

# An Empirical Investigation into the Financial Performance of Jeyyam Global Foods Private Limited Through Financial Statement Analysis

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## ABSTRACT

Financial performance analysis plays a vital role in understanding the overall health and sustainability of an organization. This study focuses on Jeyyam Global Foods Pvt. Ltd., a well-established food manufacturing company, and evaluates its financial performance over a period of five years from 2021 to 2025. The analysis is based on secondary data collected from the company's financial statements, including the balance sheet and profit and loss account. Various analytical tools such as ratio analysis and trend analysis have been used to interpret the financial position of the company. The study reveals that the company maintains a stable liquidity position and demonstrates consistent growth in profitability and asset utilization. While certain fluctuations are observed in efficiency-related ratios, the overall financial condition remains strong and promising. The research concludes by suggesting measures to improve operational efficiency and strengthen financial management practices to enhance long-term competitiveness.

**Keywords:** Financial Performance Analysis, Ratio Analysis, Liquidity, Profitability, Solvency, Trend Analysis, Financial Statements.

## INTRODUCTION

In the modern business environment, financial statement analysis has become an essential tool for evaluating a company's performance and guiding decision-making processes. It involves a detailed examination of financial data to assess profitability, liquidity, solvency, and efficiency. These insights help stakeholders such as investors, creditors, and management understand the strengths and weaknesses of an organization. The food industry, in particular, operates in a highly competitive and dynamic environment where companies must continuously adapt to changing consumer preferences, rising costs, and technological advancements. Financial analysis becomes crucial in such a context, as it allows organizations to monitor their financial health and make strategic decisions. Jeyyam Global Foods Pvt. Ltd., with its strong presence in the food manufacturing sector, provides an ideal case for studying how financial performance can be analyzed and interpreted to ensure sustainable growth.

## REVIEW OF LITERATURE

**Sharma and Vyas (2018)** highlights the significance of decision support systems in enhancing business performance. According to their research, the integration of financial analysis tools with decision support systems enables organizations to process large volumes of financial data efficiently and derive meaningful insights. This, in turn, supports managers in making informed and timely decisions. Their findings suggest that companies that actively use financial data for strategic decision-making tend to achieve higher operational efficiency and improved resource utilization.

**Ansari (2019)** focused on the food industry and identified several marketing and financial challenges that affect the performance of firms operating in this sector. The study pointed out that increasing competition, changing consumer preferences, and rising production costs create pressure on profit margins. Ansari emphasized that financial analysis plays a crucial role in addressing these challenges by helping organizations monitor costs, evaluate pricing strategies, and maintain profitability. The research also highlighted the need for companies to adopt innovative marketing and financial practices to remain competitive in the evolving market environment.

**Rao (2020)** examined the financial constraints faced by food industry firms, particularly in relation to modernization and technological advancements. The study revealed that many companies struggle with limited financial resources, which restricts their ability to invest in modern equipment and infrastructure. Rao argued that proper financial planning and analysis are essential for overcoming these constraints, as they help organizations allocate resources effectively and identify potential areas for investment. The research further emphasized that modernization is crucial for improving productivity, quality, and overall competitiveness in the food industry.

## **SCOPE OF THE STUDY**

The scope of this study is limited to the financial performance analysis of Jeyyam Global Foods Pvt. Ltd. over a period of five years from 2021 to 2025. The analysis is based solely on secondary data obtained from the company's financial statements. The study focuses on evaluating key financial indicators such as liquidity, profitability, and efficiency. The results are interpreted within the context of the available data and are intended to provide insights into the company's financial position during the study period.

## **STATEMENT OF THE PROBLEM**

The food industry faces numerous financial challenges, including fluctuating demand, increasing production costs, and intense market competition. These factors make it difficult to assess the true financial position of a company. Moreover, the complexity of financial data often leads to challenges in understanding the relationships between key indicators such as profitability, liquidity, and solvency. This study attempts to address these issues by analyzing the financial statements of the company in a systematic manner to identify trends, strengths, and areas that require improvement.

## **LIMITATIONS OF THE STUDY**

The study is subject to certain limitations that may affect the scope and accuracy of the findings. It is confined to a single company and therefore may not represent the entire food industry. The analysis is based only on secondary data, which may have inherent limitations in terms of accuracy and completeness. Additionally, the study covers a limited period of five years, and external factors such as market conditions and economic changes have not been extensively considered.

## **RESEARCH OBJECTIVES**

The primary objective of this study is to evaluate the financial performance of Jeyyam Global Foods Pvt. Ltd. by analyzing its financial statements. It aims to assess the liquidity and profitability position of the company, examine its operational efficiency through various financial ratios, and provide meaningful suggestions to improve its overall financial performance.

## **RESEARCH METHODOLOGY**

The study adopts a descriptive and analytical research design to evaluate the financial performance of the company. It relies on secondary data collected from annual reports and financial statements. The period of analysis covers five financial years from 2021 to 2025. Various financial tools such as ratio analysis and trend analysis have been used to interpret the data. These tools help in identifying patterns and relationships within the financial data, thereby enabling a comprehensive understanding of the company's performance.

## ANALYSIS AND INTERPRETATION

**Table 1: Liquidity Position**

Year	Current Ratio	Liquidity Ratio
2021	1.71	0.69
2022	2.19	1.44
2023	2.42	1.38
2024	2.65	1.24
2025	2.77	1.42

**Interpretation:** The company shows a strong liquidity position with a consistent increase in current ratio, indicating its ability to meet short-term obligations effectively.

**Table 2: Profitability Position**

Year	ROA	Return on Shareholders Funds
2021	0.03	2.88
2022	0.12	12.50
2023	0.08	7.86
2024	0.08	7.94
2025	0.08	8.47

**Interpretation:** Profitability improved significantly in 2022 and remained stable thereafter, indicating consistent earnings performance.

**Table 3: Efficiency Ratios**

Year	Asset Turnover	Inventory Turnover
2021	0.56	3.88
2022	1.17	6.10
2023	0.78	5.72
2024	0.78	4.70
2025	0.96	5.66

**Interpretation:** The company shows moderate efficiency in asset utilization with some fluctuations in inventory management.

## FINDINGS

The study finds that the company maintains a strong liquidity position, enabling it to meet its short-term financial obligations without difficulty. Profitability remains stable after an initial period of growth, indicating consistent earnings performance. The company also demonstrates strong solvency, with minimal reliance on external debt. However, fluctuations in efficiency ratios suggest that there is room for improvement in managing inventory and working capital.

## SUGGESTIONS

Based on the findings, it is suggested that the company should focus on improving its inventory management practices to reduce fluctuations and enhance efficiency. Better utilization of working capital can also contribute to improved operational performance. The adoption of advanced financial management tools and technologies can help in more accurate tracking and analysis of financial data. Additionally, efforts to control costs and streamline operations will further strengthen the company's financial position.

## CONCLUSION

In conclusion, the financial performance of Jeyyam Global Foods Pvt. Ltd. over the study period reflects a stable and positive trend. The company has successfully maintained strong liquidity and solvency positions while achieving consistent profitability. Although certain operational inefficiencies exist, they do not significantly impact the overall financial health of the organization. With appropriate strategic measures and improvements in financial management, the company is well-positioned to achieve sustained growth and remain competitive in the food industry.

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