



EDP Training Programme for Master Trainers under PMFME (Self-Learning Material)



Department of Food Business Management and Entrepreneurship Development
National Institute of Food Technology Entrepreneurship and Management

Deemed to be University (De-novo Category) under Section 3 of the UGC Act, 1956
An Autonomous Institution under Ministry of Food Processing Industries, Government of India, Sonapat,
Haryana, India

Table of Contents

Part - A (Domain Training)

1. Business Opportunity Identification	4
2. Intellectual Property Rights (IPRs) for Entrepreneurs.....	14
3. Establishment of Business Organization: Legal Aspects	21
4. Marketing and Branding	25
5. New Product Development.....	31
6. Understanding Financial Statements.....	35
7. DPR and Bank Credit	44

Part – A

Domain Training

Business Opportunity Identification

Dr. Sarika Yadav

How do you identify the right business opportunity?

The Entrepreneur always searches for change, responds to it and exploits it as an opportunity”

-Peter Drucker

Opportunity identification has been identified as an essential capability of entrepreneurs and has become an important element of the study of entrepreneurship (Ray 2003)

How to select the right opportunity?

- Identify your business and personal goal
- Research your favorite industry
- Identify promising industry segment
- Identify problem areas and brainstorm solutions
- Compare possible solutions with your objectives and opportunities in the market place
- Focus on the most promising opportunities

The best way is:

- Go where the problems are
- Go to the people
- Live with them
- Listen to them
- Learn from them
- What are the existing solutions?
- Study the competitors

While staying with your customer try to understand

Customer	What is your offer
Job	Products and services
Pain	pain relievers
Gain	Gain creators

The entrepreneurs select their products or projects based on:

- Their own experience in that business line
- Government's promotional schemes
- Availability of inputs
- Diversification plan of ongoing business or
- Products reserved for Small scale industries etc.

How to evaluate an idea to identify viability of Entrepreneurial opportunities:

Timmons et.al (1987) in a study observed four anchors of superior opportunities:

- They create or add significant value to a customer or end user
- They do so by solving a significant problem, or meeting a significant need or want, for which someone is willing to pay a premium
- They have a robust market, margin, and money making characteristics; and
- They are a good fit with the founders and management team, and in the marketplace, and with the risk/reward balance.

Opportunity identification/recognition process:

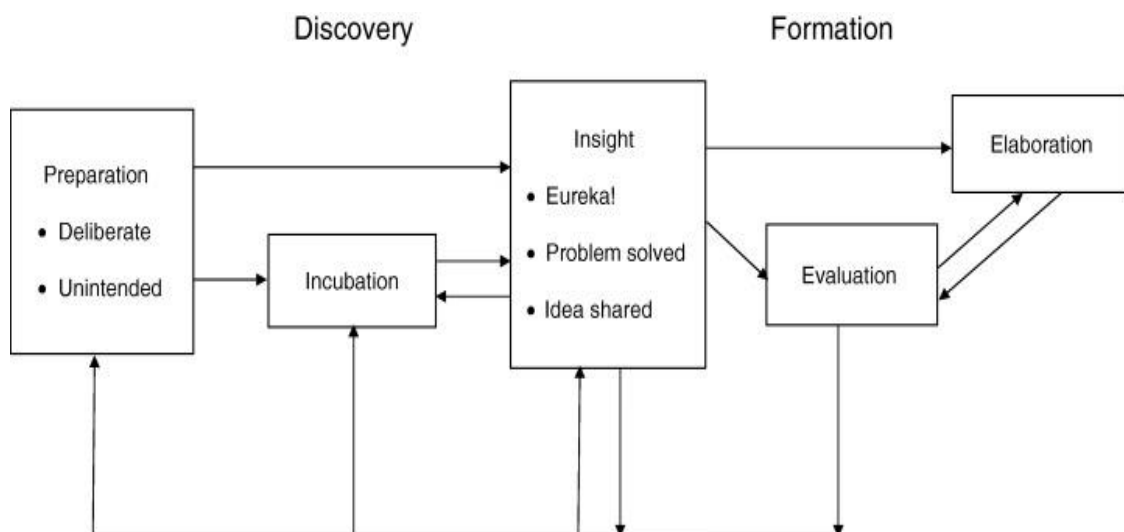
1. **Preparation:** Preparation refers to the background and experience that an entrepreneur brings to the opportunity recognition process. As per literature 50 to 90 percent of start-up ideas emerge from a person's previous work experience. (Bygrave,1997 and Vesper,1980)
2. **Incubation:** At this various ideas might emerge. In this process an entrepreneur is contemplating an idea or a specific problem. It is typically an intuitive and unintentional style of considering possibilities or options.

3. **Insight:** Insight refers to the “eureka” experience. At this point the whole answer or core solution springs into awareness suddenly and spontaneously.

In this process three different types of insights may occur:

- i. Experience of spontaneous identification of business opportunity. Prior research suggests that entrepreneurs often have the experience of being immediately confident that an idea will work (Hills, 1995).
 - ii. The occasion when a person gets the idea that solves the problem he has been considering. In scholarly discussions of innovation, this is a frequently noted example of when creativity is most common (Nystrom, 1979).
 - iii. A moment when an idea becomes available to you via your social network. Entrepreneurs with a wider network of social contacts will identify more ideas and recognize more opportunities than entrepreneurs with fewer contacts (Singh, 1998).
4. **Evaluation:** In this process feasibility analysis is conducted to evaluate the viability of the idea.
 5. **Elaboration:** Assuming that a business idea is viable, this is the stage when many details are worked out.

Figure 1. Opportunity identification process



*Based on Lumpkin, Hills, & Shrader, 2004; Hills, Shrader, & Lumpkin, 1999.

Basic approach to identify the need:

The first step is to conduct **customer analysis**. **Consumer survey can be conducted to answer the following questions:**

- Who is my customer?
- What does the customer want to buy?
- When the customer does want to buy?
- What price is the customer willing to pay?

The second step is to conduct **competitor analysis**. In order to understand white space and point of difference this is a must for entrepreneurs. That will help in understanding the points where one can differentiate from existing players in the market.

Next step is to conduct **Industry analysis** to understand attractiveness and intensity of competition within of the industry. In addition, we need to look at policies and regulations that affect that industry.

Once we analyse and understand these factors, it will provide an opportunity to tailor service or product to that market place.

Successful business are built on deep customer insight about unsolved problems of your prospective customers so focus on your customer, get that insight, figure out problem and solve it. The chances of your success will multiply.

Do's and Don'ts

- Don't jump to the solution
- Challenge your assumption
- Big no to shorten Business model
- Validate secondary data with your primary data
- No idea is a bad idea
- No business is bad business
- Big no to solution to problem approach

Best opportunities are all around us, learn to recognize them

Case 1. Naukri.com

Mr. Sanjeev Bhikhchandani, CEO and Founder of Naukri.com, a job portal as well as the co-founder of Ashoka University

The big break

The idea to launch a job portal came to him sitting in his office. He used to work in a company as a brand manager. There were 8-10 brand managers who used to sit in a hall. It was an open hall so they could see what others are doing and hear what others are saying on phone. He used to observe that every time an office copy of Business India magazine came and circulated, everybody usually read business magazine back to front because the job ads appeared on the last pages and contains 30-40 pages appointment information for managers. He came to a conclusion that:

- 1. Insight Jobs are very high interest category of information**
- 2. Most jobs are not advertised**

There are lakhs of jobs out there in a fragmented manner. If somebody build a database and make it accessible to public, magic will happen. He thought that if he could collect job ads on to one accessible platform, then he might be able to attract customers. In April 1997 he launched Naukri.com with 1,000ads taken out of various magazines.

Source: *How to identify a business opportunity? Sanjeev Bikhchandani, TEDx SRCC*

Entrepreneurial Venture: Feasibility and Business Model

Dr. Sapna

Nowadays, the field of entrepreneurship is lucrative for everyone because of numerous reasons like start-up culture, policy interventions, promotion platforms etc. Further, this covid-19 pandemic also makes us realize to think about entrepreneurial venture to become “Atam- Nirbhar” which further leads to fulfilment of campaign “ATAM NIRBHAR BHARAT”. While thinking about entrepreneurial venture, one should take care of few aspects which are briefly explained below:

1. What Makes An Entrepreneur – Entrepreneurial?

The person who really wants to become entrepreneur requires a right mindset to start and grow a business. Alternatively, the thought process matters while doing business which is of following types:

Managerial Thinking: people with managerial thinking worked upon casual reasoning. They preferred for the achievement of task assigned within the given resources.

Strategic Thinking: people with strategic thinking worked upon creative casual reasoning. People with strategic thinking apply new things to generate other resources along with given resources to achieve pre-determined goals. People with strategic thinking do new things with limited resources.

