

Annexure “A”

A

Project Report On

To analyse the financial performance of selected companies using Ratio Analysis.

Special reference to Maruti Suzuki & Tata Motors.

For

MES IMCC MBA

Submitted By

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Under the Guidance of,

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Annexure “C”

Declaration

I Suraj R. More, of MBA-2: Seat No. 2019122 hereby declare that the Project work titled, “To analyse the financial performance of selected companies using Ratio Analysis. Special reference to Maruti Suzuki & Tata Motors.” Which has been submitted to University of Pune, is an original work of the undersigned and has not been reproduced from any other source? I further declare that the material obtained from other sources has been duly acknowledged in the report.

Date:

Signature:

Place:

Name:

Acknowledgement

In performing this project, we had to take the help and guideline of some respected persons, who deserve our greatest gratitude. The completion of this assignment gives us much Pleasure.

My special thanks & sincere gratitude goes to our guide for constant guidance & constructive criticism throughout the project.

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**To analyse the
financial
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1. Introduction

1.1 Introduction

In this project, I have selected two automobile companies namely Maruti Suzuki & Tata Motors. Both companies are leading car manufacturers in India. Comparative Analysis of both the companies is done using ratio analysis. In this comparative analysis, I mainly focused on liquidity ratios and profitability ratios.

The main objective of this project is to analyze the financial position of the selected automobile companies for last three years (2018-2020).

Under liquidity ratios, I have calculated current ratio, quick ratio & inventory turnover ratio.

Ratios like gross profit ratio, net profit ratio, return on capital employed, return on equity, earning per share, return on assets are calculated under profitability ratio.

The project is based on secondary data. I have referred different books, journals, research papers, annual reports & websites for data collection. Different research papers related to this topic are also mentioned in the literature review.

My project guide name is Prof. Dr. Girish A. Bodhankar. He helped me to choose the topic and objectives. Also, he gave suggestions and modifications & changes in the project are done as per his guidelines.

From this project, financial position is analysed by using different ratios. From the study, position of Maruti Suzuki & Tata Motors is ascertained. This project shows the change in profitability and liquidity.

Ratio analysis is a quantitative method of gaining insight into a company's liquidity, operational efficiency, and profitability by studying its financial statements such as the balance sheet and income statement. Ratio analysis is a cornerstone of fundamental equity analysis. Ratio analysis can mark how a company is performing over time, while comparing a company to another within the same industry or sector.

2. Industry & Company Profile

2.1 Introduction of Automobile Industry

With the increasing growth in demand on back of rising income, expanding middle class and young population base, large pool of skilled manpower and growing technology, India became the fifth largest auto market in 2019 with sales reaching to 3.81 million units.

India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India and major automobile players in the Indian market is expected to make India a leader in the two-wheeler and four-wheeler market in the world by 2020.

Car sales in India (domestic sales) has crossed 3 million sales milestone for the first time in a single calendar year in 2017 as the car makers in India sold a total of 32,29,109 units in the Indian domestic market reporting a growth of 8.85 percent over sales in 2016. Strong demand of SUVs in the UV space attracted the most growth in the passenger vehicle segment. Overall in 2017, over 21.68 lakh cars were sold at a growth of 5.13 percent and sales of Utility Vehicles (UVs) registered sales over 8.70 lakh units at a massive growth of 20.09 percent in 2017. Car manufacturers in India had sold over 20.62 lakh cars and 7.24 lakh UVs in 2016.

Compound Annual Growth Rate (CAGR) in passenger vehicles sales grew by 3 percent in 2017 when compared to 2016. Despite the shift to GST and addition of cess on SUVs and luxury cars by the GST Council, the automakers have managed to post decent growth in 2017. Many automakers do believe that impact of demonetization and GST did slow down the growth rate in 2017 which otherwise would have seen a double-digit growth.

Maruti Suzuki, Hyundai India, Mahindra & Mahindra, Tata Motors, Honda cars, Toyota, Renault, Ford India, Nissan, Volkswagen, Skoda India Auto, Kia Motors, Morris Garage (MG), Mitsubishi Motors are the top car makers in India. India's largest automaker Maruti Suzuki continues to dominate in India with a massive market share of 49.6 percent in the Indian passenger vehicle space. India's second largest automaker is Korea's Hyundai Motor India that crossed 5 lakh sales mark for the second time in a row.

Society of Indian Auto Mobile Manufacturers (SIAM) also confirms that Indian automakers are running at about 60-65 percent of its total production capacity and

exports are almost same as that of last years. For many automakers including Hyundai Motor India the focus to meet demands in Indian market has resulted in holding up in exports. Implementation of GST has also seen an adverse effect in car exports from India

Tata Motors is among the top four vehicle brands in India and its products include passenger vehicles, coaches, buses, trucks, commercial vehicles and cars. Tata Motors passenger cars division produces city cars, hatchback, compact sedan, Tata Safari SUV and multi utility vehicles

Mahindra & Mahindra is the largest manufacturer of tractors in India as well as in the world, also one of the largest vehicle manufacturers in the country with its major competitors Maruti Suzuki and Tata Motors. Mahindra Bolero, Mahindra Scorpio, Mahindra XUV500 and Mahindra Thar are the top flagship model of Mahindra in India.

Toyota Motor manufacture and sales of Toyota cars in India and one of the largest car maker in India with joint venture with the Kirloskar Group. Volkswagen India offers luxury segment midsize and small cars in India, operates from a manufacturing plant in Pune that producing 200,000 vehicles per annum.

Despite being new in the Indian automobile market, Kia Motors and Morris Garage (MG) are performing very well. Kia Motors has sold 1 million cars named Kia Seltos in just 11 months. Also, there is a huge demand for MG Hector in the market.

2.2. Maruti Suzuki

Maruti Suzuki India Limited, formerly known as Maruti Udyog Limited, is an automobile manufacturer in India. It is a 56.21% owned subsidiary of the Japanese car and motorcycle manufacturer Suzuki Motor Corporation. As of July 2018, it had a market share of 53% of the Indian passenger car market. Maruti Suzuki manufactures and sells popular cars such as the Ciaz, Ertiga, Wagon R, Alto K10 and Alto 800, Swift, Celerio, Swift Dzire, Baleno, Omni, Eeco, Ignis, S-Cross, Vitara Brezza and newly launched S-Presso small SUV. The company is headquartered at New Delhi. In May 2015, the company produced its fifteen millionth vehicle in India, a Swift Dzire.

Maruti Suzuki has 3598 sales outlets across 1,861 cities in India. The company aims to double its sales network to 4,000 outlets by 2020. It has 3,792 service stations across 1,861 cities throughout India. Maruti's dealership network is larger than that of enough known companies combined. Service is a major revenue generator of the company. Most of the service stations are managed on franchise basis, where Maruti Suzuki trains the local staff. Also, The Express Service stations exist, sending across their repair man to the vehicle if it is away from a normal service center.

In 2015, Maruti Suzuki launched NEXA, a new dealership network for its premium cars. Maruti currently sells the Baleno, S-Cross, XL6, Ciaz and Ignis through NEXA outlets. S-Cross was the first car to be sold through NEXA outlets. Several new models will be added to both channels as part of the company's medium-term goal of 2 million annual sales by 2020.

Maruti True service offered by Maruti Suzuki to its customers. It is a market place for used Maruti Suzuki Vehicles. One can buy, sell or exchange used Maruti or non-Maruti vehicles with the help of this service in India. As of 10 August 2017, there are 1,190 outlets across 936 cities.

As part of its corporate social responsibility Maruti Suzuki launched the Maruti Driving School in Delhi. Later the services were extended to other cities of India as well. These schools are modelled on international standards, where learners go through classroom and practical sessions. Many international practices like road behavior and attitudes are also taught in these schools. Before driving actual vehicles, participants are trained on simulators.

Company Profile of Maruti Suzuki

Formerly	Maruti Udyog Limited
Type	Public
Traded as	BSE: 532500 NSE: MARUTI BSE SENSEX Constituent NSE NIFTY 50 Constituent
Industry	Automotive
Founded	1981, 39 years ago
Founder	Government of India
Headquarters	New Delhi, India
Area served	India
Key People	R. C. Bhargava (Chairman) Kenichi Ayukawa (Managing Director & CEO)
Products	Automobiles
Production output	Increase 1,568,603 units (2019)
Revenue	Increase ₹886,301 million (US\$12 billion) (2019)
Operating income	Increase ₹106,238 million (US\$1.5 billion) (2019)
Net income	Increase ₹76,506 million (US\$1.1 billion) (2019)
Total assets	Increase ₹639,687 million (US\$9.0 billion) (2019)
Total equity	Increase ₹471,097 million (US\$6.6 billion) (2019)
Number of employees	40,000 (2019)
Parent	Suzuki Motor Corporation (56.21%) others (43.79%)
Website	www.marutisuzuki.com

2.2. Tata Motors

Tata Motors Limited, formerly Tata Engineering and Locomotive Company (TELCO), is an Indian multinational automotive manufacturing company headquartered in Mumbai, Maharashtra, India. It is a part of Tata Group, an Indian conglomerate. Its products include passenger cars, trucks, vans, coaches, buses, sports cars, construction equipment and military vehicles.

Tata Motors has auto manufacturing and assembly plants in Jamshedpur, Pantnagar, Lucknow, Sanand, Dharwad, and Pune in India, as well as in Argentina, South Africa, Great Britain, and Thailand. It has research and development centres in Pune, Jamshedpur, Lucknow, and Dharwad, India and South Korea, Great Britain, and Spain. Tata Motors' principal subsidiaries purchased the English premium car maker Jaguar Land Rover (the maker of Jaguar and Land Rover cars) and the South Korean commercial vehicle manufacturer Tata Daewoo. Tata Motors has a bus-manufacturing joint venture with Marcopolo S.A. (Tata Marcopolo), a construction-equipment manufacturing joint venture with Hitachi (Tata Hitachi Construction Machinery), and a joint venture with Fiat Chrysler which manufactures automotive components and Fiat Chrysler and Tata branded vehicles.

