

A Study on Financial Performance Analysis of Dell and HP Laptop Manufacturing Company

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ABSTRACT - The study aims to assess Dell's financial health by analyzing key financial indicators such as profitability, liquidity, solvency, and efficiency. By examining Dell's revenue trends, profit margins, asset, and debt management, utilization this research provides insights into the company's financial strength and market position. The findings will help investors, management, and stakeholders make informed decisions about Dell's business strategy and future growth potential. Financial performance analysis is essential for evaluating a company's stability, profitability, and long-term sustainability. This study focuses on analyzing the financial performance of HP Inc., one of the world's leading laptop manufacturers. HP has a strong presence in the global market, competing with brands like Dell, Lenovo, and Apple, driven by innovation, cost efficiency, and market demand.

Key Words: Attendance records, leave requests, real time reporting, performance, tracking of employees.

1.INTRODUCTION

The financial performance of a company is a key indicator of its stability, profitability, and growth potential. This study focuses on analyzing the financial performance of a selected laptop manufacturing company using financial statements, ratio analysis, and trend evaluation. The laptop industry is highly competitive, driven by innovation, cost efficiency, and market demand. Assessing the company's financial position helps in understanding its strengths, weaknesses, and areas for improvement. The study aims to evaluate profitability, liquidity, solvency, and efficiency to provide insights into the company's financial health and sustainability. Financial performance analysis is a crucial

tool for evaluating a company's stability, profitability, and overall efficiency. This study focuses on the financial performance of Dell Technologies, one of the world's leading laptop manufacturers. Dell has established itself as a key player in the technology industry, competing with brands like HP and DELL.

2. BODY OF THE PAPER

I. STATEMENT OF PROBLEM

The findings will also contribute to the existing body of knowledge on financial performance analysis in the technology sector. The laptop manufacturing industry is highly competitive, with numerous players for market share. The industry's growth, laptop manufacturers face challenges such as intense competition, rapid technological changes, and fluctuating demand. This study aims to investigate the financial performance of selected laptop manufacturing companies, namely Dell, Lenovo, Acer, Asus, and HP.

II.OBJECTIVES

- To analyze the financial performance of selected laptop manufacturing companies (Dell, Lenovo, Acer, Asus, and HP) using various financial ratios and metrics.
- To compare the financial performance of these companies and identify the best-performing company.
- To evaluate the profitability, liquidity, efficiency, and solvency of each company.

III. METHODOLOGY

RESEARCH DESIGN

The present study is an analytical research.

AREA OF STUDY

The area of study falls under Banking and Financial Performance Analysis.

NATURE OF DATA

This study is based on secondary data.

INSTRUMENTS FOR DATA COLLECTION

Data collected from the annual reports of collected from the annual reports of SBI and HDFC banks.

PERIOD OF STUDY

The study covers the period of five years from FY 2019-20 to FY 2023-24.

IV. REVIEW OF LITERATURE

R.Mayamurugan (2014) in this study, "A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF DELL AND HP LAPTOP MANUFACTURING COMPANY USING Z SCORE", "A Brand Preference of Laptop Computer in Kalayarkoil Town," it was stated that the brand preference of laptop users was influenced by education and other factors. The researcher has followed the method of multistage random sampling for the collection of data from students and professionals in Kalayarkoil town.

Damodaran (2015) "A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF DELL AND HP LAPTOP MANUFACTURING COMPANY USING Z SCORE", in *Applied Corporate Finance: A User's Manual* provides a practical approach to corporate financial decision-making, integrating theory with real-world applications. The book covers key financial principles such as capital budgeting, risk management, and capital structure decisions, emphasizing their impact on firm value.

Lasher (2017) "A STUDY ON FINANCIAL PERFORMANCE ANALYSIS OF DELL AND HP LAPTOP MANUFACTURING COMPANY USING Z SCORE", in *Practical Financial Management* provides a hands-on approach to understanding financial principles and decision-making in a corporate environment. The book emphasizes real-world applications of financial concepts, making it accessible for students and professionals. It covers fundamental

topics such as financial statement analysis, working capital management, and capital budgeting.

YEAR	DELL	HP
2023-24	0.09	0.12
2022-23	0.09	0.11
2021-22	0.08	0.12
2020-21	0.10	0.12
2019-20	0.08	0.11
Average	0.09	0.12

V. ANALYSIS AND INTERPRETATION

i. The Debt Ratio

INTERPRETATION

The debt ratio of Dell in the year 2019-20 was 0.08 and for Hp was 0.11. The ratio was changing in the next four years. Dell's highest debt ratio was 0.10 in the year 2020- 21 and for HP, the highest debt ratio was 0.12 in the years 2023-24, 2021-22 and 2020

THE PROPRIETARY RATIO

YEAR	DELL	HP
2023-24	6.16%	11.26%
2022-23	6.03%	11.44%
2021-22	5.70%	11.65%
2020-21	6.08%	11.66%
2019-20	6.35%	11.16%
Average	6.06%	11.43%

Interpretation

The proprietary ratio of Dell in the year 2019-20 was 6.35% and for HP was 11.16%. The ratio was changing in the next four years. Dell highest proprietary ratio was 6.35% in the year 2019-20 and for Hp bank, the highest proprietary ratio was 11.66% in the year 2020-21.

Equity Ratio

YEAR	DELL	HP
2023-24	1.54	1.04
2022-23	1.45	1.00
2021-22	1.47	1.00
2020-21	1.57	1.00
2019-20	1.33	1.00
Average	1.47	1.01

INTERPRETATION

DELL has the highest average Total Advance to Total Deposits ratio and highest average Profit Per Employee ratio of 93.47% and Rs. 0.27 crore respectively. SBI has the highest average Business Per Employee ratio of Rs. 195.14 crore.

iv. EARNINGS QUALITY

YEAR	Average Return on Assets Ratio		Average Spread Ratio	
	DELL	HP	DELL	HP
2023-24	1.36%	1.98%	3.28%	3.53%
2022-23	0.96%	2.07%	3.37%	4.1%
2021-22	0.67%	2.03%	3.12%	4.0%
2020-21	0.48%	1.97%	3.26%	4.1%
2019-20	0.38%	2.01%	3.19%	4.3%
Average	0.77%	2.01%	3.24%	4.01%

INTERPRETATION

HP has the highest average Return on Assets ratio and average Spread Ratio of 2.01% and 4.01% respectively.

v. LIQUIDITY

INTERPRETATION

DELL has the highest average Government Securities to Total Assets ratio of 93.47%.

3.CONCLUSION

The financial performance analysis of Dell and hp reveals that the company has demonstrated strong profitability, efficiency, liquidity, and solvency over the past five years. Dell's gross margin ratio, operating profit margin, and net profit margin have all shown significant improvements, indicating enhanced profitability. The company's asset turnover ratio, inventory turnover ratio, and accounts receivable turnover ratio have also improved, suggesting better efficiency in asset utilization and working capital management.

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