Entrepreneurial Thinking: people with entrepreneurial thinking worked upon effectual reasoning. They usually imagine new things with the given set of resources.

Further, type of mindset also has an impact on business growth as well. The aspiring entrepreneur should have growth mindset instead of fixed mindset. So, while thinking entrepreneurial venture one must think once about the mindset he or she has.

What Kind of Mindset Do You Have?



I can learn anything I want to.
When I'm frustrated, I persevere.
I want to challenge myself.
When I fail, I learn.
Tell me I try hard.
If you succeed, I'm inspired.
My effort and attitude determine everything.



I'm either good at it, or I'm not.
When I'm frustrated, I give up.
I don't like to be challenged.
When I fail, I'm no good.
Tell me I'm smart.
If you succeed, I feel threatened.
My abilities determine everything.

Created by: Reid Wilson @wayfaringpath © © © © Icon from: thenounproject.com

Source: retrieved from <https://www.astridbaumgardner.com>

2. Feasibility Study

Feasibility study is conducted in order to assess the viability of your business idea. This is investigative in nature and having a critique attitude towards business ideas to look out the aspects where need to put more focus. Further, it reminds the entrepreneurs not to fall out in the syndrome of “Everything is wonder in my proposal”. Basically, feasibility study is conducted from planning to sell business ideas

2.1 Product / Service Feasibility

A) Concept Test: it's a one page description of your product / services you are going to offered. It includes brief details about company, promoters. Further, it includes the following aspect to see the people response:

- i. Product/ Service description
- ii. Target market
- iii. Benefits of that Product/ Service
- iv. Any USP or special or Unique feature you want to address
- v. Management Team

Through Concept statement, one can seek feedback or suggestions from the public by asking few questions like:

- i. Will this product / service is viable or profitable?

- ii. Please list out good points that you liked about product/ service.
- iii. Could you please provide the two-three suggestions to improve upon or making it better?
- iv. Any other input you wish to make.....

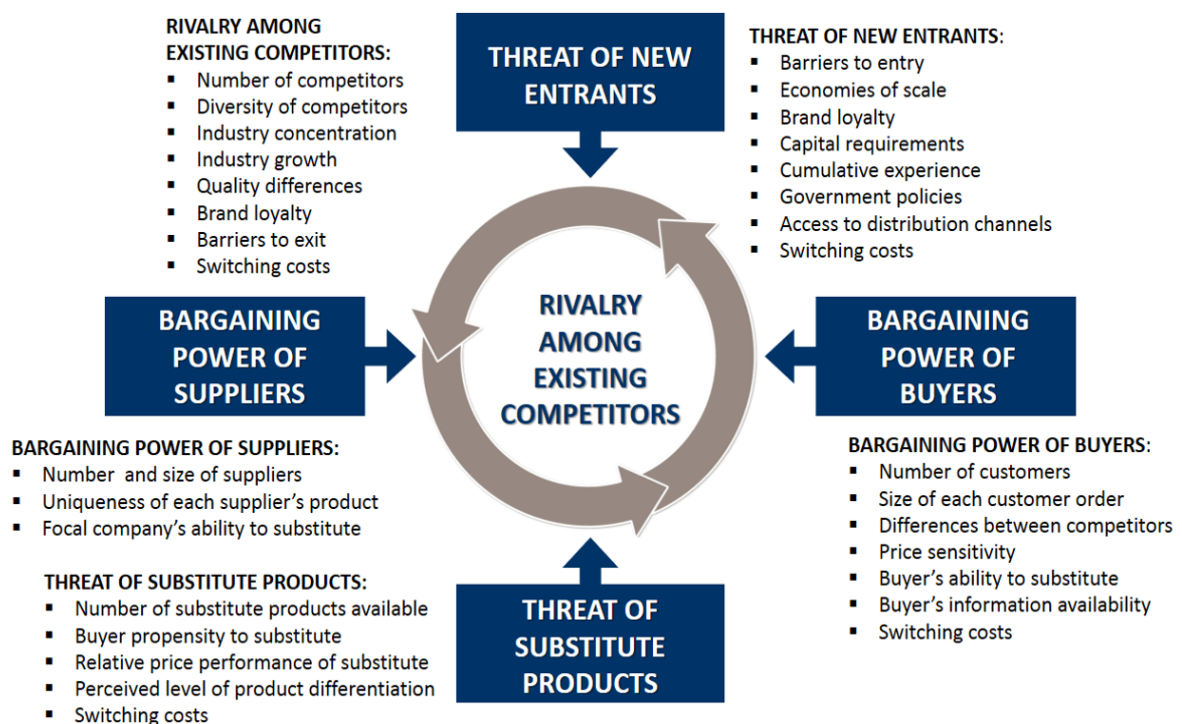
B) Buying Intention Survey:

The survey instrument used to judge the customer responses for purchase behavior. It's a small questionnaire which can be circulated to few consumers to see their opinion to buy the product or not. The survey must include a concrete and concise statement regarding product or service. The survey should consist of questions like:

- i. How much would you like to pay for such product or service?
- ii. Do you think that such type of product will be accepted by the market?
- iii. The estimated price you would like to pay for such products?
- iv. Where you are expecting to find such products?

2.2 Industry / Market Feasibility:

A) Michael Porter's five forces Model: it's a model to assess competitive environment of the particular product/Service. This model helps in assessing the intensity of competition and profitability. Along with Five forces model, VRIO analysis can be done.



Source: www.bnesstoyou.com

VRIO analysis is assessment for the internal resources where resources are assessed in terms of Valuable, Rare, Imitative or Organized to Capture Value.

For Instance:

a) Attractive Industry:

- i. Higher entry barriers
- ii. Weak Bargaining power of Suppliers
- iii. Weak Bargaining power of Suppliers
- iv. Low competition
- v. Few substitutes are available

2.3 Financial Feasibility:

In order to assess profitability aspect of the business, financial feasibility is being done. How much money is required for starting of the venture, what will be the sources of finances, how much cash is required to run the business, what all the cost drivers and revenue centers, return on investment- required and estimated both etc. all these aspects are to be considered during this feasibility study.

2.4 Organizational Feasibility:

a) Management Prowess:

It's an assessment of management team who is going to manage the business. What are their skills, competencies, entrepreneurial experience if any, creative and innovative thinking, social networking etc? Each member of management must be assessed the requisite parameters.

b) Resource Sufficiency: it's an assessment of physical resources availability with the venture and further assessing the requirement and source of procurement.

3. Preparation of Business Model

A business Model is conceptual framework which explains about that a company how it will create, delivers and extract value. A business Model is description or diagrams that what are the offerings, who all are the customers and how they are maintaining relationships with their customers, how they will compete in the market i.e. strategies,

and using resources to generate revenue or creating value to sustain in the market. The ultimate goal of business model should be to find out the product –market fit.

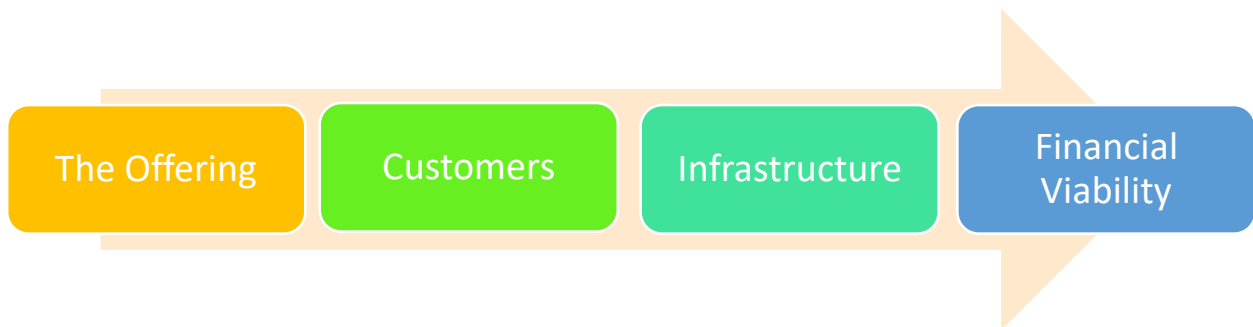


Figure 1: The Parts of Business Model

The Offering: Which product or services you are going to offer to your customer.

The Customer: The segmented market you are going to address and providing your products or services.

Infrastructure: Resources which you are going to use to reach your customer i.e. supply chain, partners, technology etc.

Financial Viability: what are the cost drivers and revenue streams for your business?

Intellectual Property Rights (IPRs) for Entrepreneurs

Dr. Anupama Panghal

With advent of time, the competition for entrepreneurs is increasing and they need to have competitive edge over others to sustain in the business. Intellectual Property Rights (IPRs) are one of the strategic tools which can help entrepreneurs to remain competitive and if exploited properly IPRs can help entrepreneurs either to take first mover's advantage or be the market leaders.

