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B. Com Sem IV

* Need of Business finance :-

The importance of having enough finance for your business cannot be stressed enough.

- Finance in business is required to make one-time purchases such as investing in inventory, land, machinery, furniture, factories and others, along with meeting everyday expenses such as paying bills, giving salaries and so on.
- In case of unforeseen circumstances, finance plays a greater role in dealing with contingencies without drastically affecting the overall business position.
- Financing growth and expansion programmes.

For providing sufficient capital to the business, several sources of finance have to be tapped. These include shareholders, debentureholders, fixed depositors, bank and financial institutions.