

# Analytical Study of Fund Flow Statements in an Organization using Data Analysis Method

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**Abstract:** *Fund Flow Statements abridge a firm's arrival and address of funds. Simply put, it tells investors area funds accept appear from and area funds accept gone. The statements are generally acclimated to actuate whether companies calmly antecedent and advance funds accessible to them.*

*Fund flow statements are able by demography the antithesis bedding for two dates apery the advantage period. The increases and decreases have to again be affected for anniversary item. Finally, the changes are classified beneath four categories: (1) Abiding sources, (2) abiding uses, (3) concise sources, (4) concise uses. It is as well important to aught out the non-fund-based adjustments in adjustment to abduction alone the changes that are accompanys by flow of funds. However, assets accrued but accustomed and costs incurred but not accustomed reckoned in the accumulation and accident account should not be afar from the accumulation amount for the fund flow statement.*

*Fund flow statements can be acclimated to analyze a array of problems in the way a aggregation operates. For example, companies that are application concise money to accounts abiding investments may run into clamminess problems in the future. Meanwhile, a aggregation that is application abiding money to accounts concise investments may not be calmly utilizing its capital*

**Keywords:** *Funds, Funds flow, data analysis, diplomacy*

## 1. Introduction

The basal finance declaration like Antipode Breadth and Profit & Loss A/c or Income Anniversary of business make known the net after consequence of different diplomacy on operational and finance position of the company. The antipode breadth gives an approximate of the assets & responsibility of a chance at a accurate point of time.

Here is abounding diplomacy that crop abode in a chance and that will not achieve Profit & Loss A/c. Thus, accession anniversary is able to actualization the alter in Assets & Liabilities by the end of one aeon of time to the end of accession aeon of time. The anniversary is declared an anniversary of alter in finance position or a Funds Flow Statement.

The Funds Flow Anniversary is an anniversary which credible the movement of funds and is a abode of finance operations of business undertaking. In simple words it is an anniversary of anterior and accoutrement of funds.

### 1.1 Significance & idea of finances

The appellation "Fund" is accurate and interprets conflicting by adapted specialist. Roughly the appellation funds submit to all the finance adeptness of the accession on the added astute fund has been acclimatized as banknote only. A lot of accepting acceptance of the "fund" is "working capital".

Working Basal is antithesis of acclimatized assents over acclimatized liability. The appellation fund has a arrangement of meaning.

### **A) Cash finance or thin intelligence**

In an attenuated sense, funds abject abandoned cash. 'Cash flow anniversary describe net aftereffect of different business diplomacy banknote into anniversary receipts & amount of cash.

The absorption of advancing finances from anniversary is not normal, as there are abounding such international relations that do not have an effect on banknote however constitute the flow of fund like acquire of accoutrement on acclamation does now not have an effect on banknote but there may be glide of fund.

### **B) Investment finance (or) broader intelligence**

Here finances bureau all finance property acclimated in enterprise, whether in the analysis of guys, money, fabric, accoutrement & others.

### **C). network investment (or) accepted intelligence**

Networking basal bureau dissimilarity amidst acclimatized possessions & liability finance about refers to banknote or banknote add-ons or to animate capital.

In any business we can't underneath appraisalment the glide of funds from two operations. The commercial enterprise runs with funds but the alignment knows the way to drift of

## **1.2 OBJECTIVES OF THE STUDY**

To apperceive the operational ability of Kesoram cement Ltd

To abstraction & adapt Funds Flow Statements.

To assay the progress of funds amid the dates of two antithesis bedding in aeon of abstraction 2015-2019.

To analyze that alters in the essentials of focus and employs of alive basic in amid aloft revealed year.

To advance the banking achievement of the corporation.

## **2. Research methodology**

### **2.1 Main information**

The nearby abstraction is mostly based on main and accessory source of information gathering. The main abstracts were anon calm by explanations, interview survey etc.

### **2.2 Minor information**

The accessory abstracts were calm anatomy already appears foundation like anniversary reports, allotment and centralized records.

### **2.3 The information gathering comprises:**

a. Information calm from anniversary letters of Kesoram Cements Ltd

b. Suggestion anatomy textbooks apropos to banking management.

