SUPER 20 - FM THEORY QUESTIONS

1. FUNCTIONS OF FINANCIAL MANAGEMENT / INVESTMENT, FINANCING AND DIVIDEND DECISIONS ARE ALL INTERRELATED

The finance functions are divided into three major decisions, viz., investment, financing and dividend decisions. These decisions are inter-related because the underlying objective of these three decisions is the same, i.e. maximisation of shareholders' wealth.

(a) Procurement of funds: [Financing Decision]
Funds can be obtained/raised from different sources e.g. equity, preference capital, debt funds etc.
• Every firm has to plan its sources of finance in such a way that it optimises three factors, viz., cost, risk, and control.
• Thus, Procurement of funds involves the following:
(a) Identification of sources of finance.
(b) Determination of finance mix.
(c) Raising of funds.

(b) Effective utilisation of funds: [Investing Decision]
• Funds are procured at a cost. Hence it is crucial to employ them properly and profitably.
• Capital expenditure decisions require closer study, as they are irretrievable decisions.
• The Finance Manager estimates the adequate working capital

(c) Decision of earnings retained v/s earnings distribution:[DIVIDEND DECISION]
• The activities of financing and investment are to be followed up by optimal dividend payments and returns to the investors
• A firm that does not pay optimal dividends will be put to difficulties in raising capital, and such firm will also be limiting its investment opportunities if the external resources are not available.

2. OBJECTIVES OF FINANCIAL MANAGEMENT / PROFIT MAXIMIZATION VS WEALTH MAXIMISATION

(a) Profit Maximisation -Based on this objective, the investment, financing and dividend policy decisions of a firm should be oriented to the **maximisation of profit**. Profitability refers to a situation, where **output exceeds input**, i.e., the value created by the use of resources is more than the total of input resources.
However, the profit maximisation as an objective suffers from following shortcomings:
(i) Ambiguity: Profit figure will widely vary depending upon accounting interpretations. To illustrate, profit may be short-term or long-term. It may be profit before tax or after tax. It may be return on capital employed or total assets or shareholders equity and so on.

RANJAN PERIWAL CLASSES

(ii) Timing of benefits: Profit maximisation criterion does not take into account timing of future benefits (profits) from investment. For decision-making purposes it is essential to recognise that **money has a time value**.

(iii) Ignores uncertainty. It considers only the size of benefits and gives no weightage to the degree of **uncertainty of future benefits**.

(b) Wealth (or value) maximisation. Value (or wealth) maximisation means the maximisation of the **net present value (NPV)** of a project/investment. The NPV of a project is the difference between the present value of its future expected cash flows and of its cost. The future cash flows and the related cost of the project are discounted at a rate that reflects both time and uncertainty.

Goal	Objective	Advantages	Disadvantages
Profit Maximisation	Increasing the amount of profits.	**Easy** to calculate profits. An **appropriate measure** of firm's performance. Shows the efficient **utilization** of resources. (iv)	Considers **short term prospective**. Ignores **risk and uncertainty.** Ignores the **timings** of returns. Profit is a **vague** and ambiguous concept.
Shareholders Wealth Maximisation	Highest market value firm & shareholders' value.	Considers **long term** prospective. Considers **risk or uncertainty**. Considers the **timings** of returns. (iv) Benefits are measured in terms of **cash flows** which is more appropriate than profits.	Offers no clear relationship between financial decisions and share price. Can lead to management anxiety and frustration.

3. FUNCTIONS OF A CHIEF FINANCIAL OFFICER

(i) The information age has given a fresh perspective on the role financial management and finance managers. With the shift in paradigm it is imperative that the role of Chief Finance Officer (CFO) **changes from a controller to a facilitator.**
(ii) The Chief Finance Officer must transform himself to a frontend organiser and leader who spends more time in networking, analyzing the **external environment, making strategic decisions, managing and protecting cash flows**.
(iii) In due course, the role of Chief Finance Officer will shift **from an operational to a strategic level**

RANJAN PERIWAL CLASSES

(iv) The twin aspects viz **procurement and effective utilization** of funds are the crucial tasks, which the CFO faces.
(v) The Chief Finance Officer is required to look into financial implications of any decision in the firm.
These are namely:
— **Financial analysis and planning**: Determining the proper amount of funds to be employed in the firm.
— **Investment decisions**: Efficient allocation of funds to specific assets.
— **Financial and capital structure decisions**: Raising of funds on favourable terms as possible, i.e., determining the composition of liabilities.
— **Management of financial resources (such as working capital).**

4. FINANCIAL LEVERAGE AS 'TRADING ON EQUITY' / FINANCIAL LEVERAGE AS A 'DOUBLE EDGED SWORD'

Financial Leverage as 'Trading on Equity'

Financial leverage indicates the use of **funds with fixed cost** like long term debts and preference share capital along with equity share capital which is known as trading on equity. The basic aim of financial leverage is to **increase the earnings available to equity shareholders** using fixed cost fund. A firm is known to have a positive leverage when its earnings are more than the cost of debt. If earnings is equal to or less than cost of debt, it will be an unfavourable leverage. When the quantity of fixed cost fund is relatively high in comparison to equity capital it is said that the firm is "trading on equity".

