



NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKIWE EXPRESSWAY, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF ENTREPRENEURIAL STUDIES
2020_1 EXAMINATION

COURSE CODE: ENT302

CREDIT UNIT: 2

COURSE TITLE: FEASIBILITY AND BUSINESS PLANNING

TIME ALLOWED: 2 HOURS

INSTRUCTIONS:

- 1. Attempt Question One (1) and any other two (2) questions**
 - 2. Question 1 carries 30 marks, while the other questions carry 20 marks each**
 - 3. Present all points in coherent and orderly manner**
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Question 1

- (a) Enumerate Steps in Economic Analysis **10 marks**
- (b) What are the Linkage Effects of a project? **10 marks**
- (c) Itemize the types of questions economic analysis tries to answer. **10 marks**

Question 2

A pure water firm project costs N2,000,000 to set up and generates year end cash inflows of N800,000, N900,000, N1,000,000 and N800,000 over a four year period. The required rate of return is 10%. Calculate the net present value of the bakery project. **20 marks**

Question 3

This simple assessment of the location, market, and so on can save the entrepreneur from a potential disaster. Maps that locate customers, competitors, and even alternative locations for a building or site can be helpful in this evaluation. Carefully outline some of the important questions that might be asked by an entrepreneur Creating and Starting the Venture.

20 marks

Question 4

It is believable that the entrepreneur will prepare a preliminary business plan from his or her own personal viewpoint without consideration of the constituencies that will ultimately read and evaluate the plan's feasibility. Mention and explain the prospective evaluators of business proposal. **20 marks**

Question 5

What are benefits of using equipment leasing in financing a new venture. **20 marks**