Anju Dagar

Reserch Scholar

Dr.K.K. Garg

Faculty of Lingaya's Vidyapeeth

EVALUATING WORKING CAPITAL STRATEGIES TO INCREASE PROFITABILITY WITH REFERENCE TO INDIAN BANKING SECTOR

ABSTRACT

The main objective of this article is to explore the impact of Indian banks on profitability in the strategic management of working capital. We obtained details on a subset of 150 Likert-based bank branches by means of a graph-based analysis. The outcomes of our research are very much in line with the different foreign studies in multiple markets. The findings indicate that control of working capital and profitability in Indian banks are positively associated. In addition, it is shown that the amount of day and day accounts paid was negatively linked to the profitableness of the company whereas a favourable link with the company's profitability is indicated by the number of days of account receivable and the cash transfer cycle. This report will add to the current literature the influence of working capital management techniques on profitability in a developing banking sector like India.

1. INTRODUCTION

The efficient execution of the company is guided by the efficient utilisation of the financial resources Working capital management (Kieschnick, Laplante, &Moussawi, 2013). Many academics have become involved in working capital management because it avoids funding challenges and strengthen the organization's potential to cope with serious financial difficulties or other imminent shifts (Gill &Biger, 2013). Working capital control helps company executives to sustain a development and distribution plan. Corporate executives use a credit line to carry out a company's every day operations (Tahir&Anuar, 2016). Organizations require credit line of working capital for a) the procurement of raw materials, (b) the paying of labour, (c) stock to satisfy market demand and (d) production of credit products for its clients.

More than 50 per cent of market problems in the USA are attributed to business leaders' unwillingness to control working resources, according to the Securities and Exchange Commission of the United States (SEC, 2013). Companies with limited access to finance must wisely use working capital to avoid cash flow disparities. For business survival, cash flow is critical. For costs and acquisitions, a business wants enough currency. Cash flow operations include: everyday business of the corporation, and the provision and distribution of products and services for benefit in order to satisfy consumer demand. Bank managers would improve cash balance to increase liquidity, enabling banks to lend. The financial efficiency of the insurance undertakings has been improved by Ogbeide and Akanji (2017).

Cash flow problem for company enterprises Working Resource Mismanagement (Karadag, 2015). Inefficient use of work resources leads to over 50% market failures (SEC, 2013). The overall market problem is that some bank managers' wasteful use of working capital control is detrimental to profitability. Any bank managers neglect methods for managing working capital to maximize profitability.

I would concentrate in this report on methods for controlling and the sustainability of banks. The learning results will help managers of financial banks adjust or change their policies to enhance their working capital management and the cash flow.

2. LITERATURE REVIEW

2.1. Working Capital in Banks

Yahaya, A., &Bala, H. (2015), According to a study which considers work capital to be the living blood and nervous of an organisation, smooth operations of every organisation, but studies of working capital management have produced inconclusive results. It is aimed at evaluating the effects of the management of working capital by Deposit Money Banks in Nigeria. The report spans the six-year period from 2007 to 2013. Annual reviews and records of the businesses extracted data for the analysis. After the OLS regression, a validation test for mathematical inferences was done, data were empirically test between the regressed and the regressed, and numerous regressions were used to test the construct of the analysis utilising OLS. The results of the survey showed that Nigeria's current relationships with ROA and quick ratios for late deposit money banks were quite positive relative to the inverse and significant ROA of the listed Nigerian deposit money banks. According to the findings above the study suggested that management concentrate more on their cash to retain ample liquidity, since the study has empirically demonstrated that improved liquidity results in greater profitability and that the deposit money banks listed in Nigeria are required trying to achieve a higher pace would have a positive influence on their profitability. The mgt could, eventually decrease the sum kept in cash and emphasis on expenditure so that they could produce larger profits instead of lowering the unused cash.

Akhtar, M. F., Ali, K., &Sadaqat, S. (2011) In its report, the Bank's position was diversified into financial agents, facilitators and supporters. But for depositors, corporate partners and customers, the banks are a trustworthy entity. This diverse transactions will result in a liquidity danger, because liquidity, if given by the third party, is completely accessible. Due to their peculiar characteristics and adherence to the sharia standards, Islamic banks need additional efforts to escalate liquidity management. This study aims to study the liquidity risk of a financial institution's solvency in order, through a comparative review of traditional and Islamic banks of Pakistan, to determine its liquidity risk management (LRM). This paper explores the importance, with liquidity risk control, of the firm's “Networking Capital”, “Return on Equity”, ROA. The analysis is focused on secondary data spanning a four-year span, i.e. 2006-2009. The study shows that, in both models, the size of the Bank and networking capital linked to liquidity risk positive yet marginal net assets. In addition, the capital sufficiency levels of conventional banks and the return on assets of Islamic banks are positive and necessary at 10% level management will minimise cash reserves and concentrate more on spending them in order to make more profit rather than tie down silent cash.

Agyei, S. K., Ansong, A., &Oduro, I. M. (2013) The study claimed that good operational capital management not only assures a company's potential cash flow, but also its sustainability. This research aims to classify the determinants in the Ghanaian Banking Industry for the operating capital needs and the working capital management policies. The research employed the Bank of Ghana bank rank (1999-2008). While the currency conversion period, size and age of a bank have had a major positive influence on the capital requirements of the bank, leverages, cash positions and deposits in the herfindahl index have had a significant adverse effect on the demand for the banking working capital. The research used the panel approach in the random or fixed effects setting. Profitability, cash status, growth size and deposit herfindahl index constitute the key determinants of banks' working capital policies in Ghana. Although no proof has been identified for lifecycle theory, the study finds support for the punching and agency theories. Thus banks in Ghana will be best off following development plans to gain a larger proportion of the banking industry, with a view to maintaining productive job resource management.

2.2.Working Capital Management and Profitability

Mohamad, N. E. A. B., & Saad, N. B. M. (2010) Tried, from a viewpoint of business value and profitability, to bridge the void in literature by providing analytical data regarding workplace resource management and its effect on Malaysian firms. The secondary analytical knowledge is collected from 172 list companies chosen randomly from the Bursa Malaysia Main Board from 2003 through 2007 from Bloomberg's database for the five-year period. The purpose of the analysis is to examine the results of the job capital variable i.e. the period of CCC, the existing ratio of assets to the total asset ratio(CATAR), the CLTAR and the DTAR to ROIC. The outcome indicates that there are considerable negative linkages between “working capital variables” and the results of the business through the use of associations and other regression tests. Thus to ensure that the business value and profitability are increased, it is emphasised that management of labour resources requirements must be part of the company's strategic and operational thought to work successfully and efficiently.

Raheman, A., & Nasr, M. (2007) in their study they stated that the liquidity and viability of the group was influenced by the work capital management. Over the 6 year span 1999-2004 we looked at the effect in this research of the different work capital management indicator, which included an average of averages, day-to-day inventory income, the average payment period, the cycle of cash turnover, and Pakistan's current net net operating profitability rate. As control variables were used the leverage ratio, business size (measured in terms of a natural revenue logarithm) and financial assets to the overall asset ratio. The correlation and regression study of

Pearson is used in the analysis (the least pooled square, and the least frequently square of cross section weight models). The results reveal a strong negative link between operating capital management and the performance of the organisation. This ensures that the time of money conversion rises, the viability of the business reduces, and management may generate a beneficial return for shareholders by growing the cycle of cash conversion to a possible minimum level. We find that the association between liquidity and profitability is strongly negative. We also find the company's scale and profitability to be favorably linked. The debt utilised by the organisation and its performance still have a strong negative connection.

