

WORKING CAPITAL MANAGEMENT-A CASE STUDY OF PROCHESTA REAL ESTATE & DEVELOPMENT LIMITED

Prochesta Real Estate & Development Limited

Prepared by
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University of Liberal Arts Bangladesh (ULAB)

Submitted in Partial Fulfillment of the Requirements for the Degree
Bachelor of Business Administration



December17, 2023

Internship/Project Report Approval Form

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INTERNSHIP/PROJECT INFORMATION

Internship

Organization: Real Estate & Development Limited (Prochesta Limited)

Internship Report Topic: Working Capital Management- A Case Study of Prochesta Real Estate & Development Limited

_____Ter
m (Tick one): ☐ Spring 2022 ☒ Summer 2022 ☐ Fall 2022

SUPERVISOR APPROVAL

(Tick One)

☐ Approved ☐ Not Approved ☐ Partial Re-write ☐ Full Re-write

Remarks (For Not Approved):

Signature: _____

Date: _____

Name: Prof. Milan Kumar Bhattacharjee, PhD

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Phone: 01819 514615

PLAGIARISM DECLARATION

1. I know that plagiarism means taking and using the ideas, writings, works or inventions of another as if they were one's own. I know that plagiarism not only includes verbatim copying, but also the extensive use of another person's ideas without proper acknowledgement (which includes the proper use of quotation marks). I know that plagiarism covers this sort of use of material found in textual sources and from the Internet.
2. I acknowledge and understand that plagiarism is wrong.
3. I understand that my research must be accurately referenced.
4. This assignment is my own work, or my group's own unique group assignment. I acknowledge that copying someone else assignment, or part of it, is wrong, and that submitting identical work to others constitutes a form of plagiarism.
5. I have not allowed, nor will I in the future allow, anyone to copy my work with the intention of passing it off as their own work.

Name: TAZSIDDIKA KEYA

ULAB ID # 192011023



Signature _____

Date: 24.12.23

LETTER OF TRANSMITTAL

30.12.23

Tazsiddika Keya, Cell: 01705882461, Email : tazsiddika.keya@ulab.edu.bd

Prof. Milan Kumar Bhattacharjee, PhD

Treasurer & Professor

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University of Liberal Arts Bangladesh (ULAB)

688, Beribadh Road

Mohammadpur, Dhaka 1207.

Subject: Submission of Internship Report on “Working Capital Management- A Case Study of Prochesta Real Estate & Development Limited”.

Dear Sir,

With due respect, I would like to state that my internship at Prochesta Real Estate & Development Limited is now complete. The University of Liberal Arts Bangladesh required me to write an internship report paper titled “Working Capital Management- A case study of prochesta Real Estate & Development Limited” in order to receive my Bachelor of Business Administration (BBA). When I was preparing my report, I tried my best to include both the academic concepts we studied in class and my real life work experience.

I thus hope that you will find this report to be useful.

Sincerely yours,

Tazsiddika Keya

ID: 192011023

BBA Program; Concentration: Accounting

ULAB School of Business

University of Liberal Arts Bangladesh

Acknowledgment

I am grateful for having finished this paper within the allotted period. It would have been very difficult, if not impossible, to finish this report without the guidance and assistance of all the people that I would like to thank for their support and counsel.

I am grateful to my supervisor, Professor Milan Kumar Bhattacharjee, for his continuous support and help in completing this report. I would never have been able to do my study as quickly without his help. Without his assistance, I could never have finished my research efficiently.

The committee that approved my internship report, "Working Capital Management- A Case Study of Prochesta Real Estate & Development Limited" deserves special gratitude for their kind approval.

In addition, I would like to express my gratitude to Md. Moin Uddin, the director of Prochesta Real Estate & Development Limited, for his guidance and counsel, and to Md. Mohammad Abdul Mannan, the assistant manager of accounts, for his kind assistance and cooperation in conducting research and making a substantial contribution to the report's completion. Furthermore, I want to express my profound appreciation to every one of my colleagues who helped to produce this report. They are likewise deserving of my unending gratitude, which I also have.

I would want to sincerely thank my family and friends for their support and belief in me.

Finally, I would like to thank all my excellent teachers and my academic advisor for their constant support and encouragement throughout my studies.

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Part A

Chapter One: Internship Preparation

1.1 My Motivation to do the Internship and What I planned to Learn from It

I had to complete an internship to fulfill the requirements for my bachelor's degree. Without previous work experience, an internship is perhaps one of the most practical ways to experience corporate life. In addition, the purpose of the internship is to give students practical training in working life during their studies. As a BBA Accounting Student, doing an internship in this discipline helps me better understand the practical implications of the field, gain experience, see the similarities and differences between what I learned and what I applied, and most importantly, help me become more confident and mentally prepared for my corporate journey. From this internship, I expected to learn about office culture, internal workplace communication, and stress management—especially how to balance personal and professional responsibilities.

1.2 My Internship Search Process

I used two separate approaches to hunt for organizations in order to find my internship. I sent my resume to the ULAB Career Services Office first, and they helped me out by sending my resume to a number of organizations. I sent my CV via email as I looked up several companies based on my needs and convenience. My primary source of job openings has been different social media sites.

Later, I was informed by social media sites that there's a vacancy in Prochesta Real Estate & Development Limited and I dropped my CV in their Head office.

I choose this organization to study how manufacturing sites (factories) operate, to observe and investigate how they handle their accounts, to determine whether I fit in with their culture, and to assess my ability to work outside of my area of specialty.

Proficiency in both accounting and manufacturing processes would facilitate my career advancement in accounting and open doors to new opportunities.

1.3 My Internship Interview Experience

I was pretty anxious for the interview, just like the majority of candidates. I was trying my hardest to look presentable. I arrived on time for the interview at Prochesta Real Estate & Development Limited (Head Office). I was instructed to wait in the waiting area by the office entrance. The interviewer had an urgent meeting, so I had to wait for one hour. I was waiting calmly and getting ready for my interview. But it just made me feel more anxious. I was called inside after that. Warm greetings from the interviewer, Mr. Md. Harun Or Rashid, and Mr. Md. Moin Uddin helped to defuse my nerves. They then inquired about me, so I gave a quick introduction in response. They then inquired about me, so I gave a quick introduction in response. They asked if I knew anything about their company, so I gave them the information I did. He talked to me for quite some time, going over the length of the job, the pay, and an outline of the duties. They gave me an explanation of their ERP system's operation as well as the responsibilities I would have if hired. They then inquired about my plans for the future. They talked about their journeys and shared their experiences after I explained my plan to them. The interviewers were encouraging, kind, and motivating, which is why everything went well overall. It was easier for me to effectively respond to their questions because I felt like we were having a discussion rather than conducting an interview.

1.4 Information about the Organization

❖ Company Overview

"Prochesta Real Estate & Development Limited" is an organization that deals in real estate, housing, and apartments. It also buys and sells apartments, builds rooms, conducts hunts, and constructs super markets, shopping centers, malls, apartments, and community centers. Additionally, to make arrangements for those to be held for their management or sold or rented out to the general public. It is Real Estate & Development Limited's sibling company. Additionally, they offer property for the construction of buildings, flats, homes, rooms, hunts, or other accommodations that the firm constructs or plans to develop for organizations, societies, or members thereof, as well as for others to receive loans from the government,

banks, house building financing corporations, etc. The general public may readily satisfy the terms and conditions of their deals with its assistance. furthermore, to continue the construction, land-building, purchasing, and allocation of structures businesses. In order to participate in an auction, a party must be registered with a court, bank, or government agency in relation to a restriction tender that will be invited by the relevant authority, if applicable, or the company in question may be entitled to a commission for that purpose in accordance with established terms and conditions. to continue the export-import of materials relevant to constriction. In 2021, they debuted a new brand called "Prochesta Real Estate & Development." Consequently, this limited business is quite new.

