



اَوْنِيُوْرْسِيْتِي تِيْكْنُوْلُوْجِي مَارَا

UNIVERSITI TEKNOLOGI MARA
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**“AN ANALYSIS ON SUFFICIENCY RATIOS AND EFFICIENCY
RATIOS PERFORMANCE OF OIL, GAS AND CHEMICAL
INDUSTRIES”**

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ABSTRACT

Cash flow is the movement of money into or out of a business, project, or financial product. Cash flow ratios can help to evaluate a company's financial performance in terms of both strength and profitability. This study used nine cash flow ratios suggested from Giacomino and Mielke (1993). The ratios are sufficiency ratio, long-term debt repayment, dividend pay-out, reinvestment, debt coverage, impact of depreciation write-offs, cash flow to sales, operating index and cash flow to assets. This study used secondary data which is financial statements; balance sheet, income statement and cash flow statement. So, 30 companies in oil, gas and chemical industries have been chosen to evaluate their financial performance, operational results as well as the financial progress of these companies. The method used in this study is ANOVA test and the result found that sufficiency ratio, dividend pay-out, cash flow to sales and cash flow to assets are significantly difference towards the performance of oil, gas and chemical industries.

KEYWORDS: CASH FLOW, SUFFICIENCY RATIOS, EFFICIENCY RATIOS

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