

Financing Design of Working Capital, an Empirical Study

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Abstract

Working capital in organization is akin to that of heart in human body. Efficient working capital management requires well-balanced funds without which either scarcity of funds will obstruct smooth functioning of organization or excess funds will prevent organization from conducting its operation dexterously. Hence, special emphasis must be given to the management of current assets investment in organization. Management can exercise different sources astutely in financing working capital. With a powerful chronicle, India has become a reputed name within the world steel industry. Financing design of working capital for Tata Steel Ltd. cogitates a strategic metamorphosis apropos of internal and external financial considerations. During the preceding decade, Tata Steel has peregrinated a propulsive international steel market, economic phase, and legislative initiatives, impressing its working capital financing dexterity. In this paper, an attempt has been made using secondary data to unearth the size of short-term financing design used to finance current assets along with the contribution of various sources in the context of Tata Steel Company, the selected steel company for the period of 10 years from 2014-2015 to 2023-2024. The study shows that besides fully meeting full financial requirements of current assets, short-term financing is also used to finance fixed assets. Proportion of various short-term sources in financing working capital requirements also shows mixed design over the years in the selected unit under study.

Keywords: Working Capital, Current Assets, Current Liabilities, Financing, Tata Steel, Short-term sources.

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INTRODUCTION

Potent working capital management (W.C.M.) safeguards company's liquidity, operating performance, and long-standing financial well-being. Manager takes venture for icing insightful and poignant management of finance redressing policy eying profitability, competition, cyclic movements, standard practices, etc. With varied changeovers, financing ordonnance also revamps. Financing fashion towards industry's intent of returns and sustenance is, therefore, one substratum of appraisal of finance. Different phenomena drive an industry to eventuate structural reforms. Unlike long-term sources of funds, short-term sources have less cost and higher elasticity but more tricky. Management considers both these sources judiciously to finance working capital (W.C.). Customarily, an amount equal to the key minimal of current assets should be financed from long-term sources and that only periodic essentials of W.C. should be financed from short-term sources (Osborn, Richard C., 1959). Accessibility of funds in

proper volume and diversity is often challenging. Strategy of W.C. besides fixed capital is all-important as short-term survival is a pre-condition for long-term success. Therefore, financing mode in obtaining finance in industry is an arrangement of multiple criteria. Overmuch W.C. augurs unproductive capital scrapped as unwelcome while inadequate W.C. captiously sways integrity. Desire for coherent W.C. policy has, thus, become vital for ecstatic adventure of any organization.

Steel industry, being much volatile, is cognizant in raw material prices, demand oscillation, and roomy economic context and its docility has assumed core soul in a developing country like India for its steward towards economic upturn. Steel industry palpably reconnoitres mechanisms to renovate the pursuits to strengthen outcomes. Tata Steel Ltd., one of the largest steel producers in the world, behaves in this volatility; W.C.M. approach is essential in bolstering cutthroat and financial health.

Against this backdrop, the study bottomed on secondary method approach underscores the discerning how Tata Steel Ltd. in India has structured its W.C. financing and has harmonized appropriating of internal resources and external borrowings over the past decade, from 2014-2015 to 2023-2024. By studying financial data from annual reports, this study researches key short-term sources of W.C., like short-term borrowings, trade payables, short-term provisions, etc.

Working Capital-Concept

W.C. epitomizes funds required for running day-to-day organizations ventures. It embraces two concepts-gross and net. Gross concept broods total current assets whereas net concept contemplates surplus of current assets over current liabilities (Kuchhal, 1973). W.C. reckons with basic approach that W.C. is the difference between current assets and current liabilities (Gole, 1959). W.C. shortage prevails if current liabilities outstrip current assets (Kennedy & McMullen, 1968). Net concept of W.C. relates to qualitative concept and measures the extent to which current assets are exercised to elevate productivity while gross concept quantitative concept and reviews financial stability. Another concept developing more popularity is operating cycle concept of W.C. that instantiates the time during which investment of one unit of money is occluded in the normal course of activities till revival out of cash. W.C. represents excess of current assets over current liabilities due to employees and others (Gerstenberg, 1963). Both the concepts of W.C. have their own merits. Many industries crumble for infelicitous W.C. policy. W.C.M. is pressing in perfecting corporate profitability (Mielcarz *et al.*, 2018). Management monitors funds to redress economy and profitability. W.C.M., thus, balances among risk, liquidity and profitability. Managers should fathom when to look for W.C. funds, how to use them and how to measure, plan and control them (Brandt, 1972).

