

A Project Report
(16MBAPR407)
A STUDY ON FINANCIAL PERFORMANCE OF INDIA INFOLINE, BANGALORE

BY

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Submitted to

VISVESVARAYA TECHNOLOGICAL UNIVERSITY,
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In partial fulfillment of the requirements for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION
Under the Guidance of

INTERNAL GUIDE
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May 25th, 2018

TO WHOMSOEVER IT MAY CONCERN

PROJECT CERTIFICATE

This is to certify that **MR.RAKSHITH V** bearing an **USN 1AZ16MBA51** student of **ACHARYA INSTITUTES OF TECHNOLOGY, Bangalore** studying **M.B.A** has undertaken PROJECT entitled as "**A STUDY ON FINANCIAL PERFORMANCE OF INDIA INFOLINE**" **BANGALORE** under the guidance of **Mr.NATARAJ P** Wealth Advisor IIFL, Bangalore from 15th January 2018 to 24th March 2018. During the stay in our organization Mr.Rakshith V was very useful and completed the project work successfully.

We wish **Mr. Rakshith V**, ALL THE BEST in his future and endeavors


Authorized Signatory

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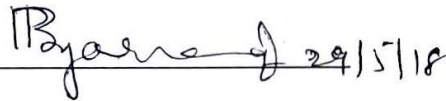
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CERTIFICATE

This is to certify that **Mr. Rakshith V** bearing USN **1AZ16MBA51** 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 of India Infoline 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


29 March

Signature of Principal

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DECLARATION

I, Rakshith V. bearing USN 1AZ16MBA51 hereby declared that the project report entitled "A STUDY ON FINANCIAL PERFORMANCE OF INDIA INFOLINE LTD BENGALURU" prepared by me under the guidance of Dr. Prakash B Yargol, Professor of MBA Department, AIT and external assistance by Nataraj P. Wealth Advisor at India Infoline ltd. I also declare that this project work is toward the partial fulfillment of the university Regulations for the degree of Master of Business Administration by Visvesvaraya Technological University; Belgaum. I have undergone a summer project for the 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: Bengaluru

Date:

Rakshith V.

USN 1AZ16MBA51

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Place: BENGALURU

Date: 19/08/2017

RAKSHITH V
1AZ16MBA 51

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EXECUTIVE SUMMARY

This project work was done in India Infoline Ltd Shanthala Nagar, Richmond town, Bangalore. The topic which was selected is to do a project report work on “A study on Financial Performance of India Infoline”.

IIFL LTD is India’s stock broking public sector company which is established in the year 1995. Since its emergence it is considered to be the growing stock broking company. As the investors are increasing in trading it is becoming more competitive in the market hence IIFL LTD must need to restructure and diversify its level of operations for meeting the competitive needs of consumers in the field of stock markets. The IIFL must need to examine the awareness, its utility and the needs of the Indian investors in the so called context of global competition. IIFL is one of the leading players in the field of stock broking arena desires a study on the needs of the investors, their satisfaction level and also dissatisfaction level and this is the main reason to switch to other company’s product.

The main aim of the project is to analyse the level of Financial Performance of India Infoline Ltd and analyse the variation in firms financial reports of IIFL and also study the diversification of their profits for future growth. The descriptive study was conducted with the annual reports. The ratio analysis is been done by using the balance sheet of the company during the 2013-2017. The result shows that there is positive and significant for their growth from year to year.

CHAPTER 1

INTRODUCTION

Introduction

Internship is a partial fulfilment of MBA. Internship is a stage of students to show their performances in corporate world, before joining to companies after completion of course. Internship is job training to the students, employees, professionals.

Internship offers a various opportunities to interns during internship program. By doing internship intern can build professional network links, they can improve their interpersonal skills and communication skills and other personal skills also. Internship is divided as compensated internships and non-compensated internships. Most of the MNC'S companies will offer an internship to students and others.

Internship will help the students to discover company products and services. Medical and health sector, banking sector and financial services will provide an internship to the students and others. For employees internship is conducted to upgrade their skills or to update them to current software's.

Over all internship is a platform to the students and others to show their hidden talents and to extract new things from the corporate world and include it their life and achieve a grand success. Most the corporate companies will offer internship and hire the same people to their companies, so that it will help them in decreasing the cost in recruitment of new employees to their group.

1.1 Industry Profile

IIFL comes under financial services industry. The financial services industry includes kinds of services like investment banking services, insurance companies and commercial banking services, venture capital, conglomerates, foreign exchange services and other financial services.

Commercial Banking services include different types of loans and deposits, provide wire transfer of funds like RTGS, NEFT, IMPS. They provide ATM, plastic cards and overdraft facilities. And investment banking includes capital markets services like equity and debt. Brokerage services are provided by them.

IIFL mainly traded in equities and commodities in NSE and BSE and other foreign stock exchanges. After this they entered in to 3rd party insurance and providing different types of loans to their clients.

National Stock Exchange

NSE is the leading stock exchange in India and placed 4th largest in the world. It was established in 1992 and recognised as a stock exchange from SEBI in April 1993. In 1994 they started operations and they launched screen based trading system. It brought a god name and fame to national stock exchange.

It was set up on the recommendations of the central government and established by top Indian financial institutions and main reason behind this is to bring a transparency to Indian capital market. To make the GDP growth increase also. Initially the shareholders of NSE were domestic players only, investors are as follows

- 1) Life Insurance Corporations.
- 2) State Bank of India.
- 3) Stock Holding Corporations of India limited.
- 4) Industrial FINACIAL Corporations of India. &
- 5) Infrastructure Development Finance Company.

More than 1600 companies are listed in NSE and numbers of people are trading here, top 50 companies share listed in NSE and it is called as Nifty 50, they are handling 1,60,000 orders per second initially they were handling 2 later it is increased to 60. NSE provides services like trading, clearing and settlement. Company is more focused on the technology to keep the trading activities in accuracy, NSE provide quality services to clients and they want clients to be active in the trading and non-trading business.

Vision

“To continue to be a leader, establish global presence; facilitate the financial well-being of people”

Following are the division provide by NSE:

Equities

- ❖ Equities
- ❖ Indices
- ❖ Mutual funds
- ❖ Exchange Traded Funds
- ❖ Initials Public Offerings
- ❖ Security lending and Borrowing Schemes

Derivatives

- ❖ Equity Derivatives
- ❖ Currency Derivatives
- ❖ Interest rate futures

Bombay Stock Exchange:

BSE is one of the oldest stock exchange in India and also in Asia. It is formed in 1875 and the located at Dalal Street in Mumbai. Around 5000 and more companies are listed with the stock exchange. . As of October 2016, the market capitalization of the BSE was about Rs. 110.7 trillion. It is Asia's first & the Fastest Stock Exchange in world with the speed of 6 micro seconds and one of India's leading exchange groups.

As of 2016, it is among the 5 biggest stock exchanges in the world in terms of transactions volume. On 3rd February, BSE becomes India's 1st listed Stock Exchange. Bombay stock exchange is the first Exchange in the country and second in the world to receive Information Security Management

System Standard BS 7799-2-2002 certification for its On-Line trading System (BOLT). They provide a depository service called Central Depository Service Ltd. (CDSL)

BSE Sensex:

Sensex was firstly introduced in 1986, on the basis of "Market Capitalization-Weighted" methodology. Top 30 well established and financially sounded companies are listed on BSE. The 30 companies are more actively traded stocks in the market. Various industries like pharmaceutical, manufactures, banking and information technology.

1.2 Company profile

| | |
|------------------------|--|
| Name | India Infoline |
| Headquarters | Mumbai |
| Founders | Nirmal Jain, Rajamani Venkataraman |
| Founded In | 1995 |
| Industry | Financial Services |
| Key business | Financing, Wealth & asset management, Financial Product Distribution, Capital Market Related Activities. |
| Listings | NSE,BSE |
| Listing date | 17 may, 2005 |
| Business locations | 850 cities and towns and 2500 locations |
| Global reach | US, UK, Singapore, Hong Kong, Mauritius, UAE, Switzerland. |
| Short term debt rating | ICRA A1+ |
| Long term debt rating | ICRA AA/(stable) |

| | |
|---------|---|
| Domains | www.indiainfoline.com , www.iiflfinace.com , www.iiflhomeloans.com , www.iiflw.com , www.iiflmf , www.iiflcap.com . |
|---------|---|

History:

India infoline is a leading financial service group in India. It was co-founded on October 17, 1995, promoted by first generations entrepreneurs. Nirmaljain and RajamaiVenkataraman are founders of the company and main focused on core domain of financial services. After incorporating, the company found it's self with the new clients who included research organisations, banks and corporates.

They began to launch the research products which were researched by our employees. The products became more noticed in the marked. In 1999 they created a website in the dotcom revolution period. They diversified the products in different sectors. And reached 3 million clients in trading activities.

Company brand is included with trust, quality services and knowledge. They stepped out from domestic and established our offices in London, New York, Hong Kong, Geneva, Dubai and Singapore. They stretched our networks in towns, cities and more than 8000 locations spread across India and helped the clients to invest their money in different portfolios. They gave excellent services to the clients and expanded the strength of clients.

When they established online trading in India, by launching our brand 5 paisa. The tag line for this was **“it's all about money, honey”**. Then changed our positioning from **“Knowledge is the Edge”**, to, **“When it's About Money”**.

The management board has strong independent directors, well educated professionals and trusted employees are working. This made us to widen the operations and us governed by regulators like RBI, SEBI, IRDA, FMC and NHB.

They went one step ahead and introduced a trading portal called www.5paisa.com in 2000 to provide a full service to the clients. At this time they widened the distribution network with others. During 2001 they tie-up with the leading life insurance company ICICI Prudential to stop the downfall in trading activities and utilising this company network they become India's first corporate agent for insurance.

Company Logo:



Company logo is made up of the 9 triangles and it looks like Sri Yantra. According to hindu mythology, the 9 triangle which are interlocked the radiate from the bindu which says the highest, invisible and difficult to catch from which the whole cosmos expands.

Promoters:

NIRMALJAIN

Niramljain is a PGDM (Post Graduate Diploma in Management) from IIM (Ahmedabad). He started his career in Hindustan Lever and took variety of responsibility like exports and trading of agro commodities and contributed towards profitable growth of Hindustan lever. He is a chartered Accountant and Cost Accountant. He started probity research and services pvt.Ltd, later it is changed to IIFL in 1995. At the age of 23 only he managed three top professional qualifications in finance. He sets new standard in trading activities, he is the first entrepreneur's to seize the internet opportunity by launching the dotcom called www.indiainfoline.com in 1999.

MR.R.VENKATARAMAN

Mr.RajamaniVenkataraman completed his B.Tech in Electronics and Electrical Communications from IIT (Kharagpur) and received an Master of Business Administration from IIMB(Bangalore).

He had experience of more than 16 years in the financial service sector. Before establishing the iifl, he was working in ICICI limited and ICICI securities, he worked as an Assistant Vice President at G E capital services India ltd. He had a well knowledge about the financial services, it took him to start a company with the help of niramljain and incorporated a India infoline in 1995 and become Managing Director of iifl holdings limited in may 7, 2011.

At present he is a **Non-Executive Director, member of audit committee, member of assets liability management committee and member of credit committee** – India infoline Housing Finance Limited.

