

**A REPORT OF THE INSTITUTIONAL TRAINING UNDERGONE AT
TWOAR STORAGE SYSTEM PVT.LTD.**



**SUBMITTED TO
THE UNIVERSITY OF MADRAS
IN PARTIAL FULFILMENT OF THE REQUIREMENT
FOR THE AWARD OF THE DEGREE
B.COM. CORPORATE SECRETARYSHIP**

**BY
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**2017-2020
DEPARTMENT OF CORPORATE SECRETARYSHIP
Dr. MGR JANAKI COLLEGE OF ARTS AND SCIENCE FOR WOMEN**

CHENNAI-600028

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I wish to express my sincere thanks to the Head, Department of Corporate Secretaryship **Ms. T. SHEEBA** for the kind guidance to finish my institutional training successfully.

I extend my sincere thanks to my guide **Ms. T. SHEEBA** and other staff members of the Department **Ms. A. ANITHADEVI** and **Ms. K. SELVI**

I sincerely thank the organization, **TWOAR STORAGE SYSTEM PRIVATE LIMITED**. And the company's HR for training me and providing all the required information for the completion for the project.

I also sincerely thank my **PARENTS** and **FRIENDS** for their encouragement and constant support given throughout the preparation of my project.

SWETHA.M

CERTIFICATE

This report is prepared under the guidance of the DEPARTMENT OF CORPORATE SECRETARYSHIP based on the Institutional Training undergone by SWETHA.M. The External Examiner, who have conducted the VIVA-VOCE Examination for the award of mark as per the guideline laid down by the UNIVERSITY OF MADRAS have evaluated this report.

GUIDE

HEAD OF THE DEPARTMENT

PRINCIPAL

INTERNAL EXAMINER

EXTERNAL EXAMINER

DATE:

PLACE: CHENNAI

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CHAPTER-1

INTRODUCTION

INTRODUCTION

INDUSTRIALIZATION

The companies and activities involved in the process of producing goods for sale especially in a factory or special area. Industrialization is part of a process where people adopt easier and cheaper ways to make things. Using better technology, it becomes possible to produce more goods in a shorter amount of time. More things can be produced by fewer people.

Industrialization is the process by which an economy is transformed from primarily agricultural to one based on the manufacturing of goods. Individual manual labor is often replaced by mechanized mass production, and craftsmen are replaced by assembly lines.

ROLE OF INDUSTRIALIZATION

Industrialization offers greater scope for both internal and external economies as compared to other sectors. Industrialization plays an important role in the promotion of trade. The advanced nations gain in trade than countries who are industrially backward. Industrialization plays a vital and crucial role in the economic development of an under-developed nation. In India, Industrialization plays an important role in modernizing agriculture and improving productivity in that sector. Similarly agriculture plays an important role in the Industrial development.

PATTERN OF INDUSTRIALISATION

Industrialization has a major role of play in the economic development of the developing countries. The gap in per capita income between the developed and under developing countries is largely reflected in the countries development industrialization means ‘GROWTH THROUGH TRADE’. Bulk drugs are anti-biotic, vitamins, hormones and synthetic proto chemicals etc. In the standard of production, technology and quality of product Indian- drug’s industry has reached a good stage when compared to the international standards.

COMPANY PROFILE

TWOAR STORAGE SYSTEM PVT. LTD

MANUFACTURING COMPANY

A manufacturing business is any business that uses components, parts or raw materials to make a finished good. These finished goods can be sold directly to consumers or to other manufacturing businesses that use them for making a different product. Manufacturing commonly employs a man-machine setup with division of labor in a large scale production. It encourages the improvement of social services such as education, health services, electricity and water supply. Manufacturing is the most important cause of economic growth. The growth of manufacturing machinery output, and technological improvements in that machinery, are the main drivers of economic growth.

IRON AND STEEL COMPANY

The iron and steel industry is one of the most important industries in India. During 2014 through 2016, India was the third largest producer of raw steel and the largest producer of sponge iron in the world. The industry produced 91.46 million tons of total finished steel and 9.7 million tons of raw iron. Most iron and steel in India is produced from iron ore. The Indian Ministry of Steel is concerned with: the coordination and planning of the growth and development of the iron and steel industry in the country, both in the public and private sectors; formulation of policies with respect to production, pricing, distribution, import and export of iron and steel, ferro alloys and refractories; and the development of input industries relating to iron ore, manganese ore, chrome ore and refractories etc., required mainly by the steel industry.

Twoar Storage Systems Private Limited is a Private incorporated on 16 May 1983, was promoted by Krishnan Lakshman and Krishnan Prakash. It is classified as Non-government company and is registered at Registrar of Companies, Chennai.. Its authorized share capital is Rs. 2,780,000

and its paid up capital is Rs. 2,780,000. Its authorized share capital is Rs. 2,780,000 and its paid up capital is Rs. 2,780,000.

VISION STATEMENT

Is to become the most successful and respected supplier of storage systems for all industry segments.

MISSION STATEMENT

Is to offer the best storage solutions with the best quality and the best after sales service at all times and to serve the multiple and customized storage needs for our esteemed customers.

PRODUCT PROFILE

All the products are designed in-house at our elaborate Peenya industrial facility with great detail to ensure customer satisfaction. Constructed from standard high quality steel from our vendors Jindal, TATA and others, every product is a refined in design to meet and exceed international standards. The products are heavy-load bearing units, easily installable and very efficiently designed to allow smooth retrieval of inventory.



1. Heavy Duty Pallet Racks
2. Cantilever Racks.
3. Die Storage Racks.
4. Drive in Racking System.
5. Mobile Storage Racks.

HEAVY DUTY PALLET RACKS:

Being built with higher withstanding capacity our racks are also able to bear multi level of loaded goods. With high texture and durability in our product we are identified as the best heavy duty rack manufacturers.

CANTILEVER RACKS:

- Easier to use: With no front column in the way, cantilever racks are faster to load and unload, lowering handling time and costs.
- More flexible: Loads may be placed anywhere along the entire length of a row on a cantilever rack.
- More compact: The lack of a front column saves horizontal space normally lost to rack structure. Handling clearance is also more abundant.
- More selective: Any load or storage slot is immediately accessible.
- More economical: Both reduced handling times and increased space utilization makes cantilever racks more cost-efficient. Additionally, cantilever racks become more economical as load length increases, while standard pallet racks increase in costs.
- More adaptable: Cantilever racks can store nearly any type of load. They are especially useful for storing long, bulky, or oddly-shaped loads.

DIE STORAGE RACKS:

Forming dies are an integral part to many manufacturing processes, from automobile components to paper clips. Dies present manufacturers and fabricators with many storage problems, given their weight, size, and non-stack ability. Die storage racks provided the strength, capacity, and flexibility to efficiently store even the largest dies, providing greater die selectivity and access where ever needed on the production floor. Twoar die racks feature a solid metal shelf design allowing die placement anywhere along the shelf, and can accommodate a variety of die sizes.

DRIVE IN RACKS:

Drive in Pallet Rack System is a cost effective solution to high density storage. This static system has rails running the depth of the rack for pallet placement. The only limitation, to the depth of pallet storage is capability to drive deep within the system. The rack depth reduces the need for aisles and drastically increases cubed space utilization. Drive in system load and retrieve from the same side, creating last-in first-out inventory retrieval organization.

MOBILE STORAGE RACKS:

Mobile Storage Rack systems maximize the space utilization by eliminating aisles and compacting several shelving systems into a much smaller amount of space. This system is mainly used for keeping records & files and valuable items and for component storage. It is always dust free and compact.

- Easy, sturdy, safe way to move and store tubas and sousaphones.
- Racks have four swivel casters for easy transport.
- Locking mechanisms on two wheels.
- Assembly required.

CHAPTER-2

ORGAINZATION STRUCTURE

ORGAINZATIONAL STRUCTURE

DEFINITION:

Organizational structure helps a company assign a hierarchy that defines roles, responsibility, and supervision. It's the plan that outlines who reports to whom and who is responsible for what. It's usually recorded and shared as an organizational chart that includes job titles and the reporting structure.

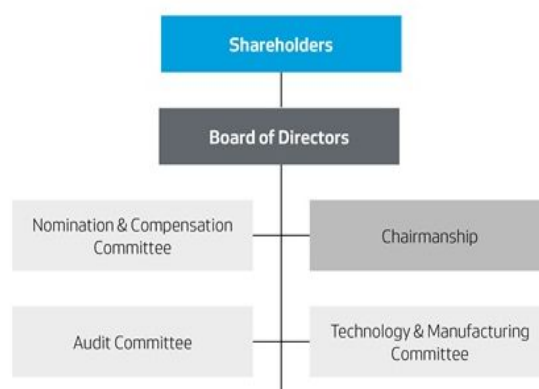
MEANING:

An organization can be structured in many different ways, depending on its objectives. The structure of an organization will determine the modes in which it operates and performs. Organizational structure allows the expressed allocation of responsibilities for different functions and processes to different entities such as the branch, department, workgroup, and individual.