Financial Leverage as a 'Double edged Sword' - On one hand when cost of 'fixed cost fund' is less than the return on investment financial leverage will help to increase return on equity and EPS. The firm will also benefit from the saving of tax on interest on debts etc. However, when cost of debt will be more than the return it will affect return of equity and EPS unfavourably and as a result firm can be under financial distress. This is why financial leverage is known as "double edged sword".

When, ROI > Interest – Favourable – Advantage When, ROI < Interest – Unfavourable – Disadvantage
When, ROI = Interest – Neutral – Neither advantage nor disadvantage.

5. MAJOR CONSIDERATIONS IN CAPITAL STRUCTURE– RISK, COST AND CONTROL

Type of fund	Risk	Cost	Control
Equity Capital	**Low Risk:** no question of repayment of capital except when the company is under liquidation. Hence best from viewpoint of risk.	**Most expensive:** dividend expectations of shareholders higher than interest rates. Also, dividends are not tax-deductible.	**Dilution of control:** Since the capital base might be expanded and new share holders / public are involved.

RANJAN PERIWAL CLASSES

Preference Capital	**Slightly higher risk:** when compared to equity Capital Principal is - redeemable after a certain period even if dividend payment is based on profits.	**Slightly cheaper cost:** than Equity but higher than Interest rate on loan funds. Further, preference dividends are not tax-deductible.	**No dilutions of control:** since voting rights are restricted.
Debt Funds	**High risk:** Capital should be repaid, as per agreement; Interest should be paid irrespective of performance or profits.	**Comparatively cheaper:** prevailing interest rates are considered only to the extent of after tax impact	**No dilution of control**: but some financial institutions may insist on nomination of their representatives in the Board of Directors.

6. OVER- CAPITALISATION VS UNDER – CAPITALISATION

Over Capitalisation

A business is said to be over - capitalised;

(i) If the **earnings are lower** than expected returns,

(ii) If the **assets are worth less** than the amount of capital employed, and

(iii) If the business has **more net assets than its requirement.**

Causes of Over - Capitalisation

(i) Raising **more money** through issue of shares or debentures than company can employ profitably.
(ii) **Borrowing huge amount at higher rate** than rate at which company can earn.
(iii) **Excessive payment** for the acquisition of fictitious assets such as goodwill etc.
(iv) Wrong **estimation of earnings** and capitalization.

Consequences of Over - Capitalisation

(i) Considerable **reduction in the rate of dividend** and interest payments.
(ii) Reduction in the **market price** of shares.
(iii) Resorting to "**window dressing**".
(iv) Some companies may opt for reorganization. However, sometimes the matter gets worse and the company may go into liquidation.

7. DIVIDEND PRICE / DIVIDEND GROWTH / CAPM MODEL – REFER CLASS NOTES

8. LIQUIDITY VERSUS PROFITABILITY:

For uninterrupted and smooth functioning of the day to day business of an entity it is important to maintain liquidity of funds evenly.
So, while maintaining liquidity the cost aspect needs to be borne in mind. Unnecessary tying up of funds in idle assets not only reduces the liquidity but also reducing the opportunity to earn better return from a productive asset.

RANJAN PERIWAL CLASSES

Hence, a trade-off is required between the liquidity and profitability which increases the profitability without disturbing the day to day functioning.

9. FUNCTIONS OF TREASURY DEPARTMENT

Cash Management: It involves efficient cash collection process and managing payment of cash both inside the organisation and to third parties. Treasury will also manage surplus funds in an investment portfolio.
Currency Management: The treasury department manages the foreign currency risk exposure of the company.
Funding Management: Treasury department is responsible for planning and sourcing the company's short, medium and long-term cash needs
Banking: It is important that a company maintains a good relationship with its bankers.
Corporate Finance: Treasury department is involved with both acquisition and divestment activities within the group.

Need for Cash -
Transaction need: Cash facilitates the meeting of the **day-to-day expenses** and other debt payments.
Speculative needs: Cash may be held in order to take advantage of **profitable opportunities** that may present themselves and which may be lost for want of ready cash/settlement.
Precautionary needs: Cash may be held to act as for providing **safety against unexpected events**. Safety as is explained by the saying that a man has only three friends an old wife, an old dog and money at bank.

Four types of Floats
Billing float, Mail float, Cheque processing float and Bank processing float

RANJAN PERIWAL CLASSES

10. SOURCES OF SHORT-TERM FINANCE

(A) TRADE CREDIT
(B) ACCRUED EXPENSES AND DEFERRED INCOME
(C) COMMERCIAL PAPER
(D) TREASURY BILLS
(E) CERTIFICATES OF DEPOSIT (CD)

11. MEDIUM-TERM FINANCING

A) Inter Corporate Deposits
B) Certificate of Deposit (CD)
C) Public Deposits
D) **LEASING -** Leasing is an arrangement under which an asset is financed and owned by one party but possessed and used by the other. The owner of the asset is known as lessor and user is called lessee. The lease agreement details out the specific period and timing of the sequential payments to be made by the lessee to lessor as consideration for the use of the asset.

