



“Comprehensive Evaluation Of Long-Term Solvency Position Among Selected Cement Companies Listed On Bombay Stock Exchange”

Aravam Dhanunjayulu^{1*}, Dr. K. Jayachandra Reddy²,

^{1*}Research Scholar, Department of Commerce, Sri Venkateswara University, Tirupati, Andhra Pradesh, India.

²Professor, Department of Commerce, Sri Venkateswara University, Tirupati, Andhra Pradesh, India.

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ABSTRACT

This study explores the long-term solvency position of six selected cement companies listed on the Bombay Stock Exchange (BSE) over the period 2013-14 to 2022-23. The companies, chosen based on market capitalization and categorized into Large Cap, Mid Cap, and Small Cap, include UltraTech Cement Limited, Ambuja Cements Limited, Dalmia Cement Limited, JK Cement Limited, Birla Cement Limited, and India Cements Limited. Using statistical tools such as mean, standard deviation, and coefficient of variation, the study evaluates key solvency ratios such as proprietary ratio, debt-to-equity ratio, fixed assets to long-term funds ratio, and interest coverage ratio. The findings reveal that Ambuja Cements exhibited the most consistent financial stability, while Dalmia Cement showed significant variability across multiple ratios. UltraTech, JK, Birla, and India Cements displayed a mix of stability and fluctuations, reflecting diverse financial management strategies. The analysis provides insights into the varying financial health and solvency strategies of these companies.

Keywords: Long-term solvency, Cement Industry, Bombay Stock Exchange, Financial Stability.

I. INTRODUCTION:

According to India Brand Equity Foundation, India stands as the second-largest producer of cement in the world, following China. India holds over 8% of the global installed cement capacity. With significant potential for growth in the infrastructure and construction sectors, the Indian cement industry is poised to benefit substantially. The Indian cement industry has been growing steadily over the past few decades, supported by robust demand from the housing sector, increased activity in infrastructure projects, and government initiatives like "Housing for All" and "Smart Cities Mission." The industry's growth is further fueled by foreign direct investments and favorable government policies. The cement industry plays a pivotal role in the infrastructure development and economic growth of a nation. As one of the key contributors to the construction sector, cement companies are integral to the creation of housing, commercial buildings, and infrastructure projects. In India, several prominent cement companies are listed on the Bombay Stock Exchange (BSE), which is essential to understanding the overall health and sustainability of the cement industry.

II. OPPORTUNITIES AND CHALLENGES FOR THE INDIAN CEMENT INDUSTRY:

The Indian Cement Industry has numerous opportunities, the ongoing infrastructure projects, urbanization trends, and government initiatives aimed at boosting the real estate sector are expected to drive demand for cement. Moreover, advancements in technology and the adoption of innovative practices, such as the use of alternative raw materials and digital transformation in manufacturing processes, are likely to enhance operational efficiency and sustainability.

Despite these opportunities, the cement industry faces several challenges, including fluctuating raw material prices, stringent environmental regulations, and the need for substantial capital investment. Additionally, the industry is heavily dependent on energy, with fuel and power costs constituting a significant portion of production expenses. The transition towards sustainable practices and the reduction of carbon emissions are becoming increasingly important, with companies investing in alternative fuels and technologies to meet environmental standards.

III. REVIEW OF LITERATURE:

Moorthi, Ramesh, & Bhanupriya, (2012) The study titled "Long-Term Solvency (Leverage) Analysis of Selected Steel Companies in India: An Empirical Study" evaluates the financial leverage and solvency of Bhushan Steel Limited, Tata Steel, JSW, Visa Steel, and SAIL over the period from 2006 to 2011. The research reveals a gradual increase in the debt-equity ratio across the companies, SAIL demonstrates a stronger proprietary ratio compared to the other companies. Bhushan, JSW, and Visa Steel have proprietary ratios below the 60% average, indicating a need for improvement in their financial positions. ANOVA results indicate that companies within the same industry exhibited varying debt-to-equity ratios during the study period.

Khanna. S & Palepu. K (2017) "Long-Term Solvency Analysis of Automobile Firms in India" research focuses on the long-term solvency of Indian automobile firms, analyzing data from 2010 to 2015. Using ratios like debt to equity, interest coverage, and total assets to debt, the study finds significant differences in solvency positions among firms. The research concludes that companies with diversified portfolios and strong operational efficiencies are better positioned to maintain long-term solvency.

