A Study on The Liquidity and Profitability of Selected Infrastructure Companies in India

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ABSTRACT - Infrastructure industry acts as an important role in strengthen the economic performance and they are the key driver for the Indian economy. This sector provides critical backward and forward linkages to support the development of other economic sector. The main objective of the study is to analyze the liquidity and profitability position of selected infrastructure companies. The researcher has selected eight infrastructure companies which are listed both in NSE and BSE for the period of five years. The study is based on secondary data. Liquidity and profitability ratios are used to obtain the results. Through ANOVA, differences in the mean values of selected companies are measured and by using regression trend model the variation in actual and trend values along with R^2 values of net profit are measured.

Keywords: Liquidity, Profitability, ANOVA, Trend, Infrastructure companies, Net profit.

I. INTRODUCTION

Infrastructure industry has an important role in strengthening the economic performance and acts as a key driver for the Indian economy. This sector provides critical backward and forward linkages to support the development of other economic sector. This sector is highly responsible for boosting India's overall development and enjoys deep focus from Government for introducing policies which could ensure time-bound creation of world class infrastructure in the country. Therefore, Indian government's first priority is rising to the challenge of maintaining and managing high growth through investment in infrastructure sector. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. The provision of quality and efficient infrastructure services is essential to realize the full potential of the growth impulses surging through the economy. India, while stepping up public investment in infrastructure, has been actively engaged in involving private sector to meet the growing demand. The demand for infrastructure investment during Indian infrastructure sector is going through a significant transformation.

In business point of view, both liquidity and profitability are vital ingredients for a successful and sustainable business. They are usually measured and managed as two separate functions. **Liquidity** measures the ease at which a business can meet its immediate and short-term financial obligations. These obligations typically include the use of cash to make payments for expenses, repayment of loans, purchase of assets (equipment, vehicles, machinery) or distribution of profits and dividends. **Profitability** is a measure of business success. It ensures the financial sustainability of the business and gives the business the capacity to endure. So, profitability measures the ability of a business to use its resources to generate revenues in excess of its expenses.

II. REVIEW OF LITERATURE

Dr.Mahendra Maisuria & Idrish Allad (2016)[1] made a study of selected pioneer Indian IT companies for the period from 2010-11 to 2014-15 revealed the difference in the profitability of the companies. If we analyze Net Worth Ratio and Return on Capital Employed of selected Indian IT companies, it is cleared that TCS is the highest among the other companies and Tech Mahindra has the lowest performance. If we consider EPS then Infosys pays highest EPS of Rs. 139.49 and Wipro pays lowest EPS of Rs. 20.58. **Saravanan.S and Jayanthi.M(2016)** had tried to study the profitability of selected textile companies in India by using vital profitability ratios. In the financial statement analysis literature, more importance is given to financial ratios for assessing a firm's financial performance and condition. The objective of this paper is to analyze the liquidity and profitability performance of textile industry in the selected companies. In addition, the data collected from the Prowess database.Statistical Tools used for the study is Descriptive statistics, ANOVA and Regression. The present study covers a period of fifteen years from 2000-01 to 20014-15. **Asma Khan and Jyoti Singhal (2015)**[2] conducted a study on Growth and Profitability Analysis of Selected IT Companies in terms of ratios over a period of five years. The study mainly concluded there are significant difference between the companies in Operating Profit Ratio and Return on Capital

