Project Work On

An Empirical study of Working capital of Kamath clay product; a case study of small scale industry in venkatpur

Bhatkal Taluk, Uttar Kannada – 581 320

Submitted to

Karnataka University Dharwad

In partial fulfillment of the Requirements for the Degree of Master of Commerce

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By:

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A.H.M.'s
ಅಂಜುಮನ್ ಕಲಾ, ವಿಜ್ಞಾನ, ವಾಣಿಜ್ಯ ಮಹಾವಿದ್ಯಾಲಯ ಹಾಗೂ ಸ್ನಾತಕೋತ್ತರ ಕೇಂದ್ರ
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Certificate

Certified that the Project Work titled **"An Empirical Study of Working Capital in Kamath Clay Product: a Case study on Small Scale Industry"** is an original record of field work done by **Ms. Jayanti Venkatraman Naik** with Registration No. **17C011109** in a partial fulfillment of the award of Degree of **Master of Commerce** of the **Karnatak University, Dharwad** during 2018-19**.** 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 has not submitted to any other University or Institution for the award of any degree or diploma.

Prof. Ganesh Naik
Project Guide

Prof. M.K.Shaikh
Principal

KAMATH CLAY PRODUCT
Venktapur shirali-581354

Ref. No.: **Date :**

CERTIFICATE

This is to certify that **Miss. Jayanti V Naik**, student of M.Com Fourth Semester in Anjuman Arts, Science and Commerce College and P.G. Centre, Bhatkal, with **Register Number 17C011109** visited our unit for data collection in respect of her project work. We believe that this project is her own efforts and we wish her good luck in her academic endeavor.

Place : 17/6/2019 Shirali

Date : 17/6/2019

KAMATH CLAY PRODUC SHIRALI 581 354

For Kamath Clay Products

Manager

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CHAPTER I

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. Working capital management is 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, land and building furniture, vehicles, loose tool etc. along with the fixed capital every small scale industry and large scale industry requires additional capital for 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 or failure of an industry

A study of working capital management of small scale industry and to determine management performance in certain small scale industry, the efficiency of working capital management is determined by the efficient administration of its various components like cash management, accounts 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 measures the financial soundness f the company by analyzing various ratios
3. To determine the competitive position of our company and how to increase strength of our company and also roper utilization of the company's 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 obligations, but it is also a way to help company's boost there 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 identiy areas that require focus in order to maintain liquidity and profitability.

In 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 caital serves as a metric for how efficiently a company is operating and how financially stable it is in the sort-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.