TYPES OF ORGANISATIONAL STRUCTURE:

- Administrative Structures
- Functional Structure
- Divisional Structure
- Matrix Structure

STRUCTURE OF TWOAR STORAGE SYSTEM PVT.LTD



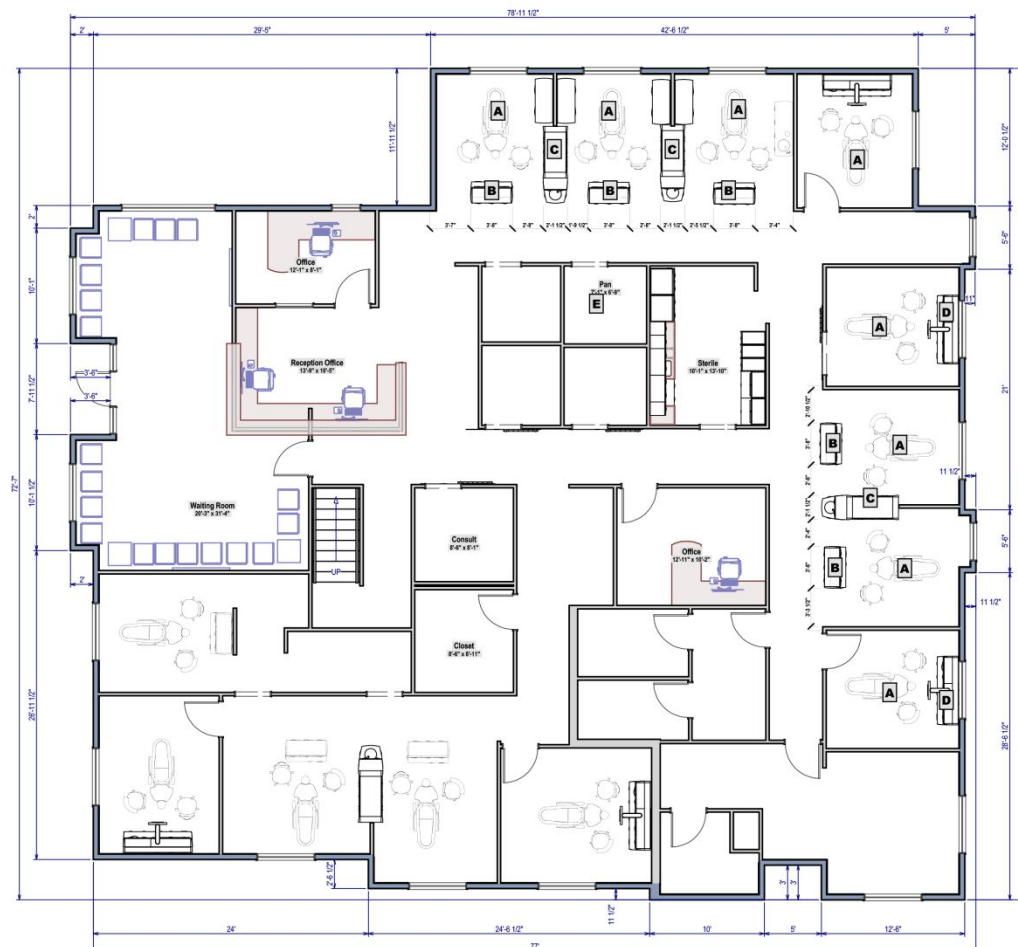
OFFICE LAYOUT

DEFINITION:

“Office layout is the arrangement of equipment within the available floor space”

MEANING:

Office layout means the systematic arrangement of office equipment, machines and furniture and providing adequate space to office personnel for regular performance of work with efficiency.



CHAPTER-3

DEPARTMENTATION

DEPARTMENTATION

MEANING:

It means division of work into a smaller units and their regrouping into bigger units on the basis of similarity of features. Each department is headed by a person known as department manager.

DEFINITION:

Departmentation may be defined as the process of grouping individual's job into department. It involves grouping of activities and employees into departments so as to facilitate the accomplishment of organization objectives, once the total work of an enterprise is divided into individual functions and sub-functions are grouped together into work units on a particular basis.

TYPES OF DEPARTMENT:

- Production Department
- Purchase Department
- Marketing Department
- Finance Department
- Secretarial Department

PRODUCTION DEPARTMENT

DEFINITION:

A production department is a group of functions within a business that is responsible for the manufacture of goods. The production department can be the largest organization within a business. It may employ mechanics, machine setup specialist maintenance personnel and machine operators.

FUNCTIONS OF PRODUCTION DEPARTMENT:

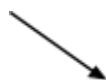
- The production and planning department will set standards and targets for each section of the production process. The quantity and quality of products coming off a production line will be closely monitored. In businesses focusing on lean production, quality will be monitored by all employees at every stage of production, rather than at the end as is the case for businesses using a quality control approach.
- The purchasing department will be responsible for providing the materials, components and equipment required to keep the production process running smoothly. A vital aspect of this role is ensuring stocks arrive on time and to the right quality.
- The stores department will be responsible for stocking all the necessary tools, spares, raw materials and equipment required to service the manufacturing process. Where sourcing is unreliable, buffer stocks will need to be kept and the use of computerized stock control systems helps keep stocks at a minimal but necessary level for production to continue unhindered.

HIERARCHY LEVEL OF PRODUCTION DEPARTMENT

Product Planning

Selection of product design





Inventory Control

Production Control

Production

Department

PURCHASE DEPARTMENT

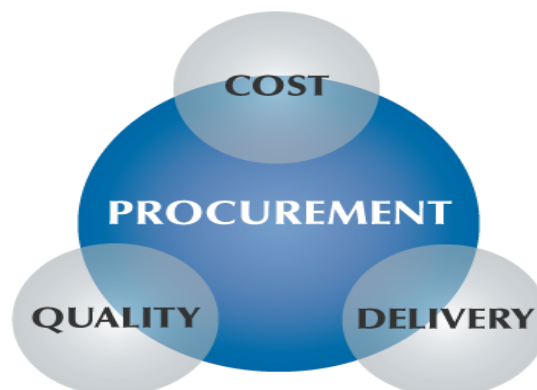
DEFINITION:

Purchase department is a vertical focused on the functional activity of buying raw material, goods and services. In a retail environment purchase department make sure there is always sufficient product on the shelves or in the warehouse to keep the customers happy and keep the store well-stocked.

FUNCTIONS OF PURCHASE DEPARTMENT:

- Cost, quality, and delivery are the major function of purchase department.
- Purchasing department handles all the paperwork involved with purchasing and delivery of supplies and materials. Purchasing ensures timely delivery of materials from vendors generates and tracks purchase orders and works alongside the receiving department and the accounts payable department to ensure that promised deliveries were received in full and are being paid for on time.
- The purchasing department also must ensure that it is complying with all company policies. For example, in a small business, individual staff members may communicate with the purchasing department about purchasing needs for things such as office supplies or computers.

HIERARCHY LEVEL OF PURCHASING DEPARTMENT



MARKETING DEPARTMENT

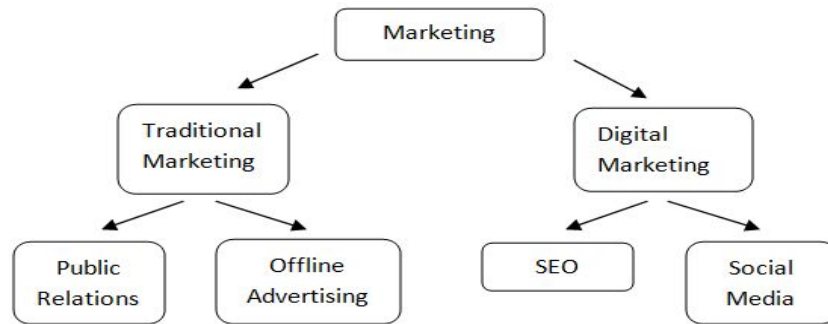
DEFINITION:

A marketing department promotes your business and drives sales of its products or services. It provides the necessary research to identify your target customers and other audiences. Depending on the company's hierarchical organization, a marketing director, manager or vice president of marketing might be at the helm.

FUNCTIONS OF MARKETING DEPARTMENT:

- Marketing proactively identifies the products and services to focus on over the course of your sales cycle, and then produces materials and communications that get the word out.
- Marketing is typically responsible for selecting and managing the agencies and vendors who produce marketing materials and or/provide marketing support. These may include ad agencies, print vendors, PR agencies or specialists, Web providers, etc.
- Marketing should contribute to, manage and maintain your social media pages. It should also manage accounts and carefully watch what's being posted about you online.

HIERARCHY LEVEL OF MARKETING DEPARTMENT



FINANCE DEPARTMENT

DEFINITION:

The business functions of a finance department typically include planning, organizing, auditing, accounting for and controlling its company's finances. The finance department also usually produces the company's financial statements.

FUNCTIONS OF FINANCE DEPARTMENT:

- Estimating the capital requirement of business and determining the capital structure.
- Planning and budgeting the internal audit, reporting and analysing the tax administration.
- The finance department work for the economic appraisal and as well as the well fare of the company.
- Investments opportunities, profitability opportunities are identified by the finance department.

HIERARCHY LEVEL OF FINANCE DEPARTMENT

Financial Director

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Final Decision

Financial Analysis

Financial Manager

Financial Consultant

SECRETARIAL DEPARTMENT

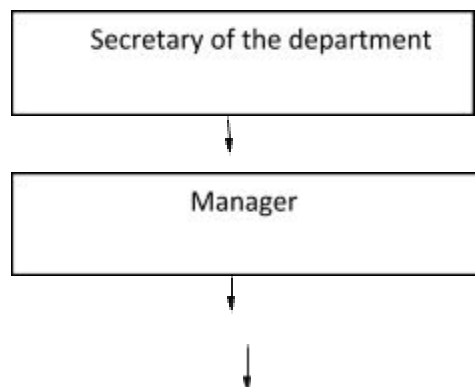
DEFINITION:

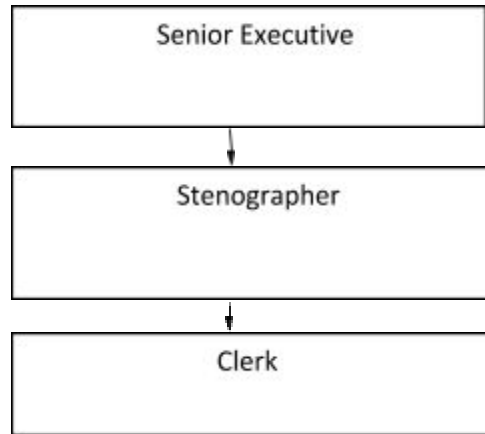
Company secretary plays a vital role in accomplishing the goal and to communicate with the company, it is secretary to have a responsible officer to keep in touch public and statutory authorities. A company secretary is employed to be in charge of the overall administration as well as day-to-day functions of the company. Secretary must be a man who takes decision fast, have self –disciplines, self control, sympathy for other and a strong true of justice together with some personnel charm.

