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B.Com Sem IV

* Scope of Business finance :-

- ① Estimating the requirements of funds :-
The estimation of total capital requirement of the firm is more important for long-term and short term requirements of funds.
- ② Determining the capital structure :-
It becomes necessary to decide the type of securities to be used.
- ③ Sources of funds :-
The sources of finance must be selected very carefully by comparing the merits and demerits of alternative sources.
- ④ utilization of funds :-
Effective use of the procured funds requires prudent investment of funds in various assets in order to secure the optimum return on investment.
- ⑤ Management of Cash :-
Sufficient amount of cash must be available in business at all the times to pay wages and salaries, to purchase raw materials.