10TH WEEK ASSIGNMENT

Analyze and interpret the working capital management of your company.

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| PARTICULAR | 2019 | 2020 | 2021 | 2022 | 2023 |
| Working Capital | 2650.4 | 5323.57 | 10306.62 | 16935.37 | 21828.37 |
| Non Cash Working Capital | 42570 | 26407.28 | 27329.62 | 44482.45 | 50269.72 |

Working Capital:

Working capital represents the difference between a company's current assets and current liabilities. It indicates the company's short-term liquidity and ability to meet its short-term obligations.

Analysis: The working capital has consistently increased from 2019 to 2023, indicating a positive trend in the company's short-term liquidity. This suggests that the company has been able to finance its day-to-day operations and cover its short-term liabilities more effectively over the years.

Non-Cash Working Capital:

Non-cash working capital is the difference between current assets excluding cash and equivalents and current liabilities. It focuses on the portion of working capital that does not involve cash.

Analysis: The non-cash working capital has shown fluctuations over the years, with an initial decrease from 2019 to 2020, followed by fluctuations in subsequent years. Despite the fluctuations, there is an overall increasing trend, indicating that the company's non-cash assets have grown relative to its non-cash liabilities.

Interpretation:

The increasing trend in both working capital and non-cash working capital suggests that the company has been managing its short-term liquidity effectively, ensuring that it has sufficient resources to meet its operational needs and short-term obligations.

However, the fluctuations in non-cash working capital indicate potential variability in the composition of current assets and liabilities, which may require further investigation. It could be due to changes in inventory levels, accounts receivable, accounts payable, or other factors impacting the company's operating cycle.

Overall, while the company's working capital management appears satisfactory, a more detailed analysis of the components contributing to changes in non-cash working capital would provide deeper insights into the efficiency of the company's working capital management practices.

10TH WEEK ACTIVITY

Use liquidity ratio to analyze the company

In 2019 to 2023 the current ratio has shown a consistent UP board trend indicating improved liquid liquidity in 2019 the ratio stood at 1.06 increasing studied to 11.43 in 2023 this signifies that for every rupee of current liability the company had 1.43 of current asset available in 2023 reflecting enhanced financial stability and capacity to cover short term depth