

# Business angels



**ASSIGN  
BUSTER**

Venture Capital is money provided by professionals who invest and manage young rapidly growing companies that have the potential to develop into significant economic contributors. According to SEBI regulations, venture capital fund means a fund established in the form of a company or trust, which raises money through loans, donations, issue of securities or units and makes or proposes, to make investments in accordance with these regulations.

The funds so collected are available for investment in potentially highly profitable enterprises at a high risk of loss. A Venture Capitalist is an individual or a company who provides. Investment Capital, Management Expertise, Networking & marketing support while funding and running highly innovative & prospective areas of products as well as services. Thus, the investments made by Venture Capitalists generally involves - - Financing new and rapidly growing companies. - Purchasing equity securities. - Taking higher risk in expectation of higher rewards.

Having a long frame of time period, generally of more than 5 - 6 years. - Actively working with the company's management to devise strategies pertaining to the overall functioning of the project. - Networking and marketing of the product 'service being offered. In an attempt to bring together highly influential Indians living across the United States, a networking society named IND US Entrepreneurs or TIE was set up in 1992. The aim was to get the Indian community together and to foster entrepreneurs for wealth creation.

A core group of 10 - 15 individuals worked hard to establish the organisation. The group (TIE) has now over 600 members with 20 offices spread across the United States. Some of the famous personalities belonging to this group are Vinod Dham (father of the Pentium Chip), Prabhu Goel, K. B. Chandrashekar (Head of \$ 200 mn. Exodus Communications, a fibre optic network carrying 30% of all Internet content traffic hosting websites like Yahoo, Hotmail and Amazon. ) Venture Capital Financing : It generally involves start up financing to help technically sound, globally competitive