IOSR Journal of Engineering (IOSRJEN) **www.iosrjen.org**
ISSN (e): 2250-3021, ISSN (p): 2278-8719
Vol. 09, Issue 5 (May. 2019), ||S (XV) || PP 01-04

"A Study on Ratio Analysis of Yamaha Motors At Tajshree Motors Pvt. Ltd" Nagpur."

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Abstract: *Yamaha Motor Company Limited is a Japanese manufacturer of motorcycles, marine products such as boats and outboard motors, and other motorized products. The company was established in 1955 upon separation from Yamaha Corporation (however Yamaha Corporation is still the largest shareholder with 12.21%, as of June 30, 2014), and is headquartered in Iwata, Shizuoka, Japan. The company conducts development, production and marketing operations through 109 consolidated subsidiaries as of 2012.*
Led by Genichi Kawakami, the company's first president, Yamaha Motor began production of its first product, the YA-1, in 1955. The 125cc motorcycle won the 3rd Mount Fuji Ascent Race in its class.
The present study of research entitled "A STUDY ON RATIO ANALYSIS OF YAMAHA MOTORS AT TAJSHREE MOTORS PVT. LTD" NAGPUR."The study was based on secondary data from records,reports and profile of the organization .The validity of any research is based on the systematic method of data collection analysis. The ratio analysis the process of identifying financial soundness and cost effectiveness of the firm by establishing relationship between the item of balance sheet and profit and loss account. The present study has measure in ratio analysis from the five years balance sheet and profit and loss account.
Keywords;*Software Interface Computer-Aided Light Duty System Energy Recovery*

I. Introduction

Ratio analysisSeveral ratios calculated from the accounting date, can be grouped into various classes according to financial activity or function to be evaluated. As stated earlier, the parties interested in financial analysis are short and short and long-term creditors, owners and management. "Short-term creditors" main interest is in liquidity position or the short-term solvency of the firm. Long-term creditors, on the other hand, and more interested in the long-term solvency and profitability of the firm. Similarly, owners concentrate on the firm's profitability and financial conditions. Management is interested on in evaluating every aspect of the firm's performance. They have to protect the interests of all parties and see that the firm grows profitably. In view of the requirements of the various users of ratio, we may classify them into the following four important categories.

The term typically applies to an organization or company's financial strategy, while personal finance or financial life management refers to an individual's management strategy. It includes how to raise the capital and how to allocate capital, i.e. capital budgeting. Not only for long term budgeting, but also how to allocate the short term resources like current liabilities. It also deals with the dividend policies of the shareholders.

1. Importance and significance of the study
1.1The project would try the problem of understanding the financial problem.
1.2 Ratio analysis is a process of computing determining and presenting the relationship.
1.3 Ratio analysis is therefore a tool or a technique to present figures of the financial.
1.4 statements in simple, concise, intelligible and understandable manner.

2 scope
2.1The study is confined to the financial management of Yamaha Company
2.2The study is analysis of all the available components of ratio analysis
2.3To make item wise analysis of the financial statements.

3 OBJECTIVES
3.1To evaluate the financial performance of the company.
3.2To study the liquidity position profitability position of the company.
3.3To find out protitability position of the organization.

3.4To study the liquidity position of the company.

II. Indentation And Equation

1. Research Methodology

Research methodology is an important tool in any research work. It acts as guideline and road in completion of research. It is scientific search for data and information on as particular topic research is search for knowledge.

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying now research is done systematically. In that various steps, those are generally adopted by a researcher in studying his problem along with the logic behind them. It is important for research to know not only the research method but also know methodology.

1.1data Collection

The objective of primary data is formulated on the basis of research objective. The primary data for my study was being collected by conducting survey. For this study Secondary data are collected by the different books, journals, documents and reports.

1.2 sampling framework

Population definition

The population for research includes customers and of Nagpur city.

