SUMMARY AND CONCLUSION

INTRODUCTION

Based on the data analysis of the selected cement industries, using financial tools as well as statistical tools and the theoretical concepts, the researcher has come out with the following inferences.

FINDINGS

DALMIA CEMENTS (BHARAT) LIMITED

The current ratio of the company is very normal in 2004-2005 and very abnormal in 2010-2011 as compared to the ideal ratio of 2:1. The same has got down below the ideal ratio in the middle of the study period. It shows the haphazard status of current assets and current liabilities in the company during the study period. In 2010-2011, there is a higher lock of current assets might prevent the working capital position of the company.

The liquid ratio condition has been kept by the company in both trends from 2003-2004 to 2009-2010. But the liquid ratio has suited up to 4.68 in 2010-2011. This shows the poor liquidity and short-term solvency status prevailing in the firm due to the inefficiency of operations.

The cash position ratio of the company is found unsatisfactory during the study period. This is due to the short-term operational inefficiency, so that the company could not make up with the cash and securities positions to meet the operational liabilities during the study period.

The proprietary ratio is found around 0.45 in the start of the study period 2003-2004 and there is a gradual decrease and increase happened in the study period. But there is a
sudden hike of the proprietary ratio of 0.94 in 2010-2011, which is very high during the study period.

The ratio of debt to equity is found to be normal in the beginning and good in the recent years. The ratio has gone to 2.07 times up in the year 2009-2010 with 100 per cent down to 1 time in 2010-2011. This is due to the increase in internal funds and decrease in external funds.

The interest coverage is found satisfactory during 2003-2004 and 2004-2005. But the same is very high due to the higher interest payment in 2006-2007 and 2010-2011. This shows the interest payment is found very high during the last year of the study period and decreased the earnings before interest tax.

There has been a continuous decrease in the fixed assets ratio from 1.32 of 2006-2007 to 0.37 of 2010-2011. This shows the poor utilization of long-term funds for the proper acquisition of fixed assets in the company.

. The maximum gross profit is found in 2006-07 as 30.04 per cent and a very minimum profit is found in 2004-05 as 6.89 per cent.

The net profit ratio has got a heavy record as 23.45 per cent in 2007-08 and a very low rate of 5.84 per cent in 2003-04. This shows the profit decline is due to the payment of interest and tax heavily in many of the periods of study. It is also found unsatisfactory during the later years.

The ratio of return on capital employed is found good and very high in 2009-2010 as 58.55 per cent over the previous years. But the same has come down to 15.22 per cent in 2010-2011. This shows the poor return on capital employed in 2010-2011.
The ratio of return on shareholder’s funds is found very better and increasing up to 2009-2010 with a heavy decline to 15.22 per cent in 2010-2011.

The debtor’s turnover ratio of the company is found very much satisfactory in 2003-2004 and very much non-satisfactory in 2008-2009. During the latter years of the study, it has again come down, that shows the collection of the credit and receivables are very speedy.

The creditors’ turnover ratio is found very high during 2006-2007 and found a little in 2003-2004. It also shows the inability of the company in the repayment and settlement of the dues to the creditors in time, for which the company has taken much of time. It is also concluded that the short-term operational efficiency of the company is very dissatisfactory.

The fixed assets turnover ratio has been recorded maximum in 2003-2004 as 1.19 times and a very minimum showed in 2008-2009 as 0.66. This exhibits the operational efficiency of the company during the study period.

The inventory turnover ratio is found favourable as 4.54 times in 2006-2007 and a low unfavourable ratio is found satisfactory as ready 4 times in 2010-2011. This exhibits the operating performance is good in the recent past.

The maximum dividend is paid as 69.51 Rs. in 2007-2008 and 39.90 Rs in 2010-2011. The minimum of dividend is paid as Rs.11.78 in 2005-2006. This shows the dividend per share paid by the company is found dissatisfactory during the middle of the study period except in 2007-2008.
The earnings per share trend of the company are better at the beginning up to 2007-2008. It is not satisfactory during the years 2008-2009 and 2009-2010. It is found not better during 2010-2011.

The payout ratio is very high during 2010-2011 as 144.53 per cent, which is found two and half times more than the beginning of the study period. It shows the company’s interest on the investors to pay more out of the profit for their investments.

The retained profit ratio is found maximum record as 56.08 per cent in 2010-11 and a minimum of 19.46 per cent in 2004-05. Also, there has been a continuous increase in the probability and it shows the better performance of the company.