FUNCTIONS OF SECRETARIAL DEPARTMENT:

- To enhance the effective supervision of office personnel.
- To schedule the work properly, so that all work is completed on time
- To develop procedure to help, selected the right persons for the right job.
- To enhance security arrangement is ensured the administration department.
- To maintain the attendance, leave record register.
- To keep of production relative activities and employee related records.

HIERARCHY LEVEL OF SECERETRAIL DEPARTMENT





CHAPTER-4

RATIO ANALYSIS

RATIOANALYSIS

MEANING:

Ratio analysis is the process of determining and presenting the relationship of items and group of items in the financial statement. It is the study and interpretation of the relationship between various financial variables, by investors or lenders.

Ratio analysis is an important tool available to financial for their work. An accounting ratio shows the relationship in mathematical terms between two inter-related accounting figures.

DEFINITION OF RATIOANALYSIS:

According to MYERS "Ratio analysis of financial statement is a study of relationship among various financial factors in a business as disclosed by single set of statement and study of trend of those factors are shown in a series of statement"

ADVANTAGES OF RATIO ANALYSIS:

- **FORECASTING**

Ratios reveal the trends in costs, sales, profit and other inter-related facts, which will be helpful in forecasting future events.

- **MANAGERIAL CONTROL**

Ratios can be used as “Instrument of control” regarding cost, sales and profit.

- **FACILITATES COMMUNICATION**

Ratio facilitates the communication function of management as ratios convey the information relating to the present and future quickly, forcefully, and clearly.

- **FACILITATING INVESTMENT DECISION**

Ratio is helpful in computing return on investment. This helps in management in exercising effective decision regarding profitable revenue of investment.

- **INTER-FIRM COMPARISONS**

The technique of inter-firm comparison can be carried out successfully only with the help of ratio analysis. Otherwise no firm may come forward to disclose full information. Inter-firm comparisons help the management to compare its performance with an external bench mark or standard.

LIMITATIONS OF RATIO ANALYSIS:

- **PRACTICAL KNOWLEDGE**

The analysis should have through experience and knowledge about the firm and industry.

- **RATIO AND MEANS**

Ratio is not an end in themselves but they are mean to achieve a particular purpose or end.

- **INTER-RELATION**

Ratios are inter-related and therefore a single ratio cannot convey any meaning. It has to be interpreted with reference to other related ratio to draw meaningful conclusions.

- **NON-AVAILABILITY OF STANDARDS OR NORMS**

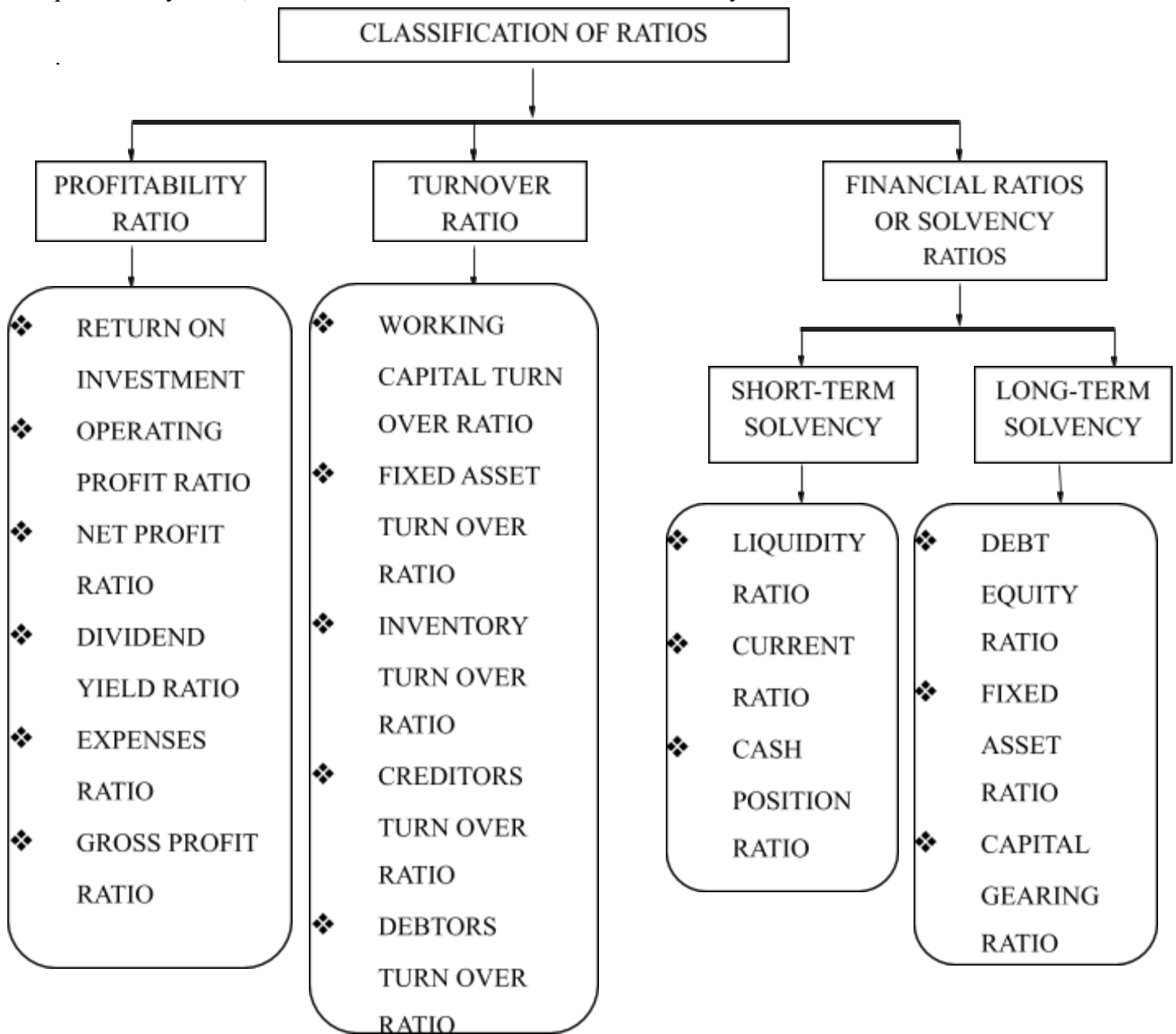
Ratios will be meaningful if they can be compared with standards or norms. Except for a few financial ratios, other ratios lack standards which are universally recognized.

- **ACCURACY OF FINANCIAL INFORMATION**

The accuracy of a ratio depends on the accuracy of information derived from financial statements. If the statements are inaccurate, same will be the result with ratios.

CLASSIFICATION OF RATIOS:

The basis for classification under this head is the purpose for which the ratios are calculated. Generally, ratios are used for the purpose of assessing profitability, activity or operating efficiency and financial position of a concern. Based on the purpose the ratios are classified as profitability ratios, turnover ratios and financial ratios or solvency ratios.



METHODOLOGY

In order to know the performance of the company the methodology used in ratio analysis. With help of ratio analysis one can find out the profit position of the company.

- ❖ NET PROFIT RATIO
- ❖ RETURN ON TOTAL ASSET
- ❖ INTEREST COVERAGE RATIO
- ❖ TELEPHONE EXPENSES RATIO
- ❖ TRAVELLING EXPENSES RATIO
- ❖ DEBTORS TURNOVER RATIO
- ❖ FIXED ASSET RATIO
- ❖ SOLVENCY RATIO
- ❖ CAPITAL GEARING RATIO
- ❖ CASH POSITION RATIO

NET PROFIT RATIO

MEANING:

This ratio is also called as net profit to sales ratio. It is a measure of management's efficiency in operating the business successfully from the owner's point of view.

SIGNIFICANCE:

Net profit ratio indicates the return on shareholders' investment. Higher the ratio better is the operational efficiency of the business concern. Net profit includes non operating income and profit. Similarly net profit is the profit after reducing non operating expenses. Provision for tax is also subtracted while determining net profit.

FORMULA:

$$\text{NET PROFIT RATIO} = \frac{\text{Net profit after tax}}{\text{Net sales}} \times 100$$

TABLE: 4.1

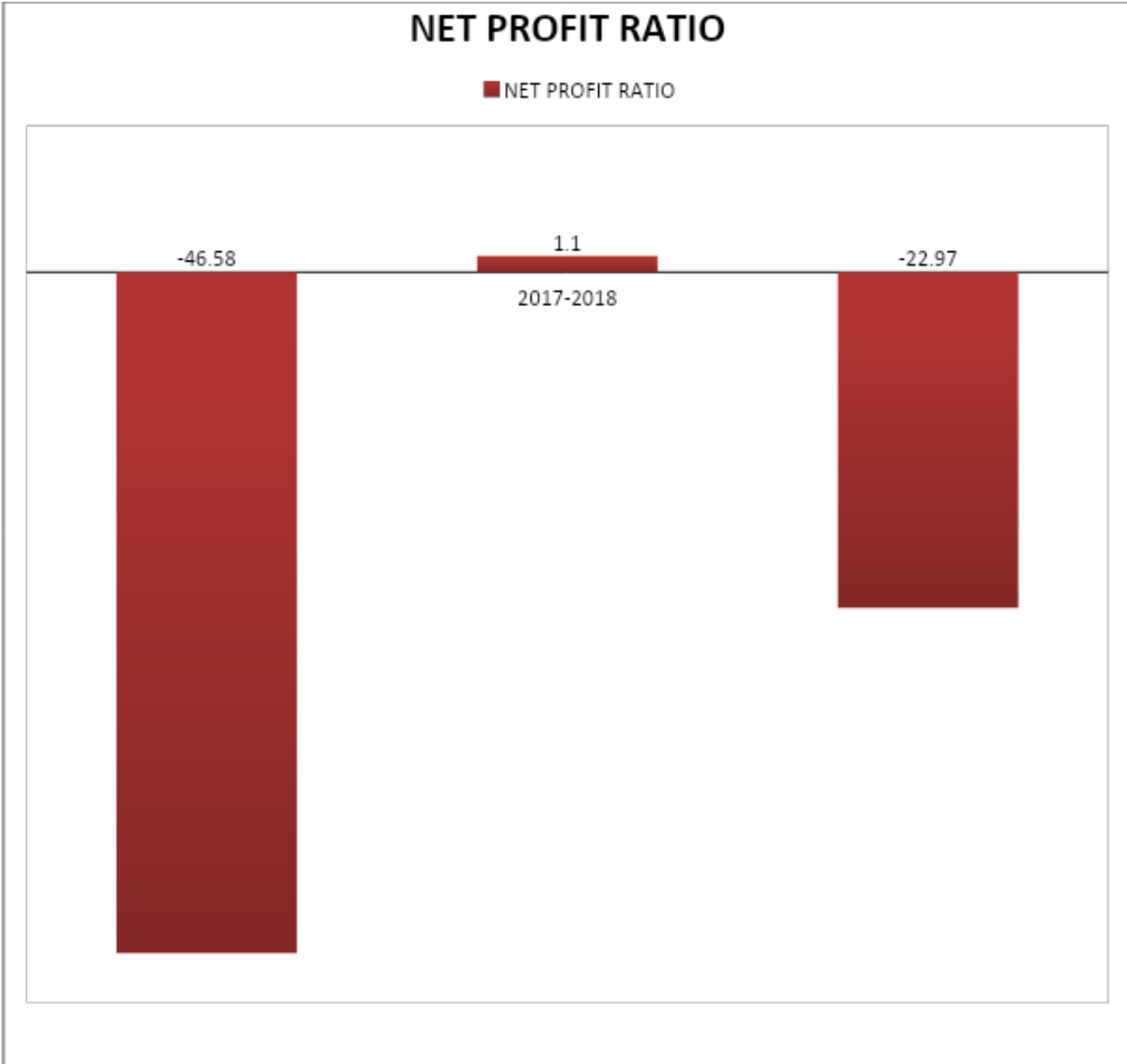
(In crores)

