

Review Paper on Working Capital Practices and Investment Appraisal

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Abstract: *In the organisation, multiple individuals may be accountable for each component, and the manager must provide them with distinct, attainable goals so that they may work to maximise their working capital holdings. Net working capital is defined as a company's current assets less its current liabilities. Net working capital is the short-term capital required to operate a business. Working capital management includes accounts for short-term assets such as cash, inventory, and accounts receivable, as well as accounts for short-term liabilities such as accounts payable. The level of investment in each account varies from business to business and sector to industry. It also relies on business type and industry requirements. Due to the nature of their business, several companies, for instance, must invest heavily in inventories..*

Keywords: Working capital, liquidity, investment, appraisal

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