What are IPRs

IPRs are the rights granted to the inventors of intellectual property. The way there are physical property rights which are owned by the owners of physical property, the creator or inventor of some intellectual piece also owns the rights for that creation or invention and all these rights are governed under IPRs. There are different forms of IPRs, which are stated and discussed further in the chapter. Broadly the IPRs may be divided into two groups:

A. Industrial Property

- (i) Patents
- (ii) Trademarks
- (iii) Industrial Designs
- (iv) Trade Secrets
- (v) Geographical Indications

B. Copyrights

- (i) Literary works
- (ii) Artistic works

Types of IPRs

1. Patents: Patents are the exclusive rights granted to an individual for his/her invention (not discovery). The invention may be of any product or process or both, which offers an innovative (new) and none obvious method of doing something or it provides a new and non obvious solution to any problem in a technical manner.

a) Product Patent: Product patent is granted to the owner of the product inventor, which means that no other person than the inventor can manufacture that product with the same process or different process.

Ex. The functioning valve used in food and cosmetic products by companies like Heinz and Gerber was invented and got patented by Paul Brown in the year 1991.



Source: www.heinz.com (accessed on 5.11.2020)

b) Process Patent: Process patent is granted to the inventor of any particular process and not the end

product. Any other individual can manufacture the same product with any other process.

Example for Product and Process patent both: A process for preparing tender coconut wine through fermentation of tender coconut water from tender coconuts ripened 7 months or below and further claims the produced wine to be highly healthy, hygienic and nutritional beverage (Indian patent number 209015)

(source: <https://www.allindianpatents.com/patents/209015-tender-coconut-wine>, accessed on 5.11.2020)

The necessary conditions for grant of Patents:

Any subject matter to be eligible for getting the patent granted need to satisfy the following conditions:

- a) The invention must relate to a product or a process or both
- b) It must be novel (new)
- c) The invention must involve an inventive step
- d) The invention must be capable of industrial application
- e) It should not fall under Section 3 and 4 of Indian Patent Law, 1970. These two sections deal with exceptions for the subject matter to be got patented.

For patent to be granted, the invention must not be published anywhere either in India or elsewhere. Also, it must not be in prior public use or prior public knowledge. The claims made in the patent specification must not be claimed before in any of the specifications.

Food Recipes can also be patented, if they fulfil all the three conditions of patent eligibility. Few examples of wide range of *types* of recipes that have earned U.S. patent protection:

- **Microwavable:** Sponge cake that can rise when microwaved (6,410,074)
- **Shelf life:** Single-dough cookies that store well (4,344,969)
- **Smoothness:** Cooking process that improves mayonnaise (6,579,558)
- **Flavouring:** Additive that improves chocolate flavour in baked goods (3,733,209)

(Source: <https://patents.google.com/patent/US20140220186A1/en>, accessed on 5.11.2020)

Patenting Process in India

Patents are granted for a period of 20 years. After that the product or the process becomes free for the public. India follows *compulsory registration* and *first to file process* for patents. The steps involved in filing the patents are:

- (i) Filing of provisional / complete application. In case of provisional application, the complete application needs to be filed within one year.
- (ii) Publication of application: Usually happens within 18 months of filing the provisional application
- (iii) Request for examination
- (iv) Examination issue of first examination report
- (v) Grant of patent

Exceptions for Patents as per section 3 and 4 of Indian Act 1970

There are few inventions which cannot be patented because of any of these reasons:





- The invention is a frivolous invention
- Invention is contrary to the well established natural laws

- The invention is contrary to the public order or the Morality or it may cause serious prejudice to health or human, animal, plant life or to the environment
- Genetically modified organizations (GMOs)
- Mere discovery of a scientific principle, abstract theory or discovery of any living thing or non-living substance, microorganisms present in nature
- By mixing of two or different already existing components in such a manner so that a new substance is obtained by just aggregation only
- Method of Agriculture or Horticulture, or medical, surgical, curative, diagnostic or therapeutic treatment of human beings or animals, any mathematical method, business method or algorithms or computer programme *per se*

2. Trademarks

A sign or any combination of signs, which can distinguish a product or service from other products and services in the market, is (are) known as Trademarks. A trademark varies from a symbol or design or word or phrase or a combination of these. A trademark helps in identifying and distinguishing the source of products or services of one party from those of others.

Examples:

S. No	Trademarks	Examples
1.	Words	
2.	Phrases	
3.	Symbols or Logos	
4.	Designs	

Trademark Protections

Registration for trademarks is not compulsory in India to claim the trademark protection. Any creator of trademark may use the symbol TM to declare ownership of

trademark and similarly the symbol SM for a service mark. If the trademark is registered it is represented by the ® symbol.

Registered trademark gives more protection to the registrant in terms of exclusivity of right, more legal protection in terms of claims of ownership.

As per Trademarks Act, 1999, the registration of a trademark shall be for a period of ten years, which may be renewed from time to time. The renewal of registration of a trademark should be made for every ten years under the present Act.

3. Industrial Designs:

An industrial design is the protection granted to the product (part or whole) because of its features like lines, shapes, patterns, colours, texture or material or its ornamentation. Designs are protected for 10 years from the registration date and may be extended to further 5 more years.

Examples: Coca Cola's contour bottle, the pattern of writing polo on the tablet



4. Trade Secrets




Any information which is confidential and valuable for the business and is used as a secret to gain competitive economic advantage over others is known as trade secret. The secrets are maintained by companies by adopting their own ways and methods. Trade secrets cannot be registered anywhere. So, if any secret is leaked then the company cannot claim any type of right on that. For ex. The recipe and ingredients for Coca cola and Pepsi are maintained as secrets generation by generation and are never disclosed anywhere. The benefit of trade secret is that it never expires or there is no need of any type of renewal etc.

5. Geographical Indication (GI):

“Geographical indications” are defined at Article 22(1) of the World Trade Organization’s (WTO) 1995 Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) as-

“indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographic origin.”

GI indicates the region of origin for a product or a good. It is usually used to identify agricultural, natural or manufactured goods originating in a particular area. There must be any specific and unique characteristic or quality feature or reputation associated with the product specific to that geographical location.

S. No	Examples
1.	 <p>Alphonso Mango</p>
2.	 <p>Darjeeling Tea</p>
3.	 <p>Basmati Rice</p>

Application for the GI may be submitted by any association of persons or producers or any organization. An individual cannot apply for the GI. The registration of a GI shall be for a period of **ten years** but may be renewed from time to time for an unlimited period, by payment of the renewal fees.


6. Copyrights

Copyright is the protection granted to the ‘form of ideas’ created by an individual in the field of literary or artistic works. Copyrights give protection only for physically

expressed works and not to the unexpressed ideas. It protects items such as paintings, drawings, sculptures, photographs, architecture, instruction manuals, software, databases, technical documentation, advertisements, maps, literary works, music, films or songs.

So, the two necessary conditions for grant for copyright is, that:

- It should originate from the creator itself (originality)
- It should be presented physically and not just a mere ideation

There is no need of compulsory registration for the copyrights. The original creator can start using the symbol  on their piece of creation and it shows that it is protected by the claimant. Although it is always good to get the copyright registered so as to get much stronger protection. The copyrights get protection from the moment they are created till the death of author (creator) plus 50 more years after his or her death.

The copyright owner gets economic rights and moral rights for his or her creation. Where economic rights cover the economic benefits from reproduction, broadcasting, public performance, adaptation, translation, public recitation, public display, distribution etc. to the creator and restricts other parties to perform any or all of these acts on his or her creation.

While moral rights grant the creator to restrict any type of distortion or modification to his or her creation, which may hamper his or her image or may showcase his or her creation in a morally wrong way, even after transfer of the economic rights or the end of copyright protection tenure.

Establishment of Business Organization: Legal Aspects

Mr. Mayank Singhal

1. Forms of Business Organizations

1. Sole Proprietorship
2. Hindu Undivided Family (HUF)
3. Partnership
4. Limited Liability Partnership
5. Company
6. Trust
7. Society

Sole Proprietorship

MERITS OF SOLE PROPRIETORSHIP

- Quick decision making
- Confidentiality of information
- Direct incentive
- Ease of formation and closure

LIMITATIONS OF SOLE PROPRIETORSHIP

- Limited resources
- Limited life of business
- Unlimited liability
- Limited Managerial ability

HUF- Hindu Undivided Family

MERITS OF JOINT HINDU FAMILY BUSINESS

- Effective control
- Continued business existence
- Limited liability
- Increased loyalty and cooperation

LIMITATIONS

- Limited resources

- Unlimited liability of karta
- Dominance of karta
- Limited managerial skills.

