

EXECUTIVE SUMMARY

The study examines the fiscal performance of Flex Ltd. across multiple times with a focus on profitability, liquidity, solvency, and effectiveness. Using secondary data from published reports, the exploration applied rate analysis, trend analysis, relative and common- size statements, and cash inflow analysis to give a comprehensive view of fiscal health. The findings indicate steady growth in profit and profit supported by effective cost operation and functional discipline. Liquidity strengthened constantly, reflecting the capability to meet short- term scores with ease, while solvency rates showed a gradational shift toward lesser reliance on internal reserves rather than external borrowings. Profitability remained stable, however there were signs of declining effectiveness in the use of shareholder finances and total means, suggesting the need for further productive capital deployment. Effectiveness measures stressed stable force operation practices, yet working capital development weakened, indicating that short- term coffers were n't completely optimized. Trend and common- size analysis corroborated the view that reserves and fat expanded steadily, supported by stronger liquidity and a advanced donation from retained earnings. Cash inflow analysis verified positive operating performance, supported by controlled investing and backing conditioning. The study emphasizes that while Flex Ltd. demonstrates fiscal stability and adaptability, there's compass to ameliorate working capital practices, strengthen capital productivity, and direct fat coffers toward high- growth openings while maintaining a conservative approach to debt. In addition to fiscal issues, the analysis highlights the significance of strategic rigidity in a competitive assiduity marked by rapid-fire technological change and evolving request demands. The capability to align fiscal strength with invention, sustainability, and effective resource allocation will be critical in icing long- term success and buttressing Flex Ltd.'s position as a trusted mate in the global value chain. The report also stresses the part of operation in maintaining translucency and investor confidence through harmonious monitoring of fiscal pointers and visionary decision- timber. By keeping a balance between growth, effectiveness, and threat operation, Flex Ltd. can continue to expand its global presence while securing long- term profitability and functional excellence.

CHAPTER 1

INTRODUCTION

Electronic Manufacturing Services (EMS) Industry Profile

1.1. Introduction

The Electronics Manufacturing Services industry plays a key but mostly hidden role in our daily lives. It connects innovative concepts to the actual gadgets we rely on all the time. Companies in this field partner with major brands. They handle the tough task of transforming blueprints and specs into tangible electronic items. These EMS providers hardly ever vend products by their company identity. still, they're the ones who make it possible for well-known brands to gain and vend products similar as smartphones, laptops, medical tools, and automotive panels without having to be involved directly. The electronics assiduity continues to produce further complex output. Worldwide demand has increased extensively as well. These professionals bring in the necessary chops, experience, and capacities for the product of high-quality products, large amounts, and in a short time. In the morning, it was typical that all assembly operations for electronics large company manufactories. The situation was about widgets were asking for further corridor, further professed labour force, and shorter deadlines. It was logical to assign the task to those who had the most experience in it. This conversion was the birth of the EMS assiduity. either, it kept flourishing, along with the technology thunderclaps, and therefore its growth was rapid-fire.

Over time, the mates of EMS have changed significantly from just being the assembly. They also contribute to product design, the selection of the stylish accoutrements, the serious testing, the repairs, and the logistics. nearly all services they offer cover the stages of life cycle of an electronic product. Other brigades in the EMS agree with the contrivers to produce better products by making assembly easier or cutting costs. Some others take the plunge and make use of their vast transnational connections to source the corridor that will be available at the needed rate. The production is carried out in very large plants with well-trained staff and state-of-the-art equipment. These plants are located in the areas surrounding the electronic powerhouses of China, India, Taiwan, Malaysia, and Vietnam.

Before being released, products are also subjected to very detailed tests to confirm their perfect functionality. The coming stage comprises EMS enterprises which are in charge of the packaging and transportation worldwide. also, they perform brand upgrades or refurbishments. either, they also help the startups in prototyping and the launching of new inventions.

The need for technological advancement and speed and low- price conditions keep the assiduity changing. The directors are faced with the task of orchestrating complex global force chains, hiring the stylish workers, and dealing with similar issues as afflictions. still, the necessity of coming up with new products, being first in the request, and saving plutocrat make EMS providers turn operations into their speciality. They not only acclimatize but also thrive in this delicate line of work.

As we move into the future, the EMS industry will be more prominent. More products are getting smarter and more connected, and the demand for reliable, high-quality electronic manufacturing is rising. EMS firms support not just global giants, but also smaller businesses with new inventions. Their ability to deliver quickly, scale up when needed, and ensure strict quality standards keeps the electronics world spinning smoothly. In short, EMS companies are the silent engine behind much of our modern life, bringing technology into our hands and homes in ways that we neglect to it.

1.2. History and Evolution of the Ems Industry

The Electronics Manufacturing Services (EMS) Industry has grown into a vital part of the global electronics force chain. It did not start as a formal sedulity but rather as an extension of original outfit manufacturers (OEMs) that demanded support in producing electronic factors and finished products. Over time, as technology advanced and requests expanded, EMS providers carved out a distinct part by offering not only assembly services but also design, testing, logistics, and after- deals support. The origins of EMS can be traced back to the 1970s, when companies analogous as Soletron and SCI Systems began offering contract manufacturing services. Before this, utmost electronics enterprises handled design, product, and assembly in- house. Growing need for consumer electronics, defense systems, and artificial bias put pressure on OEMs to expand capacity snappily. By outsourcing assembly work to specialized enterprises, OEMs reduced costs, increased strictness, and could concentrate more on product invention. This shift laid the root for what came the EMS industry.

The 1980s saw the sedulity's first major expansion. The particular computer revolution, combined with the spread of telecommunications and networking outfit, pushed demand for faster and cheaper manufacturing. EMS enterprises stepped in with husbandry of scale, investing heavily in automated assembly lines and face- mount technology. At the same time, global trade liberalization encouraged companies to set up installations in places with reduced labor costs, which made outsourcing indeed more attractive. During the 1990s, the EMS model progressed and diversified. rather of furnishing only assembly, companies started offering end-to- end results. This included design for manufacturability, prototyping, testing, and force chain operation. Large EMS players analogous as Flextronics (now Flex), Jabil, and Celestica expanded encyclopaedically, setting up operations in Asia, Europe, and Latin America. Their presence near to major requests and suppliers reduced lead times and bettered effectiveness. This period also marked the rise of “make- to- order” and just- in- time product, which allowed OEMs to reduce force costs and respond snappily to shifting consumer demand.

The early 2000s stressed the rigidity of the EMS sedulity. Although the fleck- com bubble and global profitable downturn slowed electronics demand temporarily, EMS providers shaped by consolidating and diversifying their service offerings. They began taking on farther responsibility for design and invention, blurring the line between traditional contract manufacturing and original design manufacturing (ODM). multitudinous enterprises started furnishing aftermarket services, including product form, refurbishment, and recycling, which strengthened customer connections and extended their profit courses. Over two decades, there has been indeed lower transformation. With the growth of smartphones, tablets, and IoT bias, EMS enterprises gauged up their operations and embraced sedulity 4.0 technologies. Robotics, automation, and advanced data analytics have bettered perfection and reduced product crimes. Globalization has also shifted focus toward China, Vietnam, and other Asian countries, which came manufacturing centrals for consumer electronics. At the same time, companies within North America and Europe began emphasizing high- value services analogous as R&D collaboration, rapid-fire- fire prototyping, and complex system integration, particularly in sectors like healthcare, automotive, and aerospace.

moment, the EMS sedulity is no longer just about outsourcing labour-ferocious assembly. It represents a sophisticated ecosystem that balances cost effectiveness with invention and speed. Sustainability has also come a major priority, with enterprises exploring greener manufacturing processes, recyclable paraphernalia, and energy-effective operations. The COVID- 19 epidemic further accelerated digital handover, as EMS providers executed remote monitoring, digital halves, and AI- driven force chain operation to maintain rigidity in the face of disturbance. Looking ahead, the EMS sedulity is deposited to play an indeed more strategic part. As electronics continue to pierce every aspect of modern life from smart homes and electric vehicles to medical bias and pall structure EMS providers will act not only as manufacturers but as mates in design, development, and invention. The shift toward automation, indigenous diversification, and sustainable practices will continue to shape its elaboration. What began as simple contract assembly has come a global hustler sedulity that underpins the growth of modern technology.

1.3. Current Market Scenario

The global Electronics Manufacturing Services (EMS) request has come one of the largest and most influential diligence in the world. Current profit is estimated at around 750 billion bones annually, and the assiduity continues to grow at a steady pace of 6 to 7 percent each time. This expansion is fuelled by the everlasting demand for electronic bias, ranging from everyday consumer widgets like smartphones and tablets to largely technical outfit for healthcare, defense, and aerospace. The sheer variety of operations ensures that the EMS sector remains both dynamic and essential to ultramodern life.

Asia continues to dominate global product, with China holding the major portion of the request. For numerous times, China has existed as the manufacturing mecca of the world, as a result of its expansive structure, low labour costs, and effective force chains. still, other countries in the region are catching up snappily. Nations like Vietnam and India are situating themselves as strong challengers, offering a combination of professed labour, lower costs, and favourable government programs. India in particular has been continuing with enterprise similar as “Make in India,” which aim to strengthen domestic manufacturing capacity and attract global investment. These changes reveal that while China will remain a crucial player, the future of EMS product is likely to be more regionally distributed across Asia.

Regional specialization is another defining point of the current EMS geography. High- volume consumer electronics, similar as smartphones, tablets, and laptops, are largely produced in Asia where husbandry of scale allows for competitive pricing and rapid-fire reversal. Meanwhile, installations in the US and Europe concentrate more on high- value, perfection- driven products that demand strict safety and nonsupervisory compliance. These include medical bias, aerospace technologies, defense outfit, and automotive electronics. similar products frequently bear rigorous testing, instrument, and traceability, which explains why they're manufactured in regions with advanced nonsupervisory systems and technical moxie.

Two major business models dominate the EMS assiduity moment. The first is the high- volume, low- blend model, which caters to mass- request products. This model is typical of consumer electronics, where millions of identical units must be produced at high speed and low cost. The alternate is the low- volume, high- blend model, designed to serve niche requests. Then, manufacturers handle lower batches of products with lesser customization and complexity. exemplifications include technical medical bias acclimatized for hospitals, bespoke automotive electronics for luxury vehicles, and artificial systems erected for specific customer requirements. Both models play an important part in the assiduity, and numerous EMS companies operate across both, depending on their capacity and moxie.

India has surfaced as a strong player in this changing geography. Domestic enterprises similar as Dixon Technologies and Elin Electronics have erected a solid request presence. They contend with global titans by using their close understanding of original consumer requirements, quicker response to request shifts, and strong ties with indigenous distributors. These companies frequently unite with transnational brands, handling overflow product or developing localized performances of global products. For illustration, a transnational might outsource the manufacturing of a region-specific smartphone or home appliance to an Indian EMS provider. This approach will reduce costs with that said it ensures better alignment with original consumer preferences. The growth of Indian EMS enterprises is also driven by probative programs and government impulses. duty breaks, subventions, and product- linked incitement schemes have encouraged investment in electronics manufacturing.

This has allowed domestic enterprises to gauge up operations, ameliorate their technological capabilities, and integrate themselves into global force chains. As demand for electronics continues to grow within India's own large consumer base, these companies are well deposited to expand further, balancing domestic requirements with transnational openings.

Another trend shaping the current request is the focus on force chain adaptability. The dislocations caused by the COVID- 19 epidemic stressed the pitfalls of over-dependence using a single region for manufacturing. The current EMS request is characterized by rapid-fire- fire growth, indigenous diversification, and adding complexity. Asia remains the core of global product, but countries like India and Vietnam are rising as competitive druthers. Regional specialization ensures that both mass- request and niche products are effectively served, while original enterprises in arising husbandry give inflexibility and dexterity that transnational titans occasionally warrant. With steady growth, a shift toward sustainability, and a focus on flexible force chains, the EMS assiduity continues to evolve in step with the demands of technology, consumers, and global trade.

1.4. Key Players in the Industry

The Electronics Manufacturing Services (EMS) Industry has grown into a global hustler, driven by companies that offer not just assembly but a full range of services, from design and prototyping to logistics and after- deals support. A many assiduity leaders dominate the request, while indigenous players continue to thrive by feeding to original requirements and furnishing flexible, technical results.

Foxconn Technology Group stands as the largest player in the EMS industry, the largest contract manufacturer in the world, best known for producing Apple bias similar as the iPhone, iPad, and MacBook. With operations spread across multiple countries, Foxconn is not only a manufacturing mammoth but also a symbol of large- scale effectiveness. Its capability to manage massive volumes while maintaining quality has made it the most recognizable name in the assiduity. Beyond Apple, Foxconn manufactures products for several global brands, playing a vital part in the consumer electronics ecosystem. Another crucial player is Flex Ltd. (formerly Flextronics), which is well-known for its wide content across different product orders. Unlike Foxconn, which is frequently associated with high- volume consumer electronics, Flex has erected a strong presence in diligence similar as healthcare, automotive, and artificial systems.

The company's approach emphasizes end- to- end results that go beyond manufacturing to include force chain operation, logistics, and indeed sustainability consulting. This broad focus has helped Flex remain applicable as technology demands shift.

Jabil Inc. is another heavyweight, known for its strength in design services alongside manufacturing. Jabil invests heavily in invention, offering guests advanced prototyping, design for manufacturability, and engineering moxie. Its client base spans from consumer goods to healthcare bias and artificial systems, which reduces dependence on any single request. By balancing design and product, Jabil positions itself as both a strategic mate and a manufacturing service provider. Other top- league enterprises include Pegatron and Celestica, each with its own area of moxie. Pegatron, a Taiwanese establishment, focuses heavily on consumer electronics and has established itself as a major supplier for brands like Apple and ASUS. Celestica, on the other hand, is honoured for its work in aerospace, defense, and artificial requests. Its strength lies in handling complex, high- value products that bear technical knowledge and perfection.

