

A
STUDY OF
“WORKING CAPITAL
WITH REFERENCE TO
GREEN POWER SUGAR LTD. GOPUJ
TAL-KHATAV DIST-SATARA

Project Report Submitted to
Shivaji University, Kolhapur

IN PARTIAL FULFILLMENT OF THE REQUIREMENT OF
MASTER OF COMMERCE DEGREE

Submitted by
Miss.Kalyani Suresh Bansode
Under the Guidance of

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Through

Principal

DADASAHEB JOTIRAM GODSE,ARTS ,COMMERCE AND SCIENCE COLLEG .

VADUJ.

2022-23

*Assessee
At Vady
23/6/2023*

CERTIFICATE

This is certified that Miss Kalyani Suresh Bansode has worked under my guidance and satisfactorily completed the project report in the partial fulfillment of M.com degree. This work is based on his original observation and of efforts title of is being submitted under title of

"A STUDY OF WORKING CAPITAL OF GREEN POWER SUGER LTD.GOPUL TAL-KHATAV DIST-SATARA"

Her conclusion and recommendation are based on the information collected by his project work. This has formed a basis of the award of any degree or has her diploma by this university.

Place - **Vaduj.**

Date - 15-06-2023

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PROJECT GUIDE

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“ A STUDY OF WORKING CAPITAL OF GREEN POWER SUGER LTD.
GOPUJ TAL-KHATAV DIST-SATARA

As a partial fulfillment of **M.Com Degree** for the academic year

2022-2023


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DECLARATION

To,
The Registrar, Shivaji
University, Kolhapur.

Sir

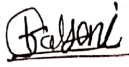
I do here by state and declare that, the project report on "A
STUDY OF WORKING CAPITAL OF GREEN POWER SUGER LTD, GOPUJ TAL-
KHATAV, DIST - SATARA

Submitted by me to Shivaji University, Kolhapur as partial
fulfillment "Master of Commerce ,Part -I ,(Sem-II)
course in my original work.

I also hereby declare that this project report has not been submitted at any
time to any other university or institution for the award of any degree or
diploma

Place – . **Vaduj.**

Date – 13-6-2023


Miss. Kalyani Suresh Bansode

ACKNOWLEDGEMENT

I have great pleasure in presenting the project on " A STUDY OF WORKING CAPITAL GREEN POWER SUGER LTD GOPUJ TAL-KHATAV DIST-SATARA"

Shivaji university kolhapur in partial fulfillment of the requirement of the Post Graduate in Commerce .

I sincerely thanks to manager of GREEN PC WER SUGAR LTD. TAL- KHATAV DIST-SATARA" DIST - SATARA who gave me a permission for the collection of information.

I extremely grateful to the Principal of DADASAHEB JOTIRAM GODSE ARTS, COMMERCE, SCIENCE COLLEGE, VADUJ for his encouragement in the encouragement in the completion of this report.

I also like to thank Prof..K. J . Higmire for her encouragement and guidance

during the project work.

I sincerely thanks to GREEN POWER SUGAR LTD GOPUJ LTD TAL- KHATAV , DIST – SATARA.

DIST-SATARA a for giving the important data for work study.

I sincerely thanks to my all friends for their valuable guidance and suggestions at every stage of project work.

Place – Vaduj.

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This is certified that Miss. Bansode Kalyani Suresh has worked under my guidance and satisfactorily completed the Project report in partial fulfillment of the M.COM degree. This work is based on her original observation and efforts title of is being submitted under the title of "A STUDY OF WORKING CAPITAL OF " GREEN POWER SUGAR LTD GOPUJ, TAL.KHATAV, DIST. SATARA

Her conclusion recommendation is based on the information collected from her Project work.

Place:- Vaduj.

Date:- 13-6-2023



V.B. Bansode

**GREEN POWER SUGAR
LTD GOPUJ, TAL.KHATAV,
DIST. SATARA**

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CHAPTER NO 1

INTRODUCTION AND RESEARCH METHODOLOGY

This chapter deals with introduction of the study, objective of the study, Research methodology, limitation of the study and conclusion.

1.1 INTRODUCTION

Working capital is amount of funds necessary to cover the cost of operating the enterprise. Working capital is also called as circulating capital. It lubricant the wheels of fixed assets. It facilities the industrial units to have continuous production.

Working capital may be regarded as the life blood of a business. It's effective provision can do much to ensure the success of a business while it's insufficient management can lead not only to loss or profits but also the ultimate downfall of what otherwise might be considered as a promising concern.

Study of working Capital is of major important to internal and external analysis because it has close relationship with the day to day operation of a business. The inadequacy of working capital is the leading cause of business which are used in or related to current operation and represented at any one time by operating cycle of such item as against receivable, inventories of raw material, stores, work in progress and finished goods, bill receivable and cash.

The assets of this are relatively temporary in accounting working capital is the difference between the inflow and outflow of funds. In other words, it is the net cash inflow. It is defined as the excess of current assets and current liabilities and Provisions.

Working capital is often referred to as circulating capital. As the beginning of a business venture, it is provided by owners. A part of this cash is invested in tools, machinery, furniture, equipment, building and other form of fixed assets

which are to be sold during the normal course of business. When a firm product or finished goods are sold, it has is known as cash or receivables are collected, more cash is available for the purchase of raw material and services. This flow of cash into production illustrates the circular flow of working capital.

1.2 OBJECTIVES OF THE STUDY

- 1.To study the sources and use of the working capital
2. To study the financial position of the company.
- 3.To study the liquidity position through various working capital related ratios.

1.3 REVIEW OF LITERATURE

A Review literature is collected through secondary sources. We collected different reviews from may authors.

1. **Bhatt V.V.(1972)** widely touches upon a method of appraising working capital finance application of large manufacturing concerns. It states that similar methods need to be devised for other sectors such as agriculture, trade etc. The author is of the view that bank while providing short-term finance, concentrate their attention on adequacy of security and repayment capacity. On being satisfied with these two criteria they do not generally carry out any detail appraisal of the working of the concerns.

2. **Dinesh M. (2008)** explicates the concept of working capital, the different challenges eing faced by the business firms in managing working capital and the strategies to be adopted for its prudent management. The author concludes with the view that most of the businesses failed not for want of profit but for lack of cash. The fast growth in production and sales may cause the business to utilize all of the financial resources seeking growth and making assets such as inventories, accounts receivable and other assets as more illiquid.

1.4 RESEARCH METHODOLOGY OF STUDY

The methodology adopted in this project report on a particular research problem. Which depends to a great extent upon the objective of study.

The information for study is collected through the two type of data sources i. e. Primary data and secondary data.

1. Primary Data:

Personal discussion has carried out with marketing manager field work employees. Some data have collecting by direct observation of financial some data have collected through questionnaire.

a) observation:- A method of data collection in which the situation of interest is watched and the relevant fact , actins and behaviors are recorded through the observation.

b)overview:- the interviews are collected with the president secretary manager clerk and the staff.

c)questionnaire:- A set of question on a form, submitted a number of people in order to collect statistical.

The primary data has been collected from the personal interaction with finance manager and other staff members.

2. Secondary Data:

Secondary data is the data that have been already collected by and readily available from other sources. such data are cheaper and more quickly obtained at all. The secondary data is collected with the help of annual report, register book.

*Internet

*Annual report and internet manuals.

*Theory related to this collected from reference books.

*Related information from the company website

1.4 LIMITATIONS OF THE STUDY

The following are the main limitations of accounting of working capita

1. Area of operation was very vast.
2. Most of the data being secondary in nature could be a major limitation of the study as most of the data such are manipulated.
3. Confidential data not provided by the organization.

