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Date....................... *(SHIPRA SAXENA)*

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PREFACE

With the advent of rapid industrialization there emerged the need for industrial finance and to solve these problems, the financial institutions emerged. Beginning with the establishment of industrial finance corporation in 1948, a number of such institutions have been established, more prominent among them being IDBI which is regarded as the Apex institution.

The IDBI was established on July 1, 1964 under the act of parliament, as the principal financial institution for industrial finance in the country. The basic objective of IDBI was to serve as the apex institution concerned directly or indirectly with the problems relating to industrial financing of the country. As a central coordinating agency, the bank also envisaged to adopt and enforce a system of priorities in promoting future industrial growth. Thus, the IDBI emerged to perform two important tasks (i) Co-ordinating and (ii) Industrial financing.

The motive behind the study is to see whether this apex institution has played and still playing the basic role and has fulfilled the required objective of its establishment. The central role of IDBI was conceived as one of the establishing appropriate working relationship among institutions, co-ordinating their activities and building a pattern of inter institutional cooperation to effectively meet the changing needs of the corporate sector. Whether, IDBI has functioned as a development agency with a special responsibility to fill up gaps in the industrial structure and to develop certain vital and strategic sectors like fertilizers, alloys and special needs and Petro-
chemicals. Above all, the aim is to derive conclusions regarding its promotional activities undertaken by the development Bank. Here the purpose is also to see the impact of assistance provided by IDBI and to evaluate its sanctions. It will also be observed whether the sanctions were materialized and disbursed, what difficulties and hindrances are being faced during their operations. In addition to this what more activities were undertaken during the period. The policies and schemes, which were framed during this period, could fulfill their objective successfully.

IDBI at present has a network of 5 zonal offices and 38 Branch Offices counting the length and breadth of the country. The subsidiaries setup by IDBI at present is three, which are wholly owned subsidiaries. In addition majority-holding subsidiaries are two and about twelve subsidiaries are others having less than 50% contribution to their initial capital.

In this present study - Industrial Development Bank of India "A critical appraisal of its working as an apex institution since 1990 to 2004." an effort has been made to evaluate the present position of IDBI and to analyze the operations and promotional activities of IDBI since 1990. A critical assessment with other financial institution has also been undertaken. However the thesis is arranged in all 9 chapters, the detailed arrangement is as under:

- Chapter -1 Introduction.
- Chapter -2 Structural framework of IDBI.
- Chapter -3 Organization and management.
- Chapter -4 Financial Administration.
Chapter -5 Impact of Assistance provided by IDBI.
Chapter -6 Promotional Activities of IDBI
Chapter -7 other financial Institutions & IDBI.
Chapter -8 the future of IDBI.
Chapter -9 Conclusion & Suggestions.

Besides, an overview of other financial Institutions has also been undertaken so as to analyze the operational activities and to examine critically it's working.

Keeping the perspective in view, the research methodology adopted for the research work is exploratory research design, the two methods of exploratory study have been concluded viz. literature surveys and experience surveys. In order to make the study more effective the researcher has done a comparative study of other financial institutions for in-depth critical appraisal.

In the end, the researcher hopes that she will be able to provide an in-depth original study, which will be an asset to the economic literature as well as to all financial institutions specially IDBI.