



RESEARCH ARTICLE

Assessing Profitability, financial efficiency and Solvency: Financial Statement Analysis with special reference to ONGC

Pritesh C. Panchal*, Dhaval A. Zala

Abstract

Analysis and interpretation of financial statements is another name for financial statement analysis. It creates significant connections between different components of the two financial statements, particularly the position and income statements. It assesses one's financial stability and flaws in the company. Financial statement analysis is useful for gauging an organization's profitability, liquidity, efficiency, and solvency. The examination of financial statements is of interest to all parties involved. Understanding and diagnosing financial statement data, as well as assessing the business's profitability and financial strengths, are the primary goals of financial statement analysis. The objective of this paper is to analyse the financial stability of the company and the study covered 3 years from 2023 to 2025 including secondary data. Researcher has used comparative statement and Common size statement method of financial analysis. For the financial analysis, the researcher utilized a paired t-test using two samples for the mean in which he has taken two variables net profit and net worth. The company's overall financial performance is steady, with good profitability and moderate solvency, even though continued debt and asset utilization optimization will further improve financial stability and long-term sustainability.

Keywords: Financial Statement Analysis; Comparative Statement; Common-Size Statement; Profitability; Solvency; Liquidity; Net Worth; Reserves; Fixed Assets; ONGC; Financial Performance; Trend Analysis

Introduction

The methodical review of a company's financial data to gain a better understanding of its performance, stability, profitability, and prospects is known as financial statement analysis. It entails going over important financial accounts like the balance sheet, income statement, and cash flow statement in addition to any supporting notes and disclosures. Using a variety of analytical techniques, including ratio analysis, trend analysis, common-size analysis, and comparative statements, users can spot

patterns, strengths, and weaknesses in a company's financial situation. Making better decisions is made possible by this method, which helps transform unprocessed financial data into insightful knowledge.

Investors weigh risks and returns before making an investment, creditors assess the company's debt-paying capacity, and management uses it to organize, oversee, and enhance operations. By looking at past data and finding trends, financial statement analysis makes it possible to forecast future performance. All things considered, it is an essential instrument for evaluating a business's financial stability and operational efficacy in a cutthroat market.

Objectives of financial statement analysis

To Assess Economic Outcomes

A company's performance over a specified period of time can be evaluated with the help of financial statement analysis. It examines cost trends, revenue growth, and profitability to understand operational performance. By comparing the company's current performance to past data, analysts can ascertain whether it is expanding or contracting. This helps management identify areas that need attention or reorganization. When everything is taken into account, it provides a clear picture of the company's earning potential.

Assistant Professor, Parul Institute of Law, Parul University, Vaghodia, Vadodara, Gujarat

***Corresponding Author:** Pritesh C. Panchal, Assistant Professor, Parul Institute of Law, Parul University, Vaghodia, Vadodara, Gujarat, E-Mail: priteshpanchal6017@gmail.com

How to cite this article: Panchal, P.C., Zala, D.A. (2026). Assessing Profitability, financial efficiency and Solvency: Financial Statement Analysis with special reference to ONGC. *The Scientific Temper*, 17(3):5867-5877.

Doi: 10.58414/SCIENTIFICTEMPER.2026.17.3.18

Source of support: Nil

Conflict of interest: None.

To Evaluate Financial Conditions

Another crucial objective is to comprehend the stability and soundness of the business's finances. It looks at the asset, liability, and equity composition of the balance sheet. This helps stakeholders evaluate the stability of the company's finances. A sound financial position indicates the ability to endure shifts in the economy. Additionally, economic potential and long-term stability are assured.

To Determine Liquidity

The primary focus of liquidity analysis is the company's capacity to meet its immediate obligations. Ratios like the quick and current ratios can be calculated using information from financial statements. These ratios show whether the business has enough current assets to meet its immediate liabilities. Sufficient liquidity guarantees smooth day-to-day operations. It also protects the business from financial difficulties and short-term credit problems.

To Check for Solvency

Solvency analysis looks at whether the company can pay off its long-term debts. It evaluates long-term financial obligations using data from the balance sheet. Investors and creditors trust a company that has strong solvency. A company with high solvency can also grow without experiencing financial strain.

To Simplify Decision-Making

One of the primary objectives is to deliver reliable information for effective decision-making. Investors examine financial statements prior to making an investment in a company. Creditors also use this information to evaluate the company's capacity to repay loans on schedule. Management uses analysis to create plans, budgets, and policies. Financial analysis is therefore used to support all significant business decisions.

To Forecast Future Outcomes

By looking at past trends, financial analysis helps predict future business outcomes. It examines trends in sales, income, and expenses to forecast future growth. Forecasting is useful for budgeting and financial planning. It also aids investors in understanding the organization's long-term potential. In general, it helps the business prepare for future opportunities and challenges.

To Assess the Sector and Competitors

Financial statement analysis makes it possible to compare with competitors and industry standards. These comparisons show whether the company is doing better than its rivals. They help identify the advantages and disadvantages of competition. This also motivates management to improve performance. Comparing industries ensures that the business will remain competitive and efficient.

