PREFACE

Indian Textiles have been enjoying a unique and enviable worldwide reputation for more than 3000 years. The fabrics produced by Indian handicraftsmen were so extra-ordinary beautiful and refined that these were universally demanded.

The textile Industry is the oldest and single most important Industry in India.

Indian textiles displays a very complex sectoral dispersal matrise with hand spun and hand woven sector on one end of the spectrum and the capital intensive sophisticated mill sector at the other, with the decentralized powerloom and knitting sectors coming in between. Its contribution to the Indian Economy is manifested in terms of its contribution to the Industrial production employment generation and foreign exchange earnings.

The main purpose of the study is to examine, analyse role of financial institutions in the development of Textile Industry in Uttar Pradesh, working capital trends, inventory management and control, management of receivables and cash and financing of working capital. The financial evaluation of Textile Industries in Uttar Pradesh for over six year from 1998-99 to 2003-04. The present study is based on the datas available in the annual reports and accounts of textile companies
under study. The companies included in the study are The British Indian Corporation Ltd., The Elgin Mills Company Ltd. and Cawnpore Textiles Ltd.

The study has been divided into eight chapters. The first chapter introduces the textile companies in terms of importance, purpose, methodology, scope and limitation. The second chapter elaborates the textile Industry in India and Uttar Pradesh. The third chapter throws light on the role of financial Institution in the development of textile Industries in Uttar Pradesh. The fourth chapter presents working capital trends. In chapter five and six a detailed study of inventory management and control and management of receivable and cash has been made respectively. The seventh chapter shows in detail the financing of working capital. The eighth i.e. the last chapter shows the conclusion. It shows and summarises the findings of the study and offers suitable suggestions.

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