Tata Steel Ltd., An Introduction

Founded in 1907 as Asia's first integrated private sector steel company, Tata Steel Ltd. (formerly known as Tata Iron and Steel Company Limited (TISCO) is among the top-ten global steel companies with an annual crude steel capacity of over 36 million tonnes. Tata Steel has a stable inclusive outreach in over 50 developed European and snowballing Asian markets with manufacturing units in 26 countries.

Captive mines help maintain cost-competitiveness and process improvement through stable distribution of raw materials to remain the lowest cost producer of steel in Asia. This makes Tata Steel recognized as the 24 Steel Sustainability Champion by world steel for the seven *successive* years.

To improve capacity in India, Tata Steel exuberantly cultivates dexterity through organic and inorganic means. Amidst sustainability, innovation, coordination, and developing closeness with customers

and societies, the Company looks for one of the most worthwhile steel companies globally and has self-confidence to score Net Zero emissions by 2045. Tata Steel, during 2023-2024 created consolidated revenue of Rs. 2, 29,171 crore, EBITDA of Rs. 23,402 crore, and cash flow from operations Rs. 20,301 crore. A Great Place to Work-Certified™ organisation, Tata Steel, together with its subsidiaries, associates, and joint ventures, is dissipated over five continents with staff of over 77,000.

The Company has been acknowledged with the World Economic Forum's Global Diversity Equity and Inclusion Lighthouse 2023. Tata Steel rejuvenates aeonian plan to boost basic financial standing and contemplates to bechance the pinnacle by substantiating technological breakthrough globally, and also the perfect workplace with proficient workforce and 40 MT pa production by 2030 with Rs.10,000 crore annual capital expenditure.

Tata Steel actuates green drives and global metamorphosis for decarburisation and performance. The steel industry is becoming more bright and spry, progressing towards Industry 4.0. Spelled in tradition for century-long, Tata Steel has manifold climax adventures to crow since its threshold.

LITERATURE REVIEW

W.C. management is prime areas in financial management (Vuković & Jakšić, 2019). Efficient W.C. management helps develop competitive advantage (Aktas *et al.*, 2015; Banos-Caballero *et al.*, 2014; Boisjoly *et al.*, 2020). Firms' optimal level of W.C. can be originated by assessing quadratic form of association between cash conversion cycle (CCC) and firm profitability (Altaf & Shah, 2017). Accounts payable is an important source of unsecured short-term external finance for firm (Altaf & Shah 2018). Many studies accept CCC as a means to evaluate efficacy of W.C. of firm (Bhatia & Srivastava, 2016; Tahir & Anuar, 2016). Sustaining upper-level W.C. may augment probability of a firm becoming insolvent (Kieschnick *et al.*, 2011). W.C. decisions involve investing and financing of short-term capital (Supatanakornkij, 2015). Based on size of W.C. financing from short-term assets and long-term assets, W.C. financing policies are classified into conservative, aggressive and moderate approaches (Wasiuzzaman & Arumugam, 2013; Kwenda & Holden, 2014). *Relation between the selected policy and profitability is high-risk, high-return* (Gonçalves *et al.*, 2018; Chand *et al.*, 2019). W.C. investment embodies a trade-off between ebb and flow of costs with the phase of investment in W.C. (Firer *et al.*, 2012). CCC demonstrates that more profitable firms are apathetic to regulate their W.C. Further, financial markets recede to prevent managers for *incompetent* W.C. management in developing markets (Abuzayed, 2012). Firms positive attributes like sales expansion, operating cycle, economic operation, and W.C. considerably impact W.C.

