

A  
**A STUDY ON  
“EFFECTIVENESS OF WORKING CAPITAL MANAGEMENT  
AT BHEL”**

**A Project report *Submitted in partial fulfillment of the requirement  
for the award of degree of  
Master of Business Administration”***

**IN THE PONDICHERY UNIVERSITY  
PONDICHERY**

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**MAY-2021**

# STUDENT DECLARATION

I, **VENKATESH V**(USN:1NZ09MBA11) hereby declare that this report titled as “**A Study on Effectiveness on Working Capital Management at BHEL**” is my original work under the guidance of my guide **Dr. S.Kanthimathinathan**,- Visiting Faculty , towards partial fulfillment of the requirements for the MBA course of Pondicherry University-Pondicherry. This report has not been submitted earlier for the award of any Degree/Diploma by Pondicherry University or any other university.

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# **CERTIFICATE OF GUIDE**

This is to certify that the project work entitled “ A Study on Effectiveness of Working Capital Management "AT BHEL –Bangalore is a bonafide work of **Mr,Venkatesh USNO:122017** is partial fulfillment for the award of the degree of MBA of PONDICHERRY UNIVERSITY under my guidance. This project work is original one and not submitted earlier for the award of any degree / diploma elsewhere.

Students Signature

Study Center

Guide

**Dr.S.Kanthimathinathan**

## **ACKNOWLEDGEMENTS**

The satisfaction and euphoria that accompany the successful completion of any task would be incomplete without the mention of the people who made it possible, whose constant guidance and encouragement crowned my efforts with success.

I would like to profoundly thank my guide **Dr . S. Kanthimathinathan, Visiting Faculty-** and his extensive support and encouragement to carry out the study at the company.

I am grateful to **HR department**, and to the training centre in BHEL, **Bangalore** for providing me an opportunity to carry out my project in the esteemed organization.

I am grateful to **HOD, Dr.K. Kanishka, Department of Business administration, St Joseph Evening College (Autonomous)** for the inspiration and encouragement given to me, without which this project work could not have been successfully completed.

Lastly I also express thanks to my parents and friends for the love and support they gave me during the time of the project.

# CONTENTS

Chapters	Particulars	Page No.
<b>1</b>	Introduction and Design of the Study	<b>1-10</b>
<b>2</b>	Review of Literature	<b>11-14</b>
<b>3</b>	Company Profile	<b>15-20</b>
<b>4</b>	Data Analysis & Interpretation	<b>21-50</b>
<b>5</b>	<b>Summary</b> <b>Findings</b> <b>Suggestions</b> <b>Conclusion</b>	<b>51-55</b>
<b>6</b>	<b>Bibliography</b> <b>Annexure</b> <b>Balance sheet</b> <b>Profit &amp; Loss Account</b>	<b>56-60</b>

# CHAPTER- 1

## INTRODUCTION ON WORKING CAPITAL MANAGEMENT

- 1.Introduction-Meaning-Definitions,
- 2.Statement of the Problem
- 3.Objectives of the Study
4. Scope of the Study
5. Research Methodology
  - a) Sampling Design
  - b) Sources of data
  - c)Period of studies
6. Frame work of analysis
  - i)Statistical tools
  - ii)Ratio analysis
- 7.Signification of analysis/study
- 8.Limitations of the study
- 9.Chapterisation
10. Conclusion

# CHAPTER- 2

## REVIEW OF LITERATURE

- Under this chapter the case studies which are supporting to the selected studies to be analyzed.
- At least 15 to 20 case studies to be discussed briefly
- Each case study does not exceed more than 10 to 15 lines
- The committee report also may be discussed briefly as a part of the case studies (Tandon committee, Chore committee, Narasiman committee etc. )
- All the case studies may be referred from many related subject books /Published Journal/Project
- The case study may be referred from WEB SITE through GOOGLE-Internet

