

PROJECT REPORT ON  
(16MBAPR407)

A STUDY ON FUND FLOW MANAGEMENT AT KSPDCL,  
BANGALORE

BY

**SANJAY**  
(1AZ16MBA59)

Submitted to

VISVESVARAYA TECHNOLOGICAL UNIVERSITY,  
BELGAUM



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

INTERNAL GUIDE:

**DR. PRAKASH. B. YARGOL**  
Professor

EXTERNAL GUIDE

**Mrs. B. SUJATHA**  
DGM (FAA) at KSPDCL



**Department of MBA**  
Acharya Institute of Technology  
Soldevanahalli, Hesarghatta Main Road, Bangalore-90

MAY 2018




ಕರ್ನಾಟಕ ಸೌರಶಕ್ತಿ ಅಭಿವೃದ್ಧಿ ನಿಗಮ ನಿಯಮಿತ  
**KARNATAKA SOLAR POWER DEVELOPMENT  
CORPORATION LIMITED**

( JV Company of KREDL, GoK & SECI, GOI )

KSPDCL/CEO/CFO/DGM(F,A&A)/AGM(A&A)/2018-19/178 Date : 23 APR 2018

**CERTIFICATE**

This is to certify that the project work titled "**FUND FLOW MANAGMENT**" has been successfully completed by **MR SANJAY**, bearing Reg No. 1AZ16MBA59, MBA Student of Acharya Institute of technology, Bangalore, during the period January, 15th 2018 to March, 24<sup>th</sup> 2018 and the report is submitted in partial fulfilment for the award of Master's Degree in business Administration of Visvesvaraya Technological University, Belgaum.

  
Chief Finance Officer  
KSPDCL

KARNATAKA SOLAR POWER  
DEVELOPMENT CORPORATION LIMITED  
2nd Floor, South Block,  
Beeja Raja Seeds Complex Building,  
Hebbal, Bellary Road,  
BENGALURU-560024

2ನೇ ಮಹಡಿ, ಸೌತ್ ಬ್ಲಾಕ್ - 2, ಬೀಜರಾಜ ಸಂಕೀರ್ಣ, ಹೆಬ್ಬಾಳ, ಬಳ್ಳಾರಿ ರಸ್ತೆ, ಬೆಂಗಳೂರು - 560 024.

2nd Floor, South Block - 2, Beejaraja Seeds Complex, Hebbal, Bellary Road, Bengaluru - 560 024.

Phone : 080 - 2351 5517, Fax : 080 2351 5518, Web : www.kspdcl.in CIN : No. : U40107KA2015PLC079223



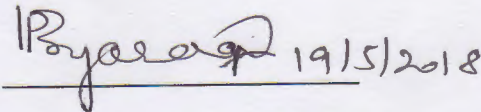
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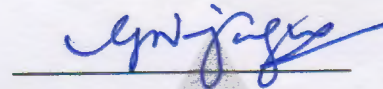
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## CERTIFICATE

This is to certify that **Mr. Sanjay** bearing **USN 1AZ16MBA59** is a bonafide student of Master of Business Administration course of the Institute 2016-18 batch, affiliated to Visvesvaraya Technological University, Belagavi. Project report on “**A Study on Fund Flow Management**” at **KSPDCL, Bangalore** is prepared by him under the guidance of **Dr. Prakash B Yaragol**, in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belagavi, Karnataka.

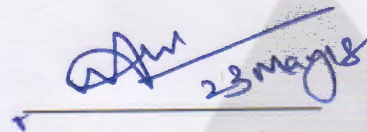
  
19/5/2018

Signature of Internal Guide



Signature of HOD

Head of the Department  
Department of MBA  
Acharya Institute of Technology  
Soldevanahalli, Bangalore-560 107

  
23/5/2018

Signature of Principal

PRINCIPAL  
ACHARYA INSTITUTE OF TECHNOLOGY  
Soldevanahalli Bangalore-560 107

# ACHARYA

## DECLARATION

I Sanjay, hereby declare that the Project report entitled Fund Flow Management with reference to KSPDCL, Bangalore prepared by me under the guidance of Dr. Prakash. B. Yargol faculty of M.B.A Department Acharya Institute of Technology and external assistance by Mrs. B. SUJATHA DGM at KSPDCL. I also declare that this Project work is towards the partial fulfillment of the university regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belgaum.

I have undergone a summer project for a period of Twelve 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: Bangalore

Date: 22/05/2018

Sanjay  
Mr.Sanjay

## ACKNOWLEDGEMENT

I wish to pledge and reward my deep sense of gratitude for all those who have made this project come alive.

My sincere thanks to **Dr. S.C Pilli** Principal, **Dr. Mahesh** Dean Academics and **Dr.Nijaguna G.** HOD of Department of MBA of Acharya Institute of Technology, Bangalore for the academic support and motivation given for pursuing this project.

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I would like to thank the Manager **Mrs. B. Sujatha** External Guide for allowing me to undertake this project work at Karnataka Solar Power Development Corporation Limited. Last but not the least; I would like to thank all the employees of KSPDCL, Bangalore for their immense support and cooperation given to me during working on this project.

Place: Bangalore

**SANJAY**

Date:

USN:1AZ16MBA59



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## EXECUTIVE SUMMARY

The research topic is “A study on Fund flow management” which is conducted at Karnataka Solar Power Development Corporation Limited, Bangalore. The expression "fund flow" alludes to changes or changes in assets or changes in working capital amid typical business exchanges. Changes in adjust of adjust of completed cash of records receivable Raw materials, work expenses, and wage capital Liquidity might be as liquidity inflow or outpouring of liquidity.

Daylight based essentialness is the most plentiful imperativeness source in nature. Sun based photovoltaic (PV) is a procedure for creating power through the PV effect. Daylight based sheets will be used for PV age including different sun based cells containing PV materials.

Karnataka Solar Power Co., Ltd. (KSPDCL) was shaped by a joint wander amongst SECI and KREDL on March 12, 2015 as per the 2013 Company Law, and has effectively built up the main sun based stop in Tumkur District with a total limit of 2,000. MW.

The expression "Flow of funds" changes in fund amid typical business exchanges. Change in financing might be as inflows or outpourings of liquidity. As such, any expansion or diminishing in working capital

The importance of fund flow management are it highlight the diverse sources and applications or employments of assets for the two bookkeeping time frames, focus on money related quality and shortcomings, it is a successful instrument to gauge the reasons for changes in working capital.

The objectives of the study isto study the finance function of the organization and its nature, to analyze the overall fund management of the KSPDCL during 2015-18, to analyze the financial performance of the company using various ratios.

This study just tends to the three spending yearly reports assigned by the association. As far as instruments, exchanges, and so on., the showed examples may change from year to year. To think about this, a exam to survey a ultimate purpose of arranging the Fund management. This gives the all inclusive community division unit more broad comprehension and work.

The kind of research as a part of this task is distinct research outline. The primary objective of the investigation is to portray the present situation. The examination is a completely clarified reality discovering examination. Primary and secondary data has been used as a sources.

By conducting this study it is found that, organizations utilize present day hardware for new undertakings, the organization expanded its working capital in 2017-18, according to government rules, KSPDCL has recorded development in all regions effectively actualized under its improvement activity design, the organization has not put resources into the previous three years, the income from working exercises in 2017-18 expanded, the income from speculation exercises expanded in 2017-18, the organization's net benefit for 2015-16 is 100%, It will increment by another 138.55% from one year from now to 2016-17 and will diminish by 110.33% from 2017-18, so the organization did not get more benefits, but rather it changed each year.

KSPDCL finance administration investigate has dependably been an imperative wellspring of information. KSPDCL prepares and conveys supports in an extremely effective and orderly way, making a decent space for development and development. The organization's long standing proclamation has reliably shown great money related wellbeing and execution.

# CHAPTER 1

## INTRODUCTION

### 1.1 INTRODUCTION

A standout amongst the most basic objectives of the organization is to profit. Long haul survival expects organizations to have the capacity to manage any liquidity issues that emerge for the time being. Essentially any organization must focus on benefit and smother the dissolvable money related status. The business' money related articulations demonstrate the benefits, liabilities and capital at a specific date and the benefits or misfortunes over some undefined time frame. Notwithstanding, it is conceivable that the business is gainful, the money related position is great, and money or working capital may even now be deficient. In the event that administration needs to comprehend the utilization of money, monetary explanations can't make a move.

A) Fund alludes to money:

Under this idea, the expression "stores" is utilized just in the feeling of money and bank adjusts. Here, just money and bank changes are considered. In this manner, this announcement is known as the "income explanation."

This announcement tries to list the different things that outcome in changes in the money adjust between the two monetary record dates.

B) Fund alludes to working capital:

Working capital is the bit of current resources that surpass current liabilities. This implies  $\text{working capital} = \text{current resources} - \text{current liabilities}$ . This is another approach to quantify changes in budgetary conditions. Every one of these exchanges that expansion or decline working capital are incorporated into this announcement. It prohibits all tasks that don't influence working capital.

The expression "finance stream" alludes to changes or changes in assets or changes in working capital amid typical business exchanges. Changes in adjust of adjust of completed cash of records receivable Raw materials, work expenses, and wage capital Liquidity might be as liquidity inflow or outpouring of liquidity. At the end of the day, any expansion or lessening in working capital at the season of the exchange is called "finance stream." If the segments of working capital outcome in an increment in the reserve, it is known as a store inflow or store source. Additionally, if the working capital segment influences the monetary circumstance, it is dealt with as a reserve surge.

For instance, if a reserve that ascents by issuing shares is to be viewed as a wellspring of assets or an inflow of assets. This exchange brought about an expansion in monetary conditions. In that capacity, the assets used to buy a machine will be considered as an application or utilize reserve or capital surge since it lessens the capital position. The intention of estimating exchange execution, operational productivity, benefit, and money related notoriety is through exchanges, wage proclamations, and asset reports.

These monetary proclamations are set up to see the business' gross salary or general misfortune, web benefit or web misfortune, and money related prevalence inside a specific period. From a management factor of view, the viability of the measurements provided with the guide of those pay articulations is intense and green. In the best possible sense, they won't uncover the idea of all exchanges. Leasers, purchasers, and numerous others. all need to choose or analyze the sources and uses of spending plan used by the connection in order to take growth in the predetermination. In light of these foundations, it's far important to examine the modifications in assets, liabilities, working capital and capital among the added substances of the three-year money related articulations. Budgetary attestation investigation encourages administration to give more data in an important way.

## 1.2 INDUSTRY PROFILE

Daylight based essentialness is a practical power source resource that is generally quickly open and is fundamentally non-debasing. The uniqueness of daylight based development lies in its broad assortment of uses in sun based photovoltaic (PV) and sun fuelled warm progressions, where the glow made can be used for home and mechanical applications and power age. China's first sun based farthest point has been presented, by then by Japan, Germany, the United States and Italy.

As a tropical country, India has more than 300 splendid days a year, making a perfect circumstance for the use of daylight based imperativeness. As demonstrated by the Ministry of New Energy and Renewable Energy (MNRE) of the Government of India (GoI), the country gets more than 5,000 trillion kilowatt-hours of sun situated essentialness consistently, and India's step by step ordinary sun fuelled event ranges from 4.0 to 7.0 kWh/m<sup>2</sup>. . The sun controlled imperativeness potential in India is similar to around 600 billion kilowatt-hours of essentialness consistently.

By 2022, the target of the Nehru National Solar Energy Project (JNNSM) is to accomplish 20 GW, and the Indian government has refreshed it to 100 GW. Despite JNNSM, Indian states have set up a couple of plans through their different sun based essentialness courses of action. Karnataka is a state in India that executes considerable scale megawatt-confine reaches out in the state as showed by its state technique as modified once in a while. Remembering the true objective to give expand designs more comfort, MNRE enables the headway of sun based stops through module beguilement models. In sun based parks, the governing body will outfit originators with the critical land and basic structure (system, water and power takeoff, et cetera.). In Karnataka, state center point affiliation Karnataka Renewable Energy Development Agency (KREDL) is stressed over its daylight based imperativeness approach and patrons the change of sun controlled stops in the state.

Karnataka has around five daylight based stops and works together with the Indian Solar Energy Corporation (SECI) and the Indian government. There are around 25 such stops the country over.

## **1.3 COMPANY PROFILE**

Karnataka Solar Power Co., Ltd. (KSPDCL) was shaped by a joint venture amongst SECI and KREDL on March 12, 2015 as per the 2013 Company Law, and has effectively built up the main sun based stop in Tumkur District with a total limit of 2,000. MW.

In such manner, KSPDCL chose 10,541 sections of land of 5 towns in Thirumani, Rayachuru, Balasamudra, Vallur, Kyathaganacherlu, NagalamadikeHobli, PavagadaTaluk, Tumkurdistrict, and Karnataka states to set up a sunlight based stop of 2,000 MW.