Organization Name	Prochesta Real Estate & Development Limited
Year of Incorporation	2021
Address & Contact Information	Head Office: Florida Castle, House No.7, Flat No-B/2,Road No-23, Gulshan 1, Dhaka. Cell: +8801753-170013 Phone: 48812242 Factory Office: Florida Castle, House No.7, Flat No-B/2, Road No-23, Gulshan 1, Dhaka. Customer care: +8801716-928350 Email: prochesta360.ltd@gmail.com Facebook: https://www.facebook.com/organikare.bd?mibextid=ZbWKwL
Website	https://organikarebd.com/
Type	Limited Company
Name of Sponsors & Directors	1. Major Mohammad Kamruzzaman Khan 2. Md. Moin Uddin 3. Al Monsur Chowdhury

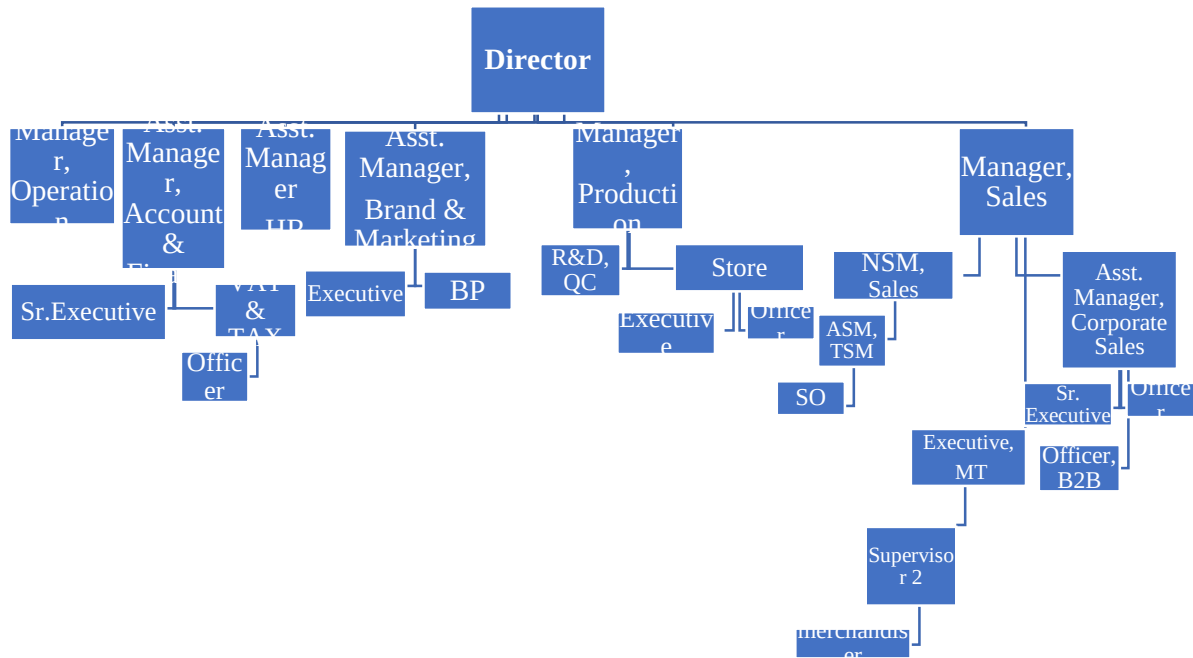
Name of Founder & Managing Director	Md. Harun Or Rashin Email: mdharun.crdc@gmail.com
Name of Managers	Operation Manager: Md. Zakir Hossian Manager, Operations Email: zh2877542@gmail.com Mohammad Abdul Mannan Manager, Email: am2821677@gmail.com Chairman: Md. Abdul Zabber Hossian Email: abdulzabberhossian@gmail.com
Team Members	Administration: Accounts: 2 Production Manager: 1 Operation manager: 1 Sales manager: 1 HR & Admin: 3 Brand & Marketing: 2 VAT & Accounts: 1 Workers Team: Quality Control: 2 Store: 2 Production workers: 20
Organizational Supervisor	Md. Imran Hossian Assistant Manager, Accounts Cell: 01313037687 Email:

Industry	Developing Industry
Brands	Prochesta Real Estate & Development Limited
Brand Logo	
Mission	The main objective here is to provide a flat or accommodation at a minimum cost so that general people can easily find a good place to stay.
Vision	Our vision is that in the near future we can bring this opportunity for a massive amount of people. And to ensure that people across the country can get utmost benefit from this.
Goal	Our goal is to stand out and attract new clients. We try to grow our company's profit and want our company to climb in a high position. We also want to provide our customers a great deal at the same time ensuring our company's profit while keeping a good relationship with our dear customers.

❖ **Core Products/Services of Internship organization:**

The core product are mostly land, manpower and a proper architecture design and supply of brick, cement, sand. And the most important thing is soil testing. Before we started our construction we make sure to taste the elements in the soil. We have to get government permission before starting the procedure. We have to ensure the safety of our employee and any inconvenience of the neighborhoods.

❖ **Company Organogram**



- **SWOT Analysis:**

Strength:

- Proper management
- Executing plans
- Legal document
- Strong team
- Promising employees

Weakness:

- Short of workers
- Short of equipment
- Sudden loss
- Even though showing executing plans but it goes worthless
- Facing difficulties in rural areas.

Opportunities:

- A promising amount of money can be earned
- Increase demand in marketplace
- Digital marketing and active online promotions
- The number of online buyers' increase day by day
- Export overseas

Threat:

- Sometimes some spam arrangement can cause huge loss of money
- Low price range offered by other local brands
- Fear of making deals with an unfamiliar company's
- Lack of proper practical knowledge about working method

- **Company Performance**

The financial health of Prochesta Real Estate & Development Limited from 2021 to 2023 is briefly highlighted below.

Title	2021	2022	2023
Net Income/ loss	(2264900)	119588	1400480
Total Assets	8622400	9270006	8400211
Total Liabilities	36227602	33671216	32852898
Total Shareholders' Equity	(26722474)	(26522394)	(26440700)

(All Values are in BDT)

Chapter Two: About the Internship

2.1 My Position, Office Description, Work Environment, Everyday Job Duties & Responsibilities as an Intern

- **Position: Intern, Accounting.** During my three months as an intern, I worked with Md. Imran Hossian, the Assistant Manager of Accounts and my internship supervisor. I worked mostly on posting in ERP for the first month, from October to December, covering petty cash, costs, vendor payments, receivables, etc. In addition, I helped my supervisor and picked up new skills like paying vendors, accepting checks, generating money receipts, maintaining collection reports, handling ledgers, and so on. In addition, I received training on the ERP software at the main office and was granted an account to use for ERP duties. I was able to independently update the daily ledgers for the various sectors throughout the second and third months of my internship. In the meanwhile, I became proficient in A/R and A/P aging and was able to work independently without guidance. I was able to carry out tasks including creating vendor pay orders and making sure they were paid. In addition, I created pay stubs, verified invoices, and reviewed bills. I helped my supervisor and picked up different account and calculation-related skills from him.
- **Office Description:** There are two offices at the moment: The Gulshan Head Office and the Baridhara Sub-Office. For software training, I periodically traveled to the headquarters after being assigned to the manufacturing office. A total of 1000 square meters make up the Prochesta Real Estate and Development Limited factory. A number of sections make up the workspace. The entryway has three administrative and office spaces. Air conditioning, Wi-Fi, and a generator are available in the office area. In addition to a display case holding every product, the office features cabinets to hold paperwork and documents. Desk PCs and a few laptops are available for use in the workplace. Prior to accessing the workplace, managers and staff are required to authenticate themselves using a biometric fingerprint scanner or ID card. They also record their daily attendance in a register. In addition to the primary manufacturing space being separated into other sectors like production and packing, there are also warehouses and chemical laboratory rooms. A meeting spot is available. Although there isn't a kitchen, office workers can prepare tea at the side table. CC-TV is monitoring the entire facility. The office managers and industrial workers have their own restrooms. All of the office restrooms are open to both men and women, with the exception of the managers' restrooms. The office entrance is guarded by security personnel. Regular business hours are from 9:00 a.m. to 6:00 p.m. on Saturdays through Thursdays.

- **Work Environment:** Because of the management' and staff's humility and helpfulness, the workplace is pleasant. Since males make up the majority of the staff, they took care to ensure that I felt at ease with them. Kindness and empathy abound from my boss. He granted me the day off when I asked for one or showed up late to work with a valid excuse. Our lunch break can be any time of day, with a maximum of one hour allotted for it. Regardless of the company's hierarchical structure, staff members are always welcome to speak with managers and voice any issues or recommendations they may have. In my opinion, several aspects still require improvement, despite all the excellent aspects. The workplace is in a factory, so there aren't many hygienic issues. However, there are plenty of insects and mosquitoes, a strong chemical odor is often there, and the floors and restrooms aren't kept up correctly. The state of the workplace is not very enjoyable. Neither a separate dining room nor a kitchen exist. To enhance the working atmosphere, the organization should prioritize this issue.
- **Everyday Job Duties & Responsibilities as an Intern:** As an intern, I had no specific tasks or responsibilities to manage, because on weekdays the work supervisor assigns tasks if necessary. My duties were mainly related to the accounting department, as I worked with the company and accounting. Here is a list of tasks I completed during my internship:
 - ✓ Update the Collection Report in Microsoft Excel.
 - ✓ Daily ledger update (Retail/ Modern Trade/ Corporate/ Online) in Excel.
 - ✓ Assisting in processing payments based on requirements from various departments to Microsoft Excel and helping in Petty Cash management.
 - ✓ Accurately prepare vendor checks and ensure supplier payments via payment order.
 - ✓ Assisting in calculating monthly TDS & VDS deduction from vendor bill & preparation of Government Treasury.
 - ✓ Checking & updating Bankbook in Microsoft Excel.
 - ✓ Assisting in checking and updating Cashbook
 - ✓ Preparing Maturity bills.
 - ✓ Preparing pay slips for salary, overtime, TA/DA and bonus in MS Excel & assisting in disbursement.
 - ✓ Receiving cash and accepting checks or withdrawing cash.
 - ✓ Checking & approving bills like conveyance, courier, entertainment bills and other vouchers.

