

FINANCIAL PERFORMANCE OF COCONUT OIL MILLS IN WESTERN TAMIL NADU - RATIO ANALYSIS

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ABSTRACT

Ratio analysis was used to predict the financial performance of coconut oil mills in Western Tamil Nadu. The study sample consisted of 40 coconut oil mills in Western Tamil Nadu and the data collected for five-year period from 2009-10 to 2013-14. The study analyzed the coconut oil mill's financial statements with an objective to assess financial performance of coconut oil mills. Oil mills were maintaining above standard level of liquidity ratios. Oil mills in inefficient category had higher debt over its investments, which indicated the financial risk in future. Asset management was good in efficient category. Oil mills were receiving 13.6 per cent of return for their investment as a whole. Regression results revealed that working capital, total asset and efficiency of coconut oil mills significantly influenced the profit after tax (PAT).

KEYWORDS: Coconut Oil Mills, Financial Performance, Liquidity, Leverage, Turn Over, Profitability, Ratio Analysis

Original Article

Received: Jan 11, 2016; **Accepted:** Jan 19, 2016; **Published:** Jan 27, 2016; **Paper Id.:** IJASRFEB201626