policy. Leverage is inharmoniously connected with W.C. requirements (Akinlo, 2012). A study on impact of W.C. management on 212 Indian manufacturing companies evidences that normally, the companies achieve approximately 60% of efficiency in W.C. management indicating grave challenge in management (Seth *et al.*, 2021). Sweeping W.C. policies create favourable impact until the firm meets curve point. Beyond the optimal level, W.C. investment inflates costs and risks of financial hardship (Amendola *et al.*, 2020). Sound W.C. assists company to meet deciduous commitment cultivating the relationship between risk and profitability (Bello & Sensini, 2020; Chalmers *et al.*, 2020). Debts illustrate a major factor of W.C. (Mueller & Sensini, 2021). Every corporate must insure appropriate trade-off between liquidity and profitability to establish satisfactory operation (Boisjoly *et al.*, 2020). Companies with large investment in W.C. breed impressive achievement insinuating ameliorating of investment (Banos-Caballero *et al.*, 2020). Investigation on association between W.C. needs and firm performance shows that proper strategy helps firms strengthen their achievement (Banos-Caballero *et al.*, 2016). Poor W.C. efficiency multiplier (WCEM) demonstrates productive W.C. (Prasad *et al.*, 2019).

Objective

The objective of the study is to study the extent and use of short-term sources of funds meant for financing W.C. with the relative contribution of varied sources in the context of Tata Steel Ltd. in India. The study also examines the change in financing design of W.C. over a period of ten years i.e. from 2014-2015 to 2023-2024.

MATERIALS AND METHODS

The study is descriptive in essence and carried on by varied writings. Descriptive study has been favored for evolving improved sapience of cognizance. For in-depth study, a descriptive research essentially built on bibliographical review of theoretical and empirical works ante accomplished on the theme is negotiated. The researcher, being an external analyst, exclusively pursues secondary data collection approach, and extrapolates reams of secondary sources accessible

through Internet and academic databases viz. literature reviews, website, books, journals, annual reports, etc. for the examination of financing design of W.C. of the selected Tata Steel Ltd. for the period from 2014-2015 to 2023-2024. Current data procurable for the study is 2023-2024. Hence, the study is circumscribed to the period 2023-2024. Data for the years 2014-2015 and 2023-2024 have been adopted to study the change in financing design of W.C. over a period of 10 years i.e. from 2014-2015 to 2023-2024. Potentiality of secondary data imputes more research discipline receptive to the understanding of financing framework of W.C. and novelty. Article references were also researched to distinguish other *plausibly* germane studies on *funding* strategy of W.C. practice. Editing, arrangement and tabulation of data was effected as needed for the study. The compendium of this paper is capped to circumsstantiate, incipiently, concept of W.C. Secondly, an appraisal on *primo* aim travailing the different sources for financing W.C. and their oscillations in financing design of the selected elephantine company in the steel sector has been portrayed. The author has bemused Tata Steel as this genre of industry is mushrooming and refurbishing the lineament of Indian economy. Tool of assessment is illustrious for contemplating financing design of the selected company. The study does not blossom new model; rather supplicates ongoing literature of this, examines and streamlines in the deciphering of financing design and revamping in W.C., presenting a caviling and panoptic insight on them for spawning exploration and novel geeky erspicacity.

RESULTS AND DISCUSSIONS

Analysis of Financing Design

1. Current Ratio:

With a view to ascertaining whether or not current liabilities are sufficient to finance current assets, net W.C. position of the selected unit is assessed and exhibited in Table 1. Table 1 evidences that current liabilities exceeds current assets in the unit during the period under study. Negative net W.C. position (i.e. excess of current liabilities over current assets) in the company during the period evidences that short-term financing has been applied to finance.

Table 1: Net Working Capital for the selected Tata Steel Ltd. (Rs. in Crore)

Name of the Unit	2014-2015	2023-2024	Net Working Capital
Tata Steel Ltd.	11,849.17 (CA)	36,765.14(CA)	-4,774.62 (140.29%)
	16,623.79(CL)	50,640.40(CL)	-13,875.26 (137.74%)

Source: Annual Reports and Accounts; Results computed;

Note: Figures in parenthesis show the ratio of current liabilities to current assets.

The entire current assets and the remaining balance has been diverted for financing fixed assets. Long-term funds have not been used to finance current assets rather short-term funds have been used for long-term purposes i.e. for fixed assets. But as net W.C. figures do not indicate the extent to which current liabilities are used to finance current assets, ratio of

current liabilities to current assets which is synonymous to current ratio is computed for the unit and has also been shown in Table.1 (figures in parenthesis). Table.1 witnesses that the computed ratios are more than 100% in the unit for the years under reference. Contributions of current liabilities used to finance current assets are 140.29% in 2014-2015 and 137.74% in 2023-2024 in

Tata Steel. Negative net W.C. and more than 100% of computed ratios indicate that financing current assets are fully met by short-term financing. Moreover, certain portion of it is used for non-current assets i.e. fixed assets. These contributions are significant. Thus, short-term financing entirely meet the full financial requirements of current assets and use of current liabilities in financing varies across the time. Table.1 shows that financing of current assets from short-term sources decreases in Tata Steel from 2014-2015 to 2023-2024.

