AN ANALYTICAL STUDY OF SELECTED TEXTILE COMPANIES

AAYESHA NAAZ, GOURANGA SAHA, ANKIT KUMAR & KRISHNA SAHU
Under the supervision of **Mrs. NISHTHA SHARMA** Assistant Professor

Department of Commerce and Management
Kalinga University Naya Raipur, Chhattisgarh

ABSTRACT

The paper is based on Analytical study of selected Textile Companies. Ratio analysis tool is used for this purpose. The study uses earnings ratios, profitability ratios and liquidity ratios for analyzing the financial performance of the Textile companies. The study period is from 2017-2018 to 2021-2022. The researcher also makes use of statistical tools such as mean, graphs and standard deviation to study the growth and deviation in stability of various ratios.

Drawing upon a combination of quantitative data analysis and qualitative research methods, this study examines key aspects such as market dynamics, technological advancements, supply chain complexities, and sustainability initiatives within the chosen textile sectors. By analyzing industry-specific metrics and case studies, this research offers insights into the factors shaping the competitive landscape and driving innovation.

Furthermore, this paper delves into the challenges confronting the textile industry, including labor issues, environmental concerns, and geopolitical uncertainties, and evaluates strategies adopted by industry stakeholders to address these challenges. Through a systematic examination of current practices and future prospects, this study aims to provide a comprehensive understanding of the contemporary textile industry landscape.

Ultimately, this research contributes to the body of knowledge surrounding the textile industry by synthesizing empirical evidence and theoretical frameworks, thereby informing policymakers, industry practitioners, and academics about the opportunities and challenges inherent in this dynamic sector.

INTRODUCTION

The production and export of textiles are important to the Indian textile sector. It is essential to the nation's economy as well. India exports textiles for around 30% of its overall foreign exchange earnings. Additionally, about 14% of India's overall industrial production is contributed by the textile industry. Additionally, it makes up around 3% of the nation's industry's Gross Domestic Product (GDP). More than 35 million people today have employment prospects thanks to India's textile industry, which is also the largest employer in the nation. According to a survey by Technopak, the Indian textile and apparel market is anticipated to increase in size to US$ 223 billion by 2021.

Nearly 24% of the global spindle capacity and 8% of the global rotor capacity are accounted for by this industry. On the other hand, the production of woven goods will stay constant in the major developed nations. Materials for shirts, jeans, sportswear, skirts, dresses, protective garments, and other types of apparel are created by the weaving process. These fabrics are also utilised for non-apparel purposes such as technological, automotive, and medicinal applications.

The second-largest manufacturer of textiles and apparel in the world is India. The demand for textile and apparel producers is increasing due to rising per capita income, favourable demographics, and a preference for branded goods. India's textile market, which was estimated to be worth $150 billion in November 2017, is anticipated to rise to $223 billion by 2021, with a CAGR of 12.2% from 2009 to 2021. By 2024–2025, the new textile program hopes to export textiles worth $300 billion and generate 35 million new jobs.

Problem of Statement :-

One of the most fundamental requirements of people is being met by industries in order to maintain steady growth and raise living standards. It occupies a distinctive position as an industry that is self-sufficient from the manufacturing of raw materials to the delivery of completed goods, adding significant value at each stage of the process. It has a significant economic impact on the nation. Numerous issues currently plaguing the textile industry include a lack of power, a lack of working capital, a shortage of raw materials, outdated technology, under-utilization of capacity, a labour shortage, an inability to meet interest payment obligations, a lack of sound infrastructure support, a high cost of production, poor profitability, and managerial incompetence. These elements ultimately have a negative effect on the total financial performance of an industry, which includes growth rate, trend value, and efficiency, is a crucial indicator of its development. In order to examine the financial performance of the textiles industry, this study did so.

OBJECTIVES OF STUDY

To study the growth of top three textile industries in India.

TOOLS AND TECHNIQUES OF ANALYSIS

The collected data have been suitably re-arranged, classified and tabulated as per the requirementof the study and the following techniques have been applied:

A. **Accounting Ratios:** Three financial years' worth of accounting ratios, including the current ratio, quick ratio, inventory turnover ratio, operational profit ratio, and net profit ratio, have been determined. Analysts can evaluate the development of a company by comparing recent performance to historical performance utilising ratios.

B. **Statistical Tools:**

- The arithmetic mean, standard deviation, and coefficient of variation have all been calculated to make analysis easier.
- Analysis is the most important component of any research since it is the most dependable   approach to test the investigator's theory. The examination of secondary data obtained from published annual reports of the

chosen textile companies in Tamil Nadu with reference to Coimbatore is the focus of this essay. Utilizing several statistical methods, including descriptive statistics (such as mean, standard error, standard deviation, median, mode, sample variance, maximum, minimum, range, count, and confidence level - 95%), the obtained data has been coded, tabulated, and analysed.

LITERATURE REVIEW

According to Marimuthu (2012) in his paper "Financial performance of Textile industry: A study of listed business of Tamil Nadu" and its explorations. Erode, often known as the "Tex -City" or "Loom-City of India," accounts for 76% of India's total textile market, while Tirupur, 56%, produces knitwear for export.

Each company might make investments based on how well it is performing right now in comparison to the previous year or to other businesses. The performance & return of firm reports influence decisions on new investment, changes in working capital, and changes in liquidity position. Money is crucial for the day-to-day operations of the company, and this article discusses how to use it and how to prevent investment losses. Losses from investments also occur due to inadequate management. Analysis of the textile industry's performance in the chosen Tamil Nadu enterprises is the paper's main goal. Additionally, descriptive statistics and ANOVA were utilised to analyse the data from the CMIE. The investigation found that of the five companies, KPR Mill Ltd. and Rajapalayam Mills Ltd. had the two best financial positions.