Patel. P & Mehta. K (2020) has done a study entitled "Financial Performance and Solvency Analysis of Cement Companies in India", which provides an in-depth analysis of the financial performance and solvency of selected cement companies listed on the BSE. Using a range of financial ratios and Altman's Z-score, the research assesses the financial stability and bankruptcy risk of these firms. The study reveals that while most companies show strong solvency positions, there are notable differences in financial performance, driven by factors such as market competition and operational efficiency.

Ravi S. Sisodiya and Dr. Jaimin Patel (2022) the study titled "A Study on Long-Term Solvency Performance of Selected Automobile Companies in India" focuses on evaluating the long-term solvency of select Indian automobile companies. The period of the study was taken for the five accounting periods ranging from 2016 to 2020, and applied descriptive statistics mean, standard deviation, coefficient of variance, maximum and minimum, one-way ANOVA were used. Finally, the researcher concludes that among five selected automobile companies, the Bajaj Auto Company has maintained a healthy long-term solvency position.

IV. STATEMENT OF THE PROBLEM:

The financial stability and long-term solvency of companies within the cement industry are critical for ensuring sustainable growth and investor confidence. However, the volatile economic environment, fluctuating raw material costs, and intense competition present significant challenges to maintaining solvency. Despite the importance of solvency analysis, there is a gap in comprehensive, up-to-date research specifically focusing on the long-term solvency of Indian cement companies listed on the Bombay Stock Exchange (BSE). Thus, the researcher understood the significance of conducting the study.

Solvency, a measure of a company's ability to meet its long-term obligations, is crucial for stakeholders, including investors, creditors, and regulatory bodies, to assess the financial stability and future prospects of a company. By analyzing various solvency ratios and financial indicators, this study seeks to provide a comprehensive overview of the financial health and risk profile of these cement companies. The following sections presents the objectives of the study and methodology followed, the criteria for assessing the solvency, and the implications of the findings of select cement companies in India. This analysis not only contributes to the existing literature on financial performance in the cement industry but also offers valuable insights for decision-makers in the financial and industrial sectors.

V. OBJECTIVES OF THE STUDY:

The following specific objectives were set to evaluate the long-term solvency of select cement companies.

- To analyze the long-term solvency position of select BSE-listed cement companies.
- To conduct a comparative analysis of the long-term solvency position among select BSE-listed cement companies

VI. METHODOLOGY:

This article aims to delve into the long-term solvency position of selected cement companies listed on the BSE. There are around 44 cement companies listed on the Bombay Stock Exchange (BSE). For this study, six

companies are selected to assess their long-term solvency during 2013-14 to 2022-23. The selection was based on market capitalization, for which the companies were categorized into Large Cap, Mid Cap, and Small Cap. From each category, two companies were chosen using stratified random sampling. Selected companies namely UltraTech Cement Limited and Ambuja Cements Limited from large cap, Dalmia Bharat Limited and JK Cement Limited from mid-cap, Birla Corporation Limited and The India Cements Limited from small cap. To evaluate the financial health of these select cement companies, statistical tools such as mean, standard deviation, coefficient of variation and ANOVA are employed. The secondary data collected from respective companies' websites, various journals, BSE, IBEF, and other relevant sources are used in the present research investigation.

VI. ANALYSIS AND INTERPRETATION:

Proprietary Ratio

The Proprietary Ratio, also known as the Equity Ratio, is used to assess the proportion of a company's total assets that is financed by shareholders' equity. It provides insights into the financial stability and long-term solvency of a company, indicating the extent to which the assets are owned by shareholders rather than being financed through debt. A higher Proprietary Ratio suggests a lower reliance on debt financing and a greater degree of financial stability, while a lower ratio indicates higher leverage and potential financial risk.

$$\text{Proprietary Ratio} = \frac{\text{Equity Shareholders Funds}}{\text{Total Assests}}$$

Table 1.1 Proprietary Ratio of Selected Cement Companies During 2013-14 To 2022-23.

