

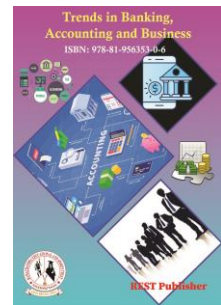


Trends in Banking, Accounting and Business

Vol: 3(1), 2024

REST Publisher; ISBN: 978-81-956353-0-6

Website: <https://restpublisher.com/book-series/tbab/>



A Study on Evaluation of Financial Assessment and Strategy in Tube Investments of India Ltd at Chennai

*** N. Priya, P. Raja**

Adhiyamaan College of Engineering (Autonomous), Hosur, Tamil Nadu, India.

*Corresponding author Email: npriya0566@gmail.com

Abstract: *This study aims to evaluate the financial assessment and strategic planning processes of Tube Investments of India Ltd, a prominent company based in Chennai. The objective is to analyze the company's financial health, strategic initiatives, and overall performance in the context of its industry and market environment. By employing various financial analysis techniques and strategic evaluation methods, this research provides a comprehensive overview of the company's financial status and strategic direction. The study begins with an In-depth analysis of Tube Investments' financial statements, including income statements, balance sheets, and cash flow statements over the past five years. Key financial ratios such as profitability, liquidity, solvency, and efficiency ratios are calculated to assess the company's financial stability and performance. In addition to the financial assessment, the study explores the strategic initiatives undertaken by Tube Investments. This includes an evaluation of its investment decisions, market expansion strategies, product diversification, and innovation efforts.*

Keywords: *project evaluation, project control, monitoring, criteria of evaluation, service innovation, service projects, new service development.*

1. INTRODUCTION

The term „financial Planning analysis also known as analysis and interpretation of financial statements refers to the process of determining financial strength and weaknesses of the firm by establishing strategic relationship between the items of the balance sheet , profit and loss account and other operative data. Financial Planning & Analysis (FP&A) is emerging as its own discipline, separate from accounting and treasury, and is forming strong relationships with the business to help drive financial results. FP&A professionals are seen as key business partners who deliver value and insight and play an important role in organizational planning processes. FP&A is one of APQC score focus areas within financial management for benchmarks and best practices research. Explore some of our suggested resources below to learn how you can benchmark and improve your own FP&A practices. “Financial Planning analysis is a process of evaluating the relationship between component parts of a financial statement to obtain a better understanding of a firm’s position and Planning. The purpose of financial analysis is to diagnose the information contained in financial statements so as to judge the profitability and financial soundness of the firm. Just like a doctor examines his patient by recording his body temperature, blood pressure etc. Key Functions: The budget process, Management and allocation of central resources, Financial and capital planning, exporting, and analysis , Financial systems management and business Intelligence, Institutional research and enrollment planning, Capital accounting, Contract administration, Finance reform and other strategic initiatives

2. SCOPE OF THE STUDY

The study covers the financial planning of the Murugappa Group reference to Chennai. The study is made by making comparison of five year of it operations form 2019- 2023.The study covered aims to reveal where the stands

in respect to liquidity and an effective use of asset. The study has research for future aspects how the industries improving their planning positive or not.

3. OBJECTIVE OF THE STUDY

The major objectives of the recent study are to know about financial strengths and weakness of Murugappa Group through the financial planning analysis. The main objective of recent study is aimed as: To study the future enhancement for forecasting financial position of the firm. To evaluate the planning of the company by using ratios to measure the efficiency of the company. To understand the liquidity, profitability and efficiency positions of the company during the study period. To evaluate and analyze various facts of the financial planning to the firm. To make comparisons between the ratios during different periods. To offer appropriate suggestions for the better planning of the organization. To evaluate the extents that the sales and how to improve their techniques using them.