Finance Lease	Operating Lease
The **risk and reward** incident to ownership are passed on the lessee. The lessor only remains the legal owner of the asset.	The lessee is only provided the use of the asset for a certain time. **Risk incident to ownership** belongs only to the lessor.
The lessee bears the **risk of obsolescence**.	The lessor bears the **risk of obsolescence**.
The lease is **non-cancellable** by either party under it.	The lease is kept **cancellable** by the lessor.
The lessor **does not bear the cost of repairs**, maintenance or operations.	Usually, the **lessor** bears the cost of repairs, maintenance or operations.

Other types of Leases

(1) Sales and Lease Back: Under this type of lease, the owner of an asset sells the asset to the buyer, who in turn leases back the same asset to the owner in consideration of lease rentals.

(2) Leveraged Lease: Under this lease, a third party is involved beside lessor and lessee. The lessor borrows a part of the purchase cost (say 80%) of the asset from the third party i.e., lender.

12. FOREIGN INSTRUMENTS

Name of Bond	Salient Feature
Foreign Currency Convertible Bond (FCCB)	This bond comes at a very **low rate of interest**. The advantage to the issuer is that the issuer can get foreign currency at a very low cost. The risk is that in case the bond has to be **redeemed on the date of maturity**, the issuer has to make the payment and at that time the issuer may not have the money.
Plain Vanilla Bond	The issuer would pay the **principal amount along with the interest rate**. This type of bond would not have any options. This bond can be issued in the form of **discounted bond** or can be issued in the form of **coupon bearing** bond.

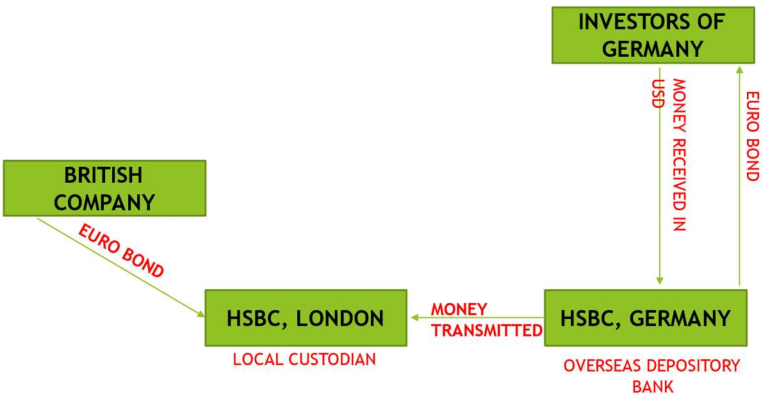
RANJAN PERIWAL CLASSES

Drop Lock Bond	It is a Floating Rate Note with a normal floating rate The floating rate bond would be **automatically converted into fixed rate** bond if interest rate falls below a predetermined level The new fixed rate stays till the drop lock bond reaches its maturity
Yield Curve Note (YCN)	Yield increases when prevailing interest rate declines Yield decreases when prevailing interest rate increases This is used to hedge the interest rate This works like inverse floater
External Commercial Borrowings (ECB)	CBs refer to commercial loans availed from non-resident lenders with minimum average maturity of 3 years. Borrowers can raise ECBs through internationally recognised sources like (i) international banks, (ii) international capital markets, (iii) multilateral financial institutions such as the IFC, ADB etc, (iv) export credit agencies, (v) suppliers of equipment, (vi) foreign collaborators and (vii) foreign equity holders. xternal Commercial Borrowings can be accessed under two routes viz) **Automatic route** and (ii) **Approval route**. Under the Automatic route, there is no need to take the RBI/Government approval whereas such approval is necessary under the Approval route. Company's registered under the Companies Act and NGOs engaged in micro finance activities are eligible for the Automatic Route whereas Financial Institutions and Banks dealing exclusively in infrastructure or export finance and the ones which had participated in the textile and steel sector restructuring packages as approved by the government are required to take the Approval Route.
Yankee Bond	Bonds denominated in **dollars** Bonds issued by non- US banks and non- US corporations Bonds are issued in **USA** Bonds are to be registered in SEC Time taken can be up to 14 weeks Interest rate is dollar LIBOR (London Interbank Offered Rate)
Euro Bond	Bonds issued or traded in a country using a currency other than the one in which the bond is denominated. This means that the bond uses a certain currency, but operates outside the jurisdiction of the central bank that issues that currency Eurobonds are issued by multinational corporations, for example, a British company may issue a Eurobond in Germany, denominating it in U.S. dollars It is important to note that the term has nothing to do with the euro, and the prefix "euro-" is used more generally to refer to deposit outside the jurisdiction of the domestic central bank
Samurai Bond	)enominated in **Japanese Yen (JPY)** ;sued in **Tokyo** ;suer **Non- Japanese Company** egulations : Japanese urpose : Access of **capital available** in Japanese market ;sue proceeds can be used to fund Japanese operation ;sue proceeds can be used to fund a company's local opportunities. can also be used to hedge foreign exchange risk

RANJAN PERIWAL CLASSES

Bulldog Bond	Denominated in Bulldog Pound Sterling/Great Britain Pound (**GBP**) Issued in **London** Issuer **Non- UK Company** Regulations : Great Britain Purpose : Access of capital available in UK market Issue proceeds can be used to fund UK operation Issue proceeds can be used to fund a company's local opportunities

