

A STUDY ON CASH MANAGEMENT ON RINEX TECHNOLOGY

Submitted in partial fulfilment of the requirements for the award of

MASTER OF BUSINESS ADMINISTRATION

by

SAMRAJ P

Register No. 41410264



SCHOOL OF MANAGEMENT STUDIES

SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE

JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI - 600 119.

MAY 2023



SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

Accredited "A" Grade by NAAC | 12B Status by UGC | Approved by AICTE

www.sathyabama.ac.in

SCHOOL OF MANAGEMENT STUDIES

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **SAMRAJ P 41410264** who carried out the project entitled "**A Study on Cash Management on Rinex Technology**" under my supervision from January 2023 to April 2023.

Dr. JOYCE.S

Internal guide

External Guide

Dr. BHUVANESWARI G, MBA., Ph.D.

Dean – School of Management Studies

SCHOOL OF MANAGEMENT STUDIES
SATHYABAMA
INSTITUTE OF SCIENCE AND TECHNOLOGY
(Deemed to be University)
Jeppiaar Nagar, Rajiv Gandhi Sala
Chennai-600 119

Submitted for Viva voce Examination held on 06.05.2023

Internal Examiner

External Examiner

DECLARATION

I **SAMRAJ P (41410264)** hereby declare that the Project Report entitled “**A Study on Cash Management on Rinex Technology**” done by me under the guidance of **DR. JOYCE. S** is submitted in partial fulfilment of the requirements for the award of Master of Business Administration degree.

DATE:06.05.2023

PLACE: CHENNAI



SAMRAJ P



RINEX TECHNOLOGIES PRIVATE LIMITED

Mangalore 575008, Dakshina Kannada

Human Resource Department

DATE: 01/05/2023

PROJECT COMPLETION LETTER

TO WHOMSOEVER IT MAY CONCERN

Sub: Summer Project Completion letter

We wish to Confirm that Mr. SAMRAJ P (Reg.No:41410264), who has completed MBA in Satyabhama institute Of Science and Technology, Chennai, has successfully completed the finance project in our concern titled "**A STUDY ON CASH MANAGEMENT ON RINEX TECHNOLOGY**" from 30/01/2023 to 31/04/2023.

During this tenure with us, the student's conduct & behavior was observed to be good. We wish success in all the future endeavors.

Heera K

Human Resource Department
On Behalf of Rinex

ACKNOWLEDGEMENT

I am pleased to acknowledge my sincere thanks to Board of Management of **SATHYABAMA** for their kind encouragement in doing this project and for completing it successfully. I am grateful to them.

I convey my sincere thanks to **Dr. G. Bhuvaneswari, MBA., Ph.D., Dean - School of Management Studies** and **Dr. A. Palani, M.Com., MBA., Ph.D., Head - School of Management Studies** for providing me necessary support and details at the right time during the progressive reviews.

I would like to express my sincere and deep sense of gratitude to my Project Guide **DR. JOYCE.S** for her valuable guidance, suggestions and constant encouragement paved way for the successful completion of my project work.

I wish to express my thanks to all Teaching and Non-teaching staff members of the **School of Management Studies** who were helpful in many ways for the completion of the project.

SAMRAJ P

TABLE OF CONTENTS

CHAPTER NO	CONTENTS	PAGE NO
	Abstract	
	List of tables	
	List of charts	
I	Introduction	1
	1.1 Introduction	1
	1.2 Industry profile	16
	1.3 Company profile	18
	1.4 Objectives of the study	23
	1.5 Need for the study	23
	1.6 Scope of the study	24
	1.7 Limitation of the study	55
II	Review of literature	25
	2.1 Review of literature	25
III	Research methodology	40
	3.1 Research design	40
	3.2 Data collection	40
IV	Data analysis and interpretation	45
V	Findings, suggestion and conclusion	53
	5.1 findings of the study	53
	5.2 suggestions	54
	5.3 conclusion	55
	References	57

ABSTRACT

The study on cash management on Rinex Technology aims to analyze the current cash management practices of the company and identify areas for improvement. The research methodology involves a combination of qualitative and quantitative data collection techniques, including surveys, interviews, and financial analysis. The study examines the company's cash flow, cash conversion cycle, and cash reserves, and evaluates the effectiveness of existing cash management policies and procedures. The findings of the study suggest that Rinex Technology could improve its cash management by implementing more efficient cash forecasting and budgeting processes, optimizing its working capital management, and enhancing its cash reserves management practices. These recommendations could help the company to mitigate cash flow risks, improve its financial stability, and support its growth and expansion objectives.

LIST OF TABELS

S.NO	PARTICULARS	PAGE NO
4.1	Selected Ratio and Formula	45
4.2	Descriptive statistics	46
4.3	Model Summary	47
4.4	Coefficients	48
4.5	Correlation	50

CHAPTER-I

INTRODUCTION

1.1 INTRODUCTION OF THE STUDY

The digital data industry encompasses a wide range of activities related to the creation, processing, storage, management, and distribution of digital data. It includes companies involved in software development, cloud computing, data analytics, artificial intelligence, Internet of Things (IoT), block chain technology, and other related areas. The following is an overview of the industrial profile for digital data

Software Development: The software development industry is one of the largest sectors within the digital data industry. It includes companies that design, develop, and distribute software applications for a variety of purposes, including business, entertainment, education, and communication.

Cloud Computing: Cloud computing is the delivery of computing services, including servers, storage, databases, networking, software, analytics, and intelligence, over the internet. This industry has grown rapidly in recent years and is expected to continue to do so due to its scalability, flexibility, and cost-effectiveness.

Data Analytics: Data analytics is the process of examining and interpreting data using statistical and computational methods to identify patterns, correlations, and trends. The data analytics industry includes companies that provide tools and services for data collection, analysis, and visualization.

Artificial Intelligence: Artificial Intelligence (AI) involves the development of intelligent machines that can perform tasks that typically require human intelligence, such as perception, reasoning, learning, and decision-making. The AI industry includes companies that develop AI algorithms, platforms, and applications for a variety of industries.

Internet of Things: The Internet of Things (IoT) refers to the interconnection of everyday objects via the internet, allowing them to send and receive data. The II

IIOT industry includes companies that design and manufacture IIoT devices, as well as those that provide software and services for IIoT applications.

Block chain Technology: Block chain technology is a distributed ledger technology that allows for secure and transparent transactions between parties without the need for a central authority. The block chain industry includes companies that develop block chain platforms, protocols, and applications for a variety of use cases, including finance, supply chain management, and digital identity.

Overall, the digital data industry is characterized by innovation, rapid technological advancements, and increasing demand for digital solutions across various industries. It is a highly competitive and dynamic industry, with many opportunities for growth and expansion.

Cash

In the recent era of cashless transaction in India, cash gets less attention than before, reason why people start doing more cashless and less cash transaction into their daily lives. Considering the cashless approach, many corporate sectors are also doing the cashless transaction. The present research focuses on the cash management practices of the two selected sample companies and its impact on the profitability as well. Based on the concept of cash, it can clearly be stated that, no matter how much cashless company or corporate sector will be, they need the cash or cash equivalent for their day-to-day activities.

Cash refers to physical currency in the form of banknotes or coins that is used to make purchases or pay debts. It is a widely accepted medium of exchange for goods and services, and is typically considered to be the most liquid form of payment. Cash can be used in most transactions, from buying groceries at a local store to paying bills, and is also commonly used in informal transactions or transactions between individuals. Cash can be held in different currencies, with each currency having its own value relative to other currencies, and can be exchanged for other currencies through currency exchange services or banks.

Meaning of Cash Management

Cash management refers to the process of managing a company's or individual's cash resources to ensure that they are used effectively and efficiently. Effective cash management involves managing cash inflows and outflows, optimizing cash balances, and investing excess cash in order to maximize returns.

For businesses, cash management involves maintaining sufficient cash on hand to meet the company's short-term obligations, while also investing excess cash to earn a return. It also involves managing cash collections and disbursements, forecasting cash flows, and making decisions about borrowing or investing funds. For individuals, cash management may involve budgeting, monitoring and managing expenses, and saving money for future expenses or investments.

Concept of Cash Management

Cash management is a financial management concept that involves managing cash inflows and outflows to optimize cash balances and ensure that there is enough cash available to meet short-term financial obligations. The main objective of cash management is to ensure that a business or individual has enough cash on hand to meet immediate financial obligations while also maximizing the return on excess cash. Effective cash management involves several key processes, including:

- **Cash Forecasting:** This involves projecting future cash inflows and outflows to determine the amount of cash that will be available at any given time.
- **Cash Flow Management:** This involves managing cash inflows and outflows to ensure that there is always enough cash on hand to meet short-term obligations. This may involve strategies such as delaying payments, accelerating collections, or utilizing short-term borrowing to manage cash flow.
- **Cash Balances Optimization:** This involves maintaining an optimal level of cash balances to minimize the opportunity cost of holding excess cash, while also ensuring that there is enough cash on hand to meet financial obligations.
- **Investment of Excess Cash:** This involves investing excess cash in short-term investment vehicles such as money market funds, treasury bills, or certificates of deposit to earn a return on idle cash.

Structure of Cash Flow Statement

A significant financial report has always been the Statement of Cash Flows, but over the years it has been called various names. The "Statement of Changes in Financial Position," "Statement of Sources and Applications of Funds," and "Changes in Working Capital." The last prepared financial statement is the statement of cash flows. It applies to both cash inflows and outflows over a period of time. This implies that the cash flow statement reports the adjustments in cash from the beginning to the closing phases of a session, usually a year. It's important to note that only cash transactions are recorded in the cash flow statement.

Cash flow from operating operations is the core portion of the cash flow statement. Many cash transactions that settle on net profits are included. Such examples of cash inflows from operating actions are: sales cash, interest payment cash, dividend cash, and credit sales cash collections. Cash outflows from operating activities include payroll spending in cash, supply costs in cash, interest payments in cash, and tax payments in cash.

The investing section is the second component of the statement of cash flows. Cash transactions that impact long-term assets, such as assets, plants, and equipment, are included in the investment portion. It also includes the purchase and selling, rather than trading shares, of short-term assets and the lending and collection of receivables on notes. Cash obtained from the sale of long-term properties, cash earned on large loans, and cash received from short-term trading investments are some examples of cash inflows from investing. Cash outflows from investment activities include money used to buy long-term properties, money loaned to others, and money used to buy short-term funds.

=

Significance of the Cash Flow Statement:

In order to understand why the Cash Flow Statement is relevant, we need to define the word "working capital" as the diversity between current assets and current liabilities. Businesses run on a loop aimed at creating more responsible working capital to grow. For instance, cash is used to buy inventory, inventory is sold at a profit, and thus creates additional working capital that can be used for additional inventory. The following are examples of the sources and the uses of working capital

Sources:

- Net Income from Operations
- Sale of fixed assets (land, buildings, equipment)
- Acquisition of long-term debt
- Sale of stock

Uses:

- Cash dividends paid
- Purchase of fixed assets
- Reducing or retiring long term debt
- Stock repurchases

The Declaration of Cash Flows gives the reader very useful in the series relating to the company when reviewing a company's financial statements; items such as its competitiveness and organizational behaviors towards stock sales and dividend issuance. It can also tell the booklover how long-term debt is done and whether it is a pleasant place to reinvest in capital assets.

Purpose of Cash Flow Statement:

The object of the Cash Flow Statement is to provide details on the gross receipts and gross payments of a business for a precise period of time. In the cash flow statement, the gross receipts and gross payments are listed according to one of the following classifications: operating activities, investment activities and financing activities. The net change from these three classifications over the reporting period should be equal to the change in the cash and cash equivalents of a company. For example, between the December 31, 2015 and December 31, 2016 balance sheets, the cash flow statement for the calendar year 2016 will report the causes of the difference in the cash and cash equivalents of a business.

Use of Cash Flow Statement to manage the Working capital of the organization:

Profitable companies unexpectedly collapse several times. Generally, this loss is

exacerbated by a lack of working capital. This lack of working capital will render a business unable to pay its employees or suppliers, even though there are sufficient sales and profits. Except in situations where these short-term obligations may be met, the degeneration of cash flow dramatically threatens the capacity of a business to plough into the company and, ultimately, thrive.

A cash flow statement is a record of cash flows that happened during the preceding period of accounting. A cash flow budget is called a prediction of potential money flows. You will flow the budget to your checking account as a prediction of the future deposits and withdrawals. Not only is a cash flow statement confused by the quantity of cash flows, but also the timing of the flows. With several time spans, many cash flows are constructed. For example, monthly cash inflows and outflows over a year's period may be listed. The cash balance left at the end of the year is not only expected, but also the cash balance for each month.

Importance of Cash Flow:

Cash flow defines the transfer of money into and out of the corporation through its revenue-generating and expenditure-acquiring actions. Cash flow occurs in three ways: investment, operational, and funding operations. These activities produce a cash flow into and out of the business. Investment activities contribute to a cash inflow from the selling of properties and the outflow of capital expenditure outstanding. Operational operations result in the expenditure or collection of cash from the company's internal activities.

Presentation of Cash Flow Statement:

The income statement should report cash flows during the amount. The cash flows need to be classified activity wise into operating, investing, and financing activities. The foremost important reason for the preparation of the income statement is that the earnings report of an enterprise is usually prepared on an accounting and it is going to show profits within the earnings report but the cash received out of those profits could also be low to run the business or vice-versa.

Cash Flow from Operating Activities:

The earnings report should report cash flows during the quantity. The cash flows got to be classified activity wise into operating, investing and financing activities. The

foremost important reason for the preparation of the income statement is that the income statement of an enterprise is typically prepared on an accounting and it's getting to show profits within the earnings report but the cash received out of these profits could even be low to run the business or vice-versa.

Examples-

- Cash received from the sale of goods and services.
- Cash receives from commission, fees, royalties etc.
- Cash paid to suppliers to purchase raw material etc.
- Payment of expenses like wages, salaries, commission etc.
- Payment and refund of tax.