Founded in 1945 as a manufacturer of locomotives, the company manufactured its first commercial vehicle in 1954 in a collaboration with Daimler-Benz AG, which ended in 1969. Tata Motors entered the passenger vehicle market in 1988 with the launch of the TataMobile followed by the Tata Sierra in 1991, becoming the first Indian manufacturer to achieve the capability of developing a competitive indigenous automobile. In 1998, Tata launched the first fully indigenous Indian passenger car, the Indica, and in 2008 launched the Tata Nano, the world's cheapest car. Tata Motors acquired the South Korean truck manufacturer Daewoo Commercial Vehicles Company in 2004 and purchased Jaguar Land Rover from Ford in 2008.

Tata Motors is listed on the (BSE) Bombay Stock Exchange, where it is a constituent of the BSE SENSEX index, the National Stock Exchange of India, and the New York Stock Exchange. The company is ranked 265th on the Fortune Global 500 list of the world's biggest corporations as of 2019.

On 17 January 2017, Natarajan Chandrasekaran was appointed chairman of the company Tata Group. Tata Motors increases its UV market share to over 8% in FY2019.

Tata Motors Cars is a division of Tata Motors which produces passenger cars under the Tata Motors marque. Tata Motors is among the top four passenger vehicle brands in India with products in the compact, midsize car, and utility vehicle segments. The company's manufacturing base in India is spread across Jamshedpur (Jharkhand), Pune (Maharashtra), Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand), Dharwad (Karnataka) and Sanand (Gujarat). Tata's dealership, sales, service, and spare parts

network comprises over 3,500 touch points. Tata Motors has more than 250 dealerships in more than 195 cities across 27 states and four Union Territories of India. It has the third-largest sales and service network after Maruti Suzuki and Hyundai.

Tata Daewoo (officially Tata Daewoo Commercial Vehicle Company and formerly Daewoo Commercial Vehicle Company) is a commercial vehicle manufacturer headquartered in Gunsan, Jeollabuk-do South Korea, and a wholly owned subsidiary of Tata Motors. It is the second-largest heavy commercial vehicle manufacturer in South Korea and was acquired by Tata Motors in 2004.

Tata Hispano Motors Carrocera, S.A. was a bus and coach manufacturer based in Zaragoza, Aragon, Spain, and a wholly owned subsidiary of Tata Motors. Tata Hispano has plants in Zaragoza, Spain, and Casablanca, Morocco. Tata Motors first acquired a 21% stake in Hispano Carrocera SA in 2005, and purchased the remaining 79% for an undisclosed sum in 2009, making it a fully owned subsidiary, subsequently renamed Tata Hispano. In 2013, Tata Hispano ceased production at its Zaragoza plant.

Jaguar Land Rover PLC is a British premium automaker headquartered in Whitley, Coventry, United Kingdom, and has been a wholly owned subsidiary of Tata Motors since June 2008, when it was acquired from Ford Motor Company of USA. Its principal activity is the development, manufacture and sale of Jaguar luxury and sports cars and Land Rover premium four-wheel-drive vehicles.

TML Drivelines Ltd. is a wholly owned subsidiary of Tata Motors engaged in the manufacture of gearboxes and axles for heavy and medium commercial vehicles. It has production facilities at Jamshedpur and Lucknow. TML Forge division is also a recent acquisition of TML Drivelines. TML Drivelines was formed through the merger of HV Transmission and HV Axles.

Tata Technologies Limited (TTL) is a 43%-owned subsidiary of Tata Motors which provides design, engineering, and business process outsourcing services to the automotive industry. It is headquartered in Pune's Hinjewadi business district and also has operations in London, Detroit and Thailand. Its clients include Ford, General Motors, Honda, and Toyota.

The Tata Motors European Technical Centre (TMETC) is an automotive design, engineering, and research company based at Warwick Manufacturing Group

(WMG) on the campus of the University of Warwick in Great Britain. It was established in 2005 and is a wholly owned subsidiary of Tata Motors. It was the joint developer of the World Truck.

Company Profile of Tata Motors

Formerly	Tata Engineering and Locomotive Company Ltd. (TELCO) founded by J. R. D. TATA
Type	Public
Traded as	BSE:500570 NSE: TATAMOTORS NYSE: TTM BSE SENSEX Constituent NSE NIFTY 50 Constituent
Industry	Automotive
Founder	Tata Family
Founded	1945; 75 years ago,
Headquarters	Mumbai, Maharashtra, India
Area served	Worldwide
Key People	Natarajan Chandrasekaran (chairman) Guenter Butschek (CEO)
Products	Automobiles Sport cars Commercial Vehicles Coaches Buses Construction Equipment Military Vehicles Automotive Parts
services	Automotive Design Engineering and outsourcing services Vehicle leasing Vehicle servicing
revenue	Increase ₹301,938 crore (US\$42 billion) (2019)
Operating income	Increase ₹29,794 crore (US\$4.2 billion) (2019)
Net income	Decrease ₹-28,724 crore (US\$-4.0 billion) (2019)
Total Assets	Increase ₹307,194 crore (US\$43 billion) (2019)
Total Equity	Increase ₹60,702 crore (US\$8.5 billion) (2019)
Number of Employees	82,797 (2019)

Parent	Tata Group
Divisions	Tata motors cars
Subsidiaries	Jaguar Land Rover Tata Daewoo Tata Technologies Tata Hispano
website	www.tatamotors.com

3. Literature Review

3. Literature Review

Some important research works undertaken in recent years which are very closely connected with the present study are reviewed.

1. Hotwani Rakhi, (2013), “To examine the profitability position and growth of company in light of sales and profitability of Tata Motors.”

Abstract: In this research, the author examines the profitability position and growth of company in light of sales and profitability of Tata Motors for past ten years. Data is analyzed through ratios, standard deviations and coefficient of variance. The study reveals that there not exists a strong relationship between sales & profitability of company.

2. Daniel A. Moses Joshunar, (2013), “To identify the financial strength and weakness of the Tata motors Ltd. using past 5 year financial statements.”

Abstract: The study has been conducted to identify the financial strength and weakness of the Tata motors Ltd. using past 5 year financial statements. Trend analysis & ratio analysis used to comment of financial status of company. Financial performance of company is satisfactory and also suggested to increase the loan levels of company for the better performance.

3: Mathur Shivam & Agarwal Krati, (2016), “Ratio Analysis of Maruti Suzuki Limited and Tata Motors to help the investors to invest the right company for expected profits.”

Abstract: Ratios are an excellent and scientific way to analyze the financial performance of any firm. The company has received many awards and achievements due to its new innovations and technological advancement.

These indicators help the investors to invest the right company for expected profits. The study shows that Maruti Suzuki limited is better than Tata motors limited.

4. Agarwal Nidhi, (2015), “the study the comparative financial performance of Maruti Suzuki and Tata motors ltd.”

Abstract: The study focuses on the comparative financial performance of Maruti Suzuki and Tata motors ltd. The financial data and information required for the study is drawn from the various annual reports of companies. The liquidity and leverage analysis of both the firms is done. To analyze the leverage position four ratios are considered namely, capital gearing, debt-equity, total debt and proprietary ratio. The result shows that Tata motors ltd has to increase the portion of proprietor’s fund in business to improve long term solvency position.

5. Surekha B. & Krishnah K. Rama, (2015), “To study the prosperity of Tata Motors using Ratio Analysis.”

Abstract: This study reveals the prosperity of Tata motors company. It can be concluded that inner strength of company is remarkable.

Company can further improve its profitability by optimum capital gearing, reduction in administration and financial expenses for the growth of company.

6. Jothi K. & Kalaivani P., (2015), “Study of comparative performance of Honda Motors and Toyota Motors using Ratio Analysis.”

Abstract: Honda Motors and Toyota Motor that both companies have satisfactory short term liquidity position. As for as cash ratio concerned Honda company has upper hand upper hand in sound cash management practice during the study period.

In case of profitability it is rising from the both of companies but remained much higher earning potential in Honda motor ltd.

7. Ravichandran, M. & Subramaniam M Venkata, (2016), “study of assessment of viability, stability and profitability of Force motors limited.”

Abstract: The main idea behind this study is to assessment of viability, stability and profitability of Force motors limited.

Operating position of the company can be measured by using various financial tools such as profitability ratio, solvency ratio, comparative statement & graphs etc. This study finds that company has got enough funds to meet its debts & liabilities. Company can further improve financial performance by reducing the administrative, selling & operating expenses.

8. Sharma Nishi, (2011), “Study of financial performance of passenger and commercial vehicle segment of the automobile industry in the terms of four financial parameters namely liquidity, profitability, leverage and managerial efficiency analysis.”

Abstract: In this research, the author studied the financial performance of passenger and commercial vehicle segment of the automobile industry in the terms of four financial parameters

namely liquidity, profitability, leverage and managerial efficiency analysis for the period of decade from 2001-02 to 2010-11. The study concludes that profitability and managerial efficiency of Tata motors as well as Mahindra & Mahindra ltd are satisfactory but their liquidity position is not satisfactory. The liquidity position of commercial vehicle is much better than passenger vehicle segment.

9 Mistry Dharmendra S., (2012),. “A study to analyze the effect of various determinants on the profitability of the selected companies.”

Abstract: The study is done analyze the effect of various determinants on the profitability of the selected companies. It concluded that debt equity ratio, inventory ratio, total assets were important determinants which effect positive or negative effect on the profitability. It suggested to improve solvency as to reduce fixed financial burden on the company profit & give the benefit of trading on equity to the shareholders.

4. Research Methodology

4. Research Methodology

4.1. What is Research Methodology?

Research methodology is the specific procedures or techniques used to identify, select, process, and analyze information about a topic. In a research paper, the methodology section allows the reader to critically evaluate a study's overall validity and reliability. The methodology section answers two main questions: How was the data collected or generated & How was it analyzed.

The study of research methods gives training to apply them to a problem. The study of research methodology provides us the necessary training in choosing methods, materials, scientific tools and training in techniques relevant for the problem chosen.

4.2. Source of Data:

The study is based on secondary data. Data regarding industries is collected from the annual report of selected industries with the help of websites, books, journals.

4.3. Objectives:

1. To understand the concept profitability and liquidity.
2. To analyse the financial performance of the selected automobile companies.

