”

As on September 2018, FSSAI has notified a total of 172 laboratories for the purpose of carrying Out analysis of food samples taken under the Food Safety and Standards Act 2006 and rules and Regulations made thereunder. Besides these, there are around 19 referral laboratories notified by FSSAI (2 overlaps with FSSAI notified laboratories) as well as 88 state food testing laboratories

As a part of its network (12 common laboratories under notified laboratories as well as state Laboratories). This brings the total number of laboratories in the FSSAI network to 265. The Segment -wise composition of all the laboratories recognized and notified by FSSAI are as Below:



#### **Overview of Food Testing Laboratories in India:**

The Meta Study on Food Testing Laboratories in India estimates a total of around 600 food Testing laboratories in India. These laboratories include all NABL accredited laboratories (for Food products- including those owned by private sector, institutions, FBOs, state/central Government), FSSAI notified laboratories, State laboratories, laboratories assisted by Mo FPI for Up gradation and few other institutional and private sector laboratories. Many of these food Testing labs can also test for water (drinking water, packaged drinking water and water used for Food processing). Additionally there are around 300 laboratories (NABL accredited) who can Test water, packaged drinking water and/or water used for food processing, taking the total Number of food and water testing labs to more than 900 laboratories.

Other than these labs, there is another pool of food testing laboratories which exist within the Ecosystem which largely includes small players operating in the food testing space and a larger Pool of food testing labs which exist with the Food Business Operators to carry out their Regular/routine tests for raw material as well as finished goods. However, the number of such Laboratories existing in the ecosystem is difficult to determine. In total, these small laboratories Along with the labs existing with FBOs are likely to exceed 1,000-1,500 in number, taking the Total number of food testing laboratories in India to more than 2,000 laboratories. A brief Snapshot of food and water testing laboratories scenario is provided below

#### Regional Distribution of Food Testing Laboratories

The food testing laboratories in India are well represented regionally with a comparatively higher concentration in southern India, followed by Northern, Western and Eastern part of the country.

The states considered under the respective zones include:

- North: Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Uttar Pradesh, Punjab, Haryana, Delhi, Rajasthan
- East: All NER States including Sikkim, West Bengal, Odisha, Jharkhand, Chhattisgarh, Andaman & Nicobar Islands
- West: Maharashtra, Gujarat, Madhya Pradesh, Goa, Daman & Diu
- South: Karnataka, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Pondicherry

The Food testing laboratories in India are mainly established at business centers or larger cities, due to business traction at these hubs and centers. NABL and FSSAI laboratories are distributed in almost the same proportions in the 4 regions. Laboratories which have been recognized by EIC and/or APEDA are largely concentrated in the southern and western region of the country, given the export orient business concentration in the two regions.

**Exhibit 1: Snapshot of food and water testing laboratories in India**

Total Food and Water Testing Labs in India ~ 915 Labs	Includes NABL accredited labs, FSSAI notified Labs, States labs, institutional labs, referral labs etc. Excludes in house FBO labs which are non NABL accredited and other labs (non NABL, non FSSAI, non EIC, APEDA recognized)
NABL accreditation ~ 775 labs	Includes labs for food and water testing
Total Food Testing Labs in India	• ~600 Labs
Total Food Testing Labs in India	• ~462 Labs
BIS Recognized Labs ~ 229 labs	Includes packaged drinking water
FSSAI Network ~ 265 Labs	<ul style="list-style-type: none"> <li>• 172 FSSAI notified</li> <li>• 88 State Labs</li> <li>• 19 referral Labs</li> <li>• 172 FSSAI notified</li> <li>• 19 referral Labs</li> <li>• 88 State Labs</li> <li>• 171 NABL accredited</li> </ul>
EIC Approved labs: 35	<ul style="list-style-type: none"> <li>• 35 NABL Recognized</li> <li>• 30 FSSAI Notified/ Referral</li> </ul>
APEDA Recognized Labs: 40	<ul style="list-style-type: none"> <li>• 40 NABL Recognized</li> <li>• 37 FSSAI Notified/ Referral</li> </ul>
MOFPI Assisted: 72	<ul style="list-style-type: none"> <li>• 51 NABL Recognized</li> <li>• 41 FSSAI Notified/ Referral</li> </ul>

## **COMPETITOR COMPANIES:**

### **1. Scientific Food Testing Services Pvt Ltd (SFTS):**



**Established:** 2014

**Background:** Founded by a team of food safety experts, SFTS was created to address the growing need for reliable food testing services in India. The laboratory is equipped with state-of-the-art technology and adheres to international standards for food safety. SFTS focuses on providing comprehensive testing services, including microbiological, chemical, and nutritional analysis. The lab has gained recognition for its commitment to quality and accuracy, making it a trusted partner for food manufacturers, restaurants, and regulatory bodies.

## **2. SASAAM BIOLOGICALS LAB SERVICES:**



**Established:** 2014

**Background:** This laboratory was established with the vision of enhancing food safety standards in India. SASAAM BIOLOGICALS LAB SERVICES is known for its advanced testing methodologies and has received accreditation from the National Accreditation Board for Testing and Calibration Laboratories (NABL) and the Food Safety and Standards Authority of India (FSSAI). The lab specializes in a wide range of food products, including dairy, meat, and processed foods, and provides services such as shelf-life studies and food safety audits

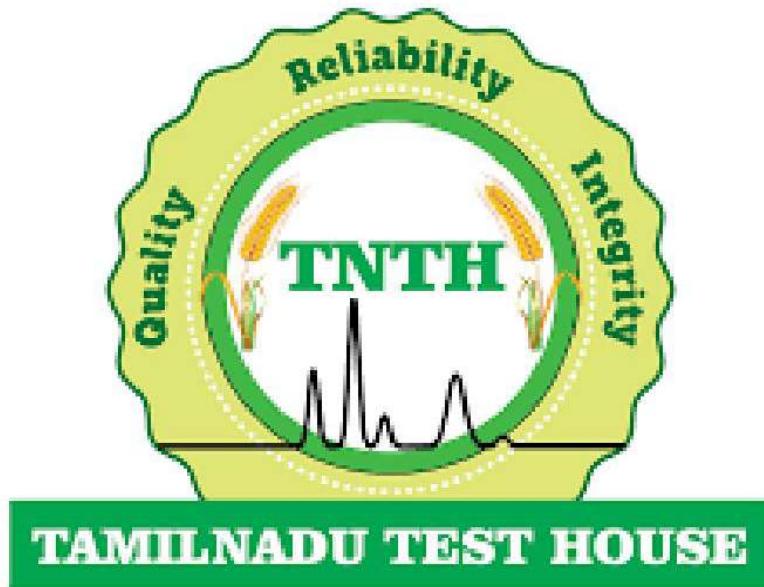
**3. CVR Labs:**



**Established:** 2010

**Background:** CVR Labs was founded with the aim of providing high-quality food testing services to ensure consumer safety. The laboratory is NABL-accredited and recognized by FSSAI, which underscores its commitment to maintaining high standards in food safety. CVR Labs offers a variety of testing services, including chemical, microbiological, and sensory analysis. The lab has also established partnerships with international laboratories, enhancing its capabilities and expertise in food testing.

**4. Tamil Nadu Test House Pvt, Ltd:**



**Established:** 1995.

**Background:** Tamil Nadu Test House has been a pioneer in the field of food testing in Chennai for over two decades. The laboratory was established to provide reliable testing services to the food industry, ensuring compliance with safety regulations. Over the years, it has expanded its services to include a wide range of food products and has invested in modern testing equipment. The lab is known for its experienced team of professionals who are dedicated to delivering accurate and timely results.

## 5. FSA Laboratories Pvt, Ltd.



**Established:** 2005

**Background:** FSA Laboratories was founded to meet the increasing demand for food safety testing in India. The laboratory has built a strong reputation for its comprehensive testing services, which include microbiological, chemical, and nutritional analysis. FSA Laboratories is committed to maintaining high standards of quality and has received various accreditations, including NABL and FSSAI. The lab serves a diverse clientele, including food manufacturers, retailers, and regulatory agencies, and is known for its customer-centric approach.



CIN: U93000TN2000PTC043869

## TEST REPORT

Test Report No & Date	CTL/CH/N-05837/2024-25 & 16.07.2024
Sample Number	N-05837/24-25
Name of the Customer	M/s. Annam Milk,
Address	No.28, Raja Rajeshwari Nagar, Madanandhapuram Main Road, Porur, Chennai - 600 116.
Sample Drawn by	Customer
Sample Name	Milk
Sample Description	Cow Milk
Sampling Location	NA
Sample Drawn on	NA
Sample Collected by	NA
Sampling Plan & Procedure	NA
Sample Quantity	500ml
Sample Condition	Good & Received in Glass Bottle
Environmental Conditions	NA
Equipment used for Sampling	NA
Sample Received on	28.06.2024
Analysis Started on	28.06.2024
Analysis Completed on	15.07.2024

## Test Results:

The above sample tested as received, and results are as follows:

S. NO	PARAMETERS	METHOD	UNITS	RESULTS	REQUIREMENTS*
1	Cane Sugar	FSSAI Manual 2016- (Milk & Milk Products)	-	Absent	Shall be absent
2	Cellulose		-	Absent	Shall be absent
3	Starch		-	Absent	Shall be absent
4	Added Urea		-	Absent	Shall be absent
5	Ammonium Sulphate		-	Absent	Shall be absent
6	Glucose		-	Absent	Shall be absent
7	Sodium Chloride		-	Absent	Shall be absent
8	Saccharin		-	Absent	Shall be absent
9	Dulcin		-	Absent	Shall be absent
10	Foreign Fat		-	Absent	Shall be absent
11	Milk Solids Not Fat	AOAC 20th Edn.2016, 990.21	%	8.90	Min. 8.30
12	Milk Fat	IS 1479 (Part 2):1961 (RA.2018)	%	3.72	Min. 3.20

Note: Min. - Minimum

\*As Per FSS Regulations 2011

REMARKS: The sample complies the requirement of FSS Regulations 2011 with respect to the parameters tested.