Partnership

MERITS OF PARTNERSHIP

- Ease of formation and closure
- Balanced decision making
- More funds
- Sharing of risk
- Secrecy

LIMITATIONS

- Unlimited liability
- limited resources
- Possibility of conflicts
- Lack of continuity
- Lack of public confidence

Limited Liability Partnership

MERITS OF PARTNERSHIP

- No Limit on Owners of Business
- Low registration cost as compare to company.
- No dividend Distribution tax (Now removed for companies as well)
- No deemed Dividend concept as per Income tax

LIMITATIONS

- High Penalty for Non-Compliance.
- Inability to have equity investment (i.e. raising fund from public)
- Tax rates high as compare to company
- Annual ROC filing – Not there in partnership
- No separate management and ownership

Company

Advantages

- Liability for shareholders is limited
- It's easy to transfer ownership by selling shares to another party.
- Better credibility and global recognition.
- The company can trade anywhere across globe.
- Taxation rates are more favourable
- You'll have access to a wider capital and skills base.

Disadvantages

- The company can be expensive to establish, maintain and wind up.
- Delay In decision making.
- The reporting requirements are complex.
- The financial affairs and details of owners are public.
- If directors fail to meet their legal obligations, they may be held personally liable for the company's debts.

MSME

Revised MSME Classification			
Criteria	Micro	Small	Medium*
Investment & Annual Turnover	less than Rs.1 crores & less than Rs.5 crores	less than Rs.10 crores & less than Rs.50 crores	less than Rs.50 crores & less than Rs.250 crores

Benefits of MSME Registration

- Due to the MSME Registration, the bank loans become cheaper as the interest rate is very low around 1 to 1.5%. Much lower than interest on regular loans.
- It also allowed credit for minimum alternate tax (MAT) to be carried forward for upto 15 years instead of 10 years
- Once registered the cost getting a patent done, or the cost of setting up the

industry reduces as many rebates and concessions are available.

- MSME registration helps to acquire government tenders easily as Udyam Registration Portal is integrated with Government e-Marketplace and various other State Government portals which give easy access to their marketplace and tenders.
- There is a One Time Settlement Fee for non-paid amounts of MSME.
- Easy registration can be done online via
<https://udyamregistration.gov.in/UdyamRegistration.asp>

2. GST

- Threshold limit – Aggregate Turnover Rs 40 Lakhs for trading and manufacturing and Rs 20 Lakhs for Service industry.
- Returns

GSTR1	Monthly/Quarterly
GSTR3B	Monthly
GSTR9	Annual Return
GSTR9C	Annual Audit

 - * Even Nil return is mandatory
- Regular Scheme and Composition Scheme
- Mandatory registration for e-commerce operator, pure agents, RCM (e.g. lawyers), Casual Tax payer etc
- Late fee for GST return
 - Tax payable – Rs 50 per day
 - Nil return – Rs 20 per day
- Interest for default in tax deposition. - 18% or 24% P.A depending upon nature of default.

Note: - For every new business, it's very important to manage its finance and statutory compliances in an effective manner. Accordingly, every business owner should know how to manage their accounts and banking transactions, how to register under GST and manage GST, how to manage TDS records etc. These minute details help business owners to manage business effectively and save business from financial irregularities.

Marketing and Branding

Dr. Sanjay Bhayana

The Preamble

Today wherever you go everyone is talking about marketing. Marketing is there in your life for each second. You are getting marketing messages every time. Mostly people think marketing is just a selling or advertising. Though selling or advertising are the parts of the marketing. But marketing is much more. Marketing consists of a number of interrelated activities and the decision in one area affects the decision in other areas.

So, first we should understand what exactly the Marketing is?

Marketing:

Marketing starts much before the production of goods and remains active even after the selling and distribution of goods.

Marketing is the process of discovering and translating consumer needs into products and services, creating demand for these products and services and then in turn expanding this demand.

Definition (s)

According to American Marketing Association - *"Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user."*

There are lots of activities included in marketing. Few of them are:

1. Identifying and selecting the type of customer, understanding their needs and desires;
2. Designing product or services that suits the customers' desires;
3. Persuading customers to buy at the firm's offerings; and
4. Storing, moving, and displaying goods after they leave the production site

Decisions taken by Marketing Manager

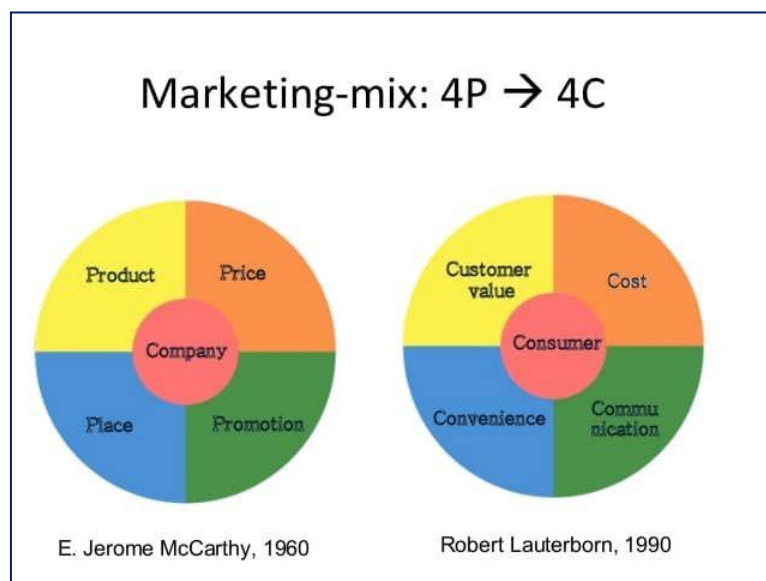
There are various types of decision taken by the marketing manager. These are related to product, price, place and promotion.

Marketing Mix/Four pillars of Marketing

The whole marketing is based on 4 Ps, commonly known as marketing mix. These 4 Ps are:

- ✓ Product
- ✓ Price
- ✓ Promotion
- ✓ Place

One of the expert (Robert Lauterborn) has explained Marketing Mix in the form of 4Cs in the figure:1



(a) Product Mix:

It deals with physical attributes of the product and the benefits associated with the product. The product should be properly designed, coloured and packed.

(b) Price Mix:

Pricing means fixing monetary value of the product. While pricing a product, managers consider various factors such as costs, legal framework, prices charged by competitors

and the prices that consumers are ready to pay. Managers must price the product to recover the costs and earn a reasonable return on capital.

(c) Promotion Mix:

It refers to firm's communication with the consumers regarding the product. It motivates them to buy the goods. **Sales can be encouraged in various ways viz. (i) Advertisement (ii) Personal Selling and (iii) Sales Promotion:** It holding contests, lotteries etc. Assorted combinations of sales promotion techniques can be used.

(d) Place Mix:

The place mix identifies the route through which goods are transferred from sellers to buyers. The seller may sell directly to the buyer or through intermediation of wholesalers and retailers. More than one channel of distribution can be adopted at the same time; for example, a wholesaler can sell through retailers and also directly to consumers.

A glimpse of the activities covered in Marketing Mix showed in the figure 02



Sales and Marketing are different:

There is a difference between sales and marketing. Marketing is much broader than sales. Sales includes only transfer of ownership from one person to another.

Segmentation, Targeting and Positioning (STP): A Marketing Tool/Model

Segmentation

- Market Segmentation refers to the process of creation of small groups (segments) within a large market to bring together consumers who have similar requirements, needs and interests.
- In simpler words market segmentation can also be called as Grouping.

Basis of Segmentation

- **Demographics which focuses on the characteristics of the customer.** For example age, gender, income bracket, education, job and cultural background.
- **Psychographics which refers** to the customer group's lifestyle. For example, their social class, lifestyle, personality, opinions, and attitudes.
- **Behaviour which is based on customer behaviour.** For example, online shoppers, shopping centre customers, brand preference and prior purchases.
- **Geographical locations** such as continent, country, state, province, city or rural that the customer group resides.

Targeting/Target your best customers

- Once the marketer creates different segments within the market, he then devises various marketing strategies and promotional schemes according to the tastes of the individuals of particular segment. This process is called targeting.

Positioning/Position your offerings

- Positioning is developing a product and brand image in the minds of consumers.
- Means by which goods and services can be differentiated from others and give consumers a reason to buy.

What else it includes...

- It can also include **improving a customer's perception about the experience they will have** if they choose to purchase your product or service.

There are three type of positioning is there:

- **Symbolic positioning:** Enhance the self-image, belongingness, or even ego of your customers. The luxury car industry is a great example of this – they serve the same purpose as any other car but they also boost their customer's self-esteem and image.
- **Functional positioning:** Solve your customer's problem and provide them with genuine benefits.
- **Experiential positioning:** Focus on the emotional connection that your customers have with your product, service, or brand.

