

**“A STUDY ON WORKING CAPITAL MANAGEMENT WITH SPECIAL
REFERENCE TO POWER POINT BAG INDUSTRY, KARKALA”**

Submitted by

K ABHAY PAI

4AL22BA034

Submitted to



VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELGAVI

**In partial fulfilment of the requirements for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION**

Under the guidance of

INTERNAL GUIDE

MR. ASHOK RAO

Assistant Professor

Department of MBA AIET Mijar

EXTERNAL GUIDE

Miss. Shushmitha

Power point bag

Industries, Karkala



PG DEPARTMENT OF BUSINESS ADMINISTRATION

**ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY
SHOBHAVANA CAMPUS, MIJAR, MOODBIDRI SEPTEMBER-2024**



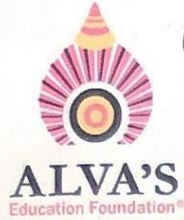
TO WHOM IT MAY CONCERN

This is to certify that **Mr.K Abay Pai** , beaing USN No.4AL22BA034,Pursuing an MBA degree at Alva's Institute of Engineering and Technology ,Mijar,has completed his project titled "**Study on working capital management** " at **Power Point Bag Industries, Karkala**,during the period from 23/04/24 to06/06/2024.

We found the student dedicated and committed to his work.we wish him every success in his future endeavours.

For Power Point Bag Industries





ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY

(A Unit of Alva's Education Foundation @, Moodbidri)

Affiliated to Visvesvaraya Technological University, Belagavi

Approved by AICTE, New Delhi & Recognised by Government of Karnataka

Accredited by NBA (CSE & ECE)

Date: 09/09/2024

CERTIFICATE

This is to certify that **K Abhay Pai** bearing **USN 4AL22BA034**, is a bonafide student of Master of Business Administration course of Alva's Institute of Engineering and Technology, Moodbidri for the batch 2022-2024, affiliated to Visvesvaraya Technological University, Belagavi. The Project report on "**A Study on Working Capital Management with Special Reference to Power Point Bag Industry, Karkala**" is prepared by him under the guidance of **Mr. Ashok Rao**, Assistant Professor, in partial fulfilment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belagavi Karnataka.


Signature of Internal Guide


Signature of HOD


Signature of Principal
Alva's Institute of Engg. & Technology,
Mijar, MOODBIDRI - 574 225, D.K

Viva – Voce Examination

HOD
PG Dept. of Business Administration
Alva's Institute of Engg. & Technology
Mijar - 574225

Signature of Internal Examiner
(Name & Affiliation)

Signature of External Examiner
(Name & Affiliation)

DECLARATION:

I K ABHAY PAI (4AL22BA034), hereby declare that this project report entitled "A STUDY ON ANALYSIS OF FINANCIAL PERFORMANCE OF THE BAG INDUSTRY: WITH SPECIAL REFERENCE TO POWER POINT BAG INDUSTRY, KARKALA" prepared by me under the guidance of Mr Ashok Rao, Assistant Professor of M.B.A Department, Alva's Institute of Technology and Engineering, Mijar and external assistance by Miss. Sushmitha, Accountant, POWER POINT BAG INDUSTRIES KARKALA. I also declare that this project report is towards the partial of the university regulation for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone a summer project for a period of 6 weeks. I further declare that this project report is based on the original study undertaken by me and not been submitted for the award of any degree from any other University/Institution.

Place: Mijar

Date: 09/09/2024

ICAbhayPai
Signature of the Student

ACKNOWLEDGEMENT:

Any successful project is backed by the efforts of many people, directly as well as indirectly in the form of silent encouragement. This report wouldn't be complete without expressing gratitude to every one of those people.

I would like to express my gratitude to our Principal **Dr. Peter Fernandes**, AIET, Moodabidri.

For providing me congenial environment to work.

I feel delighted to have this page to express my sincere thanks and deep appreciation **Mrs. Priya Sequeira HOD of the MBA department**, for her valuable guidance, keen interest and constant encouragement throughout the entire project report.

My utmost gratitude to my internal guide, **Mr. Ashok Rao** Faculty of MBA Department, who has enthusiastically imparted relevant information, guided and supported me in carrying out this project.

I would like to express my sincere gratitude to **Miss. Sushmitha** for her support, co-operation and for providing all necessary information required for the project.

I would like to thank my parents, dear and near ones and all my friends who have helped me in the completion of the project.

TABLE OF CONTENTS

CHAPTER NO	TITLE	PAGE NO
1	INTRODUCTION	1-16
2	CONCEPTUAL BACKGROUND AND LITERATURE REVIEW	17-25
3	RESEARCH DESIGN	26-29
4	ANALYSIS AND INTERPRETATION	30-42
5	FINDINGS, SUGGESTIONS AND CONCLUSION	43-46
6	BIBLIOGRAPHY	47
7	ANNEXURE	48-51

LIST OF TABLES

Table No.	Title of the Table	Page No.
1.9.1	Table showing Balance Sheet	13-14
1.9.2	Table showing Profit and Loss Account	15-16
4.1	Table showing Current Ratio	31
4.2	Table showing Quick Ratio	32
4.3	Table showing Cash Ratio	33
4.4	Table showing Inventory Turnover Ratio	34
4.5	Table showing Working capital Turnover Ratio	35

4.6	Table showing Debtor Turnover Ratio	36
4.7	Table showing Creditor Turnover Ratio	37
4.8	Table showing Correlation Dependent and Independent Variable	38
4.9	Table showing correlation data points	39
4.10	Table showing Accounts Payable Period	39
4.11	Table showing Accounts Receivable Period	40
4.12	Table showing Inventory Turnover Period	40
4.13	Table Showing Cash Conversion Cycle	41-42

Executive summary

This study aims to assess the profitability, operational efficiency, and financial risks associated with the power point bag industry. It employs various financial ratios to evaluate how effectively companies manage their resources, including profit margins, revenue generation capabilities, and cost control measures. Additionally, the research investigates industry trends to determine the demand dynamics for power point bags, providing insights into the sector's growth potential and future direction.

Key findings indicate that while some companies exhibit strong profit margins and effective resource management, others face challenges related to cash flow and inventory management. The analysis highlights the importance of optimizing short-term asset management to enhance liquidity and overall financial health. Furthermore, the study emphasizes the need for companies to innovate and strengthen their brand presence in a competitive market.

In conclusion, this research serves as a vital resource for stakeholders in the power point bag industry, offering actionable recommendations for improving financial performance, making informed investment decisions, and ensuring long-term viability in a rapidly evolving market landscape.