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To Study about Credit Management

Vijaylaxmi Gupta and Ajay Kumar Singh

Shri G. P. M. Degree College, Vile Parle (E), Mumbai, Maharashtra, India

Abstract*: Credit management is the process of deciding which customers to extend credit to and evaluating those customers' creditworthiness over time. It involves setting credit limits for customers, monitoring customer payments and collections, and assessing the risks associated with extending credit to customers Credit management is the process of deciding which customers to extend credit to and evaluating those customers' creditworthiness over time.*

The credit terms offered by a firm influences the demand for its products. The firm can only benefit from credit of profitability generated from increased sales exceeds the added costs of receivables. Credit can bedefined as a process whereby possession of goods and services is allowed without spot payment upon an agreement for later payment. Accounts Receivables are direct consequence of "trade credit" which has become an essential marketing tool in modern business Receivable management may be defined as "the process of making decisions relating to the Investment of funds in receivables which will result in maximizing the overall return on the investment Of the firm

Keywords: Credit management