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Employed Ratio and there is no significant difference between the companies in Net Profit Ratio, Gross Profit Ratio, and Return on Net Worth Ratio. **Asian A Umobong, FCA (2015)** has assessed the impact of liquidity and profitability ratios on growth of profits in Pharmaceutical firms in Nigeria. Eight ratios: acid test, current ratio, net working Capital. Return on assets, returns on capital employed, returns on equity, gross profit ratio and net profit ratio were regressed against the dependent variable growth of profit. Haussmann test was conducted to choose between Fixed Effect and Random Effects model. Results justified the use of Fixed Effect model. Test results indicate significant contributions of all the variables to profit growth of pharmaceutical companies in Nigeria implying that continued improvement in the variables can lead to increases in growth of profit by the Pharmaceutical firms. **Victor Chukwunweike (2014)** study seeks to determine the following: The correlation between current ratio and profitability; as measured by return on assets (ROA), The correlation between Acid-test ratio and profitability; as measured by return on assets (ROA), The correlation between return on capital employed and profitability; as measured by return on assets (ROA). The overall findings of this study indicate that: There is a significant positive correlation between current ratio and profitability, (2) There is no definite significant correlation between Acid-test ratio and profitability. There is no significant positive correlation between return on capital employed and profitability. The researcher recommends that corporate entities should not pursue extreme liquidity policies at the expense of their profitability, i.e. they should strike a balance between the two performance indicators. **Sandhar and Janglani (2013)**[3] had study on liquidity and profitability of selected Indian cement corporations. The populace of the study was all the firms listed in the National stock exchange of India Ltd. The statistics were analyzed through the regression analysis to find out the impact of liquidity on profitability; correlation evaluation was used to find out the connection between liquidity and profitability. It also revealed that current ratio and liquid ratio are negatively associated with return on assets. **Sunny Obilor Ibe(2013)** has investigated the impact of liquidity management on the profitability of banks in Nigeria. The work is necessitated by the need to find solution to liquidity management problem in Nigerian banking industry. The proxies for liquidity management include cash and short-term fund, bank balances and treasury bills and certificates, while profit after tax was the proxy for profitability. Elliot Rothenberg Stock (ERS) stationary test model was used to test the run association of the variables under study while regression analysis was used to test the hypothesis. The result of this study has shown that liquidity management is indeed a crucial problem in the Nigerian banking industry. **Mahmood and Qayyum, (2010)**[4] argue that the liquidity and profitability are important to achieve two main objectives profitability is related to the wealth maximization goal of the shareholders and liquidity is important for the continuity of business.

OBJECTIVES OF THE STUDY

The main objective of the study is to analyze the liquidity and profitability position of selected infrastructure companies.

III. RESEARCH METHODOLOGY

Research Gap

The above reviews clearly states that many studies have been done on profitability, financial performance and liquidity analysis of various industries. No attempt has been made on the liquidity and profitability on infrastructure companies in India. So, the present study is undertaken to fill the research gap in these areas.

Sample Design

The infrastructure companies are selected for this study as they are the key driver for the Indian economy. Owing to several constraints such as non-availability of financial statements or non-working of company in a particular year etc., the researcher has selected only eight infrastructure companies which are listed both in NSE and BSE. The selected companies include in the present study are: Hindustan Construction Company Ltd, NCC Ltd, ILandFS Transportation Networks Ltd, Sadbhav Engineering Ltd, GMR Infrastructure Ltd, Simplex Infrastructures Ltd, Ashoka Buildcon Ltd and Patel Engineering Company Ltd.

Period of study

The present study covers a period of 5 years from 2013-2014 to 2017-2018.

Source of data

The study is mainly based on secondary data. The data for the study is collected from PROWESS database which is the most reliable on the empowered corporate database. In additions the annual reports of companies, magazines, journals and various websites have been comprehensively searched.

IV. DATA ANALYSIS AND INTERPRETATION

Collected data is analyzed and interpreted with the help of accounting and statistical tools and techniques which are as follows:

Accounting techniques: Ratio analysis is used as an accounting technique in which liquidity and profitability ratios are used for analysis and interpretation such Current Ratio, Quick Ratio, Inventory Turnover Ratio, Net Profit Margin, Return on Asset, Return on Networth and Return on Capital employed.

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Statistical techniques: Statistical tools such as mean, standard deviation and coefficient of variations are used to ascertain the average position of liquidity and profitability ratios. The technique of ANOVA is used to test if there is any mean difference in the liquidity and profitability position of different companies of the same industry during the study period and regression trend analysis is used to identify the variations in actual and trend values of Net Profit of the selected companies.