Alongside these titans, indigenous EMS providers play an important part. lower companies thrive by staying nimble, feeding to specific geographic demands, and furnishing individualized service that global players occasionally cannot. For illustration, indigenous enterprises in Eastern Europe or Southeast Asia may concentrate on faster delivery, custom orders, or niche product orders. This original responsiveness allows them to contend successfully, indeed against much larger rivals. The assiduity also includes other notable transnational names similar as Sanmina and Wistron. Sanmina is well regarded for its capability to handle complex manufacturing, particularly in dispatches and healthcare. Wistron, spun off from Acer, specializes in information and communication technology products. These enterprises contribute significantly to the assiduity by offering technical moxie and helping OEMs (original outfit manufacturers) scale snappily.

What sets leading EMS providers piecemeal is not just their capability to manufacture but their capability to manage the entire product lifecycle. moment, EMS is no longer only about assembly lines and cost savings. Companies give end- to- end results that begin at the product design stage and extend through product, packaging, logistics, form, and indeed recovering. For case, if a customer has only an idea, some EMS providers step in with Original Design

Manufacturing (ODM) services, where they produce the design, prototype the product, and move it into mass product. This model shifts EMS from being a supporting mate to being an invention motorist.

Lifecycle services also include after- deals support similar as handling product returns, repairs, and refurbishing. These value- added services help brands strengthen their relationship with guests, while EMS mates gain longer- term contracts and deeper integration into the customer's operations. The significance of this cannot be understated, as global competition pushes every company to deliver not only high- quality products but also excellent service and sustainability practices. The position of EMS manufactorys is another defining point of the assiduity's leaders. installations frequently pop up where labour costs are lower or where governments offer duty impulses. This global distribution of manufacturing capitals helps EMS providers reduce costs, stay close to major requests, and respond snappily to shifting demand. At the same time, force chains are optimized in real time to balance quality, speed, and savings. still, this global spread also brings pitfalls, as trade wars, tariffs, and political pressures can disrupt product overflows nearly overnight. Leading enterprises navigate this by diversifying their operations across multiple regions and erecting flexible force chains. The EMS is led by global titans similar as Foxconn, Flex, Jabil, Pegatron, and Celestica, supported by important players like Sanmina and Wistron, and rounded by nimble indigenous enterprises. Together, they form an ecosystem that keeps pace with rapid-fire technological change, consumer demand, and shifting global trade dynamics. What began as contract assembly has evolved into a sector that provides design, logistics, sustainability, and full lifecycle operation. EMS companies are no longer before- the- scenes manufacturers but strategic mates shaping the future of technology.

1.5. Industry Trends and Technological Shifts

New technologies are what count a great deal in EMS factories nowadays. You see there are robots in most places that go flying at super-speed. Then merchandise undergoes scanning by special cameras and computers. In such a manner, mistakes will emerge fast and will be corrected. Robots communicate there, giving notifications in case of any mistake. It is basically all about Industry 4.0. Individuals refer to it as intelligent production. Maintains high standards of quality, and says, makes the whole task go faster. Making millions of deals with suppliers is also good. In the ancient times companies simply bought rudiments in one nation and none other. Whereas, the incident of COVID- 19 and the trade wars were eventualities that affected

EMS companies; after that, these companies decided to reference corridor from different countries. In this manner, they can continue product, indeed if there's any event that disturbs the work, for illustration, a deficit or some detention resulting in hitch in the work. The terrain has come the main content of discussion among the EMS companies, and numerous of them are wholeheartedly willing to consume lower energy, they stop wasting water, reclaim more, and, in general, simply use less plastic. It's a good thing for brands as well when these EMS guys turn into less complicated electronics manufacturers with lower power consumption or products that are rechargeable in the future. Manufactories are formerly going' clean' and are demanding these kinds of products, i.e., solar, and they're erecting these' green structures' to induce clean energy. presently, the request is requesting for small widgets. Smart home bias, fitness watches, detectors used for the monitoring of particulars, wireless earphones, all these have increased the need for a little bit of technical moxie when it comes to the assembly. The EMS companies are now turning into veritably complete manufacturers of such a type of outfit, they're suitable to produce high amounts, and yet, they don't run out of plutocrat, and they do it such that people are suitable to trust.

1.6. Challenges in the EMS Industry

- To assemble electronics, EMS companies bear a ton of corridor all around the globe. Chips, connectors, defenses, etc.
- Establishing a largely advanced installation for the product of electronic factors can be extremely precious, with effectiveness and speed enhanced through ultramodern ministry, robotics, and clean- room surroundings that ensure quality norms are maintained.
- The rapid-fire pace of technological change presents ongoing challenges. With the constant preface of new smartphones, advanced boxes, and innovative widgets, EMS companies must continually invest in streamlined ministry and ensure their pool is regularly trained to stay aligned with assiduity developments.
- A deficit of professed workers remains a significant concern for EMS companies. The demand for workers with technical moxie is high, yet in certain regions, similar as India, the vacuity of similar gift is uncertain. While the need for professed professionals is apparent, securing them remains a considerable challenge.
- Numerous Rules The factories need to act up with numerous regulations related to safety, quality, and waste. Not following the rules may lead a company to lose its guests or be assessed a fine by authorities.

1.7. Future Outlook

The Electronics Manufacturing Services (EMS) industry has been growing at a steady pace as more and more innovative and practical electronic products are in demand on a global scale. Everyday products like phones, laptops, smartwatches, medical equipment, packaging, and even electric vehicles rely heavily on EMS providers to manufacture, test, and deliver quality finished goods. The role of EMS companies has grown substantially with the increasing presence of electronic technology in households, workplaces, healthcare facilities, and automobiles. When customers demand something new, leading brands turn to EMS partners who are fast, reliable, and adaptable. Today, EMS companies are not just manufacturers; they also play a role in designing new products, fixing flaws, testing performance, and ensuring safe delivery worldwide. Their importance will continue for years to come as they drive innovation and bring advanced technology and electronics to people across the globe.

1.2 Company Profile

Flextronics is a company that makes electronic products and helps manage supply chains. It started in 1969 and has its main office in Singapore. Today, Flex works in more than 30 countries and has over 100 factories and centres in Asia, North America, South America, and Europe. The company makes products for many industries like cars, healthcare, machines, consumer electronics, telecom, and renewable energy. Through its intertwined capabilities in design, engineering, manufacturing, logistics, and after-deals services, Flex helps guests bring complex, high-quality products to request snappily and efficiently. Flex Ltd. operates at the centre of the electronic ecosystem. Flex is not a company that trades directly with the final consumers. It serves as a veritably precious mate to some of the world's top companies. The company has been on a trip of getting down from the image of a conventional contract manufacturer and turning into a result provider. They've also espoused assiduity 4.0 styles, which are in high demand, among them are robotization, robotics, artificial intelligence, and the Internet of effects (IoT). These high-tech tools can lead the company to being more precise with lower waste and briskly delivery schedules. This advanced manufacturing approach positions Flex not only as a strong contender but also as implicit global leader in the unborn business geography. A crucial strength that sets the company piecemeal is its capability to remain flexible and innovative in operations. presently, it has well-established indigenous bases in India, China, the United States, Mexico, Brazil, and Hungary, among others. Such a network allows Flex to respond snappily to original request requirements and misbehave with

indigenous regulations efficiently. The company has made notable investments to strengthen its presence within the Indian request. By using both original and global force chains, Flex reduces pitfalls and enhances functional effectiveness, drawing moxie from across regions to serve its guests more effectively. Inversely important is the company's focus on quality and compliance. Flex adheres to transnational norms similar including ISO 9001 for Quality Management, ISO 14001 for Environmental Management, and ISO 45001 for Occupational Health Safety, demonstrating its commitment to excellence, sustainability, and hand well-being. All these instruments keep Flex ahead in similar areas as the trustability of their products, safety at work, energy-saving, and reduction of waste. Flex gives a lot of significance to sustainability as well. They've set realistic, measurable pretensions for reducing their carbon footprint. They want to use further wind and solar energy. And, besides that, they're pushing for indirect frugality.

1.2.2 Vision, Mission and Quality Policy

Vision

“To become the world’s most reliable partner in technology, supply chain, and advanced manufacturing solutions.”

Mission

“To use our expertise, strengths, and global presence to deliver outstanding products that create a meaningful impact worldwide.”

Quality Policy

It operates on this Quality 4.0 as you know. That is where they apply smart technology in tracking quality on each production stage. In essence, it drags in real-time monitoring and automation, as well as such elements as Lean and Six Sigma to eliminate errors immediately. Flex also complies with the best global standards, such as the ISO 9001 standard on quality, the ISO 14001 standard on environment, and the ISO 45001 standard on safety. This indicates they are not just looking after the product. They are concerned about the environment and the safety of workers. Oh, and, they have a watch on suppliers, at all times. The training takes place with employees frequently. Artificial intelligence tools can be used to correct problems before they grow into huge. Quality is not simply rules to be followed at Flex. They are their entire working process almost inbuilt in the culture.

1.2.3 Products and Services Profile

Products of Flex Ltd.

- Electronic components and assemblies
- Printed Circuit Board Assemblies (PCBAs)
- EV battery systems (EVs)
- Medical devices (e.g., health monitors, wearable health tech)
- Smart home gadgets
- Consumer electronics (like set-top boxes, speakers, etc.)
- Automotive electronics (control units, infotainment systems)
- Industrial automation products.
- Data centre equipment.

Services of Flex Ltd.

- Product design and innovation support
- Prototype development and testing
- Mass manufacturing using modern machinery and robotics
- Supply chain management (procurement, inventory, logistics)
- After-sales services (repairs, warranty handling, recycling)
- Industry-specific manufacturing solutions (EV, healthcare, smart home, etc.)
- Quality control using automation and real-time monitoring
- Compliance with international safety, environmental, and quality standards

1.2.4 Area of Operation

Industry Areas of Operation

- Automotive
- Healthcare
- Consumer Electronics
- Industrial and Automation
- Communications and Networking
- Data Centres
- Smart Home and IoT Devices

- Electric Vehicles (EVs)
- Aerospace and Defence
- Renewable Energy Systems
- Wearable Technology

Geographic Areas of Operation

- India
- China
- United States
- Mexico
- Brazil
- Hungary
- Vietnam
- Malaysia
- Germany
- Israel
- Singapore (Headquarters)
- Across over 30 countries globally, including Asia, North America, South America, and Europe

1.2.5 Infrastructure Facilities

- Flex has more than 100 factories and offices spread across countries including India, China, and Mexico, Brazil, Hungary, and Vietnam.
- Robotic arms and SMT machines to make and assemble small parts quickly
- Cleanrooms that are safe and dust-free, used for medical and aerospace products
- R&D and design centres in the USA, India, Germany, and Israel, where fresh ideas are developed and tested
- Warehouses with tracking systems that help keep an eye on stock and improve delivery speed
- Green practices, including solar power, water recycling, and energy-saving systems
- Smart platforms and AI tools to monitor machines, prevent breakdowns, and improve work speed

1.2.6 Competitors

- Flex is one of the vast EMS companies, but it has strong competitors worldwide
- Foxconn The largest EMS company in the world. It makes Apple iPhones and other big-brand electronics.
- Jabil Inc. A US company known for good engineering and manufacturing across many industries.
- Celestica Based in Canada, it focuses on healthcare, aerospace, and other high-tech areas.
- Sanmina A US-based company that makes complex electronics, often for defence and telecom.
- Wistron & Pegatron These are Taiwanese companies known for making smartphones, laptops, and consumer gadgets.

1.2.7 Swot Analysis

The SWOT analysis is a strategic planning tool used to examine the internal strengths and weaknesses of an organization, and the external opportunities and threats it faces. A SWOT analysis of Flex Ltd. is outlined below in brief.

- A SWOT analysis helps understand a company's position by looking at its
- Strengths (What it's good at)
- Weaknesses (Where it needs to improve)
- Opportunities (Where it can grow)
- Threats (What can go wrong)

Strengths

- Global presence in over 30 countries, helping connect with more customers worldwide.
- Full-service model from design to delivery, providing convenience for clients.
- Works with trusted, globally recognized big-name companies.
- Use of smart technology like AI, automation, and modern machinery for efficiency.
- Commitment to eco-friendly practices and compliance with international environmental standards.
- Strong reliability with on-time delivery and solid quality track record.

Weaknesses

- Not a household name since it doesn't sell directly to everyday consumers.
- High operating costs due to global factories and advanced technology investments.
- Heavy dependence on a few major clients, creating revenue risk if one pulls out.

Opportunities

- Growing EV market with potential to manufacture components.
- Expanding health tech sector, including wearables and monitoring equipment.
- Growth potential in Asia with lower costs and skilled labour availability.
- Rising outsourcing demand from startups and smaller companies.
- Growing needs for smart devices and digital tools.

Threats

- Strong competition from competitors like Foxconn offering lower prices.
- Supply chain delays that can halt production lines.
- Rapid technological changes requiring constant updates and training.
- Political risks such as trade wars or shift in tax rules disrupting global business.

1.2.8 Future Growth and Prospects

- Flex has got a pretty bright future going for it. Technology changes so fast these days, you know, and companies really need partners that can whip up designs and get products out the door quick. Flex is all set for that kind of thing.
- They are already making key parts for electric vehicles. Like battery systems and controllers, stuff that matters a lot.
- In healthcare, more folks are grabbing onto smart medical devices. Flex steps in and helps build them, making sure they work right.
- Over in places like India and Vietnam, Flex is putting up new factories. This helps meet that growing global demand, especially in developing spots.
- The factories themselves are getting smarter too. Automation, AI, and IoT are doing the heavy lifting there.
- Flex cares about going green as well. They use clean energy and cut down on waste, which is a big deal these days.

