



The Institute very proudly held the first convocation of its Post-Graduate Diploma Course in Business Entrepreneurship and Management on 27th July, 1999. And the stature and brilliance of the Convocation Speaker, Shri Yashwant Sinha, Honourable Union Finance Minister made the occasion a memorable one. The occasion belonged to the 54 young (post) graduates who will be starting their careers in new enterprise creation or family business management or



launching and managing an NGO, having completed the one-year diploma. In the history of entrepreneurship movement of our country with which some of us have had a long association, the initiation and completion of a post-graduate educational programme in entrepreneurship, very distinct from management education and conventional specialisations in functional management, this is indeed another landmark.

Entrepreneurship has been a rather young and nascent field of education in our country as well as the rest of the world. Who started the entrepreneurship development programme first in the country is not all that significant. What is important is that all of us are still learning to answer these basic questions, what makes an entrepreneur, what makes a successful entrepreneur and what are the processes by which new ventures are formed. Over a period of time these and other questions are explored with increasing sophistication. It is a different story that even today, we do not even agree on definition of an entrepreneur. But today almost 30,000 new entrepreneurs are being created through entrepreneurship training around the country; and the number of colleges, universities and institutions with entrepreneurship courses has also increased from none in 1970 to over 100 today.

What is of great satisfaction to all of us is that interest in entrepreneurship has been growing rapidly. And the status of an entrepreneur has significantly improved in the society as a high achiever, someone who can be a role model compared to the earlier days when they were considered exploiters, money minded, ruthless individuals, who monopolized ownership of business. More young men and women from all walks of life are now attracted to self-employment and being on their own, so that they can utilize their creativity, initiative, sense of freedom and independence.

This is very important. Because findings of recent survey conducted by an international business school has ranked India as high as third among 34 countries in terms of possible brain drain. More than six out of ten well-educated people in India are likely to emigrate to foreign countries in search of better job prospects. But why this exodus? Four reasons are cited: advancement of career, money, opportunity to work on cutting edge technology and a better quality of life. It is my submission that being an entrepreneur; setting up and owning your own business in any form, fulfills not one but all the four of these expectations i.e. career, money, technology focus and quality of life. And you serve your own country without leaving its shores. We should all work towards taking entrepreneurship into education to keep our talent in the country. Our post-graduate diploma should be viewed in this context as well. The number in the first group was small (60), but it will grow. For the second year, which began in August, already 65 have joined with 20 in the NGO stream and 50 for new venture creation and family business management.

Graduating students are therefore pioneers and our ambassadors to the society. We hope they will become role models to the youth over a period of time. At this stage, I would like to encourage and invite all entrepreneurship centres and institutes in the country to explore launching such long-term education programmes to make a decisive dent in the still prevailing middle class "job mentality" among parents and students. EDI will be more than happy to share its experiences, as it has always done, to support any endeavour in this direction.

- V. G. Patel

First Convocation of PGDBEM

CONVOCAATION



Chief Guest of the convocation function, Hon'ble Union Finance Minister, Shri Yashwant Sinha seen with EDI Governing Body Members (right to left) Dr. M. V.d. Bogaert, s.j., Dr. Sailendra Narain, Shri Subodh Bhargava, Dr. Y. K. Alagh, Shri G. P. Gupta, President-EDI, Shri C. T. Benjamin, Ms. Madhura M. Chatrapathy, Dr. V. G. Patel, Vice-President & Director, EDI and Dr. KVSM Krishna, Course Director, PGDBEM

The first convocation of 'Post Graduate Diploma in Business Entrepreneurship and Management (PGDBEM)' took place on 27th July 1999 at EDI campus. The Chief Guest for the occasion was Shri Yashwant Sinha, Hon'ble Union Finance Minister.

In his welcome address, Dr. V. G. Patel, on behalf of the Institute's President, the Governing Board and all present, extended a very hearty welcome to the Chief Guest, distinguished Finance Minister, Shri Yashwant Sinha, and mentioned how special the event had become by his presence. He then welcomed the members of EDI Governing Board and the President of EDI, Shri G.P. Gupta.

In his presidential address, Shri G.P. Gupta said that the Institute symbolizes what development banking has been all about. In the rapidly changing and more competitive environment, need for capacity building of entrepreneurs and their organizations has grown even further and EDI is well placed to play this role, he opined.

He said he was pleased to highlight that the Institute has remained focused with reference to its Mission to develop and nurture entrepreneurship while constantly aiming to become and remain financially viable.

This Post-Graduate Diploma In Business Entrepreneurship And Management, he remarked, is backed by a track record of solid experiences and significant contributions in the field of entrepreneurship.

The President then shared some of the achievements of the Institute with all those present.

Speaking on the future plans of the institute, he said that in the next few years, the Institute intends to work towards ensuring that access to entrepreneurship training is available to every potential entrepreneur in any part of the country. Besides, he mentioned some other plans of EDI aiming at increasing the supply of entrepreneurs in all parts and sections of the country.

Speaking on the course, he said that the Post-Graduate Diploma in Business Entrepreneurship and Management focuses on *New Enterprise Creation* as a goal for the young graduates and prepares sons and daughters of *Family Business Owners* for joining their businesses. It also develops "Intrapreneurs" or "Entrepreneurial Managers" who will be a critical factor in deciding the performance of companies. "But we are equally keen on the fourth unique specialisation i.e. *Launching and Managing NGOs*," he added. The NGO sector is bound to grow and it will need competent manpower and the Institute intends to make its contributions through this course, said Shri Gupta.