- ✓ Checking and approving invoices in ERP.
- ✓ Scanning and printing documents as per requirements.
- ✓ Preparing deposit slips for bank.

2.2 My Learnings, Employment of Skills and Acquisition of New Skills from the Job, and Contributions to Prochesta Real Estate & Development Limited

- **My Learnings:** Through this internships, I learned how to interact with people in a professional setting, how to use professional judgment when doing work, and how to spot problems and finish well, without taking things, especially at work. act when I receive constructive criticism. How to keep time, how to help myself without disrespecting others. In addition, I learned several technical skills.
- **My Employment of Skills and Acquisition of New Skills:** Since most of the work in the organization was done on computers and laptops, I made the most of my IT related skills using MS Word and Excel. Through this job, I have improved my workplace communication, professional judgment and teamwork skills. Also, the opportunity to learn new strategies from my supervisor helped me become more proficient in MS Word and MS Excel. At the same time, since I only had basic knowledge before, I also learned how to use Excel for various tasks.
- **My Contributions to Prochesta Real Estate & Development Limited:** In the first month, I was able to finish what was done effectively. At the same time, I also learned, among other things, how to update reports on collecting receivables, bank books, making accounts in Excel and payroll. I finished the task given to me before the deadline. This was my contribution to the organization during my internship.

2.3 Relationship between My Educational Learning and Internship Roles & Responsibilities

Since I worked in the Accounts department of Prochesta Real Estate & Development Limited, I was able to apply these concepts from the ULAB accounting courses as I carried out my internship roles and responsibilities:

- Accounts Receivables & Accounts payables
- Cashbook and bank book
- Professional judgment
- MS Excel

Making entries into the ERP program, updating ledgers, keeping track of accounts receivable collection reports, and checking bank and cash records are some of my primary responsibilities. I have to apply my professional judgment; thus I always make sure there are no mistakes in the original text. I occasionally come across mistakes that happen somewhere else, such as typos or math mistakes. We audit and recalculate the whole process to find important flaws, in addition to assisting management and auditors with the compilation of financial statements. I prepared accounts payable and updated monthly sales and collection ledgers using Microsoft Excel.

Chapter Three: Self-Reflection

3.1 Liked and Disliked Aspects of My Internship at Prochesta Real Estate & Development Limited

➤ **Liked Aspects**

- **I was given an actual assignment, felt valued and appreciated:** Since many companies don't value interns, they don't often assign them to important projects. At Prochesta Real Estate & Development Limited, on the other hand, things were very different since I was assigned real job. My productivity and hard work were valued. I had a sense of worth within the company. I have an equal chance to express myself when necessary. I felt productive at work and that my participation had a meaningful impact on the company.
- **A favorable work environment:** The managers and supervisors were kind, understanding, and amicable enough to listen to my problems and provide solutions. There wasn't any power disparity among the staff members despite the company's top-down management approach. They were really understanding and helped me feel quite comfortable.

➤ **Disliked Aspects**

- **Lack of discipline and structure in the organization:** In my opinion, I felt that when it comes to time management, the organization lacked structure and discipline. The office hours, which run from Saturday through Thursday, 9:00 am to 6:00 pm, seem excessive to me. Others worked until they completed what needed to be done, even though I was allowed to go at the scheduled time. Excessive working hours diminish productivity.
- **Poor Workplace Conditions:** The office is not a particularly clean or pleasant place to be because it is situated on a manufacturing site. In the office where I was sitting, there were no windows, no fans, and the air conditioner was in bad shape. The restrooms lack proper hygiene. Unhealthy working environments foster a culture that reduces employees' output. Consequently, I think that underproductive workers usually exhibit a lack of enthusiasm and drive, which impedes the advancement of the company.

3.2 How I could Perform Better and How Prochesta Real Estate & Development Limited Could Utilize Me Better

➤ **How I could Perform Better**

If I had taken at least two days off, I believe I might have performed much better. Due to the distance, I found it difficult to go from my residence to work, thus I was exhausted from commuting every day. I could have completed some of the work I did in the office from home just as well. I had to go back home and concentrate on my schoolwork as well. My capacity to be flexible with my schedule is really important to me, and I think that if I had worked fewer days, I would have done better.

➤ **How Prochesta Real Estate & Development Limited Could Utilize Me Better**

The company may have used me to routinely check financial statements, even the important ones, since collection reports, financial statements, and other documents are connected to the ledgers I created. It's possible that they also taught me how to work like a good staff accountant. It's possible that while doing so, I gained useful experience in this field and that I produced quality work for the organization.

3.3 Things that I Want to Keep Working for My Next Position and Recommendation for Prochesta Real Estate & Development Limited to Improve Its Internship Program

➤ **Things that I want to Keep Working for My Next Position**

- **Effective Working relationships:** Having effective communication skills is perhaps one of the most essential things one can have in the workplace. Understanding basic office manners might help with communication in the workplace. Because it's essential in the business, I want to keep honing this talent. By means of proficient workplace communication, I may establish a network of individuals who could perhaps assist me in securing my future job. Upholding a positive reputation inside the organization might perhaps boost my prospects of receiving promotions in the future.
- **Teamwork:** Every worker should be able to operate well in a team since it boosts output and promotes collaboration. I have always preferred working alone to working in a team, even before I started working at Prochesta Real Estate & Development Limited. However, I became aware of the advantages and significance of cooperation after collaborating with my supervisor in a group setting. I'm driven to make improvements to it soon.

- **Microsoft Excel, Word, & PowerPoint:** The capability of Microsoft Excel, which can do large and complicated equations rapidly, is a godsend for accountants. My goal is to improve my MS Excel abilities so that I may be more employable in the future. While Microsoft Excel is essential in every business, I would also try to become proficient with Microsoft Word and PowerPoint.

- **Recommendation for Prochesta Real Estate & Development Limited to Improve Its Internship Program**

1. Their working hours have to be flexible.
2. Make work environments better.
3. Offer training classes that are more comprehensive.
4. Give tasks an appropriate and thorough briefing.
5. Give out assignments of a similar kind.

Chapter Four: Personal Development Plan

4.1 My Next Course of Action and Career Plan

➤ My Next Course of Action

I plan to pursue a professional degree in accounting after completing my bachelor's degree at ULAB, thus my first step will be to search for reputable CA firms that are in a place that is

convenient for me. I also want to make the most of my time by studying Advanced Microsoft Excel, since this will help me in the job market, especially in the accounting field.

➤ **Career Plan**

Since accounting and business administration form the basis of my education, I wish to concentrate on becoming a chartered accountant. I must pass a number of tests and enroll in practical training courses provided by CA Institutes in order to achieve that. I would like to work in a comparable field to further my skills and knowledge after clearing the examinations, hopefully. In the future, I may work toward obtaining additional certifications that would help me progress in my career.

4.2 Technical & Interpersonal Skills that I want to Develop at Present to Secure My Career

- **Technical Skills:** Data Analysis, critical thinking skills, proficiency in accounting software, etc.
- **Interpersonal Skills:** Improve communication skills, attention to detail, improve research abilities, etc.

Chapter Five: Literature Review & Theoretical Framework

5.1 Review of Relevant Literature

Numerous investigations have been carried out to examine the connection between profitability and working capital management (WCM). Singhania et al. (2014) found a negative correlation between the firm's performance and the number of days' worth of receivables and payables. It suggests that by lowering the average cycle of collection and raising the average cycle of payment, the firm's

performance may be enhanced. Additionally, it was found by Akoto et al. (2013) that the businesses' size, current asset turnover, cash conversion cycle, and current asset ratio all significantly improve profitability. The average payment duration and return on equity as well as the cash conversion cycle were shown to be significantly positively correlated. Relevant and contemporary research suggests that the inventory conversion length, average payment period, average collection period, and cash conversion cycle can be used to analyze working capital management.