According to Indhumathi, et al. (2013) attempted to determine the profitability and financial condition of chosen textile companies in their study "A study on financial performance of selected textile companies in India" from the years 2001 to 2010. The profitability ratio and total financial status were employed as study tools. They discovered that the selected textile companies' overall financial performance was unstable. This varies. Long-term financing must be utilised in order to improve the financial condition. The businesses should make an effort to utilise their operating resources effectively and reduce non-operating costs.

According to Subha et al. (2014) In their study "Financial performance of the textile industry in Tamil Nadu with particular reference to Coimbatore" from the years 2004 to 2013. The study's goal is to examine the profitability of a few Coimbatore textile enterprises. Ratios, balance sheets of a common size, and comparative balance sheets were employed as learning tools. They came to the conclusion that while Ambika Cotton Mills Ltd., Bannari Amman Spinning Mills Ltd., and KG Denim Ltd. had acceptable financial performance, Gangotri Textile Ltd. and Lakshmi Mills Ltd.'s was less than adequate due to unfavourable factors.

RESEARCH METHODOLOGY

The analytical research methodology used in this study is based on quantitative data. Secondary data from the published annual reports of the chosen textile companies in Tamilnadu with reference to Coimbatore served as the study's primary source of data. The data regarding the theoretical background has been gathered from books, journals, periodicals, and websites. The current study analyses the financial statements of five textile companies in Tamil Nadu, including Ambika Cotton Mills Limited, Bannari Amman Spinning Mills Limited, Gangotri Textiles Limited, KG Denim Limited, and Lakshmi Mills Company Limited, for five years in a row. The study's year ranges from 2015 to 2019. Data accessibility is the basis for the selection rationale. The exploratory technique has been used for this because it makes it possible to study any issue with a viable hypothesis and is crucial for idea clarification.

The research is supported by secondary data. Secondary data has been gathered from a variety of sources, including research papers, reports released by IBEF, and annual reports of the sample unit. To augment the data, numerous publications, including books, journals, and websites linked to the textile business, have been used.

Arvind Limited

Table 1 showing selected ratios of Arvind Limited From the 2018 to 2022

Profitability Ratio	Years								Corelation to Debt Equity Ratio
	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22	Mean	Standard Deviation	Covariance	
Operating Profit Margin (%)	9.74	9.83	10.34	10.25	10.08	10.05	0.26	0.03	-0.51
Gross Profit Margin(%)	6.49	6.57	6.75	5.03	7.21	6.41	0.82	0.13	0.21
Net Profit Margin(%)	3.89	3.09	2.55	2.04	0.790	2.47	1.16	0.47	0.79
Return On Capital Employed(%)	8.79	9.90	10.58	6.20	12.76	9.65	2.41	0.25	-0.01
Return On Net Worth(%)	7.91	7.08	6.00	3.15	1.96	5.22	2.56	0.49	0.90
Return on Long Term Funds(%)	12.50	13.92	13.67	7.14	16.08	12.66	3.35	0.26	0.22
Debt Equity Ratio	0.77	0.89	0.76	0.60	0.57	0.72	0.13	0.18	
Mean	8.22	8.40	8.32	5.64	8.15	7.74	1.18	0.15	
Standard Deviation	2.93	3.69	3.97	2.94	6.02	3.91	1.27	0.32	
Covariance	0.36	0.44	0.48	0.52	0.74	0.51	0.14	0.28	

Chart 1 showing selected ratios of Arvind Limited From the 2018 to 2022

Legend: Operating Profit Margin(%), Gross Profit Margin(%), Net Profit Margin(%), Return On Capital Employed(%), Return On Net Worth(%), Return on Long Term Funds(%), Debt Equity Ratio
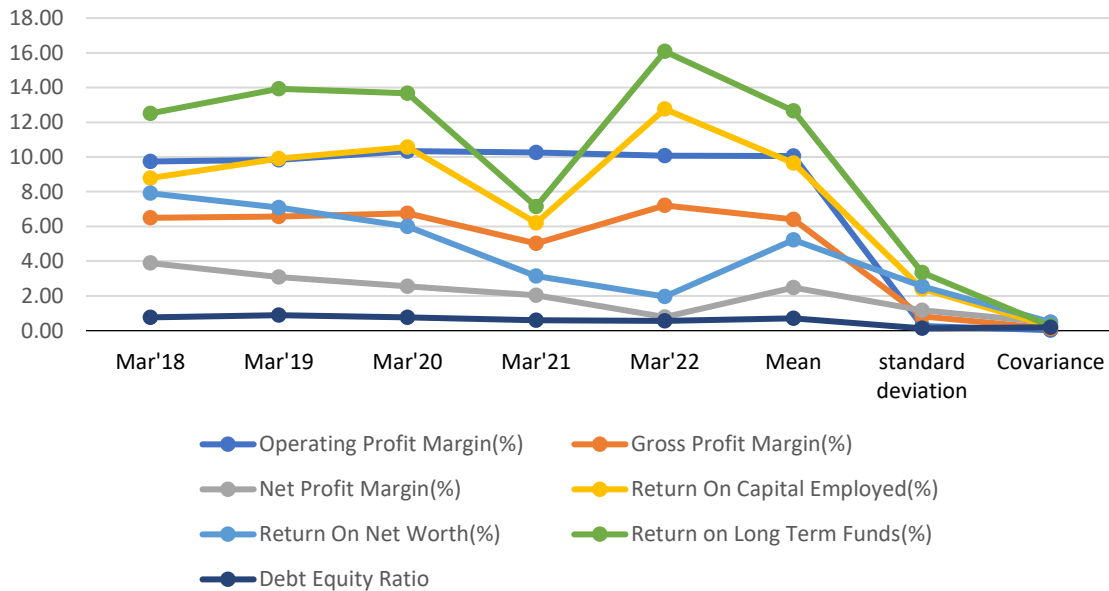
Chart 2 showing selected yearwise data of Arvind Limited For Variouse Ratios