Year	UltraTech	Ambuja	Dalmia	JK	Birla	India
2013-14	0.53	0.73	0.41	0.31	0.52	0.40
2014-15	0.50	0.73	0.27	0.27	0.53	0.39
2015-16	0.52	0.73	0.27	0.26	0.53	0.40
2016-17	0.58	0.73	0.31	0.28	0.34	0.48
2017-18	0.46	0.71	0.48	0.31	0.39	0.48
2018-19	0.44	0.74	0.52	0.36	0.40	0.47
2019-20	0.49	0.74	0.51	0.35	0.39	0.48
2020-21	0.51	0.73	0.58	0.38	0.43	0.52
2021-22	0.60	0.72	0.63	0.38	0.44	0.50
2022-23	0.60	0.75	0.62	0.35	0.43	0.51
Mean	0.52	0.73	0.46	0.32	0.44	0.46
SD	0.05	0.01	0.14	0.05	0.07	0.05
CV	10.40	1.50	30.21	14.08	14.86	10.08

Source: Compiled From Annual Reports

The proprietary ratios of select six cement-listed companies are presented in Table 1.1 over a ten-year period from 2013-14 to 2022-23. UltraTech Cement's proprietary ratio fluctuated between a low of 0.44 times and a high of 0.60 times, with an average of 0.52 times. This relatively moderate variation indicates a stable reliance on equity financing over the years. Ambuja Cements maintained a consistently high proprietary ratio, ranging from 0.71 to 0.75, with a mean of 0.73. This small range suggests very stable equity financing, highlighting Ambuja's strong reliance on shareholders' equity. Dalmia Cement exhibited a wider variation in its proprietary ratio, ranging from 0.27 to 0.63, with a mean of 0.46. The considerable range reflects significant fluctuations in its equity financing. JK Cement's proprietary ratio ranged from a low of 0.26 to a high of 0.38, with an average of 0.32. This moderate range points some variability in its equity financing. Birla Cements' proprietary ratio varied from 0.34 to 0.53, with a mean of 0.44. The range indicates some variability in equity financing, but it remains relatively stable over the study. India Cements experienced a proprietary ratio ranged between 0.39 and 0.52, with an average of 0.46. This moderate variation suggests a stable approach to financing with equity, similar to UltraTech Cement.

Further, it is observed that Ambuja Cements has the least variance in proprietary ratio indicating very stable equity financing, whereas Dalmia Cement exhibited a high variation, reflecting greater fluctuations in its reliance on shareholders' equity. The other companies UltraTech, JK, Birla, and India Cements Ltd., showed moderate variance in their proprietary ratios, with relatively stable equity financing over the years.

Hypothesis Testing

H₀: There is no significant difference in the Proprietary Ratio among select BSE-listed cement companies.

H₀₁: There is a significant difference in the Proprietary Ratio among select BSE-listed cement companies.

Table 1.2 ANOVA- Proprietary Ratio

Source of Variation	SS	df	MS	F	P-value	F crit	Results
Between Groups	0.912	5	0.182	35.441	0.000	2.386	Significant
Within Groups	0.278	54	0.005				
Total	1.190	59					

Table 1.2 presents the ANOVA test results for the differences in proprietary ratio among the selected sample companies. The calculated F-value is 35.441, which exceeds the critical F-value of 2.386 at the 5% level of significance. Additionally, the P-value is less than 0.05. Therefore, the null hypothesis is rejected, and the alternative hypothesis is accepted. This indicates that there is a significant difference in the proprietary ratio among the sample cement companies of the study.

Debt to Equity Ratio:

The Debt-to-Equity Ratio is a financial leverage ratio that measures the proportion of a company's long-term debt to its shareholders' equity. This ratio is crucial for understanding the company's financial structure and the balance between debt and equity financing. It provides insights into the degree to which a company is financing its operations through borrowed funds versus owned funds. A higher Debt to Equity Ratio indicates that a company relies more on debt financing relative to equity, which leads to higher financial risk. On the other hand, a lower ratio shows a conservative approach of financing, with a greater dependence on equity.

$$\text{Debt to Equity Ratio} = \frac{\text{Long-Term Debt}}{\text{Equityholders' Funds}}$$

Table 1.3 Debt to Equity Ratio of Selected Cement Companies During 2013-14 To 2022-23.