4.4. Scope:

1. Financial statement analysis is used to identify the trends and relationships between financial statement items.
2. Both internal management and external users (such as analysts, creditors, and investors) of the financial statements need to evaluate a company's profitability, liquidity, and solvency.
3. The most common methods used for financial statement analysis are trend analysis, common-size statements, and ratio analysis.
4. These methods include calculations and comparisons of the results to historical company data, competitors.

4.5. Limitations:

1. For data analysis and interpretation of Tata Motors, the data is taken from standalone balance sheet and not from the consolidated one.
2. The study is based on secondary data which is taken from published annual reports of selected companies. i.e. Maruti Suzuki & Tata Motors.
3. The ratio is calculated from past financial statements and these are not indicators of future.
4. The study is limited only for 3 financial years.

4.6. Sample Size:

Two industries are taken into consideration. Those are as follows:

1.	Tata Motors
2.	Maruti Suzuki Limited

4.7. Duration of Study:

For the purpose of analysis of industries period taken is:

2017-18

2018-19

2019-20

4.8. Tools for Analysing Data:

A) Statistical Tools:

Tools which are used are liquidity, profitability ratios.

A.Liquidity Ratios:

Liquidity ratios are the ratios that measure the ability of a company to meet its short term debt obligations. These ratios measure the ability of a company to pay off its short-term liabilities when they fall due.

The liquidity ratios are a result of dividing cash and other liquid assets by the short term borrowings and current liabilities. They show the number of times the short term debt obligations are covered by the cash and liquid assets. If the value is greater than 1, it means the short term obligations are fully covered.

Generally, the higher the liquidity ratios are, the higher the margin of safety that the company possesses to meet its current liabilities. Liquidity ratios greater than 1 indicate that the company is in good financial health and it is less likely fall into financial difficulties.

A company must possess the ability to release cash from cash cycle to meet its financial obligations when the creditors seek payment. In other words, a company should possess the ability to translate its short term assets into cash. The liquidity ratios attempt to measure this ability of a company.

1. Current Ratio

The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. It tells investors and analysts how a company can maximize the current assets on its balance sheet to satisfy its current debt and other payables.

The current ratio compares all of a company's current assets to its current liabilities. These are usually defined as assets that are cash or will be turned into cash in a year or less, and liabilities that will be paid in a year or less.

The current ratio is sometimes referred to as the "working capital" ratio and helps investors understand more about a company's ability to cover its short-term debt with its current assets.

Weaknesses of the current ratio include the difficulty of comparing the measure across industry groups, overgeneralization of the specific asset and liability balances, and the lack of trending information.

A good current ratio is between 1.2 to 2, which means that the business has 2 times more current assets than liabilities to covers its debts. A current ratio below 1 means that the company doesn't have enough liquid assets to cover its short-term liabilities

2. Quick Ratio/Acid Test Ratio/Liquid Ratio

The quick ratio is an indicator of a company's short-term liquidity position and measures a company's ability to meet its short-term obligations with its most liquid assets. Since it indicates the company's ability to instantly use its near-cash assets (assets that can be converted quickly to cash) to pay down its current liabilities, it is also called the acid test ratio. An acid test is a quick test designed to produce instant results, hence, the name.

The quick ratio indicates a company's capacity to pay its current liabilities without needing to sell its inventory or get additional financing.

The quick ratio is considered a more conservative measure than the current ratio, which includes all current assets as coverage for current liabilities.

The higher the ratio result, the better a company's liquidity and financial health; the lower the ratio, the more likely the company will struggle with paying debts.

Generally, the acid test ratio should be 1:1 or higher; however, this varies widely by industry. In general, the higher the ratio, the greater the company's liquidity (i.e., the better able to meet current obligations using liquid assets).

3. Inventory Turnover Ratio

Inventory turnover is a ratio showing how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand. Calculating inventory turnover can help businesses make better decisions on pricing, manufacturing, marketing and purchasing new inventory.

Inventory turnover measures how fast a company sells inventory and how analysts compare it to industry averages. A low turnover implies weak sales and possibly excess inventory, also known as overstocking. It may indicate a problem with the goods being offered for sale or be a result of too little marketing.

A high ratio implies either strong sales or insufficient inventory. The former is desirable while the latter could lead to lost business. Sometimes a low inventory turnover rate is a good thing, such as when prices are expected to rise (inventory pre-positioned to meet fast-rising demand) or when shortages are anticipated.

The speed at which a company can sell inventory is a critical measure of business performance. Retailers that move inventory out faster tend to outperform. The longer an

item is held, the higher its holding cost will be, and the fewer reasons consumers will have to return to the shop for new items.

B. Profitability Ratios:

Profitability ratios are a class of financial metrics that are used to assess a business's ability to generate earnings relative to its revenue, operating costs, balance sheet assets, or shareholders' equity over time, using data from a specific point in time.

Profitability ratios show how efficiently a company generates profit and value for shareholders. Higher ratio results are often more favorable, but ratios provide much more information when compared to results of similar companies, the company's own historical performance, or the industry average.

Every firm is most concerned with its profitability. One of the most frequently used tools of financial ratio analysis is profitability ratios. They are used to determine the company's bottom line for its managers and its return on equity to its investors. Profitability measures are important to company managers and owners alike. Management has to have a measure of profitability in order to steer the business in the right direction. If a business has outside investors who have purchased stock in the company, the company management has to show profitability to those equity investors.

1. Gross Profit Ratio

Gross profit ratio (GP ratio) is a profitability ratio that shows the relationship between gross profit and total net sales revenue. It is a popular tool to evaluate the operational performance of the business. The ratio is computed by dividing the gross profit figure by net sales.

Gross profit is very important for any business. It should be sufficient to cover all expenses and provide for profit. There is no norm or standard to interpret gross profit ratio (GP ratio). Generally, a higher ratio is considered better.

The ratio can be used to test the business condition by comparing it with past years' ratio and with the ratio of other companies in the industry. A consistent improvement in gross profit ratio over the past years is the indication of continuous improvement. When the ratio is compared with that of others in the industry, the analyst must see whether they use the same accounting systems and practices.

2. Net Profit Ratio

The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized. As such, it is one of the best measures of the overall results of a firm, especially when combined with an

evaluation of how well it is using its working capital. The measure is commonly reported on a trend line, to judge performance over time. It is also used to compare the results of a business with its competitors.

Net profit is not an indicator of cash flows, since net profit incorporates a number of non-cash expenses, such as accrued expenses, amortization, and depreciation.

Net profit (NP) ratio is a useful tool to measure the overall profitability of the business. A high ratio indicates the efficient management of the affairs of business.

There is no norm to interpret this ratio. To see whether the business is constantly improving its profitability or not, the analyst should compare the ratio with the previous years' ratio, the industry's average and the budgeted net profit ratio.

The use of net profit ratio in conjunction with the assets turnover ratio helps in ascertaining how profitably the assets have been used during the period.

3. Return on Capital Employed

Return on capital employed (ROCE) is a financial ratio that can be used in assessing a company's profitability and capital efficiency. In other words, the ratio can help to understand how well a company is generating profits from its capital. The ROCE ratio is one of several profitability ratios financial managers, stakeholders, and potential investors may use when analyzing a company for investment.

Return on capital employed is a financial ratio that measures a company's profitability in terms of all of its capital.

Many companies may calculate the following key return ratios in their performance analysis: return on equity (ROE), return on assets (ROA), return on invested capital (ROIC), and return on capital employed. ROCE is one of several profitability ratios that can be used when analyzing a company's financials for profitability performance.

4. Return on Equity

Return on equity (ROE) is a measure of financial performance calculated by dividing net income by shareholders' equity. Because shareholders' equity is equal to a company's assets minus its debt, ROE is considered the return on net assets. ROE is considered a measure of how effectively management is using a company's assets to create profits.

Whether an ROE is considered satisfactory will depend on what is normal for the industry or company peers. ROE provides a simple metric for evaluating investment returns. By comparing a company's ROE to the industry's average, something may be pinpointed about the company's competitive advantage. ROE may also provide

insight into how the company management is using financing from equity to grow the business.

A sustainable and increasing ROE over time can mean a company is good at generating shareholder value because it knows how to reinvest its earnings wisely, so as to increase productivity and profits. In contrast, a declining ROE can mean that management is making poor decisions on reinvesting capital in unproductive assets.

5. Earning Per Share

Earnings per share (EPS) are calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability. It is common for a company to report EPS that is adjusted for extraordinary items and potential share dilution. The higher a company's EPS, the more profitable it is considered.

Earnings per share (EPS) are a company's net profit divided by the number of common shares it has outstanding. EPS indicates how much money a company makes for each share of its stock and is a widely used metric for corporate profits. A higher EPS indicates more value because investors will pay more for a company with higher profits.

EPS is one of the many indicators you could use to pick stocks. If you have an interest in stock trading or investing, your next step is to choose a broker that works for your investment style.

Comparing EPS in absolute terms may not have much meaning to investors because ordinary shareholders do not have direct access to the earnings. Instead, investors will compare EPS with the share price of the stock to determine the value of earnings and how investors feel about future growth.

6. Return on Assets

Return on assets (ROA) is an indicator of how profitable a company is relative to its total assets. ROA gives a manager, investor, or analyst an idea as to how efficient a company's management is at using its assets to generate earnings. Return on assets is displayed as a percentage.

Return on Assets (ROA) is an indicator of how well a company utilizes its assets, by determining how profitable a company is relative to its total assets. ROA is best used when comparing similar companies or comparing a company to its previous performance.

Return on assets (ROA), in basic terms, tells you what earnings were generated from invested capital (assets). ROA for public companies can vary substantially and will be highly dependent on the industry. This is why when using ROA as a comparative measure, it is best to compare it against a company's previous ROA numbers or against a similar company's ROA.

The ROA figure gives investors an idea of how effective the company is in converting the money it invests into net income. The higher the ROA number, the better, because the company is earning more money on less investment.

B) Presentation:

Graph, table

5.Data Analysis & Interpretation

5. Data Analysis & Interpretation

Ratio Analysis

Ratio analysis is a widely used tool of financial analysis. It is defined as the systematic use of ratio to interpret the financial statements so that the strength and weaknesses of a firm as well as its historical performance and current financial condition can be determined. The term ratio refers to the numerical or quantitative relationship between two variables.