The profit before tax ratio is high in 2006-2007 and low ratio of profit before tax in 2004-2005. It is concluded that the status profit before tax is found increasing during 2010-2011 as 21.25 per cent compared to the previous years. Hence the company’s profit before tax is not satisfactory in the beginning of the study period.

The profit after tax ratio is not satisfactory during the first two years and also in the last year 2010-2011. Hence the company must concentrate on the earnings even after the tax payment. It is found satisfactory only during the study period and it is high as 46.96 per cent in 2007-2008.

The return on net worth ratio is found increasing with a high record of 27.5 per cent in 2009-2010 and a low record of 8.7 per cent in 2003-2004. This shows the better financial performance of the company in the later years of the study period.

In total assets turnover ratio, assets have got a heavy rise over the first year, whereas the turnover has got a little hike over the year 2003-2004.
The ratio of earnings margin has been recorded highly as 56.08 per cent in 2010-2011 and a very low as 20.31 per cent in 2004-2005. This shows the equities margin has been increasing continuously in the recent past of the study period.

The return on equity is found satisfactory up to 2009-2010 and is found very poor in 2010-2011. This shows the organizational inefficiency in the profit earning and the reason is found due to a higher tax and dividend payment.

The dividend cover ratio is found satisfactory during the first four years and is very poor during the last four year of the study period. It shows the poor dividend policy of the organization in the recent part.

The comparative income statements reveal the following; the sales of the year 2006-07 have got a good rise of 51.58 per cent over the previous year 2005-06. The other incomes are found very high in 2009-10 as by 606.07 per cent of 2008-09. The total incomes are high during 2006-07 as by 62.95 per cent.

The raw materials and other expenses are found very higher as 142.04 per cent in 2009-10. The profit before tax is very high in 2005-06 as 204.89 per cent of the year 2004-05. The profit after tax is good too in the same year with an increase of 174.86 per cent.

The surplus and others are found higher in 2007-08 as 95.74 per cent. There is a hike of the appropriations available as compared with other periods 98.16 per cent in 2006-07.

The surplus carried to balance sheet is better in 2005-06 as compared with other periods, i.e., 98.33 per cent of increase over the previous year. It is concluded that the performance of the company is found very best during 2006-07.

The share capital is remained same up to 2005-06. There is a change in 2006-07 with a differential hike in 2007-08 and remained the same up to 2010-11.
The reserves and surplus are found as very high in 2010-11. The total current liabilities have a significant higher change during the year 2010-11 with a rate of 67.13 per cent.

The fixed assets have gone up by very high during 2004-05 with a rate of 68.86 per cent. The long-term investments made by the company are found good during the year 2006-07 with a rate of increased change of 115.97 per cent.

The current assets, loans and advances have been locked heavily during the year 2007-08 with a rate of change of 71.16 per cent the networking capital significantly better during the middle of the study period.

Regarding the analysis of statement of changes in working capital of Dalmia Cements Ltd. for the study period indicates that there is an increasing pattern of working capital except in the year 2006-07. We are able to conclude that the Dalmia Cements Ltd. each and every year has been increasing its working capital and operations.

The financial operations are so good in the beginning and the performance of the company regarding finance is fluctuating during the study period.

INDIA CEMENTS LIMITED

The current ratio of the company is very normal during 2008-09 and very abnormal during 2003-04, that shows the operational instability of the company in lieu of the current assets and current liabilities.

The condition of liquid ratio is very normal and similar to ideal ratio as 1.54 in 2008-09. The same is very abnormal in 2003-04 as 5.94. This shows the operational inefficiency of the organization towards the current funds.
The cash position ratio of the company is found high in 2006-07 as 0.66 and very poor in 2004-05 as 0.12. This is due to the fluctuations in the cash and securities and the continuous increase in the current liabilities except the decrease in 2010-11.

The proprietary ratio is found around 0.52 to 0.55 in 5 years of the study period. It shows the better performance of the funds in the recent past from 2007-08 to 2010-11. The ratio is high in 2005-06 and low in 2004-05 respectively as 0.55 and 0.44.

The ratio of debt to equity is found to be good in the beginning and very poor in the recent years. But, there is a slight increase found in the ratio in 2010-112 as 0.60 times might go up ever in the subsequent years. This is due to the increase in internal funds and decrease in external funds.