1.2.9 Financial Statement of Flex Ltd

Table no. 1.2.9.1 Balance Sheet of Flex Ltd (In Cr)

Particulars	2021	2022	2023	2024	2025
Equity Share Capital	802	853	906	951	1003
Reserve and Surplus	2997	3358	3614	3971	4527
Long-Term Borrowings	997	1044	1098	1146	1199
Deferred Tax Liability	81	87	94	101	100
Trade Payables	612	658	703	755	807
Short-Term Provisions	303	326	347	382	401
Other Current Liabilities	249	273	285	288	299
Fixed Assets	2596	2863	2882	2965	3012
Intangible Assets	152	169	181	192	199
Long-Term Investments	399	426	451	474	508
Inventories	1103	1161	1194	1297	1392
Trade Receivables	807	849	901	953	997
Cash and Bank Balance	708	738	922	1131	1321
Short-Term Loans & Advances	276	293	516	582	907
Total Liabilities & Equity	6041	6599	7047	7594	8336
Total Assets	6041	6599	7047	7594	8336

Table no. 1.2.9.2. Profit And Loss Account of Flex Ltd (In Cr)

Particulars	2021	2022	2023	2024	2025
Revenue from Operations	7983	8477	8716	8913	10002
Other Income	104	119	132	143	149
Total Revenue	8087	8596	8848	9056	10151
Raw Materials Consumed	3197	3394	3497	3595	4007
Employee Benefit Expenses	942	996	1017	1047	1103
Power and Fuel	253	268	278	289	302
Selling and Distribution Expenses	402	418	448	469	503
Administrative Overheads	652	675	699	728	751
Depreciation	182	189	194	199	201
Finance Costs	118	127	134	141	150
Total Expenses	5746	6047	6267	6468	7017
Profit Before Tax	2341	2549	2581	2588	3134
Provision for Tax	698	749	768	782	943
Profit After Tax	1643	1800	1813	1806	2191

1.3.0. Key Financial Figures

- Revenue grew steadily from ₹8,087 crore in 2021 to ₹10,151 crore in 2025, reflecting consistent annual expansion.
- Net profit rose from ₹1,643 crore in 2021 to ₹2,191 crore in 2025, with margins remaining healthy at 18–22%.
- Equity and reserves strengthened from ₹3,799 crore in 2021 to ₹5,530 crore in 2025, indicating a solid capital base.
- Borrowings increased moderately from ₹997 crore in 2021 to ₹1,199 crore in 2025, keeping leverage at a manageable level.
- Cash balances improved from ₹708 crore in 2021 to ₹1,321 crore in 2025, supported by higher earnings.
- Total assets expanded from ₹6,041 crore in 2021 to ₹8,336 crore in 2025, driven by growth in fixed assets, inventories, and receivables.

1.3.1. Financial Health & Performance Trends

- Harmonious Growth Earnings and earnings maintained an upward trend across the five times, flagging financial stability.
- Cost operation Rising raw material and hand costs were neutralized by effective operations, keeping profitability complete.
- Liquidity Strength adding cash reserves and controlled short- term arrears indicate better working capital operation.
- Balanced Backing Equity growth outpaced borrowings, lowering financial trouble and icing long- term sustainability.
- Functional Performance Profit before duty crossed ₹ 3,100 crore in 2025, reflecting steady improvement in effectiveness.
- Investment in Capacity continuous additions to fixed and impalpable means supported expansion and future competitiveness.

CHAPTER 2

CONCEPTUAL BACKGROUND AND LITERATURE REVIEW

Theoretical Background of the Study

2.1. Introduction

Every single business would presumably like to know whether they're good or bad with plutocrat. One should not examine deals or gains only. People who enjoy business, run it, or invest in it should have proper and direct ways of keeping track on the weal of a business. This is much easier using fiscal rates. They steal those figures in the company reports and convert them into values accessible to anyone. The type that tells whether the business has sufficient cash to cover its bills, whether it's making good gains, or indeed whether it's spending its plutocrat and other coffers rightly. You can simply look and see the position of the company with these ratios. Or look at its performance last years. And compare it with other companies as well. The chapter will discuss those important ratios, as to how they assist people to make solid decisions on behalf related to the company.

2.2. Key Concepts

Profitability Ratios

These things show if a company is pulling in a decent amount of cash after all its expenses hit. You know, like the net profit margin. It basically tells you what chunk of the sales turns into actual profit. When the figure is large, then it shows that the company is efficient in converting sales to profit.

Liquidity Ratios

These assist us to know whether the company is possessing an adequate amount of cash or items that can be readily converted to cash to finance all the payments to be completed in the nearest future. One of these is the current ratio. A low figure of this could mean that the firm might not be able to afford to compensate its current liabilities.

Solvency Ratios

Such numbers show us if a company will be competent to cover its loans as well as other long-term liabilities. The debt- to- equity rate is among the top common and simplest of the solvency rates. therefore, if this metric is veritably high it could mean that the enterprise is likely to face problems with the settling of the arrears in the upcoming days.

Conceptual Framework

Fiscal rates help determine whether a company is performing well, showing its strength and stability without exposing it to major pitfalls. Using numbers from the balance distance and profit and loss account, we calculate rates similar as profit periphery, current rate, and debt- to-equity. These pointers give sapience into a company's profitability and cash inflow, which are crucial measures of its fiscal health. Analysing these rates makes it possible to identify whether the business is on the right path or if certain areas need critical correction. directors who cover these regularly can descry problems beforehand and take preventative action before small problems big ones. Strong ratios not only reassure investors but also attract their confidence, as they reflect efficient management. With investor support, the business continues to thrive, maintaining stability and reducing risks even in difficult times.

2.3. Literature Review

1. Zhang et al.

It truly comes through indeed in such a hard time as the COVID- 19 epidemic. Basically, you can take other enterprises and crop them against one another, or entire diligence, simply to determine who's in good fiscal health and which are not. nevertheless, these rates excerpt ancient data, effects of the once hence may overlook these literal suggestions of troubles ahead. The authors character you must season it up, add some big data and sustainability measures to the rates. In that manner, it can be far more accurate in making prognostications about the coming. This strategy assists businesses to acclimate to changeable surroundings and assists policy makers manage with profitable stability.

2. Sudaceăchi & Ștefan-Duicu (2024)

The article explains how important profitability ratios are to see how good a company uses its resources to make profits. Checking up these ratios can help employees to note the positive changes and solve problems promptly. The financial stability and the growth rate are good as the profits are increasing steadily. The research paper has identified regular ratio analysis as an important management practice that enhances planning and investor confidence building.

3. Nasution & Yusleny (2023)

The research noted that profits and liquidity of a firm appeared to vary across five years. Observing these factors enables managers to view what works and what does not work. A drop in profits indicates the need about changes in strategy; at the same time, keeping enough cash in hand guarantees meeting obligations in time. The study shows that ongoing financial ratio analysis supports strong business decisions.

4. Das (2023)

This study applies financial ratios to understand its business health and guide decisions. Ratios reveal how well the company handles paying bills, making profits, and using assets. But financial ratios alone have limits; adding other analysis helps managers make better plans.

5. Fikri & Yolanda (2023)

The study shows that maintaining a proper balance between liquidity (cash availability) and solvency (long-term debt repayment) is vital for business stability. Effective management of these factors builds investor confidence and attracts investment. Weak liquidity creates short-term challenges, while poor solvency threatens future survival.

6. Olayinka (2022)

Examining financial ratios allows managers and investors to assess a company's profit potential and debt-paying capacity. The study highlights that this knowledge helps identify both strengths and weaknesses. Using these insights, managers can make more informed decisions to improve performance. It also stresses that consistent and careful ratio analysis builds confidence among investors and lenders. In essence, financial ratio analysis is an essential tool for sound decision-making.

7. Altamirano, Espinoza & Pesantez (2022)

This study implements fuzzy logic to enhance financial ratio estimation, enabling managers to deal with uncertain or shifting business conditions. Rather than relying on fixed figures, it uses ranges that reflect the level of expert confidence in the data. Such flexibility improves planning and reduces errors when information is unclear.

8. Puspita Sari & Mardiyah (2021)

The study shows that the energy company experienced fluctuating profits, with certain years performing well and others falling short. Stable earnings can be maintained through better cost control and improved efficiency. Critical consistency is necessary to maintain the confidence of investors. Regular monitoring of financial ratios is recommended to make sound decisions while better financial management promotes a strong long-term growth.

9. Puspita Sari & Mardiyah (2021)

The research examines how profitability of an Indian energy firm changes over a few years. There were good and bad times of profits. It implies that the company should address reducing expenditures and enhancing productivity to continue making money. This is fundamental to maintaining investor confidence and supporting the company's future. Profitability is a key aspect that should be observed keenly in the energy sector.

10. Hamid (2021)

Examining ratios over five years shows this company earned good profits but had trouble managing debts and assets. This means profits alone don't tell the full story about financial health. Managers must watch different ratios together to get a complete picture. Identifying weak points helps the company improve and avoid risks. The study shows the importance of balanced financial management.

11. Rashid (2021)

This paper explains that profits are meaningful, but insufficient for assess a company's health. Financial ratios that compare profits, sales, investments, and cash availability give a fuller view. These measurements help investors and managers to understand if the company is growing or facing problems. Using financial ratios regularly helps companies keep track of their performance over time. This builds confidence among stakeholders.

12. Abualrob & Maswadeh (2020)

Managing cash linked to loans and deposits is crucial for banks to increase earnings for shareholders. Good cash flow means the bank can meet obligations and invest in growth. It also shows investors that the bank is stable and reliable. The research encourages banks to carefully balance loan and deposit management. This balance supports long-term success.

13. Anithabose & Gnanaraj (2020)

The research finds that profitability and how well a company uses its resources impact shareholder value the most. While debt and liquidity also matter, their influence was weaker here. The company needs to carefully manage its debts to avoid financial distress. Improving profitability and debt management leads to steady growth. The study suggests focusing on these areas to maximize value.

14. Dalal & Thaker (2019)

The research found Indian firms reporting stronger ESG metrics tend to perform better financially and have higher market value. Sustainability and governance matter more to investors today. Companies that manage environmental and social factors well attract more investment. The study encourages firms to improve disclosure of ESG activities. This helps connect good corporate responsibility with financial success.

15. Husna & Satria (2019)

This research reveals that profitability and company size strongly influence firm value. Debt and liquidity showed no significant effect on value. Larger companies and more profitable ones attract more investors. The study suggests managers prioritize growth and efficiency. Investors should weigh size and profitability in picking companies to invest in.

16. Madushanka & Gowthika (2018)

The companies that manage liquidity well tend to make more profit. Keeping too much cash can lower profit because money isn't invested. Firms need to balance having cash ready and investing for growth. Improving liquidity management helps companies avoid risk and increase earnings. The study advises adopting better cash and inventory control techniques.

17. Rashid (2018)

The article shows that having the right balance of liquidity and profitability is important for attracting investors. Too much cash means the company isn't investing enough, hurting profit. Too little cash can cause financial difficulties. Investors look for firms that manage both well. The paper stresses using financial ratios for healthy financial planning.

18. Oshoke & Sumaina (2015)

The study highlights that overdoing liquidity can hurt company performance because idle cash reduces profits. Profitability positively impacts performance. Debt level had no clear effect on results. Companies should balance liquidity and profitability carefully for better outcomes. The paper recommends focusing on efficient financial management.

19. Sultan (2014)

The beverage company over a decade reveals ups and downs affected by internal changes and the economy. The best measure of success is return on equity, showing how well owners' money is used. Managing profitability and investment decisions carefully improves company value.

20. Islam (2014)

This paper shows that a bank had mixed results over six years, with some good profits but also declining performance later. The future success of the organization relies on the efficient handling of credit risks along with the improvement of costs in an effective manner. It is necessary for the bank to direct investments towards the achievement of stability as this is what will guarantee that the confidence of investors will be maintained.

2.4. Research Gap

Typically, researchers utilize financial ratios to examine a company's effectiveness, though the majority of the major thrust has been towards on large organizations and their past performance. In general, the main concern with such studies is the lack of factors that could be responsible for the applicability of these ratios to small businesses and how they may be altered by unexpected business alterations or crisis. They also do not pay much attention to the environment and how various investors use these numbers to make decisions. The next gap is that there is no guidance concerning the frequency of the review of companies accounts or on what managers do in response to the emergence of problems. It demonstrates that new researches are necessary that can be applied to the companies of any size and can include clear and practical recommendations. It compares businesses in different countries and whether the same ideas can be applied in all of them. More sensible and convenient research will enable the firms to make wiser decisions, anticipate risks, and establish a better reputation with customers and shareholders.

CHAPTER 3

RESEARCH DESIGN

3.1. Topic

A Study on Integrated Financial Performance Analysis Evidence from Flextronics Technology India Private Ltd.

3.2. Statement of the problem

The corporate world nowadays is marked by dynamic and competitive processes. Companies should really know what is going on with the money. At times, a company might look like a big megahit at the blink of an eye. In any case, without the financial health check, the association will find it hard to pave the way forward. It's important to review not only how the company has been stable financially over the times but also the styles it has used to achieve this success.

3.3. Need for the study

- It is essential to ascertain whether organization is making adequate profits.
- An evaluation of the company's effectiveness in controlling expenses is essential to make sure financial stability.
- It should be examined whether the company possesses the capacity to meet its debt obligations and continue its operations without disruption.

3.4. Objectives of the study

- To check the financial standing of Flex Ltd. with respect to profitability, liquidity, and solvency.
- To review the company's ability to balance liquidity and profitability for maintaining sustainable business operations.
- To compare the company's financial ratios over time and identify improvements or issues.

3.5. Sources Of Data

The study uses only secondary data.

- Flex Ltd.'s annual reports
- Official company portal
- Financial databases and stock exchange filings

3.6. Research Methodology

This research uses a descriptive research approach to present the current financial health of the company. All the figures are sourced from the company's the current financial health of the company of five years.

3.8. Statistical Tools

- Ratio analysis
- Trend analysis
- Common size analysis
- Comparative analysis
- Cash flow analysis

3.9. Limitations of the Study

- It considers only one company, so it cannot be generalized to the entire industry.
- The findings are based entirely on secondary information, so any errors in published reports may affect results.
- Five years of data might be too short to show long-term trends.

3.9 Chapter Scheme

- **Chapter 1 Introduction**

Overview of the EMS Industry and Flex Ltd., with a look at its vision, mission, and products infrastructure, and SWOT analysis.

- **Chapter 2 Literature Review**

Summary and analysis of previous studies related to financial performance and ratio analysis, along with identified research gaps.

- **Chapter 3 Research Design**

Includes the problem statement, need for the study, objectives, scope, sampling, data sources, and limitations.

- **Chapter 4 Data Analysis and Interpretation**

Financial ratio analysis of Flex Ltd. over five years, using profitability, liquidity, solvency, and efficiency ratios.