EURO BOND



Bonds

YANKEE

SAMURAI

BULLDOG

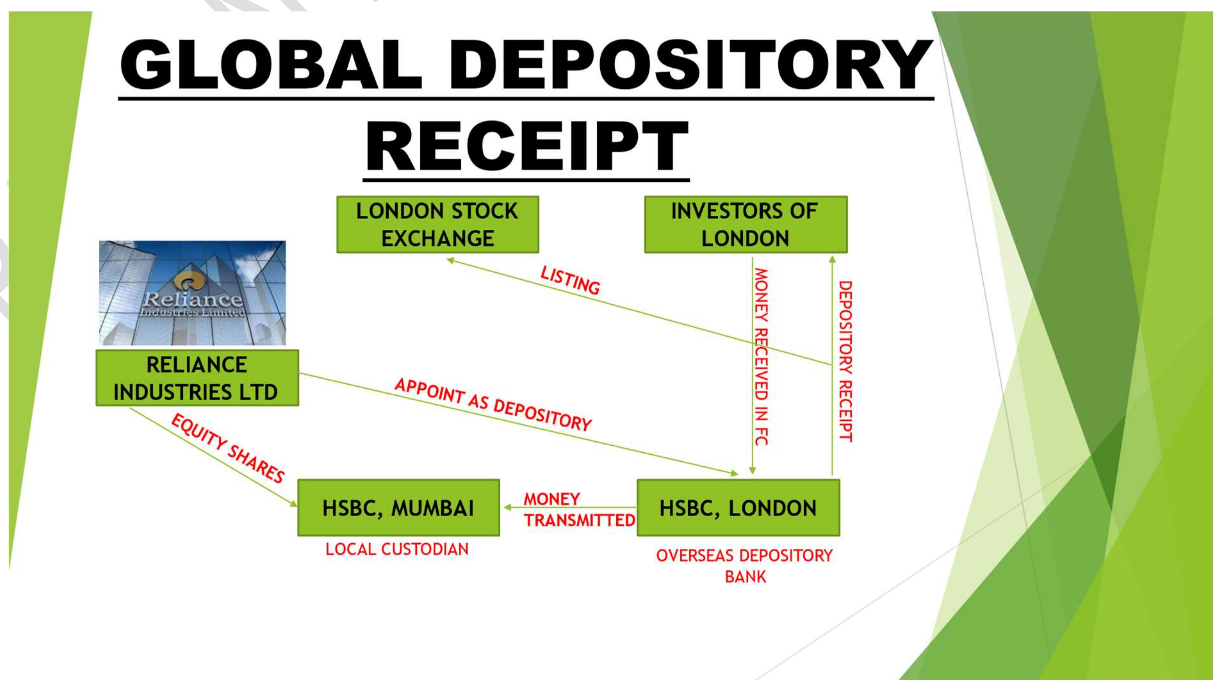
13. INDIAN BONDS

Name of Bond	alient Feature
Masala Bond	Masala (means spice) bond is an Indian name used for **Rupee denominated bond that Indian corporate borrowers can sell to investors in overseas markets.** **These bonds are issued outside India but denominated in Indian Rupees**. NTPC raised `2,000 crore via masala bonds for its capital expenditure in the year 2016.
Municipal Bonds	Municipal bonds are used to finance **urban infrastructure** are increasingly evident in India. **Ahmedabad Municipal Corporation** issued a first historical Municipal Bond in Asia to raise `100 crore from the capital market for part financing a water supply project
Government or Treasury Bonds	Government or Treasury bonds are bonds issued by Government of India, Reserve Bank of India, any state Government or any other Government department.

(i) Callable bonds: A callable bond has a call option which gives the issuer the right to redeem the bond before maturity at a predetermined price known as the call price (Generally at a premium).

(ii) Puttable bonds: Puttable bonds give the investor a put option (i.e. the right to sell the bond) back to the company before maturity.

14. GLOBAL DEPOSITORY RECEIPTS (GDR):



• Instruments in the form of a depository receipt or certificate created by the Overseas Depository Bank outside India.

• Issued to non-resident investors against ordinary shares or FCCB of issuing company.

• Shares denominated in Indian Rupees are issued in the domestic market are custodised in the home market with the local bank called custodian.

• Quoted in easily convertible foreign currency such as dollars and euro.

• Negotiable instrument evidencing a fixed number of equity shares of the issuing company.

• Trading in foreign security markets where it is listed, ego London and Luxemberg.

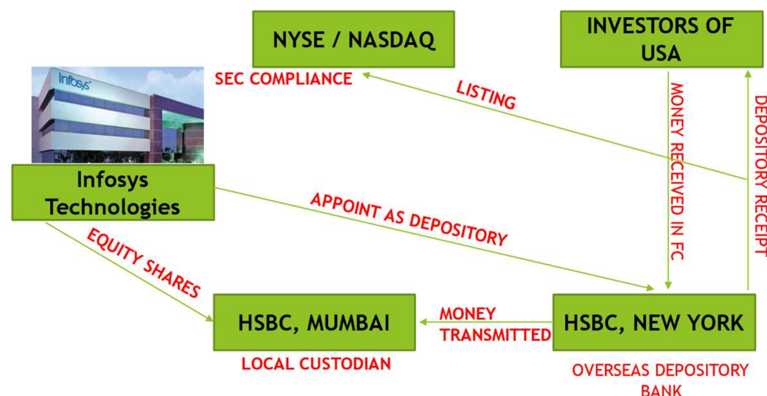
• An investor has an option to convert the GDR into a fixed number of equity shares of issuer company & vice versa.