Cash Flow from Investing Activities:

For completing business effortlessly, an enterprise acquires future assets like machinery, land and building. Likewise, old assets are sold and new are purchased. They occasionally also invest unoccupied funds outside the business to urge additional learning. All this leads to inflow and outflow of money. These flows of money are termed as cash flows from investing activities.

For completing business efficiently, an enterprise acquires future assets like machinery, furniture, land and building. Equally old assets are sold and new are purchased. They often also invest idle funds outside the business to urge supplementary earnings. All this leads to inflow and outflow of money. These flows of money are termed as Cashflows from Investing Activities.

Examples-

- Cash paid to acquire fixed assets e.g. machinery, land etc.
- Cash paid to purchase investments e.g. Shares and debentures of other company
- Cash receipts from the disposal of fixed assets.
- Cash receipts as dividend or income on investments outside the concern.

Advance Cash Management

Advanced cash management refers to the use of sophisticated tools and techniques

to manage cash resources more effectively and efficiently. This may include the use of technology, data analytics, and automation to optimize cash flows, manage cash balances, and make strategic investment decisions.

Some examples of advanced cash management techniques include:

Cash Positioning: This involves identifying the optimal level of cash balances to maintain in different accounts, such as checking, savings, and investment accounts, to maximize the return on available cash resources.

Cash Pooling: This involves consolidating cash balances from multiple accounts or business units to optimize cash balances and reduce transaction costs.

Zero Balance Account (ZBA): This involves automatically transferring funds between accounts to maintain a zero balance in each account, which can help to optimize cash balances and reduce borrowing costs.

Cash Forecasting and Analysis: This involves using data analytics and forecasting tools to predict cash flows, identify trends and patterns, and make strategic cash management decisions.

Automated Cash Management: This involves using technology and automation to streamline cash management processes and reduce manual intervention. For example, companies may use automated invoicing and payment systems, electronic fund transfers, and real-time reporting and analytics to manage cash more effectively.

Concept of Cash Conversion Cycle

The Cash Conversion Cycle (CCC) is a financial metric that measures the amount of time it takes for a business to convert its investments in inventory and other resources into cash inflows from sales. It provides insights into how efficiently a business is managing its working capital, and how quickly it can convert its investments into cash.

The CCC is typically calculated by adding the number of days it takes a business to sell its inventory (Days Sales of Inventory, or DSI) to the number of days it takes to collect cash from customers (Days Sales Outstanding, or DSO), and then

subtracting the number of days it takes to pay suppliers (Days Payable Outstanding, or DPO).

example, companies may use automated invoicing and payment systems, electronic fund transfers, and real-time reporting and analytics to manage cash more effectively.

Concept of Cash Conversion Cycle

The Cash Conversion Cycle (CCC) is a financial metric that measures the amount of time it takes for a business to convert its investments in inventory and other resources into cash inflows from sales. It provides insights into how efficiently a business is managing its working capital, and how quickly it is able to convert its investments into cash.

The CCC is typically calculated by adding the number of days it takes a business to sell its inventory (Days Sales of Inventory, or DSI) to the number of days it takes to collect cash from customers (Days Sales Outstanding, or DSO), and then subtracting the number of days it takes to pay suppliers (Days Payable Outstanding, or DPO).

The formula for calculating the CCC is:

$$\text{CCC} = \text{DSI} + \text{DSO} - \text{DPO}$$

A shorter CCC indicates that a business is able to generate cash more quickly and efficiently, while a longer CCC indicates that a business is tying up its cash in inventory and other resources for a longer period of time.

By monitoring and optimizing the CCC, businesses can improve their working capital management, reduce financing costs, and improve overall financial performance. For example, a business can reduce its CCC by improving inventory turnover, accelerating cash collections, and negotiating more favorable payment terms with suppliers.

Cash Planning

Cash planning is the process of forecasting a business's or an individual's cash inflows and outflows over a specific period of time, typically on a monthly or quarterly basis. The goal of cash planning is to ensure that a business or individual has

enough cash on hand to meet their financial obligations, while also maximizing the use of available cash resources. The process of cash planning typically involves the following steps:

Forecasting cash inflows: This involves estimating the amount and timing of cash receipts from customers, investments, and other sources.

Forecasting cash outflows: This involves estimating the amount and timing of cash payments for expenses such as rent, salaries, inventory, and other obligations.

Determining cash needs: This involves comparing cash inflows to cash outflows to determine if there will be any cash shortfalls or surpluses.

Developing a cash plan: This involves developing a plan to address any cash shortfalls or surpluses, which may include strategies such as borrowing, investing, or delaying payments.

Monitoring and adjusting the cash plan: This involves monitoring actual cash inflows and outflows against the cash plan and making adjustments as needed to ensure that cash needs are met.

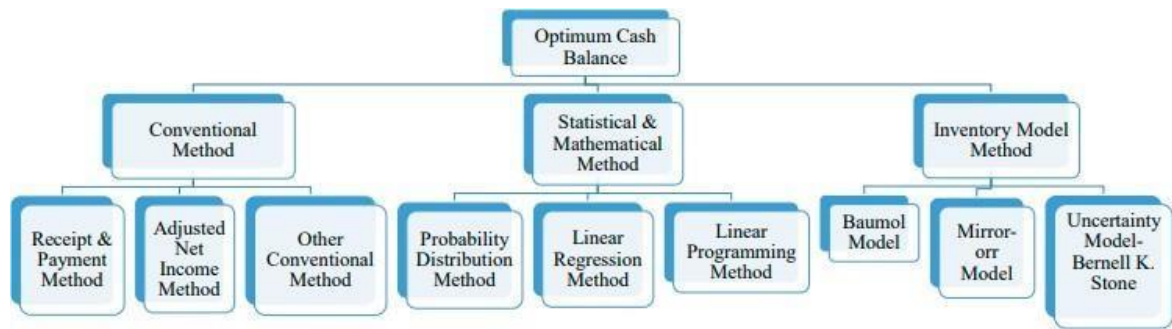
Methods of Determining the Optimum Cash Level

There are several methods that can be used to determine the optimum cash level for a business or an individual, depending on their specific financial situation and goals. Some common methods include:

Operating Cash Balance: This involves calculating the minimum cash balance needed to cover day-to-day operating expenses and other regular cash outflows.

Target Cash Balance: This involves setting a target cash balance based on the specific financial goals of the business or individual, such as maintaining a certain level of liquidity, reducing debt, or investing in growth opportunities.

Cash Conversion Cycle: This involves analyzing the time it takes to convert investments in inventory and other resources into cash inflows from sales, and determining the minimum cash balance needed to cover cash outflows during this period.



Opportunity Cost of Cash: This involves comparing the potential returns from investing available cash resources to the costs of holding excess cash, such as lost investment opportunities or financing costs.

Control of Cash Flows

Control of cash flows is an essential aspect of financial management for both individuals and businesses. Cash flow control involves managing the inflow and outflow of cash to ensure that there is enough cash available to cover expenses, investments, and other financial obligations. There are several ways to control cash flows, including:

Budgeting: Creating and adhering to a budget is one of the most effective ways to control cash flows. A budget helps to track cash inflows and outflows, and identify areas where spending can be reduced or reallocated.

Cash flow forecasting: Forecasting cash inflows and outflows can help individuals and businesses to anticipate and prepare for changes in cash flow, and identify potential shortfalls or surpluses.

Invoice and payment management: Effective management of invoices and payments can help to improve cash flows by ensuring timely receipt of payments and reducing the risk of late payments and bad debts.

Managing inventory: Managing inventory levels and turnover can help to reduce the amount of cash tied up in inventory, and improve the overall efficiency of cash flow.

Negotiating payment terms: Negotiating favourable payment terms with suppliers and customers can help to improve cash flow by allowing for extended payment periods or early payment discounts.

Financing strategies: Using financing strategies such as loans, lines of credit, and factoring can help to improve cash flow by providing access to cash when needed.

Benefits of Cash Flow Statement Information:

When used in conjunction with the rest of the financial statements, the cash flow statement offers information that helps consumers to determine improvements in the net assets of the unit, its financial organization (including its liquidity and solvency) and its ability to control the amounts and timing of cash flows to respond to changing situations and opportunities. Cash flow information is constructive in assessing the power of the body to get cash and cash equivalents and enables users to expand modelsto assess and evaluate this value of the longer term cash flows of various entities. It also enhances the comparability of the coverage of operating performance by different entities because it eliminates the consequences of using different accounting treatments for an equivalent dealings and proceedings.

Operating activities

Operating operations are the entity's main revenue-producing activities and other non-investment or funding activities. First and foremost, cash flows from operating operations are an imitation of the entity's primary revenue-producing activities. They are also normally the product of transactions and other proceedings that come into the strength of benefit or loss mind. The sum of cash flows resulting from operating activities is a key measure of the extent at which the entity's operations have generated sufficient cash flows in order to repay debt, sustain the entity's operating capacity, pay dividends and make new investments without any alternative to external funding sources. The sum of cash flows resulting from operating activities is a key measure of the amount in which the unit's operations have produced satisfactory cash flows for the repayment of loans, the maintenance of the entity's operating capacity, the payment of dividends and the making of new investments without the possibility of external financing sources.

In conjunction with other details, information about the detailed components of historical operating cash flows is useful in predicting future operating cash flows. An entity shall report cash flows from operating activities using either: The direct form of declaration of the key classes of gross cash receipts and gross cash payments; or An indirect measure by which the consequences of non-cash sales, any deferrals or

accruals of past or future operating cash receipts or payments, and items of income or cost associated with the investment or funding of cash flows are considered to be gains or losses.

Investing activities

The separate disclosure of cash flows resulting from investment activities is relevant because the cash flows relate to the degree to which the tools proposed to produce potential revenue and cash flows have been spent. Only expenses resulting in a reported asset in the financial position statement qualify as investment activities for categorization. The accomplishment and disposition of long-term assets and other investments not integrated into cash equivalents is an investment practice. The separate disclosure of cash flows resulting from investment activities is relevant because the cash flows represent the amount of expenditure made on the capital proposed to produce potential revenue and cash flows. The combined cash flows resulting from the acquisition and loss of control of subsidiaries or other undertakings shall be separately presented and listed as investment activities.

Financing activities

The separate disclosure of cash flows resulting from funding operations is relevant because it helps to forecast claims on potential cash flows to the entity by providers of capital. Financing activities are activities which lead to changes in the size and composition of the entity's contributed equity and borrowings. The separate disclosure of cash flows resulting from the activity of financing is relevant because it is useful in forecasting claims on potential cash flows of capital suppliers to the unit. An organization shall separately disclose main classes of gross cash receipts and gross cash payments resulting from the operations of expenditure and financing.

Non-cash transactions

Investment and funding activities which do not include the use of cash or cash equivalents are removed from the cash flow statement. Such transactions shall be reported in the financial statements in such a manner as to include all relevant information on the investment and financing activities in question. Investment and funding investments that do not need cash or cash equivalents to be used are

removed from the cash flow statement. These transactions shall be reported elsewhere in the financial statements in such a manner that all relevant details relating to these investment and financing activities shall be provided.

Foreign currency cash flows

Cash flows resulting from transactions in a foreign currency are registered in the realistic currency of an individual by applying the exchange rate between the usable currency and the foreign currency at the date of cash flow to the sum of the foreign currency. At the date of the cash flows, the cash flows of a foreign subsidiary are converted at exchange rates between the usable currency and the foreign currency. Cash flows are not unrealized gains and losses resulting from changes in foreign currency exchange rates. Cash flows resulting from transactions in a foreign currency are registered in the functional currency of an individual by applying the exchange rate between the functional currency and the foreign currency at the date of the cash transfer to the sum of the foreign currency.

Cash and cash equivalents

An organization shall reveal the workings of cash and cash equivalents and shall present an arrangement of the sums of the equivalent items recorded in the statement of financial conditioning its statement of cash flows. An element shall report, together with a management explanation, the quantity of substantial cash and cash equivalent balances retained by the company which are not available for use by the community.

Equity investments shall be exempt from cash equivalents because they are, in effect, cash equivalents, e.g. in the case of preferred shares purchased within a brief maturity period and on a specified redemption date. Borrowings from banks are generally known as funding operations. In certain nations, however, bank overdrafts that are repayable

on demand form an integral part of the cash management of an individual. Bank overdrafts are used as a portion of cash and cash equivalents in these circumstances.

What Is Cash Management?

The process involving gathering and handling cash flows from a company's running,

spending, and funding activities is cash management, also known as treasury management. In industry, it is a crucial aspect of the financial stability of an organization. For both businesses and individuals, cash management is essential, as it is a key component of financial stability. Money market funds, Treasury bills, and certificates of deposit comprise financial instruments involved in cash management. To assist in all aspects of cash management, businesses and individuals provide a wide variety of services available across the financial marketplace. Banks are usually a key provider of financial services.

Understanding Cash Management

In an organization, the key persons responsible for overall cash management plans, stability analysis, and other cash-related duties are typically chief financial officers, business managers, and corporate treasurers. Many organizations, however, can outsource to some service providers part or all of their cash management responsibilities. The cash flow statement is the key component of the cash flow management of a company. The cash balance statement documents all of the cash inflows and outflows of the company comprehensively. It covers cash from operational operations, cash paid for investment activities and cash from funding activities. The bottom line of the cash flow statement indicates how much revenue is readily available to a company.

The statement of cash flow is divided into three sections: acquisition, funding, and operating activities. The working portion of cash operations is heavily dependent on networking capital, which is presented as the current assets of a company minus current liabilities on the cashflow statement. Businesses aim to ensure that the current balance of assets exceeds the current balance of liabilities. With cash inflows and outflows related to expenditure and financing, such as acquisitions in real estate, the

procurement of new equipment and machinery and the origination of stock repurchases, or the payment of dividends as part of financing operations, the other two sections of the cash flow statement are much simpler. To maintain and attain productive company cash flows, there are many internal controls used. The average length of account receivables, write-offs for uncollected receivables, collection procedures, rates of return on cash equivalent assets, liquidity, and credit line

management are some of the main cash flow considerations of a company.