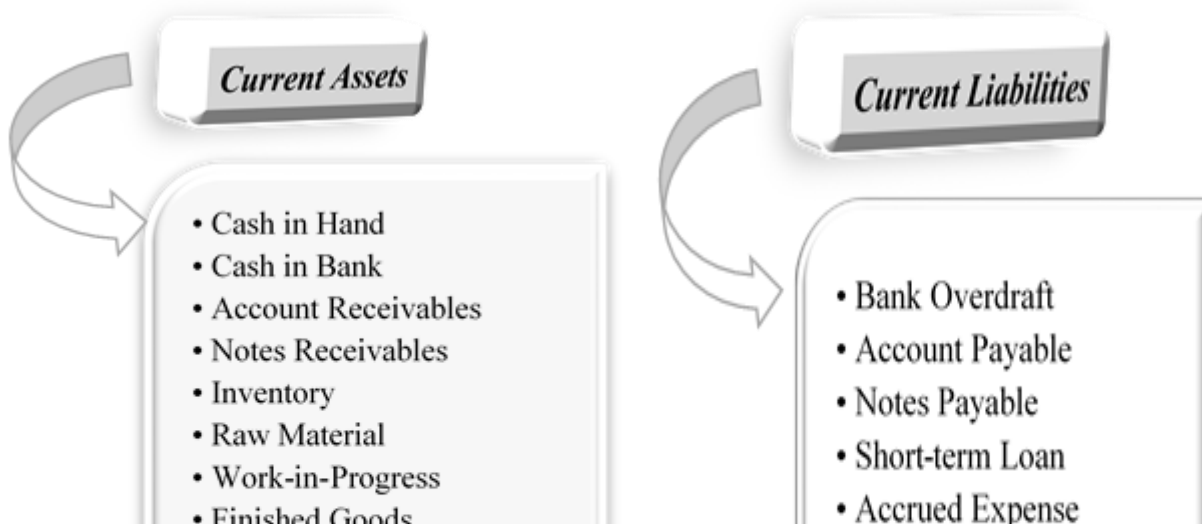
5.2 Theoretical Framework

Current capital is the difference between current assets and current liabilities. To calculate working capital, current liabilities remain current assets.

❖ Aspects of Working Capital Management:

Working Capital = Current Assets – Current Liabilities

The information on short-term liquid assets remaining after short-term liabilities have been settled is given to us by the working capital formula. Given that it is an indicator of a company's short-term liquidity, it is critical for financial research, financial model creation, and cash flow management.



➤ **Types of Working Capital**

a. Gross Working Capital

An organization's total current assets equals its gross working capital. Gross working capital, on the other hand, is the entire amount of financed current assets. In gross working capital, current assets comprise cash, inventories, receivables, liquid assets, short-term investments, and other assets that may be turned into cash in less than a year. As current assets rise, gross working capital also rises. When we borrow money from other people, we assume greater responsibility. Gross working capital is calculated to provide an accurate picture of the liquid resources that a firm has available to run its day-to-day operations and to measure its cash flow.

Formula: $\text{Gross Working Capital} = \text{Total Current Assets}$.

b. Net Working Capital

The Expression The term "net working capital" refers to a company's current financial position. Net working capital is the result of subtracting current obligations from current assets. Account payables, taxes, short-term loans, and other obligations having a one-year maturity are examples of current liabilities. Both favorable and unfavorable circumstances might be referred to as "net working capital". When current obligations surpass current assets, net working capital is negative; conversely,

when current assets surpass current liabilities, net working capital is positive. A corporation with a positive net working capital position is considered to have high liquidity, whereas one with a negative net working capital indicates insufficient liquidity.

Formula: $\text{Net Working Capital} = \text{Current Assets} - \text{Current Liabilities}$

c. Average Working Capital

The average working capital is found by dividing the working capital for two years by two. For the next two years, this essentially ends any working capital swings.

Formula: $\{\text{Working capital (current year)} + \text{Working capital (prior year)}\} \div 2$.

d. Maximum Working Capital

Sales fluctuations throughout the year are possible for businesses. When demand spikes during peak season, a company's operating capital needs to be sufficient. To be successful throughout the season, increased stockpiles and receivables must be kept under control. During moments of severe peak, a company's working capital has to be increased to the maximum, or highest level.

e. Minimum Working Capital

In the quiet season, product demand declines sharply, resulting in decreased receivables and inventory. Now is the lowest point in the company's history for working capital needs. This represents the company's fundamental operating capital.

f. Permanent Working Capital

Permanent working capital refers to the portion of working capital that is permanently restricted in current assets and needed to run the firm profitably. It represents the lowest point in net working capital history.

g. Temporary Working Capital

The money that a company could require at a certain time of year is referred to as temporary working capital. For example, unforeseen expenses can mean that the business needs money over the holidays.

Temporary Working Capital = Net Working Capital – Permanent Working Capital

➤ Working Capital Cycle

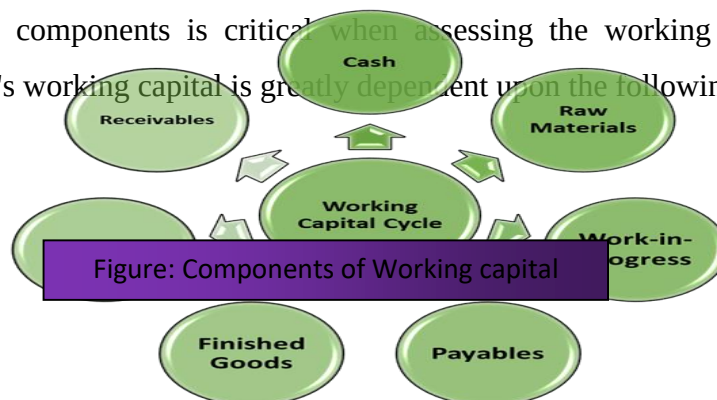
A company's working capital cycle is the amount of time it takes to convert its net current assets and liabilities into cash. A company's ability to manage its short-term cash flow is assessed by the working capital cycle. Days are used by businesses to track working capital cycles. A lengthy cycle is a period of time that passes without yielding a return on investment. A company with short cycles can be more adaptable and release funds more rapidly. An company should have the shortest working capital cycle feasible.

Formula: Working Capital Cycle in Days = Inventory Days + Receivable Days – Payable Days

Figure: Working Capital Cycle

➤ Components of Working Capital

Four major components are managed, and this is the working capital cycle's primary focus. Absolute control over these four components is critical when assessing the working capital cycle of a corporation. A company's working capital is greatly dependent upon the following four factors:





- i. **Cash management:** Managing a company's working capital requires careful consideration of cash, one of its most liquid assets. Cash management is essential since having too much or too little cash on hand may be bad for business. Cash is a depreciating asset that does not provide revenue, thus having too much cash on hand might be detrimental to a company. The most important factor in avoiding bankruptcy is managing cash flow well.
- ii. **Inventory Management:** For many businesses, one of the most important things is inventory. Cash has to be a part of a company's working capital management. Effective cash management is crucial as holding onto cash or having too much of it may be detrimental to a business. Every day, cash loses value, and a firm that has too much cash on hand may find itself in a bad situation since it generates no revenue. Good cash management is critical to avoiding bankruptcy. Work in progress, completed goods, and raw materials are all considered current assets and are included in inventory. One important aspect of management is inventory control. Effective and proper inventory management is essential.
- iii. **Receivables Management:** Receivables comprise a sizable amount of a business's current assets. A good debtor management strategy must thus be developed by the company's internal control system. The period of credit and the amount provided to clients who complete a successful credit rehabilitation program are limited under debtor management standards. A credit-granting process for new customers must also be established by the company. Ignoring debtors leads to an increase in the amount of money tied up in receivables, a poor return on investment, and a lost opportunity. Furthermore, the likelihood of bad debts rising is high. An increase in working capital investment will be necessary as a result of inefficient debtor

management, which will cause the cash operating cycle to prolong. Procedures for managing debts vary by industry and sometimes even within the same company.

- iv. Payables Management:** Working capital management involves both creditors and debtors in a big way. Limiting the unjustified development of working capital requirements can be facilitated by effective credit management. Paying for raw materials on schedule and avoiding financial leakage are two ways to increase a company's liquidity. Supplier payment delays negatively impact the firm in a number of ways, including lowered discounts, a damaged reputation, higher purchase prices, and missed lead times. Maintaining excellent credit standing and increasing cash must be balanced by the organization.

➤ **Factors Affecting Working Capital Requirements**

A business needs to estimate its working capital with accuracy. The balance of the operating cycle is jeopardized by both an excess and a shortage of working capital. It is consequently necessary for a corporation to determine its working capital requirements. A working capital management evaluation should take the following factors into account.