### **Investigated apparatus:**

Finances current declaration

### **Tools of Analysis**

A variety of statistical accoutrement like percentages averages are acclimated to action the date, of capability of funds flow in alignment & administration in Coca-Cola Ltd

**Investigated Design:** Systematic Abstraction

**Information source:** minor Data

### **3. Review of Literature**

The cash float announcement tells us how a lot coins we've accessible in any case expenses to meet. Here are 2 components to the Cash Flow Statement that are the pinnacle and backside divide in two pinnacles partially deal with influx and outflow of our employer's coins. The backside half of of the statement reviews wherein the price range come to be. Just just like the stability sheet, the pinnacle and bottom halves of coins go with the flow announcement suit. Knowing just how crucial it's far to have cash on hand to pay the payments we need to ensure and evaluation our cash go with the flow statement regularly (How to Prepare, 2010).

The top half of of the coins float statement deals with the influx and outflow of cash. This tracks in which our employer gets our cash and what we spend the ones finances on. Cash go with the flow is a bit greater honest than an income announcement, because the cash go with the flow statement suggests cash coming in simplest while we clearly deposit it and cash going out best when we physically write out a take a look at (How to Prepare, 2010).

Because the cash go with the flow announcement displays the real receipt of coins, regardless of wherein it comes from, the entries are a piece different from the sales shown in a corporation's income announcement. These finances are generally made from gross receipts on income, dividend and interest profits, and invested capital. Gross receipts on income constitute the whole money that we soak up on sales throughout the duration. Gross receipts are based on our gross revenue, of direction, but in addition they remember while you surely receive charge. Dividend and hobby earnings are the earnings that we receive from financial savings bills and other securities (Dividend Income, 2010). This is one of these amounts which might be also stated at the earnings announcement and ought to be similar to long as we truly obtain the cash during the length covered by means of the coins float announcement. Invested capital is part of the owner's fairness in the balance sheet. Although it does not represent revenue from our business operations and might not be part of the profit's announcement, it could be a supply of coins for our employer.

There are some principal goals of the Statement of Cash flows one in all that is to help assess the timing, quantities and the uncertainty of destiny cash flows (Revenues, 2010). This is one of the quarterly economic reviews that publicly traded corporations are required to release to the public. According to Investopedia, "because public businesses generally tend to apply accrual accounting, the income statements they launch each region won't necessarily reflect changes of their coins positions." The statement of cash flows is very crucial to companies because it enables traders see in which the business enterprise can benefit from better coins control. There are many worthwhile organizations nowadays that also fail at properly managing their coins float so it's miles critical as a way to see wherein the weaknesses are to be able to accurate them. In conclusion the assertion of cash flows is very critical for businesses and those that need to invest right into a positive corporation. It indicates how nicely a company manages its cash incomings and outgoings in addition to showing how worthwhile a company is probably or emerges as. It is a totally clear record to understand in order that we do not sufferer to producing a profit at the same time as nonetheless departing broke. This is supportive for the organizations finance department that allows you

to see in which the enterprise stands so that it will have capacity shareholders. It is an amazing supply to take a appear at so that you can recap a organization's economic standing that most of the people are capable of apprehend. A fund flow annual is an arbitrary of a firm's arrival and address of funds. It tells us from area funds accept appear and area funds accept gone. Fund flows annual can announce whether sourcing of funds and their use bout in faculty and as well acknowledge the abstemiousness or contrarily of a firm's costs and investment decisions the banking annual of the business announce assets, liabilities and basal on a accurate date and as well the accumulation or accident during a period. But it is accessible that there is abundant accumulation in the business and the banking position is as well acceptable and still there may be absence of banknote or of alive basal in business. If the administration wants to acquisition out as to area the banknote is getting utilized, banking annual cannot help. Therefore, a annual is able of the sources and applications of funds from area Alive Basal comes and area it is utilized. This is alleged Fund Flow statement. Funds Flow Annual is an analytic apparatus in the easily of banking manager. The basal purpose of this annual is to announce on actual base the changes in the alive basal i.e., area funds came from and area they are acclimated during an accustomed period. The funds flow annual or annual of changes in banking position is an annual of flows, it measures the changes that accept taken abode during two antithesis area dates.

According to R.N. Anthony, "Fund Flow is a annual able to announce the access in banknote assets and the appliance of such assets of a business during the accounting period."

Fund + Flow = Fund Flow

### 3.1 Meaning of Fund

The appellation fund has an array of acceptance such as banknote fund, basal fund and alive basal fund.

1. Banknote fund –In an attenuated sense, fund agency alone cash. 'Cash flow statement' portray net aftereffect of the assorted business affairs on banknote into annual proceeds & cost of cash. This abstraction of advancing fund flow annual is not accepted, as there are abounding such affairs banknote but there is flow of fund.
2. Basal fund –Here fund agency all banking assets acclimated in the business, whether in the anatomy of men, money, material, apparatus & others.
3. Net alive basal -Net alive basal agency aberration amid accepted asset and accepted liabilities. funds about refer to banknote or banknote agnate or to alive capital.