Cash management refers to the accumulation, concentration, and disbursement of cash as a general term. The aim is to control an enterprise's cash flows in such a way that the supply of cash not invested in fixed assets or inventories is maximized and to do so in such a way that the risk of insolvency is avoided. Factors tracked part of cash management include the level of business

1.2 INDUSTRY PROFILE

India occupies a significant position in the global education sector. One of the world's largest networks of institutions of higher learning is found in India. With almost 27% of India's population in the age group of 0-14 years, India's education sector provides numerous opportunities for growth. The number of colleges in India stood at 42,343 in FY20. As of November 25, 2022, the number of universities in India stood at 1,072. India had 38.5 million students enrolled in higher education in 2019-20, with 19.6 million male and 18.9 million female students. In FY20, Gross Enrolment Ratio (GER) in Indian higher education was 27.1%. The education sector in India was estimated to be worth US\$ 117 billion in FY20 and is expected to reach US\$ 225 billion by FY25. The Indian edtech market size is expected to reach US\$ 30 billion by 2031, from US\$ 700-800 million in 2021. The online education sector in India is growing rapidly, with growth of US\$ 2.28 billion expected during 2021-2025, at a CAGR of almost 20%. Higher education institutes in India are focusing on creating online programmes due to the increasing demand from consumers.

India's large English-speaking population allows easy delivery of educational products. India was ranked 48th out of 112 countries in the English Proficiency Index 2021. Nine Indian institutes - the Indian Institute of Science (IISc) in Bengaluru and eight Indian

Institutes of Technology (IITs) - were among the top 500 universities in the QS World University Rankings 2023. A total of 100 Indian institutions have been qualified for the Times Higher Education World University Rankings 2023, with the Indian Institute of Science in Bengaluru being the highest-ranked. Edtech startups in India raised US\$ 296 million across 5 deals in October 2022. Amazon has launched its global computer science education initiative in India. The aim of this initiative is to offer one lakh students the opportunity to study computer science. Amazon India has also

launched the second edition of Machine Learning (ML) Summer School, with the aim to provide students the opportunity to learn important ML technologies from Amazon scientists, making them ready for careers in science.

To liberalize the sector, the Government has taken initiatives such as the National Accreditation Regulatory Authority Bill for Higher Educational and the Foreign Educational Institutions Bill. The government schemes of Revitalizing Infrastructure and System in Education (RISE) and Education Quality Upgradation and Inclusion Programme (EQUIP) are helping the government tackle the prominent challenges faced by the education sector. The National Education Policy (NEP), which will be fully implemented over the course of this decade starting from 2021-22, will have a strong focus on high-quality vocational education. Under the National Education Policy 2021, the government will set up regional and national institutes for virology, >15,000 schools, 100 new Sainik schools, and 750 Eklavya model residential schools in tribal areas. The Central Government has approved the “New India Literacy programme” for the period FY22-27 to cover all the aspects of adult education to align with the National Education Policy 2020 and Budget Announcements 2022-23. The National Commission for Women has started a country-wide capacity building and personality development programme for women undergraduate and postgraduate students in an effort to make them more independent and job-ready. The commission will partner with central and state institutions to prepare women students for the job market by providing sessions on personal capacity building, professional career skills, digital literacy and effective use of social media. India has the largest population in the world in the age bracket of 5-24 years with 580 million people, presenting a huge opportunity in the education sector. *India has over 250 million school going students, more than any other country. *Applications for the ‘Study in India’ programme increased by 146% in 2021.

COMPETITIVE ADVANTAGE

*Large English-speaking population allows easy delivery of educational products. India was ranked 52nd out of 111 countries in the English Proficiency Index 2022.

* Nine Indian institutes - the Indian Institute of Science (IISc) in Bengaluru and eight Indian Institutes of Technology (IITs) - were among the top 500 universities in the QS World University Rankings 2023.

POLICY SUPPORT

*100% FDI (automatic route) is allowed in the education sector in India.

*The Government of India has taken initiatives like National Accreditation Regulatory Authority Bill for Higher Educational and the Foreign Educational Institutions Bill.

INCREASING INVESTMENTS

*The education market in India is expected to amount to US\$ 225 billion by FY25.

*From April 2000-June 2022, FDI equity inflows stood at US\$ 7.92 billion.

*Indian edtech start-ups have received total investment of US\$ 3.94 billion across 155 deals in FY22.

*In June 2022, edtech platform Physics Wallach became India's 101st unicorn by raising US\$ 100 million in a Series-A funding round from West Bridge Capital and GSV Ventures, valuing the company at US\$ 1.1 billion.

1.3 COMPANY PROFILE:



RineX is one of the finest E-learning platform to all students and professional that facilitates studying top-notch technical certification courses from profound industry experts with the best study resources. They strive to prove that learning stops at nothing and promote upskilling yourself to devise the path to success for every student that joins us. They, at RineX aim at inspiring improvement through education and for this they are focused on creating an educational community that helps create an innovative tomorrow. They are always with our hands wide open to welcome new teammates, because you know, the more the merrier. Join us to help shape the future of students by voicing them towards receiving cutting-edge training from experts. Together, let us be the reason behind some genius minds.

Computer Science/Information Science

In Computer Science and Engineering, students study about the design, computational processes & programming languages. They also learn how to develop different hardware's & software's.

Civil Engineering

This engineering discipline is considered one of the oldest and broadest. It revolves around construction and its project managements that help facilitate better living environments to all.

Electronics and Communication Engineering

The study mainly involves research, design, development and testing of the electronic equipment and software applications used in various types of systems.

Mechanical Engineering

This engineering branch combines engineering physics and mathematical principles with material sciences to design and develop mechanical systems/ machines.

How We Do It?

Agile Approach

The course curriculum focuses on approaching learning in an agile methodology, so that students will have continual training with assignments, assessment and guidance.

Project-oriented Courses

Make training with us both an exciting and beneficial mastering journey for students.

Result-oriented Dynamic Applications

With dynamic methods and positive can-do attitudes, our syllabus is set to be both exciting and beneficial subject-mastering for all the students.

Certified Expert Mentors

The course curriculum focuses on approaching learning in an agile methodology, so

that students will have continual training with assignments, assessment and guidance.

How you Can Help?

Small actions done by many people is a huge step towards destiny. Donate for the beautiful cause of saving dreams that might help save tomorrow. Help in the form of monetary benefaction or book donation is what we seek to together help the younger generation be better than us.

What We Do?

Rinex accepts the help you have provided with at most pride and happiness to help yet another student. Right from the minute the book is donated to us, to the moment it reaches the reader's door-step, we have all the procedures of storing and maintaining the quality of book set in as the top priority. Rinex is the front-man that ensures everyone gets all the help they need in the field of education. Your money shall be used to provide various other educational needs to the students. And so yes, we are happy that you are here to help!

Certification Partners:

And now learning never Stops Upgrade to Rinex to learn in-demand skills and advance your career



Projects Undertaken:

Self-driving Automobiles

AI powered automobile systems that is featured with self-driving, is yet another huge

project that follows machine learning and neural network algorithms to go through its decision making processes. It consumes and uses large amounts of data from its image recognition systems in order to function properly. So overall its primary algorithmic tasks involve object detection and object classification

Biometric AI-Facial Recognition

Using deep learning, Biometric Artificial Intelligence captures a person's facial texture and facial recognition such as eye retina, nose, face shape, lips, etc. Not only is this used in the security department to identify people, but also is used for government citizen documentation, phone unlocking and many more times. The most commonly used AI powered software for phone unlocking that make your smartphones smarter are Android Basic Facial Technology, Apple Face ID and Samsung Iris Technology.

Heart Disease Prediction Project

Owing to the fact that most people die on various conditions of Heart Diseases (HD), Researchers have used Artificial Intelligence to predict heart disease using neural networks. This system takes the help of Data Science in order to process the huge amounts of data produced in the healthcare field. This AI Project simply automates the prediction process to avoid the risk pertaining to follow it and so alerts the patient well in advance so that the necessary precautions could be taken.

Handling Phishing Attack

Phishing is the fraudulent activity of sending emails pretending to be a great corporate in order to collect the personal information from individuals. Legally Authorized Ethical Hackers & Cyber-security Experts will know all the techniques to be performed during a phishing attack. They need to identify the loopholes perfectly to secure themselves.

Man-in-the -Middle Attacks

Wi-Fi is available for anyone within the router broadcast area and this makes it easy to hack someone's system in the same network. So, man-in-the-middle attacks are simply eavesdropping into two people's communication, without their knowledge. The attacker here will be able to intercept or even inject new messages in-between conversations without detection.

Password Strength Testing

We all know the importance of a password and so even the website generally gives suggestions as to how to make the password of that website stronger to prevent cybercrimes. Cyber Security Experts use various tools for the testing of the same to generate the commands needed to be provided to the user such as, always remember to use alphabets, digits, caps and different symbols in your password.

Air-Conditioning System using AutoCAD

To design the air-conditioning system that monitors the indoor environmental conditions, the project includes AutoCAD MEP Program and Building Information Modeling (BIM) Software. The conditioning system monitors the humidity, temperature, airflow, and others. It is also based on two system- centralized and decentralized.

Cryptography Processor for Smart Cards

The usage of cryptography circuits for smart cards and smart electronic devices provides the advantage of authentication and highly secured data communication to all its users. The project implements both private key and public key algorithms. The micro-coded processor uses very limited power, and so this poses as an advantage to the VLSI circuit designers to design within compact circuits.

Mechanism Design using CATIA

Ever since 2014, CATIA has been made available in cloud version and now has increased usage in the field of Automotive and Aerospace Engineering. This 3D experience also helps in reducing costs by identifying and solving design issues, way before the manufacturing starts. CATIA is also used for part designing, automobile prototyping, 3D modeling, design optimization & others.

Design & Analysis of IC Engine Piston

Piston is a part of the internal combustion engine of an automobile among other similar mechanism. This project has two primary goals, one- analysis of temperature disturbance and heat flow through the piston of the engine and second- FEA analysis of the piston to measure temperature and analyze heat flow inside the piston.

1.4 OBJECTIVE OF THE STUDY

Primary objectives: -

To Fulfil Working Capital Requirement to cover its regular expenditures.

Secondary objectives:-

- To design an effective Cash Management policy for smooth cash procurement and disbursement.
- To determine the exact working cash balance in conformity with the nature of the firm
- To measure the Cash Flow from Operating activity, Investing activity and Financing activity and net increase / decrease in cash flow.

1.5 NEED FOR THE STUDY

There are several reasons why a study on cash management may be necessary or beneficial, including:

- **Improving financial performance:** Effective cash management can improve financial performance by ensuring that cash is available when needed, avoiding the risk of cash shortages, and making the most use of available cash resources.
- **Reducing financial risks:** Poor cash management can lead to financial risks such as late payments, missed opportunities, and increased debt. A study on cash management can help to identify and address these risks.
- **Optimizing working capital:** Cash management is closely linked to working capital management, and a study on cash management can help businesses to optimize their working capital by minimizing cash tied up in inventory or accounts receivable.
- **Enhancing decision-making:** Cash management is a key aspect of financial decision-making, and a study on cash management can help individuals and businesses to make informed decisions about investments, financing, and other financial matters.
- **Compliance with regulations:** Cash management is subject to various regulations and legal requirements, and a study on cash management can help businesses to ensure compliance and avoid penalties. Overall, a study on cash management can

provide valuable insights and tools for individuals and businesses to improve their financial management practices, reduce risks, and achieve their financial goals.

1.6 SCOPE OF THE STUDY

The scope of a study on cash management on Rinex Technology would involve examining the company's current cash management practices and identifying areas for improvement. Some potential areas of focus may include:

- **Cash flow forecasting:** Analyzing Rinex Technology's historical cash flows and projecting future cash flows to identify potential shortfalls or surpluses.
- **Working capital management:** Examining Rinex Technology's management of working capital, including inventory, accounts receivable, and accounts payable, to optimize cash flow. **Cash conversion cycle:** Analyzing the time it takes for Rinex Technology to convert its inventory and accounts receivable into cash, and identifying strategies to shorten this cycle.
- **Cash balance management:** Examining Rinex Technology's management of its cash balance, including strategies for investing excess cash and minimizing cash shortages.
- **Cash management policies and procedures:** Reviewing Rinex Technology's cash management policies and procedures to identify areas for improvement or gaps in compliance with regulations and legal requirements.

Overall, the scope of the study on cash management on Rinex Technology would involve a comprehensive analysis of the company's cash management practices, with the goal of identifying opportunities to improve cash flow, optimize working capital, and enhance financial performance.

CHAPTER 2

REVIEW OF LITREATURE

2.1 REVIEW OF LITREATURE

Erapu Peter De Pietropapa (2021) did study on institute for international co-operation and development (C&D) with aim to establishing the effect of internal control systems on cash management research or used descriptive and analytical research designs. Primary and secondary data collected for which 30 respondent selected for primary data collection. Some negative elements like no internal auditors in C&D, irregularly revise training programs, no proper mean of communication with entities operating payment systems and supervisory authorities. The significant positive relationship between internal control systems and cash management policies.

Patricia m. Dechow, s.p.kothari and ross L. Watts (2022) had undertaken study on “the relationship between earnings and cash flows” they test the predictions on a sample of 1337 firms and they conclude that Current earnings are a better forecast of future cash flows than current cashflows as predicted by the model.

And, as also predicted by the model, the difference in the ability of current earnings and current cash flows to predict future cash flows is a positive function of the firm's expected operating cash cycle. Overall, the evidence suggests the model has some statistical explanatory power.