Shri G. P. Gupta concluded by expressing satisfaction over the fact that young boys and girls now choose becoming an entrepreneur as a desirable and deliberate career choice or choose to work for an NGO rather than treat it as a last option after chasing admission into corporate job-oriented courses. Today, the first diploma programme has concluded and 54 boys and girls will enter the economy to make their contributions by setting up own enterprises and creating jobs or contributing to the performance and growth of family businesses or strengthening the NGOs to help rural and urban poor, he stated.

The Chief Guest for the occasion, Hon'ble Shri Yashwant Sinha, began his address by complimenting EDI and its Governing Board for conducting this diploma programme, which focuses on Entrepreneurship covering areas such as New Enterprise Creation, Entrepreneurial Management, Family Business Management and Launching and Managing an NGO. Each one is crucial, he emphasized.

The EDI, he said, has been spearheading entrepreneurship throughout the nation with a belief that entrepreneurs need not necessarily be born but can be developed, and went on to talk on how to achieve this in the rapidly changing global economy.

Shri Sinha then examined the economic environment that entrepreneurs will have to deal with and added that globalization and technology are transforming our economy.

He remarked that, as the new global economy takes shape, creative entrepreneurship has a critical role to play and it is obvious that most of the ideas that determined entrepreneurial principles and business decisions in the past will have to make way to new practices. Accordingly entrepreneurial activities will change in the years to come he added and explained how technocrats and professionals, equipped with knowledge and state-of-the-art technology, will replace traditional business people. He expressed hope that this new generation of Managers will mould Indian Industry.

Shri Sinha then pointed out two traits of Indian business, which unfortunately, he felt have not served the industry well in the past. First, several enterprises seem to be too complacent. There are instances of overconfidence leading to over-ambitious expansions and diversification into unrelated lines. These are mistakes that Indian

entrepreneurs cannot afford, he warned.

Second, a section of Indian industry fears that Indian enterprises can never compete on equal terms with their foreign counterparts, Shri Sinha said with concern. Highlighting the strengths of Indian industry, he said that it has decades of industrial and entrepreneurial experience in our local markets and this invaluable experience can enable Indian firms to develop effective strategies, assured the Minister and advised the Indian entrepreneurs not to fear competition but carve out niches for their enterprises, at home and abroad.

Pointing out to the innovative tools in this dynamic economic situation, Shri Sinha said that today's entrepreneur must understand the new rules governing competition. Internet technologies and outsourcing are two trends that are driving innovation today, he informed.

After covering the major forces shaping our economic environment, Shri Sinha went on to explain how policies have been designed to help Indian entrepreneurs and businesses.

He made a special mention of the proposed National Foundation for helping innovators all over the country.

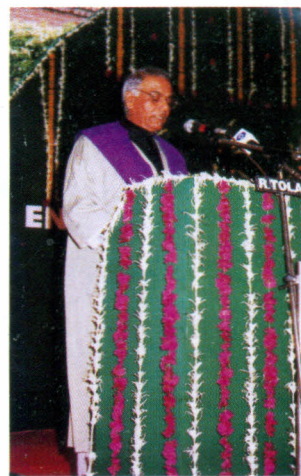
He added that the Government is determined to create an enabling environment for allowing entrepreneurs the scope to optimally utilise their skills and that the Government has implemented measures to create a level playing field for domestic entrepreneurs and promote competition.

Touching upon an important area, the Finance Minister pointed out the importance of small scale sector. He said that the sector has not only diversified the pattern of industrial growth but has also created ample employment opportunities for the skilled labour force in the country.

Shri Sinha concluded by pointing out that the challenge lies in development of entrepreneurship which can stand global competition and said that he was confident that the students will seize their destiny and go onto create great companies. He also promised support to the students in every way possible.

During the function Diplomas were conferred on 54 students. The following 4 students received Scholastic Medals at the hands of the Union Finance Minister - Ms. Grishu Gupta, Mr. Vinod Agarwal, Mr. Mahesh Lalwani and Mr. Anupam Saikia.

The function concluded with a Vote of Thanks by Dr. V. G. Patel and with the return of the procession.



*Shri Yashwant Sinha
delivering his
convocation address*



Hon'ble Union Finance Minister Shri Yashwant Sinha inaugurating the Convention-cum-Exhibition at Hazaribag, Bihar. Also seen (on his right) is Dr. Sailendra Narain, Managing Director, Small Industries Development Bank of India.

EDI collaborated with Small Industries Development Bank of India (SIDBI) for providing support to Rural Industries Programme (RIP) launched by SIDBI three years back. The objective of launching RIP was to develop viable and self-sustaining enterprises in rural and urban areas. To further facilitate the process, implementing agencies were appointed in selected districts of the states where the programme was launched, i.e. Uttar Pradesh, Madhya Pradesh, Bihar and Orissa. During the financial year 1997-98, the Institute was entrusted with the job of providing support to the implementing agencies so as to speed up the process of enterprise promotion and development in these areas. A team known as EDI-STR, comprising three professionals specialising in entrepreneurship training and counselling, marketing and technology was constituted.

In the aforesaid states, EDI has conducted several technological exhibitions and conferences so that the programme could be further strengthened. To encourage local entrepreneurs, EDI worked in association with national level institutes like, Central Glass and Ceramic Research Institute, Calcutta, National Institute of Design, Ahmedabad, Metal Handicraft Service Centre, Muradabad etc.

Besides intervention by way of identification and transfer of appropriate technologies for establishing commercially viable enterprises in various areas, upgradation programme for brass metal units acquires a place of prominence.