### 3.2 Meaning of Flow

1. The appellation 'flow' refers to changes or alteration and appropriately the 'flow of funds' agency alteration of bread-and-butter ethics from one asset to another, from one accountability to another, from one asset to liabilities or vice-versa or a aggregate of these. So, flow of fund refers to access or abatement in net alive capital.
  2. The access or abatement in net alive basal will yield abode alone if one account, out of two accounts to be afflicted in a transaction, is a accepted annual i.e. accepted asset or accepted liabilities and the added annual is non accepted annual i.e. anchored asset or continued appellation accountability or capital.
- In the aloft bulk the dotted band displays there will be no flow of fund & the aphotic band displays the flow of fund.

#### 4. Data Analysis

##### Work of art of present possessions (Rs in Cr)

details	2019-18	2018-17	2017-16	2016-15	2015-14	avg
Inventory	436.4	524.93	675.57	636.76	<b>669.55</b>	<b>588.64</b>
Sundry Debtors	108.39	130.59	272.31	665	920.58	419.37
Cash and Bank	1907.21	71.52	56.1	181.04	117.5	466.67
Loans & Advances	405.76	728.66	926.99	1401.95	1203.54	933.38
Other current Assets	24.82	48.87	20.72	0	0	18.88
Total	2882.58	1504.57	1951.69	2884.75	2241.62	

#### Interpretation

The income announcement is likewise known as income statement, it's far measured to be the mainly helpful of all monetary statement. It organized with the aid of a enterprise difficulty if you want to recognize the profit produced and loss constant throughout a certain length. It elucidates what has took place to a business due to operations between stability sheet dates. For this because it matches the sales and price bring upon you in the manner of incomes revenues and indicates the internet income earned or loss experience throughout a selected phase.

The nature of Income that is a focus of the income assertion may be nicely understood if enterprise is taken as a corporation that makes use of "Input" to supply "Output".

The values of these outputs are the goods and offerings that the commercial enterprise presents to its customers. The values of those outputs art the amounts paid through the clients for them. These amounts are known as "revenues" inside the accounting. The inputs are the monetary assets used by the commercial enterprise in imparting these goods and services.

STATEMENT OF CHANGE SINWORKING CAPITAL

Rs in Crores

Working capital turnover ratio 2019		
Working capital turnover ratio	2019	2018
<b>Total current Assets</b>		
Inventories	636.76	669.55
Sundry Debtors	665.00	920.58
Cash and Bank Balances	181.04	117.50
Other Current Assets	0.00	0.00
Loans and Advances	1401.95	1203.54
<b>Total</b>	<b>2884.75</b>	<b>2911.17</b>
<b>Total Current Liabilities</b>		
Current Liabilities	2893.39	2903.12
Provisions	1439.86	1594.31
<b>Total</b>	<b>4333.25</b>	<b>4497.43</b>
<b>Net working capital</b>	<b>-1448.50</b>	<b>-1586.26</b>
<b>Increase/decrease in net working capital</b>	<b>-137.76</b>	

### Interpretation

The system assets Kesoram Pvt ltd has been diminished to 137. Seventy-six Cr the financial role i.e. The presentation of Kesoram Pvt ltd has reduced and the modern assets deficiency its modern legal responsibility.

Note: financial role may additionally rely upon long time liabilities and also fixes belongings.

### Funding statement for the phase of 2018-17

Source	Rs in cr	Application	Rs.
Issue of share capital	39.94	Funds lost in operation	0.00
Raising of long term loans	0.00	Repayment of long term loan loans	0.00
Sale of non-current (fixed) assets	446.38	Purchase of long term investments	-1552.10
Non-trading receipts	0.00		
Sale of investment	1203.54		
Decrease in working capital	-137.76		
	<b>1552.10</b>		<b>1552.10</b>

### Interpretation

Given table it is empiric to alive basic of aggregation demon states diminished trend. The accepted benefit of the aggregation has diminished Rs 137.76 in 2018-17 but the account banknote antithesis assuming accretion trend. The accepted liability of aggregation is diminished in 2018-17. In the net alive basic of aggregation stood -137.76 It is diminished in 2018-17.

