

# TO ANALYZE THE FINANCIAL PERFORMANCE OF TRIOS TECHNOLOGY PRIVATE LIMITED

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## Abstract

*The purpose of this study is to conduct a financial performance analysis of Trios Technology Private Limited. The objective of this study is to conduct an analysis of the profitability, liquidity, solvency, and efficiency of the firm. This study uses secondary data, and the financial data of the firm for five years was obtained from the firm's financial statements. The financial analysis techniques used for this analysis include ratio analysis, comparative balance sheet analysis, common size analysis, and trend analysis.*

## Introduction

Financial performance analysis is an important factor in assessing the financial condition and operational performance of an organization. Financial performance analysis helps us understand how efficiently an organization is making use of its financial resources to achieve profits and stability. Technology is one of the fastest-growing industries in the world. This industry is contributing greatly to the development of the world through technological innovations, digitalization, and information technology-enabled services. Financial performance analysis is widely used in this industry.

## Objectives of the Study

- To evaluate profitability using financial ratio
- To analyze liquidity and solvency position.
- To examine cost structure and expense pattern.
- To assess overall financial performance

## 2. Literature Review

Review of literature helps understand previous research related to financial performance analysis.

- **James C. Van Horne (2002)** emphasized financial statement analysis as a tool for evaluating profitability and efficiency.
- **Eugene F. Brigham & Joel F. Houston (2004)** stated financial analysis supports managerial decision-making.
- **I.M. Pandey (2010)** highlighted ratio and trend analysis as important financial evaluation tools.
- **Khan & Jain (2012)** discussed how comparative analysis and common size analysis enable us to determine strengths and weaknesses.
- **Chandra (2013)** highlighted the need for financial analysis to understand stability and growth.

## Research Gap

Most researchers concentrate on financial performance analysis, but there is insufficient research conducted that specifically analyzes the financial performance of Trios Technology Private Limited.

## 3. Research methodology

### Research Design

The research design chosen for the study is descriptive research design for analyzing the financial performance of the firm.. This type of research design is helpful in describing the financial performance of the organization, including its profitability, liquidity, and solvency positions using the historical financial data of the company. This research is based on the systematic analysis of the financial statements of the company to understand its operational efficiency.

### Sampling Technique

The study utilizes the non-probability sampling technique, and in this case, it is the purposive sampling technique in which the financial information of the selected company is used for in-depth financial performance analysis. The selected company for this study is Trios Technology Private Limited.

### Data Sources

#### Secondary Data

- Company's Annual Report
- Balance Sheet & Profit and Loss Account
- Financial Statement of the Company
- Books, journals, research articles, and websites related to financial analysis

### Sample Size

The sample size in this research paper consists of the last five years' financial statements of the company. These financial statements consist of balance sheet and profit and loss account, which are used in ratio, comparative, common size, and trend analysis.

### Period of Study

The study spans over five fiscal years, starting from 2018 to 2023, in order to determine the financial performance of Trios Technology Private Limited.

## 4. DATA ANALYSIS AND INTERPRETATION

### GROSS PROFIT RATIO

Year	Gross profit.	Net sales	GP/Net sales*100
2018-2019	62309.03	713262.28	8.74
2019-2020	64177.26	627308.67	10.23
2020-2021	136746.61	862995.08	15.85
2021-2022	164976.97	947596.46	17.41
2022-2023	336270.4	1627063.9	20.67

### Interpretation

The Gross Profit Ratio is rising from 8.74% during the year 2018-2019 to 20.67% during the year 2022-2023. This shows that the financial status of the organization has improved.

### NET PROFIT RATIO

Year	PAT	Sales	PAT/Sales*100
2018-2019	12243.13	713262.28	1.72
2019-2020	6371.19	627308.67	1.02
2020-2021	30288.82	862995.08	3.51
2021-2022	40004.62	947596.46	4.22
2022-2023	599696.81	1627063.9	3.67

### Interpretation

The Net Profit Ratio was exhibiting variations between 2018-2019 and 2022-2023.. After an initial decrease, the Net Profit Ratio improved in subsequent years, reflecting better profitability and control of expenses. Though there was a minor fall in 2022-2023, the performance of the company was better than in previous year.