ANALYSIS AND INTERPRETATION

1.CURRENT RATIO:

Table (1): Current Ratio of Selected Infrastructure Companies

COMPANY NAME	MIN	MAX	MEAN	SD	CV
Hindustan Construction Company Ltd	0.82	1.12	**1.00**	0.14	0.14
NCC Ltd	1.07	1.27	1.22	0.10	0.08
ILandFS Transportation Networks Ltd	1.08	1.55	**1.32**	0.23	0.18
Sadbhav Engineering Ltd	0.97	1.36	1.17	0.16	0.14
GMR Infrastructure Ltd	0.76	1.76	1.06	0.47	**0.45**
Simplex Infrastructures Ltd	1.10	1.16	1.13	0.03	**0.02**
Ashoka Buildcon Ltd	1.02	1.35	1.14	0.15	0.13
Patel Engineering Company Ltd	1.11	1.21	1.18	0.05	0.04

Source: Computed data

The above table refers to the point that the means of current ratio ranges from 0.10 to 1.32 during the study period among the selected infrastructure companies. The ILandFS Transportation Networks Ltd had higher mean of current ratio and Hindustan Construction Company Ltd had least mean of current ratio during the period of the study .The Simplex Infrastructures Ltd showed least coefficient of variation indicating the consistent performance in the current ratio and the GMR Infrastructure Ltd showed highest coefficient of variation indicating the inconsistent performance in current ratio.

Table (1.1): ANOVA Results of Current Ratio

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	0.491	7	0.070	1.601	0.171	2.313
Within Groups	1.401	32	0.044			
Total	1.892	39				

Source: Computed data

H_0: There is no significant mean difference between current ratio of the selected infrastructure companies.

Since the calculated P Value is greater than 0.05, the null hypothesis is accepted @5% level of significance. Hence it concludes that there is no significant mean difference between current ratio of the selected infrastructure companies.

2.QUICK RATIO

Table (2): Quick Ratio of Selected Infrastructure Companies

COMPANY NAME	MIN	MAX	MEAN	SD	CV
Hindustan Construction Company Ltd	0.33	1.05	0.63	0.36	**0.57**
NCC Ltd	0.82	0.99	0.93	0.08	0.08
ILandFS Transportation Networks Ltd	1.08	1.55	1.32	0.23	0.18
Sadbhav Engineering Ltd	0.86	1.30	**1.07**	0.18	0.17
GMR Infrastructure Ltd	0.72	1.75	1.03	0.48	0.47
Simplex Infrastructures Ltd	0.94	1.02	0.99	0.03	**0.03**
Ashoka Buildcon Ltd	0.47	1.07	0.68	0.27	0.39
Patel Engineering Company Ltd	0.21	0.45	**0.30**	0.11	0.39

Source: Computed data

The above table refers to the point that the means of quick ratio ranges from 0.30 to 1.07 during the study period among the selected infrastructure companies. The Sadbhav Engineering Ltd had higher mean of quick ratio and Patel Engineering Company Ltd had least mean of quick ratio during the period of the study. The Simplex Infrastructures Ltd showed least coefficient of variation indicating the consistent performance in the quick ratio and the Hindustan Construction Company Ltd showed highest coefficient of variation indicating the inconsistent performance in quick ratio.

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Table (2.1): ANOVA Results of Quick Ratio

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	3.134	7	0.448	6.761	0.000	2.313
Within Groups	2.119	32	0.066			
Total	5.252	39				

Source: Computed data

H_0: There is no significant mean difference between quick ratio of the selected infrastructure companies.

Since the calculated P Value is less than 0.05, the null hypothesis is rejected @5% level of significance. Hence it concludes that there is a significant mean difference between quick ratio of the selected infrastructure companies.

3. INVENTORY TURNOVER RATIO

Table (3): Inventory Turnover Ratio of Selected Infrastructure Companies

COMPANY NAME	MIN	MAX	MEAN	SD	CV
Hindustan Construction Company Ltd	1.16	24.16	11.13	11.75	1.06
NCC Ltd	3.83	5.17	4.66	0.60	**0.13**
ILandFS Transportation Networks Ltd	0.00	994.16	**289.23**	476.18	**1.65**
Sadbhav Engineering Ltd	13.92	26.92	19.47	6.38	0.33
GMR Infrastructure Ltd	8.64	142.80	65.23	63.63	0.98
Simplex Infrastructures Ltd	5.86	8.11	6.97	1.02	0.15
Ashoka Buildcon Ltd	2.40	23.17	8.31	9.93	1.19
Patel Engineering Company Ltd	0.69	1.17	**0.84**	0.23	0.27

Source: Computed data

The above table refers to the point that the means of Inventory turnover ratio ranges from 0.84 to 289.23 times during the study period among the selected infrastructure companies. The ILandFS Transportation Networks Ltd had higher mean of Inventory turnover ratio and Patel Engineering Company Ltd had least mean of Inventory turnover ratio during the period of the study. The NCC Ltd showed least coefficient of variation indicating the consistent performance in the Inventory turnover ratio and the ILandFS Transportation Networks Ltd showed highest coefficient of variation indicating the inconsistent performance in Inventory turnover ratio.