Legend: Mar'18, Mar'19, Mar'20, Mar'21, Mar'22
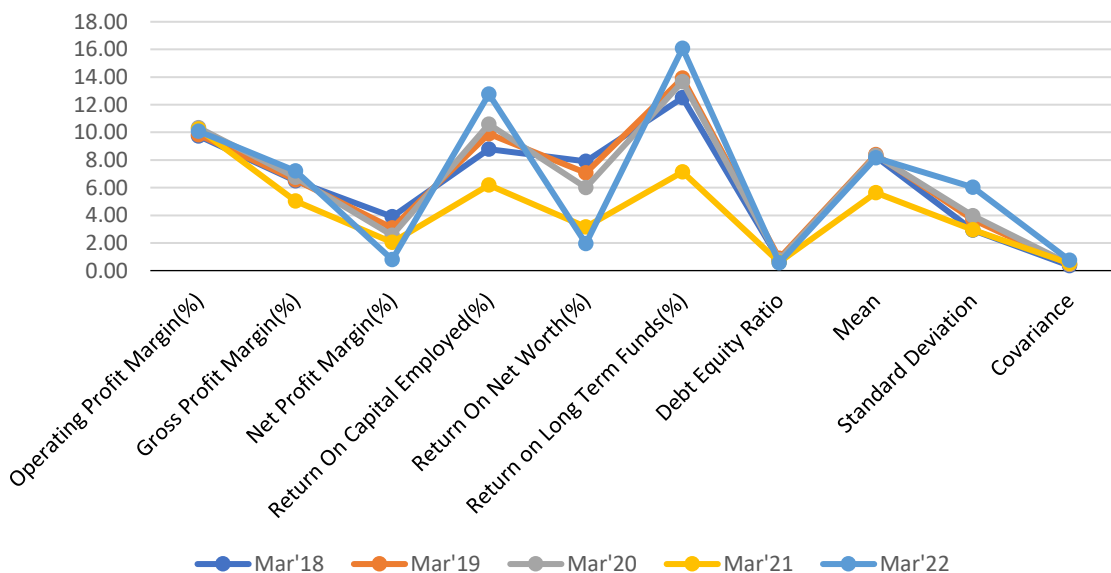
Using Table 1 and Graph 1 & 2 for Arvind limited we make following Inferences:-

Operating Profit Ratio :- We find that the ratio shows an increasing trend over the years especially in the current 3 years. Also, the standard deviation is low therefore the Covariance for this ratio is lowest among all other ratios for the company. This means that the ratio is constantly showing a regular growth over the study period. We find that the Correlation with debt equity is -0.51 which Is medium negative corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register an increase to a moderate level.

Gross Profit Ratio:- We find that the ratio shows an increasing trend over the years it shows a decline only in one year that is 2021. Also, the standard deviation is 2nd lowest therefore the Covariance for this ratio is 2nd lowest among all other ratios for the company. This means that the ratio is constantly showing a regular growth over the study period. We find that the Correlation with debt equity is 0.21 which Is low positive corelation between the two.

Net Profit Ratio :- We find that the ratio shows a declining trend over the years it shows a decline in current 2 years as compared to mean. Also, the standard deviation is 2nd highest due to 2nd lowest mean among all the ratios for the company. Therefore, the Covariance for this ratio is 2nd highest among all other ratios for the company. This means that the ratio is constantly showing a high irregular decline over the study period. We find that the Correlation with debt equity is 0.79 which Is highly positive corelation between the two.

Return on Capital Employed Ratio :- We find that the ratio shows an increasing trend over the years it shows a decline only in 2 year that is 2018 and 2021 as compared to average of the ratio. Also, the standard deviation is 3rd highest but due to one of the highest mean the covariance is 4th lowest among all other ratios for the company. This means that the ratio is constantly showing a regular high returns over the study period. We find that the Correlation with debt equity is -0.01 which Is medium negative corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register a increase to a moderate level.

Return on Net Worth Ratio :- We find that the ratio shows a declining trend over the years it shows a decline in current 2 years as compared to mean. Also, the standard deviation is highest due to 3rd lowest mean among all the ratios for the company. Therefore, the Covariance for this ratio is highest among all other ratios for the company. This means that the ratio is constantly showing a highly irregular decline over the study period. We find that the Correlation with debt equity is 0.90 which Is high positive corelation between the two.

Return on Long Term Funds Ratio :- We find that the ratio shows an increasing trend over the years it shows a decline only in one year that is 2021. Also the standard deviation is highest but due to the highest average among the ratios the covariance is 3rd highest. This means that the ratio is constantly showing an irregular growth over the last two years of study period. We find that the Correlation with debt equity is 0.22 which Is low positive corelation between the two.