1.5 CHAPTER SCHEME

1.5.1 INTRODUCTION AND RESEARCH METHODOIOGY

This chapter deals with introduction of the study, objective of the study , research methodology ,limitation of the study and conclusion

1.5.2 Theoretical framework

This chapter include the theoretical background that is used to detail study of the topic it includes introduction of working capital, meaning and definition of working capital, important of working capital, factor determining of working capital, working capital cycle, sources of working capital and need for working capital, ratio analysis and conclusion.

1.5.3 Profile of the company

This chapter include the introduction of the company, location of the company, justification of the company, resources of the company, vision, mission, goal of the company, board of director, quality of company, man power, organization structure and conclusion.

1.5.4 Data Analysis and Interpretation of Data

This chapter include current assets and current liabilities, gross working capital, net working capital, ratio analysis, and interpretation of data by using table, graphs, diagrams and other statistical tools and conclusion.

1.5.5 Findings, suggestion and conclusion

This chapter deals with the finding, suggestion and conclusion of the study.

CHAPTER NO - 2

THEORETICAL FRAMEWORK

This chapter includes the theoretical background that is used to detail study of the topic. It includes introduction of working capital, meaning of working capital, factors determining working capital, working capital cycle, sources of working capital and need for working capital, ratio analysis and conclusion.

2.1 INTRODUCTION OF THE WORKING CAPITAL

Working capital is defined as, "excess of current assets over current liabilities and provision. It is part of capital which is required for the daily working of business. Working capital is the amount of fund necessary to cover the cost of operating the enterprises."

Working capital is also called as circulating capital. It means current assets of a company that are changes in the ordinary course of business from one another.

E. g. Cash to inventories into receivable into cash.

It is amount of funds necessary to cover operating expenses of enterprises any short run immediate need of company. Is it need for cash of adjustment fluctuation in the sales can be made only through adjusting the level of various current assets. Working capital management not only manages different components of current assets but also manage the current liabilities.

Funds required and acquired by a business may be invested into two type of assets.

1. Fixed assets

2. Current assets

The term working capital is commonly used for the capital required for day-to-day working in business concern A business unit or an industrial establishment requires two types of finance. They are long term finance and short term finance. Long term finance is required to meet capital expenditure requirement. Short term finance or funds are needed to meet the day to day requirement of the business unit. It lubricates the wheels of the fixed assets. This facilitates the industrial units to have continuous production.

There are two concept of working capital I. e gross and net working capital. Gross working capital refers to gross current assets.

Net working capital means the difference between current assets.

Current assets refer to those assets held by business which can be converted into cash within a short period of time say one year without reduction in value e. g. Stock, receivable and cash. The current liabilities referred to mainly sundry creditor, bills payable, bank Overdraft and outstanding Expenses etc.

Working capital refers to that part of the firm's capital, which is required for financing Short term or current assets such a cash marketable securities, debtors and inventories. Fund thus, invested in current assets keep revolving fast and is

constantly converted into cash and this cash flow out again in exchange for other current assets. Working capital is also known as revolving or circulation capital or short term capital. Working capital is necessary for all types of business firms. It is regarded as the life blood of business. Adequate provision of working capital ensures the financial solvency of a business enterprise. The study of working capital and its management is of greater importance as it is related to day to business operations.

2.2 MEANING AND DEFINATION OF WORKING CAPITAL

The term working capital is commonly used for the capital required for day-to-day working is business concern. Such as for Purchasing raw material for meeting day-to-day expenditure on salaries, wages, rent rates advertising etc. But there is much disagreement among various financial authorities as to the exact meaning of term working capital.

DEFINITION

"Working capital is descriptive of that capital which is not fixed. But the more common use of the working capital is to consider it as difference between the book value of the current assets and current liabilities. "

2.3 IMPORTANCE OF WORKING CAPITAL MANAGEMENT

Working capital management includes a number of aspects that make it especially important for the financial health of the firm. Surveys that the largest

portion of the financial manager time is devoted to the day-to-day operations of the firm, which fall under heading working capital management.

Current assets represent the largest proportion i. e. If total assets forms 1% then current assets are generally above 60% Moreover current assets fluctuate with sales and sales vary over time, thus managing current asset is the dynamic process and it requires the financial manager to closely sales to ensure that assets in hand are at the right level for actual sales production levels.

2.4 NEED FOR WORKING CAPITAL

The objective of any business is to earn profit is the magnitude of sales of the business but sales cannot be converted into cash immediately. They are time lag between the sales of the goods and realization of cash. There is need of working capital in the form of current assets to fill up this lag. Technical is this is called as operating or of working capital cycle.

If the company has a certain amount of cash, it is it will be required for 2 purchasing the raw material. Some raw material may be available on credit basis. The company has to spend some amount of labor and factory overheads to convert the raw material into the work in progress and ultimately finished goods this finished goods. When sold on credit basis get converted in the form of sundry debtors.

Sundry debtors are converted into cash only after the expiry date of credit period. Thus it is the cycle in which the original available cash is converted into

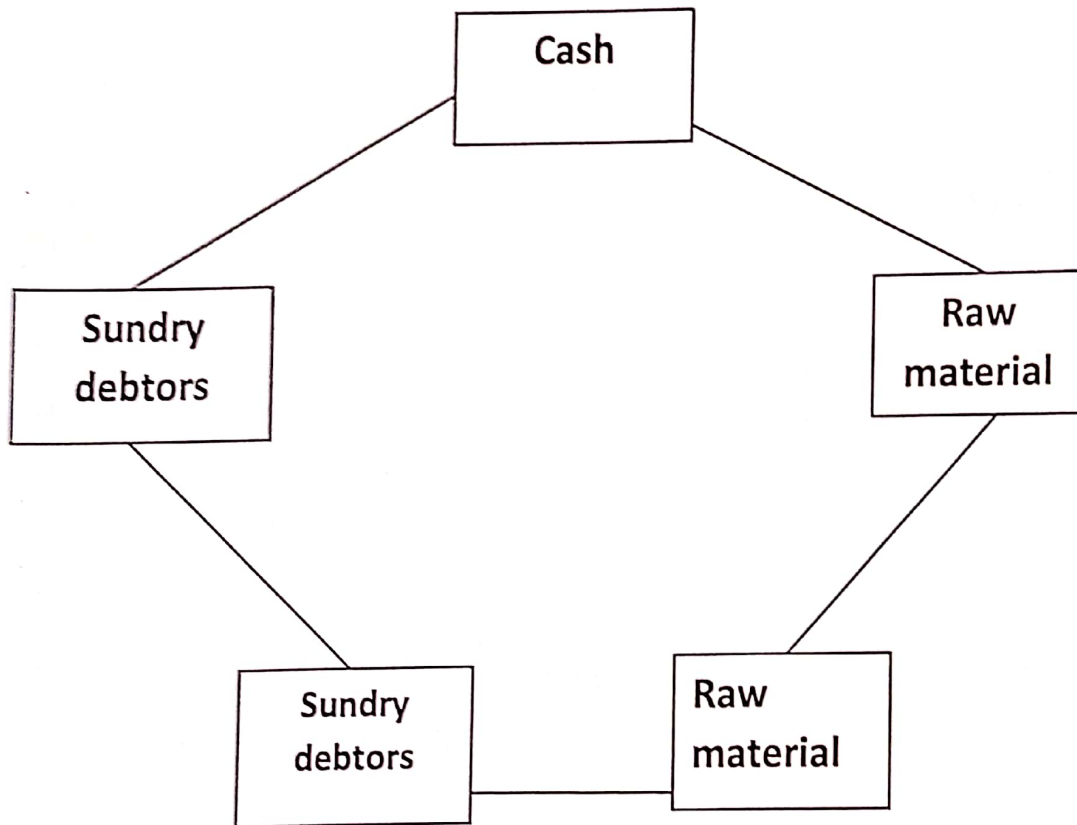
the cash only after our following stages of raw material work in progress finished goods and sundry debtors are completed.

