

**Project Report (17MBAPR407) on
“A STUDY ON CASH FLOW & CASH MANAGEMENT AT HIMALAYA
DRUG COMPANY”**

**BY
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Submitted to

VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI



In partial fulfillment of the requirements for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION
Under the guidance of

INTERNAL GUIDE

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EXTERNAL GUIDE

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MARCH-2019**



Makali, Bengaluru, Karnataka - 562 162

Date : 16 / 02 / 2019

Place : Bengaluru

TO WHOMSOEVER IT MAY CONCERN

This is to state that Mr. Harish M (Reg No - 11A17MBA21) of Acharya Institute of Technology was working on an Academic project with the title "A study on Cash Flow and Cash management at Himalaya Drug Company". He was working under the able guidance of Ms. Mallika B.K. He was working on his project between 03 / 01 / 2019 to 16 / 02 / 2019. He was hard working and showed a great enthusiasm in working on the project.

We wish him best of luck for all his future endeavors. Thanking you

A handwritten signature in blue ink is written over the Himalaya Drug Company logo. The signature appears to be "Harish M". The logo consists of the text "Himalaya Drug Company" in blue, with "Himalaya" on the top line, "Drug" in the middle, and "Company" on the bottom line. Below the text is a small, stylized graphic.

For Himalaya Drug Company



ACHARYA INSTITUTE OF TECHNOLOGY

(Affiliated to Visvesvaraya Technological University, Belagavi, Approved by AICTE, New Delhi and Accredited by NBA and NAAC)

Date: 26/03/2019

CERTIFICATE

This is to certify that **Mr. Harish M** bearing USN **11A17MBA21** is a bonafide student of Master of Business Administration course of the Institute 2017-19 batch, affiliated to Visvesvaraya Technological University, Belagavi. Project report on “**A Study on Cash Flow and Cash Management, at Himalaya Drug Company, Bengaluru**” is prepared by him under the guidance of **Prof. Mallika B K**, in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belagavi, Karnataka.

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DECLARATION

I, **HARISH.M**, here by declare that the Project report entitled "A Study on CASH FLOW & CASH MANAGEMENT and HIMALAYA DRUGS COMPANY, Bengaluru" prepared by me under the guidance of Prof. MALLIKA.B.K, Assistant Professor, Department of M.B.A, Acharya Institute of Technology, Bengaluru and external assistance by **MR. ADHITYA NARAYAN ,HIMALAYA DRUGS COMPANY** I also declare that this Project work is towards the partial fulfilment of the university regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone a summer project for a period of six weeks. I further declare that this Project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University / Institution.

Place:

Date

11/4/19


Signature of the student

ACKNOWLEDGEMENT

I wish to express my sincere thanks to our respected Principal, **Dr. Prakash M R**, beloved Dean-Academics, **Dr. Devarajaiah R M**, and deep sense of gratitude to **Dr. M M Bagali**, HOD, Acharya Institute of Technology, Bengaluru for their kind support and encouragement in completion of the project Report.

I would like to thank **Prof.Mallika.B.K**, Asst. Professor, Department of MBA, Acharya Institute of Technology, Bengaluru and external guide **Ms. ADHITYA NARYAN**, finance manager, Himalaya drugs company, Bengaluru who gave me golden opportunity to do this wonderful Project in the esteemed organization, which helped me to learn various concepts.

Finally, I express my sincere thanks to my parents, friends and all the Staff of MBA department of AIT for their valuable suggestions in completing this Project Report.

Place: Bengaluru

HARISH.M

Date:

11A17MBA21

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Executive summary

The purpose of the study is to understand the cash flow and cash management at The Himalaya drug company, Bengaluru and to understand the financial aspects of various departments and to understand the concept of business decision in the organization and to know the level of satisfaction of the employees at The Himalaya drug company, Bangalore

Learning in The Himalaya drug company, was an wonderful experience it helped to know how cash flow and cash management are practically applied in the organization .The theoretical informations learned in the classes was seen in practice in internship training and moreover it was an wonderful experience learning at The Himalaya drug company, Bangalore

The company has adopted various modern techniques and equipments that would help in increasing the production speed and capacity and by increasing production in the country.

CHAPTER-1

INTRODUCTION

INTRODUCTION

Internship and project work is a part of academic activity of Visvesvaraya Technological University, Belgaum. It enables to bridge a gap between the knowledge and its application through a series of invention to the student of MBA Program that enable to achieve knowledge and explore to the Industry.

A meaningful six week project has exposed me to the real time corporate culture at “THE HIMALAYA DRUG COMPANY”. The internship training served as the right platform to implement the theoretical imbibed concepts in a best possible way.

It was interesting to learn in an private establishment like THE HIMALAYA DRUG PVT LTD. This is committed with the society’s wellbeing and ethical standards. All though the human resources are grouped into various levels of responsibility, the company keeps an open door policy to encourage free interpersonal interaction which I believe it is strength of the company. It exposed to the quality of work culture, timeliness and cooperativeness in the company.

The interaction with the company gave a insight and a first experience of the industrial scenario in the competitive environment outside the realms of the company, it was an opportunity to learn corporate etiquettes. It helps students to apply their skill in practical field under the guidance of expertise practitioners.

This was a period of knowledge addition for me to understand the functioning of Production Company, its dealing and operations as well as the various aspects relating to financial sector in the economy. The internship set a strong platform for me as in my career ahead I would be able to take away the experience of the work and knowledge I acquired to deliver successfully in whatever roles assigned and responsibility is entrusted on me in future .

1.2 Industry Profile:

Human services is one of India's biggest zones - both as far as salary and work. The Health Centre comprises of emergency clinics, therapeutic gadgets, clinical preliminaries, re-appropriating, telemedicine, medicinal the travel industry, medical coverage and restorative gear. The Indian social insurance industry is becoming quickly because of the increasing expenses of its support, administrations and public and private participants.

The structure of medical services is delegated into 2 primary parts - both public and private. The Government, that is, the Public Health System comprises of restricted auxiliary and third consideration organizations in real The United States Health Centers (PHCs) in country territories. This is a private sector and it's a great deal to consider local tire communities and urban communities.

India's competitive advantage lies in its large group of well-trained medical professionals. India also has a competitive cost compared to its peers in Asia and Western countries.

THE MARKET SIZE:

India to have that with the greater digital adoption, the Indian healthcare market, which is worth about \$ 200 billion, will grow at a compound annual rate of 28% up to \$ 280 billion by 2025. The health care market can increase upto four times to \$ 472 billion in 2025.

India experience 28-32% growth of the medical industry is expected to double from today (April 2017) from \$ 5 billion to \$ 20 billion from r. By 2020. Medical tourists in India have increased by more than 50 percent to 200,000 in 2016 from 130,000 in 2015

The healthcare information technology market is currently valued at US \$ 1 billion (April 2016) and is expected to increase 1.5 times by 2020. More than 80 percent of the antiretroviral drugs used worldwide to fight Acquired Immune Deficiency Syndrome (AIDS) are provided by Global pharmaceutical companies.

A total of 3,598 hospitals and 25,723 dispensaries across the country offer AYUSH treatments (Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy), thus ensuring the availability of alternative medicines and treatments for people. In 2017, the Indian government granted subsidies for the establishment of AYUSH educational institutions in the states and territories of the Union.

Investment

According to T-Hospital and FDI, it is worth US \$ 4.99 billion between April 2000 and December 2017. industry are as follows:

The Government of India, the Government of Health and Family Welfare, has been signed a Memorandum of Understanding (MoU).

- Fortis Healthcare has been approved by the de-merger. TPG and Dr. Ranjan Pal could invest Manipal Hospital Enterprise in 3,900 Crores (US \$ 602.41 million).

The Government initiatives:

The Indian healthcare industry has taken the following steps

This is the first "Air Dispensary" in the North-East Region (DONER)

It has been noted. (US \$ 148.22 million) for your health care and family health care. . .

The three-year budget with the national health care team (NNM).

- The Government of India plans to increase the level of 2.5 percent of the gross domestic product (GDP) by 2025.
- In March 2018, the National Health Mission with a budget of 85.217 million rupees (US \$ 13.160 million) from April 1, 2017 to March 31, 2020

1.3 COMPANY PROFILE

About Himalaya

The Himalaya Drug Company is India's biggest research-based herbal organization, and in 1930 M. Manal established and headquartered in Bangalore, India. It produces wellbeing administrations under the name Himalaya Herbal Healthcare, which incorporates Ayurvedic properties .It is spread crosswise over areas in India, the United States, the Middle East, and Europe, yet it's products are sold &marketin 60 nations around the globe.

The organization has more than 279 specialists considering Ayurvedic herbs and minerals. A hepatic medication named Liver.52 is a flagship brand that was first presented in 1955.

The Himalaya Drugs produces, sells and circulates for your purchasers at India and universally. It gives restorative items to youngsters, ladies, men, and general wellbeing; Herbal and oral consideration items;

Skin care items, skin care items, skin care items, skin care items, skin care items, skin care items And dental cream.

The organization offers hair care items, including hostile hair dandruff hair creams, oils and shampoos; Protein conditioners are shampoos and hair creams; Baldness creams, hair oils fall, and shampoos fall. Also, it gives skin, skin inflammations, skin nourses, and teas; Medium animals, poultry, aquaculture, and individual creatures. Furthermore, the organization gives the childcare items, diaper rash creams, saturating infant cleaners, infant shakes and infant shampoos; And infant creams, moisturizers, and powders. It sells its items on the web; India, Singapore, Kenya, South Africa, United Arab Emirates, and Venezuela. The organization was established in 1930 and Bangalore, India, and is known as the United States, South America, the Caribbean, and Mexico. Conventional meds were seen with distrust during the 1930s. While customary drugs are frequently utilized as home cures, they are not generally viewed as protected and successful medicines. Himalaya organizers scrutinized this thought by contemporaryizing Ayurveda through the examination of present day science, which wiped out the soul that encompasses this science. They made Ayurveda identified with society by creating natural cures that built up ripeness and wellbeing through test explore.

Consistently, 200 million individuals pick our items for their wellbeing and individual consideration needs. In excess of 200 items, including brands, for example, Liver.52, Cystone, & Bonnisan,. We contact the lives of a huge number of buyers around the globe, offering items that assistance them to carry on with a solid, refined life.

The Himalayan story started in 1930. A fascinating young fellow who rides through the woodlands of Burma fulfilled the clueless elephants to Ruwalfiercepentinina, a vegetable source. This old man, pulled in by plant effect on elephants, established HMML organizer M.M. Manal needed to experimentally analyze natural properties.

With no cash and dream take, he put his mom's adornments so as to purchase a handheld machine. The next years were a trial of persistence, quality, and eagerness for perseverance and youth. He went through his days finding out about herbs chipping away at the machine to set up a couple of hundred pills for neighbors and their evenings. 'Their view to convey Ayurveda of conventional Indian science to society in contemporary structure.'

At the point when natural items were treated with suspicion, our organizers trusted the mending intensity of the herbs. On the off chance that individuals are given protected and compelling home grown cures, they will acknowledge them as a major aspect of their wellbeing administration. He trusted herbs ought to be assessed on indistinguishable quality and adequacy guidelines from customary meds. This is conceivable

through trial investigate. Logical research has demonstrated that natural items are working, and specialists can likewise win. It's a major dream with extraordinary difficulties.

Eight years after home grown Rawalvia Serpentine inquire about, Serpina®, the world's first regular enemy of hypertensive medication, was propelled in 1934.