- **Chapter 5 Findings, Conclusion, and Suggestions**

Key insights from the analysis, summary of conclusions, and practical suggestions for improvement.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

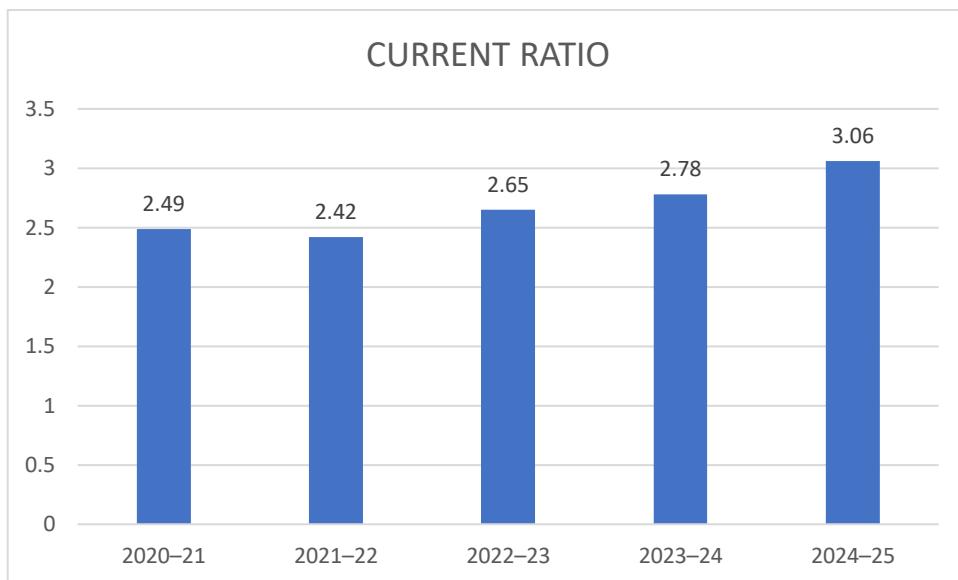
4.1. Ratio Analysis

Current Ratio

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Table 4.2.1 Current Ratio

Year	Current Assets	Current Liabilities	Current Ratio
2020–21	2894	1164	2.49
2021–22	3041	1257	2.42
2022–23	3533	1335	2.65
2023–24	3963	1425	2.78
2024–25	4617	1507	3.06



Graph 4.2.1 Current ratio

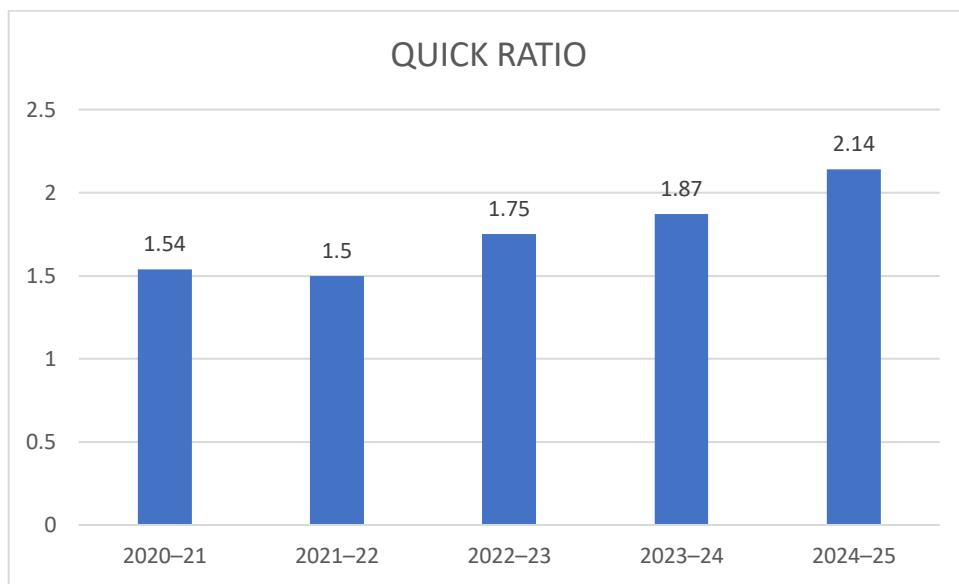
INTERPRETATION The current ratio improved from 2.49 (2020–21) to 3.06 (2024–25) as current assets increased (2894 to 4617) while current liabilities rose moderately (1164 to 1507), indicating stronger liquidity and improved short-term financial health.

Quick Ratio

$$\text{Quick Ratio} = \frac{\text{Current Assets} - \text{Inventories}}{\text{Current Liabilities}}$$

Table 4.2.2 Quick Ratio

Year	Quick Assets	Current Liabilities	Quick Ratio
2020–21	1791	1164	1.54
2021–22	1880	1257	1.5
2022–23	2339	1335	1.75
2023–24	2666	1425	1.87
2024–25	3225	1507	2.14



Graph 4.2.2 Quick ratio

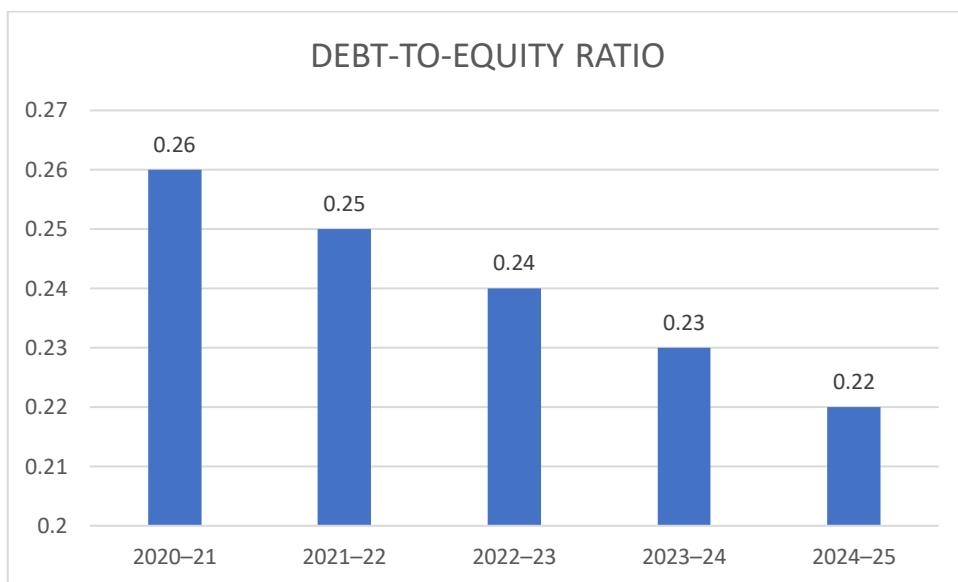
INTERPRETATION The quick ratio improved from 1.54 (2020–21) to 2.14 (2024–25) as Quick assets increased (1791 to 3225) while current liabilities grew moderately (1164 to 1507), indicating enhanced short-term liquidity and efficient asset utilization without relying on inventory.

Debt-to-Equity Ratio

$$\text{Debt - to - Equity Ratio} = \frac{\text{Long-term Debts}}{\text{Shareholder's Equity}}$$

Table 4.2.3 Debt-to-Equity Ratio

Year	Long-Term Debt	Shareholders' Equity	Debt-to-Equity Ratio
2020–21	997	3799	0.26
2021–22	1044	4211	0.25
2022–23	1098	4520	0.24
2023–24	1146	4922	0.23
2024–25	1199	5530	0.22



Graph 4.2.3 Debt-to-Equity Ratio

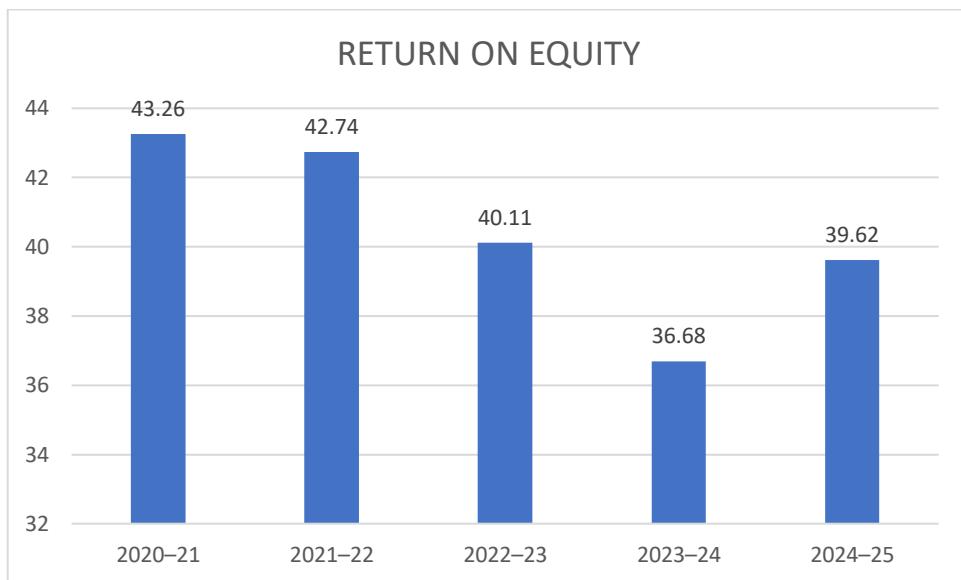
INTERPRETATION: The debt-to-equity ratio declined from 0.26 (2020–21) to 0.22 (2024–25) as long-term debt rose slightly (997 to 1199) while shareholders' equity increased significantly (3799 to 5530), indicating reduced financial risk and improved long-term solvency.

Return on Equity (ROE)

$$\text{Return on Equity} = \frac{\text{Net Profit After tax}}{\text{Shareholder's Equity}}$$

Table 4.2.4 Return on Equity

Year	PAT	Shareholders' Equity	ROE
2020–21	1643	3799	43.3
2021–22	1800	4211	42.7
2022–23	1813	4520	40.1
2023–24	1806	4922	36.7
2024–25	2191	5530	39.6



Graph 4.2.4 Return on Equity

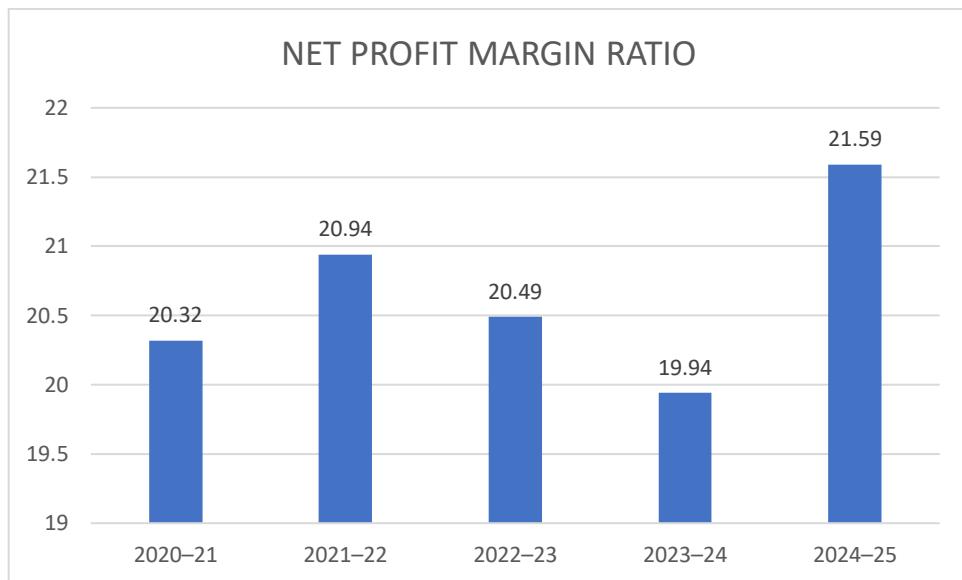
INTERPRETATION: The Return on Equity declined from 43.3% (2020–21) to 39.6% (2024–25) as shareholders' equity grew steadily (3799 to 5530) while PAT saw moderate fluctuations (1643 to 2191), indicating slightly reduced efficiency in generating returns for shareholders over time.

Net Profit Margin Ratio

Net Profit Margin Ratio = $\frac{\text{Profit After Tax}}{\text{Total Revenue}}$

Table 4.2.5 Net Profit Margin Ratio

Year	PAT	Total Revenue	Net Profit Ratio
2020–21	1643	8087	20.3
2021–22	1800	8596	20.9
2022–23	1813	8848	20.5
2023–24	1806	9056	19.9
2024–25	2191	10151	21.6



Graph 4.2.5 Net Profit Margin Ratio

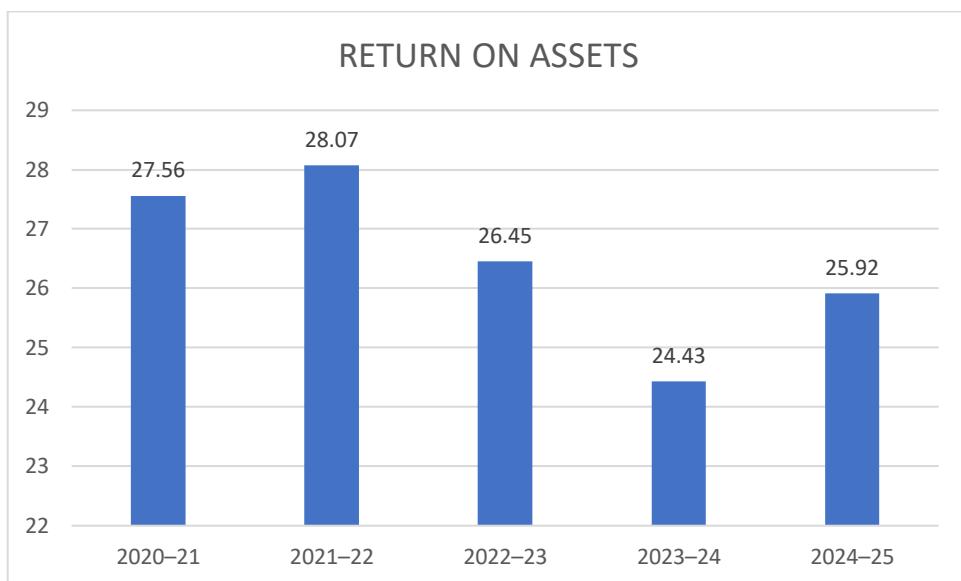
INTERPRETATION: The NPM ratio remained stable, ranging from 20.32% (2020–21) to 21.59% (2024–25), as PAT increased moderately (1643 to 2191) along with total revenue growth (8087 to 10151), indicating consistent profitability and efficient cost management.

