



**A STUDY ON CASH FLOW STATEMENT TOWARDS  
C.R POULTRY FARM, NAMAKKAL**

**A PROJECT REPORT**

*Submitted by*

**M.SARANYA (18501034)**

*In the partial fulfillment for the award of the degree of*

**MASTER OF BUSINESS ADMINISTRATION**

**PAAVAI ENGINEERING COLLEGE, NAMAKKAL**

**(AUTONOMOUS)**

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**PAAVAI ENGINEERING COLLEGE, NAMAKKAL**

**(AUTONOMOUS)**

**BONAFIDE CERTIFICATE**

Certified that this project report titled "A STUDY ON CASH FLOW STATEMENT TOWARDS C.R PULTRY FARM, NAMAKKAL" is the bonafide work of M.SARANYA (18501034), who carried out the research under my supervision.



**HEAD OF THE DEPARTMENT**

Department of MBA

Paavai Engineering College,

Namakkal - 637018



**SUPERVISOR**

Department of MBA

Paavai Engineering College,

Namakkal - 637018

Submitted for the End Semester Examinations held on .....23.10.2019.....



**INTERNAL EXAMINER**



**EXTERNAL EXAMINER**

94432 33878  
95855 33878

Sri Murugan Thunai

Off : 04286 - 276876  
04286 - 275941  
Resi: 04286 - 295297

# CR. POULTRY FARM

Farm : Mongilpatty, MATTAPARAI, Tholur (Po), Namakkal (Tk & Dt) - 637 017.  
Office : 219, Salem Road, Opp. L.M.R. Complex, NAMAKKAL - 637 001, (Tamil Nadu).

Date : 10.6.19.....

op.  
Rajendran

## TO WHOMEVER IT MAY CONCERN

This is to certify that **M.Saranya** (18501034) I MBA From **PAAVAI ENGINEERING COLLEGE, NAMAKKAL** have successfully completed her project in **CR POULTRY FARM, NAMAKKAL**. In the field of **Cash Flow Statement** from the period of **10<sup>th</sup> June 2019 to 10<sup>th</sup> July 2019**.

We wish her all the very best in her future endeavors.

For **CR. POULTRY FARM,**

  
Managing Partner.

## DECLARATION

I **M.SARANYA** hereby declare that the project report titled “**A STUDY ON CASH FLOW ANALYSIS TOWARDS CR. POULTRY FARM, NAMALLAL**” done by me under the guidance of **J.ISWARYA, B.COM.,MBA.**, is submitted in partial fulfillment of the requirements for the award of **Master of Business Administration**. Certified further that, to the best of my knowledge, the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

DATE: 23.10.19

PLACE: NAMAKKAL



SIGNATURE OF THE CANDIDATE

**PAAVAI ENGINEERING COLLEGE (AUTONOMOUS),  
PACHAL, NAMAKKAL.  
MBA Main Project Work  
(Batch 2018– 2020)**

<b>Title of the project</b>	A STUDY ON CASHFLOW ANALYSIS TOWARDS CR. POULTRY FARM, NAMAKKAL.
<b>Name of the student</b>	M. SARANYA
<b>Name of the supervisor</b>	ISWARYA.J

**ABSTRACT**

Cash flow statement is an important tool to analyze the cash position of business firm. It can denote changes in cash position during three financial years. Concern is the world's second largest manufacturer of micro irrigation system and the business model of concern is loaded with heavy working capital as huge fund is blocked in trade receivables. Recently, the concern has reported fluctuating turnover for last three years in its annual reports. Hence it is necessary to judge the sufficiency of the cash position to support the success story of company. This study is based on financial figures disclosed by company in three consecutive years. Study involves comparative analysis of cash flow from three business activities i.e. operating, financing and investing. Accordingly the sufficiency of cash position is concluded and some recommendation is made to overcome the scenario.

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## CHAPTER-I

### INTRODUCTION

#### 1.1 INTRODUCTION TO THE STUDY

Over the last twenty Nine years income from the sale of egg has accounted for approximate six percent of the total cash income of Indian farmers. During this same period, production techniques and methods have changed drastically from a situation with a few eggs being produced on virtually every farm in the state of the present situation in which the majority of eggs are produced by large commercial laying operations with Up to more than four lakes of birds. This is not to say that small flocks do not exist today, but their importance is becoming less in terms of total egg production.

The change in egg production practices have been accompanied by changes in the structure of egg marketing in India. These changes have occurred because of attempts by egg producers to obtain better prices for their product, advancing technology in the handling of eggs, competition from surplus egg areas, and other reason. There is concern among farmers, poultry specialists, and other people about the future of the Indian egg industry, whose chief competitors are large-scale laying operations surplus production areas outside of India.

The study, on which this project is based, was intended to supply knowledge of the situation of the egg industry at Tamilnadu Namakkal. Also, information about the egg industry was needed by extensions personnel, researchers, the general public and other to appraise current research, guide further research, and decide upon alternative courses of action.

Financial performance analysis is the process of identifying the financial strengths and weakness of the firm by properly establishing the relationship between the items of balance sheet and profit and loss account. It also help in short-term and long term forecasting and growth can be identified with the help of financial performance analysis. Financial analysis (also referred to as financial statement analysis or accounting analysis or analysis of finance) refers to an assessment of the viability, stability and profitability of a business, sub-business or project.

The information contained in these statement is used by management, creditors, investors and other to form judgment about the operating performance and financial position of firm. Uses of financial statement can get further insight about financial strength and weakness of the firm if they properly analyze information reported I these statements. Management should be particularly interested in knowing financial strength of the firm to make their best use and to be able to spot out financial weakness of the firm to take suitable corrective actions. The further plans firm should be laid down in new of the firm's financial strength and weakness. Thus financial analysis is the starting point for making plans before using any sophisticated and planning procedures. Understanding the past is a prerequisite the further.

#### Standards of comparison:

The ratio analysis involves comparison for a useful interpretation of the financial statements. A single ratio in itself does not indicate favorable or unfavorable condition. It should be compared with some standard. Standards of comparison may consist of:

- ❖ **Past ratio-** ratio calculated form the past financial statements of the same firm;
- ❖ **Competitor ratio-** some selected firms, especially the most progressive and successful competitor, at the same pint in time;
- ❖ **Industry ratio-** ratios of the industry to which the firm belongs; and
- ❖ **Protected ratio-** developed using the protected or Performa, financial statements of the same firm.

#### 1.2 STATEMENT OF THE PROBLEM:

The problem of investing this excess amount of cash arises simply because it contributes noting towards profitability of the firm as idle cash precisely earns no returns. Further permanent disposal of such cash is not possible, as the concern may again need this cash after a short while. But, if such is deposited with the bank, it definitely would earn a nominal rate of interest paid by the firm. A much better returns than the bank interest can be expected if a company deploys idle cash in marketable securities.

### **1.3 OBJECTIVES OF THE STUDY**

#### **PRIMARY OBJECTIVE**

- To study the cash management in CR Poultry farm at Namakkal.

#### **SECONDARY OBJECTIVES**

- To know the sources of cash inflow and uses of cash outflow in the company.
- To determine how short term/current obligation of the company are met by the liquidity ratio.
- To know the short term solvency position and the trend.
- To offer suggestion and recommendation to improve the cash position of the company
- To meet the cash disbursement needs.
- To know the effective utilization of assets in day-today activities.

### **1.4 SCOPE OF THE STUDY**

- The study only analysis the cash flow statement.
- It helps to take short term financial decision.
- It analysis the concern INDIA bank only. It would not be applicable to the industry.
- It indicates the cash requirement needed for plant or equipment expansion programmers.
- It helps to meet routine cash requirement to finance the transaction.
- It reveals the liquidity position of the firm by highlighting the various sources of cash and its uses.

### **1.5 LIMITATIONS OF THE STUDY**

- Analysis and interpretation are made based on the figures given the annual reports.
- Difficult of getting access to some important data due to its confidential nature.
- Cash flow statement is a wide term and the study is limited to the time available
- External factors that affect the financial performance of the company have not given much importance.

## 1.6 CHAPTERIZATION:

This study has been presented in five chapters.

### CHAPTER - I

This chapter deals with Introduction of the study, about the study, Importance of the study and Chapterization.

### CHAPTER - II

This chapter deals with the Concept and review.

### CHAPTER - III

This chapter deals with the Research Methodology.

### CHAPTER - IV

This chapter provides the Data Analysis and Interpretation.

### CHAPTER - V

This chapter gives a summary of Findings, Suggestions and Conclusion

## CHAPTER-II

### CONCEPTS AND REVIEW

#### 2.1 REVIEW OF LITERATURE:

**Hellin.(2005)** in his study reported that understanding that understanding of village chicken functioning and marketing structure prerequisites for developing market opportunities for rural households and could be used to inform policy make and development in considering the commercial and institutional environmental in which village chicken keepers have to operate. Efforts to improve management of village chicken should therefore be complemented by supportive system.

**Alemu( 2006)** in the study suggested that marketing problem is one of the constraints for the adoption of poultry technology poultry products. Another study has indicated that the six major wholesale egg market in India are co-indicated apparently due to performance of market intelligence functions by the national egg

**Aklilu(2007)** Studies on marketing of free range chicken can also provide clues for management strategies of these chickens especially in reducing chicken losses that smallholder farmers experience annually due to the threat of diseases, especially, Newcastle Disease Access to markets affects the price and transaction costs and is influenced by access to infrastructure and information.

**DeJanvry and Sadoulet (2008)** highlighted that the majority of rural households in India are net buyers of food: based on data from the 59<sup>th</sup>NSS Survey, estimate that about 74 and 53.7 percent of the marginal and small farmers, and most probably a higher proportion of rural landless, are net buyers of food. But the average food intake is largely insufficient to provide adequate nourishment to all family members: according to a World Bank Report, in India the largest majority of pre-school children experience protein-energy malnutrition and micronutrient deficiency (World Bank, 2005).