### **Board of Directors**

- **Sri. D. Nagaraj, Chairman - KSPDCL**
- **Sri. ChinniahKannan, Director (Finance) – Solar Energy Corporation of India**

### **1.31 PROMOTER**

- Karnataka Renewable Energy Development Limited (KREDL).
- Solar Energy Corporation of India Limited (SECI).

### **1.32 VISION MISSION AND QUALITY POLICY**

#### **VISION**

“Establish India as a global leader in solar energy, by creation the policy conditions for its large scale diffusion across the country as quickly as possible.”

#### **MISSION**

The mission aims at reducing the cost of solar power generation in the country and to achieve grid tariff parity by year 2022 through,

- Long term policy measures
- Large scale deployment goals
- Aggressive R&D
- Domestic production of critical raw materials, components and products.

## **QUALITY POLICY**

- Improving the quality management to produce eco-friendly solar power.
- To develop cost competitive, convenient, safe and reliable new and renewable energy supply options in the state.

### **1.33 PRODUCT PROFILE**

#### **Solar energy**

Daylight based essentialness is the most plentiful imperativeness source in nature. Sun based photovoltaic (PV) is a procedure for creating power through the PV effect. Daylight based sheets will be used for PV age including different sun based cells containing PV materials.

The sun arranged board absorbs photons delivered by sunlight in light of the electric power made by the electrons in the board. Sometimes, the made power can be used clearly from the load up, yet a significant part of the time, the framework related inverter changes over the quick present (DC) delivered by the sun arranged load up into substituting current (AC). For confirmation, the front of the sun fueled board is typified with direct glass and the back is exemplified with a plastic movie.

With a particular true objective to use daylight based essentialness, for instance, sun controlled warm utilize, mutt structures and other unmistakable sorts of advancements. High-temperature sun controlled experts use mirrors to focus light and are for the most part used to create control. Sun fueled warm essentialness is best dealt with over sun based PV, which change over sun based imperativeness particularly into control that can be used for customer purposes.

#### **Electricity generation using PV technologies**

In PV advancement, the wellspring of vitality change is the change of light clearly into control through PV modules. Sun situated sheets deliver facilitate current (DC), so daylight based parks need to change over equipment to change over it to trading current (AC), which is the sort of



structure transmission. This change is done by the inverter. The PV system produces imperativeness by changing over sun based radiation into electrical essentialness.

PV structures contain PV sheets that cover sun situated cells. Sun fueled cells are solid state semiconductor devices that change over light into arrange current. The best covering of the pot some portion of the daylight based board is made of a blend of this germanium and a little measure of phosphorus, which gives it a negative charge. The internal layer that makes up a substantial segment of the board is a mix of germanium and a little boron, giving it a positive charge. The two layers meet where they make an electric field called an affiliation point.

At whatever point light (or photons) hits the sun based cell, it will experience the glass cover and unfriendly to reflection covering on the board before accomplishing the germanium valuable stone to shield the photon from being reflected off the board and lost. Photons are transmitted to the convergence, pushing out the electrons in the cauldron. In case enough photons are ingested, the electrons will push through the crossing point and stream energetically to the outside circuit. In order to change over direct present (DC) to trading current (AC), an inverter will be used. Aerating and cooling imperativeness would then have the capacity to be used to control any usage of energy.

To be sure, they are just better types of the batteries used as a piece of the daylight based calculator. The front surface of the sun fueled board is a security glass with an against insightful covering that allows by far most of the light got by the sun based cell to diminish glare to the atmosphere. Exactly when seen particularly from the front, the nearness of the PV load up is predominantly dim, yet from a close-by see, the grid of the silver contacts is obviously discernible.

### **1.34 AREAS OF OPERATION- PAVAGADA SOLAR PARK**

In Pavagada, the sun oriented stop is a work in progress with 250 megawatts of vitality and 8 seats for every seat. It is wanted to give a 220Kv gatherer substation to each 250MW sun based forward transmission square. The 250-megawatt square is additionally subdivided into five hinders, each with a limit of 50 megawatts. Every 50-megawatt square should first be associated with a 220Kv/66Kv or 220/330V sun powered substation with a two-circuit underground link of 66Kv/33Kv. With a 66Kv/220Kv consolidated substation, the voltage will be raised again to 220Kv and will be additionally expanded to 400Kv at the proposed 400Kv/220k VPGCIL lattice substation. In this manner, the 400Kv/220Kv PGCIL framework substation will join the 765Kv/400k VPGCIL lattice substation situated in the Tumkur region close Vasanthanarsipura.

The idea of a sun based stop is essentially to upgrade the foundation cost of a sun powered photovoltaic undertaking. In sunlight based photovoltaic undertakings, the cost of foundation (arrive, network, control withdrawal, and so on.) differs from 15-25%.

The conceded expenses of sun based parks will come somewhat from MNRE's gifts and halfway from prepayments from sun oriented power generators.

In the present circumstance of energy deficiency, 90% of the power age will be acquired through the power dispersion organization of Karnataka, to be specific the proposed Pavagada Solar Park's 1,800 MW power, and the packaged power cost will be 3.50 INR to 4.50 INR for each unit. Confronting passage issues with transmission issues. National transmission misfortunes will likewise be decreased to a specific level since this age is inside and near the heap focus. The undertaking will likewise make work open doors for neighbourhood occupants to a substantial degree on account of its more power age. This land rent model can enable ranchers to acquire INR 21,000 for each section of land every year from April 1, 2016. The rent time frame is 28 years and is legitimate until March 31, 2044. It should be specified that, in each two (2) years, the lease for the principle rent for the following 28 years will increment by 5% for every annum.

### **1.35 INFRASTRUCTURE FACILITIES**

Sun oriented stop offices incorporate help foundation for control plants and wells/boring, squander administration frameworks, electrical cables, streets, distribution centers and storerooms, managerial and operational structures, brief lodging offices, development work camps and subordinate offices. Substation/trade station.

With a specific end goal to build up utility-level sun powered stop offices, key necessities include: arrive, water, availability and openness, meteorology and dynamic worldwide irradiance, shadowless zones and vital foundation. The accompanying essential necessities are quickly depicted in the accompanying subsections.

#### **a) Land**

The aggregate land territory (around 12,000 sections of land) shut for this 2000 MW sun based ranch is accepted by private landowners for a long haul rent (28-year time span) of AUD 21,000 every year, which increments by 5% like clockwork. Discussions with numerous landowners demonstrate that the planning of leasehold plots is basically because of unusual precipitation and disappointment of rural creation in the course of recent decades.

As appeared in the proposed format, the site design has been subdivided into 40 rectangular squares (50MW each) for most extreme productivity.

#### **b) Water**

The area is indistinct and questionable, and repeating semi-dry conditions are normal. The DPR record expresses that after huge endorsement by Panchayat, water amid the development stage can be met by close-by tanks. For the development and activity periods of the venture, it is important to guarantee adequate water accessibility. For clean like territories, it is important to guarantee a consistent supply of water at or close to the site to keep the loss of infectivity amid the task and support stage.

The vast majority of the O&M organize water necessities are gotten ready for clean photovoltaic surfaces and field office prerequisites. The module is generally cleaned physically by splashing water and wiping off tidy/flying creatures at first glance.

### c) Electricity departure

The voltage of the sunlight based undertaking collection station rose to 220kV and was again brought to 440kV up in the matrix substation of 440kV. The 440kV substation of the sunlight based undertaking will be associated with Madhugiri's lattice 765kV station (in the mid-air separation of 70 kilometers).

### **1.36COMPETITORS**

- Assam energy development agency.
- Mizoram energy development agency.
- Gujarat energy development agency.
- Goa energy development agency.
- Maharashtra energy development agency.
- Manipur and Nagaland renewable energy development agency
- Tamil Nadu energy development agency.
- Bihar Renewable Energy Developmental agency.
- Jammu and Kashmir energy development agency.
- Kerala non-conventional energy agency and rural technology.

### **1.37 SWOT ANALYSIS**

SWOT examination is an instrument to distinguish the points of interest, weaknesses, openings, and dangers of an association. It decides the down to earth factors that assistance organizations comprehend their potential and the difficulties they look in accomplishing their objectives.

#### **Strength**

- Adequate spending reservation.
- Provide magnificence and proper administrations.
- Very competent staff.
- Use brought together records for activities
- A solid liquidity circumstance.
- Incentives to the private division.
- The presence of neighborhood producers and designers.
- Distribute vitality supply to remote zones.
- Science and innovation and activities.
- Develop eco-accommodating tasks
- Broadcast and energize vitality preservation

#### **Weakness**

- Capital concentrated.
- Absence of satisfactory transport framework.
- Rely on outsider systems.
- Tariff rates controlled by the power administrative experts in Karnataka
- Board of trustees (KEREC).
- Technology falls behind.
- Unreliable decentralized vitality arrangements
- Insufficient customer mindfulness and reasonableness.

## **Opportunity**

- Possibly rich assets.
- Rural vitality section
- Environmental issues.
- The administration is concentrating its endeavours on the development of sustainable power source.
- Possible decisions for reasonable improvement.
- Short growth period.
- Advantageous technique and administrative structure.
- Get financial prizes
- In the long run, shabby

## **Threats**

- Natural calamities
- Lack of minimal effort financing.
- Lack of dissemination and administration framework
- Local political intercession

### **1.38 FUTURE PROSPECTS**

Karnataka Solar Power Co., Ltd. (KSPDCL) supports the budgetary change of the state. One of the crucial stresses is to get professional in the gathering business, and alongside those traces it is ordinary that by means of 2018 for each capita manipulate call for will fabricate essentially to 2,000 kWh.

Along these traces, KSPDCL expect a basic part by using propelling the headway of sensible strength source reaches out inside the state to supplement tries to cope with this request.

### **1.39 FINANCIAL STATEMENTS:**

The money related explanations are prepared to perform outer revealing commitments and are likewise utilized for basic leadership purposes. They assume a main part in building up a system for administration basic leadership. Be that as it may, the data gave in the money related proclamations isn't an end in itself since it isn't conceivable to reach important determinations from these announcements. Be that as it may, the data gave in the money related explanations is of extraordinary use in settling on choices by examining and deciphering budgetary articulations.

## **CHAPTER 2**

### **Conceptual Background and Literature review**

#### **2.1 CONCEPTUAL BACKGROUND OF THE STUDY**

##### **MEANING OF FUND**

The expression "finance" alludes to money, money reciprocals, and every single monetary asset utilized as a part of business. The aggregate sum of these assets of concern comes as individuals, materials, cash, manufacturing lines and gear.

##### **MEANING OF FUND MANAGEMENT**

Fund management is the matter of overseeing and allotting reserves for a gathering of financial specialists who pool stores. By pooling their assets, they can expand more hazard, in this manner bringing down general exchange costs and increasing proficient management - which are all exceptionally troublesome for generally financial specialists.

Under ordinary conditions, the store organization division is really in charge of the day by day work of dealing with the assets, and riches management is normally the management gave by the budgetary organizer straightforwardly to the clients. Riches administration frequently enables customers to pick assets and offices. At the higher end of the private riches part, money related counsels will enable customers to settle on resource assignment choices (discretionary subsidizing), and after that individual reserve administrator will settle on their own advantage supervision choices inside the store.

##### **MEANING OF FLOW OF FUNDS**

The expression "Flow of funds" changes in stores amid typical business exchanges. Change in financing might be as inflows or outpourings of liquidity. As such, any expansion or diminishing in working capital



For instance, a store that ascents by issuing offers will be viewed as the source or inflow of assets for the reserve. This swap brought about an expansion in money related conditions. Along these lines, the assets used to buy the machines will be dealt with as applications or assets or capital surges. Since it can diminish the reserve's open intrigue.

### **COMPONENTS OF FLOW OF FUNDS**

In order to analyze the sources and application of funds, it is essential to know the meaning and components of flow of funds given below:

- (1) Current Assets
- (2) Non-Current Assets (Fixed or Permanent Assets)
- (3) Current Liabilities
- (4) Non-Current Liabilities (Capital & Long-Term Liabilities)
- (5) Provision for Tax
- (6) Proposed Dividend

### **METHODS OF RAISING FUND**

Companies can raise fund from the following methods:

1. Retained earnings
2. Trade credit
3. Factoring
4. Public deposit
5. Commercial paper
6. Shares: Equity shares and Preference shares
7. Debentures
8. Commercial bank

## **IMPORTANCE OF FUND MANAGEMENT**

The Fund management office gets ready reserve supervision to address the issues of individuals who fill the accompanying needs:

- Highlight the diverse sources and applications or employments of assets for the two bookkeeping time frames.
- Focus on money related quality and shortcomings.
- It is a successful instrument to gauge the reasons for changes in working capital.
- It causes organization to make restorative move when there is an inconsistency between the two asset reports.
- This is a device for financial specialists to settle on viable choices when making their speculation proposition.
- It likewise gives itemized data on benefit, operational productivity and money related issues.
- Provide direction for administration on the detailing of profit arrangements, maintenance approaches and venture strategies.
- It surveys the monetary results of business exchanges including operational financing and venture.
- Explain in detail the stream of assets from various sources or utilization of assets amid a particular bookkeeping period.

