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**Organizations of the Firm Operating on the role of SWOT Framework an Assets,  
Strengths, Prospects, and Intimidations**

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**Abstract:** There is no doubt that in order for an organization to stay stable and productive, it must first identify its strengths, weaknesses, opportunities, and threats, hence the abbreviation SWOT. Identification and rigorous analysis are what keep any productive organization running. If an organization does not make the necessary effort to identify its strengths, weaknesses, opportunities, and threats, it is doomed to fail in terms of productivity since it is not stable. This article, on the other hand, dealt with the actual meaning of the acronym and what it stands for, as well as its evaluation in two private schools. The article, on the other hand, identified the two schools' strengths, weaknesses, opportunities, and threats. SWOT analysis, on the other hand, aided one of the two studies.

**Keywords:** Inventory, Assets, SWOT analysis

**Introduction:**

It is a method of organized arrangement those analyses the four aspects of a business or a project. It is possible to do a SWOT analysis on a firm, commodity, location, or sector in addition to an individual. Important the determination of the commercial effort or project and decisive the inner and external basics that are constructive and critical to the accomplishment of that goal are both mandatory steps in this course. Here, we will go through all four aspects of the firm in the following order:



### **Strength**

A company or an endeavour is said to have strengths if it has qualities that provide it an edge over competitors.

- Blast Furnaces Batteries
- Confined Sinter Plant, and
- Power Station
- Technology that is somewhat up to date
- A strategically advantageous site in close vicinity to the port of Paraded.
- Positioned in the middle of the eastern market, which has a high consumption rate for pig IAS.
- MIPL have a shortage of labour, and the AA age of our workers is under 35.
- MMTC's superiority both in terms of marketing and international commerce

### **Weakness**

Those aspects of the company or the endeavor that put it at a competitive disadvantage when compared to others

- Manufacturing facilities consist of individual units that are highly reliant on one another.
- There are no controlled suppliers of raw materials other than iron ore, which is still in the process of being processed.
- The commissioning of the existing facility took longer than expected.
- Relative heavy debt expenditure vis-à-vis competitors.

### **Prospects**

Factors that the company or project might use to their favor if they were to do so.

- Modern integrated iron manufacturing plants that have been successfully commissioned are a big draw for strategic investors. Advantageous given the present high cost of coke given the surplus coke manufacturing facilities. The potential for increasing the output of



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the existing units by implementing various kinds of technological and procedural alterations.

- Simple exposure to the international market
- Controlled mining of iron ore as a cost-cutting measure for the manufacturing process. Only one hundred kilometers separate you from the mines.

### **Threats**

Factors found in the atmosphere that have the potential to wreak havoc on a company or a venture.

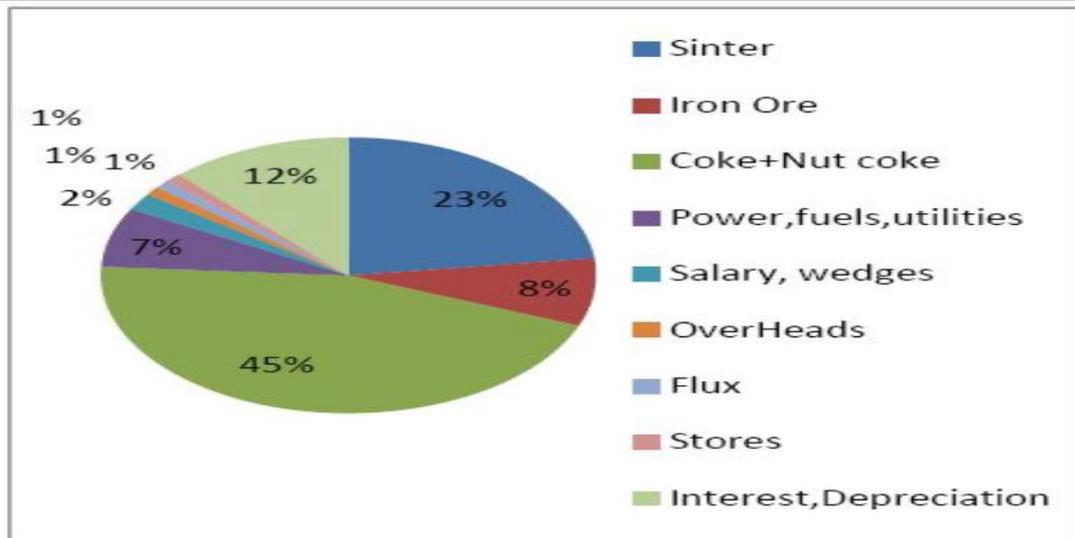
- An increase in rivalry as a consequence of impending construction projects in the vicinity.
- Scarcity of raw supplies on a worldwide scale.
- Demand for steel may be very unpredictable worldwide.
- Escalating costs of the inputs.

