

A Project Work on
“Profitability analysis on Madhura Granite, Mavinkatta
Shirali”

Submitted To



Karnatak University, Dharwad

In partial fulfillment of the requirements for the degree of
Master of Commerce

Submitted By:

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CERTIFICATE

This is to certify that the Project Work titled "A Profitability Analysis on Madhura Granite, Mavinkatta, Shirali" is an original record done by Miss. Vaishali Madev Gond with Registration No. P02JK21C0007, in partial fulfillment of the award of Degree of Master of Commerce under Karnataka 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.

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CERTIFICATE

This is to certify that Miss Vaishali Madev Gond student of M.Com in Arts Science Commerce College and PG Centre Bhatkal has successfully computed her project work on "A STUDY ON PROFITABILITY ANALYSIS ON MADHURA GRANITE MAVINAKATTA, SHIRALI" during this period her conduct is satisfactory and taken all necessary information about our organization for the completion of her report.

Madhura Granites
N.H. 66, Mavalli, Tq: Bhatkal

For the Madhra Granite Mavinakatta, Shirali
Managing Director

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CHAPTER -1

INTRODUCTION

1.1: INTERDUCTION

Profitability is a primary measure of the overall success of the company. It's necessary for the company's survival. It is a measure of the income or the operating success of the company for a given period of the time. A company's income or lack of its ability to obtain debt and equity financing its liquidity position and its ability to grow cannot be determined.

Profitability is frequently used as the ultimate test of investment operating efficiency. Profit earning is essential for the survival and growth of the business. A business need profits not only for its existence but also for expansion and diversification. A business finds it difficult to remain stable and survive in gather market without profits. The greater the volume of profits generated, the higher is the efficiency of the concern.

Every investment needs higher rate of return on their investments despite of investors, even the workers are expecting higher wages and creditors wants to secure their loans and interest. Today in the business environment, profit is backbone of every industry for guiding the business operations.

Profitability means a company's ability to earn on investment through its business activities. It shows how the resources are efficiently utilized to achieve its goal of earning profits. Profits are essential for the organization to make dividend payments to its shareholders as well as retain a part of profits as reserves to overcome the unforeseen circumstances in the near future.

5.3: CONCLUSION

Madhura granite is establish in 2017, which selling the granite, tiles etc. This company is based on partnership firm Ravi, Ashok, Jaganath mavinkatta, Shirali.

The sales revenue of Madhura granite was high but was observed that gross profit margin, which represents the amount remaining to satisfy operating, financial and tax cost was low as compared to sales revenue due to the large amount spent on the cost of goods sold. Therefore the company should use consistent financial policies to reduce the cost the cost of goods sold, which will help satisfying operating financial, and tax costs and in return, would lead earning more profit of the company.

Operating profit, which represents the profit earned from selling products. Therefore the company needs to reduce is expenses to be able to pay its debts and gain more of the company.

Finally though the company is profitable one and has good future opportunity it has to look carefully at controlling