



A Study of Working Capital Management and Analysis of Manila Dyeing and Printing Mills, Surat

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Abstract:

The main objective to conduct this research was to analyze the working capital of the company and impact on management, address various components of working capital, and suggest steps which could be taken by the company for the improvement of its functions. The company deals in the service sector in the textile industry and provides textile related services like dyeing and printing of raw fabric. The research's further objectives were to maximize the profitability of the company, encourage prompt payments, avoiding and protecting the firm from situation of solvency, proper and adequate maintenance of current assets, smoothening of day to day transactions in order to achieve liquidity, and minimize the risk and uncertainty of liabilities exceeding assets, and debt traps. The research was made with the help of primary data provided by the firm and an applied research was made on the same.

Keywords: working capital management, ratio analysis, data interpretation and recommendations, textile service sector firm.

I. INTRODUCTION

Working capital is the capital of a business which is used in its day-to-day trading operations, calculated as the current assets minus the current liabilities. Working capital is a very important part of an organization, whether it belongs from manufacturing sector, trading sector, service sector, etc. It is the most important determinant of the firm's liquidity as well as the profitability levels. Many manufacturing firms find it hard to manage their working capital, but they don't realize that it is one of the major foreclosure of businesses. A lot of manufacturing firms, as well as businesses fail due to improper analysis and management of working capital. The financial manager must determine the satisfactory level of working capital funds and also the optimum mix of current assets and current liabilities. The management should ensure sources of funds which is used to finance working capital and should also see whether short term obligation of the business is met well in time. Whereas, liquidity is a precondition to ensure the firm's ability to meet its short-term obligations and its continued flow can be guaranteed from a profitable undertaking. The textile industry contributes 14% to industrial production, 4% to India's Gross Domestic Product (GDP) and constitutes 15% of the country's export income. Textile and apparel sector is the second largest employment provider in the country employing nearly 51 million people directly and 68 million people indirectly in 2015-16. In the recent past working capital management is a very important component of corporate finance because it directly affects the liquidity profitability and solvency of a business entity, which includes current assets and current liabilities. The research study on Working capital management is important due to various reasons.

- (i) The current assets of a typical manufacturing firm accounts for over half of its total assets.
- (ii) The objective of the financial decision making to maximize the shareholder wealth which is used to generate sufficient profits.

- (iii) The extent to which profits earned will naturally depend upon the other things among the magnitude of sales.

Therefore, there is a need for immediate realization of cash against goods sold. Hence sufficient working capital is necessary to sustain sales activity. The term cash cycle refers to the length of the working capital components to complete the following cycle of Events.

They include

- (i) Conversion of cash to Inventory
- (ii) Conversion of Inventory to Receivables
- (iii) Conversion of Receivables into Cash.

Firms must have adequate inventory to guard against the possibility of not being able to meet demand for their company's products. Adequate Inventory therefore provides a cushion against being out of stock. If firms have to be competitive, they must sell goods to their customers on credit which necessitates the holding of accounts receivable. It is in these ways that an adequate level of Working capital is absolutely necessary for smooth sales activity which in turn, enhances the proprietor's wealth. My study focuses on evaluation of importance of working capital towards profitability of the organization. It also includes the important components of working capital i.e. cash management, receivables management, inventory management & accounts management. The study also focuses on techniques that will improve the management of these funds, resulting in optimal performance and overall growth and development of the organization.

II. LITERATURE REVIEW

Sharma and Kumar (2011) examined the effect of working capital on profitability of Indian firms. They collected data about a sample of 263 non-financial BSE 500 firms listed at the Bombay Stock (BSE) from 2000 to 2008 and evaluated the data