### **Assessment OF Expenses**

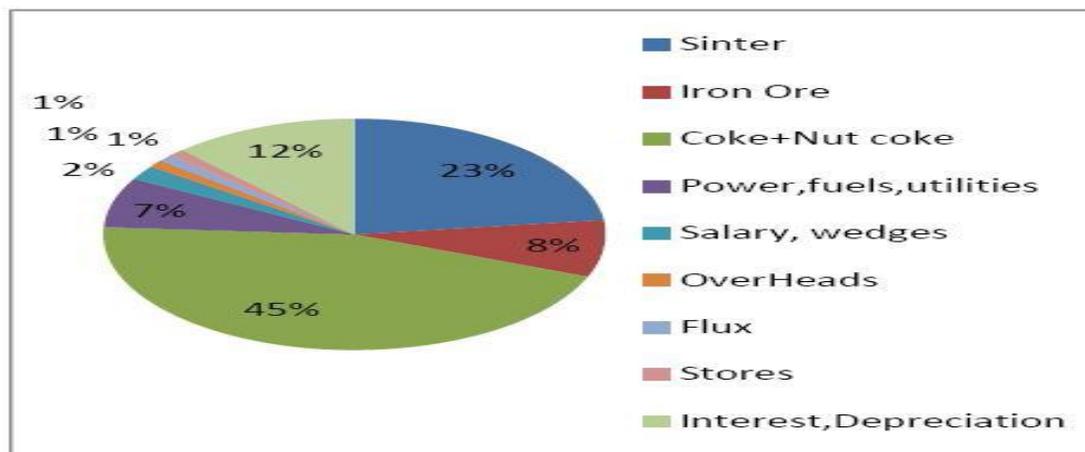
The components that contribute to the total manufacturing cost are broken down below for your perusal.

Figure 1 illustrates the percentage contribution of several elements to the overall cost of one unit of the product.

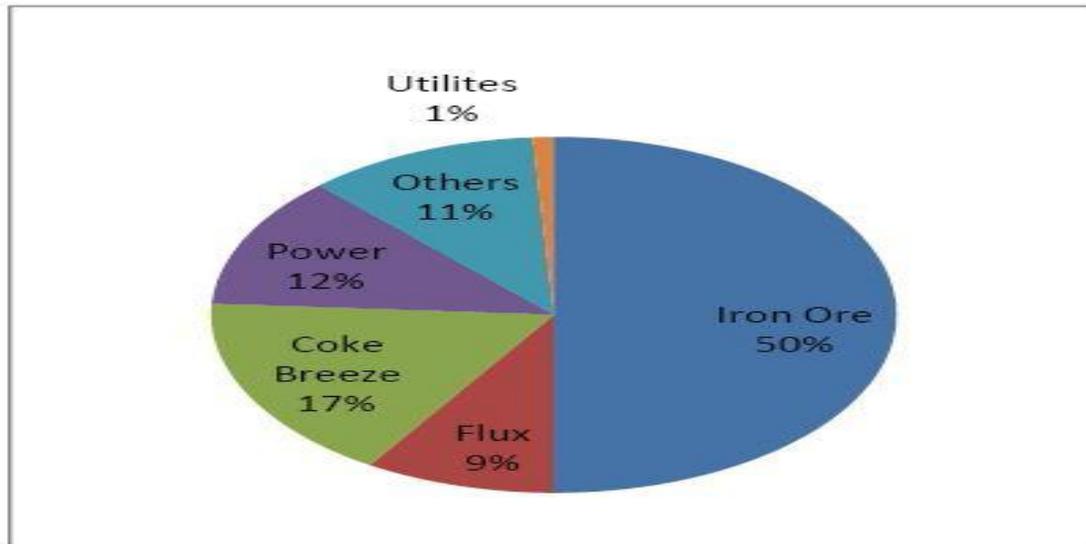
It is clear from looking at this chart that the most important aspect in the manufacture of the product is the raw material. Figures 1 and 2 shows the percentage of age of each kind of raw material that is needed by an incorporated IAS industry.