To Ensure Efficient Utilization of Resources

The analysis helps determine how effectively a business uses its resources. When resources are used efficiently, profitability rises. Financial statements provide insight into areas where resources may be mismanaged or underutilized. By identifying these issues, management can reduce waste and increase productivity. It ensures that every resource contributes to the company's growth.

Literature Review

Das (2023) created a paper on the financial performance of the Indian steel industry and examined the financial performance of 24 Indian steel companies between 2013 and 2022 using panel regression. Using a range of factors, such as activity, liquidity, and profitability, he looked into what affects profitability in the steel industry. Strong positive correlations between activity ratios (like turnover) and profitability were found in the study, suggesting that more efficient use of assets increases profits. Excessive liquidity may not always be optimal for profitability in capital-intensive industries, as evidenced by the mixed effects of liquidity. The report suggests strategic capital investment and more stringent working capital management to maintain profitability in cyclical industries like steel.

Baby, Mia, and Pitchay (2024), The financial performance of the manufacturing sector was thoroughly examined. Their analysis shows that firm-level attributes like cost control, innovation, and governance have a greater effect on performance than external macro-shocks. They also note that although traditional profitability and liquidity ratios are still significant in empirical research, many researchers now add efficiency and leverage measurements to them. One identified gap is the dearth of longitudinal studies in emerging economies, which limits our understanding of how companies adapt to structural changes. In future studies, they recommend combining traditional financial analysis with non-financial performance metrics like sustainability and ESG.

Wuryanti, Rosalia & Firayani (2025) examined industrial companies that were listed between 2019 and 2023 on the Indonesian stock exchange. The effects of profitability (ROA), solvency (debt-equity ratio), and liquidity (current ratio) on financial performance (ROE) were investigated using regression analysis. Their results show that while profitability greatly enhances financial performance, solvency and liquidity have more complex, sometimes negative effects. The authors argue that while borrowing (debt) can encourage growth, excessive leverage lowers return on equity due to higher financing costs. This study emphasizes the significance of having an optimal capital structure: companies should balance debt and equity to maximize profitability without taking on undue risk.

Rizky, Septiani, and Yuyetta (2025) examined the effects of asset quality, liquidity (cash ratio), and solvency (debt metrics) on profitability in Indonesian conventional banks from 2017 to 2023. Using multiple regression and moderated regression analysis, they found that liquidity has an unexpected negative impact on profitability. Even if solvency (debt) did not significantly affect profitability directly, the effect becomes apparent when asset quality is considered since low-quality assets amplify the negative consequences of debt. The authors conclude that in order to leverage debt without adversely affecting profitability, banks must maintain excellent asset quality. The report recommends banks focus on improving credit underwriting and reducing non-performing loans in addition to leveraging in order to attain sustainable profits.

Ardhaneswari & Imronudin (2025) This study looked at how firm value is affected by liquidity, profitability, solvency, and business size. Their regression analysis shows that profitability increases business value but high debt (poor solvency) decreases value. Liquidity has an effect as well, albeit it is less obvious; too many liquid assets could indicate underutilized capital, which would lower profits. Larger businesses benefit more from profitability but also suffer more from excessive leverage, which moderates these interactions. They advise a balanced financial strategy that incorporates ideal liquidity, low debt, and scalability in order to maximize firm value.

Alsulami (2025) examined the financial performance of airline companies using debt and liquidity ratios. The study shows how high capital intensity and fixed expenses significantly affect airline profitability through debt (leverage). It also points out that companies with more liquidity (current assets) are more resilient to operational shocks, especially when demand is volatile. According to the author, airlines must have the right amount of debt because too much debt raises risk and too little debt can prevent growth. The report recommends that airline management carefully balance borrowing and liquidity to maintain long-term financial stability.

Research Methodology

Introduction

Research methodology is the systematic process that researchers use to locate, select, process, and assess data in order to understand a problem or generate new knowledge. From determining the research problem and choosing appropriate data collection methods to assessing results and drawing conclusions, it provides a systematic framework that guides each step of the investigation. By following a well-designed method, researchers can ensure the validity, reliability, and scientific soundness of their findings. It also enhances the study's objectivity, consistency, and transparency, which gives the results legitimacy and makes them useful for decision-making.

Statement of problem

By correctly establishing the relationship between the items of the balance sheet and the profit and loss account, financial analysis discloses the company's strengths and shortcomings. Effective capital structure, investment, and distribution planning is essential to the company's successful operation. The purpose of this study is to assess financial performance and learn more about the company's performance and position. The title of the study is "Assessing Profitability, financial efficiency and Solvency: Financial Statement Analysis of Selected Indian PSUs."

Objectives of the study

- To study the theoretical aspect of financial performance of selected public sector companies.
- To assess the profitability, financial weakness and financial efficiency of the selected public sector companies.
- To examine financial position using common size statement and comparative statement method for the past 3 years.
- To provide findings and suggestions to enhance the performance of selected public sector companies.

Data Collection

Researcher has collected the data and all the information from the online sources like, websites, previous research papers, money control and annual reports. This study is based on secondary data.

Tools and Techniques

In the study researcher has used comparative statement and common-size statement method of financial analysis using past 3 years from 2023 to 2025.

