

**A PROJECT REPORT
(16MBAPR407)**

**A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF PREQUATE
CONSULTANTS PVT. LTD. BANGALORE**

BY

**YASHWANTH K J
(1AZ16MBA82)**

SUBMITTED TO

**VISVESVARAYA TECHNOLOGICAL UNIVERSITY
BELAGAVI**



In the fulfillment of the requirement for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION
Under the guidance of

INTERNAL GUIDE
DR. PRAKASH B YARAGOI
Professor Dept of MBA, AIT

EXTERNAL GUIDE
PRADYUMNA NAG
Director of Prequate Consultants



Department of MBA
ACHARYA INSTITUTE OF TECHNOLOGY
Soldevanahali, Hessaraghatta Main Road, Bangalore-107

May 2018

EXPERIENCE CERTIFICATE

March 24, 2018

To Whomsoever It May Concern

This is to certify that **YASHWANTH K J** (USN 1AZ16MBA82, MBA Student of Acharya Institute of Technology, Bangalore) was employed with M/s. Prequate Consultants Private Limited from January 16, 2018 to March 24, 2018 date as a 'Intern'.

His major responsibilities included tasks involving research, analysis, development of market analysis, market scanning, business plan and financial models for existing companies. This task required him to use a mix of data mining, data collation, understanding of competitive placement, operation of technology industry and business planning.

For PREQUATE CONSULTANTS PRIVATE LIMITED



Pradyumna Nag
Director





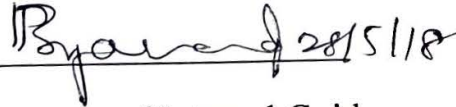
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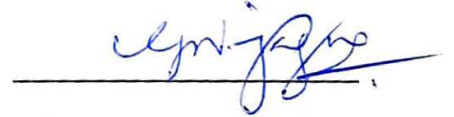
25/05/2018

CERTIFICATE

This is to certify that **Mr. Yashwanth K J** bearing USN **1AZ16MBA82** is a bonafide student of Master of Business Administration course of the Institute 2016-18 batch, affiliated to Visvesvaraya Technological University, Belgaum. Project report on “**A Study on Financial Performance Analysis of Prequate Consultants Private Limited, Bangalore**” is prepared by him under the guidance of **Dr. Prakash B Yaragol** in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belgaum, Karnataka.



Signature of Internal Guide



Signature of HOD
Head of the Department
Department of MBA
Acharya Institute of Technology
Soldevanahalli, Bangalore-560 107



Signature of Principal

PRINCIPAL
ACHARYA INSTITUTE OF TECHNOLOGY
Soldevanahalli Bangalore-560 107


DECLARATION

I, YASHWANTH K J hereby declare that internship report entitled A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF PREQUATE CONSULTANTS PVT. LTD. BANGALORE prepared by me under the guidance of DR. PRAKASH B YARAGOI , professor of MBA Department , Acharya Institute of Technology and external assistance by PRADYUMNA NAG director of Prequate consultants private limited

I also declare this Internship work is towards the partial fulfillment of the university regulations for the award of the degree of Master of Business Administration by Visvesvaraya Technological University, Belgaum.

I have undergone a summer project for a period of TEN weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University Institution.

Place: Bangalore


YASHWANTH K.J.
USN: 1AZ16MBA82

ACKNOWLEDGEMENT

I would like to thank all of those who have helped and supported me in completing this project successfully.

Firstly I thank **Dr.S.C.Pilli** Principal, **Dr.Mahesh** Dean Academics and **Dr.Nijaguna G.** Head of the department of MBA of Acharya Institution of Technology for giving encouragement and support for completing the project.

I take this opportunity to thank our internal guide **Dr. Prakash B Yaragol** for his constant guidance in completing the project.

I wish to pay my heartfelt respect and regards to **Mr. PradyumnSa Nag**, director of Prequate consultants private limited Bangalore, for the cooperation and support, which helped me successfully to accomplish my project work. Also, I am thankful to them for their valuable guidance given to me during the course of my project.

Finally, it gives me great pleasure to extend my thanks to my Parents, Family, Friends and all Teaching staff and Non-Teaching staff who have been instrumental either directly or indirectly for this constant encouragement in carrying out this project successfully.

Place: Bangalore

Date: 28/05/2018

YASHWANTH K.J.
USN: 1AZ16MBA82

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EXECUTIVE SUMMARY

This is brief summary of the project “A study on financial performance analysis at Prequate consulting private limited” Bangalore. This report is effort to provide the generally presentation analysis of Prequate consulting. This study is conducted with the help of statistical fingers and techniques like graphs and chart for the better comparison and interpretation. The study consists of analysis of financial statement conducted by the company. Findings of the study, suggestions and conclusion based on the study carried out.

The main aim of the project was done to carry out the subject matter of the entire study. Financial information is required to forecast, evaluate and estimate the firm earning ability. Financial performance analysis is importance tool in accounting that involves analyzing through the ratios and interpretation of financial statement which results in the presentation of data helps the management to forming the suitable strategies and financial position of company. Through the ratio analysis of financial statement which is helps to the liquidity positions of company and profitability gaining ability of the concern, ratio analysis also a most important element of the company to measure its position in various aspects

Financial Analysis portrayed as examination of association between various factors as uncovered by the declaration and the examination of these parts. The objective of budgetary examination is the pinpointing of value and weakness of a business undertaking by regrouping and dismembering of figures gained from money related verbalization and resource report by the contraptions and frameworks of organization accounting. Money related investigation is as the last progress of accounting that result in the presentation of last and the right data that helps the business managers, banks and theorists.

CHPATER-1

INTODUCTION

1.0 INTRODUCTION

Financial performance analysis is the way toward recognizing the money related qualities and shortcomings of the firm by appropriately setting up the connection between the things of balance sheet and profit and loss account. It likewise helps in here and now and long haul guaging and development can be related to the assistance of monetary execution investigation. The word reference importance of 'examination' is to determine or isolate a thing in to its component or segments parts for following their connection to the things as entire and to each other. The investigation of financial analysis is a procedure of assessing the connection between the segment parts of financial statement to get a superior comprehension of the company's position and execution. This investigation can be attempted by administration of the firm or by parties outside the in particular, proprietors, loan bosses, Investors.

Financial Analysis portrayed as examination of association between various factors as uncovered by the declaration and the examination of these parts. The objective of budgetary examination is the pinpointing of value and weakness of a business undertaking by regrouping and dismembering of figures gained from money related verbalization and resource report by the contraptions and frameworks of organization accounting. Money related investigation is as the last progress of accounting that result in the presentation of last and the right data that helps the business managers, banks and theorists.

In light of this thinking, this venture is an examination to investigate the financial performance of Prequate consultants private limited constrained. In the financial performance make back the initial investment examination, proportion; income explanation is utilized as the key file to figure the monetary position and execution of the firm. The supreme bookkeeping figures revealed in the money related explanation don't give an important endeavor of the execution and budgetary places of the firm.

Accounting proportions are associations conveyed in numerical terms between accept that related with each other somehow. The information contained in a basic asset report, advantage and disaster account or the compensation enunciations are used by the organization, credit supervisors' theorists and others to shape judgment about the working execution and the cash related characteristics and weaknesses of firm if we properly examination the information declared a declaration.

1.2 INDUSTRY PROFILE

FINANCIAL CONSULTING FIRMS

Financial related counseling is a budgetary foundation rendered by advisors to concerning steadiness, execution considers, plausibility examines, venture saving money, venture subsidizing and so forth under the see of monetary counseling this financial consultant gives appropriate proposal from different specialists, who have exceptional learning or capacity to perform undertaking according to the gear of customer

DELOITTE

In the year 1845 William Welch Deloitte opened an office in London. In 1880 he was opened in office in New York. In 1952, Deloitte blended his firm by then as Deloitte, Plender, Griffiths and co. with Haskins and pitches to from Deloitte Haskins and offers

Delottie acquired the North American open administration routine with regards to bearing horse for \$350 million after it filed for chapter 11 insurance. Deloitte gives administrations of review, counseling, budgetary guides, hazard warning, charge and legitimate. Deloitte is greatest counseling organization which gives administrations to all finished world it has net income of us\$38.8 billion out of 2017

PRICEWATERHOUSECOOPER

In 1854 William cooper established an accountancy practice in London which moved toward becoming coopers seven year later when his thee disturbs joined. Edwin waterhouse helped to establish with Samuel Lowell cost and William Hopkins holyland. The accountancy practice with regards to Pricewaterhouse.

In the year 1998 Coopers and Lybrand converged with Price waterhousecoopers. PWC is a multinational expert professional service. It is the second biggest expert professional service firm on the planet. PWC is a system of firms in 158 nations, 743 areas, with in excess of 263,000 individuals. The organization's worldwide incomes were \$37.7 billion in FY 2017. PWC provides services for Assurance, Advisory, Tax, Accountancy, Data analysis, Financial Advisory, Legal

ERNST & YOUNG

In 1903 the firm Ernst& Ernst was produced in Cleveland by Alwin C. Ernst and his family Theodore and in 1906, ARTHUR YOUNG& Co. was set up by the Scotsman Arthur Young in Chicago. In 1989, the number four firm Ernst &Whinney met with the then numbers five, Arthur Young, on a general introduction to make Ernst and Young

EY works as a system of part firms which are separate legitimate elements in singular nations. It has 250,000 workers in more than 700 workplaces around 150 nations on the planet. EY gives services to Assurance, Tax Advisory, Consulting, and Financial Advisory. It has incomes of US\$31.4 billion of every 2017

History of consulting firms

Management consulting develops with ascent of administration, a noteworthy field of study. The essential organization directing firm was Arthur D. Little Inc., built up in 1886 as an affiliation, and later participated in 1909. Despite the fact that Arthur D. Insignificant later transformed into a general organization consultancy, it at first had some aptitude in specific studies.

A The beginning time of progress in the admonishing business was initiated by the Glass-Steagall Saving exchange Act out the 1930s, and was driven by energy for bearing on hold, system, and relationship from the 1950s onwards consultancies not simply enlarged their activities for the most part in the Assembled States yet in addition opened work environments in Europe and later in Asia and South America. After World War II, unmistakable new affiliation organizing firms encircled, passing on a genuine watchful approach to manage the examination of affiliation and technique. The after-war quite a while in like way saw the

application programming outlining benchmarks to relationship through made by Stafford Brew. The business experienced basic change in the 1990s, developing wonderful essentialness in association with national aggregate national yield. In 1980 there were only five provoking firms with more than 1,000 experts around the globe, while by the 1990s there were more than thirty firms of this size. The business experienced noteworthy development in the 1990s, increasing significant significance in connection to national GDP. In 1980 there were just five counseling firms with in excess of 1,000 advisors around the world, though by the 1990s there were in excess of thirty firms of this size.

In later circumstances, customary administration counseling firms have needed to confront expanding challenges from troublesome online commercial centers that are meaning to consider the expanding number of independent administration counseling experts

GOVERNMENT CONSUTLING

United Kingdom

In the UK, the utilization of outside association advises inside government has all finished been touchy because of viewpoint of variable inspiration for cash. From 1997 to 2006, for example, the UK government purportedly devoured £20 billion on association stars, bringing issues up in the Place of Lodge as for the advantages upon such hypothesis.

The UK has in like way researched differing streets regarding giving longer-term use of association consultancy frameworks gave inside, especially to the conspicuousness consultancy fields of near to government and the National Wellbeing Administration; the Neighborhood Government Affiliation's Change and Improvement Organization and the general thriving National Help Groups; both conveyed positive input at cost levels considered a little measure of what outside business consultancy data would have picked up.

Romania

Organization advising comprehends how to recuperate after the money related downturn and to re-start change. At the total of 2010, most of the affiliations verbalized pay stagnation or despite decreasing and toward the total of 2011 around 70% of the affiliations announced

increases or stagnation. The years 2010 and 2011 tended to a crucial test for a couple of, Romanian coordinating relationship as appeared by a European Alliance of Management guiding Affiliations (FEACO) consider. The zone pioneer of the Romanian association coordinating business segment is Insight Management advising.

Australia

In 1988, the starting late picked Greiner State Government charged a report into the State Rail Specialist by Booz Allen Hamilton. The resulting report supported up to 8,000 occupation challenges, including the withdrawal of staff from 94 nation railroad stations, pulling back relationship on the Nyngan-Bourke line, Queanbeyan – Cooma line and Glen Innes-Wallangarra line, the aggregate of a couple of nation voyager benefits (the Canberra XPT, the Silver City Comet to Broken Slope and particular diesel configuration pulled affiliations) and the expulsion of sleeper trains from relationship to Brisbane and Melbourne. The report in like way supported the clearing of all nation voyager affiliations and little payload works out, yet the lawmaking body did not see this as politically achievable. The SRA was confined into quality units – City Rail, responsible for urban railroads; Nation Connection, accountable for nation voyager affiliations; Cargo Rail, accountable for stack affiliations; and Rail Home, responsible for rail property.

