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BUSINESS FINANCE - II
100 Marks -75 Lecture

UNIT I – LONG TERM SOURCES

(25 Marks- 19 Lectures)

- A. Sources of finance according to the various forms of organization, Factors influencing source of finance of an organization;**
- B. long term sources: Issue of equity shares– meaning, advantages and disadvantages (towards company as source of finance), Preference shares and Debentures – meaning, types, advantages and disadvantages (towards company as source of finance), Self financing – Meaning, advantages and disadvantages (towards company as a source of finance); Venture capital – Meaning and advantages; Foreign capital –Need, Importance, Types –FDI, Joint venture and collaborations etc., advantages and disadvantages; Lease finance, meaning, types, lease v/s hire purchase, advantages and disadvantages.**

UNIT II – SHORT TERM AND OTHER SOURCES OF FINANCE (25 Marks- 19 Lectures)

- 1) Trade Credit – Meaning, merits and demerits**
- 2) Bank credit – Meaning, merits and demerits**
- 3) Customer advance --Meaning, merits and demerits**
- 4) Instalment credit – Meaning, merits and demerits**
- 5) Commercial paper— Meaning, features and merits**
- 6) Certificates of deposits-- Meaning, features and merits**
- 7) Factoring – Meaning, merits and demerits**
- 8) Public deposits – Meaning, Advantages and disadvantages**
- 9) Indigenous Bankers-Meaning and advantages,**

UNIT III CAPITAL MARKET

(25 Marks- 19 Lectures)

Meaning and classification of Financial Market, Types of capital market, Stock exchange – meaning and functions, listing of securities – meaning, advantages and disadvantages – listing procedures, Role of SEBI, classification of investors, Demat of shares, Bull and bear, options, warrant (only concepts).

UNIT IV MARKETING OF SECURITIES

(25 Marks- 18 Lectures)

- A. Methods of Marketing of securities --meaning and advantages of the methods (7 methods), Underwriting of securities – meaning, types and advantages;**
- B. Mutual Fund – meaning and advantages of Mutual Funds, types of mutual fund schemes – open ended, close ended, income schemes, growth Schemes, income and growth schemes, tax saving schemes (only concepts)**
- C. Merchant banking – meaning and functions**

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Issue house – meaning and functions

Books for Study and Reference:

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- 1) R.K. Sharma and Shashi K. Gupta, Business Organisation and Management**
- 2) R.M. Srivastava, Essentials of Business Finance, Himalaya Publishing House, Kalyani Publications.**
- 3) Preeti Singh, Investment Management, Himalaya Publishing House**
- 4) N.G. Kale, Business Organisation, Manisha Publications.**
- 5) C.N. Sontakki, Business Organisation, Seth Publishers**
- 6) E. Gordon and Dr. K. Natarajan, Financial Markets and Institutions, Himalaya Publishing House.**
- 7) H. Sadak, Mutual Funds in India, Response Books, Sage Publications.**