Statement of conformity is applied considering Decision rule as per CTL/QSP/16

\*\*\*END OF REPORT\*\*\*

For Chennai Testing Laboratory Pvt Ltd

Authorised Signatory

K. KESAVAN  
Senior Chemist  
(CHEMICAL.)

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Verified by

The Report shall not be used to malign, defame and for any malicious purpose.The Report is meant only for sole use of the addressee to promote his/her own business.A - Super 19 | T.V.K. Industrial Estate | Guindy | E-mail : chennaitemplab@gmail.com  
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## **Chapter – 3**

### **Research Methodology**

Research methodology is the specific procedures or techniques used to identify, Select, process, and analyse information about a topic. In a research paper, the Methodology section allows the reader to critically evaluate a study's overall validity and reliability. The process used to collect information and data for the purpose of Making business decisions. The methodology may include publication research, Interviews, surveys and other research techniques, and could include both present and historical information

#### **3.1 Definition:**

Research methodology is a comprehensive framework that guides the researcher in systematically planning and conducting a study. It includes the overall approach, design, data collection methods, and analysis techniques used to investigate a specific research question. The methodology ensures that the study is carried out logically and rigorously, with a clear structure that allows for the validity and reliability of the results. It involves deciding between qualitative, quantitative, or mixed methods depending on the research goals, as well as selecting appropriate data collection tools such as surveys, interviews, or experiments. Additionally, the methodology incorporates the philosophical foundation behind the research, such as positivism or interpretivism, which influences how the researcher approaches the collection and interpretation of data. Overall, the research methodology provides a blueprint for conducting research in a coherent and scientifically sound manner.

### **3.2 Types of research methodologies based on data sources:**

#### **3.2.1 Primary Research Methodology (First-hand Data Collection)**

Primary research methodology refers to the process of collecting original data directly from sources for a specific research purpose. Unlike secondary research, which involves analysing existing information, primary research involves gathering new data that has not been previously collected. This method is essential when specific, up-to-date, or detailed information is required. Common techniques used in primary research include surveys, interviews, observations, focus groups, and experiments. These methods allow researchers to obtain firsthand insights into people's opinions, behaviour, or experiences. By using primary research methodology, researchers can ensure the data is relevant, accurate, and tailored to their unique objectives.

##### **A. Qualitative Primary Research (Non-Numerical)**

This approach focuses on understanding opinions, behaviours, and experiences rather than numerical data. Interviews One-on-one conversations to gain deep insights. (Structured, Semi-structured, Unstructured) Focus Group discussions to collect opinions from multiple participants at once. Observations watching and analysing behaviour in a natural setting. Case Studies in-depth exploration of a particular subject, organization, or event. Ethnographic Research long-term study of people in their natural environment.

##### **B. Quantitative Primary Research (Numerical)**

This method focuses on collecting statistical, measurable data. Collecting structured responses from a large sample. Testing hypotheses under controlled conditions. Studying subjects over an extended period. Collecting data from different groups at a single point in time. Field Studies data collection in a real-world environment.

### **3.2.2 Secondary Research Methodology (Existing Data Sources)**

Secondary research involves analysing **already collected data** for new insights.

#### **A. Published Data**

- Books, journals, research papers, dissertations
- Government reports (census, economic surveys, public records)
- Industry reports, company publications

#### **B. Online & Digital Sources**

- Websites, blogs, news articles
- Digital repositories, databases (Google Scholar, PubMed, JSTOR)
- Social media analytics

#### **C. Internal Organizational Data**

- Business reports and financial statements
- Customer feedback and past surveys
- Sales and marketing data

## **3.3 RESEARCH DESIGN:**

Research design is the overall plan or framework that guides a research project from start to finish. It outlines how the study will be conducted, including the methods for collecting and analysing data, the tools and techniques to be used, and the strategy for interpreting the results. A well-structured research design ensures that the research problem is addressed effectively and that the findings are accurate, reliable, and valid. It helps researchers stay focused, minimize errors, and make the best use of available resources. There are different types of research designs, such as exploratory, descriptive, analytical, and experimental, each suited for specific kinds of studies. In essence, research design serves as a blueprint that shapes the entire research process, making it a crucial step in achieving meaningful and credible outcomes.

### **3.4 Analytical Research:**

Analytical research is a method of investigation that involves examining and interpreting data, information, or sources to understand complex issues and uncover underlying patterns or relationships. Unlike descriptive research, which simply outlines facts or characteristics, analytical research goes a step further by asking questions like "why" and "how." It involves breaking down a problem into its components, evaluating evidence critically, and drawing reasoned conclusions. This type of research is commonly used in both qualitative and quantitative studies, allowing researchers to compare variables, test hypotheses, and develop theories or solutions based on their findings. Ultimately, analytical research aims to provide deeper insights and a clearer understanding of the subject under investigation.

### **3.4 SOURCE OF DATA:**

The data that is collected by someone other than the primary user. The common sources of secondary data that include censuses, information collected by the government departments, organizational records and data that was originally collected for other research purpose. FOUR years annual report of CHENNAI TESTING LABORATORY PRIVATE LIMETED COMPANY from 2021-2024 Interaction with the related to finance department.

#### **3.4.1 PREMARY DATA:**

Primary data is information that is collected firsthand by a researcher specifically for a particular study or investigation. It is original and has not been previously gathered or analysed by anyone else. This type of data is obtained directly from sources through methods such as surveys, interviews, observations, experiments, or questionnaires. Because it is collected with a specific research goal in mind, primary data is usually highly relevant, up-to-date, and tailored to the researcher's needs. However, gathering primary data can be time-consuming and expensive, as it requires careful planning, execution, and analysis. Despite these challenges, primary data is valuable because it provides fresh insights and reliable information that directly support the research objectives.

### **3.4.2 SECONDARY DATA:**

Secondary data refers to information that has already been collected and processed by other individuals, organizations, or institutions for purposes different from the current research. It is typically obtained from sources such as books, academic journals, government publications, company reports, online databases, and previous research findings

In this study, **secondary data** has been utilized as the main source of information. This data refers to information that has already been collected, processed, and published by other researchers, institutions, or organizations for purposes other than the current research. The sources of secondary data in this research balance sheet, profit and loss account organizational records relevant to the subject matter.

## **3.5 FINANCIAL ANALYSIS:**

To analyses the performance of the CHENNAI TESTING LABORATORY PRIVATE LIMETED CAMPANY, the researcher has identified ratios namely

### **3.5.1. Liquidity Ratio:**

The liquidity ratio is a financial metric used to assess a company's ability to meet its short-term obligations with its most liquid assets. It provides an indication of the company's financial health by showing how easily it can convert assets into cash to cover immediate liabilities.

Liquidity Ratio = Current Asset / Current Liabilities.

### **3.5.2. Current Ratio:**

Current ratio is the ratio of current assets to current liabilities. Current assets are the Assets that are expected to be realized in cash or sold or consumed during the normal Operating cycle of the business or within one year, which ever is longer, they include Cash in hand and bank, bills receivable, net sundry debtors, stock of raw materials, Finished goods and short term or temporary investments.

CURRENT RATIO=CURRENT ASSETS/ CURRENT LIABILITIES

### **3.5.3. Quick Ratio:**

Quick Ratio is used as a measure of the company's ability to meet its current Obligations since bank overdraft is secured by the inventories, the other current assets Must be sufficient to meet other current liabilities. It indicates whether the firm is in a Position to pay its current liabilities within a month or immediately Liquid Assets Includes:

- (a) Cash in hand.
- (b) Cash at Bank.
- (c) Short-term investments.

$$\text{QUICK RATIO} = \text{LIQUID ASSETS} / \text{CURRENT LIABILITY}$$

### **3.5.4. Working Capital:**

The Working Capital Ratio (also known as the Current Ratio) is a financial metric that measures a company's ability to pay off its short-term liabilities with its short-term assets. It is an important indicator of a company's liquidity and overall financial health.

Formula:

$$\text{Working Capital Ratio} = \text{Current Assets} / \text{Current Liabilities}$$

### **3.5.5. Absolute Liquid Ratio:**

A financial metric used to assess a company's ability to cover its short-term liabilities with its most liquid assets. It provides a more conservative measure of liquidity than the current ratio, as it focuses on assets that can be quickly converted into cash without significant loss in value.