In the year 1998, all brass making units of Hazaribag were researched which revealed that most of the places had the potential and could be the birth place of several successful entrepreneurs. All that was required was training, technology and financial support. To achieve this, knowledge on latest production techniques through practical demonstrations by master craftsmen from the already developed brass metal cluster at Moradabad was provided. This impact making action was followed by another concrete measure i.e. bank linkages provided in association with RIP implementing agency, Nav Bharat Jagriti Kendra. This resulted in setting up around 100 small and micro enterprises in Brass Metal Wares production. The motivation generated was such that it sparked interest in other potential entrepreneurs of the region, with the result that within a period of six to eight months, 204 units were set up.

In order to keep the interest going and motivation strong, it was planned to promote interactions between entrepreneurs and technology/market support agencies. Besides, a convention was thought to be a perfect option for displaying the achievements.

A one-day Convention-cum-Product/Process Exhibition was therefore organised at Hazaribag on 19th July, '99.

Hon'ble Union Finance Minister, Shri Yashwant Sinha inaugurated the exhibition in which around 30 successful entrepreneurs displayed their products/process. Also present on the occasion were, Shri Sailendra Narain, Managing Director, SIDBI, Dr. V.G. Patel, Vice-President and Director, EDI, Dr. Mahesh Sharma, Chairman, KVIC, Shri Girija Satish, Executive Director, NBJK and senior bureaucrats from the State Government.

The Hon'ble Finance Minister expressed pleasure and satisfaction over the progress made under the efforts of SIDBI and EDI which resulted in a remarkable achievement, i.e. creation of more than 200 small enterprises. The potential in brass metal sector in Hazaribag was immense, he felt, and believed that proper support and direction could surely transform it into second Moradabad.

He suggested that Hazaribag and Ranchi should be taken together under RIP to exploit the vast entrepreneurial potential in the area. He concluded by congratulating the implementing agencies for their laudable support and the entrepreneurs for working hard and making this day a reality.

Dr. Sailendra Narain, in his welcome address, spoke about RIP and other P & D initiatives of the bank with a special reference to the state of Bihar.

Dr. V. G. Patel, in his address talked about the concept of entrepreneurship development and reiterated the motto of EDI - convert job seekers into job providers. Besides training, he said, finance, technology and market linkages have an equally important role to play in the success of an entrepreneur. He hoped that Government and institutions like SIDBI continue with their support so that small enterprise development movement gets a further boost.

Rural and Micro Enterprise Development is an important area of activity for EDI. Achievements in terms of number of enterprises set up are uncountable, yet there are miles to go. EDI's association with the Rural Industries Programme (RIP) of SIDBI goes to prove that achievements have only strengthened its determination to make meaningful additions on the rural front.

Study Tour of Bangladesh Government Officials



A team of government officials from Bangladesh visited EDI to study EDI's contribution in the area of Rural Entrepreneurship with special reference to Women and Micro Credit. Team members are seen with (from left) Dr. Dinesh Awasthi, Head, RED Cell, EDI, Dr. V.G. Patel, Vice President & Director, EDI, Mr. Md. Abdur Rab, Deputy Secretary, Ministry of Women & Children Affairs, Bangladesh and (extreme right) Mr. Kirti Vakil, EDI faculty.



Chief Guest of the Valedictory Function Shri Krishnakant Jha, Editor of Gandhinagar Samachar handing over the certificate to one of the participants. Shri Jha is an 'achiever' par excellence. Although physically challenged, he has proved that determination can defeat any hurdle and that a determined person is always a winner.

"Enterprising qualities, motivation, entrepreneurial values, I felt lost when I came here; did not know what relevance these terms had for me," said Anubha Gupta, who had come from Jabalpur. Perhaps this is what all the youngsters who came here for the Summer Camp felt within - highly confused, tense and insecure.

But after 10 days at EDI, the participants were full of confidence, felt motivated and thought about ways of sustaining the entrepreneurial values inculcated in them. They opined that these 10 days had brought about a sea change in their lives. "Now we all have a definite goal in life and are confident enough to carve our own ways to success" said Shanil Bora and everybody agreed with him.

The 8th Summer Camp on Entrepreneurial Adventure for Youth was organised during May 25 - June 04, 1999. The main objectives of this camp were to motivate the youth and foster entrepreneurial traits in them, thus providing them with an opportunity to develop high achievement and enterprising values. Besides, the camp also enabled the participants to realise their latent potential and developed their capabilities to meet the challenges ahead; counselled and motivated them to seek challenging career options; fostered entrepreneurial traits in them and provided them with an opportunity to interact with well known entrepreneurs and achievers.

The uniqueness of the camp lay in its substantial focus on experiential learning through outdoor activities like, interactions with achievers, simulation exercises, business games, puzzle solving, quizzes, competitions and presentations. Other than this, entrepreneurial motivation development exercises, evaluation and development of entrepreneurial traits and competencies, visits to institutions of repute, exposure to potential opportunities, self assessment through psychological tests and instruments, career and psychological counselling were also employed to ensure maximum positive result to the students.

One of the objectives of the Summer Camp was to arrange for interaction between high achievers from various fields and the participants with a view to inculcating the spirit of 'Achieve-

ment' in them. For this Dr. George Joseph, recipient of Padma Bhushan Award in the year 1999 was invited for an interaction with the participants. In an inspiring dialogue with the participants, Dr. Joseph exhorted them to work with commitment and become high achievers in their chosen field.

The Camp Leader, Dr. Sunil Shukla felt content with the results of the camp and its impact on the students. In the valedictory function on June 4, 1999, the Chief Guest Mr. Krishnakant Jha, Editor of Gandhinagar Samachar, a leading state newspaper, advised the students to make maximum use of the training received; participate in activities going around them and also added that it is only they who can make a place for themselves in society and should therefore work towards that. He concluded his note by appreciating such an initiative on the part of the Institute and hoped that all the participants were full of determination and drive to prove themselves in life.