1.3 Vision, Mission, Goals and Quality policy

Vision:

” To become the most respected company in the financial services space in india”

Values:

➤ **Fairness**

They do not do any discrimination in trading, transactions with clients, employees, vendors, stakeholders.

➤ **Integrity**

Honesty in dealing with people, internal and external. Integrity utmost nature in letter.

➤ **Transparency**

They do not hide any information from the stakeholders, media, investors, and Public.

IIFL Group:

1. Trade
2. Permia
3. Wealth
4. Flame
5. Finance
6. Property solutions
7. Business partners

Do s and don'ts of IIFL:

| Do | Do not |
|--------------------------|----------------|
| ➤ Communicate | ➤ Advertise |
| ➤ Engage | ➤ Inform |
| ➤ Educate | ➤ Preach |
| ➤ Be clear and confident | ➤ Conceited |
| ➤ Empathize | ➤ Await action |
| ➤ Reach-out | ➤ Sympathize |

1.4 IIFL Products:

- **Home Loan**

Barrowing a home loan in IIFL is simple and rapid. They offer technical and legal experts for counselling to get loans. They offer optimal EMI and interest rate to the needy people, salaried and self-employees can afford a home loan.

Kind of home loan provided

- New home loan
- Swaraj home loan
- Home improvement loan
- NRI home loan
- Balance transfer

- **Business Loan**

They provide a business loan to the small medium entrepreneurs with designed interest rates. They mainly concentrate on rural people to eradicate the unemployment problem in rural areas.

Kind of SME loans

- Smart SME loan
- Insta SME loan
- Flexi SME loan

- **Wealth Management**

They have a good reputation on comprehension the client's needs and responding to their needs and wants in their life. IIFL goes with their dreams and make them benefited from them.

- **Personal Loan**

They provide personal loan up to Rs.25lakhs and it will be disbursal into your account 8 hours after accepting the offer from us. The loan amount can be utilized for wedding, travelling, purchase of asset and other purpose. They provide loan to satisfy your dream. They concentrate on your monthly income, commitments and how much loan you are eligible to get it.

- **Gold Loan**

They provide a quick and easy gold loan to the people. Starting from 3000 and ending is depending on the customers. By pledging 18 carats gold you are eligible to take a loan, loan is fixed to 11 months and flexible repayment is provided. The submitted documents should not be fake documents.

- **Realty**

They entered in to a real estate business also, developing the houses, land, institutions and other real estate projects.

IIFL Services

- ❖ **Equity**

Investing money on the top companies' shares, which are guided or recommended by the expertise professional's in the share market. The intention of the investing in shares in to seek the profits from it. Investors can buy and sell the shares on intraday, future and option basis. Equity shareholder will be treated as owner of the company, and he is eligible for electing people for high profile.

- ❖ **Commodities**

Any good or service produced by human labour and offered as a product for general sale on the market is called as commodities. Gold, silver, cotton, oil, etc. Around 1960 trading in commodities were stopped by central government and it was reopened in 2003. Majority of the commodity trading is done through future contracts.

- ❖ **Mutual fund**

Mutual funds means, the funds which are pooled by the different people and invested same fund in equities, shares and debenture of the companies. It is less risky when it compared to other. For diversifying the money mutual fund is best and risk will be minimum due to

diversification of amount in different securities. Mutual funds are tax saver and it is guided by the brokers. Different types of stocks are sold in the markets.

❖ **Research**

Research is considered as finding a solution to the current problems in the market. IIFL Company made a huge research on the markets and they keep advising their employees to buy or sell the clients shares at the right time. And they made research for the grabbing the customers in more number. By their research only they made global to look at them.

❖ **IPO**

IPO stands for Initial Public Offerings. It is the final stage of the venture capital process. If company wants to list in stock exchange means they have to offers a IPO and it will lead to trading the company share in the market. Before offering the shares the company have to decide their future plans and mission.

1.5 Areas of Operation:

Following places you can find IIFL offices.

✓ **Registered**

Office:

[IIFL House Sun InfoTech Park, Road No. 16V,Plot No.B-23Thane Industrial Area, Wagle Estate, Thane – 400604.]

International Offices

- ✓ **Singapore**
- ✓ **USA IIFL Inc.**
- ✓ **United Kingdom**
- ✓ **Hong Kong**

Domestic locations of IIFL

➤ **Hubli-**

[1st Floor, Sona Chambers, Club Road, Hubli-580029]

- **Ananthapur**
[#-15-570-34-1, 1st floor, pallavi towers, 515001]
- **Vijaywada**
[#-12-11-5, Raja Rangayyaapparao street, Vijiyawada, 52000]
- **Delhi-CP1-Ashoka Estate**
[# 501, 510-514 5th floor Asoka Estate Building, Barakhamba Road New Delhi 110001]
- **ABAD-Bapungar India Colony**
[# A42-A43, 1st floor, Shaktidhara Society, india colony cross road 380024]
- **Gandhinagar**
[# 110, first floor, Meghamalhar complex Sector 11, gandhinagar 382011]
- **Thrissur**
[Fourth Floor capital city, Korappath lane, round North Thrissur 680020]
- **Jaipur-City Mall 4th Floor**
403, 404, fourth floor, City Mall, C-21B, Bhagwan Das Road, Jaipur 302001]
- **Jodhpur**
[# 202, Shree plaza Jaljogchaauraha, 658, Residency Road, SardarPura 342001]
- **Madurai**
[# 81, 1st floor, No 81, 1St Floor, South Veli Street, Madurai 625001]
- **Jamshedpur-Om Tower Premia**
[Second floor, Om tower, Bistupur 831001]

Infrastructure Facilities:

- Well interior furnished office
- Sufficient availability of computers to process the orders
- Skilled employees to assist the clients on queries and advisory services
- Research team to do analysis on stocks and commodities
- 24 Terminals to assist clients in placing orders

Competitor's Information:

- Share khan
- India bulls
- Angel broking
- ICICI Securities
- Kotak Securities
- MotilalOswal

1.6 SWOT Analysis:

SWOT analysis is a process of finding company strengths, weakness, opportunities and threats of a company. Swot analysis is used as marketing strategy for finding out the competitor's strengths and weakness. Each company will have some weakness and strengths, they have to come across everything and make company to be in global level.

- **Strength**

It defines in which area your company is in strong position.

1. Managerial depth

They have a best managerial depth and our promoters had a professional carer's background. They extracted talents from financial sectors like investment banking, foreign exchange market and public sectors.

2. Governance

They have a notable regulatory structure this made us to get licensed subsidiaries in financial centres.

3. Innovation

They gave more importance to online trading and introduced the DT com called www.indiainfoline.com. And our research department had a freedom and acquired millions of readers.

4. Distribution reach

They are offering a multiple products in different locations. And they reached all the customers and were delivering the products at right time.

5. Customer service

Company motto is to provide a best service to the customers and make their investment more profit. They do personal interaction with clients and they will send a mail and messages regarding the trade done to clients.

• Weakness

It describes where you're in poor.

1. High risk exposure as seen by conservative population
2. Less concentration on advertising and these lead to lack of brand visibility.
3. Relationship managers are not from local areas and may have a language problem to interact with the clients.

• Opportunities

It tells about the opportunities are there around you.

1. High income in urban areas will help in attracting more clients.
2. Market penetrate will lead to profit making.
3. Company is one of the oldest stock broking companies in India so they can utilize their good name and fame and can give tuff competitions to others.

- **Threats**

1. Foreign stock broking companies have entered to the Indian stock market.
2. Rules and regulations of the RBI and central government have made to be in a boundary.
3. Lack of new stock broking companies are establishing in India.

Future Growth and Prospects:

Following points are prepared by the companies to execute in the upcoming financial years.

- Reducing the incidence of grievances with the clients.
- Planning to demerge 5paisa capital and list it on the exchange in next 4-6 months.
- Listing of new debt securities of IIFL wealth finance ltd.
- Planned to make customer free from online trading issues.
- High speed order and execution and confirmation.

1.7 Financial Statement Analysis:

A financial statement is a record of the financial activities and position of a proprietorship, partnership firms or corporate and government companies.

It is used to record the financial information's of the companies. Trading A/c, Profit and Loss A/c and Balance sheet are the three major items of the financial statement.

Financial statement will indicates the financial positions of the company. It will help to check whether the companies in profit side or not. The limited companies will update their financial statement on the company website.

And the private companies will show their financial statement on company brochure to impress the investors and shareholders.

To measure the financial statement of the companies they use ratios. Here I am calculating the liquidity ratio and profitability ratio for the analysis of the IIFL Company as per 2013-2017

CHAPTER 2

CONCEPTUAL BACKGROUND AND LITERATURE REVIEW

2.1 THEORITICAL BACKGROUND STUDY:

Introduction:

The term "performance" cannot be placed within a strictly defined agenda. This is a humble phenomenon. It can be understood and dignified in dissimilar methods. Dissimilar consumers can calculate from different perspectives and performances from their own perspective. Financial analysts will judge performance from the perspective of profitability and growth. Economic planners will focus on the equal distribution of income and wealth to make effective use of resources. Welfare economists will focus on the equal distribution of marginal use of income and wealth. From a national perspective, performance indicators can be job creation, studies and development, health schooling and financial development. The evaluations of the parties are distinct. Shareholders are interested in profits because their control is interested in the development of the organisation. Therefore, regardless of dimensions, profitability and growth must be considered when analysing agency performance. Some researchers have used profitability and growth as performance indicators.

Financial Efficiency:

Financial performance is a measure of the organisation's potential to translate monetary resources into assignment-related sports. Regardless of the individual's task or structure, all organizations want to improve their financial efficiency. It dealings the strength of the organisation's use of its assets to produce total revenue. Financial performance measures the effects of production, procurement, Pricing, financing, and marketing selections. At the micro degree, economic efficiency refers to the efficiency of competition at the intermediate point in time when resources are reasonably allocated. Organizations manage major trade-offs when using their Financial resources. Financial efficiency is visible as efficiency, a management manual to enhance efficiency, and the degree of profitability, productivity, liquidity, and capital energy may be used as the final evidence of monetary efficiency. Interestingly, sometimes, even if there is enough profit to cover inefficiency, on the contrary, you can use

Performance and Efficiency:

The term "efficiency" as defined inside the Oxford Dictionary states: "Efficiency is the accomplishment or capability to complete a process with the least amount of effort and time." It refers back to the inner system that ends in output. It makes a speciality of the method. To obtain the preferred aim. Non-fats and speedy compliance with procedure or system approaches is a measure of efficiency. Providing a exact quantity and satisfactory of provider with a minimal level of resources that may fulfill the specification calls for performance metrics and/or signs. These consist of productivity measures, service gadgets, and so forth. These measures help to minimize the resources to achieve organizational goals. Performance refers to the performance or completion of work that result from a specific behaviour, behaviour or process. However, the response or the way or efficiency of achieving something is clear as presentation. Therefore, performance can also suggest various things to exclusive corporations. The economic fulfilment or failure is judged based totally on the predicted return on funding capital and the agency's concern. When expertise the time period overall performance, a clean difference wishes to be made among overall performance measures and performance indicators. Performance assessment needs to be based at the causes and outcomes of cat assessment coverage interventions, whilst performance signs are not specific enough and commonly provide most effective slight overall performance indicators.