Gilbert Uwonda, Nelson Okello, Nicholas G Okello (2021) had undertaken study on “cash flow management utilization by small medium enterprises in northern Uganda” with the objectives of managing cash flow as accelerating cash inflows wherever possible, delaying cash outflows until they come due, investing surplus cash to earn a rate of return, borrowing cash at the best possible terms, maintaining an optimal level of cash that is neither excessive nor deficient. The research findings revealed that the service sectors of SMEs studied fight an uphill battle from the start mostly due to cash flow management issues, but became stable after five years. The majority of these service sectors SMEs studied were unincorporated enterprises that operate as sole proprietorship, partnership, while others only registered under their professional bodies. Failure by the private incorporated enterprises within the

first year of operation has been due to very many private companies registered among other factors. The second

obstacle in cash flow management is the monitoring of cash flows and as revealed in the research findings, a big number of the sectors of SMES studied could prepare budget but could not stick to them during the implementation periods, while other SMEs could not exercise budgetary review and budgetary control. A third hindrance highlighted by the study results with regards to cash flow management was cash flow controls and as revealed by the study findings, a big number of SMEs owners overdepend on the business income for survival and in meeting other non-business related expenses.

Annika Pitkanen (2019) had undertaken study of “cash flow forecasting” the purpose of this thesis research and development project was to develop a cash flow forecast model for the case company that operates on building constructions field. The author evaluates that the project team managed to reach the objective with the exception of few attributes. To achieve a successful cashflow management in the case company the author suggests that the rest of these necessary attributes will be defined in a technical sense to complete the forecasting model.

Mohammad Ashrafuzzaman and Md. Tanim-Ul-Islam (2020) had undertaken study on “statement of cash flows disclosure: a study on listed financial institution in Bangladesh”. There are 556 companies are listed in the Dhaka Stock Exchange. DSE classified these companies into 22 industry categories. The study is conducted for a period of recent five financial years, from 2010 to 2014. This is a descriptive research and no statistical techniques were applied. The result of the above study is the significance of this study is that the stakeholders of these companies can know whether these companies prepare their cash flow statement in accordance with the related accounting standard and other regulatory laws. Due to time constrain the study period was only period was only five years and no statistical techniques were used because of its descriptive nature.

Ramlugun Vidisha Gunesh and Hosanee Priscille (2016) had undertaken study on “user’s perception on cash flow reporting practices in Mauritius”. The study demonstrates that all respondents from the sample claim they use the indirect cash flow reporting format. However, users have a preference for the direct cash flow

reporting method as far as their relevance, reliability and decision usefulness power are concerned. In addition, as far as under standing ability is concerned, results suggest that users prefer the indirect method. The study provides an insight on perception of users on the usefulness of the direct and indirect cash flow reporting method. The main limitation of the study pertains to the sample size. Given that only 81 respondents participated in the study, results are not generalizable. Therefore, perception of users will be assessed by having a bigger sample and investigate differences among and between user groups.

Joseph Otieno Oluoch (2016), research conducted on 171 respondents from Eldoret central business district, Uasin Gishu county Kenya. Questionnaires and document analysis were the source of data. Descriptive statistics and inferential statistics were used. A positive and significant effect on SME performance of cash management practices were found in this paper.

Kasim Hamza, Zubieru Mutala and Stephen Kwadwo Antwi (2018) conducted a research study with a purpose to assess cash management practices and its effect on the financial performance of SMEs in the Northern Region of Ghana. The study adopted a descriptive cross sectional survey research design which allowed the collection of primary quantitative data through structured questionnaires. The target population was 1,000 owner/managers of SMEs. Stratified random sampling technique was used to obtain a sample of 300 SMEs comprising 164 trading, 26 manufacturing, 10 hairstyling, 62 dressmaking and 38 carpentry enterprises. The data was analyzed using both descriptive and inferential statistics. The study revealed that SME financial performance was positively related to efficiency of cash management (ECM) at 1 percent significance level. The study concluded that cash management practices have influence on the financial performance of SMEs, hence there was need for SME managers to embrace efficient cash management practices as a strategy to improve their financial performance and survive in the uncertain business environment.

Matthew Abioro (2019) conducted a study on the impact of cash management the performance of manufacturing companies in Nigeria.

Zeljana Aljinovic Barac (2022) had undertaken study on “voluntary disclosure of cash flows information and company’s characteristics: evidence from the Croatian

capital market". The primary goal of this paper is to analyse financial and qualitative characteristics of companies that provide extensive cash flow disclosure.

The paper provides information about disclosure practices of Croatian companies as a case of bank oriented economy with emerging capital market, with regard to a variety of company's specific factors which can be found as contribution.

Summarizing theoretical and empirical results of the research, the following recommendations can be derived: 1. the international standards setters as well as national legislative authorities should aim to make mandatory the publication of cash flow statement for all entities. 2. Future researches should aim to explore cash flow reporting practice in more detail.

Mst. Joynab Siddiqua and Mohd. Takdir Hossan (2018) had undertaken study "cash flow statement disclosures in pharmaceutical companies: Bangladesh perspective " with the objective of to identify the current practice of cash flow statement of pharmaceutical companies in Bangladesh and to provide present cash flow statement format, structure and reporting on the basis of information provided in annual reports. From this they conclude that a materially misstated cash flow statement, whether it is in terms of incorrect classification in the categories or numerical accuracy, can be misleading to the users and can lead to wrong decision taken by the users of the statement.

Mark A. Clatworthy, Christopher K.M. Pong, Woon K. Wong (2017) had undertaken study on "the role of accruals and cash flows in explaining UK stock returns and the impact of auditor quality" This paper examines the relative importance of earnings and cash flow in explaining the variance of unexpected UK stock returns using a variance decomposition approach. Based on a variance decomposition framework using a sample of UK listed companies, this study examines the importance of accounting information in driving stock returns with particular emphasis on the relative role of accruals and cash flow and the importance of auditor type as a proxy for audit quality. Our study represents the first non-US research employing the variance decomposition approach to investigate the importance of accruals and cash flows in explaining variation in stock returns. Although there is research indicating that these apparently similar accounting regimes can produce marked differences in the accounting/market relationships. further research will be necessary to examine the extent to which these relationships

are affected by international boundaries and by the respective accounting system/standards used to generate the earnings components.

Fred Petro, Farrell Gean (2019) had undertaken study on “A Logical Approach To the Statement Of Cash Flows”. The purpose of this paper has been to logically explain the indirect approach of cash flow whereby an understanding is established together with the mechanics of preparing the document. The reader should find this logical approach to preparing the indirect method statement of cash flows reasonably understandable and useful. The advantages of this approach include: (1) an acceptable means to logically and analytically understand the statement of cash flows; (2) a manageable level of retention; and (3) eliminating the reliance on cumbersome worksheets which add confusion and complexity to completing the statement of cash flows. An analysis, completed from a brief to an extended time period, can provide useful insight into firm operations. However, by separating cash flow from operations and income from operations, a new dimension of the firm is added. If we stay with the three prongs approach as endorsed by FAS 95, there are two issues that need additional research. First, consider the purchase and sale of equity and debt instruments as investment activities. Second, FAS 95 currently leaves interest expense in the operating activities category.

Yelena Iarkin (2019) had undertaken the study on “brand perception, cash flow stability and financial policy”. This paper demonstrates that intangible assets play an important role in financial policy. Using a proprietary database of consumer brand evaluation, he shows that positive consumer attitude toward a firm's products alleviates financial frictions and provides additional net debt capacity, as measured by higher leverage and lower cash holdings. Overall, the findings indicate that characteristics of intangible assets are just as significant in explaining financial policy as are tangible assets. The results also suggest that brand *Stature* can be viewed as an alternative forward-looking measure of cash flow volatility, which helps reconcile the mixed empirical evidence on the impact of cash flow volatility on leverage. In addition, this paper explores cross-sectional differences in cash flow volatility from the perspective of the product market. This paper helps in understanding the source of volatility by examining characteristics of a firm's brand. Finally, the paper shows the importance of the interaction between the fields of marketing and finance, and suggests that marketing policy such as brand

management, and financial policy, such as capital and cash holding decisions, is interdependent.

S.K. Khatik and Ms. Ankita Singh (2020) conducted a research on cash management of public company. A case study of Hindalco industries Ltd. The study was try to analyse short term solvency, utilization of cash resources and capacity of financial management. During the study it was found that there washigh fluctuation in total cash management and cash ratio.

Ben Ebo Attom (2021) studied the 263 micro & small scale enterprise within kaso in the Efutu-senga east municipality in the central region of Ghana. The data collected by the field work, August 2013 with the help of questionnaires collected from 263 enterprises and the information was related to preparation of Budget, operating bank accounts, keeping track of cash receipts, keeping track of cash payments, keeping proper books of accounts. The study revealed that the majority (77.78%) of respondents have no knowledge about cash control procedures. The absence of appropriate cash management procedures has contributed significantly to the exposure of these enterprises to financial impropriety and misapplication of cash as a resource, leading to slow growth of most of the businesses.

Njeru Mugambi Duncan et. al. (2015) conducted a research on thirty licensed deposit taking Sacco's in Mount Kenya region for checking effect of cash management on financial performance with the help of descriptive and inferential statistics. Primary and secondary data were analyzed which reveals that there is need to introduce cash management controls in the Sacco. Better strengthen role of SASRA, more awareness, increase monitoring role of government etc. are some suggestion of authors.

Sunil luthara, vinod kumar, sanjay kumar and abid Haleem (2018) had undertaken study on” barriers to implement green supply chain management in automobile industry using interpretive structural modelling technique- an Indian perspective” with the purpose to develop a structural model of the barriers to implement GSCM in Indian automobile industry and they conclude that Eleven barriers to implement GSCM in Indian automobile industry have been identified. Interpretive Structural Modelling (ISM) methodology has been used for finding contextual relationships among various barriers to implement GSCM in Indian

automobile industry. Market Competition and Uncertainty; Lack of Implementing Green Practices; Cost Implications; Unawareness of Customers and Supplier Reluctance to Change Towards GSCM have been identified as dependent variables. Lack of Government Support Systems; Lack of Top Management Commitment and Lack of IT Implementation have been identified as the driver variables. Resistance to Technology Advancement Adoption; Lack of Organization Encouragement and Poor Quality of Human Resources have been identified as the linkage variables. No barrier has been identified as autonomous variable.

Market Competition and Uncertainty; Lack of Implementing Green Practices; Cost Implications; Unawareness of Customers have been identified as top level barriers and Lack of Government Support Systems as most important bottom level barrier. Removal of these barriers will be help in implementing GSCM in Indian automobile industry.

Avika Mungal (2016) the impact of cash management on profitability and sustainability of small retail businesses in the Tongaat area Kwazula-Natal. The aim of the study was to identify the current cash management practice of small retail businesses in the tongaat area and identify the impact of such practices on their profitability and sustainability. The descriptive, cross sectional study, using a quantitative research paradigm and a non-probability sampling method targeted a sample of 69 businesses in the chosen area. The sample structure consisted of small retail businesses in the tongaat area of kwazulaNatal.

Dr. Ronald mani amd Mr. Debasis tripathy (2020) had undertaken the study on “a study on consumer buying behavior towards two wheeler bikes in context to Indian market”. The survey is mainly focused on the buying behavior of the consumer that motivates them to purchase the two wheeler bikes. This study is based to identify the factors that influences the consumer buying behavior of the two wheeler bikes at Allahabad, Lucknow and Varanasi cities of Uttar Pradesh andthe study conclude that Honda and Bajaj shows maximum satisfaction whereas TVS remains last.

Abdirizak Mohamed Jama and others (2017), conducted a study on effect of cash management practices on the profitability of bottled purified companies. Sample of 46 was used to collect the data through questionnaire, document analysis and

interviews. Correlation and regression analysis were used to analyze the data. Solvener's formula was also used in this study. Researcher found that cash budgeting has significantly influence the profitability of the water purified companies.

Yamoah Gilbert (2015), researcher conducted the study on cash management practices of the various Halls & Hostels that provide accommodation for Kwame Nkrumah University of Science & Technology (KNUST) students. Researcher collects the data through questionnaires from the samples which was selected through purposive sampling. By analyzing the data, researcher had found poor cash management practices and suggest the better tuning between collection of cash and disbursement of cash by good partnership of university with hostels.

Sree harsha bandaru(2015) had undertaken study on "alternative transmission system for 4 wheeler". The purpose of this is to overcome the shortcoming of differential and provide automatic transmission for better drivability. On the basis of this study she concludes that the alternate transmission component and the smart parking system are fabricated. Friction losses in the transmission component can be reduced by using oil which is used in cvt. The transmission component can be used in passenger cars. The smart parking system can be easily implemented in cars.

Vikram shende(2019) had undertaken study on "analysis of research in consumer behaviour of automobile passenger car customer" and he conclude that From study there are various major class of consumer behaviour determinants and expectations, namely socioeconomic, psychological, political, geographical, demographic and Product & Technology. Further classification of human behaviors under main categories will enable car manufacturer to align their strategies in concurrence to customer behaviour. While purchasing mini segment car though customer is highly cost conscious but this segment is also upgrading their requirements and due to rise in disposable income, with in segment migration is observed, Customer is more inclined to purchase Suzuki Swift, 120. For mid-size segment customer focus is for safety, driving & seating comfort, brand. Also this segment requires value for money, best features and customer friendly vehicles. In higher segment cars like Executive and Premium brand image is main deciding factor which gives assurance

of meeting their needs in terms of safety, performance and feature requirements.

Lydia Wambui Ndirangu (2017), in this study, researcher analyze the effect of cash management on the financial performance of the companies listed at The Nairobi Securities Exchange, for which 15 Companies were selected and descriptive research design was used. The study based on secondary data collected for 7 years (2010-2016) from NSE, published financial statements from respective websites of company and capital market authority. Researcher analyzed the data with the help of multiple regression and correlation. Study found positive but insignificant effect of cash conversion cycle on financial performance, negative and insignificant effect of size of company on financial performance and positive and significant effect of leverage on financial performance of selected companies. Therefore, it was recommended by researcher to increase the debt proportion in its capital structure which improve the financial performance of selected samples.

Ivan Klyuchankin (2017), researcher conducted this study on RE Trading company with the objective to analyze the cash flow management. For this, researcher use empirical research design. Data for the study was collected through interview of manager, employees and reports & documents of selected company. Study found that there were no any problem with cash flow and its management and company can manage better cash flow by create a subdivision for internal control for financial activity of company.