Significance of ratio analysis

- 1.** Ratio Analysis helps in evaluating the firm's performance: With the help of ratio analysis conclusion can be drawn regarding several aspects such as financial health, profitability and operational efficiency of the undertaking.
- 2.** Ratio points out the operating efficiency of the firm i.e. whether the management has utilized the firm's assets correctly, to increase the investor's wealth.
- 3.** It helps in inter-firm comparison: Ratio analysis helps in inter-firm comparison by providing necessary data. An interfirm comparison indicates relative position. It provides the relevant data for the comparison of the performance of different departments. If comparison shows a variance, the possible reasons of variations may be identified and if results are negative.
- 4.** It simplifies financial statement: The ratio analysis is one of the tools in the hands of those who want to know something more from the financial statements in the simplified manner.

Liquidity Ratio

These ratios measure the ability of a company to pay off its short-term liabilities when they fall due. The higher the liquidity ratios are, the higher the margin of safety that the company possesses to meet its current liabilities.

1. Current Ratio: The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. The current ratio compares all of a company's current assets to its current liabilities.

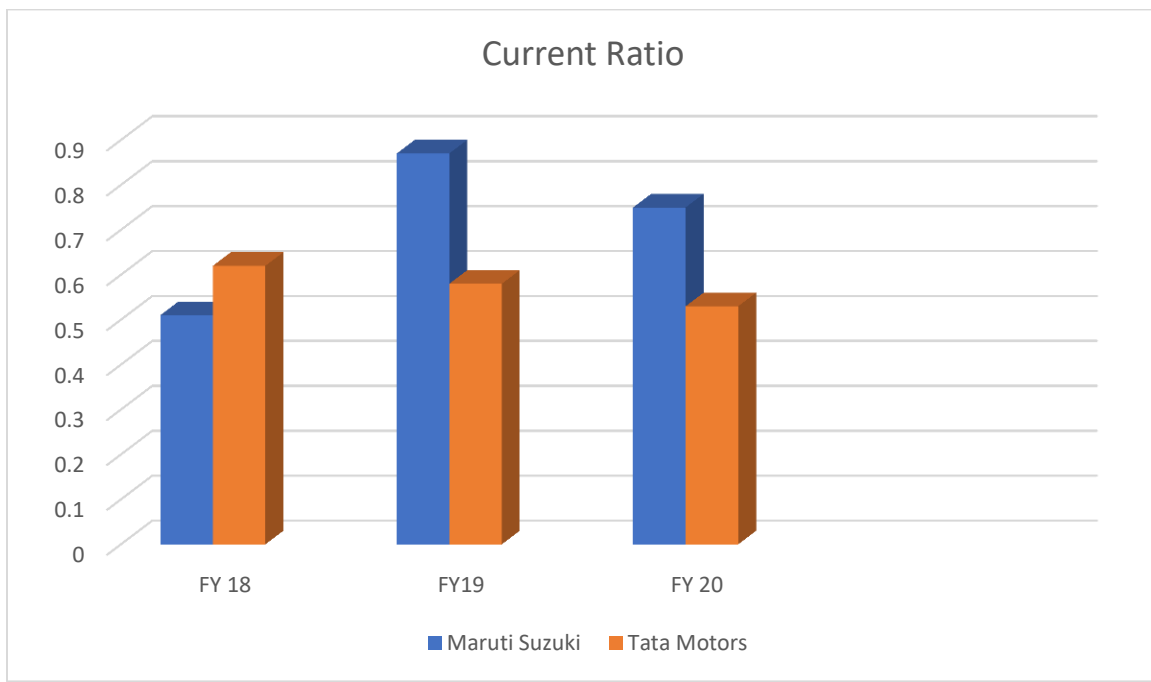
Formula: $\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$

Current Ratio

Companies/Year	FY-18	FY-19	FY-20
Maruti Suzuki	0.51	0.87	0.75
Tata Motors	0.62	0.58	0.53

Table No.1

Graph



Graph No.1: Current Ratio

Interpretation

The current ratio of Maruti Suzuki was 0.51 in FY-18. In FY-19, it increased to 0.87 and in FY-20, it decreased to 0.75. It shows that the company is not efficiently using current assets and facing problem while paying its short term obligations.

The current ratio of Tata Motors was 0.62 in FY-18. In FY-19, it decreased to 0.58. In FY-20, it became 0.53. From this above data, we can see that Tata Motors is unable to pay its short term obligations.

2. Liquid Ratio/ Quick Ratio/ Acid Test Ratio:

The quick ratio is an indicator of a company's short-term liquidity position and measures a company's ability to meet its short-term obligations with its most liquid assets.

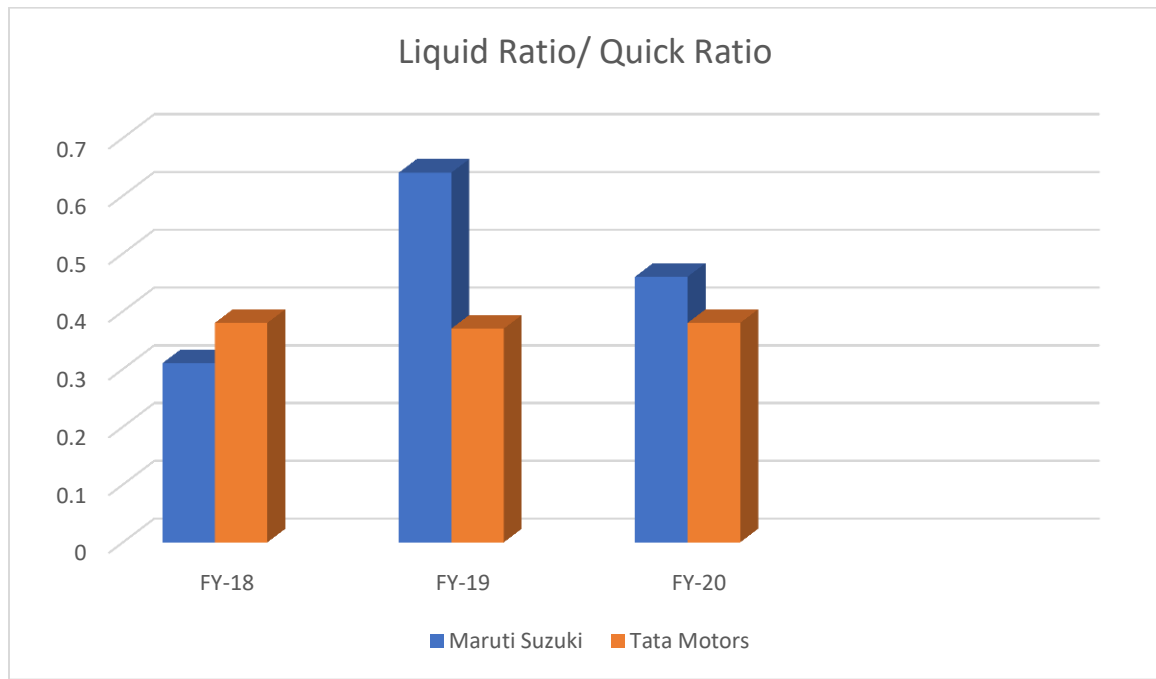
$$\text{Formula: Quick Ratio/Liquid Ratio} = \frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$$

Liquid Ratio/Quick Ratio

Particulars/Year	FY-18	FY-19	FY-20
Maruti Suzuki	0.31	0.64	0.46
Tata Motors	0.38	0.37	0.38

Table No.2

Graph



Graph No.2: Quick Ratio/Liquid Ratio

Interpretation

In FY-18, the liquid ratio of Maruti Suzuki was 0.31. In FY-19, this ratio increased to 0.64. But, in FY-20, it again decreased to 0.46. This shows that the company is facing problems to meet its current obligations.

The liquid ratio of Tata Motors was 0.38 in FY-18. It decreased to 0.37 in FY-19 and it again changes to 0.38 in FY-20.

From these calculations, Tata Motors has less liquidity than Maruti Suzuki.

3. Inventory Turnover Ratio: Inventory turnover is a ratio showing how many times a company has sold and replaced inventory during a given period. Profitability ratios show how efficiently a company generates profit and value for shareholders.

Formula: Inventory Turnover Ratio= $\frac{\text{Cost of goods sold}}{\text{Average Inventory}}$

Where, Cost of goods sold= sales – gross profit

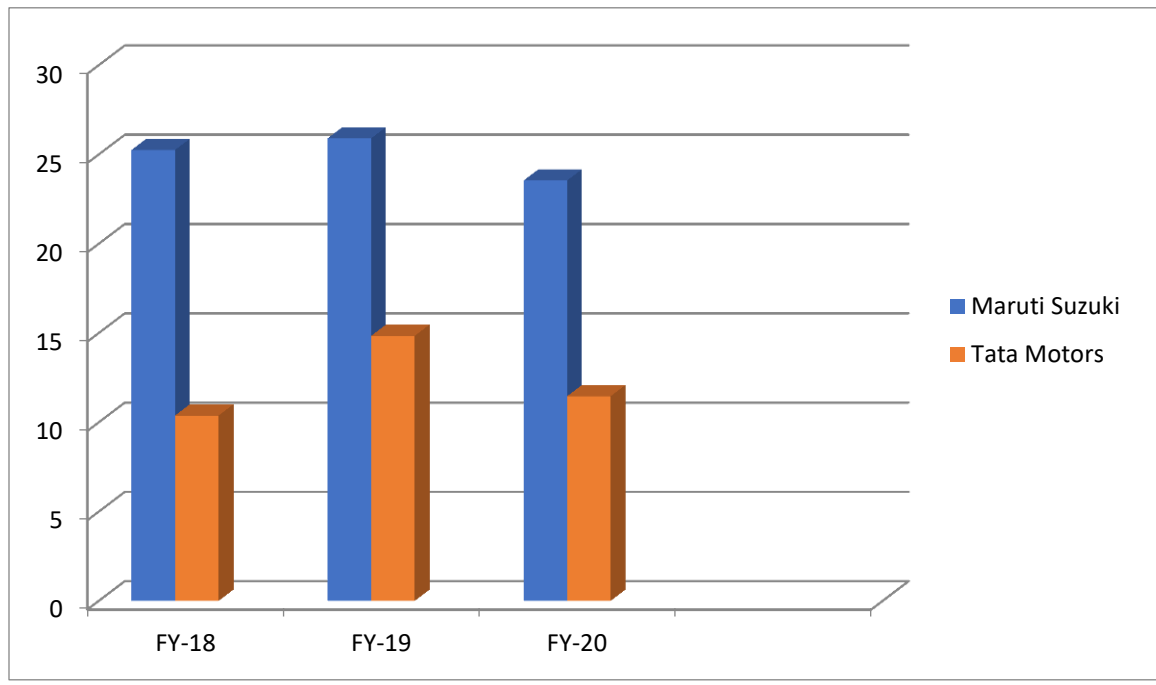
Average inventory= $\frac{\text{opening stock} + \text{closing stock}}{2}$

Inventory Turnover Ratio

Particulars/Year	FY-18	FY-19	FY-20
Maruti Suzuki	25.25	25.90	23.54
Tata Motors	10.38	14.84	11.46

Table No.3

Graph



Graph No.3: Inventory Turnover Ratio

Interpretation:

The inventory turnover ratio of Maruti Suzuki was 25.25 in FY-18. It increased to 25.90 in FY-19. In FY-20, it plunged to 23.54.