Performance Measurement

According to Tripathi, "measurement refers to the characteristics of the person, state, or event of an object and is Disbursed according to policies. It isn't the object, the character, the state, or the event itself, however some of its traits. When we computing items measure company performance the first requirement was that human thoughts and goals were to be considered as the basis for multiple types or related connections.

Analysis of Financial Performance:

In short, companies, managers, shareholders, tax authorities, tax authorities and other relevant groups seek responses to the following significant questions:

- (1) What is the economic status of the organization at a selected point in time?
- (2) How is the organisation's monetary performance over a time frame?

These questions may be responded with the help of the enterprise's monetary evaluation. Financial evaluation related to the usage of financial statements. Financial statements are prepared collections of statistics primarily based on regular accounting processes and conceptual frameworks. Its cause is to convey knowledge of sure economic aspects of industrial organizations. It may also display a role at some point inside the balance sheet, or it could display a sequence of sports over a time period, including a assertion of income. Therefore, the term "financial statements" relates to two fundamental statements: The stability sheet indicates the agency's monetary function at a given point in time. It offers a picture that may be considered as a static photograph. "The stability sheet is a precis of the company's economic function on a given date

Total assets = total liabilities + owner's equity.

India's statement of income and loss displays the overall performance of the organisation over a time frame. "The income announcement is a summary of the employer's profits and prices over a time period, finishing with a internet income or loss on the stop of the period." However, the economic statements do not divulge all records related to the business enterprise's economic operations, however they offer some very useful records. This data highlights two critical elements of profitability and monetary soundness. Therefore, financial declaration analysis is an crucial useful resource to economic performance analysis. Financial performance evaluation includes analysis and assessment of monetary statements to diagnose the employer's profitability and economic stability. "Financial statement analysis is the system of assessing the connection among the components of the economic statements to higher understand the positioning and performance of the corporation." Financial Performance Identification Through the proper establishment of relationships, the company's financial strengths and weaknesses, balance sheet items and profit and loss Relationship between table items. The first project is to choose facts associated with the selection primarily based on all of the statistics contained in the economic statements. The 2d is to set up statistics by highlighting essential relationships. Finally the rationale and drawing of reasoning and conclusions. In summary, "Analysis of monetary performance is the process of preference, courting, and evaluation."

Financial Performance Analysis:

Financial analysts often examine the corporation's production and productivity overall performance, earnings performance, liquidity performance, operating capital performance, constant asset overall performance, capital float overall performance, and social overall performance. However, in the current study, the monetary reputation of magnum business enterprise is measured in the following components:

1. Working capital analysis
2. Analysis of financial structure
3. Activity analysis
4. Profitability analysis.

Operational efficiency:

The working productivity of a business is the capability to make the most of its available resources, and operational efficiency can be judged based on financial efficiency. It can be said that the profitability ratio and the turnover ratio itself cannot provide a good indicator of operating efficiency. Operational efficiency Banking involves multiple aspects, such as cost-effective profitability of operations, customer service, loans for key industries, credit deployment in rural and fall areas, and deployment of payments. In short, it is the use of existing resources to carry out business activities in the automotive industry, which shows that it has provided customers with success in the failure of automotive products.

Evaluation Concept:

The assessment is carefully associated with the assessment of the employer's normal work system. According to Sudha Nigam, "Assessment is a technique that assesses past and modern-day expectations of overall performance." It is a powerful utility tool for checking, measuring, deciphering and weighing criticisms and extracting outputs. Different professionals evaluate their organization's particular problems. The evaluation may be divided into parts (i) internal (ii) outside. According to Peter Francis, "The inner evaluation of the organisation not only method

that a few humans have sufficient human, cloth, and monetary assets, but additionally they are employed optimally."

The concept of financial overall performance assessment:

In short, financial assessment is a systematic assessment of the profitability and financial energy of any organization. In truth, monetary evaluation is the technique of anatomically studying financial and operational information contained in profit and loss money owed and stability sheets. These statistics are the facts desires of inner and outside customers who satisfy these records. On the other hand, the monetary assessment is based totally on this scientifically reasonable method of scientifically and moderately evaluating the profitability and financial situations of concern. From this it may be seen that the analysis of the economic statements is in the direction of the analyst or the management. The effects of the tier money owed are evaluated financially. These effects are decided via the control selection-making technique. Therefore, it's miles apparent that monetary statements, in other words, financial evaluation are the quit of the non-stop waft of the accounting cycle. It begins with the class, recording, précis, Presentation and evaluation of statistics, and explains the facts. The evaluation and interpretation of the economic statements will cause the display of data and help the enterprise managers, investors and creditors in addition to other businesses interested by the monetary reputation and running performance of the business enterprise. We see it as an X-ray economic and financial records era. We will manner a economic declaration that includes the method of integrating and summarizing the monetary and operational data contained within the economic statements to benefit insights into the corporation's operating activities. The status and progress of the company. By forming a strategic courting among the diverse components of the balance sheet and the profits declaration and other legitimate information, the financial analysis ultimately exhibits the meaning and significance of the numerous gadgets disclosed inside the economic statements. It is likewise known as the company's economic blueprint. As referred to in advance, the primary and important economic statements that organizations are involved with are the profits announcement and the stability sheet.

Performance assessment goals

- (a) Find out the financial stability that companies are concerned about
- (b) To assess its profitability
- (c) Estimating and evaluating its stocks and fixed assets.

- (d) Assessing its ability and potential to pay off short-term and long-term loans
- (e) Estimating and analysing the possibility of destiny increase
- (f) Estimating the executive performance of management

Financial Statements:

The term economic declaration refers to the collection of organized statistics. Corporate monetary statements are necessary to attain the organization's average goals. Accounting standards and conventions expose their monetary facts.

The financial statements are extensively divided into statements:

I. Income Statement (Transaction, Income Statement)

II. Balance sheet In addition to the above economic statements,

The following statements are supported to fulfil the needs of the business enterprise: Retained Earnings Statements

- Statement of Changes in Financial Position
- The significance and importance of economic statements are as follows:

Financial Statement Analysis Users:

Different categories of people are inquisitive about economic assertion analysis to evaluate the financial and monetary fame of any employer or industry in phrases of profitability, liquidity, or solvency. This human frame consists of:

•Shareholders:

The divorce among possession and management and the sizeable ownership of capital because of the dispersal make individuals pay more interest to the economic statements to decide the enterprise's profitability and monetary strength.

•Debt Holder:

The denture holders are very interested by the short-time period advantages and lengthy-time period solvency of the organisation. They should often receive their hobby bills and finally go back the predominant.

- Creditors:

The potential deliver of goods and substances and different suppliers with whom the organisation conducts business are inquisitive about the organization's liquidity repute.

2.2 REVIEW OF LITERATURE:

(Hempel and Simonsson, 1998) found that higher the ROA results to higher the productivity. He conducted his research in Taiwan about budget implementation and effectiveness of Financial Institution.

(Doron Nissim ,H Penna, 1999) in their exploration projects related to money-related performance (ie, financial performance), found that the pallet designed a budget announcement check for habitual value surveys. Approved productivity survey stations integrated and then increased, in addition to stay-enhanced predictions of climax rates from the main aspects of test progress.

Kennedy and Mill (1990) pointed out in his investigation report on the currency-related achievements that he has fine-tuned the currency declaration. This is an effort to draw the meaning and definition of budget propaganda knowledge so that it can be paid in the forthcoming income. Premium, maturity of debt, earnings and good profit arrangements.

Elizabeth Duncan and Elliott (2004) took a bargain listing on the financial performance of his subjects, business card capabilities, and the related effects between buyer maintenance and the Australian Financial Foundation show that all incentive behaviour trials are senior powers, Profit is sufficient for input plus investment. It is sure to correspond to customer interest conditions Truss tells activists aren. Even if you don't evaluate in a store under unexpected circumstances, this fear is terrible. Ratios are used to analyse major differences rather than healthy inputs

Priyaaks (2012) pointed out in his budget execution survey that budget announcement surveys are a way of looking at the links between monetary settlement factors and the combination of meaningful suggestions. It is used to analyse the management of stocks, bonds and bonds.

John J Wild R subramanyam and Robert F Halsey (2006) in his review of the budget execution point, the operation of the currency account examination is a methodical approach and the hypothesis assessment and hypothesis of the desire currency-related intelligibility and related data

are helpful corporate research strategy. The currency declaration survey has reduced insights, beliefs, and trade choice insights. It reduces the instability of corporate surveys

IM Pandey (2007) pointed out in his investigation paper on supervision implementation that he has reduced the statistics related to the importance of budget, knowledge and utilization of currency assets in currency-related announcements, and there should be a scope to explain the company's currency. The related status is strong or weak.

Susan Ward (2008) weakened the importance of budget analysis for major ethical promotions in exploring currency execution, providing a huge record for suppliers in project-related speeches. Instead of an example, an enlarged asset can generate a calculation of the total revenue of the company. Everything is the same as before. A company that stands in stark contrast to a unique company is an improved entrepreneurial alternative.

Rachhh Minaxi A (2011) made a harsh recommendation to investigators when examining budgetary effects to check whether an account that cuts knowledge contributes to decision making. The measure looks at the link between the richness of parts of the budget clarification and the individual's position and understanding of implementation.

Narayan Rao (1994) has analysed the stock cost feedback to some of the stock-related monetary policy statements, and revealed that the stock trading system has the ability of semi-solid form. New shunt budget records. In the Belgian league, a paper is used to measure the degree of cash-related. It helps to distinguish the management issues of sports federations and choose long-term priorities based on their own main goals and objectives.

Joes M Moneva and Eduardo Ortas (2010) examined the link between corporate ecology and money-related execution in his thesis, and remembered to show the directors how the management of ecological factors can be used to organize the financial results. The current employment location looks at the possible correlation between CEPs and CFPs of companies from a multidimensional perspective. This is another approach that complements the topic-related articles.

Dipankar Ghosh and Anne Wu (2012) initially analysed executive instructions in financial expert organizations that are money-related and unrelated to money, unloading or loading funds into the organization. The exam is responsible for any general restrictions on advanced learning.

They accept that Proficient usually deals with firmer, industry-specific knowledge when building investment proposals that they don't contribute.

Rok S krinjar, Vesna Bosilji-Vuksic, and Mojca Indihar-Stemberger (2008) aim to study the understanding of the development level of action perspectives and action levels in the transition economy, and to examine the impact of the current action introduction development level on corporate execution. The development of wage execution is to capture the enterprise's performance through basically extended estimation tools. This path has proven to be beneficial because we can break down the impact of BPO on OP and acknowledge the wide connectivity structure.

Amalendu Bhunia, Sri Somnath Mukhuti, and Sri gautam Roy (2011) have investigated the quality and shortage of budgets for differentiating India's open division pharmaceutical business by establishing a connection between account components.

Altman and Eberhart (1994) told the separation of work using neural frameworks to confirm the grief business through the National Bank of Italy. Operating more than 1,000 surveyed companies with proportionally unstable factors creates arrangements in the nervous system that are very close to achievement tests.

Gepp and Kumar (2008) integrated time "propensity" into the classic trade disappointment expectations display. Using the altam (1968) and ohlson (1980) models to analyze the reaction samples of degraded and non-decomposed tissues in the 1980s, they found that the Prescient of the Altumn model was rejected when associated with the knowledge of the 1980s.