• May carry voting rights.

• The issuer deals with only one share holder i.e. the depository bank and not a large number of share holders as in the case of a public issue.

• The first Indian Company to issue GDR was Reliance industries Limited in year 1992.

15. AMERICAN DEPOSITORY RECEIPTS (ADR)



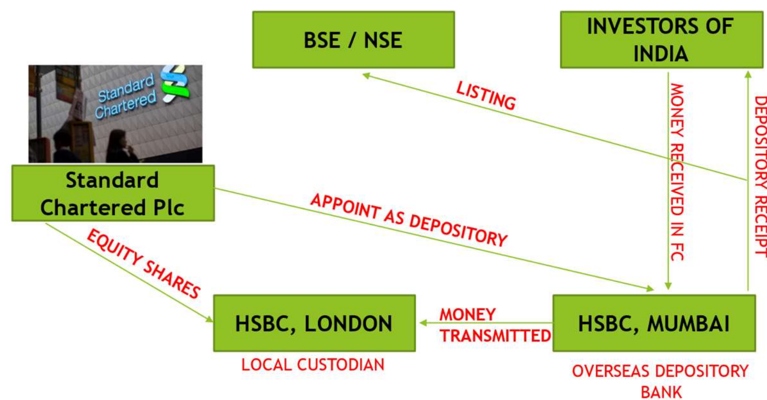
• Depository receipts offered by non - US companies who want to list on any of the US exchanges (such as NYSE or NASDAQ) is known as American Depository Receipts (ADR)
• It represents a certain number of company's shares.
• Such receipts have to be issued in accordance with the provisions stipulated by the Securities and Exchange Commission of USA (SEC), which are very stringent. The

most burdensome aspect of a US listing for the companies is to provide full, half yearly and quarterly accounts in accordance with, or at
least reconciled with US GAAPs.

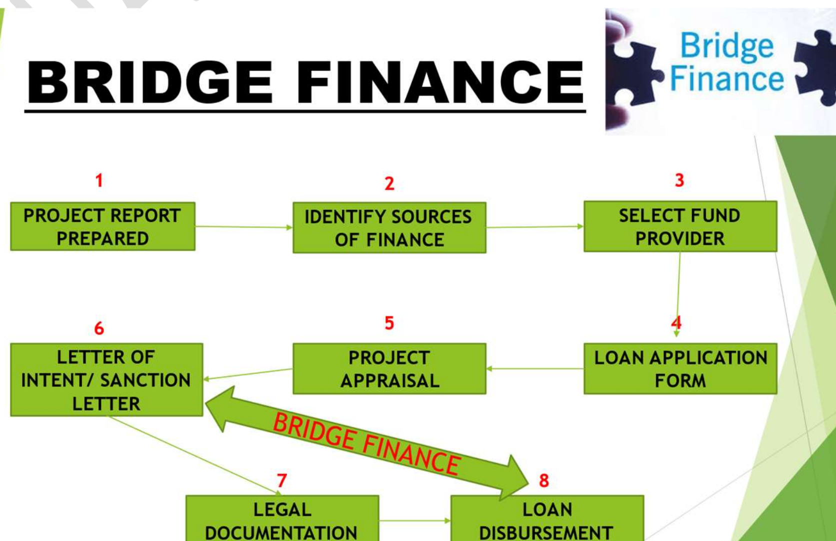
• ADR's allow US investors to buy shares of these companies without the cost of investing directly in a foreign stock exchange.

• Created by the deposit of the securities of a non-United States company with a custodian bank in the country of incorporation of the issuing company who informs the depository in the United States that the ADR can be issued.

• Legal fees are considerably high for US listing. Registration fee in USA is also substantial.

