LIQUIDITY, SOLVENCY AND PROFITABILITY ANALYSIS OF FMCG MANUFACTURING COMPANIES: A STUDY WITH REFERENCE TO SELECTED FMCG COMPANIES IN INDIA

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ABSTRACT:

The study deals with liquidity, solvency and profitability analysis of FMCG companies operating in India. The study it is concluded that Godrej has strong liquidity position and HUL has weak liquidity position. ITC has highest OPM, NPM, and NPM. The profitability position of HUL is low compared to other companies under study. The ROCE and RONW position of Colgate Palmolive is comparatively good. ITC has low RONW. Overall we can say that Colgate Palmolive has good profitability ratios. The debt coverage position of HUL is good as it has very high debt coverage ratios. In all three set of hypothesis tested the null hypotheses has been accepted as all the calculated f-values are less than the critical value i.e.2.87.

Keywords: Liquidity, solvency, profitability, FMCG.