Return on Assets

$$\text{Return on Assets} = \frac{\text{Profit After tax}}{\text{Total Assets}}$$

Table 4.2.6 ROA

Year	PAT	Total Assets	ROA
2020–21	1643	5960	27.6
2021–22	1800	6411	28.1
2022–23	1813	6855	26.5
2023–24	1806	7393	24.4
2024–25	2191	8455	25.9



Graph 4.2.6 ROA

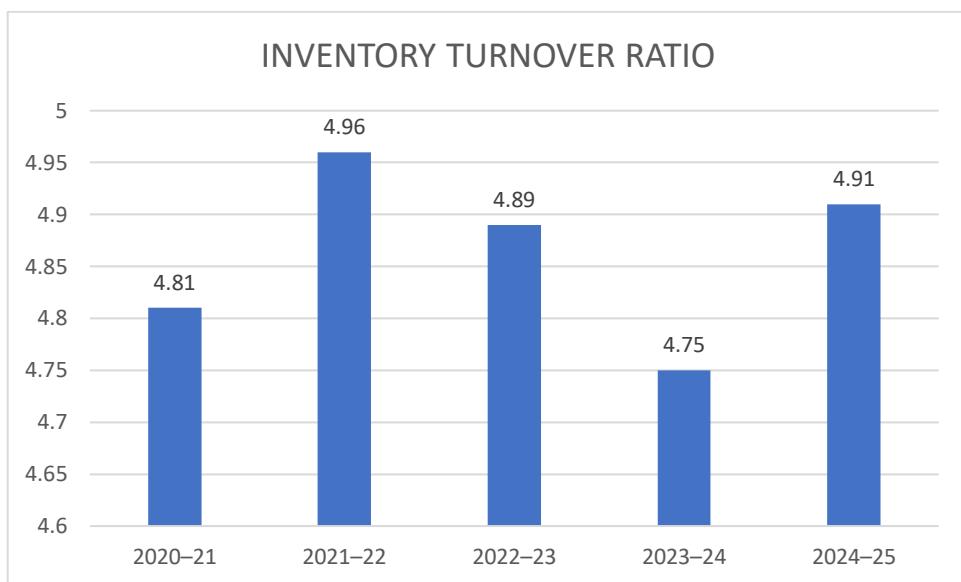
INTERPRETATION: The ROA slightly declined from 27.56% (2020–21) to 25.92% (2024–25) as total assets expanded (5960 to 8455) while PAT grew moderately (1643 to 2191), indicating a slight dip in asset efficiency over the period.

Inventory Turnover Ratio

$$\text{Inventory Turnover Ratio} = \frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$$

Table 4.2.7 Inventory Turnover Ratio

Year	COGS	Avg. Inventory	Inventory Turnover Ratio
2020–21	5306	1103	4.81
2021–22	5612	1132	4.96
2022–23	5751	1177.5	4.89
2023–24	5916	1245.5	4.75
2024–25	6599	1344.5	4.91



Graph 4.2.7 Inventory Turnover Ratio

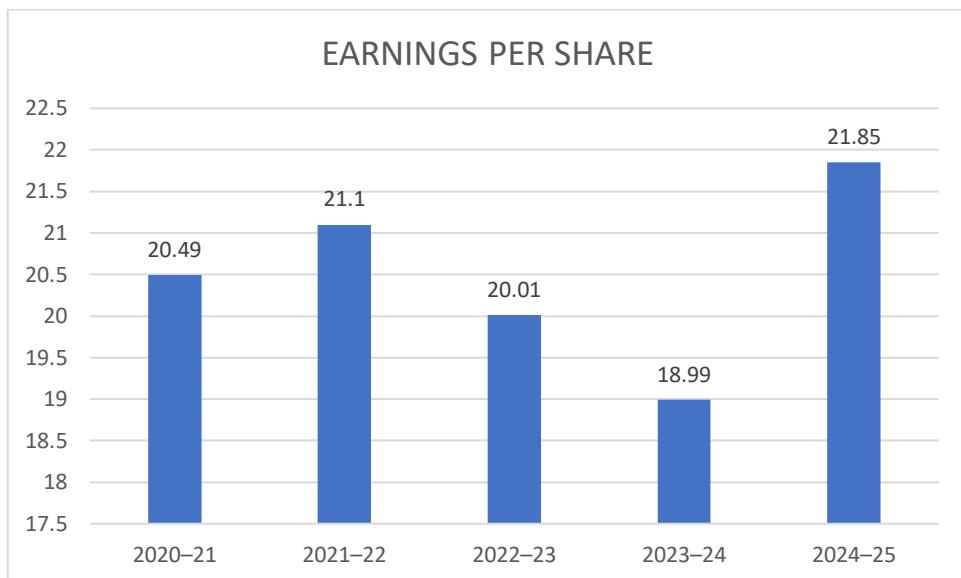
INTERPRETATION The inventory turnover ratio remained stable between 4.75 and 4.96 from 2020–21 to 2024–25, as COGS increased (5306 to 6599) along with average inventory levels (1103 to 1344.5), indicating consistent inventory management and effective stock utilization.

Earnings Per Share

$$\text{Earnings Per Share} = \frac{\text{Profit After Tax}}{\text{Equity Share Capital}}$$

Table 4.2.8 Earnings Per Share

Year	PAT	Equity Share Capital	EPS (₹)
2020–21	1643	802	20.49
2021–22	1800	853	21.1
2022–23	1813	906	20.01
2023–24	1806	951	18.99
2024–25	2191	1003	21.85



Graph 4.2.8 EPS

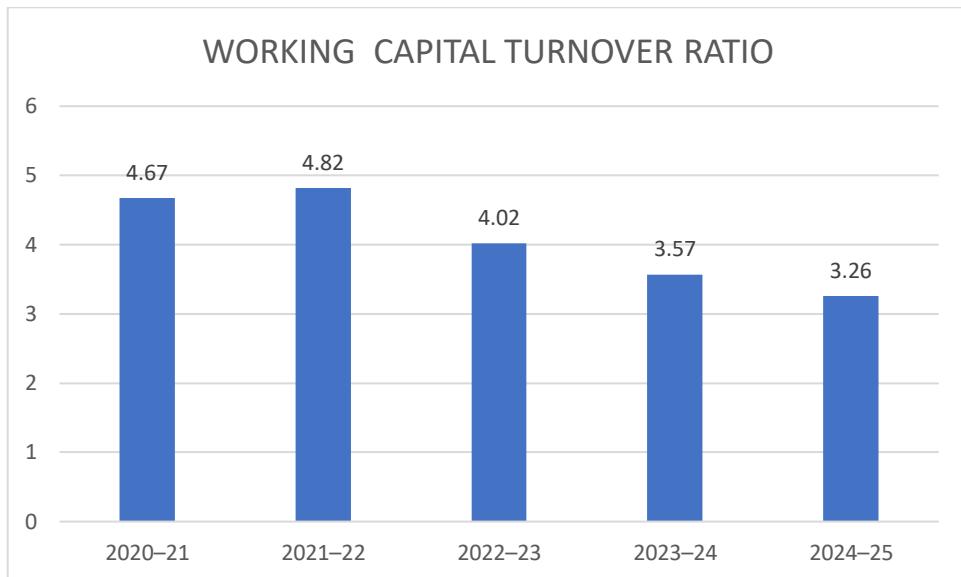
INTERPRETATION: The EPS fluctuated slightly from ₹20.49 (2020–21) to ₹21.85 (2024–25) as PAT increased (1643 to 2191) and equity share capital gradually rose (802 to 1003), reflecting stable shareholder returns with improved profitability in the final year.

Working Capital Turnover Ratio

$$\text{Working Capital Turnover Ratio} = \frac{\text{Total Revenue}}{\text{Working Capital}}$$

Table 4.2.9 Working Capital Turnover Ratio

Year	Revenue	Working Capital	WC Turnover Ratio
2020–21	8087	1730	4.67
2021–22	8596	1784	4.82
2022–23	8848	2198	4.02
2023–24	9056	2538	3.57
2024–25	10151	3110	3.26



Graph 4.2.9 Working Capital Turnover Ratio

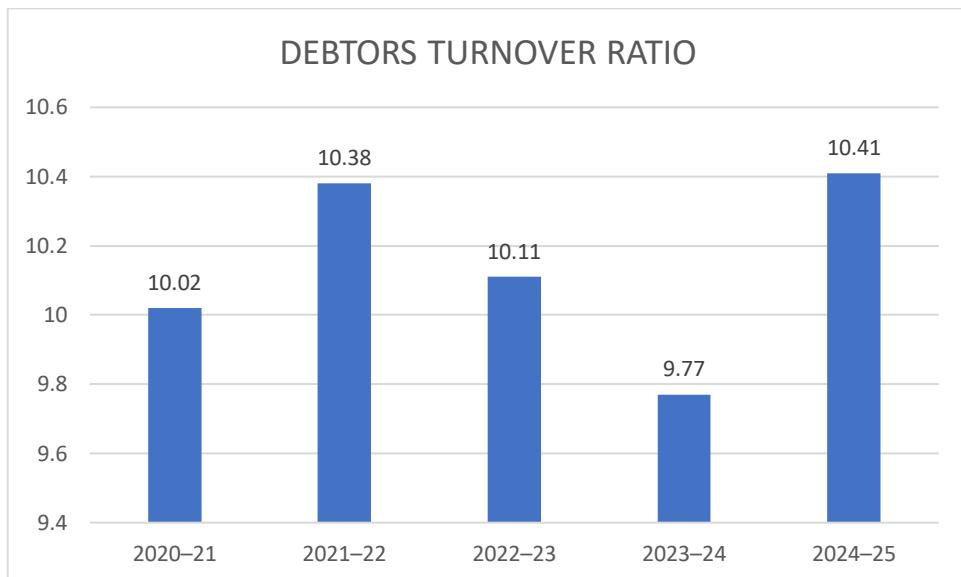
INTERPRETATION The WTC ratio declined from 4.67 (2020–21) to 3.26 (2024–25) as revenue increased (8087 to 10151) while working capital also grew significantly (1730 to 3110).

Debtors Turnover Ratio

$$\text{Debtors Turnover Ratio} = \frac{\text{Total Revenue}}{\text{Avergae Trade Receivable}}$$

Table 4.2.10 Debtors Turnover Ratio

Year	Revenue	Avg. Debtors	Debtors Turnover
2020–21	8087	807	10.02
2021–22	8596	828	10.38
2022–23	8848	875	10.11
2023–24	9056	927	9.77
2024–25	10151	975	10.41



Graph 4.2.10

INTERPRETATION: The debtor's turnover ratio remained steady between 9.77 and 10.41 from 2020–21 to 2024–25, as revenue increased (8087 to 10151) alongside average debtors (807 to 975), indicating consistent efficiency in collecting receivables.

4.3. TREND ANALYSIS

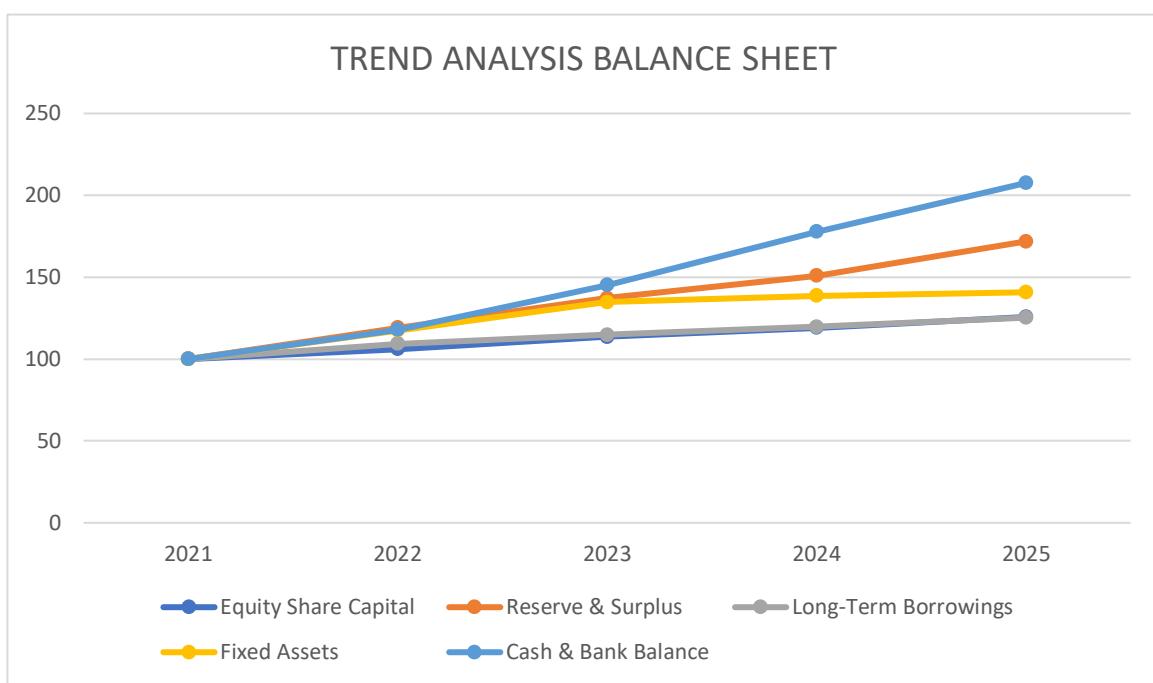
Table 4.3.1 Trend analysis Balance sheet of Flex Ltd from the year 2021 to 2025 (In Cr)

Particulars	2021	2022	2023	2024	2025	T 2021	T 2022	T 2023	T 2024	T 2025
Equity Share Capital	798	847	906	951	1,003	100	106	114	119	126
Reserve and Surplus	2,635	3,136	3,614	3,971	4,527	100	119	137	151	172
Long-Term Borrowings	957	1,046	1,098	1,146	1,199	100	109	115	120	125
Deferred Tax Liability	79	87	94	101	100	100	110	119	128	127
Trade Payables	598	650	703	755	807	100	109	118	126	135
Short-Term Provisions	281	312	347	382	401	100	111	124	136	143
Other Current Liabilities	232	254	285	288	299	100	110	123	124	129
Total Liabilities & Equity	5,580	6,332	7,047	7,594	8,336	100	114	126	136	150
Fixed Assets	2,138	2,512	2,882	2,965	3,012	100	118	135	139	141
Intangible Assets	146	161	181	192	199	100	110	124	132	136
Long-Term Investments	308	368	451	474	508	100	120	146	154	165
Inventories	841	1,022	1,194	1,297	1,392	100	122	142	154	166
Trade Receivables	667	801	901	953	997	100	120	135	143	150
Cash and Bank Balance	636	749	922	1,131	1,321	100	118	145	178	208
Short-Term Loans & Advances	181	424	516	582	907	100	234	285	322	502
Total Assets	5,580	6,332	7,047	7,594	8,336	100	114	126	136	150

INTERPRETATION: Between 2021 and 2025, the company has shown consistent financial growth, with total assets and liabilities increasing from ₹5,580 crore to ₹8,336 crore. This upward trend reflects strong internal funding and operational expansion, though the significant rise in short-term advances may require careful financial oversight.