## **LIMITATIONS OF FUND MANAGEMENT**

Fund Management experiences the accompanying confinements:

- It depends on chronicled data.
- The articulation does not think about exchanges including non-finance ventures.
- It likewise disregards the exchanges required between the present record or the non-current record.
- Did not give any extra data to management in light of the fact that the money related articulations were essentially revamped and submitted.

## 2.2 LITERATURE REVIEW

- **Prasanta Paul (2011):** Describes economic performance assessment - Selected NBFCs had been used for comparative studies. In this study, 5 of the indexed NBFCs have been used to analyze and examine monetary overall performance. Widely used distinctive forms of statistical equipment, including preferred deviation, arithmetic imply, correlation and so forth.
- **Sheela Christina (2011):** Reports at the monetary performance of Wheels India Ltd. Secondary facts collection strategies are used for analytical research designs. Before conducting research, researchers spent the beyond 5 years researching functions for the validity and reliability of research purposes.
- **RiedEdwardj and SrinivasanSuraj (2010):** Conduct a survey to check whether the unique items proposed by using managers inside the monetary statements are meditated in monetary overall performance or opportunism.
- **Gaur Jighyasu (2010):** Focus on measuring the economic performance of commercial institution agencies in India's non-steel minerals enterprise. This have a look at used the financial data of fifty seven Indian non-steel mineral merchandise enterprise institution businesses, which includes glass, cement, jewelry and treasured stones, ceramic tiles, and refractories.
- **AmalenduBhunia (2010):** Understanding how economic control plays an energetic function in growth with the aid of studying the financial overall performance of pharmaceutical agencies. The study took 12 years from 1997-98 to 2008-09.
- **GhoshSantanu Kumar and MondalAmitava (2009):** Researched the relationship between intellectual capital and monetary overall performance of 70 Indian banks from 1999 to 10 years of 2008. The economic overall performance measure used on this analysis is the go back on fairness, go back on belongings, and asset turnover of Indian banks.

- **Burange and ShrutiYamini (2008):** An examination of the execution of the Indian concrete industry - the focused scene. Because of the development of speculation and mechanical exercises in the concrete business, the general development of the Indian economy has prompted monetary flourishing.
- **Noel Capon et al. (1994):** Published a meta-investigation of the effect of vital anticipating money related execution. This investigation ignores essential research on corporate arranging in Fortune 500 assembling organizations. At last, it was presumed that there is a little, positive connection between key arranging and execution.
- **Robert O. Edmister (2009):** An experimental trial of disappointment budgetary proportion examination in private ventures. This investigation created and experimentally tried an assortment of strategies for examining money related proportions to foresee disappointments in private companies.
- **Edward I. Altman (1968):** Financial proportions, discriminant investigation, and liquidation expectations. This examination utilizes proportion investigation as an explanatory strategy to dissect the execution of an organization.
- **R.J. Taffler (1982):** Using discriminant investigation and money related proportion information to anticipate the disappointment of British organizations. This article investigates the operational discriminant models used to recognize UK organizations that are in danger of disappointment, and talks about their application comes about because of their improvement.
- **M Kumbirai, R Webb (2010):** A money related proportion examination of the execution of business banks in South Africa. This article examines the execution of the South African business keeping money area amid 2005-2009. This money related proportion is utilized to quantify the liquidity, productivity and credit quality execution of the five noteworthy business banks in South Africa.

- **Question Jen Yeh (1996):** Applying information envelopment examination and money related proportions to bank execution assessment. This article exhibits the utilization of DEA in money related proportions to enable Taiwanese keeping money controllers to pick up bits of knowledge into the different monetary measurements related with bank budgetary tasks choices.
- **Thomas L Zeller et al. (1997):** another viewpoint on healing centre monetary proportion examination. Money related factor examination is utilized to characterize a succinct arrangement of key monetary measures that describe the healing centre's fundamental Budgetary instruments.
- **James A. Largay et al. (1980):** Money Flow, Ratio Analysis, and W.T. Awards Bankruptcy. W.T Grant's issues, for example, liquidation, did not enhance overnight. Customary examination of proportion investigation can not uncover the organization's issues, and income examination uncovers the vast majority of the organization's issues.
- **Frederick D.S. Choi et al. (1983):** Analysis of remote money related proclamations: utilize and abuse of global proportion investigation. Remote organizations frequently abuse monetary hazard and reward measures. This article clarifies the distinctions in worldwide Book keeping principles.
- **Toshiyuki Sueyoshi (2005):** Analysis of the money related proportion of the influence business. This strategy analyzes the money related execution of 147 non-default organizations and 24 default organizations in the U.S. control/vitality showcase. This is a nonparametric discriminant examination that gives weights to the straight discriminant capacities Zhu Wuxiang and Song.
- **G.E. Halkos (2004):** Measurement of the effectiveness of the utilization of budgetary proportions by Greek business banks: Data Envelopment Analysis Methodology. This paper thinks about the utilization of nonparametric examination methods in DEA (Data

Envelopment Analysis) to gauge the execution of the Greek saving money area.

- **Keith A Houghton, David R Woodliff (1987):** Financial proportions: Forecasts of business achievement and disappointment. This article explores monetary proportions to foresee business disappointments. This relies upon the forecast of human data handling (HIP) and natural consistency.

## **CHAPTER-3**

### **RESEARCH DESIGN**

#### **INTRODUCTION**

Research design is a technique and framework for obtaining records expected to deal with an issue. Research setup is the fundamental game plan for records storing up. It demonstrates the sorts of data to be assembled, assets, and data amassing systems.

"The examination arrangement depends upon on the circumstances for the aggregation and exam of data, which plans to agree to accept the criticalness and explanation behind the exam with the budgetary parts of the technique."

This fragment proposes the arrangement of the exam, clean examinations subjects, inconvenience causes, targets, procedures, insights gathering gadgets, assess constraints, and component circumstances.

#### **TITLE OF THE STUDY**

**A STUDY ON “FUND FLOW MANAGEMENT AT KARNATAKA SOLARPOWER DEVELOPMENT CORPORATION LTD”**

#### **3.1 STATEMENT OF THE PROBLEM**

Management of fund is completely basic to any affiliation that can effectively direct backings and related activities. In this way, this subject was reviewed the cash related soundness and market position of the affiliation to give better degree to monetary experts, banks and organization.

#### **3.2 NEED FOR THE STUDY**

Reserve administration enables us to comprehend budgetary quality and shortcomings

- This is an instrument for monetary specialists to settle on dominant choices when making their venture recommendations.
- Explain in detail the stream of assets from various sources or utilization of assets amid a particular bookkeeping period.

### **3.3 OBJECTIVES OF THE STUDY**

1. To study the finance function of the organization and its nature.
2. To analyze the overall fund management of the KSPDCL during 2015-18.
3. To analyze the financial performance of the company using various ratios

### **3.4 SCOPE OF THE STUDY**

This study just tends to the three spending yearly reports assigned by the association. As far as instruments, exchanges, and so on., the showed examples may change from year to year. To think about this, a exam to survey a ultimate purpose of arranging the Fund management. This gives the all inclusive community division unit more broad comprehension and work.

### **3.5 RESEARCH METHODOLOGY**

The kind of research as a part of this task is distinct research outline. The primary objective of the investigation is to portray the present situation. The examination is a completely clarified reality discovering examination. It is the least difficult kind of research; it is worried about particular viewpoints or measurements of issue look into. The gathered information, that is, the crude material contribution for the task has been gathered, remembering the undertaking's targets and important applicable data. The technique utilized is an elucidating strategy for think aboutFollowing are the sources:

#### **SOURCES OF DATA COLLECTION:**

The data collected from the study is divided as:

- ❖ Primary data
- ❖ Secondary data



**Primary Data:**

This infers that the data gathered through direct access investigation. This was investigated through individual gatherings with subsidize administrators and record supervisors, and with the help of different associations.

**Secondary Data**

The discretionary data infers that the information that can be acquired in a convenient way is just used than the data gathered by a couple of individuals and investigators.

It is gathered through two sources:

It was collected through two sources:

**❖ Internal sources:**

Documents, reports, profiles, books of accounts, balance sheet.

**❖ External sources:** Magazines, newspapers and websites.**3.6 LIMITATIONS OF THE STUDY**

1. Because of classification, the company gave constrained data.
2. Constrained time for think about.
3. The exactness of the data relies upon the rightness of the organization.
4. It is difficult to meet with some senior administrators.
5. The venture is construct exclusively with respect to the data gave by the organization.

### **3.7 CHAPTER SCHEME**

The study is presented in the following chapter:

- **Chapter 1: Introduction**

This section is starting in nature. It gives brief presentation about the business, history, development, improvement and prospects and it incorporates a short presentation about the pertinence of budgetary control and its suggestions to the investigation and gives a concise presentation of the firm's, vision, mission, history, targets, governing body, nature of business, association structure, item profile, accomplishments, contenders, SWOT examination and future prospects.

- **Chapter 2: Background of the study and Literature review.**

This section comprise of foundation of the budgetary control from that point to now and writing audit i.e. examine articles composed by different researchers on the subject.

- **Chapter 3: Research Design**

This section manages the centre ideas of the examination outline like, the title of the investigation, proclamation of issue, extent of the investigation, goals, operational meaning of ideas, look into approach, reference period and constraints of the investigation.

- **Chapter 4: Data Analysis and Interpretation .**

This section comprises of the insights with relation to the investigation and elucidation of the information. The information which is gathered is broke down as tables and diagrams.

- **Chapter 5: Summary of Findings Suggestions and Conclusion**

This section contains the rundown of discoveries and conclusion taken from the examination from the information gathered toward the finishing of the investigation.

- **Bibliography**

This incorporates reference made to enhance the undertaking.

- **Annexure**

This is main to the venture, for example, figures, diagrams, photos and so forth.

## **CHAPTER 4**

### **DATA ANALYSIS AND INTERPRETATION**

#### **INTRODUCTION TO ANALYSIS AND INTERPRETATION**

Examination and translation is the way toward recognizing the crucial points and hindrance of a business through the best possible foundation of two ventures. There are numerous techniques for basic leadership valuable advancements, near clarifications, drift investigation, and broadly useful size depictions for usually utilized monetary administrations examination.

#### **MEANING OF ANALYSIS**

Analysis is the process by whole body of gather data facts, figures and ideas is converted into meaningful and useful information.

#### **MEANING OF INTERPRETATION**

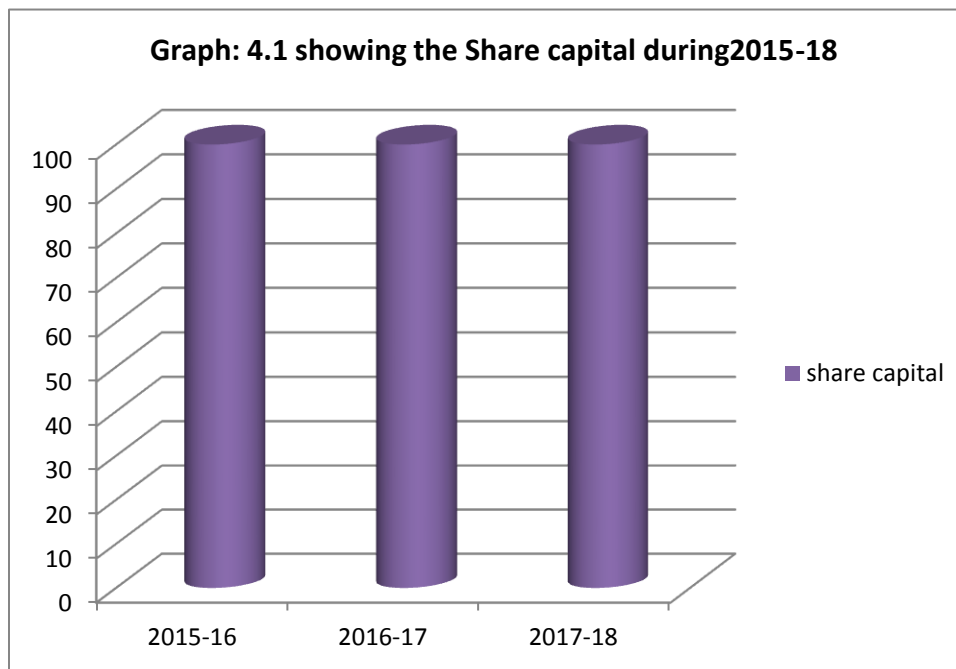
Examination and elucidation is the way toward distinguishing the points of importance and disservices of a business through the best possible base of two activities. There are numerous strategy for basic leadership helpful advances, relative clarifications, slant investigation, and universally useful size portrayals for normally utilized monetary administrations examination.