The region of herbal inquire about is firmly identified with Himalayan nature, going back to 8 decades. We are likewise in the matter of invigorating great wellbeing and keeping up our planet's wellbeing. From our origin, we have dealt with securing biodiversity, putting away solid herbs and invigorating great farming practices

In 1955, the Himalayas presented Liv. 52, liver plan that guarantees greatest liver capacity. The item before long sold our lead image and home grown medication. Before long different brands pursued suites, for example, Systone, Bonisan, and Rumala Foute.

In 1993, Himalaya entered the individual consideration segment under the brand name 'Ayurvedic Concepts'. It is an unapproved territory which brings new open doors for new difficulties and learning. Individuals around the globe are arousing to the advantages of home grown and characteristic items for their own consideration needs. Himalaya natural meds have been encountering more than seven many years of research and this legacy has helped us to comprehend the home grown world. The likelihood of getting to individual consideration space is energizing. We've been taking a shot at gentle, quiet, and dedicated individual consideration items for customer herbs and have significantly decreased science! Our guide theory is to create individual consideration items established in Ayurveda and upheld by the fundamental research of the Himalayan brand. By prudence of our examination strategy, we have made the believability of our scope of individual consideration items and our clients' trust.

With our extending scope of items and worldwide markets, the Himalayas were rebranded, where the entire range was brought under a similar umbrella-Himalaya natural human services. With the present medication, individual consideration, kindergarten, prosperity and creature wellbeing items, the Himalayas have developed into 'crowd to-heel' natural medicinal services.

Following 80 years, we submit to the lives of individuals who utilize our items. Himalayan remedial items have soothed individuals experiencing liver issue, kidney stones and joint issue, for example, looseness of the bowels. Our own consideration inclusion best catches our shopper items in a sheltered, reasonable and long haul use, in nature and science. Our vision is to give prosperity to each family unit and the entire family through our home grown wellbeing and individual consideration items.

Today, the Himalaya brand is synonymous with protected and successful natural items. We work in excess of 80 nations, our items are suggested by more than 400,000 doctors around the world, and a large number of purchasers have confidence in us for their wellbeing and individual consideration needs.

The Himalayan Pharmaceutical Company in 1930 m. M. Manal was set up in contemporary structure with the unmistakable vision of conveying Ayurveda to society and the mystery behind the multi year old restorative framework. It alludes to the antiquated Ayurvedic writings, picking local herbs and submitting details to new prescription, toxicology and security tests into new meds and medications.

The property of nature look into structures the establishment of Himalayas tasks. Himalaya has advanced the utilization of present day science to reexamine and approve the insider facts of Ayurveda.

Dab innovation is sliced to make pharmaceutical evaluation Ayurvedic items. The organization was granted the ISO 9001: 2000 affirmation in 2003, as a Himalaya committed to giving the most astounding quality and dependability in home grown consideration.

Brand Image:

For centuries, the Himalayas are the ambition of human exploration to unlock the secrets of nature. They represent purity and noble ideals. The fact that Himalaya is the source of many herbs used in our products makes our brand name more relevant.

The Himalayan logo is the scene of its brand identity. The letter ribbon leaf focuses on the company's herbal health. Yellow green represents the proximity of nature, but raises warmth, vibration and commitment to orange care. The Himalaya brand is confident of good health and well-being.

Working in the Himalayas constantly learn and grow. In herbs, opportunities to work in excellent products at competitive salaries and best benefits. With exceptional rewards, we provide challenging assignments, world class operating environment, professional management and training opportunities to learn and learn.

The Himalayas are its people. In every background of the globe, teams of talented individuals are one of the continuous pursuits that help millions of people around the world lead a healthy and happy life.

BOARD OF DIRECTORS:

Name	Title
MANAL	CHAIRMAN
Philippe Haydon :	CEO and President
S. K. Mitra M.D.:	Executive Director
Nabeel Manal :	PRESIDENT& CEO, US SUBSIDIARY
Shailendra Malhotra :	CEO , HIMALAYA GLOBAL HOLDINGS
DR.S. FAROOQ :	PRESIDENT
DR.ZAFOOR MEHAMOOD:	SR.MANAGER

Awards and Recognition:

2017:

Skin care

- Cleo Hall of Your World Beauty Award 2017: Exfoliating for readers - Himalaya Herbals Purifying f
Fame 2017- Purifying Neem Scrub

Health Watson Health and Beauty Award 2017- Neem Foaming Face Wash 150ml Nominated for:

Best selling best herbal cleanser

2016

Ayurslim:

Health Watson Health and Beauty Award 2016: Best Selling Body Contour (Herbal)

Award Unity Popular Choice Award (UPCA) 2016 - Supplement (Weight Control)

2015

Hair care

Health Watson Health and Beauty Award 2015 - Best-Selling Hair Loss Cream

Magazine Cosmopolitan Magazine: Cosmo Beauty Grand Prix 2015 Winner of the most effective purifying shampoo: Himalaya Herbals Protein Shampoo

1.3.1 Mission and vision:

Establish properties from trust and healthy life by acquiring Himalaya with science-based, problem-solving, head-to-heel brand, nature of wealth.

Developing worldwide markets with a deep and long-term approach, and maintaining high ethical standards at every step.

VISION:

“Bring wellness and joy to every home via herbal solutions based on science”

QUALITY POLICY:

- the development of health and safety and personal care products based on proven drugs.
- By consistently meet or exceed customer expectations, quality standards and to ensure the maintenance of international legal status of India in the global economy.
- Quality service is every employee's commitment to excellence in the Himalayas. It collaboration and continuous improvement process implemented by the team.
- Our attachment to the Himalayas is complete; we are committed to its values and complete. Everyone in contact with the Himalayas must be satisfied with their experience, can not be less acceptable.

PRODUCT PROFILE:

Some of the broad ranges of Himalaya products are:

- Aactaril Soap
- Abana
- Bonnisan
- Bresol-NS (Drops/Spray)
- Bresol-NS (Drops/Spray)

COMPETITORS' INFORMATION;

Himalaya herbal's major competitors are:

- **HUL**
- **DABUR**
- **ZANDU**
- **MARICO**
- **ITC**
- **JOHNSON&JOHNSON**
- **UNILEVER**
- **P&G**
- **MAHARISHI AYURVEDA**

SWOT Analysis

Strengths

1. Capacity in terms of its ideal location with dark air and very rich soil in the Himalayan foothills.
2. It has research and development facilities
3. Known for its customer's needs through innovative and consumer fit products.
4. It is known for fresh, high quality and healthy products.
5. Direct involvement of high level executives to establish quality goals and policies, sharing resources and monitoring results.

Weaknesses

1. Higher Need for Work Capital.
2. Seasonal raw material
3. Pests can affect production and cause many problems.

Opportunities

1. Opportunities in the early issues of global markets
2. A pleasant demographic profile and changing lifestyle
3. Properties of other product categories in terms of diversification.
4. Opportunities and promotion opportunities are still inaccurate

Threats

1. The cost of further inventory
2. Good for global players planning to enter the market.
3. Financial instability and inflation in the country.

FINANCIAL STATEMENT

Comparison of Balance Sheet for 5 years

(in crores)

PARICULARS	2018	2017	2016	2015	2014
EQUITIES AND LIABILITY					
SHAREHOLDER'S FUNDS					
Equity Share Capital	505.64	501.30	501.30	479.81	475.88
Total Share Capital	505.64	501.30	501.30	479.81	475.88
Reserves and Surplus	72,172.13	61,508.12	61,508.12	42,998.82	35,738.26
Total Reserves and Surplus	72,172.13	61,508.12	61,508.12	42,998.82	35,738.26
Total ShareHolders Funds	72,677.76	62,009.42	62,009.42	43,478.63	36,214.15
Deposits	546,424.19	450,795.64	450,795.64	367,337.48	296,246.98
Borrowings	53,018.47	45,213.56	45,213.56	39,438.99	33,006.60
Other Liabilities and Provisions	36725.13	32,484.46	32,484.46	41,344.40	34,864.17
Total Capital and Liabilities	708,845.57	590,503.07	590,503.07	491,599.50	400,331.90

ASSETS					
Cash and Balances with Reserve Bank of India00	30,058.31	27,510.45	27,510.45	25,345.63	14,627.40
Balances at bank Money at Call and Short Notice	8,860.53	8,821.00	8,821.00	14,238.01	12,652.77
Investments	163,885.77	166,459.95	166,459.95	120,951.07	111,613.60
Advances	464,593.96	365,495.03	365,495.03	303,000.27	239,720.64
Fixed Assets	3,343.16	3,121.73	3,121.73	2,939.92	2,703.08
Other Assets	38,103.84	19,094.91	19,094.91	25,124.60	19,014.41
Total Assets	708,845.57	590,503.07	590,503.07	491,599.00	400,331.9

CHAPTER-2
CONCEPTUAL BACKGROUND
&
LITERATURE REVIEW

CHAPTER 2

CONCEPTUAL BACKGROUND AND LITERATURE REVIEW

2.1 Theoretical background of the study

Money prerequisite isn't critical to run day by day business exercises. It's not possible for anyone to discover a business that does not require any cash. Indeed, firms vary in their necessities for money.

A foundation must plan to augment its investors' riches. In its endeavor to do as such, the association needs to make a great deal of benefit from its task. Fixed benefit income are required for fruitful deals action. The firm is presently contributing a ton of cash on the property to deliver deals. The present property is required in light of the fact that the deals don't rapidly change over into money. There is dependably a change task cycle in real money deals.

The motivation behind dissecting money the executives and the productivity of money, stock, moneylenders and banks is. Moreover, to comprehend the association's liquidity and gainful position.

These objectives are accomplished by coming through essential investigation of proportion examination and comprehension of money proficiency/wastefulness.

The investigation noticed that the organization can successfully utilize its cash and work on it to accomplish increasingly powerful qualities. The money required to meet current liabilities is kept up at an ordinary dimension, which pursues the strategy of the organization.

CASH MANAGEMENT

Cash is essential current liquid asset for business activities. The major information money required to keep exchanging persistently; The last item is relied upon to be accomplished by selling the organization's administration or item. The firm ought not have enough cash, no pretty much. Money deficiency meddles with the organization's assembling task, however the more beneficial will stay without benefit, without giving any advantage to the gainfulness of the firm. In this manner, the primary capacity of the money related supervisor is to keep up a decent money position.

Facets of cash management:

Money the board is related with this administration:

- The money establishment streams all around
- Income into the association, and

- Cash balance that the firm directed at one point of time from money related shortfall or extra money speculation.

This can be spoken to by a money the board cycle. Deals create cash and need to separate it. An extra money venture ought to be made when this cycle is at the very least expense. In the meantime, it needs to accomplish liquidity and control. Money the board could easily compare to other current resources since cash is the most critical and least profitable property holding by the firm. It is utilized to pay the association's noteworthiness in light of the fact that it is huge. Nonetheless, money isn't unrewarding. Like fixed resources or inventories, it doesn't sell merchandise. In this manner, the money the executives objective is to keep up the company's liquidity and hold some money in the worthwhile manner to utilize extra money in some rewarding manner.

Money inflow is especially infused, correctly in light of the fact that money streams can be hard to anticipate, and there is no decision between the inflow and money installments, regardless of whether there is no fortuitous event. Now and again, money inflows will increment with money surges, as installments of assessments, rewards, or regular stock will increment. At different occasions, money inflows are more than money installments since expansive money deals and account holders can be accomplished in huge amounts right away. Furthermore, money the board is critical on the grounds that money is right now a little part of the property, despite the fact that the support time is committed to looking after it. These days, numerous developments have been made in real money the executives strategies. Nowadays the organization's unmistakable objective is to keep up money adjusts at any rate level and put resources into extra money in rewarding venture openings.