Debt Equity Ratio:- We find that the ratio shows a declining trend over the years it shows a decline in current 2 years as compared to mean. Also, the standard deviation is lowest due to lowest mean among all the ratios for the company. Therefore, the Covariance for this ratio is 3rd lowest among all other ratios for the company. This means that the ratio is constantly showing a highly decline over the study period. We find that the Correlation with debt equity is 1 which Is high positive corelation between the two.

Vardhman Limited

Table 2 showing selected ratios of Vardhman Limited From the 2018 to 2022

Profitability Ratio	Years					Mean	Standard Deviation	Covariance	Corelation to Debt Equity Ratio
	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22				
Operating Profit Margin (%)	14.67	17.63	13.95	12.77	24.1	16.62	4.55	0.27	-0.56
Gross Profit Margin(%)	10.76	13.87	8.9	6.72	20.24	12.10	5.25	0.43	-0.44
Net Profit Margin(%)	9.32	10.84	8.62	6.05	17.87	10.54	4.45	0.42	-0.50
Return On Capital Employed(%)	12.28	15.43	9.6	7.34	24	13.73	6.49	0.47	-0.45
Return On Net Worth(%)	11.78	13.28	9.65	5.82	22.26	12.56	6.11	0.49	-0.42
Return on Long Term Funds(%)	13.98	17.56	10.63	7.91	27.02	15.42	7.43	0.48	-0.43
Debt Equity Ratio	0.43	0.37	0.35	0.31	0.26	0.34	0.06	0.19	1
Mean	10.46	12.71	8.81	6.70	19.39	11.62	4.87	0.42	
Standard Deviation	4.78	5.95	4.14	3.67	8.93	5.49	2.11	0.38	
Covariance	0.46	0.47	0.47	0.55	0.46	0.48	0.04	0.08	

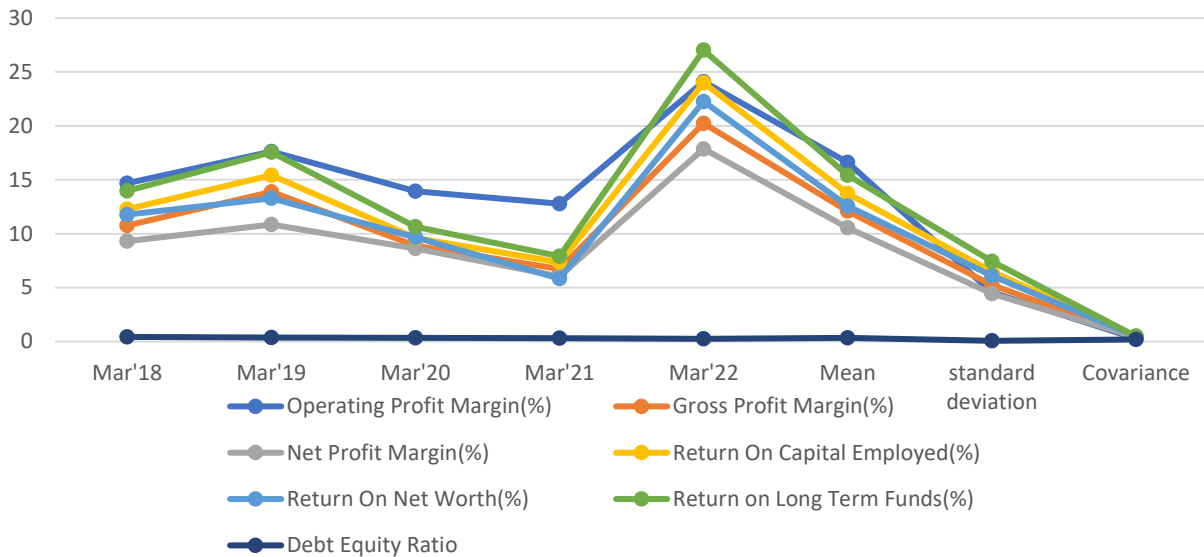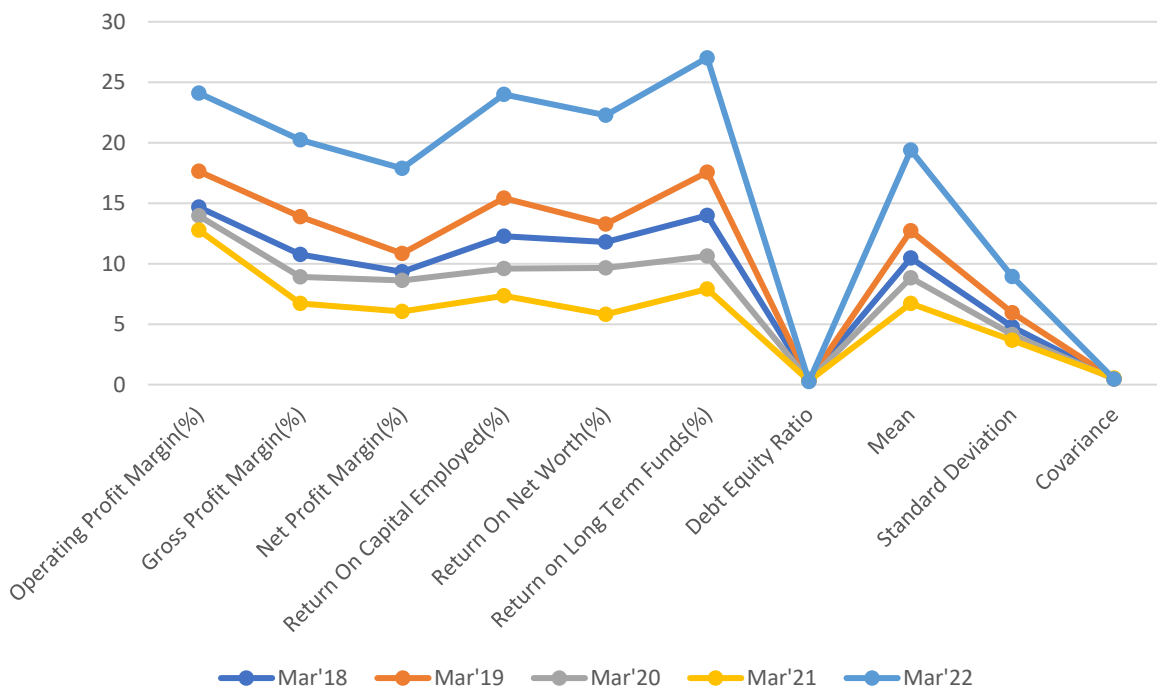Chart 3 showing selected ratios of Vardhman Limited From the 2018 to 2022

