A Study on Growth and Financial Performance of Selected Textile Companies in Coimbatore District

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Introduction

The Textile industry occupies an important place in the economy of the country because of its contribution to the industrial output, employment generation and foreign exchange earnings. Textile industry is providing one of the most basic needs of people and the holds importance maintaining sustained growth for improving quality of life. It has a unique position as a self-reliant industry, from the production of raw materials to the delivery of finished products with substantial value-addition at each stage of processing; it is a major contribution to the country's economy. The textile sector as a priority one for job creation by the government certainly augurs well for the long term.

India is the world's second largest producer of textiles and garments after China. It is the world's third largest producer of cotton—after China and the USA—and the second largest cotton consumer after China. The textile and garment industry fulfils a pivotal role in the Indian economy. It is a major foreign exchange earner and, after agriculture, it is the largest employer with a total workforce of 35 mn. In 2005 textiles and garments accounted for about 14% of industrial production and 16% of export earnings. In cotton yarn production India has made a mark in the world textile scenario. It is the largest exporter of the cotton yarns in the world. Besides yarn exports, India's growing garment industry is working as a driving force to improve the

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yarn quality and to increase the production of cotton yarn. This has resulted in an overall improvement in the quality of all textile products including yarn and fabric. The WTO era has seen remarkable improvement in export of textiles. To help the mills in bench marking, SITRA has conducted a survey on the cotton yarn quality for fine and superfine yarns, in which 58 mills from all over India have taken part.

According to a study by CRISIL, the Indian textile and apparel industry can achieve a potential size of US$ 85 billion by 2010, with a domestic market size of US$ 45 billion and nearly 60 per cent of exports comprising garments. India has a natural competitive advantage in terms of a strong and large multi-fibre base, abundant cheap skilled labour and presence across the entire value chain of the industry ranging from spinning, weaving, and made-ups to manufacturers of garments. India’s textile industry comprises mostly small-scale, non-integrated spinning, weaving, finishing and apparel-making enterprises.

In fact, in the last six years, an estimated US$ 6.7 billion has been invested in the textiles sector, aided by the Technology Upgradation Fund (TUF) scheme. The TUF scheme expires in March, 2007 and the quotas on China will be lifted in 2008. Hence, companies will continue to add capacities over the next year. Also, according to CRISIL, the sector is likely to raise over US$ 3.5 billion from the capital markets in the next few years.

Percentage Vision of India 2010 for Textiles

- Textile economy to grow to $85billion by 2010
- Creation of 12 million new jobs in textile sector.
- To increase India’s share in world trade to 6% by 2010.
- Achieve export value of $40 billion by 2010.
- Modernisation and consolidation for creating a globally competitive industry.

Statement of the Problem

The Indian textile industry is one of the largest in the world with a massive raw material and textiles manufacturing base. Our economy is largely dependent on the textile manufacturing and trade in addition to other major industries. About 27% of the foreign exchange earnings are on account of export of textiles and clothing alone. The textiles and clothing sector contributes about 14% to the industrial production and 3% to the gross domestic product of the country. Around 8% of the total excise revenue collection is contributed by the textile industry. So much so, the textile industry accounts for as large as 21% of the total employment generated in the economy. Around 35 million people are directly employed in the textile manufacturing activities. This industry is poised to meet the increased global competition in the post 2005 trade regime under WTO. The ongoing globalisation process is replete with threats our competitors, particularly the export-led economies like China, to de-stabilise our export and local markets. At the same time, one should also realise that it offers unlimited opportunities. In order to withstand the competition both international and domestic markets and accelerate our export growth, it is imperative to identify the strengths and weaknesses of the textile industry hindering its growth. Considering the inherent strengths of this industry in terms of a strong raw material base, skilled manpower and low wage costs, this industry has immense potential in the globalised textile economy.

