

**“Impact of Working Capital Management on the  
Financial Performance of Petroleum Companies.”**



**DANISH SAFEER KIANI(01-222131-004)**

**Supervisor:**

**(TANVEER TAJ)**

**A Thesis is submitted in partial fulfilment of the  
requirements for the degree of  
Master of Business Administration**

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## **DEDICATION**

I dedicate this study to my family that supported me during up and downs of my life, special feeling of thankfulness to my caring parents who always encouraged me and supported me throughout my studies.

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All praises to Almighty Allah who bestowed upon me His blessings, which enabled me to accomplish this task objectively and successfully.

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**MAY ALLAH BLESS ALL OF US**

## **ABSTRACT:**

The purpose of the research paper is to examine the impact of working capital management on the financial performance of petroleum companies. Working capital is based on current assets and current liabilities and to determining the impact of petroleum companies the variables are linked with dependent and independent variables that are accounts receivable, accounts payable, number of days in inventory, cash conversion cycle and return on equity. A sample of four companies are taken from petroleum sectors. Panel data and Historical data from 2010 to 2014 is used for the calculation of Regression, Correlation, Coefficients and ANOVA testing has been used to estimate the results on the SPSS software. The result found that inventory is significant negative relation to ROE, accounts payable, cash conversion cycle have positive relation to ROE while the account receivable has no significant relation to ROE. ROE is actually showing the overall financial performance of the petroleum companies that which variable is best for the company it shows the results that the variable is positive relation to ROE or it showing negative relation to the ROE.

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