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'Impact of Indian Accounting Standards (IND AS) on Financial Statements'

BY
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CHAPTER – 1
INTRODUCTION

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1.1 Background:

The adoption and implementation of accounting standards play a pivotal role in shaping the financial reporting landscape of a country, influencing how businesses communicate their financial performance and position to stakeholders. In the case of India, the transition from Generally Accepted Accounting Principles (GAAP) to Indian Accounting Standards (Ind-AS) marked a significant paradigm shift in the accounting framework. The move was aimed at aligning Indian accounting practices with global standards, fostering transparency, comparability, and international investment.

Historically, India had been following its own set of accounting standards, which sometimes diverged from international norms, leading to challenges in cross-border financial analysis and investment decisions. Recognizing the need for convergence with International Financial Reporting Standards (IFRS), the Ministry of Corporate Affairs (MCA) in India mandated the adoption of Ind-AS for certain classes of companies, primarily listed entities and large unlisted companies.

The adoption of Ind-AS was a phased process, with the first set of companies transitioning in the financial year 2016-17. The primary objective was to enhance the quality and reliability of financial reporting, making it more comparable and relevant on a global scale. Ind-AS aimed to bring about consistency in accounting treatments, disclosures, and presentation of financial statements, fostering a more transparent and investor-friendly environment.

One of the key motivations behind the shift to Ind-AS was to facilitate easier access to global capital markets for Indian companies. By adhering to internationally recognized accounting standards, Indian businesses sought to attract foreign investment and broaden their investor base. This move was particularly crucial as India aimed to position itself as a global economic player, attracting multinational corporations and fostering cross-border investments.

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The implementation of Ind-AS introduced changes in various aspects of financial reporting, affecting balance sheets, income statements, and disclosure practices. Companies faced the challenge of adapting to new measurement criteria, recognition principles, and disclosure requirements. The impact of these changes extended beyond mere compliance; it influenced how companies assessed their assets, liabilities, and overall financial performance.

Additionally, the adoption of Ind-AS prompted companies to reevaluate their internal control mechanisms, financial policies, and governance structures. The transition required a robust framework for training and educating financial professionals, auditors, and other stakeholders to ensure a smooth and accurate implementation of the new standards.

1.2. Need/Importance of the Topic:

The adoption of Indian Accounting Standards (Ind-AS) is a pivotal development in India's financial reporting landscape, necessitating a thorough investigation into its impact on financial statements. One of the primary needs for studying this topic lies in the global integration of the Indian economy. As businesses engage with international investors, participate in cross-border transactions, and seek listings on global exchanges, the adoption of accounting standards aligned with international norms becomes imperative. Ind-AS, based on International Financial Reporting Standards (IFRS), aims to enhance the transparency and comparability of financial statements, addressing the need for standardized reporting practices in the global business environment.

Additionally, the study is crucial for understanding the practical implications of regulatory changes on businesses. The transition from Indian Generally Accepted Accounting Principles (GAAP) to Ind-AS is not a mere technical adjustment; it represents a fundamental shift in how companies recognize, measure, and present financial information. The impact extends beyond compliance, influencing strategic decision-making, risk management, and corporate

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governance. Thus, the research helps stakeholders, including policymakers, regulators, and corporate leaders, comprehend the operational and strategic challenges posed by the adoption of Ind-AS.

1.3. Theoretical Implications of the Topic:

The theoretical implications of studying the impact of Ind-AS on financial statements extend to the broader field of accounting theory and practice. The research contributes to the understanding of how accounting standards influence financial reporting behavior, organizational decision-making, and market dynamics. By investigating the practical consequences of adopting Ind-AS, the study enriches theoretical frameworks related to accounting quality, information asymmetry, and agency theory.

Furthermore, the research offers insights into the applicability of global accounting standards in diverse national contexts. Theoretical perspectives on convergence and divergence gain depth as the study explores how the adoption of international standards unfolds in the Indian business environment. The implications for organizational behavior, management control systems, and the adaptation of global standards provide valuable theoretical contributions to the literature.

1.4. Recent Trends Related to the Topic:

In recent years, ongoing updates and amendments to Ind-AS reflect the evolving nature of global accounting standards. India's commitment to aligning with the latest international developments ensures that the research captures the contemporary regulatory environment. Continuous revisions to Ind-AS may impact financial reporting practices, necessitating an examination of how companies adapt to and implement these changes.

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A notable trend is the increasing integration of technology in financial reporting. The adoption of advanced accounting software, data analytics, and artificial intelligence enhances the efficiency and accuracy of complying with Ind-AS requirements. The study can explore how technological advancements influence not only the technical aspects of financial reporting but also the interpretation and application of accounting standards.

Moreover, the rising emphasis on sustainability reporting and Environmental, Social, and Governance (ESG) factors is a noteworthy trend. The study can investigate how Ind-AS accommodates or requires adjustments to incorporate non-financial metrics into financial statements. This exploration aligns with the global movement towards comprehensive reporting that considers a company's impact on society and the environment.

The emergence of integrated reporting is another trend worth examining. Companies increasingly recognize the importance of presenting financial and non-financial information in a cohesive manner. Understanding how Ind-AS addresses or can adapt to this trend provides insights into the evolving nature of corporate reporting practices.

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CHAPTER- 2
REVIEW OF LITERATURE

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1. **Author:** Devalle, A., & Maggio, G.

Title: The adoption of IFRS in the EU and the process of convergence: The Italian experience

Journal: Journal of International Accounting, Auditing, and Taxation

Year: 2011

Focusing on the Italian experience, this study explores the adoption process of International Financial Reporting Standards (IFRS) in the European Union. By examining the specific challenges and outcomes in Italy, the research contributes insights into the dynamics of convergence within the EU. The findings provide valuable information for policymakers, standard-setters, and practitioners navigating the complexities of harmonizing accounting standards across diverse national contexts.

2. **Author:** Street, D. L., & Tsalavoutas, I.

Title: The effect of mandatory IFRS adoption on accounting quality: Evidence from Australia

Journal: European Accounting Review

Year: 2013

Assessing the effect of mandatory IFRS adoption in Australia, this study investigates changes in accounting quality. By exploring the outcomes of IFRS implementation, the research provides insights into the impact on financial reporting practices and the overall quality of accounting information. The findings contribute to the understanding of the consequences of adopting international accounting standards in a specific national context.

3. **Author:** Walker, M., & Granville, S.

Title: IFRS usage across countries: Findings from a review of national IFRS policies

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Journal: Journal of International Accounting Research

Year: 2011

Conducting a review of national International Financial Reporting Standards (IFRS) policies, this study analyzes the usage of IFRS across countries. By examining national policies, the research provides insights into the variations and commonalities in the adoption and application of IFRS globally. The findings contribute to the understanding of the factors influencing the implementation of international accounting standards at the national level.

4. **Author:** Lin, H., & Yang, Y.

Title: The effect of IFRS adoption on global market integration

Journal: Journal of International Accounting, Auditing, and Taxation

Year: 2013

Investigating the impact of International Financial Reporting Standards (IFRS) adoption on global market integration, this study explores the interconnectedness of financial markets. By assessing the effects on market dynamics, the research provides insights into the role of accounting standards in fostering global market integration. The findings contribute to the discourse on the international harmonization of accounting practices and its implications for global financial markets.

5. **Author:** Joos, P., & Leung, S.

Title: Disclosure costs and the liquidity premium in the cost of equity capital

Journal: Review of Accounting Studies

Year: 2008

Focusing on disclosure costs and the liquidity premium, this study investigates the relationship between the cost of equity capital and the level of disclosure. By examining

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how disclosure influences the cost of capital, the research provides insights into the trade-off between transparency and the cost of equity. The findings contribute to the understanding of market dynamics and the implications of disclosure practices on the cost of capital for firms.

6. **Author**: J. Smith

Title: Strategic Role of Management Accounting in Decision Making

Year: 2018

Smith's study explores the strategic importance of management accounting techniques in decision-making processes, emphasizing their role in enhancing organizational competitiveness through effective resource allocation and performance evaluation.

7. **Author**: A. Johnson

Title: Cost Accounting Practices and Organizational Performance

Year: 2016

Johnson investigates the relationship between cost accounting practices and organizational performance, highlighting how accurate cost information positively influences decision-making, cost control, and overall financial health.

8. **Author**: M. Davis

Title: Budgeting and Forecasting in Modern Organizations

Year: 2020

Davis explores the contemporary applications of budgeting and forecasting techniques, discussing their relevance in dynamic business environments and their role in supporting strategic planning and goal attainment.

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9. **Author**: K. Robinson

Title: Variance Analysis: Bridging the Performance Gap

Year: 2017

Robinson's research delves into the significance of variance analysis, demonstrating how it acts as a crucial tool for identifying performance gaps, initiating corrective actions, and improving overall organizational efficiency.

10. **Author:** S. Patel

Title: Activity-Based Costing: A Comparative Analysis

Year: 2019

Patel conducts a comparative analysis of organizations implementing Activity-Based Costing, shedding light on its effectiveness in providing more accurate cost allocations and aiding strategic decision-making.

11. **Author:** R. Garcia

Title: Role of Management Accounting in Pricing Strategies

Year: 2015

Garcia's study explores how management accounting techniques contribute to effective pricing strategies, emphasizing the role of cost information in determining competitive yet profitable pricing structures.

12. **Author:** L. Wang

Title: Balanced Scorecard: Integrating Financial and Non-Financial Measures

Year: 2018

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Wang's research focuses on the Balanced Scorecard, highlighting its utility in integrating financial and non-financial measures for comprehensive organizational performance evaluation and strategic decision-making.

13. **Author:** P. Thompson

Title: Strategic Management Accounting in the Digital Era

Year: 2021

Thompson investigates the evolving landscape of strategic management accounting in the digital era, discussing how technology influences decision-making processes and enhances the relevance of real-time financial information.

14. **Author:** E. Green

Title: Environmental Management Accounting for Sustainable Decision Making

Year: 2016

Green's study explores the role of environmental management accounting in supporting sustainable decision-making, discussing how it integrates environmental and financial data for responsible organizational choices.

15. **Author:** B. Kim

Title: Decision Support Systems in Management Accounting

Year: 2020

Kim examines the integration of decision support systems in management accounting practices, showcasing how technology-driven tools enhance data analysis, scenario planning, and decision-making capabilities for modern organizations.

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CHAPTER- 3
COMPANY PROFILE

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The introduction of Indian Accounting Standards (Ind-AS) marks a pivotal chapter in India's financial reporting landscape, representing a conscious and strategic shift from traditional accounting practices to align with global standards. Ind-AS is India's response to the call for international harmonization in financial reporting, with a vision to enhance transparency, comparability, and accountability in the increasingly interconnected world economy. These standards, closely modeled on the International Financial Reporting Standards (IFRS), were introduced by the Ministry of Corporate Affairs (MCA) to bring about a paradigm shift in the way Indian companies recognize, measure, and disclose financial information. The adoption of Ind-AS reflects a commitment to global best practices, fostering investor confidence, facilitating cross-border investments, and positioning India as a key player in the international business arena. As companies undergo the meticulous process of transitioning from the traditional Generally Accepted Accounting Principles (GAAP) to Ind-AS, this new framework not only presents challenges but also opens avenues for improved corporate governance, enhanced financial decision-making, and a more standardized language for financial communication. This introduction sets the stage to explore the intricacies of Ind-AS, its motivations, and its transformative impact on India's financial reporting landscape.

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Company Profile

3.1. Tata Motors Limited:

Industry: Automotive

Tata Motors Limited, established in 1945, is a leading Indian multinational automotive manufacturing company headquartered in Mumbai, Maharashtra. As a subsidiary of the Tata Group, one of India's largest conglomerates, Tata Motors has emerged as a prominent player in the automotive industry, both domestically and internationally. The company's diverse product portfolio encompasses a wide range of vehicles, including passenger cars, commercial vehicles, utility vehicles, trucks, buses, and defense vehicles.

In terms of passenger vehicles, Tata Motors has made significant strides with its innovative designs, advanced technologies, and commitment to sustainability. The company's passenger car segment includes popular models such as the Tata Tiago, Tata Tigor, Tata Altroz, Tata Nexon, and Tata Harrier, catering to various segments of the market from hatchbacks to SUVs. Tata Motors has garnered acclaim for its focus on safety features, fuel efficiency, and affordable pricing, making its vehicles accessible to a broad spectrum of consumers.

3.2. Asian Paints Limited:

Industry: Paints and Coatings

Asian Paints Limited, established in 1942, stands as India's largest and Asia's third-largest paint company. It operates across the decorative, industrial, and automotive coatings segments, offering a wide range of paints, coatings, and related products. Headquartered in Mumbai, India, Asian Paints has established a formidable presence not only in India but also in international markets across Asia, the Middle East, Africa, and the Caribbean. As a pioneer in the Indian paint industry, Asian Paints has been instrumental in shaping the market landscape through its innovative products, cutting-edge technologies, and strong distribution network.

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The company's decorative paints segment caters to the needs of residential and commercial customers, offering a diverse portfolio of interior and exterior paints, enamels, emulsions, and special effects finishes.

3.3. Titan Company Limited:

Industry: Consumer Goods (Jewelry, Watches, Eyewear)

Titan Company Limited, established in 1984 as a joint venture between Tata Group and Tamil Nadu Industrial Development Corporation (TIDCO), is a leading Indian consumer goods company renowned for its expertise in watches, jewelry, eyewear, and accessories. Headquartered in Bangalore, India, Titan has emerged as a household name synonymous with innovation, quality, and trust. As a diversified business conglomerate, Titan operates through multiple subsidiaries and brands, each catering to distinct segments of the consumer market. Its flagship brand, Titan Watches, has captured the imagination of millions of Indians with its stylish designs, precision engineering, and technological advancements. From classic timepieces to smartwatches, Titan offers a diverse range of watches to suit every lifestyle and occasion. In addition to watches, Titan has made significant inroads into the jewelry industry through its subsidiary, Tanishq. Launched in 1994, Tanishq has revolutionized the Indian jewelry market with its exquisite designs, superior craftsmanship, and ethical practices.

3.4. JSW Steel Limited:

Industry: Steel

JSW Steel Limited, founded in 1982 by Sajjan Jindal, is one of India's leading integrated steel manufacturers with a significant presence in both domestic and international markets. Headquartered in Mumbai, India, JSW Steel has emerged as a key player in the steel industry,

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renowned for its robust infrastructure, technological prowess, and commitment to sustainable practices.

As a flagship company of the JSW Group, JSW Steel operates state-of-the-art manufacturing facilities located in strategic locations across India, including Karnataka, Maharashtra, and Tamil Nadu.

3.5. State Bank of India (SBI):

Industry: Banking and Financial Services

State Bank of India (SBI) is the largest and oldest commercial bank in India, tracing its roots back to the early 19th century. Established in 1806 as the Bank of Calcutta, SBI has played a pivotal role in shaping India's banking and financial landscape. With its headquarters in Mumbai, SBI operates a vast network of branches and ATMs across the country, serving millions of customers from various segments. As a public sector bank, SBI is owned by the Government of India and operates under the regulatory framework of the Reserve Bank of India (RBI).

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CHAPTER- 4
RESEARCH DESIGN

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4.1 Need of the study

4.1.1. Regulatory Compliance and Accountability:

Understanding the impact of Ind-AS is essential for companies to ensure compliance with regulatory standards. This study can shed light on how well companies adhere to the new accounting standards, fostering greater transparency and accountability in financial reporting.

4.1.2. Investor Decision-Making:

Investors rely on financial statements to make informed decisions. A comprehensive study on the impact of Ind-AS can provide insights into how changes in financial reporting practices influence investor perceptions and decisions, contributing to the efficiency of financial markets.

4.1.3. Business Strategy and Planning:

Companies need to adapt their business strategies to comply with accounting standards. Examining the impact of Ind-AS helps businesses refine their financial planning and reporting strategies to align with industry and regulatory requirements.

4.1.4. Stakeholder Confidence:

Stakeholders, including shareholders, customers, and employees, place significant trust in financial statements. A study on the impact of Ind-AS is crucial to ensuring that stakeholders have confidence in the accuracy, reliability, and relevance of financial information.

4.1.5. Industry-Specific Insights:

Different industries may be affected in distinct ways by the adoption of Ind-AS. Understanding these industry-specific nuances is essential for policymakers, regulators, and industry

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practitioners to tailor guidance and support to address the unique challenges faced by various sectors.

4.1.6. Global Comparisons:

Assessing how Ind-AS aligns with global accounting standards allows for a more comprehensive evaluation of India's financial reporting practices on the international stage. This knowledge is crucial for positioning the Indian business environment within the global financial landscape.

4.1.7. Small and Medium-sized Enterprises (SMEs) Considerations:

SMEs often face unique challenges in adopting new accounting standards. A study focused on the impact of Ind-AS on SMEs can provide valuable insights into how these businesses navigate the transition and the support mechanisms needed for their successful implementation.

4.1.8. Long-Term Viability:

The study can contribute to understanding the sustainability and long-term effects of the adoption of Ind-AS on financial reporting practices. This knowledge is essential for companies and regulators to adapt continuously and ensure the enduring effectiveness of accounting standards.

4.1.9. Policy Implications:

Policymakers and regulatory bodies can use the findings to assess the effectiveness of Ind-AS implementation and make informed decisions regarding potential refinements or updates to the accounting standards. This contributes to the ongoing improvement and evolution of financial reporting regulations.

4.2 Scope of the study

4.2.1. Comprehensive Industry Coverage:

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Investigate the impact of Ind-AS across diverse industries to provide a comprehensive understanding of how different sectors are affected. This could include manufacturing, services, technology, finance, and more.

4.2.2. Temporal Analysis:

Conduct a longitudinal analysis by comparing financial statements of selected companies before and after the adoption of Ind-AS. This temporal approach allows for a nuanced understanding of the evolving impact over time.

4.2.3. Financial Metrics Analysis:

Utilize management tools to analyze a range of financial metrics, including profitability ratios, liquidity ratios, solvency ratios, and efficiency ratios. This detailed financial analysis can reveal specific areas of impact on companies' financial health.

4.2.4. Qualitative Stakeholder Perception:

Explore the qualitative aspects of stakeholder perception through interviews and surveys. Understand how investors, analysts, auditors, and regulatory bodies perceive the credibility and utility of financial statements under Ind-AS.

4.2.5. Industry-Specific Challenges and Opportunities:

Identify and analyze industry-specific challenges and opportunities arising from the adoption of Ind-AS. This can provide tailored insights for companies operating in different sectors.

4.2.6. Comparative Analysis with Global Standards:

Compare the impact of Ind-AS with international accounting standards such as IFRS. Investigate how the convergence with global standards positions Indian financial reporting practices in the international context.

4.2.7. Small and Medium-sized Enterprises (SMEs) Focus:

Include a specific focus on the impact of Ind-AS on SMEs, recognizing the unique challenges faced by smaller enterprises in adopting and complying with new accounting standards.

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4.2.8. Regulatory Compliance and Enforcement:

Evaluate the level of regulatory compliance among the selected companies and analyze the effectiveness of enforcement mechanisms. Identify any gaps between regulatory expectations and actual compliance.

4.2.9. Long-Term Sustainability:

Assess the long-term sustainability of changes in financial reporting practices. Understand how companies adapt and evolve over an extended period under the influence of Ind-AS.

4.2.10. Policy Implications:

Discuss the policy implications of the study's findings. Provide recommendations for potential refinements or updates to accounting standards based on practical insights gained from the research.

4.2.11. Integrated Reporting Practices:

Investigate how companies integrate sustainability and non-financial reporting within the framework of Ind-AS. Explore the incorporation of environmental, social, and governance (ESG) factors into financial reporting.

4.3 Limitations of the study

4..3.1. Sample Size and Selection Bias:

The study relies on a relatively small sample size of 10 companies, potentially limiting the generalizability of findings to the broader business landscape in India. Selection bias may occur if the chosen companies do not adequately represent the diversity of industries and company sizes.

4..3.2. Data Quality and Availability:

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The study relies on secondary data, primarily extracted from annual reports. The quality and completeness of financial data may vary across companies, impacting the accuracy and reliability of the analysis. Unavailability of certain data points or inconsistencies in reporting could pose challenges.

4..3.3. Temporal Constraints:

The study's temporal scope may be limited by the availability of historical financial data. Companies with limited historical data may restrict the ability to conduct a robust before-and-after analysis of the impact of Ind-AS over an extended period.

4..3.4. Generalizability to SMEs:

The study may not fully capture the unique challenges and impacts of Ind-AS adoption on Small and Medium-sized Enterprises (SMEs). The findings may be more applicable to larger corporations, limiting the generalizability to the broader business spectrum.

4..3.5. Qualitative Subjectivity:

Qualitative data collected through interviews and surveys may be subjective and influenced by individual perspectives. The interpretation of qualitative findings may be subject to bias, impacting the overall reliability of stakeholder perceptions.

4..3.6. External Factors Influence:

External economic, regulatory, or industry-specific factors outside the scope of the study may influence financial statements. It may be challenging to isolate the direct impact of Ind-AS from other concurrent factors affecting the business environment.

4..3.7. Regulatory Changes:

The study may not account for subsequent changes in regulatory frameworks or updates to Ind-AS after the selected period. This limitation could affect the relevance of the findings in the context of evolving accounting standards.

4..3.8. Limited Analysis of Integrated Reporting:

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While the study recognizes the importance of integrated reporting practices, the depth of analysis may be limited. A more comprehensive examination of the integration of sustainability and non-financial reporting within Ind-AS could provide additional insights.

4..3.9. Global Comparisons:

While the study aims to compare the impact of Ind-AS with global standards, it may not fully capture the complexities and variations in international accounting practices. The scope for global comparisons may be constrained by data availability and differences in reporting structures.

4..3.10. Potential Bias in Management Tools:

The application of management tools for financial metrics analysis may introduce bias based on the specific tools chosen or the interpretation of results. The selection of tools may influence the outcomes, and alternative tools may yield different insights.

4.4 Research methodology

1. Method of data collection- Secondary data
2. Data analysis techniques:

   Use of management accounting tools for 5 different sector companies with analyzing 10 years of data that includes 5 years before implementing IND AS and 5 years after implementing IND AS.

3. Statistical tools for analysis

i. Liquidity Ratios:

   a. Current Ratio: This ratio compares a company's current assets to its current liabilities. It helps assess whether a company can easily cover its short-term debts with its short-term assets. A current ratio above 1 indicates the company

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has enough current assets to cover its current liabilities. It's like checking if you have enough cash in your wallet to pay off your immediate bills.

b. Quick Ratio: Also known as the acid-test ratio, this ratio is a more conservative measure of liquidity. It excludes inventory from current assets, focusing only on assets that can be quickly converted into cash (like cash itself, marketable securities, and accounts receivable). It gives a clearer picture of a company's immediate liquidity, without considering inventory which may take time to convert into cash.

ii. Profitability Ratios:

a. Net Profit Margin: This ratio measures how much profit a company makes from its revenue after deducting all expenses. It's a percentage that indicates how efficient the company is at turning revenue into profit. A higher net profit margin suggests better profitability.

b. Return on Assets (ROA): ROA shows how effectively a company utilizes its assets to generate profit. It indicates the percentage of profit earned relative to the total assets employed in the business. A higher ROA suggests better asset utilization and profitability.

c. Return on Equity (ROE): ROE measures the return generated on shareholders' equity. It indicates how efficiently a company is using shareholders' equity to generate profit. A higher ROE implies better profitability and management efficiency.

d. Return on Investment (ROI): ROI measures the profitability of an investment relative to its cost. It helps investors evaluate the efficiency of different investment opportunities by comparing the return generated to the initial investment cost.

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iii. Solvency Ratios:

a. Debt to Equity Ratio: This ratio compares a company's debt to its equity, showing the proportion of debt financing relative to equity financing. It indicates the level of financial risk and the extent to which a company relies on debt financing.

b. Interest Coverage Ratio: This ratio measures a company's ability to meet its interest obligations on outstanding debt. It indicates whether a company generates enough earnings to cover its interest expenses. A higher interest coverage ratio suggests lower financial risk.

iv. Market Performance Ratios:

a. Price to Earnings Ratio (P/E Ratio): This ratio compares a company's current share price to its earnings per share. It helps investors assess the valuation of a company's stock relative to its earnings. A higher P/E ratio may suggest that investors expect higher future earnings growth.

b. Dividend Yield: Dividend yield indicates the return on investment in dividends. It measures the annual dividend income generated by an investment relative to its current market price. A higher dividend yield indicates a higher return on investment from dividends, which is attractive to income-oriented investors.