There is a high interest coverage ratio as 7.69 per cent in 2007-08 and low as 0.03 per cent in 2004-05 due to higher interest payment and lower interest payment respectively. These are happened only on the changes in the earnings, but the interest amount is more or less similar in all the years of study.

The fixed assets ratio is very high as 2.37 in 2008-09 and very low as 1.11 in 2004-05. Both the years, there are high differences found with long-term funds. These are all due to the lack of funds mobilizing capacity of the company.

The maximum gross profit is found in 2007-08 as 28.82 per cent and a minimum gross profit is found in 2010-11 as 2.18 per cent. This is due to the amount of cash, where the trend of ups and downs found during the study period.

The net profit ratio of the company is better during the middle of the study period from 2006-07 to 2008-09. But, during the last two years i.e., 2009-10 and 2010-11 there is a declining trend found with the net profit of the company that might be due to the operating.
The ratio of return on capital employed is found very better in 2006-07 as 35.63 per cent and very poor in 2004-05 as 1.61 per cent. During the last year of the study the ratio of return on capital employed is 1.94 per cent. This might be due to the decline in the return after the payment of interest and taxes with the increase in the capital employed. The return has been very haphazard in all the years found.

The ratio of return on shareholders funds has been concluded that it is found better as 21.68 per cent in 2006-07 and very poor in 2004-05 as 0.29 per cent. This is due to the retained profit after the expenses allowed and the increase in shareholders funds. It is also concluded that the return is very little as 1.67 per cent in 2010-11.

The debtor’s turnover ratio is very high during 2005-06 which is against the receivables as 47.81 days, while the same is very low during 2010-11 as 23.15 days in favour of the receivables. Hence the better performance has taken place regarding the receivables during 2010-11 as 23.15 days.

The ratio of creditors to turnover is very high in 2007-08 as 3335.27 days in favour of the company in payables procrastination; while the same is very low in 2003-04 as 98.53 days against the company in payables and therefore, the operational performance is very poor in later years.

The fixed assets turnover ratio is very best in 2003-04 and very poor in 2010-11 due to the cyclical operations of assets and their relationship with the turnover as results.

The inventory turnover ratio is found to be concluded poor in 2007-08 as 3.24 times; and very better in 2003-04 as 5.43 times. But, during the first four years, the ratio is better that helps to circulate the funds frequently and the same has come down less than 4 times in the last four years of the study period.
There has been a good performance in the recent past from 2007-08 to 2009-10 with a dividend per share of Rs.2.00. But there is a little decrease to Rs.1.50 per share in 2010-11, shows the performance of the company declines.

The heavy fall found with the earnings per share of the company in the last year 2010-11 of the study period due to the lack of operational efficiency and the market conditions of cement industries.

The pay out ratio of the company is better increasing from 2006-07 to 2010-11. It shows the interest of the company to retain the investors towards the further investments for the funds rising additionally.

There is a poor profit conditions realized by the company from 2003-04 to 2006-07 in relation with retained earnings ratio. But there is an increase ratio from 2007-08 to 2009-10. The retained earnings ratio of the company is good in 2010-11 as 23.79 per cent. This is due to the hike in the operating and non operating expenses along with the payment of dividend.

The ratio of profit before tax is found better from 2006-07 to 2009-10. The ratio is found very better as 27.26 per cent in 2007-08 and very poor in 2004-05 as 0.33 per cent. The profit before tax ratio is very little in the recent past as 2.24 per cent in 2010-11. This is due to the payment and in commence of expenses heavily found in the beginning of the years.

The profit after tax ratio is found well from 2006-07 to 2008-09. The profit before tax ratio is very little as 1.70 per cent in 2010-11. This is due to the heavy tax payment and other expenses in the beginning and end of the study period.
There has been an increasing results found in the net worth per share of the company with a high of Rs. 114 in 2010-11 and a return on net worth of 62.10 per cent in the same year.

The assets turnover ratio is high as 0.55 times in 2006-07 and is very low as 0.133 times in 2003-04. This is due to the fluctuations in the turnover and the increase in the total assets.

The earnings margin is very high as 27.57 per cent in 2007-08 and very low as 2.66 per cent in 2010-11 due to the operational inability and the loss of control of the company.

The ratio of return on equity is found very high as 21.68 per cent in 2006-07 and very low as 1.67 per cent in 2010-11. This shows a comparative decrease over the period of the study. The same is found very poor in 2010-11 as 1.67 per cent, which might cause the decline in the capital funds of the company.

