



ENT-2026: Monsoon 2023
Demystifying Investments: Private Equity & Venture Capital (PEVC)

Class: Friday 3:00 to 6:10
Google Classroom Link: TBA

Instructor: [Shridhar Sethuram](#) (PGDM IIM Ahmedabad)

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Office Hours: Thursdays: 6:30-9:30 pm or online with prior requests

- Link to Sheet:

https://docs.google.com/spreadsheets/d/1Yq7VKNFZEyFguPv_P7139ama70H0_VwkBSTjzRbk110/edit?usp=sharing

Course Overview:

The rapid growth of Institutional Capital deployed within emerging markets, incl India, has created significant opportunities for entrepreneurs across a variety of sectors, incl the social impact sector. Institutional Capital denotes all types of capital including Grants, Angel, Seed Venture Capital Private Equity, and long-term Hedge Funds. This course will offer students the opportunity to hear of, and participate in, the opportunities and challenges facing institutional investors. The course will include India specific case studies and sharing of experiences of successful investors and entrepreneurs. It covers several industries incl Real Estate, Fin Tech, Social enterprises, and Ecommerce.

The course is based on the fundamental premise that the personal life & career of every individual is also one of an investor and entrepreneur (everyone has to have an entrepreneur mindset whether salaried or an entrepreneur). Students can apply the same investment principles when taking decisions in professional life – incl. when they decide their career choices (where to invest the time capital of life). And that their professional journey post-graduation on the 4 pillars of any investment: Risk-Return –Investment-Mindset will mirror the life cycle of any enterprise from a startup (risk seeking) to VC to PE (more conservative) to finally being a Listed company where employers will sell and exit if they do not perform (with multiple turnarounds on the journey).

While this course uses the field of unlisted investments as an anchor, the paramount learning outcome it seeks to deliver to help the participant build a muscle of identifying and having courage to a) admitting about matters we think we don't know b) identify the matters which are important for you and your success in life and c) building a mental process to go out and understand them and learn. You will also experience the stultifying power of fear of failure and helplessness that inhibits success in any investment decision (incl. your decision to invest time and credits in this course)

Course Objectives:

This course is an overview course and not a foundation course. It does not require any prerequisite of finance courses. The course requires considerable amounts of common sense and willingness and ability to apply intellect. In fact, students from non- finance and eco majors/minors have gained substantially and performed better than average in the past editions.

We make sufficient arrangements (by means of external resources, remedial classes from TA & group leaders) to enable non-fin- eco students to self-learn basic concepts like NPV, IRR and cash flows within the first 4 sessions of the course

The course provides

1. Insights into the journey of the lens mindset and decision frameworks of Investors and their decisions in unlisted assets across life stages from startups to a listed entity (Grants- Seed- VC- PE – Listed) in emerging companies in India
2. Distinct perspectives of investors at various stages of the enterprise
3. Explore specific examples of investor decisions that causes them to invest with entrepreneurs.
4. Discuss the most important aspects of unlisted investments
5. Equip students with the tools and knowledge to identify and make better informed decisions from the perspective an Institutional investor.

6. If time permits, we will also provide the counter perspective of entrepreneur at each of the stages.

Target Participants:

1. Students who seek to work in investment management (VC/PE firms) or consulting firms or investment banks
 - o Understand nuances of how investors firms evaluate investments and their reasons for seeking out certain entrepreneurs.
2. Students who seek to join start-ups and/or to be entrepreneurs,
 - o An insight into the mind set of decision maps of private investors and actions that they may face in their entrepreneurial journey.
 - o Provide an insight into how entrepreneurs think while raising capital
3. Others
 - o Institutional capital will likely have deep impact on your career choices and life as a working professional. Will enable students to decide on choice of sectors and understanding of various drivers of strategic top management decisions of the firms they work with

Optional Textbooks (TBD):

1. Entrepreneurial Finance, 5 th ed., Leach, J.C., and R.W. Melicher, South-Western College Pub
2. Venture Capital and the Finance of Innovation, 2nd ed., Metrick, A., and A. Yasuda, John Wiley & Sons

Organization of the Class:

A. The course is conducted in 15 sessions of 180 mins each. You are expected to contribute to class, to have completed the readings PRIOR to coming to and to be prepared to discuss the readings in class. Your class contributions will be part of your participation grade. To prepare for the class, you should write down one or two questions or discussion points that come up for you which will help the other participants of the class.