The inventory turnover ratio of Tata Motors was 10.38 in FY-18, 14.84 in FY-19 & 11.46 in FY-20. The inventory turnover ratios of both the companies are fluctuating but the inventory turnover ratio of Maruti Suzuki is more than Tata Motors. A high inventory turnover ratio indicates strong sales and from the above calculations, we can say that Maruti Suzuki is performing better than Tata Motors.

Profitability Ratio: Profitability ratios show how efficiently a company generates profit and value for shareholders. Profitability ratios are a class of financial metrics that are used to assess a business's ability to generate earnings relative to its revenue, operating costs, balance sheet assets, or shareholders' equity over time, using data from a specific point in time.

1. Gross Profit Ratio:

Gross profit is very important for any business. It should be sufficient to cover all expenses and provide for profit. Gross profit ratio (GP ratio) is a profitability ratio that shows the relationship between gross profit and total net sales revenue.

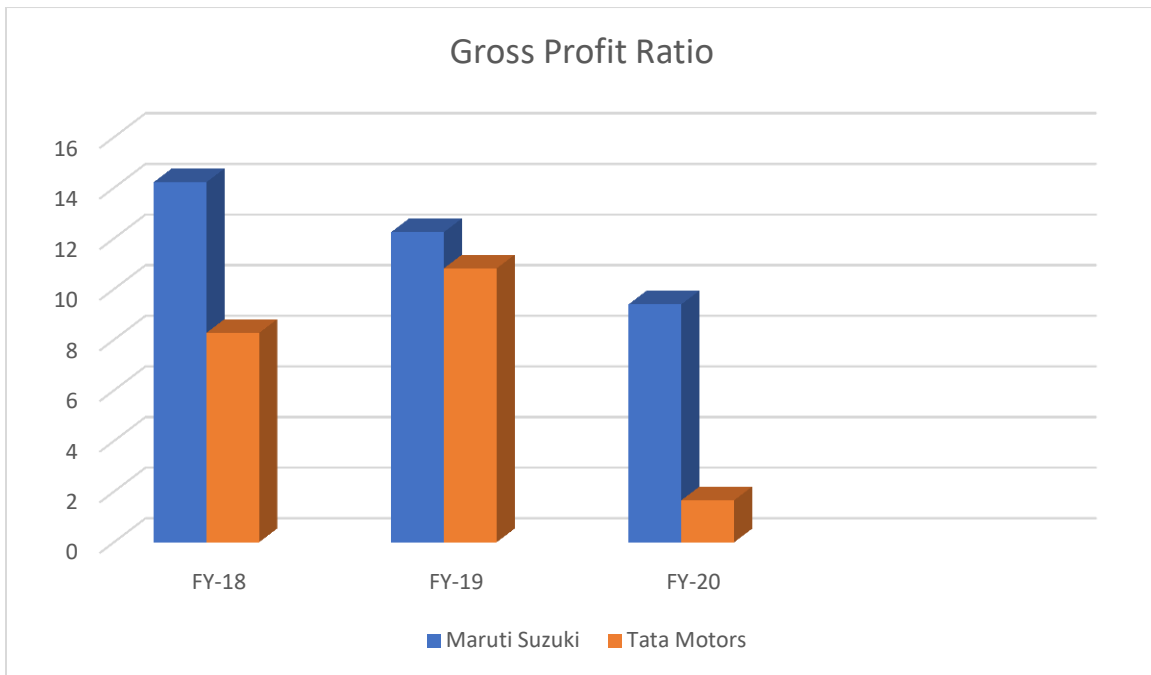
Formula:
$$\text{Gross Profit Ratio} = \frac{\text{Gross Profit}}{\text{Net Sales}} \times 100$$

Gross Profit Ratio

Particulars/Year	FY-18	FY-19	FY-20
Maruti Suzuki	14.22%	12.25%	9.40%
Tata Motors	8.27%	10.82%	1.66%

Table No.4

Graph



Graph No.4: Gross Profit Ratio

Interpretation

The Gross Profit of Maruti Suzuki was 14.22% in FY-18. In FY-19, it reduced to 12.25% and in FY-20, it again reduced to 9.40%. The Gross Profit Ratio of Maruti Suzuki is continuously decreasing every year.

The Gross Profit of Tata Motors was 8.27% in FY-18. It increased to 10.82% in FY-19. In FY-20, the gross profit reduced to 1.66%. Like Maruti Suzuki, the Gross Profit of Tata Motors is also decreasing. It shows that the operational performance of both the companies is not satisfactory.

2. Net Profit Ratio:

The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized.

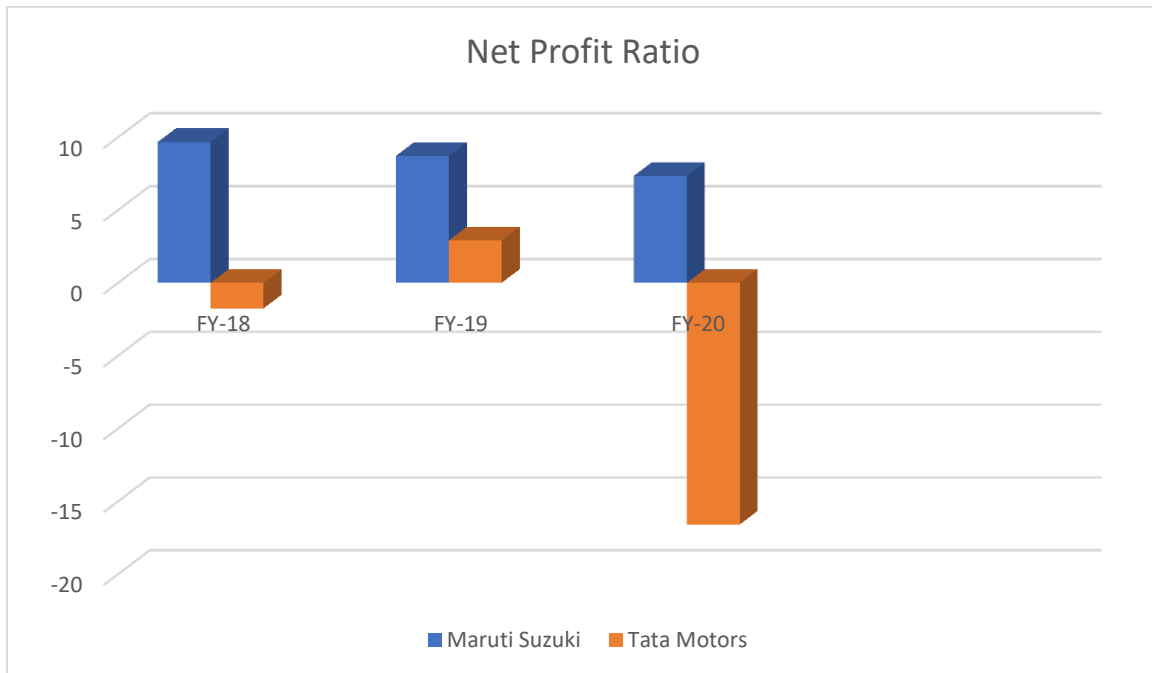
$$\text{Formula: Net Profit Ratio} = \frac{\text{Net Profit}}{\text{Net Sales}} \times 100$$

Net Profit Ratio

Particulars/Years	FY-18	FY-19	FY-20
Maruti Suzuki	9.67%	8.71%	7.35%
Tata Motors	-1.75%	2.91%	-16.59%

Table No.5

Graph



Graph No.5: Net Profit Ratio

Interpretation

The Net profit of Maruti Suzuki was 9.67% in FY-18. In FY-19, it reduced to 8.71% and in FY-20, it again reduced to 7.35%. The net profit of Maruti Suzuki is decreasing every year. It shows that, the company is not in a profitable condition.

The net profit of Tata Motors was negative i.e.-1.75% in FY-18. In FY-19, it became 2.91%. In FY-20, the net profit of Tata Motors was -16.59%. The negative net profit figures of Tata Motors show that the company is not in profitable state.

