



1st Programme: 18 November - 14 December, 1991

2nd Programme: 2 - 28 February, 1992

Organised by:



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO)

In Co-operation with GOVERNMENT OF INDIA

Implementing Agency: *Ivexw*



ENTREPRENEURSHIP DEVELOPMENT INSTITUTE OF INDIA

Bhat, (Via Ahmedabad Airport & Indira Bridge)

P. O. Chandkheda - 382 424, Gujarat, India.

## Rationale

Shortage of well-studied Industrial Projects is one of the major constraints for industrial development as revealed by UNIDO studies. The constraint stems from lack of appropriate skills in project design in several developing countries. The acute need of developing countries in upgrading of local skills and capabilities in the preparation and appraisal of pre-investment studies calls for appropriate human resources development efforts. In response to such a need and in line with the developmental objectives of UNIDO, two training programmes on industrial project preparation and appraisal have been planned. The programmes are in line with the UNIDO's objective to disseminate the information and methodology contained in the publication - 'Manual for preparation of Industrial Feasibility Studies' and draw upon UNIDO's contribution towards standardising the methodology and approach to be used in formulation and appraisal of Industrial Projects. The two training programmes are organised by UNIDO in co-operation with the Government of India. The programmes are being implemented by Entrepreneurship Development Institute of India, Ahmedabad, Gujarat, India.

## Objective

To strengthen the knowledge and skills of participants in the preparation and appraisal of Industrial Investment Projects.

## Benefits to Participants

Upon completion of the training programme the participants will be able to :

- \* Identify the data requirements and analyse their suitability for preparation of Industrial feasibility studies.
- \* Discuss the stages of feasibility report preparation, understand and practically apply various techniques used.
- \* Integrate the data gathered into a full-fledged feasibility study.
- \* Carry out computer supported and comprehensive appraisal of financial and economic viability of projects used in the Computer Model for Feasibility Analysis And Reporting (COMFAR) developed by UNIDO.
- \* Make more rational industrial investment decisions.

Further, the programme offers a unique opportunity to understand the importance of feasibility study and its implication on success of an industrial project through case studies on rehabilitation of industrial ventures which have failed or run into serious problems.

## Course Content

### Project Development Cycle

- \* An over view of project identification, evaluation of business opportunities and preparation of feasibility studies as also their appraisal.

### Market Concepts of Feasibility Study

- \* The role of Market study.
- \* Dimensions of Market study.
- \* Defining information needs; collection, evaluation and processing of data.
- \* Demand forecast.
- \* Pricing methods and policy : linkages with feasibility analysis.
- \* Export market study.

### Technical aspects of feasibility study

- \* Technical decision and their relations with production / sales programme.
- \* Product technical specification.
- \* Manufacturing process.
- \* Materials and energy balancing.
- \* Financial viability.
- \* Financial statements.
- \* Financial appraisal techniques including risk/uncertainty analysis.
- \* Impact of inflation on financial appraisal.

### National Cost / Benefit Analysis

- \* Basic methods used in socio-economic analysis of Industrial projects.
- \* Shadow prices; concept and application in National Cost/Benefit Analysis.
- \* Value added approach.
- \* Additional indices used in economic appraisal.

### Computer Model for Feasibility Analysis and Reporting (COMFAR)

- \* Demonstration and exercises.
- \* Coverage includes basic concepts and structure of COMFAR System and Data Entry System, Calculation System, Reporting System, Sensitivity Analysis using COMFAR, Graphical presentation and special application of COMFAR.

### Industrial / Institutional visits

- \* Interaction with Institutions engaged in project appraisal and funding.
- \* Visits to Industrial units ( including those discussed as cases ).

## **Programme Style**

Apart from lectures to present the concept, emphasis will be on interactive style of learning using case studies and participants' own experiences. Audio-visuals would accompany lectures. Participants would work on case studies and participate in group discussions. Visits to Industrial units and interactions with Institutions and engaged in project formulation appraisal and funding will be a part of the training programme.

## **Faculty**

The training programme draws on the expertise of faculty members at Entrepreneurship Development Institute of India as also expert international consultants. In addition, guest lecturers from with hands-on experience in project formulation and appraisal at National and International level, will also be invited.