**Senthilkumar (2008)** conducted a study to know the knowledge level of commercial poultry (layer) farmers on scientific poultry farming among the farmers of Namakkal district in Tamil

Nadu. It was revealed that the farmers with large flock size were having more knowledge than the small flock size holders. This could be due to their higher socio-economic status, more mass media exposure, cosmopolitans, etc According to Abbot and Makeham, 1981; Kishindo 201042, markets are efficient when the ratio of the value of output to the value of input throughout the marketing system is maximized. The output of marketing is the consumer satisfaction with the goods and service and the inputs are the various resources of labor, capital and management that marketing firms use in the process accomplishing particular job without reducing consumer's satisfaction and with the output of improvement is efficiency.

**Sreck and Babu (2009)** in their study entitled The study on management of broiler industry in Andhra Pradesh concluded that the total investment and total cost per bird increased with the increase in the farm size at total costs per kg live weight decreased with the increase in the farm size. while the net returns increased with the increase in farm size.

**Singh (2009)** in his study entitled "Broiler marketing Ambala and Gurgaon districts of Haryana state" found that the most important channel in producer - wholesaler - retailer - consumer and price spread was found to decrease with the elimination of intermediaries. Two indices (concentration ratio and Hirschman index) were used to analyses market structure. The indicator revealed an absence of monopoly in broiler marketing.

**Bhullar (2010)** in his study entitled Comparative study of poultryfarming in Punjab and Andre Pradesh found that the total cost of maintenance, cost offered, the interest on working capital, the value of bird and labour expenses were the major items of maintenance cost per bird.

**Natalia Moreirade (2015)** textiles can be applied in a wide variety of aircrafts' components and it is known for its highly polluting dyes, short life-cycle and small concern with end of life. Combined with the aeronment, but it also represents opportunities. In order to promote sustainability in the completion industry, the product development process is of central importance. A large approaches and methods for the development of integrated to improve the design process in the Green Aircraft completion (GAC) sector is an open research question.

**Patricacrifoed(2016)** this paper analyzes how different combinations of corporate social responsibility (CSR) dimensions affect corporate economic performance. We use various dimensions of CRS to examine whether firms rely on different combinations of CSR, in term of

quality versus quantity of CSR practices. Our empirical analysis based on an original database including 10,293 fresh firms shows that different CSR dimension in isolation impact positively firms' profits but their effect in term on intensity varies among CSR dimensions. Moreover, the finding on the qualitative CSR measure, based on interaction between its dimensions, show that the substitutability of these dimensions is highly significant for firm performance. However, in terms of the intensity, those interactions produce differential effects.

**G.Y.Qied(2017)** the debate on the relationship between corporate or industrial environment performance (EP) and performance (FP) has yet to be resolved, and studies need to examine the possible moderating effects on the EP-FP link. We argue that industrial EP-FP link. Using a dataset from Chinese industrial firms, we examine the direct effect of industrial EP on FP and the indirect effects of industrial munificence and resource slack on the EP-FP link. Our result show that improving corporate or industrial level EP significantly influences FP and that slack resources play a significant role on the EP-FP link. However, we found no significant moderating effect munificence on the link.

**JohnZ.Nied(2018)** the increase in the number of high-profit product recalls in recent years highlights the issue of ensuring product safety in global supply chains. Although the perspective of manufacture it has not been investigated for retailers .Because retailers are as the first link in the reverse supply chain. Building upon attribution theory, signaling theory attributes of a retailer recall announpoultry and test them using event study methodology hypothesises that a product recall announ poultry has a financial impact on retailers that is are potentially more hazardous.

**A.LUI (2019)** the value of radio frequency. Identification(RFID) technology is critical for the clothing and textile supply chain, because the fashion business is characterized by a wide assortment of seasonal items with short life-cycles, high levels of impulse-purchasing and complicated distribution and logistics operations. This study aims to test whether the adoption of the RFID system can improve supply chain performance (measured as inventory companies that publicly announced their RFID adoption, 18 of them were matched with comparable control firm for the testing of abnormal supply chain performance. The results shown the clothing and textile RFID adopters' inventory days' drop by about 12.89 days over the 5years period, whole other RFLD adopters (other manufacturing sectors) only drop by about 2.47 days.

## 2.2 INDUSTRY PROFILE

### HISTORY

The egg has been a protein source for centuries. Sometime in the second millennium B.C Indian wild red jungle fowl, the ancestor of the modern chicken (*Gallus*) was dispersed through Group, China, and the Middle East. Chickens were brought to the new world on Columbus's second voyage in the late fifteen century. These imported chickens laid eggs year-round and were considered most valuable for egg production rather than for meat. Soon family farms raised chickens for the family's consumption of egg and meat within the household-few families had laying flocks of any size. However, by 1800 chickens began being raised for meat and egg production in increasing numbers in the United States. Until World War II, egg production came from rather small flocks of less than 400 laying hens. After the war, automation and advances in breeding, feeding, and developing efficient henhouses gave rise to modern high-volume chicken farms. Today, a single egg producer may well have a flock of over, 100,000 laying hens—and some have flocks of over one million.

### RAW MATERIALS

The egg itself is the ingredient in egg production. Soaps are used in egg production facilities to clean the shell. Some processors coat the shell in a light film of oil.

However, the hen from which the egg drops can consider an important part of the raw materials. Certain breeds lay the majority of eggs in the United States. A particularly prolific laying hen is the single comb white leghorn. This breed reaches maturity early and can begin laying at 19 weeks of age and continue to lay egg for about a year. In addition, the leghorn utilizes feed efficiently, is fairly small, can adapt to a variety of climates and is able to lay a relatively large amount of white egg, the type most in demand. Play mouth rock hens, Rhode Island reds and New Hampshire hens produce brown Eggs much favored in New England.

Feed for chickens is generally all-mash, consisting of sorghum grains, corn, and either cottonseed meal or soybean oil depending on availability. Farmers carefully mix the mash so that the chicken gets just the right amounts of protein fat, carbohydrates, vitamins, and minerals. This is essential in that the nutritional quality of the laid egg depends on the feed the chicken was



given. All additives to chicken feed must be approved by the federal government (after research on toxicity to animals and human is determined). Hormones are not given to chicken requires about 4lb (1.8kg) of feed to produce a dozen eggs; a leghorn hen eat about 0.25lb (0.1134kg) of chicken mash a day.

## **PROCESSING EGGS**

Some egg farmers have their own egg processing facility on premises. Other contract with egg processing firms in the locale who purchases egg and processes them. Generally, an egg moves from the egg farm to being ready for public consumption in just a few days.

## **EGG PROCESSING SYSTEM**

### **1. In line processing**

This processing method is the most efficient egg collection and processing of eggs available. Eggs are delivered from the egg production facility to the egg processing facility by an enclosed and refrigerated conveyor system.

### **2. Off line processing**

This processing method utilizes satellite farms. Satellite farms are egg production facilities that are located at a different location from the egg processing facility. Eggs produced at satellite farms must be gathered and delivered to the egg processing facility. Egg handling and gathering is performed with automated equipment.

## **LAYING THE EGG**

Hens are kept in cages, usually in group of three to five. After the egg is laid, the cage is devised so the egg rolls out for easy collection. Egg are gathered twice a day, generally by automated machinery but are occasionally still gathered by hand. Eggs are gathered as soon as hens lay them because warmer temperatures encourage farmers refrigerate the egg immediately after gathering before they are packed are packed for transport to the processor.

## PACKING THE EGGS ON THE FARM

The eggs are then packed on skids that are formed of layers of flats—eggs are packed on flats that include 2.5 dozen eggs, with as many as six per layer (layers of six flats are separated by boards). A single skid holds about 30 cases or 900 dozen eggs these eggs are then sent to the processing plant via truck.

## WASHING THE EGGS

The skids are brought into the production room and the individual flats are put on the conveyor, one at a time. Individual eggs are grasped by small suction cups and placed onto another conveyor belt. Now, the eggs are moved into the grader where they are cleaned with a USDA approved cleanser. They are rotated as brushes and water jets move carefully across the eggs.

## CANDLING AND GRADING

The cleaned eggs are graded in a candling booth which is a dark cubical room. A penetrating light is shined on the eggs in order to grade them. The egg processor is able to grade the egg during candling. The trained Candler can see that an older egg has thinner albumen; thus, the yolk casts a sharp shadow and immediately indicates an older egg. Eggs are graded as "A" (sold for household use or at retail markets), or grade "C" (sent to egg breakers who break the shell in order to convert in to other egg products);

Commercial egg processing is a quick business that relies on speed to market in order to provide fresh, quality eggs. Hens are kept in cages that are devised so that when an egg is laid it rolls in to a collection bin. The eggs are then packed on skids which are formed of layers of flats. Skids are individually placed on a conveyor belt. Each egg in the skid is grasped by a small suction cup and placed onto another conveyor belt. The eggs move into the grader where they are rotated as brushes and water jets move carefully across the eggs. A fan then dries the eggs. Once graded, the eggs are placed in cartons, packaged, and shipped to stores.

Higher grade eggs have a thick, upstanding albumen, an oval yolk, and a clean, smooth, unbroken shell. Eggs with cracks that are not leaking are removed from the process at this point and are not packaged for household use or retail sale.

## **PROBLEM FACED IN POULTRY**

Family poultry makes up nearly 80% of all the poultry products in the developing countries, especially the ones located in Africa. This mod of poultry is indeed of great importance for the people who are in some ways linked to this discipline for their survival.

## **LABOUR AND DISEASE CONTROL PROBLEMS**

The sector now faces a number of issues and difficulties including, labour disease and other major problems. In addition to the challenges posed by the various pathogenic diseases, the farmers also face the problem for low capital. Help from the side of the government and other investment institution, is all that is needed by them for ensuring health growth and development conditions for the domesticated animals.