**Table: 4.1**  
**Showing the Share capital during 2015-18**

(Rupees in lakhs)

Year	Share capital	In Percentage
2015-16	50.00	100
2016-17	50.00	100
2017-18	50.00	100

(Sources: Secondarydata)



**Analysis and Interpretation:**

From the above table it is analysed that:

- The percentage of share capital in the year 2015 – 2016 is 100%
- The percentage of share capital in the year 2016 – 2017 is 100%
- The percentage of share capital in the year 2017– 2018 is 100%.

There is no change in Share capital in 2015-16 it was 50.003 lakhs, in 2016-17 and 2017-18 gradually there is no changes in Share capital respectively. From the above analysis it is interpreted that during 2015 to 2018 the Share Capital was same for three years and there is no raise and decrease. Because it's based on organization fixed certain amount to the share capital.

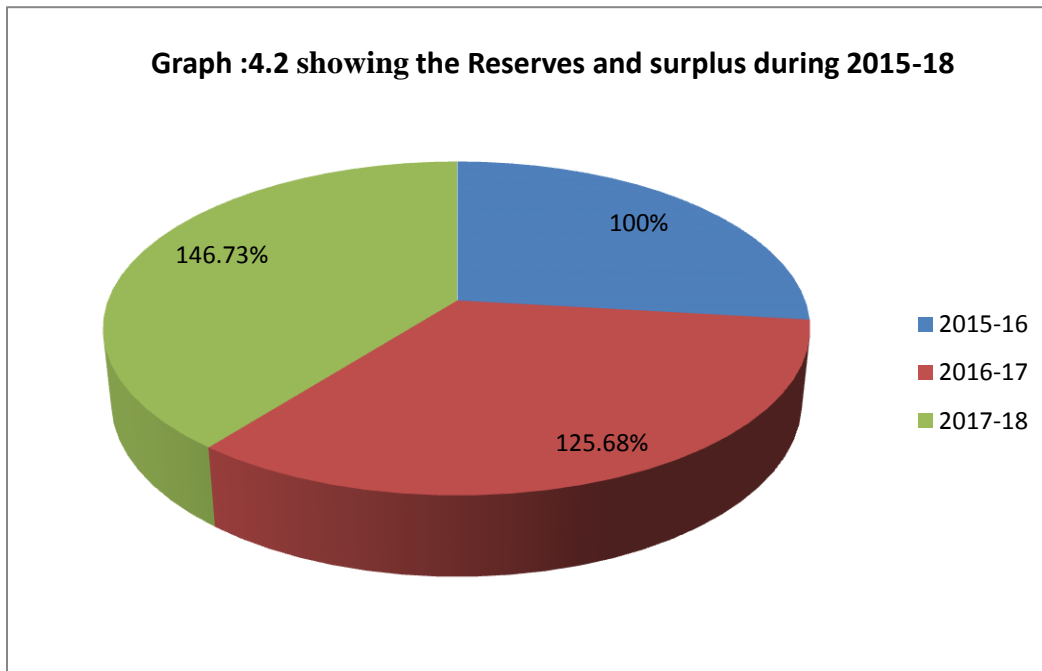
**Table: 4.2**

**Showing the Reserves and surplus during 2015-18**

(Rupees in lakhs)

Year	Reserves and surplus	In Percentage
2015-16	7,325.24	100%
2016-17	9206.98	125.68%
2017-18	10749.00	146.73%

(Sources: Secondary data)



**Analysis and Interpretation:**

- The percentage of reserves and surplus in the year 2015 – 2016 is 100%.
- The percentage of reserves and surplus in the year 2016 – 2017 is 125.68%.
- The percentage of reserves and surplus in the year 2017 – 2018 is 146.73%.

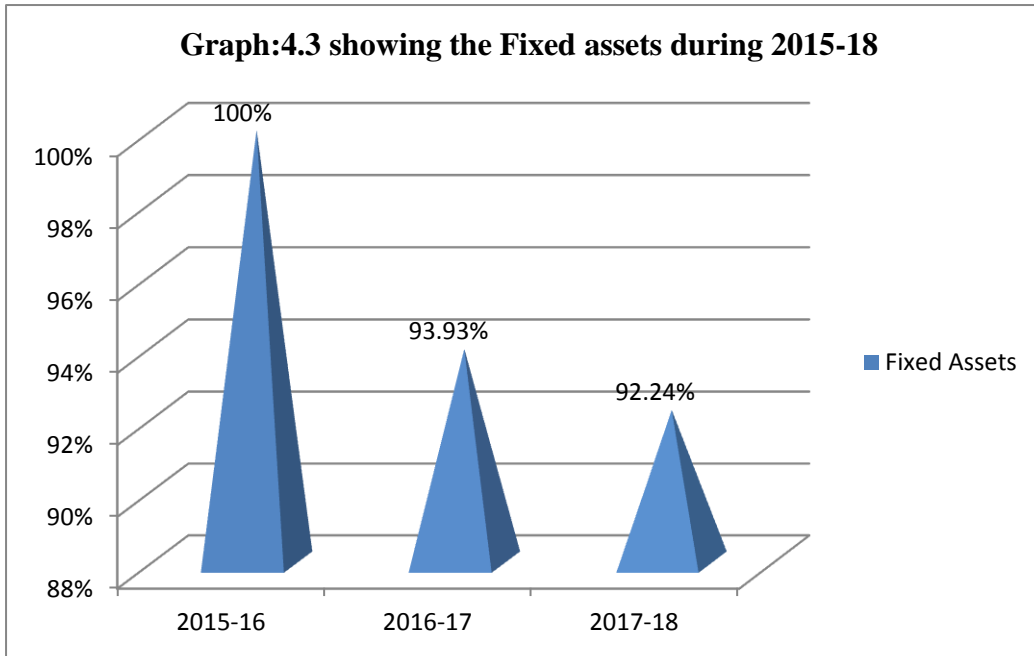
The above table shows the Reserves and surplus of KSPDCL. During the year 2015-16 the Reserves and surplus of the firm was 7,325.24 lakhs then it has been raised in the year 2016-17 from 7,325.24 to 9,206.98 and in 2017-18 it has been increased to Rs.10,749.00 lakhs. From the above analysis it can be observed that the reserves and surplus has been increased to 146.73% in the year 2017-18. It indicates the strong position of the firm and it has maintained proper reserves for the upcoming needs.

**Table: 4.3**  
**Showing the Fixed assets during 2015-18**

(Rupees in lakhs)

Year	Fixed assets	In Percentage
2015-16	477.25	100%
2016-17	448.29	93.93%
2017-18	440.25	92.24%

(Sources: Secondary data)





### **Analysis and Interpretation:**

From the above table we can analyze that:

- The percentage of fixed assets in the year 2015 – 2016 is 100%.
- The percentage of fixed assets in the year 2016 – 2017 is 93.93.
- The percentage of fixed assets in the year 2017 – 2018 is 92.24%.

The fixed asset of KSPDCL is has been gradually decreasing over a time of 3 years. During 2015-16 amount of fixed assets 477.25lakh, in 2016-17 448.29, and in 2017-18 440.25 lakh. Fixed assets of company decreasing in these years. The above graph shows the fixed assets from 2015 to 2018. It can be inferred that fixed assets of the company has been decreased from year to year. In the year 2017-18 it has been decreased to 92.24% as a percentage change. Thus it will be difficult for the company, to meet processing & sales.

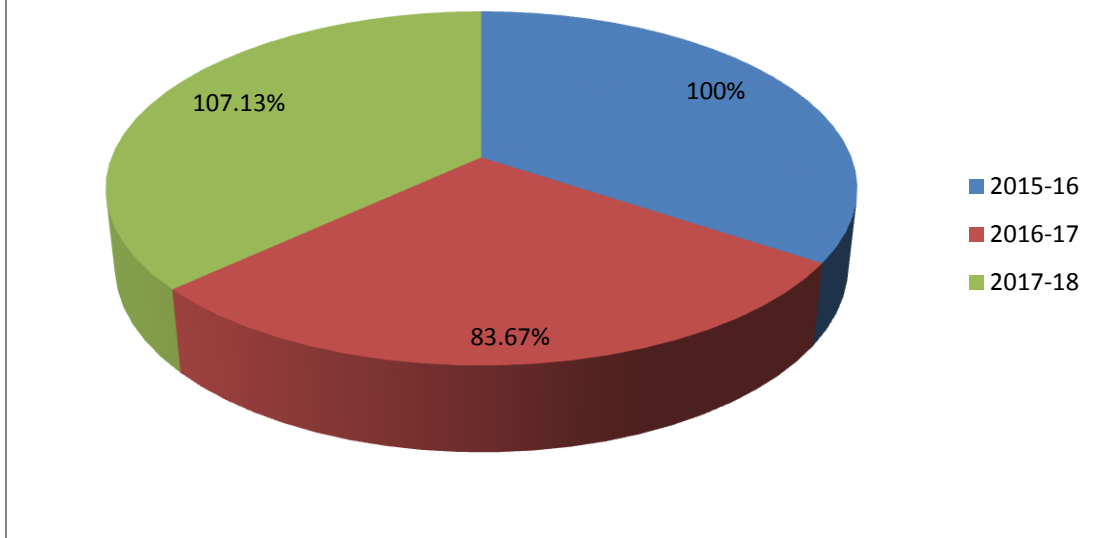
**Table: 4.4**  
**Showing the Current assets during 2015-18**

(Rupees in lakhs)

Year	Current assets	In Percentage
2015-16	22815.51	100%
2016-17	19089.38	83.67%
2017-18	24441.31	107.13%

(Sources: Secondary data)

**Graph:4.4 showing the Current assets during 2015-18**



#### **Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of current assets in the year 2015 – 2016 is 100%.
- The percentage of current assets in the year 2016 – 2017 is 83.67%.
- The percentage of current assets in the year 2017 – 2018 is 107.13%.

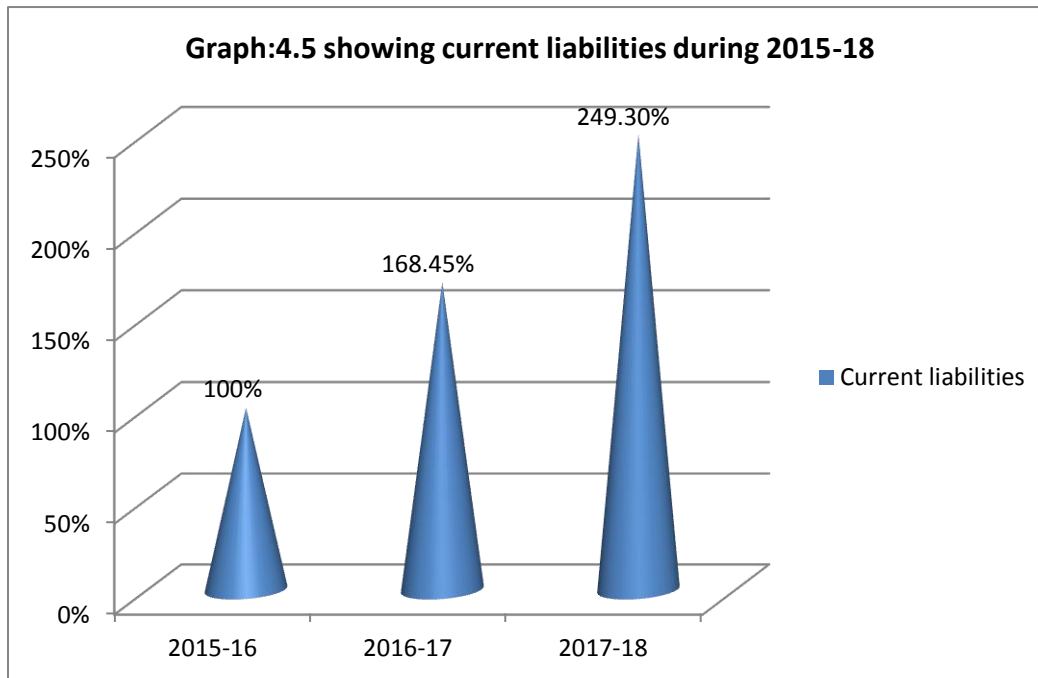
The above table showing that the Current Assets of KSPDCL has been decreased and increased from year to year. In 2015-16 the current assets was Rs. 22815.51lakhs and in 2016-17 current assets was decreased from Rs. 22815.51lakhs to Rs.19089.38lakhs that is from 100% to 83.67%. In 2017-18 current assets was gradually increased to Rs.24441.31lakhs that is to 107.13%. From the above Current assets are another item of sources of funds to the company. It's decreased & increased from year to year. The company increases current assets to reach the working capital requirements.

