

**TRAINING PROGRAMME ON  
PROJECT APPRAISAL  
&  
ENTREPRENEUR ASSESSMENT**

( October 17 – 22, 2005 )



***Developing techniques and skills of  
matching key success requirements of  
a project with entrepreneurial traits***



*Organised by :*

**ENTREPRENEURSHIP DEVELOPMENT INSTITUTE OF INDIA  
AHMEDABAD, GUJARAT**



In the post liberalization scenario, the Indian Financial System has undergone a sea change on account of various banking and financial sector reforms initiated by the Reserve Bank of India and the Government of India. The RBI, while relaxing the banking regulations, made it mandatory for banks to ensure good performance and improve their balance sheets. The compulsory adherence of Capital Adequacy, Asset Quality, Management Quality, Earnings and Liquidity (CAMEL) Ratings is a step in this direction.

Driven by the economic compulsion of sound deployment of funds, all financial institutions and commercial banks are moving towards universal bank or becoming more specialized industrial finance branch; where decision making on total project appraisal has become imperative comprising term-loan as well as working capital.

Dynamics of Investment and financing decision becomes all the more difficult with stiff competition from private sector banks and universal bank that have now started offering competitive products.

However, the emphasis on CAMEL ratings and competition should not come up as a hindrance to banks in providing credit to the industry; especially to SSIs, SMEs and cluster sector. The solution lies in scientific and prudent appraisal of proposals as well as the assessment of entrepreneurs by banks and FIs; thus skillfully matching the key success requirements of a project with entrepreneur's traits; which leads to sound investment decisions. The investment decision taken based on such prudential approaches remain sustainable throughout the project life cycle.

The Committee appointed by RBI, headed by Shri S L Kapur – Former Secretary, Ministry of Industry, laid substantial emphasis on training interventions. Among the training interventions suggested by the Committee, EDI's training programmes for bankers have specifically been recommended; under recommendation No.6.99

Over the years, EDI has designed and conducted training programmes on skill development and attitude development of bank managers and officers engaged in project appraisal as also the entrepreneur-behind-the-project. Some of its important programmes, directed towards achieving this objective are generic training programme on Project Appraisal and Entrepreneurs' Assessment as well as sector, specific on the same theme. EDI has also conducted Training Programme on Assessing the Entrepreneur using Focussed Behavioural Event Interview (FBEI) technique. These programmes have received encouraging response at national as well as international levels.

Keeping in view the recommendations of the S.L. Kapur Committee, EDI is offering new programmes to train bankers and financial institutions' personnel. The programmes have a comprehensively designed curriculum to meet the changing needs of banks and financial institutions in the era of post financial reforms.

## OBJECTIVES

The broad objective of the programme is to upgrade the skills of banks' and financial institutions' personnel in formulating and appraising projects in the SME sector and assessing the entrepreneurs-behind-them.

The specific objectives of the programme are to :

- Develop overall project formulation and appraisal skills of the participants, which would include areas like; market analysis, technical analysis, environment analysis and financial analysis.
- Help the participants identify competent entrepreneurs using specific behavioral tools and techniques.
- Help participants become more proactive, customer oriented, dynamic and responsive officers, competent enough to operate in the changing scenario.

## COURSE CONTENTS

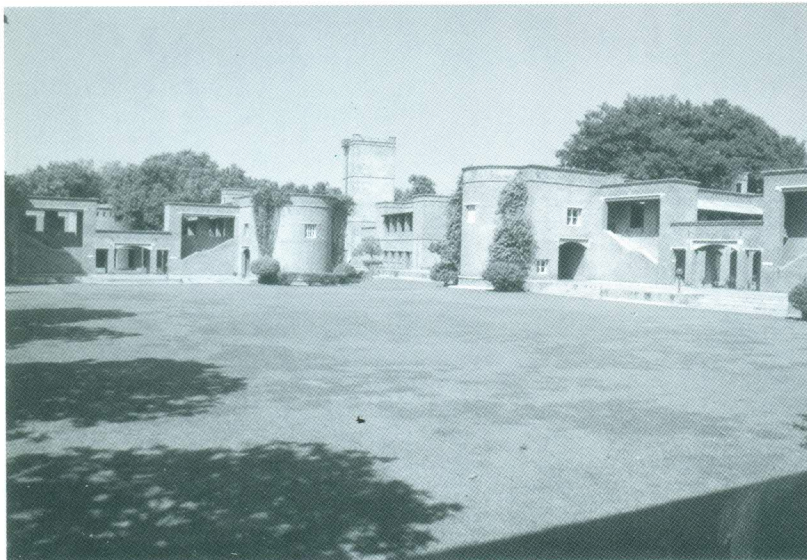
The entire programme will be divided into two broad modules to be covered over six days:

### Module I : Project Formulation and Appraisal – Four Days

- An overview of the Project Development Cycle and Business Opportunity Identification
- Market Analysis for projects covering demand analysis, supply analysis, competition, regulatory aspects to assess the need and quantum of demand, product-mix decisions, pricing decisions and market programme for implementation, thus leading to product planning.
- Technical Analysis for projects dealing with sensible choices of selection of location, selection of technology and its cost, assessment of optimum plant capacity and various critical inputs. Coverage also includes assessment of technical viability by drawing investment cost and cost of production.
- Financial Analysis for projects would cover project cost and means of finance, working capital assessment, cost of capital, financial statements, break-even analysis, financial appraisal techniques; simple and dynamic measures to assess financial viability of projects.
- Environmental Impact Analysis.

### Module – II : Selection and Assessment of An Entrepreneur – Two Days

- An overview of the present Entrepreneur Assessment System.



- Focused Behavioural Event Interview (FBEI) Technique – Process, methods, problems and strategies.

- Introduction to an entrepreneur's competencies and their association with successful implementation and management of business plan.

- Self Assessment through Feedback on Instruments. (SAFI).



## WHO CAN PARTICIPATE ?

The six-day programme is fully residential and is open to :

- Middle and front line managers and officers involved in credit/appraisal wing of banks, financial institutions and investment promotion agencies.
- Officials of specialized industrial finance branch.
- Officials of specialized SSI branches.
- Trainers of staff training colleges.
- Executives involved in Project Formulation and Appraisal and Investment Decision-Making of various institutions, organizations, development bodies.

## PEDAGOGY

The programme will be highly interactive in nature. Classroom lectures will be supported by presentations of analytical tools and frames of references. Case studies, syndicate discussions, group presentations and experiential learning will be extensively followed.

## FACULTY

The programme would primarily be conducted by EDI faculty members who have been conducting such programmes nationally and internationally under the aegis of UNIDO and other international agencies. Academicians from reputed institutions and experts from industry would be invited to provide special inputs.

## ABOUT THE INSTITUTE

Entrepreneurship Development Institute of India (EDI) is an autonomous, not-for-profit institution sponsored by all-India financial institutions namely IDBI, IFCI Ltd., ICICI Ltd., and SBI. It is now an acknowledged national resource institution committed to investment promotion, entrepreneurship education, training and research. Its efforts in spearheading entrepreneurship movement in India and other developing countries had led to the emergence of a range of training programmes and workshops in the areas of investment promotion and entrepreneurship development.

Ever since its inception in 1983, the Institute has interacted with 70 developing countries thus helping them build capabilities for industrial development. So far, over 500 professionals from developing countries have benefited from EDI's capacity building programmes.



## PROGRAMME VENUE

The programme, to be held during October 17 – 22, 2005, will be conducted on EDI campus at Ahmedabad where adequate learning and residential facilities are available. All participants are expected to stay on campus.

## COURSE FEE

The fee for participants from India and Nepal is Rs. 16,000/- (Indian Rupees). For International participants the fee will be US \$ 500. The fee includes course material and boarding and lodging (air-conditioned accommodation on twin-sharing basis on EDI Campus). For nomination of participants in groups (6 or more), please consult the Programme Director.

## HOW TO APPLY

Nominations must be sent in the enclosed proforma and mailed along with a demand draft of Rs.16,000/-or US \$ 500 drawn in favour of EDI, Ahmedabad to :

Mr.D.M. Parikh

Programme Director

at EDI Head Office Address

E-mail : dmparikh@ediindia.org

The late date of receiving nominations is 10th October 2005.

*Observations made by some of the participants of the previous programmes held on campus, and at various Banks/Financial Institutions' premises over the past few years.*

Almost all the participants of our previous programmes have opined that the contents are exhaustive and all encompassing. They rated the programme inputs as highly valuable and especially appreciated the training methodology and exercises included in the curriculum. Commending the faculty members involved in the programme, the participants observed that they were experts from their fields and immensely resourceful.

- The discussions were healthy and thought provoking."

- "The programme was well sequenced and balanced."

- "The programme had been designed in a very systematic manner, starting from human behavioural aspect to FBEI and project appraisal. The programme had been well planned and well coordinated; lectures were up to the required and expected levels."



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