## **HIGH PRODUCTION COST AND LOW RETURN**

Most of the farmers of the third world countries are forced to sale their products at low costs to the suppliers, which in turn earn some large profits from them.

## **LIMITED ACCESS TO THE CORE MARKETS**

It is all because of the limited access to the worldwide markets which is barriers in the ways of the farmers. As they get little return on what they sale, so they never try to improve the quality of the poultry products and farms. Various significant improvements can be made in these production system through the use and implementation of the most advanced and scientific practices.

In order to provide a solution to the poultry problems, some investment is now being made in those countries and proper steps are being taken to ensure the the Introduction of scientific research in these countries. But here an important thing to note is the specific economic and social environment of the area which is quite different from the rest of the developed countries.

## **TECHNICAL TRAINING AND ASSISTANCE FOR THE FARMERS**

In order to solve the issues, specialized poultry network and training programs should be introduced in order to provide awareness to the farmers about the various diseases, health conditions, strategies and techniques which are necessary to ensure the quality of poultry products and for the better health of the chickens, ducks and other domesticated animals. The poultry producers in Asia and Africa are the ones which face the most number of challenges in comparison to the ones in EU and America.

## **2.3 COMPANY PROFILE**

### **ABOUT ENTERPRISE CR POULTRY FARM, COMPANY**

Our company CR farms is a renowned producer of eggs in India. It was established in the year 1996 on a small scale. Major expansion of the business happened in 2005. Currently the poultry farm has the capacity for producing 1.5 lakh eggs per day. Level of production of eggs to 3 lakh eggs per day.

### **POULTRY LOCATION RPF**

The firm is located in a serene well aerated and clean environment in Namakkal, Tamil Nadu. CPF is far away from any other poultry farms which prevent spreading of diseases from other poultry farms which prevent spreading of diseases from other poultry farms.

### **OUR MISSION**

Our mission is to produce healthy, tasty and incredible eggs to the customers globally and to provide daily eggs which are fresh, nutritive, low in fat content and rich in protein to people around the world.

### **OUR SUPPORT**

We have a strong and dependable infrastructure. The entire work force has been separated into teams for better performance and efficiency. Our team comprises of skilled professionals, experts and a dedicated workforce, who work to produce high quality products. We offer the best quality white shell eggs to our customers procured from our local production.

farm. The eggs are processed under healthy and hygienic conditions and packaging of the eggs is also given a lot of care and attention. We use the most sophisticated and modern egg grading techniques in our entire process right from procurement of eggs till packaging and delivering.

## **OUR QUALITY**

We have devised several strategies revolving around the quality of products. They primarily pertain to the inspections we run on our products before releasing them to market. For the purpose, we have a slew of experts with intensive knowledge of our products. Each egg provided by us is stringently tested. The poultry eggs are tested for bird flu, salmonella infection and other contamination and hence certified fit for human consumption. The eggs are subjected to bacteriological tests and are seen whether they are free from salmonella infection.

## **OUR CLIENTS**

Thanks to the satisfactory quality of our services we have prestigious clients and managed to earn their trust. Our prestigious clients distributors of eggs across Tamil-Nadu and Kerala.

## **ADDRESS**

CR.POULTRY FARM,

Mongilpatty,

Tholur(Po),

NAMAKKAL(Tk&Dt) – 637 017

## **IMPLEMENTATION OF NEW POLICIES:**

Furthermore the poultry sectors in Africa and Asia should be given due attention by the agricultural policy makers and scientists. Unfortunately, small scale poultry farms are not given due regards by the researchers. It is all because of the fact that these researchers find no sort of political significance in working in some of the underdeveloped and backward areas of Asia and Africa. In order to ensure the betterment for all, policy makers and poultry tycoons should take some measure for changing the lives of the poultry farmers in the developing countries. The

poultry producers should also change their attitudes and efforts in managing the quality of the products and the welfare of all the animals on their farms.

## POULTRY FARMING IN INDIA

Before discussing commercial poultry farming in India, let me first explain what does poultry farming means. Generally, poultry farming means, raising various types of domestic birds for the purpose of producing foods like eggs and meat. Nowadays, most of the people are using poultry as the synonym of chickens. Because chickens are the widely raised poultry birds. Along with chicken ducks, geese, turkeys, guinea fowl, quails, peacock etc. are also popular domestic poultry birds. In India, various types of poultry birds are being raised from a long time ago. The largest number of poultry population in India is found in Andhra Pradesh followed by Tamil Nadu Maharashtra, west Bengal, Karnataka, Bihar, Orissa, Kerala, Assam, Uttar Pradesh and Punjab. Some important urban areas like Mumbai, Pune, Nagpur, Kolkata, Delhi, Chandigarh, Bangalore, Chennai, Hyderabad, Shimla, Bhubaneswar, Ajmer etc. are raising poultry through a developed poultry farming systems. West Bengal and some other regions like Assam.

## SELECTING BREEDS

Selecting high quality productive breeds is very important for successful poultry farming in India. There are numerous local and foreign high quality poultry breeds available in India. Choose proper breeds according to your desired production. If you want to start producing eggs commercially, select high productive layer poultry breeds. For commercial meat production business, go with highly meat productive broiler poultry breeds. Contact with your nearest expert poultry producer to learn more about highly productive breeds. Contract with your nearest expert poultry producer to learn more about highly productive breeds. Common and mostly raised poultry breeds in India are of three types.

**Broilers:** the poultry breeds that are suitable for commercial meat production is known as broiler poultry. That is like meat producing machines. They consume foods and convert them to meat quickly. They grow fast and become suitable for slaughter purpose within very short time.

**Cockerels:** cockerels are other types of meat producing poultry breeds. They also used for commercial meat production like broilers. But their growing rate is slower than toilers.

They become hardy and can adopt themselves with the environment easily than the broilers. Cockerel meat is also very popular and has a grate demand in India.

**Layers:** various types of layer poultry are very popular for commercial eggs production throughout world. Some of them are very suitable for farming in India. Layers can be used for both commercial meat and egg production. There are some layer poultry breeds available which can upto 300 eggs per years.

Choose any of those breeds according to your desired production. While choosing breeds for commercial production, consider the available of all types of necessary facilities. Visit your nearest local market and try to understand which product has a huge demand and price.

## **HOUSING/CAGE**

Making a suitable poultry housing is another important factor for commercial production. But it is not too expensive like buying land. There numerous ways for making a good house for the poultry birds. Always be sure that, the house or cage is sufficient and spacious enough to accommodate the birds with necessary space and facilities. In free range farming system, ensure sufficient amount of space for moving. The design of the house depends on the breeds and production Make a proper ventilation system in the house. Because good ventilation system ensures good health and proper growth of the birdsSo, the must have to be well ventilated.

Ensure flow of sufficient amount of fresh air and light inside the house.

Try to make south faced house. This will help to entrance amount of clean and fresh air.

If you go for larger scale commercial production and make numerous houses, then the distance from one house to another house will be at least 40feet.

Always keep the house clean and fresh. And clean it perfectly before bring the chicks into the farm.

Prevent all type of harmful animals and predators.

Make good facilities so that rain water and cold wind can't enter inside the house.

Try to build the house in a calm and quiet place.

Make a suitable drainage system inside the house. It will help you to clean the house easily. Keep all equipment in proper distance inside the house. And always clean the house and equipment in a regular basis.

Type. However, while making a poultry house, consider the following.

### **FEEDING**

Feeding good quality and nutritious food keeps is a must for commercial poultry birds healthy and productive. So, good and high quality nutritious food is a must for commercial poultry production. There are numerous poultry feed producing companies available in india. They produce feds for all types of poultry feed producing companies available in india. They produce for all types of poultry birds. You can easily use those foods for your bids. If you want to prepare the feed at your home, then you must have to know the necessary nutrient in their food. And you also have to buy all those elements separately from the market and mix it in proper ratio. Along with proving fresh and nutritious food, always try to serve them sufficient amount of fresh and clean water according to their demands.

- ❖ Poultry feed
- ❖ Broiler poultry feed
- ❖ Layer poultry feed
- ❖ Care & management

Always try to take good care of your birds. And good management ensures proper growth and production. The main threat of poultry farming in India is diseases. So, always take good care of your birds and provide them nutritious food and clean water. Never try to mix contaminated or polluted food with their regular food. Vaccinate them timely and make storage of some common and necessary medicines.



## MARKETING

The main benefits of poultry farming in India are easy marketing. You can easily sell your products in your nearest local market. So, you don't have to worry about marketing your products. If the local market located so far from your farms then transport the products very carefully. If you are new in this business and want start poultry farming in India, then first of all try to visit some farms practically and start rising in small scale.

After gaining sufficient knowledge about poultry rising go for large scale commercial production. Wish your success!

## BACKGROUND

The unfertilized egg is considered an important and inexpensive food source, particularly high in protein, including 0.21oz(6g) of complete protein per two-ounce egg. However, it also includes 0.4oz (12g) fat, both saturated and unsaturated, which is nearly all located in the yolk. Therefore, if the yolk is separated from the albumen (white) of the egg and the white only used, the egg contains no fat amount of protein. The egg also contains significant amounts of iron, vitamins A and D riboflavin, and thiamine. However that nutritional value does vary depending on the diet of the laying hen. Annual consumption during the late 1990s averaged 245 eggs for the average person in the United States.

While gees, squab ducks, and turkeys supply edible eggs, the females (mature hens and younger pullets) are raised for meat and egg production and breeds have been developed to fulfill commercial needs. Each of the 235 million laying hens in the United States produces about 300 eggs a year. Farmers are careful to house and feed the chicken to maximize laying hens at different ages, ensuring they have a steady supply of eggs ready for market to provide year-round income.