Formula:

$$\text{Absolute Liquid Ratio (ALR)} = \text{Cash} + \text{Marketable Securities} + \text{Receivables} / \text{Current Liabilities}$$

### **3.5.6. Cash Ratio:**

Cash ratio is a liquidity measure that shows a company's ability to cover its short-term Obligations using cash ratio and can only cash and cash equivalents. The cash ratio Is derived by adding a company's total reserves of cash and near-cash securities and Dividing that sum by its total current liabilities.

$$\text{CASH RATIO} = \text{CASH} / \text{CURRENT LIABILITIES}$$

### **3.5.7. Solvency Ratio:**

#### **3.5.7.1. Debt to equity Ratio:**

Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage and is Calculated by dividing a company's total liabilities by its shareholder equity. D/E ratio Is an important metric in corporate finance. It is a measure of the degree to which a Company is financing its operations with debt rather than its own resources. Debt to equity ratio is a particular type of gearing ratio.

$$\text{DEBT TO EQUITY RATIO} = \text{TOTAL LIABILITY} / \text{TOTAL EQUITY}$$

#### **3.5.7.2. Debt to assets ratio:**

The Debt-to-assets ratio analyses a company's balance sheet. The calculation includes long-term and short-term debt (borrowings maturing within one year) of the company. It also encompasses all assets-both tangible and intangible. It indicates how much debt is used to carry a firm's assets, and how those assets might be used to service debt. It, therefore, measures a firm's degree of leverage.

$$\text{DEBT TO ASSET RATIO} = \text{TOTAL DEBT} / \text{TOTAL ASSET}$$

### **3.5.7.3. Proprietary Ratio:**

Proprietary Ratio is a financial metric that measures the proportion of a company's total assets Financed by the shareholders' equity. It reflects the financial strength and stability of a Business, indicating how much of the company's assets are owned by the shareholders as Opposed to being financed through debt. A higher ratio typically signals a lower level of financial risk and greater financial stability. Formula for Proprietary Ratio:

$$\text{Proprietary Ratio} = \text{Shareholders' Equity} / \text{Total Assets}$$

### **3.5.8. Profitability Ratio:**

#### **3.5.8.1. Profit Margin Ratio:**

A financial metric that shows the percentage of profit a company generates from its total Revenue. It indicates how efficiently a company converts its sales into profits. The higher the Profit margin, the more profitable a company is in relation to its sales.

$$\text{Formula: Profit Margin Ratio} = (\text{Net Income}/\text{Revenue}) \times 100$$

#### **3.5.8.2. Return on assets:**

Return on assets is a profitability ratio that provides how much profit a Company can Generate from its assets. In other words, return on assets (ROA) measures how Efficient a company's management is in earning profit from their economic resources Or assets on their balance sheet. ROA is shown as percentage, and the higher the Number, the more efficient a company's management is at managing its balance sheet to generate profits.

$$\text{RETURN ON ASSET} = \text{NET INCOME}/\text{TOTAL ASSET}$$

### **3.5.8.3. Return on equity:**

The Return on Equity ratio essentially measures the rate of return that the owner common stock of a company receive on their shareholdings. Return on equity signifies how good the company is in generating returns on the investment it received from its shareholders.

$$\text{RETURN ON EQUITY} = \text{NET INCOME} / \text{TOTAL EQUITY}$$

### **3.5.8.4. Gross Profit Margin Ratio:**

Gross Profit Margin Ratio measures the percentage of revenue that exceeds the cost of goods Sold (COGS). It is a key indicator of a company's financial health, showing how efficiently It produces and sells its products.

$$\text{Formula: Gross Profit Margin Ratio} = (\text{Gross Profit} / \text{Revenue}) \times 100$$

### **3.5.8.5. Net Profit Margin:**

Net Profit Margin is a financial metric that shows the percentage of profit a company makes for every dollar of revenue, after accounting for all expenses, taxes, and interest. It indicates how efficiently a company converts revenue into actual profit.

$$\text{Formula: Net Profit Margin} = (\text{Net Profit} / \text{Revenue}) \times 100$$

## **3.5.9. Efficiency Ratio:**

### **3.5.9.1. Inventory turnover:**

Inventory turnover is a ratio showing how many times a company has sold and Replaced inventory during a given period. A company can then divide the days in the Period by the inventory turnover formula to calculate the days it takes to sell the Inventory on hand.

$$\text{INVENTORY TURNOVER RATIO} = \text{SALES} / \text{INVENTORY}$$

### **3.5.9.2. Receivable Turnover Ratio:**

The Receivable Turnover Ratio is a financial metric that measures how efficiently a company collects its accounts receivable, or the amount of money owed by customers for goods or services provided on credit. A higher ratio indicates that a company is able to collect its receivables more quickly, which is generally a positive sign of liquidity and operational efficiency.

Formula: Receivable Turnover Ratio = Net Credit Sales / Average Accounts Receivable

### **3.5.9.3. Fixed assets turnover ratio:**

The fixed asset turnover ratio (FAT) is, in general, used by analysts to measure operating performance. This efficiency ratio compares net sales (income statement) to fixed assets (balance sheet) and measures a company's ability to generate net sales from its fixed-asset investments, namely property, plant, and equipment (PP&E). The fixed asset balance is used as a net of accumulated depreciation.

FIXED ASSET TURNOVER RATIO= SALES/TOTAL FIXED ASSET

### **3.5.9.4. Payables turnover ratio:**

Payables Turnover Ratio measures how efficiently a company pays off its suppliers or creditors. It shows how often a company pays its accounts payable during a given period, typically a year.

Formula: Payables Turnover Ratio = Net Credit Purchases / Average Accounts Payable

### **3.5.9.5. Total assets turnover ratio:**

Financial metric that measures the efficiency of a company in using its total assets to generate sales revenue. It shows how well the company is utilizing its assets to produce income.

Formula: Total Assets Turnover Ratio = Net Sales / Average Total Assets

### **3.5.10. Profitability Ratio:**

#### **3.5.10.1. Return on capital employed:**

Return on Capital Employed (ROCE) is a financial metric that measures the profitability and efficiency of a company in generating profits from its capital employed. It shows how well a company is using its capital (equity and debt) to generate earnings before interest and taxes (EBIT).

Formula: Return on Capital Employed = EBIT / Capital Employed × 100

## CHAPTER – 4

### DATA ANALYSIS AND INTERPRETATION

#### **4.1. Calculation of Current Ratio:**

Table showing current ratio of 4 years.

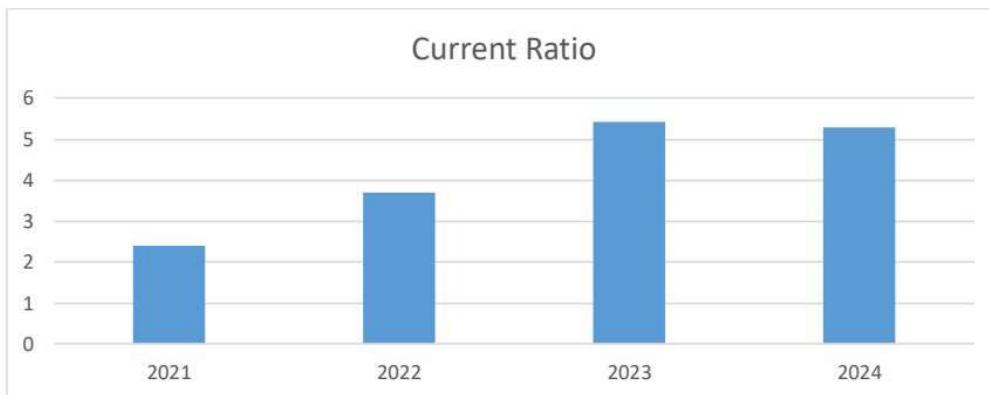
Current Ratio = Current Assets / Current Liabilities

Table no.: 1

Particulars	2021	2022	2023	2024
Current Assets	34887104	35818127	58147691	49214773
Current Liabilities	14531599	9686025	10734460	9307487
<b>Current Ratio</b>	<b>2.4</b>	<b>3.7</b>	<b>5.42</b>	<b>5.29</b>

Chart no.: 1

Chart showing current ratio for 4 years;



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 – 2.4, 2022 – 3.7, 2023 – 5.42, 2024 – 5.29. The minimum ratio was registered as 2.4 in the year 2021 and the maximum ratio was registered as 5.42 in the year 2023.

## **4.2. Calculation of Working Capital:**

Table showing working capital of 4 years.

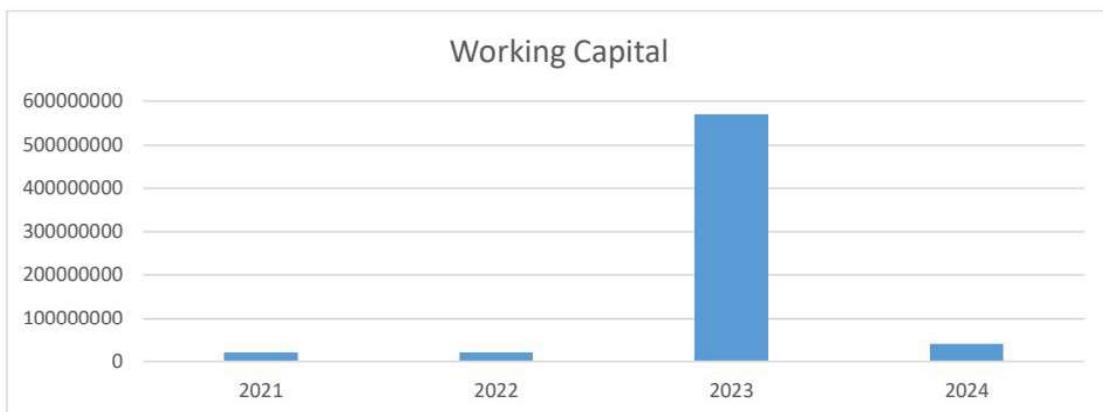
Working Capital = Current Assets – Current Liabilities.