2. Short-term financing

The early study expresses size of current liabilities used to finance current assets. An attempt has been made to study the extent and use of short-term sources of funds. Short-term sources are (i) Internal short-term sources comprising miscellaneous current liabilities and short-term provisions and (ii) External short-term sources comprising short-term borrowings and trade payables.

Table 2: Proportion of Various Sources of Short-term Financing (in %)

Name of the Unit	A 2014- 2015	A 2023- 2024	B 2014- 2015	B 2023- 2024	C 2014- 2015	C 2023- 2024	D 2014- 2015	D 2023- 2024
Tata Steel Ltd.	0.21 (0.29)	7.59 (10.45)	34.90 (48.97)	43.57 (60.01)	54.81 (76.90)	46.58 (64.16)	10.08 (14.14)	2.26 (3.12)

Source: Annual Reports and Accounts; Results computed.

Notes: 'A' → Ratio of short-term borrowings (STB) to current liabilities;

'B' → Ratio of trade payables (TP) to current liabilities;

'C' → Ratio of miscellaneous current liabilities (MCL) to current liabilities;

'D' → Ratio of short-term provisions (STP) to current liabilities.

Figures in parenthesis → Ratio of the respective source to current assets.

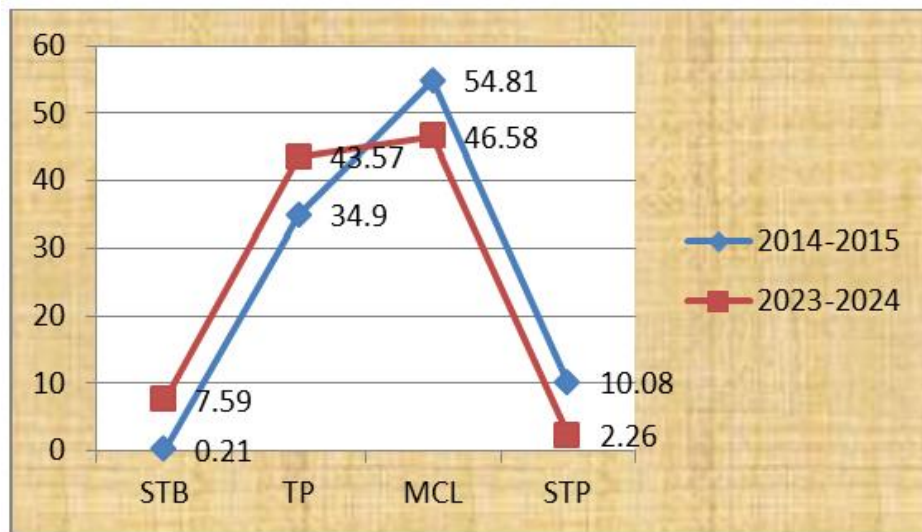


Figure 1: Proportion of Various Sources to Current Liabilities (in %)

Note: Author's own elaboration

2.1. Internal short-term source:

These funds are precipitated tardily to enterprise ad modum provisions and miscellaneous current liabilities. A lagging is ever-present between experiencing short-term liabilities and their retaliation.

Pro tem, these short-term sources provide funds which are acknowledged as spontaneous sources of short-term borrowed funds. Internal sources play crucial role in short-term financing in Tata Steel.