EDI-OLPE STUDENTS EXEMPTED FROM PMRY TRAINING

The Institute had launched Open Learning Programme in Entrepreneurship (OLPE) in January, 1995. Today OLPE has over 1500 learners and it is indeed heartening to learn that all these learners will now be exempted from compulsory training requirement under PMRY after the loan is sanctioned.

The OLPE Cell of EDI was informed about this from the Office of the Development Commissioner, Small Scale Industries, Govt. of India.

This exemption was granted as the course was considered to be a higher level of training.

INCULCATING THE SPIRIT OF 'ENTREPRENEURSHIP' AT A TENDER AGE



A similar Summer Camp on Entrepreneurial Stimulation for Children was organised at EDI Campus during 10-15 May, '99. Shri Rajesh Gandhi, Managing Director, M/s. Vadilal Industries, Chief Guest at the valedictory function, is being greeted with a floral bouquet by a young participant. The camp for children was organised with a view to inculcating entrepreneurial qualities in children at a tender age. Shri Gandhi is a 'High Flying Achiever' of the business world and in his valedictory address he infused the students with the values that have always seen him on the pinnacle of success.

Globalisation and economic development of nations call for business operations to be internationalised, deployment and optimisation of new technologies and modernisation. Opening up of the economy has necessitated small enterprises to develop and manage strategies to face international competition. EDI vested with the task of spearheading entrepreneurship movement in the country and sharing such experiences for the benefit of developing countries, has adopted a variety of strategies that have led to formulating programmes for developing potential entrepreneurs and facilitating growth among existing entrepreneurs.

Besides training and research activities aimed at New Enterprise Creation, EDI has initiated a number of activities to help existing entrepreneurs in their survival and growth. 'Growth-cum-Counsellors' Programme, designed by EDI, in association with Durham University Business School (DUBS), addresses the needs of established entrepreneurs, keeping in mind that they suit the Indian conditions. Research conducted by SIDBI brought to the fore that instead of the 'Growth-cum-Counsellors' Programmes'

focussing on the growth of established entrepreneurs, the focus should be on cluster based, as to develop synergies and create a consortium among the members of the cluster. Thus a unique training-cum-counselling programme was offered to leather industry related entrepreneurs of Chennai. The programme was divided into two phases, i.e. 'Training Programme on Effective Business Counselling' and 'Growth Programme' for entrepreneurs in the leather sector to promote cluster-based technology. The programme was sponsored by SIDBI.

Government of India and support system initiatives are ploughing in thousands of crores for modernisation of various industrial clusters & sectors. However, there is need for a holistic approach, as modernisation alone encompasses a lot more than mere upgradation of manufacturing process and facility. EDI initiatives on the leather cluster in Chennai amply state this. EDI intervention included the following :

- A solar-based-tunnel-drier developed after experimentation at tanneries of participants. The intervention is expected to save on energy costs in most tanneries by upto 50% and increase productivity and capacity utilisation. Drying of wet leathers is an important step in tanning. With the existing practice, at drying stage, the product is held up for 3 days. This problem is tackled by substituting overhead conveyor dryer with energy intense tunnel dryer. EDI has developed dryer based on the principle - "black body is the best absorber of radiation energy." This technique not only reduces drying time but also saves energy. This technique is more economical as the initial investment to erect such structure is high as compared to overhead conveyors or energy intense tunnel dryers. Participating entrepreneurs adopted the same technology and EDI is confident that this technology intervention will be replicated in enterprises in the cluster.
- As in many other industries, the leather cluster has its share of job-workers. Some of them



Press meet over conduct of the leather programme at Chennai. Seen in the picture are (second from right) Mr. Nandgopal, General Manager, SIDBI, Mr. Banerjee, Director, Southern Region, CII and Mr. Seetharamaiah, Chairman, CII (Southern Region).

INFRASTRUCTURE PRECEDES INDUSTRIAL DEVELOPMENT AND ENTREPRENEURSHIP

have been encouraged to go in for facility upgradation/ expansion and secure working capital-term loan assistance. Manufacturing with own working capital is expected to yield higher margins and faster growth. Institutional finance has been sought for some units.

Given lower realisations in tanneries and intense competition among them, some of the operators have been counselled towards forward integration into product manufacturing sector.

Judicial basis for formation of consortia in the form of private limited companies has been designed and small entrepreneurs participated in the programme are expected to operate on a consortium basis.

International consultants with technical expertise in leather, shoe and leather goods categories have offered their services to participants. Entrepreneurs, in the near future are hoped to utilise their experience in different countries / continents including recommended market diversification in the regions of South America, Scandinavia and East European countries, etc. to streamline their marketing strategies and planned promotional visits.

HRD related counselling has also been offered to some of the enterprises. The focus has been on role efficacy at the junior and senior management level and organisational dynamics and structuring.

Attempts at solving the cash crisis of some units are being pursued with concerned financial institutions.

Cost audit is being pursued in some enterprises. Focus is also on 'contribution analysis for pricing' in an increasingly competitive market.

A few wholesalers/ retailers/ distributors of leather products abroad have been brought in touch with entrepreneurs in Chennai in order to meet recommended growth option of avoiding middlemen to the extent possible.

Smaller dyes and chemical manufacturers of Gujarat, a base of the Indian Chemical Industry have been linked to entrepreneurs at Chennai. The average price differential between locally available chemicals from large MNCs/ units and indigenous smaller manufacturers of Gujarat is believed to be at least in the range of 20%. This will facilitate reduction and manufacturing cost of enterprises.

Systems related counselling (TQM/ ISO 9000) to improve efficiency is being provided by counsellors; similarly software and system counselling have been offered in terms of upgradation of facilities (systems/control/ marketing) e.g. Web page development. This has been a successful initiative on the marketing front.