Nazir, M. S., &Afza, T. (2009) Traditional ties between policies for working capital management and sustainability of a business is examined. The effect of vigorous expenditure and finance policies in work capital has been measured using the data panel developed for the 1998-2005 period, using both Tobin's q and return on assets. Managers will benefit from a cautious approach to capital expenditure and capital financed by working capital. The research also shows that investors weigh on the stocks of companies which take an aggressively short-term responsibility management approach.

Enqvist, J., Graham, M., &Nikkinen, J. (2014) the recent economic downturn from 2007-08 developed a renewed emphasis on the policies of working capital in their report. In this article we examine the position of market cycles with a sample of Finnish coded companies over the period of 18 years, in relation to working capital and profitability. The market cycle's effect on the partnership between employment resources and profitability is more significant compared with global booms. We also demonstrate that during times of economic crisis, the importance of efficient wealth management and the transfer of accounts receivables is increasing. Our findings suggest that successful working capital control matters and can also be used in financial preparation for businesses.

Lazaridis, I., &Tryfonidis, D. (2006) the business profitability and work capital management partnership are studied. For the duration of 2001-2004, we have used a survey of 131 firms on the ASE. The aim of this paper is to establish a statistically relevant relationship between profitability and its components for listed companies in the ASE Community. The results of our analysis demonstrate the statistical importance of profitability calculated on a gross profit and the cash exchange period. Managers may also produce benefit for their businesses by managing the cash transfer period properly and by maximizing each part (accounts receivable, accounts payable, inventory).

3. METHODOLOGY

The report contained a transversal testing strategy for the survey. The research design was chosen because this analysis was able to access data on the community easily, effectively and reliably and if secondary data was unavailable, is more fitting. In this case, secondary knowledge on banks' strategies for work-capital management is not accessible in India, so an investigation is needed for this information (Oso&Onen, 2005).

In the analysis, 150 managers of banks based in India were the target community. These 150 branch branches comprised the same number, i.e. 50 private banks, 50 public banks and 50 international banks. Of the 150 bench divisions, the research sample was collected from 100 bank branches using a simplified random sample process. Stratification means that the survey correctly represents the community on the basis of stratification parameters thus random sampling offers a fair playing field for any member of the target population to be chosen (Oso and Onen, 2005).

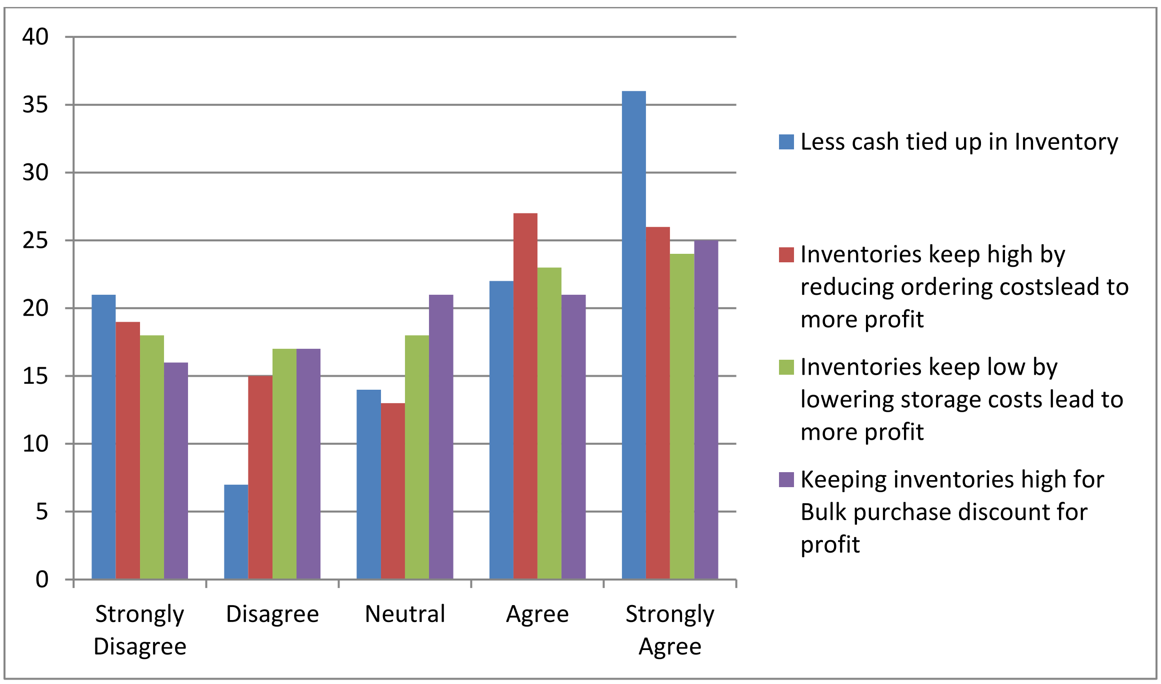
The main quantitative information was obtained using standardised questionnaires self-administered. The questionnaire was divided into three sections: population profile, working capital plans and financial results. Perceptual answers were captured in a five-point Likert scale. The validity of the tool was decided by the recommendation of the specialists and colleagues, while the validity of the face was determined by the administration of questions to 10 managers in the neighbouring banks. The coefficient of Cronbach alphas is determined by the formula alpha = Np/ [1 + P(N-1)], which equals n to the number of products and p to the average interim correlation for efficiency calculation, quality of claims, inventory efficiency and financial results for the construction of the questionnaire.

Alpha values are suitable because they exceed 0.7 as recommended by Gliem andGliem (2003). The data were interpreted using descriptive statistics: weighted averages, average and normal variance. The essence of relationship between financial results and working capital management techniques was assessed by the correlation and multiple regression analysis.

4. RESULTS

- **Private Banks**

Inventory



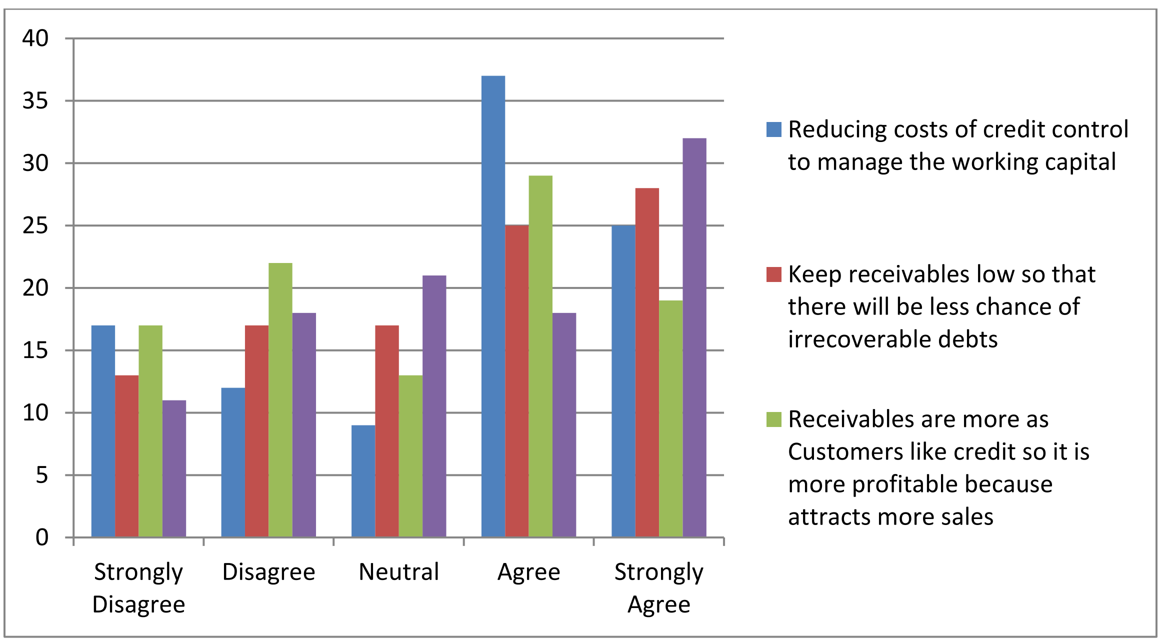
It is clear from the aforementioned diagram and the amount that 10% of respondents in the 100 survey disagree, 5% disagree, 6% disagree, 19% accept, and 60% agree strongly with the argument about Less Cash in Inventory. The following is the case: Inventory Lower.

