The concept of working capital has changed a lot with the evolution of business. From the theoretical foundation of working capital it presents that if the finance manager does not properly estimate the working capital, the enterprise will have to face severe problems in connection with the production as well as meeting daily requirements. In this backdrop the researcher has undertaken the study of Working Capital Management of Gujarat State Fertilizer Company (GSFC) and Gujarat Narmada Valley Fertilizer Company (GNFC) with the overall objective through different types of ratios based on the financial information of the company. The Indian fertilizer industry has come a long way since the setting up of the manufacturing unit of Single Super Phosphate (SSP) near Chennai in 1906. The Indian fertilizer industry has helped in the growth of the Indian economy. The India government has devised policies conducive to the manufacture and consumption of fertilizers. The dramatic development of the fertilizer industry and the rise in its production capacity has largely been attributed to the favorable policies. This has resulted in large scale investment in all three sector viz. public, private and co-operative. At present there are 57 large scale fertilizer units. There are also about 12 medium and small scale industries in operation.

Through present research study, the researcher tries to measure Working Capital Management and Its Impact on Profitability of Selected GNFC. The fertilizer sector by enhancing the agriculture productivity has in turn resulted in providing a major support to the farmers who are primarily depend on agriculture. Fertilizers have played a pivotal role in Indian food security. This research work is based on secondary data. And information has been collected from the published Annual Reports of the selected units. The other secondary data collected from books, Journals related to the subject matter- Working Capital Management- and related to Fertilizer Industry.

This research work has been divided into five chapters. The first chapter includes Introduction of Fertilizer Industry. In second chapter Conceptual Frame Work of Working Capital Management has been discussed. And in third chapter Research Methodology used for the study has been shown. In fourth chapter the analysis and interpretation of Working capital have been made. In the fifth chapter Summary, Findings & Suggestions has been presented.

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