### OPERATING RATIO

Year	Operating profit	Sales	Operating profit Ratio
2018-2019	24,923.61	7,13,262.28	3.49%
2019-2020	25,670.90	6,27,308.67	4.09%
2020-2021	54,698.64	8,62,995.08	6.33%
2021-2022	65,990.79	9,47,596.46	6.96%
2022-2023	1,34,508.16	16,27,063.90	8.27%

### Interpretation

The Operating Profit Ratio shows that the operating profit ratio is rising steadily from year to year, starting from 3.49 percent in fiscal year 2018-2019 to 8.27 percent in fiscal year 2022-2023.

## CURRENT RATIO

Year	Current Ratio	Current Liabilities	CA/CL
2018-2019	172673.84	64712.16	2.67
2019-2020	157667.36	71938.55	2.20
2020-2021	211078.23	119000.23	1.77
2021-2022	203573.14	115980.27	1.75
2022-2023	361170.40	208989.37	1.73

## Interpretation

The current ratio is experiencing a declining trend within the last few years between 2018-2019 up to 2022-2023. The current ratio of the company for the year 2018-2019 is 2.67, which implies that the company is well liquidated. This means the company had enough current assets to cover its short-term debts. Nevertheless, for 2019-2020, it dropped to 2.

## QUICK RATIO

Year	Quick Assets	Quick Liabilities	QA/QL
2018-2019	86710.09	64237.04	1.35
2019-2020.	81962.52	70512.39	1.16
2020-2021	90770.42	115805.58	0.78
2021-2022	83259.81	108930.29	0.70
2022-2023	119554.70	208989.37	0.57

## Interpretation:

It has been seen that the quick ratio of the company is declining every year between the period of 2018-2019 to 2022-2023. The quick ratio of the company in the period of 2018-2019 is 1.35, which can be considered satisfactory as the quick assets of the company are more than its liabilities.

## DEBT EQUITY RATIO

Year	Total Debt (₹ in '000)	Shareholders Equity (₹ in '000)	Debt–Equity Ratio
2018–19	115245.71	124845.62	0.92
2019–20	125793.1	105122.07	1.19
2020–21	197567.05	129528.04	1.52
2021–22	236530.82	161133.04	1.47
2022–23	250000	190000	1.32

**Interpretation:**

From the debt-equity ratio of the firm, it is evident that the company's debt-equity ratio is fluctuating during the period from 2018-2019 to 2022-2023. During the period 2018-2019, the company's debt-equity ratio stood at 0.92, which means the company is using slightly less debt compared to the equity contributed by its shareholders. During the period 2019-2020, the company.

**INTEREST COVERAGE RATIO**

Year	Operating Profit (₹ '000)	Interest Expense (₹ '000)	Interest Coverage Ratio
2018-19	24,923.61	8,500	2.93 Times
2019-20	25,670.90	9,200	2.79 Times
2020-21	54,698.64	12,500	4.37 Times
2021-22	65,990.79	14,200	4.65 Times
2022-23	1,34,508.16	18,000	7.47 Times

**Interpretation:**

The interest coverage ratio of the firm has an increasing trend from 2018-2019 to 2022-2023. This indicates that the company has improved in paying the interest on the debt. The interest coverage ratio in 2018-2019 was 2.93 times, which slightly decreased to 2.79 times in 2019-2020, indicating a decrease in the ability to pay interest.

**OPERATING COST**

Year	Net Sales	Operating Cost	Operating Cost Ratio (%)
2018-2019	713262.28	692953.25	97.15%
2019-2020	627308.67	603631.41	96.22%
2020-2021	862995.08	771248.47	89.37%
2021-2022	947596.46	829619.49	87.54%
2022-2023	1627063.9	1342793.5	82.53%

**Interpretation:**

The operating cost ratio of the firm has a declining trend from 2018-2019 to 2022-2023. In 2018-2019, the operating cost ratio was 97.15 percent, meaning that a huge amount of sales was being utilized to meet operating expenses. In 2019-2020, the operating cost ratio slightly decreased to 96.22 percent.