Campbell (2008) established a multivariate expectation display to measure the likelihood of a bankruptcy redesign of a confidential holding organization. There are six factors that are used as part of the construction theory. The five factors are important to distinguish between security organizations and reselling organizations. The five major factors are company size, resource productivity, the number of secured lenders, the proximity of free resources, and the number of secured banks. It guides the recovery of income.

Donald P Cram (2000) analyzes the impact of developmental writing that involves collective success on budget execution. They want to distinguish between the completion of this article and the constraints, and highlight areas for further analysis. Everything is taken into account. They have developed a hypothetical structure that maps the influence of managers, general scientists,

natural supporters, buyers, laborers, and other contributors on cash-related company returns. Their dialogue is directed at all parties that are keen to influence the activities that affect the Earth's business.

Dr. Devang P Mehtha (2003) examined this paper fundamentally based on Roger's dispersion of the development hypothesis and the precise review of Igel. An observational survey study investigated the use of network promotion by commercial printing companies to promote visible cash-related implementation of the company's customer practices. Use four budget-makers to measure money-related performance; transactions, revenues, expenses, and profitability. The propagation development hypothesis shows that a kind of progress expresses organizational changes. Network innovation affects the development of organizational execution. This paper investigates the impact of network promotion on the cash-related implementation of commercial printing companies.

Janet Y Murray, Masaaki kotabe, and Albert R Wildt (1995) have used a possible model of a global procurement process that examines the guiding influence of procurement-related variables on the relationship between procurement technology and the execution of currency in items. Dealing with improvements and asset specificity is an important part of the budget, but it is the key to implementation. In any case, the results do not support the repetition of suppliers and transactions as judgement variables. At the end of the day, in a subsequent high-currency-related implementation of a project, regardless of whether a particular project should be used for a particular project, it depends on the level of project development, processing progress, and resource specificity.

Philippe Jacquart, Catherine Ramus, and John Antonakis (2004) have studied whether CEOs understand the implications of corporate social execution and currency execution. When all are said to be completed, the precondition for the disposal of power and commitment is the positive imposing necessity and disposition of achievements that are detrimental to the outcome. Despite past estimates, corporate social responsibility has nothing to do with money-related implementation. Their findings are crucial to top-level results.

Samadana Hassan (2000) evaluated that using currency ratios to quantify these executions and using the F-test and T-test to determine the results, shows that 38 BIMB is clearly a fundamental change in productivity, rather than the norm, because habituality There are several reasons behind

the bank's embarrassment. The review revealed that BIMB is generally less dangerous than conventional banks, but it is easier to disintegrate.

Adbus Samad (2004) inspected the similar implementation of Bahrain during the late Gulf War, namely Bahrain's dominant Islamic bank and a premium-based regular corporate bank. Use nine currency ratios to measure organization-related exhibitions.

CHAPTER 3

RESEARCH DESIGN

TITLE OF THE STUDY: “A study on Financial Performance of India Infoline Ltd”, Bangalore

2.1 STATEMENT OF PROBLEM:

In the current free economy world, business concerns are facing severe competition. The survival, development and success of the organization depend largely on the effective management of its finances. In the economic development of a country like India, the company's organizational form is followed. But now it not only affects companies, companies that are employed by companies and trade with companies, but also affects the industry as a whole, the economy as a whole and deals with national welfare. Therefore, the article titled "A Study on Financial Performance of INDIA INFOLINE for FY 2013 – 2017" has been disclosed to emphasize the importance of effective financial management in the stock broking

2.2 NEED OF THE STUDY:

Financial statement analysis is an important tool for calculating the financial performance of any company. The key aspect of financial management is working capital management and it should be done on a daily basis. Therefore, the company allows me to do in the financial sector. This study helps to assess the financial performance of the company.

2.3 OBJECTIVES OF THE STUDY

The researcher undertakes the study with the help of following objectives:

- ❖ To study financial performance of IIFL during 2013-17.
- ❖ To study the online trading system of IIFL and impacts on profitability.

- ❖ To suggest effective measures in the existing system of the company

2.4 SCOPE OF THE STUDY

The study shields almost the complete area of financial operations enclosed by “IIFL” the study has been lead with the help of data attained from audited financial data. The audited financial data are the company annual reports relating to past 5 years from 20012-2013 to 20016-2017and the inspected financial records are attained from the organisation’s annual report. The researcher tries to measure the performance of the organization and its working capital management in terms of financial wealth.

2.5 RESEARCH METHODOLOGY:

Research means "understand new things." Sometimes it may refer to scientific and systematic information about a particular topic. In fact, research is an art of scientific investigation. According to Clifford Woody studies. "Define and redefine problems, formulate hypothetical or proposed solutions, collect, organize, and evaluate data; make deductions and reach conclusions; then carefully examine conclusions to determine if they meet the formulation hypothesis." Redman and Moray defined research as "systematic efforts to acquire new knowledge." Research can be defined as searching for knowledge or any systematic investigation to determine the facts. The main purpose of applied research (rather than basic research) is to discover, interpret, and develop methods and systems that promote human knowledge on various scientific issues in our world and in the universe. Research can use scientific methods, but it does not need to be done. Research can also be said to be a process. A person follows him to answer him.

Methodology Adopted

- **Type of research:**

Descriptive research: Collected required information to analyse the financial performance of IIFL Company.

Sources of data: The data collection contains secondary sources of collection mechanism

Secondary data: The secondary data collection methods include the internal guide of college and external guide from the company. Also the statistics collected from the news, magazines, internet and various books issues of this study and 5 years data of the company

2.6 LIMITATIONS OF THE STUDY:

- The study is limited for a period of 5 years
- Assumed that 5 years are a accountable period to get responsibility accurate picturepolicies and practices ofmanagement of the company.
- Due to the inadequate time it is not possible to examine all greetings relevant to the study.
- The study is based on yearly reports of the company.
- Establishments were disinclined to expose full evidence about the employed of the Company.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

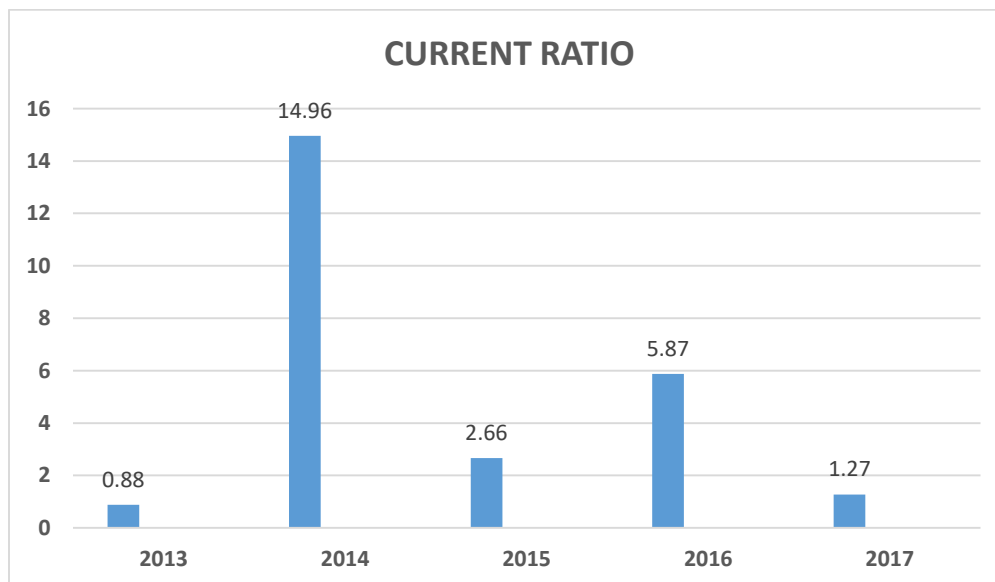
CURRENT RATIO:

The current ratio specifies the extent to which current liabilities are covered by those assets expected to be converted to cash in the near future. The current ratio formula is

FORMULA: Current ratio= current assets/current liabilities

Table 4.1: Table showing Current Ratios during 2013-17

| YEAR | CURRENT RATIOS |
|------|----------------|
| 2013 | .88 |
| 2014 | 14.96 |
| 2015 | 2.66 |
| 2016 | 5.87 |
| 2017 | 1.27 |



GRAPH 4.1: Graph showing Current Ratios during 2013-17

ANALYSIS AND INTERPRETATION:

From the above table information current ratio was for the year 2013 is 0.88 and for the next year 2014 it was increased to 14.96, for the year of 2015 it was again slightly decreased to 2.66. For the year of 2016 it was increased to 5.87 and in the year of 2017 is decreased to the 1.27

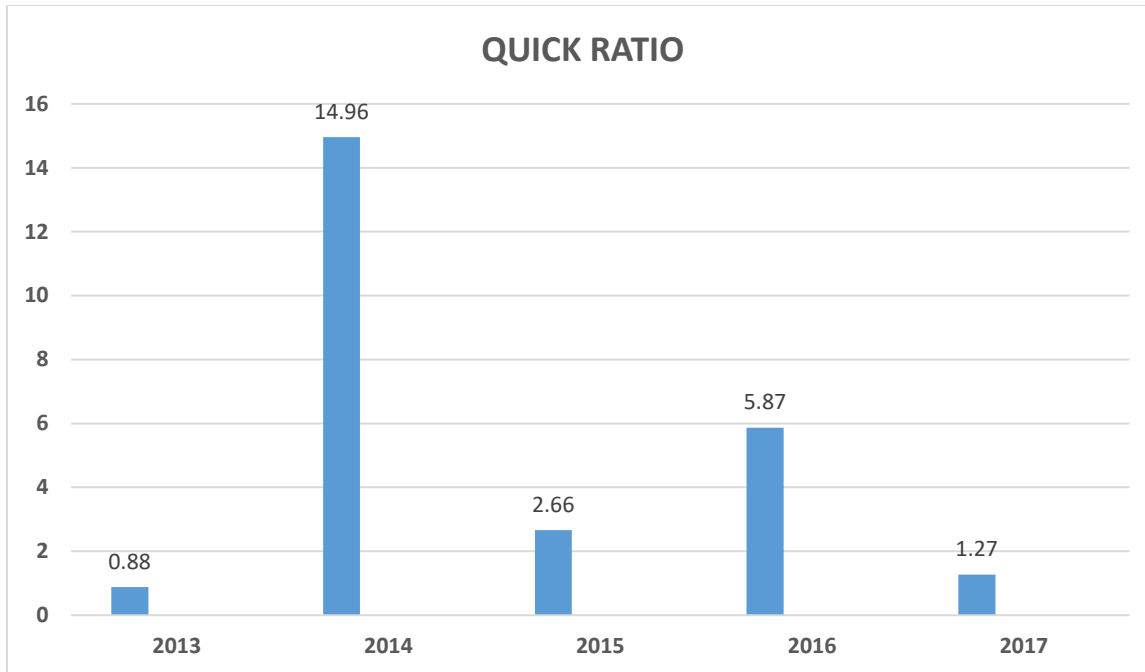
The standard current ratio is followed 2:1 for the year 2017 company having lesser than the standard ratio so then the current ratio will be dissatisfied.

QUICK RATIO: It is an display of company's short-term liquidity, and processes a company's capacity to meet its daily requirements with its most liquid assets.