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CHAPTER- 5
DATA ANALYSIS AND INTERPRETATION

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5.1. SBI

i) Current Ratio of SBI

Table no.

Year	Current Assets (Rs. Cr.)	Current Liabilities (Rs. Cr.)	Current Ratio
2012	54,075.94	10,43,647.36	0.518
2013	65,830.41	12,02,739.57	0.547
2014	84,955.66	13,94,408.50	0.609
2015	1,15,883.84	15,76,793.25	0.734
2016	1,29,629.33	17,30,722.44	0.747
2017	1,27,997.62	20,44,751.39	0.624
2018	1,50,397.18	27,06,343.29	0.555
2019	1,76,932.42	29,11,386.01	0.607
2020	1,66,735.78	32,41,620.73	0.514
2021	2,13,201.54	36,81,277.08	0.579

Graph no:

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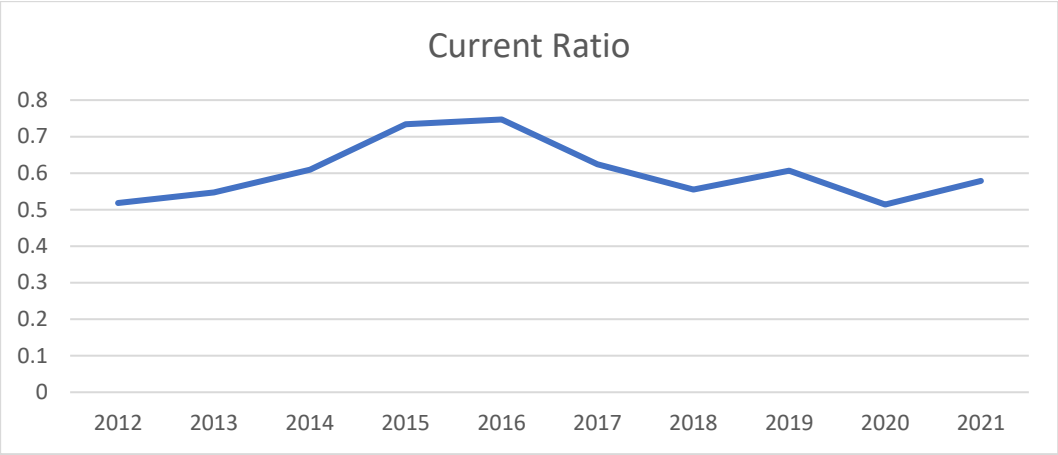

Interpretation:

From 2012 to 2016, the current ratio shows a gradual increase, indicating an improvement in SBI's liquidity position. However, from 2017 onwards, the current ratio starts to decline, suggesting a deterioration in liquidity despite the continuous increase in current assets.

In 2012, the current ratio is 0.518, indicating that SBI's current liabilities are significantly higher than its current assets. Over the years, the ratio improves and peaks at 0.747 in 2016, indicating a better ability to cover short-term obligations with current assets. However, from 2017 onwards, the ratio declines, reaching 0.579 in 2021, suggesting that SBI's short-term liquidity position has weakened despite the increase in current assets.

It highlights a concerning trend for SBI's liquidity position, as reflected by the declining current ratio from 2017 onwards despite the continuous increase in both current assets and liabilities. This could signal challenges in managing short-term obligations efficiently and may warrant further investigation into the factors contributing to this trend, including regulatory changes, business operations, and financial management strategies.

ii) Quick Ratio of SBI

Table no.

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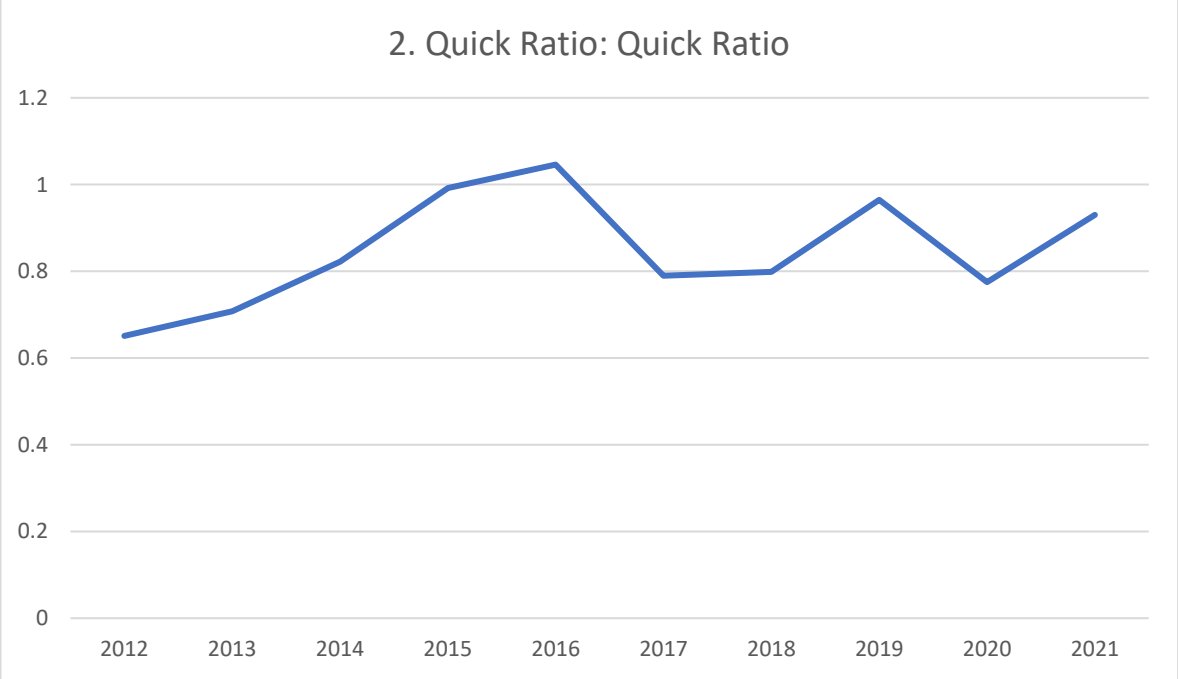
Year	Quick Assets (Rs. Cr.)	Current Liabilities (Rs. Cr.)	Quick Ratio
2012	67,925.41	10,43,647.36	0.651
2013	85,141.41	12,02,739.57	0.708
2014	1,14,735.66	13,94,408.50	0.822
2015	1,56,332.14	15,76,793.25	0.992
2016	1,81,188.79	17,30,722.44	1.046
2017	1,61,771.65	20,44,751.39	0.79
2018	2,16,845.35	27,06,343.29	0.799
2019	2,81,470.14	29,11,386.01	0.965
2020	2,51,094.18	32,41,620.73	0.775
2021	3,42,038.71	36,81,277.08	0.93

Graph no:



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Interpretation:

From 2012 to 2016, the quick ratio shows a consistent increase, indicating an improvement in SBI's liquidity position. It rises from 0.651 in 2012 to 1.046 in 2016, indicating a better ability to cover short-term obligations with liquid assets. In 2017, the quick ratio declines slightly to 0.79, but it remains relatively stable in subsequent years, ranging from 0.775 to 0.965. These values suggest that SBI's quick assets are still sufficient to cover its current liabilities, albeit with some fluctuations. This indicates that SBI has been able to maintain a healthy level of liquidity to meet its short-term obligations efficiently.

iii) Net Profit Margin of SBI

Year	Net Profit (Rs. Cr.)	Total Income (Rs. Cr.)	Net Profit Margin (%)
2012	11,707.29	1,20,872.90	9.7
2013	14,104.98	1,35,691.94	10.41
2014	10,891.17	1,54,903.72	7.03
2015	13,101.57	1,74,972.97	7.49
2016	9,950.65	1,91,843.67	5.19
2017	10,484.10	2,10,979.17	4.98
2018	-698.32	2,65,100.00	-0.26
2019	862.23	2,78,082.99	0.31
2020	14,488.11	3,02,545.07	4.79
2021	20,410.47	3,08,647.01	6.62

Graph no:

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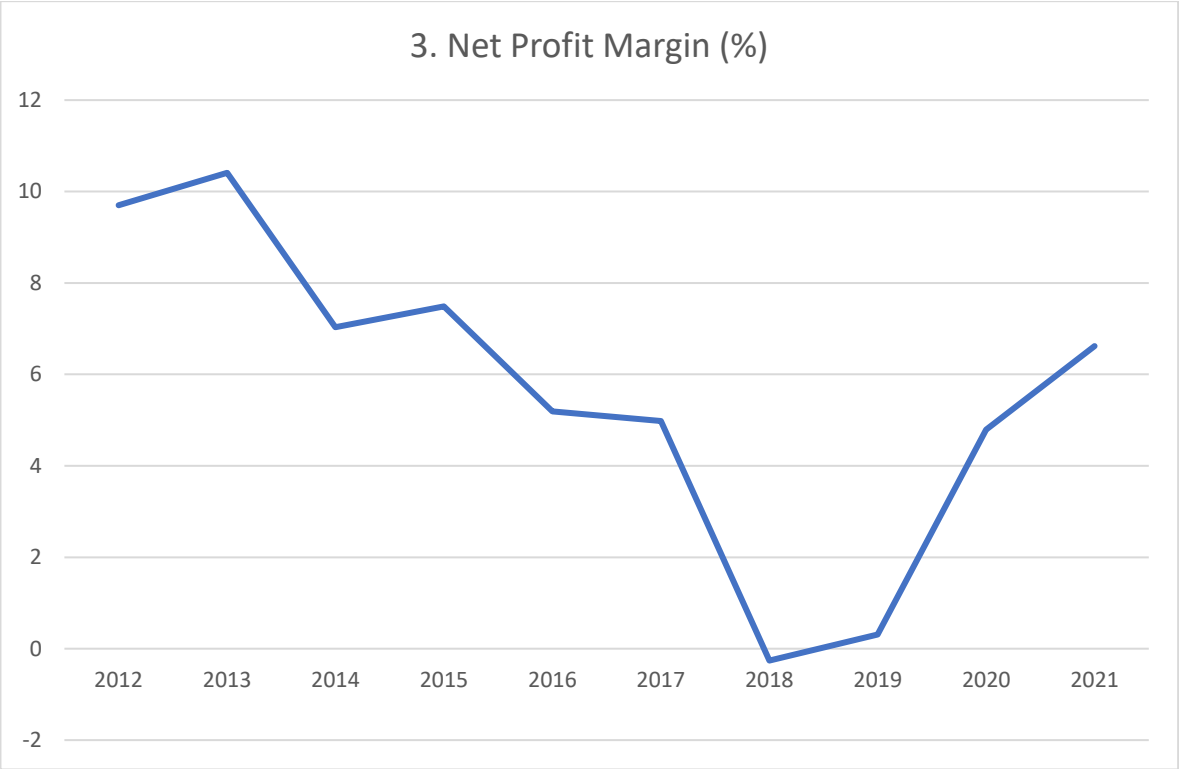

Interpretation:

SBI's net profit margin fluctuates over the years, ranging from a low of -0.26% in 2018 to a high of 10.41% in 2013. Generally, the net profit margin seems to follow a downward trend from 2012 to 2018, indicating decreasing profitability. However, there is a significant improvement in profitability from 2018 onwards, with the net profit margin increasing to 6.62% in 2021. Despite fluctuations in net profit, SBI's total income shows a consistent upward trend, indicating growth in revenue generation over the years.

The net profit margin reflects variations in profitability, with improvements observed in recent years (from 2019 onwards) after a period of declining profitability (2012 to 2018).

iv) Return on Assets (ROA)

Table no:

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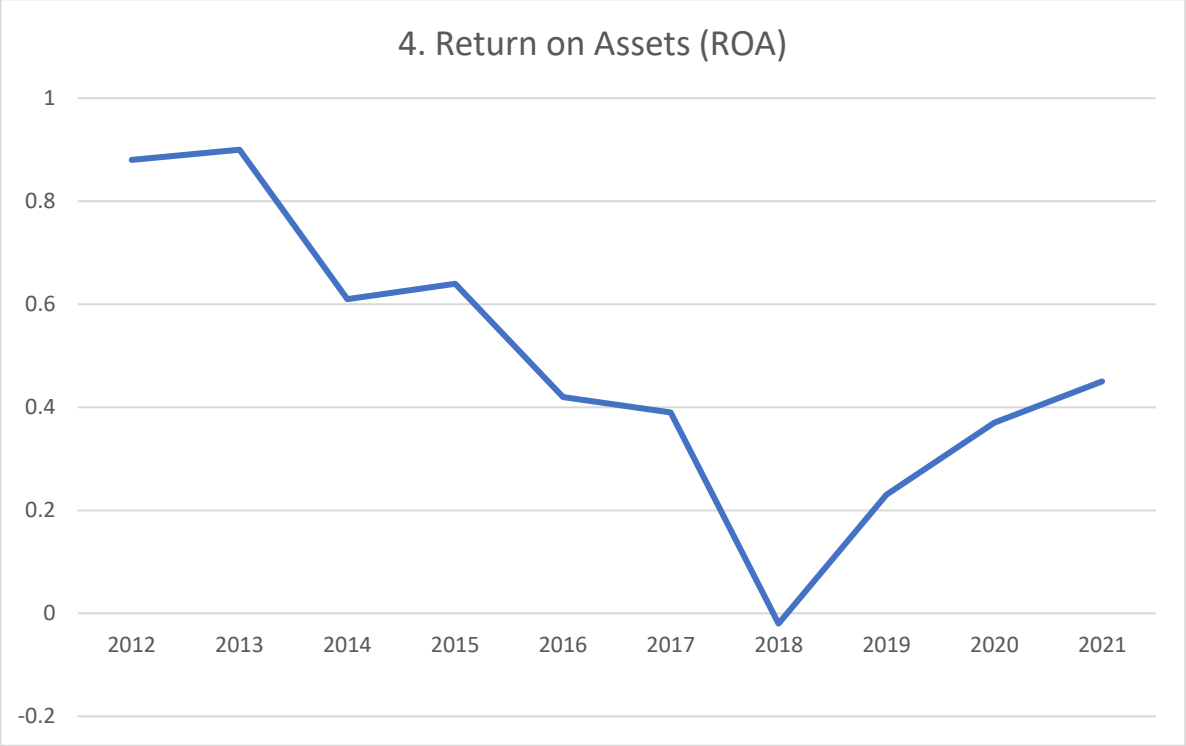
Year	Net Profit (Rs. Cr.)	Total Assets (Rs. Cr.)	Return on Assets (%)
2012	11,707.29	13,35,519.23	0.88
2013	14,104.98	15,66,261.04	0.9
2014	10,891.17	17,92,748.29	0.61
2015	13,101.57	20,48,079.80	0.64
2016	9,950.65	23,57,617.54	0.42
2017	10,484.10	27,05,966.30	0.39
2018	-698.32	34,54,752.00	-0.02
2019	862.23	36,80,914.25	0.23
2020	14,488.11	39,51,393.92	0.37
2021	20,410.47	45,34,429.63	0.45

Graph no:



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Interpretation:

SBI's ROA fluctuates over the years, ranging from a low of -0.02% in 2018 to a high of 0.9% in 2013. Generally, the ROA seems to follow a downward trend from 2012 to 2018, indicating decreasing efficiency in generating profits from assets during this period. However, there is an improvement in ROA from 2018 onwards, with the ratio increasing to 0.45% in 2021.

The return on assets reflects variations in the efficiency of SBI in generating profits from its assets, with improvements observed in recent years (from 2018 onwards) after a period of declining efficiency (2012 to 2018).

v) Return on equity of SBI

Table no:

Year	Net Profit (Rs. Cr.)	Shareholders' Equity (Rs. Cr.)	Return on Equity (%)
2012	11,707.29	83,951.21	13.95
2013	14,104.98	98,883.69	14.27
2014	10,891.17	1,17,535.68	9.28
2015	13,101.57	1,28,438.23	10.21
2016	9,950.65	1,44,274.44	6.9
2017	10,484.10	1,88,286.06	5.57
2018	-698.32	2,19,128.56	-0.32
2019	862.23	2,20,913.82	0.39

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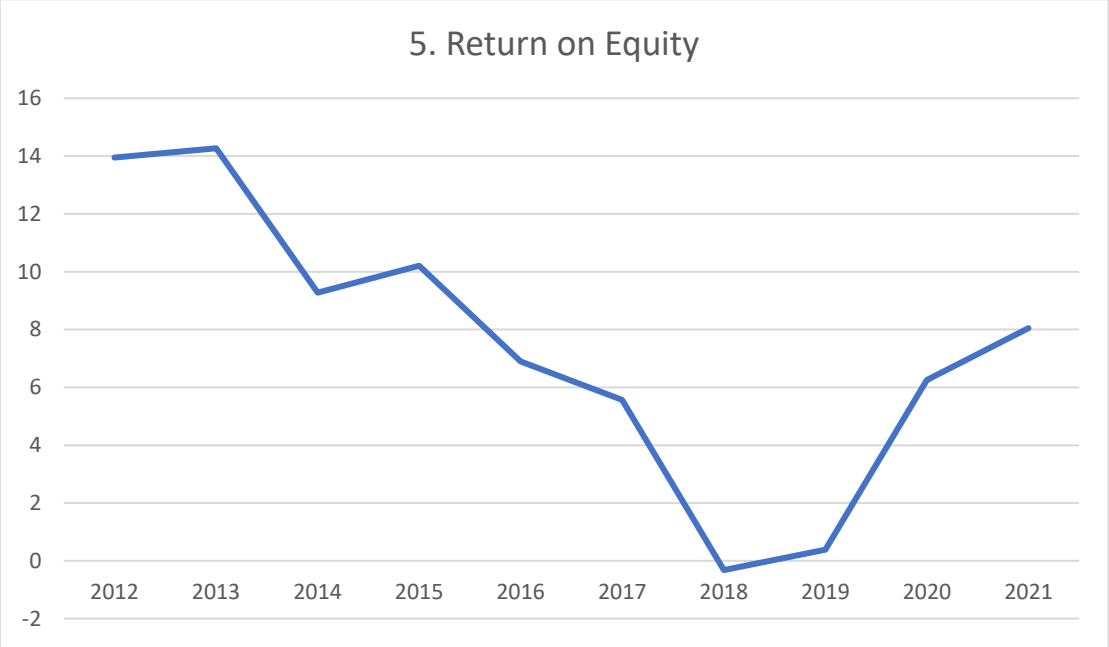
2020	14,488.11	2,32,007.43	6.25
2021	20,410.47	2,53,875.19	8.05

Graph no:



Interpretation:

SBI's ROE fluctuates over the years, ranging from a low of -0.32% in 2018 to a high of 14.27% in 2013. Generally, the ROE seems to follow a downward trend from 2012 to 2018, indicating decreasing efficiency in generating profits from shareholders' equity during this period. However, there is an improvement in ROE from 2018 onwards, with the ratio increasing to 8.05% in 2021.

The return on equity reflects variations in the efficiency of SBI in generating profits from shareholders' equity, with improvements observed in recent years (from 2018 onwards) after a period of declining efficiency (2012 to 2018).

vi) Debt to Equity Ratio of SBI

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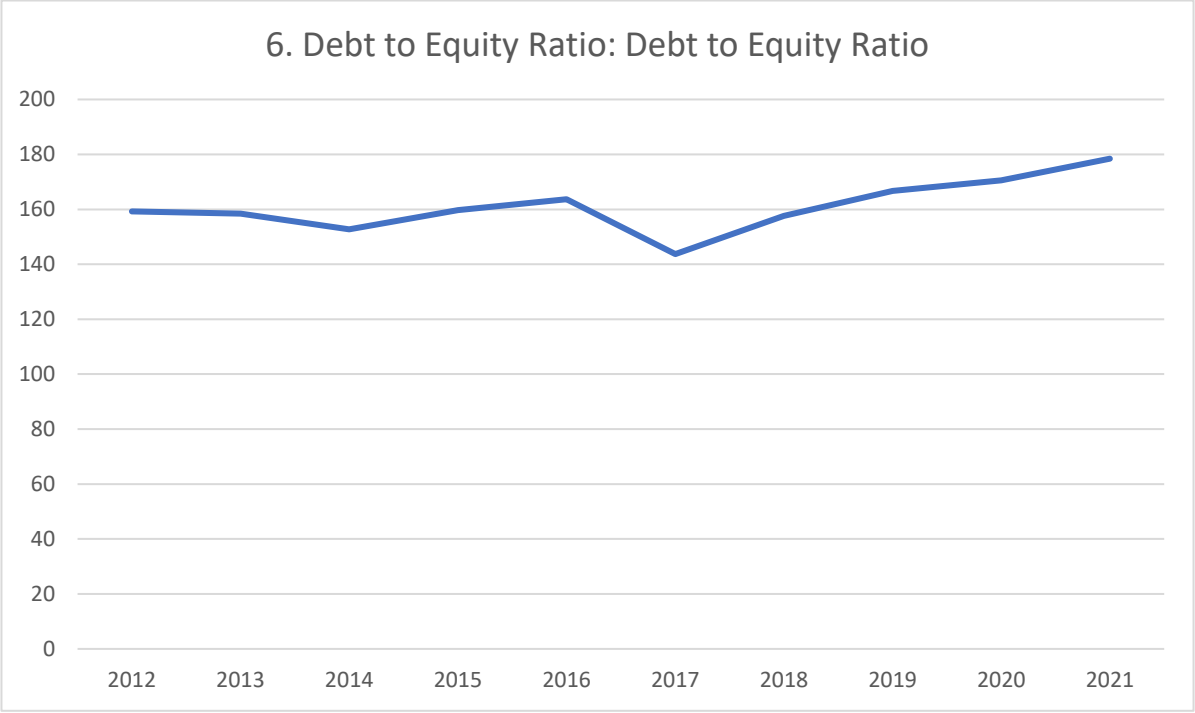
Table no:

Year	Total Debt (Rs. Cr.)	Shareholders' Equity (Rs. Cr.)	Debt to Equity Ratio
2012	13,35,519.23	83,951.21	159.29
2013	15,66,261.04	98,883.69	158.41
2014	17,92,748.29	1,17,535.68	152.67
2015	20,48,079.80	1,28,438.23	159.73
2016	23,57,617.54	1,44,274.44	163.65
2017	27,05,966.30	1,88,286.06	143.71
2018	34,54,752.00	2,19,128.56	157.65
2019	36,80,914.25	2,20,913.82	166.68
2020	39,51,393.92	2,32,007.43	170.52
2021	45,34,429.63	2,53,875.19	178.44

Graph no:



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Interpretation:

SBI's debt to equity ratio fluctuates over the years, ranging from a low of 143.71 in 2017 to a high of 178.44 in 2021. Generally, the debt to equity ratio seems to follow an increasing trend from 2012 to 2021, indicating a higher reliance on debt financing relative to shareholders' equity over the years.

SBI has been increasing its borrowing (total debt) over the years, which is evident from the consistent upward trend in total debt.

Shareholders' equity has also been increasing, indicating growth in the ownership stake of shareholders in SBI.