Eggs are an important ingredient in many recipes. Because the protein in the egg white coagulates as it is heated, eggs are utilized in many recipes as a structural component. Stiffly beaten egg whites expand as they are heated and are used as leavening in angel-food cakes, soufflés, and meringues. In cake batters that utilize the entire egg, the egg acts as leavening as well as providing moisture and firm texture. soups and sauces use eggs as a thickening agent. Ice

creams often include eggs to prevent the formation of ice crystals which can ruin the product. But the plain egg is eaten by million each day for its own unique flavor and nutritive value- they may b boiled, poached, fried, scrambled, or baked.

Fresh egg production is primary to the egg industry, however, a significant amount of egg production includes eggs purposely broken and use for powdered eggs, frozen or purchased by food producers for inclusion in food products. (in some fresh egg production plants, accidentally broken eggs are sold to bakeries or other food production plants.)

## **CHAPTER-III**

### **RESEARCH METHODOLOGY**

#### **RESEARCH**

Research in common parlance refers to a search for knowledge. One can also define research as scientific and systematic search for patient information on a specific topic. In fact research is an art of scientific investigation.

#### **3.1 RESEARCH DESIGN**

The design of this project is analytical in nature. The research design of the present is descriptive. The facts and information is already available were used and analyzed to critical of the material.

#### **3.2 SOURCE OF DATA**

Only secondary data has been used for the study. The secondary data is derived from the annual report, website on Poultry farm at Namakkal.

#### **PERIOD OF THE STUDY**

The data has been collection or the period 2014-2015, 2015-2016, 2016-2017, 2017-2018, and 2018-2019.

#### **FINANCIAL TOOLS USED**

Ratio analysis

#### **3.2 DATA COLLECTION**

##### **Sources of data:**

The study is based on Secondary data.

### 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 obtainable than the primary data and also may be available when primary data cannot be obtained at all.

An incorrect capital structure can mean ruin of an otherwise healthy firm. This is because, if the firm is funded by too much debt, it has a lot of interest bills to pay. The worst part is that if the firm defaults a few times, debt holders have the right to seek legal counsel and start liquidating the firm. In such a scenario, an otherwise healthy firm may have to sell its assets at throw away prices. Thus an ideal capital structure is one that provides enough cushions to shareholders so that they can leverage the debt – holder's funds but it should also provide surety to debt holders of the return of their principal and interest. Since capital structure ratio reveal these facts, analyst pay careful attention to them.

Since the study is aimed at the financial aspects of the whole data has been gathered from,

- Annual report of the company
- Broachers of the company
- Library books
- Tally reports

The Secondary data, on the other hand, are those which have already been collected by someone else and which have already been passed through the statistical process. Usually published data are available in:

- Various publications of the central, state or local government;
- Various publications of foreign governments or of international bodies and their subsidiary organizations;
- Technical and trade journals;
- Books, Magazines and Newspapers:
- Reports and publications of various associations connected with business and industry, banks, stock exchange etc.,

### 3.4 TOOLS OF STUDY

#### **Ratio Analysis:**

Ratio is a relationship between two figures expressed mathematically. Financial ratio provides numerical relation between two relevant financial data. Financial ratios are calculated from the Balance sheet and Profit & loss A/c. The relationship can be either expressed as a ratio or as a quotient. Ratios summarize the data for easy understanding, comparison and interpretation.

The ratio analysis is the financial statement. It provides a yardstick to measure the relationships between the variable of figures.

The term ratio analysis simply means one number expressed in terms of another. It describes in mathematical term as the qualitative relationship that exists between two numbers.

Nowadays it is used by all business and industrial concern in their financial analysis.

#### **NATURE OF DATA**

The study uses both the primary and secondary data

(1) **primary data:** unstructured interview discussion observation.

(2) **secondary data:** annual reports, reports, maintained by departments, books, journals, periodicals etc.,

## CHAPTER-IV

### DATA ANALYSIS THE CASHFLOW STATEMENT

#### 4.1 INTRODUCTION:

Ratio Analysis is a powerful tool of financial analysis. Alexander Hall first presented it in 1991 in Federal Reserve Bulletin. Ratio Analysis is a process of comparison of one figure against other, which makes a ratio and the appraisal of the ratios of the ratios to make proper analysis about the strengths and weakness of the firm's operations. The term ratio refers to the numerical or quantitative relationship between two accounting figures. Ratio analysis of financial statements stands for the process of determining and presenting the relationship of items and group of items in the statements.

#### 1. LIQUIDITY RATIOS:

Liquidity Ratios help in establishing a relationship between cash and other current assets to current obligations to provide a quick measure of liquidity. A firm should ensure that it does not suffer from lack of liquidity and also that it does not have excess liquidity. A very high degree of liquidity is also bad, idle assets earn nothing. The firm's funds will be unnecessarily tied up in current assets. Therefore it is necessary to strike a proper balance between high liquidity. Liquidity ratios can be divided into three types:

- Current ratio
- Acid Test Ratio / Quick Ratio / Liquidity Ratio
- Absolute liquid ratio

#### 2. TURNOVER/ACTIVITY RATIOS:

These are the ratios which indicate the speed with which assets are converted or turned over into sales.

- Inventory Turnover Ratio
- Debtors/ Accounts receivables Turnover Ratio
- Creditors/Accounts Payables Turnover Ratio.

**CURRENT RATIO:**

Liquidity ratio that measure a company ability to pay short them obligation. The ratio in mainly used an idea of the company ability to pay back its short term liability (debt& payable) with its short term assets (cash, inventory, receivables). If the current assets of a company are more than current liability.

**Current Assets**

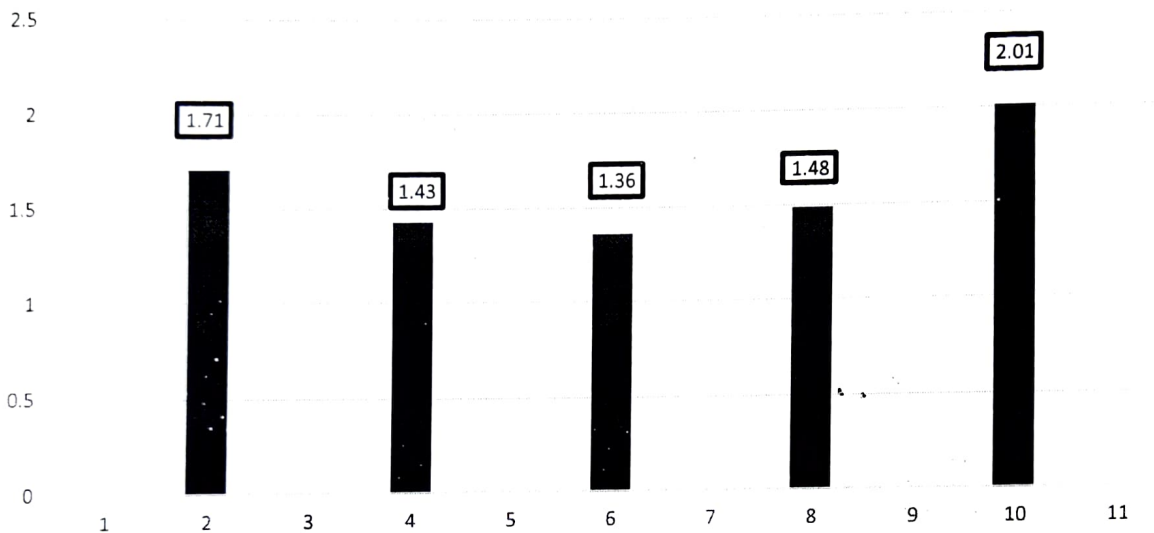
**Current Ratio = \_\_\_\_\_**

**Current liability**

**TABLE NO: 4.1**  
**CURRENT RATIO**

<b>YEAR</b>	<b>CURRENT ASSETS</b>	<b>CURRENT LIABILITIES</b>	<b>CURRENT RATIO</b>
2014-2015	895.95	523.90	1.71
2015-2016	806.36	563.11	1.43
2016-2017	645.03	472.60	1.36
2017-2018	539.36	362.39	1.48
2018-2019	752.84	374.09	2.01

**CHART NO: 4A**  
**CURRENT RATIO**



**INTERPRETATION:**

From the above it was clear that, the current ratio for the year 2014-2015 is 1.71, the ratio is 1.43 during the year 2015-2016, the current ratio is 1.36 during the year 2016-2017, the current ratio is 1.48 during the year 2017-2018 and the current ratio is 2.01 during the year 2018-2019. 2.01 is the current ratio of Ravi Poultry Farm in 2018-2019. It gives the overall picture about the company.



**QUICK RATIO:**

Quick ratio is also known as acid test ratio or liquid ratio. This is relationship between liquid assets and current liabilities. Liquid include the assets, which are immediately convertible into cash without much loss. The ratio is a better test of financial strength then the current ratio, as it gives on consideration to inventory, which may be slow moving. Liquid assets of the CR Poultry Farm Corporation Ltd., sundry debtors and cash and bank balance.

