

ASSIGNMENT-9

why use the exclude cash while calculating working capital?
as in typically excluded from the calculation of working capital in current context particular in more advanced & non. personal assets while cash is indeed a current asset in books doesn't contribute to company's other than efficiency or its ability or its needs or revenue from business & thus. Hence a more detailed explanation.

Focus on operational efficiency
which a company working capital measures that efficiency with
of liabilities and to the day to day operations. Including cash & already excess cash that in some immediate need for operations. Includes the stock working capital or the business for example, shares cash sets up in a bank and for others, set up how has used the company is and services how will manage which are more convenient for management.

Cash in hand & period balance

ASH (on account + the word soon
Grows slowly away) as it may not
now the company is more

Q. On account of the delay in the completion of the project, it may not be possible to start the work in the month of May. The company is therefore

From many delays, the
Secrets to now into the company is making the
working capital cycle as we make it in the
of the in many view of the company was growing
of the view of the company was growing

seems to now use the
working capital cycle as the indicator in the
of the in many view of the use showing
of 2 days with a number

working capital cycle as we
of the in many view of the and growing
now a fast view of 2 days with a number
of the as on

Now a day NEW form crystals as on

Exclusively with very few exceptions as on
sends, agencies of investors which thus su-
perior to support + business

Excludes own net worth
seeks agency of investors within business
no working capital need to support + business

Exclusively for the use of the
business, agencies of investors who
are working capital need to support business
understanding of operating life

Beats Under Standing of Operating System

Bates under study of 1914

When use of use on the lending
also shows on loan with the provisions
of the

also views of the services I require
company they need to know how well our
common terms of use from which
without select

Chas views of the
company they was + how things now was
Lmooy anas is some term of us from just
some thing in all of them without select

Company
Lmooy anas is gnm
onmy zmg m as gnm
lgn yz

~~Handwritten signature and scribbles~~

Handwritten signature in red ink.

Cash Flow vs Working Capital

Cash flow is better than working capital in terms of cash flow generation. The cash flow statement shows how cash is generated from operations, including cash in the working capital.

Example: If a company number of days the company takes to pay its suppliers after receiving inventory. A higher DDO is generally better for cash flow of the company as it holds on to its cash longer.

~~$$DDO = \frac{\text{Accounts Payable}}{\text{Goods}}$$~~

$$\Rightarrow \text{Working Capital} = \text{Current Asset} - \text{Current Liabilities}$$

$$= ₹ 5,00,00 - ₹ 3,00,000$$

$$= ₹ 2,00,000$$

$$= \text{Net - Cash Working Capital} = (₹ 5,00,00 - ₹ 1,00,00) - ₹ 3,00,000$$

$$= ₹ 1,00,00$$