YEARS	NET PROFIT AFTER TAX	NET SALES	RATIO (IN PERCENTAGE)
2016-2017	-234201.79	502700.00	-46.58
2017-2018	51755.87	4683370.00	1.10
2018-2019	-92956.17	404580.00	-22.97

INTERPRETATION:

The net profit ratio is increased from -46.58% in the year 2016-017 to 1.10% in the year 2017-2018 and again there is a decrease to -22.97% in the year 2018-2019. This is due to decrease in sales. And this shows the company has no profitability position.

CHART NO: 4.1(a)



RETURN ON TOTAL ASSETS

MEANING:

Return on total assets ratio is calculated to measure the productivity of total asset.

SIGNIFICANCE:

The significance of the ratio is to measure the productivity. The term fictitious asset refers to preliminary expenses, debit balance of profit and loss account of other similar losses shown on balance sheet side.

FORMULA:

$$\text{RETURN ON TOTAL ASSETS} = \frac{\text{Net profit after tax}}{\text{Total assets}} \times 100$$

TABLE: 4.2

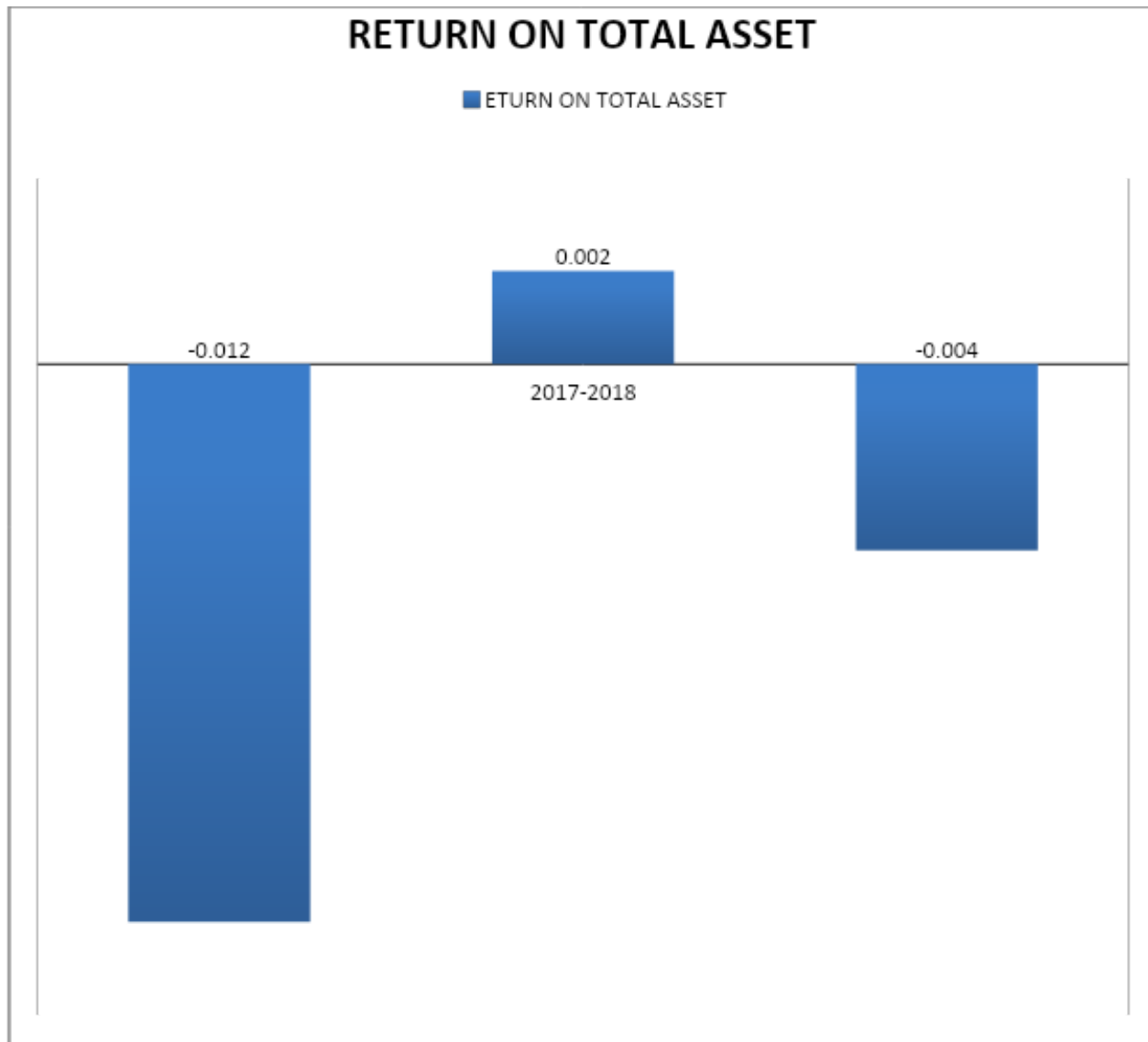
(In crores)

YEAR	NET PROFIT AFTER TAX	TOTAL ASSETS	RATIO (IN PERCENTAGE)
2016-2017	-234201.79	19448732.81	-0.012
2017-2018	51755.887	19642608.22	0.002
2018-2019	-92956.17	18725159.70	-0.004

INTERPRETATION:

From the above table the return on total asset is a decrease trend, in 2016-2017 and 2018-2019 there is a loss. This implies that the company has not efficiently used the fixed asset to generate profit.

CHART NO: 4.2(b)



INTEREST COVERAGE RATIO

MEANING:

The interest coverage ratio is a debt ratio and profitability ratio used to determine how easily a company can pay interest on its outstanding debt. The Interest coverage ratio is also called “times interest earned.”

SIGNIFICANCE:

It is useful to track the interest coverage ratio on a trend line, in order to spot situations where a company's results or debt burden are yielding a downward trend in the ratio. An investor would want to sell any equity holdings in a company showing such a downward trend, especially if the ratio drops below 1.5:1.

FORMULA:

$$\text{INTEREST COVERAGE RATIO} = \frac{\text{Profit before interest and tax}}{\text{Fixed interest charges}}$$

TABLE: 4.3

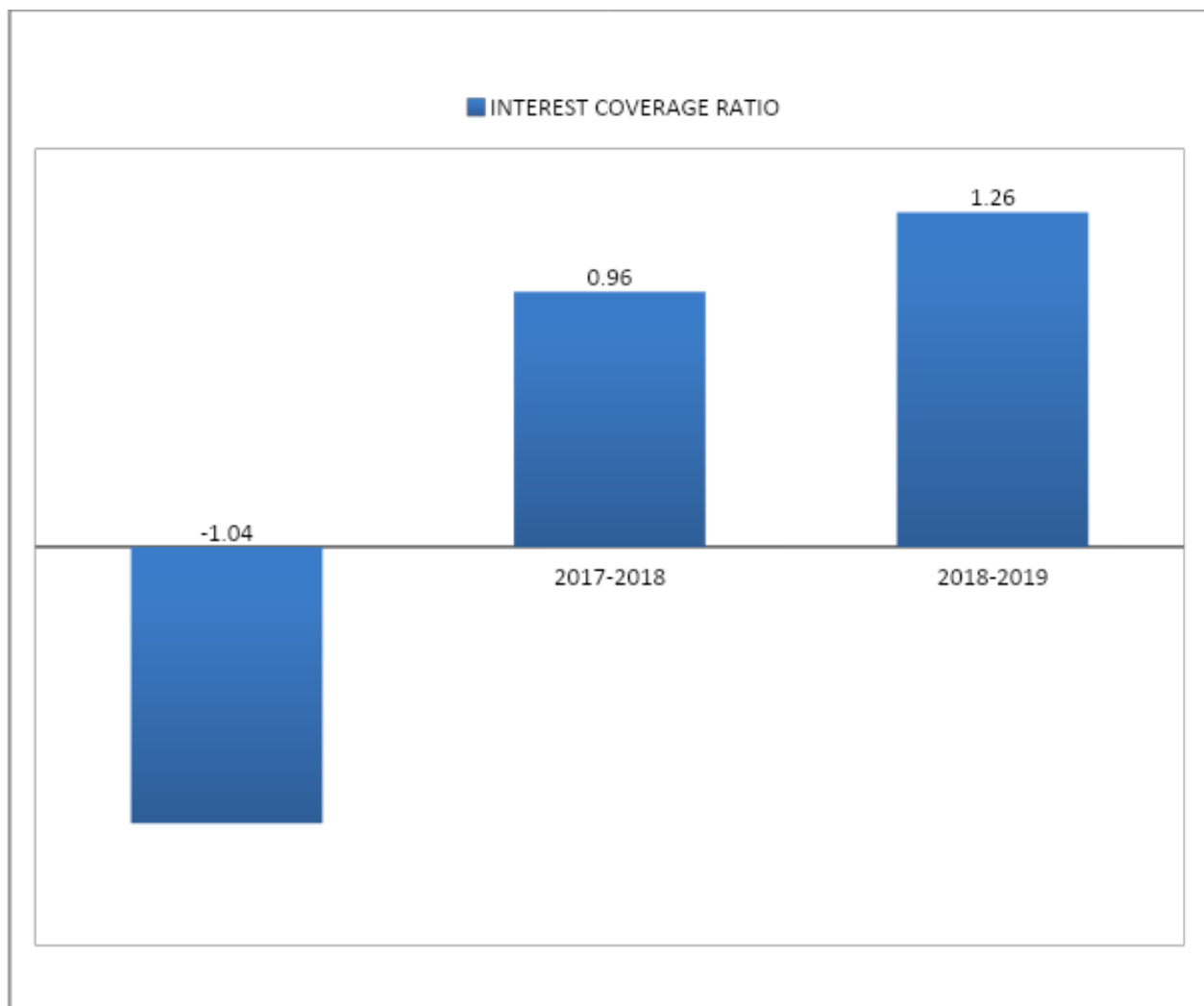
(In crores)