Table 4.3.2. Trend analysis Balance Sheet of Flex ltd (in %)

Year	Equity Share Capital	Reserve & Surplus	Long-Term Borrowings	Fixed Assets	Cash & Bank Balance
2021	100	100	100	100	100
2022	106.14	119.04	109.29	117.5	117.92
2023	113.54	137.23	114.74	134.8	145.09
2024	119.17	150.77	119.74	138.7	177.83
2025	125.69	171.84	125.29	140.8	207.54



Graph 4.3.2. Trend analysis Balance Sheet of Flex ltd

INTERPRETATION: Equity Share Capital grew from 100 in 2021 to 125.69 in 2025, Reserves & Surplus from 100 to 171.84, and Fixed Assets from 100 to 140.8, showing steady financial growth. Cash & Bank Balance surged from 100 to 207.54, indicating strong liquidity and stability.

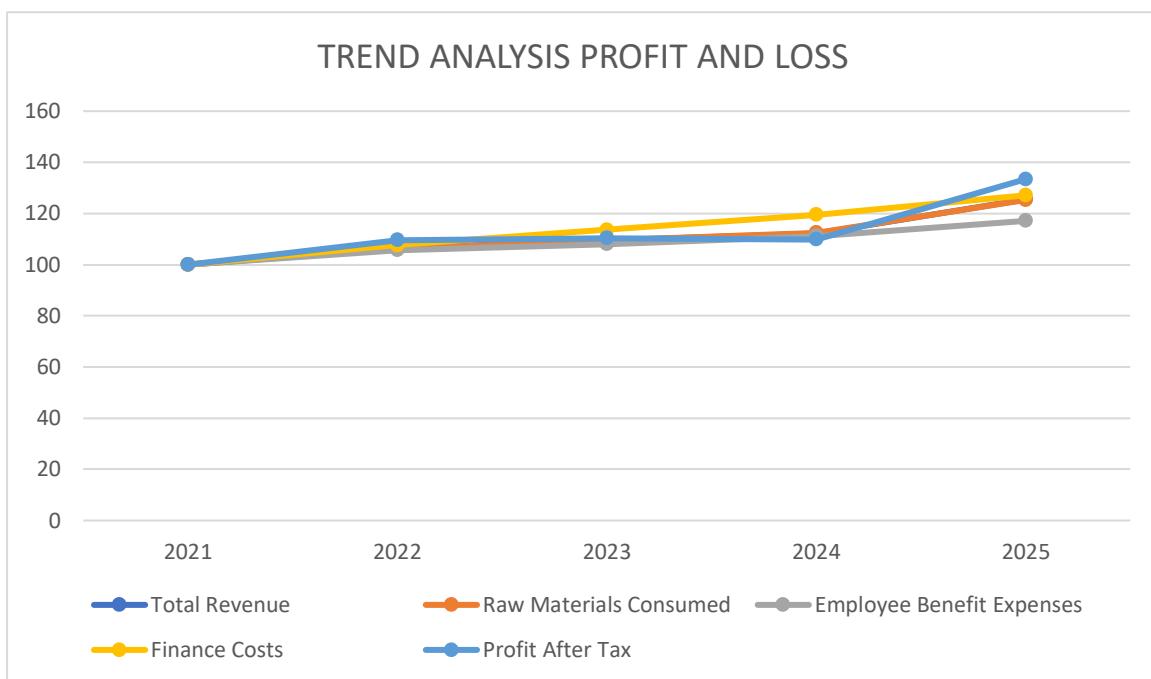
Table 4.3.3. Trend analysis Profit and Loss account of Flex Ltd from the year 2021 to 2025

Particulars	2021	2022	2023	2024	2025	T 2021	T 2022	T 2023	T 2024	T 2025
Equity Share Capital	7,983	8,477	8,716	8,913	10,002	100	106	109	112	125
Other Income	104	119	132	143	149	100	114	127	138	143
Total Revenue	8,087	8,596	8,848	9,056	10,151	100	106	109	112	126
Raw Materials Consumed	3,197	3,394	3,497	3,595	4,007	100	106	109	113	125
Employee Benefit Expenses	942	996	1,017	1,047	1,103	100	106	108	111	117
Power and Fuel	253	268	278	289	302	100	106	110	114	119
Selling & Distribution Exp	402	418	448	469	503	100	104	111	117	125
Administrative Overheads	652	675	699	728	751	100	104	107	112	115
Depreciation	182	189	194	199	201	100	104	107	109	110
Finance Costs	118	127	134	141	150	100	108	114	120	127
Total Expenses	5,746	6,047	6,267	6,468	7,017	100	105	109	113	122
Profit Before Tax	2,341	2,549	2,581	2,588	3,134	100	109	110	111	134
Provision for Tax	698	749	768	782	943	100	107	110	112	135
Profit After Tax	1,643	1,800	1,813	1,806	2,191	100	110	110	110	133

INTERPRETATION: From 2021 to 2025, the company's Total revenue progressed steadily from ₹8,087 crore to ₹10,151 crore, while total expenses rose in parallel, indicating controlled cost management. Profit after tax grew consistently, reaching ₹2,191 crore in 2025, reflecting stable earnings, although close monitoring of rising finance costs and tax outflow is advisable.

Table 4.3.4. Trend analysis Profit and Loss account of Flex ltd (in %)

Year	Total Revenue	Raw Materials Consumed	Employee Benefit Expenses	Finance Costs	Profit After Tax
2021	100	100	100	100	100
2022	106.3	106.2	105.7	107.6	109.6
2023	109.4	109.4	108	113.6	110.4
2024	112	112.5	111.2	119.5	109.9
2025	125.5	125.3	117.1	127.1	133.4



Graph 4.3.4. Trend analysis Profit and Loss account

INTERPRETATION: The Profit & Loss account shows steady growth in Total Revenue from 100 in 2021 to 125.5 in 2025, while Raw Materials Consumed increased similarly to 125.3%, reflecting higher production costs. Employee Benefit Expenses rose moderately from 100 to 117.1%, and Finance Costs climbed to 127.1%, indicating increased borrowing. Net earnings after tax increased from 100 to 133.4%, showing that overall profitability improved despite rising costs.

4.4. Common Size Statement

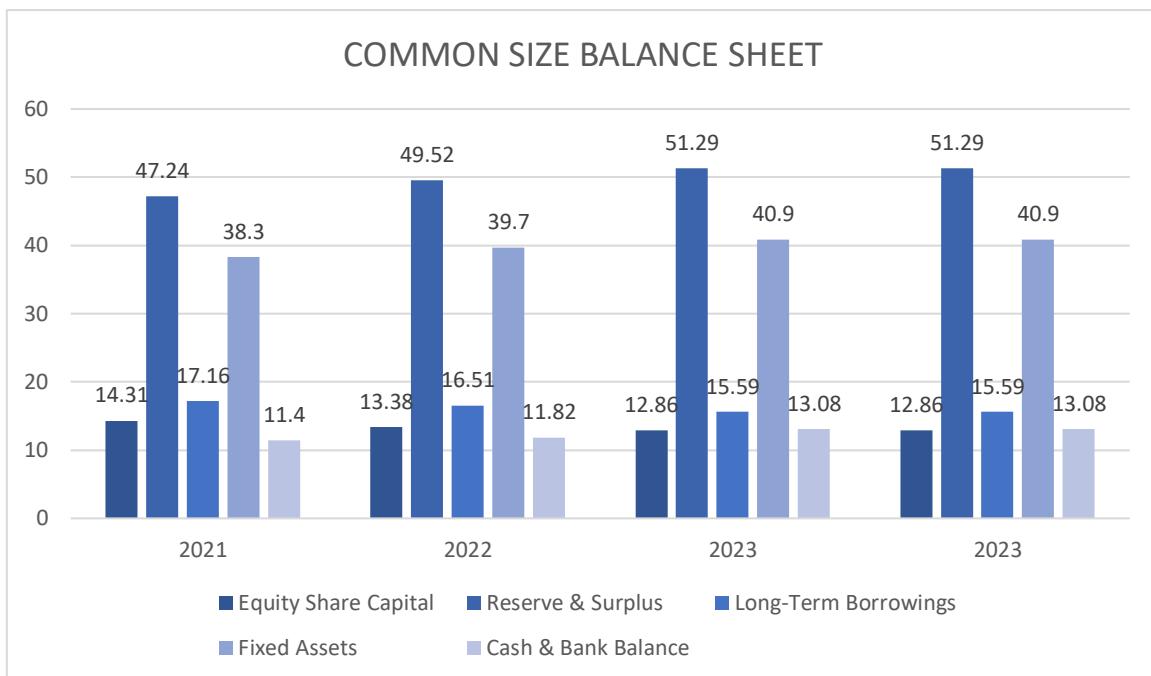
Table 4.4.1. Common size Balance sheet of Flex Ltd from the year 2021 to 2025

Particulars	2021	2022	2023	2024	2025
Equity Share Capital	14.31%	13.38%	12.86%	12.53%	12.04%
Reserve and Surplus	47.24%	49.52%	51.29%	52.30%	54.32%
Long-Term Borrowings	17.16%	16.51%	15.59%	15.09%	14.39%
Deferred Tax Liability	1.42%	1.37%	1.33%	1.33%	1.20%
Trade Payables	10.72%	10.26%	9.98%	9.94%	9.68%
Short-Term Provisions	5.04%	4.91%	4.93%	5.03%	4.81%
Other Current Liabilities	4.16%	3.99%	4.04%	3.79%	3.59%
Total Liabilities & Equity	100%	100%	100%	100%	100%
Fixed Assets	38.34%	39.67%	40.91%	39.04%	36.14%
Intangible Assets	2.62%	2.54%	2.57%	2.53%	2.39%
Long-Term Investments	5.52%	5.81%	6.40%	6.24%	6.10%
Inventories	15.08%	16.14%	16.95%	17.08%	16.70%
Trade Receivables	11.96%	12.65%	12.79%	12.55%	11.96%
Cash and Bank Balance	11.40%	11.82%	13.08%	14.89%	15.85%
Short-Term Loans & Advances	3.24%	6.70%	7.32%	7.66%	10.88%
Total Assets	100%	100%	100%	100%	100%

INTERPRETATION: The common-size analysis from 2020–21 to 2024–25 shows a gradual decline in equity capital proportion, while reserves and surplus have grown, highlighting stronger internal financing. Fixed assets remained the largest component of total assets, though their share has slightly reduced, with notable increases in cash and short-term advances indicating a shift towards liquid and current assets.

Table 4.4.2. Common Size Balance Sheet of Flex Ltd (in %)

Year	Equity Share Capital	Reserve & Surplus	Long-Term Borrowings	Fixed Assets	Cash & Bank Balance
2021	14.31	47.24	17.16	38.3	11.4
2022	13.38	49.52	16.51	39.7	11.82
2023	12.86	51.29	15.59	40.9	13.08
2024	12.53	52.3	15.09	39	14.89
2025	12.04	54.32	14.39	36.1	15.85



Graph 4.4.2. Common Size Balance Sheet

INTERPRETATION: The proportion of Equity Share Capital decreased from 14.31% in 2021 to 12.04% in 2025, while Reserve & Surplus steadily increased from 47.24% to 54.32%, indicating the company is relying more on retained earnings for funding. Long-Term Borrowings and Fixed Assets gradually declined as a percentage, from 17.16% to 14.39% and 38.3% to 36.1% respectively, while Cash & Bank Balance rose from 11.4% to 15.85%, showing improved liquidity and stronger cash position.