Scope of the study

The study cover only 3 years past data for the analysis and using financial statement analysis methods so here researcher can use another analysis methods for the study of financial position.

Period of the study

This study covered only 3 years which is starting from 2022-2023 to 2024-2025.

Limitations of the study

The study is limited for the 3 years that researcher can extent for the further study. The analysis's data comes from the company's previously reported findings. Analysis measures are therefore not necessarily predictive of future business performance.

Hypothesis of the study

H₀ (Null Hypothesis)

There is no significant difference in net profit and net worth over 2021-2025.

Table 1: Comparative balance sheet for the year 2021-2022 and 2022-2023

Particulars	2022	2023	Increase/Decrease in Rs.	Increase/Decrease in %
Sources Of Funds				
Sources Of Funds	-	-	-	-
Total Share Capital	6,290.14	6,290.14	0	0
Equity Share Capital	6,290.14	6,290.14	0	0
Reserves	253,212.77	274,357.16	21,144.39	8.35
Net worth	259,502.91	280,647.30	21,144.39	8.35
Secured Loans	107,775.81	129,185.56	21,409.76	19.86
Total Debt	107,775.81	129,185.56	21,409.76	19.86
Minority Interest	23,824.93	20,607.74	(3,217.19)	-13.50
Total Liabilities	391,103.65	430,440.60	39,336.95	10.05
Application Of Funds				
Gross Block	254,402.17	119,835.81	-1,34,566.36	-52.89
Less: Accum. Depreciation	0.00	0.00	0.00	0.00
Net Block	254,402.17	119,835.81	1,34,566.36	52.90
Capital Work in Progress	106,719.23	244,928.24	1,38,209.01	129.51
Investments	66,642.14	78,872.61	12,230.47	18.35
Inventories	54,163.10	44,238.07	-9,925.03	-18.32
Sundry Debtors	19,187.28	18,751.58	-435.70	-2.27
Cash and Bank Balance	6,840.94	29,140.33	22,299.39	325.97
Total Current Assets	80,191.32	92,129.98	11,938.66	14.88
Loans and Advances	77,494.47	78,762.10	1,267.63	1.64
Total Assets	391,103.66	430,440.61	39,336.95	10.05

H1 (Alternative Hypothesis)

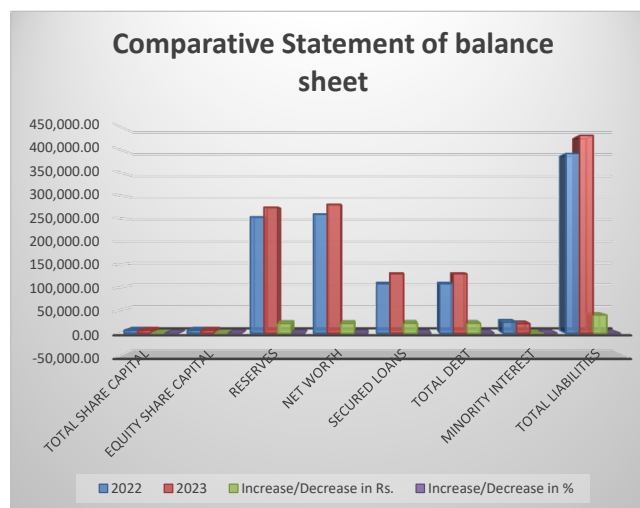
There is significant difference in net profit and net worth over 2021-2025.

Data Analysis and Interpretation**Comparative statement:**

This study shows analysis and interpretation of the financial years 2023-2025. Comparative statement and common size statement are the tools used for analysing the balance sheet.

While share capital was constant, the company's net value rose by 8.35%, mostly as a result of an increase in reserves. This shows that the year's gains were kept, bolstering the funds of shareholders. A 19.86% increase in total debt indicates a growing reliance on borrowed money for financing operations. Minority stake fell by 13.50% in the meantime, either as a result of shifting subsidiary ownership or lesser profits attributable to minority shareholders. Total liabilities increased by 10.05% overall, indicating both an increase in the company's financial commitments and an expansion in its operations.

In 2023, the company's asset structure underwent a significant change. While capital work in progress climbed dramatically, showing that the corporation is aggressively investing in new projects or expansion operations, the gross block decreased significantly, indicating the sale or restructuring of fixed assets. Additionally, investments

**Figure 1:** Comparative balance sheet for the year 2022 and 2023

rose, indicating a greater emphasis on financial assets. Inventory and debtors decreased in relation to current assets, suggesting better stock and credit management efficiency. The company's short-term liquidity position was strengthened by the significant growth in cash and bank balances. Despite a significant realignment in asset composition, overall assets increased by 10.05%, suggesting growth and expansion.