YEAR	PROFIT BEFORE INTEREST AND TAX	FIXED INTEREST CHARGES	RATIO
2016-2017	-202006.67	193410.35	-1.04
2017-2018	106852.00	110358.00	0.96
2018-2019	10263.00	8128.00	1.26

INTERPRETATION:

The interest coverage ratio is increased from -1.04 in the year 2016-2017 to 0.96 in the year 2017-2018, and again there is an increase to 1.26 in the year 2018-2019. This is due to interest charges have increased. So the company has higher debt burden.

CHART NO: 4.3(c)



EXPENSES RATIO

MEANING:

Expense ratio computed to show the relationship between an individual expense or group of expenses and sales. It is computed by dividing a particular expenses or group of expenses by net sales. Expense ratio is expressed in percentage.

SIGNIFICANCE:

The expense ratio for a fund is calculated by dividing the total value of fund assets by the total amount of fund fee both management fee and operating expenses charged to investors in the fund.

FORMULA:

$$\text{EXPENSES RATIO} = \frac{\text{Telephone expense}}{\text{Net sales}}$$

TABLE: 4.4

(In crores)

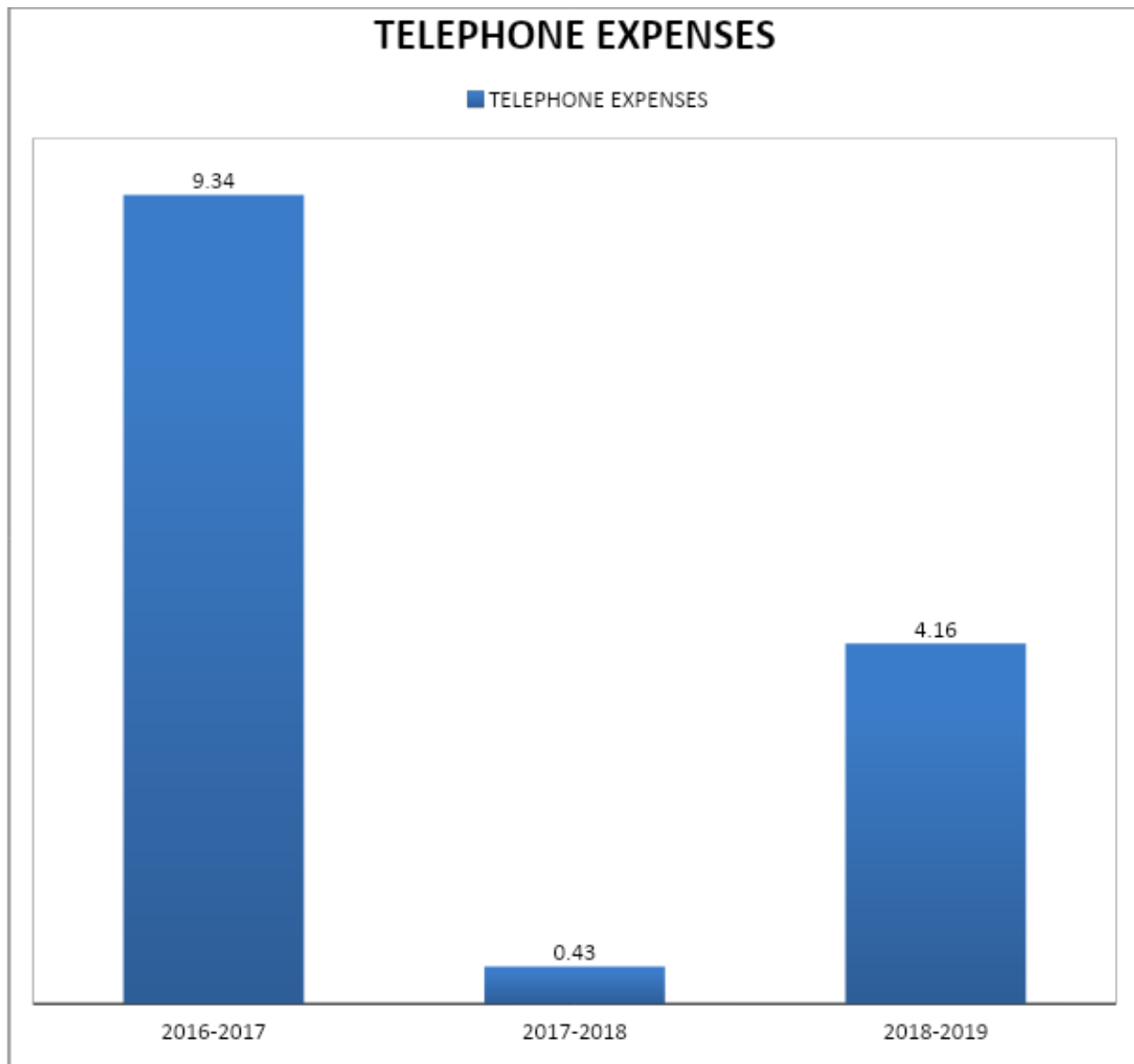
YEAR	TELEPHONE EXPENSE	NET SALES	RATIO (IN PERCENTAGE)
2016-2017	46958	502700.00	9.34
2017-2018	20157	4683370.00	0.43
2018-2019	16845	404580.00	4.16

INTERPRETATION:

The telephone expenses is 9.34% in the year 2016-2017 and it has been decreased to 0.43% in the year 2017-2018 and again an increase to 4.16% in the year 2018-2019. There is no

constant increase or decrease in the expenses throughout the year, the company can reduce its telephone expenses in order to increase the cost of sales to increase the profit of the firm.

CHART NO: 4.4(d)



EXPENSES RATIO

MEANING:

Expense ratio computed to show the relationship between an individual expense or group of expenses and sales. It is computed by dividing a particular expenses or group of expenses by net sales. Expense ratio is expressed in percentage.

SIGNIFICANCE:

The expense ratio for a fund is calculated by dividing the total value of fund assets by the total amount of fund fee both management fee and operating expenses charged to investors in the fund.

FORMULA:

$$\text{EXPENSES RATIO} = \frac{\text{Travelling expense}}{\text{Net sales}}$$

TABLE: 4.5

(In crores)

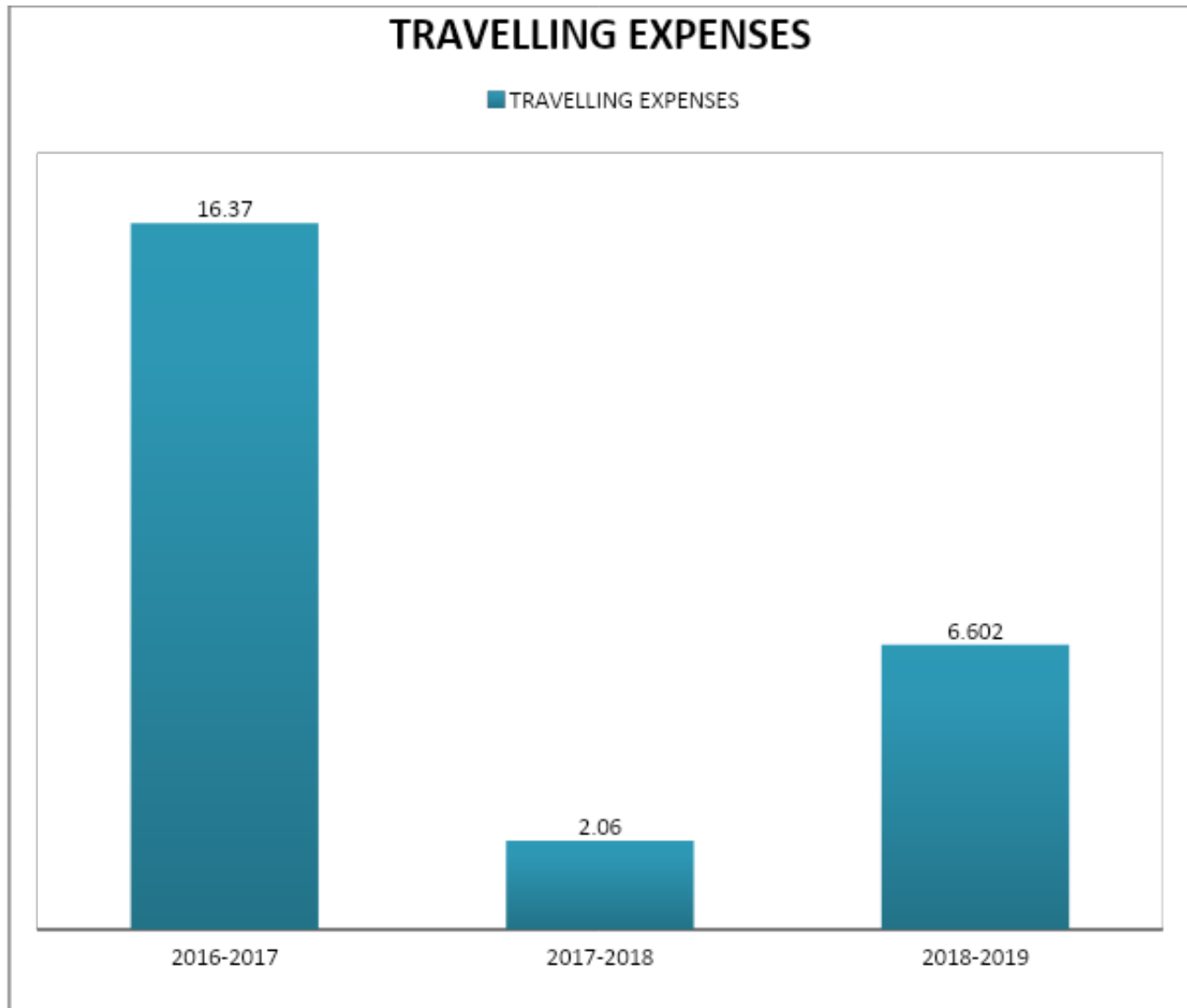
YEAR	TRAVELLING EXPENSE	NET SALES	RATIO (IN PERCENTAGE)
2016-2017	82326.00	502700.00	16.37
2017-2018	96852.00	4683370.00	2.06
2018-2019	26710.63	404580.00	6.60