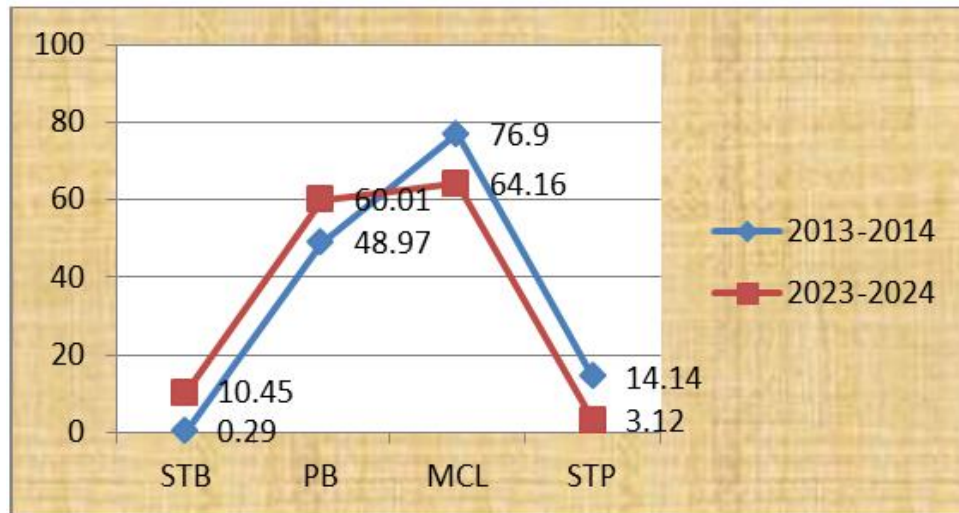


Figure 2: Proportion of Various Sources to Current Assets (in %)

Note: Author's own elaboration

2.2. Miscellaneous current liabilities:

Table 2 (Column-C) and Figures (1 & 2) exhibit that this internal source of funds i.e. ratios of miscellaneous current liabilities to current liabilities are 54.81% and 46.58% for 2014-2015 and 2023-2024 respectively. They also show that the proportions of this source to current assets are 76.90% in 2014-2015 and 64.16% in 2023-2024. Thus, a change (decrease) of this type of current liability or short-term financing is observed in Tata Steel over time.

2.3. Short-term Provisions:

Short-term provisions to current liabilities in the unit is revealed in Table 2 (Column-D) and Figures (1 & 2). They show that the amount earmarked as provisions varies from 10.08% to 2.26% between 2014-2015 and 2023-2024. Table also evince that the proportions to current assets are 14.14% and 3.12% for Tata Steel in the years 2014-2015 and 2023-2024 respectively.

3. External short-term source:

3.1. Short-term borrowings:

Short-term borrowings are usual sources of finance in industry, particularly; manufacturing firms use this source extensively. Column-A of Table 1 and Figures (1 & 2) evidence that proportions of short-term borrowings are 0.21% in 2014-2015 and 7.59% in 2023-2024. Short-term borrowings to current assets are 0.29% in 2014-2015 and 10.45% in 2023-2024 for Tata Steel under study. Thus, short-term borrowings to current assets have substantially increased over time under reference.

3.2. Trade Payables:

Efficacious business pursuits foster the essentials for credit as also certain striking sources of credit like trade payable. Trade payable is a crucial source of funds to finance inventories. Period and magnitude of trade payable differs from industry to industry and in an industry from unit to unit. Typically,

repayment of this type of credit on due date has zero cost assumption. For this, businessmen support these finances for bank credit when availability of the latter is impeded, rigorous or costly. Trade payable is instinctual and securable without any etiquette. But key limitation is its' basic relevance to goods or services only. Trade payable is a short-term credit outstretched by supplier to buyer about purchase of goods for extreme sale (Johnson, Robert, W., 1959). Table.2 (Column-B) and Figures show that trade payables are 34.90% and 43.57% in 2014-2015 and 2023-2024 respectively for the unit under study. Thus, size of trade payables has increased over the period.

Trade payables to current assets have increased from 48.97% in 2014-2015 to 60.01 % in 2023-2024 for Tata Steel.

A close look at the Table and Figures reveals that the size of miscellaneous current liabilities is highest in 2014-2015 in the unit. Short-term borrowings increase over the period from 2014-2015 to 2023-2024. Trade payables also increase in Tata Steel during the same period whereas size of short-term provisions decreases from 2014-2015 to 2023-2024. Miscellaneous current liabilities and trade payables are found proactive in short-term financing. Amount earmarked as miscellaneous current liabilities and short-term provisions decrease in the Company from 2014-2015 to 2023-2024 but the other two categories namely, short-term borrowings and trade payables increase in the same period. Sizes of miscellaneous current liabilities to current assets and short-term provisions to current assets decrease in the unit in 2023-2024 over 2014-2015 whereas sizes of short-term borrowings and trade payables increase in 2023-2024 over 2014-2015.

