SJIF Impact Factor (2026): 8.863| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 11 | Issue: 3 | March 2026 - Peer Reviewed Journal

OPERATIONAL FINANCIAL MANAGEMENT PRACTICES WITH REFERENCE TO AERODON HELI STATION

Rithika S[1], Dr. P. Periasamy[2]
[1]II MBA learner, Department of Management Studies, Saveetha Engineering College, Chennai, Tamil Nadu, India.
[2]Associate Professor, Department of Management Studies, Saveetha Engineering College, Chennai, Tamil Nadu, India.
ORCID: https://orcid.org/0000-0001-5051-1448

ABSTRACT

Operational financial management is a critical function in aviation infrastructure and helicopter service organizations where day-to-day financial efficiency determines operational continuity and profitability. This research study analyzes the operational financial management practices followed at Aerodon Heli Station. The study focuses on working capital management, fuel cost control, maintenance budgeting, payroll administration, receivables monitoring, and liquidity assessment.

The research is descriptive and analytical in nature and is based on secondary financial and operational data. Tools such as ratio analysis, cost component analysis, and working capital evaluation are used. The findings reveal that fuel expenses, maintenance reserves, and receivables cycles significantly influence financial performance. The study concludes with practical suggestions to strengthen operational financial sustainability.

1. INTRODUCTION

Financial management is essential for all organizations, but its importance is significantly higher in aviation service industries due to high operational costs and regulatory requirements.

Operational financial management focuses on managing short-term finances required for daily helicopter operations.
Aerodon Heli Station functions as an aviation operational hub providing heliport infrastructure, charter handling, refueling coordination, and maintenance logistics. Each helicopter movement involves multiple financial transactions such as fuel procurement, landing charges, crew payments, and maintenance allocation.

Efficient operational financial management ensures:
- Continuous helicopter operations
- Cost optimization
- Liquidity maintenance
- Vendor payment efficiency
- Revenue realization

This study evaluates how Aerodon manages these financial activities.

2. STATEMENT OF THE PROBLEM

Helicopter service operations involve heavy operational expenditure and irregular revenue patterns. Major financial challenges include:
- Fluctuating Aviation Turbine Fuel (ATF) prices
- High helicopter maintenance cost
- Insurance and compliance expenses
- Credit-based charter contracts
- Vendor payment pressure

Ineffective operational financial management may result in cash shortages, operational delays, or reduced profitability. Hence, analyzing Aerodon Heli Station's financial practices is necessary.

3. OBJECTIVES OF THE STUDY

Primary Objective

To analyze operational financial management practices at Aerodon Heli Station. Secondary Objectives:

SJIF Impact Factor (2026): 8.863| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 11 | Issue: 3 | March 2026 - Peer Reviewed Journal

- To examine working capital management
- To analyze operational cost structure
- To study receivables and payables management
- To evaluate liquidity position
- To suggest financial improvement strategies

4. SCOPE OF THE STUDY

The study covers operational financial components including:

- Fuel expense management
- Helicopter maintenance cost
- Spare parts inventory
- Payroll and administrative cost
- Charter receivables
- Vendor payables

Capital investment and financing structure are excluded from the scope.

5. INDUSTRY PROFILE – HELICOPTER AVIATION SERVICES

The helicopter aviation sector supports multiple industries:

- Tourism and aerial sightseeing
- Medical evacuation (Air Ambulance)
- Offshore oil & gas transport
- Disaster rescue operations
- VIP and corporate travel

Financial operations in this sector are complex due to high asset maintenance cost, fuel consumption, and regulatory compliance requirements. Efficient operational finance ensures safety, reliability, and profitability.

6. COMPANY PROFILE – AERODON HELI STATION

Aerodon Heli Station provides integrated helicopter ground and operational support services. Its key functions include:

- Helicopter landing and parking management
- Refueling coordination
- Ground handling services
- Maintenance scheduling
- Crew logistics coordination
- Charter operation facilitation

The heli station acts as a financial control center where operational revenues and expenditures are monitored daily.

7. RESEARCH METHODOLOGY

Type of Research

Descriptive and Analytical.