New Zealand

In New Zealand the overseeing body has all around had a more crucial part in giving some establishment and relationship than in some extraordinary countries. Contributing reasons included lacking scale in the private zone, all the more minimal capital markets and fundamental political help for local driven association plan. Current structure wander plots are accessible to a level of open/private affiliations. New Zealand governments secure in quality to supplement the orientation of expert open specialists. While affiliation specialists add to approach and to structure change, the Administration has a tendency to use affiliation masters for key review and for system execution. There is a limit between affiliation guides (who all around give prompt and settled needs, as every now and again as achievable for a settled charge) and ace transient geniuses (who work for a hourly or very much requested

rate giving expert affiliations). While multinational consultancy firms give direction on veritable endeavors and in ace zones, the more noteworthy piece of affiliation pros offering urging to the New Zealand government fill in as sole experts or as people from little consultancy sharpens. The level of affiliations gave is liberal, covering change affiliation, key examination, undertaking and program affiliation, getting, finish framework, et cetera.

1.3 COMPANY PROFILE

PREQUATE CONSULTANCY PRIVATE LIMITED is a consulting company based in Bangalore, India that provides financial services like building up of business plans for startups, Investment banking, Financial strategies for company's and building up of financial models for companies. The company was incorporated in 2010 it was started by the 3 chartered accountants with experience spanning assurance, accounting advisory, consulting, risk management, M&A and corporate finance

A move happens in Prequate extraneous way to deal with administration and back. With a group synthesis for a fact and fields, arranging and execution designs are more open and sensible

Prequate as part of the standard delivery model oversaw overhauling the finance function. During such delivery, Prequate noticed that:

- Costing of all products were on an adhoc basis
- Pricing mechanism was based on rule of thumb
- True profitability for each LOB was not known
- Costing and pricing function are primary to any business and a scientific methodology must be used to determine the correct parameters.

Prequate works with associations to enable them to comprehend their condition and work together in a less fatty and more brilliant route. By helping organizations decipher their environment, Prequate increases the effect of their techniques and extraordinary qualities without stressing excessively, or with significantly greater clearness, in the matter of how their condition might be react

Prequate has managed the growth over 100% by the year 2016, and it has the YOY increase work- strength higher on job productivity over 63%

Prequate is featured in 50th fastest growing non-tech companies of 2014 in India

In last two-year Prequate handled the working range of clients around 1.5 billion dollars

Prequate founder members “PRADYUMNA NAG”

1.4 NATURE OF BUSINESS CARRIED

Prequate consulting private limited is a consulting company. It's also provided the investment for startup's and provides venture and angel investors for company. The important features

- Providing business plans
- Financial plans for startups
- Mergers and accusations
- Investment banking
- Auditing
- Building a financial strategy
- Marketing plans for company's products
- Venture capital
- Risk management
- Management and accounting advisory
- Corporate finance

1.5 VISION, MISSION AND QUALITY POLCIY

VISION AND MISSION

OUR MISSION

To be a main outsourcing and warning accomplice for the SME area worldwide that gives logical data, innovation, and space mastery rapidly and cost viably.

OUR VISION

Providing excellence to everyone we work with and building our success story over the foundation laid by the five pillars of excellence - excellence in advice, excellence in outsourcing services, excellence in domain knowledge, excellence in processes, and excellence in technology.

QUALITY POLCIY

- The Prequate vision of the most productive client relationship and single-minded dedication to achieving it with each client
- The Prequate group of remarkable groups
- The Prequate way to deal with making esteem, in light of a sharp aggressive and client center, the best logical methods, and our procedure for joint effort with the customer

1.6 SERVICES OF PREQAUTE CONSULTING

- Investment
- Mergers and acquisitions
- Financial plan
- Advisory
- Startup business plans
- Marking plans for products

1.7 CUSTOMERS

- KPMG
- ACCENTUES
- WORLD ECONOMIC FORUM
- BMR ADVISORS
- JLL

- GOLDMAN SACHS
- DEATHLION
- ACT FIBERNET
- MROTEK
- YOU PAYCASH
- CELLWORKS
- FINCORE
- NANDO'S CHIKEN
- KEMWELL
- ABB
- BLOOMENERGY

1.8 AREA OF OPRATIONS

Prequate having network over the 25 countries and it has operations office in California and new Canada, the head office is in Bangalore

1.9 INFRASTRUCTURE FACILITIES

Prequate consulting private limited gives a better infrastructural facility to their employee and company. They a provide one of the best environment system to their employee at work place.

- They provide a good place and clean environment for work for employee.
- They also maintain good ventilation facilities in order have work efficiency.
- They provide all office necessary (computer, tables, stationary, etc) to their employee.
- They also internet facilities for employee all time for work need with speed network connection.

They also provide quality product and services with one of the good research program facilities

1.10 COMPETITORS INFORMATIONS

- Right horizons financial services
- Innoversant Solutions Pvt Ltd.
- Balakrishna Consulting LLP
- DNS Consulting Private Limited
- CACO

1.10.1 RIGHT HORIZONS FINANCIAL SERVICES

Right Horizons is a Guaranteed Budgetary Organizer situated in Bangalore with workplaces in 8 urban areas including Mumbai, Chennai and Hyderabad. Our sole point is to give you end to end riches administration arrangements under one rooftop. From venture warning, monetary wanting to protection and land, Right Horizons will deal with all your budgetary needs with extraordinary accuracy and care. Our contrarian approach combined with a solitary spotlight on long haul speculations will guarantee clients are furnished with the most expense proficient and the best hazard balanced returns. Come join our family and appreciate unceasing monetary flexibility

1.10.2 INNOVERSANT SOLUTIONS PVT LTD.

Innoversant Solutions is a multi-disciplinary guiding firm focused on helping worldwide and private affiliations achieves supportable achievement. We join significant industry learning with particular fitness in giving Counseling organizations to Organizations, Associations, Foundations, Governments and Monetary Improvement Offices. Our cluster of organizations conceal Market Passage strategy, Speculation Fascination, Exchange Advancement, Statistical looking over, Fuse and Administrative Undertakings, Business Improvement, Showcasing, Contact, Offering Administrations and Deals and Distribution. The firm works with clients to pass on kept up regard and advancement. We assist clients with suspecting changes in customer needs and the engaged condition, and a short time later arrangement appropriate strategies for their associations, improve their essential concern and point of confinement risks, and stimulate their progressive execution to snatch the most charming openings. For more than 30 years, our conviction framework has been to empower

our clients to address their most imperative challenges and advantage from the openings. We utilize our irregular state contacts with the Corporate Segment, Government, Advisors and Organizations to go about as our impulse for brisk track achievement of our clients' objectives. Our Principals have all around inclusion in serving Worldwide and Indian clients like Telstra, Wipro, Goodbye, Philips, Dependence, Electro steel and others transversely finished arranged industry verticals with an inconceivable notoriety.

1.10.3 BALAKRISHNA CONSULTING LLP

At BCL India, we have a consolidated affair of more than 30 years in multidisciplinary contracted bookkeeping administrations, which likewise have been looked for and profited by organizations around the globe including USA, UK, Singapore, South America, Spain, Holland, and China. Whether you are an up and coming business during the time spent setting up the office in India, or a running organization that needs a long haul and conferred bolster for all your consistence and administrative needs, BCL can be your ideal partner. Having worked with countless, both locally and universally, we comprehend the troubles that are inescapable and those that are particular to the business. We mean to guarantee that organizations can emerge their thoughts and get a change the world without stressing over legislative conventions and lawful impediments. We endeavor to give the largest amount of help to our customers and regularly make a special effort to keep that notoriety alive

1.10.4 DNS CONSULTING PRIVATE LIMITED

DNS is a Bangalore based money related administrations focus which remains for polished skill, Effectiveness, Trust and Classification. We give 360-degree benefits in the field of Back, Bookkeeping, Examining, and Tax assessment and Lawful. We additionally have Business enthusiasm for Diversion and Land sectors. DNS offers administrations to fluctuated sort of customers running from MNCs, Private Division Organizations, Banks, Beneficent Foundations, Little and Medium level Firms and People. The method of working of the group at DNS relies upon the business needs of the association, which are then independently got to and the arrangements customized according to customers necessities. Every last business has a one of a kind remaining in our respect and we intend to facilitate their unessential concerns so they can center on what they specialize in. In this procedure we have gathered a great

rundown of customers and have built up a strong association with every one of them. We at DNS comprehend that 'Knowing isn't sufficient, we should apply and eagerness isn't sufficient, we should convey.

1.10.5 CAPCO

Capco are currently changing the eventual fate of finance, to make a strong market of straightforwardness, trust and capital quality. Capco make importance and business esteem for our customers and enhance client encounters for the end purchaser. Capco are a lively group of sympathetic, imaginative and sound identities. We are business people on the most fundamental level with a typical drive for perfection. Capco exhort, counsel, outline, execute and actualize to give bona fide, all encompassing, substantial scale arrangements.

1.11 AWARDS AND ACHIVEMENT

- Prequate exchange check gets shrouded in SME world magazine on problematic groups in proficient administrations in 2012
- Sets up PMO for USD 150 million for the drug store organization
- Set up India forms for US based USD 1 billion organization
- Featured in 50 quickest developing non-tech organizations of 2014 in India
- Red Paint: Curated and directed a 2-month business training camp for 10 Startups called Red Paint in Bangalore
- Touched breakthrough of effectively finishing counseling commitment in each mainland (aside from Antarctica) on the planet in a solitary year with more than 15 nations

1.12 SWOT ANALYSIS ON THE PREQUATE CONSULTING

STRENGTH

- The management of the Prequate consultants is very experienced they are having more than 6 plus years of experience in corporate filed.

- Prequate has been founded by the two CA's, there r having good dealing with corporate world.
- The coordination between employees and directors is fantastic.
- They were having good client's connections in the corporate.
- Employees are specialized in different sector in the corporate world.
- They are having good capital investment.
- Business model of Prequate consultants is having high return.
- Strong grooming among more than 400 hrs of work in month.

WEEKNESS

- Less number of employs more work pursuer
- Prequate area of operation is less
- Most of big companies is having good financial management so have to look into for the small companies
- Publicly of company is very less because its startup
- They have lots of competitors
- Lack of focusing on the new customers

OPPORTUNITY

- Prequate is having good opportunity among the small organizations or startups
- Prequate is having investment opportunity for the startups and ventures
- Bangalore is having highest number of startup in India they are having lots of opportunity
- Lots of opportunity in the IT, artificial intelligence, manufacturing and services sectors for financial services

TREATS

- Venture and seed investments involves huge risk
- Increase in competitors
- Big entry of the financial services companies for foreign into Indi

1.13 FUTURE GROWTH AND PROSPECTS

- it has aimed to reach the profit more than 100 cores
- planning starts the it sector services
- they have aimed starts their branch in Mumbai
- they aimed to take more than 100 employees
- planning starts new financial software

CHAPTER 2

CONCEPTUAL BACKGROUND AND LITERATURE REVIEW

2.1 Theoretical Background of the Study

Financial Performance

The word 'Execution' signifies 'the performing of a movement, keeping, in see the accomplishment made by it'. As such,

'Performance ' signifies 'the pretended by a plan keeping in see the accomplishment made by it'. With regards to the banks, it considers the method for their advance.

The sentiment of Robert Albans 1 about execution is "The word 'execution' is utilized to mean the endeavors reached out to accomplish the objectives productively and successfully. The accomplishment of targets includes the incorporated utilization of human, money related and common assets."

The level of performance of a business over a predetermined timeframe, communicated as far as general benefits and misfortunes amid that time. Evaluating the financial performance of a business enables leaders to judge the consequences of business techniques and exercises in objective financial terms.

Financial performance is arranged principally for basic leadership. It assumes an overwhelming part in setting the casing work of administrative choices. Be that as it may, the data gave in Financial performance isn't an end in itself as no important conclusions can be drawn from these announcements alone.

The financial performance analysis are those analysis that exhibits the true financial position of the business for the particular period and also produce the profit earning capacity at end of the a particular period. Through the financial performance analysis periodical review of the report on the progress by the organization and resulting in achieving the investment return on the business

Techniques of Financial Performance Analysis

Financial analysts analyze financial statements by selecting the appropriate ideas based on the propose of the analysis. Financial statements can be analyzed by any of the following techniques

1. Comparative Statements
2. Common-size Statements
3. Trend Analysis
4. Cash Flow Statements
5. Fund Flow Statements
6. Cost-Volume-Profit Analysis
7. Ratio Analysis

1. COMPARATIVE STATEMENTS:

Comparative statements are financial statements that cover an alternate time allotment yet are arranged in a way that makes contrasting details from one period with those of an alternate period a simple procedure. This quality implies that the near articulation is a monetary explanation that loans itself well to the procedure of similar examination. Numerous organizations make utilization of institutionalized arrangements in bookkeeping capacities that make the age of this kind of articulation snappy and simple. The advantages of a similar articulation are shifted for an organization. Due to the uniform configuration of the announcement, it is a basic procedure to think about the gross offers of a given item or all results of the organization with the gross deals produced in an earlier month, quarter, or year. Contrasting produced income from one period with an alternate period can add another measurement to examining the viability of the business exertion, as the procedure makes it conceivable to distinguish patterns, for example, a drop-in income despite an expansion in units sold.