In the figure and number given above it can be found that 19% are extremely disagreeable with the survey of 100 respondents, 15% disagreed, 13% are neutral, 27% are accepted and 26% agree strongly with the argument that inventories sustain a high degree of cost reduction, contributing to greater benefit.

From the above statistic it is evident that 18 percent of respondents are in stark disagreement in the survey of 100 respondents, 17 percent disagree, 18 percent are supportive, 23 per cent agree with the argument that stockpiling costs contribute to improved profitability, and 24 percent agree with the statement.

In the above diagram and number it is obvious that 16% of the participants in the survey of 100 respondents do not agree firmly, 17% do not agree, 21% of respondents are neutral, 21% agree and 25% agree with the assertion, Holding high inventories of bulk discounts on benefit Inventories.

Receivables



It is evident from the above graph and amount that 17% of respondents in the survey from 100 respondents are strongly divergent, 12% divergent, 9% neutral, 37% agreed and 25% strongly agreed to the argument that credit control costs should be reduction for operational capital management.

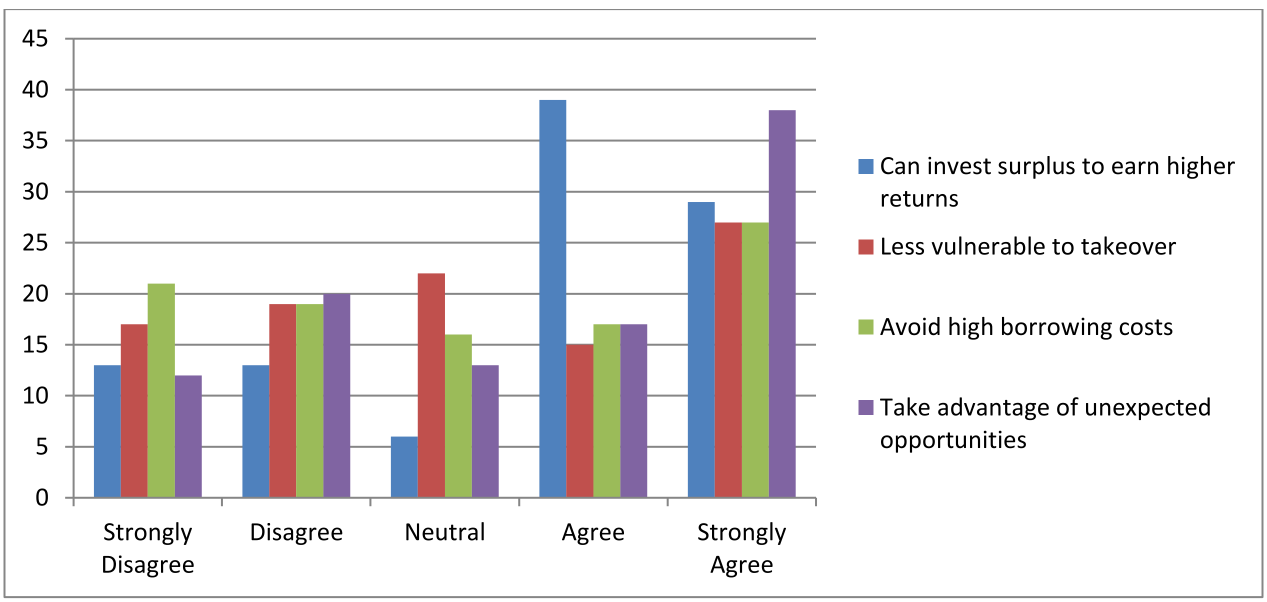
From the above graph and statistic, it is clear that 13% of respondents are strongly disagreeing with the survey of 100, 17% disagree, 17% disagree, 17% agree with neutrality, 25% agree and

28% agree unequivocally that they hold low arguments, such that there is a lower probability of irrecovery.

In the above map and the amount it is obvious that 17% of respondents disagree strongly in the survey of 100 respondents, 22% disagree, 13% are neutral, 29% agree with the argument, and 19% agree strongly with the statement of receivables because consumers want credit, which allows more profitability

In the above figure and the above number it is evident that 11% of respondents in the survey were highly disagreeable, 18% disagreed, 21% of respondents were neutral, 18% disagreed, and 32% agreed with the argument that less cash was bound up by a low sum of receivables.

Cash



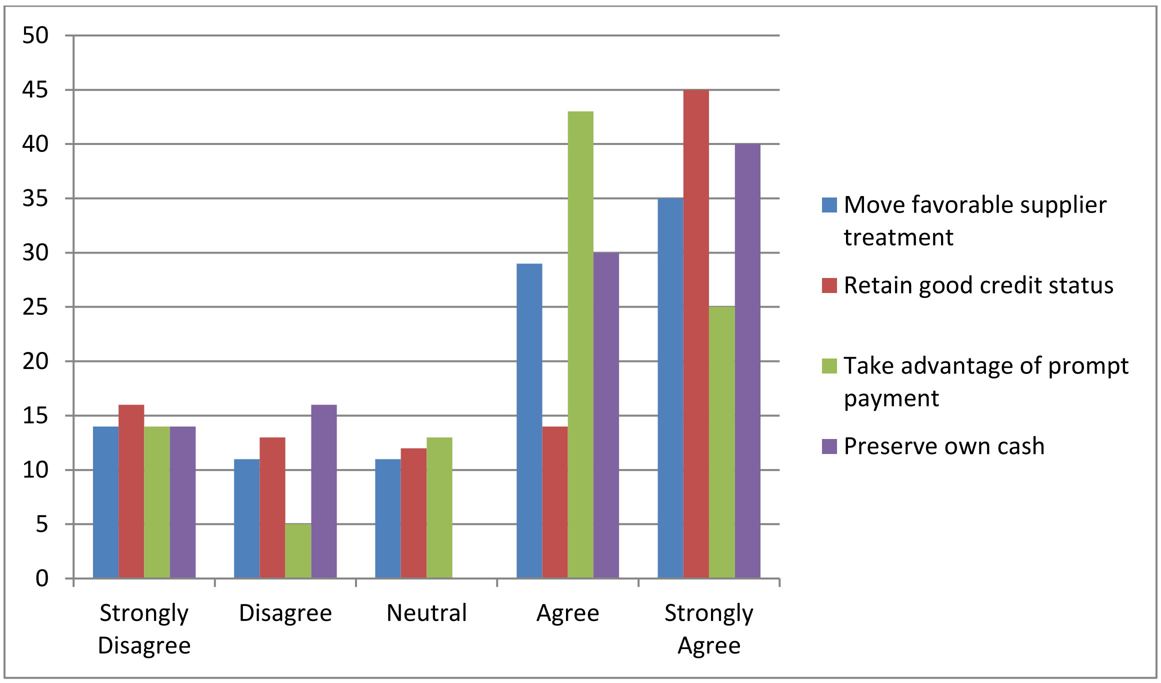
From the aforementioned figure and figure, it is obvious that 13% of respondents do not agree strongly in the 100 survey, 13% do not agree, 6% do not agree, 39% of respondents agree, and 29 percent agree strongly that The investment surplus would yield higher returns.