Thus there is a time gap for the original cash to get converted in the form of cash again.

The working capital needs of company hours to cover the requirements of fun during this gap and quantum of funds during this gap time. Thus, some amount of funds is blocked in raw materials, work in progress, finished goods, sundry debtor and day to day requirement.

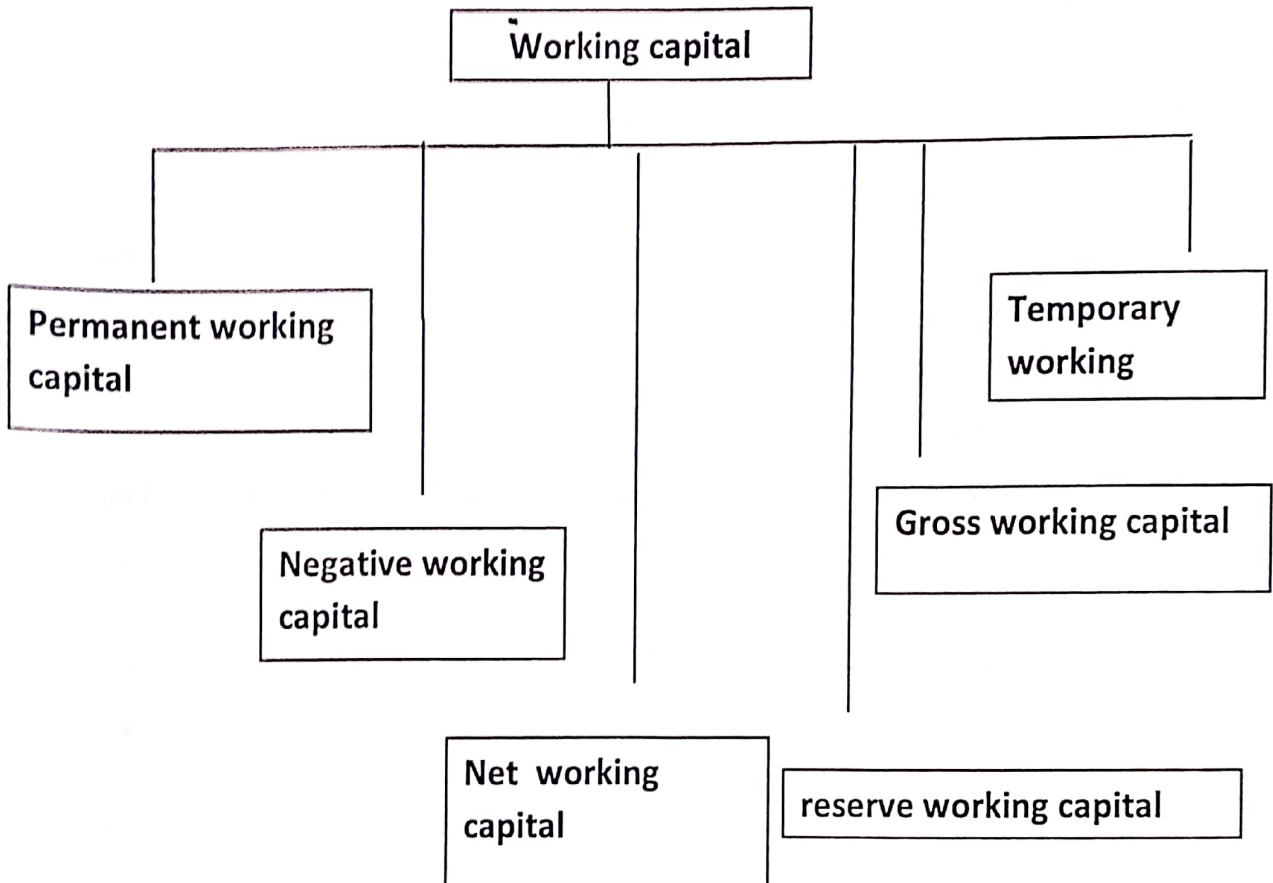
However some part of these current assets may be financed by current liabilities. This is precise reason why the business needs working capital.

2.5 WORKING CAPITAL CYCLE



2.6 TYPES OF WORKING CAPITAL

These are many types of working capital which are as follows:



1. Permanent working capital-

It means the minimum amount of investment in all current assets which is regarded at all times to carry on a minimum level of business activities. The operating cycles is continuous process and therefore, the need for current assets.

But the magnitude of current assets increases and decreases overtime. There is always a minimum level of current assets required at all time by the firm to carry on its business operations.

2. Temporary working capital-

This is also called the fluctuating or variable working capital. The demand of temporary working capital keeps on changing depending upon the changing the production and sales.

3. Gross working capital-

It is also called circulating capital. It is equal to sum of current assets only and it may represent both owned capital as well as loan capital used for financing of current assets.

There are some advantages of gross working capital-

- I. It enables a firm to plan and control the funds at the disposal.
- II. It helps in the fixation of various area financial responsibility.
- III. It helps the finance manager to plan source of funds.

4. Net working capital-

It is the difference between current assets and current liabilities. The concept networking enables a firm to determine the exact amount of available disposal for operational requirements.

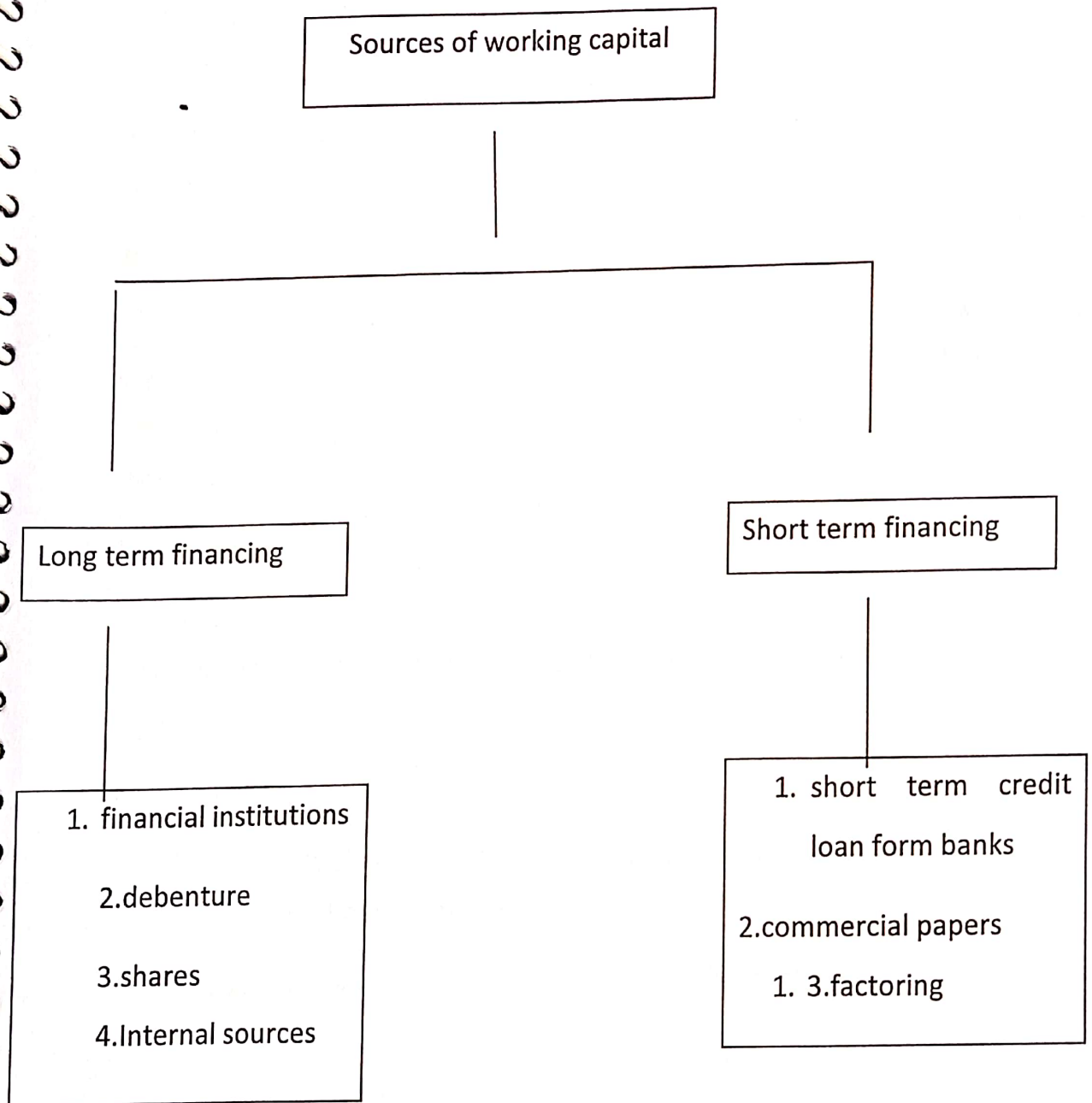
5. Negative working capital:

When current liabilities exceed current assets negative working capital emerges. Such situation occurs when firm is meeting crisis some magnitude.

6. Reserve working capital:

It refers to short term financial arrangements made by the business units to meet uncertain changes or to meet certain if is uncertainties. Business firms are always exposed to risk which may be controlled are uncontrollable.

2.7 SOURCES OF WORKING CAPITAL



A) Long-Term Financing

1. Financial information-

The option is normally ruled out, because financial information does not provide finance for working capital requirements. Further this facility is not available to all companies.

2. Debentures-

In Indian capital market floating of the debentures has to still gain popularity. Debentures issued by companies in private sector is not associated with certain reputed group generally fail to attract investors to invest their funds in companies.

3. Public deposits-

The next alternative to be the above is public deposit. The issue of tapping public deposits is directly related to image of the company seeking to invite public deposits.

4. Issue of share -

With a view to financing additional working capital needs, issue traditional equity shares could be considered.

Low profit margin as well as less knowledge about company makes the success of capital issue very dim.

5. Internal sources-

Rising funds from operational profile poses problem for many companies, because prizes of their end products are controlled and do not prices companies do not earn profit sufficient to pay reasonable dividend and retain profit to cover margin money requirements do finance additional working assets, still a largely and cost reduction major managing the cash operating cycle analyzing inventories stock

(B) SHORT TERM FINANCING-

Short term financing refers to those sources short term credits that firms must arrange in advance. These sources include short-term bank loan, commercial papers and factoring of receivable.

2.8 FACTORS AFFECTING WORKING CAPITAL REQUIREMENT

The amount of working capital required depends upon a number of factors which can be stated as below.

1 Nature of business-

Some businesses are such due such due to their very nature, their requirement of fixed capital is more than their working capital. These business sell service and not the commodities blocked in receivables e. g. Public utility services like Railway, electricity board, intrastate oriented project etc. Their requirement of working capital is less. On the other hand, there some business like trading

activity, where the rear of fixed capital is less but more money is blocked in inventories and debtors.

2. Length of production cycle-

In some business like machine tool industry, the time gap between the acquisitions of the raw material till the end final production of finished solution of finished itself is quite high.

As such more amounts maybe blocked either in raw material, or work in progress or finished goods or even the debtors.

3. Size and growth of business-

In very smaller company working capital requirement are quite high due to high overhead cost, higher buying and selling call etc.

As such the medium sized companies positively have edge over the small companies. But if the business growing after certain limits, the working capital requirement may adversely affected by increasing size.

4. Business/Trade cycle -

If the company is operating in the period of boom working capital requirement may be more as company may like to buy more raw materials and may increase the production and sales to take the benefit of favorable markets due to the increase sales. There may be more amounts of funds blocked and debtors etc.

5. Terms of purchase and sale-

Sometimes due to competition of custom it may be necessary for the company to extend more and more amount is locked up in debtors or bill receivable which increase working capital requirements.

2.9 COMPUTATION OF WORKING CAPITAL

A. Current assets:

1. Inventory
2. Raw material and component
3. Work in progress
4. Finished goods
5. Others
6. Trade debtors
7. Loan and advances
8. Cash and bank balance

B. Current Liabilities:

1. Sundry creditors
 2. Other Liabilities
 3. Provision
 4. Other deposit and Payable
-

FORMULA OF WORKING CAPITAL:

Working capital = Current Assets - current Liabilities

2.10 RATIO ANALYSIS:

2.10.1 Meaning of ratio -

A ratio is simple arithmetical of the relationship of members to another. It may be defined as the indicated quotient of two mathematical expressions. According to accountant handbook by wixon, kell, and Bedford, "a ratio is an expression between two number."

Ratio analysis is the process of determining and presenting the relationship of items and group if items in the statement. According to Batty J. Management according "Ratio can assist management in its basic functions of forecasting. Planning coordination, control and communication". It is helpful to know about the liquidity, solvency, capital structure and profitability of an organization. It is helpful tool to aid in applying judgment, otherwise complex situations.

2.10.2 RATIO MAY BE EXPRESSED IN THE FOLLOWING THREE WAYS :

I. Pure ratio or simple ratio -

It is expressed by the simple division of one number by another.

For Example, if the current assets of a business are Rs2,00,000 and its current liabilities will be $2,00,000/1,00,000=2$

2. Rate or times

In this type, it is calculated how many times a figure is in comparison to another figure.

For Example, if a firms credit sales during the year are Rs.2,00,000 and its debtors at the end of year Rs.2,00,000/40,000 =5 times. It show that the credit sales are 5 time in comparison to.

3. Percentage-

In this type, the relation between two figures is expressed in hundred. For Example, If a firms sales is Rs 1000000 and its gross profit is Rs. 2000000 The gross profit ratio in terms of percentage, is $2000000/1000000 * 100=20\%$.

4.3.3 Conclusion

Materials at hand given information regarding different concepts. Definition of each has been provided to understand general concept of each. This report is also useful for those people who have no knowledge about working capital.



CHAPTER NO- 3

PROFILE OF THE COMPANY

This chapter includes the introduction of the company, location of the company, board of directors, quality of company, man power, organization structure and conclusion.

3.1 INTRODUCTION OF THE COMPANY

Green power sugar Ltd., Gopuj was established in 29 March 2006 and founder is Mr. Sangram Deshmukh. It is classified as Non-government company and is registered at register of company, pune. Company corporate identification no is (CIN) U15421PN2006PNCO22248 And its registration no is 22248.

India is mainly producer agriculture and sugar is the 2nd largest a group based industry in India, and which is mostly rural area in India. The project study on overview functional areas and various departments under sugar industry with special reference to green power sugar Ltd. Gopuj. Green power sugar Ltd., is located at Gopuj in district of Satara. It is 35km away from Karad.

Green power sugar Ltd., Gopuj is that the area around Gopuj is neither one of those area known aren't additionally for cane cultivation. In fact, it is very drought rided area where is scarcity of water agriculture thus become a different job here. As a result farmers cultivate only one seasonal crops. They were not going for cultivation of crops of sugarcane. But thus recent setup of green power sugar Ltd., Gopuj has really boosted the primitive farmers to go for

cash like sugarcane. The outcome is growing senility or modern agriculture of farmer over ever.

According to the more notification dated 14th September 2006 , these project respectively under A and B category therefore this industry has collectively submitted an application to ministry of environmental appraisal committee in their 29th meeting dated 30th September 2014 has considered the proposal and sanctioned the term of reference.