Alongside being a superb method to expand the comprehension of the achievement of the business exertion, a near articulation can likewise help address changes underway expenses. By looking at line things that inventory the cost for crude materials in a single

quarter with another quarter where the quantity of units created is comparable can make it conceivable to spot slants in cost increments, and subsequently help disconnect the starting point of those increments. This kind of information can demonstrate accommodating to enabling the organization to discover crude materials from another source before the expanded cost for materials cuts into the general productivity of the organization.

2. COMMON SIZE

The common size explanations, asset report and pay proclamation are appear in expository rates. Basic size proclamations demonstrate the relationship of different things with some basic things. In the salary explanations, the business figure is taken as premise and every other figure are communicated as level of offers. Essentially, to be decided sheet the aggregate resources and liabilities is taken as base and every single other figure are communicated as level of this aggregate.

3. TREND ANALYSIS

Trend analysis is Very critical apparatus of level monetary examination. This investigation empowers to known the adjustment in the money related capacity and working proficiency in the middle of the era chosen. By studding the trend analysis of everything we can know the bearing of alters and in view of the course of changes, the choices can be changed.

$$\text{Trend} = \frac{\text{Absolute Value of item in the statement understudy} * 100}{\text{Absolute Value of same item in the base statement}}$$

4. CASH FLOW STATEMENTS

A rundown of the real or expected approaches and outgoings of trade out a firm finished a bookkeeping period (month, quarter, year).

It answers the inquiries:

- Where the money came (will come) from?
- Where it went (will go)?

Cash flow statements assess the amount, timing, and predictability of cash-inflows and cash-outflows, and are used as the basis for budgeting and business-planning.

The accounting data is presented usually in three main sections:

- Operating-activities
- Investing-activities
- Financing-activities

5. Fund flow statement

Fund Flow Statement declaration masterminded to analyze the clarifications behind changes in the Financial Position of a Company between 2 Balance Sheets. It demonstrates the inflow and surge of favorable circumstances i.e. Sources and Applications of benefits for a particular period. So to speak, a Funds Flow Statement set up to clear up the alterations in Working Capital Position of a Company. There are 2 sorts of Inflows of Funds:-

1. Long Term Funds raised by Issue of Shares, Debentures or Sale of Fixed Assets
2. Funds generated from Operations

On the off chance that the Long Term Fund fundamentals of an affiliation are met essentially out of the Long Term Sources of Funds, by then the entire store produced using errands will be tended to by increment in Working Capital. Regardless, if the Funds produced using Operations are not adequate to interface a hole of Long Term Fund Requirements; by then there will be a reducing in Working Capital

6. Ratio Analysis

An ratio is 'the shown rest of two numerical verbalizations' and as 'the relationship between two quantitative terms between figures which have a conditions and last items relationship or which are connected with each other by one means or another or the other. A discernible point is that a degree mirroring a quantitative relationship plays out a subjective judgment. Such is the likelihood of every last budgetary degree.

Ratio examination is an extensively used framework in money related examination. It is portrayed as deliberate usage of extent to disentangle the budgetary explanations with the objective that the characteristics and weaknesses of the affiliation, its chronicled execution and current cash related condition, can be settled.

Classification of Ratios

The utilization of proportion examination isn't bound to the monetary administrator as it were. There are distinctive gatherings keen on the proportion investigation for knowing the monetary position of the firm for various reasons. In perspective of the different clients of proportions, there are numerous kinds of proportions, which can be computed for the given data in the budgetary proclamations.

Following is the classification of ratios:

- A. Liquidity Ratio
- B. Leverage Ratio
- C. Profitability Ratio
- D. Activity Ratio

Liquidity Ratio

Liquidity implies the point of confinement of the worry to meet its present obligations as and when they, wind up due. These degrees are found out to remark upon the transient paying purpose of repression of the pressure or the association's capacity to meet its present duties. Much understanding could be secured into the present money dissolvability of the firm and its capacity to stay dissolvable in case of well known: i.e. the firm s hold guarantee that it doesn't experience the insidious effects of any nonappearance of liquidity what's more that it is crucial to strike a legitimate congruity between high liquidity and nonattendance of liquidity.

Leverage Ratios

The transient moneylenders like the merchants and the providers of foul materials are more worried over the alliance's present duty paying utmost. Obviously, long terms banks like debenture holders, budgetary establishments, and so on, are more worried over the

connection's entire arrangement money related position. To judge the entire arrangement budgetary position of the firm, money related use or capital structure degree is utilized. The examiners, debenture holders and other since quite a while earlier named advance authorities like budgetary affiliations are more moved by the entire arrangement money related position or long haul dissolvability of the firm. Use or dissolvability degrees are utilized for such an examination. These degrees are besides used to inquire about the capital structure of an affiliation. That is just these are additionally called capital-structure degrees. The term dissolvability for the most part suggests the firm capacity to pay the intrigue dependably and reimburse the focal measure of responsibility on due date.

Profitability ratio

Benefit mirrors the last consequence of the business activities. There are two kinds of gainfulness proportions in particular edge proportion and proportion on returns rates. Overall revenue proportions demonstrate the connection amongst deals and benefits.

A definitive point of any business venture is to win most extreme benefit. Master keens commented, "Benefit is the motor that drives the business undertaking", a firm ought to gain benefit to survive and develop for a drawn out stretch of time. To the administration benefit is an estimation of productivity and control. To the proprietors it is to gauge the value of their speculation. To the loan bosses it is the edge of wellbeing. The administration of the organization should know how effectively they complete business task. At the end of the day, the administration of the organization is particularly keen on the gainfulness of the organization. Next to administration, loan bosses and proprietors are additionally intrigued by the benefit of the co-leaders, as they need to get intrigue and reimbursement of central sum consistently. Proprietors need to get a sensible profit for their venture

The benefit proportion measures the capacity of the firm to procure and on deals, add up to resources and contributed capital. Productivity proportions are by and large figured either in connection to deals or in connection to speculation. The gainfulness proportions in connection to deals are gross benefit proportion. Net benefit proportion, working proportion, costs proportion; and so on the productivity proportions in connection to speculation are return on resources, rate of profitability, and return on value capital

Activity ratio

Assets of the proprietors and leasers are put resources into different advantages for create deals and benefits. The better the administration of advantages, the bigger the measure of offers. Movement proportions are utilized to assess the productivity with which the company's directors use their benefits. These proportions are likewise called turnover proportion since they demonstrate the speed with the benefits are being changed over or transform over into deals

2.2 LITRATURE REVIW

Oel Capon (1990), a meta-examination of results from 320 distributed investigations relates ecological, key and authoritative variables to monetary execution. A few variables (e.g., fixation and development) have been considered generally and have a moderately reliable positive effect on execution. Other broadly contemplated factors (e.g., estimate) have couple of steady impacts. Numerous elements (especially authoritative factors) are understudied. We recommend suggestions for research and administration hone

Charles R. Schwenk, Charles B. Shrader (1993), masters have been taking a gander at the effects of formal key foreseeing immaterial firm cash related execution for more than twenty years. Spectators of prior examinations have made differentiating conclusions in the matter of whether formal sorting out updates unimportant firm execution. We have related meta-examination suddenly to the outcomes of past examinations on formal huge arranging and unimportant firm execution. The results suggest that paying little mind to the way that the level of the effects for envisioning particular examinations Is not expansive, the general connection between formal arranging and execution across finished examinations Is sure and urgent. An amazing piece of the alteration in the measure of the effects, in any case, Is not cleared up by testing mess up, Indicating the potential for various parts to mastermind the effects of envisioning the execution of little firms. It is done up, everything considered, that key arranging is a valuable development for little firms.

Tian-jian Yang (2009), financial performance analysis of e-coordinated effort store network under stock interruptions is done by framework elements displaying and recreation. Money related exhibitions of three diverse supply chains with Internet e-cooperation instruments are

contrasted and the suspicion that a stock disturbance happens at the retailer stockroom. Numerical outcomes are appeared to uncover the Non-communitarian, Collaborative Forecasting and Collaborative Planning supply chains have very unique money related reaction qualities under certain stock catastrophe, and Collaborative Forecasting inventory network has the best conduct if there should be an occurrence of these occasions rather than the others

Damitio, J. Schmidgall and R. S. Dennington, L J.(1995),this article looks at the Statement of Cash Flows examination, a generally new money related proclamation that contains a lot of valuable data. There are two general methodologies for breaking down the Statement of Cash Flows: (1) getting ready relative proclamations of money streams and (2) utilizing proportion examination. The money related proclamations of a speculative inn, the Example Inn, are broke down utilizing these instruments.

Chandrasekhar, B. S. (2015),urban helpful banks assume an imperative part in meeting the developing credit needs of urban and semi-urban territories of the nation. They have customarily focused on retail benefits, giving investment funds items and credit to shoppers, retail dealers, experts, independently employed and little and medium estimated endeavors. The hugest improvement identified with UCBs was the extension of certain arrangement arrangements of keeping money Regulations Act, 1949to the helpful social orders in 1966 after that which the agreeable banks likewise got the advantage of store protection plans. The goals of this paper are to get to the development and structure of agreeable credit social orders in India and to think about the budgetary and recognize general execution of UCBs in India. The investigation depends on Secondary information. Urban helpful bank are a vital part for the legislatures of comprehensive development and has come to possess an impressive place in the Indian budgetary framework

B.Sathish Kumar (2008), composed an examination on Evaluation of the budgetary execution of Indian private piece banks mulled over that Private area bank expect an essential part being delivered of Indian economy. After development the managing a record industry experienced gigantic changes. The money related changes totally have changed the keeping money segments. RBI empowered new banks to be begun in private piece according to the

suggestion of Narashima board. The Indian keeping money industry was told by the comprehensive group banks. All things considered, now the condition has changed new age saves money with the utilization of headway and ace association has gotten a sensible position in the managing a record industry.

Beaver William H, Correia Maria and McNichols, Maureen. F et.al., (2010), directed an investigation "financial statement analysis and the expectation of Financial Distress" has dissected that Financial including exchange providers, banks, FICO assessment offices, speculators and administration, among others. Monetary trouble alludes to the failure of the organization to pay its money related commitments as they develop. Exactly, scholastic research in bookkeeping and fund has concentrated on either security default or chapter 11. The essential issue is whether the likelihood of pain shifts in a huge way contingent upon the extent of the money related articulation proportions. This monograph talks about the development of three standards inside the budgetary pain forecast writing: The arrangement of reliant and logical factors utilized, the factual strategies for estimations, and the demonstrating of money related misery.

Sudeep Kalakkar (2012), driven an examination on "Enter Factors in Determining the Financial Performance of the Indian Banking Sector" To apparent the run of the mill result from the certified outcome we have utilized econometric approach or model utilizing inner budgetary attributes, for example, Return on Asset, Return on Capital, Income rate change and Profit per Employee and besides utilized outer components, for example, GDP headway rate of 83 orchestrated Commercial Banks in three specific parts that is open segment, private piece and outside banks task in India. Near to that we have in like way utilized the monetary attributes and degrees got by Reserve Bank of India. At long last we will feature the pay change rate will be affected by the bit of the general business, Investment to store degree of remote banks are practical showed up contrastingly in connection to open zone banks and private part banks. Thusly remote banks have impact in the Indian keeping money part with more focal points per expert, business per operator, capital sufficiency, low NPA level, Asset Quality, Liquidity and whatnot.

McGowan Jr., Carl B Stambaugh and Andrew.R et.al.,(2011),directed an investigation on 'Financial analysis of Bank Al Bilad' presents a model for the budgetary examination of a

bank in light of the DuPont arrangement of monetary investigation. The DuPont arrangement of monetary examination is gotten from an investigation of profit for value that comprises of three sections: 1) Operating productivity as estimated by net revenue, 2) Asset utilize proficiency as estimated by add up to resource turnover, and 3) Financial use as estimated by the value multiplier.

M. Cathy Claiborne and Kirkland A. Wilcox (2011), directed an investigation on "Home Heaters: A Holistic View of Financial statement" has taken up two new businesses in a similar industry that have indistinguishable monetary exchanges. Albeit the two organizations take after sound accounting guidelines (GAAT), every chief settles on various decisions and appraisals while applying GAAP. By setting up the monetary proclamations, figuring proportions, and investigating the two organizations.

Venus C. Ibarra (2009), directed an investigation on "cash flow ratio; Tools for monetary examination" has expressed that as per Statement of money related bookkeeping models No.95, " Statement of income," the data in the announcement, if utilized with data in other budgetary proclamations, can encourage speculators, loan bosses and others to evaluate a substance's capacity to create positive future net income, and its capacity to meet its commitments and to pay profits, and decide its requirements for outer financing amid the period. This examination will dissect proportions got from the working money streams. These proportions are then used to break down four year of proclamations of money streams of three assembling enterprises. The goal of the investigation is to test proportions got from the announcement of money streams, utilize them to assess the intra exhibitions of organizations t decide said organizations liquidity, proficiency, benefit and capacity to secure long haul financial specialists and leasers. This examination will test the value of the proportions, appropriateness to assembling organizations and decide whether there are impediments to their employments.

