A PROJECT WORK ON

"An empirical study of Working Capital Management of Kamath Clay Product a case study of small scale industry in shirali"

Submitted To

Karnatak University Dharwad

In partial fulfillment of the Requirements for the Degree of

Master of commerce

By:

Ms.Ashwini Naik

Registration Number : PO2JK21C0014

Under the Guidance of

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Department of PG Studies in commerce

ANJUMAN ARTS,SCIENCE,COMMERCE COLLEGE AND P.G CENTRE,

ANJUMANBAD, BHATKAL-581320

2022-2023

A.H.M.'s
ಅಂಜುಮನ್ ಕಲಾ, ವಿಜ್ಞಾನ, ವಾಣಿಜ್ಯ ಮಹಾವಿದ್ಯಾಲಯ ಹಾಗೂ ಸ್ನಾತಕೋತ್ತರ ಕೇಂದ್ರ
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(AFFILIATED TO THE KARNATAK UNIVERSITY, DHARWAD)
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CERTIFICATE

This is to certify that the Project Work titled **"An Empirical Study of Working Capital Management of Kamath Clay Product: A Case Study of Small Scale Industry in Shirali"** is an original record done by **Miss. Ashwini Naik** with Registration No. **P02JK21C0014**, in partial fulfillment of the award of Degree of **Master of Commerce** under **Karnatak University, Dharwad** during **2022-23**. The project satisfies the academic requirements in respect of project work prescribed for the Degree of Master of Commerce and is a record of her own independent work.

This project is based on the studies carried out by her and has not submitted to any other University or Institution for the award of any degree or diploma.

Project Guide

(Prof. Ganesh Naik)

Principal

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KAMATH CLAY PRODUCTS

680/B2 VENKATAPUR, SHIRALI-581 354, Tq.Bhatkal(U.K) Karnataka.
Manufactures : Machine Made Bricks and Tiles
Email :KCP.Konkan@gmail.com

CERTIFICATE

This is to certify that **Miss.Ashwini Naik**,student of **M.com fourth semester in Anjuman Arts, Science and Commerce College and P.G.Center, Bhatkal**, with **Register number P02JK21C0014** visited our unit for data collection in respect of her project work. We believe that this project is his own efforts and we wish him good luck in his academic endeavors.

For KAMATH CLAY PRODUCTS

PARTNER

Signature of the manager

Place:Bhatkal
Date:31-10-2023

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Introduction

Working capital management is the blood for every small scale industry therefore management of working capital considered as one of the most important area in the field of financial management.Every small scale industry as well as large scale industry requires some amount of fixed capital to get fixed assets like plant and machinery,vehicles,loos tools etc.along with the fixed capital every small scale industry and large scale industry requires additional capital and financing day to day activities which is known as 'Working capital',working capital is very important for smooth conduct of business activities.Working capital very crucial for dictating success or failure of an industry.

A study of working capital management of a small scale industry and to determine management performance in a certain small scale industry,the efficiency of working capital management is determined by the efficient administration of its various components like cash management,account receivable management and inventory management.

NEED OF THE STUDY

1. The study has been conducted to analyze the planning and management of working capital of "Kamat clay product".

2.To measure the financial soundness of the company by analyzing various ratios

3.To determine the competitive position of our company and how to increase the strength of our company and also proper utilization of company assets and liabilities.

CONCLUSION

Working capital management is essentially an accounting strategy with the focus on the maintenance of a sufficient balance between a company's current assets and liabilities. An effective working capital management system allows businesses to not only cover their financial obligation, but it also a way to help companys boost their earnings. Managing working capital means managing inventories, cash, accounts payable and accounts receivable . An efficient working capital management system often uses key performance ratios, such as the working capital ratio, the inventory turnover ratio and the collection ratio, to help identify areas that require focus in order to maintain liquidity and profitability.

This industry uses working capital in its daily operations; working capital is the difference between a business current assets and current liabilities or debts. Working capital serves as a metric for how efficiently a company is operating and how financially stable it is in the short-term. The working capital ratio, which divides current assets by current liabilities, indicates whether a company has adequate cash flow to cover short-term debts and expenses.