

CERTIFICATE



This is to certify that Mr. PREETHAM S PAWAR, student of ACHARYA INSTITUTE OF TECHNOLOGY USN No 1AZ16MBA49 has successfully completed his project in the field of finance and project titled on "A Study Of Cash Management System To Understand The Liquidity And Efficiency Position" for a period of 10 weeks (16 JAN 2018 to 24 MAR 2018) under the guidance of Mr. AZAR

During the period of project program with us, he had been exposed to different processes which were found punctual, hardworking & inquisitive.

We wish him every success in his life and career.

Yours sincerely,

For Visionet System Private Limited.



Authorized Signatory

Senthil Vel Murgan K

Senior Manager, Human Resources

Vislonet Systems Pvt. Ltd.

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ACHARYA INSTITUTE OF TECHNOLOGY

(Affiliated to Visvesvaraya Technological University, Belagavi, Approved by AICTE, New Delhi and Accredited by NBA and NAAC)

Date: 19/05/2018

CERTIFICATE

This is to certify that **Mr. Preetham S Pawar** bearing USN **1AZ16MBA49** is a bonafide student of Master of Business Administration course of the Institute 2016-18 batch, affiliated to Visvesvaraya Technological University, Belagavi. Project report on “**A Study on Cash Management System to understand the Liquidity and Efficiency Position**” at **Visionet Systems Pvt. Ltd. Bengaluru** is prepared by him under the guidance of **Dr. Ramanaiah G** in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belagavi, 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, PREETHAM S PAWAR, hereby declare that the Internship report entitled " A Study of Cash Management System to understand the Liquidity and Efficiency Position " with reference to "VISIONET SYSTEMS Pvt Ltd." prepared by me under the guidance of Dr. Ramanaiah G, faculty of M.B.A Department, Acharya Institute of Technology and external assistance by Mr. AZAR General Manager of Visionnet Systems Pvt Ltd.

I also declare that this Internship work is towards the partial fulfilment of the university regulations for the award of 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:

Date:



Signature of the student

ACKNOWLEDGEMENT

I deem it a privilege to thank our Principal, Dr. Sharanabasava Pilli, Dr. Mahesh, Dean Academics and our HOD Dr.Nijaguna for having given me the opportunity to do the project, which has been a very valuable learning experience.

I am truly grateful to my external guide Mr. AZAR, Genral Manager, Visionet Systems Pvt Ltd., and my internal research Guide, Dr. Ramanaihah, for their research guidance, encouragement, and opportunities provided.

I wish to thank all the respondents from the firms who spent their valuable time in discussing with me and giving valuable data by filling up the questionnaire.

My sincere and heartfelt thanks to all my teachers at the Department of MBA, Acharya Institute of Technology for their valuable support and guidance.

Last, but not least, I want to express my deep appreciation to my parents for their unstinted support.

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CHAPTER - 1

1.1 INTRODUCTION

Cash management estimates the company's ability and capacity of allocating the funds available in an efficient and effective manner in an effort to cover operating expenses, financial activity expenses and investing activities expenses. Cash management is a procedure of accumulating and proper deployment or use of the cash (manage the cash), this statements encapsulate the short term investing activities on the organization. Cash comprise, cash in-hand and demand deposits with banks. Cash equivalent are short term has highly fluid investments that are freely exchangeable into known A/C of cash and which are subject matter to an insignificant risk of charges in worth. The cash equivalents are like treasury bills, commercial paper etc. Cash flow statement includes the inflow and outflow of cash equivalents. It refers the migration of cash inflow to the organization & shift of cash-out of the organization. The disparity sandwiched between the cash inflow and outflow is known as net-cash-flow which can be either net-cash-inflow or net-cash-outflow. Ratio helps in conclusive the financial statement of the organization, may be dub as "Ratio Analysis". It implies the process of figuring out, conclusive and presenting the rapport of items on association of items of financial statements. It also involves the comparison & association of these ratios & uses of them for imminent-future projections. A ratio is an mathematical link between 2 connected items declare in significant form when this definition of ratio is explains with reference to the items shown in financial statements, then it is labelled accounting ratio.

Credit card billing: It is a periodical statement of purchases made by the credit card holders. The credit card billing helps in catching the data about the credit purchases of the holders. The financial statement gives outright information about the swiping, with the help of the financial statement the finance team will calculate the repayment of the principal amount on due date and the interest made used by the holder (amount utilized). Usually, the interest is calculated only for the amount withdrawn. The limits of the credit basically depend on the salary, routine income of the individual.

Pay role: the payroll is an absolute expense of the company's incurred for payment of the salary, wages, bonuses and incentives to the employees for serving the company. The payment of salary to the employees will be made once in a month. The prediction on the salary will be done by seeing the leaves take by the individual employee and the payment will be made.

Employee expenses: the expenses incur by the employee for the business project which are paid off by the organization. The reimbursement will be made only when the expenses paid-off on behalf of the organization. If the expenses incurred for his personal, it is not be paid.

For ex: if the employee or manager has a lunch with clients or customer or buyer or vender this activity is done for the benefit for the organization, and the expenses (the payment made by pocket) will be incurred by the employee. So, the expenses will be reimbursed by the organization.

Bank reconciliation statement (BRS): The statement which is predisposed to reconcile or set-right or re-adjust the disparity between cash-book & pass-book.

It is called bank reconciliation statement (BRS).

- It helps to know the actual bank balance.
- It discloses the error in cash book and pass book which as to be corrected.
- It reduces and pre-vials fraudulent activity in recording banking transactions.
- It indicates the deals in collection of cheque sent to bank and payment on cheque issued.

The main activity of the finance department is to examine why there is disparity interpolated the cash-books balance & the pass-book. The logic for discrepancy interpolated cash-book and pass-book balance are as follows:

- Cheques issued but not presented (conferred) for payment.
- Cheques pay-in or deposited but not collected and credited by the bank.
- Cheques received, entered in cash book but not sent to bank for collection.
- Any charges wipe-out by the banker in pass book but not posted in cash book.
- Interest on deposit credited by the bank.
- Payment made by bank (for e.g. insurance premium, electricity charges, telephone charges etc.) as per standing instruction but not entered in books of accounts.
- Cheques issued and consequently dishonoured.
- Cheque deposited, entered in cash book and consequently dishonored.

- Miscalculation made in cash book and pass book etc.

The modification or rectification will be made by the finance & account team of the organization; mainly we endow with the bank reconciliation statement services to **PNC BANK, AMEX BANK (AMERICAN EXPRESS).**

1.2 INDUSTRY PROFILE

Visionet is one the most sought out company which renders technological service to some of the top retailing organization in the UNITED STATES OF AMERICA. VISIONET has all the equipment's tools & techniques to fulfil the day to day needs of the retaining sectors. Visionet system's main Moto is to satisfy the needs and necessities of the ultimate consumption. If the customers are satisfied with the company's services in return it will have a greater impact on the success of the company. From past two decades visionet has developed best in class business intelligence (BI) platform for the business sectors like clothing or apparel industry, consumer goods, retail and wholesale sectors. s visionet system's area of expertise are of expertise are; demand creation, management of varied business platforms, c.r.m logistics management, production life cycle management. Above mentioned are some of the most important services provided by visionet systems.

In today market circumstances competition is an ever-growing aspect, there are 'n' number of retail and wholesale companies that are competing with each other to gain leadership control over the market. In order to win over the competition, it is essential for the companies to provide unique and satisfiable services to the final consumers. With an over two decades of vast experience in the industry, visionet provides in depth research, knowledge and solutions to the end problems of the consumers. Visionet has created a loyal perception in the minds of the consumers. Visionet has created a global footprint with its highly skilled and integrated human capital.

Visionet provides best execution services.

1.3 COMPANY PROFILE:

Ever growing and ever-expanding company, Visionet Systems Pvt Ltd. Founded in 1995 in Cranbury, New Jersey, United States of America. Visionet System has been deploying best in class productivity enhancing technology solutions for medium size and enterprise level organizations for over two decades. Visionet System provides a wide range of services which includes: business consulting, software products, customer help desk, data base management, customer relationship management, technology services. Visionet's first performance is customer satisfaction it provide highest quality of services to the customers. Visionet has an optimal blend of onshore and off-shore business and technology services. Visionet has wide spread its business all over the globe.

Key executive of Visionet System Pvt Ltd are:

Mr. Arshad Masood the founder, Chief executive officer and director.

Mr. Kaushik Kothary: - Controller.

Mr. George N Bacon: - Chief operating officer.

Mr. Bill Moody: - President of mortgage services.

Mr. Amir Khan: - Chief technology of retail division.

1.3.1 PROMOTERS OF THE COMPANY

Visionet system pvt ltd is a private CO. which was integrated in INDIA on 23rd march 2006.

It is a non-government company and is registered under the registrar of companies act, Bangalore. The authorized share capital is Rs 20,000,000 and paid up capital is Rs.

10,000,000. **The director of visionet systems private limited are**

ARSHAD MASOOD, AEZAZ HUSSAIN, JITHOSH VALIYAPARAMBATH KENATHI, ALOK BANSAL.

For over 15year's visionet system, based in CRANBURY, NJ, (US) have been providing software application development, re-engineering, and support services to IT Industry.

Visionet system private Limited's corporate testimony number is (CIN) U72200KA2006PT039537 and its certification number is 39537.

Its email address is Naveen.jatti@visionetindia.com and its certified address is AMR TECH PARK No.23 &24, HOSUR MAIN ROAD, BANGALORE KARNATAKA 560069.

Visionet a brand of excellence and eminence for over 250 global clients from past 20 years. Visionet systems Inc., a brand of true excellence, dedication and quality for a broad range of purpose driven customers. Over the years, Visionet was engineered high performed and cost effective quick fix for its clients across diverse industries together with banking, retail, insurance, distribution, & manufacturing, while building broad competencies in the mortgage industry. They are focused on delivering value and also exceeding customer expectations.

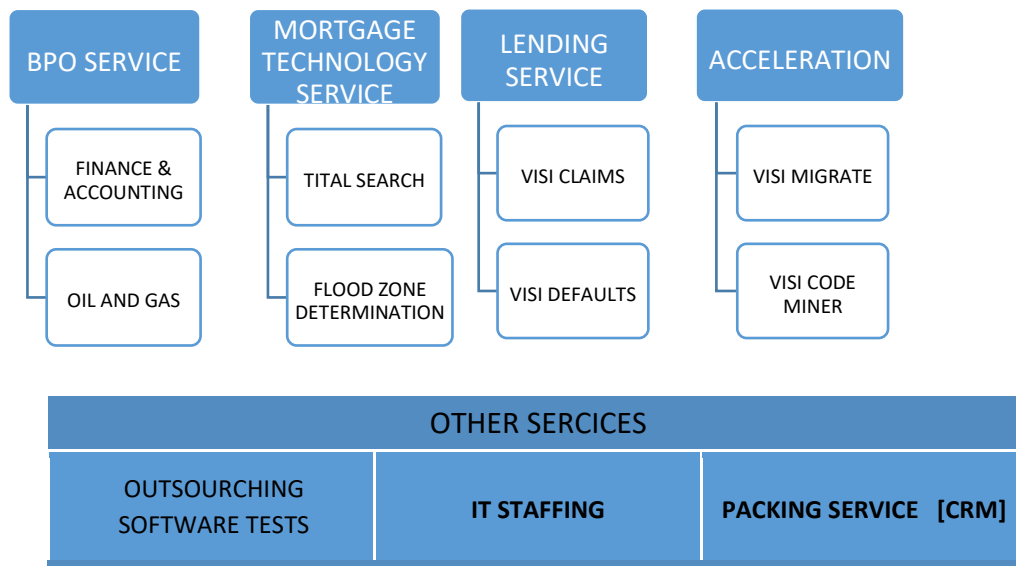
1.3.2 VISION, MISSION, & QUALITY POLICY

VISIONS OF THE COMPANY: To contribute the best client experience in BPO service. Recognized as the institution that develops the global standards and body of knowledge for management consulting through a board of experts and that defined the competencies and skill required by people wanting to become management consultant. They provide the mechanize top learn their skill and as well as individual recognition through certification which are available global through our vast net-work of organization partners.

MISSION OF THE COMPANY: To enable our customers to realize their full potential by supporting them with smart technology and business solutions.

As a exceptional quality service provided our mission is to come through at creating tangible value for our clients by foresee and understanding their needs and by providing superior insight into the improvement of their business attainment.

1.3.3 PRODECT OR SERVICES AREAS OF OPERATION:



BPO SERVICE: acronym of BPO is business process outsourcing which means that a company which is situated one country outsources its back-end business process to another company which is situated outside the country, human resources outsourcing is one of the function of outsourcing. In human resource outsourcing the company will handle all the problems or issues of the customers and they will take proper measures to get rid of the problems.

- **Finance and accounting:** these are the services rendered by BPO which is concerned with finance and accounting sector of a company or business. In finance and business outsourcing the company looks after the financial matters of a company like balance sheet, profit or loss statement, trial balance, account receivable, accounts payable etc., so that the company performs effectively and efficiently which enhances the overall performance of the business.
- **Oil and gas:** this is one of the prominent services provided by BPO companies. It provides all the necessary services in this sector like future forecasting of the company's position. Price variations of oil and gas, demand supply etc. are taken into consideration.

MORTGAGE TECHNOLOGY SERVICES: it is a service where in technology or services means is implemented to means mortgage service for flexible and reliable. It helps both the investors and lenders in transacting it more easily.

- **Title search:** means investigating the historical or present title of the property holder. It involves in depth study of title of the holder like deed information, tax status, legal details, mortgage data are considered during search of the title.
- **Flood zone determinant:** it helps in specifying wither it meets all the federal regulations required. It also determines special food hazard area status, flood zone designation, national flood insurance program (NFIP) eligibility, NFIP community number are determined.

LENDING SERVICES: It is a service which is provided either by a private or public company. These lending companies' grants lending services to other companies or individuals in other words it lends funds to other with the intention of getting the return of lent money along with interest on an agreed period.

Software testing outsourcing: it's a process undertaken by an individual company or a group of persons not directly involved into the method or process of software developing. Software testing is a vitally important part of software development process. Although according to many organization perceptions it is considered as non-significant and business activity. Outsourcing helps a company to focus on its primary business activity while external software testing experts carry out the individual authentication task. This helps an organization in many ways like individual evaluation leading to increased work efficiency. Minimization of time constraint forecast able software quality. Software testing can come in different form like complete outsourcing, the provision of additional resources for core project etc. some of the top developments outsourcing cities globally are: - **Chennai India, Beijing India & Cebu city Philippines**

IT Staffing process and advantages: IT staffing means scrutinizing individual who are not only initiator in that fields but also possess the capability to impend upon other fellow workers and clients and placing them on a contract or on a permanents basis at a specific place. IT staffing recruit people with immense talent, dedication, skills and strengths and they treat every assignment as a stepping stone to the success. The clients must include some of the most recognized companies across the nations. IT staffing must provide best in class services their clients. Clients may vary from small to perform its activities more effectively. IT staffing help the companies to reduce the burden and time frame of recruiting skilled employees for the organization.

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IT staffing process:

The clients provide details about the kind of employees needed for the company and the clients also specify whether they should be recruited on a constitutional basis or on a permanent basis. Many companies like to use on a contractual basis or on a durable basis. Many companies like to use contractual instrument because the company can decide whether a particular candidate fulfils the task given to him or not.

C P G (PACKING SERVICES): which stands for consumer packages goods is an industrial term for commodities or goods which a customer uses and finds substitute of the goods on a continuous basis. Some of the examples of consumer-packaged goods are foods, clothing,

tobacco, household products, toiletries, soft drinks etc, consumer packaged goods (CPG) can be set off with durable goods these are goods which are not replaced on a regular basis unit unless the consumer finds a problem in it examples of durable goods are: furniture, automobile, TV, washing machine machinery, refrigerator, micro wave oven etc,

CPG can be classified into two categories i.e. perishable and non-perishable goods which can be also called as short shelf life goods and long shelf life goods. Perishable goods whose quality reduces quickly like dairy products, fruits, vegetable, and meat are perishable; other products such as alcohol, toiletries, cleaning products are not highly perishable goods.

Chapter-2

Theoretical background of the study

2.1 Introduction to Cash Management:

The cash management is one of the most important operations of working capital management. In fact, the more liquid cash assets, the cash is the familiar denomination to which all current assets are diminished because the other major liquid assets, that the receivables and inventory can be easily exchangeable in to cash form. The present decisions of the company mainly depend on the cash needs. The cash management and cash budgeting will help in the successful management of the cash needs.

Motive of holding the cash: The phrase cash which refers to cash management. It is used largely to convert currency and mainly accepted all over the world. Cash can be in the form of cheques, drafts and demand deposits in bank. In narrow view the cash may encompass near-cash assets, such as marketable securities and time deposits of the bank. The main distinctiveness of these are that they can be readily sold or easily adaptable in to cash as and when it is required.

There are four major motives to maintain the cash as follows:

- a) **Transaction motive:** It is one of the important motives to maintain the cash balance in company. This tells that the holding of cash to meet conventional cash requisite to finance the transactions which a firm carries on the traditional course of business.
- b) **Precautionary motive:** In addition to the non-synchronizations of the foreseen of cash-inflow & cash-outflow in the run of the mill courses of actions of the business. Sometime firm could have to pay the cash, which cannot be predicted or anticipated.
- c) **Speculative motive:** It invokes to the courses of action where the businesses have to incur the expense which is not predicted and which is not the activity of the

business. For example: an opportunity to purchase the raw material at a lesser price by immediate payment of the cash.

- d) **Compensative motive:** Another motive of the organization is to hold the cash balance and give back to banks for providing services and loans. consistently the bank provides the services to the business firm such, as clearing cheques, transfer of funds and so on..., and for the same banks charge the commission or fee.

