

A comparative study on performance evaluation of selected 2/3 wheeler vehicles companies (with special reference to cash management)

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Abstract

Cash, being a medium of exchange, is one of the important components of working capital. In the present research paper, an attempt has been made to evaluate the cash management performance of three leading public sector companies of the 2/3 Wheeler Vehicles segment in the Indian automobile industry, namely Bajaj Auto Ltd., Hero Motocorp Ltd., and TVS Motor Company Ltd. Cash flow based ratios are employed to evaluate the average cash management performance of the selected companies. After applying the tools and techniques, the researchers have found that, Hero Motocorp Ltd. is at the top of the list when it comes to average performance based on cash management, followed by Bajaj Auto Ltd. and TVS Motor Company Ltd. Researchers have observed a mix trend in the cash management performance of all the sample companies during the period of the research. TVS Motor Company Ltd. is not at its best, but though not the worst in the performance.

Key words: Cash, Working Capital, Cash Return on Assets, Cash Turnover, Cash Flow Margin

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