Textile industry is one of the traditionally well developed industries in Tamil Nadu. Tamil Nadu has a strong production base and account for about 1/3rd of textile production in the country. The third largest city of the state, Coimbatore is one of the most industrialized cities in Tamil Nadu. It is known as the textile capital of south India or the Manchester of the south India. The spinning mills in Tamil Nadu account for about 35% of the country's installed capacity and produce about 40% of India's yarn, mainly cotton yarn coimbatore district alone accounts for about 13% of the spindleage in the country. One of the visions in India 2010 for textiles is modernisation and consolidation for creating a globally competitive industry. To achieve the vision the Coimbatore district was very helpful because this district was contributing larger amount of textile production and textile exports to our country. So the study concentrates growth, trend and financial performance of textile industry in Coimbatore district.

OBJECTIVES OF THE STUDY

1. To study the financial performance of selected textile companies in Coimbatore district.
2. To study the analysis of growth and trend of selected textile companies in Coimbatore district.

METHODOLOGY

This study is mainly based on the secondary data. The required data were collected from the corporate data house and from sources like journals, magazines, and websites. The study period covers 11 years from 1995-96 to 2005-06, and the financial year starts from 1st April to 31st March. The sample techniques used for the study is convenient sampling. A sample of 8 textile companies has been selected based on the availability of data for research process. For the purpose of this analysis various accounting and statistical techniques have been used. To analyse liquidity and profitability financial ratios have been calculated. The statistical techniques used are arithmetic mean, Co-efficient of variation, Standard deviation, Compounded annual growth rate and Trend analysis by method of least squares. Following companies have been selected: Gangotri Textile Limited (GAN), Super Spinning Limited (SSAL), Super Sales India Limited (SSAL), Amarjothi Spinning Mills Limited (AMAR), Ambika Cotton Mills Limited (AMBI), Shiva Texyarn Limited (SHI), Precot Mills Limited (PRI) .

RATIO ANALYSIS

In this study following ratios are used to analyse the financial strengths and weakness of the textile companies in Coimbatore district.

- Short Term Liquidity ratio
- Long Term Liquidity ratio
- Fixed Assets Management ratio
- Working Capital Management ratio
- Profitability ratio

The average current ratio was highest by 7.07 in Gangotri Textile Limited and lowest by 2 in Super Sales India Limited. The variation was highest by 56.62 per cent in Amarjothi Spinning Mills Limited and lowest by 17.55 per cent in Super Sales India Limited.

The average Quick ratio was highest by 3.50 in Gangotri Textile Limited and lowest by 0.07 in Super Spinning Limited. The variation was highest by 67.65 per cent in Ambika Cotton Mills Limited and lowest by 22.53 per cent in Super Sales India Limited.

The average Absolute ratio was highest by 1.70 in Gangotri Textile Limited and lowest by 0.46 in Super Sales India Limited. The variation was highest by 62.66 per cent in Gangotri Textile Limited and lowest by 26.41 per cent in Super Spinning Mills Limited.

The average Inventory to Current assets ratio was highest by 0.77 in Ambika Cotton Mills Limited and lowest by 0.50 in Precot Mills Limited. The variation was highest by 20.35 per cent in Gangotri Textile Limited and lowest by 9.83 per cent in Amarjothi Spinning Mills Limited.

The average Cash Profit to Current liabilities ratio was highest by 1.79 in Gangotri Textile Limited and lowest by 0.39 in Prime Textile Limited. The variation was highest by 57.48 per cent in Shiva Texyarn Limited and lowest by 24.04 per cent in Super Sales India Limited.

The average Long Term Debt to Total Assets ratio was highest by 0.61 in Gangotri Textile Limited and lowest by 0.17 in Super Sales India Limited. The variation was highest by 108.12 per cent in Super Sales India Limited and lowest by 11.25 per cent in Shiva Texyarn Limited.

The average Long Term Debt to Net Worth ratio was highest by 2.32 in Gangotri Textile Limited and lowest by 0.41 in Super Sales India Limited. The variation was highest by 114.04 per cent in Super Sales India Limited and lowest by 35.97 per cent in Shiva Texyarn Limited.

