

Impact of Company-Specific Factors on the Financial Performance of Indian Firms

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Abstract: *The primary objective of this article is to investigate the impact that firm-specific factors have on the economic performance of Indian businesses. The research was conducted using data from 1069 companies that were traded on the Bombay stock market during the years 2010 and 2016. Descriptive statistics, correlation matrices, and regression models are used in order to carry out an analysis of the aforementioned data. According to the findings of the study, the total cost of financial distress, growth prospects, company size, and total taxes have a significant and positive influence on the financial performance of Indian companies when measured by ROA and ROCE. This was determined by ROA and ROCE. On the other hand, the asset structure of Indian companies and the amount of leverage they use have a negative and considerable influence on the financial performance of these companies. The vast majority of earlier studies were based on very small samples; this paper fills a gap in the current body of research by covering a large data set consisting of 1069 enterprises over the course of seven years, which enables the findings of the study to be generalized. The conclusions of this research have important repercussions for those who decide policy, for those who practice it, and for academics..*

Keywords: financial performance; financial distress; growth opportunities; firms' size; total taxes.