III. Figures And Tables

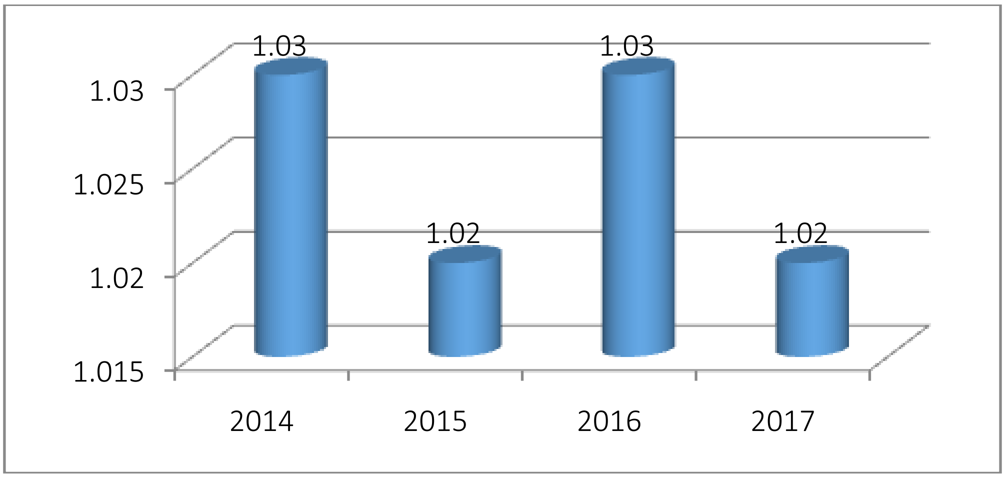
Data Analysis & Interpretation

1.1 Current Ratio

The ratio between all current assets and all current liabilities another way of expressing liquidity. It is a measure of the firm's short-term solvency. It indicates the availability of current assets in rupees for every one rupee of current liability.

$$\text{Current ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Year	QUICK ASSETS	CURRENT LIABILITIES	CURRENT RATIO
2013-2014	398025	387464	1.03%
2014-2015	472724	462302	1.02%
2015-2016	426454	412665	1.03%
2016-2017	453645	442563	1.02%



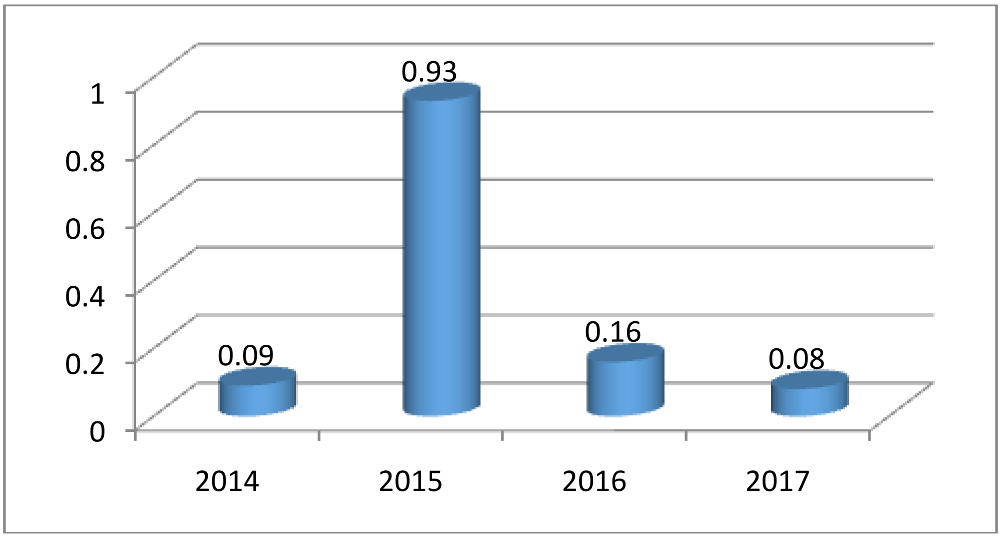
Interpretation-

As the current ratio is between 1.03% to 1.02% It denotes that the firm is adequately liquid and has the ability to meet its current obligations. As the Current ratio of the firm is successively decreasing from 1.03% in the year 2015-16 to 1.02% in the year 2016-17in the ratio of 1:2.

1.2Cash ratio:
The ratio between cash plus marketable securities and current liabilities.