The company's vital methodologies for money the board ought to be created to determine the vulnerability about income gauging and the absence of synchronization between money receipts and installments. The firm needs to make systems for money the executives. The accompanying four components must be figured for money the board.

- **Cash planning:**

As far as possible or surge for every time of the arrangement time frame ought to be wanted to design a money point of confinement or shortage. The money spending plan ought to be set up for this reason.

- **Managing cash flows:**

The firm should settle on the most proficient method to deal with it appropriately. The convergence of cash must be at a quicker rate, yet to dispose of however much cash as could reasonably be expected.

- **Optimum cash level:**

The firm should choose the proper money adjusts. The danger of extra money and money shortage must be coordinated to decide the most extreme dimension of money adjusts.

- **Investing surplus cash:**

Extra money adjusts ought to be contributed to make a benefit. Associations ought to settle on the split of such money adjusts between momentary speculation openings, for example, banks' stores, advertise securities or between corporate advances.

MOTIVES FOR HOLDING CASH

The organization needs to hold the cash for the accompanying three purposes:

The reason for the exchange

- The transactions motive
- The precautionary motive
- The speculative motive

TRANSACTIONS MOTIVE

The business objective is the association required to hold the cash to maintain its business in a general course. The financing needs principally to pay for the buy, pay and pay, other working expenses, charges, profits and so forth. There is no compelling reason to hold money if there is a finished synchronization between money receipts and money installments, that implies enough cash is to be paid. Be that as it may, money receipts and installments are not completely synchronized. In those periods, when money installments surpass money receipts, the firm should almost certainly make some cash balance installments required. For exchange purposes, an establishment can put its cash in market securities. As a rule, the firm buys securities that are coordinated with some normal installment, for example, future rewards or expenses. Exchanging thought processes explicitly demonstrate money holding to meet forthcoming installments since time does not completely coordinate money receipts.

PRECAUTIONARY MOTIVE

The preparatory reason for existing is to hold cash to meet future possibilities. It gives a pad or cradle that can withstand some sudden crises. The preparatory measure of cash relies upon the fate of income. On the

off chance that money streams can be anticipated with exactness, less cash is kept for crises. It additionally influences precaution cash from the capacity to obtain from low abandonment when important. Fortifying the association's capacity to get brief directions, decreasing the requirement for protection balance. Preparatory equalization can be kept in real money and market securities. Market security assumes a key job here. It isn't relied upon to gain any cash saved for safeguard reasons; The firm should attempt to exploit it. Such assets ought to be put resources into high-liquidity and generally safe market securities. Preparatory adjusts ought to be kept in market showcase securities and at a much lower cost.

SPECULATIVE MOTIVE

The theoretical reason for existing is for cash holding to put resources into a beneficial chance to pick up benefits when security costs change. The firm holds money, financing costs are rising and security costs are relied upon to fall. Securities can be bought when the loan fee is relied upon to fall; The organization will profit by the decrease in financing costs and the expansion in security rates. The firm can foresee the cost of products. On the off chance that object costs are required to decay, the firm can defer purchasing things and make future buys when price really falls. A few organizations may have cash for theoretical purposes. Furthermore, greater, business firms are not hypothesizing. In this way, the essential destinations of holding money and market securities are: Business and Precautionary Objectives.

CASH PLANNING

Money streams are indistinguishable pieces of associations' business tasks. An association needs money to put resources into stock, satisfactory and fixed resources and pay for working costs to keep up deals and income development. The firm can make a great deal of benefit, yet it is probably going to experience the ill effects of money deficiencies. Its developing needs can profit all the more immediately devoured. The poor money position of the firm has been fixed if its money necessities are pre-arranged. At times, an establishment may have additional money idle.

Once more, such additional money yields. Such additional money streams can be normal and put resources into a money plan if appropriately contributed. Money Planning is a technique to plan and control money utilization. It expects the requirements of future money streams and firms and decreases the likelihood of inert money adjusts (lessening the gainfulness of the firm) and money shortages (which could prompt firm disappointment).

The Cash Planning Institute ensures the money related position by building up an arranged money proclamation by foreseeing expected money inflows and surges for a given period. Gauges might be founded on current activities or anticipated future tasks. Money plans are vital in building up the organization's general working plans.

Cash can be made once a day, week by week or month to month premise. The length and recurrence of money designs normally rely upon the association's size and the board guideline. Bigger associations make every day and week after week gauges. Ordinary size firms regularly produce week by week and month to month conjectures. Little organizations may not make formal money gauges as a result of absence of data and little scale tasks. Be that as it may, if little firms profit projections, it is done on a month to month premise. As powerful development and business activities are confused, money arranging is unavoidable for its proceeded with progress.

FACTORS THAT IMPACTS THE SIZE OF CASH BALANCE

➤ Availability of short-term credit:

To abstain from holding pointless extensive money streams, most associations attempt to make an arrangement of credits on the off chance that they are sudden necessities. Through such an agreement, cash will possibly pay premium just when the cash is utilized.

➤ Money market rates:

It very well may be chosen that cash ought not be put resources into bringing less benefit. Despite the fact that misfortune or benefit is little, it doesn't damage to make an advance. Then again, loan costs are high, each extra rupee is contributed.

➤ Variation in cash flows:

On account of money streams, a few associations experience broad variances. A firm with fixed money streams can spare a genuinely uniform money balance.

➤ Compensating balance:

In the event that an advance is obtained from a bank, the company's understanding is required to keep up a base parity in its records. This is called adjusting balance. Thus, it is important to utilize an ensured store that does not ensure the bank's administrations. Premium free store is a bank answer for its recommendation and help.

CASH MANAGEMENT – BASIS STRATEGIES

The board After learning money status through a money spending plan, essential systems must be done to keep up its money.

CASH CYCLE:

The money cycle alludes to the procedure used to buy items that supply items, which are then sold to customers.

$$\begin{aligned} \text{Cash cycle} &= \text{Average age of firm's inventory} \\ &+ \text{Days to collect its accounts receivables} \\ &- \text{Days to pay its accounts payable.} \end{aligned}$$

The cash turnover means the amount of times firm's cash is used during reporting period.

$$\text{Cash turnover} = \frac{360}{\text{Cash cycle}}$$

CASH FLOW STATEMENTS CONSIST OF 3 ASPECTS:

- Cash flow from operating activity.
- Cash flow from investing activity.
- Cash flow from operating activity.

An organization's benefit is appeared net gain on the pay explanation. Total compensation is the primary concern for the organization. Be that as it may, in light of the accumulation bookkeeping, total compensation does not really imply that all receivables were gathered from their clients.

Income Statement

An income proclamation has three unmistakable segments, every one of which identifies with a specific part - tasks, contributing and financing - of an organization's business exercises. The following is the commonplace organization of an income explanation:

Income from Operations

This segment reports the measure of money from the salary articulation that was initially provided details regarding a gathering premise. A couple of the things incorporated into this segment are accounts receivables, accounts payables, and salary charges are payable.

In the event that a customer pays a receivable, it will be recorded as money from activities. Changes in current resources or current liabilities (things due in one year or less) are recorded as income from activities.

Income from Investing

This segment records the income from deals and buys of long haul speculations like fixed resources that incorporate property, plant, and gear. Things incorporated into this area are buys of vehicles, furniture, structures, or land.

Regularly, contributing exchanges create money surges, for example, capital consumptions for plant, property and gear, business acquisitions and the buy of speculation securities. Money inflows originate from the closeout of advantages, organizations, and securities. Speculators regularly screen the capital uses utilized for the upkeep of, and increments to, an organization's physical resources for help the organization's task and intensity. To put it plainly, financial specialists can perceive how an organization is putting resources into itself.

Income from Financing

Obligation and value exchanges are accounted for in this segment. Any money streams that incorporate installment of profits, the repurchase or clearance of stocks, and securities will be viewed as income for budgetary exercises. Money got from taking an advance, or money used to settle the long haul obligation recorded in this area.

For financial specialists who favor profit paying organizations, this area is vital since it demonstrates money profits paid since money, not total compensation is utilized to pay profits to investors.

Income Analysis

An organization's income can be characterized as the number shows up in the income explanation as net money given by working tasks, or "net working income." However, there is no all around acknowledged definition. For example, numerous money related experts consider an organization's income to be whole of

its overall gain and deterioration (a non-money charge in the salary articulation). While regularly approaching net working income, the easy route can be incorrect and speculators should stay with utilizing the net working income figure.

Free Cash Flow

The free income (FCF) is regularly characterized as a lower venture cost of income for a net activity. Free money streams are a noteworthy measure that indicates how powerful the organization is for money generation. Financial specialists utilize free income to evaluate that the organization may have adequate cash after speculators and capital costs to pay financial specialists with profits and offer repurchases.

To figure the FCF from income proclamation, discover the thing money streams from tasks - otherwise called "working money" or "net money from working activities" - and subtract the capital expenses for existing tasks.

You can move above and beyond by extending what's incorporated into the free income number. For instance, notwithstanding capital consumptions, you may likewise incorporate rewards for the measure of net working money streams to reach out to a progressively exhaustive open income measurement. These measurements can be contrasted with deals as appeared.

As a down to earth matter, if an organization has a past filled with profit installments, investors can without much of a stretch suspend or evacuate some genuine torment. The decrease in profit installments, however less destructive, is tricky for some investors. Venture for certain businesses is viewed as profit installments as required money capitalization, for example, capital consumptions.

It is essential to manage free money streams in numerous periods and contrast digits with organizations in a similar industry. In the event that the open income is sure, the organization will most likely satisfy its commitments, financing its working exercises and paying rewards.

LITERATURE REVIEW:

1) (Davidson et al)1999,

any vehicle of money trade, which is promptly debatable. It must be free from limitation for any business reason. Money must be met with the key necessities for general acknowledgment and accessibility for speedy utilization of money buy and advance installment. Acknowledgment to a vault bank is a typical test that applies to money things. It is a task, guideline and bookkeeping process for money exchanges and money adjusts. It conveys the cash accessible to the immediate or circuitous increment in efficiency.

Money is the cash that can circulate the organization promptly with no cash. The money term comprises of checks, monetary standards and checks made by the firm, and parities in its financial balances. Firmly related money things, for example, showcase securities or bank times stores are additionally incorporated into money. The major normal for close money resources is that they can without much of a stretch believer into money. All in all, when the firm has extra cash, it puts resources into market securities. This kind of speculation gives the firm some advantage. (Hampton, 2001).

2) **Walton and Head** (2007) clarified that money the board is the idea of improving the measure of cash, diminishing the premium earned from relaxation reserves quickly and decreasing the misfortunes brought about by the deferral of the exchange.

As per Zimmerer et al. (2008), the procedure is to anticipate, store, pay, contribute and plan the cash expected to work easily. They further include that money the executives is an imperative assignment since it is the most essential gainful property with a private company. The business must have enough cash to satisfy its commitment or to be exchanged. Moneylenders, representatives and banks anticipate that cash should be paid on schedule and money is a basic trade medium.

Money the board is essential for new and developing organizations. (Jeffrey P. Davidson et al, 1992) Cash stream in his book Although independent company has numerous customers, it offers better items than its clients and gets sterling notoriety in its industry.

Income reviews incorporate reports of a gathering of a year ago's income classified rundown and gauge money streams by supporting the investigation of the distinction between a year ago's genuine and estimate money streams. So a large portion of the principal occasions in business action abstain from keeping away from the stream of money streams and out-of-the-case forecasts (money) based on figuring time conveyances. (Wis and Woodward, 2001).

