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A STUDY ON FINANCIAL PERFORMANCE OF SYMPHONY LTD

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Abstract - This study deals with the financial performance of Symphony Ltd. Financial performance indicators are used for measuring how well a company is doing. The objectives of the study are to identify and analyse the liquidity position, long term solvency position and operational efficiency of Symphony Ltd for the period of 5 years i.e. from 2017-18 to 2021-22. The study concluded that the financial performance of Symphony Ltd is strong during the study period.

***Key Words*:** financial performance, solvency, liquidity, operational efficiency, ratio analysis, profitability

INTRODUCTION

This article studies the financial performance of Symphony Ltd for the period of 5 years i.e. from 2017-18 to 2021-22. Financial performance indicators are used for measuring how well a company is doing. Financial performance analysis deals with analysing and interpreting financial statements.

STATEMENT OF THE PROBLEM

Consumer electronics have become inevitable in day to day functioning but the research conducted on these industries is limited. This study focuses on analyzing the financial performance of Symphony Ltd.

SCOPE OF THE STUDY

Financial performance analysis of Symphony Ltd is only confined in this study. In this study, analysis of financial performance is done for the period of 5 years i.e. from 2017-18 to 2021-22.

OBJECTIVES OF THE STUDY

- ✓ To identify the liquidity position of Symphony Ltd.
- ✓ To analyze the operational efficiency of Symphony Ltd.
- ✓ To identify the long term solvency position of Symphony Ltd.

RESEARCH METHODOLOGY

This is an analytical study as it is analyzing the financial performance of Symphony Ltd. The data used are secondary in nature which are collected from the annual reports of Symphony Ltd. The study covers the period of five years i.e. from 2017-18 to 2021-22.

REVIEW OF LITERATURE

Mudumuri Sushma, the study aims to evaluate the financial performance of the top six Indian Pharmaceutical companies over a five-year period from 2015 to 2020. The DuPont analysis, a five-step model, is used to compute ratios and assess return on equity (ROE) drivers. The DuPont analysis breaks down ROE into various components, allowing for a closer examination of a company's financial performance. The financial statement analysis focuses on the relationships between various financial aspects and trends as shown in a series of statements. The results of the study indicate that none of the sample companies were able to maintain a consistent profit margin throughout the five-year period.

Sethulekshmi J.R., the paper focuses on the decline of the cashew industry in Kerala, particularly in Kollam district. Kollam city was once known as the "cashew city of the world"but its production has decreased significantly in recent years. The survey suggests that workers are leaving the industry and pursuing other opportunities. The financial performance of the industry in Kollam district is assessed by collecting the perceptions of finance managers from 24 selected companies. The factors considered for this assessment are profitability, liquidity, turnover, and solvency.

DATA ANALYSIS AND INTERPRETATION

Table -1.1
Table showing ratios of Symphony Ltd during 2017-18 to 2021-22

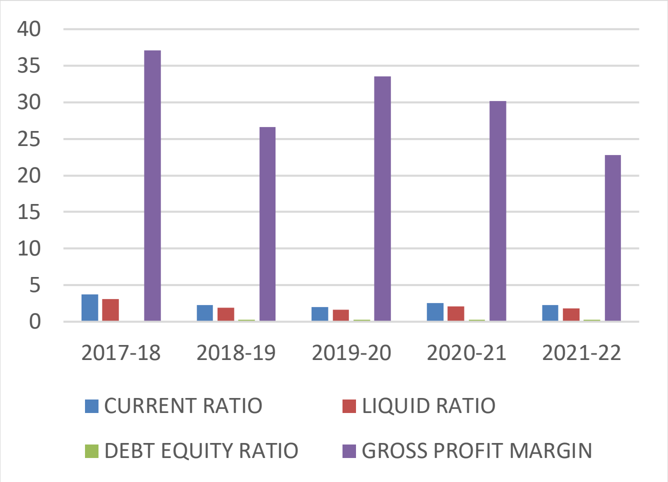
YEARS	CURRENT RATIO	LIQUID RATIO	DEBT EQUITY RATIO	GROSS PROFIT MARGIN
2017-18	3.72	3.12	0.04	37.14
2018-19	2.32	1.87	0.28	26.58
2019-20	2.05	1.67	0.27	33.54
2020-21	2.53	2.10	0.24	30.15
2021-22	2.30	1.82	0.26	22.81

(Source: Secondary data from annual reports of Symphony Ltd)

INTERPRETATION

The above table shows the different ratios of Symphony Ltd during the study period. The ratios were changing from one year to another.

Charts



FINDINGS

- The current ratio for F.Y. 2019-20 is almost ideal, indicating that the company has a healthy balance of short-term assets to liabilities.
- In F.Y. 2017-18, Symphony Ltd. Had more current assets, such as cash and short-term investments, indicating that the company had more money invested in short-term investments, which results in lower risk.
- The company has maintained an ideal debt equity ratio below 1, with a low debt percentage of 4% in F.Y. 2017-18, indicating that the company is primarily financed by equity rather than debt.
- The GP margin (Gross Profit Margin) is decreasing for the last three years of the study, with a better margin in F.Y. 2017-18, indicating that the company is earning less profit as a percentage of revenue in recent years.

CONCLUSIONS

The study concludes that the financial performance of Symphony Ltd is strong in the years 2017-18 to 2021-22. It is suggested for the company to focus on equity financing and reducing its debt financing in order to maintain low debt equity ratio.

REFERENCES

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