In every business, there are two types of assets involved i.e. Fixed Assets and Current Assets. Fixed Assets are for long term purpose and are kept in the business endurably, whereas, Current Assets are for re-sale purpose and are transformed in to cash within one accounting year or less. The investment in current assets is recognized as Working-Capital (the capital which is required to run day-to-day business activities). Working capital is the lifeblood and nerve centre of a business. No business can run successfully without an adequate amount of working capital. The movement of funds from working capital to income and profits and back to working capital is one of the most important characteristics of business. Working capital refers the form of current assets, such as cash, short-term investment in marketable securities, accounts receivable and various types of inventories. The main characteristic of assets in the working capital category is that, they are liquid i.e. they can be converted into cash within a period of fiscal year or less. A firm should maintain adequate working capital as per needs of its business operations. Neither it should be excessive nor should it be inadequate. The main objective of working capital management is to manage current assets and current liabilities in such a way neither Liquidity nor profitability of a business should suffer.

The Indian cement industry is the second largest producer of quality cement, which meets global standards. Gujarat Ambuja Cement Company Ltd (GACCL) has started out as a joint sector company with public sector Gujarat Industrial Investment Corporation (GIIC) and Narottam Sekhseria an associate in 1981. The company was converted to public limited company in 1983. Later in November 1985 with private partners buying out
GIIC’s stake, the company became a private sector venture. Construction of plant commenced in November 1984 was completed in 22 months. It commenced production in 1986. The company has emerged as one of the most efficient and fast growing cement companies during the last two decades. Gujarat Ambuja Cements is a relatively young company in the industry. It is fourth-largest cement producer in India. In a short span of 25 years, it has set new benchmarks in every aspect of the cement business. From cement quality to power consumption and from marketing to environment management.

The present research has been organized to analog the aspect related with working capital management of GACCL. The research has been completed in Six Chapters.

The first chapter is related with the Introduction of Working capital, Cement Industry in India and GACCL. The Second chapter entitled “Review of Literature” is endowed to review the existing literature related with the study.

The third chapter is on research design and in fourth and fifth chapter growth and composition of Working capital management and explanation of its various components by applying various accounting and statistical tool has been done.

Finally in the sixth chapter summary and conclusion has been drawn and measures have been suggested for the efficient management of working capital of GACCL.