

**A STUDY ON THE PERFORMANCE OF SANITARYWARE
MANUFACTURING COMPANY WITH REFERENCE TO NEYCER INDIA
LTD, VADALUR**

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Abstract

Neycer India limited formerly known as Neyveli ceramics and refractoriness limited was promoted by south madras. Industrial development company private limited. An affiliate of Seshasyee brothers limited. The company was incorporated on 12th may 1960. The project was established with a licensed capacity to manufacture 2800 tones of sanitary ware per annum. The technical collaboration for his venture was provided by M/s.Elemental Baykermik Vertribs GMB {KERAMAG} of West Germany. The project was completed in october1965. Accounting is the process of identifying, measuring and communicating economic information to permit informed judgments and decision by users of the information. The end products of business transactions are the financial statements comprising primarily the position statement or the balance sheet and the income statement or the profit& loss account. Secondary data was collected for the study. This study focuses the performance of sanitary ware manufacturing company with reference to Neycer India ltd, Vadalur.

Keywords: Products, Finance, Working capital.

Introduction

Accounting is the process of identifying, measuring and communicating economic information to permit informed judgments and decision by users of the information. The end products of business transactions are the financial statements comprising primarily the position statement or the balance sheet and the income statement or the profit& loss account.

A financial statement is a collection of data organized according to logical and consistent accounting procedures. The term financial statements generally refer to the two statements:

1. The position statement or the balance sheets.

2. The income statements or the profit and loss account.

COMPANY PROFILE

Neycer India limited formerly known as Neyveli ceramics and refractoriness limited was promoted by south madras. Industrial development company private limited. An affiliate of Seshasyee brothers limited. The company was incorporated on 12th may 1960. The project was established with a licensed capacity to manufacture 2800 tones of sanitary ware per annum. The technical collaboration for his venture was provided by M/s.Elemental Baykermik Vertribs GMB {KERAMAG} of West Germany. The project was completed in october1965. The production from the plant was steadily increased and the rate capacity of 1800 tonnes per annum was reached in 1967.

Growth and Expansion

The company after availing the technical services from M/s Bombay properties and tiles limited. Bombay increased its installed capacity from 1800 tonnes to 3000 tonnes in the years 1947-1975, the installed was further increased from 3000 tonnes per annum to 4200 tonnes per annum at a further outlay.

In April 1947, the agreement with M/s Bombay propertied and tiles limited was terminated as the company has acquired the required skill and experience from running the pant on their own strength. In April 1979, the company further programmed to increase the installed capacity from 4200 tonnes per annum to 4800 tonnes involving the extension of casing shop instruction of the humidity control system in one of the casting shops , installation of a twin tunnel ories, construction of the new work building was provided. By having another stage of expansion after, 1980 of the plant were increase to7500 tonnes from 4800 tonnes with further expansion during 1987, the capacity of the plant were increase from 7500 tonnes tp 9000 tonnes.

Neycer Brand Name

The brand name of the product manufactured by the company is “NEYCER” Due to the long existence of the company and manufacturing and marketing the product with consistent quality, the ‘NEYCER’ brand name has, become hours hold name in our country.

Capacity of plant

At present the plant has the production capacity of 12000M.T per annum with 2 tunnels kiln and Shuttle kiln.

Raw materials

The basic raw materials for sanitary ware manufacturing and then sources of supply are Ball clay, China clay, feldspar, Quartz, calcite silica sand, Zinc oxide, chemicals and color stains.

Competitors

Some of the other players in Indian market are as follows;

- Cera sanitary ware Ltd,
- Hindustan sanitary ware and India Ltd,
- Nava rang ceramics and India Ltd,

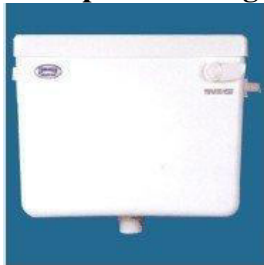
- EID parry India Ltd.

