



BCom project on working capital management in the dairy products of agro products

Bachelor in Communications (Veer Narmad South Gujarat University)



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A
PROJECT REPORT
ON
“A STUDY OF STUDY OF THE WORKING CAPITAL WITH
SPECIAL REFERENCE TO MANMANDIR MILK AND AGRO
PRODUCTS PVT. LTD, VITA.”

SUBMITTED TO,
BALWANT COLLEGE, VITA
FOR THE PARTIAL FULFILLMENT FOR THE AWARD OF THE DEGREE

MASTER OF COMMERCE

SUBMITTED BY,
Miss. Kumthekar Rupali Balkrishna

UNDER THE GUIDANCE OF,

Assistant Professor
Mrs. Chavan R. H.
(M.com. M.Phil., NET)

DEPARTMENT OF COMMERECE AND MANAGEMENT,
SHIVAJI UNIVERSITY, KOLHAPUR.

2020-21

DECLARATION

I the undersigned **MISS. KUMTHEKAR RUPALI BALKRISHNA** hereby declare the project report entitled **“A STUDY OF STUDY OF THE WORKING CAPITAL WITH SPECIAL REFERENCE TO MANMANDIR MILK AND AGRO PRODUCTS PVT. LTD, VITA.”** Is my original work & submitted by me to Shivaji University Kolhapur for M.Com Degree course. I also hereby declared that this project report has not been submitted to other university or institute for the award of any degree or Diploma.

Place:-Vita

Date:-31/03/2021

MISS.KUMTHKAR RUPALI BALKRISHNA



Manmandir Milk & Agro Products Private Limited, Vita.

मनमंदिर मिल्क अँड अग्रो प्रॉडक्टस् प्रायव्हेट लिमिटेड, विटा.

CIN No. : U15490PN2013PTC148332.

E-mail : manmandiragro@yahoo.com

Karad Road, VITA, Tal. - Khanapur, Dist. Sangli. Pin - 415 311 (Maharashtra) Call : +91-9175045382, +91-9730128000.

Ref.No. :

Date :



CERTIFICATE

This is to certify that **Miss. Kumthekar Rupali Balkrishna** student of **M. com** in year **2020 - 21** from Balwant college Vita has been successfully completed her project work on a study of working capital statement in our **Manmandir Milk and Agro Products Pvt Ltd. Vita** in our organisation as a partial fulfillment of young M Com during her education period (

1st January 2021 to 31st March 2021.)

During her project work be found her to the sincere and hard work. We wish her best of luck future.

**Manmandir Milk and Agro Products Pvt
Ltd.**

Manmandir Milk & Agro Products Pvt. Ltd., Vita

SK Gaikwad
Managing Director

Director Director Chairman

GUIDE CERTIFICATE

This is certifying the project report entitled **“A STUDY OF STUDY OF THE WORKING CAPITAL WITH SPECIAL REFERENCE TO MANMANDIR MILK AND AGRO PRODUCTS PVT. LTD, VITA.”** Submitted for the award of Master of commerce degree to the Shivaji University Kolhapur is the result of original research works done by **MISS. KUMTHEKAR RUPALI BALKRISHNA** Under my guidance. I am fully satisfied with it. This work has not been previously submitted for award of any diploma to the university.

Place: - Vita

Date-31-3-2021

Signature,

Project Guide,

Smt. Chavan R.H.

(M.Com, M.Phil NET)

Balwant College, Vita

INSTITUTE RECOMMENDATION

This is to certify that, MISS. KUMTHEKAR RUPALI BALKRISHNA is a student studding in M.Com- II she has completed project report titled **“A STUDY OF STUDY OF THE WORKING CAPITAL WITH SPECIAL REFERENCE TO MANMANDIR MILK AND AGRO PRODUCTS PVT. LTD, VITA.”** Under the guidance of Smt. Chavan R.H. satisfactorily and submitted to Shivaji University, Kolhapur for partial fulfillment of the requirement of the award of the Degree of master of Commerce. The matter presented in the project report has not been submitted earlier.

Place: - Vita

Date:-31-3-21

Dr. R. S. More

**Principal,
Balwant College, Vita**

ACKNOWLEDGEMENT

I am grateful to my project Guide, Pro. Mrs.Chavan R. H.
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I am very much thankful MANAMANDIR MILK AND AGRO
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I wish to express my gratitude to those who have contributed their and
time for helping me to complete this project report successfully.

Place:- Vita

Date :-31-3-2021

MISS. KUMTHEKAR RUPALI BALKRISHNA

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CHAPTER NO. I

INTRODUCTION AND RESEARCH METHODOLOGY

1.1 INTRODUCTION:

Indian economic is agriculture and in agriculture in India 65 to 75% people live in rural area most of people are depend on agricultural and agriculture and agriculture business. Mainly dairy farming is included in agricultural supplementary business quantity of people involved in dairy farming is more. 'Varghese Kurian' has a valuable contribution whose succeed dairy farming on co-operative level in India.

India has unique pattern of production processing & marketing consumption of milk which is not comparable with any large milk producing company App any large milk producing company approximately 70 million rural households primary small & marginal farmers & land less labor in the country are engaged in the milk production over million farmers are organized into about 0.1 million village Dairy Co-operative Society (DCS) (About 110 frames per DScs). These co-operative form part of national milk grid which links the milk produces throughout India with consumers is more than 700 towns and cities bridging the gaps on account of seasonal & regional variations in the viability of the milk.

India has emerged as the largest milk producing country in the world. With Present level of annual milk production estimated 94.5 million tones India's milk production is estimated to 176.35 million tons during the last financial year. "Milk production in the country is 165.4 million tons during 2016-2017 and 176.35 million tones provision during 2017-2018." The projected milk production by 2021 -2022 is 254.5 million tones as vision 2022 document. Dairy product milk including Butter, Cheese, Ice-cream, & Condensed and Dried milk. Milk has been used by human science the

beginning of recorded time to provide both fresh and storable nutritious food.

India prepared to take the international market following Japan where milk consumption today has more than doubled to 70 per Kg Capital from more 20kg in Sixties the consumption of dairy product in other Asian Nations is also growing part from MNCs like Nestle & companies like Britannia the India – enterprises have also made perceptible progress. These are available mostly in pouches.

1.2 STATEMENT OF THE STUDY

The present study is related with ‘A study of the Working capital with special reference to Manmandir milk and Agro Products Pvt. Ltd, Vita.’

1.3 OBJECTIVES OF THE STUDY

1. To study the working capital structure of Manmandir milk and agro product private limited vita.
2. To observe working capital system of dairy.
3. To analyse the relation between fixed asset and other asset.
4. To understand financial position of manmandir dairy and agro product private limited vita.

1.4 SCOPE OF THE STUDY

1) Topical Scope

The topical scope of these study is “A study of financial statement with special reference to manmandir milk and agro products pvt. Ltd, vita. Tal – Khanapur, Dist. – Sangli”.

2) Geographical Scope

Geographical scope of the study is related to vita city. Tal – Khanapur, Dist. – Sangli.

3) Functional Scope

The functional scope of the study is related to achievement of objective.

4) Analytical Scope

The analytical scope of the study is related to analysis and enterpitation data collected give constructive increaser to the industry.

1.5 SIGNIFICANCE OF THE STUDY

The dairy scoter in the India shown remarkable development in the past decade and India has now become one of the largest producers of milk and milk product in the world.

The dairy sector has developed thorough in many part of the Maharashtra. So this present study is concern of financial statement analysis with special reference to ‘Manmandir Milk & Agro Products Pvt. Ltd. Vita. Tal – Khanaur, Dist. – Sangli.

The Significance of the study is to understand regarding information about is to this industry and this subject in concern the statement of dairy.

1.6 LIMITATION OF THE STUDY

1) The study was restricted to Manmandir milk & Agro Product pvt. Ltd. Vita. Only.

- 2) The survey was carried out in vita city only.
- 3) The study carried out among dealers only but the population was very big it was impossible to contact each and every person.
- 4) The analysis is depend upon annual reports of the industry only.

1.7 RESEARCH METHODOLOGY-

Research methodology is a way to systematically solve the research problem. In order to achieve well defined objectives methodical approach is essential unless data is collected and analyzed opinion not able to achieve target. Thus collection of requisite data is very important in any study. This research is social science research.

Research is careful, patient, systematic, diligent inquiry or examination in some field of knowledge undertaken to establish factors or principle.

Research is systematic controlled, commercial and critical investigation hypothetical proposition about the presumed relation among natural phenomenon. Research is “Social research is the investigation of the underling process operative in the lives of persons who are in association.

The primary propose for applied research is discovering, interpreting and the development methods and systems for the advancement of human knowledge on a world and universe.

DATA COLLECTION

The data collection classified into two types are

1. Primary Data
2. Secondary Data

1. PRIMARY DATA

The research has been collected data with the help of primary way. It includes personal discussion with staff member off concern. Also Researcher has been collected the data with the help of investigation and questionnaires'

I) OBSERVATION

A method of data collection with the situation of interest is watch and relevant facts action and behavior are recorded through the observation.

