

# **A Study on Financial Ratio Analysis**

**Mrs. G. J. Precila<sup>1</sup> and Archanadevi. M<sup>2</sup>**

Assistant Professor, Department of Commerce<sup>1</sup>

M.Com 2<sup>nd</sup> year, Department of Commerce<sup>2</sup>

Annai Violet Arts and Science College, Ambattur, Chennai, Tamil Nadu, India

**Abstract:** *Financial ratio analysis serves as a fundamental tool for evaluating the performance and stability of insurance companies. This study delves into the realm of comparative analysis, aiming to scrutinize the financial health, efficiency, and strategic positioning of insurance firms through the lens of various financial ratios. By examining key metrics such as solvency ratios, profitability ratios, liquidity ratios, and efficiency ratios, this research seeks to offer insights into the comparative strengths and weaknesses of different insurance companies within the market. Employing a quantitative approach, data from annual reports and financial statements of selected insurance companies will be analysed to discern patterns, trends, and disparities in financial performance. The study aims to contribute to the understanding of the factors influencing the competitive landscape of the insurance industry, thereby providing valuable implications for stakeholders, policymakers, and researchers in the field of finance and insurance.*

**Keywords:** Insurance companies, Comparative analysis, Financial ratios, Performance evaluation, Risk assessment.