Green power sugar Ltd. Annual General meeting (AGM) was last held on 29 September 2021 and as per records from Ministry of corporate affairs (MCA), it's balance sheet was last filed on 3 March 2022

As per government laws, to get an environment clearance this industry has submitted a proposal to increase the cane crushing capacity power generation capacity and to establish a distillery. thereafter, this environment impact assessment report is prepared. The objective of making this environment impact assessment report is not merely to get the environmental clearance certificate, but to understand what impact may happen and to plan the prevention measures.

3.2 LOCATION OF THE COMPANY

The proposed location is in village gopuj. Tehsil khatav, Dist. Satara in state maharashtra. This candidate site is in premises of sugar Mill, so that there is less transportation of molasses and press mud. The land requirement for proposed industry unit is already in possession and is not prime agriculture land. This is flat

land whereby cutting -fillings will be balanced and there will be No/ low borrowing from natural, within, 10 km influence zone, there is no tropical forests, biosphere reserve, national park, wild life sanctuary and coral formation reserve. The small irrigation dam yeralwadi, city satara, Railway line, National Highway is at a sufficient, safe distance. The clearance is obtained from local grampanchayat and hence will have public acceptability.

3.3 QUALITY OF COMPANY

Green power sugar Ltd. Committed

1. To delight customer and consumer through manufacturing and supply best quality sugar, power, spirit alcohol and other by products that surpass their expectation.
 2. To offer maximum returns to shareholders on their investment
 3. Green power sugar Ltd. Strive to achieve to organization by.
 - Engaging employees and motivating shareholders for maximum yield of sugar cane.
 - Minimizing of expenditure while maximizing productivity and efficiency of operation.
 - Implement modern technology.
 - Continually improving quality management system performance using the latest ISO0900 framework.
-

3.4 JUSTIFICATION OF THE COMPANY

Molasses is one of the waste products produced from sugar factory. Environmentally speaking these are very undesirable & risky properties. However, it is possible to put it to useful

Purpose by producing alcohol. Molasses can be used as raw material for distillery. The resultant alcohol has various uses in chemical industry, pharmaceutical industry and as ethanol. The liquid effluent however, is highly polluting though not poisonous or toxic. This organic load can be converted to useful compost, which in turn can assist growth of sugarcane for the member farmers. For making the compost press mud solid waste can be useful as filler material and bagasse solid waste can be useful to produce much needed power for process. It is likely that the ethanol may be used more as automobile fuel in the days to come & hence new distillery unit is justifiable. Distillery unit needs the raw material as molasses & press mud as filler material to be self-sufficient for this it is desired to have a sugar factory of our own. This area has very good soil-sufficient for this it is desired to have a sugar factory of our own. This area has very good soil & availability of water. The people are enthusiastic about such crop & hence sugar factory is justifiable, sugar factory will also produce, this bagasse has fuel value. We can convert this in power & steam. Power will be useful to units & colony for captive unit & surplus can be given to state, as this state has short in power supply. Thus, spend steam at its tail end can still be used for production of sugar & the alcohol. Thus, a power plant is justifiable.

3.5 RESOURCES OF THE COMPANY

(A) Green power sugars Ltd. Proposed to establish a molasses based 45 KLPD distillery, expansion in sugar plant (3500+1500 TCD) cogeneration plant (15+13=28MW.) The capacity of the proposed distillery shall be 45 KLPD. For this the main and sole raw material is molasses. The yeast brings about the change. Some chemicals in small quantity are used for supporting propagation of the yeast and help in fermentation thus.

| Sr. No | Raw material | Quantity/Day |
|--------|----------------------|--------------|
| 1. | Molasses | 168 T |
| 2. | Sulfuric Acid | 90 lit |
| 3. | Nutrients N. p | 45 kg |
| 4. | Turkey Red Oil (TRO) | 90 g |

Green power sugars Ltd. Proposes to expand form, 3500 TCD sugar Mill,

Which requires following resources. The capacity of the proposed sugar Mill shall be 5000 TCD. For this the main and sole raw material is sugarcane. Some chemicals in small quantity are used for supporting. This,

| Sr. No. | Raw material | Quantity/day |
|---------|--------------|--------------|
| 1. | Sugarcane | 5000 TPD |
| 2. | Sulfur | 2000 kg |

C) Green power Ltd.
Proposes to expand a

bagasse based co- gen power plant from 15 to

2MW, which requires following resources, for this the main raw materials are bagasse and high quality water. Some chemicals in small quantity are used for supporting. This,

| Sr. No. | Raw Material | Quantity/Day |
|---------|--------------|--------------|
| 1 | Bagasse | 1400 TPD |

In addition to the raw material, utilities are also required. These are:

*power Need 1000 kw. Available through govt. Electricity board and own generation.

* Man power staff, skilled and unskilled totally 400 persons will be required, and will be available.

* water need is a b O u t $570 + 281+600=1451$ cum/d and shall be met from small irrigation dam at yeralwadi.

* Molasses storage Tanks (three no) of 5000 MT capacities each.

* Building materials this is not a heavy construction, and majority is in fabrication from mild steel structural. The orientation is so kept as to

balance nearly the cutting and filling. The small requirement is available systemically. The Constitution erection time will be small and will be done in daytime. Labor camp is not necessary.

* filler material for composting is press mud and is available from parent sugar factory.

Thus all the resources are resources are available and will be used economically and judiciously.

3.6 VISION, MISSION, GOALS OF THE COMPANY

1. TO manufacturer yarn with minimum cost of production.
 2. To distribute green power sugar Ltd. Products throughout Indian with minimum cost of marking.
 3. To earn foreign exchange by improving exports marketing.
 4. To help the farmer with manufacturing and distributing high quality of product with minimum cost.
-

3.7 COMPANY PROFILE TABLE

| Sr No | Particulars | Description |
|-------|--|--|
| 1. | Name of company | Green power sugar Ltd., Gopuj |
| 2. | Address of the factory | A/p-Gopuj, Tal-khatav Dis- satara, Maharashtra PIN- 415510 |
| 3. | Date of Establishment | 29 March 2006 |
| 4. | Corporate Identification Number (CIN) | U15421PN2006PLCO22248 |
| 5. | Contact No. | (02161) 286333,286555 |
| 6. | Email Address | Gps1@Gmail.com |
| 7. | Company category | Company limited by shares |
| 8. | Company sub category | Non-govt. company |
| 9. | Class of company | Public |
| 10. | Company status | Active |
| 11. | Activity | Manufacturer of other food product |

(Sources:-Annual Report of three year)

3.8 BOARD OF DIRECTORS

| | |
|-----------------------------------|---------------------|
| Mr. Sangram Sampatrao Deshmukh | Managing Director |
| Mrs. Aparna sangramsingh deshmukh | Whole time Director |
| Mr. Ashok Anandrav mulik | Additional Director |
| Mr. Sandip babanrav yadav | Additional Director |

(Sources:-Annual Report of three year)