using OLS multiple regression. The results revealed that working capital management and profitability is positively correlated in Indian companies. The study further reveals that inventory of number of days and numbers of day's accounts payable are negatively correlated with a firm's profitability, whereas number of days accounts receivables and cash conversion period exhibit a positive relationship with corporate profitability. Anand and Malhotra (2007) have attempted to develop objective metrics to measure efficiency at the industry and firm level. Using data on 339 Indian companies for the period 2001/02 to 2003/04, the authors report that the firms' operating cycles and CCCs are both reduced, but they cannot establish a positive relationship between profitability and the efficient management of working capital. Rathirane Yogendrarajah (2004) conducted a research on Working Capital Management and its Impact on Firms' Financial Performance with the main objective to investigate the impact of Working Capital Management on financial performance of Sri Lanka trading companies and to examine the impact of accounts receivables days, inventories days, accounts payable days and cash conversion cycle on financial performance through descriptive and inferential statistics. She concluded that the trading firms have large amounts of cash invested in working capital and it can therefore be expected that the way in which working capital is managed will have a strong impact on financial performance of those firms. We have found a negative relationship between Return on Assets and Inventory turnover and Cash conversion cycle for the trading firms listed on CSE. These results suggest that managers can create value for their shareholders by reducing the number of day's accounts receivable, increasing the number of day's accounts payable and inventories to a reasonable minimum. Anand and Gupta's (2001) empirical survey of working capital performance in corporate India helps identify the core determinants of WCM. Their study investigates the working capital performance of 427 of the S&P-500 companies over the period 1998/99 to 2000/01. They argue that cash conversion efficiency (CCE), DWC, and days operating cycle (DOC) are the key variables that chief financial officers need to keep in mind when making decisions regarding higher profitability. Garcia-Teruel and Martinez-Solano (2007) use financial data on 8,872 Spanish firms for the period 1996 to 2002 to investigate the effects of WCM on profitability. Their investigation reveals the obvious: that profitability increases if the contributing factors of working capital are efficiently managed. They summarize that profitable firms collect their receivables early, take less time to convert their inventories into finished goods, pay their dues early, and have a short CCC. Padachi (2006) uses a set of 58 small manufacturing firms in Mauritius with 340 firm-year observations from 1998 to 2003. The study confirms that firms with more receivables and higher levels of inventory are less profitable. The author conducts a comparative analysis of five major industry groups, and asserts that working capital has a negative correlation with ROA. The study concludes that the efficient management of working capital increases profitability. WCM is thus deemed an essential tool that helps measure both the operational and financial efficiency of a business firm. Shah and Sana (2006) investigate the relationship of working capital management with regards to profitability, using financial data on oil and gas companies in Pakistan for the period 2001 to 2005. Their findings suggest that it is possible for financial managers to maximize shareholders'

wealth by efficiently managing working capital. They report that profit margins move in a significantly opposite direction to receivables, cash cycles, sales growth, and inventory conversion periods. Further, they examine the causal relationship that confirms that the efficient management of working capital moves positively with profitability. Delo of (2003) suggests, on the basis of a study of 1,009 nonfinancial firms in Belgium over the period 1992–96, that managers may find it possible to maximize shareholders' wealth by improving WCM efficiency. The author argues that doing so is made possible by the fast collection of receivables and by keeping an optimal level of inventory. The study finds that gross operating income moves in an opposite direction to average days receivable (DR), average days in inventory (DI), average days payable (DP), and CCC. The analysis also reveals a negative relationship between accounts payable and profitability, which is consistent with the view that less-profitable firms wait longer to pay their bills. The study also finds that bills receivable have a highly significant negative relationship with profitability. Lyroudi and Lazaridis (2000) have conducted a study on similar grounds of the Greek food and beverage industry. They find that a positive relationship exists between the cash conversion cycle (CCC) and current and quick ratios, and between the CCC and return on assets (ROA). The profit margin is observed to move positively with CCC, and the latter is found to have no association with leverage ratios. Gill, Biger and Mathur (2010) analyzed the relationship between working capital management and profitability of 88 American firms listed on New York Stock Exchange for a period of 3 years from 2005 to 2007 was selected. The data was analyzed using Pearson Bivariate Correlation Analysis and Weighted Least Squares (WLS) Regression techniques. They found statistically significant relationship between the cash conversion cycle and profitability, measured through gross operating profit. It followed that managers can create profits for their companies by handling correctly the cash conversion cycle and by keeping accounts receivables at an optimal level. Mathuva (2010) in his study on the influence of working capital management on corporate profitability found that there exists a highly significant negative relationship between the time it takes for firms to collect cash from their customers and profitability. He explained that the more profitable firms take the shortest time to collect cash from the customers. The study further revealed that there exist a highly significant positive relationship between the inventory conversion period and profitability. It was explained that firms, which maintain sufficiently high inventory levels reduce costs of possible interruptions in the production process and loss of business due to scarcity and products. Finally, the study established that there exists a highly significant positive relationship between the average payment period and profitability. He held that the longer a firm takes to pay its creditors, the more profitable it is. In this study, a sample of 30 firms listed on Nairobi Stock Exchange for the periods 1993 to 2008 was used. Both the ported OLS and the fixed effects regression models were used. Raheman, Afza, Qayyum and Bodla (2010) analyzed the impact of working capital management on firm's performance in Pakistan for the period 1998 to 2007. For this purpose, balanced panel data of 204 manufacturing firms was used which are listed on Karachi Stock Exchange. The results indicate that the cash conversion cycle, net trade cycle and inventory turnover in days are significantly