Initiatives taken by EDI are in the implementation stage and are applicable to other clusters as well. EDI, in future, will be conducting more programmes for export-oriented clusters.



Mr. R. Bannerji, Managing Director, GIIC, addressing the officials during the inaugural function of the programme. Also seen in the picture are (left to right) Prof. V. Padmanand, Faculty Member, EDI, Dr. V. G. Patel, Vice-President and Director, EDI and Prof. Umesh Menon, Faculty Member, EDI.

A programme was organised for officials of Gujarat Industrial Investment Corporation for a week in August under the auspices of the Inter Regional Centre, EDI. The thrust of the initiative was on orienting appraisal officers of the term lending institutions for medium and large scale units of the State of Gujarat towards the scope for infrastructure financing.

The programme considered options in the road, power, telecom and other sectors. Unbundled projects were also considered to facilitate financing by the state level institution. Gujarat being amongst the most industrialised states in India suffers from a relative dearth of infrastructure facilities as do all states in the sub-continent. Fifteen participants including project officers from the GIIC were exposed to real life cases by EDI experts and practitioners. The programme also had a thrust on disseminating the benefits of the UNIDO designed COMFAR III Expert package. EDI serves as a focal point for training and distribution of the exclusive software.

The programme was very well received by the participants. EDI remains confident that the programme will also help foster synergies between EDI and financial institutions. The existing medium and large entrepreneurs trained by EDI could also be directed towards such established institutions for their support.

Pharma Managers : Emphasizing Leadership and Success



Mr. Ganesh Nayak, President of the Zydus-Cadila Group of Companies addresses the participants during the inaugural function.

In order to respond to the rapid economic and market changes, it is necessary to focus on consistent human resource development through training interventions. The training intervention in any organisation for developing competencies acquires significance in the light of the observation that everybody in an organisation possesses creative and innovative instinct and talent, though degree may defer. Through training they can be helped in identifying and assessing their potential and can be motivated further to use them in their job.

Against this backdrop, the EDI organised DISHA (Dominate Industry through Strategic & Holistic Approach) 2000 Executive Development Programme-1998 wherein seven programmes were planned for Area Business Managers and two for Regional Business Managers with the broad objective of making these operational level functionaries entrepreneurial in their behaviour and attitude.

The focus of these programmes was on building new perspectives and developing new competencies in Area Business Managers (ABMs) and Regional Business Managers (RBMs) who are responsible for the overall performance and outcome of market representatives. The emphasis was placed on making the participants aware of their potential, developing their vision, transformational leadership and effective team building attitudes. Besides, development of both hard and soft skills were focussed. Soft skill competencies underlined leadership orientation, motivational inputs, task orientation and interpersonal relationships.

The first round of programme was not just impact making but highly successful which is clearly reflected in the group's market position from ninth earlier to fifth now.

An unprecedented milestone indeed!

With just four months to go for the new millennium,

the group plans to become the harbinger of miraculous success and for this it relies on its 'People'.

With this in mind, Executive Development Programme was reexamined, reanalysed and implemented on separate themes for separate groups, depending upon their area of work and functions. In all, nine programmes have been planned. The different themes identified and finalised after initiating a lot of research are :

- ❖ Interpersonal Relationship & Team Building
- ❖ Motivation in Practice
- ❖ Leadership, Vision & Values
- ❖ Role Clarity & Efficacy
- ❖ Stress Management
- ❖ Intrapreneurship

According to Dr. Sunil Shukla, the Programme Director, "It's hard work for all but it gives me pleasure when I reflect over the fact that in this ascent of the group, the officials trained by EDI have played the lead role." Dr. Shukla makes a special mention of the key officials of the group whose farsighted vision facilitated easy implementation of this ambitious project.

The participants of the programme term it as 'epoch-making.' They feel it's not just their improved knowledge that'll help them set goals which till a little while ago, they felt were not within reach, but also their attitude that now makes them look upon things from an entirely different perspective.

HOLISTIC PROJECT APPRAISAL BEYOND MERE FINANCIALS

Project appraisal by term lending institutions suffers from a drawback in terms of being rather focussed on declared financials, often to the relative exclusion of market and environment specific flux. The need to incorporate economic environment related parameters in terms of vagaries in interest, exchange rates and market demand and perceptions into project appraisal is a dire need. So also is the need for evaluating the competitive environment in an industry incorporating the porterian model. The Non Performing Accounts of institutions could be reduced considerably by this methodology.

Also the maintenance of an inventory of new viable project ideas in different sectors, by development bankers, is crucial for ensuring industrial sustenance. Competitive duplication is hardly tenable and is inefficiency personified.

The programme was conducted for about 15 senior officials of Gujarat State Finance Corporation with an objective to sensitise them to holistic project appraisal. Unique project and technologies in areas including plasma, microbiology, dyes and chemicals, pharmaceuticals, food and agro processing, Information Technology, software and the franchise option were also discussed. GSFC officials under the leadership of Shri S. K. Nanda, IAS, Managing Director, GSFC are expected to form small consortia of companies to work for exports of SME products.

TRAINING PROGRAMME ON INDUSTRIAL PROJECT FORMULATION & APPRAISAL

BASED ON UNIDO'S SOFTWARE - COMFAR III EXPERT FOR FOCAL POINT INSTITUTIONS OF UNIDO-TBIIP PROJECT



A participant welcoming Shri C.K.Koshi, Additional Chief Secretary, Department of Industries & Mines, Govt. of Gujarat, during the inaugural function.