Senior teacher, Accounting School, Banking and Finance, Faculty of Commerce and Management, Griffith University, Nathan, Queensland 4111, Australia, broad, and techniques and income factors are utilized by Biver (1966), and the outcomes are produced, for example, writing "conflicting and Uncertain "and why the causes, eg: income a Te and decent variety, absence of valuation, maltikolyariti, etc. The significance of cash for liquidity and profit installments and impediments on inventive review abridges the purposes behind past irregularities and treats conceivable outcomes for future research.

4) **Seggyzahrahan, Ahmed Baskis**-Many of the strategies proposed in the writing utilize the money related assessment model to evaluate item adaptability in monetary terms and with a determinative foundation dependent on current esteem. In any case, the greater part of these techniques won't almost certainly handle issues with inadequate and questionable data. This paper proposes some dark examples to get a reasonable outcome to evaluate profitability in PC coordinated assembling frameworks. The ambiguous models dependent on current esteem are basically models of designing financial aspects, in which questionable money streams and markdown rates are demonstrated as triangular darken numbers. To make such a model, ambiguous current esteem equations of assembling adaptability factors are framed. Adaptability for consistent improvement, adaptability for trouble control, adaptability for work control, and adaptability for occupation control can be institutionalized utilizing odd current esteem examination. Recipes emerge both for swelling and non-inflationary conditions. By utilizing these equations, the more dependable outcomes can be acquired for the idea of adaptability explicitly portrayed in numerous theoretical measurements. These models permit the language interpretation of specialists on PC connected generation frameworks.

5) The investigation of Quangmin Park together explored the interconnections between capital structure, open income, enhancement and firm execution. Early research analyzed every individual's relationship independently, however each of the four units were firmly related and had complex interconnected connections. Along these lines, joint testing is required to all the more likely comprehend the connection between them. The consequences of this examination demonstrated that irrelevant broadening limits are not brought about by free money streams but rather because of enhancement usefulness. Free income builds the related and random enhancement entropies, which contradict free development against the possibility of free income increments. The investigation found that obligation control is a viable method to diminish free money streams and increment proficient execution. Specifically, for disconnected enhancement organizations, obligation control legitimately lessens the negative impacts of inconsequential decent variety on the execution of the firm. It in a roundabout way opposes the level of inconsequential assorted variety through free aberrant stream. Further exchange and industry impacts are additionally given in the paper.

6) **Andreas Charitou, EDWARD KETZ** - as of late in the United States and Canada, there has been a confidence in income detailing that expands the premium and income data showcase esteem.

Notwithstanding, a little research is committed to this point. Control organizations in the US (Financial Accounting Standards Board) and (Canada's Chartered Accountants Organization) have a business that reveals money streams independently from tasks, fund and venture exercises in income articulations. Data on income articulations is relied upon to enable speculators to decide the association's liquidity, money related adaptability and hazard. Then again, the British Accounting Standards Committee (ASC) does not require the Statement of Cash Flows. The examination utilizes a cross-sectional value assessment model to analyze the blend of money streams by contributing exercises with operational, monetary and security rates. For a multi year time of 1976-85, 403 U.S. The aftereffects of this examination show that there is a solid connection between's income articulations and different money streams of the company's reasonable worth.

7) **Shyam B. Bhandari**-2008-2010 years Business Failures During Financial Depression USA is Uncommon. The reason for this paper is to make another model for anticipating business disappointment, utilizing the announcement of income proclamation based to a great extent as a future variable and prejudicial examination strategy.

8) **James V. Richardson** - Managers of Business Institutions must settle on speculation choices under states of vast or little, farming or non-formal, hazard and vulnerability. Be that as it may, in assessing speculations, the theory of impeccable information is regularly used to streamline the investigation. For instance, a land venture elective is always limited to appraise the normal yearly total compensation to assess. Capital spending writing recommends a few techniques to assess elective ventures. Nonetheless, the utilization of ideas, for example, the Payback Period, the normal pay rate, the inner money saving advantage and the net present esteem include the possibility of perfect information.

9) **Evan F. Beatler, Gerald W. Artisan** - The spending procedure variable has been created to concentrate on three research inquiries for family income the board: (1) How regularly a formal income spending plan is utilized, (2) the family qualities that it might utilize, and (3) potential advantages for the utilization of the formal spending plan. . Dissemination for a formalized spending variable is accounted for to delegates of Iowa families. This dispersion has been decreased to a vast gathering of awkward nature that report a formal arrangement, at the most minimal, whenever. Contrasted with casual organizers, formal spending organizers have the accompanying qualities: more youthful, more long periods of training, two mate families, and increasingly easygoing requests. Essential proof proposes that the advantages of aggregation of riches could really compare to the quick advantages of current proof. An inquiry is raised about the customary suspicion that families frequently utilize a formal or "standard" spending process.

10) **Olatandun J.** The reason for this investigation is to rethink the data on increment in income regarding profit changes, by profit. I have been leading a 882 organization year consider by investigating money streams on models of 63 referral offices in Nigeria amid the broad examination from 1984 to 1997. I have

utilized broad testing times than past investigations and past examinations have increasingly refined income measures, and I acquainted phony factors with catch financial arrangement changes in the economy. The blend of money streams with profit changes is tried utilizing the adjusted Lintner-Britanne demonstrate, embraced in Chartau and Wafias (1998) in the Cross segment/time arrangement information gathered from the total model reviews of 1984-97. These models are assessed at the Common Minimum Squares (OLS) technique, and in the past investigations, I locate a noteworthy connection among profit and money streams. Test results uncover that the connection between money streams and profit changes is essentially reliant on the extent of the capital structure, the measure of the capital structure, and the monetary strategy changes, at the dimension of advancement.

11) **Helen Quake** - This examination analyzes the utilization of money related data and reports, explicitly, the income data and income explanation (SCF) for credit choices by bank advance loan specialists. Money related Reports - Topics from four clients of bank moneylenders, examiners, monetary experts, and bookkeeping instruction were taken. Each theme is given yearly substance reports of two substance candidates to settle on two autonomous credit choices dependent on the data gave. SCF of an organization was given in direct structure, however others were by implication displayed. The circuitous idea of the SCF was utilized as a rental for the announcement of money streams. Results, income is the second most utilized monetary data, however the vast majority of the themes are gotten from budget reports aside from the SCF, above all, the asset report. Regarding budgetary report utilization, notes are frequently utilized for fiscal summaries as opposed to SCF. Content does not use expanded data gave in SCF straightforwardly. The outcomes demonstrate that credit authorities don't utilize the data given by the SCF, yet depend on record data gave on FFS and collection based budgetary reports.

12) **Astrid K. Choodk**: This paper gives investigation of the primary estimation of tax avoidance conceded under IFRS/IAS. Far reaching investigation demonstrates that financial specialists for the most part don't consider conceded charges, as they think about different conceded charge units and, notwithstanding extensive net conceded charge resources, the data important to evaluating the estimation of the firm. Appraisal assessment is supplemented by an investigation of conceded charge adjusting withdrawals to check whether the deficiency of the general estimation of conceded charge data might be because of absence of money streams. This supplemental investigation uncovers that around 70 percent of the conceded duty equalization will proceed after some time, raising records that diminish accounts on the four-year skyline and conceded charge resources are more switched than conceded charge liabilities. Besides, volumes uncover that most equalization inversions don't have the impacts of unimportant stream.

13) **Tim Opler, Sheridan Tittman** - This paper researches the choice of LeBrade Buying (LBO) action by contrasting the LBOs with non-firms. We find that organizations that begin LBOs have impeded venture openings (low Tobin's Q) and high income piece contrasted with free income hypothesis. LBOs are more

assorted than organizations that don't take on LBO organizations. Furthermore, most forthcoming cost associations (for instance, those with higher innovative work costs) of monetary issues are less inclined to make LBOs.

14) **George Allanis - Kaplan and Zingles** [Quart. J. Symbol. 112 (1997) 169] and unmistakably [J. Account 54 (2) (1999) 673] Cash stream is increasingly touchy to the least monetarily confined firms of venture by extensive writing on speculation income affectability. We will inspect this result by saying that the organizations are in a bad way (causing money misfortune), and the speculation does not react to money streams. Cleary results can be clarified by such negative money streams reviews, however we find that Kaplan-Zingless' outcomes can be additionally improved by some great perceptions in a littler configuration. We archive the decay of venture income in 1977-1996, especially for profoundly confined establishments.

15) **Nazariyari** - In this investigation, the effect of income factors in the money related emergency score for the chose 124 organizations from the Istanbul Stock Exchange (ISSE). It is as yet examined whether income factors descriptively affect liquidation hazard and money related soundness of organizations.. Conversely, CFF has been noted to be emphatically connected with a budgetary issue score. In the interim, the CFI's affirmed coefficient is measurably unimportant and in this manner it has been seen that it doesn't give any proof to the danger of money related handicap or organizations insolvency.

CHAPTER-3
RESEARCH DESIGN

CHAPTER 3

RESEARCH DESIGN

Meaning of Research Design:

The research design is the blue print for data collection, measurement and analysis. It is the map developed to guide research. It is part of the research planning phase. A research project is a set of methods and procedures used in the collection and analysis of the measurements of the variables specified in the research problem.

TITLE OF THE STUDY

“A study on Cash flow and cash management at **The Himalaya Drugs Company**”

STATEMENT OF THE PROBLEM

Finance is the most scarce resource in India, and therefore must be used effectively. The effective work of the organization depends on the optimal use of cash, cash flow management and distribution. Any firm that does not apply sound capital structure principles and a firm that does not accept the scientific instrument of investment and distribution in fund management will not survive in the long run. The essence of the problem lies in the fact that the company needs to examine the operational management of funds

OBJECTIVES:

1. To analyze the pattern of cash inflows from operating activities.
2. To analyze the pattern of cash outflow from operating activities.
3. To access optimum level of cash requirement of the company.
4. To draw findings and conclusions on the bases of above objectives.
5. To study and analyse the cash flow and cash management at Himalaya Drugs company.

IMPORTANCE OF THE TOPIC

The cash flow statement provides information about the cash inflows and outflows of a company for a period of one year. Therefore, the statement of cash flow is important for the following reasons.

1. The statement of cash flow helps identify the sources of cash and cash flow.
2. The statement of cash flow is important for the administration for proper cash planning and for maintaining an adequate correspondence between cash inflows and outflows.

NEED FOR THE STUDY

The importance of cash management in any industrial enterprise can not be overemphasized. In the current inflationary environment, cash management may be more important than profit management, which requires the most attention and efforts of financial managers. This requires vigilance, because each component requires a different type of treatment, and continue to focus on the skills and judgment to understand economic trends. Because of the urgency and complexity of the funds essential.

RESEARCH DESIGN

The research design used in this project is Analytical in nature the procedure using, which researcher has to use facts or information already available, and analyze these to make a critical evaluation of the performance.

DATA COLLECTION:

- **Secondary Sources**
 - Information from the company's website.
 - Books and journals relating to the topic.

TOOLS OF DATA COLLECTION:

The main tool for data collected is the secondary data and the data from the annual reports published in the websites.

PLAN OF ANALYSIS:

Plan of analysis is prepared with the help of past and current annual reports of the company.

LIMITATIONS OF THE STUDY:

- The present study is limited to one Co., i.e. Himalaya Drugs company and covers from 2014 and 2018 due to limitation of data.
- In the case of the data, Executives are not ready to disclose the information beyond the limits.