Noor salfizan fawzi, amrizh kamaluddin and zuraidah mohd sanusi (2015) undertook the study on “monitoring distressed companies through cash flow analysis” and purpose of this paper is to examine the importance of cash flow ratio in determining financial distressed companies. The objective had been analyzed using the logistic regression model. On the basis of the study they concluded that solvency and profitability ratios that are based on cash flow variables have significant relationship with financial distressed.

Leonie jooste (2016) had undertaken study on “cash flow ratios as a yardstick for evaluating financial performance in African business” the aim of this paper is to compare the norms for the industries in SA with those in the US. Such a

comparison may lead to a better understanding of the financial performance of south Africa industries in an internationally competitive market.

Sulayman H. atieh (2021) had undertaken the study on “liquidity analysis using cash flow ratios as compared to traditional ratios in the pharmaceutical sector in Jordan” the purpose of this study is to examine the liquidity position of the Jordanian pharmaceutical sector using the traditional ratios as compared to the more recently developed cash flow ratios. The study showed that there was example of companies that had good traditional ratios. While their cash flow ratios are weak, in contrast there were also companies that had poor traditional ratios, but the cash flow ratios showed a better liquidity position. The cash flow ratios provide more information than traditional ratios in measuring the liquidity position of the company. As a result, testing the study hypothesis, and applying SPSS, the significant difference between the cash flow ratios and traditional ratios are determined to measure the liquidity of the Jordanian pharmaceutical companies.

Kisang ryu and shawn jang (2021) undertook the study on “performance measurement through cash flow ratios and traditional ratios: a comparison of commercial and casino hotel companies. The objective of the study was to examine and compare the financial performance of commercial and casino hotel companies, using cash flow ratios and traditional ratios from income statement and balance sheet. The result of this study suggest that casino hotel companies have been in better liquidity, solvency and profitability conditions than commercial hotel companies over the past five years. The results indicated that the type of hotel might be one of the influencing factor on differentiating financial liquidity of the hotel companies.

Surorna barua and anup kumar saha (2015) had undertaken study on “traditional ratios vs. cash flow based ratios: which one is better performance indicator” the primary objective of this study is to establish the usefulness of the cash flow based ratios in today’s competitive business world. The second objective is to investigate some cash flow ratios. Third objective is to suggest a list of cash flow ratios to be included in a financial analysis. After an evaluation of entities by means of selected cash flow ratios, it was found that cash flow information has explanatory power. The ratios that are suggested in this study, if

used in conjunction with traditional balance sheet and income statement that will lead to a better indication of the financial strength and weaknesses of an entity.

Omer faruk gulek and tucan bektas (2019) undertook the study on “cash flow ratio analysis: the case of turkey” the main motivation of this study is to demonstrate the power of the statement of cash flow by using 8 fundamental cash flow ratios with 10 traditional ratios in the areas of liquidity, profitability and financial structure. According to the results, firms are not good enough to generate sufficient cash to maintain activities and there is low quality of income due to the values in cash quality of sales ratio and quality of income. In addition to high external financing needs of firm, liquidity is also another big concern for the sample period.

Shailendrasinh J. vaghela (2016) had undertaken the study on “performance evaluation through cash management: Indian automobile industry” to know the cash management, to analyse the working capital, to analyse the cash flow cycle, to evaluate the cash flow from different activities, to analyse the relationship between availability and profitability, to analyse the cash conversion cycle and to make suggestion for improvement of cash management. On the basis of the study it has been found that the companies having efficient control over its cash flows are performing better than those not. So it is suggestible to all the companies to pay focus on managing their cash flow more efficiently in order to obtain a strong position in the industry.

N. Suresh Babu and Prof. G.V. Chalam (2015) conducted empirical investigation on relationship between the components of working capital and firm's profitability in Indian leather industry. The main objective was to determine whether there is a significant relationship between inventory conversion period (ICP) and the profitability of the firm. The analysis was done by the Pearson's correlation and regression analysis. They found that there is positive and insignificant relationship of inventory conversion period and profitability and also average collection period is positive relationship with leverage but statistically significant. Even though, average payment period and cash conversion cycle were significant negatively related to profitability. The result shows that for overall leather industry, working capital management has significant impact on profitability of the firm.

Nandhu n. and dr.ranjith kumar (2020) had undertaken study on “effectiveness of cash flow ratios to measure the performance divergences of selected steel companies in India” the objective of this study is to highlight the financial efficiency of an organization with support of cash flow measures during the study period. The present study has found that sufficient cash maintenance has encouraged the organizations to make it their operations without disrupt. Adequate cash management supported a lot to the organization to make it their cash flow easily. It has been noted that opportunity cost is high at a high level of cash balance. Cash flow ratios yield the significant result during the study period of the selected ratios.

Leonie jooste (2017) had undertaken the study on “an evaluation of the usefulness of cash flow ratios to predict financial distress” this article investigates cash flow ratios suggested by various researchers and suggested a list of ratios with the potential to predict financial future. The comparison revealed that cash flow ratios have predict value with the cash flow to total debt identified as best indicator in failure. It was also determined that although failed entities have lower cash flows than non failed entities, they also had smaller reserves of liquid assets. Furthermore, they have less capacity to meet debt obligations and they tend to incur more debt. The ratios of the failed entities were unstable and fluctuated from one year to the next. Finally, bankruptcy could be predicted three years prior to financial failure.

Maxwell Samuel amuzu (2020) undertook the study on “cash flow ratio as measure of performance of listed companies in emerging economies: The Ghana example” and they concluded that for most cash flow ratios, it is observed that the Ghanaian company is as competitive as its US counterparts. The comparison of the individual data points from 2003-2005 for all the companies verified that the Ghanaian company could measure as well to the US companies in the same industries. For some of the cash flow ratio measured, the Ghanaian companies did better as compared to their US counterparts. It was also evident that Ghana is competitive when it comes to the milk products and alcoholic beverages industries. On the other hand, US evidently have stronghold on the telecommunications industries.

Padachi DK and Carole Howorth (2014), a study of working capital management practices among Mauritian SMEs with six main industry groups. According to findings, Mauritian SMEs are not a homogenous group with regard to working capital management routines. Further the financial knowledge in accounting related field make a difference. The firm which claimed a more severely late payment, focused more on credit management and more attention to working capital financing were paid. Small firm may avoid formal analysis of working capital management due to a lack of need instead of resource constraint.

Lalit Kumar Joshi & Sudipta Ghosh (2016) examines in their research paper the working capital performance of Cipla Ltd. during the period 2004-05 to 2008-09. Financial ratios are applied in measuring the working capital performance and statistical as well as econometric techniques are employed in order to assess the behavior of the selected ratios. The empirical findings reveal significant positive trend growth in most of the selected performance indicators. Further, the selected ratios show satisfactory performances during the study period. Motaals test also indicates significant improvement in liquidity performance during the said period. Finally, there exists significant negative relationship between liquidity and profitability, which indicates that Cipla Ltd. has maintained post optimal level of liquidity (i.e. excess liquidity) during the period under study.

Srinivas K.T (2016) conducted the research to evaluate the association between traditional and alternative working capital measures and return on investment (ROI). Specifically in industrial firms listed on the Johannesburg stock exchange (JSE). Results indicated that there were no significant differences amongst the years with respect to the independent variables. The results of their stepwise regression corroborated that total current liabilities divided by fund flow accounted for most of the variability in Return on Investment (ROI). Well-known liquidity concept such as the current and quick ratios registered insignificant associations whilst only one of the never working capital concepts, the comprehensive liquidity index, indicated significant associations with return on investment.

Neelam and mr. Nirmal dhir(2017) had undertaken study on “performance evaluation and capacity estimation for selected undisciplined intersections in Gurgaon city” and they aims to study and explore the capacity estimation for an

undisciplined junctions. On the basis of this study they conclude that Since the vehicles differ in various ways as per their characteristics, the classified gap acceptance behaviour was studied through the estimation of critical gap by each type of vehicle using Raff's Method. The critical gap value is lowest for only 2 wheelers as 1.25 seconds. It is found highest for 3 wheelers as 1.78 seconds. For the same, when cars were considered, the critical gap value obtained is 1.425 seconds. This variation can be related to the vehicular characteristics such as magnitude and acceleration rate due to which they are found to differ from each other.

Lijuan Zhao (2021) had undertaken study on "does the presentation format of the statement of cash flow affect analysts- cash flow forecast". The study was based on a hypothesis which is long-term debate over the benefits and costs of DM disclosure and IM disclosure. And on the basis of above study he conclude that IAS 7 and SFAS 95 recommend firms use DM to present the statement of cash flows, however, DM information is more useful in forecasting future cash flows. This study finds that the analysts will be more likely to forecast future cash flow for firms using DM. These results are consistent with prior literature that DM provides more useful information than IM in predicting future cash flows.

Jaan Alver (2020) had undertaken study on "preparation and analysis of cash flow statement: the net profit approach and operating profit approach" The paper focuses on the statement of cash flows that recasts the financial statement data provided by the accrual process. It discusses the use and analysis of the information provided by the cash flow statement. Three important areas that affect cash flows are operations, financing, and investing. Not surprisingly, they provide the structure for both the preparation and interpretation of the cash flow statement. The opinion that the treatment of an item in the income statement should determine its classification in the cash flow statement is expressed in this paper.

For classification of operating cash flows, preparing and analysis of cash flow statements two approaches (net profit approach and operating profit approach) are recommended.

Mark L. Defond and mingyi (2007) had undertaken the study on "investor protection and analysts cash flow forecasts around the world" they hypothesize that analysts are more likely to issue cash flow forecasts in countries with weak investor

protection because earnings are less likely to reflect underlying economic performance in these countries. Consistent with our hypothesis, they find that analysts are more likely to forecast cash flows for firms in countries with weaker investor protection. They also find that cash flow forecasts are more common in countries with higher accounting disclosure and larger foreign investment, and among companies that have greater analyst coverage and that are cross-listed. They note, however, that their investigation is subject to several limitations that are known to be associated with cross-country research designs. Specifically, their proxies for broad concepts such as the extent of investor protection may capture a number of country-level characteristics, suggesting that our regression results may suffer from correlated omitted variables problems. In addition, because they analyze only 36 countries, their analysis necessarily has a small number of degrees of freedom. Given these limitations, they acknowledge that their paper is essentially exploratory in nature and their results should be interpreted as suggestive.

Ovidiu Megan, Camellia Hategan, Leonora Caciuc, Bogdan Cotlet (2019) had undertaken study on “the cash flow statement- between true and manipulation”. On the basis of the study they conclude that The advantage of a cash flow statement, when used in conjunction with the rest of the financial statement, is that it provides information that enables users to evaluate the changes in the net assets of an enterprise. Cash is one of the major lubricants of business activity, but there are certain things that cash flow doesn't tell us. It doesn't tell us the profit earned or lost during a particular period. As it doesn't tell the whole profitability story, cash flow doesn't do a very good job of indicating the overall financial well-being of the company. On the other hand, the cash flow statement is a compressed version of the company's check book that includes a few other items that affect cash, which shows how much the company spent or collected from the repurchase or sale of stock, the amount of issuance or retirement of debt and the amount the company paid out in dividends. Being considered to be one of the cleaner figures in the financial statements cash flow statement is sometime the object of manipulation. Over all cash flow statement is very necessary for decision makers because it measures the actual money paid out or received by a company over a certain period of time.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 RESEARCH METHODOLOGY

Research work traditionally known as gathering data that can help to answer the questions about various aspects in the concern subject for research. The research work helps to provide answers to questions of theoretical interest to particular subject discipline. This may include such questions which have no interest to the society. Research must be conducted with the objective that can be add something or develop a new concepts, idea, theory, and practices. Research should not consider as only academic activity, because it also applies to all the respect of human activity. Research is basis for making decision effective and more meaningful. Research includes the defining of research problem, formulating hypothesis, collection of data, analysing of data and arriving to conclusion.

This chapter focused on following points like introduction of Research Methodology, Definition of Research Methodology, title of the study, Objectives of the Study, scope of the study, Hypothesis of the Study, Period of the Study, Chapter Plan, significance of the Study and Limitations of the Study.

3.2 RESEARCH DESIGN

Research design shows the way research may go on. For a good research, systematic pattern helps a lot, design gives the advantage to researcher in the form of effective research work with well define path. Researcher adopt the Descriptive research design for this study.

3.3 DATA COLLECTION

Data collection is very important task for the researcher because the result of the research depends ultimately on the data of that research. For different research different type of data are used like primary data which is collected by the researcher first time and for that research only and other type is secondary data which is not collected first time by the researcher but it is used by the researcher which is prepared by some other parties for their own purpose. This study is based on secondary data, which is collected mainly from the annual reports of the selected samples for the ten years of study period which is 2008-09 to 2017- 18. Researcher

also used other source to collect the necessary data for the study from the official website of respective sample companies, books, journals, newspapers and others sources.

3.4 SAMPLE PROFILE

This chapter includes the information of selected company. The research includes the Basic details, products, growth, turnover, achievements etc. in the information of the various selected samples.

3.5 TOOLS FOR ANALYSIS

Multiple Regression Analysis

In statistical model, multiple regression analysis is a set of statistical processes which helps in estimating the relationships among variables. It has many techniques for model and analysing the variable especially when the aim is to measure relationship between a dependent variable and one or more independent variables (predictors). Instead of it, multiple regression analysis helps in understanding that how the typical value of the dependent variable changes when any one of the independent variables is changed, while the other independent variables are remains fixed.

Multiple Regression analysis is the process of forming a mathematical equation or function which can be used to predict or ascertain one variable by another variable or other variables. Multiple Regression is a statistical method for estimating the impact of one or more independent (predictor) variables on dependent (criterion) variable. The main values of regression analysis are as follow:

R: R is a square root of R-squared and it is the correlation between the observed and predicted values of the dependent variable.