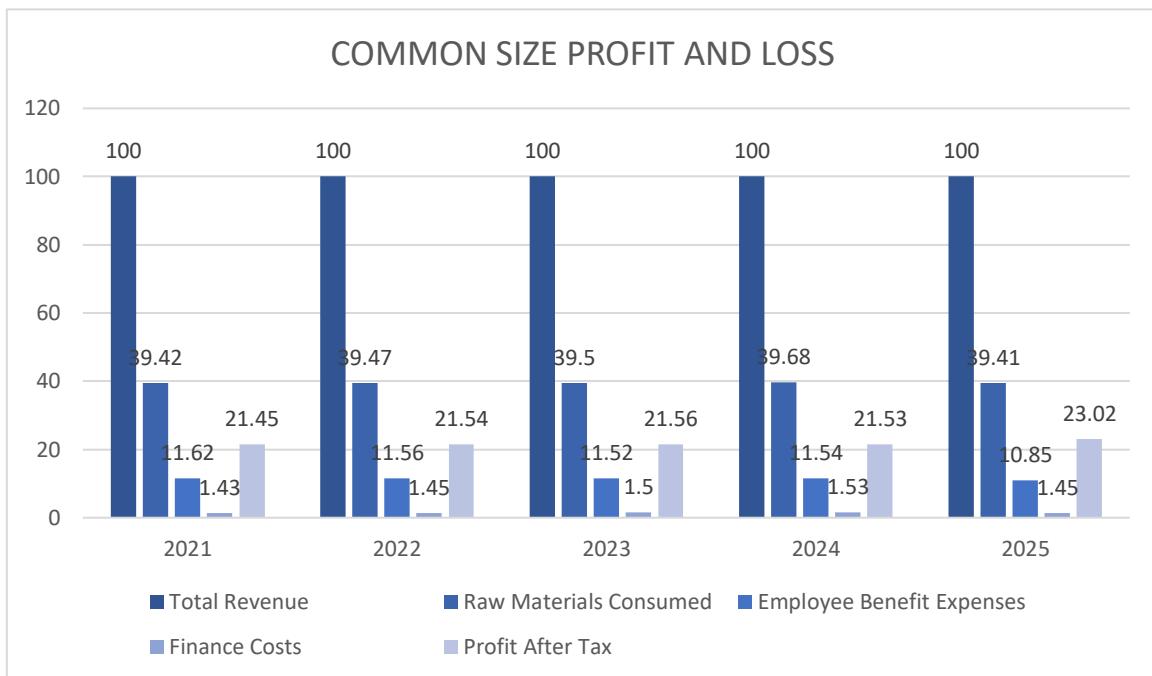
Table 4.4.3. Common Size Profit and Loss account of Flex Ltd from the year 2021 to 2025.

Particulars	2021 (%)	2022 (%)	2023 (%)	2024 (%)	2025 (%)
Revenue from Operations	98.75%	98.64%	98.54%	98.47%	98.56%
Other Income	1.25%	1.36%	1.46%	1.53%	1.44%
Total Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Raw Materials Consumed	39.42%	39.47%	39.50%	39.68%	39.41%
Employee Benefit Expenses	11.62%	11.56%	11.52%	11.54%	10.85%
Power and Fuel	2.77%	2.78%	2.82%	2.85%	2.78%
Selling & Distribution Expenses	4.87%	4.78%	5.07%	5.11%	4.85%
Administrative Overheads	7.91%	7.78%	7.90%	7.92%	7.24%
Depreciation	2.21%	2.18%	2.17%	2.17%	1.95%
Finance Costs	1.43%	1.45%	1.50%	1.53%	1.45%
Total Expenses	69.43%	69.48%	69.55%	69.65%	67.48%
Profit Before Tax	30.57%	30.52%	30.45%	30.35%	32.52%
Provision for Tax	9.12%	8.98%	8.89%	8.82%	9.50%
Profit After Tax	21.45%	21.54%	21.56%	21.53%	23.02%

INTERPRETATION: From 2021 to 2025, the company maintained a stable revenue composition, with operating income consistently above 98% of total revenue. Profitability showed a positive trend, as profit after tax rose from 21.45% to 23.02%, mainly due to stable expenses and improved cost efficiency, despite slight variations in finance and distribution costs.

Table 4.4.4. Common Size Profit and Loss account (in %)

Year	Total Revenue	Raw Materials Consumed	Employee Benefit Expenses	Finance Costs	Profit After Tax
2021	100	39.42	11.62	1.43	21.45
2022	100	39.47	11.56	1.45	21.54
2023	100	39.5	11.52	1.5	21.56
2024	100	39.68	11.54	1.53	21.53
2025	100	39.41	10.85	1.45	23.02



Graph 4.4.4. Common Size Profit and Loss

INTERPRETATION: The company's Total Revenue remained steady at 100% as the base. Raw Materials Consumed stayed around 39–40%, showing consistent production costs, while Employee Benefit Expenses slightly decreased from 11.62% to 10.85%, indicating improved efficiency. Finance Costs remained low at about 1.43–1.53%, reflecting minimal reliance on debt, and Profit After Tax increased from 21.45% to 23.02%, showing improved profitability over the period.

4.5. COMPARATIVE STATEMENT

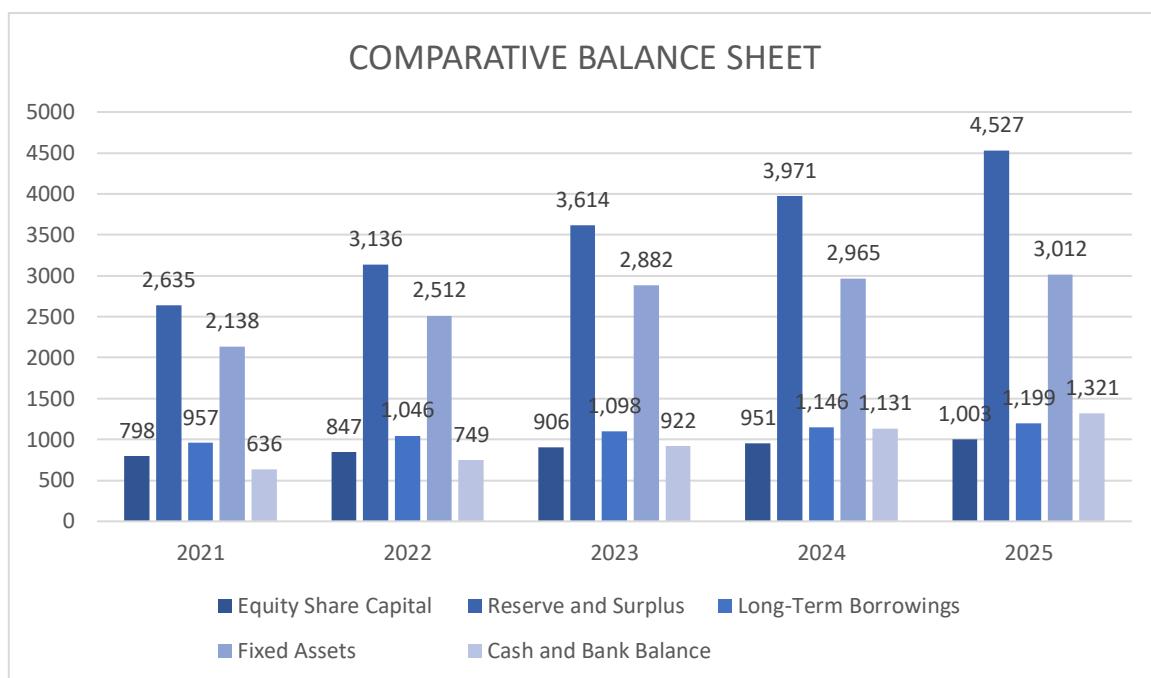
Table 4.5.1 Comparative Balance sheet of Flex ltd from the year 2021 to 2025

Particulars	2021	2022	2023	2024	2025	C (22 vs 21)	% C (22 vs 21)	C (23 vs 22)	% C (23 vs 22)	C (24 vs 23)	% C (24 vs 23)	C (25 vs 24)	% C (25 vs 24)
Equity Share Capital	798	847	906	951	1,003	49	6.14%	59	6.97%	45	4.97%	52	5.47%
Reserve and Surplus	2,635	3,136	3,614	3,971	4,527	501	19.02%	478	15.25%	357	9.88%	556	14.00%
Long-Term Borrowings	957	1,046	1,098	1,146	1,199	89	9.30%	52	4.97%	48	4.37%	53	4.62%
Deferred Tax Liability	79	87	94	101	100	8	10.13%	7	8.05%	7	7.45%	-1	-0.99%
Trade Payables	598	650	703	755	807	52	8.70%	53	8.15%	52	7.40%	52	6.89%
Short-Term Provisions	281	312	347	382	401	31	11.03%	35	11.22%	35	10.09%	19	4.97%
Other Current Liabilities	232	254	285	288	299	22	9.48%	31	12.20%	3	1.05%	11	3.82%
Total Liabilities & Equity	5,580	6,332	7,047	7,594	8,336	752	13.48%	715	11.29%	547	7.76%	742	9.77%
Fixed Assets	2,138	2,512	2,882	2,965	3,012	374	17.50%	370	14.73%	83	2.88%	47	1.59%
Intangible Assets	146	161	181	192	199	15	10.27%	20	12.42%	11	6.08%	7	3.65%
Long-Term Investments	308	368	451	474	508	60	19.48%	83	22.57%	23	5.10%	34	7.17%
Inventories	841	1,022	1,194	1,297	1,392	181	21.52%	172	16.84%	103	8.63%	95	7.32%
Trade Receivables	667	801	901	953	997	134	20.09%	100	12.48%	52	5.77%	44	4.62%
Cash and Bank Balance	636	749	922	1,131	1,321	113	17.77%	173	23.10%	209	22.67%	190	16.80%
Short-Term Loans & Advance	181	424	516	582	907	243	134.25%	92	21.70%	66	12.79%	325	55.84%
Total Assets	5,580	6,332	7,047	7,594	8,336	752	13.48%	715	11.29%	547	7.76%	742	9.77%

INTERPRETATION: From 2021 to 2025, total assets grew steadily from ₹5,580 crore to ₹8,336 crore, driven by rising reserves and liquidity. A notable surge in short-term advances in 2025 suggests a shift in financial approach, which may require further analysis.

Table 4.5.2. Comparative Balance Sheet

Year	Equity Share Capital	Reserve and Surplus	Long-Term Borrowings	Fixed Assets	Cash and Bank Balance
2021	798	2,635	957	2,138	636
2022	847	3,136	1,046	2,512	749
2023	906	3,614	1,098	2,882	922
2024	951	3,971	1,146	2,965	1,131
2025	1,003	4,527	1,199	3,012	1,321



Graph 4.5.2. Comparative Balance Sheet

INTERPRETATION Equity Share Capital increased from 798 in 2021 to 1,003 in 2025, while Reserve & Surplus grew strongly from 2,635 to 4,527, showing higher retained earnings and stronger shareholder funds. Long-Term Borrowings rose moderately from 957 to 1,199, indicating controlled debt financing. Fixed Assets expanded from 2,138 to 3,012, reflecting continued investment in core operations. Cash & Bank Balance more than doubled from 636 to 1,321, showing improved liquidity and financial stability.

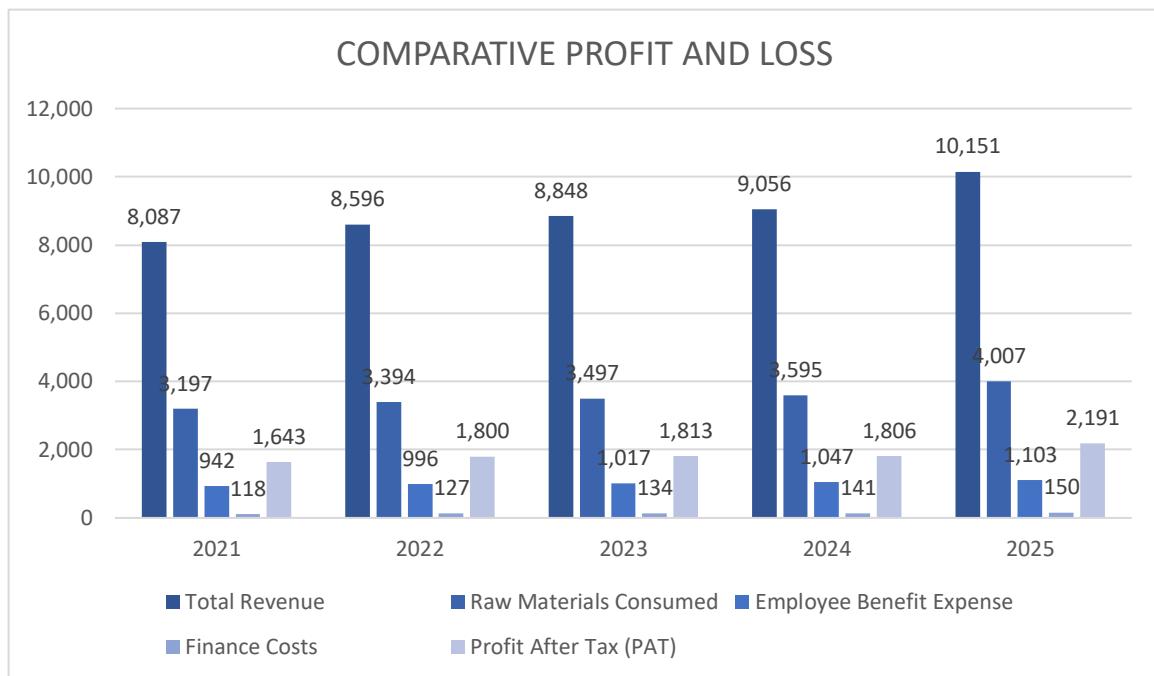
Table 4.5.3. Comparative Profit and Loss account of Flex Ltd from the year 2021 to 2025

Particulars	2021	2022	2023	2024	2025	C (22 vs 21)	% C (22 vs 21)	C (23 vs 22)	% C (23 vs 22)	C (24 vs 23)	% (24 vs 23)	C (25 vs 24)	% C (25 vs 24)
Revenue from Operations	7,983	8,477	8,716	8,913	10,002	494	6.19%	239	2.82%	197	2.26%	1,089	12.22%
Other Income	104	119	132	143	149	15	14.42%	13	10.92%	11	8.33%	6	4.20%
Total Revenue	8,087	8,596	8,848	9,056	10,151	509	6.29%	252	2.93%	208	2.35%	1,095	12.10%
RM Consumed	3,197	3,394	3,497	3,595	4,007	197	6.16%	103	3.04%	98	2.80%	412	11.46%
Employee Benefit Expense	942	996	1,017	1,047	1,103	54	5.73%	21	2.11%	30	2.95%	56	5.35%
Power and Fuel	253	268	278	289	302	15	5.93%	10	3.73%	11	3.96%	13	4.50%
Sell and	402	418	448	469	503	16	3.98%	30	7.18%	21	4.69%	34	7.25%
Administrative OH	652	675	699	728	751	23	3.53%	24	3.56%	29	4.15%	23	3.16%
Depreciation	182	189	194	199	201	7	3.85%	5	2.65%	5	2.58%	2	1.01%
Finance Costs	118	127	134	141	150	9	7.63%	7	5.51%	7	5.22%	9	6.38%
Total Expense	5,746	6,047	6,267	6,468	7,017	301	5.24%	220	3.64%	201	3.21%	549	8.49%
PBT	2,341	2,549	2,581	2,588	3,134	208	8.89%	32	1.25%	7	0.27%	546	21.10%
Provision for Tax	698	749	768	782	943	51	7.31%	19	2.54%	14	1.82%	161	20.59%
PAT	1,643	1,800	1,813	1,806	2,191	157	9.56%	13	0.72%	-7	-0.39%	385	21.33%

INTERPRETATION: From 2021 to 2025, total revenue rose from ₹8,087 crore to ₹10,151 crore, with a major jump in 2025. Profit after tax increased significantly by 21.33% in 2025 after a flat trend, indicating a strong recovery in profitability driven by higher revenue and efficient cost control.

