

**EFFECTS OF FORMAL STRATEGIC PLANNING ON FINANCIAL PERFORMANCE IN
INDIAN RAILWAY CATERING TOURISM CORPORATION**

S.SELVANATHAN Assistant Professor, Department of Commerce (SF), VHNSN College
(Autonomous) Virudhunagar, Tamil Nadu.

Dr.V.MANOHAR, Associate Professor, Department of Commerce, VHNSN College
(Autonomous), Virudhunagar, Tamil Nadu, India **E-mail:** selvanathan@vhnsnc.edu.in

ABSTRACT

Indian Railway Catering and Tourism Corporation as a public sector undertaking under the Ministry of Railways was setup in 1999 with the objective of professionalizing catering services and promoting domestic and international tourism. It has since then grown manifold and diversified its objectives beyond catering and tourism services. IRCTC has launched various tourism products and services for promotion of tourism industry in India. It is best known for changing the face of railway ticketing in India. Indian Railway Catering and Tourism Corporation Ltd. (IRCTC) is a Public Sector Enterprise under Ministry of Railways. IRCTC was incorporated on 27th September, 1999 as an extended arm of the Indian Railways to upgrade, professionalize and manage the catering and hospitality services at stations, on trains and other locations and to promote domestic and international tourism through development of budget hotels, special tour packages, information & commercial publicity and global reservation systems. While discharging its mandate, the Company has made a significant mark in its passenger-services oriented business lines like setting up of Food Plazas on Railway premises, 'Railneer', Rail Tour Packages and Internet Ticketing' bringing great deal of professionalism into the operations. In addition to above, IRCTC is managing on Board Catering Services in *Rajdhani / Shatabdi / Duronto* and Mail / Express Trains and Static Catering Units such as Refreshment Rooms, AVMS, Book Stalls, Milk Stalls, Ice Cream Stalls, *Petha & Peda* Stalls etc. across the Indian Railway Network.¹

Keywords: *Finance, Assets, Shareholders fund*

FINANCIAL PERFORMANCE ANALYSIS

Financial performance represents firm's overall financial health over a given period of time. Financial performance analysis is the process of determining the operating and financial evaluation of a firm from accounting and financial statements. The goal of such analysis is to determine the efficiency and performance of firm's management, as reflected in the financial records and reports. Financial evaluation will examine the data enclosed inside financial statements with the aim to facilitate valuable information to aid in management decisions. A company's accounts and statements contain a great deal of information. Exploring the full connotations enclosed inside the statements lies at the heart of financial analysis. Overall, a central focus of financial analysis is evaluating the company's ability to earn a return on its capital that is at least equal to the cost of that capital, to profitably grow its operations, and to generate enough cash to meet obligations and pursue opportunities.

REVIEW OF LITERATURE

Sathyanarayana S, Sumithra Sreenath, and Swathi Shanbhag (2017) in their study have proposed a model for IRCTC with quality dimensions such as tangibility, empathy and reliability to boost service quality and overall performance. Thus the railways can to win the customers loyalty. As the results of the current study indicates

¹<https://www.quora.com/What-is-the-function-of-IRCTC>