Introduction to Cash Flow Statement:

The balance sheet and income statement or profit & loss account are the traditional basic financial statement of the business enterprise. A balance sheet presents the financial positions of a firm as at the final day of the accounting era. An income statement spotlights on financial performance (profit or loss) due to operating activities of a firm during the period. Revenue documented in income statement does not reflect cash inflows as the debtors may pay later. Likewise, some of the expenses show in the income statement may be non-cash expenses (depreciation, amortization etc.) and some may not be paid I full (goods purchased on credit, salaries payable etc.). Thus, the periods profit or loss does not bear direct association to the cash flow associated with the period operations. It does not manifestly provide intelligence about financing behaviour of the firm during the accounting period.

It supervises the third financial statement a company is required to prepare, namely, the cash0flow0statement. The main entity of the0cash0flow0statement is to endow with intelligence on the subject of the cash flow associated with operating, investing and financial activities of the firm during the accounting stretch. The intelligence is compelling to the stakeholders of a company. Dividends allocated to the shareholders evidently are relying on the cash flow, interest payable and debt repayment to the lenders requires the availability of cash, payment to the employee, suppliers and taxes in time is deputation upon the company ability to produce adequate cash flow to congregate there financial0statement of a company.

Introduction to Ratio Analysis: It is an underlying limitation of the customary financial statements constitute the balance sheet and the profit & loss accounts is that they do not give all the in sequence connected to the financial operations of a firm. Never the less they provide some extremely handy information to the extent that the balance sheet speculum the financial position on the distinct date in terms of the framework of assets, liabilities and owners' equity and so on. The profit & loss account spectacle the results of operations during a definite period of time in terms of the revenues pick-up and the cost reduction during the year. Thus, the financial statement provides a encapsulate view of the financial position and operations of the firm. Therefore, much can be learnt about a firm from a suspicious check-up of its financial statement as very useful document performance reports. The analysis of the financial statement is thus an important aid to financial analysis. The focus of financial analysis is on key figures in the financial statements and the significant accord that exists between them. The analysis of the financial statement is a process of figure-out the relationship between integral parts of the financial statement to retrieve a better empathetic the relationship of the company situation and conduct.

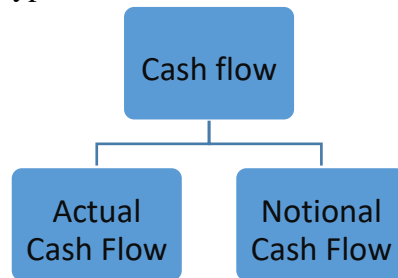
Elaborative information on the subject:

Cash flow statement

Meaning: Cash flow statement guides to demine the cash inflow and outflow of the organization. It compromises with flow of cash which encompass cash equivalents as well as the cash. It is supplementary information given to the users of the financial statement. The statement shoes the incoming and outgoing of the cash. The assess the competence of the company, to generate cash and to utilize it. Cash flow statement can be summarizing as receipts and disbursement of cash for a particular period of time. It also explains the reasons of change or if there is huge difference in cash position of the company. The transactions which increase the cash-position of the entity are called cash inflow and those which determine the cash position are out flow of cash.

Types of Cash flow:

The cash flow are of 2 types:

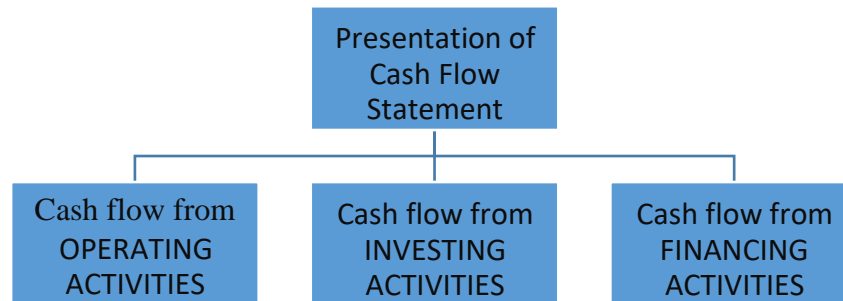


1. Actual cash flow: The actual cash flow point out to actual movement of cash in or out of the business. For example for the cash inflow and outflow of the company: if the shares are issued for the cash, there is an actual migration of the cash in the company and hence it is termed as an Actual cash inflow. If the fixed asset is purchased for cash, cash moves out of the business and this is called as Actual Cash Outflow.
2. Normal Cash Flow: The normal cash flow point out to indirect movement of cash inside or outside of the company. It is an initial investing outlay which comprises the cash flow is called as normal cash flow.

Uses of the Cash Flow Statement:

- It is useful to handle in providing basis to assess the ability of the company to generate cash in turn.
- It is useful in investigating the cash position of the company.
- Helps in preparing the cash budget.
- Helpful to know the liquidity position of the company and its ability to meet its cash commitments.
- The proper planning can be made in suggestion to repayment of loans, to meet the short term expenses of the company etc; it is also a significant of the cash budgeting.
- It helps to determine the cause of poor cash position of the company.

The Cash Flow Statement should report cash flow during the period



Classification which are as follows:

1. Cash flow from Operating Activities: Cash flow from operating activities is a book keeping item which shows the cash that a business organization attains from routine day to day business activities such as production of goods, sale of goods or providing a service. Cash flow from operating activities does not include investment cost.
2. Cash flow from financing Activities: It is a category which occurs in company's cash flow statement that accounts for operating environment that authorizes a business organization to raise funds. Cash flow from financing activities helps investors to understand the financial strength of a business organization.
3. Cash flow from Investing Activities: Cash flow from investing activities is a category of cash flow statement that narrates collective change in a company's cash position which arise from any profit or losses from the investments made in financial markets.

In inclusion to the general allocation of the 3 types of cash flow provides for the treatment of the cash flow of convinced separate items are under

Extraordinary Items: The cash flow connected with amazing items such as Bad Debt Recovered, claims from indemnity companies, winning of a law suit or lottery etc, are uncover solely as arising from operations, investing or financing activities in the cash flow statement.

Interest & Dividends: The treatment of interest and dividend, received and paid, depend upon the nature of the enterprise that is financial company and other enterprises. In the case of financing enterprise cash flow originating from interest paid and interest and dividend received should be confidential as cash flow from operation activities. In baggage of additional enterprises cash flow originating from interest paid should be confidential as cash flow financing activities at the same time as interest and dividends receivable should be classified as cash flow from investing activities and dividend paid should be confidential as cash flow from financing activities.

Taxes & income: Cash flow proceeding from taxes on income should be independently disclosed and consider be restricted as cash flow from operating activities unless they can be specified perceived with financing and investing activities.

Acquisitions and Disposal of subsidiaries and Business unit: The comprehensive cash flow arising from procurement and from disposals of supplement or other business unit should be presented independently and classified as investing activities.

Non Cash Transaction: investing and financing transaction that does not requires the use of the cash equivalents should be precluded from a cash flow statement. Such transaction should be disclosed somewhere in the financial statement in a way that provides all the related information about these investing and financing activities. The separation of non cash transaction from the cash flow statement is dependable with the objective of cash flow statement as these do not involves cash flow in the current period. Some of the examples of the non cash transactions are as follows: The procurement of assets by assuming directly related liabilities. The salvage of an enterprise by means of issue of share and conversion of debt into equity's

Ratio Analysis:

Ratio is a relationship between two accounting numbers. It is one of the valuable tools of financial analysis. It indicates the connection of accounting aspects like profit and sales or the income and expenses, current assets and liabilities' .., with each other and reflects the perseverance of the concern. Ratio is the connection between two variables to arrive at valid results. Absolute records do not communicate any meaningful results and hence the need for ratios. Ratio also helps in comparing the performance of the company with that of its competitors as well with the performance of latest year.

3.2.6 Nature of Ratio Analysis:

Nature of ratio analysis in financial analysis ratio can be used as an index for analyzing financial performance and position of the firm. Ratio analysis helps a company in taking proper decisions. The following are the fore steps involved in ratio analysis.

1. Selections of applicable data from the financial statements depending upon the objective of the analysis.
2. Computation of appropriate ratio from the above data.
3. Comparison of the considered ratio with the ratios of the same firm in the past or the ratio matured from projected financial statement or the ratios of some other firm or the judgment with the ratio of the industry to which the firm belongs.
4. Understanding of the ratios.

3.2.7 Limitations of Ratio Analysis:

When the ratio of two concerns are being compared it should be remembered that different concerns may follow different accounting policies,

Reliability of ratio depends upon the rightness of the data,

A solitary ratio may itself be meaning,

According to the ratio and terms used to work out such ratio have no standard and precise definitions as yet.

Classifications of the Ratios:

1. **Liquidity ratio:** it is a ratio which is used to analyze a particular company's capacity or ability to pay off its debts or obligations. In short we can say that liquidity ratio is used to determine whether a company has the financial strength to pay its current, short term and long term debts of the company.

i) **Current ratio:** it is a ratio liquidity ratio which is used to measure the organizations ability to pay its debt. While calculating current total assets of the company in order to understand the current liabilities. A standard current ratio is

$$2:1. \text{ Formula for the current ratio is; } \quad \textit{currnt ratio} = \frac{\textit{current asstes}}{\textit{currnt liabilities}}$$

ii) **Liquidity ratio:** it is a ratio liquidity ratio which is used to measure the organizations ability to pay its debts. While calculating current ratio a company considers current total assets of the company in order to understand the current liabilities. the formula can be expressed as;

$$\textit{liquidity ratio} = \frac{\textit{liquid assets}}{\textit{curren tassets}}$$

iii) **Absolute Liquidity Ratio:** this is a variation of quick ratio. The ratio is calculated are as follows. *Absolute Liquidity Ratio* =

$$\frac{\textit{cash and bank balance} + \textit{short term securitie}}{\textit{current liabilities} - \textit{bank overdraft}}$$

2. **Solvency Ratio:** it is a ratio used to maneuver an organizations comprehension to meet its arrears and other burdens. The solvency ratio determines whether a company's cash flow is sufficient meet its short term and long term liabilities. Essential ratios are as given below: a. Debt equity ratio b. Total assets to debt ratio

c. Proprietary ratio

d. Interest coverage ratio.

i) Debt equity ratio: The debt equity ratio indicates the communication between long term and equity (shareholders funds) as such; these ratios is worked out by dividing long term debts by shareholders fund. It is usually as proportion.

$$\text{Formula: } \textit{Debt equity ratio} = \frac{\textit{Debt}}{\textit{Equit}} = \frac{\textit{long term debt or loans}}{\textit{share holders fund or networth}} \text{ OR}$$

long term debt = Debentures + long term loans:

Share holders fund = Equity preference capital + reserves & surplus fictitious assets.

ii) Proprietary Ratio: This ratio pin point the relationship between equity or share holders fund and total assets and is figured by dividing the share holders funds to total assets. It is consistently disclose as a simple ratio. formula is

$$\textit{Proprietary ratio} = \frac{\textit{share holders fund or networth}}{\textit{total assets}}$$

3. Activity Ratio: activity ratio helps a organization to measure its efficiency based on its leverage, assets and the items of balance sheet. It helps to understand wither a company is functioning effectively or not. Important ratio included under this is are as follows

a. Inventory turnover ratio: managing inventory it a very important or prominent task for most of the companies. For example a company which is into the business of retail or wholesale should stress upon on managing its stock in a manner it fetches a positive outcome for the organization. It is calculate by dividing total sales by inventory. ***stock turnover ratio = cost of goods sold***

$$\frac{\text{_____}}{\textit{average inventory}};$$

Cost of goods sold = opening stock + purchases + direct expenses - closing stock

$$\text{Average stock} = \frac{\text{Opening stock} + \text{Closing stock}}{2}$$

b. Debtors turnover ratio: These ratios mainly intensify on the debtors and bills receivable. as debtors and bills receivable take place on secretarial of credit sales, so it expresses the connection between net credit sales and average account receivable during the year, the formula for conniving the Debtors turnover ratio is as given bellow

$$\text{Debtors turnover ratio} = \frac{\text{Net credit sales}}{\text{Average accounts receivable}};$$

Average accounts receivable

$$= \frac{\text{opening debtors \& bills receivable} + \text{closing debtors \& billsreceivable}}{2}$$

3. Creditors turnover ratio: the account payable arises on explanation of credit purchases so it expresses relationship between net credit purchases and accounts payable for the duration of the year. The formula for analyzing the creditor's turnover ratio is

$$\text{Cresitors turnover ratio} = \frac{\text{Net credit purchases}}{\text{Average accounts payable}};$$

Net credit purchases = total purchases - cash purchases - purchases return

$$\text{Average account payable} = \frac{\text{opening creditors} + \text{billspayable} + \text{closingcreditors}}{2}$$

3. Profitability Ratio: Profit earning is a main aim of any business concern. The efficiency of any business is deliberated in terms of profits. Thus profitability ratios are used to analysis the earning capacity of the business. Profit earning capacity may be expressed in the form of sales or capital employed.

Types of profitability ratio are as follows: a.

Gross profit ratio,

b. Operating ratio,

c. Operating profit ratio,

d. Net profit ratio,

e. Return on investment.

- (a) **Gross profit ratio:** gross profit ratio which helps us to distinguish between gross profit and gross sales. the formula for computing the gross profit ratio is

$$\text{Gross profit ratio} = \frac{\text{Gross profit}}{\text{Net sales}} * 100 ;$$

Gross profit=Net sales-cost of goods sold + opening stock +Net purchases + Direct expenses-closing stock.

Net sales=Total sales - Sales return.

- (b) **Operating ratio:** in simple words operating ratio is a ratio from which we can understand the operational efficiency of company or business organization. It is company's operating expenses which is taken as percentage of revenue. the formula to compute the operating ratio is as

follows:
$$\text{Operating ratio} = \frac{\text{Cost of goods sold} + \text{operating expenses}}{\text{Net sales}}$$

Cost of goods sold=Net sales - Gross profit

Operating expenses = office & administration expenses + selling & distribution expenses + Discount + Bad debts + Provision for doubtful debts + interest on short term loans + depreciations.

- (c) **Operating profit ratio:** The operating ratio is designed; set up the association amid operating profit and net sales. Which is also called as "NET OPERATING RATIO"? the formula to computing the Operating profit ratio is as follows:

$$\text{Operating profit}$$

$$\text{Operating profit ratio} = \frac{\text{Operating profit}}{\text{Net sales}} * 100$$

Operating profit = Gross profit - Operating expenses
Net sales = Gross sales - Sales returns.

- (d) **Net profit ratio:** the net profit ratio relates to net profit to net sales. It is usually communicated as percentages. the formula for computing the net profit ratio is as follows: $\text{Net profit ratio} = \frac{\text{Net profit}}{\text{Net sales}} *$

Net profit = Gross profit + operating & non operating income - operating & non-operating expenses;

Net sales = Total sales - sales returns;

Net profit can also consider as before and after tax

- (e) **Return on investment:** The return on investment is the majority important ratio for testing of the profitability of the business. It assess the overall efficiency of the business. As it reveals overall efficiency of the business activities, it assumes upshot from the point of view of the investors. It verifies that by showing a relationship by profit earned and capital employed to earn that profit and is expressed as percentage. It is also branded as rate of returns or return on the capital employed

{ROCE}. the formula to work out the return on investment is as follows:

$$\text{ROI} = \frac{\text{profit before interest, tax and dividend}}{\text{capital employed}};$$

Assets side = Fixed assets + current assets - current assets;

Liabilities side = Equity share capital + preference share capital + Net reserves and surplus + debentures + long term loans - non operating assets (like investment made out the side the business)

Time Series:

Generally scheduling of economic and business activities are based on gauge of production, demand, sales etc., the future can be finish off by a detailed study of the past variations. Thus upcoming demands can be predict by studying the variations in the demand for last few years.

The component of Time Series: in Time Series the comments vary with time. The variations occurring in any period is the fallout of many factors. The effect of these factors may be summed up as four components. They are as follows-

1. Trend Analysis (Secular trend, Long Term Movement)

2. Seasonal Variations

3. Cyclical Variations

4. Irregular Variations

Trend Analysis is the taken as a complete changes taking place in time series over a long period of time. The alteration takes place in many years. Most of the time series shows a general propensity to increase, decreases or to stay behind constant over a long epoch of time. Such an over changes occurring is the trend.

Dimension of Trend:

Moving Averages: In this scheme the short time variation is dispose-off by pronouncement the moving averages. If the time series shows variations with period M, the pitiful averages with period M are obtained.

Liner Trend (Straight Line Trend): In this technique a relation of the type $Y = a + bx$ is fitted in the time series. Here 'y' denotes the value and 'x' denotes the point of time. The constants a and b are collected by solving the normal equations $n a + \sum x = \sum y$ and $a \sum x + b \sum x^2 = \sum x y$. here 'y' denotes the observed

Values and 'n' denotes the number of comments in the series. If 'x' is chosen such that $\sum x = 0$ the value 'a' and 'b' are- $a = \frac{\sum y}{n}$ and $b = \frac{\sum xy}{\sum x^2}$.

By counterfeit (substituting) the value of 'x' in the trend equations the corresponding trend values can be obtained. The graph of the trend equation can be obtained by plotting two trend values and joining them by a straight line.

2.2 LITERATURE REVIEW

BHAVISIN M. DODIYA, (June 2014) “The cash flow statement is a classification of individual components that are informative. The classification of the cash flow statement are made into three main categories is important it should be mentioned that classification guide are arbitrary. The three main classifications are Operating activities, Investing activities and financial activities. The cash flow statement is a part of financial statement which is prepared under the guidance of the Indian Accounting Standards”.

ROHAN KUMAR SHARMA, (May 2015) "the cash flow statement helps to understand the financial statement more effectively. This statement helps the investors to make the decisions quickly and can understand the financial position of the company. The expenses incurred by the company can be measured and the earning of the company can be calculated”.