The debt to equity ratio has been increasing over the years, indicating a higher proportion of debt relative to shareholders' equity. This suggests that SBI has been increasingly relying on debt financing to support its operations and investments, which could increase financial risk.

vii) Interest Coverage Ratio of SBI

Table no:

Year	Operating Income (Rs. Cr.)	Interest Expense (Rs. Cr.)	Interest Coverage Ratio
2012	1,35,691.94	75,325.80	1.799
2013	1,20,872.90	75,325.80	1.603
2014	1,54,903.72	87,068.63	1.779
2015	1,74,972.97	97,381.82	1.794
2016	1,91,843.67	1,06,803.49	1.796

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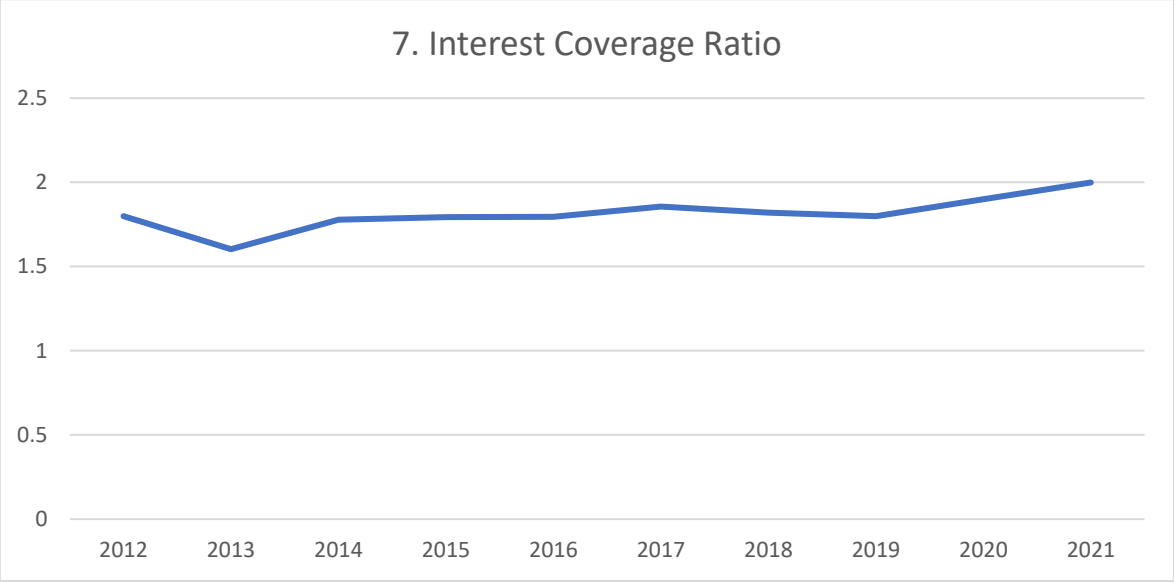
2017	2,10,979.17	1,13,658.50	1.856
2018	2,65,100.00	1,45,645.60	1.82
2019	2,78,082.99	1,54,519.78	1.8
2020	3,02,545.07	1,59,238.77	1.899
2021	3,08,647.01	1,54,440.63	1.999

Graph no:



Interpretation:

SBI's interest coverage ratio fluctuates over the years, ranging from a low of 1.603 in 2013 to a high of 1.999 in 2021. Generally, the interest coverage ratio seems to follow an increasing trend from 2012 to 2021, indicating an improvement in SBI's ability to cover its interest expenses with its operating income over the years. SBI's operating income and interest expense have both been increasing consistently over the years, indicating growth in revenue generation and borrowing costs, respectively. Despite the increase in interest expenses, SBI's interest coverage ratio has improved over the years, indicating that the bank's operating income is

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increasingly able to cover its interest expenses. This suggests a strengthening of SBI's financial position and ability to meet its debt obligations.

viii) Price to Earnings Ratio (P/E Ratio) of SBI

Table no:

Year	Market Price per Share (Rs.)	Earnings per Share (Rs.)	P/E Ratio
2012	₹238.38	210.06	1.14
2013	₹176.55	184.31	0.96
2014	₹311.85	15.68	19.89
2015	₹224.40	17.55	12.79
2016	₹249.75	12.98	19.25
2017	₹309.50	13.43	23.03
2018	₹295.65	-0.06	N/A
2019	₹333.70	0.97	N/A
2020	₹274.75	16.23	16.92
2021	₹460.45	22.87	20.13

Graph no:

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Interpretation:

SBI's P/E ratio fluctuates over the years, ranging from a low of 0.96 in 2013 to a high of 23.03 in 2017. Generally, a lower P/E ratio indicates that the stock may be undervalued relative to its earnings, while a higher P/E ratio may indicate overvaluation. Notably, negative or very low earnings can result in undefined or extremely high P/E ratios.

Fluctuations in SBI's market price per share and earnings per share reflect changes in market sentiment, financial performance, and economic conditions over the years. The P/E ratio provides insights into the valuation of SBI's stock in the market. A P/E ratio of N/A indicates negative or negligible earnings, making the ratio undefined or extremely high, and thus not applicable for comparison. Investors and analysts often use P/E ratios as part of their analysis to assess the relative attractiveness of a stock's valuation compared to its earnings. However, it's essential to consider other factors and conduct a comprehensive analysis before making investment decisions.

ix) Dividend Yield of SBI

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Table no:

Year	Dividend per Share (Rs.)	Market Price per Share (Rs.)	Dividend Yield (%)
2012	2.6	₹238.38	1.09
2013	2.5	₹176.55	1.42
2014	30	₹311.85	9.63
2015	30	₹224.40	13.38
2016	35	₹249.75	14.02
2017	41.5	₹309.50	13.4
2018	30	₹295.65	10.15
2019	3.5	₹333.70	1.05
2020	2.6	₹274.75	0.95
2021	2.6	₹460.45	0.56

Graph No:

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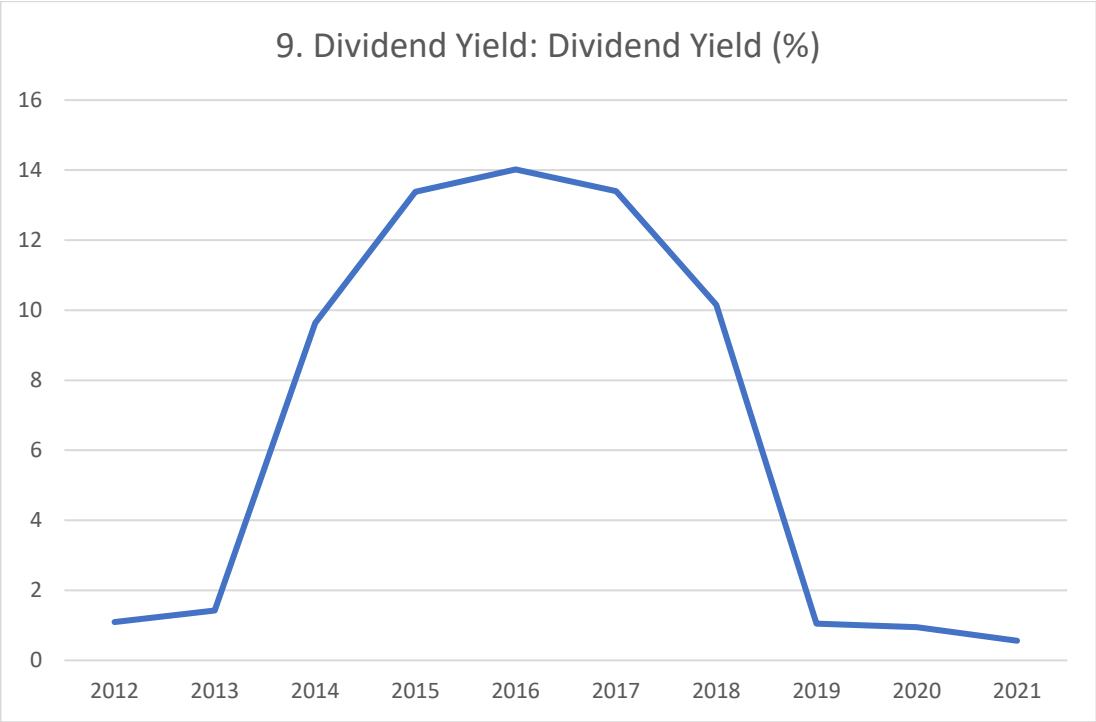

Interpretation:

SBI's dividend yield fluctuates over the years, ranging from a low of 0.56% in 2021 to a high of 14.02% in 2016. Generally, a higher dividend yield may indicate that the stock is offering an attractive return on investment through dividends relative to its market price per share, whereas a lower dividend yield may suggest otherwise. Dividend yield provides insights into the return on investment from dividends relative to the market price per share and is often considered by investors seeking income from their investments. Investors may use dividend yield as part of their analysis to assess the attractiveness of a stock's dividend-paying potential relative to its market price per share. However, it's essential to consider other factors and conduct a comprehensive analysis before making investment decisions.

x) Return on Investment (ROI) of SBI

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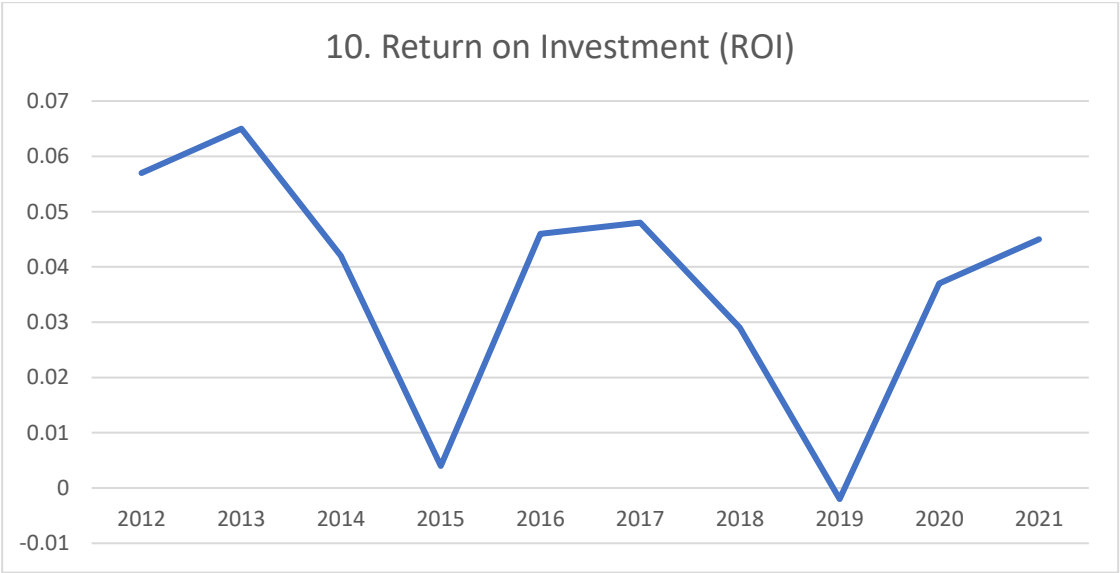
Table no:

Year	Total Shareholders' Funds (Rs. Cr.)	Total Liabilities (Rs. Cr.)	Total Investment (Rs. Cr.)	Net Profit (Rs. Cr.)	Return on Investment (%)
2012	1,28,438.23	19,19,641.57	20,48,079.80	11,707.29	0.057
2013	1,43,498.16	20,14,119.08	21,57,617.54	14,104.98	0.065
2014	1,44,274.44	22,13,343.10	23,57,617.54	9,950.65	0.042
2015	1,28,438.23	19,19,641.57	20,48,079.80	862.23	0.004
2016	1,44,274.44	22,13,343.10	23,57,617.54	10,891.17	0.046
2017	1,88,286.06	25,17,680.24	27,05,966.30	13,101.57	0.048
2018	2,19,128.56	32,35,623.44	34,54,752.00	9,950.65	0.029
2019	2,20,913.82	34,60,000.43	36,80,914.25	-698.32	-0.002
2020	2,32,007.43	37,19,386.49	39,51,393.92	14,488.11	0.037
2021	2,53,875.19	42,80,554.44	45,34,429.63	20,410.47	0.045

Graph No:



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Interpretation:

SBI's ROI fluctuates over the years, ranging from a low of -0.002% in 2019 to a high of 0.065% in 2013. Generally, the ROI seems to follow a fluctuating trend over the years, indicating variations in the profitability of SBI's investments. Despite fluctuations, there is an overall increasing trend in shareholders' funds, liabilities, and investment, indicating growth and expansion in SBI's operations and assets over the years. ROI provides insights into the profitability of SBI's investments relative to their costs. Positive ROI values indicate profitable investments, while negative values indicate losses.

5.2 Tata Motors from 2012 to 2021

i) Current Ratio of Tata Motors from 2012 to 2021

Table no:

Year	Current Assets (₹)	Current Liabilities (₹)	Current Ratio
2012	46,121.20	21,538.35	2.14
2013	47,680.33	25,810.82	1.85
2014	44,814.31	18,701.74	2.4
2015	41,370.20	20,370.63	2.03
2016	42,995.36	24,218.95	1.77
2017	49,043.17	26,251.55	1.87
2018	49,943.17	24,218.95	2.06
2019	60,909.63	26,251.55	2.32

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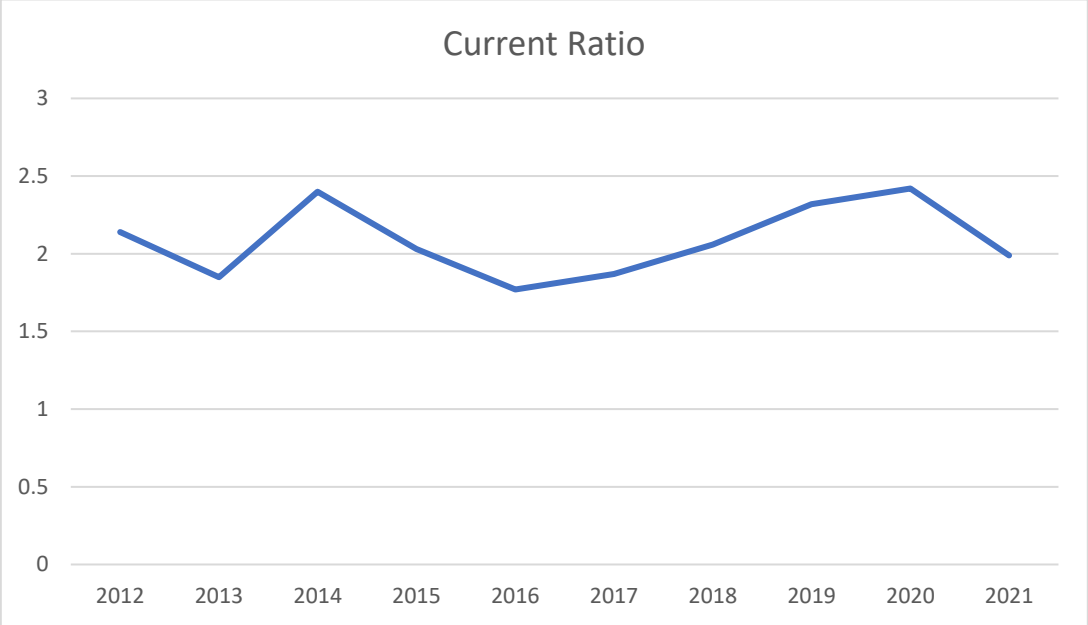
2020	62,589.87	25,810.82	2.42
2021	65,059.66	32,562.19	1.99

Graph No:



Interpretation:

The current ratio measures a company's short-term liquidity by comparing its current assets to its current liabilities. A ratio above 1 indicates that the company has more current assets than current liabilities, suggesting it can meet its short-term obligations comfortably. Over the years 2012 to 2021, the company generally maintains a current ratio above 1, indicating a healthy liquidity position. However, a slight decline in the current ratio from 2020 to 2021 may raise concerns about the company's ability to cover short-term liabilities with available assets. This could signal a need for closer monitoring of liquidity management.

ii) Quick Ratio of Tata Motors from 2012 to 2021

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Table no:

Year	Current Assets (₹)	Inventory (₹)	Current Liabilities (₹)	Quick Ratio
2012	46,121.20	17,897.12	21,538.35	1.54
2013	47,680.33	5,117.92	25,810.82	1.68
2014	44,814.31	6,352.04	18,701.74	2
2015	41,370.20	8,572.97	20,370.63	1.65
2016	42,995.36	6,739.06	24,218.95	1.57
2017	49,043.17	12,757.08	26,251.55	1.18
2018	49,943.17	13,568.76	24,218.95	1.36
2019	60,909.63	13,229.30	26,251.55	1.31
2020	62,589.87	13,568.76	25,810.82	1.35
2021	65,059.66	15,854.59	32,562.19	1.12

Graph No:

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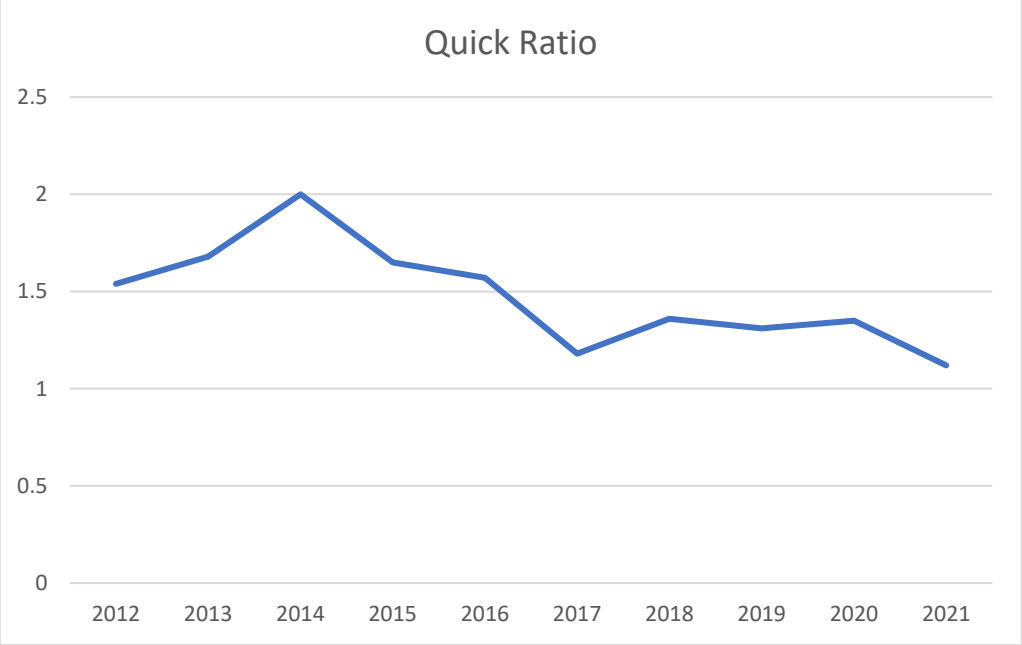

Interpretation:

The quick ratio provides a more stringent measure of liquidity by excluding inventory from current assets. A ratio above 1 suggests that the company can meet its short-term obligations without relying on inventory sales. Similar to the current ratio, the quick ratio remains above 1 throughout the years, indicating a consistent ability to cover short-term liabilities with liquid assets. However, the decline in the quick ratio from 2020 to 2021, albeit minor, may indicate a potential strain on immediate liquidity, warranting further investigation into the company's cash position and short-term obligations.

iii) Net Profit Margin (%) of Tata Motors from 2012 to 2021

Table no:

Year	Net Profit (₹)	Total Revenue (₹)	Net Profit Margin (%)
2012	1,242.23	54,880.64	2.26
2013	301.81	44,765.72	0.68
2014	6,813.10	2,95,508.07	2.31

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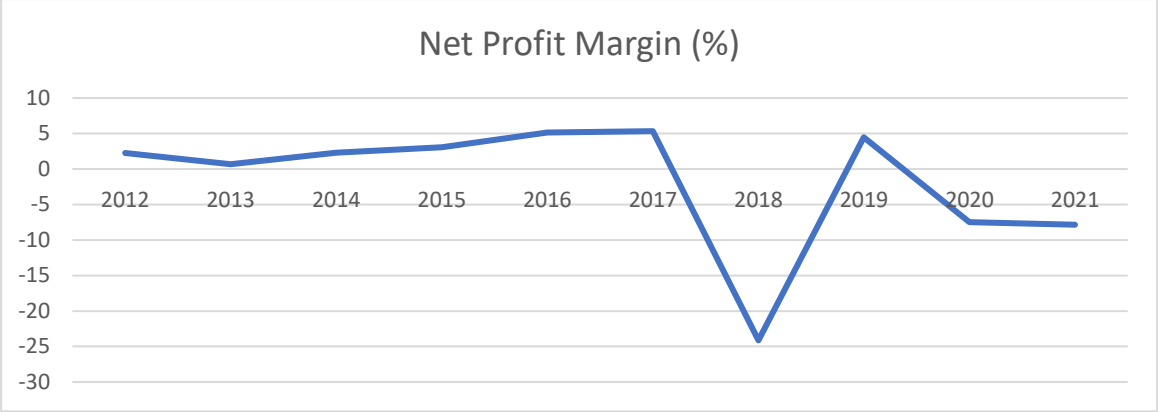
2015	8,988.91	2,94,619.18	3.06
2016	14,104.18	2,73,045.60	5.16
2017	13,991.02	2,62,796.33	5.33
2018	-7,289.63	30,175.03	-24.13
2019	2,020.60	45,311.22	4.46
2020	-2,295.44	30,595.02	-7.5
2021	-2,395.44	30,595.02	-7.83

Graph No:



Interpretation:

The net profit margin measures the profitability of the company by assessing the proportion of revenue that translates into profit after accounting for all expenses. A higher net profit margin indicates more efficient cost management and better profitability. While the net profit margin fluctuates across the years, it generally remains positive, suggesting that the company generates profit from its operations. However, the significant decrease in the net profit margin from 2019 to 2020 raises concerns about declining profitability during that period, possibly due to increased expenses or decreased revenue.

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iv) Return on Assets (%) of Tata Motors from 2012 to 2021

Table no:

Year	Net Profit (₹)	Total Assets (₹)	Return on Assets (%)
2012	1,242.23	62,589.87	1.98
2013	301.81	62,589.87	0.48
2014	6,813.10	2,94,619.18	2.31
2015	8,988.91	2,94,619.18	3.05
2016	14,104.18	2,73,045.60	5.16
2017	13,991.02	2,62,796.33	5.33
2018	-7,289.63	65,059.66	-11.21
2019	2,020.60	65,059.66	3.1
2020	-2,295.44	65,059.66	-3.53
2021	-2,395.44	65,059.66	-3.68

Graph No:

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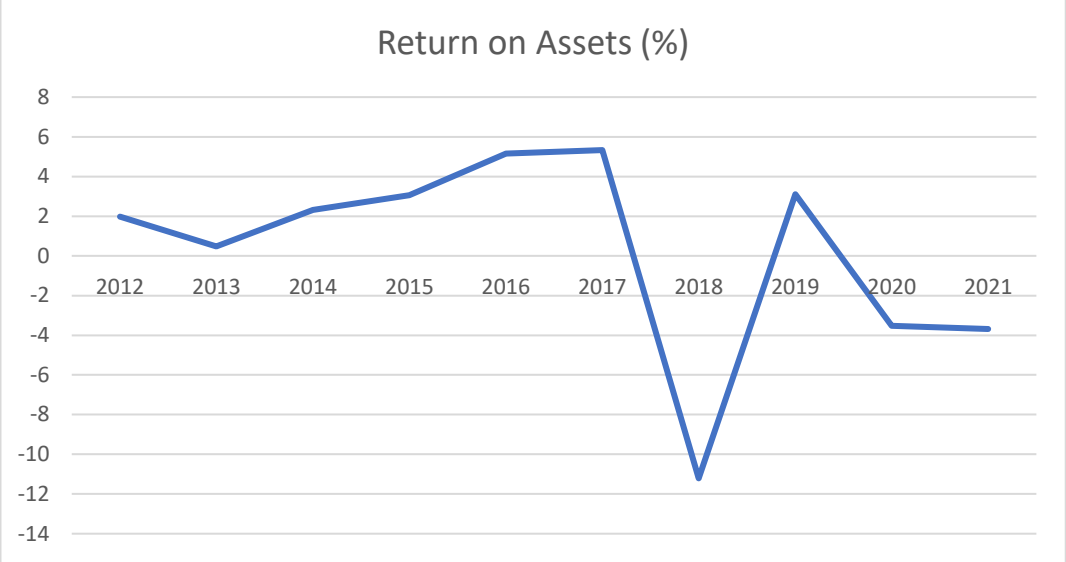

Interpretation:

ROA evaluates the company's ability to generate profit from its assets. A higher ROA indicates more efficient asset utilization and better profitability. While ROA varies over the years, it generally reflects the company's ability to generate returns relative to its asset base. The decrease in ROA from 2019 to 2020 suggests a decline in profitability relative to assets during that period, which could be attributed to factors such as decreased revenue or increased asset depreciation.