II) INTERVIEW

The interviews are collected with the precedent secretary, manger, clerk and staff.

2. SECONDARY DATA

The secondary data are collected from information which is used by other. It is not direct information. This information already collected and analysis by other and that information used by others. This secondary data are collected from following.

- 1) Companies Annual Report
- 2) Internet Website

1.8 TOOLS AND TECHNIQUE OF THE ANALYSIS:-

Forth study statistical technique are used such as table, graphs charts diagrams are used the study.

1.9 REFERENCE PERIOD :-

The reference period of the study is 3 years from 2016-2017, 2017-2018, and 2018-2019.

1.10 CHAPTER SCHEME

Chapter-I- Introduction and Research Methodology

Introduction of the study, statement of the study, objective of the study, scope of the study, Research methodology, significance of the study, limitation reference period of the study.

Chapter-II- Theoretical Background

Introduction of Financial statement, Definition, Meaning types, Methods, objective, Nature of financial statement.

Chapter-III- Company Profile

Introduction, Established History of Company, Branches, purpose, future plan, organization flow chart, Board of Directors, Product profile, vision, mission, etc. of Manmandir milk and agro products pvt. ltd.vita.

Chapter-IV- Data Analysis and interpretation

Data analysis and interpretation

Chapter-V-Findings Suggestions and Conclusion

Introduction, findings, Suggestions, conclusion.

CHAPTER – II

THEROTICAL FRAMEWORK

Sr. No.	TITLE
2.1	Introduction of the Subject :
2.2	Determinants of working capital -
2.3	Types of Working Capital :
2.4	Current Liabilities –
2.5	SPECIMEN OF WORKING CAPITAL REQUIREMENT
2.6	Components of working capital –
2.7	Sources of Working capital
2.8	Working capital Cycle :-
2.9	Objective / Importance of Ratio Analysis –
2.10	Conclusion

CHAPTER – II

THEROTICAL FRAMEWORK

2.1 Introduction of the Subject :

Working capital has ordinarily been defined as working capital is important to keep adequate working capital with the companies abilities to fund operation, reinvest do meet capital requirements and payments. A good way to judge a company's cash flow prospects is to look at its working capital as much as needed by the company doesn't have sufficient funds for financing its daily needs working capital management involves study of the relationship between firms current assets to that a firm is able to continue its operation.

Definition:-

“Working capital is descriptive of that capital which is not fixed. But the more common use of the working capital is to consider it as difference between the book value of the current assets and current liabilities.

(Mr . Hoagland)

In the words of Shubin –

“Working capital is the quantum of funds necessary to cover the cost of operating enterprises.”

According to Genestenberg -

“Circulating cash means current assets of a company that are changed in the ordinary course of business from to another, as for example from cash to inventories to receivable into cash.

The primary objective of working capital management is to ensure that sufficient cash is available to meet day to day cash flow needs.

- Pay wages and salaries when they fall due.

Pay creditors to ensure continued supplies of goods and services.

- Pay govt. taxation and supply of capital.

- Ensure a long term survival of a business entity.

2.2 Determinants of working capital -

Working capital requirements of a concern depends on a concern depends on a number of factors, each of which should be considered carefully for determining the proper amount of working capital. It may be however be added that these factors affects differently to the different units and these keeps varying from time to time. In general the determinants of working capital which recommendation to all organizations can be summarized as under.

1. Nature of business –

Need for working capital is highly depends upon what type of business, the firm in there are trading firms, which needs to invest a lot in stocks, bills receivables, liquid cash, public utilities like railways, electricity, etc. need less inventories and cash.

Working capital requirement for manufacturing concerns depends upon various factors like the product, technologies marketing policies.

2. Production policies –

Production policies of the organizations effects working capital requirements very highly. Seasonal industry which produces only in the specific season requires more working capital.

3. Size and growth of business –

In very small companies the working capital requirements are quite high overheads, higher buying and selling costs etc. But if business growing after a certain limit the working capital requirements may be adversely affected by increasing size.

4. Length of operating cycle –

Operating cycle of the firm also influence the working capital. Longer the operating cycle. The higher will be working capital requirement of the organizations.

5. Credit policy –

Companies follow liberal credit policy need to keep more working capital with them. Efficiency of debt collecting machinery is also relevant in this manner, credit availability from suppliers also effects the companies enjoy a liberal credit from its suppliers will have to keep more working capital.

6. Business fluctuation –

Cyclical changes in the economy also influence level of working capital during boot period. The tendency of management is to pile up inventories of raw materials and finished goods to avail the advantages of rising price. This creates demand for more capital.

7. Current asset policies –

The quantum of fixed working capital of company is significantly determined by its current assets policies. A company with conservative assets policy may operate with relatively high level of working capital than its sales volume.

2.3 Types of Working Capital :**1. Gross working capital concept –**

This through says that total investment in current assets is the working capital. This concept does not consider current liabilities to all. Reason gives for this concept.

1. When we consider fixed capital as the amount investment in fixed assets should be considered as working capital.
2. Current asset whatever may be the sources of acquisition are used in activities related to day to operations and their forms to keep on changing. Therefore they should be considered as working capital.

2.Net working capital –

It is narrow concept of working capital and according to this, current assets – current liabilities is called as working capital. This concept lays emphasis on quantitative aspects which indicates the liquidity the position of the concern enterprises.

Nature Of Working Capital

The new working capital is represents current assets – current liabilities day to day activities in the form.

A Current Assets –

These assets constitute the following.

1. Inventories –

It represents raw materials and components work in progress and finished and finished goods.

2. Trade Debtors –

It comprises credit sale to customers.

3. Prepaid Expenses –

These are those expenses which have been paid for goods and services.

4. Loans and Advances –

They represent loans and advances given by a firm to other firms for a short period of time.

5. Investment –

These assets comprise short term surplus funds invested in govt. securities, shares and short term bonds.

2.4 Current Liabilities –

Current liabilities represent that part of obligations which the firm has to clear to the outside parties in short period. In case of within a year..

1. Sundry Creditors –

These liabilities steam out of purchase for period of one to two months.

2. Bank Overdraft –

It includes withdrawals in excess of credit balance standing in the firms current accounts.

3. Short term loans –

Short – term loan are the firm from banks and others from a part of current liabilities as short term – loans.

4. Provisions –

These include provisions for taxation, proposed dividends, and contingencies.

2.5 SPECIMEN OF WORKING CAPITAL REQUIREMENT

	Particulars	Amount Rs	Changes in working capital	
			Increase	Decrease
A	Current Assets :-	-		
	Cash	-		
	Bank	-		
	Bills Receivable	-		
	Debtors	-		
	Advanced payment	-		
	Other current Assets	-		
	Total			
Less				
B	Current Liabilities :-			
	Creditors	-		
	Bills Payable	-		
	Lag in payment of assets	-		
	Outstanding expenses	-		
	Total	-		
	Working Capital (A – B)	-		

Note –

1. Increasing current asset is called increasing working capital.
2. Decrease in current asset is called decrease in working capital.
3. Increase in current liabilities is called decrease in working capital.
4. Decrease in working capital is called increase in working capital

2.6 Components of working capital –

1. Cash
2. Debtors / account receivables
3. Inventories
 - A] Raw materials
 - B] Work in progress
 - C] Finished goods
4. Creditors

2.7 Sources of Working capital

1. Short term sources
2. Long term sources
3. A combination of them

Long term sources of permanent working capital include equity and preference shares retained earnings, debentures and other long term working capital needs should meet through long term means of financing. In addition increases liquidity of the business concern. Various types of long term sources of working capital are summarized as follows.

Issue of share –

It is the primary and most important sources of regular and permanent working capital. Issuing equity shares it does not create and burden on the income of the concern.

Retained earnings –

Retained earnings accumulated profits are a permanent sources of regular working capital. It is regular and cheapest. It charges on future profits of the enterprises.

Issue of debentures –

It creates a fixed charge on future earnings of the company. Company is obligated to pay interest. Management should make wise choice in procuring funds by issue of debentures.

Short term sources of temporary working capital –

Temporary working capital is required to meet day to day business expenditure. The variable working capital would finance from short term sources as funds only the period needed.

Some sources of temporary working capital are given below.

Commercial Banks –

Commercial banks constitute significant sources for short term or temporary working capital. This will be in form of short term loans, cash credit and overdraft through discounting the bills of exchange.

Public Deposits –

Most of the companies in recent years depend on these sources to meet their short term working capital requirements ranging from six months to three years.

Various Creditors –

Credit from suppliers, advances, bills of exchange, promissory notes, etc. helps to temporary working capital.