The average Long Term Debt to Long Term liabilities ratio was highest by 0.66 in Gangotri Textile Limited and lowest by 0.22 in Super Sales India Limited. The variation was highest by 103.24 per cent in Super Sales India Limited and lowest by 15.41 per cent in Shiva Texyarn Limited.

The average Sales to Total assets ratio was highest by 1.37 in Gangotri Textile Limited and lowest by 0.38 in Shiva Texyarn Limited. The variation was highest by 40.47 per cent in Shiva Texyarn Limited and lowest by 7.08 per cent in Precot Mills Limited.

Table-1 Ratio Analysis of Selected Textile Companies in Coimbatore District

		AMAR	AMBI	GAN	PRE	PRI	SHI	SSAL	SSPI
CR	AVG	5.01	3.91	7.07	3.12	3.95	3.84	2.00	3.91
	STD	2.83	1.71	2.82	0.71	0.84	1.20	0.35	0.79
	CV	56.62	43.75	39.87	22.66	21.27	31.26	17.55	20.30
QR	AVG	1.94	0.98	3.50	1.53	1.38	1.78	0.91	0.07
	STD	1.18	0.66	1.65	0.40	0.38	0.82	0.20	0.04
	CV	60.98	67.65	47.21	26.20	27.56	46.16	22.53	48.09
AR	AVG	0.73	0.62	1.70	1.26	0.97	1.54	0.46	1.46
	STD	0.38	0.34	1.06	0.32	0.33	0.74	0.15	0.39
	CV	51.24	54.58	62.66	25.72	33.45	47.90	32.65	26.41

INV TO CA	AVG	0.62	0.77	0.51	0.51	0.65	0.55	0.54	0.55
	STD	0.06	0.10	0.10	0.06	0.07	0.10	0.09	0.08
	CV	9.83	13.25	20.35	12.54	11.52	17.63	17.23	14.55
CP TO CL	AVG	1.31	1.06	1.79	0.73	0.39	0.49	0.55	0.78
	STD	0.74	0.52	0.53	0.21	0.17	0.28	0.13	0.25
	CV	56.76	49.08	29.41	28.88	43.09	57.48	24.04	31.91
LTD TO TA	AVG	0.49	0.28	0.61	0.28	0.48	0.45	0.17	0.37
	STD	0.14	0.16	0.15	0.09	0.11	0.05	0.18	0.09
	CV	29.07	57.27	24.14	32.90	23.22	11.25	108.12	23.20
LTD TO NW	AVG	1.44	0.58	2.32	0.55	1.43	1.32	0.41	0.85
	STD	0.59	0.42	1.07	0.25	0.63	0.47	0.47	0.32
	CV	41.14	72.95	46.14	45.41	44.02	35.97	114.04	37.48
LTD TO LTL	AVG	0.56	0.32	0.66	0.34	0.56	0.55	0.22	0.44
	STD	0.14	0.18	0.13	0.10	0.13	0.09	0.23	0.10
	CV	24.46	55.94	19.55	29.58	23.37	15.41	103.34	22.53
SAL TO TA	AVG	0.90	0.91	1.37	1.11	1.02	0.38	1.21	1.33
	STD	0.20	0.28	0.26	0.08	0.13	0.15	0.30	0.17
	CV	21.83	31.16	18.82	7.08	12.38	40.47	24.49	13.10
SAL TO INV	AVG	3.15	2.49	6.31	4.42	3.23	1.23	4.81	3.98
	STD	0.84	0.85	2.31	1.13	0.68	0.77	1.49	1.13
	CV	26.57	33.98	36.66	25.50	21.22	62.27	31.01	28.31
SAL TO DRS	AVG	9.35	76.60	12.81	28.35	22.65	18.48	12.03	32.49
	STD	3.37	98.79	4.98	8.63	10.49	13.38	4.55	12.25
	CV	36.01	128.97	38.91	30.44	46.33	72.41	37.85	37.71
GP TO SAL	AVG	0.16	0.16	0.10	0.12	0.05	0.25	0.11	0.10
	STD	0.05	0.05	0.03	0.02	0.02	0.11	0.05	0.02
	CV	33.23	33.04	25.98	17.13	35.07	45.07	45.16	21.40
OP TO SAL	AVG	0.23	0.21	0.15	0.16	0.13	0.62	0.17	0.14
	STD	0.05	0.06	0.03	0.02	0.02	0.32	0.04	0.02
	CV	21.66	28.98	20.51	10.72	16.94	50.79	25.97	15.24
SAL TO NFA	AVG	1.40	1.53	2.19	2.05	1.70	0.79	1.87	2.59
	STD	0.38	0.61	0.26	0.21	0.18	0.22	0.48	0.37
	CV	27.40	39.95	11.66	10.18	10.70	27.82	25.69	14.45