3.9 MANPOWER

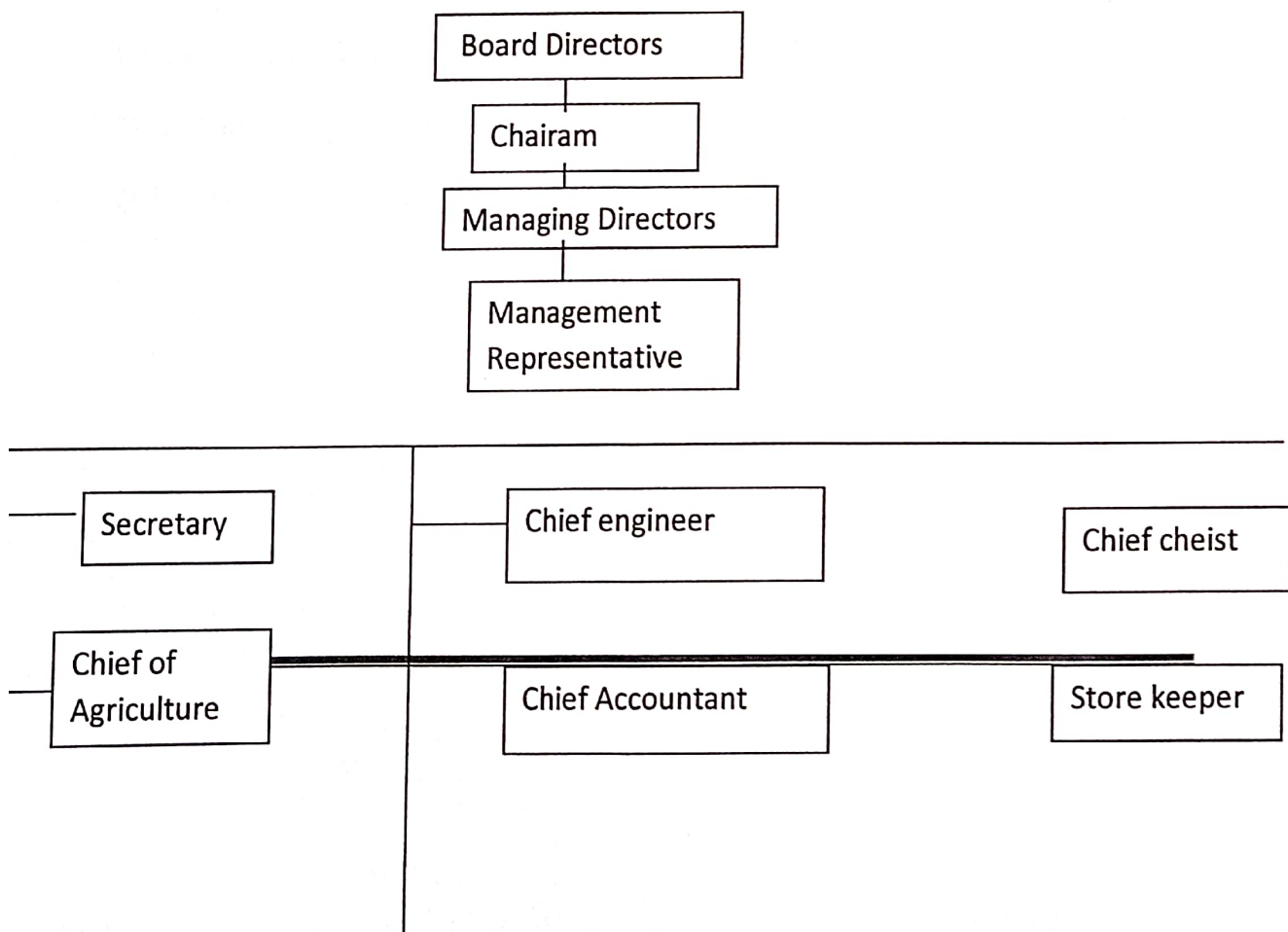
| SR. NO. | Designation | Employees |
|---------|------------------|-----------|
| 1. | General Manager | 1 |
| 2. | Chief Accountant | 1 |
| 3. | Chief Chemist | 1 |
| 4. | Admin officer | 1 |
| 5. | Agri. Officer | 1 |
| 6. | Chief Engineer | 1 |
| 7. | Labor officer | 1 |
| 8. | Asst. Engineer | 5 |
| 9. | O. S. D | 1 |

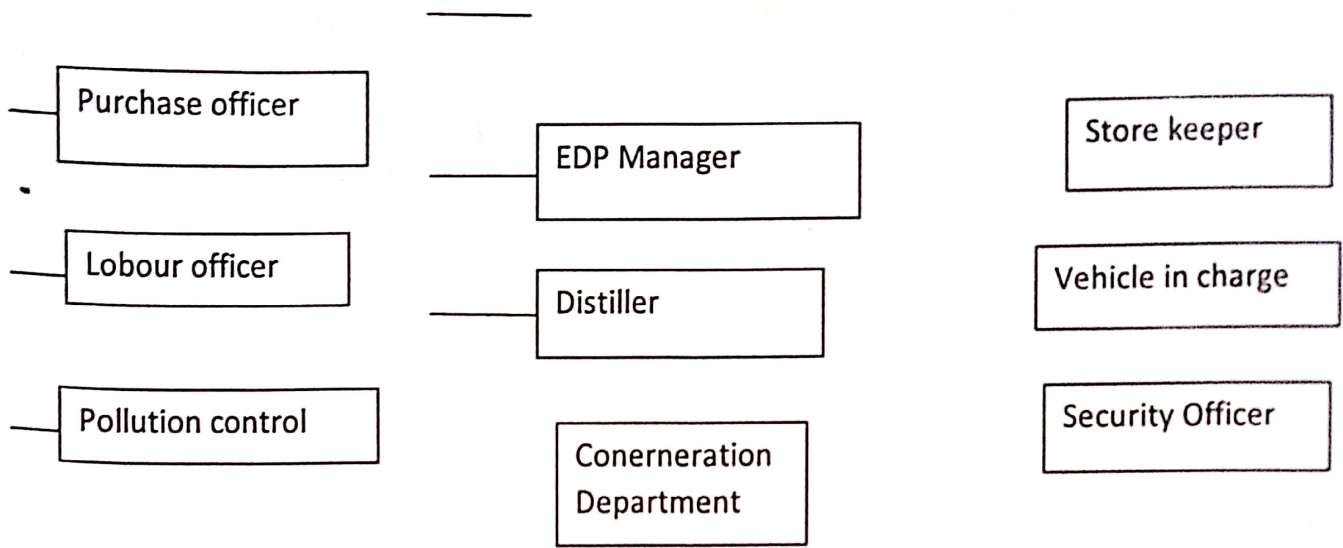
| | | |
|-----|---------------------|-----|
| 10. | Distillery manager | 1 |
| 11. | Manu chemist | 6 |
| 12. | Distillery chemist | 6 |
| 13. | Electrical Engineer | 2 |
| 14. | Workers | 342 |
| 15. | Trainee | 260 |
| | Total | 630 |

(Source:-Annual Report of three year)

3.10 ORGANIZATION STRUCTURE

Organization structure





3.11 Conclusions

In this chapter include information about green power sugar Ltd, Gopuj khataV Dis- satara. This is popular and provides more service. This show the company profile, location of company, vision mission and goals, factory area of operation, profile, board of Directors, and etc.

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CHAPTER NO 4 ANALYSIS INTEPRETATION OF DATA

This chapter include total current assets total current liabilities, net working capital, Ratio analysis, and interpretation of data by using table, graphs, Diagrams and other statistical tools.