affecting the performance of the firms. They concluded that manufacturing firms were in general facing problems with their collection and payment policies. Moreover, financial leverage, sales growth and firm size also had significant effect on the firm's profitability. They study recommended that effective policies must be formulated for the individual components of working capital. Gakure, Cheluget, Onyango and Keraro (2012) analyzed the relationship between working capital management and performance of 15 manufacturing firms listed at the Nairobi NSE from 2006 to 2010 and for a total 75 firms year observations. They used secondary data from a sample of 18 Companies at the NSE. A regression model was used to establish the relationship between the dependent variable and the independent variables. Pearson's correlation and regression analysis were used for the analysis. The results indicated that there is a strong negative relationship between firm's performance and liquidity of the firm. The study found that there is a negative coefficient relationship between accounts collection period, average payment period, inventory holding period and profitability while the cash conversion cycle was found to be positively correlated with profitability. However, the effects of the independent variables except the average payment period were no statistically significant though the overall model was statistically significant. Almazari (2013) investigated the relationship between the working capital management (WCM) and the firms' profitability for the Saudi cement manufacturing companies. The sample included 8 Saudi cement manufacturing companies listed in the Saudi Stock Exchange for the period of 5 years from 2008-2012. Pearson Bivariate correlation and regression analysis were used. The study results showed that Saudi cement industry's current ratio was the most important liquidity measure which effected profitability, therefore, the cement firms must set a trade-off between these two objectives so that, neither the liquidity nor profitability suffers. It was also found, as the size of a firm increases, profitability increased. Besides, when the debt financing increased, profitability declined. Linear regression tests confirmed a high degree of association between the working capital management and profitability. Gul, Khan, Rehman, Khan, Khan and Khan (2013) investigated the influence of working capital management (WCM) on performance of small medium enterprises (SMEs) in Pakistan. The duration of the study was seven years from 2006 to 2012. The data used in this study was taken from SMEDA, Karachi Stock Exchange, tax offices, company itself and Bloom burgee business week. The dependent variable of the study was Return on Assets (ROA) which was used as a proxy for profitability. Independent variables were Number of Days Account Receivable (ACP), Number of Day's Inventory (INV), Cash Conversion Cycle (CCC) and Number of Days Account Payable (APP). In addition to these variables some other variables were used which included Firm Size (SIZE), Debit Ratio (DR) and Growth (GROWTH). Regression analysis was used to determine the relationship between WCM and performance of SMEs in Pakistan. Results suggested that APP, GROWTH and SIZE have positive association with Profitability whereas ACP, INV, CCC and DR have inverse relation with profitability. Oladipupo and Oka for (2013) examined the implications of a firm's working capital management practice on its profitability and dividend payout ratio. The study focused on the extent of the effects of working capital management on the Profitability and Dividend Payout Ratio. Financial data were

obtained from 12 manufacturing companies quoted on the Nigeria Stock Exchange over 5 years period (2002 to 2006). Using both the Pearson product moment correlation technique and ordinary least square (OLS) regression technique, they observed that shorter net trade cycle and debt ratio promote high corporate profitability. While the level of leverage has negative significant impact on corporate profitability, the impacts of working capital management on corporate profitability appeared to be statistically insignificant at 5% confidence level. On the other hand, they observed that dividend payout ratio was influenced positively by profitability and net trade cycle but negatively by growth rate in earnings. Almazari (2013) investigated the relationship between the working capital management (WCM) and the firms' profitability for the Saudi cement manufacturing companies. The sample included 8 Saudi cement manufacturing companies listed in the Saudi Stock Exchange for the period of 5 years from 2008-2012. Pearson Bivariate correlation and regression analysis were used. The study results showed that Saudi cement industry's current ratio was the most important liquidity measure which effected profitability, therefore, the cement firms must set a trade-off between these two objectives so that, neither the liquidity nor profitability suffers. It was also found, as the size of a firm increases, profitability increased. Besides, when the debt financing increased, profitability declined. Linear regression tests confirmed a high degree of association between the working capital management and profitability. Akoto, Awunyo-Vitor and Angmor (2013) analyzed the relationship between working capital management practices and profitability of listed manufacturing firms in Ghana. The study used data collected from annual reports of all the 13 listed manufacturing firms in Ghana covering the period from 2005-2009. Using panel data methodology and regression analysis, the study found a significant negative relationship between Profitability and Accounts Receivable Days. However, the firms' Cash Conversion Cycle, Current Asset Ratio, Size, and Current Asset Turnover significantly positively influence profitability. The study suggests that managers can create value for their shareholders by creating incentives to reduce their accounts receivable to 30 days. It is further recommended that, enactments of local laws that protect indigenous firms and restrict the activities of importers are eminent to promote increase demand for locally manufactured goods both in the short and long runs in Ghana. Maradi, Salehi and Arianpoor (2012) compared working capital management of two groups of listed companies in Tehran Stock Exchange (TSE), which comprised of chemical industry and medicine industry. In chemical industry, 34 companies and medicine industry, 30 companies were selected and information related to these companies was gathered over 10 years (2001-2010) and analyzed using OLS multiple regression. The results show that, in medicine industry compared to chemical industry, debt ratio makes more impact on reduction of net liquidity. But examination of impact of LEV over WCR indicate that, in chemical industry, debt ratio makes more impact on reduction of working capital requirements, compared to medicine industry. Nyabwanga, Ojera, Lumumba, Odondo and Otieno (2012) assessed the effect of working capital management practices on the financial performance of SSEs in Kisii, South Africa. A sample of 113 SSEs comprising 72 trading and 41 manufacturing enterprises was used. Pearson's correlation

coefficients and multiple regression analysis techniques were used to analyze data. Consequently, the findings of the study were that, working capital management practices were low amongst SSEs as majority had not adopted formal working capital management routines and their financial performance was on a low average.

