

A STUDY ON ANALYSING FINANCIAL POSITION OF SELECTED STEEL COMPANIES IN INDIA – USING ALTMAN Z-SCORE MODEL

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ABSTRACT

The steel industry is one of the key industries in India. The success of any business is based on efficient financial management. The study has been undertaken to analyze the financial position of selected steel companies in India. The researcher selected the top five steel companies in India for analyzing financial performance during ten years of the study period from 2007-08 to 2016-17. The researcher applied the Altman Z-Score model for analysis using ratio analysis. The study found that financial performance of SAIL and JINDAL was good during the first half of the study period but it was not so during the second half. Financial performance of Tata Steels was good during 2007-08, 2009-10 and 2010-11 and during other years it was not so. Financial performance as measured by Altman Z-score of JSW was good during the first year of the study period and it was not good during the rest of the years. Financial performance of JSL was not good during the entire period of study as shown by the results of the Altman Z-score model.

KEYWORDS: *Financial Position, Z-Score, Working Capital, Retained Earnings and Book Value*