Table no.: 2

<b>Particulars</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Current Assets	34887104	35818127	58147691	49214773
Current Liabilities	14531599	9686025	10734460	9307487
<b>Working Capital</b>	<b>20355505</b>	<b>21286528</b>	<b>570313231</b>	<b>39907268</b>

Chart no.: 2

Chart showing Working Capital for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –20355505, 2022 –21286528, 2023 –570313231, 2024 –39907268. The minimum ratio was registered as 20355505 in the year 2021 and the maximum ratio was registered as 570313231 in the year 2023.

### **4.3. Calculation of Cash Ratio:**

Table showing Cash Ratio of 4 years.

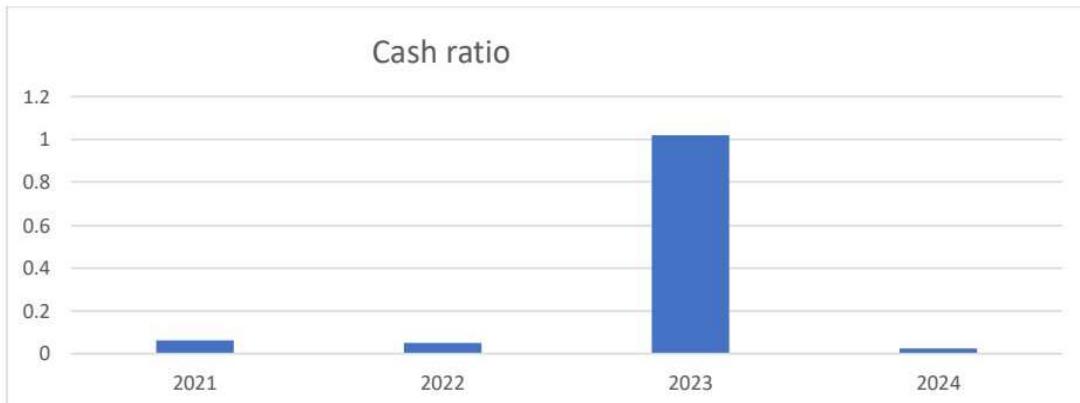
Cash ratio = Cash and Cash Equivalents / Current Liabilities

Table no.: 3

Particulars	2021	2022	2023	2024
Cash and Cash Equivalents	802213	458087	10923701	223432
Current Liabilities	14531599	9686025	10734460	9307487
<b>Cash ratio</b>	0.06	0.05	1.02	0.024

Chart no.: 3

Chart showing cash ratio for 4 years



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –0.06, 2022 –0.05, 2023 –1.02, 2024 –0.024. The minimum ratio was registered as 0.024 in the year 2024 and the maximum ratio was registered as 1.02 in the year 2023.

#### **4.4. Calculation of Debt Equity Ratio:**

Table showing debt equity ratio of 4 years.

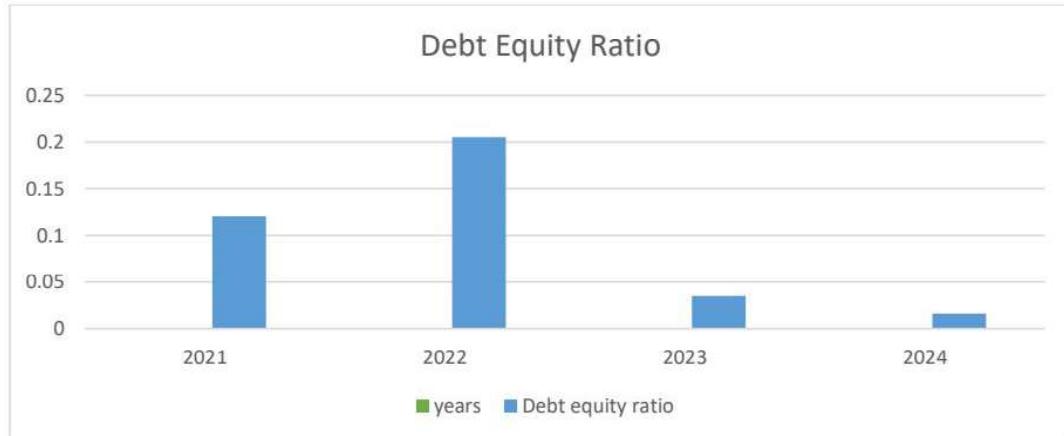
Debt equity ratio = total debt / shareholder equity

Table no.: 4

Particulars	2021	2022	2023	2024
Total Debt	2365347	4365347	2005261	667325
Shareholder equity	20355505	21286528	57031323	39907268
<b>Debt equity ratio</b>	0.12	0.205	0.035	0.016

Chart no.: 4

Chart Showing Debt Equity Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –0.12, 2022 –0.205, 2023 –0.035, 2024 –0.016. The minimum ratio was registered as 0.016 in the year 2024 and the maximum ratio was registered as 0.205 in the year 2022.

#### **4.5. Calculation of Liquidity Ratio:**

Table showing Liquidity ratio of 4 years.

Liquidity ratio = current asset - inventory / current liability

Table no.: 5

Particulars	2021	2022	2023	2024
Liquid Assets	3324637	33931289	53660853	44252311
Current Liabilities	14531599	9686025	10734460	9307487
<b>Liquidity ratio</b>	2.29	3.5	4.99	4.75

Chart no.: 5

Chart Showing Liquidity Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –2.2, 2022 –3.5, 2023 –4.99, 2024 –4.75. The minimum ratio was registered as 2.2 in the year 2021 and the maximum ratio was registered as 4.99 in the year 2023.

#### **4.6. Calculation of Net Profit Margin Ratio:**

Table showing Net Profit Margin ratio of 4 years.

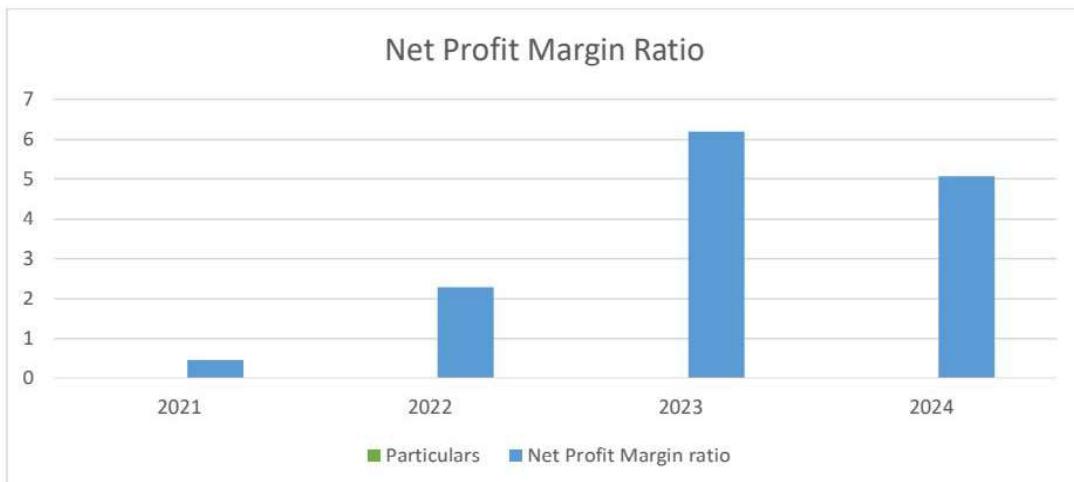
$$\text{net profit margin ratio} = (\text{net profit/revenue}) \times 100$$

Table no.: 6

Particulars	2021	2022	2023	2024
Net Profit	216659	4120491	5019212	5390504
Revenue	46933098	61794244	80962226	106230625
<b>Net Profit Margin ratio</b>	0.46	2.29	6.2	5.07

Chart no.: 6

Chart Showing Net Profit Margin Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –0.46, 2022 –2.29, 2023 –6.2, 2024 –5.07. The minimum ratio was registered as 0.46 in the year 2021 and the maximum ratio was registered as 6.2 in the year 2023.

#### **4.7. Calculation of Gross Profit Margin Ratio:**

Table showing Gross Profit Margin ratio of 4 years.

$$\text{Gross Profit Margin Ratio} = (\text{gross profit/revenue}) \times 100$$

Table no.: 7

Particulars	2021	2022	2023	2024
Gross Profit	46017974	55782342	73943014	99840121
Revenue	46933098	61794244	80962226	106230625
<b>Gross Profit</b>	98.05	90.27	91.33	93.98
<b>Margin ratio</b>				

Chart no.: 7

Chart Showing Gross Profit Margin Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –98.05, 2022 –90.27, 2023 –91.33, 2024 –93.98. The minimum ratio was registered as 90.27 in the year 2022 and the maximum ratio was registered as 98.05 in the year 2021.

#### **4.8. Calculation of Debt Assets Ratio:**

Table showing Debt Assets Ratio of 4 years.