From the aforementioned map and amount it is obvious that there is a clear disagreement of 17% of respondents in the survey of 100 respondents, 19% do not approve, 22% respondents are supportive, 15% agree, and 27% agree firmly that Less is prone to taking control.

The above diagram and the above statistics indicate that 21% of respondents are highly disagreeable in the survey of 100 respondents, 19% disagree, 16% are neutral, 17% are accepted and 27% strongly support the argument that high interest rates are to be prevented.

It is obvious that 12 percent of the respondents in the survey of 100 respondents disagree firmly, 20 percent disagree, 13 percent disagree, 17 percent agree and 38 percent agree quite strongly that the Taking advantage of unintended openings is a positive idea.

Trade Payable



From the above figure and number, it is apparent that in the 100 respondents survey there are 14% who oppose strongly, 11% who disagree, 11% who disagree, 29% who are in agreement, and 35% who agree strongly on "Move favourable supplier treatment." The following statistics are presented.

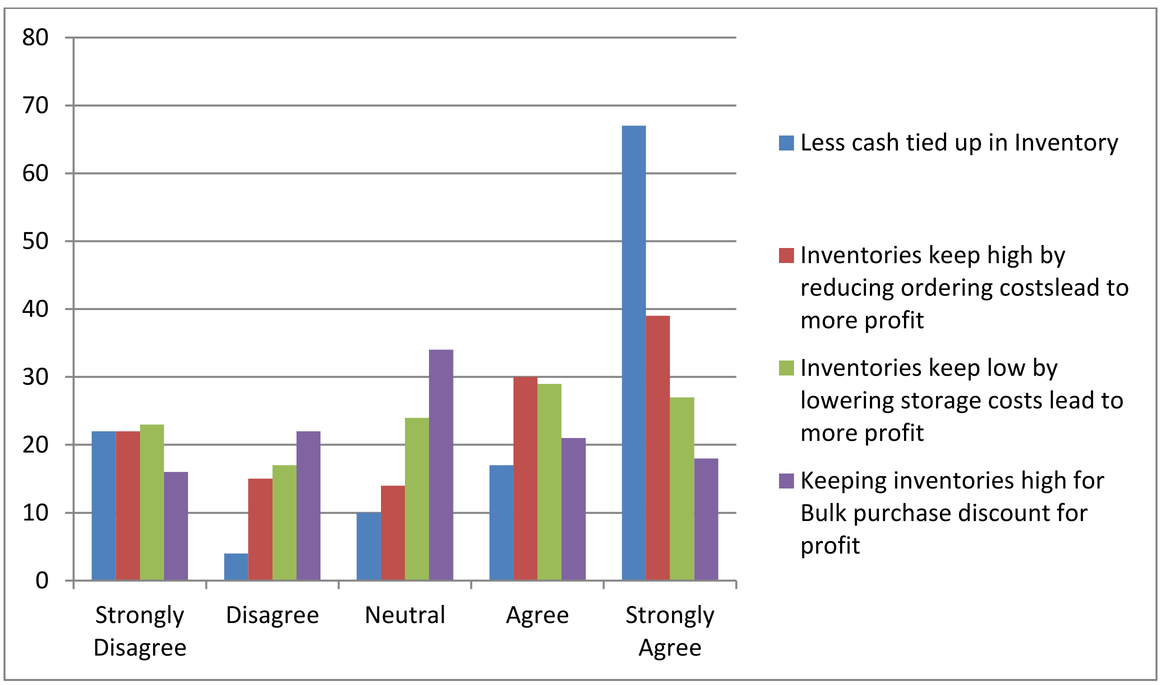
The above illustration and the above-mentioned statistics indicate that in the survey of 100 respondents, 16% of respondents are very much in disagreement, 13% oppose, 12% are neutral, 14% of respondents support, and 45% firmly express Maintain Positive Credit Status claims.

From the aforementioned illustration and the figures, it is obvious that in the 100 respondents, 14% disagree firmly, 5% disagree, 13% neutrality, 43% support and 23% strongly accept the argument of gain from prompt payment. Two hundred respondents disagree.

It is evident from the above graph and number that 14 percent of the respondents in the survey are extremely disagreeable, 16 percent disagree, 30 percent accept, and 40 percent agree firmly on the argument Preservation own cash.

- **Public Banks**

Inventory



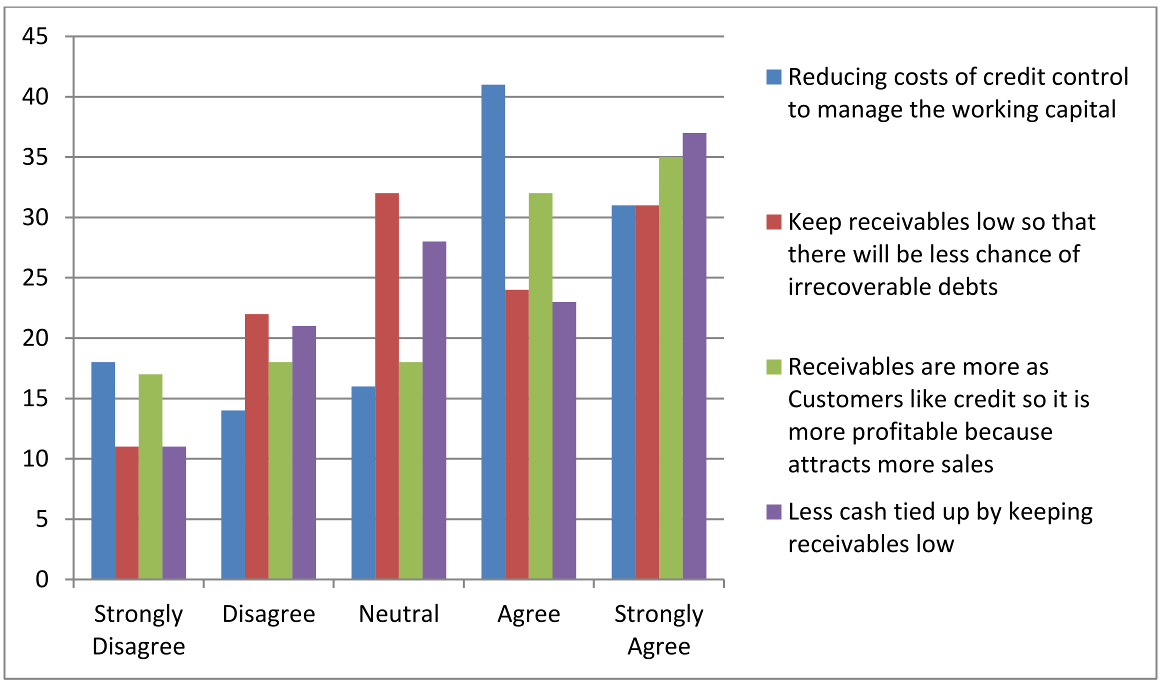
In the statistic and amount above, it is evident that 18 percent of respondents in the survey are particularly disagreeable, 3 percent disagree, 8 percent are neutral, 42 percent approve and 56 percent firmly favour the announcement of Fewer cash tied into the inventory.

