

CASH CONVERSION CYCLE AND FIRMS PROFITABILITY-A STUDY OF CEMENT MANUFACTURING COMPANIES IN PAKISTAN

By

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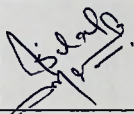
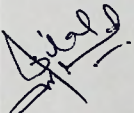
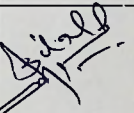
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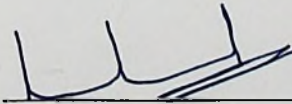
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APPROVAL FOR EXAMINATION

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ABSTRACT

The objective of this research study is to analyze the effect of cash conversion cycle on Pakistani cement manufacturing firm's profitability over the period from 2009 to 2013.

The research is quantitative and descriptive in nature. Mainly it gives broad array to examine the impact of length of cash conversion cycle of the industry with respect to its management of profitability throughout industry in terms of Return on assets and Return on equity separately. In this research study all cement manufacturing companies that are listed in Karachi stock exchange and have operations in almost whole country were taken aboard.

Descriptive methods such as standard deviation, maximum, minimum and mean were used to analyze the collected. Other statistical techniques such as correlation, ordinary least square method regression analysis natural logarithm of sale were used.

The findings of this research study are that the result shows negative connection between length of cash conversion cycle and firm performance in term of ROA and ROE. However correlation between ROA and CCC is found inversely related and ROE and CCC is directly proportional whereas ANOVA result shows there is difference exist between the different companies in term of CCC, size of companies sale and amount of debts.

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Background of the topic and statement of the problem