

# [An analysis of financial situation of fauji cement company](https://assignbuster.com/an-analysis-of-financial-situation-of-fauji-cement-company/)

[Business](https://assignbuster.com/essay-subjects/business/)

This rich exposure skills in a real time situation. As there is a close relationship exists etween my ACCA final level studies and this topic I am sure that this will further unwrap many new horizons of professional development for me. \* Cement industry is one of the core industries, which plays a vital role in the growth of a nation. Economic activity is a key driver of cement demand so analysis in this sector would give me an idea of growth of Pakistan’s economy as a whole.

1. 3 Aims and objectives: Financial statement analysis applies analytical tools and techniques to general purpose financial statements and related data to derive estimates and inferences useful in business decision. (Leopold A. Bernstein and John J. Wild) So the aims and objectives of this research project are: \* To articulate current financial position of FCCL in the context of overall performance and standing of Cement sector of country and one of its competitor Maple Leaf Cement Company Limited (MLCFL). \* Have short analysis of cement sector.

\* By using Ratio analysis evaluation of : Operating performance and profitability ratios which are key indicators of performance. b.

Solvency and liquidity ratios will enlighten that how quickly company can settle its debts and meets other unpredicted demands of funds. Efficiency and Coverage ratios will determine company’s ability to pay of ts interest costs and its efficiency in earning in the context of assets employed. d. Financial structure ratios will evaluate company’s long term stability in the connection of its capital structure.

Investor’s related ratios will help equity shareholders and other investors to assess the value and quality of investment in the ordinary shares of a company. BPPS 20074)