Example of STP

Garnier offers broad range of products for both men and women.

- Each of their brands has been targeted well amongst the specific market segments. (Men, women, teenagers as well as older generation)
- Men - Sunscreen lotions, Deodorant
Women - Daily skin care products, hair care products
Teenagers - Hair colour products, Garnier Light (Fairness cream)
Older Generation - Cream to fight signs of ageing, wrinkles
- *A female would never purchase a sunscreen lotion meant for men and vice a versa. That's brand positioning.*

Branding

- ▶ Branding is the **exercise of giving a specified name to a product** or group of product of one seller.
- ▶ The process of finding and fixing the means of identification is called Branding.

- ▶ In nut shell, **naming product, like a naming a baby, is known as branding.**
Thus branding is management process by which product is named; i.e. branded.

Few of the experts explained Brand as:

“A brand is name, term, sign, symbol, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition.”

There are few features of brand:

- ▶ Brand is Massive asset.
- ▶ Brand is Promotional Tool.
- ▶ Brand is Weapon to Protect Market.
- ▶ Brand is a Means of Identification for Customers.

Significance/ Importance of Branding

There are lots of advantages of Branding to the different people viz. producers, middlemen, customers.

New Product Development

Dr. Aman Dua

The goods or services is reason for existence of any firm. As society changes frequently, continuous introduction of new products is essential for a firm/organisation to be in existence.

E.g.: A drug firm invests 12 to 15 year before getting the regulatory approval for a new drug.

Operation manager/team who master the art of development of product are called product developers. Variety or type of products have extensive range now a days. For e.g. the following are the variants of drinking water available in the market

1. Glacial water
2. Spring water
3. Volcanic Water
4. Spring Water
5. Mineral Water
6. Sparkling water
7. Exotic Water

It may be a mature business like automobiles or consumer electronics or the dynamic segments like e-Portal. New product development motivates the best people or individual to enhance the company ability to recruit new people and welcome and develop and cash on new ideas.

What is product development?

It is a method to bring new product to the market place. This is applicable for new products as well as innovations and modifications in existing products. The seven stages of new product development are:

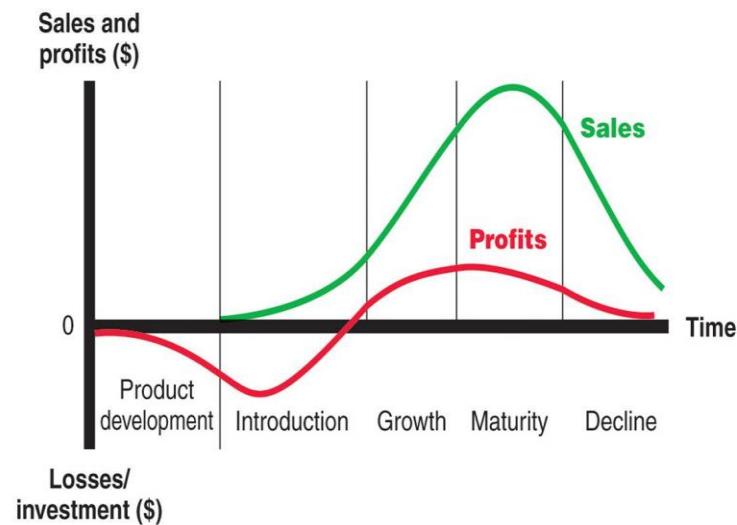


Product Life-Cycle and Data Management

Products are born. They live and they die. The phases of product life cycle are:

1. **Introductory Phase:** The product is still being fine-tuned for market as are their production techniques. The usual expenditures are, for research product development, Process modification enhancement and supplier development.
2. **Growth Phase:** In this phase product is stabilized and effective forecasting of capacity requirement is necessary. Adding of capacity may also be required.
3. **Maturity Phase:** In this phase the competitors are established. Innovation and high volume are needed. Reduction in options and paring down of the product line may be effective or necessary.
4. **Decline Phase:** It is necessary to end the product unless dying product makes some unique contribution to the firm's reputation product line.

Figure 1: Life cycle of product. (Source: Chase and Aggarwal, 2018)



Product Data Management: Product Data Management (PDM) is the process of collecting, organizing, storing, and sharing data within an organization. You might also have heard that it comes under the umbrella of Product Lifecycle Management (PLM) and is sometimes referred to in software engineering as version control. A **Data Product Manager** is like a Product Manager, but who focuses more heavily on Product Data Management.

This process has a knowledge management orientation. A number of minds and stakeholders are required to develop a product. Project managers, engineers, sales people, buyers and quality assurance teams all benefit from the knowledge management and reporting capabilities of PDM systems. They allow companies to:

1. Find the correct data fast
2. Improve utility and reduce cycle times
3. Reduce development errors and costs
4. Improve value chain orchestration and improved visibility
5. Meet business and regulatory requirements
6. Optimize operational resources
7. Facilitate collaboration globally

Digital Marketing:

Digital marketers have a clear picture of how each digital marketing campaign supports their overarching goals. And depending on the goals of their marketing strategy, marketers can support a larger campaign through the free and paid channels at their disposal.

In simple terms it is the marketing over digital channels. **E.g.:** Search engines, websites, social media, email, and mobile apps. Using these online media channels, digital marketing is the method by which companies endorse goods, services, and brands.

By doing so, an omni-channel digital marketing strategy, marketers can collect valuable insights into target audience behaviors while opening the door to new methods of customer engagement. Additionally, companies can expect to see an increase in retention.

The 7 big categories of online marketing are:

1. Search engine optimization (SEO)
2. Search engine marketing (SEM)
3. Content marketing.
4. Social Media Marketing (SMM)
5. Pay-per-click advertising (PPC)
6. Affiliate marketing.
7. Email marketing.

Understanding Financial Statements

Dr. R. Prasanth Kumar

Financial Statements

- What does your company own, and what does it owe to others?
- What are its sources of revenue, and how has it spent its money?
- How much profit has it made?
- What is the state of your firm's financial health?

This session will help you answer these questions by discussing three essential financial statements: Income statement (Profit & Loss Account), Balance Sheet and Cash flow statement. The FS are essential documents of business to assess the performance of business and identify the areas for interventions. The stakeholders are interested at different financial information of your firm.

2. Income Statement

Whether the products / services that a company provides are profitable? Profit creates sovereign criterion of the enterprise, Right on the money, Charts its own course and Run the way u want. If stops being profitable, your stakeholder poke their nose, unlikely to get succeed. Make accurate business forecasts and projections by developing a projected income statement, (profit and loss account), as a planning and management tool that will help control business operations; develop a preview of income amount generated (monthly and annually).

2.1 Profit: It is the amount left over after all expenses are subtracted from sales revenue. The basic types of profits are Gross Profit, Operating Profit, and Net Profit.

2.2 Gross Profit: It is sales minus cost of goods / service sold, leftover after meeting direct cost. It should sufficient to cover operating cost.

2.3 Operating Profit: It is Gross profit minus operating expenses, profit made from the running the firm. It also called EBIT (Earnings Before Interest and Taxes).

2.4 Net Profit: It is operating profit minus financial cost and taxes; the surplus is given to owner.

Exhibit 1 Income Statement of Agi Infra Limited for the period ended 31 March 2020

	Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
I	Revenue From Operations	17	910244431	806228832
II	Other Income	18	20167618	3737936
III	Total Income (I+II)		930412049	809966768
IV	EXPENSES	19	1237978338	1275606556
	Cost of materials consumed			
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	20	(1017232396)	(977937208)
	Employee benefits expense	21	211843356	113769899
	Finance costs	22	125714371	84500898
	Depreciation and amortization expense	23	42739772	41662787
	Other expenses	24	147218195	156460728
	Total expenses (IV)		748261635	694063660
V	Profit/(loss) before exceptional items and tax (I- IV)		182150414	115903108
VI	Exceptional Items			
VII	Profit/(loss) before tax (V-VI)		182150414	115903108
VIII	Tax expense:			
	(1) Current tax		32000000	26000000
	(2) Deferred tax		(395335)	(2876256)
IX	Profit (Loss) for the period from		150545749	92779364

	continuing operations (VII-VIII)			
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations		-	-
	(after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		-	-
XIV	Other Comprehensive Income		-	-
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
			-	-
			-	-
			-	-
XV	Total Comprehensive Income for the period		-	-
	(XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income		-	-
	for the period)		-	-
			-	-
XVI	Earnings per equity share		14.73	9.08

	(for continuing operation):		14.73	9.08
	(1) Basic			
	(2) Diluted			
XVII	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earnings per equity share (for discontinued & continuing operations)			
	(1) Basic		14.73	9.08
	(2) Diluted		14.73	9.08

3. Balance Sheet

It's like our whole body health check up! In the same fashion firms do check their financial position through balance sheet at a given point of time, monthly, quarterly or annually.