It is clear from the above graph and amount that 18% of respondents disagree strongly in their survey of 120 respondents; 12% disagree with; 12% are neutral; 25% agree with and 32% agree strongly on the argument of Inventories, which is large by reducing the cost of ordering to a greater degree of benefit.

The graph and number above indicates that 19% are strongly disagreed with the survey of 120 respondents, 14% are disappointed, 20% response to neutrality, 24% approve, and 22% agree strongly on the Inventory Argument, since the lowering of the stock costs contributes to greater benefit.

It is evident from the above graph and number that 13 per cent of respondents are firmly disagreeable in the survey of 120, 18 per cent disagree, 28 per cent disagree with, 17 per cent agree and 22 per cent agree strongly on the Holding high inventory for Bulk profit reduction argument.

Receivables



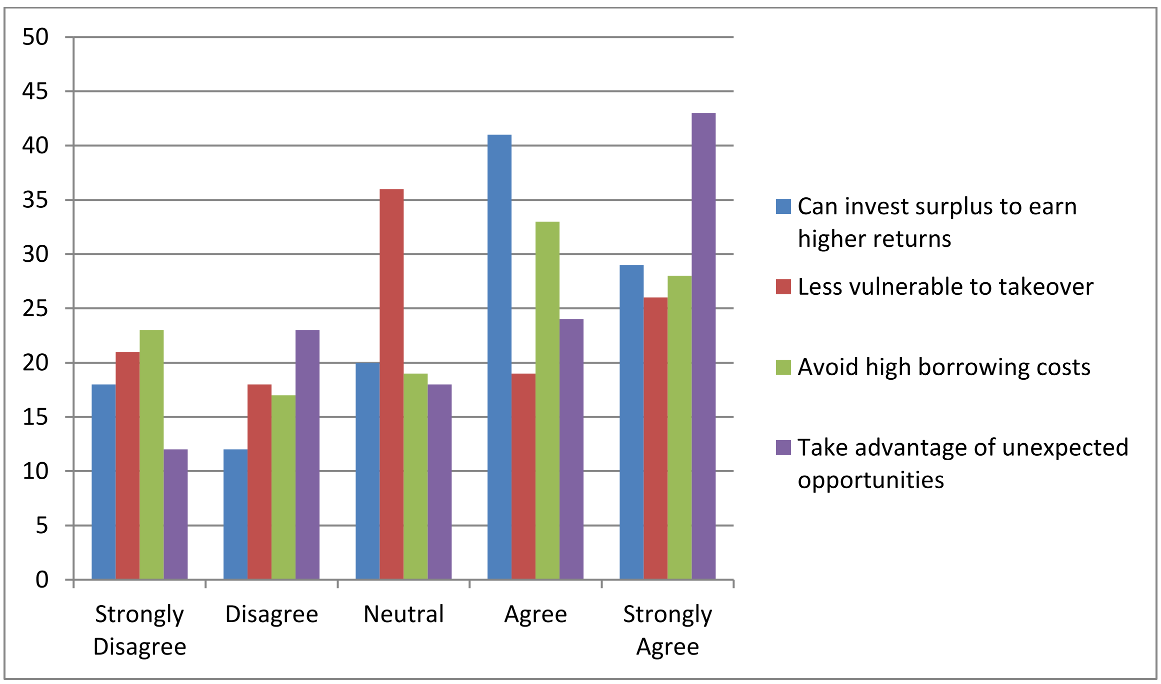
The above graphic and statistics indicate that there are 15% who disagree strongly on the 120 respondents' surveys, 12% who disagree, 13% who are neutral and 34% who are in agreement, and 26% who are strongly accepted on a decrease in the expense of credit control in the management of working capital.

It is evident in the graph and the amount above that 9% of respondents disagree dramatically in the survey of 120 respondents, 18% disagree, 24% disagree, 20% agree and 26% agree strongly with the argument that Hold receivables low, which would minimise the risk of irrecoverability.

From the statistic and amount above, it is clear that 14% disagree strongly among respondents, 15% disagree, 15% disagree, 27% disagree, and 29% comply with the argument of less-cash by holding receivables down. It is evident that the survey of 120 respondents indicates 14% strong disagreement.

It appears from the illustration above and the amount that the survey of 120 respondents indicates 9% strong disagreement, 17% disagreement, 23% disagreement, 19% agreement and 31% strong support for the argument that Can investment excess is in favour of earning higher returns.

Cash



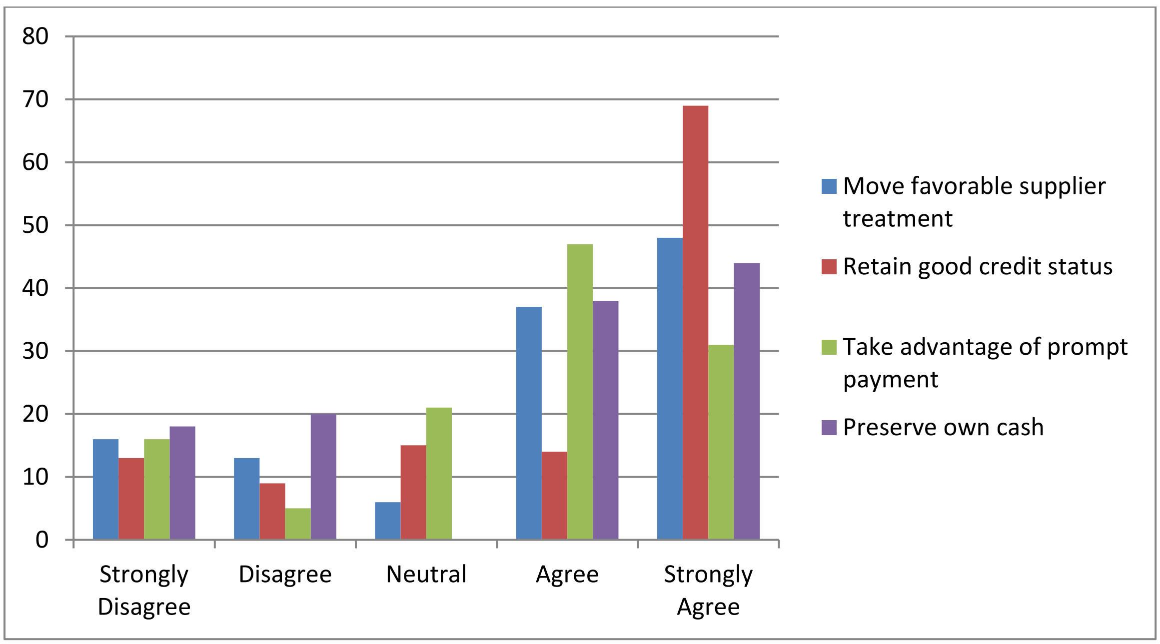
From this illustration and figure it is obvious that there is a clear disagreement of 15 percent of respondents in the 120 respondent survey, 10% disagree, 17% disagree, 34% agree and 24% strongly agree on the Should Spend Surplus argument to gain better returns.

It is evident from the above graph and amount that 17% of respondents are quite unanimously disagree with the survey from 120 respondents, 15% disagree, 30% are supportive, 16% support, and 22% agree strongly with the declaration of Less susceptible to taking over.