III. METHODOLOGY

RESEARCH METHODOLOGY

Primary Objective

The study includes primary data (balance sheet) which is provided by Manila Dyeing and Printing Mills and the secondary data includes websites and articles on the internet.

The objective of the research is to calculate various aspects of working capital to determine its impact over the profitability of the firm. Hence, to determine this, an applied research will be conducted.

Secondary Objective

As we are looking forward to find a solution for an immediate problem i.e., profitability. Moreover, quantitative research methodology will be applied in order to calculate the current ratio, Average Collection Period (ACP), between Inventory Conversion Period (ICP), Average Payment Period (APP)& other accounting ratios.

Table.1. Variables and explanation:

Variables	Explanation
Current ratio / working capital ratio	Formula – Current assets/current liabilities Interpretation: <ul style="list-style-type: none"> • If Current Assets > Current Liabilities, then Ratio is greater than 1.0 - it is a desirable situation to be in. • If Current Assets = Current Liabilities, then Ratio is equal to 1.0 - Current Assets are just enough to pay down the short term obligations.
Average Collection Period (ACP)	Formula – (Accounts Receivables/Sales) x 365
Inventory Conversion Period (ICP)	Formula – (Inventory/Cost of Goods Sold) x 365
Average Payment Period (App)	Formula – (Accounts Payables/Cost Of Goods Sold) X 365
Net Profit Ratio	Net Profit/Sales X 100
Working Capital Turnover Ratio	Sales/Current Asset – Current Liability
Gross Profit Ratio	Gross Profit/Sales X 100
Fixed Asset Turnover Ratio	Sales/Fixed Asset

IV. RESEARCH OBJECTIVE

Objectives

The main objective of the paper is to analyze working capital of firm with relation to profitability of the firm. Further objectives:

- Enhance the profitability of firm.
- Punctual payments
- Avoiding solvency situation
- Maintenance of current assets
- Smooth transactions (liquidity)
- Minimize the risk of liabilities exceeding assets

Components of working capital

1. Cash Management:

Cash is one of the important components of current assets. It is needed for performing all the activities of a firm, i.e. from acquisition of raw materials to marketing of finished goods. Therefore it is essential for a firm to maintain an adequate cash balance. One of the important functions of a finance manager is to match the inflows and outflows of cash so as to maintain adequate cash.

2. Receivables Management:

The term receivable is defined as any claim for money owed to the firm from customers arising from sale of goods or services in normal course of business. The term account receivable represents sundry debtors of a firm. It is one of the significant components of working capital next to cash and inventories.

3. Inventory Management:

Inventory constitutes a major part of total working capital. Efficient management of inventory results in maximization of earnings of the shareholders. Efficient inventory management consists of managing two conflicting objectives: Minimization of investment in inventory on the one hand; and maintenance of the smooth flow of raw materials for production and sales on the other.

4. Accounts Payable Management:

Payables or creditors are one of the important components of working capital. Payables provide a spontaneous source of financing of working capital. Payable management is very closely related with the cash management. Effective payable management leads to steady supply of materials to a firm as well as enhances its reputation.

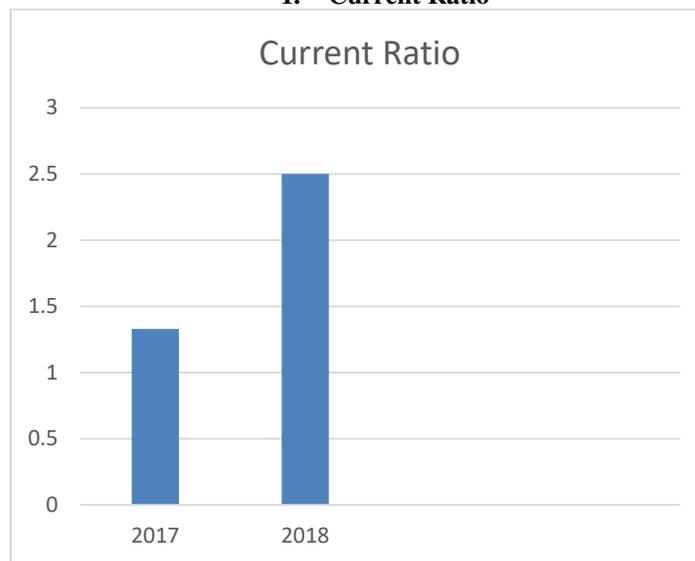
IV. DATA ANALYSIS & INTERPRETATION

Table.2. Calculations*

Variables	2018	2017
Current ratio / working capital ratio	1.98	1.33
Average Collection Period (ACP)	63 days	63 days
Inventory Conversion Period (ICP)	14 days	51 days
Average Payment Period (APP)	69 days	36 days
Net Profit Ratio	0.09%	0.76%
Working Capital Turnover Ratio	5.15	12.38
Gross Profit Ratio	9.92%	4.2%
Fixed Asset Turnover Ratio	5.27	5.1