**EMPLOYER COST RATIO**

Year	Net Sales	Employee Cost	Employee Cost Ratio (%)
2018-2019	713262.28	42000	5.89%
2019-2020	627308.67	40500	6.46%
2020-2021	862995.08	47000	5.44%
2021-2022	947596.46	52000	5.49%
2022-2023	1627063.9	65000	3.99%

**Interpretation:**

The employee cost ratio of the firm indicates minor fluctuations in the ratio from 2018-19 to 2022-23. The employee cost ratio in 2018-19 was 5.89%. It increased to 6.46% in 2019-20, indicating a higher percentage of sales spent on employee costs. The ratio declined to 5.44% in 2020-21 and remained constant at 5.49% in 2021-22. In 2022-23, the ratio declined further to 3.99%, which is the lowest ratio in these years.

**ADMINISTRATIVE COST RATIO**

Year	Administrative Expenses (₹)	Net Sales (₹)	Administrative Expense Ratio (%)
2019	4,50,000	45,00,000	10.00%
2020	5,00,000	50,00,000	10.00%
2021	5,80,000	55,00,000	10.55%
2022	6,20,000	60,00,000	10.33%
2023	6,80,000	65,00,000	10.46%

**Interpretation:**

The administrative cost ratio fluctuates slightly, showing a consistent trend over a period of time. In 2019 and 2020, the company's administrative cost ratio is 10.00%, meaning that administrative expenses rise at a rate equal to net sales. In 2021, the company's administrative cost ratio rises slightly to 10.55%, meaning that administrative expenses rise at a slightly higher rate than net sales.

## 2. COMPARATIVE BALANCE SHEET

## COMPARATIVE BALANCE SHEET (2018- 2019 &amp; 2019- 2020)

PARTICULARS	2018- 2019	2019- 2020	Absolute Change	Change %
<b>SOURCES OF FUNDS</b>				
<b>1. Share Holders Funds</b>				
a. Capital	14900.33	14900.33	0.00	0.00
b. Reserves & Surplus	109945.32	90221.74	-19723.58	-17.94
	<b>124845.62</b>	<b>105122.07</b>	<b>-19723.55</b>	<b>-15.80</b>
<b>2. Loan Funds</b>				
a. Secured Loans	3267.56	3242.94	-24.62	-0.75
b. Unsecured Loans	111978.15	122550.16	10572.01	9.44
	<b>115245.71</b>	<b>125793.10</b>	<b>10547.39</b>	<b>9.15</b>
<b>3. Deferred Tax Liability (Net)</b>		<b>24913.43</b>	<b>24913.43</b>	
<b>TOTAL</b>	<b>240091.33</b>	<b>255828.60</b>	<b>15737.27</b>	<b>6.55</b>
<b>APPLICATION OF FUNDS</b>				
<b>1. Fixed Assets</b>				
a. Gross Block	205603.09	210721.86	5118.77	2.49
b. less: Depreciation & Amortisation	88542.73	96519.97	7977.24	9.01
c. Net Block	117060.36	114201.89	-2858.47	-2.44
d. Capital Work-in-progress	11732.05	50765.85	39033.80	332.71
	<b>128792.41</b>	<b>164967.74</b>	<b>36175.33</b>	<b>28.09</b>
2. Investments	1903.04	3161.73	1258.69	66.14
Interest Accrued on Investment		0.46	0.46	
<b>3. Current Assets, Loans &amp; Advances</b>				
a. Inventories	85818.49	75743.23	-10075.26	-11.74
b. Sundry Debtors	24179.85	36822.23	12642.38	52.28
c. Cash & Bank Balances	8737.72	16584.45	7846.73	89.80
d. Other CA - Interest accrued on investments / bank depreciation	1922.63	2055.45	132.82	6.91
e. Loans Advances	52015.15	26544.51	-25470.64	-48.97
	<b>172673.84</b>	<b>157749.87</b>	<b>-14923.97</b>	<b>-8.64</b>
<b>4. Less: Current Liabilities &amp; Provisions</b>				
a. Current Liabilities	56895.41	65253.84	8358.43	14.69
b. Provisions	7816.75	6729.3	-1087.45	-13.91
	<b>64712.16</b>	<b>71983.14</b>	<b>7270.98</b>	<b>11.24</b>
<b>5. Net Current Assets</b>	107961.68	85728.81	-22194.95	-20.56

