



A STUDY ON CASH FLOW STATEMENT OF PUNJAB & SIND BANK, TIRUPATI

*D. Jaya Krishna

**Smt.P. Haritha

*Student, MBA II Year, Department of MBA, Annamacharya Institute of Technology & Sciences: Tirupati (Autonomous)

** Assistant Professor, Department of MBA, Annamacharya Institute of Technology & Sciences: Tirupati (Autonomous)

ABSTRACT

The Cash flow statement is a significant instrument to investigate the money position of a business firm. It can mean changes in real currency position during five years. It likewise gives data about the receipts in bank for a given period. It is about which gives a total clarification to the adjustment of a company's Situation during a specific period by determining the firm sources and uses of economical during the period from operating, investing, and financing activities. It gives helpful data about an element's exercises in creating cash from tasks. It is trusted that the substance of this would assist the perusers with understanding the Cash flow statement appropriately.

KEY WORDS :- Operating, Investing and Financing Activities

INTRODUCTION

A cash flow statement is a financial statement that summarizes a company's cash inflows and outflows. It includes all cash inflows from operations and external investments, and all cash outflows for business activities and investments.

A cash flow statement, also known as a statement of cash flows, is a financial statement that provides an overview of a company's inflows and outflows of cash during a specific period, usually a quarter or year.

- How much cash the company creates from its operations.
- How the company contributes its reserves.
- How the company funds its operations
- **Cash flow from operating activities:** This segment appears money produced by the company's center commerce exercises, Cash receipts from incomes, fetched of merchandise sold, and working costs.
- **Cash flow from investing activities:** This section appears money utilized for buying and offering ventures, such as property, gear, and securities.
- **Cash flow from financing activities:** This area appears money raised or reimbursed through financing exercises, such as issuing or repurchasing stock, issuing or reimbursing obligation.

DEFINITION

Cash budget is an examination of stream of cash in a exchange over a future, brief or long period of time. It may be a gauge of expected cash confirmations and fetched.

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REVIEW OF LITERARURE

1.) Aghdas Jafari Motlagh (2013) According to him in his study he studies about how statement of cash flow is prepared and how it is differentiated from funds flow statement. The study used the secondary data collected from various websites, journals, etc. The found that funds flow statement is not useful in short term financial planning like cash flow statement because the cash is more important for execute the plan in short run as compared to working capital.

2) Ajay Paliwal, Mukesh Ahirrao and Rana (2015) According to him, the term cash flow statement is an important tool to analyze the financial performance of a firm and the cash flow changes can be identified only by comparing the financial position of a firm for two years. The study found the net changes in net cash in cash and it's distribution in three business activities and also found the strength and weakness in cash flow statement.

3) Jeffrey Hales and Steven Orpurt (2013) According to them they analysed that though many financial statement users have given more importance to direct method, some of the financial statement users have given importance to indirect method of cash flow statement. They found that the direct method information is economically significant and that the recurring benefits that many firms derive from providing direct method information likely exceed recurring cost.

4) Adhikari and Duru (2019) It has no way to reduce operating costs, suggesting a lower pay rate. They have funds to help them not be able to produce the product, given the investment rate needed to calculate this amount. They pay on investments and credit to reduce the amount of money needed for a post-lease payment, while at the same time choosing the options for understanding the remaining free cash flow will be linked to the free cash flow.

5) Melik Serhat (2017) This is part of the construction industry because the cash flow of construction projects is at the highest risk level, the most important network, and it plays an important role. As such, it is important to consider changes in payment planning conditions for construction projects and the risk of uncertainty about cost control and methodology. The purpose of the study was to understand the nature of cost-effectiveness and planning, as well as of course the involvement and surprise of some theoretical models and applications of real-time optimization models.

OBJECTIVES OF THE STUDY

- To Determine the cash inflows and out flows of the project undertaken by the Punjab & Sind Bank.
- The Primary objective is to provide useful information about cash flows in during a period of time.
- It involve various activities like Operating Activities, Investing Activities and Financing Activities.

- On the bases on cash flow statement to generate cash and cash equivalent and the need of the enterprise to utilise those cash flows.

NEED FOR THE STUDY

- ❖ It provide the information to the management about cash receipt and payment of an organisation.
- ❖ Determine the changes might be made to better utilize cash, run a bank more efficiency, and efficiently, and growth it more effectively.
- ❖ It is useful for how much amount of cash can be outflow and inflow into the bank

SCOPE FOR THE STUDY

- ❖ The scope of studying the cash flow statement involves analysing the inflows and outflows of cash.
- ❖ It operating, investing, and financing activities over a specific period of time.
- ❖ It access a company's liquidity, financial health, investment potential, debt servicing ability, operational performance, strategic planning.
- ❖ Early detection of financial problems, and compliance with accounting standards.