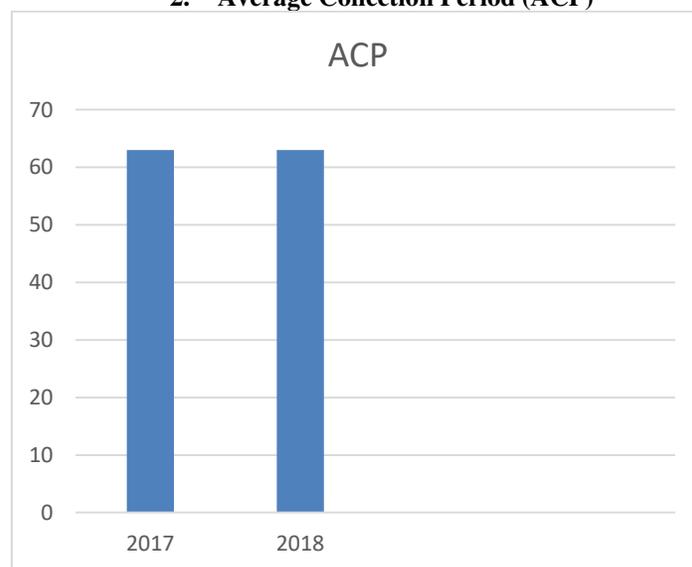
INTERPRETATIONS

1. Current Ratio



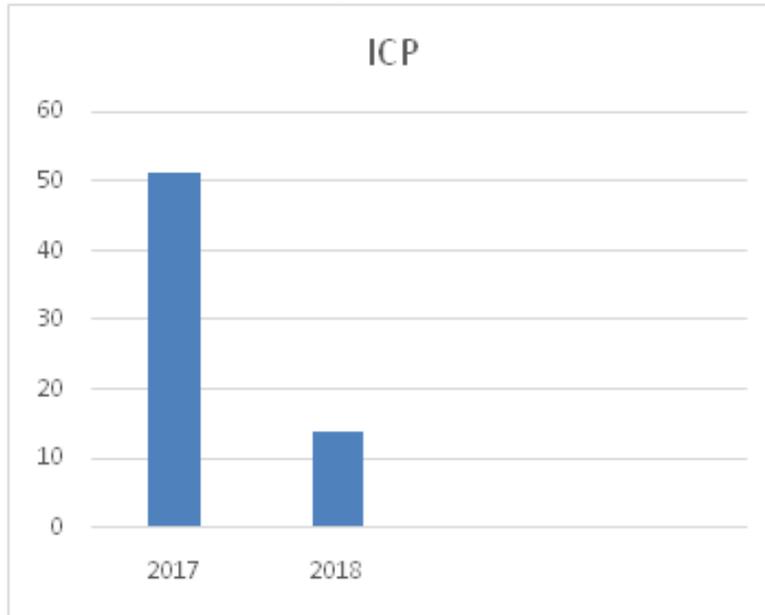
Interpretation: The firm has certainly improved their current ratio in a year i.e., now they're more capable of paying off their debts by approximately 65%. Their current ratio has excelled by 65% which is a good news for the company. A growing current ratio is certainly an indicator of better turnovers.

2. Average Collection Period (ACP)



Interpretation: The firm has nearly constant number of day's i.e., 63 days in both 2017 and 2018. This indicates that in both the years, the firm has been realizing its debt in approximately 2 months, which is a healthy time period. An increase might have shown that the firm has become more lenient to its customers to claim debt due, but here, the firm has maintained quite the consistency.