The dividend cover on earnings per share is found high as 19.65 times in 2006-07 and very poor as 1.48 times in 2010-11. This might cause the redemption of funds in the company by all means.

The comparative income statement analysis reveals the following; the sales and other incomes have achieved a lot in the year 2006-07 with an increase of 42.69 per cent over 2005-06. The manufacturing and other expenses are found maximum in the year 2009-10 with an increase of 21.32 per cent over the previous year. The depreciation charges are highly during the year 2008-09 with an increase of 58.94 per cent. The total expenditures have been found higher in 2008-09 with a proportion of 24.56 per cent over the previous year 2007-08.
The profit before tax is found high during the year 2005-06 and the profit after tax is too higher in 2005-06 with a rate of 8 times more than the previous year.

The balance taken to balance sheet is higher in 2008-09 with a rate of 56.14 per cent over the previous years. The dividends and reserves are found very much in 2009-10 as 40.82 per cent over the previous year 2008-09.

On the whole, the performance of the company is fluctuating and the operational ability is very poor in the beginning. The financial performance of the company is very normal during the study period.

The share capital of the company is increasingly constant from 2004-05 to 2009-10. It has started from Rs.16359 lakhs to Rs.39717 lakhs during the period of 2004-05 to 2009-10.

The surplus and reserves have been constantly increasing from 2004 to 2011. The long-term funds have been found with very many fluctuations during the study period.

The total liabilities are increasingly fluctuated during the study period. The higher amount of changes in fixed assets is found in 2006-07 as 38.94 per cent. The inventories have no decline during the study period which might proportionate and contribute to working capital. The total current assets have been locked huge during the period 2009-10 as 34.19 per cent of the previous year. The deferred revenue expenditure is found with many fluctuations during the study period.

Regarding the analysis of statement of changes in working capital of India Cements Ltd., for the study period, indicates that there is an increasing pattern of working capital except in the year 2004-05, 2007-08 and 2008-09. We are able to conclude that the overall performance of India Cements Ltd. is in increasing its working capital and operations.
It is also found that the non-current items are fluctuating during the study. The company has earned profits during the beginning and lost in the recent past. The overall performance of finance is found very normal during the study period.

SUGGESTIONS

Dalmia Cements (Bharat) Limited

On the basis of the findings, the following measures are suggested for the improvement in the financial performance of the Dalmia Cements (Bharat) Limited is further.

- As the current ratio is less than the ideal ratio of 2:1, the company may take necessary action to improve the current ratio by increase the liquidity position and to retain the inventories and other receivables accounts for an extended time.

- The cash and bank balances are very much higher among the components of current assets. Hence it may be used for operational purposes in future.

- The net fixed assets are very lower than the gross fixed assets during the study period. It is due to the amount of depreciation provided in all the years. The management of the company may follow various methods to provide for the lesser depreciation to increase the value of the fixed assets.

- As the investments are very lower, the management of the company may concentrate on further investments utilizing the reserves and surplus for the mobilization, so that it will increase the value of the firms and wealth of the company.
• The further shares are to be issued to increase the share capital and also to hike the leverage position of the company. It is also to be equivalent to the loan funds to maintain the proper debt equity ratio.

• As the reserves and surplus are higher, it may be utilized for the purpose of either the issuance of bonus shares or the declaration of interim dividend.

• The management of the company may try to decrease the amount of provision for tax so as to keep the amount of wealth of the real owners of the company, i.e., the shareholders.

• The rate of interest and the amount of interest of payment are higher during the study period. Hence it is advisable to consider and reduce interest so that the contributions will become higher towards the profitability.

• The miscellaneous expenditure may be written off to the maximum, so that the exact profitability can be obtained.

• As the operating expenses are more than doubled during the study period, the management of the company may try to curtail the operating costs by all means.

• As the profit margin and the retained profits are increasingly constant, the management of the company may make use of the effective cost control methods for further growth for the benefit of the real owners.

• The management of the company may further make attempts to increase the sales and other training activities to improve the profitability position.

• Very effective management of inventory has to be planned and implemented along with the little changes in the credit policy for the benefit of the debtors.
• Steps are to be taken to increase the networking capital for the operational purposes in future.

• The management of the company may try to utilize the shareholders’ funds effectively to generate the net profits, so that the shareholders may get benefited of the higher value of the firm in future.

• The earning capacity of the assets of the company is very meager, which shows that the management of the company has not used the assets effectively in generating the revenue. Hence, it should be an extension of plant to improve the operating performance of the company through a productive use of the total assets.