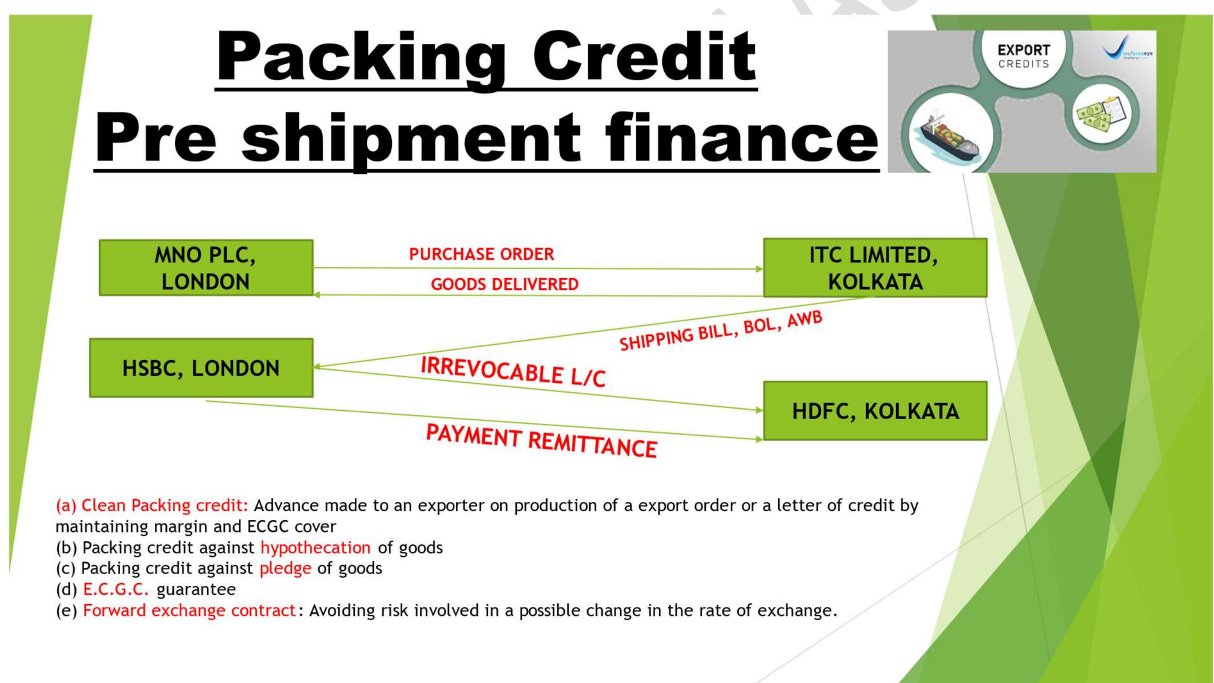


16. BRIDGE FINANCE



Bridge finance refers, normally, to loans taken by the business, usually from commercial banks for a short period, pending disbursement of term loans by financial institutions, normally it takes time for the financial institution to finalise procedures of creation of security, tie-up participation with other institutions etc. even though a positive appraisal of the project has been made. However, once the loans are approved in principle, firms in order not to lose further time in starting their projects arrange for bridge finance. Such temporary loan is normally repaid out of the proceeds of the principal term loans. It is secured by hypothecation of moveable assets, personal guarantees and demand promissory notes. Generally rate of interest on bridge finance is higher as compared with that on term loans.

17. PACKING CREDIT/PRE SHIPMENT FINANCE



Packing credit is an advance made available by banks to an exporter. Any exporter, having at hand a firm export order placed with him by his foreign buyer on an irrevocable letter of credit opened in his favour, can approach a bank for availing of packing credit. An advance so taken by an exporter is required to be liquidated within 180 days from the date of its commencement by negotiation of export bills or receipt of export proceeds in an approved manner. Thus Packing Credit is essentially short term advance

Packing credit may be of the following types:

(a) Clean Packing credit: This is an advance made available to an exporter only on production of a firm export order or a letter of credit without exercising any charge or control over raw material or finished goods.

It is a clean type of export advance. Each proposal is weighted according to particular requirements of the trade and credit worthiness of the exporter. A suitable margin has to be maintained. Also, Export
Credit Guarantee Corporation (ECGC) cover should be obtained by the bank.

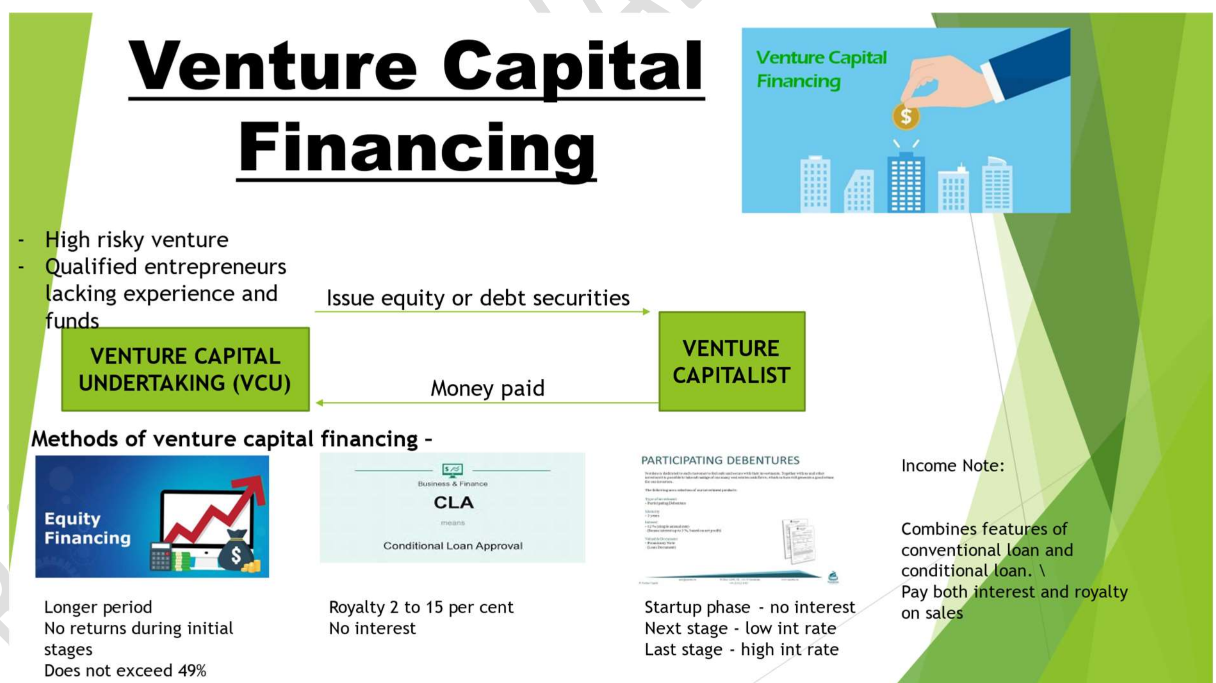
(b) Packing credit against hypothecation of goods