MANGAYARKKARAS MUTHUVALAN (July 2014) “The fluxions of the cash during the particular period are called as cash flow. The cash flow statement is useful in financial planning of the company. Cash balance can be determined with the help of those analysis the change in cash balance can be determined for a particular period. there is an two method of calculating the cash flow statement one is direct method and the other is indirect method most them adopt the direct method to calculate the cash flow”

AGHDAS JAFARI MATLAGH (Feb 2013) "Cash flow statement is a blue print or the foot pints of the company which helps in providing information to investors, creditors and others. It helps in judging the rational decision. The cash flow statement is one of the biggest important statements which is prepared by an entity. It gives the information of receipt and payment or income and expenses of the company over a

period of time. It helps in preparing the financial planning of the cash utilizations like repayment of debts, distributions of dividend etc, it helps in finding out the liquidity position of the company. The complete information of the operating expenses, financial activity and investing activities of the company. the performance of the company can be measured by the net harmony (balance) of the company (if the cash balance is increasing more over the years, that means it is an ideal cash which is not properly utilized by the company).

Dr. BHAVSINH M. DODTYA (Feb 2003) the study of cash flow statement helps to analysis the capacity of the organization. This analysis helps to generate the cash and cash equivalent. The cash requirement of the company can be forecasted. The study helps in comparison between two or more organizations. The helps in calculating the credit period that should be given to the customer to that the cash can be balanced.

MAHAMMED NUHU (Dec 2014) “The Ratio scrutiny, is a tool for research, investigating and compare the relationship interpolated the two or more-financial statement of the organizations. The required information for analysis of the ratios is balance sheet and profit & loss account. The ratio scrutiny helps in decision making of the company for a better performance of the organization. It helps in improving the financial statement of the company mere future”.

STEPHEN H. PENMAN (December 2014) “The ratio scrutiny, is a traditional method to find the financial situation of the organization. Which helps to compare the bench mark of the firm and can determine the past and present ratios, the ratios help in forecasting the financial position the liquidity of the firm can be measure using the balance sheet ratio. The ratios can analyse the profitability of the company”.

Chapter-3

3.1 STATEMENT OF THE PROBLEM

Cash-flow-statement displays the disparate sources of cash-inflow and uses of the cash-outflow all along a period of time. Hence there is a change in cash position of the organization.

3.2 NEED FOR STUDY

The cash flow is valuable to management, by providing a support to evaluate the competence of a company to raise cash. In turn it is useful in the valuation of cash position of the organization. Cash-flow-statement displays the disparate sources of cash-inflow and uses of the cash-outflow all along a period of time. Hence there is a change in cash position of the organization.

Ratio analysis is an organized use of ratios to interpret/assess the attainment and prominence of the company. The ratio analysis aids in work out the appropriate ratios from the available data. The ratios analysis Helps in interpreting the liquidity position of the company. The ratios used to find the liquidity position of the organization. The balance sheet ratio helps in finding out the liquidity position of the organization there are three ratios to find out the liquidity of the company. They are mentioned below:

1. Balance sheet ratios are also referred as Current Ratio or Acid0Test Ratio or Absolute Quick Ratio.
2. Mixed Ratio usually refers to the mode ratio which is characterize as the amount of essential divided by the total amount of all other constituent in mixture.
3. We can find out the profitability0of the company using the Profitability Ratios using Gross Profit Ratio, Net-Profit Ratio and Operating Ratios. Which gives the profitability of the company and also, the time period can also be ascertained.

3.3 Objective of the study

1. To study the profitability condition of the company by analyzing different ratios.
2. To study the cash position of the company by analyzing different costs aspects.
3. To study the Liquidity and efficiency position of the company through comparative analysis.
4. To forecast the future cash planning and develop the cash projection trend line.
5. To study the changes in individual items and to judge the relative financial position of the balance sheet through the common size balance sheet.

3.4 Scope of the study

Cash Flow Statements: A cash flow statement, which used in consolidation with the alternative financial statement, furnish information that enables users to figure out the diversity in net0assets of an organization its financial0structure counting its liquidity and solvency and its intelligence to influence the amount and timings of cash flow in order to settle in to modifying precedence and opportunities. Cash flow instructs is useful in assessing the facility of the organization to spawn the cash and cash equivalent and enables user to develop0models to assess and compare the present value of the future cash flow of different enterprises. It also enhances the similitude of the reports of operating realization of different enterprises.

Ratios Analysis: Ratio0Analysis is a far and wide used0tool for financial analysis. It is a systematically practice of ratios to illustrate the financial statement so that the strengths and weaknesses of the organization can be ascertained, as well as its chronological presentation and in progress financial conditions can be determined. Liquidity ratios amplitude them0ability of the organizations to meet its short-term obligation and reflect its short term financial strength or solvency, the important liquidity ratios are current ratio and quick or acid test ratio. The ratio analysis help in compression of the financial statement of the company over the years.

3.6 Limitations of the study

1. The judgment is restricted to only visionet system Pvt Ltd and which cannot be generalized.
2. The collected data and analyses may or may not be the future indicator, may or may not be implemented by the visionet system Pvt Ltd.
3. A profound analysis cannot be done because of the time constraint.
4. It is essentially historical in nature and project "cash management" cannot be prepared with much accuracy.

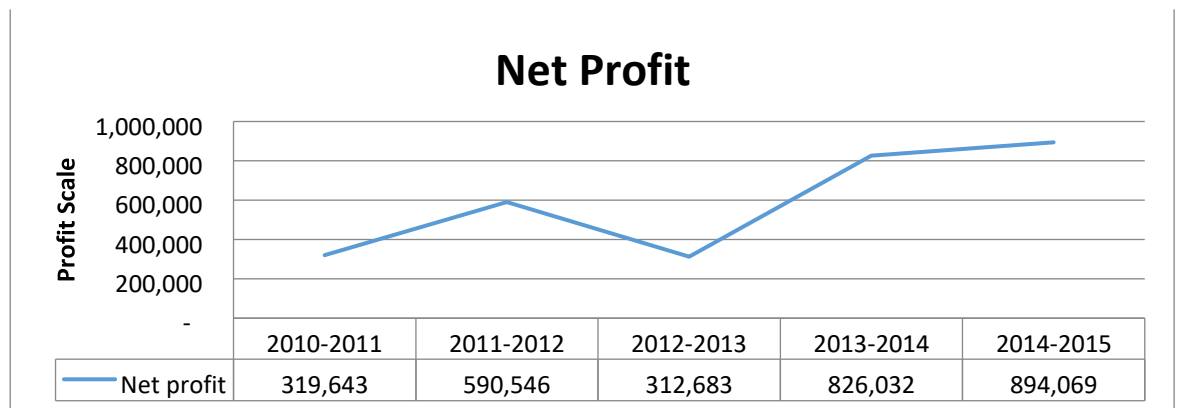
Chapter - 4

4.0 PROFIT AND LOSS A/C (For five years)

Table No: 4.0

PARTICULARS	2011	2012	2013	2014	2015
NET SALES	21596208	28896069	34463213	42267981	56030222
LESS: COST OF SALES	15445037	20395212	25504400	31190604	41426382
GROSS PROFIT/ RETURNS	6151171	8500857	8958813	11077377	14603840
LESS: OPERATING EXPENSES:	5628181	7943774	8657608	9895279	13092140
E B I T	522990	557083	301205	1182098	1511700
LESS: TAX	225262	273678	58658	356066	617631
E A T	297728	283405	242547	826032	894069
INCOME FROM OPERATION	9759	-	70136	-	-
EAIT/ net income	307487	283405	312683	826032	894069
add: net loss from operation	12156	307141	-	-	-
NET INCOME OF VISIONET SYSTEM	319643	590546	312683	826032	894069

Graph:4.0



INTERPRETATION:

VISIONET SYSTEM PVT LTD as a fair increase in profit compared to past five years, but during 2012-2013 the profit of the company has reduced due to the Expenses like Software development Costing (Rs 11,11,197) which as a huge impact on Net profit For the FY 2012-13.

4.1 CASH FLOW STATEMENT (FOR FIVE YEARS)

2010-2011 (Table No:4.1)

	(Schedule no 1)			2010-11
A	cash flow from operating activity			
SL no	Particulars	Amt	Amt	Amt
1	Net income from Visionet Systems		319643	
2	Adjustments to reconcile net income to net cash used in operating activities :			
	* Depreciation	75143		
	* Bad debts	69052		
	* Differed income tax	106200		
	* non controlling interest	-12156		
			238239	
3	Changes in assets and liabilities			
		open bal	close bal	
	Accounts Receivable	3648123	5532770	-1884647
	income tax receivable	35056	0	35056
	other current assets	290201	372724	-82523
	Deposits	148486	128147	20339
	accounts payable	236898	322513	85615
	other current liabilities	1170580	1358480	187900
	deferred revenue	415138	416598	1460
	income tax payable	-	72115	72115
				-1564685
				-1006803
B	Cash flow from investing activity			
	* purchase of property and equipment			-120744
C	Cash flow from financing activity			
	* due to parent company			656762
	Net cash used in Activities			-470785

Note: 1. The closing balance of accounts receivable includes bad debts also, because the bad debts is estimated or may or may not occur. (For all five years)

2. Were as in the opening balance of the accounts receivable does not include the bad debts. (For all five years of the cash flow statement analysis).

2011-2012 (Table No: 4.2)

(Schedule no 2)				2011-12	
A	cash flow from operating activity				
SL no	Particulars	Amt	Amt	Amt	
1	Net income from Visionet Systems			590546	
2	Adjustments to reconcile net income to net cash used in operating activates :				
	* Depreciation	132290			
	* Gain on disposal of property and equipment	-187			
	* Bad debts	1478471			
	* Differed income tax	-30800			
	* non controlling interest	-307141			
				1272633	
3	Changes in assets and liabilities				
		open bal	close bal		
	Accounts Receivable	5463718	8548274	-3084556	
	income tax receivable	0	0	0	
	other current assets	372724	645036	-272312	
	Deposits	128147	220694	-92547	
	accounts payable	322513	400853	78340	
	other current liabilities	1358480	1607498	249018	
	differed revenue	416598	1745013	1328415	
	income tax payable	72115	78821	6706	
				-	
				1786936	

						76243
B	Cash flow from investing activity					
	* purchase of property and equipment				-280936	
	* proceeds from sale of property and equipment				600	
						-
						280336
C	Cash flow from financing activity					
	* due to related party				755813	
	* proceeds from income from common stock				187624	
	* effect of foreign transaction adjustment				21417	
						964854
Net cash used in Activities						760761

2012-2013 (Table no 4.3)

(Schedule no 3)				2012-13	
A	cash flow from operating activity				
SL no	Particulars	Amt	Amt	Amt	
1	Net income from Visionet Systems		312683		
2	Adjustments to reconcile net income to net cash used in operating activates :				
	* Depreciation	257229			
	* Bad debts	123872			
	* loss on disposal of property and equipment	3679			
	* Differed income tax(recovery)	-23000			
			361780		
3	Changes in assets and liabilities				
		open bal	close bal		
	Accounts Receivable	7069803	7786038	-716235	
	differed income taxes	0		0	
	other current assets	645036	768727	-123691	
	Deposits	220694	236617	-15923	
	accounts payable	400853	616733	168905	
	other current liabilities	1607498	2284775	677277	
	differed revenue	1745013	331949	-1413064	
	income tax payable	78821	145071	66250	
				-1356481	
					-682018
B	Cash flow from investing activity				
	* purchase of property and equipment			-715667	
	* proceeds from sale of property and equipment			4750	
					-710917
C	Cash flow from financing activity				
	* due to related party			664875	
	* effect of foreign transaction adjustment			194176	
					859051

Net cash used in Activities	-533884
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Note: 1. the purchase of equipment remains in accounts payable. 2013-2014(Table No 4.4)

(Schedule no 3)				2013-14	
A	cash flow from operating activity				
SL no	Particulars	Amt	Amt	Amt	
1	Net income from Visionet Systems		826032		
2	Adjustments to reconcile net income to net cash used in operating activates :				
	* Depreciation	400333			
	* Bad debts	0			
	* gain on disposal of property and equipment	-235			
	* Differed income tax(recovery)	-311784			
			88314		
3	Changes in assets and liabilities				
		open bal	close bal		
	Accounts Receivable	7662166	9322541	-1660375	
	income tax receivable	0	13937	-13937	
	other current assets	768727	518573	250154	
	Deposits	236617	304334	-67717	
	accounts payable	616733	1094534	524776	
	other current liabilities	2284775	3209430	924655	
	differed revenue	331949	772462	440513	
	income tax payable	145071	611271	466200	
				864269	
					1778615
B	Cash flow from investing activity				
	* purchase of property and equipment			-518150	
	* proceeds from sale of property and equipment			1229	
					-516921

C	Cash flow from financing activity					
	* due to related party				243545	
	* effect of foreign transaction adjustment				163668	
						407213
Net cash used in Activities						1668907

2014-2015(Table No 4.5)

				(Schedule no 5)	2014-15	
A	cash flow from operating activity					
SL no	Particulars			Amt	Amt	Amt
1	Net income from Visionet Systems				894069	
2	Adjustments to reconcile net income to net cash used in operating activities :					
	* Depreciation			463379		
	* Bad debts			227733		
	* gain on disposal of property and equipment			-2627		
	* Differed income tax(recovery)			-52456		
					636029	
3	Changes in assets and liabilities					
		open bal	close bal			
	Accounts Receivable	9322541	10701686	-1379145		
	differed income taxes	13937	0	13937		
	other current assets	518573	865931	-347358		
	Deposits	304334	297459	6875		
	accounts payable	1094534	892208	-202326		
	other current liabilities	3209430	3728678	519248		
	differed revenue	772462	1641413	868951		
	income tax payable	611271	139763	-471508		
	Differed compuncions	0	400000	400000		

					-591326	
						938772
B	Cash flow from investing activity					
	* purchase of property and equipment				-557891	
	* purchase of investment				-400000	
	* proceeds from sale of property and equipment				1500	
						-956391
C	Cash flow from financing activity					
	* due to related party				275108	
	* share holder redemption				-202900	
	* effect of foreign transaction adjustment				-2861	
						69347
Net cash used in Activities						51728

Note: 1. The restricted cash is included in investing activity (purchase of property and equipment). This is down for all the five year of the cash flow statement analysis of the company.

Cash Flow Statement for Five Years

(Table No: 4.6)

Inflow	2011	2012	2013	2014	2015
Opening balance (Cash)	12,52,232	7,81,447	15,42,208	10,08,324	26,77,231
Cash Inflow from operation (Schedule no 1)	-	76,243	-	17,78,615	9,38,772
Cash Inflow from investing activities	-	-	-	-	-
Cash Inflow from financing activities	6,56,762	9,64,854	8,59,051	4,07,213	69,347
Total	19,08,994	18,22,544	24,01,259	31,94,152	36,85,350

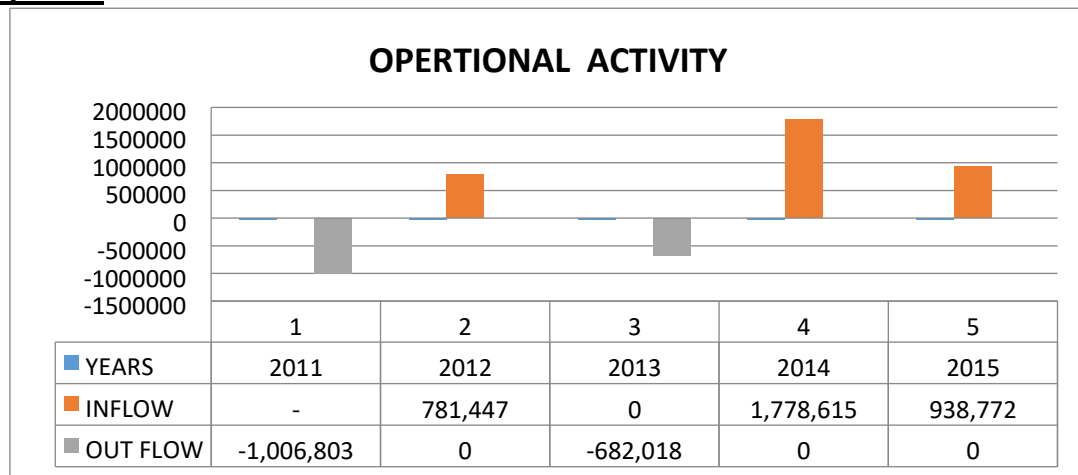
Outflows	2011	2012	2013	2014	2015
Cash outflow from operation	10,06,803	-	6,82,018	-	-
Cash out flow from investing activities (property purchased)	1,20,744	2,80,336	7,10,917	5,16,921	9,56,391
Cash outflow from financing activities	-	-	-	-	-
Closing balance (Cash)	7,81,447	15,42,208	10,08,324	26,77,231	27,28,959
Total	19,08,994	18,22,544	24,01,259	31,94,152	36,85,350

4.2 OPERATIONAL ACTIVITIES

Table: 4.7

YEARS	INFLOW	OUT FLOW
2011	-	1,006,803
2012	781,447	-
2013	-	682,018
2014	1,778,615	-
2015	938,772	-

Graph: 4.1



INTERPRETATION: The chart represents the operational activity of the Visionet System Pvt. Ltd.

In the year 2011 there is a cash outflow of Rs10, 06,803 which reflects in the changes that takes place between the assets and liabilities major over the accounts receivable which gives the poor sign of the debtor's collection of the company.