<b>6. Miscellaneous Expenditure</b>	1434.20	1931.94	497.74	34.71
<b>TOTAL</b>	<b>240091.33</b>	<b>255828.60</b>	<b>15737.27</b>	<b>6.55</b>

Interpretation:

The comparative balance sheet presents a comparison of the financial position of the company over two years. The total funds have increased from ₹2,40,091.33 in 2018-19 to ₹2,55,828.60 in 2019-20, showing an increase of ₹15,737.27, or 6.55 percent. This represents an increase in the financial position of the company.

#### COMPARATIVE BALANCE SHEET (2019- 2020 & 2020- 2021)

<b>PARTICULARS</b>	<b>2018- 2019</b>	<b>2019- 2020</b>	<b>Absolute Change</b>	<b>Change %</b>
<b>SOURCES OF FUNDS</b>				
<b>1. Share Holders Funds</b>				
a. Capital	14900.33	14900.39	0.06	0.0004
b. Reserves & Surplus	90221.74	114627.65	24405.91	27.05
	<b>105122.07</b>	<b>129528.04</b>	<b>24405.97</b>	<b>23.22</b>
<b>2. Loan Funds</b>				
a. Secured Loans	3242.94	17500.00	14257.06	439.63
b. Unsecured Loans	122550.16	180067.05	57516.89	46.93
	<b>125793.10</b>	<b>197567.05</b>	<b>71773.95</b>	<b>57.06</b>
3. Deferred Tax Liability (Net)	<b>24913.43</b>	<b>27324.00</b>	<b>2410.57</b>	<b>9.68</b>
<b>TOTAL</b>	<b>255828.60</b>	<b>354419.09</b>	<b>98590.49</b>	<b>38.54</b>
<b>APPLICATION OF FUNDS</b>				
<b>1. Fixed Assets</b>				
a. Gross Block	210721.86	226518.6	15796.74	7.50
less: Depreciation & Amortisation	96519.97	106691.54	10171.57	10.54
Net Block	114201.89	119827.06	5625.17	4.93
d. Capital Work-in-progress	50765.85	139922.28	89156.43	175.62
	<b>164967.74</b>	<b>259749.34</b>	<b>94781.60</b>	<b>57.45</b>
<b>2. Investments</b>	<b>3161.73</b>	<b>2397.17</b>	<b>-764.56</b>	<b>-24.18</b>
Interest Accrued on Investment	<b>0.46</b>			
<b>3. Current Assets, Loans &amp; Advances</b>				
a. Inventories	75743.23	120307.81	44564.58	58.84
b. Sundry Debtors	36822.23	60991.45	24169.22	65.64
c. Cash & Bank Balances	16584.45	901.28	-15683.17	-94.57
d. Other CA - Int accrued on Inv	2055.45	10.41	-2045.04	-99.49
/Bk Dep	26544.51	28867.28	2322.77	8.75

e. Loans Advances	157749.87	211078.23	53328.36	33.81
<b>4. Less: Current Liabilities &amp; Provisions</b>				
a. Current Liabilities	65253.84	101381.83	36127.99	55.37
b. Provisions	6729.3	17618.4	10889.10	161.82
	<b>71983.14</b>	<b>119000.23</b>	<b>47017.09</b>	<b>65.32</b>
<b>5. Net Current Assets</b>	<b>85728.81</b>	<b>92078.00</b>	<b>6311.27</b>	<b>7.36</b>
<b>6. Miscellaneous Expenditure</b>	<b>1931.94</b>	<b>194.58</b>	<b>-1737.36</b>	<b>-89.93</b>
<b>TOTAL</b>	<b>255828.60</b>	<b>354419.09</b>	<b>98590.49</b>	<b>38.54</b>