## **Programme Schedule**

Two programmes are scheduled to accommodate sufficient number of participants and at the same time provided for close interactions.

1st Programme : 18 November to 14 December, 1991

2nd Programme : 2 to 28 February, 1992

Thus the training programme is of 4 weeks duration with a daily schedule of six hours of lectures, case studies/exercises and group discussions.

## Language

The language of the programme will be English. Fluency in both written and spoken English is essential.

## Participants

25 fellowships for each of the two training programmes i.e. 50 fellowships in all will be arranged by UNIDO to candidates from selected developing countries.

Governments are invited to nominate three to four candidates who should have a university degree in economics or business administration with at least 5 years practical experience in a supervisory position in their home countries in the field of industrial project preparation, appraisal or investment decision making. Candidates with technical background should have prior training in basic economics and financial project preparation in addition to the required practical experience. The candidates nominated by Development Corporations, Development Banks, Finance Corporation and Governmental units charged with responsibilities of project preparation and appraisal will have preference.

SELECTION OF CANDIDATES FOR THE SECOND SEMINAR (FEBRUARY, 1992 ) WILL BE MADE IN CONJUNCTION WITH THE SELECTION OF CANDIDATES FOR THE FIRST SEMINAR ( NOVEMBER, 1991 ), AND HENCE THE REQUEST FOR NOMINATION OF THREE TO FOUR CANDIDATES.

The candidates will have to complete the Fellowship Nomination Forms.

Completed Nomination Forms should reach UNIDO latest by 15th September, 1991.

UNIDO, in co-operation with the host organisation, will select the participants from among the nominations received, giving due regard to professional qualifications, level of experience and other relevant considerations. The participants will attend the whole programme according to the schedule prepared by the host institution and will comply with the rules and regulations governing the training. The time table of lectures and practical exercises will be sent to selected candidates by 30th September, 1991 (For the November, 1991 seminar) and 10th December, 1991 (For the February, 1992 seminar).

## Technical Report

Each participant is expected to prepare before the commencement of the programme a short report consisting of 2-5 typewritten pages outlining the procedures and practices in his home country with regard to investment project preparation and appraisal.

## Financial and Administrative Arrangements for the Participant

1. UNIDO, through the contribution of the Government of India to the United Nations Industrial Development Fund and through other sources, will provide:
  - a) Round-trip economy class air transportation between airport of departure in home country and Ahmebabad, India for the selected participants.
  - b) Full boarding and lodging will be provided by Entrepreneurship Development Institute of India at its campus. In addition, each participant will receive an amount equivalent to approximately US \$12 (in Indian Rupees) per day to cover incidentals. These will be in lieu of applicable Daily Subsistence Allowance.
2. The participant's Government/sponsoring institution will be required to bear the following costs:
  - a) All expenses in the home country incidental to travel abroad, including expenditures for passport, visas, medical examinations, inoculations and other such miscellaneous items as well as internal travel to and from the airport to departure in the home country and travel DSA.
  - b) Salary and related allowances for the participants during the period of training programme.

3. The United Nations and the host Government will not assume any responsibility for the following expenditures in connection with the participant's attendance at the training programme:

- a) Costs incurred by participants with respect to any insurance, medical bills or hospitalisation fees.
- b) Compensation in the event of death, disability or illness of participant.
- c) Loss or damage to personal property of participants.
- d) Purchase of personal belongings and compensation for damage caused to them by climatic or other conditions.

NOTE: Participants are strongly advised not to have members of their family accompany them, since there will be no accomodation available for family members. The sponsors of the training programme will not be liable for any expenses incurred by dependents.

## Venue

The programme will be organised at:

Entrepreneurship Development Institute of India,  
Bhat (Near Ahmedabad Airport)

P. O. Chandkheda - 382 424. Gujarat, INDIA

Telex : 0121-6224. Telephone : (0272) 811331, 811423

The Institute has a sprawling campus set in pleasant surroundings, 5 Kms. from Ahmedabad Airport on Gandhinagar Highway. Ahmedabad is well connected by rail and air with Bombay and Delhi. There are two daily flights to Ahmedabad.