• The earning capacity of the company regarding the net profit is very normal due to the higher expenditures and so the profitability of the company has been normally increasing though there is an increase in the total income from year to year. So the company may take necessary steps to earn regular income and thus maintain consistent profitability performance.

• As the net profits to sales are only a small portion, the company may try to improve its performance in the subsequent years.
SUGGESTIONS

India Cements Limited

On the basis of the findings, the following measures are suggested for the improvements in the financial performance of the India Cements Limited in future.

- As the current ratio is more or less than the ideal ratio, the effective measures are to be taken to retain the inventories and other receivables accounts for an extended time along with the cash and bank balances.

- The cash and bank balances are very much lower among the components of current assets. Hence, it may not be used for operational purposes in future.

- The net fixed assets are very poor than the gross fixed assets during the study period. It is due to the amount of depreciation provided in all the years. The management of the company may take necessary steps to provide for the proper depreciation to increase the value of the fixed assets.

- As the investments are very higher, the management of the company must concentrate on further investments utilizing the reserves and surplus for the mobilization, so that it will increase the value of the firms and wealth of the company. In this context, the company may obtain additional funds.

- The further shares are to be issued to increase the share capital and also to increase the leverage position of the company. It is also to be equivalent to the loan funds to maintain the proper debt equity ratio.

- The rate of interest and the amount of interest of payment are higher during the study period. Hence, it is advisable to get decreased of the amount of interest so that the contributions will become higher towards the profitability.
• The management of the company may try to reduce the corporate dividend tax, so that the benefit will go to the shareholders who seek the higher value of the firm.

• The miscellaneous expenditure may be shown to the level, so that the exact profitability can be seen.

• As the operating expenses are more than the existed during the study period, the management of the company may try to curtail the operating costs by all means.

• As the profit margin and the retained profits are increasingly fluctuating, the management of the company may make use of the effective cost control methods for further growth and for the benefit of the real owners.

• The management of the company may further attempt to increase the sales and other training activities to improve the profitability position.

• Very effective management of inventory has to be planned and implemented along with the little changes in the credit policy and the receivables principles for the benefit of the debtors.

• There may be the effective utilization of the fixed assets to get decreased of the stages for which the management may take necessary steps.

• Steps are to be taken to increase the networking capital for the operational purposes in future.

• In the subsequent years, the company may use new techniques in financial improvements and also may adopt new trends in cost controlling methods. It is also advisable to use effective requirements.
• The management of the company may try to use the shareholders’ funds effectively to generate the net profits, so that the shareholders may get benefited of the higher value of the firm in future.

• The earning capacity of the assets of the company is very meager, which shows that the management of the company has not used the assets effectively in generating the revenue. Hence, it may take necessary steps to improve the operating performance of the company through a productive use of the total assets.

• The earning capacity of the company regarding the net profit is very normal due to the higher expenditures and so the profitability of the company has been normally increasing though there is an increase in the total income from year to year. So the company should take necessary steps to earn regular income and thus maintain consistent profitability performance.

• As the net profits to sales are only a small portion, the company may try to improve its performance in the subsequent years. Because the company has suffered a loss of funds in the beginning of the study period. Hence, it is advised to take necessary steps to earn more profits in further.

SUGESTIONS-COMMON FOR CEMENT INDUSTRIES

• The need for cement is consistently increasing and the cement companies have to increase their supply so that the demand is properly met in time.

• More than 95 per cent of take off is seen every month and, hence, the need for warehousing by cement companies seems to be minimum. Bulk supply without packing in bags may be resorted to decrease the level of stock of cement in the companies.
• Transportation methods are to be modernized so that the transportation of cement from one place to another is done quickly and the cost of retention of cement is least for the companies.

• Installed capacity has increased significantly and the utilization capacity should also increase in an accelerated manner in all the cement companies to increase the production of better quality of cement.

• Change in share capital is a sign of changes in the firm’s capital structure. Additional capital may be invested by the firms, whenever needed, for expansion purposes and for increasing the capacity utilization.

• Huge amount of reserves and surplus is noticed in the firms. This may lead to over capitalization to certain extent in some stages. Hence, a prudent dividend policy may be maintained in the firms to adjust the reserves and surplus to the extent of maximizing profit in the firms.

• Banks have come forward to provide liberal loan assistance to the cement firms. The firms should utilize this opportunity to get loans and advances at a lesser rate of interest and for minimizing the financial charges in the firm.