**Table: 4.5**  
**Showing the Current Liabilities during 2015-18**

(Rupees in lakhs)

Year	Current Liabilities	In Percentage
2015-16	5,056	100%
2016-17	8,517	168.45%
2017-18	12,606	249.3%

(Sources: Secondary data)



### **Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of current liability in the year 2015 – 2016 is 100%.
- The percentage of current liability in the year 2016 – 2017 is 168.35 %.
- The percentage of current liability in the year 2017– 2018 is 249.30%.

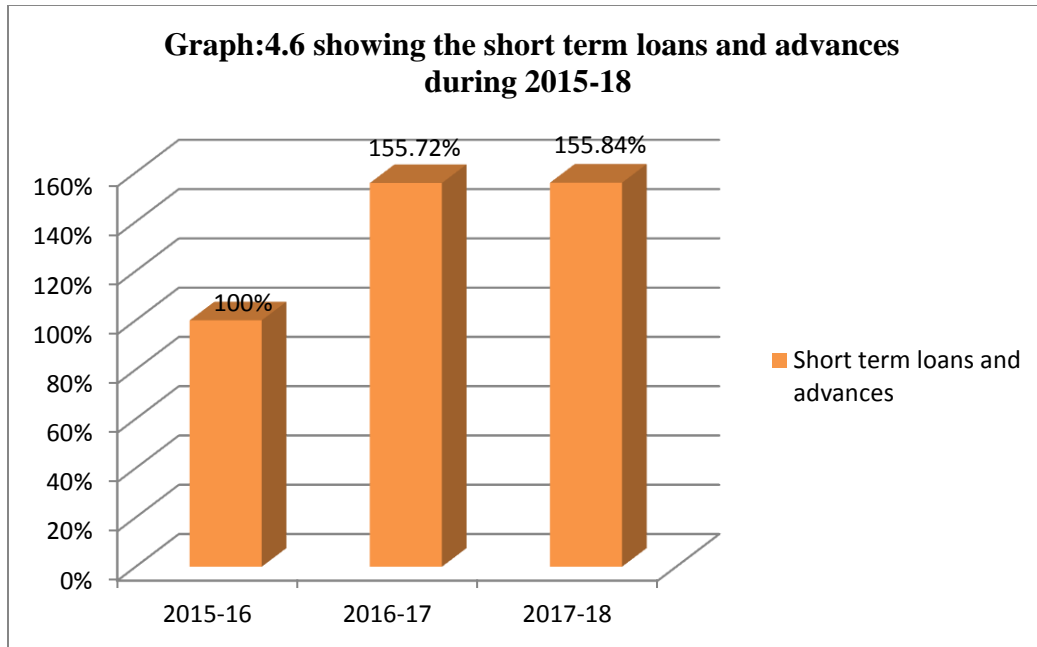
In the above table it can be noticed that the company's Current Liabilities was Rs 5,056 lakhs in the year 2015-16, Rs. 8,517 lakhs in the year 2016-17, Rs. 12,606 lakhs in the year 2017-18 Current Liabilities was gradually increased from year to year. The above graph showing that amount of current liabilities of the KSPDCL Current liabilities are gradually increased from year to year. Because it's based on interest receivables and payables. It affects the profitability's of the firm.

**Table: 4.6**  
**Showing the short term loans and advances during 2015-18**

(Rupees in lakhs)

Year	short term loans and advances	In Percentage
2015-16	907.07	100%
2016-17	1412.5	155.72%
2017-18	1413.6	155.84%

(Sources: Secondary data)



**Analysis and Interpretation:**

From the above table it can be analyzed that:

- The percentage of short term loans and advances in the year 2015 – 2016 is 100%.
- The percentage of short term loans and advances in the year 2016 – 2017 is 155.72%.
- The percentage of short term loans and advances in the year 2017 – 2018 is 155.84%.

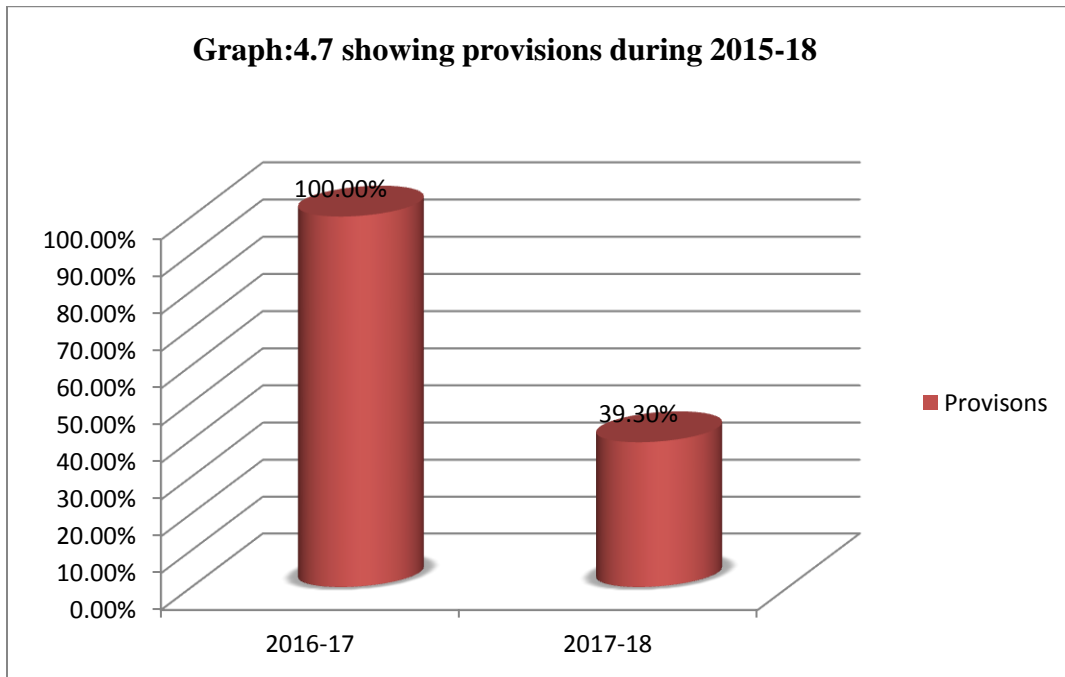
In the above table it can be noticed that the company’s short term loans and advances was 907.07lakh in 2015-16, and second year that is 2016-17 it was raised to 1412.5lakh and in the year 2017-18 there is a slight increase in short term loans and advances that is 1413.6 lakh respectively. The above graph indicates that company borrow money from bank, which it leads to development of projects. So it helps to increase in the profit of the company. In 2015-16 loans and advances was 100% later on increased by 155.72% and in 2016-17, 155.84% in 2017-18 respectively.

**Table: 4.7**  
**Showing the Provisions during 2015-18**

(Rupees in lakhs)

Year	Provisions	In Percentage
2016-17	671.06	100%
2017-18	263.71	39.30%

(Sources: Secondary data)



**Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of provisions in the year 2016 – 2017 is 100%.
- The percentage of short term loans and advances in the year 2017 – 2018 is 39.30%.

The above table showing that the Provisions of KSPDCL has been changed from year to year. In the year 2016-17 provision is 671.06lakh, in 2017-18 it was decreased to 263.71lakh. The above Graph showing that amount of provision of the KSPDCL. Provisions are gradually changing from year to year. Because of provision for income tax, provisions for employee retirement benefits like pension, gratuity, and leave salary varying from year to year.

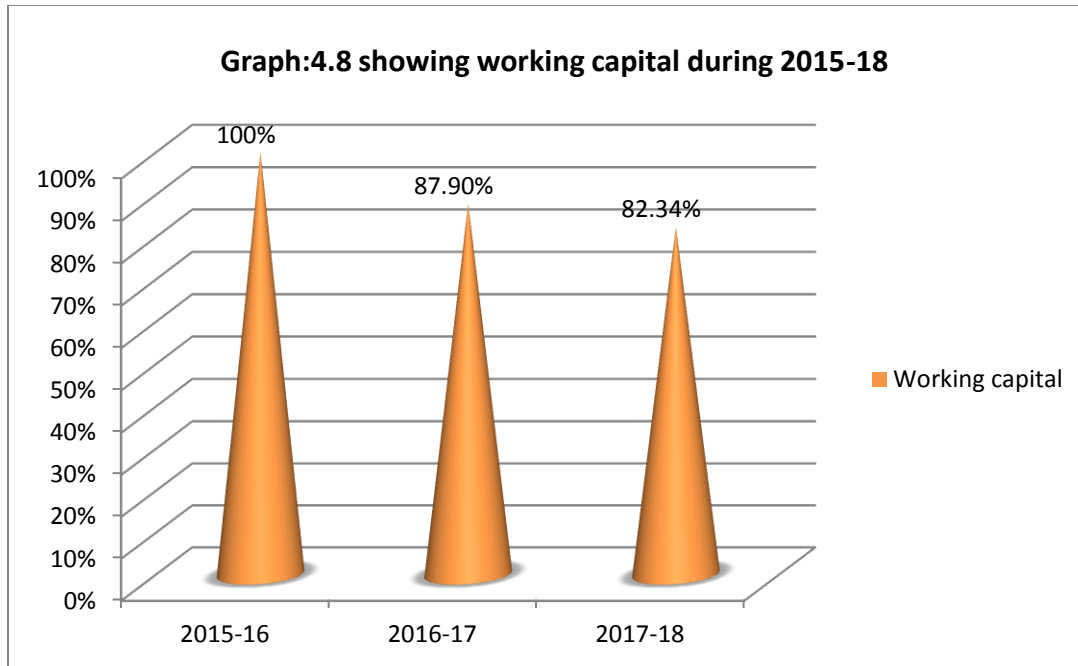
**Table: 4.8**

**Showing the working capital during 2015-18**

(Rupees in lakhs)

Year	working capital	In Percentage
2015-16	12033.53	100%
2016-17	10578.45	87.90%
2017-18	9908.74	82.34%

(Sources: Secondary data)



**Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of working capital in the year 2015 – 2016 is 100%.
- The percentage of working capital in the year 2016 – 2017 is 87.90%.
- The percentage of working capital in the year 2017 – 2018 is 82.34%.

The above table showing that the changes in working capital in the year 2015-16 it was Rs.12033.53lakhs, in 2016-17, 10578.45lakhs, in 2017-18, 9908.74lakhs. The above graph showing that Current assets decreasing every year. Hence, the working capital is decreased from 100% to 87.90% and 82.34% in the year 2015-18.



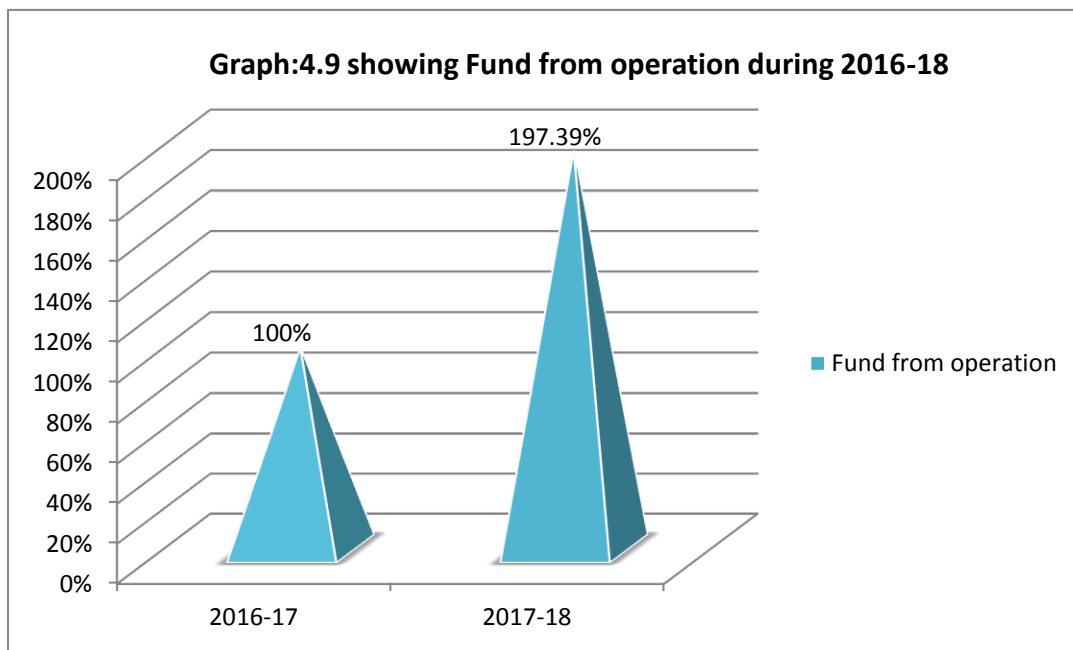
**Table: 4.9**

**Showing Fund from Operation during 2016-18**

(Rupees in lakhs)

Year	Fund from operation	In Percentage
2016-17	2388.80	100%
2017-18	4715.24	197.39%

(Sources: Secondary data)



**Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of Fund from Operation in the year 2016 – 2017 is 100%.
- The percentage of Fund from Operation in the year 2017 – 2018 is 197.39 %.