Year	UltraTech	Ambuja	Dalmia	JK	Birla	India
2013-14	0.49	0.07	1.07	1.60	0.58	0.76
2014-15	0.42	0.06	2.07	1.93	0.66	0.86
2015-16	0.39	0.06	1.97	2.06	0.54	0.75
2016-17	0.39	0.05	1.46	1.91	1.54	0.63
2017-18	0.74	0.05	0.69	1.60	1.22	0.70
2018-19	0.82	0.05	0.52	1.16	1.12	0.66
2019-20	0.60	0.04	0.49	1.23	1.10	0.58
2020-21	0.48	0.05	0.33	1.13	0.98	0.47
2021-22	0.26	0.05	0.28	1.04	0.94	0.55
2022-23	0.25	0.04	0.34	1.23	0.96	0.48
Mean	0.48	0.05	0.92	1.49	0.96	0.64
SD	0.19	0.01	0.69	0.38	0.31	0.13
CV	38.74	18.79	74.47	25.51	32.12	19.49

Source: Compiled From Annual Reports

The debt-equity ratio for select six cement listed companies is presented in Table 1.3 over ten years from 2013-14 to 2022-23. UltraTech Cement's debt-to-equity ratio varied significantly, ranging from a low of 0.25 to a high of 0.82, with an average of 0.48. Ambuja Cement consistently maintained a low debt-to-equity ratio, ranging between 0.04 and 0.07, with a mean of 0.05. This narrow range shows a strong reliance on equity financing and minimal use of debt, indicating financial stability and a conservative approach to leverage. Dalmia's debt-to-equity ratio exhibited considerable fluctuation, from a low of 0.28 to a high of 2.07, with a mean of 0.92. JK's debt-to-equity ratio showed moderate variability, ranging from 1.04 to 2.06, with an average of 1.49. This indicates a consistent but somewhat high reliance on debt financing, and an aggressive leverage strategy compared to the other companies. Birla's debt-to-equity ratio ranged from a low of 0.54 to a high of 1.54, with a mean of 0.96. and indicates a moderate level of variability, by using debt over the period under review. India Cements Ltd had a debt-to-equity ratio range between 0.47 and 0.86, with an average of 0.64 with above 50 per cent dependency on debt financing.

The overall observation of debt-to-equity ratio of all the sample companies reveals that the Ambuja Cements showed the least variability in its debt-to-equity ratio, with a strong and consistent reliance on equity financing with minimal use of debt. Dalmia Cement exhibited considerable variation, reflecting significant fluctuations in financial leverage. The other companies namely UltraTech, JK, Birla, and India Cements Ltd showed moderate variance in debt-to-equity ratios.

Hypothesis Testing

Ho: There is no significant difference in the Debt-to-Equity Ratio among select BSE-listed cement companies.

H01: There is a significant difference in the Debt-to-Equity Ratio among select BSE-listed cement companies.

Table 1.4 ANOVA- Debt to Equity Ratio

Source of Variation	SS	df	MS	F	P-value	F crit	Results
Between Groups	11.893	5	2.378	18.701	0.000	2.386	Significant
Within Groups	6.869	54	0.127				
Total	18.762	59					

Table 1.4 presents the ANOVA test results of the debt-to-equity ratio among the selected sample companies. The calculated F-value is 18.701 exceeds the critical F-value of 2.386 at the 5% level of significance. Additionally, the P-value is less than 0.05. Therefore, the null hypothesis is rejected, and the alternative hypothesis is accepted. This indicates that there is a significant difference in the debt-to-equity ratio among the selected cement companies during the study period.

Fixed Assets to Long-Term Funds:

The Fixed Assets to Long-Term Funds Ratio is used to assess the proportion of a company's long-term financing that is invested in fixed assets. This ratio helps evaluate how well a company is utilizing its long-term funds to finance its fixed assets, which are crucial for its operational capacity and growth. A higher ratio indicates that a significant portion of long-term funds is tied up in fixed assets, which might indicate strong investment in infrastructure. On the other hand, a lower ratio may suggest that a smaller portion of long-term funds is invested in fixed assets, potentially indicating less capital investment or a focus on more liquid assets.

$$\text{Fixed Assets to Long-Term Funds} = \frac{\text{Net Fixed Assets}}{\text{Long-Term Funds}}$$

Table 1.5 Fixed Assets to Long-Term Funds of Selected Cement Companies During 2013-14 To 2022-23.

Year	UltraTech	Ambuja	Dalmia	JK	Birla	India
2013-14	0.79	0.68	0.81	0.90	0.51	0.82
2014-15	0.95	0.65	0.82	0.92	0.47	0.74
2015-16	0.91	0.60	0.82	0.91	0.50	0.74
2016-17	0.79	0.87	0.90	0.91	0.85	0.87
2017-18	0.90	0.81	0.82	0.88	0.86	0.81
2018-19	0.91	0.75	0.87	0.88	0.86	0.83
2019-20	0.92	0.72	0.91	0.91	0.89	0.85
2020-21	0.87	0.75	0.88	0.81	0.87	0.87
2021-22	0.95	0.72	0.75	0.87	0.86	0.80
2022-23	0.94	0.65	0.79	0.87	0.87	0.82
Mean	0.89	0.72	0.84	0.89	0.75	0.81
SD	0.06	0.08	0.05	0.03	0.18	0.04
CV	6.54	11.09	5.94	3.51	23.96	5.37