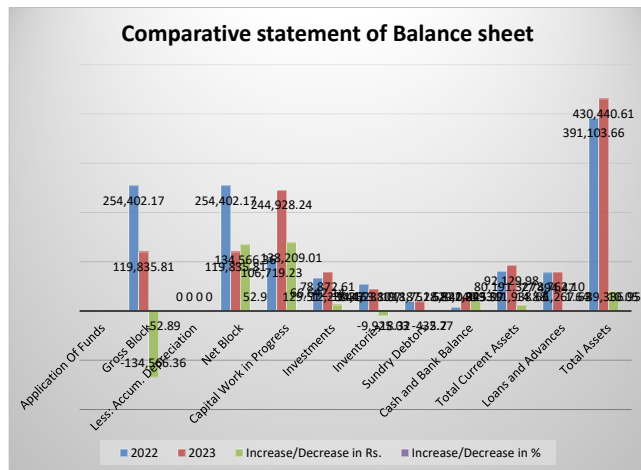


Figure 2: Comparative balance sheet for the year 2022 and 2023

According to the data, the company's net worth grew by about 20% in 2024, mostly as a result of a notable growth in reserves, while share capital was constant. There was a 7% decline in secured loans and total debt, suggesting less reliance on borrowed money. Minority interest increased by over 36%, indicating either a rise in minority holders' holding in subsidiaries or larger earnings attributed to minority shareholders. The company's financial foundation expanded due to internal accruals rather than external borrowing, as seen by the overall 12.64% increase in total liabilities.

With a notable 149% growth in the gross and net block in 2024, the company's assets demonstrate significant reorganization and substantial additions to fixed assets. Concurrently, there was a 52% decrease in capital work in progress, indicating that earlier projects were finished and moved to fixed assets. Stronger long-term financial commitments are reflected in the roughly 30% increase in investments. With gains in cash, debtors, and inventories, current assets also improved, resulting in an approximate 18% increase in total current assets. general assets expanded by 12.64% during the year, demonstrating general expansion and a strengthened asset base, while loans and advances climbed somewhat.

The company's net worth increased slightly in 2025 due to a slight increase in reserves, while share capital stayed the same. Nonetheless, there was a notable 28% growth in secured loans and overall debt, suggesting a growing reliance on borrowed money for funding activities. Additionally, minority interest increased by about 10%, indicating increased profitability owing to minority holdings or owners. Total liabilities rose by 8.86% overall, indicating a moderate rise mostly financed by external borrowings as opposed to internal accruals.

The net block increased by almost 14% as a result of additions to fixed assets, indicating a moderate expansion of the company's asset position in 2025. There was a small

Table 2: Comparative balance sheet for the year 2022-2023 and 2023-2024

Particulars	2023	2024	Increase/Decrease in Rs.	Increase/Decrease in %
Sources Of Funds	-	-	-	-
Total Share Capital	6,290.14	6,290.14	0	0
Equity Share Capital	6,290.14	6,290.14	0	0
Reserves	274,357.16	330,780.09	56,422.93	20.57
Net worth	280,647.30	337,070.23	56,422.93	20.10
Secured Loans	129,185.56	119,755.40	-9,430.16	-7.29
Total Debt	129,185.56	119,755.40	-9,430.16	-7.2
Minority Interest	20,607.74	28,020.32	7,412.58	35.97
Total Liabilities	430,440.60	484,845.95	54,405.35	12.64
Application Of Funds				
Gross Block	119,835.81	298,454.36	1,78,618.55	149.05
Less: Accum. Depreciation	0.00	0.00	0.00	0.00
Net Block	119,835.81	298,454.36	1,78,618.55	149.05
Capital Work in Progress	244,928.24	116,021.68	-1,28,906.56	-52.63
Investments	78,872.61	102,207.20	23,334.59	29.59
Inventories	44,238.07	52,250.51	8,012.44	18.11
Sundry Debtors	18,751.58	19,762.95	1,011.37	5.39
Cash and Bank Balance	29,140.33	36,689.64	7,549.31	25.91
Total Current Assets	92,129.98	108,703.10	16,573.12	17.99
Loans and Advances	78,762.10	84,806.62	6,044.52	7.67
Total Assets	430,440.61	484,845.94	54,405.33	12.64