- a. **Nature of Business:** Various quantities of working capital may be required, depending on the type of business. An investment in raw materials, their conversion into finished goods, inventory management, and credit-based sales to customers are all necessary for a manufacturing enterprise. Large amounts of working capital are needed for each of these tasks. Nevertheless, because wholesalers usually buy goods, hold inventory, and sell to clients on credit, their operating expenses are lower than those of a manufacturing company. A retailer's trading organization requires extremely little working capital since it buys goods on credit and sells them to customers with a short credit period. As a food store uses credit for purchases and cash for sales, it can be zero.
- b. **Length of Operating Cycle:** A particular organization's business cycle length directly affects the quantity of working capital required. The term "operating cycle" refers to the period of time that passes between investing in manufacturing and income from sales. It goes by the names "working capital cycle," "trade cycle," and "cash conversion cycle." Working cash is required when the business cycle lengthens. A business can lower working capital expenses while maintaining a consistent flow of income by cutting the operating cycle.

- c. **Scale of Operation:** Working capital is necessary for a small firm with restricted operations, a small client base, and a small stock inventory. Working capital requirements increase when a firm grows in size.
- d. **Seasonal Factors:** Working capital may be steady for a non-seasonal firm all year round. If a firm operates on a seasonal basis, it is probable that demand will rise during the busiest season and fall during the slowest. Peak season demand will drive up supply and prompt additional demands from customers. Greater supply and greater customer needs are the outcomes of increased demand during peak season. An enormous quantity of working capital is required for this during off-peak hours, and vice versa.
- e. **Business Cycle Fluctuation:** The regular fluctuations in economic expansion are referred to as the "business cycle". A rise in demand brought on by faster economic growth has compelled an increase in output, stock, and customers, among other things. Maintaining this expansion will require additional working capital. However, demand declines and all the odds are against company during a recession. Thus, operating capital is no longer required.
- f. **Operating Efficiency:** If a company operates more efficiently, it may require less working capital. In order to cut operational expenses, it could decrease waste and idle time. When operating expenses are minimal, working capital investments are constrained. Inefficient operations will raise expenses and necessitate the use of greater working capital.
- g. **Availability of Raw Materials:** If a production process requires the use of unusual, rare, or difficult-to-find raw materials, the Company is required to have a reserve supply on hand. When buffer stock rises, the company's working capital will also rise. Lower inventory levels mean lower working capital and inventory holding expenses.
- h. **Technology and Production Cycle:** Compared to typical labor-intensive firms, technically oriented organizations rely far more on machines. Labor-intensive companies need a higher amount of working capital since they have to pay their employees on a regular basis. Businesses that depend significantly on machinery, on the other hand, often have lower operational expenses but larger capital requirements. The production cycle also affects how much working capital is required. The production cycle is the amount of time required to transform raw resources into completed commodities. The demand for more working capital to manufacture completed items causes the production cycle to prolong. The quantity of

working capital required will be smaller as there will be less money tied up in completed items and inventory due to a shorter manufacturing cycle.

- i. **Credit Avail:** The factors listed below affect the total amount of credit extended: The payable's payment duration is the average number of days required to pay off the payable. The kind and accessibility of finance has a big influence on how much working capital a firm need. A company's working capital will be decreased if it can obtain more credit for a longer period of time.
- j. **Growth Prospects:** A company must greatly increase its working capital if it wishes to grow swiftly. As the economy expands, more money must be spent on activities, inventory, and raw supplies.
- k. **Level of Competition:** Level of Competition: In a competitive market, the amount of working capital required may vary. Consumers may request expedited delivery in addition to a more lenient credit policy. In order to do this, it must have a larger inventory. On the other hand, monopolistic companies could be able to offer their customers loans under more flexible terms, which might lower the amount of operational capital they require.
- l. **Inflation:** Over time, inflation will cause the cost of labor, materials, and other products and services to increase. By increasing the price of its products, a corporation may weather the current crisis. If not, the company will have to raise operational cash little by bit.

➤ Working Capital Management Ratios

The working capital's liquidity characteristics are indicated by the following ratios.

Ratio	Description	Formula
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Working Capital Ratio/Current Ratio	The ability of a business to handle its current liabilities is shown by its current ratio. When management can demonstrate that it would still be able to pay off its debts and fulfill its commitments even in the worst-case scenario—if the value of its current assets fell by half—it has an appropriate current ratio of 2:1.	Current Ratio = Current Assets/ Current Liabilities
Quick Ratio/Acid Test Ratio	After subtracting the value of inventory from all current assets, the company's quick assets are determined. One common belief is that a 1:1 acid test ratio is appropriate. It's not always the case that higher or lower ratios indicate better or worse situations.	Quick Ratio = Current assets – inventory/ Current liabilities
Collection Ratio/ Receivable collection period	A "Receivable Collection Period" is the number of days that usually elapse between the date of a credit transaction to the day when the buyer makes payment. More often than not, a shorter collecting period is selected.	Collection Ratio = Accounts receivable/Net sales × 365 days
Days Payable Outstanding (DPO)	Utilizing the Days Payable Outstanding (DPO) statistic, an organization may determine its typical payment schedule.	DPO = Accounts Payable/COGS × 365 days

➤ Effects of Positive and Negative Working Capital

A useful indicator of risk tolerance and financial stability is working capital levels. Investors will look at the working capital position of the firm to see how well it is handling its assets.

- **Positive Working Capital:** When a company's current assets exceed its current liabilities, it has positive working capital. As a result, there is less chance that the company will be unable to pay its immediate debts. Positive working capital indicates the company's capacity to pay short-term obligations.
- **Neutral Working Capital:** Working capital is considered neutral when current assets and liabilities are equal. This indicates that the business can continue to use its present assets to pay down its short-term debt. The absence of extra assets that might be quickly turned into funds for expansion could also be a sign of elevated risk.
- **Negative Working Capital:** Working capital is the difference between an organization's current assets and current liabilities. The company's only options for paying its debts would be to either quickly increase revenues or secure short-term financing. Lenders and investors will give serious consideration to a company that cannot pay its bills or its contractors or staff. Furthermore, if all current assets are being depleted to pay for ongoing operating expenses, the company may not have any assets remaining to fund future expansion and investment.

➤ **Relationship between Working Capital Management and Profitability**

The effective use and management of current assets and liabilities have a major impact on the company's profitability. For a business to be able to create shareholder value, maintain liquidity, and be present in the market, it needs working capital.

The company's capacity to expand and survive in the long run is impacted by poor stakeholder relations and business disruption brought on by a lack of liquidity, since working cash shortages result in missed sales opportunities and delayed payments. Excessive working capital resulting from idle cash, a surplus of products, and a high debtor ratio also negatively impacts profits.

Thus, making the best use of working capital guarantees that resources are accessible for regular business activities. Businesses are better equipped to satisfy their commitments on schedule, have enough cushion for unanticipated catastrophes, and take advantage of unforeseen sales opportunities when income and operating expenditures are combined with a sufficient cash reserve.

Executive Summary

This study primarily examines the working capital management strategies and outcomes that Prochesta Real Estate & Development Limited has put in place over the three years. The efficient management of current assets and liabilities has a major effect on the profitability of the business.

To ensure that there are resources available for ongoing corporate operations, working capital should be handled wisely. Thus, for all firms, efficient working capital management is essential. Ineffective working capital management costs a lot of businesses. Once more, one of the elements that makes a lot of firms successful is efficient working capital management. The working capital management of Prochesta Real Estate & Development Limited is examined by means of ratio analysis and statistical analysis, including the inventory, accounts payable, liquidity, and accounts receivable condition over the preceding three years, spanning from 2021 to 2023. It is hoped that this tendency will continue, even if the company's working capital management has had ups and downs over these three years. Right now, however, working capital maintenance is functioning well.

Part B

Chapter One: Introduction

1.1 Research Title

Working Capital Management- A Case Study of Prochesta Real Estate & Development Limited

1. 2 Research Purpose

The theoretical knowledge that an accounting graduate should possess is what accounting students qualifying for their BBA degrees are trained with, however real-world situations might differ significantly from textbook scenarios. Consequently, this study's main goal is to learn more about the concept of working capital management and how corporations handle it. To that end, it will specifically target the following objectives:

- (a) To evaluate 'Prochesta Real Estate & Development Limited's' handling of its operating capital.
- (b) To assess 'Prochesta Real Estate & Development Limited's' inventory and liquidity status.
- (c) To assess 'Prochesta Real Estate & Development Limited's' accounts payable and receivable.
- (d) To use accounting ratio analysis to determine how effective working capital management practices are.
- (e) To detect the problems involved in working capital management of the company.
- (f) To recommend some suitable solutions to the problems.