INTERPRETATION:

The travelling expenses is 16.37% in the year 2016-2017 and it has been decreased to 2.06% in the year 2017-2018 and again an increase to 6.60% in the year 2018-2019. There is no

constant increase or decrease in the expenses throughout the year, the company can reduce its travelling expenses in order to increase the cost of sales to increase the profit of the firm.

CHART NO: 4.5(e)



DEBTORS TURNOVER RATIO

MEANING:

Debtor's turnover ratio is called as receivable turnover or debtor's velocity. Business concern generally adopts different method of sales. One of them is selling on credit. Goods are sold on credit based on credit policy adopted by the firm debtors and bills receivable together is called "Accounting receivable".

SIGNIFICANCE:

These ratio are inter related and depend on the turnover ratio. The debtor's objective is to measure the quality of receivables.

FORMULA:

$$\text{DEBTOR TURNOVER RATIO} = \frac{\text{Net credit sales}}{\text{Average receivables}}$$

TABLE: 4.6

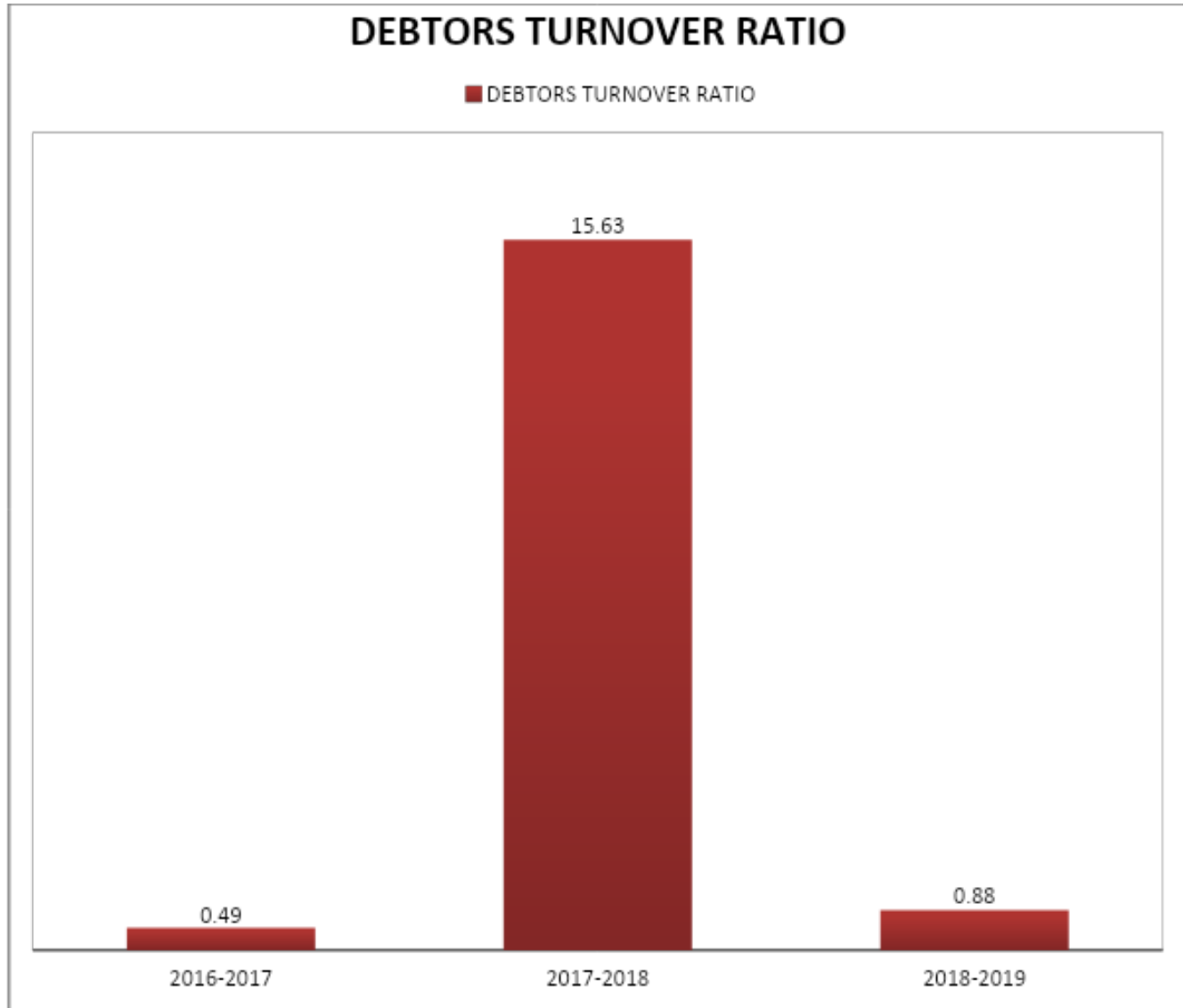
(In crore)

YEAR	CREDIT SALES	AVERAGE RECEIVABLES	RATIO (TIMES)
2016-2017	502700.00	1014769	0.49
2017-2018	4683370.00	299552.98	15.63
2018-2019	404580.00	455194.435	0.88

INTERPRETATION:

From the above table the ratio is increased from 0.49 in the year 2016 -2017 to 15.63 in the year 2017-2018, and there is decrease to 0.88 in the year 2018-2019. This is because the sales have been decreased, and this shows the company's inefficiency in collecting debt.

CHART NO: 4.6(f)



FIXED ASSET RATIO

MEANING:

Fixed asset ratio establishes the relationship between fixed assets and long-term funds. The objective of calculating this ratio is to ascertain the proportion of long-term funds invested fixed asset.

SIGNIFICANCE:

The ratio should not be more than 1. If it has 1, it shows that of working capital has been financed through long term fund. This is desired to some extent because of a part of working capital is more or less of a fixed nature.

FORMULA:

$$\text{FIXED ASSET RATIO} = \frac{\text{Fixed asset}}{\text{Long term fund}}$$

TABLE: 4.7

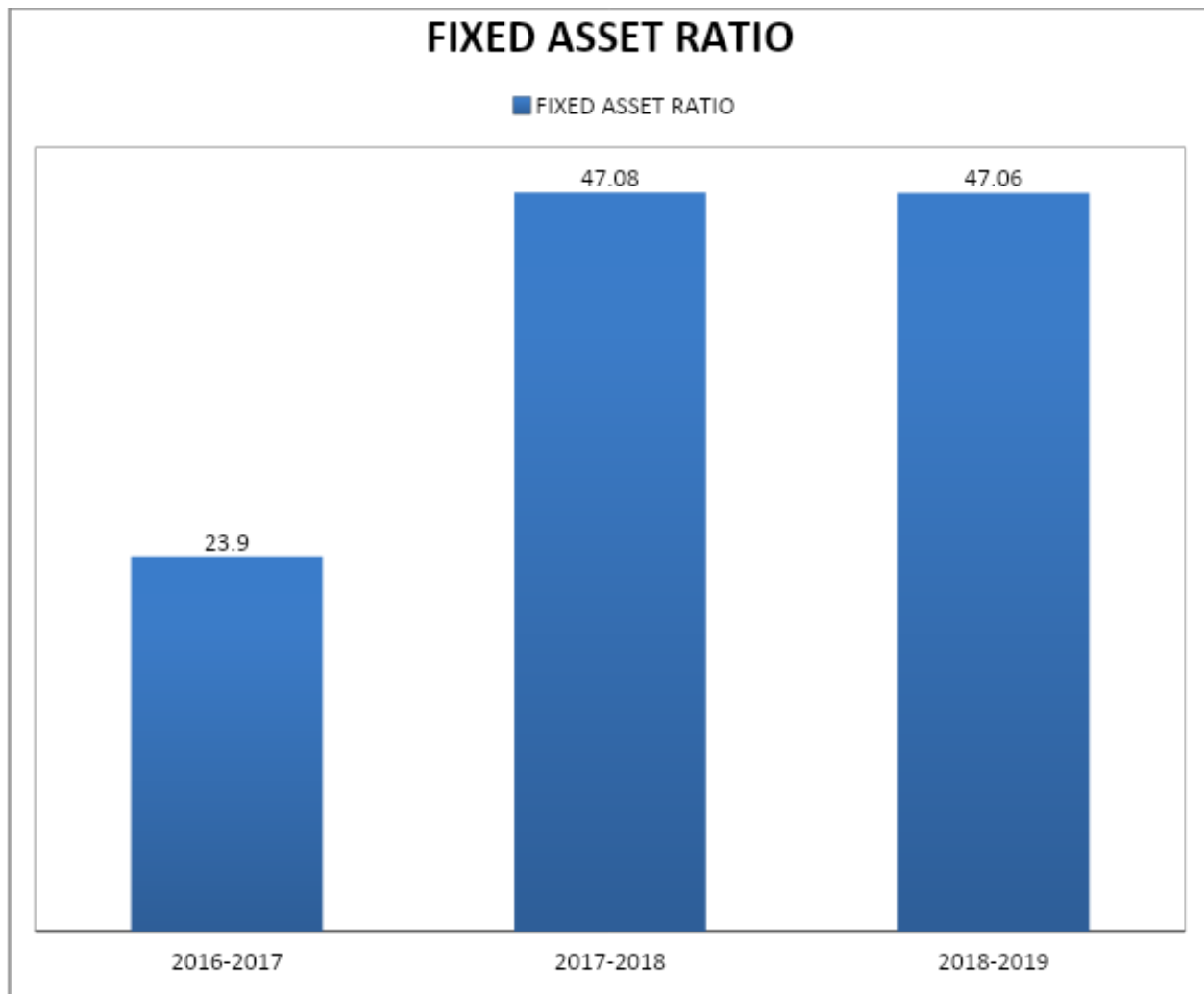
(In crores)