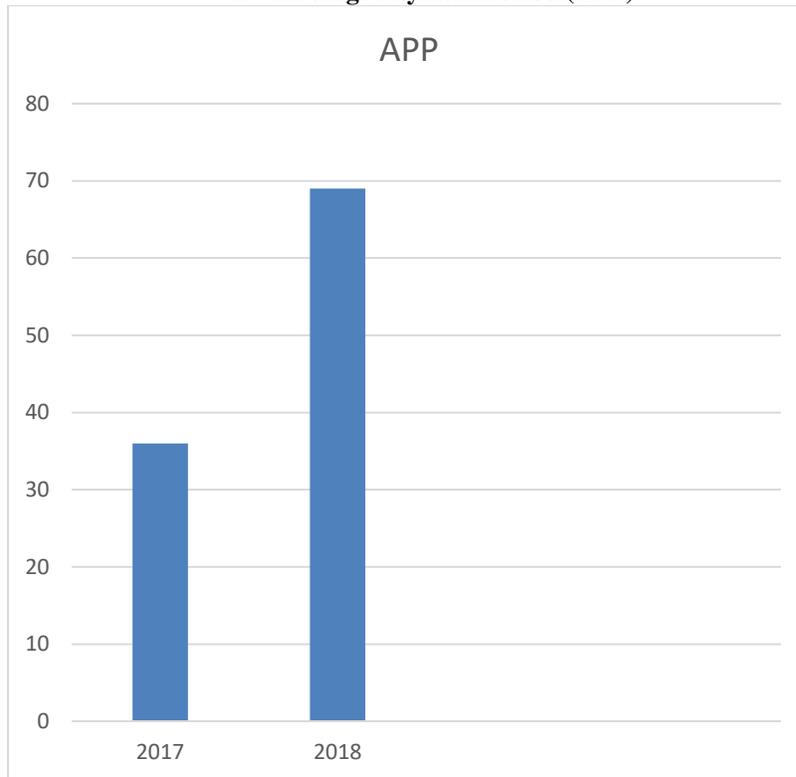
3. Inventory Conversion Period (ICP)



Interpretation: The firm has quite a big difference in ICP. Their turnover has decreased by 72% from year 2017 to 2018, indicating that their sales have considerably increased in volume, resulting in more demand for their service, which leads to very less time period for storing for inventory, as the firm is a service providing firm, there's no physical inventory. Here the only

inventory they have is grey, which has to be modified into a finished product. Hence, from this result, it shows that the firm took approximately 51 days to turn the grey into finished product, and now, after several repairs and advancements, it now takes only 14 days.

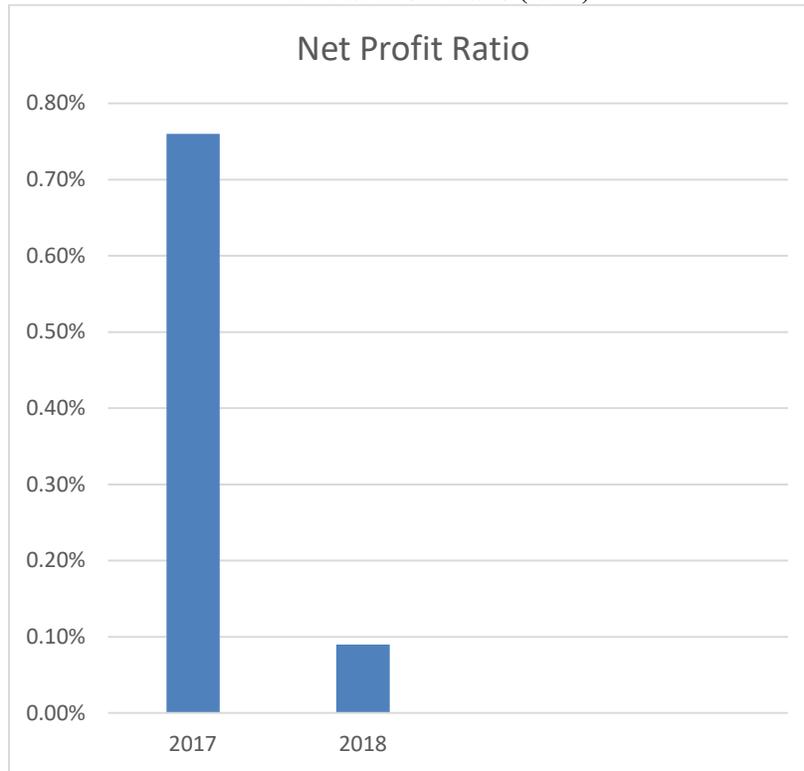
4. Average Payment Period (APP)



Interpretation: The firm has quite a big difference in APP. Their turnover has decreased by 72% from year 2017 to 2018, indicating that their sales have considerably increased in volume, resulting in more demand for their service, which leads to very less time period for storing for inventory, as the firm is a service providing firm,

there's no physical inventory. Here the only inventory they have is grey, which has to be modified into a finished product. Hence, from this result, it shows that the firm took approximately 51 days to turn the grey into finished product, and now, after several repairs and advancements, it now takes only 14 days.