Professor M.R. Kumaraswamy (2009), directed an examination 'Financial Management cell for New way to deal with Ethical-Based Financial proclamation investigation's has talked about that the present business world has been described by moral chapter 11 damaging all standards of good business morals which, thusly, has caused mounting monetary (financial issues) because of continuous organization and bank disappointments and bankruptcies, the

aftereffect of their taking part in false (manipulative) bargains in as much as endeavors are begun with benefit making thought processes, the requirement for a careful connection amongst men and benefit is something overlooked. Keeping these contemplations in see the creator has figured another way to deal with monetary articulation investigation fusing moral qualities in business administration

Mahesh R. & Daddikar Prasad (2012), this paper is centered around the post merger and obtaining of Indian carrier organizations to know the financial performance. The paper looks at to demonstrate whether the organization has achieved a financial performance productively amid the position joining or not. The organization has taken a matched t-trial of before two years and following two years of budgetary execution of the organization and they find there is no change in the financial performance To discover this they have taken a specific equations like net revenue, profit per share and so on.

Deepti Sahoo & Pulak Mishra (2012), this paper look at the execution of structure and direct in Indian keeping money division. It says in regards to there is a change in promote course of action of Indian saving money segment and furthermore ways banks execution of earlier years. There is an examination between the nationalized banks and private banks like both local and outside it demonstrates a lower execution however private segment banks demonstrates a superior execution in offering endeavors than open part banks.

Priyanka Aggarwal (2013), this paper is to know whether the maintainable organizations are cash making or not. Specialists contain led a year ago money related execution to know the benefit or loss of the organization. Optional information are utilized to know the budgetary execution of organization in Indian setting. Results find there is no money related execution in maintainability.

B. Manjula Devi & K. Sabrinathan (2015),the fundamental target is to assess the deals and generation to know the long and here and now money related achievability. The organization has chosen to know the proportions of the chose organization to check whether the dissolvability proportions are proficiency or not. The outcomes gave a positive response of the chose organizations in concrete ventures.

Husain Ashraf S & Nikita Kumari (2016), this investigation is to give the data about the wander fitness of private affirmation business in India. The organization has examined 20 private insurance agencies for a most extreme yield. The insurance agencies will rely upon the arrival on speculations to know the introduction of co. The investigation have better in the private life coverage organizations and furthermore enhanced in BCC and CCR show.

J. Ssekakubo, N. George & F. Lwanga (2014), the examination looks at the association stuck between the financial introduction of investment funds and administrative competency in Uganda. Organization utilized the quantitative research and information gathered from the organization to examine the strategies engaged with the relationship and relapse. Positive outcomes are uncovered in connection between the monetary exhibitions and administrative competency. In this paper they have utilized the relapse model to know the money related introduction of the organization.

N. M. Leepsa & Chandra Shekar Mishra (2012), this paper is especially in light of the merger and securing with reference to the assembling firm. In this paper the assembling firm took a converge with the organizations to know the effect on corporate fund execution. The methodologies which are utilized as a part of this firm to know merger and securing perform in the firm and furthermore to know the development of the firm.

Ahmed k & Shafie Mohamad Z (2016), this makes inquiries offer confirmation on the apple of non pecuniary performances within the manufacturing environment. The purpose of this examine is to look at the non fiscal presentation among built-up company between size of the firm owners and managers involved in current industrialized knowledge and the exercise of non monetary act. The manufacturing firms are a significant division for trade and industry growth of several countries.

S.W. Qazi, Ahmed M, kashif S & Z.A. Qureshi (2015), this paper tells about the corporate social obligation and furthermore the organization's financial performance. This is another idea actualizing the thoughts and advantages of it. For this paper essential and auxiliary information is gathered. For optional information the organization utilized diaries, articles, reports. In this paper they utilized hypothetical structure for the representative fulfillment and furthermore to know the CSR hones monetary execution and general picture.

2.3 RESEARCH GAP

Most of the studies have used the financial performance to analyze the position of the company but only few studies have given the complete correct reports by using ratio analysis. Hence this study aims to fill the above research gap

They are not completely in improving out results obtained from the analysis. The cyclical nature of the business of the company is properly examined the financial statements.

CHAPTER: -3 RESEARCH DESIGN

TOPIC CHOSEN FOR THE STUDY

“A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF PREQUATE CONSULTANTS PRIVATE LIMITED”

3.1 STATEMENT OF THE PROBLEM

The statement of problem is to analyze the financial performance of organization. The study on the financial performance contains the revenue, tax, expenses etc and the other side it shows the liabilities and assets portions in the year sometimes difficult to calculate the financial portions of the organization. Financial performance are prepared to review the investment in a business and results achieved during specific period sometimes financial performance hard to analysis the investment returns and provide proper strategies.

3.2 OBJECTIVE OF STUDY

- To study the financial performance of Prequate consultants Pvt ltd
- To know the financial position of Prequate consultants Pvt.ltd
- Ratio analysis is used to analyze the financial statements
- To analyze the profitability position of the company
- Financial tools used to study the company progress

3.3 NEED FOR THE STUDY

- To know the financial analysis of the company with the help of ratio analysis
- To examine the financial position of the consulting firm
- to suggest the measure , on the basis of the study results , to improve future the financial performance of the organization under the study

3.4 SCOPE OF STUDY

- To study the financial performance of the Prequate consulting located in the Bangalore and maintain the structure
- This project clear picture the financial performance and ratio analysis of the Prequate consulting
- To know the financial positions of the consulting firm from year to year

3.5 RESEARCH METHODOLOGY

SOURCES

Primary data- the primary data is collected through the interview with the management of the organizations and organization staff to collecting information about their area of operations and services rendered by the firm.

Secondary Data – secondary data is collected based on the internal sources. Balance sheet and profit and loss accounts of the company are collected from company management.

The data time taken for the study is 4 year's data (2014—2017)

TOOLS FOR ANALYSIS

- Ratio analysis
- Cash flow analysis

3.6 LIMITATIONS

- Only four-year data has been considered for the financial performance
- I need to depend on the information provided by company for the study
- Official company will not allow to look after for the original books of accounts and journals
- Study is only limited to Prequate consulting private limited

3.7 CHAPTER SCHEME

CHAPTER 1 -INTRODUCTION, INDUSTRY PROFILE AND COMPANY PROFILE

1. Introduction financial performance
2. Industry profile
 - i. Consulting firms
 - ii. History of consulting firm
 - iii. Government consulting firms
3. Company profile
 - i. Introduction
 - ii. Nature of business
 - iii. Vision, mission and Quality policy
 - iv. services
 - v. Customers
 - vi. Area of operation
 - vii. Competitors
 - viii. Infrastructure facility
 - ix. Awards and achievement
 - x. SWOT analysis
 - xi. Future growth

CHAPTER 2 -COCEPTUAL BACKGROUND AND LITERATURE REVIEW

1. Conceptual background
 - i. Introduction
 - ii. Literature review
 - iii. Research gap.

CHAPTER 3 -RESEARCH METHODOLOGY

1. Topic chosen for study
2. Statement of problem

3. Objective of the study
4. Scope of the study
5. Research methodology
 - i. Type of data
 - ii. Sources
 - iii. Tools used
6. Limitation

CHAPTER 4- DATA ANALYSIS AND INTERPRETATION

1. Working capital
2. Revenue of Prequate
3. Profit before tax
4. Ratio analysis
5. Cash flow statement

CHAPTER 5- FINDINGS AND SUGGESTIONS

1. Summary of Findings
2. Suggestions
3. Conclusions

BIBLIOGRAPHY

CHAPTER 4

ANALYSIS AND INTERPRETAION

4.1 WORKING CAPITAL

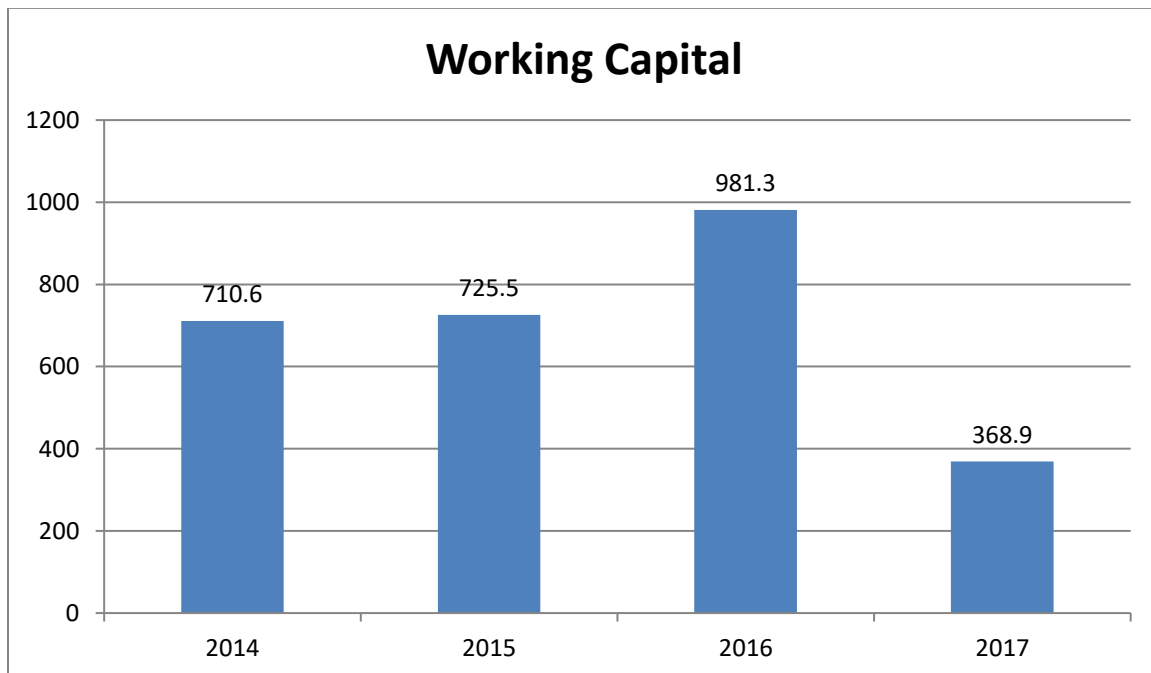
Working capital = current assets- current liabilities

4.1. Table showing the working capital (lakhs)

Year	Current Assets	Current Liabilities	Working Capital
2014-2015	1436.3	725.7	710.6
2015-2016	1384.5	659	725.5
2016-2017	1763.7	782.4	981.3
2017-2018	1431.2	1062.3	368.9

(source annual report of 2014-2017)

Graph 4.1graph showing working capital of four years 2013-2014 to 2017-2018



Analysis and interpretation

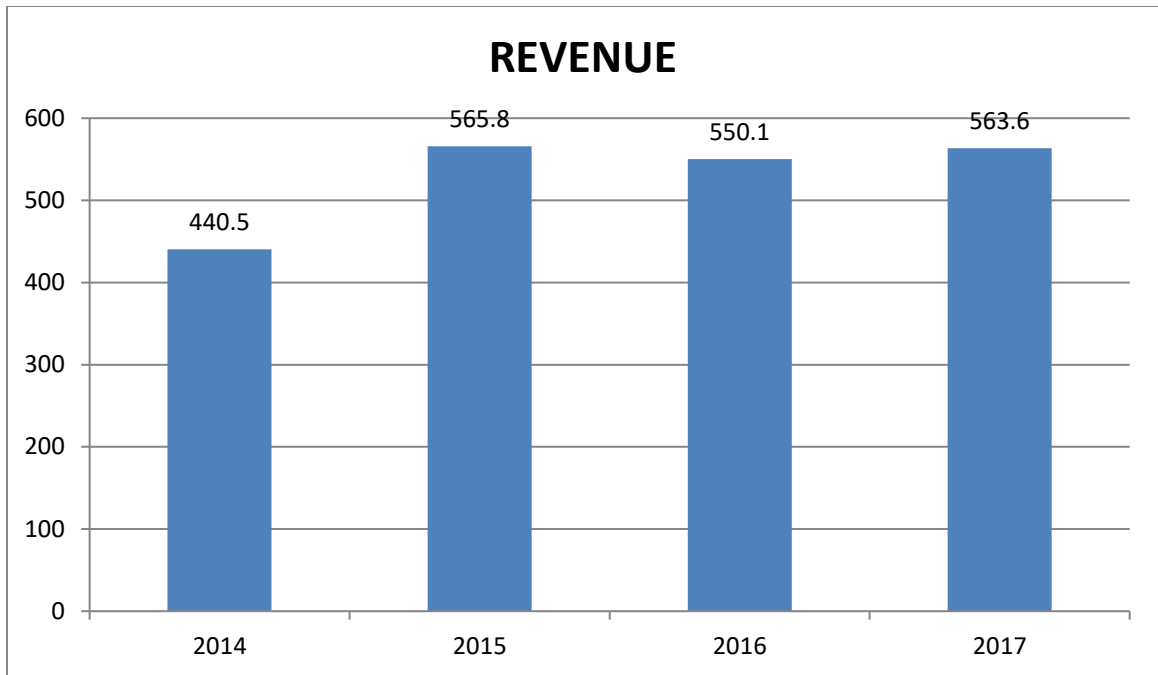
The above graph shows the working capital and given details of 4 years of analysis from 2014- 2015 to 2016- 2017. In the 2014-2015 the working capital is 710.6 (lakhs), and in the year 2015-2016 it increased to 725.5 (lakhs) , and suddenly its increased in the year 2016-2017 to 981.3 (lakhs) but in 2017-2018 the working capital has decreased to 368.9 (lakhs) it shows that in the year 2017-2018 the company has increased its current liabilities so that company's working capital has been decreased, there is lot of variation in the working capital