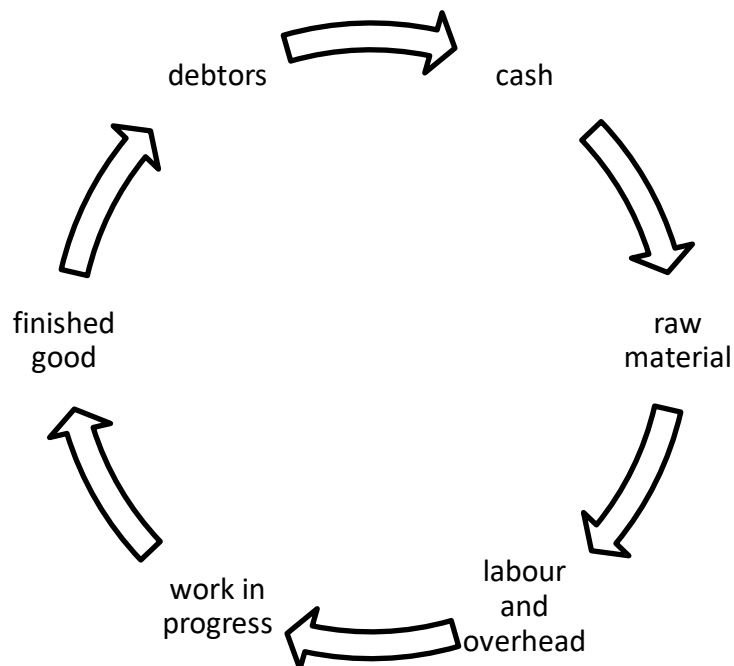
Reserve and other funds –

Various funds of the company like depreciation fund, Provision for tax and other provisions kept with the company can be used as temporary working capital.

OBJECTIVES OF WORKING CAPITAL

1. It creates a feeling among its computer creditors and business associates.
2. It creates a sense of security confidence loyally.
3. It indicates solvency position of the firm and adequate working capital.
4. A business can never flourish in the absence of adequate working capital.
5. It helps to make to make payment of current liabilities promptly cause of this it will increase the goodwill of the firm in market.
6. Increase the market value of shares.

2.8 Working capital Cycle :-



B) Ratio Analysis –**Introduction –**

Ratio analysis is an important tools and technique, widely used for interpreting financial statement. The technique serves as a tool for assessing the current and long term financial soundness of a business. It is also used to analysis various aspects of operating efficiency and level of profitability. A German scholar used ration for the first time in 1999

Definition –**1. Wixon, Kell and Bedford –**

Ration is an expression of quantitative relationship between figures drawn from financial statements.

2.9 Objective / Importance of Ratio Analysis –**1. Helpful in Forecasting –**

The ratio can be used by financial managers for futures financial planning. Ratio is calculated for a number of years as a guide for the future.

2. Useful in Co-ordination –

Ratios are useful in co-ordination, which is very much needed in business. The efficiency and weakness of an enterprise is communicated properly will establish a better co-ordination among areas of appreciation and control.

3. Helpful in Communication –

Ratios are used for communication weak and good point to the concerned parties.

4. Helpful in Efficiency of Financial position –

Ratios is the scale of comparison, here the variations and financial statement.

2.10 Conclusion:

This chapter consists of the theoretical framework of the Introduction of working capital management. Concept of working capital is gross working capital and net working capital. Meaning of working capital, working Capital cycle, Type of working capital, Need of working capital, Sources of working capital, nature of working capital and objective of working capital. In next chapter profile of the company has been presented.

CHAPATER III**PROFILE OF THE COMPANY**

3.1	INTRODUCTION
3.2	THE BRIF PROFILE OF THE ORGANIZATION
3.3	HISTORY OF THE COMPANY
3.4	BRANCHES
3.5	FUTURE PLAN
3.6	PURPOSE
3.7	ORGANIZTION FLOW CHART
3.8	PRODUCTION PROFILE
3.9	VISION
3.10	MISSION
3.11	QUALITY AND FOOD SAFETY OBJECTIVES
3.12	DISTRIBUTION SYSTEM OF MANMANDIR MILK AND AGRO PRODUCTS VITA IN VARIOUS REGION
3.13	DAIRY PRODUCTS

CHAPATER NO. III

PROFILE OF THE COMPANY

3.1 INTRODUCTION-

The great being and social worker late. Ashok Aaba Gaikwad had started Dudh Sangha in Vita for the development and Dudh Sang in Vita for the development and well growth of farmer's workers and their native areas. He gave a very good path way to every workers farmer and employee to earn money.

Form the past few year organization carry out new services and scheme for the well development for the farmer. Milk provide due to day about organization and there is a increase in input milk. Industry received input of the milk with the help of E.R.P. this is the computerized machinery. Which is helpful to do work accurately and cost reduction. Industry has purchased a new parallel machinery and big milk tank like, Homogenizers, Pasteurizer, Milkotes, cow milk Tank Buffalo milk Tank, Packing Machine etc. The daily 40,000 liters milk input in the industry.

The Manmandir Milk and Agro Products Pvt. Ltd. Vita is a Semi govt. company. It is a public unlisted company authorized capital limited by shares. It is a incorporate in on 31 may 2013 company authorized capital stands at Rs. 200 lakhs and has 87.75% paid up capital which is Rs. 120 lakhs. Manmandir milk and Agro Products pvt ltd last annual general meeting happened on 15 may, 2019.

The Manmandir Milk and Agro Products Pvt. Ltd. Vita is in the business from 5 years and current company operations are active. The company's registered address at post Vita, Shivaji Nagar, Karad Road. Tal – Khanapur, Dist. – Sangli.

3.2 THE BRIEF PEOPLE OF THE ORGANIZATION

Name of the Company	Manmandir Milk and Agro Products,
	Pvt. Ltd. Vita
Date of Incorporation	31 May, 2013.
Head office	Vita
Address	A/ p – Vita Shivaji Nagar, Karad Road
	Tal – Khanapur Dist. – Sangli
Status	Active
Company Class	Pvt.
Company category	Company limited by shares
Company Sub category	Non govt. companies
Register Details	U15490PN2013PTC148332.
Branches	Four
Authorized Capital	200 lakh
Paid up Capital	120 lakh
Registered Date	31-05-2013

3.3 HISTORY OF THE COMPANY

The great human being social worker late Ashok Aaba Gaikwad had started dudh sangha in vita city in the year 16 Oct, 2014 for the development and well

growth of farmers workers and their native area. He gave a very good way to every worker former and employee to earn money the company registered address at post vita Shivaji Nagar, Karad Road. Tal- Khanapur, Dist. – Sangli.

3.4 BRANCHES

Vita is the main branch of official of Manmandir milk and Agro products Pvt. Ltd. Vita. But the more four Branches are as the

1. Hivatad
2. Aaundh
3. Morale (Mayani)
4. Vita.

The Manmandir cane's And Energy ltd company is and the business from 1 as four years and Manmandir spinners. Limited is in the business from last six years and current company operation are active.

3.5 FUTURE PLAN:

- 1] Achieve more and more customers from other village
- 2] Provide all facilities to employee
- 3] Create employment for employee
- 4] Expand the Business
- 5] Help to government in progress in progress of country

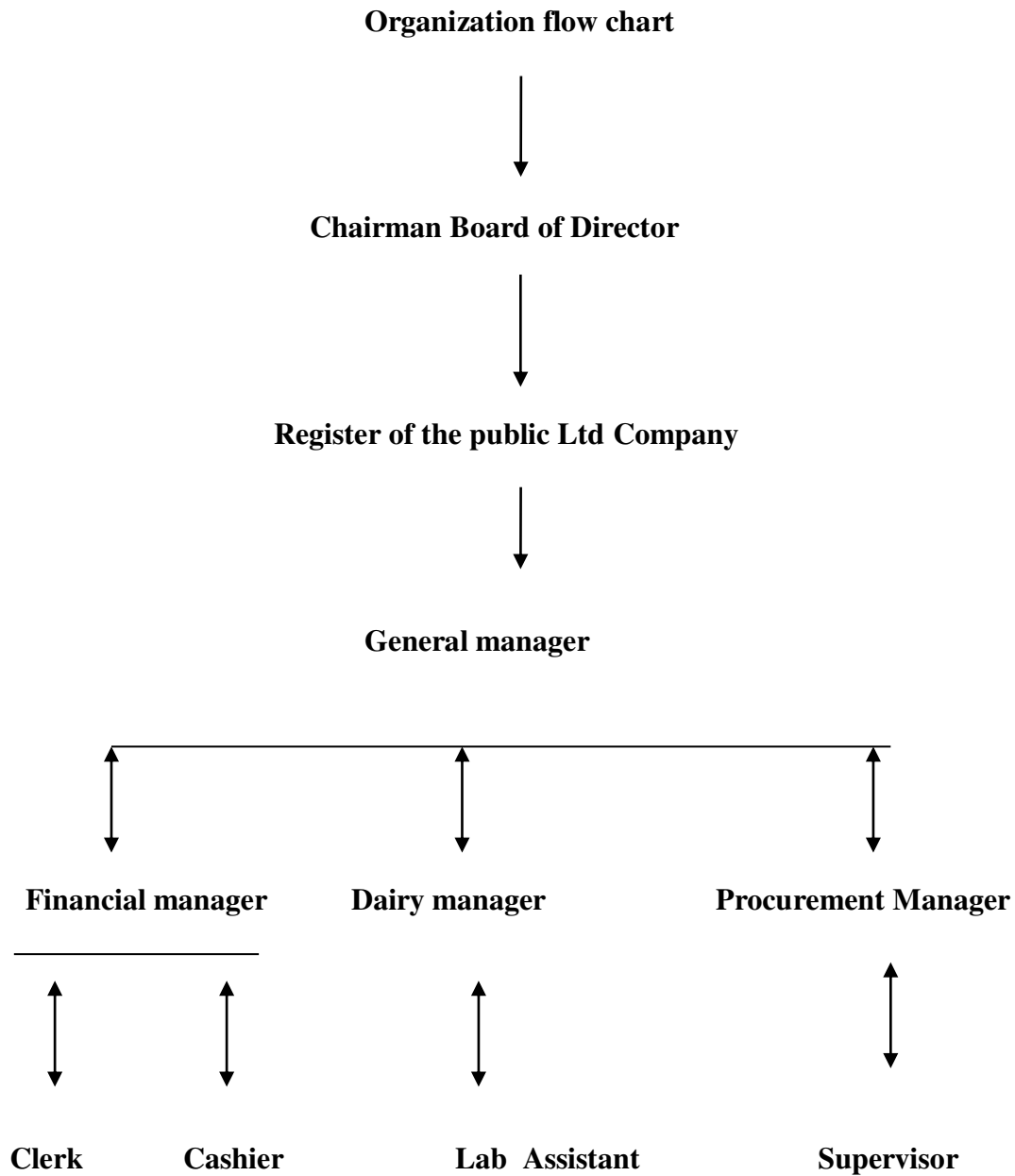
3.6 PURPOSE:

- 1] Getting more and more profit

2] Provide that service to the customer which is not available in the city

3] Manufacturing unit of wires and create a place is market.

3.7 ORGANIZATION FLOW CHART



Manmandir Milk and Agro Products Pvt. Ltd. Vita.” Board of Directors

- 1) Shri Ashok Aaba Gaikwad.
- 2) Shri Krishna Aaba Gaikwad.
- 3) Shri Ajit Ashok Gaikwad.
- 4) Miss Kiran Ashok Gaikwad.
- 5) Shri Sandeep Krishna Gaikwad.

Workers Profile

- General manager- Sandeep Gaikwad
- Dairy manager – Noushad Tamboli
- Procurement Manager – NivasBanne
- Clerk - Pndurang Jagtap & 6
- Cashier – Rafik Tamboli
- Lab Assistant – Satish Gaikwad 5
- Supervisor – Sanket Nivale &5
- Total Workers – 45

3.8 PRODUCTION PROFILE:

There are main two Brands but the maintain one product on professional.

- 1) Manmandir toned milk
- 2) Manmandir Gould (Full cream milk)

Those milk product distributed in 200ml, 500ml, and 1lit. Packets in market.

Collected milks is distributed in packing and other stock of milk is used for production of milk products like Standard milk, Paneer, Shrikhand, Amarkhand, Dahi, Lassi, Basundi, Pedha, Khawa, Butter, etc.

Today in market is a big competition in various brands, but Manmandir milk and Agro Products maintain their quality and give better service to customer.

3.9 VISION

- 1) Provide for customers with the cleanest and healthiest milk, for which the focus on nutrition starts from the animals themselves thus leading to more nutritional milk & milk products.
- 2) Be the best choice consumers.
- 3) Productivity enhancement of animal, through genetic development programs where by the farmers too will be benefited.
- 4) Give for the customers' value of money this will be through improvement in technologies used in their dairy. Thus enhancing the quality of their raw – material internal process, and the competency of people.
- 5) Maintain sensitivity to environment.

3.10 MISSION:

- 1) Understanding customer needs and protection their interest to build lifelong relationship and brand loyalty.
- 2) To continuously improve milk processing facilities to produce the best quality milk and milk products in the most efficiency way and under most hygienic conditions.
- 3) Inspire sustained growth for their entire workforce and farmers who have engaged in long term partnership with them.
- 4) To be among the most loved brands by the consumers most envied by the competitors and the most valued brand from the perspective of the shareholders.

3.11 QUALITATIVE AND FOOD SAFETY OBJECTIVE:

- 1) To increase customer satisfaction by reducing the instances of pilferages in liquid milk pouches.
- 2) To modify and enhance processes as per customer expectation and market trend at least one year for improving quality and safety of product.

3.12 DISTRIBUTION SYSTEM OF MANMANDIR MILK AND AGRO PRODUCTS IN VARIOUS REGION:

The organization distributes the milk in following area:

Vita, dist.- Sangli, Khanapur, Mayani, Pandharpur, Satara, Vijapur, Belgaon, Pune etc.

For distribution in above are the organizations having their 250 agents/wholesalers which work in these areas on a commission basis. They sell milk products to retailers and sell the product to consumers in the above area.

3.13 DAIRY PRODUCT:

❖ Paneer	
❖ Shrikhand	Amrakhand
❖ Dahi	Lassi
❖ Basundi	Chhas (Butter Milk)
❖ Toned Milk	Full cream Milk
❖ Standard Milk	Pedha
❖ Butter	Khava
❖ Mango Lassi	Mango Barffi
❖ Mango Basundi	Butterscotch shrikhand

CHAPTER: IV
DATA ANALYSIS AND INTERPRETATION

NO	TITLE
1	INTRODUCTION
2	DATA ANALYSIS
3	TABLES
4	GRAPHS
5	CONCLOSTION

CHAPTER No – IV**DATA COLLECTION AND INTERPRITATION****4.1 Introduction –**

The Chapter IV deals with analysis of data and with the help of accounting tools and techniques, statistical tools and techniques i. e ratios, working capital, capital percentage, mean, median, mode and summarize the tabulated data with the help of collected data from respected organization i.e. Manmandir Milk And Agro product PVT LTD.

4.2 DADA ANLYSIS:

Table No. 4.1

MANMANDIR MILK & AGRO PRODUCTS PVT LTD
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENED ON 31ST MARCH,2017

Sr.No.	Particulars	Note No.	Amount
I	Revenue from operations	14	181,936,673
II	Other Income	15	11,672
III	III. Total Revenue(I+II)		181,948,345
IV	Expenses		
	Cost of material s consumed	16	166,907,162
	Employee Benefits Expense	17	3,515,539
	Financial costs	18	3,570,199
	Depreciation and Amortization Expense	19	5,696,924
	Other Administrative Expenses	20	1,963,743
	Total Expenses (IV)		181,653,567
VI	Exceptional items		
VII	Profit before extraordinary items and tax (V-VI)		294,779
VIII	Extraordinary items		
IX	Profit before tax(VII-VIII)		294,779
X	<u>Tax expense</u>		
	1.Current Tax		19,328
	2.Deferred tax		214,426
XI	Profit (loss)from the period from continuing operations	(IX-X)	489,877
XIV	Profit (loss)from the period from continuing operations (XII-XIII)		
XV	Profit /(loss)for the period (XI+XIV)		489,877
XVI	Earning per equity share:		
	1.Basic		3
	2.Diluted		3

Table No. 4.2

MANMANDIR MILK & AGRO PRODUCTS PVT LTD
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENED ON 31ST MARCH,2018

Sr. No.	Particulars	Note No.	Amount
I	Revenue from operations	14	143,544,282
II	Other Income	15	4,962,761
III	III. Total Revenue(I+II)		148,507,043
IV	Expenses		
	Cost of material s consumed	16	131,823,047
	Employee Benefits Expense	17	4,065,545
	Financial costs	18	4,581,369
	Depreciation and Amortization Expense	19	5,563,303
	Other Adminisative Expenses	20	1,328,577
	Total Expenses (IV)		147,361,841
VI	Exceptional items		
VII	Profit before extraordinary items and tax (V-VI)		1,145,202
VIII	Extraordinary items		
IX	Profit before tax(VII-VIII)		1,145,202
X	<u>Tax expense</u>		
	1.Current Tax		246,690
	2.Deferred tax		99,255
XI	Profit (loss)from the period from continuing operations	(IX-X)	997,767
XIV	Profit (loss)from the period from continuing operations (XII-XIII)		
XV	Profit /(loss)for the period (XI+XIV)		997,767
XVI	Earning per equity share:		
	1.Basic		6
	2.Diluted		6

Table No. 4.4

MANMANDIR MILK & AGRO PRODUCTS PVT LTD
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENED ON 31ST MARCH,2019

Sr. No.	Particulars	Note No.	Amount
I	Revenue from operations	14	66,345,772
II	Other Income	15	1,503,000
III	III. Total Revenue(I+II)		67,848,772
IV	Expenses		
	Cost of material s consumed	16	53,987,820
	Employee Benefits Expense	17	3,566,070
	Financial costs	18	5,976,426
	Depreciation and Amortization Expense	19	6,517,665
	Other Administrative Expenses	20	1,654,028
	Total Expenses (IV)		71,702,009
VI	Exceptional items		
VII	Profit before extraordinary items and tax (V-VI)		(3,853,237)
VIII	Extraordinary items		
IX	Profit before tax(VII-VIII)		(3,853,237)
X	<u>Tax expense</u> 1.Current Tax 2.Deferred tax		(150,672)
XI	Profit (loss)from the period from continuing operations	(IX-X)	(3,702,565)
XIV	Profit (loss)from the period from continuing operations (XII-XIII)		
XV	Profit /(loss)for the period (XI+XIV)		3,702,565
XVI	Earning per equity share:		
	1.Basic		23
	2.Diluted		23