**Quick Assets**

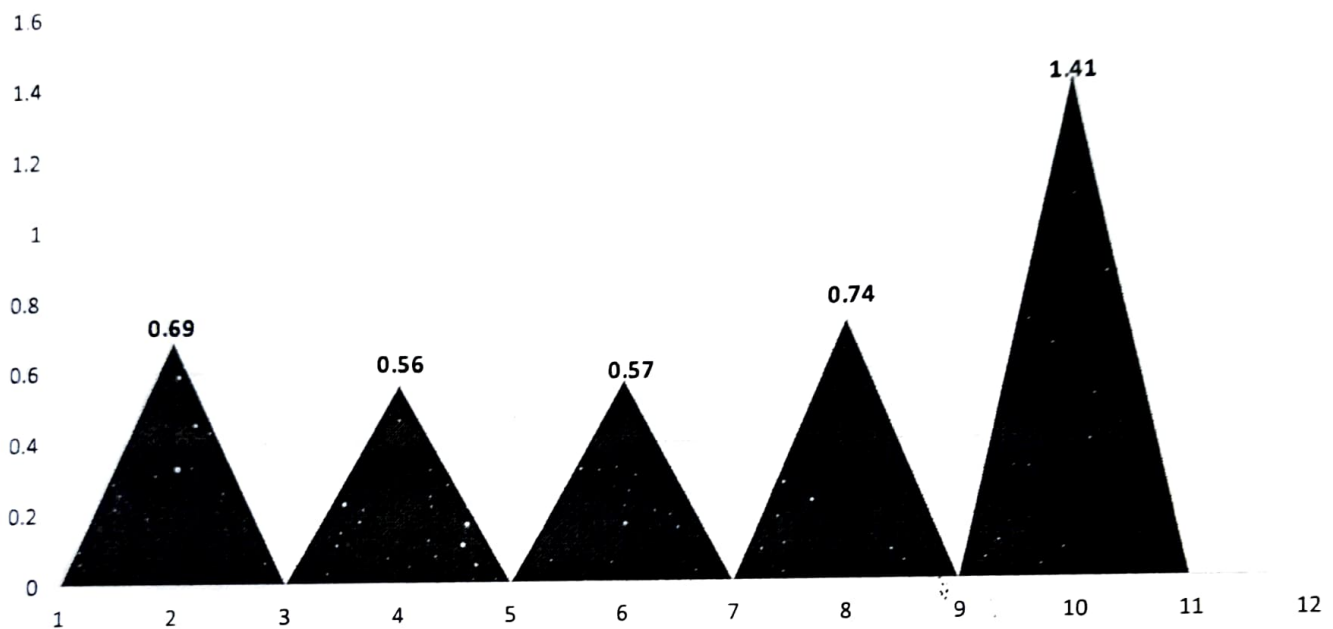
**Quick Ratio** = \_\_\_\_\_

**Quick Liability**

**TABLE NO 4.2****QUICK RATIO**

<b>YEAR</b>	<b>QUICK ASSETS</b>	<b>QUICK LIABILITIES</b>	<b>QUICK RATIO</b>
2014-2015	364.87	523.90	0.69
2015-2016	317.6	563.11	0.56
2016-2017	270.18	472.60	0.57
2017-2018	270.18	362.39	0.74
2018-2019	528.75	374.09	1.41

**CHART NO: 4.B**  
**QUICK RATIO**



**INTERPRETATION:**

From the above table it is clear that, the quick ratio for the year 2014-2015 is 0.69, the quick ratio is 0.56 during the year 2015-2016, the quick ratio is 0.57 during the year 2016-2017, the quick ratio is 0.74 during the year 2017-2018 and the quick ratio is 1.41 during the year 2018-2019. 1.41 is the quick ratio of Poultry Farm in 2018-2019. It gives the overall picture about the company.

**ABSOLUTE LIQUID RATIO:**

This ratio is calculated when liquidity is highly restricted in term of cash and cash equivalents. This ratio measures liquidity in terms of cash and near item and short current liabilities.

**Absolute Liquid Assets**

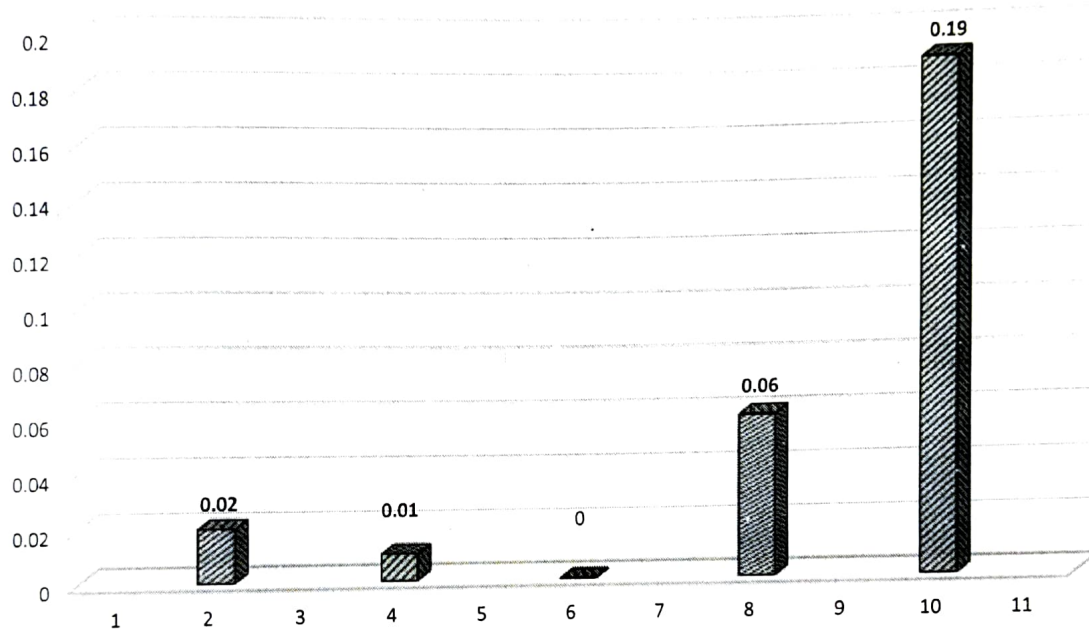
**Absolute Liquid Ratio =** \_\_\_\_\_

**Liquid Liability**

**TABLE 4.3****ABSOLUTE LIQUID RATIO**

<b>YEAR</b>	<b>ABSOLUTE LIQUID RATIO</b>	<b>LIQUID LIABILITY</b>	<b>ABSOLUTE LIQUID RATIO</b>
2014-2015	9.13	523.90	0.02
2015-2016	4.58	563.11	0.01
2016-2017	1.94	472.60	0.00
2017-2018	20.73	362.39	0.06
2018-2019	73.07	374.09	0.19

**CHART NO: 4.C**  
**ABSOLUTE LIQUID RATIO**



**INTERPRETATION:**

From the Above table it was clear that, the absolute liquid ratio for the year 2014-2015 is 0.02, the absolute liquid ratio is 0.01 during the year 2015-2016, the absolute liquid ratio is 0.00 during the year 2016-2017, the absolute liquid ratio is 0.06 during the year 2017-2018 and the absolute liquid ratio is 0.19 during the year 2018-2019. The absolute liquid ratio is increased in the firm.

**WORKING CAPITAL TURNOVER RATIO:**

Working capital turnover ratio indicates the velocity of the utilization of net working capital. This ratio indicates the number of times the working capital is turned over in the course of a year. This ratio can be used by means of comparative and trend analysis for different firms in the same industry and for various periods. This ratio can be calculated as working capital turnover ratio.

Sale

Working Capital Turnover Ratio = \_\_\_\_\_

Working Capital

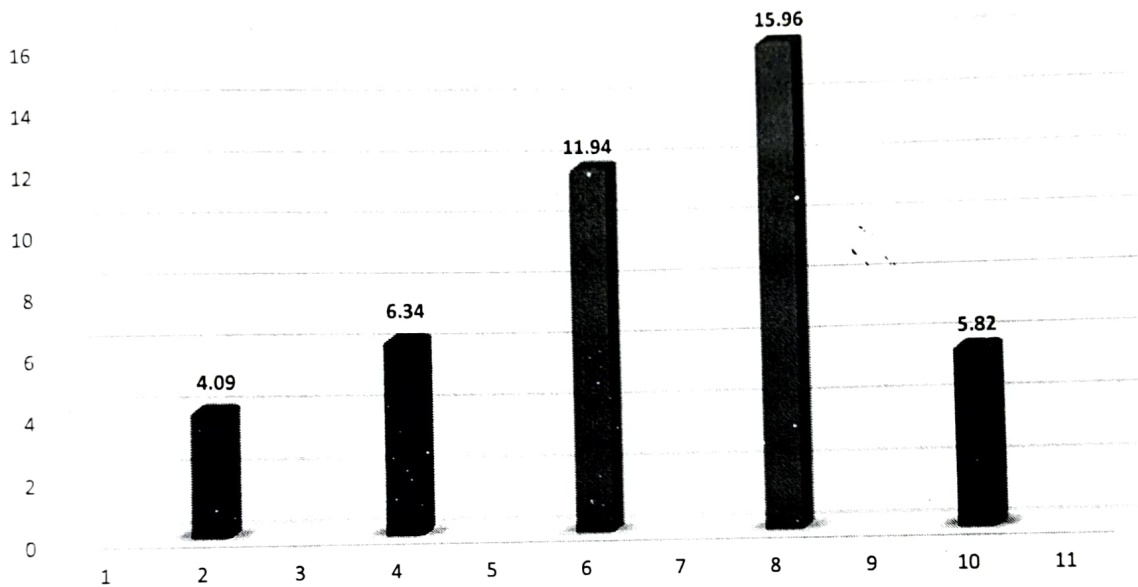
Working Capital = Current Assets - Current Liabilities

**TABLE 4.4**

**WORKING CAPITAL TURNOVER RATIO**

YEAR	SALES	WORKING CAPITAL	WCTR
2014-2015	1535.12	372.05	4.09
2015-2016	15544.17	243.25	6.34
2016-2017	2059.90	172.43	11.94
2017-2018	2825.41	176.97	15.96
2018-2019	2206.18	378.75	5.82

**CHART 4.D**  
**WORKING CAPITAL TURNOVER RATIO**



**INTERPRETATION:**

From the above it was clear that, the working capital turnover ratio for year 2014-2015 is 4.09, it was increased to 6.34 during the year 2015-2016, and the working capital turnover ratio is 11.94 during the year 2016-2017, working capital turnover ratio is 15.96 during the year 2017-2018 and the working capital turnover ratio is 5.82 during the year 2018-2019.

**STOCK TO WORKING CAPITAL RATIO:**

The stock to working capital ratio measures how well the company is able to generate cash using working capital at its current inventory level.

**Stock**

Stock To Working Capital Ratio = \_\_\_\_\_.