CASH AND MARKETABLE SECURITIES
CASH RATIO = ________________________________
CURRENT LIABILITIES

Year	CASH BALANCES	CURRENT LABILITIES	CASH RATIO
2013-2014	34714.7	387464	0.09%
2014-2015	44828.8	462302	0.93%
2015-2016	54635.47	321463	0.16%
2016-2017	35487.36	432664	0.08%

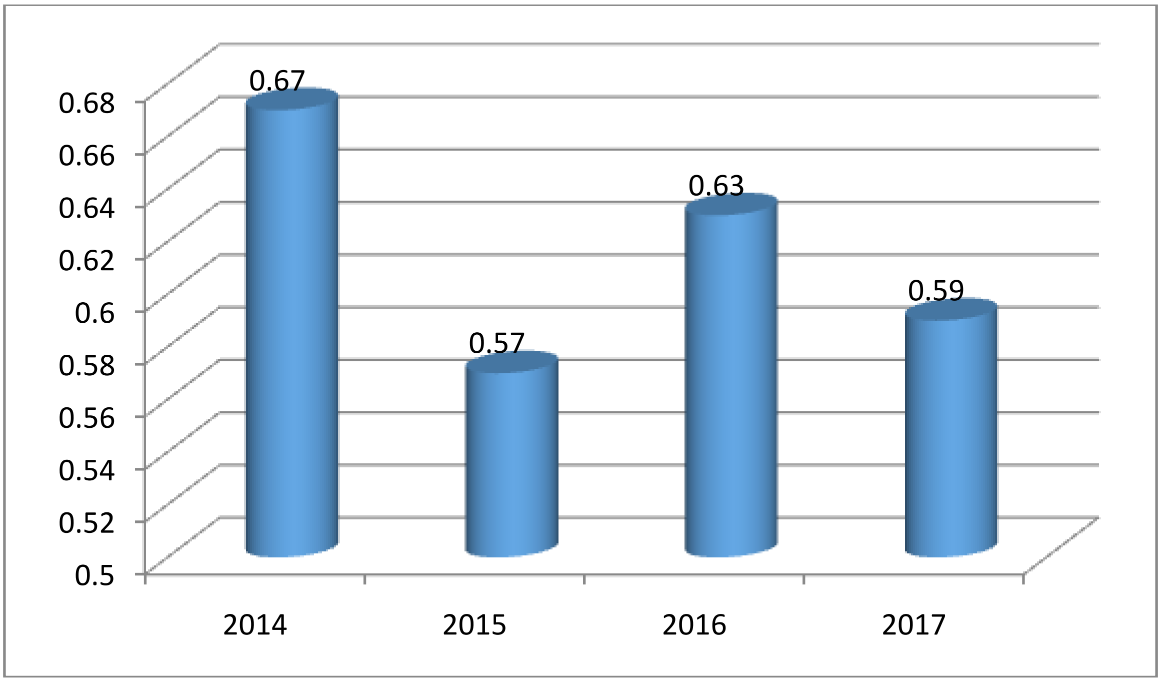


Interpretation –As the cash ratio has increase considerable in 2014after increasing in 2015i.e 0.93% and 2016 to 2017 is decreases i.e. 0.16% to 0.08%.It shows that Bank has utilized liquidity and increased profitability the bank has effective management.

1.3Total Debt To equity ratio Debt equity ratio is computed by dividing Long term Liabilities divided by Equity. Lower debt – equity ratio higher the degree of protection. A debt-equity ratio of 2:1 is considered ideal.

TOTAL DEBTS
Total Debt equity ratio = ________________________
SHAREHOLDERS FUND

Year	TOTAL DEBTS	SHAREHOLDER FUNDS	DEBT RATIO
2013-2014	16668.18	24877.88	0.67%
2014-2015	16883.46	29620.11	0.57%
2015-2016	15358.54	25643.01	0.63%
2016-2017	14624.26	24631.64	0.59%



Interpretation- It indicates the margin of safety to long term creditors is increase in 2014 i.e. 0.67%. and 2015 is decreases i.e. 0.57% but 2016 is increased in 0.63%, debt-equity ratio implies the use of more equity than debt which means a larger safety margin for creditors

IV. Conclusion

2.1Liquidity ratios, both current ratio and quick ratio are showing effectiveness in liquidity as in all the years
2.2current ratio is greater than the standard 2:1 and quick ratio is greater than the standard 1:1 ratio.
2.3The firm is maintaining a low cash balance and marketable securities which means the done cash payments.

References

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