It describes the assets controlled by the business and how those assets financed with funds. The basic equation of balance sheet as follows:

$$\text{Assets} = \text{Liabilities} + \text{Owner's equity}$$

3.1 Components of Balance Sheet

- **Current Assets** - Assets that either cash now or will become cash within the next 12 months. Examples are Deposits in bank accounts, accounts receivable, bills receivables, inventories, etc.
- **Fixed Assets** - The things your firm owns for the purpose of generating income. Examples are buildings, vehicles, equipment, furniture, computers, etc.
- **Other Assets** - The things your firm owns that do not fit in the above two categories. Examples are patents, copyrights, utility deposits, etc.

- **Current Liabilities** - Amounts your firm owes that must be paid within the next twelve months. Examples are trade accounts payable, sales and payroll taxes, income taxes and the next 12 payments for your notes and mortgages.
- **Long-term Liabilities** - Amounts your firm owes that will be paid after the next 12 months. These are usually confined to all payments on your notes and mortgages due after the next 12 months.
- **Capital (Owner's Equity)** - The investment made by the owner, less any drawings for personal use, plus all accumulated earnings of the company since inception.

Exhibit 2 Balance Sheet of Agi Infra Limited as at 31 March 2020

Particulars	Note No.	Figures as on 31st March 2020	Figures as on 31st March 2019
1	2		
(1) ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1(A)	157994792	164834313
(b) Investment Property	2	127156536	72671069
(c) Other Intangible assets	1(B)	177393	481519
(d) Financial Assets			
(i) Investments	3	189256189	203777898
(ii) Trade receivables			
(iii) Loans			
(iv) Others (to be specified)	4	9970129	2236178
(e) Deferred tax assets (net)		11283359	10888024
(f) Other non-current assets			
(2) Current assets			
(a) Inventories	5	3228087734	2210855338
(b) Financial Assets		0	0
(i) Investments			
(ii) Trade receivables	6	35901205	113868718
(iii) Cash and cash equivalents	7	127803413	100873454
(iv) Bank balances other than (iii)	8	4607472	8085958

above			
(v) Loans		0	0
(vi) Others (to be specified)		0	0
(c) Current Tax Assets (Net)	9	28630783	7264372
(d) Other current assets	10	81394221	74889118
Total Assets		4002263226	2970725959
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11(A)	102167200	102167200
(b) Other Equity	11(B)	580576059	453744637
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	644560892	850817909
(ii) Trade payables			
(iii) Other financial liabilities (other than those specified in item (b), to be specified)			
(b) Provisions	13	1293508	4236603
(c) Deferred tax liabilities (Net)			
(d) Other non-current liabilities			
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	405365480	288600772
(ii) Trade payables	15	121366051	172995456
(iii) Other financial liabilities (other than those specified in item (c))			
(b) Other current liabilities	16	2143601599	1097056977
(c) Provisions	16 A	3332438	1106405
(d) Current Tax Liabilities (Net)			
Total Equity and Liabilities		4002263226	2970725959

4. Cash flow Statement

The cash flow statement provides information about the firm's sources and uses of cash during accounting period. It helps to know the whether the firm has sufficient cash in hand to run the business. The firm needs enough cash to purchase inventory, pay its expenses and clearing its loans. Investors, in particular, want to know how much, why and how cash was generated or used.

Exhibit 3 Cash Flow Statement of Agi Infra Limited for the year ended 31st March, 2020

Particulars	31st March, 2020	31st March, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	182150414	15903108
Adjustment for :		
Depreciation & Amortisation	42739722	41662787
Extra Ordinary Items	(23714276)	23436772)
Interest / Dividend Income	(1113489)	(2540409)
(Profit) / Loss on sale on Fixed Assets		
Financial Costs	125714371	84500896
Operating Profit before Working Capital Changes	325776742	16089610
<i>Adjustment for :-</i>		
(Increase) / Decrease in Inventories	(1017232396)	(977937208)
(Increase) / Decrease in Trade Receivables	77967513	(89689497)
Increase / (Decrease) in Trade Payables	(51629406)	77318790
Increase / (Decrease) in Short Term Provisions	(717062)	2735823
Increase / (Decrease) in Other current liabilities	1046544622	87126352
(Increase) / Decrease in Other Non Current Assets	-7733951	4587311
Increase / (Decrease) in Other long term liabilities	0	0
(Increase) / Decrease in short term loans & Advances	0	0

(Increase) / Decrease in other Current Assets	(27871514)	17741641
Cash Generated from Operations	19327807	(278116788)
Direct Taxes Paid	(32000000)	(26000000)
Net cash from /(used in) operating activities (A)	313104549	(88027178)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Incl CWIP)	(35596126)	(131237156)
Sale of Fixed Assets		
Profit / (Loss) on sale of Fixed Assets		
Other non Current Investments	(39963758)	38865109
Purchase / Sale of Investments		
Interest / Dividend Income	1113489	2540409
Net cash from/(used in) Investing activities (B)	(74446395)	(89831638)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From issue of share capital (including Premium)	0	0
Proceeds From issue of Debenture capital (including Premium)	0	0
Share Application Money		
Increase/(Decrease) in Long Term Borrowing	(206257018)	55847197
Increase/Decrease in Long Term Loans & Advances		
Increase/(Decrease) in Short Term borrowing	116764708	66783545
Financial Costs	(125714371)	(84500896)
Net cash from/(used in) financing activities (C)	(215206680)	38129846
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)	23451474	(39728970)
Cash and cash equivalents at beginnings of year	108959412	48688382
Cash and cash equivalents at end of year	132410885	08959412

Grass root training curriculum

Opportunity calculation, Unit Cost Metrics, Break-even analysis, Payback period, Cash flow projections, Day Book, Supplier Book, Customer Book

Disclaimer

This reading is not designed to be your only guide to understand financial statements. A much wider range of resources is available to you, and I strongly recommend you make use of them.

DPR and Bank Credit

Dr. Vimal Pant

The health of a business is measured by its financial performance and the investors will always make their decision based upon the financial statements of the business. This makes it imperative for the owner of a business to be financially literate. The financial literacy, so to say, will go a long way in boosting the confidence of the entrepreneur and take strong decisions based on careful and fundamentally strong analysis of financial implications of such decisions on the future of the business.

There are few key insights which any budding entrepreneur must be aware of beyond his product and market. These include cash management, vendor and invoice management, cost analysis, financial statement analysis, funding for capital acquisition, working capital management etc. In fact, many times the business has to explain the financial parameters to partners, employees, investors and lenders. Although an accountant can be hired for these tasks but if the entrepreneur understands these concepts, he will always be in better control of affairs. And many times, especially during the initial days, hiring the accountant would be difficult.

DPR AND ITS SIGNIFICANCE

One of the key documents prepared by an entrepreneur to discuss the business idea with the investors and proposed partners is called the Detailed Project Report or the DPR. It contains all details of the product/service, target market, delivery process, team, viability, marketing plan and financial analysis. These are subjective and their impact assessment needs numbers or quantification which is found in the financial section of this plan. The detailed project report submitted to the investors or lenders has this important component of financials which reveals the financial feasibility of the project. The finance part of the business plan holds key significance as it forms the key fundamentals for an investor to decide upon investing in the business. Even if no outside funding is required, it is necessary to understand the financial performance of a business through the numbers. Many entrepreneurs might not be too proficient in making or understanding these statements as they need understanding of basic accounting procedures. Readymade templates come in handy for those who cannot

afford to hire accountants but still a basic understanding of key elements and ratios is important.

One must not confuse financial projections with accounting as there we extract financial statements from our past record of financial transactions. These days, financial accounting software does that very easily. However, in a project report we need to look forward rather than backward and that always involves risk due to uncertainty. It is called as forecasting and while we do not waste much time in minute details of these forecasts, it is essential that vital details or items are not left out. At the end of the day, these are projections and not likely to be too accurate with respect to the actual but the deviations should not be drastic as otherwise it will erode the confidence about the business and its management team. One should be very careful about revenue forecast and capital investment as they might derail the entire business model. The angel investors or venture capitalists look at these numbers carefully to see the risk-return trade off provided as well as deciding upon the exit time frame. These numbers also act as guidance for the entrepreneur as he knows what his business needs to achieve over a period of time.

CONTENTS OF DPR

The DPR contains details about the following components of the project and the firm.