While financial analysis of industrial projects has been an integral part of Project Formulation and Appraisal, the process is now assuming new dimensions in view of increased complexities in the economies the world over. In India, increased activity level by way of planned investments in industrial projects, calls for acquisition of new skills and sharpening of existing ones on the part of Project Analysts.

Technology Bureau for International Industrial Partnership Project (TBIIP), an initiative under the UNIDO Investment and Technology Promotion Partnership Network, was launched in early January 1999 for strengthening Technology Bureau for Small Enterprises (TBSE) and four state-level institutions leading to technology acquisition from developed countries, transfer of Indian technologies to developing economies and less developed countries, networking with national/international institutions connected with SMEs and implementing technology management programme for high priority SME sectors.

As a part of the capacity building process, a special training programme was organised to equip officers of the focal point institutions of TBIIP on UNIDO's tools and methodologies on project evaluation. A special feature of the programme was hands-on training covering UNIDO-developed software viz., Computer Model for Feasibility Analysis and Reporting (**COMFAR III Expert**). The Inter Regional Centre for Entrepreneurship and Investment Train-

ing (sponsored by UNIDO and Govt. of India) at EDI organised a one-week intensive training programme on EDI campus during May 3-7, 1999 involving six hours of classroom inputs and discussions/assignments each day.

In all, 18 participants representing Technology Bureau for Small Enterprises (TBSE) and four state-level focal point institutions of Punjab, Orissa, Gujarat and Andhra Pradesh attended the programme. They were confident that with new insights gained, they would be in a position to do a better job in the area of investment decision making. They felt that the change in them was tremendous and in spite of some of them not having a financial background, they had learnt a lot.

The programme was inaugurated by Shri CK Koshi, Additional Chief Secretary, Department of Industries & Mines, Government of Gujarat. Stressing the need for technology transfer from developed countries to the developing ones for the survival and growth of SMEs, Shri Koshi lauded the role of UNIDO in removing industrial dysfunction in the changed economic scenario. In this context, Shri Koshi felt that the coming together of institutions like; UNIDO, Govt. of India, SIDBI, ESCAP and EDI would surely lead to positive outcome in terms of strengthening TBSE and state-level focal point institutions. Shri Rajiv Bhatnagar, National Project Leader, UNIDO-TBIIP Project, in his address, elaborated on the new initiative under UNIDO's Investment and Technology Promotion Partnership Network.

The objectives of the programme can be summed up as below :

- Familiarise the participants with internationally accepted UNIDO methodology on financial and economic analysis of industrial projects,
- Sharpen the skills of the participants in application of the latest tools and techniques of financial analysis,
- Equip them with the skills necessary to present financial projections as per the standards acceptable to international financial institutions and
- Help them acquire skills in using the latest version of UNIDO-developed software i.e. COMFAR III Expert.

The programme concluded on May 7th with a valedictory function in which one participant from each of the focal point institutions expressed his/her views on the usefulness of the training programme. They highly appreciated the fact that the programme could bring about synergy among the focal points.

During the function, Dr. VG Patel, Vice President and Director, EDI, emphasised the need for financial and economic analysis of industrial projects and the kind of role the officers have to play therein. He said that entrepreneurs are becoming more demanding today and therefore upgradation in terms of knowledge and skills is an absolute necessity. He concluded by requesting the participants to write to EDI about their experiences.

TAPPING THE EXPORT POTENTIAL

The present era of globalisation, liberalisation and privatisation has ushered in a host of new challenges and opportunities. To exploit the opportunities, the entrepreneurs must constantly explore, penetrate and develop new markets in different parts of the world.

The Small and Medium Enterprises have the advantage of adaptability and flexibility, vital for maintaining competitiveness in the international market, but unfortunately lack knowledge on international business environment, marketing techniques, procedures, formalities of export, etc. These coupled with some other factors severely restrict the scope of their export activities.

As a step towards equipping the existing and potential small scale entrepreneurs with knowledge of international business and the market potential of various countries and products, the EDI has been organising a series of workshops dealing with a specific region. The workshops on 'How to do Business with South Africa' and 'How to do Business with Australia' had been recently organised by the Institute to promote business relations between Indian entrepreneurs and these countries. Both the workshops were sponsored by Small Industries Development Bank of India (SIDBI)

HOW TO DO BUSINESS WITH AUSTRALIA

Australia is the thirteenth largest economy in the world. India was the destination of its first export in 1800s. Since then, the commercial partnership has been blossoming. The technologically advanced and internationally competitive Australian market is one of the best destinations of quality Indian products offered at a competitive price. The 4-day workshop on 'How to do Business with Australia' was organised during May 24 - 27, 1999 at Mumbai, with a view to enhancing the general export competencies of medium and small entrepreneurs.

The main objectives of the workshop were to promote business relations of Indian small enterprises with Australian SMEs, impart necessary general knowledge on export marketing, procedures and documentation, costing and pricing, terms of payment, export finance, role of various export promotion organisations. The workshop also aimed at familiarising the participants with the existing business opportunities in Australia, besides informing them about various export promotion schemes offered by SIDBI.

The structure and methodology of the workshop were designed in such a way as to ensure maximum interaction between the participants and the experts on various subjects. Experienced professionals, well-known academicians, industrialists, diplomats and government and banking officials, besides EDI experts provided the inputs. Exporters active in Australian market also shared their experiences.

The participants immensely benefited from the workshop and established contacts with some of the key officials from the office of Australian Consulate as also Western Australian Trade office. The participants have decided to take immediate action and establish business relations with Australia as they say they have now gained complete knowledge on the various business opportunities in the continent.

