

ERT434:NEW VENTURE FINANCING

L:3 T:0 P:0 Credits:3

Course Outcomes: Through this course students should be able to

CO1 :: analyze financial planning and cost management techniques to develop detailed cost estimates and budgets for entrepreneurial ventures

CO2 :: evaluate procurement processes by obtaining and critically analyzing quotations, leading to informed and cost-effective decision-making in the procurement of goods and services.

CO3 :: build effective cash flow management and banking relations strategies

CO4 :: create comprehensive financing plans and grant applications by identifying appropriate sources of funding

Unit I

Introduction to financial planning and cost management : importance of financial planning in entrepreneurship, components of a financial plan, identifying and categorizing costs, methods for estimating start-up and operational costs, types of budgets (operational, capital, cash), steps in preparing a budget, monitoring and controlling budgets

Unit II

Procurement and cost analysis : steps in the procurement process, criteria for selecting suppliers, preparing request for quotations, evaluating quotations, comparative analysis of quotations, making cost-effective procurement decisions

Unit III

Financial operations and cash flow management : setting up financial systems and controls, managing daily financial operations, importance of cash flow management, techniques for monitoring and forecasting cash flow, selecting a bank and opening a business account, managing bank relations and services

Unit IV

Financing options for entrepreneurs : internal versus external financing, types of external financing: loans, venture capital, angel investors, grants, determining the amount of financing required, creating a financing plan, preparing and presenting financing proposals, negotiating terms and conditions

Unit V

Financial compliance and regulatory requirements : importance of compliance in business, key financial regulations for businesses, types of business entities and their registration process, necessary licenses and permits, taxation and filing requirements, maintaining compliance records

Unit VI

Applying for financial support and grants : types of financial support: fellowships, grants, subsidies, sources of financial support, writing a compelling business description, detailing financing needs and budget, creating a persuasive pitch, addressing potential concerns of grant committees

Text Books:

1. ENTREPRENEURIAL FINANCE by J. CHRIS LEACH AND RONALD W. MELICHER, Cengage India Private Limited

References:

1. FINANCIAL MANAGEMENT: THEORY & PRACTICE by PRASANNA CHANDRA, MC GRAW HILL