4. LITERATURE REVIEW

Ray Sabapriya (2019) has highlighted the importance in the actual context of global financial crisis as well as in the increasing complexity of financial products and services. It intensifies the asymmetry of information between financial institutions and costumers, which justifies the need to acquire competences concerning financial issues, as well as be informed about the increasing complexity and diversity of financial products. It is needed to promote citizens savings and avoid families" over indebtedness. Being financially literate is a lifelong process. With the constant and quick changes in personal and economic circumstances, individuals need new knowledge and skills to manage successfully their finances. Dawar Varun (2019) Study to analyse the effect of various fundamental corporate policy variables like dividend, debit, capital expenditure on stock prices of companies of India The study tends that dividend & investment policy are relevant and capital structure irrelevant to stock prices. The constant innovation in the financial market, the increasing complexity of information and the different needs of investors according to their age, require all investors to be familiar with matters of financial nature, including young people, considered a public- priority target. Young people becomes a more attractive consumer segment in the economy worldwide Mistry Dharmendra S. (2019) understood a study to analyse the effect of various determinants on the profitability of the selected companies. It concluded that debt equity ratio, inventory ratio, total assets were important determinants which effect positive or negative effect on the profitability. It suggested improving solvency as to reduce fixed financial burden on the company profit & give the benefit of trading on equity to the shareholders. Murlidhar, A. Lok Hande & Rana Vishal S. (2020) the author tries to evaluate the performance of industry with respect to export, Domestic Sales, productions and profit after tax. For this purpose, the pie chart and bar graph are used to show the performance of company various years. Poor financial choices could have a number of negative consequences for young people. Financially illiterate graduates might be subject to various financial or judicial enforcements, such as bankruptcy, mortgage crises or financial frauds. In order to protect young adults from the costly consequences of financial illiteracy, the evaluation of financial literacy must be analysed for transforming them into financially knowledgeable individuals by the help of financial Dharmaraj, A.and Kathirvel N. (2020) explored an overview of new industrial policy act 1991, which allow 100 per cent foreign direct investment. An attempt is made to find out the effect of FDI on financial performance of industry. It is concluded that the liquidity ratios shows minor changes and profitability shows an increasing trend during post FDI when compared to pre FDI. Post FDI efficiency ratio shows that companies are efficiently utilizing the available resources. Rapheal Nisha (2020) the author tries to evaluate the financial planning of the industry. The study was conducted for period to analyse the performance with financial indicators, sales trend, export trend, production trend etc. The result suggests the key to success in industry is to improve labour productivity and flexibility and capital efficiency. The authors conclude that the academic degree and the financial knowledge have a significant impact on the individual financial decisions. This evidence justifies the need for efforts development by the regulatory authorities and private organizations to increase the disclosure of financial information as well as the promotion and development of financial education programs for investors. Hotwani Rakhi (2021) the author examines the profitability position and growth of company in light of sales and profitability of industry for past ten years. Data is analysed through rations, standard deviations and coefficient of variance. The study reveals that there not exists a strong relationship between sales & profitability of company. Understanding how social media monitoring can help diving the consumer decision & also study. The researcher had discussion with social media team median managers for collecting data & also visited the official social media sites of MSIL Sharma Rashmi, Pande Neeraj & Singh Avinash (2021) studied about literature review on financial literacy. The aim of the studied was too worked best in measuring financial