Chapter-4

Data analysis & interpretation

CHAPTER 4

ANALYSIS AND INTERPRETATION

TABLE :4.1

SHOWING NET PROFIT /LOSS BEFORE EXTRAORDINAY ITEMS AND TAX

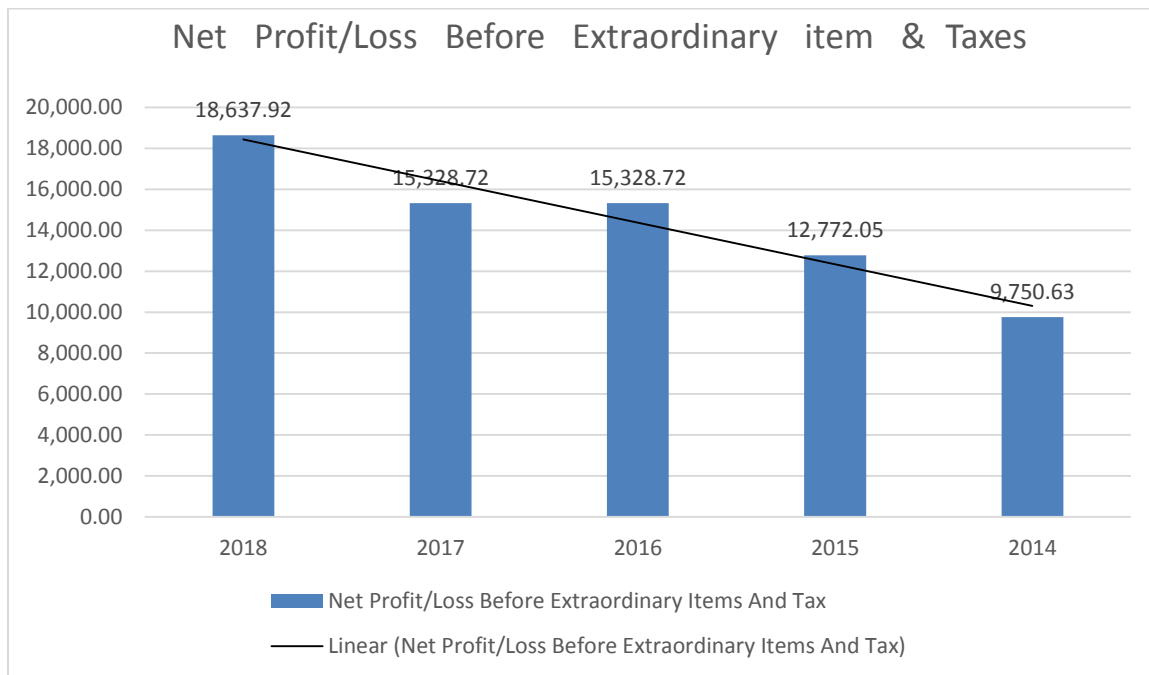
PARTICULAR	2018	2017	2016	2015	2014
NetProfit/LossBefore Extraordinary items & Tax	18,637.2	15,328.2	15,328.72	12,772.5	9,750.73
Trend percentage(%)	191%	157%	157%	127%	100%

ANALYSIS:

From the above table it is inferred that the net profit or loss before extraordinary items has kept on showing an increasing growth from 2014 as 100% in 2018 it is 191 % trend groeth percentage.

GRAPH:4.1

SHOWING COMPARISON OF NET PROFIT/LOSS BEFORE TAX



INTERPRETATION:

From the above graph we can see that the net profit\loss before tax has been increasing over the years and it stood highest in the current financial year.

TABLE:4.2**SHOWING THE COMPARISON OF NET CASH FLOWS FROM OPERATING ACTIVITIES**

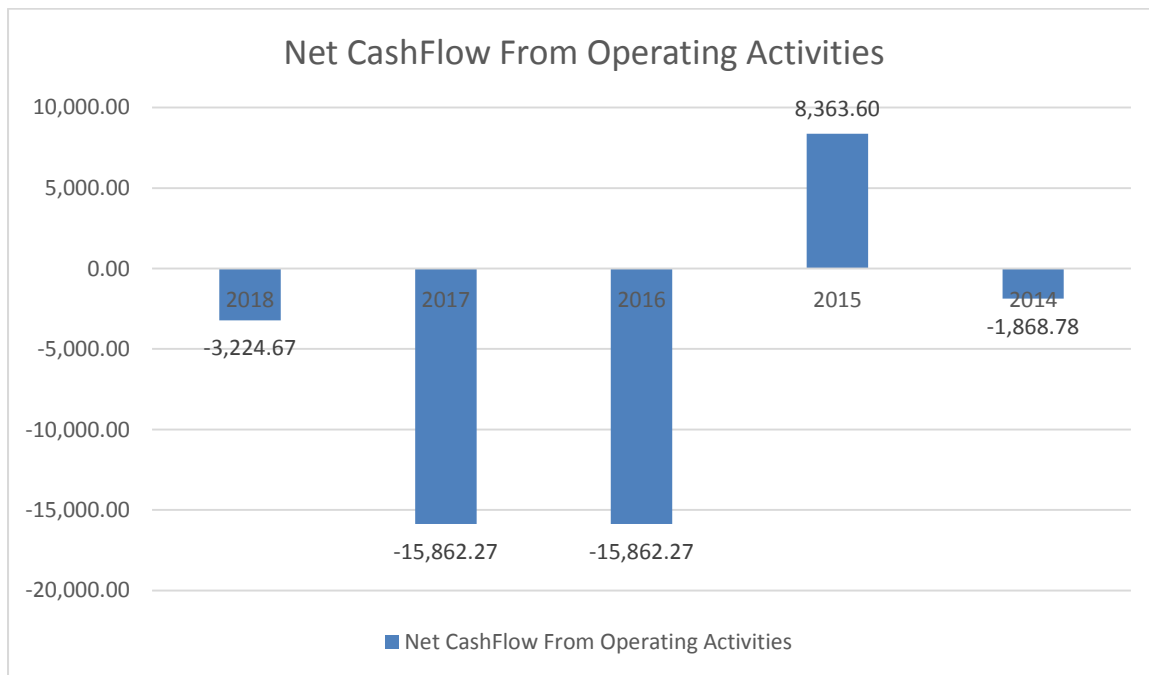
PARTICULARS	2018	2017	2016	2015	2014
Net cashflow from Operating Activities	(3,224.67)	(15,862.27)	(15,862.27)	8,363.60	(1,868.78)
Trend percentage	172.32%	-189%	-189%	178%	100%

ANALYSIS:

From the above table it is inferred that the net cash flow from operating activities has kept on showing an low high growth from 2014-2018.

GRAPH:4.2

Comparison of Net Cash from Operating Activities



INTERPRETATION:

From the above graph we can see that the net cash flow from operating activities has been decreasing over the years and it stood lowest in the current financial year.

TABLE:4.3**A TABLE SHOWING THE COMPARISON OF NET CASH USED IN INVESTING ACIVITIES**

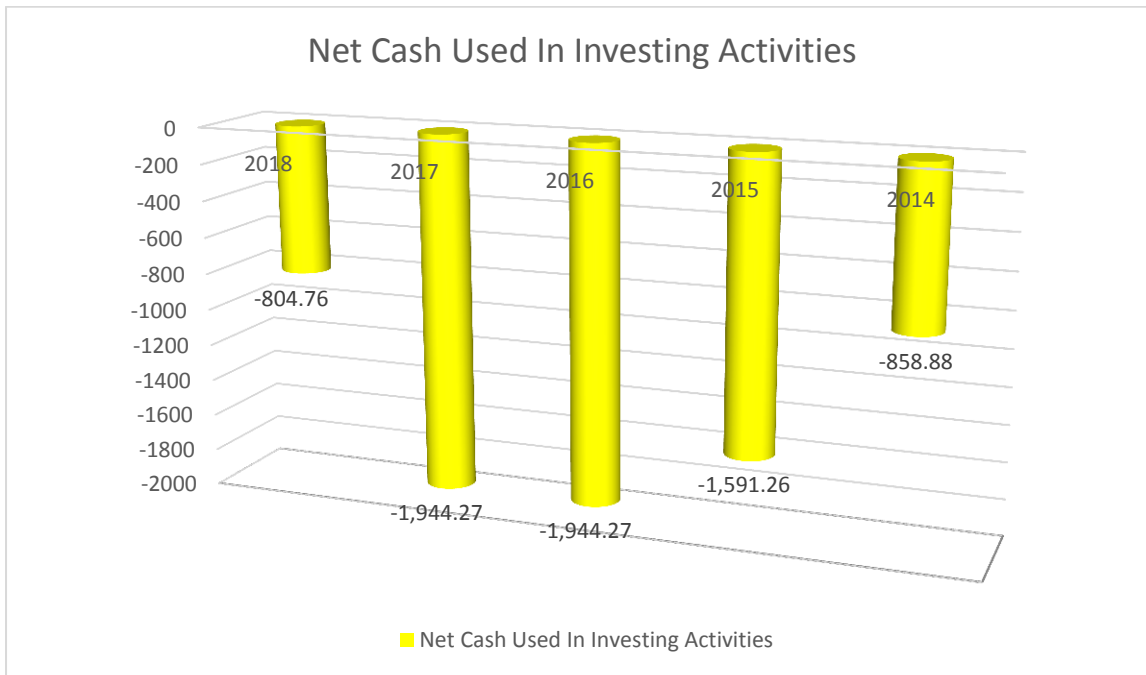
PARTICULARS	2018	2017	2016	2015	2014
Net Cashflow in Investing Activities	-804.76	-1,944.27	-1,944.27	-1,591.26	-858.88
Trend analysis	-93%	-226	-226	-185	100%

ANALYSIS:

From the above table we can see that the net cash used in investing activities for the year-858.88 and 2018-804.76.

GRAPH:4.3

Comparison of Net Cash from Investing Activities



INTERPRETATION:

From the above table we can see that the net cash used in investing activities for the year 2018-858.88 and 2018-804.76, Hence it is found that it has gradually decreased and showing a low growth.