Table No. 4.4

MANAMDIR MILK & AGRO PRODUCTS PRIVATE LIMITED**A/P- VITA, TAL- KHANAPUR, DIST- SANGLI****Balance Sheet****As on.....**

Liabilities	2017-18	2018-19	2019-20
Capital and liabilities			
1. share capital	1,60,00,000	1,60,00,000	1,60,00,000
2. Reserve and surplus	7,20,523	2,77,244	34,25,321
3. Trade Creditors	1,24,09,390	42,84,401	42,40,157
4. Current liabilities	—	2,49,54,312	3,26,99,388
5. Short term provisions	11,08,314	14,98,725	17,18,252
Total (Total A)	3,02,38,227	4,70,14,682	6,15,08,439
Assets			
1. Current investment	-	-	-
2. inventories	10,15,091	1,13,14,890	1,34,25,056
3. Trade Debtors	2,76,72,518	4,29,65,908	4,00,53,947
4. Cash and cash equivalents	9,92,663	1,61,134	1,66,734
5. Short term loans and advances	1,50,71,212	1,14,99,211	70,22,248
Total (B)	3,11,87,393	6,59,41,143	6,06,67,985

(Source: Annual report 2017 - 18 to 2019-20)

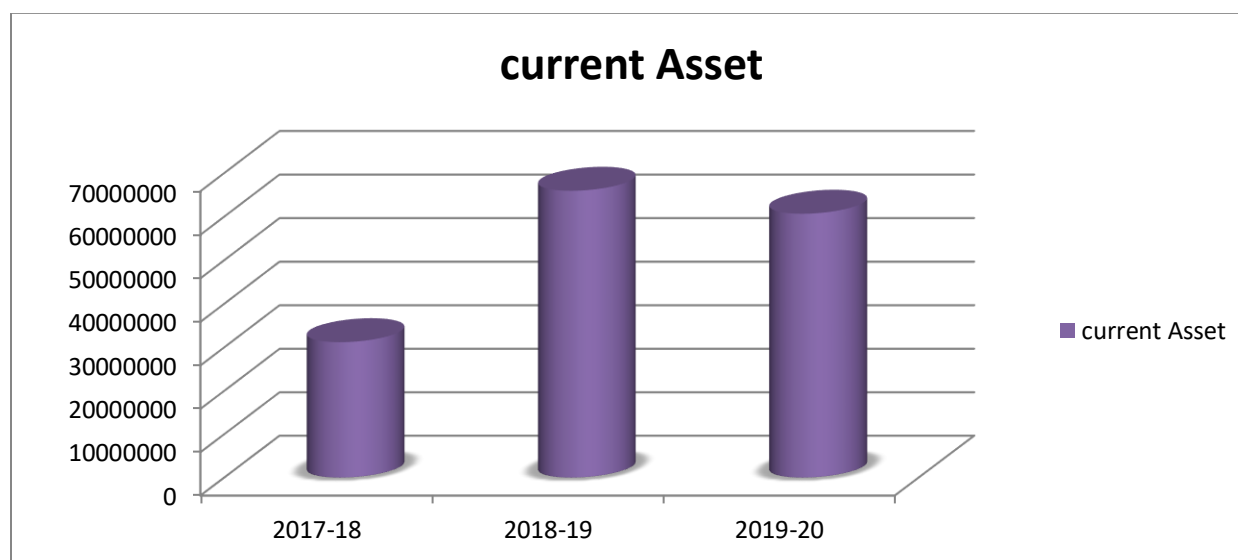
The above table interprets that the statement of Balance sheet..

In this table share capital are 16, 00, 00,000 stable of every year . In this table indicate that current liabilities Increased in 2019-20 at rs 77,45,076 .and Cash and Bank balance is in deceased in 2018-19 is 8,31,529 and increased in 2019-20 is rs 5,600. Investment is also increased highly amount continuously in 2018-19,2019-20 are Rs 1,02,99,799 and Rs 2110166 respectively.

Table No. 4.5**POSITION OF CURRENT ASSET**

Particulars	2017-18	2018-19	2019-20
1.Current investment	-	-	-
2. inventories	10,15,091	1,13,14,890	1,34,25,056
3. Trade Debtors	2,76,72,518	4,29,65,908	4,00,53,947
4. Cash and cash equivalents	9,92,663	1,61,134	1,66,734
5. Short term loans and advances	1,50,71,212	1,14,99,211	70,22,248
Total	3,11,87,393	6,59,41,143	6,06,67,985

In this table shows three years of position of current asset.

Graph No. 4.1

In this table shows current Asset in 2017-18 is Rs 3,11,87,393, in 2018-19 is Rs 6,59,41,143, and 2019-20 is 6,06,67,985. The current Asset increased in 2018-19 by Rs. 3,47,53,750. And decreased in 2019-20 by Rs 52,73,158.

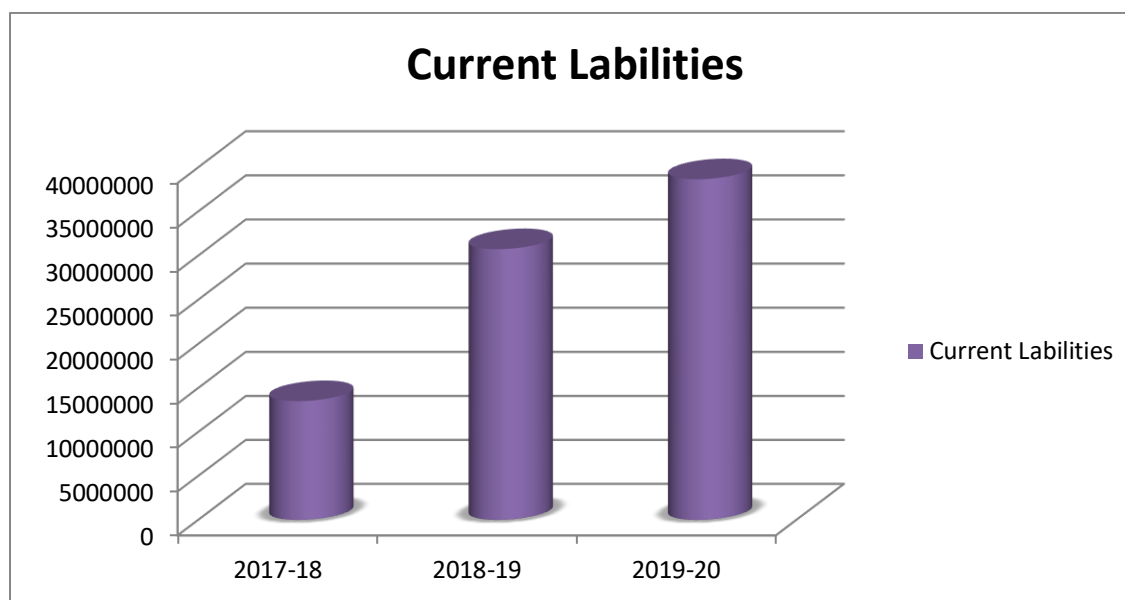
Table No. 4.6

4.8. POSITION OF CURRENT LIABILITIES

Particulars	2017-18	2018-19	2019-20
Current Liabilities			
3. Trade Creditors	1,24,09,390	42,84,401	42,40,157
4. Current liabilities	—	2,49,54,312	3,26,99,388
5. Short term provisions	11,08,314	14,98,725	17,18,252
Total	1,35,17,704	3,07,37,438	3,86,57,797

In this table shows position of current liabilities of three years.