Regarding the appliance of funds 39.97 % acclimated for asset in anchored assets and funds acclimated for alive basic purpose. Comprise 28.04 % correspondingly

It is assured that throughout the aeon 2018-17 Increasing gross block and net Abbreviating in alive capital.

### Statement of working capital changes

working capital turnover ratio 2017 (Rs in Crores)		
Working capital turnover ratio	2016	2017
<b>Total current Assets</b>		
<b>Inventories</b>	675.57	636.76
<b>Sundry Debtors</b>	272.31	665.00
<b>Cash and Bank Balances</b>	56.10	181.04
<b>Other Current Assets</b>	20.72	0.00
<b>Loans and Advances</b>	926.99	1401.95
<b>Total</b>	1951.69	2884.75
<b>Total Current Liabilities</b>		
<b>Current Liabilities</b>	3520.66	2893.39
<b>Provisions</b>	1090.07	1439.86
<b>Total</b>	4610.73	4333.25
<b>Net working capital</b>	-2659.04	-1448.50
<b>Increase\decrease in net working capital</b>	-1210.54	

### Interpretation

Those systems administration money of Kesoram Pvt ltd need been reduced with 1210.54 cr the financial position i. E. That execution of Kesoram Pvt ltd need expanded and the current benefits defects its present obligation.

### Statement of working capital changes

Working capital turnover ratio 2016 (Rs in Cr)		
Working capital turnover ratio	2015	2016
<b>Total current Assets</b>		
<b>Inventories</b>	524.93	675.57
<b>Sundry Debtors</b>	130.59	272.31
<b>Cash and Bank Balances</b>	71.52	56.10
<b>Other Current Assets</b>	23.77	20.72
<b>Loans and Advances</b>	783.48	926.99
<b>Total</b>	1510.52	1951.69
<b>Total Current Liabilities</b>		
<b>Current Liabilities</b>	5063.68	3520.66
<b>Provisions</b>	1081.07	1090.07
<b>Total</b>	6144.75	4610.73
<b>Net working capital</b>	-4640.21	-2659.04
<b>Increase\decrease in net working capital</b>	-1981.17	

### Interpretation

Those systems administration money of Kesoram Pvt ltd need been reduced with 2659.04 cr the financial position i. E. That execution of Kesoram Pvt ltd need expanded and the current benefits defects its present obligation.

**Fund for the phase of 2015-2014 statement**

Source	Rs in cr	Application	Rs.
Issue of share capital	39.94	Funds lost in operation	0.00
Raising of long term loans	32.71	Repayment of long term loan loans	4987.36
Sale of non-current (fixed) assets	456.37	Purchase of long term investments	-2507.91
Non-trading receipts	0.00		
Sale of investment	3964.26		
Decrease in working capital	-1981.17		
	<b>2479.45</b>		<b>2479.45</b>

**Interpretation**

By this table it is empiric alive basic of aggregation demonstrates reduced tendency. The accepted benefit of the aggregation has diminished Rs 2659.04 in 2013-14 is 1951.69. The accepted liabilities of aggregation are diminished in 2013-14. In the net alive basic of aggregation stood -1981.17 It is diminished in 2013-14.

concerning the appliance of funds 41.21 % acclimated for asset in anchored possessions and finances acclimated for alive basic reason. comprises 34.59 % correspondingly.

It is assured that throughout the aeon 2013-14 Accretion gross block and net Abbreviating in alive capital.

**5. Research Findings**

1. The Kesoram Pvt ltd net alive basic is satisfactory amid the years 2018-17 back it demonstrates abbreviating tendency, but afterwards is in crumbling situation.
2. The accepted assets of Kesoram Pvt ltd is suitable through the aeon of abstraction 2014-13 to 2018-17 it is added but afterwards that it is on the way out.
5. Total Assets about-face of Kesoram Pvt ltd is not satisfactory because it is consistently beneath one, except in the year 2014-15.

**6. Conclusion**

The Kesoram Pvt ltd internet alive primary is best amid the years returned it shows accretion fashion; however afterwards that it's miles in crumbling role Accumulation Margin of Kesoram Pvt ltd is abbreviating and assuming abrogating accumulation because there's get right of entry to in the amount of chestnut The Kesoram Pvt ltd Net Alive Basic Arrangement is great.

The Operating Arrangement of Kesoram Pvt ltd isn't exceptional. Yet to get entry to in amount of manufacturing, this arrangement is diminishing. Now to impede its appointment administering prices develop function finances need to be activated properly. Better Awareness to get admission to the income is recommended. Amount reduce workings may be employed improvement assembly address is employed.

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