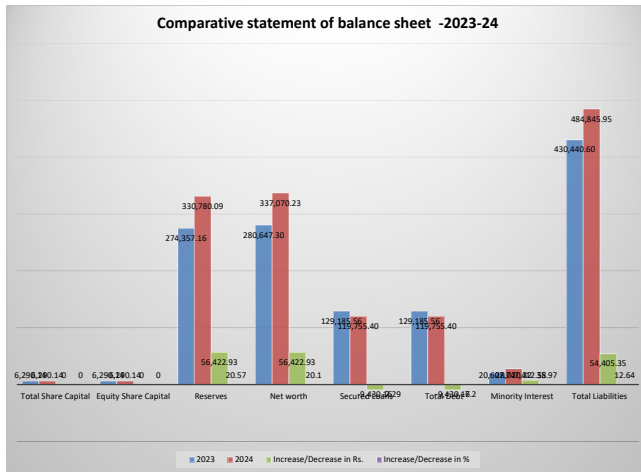


Figure 3: Comparative balance sheet for the year 2023 and 2024

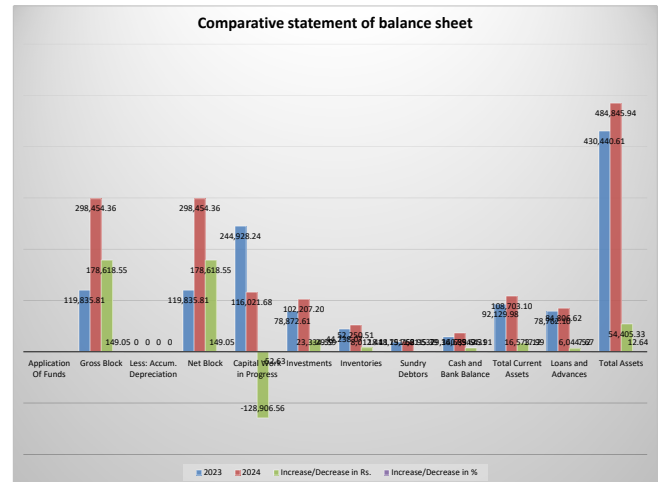


Figure 4: Comparative balance sheet for the year 2023 and 2024

decrease in capital work in progress, which suggests that few new projects were started or ongoing projects were finished. A 6% decline in investments indicates a lower allocation to long-term financial assets. A mixed pattern was seen in current assets: while debtors and inventory rose, cash and bank balances fell precipitously by 26%, reducing liquidity. Advances and loans increased by over 22%. Total assets increased by 8.86% overall, suggesting steady but debt-supported expansion.

Common-size statement

The capital structure of the corporation has changed slightly from 2022 to 2023. Although the share capital did not change, its share of total liabilities slightly decreased. Despite a minor decline from 64.74% to 63.74%, reserves remained the largest component of the financial structure, suggesting a slower pace of growth than total liabilities. The percentage and amount of secured loans rose from 27.56% to 30.01%, indicating a greater reliance on debt

Table 3: Comparative balance sheet for the year 2023-2024 and 2024-2025

Particulars	2024	2025	Increase/Decrease in Rs.	Increase/Decrease in %
Sources Of Funds	-	-	-	-
Total Share Capital	6,290.14	6,290.14	0.00	0.00
Equity Share Capital	6,290.14	6,290.14	0.00	0.00
Reserves	330,780.09	337,150.34	6,370.25	1.93
Net worth	337,070.23	343,440.48	6,370.25	1.89
Secured Loans	119,755.40	153,555.90	33,800.50	28.22
Total Debt	119,755.40	153,555.90	33,800.50	28.22
Minority Interest	28,020.32	30,794.64	2,774.32	9.90
Total Liabilities	484,845.95	527,791.02	42,945.07	8.86
Application of Funds				
Gross Block	298,454.36	340,175.16	41,720.80	13.98
Less: Accum. Depreciation	0.00	0.00	0.00	0.00
Net Block	298,454.36	340,175.16	41,720.80	13.98
Capital Work in Progress	116,021.68	112,359.27	-3,662.41	-3.16
Investments	102,207.20	95,617.41	-6,589.79	-6.45
Inventories	52,250.51	58,956.33	6,705.82	12.83
Sundry Debtors	19,762.95	21,227.80	1,464.85	7.41
Cash and Bank Balance	36,689.64	27,177.76	-9,511.88	-25.92
Total Current Assets	108,703.10	107,361.89	-1,341.21	-1.23
Loans and Advances	84,806.62	103,209.37	18,402.75	21.70
Total Assets	484,845.94	527,791.02	42,945.08	8.86

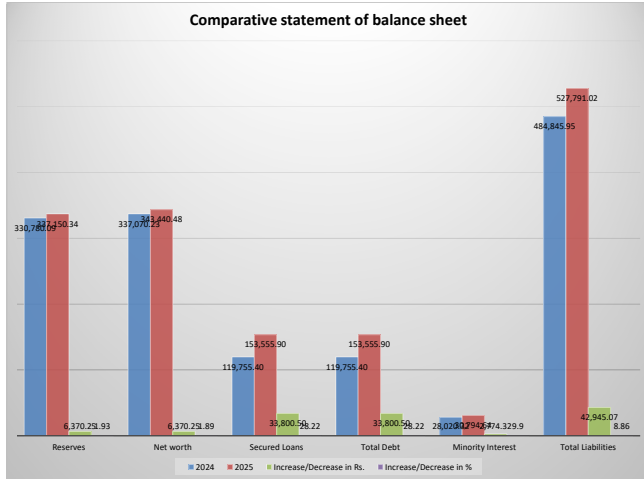


Figure 5: Comparative balance sheet for the year 2024 and 2025

finance. Minority shareholders contributed less, as seen by the decline in minority interest’s value and proportion. The company’s financial foundation grew overall in 2023, although the percentage of debt increased.

There is a significant structural change in the asset composition between 2022 and 2023. The gross block’s percentage of total assets fell precipitously from 65.05% to 27.84%, suggesting a significant transfer or loss of fixed assets. On the other hand, capital work in progress rose dramatically from 27.28% to 56.90%, indicating that major projects were started and continued to be built in 2023. The percentage of current assets and investments remained steady, with current assets rising from 20.50% to 21.40% and investments slightly increasing. Additionally, bank and cash balances also increased, enhancing liquidity. All things considered, the asset mix for 2023 shows a business in a transitional stage, shifting from finished fixed assets to new initiatives while keeping stronger liquid assets.

The company’s financial structure exhibits a favourable shift toward internal financing between 2023 and 2024.

