A Study on Trends Analysis   for Financial Performance with reference DTDC Logistic Express LTD, Bangalore

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Abstract: Logistics is considered to be the backbone of the economy, providing efficient, cost effective flow of goods on which other commercial sectors depend. The logistics industry in India is evolving rapidly and the key indicators show the future trend of the sector positively. Several factors impacted the growth of the logistics industry in India like – tax structure, growth across major industry segments such as automobile, retail, engineering, pharmaceuticals, food processing and e-commerce. Despite weak economic sentiments, the logistics & warehousing industry continued to witness growth. The Indian Logistics sector has grown at a CAGR of around 16% over past five years and is expected to grow at around 15-20% for the current period. Several global players view Indian logistics market favorably.
Keywords: Financial performance, Logistics Industry, profitability

Introduction: Logistics Industry is considered as an enabler of economic development of our country. India's Logistics sector is poised for an accelerated growth. Empirical evidence shows that Indian Logistics Sector is growing at 1.5 to 2 times the GDP growth. Logistics spend in Indian is around 13% which is one of the highest in the world. Many key logistic players are performing well. Finance is a very significant facet of a business. The financial requirements of a business must be sufficient enough to meet its long-term as well as short-term commitments. To meet long-term and short term commitments, business needs permanent capital and working capital. Effective utilization of available financial resources is necessary in order to avoid financial distress. Evaluation of several financial indicators derived from financial statements will help the business to avoid bankruptcy.

Review of the Literature:

Altman I. Edward (1968) introduced the multiple discriminate analysis technique using five financial ratios. A Z score model was developed in order to finds a financial health and bankruptcy prediction model based on 66 manufacturing companies.

Jonah Aiyabei (2002) discussed the theoretical aspect of financially distressed companies which are based on a cyclical concept and examined the financial performance of small business firms based in Kenya using Z score model.

Kannadhasan (2007) studied about the financial health of a company in India. Using Z score model, the performance of a company was evaluated and concluded that overall financial health of a company is good.

Kivuvo, olweny (2014) conducted financial performance analysis of Kenya"s SACCO sector. The data covered eight years from 2008 to 2013. Based on the analysis using Z score, companies are segregated into satisfactory, very satisfactory and not satisfactory.

Statement of the problem

This specific theme is picked to investigate the budgetary examination of DTDC Express ltd with the end goal of to gauge the undertaking liquidity, gainfulness, dissolvability and different pointers of the association's capacity and furthermore to give other required data about changes in monetary assets and commitment and furthermore to see if the. DTDC Express ltd is procuring benefit or misfortune. Henceforth embraced this issue "A Study on Financial Analysis Of DTDC Express ltd" to assess and anticipate the money related wellbeing of DTDC Express ltd, and offer the recommendation.

Objective of the study:
 1: To study the Current ratios of DTDC express Ltd.
 2: To Study the working capital Turnover of the company.
 3: To study the current liabilities to Net Worth Ratio .

Research Methodology

This comprised of distinguishing proof of study period, arrangement of outline sheet showing the important boundaries, for example, cost of merchandise sold deals and different salaries,

inventories, net benefit, net benefit, indebted individuals and so on and count of pertinent boundaries according to targets of the examination.

Data collection:

For the purpose of this project both primary and secondary data being used.

Primary data

Essential information is unique information or firsthand data gathered a new and the first run through, which is unique in nature. Under the examination controlling through meetings and buy with vendors and chief as gathered exploration the essential information.

Secondary data

Secondary data is collected from annual reports, company website. The ratio analysis and simple statistical tools will be used for the analysis and interpretation of data.

TOOLS USED FOR ANALYSIS OF DATA

The ratio analysis as a tool to analyze along with some traditional ratio to analyze the data collected.

Limitation of the study

The study is completed two procedures of examination.
The study period was uniquely for one month.
Interpretations given are limit.

1) **This table shows that Current ratios of DTDC.**

Particulars	Current assets	Current liabilities	Current ratio
2018-19	4341.94	790.20	5.49
2019-20	5667.2	967.00	5.86
2020-21	6756.5	992.44	6.8
2021-22	7742.95	883.76	8.76
2022-23	6020.23	767.93	7.83

Source- Company Balance sheet

Analysis

The above table shows that in the year 2018-19 current ratio is 5.49 later in the year 2019-20 its increase to 5.86 in 2020-21 6.8, in 2021-22 8.76 and in the year 2022-23 its decrease to 7.83.

2) This table shows that Working Capital Turnover of the Company

Particulars	Sales	Networking capital	WC turnover ratio
2018-19	3544.88	2824.44	1.25
2019-20	247.90	4523.57	0.939
2020-21	4397.24	5694.28	0.772
2021-22	4259.56	7063.52	0.603
2022-23	5301.00	5187.42	1.12

Source- Company Balance sheet

Analysis

The above table shows that in the year 2018-19 working capital turnover ratio is 1.25, in 2019-20 is 0.939, in 2020-21 is 0.772, in 2021-22 is 0.603, in 2022-23 is 1.12.

3) This table shows that Current Liabilities to Net Worth Ratio

PARTICULARS	NETWORKING CAPITAL	CURRENT LIABILITIES	NET WORTH RATIO
2018-19	2824.44	690.20	4.09
2019-20	4523.57	777.00	5.82
2020-21	5794.28	802.44	7.22
2021-22	7063.52	693.76	10.18
2022-23	5187.42	577.93	9.13

Source- Company Balance sheet

Analysis

In the above table shows that net worth ratio in the year 2018-19 is 4.09, in 2019- 20 is 5.82, in 2020-21 is 7. 22, in 2021-22 is 10.18 and in the year 2022-23 is 9.13

Table 4.4
4) This table shows that Inventory Turnover Ratio

PARTICULARS	NETWORKING CAPITAL	INVENTORY	INVENTORY RATIO
2018-19	2824.44	329.52	0.11
2019-20	4523.57	586.06	0.12
2020-21	5794.28	435.52	0.075
2021-22	7063.52	497.99	0.070
2022-23	5187.42	554.11	0.10

Source- Company Balance sheet

Analysis
The above table shows that inventory ratio in the year 2018-19 is 0.11, in 1015-16 is 0.12, in 2019-20 is 0.075, in 2020-21 is 0.070, in 2 is 0.10

Conclusion:

Z score is one of the important tools which are used to find out the financial bankruptcy of a firm. Business decisions of a company are influenced by financial health of a company. The present study revealed that all the selected companies are financially sound and healthy during the study period.

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