In the years 2012 there is cash inflow of Rs 7, 81,447 which has good cash balance maintained by the company which shows the good relationship between the debtors of the company

In the year 2013 there is a cash outflow which is less compared to the year 2011. Which, indicates that the company is trying to maintain the good relationship in collecting clients and trying to decrease the occurrence of the bad debts

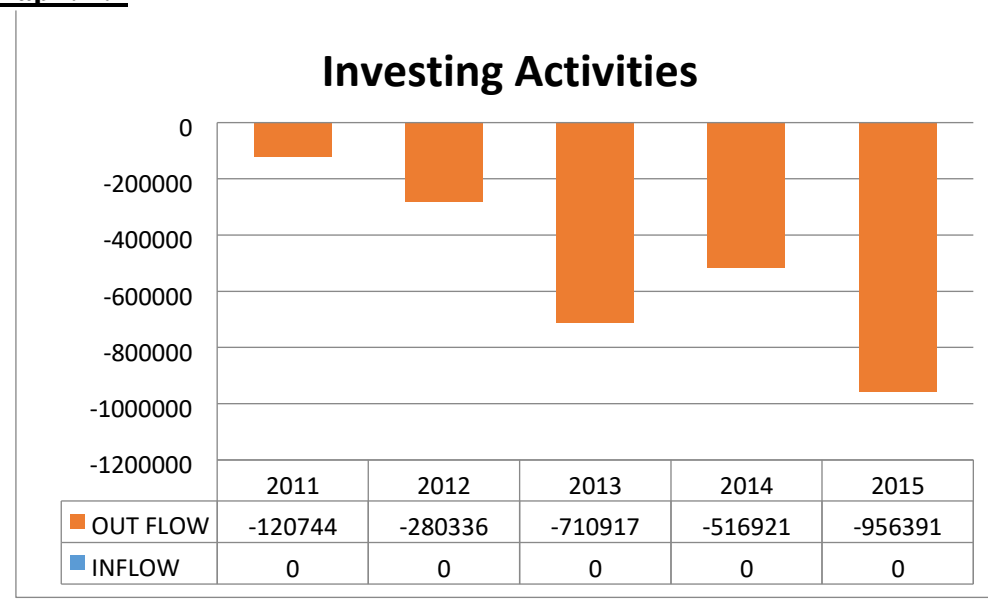
In the year 2014-2015 the company has a cash inflow which is good sign of the operating activity taken place.

4.3 INVESTING ACTIVITIES

Table: 4.8

YEARS	INFLOW	OUT FLOW
2011	-	-120744
2012	-	-280336
2013	-	-710917
2014	-	-516921
2015	-	-956391

Graph: 4.2



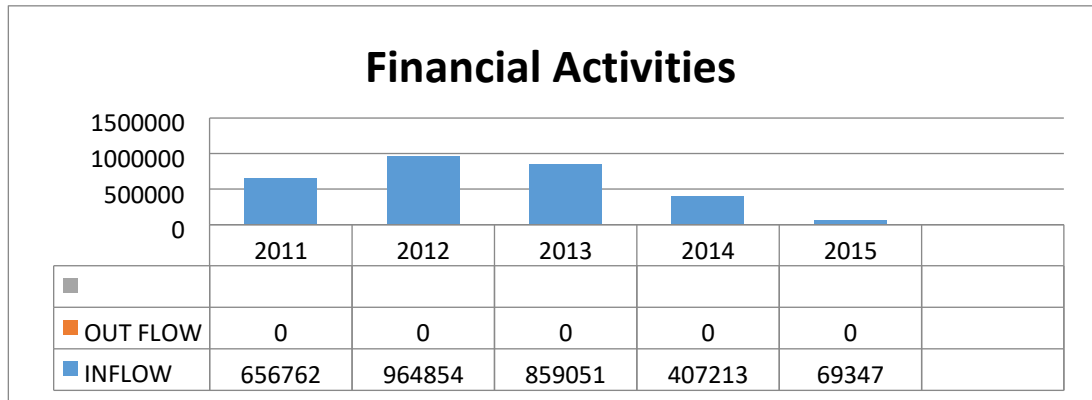
This chart represents the Investing Activities of the Visionet System Pvt Ltd. There is simultaneous increase in the investing activities which has take place in purchasing the property and equipment which reflects on the increase in the assets value over the liabilities of the company. This represents that the company has a good liquidity position of the company

4.4 Financial Activities

Table: 4.9

YEARS	INFLOW	OUT FLOW
2011	656762	-
2012	964854	-
2013	859051	-
2014	407213	-
2015	69347	-

Graph: 4.3



INTERPRETATION:

This chart represents the Financial Activities of the Visionet System Pvt Ltd.

The company is not maintaining the liquidity position of the cash as and when there is a requirement of it. They are totally depended on the parent company for the cash requirement. There is a huge increase in the financial activity of the company in the year

2011 and 2012 which is borrowed from the parent company it show that there is normal liquidity position of the company when it is required. But, over from the 2013 there is a down word trend in the financing activity, which means the dependency of the parent company is getting reduced when compare to the past two years. In the year 2015 they have fully reduced to Rs 69347 this tells us that, they are trying to reduce their dependency.

But the financing activity is a good sign for any company which helps in increasing the revenue of the company. But there should not be more dependency on the parent company.

4.5 RATIOS ANALYSIS 4.5.1

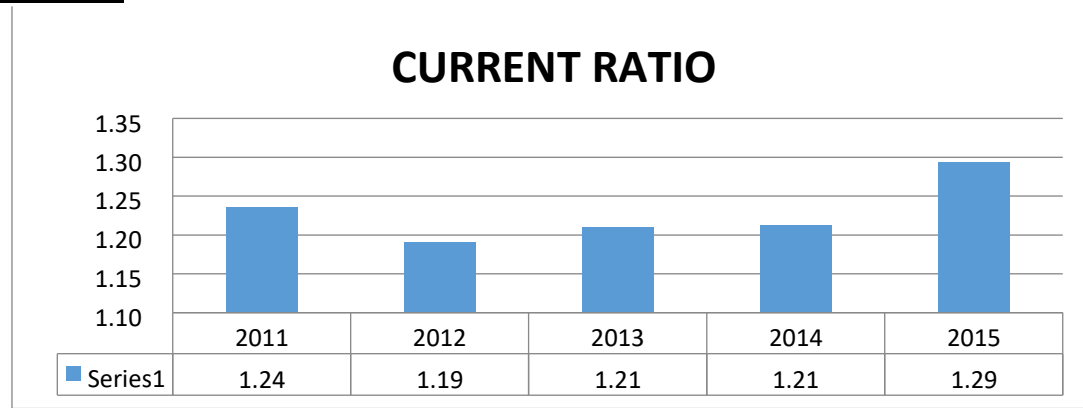
BALANCE SHEET RATIO

1. CURRENT RATIO:

Table: 4.10

CURRENT RATIO					
particulars	2011	2012	2013	2014	2015
TOTAL CURRENT ASSETS	7309215	10418218	10868836	14676547	17537624
TOTAL CURRENT LIABILITIES	5994255	9766168	8791172	12023399	13810315
CURRENT RATIO	1.22	1.07	1.24	1.22	1.27

Graph: 4.4



This ratio indicates the facility of the company to repay its current liabilities with the help of current assets. The standard ratio is considered to be 2:1, which indicates that against every one rupee of current liabilities the company is having two rupee of current assets to repay its current liabilities as at the balance sheet date. It is a test of short term solvency position. A very low ratio indicates unsatisfactory liquidity positions and very high ratios shows inefficient utilization of funds.

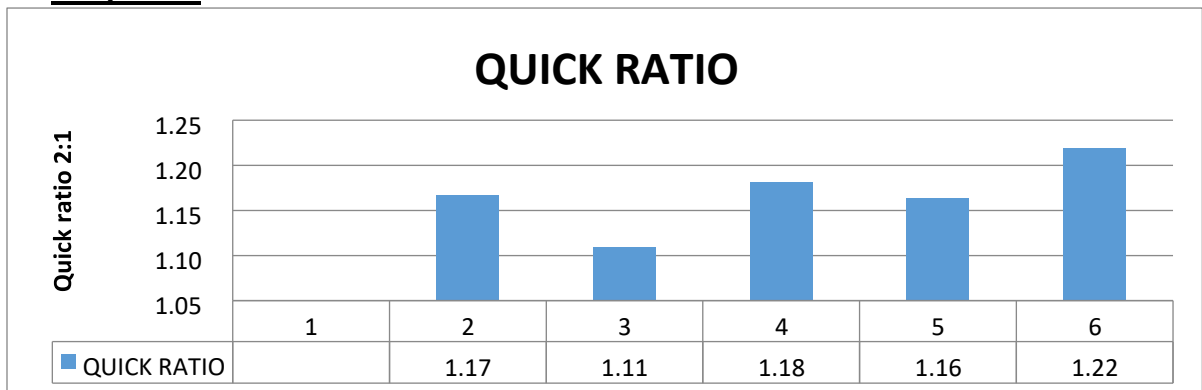
As it is seen from the above computations and the illustrated graph, the current ratio of the company lies in between 1.24 to 1.29 from the year 2011 to 2015, which depicts that the current assets of the firm is comparatively weak as the current ratio of the firm is below the industry standard of 2:1. It is important for the company to increase its current assets i.e. by making collection from debtors, better cash management and also the company has to reduce its current liabilities to have a better cash structure and also it helps the company to maintain a better working capital.

2. **QUICK RATIO:**

Table: 4.11

QUICK RATIO					
Particulars	2011	2012	2013	2014	2015
Total Quick Assets	6368691	8736958	9551049	12382233	14180303
Total Quick Liabilities	5457442	7875734	8086952	10639666	11629139
Quick Ratio	1.17	1.11	1.18	1.16	1.22

Graph: 4.5



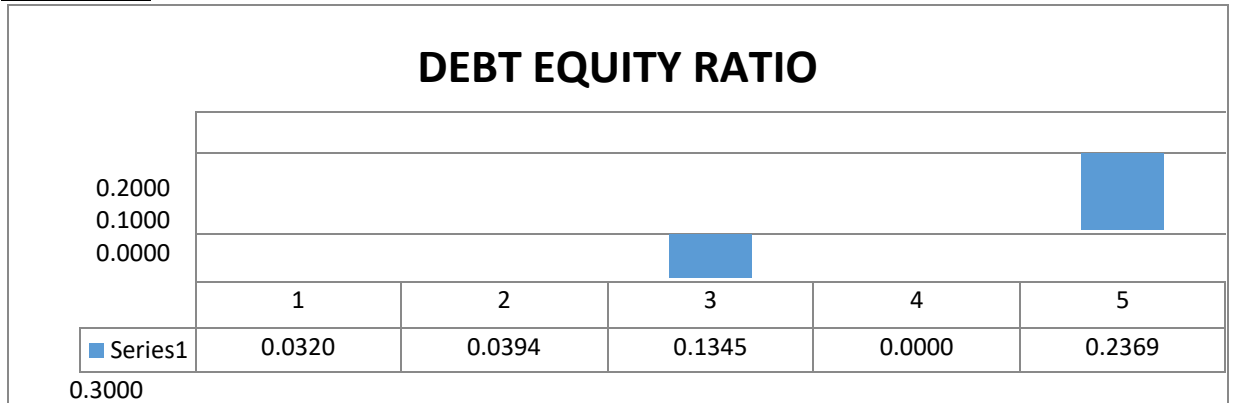
Quick ratio indicates the aptitude of the company to repay the quick liability or immediate liabilities with the aid of quick assets. Quick assets are folk's current assets which are immediately convertible into cash without any loss of time or value. The standard ratio is 1:1, which indicates that against every one rupee of current liability the company is having one rupee of quick assets to repay its current liability. It is a measure of immediate solvency position. Quick ratio is also identified as acid test ratio, liquid ratio or 1:1 ratio.

The quick ratio of depicts the facility of the company to repay its quick liabilities through its quickly convertible assets into liquid cash. In the above computation it is seen that the quick ratio of the company is favorable and is higher than the industry standards of 1:1. In all the years (2011 – 2015) taken into consideration the company enjoys a z good position in the market as it has a better quick ratio and its quick liabilities can be paid with off without loss of time.

4. **Debt Equity**
Ratio: Table:
4.12

DEBT EQUITYRATIO					
PARTICULARS	2011	2012	2013	2014	2015
DEBT	48,100	66,600	227,200	-	400,000
EQUITY	1,501,000	1,688,624	1,688,624	1,688,624	1,688,624
DEBT EQUITY RATIO	0.0320	0.0394	0.1345	0.0000	0.2369

Graph: 4.6



It indicates the proportions of fund belonging to the outsiders with that of the shareholders. The standard ratio of 2:1 which indicates that for every one rupee of fund raised from the shareholder the company has two rupee from outside. Debt equity ratios measure of financial risk. Higher the debt equity ratio higher is the financial risk. Debt equity is also known as financial leverage or banker's ratio. A very high indicates excessive borrowing and an unsatisfactory long term solvency position.

The above chart tells that the company having the debt ratio when compared to the slandered ratio which tells that the company is having the less financial risk from the year 2011 to 2013. In the year 2014 there is a nil ratio which indicates there is no debts for the year and the previous year debts is also cleared which is good sign for the company and in the year 2015 the company has raised the debts which is not so bid amount, it is less compared to the slandered ratio which indicated that the company is having the less financial risk.

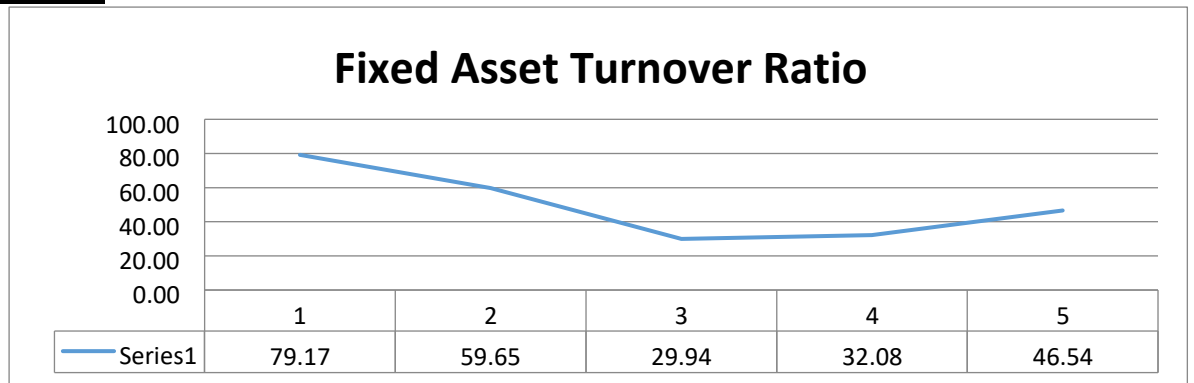
4.5.2 MIXED RATIO

1. Fixed assets turnover ratio: Table: 4.13

FIXED ASSETS RATIO					
PARTICULARS	2011	2012	2013	2014	2015

Cost of goods sold	15,445,037	20,395,212	25,504,400	31,190,604	41,426,382
Fixed assets	195,076	341,888	851,987	972,255	890,155
FIXED ASSETS RATIO	79.17	59.65	29.94	32.08	46.54

Graph: 4.7



INTERPRETATION:

This fixed assets turnover ratio indicates how efficiently the money invested in the business is used during the year to generate sales.

This chart represents how best the fixed asset is utilized. In the year 2011 they have utilized the around 79.17 percent which is the highest usage of their investment and later there is no increase in the percentage from two years that is 2012 and 2013, there is a drastic reduce in the usage of the assets which clearly tells us that there is no proper utilization of their long term investment which is not a good sign for the company. It is said that if there is any investing on the long term assets it has to be utilized maximum, the improper utilization of the assets tells that the company is not performing good.

3. Working capital ratio:

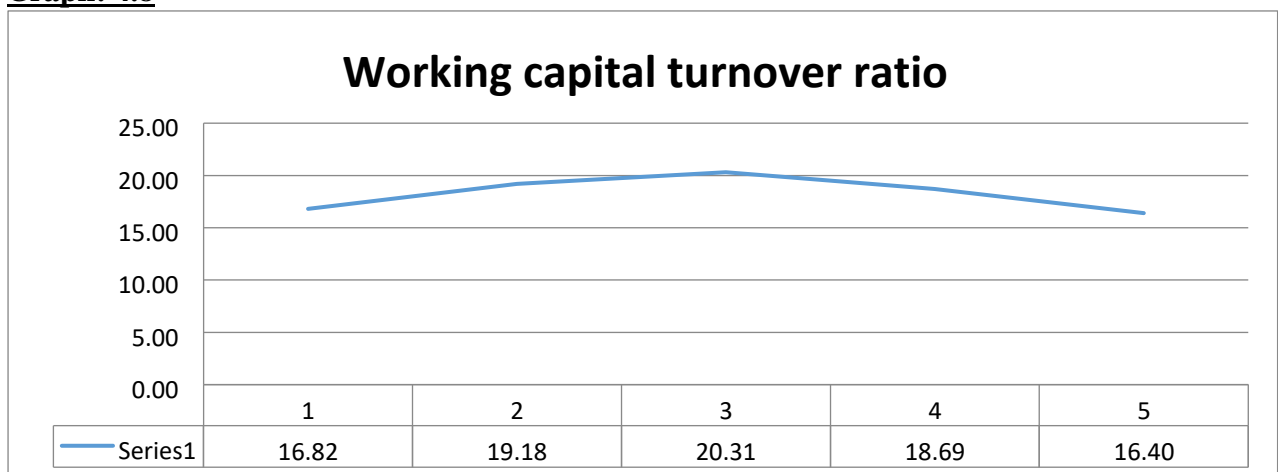
Table: 4.14

CALCULATION OF WORKING CAPITAL						
METHOD:1	PARTICULARS	2011	2012	2013	2014	2015
	TOTAL CURRENT ASSETS	6741415	9381994	9783949	12900806	15046234
LESS:	TOTAL CURRENT LIABILITIES	5457442	7875734	8086952	10639666	11629139
	WORKING CAPITAL	1283973	1506260	1696997	2261140	3417095

Table: 4.15

WORKING CAPITAL TURNOVER RATIO						
T	PARTICULARS	2011	2012	2013	2014	2015
h	SALES	21,596,208	28,896,069	34,463,213	42,267,981	56,030,222
e	Working capital	1,283,973	1,506,260	1,696,997	2,261,140	3,417,095
	Working capital turnover ratio	16.82	19.18	20.31	18.69	16.40

Graph: 4.8



INTERPRETATION:

This ratio indicates how efficiently the money invested in the business is used during the year to generate sales.

