



Course Title: ENTERPRISE PLANNING, APPRAISAL AND FINANCING

Course Code: ENTR701

Credit Units: 3

Course Level: PG

L	T	P/S	SW/F W	TOTAL CREDIT UNITS
3	-	-	-	3

Course Objectives:

The objective of the course is to introduce and familiarize the students with various aspects of preparation, financing and appraisal of projects in today's liberalized environment where mega projects have become the order of the day.

The specific objective would be to enable students to understand mechanism of project appraisal in various stages.

To appreciate the usefulness of different techniques applied in project appraisal and to understand new and innovative sources of financing projects in the present day world.

Students will be able to understand that appraisal is a process which is required in all aspects of life, is important in narrowing down to choosing the best alternative and taking a feasible/best call.

Pre-requisites:

The subject is prerequisite for any entrepreneur who sets up a venture and should be aware of as to how business ideas can be generated, business plan is made and also be aware of the techniques of the preparation of TEF, Methods-ways of FI/Bankers/VC/PE in project appraisal. It is also a prerequisite for raising capital/ investments for their projects. Students, who opt for this subject, may have the basic passion for anticipating the future of a decision taken on the based on technical and empirical feasibility.

Student Learning Outcomes:

Students who complete this course will be able

- To apply the macro-economic environment analysis for enterprise planning.
- To design business plan and techno economic feasibility report.
- To specify the concept of cost benefit analysis and social cost benefit analysis.
- To apply/interpret various tax structures and the concept of entrepreneurial finance.
- Will be able to practically apply and predict the outcome of a decision that is taken.

Course Contents/Syllabus:

Module I- Investment Environment	Weightage (%)
Banks and financial institutions, principles of lending, types of securities and methods of charge creation.	10%
Module II-DPR/Business Plan	20%
Generation of business Idea, converting business idea into business plan and then to a project, Preparation of a blue print of the project that will need equity/debt financing.	
Module III-Understanding the evaluation criteria of detailed Project report/business plan by FI's/Banks	
Components of TEFR, Market and demand analysis, technical & financial analysis, Estimation of project flows, Analysis of risk, assessment and risk mitigation techniques. Sensitivity/DSCR/ISCR analysis. Forward and options for risk mitigation.	20%
Module IV -Fund Raising	
Approaches of fund raising from angel financiers, equity funds and business incubators.VC Funding, Stages of VC funding, types of VC's, Difference in approaches of financial institutions and seed financing institutions. FC Loan/FCCB/GDR/ADR	15%
Module V-Various Schemes of Govt./Semi Govt./State Govt./Banks/FI's	
Institutional/Financial Assistance, Schemes pertaining to: Term lending, Working capital finance, Bills finance, Export & Import finance.	15%
MODULE VI- Managing the Company Portfolio	
Board of Directors, Advisors and consultants, Managerial change, Key-man life insurance, Buy-sell agreements, Legal documentation, Investment agreement, Description of transaction, Representation and warranties by company, Company's covenants and undertakings, Various agreements and documents: Stockholders agreements, Employee stock purchase agreements	20%

Pedagogy for Course Delivery:

Two way communication will be encouraged.Bankers/lenders/equity investors will be invited to talk to students. Actual business plan and TEFR will be discussed in class.

Assessment/ Examination Scheme:

Theory L/T (%)	Lab/Practical/Studio (%)	Total
100%	-	100%

Theory Assessment (L&T):

Continuous Assessment/Internal Assessment					End Term Examination
Components	Midterm test	Presentation	Class participation	Attendance	
Weightage (%)	15%	5%	5%	5%	70%

- **Assessment will be based on their asking good questions in the class, making good contributions and active participation.**

Text book

- P. Chandra, Latest Edition, Projects: Planning, Analysis, Selection, implementation and review. Tata McGraw Hill

Reference book

- Charantimath, Poornima, Entrepreneurship Development and Small Business Enterprises, Pearson Education, New Delhi
- P.N. Varshney Banking law and practice
- ThummuluriSiddaiah, Financial Services, Pearson

Reports, online, websites

- Any practical TEFRR/Business plan, which is actually practiced in a financial institution..
- Financial / RBI/SEBI/Bank Journals and Financial Dailies like ET/FE/.

Any other Study Material:

- TEFRR will be discussed.