FORMULA: $(\text{CURRENT ASSETS} - \text{INVENTORY}) / \text{CURRENT LIABILITIES}$

TABEL 4.2 Table showing Quick Ratios during 2013-17

| YEAR | QUICK RATIOS |
|-------------|---------------------|
| 2013 | .88 |
| 2014 | 14.96 |
| 2015 | 2.66 |
| 2016 | 5.87 |
| 2017 | 1.27 |



GRAPH 4.2: Graph showing Quick Ratios during 2013-17

ANALYSIS AND INTERPRETATION:

From the above table information liquidity ratio was for the year 2013 is 0.88 and for the next year 2014 it was increased to 14.96, for the year of 2015 it was again slightly decreased to 2.66. For the year of 2016 it was increased to 5.87 and in the year of 2017 is decreased to the 1.27

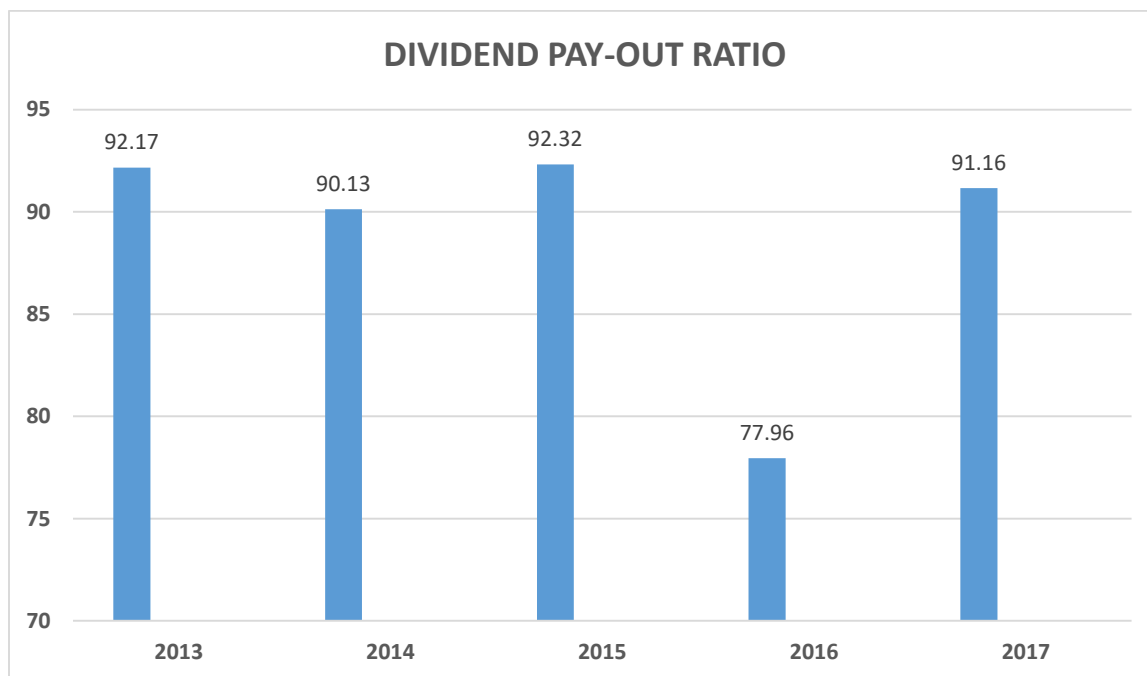
The standard quick ratio is followed 1:1 for the year 2017 company having higher than the standard ratio so then the current ratio will be sounds good.

DIVIDEND PAY-OUT RATIO: DPR is the amount of dividends paid the shareholders with respect to the amount of total net income.

FORMULA: Dividend pay-out ratio = Dividends/Net income

Table 4.3: Table showing Dividend Pay-out Ratios during 2013-17

| YEAR | DP RATIOS(in %) |
|-------------|-------------------------|
| 2013 | 92.17 |
| 2014 | 90.13 |
| 2015 | 92.32 |
| 2016 | 77.96 |
| 2017 | 91.16 |



Graph 4.3: Graph showing Dividend Pay-Out Ratio during 2013-17

ANALYSIS AND INTERPRETATION:

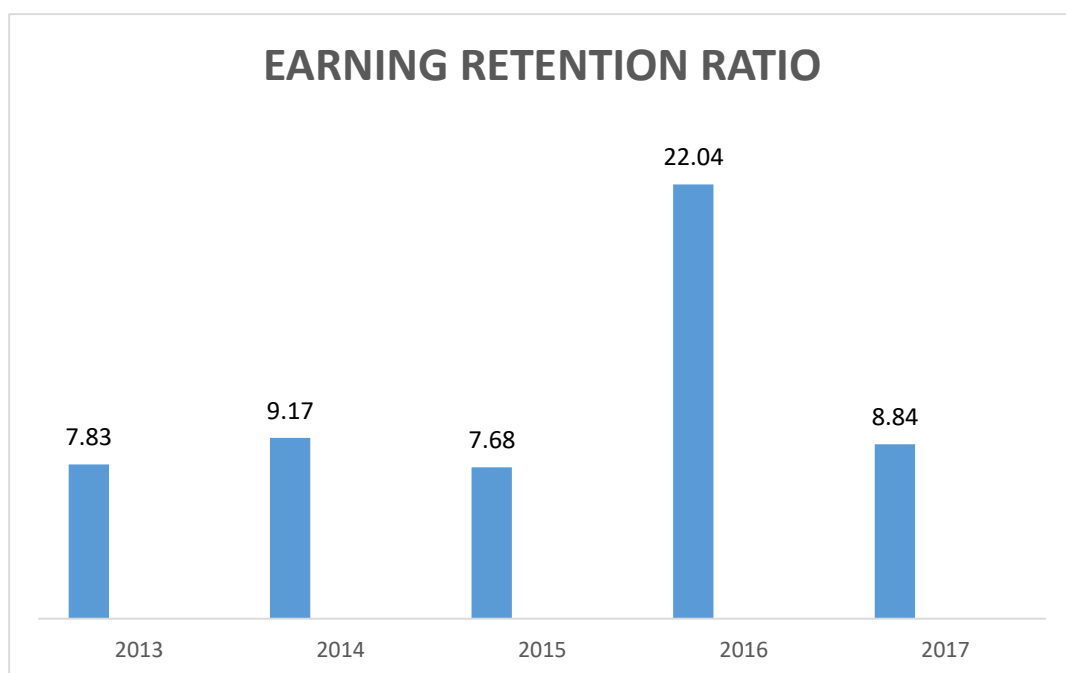
From the above table information about the company that total dividend payout ratio to the company in 2013 is 92.17 , for next year 2014 ratio was 90.13 it has slight increased and next for the year of 2016 it was 2.51 it has huge decreased and for the year of 2017 it has slight increased by 2.74.

EARNING RETENTION RATIO: ERR is also been called as plowback ratio. It is the ratio that measures amount of earnings after dividend's have been paid out. The formula used for the calculation is

FORMULA: $EER = (\text{net profit}/\text{no. of shares}) - (\text{dividend}/\text{share})$

Table 4.4: Table showing Earning Retention Ratio during 2013-17

| YEAR | EER RATIOS (in %) |
|-------------|--------------------------|
| 2013 | 7.83 |
| 2014 | 9.17 |
| 2015 | 7.68 |
| 2016 | 22.04 |
| 2017 | 8.84 |



Graph 4.4: Graph showing Earning Retention Ratio during 2013-17

ANALYSIS AND INTERPRETATION:

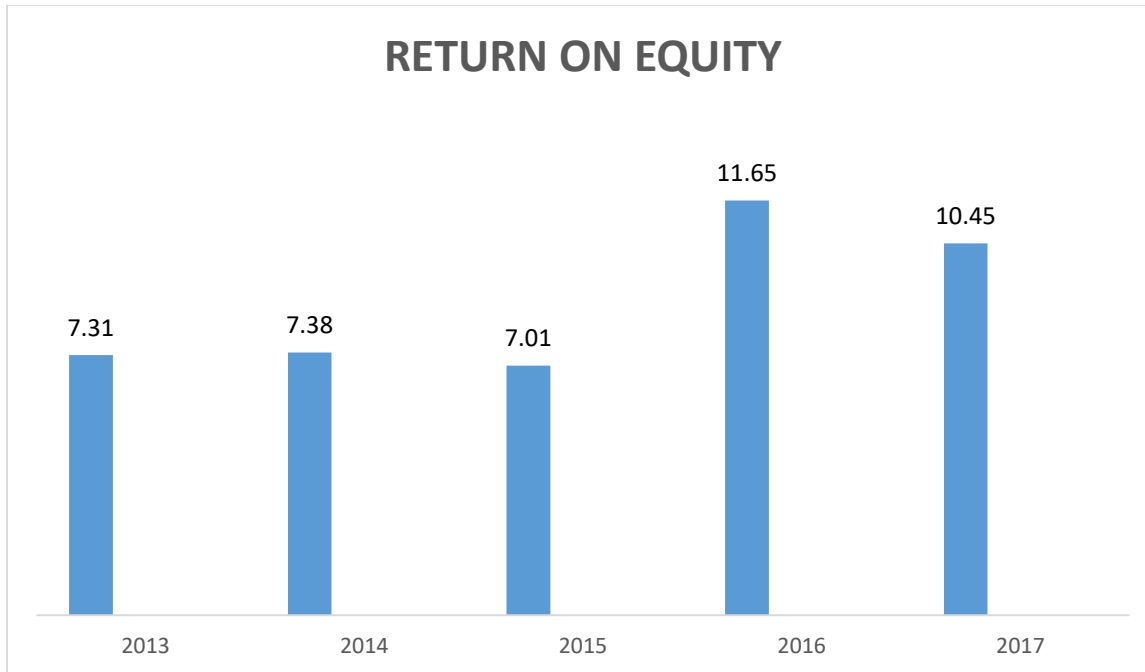
From the above table information about the company that earning retention ratio to the company in 2013 is 7.83 , for next year 2014 ratio was 9.17 it has slight increased and next for the year of 2015 it was 7.68 it has decreased and for the year of 2016 it has slight increased by 22.04 and in the year 2017 i decreased by 8.84.

RETURN ON EQUITY: ROE is the amount of net income paid as a percentage of shareholders equity.