Working0capital0ratio depicts the amount of working0capital used in making sales. It is important for a company to wisely use its working capital in effecting sales. The company has to maintain its working capital in a favorable position in order to have a optimal position to make sales. The computation made for the company shows the company has a favorable working capital to effect sales

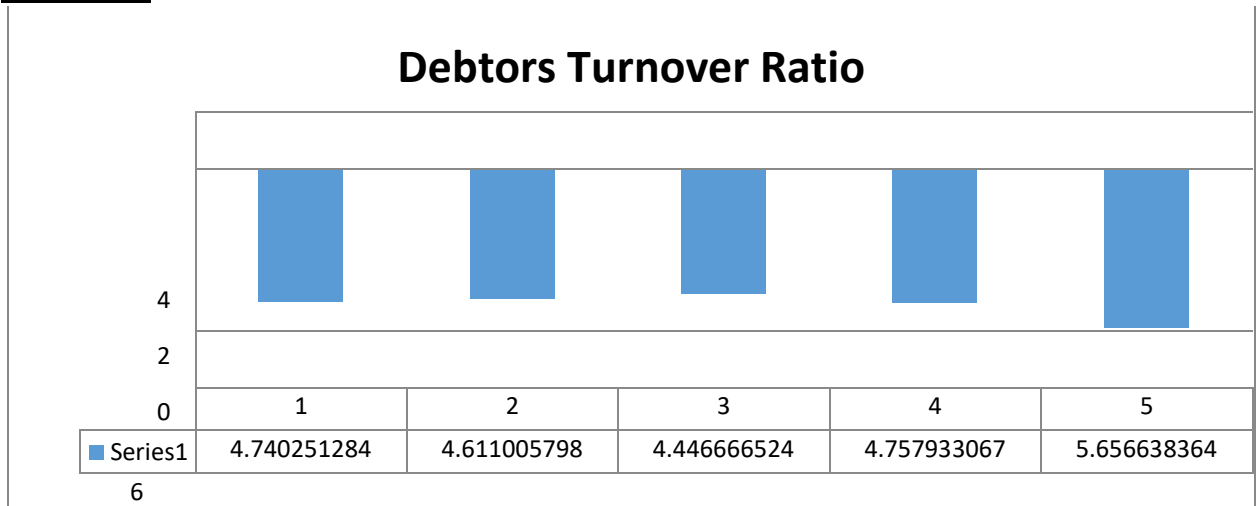
3. Debtors

turnover ratio:

Table: 4.16

Debt Turnover Ratio					
PARTICULARS	2011	2012	2013	2014	2015
Sales	2,15,96,208	2,88,96,069	3,44,63,213	4,22,67,981	5,60,30,222
Sundry Debts	54,63,718	70,69,803	84,30,893	93,36,478	1,04,73,953
Debt T rnover Ra :io	3.95	4.09	4.09	4.53	5.35
Increase/Decrease		-0.13	-0.00	-0.44	-0.82
Debt Collection Period Ratio	92.34	89.30	89.29	80.62	68.23

Graph: 4.9



INTERPRETATION:

It indicates that the rate at which cash is generated by turnover of receivable or debtors.

The formula for scheming the Debts turnover ratio is as follows:

$$\text{Debtors turnover raatio} = \frac{\text{credit sales}}{\text{average account receivable}};$$

Accounts receivable = debtors + bills receivable,

Average account receivable

$$= \frac{\text{opening accounts receivable} + \text{closing accounts receivable}}{2}$$

In this above chart we can clearly see that the company is having the stable collections' of the accounts receivable there is no less collection of their debts the collections of the accounts receivable is good in the company. but in the year they have increase their collection of the account receivable

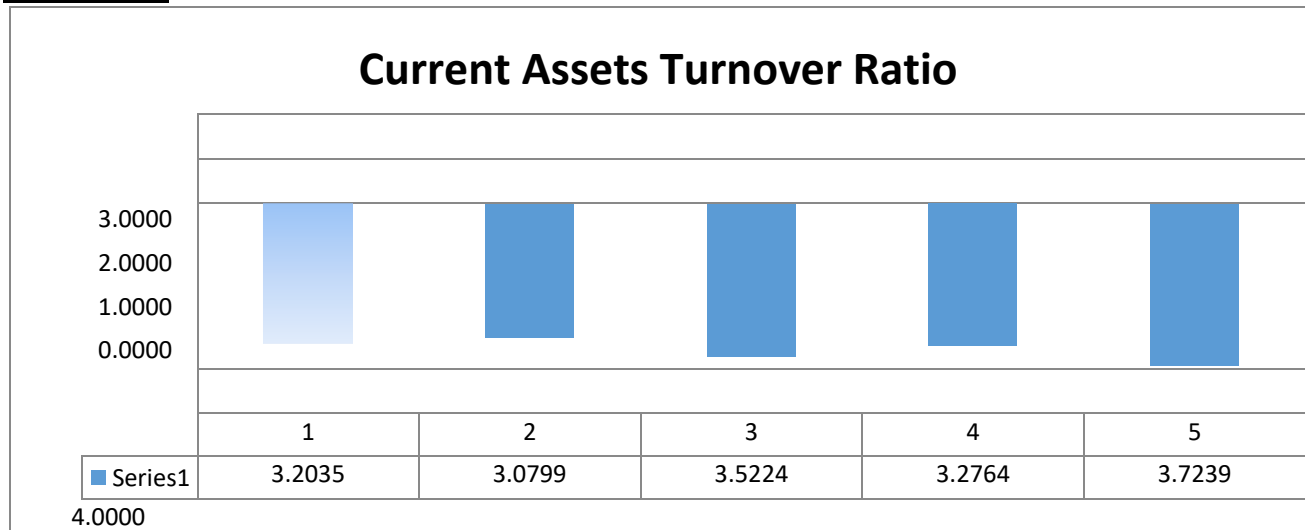
it indicates that the company is performing good in collection of the debts they have increased their collection one time more when compared to previous years.

4. Current Assets Turnover

Ratio: Table: 4.17

CURRENT ASSETS TURNOVER RATIO					
PARTICULARS	2011	2012	2013	2014	2015
Net sales	215,96,208	288,96,069	344,63,213	422,67,981	560,30,222
Current assets	67,41,415	93,81,994	97,83,949	129,00,806	150,46,234
NET PROFIT TURNOVER RATIO	3.20	3.08	3.52	3.28	3.72

Graph: 4.10



INTERPRETATION: The current assets ratio tells how effectively the current assets are utilized to generate the sale. So superior the ratio and more the sympathetic it is for the company. If the ratios are high the means the company is utilizing the assets more effectively, if the company is

having low ratios means the company is not properly utilizing their assets and they have management and productive problem. The formula to calculate the current assets turnover ratio is as follows:

$$\text{Current assets ratio} = \frac{\text{Net sales}}{\text{Current Assets}}$$

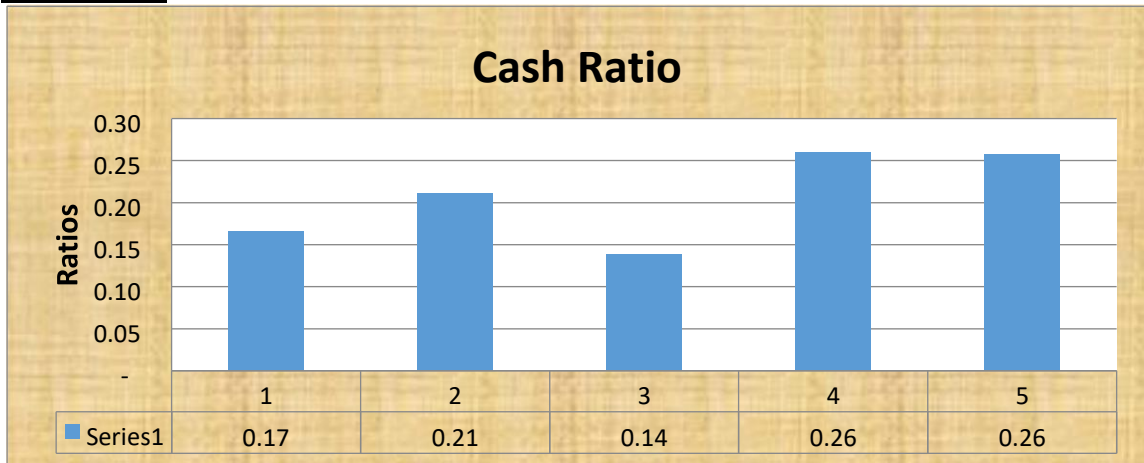
In this chart there is a normal or constant usage of current assets over the years (2011 to 2015) the company is using their current assets maximum but it is suggested for a company to maximize the usage of the current assets in future years to maximize their profit of the company. There is inappropriate utilization of the current assets investment by the company. By looking at this chart, that the ratio is not increasing in nature there is a constant or stable usage of the current assets it is not a good symptom for the company management so it has to be maximized in the coming years.

6. Cash Ratios:

Table: 4.18

Cash Ratio					
PARTICULARS	2011	2012	2013	2014	2015
Cash	9,04,973	16,67,155	11,20,156	27,71,214	30,02,746
Current Liabilities	54,57,442	78,75,734	80,86,952	1,06,39,666	1,16,29,139
Cash Ratio	0.17	0.21	0.14	0.26	0.26
Increase/Decrease		-0.05	0.07	-0.12	0.00

Graph: 4.11



INTERPRETATION: From the Table and Graph it is found that the Cash Position of the Visionet System Pvt. Ltd. is found to be agreeable.

The formula for calculating the cash Ratios is

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

The cash requirement was found to be normal to settle the current liabilities of the Visionet System Pvt. Ltd.

7. Current Assets to Fixed Assets Ratio:

It is the Ratio between current assets and fixed assets of the Visionet System Pvt. Ltd. It is expressed as follows:

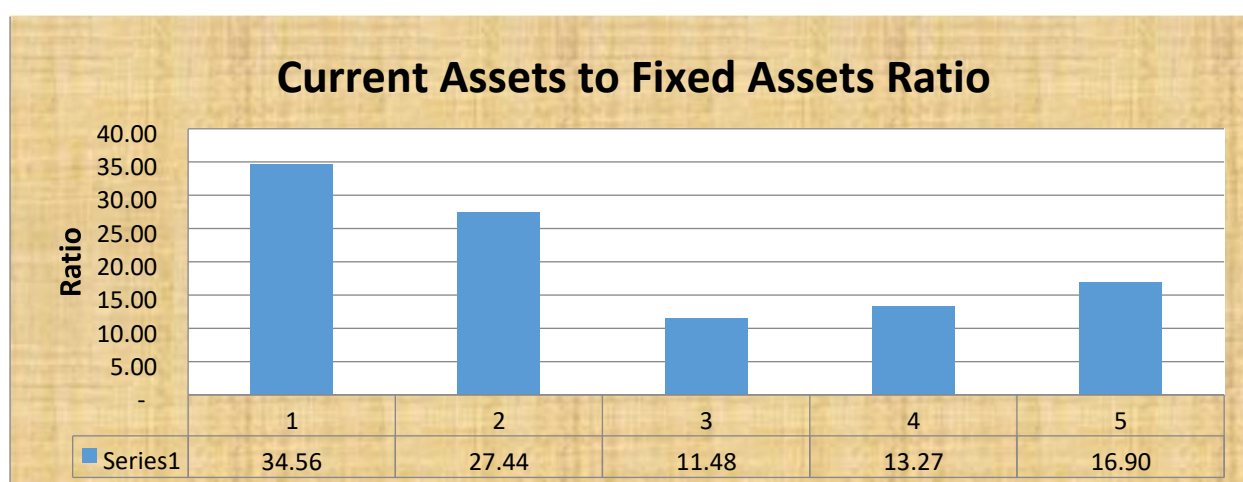
$$\text{Current Assets to Fixed Assets Ratio} = \frac{\text{Current Assets}}{\text{Fixed Assets}}$$

Table: 4.19

CURRENT ASSETS TO FIXED ASSETS RATIO					
PARTICULARS	2011	2012	2013	2014	2015

Current assets	67,41,415	93,81,994	97,83,949	1,29,00,806	1,50,46,234
Fixed Assets	1,95,076	3,41,888	8,51,987	9,72,255	8,90,155
Current Assets to Fixed Assets Ratio	34.56	27.44	11.48	13.27	16.90
Increase/Decrease		7.12	15.96	-1.79	-3.63

Graph: 4.12



INTERPRETATION: The value or net worth of the current assets can be measured by the current assets to fixed assets ratio. The graph shows that the value of the current assets is fluctuating over the year and there is a downward trend of the current assets for past three years which is not good notice for the company. The liquidity position of the company is getting reduced year by year.

8. Current Assets to Total Assets Ratio:

It identifies the level of the Total fund invested on the working capital and highlights the importance of the current assets of the Visionet System Pvt. Ltd. the portion of the current assets over the total assets can be identified

with the current0assets to total0assets ratio, the total funds invested on the working capital can be determined.

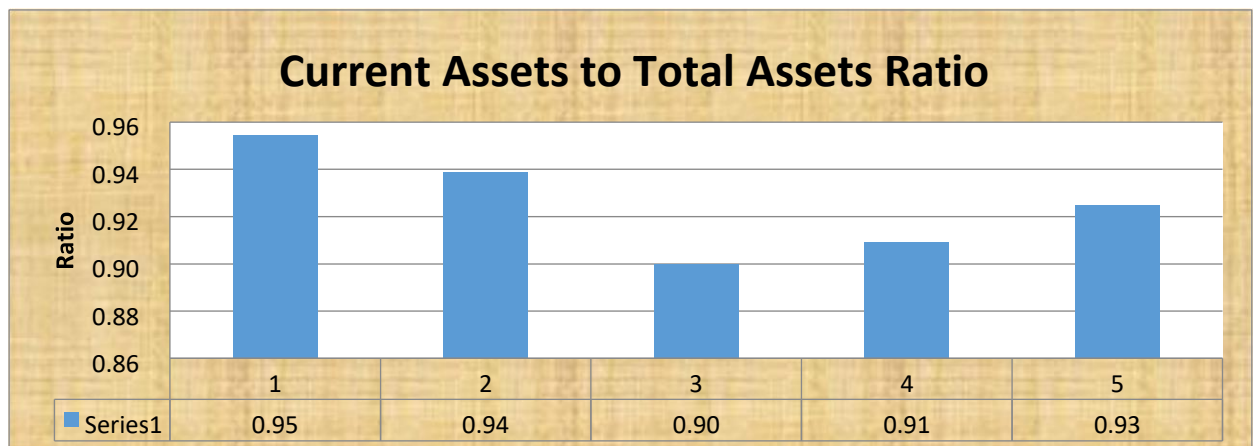
Formula to find the Current0Assets to Fixed0Assets Ratio:

$$\text{Current Assets to Total Assets Ratio} = \frac{\text{Current Assets}}{\text{Total Assets}}$$

Table: 4.20

Current Assets to Total Assets Ratio					
PARTICULARS	2011	2012	2013	2014	2015
Current Assets	67,41,415	93,81,994	97,83,949	1,29,00,806	1,50,46,234
Total Assets	70,64,638	99,93,876	1,08,72,553	1,41,87,767	1,62,65,548
Current Assets to Total Assets	0.95	0.94	0.90	0.91	0.93
Increase/Decrease		0.02	0.04	-0.01	-0.02

Graph: 4.13



INTERPRETATION: The table and graph shows the current0assets to total assets of the organization, which as a fluctuation trend all the way through the study period. This ratio varied from 0.90 to 0.95 times for the duration of the study. There is a change in the year 2015, which as increased by 0.02 times as compared the previous year 2014.

9. Net Working Capital Ratio:

Net Working Capital

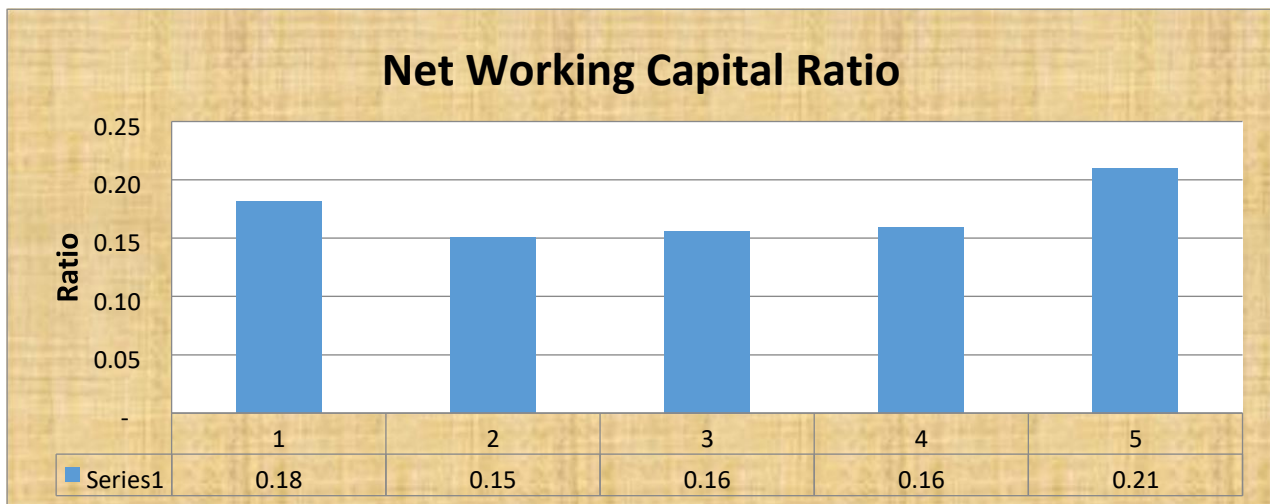
The formula for this ratio is _____

*Net Assets OR Total
Assets*

Table: 4.21

Net Working Capital Ratio					
PARTICULARS	2011	2012	2013	2014	2015
Net Working Capital	12,83,973	15,06,260	16,96,997	22,61,140	34,17,095
Net Assets	70,64,638	99,93,876	1,08,72,553	1,41,87,767	1,62,65,548
Net Working Capital Ratio	0.18	0.15	0.16	0.16	0.21
Increase/Decrease		0.03	-0.01	-0.00	-0.05

Graph: 4.14



INTERPRETATION: The Net Working Capital Ratio is used to measure of the company's liquidation and the company's potential reserve of the company. It can also be recount to the net assets. The net working0capital

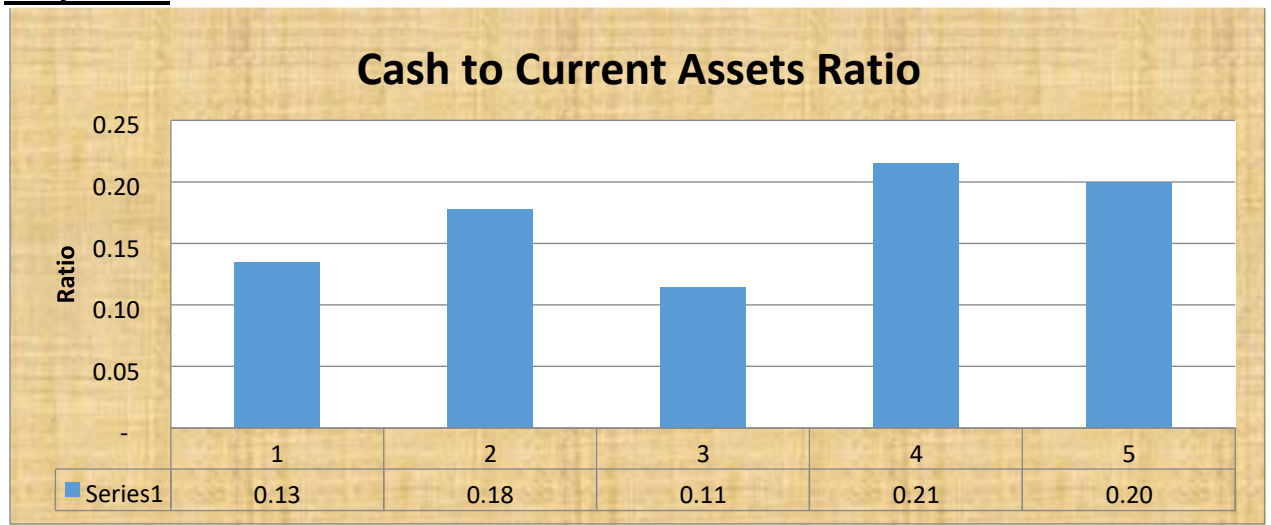
ratio from the table and graph shows a fluctuation trend and the average net working capital ratio is 0.17 times of net working capital to net assets. The Visionet System Pvt. Ltd. has the average liquidity position.