TABLE:4.4

A table showing the net cash flows from financing activities

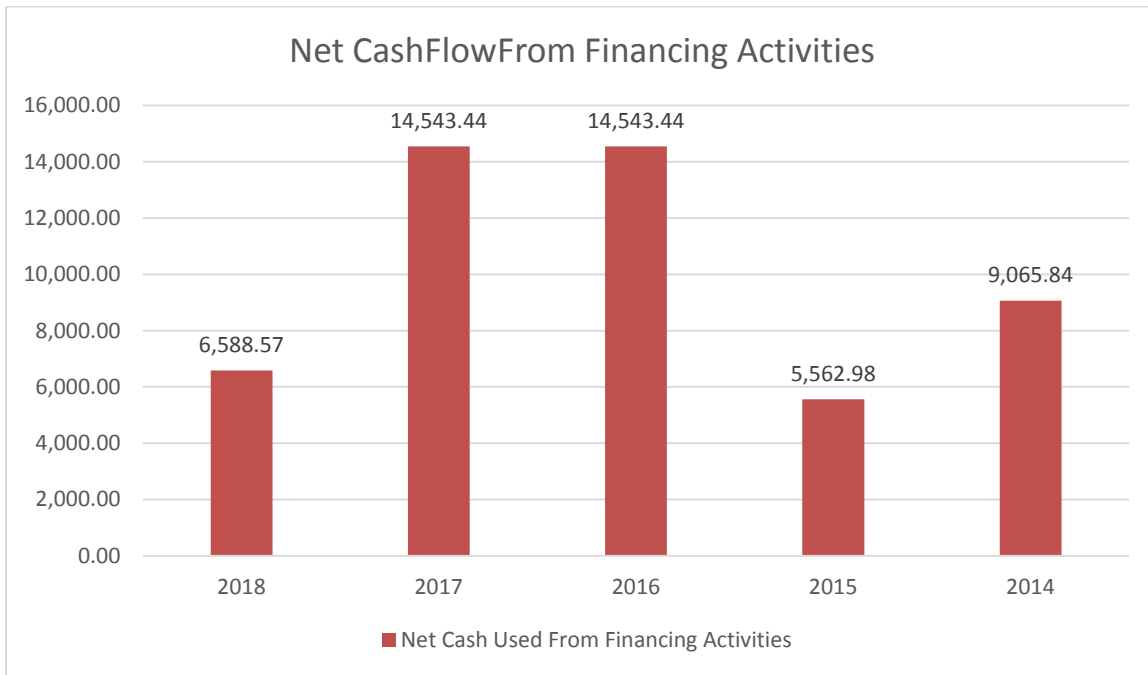
PARTICULARS	2018	2017	2016	2015	2014
Net Cash flow from financing Activities	6,588.57	14,543.44	14,543.44	5,562.98	9,065.84

ANALYSIS OF THE TABLE:

From the above table we can see that net cash flows from financing activities for the year 2014-9,065.84, and 2018-6,588.57.

GRAPH: 4.4

SHOWING THE COMPARISON OF NET CASH FLOW FROM FINANCING ACTIVITY



INTERPRETATION:

From the above graph we can see that the net cash flow from financing activity has been show a high low graph over the years and it stood moderate in the current financial year.

Ratios

TABLE:4.5

Profitability Ratios

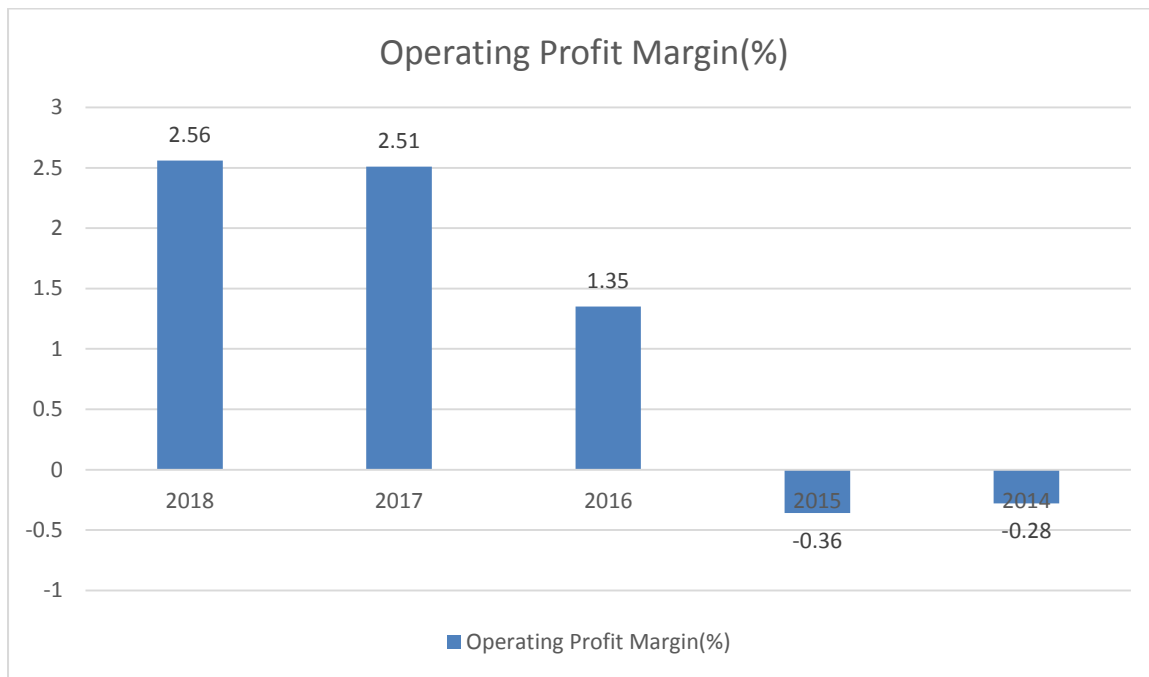
PARTICULARS	2018	2017	2016	2015	2014
Operating Profit Margin(%)	2.56	2.51	1.35	-0.36	-0.28

Analysis :

The operating profit margin increased in 2018 compared to the previous financial years. It stood at 2.56 in 2018, -0.28 in 2014.

GRAPH :4.5

SHOWING OPERATING PROFIT MARGIN RATIO



Interpretation :

The operating profit margin percentage of the Himalaya drug company has increased for the current financial year and stood highest in comparison to the past five financial years.

TABLE:4.6

SHOWING NET PROFIT RATIO

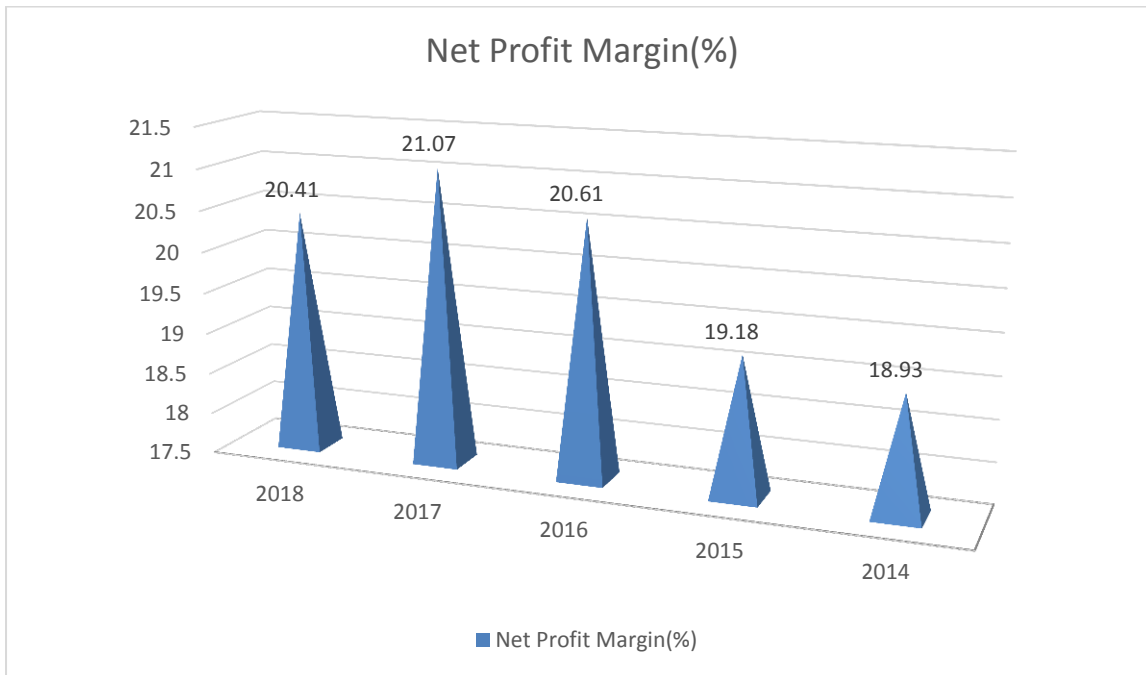
PARTICULARS	2018	2017	2016	2015	2014
Net Profit Margin(%)	20.41	21.07	20.61	19.18	18.93

Analysis :

From the above table we can see that the Net profit decreased in the year 2018. But after 2014 the Net profit has been increasing on a steady note.

GRAPH: 4.6

SHOWING NET PROFIT RATIO



Interpretation :

From the above graph we can see that the Net profit margin is a ratio of the company has decreased from its previous financial years figure in which year the figures were highest in comparison to past five financial years.

TABLE:4.7

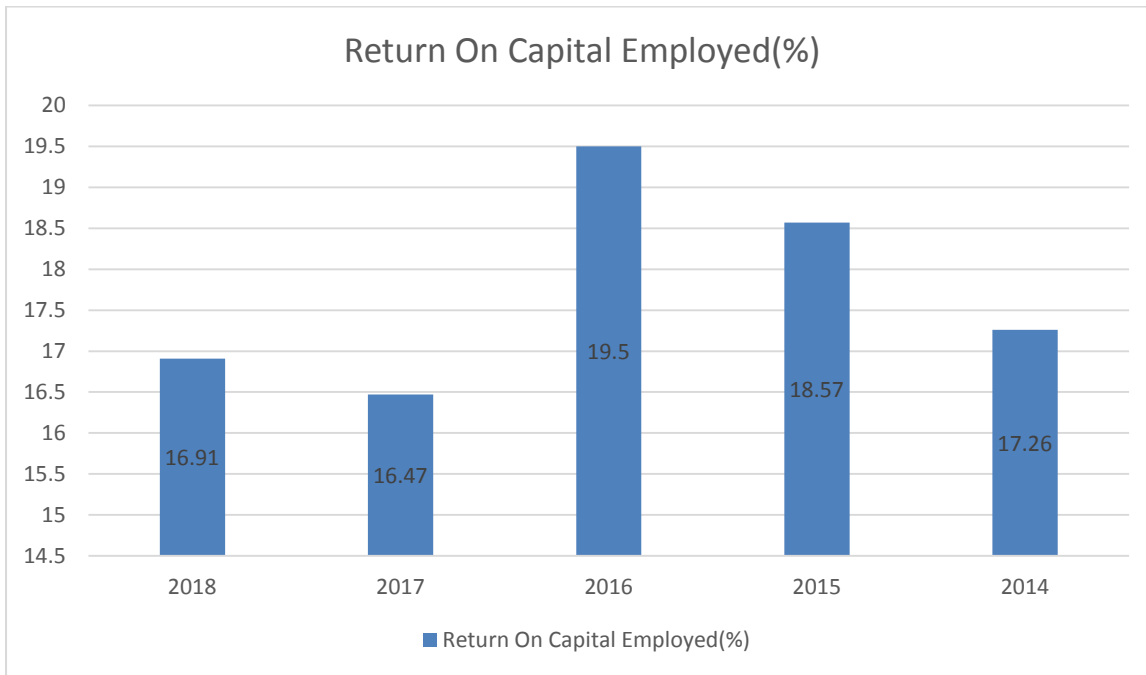
PARTICULARS	2018	2017	2016	2015	2014
Return On Capital Employed(%)	16.91	16.47	19.50	18.57	17.26

SHOWING RETURN ON CAPITAL EMPLOYED**Analysis :**

From the above table we can see that the ROCE almost doubled in the financial year 2018 compared to the other financial It has been on an increasing note from the year 2014 when it was at 9.83% . But the highest ROCE is in 2018 with 16.70%

GRAPH:4.7

SHOWING CHART OF RETURN ON CAPITAL EMPLOYED



Interpretation :

The above graph drawn from the table shows us that Return on capital employed (ROCE) the Himalaya Drug company has been efficiently using its capital investment.