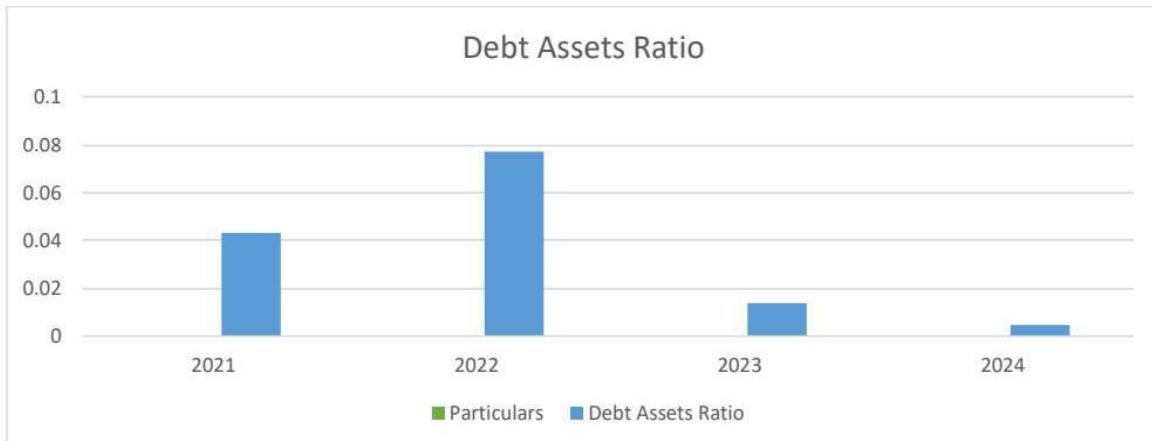
Debt asset ratio = (total debt/total assets)

Table no.: 8

Particulars	2021	2022	2023	2024
Total Debt	2365347	4365347	200526	667325
Total Assets	54440217	56003531	134034016	139777394
<b>Debt Assets Ratio</b>	0.043	0.077	0.014	0.0047

Chart no.: 8

Chart Showing Debt Assets Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –0.043, 2022 –0.077, 2023 –0.014., 2024 –0.0047. The minimum ratio was registered as 0.0047 in the year 2024 and the maximum ratio was registered as 0.077 in the year 2022.

#### **4.9. Calculation of Inventory Ratio:**

Table showing Inventory Ratio of 4 years.

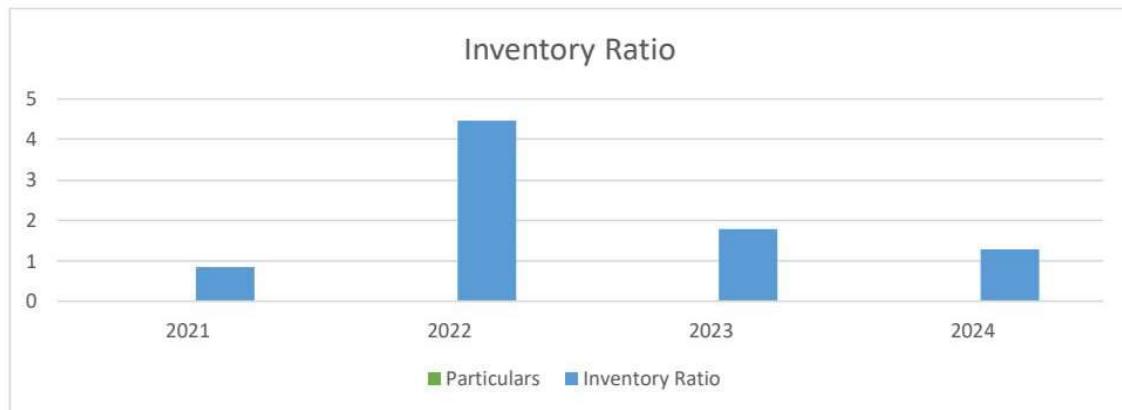
Inventory ratio = cost of goods sold ÷ average inventory

Table no.: 9

Particulars	2021	2022	2023	2024
Cost of goods sold	6995817	4217949	4018868	3213577
Average Inventory	8203645	9434419	2243419	2481231
<b>Inventory Ratio</b>	0.85	4.47	1.79	1.29

Chart no.: 9

Chart Showing Inventory Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –0.85, 2022 –4.47, 2023 –1.79, 2024 –1.29. The minimum ratio was registered as 0.85 in the year 2021 and the maximum ratio was registered as 4.47 in the year 2022.

#### **4.10. Calculation of Return on Equity Ratio:**

Table showing Return on Equity Ratio of 4 years.

Return on equity ratio = net income / shareholder equity

Table no.: 10

Particulars	2021	2022	2023	2024
Net Income	216659	4120491	5019212	5390504
Shareholder equity	20355505	21286528	57031323	39907268
<b>Return on Equity Ratio</b>	0.01	0.19	0.088	0.13

Chart no.: 10

Chart Showing Return on Equity Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –0.01, 2022 –0.19, 2023 –0.088, 2024 –0.13. The minimum ratio was registered as 0.01 in the year 2021 and the maximum ratio was registered as 0.19 in the year 2022.

#### **4.11. Calculation of Return on Assets:**

Table showing Return on Assets Ratio of 4 years.

Return on asset ratio = net income /total assets

Table no.: 11

Particulars	2021	2022	2023	2024
Net Income	216659	4120491	5019212	5390504
Average Total Assets	27220108	28001765	67017008	69888698
<b>Return on Assets</b>	0.007	0.15	0.074	0.077

Chart no.: 11

Chart Showing Return on Assets Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –0.007, 2022 –0.15, 2023 –0.074, 2024 –0.077. The minimum ratio was registered as 0.007 in the year 2021 and the maximum ratio was registered as 0.15 in the year 2022.

#### **4.12. Calculation of Profit margin ratio:**

Table showing Profit Margin Ratio of 4 years

Profit Margin Ratio = Net income / Revenue

Table no.: 12

Particulars	2021	2022	2023	2024
Net Profit	216659	4120491	5019212	5390504
Revenue	46933098	61794244	80962226	106230625
<b>Profit Margin Ratio</b>	0.051	0.006	0.067	0.005

Chart no.: 12

Chart Showing Profit Margin Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –0.051, 2022 –0.006, 2023 –0.067, 2024 –0.005. The minimum ratio was registered as 0.005 in the year 2024 and the maximum ratio was registered as 0.067 in the year 2023.

#### **4.13. Calculation of Payable Turnover Ratio:**

Table showing Payable Turnover Ratio of 4 years.

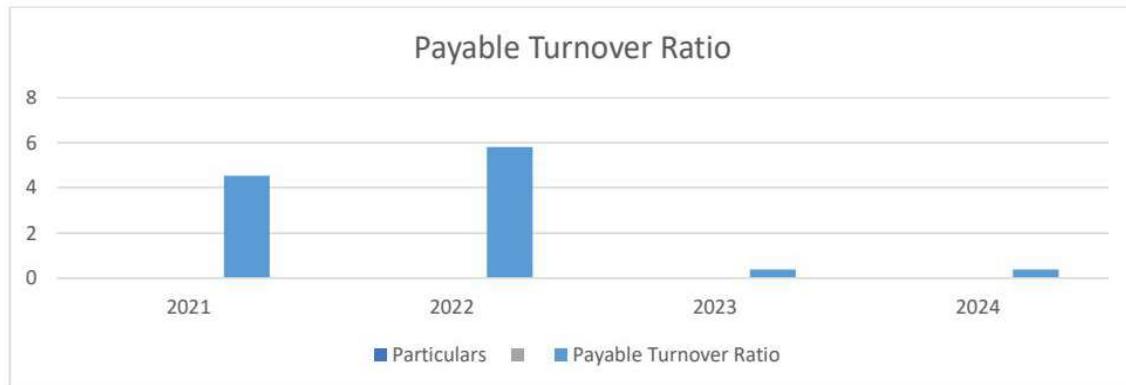
Payable Turnover Ratio = Purchase / Average account Payable

Table no.: 13

Particulars	2021	2022	2023	2024
Purchase	6995817	4217949	4018868	3213577
Average Account Payable	1536008	724754	10488599	8601932
<b>Payable Turnover Ratio</b>	4.55	5.82	0.38	0.37

Chart no.: 13

Chart Showing Payable Turnover Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –4.55, 2022 –5.82, 2023 –0.38, 2024 –0.37. The minimum ratio was registered as 0.37 in the year 2024 and the maximum ratio was registered as 5.82 in the year 2022.

#### **4.14. Calculation of Receivable Turnover Ratio:**

Table showing Receivable Turnover Ratio of 4 years.

