



A STUDY ON FINANCIAL PERFORMANCE OF FORCE MOTOR COMPANY

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ABSTRACT

The examine fundamental recognition directly evaluation to overall performance of the force cars corporation to evaluation the general overall performance with the assist of economic declaration with indicate all earning and expenditure and property and liabilities with inside the layout of income and loss and stability sheets this declaration is its miles known as overall performance. The examine used 5 years of FORCE MOTORS secondary records and fundamental goal is to discover the economic overall performance of the enterprise that may be useful in locating the boom aspects. The diverse equipment like current ratio, net profit ratio, inventory turnover ratio and other performance ratio has been used for examine. The tips display the corporation ought to take important steps to earn ordinary earnings and for that reason hold regular profitability overall performance. Finally, the examine well-known shows there has been slow upward thrust and fall within the boom of the corporation all through examine length and its miles satisfactory.

KEYWORDS: Ford Motor Company, performance and diverse equipment.

1. INTRODUCTION

Financial Analysis is a tool to find out current and future position of companies on the basis of historical data gathered from annual reports. Financial performance analysis involves analysing liquidity position, solvency position and profitability position in terms of financial ratios like current ratio, capital structure ratio, return on equity, return on capital employed, gross profit ratio and operating profit ratio. A significant role has been played by automobile industry in giving India a global position not only this it has positive influence over the lives of people by contributing directly and indirectly towards diversified business services, world class technology, employability and standard of living. The Financial articulations will deliver the pertinent and dependable realities indoors and outer clients like traders, proprietors attributable to commercial enterprise company, gifted chiefs, leasers and government and so forth are the customers of those elements who are otherwise known as companions of a distinctiveness unit. The research of price range precis will look at the matters in Profit and Loss record and clarification of Balance Sheet. On the off threat that the records is masterminded in a vital way, it.

2. STATEMENT OF THE PROBLEM

To determine the financial problem, the financial performance and analysis to earn sufficient profitability to manage the proper functioning of FORCE MOTORS COMPANY. Every effort has been made to conclude relevantly and suggest for the performance of FORCE MOTORS COMPANY.

3. OBJECTIVES OF STUDY

- To analyze the financial growth of the company.
- To analyze the profitability and liquidity position of the company.
- To analyze the operational efficiency of the company.

4. RESEARCH METHODOLOGY

A research methodology or involves specific techniques that are adopted in research process to collect, assemble and evaluate data.

SOURCE OF STUDY

- The study is based on secondary data and the data is called from the database of the company.



PERIOD OF THE STUDY

- The present study covers over a period of 5 years from 2015-2016 and 2019-2020

5. STATISTICAL TOOLS

The following statistical tools were applied to analyse the statistical data collected for calculation of financial performance analysis:

Ratio Analysis

- Profitability Ratios
- Liquidity Ratios
- Activity Turnover Ratios

6. REVIEW OF LITERATURE

Dr .A. NILAFOR NISHA (2018), From this study if say that the automobile sector has huge demand in our country. This demand attracts the giant

automobile suppliers throughout the world to come and invest in the Indian Automobile Industry. The findings of the study strongly suggest that the financial sources and their significant improvements.

Dr.K. KUMAR (2018), V. SHEEBA MARY (2018), from this study it is concluded that company may maintain the ideal ratio of current asset and current asset and current liabilities. The company maintain the performance and the further improve the efficiency level.

MOSES JOSHUVA DANIEL (2013), from this study the financial performance of TATA MOTORS LIMITED, it is that the company financial performance is satisfactory. The company has stable growth and its shows a greater status in all the areas. The company has been suggested to reduce the expenditure as it increases every year. Decrease in expenses will increases the profitability.

7. TABLE

S.No	Year	Current Assets	Current Liability	Current Ratio
1	2015-16	1217.78	716.69	1.69
2	2016-17	1388.72	901.34	1.54
3	2017-18	1126.61	682.95	1.85
4	2018-19	1091.36	653.13	1.67
5	2019-20	1027.08	911.12	1.12

ANALYTICAL SOURCE OF DATA INTERPRETATION

The above table shows on performance of current ratio. In 2015 -16 the ratio was 1.69:1, next year in 2016-17 it decreased to 1.54:1, in 2017-18 it increased to 1.85:1 and then it decreased to 1.67:1 and 1.12:1 in 2018-19 and 2019-20, it shows that decreasing in their performance. The current ratio shows highest level of growth in 2017-18 at 1.85:1 and lowest level of growth in 2019-20 at 1.12:1.

8. SUGGESTIONS

- As liquidity ratios are not up to their standard level so they need to increase the level of current assets to meet their short-term debts.
- The profitability ratios are increasing but they have to increase their turnover to increases profit.
- The company is losing its customers due to insufficient maintained of current assets.
- The company should probably consider the use of the fund to invest other opportunities to get a profit rather than over investing on assets that have failed to produce revenue growth and

have to utilize its existing total assets to generate net sales.

9. CONCLUSION

This study is analysed with the help of 5 years (2016-2020) financial statement of force motors company and collected data about force motors and used analytical research design and analysed the financial performance. This study resulted that the overall efficiency of business is good. For future growth, they should reduce the cash outflow and expenses. Then they will increase their turnover and profit which helps to increase financial performance of business.

10. REFERENCE

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