

**“ ANALYSIS OF WORKING CAPITAL
MANAGEMENT OF TATA STEEL LIMITED”**

Submitted To



Karnatak University Dharwad

**In Partial Fulfilment of the Requirements for the
Degree of**

Master of Commerce

By:

Ms. Jessica Juje Telis

Registration Number: 19C011043

**Under the supervision of Prof. Ganesh Naik
Department of PG Studies in Commerce**



**ANJUMAN ARTS, SCIENCE, COMMERCE
COLLEGE AND P.G CENTRE, ANJUMANABAD,
BHATKAL-581320**

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Post Box No. 02

Anjumanabad, BHATKAL - 581 320 (Uttar Kannada)

Ph : 08385 (O) 226443 (F) 228443 (M) 9886212692

E-mail : anjumancollegebkl@gmail.com

website : www.anjuman.edu.in



ಪೋಸ್ಟ್ ಬಾಕ್ಸ್ ನಂ. ೦೨

ಅಂಜುಮನಾಬಾದ್, ಭಟ್ಕಳ - ಜಿಲ್ಲೆ ೨೨೦

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Certificate

This is to Certify that the Project work Titled "Analysis of Working Capital Management of Tata Steel Limited" is an original record of field works done by Ms. Jessica Juje Telis with Registration No. 19C011043 in a partial fulfillment of the award of degree of **Master of Commerce** of the **Karnatak University, Dharwad** during **2020-21**. 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 been submitted to any other University or Institution for the award of any degree or diploma.

Project Guide

Prof. Ganesh Naik

Principal

Prof. M. K Shaikh

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INTRODUCTION

The Project Report is based on Working Capital Management of "TATA STEEL LIMITED" with the purpose of analyse and evaluate the management of working capital.

Management of working capital is nothing but the management of current assets. The current assets includes inventory received, debtors book debt, short term assets, cash and cash equivalents. The proper management of working capital may bring about the success of a business firm. The management of working includes the management of current assets and current liabilities.

Working Capital is the life blood of every business. As the circulation of blood is essential in the human body for maintenance of life in the same way working capital is also essential to all the organization to maintain the smooth running of a business. Management of working capital is one of the most important functions of Corporate Management. Efficient working capital management is the most crucial factor for its survival. The financial manager must determine the satisfactory level of working capital funds and also the optimum mix of current assets and current liabilities, the financial manager must ensure that the appropriate source of funds are used to finance working capital and should also see that short term obligations of the business are met well in time.

NEED OF THE STUDY

The project is based on working capital management. This study has been conducted to analyse the management of working capital of TATA STEEL LIMITED, to analyse the Gross Working Capital and Net Working Capital of the company to understand the importance of working capital management and to analyse the financial performance of the TATA STEEL company. Since the organization has an impending necessity to take care of its working capital, a need has been felt to study the same.

OBJECTIVES OF THE STUDY

- To study working capital management of TATA STEEL LIMITED.
- To study the various components of Working Capital.
- To evaluate a company's current assets and current liabilities.
- To analyse GWC and NWC of the company.

SCOPE OF THE STUDY

The Present study is confined to the one leading unit in the steel industry namely TATA STEEL LIMITED. The study covers a period of five years from 2016-17 to 2020-21. This period is to know the Gross Working Capital and Net Working Capital of the company.

METHODOLOGY OF THE STUDY

Data collection is the most important activity or process in research. Data collection plays a crucial role in finding the actual problem and solution to that problem. Generally there are two methods of finding the data. But, here only secondary data has been used for this study.

Secondary data is data which already exists in books, the internet, company websites, company Annual report, company database and journals. So this data is collected through these available sources.

CONCLUSION

TATA STEEL LIMITED is a major player in steel manufacturing sectors in India. After making an analysis of Working Capital Management we find that performance TATA STEEL LIMITED is not much better during the period of this study. It is due to the reason current liabilities of the company are fluctuating during the period of this study, which is not considered better from the financial point of view. Whereas current assets of the company show increasing. So the management of the company should try to control this position efficiently.