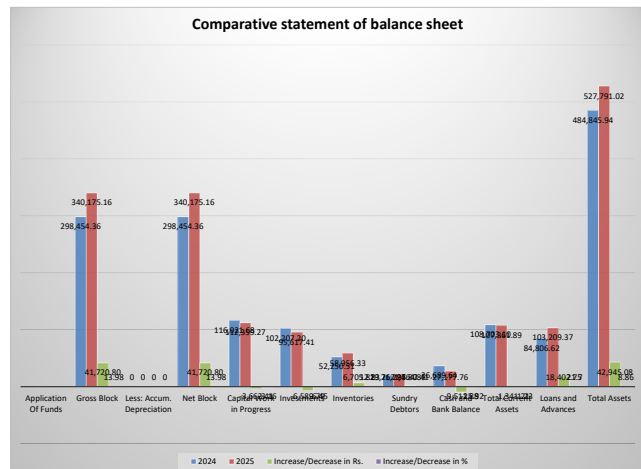


Figure 6: Comparative balance sheet for the year 2024 and 2025

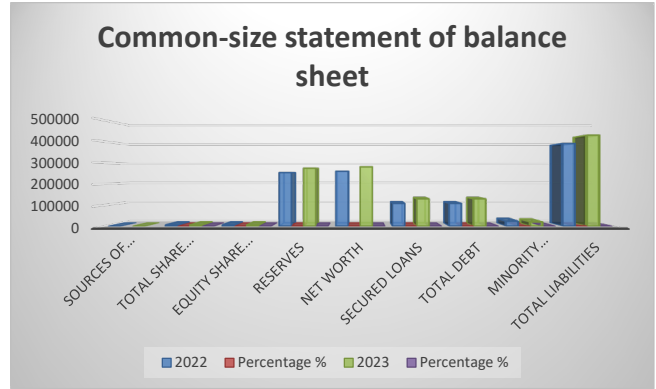


Figure 7: Common-size balance sheet for the year 2022 and 2023

Reserves rose dramatically from 63.74% to 68.22% of total liabilities, showing better internal fund production and larger retained earnings, while share capital stayed unchanged. Net worth thus increased to 69.52%, bolstering the company’s equity position. Secured loans, on the other hand, dropped from 30.01% to 24.70%, indicating a lower reliance on external debt. As a result of better subsidiary performance, minority interest also somewhat grew. In general, the business became more financially secure and equity-driven in 2024.

Due mostly to an increase in reserves, the percentage of net worth rose from 65.20% in 2023 to 69.52% in 2024, suggesting improved internal financial strength. While the share of secured loans dropped from 30.01% to 24.70%, indicating a decreasing reliance on debt financing, share capital stayed unchanged. Due to greater involvement or profits attributed to minority owners, minority interest somewhat grew. In general, the business improved its solvency position in 2024 and moved toward more equity-based finance.

While share capital stayed constant, the company’s net worth climbed little in 2025 due to a tiny increase in reserves. A higher reliance on borrowed funds was shown by the increase in the percentage of secured loans in total liabilities from 24.70% to 29.09%. There was a slight increase

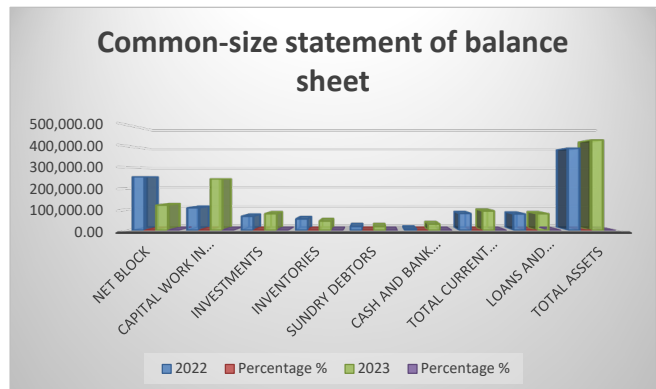


Figure 8: Common-size balance sheet for the year 2022 and 2023

Table 4: Common-size balance sheet for the year 2021-2022 and 2022-2023

Particulars	2022	Percentage %	2023	Percentage %
Sources Of Funds	-		-	
Total Share Capital	6,290.14	1.61	6,290.14	1.46
Equity Share Capital	6,290.14	1.61	6,290.14	1.46
Reserves	253,212.77	64.74	274,357.16	63.74
Net worth	259,502.91	66.35	280,647.30	65.20
Secured Loans	107,775.81	27.56	129,185.56	30.01
Total Debt	107,775.81	27.56	129,185.56	30.01
Minority Interest	23,824.93	6.09	20,607.74	4.78
Total Liabilities	391,103.65	100	430,440.60	100
Application Of Funds				
Gross Block	254,402.17	65.05	119,835.81	27.84
Less: Accum. Depreciation	0	0.00	0	0.00
Net Block	254,402.17	65.04	119,835.81	27.84
Capital Work in Progress	106,719.23	27.28	244,928.24	56.90
Investments	66,642.14	17.03	78,872.61	18.32
Inventories	54,163.10	13.85	44,238.07	10.27
Sundry Debtors	19,187.28	4.91	18,751.58	4.35
Cash and Bank Balance	6,840.94	1.75	29,140.33	6.76
Total Current Assets	80,191.32	20.50	92,129.98	21.40
Loans and Advances	77,494.47	100	78,762.10	100
Total Assets	391,103.66	100	430,440.61	100