The chart and number above indicate that there are 19% of respondents who are quite disagreeable in the survey of 120 respondents, 14% who disagree, 16% who are supportive, 27% who are accepted and 23% who completely accept that Avoid high interest costs should not be an issue.

From the above map and amount it is evident that in a survey of 120 respondents 10% disagree, 19% disagree, 15% disagree, 20% agree and 36% agree strongly with the assertion Taking advantage of unanticipated opportunities Increased participation is a product of.

Trade Payables



From the map above and the amount above, it is evident that 13% of people in the 120 respondents survey are firmly opposed, 11% disagree, 5% are supportive, 31% are agreed and 40% are generally in agreement with Move's optimistic supplier care argument.

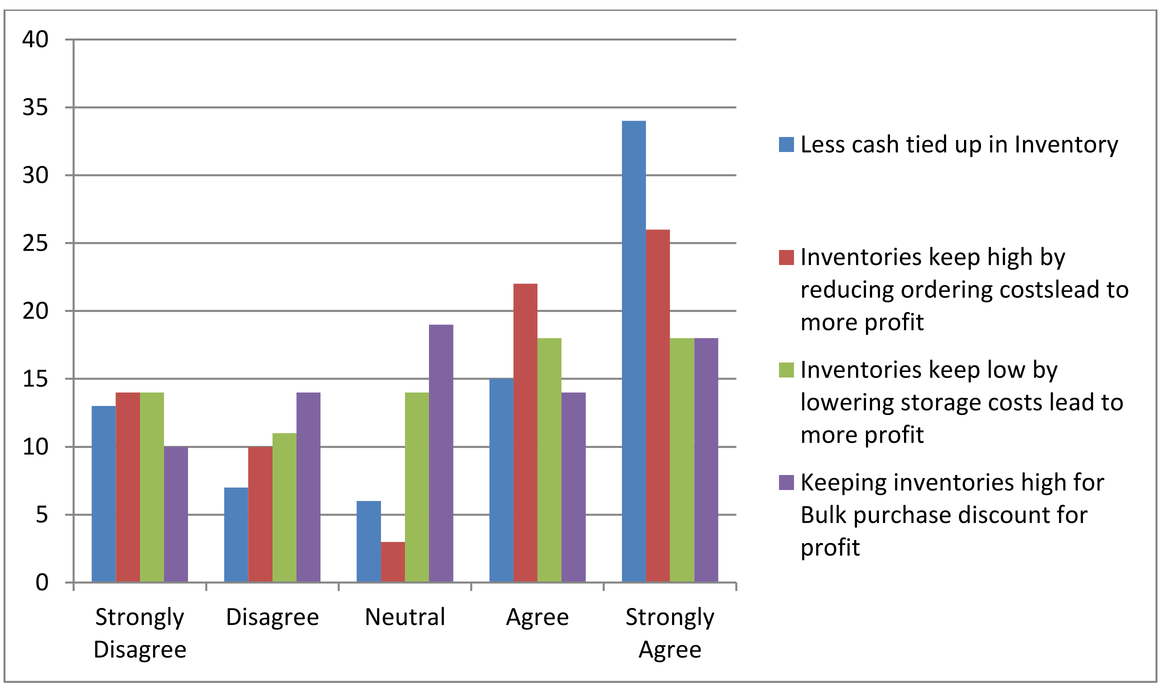
From the above map and number, it is clear that 11% of respondents in the 120 respondent sample are strongly opposed, 7% disagree, 12% are neutral, 12% accept, and 57% strongly support the assertion of good reputation status. The results indicate that 120 respondents approve.

It is evident from the above statistic and amount that there are 13% of respondents in the survey of 120, 4% disagreement, 18% indifference, 39% approval, and 26% heavy agreement with the argument to Take benefit of prompt payment.. The sample score of 120 respondent.

It is apparent in the above graph and amount that in the survey of 120 respondents 15 percent of respondents are highly divergent, 17 percent oppose, 0 percent neutral, 32 percent accept and 37 percent totally endorse Preserve's cash assertion.

- **Foreign Banks**

Inventory



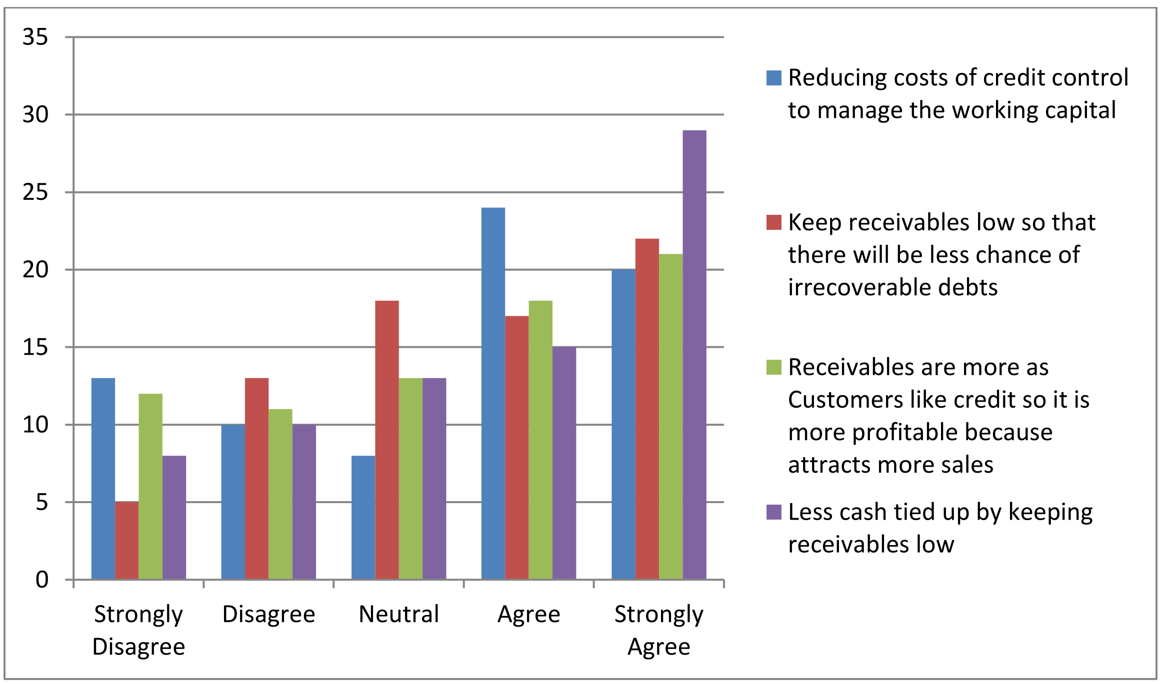
From this illustration and from the figure above, it is evident that 17% of respondents disagree strongly in the survey of 75 respondents, 9% disagree, 8% disagree, 20% support and 45% agree strongly on the declaration that less cash is attached to inventory (in inventory).

The figure and the amount provided above make it clear that in the survey of 75 respondents 19% disagree sharply, 13% disagree, four per cent disagree, 29% agree, and 35% strongly agree with the inventory argument, as the cost of ordering decreases lead to improved profitability.

It is evident from the graph and number above that 19% of respondents oppose significantly in the survey of 75 respondents, 15% disagree, 19% are neutral, 24% comply with and 24% agree firmly with the argument to hold the inventory limited by reducing the storage expense to more value.

From the above figure and number, it is obvious that there are 13% of respondents in the 75 sample who are extremely disagreeable; 19% of respondents disagree; 25% are neutral; 19% support; and 24% agree strongly on the argument of Holding stocks high for bulk purchasing discounts for benefit.

