Summary of Findings and Suggestions
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This study is carried out with the objective of analysing the financial performance of SOUTH INDIA VISCOSE LIMITED to examine and understand the role of finance in the growth of this company. Adequate data related to the objective of this study were gathered and presented in the form of tables and diagrams in the preceding chapters. This chapter attempts to highlight the findings of the study followed by suggestions.

FINDINGS:


The net profit ratio of SIVL shows an increasing trend during the period under review excepting for 1982-83, 1983-84, and 1985-86.

There is no uniform trend noticed in the operating ratio of SIVL during the period under review.
On the whole the return on capital employed is fluctuating for the period under review.

The return on shareholder's equity shows a mixed trend during the period under review.

The return on total assets shows an increasing trend during the period under review excepting for 1982-83, 1983-84 and 1985-86.

Earnings per share of SIVL shows a fluctuating trend during the period under review.

The current ratio of SIVL for the period under review was not up to the desired standard.

The liquid ratio of SIVL was fluctuating during the period under review.

Debt-Equity ratio shows a fluctuating trend during the period under review.

Interest coverage ratio shows a declining trend from 1980-81 to 1984-85. However it shows an increasing trend from 1985-86 to 1988-89. It again decreased in 1989-90.
The Inventory turnover ratio shows an increasing trend during 1980-81 to 1989-90 excepting for 1982-83 and 1985-86.

Debtors turnover ratio shows a decreasing trend excepting for 1981-82, 1984-85 and 1989-90.

Creditors turnover ratio shows a fluctuating trend during the period under review.

The working capital turnover ratio shows fluctuating trend for the review period.

Fixed assets turnover ratio shows an increasing trend excepting for 1982-83, 1985-86 and 1989-90.

SUGGESTIONS:

Based on above findings the following suggestions are given for toning up the efficiency of SIVL.

1. The liquidity position of the company is not satisfactory. Hence investment in liquid assets must be strengthened.

2. The credit collection policies of SIVL should be reoriented.
3. The company can take full advantage of credit facilities extended by the suppliers in the market for long term.

4. From the long term solvency point of view SIVL relied more on internal funds than external funds. The company can also use large borrowed funds. This gives a chance for the outsider to effectively participate in the activities of the company.

5. Operational costs can be minimised to eliminate wastages of all kinds in the factory run by SIVL.

6. Under utilised capacity of the company, should be improved from the existing level.

7. Fixed assets turnover ratio can be stabilised at a point thereby profitability can be substantially improved.

8. There is an urgent need to upgrade and modernise the plants for improving the profitability of SIVL on a war footing.

9. Optimum utilisation of working capital can be improved in SIVL.
CONCLUSION:

SIVL continues to play an important role in the industrial development of the country. There is every possibility that SIVL would establish for itself a permanent and unshakable position in the industrial map of Tamil Nadu and also in the emergent international market for man-made fibres.