ISSN (ELECTRONIC): 2945-3135

Jayashree R, Gopikrishna G (2026). *Integrated Financial Performance Optimization for SALZER Electronics Ltd. Through Cost Structure and Sales Trend Analysis. International Journal of Multidisciplinary Research & Reviews, Vol. 5, Special Issue-1, pp. 113-121.*

INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH & REVIEWS

journal homepage: www.ijmrr.online/index.php/home

INTEGRATED FINANCIAL PERFORMANCE OPTIMIZATION FOR SALZER ELECTRONICS LTD. THROUGH COST STRUCTURE AND SALES TREND ANALYSIS

Dr. Jayashree R[1] & Mr. Gopikrishna G[2]

[1]MBA, M. Phil, PHD., Assistant Professor, Sri Ramakrishna College of Arts & Science, Coimbatore. TN, India.

[2]Student of Department MBA, Student, Sri Ramakrishna College of Arts & Science, Coimbatore. TN, India.

How to Cite the Article: Jayashree R, Gopikrishna G (2026). *Integrated Financial Performance Optimization for Salzer Electronics Ltd. Through Cost Structure and Sales Trend Analysis. International Journal of Multidisciplinary Research & Reviews, Vol. 5, Special Issue-1, pp. 113-121.*

https://doi.org/10.56815/ijmrr.v5si2.2026.113-121

Keywords	***Abstract***
Cost Analysis, Sales Trend, Profit Margins, Customer Segmentation, Financial Optimization, Business Analytics.	This study titled "Integrated Financial Performance Optimization for Salzer Electronics Ltd. through Cost Structure and Sales Trend Analysis" focuses on evaluating and optimizing the cost structure, analyzing sales trends and profit margins, and assessing the financial impact of customer segmentation. The research integrates financial and business analytics to provide data-driven insights for performance enhancement in a competitive manufacturing environment. Using historical data from Salzer Electronics Ltd., the study applies descriptive and analytical research design to identify cost patterns, sales performance trends, and profitability variations across product categories and customer segments. Key findings reveal that specific product lines with high variable costs affect profitability, while certain customer segments demonstrate stronger financial returns. The research also emphasizes the predictive potential of sales trend analysis in forecasting revenue growth. Recommendations include adopting activity-based costing (ABC), leveraging predictive analytics in Power BI for future sales forecasting, and restructuring customer segment strategies to optimize revenue. The study demonstrates that a data-integrated financial framework strengthens decision-making, enhances operational efficiency, and ensures

Jayashree R, Gopikrishna G (2026). *Integrated Financial Performance Optimization for SALZER Electronics Ltd. Through Cost Structure and Sales Trend Analysis. International Journal of Multidisciplinary Research & Reviews, Vol. 5, Special Issue-1, pp. 113-121.*

	sustainable financial performance in the manufacturing sector.

1. INTRODUCTION

In today's competitive industrial environment, financial performance optimization has become a strategic necessity for manufacturing organizations. Companies are compelled to balance cost efficiency with sales growth and profitability to maintain sustainability. Salzer Electronics Ltd., a Coimbatore-based leader in electrical and electronic components, exemplifies this challenge by striving to integrate cost control and sales optimization within its operational strategy.

The company operates across multiple product categories such as switchgears, wires and cables, transformers, and industrial automation components. Each category exhibits distinct cost behaviors and market responses, which influence overall financial performance. The integration of cost structure analysis, sales trend forecasting, and customer segmentation provides a comprehensive view of the company's financial dynamics, enabling better strategic decisions.

This research aims to examine Salzer Electronics Ltd.'s cost efficiency, sales performance trends, and customer profitability to propose integrated financial optimization strategies.

2. OBJECTIVES OF THE STUDY

- To evaluate and optimize cost analysis and structures of Salzer Electronics Ltd.
- To analyze sales trends and profit margins to forecast future sales performance.
- To segment customers and assess the financial impact of different segments.

3. REVIEW OF LITERATURE

Anand et al. (2025) in their research paper "Role of Predictive Analytics in Indian Electronics Sales" highlight that the application of Artificial Intelligence (AI) and Machine Learning (ML) algorithms enables firms to accurately predict sales demand cycles and optimize inventory levels. Their study concluded that predictive analytics significantly enhances revenue planning, minimizes stockouts, and supports timely procurement decisions all of which are essential for stable cash flow management. This is particularly relevant for firms like Salzer Electronics Ltd., which operate in highly competitive and volatile markets.