Table no 4.1 Calculation of total current Assets of green power sugars Gopuj.

| Sr.No. | Current Assets | 2020-21 | 2021-22 | 2022-23 |
|--------|----------------------------|----------------|----------------|----------------|
| 1 | Inventory | 20,18,56,932 | 20,85,76,951 | 19,65,42,275 |
| 2 | Raw material and component | 15,60,86,795 | 16,82,63,943 | 14,75,89,635 |
| 3 | Work in progress | 30,63,58,941 | 20,86,45,721 | 29,45,76,321 |
| 4 | Finished goods | 28,56,96,425 | 23,89,75,465 | 25,60,40,900 |
| 5 | Others | 50,79,15,264 | 50,80,42,865 | 65,80,41,528 |
| 6 | Trade debtors | 20,54,63,125 | 15,20,63,241 | 25,89,76,412 |
| 7 | Loan and advances | 30,89,75,123 | 40,12,85,798 | 55,63,78,951 |
| 8 | Cash and bank balance | 20,20,28,216 | 35,70,49,779 | 66,40,85,136 |
| | Total | 2,17,43,80,821 | 2,24,29,03,763 | 3,03,22,31,158 |

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Table no.4.2 Calculation of total current liabilities Of green power sugars Gopuj

| Sr No. | Current Liabilities | 2020-21 | 2021-22 | 2022-23 |
|--------|---------------------------|----------------|--------------|----------------|
| 1 | Sundry creditors | 20,63,58,426 | 18,96,54,721 | 21,56,89,754 |
| 2 | provision | 6,05,80,964 | 8,21,45,321 | 10,25,96,300 |
| 3 | Bank overdraft | 15,20,12,369 | 13,25,86,951 | 18,96,54,721 |
| 4 | Dividend | 8,50,90,123 | 9,56,32,417 | 7,98,56,320 |
| 5 | Other deposit and payable | 28,45,63,963 | 19,65,78,541 | 35,69,87,400 |
| 6 | Other liabilities | 21,86,45,476 | 10,80,65,872 | 41,19,42,265 |
| | Total | 1,00,72,51,321 | 80,46,63,833 | 1,35,67,26,760 |

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4.1 POSITION OF TOTAL CURRENT ASSETS AND TOTAL CURRENT LIABILITIES

Table no. 4.1

Position total current assets and total current liabilities

| Particular | 2020-21 | 2021-22 | 2020-23 |
|---------------------------|----------------|----------------|----------------|
| Total current assets | 2,17,43,80,821 | 2,24,29,03,763 | 3,03,22,31,158 |
| Total current liabilities | 1,00,72,51,321 | 80,46,63,833 | 1,35,67,26,760 |

(Sources- Annual report of three year)

INTERPRETATION-

Above table show the position of total current assets and total current liabilities in year 2020-21,2021-22 &2022-23. Total current assets are interested in every year. And current liabilities position in changes in every year. Current liabilities are interested in year 2010-23.

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4.2 POSITION OF GROSS WORKING CAPITAL

| particulars | 2020-21 | 2021-22 | 2022-23 |
|-----------------------|----------------|----------------|----------------|
| Cash in hand | 10,28,92,624 | 17,35,51,095 | 11,99,06,273 |
| stock | 21,01,70,751 | 23,67,76,903 | 31,42,22,718 |
| Total current assets | 2,17,43,80,821 | 2,24,29,03,763 | 3,03,22,31,158 |
| Gross working capital | 2,17,43,80,821 | 2,24,29,03,763 | 3,03,22,31,158 |

(Sources-Annual report of three year)

INTERPRETATION-

Gross working capital shows how much amount is locked up in current asset. Above table shows gross working capital shows gross working capital position of the factory of last three year in the year 2020-21 gross working capital was RS 2,17,43,80,821/-

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TABLE NO 4.3

Position of NET WORKING CAPITAL

| PARTICULAR | 2020-21 | 2021 -22 | 2022 -223 |
|--|----------------|-----------------|------------------|
| Total current assets | 2,17,43,80,821 | 2,24,29,03,763 | 3,03,22,31,158 |
| Less - current liabilities & provision | 1,00,72,51,321 | 80,46,63,833 | 1,35,67,26,760 |
| Net working capital | 1,16,71,29,500 | 1,43,82,39,930 | 1,67,55,04,398 |

(Surcease- Annual report of three year)

INTERPRETATION -

Form the above table it is clear that in the year of 2020-21 net working capital 1167129500 and 2021-22 net working capital is Rs. 1438239930. it is decreased. & 2022-23 is net working capital is Rs 1675504398. It is highest increased of net working capital.

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4.4 RATIO ANALYSIS

4.4.1 CURRENT RATIO

Meaning -

"Current ratio defined as the relationship between current assets and current liabilities. "

The current ratio is a liquidity ratio that measures a company's ability to pay short - term obligations or those due within one year. It tells investors and analyst how a company can maximize the current assets on its balance sheet to satisfy its current debt and other payables. **How to Calculate the current Ratio**

To calculate the Ratio, analyst compares a company's current assets to its current liabilities. Current assets listed on a company's balance sheet include cash, accounts receivable, Inventory and other assets that are expected to be liquidated or turned into cash in less than one year. Current liabilities include accounts payable, wages, taxes payable, and the current portion of long - term debt.

A current ratio that is in line with the industry average or slightly higher is generally considered acceptable. A current ratio that is lower than the industry average may indicated a higher risk of distress or default similarly, if a company has a very high current ratio compare to their peer group, it indicates that management may not be using their assets efficiently.

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FORMULA

Current Ratio = current assets/current liabilities

Table no 4.4

| Year | Current assets | Current liabilities | Current ratio |
|---------|----------------|---------------------|---------------|
| 2020-21 | 2,17,43,80,821 | 1,00,72,51,321 | 2.15 |
| 2021-22 | 2,24,29,03,763 | 80,46,63,833 | 2.78 |
| 2022-23 | 3,03,22,31,158 | 1,35,67,26,760 | 2.23 |

(Surcease- Annual report of three year)

INTERPRETATION

From the above table it is clear that in the year 2020-21 current ratio is the 2.15. as compared to previous year in the year 2021-22 which increased by 2.78. it the highest rate of increase in current ratio in the year 2022-23 is 2.23. Current ratio as compared to all year show more than two time decreased in current ratio.

4.4.2 INVENTORY TO WORKING CAPITAL RATIO

There is need to supplement the ratio of net sales to inventory by another ratio to confirm the position show by the inventory and net working capital and provides a relatively more stable basis for comparison than is supplied by the inventory turnover ratio.

The ration is an index of the position of over stocking. It shows what part of the working capital is represented by the closing stock.

This ratio is calculated as under:

Inventory to working capital = closing stock /working capital

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Table No 8.5

Inventory to working capital ratio for three year

| Year | Inventory | Working capital | Ratio |
|---------|----------------|-----------------|--------|
| 2020-21 | 2,10,17,07,517 | 2,17,43,80,821 | 96.65% |
| 2021-22 | 2,19,93,20,856 | 2,24,29,03,763 | 98.05% |
| 2022-23 | 2,97,10,21,183 | 3,03,22,31,158 | 97.98% |

(Source: Annual report of three year)

INTERPRETATION -

Form the above table it is clear that inventory the year 2020-21 inventory to working capital increased by year 2021-22 as compared to previous in the year 2022-23 increased in all and show more timer increase inventory which is the sigh of bad trust of inventory on the sugar factory.

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4.4.3 RATIO BETWEEN IN INVESTMENT AND DEPOSIT

Formula = Investment / Deposit × 100

Table No 4.6

Ratio Between In Investment and Deposit

| Year | Investment | Deposit | Ratio |
|---------|--------------|-------------|---------|
| 2020-21 | 13,97,45,500 | 7,05,31,197 | 198.13% |
| 2021-22 | 5,34,57,871 | 4,72,77,624 | 113.07% |
| 2022-23 | 6,37,64,675 | 3,30,04,922 | 193.19% |

(Source :Annual report of three year)

INTERPRETATION

Ratio between in investment and deposit according to 3,year on the above table 4.6show the ratio position in the year 2020-21 198.13 is the decreased the as compared to 2021-22 113.07% and the increase in the investment and deposited ratio in the of year 2022-23 is 193.19%.To all the year show more than two timer increase in the investment and deposit which the good sign of depositor on the sugar factory.

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CHAPTER NO -5 FINDINGS, SUGGESTIONS AND CONCLUSION

This chapter deals with the finding, suggestions and conclusion of the green power sugar Ltd. Gopuj.

