

**"Financial performance of Textile Industry and its  
contribution in economy of Pakistan"**



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## **ABSTRACTS**

Textile industry are considered for Pakistan as a backbone of country. Its industrial segment organizes 8.6% of country's GDP. This textile sector underwrite 58% of country's entire exports. Distant from existence the pillar of Pakistan exports, it correspondingly signifies the standardize contribution in systematized and outsized scale industrialized sector. Pakistan is considered enormously cotton manufacturer in the world.

Textile industry is playing vital role in economic chain of Pakistan. It functioned as cornerstone in Pakistan's economy. Textile sector is contributing about 8.6% of Gross Domestic Products, 58% to export incomes with providing 32% employment opportunity to 48 mn manpower of country. Country is considered 4<sup>th</sup> massive manufacturer of cotton amongst Asian countries.

Textile industry in Pakistan entail of outsized measured organized sector and is extremely fragmented average and minor units. This organized sector consist of 398 number of Textile units whence 316 are spinning, 43 are weaving and 39 are composite. Textile is appraised great value donor in agriculture side of Pakistan and national earning receives solid part against textile industry.

In this thesis, first the financial performance of companies in textile industry has been reviewed with the help of their annual report of last five year from 2011 to 2015, and second it is examined regarding its contribution in the economy of Pakistan.

Vertical analysis, net working capital analysis, current ratio analysis, quick ratio analysis are the various methods used in this thesis which encompass the financial performance of textile industry. Through the help of this methods and analysis, broad picture of deep insight of these company carried out from Pakistan's textile industry.

Objective of this thesis is to achieve insight into business position of a number of textile corporations in the textile industry and to review their productivity and financial strong points, and their contribution and involvement in the budget of Pakistan.

Textile industry in Pakistan entail of outsized measured organized sector and is extremely fragmented average and minor units. This organized sector consist of three number of

Textile units whence 316 spinning, 43 are weaving and 39 composite units are operating and listing in Pakistan stock exchange.

For financial performance of textile industry, Kohinoor mill, Kohat mill and Nadeem mill are selected for this current study. Selection of these companies are on the basis of their similarity, size and risk, unceasing growth and turnover in the market and almost same production capacity.

The result, findings and recommendation of this study will be helpful for financial analyst for the future studies in this area. Study will provide the comprehensive results to specific companies. It would be helpful to know the actual position of the company.

The investigation will stretch necessary material for the investors for financing of their investment. This study will deliver additional assistance to coming examiners and students who have interest in this area. A researcher would be able to know that at what extent this industry is important for country like Pakistan.

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