B. Assignment Submissions: Students will be expected to work in Groups of 2-5 and submit group submissions for ALL sessions. Students will be expected to commit at least 2-3 hours per session for out-of-class readings and group projects.

C. Fireside Chats: **All speakers are tentative and subject to calendars and confirmation.** Guest sessions will be of 45 - 60 minutes These will be conducted in Fireside chat mode curated by pre-assigned student groups. The questions will be pre-curated by the host student panel and restricted to learning outcomes required by the session.

Evaluation:

The course is designed to be a) highly practical, b) supremely challenging requiring intellectual application & agility and c) intense class participation. While the course is focused on learning outcomes and not on grades, it follows the Ashoka standard grading rubric as follows:

Percent	Letter Grade	GPA Quality Points
90 – 100	A	4.0
85 – 89	A-	3.7
80 – 84	B+	3.3
75 – 79	B	3.0
70 – 74	B-	2.7
65 – 69	C+	2.3
60 – 64	C	2.0
55 – 59	C-	1.7
50 – 54	D+	1.3
45 – 49	D	1.0
40 – 44	D-	0.7
< 40	F	0

Proposed Grading:

1. Class Participation and Attendance: 20 % (**absence in more than 2 sessions without prior TA consent will lead to zero marking**). Class doors close on the dot and no entry post start of class. Classes also end on the dot unless with participant consent
2. Group Submissions: 20%
3. In-Class Surprise Quizzes: 15% (**freeloaders beware**)
4. Individual Submission: 10 %
5. **Peer rating from group on the participation of individual group members: 15 % (freeloaders beware)**
6. Final Group Assessment.: 20%

Assignment Descriptions:

Attendance & Participation (20%): To be marked according to the standard ENT department rubric. (An explanatory paragraph by the TA will be circulated before the course starts)

Group Submissions (20%): As below for various sessions

In class Surprise Quizzes (15 %): These will be designed to test if the participant has prepared for the session

Individual Submissions (10%): **As below** This will be in the form of one-pager submissions and short MCQ based in class quizzes. The dates for the same will be announced in class and the first quiz will tentatively be held in the third week.

Peer Rating (15%):

A google form will be distributed after each assignment to all group members to peer review their teammates. Each group assignment will carry a weightage of 1% in the peer rating and the rest will be reserved for the final group assessment. The peer rating will be the average of the score given by one's fellow group members

Final Group Assessment (20%):

1. Max 5-page PowerPoint individual submission of any recent investment by a PE/VC OR an IPO exit of a PE funded entity
2. Investor thesis to its Investment Committee seeking investment approval in a recent investment
 - o The rest of the students will role play an investment committee
- a. **Initial Submission:** Students will submit their selection of top 3 choices with rationale as to why they chose the entity. Faculty will allocate one of the 3 -post Session 4
- b. **Final Submission:** a) Presentation to an IC on their selection and basis before Session 13. B) Session 14 and 15 will be in class presentation of actual investment thesis.

Note:

Detailed instructions pertaining to the individual and group assignments will be made available on Google Classroom.

Details for assignments:

1. All presentations are restricted to **5-6 PowerPoint** slides.
2. All papers should be typed, double-spaced, size 12 with 1-inch margins all around, using Times New Roman or a similar type of font.
3. **Due dates** to be announced on Classroom.
4. Please proofread your work before submitting it to avoid losing points
5. Assignments are due at **10:00 pm** on the date they are due.