5.1 FINDINGS

1. The current liabilities of the firms are decreased in year 2020-21 & 2022-23 current liabilities increased in the firm. (Table no 4.1)
2. The gross working capital increased in the every year .[Table no 4.2]
3. The net working capital 2020-21 Rs. 1,16,71,29,500/-and year 2022- 23 working capital are increased in Rs.1,67,55,04,398/- (Table no 4.3)
4. The current ratio of the year 2020-21 in 2.15% and the next year ratio is increased 2.78% and next year 2022-23 decreased 2.23%(Table no 4.4)
5. Current ratio is first 2022-23 is good positions.
6. The ratio investment and deposited according to 3 year on the ratio position in the year 2020-21 is more than three year.
7. The inventory of the firm in the first year has been sold good. 2019-20 ratios are good and 2022-23 ratios is decreased.
8. The cash and bank balance are increased in every year.
9. The cash and bank balance are increased in every year .
10. The highest working capital in period 2020-21 by Rs 1,67,55,04,398/-

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5.2 SUGGESTIONS

- 1) The company more attention to maintaining sufficient current assets.
 - 2) Liabilities should be paid as early as possible.
 - 3) The management must provide finance related training programs for the employees.
 - 4) The factory should follow the policy of maintaining strong cash policy.
 - 5) sugar factory current assets and current liabilities are changing year by year so try kept is stable.
 - 6) The bill payable is more so they should take more effort to keep in under control.
 - 7) constant feedback of company should take this will help to find out the best employees and given them additional facilities such as authority responsible.
 - 8) The overall financial position to business should be improved more.
 - 9) Motivation is also important factory to improve performance in company should take for motivating the employees.
 - 10) The overall company minimizing of expenditure andmaximizing productivity.
-

5.3 CONCLUSION

The Green Power sugar factory maintains good working capital in the 2020-2021 and 2022-23. It is included that the management of the company is good because it's can manage working capital in good manner. It is observed that the credit position is also good due to the effective management of current liabilities and timely paying for debts. .

The project report has covered the study on the topic of working capital with reference to green power sugar ltd. Gopuj.

The Green Power sugar Factory provides good working capital in the organization. The evaluation of working capital show that founds to related to current assets current liabilities to green power sugars factory. The green power sugars factory also has to concentrate on small percentage of respondent who are not helped to overcome from their work related problem.

Finally the financial position provided by green power sugar ltd. Is found to be commendable which can be improved further.

**TRADING, PROFIT & LOSS ACCOUNT STATEMENT OF GREEN POWER
SUGARS FACTORY**

IN THE BOOKS OF GREEN POWER SUGAR LTD. GOPUJ

TRADING PROFIT AND LOSS A/C

FOR THE YEAR ENDED 31 MAR 2022- 23

| | | | |
|--|-------------|------------|------------|
| Expenses | | | |
| Provisions Expenses | 3,72,32,591 | 11422697 | 13231080 |
| Interest expenses | 1601,49,106 | 143496909 | 123504131 |
| Sales tax expenses | 22,68,208 | 199385 | 566022 |
| Depreciation | 3,78,18,788 | 40021543 | 46917675 |
| Excise duty expenses (sugar | 5,69,53,970 | 5141110 | 80901693 |
| Excise duty expenses (scrap) | 1,97,674 | -- | -- |
| Excise duty expenses (molasses) | 2,24,17,933 | -- | 375252 |
| Net profit. (Trans. To balance sheet. | 53,60,086 | 1575353 | 2701850 |
| Net profit (trans. To balance sheet. | 53,60,086 | 2117832989 | 2542230295 |

| | | | |
|-------|----------------|------------|------------|
| Total | 2,11,90,04,378 | 2117832989 | 2542230295 |
|-------|----------------|------------|------------|

| | | | |
|--------------------|--------------|-----------|-----------|
| Income | 2020-21 | 2021-22 | 2022-23 |
| Value of byproduct | 20,53,05,478 | 235120321 | 157411361 |

| | | | |
|------------------------------|-------------|-------------|--------------|
| Production | | | |
| Interest received | 3,22,062 | 6,00,074 | 3,47,120 |
| Export sugar claim | 0.00 | 1,44,13,410 | 96,31,710 |
| Scrap sale | 36,16,566 | 77,418 | 44,40,718 |
| Miscellaneous income | 7,03,031 | 6,545 | 0.00 |
| Income of diesels pump | 14,97,087 | 5,81,042 | 8,16,854 |
| Electric income | 2,56,341 | 0.00 | 7,223 |
| Tender from free | 68,495 | 38,550 | 82,250 |
| Burn bagasse insurance claim | 0.00 | 4,03,694 | 0.00 |
| Compost sale | 1,95,700 | 3,05,100 | 5,88,690 |
| Dividend | 0.00 | 21,80,033 | 32,19,800 |
| Co-gen profit | 1,32,14,277 | 3,01,11,493 | 16,47,50,638 |
| Distillery profit | 6,67,24,382 | 897,52,218 | 6,57,02,781 |

| | | | |
|------------------------|-----------|-------------|-----------|
| Karkhana farm income | 21,486 | 64,745 | 11,84,100 |
| Processing charges fee | 15,000 | 0.00 | 0.00 |
| Sales tax return | 52,20,075 | 2,45,65,756 | 0.00 |
| Fund | 0.00 | 0.00 | 3,00,000 |
| Fine | 0.00 | 0.00 | 18,05,000 |
| Vehicle sales profit | 0.00 | 80,996 | 0.00 |

| | | | |
|----------------|----------------|-----------------|----------------|
| Compost profit | 0.00 | 0.00 | 7,03,219 |
| Total | 2,11,90,04,378 | 21,17,83,29,889 | 2,54,22,30,295 |

**BALANCE SHEET OF GREEN POWER GREEN POWER SUGARS FACTORY
LTD.GOPUJ**

In the books of green power sugar Ltd. Gopuj

Balance sheet

For the year ended 31 mar 2020-21

| CAPITAL & LIABILITIES | 2020-21 | 2021-22 | 2022-23 |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
| Share capital | 38,56,85,392 | 35,19,23,082 | 28,18,92,213 |
| Secured loan | 1,42,24,53,608 | 72,91,10,633 | 16,45,65,44,654 |
| Reserve & surplus | 87,48,33,311 | 1,00,31,08,856 | 1,12,12,65,549 |
| Unsecured loan | 69,34,05,851 | 84,16,34,317 | 85,90,34,717 |
| Deposit | 6,99,79,821 | 7,07,18,224 | 7,66,49,608 |
| Other liabilities & provision | 52,23,13,623 | 82,00,70,656 | 76,43,61,040 |
| Interest payable | 16,32,497 | 1,69,86,703 | 1,82,18,972 |
| Net profit | 54,60,550 | 70,35,903 | 97,37,753 |
| Total | 2,99,04,56,654 | 3,84,05,88,375 | 4,77,68,16,506 |

**BALANCE SHEET OF GREEN POWER GREEN POWER SUGARS FACTORY
LTD.GOPUJ**

In the books of green power sugar Ltd. Gopuj

Balance sheet

For the year ended 31 mar 2020-21

| CAPITAL & LIABILITIES | 2020-21 | 2021-22 | 2022-23 |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
| Share capital | 38,56,85,392 | 35,19,23,082 | 28,18,92,213 |
| Secured loan | 1,42,24,53,608 | 72,91,10,633 | 16,45,65,44,654 |
| Reserve & surplus | 87,48,33,311 | 1,00,31,08,856 | 1,12,12,65,549 |
| Unsecured loan | 69,34,05,851 | 84,16,34,317 | 85,90,34,717 |
| Deposit | 6,99,79,821 | 7,07,18,224 | 7,66,49,608 |
| Other liabilities & provision | 52,23,13,623 | 82,00,70,656 | 76,43,61,040 |
| Interest payable | 16,32,497 | 1,69,86,703 | 1,82,18,972 |
| Net profit | 54,60,550 | 70,35,903 | 97,37,753 |
| Total | 2,99,04,56,654 | 3,84,05,88,375 | 4,77,68,16,506 |

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