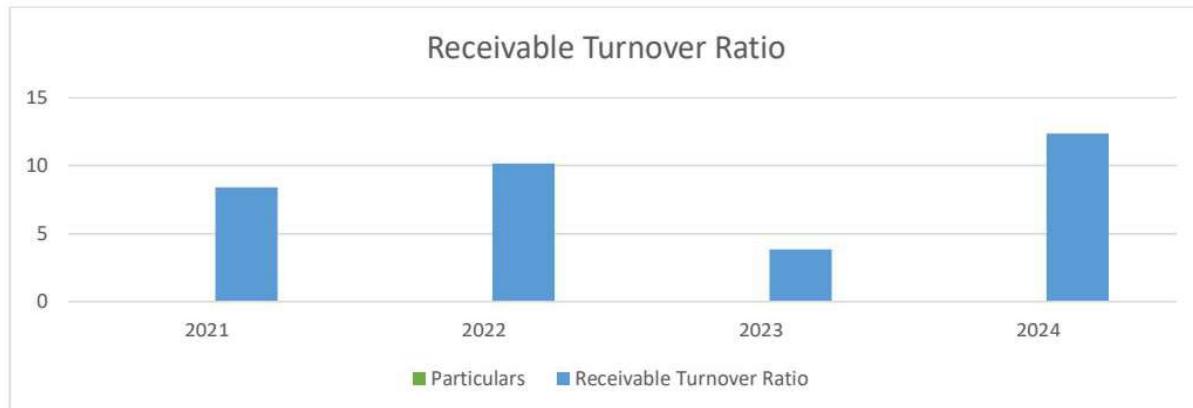
Receivable Turnover Ratio = Revenue / Average Account Receivable

Table no.: 14

Particulars	2021	2022	2023	2024
Revenue	46933098	61794244	80962226	106230625
Average Account Receivable	5622591	6086697	10488599	8601932
<b>Receivable Turnover Ratio</b>	8.35	10.15	3.86	12.35

Chart no.: 14

Chart Showing Receivable Turnover Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –8.35, 2022 –10.15, 2023 –3.86, 2024 –12.35. The minimum ratio was registered as 3.86 in the year 2023 and the maximum ratio was registered as 12.35 in the year 2024.

#### **4.15. Calculation of Total Assets Turnover Ratio:**

Table showing Total Assets Turnover Ratio of 4 years.

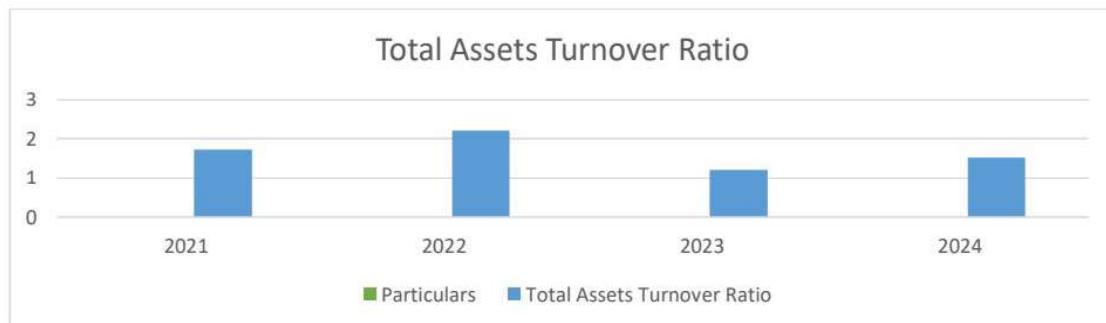
Total Assets Turnover Ratio = Revenue / Average Total Assets

Table no.: 15

Particulars	2021	2022	2023	2024
Revenue	46933098	61794244	80962226	106230625
Average Total Assets	27220108	28001765	67017008	69888698
<b>Total Assets Turnover Ratio</b>	1.72	2.2	1.21	1.52

Chart no.: 15

Chart Showing Total Assets Turnover Ratio for 4 years:



**Interpretation:** From the balance sheet the past 4 years of the Quick ratio was 2021 –1.72, 2022 –2.2, 2023 –1.21, 2024 –1.52. The minimum ratio was registered as 1.21 in the year 2023 and the maximum ratio was registered as 2.2 in the year 2022.

## **CHAPTER 5 FINDINGS, SUGGESTIONS AND CONCLUSION**

### **5.1. FINDINGS**

- The company's current ratio has been consistently increasing over the past four years, from 2.4 in 2021 to 5.29 in 2024. This indicates an improvement In the company's ability to meet its short-term obligations with its current assets.
- Working capital has fluctuated, with a notable peak in 2023 (57,031,323), followed by a decrease to 39,907,268 in 2024. Overall, the working capital has been increasing, showing better financial health in terms of liquidity.
- The cash ratio has been low in 2021 (0.06) and 2022 (0.05), reflecting limited cash available relative to current liabilities. However, it improved significantly in 2023 (1.02) but dropped again in 2024 to 0.024, indicating potential liquidity concerns despite an improvement in 2023.
- The debt equity ratio has been decreasing over the years, from 0.12 in 2021 to 0.016 in 2024, reflecting a reduction in financial leverage and increasing financial stability.
- The liquidity ratio has also improved over the years, from 2.29 in 2021 to 4.75 in 2024. This indicates better short-term financial health, as the company can cover its short-term liabilities with liquid assets.
- The net profit margin ratio shows an upward trend from 0.46% in 2021 to 6.2% in 2023, though it slightly decreased to 5.07% in 2024. This suggests improving profitability over the period.
- The gross profit margin has remained consistently high, ranging between 90.27% (2022) to 98.05% (2021). This shows that the company has maintained a strong ability to control production costs.
- The debt assets ratio has been very low and steadily decreasing, indicating that the company relies minimally on debt financing. In 2024, it reached 0.0047, showing very low debt relative to total assets.

- The inventory ratio has varied significantly, peaking at 4.47 in 2022, then decreasing in 2023 and 2024, indicating fluctuations in inventory turnover.
- ROE has been low in 2021 (0.01) and improved to 0.19 in 2022, before declining again in 2023 (0.088) and recovering to 0.13 in 2024. This shows variability in how effectively the company is using its equity to generate profits.
- The ROA has been low but improving over time, reaching 0.077 in 2024. This indicates that the company has been more effective in generating income from its assets in recent years.
- The profit margin ratio has fluctuated, with a peak of 6.7% in 2023, although it dropped to 0.5% in 2024. This shows variability in profitability in relation to revenue.
- The payable turnover ratio decreased significantly in 2023 and 2024 (0.38 and 0.37, respectively), suggesting that the company is taking longer to pay its suppliers.
- The receivable turnover ratio showed improvement in 2024 (12.35), reflecting better efficiency in collecting receivables, despite a dip in 2023 (3.86).
- The total assets turnover ratio decreased in 2023 (1.21) but improved slightly in 2024 (1.52), showing that the company has become more efficient in utilizing its assets to generate revenue.

## 5.2. SUGGESTIONS

Here is a suggested summary of the company's financial performance based on the provided ratios:

- The company has shown significant improvements in its financial health over the past four years. Its current ratio has increased consistently, from 2.4 in 2021 to 5.29 in 2024, signalling a stronger ability to meet short-term obligations. Working capital has generally grown, although with fluctuations, reaching a peak in 2023 before decreasing slightly in 2024.

- The cash ratio, however, has been inconsistent, with a substantial improvement in 2023, but a significant drop in 2024, indicating potential liquidity concerns. Despite this, other liquidity indicators, such as the liquidity ratio, have improved, reflecting better short-term financial health. The company's decreasing debt-equity ratio suggests growing financial stability, as it relies less on debt financing.
- Profitability has also improved, with the net profit margin increasing from 0.46% in 2021 to 6.2% in 2023, though slightly declining in 2024. The gross profit margin has remained high, showing strong cost control in production. Return on equity (ROE) and return on assets (ROA) have experienced variability but show signs of improvement in recent years, indicating better profitability and asset utilization.
- There have been mixed results in the company's efficiency ratios. The inventory turnover ratio has shown fluctuations, while the receivable turnover ratio improved significantly in 2024, reflecting better efficiency in collecting receivables. However, the payable turnover ratio decreased, indicating that the company is taking longer to pay its suppliers. The total asset turnover ratio improved slightly in 2024, showing a better ability to generate revenue from assets.

### **5.3. Conclusion:**

In conclusion, the financial analysis of Chennai Testing Laboratory Private Limited over the past four years reveals a company that has made significant strides in its financial health and operational efficiency. The consistent increase in the current ratio from 2.4 in 2021 to 5.29 in 2024 indicates a robust ability to meet short-term obligations, reflecting improved liquidity management. The fluctuations in working capital, peaking in 2023, suggest that while the company has experienced periods of strong liquidity, it must remain vigilant in managing its resources effectively. The cash ratio, although showing a remarkable improvement in 2023, fell sharply in 2024, highlighting potential liquidity concerns that warrant attention. This inconsistency underscores the importance of maintaining a balanced approach to cash management to ensure that the company can meet its immediate financial commitments without strain.

The decreasing debt-equity ratio signifies a shift towards greater financial stability, as the company has reduced its reliance on debt financing. This trend is further supported by the low debt-to-assets ratio, which indicates minimal financial risk. The company's ability to maintain a high gross profit margin, alongside an upward trend in net profit margin, demonstrates effective cost control and profitability enhancement strategies. However, the variability in return on equity (ROE) and return on assets (ROA) suggests that while the company is improving its profitability, there are still opportunities for optimizing asset utilization and enhancing shareholder returns. The receivable turnover ratio's improvement in 2024 reflects better efficiency in collections, which is a positive sign for cash flow management, while the decline in the payable turnover ratio indicates a need for more timely payments to suppliers. Overall, Chennai Testing Laboratory Private Limited has shown commendable progress in its financial performance, but it must address the inconsistencies in cash management and supplier payments to sustain its growth trajectory. By focusing on these areas, the company can further enhance its financial stability, operational efficiency, and profitability, positioning itself favorably in the competitive landscape of the testing and analysis industry.