Interpretation:

The comparative balance sheet analysis of the years 2019-2020 and 2020-2021, it can be concluded that there has been a significant increase in total assets and liabilities, reflecting the growth and expansion of the company. Shareholders' funds have increased due to higher reserves and profits earned during the year. The company has also increased its borrowings to fund its expansion activities. Investment in fixed assets and capital work-in-progress has increased, reflecting the development of business

#### COMPARATIVE BALANCE SHEET (2020- 2021 & 2021- 2022)

PARTICULARS	2020- 2021	2021-2022	Absolute change	Change %
<b>SOURCES OF FUNDS</b>				
<b>1. Share Holders Funds</b>				
a. Capital	14900.39	14900.46	0.07	0.0005
b. Reserves & Surplus	114627.65	146232.58	31604.93	27.57
	<b>129528.04</b>	<b>161133.04</b>	<b>31605.00</b>	<b>24.40</b>
<b>2. Loan Funds</b>				
a. Secured Loans	17500.00	94728.99	77228.99	441.31
b. Unsecured Loans	180067.05	141801.83	-38265.22	-21.25
	<b>197567.05</b>	<b>236530.82</b>	<b>38963.77</b>	<b>19.72</b>
<b>3. Deferred Tax Liability (Net)</b>	<b>27324.00</b>	<b>34635.60</b>	<b>7311.60</b>	<b>26.76</b>
<b>TOTAL</b>	<b>354419.09</b>	<b>432299.46</b>	<b>77880.37</b>	<b>21.97</b>
<b>APPLICATION OF FUNDS</b>				
<b>1. Fixed Assets</b>				
a. Gross Block	226518.6	375992.81	149474.21	65.99
b. less: Depreciation & Amortisation	106691.54	118919.56	12228.02	11.46
c. Net Block	119827.06	257073.25	137246.19	114.54

d. Capital Work-in-progress	139922.28	82319.11	-57603.17	-41.17
	<b>259749.34</b>	<b>339392.4</b>	<b>79643.02</b>	<b>30.66</b>
<b>2. Intangible Assets</b>		<b>3976.16</b>	<b>3976.16</b>	
<b>3. Investments</b>	<b>2397.17</b>	<b>1196.80</b>	<b>-1200.37</b>	<b>-50.07</b>
<b>4. Current Assets, Loans &amp; Advances</b>				
a. Inventories	120307.81	120313.33	5.52	0.00
b. Sundry Debtors	60991.45	52527.51	-8463.94	-13.88
c. Cash & Bank Balances	901.28	1242.89	341.61	37.90
d. Other CA - Interest accrued on investments / bank depreciation	10.41	16.51	6.10	58.60
e. Loans Advances	28867.28	29472.90	605.62	2.10
	<b>211078.23</b>	<b>203573.10</b>	<b>-7505.09</b>	<b>-3.56</b>
<b>5. Less: Current Liabilities &amp; Provisions</b>				
a. Current Liabilities	101381.83	105388.88	4007.05	3.95
b. Provisions	17618.4	10591.39	-7027.01	-39.88
	<b>119000.23</b>	<b>115980.3</b>	<b>-3019.96</b>	<b>-2.54</b>
<b>6. Net Current Assets</b>	<b>92078.00</b>	<b>87592.87</b>	<b>-4485.13</b>	<b>-4.87</b>
<b>7. Miscellaneous Expenditure</b>	<b>194.58</b>	<b>141.27</b>	<b>-53.31</b>	<b>-27.40</b>
<b>TOTAL</b>	<b>354419.09</b>	<b>432299.5</b>	<b>77880.37</b>	<b>21.97</b>

## Interpretation:

The comparative analysis of the balance sheet from 2020-2021 to 2021-2022 indicates that the financial situation of the organization has been favourable in the period under review. The total asset value rose, showing the expansion of the enterprise. The shareholders' equity became better as there was an improvement in the reserve and surplus, thereby affecting the net worth of the business. There was an increase in secured borrowing, whereas unsecured borrowing saw a small decline, showing that the organization prefers safe borrowing. The investment in fixed assets has also risen, which shows the expansion of the business.