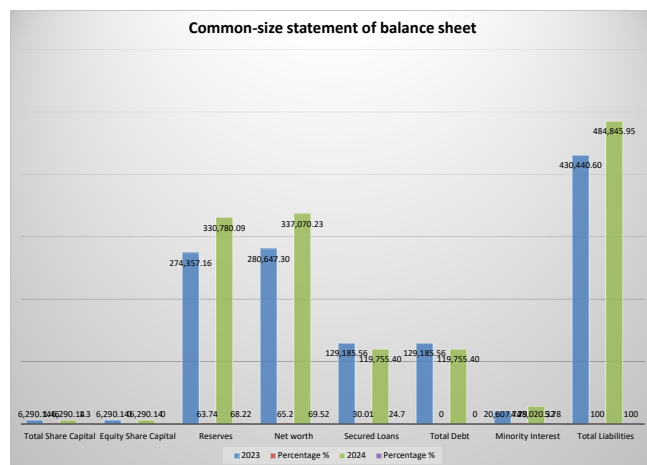


Figure 9: Common-size balance sheet for the year 2023 and 2024

in minority interest as well. With net worth making up a somewhat smaller percentage of total liabilities than in 2024, the company’s financial structure generally indicates a shift toward increased debt financing.

Due to large additions to fixed assets, the company’s asset composition changed in 2025, with gross and net block rising to 64.45% of total assets. As a percentage of total assets, capital work in progress and investments decreased, suggesting the completion of earlier projects and a little

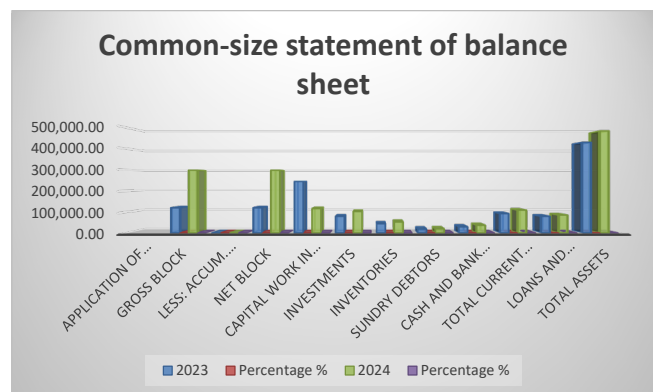


Figure 10: Common-size balance sheet for the year 2023 and 2024

decrease in financial investments. While inventories and loans and advances increased proportionately, current assets somewhat declined, primarily as a result of a decline in the cash balance. All things considered, the total assets rose, indicating growth and a greater proportion of long-term fixed assets.

Hypothesis testing

H0 (Null Hypothesis)

There is no significant difference in net profit and net worth over 2021-2025.

H1 (Alternative Hypothesis)

There is significant difference in net profit and net worth over 2021-2025.

Year	Net Profit	Net Worth
2021	75229.69	220,980.99
2022	116834.45	259,502.91
2023	152140.00	280,647.30
2024	140519.66	337,070.23
2025	144342.16	343,440.48

T-Test: Paired Two Sample for Means

Mean	138459.0675	305165.23
Variance	231216271.6	1723033382
Observations	4	4
Pearson Correlation	0.497964653	
Hypothesized Mean Difference	0	
df	3	
t Stat	-9.157347224	
P(T<=t) one-tail	0.001376559	
t Critical one-tail	2.353363435	
P(T<=t) two-tail	0.002753117	
t Critical two-tail	3.182446305	

