

# TABLE OF CONTENTS

CONTENTS	Page No
<b>CHAPTER - I: INTRODUCTION</b>	<b>1-17</b>
1.1 Introduction	1
1.1.1 Location and Topography	2
1.1.2 Geo-Political System	3
1.1.3 Economy	3
1.1.4 Industry	6
1.2 Rationale of the Study	12
1.3 Statement of the Problem	14
1.4 Specification of the Study	14
1.5 Chapterisation Scheme of the Study	15
References	17
<b>CHAPTER - II: REVIEW OF THE RELATED LITERATURE</b>	<b>18-43</b>
2.1 Introduction	18
2.2 Studies Related to the Efficiency of Working Capital Management	19
2.3 Studies Related to Inventory Management	27
2.4 Studies Related to Receivables Management	30
2.5 Studies Related to Cash Management	31
2.6 Studies Related to Working Capital Finance	38
2.7 Implications of the Review of Related Literature on the Present Study	39
References	42
<b>CHAPTER - III: METHODOLOGY OF THE STUDY</b>	<b>44-67</b>
3.1 Introduction	44
3.2 Statement of the Problem	44
3.3 Objectives of the Study	44
3.4 Delimitation of the Study	45

CONTENTS		Page No.
3 5	Sample of the Study	46
3 6	Sources of Data and Data Collection	48
3 7	Methods of Analysis Used in the Present Study	50
3 8	Specific Ratios Followed in the Study	52
3.8 1	Adequacy of Inventory	53
3 8.2	Adequacy of Receivables	55
3 8.3	Adequacy of Loans and Advances	57
3.8 4	Adequacy of Cash	57
3 8.5	Adequacy of Working Capital Finance	58
3 8 6	The Efficiency of Working Capital	59
3 9	Working Capital Gap and Bank Finance Recommended by the Tandon Study Group	60
3.10	Operational Definition of the Terms Used in the Study	62
	References	65
<b>CHAPTER - IV: THEORETICAL FRAMEWORK OF THE STUDY</b>		<b>68-95</b>
4 1	Introduction	68
4.2	Concepts of Working Capital and Working Capital Management	68
4 3	Adequacy of Working Capital	72
4 4	Excess and Shortage of Working Capital	72
4 5	Structure of Working Capital	74
4.6	Factors Affecting Working Capital Requirements	77
4.7	Financing of Working Capital	82
4.8	Analysis of Working Capital	85
4.9	Control of Working Capital	85
	References	92
<b>CHAPTER - V: ANALYSIS AND INTERPRETATION</b>		<b>96-455</b>
5.1	Introduction	96

CONTENTS		Page No.
<b>SECTION - I : Analysis and Interpretation of Data Related to Inventory Management</b>		<b>97-198</b>
5.1.1	Introduction	98
5.1.2	Definition of Inventory	100
5 1 3	Classification of Inventory	101
5.1.4	Analysis of the Size of the Inventory	102
5 1.5	Percentage of Inventory with Regard to the Total Capital Employed	106
5 1.6	Adequacy of Inventory	112
5 1.7	Structure of Inventory	130
	5.1 7 1 Adequacy of Raw Materials	130
	5.1 7 2 Adequacy of Work-in-Process	148
	5.1.7.3 Adequacy of Finished Goods	164
	5 1 7 4 Adequacy of Spare Parts and Stores	183
	5 1 7 5 Adequacy of Miscellaneous Goods	196
<b>SECTION - II : Analysis and Interpretation of Data Related to Receivables Management</b>		<b>199-249</b>
5.2.1	Introduction	200
5.2 2	Objectives of Receivables Management	201
5.2.3	Credit Policy	202
5.2.4	Analysis of the Size of the Receivables	206
5.2.5	Analysis of the Growth Rate in Average Annual Sales and Receivables	210
5.2.6	Composition of Receivables' Analysis	216
5 2.7	Evaluation of the Efficiency of Credit Granting and Collection Policy	227
5.2 8	Percentage of Bad and Doubtful Debt Analysis	242
<b>SECTION - III : Analysis and Interpretation of Data Related to Cash Management</b>		<b>250-294</b>
5.3.1	Introduction	251

CONTENTS		Page No
5 3 2	Analysis of the Size of the Cash	251
5.3.3	Adequacy of the Cash Maintained	255
5.3.4	Adequacy of Cash in Terms of Liquidity and Solvency	261
5 3.5	Analysis of Current Liabilities Position vis-à-vis Liquid Funds	268
5.3 6	Coverage of Current Liabilities	274
5 3.7	Control of Cash in the Industrial Companies	279
<b>SECTION - IV : Analysis and Interpretation of Data Related to the Working Capital Finance</b>		<b>295-427</b>
5.4.1	Introduction	296
5.4.2	Requirements of Working Capital	296
5.4.3	Financing of Working Capital Requirements	300
5.4.4	Bank Finance Recommended by the Tandon Study Group	322
5.4.5	Adequacy of Working Capital Finance	336
5.4.6	Factors Affecting the Size of Working Capital Finance	349
5.4.7	Profitability of the Industrial Companies	362
5.4.8	Sources and Application of Funds	400
<b>SECTION - V : Analysis and Interpretation of Data Related to the Efficiency of Working Capital Management</b>		<b>428-452</b>
5.5.1	Introduction	429
5.5 2	Proportion of Working Capital in the Total Capital Employed	430
5.5.3	Measuring the Efficiency of the Working Capital	436
5 5 4	Composition of the Working Capital	444
	References	453
<b>CHAPTER - VI: SUMMARY, CONCLUSIONS AND SUGGESTIONS</b>		<b>456-</b>
6 1	Introduction	456
6 2	Background of the Study	456

CONTENTS		Page No.
6 3	Rationale of the Study	457
6.4	Statement of the Study	459
6 5	Objectives of the Study	460
6 6	Delimitation of the Study	460
6.7	Sample of the Study	461
6 8	Sources of Data and Data Collection	462
6.9	Methods of Analysis Used in the Present Study	463
6 10	Specific Ratios Followed in the Study	464
6 11	Major Findings	466,
6.12	Conclusion	476
6.13	Implication of the Study	48,1
6 14	Suggestions for Further Research Studies	485
	<b>BIBLIOGRAPHY</b>	i - ix
	<b>APPENDIX - I</b>	x - xv
	<b>APPENDIX - II</b>	xvi - xxii
	<b>APPENDIX - III</b>	xxiii - xl
	<b>APPENDIX - IV</b>	xli - liii
	<b>APPENDIX - V</b>	liv - lx
	<b>APPENDIX - VI</b>	lxi - lxvii