Table-2 Ratio Analysis of Selected Textile Companies in Coimbatore District

		AMAR	**AMBI**	**GAN**	**PRE**	**PRI**	**SHI**	**SSAL**	**SSPI**
CP TO TD	**AVG**	0.21	0.35	0.19	0.27	0.09	0.12	0.39	0.14
	STD	0.10	0.19	0.10	0.06	0.05	0.04	0.23	0.02
	CV	45.98	55.44	51.53	21.48	58.95	28.89	59.39	16.55
	AVG	0.14	0.14	0.14	0.13	0.05	0.08	0.14	0.14

GP TO TA	**STD**	0.05	0.04	0.06	0.02	0.02	0.02	0.07	0.02
	CV	33.49	27.64	40.42	17.04	35.40	20.25	51.12	16.55
WC TO TA	**AVG**	0.34	0.33	0.37	0.35	0.37	0.46	0.25	0.46
	STD	0.05	0.07	0.10	0.08	0.04	0.06	0.06	0.05
	CV	14.72	21.22	26.26	22.12	11.35	12.83	23.20	11.27
NP TO WC	**AVG**	0.19	0.28	0.22	0.12	0.06	0.05	0.17	0.11
	STD	0.16	0.07	0.21	0.06	0.07	0.05	0.17	0.04
	CV	84.15	23.55	95.57	45.30	113.57	95.34	96.72	35.73
LTD TO WC	**AVG**	1.49	0.90	1.69	0.86	1.32	0.99	0.80	0.81
	STD	0.52	0.58	0.22	0.32	0.31	0.16	1.02	0.21
	CV	35.25	64.80	12.78	37.67	23.79	16.20	127.09	25.70
CA TO TA	**AVG**	0.47	0.49	0.45	0.52	0.50	0.65	0.49	0.63
	STD	0.11	0.10	0.07	0.09	0.05	0.09	0.14	0.10
	CV	22.58	20.02	16.43	17.65	10.31	14.23	28.86	16.30
SAL TO WC	**AVG**	2.67	2.75	4.19	3.36	2.81	0.84	4.97	2.91
	STD	0.60	0.84	2.00	0.77	0.51	0.34	1.13	0.46
	CV	22.66	30.48	47.65	23.00	18.19	40.17	22.82	15.94
EBIT TO TA	**AVG**	0.13	0.14	0.15	0.09	0.10	0.14	0.12	0.12
	STD	0.05	0.04	0.07	0.02	0.02	0.04	0.07	0.02
	CV	41.01	27.15	50.29	28.14	22.02	28.33	61.76	19.83
PBT TO TA	**AVG**	0.07	0.10	0.08	0.04	0.02	0.03	0.05	0.06
	STD	0.05	0.04	0.06	0.02	0.02	0.02	0.08	0.03
	CV	76.52	38.79	70.52	45.47	90.86	73.71	152.92	38.92
EBIT TO CE	**AVG**	0.16	0.17	0.16	0.10	0.11	0.18	0.16	0.15
	STD	0.09	0.06	0.10	0.03	0.03	0.06	0.10	0.03
	CV	57.04	35.60	59.32	30.30	22.64	34.34	64.99	21.17

The average Sales to inventory ratio was highest by 6.31 in Gangotri Textile Limited and lowest by 1.23 in Shiva Texyarn Limited. The variation was highest by 62. 27 per cent in Shiva Texyarn Limited and lowest by 21.22 per cent in Prime Textile Limited.