TABLE:4.8**CURRENT RATIO**

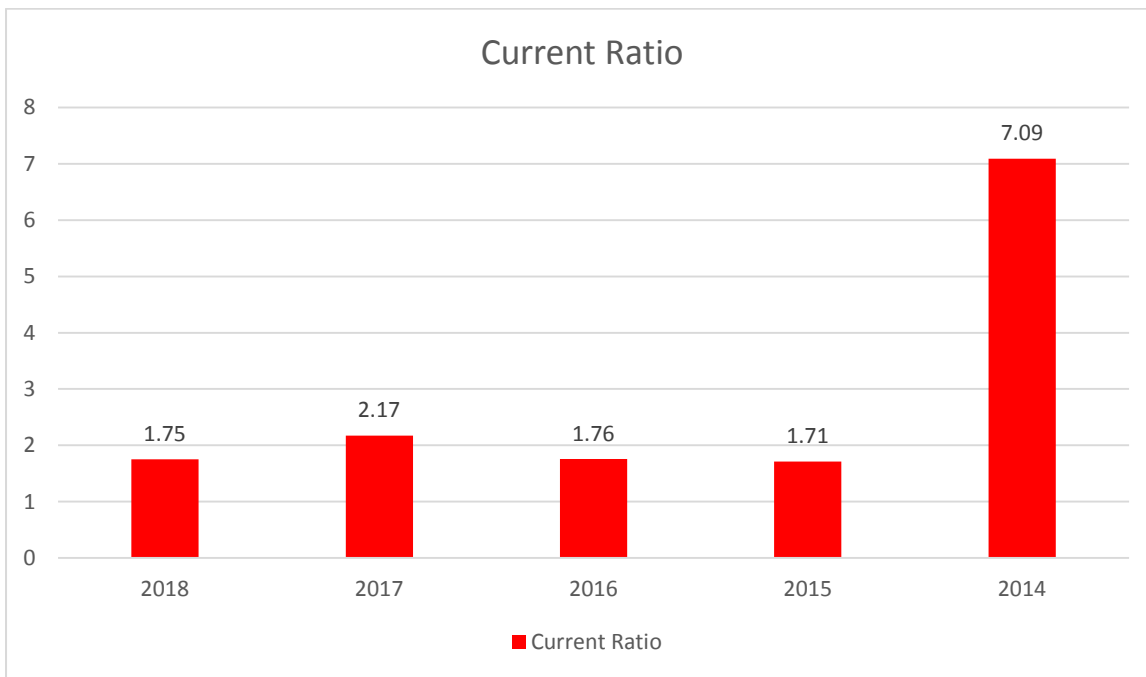
PARTICULARS	2018	2017	2016	2015	2014
Current Ratio	1.75	2.17	1.76	1.71	7.09

Analysis :

From the above table we can see that the current ratio for the Himalaya Drug company is at 1.75 which decreased from the previous financial year from 2.17. which was an increase from 2016 of 1.76. It was way higher in 2014 with 7.09.

GRAPH :4.8

CHART SHOWING THE COMPARISON OF CURRENT RATIO



Interpretation :

The current ratio is showing a constant value trend for the past five financial years. However it stood highest in the financial year of 2014 and then onwards, it started to decrease drastically.

TABLE:4.9

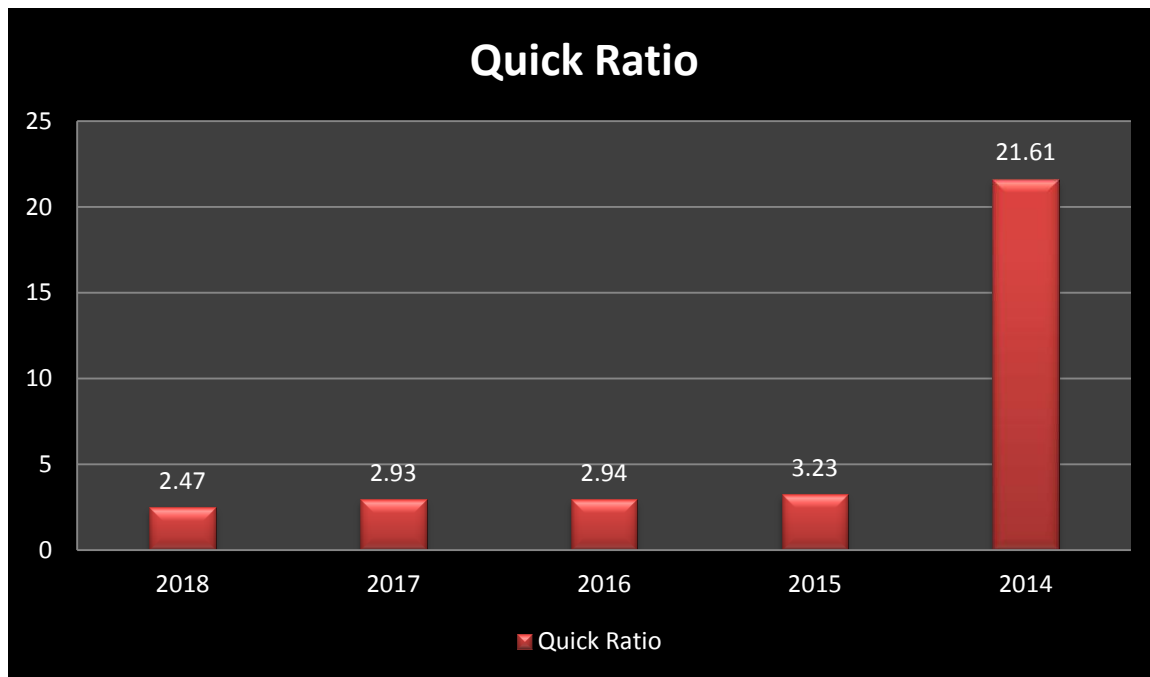
SHOWING QUICK RATIO

PARTICULARS	2018	2017	2016	2015	2014
Quick Ratio	2.47	2.93	2.94	3.23	21.61

Analysis :

From the above table we can see that the quick ratio has drastically decreased in the financial year ending 2018 with 2.47. It was 21.61 in 2014.

GRAPH:4.9



Interpretation :

From the above graph drawn has shown us that **The quick ratio is a** measure of a Company's ability to meet its short-term obligations using its most liquid assets (near cash or quick assets). From the above graph we can see that the Company liquidity capacity is good

TABLE:4.10

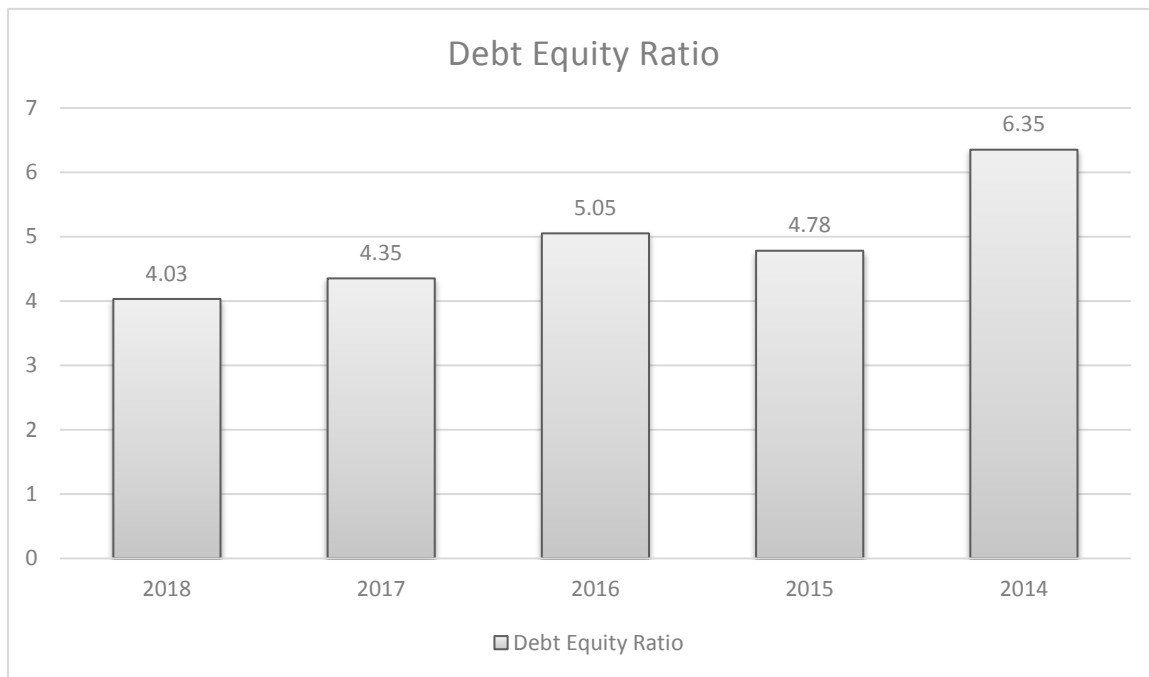
SHOWING DEBT EQUITY RATIO

PARTICULARS	2018	2017	2016	2015	2014
Debt Equity Ratio	4.03	4.35	5.05	4.78	6.35

Analysis :

From the above table we can see that the debt equity ratio has been decreasing trend from last five years.

GRAPH: 4.10



Interpretation :

From the above graph drawn we can see that the debt to equity ratio for the Himalaya Drug Company the debt equity ratio has decreased from the previous financial year

TABLE:4.11

SHOWING DEBTORS TURNOVER RATIO

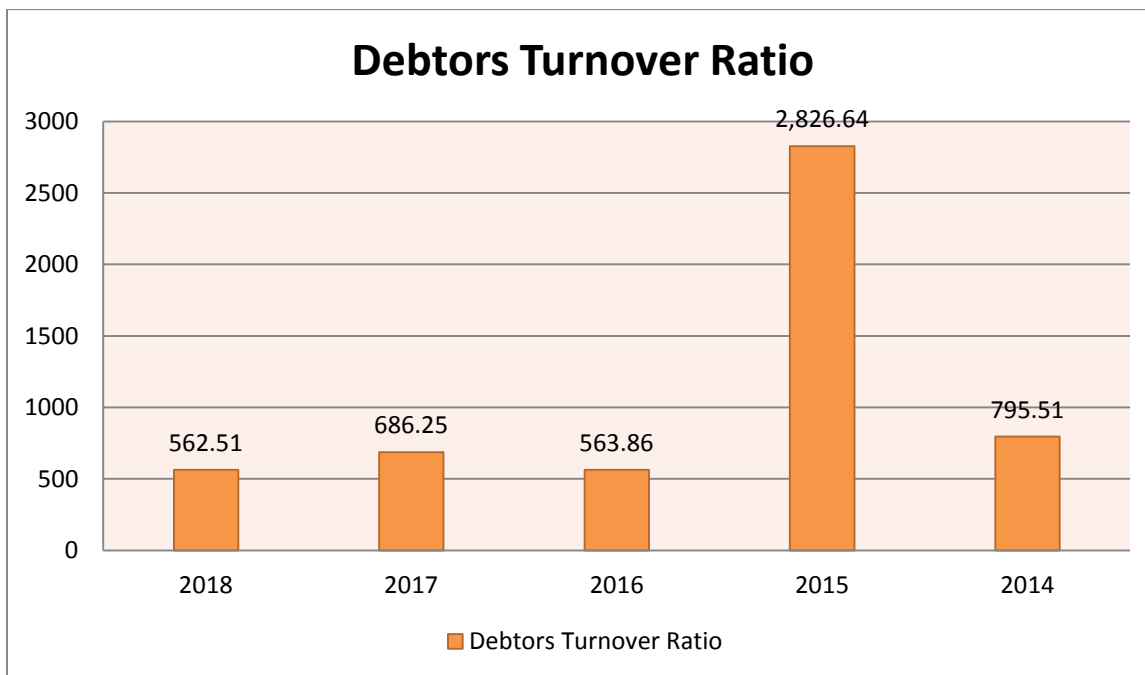
PARTICULARS	2018	2017	2016	2015	2014
Debtors Turnover Ratio	562.51	686.25	563.86	2,826.64	795.51

Analysis :

Debtor turnover ratio decreased drastically to 562.51 in the financial year 2018 from the previous financial year 2015 value of 2826.64. This is 67% decrease from the financial year.

