ABSTRACT

In the midst of a general atmosphere of sickness and decay in the Ahmedabad Cotton Textile Industry, there have been instances of some exemplary mills which have shown strength, resilience and resourcefulness and managed to survive prosperously. The focus of the thesis is on analysing the behaviour of these mills by comparing them with that of the non-surviving and sick mills under five major determinants of profitability viz. Costs and Sales, Management of finance, Modernisation, Marketing and Management ideology and style. This was attempted by an in depth analysis of the financial statements of the sample mills as well as extensive interviews of people connected with the textile industry and the mills. The period for the analysis of the sample mills was 1975-1990. The sample data has been structured to differentiate between the behaviour of surviving versus non-surviving mills and within the surviving mills, the patterns of behaviour of the good versus the sick mills, on the assumption that an analysis of the behaviour of the more prosperous and profitable mills regarding the various parameters and their responses to the economic and market environment will provide indications to the determinants of profitability for the Ahmedabad cotton mill industry and the extent of importance of these determinants.