**Abstract**

Financial ratio analysis is the process of calculating financial ratios, which are mathematical indicators calculated by comparing key financial information appearing in financial statements of a business, and analyzing those to find out reasons behind the business’s current financial position and its recent financial performance, and develop expectation about its future outlook. In this project report, “A Comparative study on the financial performance of the Tamil Nadu Newsprint And Papers Limited and JK Paper Limited” ratio analysis is prepared to obtain the financial position of the companies. The main objective of the company is to analyze and compare the financial performance of both companies. It also aims to determine the capacity of the companies to deal with their current scenario. Analysis and interpretation is prepared to view the better understanding about the financial position of both companies. Ratio analysis is a better way to evaluate the various aspects of firm’s operating and financial performance such as efficiency, liquidity, profitability and solvency. In this study, profitability and solvency ratios are prepared for better comparative study.