FORMULA: $ROE = \text{net income} / \text{Shareholder's equity}$

Table showing Return on Equity Ratio during 2013-17

| YEAR | ROE RATIOS |
|-------------|-------------------|
| 2013 | 7.31 |
| 2014 | 7.38 |
| 2015 | 7.01 |
| 2016 | 11.65 |
| 2017 | 10.45 |



GRAPH 4.5: Graph showing Return on Equity during 2013-17

ANALYSIS AND INTERPRETATION

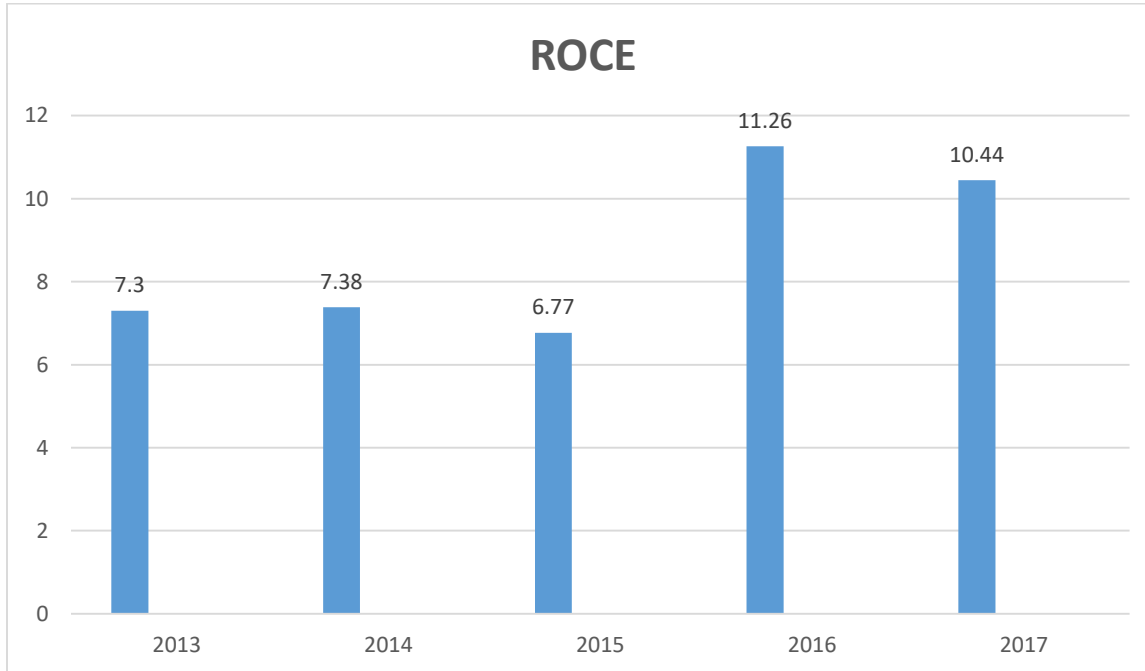
From the above table information about the company that return on equity to the company in 2013 is 7.31 , for next year 2014 ratio was 7.38 it has slight increased and next for the year of 2015 it was 7.01 it has decreased and for the year of 2016 it has slight increased by 11.65 and in the year 2017 Is decreased by 10.45.

RETURN ON CAPITAL EMPLOYED: ROCE measures the company’s profitability and efficiency.

FORMULA: $ROCE = \frac{EBIT}{\text{capital employed}}$

TABLE 4.6 Table showing Return on Capital Employed

| YEAR | ROCE RATIOS(in %) |
|-------------|--------------------------|
| 2013 | 7.3 |
| 2014 | 7.38 |
| 2015 | 6.77 |
| 2016 | 11.26 |
| 2017 | 10.44 |



Graph 4.6: Graph showing Current Ratios during 2013-17

ANALYSIS AND INTERPRETATION

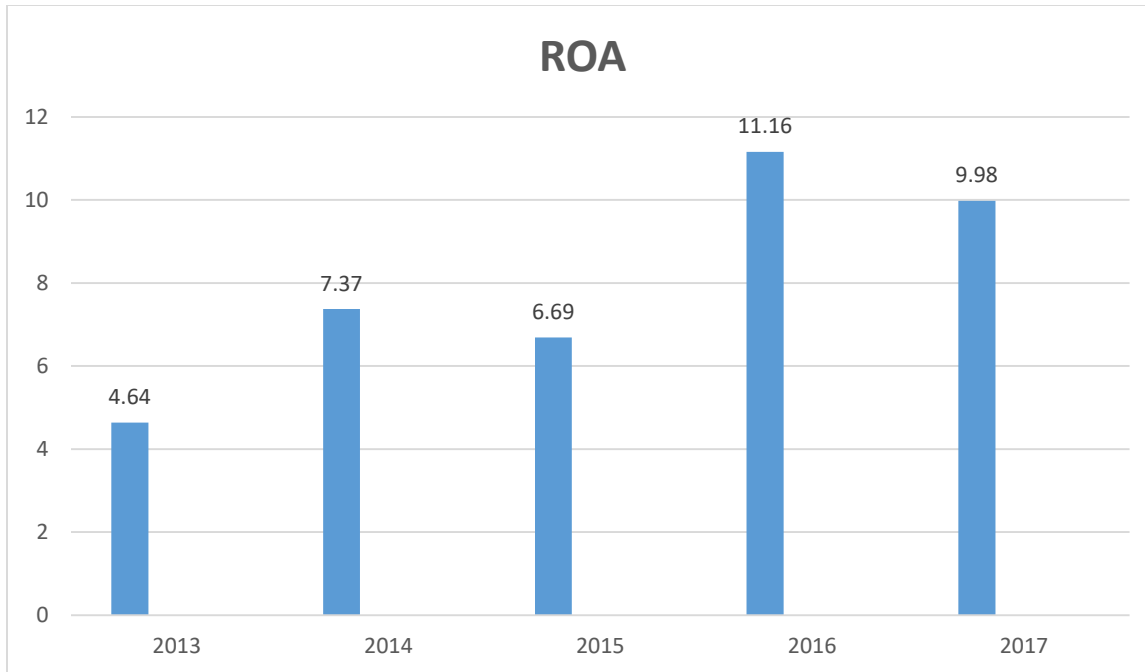
From the above table information about the company that ROCE to the company in 2013 is 7.3, for next year 2014 ratio was 7.38 it has slight increased and next for the year of 2015 it was 6.77 it huge decreased and for the year of 2016 it has slight increased by 11.26 and for the year 2017 it has decreased by the 10.44.

Return on Assets: ROA is an display of how the profitable of organisation related to its total assets.

FORMULA: $ROA = \text{net incomes} / \text{total assets}$

Table 4.7: Table showing Return on assets during 2013-2017

| YEAR | RATIOS |
|-------------|---------------|
| 2013 | 4.64 |
| 2014 | 7.37 |
| 2015 | 6.69 |
| 2016 | 11.16 |
| 2017 | 9.98 |



Graph 4.7: Graph showing Return on Assets during 2013-17

ANALYSIS AND INTERPRETATION

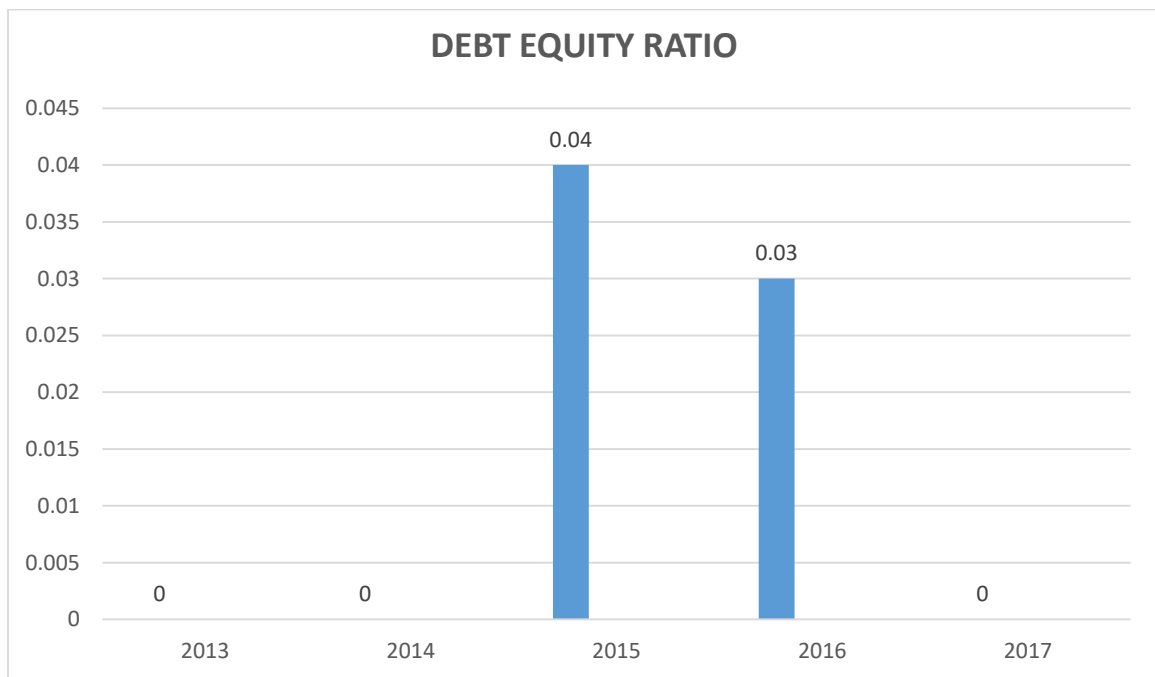
From the above table information about the company that ROA to the company in 2013 is 4.64, for next year 2014 ratio was 7.37 it has increased and next for the year of 2015 it has slightly decreases to 6.77 and for the year of 2016 it huge increased to 11.16 it was the highest among the five years and for the year 2017 it has decreased by the 9.98.

DEBT EQUITY RATIO: it the ratio that displays the proportion of equity and debt of the company.

FORMULA: Debt Equity Ratio= Total Liabilities/ Total Share Holders Equity

TABLE 4.8: Table showing Debt Equity Ratio during 2013-2017

| YEAR | RATIOS |
|-------------|---------------|
| 2013 | 0 |
| 2014 | 0 |
| 2015 | .04 |
| 2016 | .03 |
| 2017 | 0 |



GRAPH 4.8: Graph showing Debt Equity Ratio during 2013-2017

ANALYSIS AND INTERPRETATION

From the above table we can see the debt equity ratio is nil in the year 2013, 2014 and 2017 respectively and in the year 2015 it is 0.04 and 2016 is 0.03

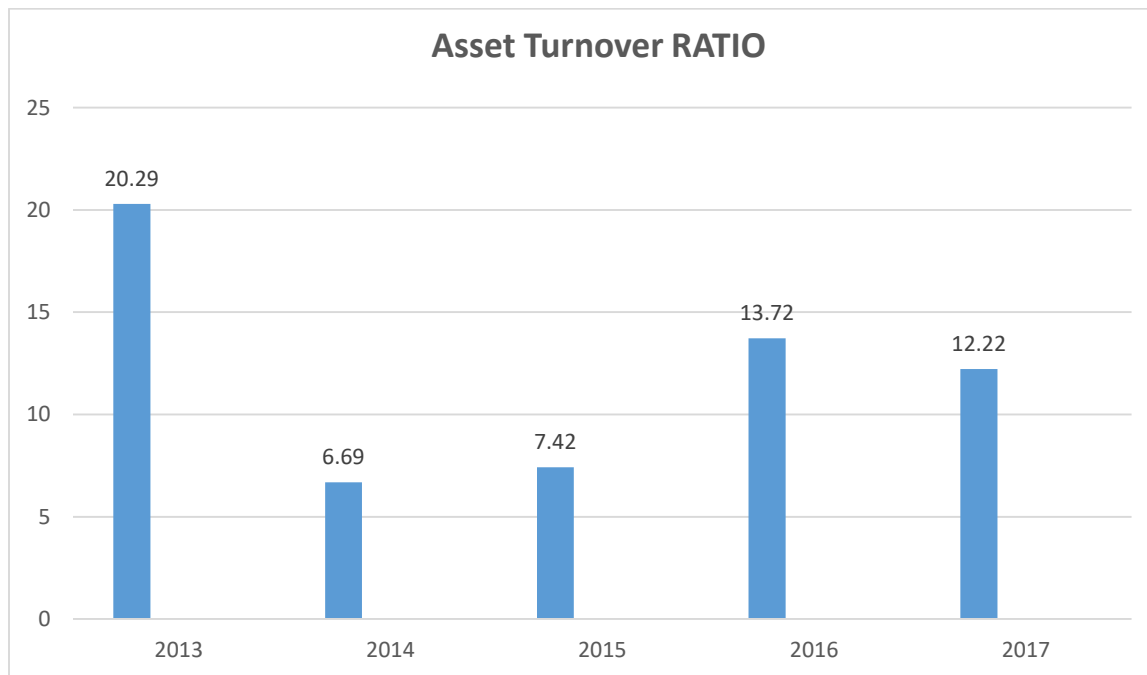
Asset turnover ratio:

Asset turnover ratio processes the competence of company assets to produce revenue of sales.