3.2 Problem Statement

The incapacity to manage working capital effectively is a major contributing factor to corporate failure, since it affects the overall functioning of the firm. In that case, many failed firms will benefit from learning how a successful corporation manages its working capital. Inventory management, liquidity management, accounts payable, and accounts receivable are all related. Consequently, these issues are managed by a highly proactive organization. A lack of ideas causes many firms to struggle with effective working capital management. The goal of this research paper is to investigate that problem and acquire the necessary knowledge to handle working capital in a way that is advantageous to the company.

1.4 Research Context

The term "working capital management" describes the method by which a business aims to maximize the utilization of its current assets and liabilities in order to attain operational efficiency. Aspects of working capital management include inventory, accounts payable, receivable, and liquidity management. Working capital management shows the relationship between the short-term assets and liabilities of a business. When a business manages its working capital well, it may generate enough revenue to finance its own growth instead of taking on additional debt. To stay up to date with the research and technological advancements taking place in the Manufacturing industry's related area, working capital must be essential. The company's inability to compete and remain in business due to a shortage of operating capital will result from the absence of creative ideas, processes, and procedures. Undoubtedly, Prochesta Real Estate & Development Limited's performance depends on its working capital management. A thorough investigation of Prochesta Real Estate & Development Limited's working capital policies is necessary since working capital management is especially important in this situation. The administration of Prochesta Real Estate & Development Limited's working capital is examined in this study. For the purpose of understanding Prochesta Real Estate & Development Limited's working capital management, an analysis of the preceding three years' inventory, accounts payable, liquidity, and receivable will be conducted.

Chapter Two: Methodology

2.1 Research Design

For this research, I've applied for a "Mixed Study Design". The research methods used in this study are both qualitative and quantitative. To strengthen the validity of my conclusions, expand the body of data, and contrast the results of the two ways, I have integrated both qualitative and quantitative methodologies. In a more comprehensive quantitative framework, I have simultaneously gathered and assessed both kinds of data.

2.2 Source of Data and Information

In order to find out more and get more data for this study, I split the entire project across two sources. Primary and secondary data sources have both been used to collect the information required to complete the report.

- **Primary Data:** As primary sources provide authentic, trustworthy, accurate, and relevant information, they have been utilized instead of secondary ones. Using the techniques outlined below, I have gathered information from primary sources:
 - Regarding the administration of “Prochesta Real Estate & Development Limited” receivables, payables, bills, cash, and bank accounts, I have personal observation and real –world work experience.
 - Conversations with the relevant account executives as well as group conversations with additional employees of “Prochesta Real Estate & Development Limited”.
 - Expertise in drafting different internal management reports regarding the capital management of “Prochestsas Real Estate & Development Limited”.
- **Secondary Data:** To collect data from secondary source I have done the following things:
 -  Studied related records, files and documents of ‘Prochestsas Real Estate & Development Limited’.
 - Extracted information from relevant official documents.
 - Checked information from the official website of ‘Prochestsas Real Estate & Development Limited’ and other relevant websites.

2.3 Sampling

Convenient sampling is used in this investigation. I utilized Prochesta Estate & Development Limited's officials and staff as a convenient sample for my study since I conducted interviews with them.

2.4 Data Collection

In order to assess if a research study is effective, gathering accurate data is the most important stage in the process. Gathering data is a necessary step in every research project and may be done in a few different ways. Interviews, observations, desk research, and library research were the four approaches that were applied.

☐ Interview:

The following questions were asked to Prochesta Real Estate & Development Limited's Officers and employees to collect data through interview:

Q.1) What role does working capital play in an organization's day-to-day operations?

Q.2) What are the repercussions of inadequate working capital management techniques?

Q.3) What methods are utilized to manage an organization's working capital?

Q.4) How does successful working capital management improve an organization's performance?

Q.5) How to avoid excess and scarcity of working capital?

☐ Observation:

Data for qualitative investigations are mostly collected using this research technique. I conducted interviews, looked for information while watching, listening, and observing, and studied the surrounding area to gain first hand understanding of the study subject.

☐ Library Work:

I've drawn inspiration from all of the previously written research publications available in the university library on working capital management.

❑ **Desk Work:**

Internet-based data collecting is one of the most popular methods for desk research. Users only need to click once to view and download information. A desk review was conducted in order to assess a large number of publications, research papers, and data from the Company's records, catalogs, and other sources.

2.5 Data Analysis:

The data for this research article was analyzed in two methods.

- ✓ **Financial Analysis:** Ratio analyses of several kinds, including working capital, quick, and collection ratios, have been carried out in the data analysis sector.
- ✓ **Statistical Analysis:** For statistical analysis, a range of graphs, including the Receivable Collection Period and Payable Collection Period, have been developed so that Prochesta Real Estate & Development Limited's statistical position may be quickly and easily understood.

2.6 Scope

My study focuses on "Working Capital Management." Evaluating "Prochesta Real Estate & Development Limited's" working capital management process is the main goal of this research. I made an effort to learn about all of "Prochesta Real Estate & Development Limited's" activities as well as its policies and processes. We looked into Prochesta Real Estate & Development Limited's inventory, liquidity, accounts payable, and receivable situations from 2021 to 2023 to find out more about their working capital management.

2.7 Limitations

1. In three months, it is difficult to perform a comprehensive inquiry into a broad topic like working capital management.
2. Since the company is not very big, I collected as much data as possible.

3. I was only able to collect information that was already public knowledge since firms deal with confidential stuff.

4. I have no prior experience with working capital management because I am a student. My lack of experience in the business may make it challenging for me to write the report correctly.

Chapter Three: Analysis & Findings

3.1 Working Capital Management Techniques of Prochesta Real Estate & Development Limited

Prochesta Real Estate & Development Limited follows the following techniques to manage their working capital effectively.

- **Understand the working capital cycle:** The period of time it takes a business to turn its current assets into cash is known as the working capital cycle. Receivables, inventories, and other short-term assets are included in this category.
- Prochesta Real Estate & Development Limited may better manage their cash flow and make sure they have adequate liquid assets to pay their commitments by having an understanding of the working capital cycle. They make use of this data to pinpoint areas where they may cut expenses while boosting production.
- **Increase the effectiveness of inventory control:** when a business has too much inventory and isn't using its funds for other purposes. Conversely, businesses who don't have adequate inventory face the danger of running out of products or passing on sales chances.
- Gaining a deeper understanding of client demand patterns was Prochesta Real Estate & Development Limited's first step towards enhancing inventory management. They can determine how much inventory they should always have on hand using this data. Furthermore, in order to monitor their inventory levels in real time, they are considering the implementation of an automated inventory system. In conclusion, make sure they utilize bulk savings whenever it's available.
- **Process accounts receivable more efficiently:** Accounts receivable is the term used to describe the money owed by customers to a firm. Payment delays and cash flow issues might result from ineffective accounts receivable procedures.
- Prochesta Real Estate & Development Limited prioritizes billing process optimization in order to maximize accounts receivable operations. A list of all the client bills that have not been paid since the sales invoice was issued, together with their due dates, is included in the aging report for the accounts receivable that they generate. The Corporate/Modern Trade/Retail team then sends out sector-specific reminders.

- **Effective management of accounts payables:** For the purpose of efficiently managing accounts payable, Prochesta Real Estate & Development Limited has established explicit rules and procedures outlining the due dates for invoice payments as well as the tracking and monitoring requirements. They provide an accounts payable aging report that lists all of the invoices that a company needs to pay its vendors and suppliers. With the help of an AP aging report, businesses may more effectively manage their debt. Which specific bills are past due can be ascertained with the use of the report. Furthermore, where feasible, they utilize early payment discounts, which can save expenses and enhance the management of working capital.
- **Making use of a cash flow projection to enhance planning:** An estimate of future cash inflows and outflows is called a cash flow forecast. Businesses may be able to more effectively manage their operations if they can predict when money will arrive and go. More effective working capital management is possible for Prochesta Real Estate & Development Limited if they have an accurate cash flow projection. They do this with full knowledge of their ability to pay off debt and, if necessary, finance new endeavors.
- **Increase equity investment while reducing debt:** Debt financing may be costly and dangerous even though it can be a rapid and effective way to generate capital. However, equity financing carries a lot less risk and is often more cost-effective over time.

Reduced debt and increased equity financing will help Prochesta Real Estate & Development Limited become more financially flexible and reduce its total cost of capital. Consequently, businesses may make investments in development potential without incurring undue debt or risk.

Because of this, managing working capital is a challenging process that necessitates a thorough comprehension of the organization's finances as well as market and industry trends. Prochesta Real Estate & Development Limited avoids having too much or not enough operating capital by using each of these techniques.

3.2 Ratio Analysis

A ratio analysis is required to evaluate the organization's cash flow, operational effectiveness, risk, solvency, profitability, liquidity, and risk management.