HOW TO DO BUSINESS WITH SOUTH AFRICA

The post-apartheid South Africa undoubtedly offers tremendous business opportunities to Indian exporters. After the lifting of trade sanctions, India's trade with South Africa has grown manifold. Small and medium enterprises from both nations can gain a lot as opportunities are in abundance. The EDI, therefore, in collaboration with Centre for Entrepreneurship Development - Madhya Pradesh, organised a workshop on 'How to do Business with South Africa'.

The main objective of the workshop was to identify products which have good market potential in South Africa. This was achieved by imparting knowledge on export marketing

procedure and documentation, costing and pricing, terms of payment, export finance and insurance and role of various export promotion organisations. The workshop also focused on familiarising the participants with the existing business opportunities in South Africa and discussing with them the various marketing strategies for promoting exports to South Africa. Joint ventures and technical collaborations among small and medium enterprises from India and South Africa were also discussed at length.

The structure and methodology of the workshop ensured maximum interaction between the participants and the experts. EDI Expert on Internet explained about capturing the merging markets by using latest developments in Information Technology. Experienced professionals, well-known academicians and diplomats delivered useful lectures.

In his valedictory address, Mr. Manoj Goyal, Managing Director, Madhya Pradesh Export Promotion Corporation, thanked EDI and SIDBI for planning such a useful workshop.

The participants got a clear idea about the support system and its policies for export promotion besides learning the importance of Internet. Many participants decided to get Internet connection to improve their export efficiency. Most of the participants decided to initiate concrete measures for exports to South Africa.

WORKSHOP ON BUSINESS PROMOTION THROUGH INTERNET



Chief Guest of the inaugural function, Shri S.K. Nanda, Managing Director, Gujarat State Financial Corporation, delivering his address.

A 3-day Workshop on Business Promotion through Internet was organised during July 28 – 30, 1999 on campus. This workshop was sponsored by SIDBI.

The Chief Guest for the inaugural function was

Shri S.K. Nanda, Managing Director, Gujarat State Financial Corporation. Shri Brij Mohan, Chief General Manager, SIDBI was also present on the occasion.

In the inaugural function Dr.V.G. Patel, Director & Vice-President of EDI thanked Shri Nanda & Shri Brij Mohan for their valuable support to new and existing entrepreneurs. Dr. Patel made a special mention of the entrepreneurs (i.e. participants) who had managed time from their busy schedule to attend this very important programme in a new area of technology.

Shri S.K. Nanda in his inaugural speech said that what should come through this workshop is a very deft handling of tool to see that brilliance and creativity are marketed. He urged the participants to know the strength of the area in which they are interacting and operating. According to him the spirit of innovation in a person is the most important thing and after an innovative product is made, Internet, he said is the most appropriate option for promotion. Shri Nanda concluded by pointing out three important areas which the participants should aim at – first, identify unknown frontiers in the areas they operate and interact; second, become the most important marketing cap for the persons interacting with i.e. they should promote linkages between the Internet users and small and rural entrepreneurs in their marketing efforts and charge for the services only after the deal is over. And third, aim at earning name from the Internet, i.e. market oneself.

According to Mr. Abhinav Paranjpe, the Programme Director, the 3-day Workshop aimed at creating an awareness on Internet resources and services, thus enhancing knowledge and skills of the participants in using the Internet; equipping participants with technical and economic aspects of Internet usage and developing skills to design websites for business promotion.

The valedictory function of the workshop was organised on 30 July 1999. Mr. Jay Majithia, Managing Director, Babul Technologies, was the Chief Guest for the function. Dr. V.G. Patel who was also present in the function, expressed happiness over the fact that people from different parts of country and different fields had come for this Workshop and said that this showed the importance people attach to technology. He urged the participants to always aim for a step beyond their activities. He brought to everybody's notice the prevailing competition in every field and emphasized how important it was for people to do a little better than others in order to survive.

Mr.Majithia remarked that the participants of this workshop had got a good opportunity to grow in business. He advised the participants to draw maximum benefit from the learning provided and pointed out some of the tips on how to grow in business with the help of Internet.

According to the participants, the workshop had brought about a tremendous change in terms of their knowledge. They found the classes highly interactive and enriching. They all agreed that the exposure they had got in these 3-days was tremendous.

The EDI organised a Seminar on 'Doing Business with Poland' on 25 May, 1999 at its Campus. It was attended by leading entrepreneurs interested in Export-Import business with Poland. Mr. Ireneusz Makles, Consul of the Republic of Poland in Mumbai was the speaker.

Mr. Makles began by announcing that Poland is deeply interested to boost trade and economic relations with India in general and with Gujarat in particular. Poland with a very fast developing economy and favourable location in the centre of Europe is a very good market and can offer many products and modern technologies as well as import many goods, he added.

In an attempt to boost Indo-Polish trade, Poland is in favour of having a two way credit line of US\$ 50m. The credit line would encourage and stimulate the trade whose current turnover is very low and since the potential and opportunities are tremendous they must be explored, opined Mr. Makles.

Flipping over the pages of past, Mr. Makles said that in the last 50 years or so, Poland has proved itself to be a reliable partner in delivering to India in various sectors such as; power plants, mining equipment and services, engineering goods, equipment and services for oil and gas industry, ships, engines for ships, raw material such as sulphur, fertilisers and other chemicals, steel products, etc.

Tracing the history of Poland, he said that it is the largest country in Central Europe, with a GDP of \$ 180 bn, equal to two-thirds that of India. Since its change from command economy to market economy in 1989, Poland has battled a high-inflation rate of 639% and brought it down to 8.6%, said Mr. Makles with an elated smile.