YEAR	FIXED ASSET	LONG TERM FUND	RATIO (IN TIMES)
2016-2017	14557555.18	609019.00	23.90
2017-2018	14550257.38	309019.00	47.08
2018-2019	14544047.01	309019.00	47.06

INTERPRETATION:

The fixed asset ratio is increased from 23.90 in the year 2016-2017 to 47.08 in the year 2017-2019, then it has a decreased to 47.06 in the year 2018-2019 which indicates that there is a decrease in both fixed asset and long term fund. And this shows the company's inefficiency in generating sales from fixed asset.

CHART NO: 4.7(g)



SOLVENCY RATIO

MEANING:

Solvency or financial ratios include all ratios which express financial positions of the concern financial ratios are calculated on basic of the item of the balance sheet therefore they are called balance sheet ratio.

SIGNIFICANCE:

In this ratio total debit includes both short-term and long-term borrowings. It shows the proposition of assets needed to repay the debt. A higher ratio indicates greater is the risk and lower safety to the owners. Further borrowing becomes difficult for firms with a high total debt ratio. Such firms are called “Highly geared”

FORMULA:

$$\text{SOLVENCY RATIO} = \frac{\text{Total debt}}{\text{Total tangible asset}}$$

TABLE: 4.8

(In crores)

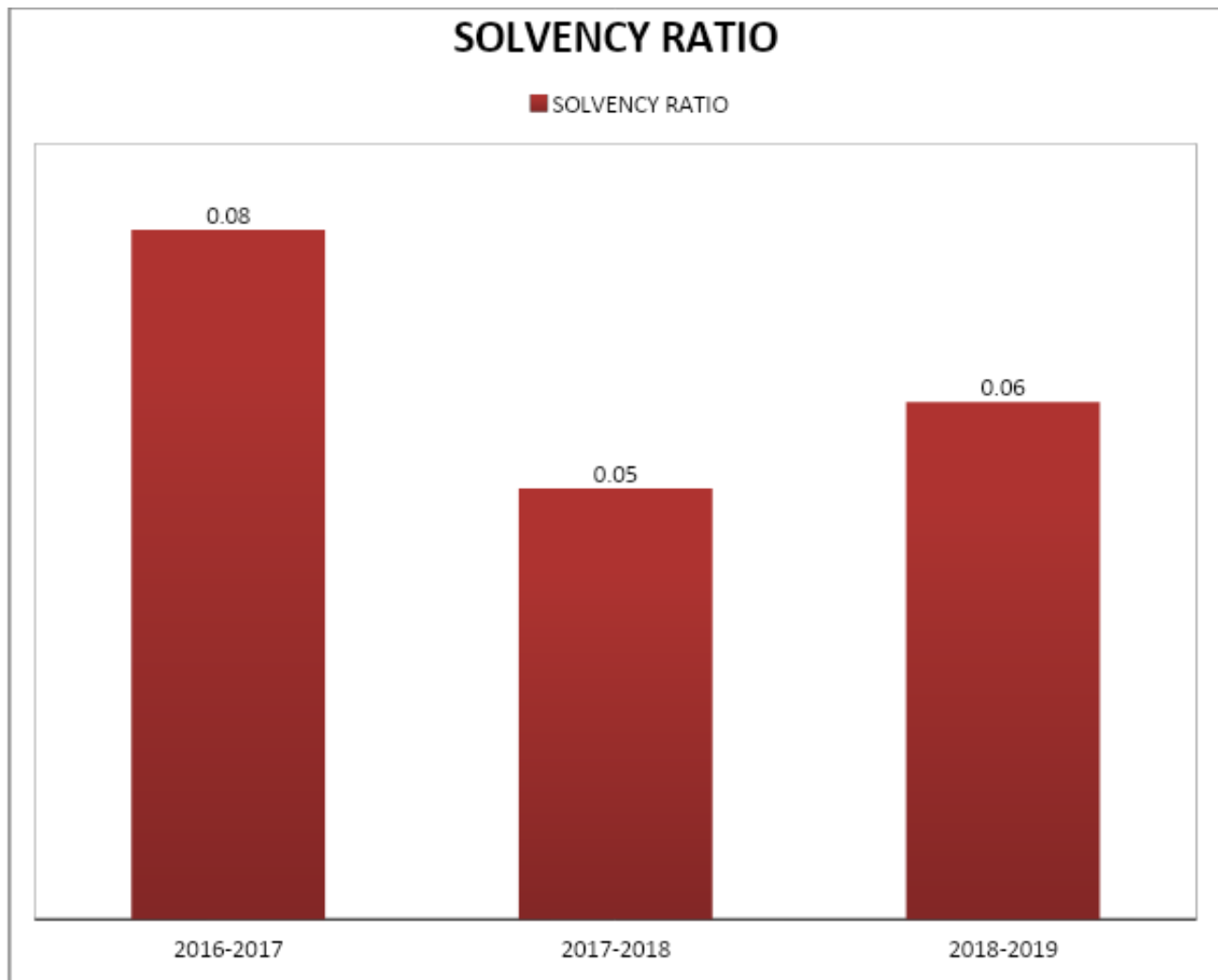
YEARS	TOTAL DEBT	TOTAL TANGIBLE ASSET	RATIO
2016-2017	1174019.00	14557555.18	0.08
2017-2018	82343.87	14550257.38	0.05
2018-2019	89045.00	14544047.01	0.06

INTERPRETATION:

The ratio has been decreased from 0.8 in the year 2016-2017 to 0.5 in the year 2017-2017 and there is an increase to 0.6 in the year 2018-2019. This is because of the company's debt has been

decreased in all the three years. This indicates the company has sufficient cash flow to meet its liabilities.

CHART: 4.8(h)



CAPITAL GEARING RATIO

MEANING:

This ratio refers to the relationship between equity capital (equity share plus reserves) and long term debts. It compare whether the company is holding a right capital structure or not.

SIGNIFICANCE:

This leads to significance decrease in the dividend paid by the shareholders. Thus highly geared company usually has a lower dividend payout ratio for this reason. Investors will prefer a low geared company. This analysis can be done using the Capital Gearing Ratio.

FORMULA:

$$\text{CAPITAL GEARING RATIO} = \frac{\text{Long term loans}}{\text{Equity share capital}}$$

TABLE: 4.9

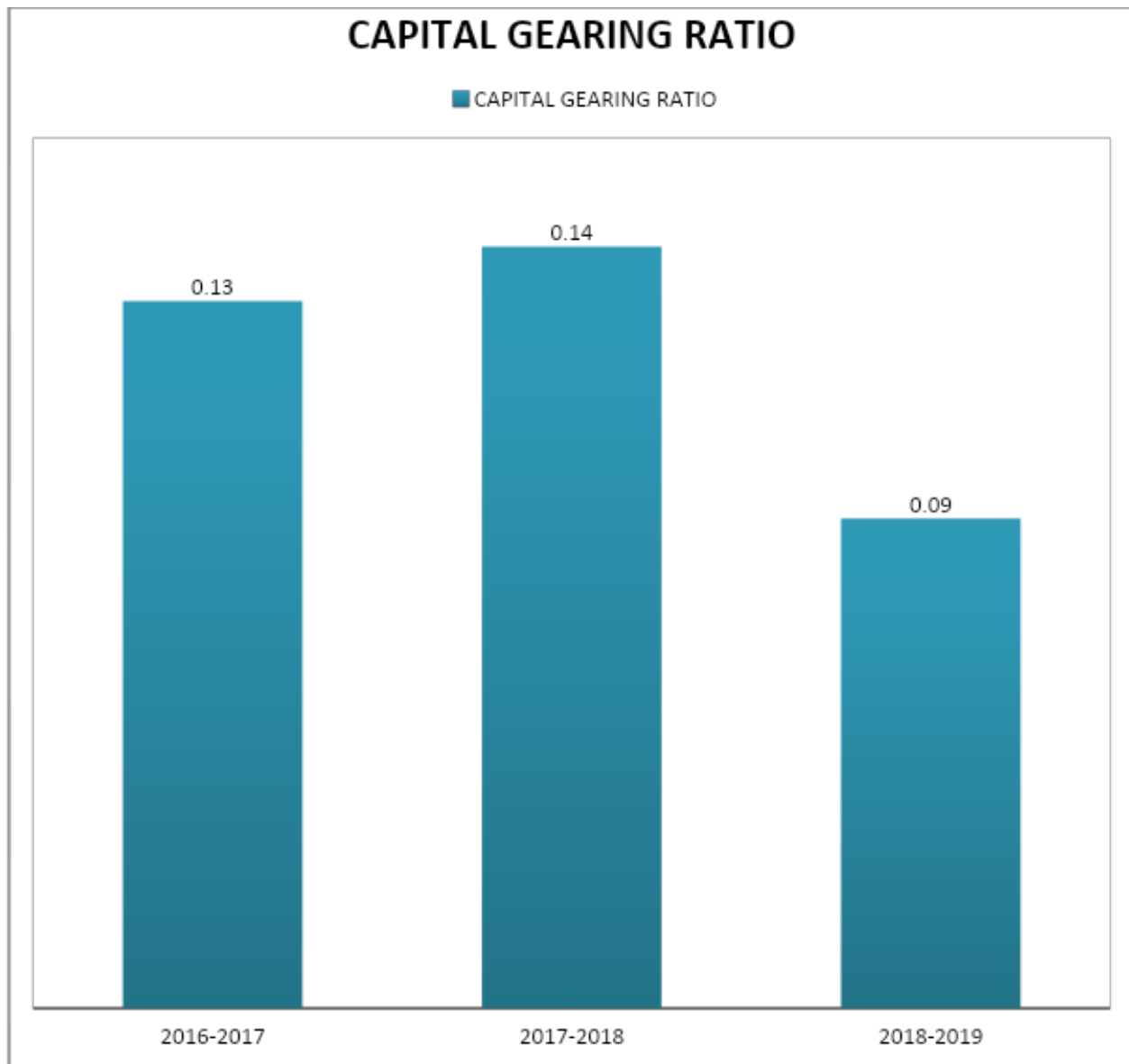
(In crores)