Assignments turned in after 10.00 pm of the due date will be considered late and will be graded down. Assignments will lose 10% of the total grade in cases that they are submitted late (including weekend days). We will not accept assignments that are more than 3 days late and without an excused reason.

If you have a well-documented excused reason (i.e., a delay in submission due to extenuating circumstances such as major medical illness or family emergencies, please email us as soon as possible and provide the required documentation).

Expectations (from students)

TBA in class

Course Outline and Tentative Schedule:****SYLLABUS IS SUBJECT TO CHANGE BY INSTRUCTOR, W/T ADVANCED NOTICE****

Session	Topic	Sub-Topics	Guest Speaker	Assignments Due/Case Study
1.A	Overview of the Entrepreneur Journey and the Sourcing of Institutional Capital	<ul style="list-style-type: none"> a. Why entrepreneurship at all? b. Hallmarks of a successful entrepreneur and enterprise. c. Challenges of being an entrepreneur in India. d. Potential points at which Institutional Capital is beneficial. e. Examples of successful startups. 	N.A.	Analyze 1 Indian fund / family office / investment managers that you want to join as an analyst a) Do analyze their strategy, portfolio, people and exits and state why you would like to join them? Why should the fund select you as an intern? As a part of the project, you are free to speak with the partners of the firms
1.B	Industry Overview of Seed Capital / Venture Capital / Private Equity	<ul style="list-style-type: none"> a. Overview of the Sector b. Where do Private Equity Investor returns come from? c. What type of entrepreneur and startup should the Private Equity firm seek out? d. Structuring of Private Equity investments, GP/LP structures e. Managing a multinational fund versus one run from a single office f. Nuances of Family offices Understand how firm and fund size can influence deal sourcing and selection, enterprise valuation, portfolio mix, and the management of portfolio companies 		As mentioned above

2	The fundamentals of investments	<ul style="list-style-type: none"> a. Business Strategy b. Customer Obsession c. Risk d. Return -IRR NPV e. Mindset f. Investments g. Valuation h. Any other concepts the class wants to discuss 	Prabhat Agarwal	Application of basic concepts of investments to your personal life:
3	Economics of an Institutional Fund	<ul style="list-style-type: none"> a. How is a fund structured? b. How does carry pool work? c. How does the whole ecosystem make money.? d. The mindset of LPs who invest in the funds. 	Srikrishna Dwaram	Seed Fund https://hbsp.harvard.edu/product/IMB727-PDF-ENG
4	Investing Seed Capital /Angel Capital at the start of business	<ul style="list-style-type: none"> a. Why should one invest in a particular sector? How are opportunities sourced? b. What are the various tools used in investment analysis? c. How does one choose companies to invest in? What should one look for in an entrepreneur? d. Valuation and its drivers. Structuring of the investment e. Various Terms of the Term Sheet 	Mikul Patel Rahul Mirdha	Moodcafe: From India Conception to Raising Funds (iima.ac.in)
5	Private Equity Investment at Take off Stage -Sector Real Estate	<ul style="list-style-type: none"> a. The dynamics of the Real Estate sector b. How is it different from other asset class 	Shridhar Sethuram	Rising Sun Towers: Private Equity Investment in Residential Real Estate (isb.edu)
6	Scaleup: Investing in high growth -Fintech		Ramaswamy Iyer	Vayana
7	Scaleup: Investing in high growth -FMCG		Vineeta Singh	Sugar Cosmetics
8	Deciding on Exits - For profit Social Impact entrepreneurship		<ul style="list-style-type: none"> a. Rajnish Dhall (Founder, MHFC) b. Geeta Goel (MD,MSDF) 	Micro Housing Finance Corporation (iima.ac.in) Micro Housing Finance Corporation (hbr.org)