Chart 4 showing selected yearwise data of Vardhman Limited For Variouse Ratios

Using Table 2 and Graph 3 & 4 for Vardhman limited we make following Inferences :-

Operating Profit Ratio :- We find that the ratio shows a declining trend over the years especially in 2018, 2020 &2021 . Also, the standard deviation is 3rd lowest therefore the Covariance for this ratio is 2nd lowest among all other ratios for the company. Also, the ratio is constantly showing an irregular growth over the study period. We find that the Correlation with debt equity is -0.56 which Is medium negative corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register a increase to a moderate level.

Gross Profit Ratio:- We find that the ratio shows a declining trend over the years especially in 2018, 2020 &2021 as compared to the Average ratio. The standard deviation is 4th highest and therefore the Covariance for this ratio is 4th highest among all other ratios for the company. Also, the ratio is constantly showing an irregular growth over the study period. Also, we find that the Correlation with debt equity is -0.44 which Is medium negative corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register an increase to a moderate level.

Net Profit Ratio :- We find that the ratio shows a declining trend over the years. Here the standard deviation is 2nd lowest and the Covariance for this ratio is 3rd lowest among all other ratios for the company. Also, the ratio is constantly showing a highly irregular growth over the study period. We find that the Correlation with debt equity is -0.50 which Is medium negative corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register a increase to a moderate level.

Return on Capital Employed Ratio:- Here we find that the ratio shows a declining trend over the years. Here the standard deviation is 2nd highest due to 3rd highest mean among all the ratios for the company. Also, the Covariance for this ratio is 3rd highest among all other ratios for the company. Also, the ratio is constantly showing a highly irregular decline over the study period. We find that the Correlation with debt equity is -0.45 which Is medium negative corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register an increase to a moderate level.

Return on Net Worth Ratio:- We find that the ratio shows a declining trend over the years as compared to the Average Ratio. The standard deviation shows 3rd highest due to 4th highest mean among all the ratios for the company. Also, the Covariance for this ratio is all time highest among all other ratios for the company. Also, the ratio is showing a highly irregular growth over the study period. We find that the Correlation with debt equity is -0.42 which Is medium negative corelation between the two. Thus with a decline in debt equity ratio the operating profit ratio will register a increase to a moderate level.

Return on Long Term Fund Ratio:- We find that the ratio shows a declining trend over the years as compared to the Average Ratio. The standard deviation shows 3rd highest due to 4th highest mean among all the ratios for the company. Also, the Covariance for this ratio is all time highest among all other ratios for the company. Also, the ratio is showing a highly irregular growth over the study period. We find that the Correlation with debt equity is -0.42 which Is medium negative corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register a increase to a moderate level.

Debt Equity Ratio:- We find that the ratio shows a declining trend over the last current three years. Also the standard deviation shows the lowest ratio therefore the Covariance is all time lowest among all other ratios for the company. Also, the ratio is showing a highly irregular growth over the study period. We find that the Correlation with debt equity is -0.43 which Is medium negative corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register a increase to a moderate level.

Raymond Limited

Table 3 showing selected ratios of Raymond Limited From the 2018 to 2022

Profitability Ratio	Years					Mean	Standard Deviation	Covariance	Corelation to Debt Equity Ratio
	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22				
Operating Profit Margin (%)	6.95	7.25	7.99	-0.02	11.58	6.75	4.21	0.62	0.52
Gross Profit Margin(%)	3.77	3.94	3.12	-8.29	7.83	2.07	6.08	2.93	0.26
Net Profit Margin(%)	3.25	2.25	2.95	-6.76	-9.29	-1.52	6.02	-3.96	0.90
Return On Capital Employed(%)	9.65	10.32	7.34	-0.21	16.64	8.75	6.08	0.69	0.05
Return On Net Worth(%)	7.44	5.39	4.26	-7.09	-21.84	-2.37	12.27	-5.18	0.86
Return on Long Term Funds(%)	13.82	18.82	11.31	-0.23	20.4	12.82	8.17	0.64	0.33
Debt Equity Ratio	0.88	1.08	0.74	0.73	0.95	0.88	0.15	0.17	1
Mean	7.48	8.00	6.16	-3.77	4.22	4.42	4.80	1.09	
Standard Deviation	3.92	5.99	3.30	3.99	16.40	6.72	5.51	0.82	
Covariance	0.52	0.75	0.54	-1.06	3.89	0.93	1.81	1.95	