Source: Compiled From Annual Reports

The fixed assets to long-term funds ratio for select six cement-listed companies is presented in table 1.5 over ten years from 2013-14 to 2022-23. UltraTech Cement's fixed assets to long-term funds ratio ranged from a low of 0.79 to a high of 0.95, with a mean of 0.89. This indicates a relatively high and stable investment in fixed assets, with minimal fluctuation over the years, reflected by a coefficient of variation (CV) of 6.54%. Ambuja Cements' ratio varied between 0.60 and 0.87, with a mean of 0.72. This indicates more significant variability in its investment in fixed assets, as shown by a CV of 11.09%, but still maintaining a relatively high level of investment over the study period. Dalmia Cement exhibited a range from 0.75 to 0.91, with a mean of 0.84. The ratio's narrow standard deviation of 0.05 and a low CV of 5.94% suggest a very stable investment in fixed assets over the period. JK Cement maintained a consistently high ratio, ranging between 0.81 and 0.92, with a mean of 0.89. The minimal standard deviation of 0.03 and a CV of 3.51% indicate very stable investment patterns in fixed assets. Birla Cement's ratio showed high variation, ranging from a low of 0.47 to a high of 0.89, with a mean of 0.75. The higher standard deviation of 0.18 and a CV of 23.96% reflect significant fluctuations in the company's fixed assets investment relative to its long-term funds. India

Cements Ltd ratio ranged from 0.74 to 0.87, with a mean of 0.81. The low standard deviation of 0.04 and a CV of 5.37% indicate a stable and consistent investment in fixed assets over the period.

The overall observation of fixed assets to long-term funds of all the sample companies reveals that UltraTech, Dalmia, JK, and India Cements Ltd showed stable and consistent patterns in their investment in fixed assets relative to long-term funds, with low coefficients of variation. Ambuja Cement also maintained a relatively stable investment but with slightly higher variability. Birla Cement exhibited the most considerable variation, indicating significant changes in its investment strategy over the ten-year period. Overall, these ratios reflect how each company allocates its long-term funds towards fixed assets, with varying degrees of stability and fluctuation.

Hypothesis Testing

HO: There is no significant difference in the Fixed Assets to Long-term Funds Ratio among select BSE-listed cement companies.

HO1: There is a significant difference in the Fixed Assets to Long-term Funds Ratio among select BSE-listed cement companies.

Table 1.6 ANOVA- Fixed Assets to Long-Term Funds

Source of Variation	SS	df	MS	F	P-value	F crit	Results
Between Groups	0.242	5	0.048	6.107	0.00015	2.386	Significant
Within Groups	0.429	54	0.008				
Total	0.672	59					

Table 1.6 illustrates the ANOVA test results for the differences in fixed assets to long-term funds among the selected sample companies. The calculated F-value is 6.107 exceeds the critical F-value of 2.386 at the 5% level of significance. Additionally, the P-value is less than 0.05. Therefore, the null hypothesis is rejected, and the alternative hypothesis is accepted. This indicates that there is a significant difference in the fixed assets to long-term funds among the selected cement companies over the study period.

Interest Coverage Ratio:

The Interest Coverage Ratio is a financial parameter used to measure a company's ability to meet its interest payments on outstanding debt. It assesses how comfortably a company can cover its interest obligations with its operating income, providing insights into its financial health and risk of default. A higher Interest Coverage Ratio indicates that the company generates sufficient earnings to cover its interest payments, suggesting lower financial risk. On the other hand, a lower ratio implies that the company may struggle to meet its interest obligations, which can signal potential financial distress.

$$\text{Interest Coverage Ratio} = \frac{\text{Earnings Befor Intest and Taxes}}{\text{Interest}}$$

Table 1.7 Interest Coverage Ratio of Selected Cement Companies During 2013-14 To 2022-23