The average Sales to Debtors ratio was highest by 76.60 in Ambika Textile Limited and lowest by 9.35 in Amarjothi Textile Limited. The variation was highest by 128.97 per cent in Ambika Textile Limited and lowest by 30.44 per cent in Precot Mills Limited.

The average Gross Profit to Sales ratio was highest by 0.25 in Shiva Texyarn Limited and lowest by 0.05 in Prime Textile Limited. The variation was highest by

45.16 per cent in Super Sales India Limited and lowest by 17.13 per cent in Precot Mills Limited.

The average Operating Profit to Sales ratio was highest by 0.62 in Shiva Texyarn Limited and lowest by 0.13 in Prime Textile Limited. The variation was highest by 50.79 per cent in Shiva Texyarn Limited and lowest by 10.72 per cent in Prime Textile Limited.

The average Sales to Net Fixed Assets ratio was highest by 2.59 in Super Spinning Mills Limited and lowest by 0.79 in Shiva Texyarn Limited. The variation was highest by 39.95 per cent in Ambika Texyarn Limited and lowest by 10.18 per cent in Precot Mills Limited.

The average Cash Profit to Total Assets ratio was highest by 0.134 in Super Sales India Limited and lowest by 0.05 in Prime Textile Limited. The variation was highest by 39.73 per cent in Prime Textile Limited and lowest by 12.42 per cent in Precot Mills Limited.

The average Cash Profit to Total Debt ratio was highest by 0.39 in Super Sales India Limited and lowest by 0.09 in Prime Textile Limited. The variation was highest by 58.95 per cent in Prime Textile Limited and lowest by 16.55 per cent in Prime Textile Limited.

The average Gross Profit to Total Assets ratio was highest by 0.142 in Gangotri Textile Limited and lowest by 0.05 in Prime Textile Limited. The variation was highest by 51.12 per cent in Super Sales India Limited and lowest by 16.55 per cent in Super Spinning Mills Limited.

The average Working Capital to Total Assets ratio was highest by 0.46 in Shiva Texyarn Limited and lowest by 0.25 in Super Sales India Limited. The variation was highest by 26.26 per cent in Gangotri Textile Limited and lowest by 11.27 per cent in Super Spinning Mills Limited.

The average Net Profit to Working Capital ratio was highest by 0.28 in Ambika Cotton Mills Limited and lowest by 0.05 in Shiva Texyarn Limited. The variation was highest by 113.57 per cent in Prime Textile Limited and lowest by 23.55 per cent in Ambika Cotton Mills Limited.

The average Long Term Debt to Working Capital ratio was highest by 1.69 in Gangotri Textile Limited and lowest by 0.80 in Super Sales India Limited. The variation was highest by 127.09 per cent in Super Sales India Limited and lowest by 12.78 per cent in Gangotri Textile Limited.

The average Current Assets to Total Assets ratio was highest by 0.65 in Shiva Texyarn Limited and lowest by 0.45 in Gangotri Textile Limited. The variation was highest by 28.86 per cent in Super Sales India Limited and lowest by 10.31 per cent in Prime Textile Limited.

The average Sales to Working Capital ratio was highest by 4.97 in Super Sales India Limited and lowest by 0.84 in Shiva Texyarn Limited. The variation was highest by 47.65 per cent in Gangotri Textile Limited and lowest by 15.94 per cent in Super Spinning Mills Limited.

