



A Study of Corporate Financial Management at Indoworth India Ltd., Butibori, Nagpur

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Abstract:

In Indoworth India Ltd. every decision made has a financial implications, and any decision that involves the use of money is a corporate financial decision. Defined broadly, everything that a business does fits under the rubric of corporate finance. It is, in fact, unfortunate that we even call the subject corporate finance, because it suggests to many observers a focus on how large corporations make financial decisions and seems to exclude small and private businesses from its purview. A more appropriate title for this discipline would be Business Finance, because the basic principles remain the same, whether one looks at large, publicly traded firms or small, privately run businesses. All businesses have to invest their resources wisely, find the right kind and mix of financing to fund these investments, and return cash to the owners if there are not enough good investments. In this introduction, we will lay the foundation for this discussion by listing the three fundamental principles that underlie corporate finance—the investment, financing, and dividend principles—and the objective of firm value maximization that is at the heart of corporate financial theory.

Keywords:-

decision, objective, money, maximization, discussion, investments.

Introduction

In Indoworth India Ltd. every decision made has a financial implications, and any decision that involves the use of money is a corporate financial decision. Defined broadly, everything that a business does fits under the rubric of corporate finance. It is, in fact, unfortunate that we even call the subject corporate finance, because it suggests to many observers a focus on how large corporations make financial decisions and seems to exclude small and private businesses from its purview. A more appropriate title

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Company Profile

INDOWORTH India Limited is the Indian wing of multinational Lohiya group. This is the first venture of the group in India in natural fibers.

Vision of the company

- We will be world's most respected & admired export services.
- We will achieve our targets towards productivity and market by

Mission of the company

- To be respected, nationwide full service with a force on growth Segment of the economy.
- To build strong relationship with our employers and our employees and customers.
- To be service of community in which we work and live in.



Objectives of the study

1. To Study overall Corporate Governance of the Company.
2. To measure Risk free rate, Market returns, and Cost of Capital of the company.
3. To Study the benefits of dividend policy of the company.

Scope of the study

Corporate Finance is one of the important measurements of the financial position. Corporate finance is the life-blood and nerve center of the business. A firm's profitability is determined in part by the way its corporate finance is managed.

Hypothesis

- H₀₁** : There is no significant difference in overall Corporate Governance of the Company
- H₀₂**: There is no significant difference in the measures of Risk free rate, Market returns, and Cost of Capital of the company.
- H₀₃**: There is no significant difference in the dividend policy of the company.

Limitations

1. **Limited liability:** The shareholders of a corporation are only liable up to the amount of their investments. The corporate entity shields them from any further liability.
2. **Perpetual life :** There is no limit to the life of a corporation, since ownership of it can pass through many generations of investors.

Research Methodology

Research methodology is the collected on the basis of data collection.

Research Design

Types of Research	: Descriptive Research
Sample Size	: 110
Sampling	: Multistage
Data collection tool	: Questionnaire, Personal

Interview

Type of Questionnaire	: Close end, open end
Statistical Instrument	: Tables and Graphs, Mean, SD, t-test

Data collection

Primary data

Primary data is collected by personal interview, questionnaire etc.

Secondary data

Secondary data from records, journals, annual reports of the company etc. It will save the time, money and efforts to collect the data. Secondary data also made available through trade magazines, books etc.

Scope for future Research

A study of managing of short term assets and liabilities, investment, inventory control and other short term financial issues by the manager can be the major topics for the study.

Corporate finance understands the financial problem of a company and prevents them beforehand. It also deals with the financial aspects, promotion and administration of new enterprise in the Indoworth India Ltd. company.

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