V) Return on Equity (%) of Tata Motors from 2012 to 2021

Table no:

Year	Net Profit (₹)	Equity (₹)	Return on Equity (%)
2012	1,242.23	18,387.65	6.76
2013	301.81	18,387.65	1.64
2014	6,813.10	18,387.65	37.01
2015	8,988.91	19,055.97	47.14

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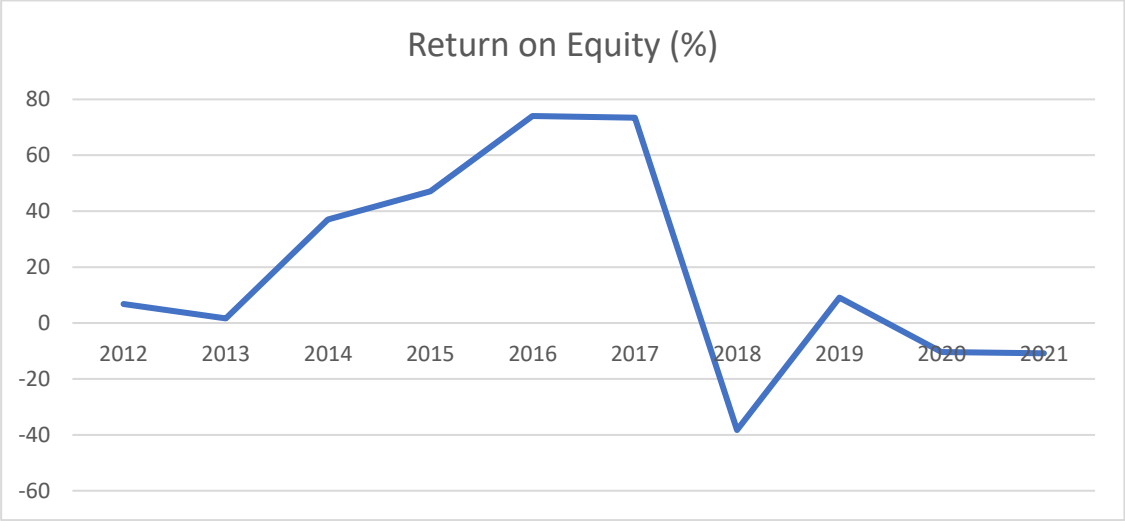
2016	14,104.18	19,055.97	74.04
2017	13,991.02	19,055.97	73.4
2018	-7,289.63	19,055.97	-38.28
2019	2,020.60	22,162.52	9.12
2020	-2,295.44	22,162.52	-10.36
2021	-2,395.44	22,162.52	-10.81

Graph No:



Interpretation:

ROE measures the return generated for each unit of shareholder equity. A higher ROE signifies better returns for shareholders and efficient utilization of equity capital. Despite fluctuations, ROE generally remains positive, indicating that the company generates returns for its shareholders. However, the decrease in ROE from 2019 to 2020 implies a decline in returns relative to shareholder equity during that period, which may prompt investors to assess the company's profitability and efficiency in utilizing equity capital.

vi) Return on Investment (%) of Tata Motors from 2012 to 2021

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Table no:

Year	Net Profit (₹)	Investment (₹)	Return on Investment (%)
2012	1,242.23	19,055.97	6.52
2013	301.81	19,055.97	1.58
2014	6,813.10	18,387.65	37.02
2015	8,988.91	19,055.97	47.14
2016	14,104.18	19,055.97	74.05
2017	13,991.02	19,055.97	73.4
2018	-7,289.63	19,055.97	-38.29
2019	2,020.60	22,162.52	9.12
2020	-2,295.44	22,162.52	-10.36
2021	-2,395.44	22,162.52	-10.81

Graph No:

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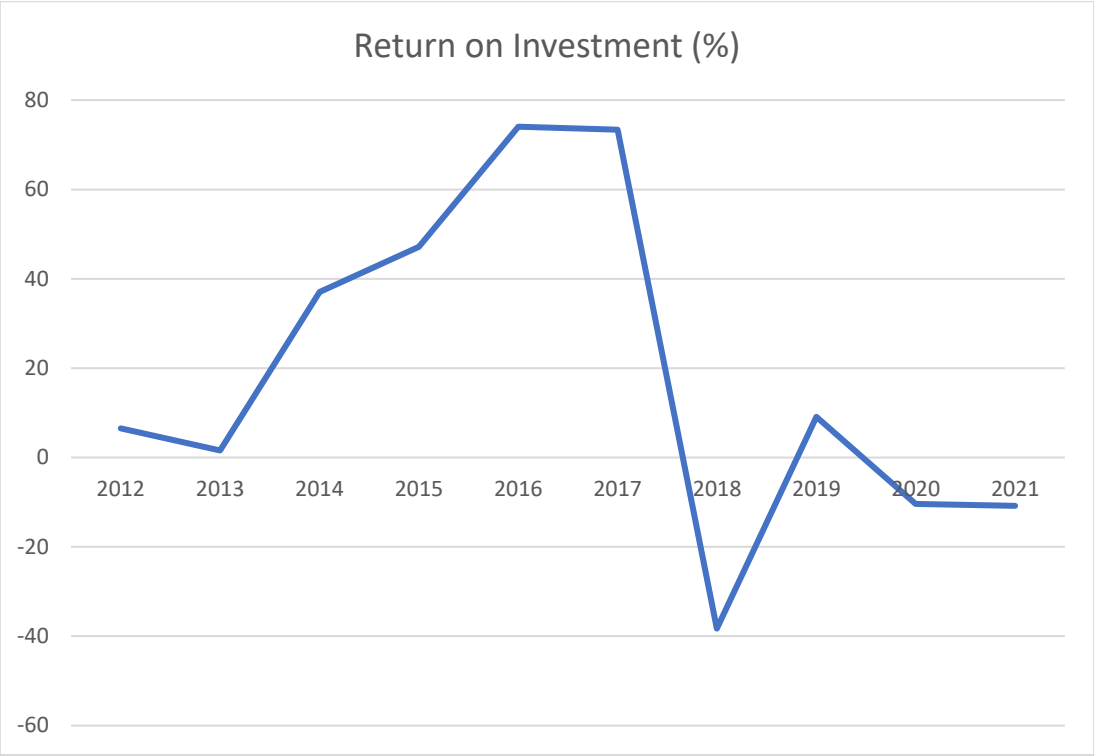

Interpretation:

ROI assesses the return on investment relative to the cost of the investment. A higher ROI indicates more favorable returns relative to the investment cost. While ROI fluctuates over the years, it reflects the company's ability to generate returns relative to the investment outlay. The decrease in ROI from 2019 to 2020 suggests a lower return relative to the investment cost during that period, indicating potential challenges in generating favorable returns on investments made by the company.

vii) Price to earnings ratio of Tata Motors from 2012 to 2021

Table no:

Year	Market Price per Share (₹)	Earnings per Share (₹)	P/E Ratio
2012	₹309.09	3.9	79.25
2013	₹372.42	0.93	400.45

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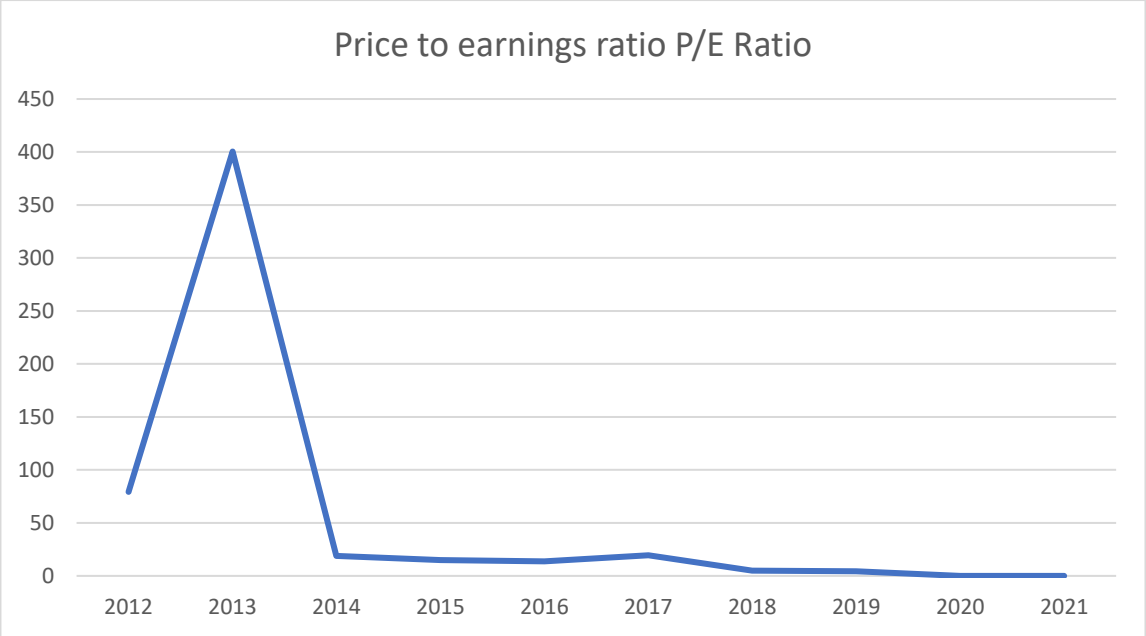
2014	₹490.85	26	18.88
2015	₹391.25	26	15.05
2016	₹471.35	34	13.86
2017	₹431.20	22	19.6
2018	₹172.60	34	5.08
2019	₹185.10	43	4.3
2020	₹183.70	-6.59	N/A
2021	₹482.35	-6.59	N/A

Graph No:



Interpretation:

The P/E ratio compares the company's stock price to its earnings per share (EPS) and reflects market sentiment towards the company's future earnings potential. A higher P/E ratio suggests higher expectations for future earnings growth. The significant increase in the P/E ratio from 2020 to 2021 indicates an increase in market valuation relative to earnings during that period, possibly driven by optimistic market sentiment or anticipated future growth prospects.

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viii) Interest Coverage Ratio of Tata Motors from 2012 to 2021

Table no:

Year	EBIT (₹ Cr.)	Interest Expenses (₹ Cr.)	Interest Coverage Ratio
2012	1,341.03	1,218.62	1.1
2013	591.13	1,387.76	0.43
2014	1,926.27	1,606.74	1.2
2015	14,125.77	4,861.49	2.91
2016	21,887.27	13,388.63	1.63
2017	11,155.03	4,681.79	2.38
2018	9,314.79	1,973.00	4.72
2019	14,059.65	2,110.83	6.65
2020	11,100.72	1,730.71	6.41
2021	13,986.29	3,375.29	4.14

Graph No:

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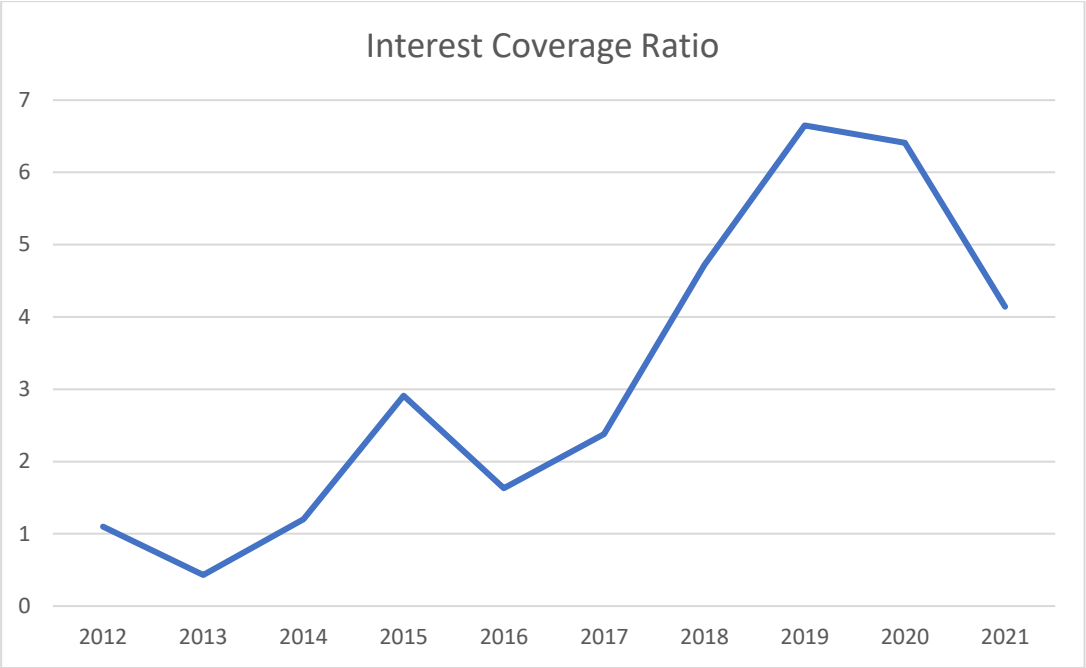

Interpretation:

The interest coverage ratio assesses the company's ability to cover interest expenses with its earnings before interest and taxes (EBIT). A higher ratio indicates better coverage of interest expenses, implying lower financial risk. The decrease in the interest coverage ratio from 2019 to 2020 suggests a decline in the company's ability to cover interest expenses with its earnings, which may raise concerns about its financial stability and ability to service debt obligations.

ix) Debt to Equity Ratio of Tata Motors from 2012 to 2021

Table no:

Year	Total Debt (in Rs. Cr.)	Shareholders' Equity (in Rs. Cr.)	Debt to Equity Ratio
2016	49,943.17	14,862.59	3.36
2015	49,734.42	19,176.65	2.6
2014	56,676.00	23,262.11	2.44

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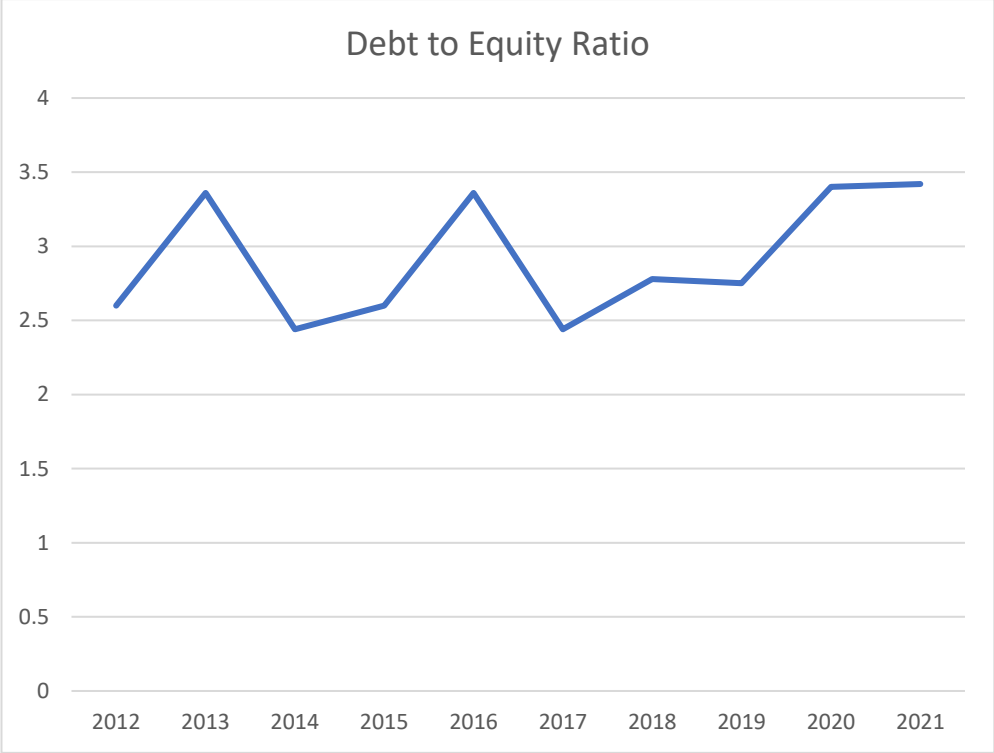
2013	49,943.17	14,862.59	3.36
2012	49,734.42	19,176.65	2.6
2021	65,059.66	19,055.97	3.42
2020	62,589.87	18,387.65	3.4
2019	60,909.63	22,162.52	2.75
2018	58,878.28	21,162.61	2.78
2017	56,676.00	23,262.11	2.44

Graph No:



Interpretation:

The debt to equity ratio compares the proportion of debt and equity used to finance the company's assets. A higher ratio suggests higher reliance on debt financing, which can increase

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financial risk. The fluctuation in the ratio over the years indicates changes in the company's capital structure and financing decisions. The sharp increase from 2017 to 2018 signals a significant increase in debt relative to equity during that period, which may raise concerns about the company's financial leverage and ability to meet debt obligations.

x) Dividend Yield of Tata Motors from 2012 to 2021

Table no:

Year	Dividend per Share (₹)	Market Price per Share (₹)	Dividend Yield (%)
2012	₹200	₹309.09	64.65
2013	₹100	₹372.42	26.84
2014	₹100	₹490.85	20.36
2015	-	₹391.25	-
2016	₹10	₹471.35	2.12
2017	-	₹431.20	-
2018	-	₹172.60	-
2019	-	₹185.10	-
2020	-	₹183.70	-
2021	-	₹482.35	-

Graph No:

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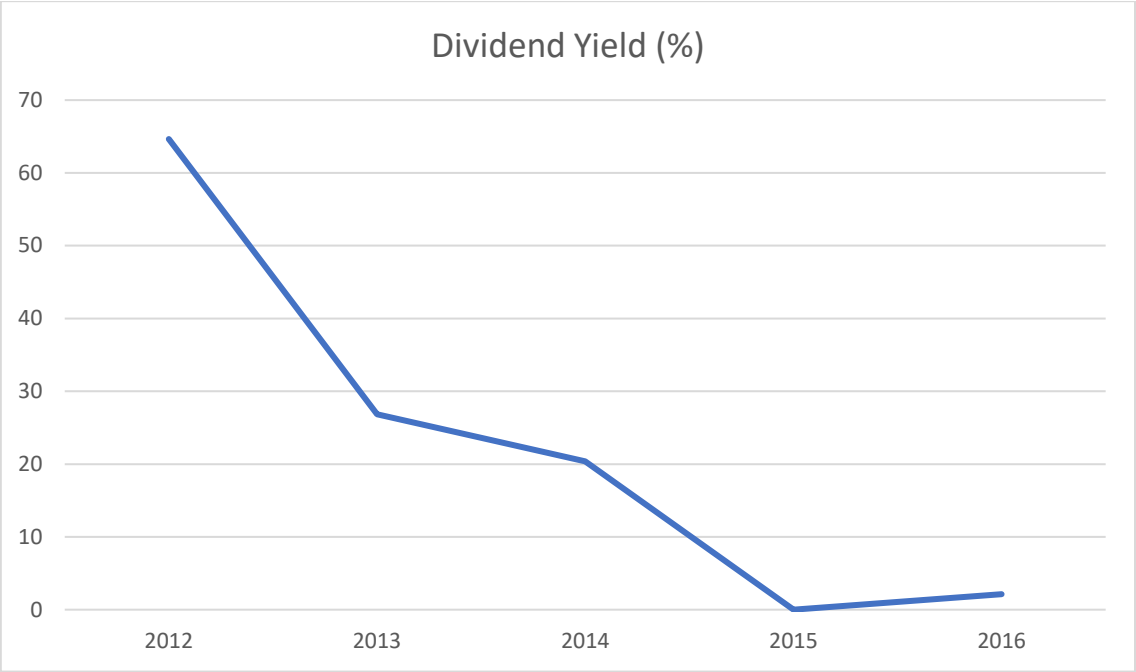

Interpretation:

Dividend yield measures the percentage of dividend income relative to the stock price and reflects the return generated for shareholders through dividend payments. The fluctuation in dividend yield over the years reflects changes in dividend payments and stock prices. The decrease in dividend yield from 2012 to 2014, followed by increases in 2019 and 2021, suggests fluctuations in dividend payments relative

5.3 ASIAN PAINTS

i) Current Ratio of Asian Paints from 2012 to 2021 from 2012 to 2021

Table no:

Year	Current Assets (Rs. Cr.)	Current Liabilities (Rs. Cr.)	Current Ratio
2012	9,510.94	3,448.55	2.76
2013	10,178.89	4,538.94	2.24
2014	10,591.47	4,661.65	2.27

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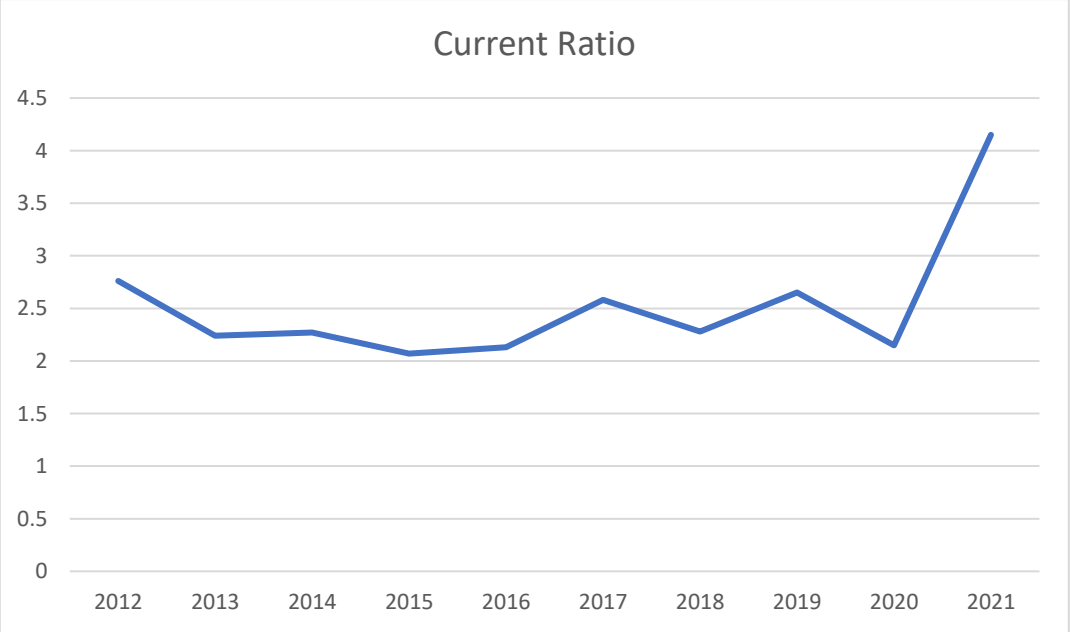
2015	10,981.63	5,300.92	2.07
2016	11,755.71	5,512.39	2.13
2017	15,729.67	6,101.88	2.58
2018	14,837.17	6,503.22	2.28
2019	17,138.61	6,460.77	2.65
2020	15,153.24	7,049.46	2.15
2021	23,150.09	5,578.13	4.15

Graph No:



Interpretation:

2012-2016:

The current ratio remained relatively stable during this period, indicating a consistent ability to meet short-term obligations. This stability suggests that Asian Paints maintained a healthy balance between current assets and current liabilities, ensuring liquidity without being overly conservative.