4.2 REVENUE OF PREQUATE

Table 4.2 table showing revenue company from 2014-2017 (Rs in lakhs)

Year	Profit after year
2014-2015	440.5
2015-2016	565.8
2016-2017	550.1
2017-2018	563.6

4.2 Graph: graphs showing revenues of four years 2013-2017



Analysis and Interpretation:

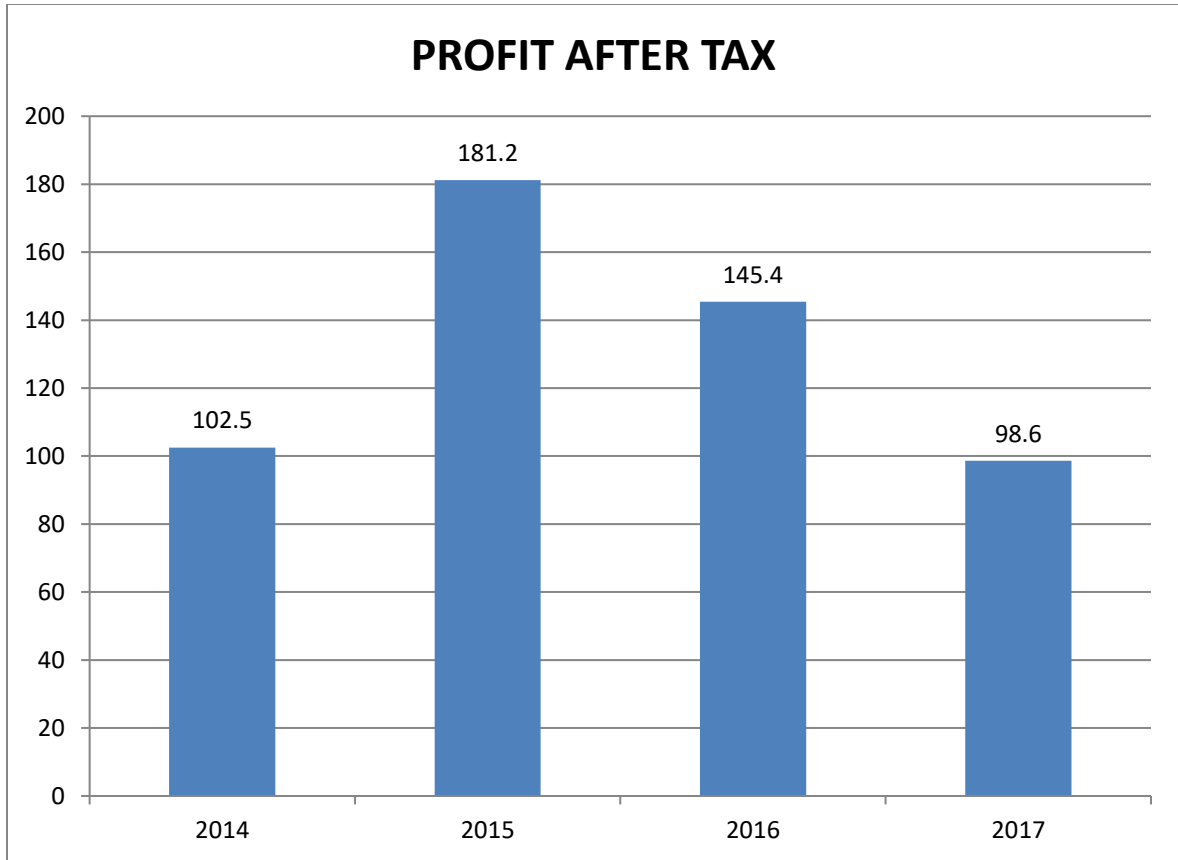
The above graphs show that revenue of company and given detail of 4 years from 2014-2015 to 2017-2018. In the year 2014-2015 the company revenue is 440.5(lakhs),and in the year 2015-2016 the revenue of company has increased to is 565.8 (lakhs), and in the year there is slightly decreasing in the revenue to 550.8 9 (lakhs) and again there is increasing in revenue of company to 563.6 (lakhs) it shows that in the current year company is having the good revenue from the sources.

4.3 PROFITS AFTER TAX

Table 4.3 table showing profit before tax from 2014-2017

Year	Profit after year
2014-2015	102.5
2015-2016	181.2
2016-2017	145.4
2017-2018	98.6

Graph 4.3 graph showing profits before tax of four years 2013-2017



Analysis and Interpretation:

The above graphs show that profit before tax of company and given detail of 4 years from 2014-2015 to 2017-2018. In the year 2014-2015 the company profit before tax is 102.5(lakhs),and in the year 2015-2016 the profit before tax of company has increased to is 181.2 (lakhs), and in the year there is slightly decreasing in the profit before tax to 145.4 (lakhs) and again there is decreasing in profit before tax of company to 98.6 (lakhs) it shows that in the current year company is having less profit before tax compare to all the four years.ao the company having huge interests and tax so there is less profit before tax even tho having good revenue

4.4 RATIO ANALYSIS

Types of ratio analysis

- Liquidity ratio
- Profitability ratio
- Activity ratio

4.4.1 LIQUIDITY RATIOS

A. Current ratio

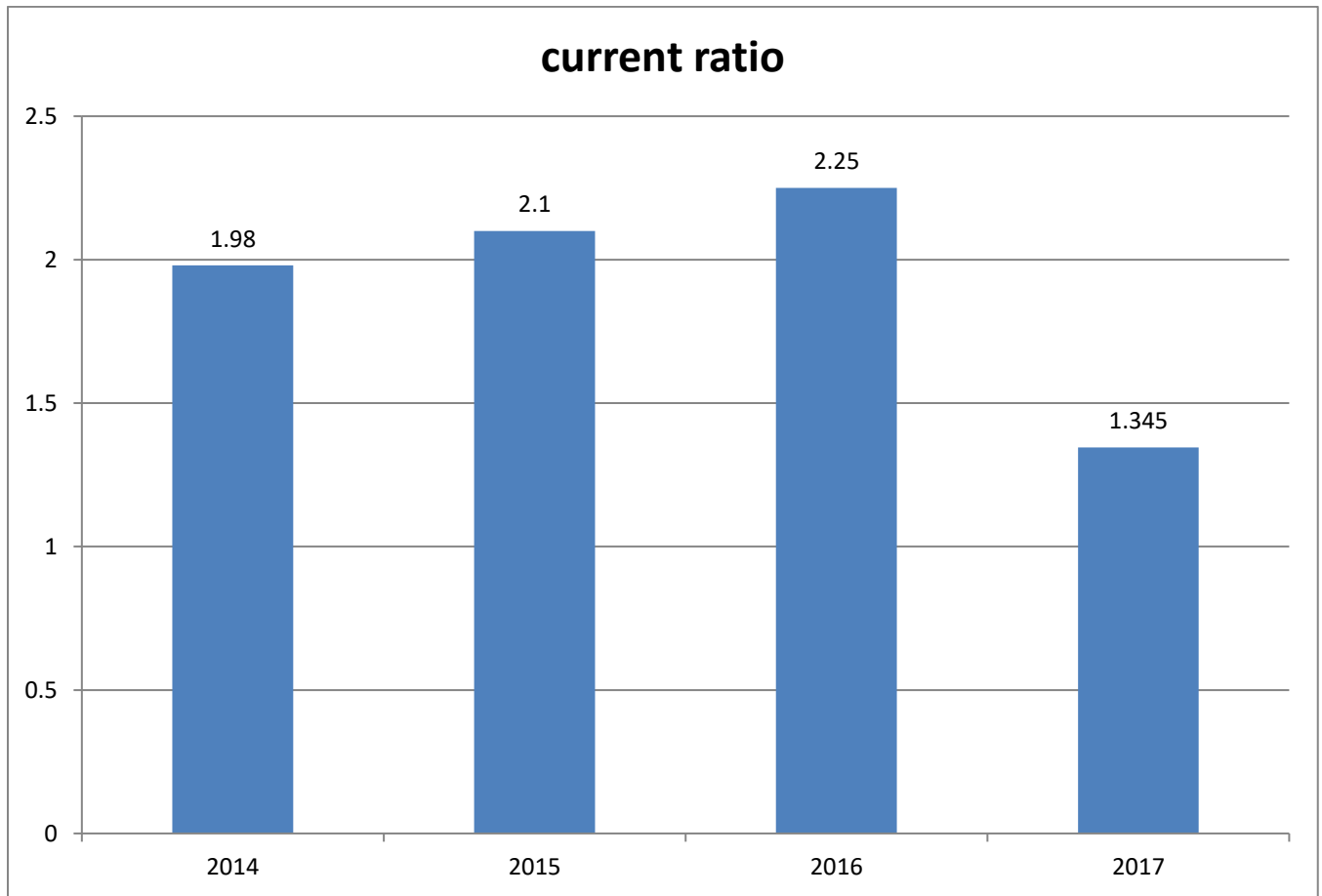
Current ratio is defined as the relationship between the current assets and current liability. A ratio should 2:1 is considered satisfactory as per the thumb rule

$$\text{Current ratio} = \frac{\text{Current assets (CA)}}{\text{Current liabilities (CL)}}$$

Table 4.4 table showing current ratio of four years from 2014- 2017

year	Current ratio
2014	1.98
2015	2.10
2016	2.25
2017	1.35

Graph-4.4 Graph showing current ratio of four years from 2014-2017



Analysis and Interpretation:

The company is maintaining good current ratio having more than 1:1 ratio. From the above graph it shows the current ratio and detail analysis from the year 2014-2015 to 2017-2018. In the 2014-2015 the current ratio of company is 1.98:1, and there is slightly increasing the current ratio of company in the year 2015-2016 to 2.1:1, and there is increasing in the current ratio of company in the year 2016-2017 to 2.25 so the company is having highest current ratio as compare to the last two years, and there is huge decreasing in the current ratio of company in the year 2017-2018 to 1.345 so the company is having lowest current ratio compare to all 3 years, they have to look after their current ratio if it's more than 2:1 it will be having good financial position.

B. QUICK RATIO

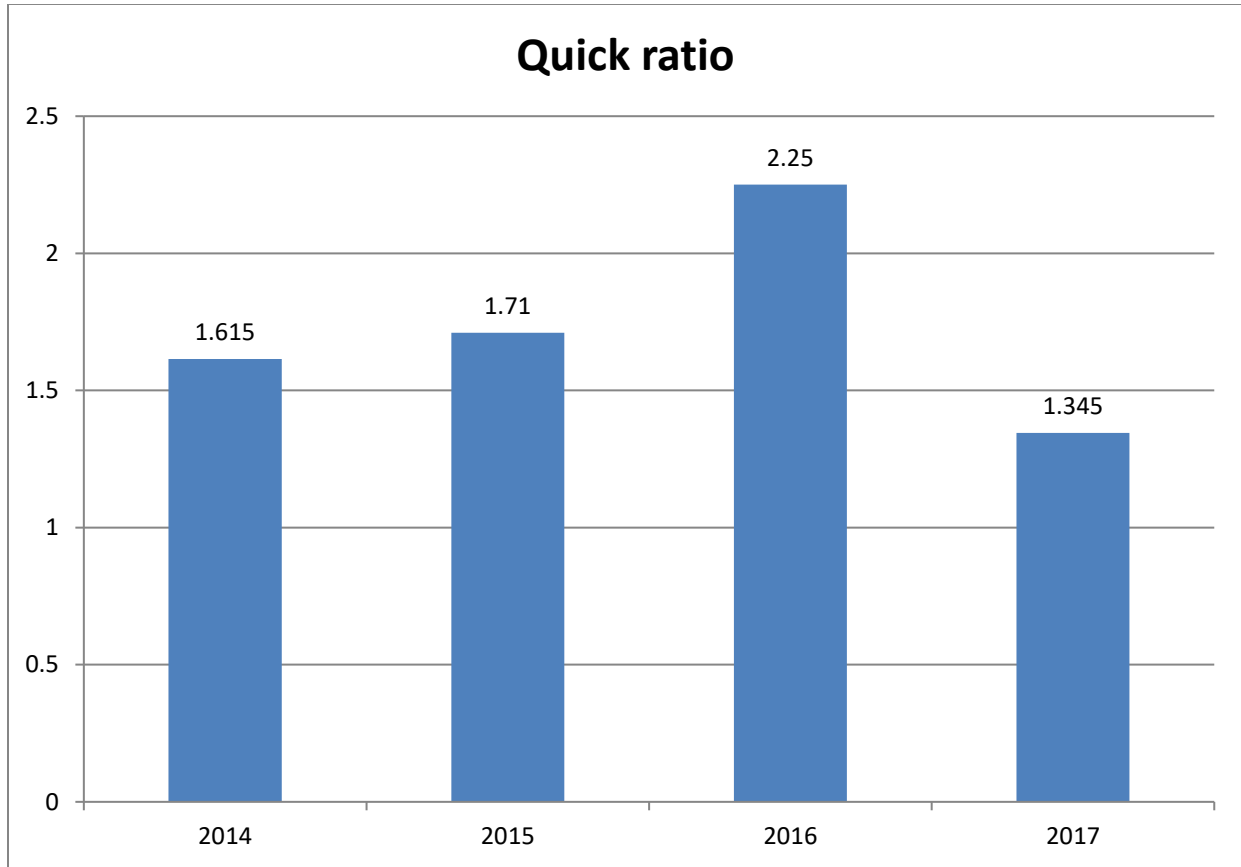
It may be defined as the relationship between the available of cash in hand, quick assets and current liabilities. The ratio should be 1:1 is considered as good ratio.