Ramanathan and Mehta (2024) in their article "Activity-Based Costing in Manufacturing: A Strategic Approach to Cost Control" analyzed the limitations of traditional costing systems and proposed Activity-Based Costing (ABC) as an effective method for identifying cost drivers and eliminating inefficiencies. Their findings established that ABC not only enhances transparency in cost allocation but also improves managerial decision-making by linking resource consumption with product performance. This aligns directly with the present study's objective of optimizing cost structures within Salzer's multi-product operations.

Kumar and Singh (2023) presented an empirical study on "Integrated Financial Modelling in Indian Manufacturing Firms," where they argued that linking cost accounting data with revenue and profitability indicators creates a powerful analytical framework for strategic planning. They found that integrated models improve the accuracy of profit forecasting, enabling organizations to

allocate resources more efficiently. This study supports the analytical approach adopted in the present research, which combines cost and sales data to derive actionable insights.

Nair (2022) explored "Customer Segmentation and Financial Impact in Indian Manufacturing Firms" and emphasized that segmenting customers based on financial contribution rather than traditional demographic variables helps businesses identify high-value clients and reduce credit risk. The research demonstrated that financial segmentation improves cash flow predictability, enhances profitability, and supports long-term customer relationship management. These insights are highly applicable to Salzer Electronics Ltd., where customer payment behavior and revenue concentration affect financial stability.

Sharma and Dey (2021) conducted a quantitative analysis titled "Sales Trend Forecasting through Predictive Modelling," which demonstrated that using time-series forecasting techniques such as ARIMA and exponential smoothing enables companies to anticipate seasonal demand fluctuations and align production schedules accordingly. The study underscored that combining historical sales data with real-time analytics leads to better decision-making and improves market responsiveness. This finding validates the analytical framework used in the present study for forecasting future sales performance.

Collectively, these studies highlight the growing relevance of integrating cost, sales, and customer analytics in improving overall business performance, aligning directly with the present research.

4. RESEARCH METHODOLOGY

The study follows a descriptive and analytical research design. Secondary data were used for analysis.

Secondary Data: Drawn from the company's annual reports, production records, sales registers, and financial statements.

Analytical Tools Used:

1. Cost Structure Analysis (Fixed and Variable Cost Ratio).
2. Sales Trend Analysis using Power BI and Excel Forecast Models.
3. Profit Margin and Revenue Analysis.
4. Customer Segmentation using Financial Contribution Metrics.

The analysis integrates descriptive statistics, ratio analysis, and predictive visualizations to interpret financial patterns and relationships between cost behavior and profitability.

➢ DATA ANALYSIS AND INTERPRETATION

Table 1: Sum of Net Sales and Total Costs by Product

Product Category	Net Sales (₹)	Total Cost (₹)	Profit Margin (%)
Rotary Switches	4,12,00,000	3,42,50,000	16.9
Wires & Cables	3,95,80,000	3,21,20,000	18.8

Jayashree R, Gopikrishna G (2026). *Integrated Financial Performance Optimization for SALZER Electronics Ltd. Through Cost Structure and Sales Trend Analysis. International Journal of Multidisciplinary Research & Reviews, Vol. 5, Special Issue-1, pp. 113-121.*

Cable Ducts	2,88,40,000	2,59,90,000	9.9
Transformers	3,75,10,000	3,54,60,000	5.5
Automation Devices	2,42,70,000	2,10,20,000	13.4

(**Source: Secondary Data)**

Interpretation:

The analysis reveals that Wires & Cables contribute the highest profit margin (18.8%), indicating strong cost efficiency and demand stability. Transformers, despite high sales value, yield lower margins due to high material costs. Rotary Switches also perform well, reflecting optimal production control and steady market acceptance.

Table 2: Fixed and Variable Cost Ratio

Product	Fixed Cost Ratio (%)	Variable Cost Ratio (%)
Rotary Switches	38	62
Wires & Cables	33	67
Cable Ducts	42	58
Transformers	46	54
Automation Devices	40	60

(Source: Secondary Data)

Interpretation:

Wires & Cables demonstrate the most balanced cost structure with a moderate fixed cost base, enabling flexibility in response to sales fluctuations. Transformers and Cable Ducts exhibit higher fixed cost dependency, impacting profitability during demand downturns.

Table 3: Sales Trend by Year

Year	Total Sales (₹ Crore)	Growth Rate (%)
2020–21	210.45	—
2021–22	232.10	10.3
2022–23	249.80	7.6
2023–24	278.60	11.5

Jayashree R, Gopikrishna G (2026). *Integrated Financial Performance Optimization for SALZER Electronics Ltd. Through Cost Structure and Sales Trend Analysis. International Journal of Multidisciplinary Research & Reviews, Vol. 5, Special Issue-1, pp. 113-121.*

(Source: Secondary Data)

Interpretation:

Sales trends show consistent year-over-year growth, with a notable recovery in 2023–24 following market expansion in automation and export orders. Forecast models suggest sustained growth above 10% annually if current cost and pricing strategies are maintained.