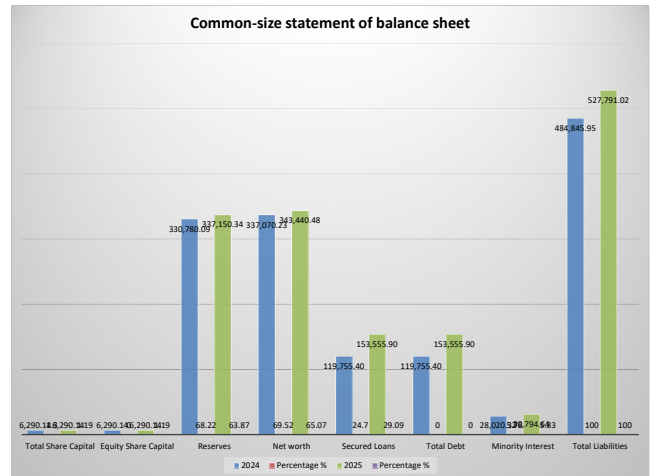


Figure 11: Common-size balance sheet for the year 2024 and 2025

Interpretation

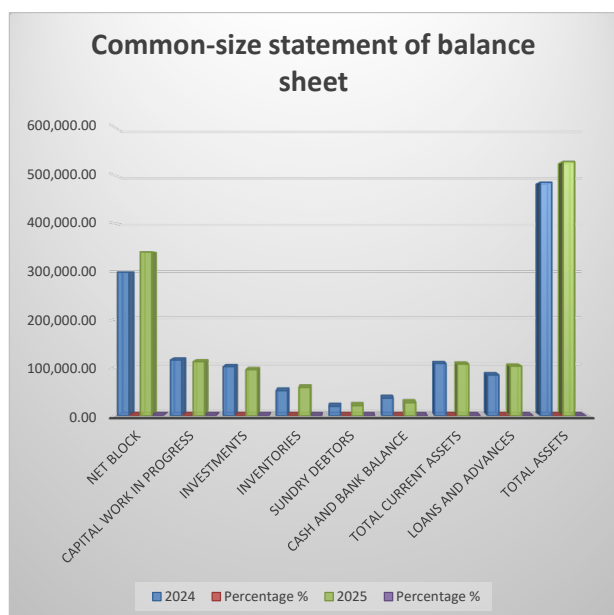
The two sets of numbers differ significantly, according to the paired sample t-test results (Means: 138,459.07 vs. 305,165.23). The p-value (two-tailed = 0.00275) is significantly below 0.05 with $t = -9.1573$ and $df = 3$, suggesting that the mean difference is statistically significant. In other words, we conclude that the second group's mean is significantly higher than the first and reject the null hypothesis that there

Table 5: Common-size balance sheet for the year 2022-2023 and 2023-2024

Particulars	2023	Percentage %	2024	Percentage %
Sources Of Funds	-		-	
Total Share Capital	6,290.14	1.46	6,290.14	1.30
Equity Share Capital	6,290.14	1.46	6,290.14	1.30
Reserves	274,357.16	63.74	330,780.09	68.22
Net worth	280,647.30	65.20	337,070.23	69.52
Secured Loans	129,185.56	30.01	119,755.40	24.70
Total Debt	129,185.56	30.01	119,755.40	24.70
Minority Interest	20,607.74	4.79	28,020.32	5.78
Total Liabilities	430,440.60	100	484,845.95	100
Application Of Funds				
Gross Block	119,835.81	27.84	298,454.36	61.55
Less: Accum. Depreciation	0	0	0	0
Net Block	119,835.81	27.84	298,454.36	61.55
Capital Work in Progress	244,928.24	56.90	116,021.68	23.92
Investments	78,872.61	18.32	102,207.20	21.080
Inventories	44,238.07	10.27	52,250.51	10.77
Sundry Debtors	18,751.58	4.35	19,762.95	4.07
Cash and Bank Balance	29,140.33	6.76	36,689.64	7.56
Total Current Assets	92,129.98	21.40	108,703.10	22.42
Loans and Advances	78,762.10	18.29	84,806.62	17.49
Total Assets	430,440.61	100	484,845.94	100

Table 6: Common-size balance sheet for the year 2023-2024 and 2024-2025

Particulars	2024	Percentage %	2025	Percentage %
Sources of Funds				
Sources of Funds	-		-	
Total Share Capital	6,290.14	1.30	6,290.14	1.19
Equity Share Capital	6,290.14	1.30	6,290.14	1.19
Reserves	330,780.09	68.22	337,150.34	63.87
Net worth	337,070.23	69.52	343,440.48	65.07
Secured Loans	119,755.40	24.70	153,555.90	29.09
Total Debt	119,755.40	24.70	153,555.90	29.09
Minority Interest	28,020.32	5.78	30,794.64	5.83
Total Liabilities	484,845.95	100	527,791.02	100
Application Of Funds				
Gross Block	298,454.36	61.55	340,175.16	64.45
Less: Accum. Depreciation	0	0	0	0
Net Block	298,454.36	61.55	340,175.16	64.45
Capital Work in Progress	116,021.68	23.92	112,359.27	21.28
Investments	102,207.20	21.08	95,617.41	18.11
Inventories	52,250.51	10.77	58,956.33	11.17
Sundry Debtors	19,762.95	4.07	21,227.80	4.02
Cash and Bank Balance	36,689.64	7.56	27,177.76	5.14
Total Current Assets	108,703.10	22.42	107,361.89	20.34
Loans and Advances	84,806.62	17.49	103,209.37	19.55
Total Assets	484,845.94	100	527,791.02	100

**Figure 12:** Common-size balance sheet for the year 2024 and 2025

is no mean difference. A moderately favourable link between paired observations is indicated by the Pearson correlation of 0.498, but the significant difference between the two samples is confirmed by the high t-statistic.

Conclusion

Using comparative and common-size financial statement analysis, the current study evaluated ONGC's profitability, financial efficiency, and solvency for the years 2023–2025. The findings show consistent net worth growth, mostly due to rising reserves, along with varying debt levels that correspond to shifts in long-term financing tactics. ONGC's emphasis on growth and operational strengthening is demonstrated by improvements in liquidity and asset restructuring, especially the transition from capital work in progress to fixed assets. Although ongoing debt and asset utilization optimization will further improve financial stability and long-term sustainability, the company's overall financial performance is stable, with excellent profitability and moderate solvency.

Acknowledgements

The author expresses sincere gratitude to the Parul University for providing the necessary academic environment to conduct this research. No external funding or specific assistance was received for this study.

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