

A Study on Working Capital Management in Thico Silk Handloom Co-Operative Society, Thirubuvanam.Thanjavur (DT)

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ABSTRACT

This research paper based on a study on working capital management in thico silk handloom co-operative society Ltd Thirubuvanam. The study analyse the financial performance of working capital management during 2014-2019. The tools used for the analysis of current ratio schedule in changes in working capital.

KEYWORDS: MANAGEMENT, WORKING CAPITAL, FINANCIAL PERFORMANCE

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I. INTRODUCTION

Handloom saree are a traditional textile art of Bangladesh and India. The production of handloom sarees is important for economic development in rural India. Completion of a single saree takes two to three days of work. Several regions have their own traditions of handloom sarees. Thirubuvanam is an ancient temple town associated with the making of aesthetic silk sarees, traditionally weighing around 450-1250gm. The silk weight around 400gm and the rest of the weight is constituted by the zai. conventionally, these silk sarees would measure about 12ft length and 4ft in breadth. In practice, it takes almost 15 days to complete the creation of a saree, with finesse.

II. REVIEW OF LITERATURE

Working capital management

Sarawat B. P. and Agrawal R. S. (2004) have tried to evaluate working capital position of Nepal cement industry. To evaluate the financial performance To examine the profitability trend To ascertain the assets utilization pattern and evaluate liquidity position of the company.

The study attributes the losses or low level of profits of the public enterprises in Nepal to ineffective and inefficient utilization of working capital. The failure of an enterprise is due to shortage of working capital.

Filbeck Greg and Krueger Thomas M. (2005) base their study on the ratings of working capital management published in CFO magazines. The findings of the study provides insight into working capital performance and working capital management, which is explained by macro economic factors, interest rates, competition, etc., and their impact on working capital management. The article further studies the impact of working capital management on stock prices.

III. RESEARCH METHDOLOGY:

Objectives;

To analysis the financial position.
To know the level of working capital analysis.
To evaluate the performance of current assets & current liabilities of the Thico silk handloom

IV. RESEARCH DESIGN:

Study Period: 2014 To 2019

Methods of data collection: secondary data

Tools for analysis:

Working capital management and ratio analysis

Scope of the study:

Thico silk handloomsociety at Thirubuvanam, Thanjavur District.

Limitation of study:

- This study is mainly based on secondary data like annual report
- A details analysis is not possible as the time is short

V. Data analysis:

Statement of changes in working capital

Year	Net working capital	Increase\ (Decrease)
2014-2015	124882300	68,785,729
2015-2016	626531116	69,593,677
2016-2017	86063341	30,260,630
2017-2018	34676127	18,657,726
2018-2019	35154173	1,100,846,931

Interpretation

From the above table it is inferred that the net working capital was increasing from the year 2014-2019 and decreasing in the year 2016-2018.

Ratio analysis

Year	Current ratio (Times)	Gross profit ratio (Times)	Net profit Ratio (Times)
2015	1.29	0.09	0.07
2016	1.13	0.09	0.08
2017	1.17	0.09	0.07
2018	1.07	0.08	0.07
2019	1.07	0.08	0.07

Interpretation

From the above table infrared current ratio and gross profit ratio and Net profit ratio and is highest in the year 2015. 2018-2019 little improvement of the company.

VI. CONCLUSION:

I conclude this report on my practical implant training at THIRUBUVANAM SILK HANDLOOM WEAVERS CO-OPERIVE

PRODUCTION AND SALE SOCIETY LTD. NO. Z.322. with almost satisfactions would like to thank all the member and staff who accessed me in collecting information regarding the silk sarees. They helped me in all the way by giving detail about each and every department.

The impact training under gone at THIRUBUVANAM silk handloom weaver’s co-operative production and sale society ltd.No.Z.322. Gave clear idea and practical knowledge about marketing, purchase, finance, production, human resource department activities carried out in this co-operative society. This training was very useful to me and I have learned many things in this implant training. It helps me to improve my knowledge.

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