Table 4: Profit Margin Analysis by Product

Product	Gross Profit (₹)	Net Profit (₹)	Net Profit Margin (%)
Rotary Switches	69,50,000	42,10,000	10.2
Wires & Cables	74,60,000	49,00,000	12.4
Cable Ducts	28,50,000	18,00,000	6.2
Transformers	20,50,000	9,80,000	3.9
Automation Devices	32,50,000	21,40,000	8.8

(Source: Secondary Data)

Interpretation:

The analysis indicates that the Wires & Cables division yields the highest profitability, confirming its position as a financial driver for the company. Transformers show the lowest margin, primarily due to rising raw material prices and higher overhead absorption.

Table 5: Customer Segmentation and Financial Contribution

Customer Segment	Average Annual Purchase (₹ Lakh)	Contribution to Total Revenue (%)	Average Payment Period (Days)
Industrial OEMs	168.5	45	45
Domestic Distributors	104.2	28	35
Export Clients	81.7	20	60
Retail Channels	25.4	7	30

(Source: Secondary Data)

Interpretation:

Industrial OEMs contribute the largest revenue share (45%) but exhibit longer payment cycles. Export clients provide steady margins but slower cash flow due to extended payment terms. Retail channels have smaller financial impact yet provide liquidity advantages.

Jayashree R, Gopikrishna G (2026). *Integrated Financial Performance Optimization for SALZER Electronics Ltd. Through Cost Structure and Sales Trend Analysis. International Journal of Multidisciplinary Research & Reviews, Vol. 5, Special Issue-1, pp. 113-121.*

Table 6: Activity-Based Costing (ABC) Analysis

Activity / Cost Driver	Distribution Boards (₹)	Toroidal Transformers (₹)	Rotary Switches (₹)	Wires & Cables (₹)	Total (₹)
Procurement & Material Handling	8,00,000	7,00,000	6,00,000	7,00,000	28,00,000
Machine Setup & Assembly	9,00,000	10,00,000	8,00,000	9,00,000	36,00,000
Quality Testing & Inspection	5,00,000	8,00,000	5,00,000	4,00,000	22,00,000
Packaging & Dispatch	3,00,000	3,00,000	3,00,000	5,00,000	14,00,000
Administrative & Support Services	5,00,000	4,00,000	5,00,000	6,00,000	20,00,000
Total Overhead Allocation	**30,00,000**	**32,00,000**	**27,00,000**	**31,00,000**	**1,20,00,000**

(Source: Secondary Data)

Interpretation:

The above table shows that Toroidal Transformers (₹32 lakh) and Wires & Cables (₹31 lakh) consume the highest overhead costs, mainly due to extensive setup and inspection activities. Rotary Switches (₹27 lakh) have the lowest overhead, reflecting efficient automation and streamlined production. Overall, applying Activity-Based Costing enables Salzer Electronics Ltd. to identify high-cost activities, reduce non–value-added processes, and achieve a more accurate picture of product-wise profitability.

5. FINDINGS

- Wires & Cables emerged as the most cost-efficient and profit-generating product division.
- High fixed costs in Transformers and Cable Ducts reduce flexibility and margin stability.
- Sales show consistent growth trends, particularly in automation and export segments.
- Profitability is closely tied to the balance between fixed and variable costs.
- Industrial OEMs and export clients dominate revenue contribution but require stronger receivable management.
- Predictive analytics can enhance accuracy in sales forecasting and resource allocation.

6. SUGGESTIONS

To enhance the overall financial performance of Salzer Electronics Ltd., several strategic measures are recommended based on the analytical findings. Firstly, the company should adopt Activity-Based Costing (ABC) to ensure more accurate overhead allocation and identify non-value-added

Jayashree R, Gopikrishna G (2026). *Integrated Financial Performance Optimization for SALZER Electronics Ltd. Through Cost Structure and Sales Trend Analysis. International Journal of Multidisciplinary Research & Reviews, Vol. 5, Special Issue-1, pp. 113-121.*

activities within its production process. This system will provide better visibility into cost drivers and improve managerial control. Secondly, the use of predictive sales forecasting tools such as Power BI and time-series models is strongly encouraged, as these tools can effectively anticipate seasonal fluctuations, optimize inventory management, and support proactive decision-making. Furthermore, cost restructuring within the Transformer segment is essential, focusing on automation of assembly processes and improved vendor negotiations to reduce per-unit manufacturing costs. The firm should also work towards optimizing customer segmentation, prioritizing high-value Original Equipment Manufacturers (OEMs) while offering incentives to prompt-paying distributors, thereby balancing profitability and liquidity. Finally, it is vital to enhance margin monitoring through the implementation of real-time analytical dashboards, enabling periodic product-level profitability assessments that can guide pricing, discount strategies, and overall financial planning.