FORMULA: Asset turnover ratio= revenue / net assets

TABLE 4.9 Table showing Asset Turnover Ratio during 2013-2017

| YEAR | RATIOS |
|-------------|---------------|
| 2013 | 20.29 |
| 2014 | 6.69 |
| 2015 | 7.42 |
| 2016 | 13.72 |
| 2017 | 12.22 |



Graph 4.9: Graph showing Asset Turnover Ratio during 2013-2017

ANALYSIS AND INTERPRETATION

From the above table information about the company that total asset turnover ratio to the company in 2013 is 20.29 , for next year 2014 ratio was 6.69 it has slight decreased and next for the year of 2015 it was 7.42 it has increased and for the year of 2016 it has slight increased by 13.72 and also for the year 2017 it has decreased to 12.22

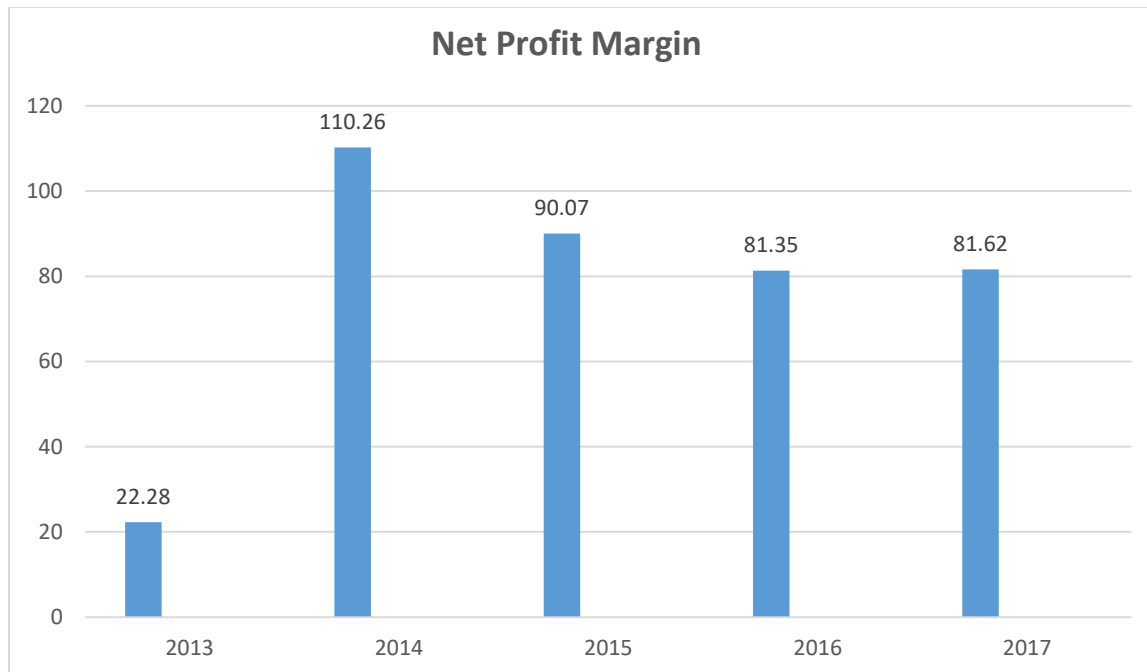
Total asset turnover ratio is at a constant growth rate for the last two years which better than the before two years shows that the company is maintaining sales on the basis of asset.

Net Profit Margin: It is the ratio of net profit to revenues for a company or business segment.

FORMULA: Net Profit Margin= net income / net sales

Table 4.10 Table showing Net Profit Margin during 2013-2017

| YEAR | Net Profit Margin (in %) |
|-------------|---------------------------------|
| 2013 | 22.28 |
| 2014 | 110.26 |
| 2015 | 90.07 |
| 2016 | 81.35 |
| 2017 | 81.62 |



Graph 4.10: Graph showing Net Profit Margin during 2013-17

ANALYSIS AND INTERPRETATION

From the above table the net profit ratio for the year of 2013 it was 22.28 and followed by year for 2014 increased by 110.26, and for the next two years 2015 and 2016 it has decreased by 90.07 and 81.35 and also for the year 2017 it has slightly increased to 81.62.

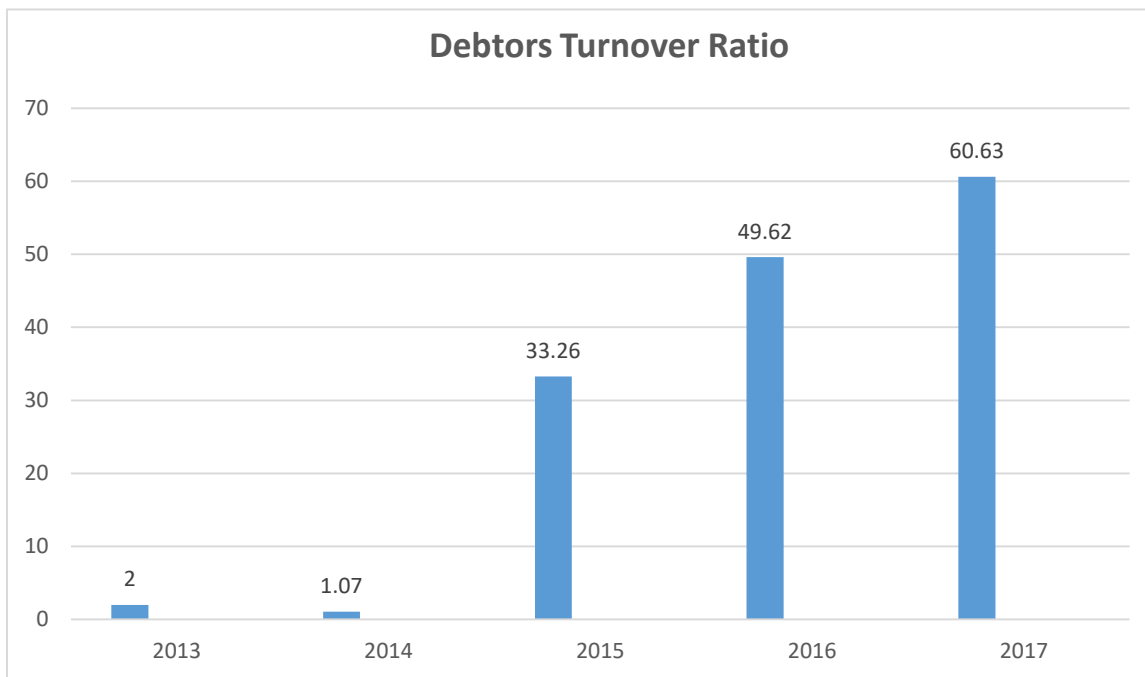
Debtors Turnover Ratio:

The receivable turnover ratio is an accounting measures used to quantify of firm effectiveness in extending in credit and collecting debts on that credit.

FORMULA: Debtors Turnover Ratio= net credit sales / avg. account receivables

Table 4.11: Table showing Debtors Turnover Ratios during 2013-17

| YEAR | DTR |
|-------------|--------------|
| 2013 | 2 |
| 2014 | 1.07 |
| 2015 | 33.26 |
| 2016 | 49.62 |
| 2017 | 60.63 |



Graph 4.11: Graph showing Debtors Turnover Ratio during 2013-2017

ANALYSIS AND INTERPRETATION

From the above graph information about the company that **debt turnover ratio** to the company in 2013 is 2 , for next year 2014 ratio was 1.07 it has slight decreased and next for the year 2015 of it was 53.26 it has increased and for the year of 2016 it has increased by 49.62 and in the year

2017 it is increased by 60.63. we can see the debt equity ratio is increased by continuous year by year.

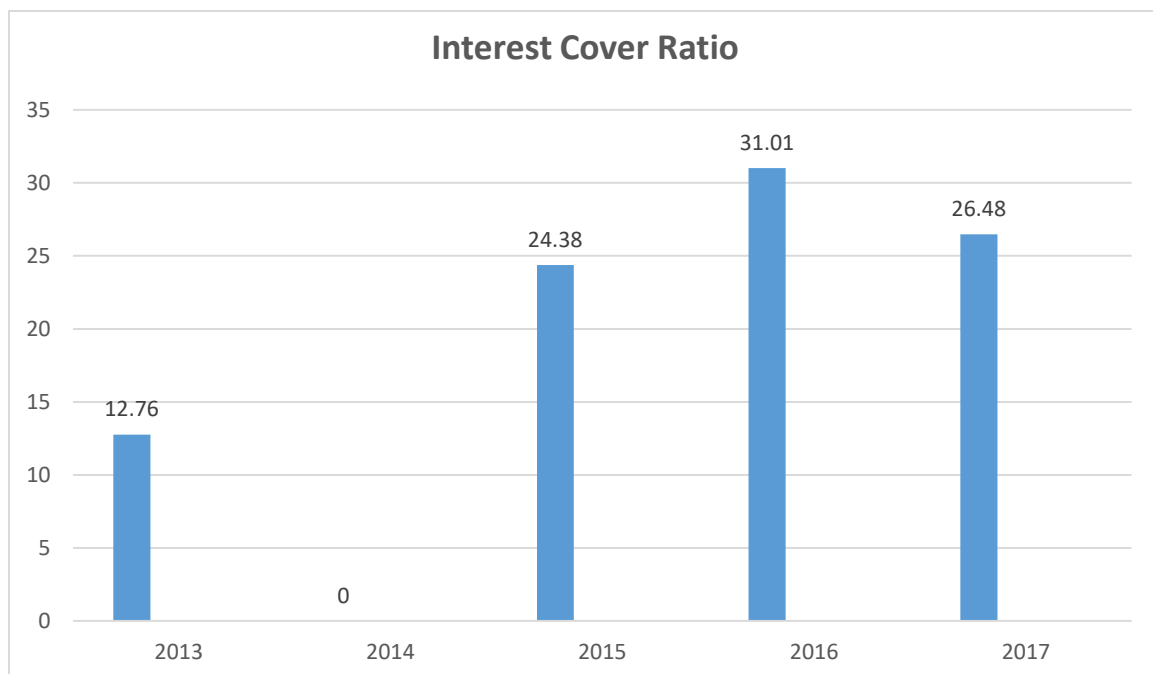
INTEREST COVER RATIO:

A ratio which is used to determine the how organisation pay the interest on outstanding debt.