10. Cash to Current Assets Ratio:

Table: 4.22

Cash to Current Assets Ratio					
PARTICULARS	2011	2012	2013	2014	2015
Cash	9,04,973	16,67,155	11,20,156	27,71,214	30,02,746
Current Assets	67,41,415	93,81,994	97,83,949	1,29,00,806	1,50,46,234
Cash to Current Assets Ratio	0.13	0.18	0.11	0.21	0.20
Increase/Decrease		-0.04	0.06	-0.10	0.02

Graph: 4.15



INTERPRETATION: The table and graph shows the information of the cash to current assets ratio and register unpredictable trend throughout the study episode from 2011 to 2015. It was found the Visionet System Pvt. Ltd. has maintained a moderate level of cash in proportion to current assets.

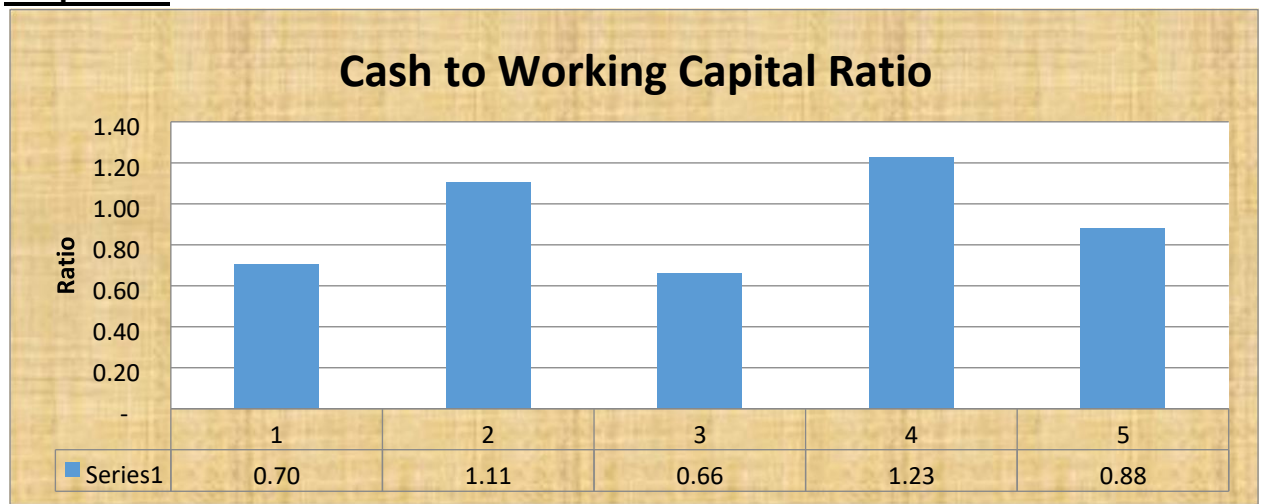
Cash

11. Cash to Working Capital Ratio: The formula for the ratios is $\frac{\text{Cash}}{\text{Working Capital}}$

Table: 4.23

Cash to Working Capital Ratio					
PARTICULARS	2011	2012	2013	2014	2015
Cash	9,04,973	16,67,155	11,20,156	27,71,214	30,02,746
Working Capital	12,83,973	15,06,260	16,96,997	22,61,140	34,17,095
Cash to Working Capital Ratio	0.70	1.11	0.66	1.23	0.88
Increase/Decrease		-0.40	0.45	-0.57	0.35

Graph: 4.16



INTERPRETATION:

The cash to working capital ratios represents a changeable trend during the study episode this is noted from the table and graph. It was 0.70 times in the year 2011 which as increased to 1.11 in the subsequently year and later for the following years it is unpredictable. Later it was found that the working capital ratio is managed by utilizing the cash and bank-balance available in the organization.

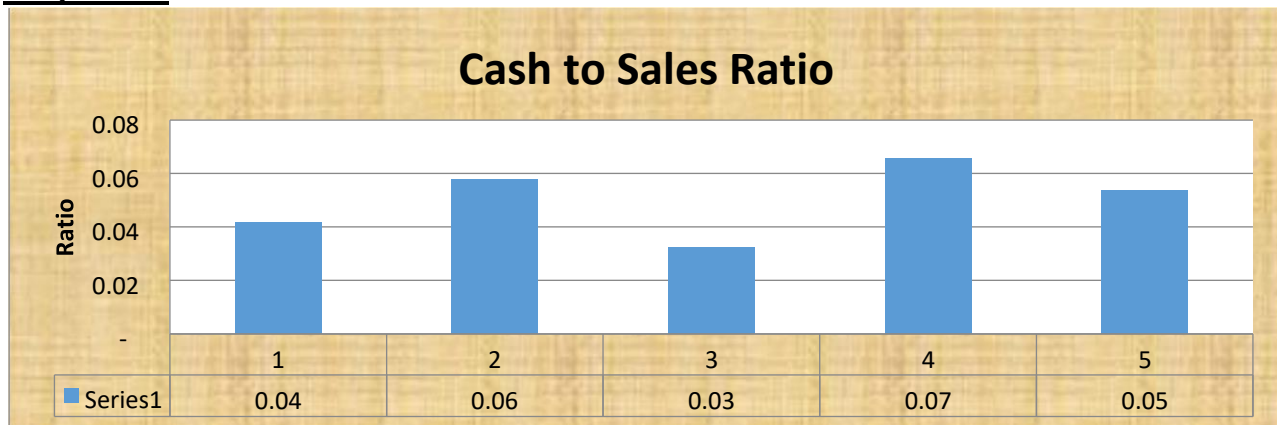
12. Cash to Sales Ratio:

The formula for this ratio is
$$\frac{\text{Cash}}{\text{Sales}}$$

Table: 4.24

Cash to Sales Ratio					
PARTICULARS	2011	2012	2013	2014	2015
Cash	9,04,973	16,67,155	11,20,156	27,71,214	30,02,746
Net Sales	2,15,96,208	2,88,96,069	3,44,63,213	4,22,67,981	5,60,30,222
Cash to Working Capital Ratio	0.04	0.06	0.03	0.07	0.05
Increase/Decrease		-0.02	0.03	-0.03	0.01

Graph: 4.17



INTERPRETATION: Cash to Sales ratios is one of the important ratios of maintaining/ controlling cash and bank of the company. The study of this ratio will provide the detailed information regarding the maintenances of the cash and the bank balance of the company. The table and the graph of the company shows there is a huge fluctuation of the cash and the bank balance, because of the credit sales and the debt collection period of the company.

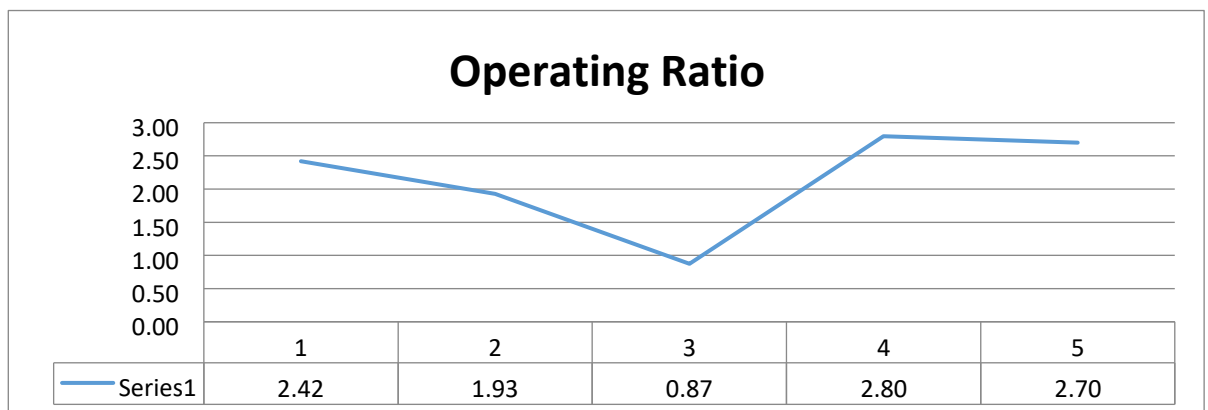
4.5.3 Profitability Ratio

1. Operating Profit ratio:

Table: 4.25

OPERATING RATIO					
PARTICULARS	2011	2012	2013	2014	2015
OPERATING EXPENSES	522,990	557,083	301,205	1,182,098	1,511,700
SALES	21,596,208	28,896,069	34,463,213	42,267,981	56,030,222
OPERATING RATIO	2.42	1.93	0.87	2.80	2.70

Graph:4.18



INTERPRETATION: This ratio indicates the operating profitability. Higher the operation margins better it is. A ratio that shows the competence of the company's management by compares the operating expenses to net sales. "the smaller the ratio, the greater the organization skill to generate profit it revenue decisions, when using this ratio , however, investors be supposed to be aware that it does not take debt repayment or expansion into account".

In the year 2011 the company is incurring the more operating expenses when compared to the 2012 the expense incurred on the year 2011 more and profit of the company will be less compare to 2012 and later presiding 3 year the company is incurring the less operating cost compared to the

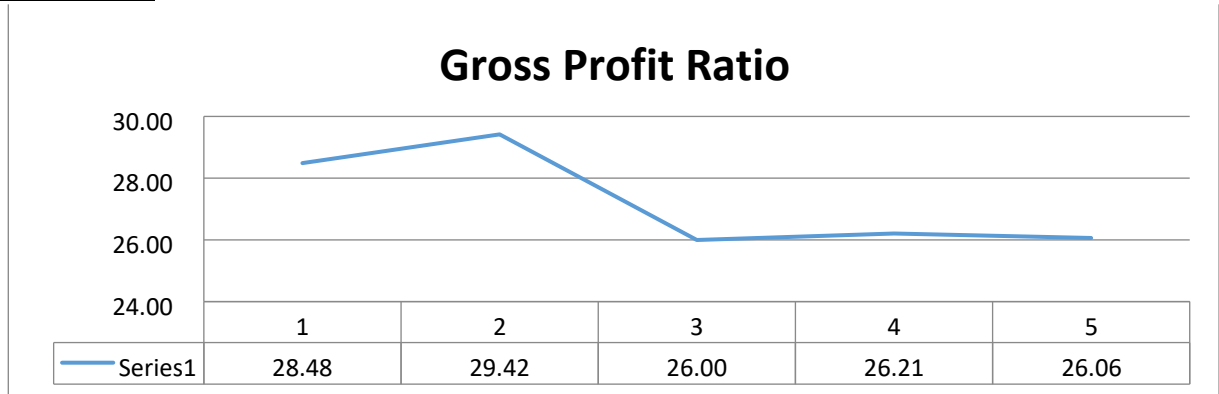
2011 but in the year the company is incurring the more operating expenses in the year 2014 and 2015 when compare to the previews years it is not a good sign for company to incurred the high expenses because it reflects on the revenue or the profit of the company it is subjected to the company to reduces the operating expenses, so the profit of the company can be maximized to the greater extent.

2. Gross profit ratio:

Table: 4.26

GROSS PROFIT RATIO					
PARTICULARS	2011	2012	2013	2014	2015
GROSS PROFIT	6,151,171	8,500,857	8,958,813	11,077,377	14,603,840
SALES	21,596,208	28,896,069	34,463,213	42,267,981	56,030,222
GROSS PROFIT TURNOVER RATIO	28.48	29.42	26.00	26.21	26.06

Graph:4.19



INTERPRETATION: This ratio indicates the trading profitability. Higher the gross margin better the trading margins.

This chart tells that the gross profit of the company as we see in the operating profit there is no much performance of the company in generating the profit which is reflecting on the gross profit of the

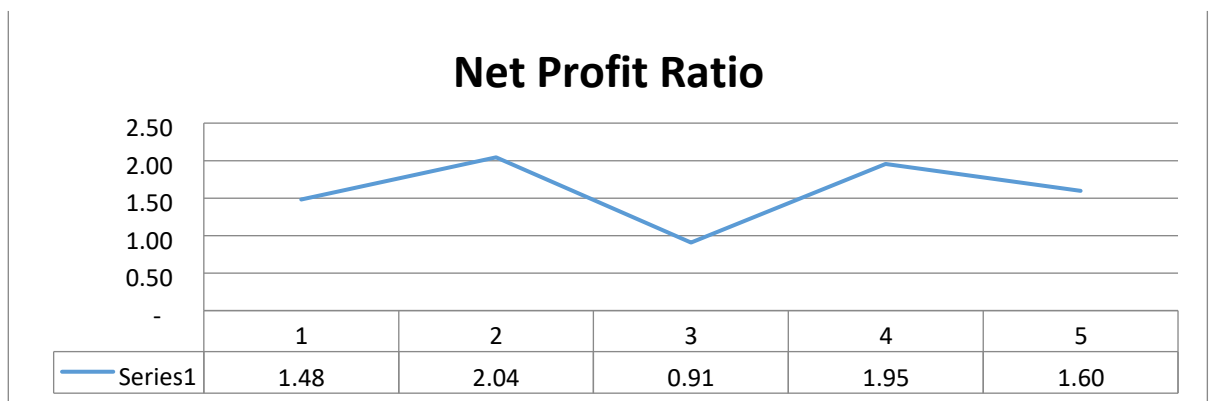
company. The profit percentage of the company is 28.48 in the year 2011 which is decreasing year by year the no increase in the profit of the company.

Which is bad sign of the company It is suggested to use the liquid cash which is kept idle and the investment on the fixed assets is not used properly.

3. Net
Profit
Ratio:
Table:
4.27

NET PROFIT RATIO					
PARTICULARS	2011	2012	2013	2014	2015
NET PROFIT	319,643	590,546	312,683	826,032	894,069
SALES	21,596,208	28,896,069	34,463,213	42,267,981	56,030,222
NET PROFIT TURNOVER RATIO	1.48	2.04	0.91	1.95	1.60

Graph:4.20



INTERPRETATION: This ratio indicates that to generate sales revenue of Rs 100, how much selling expenses have been incurred.

On an average, the company is earning the profit of rupee 1.59 on the every sales. The company is earning the profit of rupee one every year which not

good sign to the company. There is an fall in the profit of the company because of the improper use of the current assets (cash and bank balance) the investment activity is taken place in the every year but there is an improper utilization of the investments.

4.6 Comparative Balance Sheet Analysis:

For the year 2011-2012(Table No:4.28)

<u>PARTICULARS</u>	<u>2011</u>	<u>2012</u>	<u>2011-12</u>	
<u>ASSETS:</u>				
CURRENT ASSETS	AMOUNT	AMOUNT	INCREASE/DECREASE	PERSENTAGE
cash	781447	1542208	760761	97.35%
investment	0	124947	124947	0.00%
restricted cash	123526	7069803	6946277	5623.33%
deferred income taxes	0	645036	645036	0.00%
accounts receivable, and other receivable	5463718	0	-5463718	-100.00%
prepaid expenses and others	372724	0	-372724	-100.00%
TOTAL CURRENT ASSETS	6741415	9381994	2640579	39.17%
property and equipment, net of accumulated depreciation	195076	341888	146812	75.26%
differed incomes	0	49300	49300	0.00%
security deposits	128147	220694	92547	72.22%
TOTAL ASSETS	7064638	9993876	2929238	41.46%
<u>LIABILITIES AND STOCKHOLDERS EQUITY:</u>				
CURRENT LIABILITIES				
accounts payable	322513	400853	78340	24.29%
accrued expenses and others	1358480	1607498	249018	18.33%
due to parent	3287736	4043549	755813	22.99%
deferred revenue	416598	1745013	1328415	318.87%
income taxes payable	72115	78821	6706	9.30%
TOTAL CURRENT LIABILITIES	5457442	7875734	2418292	44.31%
LONG TERM LIABILITIES				
deferred income taxes	48100	66600	18500	38.46%
COMMITMENTS AND CONTINGENCY				
STOCKHOLDERS EQUITY				
VISIONET SYSTEM,INC. EQUITY				
common stock, shares authorized, issued & outstanding	10000	1626083	1616083	16160.83%
addition paid in capital	1491000	62541	-1428459	-95.81%
retained earnings	223133	813679	590546	264.66%
accumulated other comprehensive loss	-152881	-131464	21417	-14.01%
	1571252	2370839	799587	50.89%
Non-controlling interest	-12156	-319297	-307141	2526.66%
TOTAL STOCKHOLDERS EQUITY	1559096	2051542	492446	31.59%
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	7064638	9993876	2929238	41.46%

INTERPRETATION: There has been by and large increase in current assets of Rs 2929238 which indicates that the strength of short term solvency positions of the concern and there is an increase in fixed deposit of Rs 146812 which means that they have an long term solvency of the concern.