R Square: R-square is the proportion of variance in the dependent variable (cash conversion cycle) which can be predicted from the independent variables (predicators).

Adjusted R-square: As predictors are added to the model, each such predictor will explain some of the variance in the dependent variable simply due to chance. One could continue to add more predictors to the model which would continue to improve the predictor's ability to explain the dependent variable, although sometime increase in R-square would be simply due to chance variation in that sample. The Adjusted R-square try to yield a more honest value to estimate the R-square for the population.

Pearson Correlation

The Karl Pearson product-moment correlation coefficient, popularly known as Pearson Correlation Coefficient is a measure of the strength of a linear association between two variables and it is denoted by r . A Pearson Correlation Coefficient attempts to draw a line of best fit through the data of two variables which indicate how far away this data points are to the line of best fit.

The Pearson Correlation Coefficient can take a range of values between +1 to -1. A value of 0 (zero) indicates that there is no association between the two variables. A value greater than 0 indicates a positive association which means that increase in value of one variable cause the increase in the value of another variable. And the value less than 0 indicate negative association, that is, as the value of one variable increases, the value of another variable decreases.

The stronger the association of the two variables, the closer the r will be to either +1 or -1 depending on whether the relationship is positive or negative respectively. The value of +1 and -1 indicate that all the data value are included on the line of best fit and no data value is showing any variation away from this line. The value of r between +1 and -1 indicate that there is variation around the line of best fit. As the value of r is closer to 0 then the variation is greater around the line of best fit.

Cash Conversion Cycle

The Cash Conversion Cycle is defined as length of time between purchase of raw-materials and collection of cash from debtors. In the area of liquidity management, Cash Conversion Cycle is an important parameter which measure efficiency of company. The Cash Conversion Cycle is indicating the efficiency of managing working capital. For the purpose of measuring Cash Conversion Cycle, payable deferral period is deducted from the addition of inventory conversion period and

receivable collection period.

The Cash Conversion Cycle (CCC) is a useful technique which can easily and quickly assess the liquidity of firm. Traditionally some static balance sheet value such as quick ratio and current ratio are useful indicators of liquidity but in case of CCC, it is a dynamic measure of continuous liquidity management. The CCC can be calculated by the sum of days of sales outstanding and days of inventory outstanding less days payable outstanding.

The Cash Conversion Cycle is Cash Gap. Cash Gap measures the length of time between actual cash expenditures on resources and actual cash receipts from the sale of services or product. It is one of the easiest procedures to measure the cash movement of the firm.

- Equation for calculating cash conversion cycle is as follow.

$$CCC = \text{Days of Sales Outstanding} + \text{Days of Inventory Outstanding} - \text{Days of Payable Outstanding}$$

- The calculation of various ratio for CCC is as follow. Days of Sales Outstanding = $\text{Account Receivables} / \text{Sales} * 365$

Days of Inventory Outstanding = $\text{Average inventory} / \text{COGS} * 365$

Days of Payable Outstanding = $\text{Account Payable} / \text{COGS} * 365$

Current Ratio

The Current Ratio is a liquidity ratio which measures the ability of firm to pay off its short-term liabilities with its current assets. The current ratio is an important ratio of liquidity because short-term liabilities are due within a year, so company has a limited time in order to raise the funds to pay for these liabilities.

Current assets like cash and cash equivalents and marketable securities can easily be available for paying debt because they are considered as most liquid assets of the company. This means that companies with more current assets will easily be able to meet its current obligations when they become due without need to sell off long-term assets which generate revenue in company.

The standard current ratio is 2:1, which prefers that company should have twice the current assets as compared to its current liabilities. Which provides enough liquidity to the company.

Quick Ratio

This ratio is also known as acid ratio. The Quick Ratio is also one type of liquidity ratio which is stricter than current ratio because it measures the liquidity on the basis of more liquid assets which exclude the inventory of the firm because it takes time to convert the inventory into cash, in other words, quick assets are those which can be easily converted into cash like cash and cash equivalents, marketable securities, debtors etc.

Thus while calculating this ratio, quick assets are divided by the current liabilities. The advance payment of expenses are also deducted from current assets while calculating the quick ratio. The standard quick ratio is 1:1, which shows the requirement of keeping at least that much quick assets which are equal to the current liabilities.

Cash Coverage Ratio

This ratio is also called the cash ratio. This is also one type of liquidity ratio which measures the short term liquidity of firm by dividing its cash and cash equivalents by current liabilities. This ratio measures that against the total current liabilities of the company how much cash and cash equivalents are available with the firm. This ratio is very useful not only to company but also to investors and those who are providing finance to the company because they can get the idea that in emergency situation how much portion of cash and cash equivalents are kept by the company.

Inventory Turnover Ratio

This ratio shows how much time inventory repeat or replaced in an accounting year. Higher the ratio better the performance of the company. The turnover of inventory shows how much company produce and ultimately how much it sales, more turnover of inventory generally indicate good performance of the company. This ratio is based on cost of goods sold and average inventory of the company. The cost of goods sold is divided by the average inventory and then company gets the idea that how much time inventory repeat in an accounting period. If anyone wants to find the time of repetition of inventory then the result obtained is again divided by 365 which shows that in how many days inventory is repeated or turnover. The reason of choosing this ratio for study is that it helps to understand the cash management practice by taking the help of turnover rate of inventory which ultimately affect the cash.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

In this chapter, researcher analyze the collected data by using descriptive statistics, Pearson Correlation technique and Multiple Regression technique. The statistical inference obtain by the researcher are discuss in this chapter. The seven ratios are calculated by researcher based on data which is collected from the company. The ratios include CCC, CR, QR, CCR, and ITR. Researcher analyze the impact of CR, QR, CCR, ITR, and RTR on CCC o by using the multiple regression analysis. The correlation also shows that degree of relationship among the various ratios in which correlation of CCC with other ratios are consider for analysis purpose. The information of various ratios and technique used by researcher as well as analysis and interpretation of data included in this chapter.

Table-4.1 A Table Showing Information of Various Selected Ratio and Formula of it

Ratio	Abbreviation	Formula
Cash Conversion Cycle	CCC	$DIO + DSO - DPO$
Current Ratio	CR	Current Assets/ Current Liabilities
Quick Ratio	QR	Quick Assets/ Current Liabilities
Cash Coverage Ratio	CCR	Cash & Cash equivalents/ Current Liabilities
Inventory Turnover Ratio	ITR	$COGS / \text{Average Inventory}$

The above table-4.1 showing the ratios which are used by the researcher in orderto fulfil the objective of study. Here CCC is used as dependent variable which is varies due to change in various other factors of liquidity.

For the purpose of calculating CCC three ratio are required which are Days of Inventory Outstanding, Days of Sales Outstanding and Days Payable Outstanding To analysed the cash management practices, researcher includeliquidity ratio which provides the idea about the liquidity condition of company. Three liquidity ratios are used namely Current Ratio, Quick Ratio and Cash Coverage Ratio (Cash Ratio).

Table-4.2 A Table Showing Descriptive Statistics

	Mean	Std. Deviation
CCC	86.78	198.95
CR	1.38	0.44
QR	0.97	0.40
CCR	0.28	0.30
ITR	1.11	0.29

The Table No. 4.2 showing information about the descriptive statistics of selected cement companies for the period of ten years i.e., 2008-09 to 2017-18. The cash conversion cycle showing mean (average) of approximately 60 days which is almost two months. This indicate that selected company need to arrange on an average two month's cash to meets its working capital and routine expense requirements. In other words, cash needs 60 days to complete its cycle or convert inventory again into cash.

The Current Ratio of selected company is shown mean of 1.38 which indicate good availability of current assets against its current liability. Standard Current

Ratio is 2:1 and 1.38 is a mean of selected cement companies which shows comparatively acceptable and good ratio. The standard Quick Ratio is 1:1 which suggest that it's an idle position of liquidity when company has at least that much quick assets which can be able to repay its short-term debt which is current liabilities. The average of quick ratio for the selected cement companies is 0.97 which is almost 1. This average quick ratio meets the requirement of standard ratio or it is near to standard quick ratio. Thus, in this study, selected cement companies showing good quick ratio which ultimately indicates strong liquidity position of selected cement companies.

The Table No. 4.2 shows the mean of Cash Coverage Ratio is 0.28 which means that company has 28% cash and cash equivalent against its total 100% current liability. Here is the still scope to improve this ratio and getting liquidity position

stronger. The Inventory Turnover Ratio measure that how many time inventory repeat or get turnover in an accounting year.

The mean of this ratio is 1.11 which indicates that during the year, inventory gets turnover or repeat approximately one time (1.11), generally high inventory turnover ratio is preferable.

Table-4.3 A Table Showing Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.796 a	.634	.582		128.55432

The Table No. 4.3 showing summary of multiple regression model. On the basis of this table, researcher is able to know that how much variability of dependent variable is measured by the independent variable, in other words, how much impact on dependent variable is measured by the independent variables.

The R coefficient is 0.796, it is showing significant relationship between the cash conversion cycle and all independent ratio. The value of R-square (R^2) is 63.4%, which indicates that 63.4% of the variance in cash conversion cycle can be predicted from the predictor variables. R-square is also called the coefficient of determination. The value of R-square is 0.634, while the value of Adjusted R-square is 0.582.

To find out whether the multiple regression model is fit to data or not, validation of R^2 is necessary. As per the general rule, 0% R^2 shows that none of the variability of the data around its mean and 100% R^2 indicate that the model explains all the variability of the data around its mean.

Generally, it is accepted that higher the percentage of R^2 , the better model fit to data but it is not always be the true as R^2 may be higher as more variable added in the model.

In the given multiple regression table, value of R^2 is 0.634 which is 63.4%, this indicate that model is fits to the data collected and 63.4% impact can be measured of independent variable on dependent variable.

Thus, based on this further analysis can be done by the researcher for the selected company during the study period. Thus, from the above table, researcher found that the value of R square is 0.634, so the 63.4% impact is found by independent variables on dependent variable.

In the multiple regression model summary table, value of adjusted R^2 shows the expected impact of independent variables on dependent variable in more efficient manner.

Table-4.4 A Table Showing Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	308.64	151.95		2.031	.048
	CR	-35.50	162.88	-.0078	-.218	.829
	QR	169.41	188.86	0.337	.897	.375
	CCR	-111.43	111.95	-.0165	-.995	.325
	ITR	-240.93	81.63	-.0348	-2.951	.005
a. Dependent Variable: Cash Conversion Cycle						

The Table No. 4.4 showing coefficient which measure impact of independent variable on dependent variable. In this table, dependent variable is Cash Conversion Cycle.

Multiple Regression Model: $Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5 + b_6x_6$

$$CCC = 308.64 - 35.50 \cdot CR + 169.41 \cdot QR - 111.43 \cdot CCR - 240.93 \cdot ITR - 6.63 \cdot RTR + 74.38 \cdot PTR$$

The above equation is estimating the relationship between dependent and independent variable. These estimates measure the amount of increase or decrease in CCC that would be predicated by a one value/point/unit increase in the predictor.

Current Ratio: The Coefficient (parameter estimate) is -35.50, which indicates that for one value increase in current ratio, a -35.50 value, that means decrease of -35.50 value in CCC is predicated, where all other variables are assume to be constant.

Quick Ratio: The value of coefficient is 169.41, so for every one value increase in Quick Ratio, there is increase of 169.41 in CCC can be predicted. This value of

coefficient is positive which indicate the same impact on CCC by QR in case of increase or decrease. The Cement industry should try decrease its QR in order to decrease its CCC as the shorter CCC is preferred.

Cash Coverage Ratio: the coefficient is -111.43, that shows, for every one point increasing cash coverage ratio, -111.43 units decrease in CCC is predicated, holding all other variables constant.

Inventory Turnover Ratio (ITR): The value of coefficient is -240.93, which indicates by increase in one unit of ITR, a -240.93 unit decrease in CCC was predicted, when holding all other variables are constant.

Receivable Turnover Ratio (RTR): The coefficient is -6.63, so for every one unit increasing RTR, a -6.63 unit decrease in CCC is predicted. When other variables remain constant.

Payable Turnover Ratio (PTR): The value of coefficient is 74.38 which means, for one value of increase in PTR there is 74.38 value of increase in CCC is predicted when all other variable holding constant.

The standardized coefficient shows that CCC has inverse relation with CR, CCR, ITR and RTR and positive relation with QR and PTR.

The highest value found in standardized coefficient is of PTR which is 0.471 indicating that significant difference can be made by PTR in CCC because value of coefficient shows that as the PTR increase it result into increase in CCC as well. Thus, while taking decision regarding CCC, PTR is has significant part to consider.

The second highest value in standardized coefficient is of RTR which is -0.428 showing inverse and significant impact on CCC. Thus in order to decrease the CCC company need to increase its RTR that means quick collection from debtors.

After RTR, ITR also have negative relation with CCC as per the value of standardizes coefficient. The value of ITR is -0.348, this ITR also plays significant role for in CCC decision and as the ITR is increases the CCC may decreases due to it.

The remaining three ratio that is CR, QR and CCR also shows standardized coefficient value of -0.078, 0.337 and -0.165 respectively. Thus by increasing CR and CCR as well as decreasing QR company can fulfill its goal of low CCC. Thus,

this table showing the coefficient of multiple regression on the basis of which multiple regression model is developed and analysis is made for the selected industry. By using this formula, CCC can be predicted at the various values of independent ratios, which provides the facility to achieve low CCC by changing various independent ratios.