FORMULA: Interest cover ratio= EBIT/Interest

Table 4.12: Table showing Interest Cover Ratio during 2013- 2017

| YEAR | RATIOS |
|-------------|---------------|
| 2013 | 12.76 |
| 2014 | 000 |
| 2015 | 24.38 |
| 2016 | 31.01 |
| 2017 | 26.48 |



Graph 4.12: Graph showing Interest Cover Ratio during 2013-17

ANALYSIS AND INTERPRETATION:

From the above graph information about the firm's Interest cover ratio in 2013 is 12.76 and it was increased to 26.48 in 2017. In between 2013 – 2017 year 2014 it is nil, 2015 and 31.01 respectively. That means a company can maintain interest payable for outstanding sounds good.

RATIOS

| RATIOS OF INDIA INFOLINE during 2013-2017 | | | | | |
|---|--------|--------|--------|--------|--------|
| PARTICULARS | Mar-17 | Mar-16 | Mar-15 | Mar-14 | Mar-13 |
| Per Share Ratios | | | | | |
| Basic EPS (Rs.) | 4.94 | 5.49 | 3.24 | 3.31 | 3.3 |
| Diluted EPS (Rs.) | 4.92 | 5.46 | 3.15 | 3.21 | 3.25 |
| Cash EPS (Rs.) | 4.95 | 5.44 | 3.17 | 3.3 | 3.7 |
| Book Value [ExclRevalReserve]/Share (Rs.) | 47.17 | 46.63 | 45.13 | 44.68 | 44.37 |
| Book Value [InclRevalReserve]/Share (Rs.) | 47.17 | 46.63 | 45.13 | 44.68 | 44.37 |
| Dividend / Share(Rs.) | 4.5 | 4.25 | 3 | 3 | 3 |
| Revenue from Operations/Share (Rs.) | 6.04 | 6.68 | 3.51 | 2.99 | 14.18 |
| PBDIT/Share (Rs.) | 5.68 | 6.22 | 3.4 | 2.79 | 4.38 |
| PBIT/Share (Rs.) | 5.66 | 6.22 | 3.4 | 2.79 | 3.93 |
| PBT/Share (Rs.) | 5.44 | 6.02 | 3.26 | 2.79 | 3.62 |
| Net Profit/Share (Rs.) | 4.93 | 5.43 | 3.17 | 3.3 | 3.25 |
| Profitability Ratios | | | | | |
| PBDIT Margin (%) | 93.95 | 93.12 | 96.87 | 93.25 | 30.87 |
| PBIT Margin (%) | 93.65 | 93.07 | 96.8 | 93.17 | 27.7 |
| PBT Margin (%) | 90.11 | 90.07 | 92.83 | 93.17 | 25.53 |
| Net Profit Margin (%) | 81.62 | 81.35 | 90.07 | 110.26 | 22.88 |
| Return on Net worth / Equity (%) | 10.45 | 11.65 | 7.01 | 7.38 | 7.31 |
| Return on Capital Employed (%) | 10.44 | 11.26 | 6.77 | 7.38 | 7.3 |
| Return on Assets (%) | 9.98 | 11.16 | 6.69 | 7.37 | 4.64 |
| Total Debt/Equity (X) | 0 | 0.03 | 0.04 | 0 | 0 |
| Asset Turnover Ratio (%) | 12.22 | 13.72 | 7.42 | 6.69 | 20.29 |
| Liquidity Ratios | | | | | |
| Current Ratio (X) | 1.27 | 5.87 | 2.66 | 14.96 | 0.88 |
| Quick Ratio (X) | 1.27 | 5.87 | 2.66 | 14.96 | 0.88 |
| Dividend Payout Ratio (NP) (%) | 91.16 | 77.96 | 92.32 | 90.83 | 92.17 |
| Dividend Payout Ratio (CP) (%) | 90.82 | 77.92 | 92.25 | 90.76 | 80.94 |
| Earnings Retention Ratio (%) | 8.84 | 22.04 | 7.68 | 9.17 | 7.83 |
| Cash Earnings Retention Ratio (%) | 9.18 | 22.08 | 7.75 | 9.24 | 19.06 |

CHAPTER 5

FINDINGS AND SUGGESTIONS

FINDINGS:

1. The current ratio among the last five years (2013-17), was in stable which was desirable later the company rectified. The standard ratio of current ratio is 2:1. In the year 2014, 2015, 2016 it is above the standard ratio.
2. The quick ratio among the last five years (2013-17), was in stable which was desirable later the company rectified. The standard ratio of quick ratio is 1:1. In the year 2014,2015,2016,2017 it is above the standard ratio.
3. The Dividend pay-out ratio are in percentages. The company declares almost 90% of their net incomes as divided in the year 2013, 2014, 2015 and 2017 but company declares 77.96% of net incomes in the year 2016 retained the earnings for the benefits of firm.
4. The firm maintains very stable percentage of earning retention ratio. In the 2016 the company retains highest percentage of 22.04% for benefits of the firm.
5. The company gives the return to shareholders on their net income. The gives the 7% above for the first three years (2013, 2014, 2015) and above 10% for the years 2016, 2017.
6. The ROCE highest in the year 2016 (11.26%) because the company retains the more of net incomes than other years.
7. The ROA was highest in the year 2016 which seems to be good for the firm.
8. Here the firm doesn't have debt that means nil in the year 2013, 2014, 2017 and only 4% and 3% in the year 2015, 2016 respectively. That shows the risk bearing of the firm is low.
9. In the year 2013 Asset turnover ratio is seems to very high that 20.29% and decreases only 12.22% in the year 2017 it shows the company is not able to generate sales form the given asset.
10. Profit margin of the firm sounds good while observing the stats of the company the growth rate.
11. The debtor's turnover ratio is increases yearly that shows the effectiveness of the firm in business.
12. The company incomes are more efficient to pay interest of the company outstanding debt.

SUGESSTIONS:

1. Liquidity refers to the capacity of the firm to meet their its current obligations as and when these become due
2. The firm should makes the balance between solvency and liquidity position of the firm.
3. The profit margin of has been deaced in the year 2017(current year) when compares to previous year. The company should look for the maximise the profits in future.
4. The company should give more attention towards long term solvency of the company while short term financial position of the firm.
5. The organisations cash balance is required in order to have an immediate liquidity conditions improved. Will in the long run prompt ill-advised utilization of assets.
6. In order to reduce the financial departments work in out fitting monthly breakups. All divisions ought to give correct information before planning spending plan, considering future changes.
7. The organisation ought to keep up nonstop liquidity position, as the working capital is not constant in organisation, it continues changing yearly

CONCLUSION:

According to the study on Financial Performance Analysis, the money related position of the organisation is considered, the organisation has sound and stable money related operations. The organisation has a sound money related position. The organisation focuses on the present resources and inventories to keep up the obliged rate to guarantee idea usage.

The organisations have a great execution in general the offices. According to overall study and examination it can be reason that the financial performance of the firm amid the most recent five years is fluctuating, disregarding every one of these uneven characters it is as yet ready to keep up its proficiency.

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ANNEXURES

BALANCE SHEET

| BALANCE SHEET OF INDIA INFOLINE during 2013-2017 | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Sources Of Funds | 2017 | 2016 | 2015 | 2014 | 2013 |
| Total Share Capital | 63.58 | 63.31 | 62.05 | 59.24 | 59.05 |
| Equity Share Capital | 63.58 | 63.31 | 62.05 | 59.24 | 59.05 |
| Share Application Money | 0.15 | 0 | 0 | 0.04 | 0 |
| Reserves | 1,435.91 | 1,412.58 | 1,338.02 | 1,264.22 | 1,250.98 |
| Networth | 1,499.64 | 1,475.89 | 1,400.07 | 1,323.50 | 1,310.03 |
| Secured Loans | 0 | 50 | 50 | 0 | 0 |
| Total Debt | 0 | 50 | 50 | 0 | 0 |
| Total Liabilities | 1,499.64 | 1,525.89 | 1,450.07 | 1,323.50 | 1,310.03 |
| Application Of Funds | | | | | |
| Gross Block | 2.79 | 1.55 | 1.48 | 1.41 | 122.93 |
| Less: Accum. Depreciation | 0.73 | 0.63 | 0.55 | 0.48 | 108.13 |
| Net Block | 2.06 | 0.92 | 0.93 | 0.93 | 14.8 |
| Capital Work in Progress | 0 | 0 | 0 | 0 | 0.43 |
| Investments | 1,521.84 | 1,417.35 | 1,378.30 | 1,266.21 | 1,292.02 |
| Sundry Debtors | 1.09 | 5.24 | 3.28 | 0 | 165.7 |
| Cash and Bank Balance | 8.53 | 3.34 | 41.62 | 0.78 | 413.55 |
| Total Current Assets | 9.62 | 8.58 | 44.9 | 0.78 | 579.25 |
| LOANS and ADVANCES | 37.28 | 111.84 | 43.98 | 57.13 | 176.09 |
| TOTAL CA, LOANS and ADVANCES | 46.9 | 120.42 | 88.88 | 57.91 | 755.34 |

| | | | | | |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| CURRENT LIABILITIES | 64.9 | 9.92 | 17.34 | 0.78 | 747.37 |
| PROVISIONS | 6.27 | 4.48 | .07 | 0.78 | 5.2 |
| TOTAL CL & PROVISIONS | 71.27 | 14.4 | 18.04 | 1.56 | 752.57 |
| NET CURRENT ASSETS | -24.27 | 106.02 | 70.84 | 56.35 | 2.77 |
| TOTAL ASSETS | 1,499.64 | 1,525.89 | 1,450.07 | 1,323.50 | 1,310.03 |



ACHARYA INSTITUTE OF TECHNOLOGY
DEPARTMENT OF MBA

INTERNSHIP WEEKLY REPORT (16MBAPR407)

Name of the Student: Rakshith V











Internal Guide: Dr.Prakash B Yargol






USN No: 1AZ16MBA51

Specialization: Core Finance

Title of the Project: A Study on Financial Performance of INDIA INFOLINE LTD,
Bangalore.

Company Name: INDIA INFOLINE.

| Week | Work Undertaken | External Guide Signature | Internal Guide Signature |
|--------------------------------|--|--|---|
| 16-01-2018 to 22-01-2018 | Introduction about IIFL and its operation |  |  |
| 23-01-2018 to 29-01-2018 | Learning about the different operations and product by IIFL |  |  |
| 30-01-2018 to 5-02-2018 | Orientation and gathering information about the growth of the company |  |  |
| 6-02-2018 to 12-02-2018 | Orientation with functional department of the organisation and detailed study of Department. |  |  |
| 13-02-2018 to 19-02-2018 | Research problem identification |  |  |

| | | | |
|--------------------------------|---|--|--------------|
| 20-02-2018 to 26-02-2018 | Preparation of the research instrument for data collection |  | <i>Byaru</i> |
| 27-02-2018 to 5-03-2018 | Theoretical background of the study |  | <i>Byaru</i> |
| 6-02-2018 to 12-03-2018 | Data collection and data analysis |  | <i>Byaru</i> |
| 13-03-2018 to 19-03-2018 | Interpretation of the data gathered during the survey |  | <i>Byaru</i> |
| 20-03-2018 to 26-03-2018 | Final report preparation and submission |  | <i>Byaru</i> |

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