9	Rescuing PE investments gone awry – Turning it around		Anuj Puri/ Shashank Narayan	Wagholi Apartment Project: Restructuring a Private Equity Investment in Real Estate (isb.edu)
10	Investing in Pre-IPO or IPO of a PE funded enterprise		Policy Bazaar	IIFL Securities
11	Corporate VC and Family offices		MD Ranganath (Chairman, Catamaran Ventures)	https://store.hbr.org/product/naukri-com-b-corporate-venture-capital-in-india/IMB919
12	Stock markets with a Private Equity Mindset		Anand Sridharan Nalanda	Exide and Amaraja batteries
13	Place holder to handle backlog or additional topics			
14 & 15	Presentation of an Investment Committee (IC) Presentation for an Investment		Group Class Presentation	

Faculty Details:

Shridhar Sethuram, an alumnus of IIM Ahmedabad, is a private equity professional with 25+ years of investment & operating experience across asset classes, industries, and life stages. Currently Partner and MD with **Suyash Advisors**- a boutique PE firm, his prior experience includes ICICI, Hathway investments, Accenture & Actis Private Equity. Suyash has 15+ years expertise in asset management of over USD 1.5 Billion across multiple asset classes including Public Equities, Private Equity, Real Estate & Distressed Assets. Suyash specializes in bringing a Private Equity approach to investments across sectors and life stages. The team has delivered immense value addition to portfolio companies through involvement at Board, Strategic & Operational levels and has successfully mentored multiple entrepreneurs with their rapid scale-up efforts.

He is co-protagonist and Partner of **Ujwal Impact Advisors (UIA)**- a pro-bono ecosystem intervention endeavoring to build a collaborative of a) a community of social entrepreneurs with catalytic alliances with b) large philanthropists & CSR donors to improve impact on donor philanthropy investments c) Professionals wanting to invest part-time time in the social space and d) large domain/ social sector organizations for mutually beneficial alliances with the community: <https://bit.ly/426VNxC> . UIA PWD :<https://bit.ly/43sz6Fa> has been launched in Jan 2023

He is a founding Partner with India Impact Sherpas, a boutique consulting firm for large philanthropists (foundations, CSR donors & UHNI / Family offices) and enterprises in the development sector: www.impactsherpas.in

Shridhar has backpacked 125+ countries & all the 7 continents. He authors a popular travel photoblog www.backpackthru.life. An avid marathoner (18 marathons) & cyclist (cycles everywhere in Mumbai), he has been a practitioner of meditation for 2+ decades. He is also guest/visiting faculty at various BSchools/GradSchools & a freelance corporate trainer & accredited coach. He has authored multiple HBS/IIMA/ISB cases with an objective to share with students, learnings of various investments made in India.

Shridhar has been a practitioner of strategic investment in his own life journey and has coached over 100 + people in adopting a more nuanced view of their lives.

STANDARD COURSE POLICIES

Academic Honesty and Plagiarism:

The best learning communities are characterized by a commitment to integrity in academic standards and professional conduct. Students are expected to understand and abide by the campus Code of Academic Integrity. I will be using the Turn-it-in software provided by the university to detect plagiarism. If the software detects plagiarism in your work, you will lose the entire grade component for that assignment and depending on whether this is the first time or a repeat offense, the citation of plagiarism (that includes copying in an examination) will be reported to the Office of Academic Affairs. Please make sure you are well versed with what constitutes plagiarism and how to avoid it. For example, copying verbatim and including the citation in the references is still plagiarism. Similarly, circulating the same essay for different courses is plagiarism. There are no acceptable excuses for failure to maintain academic honesty. **You can use ChatGPT and other LML engines, however please give due credit AND be prepared to explain the learning outcome in class when asked**

Academic Accommodations:

Students requiring specific academic accommodations should contact me with the appropriate documentation from OAA and/or OLS during the first week of the semester. If you need accommodations, I strongly encourage you to not wait till the week of the assessment/exam. Please reach out to the OLS as soon as possible and we will do our best to support you. I will not be able to offer accommodations if I do not have the required documentation. I will also not be able to support any last-minute requests for extensions, exceptions and/or other accommodations.