Promoters' Details

Promoter's Qualification, Experience, Legal History, Ownership, Past Performance

Technical Details

Product, Manufacturing Process, Technology

Market & Industry Details

Industry Size, Growth rate, Long-term Prospects, Market Segmentation, Target Market

Project Cost and Finance Structure

Capital Expenditure, Working Capital, Sources of Funding

Financial projections and ratios

Projected Income Statement, Balance Sheet, Cash Flows and Key Ratios

Sensitivity analysis

Investigation regarding impact of change in key variables in future

Risk analysis and mitigation

Types of risk associated with the business and strategies to reduce them

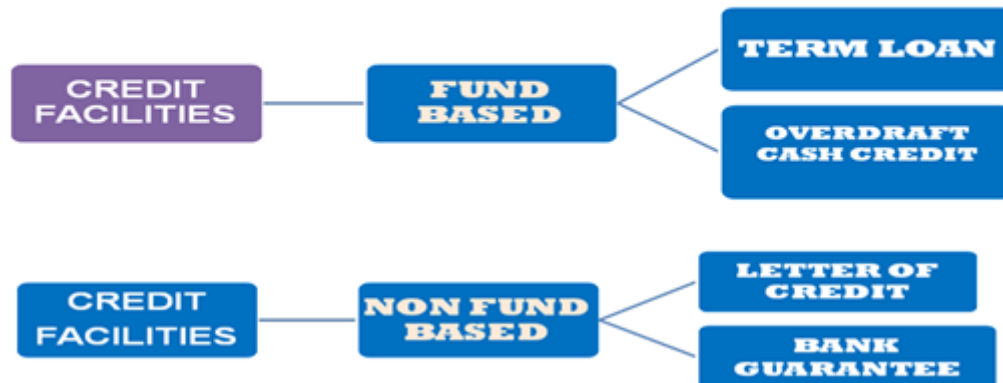
Competitive analysis

Present and possible competitors, impact of competition and strategy to face it

SWOC Analysis

Strengths, Weaknesses, Opportunities and Challenges related to the business

TYPES OF BANK FINANCE



FINANCIAL INFORMATION IN DPR

The following are the main components of the financial information in the DPR:

1. Cost of project

Overall financial layout of the project

2. Means of finance

Sources of Funding- Self Contribution plus bank finance/other sources

3. Assumptions for cost and sales

The basis for unit cost and unit sales

4. Projected income statement

Forecast of items of revenue and expenses for a particular time

5. Term loan repayment

Repayment schedule of the term loan during the loan tenure

6. Depreciation on fixed assets

Rate and schedule of deprecation of fixed assets

7. Balance Sheet (past and projected)

Statement of Assets, Equity and Liabilities

8. Cash flow statement

Inflow and outflow of cash under operating, investing and financing activities

9. Debt service coverage & other key ratios

Ratios to analyze profitability, liquidity and solvency

10. Break Even Analysis

The no profit-no loss level of operations

THREE FINANCIAL STATEMENTS- PAST & PROJECTED

THREE CRITICAL TESTS OF FINANCIAL HEALTH

1. **Liquidity**- This refers to the ability to convert assets into cash in order to meet financial obligations. It is mainly measured by Current Ratio (Current Assets/Current Liabilities) and Quick Ratio (Current Assets less Stock/Current Liabilities).
2. **Profitability**- This refers to the ability to generate profit from operations. It is mainly measured by Net Profit Ratio (Net Profit divided by sales) and Return on Assets (Net Profit divided by Total Assets).
3. **Solvency** – This refers to long term stability of the business and is reflected by optimal mix of debt and equity in the capital. It is measured by Debt - Equity Ratio (Total debt divided by Total Equity) and Debt Service Coverage Ratio (Net Operating Income divided by Total Debt Obligation).

KEY VARIABLES FOR BANK DECISION

Prima Facie Acceptability

Bank's / RBI / Government Rules and regulations; Credit Report : Various Defaulter's List; Exposure Norms; Constitution of the Applicant; Take Over Norms; Various Licenses – Pollution Clearance Certificate; KYC Compliance & Market Report

Technical Feasibility

Selection and compatibility of Machines; Capacity of Machines – installed capacity and operating capacity; Input – output ratio of Raw Materials and Finished Products, Wastage, Availability of Raw Materials, Power, Water, Labour etc; Factory Layout and accessibility; Disposal of wastes and effluents

Economic Viability

Demand & Supply; Preference of users; Competition; Techno Economic Viability Report

Financial Feasibility

Cost of Project- Land & Land Development, Civil Constructions; Machineries; Furniture & Fixtures, Contingencies; Means of Finance: Bank Loan, Margin / Subsidy

Commercial Viability

Profitability Study; Break Even Analysis; DSCR analysis; SMCR analysis

Managerial Competence

4Cs- Character, Capacity (Experience & Expertise), Capital-Sources, Collaterals- Value & Acceptability

Pre Sanction Inspection & Market Report

Personal Assets & Liabilities; Net Means; Market Report

IMPORTANT TIPS FOR BANK OPERATIONS

Cash Credit Accounts

- Try to route maximum sale proceeds through account only as it will provide evidence of sales and help you in putting your case for limit enhancement.
- Self drawn cheques are not allowed in Cash Credit Accounts.
- Do not overestimate your limit requirement because underutilization of limit will lead to commitment charges in the account.
- Cash Credit limit is assessed annually and it can be increased or decreased depending upon the sales so timely renewal based upon documents is essential.
- Audited financials are required for turnover more than Rs. 1crore.
- The business should maintain the books of stock updated all the time as the business premises are subject to inspection by the bank periodically.
- Debtors more than three months old are generally not accepted so the business unit should try to reduce their collection period.
- The biggest misconception among the CC limit users is that they have to only serve the interest which is charged at the end of every month. This highly reduce

the chance of enhancement of limit in the following years and also often assumed as diversion of funds by the bank.

Current Accounts

- If you have an existing current account in another bank then obtain an NOC from the former to open a new current account in another bank.
- Apply for cheque books at least 15 days in advance as they are printed with the accountholder's name.
- Avoid cash transactions in current account particularly of large size so that they are not reported as suspicious transactions.
- For small centres, inform bank branches in advance for any exceptional withdrawals as they keep cash at lower level to maintain cash retention.

Sample DPRs can be seen at:

http://niftem.ac.in/site/Internal_NIFTEM.aspx?menulevel=2&MenuID=143

<http://iifpt.edu.in/ab-pmfme.php>

Training of Master Trainers

Platform Skills Training

Participant Booklet

Name:

Training Partner Name:

Domain Job Role:

Mobile No.:

Platform Skills Training – Program Structure

Day 1

- On-Boarding and Program Objectives
- Provide Advance Facilitation Practice
- Apply Principles of Professional Practice at workplace
- Characteristics of Great Trainers Worldwide
- Basics of Video Making Skills
- Basics of G-Suite for Professional Growth
- Art of Giving Feedback that Motivates