Year	UltraTech	Ambuja	Dalmia	JK	Birla	India
2013-14	8.92	23.07	0.93	1.75	2.91	0.72
2014-15	6.09	28.06	0.98	1.55	3.88	1.01
2015-16	6.68	13.69	1.78	1.34	3.68	1.49
2016-17	7.05	15.47	1.80	2.03	1.86	1.66
2017-18	3.96	14.39	1.56	2.41	1.46	1.25
2018-19	3.28	18.93	1.62	2.58	1.86	1.14
2019-20	3.64	23.70	1.82	3.66	2.76	1.11
2020-21	6.46	30.62	5.77	5.32	3.60	2.15
2021-22	9.85	37.14	6.83	4.76	3.35	1.43
2022-23	10.01	21.63	4.91	3.02	1.11	-1.33
Mean	6.59	22.67	2.80	2.84	2.64	1.06
SD	2.47	7.59	2.17	1.36	1.00	0.93
CV	37.41	33.50	77.48	47.73	38.00	87.38

Source: Compiled From Annual Reports

Table 1.7 presents the interest coverage ratio of six selected cement companies over ten years from 2013-14 to 2022-23. UltraTech Cement's interest coverage ratio ranges from 3.28 to 10.01, with a mean of 6.59. The standard deviation of 2.47 and a coefficient of variation (CV) of 37.41% indicate moderate variance in its ability to cover interest expenses. Ambuja Cements' ratio varied significantly, ranging from 13.69 to 37.14,

with a mean of 22.67. The CV of 33.50% indicates stability in its interest coverage capability. Dalmia Cement exhibited a wide range in its interest coverage ratio, from a low of 0.93 to a high of 6.83, with a mean of 2.80. The high standard deviation of 2.17 and a CV of 77.48% reflect substantial variability, indicating fluctuating profitability and debt servicing capacity. JK Cement's interest coverage ratio ranged from 1.34 to 5.32, with a mean of 2.84. The standard deviation of 1.36 and a CV of 47.73% indicate moderate variability in its ability to meet interest payments. Birla Cement maintained a ratio ranging from 1.11 to 3.88, with a mean of 2.64. The standard deviation of 1.00 and a CV of 38.00% suggest moderate variability in its interest coverage. India Cements Ltd ranged from -1.33 to 2.15, with a mean of 1.06. The standard deviation of 0.93 and a CV of 87.38% highlight significant variability and lower stability in its ability to cover interest expenses, including a period with negative coverage, indicating financial distress.

Ambuja Cements had the highest interest coverage ratios, indicating strong earnings relative to interest obligations. UltraTech and Birla Cement showed moderate and stable interest coverage, indicating consistent profitability and debt servicing ability. Dalmia and JK Cement exhibited greater variability, reflecting fluctuating financial performance. India Cements Ltd displayed highly significant variability and the lowest stability in interest coverage, indicating potential challenges in meeting interest obligations.

Hypothesis Testing

H₀: There is no significant difference in the Interest Coverage Ratio among select BSE-listed cement companies.

H₀₁: There is a significant difference in the Interest Coverage Ratio among select BSE-listed cement companies.

Table 1.8 ANOVA- Interest Coverage Ratio

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>	<i>Results</i>
Between Groups	3329.89	5	665.97	55.36	0.000	2.386	Significant
Within Groups	649.60	54	12.03				
Total	3979.49	59					

Table 1.8 presents the ANOVA test results for the differences in interest coverage ratio among the selected sample companies. The calculated F-value is 55.36 exceeds the critical F-value of 2.386 at the 5% level of significance. Additionally, the P-value is less than 0.05. Therefore, the null hypothesis is rejected, and the alternative hypothesis is accepted. This indicates that there is a significant difference in the interest coverage ratios among the selected cement companies over the study period.

VII. CONCLUSION:

Based on the analysis, it is concluded that Ambuja Cements Limited has consistently shown financial stability with a conservative approach to leverage, as evidenced by its stable proprietary ratio, minimal reliance on debt, and strong interest coverage with prudent financial management, positioning it well for sustainable growth. However, Dalmia Cement Limited exhibited significant variability across key ratios, reflecting fluctuating financial strategies and potential instability in its equity and debt management. JK Cement and UltraTech Cement displayed relatively stable reliance on debt and consistent investment in fixed assets, by their balanced financial approach, while Birla and India Cements showed moderate to high variability, pointing to inconsistent financial strategies. India Cements' challenges in meeting interest payments are concerning and suggest the need for a reassessment of its debt management and profitability strategies. Overall, it is recommended that companies like Dalmia and India Cements focus on stabilizing their financial strategies, particularly in managing debt and maintaining consistent profitability, to enhance their long-term solvency and financial health.

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