Slated to become its largest trading partner the European Union in 2003, Poland would like to strengthen its trading relations with India so that India can also benefit from the wider market which it will then be a part of, he remarked. On offering incentives for foreign direct investment (FDI), Mr. Makles added that Poland's FDI had reached \$ 8.5 bn in '98 of which the EU as a whole has 66% share in Poland's export and 64% in imports. The share of CIS and other former USSR amounts to 18% of total foreign trade turnover and that of developing countries to 10%, he said.

"Poland is attractive for FDI because today it is politically stable, located in the centre of Europe and can therefore be an ideal launching pad and springboard to business to the east and west and to the north and south of Europe. Poland also has a well-skilled labour force and has transparent rules for foreign investors and allows the transfer abroad of the whole of the profit." said Mr. Makles.

With 70% of trade in the hands of the private sector, Poland's privatisation of state enterprises is an encouraging sign. With last year's total import figures in Poland reaching \$42 bn and being granted the most favoured nation (MFN) status by US, Mr. Makles said the flood gates of opportunity for selling goods made in Poland would increase dramatically. In four years the number of Indian companies has increased to 65 and the number of Indians to 35,000 and it is therefore the best time for investors to enter Poland, concluded Mr. Makles.



Mr. Ireneusz Makles, Consulate General of the Republic of Poland in Mumbai delivering his address.

IT OPPORTUNITIES AS SOLUTION TO THE BALANCE OF PAYMENT DEFICIT

The Information Technology option for Entrepreneurs and export earnings through Information Technology (IT) have been steadily increasing. India has great potential to emerge as an IT superpower. It is, therefore, necessary to create an environment that facilitates creation of a large number of IT based industries mainly in the small and medium sector.

EDI, in collaboration with Confederation of Indian Industry, Southern Region and Canara Bank, Chennai organised two One-day Seminars on Software Exports, in Chennai.

As the seminar intended to focus on setting up IT ventures concentrating on exports, following issues were discussed.

- Incentives of Software Technology Parks of India for promotion of IT industry.
- Software Project Financing and E-commerce Applications.
- Human Aspect of IT industry
- Criteria for Selection of International Markets.

More than 45 participants attended these seminars.

CII Chennai and CED for Women, Canara Bank are keen to work in close collaboration with EDI on future initiatives in Tamil Nadu. EDI has decided to serve as a dissemination centre with regard to preparation and submission of project profiles/reports to entrepreneurs directly being serviced by such institutions and bodies. This will remain an activity under EDI's capacity building exercise.

COMPETITIVE ADVANTAGE AND VALUE ADDITION IN THE PRIMARY PRODUCT SECTOR

The processed food market potential of this country is expected to be around 2,25,000 crores by the year 2002. This speaks of the immense potential of processed food sector. India is a vast country with diversity in cropping pattern and agriculture products. In all nearly 56 varieties of crops are cultivated throughout the year. India is one of the largest producers of fruits and vegetables but unfortunately nearly 30% of fruits are spoiled due to inadequate storage and processing facilities. This highlights the need for creating additional processing and storage facilities. Realising the potentiality of processed food and agro-processing sector, EDI in association with Confederation of Indian Industries, Southern Region, and Canara Bank, Chennai, organised, two One Day Seminars on Emerging Opportunities in Food & Agro-Processing Sector in Chennai. These seminars were attended by 40 entrepreneurs..

The basic objective of the seminars was to bring to the notice of prospective investors, the potential in Food and Agro-Processing sector and the need to create infrastructure facility. This objective was met through well designed inputs which comprised informations on opportunities in Agro-Horti sector potential in Tamil Nadu, technological options for processing and preservation of vegetables and fruits, government policies on Food and Agro-Processing sector, statutory requirements, innovative and export worthy business opportunities.

EDI had highly subsidised these seminars to ensure that needy, small but deserving entrepreneurs could be benefited by EDI-Expert inputs. Institute will offer full support to institutions that are willing to set up business incubation centers in the region. Mr. Vijay Raghavan, Deputy General Manager, Ms. Kamla Ramkrishnan, Divisional Manager and Ms. Sumathy Iyer of Canara Bank offered support to EDI's initiatives in the region.



Published by : Publicity & Promotion Cell, on behalf of the **Entrepreneurship Development Institute of India**, Near Village Bhat, Via Ahmedabad Airport & Indira Bridge, P.O. Bhat 382 428, Gujarat, India
Telephone No.: (079) 2864084. 2864331, 2869068 Fax : (079) 2864367
Website : <http://www.ediindia.org> * E-Mail : ediindia@ad1.vsnl.net.in
Gram : ENDIND, Ahmedabad

Bangalore Office : No. 133, XI 'A' Cross, I Main, II Stage, West of Chord Rd., Bangalore-560 086 Telefax : (080) 3496580, 3490384 * E-mail : ediro@giasbg01.vsnl.net.in

Lucknow Office : 432/36 Kala Kankar Colony, Old Hyderabad, Lucknow-226 007.
Phone : (0522) 387820 Fax (0522) 387856 * Email : edinro@lw1.vsnl.net.in

Designed & Printed by : Chandrika Printery, Mirzapur Road, Ahmedabad-380 001. Ph : 5620578



The first convocation of the PGDBEM course was organised at EDI campus on 27th July, 1999. Shri Yashwant Sinha, Hon'ble Union Finance Minister (fifth from left), the Chief Guest on the occasion, is seen with PGDBEM students, EDI faculty members and EDI Governing Body members (sitting from left to right) Dr. V.G. Patel, Vice-President and Director, EDI, Ms. Madhura Chatrapathy, Shri C.T. Benjamin, Shri G.P. Gupta, President, EDI, Dr. Y.K. Alagh, Shri Subodh Bhargava, Shri Sailendra Narain, Dr. M.V.d. Bogaert, Shri V. Venkateswarlu.