The average Earning before interest and tax to Total Assets ratio was highest by 0.15 in Gangotri Textile Limited and lowest by 0.09 in Precot Mills Limited. The variation was highest by 61.76 per cent in Super Sales India Limited and lowest by 19.83 per cent in Super Spinning Mills Limited.

The average Profit before tax to Total Assets ratio was highest by 0.10 in Ambika Textile Limited and lowest by 0.02 in Prime Textile Limited. The variation was highest by 152.92 per cent in Super Sales India Limited and lowest by 38.79 per cent in Ambika Textile Mills Limited.

The average Earning before interest and tax to Capital employed ratio was highest by 0.18 in Shiva Texyarn Limited and lowest by 0.10 in Precot Mills Limited. The variation was highest by 64.99 per cent in Super Sales India Limited and lowest by 21.17 per cent in Super Spinning Mills Limited.

Annual Compound Growth Rate

In this study an attempt has been made to measure of growth of the textile industry during the study period for 11 years between 1995-06 to 2005-06. CGR has been calculated for the following

- Net Sales
- Net Profit
- Operating Profit
- Networth
- Fixed Assets
- Current Assets
- Total Debt

The following formula were used to compute the Annual Compound Growth Rate

$$R=n\ ((\sqrt{\ }(P_n/P_o)-1)*100$$

R = Compound Annual Growth Rate
n = Number of Years
P_n = Value of current year
P_o = Value of base year

Table 3 Annual Compound Growth Rate of Selected Textile Companies in Coimbatore District

(In Percentage)

	Net sales	Net Profit	Operating Profit	Networth	Fixed Assets	Current Assets	Total Debt
AMAR	21.44	22.56	19.83	13.88	23.80	20.32	25.73
AMBI	13.50	17.13	20.35	15.83	27.01	22.38	35.65
GAN	16.53	-0.57	11.20	12.02	17.30	25.57	26.58
PRC	5.07	1.63	5.09	2.87	7.64	2.91	9.25
PRI	7.50	-7.75	7.95	-0.18	7.86	10.53	14.86
SHI	16.30	9.29	-1.22	11.01	10.72	0.01	0.36
SSA	9.23	16.94	11.26	-0.15	7.96	12.23	21.82
SSP	11.70	12.84	11.38	5.79	11.22	14.70	18.03

The annual compound growth rate of Net Sales, Amarjothi Spinning Mills Ltd shows the highest growth of 21.44 per cent followed by Gangotri Spinning Mills Ltd has a growth rate of 16.53 per cent. The Precot Mills Ltd has the lowest annual compound growth rate of 5.07 per cent. This has been due to the Sales turnover was decreased during the years 2001-02 and 2005-06.

The annual compound growth rate of net profit, Amarjothi Spinning Mills Ltd shows the highest growth of 22.56 per cent followed by Ambika Cotton Mills Ltd has a growth rate of 17.13 per cent. The Prime Textile Ltd has the lowest annual compound growth rate of -7.75 per cent. This has been due to the net loss arising during the years 1998-99 and 2005-06.

The annual compound growth rate of operating profit, Ambika Cotton Mills Ltd shows the highest growth of 20.35 per cent followed by Amarjothi Spinning Mills Ltd has a growth rate of 19.83 per cent. The Shiva Texyarn Ltd has the lowest annual compound growth rate of -1.22 per cent. This has been due to operating profit was decreased during the years 1998-99, 1999-2000, 2002-03 and 2003-04.

The annual compound growth rate of Net Worth, Ambika Cotton Mills Ltd shows the highest growth of 15.83 per cent followed by Amarjothi Spinning Mills Ltd has a growth rate of 13.88 per cent. The Prime Textiles Ltd has the Lowest Annual Compound growth rate of -0.18 per cent. This has been due to decreased in Networth during the years 1998-99, 2000-01, 2001-02 and 2003-04.

