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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:  

1) R.K. Sharma and Shashi K. Gupta, Business Organisation and Management  
3) Preeti Singh, Investment Management, Himalaya Publishing House  
4) N.G. Kale, Business Organisation, Manisha Publications.  
5) C.N. Sontakki, Business Organisation, Seth Publishers  
7) H. Sadak, Mutual Funds in India, Response Books, Sage Publications.