PREFACE

The present study deals with the Analysis on liquidity of steel industry in India, which are mainly engaged in production of steel Products. This study is aimed at exploring analysis of liquidity performance of steel industry in India.

Steel is crucial to the development of any modern economy and is considered to be the backbone of human civilization. The level of per capita consumption of steel is treated as an important index of the level of socioeconomic development and living standards of the people in any country. It is a product of a large and technologically complex industry having strong forward and backward linkages in terms of material flows and income generation. All major industrial economies are characterized by the existence of a strong steel industry and the growth of many of these economies has been largely shaped by the strength of their steel industries in their initial stages of development. Steel industry was in the vanguard in the liberalization of the industrial Sector and has made rapid strides since then. The new Greenfield plants represent the latest in technology. Output has increased, the industry has moved up in the value chain and exports have raised consequent to a greater integration with the global economy. The new plants have also brought about a greater regional dispersion easing the domestic supply position notably in the western region. At the same time, the domestic steel industry faces new challenges. Some of these relate to the trade barriers in developed markets and certain structural problems of the domestic industry notably due to the high cost of commissioning of new projects. The domestic demand too has not improved to significant levels. The litmus test of the steel industry will be to surmount these difficulties and remain globally competitive.

In order to analysis the liquidity, profitability, management of receivable, management of cash and cash flow statement of the steel industry in India researcher has collected data from published accounting annual reports, some publications. Most useful information has been gathered from the various journals reports, periodicals and daily newspapers. It is hoped that the thesis will be of immense help and use to practicing financial Managers, Management, Government officials, employees, Shareholders, Academicians and research scholars.

The present study is divided into nine chapters. The first chapter is the Conceptual Framework of liquidity management. The second chapter focuses on Profile of steel industry in India. The third chapter is related with the Research design. In the fourth chapter, liquidity position of the steel industry has been analyzed. The management of receivable of selected
steel units has been critically analyzed in the fifth chapter. The sixth chapter explained management of cash. The seventh chapter deals with the analysis of cash flow statement of selected steel units. Finally, in the last chapter suitable and significance suggestions have been made and conclusion drawn.

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