• Significant increase in need for fixed assets is noted and, hence, steps are to be taken to modernize the plant and machinery in phased stages whenever outside funds are available at a cheaper rate of interest.

• Dependency on other income should be dispensed with. Decline in earnings per share is an indication of decline in performance. Hence, the firms should strive hard to maintain earnings per share above the market levels by minimizing the expenses and by effective expenditure control measures.
• Increase in debt equity ratio means the volume of debt increases significantly than owned funds. This is not beneficial in the long run. The change in interest rates may affect the ratio and own funds may have to be either retained or distributed as dividend. Prudent capital structure is to be analyzed and implemented in the firms.

• Corrective measures are to be taken to control the current liability in the firms.

• Fluctuations in the profit after tax show the type of competition existing in the industry. Government is come forward to control unnecessary competition so that the ‘intermediary expenses’ are minimized and the ideal profitability is maintained.

• Coal shortage affects production of cement industry resulting in idle capacity and under utilization of capacity. Cent per cent capacity could not be achieved due to the shortage of coal and the poor quality of coal. Steps may be taken to provide quality coal for the industry for achieving cent per cent capacity utilization.

• Consistent increase in material expenses is noted. Steps may be taken to minimize the prices of raw materials to the maximum possible, so that the profitability is not affected.

• The problem of higher wages and lower labour productivity may be due to various economical, social and environmental factors. If technology is improved, the expenses can be automatically controlled.

• Loan component is higher in this industry. If the interest rates are higher, the profitability of the firms will decrease. Hence, steps may be taken to provide consistent and fixed interest loans to this industry.
• Net profit margin is not satisfactory in this industry especially with reference to the
select firms. These firms have to take steps to control the financial charges,
operating expenses etc. to have higher net operating profit.

• Operating profit is reasonably good, but there are high fluctuations. Price control by
the units themselves may control these fluctuations to a maximum extent.

• Cement industry is also power intensive, frequent power cut affects the production.
Though many units try to tide over the power crisis by installing their own
generators, they seem to suffer loss due to high cost of such effort. Steps may be
taken to provide uninterrupted power supply to this industry as economical rates for
better growth. (Solar Power and wind Projects)

• Price increase in critical energy inputs such as coal, power, lignite etc. are some
reasons for higher cost of production. Steps may be taken to provide subsidized
coal, power etc. for the growth of the industry.

• Tax rates in India and other countries are comparatively higher and this has led to
fall in profit after tax. Tax concessions to this industry may help the society to
provide better housing facilities.

• Technological obsolescence is also a problem in this industry. The industry is in
need of change in the production process. There is a need for conversion from wet
process to dry process. If the industry does not earn reasonable profit, institutional
finance will also become difficult. Hence steps may be taken to improve the
advanced technologies for efficient and low production cost.

• The cement industry is the capital - intensive in nature. On account of its record of
decreasing profitability, it is unable to raise the required finance from the capital
market. Hence, special steps may be taken by the governments to provide finance to this industry at concessional rate of interest.

- There is excess production in the southern and western regions while there is excess demand from northern and eastern regions. These factors lead to heavy transport cost. Hence, suitable railway transport facilities and wagon availability may be provided for better transportation.

- Transportation is one of the major problems in this industry. Non-availability of railway wagons leads to considerable delay in bringing in the raw materials and in dispatching the cement to various potential markets. Producers may acquire required wagons for quick and better transport of cement to various places.

CONCLUSION

Finance is regarded as the nerve system of any business. Each and every finance function calls for skillful planning, control and execution of the firm’s activities. Thus the finance is regarded as the eminent part of the business, most especially in the corporate sectors.

A study on Financial Performance of the selected cement industries viz., Dalmia Cements (bharat) Limited and India Cements Limited reveals the satisfactory level as a whole. Though there are fluctuations in profit, the companies are running with a normal profit margin. The dividend paid to the shareholders is not bad but there is a need for improvement. The net worth and capital employed have been rise carefully by the management of the companies. The debt to equity ratio has been ordinarily performed. The companies may take necessary steps to maintain and reduce the operating costs effectively.
It is concluded that the above mentioned suggestions may be considered for the effective and efficient financial management and performance of the selected cement industries. The long duration of existence has made the companies to establish their brand names of cements internationally. With the rich industrial experience of the management, it is obvious that the companies would turn around in a big way by increasing their market share and their profitability as a whole.