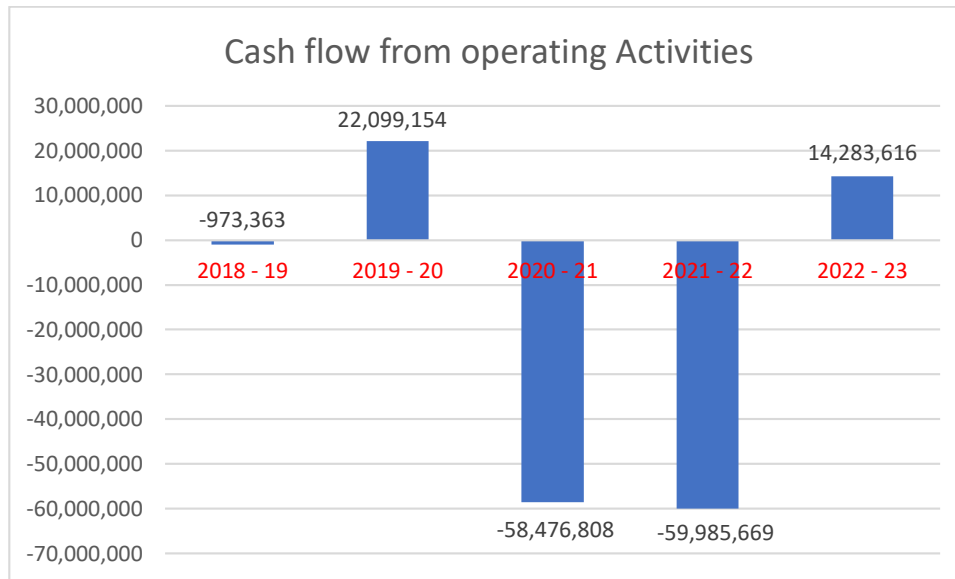
TOOLS USED

- ❖ cash flows from operating activities
- ❖ cash flows from investing activities
- ❖ cash flows from financing activities

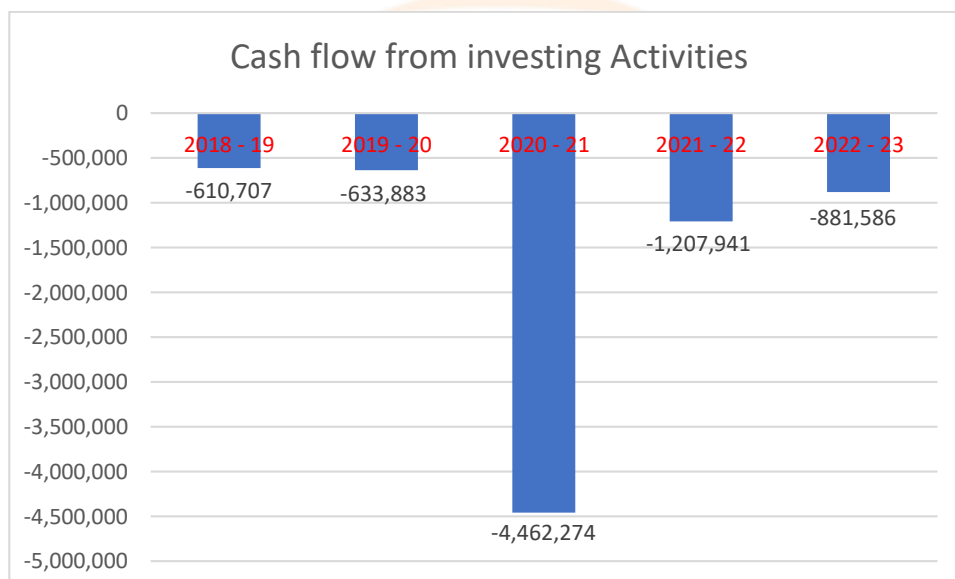
LIMITATIONS OF THE STUDY

- Does not show a complete picture
- Needs other tools for Analysis
- Shows cash position only
- Cannot be equated with income statement
- May not represent the real liquid position