$$\text{Quick ratio} = \frac{\text{Cash + accounts Receivable}}{\text{Current Liabilities}}$$

Table 4.5 table showing quick ratio for four years from 2014-2017

year	Current ratio
2014	1.615
2015	1.71
2016	2.25
2017	1.35

Graph 4.5 graph showing of quick ratio for four years from 2014-2017



Analysis and Interpretation:

Quick ratio talks about the company liquidity position that they can convert to cash at any time. From the above graph quick ratio and detail analysis from 2014-2015 to 2017-2018. In the year 2014-2015 the company's quick ratio is 1.615:1, and there is slightly increasing the quick ratio in the year 2015-2016 to 1.71:1, and there huge increasing in the quick ratio of company in the year 2016-2017 to 2.25:1 so company having highest quick ratio compare to previous years, and there is lot of decreasing in the quick ratio of company in 2017-2018 to 1.345:1 so the company should look after their liquidly position

4.4.2 Profitability ratio

A. Return on capital employed

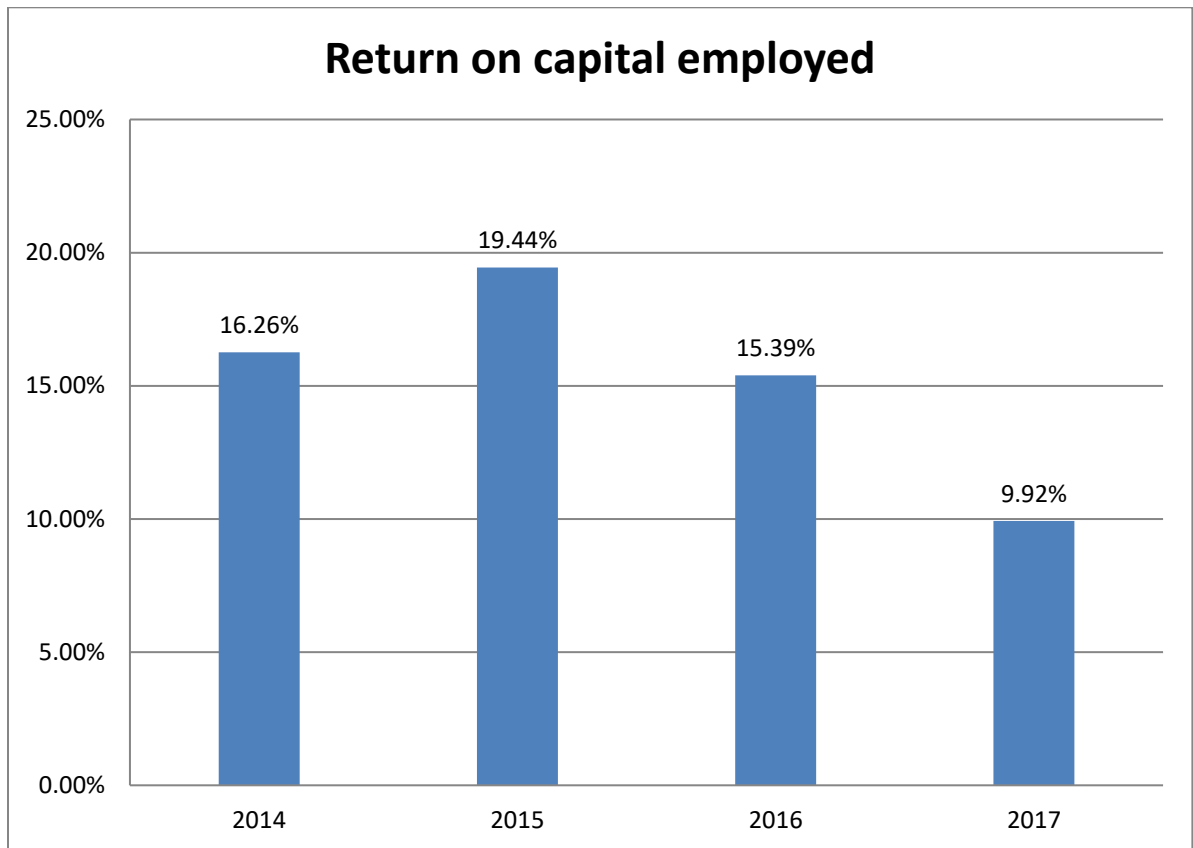
It can be defined the relationship between operating profit and capital employed

$$\text{Return on capital employed} = \frac{\text{Operating profit}}{\text{Capital employed}} \times 100$$

Table 4.6 table showing return on capital employed of four year from 2014-2017

Year	Capital employed
2014	16.26%
2015	19.44%
2016	15.39%
2017	9.92%

Graph 4.6 showing of return on capital employed for four years from 2014-2017



Analysis and Interpretation:

Return on capital employed is a measure that would achieve the wage is regularly conveyed in regards to percent. From the above graphs return on capital employed and detailed analysis from 2014-2015 to 2017-2018. In the year 2014-2015 the return on the capital employed of the company is 16.26% and, in the year 2015-2016 the company's return on capital employed has increased to 19.44%, and there is decrease in the return of capital employed of the company the year 2016-2017 to 15.39% ,and there is huge decrease in the return on capital employed compare all the previous years to 9.92% so the company have look after the much returns on the capital

B. Operating Profit Margin

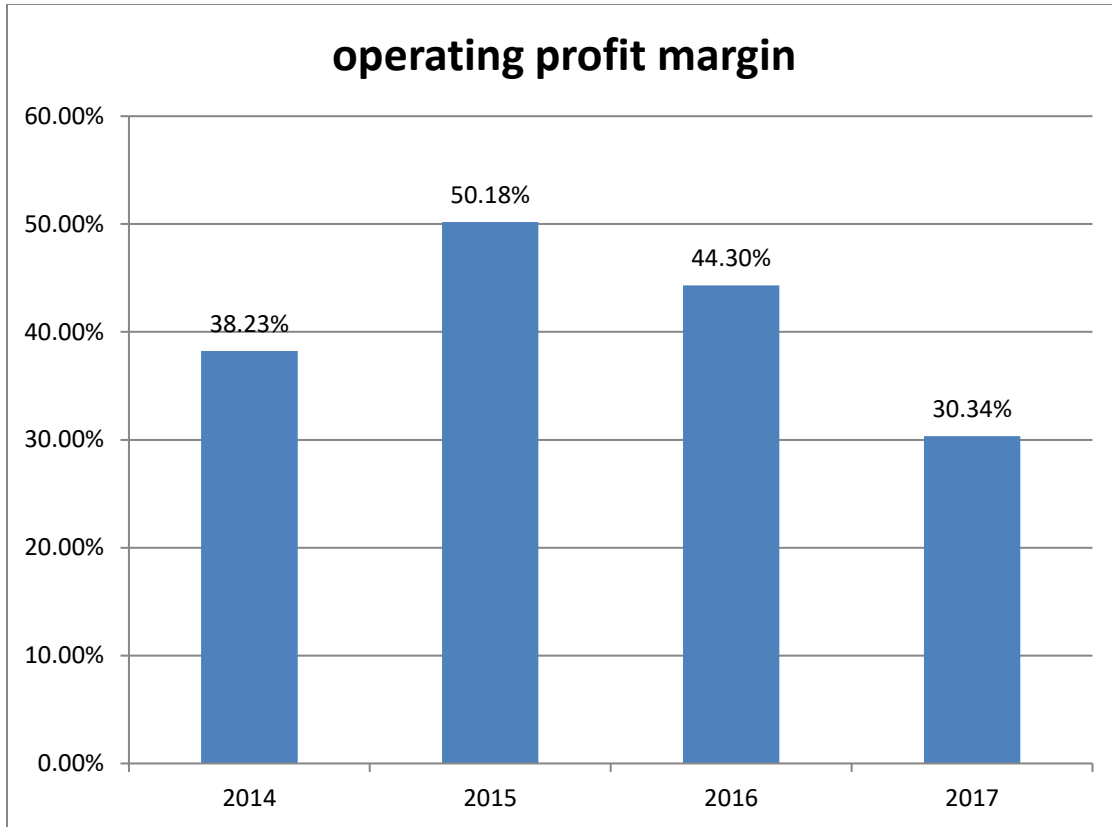
It is defined as the relationship between the operating income and the net sales

$$\text{Operating profit margin} = \frac{\text{Operating Income}}{\text{Net sales}} \times 100$$

Table 4.6 table showing of operating profit margin for four year from 2014-2017

YEAR	OPERATING PROFIT MARGIN
2014	38.23%
2015	50.18%
2016	44.30%
2017	30.34%

Graph 4.7 graphs Showing of Operating profit margins for four years 2014-2017



Analysis and Interpretation:

Operating profit margin talks about the how much profit left over the cost of the sales. In the above graph operating profit margin of company and detailed analysis from 2014-2015 to 2017-2018. In year 2014-2015 the operating profit of the company is 38.23%, and there is increase in the operating profit margin of company in 2015-2016 to 50.18%, and operating profit has been decreased slightly in the year 2016-2017 to 44.3%, and there is huge decrease over the operating profit in the current year 2017-2018, the company’s operating has gone lower compare to all previous years so they have to look after the getting more profit over all the expenses

C. Return on net worth

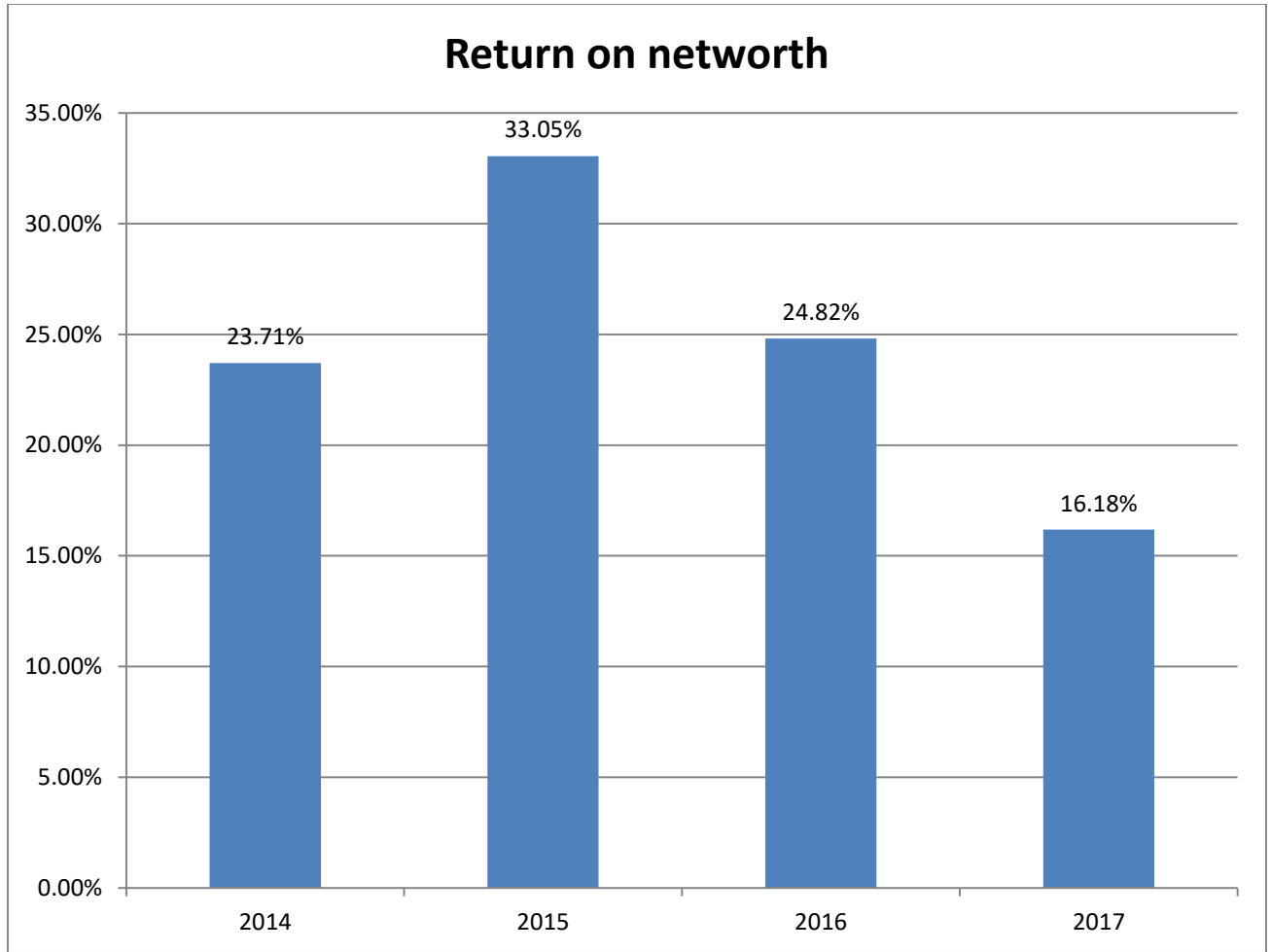
It is defined as the relationship between the net income and shareholder's equity

$$\text{Return on net worth} = \frac{\text{Net Income}}{\text{Shareholder's Equity}} \times 100$$

Table 4.8 table showing Return on Net worth for four year from 2014-2017

Year	Return on net worth
2014	23.71%
2015	33.05%
2016	24.82%
2017	16.18%

Graph 4.8 graph showing Return on Net worth for four years from 2014-2017



Analysis and Interpretation:

The return on net worth talks about the profit come from the shareholder’s equity. In the above graph return on net worth and detailed analysis from 2014-2015 to 2017-2018. In the year 2014-2015 the return on the net worth of company is 23.71%, and there increase in return on the net worth of company in the year 2015-2016 to 33.05% , and there is decrease in the return on net worth of company in the year 2016-2017 to 24.82%, and there is lot of decreases in the return on the net worth of company in the year 2017-2018 to 16.18% in the current year company is not much generating the much profit over the shareholder’s equity so they have to look after in the earning the profit over the shareholder’s equity.

