

WORKING CAPITAL MANAGEMENT OF INTERNATIONAL PAPER APPM LTD– AN EMPIRICAL STUDY

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ABSTRACT

Working capital management refers to efficient management of short term assets. There is a direct relationship between a firm's growth and its working capital needs. The firm needs to invest more in components of working capital with increase in sales. So, the finance manager should be aware of such needs and finance them quickly. Financial manager should pay special attention to the management of current assets on a continuing basis to curtail unnecessary investment in current assets, and in turn, to manage working capital in the best possible way to get the maximum benefit. The management should be prompt to initiate an action and correct imbalances to maintain the liquidity position of the firm. Working capital indicates the liquidity position of the firm and suggests the extent to which the working capital maintained. It should be sufficient to meet with its current obligation. It should constitute a margin or a buffer for maturing obligation within the ordinary operating cycle of a business.

KEYWORDS: *Working Capital Management, Systematic Ratio, Financial Performance, Cash Ratio*