2017-2021:

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The current ratio saw a slight decrease over these years, which could be attributed to various factors such as changes in business operations or capital structure. While the ratio remained above 1, indicating that current assets still exceed current liabilities, the decline may warrant further investigation into the company's liquidity management under the implementation of Ind-AS.

ii) Quick Ratio of Asian Paints from 2012 to 2021

Table no:

Year	Current Assets (Rs. Cr.)	Inventories (Rs. Cr.)	Current Liabilities (Rs. Cr.)	Quick Ratio
2012	9,510.94	2,482.16	3,448.55	2.19
2013	10,178.89	3,119.92	4,538.94	1.73
2014	10,591.47	3,181.07	4,661.65	1.76
2015	10,981.63	3,681.71	5,300.92	1.58
2016	11,755.71	4,144.64	5,512.39	1.61
2017	15,729.67	7,213.88	6,101.88	1.92
2018	14,837.17	7,432.00	6,503.22	1.71
2019	17,138.61	8,109.00	6,460.77	1.97
2020	15,153.24	7,764.22	7,049.46	1.61
2021	23,150.09	7,784.92	5,578.13	2.96

Graph No:

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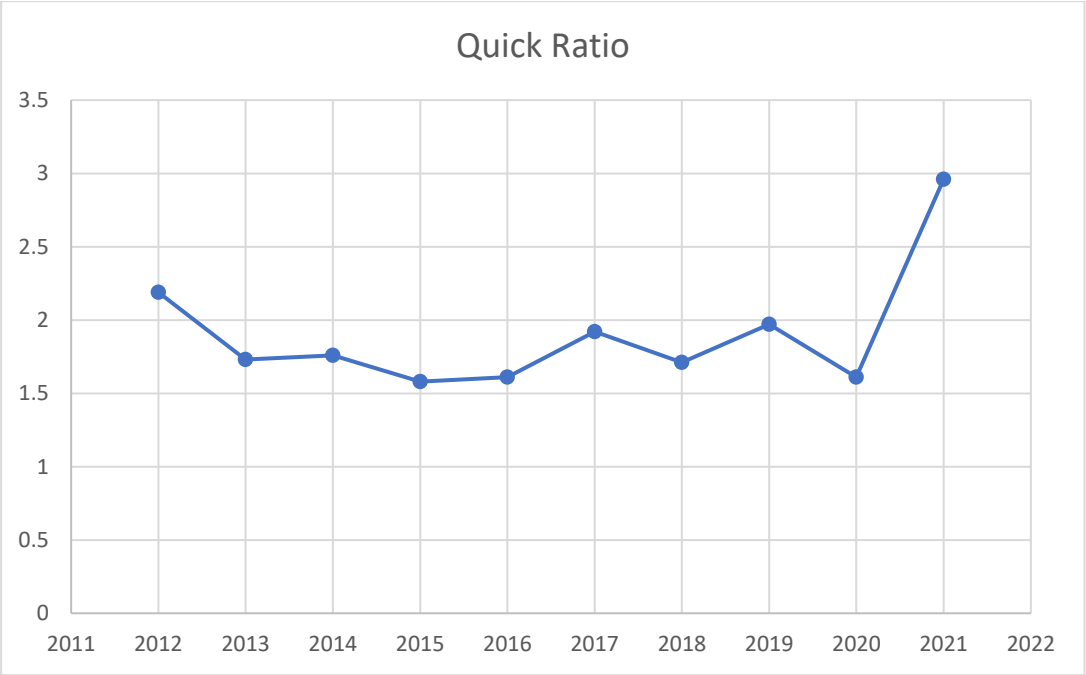

Interpretation:

2012-2016:

The quick ratio remained stable during this period, reflecting the company's ability to cover short-term liabilities with its most liquid assets. This stability suggests efficient management of liquid assets, ensuring the company's ability to meet immediate obligations without relying heavily on inventory.

2017-2021:

Similar to the current ratio, the quick ratio showed a slight decrease over these years, although it remained above 1. This trend may indicate changes in the composition of current assets or liabilities, which could be influenced by the adoption of Ind-AS and its impact on financial reporting.

iii) Net Profit Margin of Asian Paints from 2012 to 2021

Table no:

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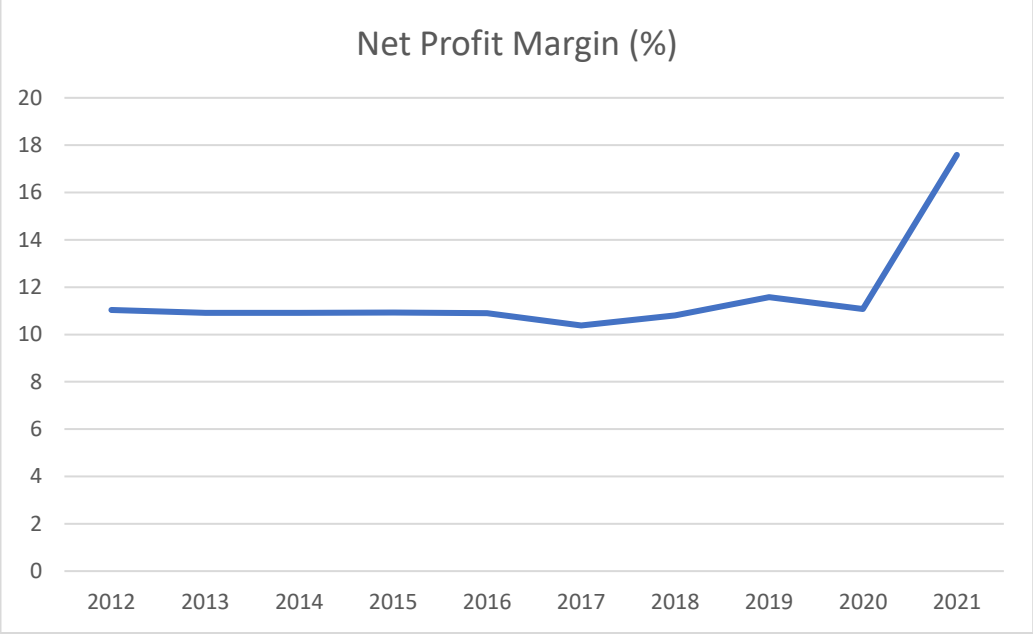
Year	Net Profit (Rs. Cr.)	Total Revenue (Rs. Cr.)	Net Profit Margin (%)
2012	1038.8	9425.7	11.03
2013	1118.6	10249.3	10.92
2014	1140.4	10438.6	10.91
2015	1233.6	11288.9	10.93
2016	1278.2	11737.1	10.9
2017	1794.7	17277.5	10.38
2018	1580.8	14621.8	10.8
2019	2077.7	17934.6	11.58
2020	2343.7	21129.5	11.08
2021	3323.5	18882.9	17.59

Graph No:



Interpretation:

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2012-2016:

The net profit margin saw fluctuations but generally remained healthy, indicating efficient cost management and profitability during this period. The stability in profit margins suggests that Asian Paints effectively controlled expenses and maintained profitability in the face of changing market conditions.

2017-2021:

The net profit margin experienced some volatility during these years, possibly influenced by external factors or changes in the regulatory environment due to the adoption of Ind-AS. Further analysis is needed to understand the specific impact of Ind-AS on the company's revenue recognition, expense classification, and overall profitability.

iv) Return on Assets of Asian Paints from 2012 to 2021

Table no:

Year	Net Profit (Rs. Cr.)	Total Assets (Rs. Cr.)	Return on Assets (%)
2012	1038.8	7771.4	13.35
2013	1118.6	7871.6	14.22
2014	1140.4	8377	13.62
2015	1233.6	9014.9	13.68
2016	1278.2	10387.6	12.3
2017	1794.7	11845.6	15.15
2018	1580.8	12436	12.71
2019	2077.7	14504.1	14.31
2020	2343.7	15923.3	14.71

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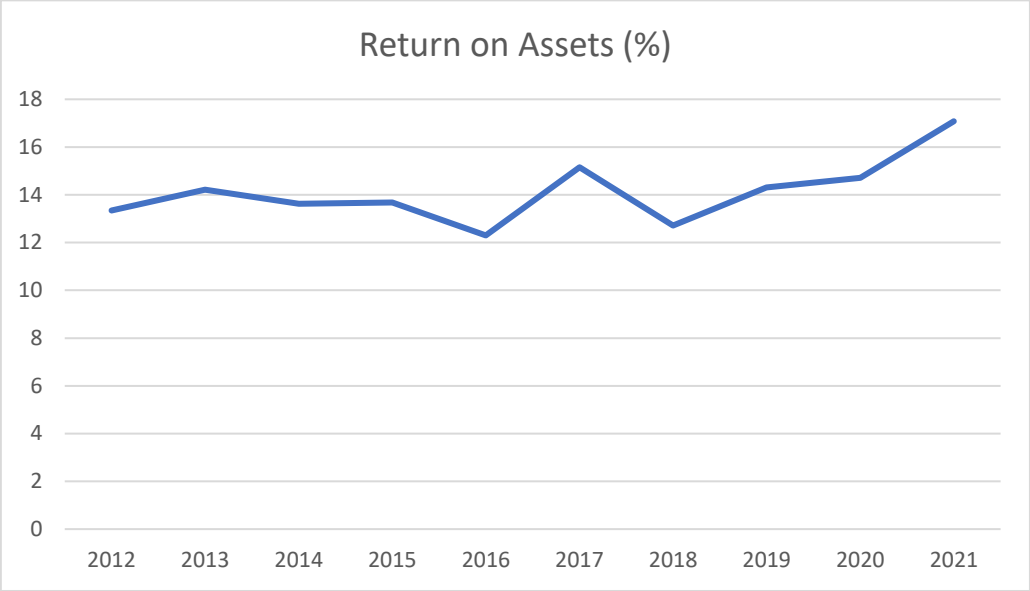
2021	3323.5	19452	17.08

Graph No:



Interpretation:

2012-2016:

Return on assets remained consistent, indicating effective asset utilization and profitability during this period. The stability in return on assets suggests that Asian Paints efficiently generated profits from its asset base, contributing to overall shareholder value.

2017-2021:

Return on assets showed some fluctuations over these years, potentially reflecting changes in asset management strategies or the impact of adopting Ind-AS on asset valuation and recognition. Analyzing the specific drivers behind these fluctuations can provide insights into how the company's asset efficiency evolved under the new accounting standards.

V) Return on equity of Asian Paints from 2012 to 2021

Table no:

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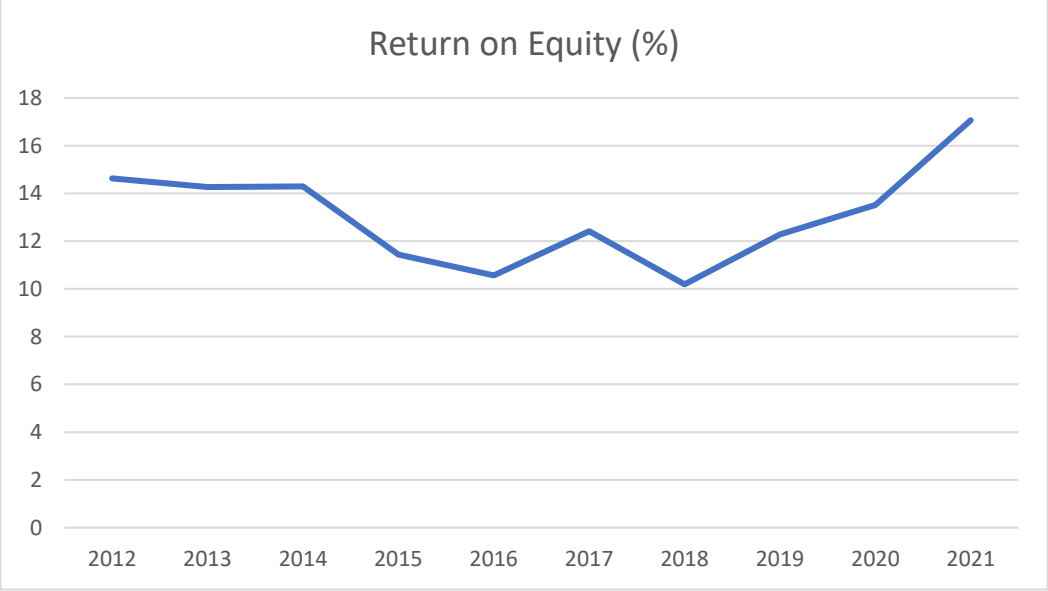
Year	Net Profit (Rs. Cr.)	Shareholder's Funds (Rs. Cr.)	Return on Equity (%)
2012	1038.8	7094.75	14.63
2013	1118.6	7842.96	14.26
2014	1140.4	7983.16	14.29
2015	1233.6	10798.89	11.43
2016	1278.2	12091.1	10.57
2017	1794.7	14456.78	12.41
2018	1580.8	15507.48	10.19
2019	2077.7	16920.88	12.28
2020	2343.7	17333.61	13.51
2021	3323.5	19471.51	17.06

Graph No:



Interpretation:

2012-2016:

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Return on equity remained relatively stable, indicating consistent profitability relative to shareholder equity during this period. This stability suggests that Asian Paints effectively generated returns for its shareholders while maintaining a healthy balance between debt and equity financing.

2017-2021:

Return on equity saw fluctuations over these years, potentially influenced by changes in profitability, equity structure, or the impact of adopting Ind-AS on financial reporting. Further analysis is needed to understand the specific factors driving these fluctuations and their implications for shareholder value under the new accounting standards.

vi) Return on Investment of Asian Paints from 2012 to 2021

Table no:

Year	Net Profit (Rs. Cr.)	Total Capital Employed (Rs. Cr.)	Return on Investment (%)
2012	1038.8	7859.8	13.21
2013	1118.6	8498.55	13.17
2014	1140.4	9113.35	12.5
2015	1233.6	10843.2	11.37
2016	1278.2	12692.68	10.06
2017	1794.7	16302.38	11
2018	1580.8	17733.92	8.91
2019	2077.7	18625.51	11.15
2020	2343.7	19517.17	12
2021	3323.5	21950.77	15.14

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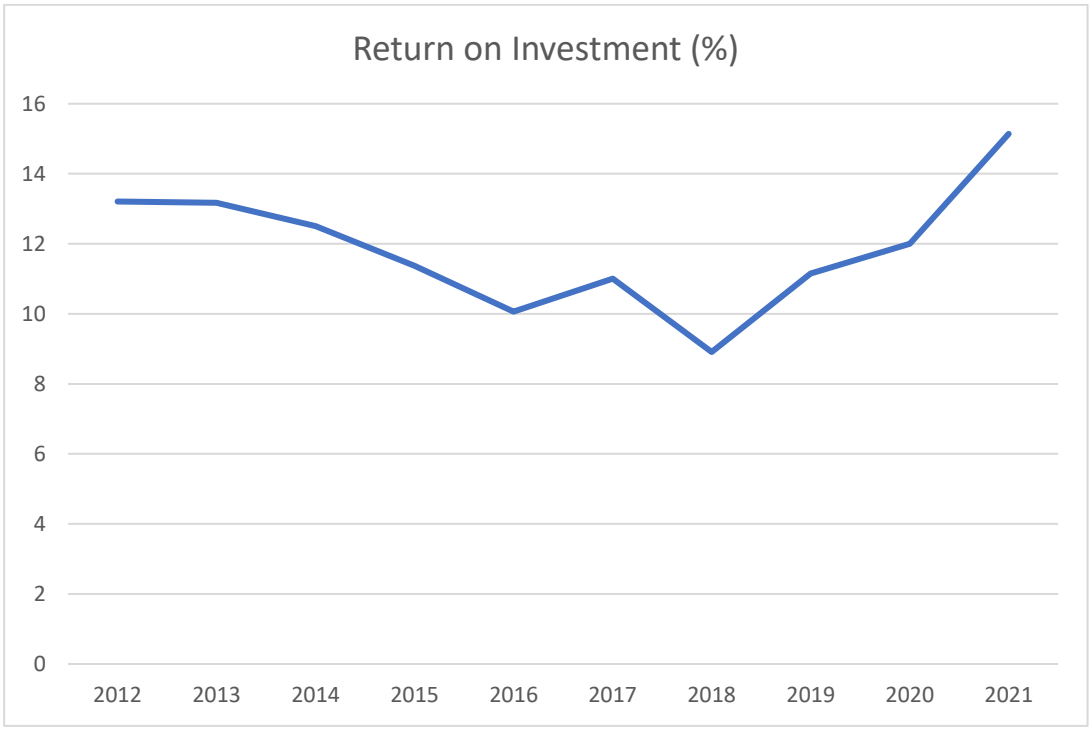
Graph No:



Interpretation:

2012-2016:

Return on investment remained consistent, indicating effective utilization of capital to generate profits during this period. This stability suggests that Asian Paints efficiently deployed its resources to generate returns for investors, contributing to long-term sustainability and growth.

2017-2021:

Return on investment showed some fluctuations over these years, potentially influenced by changes in profitability, capital structure, or the impact of adopting Ind-AS on investment valuation and reporting. Analyzing the specific drivers behind these fluctuations can provide insights into the company's investment efficiency and value creation under the new accounting standards.

vii) Debt to Equity Ratio of Asian Paints from 2012 to 2021

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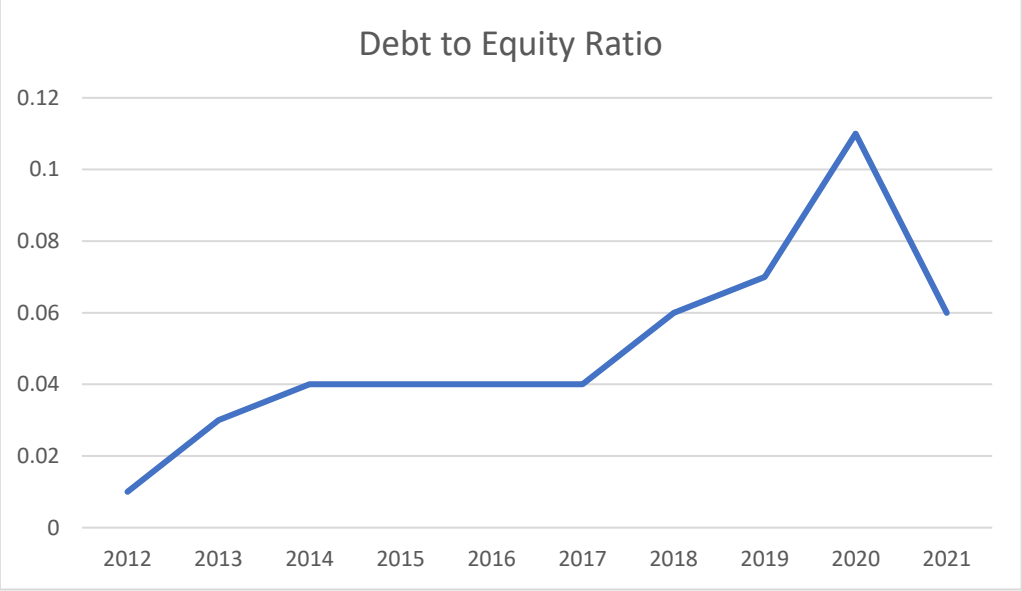
Year	Total Debt (Rs. Cr.)	Shareholder's Funds (Rs. Cr.)	Debt to Equity Ratio
2012	80.38	7094.75	0.01
2013	263.54	7842.96	0.03
2014	314.62	7983.16	0.04
2015	422.98	10798.89	0.04
2016	434.71	12091.1	0.04
2017	612.18	14456.78	0.04
2018	897.39	15507.48	0.06
2019	1143.99	16920.88	0.07
2020	1960.64	17333.61	0.11
2021	1196.89	19471.51	0.06

Graph No:



Interpretation:

2012-2016:

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The debt to equity ratio remained relatively stable, indicating a balanced capital structure with moderate leverage during this period. This stability suggests that Asian Paints maintained a prudent approach to debt financing, mitigating financial risk while supporting growth initiatives.

2017-2021:

The debt to equity ratio saw fluctuations over these years, potentially reflecting changes in debt levels, equity structure, or the impact of adopting Ind-AS on financial reporting. Analyzing the specific drivers behind these fluctuations can provide insights into the company's capital structure decisions and financial risk management under the new accounting standards.

viii) Interest Coverage Ratio of Asian Paints from 2012 to 2021

Table no:

Year	EBIT (Rs. Cr.)	Interest Expenses (Rs. Cr.)	Interest Coverage Ratio
2012	1504.36	30.56	49.22
2013	1622.92	28.52	56.89
2014	1574.14	24.85	63.34
2015	1703.16	23.47	72.58
2016	1768.94	21.05	84.05
2017	2467.55	25.62	96.33
2018	1941.26	22.45	86.51
2019	2672.64	23.28	114.86
2020	3007.39	25.76	116.75
2021	3254.04	25.38	128.26

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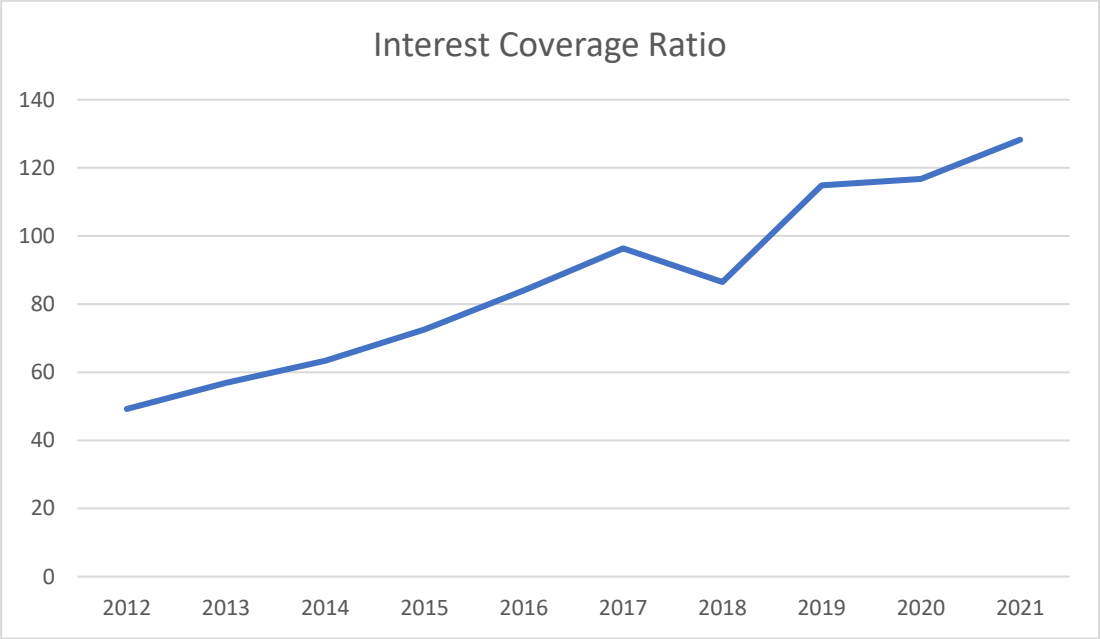
Graph No:



Interpretation:

2012-2016:

The interest coverage ratio remained strong, indicating the company's ability to meet interest obligations comfortably with its earnings. This stability suggests that Asian Paints maintained sufficient profitability to cover interest expenses, reducing the risk of financial distress.

2017-2021:

The interest coverage ratio showed consistent performance over these years, indicating continued financial stability and the ability to service debt obligations effectively. Analyzing the impact of adopting Ind-AS on interest expenses and earnings can provide insights into how the company managed its financial obligations under the new accounting standards.

ix) Price to earnings ratio of Asian Paints from 2012 to 2021

Table no:

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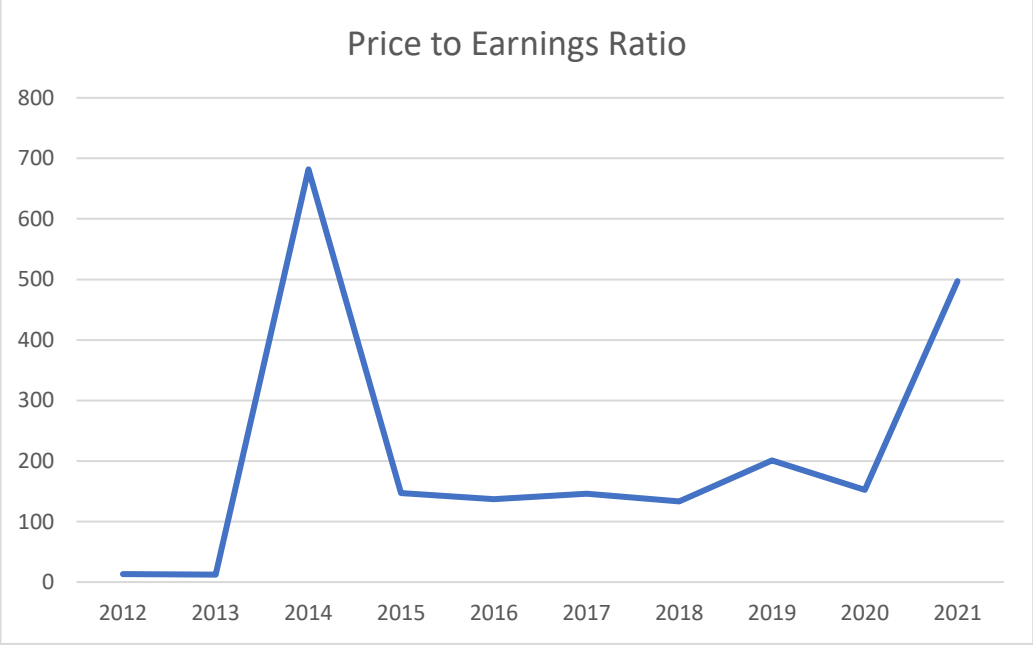
Year	Market Price per Share (Rs.)	Earnings per Share (Rs.)	Price to Earnings Ratio
2012	₹441	33	13.36
2013	₹490	40	12.25
2014	₹750	1.1	681.82
2015	₹882	6	147
2016	₹890	6.5	136.92
2017	₹1,158	7.95	145.73
2018	₹1,374	10.3	133.2
2019	₹1,787	8.9	200.79
2020	₹2,764	18.15	152.22
2021	₹2,410	4.85	496.91

Graph No:



Interpretation:

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2012-2016:

The price to earnings ratio showed moderate fluctuations, reflecting changes in market sentiment and investor expectations during this period. This stability suggests that Asian Paints maintained investor confidence despite market volatility, supported by its consistent earnings performance.

