

**Finance is regarded as the lifeblood of a business** enterprise. It is the basic foundation of all kinds of economic activities. Finance is the master key that provides access to all the sources for being employed in manufacturing and merchandising activities. The success of an organization largely depends on efficient management of its finances.

Meaning of Financial Function:

Finance is one of the functional areas in an organization. It is one of the most important of all business functions. Finance department plays a vital role in the organization. It may be described as heart in the human body. The basic function of the heart in the human body is to pump the necessary blood to all parts of the body. Similarly, the finance department in the organization has to supply the necessary finances to all the other departments (functions) to carryout their activities. It is the responsibility of the finance department to identify the financial requirements and supply the needed funds at the right time.

Objectives & Structure of Financial Management:

Meaning of Financial Management:

Financial management is basically concerned with planning, organizing and controlling of financial resources of an organization. It is applicable to every type of organization, irrespective of its size, kind and nature. It can be used in all organizations where there is a use of finance. Every management aims to utilize its funds in a best possible and profitable way. So this subject is acquiring a universal applicability. Financial management was a branch of economics till 1980 and thus as a separate discipline is of recent origin. It was earlier known as corporation finance and managerial finance.

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