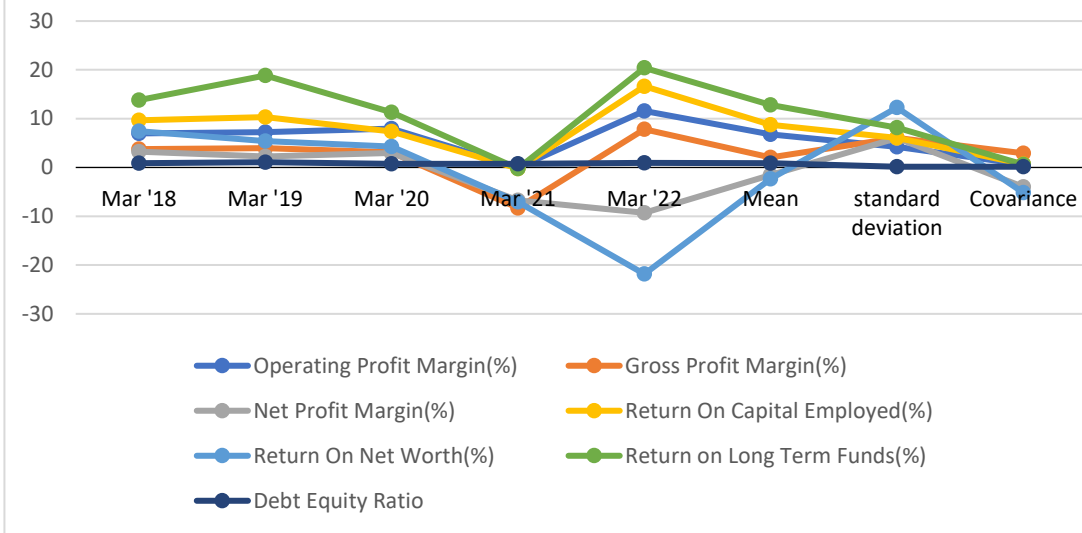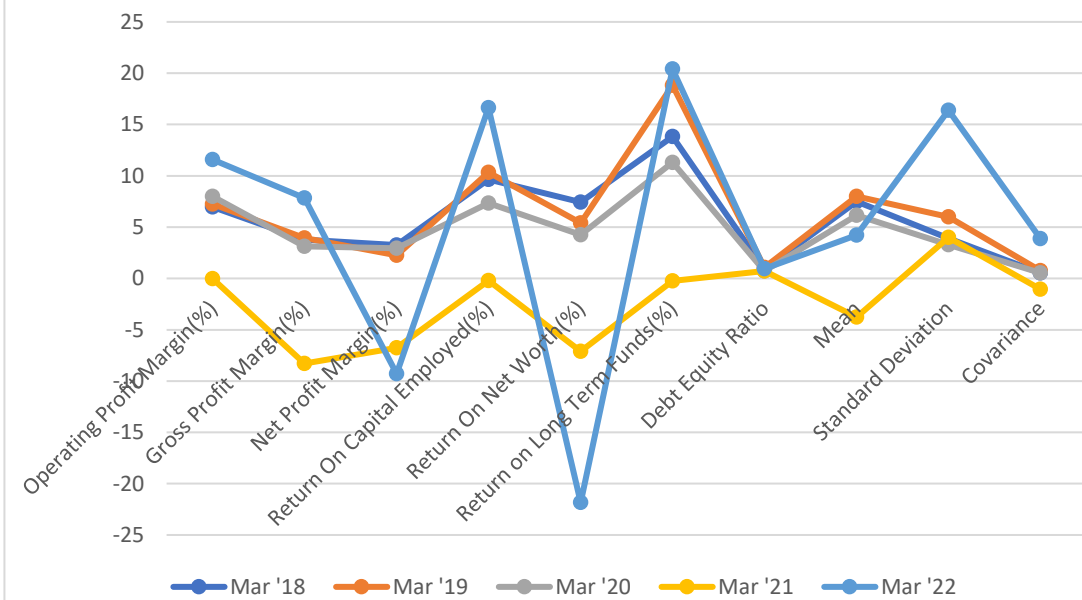Chart 5 showing selected ratios of Raymond Limited From the 2018 to 2022

Chart 6 showing selected yearwise data of Raymond Limited For Variouse Ratios

Using Table 3 and Graph 5 & 6 for Raymond limited we make following Inferences :-

Operating Profit Ratio:- We find that the ratio shows an increasing trend over the years it shows a decline only in one year that is 2021. Also, the standard deviation is 2nd lowest therefore the Covariance for this ratio is 2nd highest among all other ratios for the company. This means that the ratio is constantly showing a regular growth but not in the year 2021 over the study period. We find that the Correlation with debt equity is 0.52 which Is medium positive corelation between the two.

Gross Profit Ratio:- We find that the ratio shows an increasing trend over the years it shows a decline only in one year that is 2021. Also, the standard deviation is 4th lowest therefore the Covariance for this ratio is 3rd highest among all other ratios for the company. This means that the ratio is constantly showing a regular growth over the study period but not in the year 2021. We find that the Correlation with debt equity is 0.26 which Is medium positive corelation between the two.

Net Profit Ratio:- We find that the ratio shows an declining trend over the years and it shows a decline in the current two years. Also, the standard deviation is 3rd lowest as the average of all ratio therefore the Covariance for this ratio is 2nd highest among all other ratios for the company. This means that the ratio is showing a irregular growth over the study period. We find that the Correlation with debt equity is 0.90 which Is high positive corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register an increase to a moderate level.