3. Return on Capital Employed:

The ratio can help to understand how well a company is generating profits from its capital.

$$\text{Formula: Return on Capital Employed} = \frac{\text{EBIT}}{\text{Capital Employed}}$$

Where:

EBIT=Earnings before interest and tax

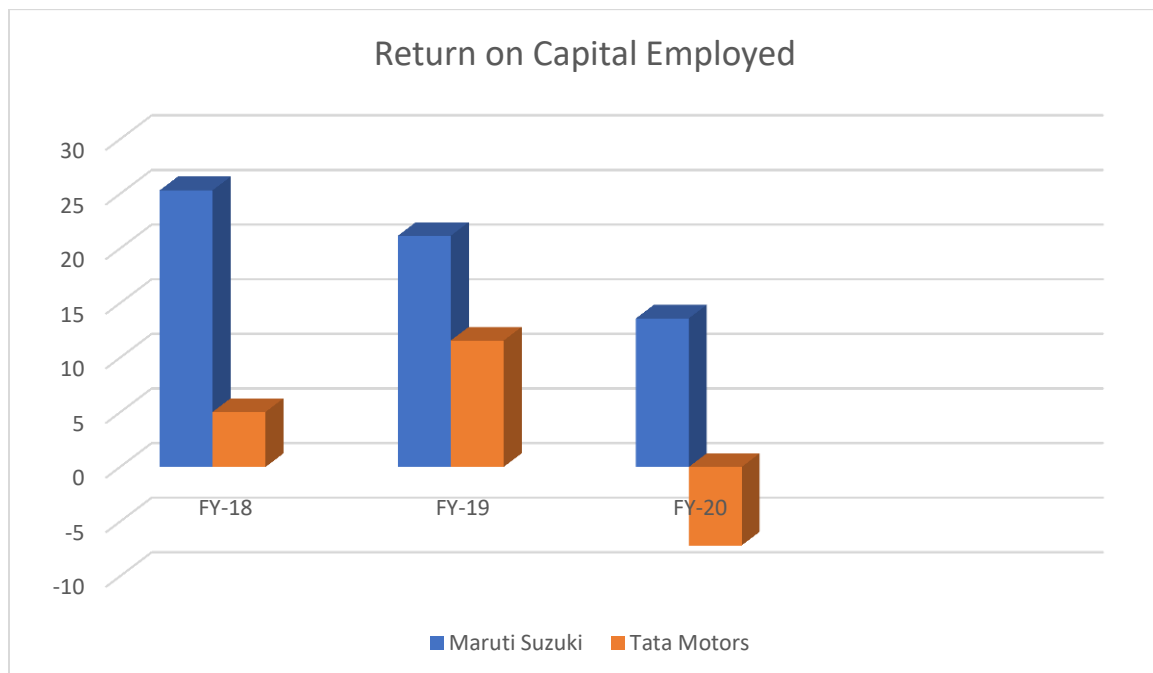
Capital Employed=Total assets – Current liabilities

Return on Capital Employed

Particulars	FY-18	FY-19	FY-20
Maruti Suzuki	25.33%	21.16%	13.60%
Tata Motors	5.04%	11.57%	-7.18%

Table No.6

Graph



Graph No.6: Return on Capital Employed

Interpretation

In FY-18, ROCE of Maruti Suzuki was 25.33%. In FY-19, it decreased to 21.16%. In FY-20, the ROCE reduced by 7.56% and became 13.60%. This continuous decrease in return on capital employed (ROCE) shows that the company is not generating profit from its capital. It also shows that the capital efficiency of the company is decreasing which is not a good sign for the company.

ROCE of Tata Motors was 5.04% in FY-18. In FY-19, it increased to 11.57%. In FY-20, ROCE of Tata Motors became -7.18%. In FY-20, the company generated negative returns on the capital. This means company is facing losses and also not able generate returns on the employed capital.

4. Return on Equity:

ROE is considered a measure of how effectively management is using a company's assets to create profits.

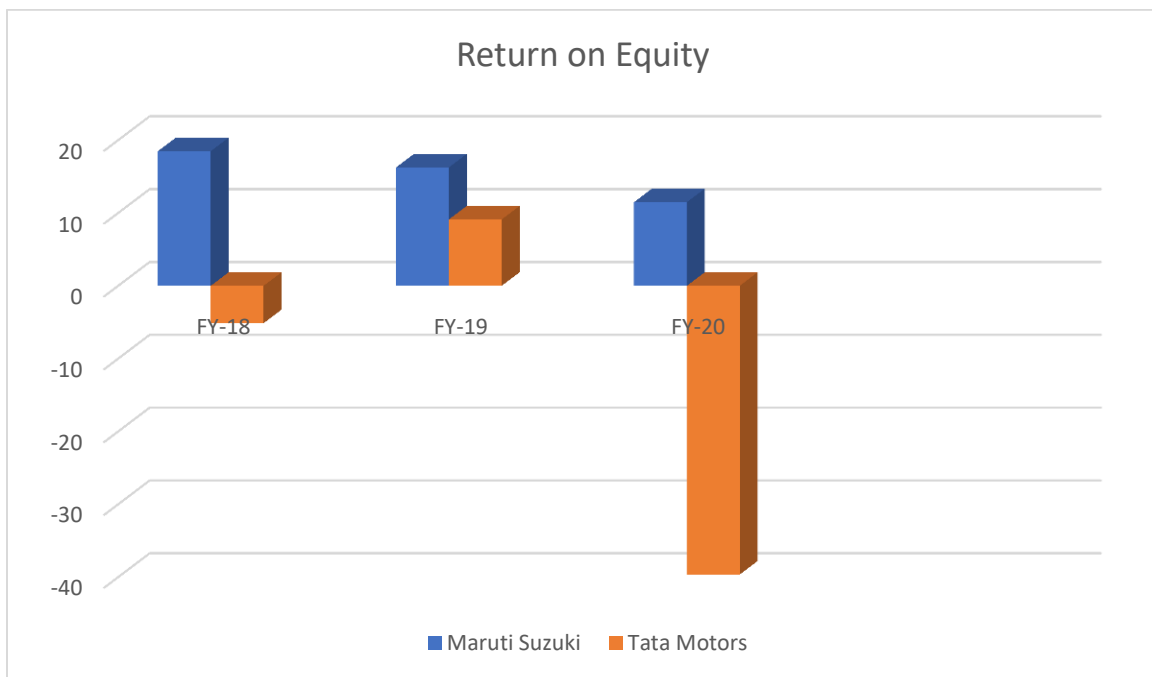
Formula: Return on Equity (ROE) = $\frac{\text{Profit After Tax (PAT)}}{\text{Net Worth}}$

Return on Equity

Particulars/Years	FY-18	FY-19	FY-20
Maruti Suzuki	18.48%	16.24%	11.48%
Tata Motors	-5.13%	9.11%	-39.64%

Table No.7

Graph



Graph No.7: Return on Equity

Interpretation

The return on equity of Maruti Suzuki was 18.48% in FY-18. In FY-19, it was 16.24%. In FY-20, It became 11.48%. The ROE of Maruti Suzuki is decreasing every year. It means that the company is not using the owner's resources effectively and efficiently. Earning satisfactory returns is the most desirable objective of every company. This decreasing ROE shows that the company is not generating profits from the available resources.

The ROE of Tata Motors was -5.13% in FY-18. In FY-19, it increased to 9.11%. In FY-20, ROE was -39.64%. These negative figures show that the company is making huge losses. The resources are not used in an efficient manner.

5. Earning Per Share:

Earnings per share (EPS) are calculated as a company's profit divided by the outstanding shares of its common stock.

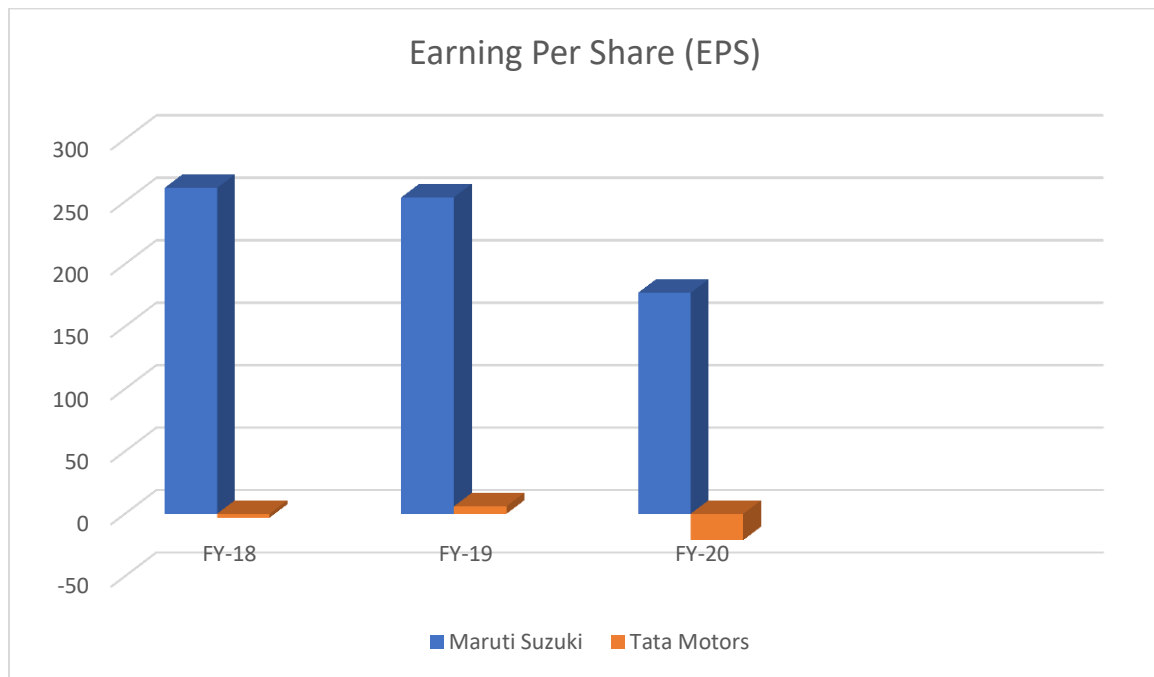
$$\text{Formula: Earning Per Share} = \frac{\text{Profit After Tax (PAT)}}{\text{Number of shares outstanding}}$$

Earning Per Share (Rs.)

Particulars/Years	FY-18	FY-19	FY-20
Maruti Suzuki	260.88	253.36	187.95
Tata Motors	-3.05	5.94	-21.06

Table No.8

Graph



Graph No.8: Earning Per Share

Interpretation

The EPS of Maruti Suzuki was 260.88Rs. in FY-18. In FY-19, it decreased to 253.36Rs. In FY-20, the EPS of Maruti Suzuki decreased by 65.41Rs. and became 187.95Rs. This decreasing EPS shows that the earnings of the company are reducing every year which resulting into decreasing profits.

The EPS of Tata Motors was -3.05Rs. in FY-18. The EPS of Tata Motors increased by 8.99Rs. in FY-19 and became 5.94Rs. In FY-20, EPS of Tata Motors was -21.06Rs. These negative EPS figures show that Tata Motors in making huge losses. The company is in loss making stage.