From the above table we can observe that Fund from operation of KSPDCL. Rs. 2388.80lakhs in the year 2016-17and it has been increased to 4715.24lakhs in 2017-18.The above Graph showing that amount of Fund from operation of the KSPDCL. Fund from operation are raised from year to year. Because it's based on funds inflows and outflows. It is increased up to4715.24lakhs in 2017-18.percentage increased to 197.39%in the financial year 2017-18.

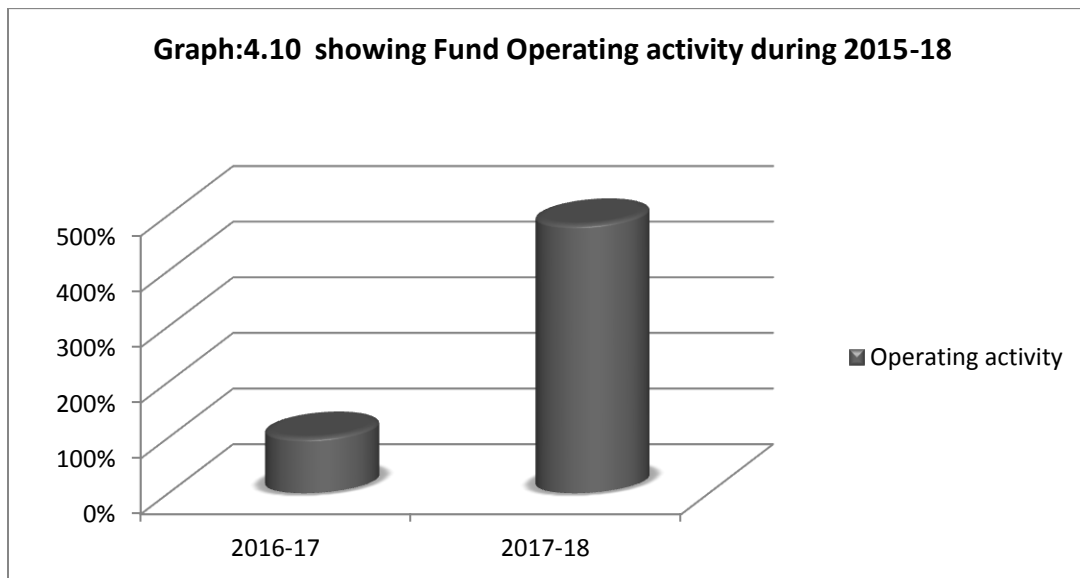
**Table: 4.10**

**Showing cash flow from operating activityduring 2015-18**

(Rupees in lakhs)

Year	Operating activity	In Percentage
2016-17	1481.88	100%
2017-18	7160.99	483.24%

(Sources: Secondary data)



### **Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of Fund from Operating activity in the year 2016 – 2017 is 100%.
- The percentage of Fund from Operating activity in the year 2017 – 2018 is 483.24%.

It can be analyzed from the above table that the cash from operating activities is 1481.88lakh in the year 2016-17 and it increased in 2017-18 by 7160.99lakh. The cash from operating activity is 100% in the year 2016-17, later it is increased to 483.24% in 2017-18. Cash flow from operating activity is changing because of raise or decline in the working capital.

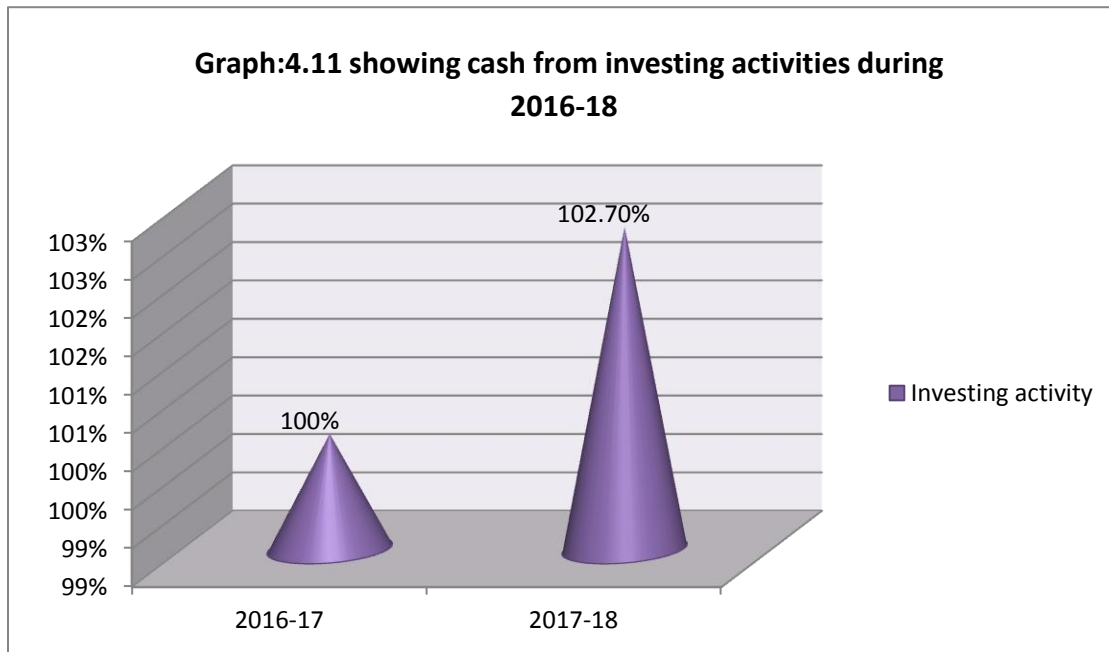
**Table:4.11**

### **Showing Fund from investing activity during 2016-18**

(Rupees in lakhs)

Year	INVESTING ACTIVITY	In Percentage
2016-17	961.55	100%
2017-18	987.33	102.70%

(Sources: Secondary data)



**Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of Fund from investing activity in the year 2016 – 2017 is 100%.
- The percentage of Fund from investing activity in the year 2016 – 2017 is 102.70%.

From the above table we can see that the cash from investing activities is 961.55in 2016-17And it is increased in 2017-18, at 987.33lakhs. The above graph shows the cash from investing activities which is increased from year to year. In 2016-17.It was 100% and in the year 2017-18increased by 102.70%. So company is earning higher profit from the investing activities.

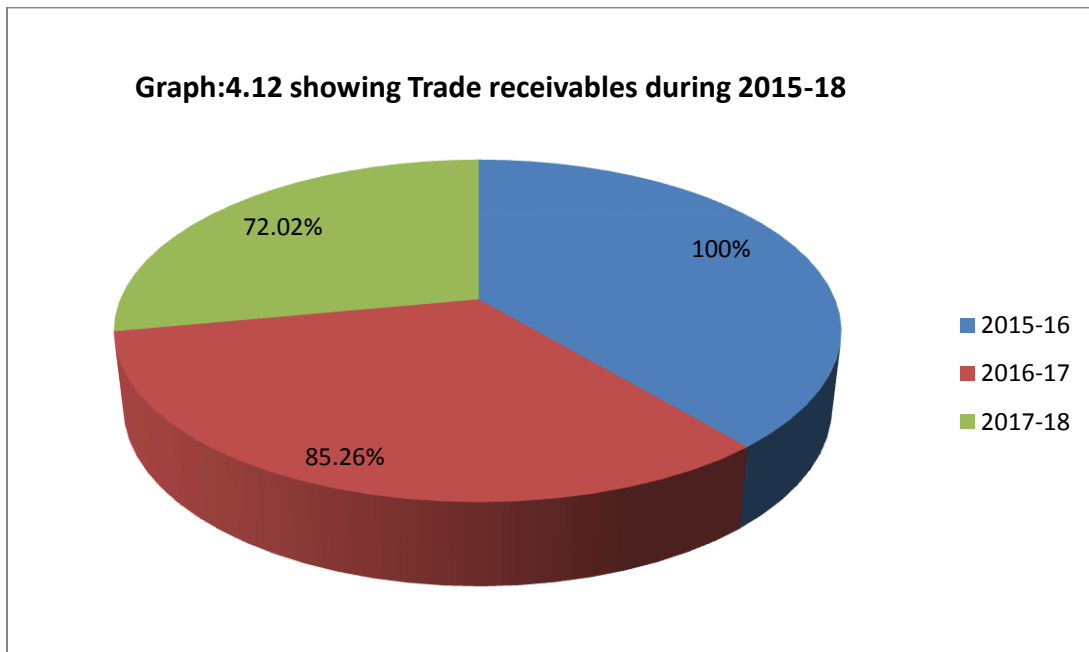
**Table: 4.12**

**Showing trade receivables during 2015-18**

(Rupees in lakhs)

Year	Trade receivables	In Percentage
2015-16	20.62	100%
2016-17	17.58	85.26%
2017-18	14.85	72.02%

(Sources: Secondary data)



### Analysis and Interpretation:

From the above table it is analyzed that:

- The percentage of trade receivables in the year 2015 – 2016 is 100%.
- The percentage of trade receivables in the year 2016 - 2017 is 85.26%.
- The percentage of trade receivables in the year 2017 – 2018 is 72.02%.

The trade receivables of company was 20.62lakh ,in the year 2015-16, later decreased to 17.58lakh in the year 2016-17, in 2017-18,14.85lakh. From the above graph we can see that trade receivables of KSPDCL is decreased in the year 2015-16and 2016-17by 100% &85.26% and in 2017-18,72.02%respectively. so it affect the profit of company in that financial year compared to previous years.

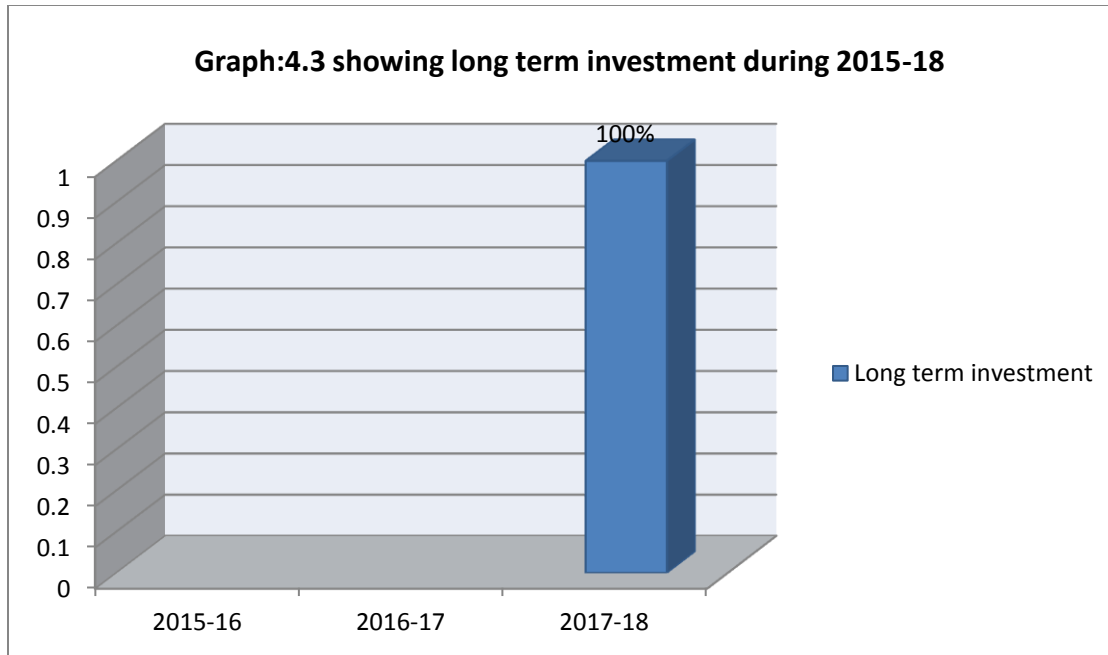
**Table: 4.3**

### Showing purchase long term investment during 2015-18

(Rupees in lakhs)

Year	long term investment	In Percentage
2015-16	-	-
2016-17	-	-
2017-18	50.05	100%

(Sources: Secondary data)



**Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of long term investment in the year 2015 – 2016 is nil.
- The percentage of long term investment in the year 2016– 2017 is nil.
- The percentage of long term investment in the year 2017 – 2018 is 100%.

