Assignment - 9.

1. In the initial phase of business, firms typically raise several types of funds to support their growth.

⇒ Startup phase :-

- Seed funding - often sourced from personal savings, friends and family, or angel investors, this capital is used to develop a product or service and launch operations.

- Angel Investment : High-net-worth individuals invest early in exchange for equity, helping fund product development marketing or team building.

- Crowdfunding : platforms like Kickstarter allow startups to raise small amount of Money from many Individual validating the product idea while raising Capital.

Rapid expansion phase :-

⇒. Venture Capital : As the business gains traction, venture capital firms provide funding to scale operations, enter new market or grow the Team.

⇒. Bank Loans / Debt financing :-

Firm may seek debt to finance Inventory, working Capital or Expansion without diluting ownership.