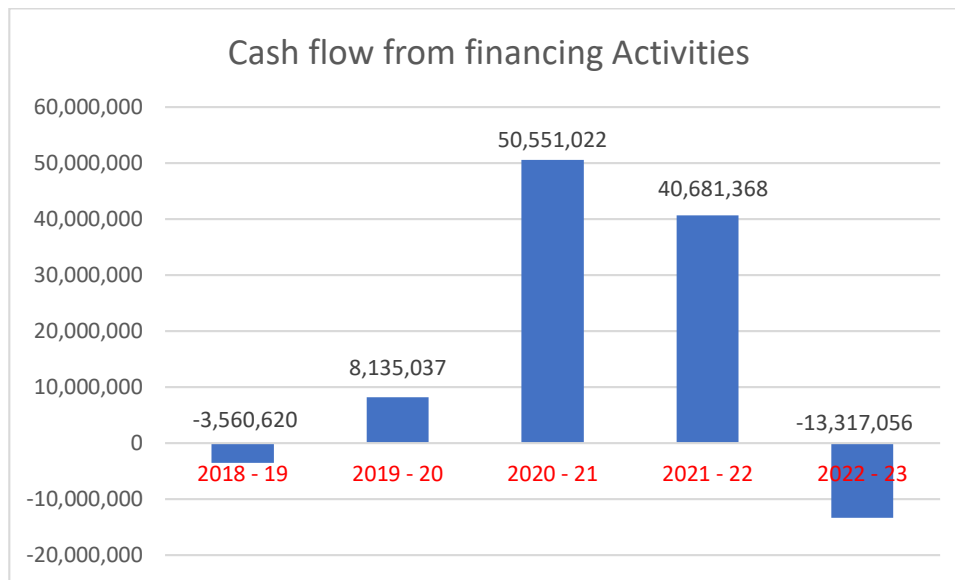


DATA ANALYSIS & INTERPRETATION**Graph: 4.1****GRAPH ON OPERATING ACTIVITIES (00's OMITTED)****INTERPRETATION**

During the financial year 2018 – 19 loss of 973363, 2019 – 20 profit of 22099154, 2020 – 21 loss of 58476808, 2021 – 22 loss of 59985669 and 2022 – 23 profit of 14283616.

Graph: 4.2**GRAPH ON INVESTING ACTIVITIES (00's OMITTED)****INTERPRETATION**

During the financial year 2018 – 19 loss of 3560620, 2019 – 20 profit of 8135037, 2020 – 21 profit of 50551022, 2021 – 22 profit of 40681368 and 2022 – 23 loss of 13317056.

Graph: 4.3**GRAPH ON FINANCING ACTIVITIES (00's OMITTED)****INTERPRETATION**

During the financial year 2018 – 19 loss of 610707, 2019 – 20 loss of 633883, 2020 – 21 loss of 4462274, 2021 – 22 loss of 1207941 and 2022 – 23 loss of 881586.

FINDINGS**(00's OMITTED)**

- During the financial year 2018 – 19 the cash flow from operating Activities is loss of 973363, cash flow from Financing Activities is loss of 610707 and cash flow from Investing Activities is loss of 3560620.
- During the financial year 2019 – 20 the cash flow from Investing Activities is loss of 633883.
- During the financial year 2020 – 21 the cash flow from operating Activities is loss of 58476803 and cash flow from Financing Activities is loss of 4462274.
- During the financial year 2021 – 22 the cash flow from operating Activities is loss of 59985669 and cash flow from Financing Activities is loss of 1207941.
- During the financial year 2022 – 23 cash flow from Financing Activities is loss of 881586 and cash flow from Investing Activities is loss of 13317056.

SUGGESTIONS

- During the financial year 2018 – 19 the cash flow from operating Activities like focus on deposits, borrowings and investments, cash flow from Financing Activities like focus on fixed Assets and cash flow from Investing Activities like focus on Redemption of subordinated bonds and interest on bonds.
- During the financial year 2019 – 20 the cash flow from Investing Activities like focus on fixed Assets.

- During the financial year 2020 – 21 the cash flow from operating Activities like focus on investments and taxes, and cash flow from Financing Activities like focus on Fixed Assets.
- During the financial year 2021 – 22 the cash flow from operating Activities like focus on investments and Assets and liabilities, cash flow from Financing Activities like focus on Redemption of subordinated bonds and interest on bonds.
- During the financial year 2022 – 23 cash flow from Financing Activities like focus on Redemption of subordinated bonds and interest on bonds, cash flow from Investing Activities like focus on fixed Assets.

CONCLUSION

Finally, from the study the cash fluctuations are changes from one year to another year, more focus on financing & investing Activities to maintain the company in a better position for a long time.

Punjab & Sind bank has to increase Investments to main a smooth running of this bank.

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