## **General References for Financial Analysis and Accounting**

### **1. Text Books:**

- Brigham, E. F., & Houston, J. F. (2019). Fundamentals of Financial Management. Cengage Learning.
- Brealey , R. A., Myers, S. C., & Allen, F. (2017). Principles of Corporate Finance. McGraw-Hill Education.
- Higgins, R. C. (2012). Analysis for Financial Management. McGraw-Hill Education.
- Lee, T. H. (2014). Financial Statement Analysis. Wiley.
- Pratt, S. P., & Nissen, L. (2008). Valuing a Business: The Analysis and Appraisal of Closely Held Companies. McGraw-Hill.

### **2. Journals:**

- Journal of Accounting Research
- The Accounting Review
- Journal of Finance
- Financial Analysts Journal

### **3. Websites:**

- Investopedia ([www.investopedia.com](http://www.investopedia.com)) – for definitions and explanations of financial terms and ratios.
- Corporate Finance Institute ([www.corporatefinanceinstitute.com](http://www.corporatefinanceinstitute.com)) – for courses and articles on financial analysis and accounting.
- American Institute of Certified Public Accountants (AICPA) ([www.aicpa.org](http://www.aicpa.org)) – for standards and guidelines in accounting..

## **Specific References for Chennai Testing Laboratory Private Limited**

### **1. Company Filings:**

- Ministry of Corporate Affairs, Government of India ([www.mca.gov.in](http://www.mca.gov.in)) – for official filings and documents related to Chennai Testing Laboratory Private Limited.

### **2. Industry Reports:**

- Reports from market research firms like IBISWorld, Statista, or MarketResearch.com that provide insights into the testing laboratory industry in India.

### **3. Food Safety and Standards Authority of India (FSSAI):**

- FSSAI website ([www.fssai.gov.in](http://www.fssai.gov.in)) – for regulations and standards related to food testing laboratories.

### **4. National Accreditation Board for Testing and Calibration Laboratories (NABL):**

- NABL website ([www.nabl-india.org](http://www.nabl-india.org)) – for accreditation standards and guidelines for testing laboratories.

M/S. CHENNAI TESTING LABORATORY PRIVATE LIMITED,  
A-SUPER,19,TVK INDUSTRIAL ESTATE, GUINDY, CHENNAI - 600 029.

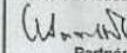
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BALANCE SHEET AS ON 31.03.2022			
	Note No.	31st March, 2022	31st March, 2021
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
Share Capital	1	38,00,300	38,00,300
Reserves and Surplus	2	2,24,65,268	1,58,80,214
<b>2. Long Term Borrowings</b>	3	2,00,49,776	1,62,25,942
<b>3. Non-Current Liabilities</b>			
Long Term Provisions	4	-	-
Other Long Term Liabilities	5	2,162	2,162
<b>4. Current Liabilities</b>			
Short Term Borrowings	3	-	-
Trade Payables	5	14,49,508	30,72,017
Other Current Liabilities	5	38,71,170	90,94,235
Short Term provisions	4	43,65,347	23,65,347
		<b>5,60,03,531</b>	<b>5,44,40,217</b>
<b>ASSETS</b>			
<b>5. Non-Current Assets</b>			
Fixed Assets			
Property, Plant and Equipments & Intangible Assets			
Property, Plant and Equipments	6	2,01,09,144	2,09,47,762
Deferred Tax Asset (net)	7	-	(14,70,909)
Long term Loans & Advances	8	76,260	76,260
Other Non Current Asset	9	-	-
<b>6. Current Assets</b>			
Inventories	10	18,86,838	16,40,729
Trade Receivables	11	1,21,73,395	1,12,45,183
Cash and Cash equivalents	12	4,58,087	8,02,213
Short-term loans and advances	8	2,12,96,107	2,11,98,979
Other Current Assets	9	3,700	-
		<b>5,60,03,531</b>	<b>5,44,40,217</b>

Disclosure: Chennai Testing Laboratory P Ltd(PAN: AACCH1190F CIN: U74999TN2008PTC067568) Merged with Amba Recycler P Ltd (PAN: AACBR8364G CIN: U65991TN2000PTC043869) With effect from 01.04.2021.  
and subsequently the name of Amba Recycler P Ltd has been changed as Chennai Testing Laboratory P Ltd

Notes 1 - 22 form an integral part of the Financial Statements  
As per our attached Report of even date

For SANTHANA & SIVARAMAN  
Chartered Accountants.

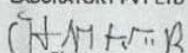
  
Partner

Place : Chennai

Dated: 05-09-2022

UDIN: 02013259BB1KM61012

For CHENNAI TESTING  
LABORATORY PVT LTD

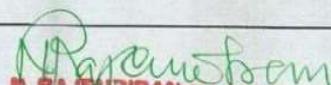
  
Director

DIN: 02133059

DIN: 02034792

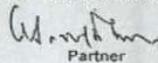
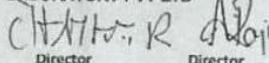
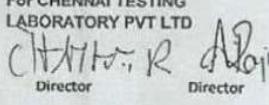
For CHENNAI TESTING LABORATORY



  
N. RAJENDRAN, M.A.M.E.R.L  
Adv. No: 1293/1991  
NOTARY & NOTARY PUBLIC  
GOVERNMENT OF INDIA  
# 1, Jothiramalingam II Cross Street  
West Mamallapuram, Chennai - 600 033  
Mobile : 98411 22880

**M/S. CHENNAI TESTING LABORATORY PRIVATE LIMITED,  
A-SUPER,19,TVK INDUSTRIAL ESTATE, GUINDY, CHENNAI - 600 029.**

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2022			
	Notes	31st March 2022	31st March 2021
<b>Income</b>			
Revenue from Operations	13	6,17,94,244	4,69,33,098
Other Income	14	1,08,589	49,335
		<b>6,19,02,833</b>	<b>4,69,82,433</b>
<b>Expenditure</b>			
Cost of Materials and components consumed	15	42,17,949	69,95,817
Increase/decrease in inventories of finished goods	16	(18,86,838)	(16,40,729)
Employee benefits and expenses	17	3,22,09,470	2,60,24,264
Other Expenses	18	1,66,56,200	98,71,806
Finance costs	19	23,33,888	25,22,194
Corporate Social Responsibility expenditure			
Depreciation and amortisation Expense	20	22,51,673	22,44,622
		<b>5,57,82,342</b>	<b>4,60,17,974</b>
<b>Profit / (Loss) before tax</b>		<b>61,20,491</b>	<b>9,64,459</b>
<b>Tax expenses</b>			
(a) Current Tax			
(b) Provision for tax for earlier years		20,00,000	1,72,896
(c) Deferred Tax		-	5,74,904
<b>Profit / (Loss) for the Year</b>		<b>41,20,491</b>	<b>2,16,659</b>
Earnings per equity share of Face value Rs 10 each		10.84	0.57
Total Number of Shares of Face value of Rs 10 each		380030	380030
Disclosure: Chennai Testing Laboratory P Ltd [PAN: AACCH1190F CIN: U74999TN2008PTC067568] Merged with Amba Recycler P Ltd [ PAN: ABCR8364G CIN: U65991TN2000PTC043869 ] With effect from 01.04.2021, and subsequently the name of Amba Recycler P Ltd has been changed as Chennai Testing Laboratory P Ltd TESTING LABORATORY PRIVATE LIMITED			
Notes 1 - 22 form an integral part of the Financial Statements As per our attached Report of even date			
For SANTHANA & SIVARAMAN Chartered Accountants.			
 W. M. S. Sivaraman Partner			
Place : Chennai Dated : 05-9-2022 UDIN: 2021225988UKM61012		DIN: 02133059	DIN: 02034792
For CHENNAI TESTING LABORATORY PVT LTD			
 R. Rajendiran Director			
N. RAJENDIRAN, M.A.M.C.C.L. MS No: 1295/1991 ADVOCATE & NOTARY PUBLIC GOVERNMENT OF INDIA No. 1, Jothiramalingam II Cross Street West Mambalam, Chennai - 600 028 Mobile : 08611 32860			
			

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**M/S. CHENNAI TESTING LABORATORY PRIVATE LIMITED,  
A-SUPER,19,TVK INDUSTRIAL ESTATE, GUINDY, CHENNAI - 600 029.**

BALANCE SHEET AS ON 31.03.2023				
	Note No.		31st March, 2023	31st March, 2022
<b>EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' Funds</b>				
Share Capital	1		11,400,900	3,800,300
Reserves and Surplus	2		21,883,880	22,465,268
<b>2. Long Term Borrowings</b>	3		90,014,775	20,049,776
<b>3. Non-Current Liabilities</b>				
Long Term Provisions	4		-	-
Other Long Term Liabilities	5		-	2,162
<b>4. Current Liabilities</b>				
Short Term Borrowings	3		-	-
Trade Payables	5		4,259,570	1,449,508
Other Current Liabilities	5		4,469,629	3,871,170
Short Term provisions	4		2,005,261	4,365,347
			<b>134,034,015</b>	<b>56,003,531</b>
<b>ASSETS</b>				
<b>5. Non-Current Assets</b>				
Fixed Assets				
Property, Plant and Equipments & Intangible Assets				
Property, Plant and Equipments	6		75,886,324	20,109,144
Deferred Tax Asset (net)	7		-	-
Long term Loans & Advances	8		-	76,260
Other Non Current Asset	9		-	-
<b>6. Current Assets</b>				
Inventories	10		4,486,838	1,886,838
Trade Receivables	11		20,977,199	12,173,395
Cash and Cash equivalents	12		10,923,701	468,087
Short-term loans and advances	8		21,781,668	21,296,107
Other Current Assets	9		(21,715)	3,700
			<b>134,034,015</b>	<b>56,003,531</b>

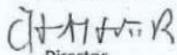
Notes 1 - 22 form an integral part of the Financial Statements  
As per our attached Report of even date

CHENNAI TESTING LABORATORY PRIVATE LTD

Authorised Sign.