**Fig 1: Expenditure Breakup**



**Fig 2: Break up Hot Iron Works Cost**

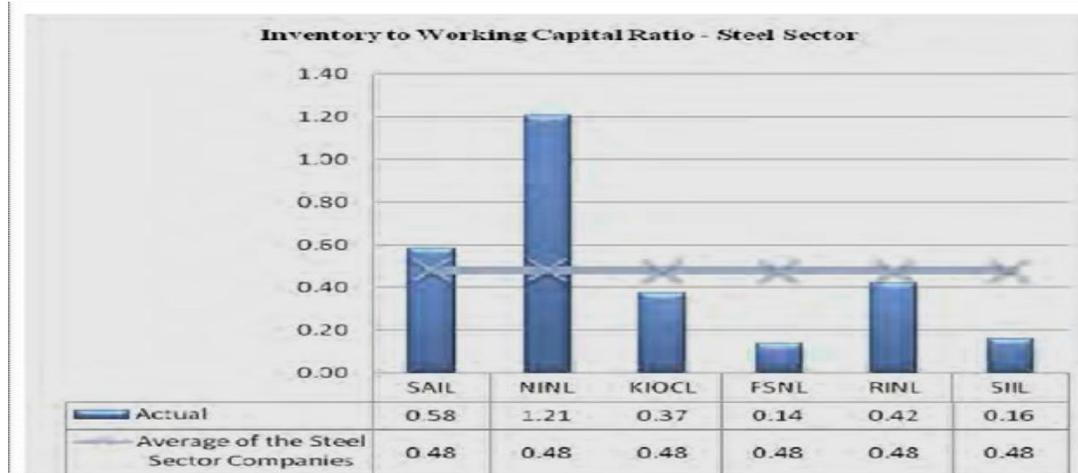


**Fig. 3: Breakup of Sinter Everything Cost**

Based on the Expenses Assessment shown above, it is abundantly obvious that iron metal and firewood are the binary primary Raw Constituents used by typical combined steel shrubberies together in footings of number and cost proportion of employed principal. As a result, the corporation had to formulate stringent guidelines for the management of its raw material inventories for these Raw Materials.

### **Valuation Assessment**

In Figure 3, we give an examination of the stockpile to WC ratio of several companies that are involved in the STIN [18-21]. We were able to deduce from this number that the proportion of stock to WC for enterprises in the steel sector is 0.48. This was our conclusion after analysing this information.



**Fig 4: Inventory to WC ratio-steel sector**

In addition, it is apparent from this table that SAIL was resounding supplies different to 0.78 epochs of their WC and MINL was carrying inventory equal to 1.21 times of their cash reserves, both of which were significantly higher than the AA ratio of 0.48 times, which was carried out across all companies.

### **The Most Important Factor Contributing to a High Stockpile to Operating Ratio of capital**

After conducting an investigation into the system, we were talented to classify the many primary issues that donate to a high list to WC ratio. These factors are fleetingly outlined in the following paragraphs:

#### **Mines for confined iron ore that are not currently active**

As things stand right now, every single one of the most prominent consolidated steel plants has its very own captive mines for several raw resources like iron minerals, sandstone, dolomite and manganese, amongst others. In addition, with the exception of TATA Steel, no other steel plant in India possesses any captive source for coking coal reserve. Because of this, the amount of coking coal available below Petroleum India Ltd. is insufficient to meet the request source of Indian steel shrubberies. As an outcome, just about all of India's steel mills have entered into long-term contracts with firms located outside of the country, primarily in



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Australia, for the purchasing of low-ash metallurgical petroleum and by China and other nations aimed at Lam coke

In the meanwhile, MINL obtains its iron ore from mines located both inside and outside of the state of Maharashtra, since the mining let aimed at the iron mineral mines in the region of Wadkhal, Pen, has not yet been performed. Owing to the need for approvals after the Department of Environment and Forest as well as extra government constitutional agencies, the captive mine has not yet been put into operation.