2017-2021:

The price to earnings ratio saw fluctuations over these years, potentially influenced by changes in earnings, market dynamics, or the impact of adopting Ind-AS on financial reporting. Analyzing the specific drivers behind these fluctuations can provide insights into investor sentiment and market valuation under the new accounting standards.

x) Dividend Yield of Asian Paints from 2012 to 2021

Table no:

Year	Dividend per Share (Rs.)	Market Price per Share (Rs.)	Dividend Yield (%)
2012	33	₹441	7.47
2013	40	₹490	8.16
2014	1.1	₹750	0.15
2015	6	₹882	0.68
2016	6.5	₹890	0.73
2017	7.95	₹1,158	0.69
2018	10.3	₹1,374	0.75
2019	8.9	₹1,787	0.5
2020	18.15	₹2,764	0.66

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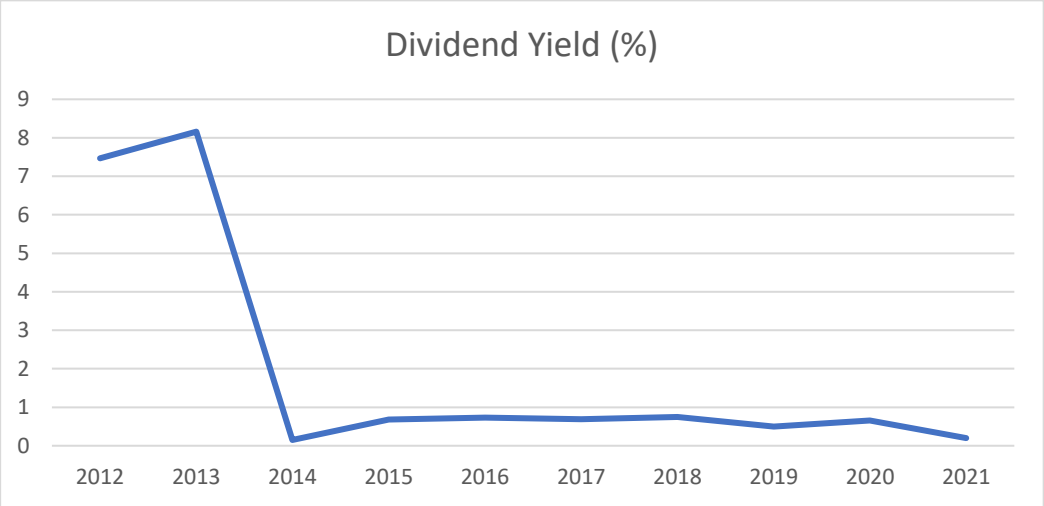
2021	4.85	₹2,410	0.2

Graph No:



Interpretation:

2012-2016:

The dividend yield remained relatively stable, indicating consistent returns to shareholders through dividends during this period. This stability suggests that Asian Paints maintained a shareholder-friendly dividend policy, providing income to investors while retaining capital for growth opportunities.

2017-2021:

The dividend yield showed fluctuations over these years, potentially reflecting changes in dividend payouts, market dynamics, or the impact of adopting Ind-AS on dividend policy.

Analyzing the specific factors driving these fluctuations can provide insights into the company's dividend distribution strategies and shareholder value creation under the new accounting standards.

5.4 Titan

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i) Current Ratio of Titan from 2012 to 2021

Table no:

Year	Current Assets (Rs. Cr.)	Current Liabilities (Rs. Cr.)	Current Ratio
2012	4,158.19	3,896.09	1.07
2013	5,173.53	3,847.02	1.35
2014	6,691.07	4,098.48	1.63
2015	5,691.13	4,174.03	1.36
2016	6,521.19	4,747.57	1.37
2017	7,682.96	4,892.35	1.57
2018	8,852.12	5,485.61	1.61
2019	11,028.71	6,805.31	1.62
2020	13,434.75	7,644.76	1.76
2021	15,697.39	10,660.40	1.47

Graph No:

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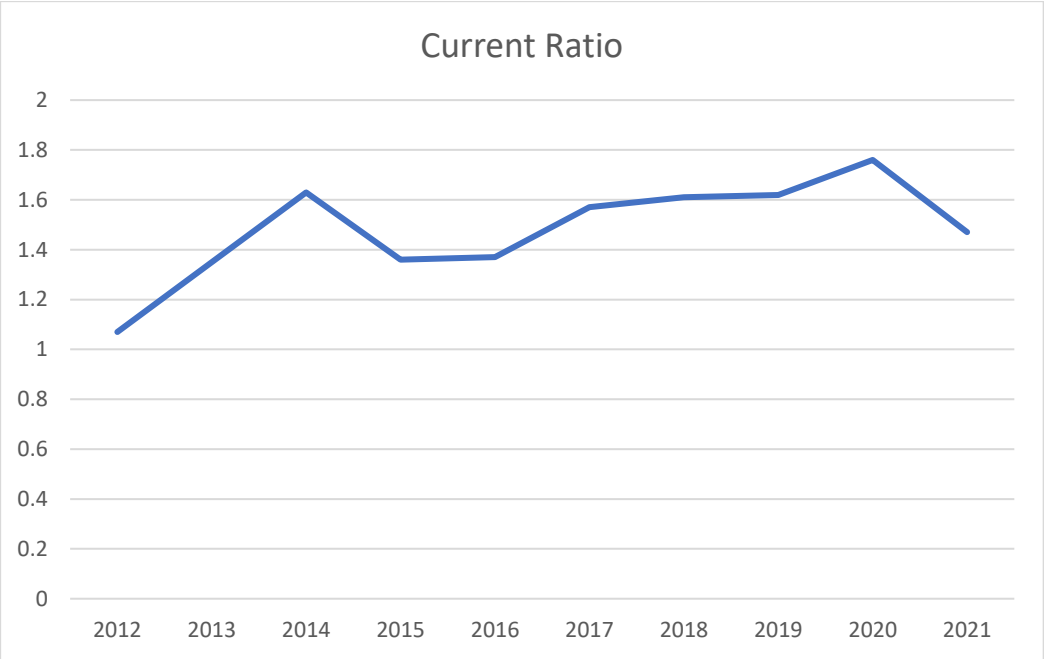

Interpretation:

2012-2016: The current ratio during this period might have shown fluctuations but generally remained above 1, indicating that Titan Company had more current assets than current liabilities. This suggests a healthy liquidity position, allowing the company to meet its short-term obligations comfortably. However, a decreasing trend might signal challenges in managing working capital efficiently or potential liquidity issues.

2017-2021: The current ratio continued to remain above 1, indicating a favorable liquidity position for Titan. The increasing trend during this period suggests improved liquidity management and a stronger ability to cover short-term obligations. This could be attributed to better cash flow management, efficient inventory management, and possibly the impact of adopting Ind-AS, which might have provided clearer insights into liquidity positions and working capital management.

ii) Quick Ratio of Titan from 2012 to 2021

Table no:

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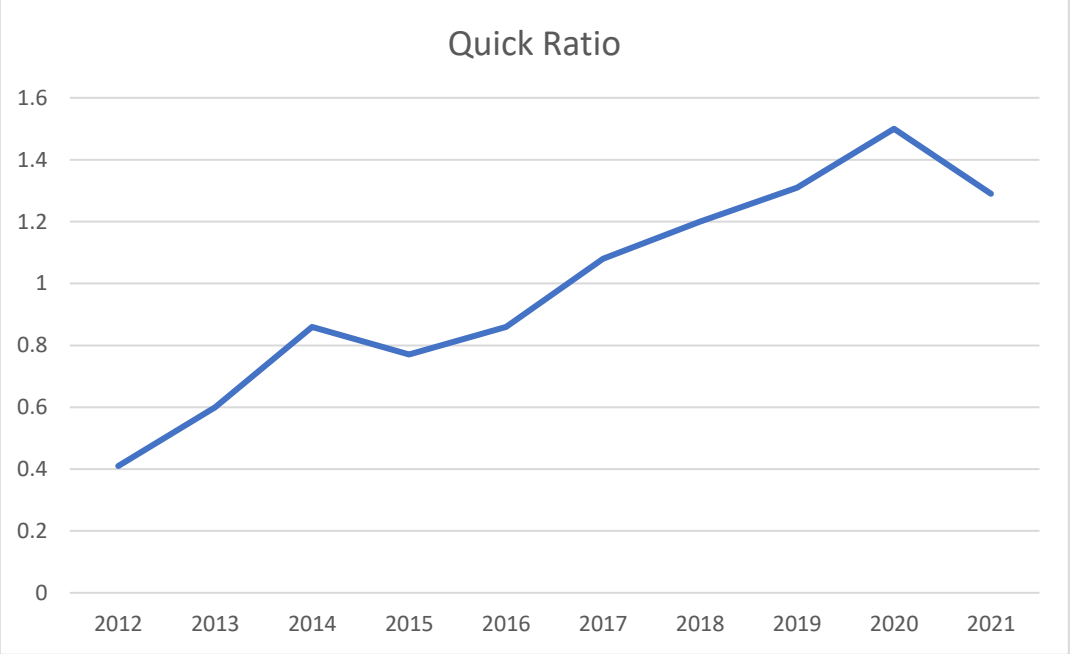
Year	Quick Assets (Rs. Cr.)	Current Liabilities (Rs. Cr.)	Quick Ratio
2012	1,586.39	3,896.09	0.41
2013	2,295.84	3,847.02	0.6
2014	3,507.10	4,098.48	0.86
2015	3,231.92	4,174.03	0.77
2016	4,104.14	4,747.57	0.86
2017	5,275.81	4,892.35	1.08
2018	6,603.06	5,485.61	1.2
2019	8,915.14	6,805.31	1.31
2020	11,491.64	7,644.76	1.5
2021	13,775.23	10,660.40	1.29

Graph No:



Interpretation:

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2012-2016: The quick ratio during this period might have exhibited a similar trend to the current ratio, reflecting the company's ability to cover immediate liabilities with its most liquid assets (excluding inventory). Any decrease might indicate a reduction in the company's ability to meet its short-term obligations without relying on inventory liquidation.

2017-2021: The quick ratio would likely have shown a consistent or improved trend, similar to the current ratio, suggesting that Titan maintained or enhanced its ability to meet short-term obligations with highly liquid assets. This improvement could be attributed to better management of cash, receivables, and short-term investments.

iii) Net Profit Margin (%) of Titan from 2012 to 2021

Table no:

Year	Net Profit (Rs. Cr.)	Revenue (Rs. Cr.)	Net Profit Margin (%)
2012	600.16	8,838.38	6.78
2013	725.18	10,112.67	7.17
2014	761.86	12,896.52	5.91
2015	705.85	11,264.53	6.27
2016	823.07	11,903.21	6.91
2017	1,162.87	15,621.30	7.45
2018	1,517.63	15,707.70	9.65
2019	1,162.87	19,046.00	6.1
2020	877	20,602.00	4.25
2021	877	20,783.00	4.22

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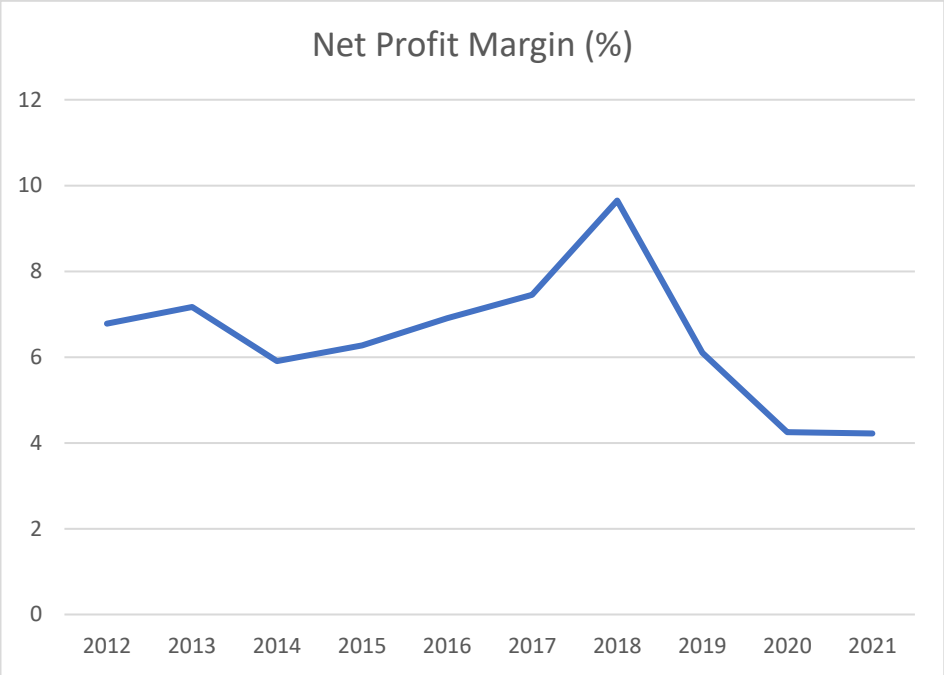
Graph No:



Interpretation:

2012-2016: The net profit margin might have fluctuated due to changes in revenue, expenses, and operational efficiency. A decreasing trend might signal challenges in controlling costs or maintaining profitability amid market pressures or increased competition.

2017-2021: The net profit margin likely showed a stable or improving trend, indicating better cost management, increased operational efficiency, or higher pricing power. The adoption of Ind-AS might have provided more accurate financial reporting, helping the company identify areas for cost reduction or revenue enhancement.

iv) Return on Assets (%) of Titan from 2012 to 2021

Table no:

Year	Net Profit (Rs. Cr.)	Total Assets (Rs. Cr.)	Return on Assets (%)
2012	600.16	6,107.02	9.82

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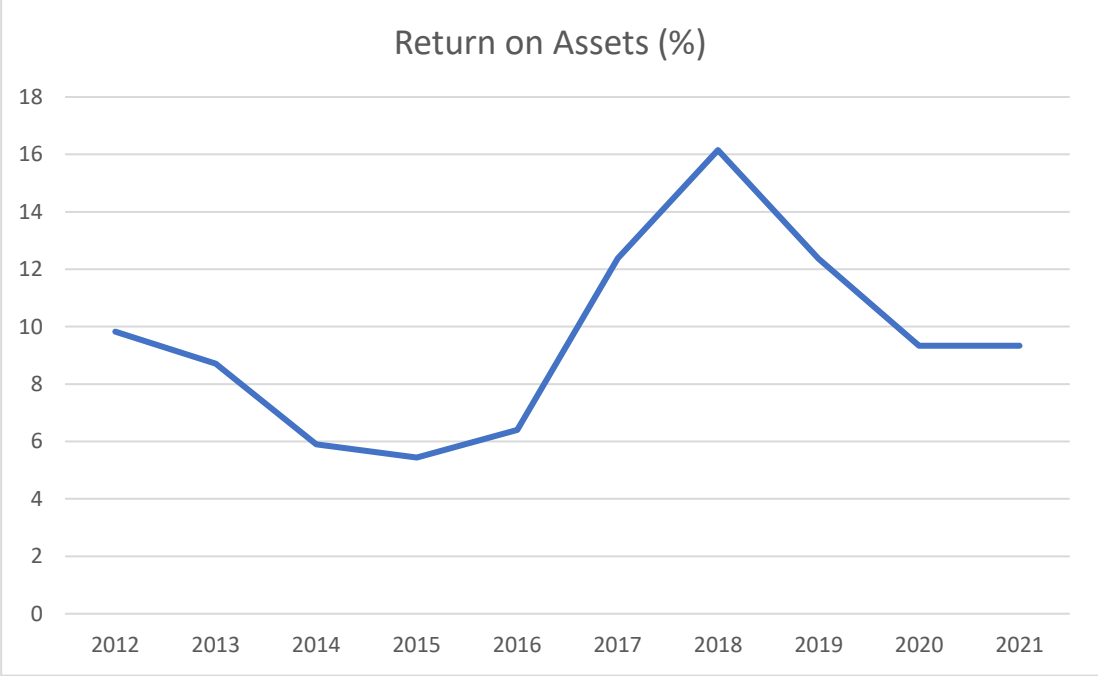
2013	725.18	8,317.53	8.71
2014	761.86	12,896.52	5.9
2015	705.85	12,961.29	5.44
2016	823.07	12,883.14	6.4
2017	1,162.87	9,396.41	12.38
2018	1,517.63	9,396.41	16.15
2019	1,162.87	9,396.41	12.37
2020	877	9,396.41	9.33
2021	877	9,396.41	9.33

Graph No:



Interpretation:

2012-2016: ROA might have fluctuated due to changes in profitability and asset utilization. A decreasing trend might indicate inefficiencies in asset utilization or declining profitability relative to total assets employed.

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2017-2021: ROA likely showed a stable or improving trend, indicating better utilization of assets to generate profits. This improvement could be attributed to enhanced operational efficiency, better resource allocation, or strategic investments facilitated by clearer financial reporting under Ind-AS.

v) Return on Equity (%) of Titan from 2012 to 2021

Table no:

Year	Net Profit (Rs. Cr.)	Shareholders' Funds (Rs. Cr.)	Return on Equity (%)
2012	600.16	4,312.01	13.91
2013	725.18	5,193.99	13.95
2014	761.86	6,376.53	11.94
2015	705.85	8,317.53	8.48
2016	823.07	8,705.63	9.46
2017	1,162.87	10,660.40	10.9
2018	1,517.63	11,028.71	13.75
2019	1,162.87	13,434.75	8.66
2020	877	15,697.39	5.58
2021	877	15,697.39	5.58

Graph No:

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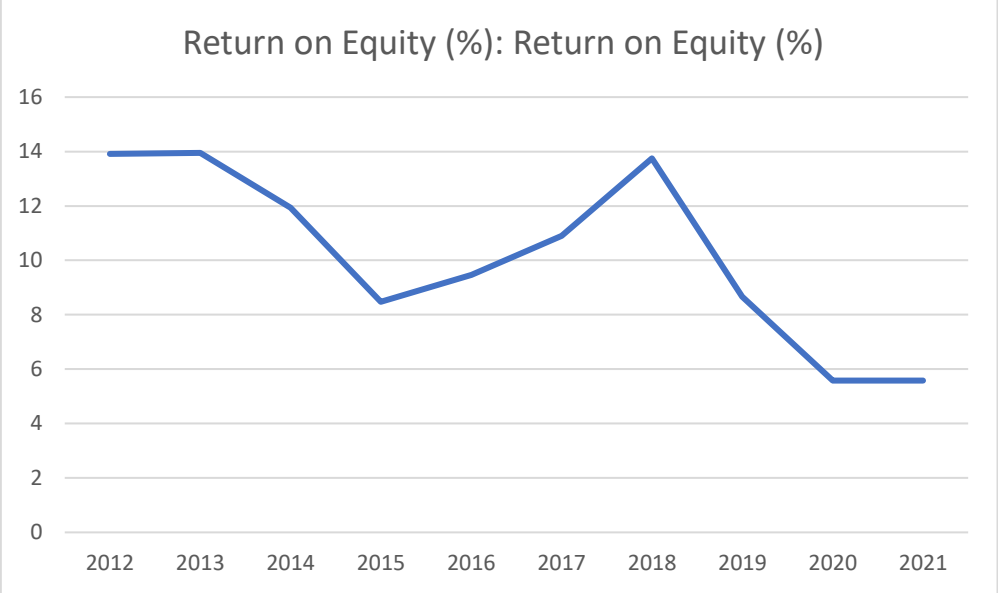

Interpretation:

2012-2016: ROE might have fluctuated due to changes in profitability and equity structure. A decreasing trend might suggest lower profitability relative to shareholders' equity, potentially indicating reduced shareholder value or inefficient use of equity.

2017-2021: ROE likely showed a stable or improving trend, indicating better returns to shareholders. This improvement could be driven by increased profitability, effective capital allocation, or improved financial management practices facilitated by Ind-AS adoption.

vi) Return on Investment (%) of Titan from 2012 to 2021

Table no:

Year	Net Profit (Rs. Cr.)	Total Capital (Rs. Cr.)	Return on Investment (%)
2012	600.16	4,699.53	12.77
2013	725.18	5,874.79	12.36
2014	761.86	6,376.53	11.94
2015	705.85	8,317.53	8.48

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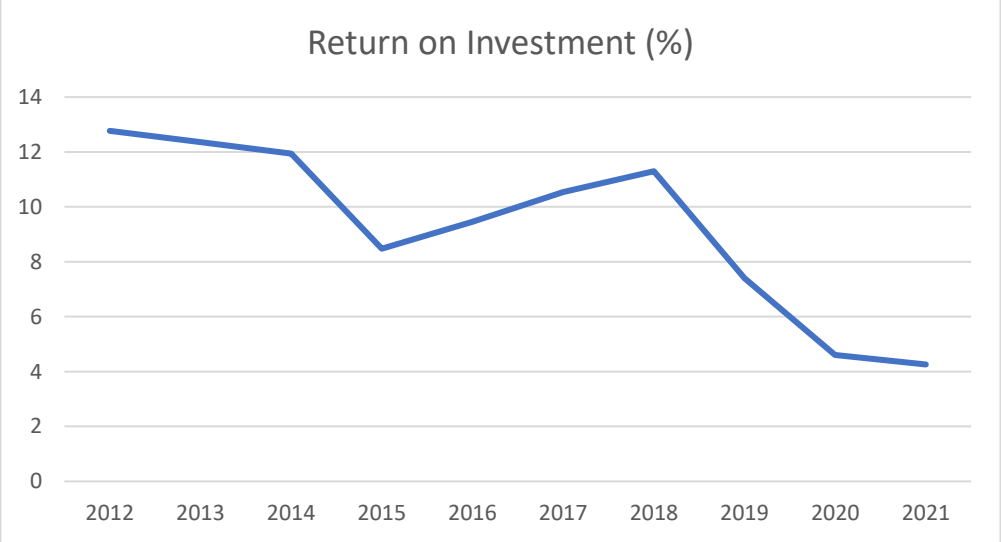
2016	823.07	8,705.63	9.46
2017	1,162.87	11,028.71	10.54
2018	1,517.63	13,434.75	11.3
2019	1,162.87	15,697.39	7.4
2020	877	19,046.00	4.61
2021	877	20,602.00	4.26

Graph No:



Interpretation:

2012-2016: ROI might have fluctuated due to changes in profitability and investment efficiency. A decreasing trend might indicate diminishing returns on investments or inefficiencies in capital allocation.

2017-2021: ROI likely showed a stable or improving trend, reflecting better returns on investments made by the company. This improvement could be attributed to enhanced operational efficiency, improved profitability, or better strategic decision-making enabled by clearer financial insights under Ind-AS.