Receivables



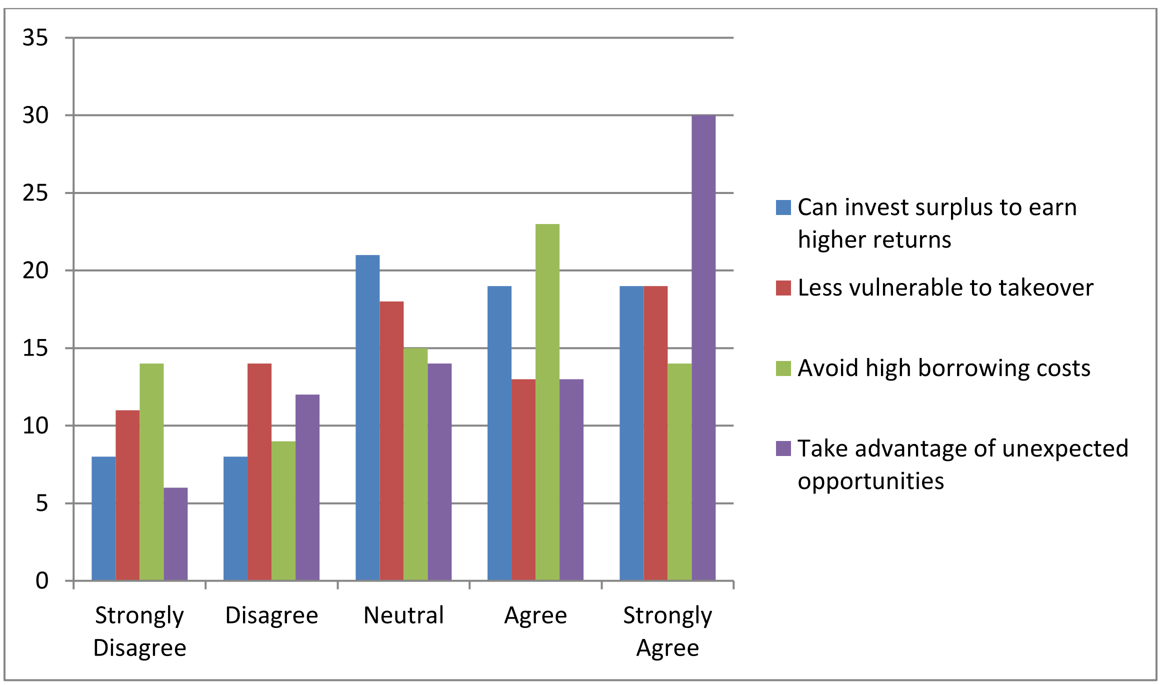
From the figure above and amount, the surveys of 75 respondents indicate 17% oppose, 13% disagree, 11% are neutral, 32% agree with and 27% agree with what the reduction of credit control costs is in order to leverage the money. It is evident that there are 17% differences among the respondents.

It is evident in the above graph and in the above statistic that 75 respondents are strongly disagreeing on the survey, 17% are disagreeing, 24% are neutral, 23% are accepted, and 29% strongly agree with the declaration Holding receivables down, which implies that the probability of irrecovery is smaller.

From above, 16% of respondents are highly disagreeable in the survey of 75, 15% disagree, 17% are neutral, 24% accept, and 28% are strongly in agreement with the assertion Less cash connected with low debts. The statistic and amount of respondents suggest that they disagree.

From the statistics above, 11 percent of respondents disagree strongly in the survey of 75 respondents, 13 percent disagree, 17 percent respondents agree neutral, 20 percent agree and 39 percent agree strongly that Can Invest surplus can contribute to higher returns.

Cash



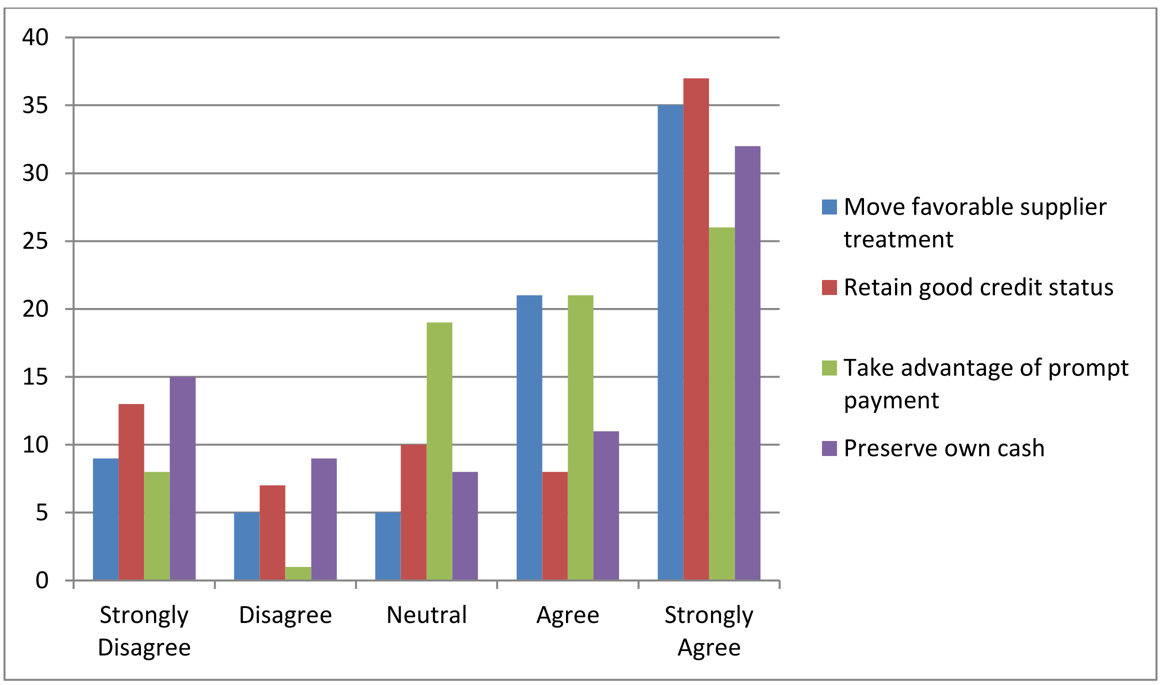
The map and number above show that 11% of the respondents in the survey of 75 were extremely unanimous, 11% did not agree, 28% did not agree, 25% agreed with each other and 32% agreed with the May Spend surplus argument in order to achieve a higher benefit.

It is evident from the statistic and amount above that there are 15 percent of the respondents in a survey of 75 who are very much disagreeable, 19 percent are disagreeable, 24 percent are neutral, 17 percent approve and 25 percent agree firmly with Less susceptible to takeover.

The chart and number listed above indicate, for example, that there are 19% of respondents in the survey of 75 respondents who are strongly opposed, 12% disagree, 20% are supportive, 31% support and 19% agree strongly on the argument ofAvoid high costs of borrowing.

It is evident from the above statistic and number that there are 8% who differ significantly on the survey of 75 respondents, 16% who do not approve, 19% who do not, 17% who do not agree, and 40% who firmly endorse the argument that Take advantage of unforeseen opportunities.

Trade Payables



From the above figure and the number, it is evident that 12% of the respondents in the survey of 75 respondents strongly disagree, 7% disagree, 6% are neutral, 28% approve, and 47% are strongly in agreement with the declaration of Transfer preferential treatment of suppliers.