Graph No. 4.2

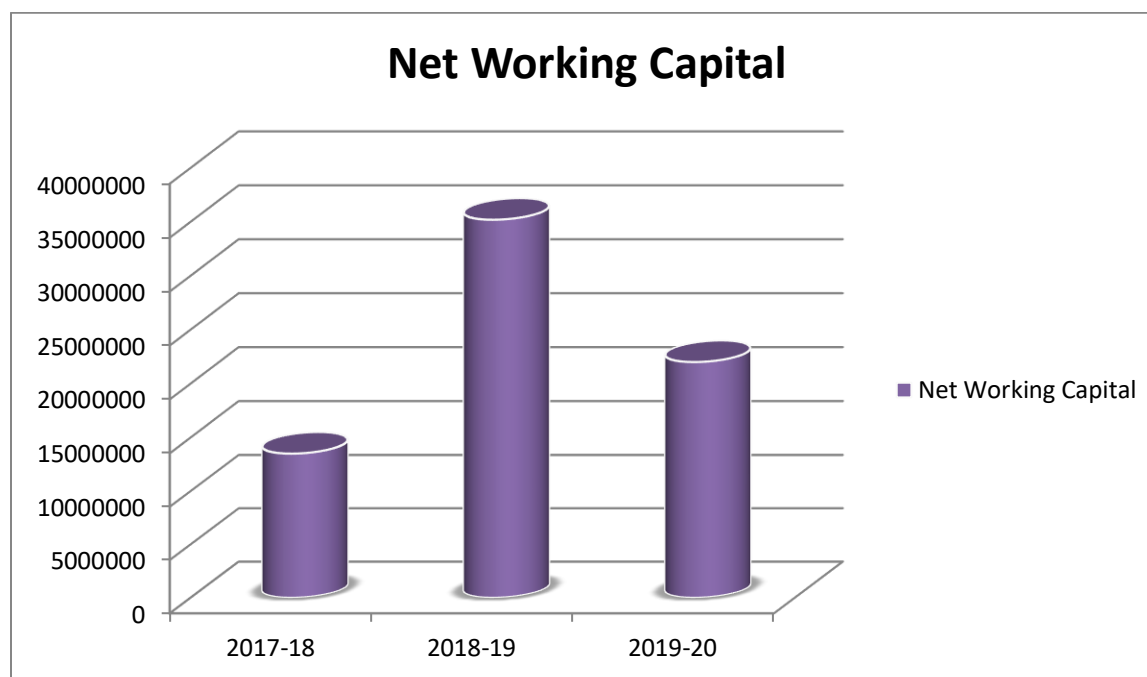


In this table shows current liabilities are increased in each year. In 2017-18 is 1,35,17,704, In 2018-19 is 3,07,37,438 and In 2019-20 is 3,86,57,797. The current liabilities increased At Rs.1,72.19,734, at Rs 79,20,359 respectively.

Table No. 4.7**4.8 Statement Showing Working Capital Requirements.**

Particulars	2017 – 18	2018 – 19	2019– 20
Current Assets (A)	3,11,87,393	6,59,41,143	6,06,67,985
Current Liabilities (B)	1,35,17,704	3,07,37,438	3,86,57,797
Net Working Capital (A - B)	1,76,69,689	3,52,03,705	2,20,10,188

From the given table shows statement of working capital required.

Graph No. 4.3

In this table 2017 – 18 shows RS 1,76,69,689 working capital required.

In 2018 – 19 shows RS 3,52,03,705 working capital required.

In 2019– 20 shows RS 2,20,10,188 working capital required

a) Current Ratio –

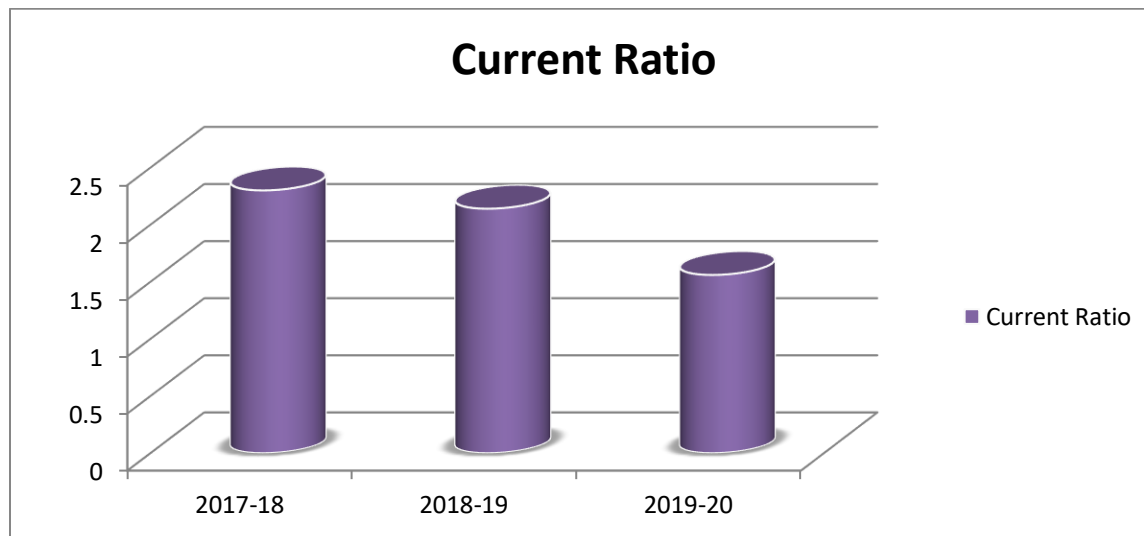
A current ratio that is in line with the industry average or slightly higher is generally considered acceptable. A current ratio that is lower than the industry average may indicate a higher risk of distress or default. Similarly, if a company has a very high current ratio compared to their peer group, it indicates that management may not be using their assets efficiently. Current ratio may be defined as the relationship between current assets and current liabilities. This ratio also known as working capital management ratio is a measure of general liquidity and is most widely used to make the analysis of a short term financial position or liquidity of a firm. It is calculated by dividing the total of current assets by total of the current liabilities.

The current ratio is used to measure the firm's short – term solvency. It measures the ability of the firm to meet its current obligations.

$$\text{Current Ratio} = \frac{\text{Current Asset}}{\text{Current Liabilities}}$$

Table No. 4.7

Particulars	2017 – 18	2018 – 19	2019– 20
Current Assets	3,11,87,393	6,59,41,143	6,06,67,985
Current Liabilities	1,35,17,704	3,07,37,438	3,86,57,797
Ratio	2.30	2.14	1.56

Graph No. 4.4**INTERPRETATION:-**

Above table shows proportion of current asset to current liabilities. In the year 2017 – 18 the ratio is 2.30, in 2018 – 19 the ratio is 2.14 in 2019 – 20 the ratio is 1.56 In year 2017 – 18 ratio shows satisfactory figure.

A higher current ratio has better liquidity. The standard ratio is 2.30 company tries to increase. In 2017-18 due to receivables the ratio is on higher side. Then every year Current Ratio is decreased.

b) Quick Ratio or Acid Test Ratio –

The quick ratio is an indicator of a company's short-term liquidity position and measures a company's ability to meet its short-term obligations with its most liquid assets.

Since it indicates the company's ability to instantly use its near-cash assets (assets that can be converted quickly to cash) to pay down its current liabilities, it is also called the acid test ratio. An "acid test" is a slang term for a quick test designed to produce instant results—hence, the name.

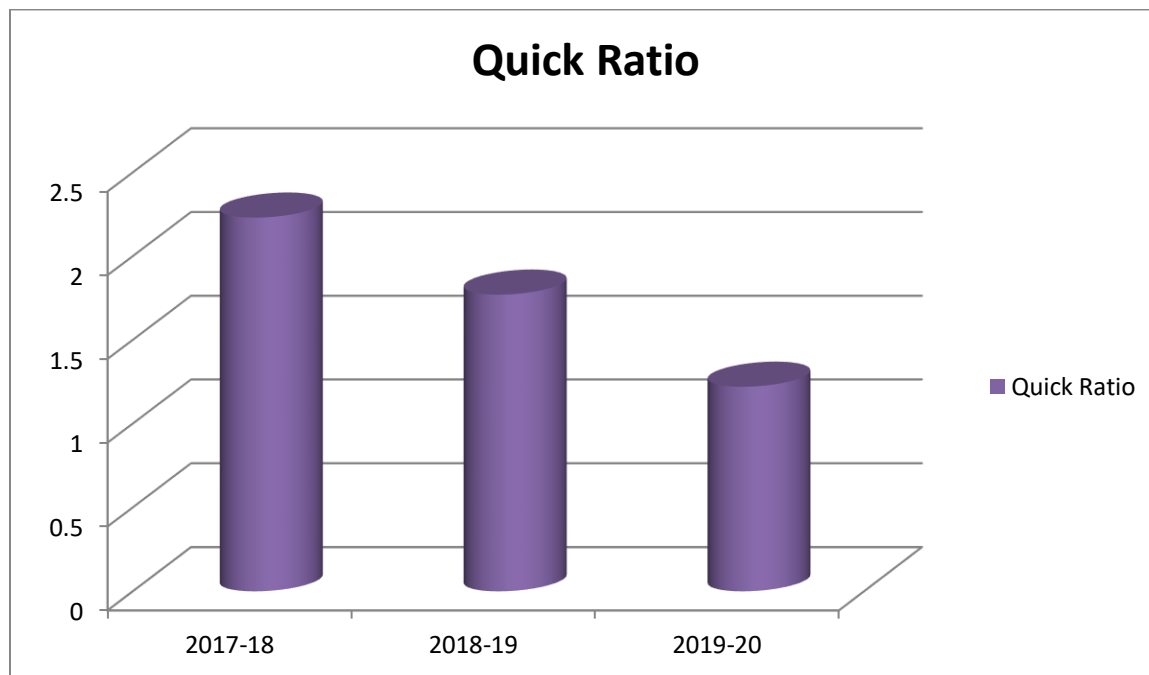
Quick ratio establishes ratio between liquid asset and current liabilities. An asset is liquid if it can be converted into cash immediately without a loss of value. Quick Ratio is known as Acid test ratio. The firm liquidity of a firm to pay its short – term obligation as and measure of liquidity, are current assets and current liabilities is said to be liquid if it can be converted into cash within a short period without loss of value.

$$\text{Acid Test Ratio} = \frac{\text{Current Asset} - \text{Inventories}}{\text{Current Liabilities}}$$

Quick asset include assets as sundry debtors cash and bank balance other current assets, loans and advances etc.