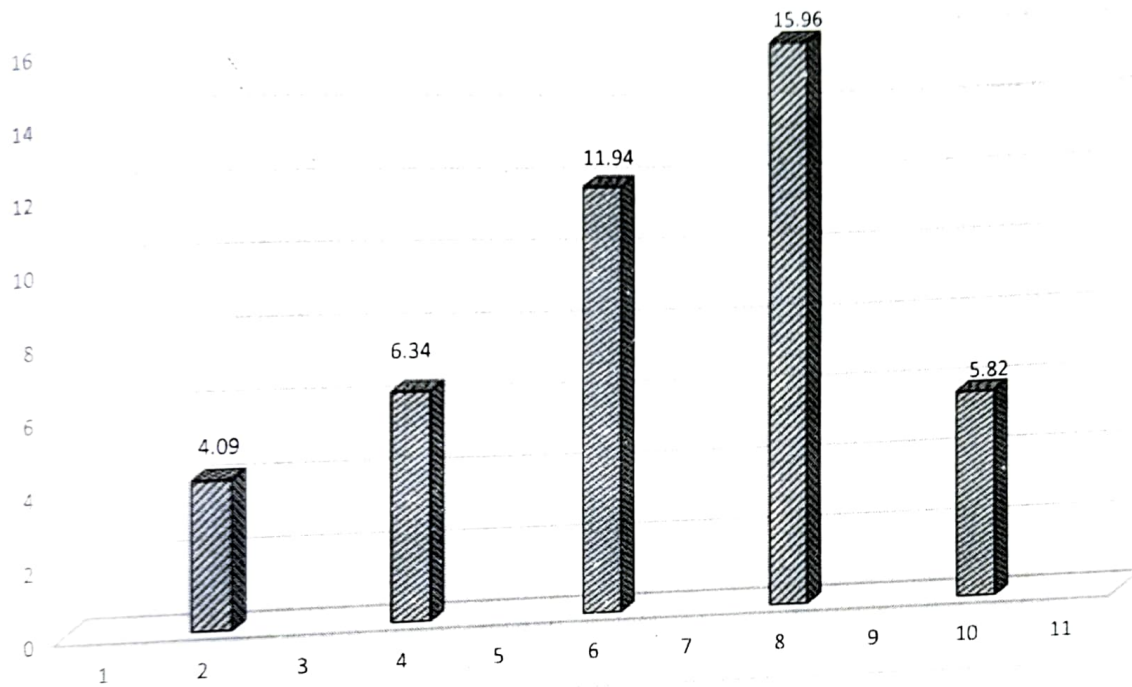
**Working Capital**

**TABLE 4.5**

**STOCK TO WORKING CAPITAL RATIO**

<b>YEAR</b>	<b>SALES</b>	<b>WORKING CAPITAL</b>	<b>SWCR</b>
2014-2015	531.08	372.05	1.43
2015-2016	488.76	243.25	2.01
2016-2017	374.85	172.43	2.17
2017-2018	231.62	176.97	1.31
2018-2019	224.09	378.75	0.59

**CHART NO: 4.E**  
**STOCK TO WORKING CAPITAL RATIO**



**INTERPRETATION:**

Form the above table it was clear that, the stock to working capital ratio for the year 2014-2015 is 1.43, the stock to working capital ratio is 2.01 during the year 2014-2015-2016, the Stock to working capital ratio is 2.17 during the year 2016-2017, the stock to working capital ratio is 1.31 during the year 2017-2018 and the stock capital ratio is 0.59 during the year 2018-2019.



**CURRENT ASSET TO WORKING CAPITAL RATIO:**

Ratio show the difference between the current assets and working capital thus shows the position Of the firm. The purpose of the ratio is to working capital influenced in current assets.

**Current Assets**

**Current Assets to Working Capital Ratio = -----**

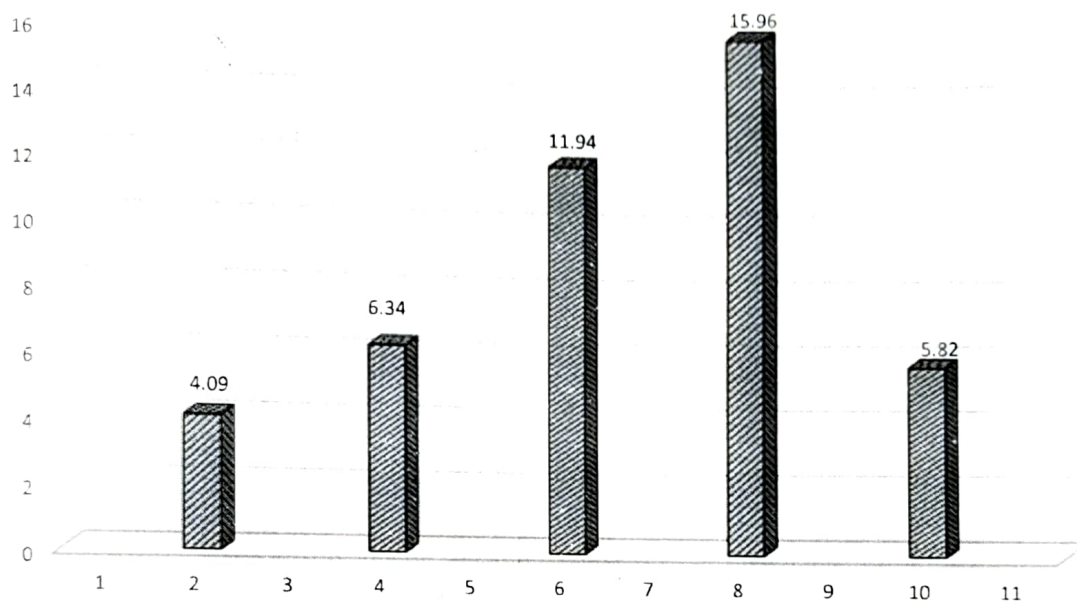
**Working capital**

**TABLE NO: 4.6**

**CURRENT ASSETS TO WORKING CAPITAL RATIO**

<b>YEAR</b>	<b>CURRENT ASSETS</b>	<b>WORKING CAPITAL</b>	<b>CAWCR</b>
2014-2015	895.95	372.05	2.41
2015-2016	806.36	243.25	3.31
2016-2017	645.03	172.43	3.74
2017-2018	539.36	176.97	3.05
2018-2019	752.84	378.75	1.98

**CHART NO: 4.E**  
**STOCK TO WORKING CAPITAL RATIO**



**INTERPRETATION:**

Form the above table it was clear that, the stock to working capital ratio for the year 2014-2015 is 1.43, the stock to working capital ratio is 2.01 during the year 2014-2015-2016, the Stock to working capital ratio is 2.17 during the year 2016-2017, the stock to working capital ratio is 1.31 during the year 2017-2018 and the stock capital ratio is 0.59 during the year 2018-2019.

**CURRENT ASSET TO WORKING CAPITAL RATIO:**

Ratio show the difference between the current assets and working capital thus shows the position Of the firm. The purpose of the ratio is to working capital influenced in current assets.

**Current Assets**

**Current Assets to Working Capital Ratio =** \_\_\_\_\_

**Working capital**

**TABLE NO: 4.6**

**CURRENT ASSETS TO WORKING CAPITAL RATIO**

<b>YEAR</b>	<b>CURRENT ASSETS</b>	<b>WORKING CAPITAL</b>	<b>CAWCR</b>
2014-2015	895.95	372.05	2.41
2015-2016	806.36	243.25	3.31
2016-2017	645.03	172.43	3.74
2017-2018	539.36	176.97	3.05
2018-2019	752.84	378.75	1.98

**CHART NO: 4.F**  
**CURRENT ASSETS TO WORKING CAPITAL RATIO**



**INTERPRETATION:**

Form the above table it was clear that, the stock to working capital ratio for the year 2014-2015 is 2.41, the next year ratio is 3.31 during the year 2014-2015-2016, and the next year ratio is 3.74 in 2016-2017, the current assets to working capital ratio is 30.5 during the year 2017-2018 and the last year ratio is decreased to 1.98 to 2018-2019. The current asset to working capital ratio decreased in 2018-2019.

### LIQUID ASSETS TO WORKING CAPITAL RATIO

Ratio shows difference between the liquid assets and the working capital thus shows the position of the firm.

**Liquid Assets**

**Liquid Assets To Working Capital Ratio = -----**

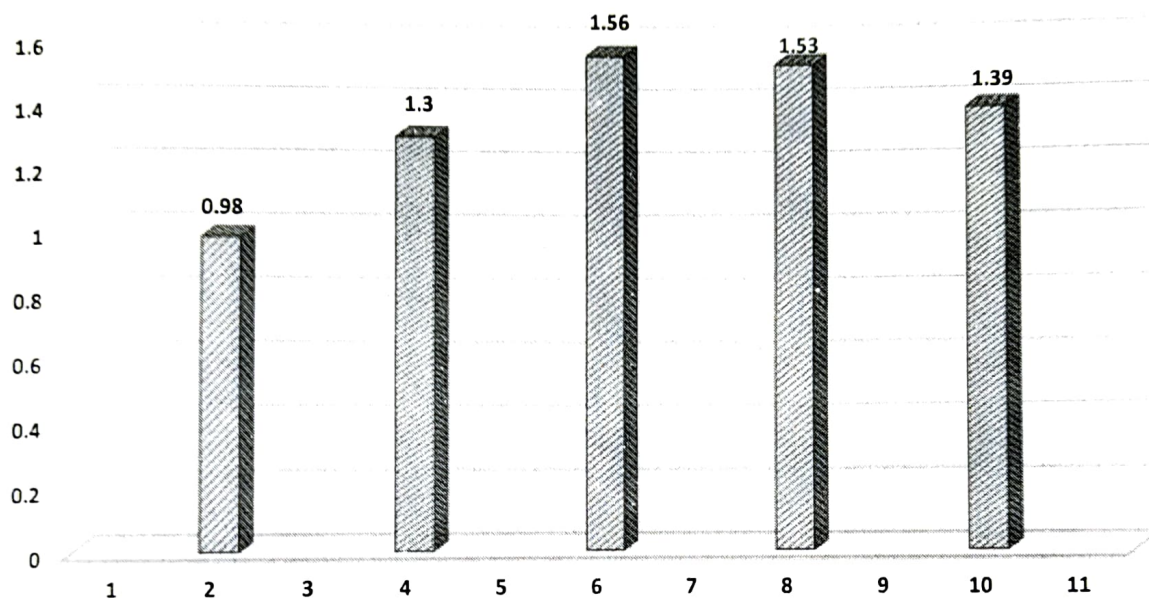
**Working Capital**

**TABLE NO: 4.7**

### LIQUIDTY ASSETS TO WORKING CAPITAL RATIO

YEAR	LIQUID ASSETS	WORKING CAPITAL	LAWCR
2014-2015	364.87	372.05	0.98
2015-2016	317.6	243.25	1.30
2016-2017	270.18	172.43	1.56
2017-2018	270.18	176.97	1.53
2018-2019	528.75	378.75	1.39