The above table showing that, there is no long term investment during the year 2015-16, 2016-17 and in the year 2017-18 company purchases long term investment of 50,05,000. It will contribute to project development of company. From the above graph we can see that there is no purchase of investment in the year 2015 to 2017 but in the year 2017-18 company has purchased investment so that the company can earn better earning per shares and that can be used for other project development.

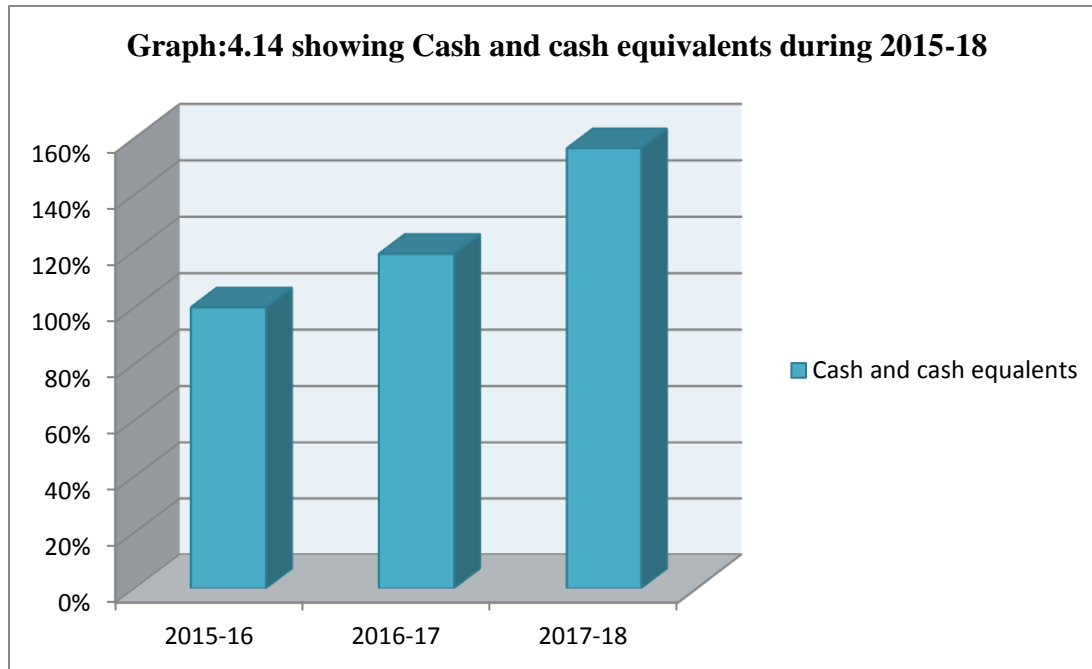
**Table: 4.14**

**Showing Cash and cash equivalents during 2015-18**

(Rupees in lakh)

Year	Cash and cash equivalents	In Percentage
2015-16	12595.80	100%
2016-17	14984.60	118.96%
2017-18	19699.84	156.40%

(Sources: Secondary data)





### **Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of long term investment in the year 2015 – 2016 is 100%.
- The percentage of long term investment in the year 2016 – 2017 is 118.96%.
- The percentage of long term investment in the year 2017 – 2018 is 156.40%.

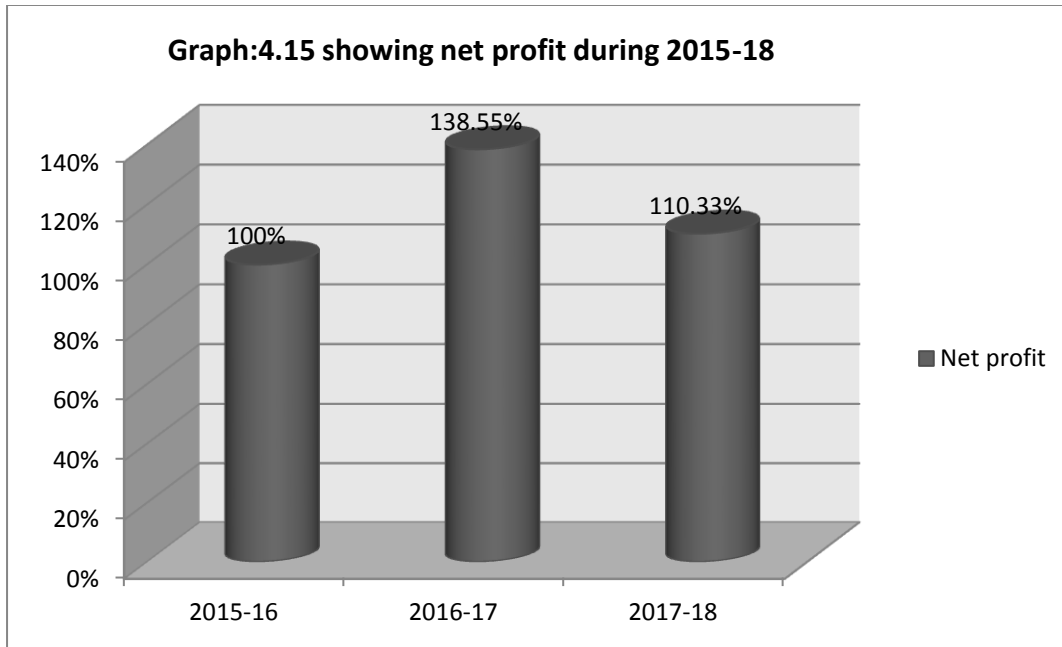
The above table shows the cash and cash equivalents of KSPDCL. In the year 2015-16 the company cash was 1259580lakhs, and it is gradually raising from year to year. It is increased from 12595.80to 14984.60lakhs in 2016-17 and increased by 19699.84 lakhs in the year2017-18.From the above graph we can interpret that the cash and cash equivalents of company. In the year 2015-16the cash is 100% and second year it was increased to 118.96%in the year 2016-17, again it was increased in the year 2017-18by 156.40%. It shows company has grown positively during the years.

**Table: 4.15**  
**Showing the net profit during 2015-18**

(Rupees in lakhs)

Year	net profit	In Percentage
2015-16	1401.87	100%
2016-17	1942.24	138.55%
2017-18	1546.64	110.33%

(Sources: Secondary data)



**Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of net profit in the year 2015 – 2016 is 100%.
- The percentage of net profit in the year 2016 – 2017 is 138.55%.
- The percentage of net profit in the year 2017 – 2018 is 110.33%.

From the above table it can be seen that the company’s Net profit was Rs.1401.87lakhs in the year 2015-16, Rs.1942.24lakhs in the year 2016-17, Rs. 1546.64lakhs in the year 2017-18. The above graph shows the changes in net profit from year to year In 2015-16 1401.87, in 2016-17 increases by 1942.24, in 2017-18 decreases by 1546.64. There is a variation in the net profit of the company from year to year so company is not earning more profit in the year 2015-16.

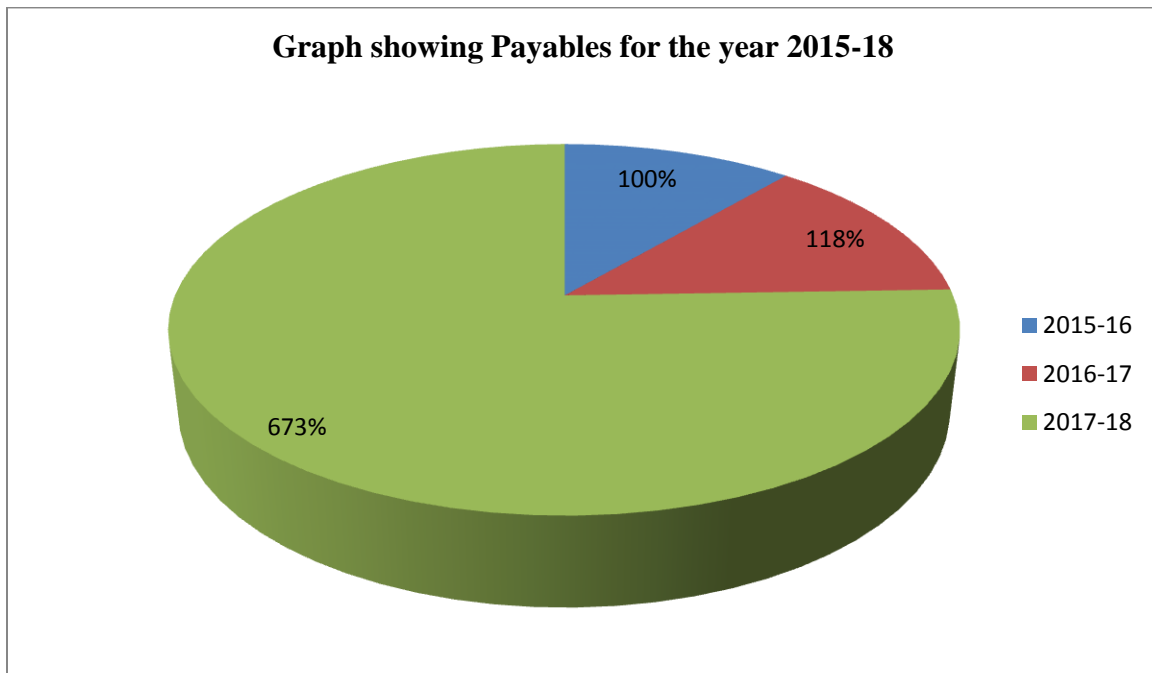
**Table: 4.16**

**Showing trade payables during 2015-18**

(Rupees in lakhs)

Year	Trade receivables	In Percentage
2015-16	65.95	100%
2016-17	78.34	118.78%
2017-18	444.19	673%

(Sources: Secondary data)



### **Analysis and Interpretation:**

From the above table it is analyzed that:

- The percentage of trade payables in the year 2015 – 2016 is 100%.
- The percentage of trade payables in the year 2016 - 2017 is 118.72%.
- The percentage of trade payables in the year 2017 – 2018 is 673%.

The trade payables of company was 65.95 lakhs in the year 2015-16, later increased to 78.34 lakhs in the year 2016-17 and in 2017-18 444.19 lakhs. From the above graph we can see that trade payables of KSPDCL is normal in the year 2015-16 but, in the year 2016-17 increased by 118.72% & 673% 2017-18,72.02%. So, it affect the profit of company in that financial year compared to previous years.

**CHAPTER-5**  
**SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION**

**5.1 FINDINGS:**

- The company built up a strong capital base.
- Contrasted and earlier years, the organization's Reserves and surpluses have expanded to 107.47 million Euros. Comparing to base year reserves and surplus has been increased by 146.73% in the year 2017-18. As the organization's generation limit decays, its settled resources diminish in 2017-2018.
- -KSPDCL has kept up great current resources in 2017– 18 contrasted with 2015– 16 and 2016– 17 by 107.13%.
- Current liabilities have been increased gradually from year to year. The organization's present liabilities expanded to 249.3% in the year 2017-18.
- Provisions are gradually varying from year to year. Because of provision for income tax, provisions for employee retirement benefits like pension, gratuity, and leave salary changes from year to year. It has been reduced by 39.30% in the year 2017-18.
- In 2015-16 and 2016-17, the organization did not obtain Funds from outside.
- In 2015-16 loans and advances was 100% later on increased by 155.72% and in 2016-17, 155.84% in 2017-18 respectively.
- It is found that, the working capital is decreased from 100% to 87.90% and 82.34% in the year 2015-18.

- The company utilizing modern equipment's for the new projects.
- According to government rules, KSPDCL has recorded development in all regions effectively actualized under its improvement activity design.
- No investments made by the company from the last three years.
- It is found that, Fund from operation is raised from year to year. Because it's based on funds inflows and outflows. It is increased up to 4715.24 lakhs in 2017-18, percentage increased to 197.39% in the year 2017-18.
- The cash from operating activity is 100% in the year 2016-17, later it is increased to 483.24 % in 2017-18. Cash flow from operating activity is changing because of raise or decline in working capital.
- It is found that, the cash from investing activities which is increased from year to year. In 2016-17. It was 100% and in the year 2017-18 increased by 102.70%. So company is earning higher profit from the investing activities

## 5.2 SUGGESTIONS:

- The company has need to properly utilizations of shareholders fund.
- Though there is variations in profit every year by 138.55% and 110.33% it is hear by suggested to improve its long term solvency and see that improvement is made every year.
- It is advisable for the company to reduce the current liabilities by 20 lakhs.
- Company can improve further profitability by reducing management cost by 5 lak.
- Net worth of the company should further increase by creating more and more reserves.
- The expenditure of the company can be reduced by introducing high level technology.