5. Net Profit Ratio (NPR)

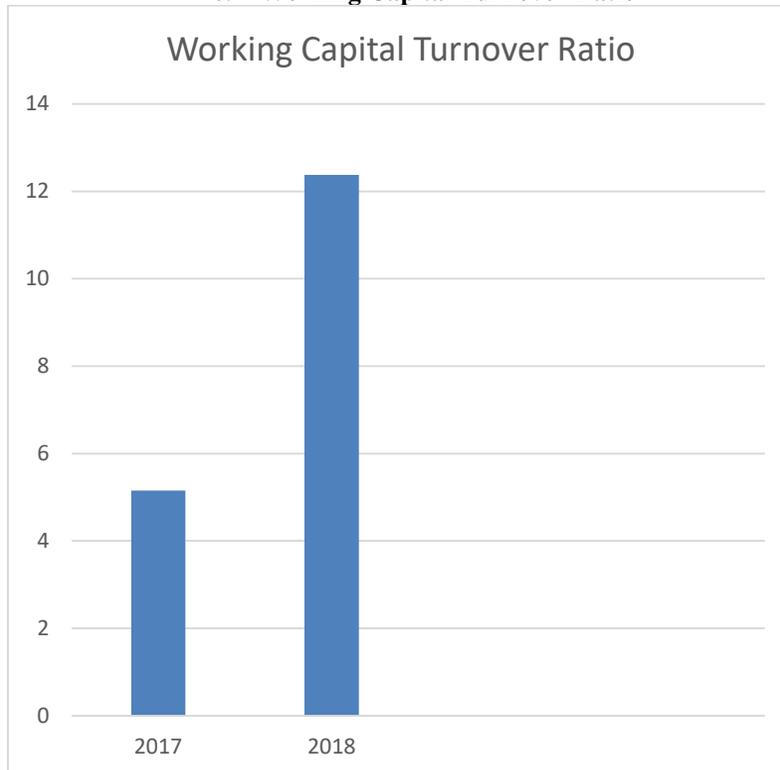


Interpretation:

The firm has quite a big difference in Net Profit Ratio. The net profit in 2018 went drastically down by 0.67%. While conducting the research we asked what was the reason behind it

and they stated that they made quite a lot of investments in various long term assets, did some modifications and fixtures, and did renovation of the administration office.

6. Working Capital Turnover Ratio

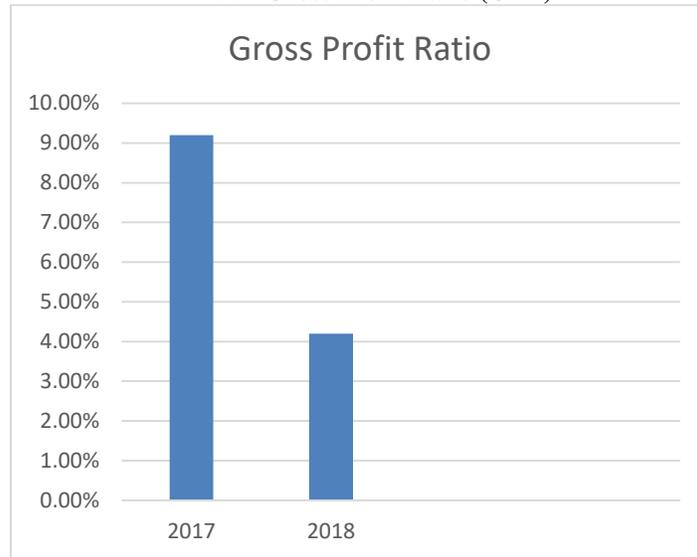


Interpretation:

The Working Capital Turnover Ratio of the firm has considerably risen from year 2017 to 2018 by 58%, which shows that the management of the firm has improved its efficiency in

management of the working capital. Moreover, this could also be the impact of the renovations and advancements made by the firm between 2017 and 2018, leading to optimum utilization of resources.

7. Gross Profit Ratio (GPR)

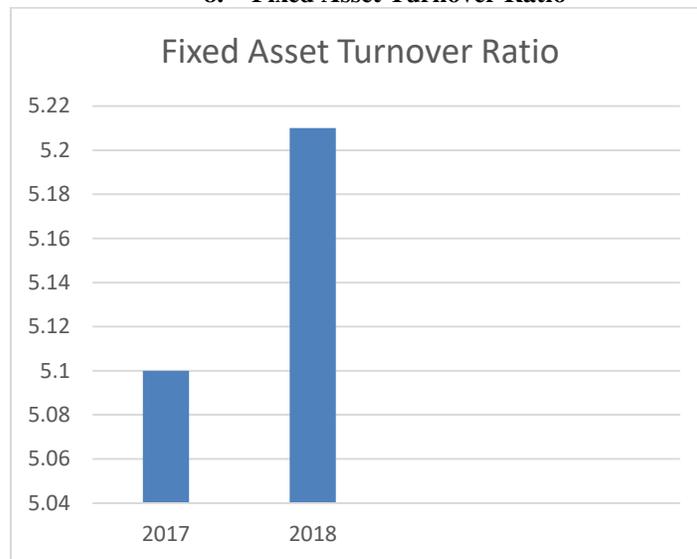


Interpretation:

There is a major drop in the gross profit ratio of the firm, which is quite similar to the Net profit Ratio, which is the same ratio,

taken out after deduction of taxes. Even here, the same reason applies that the firm did quite a lot of renovations and fixtures.