Product profile

Neycer is making a wide range of sanitary ware in 20 colors. The product range includes the follows;

- Wash basins
- European and Indian water closets.
- Urinals.
- Sinks.
- Pans.
- Toilet accessories.

Champion V2 Single Flush Cisterns



Detailed Product Description

Capacity of 10 liters as specified by ISI

Feather touch operation ensured by air pocket in clock valve

Neycer Indian Water Closets



High all round flushing efficiency. Rear waer service area to prevent back splash. (Model 103 with box rim better flushing with less water.)

FLORAL EWC toilet seat cover



Detailed Product Description

All products are tried and tested, to validate the quality of spares used and the flushing technology installed

All products are tried and tested, to validate the quality of spares used and the flushing technology installed. The intensive research & the ensuing technical solutions are incorporated at the development stage to assure performance, reliability and durability. This product catalogue is specially designed to showcase the Commander range

Neycer Wash Basins



Detailed Product Description

NARMADA

Oval shaped wash basin with spacious soap recess on either sides. It has a deep bowl which avoids water splashing.

Neycer classica soap- paper holder



Detailed Product Description

CLASSICA SOAP- PAPER HOLDER

Objective of the study

- To Study the financial performance analysis in Neycer India pvt Ltd.
- To Find out Profitability and turn over position of the Neycer India Ltd vadalur.
- To analysis the cash flow statement of Neycer India Ltd vadalur.
- To evaluate the capital structure of the Neycer India Ltd vadalur.

Methodology

As the study is fully based on the financial performance of the company, secondary data is being used to analyze. Secondary data are being collected from the company's annual reports and websites.

Period of study

The period of the study is five financial years 2009-2010 to 2013-2014

Limitations of the study

- The study was conducted for a period of 3 month, which is insufficient for complete study about the company financial performance.
- The availability of the information and data are limited by time factor.

Chapter scheme

- The first chapter deals with introduction
- The second chapter highlights the profile of the sample unit.
- The third chapter deals with analysis and interpretation.
- The final chapter highlights findings and suggestions.

Findings

The financial statement of NEYCER INDIA LTD IN VADALUR were studied and analyzed in detail with help of certain tools of financial analysis. Figures of five years that is 2009 – 2010 to 2013 – 2014 were taken to analyze the financial performance of the business. The following are the findings with regard to the analysis and interpretation of financial performance of NEYCER INDIA LTD, vadalur.

- The current assets were greater than current liabilities but not as twice as current liabilities. So the current ratio of the company is not satisfactory.
- Return on shareholders' ratio is in increasing trend except in the year 2009-2010. It indicates better utilization of owners' fund in the business.
- The fixed asset to Net worth Ratio is increased; it means that the entire fixed assets have been purchased out of long term funds.
- The working capital ratio increased the year of 2012-2013.
- Proprietary ratio was lower than the ideal ratio it has caused greater risk to the creditors.
- Net profit ratio is highest in the year 2009 – 2010(77.09%). The net profit ratio of the year 2011-2012 is 20.27% and profit was not sufficient to satisfy the investors.
- Total assets turnover ratio indicates under utilization of total assets.
- The company's cash inflow 2014 was higher than the cash outflow when compared to the year 2013.

Suggestions

- On the basis of above findings the following suggestions have been put forward to improve the financial position of NEYCER INDIA LTD
- As the current ratio of the company is not satisfactory, the company should improve its short term liquidity position either by increasing current asset or reducing current liability.
- The company has to take steps to reduce the expenses so that net profit can be increased.
- The company should make a wide investment plan which yields them higher return.

CONCLUSION

The study on financial performance of company has revealed the financial strength and weakness of the company. The study shows that the profitability is decreased in the last year due to increases of the expenses and the company should take effective decisions at the right time so as to rectify the weakness and it will lead to the efficient functioning of the business. The overall performance of the company is satisfactory.

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