literacy among individuals. This present study was descriptive in nature some basic and advanced financial questions are asked to targeted population and then responses are evaluated according to their accuracy. When carefully examined, one point in these objective financial literacy tests attracts the attention. Surveys have an advantage over other studies since national surveys provided large samples for researchers, enabling them to make more generalizable inferences from their studies. Findings of this studied was the determinants of financial literacy is abounding. Daniel A. Moses Joshunar (2021) studied about factors influencing personal financial planning among young working adults in Malaysia. The aim of this study was to identify the factors stated that affecting the personal financial planning among the young working adult in Malaysia. The research design was descriptive research design. This study was implemented under quantitative method with primary data in order to generate the data. The survey method is simple random sampling and questionnaires. The findings of the study are relationship of financial planners and financial planning also similar with the prior researchers. That also found that the older the individuals Dhole Madhavi (2022) Investing the impact of price movement of share on selected company performance. It advise due investors consider various factors before choosing the better portfolio. Sentimental factors do play a role in price movement only in short term but in long run annual performance is sole factor responsible for price movement. The study has been conducted to identify the financial strength and weakness of the industry. Trend analysis & ratio analysis used to comment of financial status of company. Financial performance of company is satisfactory and also suggested to increase the loan levels of company for the better performance. Azhagaiah R. & Gounasegaran (2022) studied about the awareness of personal financial planning among the industry. The aim of studied was to evaluate the knowledge of the industry employee with regard to financial planning. The research design was descriptive in nature. The survey method was random sampling method from the list of students attached to top fine colleges. The key finding of this studied that has been industry employee are much pessimistic about their saving and budget Buvanewari .R & Kanimozhip (2022) to study the credit worthiness of selected firms in Indian industry. To measure the fiscal fitness of a company combined a set of five financial ratios. The paper aims at studying the literacy and awareness of capital markets among investors regarding various investment avenues. To find and identify segments preferred more by the people and the influencing force behind the decision making, while investing in currently available options including stock markets. It concludes that investors are moving to new investment avenues such as equity market, mutual funds, bonds, and others like gold, land etc. This is due to the decreasing trend of bank rates. Kale (2023) in his paper mentioned that in the last few years the Indian Industry has grown a lot due to the improvement of the technology and also the growth of the technical knowledge. The Indian industry has companies which have the capability of developing the design and also bringing innovative product and services. The well-established Global Brands have their market presence in the Indian as well as other emerging market. His paper studies about the understanding of the internal and external factors that helped the Industries or firms to shaped innovative capabilities and their development. This Paper defines that the key attributes such as managerial vision and diverse nature of operating business had helped the Indian companies in the development of the innovative capabilities. Sumesh Kumar & Dr. Gurbachan Kaur Bhatia (2023) speaks about the sector as it is a dominant player in the economy of the world and not only in India. The Industry also faces several forward and backward linkages which effect the industrial growth. The Industry is growing year by year facing lots of challenges such as consolidations merger and acquisitions etc. and thereby adapted to the new market environment. In his paper he compared two companies after the policy of liberalization and reveals the comparative financial strength and also the study on the basis of liquidity, efficiency and profitability etc. T. Harikrishnamurthi and Dr. R. Gopi (2023) in his study talks about how Indian industry in the modern era plays an important role. He did analysis of liquidity of the selected companies. He found that the selected companies were not able to maintain ideal current and quick ratio. The net working capital condition of company was in a satisfactory level and remaining were not in satisfactory level. He recognized India's per capita real GDP growth as one of key drivers of growth for country's industry. The central government would be set up various task forces on issue related to taxation, land acquisitions, labour reform and skill development for industry. David S. Murphy (2023) studied about personal financial planning attitudes towards a preliminary study of the company. The aim of the study was to report on a survey about the personal financial planning of the company. The study surveyed 200 the employee about their attitudes to personal financial planning. Participants were asked to indicate their level of confidence in financial plans capacity to help them meet their lone term needs. The findings indicate that, while most respondents feel both that financial planning is Important and that they are interested in developing a financial plan, very few feels that they have the Necessary skills and knowledge to prepare their own plan.