Sources of Data

- Operational financial records
- Cost statements
- Maintenance expense logs
- Fuel consumption reports

Tools Used

- Working capital analysis
- Ratio analysis
- Cost structure analysis
- Trend analysis

SJIF Impact Factor (2026): 8.863| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 11 | Issue: 3 | March 2026 - Peer Reviewed Journal

8. REVIEW OF LITERATURE

Previous research highlights the importance of operational finance in aviation and service industries.

Huynh (2025) emphasized that working capital efficiency improves liquidity in asset-intensive sectors.

Bahal (2024) identified cost control as the primary profitability driver in service organizations. Talreja (2023) concluded that receivables management determines cash flow stability.
Zhang (2025) linked spare parts supply chains with aviation financial cycles.

Stavropoulos (2024) found that cash conversion cycles significantly influence transport sector profitability.
These studies provide a conceptual base for evaluating Aerodon's practices.

9. DATA ANALYSIS AND DISCUSSION

9.1 Working Capital Management

Working capital ensures uninterrupted heli operations. It includes fuel inventory, receivables, and vendor payables. Adequate working capital supports operational readiness.

9.2 Fuel Cost Management

Fuel constitutes the largest share of operational expenses. Financial controls include fuel budgeting, consumption tracking, and supplier rate contracts.

9.3 Maintenance & Spare Parts Cost

Maintenance includes periodic servicing, engine overhaul, and component replacement. Financial provisioning through maintenance reserves is essential.

9.4 Payroll Management

Pilots, engineers, and ground crew salaries form fixed operational expenditure requiring stable cash flow.

9.5 Receivables Management

Revenue is generated from charter operators, tourism companies, and government missions. Credit realization cycles affect liquidity.

9.6 Payables Management

Vendor credit from fuel suppliers and maintenance contractors supports working capital balancing.

9.7 Liquidity Analysis

Liquidity ratios indicate Aerodon's ability to meet short-term obligations and maintain operational solvency.

10. FINDINGS

- Fuel cost is the highest operational expense
- Maintenance reserves are financially critical
- Receivables delays impact liquidity
- Vendor credit supports cash flow
- Payroll is a major fixed cost component
- Liquidity position is stable but requires monitoring

11. SUGGESTIONS

- Implement fuel cost forecasting systems
- Strengthen receivables collection
- Create dedicated maintenance reserve funds
- Negotiate long-term fuel contracts
- Digitize operational financial monitoring
- Conduct periodic ratio analysis

SJIF Impact Factor (2026): 8.863| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 11 | Issue: 3 | March 2026 - Peer Reviewed Journal

12. CONCLUSION

Operational financial management determines the sustainability of helicopter service organizations. The study of Aerodon Heli Station reveals that cost control, working capital efficiency, and receivables monitoring are key financial success factors.

Strengthening financial planning, forecasting, and digital tracking systems will further enhance operational profitability and long-term stability.

13. REFERENCES

1. *Brigham, E. F., & Houston, J. F. (2022). Fundamentals of Financial Management. Cengage Learning.*
2. *Pandey, I. M. (2021). Financial Management. Vikas Publishing House.*
3. *Deloof, M. (2023). Working capital management and corporate profitability. Journal of Business Finance & Accounting.*
4. *International Civil Aviation Organization (ICAO). (2023). Operational Cost Analysis in Aviation Services. ICAO Publications.*
5. *Gill, A., & Biger, N. (2022). The relationship between working capital management and firm performance. International Journal of Economics and Finance.*
6. *Smith, J., & Brown, R. (2024). Financial risk management in aviation operations. MDPI Journal of Financial Risk and Management.*
7. *Sharma, R. (2023). Working capital management practices in service industries. International Journal of Financial Studies.*
8. *Kaur, P., & Singh, A. (2024). Cash flow management and operational efficiency in service organizations. Journal of Financial Management Research.*
9. *International Air Transport Association (IATA). (2023). Industry White Paper on Aviation Operational Costs.*
10. *Patel, S. (2024). Financial performance and working capital efficiency in operational firms.*
11. *Global Journal of Finance and Management.*