**CHART NO: 4.F**  
**LIQUIDITY ASSETS TO WORKING CAPITAL RATIO**



**INTERPRETATION:**

Form the above table it was clear that, the liquid assets to working capital ratio for the year 2014-2015 is 0.98, the next year is increased to 1.30 in 2014-2015-2016 the liquid assets to year working capital ratio is increased to next year is 1.56 in 2016-2017, in the year of 2017-2018 is 1.53 and the final year ratio is 208-2019.

**DEBT EQUITY RATIO;**

This ratio is ascertained to determine long term solvency position of a company debt equity ratio is also called external, internal equity ratio.

**Total Long Term Debt**

**Debt equity ratio = -----**

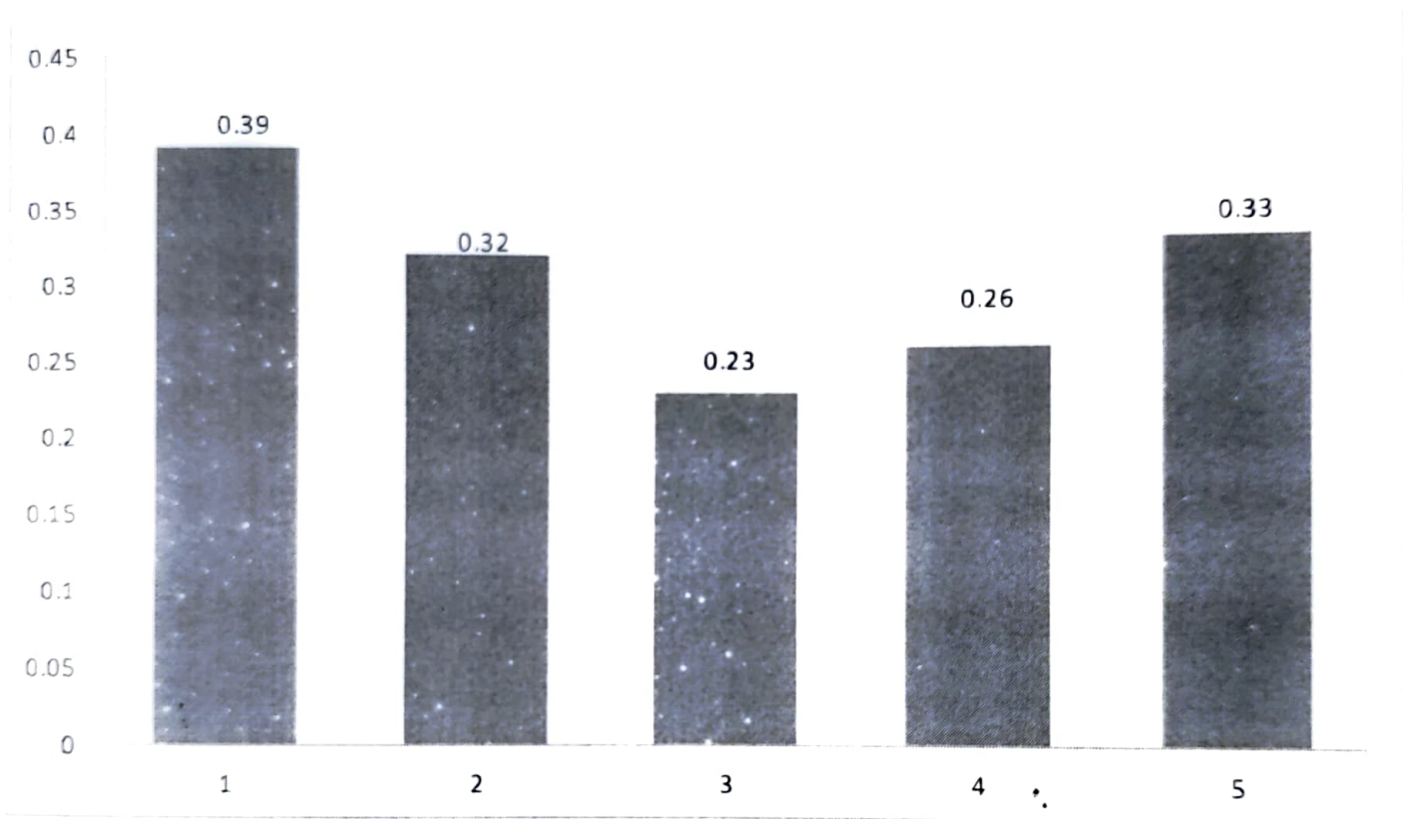
**Shareholder funds**

**TABLE NO: 4.8**

**DEBT EQUITY RATIO**

<b>YEAR</b>	<b>TOTAL LONG TERM DEBT</b>	<b>SHAREHOLDER'S FUNDS</b>	<b>DEBT EQUITY RATIO</b>
2014-2015	343.89	863.72	0.39
2015-2016	297.92	925.71	0.32
2016-2017	249.50	1080.41	0.23
2017-2018	315.28	1195.60	0.26
2018-2019	418.51	1278.50	0.33

**CHART NO: 4.G**  
**DEBT EQUITY RATIO**



**INTERPRETATION:**

Form the above table it was clear that, the debt equityratio for the year 2014-2015 is 0.39, the next year is ratio is 0.32 in -2015-2016 the debt equity ratio is 0.23 during the year 2016-2017, the year is 0.33 in 2017-2018 in the debt equity ratio is flexible in the company.



#### 4.9 DEBTORS TURNOVER RATIO:

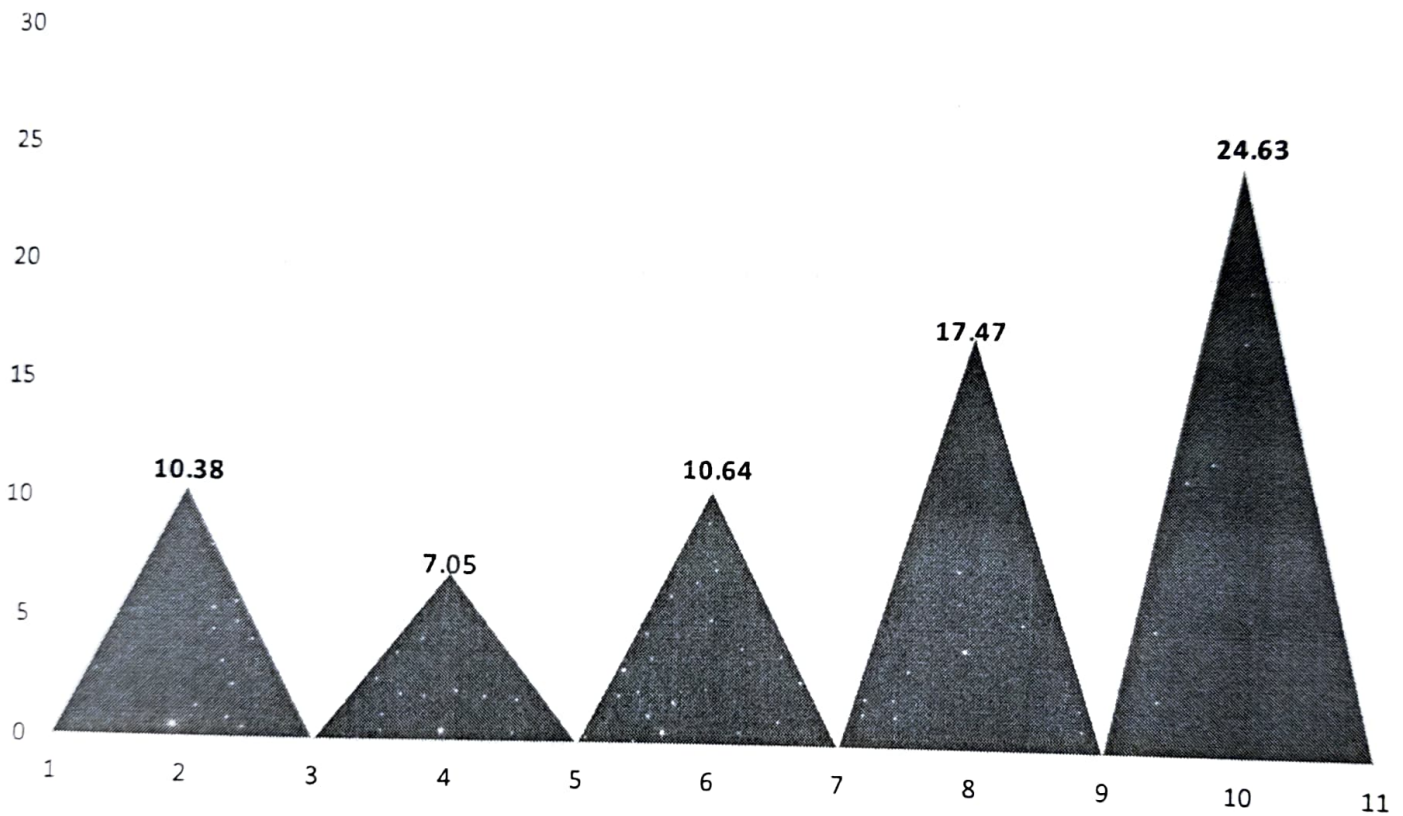
Debtor's turnover ratio measures the number of times the receivables are rotated in a year in terms of sales. This ratio also indicates the efficiency of credit collection and efficiency of credit policy.