Table-4.5 A Table Showing Correlation

		CCC	CR	QR	CCR	ITR	RTR	PTR
Pearson Correlation	CCC	1.000	-.035	-.147	-.381	-.368	-.476	.606
	CR	-.035	1.000	.940	.490	-.411	.580	-.185
	QR	-.147	.940	1.000	.640	-.303	.616	-.310
	CCR	-.381	.490	.640	1.000	-.263	.616	-.470
	ITR	-.368	-.411	-.303	-.263	1.000	-.085	-.065
	RTR	-.476	.580	.616	.616	-.085	1.000	-.294
	PTR	.606	-.185	-.310	-.470	-.065	-.294	1.000
Sig. (1-tailed)	CCC	.	.405	.155	.003	.004	.000	.000
	CR	.405	.	.000	.000	.002	.000	.099
	QR	.155	.000	.	.000	.016	.000	.014
	CCR	.003	.000	.000	.	.033	.000	.000
	ITR	.004	.002	.016	.033	.	.279	.328
	RTR	.000	.000	.000	.000	.279	.	.019
	PTR	.000	.099	.014	.000	.328	.019	.

In the Table No. 4.5 given above, Pearson Correlation is calculated for this study. A positive value in the table indicates a direct proportional relationship among the variables and negative value indicates an inverse or opposite relationship among the variables.

For the purpose of calculating Pearson Correlation researcher workout various ratio like Cash Conversion Cycle (CCC), Current Ratio (CR), Quick Ratio (QR), Cash Coverage Ratio (CCR), Inventory Turnover Ratio (ITR), Receivable Turnover Ratio (RTR) and Payable Turnover Ratio (PTR).

The Cash Conversion Cycle showing negative correlation with all ratio except the Payable Turnover Ratio. The negative relation shows that when CR, QR, CCR, ITR

and RTR are increases then CCC of the company is decrease. Company cannot manage its all ratio who has negative relation with CCC and try to increase all that ratio which ultimately decrease the CCC of the company because short CCC is always preferable which means company get cash converted quickly, this also improve the liquidity of the company.

On other hand, a PTR has positive relation with CCC which express that by reducing PTR Company can decrease its CCC. For this company if company gets good credit from its creditor and pay them after reasonably later time then company can efficiently use that cash for the other business purpose. Among all the ratio, payable turnover ratio has significant positive relation of 60.6% with the CCC.

Thus company can decrease the CCC by decreasing its payable turnover ratio or frequency of payment to creditors. Other ratio like CR has very low negative relation of only -3.5% with CCC, which express that by increase CR of selected companies can decrease its CCC little bit.

The QR shows -14.7% relation with CCC which is again showing negative but not significant relation, this means company can decrease its CCC to some extent by increasing its QR. A CCR has a significant negative relation with the CCC which is -38.1%.

A CCR shows availability of cash against current liabilities of company. Due to the negative relation if company increase its CCR through either increase its cash availability or decrease its current liability then company can significantly decrease or reduce its CCC which is desirable for good liquidity.

An ITR has significant negative relation with CCC which is -36.8%. The ITR explain that how many times inventory is sold and replaced during an accounting year. By increasing ITR, company can decrease its CCC significantly. A CCC has significant negative relation with RTR, which is -47.6%.

A RTR shows effectiveness of company in collecting its receivables and also indicate how well company manage the credit which it extends to customer. A RTR also shows how many time company receive the money from its debtors in an accounting year.

Thus company can decrease its CCC by increasing it RTR that means if company collects the cash from debtors more quickly (giving low credit period to customer).

The PTR only indicates positive as well as significant relation with CCC which is

60.6%. This relation shows that by decreasing PTR, company can reduce its CCC. This means if company get more credit period from creditors that means if company has a more time to repay its creditors then company can utilize that money in business operation and for other objectives.

In this condition, company is able to decrease its CCC because CCC and PTR has significant positive relation with each other which means increase in one ratio results in increase in other ratio and vice versa.

Thus from the correlation table of cement industry, it can be conclude that during the study period of ten years, industry showing highest relation of CCC with the PTR which is 60.6% which is significantly positive.

And negative relation with ITR and RTR. Which is -36.8 and -47.6%, thus in respective to manage the CCC in better when and reduce it as much as possible, company need to have quick collection from its debtors and more turnover of its inventory, with this, company also need to put efforts in respect to get more credit period from creditors which reduce the turnover ratio of payable and untimely decrease the CCC of industry.

All three-liquidity ratio that is CR, QR and CCR has negative relation with CCC out of which significant negative relation is showing by CCR. Thus, industry require to increase all three-liquidity ratio in order to achieve low CCC. By using this value of Pearson correlation, the strategy related to cash management can be made. For the purpose of efficient management of cash, firm should analyse how on variable is correlated with other. After having the information about correlation, the strategy should be frame in such a way that can be manage the cash more efficiently.

Here also correlation between CCC, CR, QR, CCR, ITR, RTR and PTR is measured by the researcher which shows the highest correlation of CCC with PTR as compared to another ratio. Thus, more attention is required to manage to PTR in order to achieve the low CCC by the industry.

CHAPTER 5

FINDINGS, SUGGESTION, AND CONCLUSION

5.1 FINDINGS

The first and important ratio calculated by researcher is Cash Conversion Cycle. It is generally accepted that shorter the CCC better the cash management of the company is. A shorter CCC shows quick conversion of inventory into sales and ultimately into cash.

The three-liquidity ratio are calculated by the researcher which include Current Ratio, Quick Ratio and Cash Coverage Ratio. To measure the liquidity condition, mean (average) of each of this ratio is analyse. For that, first is Current Ratio, the standard Current Ratio is 2:1 which indicate that company should have double current assets against its total current liabilities. It is generally accepted that higher the liquidity ratio better the liquidity condition company has. But excess of anything is not desirable, so if company has excess liquidity, then its shows inefficient management of liquidity by it. Thus, deficit or surplus of liquidity is not desirable. Industry has an average of CR more than one which shows satisfactory position of current assets against current liabilities.

The more restricted liquidity ratio is Quick Ratio because it does not consider the component which takes more time to convert into cash like inventory. Thus, from current assets, inventory and advance payments of expenses are deducted and then quick assets are derived which is easily converted into cash. The QR is also called Acid Ratio. The better liquidity position is measured by the QR. The standard QR is 1:1 that suggest company at least have that much quick assets which are equal to current liabilities of company Industry have average of QR less than 1, which shows not satisfactory condition of liquidity as far as QR is concern.

The third liquidity ratio used in this study is Cash Coverage Ratio (CCR). This ratio checks the liquidity position by taking only cash and cash equivalent which compare with the current liabilities of the company. This is strict ratio as compared to QR. There is no any standard ratio available for CCR but generally higher ratio is considered good. Industry has average CCR of 0.28.

In this study, researcher also calculate other three ratio by taking the main components of Current Assets and Current Liabilities which is Inventory Turnover Ratio (ITR), Receivable Turnover Ratio (RTR) and Payable Turnover Ratio (PTR). Through these ratio, researcher put effort to understand how quickly the inventory and receivables are repeat or turnover in an accounting year, in other words how much time inventory repeat and receivables are collected by the company in an accounting year. With this two ratio, PTR also calculated to check how much time in an accounting year company is paying to its creditors. Out of this three ratio, ITR and RTR is desirable to be as high as possible or in other words high ITR and RTR is always desirable though there is no any standard ratio is available to fix how much ITR and RTR is adequate. The PTR on other hand, is desirable to be as low as possible or in other words low PTR is beneficial for company as company need to pay its creditors less frequently. The lowest average of ITR out of all the selected industry is only 1.11.

To analyze data in more accurate way Pearson Correlation and Multivariate Regression technique is used by the researcher. In the Pearson Correlation, researcher found that various ratio have correlation with each other. Here, the correlation of CCC with all other ratio is checked. The various type of correlation is found like positive and negative as well as significant and not significant. Industry shows negative correlation of CR with CCC which is not significant.

The Multivariate Regression is apply by the researcher to check the impact of CR, QR, CCR, ITR, RTR and PTR on CCC of the selected samples. The result obtain by the researcher indicate that in various selected industries, impact of different ratio on CCC is different. To check the impact, value of R² of the summary of regression table is taken into consideration. This industry shows CCC of almost three months (87 days) and also satisfactory performance in liquidity ratio with CR of 1.38, QR of 0.97 and CCR of 0.28. The industry can improve this ratio and manage its liquidity and cash in better manner.

5.2 SUGGESTIONS

For the purpose of managing cash and achieving adequate liquidity position following suggestions. Industry having almost two months CCC (60 days) which can be decrease if industry manage its inventory, receivable and payable in better

manner. The liquidity ratio of this industry also has a scope of improvement and manage the cash components in better way. The Descriptive Statistics, Pearson Correlation and Multiple Regression is used by the researcher as the statistical techniques of the data analysis. Researcher found that, out of all selected samples, some companies have efficient cash management practices, whereas some companies need to improve its cash management practice by taking corrective steps and formulating suitable cash management policy for the company.

5.3 LIMITATIONS OF THE STUDY

- **Small sample size:** The study was conducted on a small sample size, the results may not be representative of the entire population of Rinex Technology.
- **Limited scope:** The study only focused on one aspect of cash management, such as accounts receivable, it may not provide a comprehensive understanding of the company's overall cash management practices.
- **Lack of data:** The study relied on limited data sources or incomplete data, the findings may not be entirely accurate or reliable.
- **Time frame:** The study was conducted over a short period; the results may not reflect the company's long-term cash management strategies and practices.
- **Bias:** The study was conducted by a party with a vested interest in the outcome, such as a consulting firm hired by Rinex Technology, the results may be biased.

5.4 CONCLUSION:

- The ultimate goal of any company is to achieve a balance between cash inflow and cash outflow which can safeguard the company against liquidity crisis. The good management of cash is a key function of liquidity management.
- In this study, seven ratios are used to analyze cash management practice. In this area further scope is available like cash flow, techniques of receipt and payment etc. can be used to analyze the cash management practice and draw a better conclusion.
- The cash management practice is taken in respect of corporate sector in this study, in future one can measure the cash management practice of financial and banking sector also because they had cash management as its main

task.,

- The present study is limited only for ten years i.e. 2008-09 to 2017-18. In future, one can take a more years to measure cash management practice and draw a more generalize result.
- As many companies are closed down due to financial crisis, one can also has a scope to research in the area that what is a role and how much is cash management practices is affect to company when company facing financial crisis. The answer can also be found that how can company manage cash to prevent financial crisis.

REFERENCES

- Allen k. Hunt, Linda m. Lovata and Michel I. Costigan (2008) characteristics of companies using different cash flow methods.
- Amarnath, D. (2005). Business Mathematics. Mumbai: Himalaya Publishing House.
- Amuzu, M. S. (2010). Cash flow ratio as a measure of performance of listed companies in emerging economies: The Ghana example. Unpublished PhD dissertation. Retrieved from <http://stclements.Edu/grad/gradmaxw.pdf>.
- Deepak, C. (2018). Research Methodology Concept and Cases. Noida: Vikas Publishing House Pvt. Ltd.
- Ding, Y., Jeanjean, T., & Stolowy, H. (2006, February). The usefulness of disclosing both direct and indirect cash flows: An empirical study. In Workshop Comptabilitie-Audit-Publications.
- Gilbert uwonda, nelsons okello and Nicholas okello (2013) cash flow management utilization by small medium enterprises in northern Uganda
- Hooda, R. (2003). Statistics For Business And Economics. New Delhi: Macmillan India Ltd.
- Jaipur: Paradise Publishers.
- John, C. (2000). Introductory Mathematics & Statistics For Business. Irwin/McGraw-Hill.
- Jooste, L. (2007). An evaluation of the usefulness of cash flow ratios to predict financial distress. Professional Accountant, 7(1), 1-13.
- Kirkham, R. (2012). Liquidity analysis using cash flow ratios and traditional ratios: The telecommunications sector in Australia. Journal of New Business Ideas & Trends, 10(1), 1-13.
- Kothari, C. R. Research Methodology Methods and Techniques. New Age International Publishers.
- Kumar, R. (2011). Research Methodology. Chennai: SAGE Publications Ltd.
- Nandhu n. and dr. ranjith kumar (2020) effectiveness of cash flow ratios to measure the performance divergences of selected steel companies in india

- Negakis, C. I. (2006). The cash flow statement: implications for the use of the direct or the indirect method. *Managerial Finance*, 32(8), 634-644.
- Omer faruk gulek and tucan bektas (2019) cash flow ratio analysis: the case of turkey
- Pankaj, M. (2016). *Research Methodology*. New Delhi: Global Academic Publishers & Distributors.
- Panneerselvam, R. (2014). *Research Methodology*. Delhi: PHI Learning Private Limited.
- Ryu, K., & Jang, S. (2004). Performance measurement through cash flow ratios and traditional ratios: A comparison of commercial and casino hotel companies. *The Journal of Hospitality Financial Management*, 12(1), 15-25.
- Sandeep, K. (2014). *Business Statistics*. Delhi: A.K. Publications.
- Sejal, D. (2013). *Statistical Methods in Business and Management*. New Delhi: Horizon Press.
- Sharma, J. (2015). *Business Statistics*. New Delhi: Vikas Publishing House Pvt. Ltd.
- Sharma, N. (2012). *Business Statistics*. Jaipur: Sunrise Publishers & Distributors.
- Singh, K. (2013). *Statistics For Management*. Jaipur: Ritu-Publications.
- Tailor, R. (2011). *Statistics In Finance*.
- Surorna barua and Anup Kumar saha (2015) traditional ratios vs. cash flow based ratios: which one is better performance indicator
- Vaghela, S. J. Performance evaluation through cash management Indian automobile industry