(c) Packing credit against pledge of goods

(d) E.C.G.C. guarantee: Any loan given to an exporter for the manufacture, processing, purchasing, or packing of goods meant for export against a firm order qualifies for the packing credit guarantee issued by Export Credit Guarantee Corporation.

(e) Forward exchange contract: Another requirement of packing credit facility is that if the export bill is to be drawn in a foreign currency, the exporter should enter into a forward exchange contact with the bank, thereby avoiding risk involved in a possible change in the rate of exchange

18. VENTURE CAPITAL FINANCING



The venture capital financing refers to financing of new high risky venture promoted by qualified entrepreneurs who lack experience and funds to give shape to their ideas. In broad sense, under venture capital financing venture capitalist make investment to purchase equity or debt securities from inexperienced entrepreneurs who undertake highly risky ventures with a potential of success

Methods of Venture Capital Financing: The venture capital financing refers to financing and funding, of the small scale enterprises, high technology and risky ventures. Some common methods of venture capital financing are as follows:

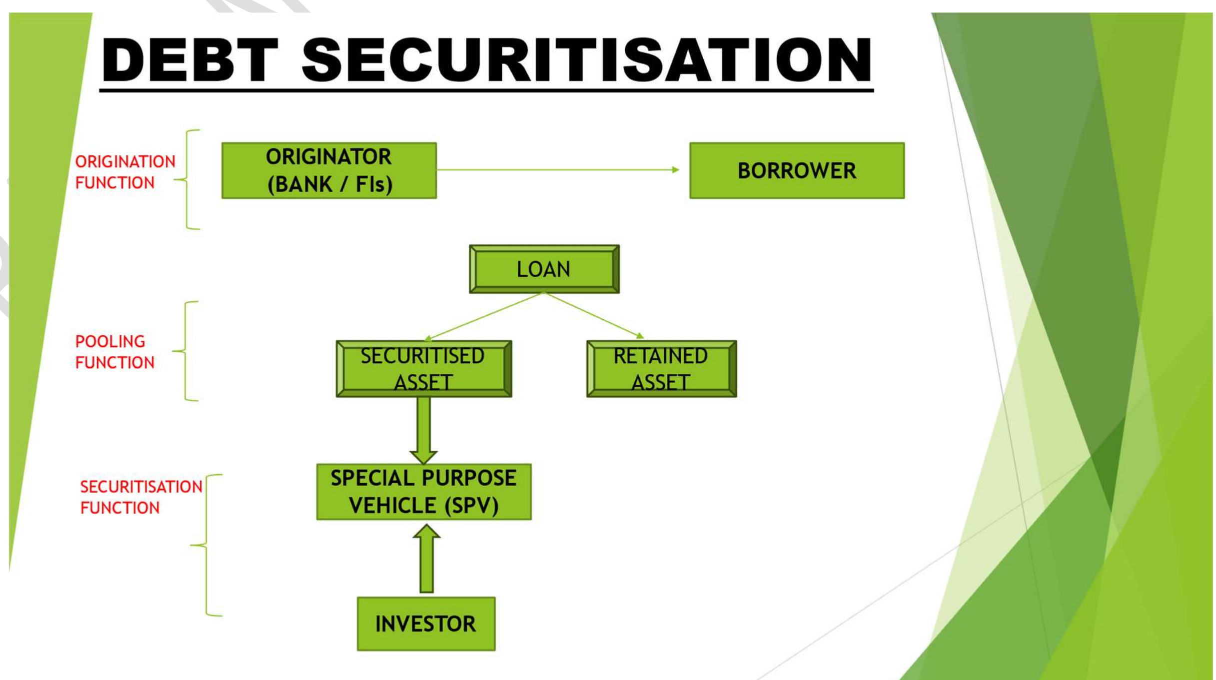
i) Equity financing: The venture capital undertakings generally requires funds for a longer period but may not be able to provide returns to the investors during the initial stages. Therefore, the venture capital finance is generally provided by way of equity share capital. The equity contribution of venture capital firm does not exceed 49% of the total equity capital of venture capital undertakings so that the effective control and ownership remains with the entrepreneur.

(ii) Conditional Loan: A conditional loan is repayable in the form of a royalty after the venture is able to generate sales. No interest is paid on such loans. In India Venture Capital Financers charge royalty ranging between 2 to 15 per cent; actual rate depends on other factors of the venture such as gestation period, cash flow patterns, riskiness and other factors of the enterprise. Some Venture Capital financers give a choice to the enterprise of paying a high rate of interest (which could be well above 20 per cent) instead of royalty on sales once it becomes commercially sound.