YEAR	LONG TERM LOAN	EQUITY SHARE CAPITAL	RATIO
2016-2017	2192662.21	16610634.93	0.13
2017-2018	2501755.87	1696866.09	0.14
2018-2019	1607657.44	1687506.93	0.09

INTERPRETATION:

The capital gearing ratio is increased from 0.13 in the year 2016-2017 to 0.14 in the year 2017-2018, then there is a decrease to 0.09 in the year 2018-2019. This is due to decrease in equity capital all the three year. This shows the company has poor capital structure.

CHART NO: 4.9(i)



CASH POSITION RATIO

MEANING:

Cash position ratio is the ratio of cash and cash equivalent of a company to its current liabilities.

SIGNIFICANCE:

The significance of this ratio depends on the direction of both the general economy, the overall wealth of the company.

FORMULA:

$$\text{CASH POSITION RATIO} = \frac{\text{Cash and bank balance}}{\text{Current liabilities}}$$

TABLE: 4.10

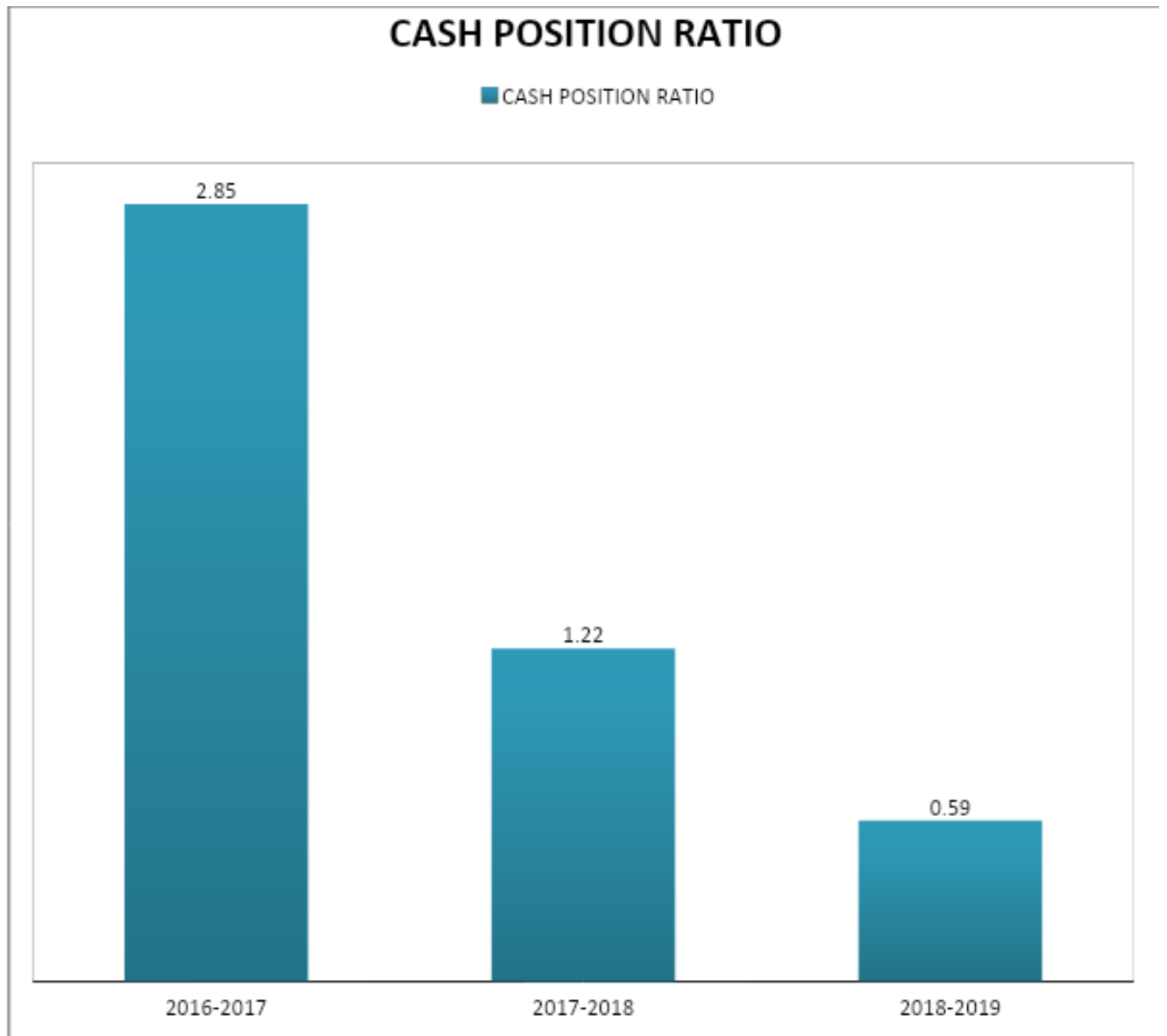
(In crores)

YEAR	CASH AND BANK BALANCE	CURRENT LIABILITIES	RATIO
2016-2017	1174019.00	411173	2.85
2017-2018	274050.00	223969	1.22
2018-2019	89045.00	148860	0.59

INTERPRETATION:

The cash position ratio is 2.85% in the year and in the year 2017-2018 it has been decreased to 1.22% and in the year 2018-2019 there is again a decrease to 0.59%, this shows that there is no stable cash flow in the company. Stable cash is one that allows a company or other entity to cover its current liabilities with a combination of cash and liquid asset

CHART NO: 4.10(j)



CHAPTER-5

BIBLIOGRAPHY

BIBLIOGRAPHY

S.NO	TITLE	AUTHORS
1.	COST ACCOUNTING	T.S.REDDY & Y. HARI PRASAD REDDY
2.	MANAGEMENT ACCOUNTING	T.S.REDDY & Y. HARI PRASAD REDDY
3.	BUSINESS MANAGEMENT	C.B.GUPTA
4.	WEBSITE	www.towarstoragesystem.in

SUMMARY AND CONCLUSION

SUMMARY

The bachelor of Corporate Secretary ship course has a unique feature from the rest because it gives the student special opportunities for hands on training in the corporate world. I feel content that a rich knowledge is acquired by me about the company and its working. The whole one month of training is not fully sufficient to acquire the knowledge about all the functions of the company. In spite of all the limitation it added value to our course. The study made in the TWORAR STORAGE SYSTEM PVT LTD, was useful. The personnel are hardworking and determined towards the goal. I also came to know that it is one of the good competitor's in the market. The TWOAR STORAGE SYSTEM PVT LTD helped me a lot to learn many things about the organization's behavior. In this project, I acquired practical as well as theoretical knowledge.

FINDINGS:

PROFITABILITY RATIO

- ❑ **NET PROFIT RATIO** is fluctuating and shows that the company has to increase profitability position.
- ❑ **RETURN ON TOTAL ASSET** is decreasing and implies that the company has not efficiently used the fixed asset to generate profit.
- ❑ **INTEREST COVERAGE RATIO** shows the company has a higher debt burden.
- ❑ **EXPENSES RATIO** shows that the expenses have to be reduced to increase the profit of the firm.
- ❑ **DEBTORS TURNOVER RATIO** shows the company's inefficiency in collection of debt.
- ❑ **FIXED ASSET RATIO** shows that the fixed assets have been financed by long-term fund.
- ❑ **SOLVENCY RATIO** indicates that the lower risk and higher safety of the owners.

- **CASH POSITION RATIO** a stable cash is one that allows a company or pother entity to cover its current liabilities with a combination of cash and liquid asset
- **CAPITAL GEARING RATIO** indicates the capital structure of the company.

TRAINING EXPERIENCE:

I worked on the Finance and Administration Department aspect of the company. I prepared Receipts and Payments A/C in TallyERP9, verifying company documents and some document typing work in Excel and word. I was part of the ratio analysis of the company. One month Training was helpful to know about the basis finance and administration of a private ltd and to know about the office administration. I would thank the company's HR for giving me on opportunity to work with their concern.

CONCLUSION:

It has been said that TWOAR STORAGE SYSTEMS PRIVATE LIMITED COMPANY is fast growing company. It has good preference in worldwide iron and steel manufacturing. It has improved in the standards of quality used in the products so, the quality of product is really good standard of products are improvised and so the company achieved their motivation

The TWOAR STORAGE SYSTEMS PRIVATE LIMITED COMPANY will become one of the leading companies producing high ended for market with competitive price and enhanced quality.

ANNEXURES