Table 4.5.4. Comparative Profit and Loss

Year	Total Revenue	Raw Materials Consumed	Employee Benefit Expense	Finance Costs	Profit After Tax (PAT)
2021	8,087	3,197	942	118	1,643
2022	8,596	3,394	996	127	1,800
2023	8,848	3,497	1,017	134	1,813
2024	9,056	3,595	1,047	141	1,806
2025	10,151	4,007	1,103	150	2,191



Graph 4.5.4. Comparative Profit and Loss

INTERPRETATION: Total Revenue increased from 8,087 in 2021 to 10,151 in 2025, reflecting steady business growth. Raw Materials Consumed rose from 3,197 to 4,007, showing higher production activity. Employee Benefit Expenses grew from 942 to 1,103, indicating consistent investment in manpower. Finance Costs increased moderately from 118 to 150, reflecting controlled borrowing. Profit After Tax improved from 1,643 to 2,191, demonstrating stronger overall profitability and efficient cost management.

4.6. Cashflow Statement

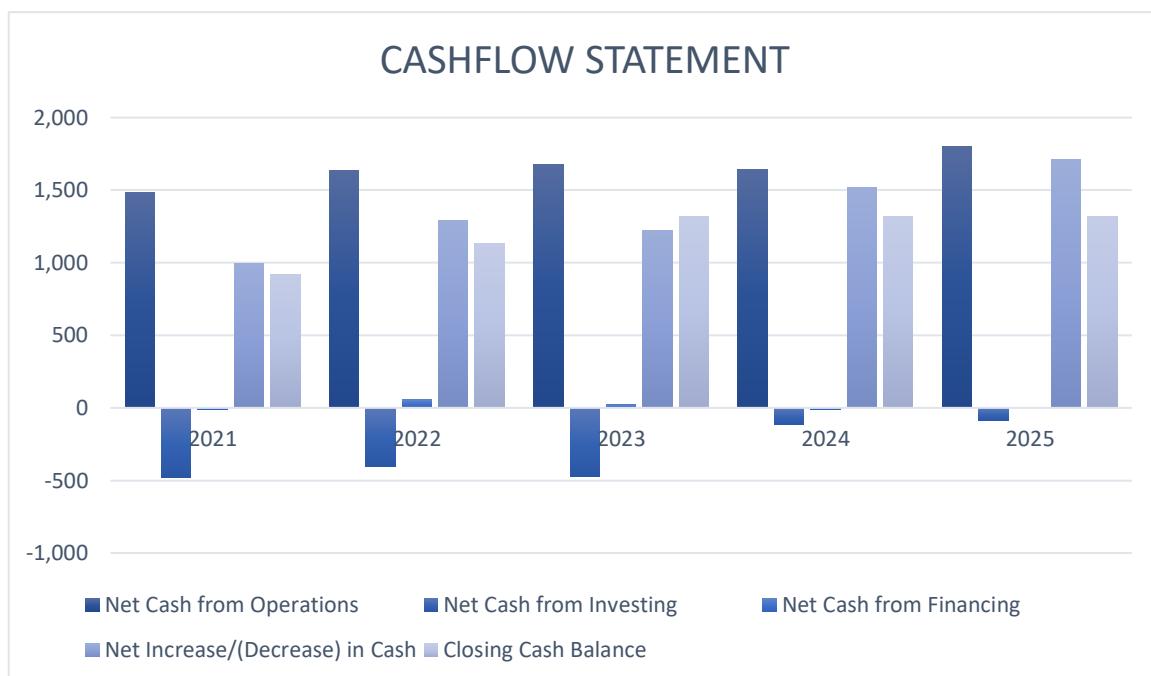
Table 4.6.1. Cashflow statement of Flex Ltd from the year 2021 to 2025

Particulars	2021	2022	2023	2024	2025
A. Cash from Operating Activities					
Profit After Tax	1,643	1,800	1,813	1,806	2,191
Add Depreciation	182	189	194	199	201
Add Finance Costs	118	127	134	141	150
Less Other Income	-104	-119	-132	-143	-149
Net Change in Working Capital	-356	-359	-333	-362	-593
Net Cash from Operations	1,483	1,638	1,676	1,641	1,800
B. Cash from Investing Activities					
Purchase of Fixed/Intangible Assets	-389	-344	-390	-94	-54
Change in LT Investments	-90	-61	-83	-23	-34
Net Cash from Investing	-479	-405	-473	-117	-88
C. Cash from Financing Activities					
Change in Share Capital	5	51	59	45	52
Change in LT Borrowings	62	87	52	48	53
Dividend (Estimate)	-75	-82	-89	-101	-103
Net Cash from Financing	-8	56	22	-8	2
Net Increase/(Decrease) in Cash	996	1,289	1,225	1,516	1,714
Opening Cash Balance	708	922	1,131	1,321	1,321
Closing Cash Balance	922	1,131	1,321	1,321	1,321

INTERPRETATION: Net Cash from Operations increased from 1,483 in 2021 to 1,800 in 2025, showing that the company consistently generated strong cash from its core business activities. Net Cash from Investing decreased in outflow from -479 in 2021 to -88 in 2025, indicating lower investment spending over time. Net Cash from Financing fluctuated slightly, moving from -8 in 2021 to 2 in 2025, reflecting controlled borrowing, dividend payments, and equity changes. The Net Increase in Cash rose from 996 in 2021 to 1,714 in 2025, contributing to a Closing Cash Balance that grew from 922 in 2021 to 1,321 by 2023 and remained stable through 2025, demonstrating strong liquidity and financial stability.

Table 4.6.2 Cashflow Statement

Years	Net Cash from Operations	Net Cash from Investing	Net Cash from Financing	Net Increase/(Decrease) in Cash	Closing Cash Balance
2021	1,483	-479	-8	996	922
2022	1,638	-405	56	1,289	1,131
2023	1,676	-473	22	1,225	1,321
2024	1,641	-117	-8	1,516	1,321
2025	1,800	-88	2	1,714	1,321



INTERPRETATION: Net Cash from Operations grew from 1,483 in 2021 to 1,800 in 2025, showing consistent cash generation from core business activities. Net Cash from Investing outflows decreased from -479 to -88, indicating reduced spending on assets and investments. Net Cash from Financing fluctuated modestly from -8 to 2, reflecting controlled borrowing, equity changes, and dividend payments. Net Increase in Cash rose from 996 in 2021 to 1,714 in 2025, contributing to a Closing Cash Balance that increased from 922 to 1,321 by 2023 and remained stable thereafter, highlighting strong liquidity and financial stability.

CHAPTER 5

FINDINGS, CONCLUSION AND SUGGESTIONS

5.1. Findings

1. Liquidity Position

- The company's current ratio improved from 2.49 in 2020–21 to 3.06 in 2024–25, showing stronger ability to cover short-term obligations.
- The quick ratio rose from 1.54 to 2.14, reflecting that Flex Ltd. can meet its liabilities even without depending on inventory.

2. Solvency Position

- The debt-to-equity ratio declined from 0.26 to 0.22, highlighting reduced reliance on external borrowings.
- Growth in reserves and surplus strengthened the capital base, lowering the company's long-term financial risk.

3. Profitability

- The net profit margin stayed steady at around 20–22%, proving consistent profit generation and cost control.
- Although PAT increased, ROE and ROA showed a slight fall, meaning efficiency in using funds and assets needs attention.

4. Efficiency

- The inventory turnover ratio remained stable between 4.75 and 4.96, showing effective stock management.
- The working capital turnover declined from 4.67 to 3.26, pointing towards reduced efficiency in converting working capital into sales.

5. Trend in Balance Sheet

- Total assets rose from ₹5,580 crore in 2021 to ₹8,336 crore in 2025, indicating steady growth.

6. Trend in Profit and Loss Account

- Revenue increased consistently from ₹8,087 crore to ₹10,151 crore over the five years.
- Profit after tax (PAT) grew, especially in 2025, reflecting strong recovery and better earnings.

7. Common Size Analysis

- The share of reserves and surplus increased from 47.24% to 54.32%, showing higher dependence on retained earnings.
- The proportion regarding equity share capital reduced, while PAT with respect to revenue improved, confirming better profitability.

5.2. Suggestions

1. Enhance Working Capital Efficiency

The decline in working capital turnover shows inefficiency in using short-term funds. Flex should tighten credit terms, improve receivables collection, and optimize inventory management to ensure resources generate higher sales.

2. Increase Returns on Funds and Assets

Although profits are stable, returns on equity and assets have fallen. The company must deploy capital more effectively into high-margin projects and cost-saving technologies to maximize shareholder wealth.

3. Utilize Surplus Liquidity for Strategic Growth

Strong cash balances should not remain idle. Flex should invest excess liquidity in emerging sectors such as electric vehicles, healthcare, and renewable energy, which will drive sustainable long-term expansion.

4. Maintain Low Debt Dependence

The declining debt-to-equity ratio is a strength. Flex should continue relying more on internal reserves than heavy borrowings, reducing financial risk while keeping flexibility for future expansion.

5.3. Conclusion

The financial evaluation of Flex Ltd. clearly shows that the company is in a sound and stable position. Over the five-year period, Flex has managed to strengthen its liquidity and solvency while keeping profitability consistent. The company's reliance on retained earnings rather than excessive borrowings highlights a conservative and safe financial strategy. One of the major positives is the steady rise in reserves, surplus, and cash balances, which ensures long-term sustainability. The company has also accomplished manage costs effectively, leading to steady profits. However, certain concerns need attention particularly the decline in ROE, ROA, and working capital turnover. The analysis suggests that while the company is growing, it must improve how efficiently it uses shareholder funds and operational resources. Flex Ltd also points to promising opportunities for future growth. With its financial strength, the company can invest in high-growth areas such as electric vehicles, healthcare, and renewable energy. Its focus on sustainability and global expansion will continue to build competitiveness in the electronics manufacturing industry. Flex Ltd. stands financially stable, with consistent profitability and strong liquidity. Addressing the efficiency gaps and using its resources more productively will help the company achieve sustainable growth and retain its position as a leading player in the EMS sector.

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ANNEXURE

Financial Formulae Used

1. Current Ratio

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

2. Quick Ratio

$$\text{Quick Ratio} = \frac{\text{Current Assets} - \text{Inventories}}{\text{Current Liabilities}}$$

3. Debt-to-Equity Ratio

$$\text{Debt - to - Equity Ratio} = \frac{\text{Long-term Debts}}{\text{Shareholder's Equity}}$$

4. Return on Equity (ROE)

$$\text{Return on Equity} = \frac{\text{Net Profit After tax}}{\text{Shareholder's Equity}}$$

5. Net Profit Margin Raio

$$\text{Net Profit Ratio} = \frac{\text{Profit After Tax}}{\text{Total Revenue}}$$

6. Return on Assets

$$\text{Return on Assets} = \frac{\text{Profit After tax}}{\text{Total Assets}}$$

7. Inventory Turnover Ratio

$$\text{Inventory Turnover Ratio} = \frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$$

8. Earnings Per Share

$$\text{Earnings Per Share} = \frac{\text{Profit After Tax}}{\text{Equity Share Capital}}$$

9. Working Capital Turnover Ratio

$$\text{Working Capital Turnover Ratio} = \frac{\text{Total Revenue}}{\text{Working Capital}}$$

10. Debtors Turnover Ratio

$$\text{Debtors Turnover Ratio} = \frac{\text{Total Revenue}}{\text{Avergae Trade Receivable}}$$

Table 1: Balance Sheet of Flex Ltd (in ₹ Crore)

Particulars	2020–21	2021–22	2022–23	2023–24	2024–25
Equity Share Capital	802	853	906	951	1003
Reserve and Surplus	2997	3358	3614	3971	4527
Long-Term Borrowings	997	1044	1098	1146	1199
Deferred Tax Liability	81	87	94	101	100
Trade Payables	612	658	703	755	807
Short-Term Provisions	303	326	347	382	401
Other Current Liabilities	249	273	285	288	299
Total Liabilities & Equity	6041	6599	7047	7594	8336
Fixed Assets	2596	2863	2882	2965	3012
Intangible Assets	152	169	181	192	199
Long-Term Investments	399	426	451	474	508
Inventories	1103	1161	1194	1297	1392
Trade Receivables	807	849	901	953	997
Cash and Bank Balance	708	738	922	1131	1321
Short-Term Loans & Advances	276	293	516	582	907
Total Assets	6041	6599	7047	7594	8336

Table 2: Profit and Loss Account of Flex Ltd (in ₹ Crore)

Particulars	2020–21	2021–22	2022–23	2023–24	2024–25
Revenue from Operations	7983	8477	8716	8913	10002
Other Income	104	119	132	143	149
Total Revenue	8087	8596	8848	9056	10151
Raw Materials Consumed	3197	3394	3497	3595	4007
Employee Benefit Expenses	942	996	1017	1047	1103
Power and Fuel	253	268	278	289	302
Selling and Distribution Expenses	402	418	448	469	503
Administrative Overheads	652	675	699	728	751
Depreciation	182	189	194	199	201
Finance Costs	118	127	134	141	150
Total Expenses	5746	6047	6267	6468	7017
Profit Before Tax	2341	2549	2581	2588	3134
Provision for Tax	698	749	768	782	943
Profit After Tax	1643	1800	1813	1806	2191