There has been an increase in the current liability by Rs 2418292 that means their immediate obligation has increased in the short term. However since it is supported by increase in current asset by Rs2929238 it is a favorable development in the company.

For the year 2012-2013(Table No:4.29)

<u>PARTICULARS</u>	<u>2012</u>	<u>2013</u>	<u>2012-13</u>	
<u>ASSETS:</u>				

CURRENT ASSETS	AMOUNT	AMOUNT	INCREASE/DECREASE	PERSENTAGE
cash	1542208	1008324	-533884	-34.62%
investment	124947	111832	-13115	-10.50%
restricted cash	7069803	8430893	1361090	19.25%
deferred income taxes	645036	232900	-412136	-63.89%
accounts receivable, and other receivable	0	0	0	0.00%
prepaid expenses and others	0	0	0	0.00%
TOTAL CURRENT ASSETS	9381994	9783949	401955	4.28%
property and equipment, net of accumulated depreciation	341888	851987	510099	149.20%
differed incomes	49300	0	-49300	-100.00%
security deposits	220694	236617	15923	7.21%
TOTAL ASSETS	9993876	10872553	878677	8.79%
LIABILITIES AND STOCKHOLDERS EQUITY:				
CURRENT LIABILITIES				
accounts payable	400853	616733	215880	53.86%
accrued expenses and others	1607498	2284775	677277	42.13%
due to parent	4043549	4708424	664875	16.44%
deferred revenue	1745013	331949	-1413064	-80.98%
income taxes payable	78821	145071	66250	84.05%
TOTAL CURRENT LIABILITIES	7875734	8086952	211218	2.68%
LONG TERM LIABILITIES				
deferred income taxes	66600	227200	160600	241.14%
COMMITMENTS AND CONTINGENCY				
STOCKHOLDERS EQUITY				
VISIONET SYSTEN,INC. EQUITY				
common stock, shares authorized, issued & outstanding	1626083	1626083	0	0.00%
addition paid in capital	62541	62541	0	0.00%
retained earnings	813679	807065	-6614	-0.81%
accumulated other comprehensive loss	-131464	62712	194176	-147.70%
	2370839	2558401	187562	7.91%
Non-controlling interest	-319297		319297	-100.00%
TOTAL STOCKHOLDERS EQUITY	2051542	2558401	506859	24.71%
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	9993876	10872553	878677	8.79%

INTERPRETATION: There has been taken as a whole, increase in current assets of Rs 401955 which indicates that the strength of short term solvency positions of the concern and there is an increase in fixed deposit of Rs 510099 which means that they have a long term solvency of the anxiety.

There has been an increase in the current liability by Rs 211218 that means their immediate obligation has increased in the short term. However since

it is supported by increase in current asset by 401955 it is a favorable development in the company.

For the year 2013-2014 (Table No:4.30)

<u>PARTICULARS</u>	<u>2013</u>	<u>2014</u>	<u>2013-14</u>	
<u>ASSETS:</u>				
CURRENT ASSETS	AMOUNT	AMOUNT	INCREASE/DECREASE	PERSENTAGE
cash	1008324	2677231	1668907	165.51%
investment	111832	93983	-17849	0.00%
restricted cash	8430893	9336478	905585	10.74%
deferred income taxes	232900	518573	285673	0.00%
accounts receivable, and other receivable	0	0	0	0.00%
prepaid expenses and others	0	274541	274541	0.00%
TOTAL CURRENT ASSETS	9783949	12900806	3116857	31.86%
property and equipment, net of accumulated depreciation	851987	972255	120268	14.12%
differed incomes	0	10372	10372	0.00%
security deposits	236617	304334	67717	28.62%
TOTAL ASSETS	10872553	14187767	3315214	30.49%
<u>LIABILITIES AND STOCKHOLDERS EQUITY:</u>				
CURRENT LIABILITIES				
accounts payable	616733	1094534	477801	77.47%
accrued expenses and others	2284775	3209430	924655	40.47%
due to parent	4708424	4951969	243545	5.17%
deferred revenue	331949	772462	440513	132.71%
income taxes payable	145071	611271	466200	321.36%
TOTAL CURRENT LIABILITIES	8086952	10639666	2552714	31.57%
LONG TERM LIABILITIES				
deferred income taxes	227200	0	-227200	-100.00%
COMMITMENTS AND CONTINGENCY				
STOCKHOLDERS EQUITY				
VISIONET SYSTEM,INC. EQUITY				
common stock, shares authorized, issued & outstanding	1626083	1626083	0	0.00%
addition paid in capital	62541	62541	0	0.00%
retained earnings	807065	1633097	826032	102.35%
accumulated other comprehensive loss	62712	226380	163668	260.98%
	2558401	3548101	989700	38.68%
Non-controlling interest				
TOTAL STOCKHOLDERS EQUITY	2558401	3548101	989700	38.68%
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	10872553	14187767	3315214	30.49%

INTERPRETATION: There has been overall increase in current assets of Rs 3116857 which indicates that the strength of short term solvency positions of the concern and there is an increase in fixed deposit of Rs 120268 which means that they have an long term solvency of the concern. There has been an increase in the current liability by Rs 2552714 that means their immediate obligation has increased in the short term. however since it is supported by increase in current asset by 3116857 it is a favorable development in the company.

For the year 2014-2015(Table No: 4.31)

<u>PARTICULARS</u>	<u>2014</u>	<u>2015</u>	<u>2014-15</u>	
<u>ASSETS:</u>				
CURRENT ASSETS	AMOUNT	AMOUNT	INCREASE/DECREASE	PERCENTAGE
cash	2677231	2728959	51728	1.93%
investment	93983	273787	179804	0.00%
restricted cash	9336478	10473953	1137475	12.18%
deferred income taxes	518573	865931	347358	66.98%
accounts receivable, and other receivable	0	400000	400000	0.00%
prepaid expenses and others	274541	303604	29063	10.59%
TOTAL CURRENT ASSETS	12900806	15046234	2145428	16.63%
property and equipment, net of accumulated depreciation	972255	890155	-82100	-8.44%
differed incomes	10372	31700	21328	205.63%
security deposits	304334	297459	-6875	-2.26%
TOTAL ASSETS	14187767	16265548	2077781	14.64%
<u>LIABILITIES AND STOCKHOLDERS EQUITY:</u>				
CURRENT LIABILITIES				
accounts payable	1094534	892208	-202326	-18.49%
accrued expenses and others	3209430	5227077	2017647	62.87%
due to parent	4951969	3728678	-1223291	-24.70%
deferred revenue	772462	1641413	868951	112.49%
income taxes payable	611271	139763	-471508	-77.14%
TOTAL CURRENT LIABILITIES	10639666	11629139	989473	9.30%
LONG TERM LIABILITIES				
deferred income taxes	0	400000	400000	0.00%
COMMITMENTS AND CONTINGENCY				
STOCKHOLDERS EQUITY				
VISIONET SYSTEN,INC. EQUITY				
common stock, shares authorized, issued & outstanding	1626083	1626083	0	0.00%
addition paid in capital	62541	62541	0	0.00%
retained earnings	1633097	2527166	894069	54.75%
accumulated other comprehensive loss	226380	223519	-2861	-1.26%
	3548101	4439309	891208	25.12%
Non-controlling interest		-202900	-202900	0.00%
TOTAL STOCKHOLDERS EQUITY	3548101	4236409	688308	19.40%
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	14187767	16265548	2077781	14.64%

INTERPRETATION: There has been overall increase in current assets of Rs 2145428 which indicates that the strength of short term solvency positions of the concern.

It is found that the company has decrease iv the fixed assets by Rs (82100) that is not a healthy sign of long term solvency and resource base of the concern.

There has been an increase in the current liability by Rs 2552714 that means their immediate obligation has increased in the short term. However since it is supported by increase in current asset by 3116857 it is a favorable development in the company.

4.7 Common-Size Balance sheet for the year 2011-2012 (Table No: 4.32)

PARTICULARS	2011		2012	
	AMOUNT	%	AMOUNT	%
ASSETS:				
CURRENT ASSETS				
cash	781447	11.06%	1542208	15.43%
Bank (ristreded cash)	123526	1.75%	124947	1.25%
accounts receivable	5463718	77.34%	7069803	70.74%
prepaid expenses and others	372724	5.28%	645036	6.45%
investment	0	0.00%	0	0.00%
deferred income taxes	0	0.00%	0	0.00%
TOTAL CURRENT ASSETS	6741415	95.42%	9381994	93.88%
property and equipment, net of accumulated depreciation	195076	2.76%	341888	3.42%
Deffered incomes Tax	0	0.00%	49300	0.49%
security deposits	128147	1.81%	220694	2.21%
TOTAL ASSETS	7064638	100.00%	9993876	100.00%
LIABILITIES AND STOCKHOLDERS EQUITY:	\$		\$	
CURRENT LIABILITIES:				
accounts payable	322513	4.57%	400853	4.01%
others expenses	1358480	19.23%	1607498	16.08%
due to parent	3287736	46.54%	4043549	40.46%
deferred revenue	416598	5.90%	1745013	17.46%
income taxes payable	72115	1.02%	78821	0.79%
TOTAL CURRENT LIABILITIES	5457442	77.25%	7875734	78.81%
LONG TERM LIABILITIES:				
deferred income taxes	48100	0.68%	66600	0.67%
COMMITMENTS AND CONTINGENCY				
STOCKHOLDERS EQUITY				
VISIONET SYSTEM,INC. EQUITY				
common stock, shares authorized, issued & outstanding	10000	0.14%	1626083	16.27%
addition paid in capital	1491000	21.11%	62541	0.63%
retained earnings	223133	3.16%	813679	8.14%
accumulated other comprehensive loss	-152881	-2.16%	-131464	-1.32%
	1571252	22.24%	2370839	23.72%
Non-controlling interest	-12156	-0.17%	-319297	-3.19%
TOTAL STOCKHOLDERS EQUITY	1559096	22.07%	2051542	20.53%
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	7064638	100.00%	9993876	100.00%

INTERPRETATION: There is the decrease in total current assets in 2012 which indicates that the short term solvency position has declined. It is evident in the above analysis that there is increase in the total fixes assets by 3.42% in the year 2012 as compared to the year 2011. There is an amplify in the fund of the company which indicates that they have expanded their activity. However, it can be concluded that the financial situation is satisfactory.

For 2012-2013(Table No: 4.33)

<u>PARTICULARS</u>	<u>2012</u>		<u>2013</u>	
<u>ASSETS:</u>				
CURRENT ASSETS	AMOUNT	%	AMOUNT	%

cash	1542208	15.43%	1008324	9.27%
Bank (ristreded cash)	124947	1.25%	111832	1.03%
accounts receivable	7069803	70.74%	8430893	77.54%
prepaid expenses and others	645036	6.45%	232900	2.14%
investment	0	0.00%	0	0.00%
deferred income taxes	0	0.00%	0	0.00%
TOTAL CURRENT ASSETS	9381994	93.88%	9783949	89.99%
property and equipment, net of accumulated depreciation	341888	3.42%	851987	7.84%
Deffered incomes Tax	49300	0.49%	0	0.00%
security deposits	220694	2.21%	236617	2.18%
TOTAL ASSETS	9993876	100.00%	10872553	100.00%
LIABILITIES AND STOCKHOLDERS EQUITY:	\$		\$	
CURRENT LIABILITIES:				
accounts payable	400853	4.01%	616733	5.67%
others expenses	1607498	16.08%	2284775	21.01%
due to parent	4043549	40.46%	4708424	43.31%
deferred revenue	1745013	17.46%	331949	3.05%
income taxes payable	78821	0.79%	145071	1.33%
TOTAL CURRENT LIABILITIES	7875734	78.81%	8086952	74.38%
LONG TERM LIABILITIES:				
deferred income taxes	66600	0.67%	227200	2.09%
COMMITMENTS AND CONTINGENCY				
STOCKHOLDERS EQUITY				
VISIONET SYSTEM,INC. EQUITY				
common stock, shares authorized, issued & outstanding	1626083	16.27%	1626083	14.96%
addition paid in capital	62541	0.63%	62541	0.58%
retained earnings	813679	8.14%	807065	7.42%
accumulated other comprehensive loss	-131464	-1.32%	62712	0.58%
	2370839	23.72%	2558401	23.53%
Non-controlling interest	-319297	-3.19%	0	0.00%
TOTAL STOCKHOLDERS EQUITY	2051542	20.53%	2558401	23.53%
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	9993876	100.00%	10872553	100.00%

INTERPRETATION: It is evident in the about analysis that there is increase in the fixed asset by 7.84 in the year 2013 as compared to the year 2012. The proprietors fund remains same in both the year. There is turn down in the total current assets in the year 2013 which indicates that the short term solvency position has declined. Overall it can be concluded that the financial pose is satisfactory.

For 2013-2014(Table No: 4.34)

<u>PARTICULARS</u>	<u>2013</u>		<u>2014</u>	
<u>ASSETS:</u>				
CURRENT ASSETS	AMOUNT	%	AMOUNT	%
cash	1008324	9.27%	2677231	18.87%
Bank (ristreded cash)	111832	1.03%	93983	0.66%
accounts receivable	8430893	77.54%	9336478	65.81%
prepaid expenses and others	232900	2.14%	518573	3.66%
investment	0	0.00%	0	0.00%
deferred income taxes	0	0.00%	274541	1.94%
TOTAL CURRENT ASSETS	9783949	89.99%	12900806	90.93%
property and equipment, net of accumulated depreciation	851987	7.84%	972255	6.85%
Deffered incomes Tax	0	0.00%	10372	0.07%
security deposits	236617	2.18%	304334	2.15%
TOTAL ASSETS	10872553	100.00%	14187767	100.00%
<u>LIABILITIES AND STOCKHOLDERS EQUITY:</u>	\$		\$	
<u>CURRENT LIABILITIES:</u>				
accounts payable	616733	5.67%	1094534	7.71%
others expenses	2284775	21.01%	3209430	22.62%
due to parent	4708424	43.31%	4951969	34.90%
deferred revenue	331949	3.05%	772462	5.44%
income taxes payable	145071	1.33%	611271	4.31%
TOTAL CURRENT LIABILITIES	8086952	74.38%	10639666	74.99%
<u>LONG TERM LIABILITIES:</u>				
deferred income taxes	227200	2.09%	0	0.00%
COMMITMENTS AND CONTINGENCY				
<u>STOCKHOLDERS EQUITY</u>				
<u>VISIONET SYSTEM,INC. EQUITY</u>				
common stock, shares authorized, issued & outstanding	1626083	14.96%	1626083	11.46%
addition paid in capital	62541	0.58%	62541	0.44%
retained earnings	807065	7.42%	1633097	11.51%
accumulated other comprehensive loss	62712	0.58%	226380	1.60%
	2558401	23.53%	3548101	25.01%
Non-controlling interest	0	0.00%	0	0.00%
TOTAL STOCKHOLDERS EQUITY	2558401	23.53%	3548101	25.01%
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	10872553	100.00%	14187767	100.00%

INTERPRETATION: There is an escalation in the total current assets by 90.93%, which indicates that the short term solvency position is good. It is evident in the above analysis that there is a decrease in the total fixed assets by 6.85% in the year 2014 as correlated to the year 2013. Overall, it is concluded that the financial position of the company is not adequate in the year 2014.

For 2014-2015 (Table No: 4.35)

<u>PARTICULARS</u>	<u>2014</u>		<u>2015</u>	
<u>ASSETS:</u>				
CURRENT ASSETS	AMOUNT	%	AMOUNT	%

cash	2677231	18.87%	2728959	16.78%
Bank (ristreded cash)	93983	0.66%	273787	1.68%
accounts receivable	9336478	65.81%	10473953	64.39%
prepaid expenses and others	518573	3.66%	865931	5.32%
investment	0	0.00%	400000	2.46%
deferred income taxes	274541	1.94%	303604	1.87%
TOTAL CURRENT ASSETS	12900806	90.93%	15046234	92.50%
property and equipment, net of accumulated depreciation	972255	6.85%	890155	5.47%
Deffered incomes Tax	10372	0.07%	31700	0.19%
security deposits	304334	2.15%	297459	1.83%
TOTAL ASSETS	14187767	100.00%	16265548	100.00%
LIABILITIES AND STOCKHOLDERS EQUITY:	\$		\$	
CURRENT LIABILITIES:				
accounts payable	1094534	7.71%	892208	5.49%
others expenses	3209430	22.62%	5227077	32.14%
due to parent	4951969	34.90%	3728678	22.92%
deferred revenue	772462	5.44%	1641413	10.09%
income taxes payable	611271	4.31%	139763	0.86%
TOTAL CURRENT LIABILITIES	10639666	74.99%	11629139	71.50%
LONG TERM LIABILITIES:				
deferred income taxes	0	0.00%	400000	2.46%
COMMITMENTS AND CONTINGENCY				
STOCKHOLDERS EQUITY				
VISIONET SYSTEM,INC. EQUITY				
common stock, shares authorized, issued & outstanding	1626083	11.46%	1626083	10.00%
addition paid in capital	62541	0.44%	62541	0.38%
retained earnings	1633097	11.51%	2527166	15.54%
accumulated other comprehensive loss	226380	1.60%	223519	1.37%
	3548101	25.01%	4439309	27.29%
Non-controlling interest	0	0.00%	-202900	-1.25%
TOTAL STOCKHOLDERS EQUITY	3548101	25.01%	4236409	26.05%
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	14187767	100.00%	16265548	100.00%

INTERPRETATION: It is evident in the above analysis that there is a drop off in the total fixed assets by 5.47% in the year 2015 as compared to the year 2014. However the proprietor fund remains same in both the years. There is decline in the total current assets in the year 2015 which indicates that the short term solvency position has declined. Overall, it can be concluded that the financial position is not satisfactory of the year 2015.