The annual compound growth rate of fixed assets, Ambika Cotton Mills Ltd shows the highest growth of 27.01 per cent followed by Amarjothi Spinning Mills Ltd has the lowest annual compound growth rate of 7.64 per cent. This has been due to fixed assets was slowly increased during the years 1999-2000 and 2001-02.

The annual compound growth rate of current assets, Gangotri Textiles Ltd shows the highest growth of 25.57 per cent followed by Ambika Textiles Ltd has a growth rate of 22.38 per cent. The Shiva Texyarn Ltd has the lowest annual compound growth rate of 0.01 per cent. This has been due to current assets was continuously decreased during the years 1999-2000 to 2005-06.

The annual compound growth rate of total debt, Ambika Cotton Textiles Ltd shows the highest growth of 35.65 per cent followed by Gangotri Textiles Ltd has a growth rate of 26.58 per cent. The Shiva Texyarn Ltd has the lowest annual compound growth rate of 0.36 per cent. This has been due to total debt was decreased during the years 1999-2000, 2000-01, 2002-03, 2003-04 and 2005-06.

Trend Analysis Under The Method Of Least Square

The method of least square is most widely used in practice to predict the future trend. This method may be used either to fit a straight line trend or a parabolic trend. The straight line trend is presented by the equation

$$Yc=a+bx, \text{ where } a=\Sigma y/N \qquad b=\Sigma xy / \Sigma x^2$$

Yc=Trend Value, a=Constant, N=Number of Years, b= rate of change
x=unit of time

Table 4 Trend Analysis - Using Method of Least Square for Prediction for the year 2010

(Rs in Crore)

	Net Sales	Net Profit	Working Capital	Inventories	Raw materials
AMAR	107.74	8.29	41.68	37.84	61.21
AMBI	135.58	20.08	72.69	106.34	72.13
GAN	258.06	4.39	109.81	50.63	162.35
PRE	293.28	8.71	75.16	72.96	126.78
PRI	153.88	0.22	67.64	53.65	85.77
SHI	149.88	9.61	91.84	37.52	88.67
SSA	97.61	7.27	22.54	27.94	40.53
SSP	503.13	21.24	203.82	64.69	263.24

The trend movement for the year 2010 the Net Sales will be highest in Super Sales Spinning Mills Limited by Rs.503.13 crores and followed by Precot Mills Limited will be Rs.293.28 crores. The Net Sales will be lowest in Super Sales India Limited by Rs.97.61 crores.

The trend movement for the year 2010 the Net Profit will be highest in Super Sales Spinning Mills Limited by Rs.21.24 crores and followed by Ambika Cotton Mills Limited will be Rs.20.08 crores. The Net Profit will be lowest in Prime Textile Limited by Rs.0.22 crores.

The trend movement for the year 2010 the Working Capital will be highest in Super Sales Spinning Mills Limited by Rs.203.82 crores and followed by Gangotri Textile Limited will be Rs.108.81 crores. The Working Capital will be lowest in Super Sales India Limited by Rs.22.54 crores.

The trend movement for the year 2010 the Inventories will be highest in Ambika Cotton Mills Limited by Rs.106.34 crores and followed by Precot Mills Limited will be Rs.72.96 crores. The Inventories will be lowest in Super Sales India Limited by Rs.27.94 crores.

The trend movement for the year 2010 the Raw Materials will be highest in Super Sales Spinning Mills Limited by Rs.263.24 crores and followed by Gangotri Textile Limited will be Rs.162.35 crores. The Raw Materials will be lowest in Super Sales India Limited by Rs.40.53 crores.

CONCLUSION

Finance is the life blood of every organisation. The Indian textile industry has an overwhelming presence in the economic life of the country. In the selected textile companies, Gangotri textile limited performance was satisfactory and the remaining companies' performance was moderate. The present business world has more competitive because world like a global village. So the companies' objectives not only earn high profit and also run the business with social or moral obligation and maximum utilisation of ideal resources properly.

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