# **CHAPTER- 3**

## **COMPANY PROFILE**

- 1. History of the company or Industry or Organization**
- 2. Objectives of the company or Industry or Organization.**
- 3. Product Manufactured or service rendered by the company**
- 4. Head office and Branches**
- 5. Infrastructure and facilities.**
- 6. Organisational setup of the company /Organizational Chart**
- 7. Growth of the company/ Marketability of product**
- 8. Mission, Vision of the company**
- 9. Contributions for the Economic growth of the country**
- 10. Contribution for information and technology, Digital India, and National growth.**



# CHAPTER- 4

## DATA ANALYSIS AND INTERPRETATION

### **1.List of Tables With Inferences of every table(4 columns )**

**(1) Colum -1- years (2012,2013,2014,2015,2016) (3 to 5 years)**

**(2) Colum -2- Data Figure (Sales )**

**(3) Colum-3-Data Figure ( Profit)**

**(4) Colum -4-Result ( Ratios/Used Tools)**

### **2.List of Charts with appropriate inferences.(Bar Chart /Pie Chart)**

**3.The Charts will be prepared based on table representations.**

**4.A separate content to be prepared for ‘List of Tables’**

**5.A separate content to be prepared for “List of Charts”**

## Table.1.1 Profitability Turnover Ratio

YEARS	SALES (Rs in Crs)	PROFIT (Rs in Crs)	PROFITABILITY RATIO
2011-12	1000	150	15 %
2012-13	1500	300	20%
2013-14	2000	500	25%
2014-15	2500	250	10%
2015-16	3000	600	20%

## Interpretation :

The above table shows the relationship between sales and profit & loss of the company. The profitability ratio for the year 2011-12 was 15% and 2012-13 was 20%, and afterwards in the year 2012-13 was 25% which was highest during the five years period again it has come down in the year 2014-15 as 10% and 2015-16 was 20%. Though the turnover of the company has been increased the profit has come down 2014-15 and 2015-16 due to less margin attained in the business. The reason for the declining the profit were lesser the margin and higher the cost. The manufactured expenses has increased due to increasing the cost of raw materials and the other expenditure such as administrative , selling and distribution etc.

# Chart 1.1 Profitability Turnover Ratio



## Interpretation :

The above diagramme has shown the relationship between sales and profitability of the company for the period of five years from 2011-12 to 2015-16. The vertical line represents the turnover of the company and horizontal line represents the profitability of the company .The profit has been decreasing from year by year except in the year 2013-14, though the turnover of the company has been increased for all the years. The bar chart has explained the position of the profit in the declining trend. The reason was the company's lesser margin due to increasing cost of raw materials and other expenses also. The company has to improve the margin as well as to take some kind of remedial measures to cut down the cost of the product with out affecting the qualities and employees morale.

# CHAPTER- 5

## FINDINGS, SUGGESTIONS AND CONCLUSION

1. Finding will be based on the above chapter analysis and interpretation of data's.
2. Finding will be prepared based on the objectives of the studies.
3. Suggestions will be framed based on result of analysis and interpretation of the data of relevant studies.
4. The suggestions may be conceptual or empirical depends upon the analysis.
5. Conclusion will be based on the problems identified and providing solutions for the problems of the studies .
6. There should be link synchronizations between problems ,Finding and remedies.

# **CHAPTER- 6**

## **BIBLIOGRAPHY AND ANNEXURE**

### **Bibliography and References :**

**1.The reference book details may furnished such as**

**a)Name of the Book, b) Author name) Name of the publishers, d) Year of publications.**

**2.If references are taken from Web site :Mention the name of the web site and other details.**

**3. If any references is taken from any case studies then furnish full details.**

**4.Maximum references will be 5 to 10 numbers only**

# ANNEXURE

The following Annexures to be furnished:

- 1.Trading & Profit /Loss account-For 3 years/5 years
- 2.Balance sheet-3 years / 5 years
- 3.Data collection Primary Data /Secondary Data
- 4.Any other working sheets relating to project.
- 5.Questionnaire for support of the analytical points.