



INFORMATICS INSTITUTE OF TECHNOLOGY



SCHOOL OF COMPUTING SCIENCE AND DIGITAL MEDIA



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| Supervisor: | Second Marker: |
| Project Title: Profit Optimization for a Production Company Using Linear Regression Techniques | |
| MSc Business Analytics | Start Date: 1st February 2021 |
| | Submission Date: 29th August 2021 |

CONSENT

I agree

I do not agree

That the University shall be entitled to use any results, materials or other outcomes arising from my project work for the purposes of non-commercial teaching and research, including collaboration.

DECLARATION

I confirm:

- That the work contained in this document has been composed solely by myself and that I have not made use of any unauthorized assistance.
- That the work has not been accepted in any previous application for a degree.
- All sources of information have been specifically acknowledged and all verbatim extracts are distinguished by quotation marks.

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Abstract

Information on a business's performance, particularly its profitability, is valuable in supporting managerial choices about prospective changes in the economic resources that the company will be able to control in the future. This goal is to provide superior economic outcomes that will improve the company's competitiveness and fulfill the interests of the company's owner. The study offers several corporate performance analysis methods that emphasize the elements that influence profitability. The models are based on regression analysis, and the acquired findings highlight the significant relationship between the profitability of the examined organization expressed via Return on assets and the management of resources available. Financial statement analysis is the study of the links between income statement and financial position statement accounts, how these relationships evolve over time, and how a specific business compares to other firms in the same sector. The purpose of this research is to highlight the importance of financial analysis in maximizing the firm's worth. Financial analysis results may be utilized to assist both management and external parties in making financial and investment recommendations that optimize each stakeholder's wealth and advantages.

Any company's financial performance and soundness must be evaluated. This provides a broad orientation for a business in analyzing its strengths and weaknesses in relation to other industry rivals. This research evaluates ABC Company using financial ratios analysis. ABC Company is a firm that specializes in engine restoration and generator service, offering highly restricted discounts based on the product or project scope. The information is derived from the company's financial statements during a 20-year period. This research examined the financial performance of ABC Company from 2009 to 2018. To address this organization's issues with measuring and presenting its financial performance, financial ratio analysis was implemented. Financial performance indicators, particularly financial ratio analysis, have become critical financial decision-support information utilized by business management and stakeholders to determine financial stability and development potential.

Keywords :Sales Profitability Optimization, Performance Evaluation, financial ratios analysis, Inventory Management.