



WORKING CAPITAL MANAGEMENT-AN OVERVIEW

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Abstract

The project revealed that the working capital has a direct impact on cash flow in a business. Since cash flow is the name of the game for all business owners, a good understanding of working capital is imperative to make any business enterprise successful. Companies must seek granular detail to identify the underlying drivers of working capital. By understanding the role and drivers of working capital management and taking steps to reach the "right" levels of working capital, companies can minimize risk, effectively prepare for uncertainty and improve overall performance. Successfully improving working capital management requires a different approach. The better a company manages its working capital, the less the company needs to borrow.

Keywords: Companies, Working capital.

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