

**SCHOOL OF PLANNING AND ARCHITECTURE, VIJAYAWADA  
(LECTURE PLAN)**

Subject: **Project Finance and Risk Management (MBEM 213)**

Class: MBEM, III Semester

Dr.M Kranti Kumar  
Internal Marks: 50

Dept: Architecture  
External Marks: 50

Number of Hours:03  
Total Marks: 100

**Objective:** The objective of the course is to familiarize the fundamentals of finance and risk management concepts and their applications in the various phases of the project cycle of construction projects. The course aims to provide a basic knowledge to carry out the financial feasibility of projects, evaluation of project investment decisions.

S.NO	DATE	TOPIC OF CLASS LECTURE & DISCUSSION	REMARKS
1	Week 1	Introduction to Project Finance and Risk Management in construction and basic discussion.	Lecture
2	Week 2	Introduction to Risk Management in construction and basic discussion.	Lecture
3	Week 3	<b>Risk Management</b> <ul style="list-style-type: none"> <li>➤ Risk analysis concepts</li> <li>➤ Methodology and application</li> </ul>	Lecture
4	Week 4	<b>Risk Management Plans</b> <ul style="list-style-type: none"> <li>➤ Risk communication</li> <li>➤ Risk registers</li> <li>➤ Risk charters and risk management plans</li> <li>➤ Risk management planning case studies.</li> </ul>	Lecture
5	Week 5	<b>INTERNAL TEST/PRESENTATION</b>	
6	Week 6	<b>Finance Management</b> <ul style="list-style-type: none"> <li>➤ Finance Management</li> <li>➤ Capital budgeting techniques</li> <li>➤ Understanding and analysis of financial ratio</li> <li>➤ Cost-benefit analysis</li> </ul>	Lecture
7	Week 7	<ul style="list-style-type: none"> <li>➤ Replacement analysis</li> <li>➤ Break-even analysis</li> <li>➤ Binancial statement analysis</li> <li>➤ balance sheet</li> <li>➤ Income statement</li> <li>➤ Project-loss statements</li> <li>➤ Profit after taxation</li> </ul>	Lecture
8	Week 8	<b>Financial Models</b> <ul style="list-style-type: none"> <li>➤ Financial investment alternative models</li> <li>➤ Assessing financial health of projects</li> <li>➤ Risks and uncertainties in capital budgeting</li> </ul>	Lecture
9	Week 9	<b>Holiday</b>	
10	Week 10	<b>Mid-term</b>	
11	Week 11	<ul style="list-style-type: none"> <li>➤ Performance budgeting</li> <li>➤ Financial Planning</li> <li>➤ Preparation of financial feasibility report</li> </ul>	Lecture

		<ul style="list-style-type: none"> <li>➤ Project investment decisions</li> <li>➤ Financial risk analysis</li> </ul>	
12	Week 12	<ul style="list-style-type: none"> <li>➤ Practical problems</li> <li>➤ case studies discussions</li> <li>➤ application to projects</li> </ul>	Lecture
13	Week 13	<p><b>Norms &amp; Procedures for finance</b></p> <ul style="list-style-type: none"> <li>➤ National economic status and impact on construction</li> <li>➤ Financial accounting and budgeting</li> <li>➤ Forms of business organisation (including joint ventures, consortiums) International finance</li> </ul>	Lecture
14	Week 14	<ul style="list-style-type: none"> <li>➤ Role of financial institutions</li> <li>➤ Project financing norms and procedures of International financial institutions</li> <li>➤ Financial management of international projects</li> </ul>	Lecture
15	Week 15	<b>INTERNAL TEST/PRESENTATION</b>	
16	Week 16	<b>Revision</b>	
17	Week 17	<b>Revision</b>	

#### **Tentative Break-up of Internal Assessment**

S. No.	Evaluation	Marks	Note
1	Internal test/ Individual Assessment	15	1. Marks allotted at each stage is tentative 2. New stages or categories of evaluation may be included if and when the need arises
2	Mid Term Exam	20	
3	Seminar Presentation	15	

#### **Reference Books**

1. Roy Pilcher (1985) "Project Cost Control in Construction," Collins Professional and technical books, London.
2. Humphreys, K.K., and Wellman, P. (1996) "Basic Cost Engineering," Marcel Dekker, Inc. New York.
3. M Pandey, Financial Management, Vikas Publishing house pvt ltd 9th Edition.
4. Donald Newnan, Engineering Economics analysis, Oxford University Press
5. Roy Pilcher, Principles of Construction Management, Mc Graw Hill London.
6. A.H. Taylor & H Shearing, Financial & Cost Accounting for Management Mac Donald & Evans Ltd, London 8th.

Sd/-  
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