Return on Capital Employed Ratio:- We find that the ratio shows an declining trend over the years especially in the year 2020 and 2021. Also, the standard deviation is 3rd highest as the average of all ratio therefore the Covariance for this ratio is 3rd lowest among all other ratios for the company. This means that the ratio is showing a irregular growth over the study period. We find that the Correlation with debt equity is 0.05 which Is medium positive corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register an increase to a moderate level.

Return on Net Worth Ratio:- We find that the ratio shows an declining trend over the years especially in the year 2020 and 2021. Also, the standard deviation is 3rd highest as the average of all ratio therefore the Covariance for this ratio is 3rd lowest among all other ratios for the company. This means that the ratio is showing a irregular growth over the study period. We find that the Correlation with debt equity is 0.05 which Is medium positive corelation between the two. Thus, with a decline in debt equity ratio the operating profit ratio will register an increase to a moderate level.

Return on Long Term Funds Ratio:- We find that the ratio shows an increasing trend over the years it shows a decline only in two year that is 2020 & 2021. Also, the standard deviation is 2nd highest as per mean. Therefore, the Covariance for this ratio is 2nd highest among all other ratios for the company. This means that the ratio is constantly showing a irregular growth over the study period. We find that the Correlation with debt equity is 0.86 which Is high positive corelation between the two.

Debt Equity Ratio:- We find that the ratio shows an increasing trend over the years. Also, the standard deviation is lowest as per mean. And therefore, the Covariance for this ratio is also 3rd lowest among all other ratios for the company. This means that the ratio is constantly showing a regular growth over the study period. We find that the Correlation with debt equity is 1 which Is high positive corelation between the two.

INTERCOMPANY

Gross Profit Ratio:-

We find that the Vardhman company has the highest mean ratio at 12.10 % followed by Arvind limited at 6.41% and the last position is held by Raymond limited at 2.07%. Also, in terms of stability the Arvind Limited is highly stable with 0.13 covariance followed by Vardhman limited at 0.43 covariance and the most unstable position is that of Raymond limited at 2.93. Therefore, we can see that from an investors point of view the Vardhman company is earning most consistent high profits with medium covariance followed by Arvind limited and the 3rd position is held by Raymond limited.

Operating Profit Ratio:-

We find that the Vardhman company has the highest mean ratio at 16.62 % followed by Arvind limited at 10.05% and the last position is held by Raymond limited at 6.75%. Also, in terms of stability the Arvind Limited is highly stable 0.03 covariance followed by Vardhman at 0.27 covariance and the most unstable position is that of Raymond limited at 0.6. Therefore, we can see that from an investors point of view the Vardhman company is earning most consistent high profits followed by Arvind limited and the 3rd position is held by Raymond limited.

Net Profit Ratio:

We find that the Vardhman company has the highest mean ratio at 10.54 % followed by Arvind limited at 2.47% and the last position is held by Raymond limited at -1.52%. Also, in terms of stability the Raymond Limited is highly stable -3.96 covariance followed by Vardhman limited at 0.42 covariance and the last position is held by Arvind limited at 0.47. Therefore, we can see that from an investors point of view the Vardhman company is earning most consistent high profits followed by Arvind Limited and the 3rd position is held by Raymond limited with low average among all ratio.

Return On Capital Employed:

We find that the Vardhman company has the highest mean ratio at 13.73 % followed by Arvind limited at 9.65% and the last position is held by Raymond limited at 8.75%. Also in terms of stability the Arvind Limited is highly stable 0.25 covariance followed by Vardhman at 0.47 covariance and the most unstable position is that of Raymond limited at 0.69. Therefore we can see that from an investors point of view the Arvind company is earning most consistent high profits followed by Arvind and the 3rd position is held by Raymond limited.

Returns On Net Worth:

We find that the Vardhman company has the highest mean ratio at 15.42% followed by Raymond limited at 12.82% and the last position is held by Arvind limited at 12.66%. Also, in terms of stability the Arvind Limited is highly stable 0.26 covariance followed by Vardhman at 0.48 covariance and the last position is that of Raymond limited at 0.64. therefore we can see that from an investors point of view the Vardhman company is earning most consistent high profits followed by Arvind limited and the 3rd position is held by Raymond limited.

Debt Equity Ratio:

We find that the Raymond company has the highest mean ratio at 0.88% followed by Arvind limited at 0.72% and the last position is held by Vardhman limited at 0.34%. Also, in terms of stability the Arvind Limited is highly stable 0.26 covariance followed by Vardhman at 0.48 covariance and the most unstable position is that of Raymond limited at 0.64. therefore we can see that from an investors point of view the Vardhman company is earning most consistent high profits followed by Arvind limited and the 3rd position is held by Raymond limited.

FINDINGS

1. We find that all the 3 companies earned gross profit but the instability factors differs greatly therefor we would advise Raymond to not only increase its gross profit margin but also to show a more regular performance with regard to it. We can also deduce that Arvind and Vardhman will earn more gross profit if debt component is reduced in their overall long term capital. However, for Raymond it is advised that a higher debt utilisation will help to raise its gross profit levels. we can also conclude that at manufacturing level the expenses are least for Vardhman limited at 87.90% followed by Arvind limited at 95.49 % and Raymond is at 97.97%.

2. We find that all the 3 companies earned operating profit but the instability factors differed greatly therefore we would advise Raymond to not only increase its operating profit margin but also to show a more regular performance with regard to it. We can also deduce that Arvind and Vardhman will earn more operating profit if debt component is reduced in their overall long term capital. However, for Raymond it is advised that a higher debt utilisation will help to raise its operating profit levels, on analysis we find that excess of other operational income over other operational expenses has contributed to the extent of 4.52% to the operating profit of Vardhman on an average basis for the study period. For Arvind limited we find that it is 3.64% only .In case of Raymond it is 4.58% which is highest among all 3. However since the gross profit of Raymond was very less therefore it is not able to recover its position.

