

CHAPTER 5

SUMMARY AND CONCLUSION

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Industrialization is the period of social and economic change that transforms a human group to an industrial society from an agrarian society, involving the extensive manufacturing re-organization. of an economy. Industrialization requires many key elements to grow on a significant scale. They are land, labour, capital technologies and connections. Industrialization is the process by which an economy is transformed from a primarily agricultural me to one based on the manufacturing of goods. Industrialization is a transformation away from an agricultural or resource based economy, towards an economy based on mechanized manufacturing. on Industrialization is usually associated with a greater average income and improved living standards . Industrialization is defined as a process in which there is the transformation from the dependence on agrarian and handicraft to the dependency on an industrial sector driven economies.

The automotive industry comprises a wide range of companies and organizations involved in the design, development, manufacturing, marketing, selling, repairing and modification of motor vehicles. It is one of the world's largest industries by revenue. The industry's principal products are passenger automobiles and light trucks, including pickups, vans, and sport Utility vehicles. Commercial vehicles (i.e, delivery trucks and large transport trucks, often called semis), though important to the industry, are Secondary . The automotive industry in India is the fourth largest by production in the world as per 2022 statistics. As of 2023, India is the 3rd largest in the world in terms of sales. In 2022, India became the fourth largest country in the world by the valuation of its automotive industry.

Ashok Motors was founded in 1948 by Raghunandan Saran, an Indian freedom fighter from Punjab. By the end of the Indian Independence Movement, he was persuaded by India's first Prime Minister Jawaharlal Nehru to invest in a modern industrial venture. Ashok Motors was incorporated in 1948 as a company to assemble and manufacture Austin cars from England, and the company was named after the founder's only son, Ashok Saran. The company had its headquarters in Chennai, with the manufacturing plant also in Chennai. The company was engaged in the assembly and distribution of Austin A40 passenger cars in India. In year 1954 Indian government gave approvals to Ashok Motors to manufacture comet trucks the generation range of cabover trucks from Leyland and they also received approvals to manufacture Tiger Cub lightweight bus also by Leyland. These were the first ever models of British Leyland that were manufactured in India. The collaboration ended in 1975 but the holding of British Leyland, which was then a major British auto conglomerate due to several mergers, agreed to assist in technology, which continued until the 1980s. After 1975, changes in management structures saw the company launch various vehicles in the Indian market, with many of these models continuing to this day with numerous upgrades over the years. In 1987, the overseas holding by Land Rover Leyland International Holdings Limited (LRLIH) was taken over by a joint venture between the Hinduja Group, the Non- Resident Indian transnational group and Iveco, part of the Fiat Group. In 2007, the Hinduja Group bought out Iveco's indirect stake in Ashok Leyland. The promoter shareholding now stands at 51%. Today the company is the flagship of the Hinduja Group, a British-based and Indian originated trans- national conglomerate. Ashok Leyland launched India's first electric bus and Euro 6 compliant truck in 2016, In June 2020, Ashok Leyland launched its new range of modular trucks, AVTR.

In September 2020, Ashok Leyland launched the Bada Dost based on its indigenously developed LCV platform called Phoenix. In 2024, Ashok Leyland entered into a Memorandum of Understanding (MoU) with the Tamil Nadu government for a Rs 1,200 crore investment.

Departmentation refers to the grouping of operating tasks into jobs, the combining of into effective work groups and the combining of groups into divisions often termed as “departments”. Each department is headed by a person known as departmental manager. Each department or division is distinct area of activities over which a manager will be given authority and for which he is responsible. The Ashok Leyland Limited has various departments namely production department, purchase department, finance department, Marketing department, human resource department, research and developing department and secretarial department. The finance department of Ashok Leyland functions in the preparation of final accounts, providing managements information and raising funds. Administration department of Ashok Leyland have a crucial role for smooth functioning, resourceful key player for policies implementation, problem solver and inter departments connection player. The secretarial department has the function of conducting meetings, complying corporate governance, maintaining statutory records, annual filing etc. The production department is responsible for providing material components and equipment required to keep the production. The purchase department has the authority and responsibility for procuring the requirements of materials and Equipments. The marketing department of Ashok Leyland aims to sell as many products as possible in a sustainable manner. The Human resource department is responsible for recruiting, hiring and administrating benefits.

Office location refers to the physical address or site where a company, organization, or individual conducts business activities, meetings, and administrative tasks. The choice of office location can impact various aspects of operations, including accessibility for employees and clients, proximity to suppliers or partners, cost of real estate, and regulatory requirements. Factors such as transportation infrastructure, local amenities, and the surrounding business environment also influence the selection of an office location. Additionally, businesses may consider cultural, social, and economic factors when deciding on a suitable office location to support their objectives and growth strategies. The registered office of Ashok Leyland limited is located at Guindy, Chennai. Ashok Leyland plants are in Ennore , Hosur, Rajasthan Uttarakhand and in Andhra Pradesh. Office layout refers to the arrangement of furniture, equipment, workspaces, and other elements within an office space. It involves the strategic planning and design of the physical environment to optimize workflow, communication, collaboration, and productivity. Different types of office layouts exist, including open-plan layouts, cubicle layouts, and private office layouts, each serving specific purposes and accommodating different organizational cultures and work styles. Factors such as the size of the workforce, the nature of work activities, and employee preferences are considered when determining the most appropriate office layout for a given organization. A well-designed office layout can enhance employee satisfaction, creativity, and efficiency while also supporting the overall goals and objectives of the business. The office layout of Ashok Leyland limited is designed in such a way that it facilitates the interlinking between various department/section according to their needs.

Ratio analysis is one of the techniques of financial analysis where ratios are used as a yardstick for evaluating the financial condition and performance of a firm. Ratio analysis helps in determining the efficiency and stability of the company. The ratios of Ashok Leyland Limited are calculated based on the profit and loss Account and Balance sheet. The profitability ratio i.e Net profit and return on shareholders indicates the use of shareholder's funds and operational efficiency. The inventory turnover ratio depicts an increasing trend indicating that the company inventory management has effective and Quick sales. The solvency ratio (i.e) current ratio depicts an increasing trend but poor short term solvency reflecting that the current assets are insufficient to meet current liabilities. The current and liquid ratio calculated for all the three years is less than the ideal ratio indicating the Poor liquidity position of the company. thus the overall performance of the Ashok Leyland limited is can be considered.

FUTURE PROSPECTS OF ASHOK LEYLAND LIMITED

Ashok Leyland's management continues to be committed to increasing the company's market share and presence through an increase in the dealership network. New product launches-it has been Launching new products in segments like electric vehicles, multi-axle, The tripper/haulage segment, etc. It would launch the 4930 model, the Top-of the line model powered by 300 hp engine The investment would be mainly for the capacity hike at the uttarakhand plant. The company has launched India's first electronic bus and will invest Rs 100 crore initially in EV business. It aims at contributing to the economical development of the nation and improving the standard of living in the country.