WORKING CAPITAL TURNOVER RATIO-

**COGS**

**Working capital turnover ratio=**

**Net Working capital**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Years | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
| COGS | 54616.25 | 53120.02 | 36446.36 | 27720.44 | 105176.69 |
| Net Working Capital | (91591.02) | (289791.22) | (150033.83) | (131136.66) | (199818.24) |
| Ratio | -0.59 | -0.18 | -0.24 | -0.21 | -0.52 |

INTERPRETATION-

We can see the negative working capital ratio which is about -0.34 because the current liabilities of company exceeds its current assets, and ratio is less than 1 also hence we can say company is not able to use its working capital efficiently to meet its day to day operations and is having trouble in paying back to its creditors in short term.