GRAPH:4.11

SHOWING THE COMPARISON OF DEBTORS TURNOVER RATIO



Interpretation :

From the above graph drawn for the purpose of analysis has shown us that the Hiamalaya Drug Company has decreased its debtor turnover ratio over the years indicating that the company has not been able to collect its outstanding cash balances from its customers.

TABLE:4.12

SHOWING THE NUMBER OF DAYS IN WORKING CAPITAL

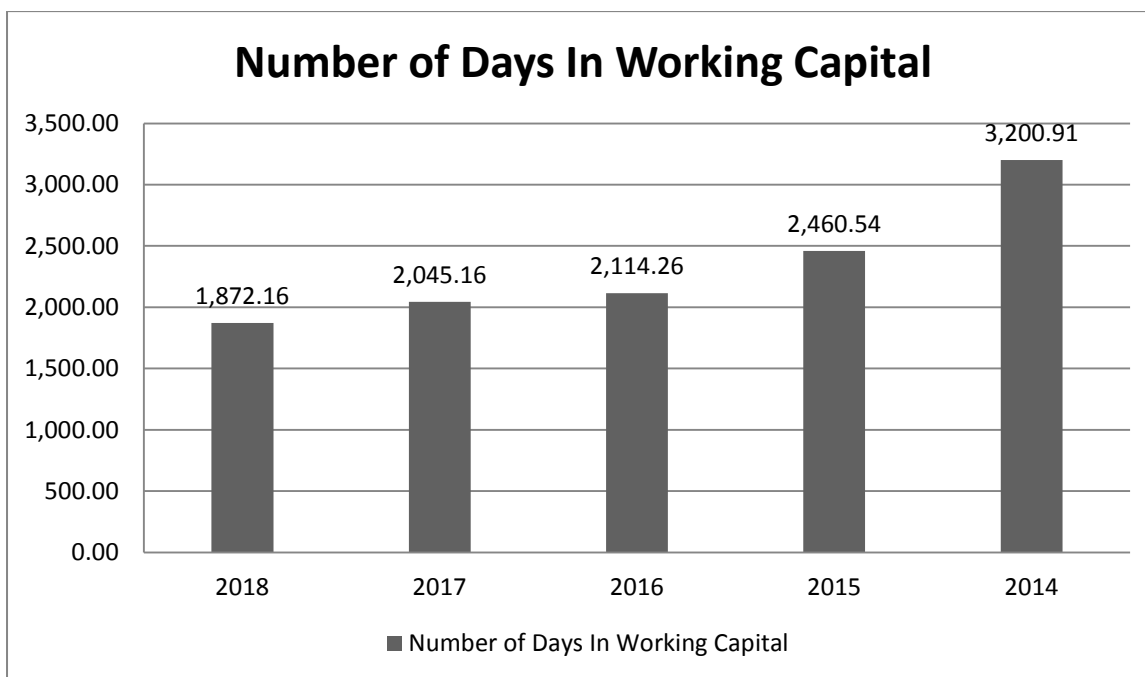
PARTICULARS	2018	2017	2016	2015	2014
Number of Days In Working Capital	1,872.16	2,045.16	2,114.26	2,460.54	3,200.91

Analysis :

From the above table we can see that the number of days in working capital has decreased by almost 50% from the financial year 2014 when it was 3200.91.

GRAPH:4.12

SHOWING NUMBER OF DAYS IN WORKIG CAPITAL



Interpretation :

The number of days in working capital is the length of time between a firm's purchase of inventory and the receipt of cash from accounts receivable. It was very high in 2014 which indicates that the company's income had come down but it started recovering in 2018

Chapter-5

FINDINGS, SUGGESTIONS& CONCLUSION

SUMMARY OF FINDINGS SUGGESTION AND CONCLUSION

FINDINGS :

1. The examination has proposed the changes in the liquidity and benefit pattern for the organization.
2. As indicated by the investigation, there are variances in the organization's budgetary control
3. The examination uncovers the relationship in money related execution pointers.
4. Shoppers have proposed that they tend to gradually expanding liquidity under the investigation.
5. The examination uncovered that the organization's benefits pattern amid the investigation was down
6. The organization has discovered that it has the most astounding monetary influence

SUGGESTIONS :

1. Interest in securities is required to energize speculator certainty and give results from organization money related examination.
2. The present proportion is quickly improving, so the organization as of now needs to keep an eye on the stream of advantages.
3. The organization is encouraged to diminish the expense every year. Bringing down expenses can expand productivity.
4. Unmistakably the organization should proficiently use its execution capital by checking on the working capital exchange proportion, which should be changed in accordance with most current resources as per the present circumstance.
5. We find that the net revenue has diminished notwithstanding the net revenue rising. So the organization ought to think about it to expand deals to build the genuine advantage
6. Organization obligation value proportion is expanding. The organization should concentrate on obligation and long haul subsidizes used by the organization.
7. The organization can utilize extra money streams or new pursuits whenever wanted.

CONCLUSION :

In the investigation of Himalayan Pharmaceutical Fund stream examination, plainly the money related execution of the organization is attractive. The organization has unfaltering development and it shows more noteworthy proficiency in every aspect of activity.

In the event that the organization utilizes its work capital, the organization that needs to accomplish it can go to the tallness. Near Income Statement Increases in net benefit for the present year and portrays the present productivity of the organization. The organization takes a stab at better execution to improve productivity and builds the organization's piece of the pie.

We trust the proposals given by the examination will help the organization effectively improve execution.

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ANNEXURE

Comparison of Balance Sheet for 5 years

	2018	2017	2016	2015	2014
EQUITIES AND LIABILITIES					
SHAREHOLDER'S FUNDS					
Equity Share Capital	505.64	501.30	501.30	479.81	475.88
Total Share Capital	505.64	501.30	501.30	479.81	475.88
Reserves and Surplus	72,172.13	61,508.12	61,508.12	42,998.82	35,738.26
Total Reserves and Surplus	72,172.13	61,508.12	61,508.12	42,998.82	35,738.26
Total Shareholders Funds	72,677.76	62,009.42	62,009.42	43,478.63	36,214.15
Deposits	546,424.19	450,795.64	450,795.64	367,337.48	296,246.98
Borrowings	53,018.47	45,213.56	45,213.56	39,438.99	33,006.60
Other Liabilities and Provisions	36,725.13	32,484.46	32,484.46	41,344.40	34,864.17
Total Capital and Liabilities	708,845.57	590,503.07	590,503.07	491,599.50	400,331.90

ASSETS					
Cash and Balances with Reserve Bank of India	30,058.31	27,510.45	27,510.45	25,345.63	14,627.40
Balances with Banks Money at Call and Short Notice	8,860.53	8,821.00	8,821.00	14,238.01	12,652.77
Investments	163,885.77	166,459.95	166,459.95	120,951.07	111,613.60
Advances	464,593.96	365,495.03	365,495.03	303,000.27	239,720.64
Fixed Assets	3,343.16	3,121.73	3,121.73	2,939.92	2,703.08
Other Assets	38,103.84	19,094.91	19,094.91	25,124.60	19,014.41
Total Assets	708,845.57	590,503.07	590,503.07	491,599.50	400,331.90

Comparison of Profit and Loss Statements

	2018	2017	2016	2015	2014
INCOME					
Interest / Discount on Advances / Bills	44,827.86	37,180.79	37,180.79	31,686.92	26,822.39
Income from Investments	14,120.03	10,705.61	10,705.61	9,036.85	7,820.26
Interest on Balance with RBI and Other Inter-Bank funds	361.61	517.10	517.10	355.99	281.63
Others	911.95	66.41	66.41	55.78	140.59
Total Interest Earned	60,221.45	48,469.90	48,469.90	41,135.53	35,064.87
Other Income	10,751.72	8,996.35	8,996.35	7,919.64	6,852.62
Total Income	70,973.17	57,466.26	57,466.26	49,055.18	41,917.50
EXPENDITURE					
Interest Expended	32,629.93	26,074.24	26,074.24	22,652.90	19,253.75
Payments to and Provisions for Employees	5,702.20	4,750.96	4,750.96	4,178.98	3,965.38
Depreciation	705.84	656.30	656.30	671.61	651.67
Operating Expenses (excludes Employee Cost & Depreciation)	10,571.66	8,580.29	8,580.29	7,191.61	6,619.07

Total Operating Expenses	16,979.70	13,987.54	13,987.54	12,042.20	11,236.12
Provision Towards Income Tax	6,507.59	5,204.03	5,204.03	4,269.41	3,275.76
Provision Towards Deferred Tax	-165.88	-91.23	-91.23	24.27	-251.42
Provision Towards Other Taxes	0.00	0.75	0.75	0.75	0.60
Other Provisions and Contingencies	2,725.61	2,075.01	2,075.01	1,587.27	1,676.40
Total Provisions and Contingencies	9,067.32	7,188.56	7,188.56	5,881.70	4,701.34
Total Expenditure	58,676.96	47,250.34	47,250.34	40,576.80	35,191.21
Net Profit / Loss for The Year	12,296.21	10,215.92	10,215.92	8,478.38	6,726.28

Comparison of Cash flow statement

	2018	2017	2016	2015	2014
Net Profit/Loss Before Extraordinary Items And Tax	18,637.92	15,328.72	15,328.72	12,772.05	9,750.63
Net CashFlow From Operating Activities	-3,224.67	-15,862.27	-15,862.27	8,363.60	-1,868.78
Net Cash Used In Investing Activities	-804.76	-1,944.27	-1,944.27	-1,591.26	-858.88
Net Cash Used From Financing Activities	6,588.57	14,543.44	14,543.44	5,562.98	9,065.84

Foreign Exchange Gains / Losses	28.24	10.92	10.92	-31.85	4.27
Net Inc/Dec In Cash And Cash Equivalents	2,587.39	-3,252.19	-3,252.19	12,303.47	6,342.44
Cash And Cash Equivalents Begin of Year	36,331.45	39,583.64	39,583.64	27,280.17	20,937.73
Cash And Cash Equivalents End Of Year	38,918.84	36,331.45	36,331.45	39,583.64	27,280.17



**ACHARYA INSTITUTE OF TECHNOLOGY
DEPARTMENT OF MBA**

PROJECT (17MBAPR407) -WEEKLY REPORT

NAME OF THE STUDENT: HARISH.M

INTERNAL GUIDE: PROF. MALLIKA B.K

USN:11A17MBA21

COMPANY NAME: THE HIMALAYA DRUG

WEEK	WORK UNDERTAKEN	EXTERNAL GUIDE SIGNATURE	INTERNAL GUIDE SIGNATURE
3 rd Jan 2019 – 9 th Jan 2019	Industry Profile and Company Profile		
10 th Jan 2019 – 17 th Jan 2019	Preparation of Research instrument for data collection		
18 th Jan 2019 – 25 th Jan 2019	Data collection		
26 th Jan 2019 – 2 nd Feb 2019	Analysis and finalization of report		
3 rd Feb 2019 – 9 th Feb 2019	Findings and Suggestions		
10 th Feb 2019 – 16 th Feb 2019	Conclusion and Final Report		

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