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B. Com Sem IV

* Importance of Financial Management :-

Financial Management is crucial for the success and sustainability of any organization.

→ Short-term importance -

- ① Cash flow management - Effective financial management ensures that the organization has sufficient cash to meet its short-term obligations.
- ② Expense Control - financial management helps to identify areas where costs can be reduced or optimized.
- ③ Budgeting - financial management involves creating budgets that allocate resources effectively.

→ Long-term importance -

- ① Strategic Planning - financial management provides the necessary data to inform strategic decisions about investments, funding and growth.
- ② Risk Management - Financial Management helps to identify and mitigate financial risks that could impact the organization's long-term sustainability.