**Abstract**

The major difference of current assets and current liabilities is that more current asset mean high working capital which in turn means high liquidity for the business. The purpose of the paper is to analyse the working capital management of ABC Ltd. by understanding the utilization of current assets and current liability on the concern. The ratio used in the study is current ratio. The research focuses on the balance of short -term borrowings and liabilities of the concern with the current assets. From the study of utilisation of current assets and current liability of ABC Ltd. for the past five years it was analysed that the company maintains an current ratio at a constant and an effective and efficient cash conversion cycle.

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