4.4.3 ACTIVITY RATIO

A. Investment turnover ratio

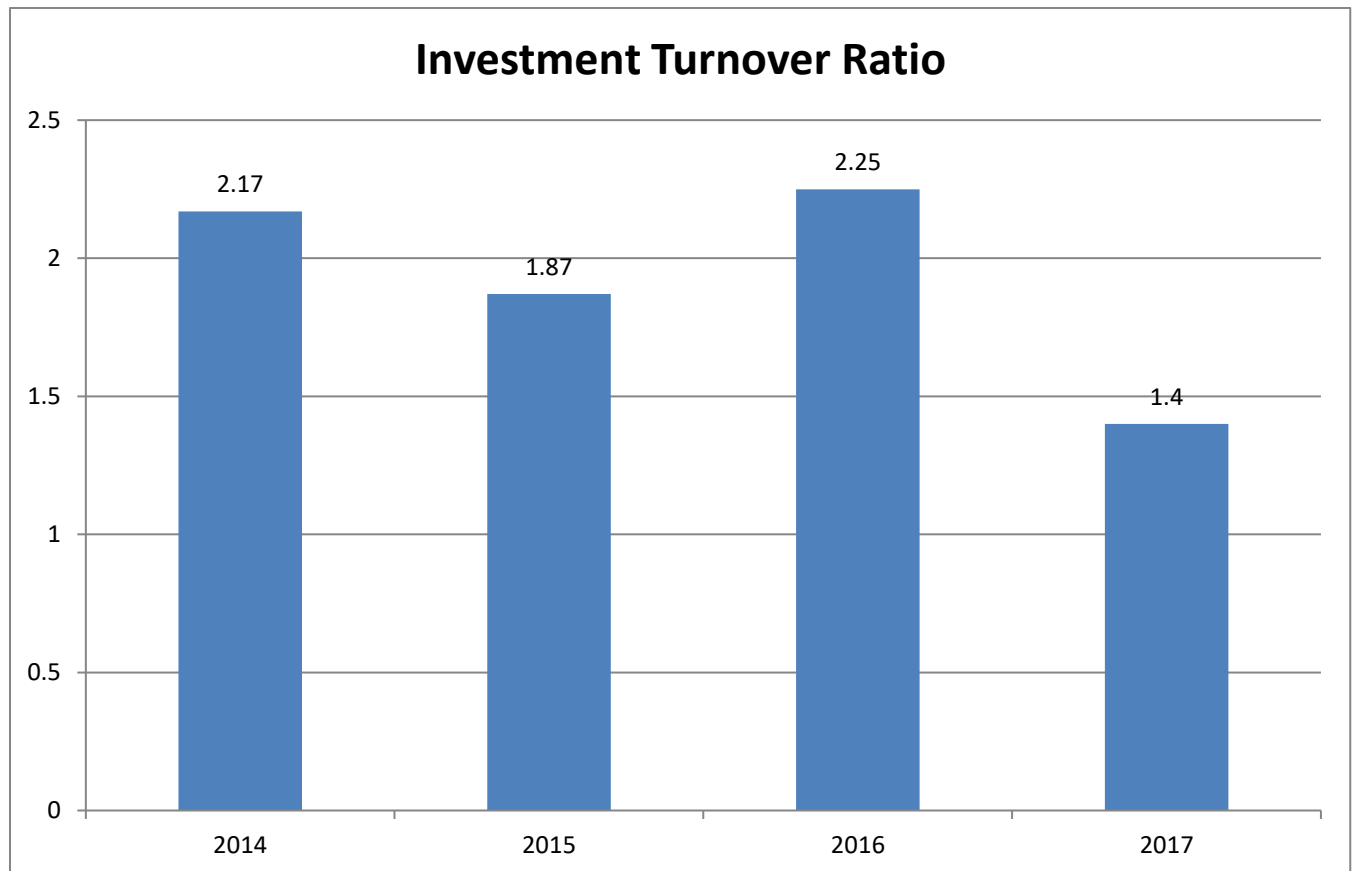
It is relationship between the net sales and shareholder's equity and debt outstanding

$$\text{Investment Turnover Ratio} = \frac{\text{Net Sales}}{(\text{Shareholder's Equity} + \text{Debt outstanding})}$$

Table 4.8 table showing of investment turnover ratio from 2014-2017

year	Investment turnover ratio
2014	2.17
2015	1.87
2016	2.25
2017	1.40

Graph 4.9 graph showing of investment turnover ratio for four years from 2014-2017



Analysis and Interpretation:

Investments turnover ratio talks about the revenue come from the debt and equity. In the above graph the investment turnover ratio and detailed analysis from 2014-2015 to 2017-2018. In the year 2014-2015 the investment turnover ratio of company is 2.17:1, and there is a decrease in the investment turnover ratio of company in the year 2015-2016 to 1.87:1, and the investment turnover ratio has been increased in the year 2016-2017 to 2.25:1, and there is decrease in the investment turnover ratio in the current year 2017-2018 to 1.4:1, so the company has to look after their investment turnover ratio.

B. Fixed Assets Turnover Ratio

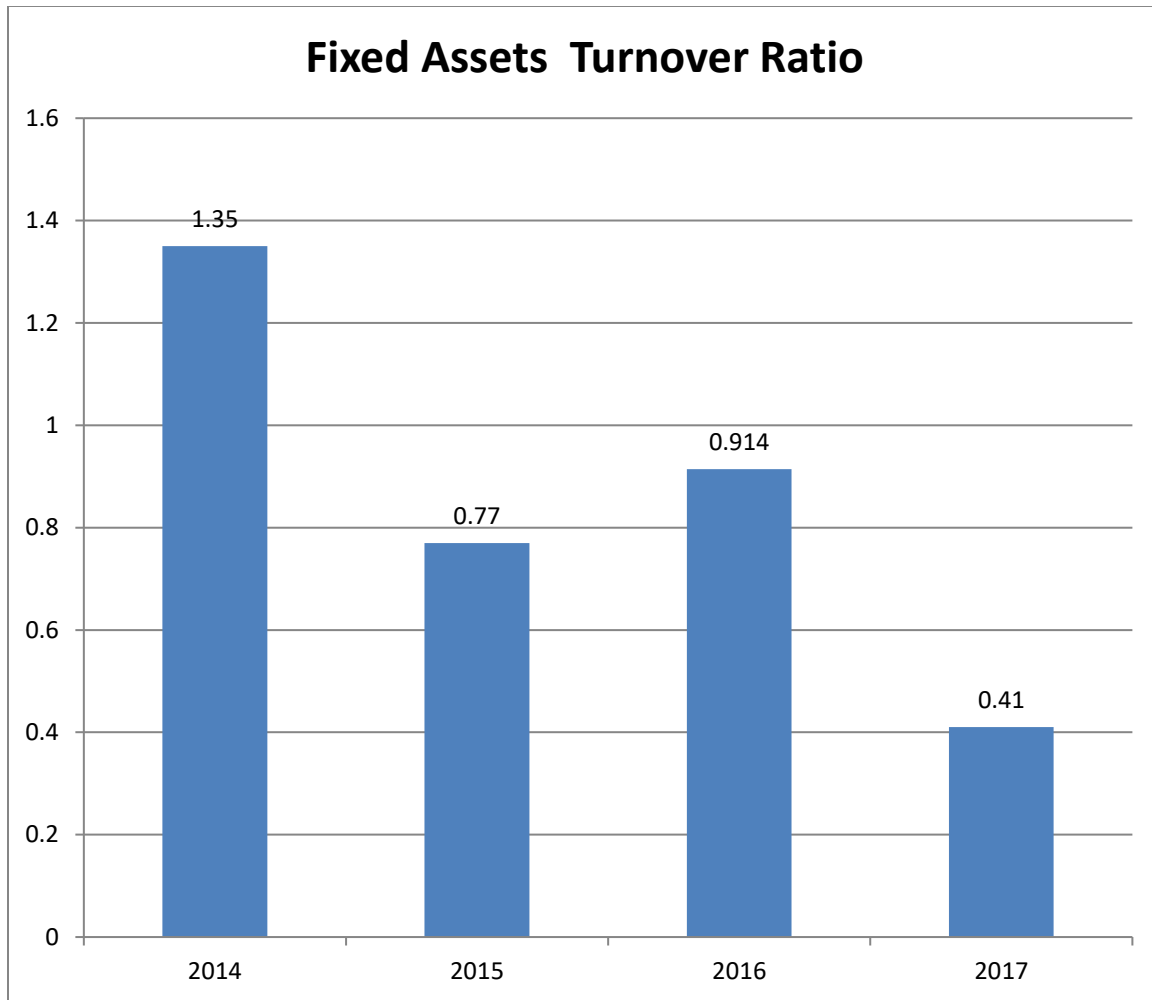
It is defined as relationship between net revenue and average fixed

$$\text{Investment Turnover Ratio} = \frac{\text{Net Revenue}}{\text{Average Fixed Assets}}$$

Table 4.10 table showing of fixed assets Turnover Ratio four years from 2014-2017

year	Fixed assets turnover ratio
2014	1.35
2015	0.77
2016	0.914
2017	0.41

Graph 4.10 graph showing of fixed assets turnover ratio for four from 2014-2017



Analysis and Interpretation:

Fixed assets turnover ratio talks about the value of sales to the value of the total fixed assets. In the above graph and detailed analysis form 2014-2015 to 2017-2018. In the year 2014-2015 the company's fixed assets turnover ratio was 1.35:1, and there is decline in the fixed assets turnover ratio in the year 2015-2016 to 0.77:1, and there was slightly increase in the fixed assets turnover ratio in the year 2016-2017 to 0.914:1, and again there was decline in the fixed assets turnover in the current year 2017-2018 to 0.41:1, so company is not having good fixed assets ratio because its less than 1 so the company has to look after their usage of fixed assets to gets return on the fixed assets

