

**GE: ENTREPRENEURIAL FINANCE**

**CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE**

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course
		Lecture	Tutorial	Practical/Practic		
Entrepreneurial Finance (GE)	4	3	1	0	Class 12	None

**Learning Objectives**

The objectives of the course are to build knowledge and skills in entrepreneurial finance. Students will study the financing of small and medium-sized businesses from the perspective of both the entrepreneur and investors.

**Learning Outcomes**

1. Understanding of the requirements of funding for entrepreneurs.
2. Analyse company's capital structure and its impact on profitability.
3. Assess the present and future of any entity.

**Course Contents:**

**Unit 1: Entrepreneurial Finance and Funding Opportunities (12 hours)**

The concept of entrepreneurial finance. Understanding financial management: objectives, concept of risk and return, time value of money. Financing a new venture: seed fund, boot strapping, angel funding, VC funding, funding rounds. Long-term & short term financing. Term sheets.

**Unit 2: Investment Techniques for Growth (12 hours)**

Cost of capital: meaning, classification & computation. Capital budgeting techniques. Capital structure and its impact on EPS.

**Unit 3: Assessing Working Capital Requirements for Business (12 hours)**

Working capital, factors determining working capital. Estimation of working capital requirements. Financing of working capital. Optimum Inventory level, cash conversion cycle.

**Unit 4: Business Analysis and Exit Strategies (9 hours)**

Break even Analysis. Ratio Analysis for evaluation of operating and financial performance. Fundamental analysis. Growth and exit strategies. Process of IPOs.

**Essential/Recommended Readings:**

1. Leach, C.J. and Melicher, R.W.: Entrepreneurial Finance, Thomson.
2. Stanton, J.M., Entrepreneurial Finance – For New and Emerging Businesses, Thomson

**Additional Readings:**

1. Smith, J.K., Smith, R.L. and Bliss, R.T., Entrepreneurial Finance, Stanford University Press
2. Smith, J.K. and Smith, R.L., Entrepreneurial Finance, Wiley
3. Rogers, S., Entrepreneurial Finance, McGraw Hill
4. Chandra, P., Financial Management, McGraw Hill