



SNS College of Technology

Coimbatore - 35



23BAT611 – Financial Management

Introduction to Financial Management



Presented by

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1st Indian Institution to Implement Design Thinking Curriculum
Redesigning Common Mind and Business Towards Excellence



Topic



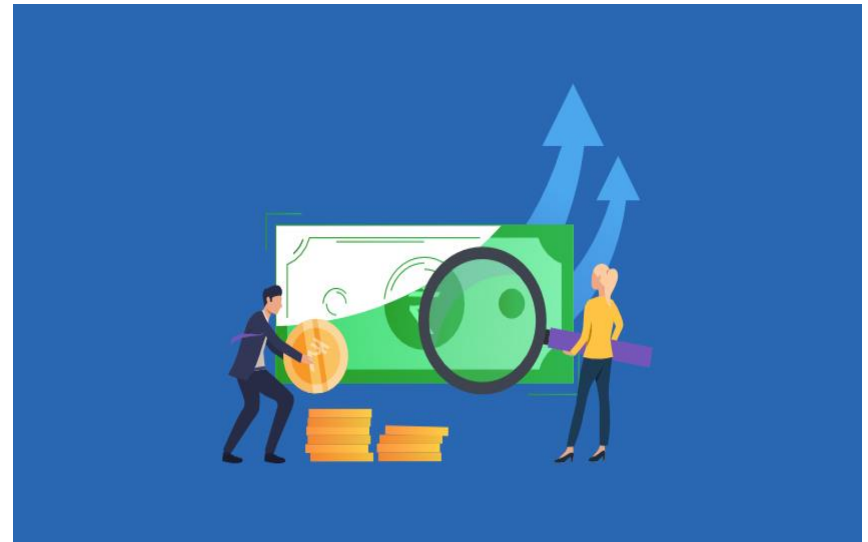


Definition of Financial Management



“Financial management is the operational activity of a business that is responsible for obtaining and effectively utilizing the funds necessary for efficient operations.”

- Massie





Scope of Financial Management

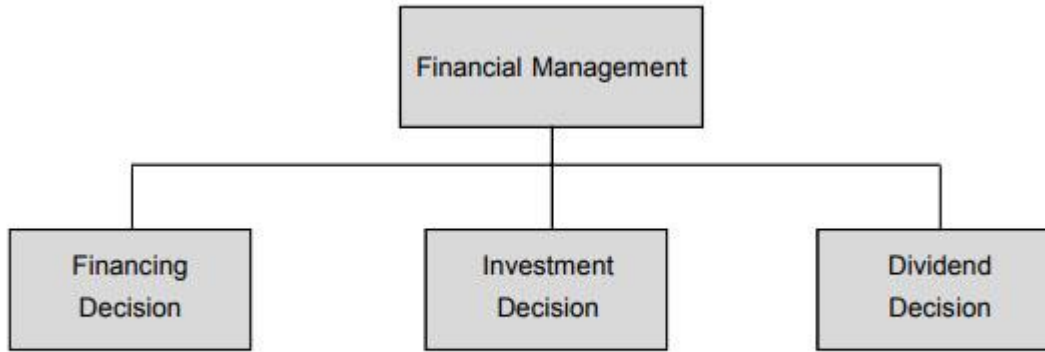


Fig. 1 - The scope of Financial Management



Investment Decisions



Long Term Investment Decisions –
Commitment of funds for long period.
Ex: Investing in Building, Land or
Machinery.

Short Term Investment Decisions –
Commitment of funds for short term
period. Ex: Investing in Inventory.





Activity



Form financial term words using this alphabets
f,i,a,n,v,e,s,t,o,y,r,k,u,p,c.



Financing Decision



- Raising of Funds through various sources
- Amount of Financing, Period of Financing and Cost of Financing
- It Deals with Capital Structure Decision





DIVIDEND DECISION

RETAINED
EARNINGS

DIVIDENDS



- Policy of the organization in determining the dividend.
- Payout or retention ratio



Assessment



- _____ purchasing of land and buildings comes under which decision.
- _____ purchasing of inventory comes under which decision



Summary



- **Scope of Financial Management**

SUMMARY





Links



- <https://www.knowledgehut.com/blog/others/financial-management>
- <https://byjus.com/commerce/scope-of-financial-management/>
- <https://www.managementstudyguide.com/financial-management.htm>



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