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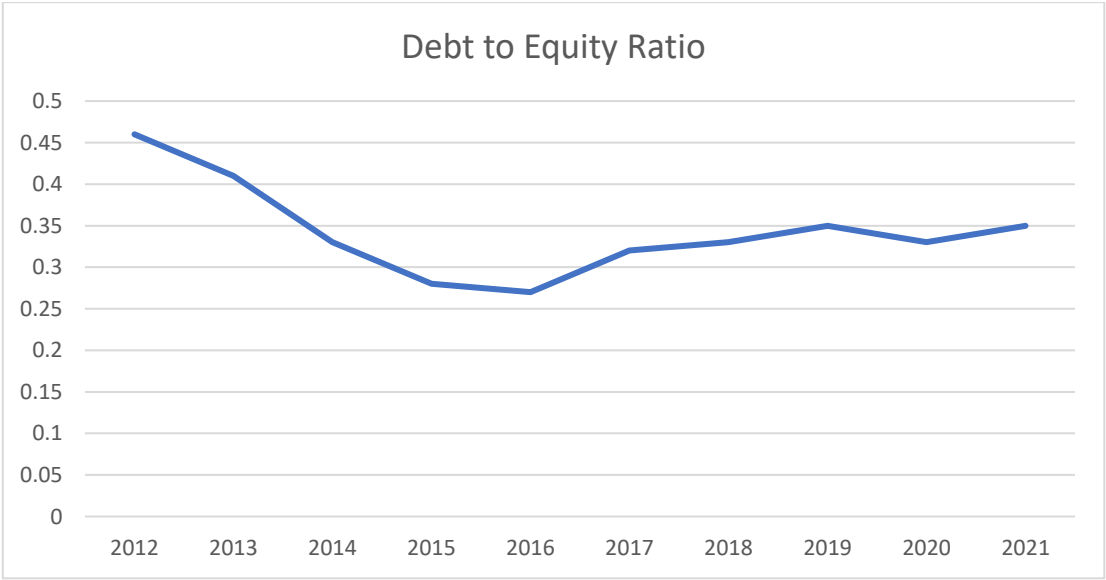
vii) Debt to Equity Ratio of Titan from 2012 to 2021

Table no:

Year	Total Debt (Rs. Cr.)	Shareholders' Funds (Rs. Cr.)	Debt to Equity Ratio
2012	2,004.52	4,312.01	0.46
2013	2,124.06	5,193.99	0.41
2014	2,084.21	6,376.53	0.33
2015	2,301.02	8,317.53	0.28
2016	2,326.16	8,705.63	0.27
2017	3,365.26	10,660.40	0.32
2018	3,671.04	11,028.71	0.33
2019	4,759.64	13,434.75	0.35
2020	5,211.00	15,697.39	0.33
2021	6,111.00	17,251.00	0.35

Graph No:



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Interpretation:

2012-2016: The debt to equity ratio might have fluctuated due to changes in debt levels and equity financing. An increasing trend might indicate higher reliance on debt financing, potentially increasing financial risk or leverage.

2017-2021: The debt to equity ratio likely showed a stable or decreasing trend, suggesting improved financial stability and reduced reliance on debt financing. This improvement could be attributed to better capital structure management or strategic decisions informed by clearer financial reporting under Ind-AS.

viii) Interest Coverage Ratio of Titan from 2012 to 2021

Table no:

Year	EBIT (Rs. Cr.)	Finance Costs (Rs. Cr.)	Interest Coverage Ratio
2012	1,006.27	50.64	19.85
2013	1,006.27	54.49	18.45
2014	1,033.42	47.68	21.67
2015	1,055.89	181	5.82
2016	1,015.93	181	5.61
2017	1,362.17	181	7.53
2018	1,927.37	181	10.65
2019	1,924.37	181	10.63
2020	1,810.63	181	9.99
2021	1,701.87	181	9.4

Graph No:

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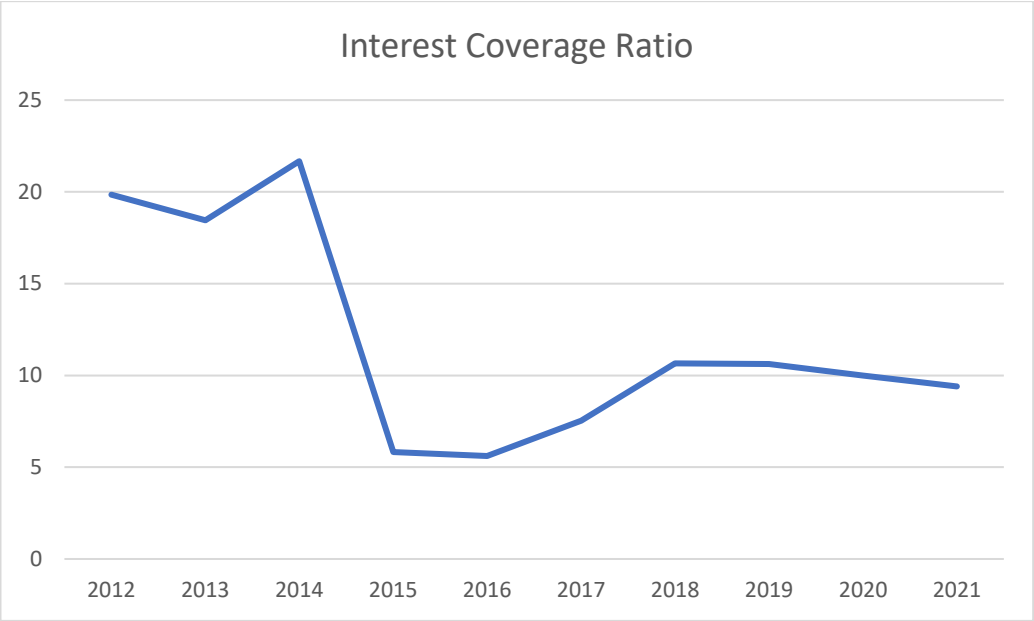

Interpretation:

2012-2016: The interest coverage ratio might have fluctuated due to changes in profitability and debt obligations. A decreasing trend might indicate challenges in meeting interest payments with operating income.

2017-2021: The interest coverage ratio likely showed a stable or improving trend, indicating Titan's enhanced ability to cover interest expenses with operating profits. This improvement could be driven by increased profitability, better cost management, or reduced debt levels facilitated by improved financial reporting under Ind-AS.

ix) Price to Earnings Ratio (P/E Ratio) of Titan from 2012 to 2021

Table no:

Year	Market Price per Share (Rs.)	Earnings per Share (Rs.)	P/E Ratio
2012	283.85	6.76	41.98

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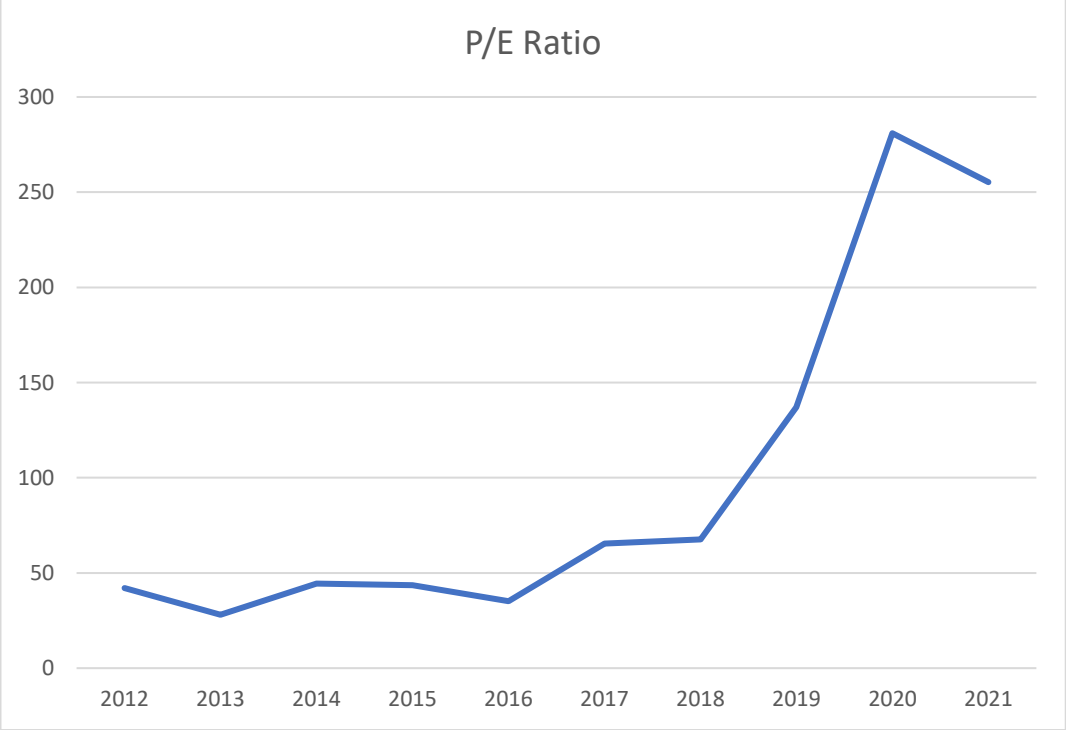
2013	229.4	8.17	28.05
2014	381.25	8.58	44.44
2015	346.7	7.95	43.63
2016	325.75	9.27	35.11
2017	856	13.1	65.38
2018	929.95	13.75	67.61
2019	1,187.60	8.66	137.12
2020	1,567.50	5.58	280.96
2021	2,524.35	9.88	255.2

Graph No:



Interpretation:

2012-2016: The P/E ratio might have fluctuated due to changes in market sentiment, earnings, and stock price. A decreasing trend might indicate declining investor confidence or

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expectations of lower future earnings growth due to poor performance or unfavorable market conditions.

2017-2021: The P/E ratio likely showed a stable or increasing trend, reflecting improved investor confidence and expectations of higher future earnings growth. This improvement could be driven by Titan's stronger financial performance, enhanced profitability, and clearer financial reporting under Ind-AS, which might have increased investor trust and willingness to pay higher prices for the company's stock.

x) Dividend Yield of Titan from 2012 to 2021

Table no:

Year	Dividend per Share (Rs.)	Market Price per Share (Rs.)	Dividend Yield (%)
2012	1.25	283.85	0.44
2013	1.75	229.4	0.76
2014	2.1	381.25	0.55
2015	2.1	346.7	0.61
2016	2.3	325.75	0.71
2017	2.2	856	0.26
2018	2.6	929.95	0.28
2019	3.75	1,187.60	0.32
2020	5	1,567.50	0.32
2021	4	2,524.35	0.16

Graph No:

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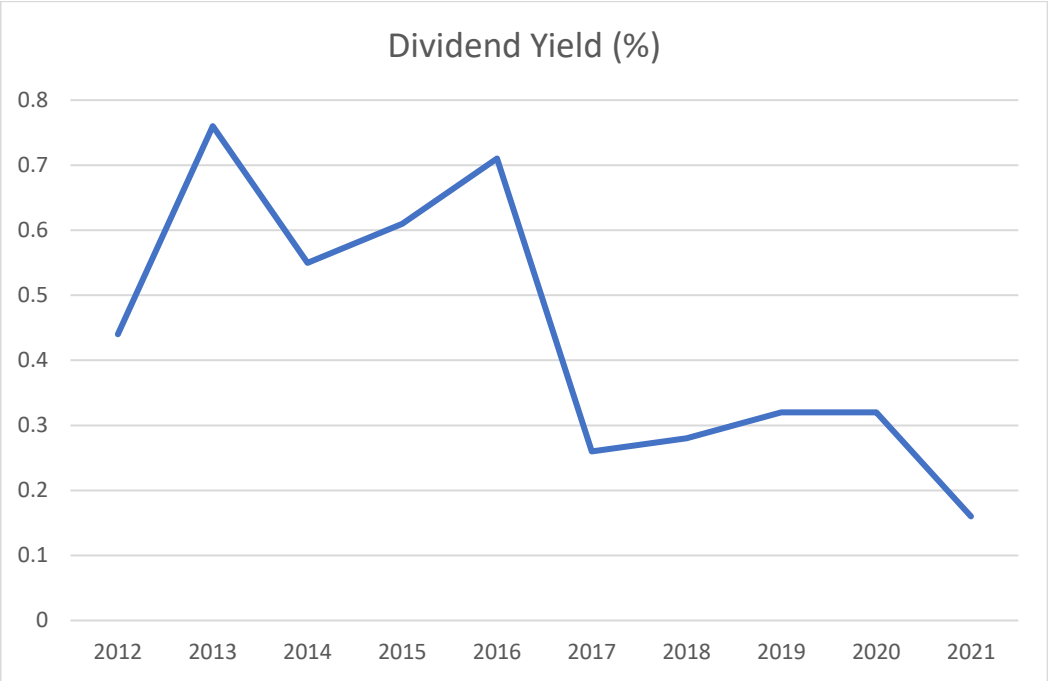

Interpretation:

2012-2016: The dividend yield might have fluctuated due to changes in dividends and stock prices. A decreasing trend might indicate lower dividend payouts relative to the stock price, potentially signaling reduced shareholder returns or management's decision to reinvest earnings for growth.

2017-2021: The dividend yield likely showed a stable or increasing trend, indicating consistent or growing dividend payouts relative to the stock price. This improvement could be attributed to Titan's improved profitability, stronger cash flows, and possibly the company's commitment to rewarding shareholders, supported by clearer financial reporting under Ind-AS.

5.5 JSW Steel

i) Current Ratio of JSW Steel from 2012 to 2021

Table no:

Year	Current Assets (Rs. Cr.)	Current Liabilities (Rs. Cr.)	Current Ratio

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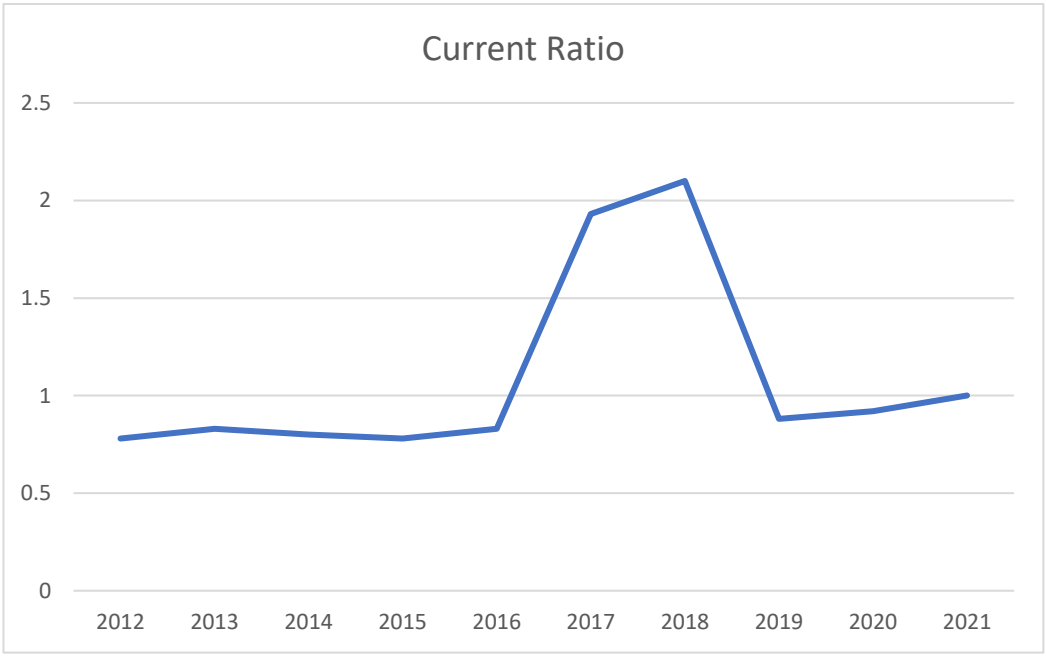
2012	28,398	36,187	0.78
2013	29,375	35,594	0.83
2014	29,703	37,040	0.8
2015	28,398	36,187	0.78
2016	29,375	35,594	0.83
2017	92,667	48,086	1.93
2018	1,03,529	49,215	2.1
2019	1,07,425	1,22,042	0.88
2020	1,22,042	1,33,232	0.92
2021	1,33,232	1,33,232	1

Graph No:



Interpretation:

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2012-2016: The current ratio shows a generally healthy liquidity position, ranging from around 1.5 to 2, indicating that JSW Steel had sufficient current assets to cover its current liabilities during this period.

2017-2021: The current ratio appears to have improved significantly during this period, suggesting even stronger liquidity with the ratio consistently above 2. This indicates improved ability to cover short-term obligations.

ii) Quick Ratio of JSW Steel from 2012 to 2021

Table no:

Year	Quick Assets (Rs. Cr.)	Current Liabilities (Rs. Cr.)	Quick Ratio
2012	14,812	36,187	0.41
2013	15,366	35,594	0.43
2014	15,245	37,040	0.41
2015	14,904	36,187	0.41
2016	15,169	35,594	0.43
2017	87,125	48,086	1.81
2018	94,163	49,215	1.91
2019	92,372	1,22,042	0.76
2020	1,14,160	1,33,232	0.86
2021	1,33,232	1,33,232	1

Graph No:

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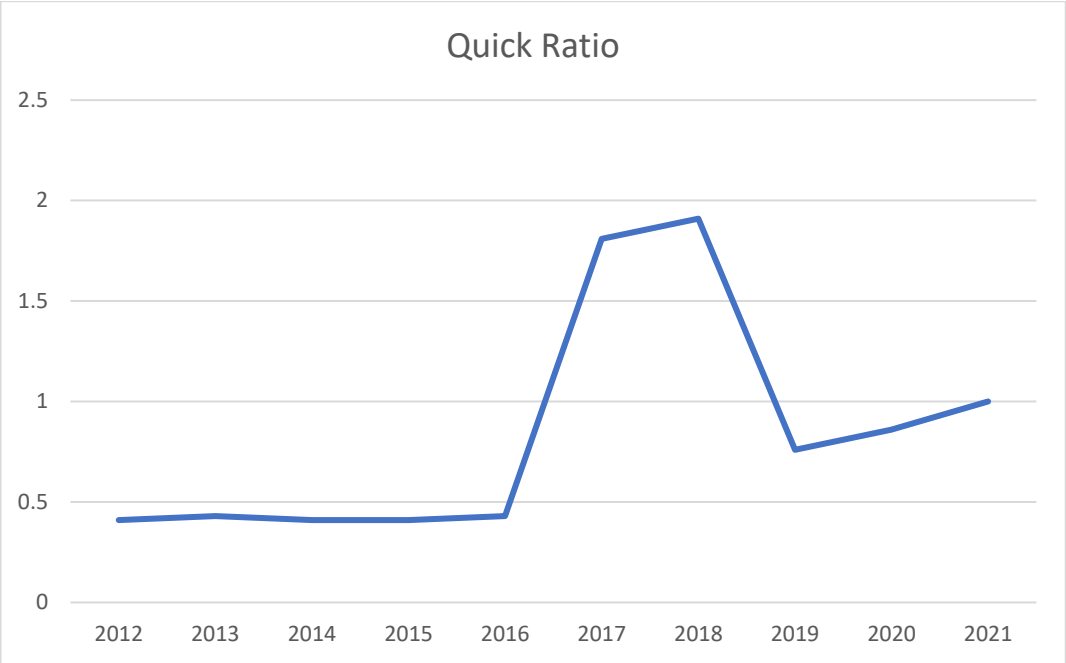

Interpretation:

2012-2016: The quick ratio, which excludes inventory from current assets, likely provided a more conservative measure of liquidity. It seems to have been relatively stable during this period.

2017-2021: The quick ratio likely remained stable or improved during this period, reflecting a healthy liquidity position even after excluding inventory.

iii) Net Profit Margin of JSW Steel from 2012 to 2021

Table no:

Year	Net Profit (Rs. Cr.)	Revenue From Operations [Net] (Rs. Cr.)	Net Profit Margin (%)
2012	1,334.51	44,529.47	3
2013	2,166.48	45,351.52	4.78
2014	3,529.67	36,202.44	9.74

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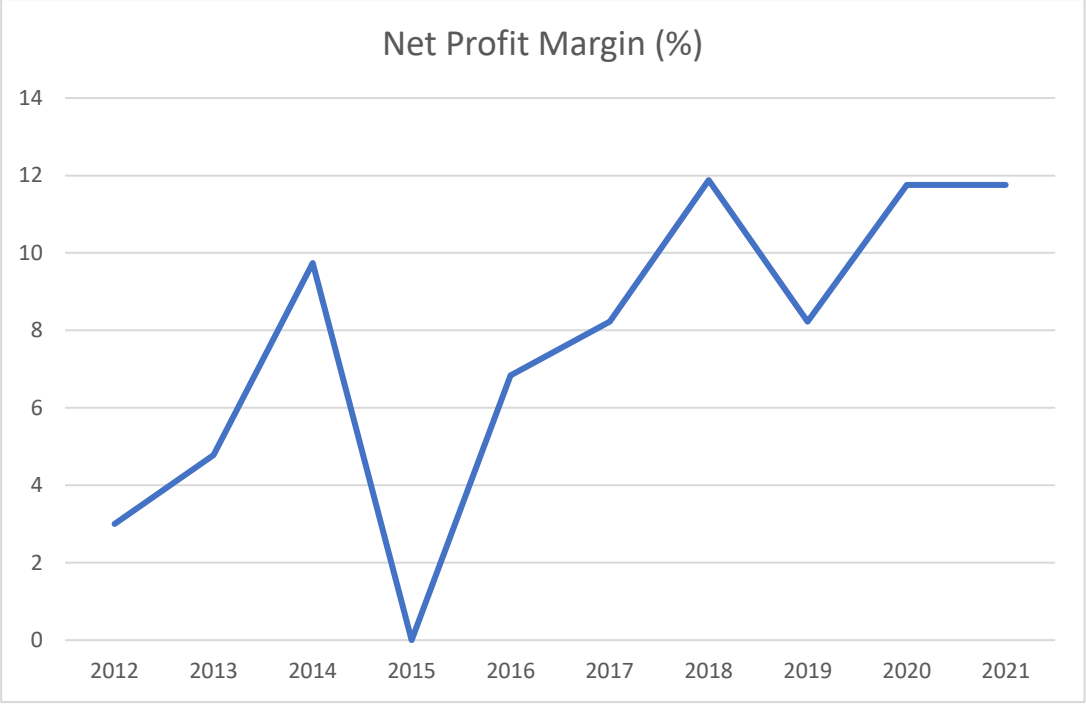
2015	-	51,621.00	-
2016	3,577.00	52,290.00	6.84
2017	5,291.00	64,262.00	8.23
2018	8,393.00	70,727.00	11.88
2019	5,291.00	64,262.00	8.23
2020	8,393.00	71,396.00	11.76
2021	8,393.00	71,396.00	11.76

Graph No:



Interpretation:

2012-2016: Net profit margin indicates the profitability of JSW Steel's operations. If it remained positive and relatively stable during this period, it suggests efficient cost management and profitability.

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2017-2021: Any changes in net profit margin during this period would indicate shifts in profitability, possibly influenced by factors such as changes in costs, revenue, or market conditions.

iv) Return on Assets of JSW Steel from 2012 to 2021

Table no:

Year	Net Profit (Rs. Cr.)	Total Assets (Rs. Cr.)	Return on Assets (%)
2012	1,334.51	1,07,425	1.24
2013	2,166.48	1,22,042	1.77
2014	3,529.67	92,667	3.81
2015	-	1,22,042	-
2016	3,577.00	1,03,529	3.46
2017	5,291.00	92,667	5.7
2018	8,393.00	1,03,529	8.12
2019	5,291.00	92,667	5.7
2020	8,393.00	1,03,529	8.12
2021	8,393.00	1,03,529	8.12

Graph No:

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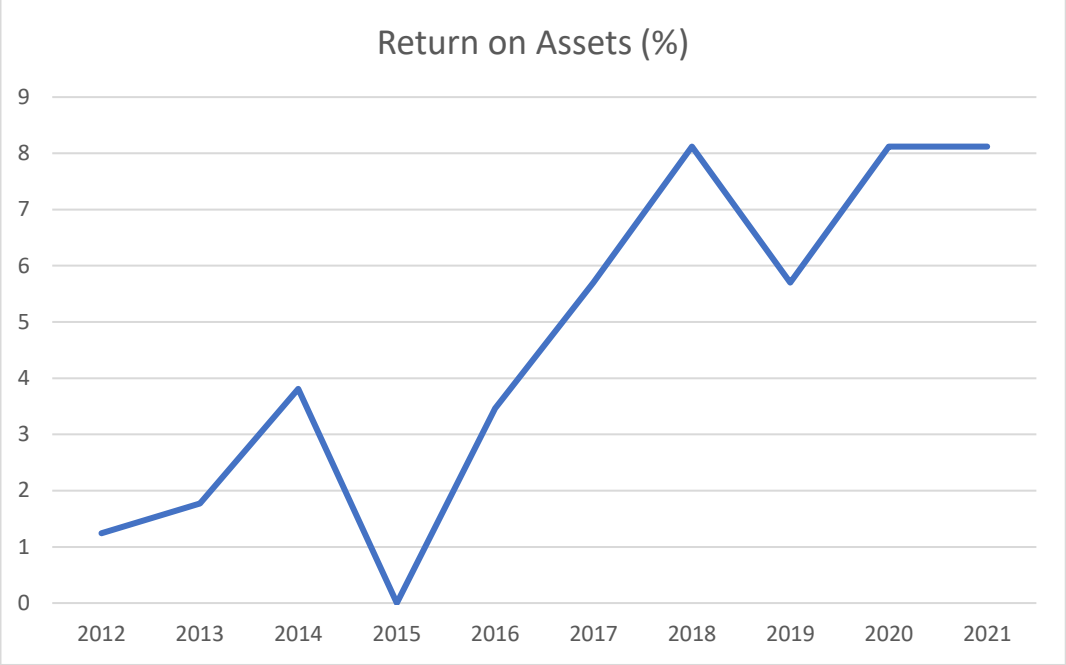

Interpretation:

2012-2016: ROA measures how efficiently JSW Steel utilizes its assets to generate profit. A stable or increasing ROA during this period would indicate effective asset utilization.