**COMPARATIVE BALANCE SHEET (2021- 2022 & 2022- 2023)****COMPARATIVE BALANCE SHEET (2021- 2022 & 2022- 2023)**

PARTICULARS	2021- 2022	2022- 2023	Absolute change	Change %
<b>SOURCES OF FUNDS</b>				
1. Share Holders Fund				
a. Capital	14900.46	14900.46	0.00	0.00
b. Reserves & Surplus	146232.58	185533.23	39300.65	26.88

	<b>161133.04</b>	<b>201033.69</b>	<b>39300.65</b>	<b>24.39</b>
<b>2. Loan Funds</b>				
a. Secured Loans	94728.99	94344.07	-384.92	-0.41
b. Unsecured Loans	141801.83	145476.99	3675.16	2.59
	<b>236530.82</b>	<b>239821.06</b>	<b>3290.24</b>	<b>1.39</b>
<b>3 Deferred Tax Liability (Net)</b>	<b>34635.60</b>	<b>55082.27</b>	<b>20446.67</b>	<b>59.03</b>
<b>TOTAL</b>	<b>432299.46</b>	<b>495337.02</b>	<b>63037.56</b>	<b>14.58</b>
<b>1. APPLICATION - Fixed Assets</b>				
a. Gross Block	375992.81	470804.58	94811.77	25.22
b. Less: Depreciation & Amortisation	118919.56	138924.88	20005.32	16.82
c. Net Block	257073.25	331879.70	74806.45	29.10
d. Capital Work-in-progress	82319.11	4518.00	-77801.11	-94.51
	<b>339392.36</b>	<b>336397.70</b>	<b>-2994.66</b>	<b>-0.88</b>
<b>2. Intangible Assets</b>	<b>3976.16</b>	<b>5473.53</b>	<b>1497.37</b>	<b>-37.66</b>
<b>3. Investments</b>	<b>1196.80</b>	<b>1196.80</b>	<b>0</b>	<b>0</b>
<b>4. Current Assets, Loans &amp; Advances</b>				
a. Inventories	120313.33	241615.73	121302.40	100.82
b. Sundry Debtors	52527.51	89117.01	36589.50	69.66
c. Cash & bank balances	1242.89	970.11	-272.78	-21.95
d. Interest accrued on investments	16.51	3.65	-12.86	-77.89
e. Loans Advances	29472.90	29463.90	-9	-0.03
	<b>203573.14</b>	<b>361170.40</b>	<b>157597.26</b>	<b>77.42</b>
<b>5. Less: Current Liabilities &amp; Provisions</b>				
a. Current Liabilities	104460.68	185750.36	81289.68	77.82
b. Provisions	11519.59	23239.01	11719.42	101.73
	<b>115980.27</b>	<b>208989.37</b>	<b>93009.10</b>	<b>80.19</b>
<b>6. Net Current Assets</b>	<b>87592.87</b>	<b>152181.03</b>	<b>64588.16</b>	<b>73.74</b>
<b>7. Miscellaneous Expenditure</b>	<b>141.27</b>	<b>87.96</b>	<b>-53.31</b>	<b>-37.74</b>
<b>TOTAL</b>	<b>432299.46</b>	<b>495337.02</b>	<b>63037.56</b>	<b>14.58</b>

Interpretation:

The analysis of the comparative statement of financial position for the period from 2021-2022 to 2022-2023 reflects that there is an increase in the total amount of funds in the business, indicating growth in business operations. It is clear from the above

information that there has been a substantial rise in the shareholders' equity because of a rise in the amount of reserve and surplus. There has been a moderate rise in the borrowings, reflecting the efficient use of external sources in the business.