The following list includes the components needed to determine the ratios:

	2021	2022	2023
Current Assets	1784358	1250407	1214058
Current Liabilities	10920713	14450332	23852838
Inventory	1012282	614422	676522
Accounts Receivable	106611	21633	253500
Net Sales	12472679	11671366	12680540
Accounts Payable	11793405	15337993	19340609
Cost of Goods Sold	12671012	6779720	22058360

(All Values are in BDT)

The table below contains some key ratio analyses for the preceding three years for Prochesta Real Estate & Development Limited:

Ratio	2021	2022	2023	Formula`
Working Capital Ratio	16.34 %	8.65 %	50.89 %	Current Assets/ Current Liabilities
Quick Ratio	7.07 %	4.40 %	22.5 %	Current Assets - Inventory/Current Liabilities
Receivable Collection Period	3 days	1 day	7 days	Accounts Receivable/Net Sales × 365 days
Days Payable Outstanding	339 days	825 days	320 days	Accounts Payable/ COGS × 365 days

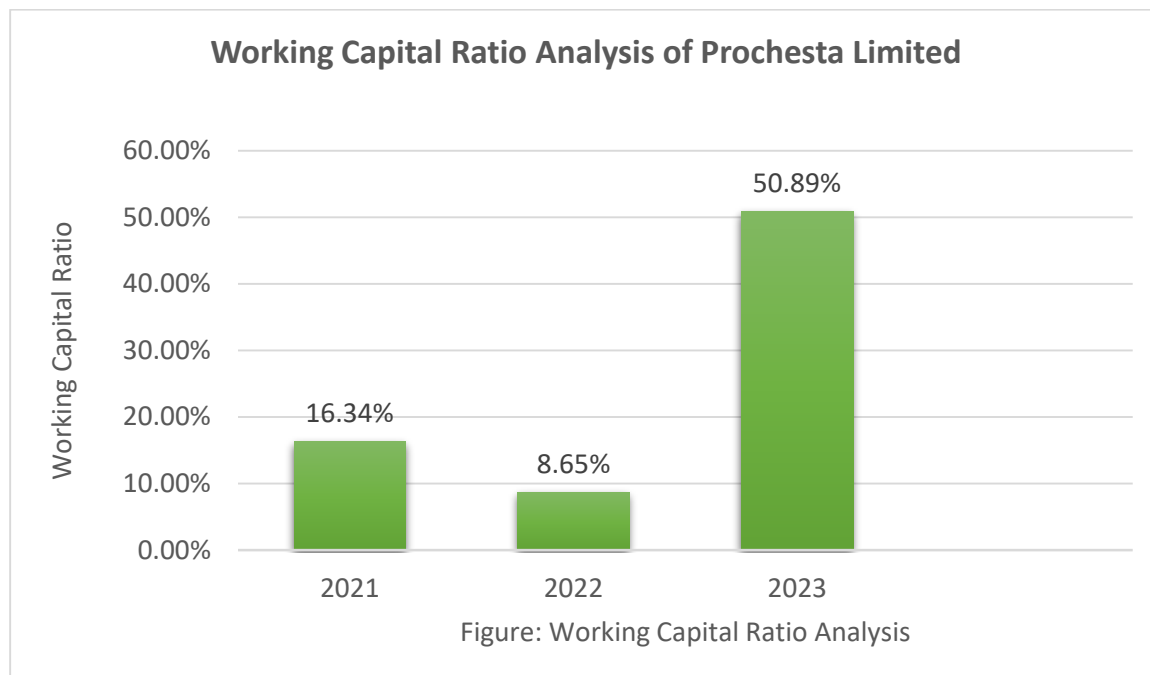
3.3 Overall Performance & Findings

Prochesta Real Estate & Development Limited was able to manage its working capital in 2023 because, in comparison to the previous two years, both its working capital ratio and quick ratio had significantly grown. The working capital ratio was strong in very beginning 2021, but it began to decline in 2022, as did the quick ratio. However, as we can see from the graphical analysis, Prochesta Real Estate & Development Limited is now performing incredibly well. In fact, their Working Capital Ratio and Quick Ratio have significantly grown in comparison to the previous year, indicating that they were able to manage their working capital. The working capital ratio was strong in 2021, but it began to decline in 2022, as did the quick ratio. But as the graphical analysis shows, it's doing quite well right now. We may thus draw the conclusion that there is a higher chance the business will be

able to settle its obligations in the next fiscal year. A corporation can be more liquid and swiftly generate cash in an emergency if its quick ratio is higher. Upon considering these factors, we may declare that the company has a general shortfall of current assets. But as the graphical analysis shows, it's doing quite well right now. We may thus draw the conclusion that there is a greater chance the business will be able to settle its obligations in the next fiscal years.

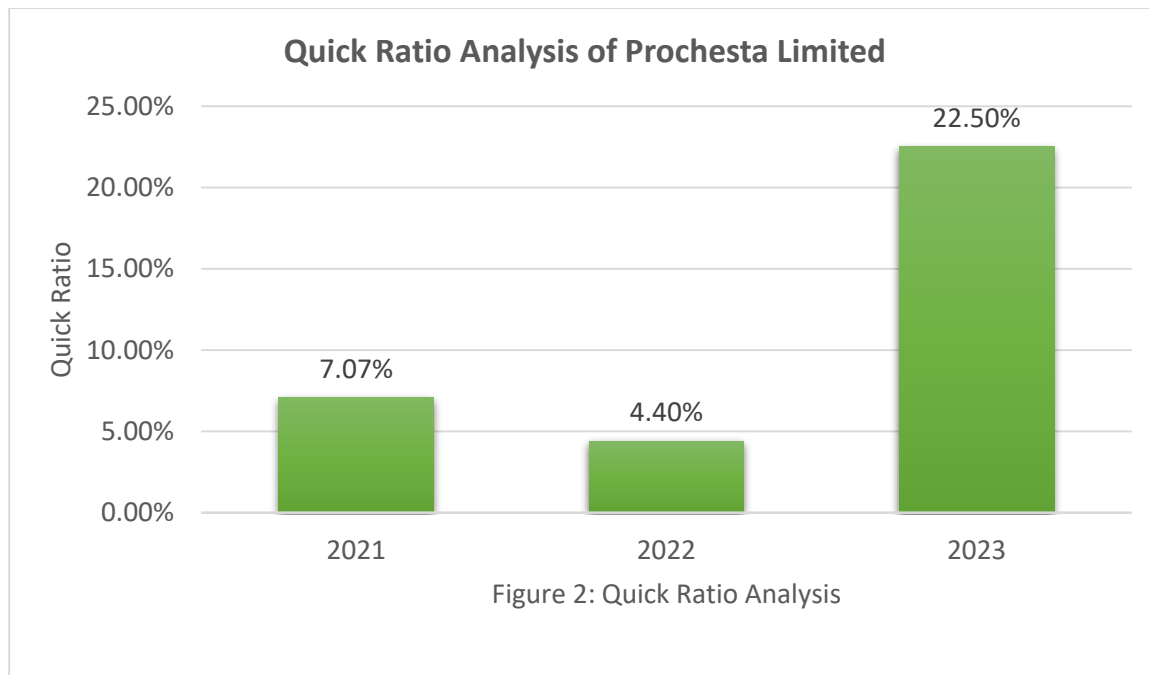
3.4 Statistical Analysis:

❖ Working Capital Ratio Analysis:



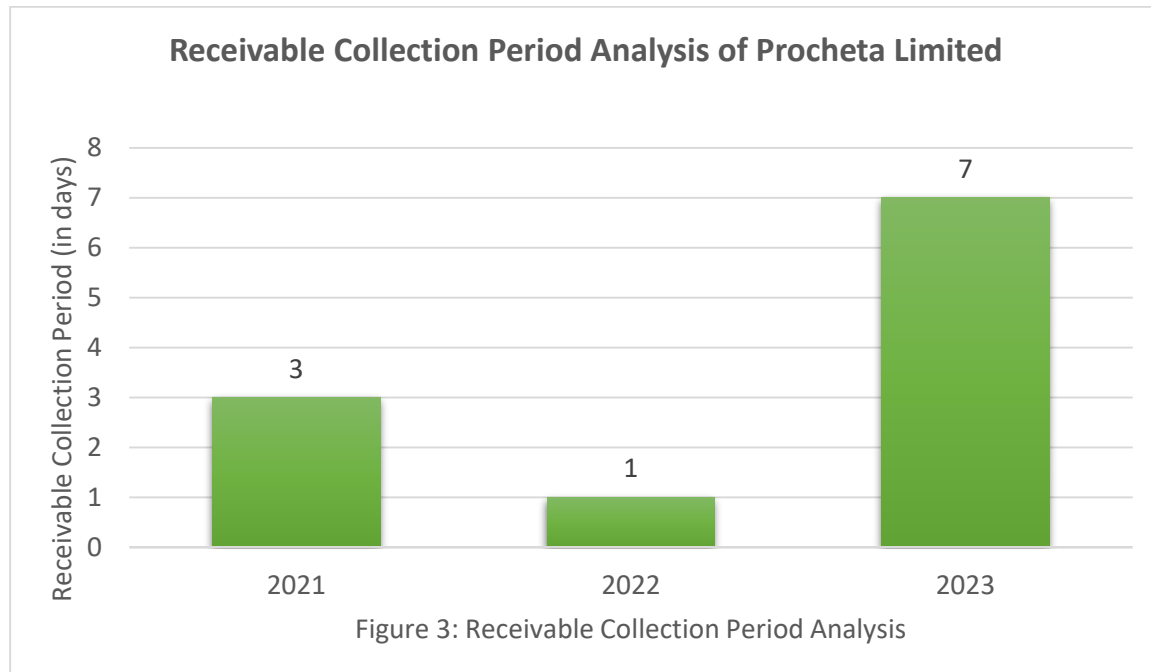
We may infer that Prochesta Real Estate & Development Limited can now pay its current liabilities based on the working capital ratio, which rose noticeably after declining consistently during the course of 2021–2022

❖ Quick Ratio Analysis



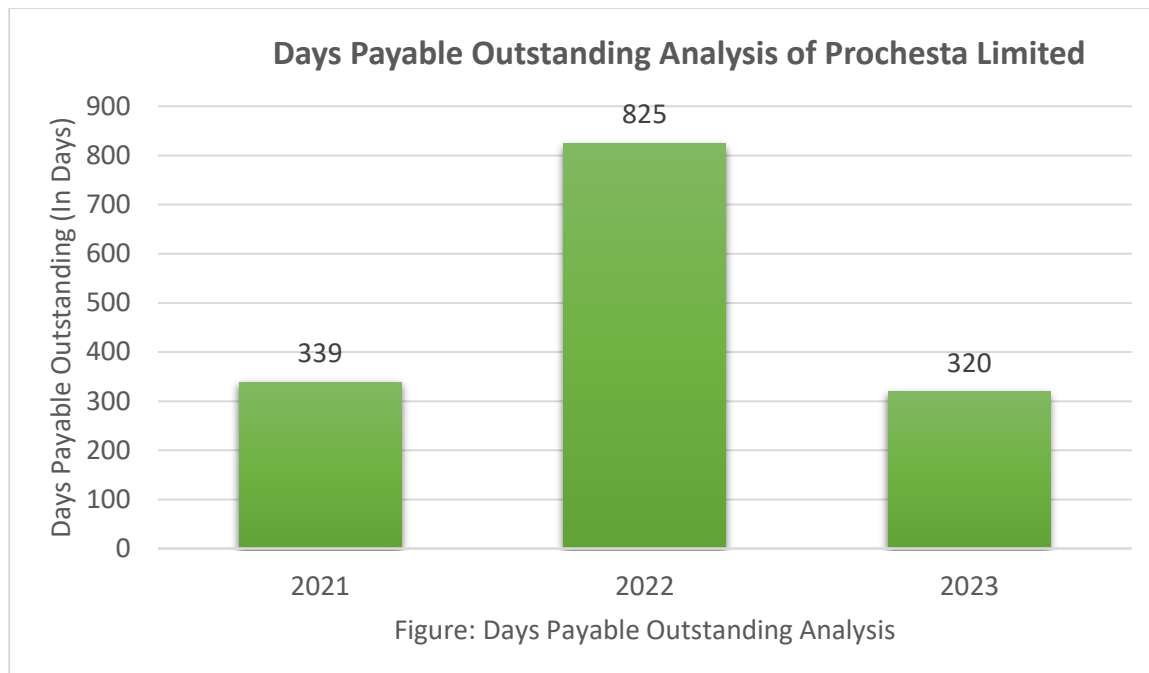
Despite the fact that the quick ratio continued to decline in 2021–2022, this graph shows that Prochesta Real Estate & Development Limited is now able to produce cash from its liquid assets to pay for short-term commitments and costs, as seen by the sharp increase in the rate in 2023.

❖ Receivable Collection Period Analysis



Procheta Real Estate & Development Limited's receivable collection period has been gradually extended, indicating that the firm is experiencing delays in recovering funds from its accounts receivable.

❖ **Days Payable Outstanding Analysis:**



Prochesta Real Estate & Development Limited is growing its working capital investment, as seen by the graph, which indicates that it is paying off its debts more quickly in 2021–2022. Furthermore, it may suggest that the business is utilizing supplier discounts for prompt payments.

Based on a above prospect of the organization's days payable outstanding and receivable collection period over the preceding three years, Prochesta Real Estate & Development Limited is taking longer to settle its debts.

Chapter Four: Recommendations

Recommendations:

All things considered, the stats show that Prochesta Real Estate & Development Limited is doing a good job right now. A few tips are provided below, but my main advice is to keep this performance going.

- The organization may be able to draw in more clients if it uses more adaptable marketing techniques. Furthermore, providing services that are more successful in fostering customer relationships may help the company attract additional clients. But in order to reduce the danger of bad debts, the business has to take the necessary steps.
- Finding underutilized cash and cash equivalents will be a major help to the company's potential to increase overall profitability.
- It is advised that the business make an investment in digitizing inventory management, as this will enable them to optimize their stock by monitoring orders, delivery, and sales. The business is protected from overstocking and shortages of goods by doing this. With efficient warehouse organization, digital inventory management may reduce losses and business disruptions.
- To avoid security risks, the company should look for alternatives to its current suppliers
- The company may track performance measures, make greater investments in research & development, and raise working capital through the use of better data and technological tools.
- By identifying the clients who make on-time payments, Prochesta Real Estate & Development Limited may reap the benefits of automated corporate accounts. Give presents to these devoted clients to motivate them to pay their bills. This will assist the company in keeping a healthy cash position and promote the growth of enduring client relationships.
- Prochesta Real Estate & Development Limited might boost its revenue by growing its other resource businesses on its own during the off-season. As a result, off-peak liquidity will rise.

Chapter Five: Conclusion

5.1 Conclusion

Effective working capital management is a must for any company. Many organizations suffer losses as a result of their inability to effectively manage their working capital. Again, effective working capital management is a key component of many successful businesses. Once more, effective working capital management is one of the factors that makes many businesses successful. The working capital management practices of Prochesta Real Estate & Development Limited during the last three years are outlined in the study project as a whole. In light of this, it is clear that Prochesta Real Estate & Development Limited is currently managing its working capital well.

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Prochesta Real Estate & Development Limited:

<https://www.facebook.com/profile.php?id=61553994435379&mibextid=ZbWKwL>

Appendix I
Internship Proposal Form

Name:	Tazsiddika Keya
ID:	192011023
Semester (Spring/Summer/Fall)	Summer 2023
Department:	ULAB School of Business (USB)
Supervisor's Name (Faculty):	Prof. Milan Kumar Bhattacharjee, PhD
Organization Name:	Prochesta Real Estate & Development Limited
Internship Title:	Working Capital Management- A Case Study of Prochesta Real Estate & Development Limited



24.12.23

Student's signature & date

Supervisor's signature & date

Appendix II

Internship Confirmation Letter



Prochesta Real Estate & Development LTD

APPOINTMENT LETTER AS AN OFFICE ACCOUNTANT (INTERN)

09/OCTOBER/2023

Dear Miss Tazsiddika Keya,

On behalf of **PROCHESTA REAL ESTATE & DEVELOPMENT LTD**, I am pleased to inform you that the Board of Directors at its meeting held on 25 September 2023, have appointed you **Officially as an Office Accountant (Intern)** of the Company. Company decided to pay you the remuneration **....Thousands BDT.** from the date of **1/October / 2023**. After three months, It should be increased depends on your performance.

We highly appreciate you for your joining to be the Senior Executive Officer of the Company.

I have enclosed the terms and conditions of your appointment as company's office accountant. Please review the terms and conditions and affix your signature as a token of acknowledgement.

Regards,

On behalf of

Board of Directors,

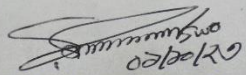
Chairman,

Mr. Harun Ar Rasheed

PROCHESTA REAL ESTATE & DEVELOPMENT LTD.

Florida Castle, House No- 07, Flat No- 23/A, Gulshan-1, DHAKA-1212

E-mail: prochesta360.ltd@gmail.com


Md. Harun Or Rashid
Managing Director
Prochesta Real Estate And Development Ltd.