C. Total Assets Turn Over Ratio

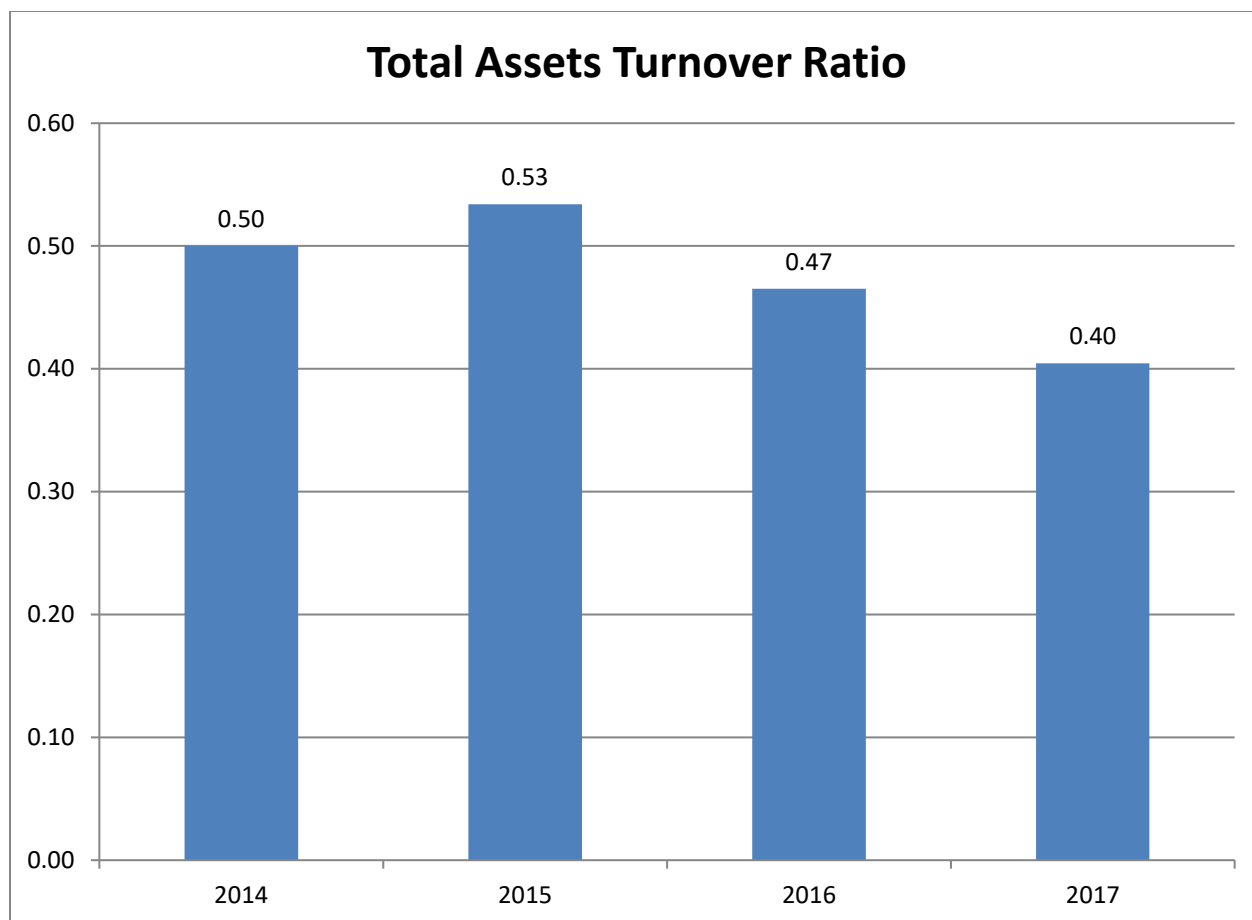
It is defined as the relationship between net revenue and average fixed assets

$$\text{Investment Turnover Ratio} = \frac{\text{Net Revenue}}{\text{Average Fixed Assets}}$$

Table 4.11 table showing total assets turnover ratio for four years from 2014-2017

year	Total Assets Turnover Ratio
2014	0.5
2015	0.534
2016	0.465
2017	0.40

Graph 4.11 showing graph of total assets turnover ratio for four years from 2014-2017



Analysis and Interpretation:

Total assets turnover ratio talks about the revenue generated has been compared to average total assets. In the above graphs of total assets turnover ratio and detailed analysis for four years from 2014-2015 to 2017-2018. In the year 2014-2015 the total assets turnover ratio of company was 0.50:1, and it has been slightly increased in the year 2015-2016 to 0.53:1, and there is decrease in the company's total assets turnover ratio in the year 2016-2017 to 0.47:1, and company's not making much return compare to previous years so it has got lowest total assets turnover ratio in the year 2017-2018 to 0.40:1. So company has to generate the good amount of profit to average of its total assets

4.6 Cash Flow Statement

(IN LAKSH)

Table no 4.11 table showing cash flow statement for four years from 2014-2017

Pro Forma Cash Flow				
INCOME	2014	2015	2016	2017
Cash Received	165.9	444.3	498.5	1343
Cash from Operations	19.2	87.3	592.2	91
Cash Sales	440.5	565.8	550.1	563.6
Subtotal Cash from Operations	19.2	87.3	592.2	91
Subtotal Cash Received	165.9	1097.5	1640.8	1997.6
EXPENDITURES	2014	2015	2016	2017
Expenditures from Operations	42.4	85.9	82.5	89
Cash Spending	29.7	386.86	150.68	438.89
Bill Payments	109.2	126.14	133.12	519.51
Subtotal Spent on Operations	42.4	85.9	82.5	89
Subtotal Cash Spent	138.9	513	283.8	958.4
Net Cash Flow	181.3	598.9	366.3	1047.4
Cash Balance	444.3	498.5	1343	950.2

Interpretation:

Cash flow table talks about the company's cash inflow and cash outflow, balance of cash at the end of year. From the above table in the year 2016 the company's cash balance is too high and there is no deficit of cash in any year so company is maintaining good cash balance there is good inflow of the cash from all aspects even the company have to look after the expenditure side because in 2017 expenditure is increased to 1047.4.

CHAPTER-5

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 SUMMARY OF FINDINGS

- Current Ratio is good in the year 2015-2016 (2.21) when compared to in year 2016-2017 (2.25) and 2017-2018(1.345)
- Working capital of the company was good in the year 2014-2015 (710.6) lakhs , when compare to 2015-2016 (725.5) lakhs, 2016-2017 (981.3) and 2017-2018 (368.9) lakhs
- Cash position is healthy level. In the year 2016-2017 it was 2.25 and in the current year 1.345
- Operating profit increased year by year, it shows the firm in a good financial stability. In the year 2016-2017 (243.70) in the current year it was 171 so company operating profit is gets decreased.
- Profitability ratio of company was good in the year 2015 (19.4%) and in 2016 (15.39%) and its gets decreased in the current year 2017(9.92%).
- The liquidity ratio of the company has been decreed because if its more than 1:2 ratio of quick it will more amiability of cash in the organization. It was 2.25 in the year 2016 and it was 1.35 in the year 2017.
- The return on capital employed was decreased in subsequent years 19.44% in the year 2015,in the year 15.39% in the year 2016 and 9.92% in 2017
- Return on the net worth of company is was good in the year 2015 (33.05%) it was decreased in the year 2016 (24.82%) and 2017 (16.18%)
- Investment turnover ratio was good in the year 2016 (2.25) and it was decreased in 2017 (1.40)
- Company's financial position of prevision year was good that in the year 2016 because they having good return and good profit
- In the year 2017 company's profit , return and inflow also decreased
- In the cash flow statement company's spent huge cash on the expenditure it decreases the cash balance and operating profit

5.2 SUGGESTIONS

- The company's cash position was slightly decreased so they have to take corrective action
- Working capital of company has been decreased so they have to increase their working capital
- Company fixed assets are in the well position, so the company has to maintain the same
- Return on resources that is return on fixed assets, return on net worth, investment turnover ratio and total assets turnover ratio are slightly decreased, so the company has to use the resources effectively.
- Cash spending's has been increased they have look after their expenditure so that cash position will be maintained so well
- If the company gets the publicity in the corporate world so will get more and more projects so they can make huge profit
- They have look after for the recruitment of employees
- The current ratio of the company was good , but the company should maintain better current ratio to maintain its obligation.

5.3 CONCLUSION

The study entitled “**A Study of financial Performance of Prequate consulting private limited**” had been continued with the objective to separate and decode the association's financial performance. The analysis of the company was undertaken with the help of ratios, which are imperative tools of financial analysis. In general, the company has achieved progress in the 2 financial years. The company has a healthy financial performance. It has been found that current assets are more than current liability and we can conclude that the company will be able to meet all its immediate and all the financial commitments, therefore, the cash position of the Prequate consulting private limited remains healthy.

After going through the solved ratios, analyzing the financial data, we can conclude that the company has continuously exceeded expectations over the years. Thus, ratio analysis is a very important technique, which has featured the performance of Prequate consulting Private Limited.

in many areas and also has helped in the portions of specific decisions has taken after by Prequate consulting private limited, which is crucial to its future growth

Through the cash flow analysis as we can conclude that the company is maintaining good cash balance over year there is no were the deficit of cash so they are having good inflow of the cash to company but they have to look after their expenditure also because as cash inflow increases the outflow of the cash also increased so if they cut down the expenditure so they might have higher balance for the coming years

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ANNEXURE

PROFIT AND LOSS ACCOUNT FROM 2014 TO 2017

(IN LAKHS)

Year End	2014	2015	2016	2017
No of Months	12	12	12	12
Operating Income	440.5	565.8	550.1	563.6
Net Sales	440.5	565.8	550.1	563.6
EXPENDITURE:				
Employee Cost	109.2	126.14	133.12	219.51
Operating & Establishment Expenses	42.4	85.9	82.5	89
Administrations & Other Expenses	29.7	144.26	150.68	167.29
Provisions and Contingencies	110	12.9	8.6	7.8
Total Expenditure	291.3	369.2	374.9	483.6
PBIDT (Excl OI)	149.2	196.6	175.2	80
Other Income	19.2	87.3	68.5	91
Operating Profit	168.4	283.9	243.7	171
Interest	7	11.4	4.6	3.2
Depreciation	17.4	16.9	15.7	13.7
Profit Before Taxation & Exceptional Items	144	255.6	223.4	154.1
Profit Before Tax	144	255.6	223.4	154.1
Provision for Tax	41.5	74.4	78	55.5
PAT	102.5	181.2	145.4	98.6
Appropriations	648.7	829.1	968.2	1064.3
Dividend (%)	0	0	0	0
EPS	29.04	51.33	40.96	27.77
Book Value	207.79	258.16	298.28	326.06

BALNCESHEET OF PREQUATE FROM 2014 TO 2017

(IN LAKHS)

DESCRIPTION	14-Mar	15-Mar	16-Mar	17-Mar
Currency Rate	1	1	1	1
EQUITY AND LIABILITIES				
Share Capital	86.3	86.3	86.5	86.5
Share Warrants & Out standings	0.1	0.2	0	0
Total Reserves	623.7	772.5	895.1	970.2
Shareholder's Funds	710.1	859	981.6	1056.7
Long-Term Borrowings	0	0	0	0
Secured Loans	0	0	0	0
Unsecured Loans	335.1	335.1	335.1	335.1
Deferred Tax Assets / Liabilities	-13.6	-12.6	-12.7	-12.1
Other Long Term Liabilities				
Long Term Trade Payables				
Long Term Provisions	4.1	278.7	279.1	343.9
Total Non-Current Liabilities	325.6	601.2	601.5	666.9
Current Liabilities				
Trade Payables	553.4	512.3	583.1	868.7
Other Current Liabilities	69.6	88.7	74.8	92.1
Short Term Borrowings	89.1			
Short Term Provisions	13.6	58	124.5	101.5
Total Current Liabilities	725.7	659	782.4	1062.3
Total Liabilities	1761.4	2119.2	2365.5	2785.9
ASSETS				
Non-Current Assets				
LOANS				
Gross Block	213.6	215.1	220.9	225.7
Less: Accumulated Depreciation	124.3	136.5	148.5	152.8
Less: Impairment of Assets				
Net Block	89.3	78.6	72.4	72.9
Lease Adjustment A/c				
Capital Work in Progress	0.6	0.6	0.9	1.6
Non Current Investments	102.3	92.3	89.4	422.5
Long Term Loans & Advances	89.5	515	431.2	636.2
Other Non Current Assets	43.4	48.2	7.9	221.5
Total Non-Current Assets	325.1	734.7	601.8	1354.7
Current Assets Loans& Advances				

Currents Investments	91	17.5	5.9	1.1
Inventories	264	240.2		
Sundry Debtors	116.3	215.1	158.7	315.5
Cash and Bank	444.3	498.5	1343	950.2
Other Current Assets	434.5	311.9	137.3	69.6
Short Term Loans and Advances	86.2	101.3	118.8	94.8
Total Current Assets	1436.3	1384.5	1763.7	1431.2
Net Current Assets (Including Current Investments)	710.6	725.5	981.3	368.9
Total Current Assets Excluding Current Investments	1345.3	1367	1757.8	1430.1
Miscellaneous Expenses not written off				
Total Assets	1761.4	2119.2	2365.5	2785.9
Contingent Liabilities	5.9	1.5	3.1	3.7
Total Debt	424.2	335.1	335.1	335.1
Book Value	186.686	228.839	262.141	283.296
Adjusted Book Value	186.686	228.839	262.141	283.296



ACHARYA INSTITUTE OF TECHNOLOGY
DEPARTMENT OF MBA
INTERNSHIP WEEKLY REPORT (16MBAPR407)

Name of the Student: Yashwanth k J

Internal Guide: DR. Prakash B Yaragol

USN No: 1AZ16MBA82




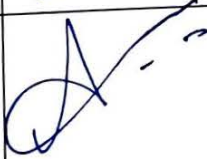
Specialization: Core Finance

Title of the Project: "A Study on Financial performance analysis to Prequate consultants private limited"

Company Name: Prequate Consultants Private Limited

Company Address: Prequate Consultants Private Limited, 3rd cross, Wilson Garden, Bangalore, Karnataka, India

Week	Work undertaken	External Guide Signature	Internal Guide Signature
15-01-18 to 20-01-18	Orientation with the company. Collection of secondary data relating to industry and Organization.		
22-01-18 to 27-01-18	Orientation with function of the organization		
29-01-18 to 03-02-18	Finalization of problem area of the study and finalization of research objectives and Methodology.		
05-02-18 to 10-02-18	Finalization of data collection		
12-02-18 to 17-02-18	Collecting primary data with employees		
19-02-18 to 24-02-18	Discussion with the external guide and internal guide.		

26-02-18 to 03-03-18	Compilation of research data and interpretation of data.		Byaru
05-03-18 to10-03-18	Data analysis and Finalization Of report.		Byaru
12-03-18 to17-03-18	Finalization of project report and approval of draft by company and college guide.		Byaru
19-03-18 to24-03-18	Report submission to the Institution.		Byaru


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