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PREFACE

Before Independence Indian economy was basically agrarian. Maximum number of people were living in village and getting their livelihood from agriculture and allied activities. Industrial composition was in primitive stage. But after independence development strategy adopted by Indian planners consisted of accelerated industrialization. The process of industrialization associated with the development of mechanical knowledge. In the process of industrialization SSI have been played important role and provides various types of services to the increasing population.

Small Scale Industries indispensable to provide local needs and employment opportunities. Hence researcher concentrated her study on the financial analysis of SSIs in general and foundry industries in particular.

After making survey of 15 foundries in Palus surrounding are the entire thesis divided into seven chapter. Each chapter has its own identification and characteristics. The First Chapter entitled introduction and research methodology. This chapter deals with nature and importance of SSI, types of SSI it covered the brief history about growth and development of SSI, The researcher determine deliberately these objectives scope hypothesis etc. of the study in addition the review of literature has been thoroughly completed for the guidance. Finally the research methodology and chapter scheme is evolved briefly. The Second Chapter relates to the growth, development and organization of foundry

industries. It covered the profile of Sangli district. Taluka wise MIDC's in Sangli district, Industrial estates, etc. It also covered the meaning & operations of foundry industries, growth and development of foundries and lastly the organization structure and registration of foundries.

The Third Chapter includes the strong financial position of foundries, in this firstly researcher shown the meaning of financial SWOT analysis and then financial strong positions of foundries with the help of working capital and proportion of turnover to inventory. The Fourth Chapter related to the better opportunities available to foundries. It covers the different financial opportunities available to foundry in this first researcher shown the sources available for working capital, financial incentives given by DIC and assistance provided banks. The Fifth Chapter deals with the financial weaknesses of foundries of foundries. In this researcher took three criteria's to show financial weaknesses of foundries. i.e. cash losses, irregular clearance of working capital and under utilization of capacity. It also cover other weakness such as improper management of funds, unaware of schemes of DIC etc. The Sixth Chapter covered the financial threats raised for foundries. This chapter covered the problems of borrowing such as insufficient amount of loan, untimely availability of loan, interest rates etc,. It has also covered the other threats like heavy taxation, shortage of raw material shortage of skilled labor, ever increasing competition etc. The Last Chapter very cautiously and deliberately concluded along with summary and suggestions. The researcher arrived as best conclusion that it is a high time government and banks should give the more attention towards the loans at concessional rates of interest particularly to foundries and

also concluded that the all founders should create networking with each other in the recession period.

While writing this thesis for M.Phil, researcher has tried to collect the latest information available from government publications published and unpublished sources, and from survey researcher indebted to all directly and indirectly who gave her suggestion and guidance to complete this thesis.

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