Table (3.1): ANOVA Results of Inventory Turnover Ratio

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	285999.4	7	40857.05	1.856	0.110	2.313
Within Groups	704436.4	32	22013.64			
Total	990435.8	39				

Source: Computed data

H_0: There is no significant mean difference between Inventory turnover ratio of the selected infrastructure companies.

Since the calculated P Value is greater than 0.05, the null hypothesis is accepted @5% level of significance. Hence it concludes that there is no significant mean difference between Inventory turnover ratio of the selected infrastructure companies.

4. NET PROFIT MARGIN

Table (4): Net Profit Margin of Selected Infrastructure Companies

COMPANY NAME	**MIN**	**MAX**	**MEAN**	**SD**	**CV**
Hindustan Construction Company Ltd	1.41	2.26	1.91	0.36	0.19
NCC Ltd	0.66	2.88	1.93	1.11	0.58
ILandFS Transportation Networks Ltd	3.64	9.04	6.73	2.32	0.34
Sadbhav Engineering Ltd	3.82	5.65	4.54	0.79	0.17
GMR Infrastructure Ltd	-312.27	21.09	**-133.88**	147.57	-1.10
Simplex Infrastructures Ltd	1.09	2.14	1.53	0.52	0.34
Ashoka Buildcon Ltd	6.64	8.77	**7.72**	0.96	**0.12**
Patel Engineering Company Ltd	-0.71	1.42	0.53	0.91	**1.73**

Source: Computed data

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The above table refers to the point that the means of Net profit margin ranges from -133.88 to 7.72 during the study period among the selected infrastructure companies. The Ashoka Buildcon Ltd had higher mean of Net profit margin and GMR Infrastructure Ltd had least mean of Net profit margin during the period of the study. The Ashoka Buildcon Ltd showed least coefficient of variation indicating the consistent performance in the Net profit margin and the Patel Engineering Company Ltd showed highest coefficient of variation indicating the inconsistent performance in Net profit margin.

Table (4.1): ANOVA Results of Net Profit Margin

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	93259.54	7	13322.79	6.392	0.000	2.313
Within Groups	66698.94	32	2084.342			
Total	159958.5	39				

Source: Computed data

H_0: There is no significant mean difference between Net profit margin of the selected infrastructure companies.

Since the calculated P Value is less than 0.05, the null hypothesis is rejected @5% level of significance. Hence it concludes that there is a significant mean difference between Net profit margin of the selected infrastructure companies.

5. Return On Asset

Table (5): Return On Asset of Selected Infrastructure Companies

COMPANY NAME	MIN	MAX	MEAN	SD	CV
Hindustan Construction Company Ltd	0.53	0.94	0.81	0.19	0.24
NCC Ltd	0.44	2.59	1.68	1.05	0.63
ILandFS Transportation Networks Ltd	1.11	2.73	1.93	0.77	0.40
Sadbhav Engineering Ltd	3.22	4.67	3.77	0.63	0.17
GMR Infrastructure Ltd	-27.40	1.15	**-9.54**	12.72	-1.33
Simplex Infrastructures Ltd	0.79	1.42	1.10	0.33	0.30
Ashoka Buildcon Ltd	4.68	5.34	**5.09**	0.29	**0.06**
Patel Engineering Company Ltd	-0.23	0.46	0.19	0.31	**1.62**

Source: Computed data

The above table refers to the point that the means of Return on Asset ranges from -9.54 to 5.09 during the study period among the selected infrastructure companies. Ashoka Buildcon Ltd had higher mean of Return on Asset and GMR Infrastructure Ltd had least mean of Return on Asset during the period of the study. The Ashoka Buildcon Ltd showed least coefficient of variation indicating the consistent performance in the Return on Asset and the Patel Engineering Company Ltd showed highest coefficient of variation indicating the inconsistent performance in Return on Asset.

Table (5.1): ANOVA Results of Return On Asset

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	834.708	7	119.244	7.232	0.000	2.313
Within Groups	527.660	32	16.489			
Total	1362.367	39				

Source: Computed data

H_0: There is no significant mean difference between Return on Asset of the selected infrastructure companies.

