

“A Study on working capital management and its effect on the profitability of the business concerning Gurucharan Industries”

Submitted By:

JENISHA LASRADO

4AL22BA033

Submitted To:



VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELGAVI

In partial fulfillment 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

PG Department of Business Administration

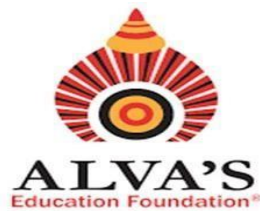
AIET, Mijar

EXTERNAL GUIDE

Mrs. Thriveni

Human Resource

GCI, Baikampady



DEPARTMENT OF BUSINESS ADMINISTRATION

ALVAS INSTITUTE OF ENGINEERING AND TECHNOLOGY,

MIJAR

MAY 2024

GURUCHARAN INDUSTRIES

**PLOT NO.QG-1, 2 & 3 INDUSTRIAL ESTATE
BYKAMPADY, MANGALORE-575 011.**

PH : 0824-2409556,2400966,Fax: 0824-2408466 Cell : 9844074366

5th August 2024

Certificate

This is to certify that Ms. Jenisha Lasrado (USN No 4AL22BA033), IIIrd Semester MBA student, of Alva's Institute of Engineering & Technology, Moodbidri -574225, has undergone Project Work from 23/04/2024 to 06/06/2024. During her visit, she has acquainted herself with all the departments and successfully completed her Project work.

During the study, we found her quite regular and took keen interest in understanding the organization, sincere, hardworking and enthusiasm to work. We also found her performance and conduct are good.



For GURUCHARAN INDUSTRIES,


MANAGER


Date: 09/09/2024

CERTIFICATE

This is to certify that **Jenisha Lasrado** bearing USN 4AL22BA033, 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 and its effect on the profitability of the business concerning Gurucharan Industries", is prepared by me 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
PRINCIPAL
Alva's Institute of Engg. & Technology,
Mijar. MOOBBIDRI - 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)

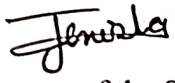
Signature of External Examiner
(Name & Affiliation)

DECLARATION

I, Jenisha Lasrado hereby declare that the Project report entitled "A Study on working capital management and its effect on the profitability of the business concerning Gurucharan Industries" prepared by me under the guidance of Mr, Ashok Rao faculty of M.B.A Department, Alvas Institute of Engineering and Technology and external assistance by, Mrs. Triveni, HR Manager Gurucharan Industries. I also declare that this Project work is towards the partial fulfillment of the university Regulations 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 Twelve weeks. I further declare that this Project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University / Institution.

Place: Mijar

Date: 9/09/2024


Signature of the Student

ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere gratitude to all those who have helped me throughout this project. It gives me immense pleasure to acknowledge all those who have rendered encouragement and support for the successful completion of this work.

I express my deep sense of gratitude to my internal guide **Ashok Rao** Assistant Professor Dept. of the MBA., for his constant support and encouragement to carry out my project successfully without much difficulty.

I am grateful to **Mrs. Priya Sequeira**, HOD, MBA department, Alva's Institute of Engineering and Technology, Mijar, Moodabidiri. whose timely suggestions and encouragement support me to complete this project.

I would like to express my sincere thanks to **Dr. Peter Fernandes**, Principal Alva's Institute of Engineering and Technology, Mijar, Moodabidiri.

With regards,

Jenisha Lasrado

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EXECUTIVE SUMMARY

This study focuses on "Working Capital Management and its Effect on the Profitability of Gurucharan Industries." The primary objective is to analyze how effective management of working capital influences the financial performance of the company.

The research identifies the critical components of working capital, including cash management, inventory control, and receivables and payables management. It emphasizes the importance of maintaining a balance between these elements to ensure liquidity and operational efficiency. The study also highlights the potential challenges faced by Gurucharan Industries, such as rising raw material costs, competition, and shifts in government policies, which could impact profitability.

Through a comprehensive literature review and data analysis, the findings suggest that effective working capital management is directly correlated with improved profitability. The study concludes with recommendations for Gurucharan Industries to enhance its working capital strategies, including better forecasting, optimizing inventory levels, and improving collection processes.

Overall, this research underscores the significance of working capital management as a vital aspect of financial strategy that can lead to sustainable growth and competitive advantage for Gurucharan Industries.