It is evident from the aforementioned map and statistics that 17% of respondents in the 75-sample sample oppose, 9% disagree, 13% moderate, 11% accept, and 49% agree strongly on the argument that the preservation of good credit standing may not be a good policy.

From the figure and the amount listed above, it is obvious that there is 11% disagreement in the survey of 75 respondents, 1% disagreement, 25% disagreement, 28% agreement on neutral, and 35% clear agreement with the assertion Take advantage of prompt payment.

From these statistics and percentages it is obvious that 20% of respondents disagree strongly with each other in the survey of 75 respondents, 12% disagree, 11% are impartial, 15% are in agreement and 43% comply strongly with Retain own cash declaration.

5. DISCUSSION

The survey shows that the working capital determinants and efficiency of a bank in conjunction with Mohamad, N. E. A. B. & Saad, N. have major relationships between them. M. B. Whoshows that the job capital variables have major negative correlations with business efficiency. (2010) And then Raheman, A., & Nasr, M. (2007) showed a clear negative connection between the working capital management variables and the company's profitability. Enqvist, J., Graham, M., and Nikkinen, J. are on the other side. (2014) The effect of the market cycle on the working capital-profitability relationship was noted to be more prominent in economic slumps compared with economic booms.

This study demonstrated that cash-based working capital administration is necessary for a bank's profitability that is compatible with Raheman, A. & Nasr, M. (2007)who illustrated that the rise in the cash exchange period would contribute to the company's profitability weakening and that the managers will provide customers with a beneficial value by growing the cash processing cycle at a potential minimum level. Tom, J., T., & Peters, D. The statistical importance between profitability and the cash exchange period, calculated by gross operating profits, was also demonstrated by (2006). Raheman, A. & Nasr, M. Furthermore. (2007) the association between liquidity and profitability has been strongly negative.

This study shows that the operational capital control of a bank that agrees with Raheman, A. & Nasr, M is incredibly crucial to its profitability. (2007) who has also argued that the debt utilised by the organisation and its performance are also substantially negative. Nazir, M., nevertheless. S., &Force, T. (2009) It also showed that buyers weight the stocks of businesses who are active in the handling of their short-term liabilities.

This research illustrated the value for sustainability of a bank in conjunction withEnqvist J., Graham M. & Nikkinen J. of the control of working capital concerning claims. (2014) which shows that during times of economic depression the value of the periods of conversion of accounts receivable is growing. M. Braun, M., & Baun, M. (2009) also showed that if administrators take a cautious strategy to working capital investment and working capital finance practises, they will generate value.

This research has shown that inventory working capital is extremely necessary for a bank's profitability that agrees with Enqvist, J., Graham, M. & Nikkinen, J. (2014) who has suggested that during economic downturns the value of good inventory control has increased.

6. CONCLUSION

For both banks, the management of working capital is an essential aspect of the financial management judgement. The bank's ability to survive for longer periods relies on the appropriate long- and short-term investment management interchange (working capital). The banks can achieve optimum operating capital management by having a tradeoff between profitability and liquidity. The relationship between the operational capital policy and the profitability effect of 150 Indian branches of banks, comprising 50 public, private and international industries, was investigated in this report. The evaluation of working capital management techniques was evaluated through a questionnaire and a basic graphical study of WCM and profitability. The analysis showed that the methods of working capital control for receivables, payables, cash and stocks have a direct effect on a bank's profitability. By cutting cash exchange times, this analysis shows an adverse effect on Indian banks' profitability. Our findings in the connection between a business profitability and the balance of accounts due and inventory days are similar to those reported in the past investigation (Deloof, 2003; Jose et al.,1996; Lazaridis and Tryfonidis, 2006; Raheman and Nasr, 2007; Samiloglu and Demirgunes, 2008; Zariyawati et al., 2009). Likewise, the Shin & Soenen (1998) and Deloof (2003), Padachi (2006) and Zariyawati, etcoll, strongly endorsed the CCC-profitability relationship analyses (2006), Nazir and Afza research, Samiloglu and Demirgunes (2008) (2009). In certain instances, however, Indian banks have found an unusual relationship that can be very useful to users/decision makers who are interested in short term financial management in the business world. The thesis also invites researchers to explore the relationship between operating capital management and company sustainability to a wider range of Indian financing entities.

REFERENCES

Yahaya, A., &Bala, H. (2015).Working capital management and financial performance of deposit money banks in Nigeria. Research Journal of Finance and Accounting, 6(16), 57-71.

Akhtar, M. F., Ali, K., &Sadaqat, S. (2011). Liquidity risk management: a comparative study between conventional and Islamic banks of Pakistan. Interdisciplinary journal of research in business, 1(1), 35-44.

Agyei, S. K., Ansong, A., &Oduro, I. M. (2013).Determinants of working capital requirement and policies of banks in Ghana. Ghanaian Journal of Economics, 1(1), 35-51.

Mohamad, N. E. A. B., &Saad, N. B. M. (2010). Working capital management: The effect of market valuation and profitability in Malaysia. International journal of Business and Management, 5(11), 140.

Raheman, A., & Nasr, M. (2007).Working capital management and profitability–case of Pakistani firms. International review of business research papers, 3(1), 279-300.

Nazir, M. S., &Afza, T. (2009).Impact of aggressive working capital management policy on firms' profitability.IUP Journal of Applied Finance, 15(8), 19.

Enqvist, J., Graham, M., &Nikkinen, J. (2014). The impact of working capital management on firm profitability in different business cycles: Evidence from Finland. Research in International Business and Finance, 32, 36-49.

Lazaridis, I., &Tryfonidis, D. (2006).Relationship between working capital management and profitability of listed companies in the Athens stock exchange.Journal of financial management and analysis, 19(1).

Kieschnick, R., Laplante, M., &Moussawi, R. (2013).Working capital management and shareholders' wealth. Review of Finance, 17, 1827-1852.

Gill, A. S., &Biger, N. (2013).The impact of corporate governance on working capital management efficiency of American manufacturing firms.Managerial Finance, 39, 116-132.

Ogbo, A. I., &Ukpere, W. I. (2014). The impact of effective inventory control management on organizational performance: A study of 7up bottling company nile mile enugu, nigeria. Mediterranean Journal of Social Sciences, 5, 109.

Tahir, M., &Anuar, M. B. A. (2016). The determinants of working capital management and firm's performance of textile sector in Pakistan. Quality &Quantity, 50, 605-618.

Ogbeide, S., &Akanji, B. (2017). A Study on the relationship between cash-flow and financial performance of insurance companies: Evidence from developing economy. Revista de Management Compar at International, 18, 148-156.

Karadag, H. (2015). Financial management challenges in small and medium-sized enterprises: A strategic management approach. EMAJ: Emerging Markets Journal, 5, 26-40.

Securities and Exchange Commission, SEC. (2013). The investor's Advocate: How the SEC protects investor, maintains market integrity, and facilitates capital formation. Retrieved from: http://www.Sec.gov/about/whatwedo.shtm1#.VMWdrf7f9dQ.

Oso, W. Y., &Onen, D. (2005). A general guide to writing research proposal and reports. A hand book for beginning Researchers, (2nd ed.). Makerere University press. Kampala, Uganda.

Gliem, A., &Gliem, R. (2003). Calculating, Interpreting, and Reporting Cronbach's Alpha Reliability Coefficient for Likert-Type Scales. A refereed paper presented at the \mid-West Research to Practice Conference, Ohio University, October 8-10.