Decision as to financing current assets by judicious combination of short-term and long-term sources is, however, *appropriately* bottomed on three

important thoughts, viz. risk, cost and flexibility. Current assets have *probability* of fluctuations. As such, financing from short-term sources has more flexibility in reimbursing short-term loans than long-term. Interest cost on long-term loan is stable enough over time; short-term sources, thus, become riskier. Moreover, overreliance on short-term sources could trigger dereliction to reimburse its' short-term obligations. Cost of financing from short-term sources is normally higher than long-term sources. Recently, most of the companies in India are prone to issue debenture for financing entire capital or anyhow a significant portion of their W.C. Table-I uncovers that current liabilities are invariably greater than current assets. Table-I also unveils that the computed ratios (figures in parenthesis) are more than 100% for all those negative W.C. figures. Use of decent amount of excess of current liabilities over current assets for financing non-current assets decreases from 2014-2015 to 2023-2024 indicating aggressive financing policy followed by Tata Steel. Now, the question is what are the sources of finance of Tata Steel to meet its maturing obligations? It may be *feasible* in two techniques. The Company can prolong its' credit period or the Company can meet its' obligations from long-term sources of finance. Prolongation of credit period can traumatize reputation of the Company and such prolongation can cause added cost imposed by suppliers of goods and services. Anyway such occurrence is unwelcome.

For determining the financing mode of current assets by short-term vs. long-term sources, normally, a substantial portion of long-term sources (e.g. debt, equity etc.) is applied for financing non-current assets and a small portion for financing current assets. This occurs that the remaining portion is financed by current liabilities or short-term liabilities. The above practice may vary from industry to industry and from company to company. Positive net W.C. indicates greater of current assets than current liabilities. From financing point of view, negative net W.C. i.e. greater of current liabilities than current assets is also possible. In related instance, current liabilities are utilized for financing entire current assets and also a portion of non-current assets. A company following aggressive financing policy upholds this model although this enhances risk.

On further investigation, it has been found that during the early years (2014-2017), the company fell back on incredibly short-term borrowing from banks and other financial institutions to countenance its liquidity and operational needs. This period was delineated by big inconstancy in steel price and striking capital outlay, which necessitates malleable W.C. M. stratagem.

From 2018, Tata Steel initiated perfecting its W.C. by cultivating streamlined operations, inventory management, and debtors' turnover. The Company also concentrated on restructuring balance sheet, lessening trust on short-term borrowings. This was coinciding the

wide industry tenor towards more passable financial mechanisms. Acquisition of Bhushan Steel in 2018 caricatured W.C. essentials, but Tata Steel concocted to stabilize this with its financing combination of equity, debt, and internal cash flow generation.

Recently (2020-2024), *especially* post-pandemic, Tata Steel has revolved around boosting cash flow through evolved cost management, enriching liquidity by maneuvering eulogistic agreements, and pursuing a robust juxtaposition of short-term and long-term financing. This decennial quest accentuates the Company's ductility and addresses keeping financial stringency while facing its W.C. needfuls.

Concluding Observation

- 1) Proportion of various short-term sources in financing W.C. needs evinces mixed design during the period of study.
- 2) Miscellaneous current liabilities have appeared prime source of short-term financing for Tata Steel followed by trade payables, short-term provisions and short-term borrowings.
- 3) Among the internal vs. external sources of financing, internal sources outweigh external sources. Diversely, external sources, particularly, short-term borrowings are not as chief as internal ones.
- 4) Both volume of miscellaneous current liabilities and short-term provisions declines from 2014-2015 to 2023-2024 in the unit under study.
- 5) Both volume of short-term borrowings and trade payables develops in the unit during the period of study.
- 6) Contribution of individual size of short-term source of financing to current assets exhibits mixed trend in the period.
- 7) A phlegmatic observation at the individual contribution of short-term sources of funds unveils that miscellaneous current liabilities to current assets is reminiscent. This source also grips paramourcy in financing non-current assets.
- 8) Negative net W.C. with more than 100% of current ratios stipulates that short-term financing fully satisfies whole essentials of current assets. Remaining portion is willy-nilly used for financing non-current assets in Tata Steel.