APPENDIX

YEAR	Mar '18	Mar '17	Mar '16	Mar '15	Mar '14
Sources Of Funds					
Total Share Capital	292.71	284.59	284.59	284.59	266.07
Equity Share Capital	292.71	284.59	284.59	284.59	266.07
Reserves	6,872.09	5,841.48	5,122.56	3,812.30	3,007.89
Net worth	7,164.80	6,126.07	5,407.15	4,096.89	3,273.96
Secured Loans	100	603.77	674.13	910	1,937.30
Unsecured Loans	415.69	741.19	1,171.91	1,681.34	1,946.61
Total Debt	515.69	1,344.96	1,846.04	2,591.34	3,883.91
Total Liabilities	7,680.49	7,471.03	7,253.19	6,688.23	7,157.87
Application of funds					
Gross Block	6,102.56	5,715.78	5,207.33	8,135.65	8,327.87
Less: Revaluation Reserves	0	0	0	1,021.81	1,173.93
Less: Accum. Depreciation	1,128.34	744.97	415.35	2,880.10	2,668.00
Net Block	4,974.22	4,970.81	4,791.98	4,233.74	4,485.94
Capital Work in Progress	401.24	205.86	75.86	120.14	181.53
Investments	5,802.63	2,878.86	1,980.44	2,648.83	2,789.69
Inventories	1,709.88	2,631.03	1,625.01	1,398.53	1,188.70
Sundry Debtors	980.48	1,064.39	1,250.95	1,257.69	1,299.01
Cash and Bank Balance	1,004.40	911.97	1,593.13	751.29	11.69
Total Current Assets	3,694.76	4,607.39	4,469.09	3,407.51	2,499.40
Loans and Advances	1,713.23	1,377.16	1,456.38	1,879.45	1,677.51
Fixed Deposits	44.50	189.42	589.11	436.90	346.39
Total CA, Loans & Advances	5,407.99	5,984.55	5,925.47	5,286.96	4,176.91
Current Liabilities	8,034.32	5,918.18	5,208.70	5,266.80	4,320.21
Provisions	871.28	650.86	311.86	334.66	155.99
Total CL & Provisions	8,905.60	6,569.04	5,520.56	5,601.46	4,476.20
Net Current Assets	-3,497.61	-584.49	404.91	-314.5	-299.29
Miscellaneous Expenses	0.00	32.32	19.33	7.31	24.42
Total Assets	7,680.48	7,471.04	7,253.19	6,688.21	7,157.87
Contingent Liabilities	785.73	665.35	547.55	479.22	374.65
Book Value (Rs)	24.48	21.53	19	14.4	12.3

A STUDY ON CASH MANAGEMENT ON RINEX TECHNOLOGY

Dr. Joyce, B. Com; MBA; Ph.D.,

School of Management studies, Sathyabama Institute of Science and
Technology, Chennai, Tamil Nādu

Mr Samraj P, Student

Sathyabama Institute of Science and Technology, Chennai, Tamilnadu

ABSTRACT

The study on cash management on Rinex Technology aims to analysed the current cash management practices of the company and identify areas for improvement. The research methodology involves a combination of qualitative and quantitative data collection techniques, including surveys, interviews, and financial analysis. The study examines the company's cash flow, cash conversion cycle, and cash reserves, and evaluates the effectiveness of existing cash management policies and procedures. The findings of the study suggest that Rinex Technology could improve its cash management by implementing more efficient cash forecasting and budgeting processes, optimizing its working capital management, and enhancing its cash reserves management practices. These recommendations could help the company to mitigate cash flow risks, improve its financial stability, and support its growth and expansion objectives.

INTRODUCTION

Cash management refers to the process of managing a company's or individual's cash resources to ensure that they are used effectively and efficiently. Effective cash management involves managing cash inflows and outflows, optimizing cash balances, and investing excess cash in order to maximize returns. For businesses, cash management involves maintaining sufficient cash on hand to meet the company's short-term obligations, while also investing excess cash to earn a return. It also involves managing cash collections and disbursements, forecasting cash flows, and making decisions about borrowing or investing funds. For individuals, cash management may involve budgeting, monitoring and managing expenses, and saving money for future expenses or investments.

REVIEW OF LITERATURE

Annika Pitkanen (2016) had undertaken study of “cash flow forecasting” the purpose of this thesis research and development project was to develop a cash flow forecast model for the case company that operates on building constructions field. The author evaluates that the project team managed to reach the objective except for few attributes. To achieve a successful cashflow management in the case company the author suggests that the rest of these necessary attributes will be defined in a technical sense to complete the forecasting model.

Mohammad Ashrafuzzaman and Md. Taniun-Ul-Islam (2015) had undertaken study on “statement of cash flows disclosure: a study on listed financial institution in Bangladesh”. There are 556 companies are listed in the Dhaka Stock Exchange. DSE classified these

companies into 22 industry categories. The study is conducted for a period of recent five financial years, from 2010 to 2014. This is descriptive research and no statistical techniques were applied. The result of the above study is the significance of this study is that the stakeholders of these companies can know whether these companies prepare their cash flow statement in accordance with the related accounting standard and other regulatory laws. Due to time constrain the study period was only period was only five years and no statistical techniques were used because of its descriptive nature.

Erapu Peter De Pietropapa (2011) did study on institute for international co-operation and development (C&D) with aim to establishing the effect of internal control systems on cash management research or used descriptive and analytical research designs. Primary and secondary data collected for which 30 respondents selected for primary data collection. Some negative elements like no internal auditors in C&D, irregularly revise training programs, no proper mean of communication with entities operating payment systems and supervisory authorities. The significant positive relationship between internal control systems and cash management policies.

Patricia m. Dechow, s.p.kothari and ross L. Watts (2012) had undertaken study on “the relationship between earnings and cash flows” they test the predictions on a sample of 1337 firms and they conclude that Current earnings are a better forecast of future cash flows than current cashflows as predicted by the model. And, as also predicted by the model, the difference in the ability of current earnings and current cash flows to predict future cash flows is a positive function of the firm’s expected operating cash cycle. Overall, the evidence suggests the model has some statistical explanatory power.

Matthew Abioro (2013) conducted a study on the impact of cash management the performance of manufacturing companies in Nigeria.

Joseph Otieno Oluoch (2016), research conducted on 171 respondents from eldoret central business district, uasin gishu country Kenya. Questionnaires and document analysis were the source of data. Descriptive statistics and inferential statics were used. A positive and significant effect on SME performance of cash management practices were found in this paper.

OBJECTIVE OF THE STUDY

- To design an effective Cash Management policy for smooth cash procurement and disbursement.
- To determine the exact working cash balance in conformity with the nature of the firm
- To measure the Cash Flow from Operating activity, Investing activity and Financing activity and net increase / decrease in cash flow.

NEED FOR THE STUDY

- Effective cash management can improve financial performance by ensuring that cash is available when needed, avoiding the risk of cash shortages, and making the most use of available cash resources.
- Poor cash management can lead to financial risks such as late payments, missed opportunities, and increased debt. A study on cash management can help to identify and address these risks.

- Cash management is closely linked to working capital management, and a study on cash management can help businesses to optimize their working capital by minimizing cash tied up in inventory or accounts receivable.

SCOPE FOR THE STUDY

- Analysing Rinex Technology's historical cash flows and projecting future cash flows to identify potential shortfalls or surpluses.
- Examining Rinex Technology's management of working capital, including inventory, accounts receivable, and accounts payable, to optimize cash flow.
- Analysing the time, it takes for Rinex Technology to convert its inventory and accounts receivable into cash, and identifying strategies to shorten this cycle.
- Examining Rinex Technology's management of its cash balance, including strategies for investing excess cash and minimizing cash shortages.

RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problem. It is a branch of science that studies how scientific research is conducted. The several approaches that are often taken by a researcher to explore the research topic, as well as the reasoning behind them, are analysed.

RESEARCH DESIGN

The research design for a particular problem usually requires consideration of many factors. Researchers should use facts or information already available. Researchers must analyse the facts to critically evaluate the material.

SOURCES OF DATA

This study is based on secondary data, which is collected mainly from the annual reports of the selected samples for the ten years of study period which is 2008-09 to 2017-18.

ANNUAL REPORT

It provides all the information about the company for the accounting period. This enables us to understand the existing performance of the company.

A. TOOLS USED FOR THE STUDY

- Ratio analysis
- Cash conversion Cycle
- Regression
- Correlation

DATA ANALYSIS AND INTERPRETATION

REGRESSION

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.796 ^a	.634	.582	128.55432

The R coefficient is 0.796, it is showing significant relationship between the cash conversion

cycle and all independent ratio. The value of R-square (R²) is 63.4%, which indicates that 63.4% of the variance in cash conversion cycle can be predicted from the predictor variables. R-square is also called the coefficient of determination. The value of R-square is 0.634, while the value of Adjusted R-square is 0.582. To find out whether the multiple regression model is fit to data or not, validation of R² is necessary. As per the general rule, 0% R² shows that none of the variability of the data around its mean and 100% R² indicate that the model explains all the variability of the data around its mean.

Generally, it is accepted that higher the percentage of R², the better model fits to data but it is not always be the true as R² may be higher as more variable added in the model.

In the given multiple regression table, value of R² is 0.634 which is 63.4%, this indicate that model is fits to the data collected and 63.4% impact can be measured of independent variable on dependent variable. Thus, based on this further analysis can be done by the researcher for the selected company during the study period. Thus, from the above table, researcher found that the value of R square is 0.634, so the 63.4% impact is found by independent variables on dependent variable.

CORRELATION

Pearson Correlation is calculated for this study. A positive value in the table indicates a direct proportional relationship among the variables and negative value indicates an inverse or opposite relationship among the variables. For the purpose of calculating Pearson Correlation researcher workout various ratio like Cash Conversion Cycle (CCC), Current Ratio (CR), Quick Ratio (QR), Cash Coverage Ratio (CCR), Inventory Turnover Ratio (ITR), Receivable Turnover Ratio (RTR) and Payable Turnover Ratio (PTR).

The Cash Conversion Cycle showing negative correlation with all ratio except the Payable Turnover Ratio. The negative relation shows that when CR, QR, CCR, ITR and RTR are increases then CCC of the company is decrease. Company can now manage its all ratio who has negative relation with CCC and try to increase all that ratio which ultimately decrease the CCC of the company because short CCC is always preferable which means company get cash converted quickly, this also improve the liquidity of the company.

For this company if company gets good credit from its creditor and pay them after reasonably later time then company can efficiently use that cash for the other business purpose. Among all the ratio, payable turnover ratio has significant positive relation of 60.6% with the CCC.

		CCC	CR	QR	CCR	ITR	RTR	PTR
Pearson Correlation	CCC	1.000	-.035	-.147	-.381	-.368	-.476	.606
	CR	-.035	1.000	.940	.490	-.411	.580	-.185
	QR	-.147	.940	1.000	.640	-.303	.616	-.310
	CCR	-.381	.490	.640	1.000	-.263	.616	-.470
	ITR	-.368	-.411	-.303	-.263	1.000	-.085	-.065
	RTR	-.476	.580	.616	.616	-.085	1.000	-.294
	PTR	.606	-.185	-.310	-.470	-.065	-.294	1.000
	CCC	.	.405	.155	.003	.004	.000	.000
	CR	.405	.	.000	.000	.002	.000	.099

Sig. (1-tailed)	QR	.155	.000	.	.000	.016	.000	.014
	CCR	.003	.000	.000	.	.033	.000	.000
	ITR	.004	.002	.016	.033	.	.279	.328
	RTR	.000	.000	.000	.000	.279	.	.019
	PTR	.000	.099	.014	.000	.328	.019	.

Thus, company can decrease the CCC by decreasing its payable turnover ratio or frequency of payment to creditors. Other ratio like CR has very low negative relation of only -3.5% with CCC, which express that by increase CR of selected companies can decrease its CCC little bit. The QR shows -14.7% relation with CCC which is again showing negative but not significant relation, this means company can decrease its CCC to some extent by increasing its QR. A CCR has a significant negative relation with the CCC which is -38.1%. An ITR has significant negative relation with CCC which is -36.8%. The ITR explain that how many times inventory is sold and replaced during an accounting year. By increasing ITR, company can decrease its CCC significantly. A CCC has significant negative relation with RTR, which is -47.6%.

FINDINGS

- The first and important ratio calculated by researcher is Cash Conversion Cycle. It is generally accepted that shorter the CCC better the cash management of the company is. A shorter CCC shows quick conversion of inventory into sales and ultimately into cash.
- In the Pearson Correlation, researcher found that various ratio has correlation with each other. The various type of correlation is found like positive and negative as well as significant and not significant. Industry shows negative correlation of CR with CCC which is not significant.
- The result obtain by the researcher indicate that in various selected industries, impact of different ratio on CCC is different. To check the impact, value of R2 of the summary of regression table is taken into consideration. This industry shows CCC of almost three months (87 days) and also satisfactory performance in liquidity ratio with CR of 1.38, QR of 0.97 and CCR of 0.28. The industry can improve this ratio and manage its liquidity and cash in better manner.

SUGGESTION

For the purpose of managing cash and achieving adequate liquidity position following suggestions. Industry having almost two months CCC which can be decrease if industry manage its inventory, receivable and payable in better manner. The liquidity ratio of this industry also has a scope of improvement and manage the cash components in better way. The Descriptive Statistics, Pearson Correlation and Multiple Regression is used by the researcher as the statistical techniques of the data analysis. Researcher found that, out of all selected samples, some companies have efficient cash management practices, whereas some companies need to improve its cash management practice by taking corrective steps and formulating suitable cash management policy for the company.

CONCLUSION

- The ultimate goal of any company is to achieve a balance between cash inflow and cash outflow which can safeguard the company against liquidity crisis. The good management of cash is a key function of liquidity management.
- In this study, seven ratio are used to analyze cash management practice. In this area further scope is available like cash flow, techniques of receipt and payment etc. can be used to analyze the cash management practice and draw a better conclusion.

REFERENCE

- Allen k. Hunt, Linda m. Lovata and Michel l. Costigan (2008) characteristics of companies using different cash flow methods.
- Amarnath, D. (2005). Business Mathematics. Mumbai: Himalaya Publishing House.
- Amuzu, M. S. (2010). Cash flow ratio as a measure of performance of listed companies in emerging economies: The Ghana example. Unpublished PhD dissertation. Retrieved from <http://stclements.Edu/grad/gradmaxw.pdf>.
- Deepak, C. (2018). Research Methodology Concept and Cases. Noida: Vikas Publishing House Pvt. Ltd.
- Ding, Y., Jeanjean, T., & Stolowy, H. (2006, February). The usefulness of disclosing both direct and indirect cash flows: An empirical study. In Workshop Comptabilitie-Audit-Publications.