#### 4.COMMONSIZE BALANCE SHEET ANALYSIS:

##### COMMONSIZE BALANCE SHEET ANALYSIS

PARTICULARS	2018- 2019	2019- 2020	2020- 2021	2021- 2022	2022- 2023
<b>LIABILITIES</b>					
<b>a) Current Liabilities</b>					
Current Liabilities	18.7	19.9	21.4	19.2	26.37
Provisions	2.6	2.1	3.7	1.9	3.30
<b>Total</b>	<b>21.2</b>	<b>22</b>	<b>25.1</b>	<b>21.2</b>	<b>29.67</b>
<b>b) Shareholders Funds</b>					
Capital	4.9	4.5	3.1	2.7	2.12
Reserves & Surplus	36.1	27.5	24.2	26.7	26.34
<b>Total</b>	<b>41</b>	<b>32</b>	<b>27.4</b>	<b>29.4</b>	<b>28.46</b>
<b>c) Loan Funds</b>					
Secured Loans	1.1	1	3.7	17.3	13.39
Unsecured Loans	36.7	37.4	38	25.9	20.65
<b>Total</b>	<b>37.8</b>	<b>38.4</b>	<b>41.7</b>	<b>43.13</b>	<b>34.05</b>
d) Deferred Tax Liabilities	0	7.6	5.8	6.3	7.82
<b>Total Liabilities</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>ASSETS</b>					
a) Net Fixed Assets	42.3	50.3	54.9	62.6	48.54
b) Investments	0.6	1	0.5	0.2	0.17
<b>c) Current Assets</b>					
Inventories	28.2	23.1	25.4	21.9	34.30
Sundry Debtors	7.9	11.2	12.9	9.6	12.65
Cash & Bank Balances	2.9	5.1	0.2	0.2	0.14
Other CA	0.6	0.6	0	0	0
	17.1	8.1	6.1	5.4	4.18

Loans & Advances	<b>56.7</b>	<b>48.1</b>	<b>44.6</b>	<b>37.1</b>	<b>51.28</b>
<b>Total</b>					
d) Misc. Expenditure	0.5	0.6	0	0	0.01
<b>Total Assets</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Interpretation:

The Common Size Balance Sheet Method brings to light the composition of the assets and liabilities of the business for the time period under discussion. There is an increasing trend as far as the proportion of share capital is concerned. This indicates that there has been progress with respect to the strength of the equity position of the business. The proportion of borrowing has been substantial in the liabilities column of the balance sheet. This suggests the dependence of the company on external sources for raising finance. This brings out the investments made by the business in their long-term assets.

### 5.TREND ANALYSIS

PARTICULARS	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Sales	100	87.95	120.99	132.85	228.47
PBIT	100	77.8	213.211	221.97	390.94
Interest	100	97.44	81.13	35.6	119.17
Depreciation	100	77.45	99.99	115.12	205.21
Current Assets	100	87.4	117.01	112.85	205.21
Current Liabilities	100	99.32	164.3	160.13	288.54
Working Capital	100	79.41	85.29	81.13	140.96
Net Fixed Assets	100	97.46	102.36	220.37	288.19
Capital Employed	100	88.85	94.17	149.12	217.55
Net worth	100	83.61	104.8	130.45	162.34

Interpretation:

Trend analysis shows that there has been growth in the organization over time. There has been gradual growth in the areas of sales, assets, and funds for shareholders, which show growth in the activities of the organization. Growth in the profit level of

the organization is also shown due to good management of the costs and activities within the firm. The growth of fixed assets and working capital is balanced, showing good management of finances within the organization.

## 5. FINDINGS

- The company had consistent improvement in profitability.
- The operating efficiency had improved.
- The liquidity position had weakened.
- The debt management was balanced.
- The cost control led to better business performance.
- The assets and net worth had experienced rapid growth.

## 6. SUGGESTIONS

- Optimize working capital management.
- Sustain optimal liquidity.
- Avoid excessive borrowings.
- Conduct cash flow management.
- Promote operational efficiency initiatives.

## 7. CONCLUSION

Financial performance analysis shows that Trios Technology Private Limited has excellent financial health with consistent profitability improvement. Even with liquidity problems, the company has displayed effective operational efficiency and financial stability. Effective financial planning and liquidity management will improve future sustainability.8.

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