Suggestions

Efficacious Cash Flow Management: Bettering cash flow management is requisite for lessening dependency on external financing. Tata Steel should effectuate productive cash conversion cycle strategies by accelerating receivables collection and perfecting inventory management. This will place the Company completely reliance on internal yielded finances for W.C.

Variation of Financing Sources: Tata Steel should excavate variegating its' financing sources to lessen dependence on miscellaneous current sources and payables. The Company could examine alternative financing mechanisms like issuing commercial papers, utilizing bond market, or acquiring long-term loans at convenient interest rates. This would help upgrade W.C. structure and lessen cost of borrowing.

Invigorating Risk Management Process: Tata Steel should *incorporate* sweeping risk management systems to reduce impact of market inconstancy and economic slump on W.C. funding. This may embrace cultivating hedging approach for interest rate risks, commodity price risks, and currency undulation. These aspects directly impact W.C. demands.

Low-Cost Financing Opportunity: The company could take opportunity of low-cost financing instruments like supplier credit or trade credit to lower the necessity for short-term loan. Arranging agreeable terms with suppliers and elongating payment terms can provision liquidity for W.C. while shrinking interest costs.

Strategic Alliance: Coordination with financial institutions through strategic relationship can broaden the Company's accession to credit rating on preferable terms. Tata Steel can also consider fintech firms to accept *creative* financing tools that provide more pliability and dwindle costs for W.C. financing.

Appraisal of W.C. Design: Tata Steel should conduct regular evaluation of its' W.C. structure to clinch optimal capital mix and avert overdependence on obligations. This should involve observation liquidity ratios, debt-to-equity ratios, and other financial index to sustain W.C. financing conducive and lucrative.

Rational Financing Policy: Integrating environmental, social and governance (ESG) yardstick into financing decisions may help Tata Steel safeguard approbatory financing from institutions that rank sustainability. This could also better investors' credence and *reinforces* the Company's long-term financial balance.

These propositions will facilitate Tata Steel feed financial sustainability while advancing financing of its' W.C.

Implication of the Study

Presented charismatic implication of competitive landscape, demand inconstancy, and global shilly-shally on steel industry, this paper demonstrates acceptance how Tata Steel harmonizes its' W.C. recipe anent these quagmires. The examination will elucidate prowess of Tata Steel's financial management etiquettes and their covenant with industry pinnacles, proffering

salubrious connotations for stakeholders and strategists participating in corporate finances.

Investors including stakeholders can better their knowledge about financing design of W.C. and mien of steel industry to execute their enthusiasm. The analysis also proffers sagacity to study financing corporate W.C. with robust W.C. practices. Management can burgeon the tools to deliberate financing W.C. towards other verves or rivet for journey in the Company.

Future Research Scope

Future studies could explore benchmark study cross-sector within the steel industry to distinguish differing styles of W.C. financing. Researchers could scan how external factors like market mutability, interest rates, or geopolitical problems sway W.C. blueprints. Besides, exploring the *consequences* of regulatory advances or statutory policies, particularly under flags of industrial financing and global goals, could afford precious instincts.

Added drive could be an epidemiological research to evaluate how Tata Steel's W.C. financing unfolds eventually towards broad economic cycles or breakthrough, like robotization or green steel drives. Researchers may also study importance of digital transformation on supply chain effectiveness and W.C. M. in the steel industry.

Research can also be accomplished on circumstantiating industry-based climes for financing healthy W.C. practices through varied thematic *study* approaches. These examinations shall, however, suffice in establishing adroit theory of W.C. that would bolster the core for theory development and analysis hereafter. Thus, future research deserves a constant and qualitative research particularly on the aspects unknown hitherto.

Moreover, identical studies can also be piloted in countries with fluctuating economic conjunctures, societal hallmark, regulatory tools and fiscal skeleton. For the discrepancy in corporate structure, pliability, *funding* options and methodologies are diverse amidst big-large enterprises; future research on identical attributes *over* big-large enterprises under different *organizational* and monetary structures would be really attractive. Finally, studying the character of ESG aspects in financing W.C. could unravel how green issues are embodied into financial decision-making.

These research themes can engender a more extensive perception of W.C. financing in changing, worldwide relevance industries like steel manufacturing.

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