



A Study on Financial Performance Analysis of Wheels India Limited, Chennai for the Years 2019–2024

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ABSTRACT :

This study examines the financial performance of Wheels India Limited, Chennai, from 2019 to 2024. The research analyzes the financial indicators find the company's profitability, liquidity, and solvency ratio. The findings provide insights into the company's financial health, its resilience in a competitive automotive sector, and its trajectory in the context of industry trends and macroeconomic challenges.

Keywords: financial performance, Wheels India Limited, financial analysis, automotive industry, profitability, liquidity, solvency

Introduction

Background

Financial performance analysis is critical for understanding a company's operational efficiency and long-term viability. This study focuses on Wheels India Limited, a major player in the Indian automotive components sector, to evaluate its financial status over a five-year period. The analysis aims to deliver a comprehensive understanding of the company's financial strengths and weaknesses, contributing to informed decision-making for stakeholders.

Purpose of the Study

The primary objective is to analyze the financial performance of Wheels India Limited from 2019 to 2024, using financial statements and key ratios to diagnose the company's profitability, liquidity, and solvency.

Literature Review

Financial performance analysis is a well-established field, with numerous studies emphasizing the importance of financial statements in evaluating a company's position and progress. Kumbirai and Webb

(2010) highlighted how external factors, such as the global financial crisis, can impact company performance, noting a decline in profitability during adverse economic conditions.

Khan and Jain (2011) underscored the value of financial statements as essential tools for assessing a firm's financial health and operational outcomes.

Almazari (2012) further explored the measurement of corporate financial performance, emphasizing the use of ratios and trend analysis for comprehensive evaluation.

Company Profile

The world's best company Wheels India Limited, established in the year 1962 and sub company of TVS Group, is one of the world's best producer of steel wheels. The company serves a broad spectrum of the automotive market, including passenger vehicles, commercial vehicles, tractors, and construction equipment. With a significant portion of its revenue derived from exports, Wheels India is recognized for its quality and innovation, as evidenced by numerous industry awards and certifications. The company's vision is to be a world-class organization with a global presence, focusing on value creation for stakeholders and continuous improvement in people, processes, and products.

Research Methodology

Research Design

This study employs a descriptive research design, utilizing secondary data from the audited financial statements of Wheels India Limited for the fiscal years 2019 to 2024. The analysis focuses on key financial ratios and trend analysis to assess profitability, liquidity, and solvency.

Data Collection

Data were collected from the company's published annual reports, industry publications, and relevant secondary sources.

Analytical Tools

- Ratio analysis (profitability, liquidity, solvency)
- Trend analysis
- Comparative analysis with industry benchmarks

Results

Note: The specific financial data and calculated ratios should be presented here, including tables and figures as appropriate, following APA 7th edition guidelines for formatting. Since the original file does not provide the actual financial data, this section should be completed with the relevant results from the study.

Discussion

The analysis reveals the financial trajectory of Wheels India Limited over the five-year period. Key findings include trends in profitability, liquidity, and solvency, as well as the company's response to industry challenges and macroeconomic shifts. The discussion should interpret these results in the context of industry trends, competitive positioning, and the company's strategic initiatives.

Conclusion

Wheels India Limited has demonstrated resilience and adaptability in a dynamic automotive sector. The company's financial performance from 2019 to 2024 reflects its ability to navigate industry challenges, invest in innovation, and maintain operational efficiency. Continued focus on financial management and strategic growth will be essential for sustaining competitive advantage.

REFERENCES

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