8. Fixed Asset Turnover Ratio



Interpretation:

There is not a major difference between the Fixed Asset Turnover Ratio in the year 2017 and 2018. As suggested above, higher the ratio, it will be much better for the firm and hence the firm has maintained consistency in this matter.

V. FINDINGS

From the following information available to us we can see that current assets have increased by Rs.25304669 from 2017 to 2018 which shows that assets of the firm has been increased whereas current liabilities has decreased by Rs.1931470 which shows that company has used assets to pay off some of their liability. The improvement shows that the firm has made a difference by 65 % increase in the current ratio, indicating that the firm is now capable of paying off its current liabilities much more successfully. Sales increasing of the company by Rs.23908002 from 2017 to 2018 shows that the company is making products

efficiently & is able to Sell their product with profit whereas Net profit of the company from 2017 to 2018 has decreased by Rs.1322216 which shows that even though the sales has increased it has not able to make profit as expected. The net profit ratio has considerably went down by 0.67% and hence, this is due to the firm's reason to invest more into repairing and fixtures of asset plus renovation of the administration office in between these two years. Average collection period for both 2017 & 2018 have remained same (63 days) which has seen the increase in no of sales & increased in accounts receivable from 2017 to 2018 by Rs.3970000. The average collection period has been quite constant in both the years, which indicates that the firm has maintained its relations quite consistently over the years with its debtors, and they are likely to receive the payment in nearly 2 months, which is not that long of a time duration frame. There is a noticeable decreased in COGS by Rs.300000 & in inventory by Rs.99976 which has resulted in decrease in inventory conversion period from 2017 to 2018 which is not a

good sign. There is a big difference in ICP. Their volume of the turnover has decreased by 72% from year 2017 to 2018, which indicates that the firms' sales have exceeded in the past 2 years, which shows that they don't have much time to store their product as inventory, and they have to furthermore increase their volume of inventory by increasing their production of their goods or if it is a service, they have to improve the pace and maintain that consistency all throughout. Here the only inventory they have is grey, which has to be modified into a finished product which is service form. From 2017 to 2018 it is being noticed that the average collection period is increased even though the COGS has decreased & accounts payable has increased by Rs.34778003 which shows that the company is paying its debt regularly Working capital of the company has decreased by Rs.27236138 from 2017 to 2018 which indicates that the company is facing difficulty to meet its day to day capital. The gross profit of the company has increased Rs.12227767 from 2017 to 2018 which are good sign for the company. Fixed assets had decreased from 2017 to 2018 by 1109068 which shows that the fixed asset of the company is depreciating.

VI. RECOMMENDATIONS

As the ideal current ratio of the companies should be 2:1 and in both the year it fails to attain that ratio which makes this company struggle to manage liabilities, so the company should try to get more current assets in the company As the Average collection period remains the same for both the years the company is managing the debtors well.

The company needs to improve its gross profit ratio as it has declined from last year, in order to improve this ratio company needs to improve the operations.

The company needs to keep a regular check on their fixed assets, as their value is decreasing & they need to make good use of it.

The company needs to needs to collect money from their creditors as average payment period has decreased from last year & this collection of money will help them for future

The company doesn't need to change rest of the operations as they are doing just fine with rest of the activities.

The company has to increase their working capital as they have shortage of capital to meet its daily operations.

The company should increase their fixed asset as it has decreased from last year.

The company should also focus on increasing their net profit as it has decreased & it is an issue for the company.

VII. CONCLUSION

So the conclusion can be drawn after all the analysis, interpretation & detailed elaboration of data of the firm is that the company needs to make certain changes in their working style & operations inside the firm in order to run successfully. The company is running in loss in the year 2018 which is an issue of worry, the ratios were calculated for the purpose to know whether they are running successfully or not and after detail research and analysis we can state that it is not. And if the company follows the above recommendations they may get stable & run their operations smoothly and successfully. The study of this company has helped me in learning and analyzing the real life running of the company and with the help of ratios it made my research easy & convenient. This study has helped me

in gaining the knowledge about outside world and how the business actually operate, gained a real analysis & research experience. In the end, I would like to conclude with that the company need some changes in their operation & need to do some activities in order to run smoothly & conveniently.

LIMITATIONS

- This research is conducted in consideration with the firm, which is located in Surat District, India and hence, the interpretations and conclusion may vary.
- This research has considered only one firm in particular in order to evaluate and take measures for better working of the company and hence, this research may not be similar to other firm's data interpretation.

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