

# Financial Management



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**Kripa Drishti Publications, Pune.**

# FINANCIAL MANAGEMENT

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## **PREFACE**

Financial Management is a dynamic and vital subject that plays a central role in the success of businesses, organizations, and individuals alike. In today's fast-paced and complex economic landscape, the ability to effectively manage financial resources is critical for informed decision-making and sustainable growth.

This comprehensive textbook on Financial Management is designed to provide students with a solid foundation in the principles, theories, and practices that underpin financial decision-making. Whether you are a student embarking on a journey to understand the intricacies of financial management or a professional seeking to enhance your financial acumen, this book offers a systematic and accessible approach to the subject.

The content of this book encompasses a wide range of topics, including financial analysis, risk management, capital budgeting, working capital management, and financial markets. Real-world examples, case studies, and practical applications are interwoven throughout the chapters to bridge the gap between theory and practice.

### **Key Features:**

- **Comprehensive Coverage:** The book covers the entire spectrum of financial management, providing a holistic view of the subject.
- **Practical Insights:** Real-world examples and case studies offer practical insights into the challenges and opportunities faced by financial managers.
- **Pedagogical Tools:** Each chapter is enriched with pedagogical tools such as end-of-chapter questions, case studies, and practical exercises to reinforce learning.
- **Contemporary Relevance:** The content is aligned with current industry trends, regulatory frameworks, and technological advancements in the field of finance.

## **Abbreviations**

Accounts Receivable (ARs)

American Institute of Certified Public Account (AICPA)

Bills Receivable (BRs)

Cash Flow After Tax (CFAT)

Deep Discount Bonds (DDB)

Degree of Financial Leverage (DFL)

Degree of Operating Leverage (DOL)

Earning Before Interest and Tax (EBIT)

Earning Before Tax (EBT)

Earnings Per Share (EPS)

Economic Order Quantity (EOQ)

Growth (g)

Gujarat State Fertilizer Company (GSFC)

Just In Time (JIT)

Market Price Per Share (MPS)

Net Income (Ni)

Net Operating Income (Noi)

Net Proceeds (NP)

New Working Capital (NWC)

Research and Development (R&D)

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