$$\text{Debtor Turnover Ratio} = \frac{\text{Credit Sales}}{\text{Average Debtors}}$$

**TABLE 4.9**  
**DEBTOR TURNOVER RATIO**

<b>YEAR</b>	<b>CREDIT SALES</b>	<b>AVERAGE DEBTORS</b>	<b>DEBTOR TURNOVER RATIO</b>
2014-2015	1368.74	131.78	10.38
2015-2016	1544.17	219.03	7.05
2016-2017	2059.90	193.55	10.64
2017-2018	2450.78	140.24	17.47
2018-2019	2206.18	89.54	24.63

**CHART NO: 4.H**  
**DEBTOR TURNOVER RATIO**



**INTERPRETATION:**

Form the above table it was clear that, the debtors turnover ratio for the year 2014-2015 is 10.38, in that year of 2015-2016 ratio is 7.05, and the next year debtors turnover ratio is 10.64 in 2016-2017, in the year of 2017-2018 ratio is 24.63. It was good performance.

## APPENDICES

## BALANCE SHEET OF CR. POULTRY FARM ON THE YEAR OF 2014-2018

Particular	2014	2015	2016	2017	2018
<b>Income</b>					
Sales turnover	1,535.12	1,544.17	2,059.90	2,825.41	2,206.18
Excise duty	166.38	0.00	0.00	374.63	0.00
Net sales	1,368.74	1,544.17	2,059.09	2,450.78	2,206.18
Other income	1.50	-60.37	8.75	6.47	8.08
Stock adjustment	-9.94	-6.00	40.70	23.69	-12.51
Total income	1,360.30	1,598.54	2,109.35	2,480.94	2,201.75
<b>Expenditure</b>					
Raw materials	270.97	268.85	357.18	609.34	507.02
Power & fuel cost	310.57	426.82	564.68	666.53	611.33
Employee cost	64.54	80.00	103.06	121.95	116.76
Other manufacturing experiences	20.050	0.00	0.00	0.00	52.55
Selling and Admin experience	172.86	0.00	0.00	0.00	0.00
Miscellaneous expenses	8.10	301.94	393.93	448.36	430.18
Preoperative capitalized	0.00	0.00	0.00	0.00	0.00
Total expenses	847.09	1,007.61	1,418.85	1,846.18	1,171.84
Operating profit	511.71	406.56	681.75	628.29	475.83
PBDIT	513.21	520.93	690.50	634.76	483.91
Interest	77.91	62.99	92.49	106.05	79.68
PBDIT	435.30	457.94	598.01	528.71	404.23
Depreciation	308.08	326.87	346.81	371.49	298.24
Other written off	0.00	0.00	0.00	0.00	0.00
Profit before tax	127.22	95.07	251.20	157.22	105.99
Extra-ordinary items	11.20	0.00	0.00	0.00	0.00
PBT(post Extra-ord items)	138.42	95.07	251.20	157.22	105.99
Tax	30.59	19.90	63.20	19.68	-0.05
Reported Net profit	96.63	75.17	188.00	137.54	106.04
Total value addition	576.12	808.76	1,061.67	1,236.84	1,210.82
Preference dividend	0.00	0.00	0.00	0.00	0.00
Equity dividend	0.00	19.10	28.65	19.90	19.10
Corporate dividend tax	0.00	3.17	4.65	3.26	3.25
<b>Per share data (annualized)</b>					
Share in issues (lakhs)	295.03	381.99	381.99	381.99	381.99
Earning per share(Rs)	32.75	19.68	49.22	36.01	27.76
Equity dividend(%)	0.00	50.00	75.00	50.00	50.00
Book value (Rs)	289.80	242.34	282.84	312.99	334.69

## BALANCE SHEET OF CR. POULTRY FARM ON THE YEAR OF 2015-2019

Particular	2014	2015	2016	2017	2018
<b>Sources of funds</b>					
Total share capital	29.50	38.20	38.20	38.20	38.20
Equity share capital	29.50	38.20	38.20	38.20	38.20
Share application money	8.70	0.00	0.00	0.00	0.00
Preference share capital	0.00	0.00	0.00	0.00	0.00
Reserves	825.52	887.51	1,042.21	1,157.40	1,240.30
Net worth	863.72	925.71	1,080.41	1,195.60	1,278.50
Secured loans	343.89	297.92	249.50	315.28	418.51
Unsecured loans	414.98	489.78	739.78	568.78	349.37
Total debt	758.87	787.70	989.28	884.06	767.88
Total liabilities	1,622.59	1,713.41	2,069.69	2,079.66	2,046.38
<b>Application of funds</b>					
Gross block	2,315.69	2,832.90	3,549.30	3,904.13	4,144.24
Less: Revaluation Reserves	0.00	0.00	0.00	0.00	0.00
Less: Accum. depreciation	1,167.89	1,459.12	1,805.68	2,176.96	2,475.03
Net block	1,147.80	1,373.78	1,743.62	1,727.17	1,669.21
Capital work in progress	95.46	162.08	153.06	109.24	5.12
Investment	0.58	0.58	0.58	0.00	0.00
Inventories	224.09	231.62	374.85	488.76	531.08
Sundry debtors	72.51	106.57	173.91	213.20	224.86
Cash and bank balance	73.07	20.73	1.94	4.58	9.13
Total current assets	369.67	358.92	550.70	706.54	765.07
Loans and advances	383.17	108.44	94.33	99.82	103.88
Fixed deposits	0.00	0.00	0.00	0.00	0.00
Total CA, loans & advances	752.84	539.36	645.03	806.36	895.95
Differed credit	0.00	0.00	0.00	0.00	0.00
Current liabilities	752.84	539.36	645.03	806.36	895.95
Provisions	0.00	0.00	0.00	0.00	0.00
Total CL & provisions	151.96	327.73	416.23	531.94	494.74
Net current assets	222.13	34.66	56.37	31.17	29.16
Miscellaneous expenses	374.09	362.39	472.60	563.11	523.90
Total	78.75	176.97	172.43	243.25	372.05
Provision	0.00	0.00	0.00	0.00	0.00
Net current liabilities	1,622.59	1,713.41	2,069.69	2,079.66	2,046.38
Contingent liabilities	318.74	276.92	204.65	102.44	245.01
Book value(Rs)	289.80	242.34	282.84	312.99	334.69

## CHAPTER-V

### RESULT AND DISCUSSIONS

#### 5.1 FINDINGS

1. The current ratio for the year 2014-2015 is 1.71 the next ratio is 1.43 in 2015-2016, the current ratio is 1.36 in 2016-2017, the current ratio is 1.48 in 2017-2018 and the current ratio is 2.01 in 2018-2019.
2. The quick ratio for the year 2014-2015 is 0.69, the quick ratio is 0.56 in 2015-2016, the quick ratio is 0.57 in 2016-2017, the quick ratio is 0.74 in 2017-2018 and quick ratio is 1.41 in 2018-2019.
3. The working capital turnover ratio for the year 2014-2015 is 4.09, it was increased to 6.34 in 2015-2016, and the next year is 11.94 in 2016-2017, the working capital turnover ratio is 15.96 in 2017-2018 and the working capital turnover ratio is 5.82 in 2018-2019.
4. The stock to working capital ratio is 2.01 in 2015-2016, the stock to working capital ratio is 2.17 in 2016-2017, and the stock to working capital ratio is 0.59 in 2017-2018.
5. The current assets to working capital ratio for the year 2014-2015 the ratio was 2.41, the next year ratio is 3.31 in 2015-2016, and the last year ratio is decreased to 1.98 in 2016-2017.
6. The liquid assets to working capital ratio for the year 2014-2015 is 0.98, the next year is increased to 1.30 in 2015-2016, the liquid assets to working capital ratio is increased to next year is 1.56 in 2016-2017, in the year of 2016-2017 is 1.53 and the final year ratio is 1.39 in 2017-2018.
7. The debt equity ratio for the year 2014-2015 is 0.39 the next year is 0.32 in 2015-2016, the debt equity ratio is 0.23 in 2016-2017, the last year ratio was 0.33 in 2017-2018. In the debt equity ratio is flexible in the company.
8. The debtors turnover ratio for the year 2014-2015 is 10.38, in the year of 2015-2016 ratio is 7.05, and the next year debtors turnover ratio is 10.64. 2016-2017. In the final year of 2017-2018 ratio is 24.63. it was good performance.

## 5.2 SUGGESTIONS

- The company needs to adopt the following measures to curb the hindrances of its development:
- The company working capital is good.
- The company should manage the current assets and current liabilities in such a way that a satisfactory level of working capital is maintained.
- The company needs to improve its short-term financial position. They should maintain the receivables at the optimum level and review the credit policy and procedures.
- The company should ensure proper and efficient utilization of inventory in future also.

## 5.3 CONCLUSION

The firm has a very good market, which is shown by the raise in the sales figures. If the company takes of the above suggestion then its working capital position will hold good even after. The environment conditions in are very conducive for the workers to work they have been given all the basic and necessary require.

A major study of working capital management explain the need and scope of the same in the manufacturing industry. Its effective provision can do much to ensure the success of a business while its sufficient management can led to loss or profit .a study of cash flow statement is of major importance to internal and external analysis of its close relationship with the current day to day operations of a business.

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