Since the calculated P Value is less than 0.05, the null hypothesis is rejected @5% level of significance. Hence it concludes that there is a significant mean difference Return on Asset of the selected infrastructure companies.

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6. Return on Networth

Table (6): Return on Networth of Selected Infrastructure Companies

COMPANY NAME	MIN	MAX	MEAN	SD	CV
Hindustan Construction Company Ltd	2.20	6.38	4.93	1.88	0.38
NCC Ltd	1.60	7.36	4.75	2.68	0.57
ILandFS Transportation Networks Ltd	4.41	10.20	8.23	2.67	0.32
Sadbhav Engineering Ltd	8.41	11.30	9.97	1.44	0.14
GMR Infrastructure Ltd	-56.52	2.28	**-18.63**	26.39	-1.42
Simplex Infrastructures Ltd	4.32	7.85	5.99	1.92	0.32
Ashoka Buildcon Ltd	9.48	13.48	**11.07**	1.74	**0.16**
Patel Engineering Company Ltd	-1.11	1.91	0.76	1.35	**1.78**

Source: Computed data

The above table refers to the point that the means of Return on Networth ranges from -18.63 to 11.07 during the study period among the selected infrastructure companies. Ashoka Buildcon Ltd had higher mean of Return on Networth and GMR Infrastructure Ltd had least mean of Return on Networth during the period of the study. The Ashoka Buildcon Ltd showed least coefficient of variation indicating the consistent performance in the Return on Networth and the Patel Engineering Company Ltd showed highest coefficient of variation indicating the inconsistent performance in Return on Networth.

Table (6.1): ANOVA Results of Return On Networth

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	4314.806	7	616.401	7.510	0.000	2.313
Within Groups	2626.447	32	82.076			
Total	6941.253	39				

Source: Computed data

H_0: There is no significant mean difference between Return on Networth of the selected infrastructure companies.

Since the calculated P Value is less than 0.05, the null hypothesis is rejected @5% level of significance. Hence it concludes that there is a significant mean difference between Return on Networth of the selected infrastructure companies.

7. Return on Capital Employed

Table (7): Return on Capital Employed of Selected Infrastructure Companies

COMPANY NAME	MIN	MAX	MEAN	SD	CV
Hindustan Construction Company Ltd	1.06	2.11	1.74	0.47	**0.27**
NCC Ltd	1.50	6.99	4.50	2.62	0.58
ILandFS Transportation Networks Ltd	1.61	13.22	5.76	5.11	0.89
Sadbhav Engineering Ltd	5.77	17.35	9.27	5.42	0.58
GMR Infrastructure Ltd	-10.22	6.03	**-1.34**	6.88	-5.12
Simplex Infrastructures Ltd	2.86	26.01	9.22	11.24	1.22
Ashoka Buildcon Ltd	7.37	13.10	**9.37**	2.59	0.28
Patel Engineering Company Ltd	-0.46	20.01	5.14	9.93	**1.93**

Source: Computed data

The above table refers to the point that the means of Return on Capital Employed ranges from -1.34 to 9.37 during the study period among the selected infrastructure companies. Ashoka Buildcon Ltd had higher mean of Return on Capital Employed and GMR Infrastructure Ltd had least mean of Return on Capital Employed during the period of the study. The Hindustan Construction Company Ltd showed least coefficient of variation indicating the consistent performance in the Return on Capital Employed and the Patel Engineering Company Ltd showed highest coefficient of variation indicating the inconsistent performance in Return on Capital Employed.

Table (7.1): ANOVA Results of Return On Capital Employed

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	763.96	7	109.137	2.074	0.076	2.313
Within Groups	1683.808	32	52.619			
Total	2447.768	39				

Source: Computed data

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H_0: There is no mean significant difference between Return on Capital Employed of the selected infrastructure companies.

Since the calculated P Value is greater than 0.05, the null hypothesis is accepted @5% level of significance. Hence it concludes that there is no significant mean difference between Return on Capital Employed of the selected infrastructure companies.