6. **Return on Assets:**

Return on Assets (ROA) is an indicator of how well a company utilizes its assets, by determining how profitable a company is relative to its total assets.

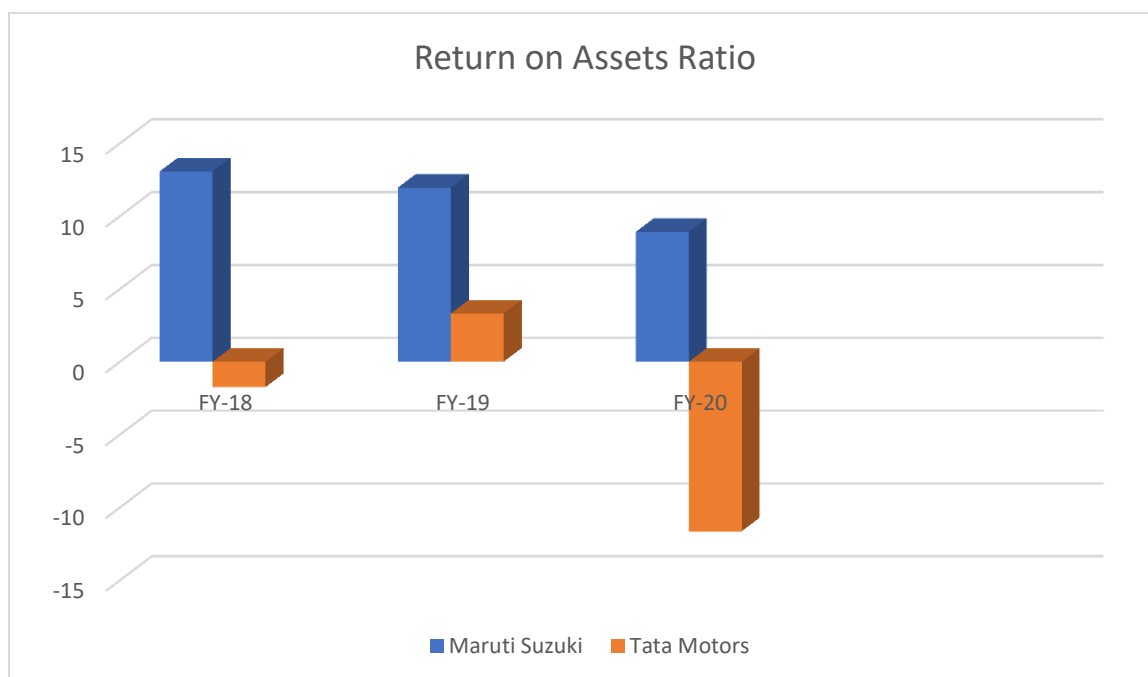
Formula: Return on Assets= $\frac{\text{Net Income}}{\text{Total Assets}}$

Return on Assets

Particulars/Years	FY-18	FY-19	FY-20
Maruti Suzuki	13.07%	11.95%	8.92%
Tata Motors	-1.74%	3.31%	-11.64%

Table No.9

Graph



Graph No.9:Return on Assets

Interpretation

The ROA of Maruti Suzuki was 13.07% in FY-18. In FY-19, it became 11.95%. Again, in FY-20, it reduced to 8.92%. The decreasing ROA indicates that the company is not generating profits using its assets. Assets are not utilized in an effective manner in order to generate earnings.

The ROA of Tata Motors was -1.74% in FY-18. In FY-19, ROA of Tata Motors increased by 5.05% and became 3.31%. In FY-20, ROA was -11.64%. Tata Motors is not generating profits from its assets. The negative ROA figures show that the available resources are not utilised in optimum manner.

6.Findings

6. Findings

- The current ratio of Maruti Suzuki is fluctuating every year. Whereas, it is showing declining figures in case of Tata Motors. But, Maruti Suzuki is showing improvement in current ratio. From this, it can be said Maruti Suzuki is a better company than Tata motors.
- Like current ratio, the quick ratio of Maruti Suzuki is also showing fluctuations. The quick ratio of Tata Motors is constant. But, the quick ratio of Maruti Suzuki is more than Tata Motors.
- The inventory turnover ratio of both the companies is fluctuating. But inventory turnover ratio of Maruti Suzuki is more than Tata Motors which indicates strong sales and efficient inventory management. Hence, Maruti Suzuki is better performing than Tata Motors
- Since the percentage of gross profit of Maruti Suzuki is decreasing every year, it is more as compared to the gross profit percentage of Tata Motors.
- The net profit of Maruti Suzuki is decreasing every year. Whereas, Tata Motors is showing negative figures of net profit. From this, it is clear that, Tata Motors is incurring losses and unable to generate profits.
- The return on capital employed of Maruti Suzuki is decreasing every year. But it is more and way better than Tata Motors. Tata Motors is showing negative returns on capital employed. This means company is facing losses and also not able generate returns on the employed capital.
- Return on equity of Maruti Suzuki is decreasing every year. But, Tata motors is showing negative figures of return on equity. These negative figures show that the company is making huge losses. The resources are not used in an efficient manner. From this, we can say that, Maruti Suzuki is better performing company than Tata Motors.
- Earning per share of Maruti Suzuki is decreasing every year. Tata Motors is showing negative figures of earning per share. These negative EPS figures show that Tata Motors in making huge losses. The company is in loss making stage. So, despite of decreasing EPS, we can say that Maruti Suzuki is better than Tata Motors.

- Return on assets of Maruti Suzuki is decreasing every year. Tata Motors is showing negative percentage of return on assets. Hence, Tata Motors is not generating profits from its assets. We can see that Maruti Suzuki is a better performing company than Tata Motors.

7. Conclusion

7. Conclusion

This research is primarily based on secondary data which has been collected from different journals and annual report of the selected companies.

In short, current ratio of Maruti Suzuki is higher than Tata Motors. It is good for Maruti Suzuki. Liquidity ratio of Maruti Suzuki is more than Tata Motors. Inventory turnover ratio of Maruti Suzuki is more than Tata Motors which indicates strong sales and efficient inventory control.

Gross profit of Maruti Suzuki is more than Tata Motors. This means Maruti has more sales. Net profit of Tata Motors is showing negative figures which indicate loss. Maruti Suzuki is generating more return on capital employed than Tata Motors. This shows that, the capital is used in efficient and effective manner. Maruti Suzuki is generating more return on equity than Tata Motors. The Earning per share (EPS) is more than Tata Motors which shows Maruti Suzuki is earning more. Maruti Suzuki has more percentage of return in assets as compared to Tata Motors indicating optimum use of assets.

After analyzing all the aspects, concern with this research, we can say that MARUTI SUZUKI is better than TATA MOTORS.

8.Suggestions

8. Suggestions

1. Tata Motors should be more versatile to capture more customer range which will help to increase its net sales in comparisons to Maruti Suzuki.
2. Earnings per share of Maruti Suzuki are high as compared to Tata Motors. Tata Motors can increase its earnings through earning more profits which will increase the value of shares.

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9. Bibliography

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10. Annexure

10. Annexure

10.1. Balance sheet of Maruti Suzuki

BALANCE SHEET OF MARUTI SUZUKI INDIA (in Rs. Cr.)	MAR 20	MAR 19	MAR 18
EQUITIES AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Equity Share Capital	151.00	151.00	151.00
TOTAL SHARE CAPITAL	151.00	151.00	151.00
Reserves and Surplus	49,262.00	46,941.10	42,408.40
TOTAL RESERVES AND SURPLUS	49,262.00	46,941.10	42,408.40
TOTAL SHAREHOLDERS FUNDS	49,413.00	47,092.10	42,559.40
Minority Interest	19.20	17.60	16.10
NON-CURRENT LIABILITIES			
Long Term Borrowings	5.40	8.00	10.00
Deferred Tax Liabilities [Net]	657.50	613.90	602.00
Other Long Term Liabilities	2,175.60	2,037.10	1,585.90
Long Term Provisions	51.60	39.50	26.50
TOTAL NON-CURRENT LIABILITIES	2,890.10	2,698.50	2,224.40
CURRENT LIABILITIES			

Short Term Borrowings	106.30	149.60	110.80
Trade Payables	7,498.80	9,637.70	10,499.30
Other Current Liabilities	3,019.60	3,747.80	4,277.50
Short Term Provisions	680.70	625.40	560.90
TOTAL CURRENT LIABILITIES	11,305.40	14,160.50	15,448.50
TOTAL CAPITAL AND LIABILITIES	63,627.70	63,968.70	60,248.40
ASSETS			
NON-CURRENT ASSETS			
Tangible Assets	15,408.60	14,986.20	13,077.10
Intangible Assets	406.70	451.10	311.70
Capital Work-In-Progress	1,344.30	1,606.90	2,132.10
FIXED ASSETS	17,159.60	17,044.20	15,520.90
Non-Current Investments	36,269.20	32,458.10	34,905.80
Deferred Tax Assets [Net]	0.00	0.00	0.00
Long Term Loans And Advances	0.20	0.20	0.20
Other Non-Current Assets	1,758.10	2,093.50	1,891.50
TOTAL NON-CURRENT ASSETS	55,187.10	51,596.00	52,318.40
CURRENT ASSETS			

Current Investments	1,218.80	5,045.50	1,217.30
Inventories	3,213.90	3,322.60	3,160.20
Trade Receivables	2,129.80	2,312.80	1,465.40
Cash And Cash Equivalents	29.00	187.80	74.00
Short Term Loans And Advances	17.00	16.10	3.00
Other Current Assets	1,832.10	1,487.90	2,010.10
TOTAL CURRENT ASSETS	8,440.60	12,372.70	7,930.00
TOTAL ASSETS	63,627.70	63,968.70	60,248.40
OTHER ADDITIONAL INFORMATION			
CONTINGENT LIABILITIES, COMMITMENTS			
Contingent Liabilities	11,232.80	11,948.60	10,455.20
BONUS DETAILS			
Bonus Equity Share Capital	0.00	0.00	0.00
NON-CURRENT INVESTMENTS			
Non-Current Investments Quoted Market Value	84.30	1,077.30	1,371.00
Non-Current Investments Unquoted Book Value	35,650.00	31,457.20	33,750.10
CURRENT INVESTMENTS			