7. CONCLUSION

The study concludes that integrating cost analysis, sales trend evaluation, and customer segmentation provides a holistic financial view that enables strategic decision-making at Salzer Electronics Ltd. The findings underscore that optimizing cost structures and adopting predictive sales analytics can significantly enhance profitability and working capital efficiency. Furthermore, customer segmentation based on financial contribution supports targeted marketing and improved liquidity management.

In essence, this integrated analytical framework not only strengthens operational efficiency but also empowers Salzer Electronics Ltd. to sustain growth and competitiveness in the rapidly evolving electrical manufacturing industry.

8. AUTHOR(S) CONTRIBUTION

The writers affirm that they have no connections to, or engagement with, any group or body
That provides financial or non-financial assistance for the topics or resources covered in this Manuscript.

9. CONFLICTS OF INTEREST

The authors declared no potential conflicts of interest with respect to the research, authorship, And/or publication of this article.

10. PLAGIARISM POLICY

All authors declare that any kind of violation of plagiarism, copyright and ethical matters will\
Take care by all authors. Journal and editors are not liable for aforesaid matters.

11. SOURCES OF FUNDING

The authors received no financial aid to support for the research.

Jayashree R, Gopikrishna G (2026). *Integrated Financial Performance Optimization for SALZER Electronics Ltd. Through Cost Structure and Sales Trend Analysis. International Journal of Multidisciplinary Research & Reviews, Vol. 5, Special Issue-1, pp. 113-121.*

REFERENCES

[1] Anand, R. et al. (2025). Role of Predictive Analytics in Indian Electronics Sales. International Journal of Business Intelligence.

[2] Ramanathan, S., & Mehta, P. (2024). Activity-Based Costing in Manufacturing: A Strategic Approach to Cost Control. Journal of Cost Management.

[3] Nair, P. (2022). Customer Segmentation and Financial Impact in Indian Manufacturing Firms. Global Business Review.

[4] Sharma, V., & Dey, K. (2021). Sales Trend Forecasting through Predictive Modelling. International Journal of Data Analytics.

[5] Kumar, R., & Singh, A. (2023). Integrated Financial Modelling in Indian Manufacturing Firms: Linking Cost Data and Profitability Indicators for Strategic Planning. International Journal of Financial Management and Analytics.

[6] Salzer Electronics Ltd. (2024). Annual Report 2023–2024. Coimbatore: Salzer Electronics Ltd.

[7] Dr B Merceline Anitha, Prem Kumar M, Munik S, (2023), A Study On Predictive Analysis In E-Commerce Sector With Special Reference To Men's Clothing Apparel, 0378 – 4568, Volume 52, Issue 2, 10-14.

[8] Divya, D., Darshan, R., & Abdullah, A. S. (2025). FINANCIAL PERFORMANCE AND WORKING CAPITAL MANAGEMENT AT DEVI MOTORS-A YAMAHA DEALERSHIP PERSPECTIVE. Interpretation, 26(96,777), 2-41.

[9] Dr D Divya, Saira Nowreen.A & Sangilimohanraj.E (2022), Study on Financial Statement Analysis of Indian bank with Reference To Coimbatore City, Anvesak, 0378 – 4568, Vol. 51, No.1 (X) January – June 2022, 43-51

[10] Ms. C. Ranganayaki, (2024). A study on analyzing the financial performance and Conducting ratio analysis of the company "Voith", Journal of The Oriental Institute, Pg. No: 86-92.

[11] ILANGO. N, SREEJITH, SURYA, A STUDY OF MARKETING STRATEGY OF SALISBURY TEA FACTORY AT GUDALUR, SHODHSAMHITA, 2277-7067, Vol. No. VIII, Issue No.: 14, June-2022, P. No.: 122-126.

Jayashree R, Gopikrishna G (2026). *Integrated Financial Performance Optimization for SALZER Electronics Ltd. Through Cost Structure and Sales Trend Analysis. International Journal of Multidisciplinary Research & Reviews, Vol. 5, Special Issue-1, pp. 113-121.*

WEBSITES

1. Company website- https://www.salzergroup.net/

2. Google Scholar- https://scholar.google.com

3. ResearchGate- https://www.researchgate.net

4. Indian Council of Social Science Research (ICSSR)- https://www.icssr.org

5. Investopedia- https://www.investopedia.com

6. Money control - https://www.moneycontrol.com/