### **5.3 CONCLUSION:**

It can be reasoned that fund is an ointment. It runs each monetary action in revolution. Without reserves, there is no hope. Capital is the mainstay of the economy. Organizations require long haul and here and now financing. KSPDCL assumes a critical part in the administration of assets from different sources and uses reserves for sustainable power source advancement sources. The organization has performed well in each part of its exchanges. The bank's working capital and benefits have expanded considerably.

KSPDCL finance administration investigate has dependably been an imperative wellspring of information. KSPDCL prepares and conveys supports in an extremely effective and orderly way, making a decent space for development and development. The organization's long standing proclamation has reliably shown great money related wellbeing and execution.

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**TABLE 4.17**

**KARNATAKA RENEWABLE ENERGY DEVELOPMENT LIMITED  
BALANCESHEET AS ON 31-03-2016, 2017 and 2018.**

<b>Particulars</b>	<b>AS AT</b>	<b>AS AT</b>	<b>AS AT</b>
	<b>31-03-2016</b>	<b>31-03-2017</b>	<b>31-03-2018</b>
<b>1. <u>Equity and liabilities</u></b>			
<b>Shareholders fund</b>			
<b>Share capital</b>	<b>50,00,000</b>	<b>50,00,000</b>	<b>50,00,000</b>
<b>Reserves and surplus</b>	<b>73,25,24,483</b>	<b>92,06,98,600</b>	<b>1,07,49,00,757</b>
<b>Money received against</b>			
<b>Share warrant</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>2.share application money pending allotment</u></b>			
<b><u>3.Non current liability</u></b>			
<b>Long term borrowing</b>	<b>-</b>	<b>-</b>	
<b>Deferred tax liabilities</b>	<b>74,58,518</b>	<b>20,53,714</b>	<b>36,23,537</b>
<b>Other long term liabilities</b>	<b>28,40,81,424</b>	<b>16,40,39,662</b>	<b>15,60,59,433</b>
<b>Long term provisions</b>	<b>95,34,484</b>	<b>1,64,82,823</b>	<b>1,90,24,280</b>
<b>4.current liabilities</b>			
<b>Short term liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Trade payables</b>	<b>65,94,564</b>	<b>78,33,847</b>	<b>4,44,19,222</b>
<b>Other current liabilities</b>	<b>44,12,70,961</b>	<b>71,90,66,203</b>	<b>1,11,77,36,616</b>
<b>Short term provision</b>	<b>5,76,87,884</b>	<b>12,47,93,520</b>	<b>9,84,22,242</b>
<b>TOTAL</b>	<b><u>154,41,52,318</u></b>	<b><u>1,95,99,68,369</u></b>	<b><u>2,51,91,86,087</u></b>
<b><u>2.ASSETS</u></b>			
<b>1.Non current assets</b>			
<b>Fixed assets</b>			
<b>Tangible assets</b>			
<b>Intangible assets</b>	<b>4,31,73,820</b>	<b>4,02,78,820</b>	<b>3,94,74,820</b>
<b>Capital work in progress</b>	-	-	-
<b>Intangible assets under development</b>	<b>45,50,779</b>	<b>45,50,698</b>	<b>45,50,262</b>
<b>b. Noncurrent investment</b>	-	-	-
<b>c. Deferred tax assets</b>	-	-	<b>50,05,000</b>
<b>d. Long term loans and advances</b>	-	<b>56,00,400</b>	<b>62,25,000</b>
<b>e .Other noncurrent assets</b>			
<b><u>2.CURRENT ASSETS</u></b>			
<b>a. Current investment</b>	-	-	-
<b>b. inventories</b>	-	-	<b>12,34,99,548</b>

<b>c. Trade receivables</b>	<b>20,61,748</b>	<b>17,58,000</b>	<b>14,85,230</b>
<b>d. Cash and cash equivalents</b>	<b>125,95,79,924</b>	<b>1,49,84,59,675</b>	<b>1969983716</b>
<b>e. short term loans and advances</b>	<b>90707776</b>	<b>14,12,55,310</b>	<b>14,13,69,034</b>
<b>f. Other current assets</b>	<b>144078271</b>	<b>26,80,65,466</b>	<b>22,75,93,477</b>
<b>TOTAL</b>	<b><u>154,41,52,318</u></b>	<b><u>1,95,99,68,369</u></b>	<b><u>2,51,91,86,087</u></b>

**TABLE 4.18**

**KARNATAKA SOLAR POWER DEVELOPMENT CORPORATION LIMITED  
STATEMENT OF PROFIT AND LOSS ACCOUNT AS ON 31-03-2016, 2017 AND  
2018**

<b>PARTICULARS</b>	<b>AS AT 31-03-2016</b>	<b>AS AT 31-03-2017</b>	<b>AS AT 31-03-2018</b>
<b>1.Revenue from operation</b>	<b>18,78,05,825</b>	<b>32,32,85,927</b>	<b>24,24,54,973</b>
<b>2.Other income</b>	<b>7,96,89,957</b>	<b>10,14,37,995</b>	<b>11,47,27,298</b>
<b>3.Tota revenue(1+2)</b>	<b>35,23,86,557</b>	<b>42,47,23,922</b>	<b>35,71,82,271</b>
<b>4.Expenses</b>			
<b>Cost of materials consumed</b>			
<b>Purchase of stock in trade</b>			
<b>Changes in inventories of finished goods, work in progress</b>			
<b>Employee benefit expenses</b>		<b>6,68,88,067</b>	<b>6,45,49,316</b>
<b>Financial costs</b>	<b>5930</b>	<b>13,238</b>	<b>7041</b>
<b>Depreciation and amortization expenses</b>	<b>1,62,39,200</b>	<b>65,20,686</b>	<b>52,25,529</b>
<b>other expenses</b>	<b>10,71,66,261</b>	<b>5,11,69,050</b>	<b>5,86,22,571</b>
<b>Total expenses</b>	<b>15,59,68,047</b>	<b>12,45,91,041</b>	<b>12,84,04,457</b>
<b>5.profit before exceptional and extraordinary item and tax (3-4)</b>	<b>15,03,74,025</b>	<b>30,01,32,881</b>	<b>22,87,77,814</b>
<b>6. exceptional item</b>			
<b>7. profit before extraordinary item and tax(5-6)</b>	<b>(3,08,30,0050)</b>	<b>-</b>	<b>-</b>
<b>8. Extraordinary item</b>		<b>-</b>	<b>2,35,418</b>
<b>9. Profit before tax(7-8)</b>	<b>18,12,04,075</b>	<b>30,01,32,881</b>	<b>22,59,42,396</b>

<b>Prior year income or expenses</b>	<b>78,54,628</b> <b>18,90,58,703</b>	<b>2,86,674</b> <b>30,04,19,555</b>	<b>1,92,721</b> <b>22,61,35,117</b>
<b>10. Tax expenses</b>			
<b>(a) Current tax</b>	<b>5,25,00,000</b>	<b>9,45,00,000</b>	<b>7,00,00,000</b>
<b>(b) deferred tax</b>	<b>(136,28,792)</b>	<b>(56,05,258)</b>	<b>14,70,591</b>
<b>(c) previous year tax</b>			
<b>FY 2008-09</b>	<b>-</b>	<b>1,73,00,000</b>	<b>-</b>
<b>11. profit or loss for the period</b>			
<b>From continuing operations (7-8)</b>	<b>14,01,87,495</b>	<b>19,42,24,813</b>	<b>15,46,64,526</b>
<b>12. profit or loss from discontinuing operation</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13. Tax expenses of discontinuing operations</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>14. profit or loss from discontinuing operations (12-13)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit or loss for the period(11+14)</b>	<b>14,01,87,495</b>	<b>19,42,24,813</b>	<b>15,46,64,526</b>
<b>15. earning per equity share;</b>	<b>280.36</b>	<b>388.43</b>	<b>309.31</b>
<b>Basic</b>	<b>280.36</b>	<b>388.43</b>	<b>309.31</b>
<b>Diluted</b>			

**TABLE 4.19****KARNATAKA RENEWABLE ENERGY DEVELOPMENT LIMITED****CASH FLOW STATEMENT AS ON 31-03-2016, 2017, AND 2018**

Particulars	AS AT	AS AT
	31-03-2017	31-03-2018
Cash flow from operating activities.		
Net profit before taxation and extraordinary item	30,01,32,881	22,87,77,814
Adjustment for :		
Depreciation	65,20,686	52,25,529
Foreign exchange loss	-	-
Interest income	(9,97,80,989)	(11,14,02,208)
Dividend income	-	(100)
Interest expenses	13,238	7041
Prior period expenses	2,86,674	1,92,721
Operating profit before working capital changes	20,71,72,490	12,28,00,797
0(increase)/decrease in trade receivables	3,00,748	2,72,770
(increase)/decrease in inventories	-	(12,34,99,548)
(increase)/ decrease in loans and advances	(5,05,47,534)	(1,13,724)
(increase)/decrease in other current assets	(12,39,87,195)	4,04,71,989
(increase)/decreases in other	(56,00,400)	(6,24,600)



noncurrent assets	32,39,283	3,65,85,375
Increase /(decrease) in trade payables	6,71,05,636	(2,63,71,278)
Increase /(decrease) in provisions		
increase /decrease in other current liabilities	27,77,95,242	39,86,70,413
increase /(decrease) in other long term liabilities	(12,00,41,762)	(79,80,229)
Cash generated from operations	23,88,79,751	47,15,24,041
Income taxes paid	(11,18,00,000)	(7,00,00,000)
Cash flow before extraordinary item	<u>175343769</u>	<u>718935209</u>
Extraordinary item	-	(28,35,418)
Net cash from operating activity	<u>175343769</u>	<u>716099791</u>
Cash flow from <b>investing activities.</b>		
Purchase of tangible fixed assets	(36,25,605)	(76,69,596)
Capital work in progress		
Purchase of long term investment	-	-
Sale of tangible fixed assets	-	(50,00,000)
Sale of long term investment	-	-
Interest received	9,97,80,989	11,14,02,208
Dividends received	-	100
Net cash from investing activities		
Cash flow from <b>financing activities</b>	<u>9,61,55,384</u>	<u>9,87,32,712</u>

Proceeds from issuance of share capital		
Proceeds from long term borrowings	-	-
Repayment of long term borrowings	-	-
Interest paid		-
Dividends paid	(13238)	(7041)
Dividends distribution tax	(50,00,000)	-
Proceeds from ESOPs	(8,49,800)	-
	-	-
Net cash used in financing activities.	<b><u>(58,63,338)</u></b>	<b><u>(7041)</u></b>
Net increase in cash and cash equivalents	23,88,79,751	47,15,24,041
Cash and cash equivalent at the beginning of the year	125,95,79,924	1,49,84,59,675
Cash and cash equivalent at the ending of years	<b>1,49,84,59,675</b>	<b>1,96,99,83,716</b>



ACHARYA INSTITUTE OF TECHNOLOGY  
DEPARTMENT OF MBA

INTERNSHIP WEEKLY REPORT (16MBAPR407)

NAME OF THE STUDENT: SANJAY

INTERNAL GUIDE: DR. PRAKASH. B. YARGOL

USN: 1AZ16MBA59

SPECIALIZATION: CORE FINANCE

TITLE OF THE PROJECT: A STUDY ON FUND FLOW MANAGEMENT AT KSPDCL.

COMPANY NAME: KARNATAKA SOLAR POWER DEVELOPMENT  
CORPORATION LIMITED.

WEEK	WORK UNDERTAKEN	EXTERNAL GUIDE SIGNATURE	INTERNAL GUIDE SIGNATURE
15/01/2018 - 26/01/2018	Understanding Structure, Culture and functioning of the organization.	 B. S. Sathya DGM (FAA) KSPDCL Karnataka Solar Power Development Corporation Limited Beeja Raja Seeds Complex, 2nd floor South Block, Bellary Road, Hebbala Bengaluru - 560 024, Tin: 29391337573	
29/01/2018 - 9/02/2018	Preparation of Research instrument for Data Collection.		
12/02/2018 - 23/02/2018	Data collection.		
26/02/2018 - 09/03/2018	Analysis and finalization of report.		
12/03/2018 - 24/03/2018	Submission of Report.		

Head of the Department  
Department of MBA  
Acharya Institute of Technology  
Soidavanahalli, Bangalore-560 10.