4.8 TREND ANALYSIS

4.8.1 Trend Analysis for the Cash & Bank

Table: 4.36

Trend Analysis for the cash and bank for five years						
X	Y	x	x ²	X y	b(x)	Trend Line
2011	904973	-2	4	-1809946	-73098	1820151
2012	1667155	-1	1	-1667155	-36549	1856700
2013	1120156	0	0	0	0	1893249
2014	2771214	1	1	2771214	36549	1929798
2015	3002746	2	4	6005492	73098	1966347
2016		3	9		109647	2002896
2017		4	16		146196	2039445
2018		5	25		182745	2075994
2019		6	36		219294	2112543
2020		7	49		255843	2149092
	9466244	25	145	5299605		
a	1893248.8					
b	36549					

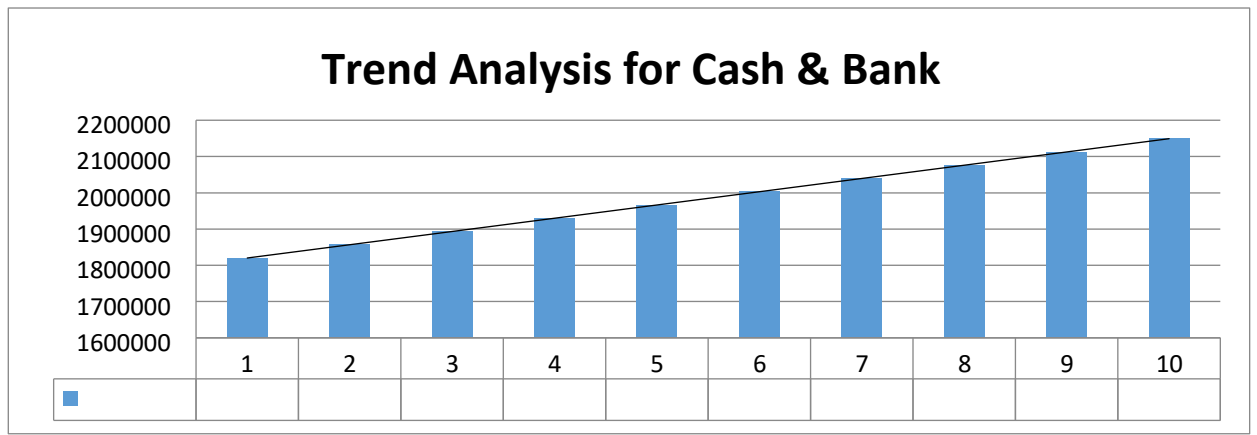
The Trend Equation is: $y = a + bx$

$$y = 1893248.8 + 36549x$$

Were: $a = \frac{9466244}{5} = 1893248.8$; $b = \frac{5299605}{145} = 36549$

The Graph of the Observed and Trend values is as follows:

Graph: 4.21



trend line 1820151 1856700 1893249 1929798 1966347 2002896 2039445 2075994 2112543
2149092

INTERPRETATION: The cash and the bank worth of the Visionet System Pvt. Ltd. has increased in the year 2016 of Rs 200289, and the anticipated it should be decreased as compared to the previous year. The cash and bank value of the company which is estimated for the five year (2016 to 2017) will keep on increasing over a period.

4.8.2 Trend Analysis for the Current Assets:

Table: 4.37

Trend Analysis for Current Assets						
X	Y	x	x ²	X y	b(x)	trend line
2011	67,41,415	-2	4	-13482830	-277634	1,04,93,245.81
2012	93,81,994	-1	1	-9381994	-138817	1,06,32,062.70
2013	97,83,949	0	0	0	0	1,07,70,879.60
2014	1,29,00,806	1	1	12900806	138816.9	1,09,09,696.50
2015	1,50,46,234	2	4	30092468	277633.8	1,10,48,513.39
2016		3	9		416450.7	1,11,87,330.29
2017		4	16		555267.6	1,13,26,147.19
2018		5	25		694084.5	1,14,64,964.08
2019		6	36		832901.4	1,16,03,780.98
2020		7	49		971718.3	1,17,42,597.88
	53854398	25	145	20128450		
a	10770879.60					
b	138816.90					

The Trend Equation is: $y = a + bx$

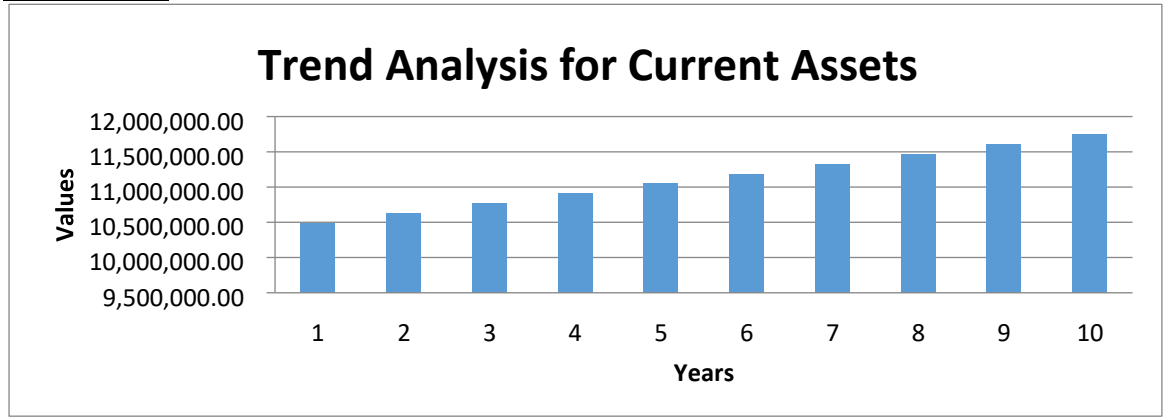
$$y = 10770879.60 + 138816.90x$$

Were: $a = \frac{53854398}{25} = 10770879.60$; $b = \frac{20128450}{145} = 138816.90$

5

145

Graph: 4.22



INTERPRETATION: The graph and the table shows the current assets of the Visionet System Pvt. Ltd. will grow by 11742597.88 and when compared to the starting of the epoch of the study it was increased. The current assets value of the company for the year 2016 is 11187330.29, which means the liquidity position of the company will be better when compared to the previous years.

4.8.3 Trend Analysis for the Current Liabilities:

Table: 4.38

Trend Analysis for Current Liabilities						
X	Y	x	x ²	xy	b(x)	trend line
2011	54,57,442	-2	4	-10914884	-208377	1,05,62,502.69
2012	78,75,734	-1	1	-7875734	-104188	1,06,66,691.14
2013	80,86,952	0	0	0	0	1,07,70,879.60
2014	1,06,39,666	1	1	10639666	104188.5	1,08,75,068.06
2015	1,16,29,139	2	4	23258278	208376.9	1,09,79,256.51
2016		3	9		312565.4	1,10,83,444.97
2017		4	16		416753.8	1,11,87,633.42
2018		5	25		520942.3	1,12,91,821.88
2019		6	36		625130.7	1,13,96,010.33
2020		7	49		729319.2	1,15,00,198.79
	43688933	25	145	15107326		
a	8737786.60					
b	104188.46					

The Trend Equation is: $y = a + bx$

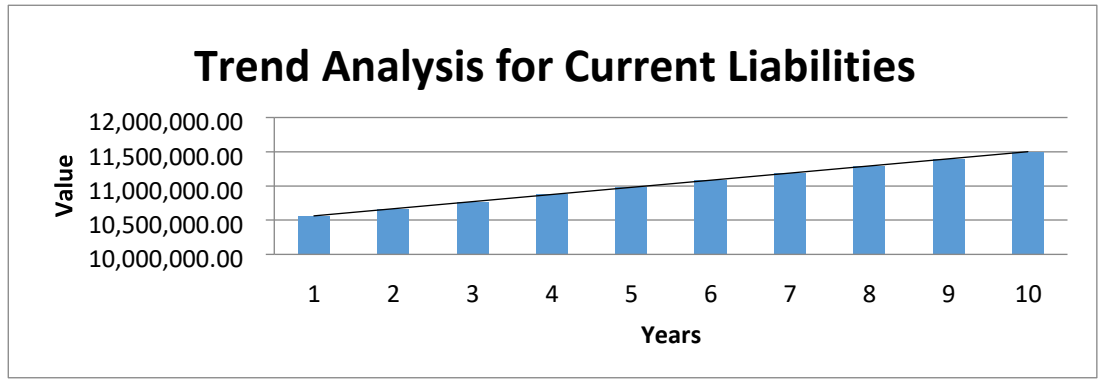
$$y = 8737786.60 + 104188.46x$$

Were: $a = \frac{43688933}{5} = 8737786.60$; $b = \frac{15107326}{145} = 104188.46$

5

145

Graph:4.23



INTERPRETATION: The table and the graph shows the company's Current Liabilities will be increased for the next five years. The current liability for the year 2016 is Rs 11083444.97 and the current assets of the company in the year is Rs11187330.29, **the dissimilarity between the current assets and current liabilities is Rs 103885.32** which tells that the company has as good liquidity position for the next five years.

Chapter-5

5.0 Summary of Findings:

The underlying principle of this study in the object was to analyze financial physical condition and position of the Visionet System Pvt. Ltd. through exhaustively study of Cash Flow Statement of last five years, Ratio Analysis of last five years and Trend Analysis to know the future financial statement of the company, based on the assessment to provide the suitable suggestion. Analysis was down using cash flow statement and inferences were drawn from the results obtained.

- The Cash Management of the Visionet System Pvt. Ltd. has been functioning Moderate level in the company.
- The net operating cash of the visionet company generated during the various financial years seems to increase and decrease over a period of time.(Ref. Graph No: 4.1, Page No: 39)
- The cash position of the company was subsidized to be good to some extent as there investing activity of the company is escalating (growing) year by year. The investing activity is good to any company which helps in utilizing the ideal funds and making profit to the excises of fund of the company. (Ref. Graph No: 4.2, Page No: 40)
- The company liquidity position is not so good because the company is depending on the parent company at the beginning stage, over a period of time it was fund that the dependence of the company is decreasing. (Ref. Graph No: 4.3, Page No: 41)
- The current ratio of the company is not good because the standard ratio is that 2:1 but the average ratio for the five year is that 1.22, liquidity position of the company is not satisfactory (Ref. Graph No: 4.4, Page No: 44)

- Acid test ratio shows that Visionet System Pvt. Ltd. is able to meet its current obligations **(Ref. Graph No: 4.5, Page No: 46)**
- The cash ratio helps to measure the cash requirement to fit out the current liabilities is maintained at a normal level hence; it shows that the Visionet System Pvt. Ltd. follows an average policy.
- The current assets to total assets ratios indicate that Visionet System Pvt. Ltd. is maintaining a considerable level of current assets in proportion to total assets. **(Ref. Table No: 4.13, Page No: 55)**
- The common size statements are shown in diagnostic percentages. The information are shown as percentage of total assets, total liabilities and total sales. The total assets are taken as 100% and dissimilar assets are expressed as percentages of the total. Alike, various liabilities are taken as a part of liabilities. This helps to know the individual of the organization over a period of time. **(Ref. Page No: 68 to 72)**
- The Trend analysis helps to analyze the financial statement and trend of series of information of the Visionet System Pvt. Ltd. this process determines the bearing upward or downward and involves the computation of the percentage relationship that each statement item bears to some item in the base year. **(Ref. Page No: 72 to 76)**

5.1 Conclusion:

The Cash Management study that has been conducted on the financial performance of the organization has given a clear insight about how a company conducts its activities. The usage of various financial tools such as trend analysis, ratio analysis and other financial data helped in the overall study to understand the financial accuracy of Visionet System Pvt.Ltd. the project has helped visionet systems pvt. Ltd immensely to analyze and interpret the financial position of the company. Lastly I would like to thank Visionet System pvt. Ltd for providing me such a great opportunity to understand the project in your prestigious organization. The atmosphere of the organization never made me feel that I'm in an

organization rather it felt like home because the employee of visionet system are so co-operative and helpful so that they motivated me to work smarter and achieve success. I applied all my knowledge and skills in practical manner and corrected my mistakes. It was a pleasant experience for working in VISIONET SYSTEM PVT.LTD.

We can measure the following requirements of the company:

1. It helps to take Short phrase Financial Decision,
2. It illustrate the Cash Requirement needed for plant or equipment expansion programs,
3. To find strategies for well-organized management of cash,
4. It helps know the proper utilization of the funds of the company, 5. The trend analysis helps to know the future requirement of the Cash,
5. The ratio analysis helps to find the liquidity situation the company.

5.2 Suggestion:

- The Visionet System Pvt. Ltd. as to manage with the sales. In case of surplus cash, that be supposed to invested in securities or it should be used to repay borrowings.
 - The debt collection period of the company as to organize a proper ageing schedule, which helps in reduce the bad debts and to maintain the collection effectively.
 - The company should maintain the most favorable cash balance to maintain the liquidity position.
 - The company as to determine the prerequisite of the optimum cash balance.
 - The company should not maintain the dependency of the parent company for the requirement of the cash.
 - The current ratio of 2:1 is considered normally satisfactory. The Visionet System Pvt. Ltd. should try to get better current ratio. So the company should put in large amount in current ratio, in order to maintain the liquidity and solvency position of the concern.
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- The company must invest on the short term investment so the liquidity can be maintained.

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Annexure:

BALANCE SHEET OF VISIONET SYSTEM PVT LTD FOR THE FIVE YEARS

BALANCE SHEET SUMMARY (for five years)					
<u>PARTICULARS</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>ASSETS:</u>					
CURRENT ASSETS	Amt	Amt	Amt	Amt	Amt
Cash	7,81,447	15,42,208	10,08,324	26,77,231	27,28,959
Bank (restricted cash)	1,23,526	1,24,947	1,11,832	93,983	2,73,787
accounts receivable	54,63,718	70,69,803	84,30,893	93,36,478	104,73,953
prepaid expenses and others	3,72,724	6,45,036	2,32,900	5,18,573	8,65,931
Investment	-	-	-	-	4,00,000
deferred income taxes	-	-	-	2,74,541	3,03,604
TOTAL CURRENT ASSETS	67,41,415	93,81,994	97,83,949	129,00,806	150,46,234
property and equipment, net of accumulated depreciation	1,95,076	3,41,888	8,51,987	9,72,255	8,90,155
Deferred incomes Tax	-	49,300	-	10,372	31,700

security deposits	1,28,147	2,20,694	2,36,617	3,04,334	2,97,459
TOTAL ASSETS	70,64,638	99,93,876	108,72,553	141,87,767	162,65,548
<u>LIABILITIES AND STOCKHOLDERS EQUITY:</u>	Amt	Amt	Amt	Amt	Amt
CURRENT LIABILITIES:					
accounts payable	3,22,513	4,00,853	6,16,733	10,94,534	8,92,208
others expenses	13,58,480	16,07,498	22,84,775	32,09,430	52,27,077
due to parent	32,87,736	40,43,549	47,08,424	49,51,969	37,28,678
deferred revenue	4,16,598	17,45,013	3,31,949	7,72,462	16,41,413
income taxes payable	72,115	78,821	1,45,071	6,11,271	1,39,763
TOTAL CURRENT LIABILITIES	54,57,442	78,75,734	80,86,952	106,39,666	116,29,139
LONG TERM LIABILITIES:					
deferred income taxes	48,100	66,600	2,27,200	-	4,00,000
VISIONET SYSTEM,INC. EQUITY					
common stock, shares authorized, issued & outstanding	10,000	16,26,083	16,26,083	16,26,083	16,26,083
addition paid in capital	14,91,000	62,541	62,541	62,541	62,541
retained earnings	2,23,133	8,13,679	8,07,065	16,33,097	25,27,166
accumulated other comprehensive loss	-	-	-	-	-
	1,52,881	1,31,464	62,712	2,26,380	2,23,519
	15,71,252	23,70,839	25,58,401	35,48,101	44,39,309
Non-controlling interest	-	-	-	-	-
	12,156	3,19,297			2,02,900
TOTAL STOCKHOLDERS EQUITY	15,59,096	20,51,542	25,58,401	35,48,101	42,36,409
TOTAL LIABILITIES	70,64,638	99,93,876	108,72,553	141,87,767	



**ACHARYA INSTITUTE OF TECHNOLOGY
DEPARTMENT OF MBA**

PROJECT WEEKLY REPORT (16MBAPR407)

Name of the Student: Preetham S Pawar

Internal Guide: Dr. Ramanaiah G.











USN No: 1AZ16MBA49

Specialization: Finance & Marketing

Title of the Project: A Study of cash management system to understand the liquidity and efficiency position

Company Name : Visionary system Pvt Ltd, Hosur Main Road, Bangalore

Week	Work Undertaken	External Guide Signature	Internal Guide Signature
15-1-2018 to 20-1-2018	Introduction about Visionary system Pvt Ltd and its operation		
22-1-2018 to 27-1-2018	Learning about the different operation and services by Visionary system Pvt Ltd		
29-1-2018 to 3-2-2018	Orientation and gathering information about the growth of the company		
5-2-2018 to 10-2-2018	Analysis of the market position of the company		
12-2-2018 to 17-2-2018	Research problem identification		

2018			
19-2-2018 to 24-2- 2018	Preparation of the research instrument for data collection		
26-2-2018 to 3-3- 2018	Theoretical background of the study		
5-3-2018 to 10-3- 2018	Data collection and analysis		
12-3-2018 to 17-3- 2018	Interpretation of the data gathered during the survey		
19-3-2018 to 24-3- 2018	Final report preparation and submission		




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