Current Investments Quoted Market Value	0.00	0.00	0.00
Current Investments Unquoted Book Value	1,218.80	5,045.50	1,217.30

10.2. Balance sheet of Tata Motors

BALANCE SHEET OF TATA MOTORS (in Rs. Cr.)	MAR 20	MAR 19	MAR 18
EQUITIES AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Equity Share Capital	719.54	679.22	679.22
TOTAL SHARE CAPITAL	719.54	679.22	679.22
Reserves and Surplus	16,800.61	21,483.30	19,491.76
TOTAL RESERVES AND SURPLUS	16,800.61	21,483.30	19,491.76
TOTAL SHAREHOLDERS FUNDS	18,387.65	22,162.52	20,170.98
NON-CURRENT LIABILITIES			
Long Term Borrowings	14,776.51	13,914.74	13,155.91
Deferred Tax Liabilities [Net]	198.59	205.86	154.61
Other Long Term Liabilities	1,646.56	404.11	502.37
Long Term Provisions	1,769.74	1,281.59	1,009.48
TOTAL NON-CURRENT LIABILITIES	18,391.40	15,806.30	14,822.37
CURRENT LIABILITIES			

Short Term Borrowings	6,121.36	3,617.72	3,099.87
Trade Payables	8,102.25	10,408.83	14,225.63
Other Current Liabilities	10,180.46	7,765.57	6,030.53
Short Term Provisions	1,406.75	1,148.69	862.92
TOTAL CURRENT LIABILITIES	25,810.82	22,940.81	24,218.95
TOTAL CAPITAL AND LIABILITIES	62,589.87	60,909.63	59,212.30
ASSETS			
NON-CURRENT ASSETS			
Tangible Assets	19,540.25	18,316.61	18,192.52
Intangible Assets	5,667.73	3,970.22	3,411.23
Capital Work-In-Progress	1,755.51	2,146.96	1,371.45
Other Assets	0.00	0.00	0.00
FIXED ASSETS	29,702.78	28,573.42	26,800.35
Non-Current Investments	15,730.86	15,434.19	14,260.79
Deferred Tax Assets [Net]	0.00	0.00	0.00
Long Term Loans And Advances	138.46	143.13	143.96
Other Non-Current Assets	3,449.01	3,529.59	3,035.54
TOTAL NON-CURRENT ASSETS	49,021.11	47,680.33	44,240.64
CURRENT ASSETS			

Current Investments	885.31	1,433.18	2,502.78
Inventories	3,831.92	4,662.00	5,670.13
Trade Receivables	1,978.06	3,250.64	3,479.81
Cash And Cash Equivalents	3,532.19	1,306.61	795.42
Short Term Loans And Advances	232.14	200.08	140.27
Other Current Assets	3,109.14	2,376.79	2,383.25
TOTAL CURRENT ASSETS	13,568.76	13,229.30	14,971.66
TOTAL ASSETS	62,589.87	60,909.63	59,212.30
OTHER ADDITIONAL INFORMATION			
CONTINGENT LIABILITIES, COMMITMENTS			
Contingent Liabilities	4,737.19	7,246.04	5,269.63
CIF VALUE OF IMPORTS			
Raw Materials	0.00	0.00	0.00
Stores, Spares And Loose Tools	0.00	0.00	0.00
Trade/Other Goods	0.00	0.00	0.00
Capital Goods	0.00	0.00	0.00
EXPENDITURE IN FOREIGN EXCHANGE			
Expenditure In Foreign Currency	2,946.64	0.00	3,079.76
REMITTANCES IN FOREIGN CURRENCIES FOR DIVIDENDS			

Dividend Remittance In Foreign Currency	--	--	--
EARNINGS IN FOREIGN EXCHANGE			
FOB Value Of Goods	--	--	--
Other Earnings	3,144.88	--	5,422.47
BONUS DETAILS			
Bonus Equity Share Capital	111.29	111.29	111.29
NON-CURRENT INVESTMENTS			
Non-Current Investments Quoted Market Value	140.96	270.17	--
Non-Current Investments Unquoted Book Value	407.61	393.21	310.19
CURRENT INVESTMENTS			
Current Investments Quoted Market Value	--	0.91	303.84
Current Investments Unquoted Book Value	885.31	1,174.46	1,517.03

10.3. Profit & Loss A/c of Maruti Suzuki

PROFIT & LOSS ACCOUNT OF MARUTI SUZUKI INDIA (in Rs. Cr.)	MAR 20	MAR 19	MAR 18
INCOME			
REVENUE FROM OPERATIONS [GROSS]	71,704.80	83,038.50	80,348.80
Less: Excise/Service Tax/Other Levies	0.00	0.00	2,231.70
REVENUE FROM OPERATIONS [NET]	71,704.80	83,038.50	78,117.10
TOTAL OPERATING REVENUES	75,660.00	86,068.50	79,809.40
Other Income	3,334.40	2,561.60	2,045.80
TOTAL REVENUE	78,994.40	88,630.10	81,855.20
EXPENSES			
Cost Of Materials Consumed	34,634.80	45,025.70	44,943.20
Operating And Direct Expenses	0.00	0.00	0.00
Employee Benefit Expenses	3,416.20	3,285.00	2,863.40
Finance Costs	134.20	75.90	345.80
Depreciation And Amortisation Expenses	3,528.40	3,020.80	2,759.80
Other Expenses	11,889.60	11,638.50	9,995.60
TOTAL EXPENSES	72,010.00	78,162.00	70,851.60
PROFIT/LOSS BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX	6,984.40	10,468.10	11,003.60
Exceptional Items	0.00	0.00	0.00

PROFIT/LOSS BEFORE TAX	6,984.40	10,468.10	11,003.60
TAX EXPENSES-CONTINUED OPERATIONS			
Current Tax	1,376.50	2,933.80	3,350.50
Less: MAT Credit Entitlement	0.00	0.00	0.00
Deferred Tax	48.70	39.40	-64.30
Other Direct Taxes	0.00	0.00	0.00
TOTAL TAX EXPENSES	1,425.20	2,973.20	3,286.20
PROFIT/LOSS AFTER TAX AND BEFORE EXTRAORDINARY ITEMS	5,559.20	7,494.90	7,717.40
PROFIT/LOSS FROM CONTINUING OPERATIONS	5,559.20	7,494.90	7,717.40
PROFIT/LOSS FOR THE PERIOD	5,559.20	7,494.90	7,717.40
Minority Interest	-1.60	-1.50	-0.70
CONSOLIDATED PROFIT/LOSS AFTER MI AND ASSOCIATES	5,676.00	7,649.10	7,880.00
OTHER ADDITIONAL INFORMATION			
EARNINGS PER SHARE			
Basic EPS (Rs.)	188.00	253.00	261.00
Diluted EPS (Rs.)	188.00	253.00	261.00

DIVIDEND AND DIVIDEND PERCENTAGE			
Equity Share Dividend	2,416.60	2,416.60	2,265.60
Tax On Dividend	496.80	496.80	461.20

10.4. Profit & Loss A/c of Tata Motors

PROFIT & LOSS ACCOUNT OF TATA MOTORS (in Rs. Cr.)	MAR 20	MAR 19	MAR 18
INCOME			
REVENUE FROM OPERATIONS [GROSS]	43,485.76	68,764.88	58,234.33
Less: Excise/service Tax/Other Levies	0.00	0.00	793.28
REVENUE FROM OPERATIONS [NET]	43,485.76	68,764.88	57,441.05
TOTAL OPERATING REVENUES	43,928.17	69,202.76	58,831.41
Other Income	1,383.05	2,554.66	1,557.60
TOTAL REVENUE	45,311.22	71,757.42	60,389.01
EXPENSES			
Cost Of Materials Consumed	26,171.85	43,748.77	37,080.45
Operating And Direct Expenses	830.24	571.76	474.98
Changes In Inventories Of FG,WIP And Stock-In Trade	722.68	144.69	842.05
Employee Benefit Expenses	4,384.31	4,273.10	3,966.73
Finance Costs	1,973.00	1,793.57	1,744.43
Depreciation And Amortisation Expenses	3,375.29	3,098.64	3,101.89
Other Expenses	7,959.75	9,895.68	9,251.41
TOTAL EXPENSES	49,927.64	69,155.42	60,369.27
PROFIT/LOSS BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX	-4,616.42	2,602.00	19.74

Exceptional Items	-2,510.92	-203.07	-966.66
PROFIT/LOSS BEFORE TAX	-7,127.34	2,398.93	-946.92
TAX EXPENSES-CONTINUED OPERATIONS			
Current Tax	33.05	294.66	92.63
Less: MAT Credit Entitlement	0.00	0.00	0.00
Deferred Tax	129.24	83.67	-4.70
Tax For Earlier Years	0.00	0.00	0.00
TOTAL TAX EXPENSES	162.29	378.33	87.93
PROFIT/LOSS AFTER TAX AND BEFORE EXTRAORDINARY ITEMS	-7,289.63	2,020.60	-1,034.85
PROFIT/LOSS FROM CONTINUING OPERATIONS	-7,289.63	2,020.60	-1,034.85
PROFIT/LOSS FOR THE PERIOD	-7,289.63	2,020.60	-1,034.85
OTHER ADDITIONAL INFORMATION			
EARNINGS PER SHARE			
Basic EPS (Rs.)	-21.06	5.94	-3.05
Diluted EPS (Rs.)	-21.06	5.94	-3.05
VALUE OF IMPORTED AND INDIGENIOUS RAW MATERIALS STORES, SPARES AND LOOSE TOOLS			

Imported Raw Materials	0.00	0.00	0.00
Indigenous Raw Materials	0.00	0.00	0.00
STORES, SPARES AND LOOSE TOOLS			
Imported Stores And Spares	0.00	0.00	0.00
Indigenous Stores And Spares	0.00	0.00	0.00
DIVIDEND AND DIVIDEND PERCENTAGE			
Equity Share Dividend	0.00	0.00	0.00
Tax On Dividend	0.00	0.00	0.00
Equity Dividend Rate (%)	0.00	0.00	0.00

Thank You !!