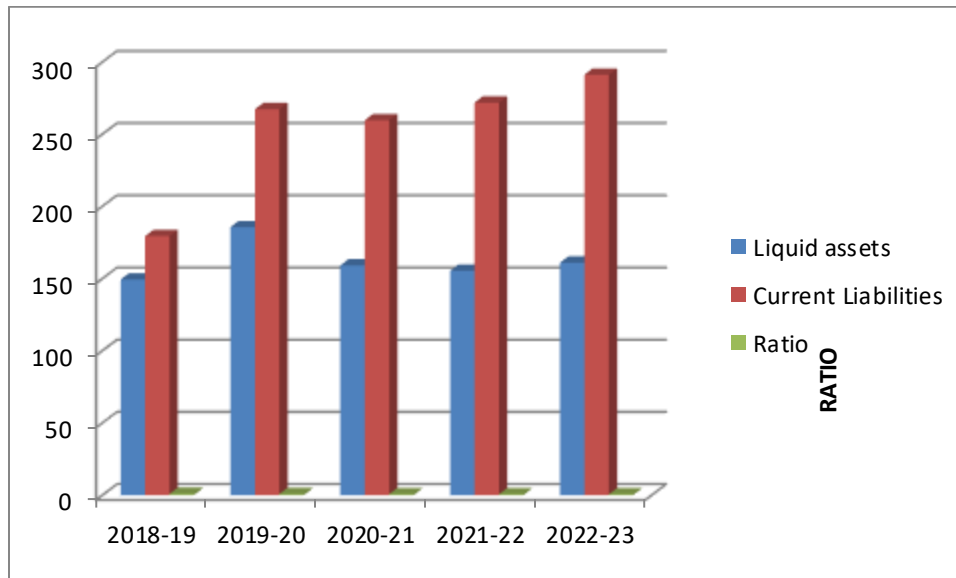
5. RESEARCH METHODOLOGY

Research is a process in which the researchers wish to find out the end result for a given problem and thus the solution helps in future course of action. The research has been defined as “A careful investigation or enquiry especially through search for new facts in branch of knowledge”.

Data Analysis and Interpretation:

TABLE 1. Liquidity Ratio

Year	Liquid assets	Current Liabilities	Ratio
2018-19	149.29	179.43	0.83
2019-20	185.56	267.33	0.69
2020-21	159.11	259.67	0.61
2021-22	155.44	271.83	0.57
2022-23	161.00	291.20	0.55



Findings: The current ratio is a measure of firm’s short term solvency. It indicates the availability of current assets in rupees for every one rupee of current liability. As conversion role, during the year 2018-19 the current ratio was 1.48 which are decreased to 1.42 the next year 2019-20. The next year 2020-21 is decreased to 1.36. The last year it decreased 1.31 in 2022-23. The current ratio is decreasing trend during the study period. The fixed assets ratio during the period 2018-19 to 2022-23. The table indicates that the company has 1.55 in the year of 2018-19. Then next year increased to 2.81 in 2019-20. The last year decrease 2.07 of in the year of 2022-23. The Fixed asset ratio is fluctuated year by year. The liquidity ratio during the study period is 0.83 in the year of 2018-19 and further Decreased to 0.55 in 2022-23 and it has been fluctuating and is below the normal ratio. Hence the firm is not controlling its stock position because there are linear relationship between current ratio and liquidity ratio. The absolute ratio for the study period 2018-19 to 2022-23. There is a fluctuation in the absolute liquidity ratio. It was 0.05 in the year 2018-19. Next it move increased to 0.07 in the year 2019-20 and it moves decreased to final year 0.05. Suggestions: The Company should concentrate more on the working capital. The company maintains it debit in order to have profit maximizations. It’s important for the company to stability in growth of sales by adapting the complete promotional programs so that it will result in increase of profit as well as volume of stock. It is very much essential for the firm to manage the movement of fund from the fund mobilized from term sources should necessarily be used for the purpose of purchasing a fixed asset or redemption of loan suppose the firm uses its fund mobilized from long term sources for other purpose it will question that the expansion of business and the real

earning of the business. Generally the firm has used fund arise from operating activities. It shows that financial the firm is expanding so the firm should maintain the present position until it reaches as the available opportunities.

6. CONCLUSION

The study conducted on ratio analysis at the company gives a view of analysis evaluation of liquidity position of the company. Based on the tools used analysis and interpretation have been made giving way for useful and constructive suggestions. Thus the ratio analysis of the company is satisfactory. The company should enhance its performance for meeting challenges and exploiting opportunities in future. The project will guide to the management to interpret its weakness and problems this will certainly help the management to taking financial decision. However more efforts need to be taken to improve the financial position for the growth of the company.

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