As a result, the corporation meets its iron ore requirements via the procurement of iron mineral after additional bases, which are not maintainable and are not trustworthy.

The business does not yet must some long-term agreements in place by some of the mining businesses. Therefore, in addition to its Inventory management mechanism, the firm is required to acquire its Iron Rock demand dependent on the obtainability of iron rock at the period that the requirement is being procured.

### **Non-Use of Coal from India:-**

There is a significant difference in the amount of imported coal used for coke production between this company and the other Steel Plants in the nation. Coking coal mined in the US has a higher ash level than coal mined in other countries. Despite the fact that imported coking coal is more expensive than domestically produced coking coal, the IAS industries have decided to use a combination of the two. This has shown to be a more cost-effective way to produce completed goods. This notion has not been embraced by the company.

The following are some disadvantages of using just imported coking coal:

- There is a greater level of cost dynamics.
- It's tough to come to long-term agreements with international corporations.
- High inventory levels are a result of lengthy lead times.
- As a result, the Stockpile will be negatively affected by any problems that arise in abroad.

### **Mechanism of stock management**

If there are any vicissitudes in manufacture plan, the number of raw resources needed is



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estimated and supply schedules are adjusted to suit those needs. The current inventory management mechanism is built on periodic review systems.

It is possible to reduce yearly holding costs and ordering expenses by using the formula EOQ sort ( $2DS/H$ ). Because the ordering cost is so little (a few thousand each order) compared to the year holding costs in steel companies' raw material handling, the entire inventory cost may be attributed only to the yearly carrying costs. Therefore, the steel company must acquire raw materials on a regular basis, utilising the just-in-time approach, in order to keep up with demand.

It is apparent, however, that the reception and utilization patterns over the last two years show a large discrepancy between the monthly iron ore receipt and consumption figures. Purchases are made in excess of usage from October to May while receipts are lower from June to September. The difficulty of handling Iron Ore during the rainy season is a key factor in the mismatch that occurs from June to September. Deferred payment costs per rake will rise as a result. Thus, the price per tonne of iron ore rises.

The entire cost of strong ore per load is the sum of the unit price of strong ore per lot, the charge of rail freight per tonne, and the cost of demurrage per tonne. Demurrage is a charge levied on the railroad for delaying a train for more than eight hours to discharge iron ore.

During the monsoon season, the AA demurrage per rake increases by almost 80%.

However, freight traffic on trains fell by 17%. Distance between the source and the destination is the primary factor in determining the cost of rail freight. There is also an 80 percent input from the unit cost of iron ore and a 15 percent to 20 percent commitment from rail transport to the overall cost of iron ore. Demurrage costs, on the other hand, account for around 1% of overall expenses. In addition to the rising demurrage fees, the corporation will save money by receiving iron ore during the monsoon season when it is cheaper to do so.

As a result, the company's inventory-to-working-capital ratio will be lower as a result of reduced raw material storage requirements in other seasons. Firm's receipt and usage figures for each month should be the closest practicable to each other. A minimum inventory-to-working-capital ratio is required when certain conditions are met.



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### **The lack of any enterprise resource planning software**

The firm does not have any enterprise resource planning tools at this time. At the moment, all of the tasks necessary for management of the supply chain take much more time, result in decreased accuracy, and incur significant additional expenses. The business has to implement some kind of ERP software in order to manage its supply network, and then it needs to teach its employees to use the software. This is necessary in order for all operations to take up less time and for the company to respond to any changes in an efficient manner.

### **Conclusion**

The role of SWOT analysis in ensuring stability in organization cannot be underrated, its analysis is critical in organization stability. The four acronyms must be properly identified, effort made to analyses them, above all, action taken to that effect. For stability in any organization, serious effort should be made by the top management to clearly identify organization visions and mission, objectives must be taken into consideration, emphasis should be made on organizations past records, what was their success areas, failures, what was their major strength and weakness and how they handled them, what opportunities they had in the past and how they utilized it and finally the threat and how they handled it. In all what constituted strength in one organization may be weakness in another organization. Also note that management of K grabbed the opportunity of strike action by NUT in the state to set up the school and employed other marketing media in selling his product in addition to other strengths he employed and this has contributed to the stability and productivity in that institution.

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