



THE IMPACT OF CASH MANAGEMENT ON THE BANKS' FINANCIAL PERFORMANCE

GAM BARAGE WASANTHA SANJEEWA

1789



RCV1789



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## ABSTRACT

This study main objective is to identify the influence of cash management on commercial banks' performance. As well as this study consist two (2) sub objectives. These objectives are based on following dependent and independent variables. Cash ratio, cash turnover ratio, return on equity ratio and return on assets ratio etc.

In this study target population is all commercial banks in Sri Lanka. As well as sample of the study is twelve (12) commercial banks in Sri Lanka. So researcher mainly focuses domestic commercial banks in Sri Lanka. But some of banks ware foundation year of 2014. So researcher faced problem of availability of data. In this situation researcher concern commercial banks in Sri Lanka for a period of 2011 to 2015 in this study. As well as descriptive statistics analyzed and correlation and Regression are analyzed by researcher. This study used secondary data and data analyzed using SPSS software.

Relationship of cash ratio and return on equity ratio has negative relationship. As well as cash ratio and return on assets ratio having negative relationship. On the other hand, cash turnover ratio with return on equity ratio and return on assets ratio having positive relationship. Finally cash ratio with return on equity ratio and return on assets ratio having negative impact. Cash turnover ratio with return on assets ratio and return on equity ratio having positive impact of cash management on performance of the banks.

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