## Selection of Participants

Nomination forms for the Two Seminars should be sent to UNIDO at the address given below, before 15th September, 1991. Selection of participants will be made during the week starting 16th September, 1991.

Mr. Ulrich Loeser, Officer-in-charge,  
Feasibility Studies Branch,  
Industrial Operations Support Division  
Department of Industrial Operations  
United Nations Industrial Development Organisation  
Vienna International Centre, P. O. Box 300,  
A - 1400 Vienna, Austria. Fax : 232156

## Arrival Instructions

Participants whose nomination have been accepted by UNIDO and who intimate their travel plans to EDI may look forward to be met at Bombay International Airport, (near the exit point of the building) by a travel agent with an EDI placard. The travel agent will assist in transfer to domestic airport and onward journey to Ahmedabad. The arrangements will be made to receive the participants at Ahmedabad on receipt of travel plans by EDI in advance.

On arrival at Bombay International Airport the participants can take a taxi to domestic Airport (Santa Cruz) which is 10 minutes drive. Pre - paid taxi services are available near the exit point at the arrival lounge of the International Airport.

On arrival at Bombay, incase any help is required, the participants are advised to ring : 222705 / 6 / 7. Some important telephone Nos. at Ahmedabad where participants can contact in case of emergency and outside office hours :

Dr. V. G. Patel (0272) - 442214

Mr. J. B. Patel (0272) - 413754 / 77323

Mr. Paresh Desai (0272) - 346854 / 811331

## The Institute

The Entrepreneurship Development Institute of India (EDI), set up in 1983, is an autonomous institution registered under Societies Registration Act, sponsored by Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), Industrial Credit and Investment Corporation of India (ICICI) and State Bank of India, with the active support of the Government of Gujarat, the Institute is a national resource centre governed by its own Board. Committed to education, research and training, it has earned a great deal of national and international recognition for its efforts as reflected in the support it has received from the World Bank, International Labour Organisation, UNIDO, Commonwealth Secretariat and several other international agencies.

## The Mission

The EDI believes that entrepreneurs are not necessarily born; they can be developed through well conceived and well directed activities. It is now widely recognised that education can be a very effective instrument to bring out latent resources and capabilities of people. Contingent on this belief, the mission of the EDI is :

- To augment the supply of industrial entrepreneurs through education and training;
- To produce multiplier effect on opportunities for self-employment;
- To improve the managerial capabilities of small scale industries;
- To contribute to the dispersal of business ownership and thus to expand the social base of Indian entrepreneurial class;
- To contribute to the creation and dissemination of new knowledge and insight in entrepreneurial theory and practice through research;
- To augment the supply of trainer-motivators for entrepreneurship development.
- To participate in institution building efforts; and
- To collaborate with similar organisations in India and other developing countries to accomplish the above objectives.

## Faculty

The EDI faculty comprises a judicious mix of researchers, academicians, extension workers and trainer-motivators. The core group is supplemented by visiting faculty from reputed academic institutions and professional organisations. The courses and programmes offered by EDI, therefore, are marked by both conceptual rigour and practical insight. In addition to managing the EDI's own activities, the faculty extends its services and support to other institutions in entrepreneurship development at national and international levels.

## EDI Campus

EDI has its own elegant functional campus, located 5 kms. away from the Ahmedabad Airport on the Gandhinagar highway in Gujarat State. The campus has adequate infrastructural facilities for training programmes and excellent intellectual environment.

There are two air-conditioned, well furnished seminar halls with 25 seat capacity each and a conference hall with 80 seat capacity. All these rooms have overhead projector (OHP), public address system and audio-visual facilities.

The institute has two well furnished residence halls. One has 20 air-conditioned rooms and the other has 10 non-airconditioned rooms, each with twin beds and an attached bath. Added to these are a modern kitchen with sophisticated catering facilities and two dining halls of 60 seats capacity each, one of which is airconditioned, sprawling and lush green lawns add to the scenic beauty of the campus and enhance its calm and quiet atmosphere most conducive to learning. Adequate facilities for recreation and relaxation such as TV/VCR and indoor games are provided.