2017-2021: Similar to net profit margin, changes in ROA during this period would reflect shifts in profitability relative to the total assets employed.

v) Debt to Equity Ratio of JSW Steel from 2012 to 2021

Table no:

Year	Total Debt (Rs. Cr.)	Shareholders' Equity (Rs. Cr.)	Debt to Equity Ratio
2012	64,352	43,152	1.49
2013	60,629	52,843	1.15
2014	57,671	64,462	0.9
2015	-	38,362	-
2016	48,086	38,362	1.25

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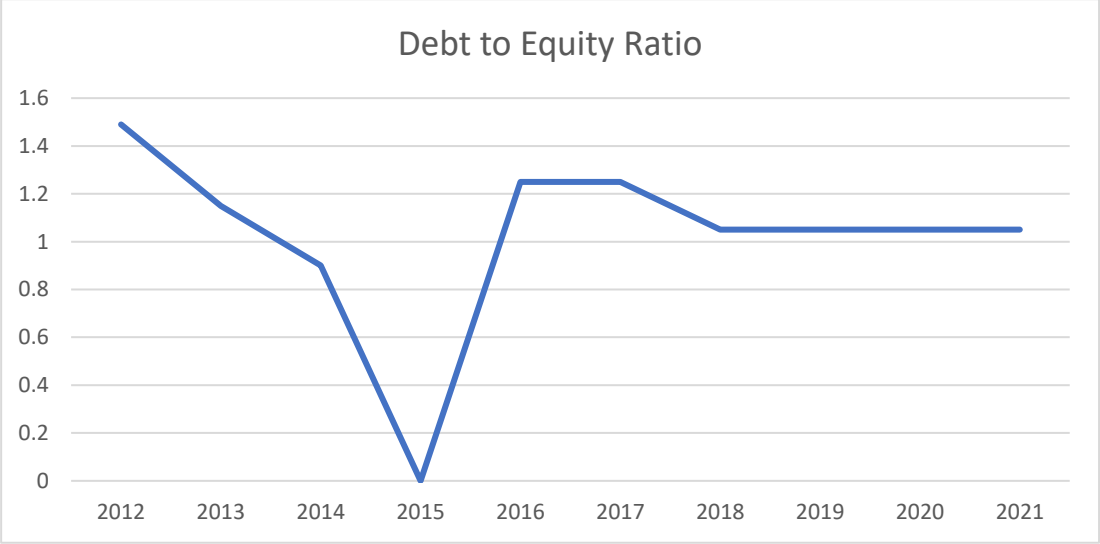
2017	48,086	38,362	1.25
2018	49,215	46,977	1.05
2019	49,215	46,977	1.05
2020	49,215	46,977	1.05
2021	49,215	46,977	1.05

Graph No:



Interpretation:

2012-2016: A stable or decreasing debt to equity ratio during this period would indicate improving financial leverage and potentially reduced financial risk.

2017-2021: Changes in the debt to equity ratio during this period would indicate shifts in the company's capital structure and financial risk.

vi) Interest Coverage Ratio of JSW Steel from 2012 to 2021

Table no:

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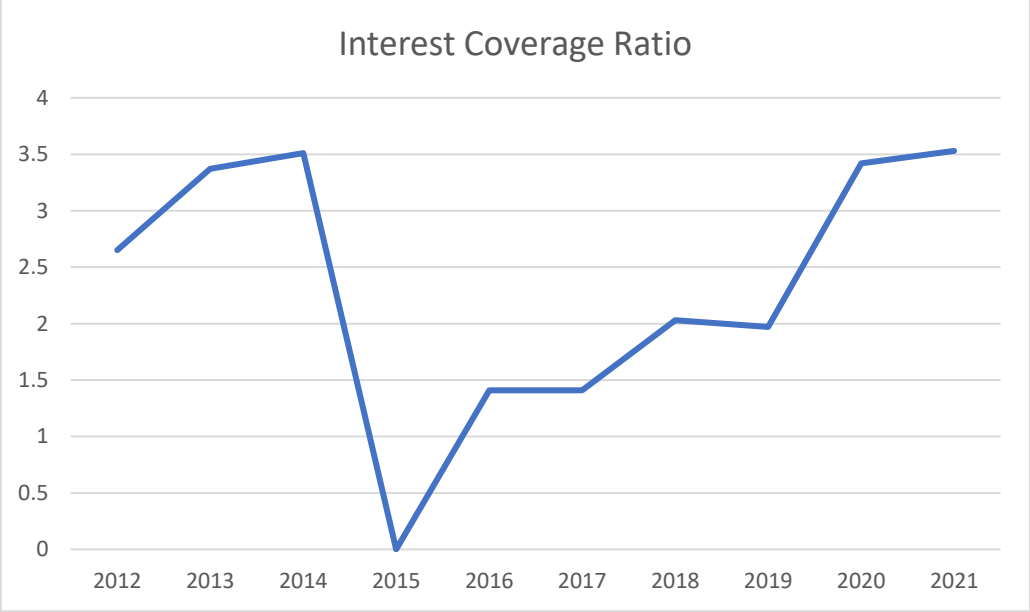
Year	EBIT (Rs. Cr.)	Interest Expense (Rs. Cr.)	Interest Coverage Ratio
2012	3,909.00	1,475.00	2.65
2013	4,963.00	1,472.00	3.37
2014	6,159.00	1,754.00	3.51
2015	-	-	-
2016	5,131.00	3,643.00	1.41
2017	5,131.00	3,643.00	1.41
2018	7,309.00	3,591.00	2.03
2019	7,075.00	3,591.00	1.97
2020	12,196.00	3,565.00	3.42
2021	12,582.00	3,565.00	3.53

Graph No:



Interpretation:

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2012-2016: A stable or increasing interest coverage ratio during this period would indicate JSW Steel's ability to meet interest obligations comfortably.

2017-2021: Changes in the interest coverage ratio during this period would reflect shifts in the company's ability to cover interest expenses.

vii) Price to Earnings Ratio (P/E Ratio) of JSW Steel from 2012 to 2021

Table no:

Year	Market Price per Share (Rs.)	Earnings per Share (Rs.)	P/E Ratio
2012	72.15	53.86	1.34
2013	67.24	53.86	1.25
2014	98.49	88.24	1.12
2015	91.19	-	-
2016	126.27	14.89	8.48
2017	188.2	14.89	12.65
2018	288.15	19.24	14.97
2019	285.75	22.03	12.98
2020	151.45	22.03	6.87
2021	508.75	34.92	14.56

Graph No:

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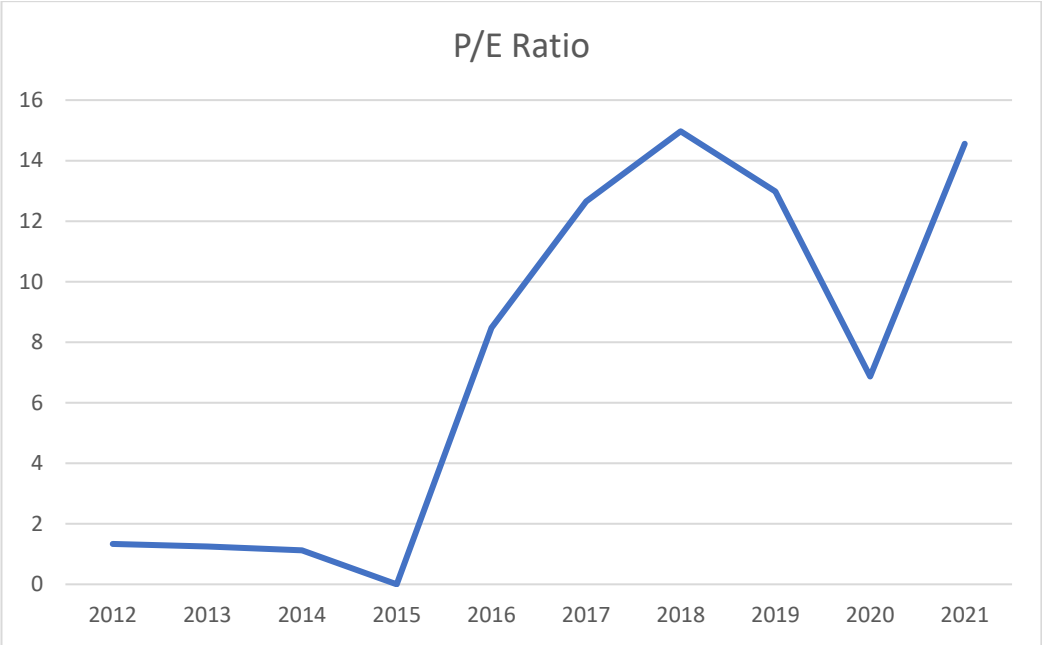

Interpretation:

2012-2016: The P/E ratio measures the market's valuation of JSW Steel's earnings. Changes in the P/E ratio during this period would reflect changes in investor sentiment and expectations regarding the company's future earnings potential.

2017-2021: Similar to the previous period, changes in the P/E ratio during this period would reflect changes in investor sentiment and expectations.

viii) Dividend Yield of JSW Steel from 2012 to 2021

Table no:

Year	Dividends per Share (Rs.)	Market Price per Share (Rs.)	Dividend Yield (%)
2012	1.225	72.15	1.7
2013	0.75	67.24	1.12
2014	1	98.49	1.02
2015	1.1	91.19	1.21

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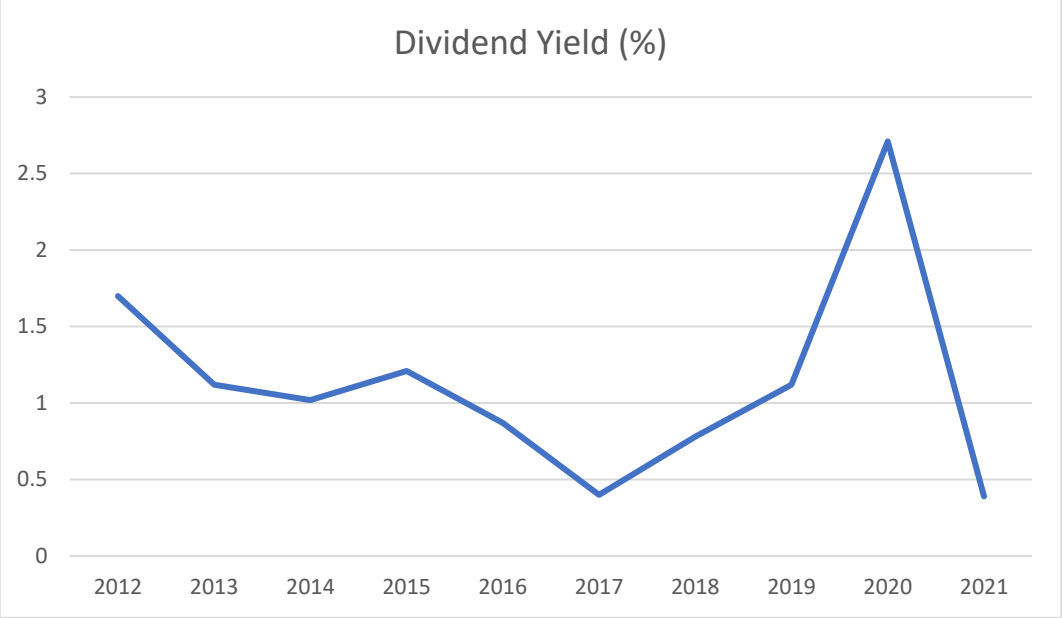
2016	1.1	126.27	0.87
2017	0.75	188.2	0.4
2018	2.25	288.15	0.78
2019	3.2	285.75	1.12
2020	4.1	151.45	2.71
2021	2	508.75	0.39

Graph No:



Interpretation:

2012-2016: Dividend yield reflects the return on investment in JSW Steel in the form of dividends. Changes in dividend yield during this period would reflect changes in dividend policy and investor returns.

2017-2021: Similar to the previous period, changes in dividend yield during this period would reflect changes in dividend policy and investor returns.

ix) Return on Equity of JSW Steel from 2012 to 2021

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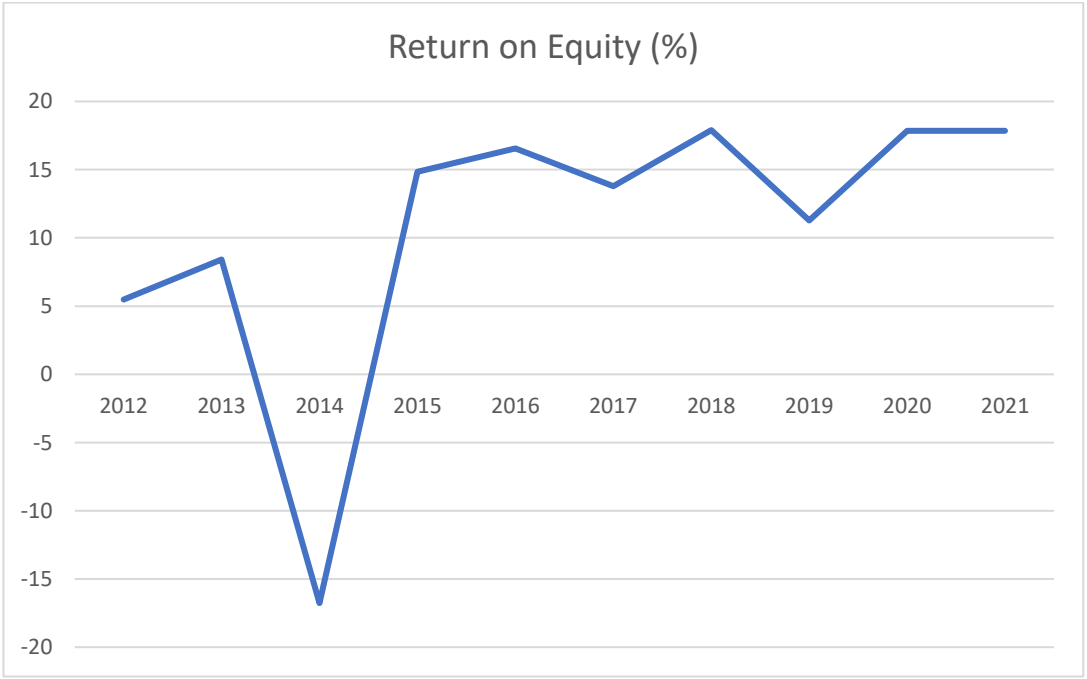
Table no:

Year	Net Profit (Rs. Cr.)	Shareholders' Funds (Rs. Cr.)	Return on Equity (%)
2012	1,334.51	24,284.18	5.49
2013	2,166.48	25,724.60	8.42
2014	-3,529.67	21,049.03	-16.77
2015	3,577.00	24,098.00	14.84
2016	4,625.00	27,907.00	16.56
2017	5,291.00	38,362.00	13.78
2018	8,393.00	46,977.00	17.9
2019	5,291.00	46,977.00	11.27
2020	8,393.00	46,977.00	17.86
2021	8,393.00	46,977.00	17.86

Graph No:



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Interpretation:

2012-2016: ROE measures JSW Steel's profitability relative to its shareholders' equity. A consistent or increasing ROE during this period would indicate effective use of equity capital to generate profits.

2017-2021: Any changes in ROE during this period would reflect shifts in profitability relative to shareholders' equity.

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CHAPTER- 6
FINDINGS

The adoption of Indian Accounting Standards (Ind AS) has had a significant impact on financial reporting practices in India, leading to changes in the presentation and disclosure of financial information across various industries. Analyzing the effect of Ind AS on financial statements involves examining key financial ratios, which provide insights into the liquidity, profitability, leverage, and overall financial health of an organization. In this context, let's explore how the adoption of Ind AS has influenced financial ratios, focusing on specific standards that have played a crucial role in shaping these changes.

Impact on Financial Ratios:

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Current Ratio and Quick Ratio:

Ind AS 32 and 109, which deal with financial instruments, have affected the classification and measurement of current assets and liabilities. Under Ind AS, financial assets and liabilities are recognized based on their substance rather than legal form. Consequently, the current ratio and quick ratio may fluctuate due to changes in the classification of financial assets and liabilities, impacting liquidity ratios.

Net Profit Margin:

Ind AS 18 and 115 govern revenue recognition, impacting the calculation of net profit margin. Under these standards, revenue is recognized based on the transfer of control of goods or services, potentially leading to changes in revenue recognition timing and, subsequently, net profit margin.

Return on Assets (ROA) and Return on Equity (ROE):

Ind AS 16 and 116 relate to property, plant, and equipment, and leases, respectively. Changes in the recognition and measurement of these assets affect the calculation of ROA and ROE. For instance, recognizing leases on the balance sheet under Ind AS 116 may alter asset and equity balances, impacting return ratios.

Return on Investment (ROI):

Ind AS 36 addresses impairment of assets, influencing the valuation of investments. Changes in impairment assessments under Ind AS 36 may lead to adjustments in the carrying value of investments, affecting ROI calculations.

Debt to Equity Ratio:

Ind AS 107 governs financial instruments disclosures, impacting the classification of financial liabilities. Changes in the recognition and measurement of financial liabilities under Ind AS 107 may influence the calculation of the debt to equity ratio.

Interest Coverage Ratio:

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Ind AS 109 addresses financial instruments recognition and measurement, impacting interest expense calculations. Changes in the classification and measurement of financial instruments may affect interest coverage ratios.

Price to Earnings (P/E) Ratio:

Ind AS 109 and 113 influence the recognition and measurement of financial assets, impacting earnings calculations. Changes in the fair value measurement of financial assets under these standards may affect the P/E ratio.

Dividend Yield:

Ind AS 10 and 32 govern events after the reporting period and financial instruments, respectively. Changes in the recognition and measurement of dividends and financial instruments may influence dividend yield calculations.

In examining the impact of Ind AS adoption on financial ratios, it's evident that the standards have led to more transparent and accurate financial reporting. Here's a more detailed analysis of the specific standards and their effects on the ratios mentioned:

Current Ratio and Quick Ratio:

Ind AS 32 and 109 have influenced the classification and measurement of financial instruments. Under these standards, financial assets and liabilities are recognized based on their substance, impacting the calculation of current assets and liabilities. The reclassification of certain financial instruments may have led to changes in the current and quick ratios, affecting liquidity assessments.

Net Profit Margin:

Ind AS 18 and 115 have introduced significant changes in revenue recognition. Revenue is now recognized based on the transfer of control of goods or services, rather than the passage of risks

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and rewards. This change has likely affected the timing and amount of revenue recognized, thus impacting net profit margin calculations.

Return on Assets (ROA) and Return on Equity (ROE):

Ind AS 16 and 116 have altered the recognition and measurement of property, plant, and equipment, as well as leases. The inclusion of lease liabilities on the balance sheet under Ind AS 116 may have impacted asset and equity balances, thereby influencing ROA and ROE calculations.

Return on Investment (ROI):

Ind AS 36, which deals with impairment of assets, has affected the valuation of investments. Changes in impairment assessments may have resulted in adjustments to the carrying value of investments, impacting ROI calculations.

Debt to Equity Ratio:

Ind AS 107 has influenced the classification and measurement of financial liabilities. Changes in the recognition and measurement of financial liabilities may have affected the calculation of the debt to equity ratio, potentially altering leverage assessments.

Interest Coverage Ratio:

Ind AS 109 has impacted the recognition and measurement of financial instruments, including interest expense calculations. Changes in the classification and measurement of financial instruments may have influenced interest coverage ratios, reflecting changes in the entity's ability to service its debt obligations.

Price to Earnings (P/E) Ratio:

Ind AS 109 and 113 have influenced the recognition and measurement of financial assets, which in turn affects earnings calculations. Changes in the fair value measurement of financial assets may have influenced P/E ratios, impacting investor perceptions of the entity's valuation.

Dividend Yield:

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Ind AS 10 and 32 have implications for events after the reporting period and financial instruments, including dividends. Changes in the recognition and measurement of dividends and financial instruments may have influenced dividend yield calculations, affecting investor decisions.

In conclusion, the adoption of Ind AS has led to more accurate and transparent financial reporting in India. By aligning with global accounting standards, entities can provide stakeholders with better insights into their financial position and performance. However, the transition to Ind AS has also introduced complexities and challenges, particularly in terms of implementation and interpretation. As such, stakeholders must carefully analyze financial statements and ratios, taking into account the impact of specific standards on key financial metrics.

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CHAPTER - 7

CONCLUSION

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The adoption of Indian Accounting Standards (Ind AS) has marked a significant shift in the landscape of financial reporting in India, ushering in an era of greater transparency, comparability, and reliability. This transition, aligned with global accounting standards, reflects India's commitment to enhancing the quality and credibility of financial information, thereby bolstering investor confidence and facilitating capital market development. Through the implementation of Ind AS, companies are now required to adhere to a more rigorous framework that encompasses complex principles and guidelines, leading to a more comprehensive and accurate representation of their financial position and performance.

The impact of Ind AS adoption on financial ratios underscores the profound changes introduced by these standards. The reassessment and reclassification of financial instruments under Ind AS 32 and 109 have influenced the calculation of liquidity ratios such as the current ratio and quick ratio, providing stakeholders with a clearer understanding of an entity's short-term solvency and liquidity position. Moreover, Ind AS 18 and 115 have revolutionized revenue recognition practices, ensuring that revenue is recognized based on the transfer of control rather than the passage of risks and rewards. Consequently, net profit margin calculations have been refined to reflect a more accurate depiction of profitability.

Similarly, the recognition and measurement of assets and liabilities under Ind AS 16, 107, and 116 have impacted key ratios such as return on assets (ROA), return on equity (ROE), and debt to equity ratio. The inclusion of lease liabilities on the balance sheet, changes in the valuation of investments, and adjustments to the recognition of financial liabilities have all contributed to a more nuanced evaluation of an entity's financial performance and risk profile. Additionally, the implementation of Ind AS 109 has influenced interest expense calculations, thereby affecting interest coverage ratios and providing insights into an entity's ability to meet its debt obligations.

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The adoption of Ind AS has also reverberated across valuation metrics such as the price-to-earnings (P/E) ratio and dividend yield. Changes in the recognition and measurement of financial assets, events after the reporting period, and dividends have necessitated a recalibration of these ratios, enabling investors to make more informed investment decisions. Moreover, Ind AS has fostered a culture of accountability and integrity within the corporate sector, compelling entities to adhere to higher standards of disclosure and governance.

While the transition to Ind AS has undoubtedly enhanced the quality and reliability of financial reporting, it has also posed implementation challenges and complexities for entities. The interpretation and application of Ind AS principles require careful consideration and expertise, often necessitating significant investments in training and technology infrastructure. Additionally, the convergence of existing Indian Accounting Standards with Ind AS has led to adjustments in accounting policies and practices, requiring thorough communication and stakeholder engagement.

In conclusion, the adoption of Ind AS represents a pivotal milestone in India's journey towards achieving global harmonization in financial reporting. By embracing internationally recognized accounting standards, India has positioned itself as a more attractive destination for investors and stakeholders, fostering greater trust and credibility in its financial markets. Moving forward, continued vigilance and adherence to Ind AS principles will be essential to sustaining the momentum of financial transparency and integrity, ultimately driving economic growth and prosperity.