Table No. 4.8

Particulars	2017 – 18	2018 – 19	2019– 20
Quick asset(C.A –Inventories)	3,01,72,302	5,46,26,253	4,72,42,929
Current Liabilities	1,35,17,704	3,07,37,438	3,86,57,797
Ratio	2.23	1.77	1.22

Graph No. 4.5**Acid Test Ratio****INTERPRETATION:-**

Usually a high acid test ratio is an indication that the firm has the ability to make payment of its current liabilities in time. Low quick ratio is not good in favors of firm.

Above table shows proportion of quick assets to current liabilities. In year 2017-18 the ratio is 2.23, 2018-19 the ratio is 1.77, and the year 2019-20 is 1.22 due to Ratio resalable the lower side. From the year 2018 – 19 ratio is unsatisfactory.

c) Working Capital Turnover Ratio –

This ratio establishes a relationship between net sales and working capital. This ratio is to determine the efficiency with which the working capital is utilized. Thus, it calculated as follows.

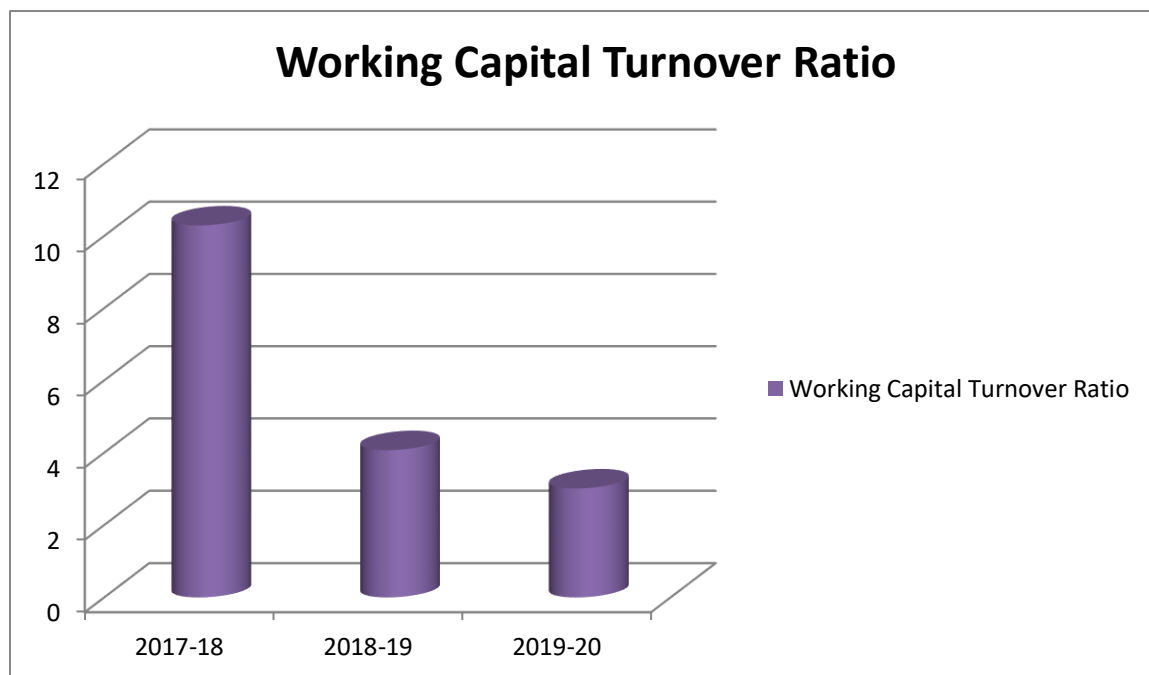
$$\text{Working Capital Turnover ratio} = \frac{\text{sales}}{\text{working capital}}$$

Working Capital

Table No. 4.9

Particulars	2017 – 18	2018 – 19	2019– 20
Sales	181936673	143544282	66345772
Working Capital	1,76,69,689	3,52,03,705	2,20,10,188
Ratio	10.29	4.07	3.01

Graph No. 4.6



This measure to understand the firm's ability to meet its short term obligation.

Higher the ratios better the result. The higher ratio better is utilization of working capital. As per as companies ratios is concern it is not so high and low because very high working capital turnover ratio is a sign of over trading and a firm may face shortage of working capital the ratio remain quits same in both the year. So company is not high risk as well as profitable.

In the year 2017-18 ratio is 10.29, in 2018-19 is 4.07, the ratio 2019-20 is 3.01

d) Gross Profit Ratio –

The ratio is an important indicator of profitability, shows the profit potential before charging financial, administrative and selling expenses. The gross profit margin reflects the efficiency with which management produce each unit of product. A high ratio of gross profit to sale is a sign of good management as it implies that the cost of production of the firms is relatively low. It may also be indicative in the cost of goods sold.

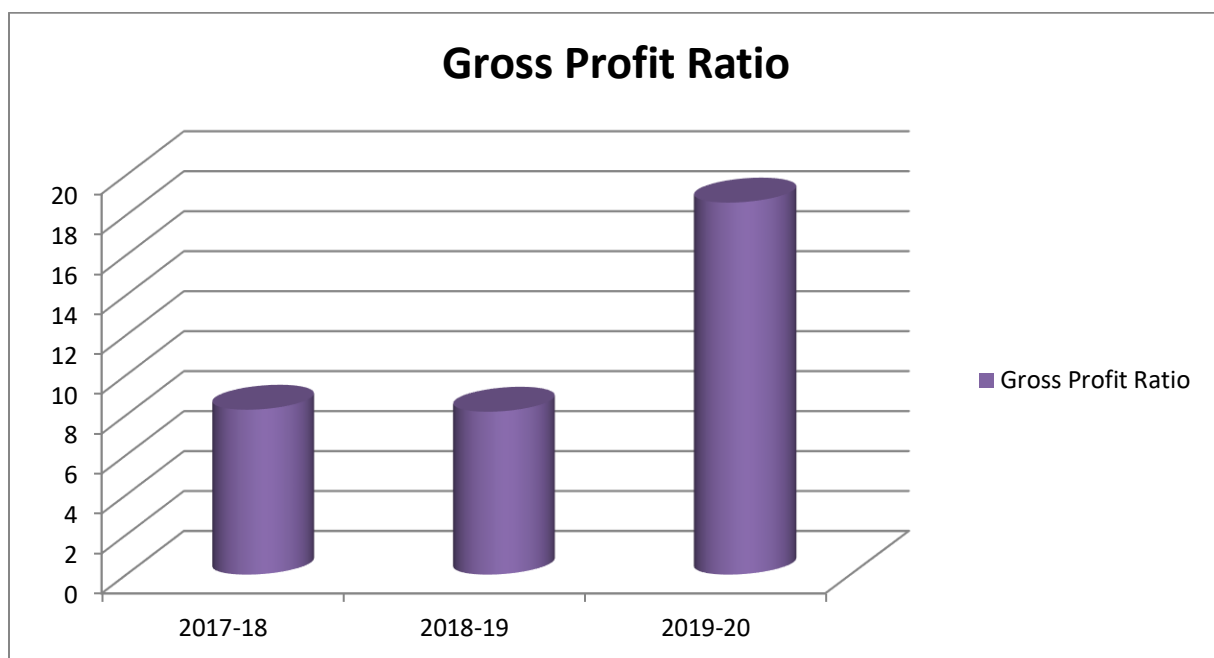
$$\text{Gross Profit Ratio} = \frac{\text{Gross Profit}}{\text{Sales}} \times 100$$

Table No. 4.10

Particulars	2017 – 18	2018 – 19	2019– 20
Gross Profit	15029511	11721235	12357952
Sales	181936673	143544282	66345772
Total	8.26 %	8.16%	18.62%

Graph No. 4.7

Gross Profit Ratio

**INTERPRETATION:-**

Above table shows proportion of gross profit to sales. In the year 2017-18 the ratio is 8.26%, in 2018-19 the ratio is 8.16%, in the year 2019-20 is 18.62%.

e) Net profit Ratio –

It measure overall profitability. This is net profit after tax to net sales. This ratio explains the profit generating capacity of the sales. These ratios are based on the premise that a firm should earn sufficient profit on each rupee of sales.