8.LINEAR PROFITABILITY TREND

Table (8): LINEAR PROFITABILITY TREND OF SELECTED INFRASTRUCTURE COMPANIES

COMPANY NAME	Hindustan Construction Company Ltd		NCC Ltd		ILandFS Transportation Networks Ltd		Sadbhav Engineering Ltd	
YEAR	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend
2014	80.64	84.49	40.52	59.702	266.03	271.428	106.16	91.798
2015	81.65	81.644	111.79	120.329	318.66	260.347	113.73	122.11
2016	94.76	78.798	240.17	180.956	173.49	249.266	133.71	152.422
2017	59.41	75.952	225.5	241.583	236.39	238.185	187.85	182.734
2018	77.53	73.106	286.8	302.21	251.76	227.104	220.66	213.046
T.E	y = -2.846x + 87.336		y = 60.627x - 0.925		y = -11.081x + 282.51		y = 30.312x + 61.486	
R^2	R^2 = 0.1258		R^2 = 1		R^2 = 0.1115		R^2 = 1	
COMPANY NAME	**GMR Infrastructure Ltd**		**Simplex Infrastructures Ltd**		**Ashoka Buildcon Ltd**		**Patel Engineering Company Ltd**	
YEAR	**Actual**	**Trend**	**Actual**	**Trend**	**Actual**	**Trend**	**Actual**	**Trend**
2014	165.9	40.85	60.58	59.152	103.44	103.42	25	4.202
2015	-352.65	-711.626	62.43	76.21	142.18	133.52	11.89	14.011
2016	-1518.9	-1464.1	106.11	93.268	159.41	163.63	-18.69	23.82
2017	-3684.11	-2216.58	120.27	110.326	176.09	193.73	41.82	33.629
2018	-1930.75	-2969.05	116.95	127.384	237.01	223.84	59.08	43.438
T.E	y = -752.48x + 793.33		y = 17.058x + 42.094		y = 30.105x + 73.311		y = 9.809x - 5.607	
R^2	R^2 = 0.6263		R^2 = 0.8375		R^2 = 0.9401		R^2 = 0.2735	

Source: Computed data T.E: Trend Equation

H_0: There is no significant difference between actual and trend value of Net Profit of the selected Infrastructure companies.

Trend analysis is often used to make projections and assessments of financial health. It allows business owners to take analytical decisions about the direction in which their business should head, how to use their resources optimally, and how to focus on business processes to maximize revenue from core customers. An attempt has been made to analyze the actual values and the trend values for net Profit of the selected infrastructure companies during the study period and the numerical data were shown in Table (8). The above table shows that there is a slight variation in companies trend value of profitability and the actual value. The R^2 Value of the Hindustan Construction Company (R^2 = 0.125), NCC Ltd (R^2 = 1), ILandFS Transportation Networks Ltd (R^2 = 0.111), Sadbhav Engineering Ltd (R^2 = 1), GMR Infrastructure Ltd (R^2 = 0.626), Simplex Infrastructures Ltd (R^2 = 0.837), Ashoka Buildcon Ltd (R^2 = 0.940), Patel Engineering Company Ltd (R^2 = 0.273) is greater than 0.050 the null hypothesis is accepted @5% level of significance. Hence it concludes that there is no significant difference between actual and trend value of Net Profit of the selected infrastructure companies.

FINDINGS: The findings of the present study are as follows

LIQUIDITY:

- ILandFS Transportation Networks Ltd had higher mean of current ratio 1.32.
- Sadbhav Engineering Ltd had higher mean of quick ratio 1.07.
- ILandFS Transportation Networks Ltd had higher mean of Inventory turnover ratio 289.23.

PROFITABILITY:

- Ashoka Buildcon Ltd had higher mean of Net profit margin 7.72.
- Ashoka Buildcon Ltd had higher mean of Return on Asset 5.09.
- Ashoka Buildcon Ltd had higher mean of Return on Networth 11.07.

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- Ashoka Buildcon Ltd had higher mean of Return on Capital Employed 9.37.

V. CONCLUSION

The present study shows the performance of the selected infrastructure companies in India. This study reveals the liquidity and profitability position of the selected companies. ILandFS Transportation Networks Ltd has good liquidity and inventory position when compared to other companies. Similarly Ashoka Buildcon profitability position is good compared to other companies. On the basis of evaluation of financial performance and financial position of the sample companies, it is observed that the above stated can be improved. It is advisable for the companies to maintain the standard norms on liquidity and profitability ratios to avoid the critical situations.

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