3. We find that all the 3 companies earned net profit but the instability factors different greatly therefor we would advise Raymond to not only increase its net profit margin but also to show a more regular performance with regard to it. We can also deduce that Arvind and Vardhman will earn more net profit if debt component is reduced in their overall long term capital. However, for Arvind it is advised that a higher debt utilisation will help to raise its net profit levels. we find that Vardhman limited showed maximum efficiency with respect to non-operating expenditure as this contributed only to the extent of 6.08 % from operating profit level. Arvind limited came 2nd with 7.58% for non-operating expenses and the worst performer was Raymond limit which registered 8.52% fall as part of Non-operating expenses.

4. We find that all the 3 companies earned Return On Capital but the instability factors different greatly therefor we would advise Raymond to not only increase its Return On Capital margin but also to show a more regular performance with regard to it . we can also deduce that Arvind and Vardhman will earn more Return on capital if debt component is reduced in their overall long term capital. However, for Arvind it is advised that a higher debt utilisation will help to raise its Return on Capital Levels.

5. We find that all the 3 companies earned Return on Net Worth but the instability factors different greatly therefor we would advise Raymond to not only increase its Return on Capital margin but also to show a more regular performance with regard to it. We can also deduce that Arvind and Vardhman will earn more Return on capital if debt component is reduced in their overall long term capital. However, for Vardhman it is advised that a higher debt utilisation will help to raise its Return on Net Worth Levels.

6. We find that all the 3 companies earned Return On Long Term Funds but the instability factors different greatly therefor we would advise Raymond to not only increase its Return On Long term funds margin but also to show a more regular performance with regard to it .we can also deduce that Arvind and Vardhman will earn more Return on capital if debt component is reduced in their overall long term Funds. However, for Vardhman it is advised that a higher debt utilisation will help to raise its Return on long Terms Funds Levels.

SUGGESTION

From the above analysis it can be said that Vardhman textile limited should increase the base of current assets so that it could take benefit of the immediate opportunities . Raymond limited have its huge investment in its inventory. Arvind and Raymond ltd have to focus on the net profit and sales and to improve the profitability position. Both the industries have to increase sales or to reduces the cost. Raymond LTD must improve the efficiency position by maintaining the cost and increasing the sales and both the industries can improve their profitability to satisfy their shareholder and stand in good position in the market.

CONCLUSION

Considering all the facts it can be said that the overall performance of all the companies is satisfactory. these companies are required to work on the few points which will be helpful to them in future. In light of these facts, the ranking of the selected companies in terms of the liquidity will be given as first Vardhman Textile Limited, second to Arvind Limited and the third one is Raymond Limited.

The study concludes that there is significance difference in the performance of all the selected companies in textile industry in terms of their activity position , profitability and managerial efficiency position.

This analytical study of selected segments within the textile industry has provided valuable insights into the multifaceted nature of this dynamic sector. Through rigorous analysis of market trends, technological advancements, supply chain dynamics, and sustainability initiatives, several key conclusions can be drawn.

Firstly, the textile industry continues to evolve rapidly, driven by shifting consumer preferences, technological innovations, and global economic trends. Understanding and adapting to these changes are imperative for industry stakeholders to maintain competitiveness and foster sustainable growth.

Secondly, while the textile industry offers significant opportunities for innovation and expansion, it also faces numerous challenges, including labor issues, environmental concerns, and geopolitical uncertainties. Addressing these challenges requires collaborative efforts from governments, businesses, and civil society to promote responsible practices and mitigate adverse impacts.

Thirdly, sustainability has emerged as a critical focal point within the textile industry, with increasing emphasis on eco-friendly materials, energy-efficient processes, and ethical labor practices. Embracing sustainable practices not only enhances brand reputation but also contributes to long-term profitability and environmental stewardship.

Moreover, technological advancements, such as digitalization, automation, and artificial intelligence, are reshaping the textile industry's landscape, offering new avenues for efficiency improvements, product innovation, and market expansion. Embracing these technologies can enable textile companies to stay ahead of the curve and meet evolving consumer demands.

In conclusion, this research underscores the importance of continuous adaptation, innovation, and sustainability within the textile industry. By leveraging emerging trends, addressing inherent challenges, and embracing responsible practices, industry stakeholders can navigate the complexities of the textile market and unlock new opportunities for

growth and development. Moving forward, collaboration and collective action will be essential to realize the full potential of the textile industry while ensuring a more sustainable and inclusive future for all.

REFERENCE

1. Brown, C., & White, L. (Year). The Global Textile Industry: Trends and Challenges. *International Journal of Textile Studies*, 10(2), 89-102.

2. Garcia, M. S., & Patel, R. K. (Year). Sustainability Practices in the Textile Industry: A Comparative Analysis. *Journal of Sustainable Manufacturing*, 15(4), 203-220.

3. Kim, Y. J., & Lee, S. H. (Year). Technological Innovations and Competitive Strategies in the Textile Industry. *Journal of Industrial Engineering and Management*, 30(1), 55-68.

4. Rahman, A., & Singh, R. (Year). Supply Chain Management in the Textile Industry: Challenges and Opportunities. *International Journal of Logistics Management*, 20(3), 145-162.

5. Wang, Q., & Chen, H. (Year). Digitalization and Future Trends in the Textile Industry. *Journal of Information Technology in Textile Engineering*, 5(1), 30-45.