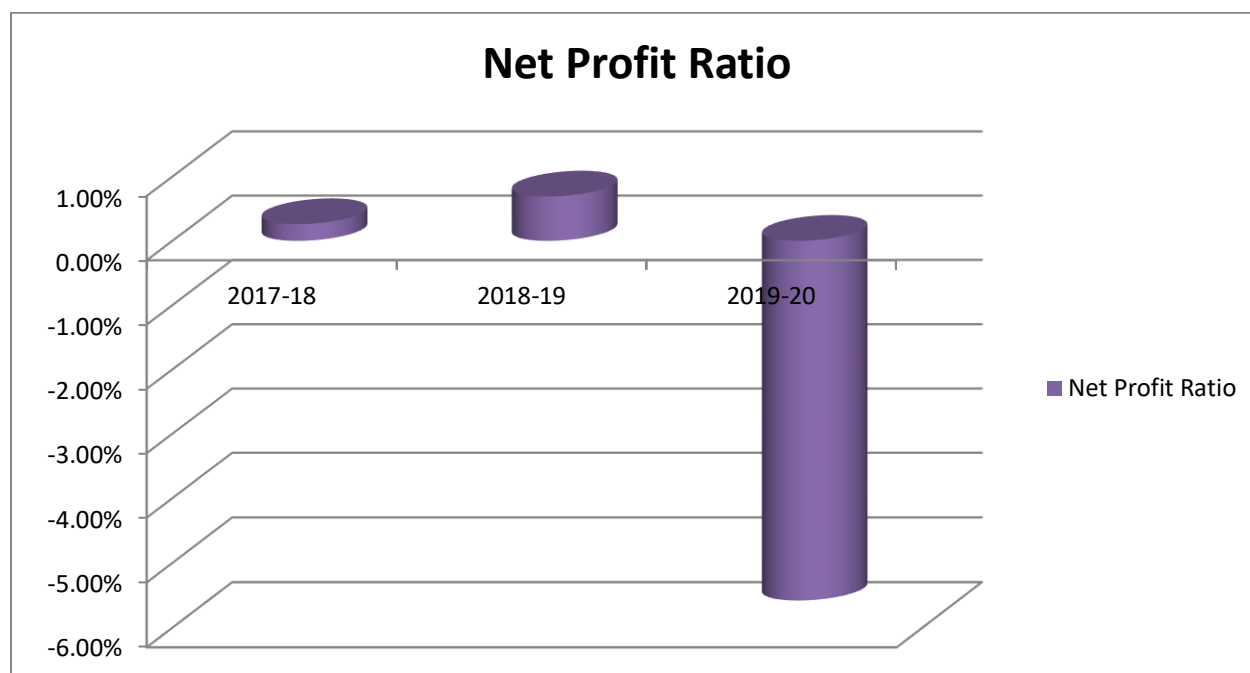
Net profit ratio is the overall measure of the firm's ability to turn each rupee sales into net profit. It is guiding ratio for determining the dividend payout per. Share. It also determines the market price of the shares. Lower net profit ratio indicates higher non-operating expenses.

$$\text{Net Profit Ratio} = \frac{\text{Net Profit} \times 100}{\text{Sales}}$$

Sales

Table No. 4.11

Particulars	2017 – 18	2018 – 19	2019– 20
Net Profit	489877	997767	-3702565
Sales	181936673	143544282	66345772
Total	0.26%	0.69%	-5.58%

Graph No. 4.8**Net Profit Ratio****INTERPRETATION:-**

This ratio shows the earning left for shareholder as a% of sale it measure overall efficiency of all the function of a business like production administration selling financing pricing tax management

Above table shows proportion of net profit in the year 2017 – 18 the ratio is 0.26%, in the year 2018-19 the ratio is 0.69% in the year 2019-20 the ratio is -5.58%

The ratio -5.58 had to decreasing in profit ratio adopting bad financial position of marketing policies.

Conclusion

Researcher conclude that overall financial position is sound of this company .The research has covered all financial data related trading account, profit and loss account, trading profit and loss account, balance sheet, position of current asset and current liabilities statement, showing working capital requirement this is study has been conducted that this chapter. All the required information is analyzed here is this study of working capital management

CHAPTER- v**FINDING AND SUGGETION**

No.	TITLE
5.1	INTRODUCTION
5.2	FINDING
5.3	SUGGETION
5.4	CONCLUSION

CHAPTER – V

FINDINGS, CONCLUSION AND SUGGESTION

5.1 INTRODUCTION

Researcher has arranged the data by using various method and made interpretation. From the analysis and interpretation of the data researcher has derived some finding. On the basic of finding researcher had made suggestion for improving the performance of the organization for capturing the good image in Sangli district and Maharashtra state.

5.2 Findings –

1. It is found that the Manmandir Milk and Agro Product .Ptv ltd .vita passion of current Asset is increased in 2018-19 is at Rs.3,47,53,750. But decreased in 2019-20 is at Rs 52,73,158. (Table No.4.5)
2. It is found that the passion of current liabilities increased in every year. In 2018-19 and 2019-20 At Rs.1,72.19,734, at Rs 79,20,359 respectively. (Table No.4.6)
3. Statement Showing Working Capital Requirements in the year 2018-19 it is seen that the working capital increase as compared to the previous year. But it decrease in 2019-20 as compared to previous year.(Table No4.7)
4. The current Ratio is decrease in every year in 2017-18 is 2.30%, in 2018-19 is 2.14% and in 2019-20 is 1.56%.
5. quick assets to current liabilities ratio In year 2017-18 the ratio is 2.23, 2018-19 the ratio is 1.77, and the year 2019-20 is 1.22 due to Ratio resalable the lower side. From the year 2018 – 19 ratio is unsatisfactory.

6. It is found that the working capital turnover ratio is also decrease in every year.
7. The gross profit ratio in the year 2017-18 it is 8.26% and in the 2018-19 is 8.16% and in the year 2019-20 it is seen that this ratio is increased up to 10.46%.
8. It is found that the Net profit ratio is increased in 2018-19 is 0.43% but it decreased in 2019-20 is (-)figure .the company position is very bad this year. Company is fail in loss in this year.
9. proportion of net profit in the year 2017 – 18 the ratio is 0.26%, in the year 2018-19 the ratio is 0.69% in the year2019-20 the ratio is -5.58%
10. The ratio -5.58 had to decreasing in profit ratio adopting bad financial position of marketing policies.

5.3. Suggestion

1. Manmandir dudh sang should maintain large amount of working capital required.
2. Company has to maintain its current financial position of working capital as liquidity ratios turning satisfactory.
3. Company should try to increase volume based sales so as to stand in the competition.
4. The company must use the method of stocks appropriate for its growth. For example: LIFO method or FIFO method
5. Manmandir has to increase milk sale to another milk dairy. i. e profitable for dairy because they get more profit and they improving their goodwill.
6. The co – operative can function better if there is better communication between the staff and the members. This can also bring about a better relationship between staff and the members.
7. New generation should be attached towards dairy business by provide various facilities.
8. Training program should be conducted.
9. Company has to control on their current liabilities because current liabilities increased year.
10. There should be encouragement of women to participate in Dairy business.

11. This management should concentrate the net profit ratio, that is negatively sloped and to control the operating expenses.

5.4 CONCLUSION

This present study concerned about the working capital management of MANMANDIR MILK AND AGRO PRODUCT PVT LTD, VITA. Was undertaken with objective of assessing the performance of working capital management in terms of the existing system of inventory, receivable and payables management of the companies by analysis the financial data with help of ratio analysis and schedules of changes in working capital. It is observe from the analysis that the working capital of the companies is efficiently managed throughout the study period. It is also observed that overall the working capital management of the companies is found to be satisfactory.

Researcher concludes that overall financial position sound of this company. The company gives more attention to maintaining sufficient current assets. Company's current assets and liabilities are changing year by year so efforts must be taken to keep its stable. Proper management of working capital is necessary to show the maintain day to day activities of an organization.

Still in this region there are so many co – operative dudh are working. It helps in the undistributed and smooth running of the business. It helps in the undistributed and smooth running of the business and improving reputation and goodwill. It is also observed that overall working capital management of the company is found to be satisfactory.

Questionnaire

Name -----

Date -----

Designation-----

(Tick as Appropriate)

- **Section-A:Personal Date**

1. Your Age

a) Bellow 25 years b) 25-29 years c) 30-34years b) 35 years & Above

2. Gender

a) Male b) Female

3. What is your Qualification?

a) Undergraduate b)Graduate c) Post-Graduate

4. How long have you been working in this company?

a) Less than 3 years b) 3-5 years c) Above 5 years

- **Section B: Working Capital**

5. How would you the level of importance by which working capital is placed is in the organization?

a) High b) Average c) Low d) Not at all

6. How many days credit do you give to customers\Debtors?

a) 0-30 days b) 30-60 days c) 60-90days d) Above 90 days

7. Is there bill of exchange facility in your company? If yes, why don't you release cash from bank again bill.

8. Do you change interest if customers/ debtors we pay you after due date?

a) Yes b)No

(If no why?) -----

9. How many days credit do you like from suppliers/ creditors?

- a) 0-30 days b) 30-60 days C) 60-90 days d) Above 90 days

10. How a phone does new company remind customers to pay the balance amount?

- a) Weekly b) Monthly c) Quarterly d) Annually

11. Do you give discount after to customers debtors for early payment?

- a) Yes b) No

(If no why?) -----

12. What is stock circle in your company?

- a) Less than 30 days b) 3 days -60days c) more than 60 days.

13. What is the bad debts level in your account receivable?

- a) Less than 5% b) 5-10% c) Over 10%

14. how many days do you take to convert into finished goods from the date of purchase of raw materials?

- a) Less than 10 days b) 10 days -20 days c) more than 20 days.

15. Do you use banking source to finance your working capital?

- a) Yes b) No

(If no why?) -----

16. How often does you company review its working capital policy?

- a) Weekly b) Monthly c) Quarterly d) whenever necessary.

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