(iii) Income Note: It is a hybrid security which combines the features of both conventional loan and conditional loan. The entrepreneur has to pay both interest and royalty on sales but at substantially low rates. IDBI's Venture Capital Fund provides funding equal to 80-87.5% of the project's cost for commercial application of indigenous technology or adopting imported technology to domestic applications.

(iv) Participating Debenture: Such security carries charges in three phases- in the startup phase, no interest is charged, next stage a low rate of interest is charged upto a particular level of operations, after that, a high rate of interest is required to be paid.

19. DEBT SECURITISATION



Securitisation is a process in which **illiquid assets are pooled** into marketable securities that can be sold to investors. The process leads to the creation of financial instruments that represent ownership interest in, or are secured by a segregated income producing asset or pool of assets.

Example of Debt Securitisation
A finance company has given a large number of car loans. It needs more money so that it is in a position to give more loans. One way to achieve this is to sell all the existing loans. But, in the absence of a liquid secondary market for individual car loans, this is not feasible

However, a practical option is debt securitisation, in which the finance company sells its existing car loans already given to borrowers to the Special Purpose Vehicle (SPV). The SPV, in return pays to the company, which in turn continue to lend with this money. On the other hand, the SPV pools these loans and convert these into marketable securities. It means that now these converted securities can be issued to investors.

So, this process of debt securitization helps the finance company to raise funds and get the loans off its Balance Sheet. These funds also help the company disburse further loans. Similarly, the process is beneficial to the investors also as it creates a liquid investment in a diversified pool of car loans, which may be an attractive option to other fixed income instruments. The whole process is carried out in such a way that the original debtors i.e. the car loan borrowers may not be aware of the transaction. They might have continued making payments the way they are already doing. However, these payments shall now be made to the new investors who have emerged out of this securitization process.

20. ENVIRONMENTAL, SOCIAL AND GOVERNANCE-LINKED BONDS (ESG)

Responsibility of the issuer company to prioritize optimal environmental, social and governance (ESG) factors. Investing in ESG bonds is considered as socially responsible investing. ESG bonds can be project-based - green bonds and social bonds; and target-based - sustainability-linked bonds (SLBs).

- **Green bonds:** These are the most popular ESG bonds where the bond proceeds are used to finance "green projects". Green projects are aimed at **positive environmental and/or climate impact including the cultivation of eco-friendly technology**. India is the second-largest green bond market. For example: **Ghaziabad Municipal Corporation** (GMC) becomes the first Municipal Corporation to raise ` 150 crore from Green Bond in the Year 2021.

- **Social bonds:** These bonds finance the socially impactful projects. The projects here are related to the social concerns such as **Human rights, Equality, animal welfare** etc. For example, "**Vaccine bonds**" are social bonds, issued to fund the vaccination of **vulnerable childrens** and protection of people in lower income countries.

- **Sustainability-linked bonds (SLBs):** These bonds are combination of green bonds and social bonds. Proceeds of SLBs are not meant for a specific project but for general corporate purpose to achieve Key Performance Indicator (KPIs). For example: **UltraTech Cement raises**

RANJAN PERIWAL CLASSES

US$ 400 million through India's first sustainability-linked bonds in year 2021. The company aims to reduce carbon emissions through the life of bond of 10 years.

21. CONTEMPORARY SOURCES OF FUNDING

(i) Crowd funding: In simple terms, crowdfunding means **raising money for an individual or organisation from a group of people to fund a project**, typically via internet (**social media** and crowdfunding websites). It generally involves collecting funds from family, friends, strangers, corporates and many more in exchange of equity (known as Equity funding), loans (known as P2P lending) or nothing at all (i.e. donation). This source of funding also **helps start-up** to substantiate demand for their product before entering into production. In the crowdfunding process, three parties are involved i.e. **fund raiser, mediator and fund investor**. The platforms (mediator) may also charge certain fees in the form of processing fee, transaction fee, etc. either as a fixed amount or a percentage or in combination of both.

(ii) Peer-to-Peer (P2P) lending: It is that category of crowdfunding where lenders match with the borrowers in order to provide unsecured loans through online platform. The fund raised are paid back by the borrowers with interest, though this kind of lending involves certain risk of defaults (just as the banks bear in the case of conventional method of lending). Anyone interested in investing money under P2P lending can visit the **P2P lending platforms** and choose amongst borrowers considering risk & returns. Some of the platforms offering P2P lending are i2iFunding, Lendbox, Faircent, RupeeCircle, etc.

(iii) Start-up funding: A start-up company being newly formed needs fund before starting any project. However, as a start-up, it is difficult to manage loans from bank, leaving crowdfunding as one of the sources of finance. Through crowdfunding, a start-up company can raise money from large group of people. The crowdfunding may be in the form of equity funding, P2P lending or both.

(iv) Donation-based Crowdfunding: It is a source of finance where large group of people **donate money as a charity** for some cause with no expectation of any ownership or debt. Some of the platforms that are used for donation- based crowdfunding are GoFundMe (used for donations against medical needs, education, etc.), Ketto (used for donation against medical needs), FuelADream (used for donation against charity projects, new ideas), etc.

RANJAN PERIWAL CLASSES