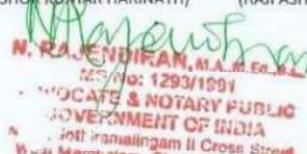
For SANTHANA & SIVARAMAN  
Chartered Accountants.

For CHENNAI TESTING  
LABORATORY PVT LTD

  
Ashok Kumar Harinath  
Director

  
Raji Ashok  
Director

DIN: 02133059 DIN: 02034792  
(ASHOK KUMAR HARINATH) (RAJI ASHOK)

  
N. Rajendiran, M.A.M.Ed.M  
MS No: 1293/1991  
NOTARY PUBLIC  
GOVERNMENT OF INDIA  
Jaffna Mambalam II Cross Street  
Chennai

  
SANTHANA & SIVARAMAN  
CHENNAI  
Reg. No: 81177660  
Expiry Dl:  
05.07.2025  
Place : Chennai

  
SANTHANA & SIVARAMAN  
ADYAR  
CHENNAI  
600 020  
CHARTERED ACCOUNTANTS

Dated : 31.03.2023  
UDIN: 22027429 BG X GRN 1913

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**M/S. CHENNAI TESTING LABORATORY PRIVATE LIMITED,  
A-SUPER,19,TVK INDUSTRIAL ESTATE, GUINDY, CHENNAI - 600 029.**

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2023			
	Notes	31st March 2023	31st March 2022
<b>Income</b>			
Revenue from Operations	13	80,916,554	61,794,244
Other Income	14	45,672	108,589
		<b>80,962,226</b>	<b>61,902,833</b>
<b>Expenditure</b>			
Cost of Materials and components consumed	15	4,018,868	4,217,949
Increase/decrease in inventories of finished good	16	(2,600,000)	(1,886,838)
Employee benefits and expenses	17	36,288,794	32,209,470
Other Expenses	18	29,920,853	16,747,573
Finance costs	19	3,801,232	2,242,515
Corporate Social Responsibility expenditure		-	-
Depreciation and amortisation Expense	20	2,513,267	2,251,673
		<b>73,943,014</b>	<b>55,782,342</b>
<b>Profit / (Loss) before tax</b>		<b>7,019,212</b>	<b>6,120,491</b>
<b>Tax expenses</b>			
(a) Current Tax		2,000,000	2,000,000
(b) Provision for tax for earlier years		-	-
(c) Deferred Tax		-	-
<b>Profit / (Loss) for the Year</b>		<b>5,019,212</b>	<b>4,120,491</b>
Earnings per equity share of Face value Rs 10 each		4.40	10.84
Total Number of Shares of Face value of Rs 10 each		1140090	380030

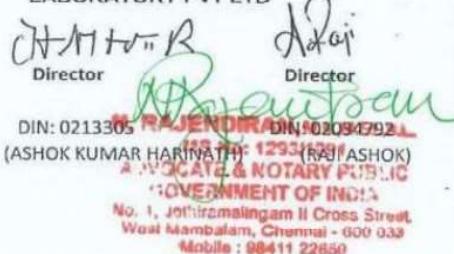
Notes 1 - 22 form an integral part of the Financial Statements  
As per our attached Report of even date

For CHENNAI TESTING LABORATORY PRIV

For SANTHANA & SIVARAMAN  
Chartered Accountants.

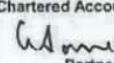


For CHENNAI TESTING  
LABORATORY PVT LTD

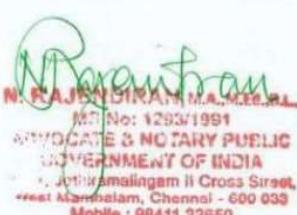


M/S. CHENNAI TESTING LABORATORY PRIVATE LIMITED,  
A-SUPER,19,TVK INDUSTRIAL ESTATE, GUINDY, CHENNAI - 600 029.

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BALANCE SHEET AS ON 31.03.2024				
	Note No.		31st March 2024	31st March 2023
<b>EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' Funds</b>				
Share Capital	1		11,400,900	11,400,900
Reserves and Surplus	2		27,274,385	21,883,881
<b>2. Long Term Borrowings</b>	3		91,794,622	90,014,775
<b>3. Non-Current Liabilities</b>				
Long Term Provisions	4		-	-
Other Long Term Liabilities	5		-	-
<b>4. Current Liabilities</b>				
Short Term Borrowings	3		-	-
Trade Payables	5		4,304,246	4,259,570
Other Current Liabilities	5		4,335,916	4,469,629
Short Term provisions	4		667,325	2,005,261
			<b>139,777,394</b>	<b>134,034,016</b>
<b>ASSETS</b>				
<b>5. Non-Current Assets</b>				
Fixed Assets				
Property, Plant and Equipments & Intangible Assets				
Property, Plant and Equipments	6		90,562,621	75,886,324
Deferred Tax Asset (net)	7		-	-
Long term Loans & Advances	8		-	-
Other Non Current Asset	9		-	-
<b>6. Current Assets</b>				
Inventories	10		4,962,462	4,486,838
Trade Receivables	11		17,203,864	20,977,199
Cash and Cash equivalents	12		223,432	10,923,701
Short-term loans and advances	8		26,810,133	21,781,668
Other Current Assets	9		14,882	(21,715)
			<b>TOTAL</b>	<b>139,777,394</b>
				<b>134,034,016</b>
Notes 1 - 22 form an integral part of the Financial Statements As per our attached Report of even date				
For SANTHANA & SIVARAMAN Chartered Accountants.				
				
 Partner		CHITTHI, R	Director	 Director
Place : Chennai		DIN: 02133059 (ASHOK KUMAR HARINATH)	DIN: 02034792 (RAJU ASHOK)	
Dated : 30.08.2024				
UDIN: 24013259BKIJGU3037				

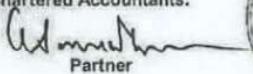


  
**N. RAJENDIRAN, M.A., M.Ed., B.L.**  
**Advocate & Notary Public**  
**GOVERNMENT OF INDIA**  
**1, Attirangamலை II Cross Street,**  
**West Mambalam, Chennai - 600 033**  
**Mobile : 98411 22850**

**M/S. CHENNAI TESTING LABORATORY PRIVATE LIMITED,  
A-SUPER,19,TVK INDUSTRIAL ESTATE, GUINDY, CHENNAI - 600 029.**

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**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2024**

	Notes	31st March 2024	31st March 2023
<b>Income</b>			
Revenue from Operations	13	644,284	39,440,364
GST OLD NO: 33 AACCH1190F 1ZI		105,555,117	41,476,190
GST NEW NO: 33 AABCR8364G 1ZC		31,224	45,672
Other Income	14		
		<b>106,230,625</b>	<b>80,962,226</b>
<b>Expenditure</b>			
Cost of Materials and components consumed	15	3,213,577	4,018,868
Increase/decrease in Inventories of finished goods	16	(475,624)	(2,600,000)
Employee benefits and expenses	17	45,198,090	36,288,794
Other Expenses	18	34,864,630	29,920,853
Finance costs	19	12,587,286	3,801,232
Corporate Social Responsibility expenditure		-	-
Depreciation and amortisation Expense	20	4,452,162	2,513,267
		<b>99,840,121</b>	<b>73,943,014</b>
<b>Profit / (Loss) before tax</b>		<b>6,390,504</b>	<b>7,019,212</b>
<b>Tax expenses</b>			
(a) Current Tax			
(b) Provision for tax		1,000,000	2,000,000
(c) Deferred Tax		*	*
<b>Profit / (Loss) for the Year</b>		<b>5,390,504</b>	<b>5,019,212</b>
Earnings per equity share of Face value Rs 10 each		<b>4.73</b>	<b>4.40</b>
Total Number of Shares of Face value of Rs 10 each		1140090	1140090
Notes 1 - 22 form an integral part of the Financial Statements			
As per our attached Report of even date			
For SANTHANA & SIVARAMAN Chartered Accountants.			
		For CHENNAI TESTING LABORATORY PVT LTD	
Partner	CHAKRABORTY	Director	Director
Place : Chennai	DIN: 02133059 (ASHOK KUMAR HARINATH)	DIN: 02034792 (RAJI ASHOK)	
Dated : 30.08.2024			
UDIN: 24013259BKJGU3037			



N. RAJENDIRAN, M.A.M.Ed., B.L.  
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05.07.2025  
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CHENNAI TESTING LABORATORY PRIVATE LIMITED

CHAKRABORTY  
Authorised

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## PHOTOSPACE