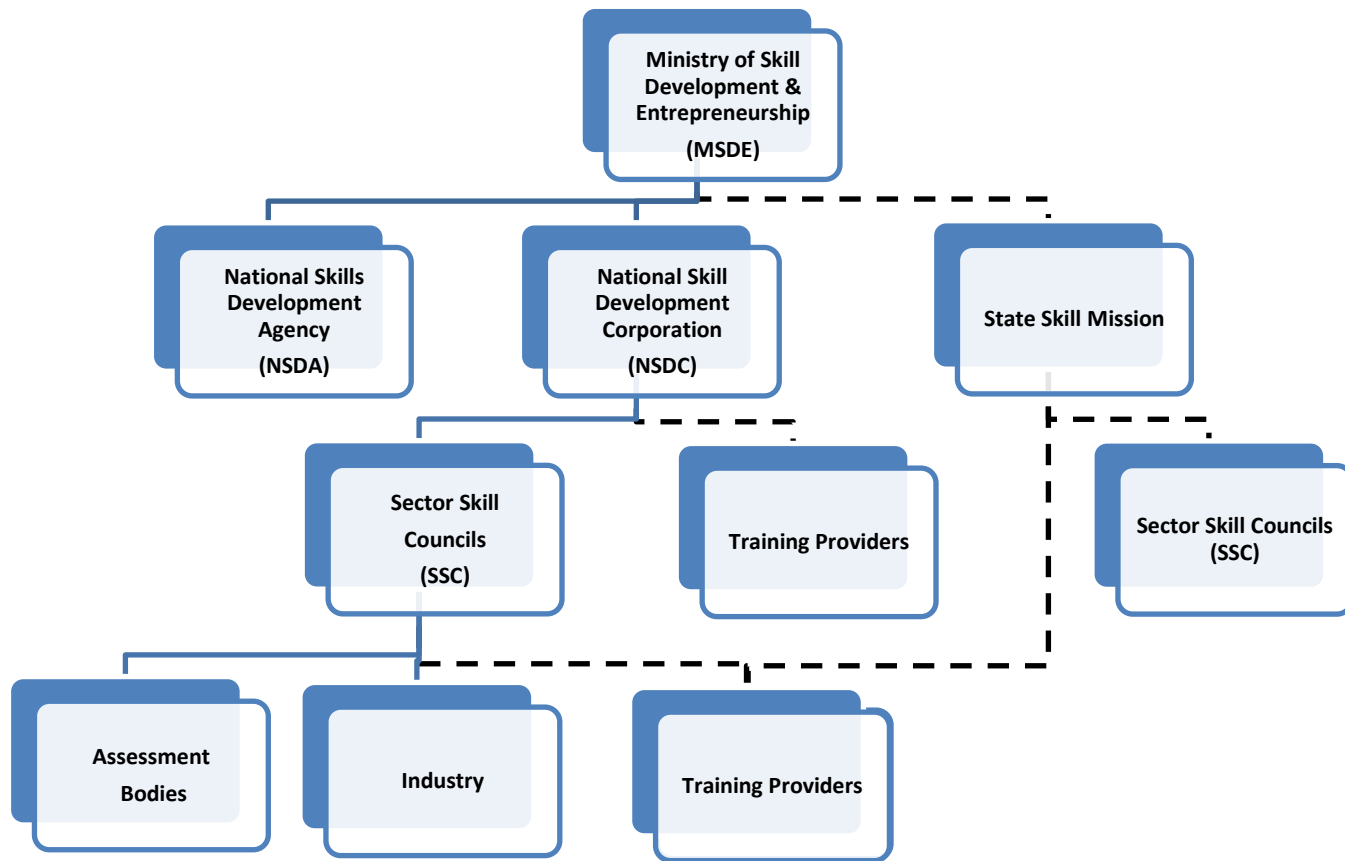
Day 2

- Evaluation of Training Program
- Competency Based Assessment
- Undertaking Assessment of Competence as per required standards
- Life Long Learning & Professional Development
- Advance Skills for G-Suite for Professional Growth
- Facilitation: Learning-Style and Trainer-Type Inventory
- Examples of Adult Learning Principles & Stages of learning process

Day 3

- Role of Technology and Analytics in training session
- Six Pillars of Scientific Assessment
- Potential technological barriers and solutions during facilitation
- Assessment Errors and common pitfalls in assessment
- Common Errors in Training & Debriefing exercise

Underlying Framework of Skill India Mission



Program Scope:

- > Identify the characteristics of an exceptional Master Trainer.
- > Practice Advance Facilitation Skills using Andragogy.
- > Identify and apply different behavioral styles and adapt training as necessary.
- > Develop an effective training program using appropriate training aids, techniques, activities and debrief.
- > Prepare a needs analysis and understand why it is a necessary step in any training program.
- > Master various methods for delivering Learner Centered and Engaging Trainings.
- > Develop strategies for Training Evaluation and Competency Based Assessment.
- > Practice technology tools aligned with future learning trends for better connect and impact.

Program Outcomes:

Upon the completion of the training, the trainers will be able to:

- Open up themselves to the learning environment in order to adapt to newer practices at the same time share their best practices in the training room
- Identify and list down their skill gaps and platforms (workshops, seminars, online portals, conferences etc) available to bridge the gaps and thereby enhance their professional practice and technical competency.
- Carry out complete PDCA cycle using appropriate developmental tools.
- Conduct most optimize, comprehensive and competency based training session using different training methods and develop strategies and tools to assess trainees' learning outcomes.
- Clearly distinguish training and coaching process and develop tools to provide coaching to their learners based on the need analysis conducted.
- Identify different support needs of their learners and develop concrete strategies to meet their needs within the scope of their role.
- Infuse and arouse passion and will to learn and grow amongst their participants by exemplifying through their own innovative and creative training practices.

Provide Advance Facilitation Practice & Apply Principles of Professional Practice at workplace

Main Elements:

- Develop and enhance own training, facilitation and learning practices
- Prepare to facilitate learning sessions
- Prepare for learners with complex needs
- Facilitate learning sessions
- Reflect on, and improve practice

Attributes required:

- Exercise excellent verbal and non-verbal communication:
- Be soft-spoken
- Reinforcement Scheduling
- Body language (gestures and posture)
- Eye contact
- Voice modulation
- Body movement
- Facial expression

Readily available up skilling Platforms:

1. Nptel.ac.in
2. Conferencealerts.com
3. swayamprabha.gov.in
4. TED.com
5. Howstuffworks.com
6. LinkedIn.com
7. Slideshare.net
8. Other??
9. Other??

Skills Required:

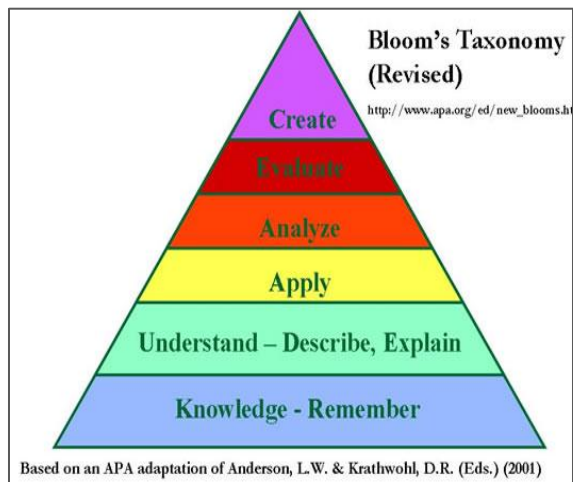
Core Skills

- Writing skills
- Reading skills
- Oral communication
- Technology skills

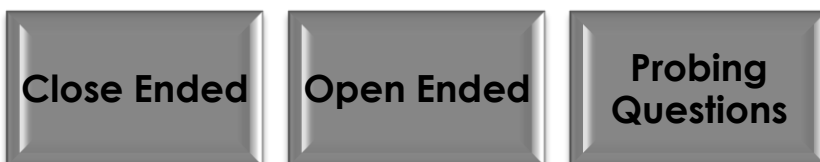
Professional skills

- Decision making
- Plan and organize

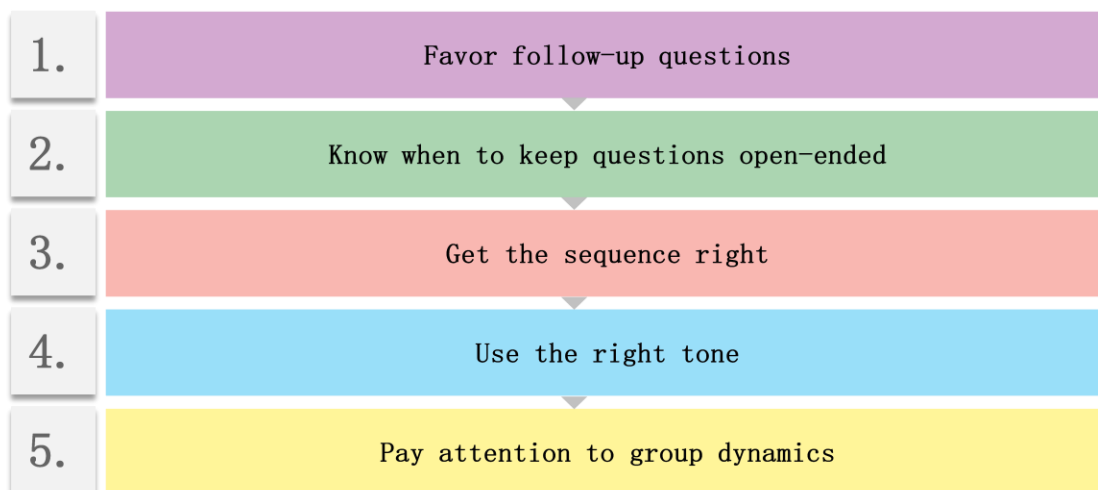
- Analytical thinking



Powerful Questioning



The New Socratic Method



Notes:

Identify Training Methods/ Resources/Activities

When selecting a training method, answer the following questions:

- Is this method appropriate for the objectives?
- Are there sufficient trainers available to use this training method?
- Are there resources available to use this training method?
- What is the projected size of the group to be trained?
- Is a special classroom arrangement required?
- Is this method appropriate for group training, individualized training, or both?
- What times are available for training?
- What is the background of the participants?
- Will the methods selected stimulate interest and provide variety?

Training Methods:

1. Lecture	7. Simulation
2. Talk (Presentation)	8. Brainstorming
3. Demonstration	9. Buzz Group
4. Discussion	10. Question and Answer
5. Case Study	11. Reflection
6. Role Play	12. Coaching and Mentoring

Art of Giving Feedback that Motivates

Focus on Specific Behaviour and not Personality

Behaviour Should be Controllable by the Recipient.

How I shall feel Receiving this Feedback

Did I give Feedback or Criticism

Give Feedback on Specific Situation

Feedback on Only on Present Issue

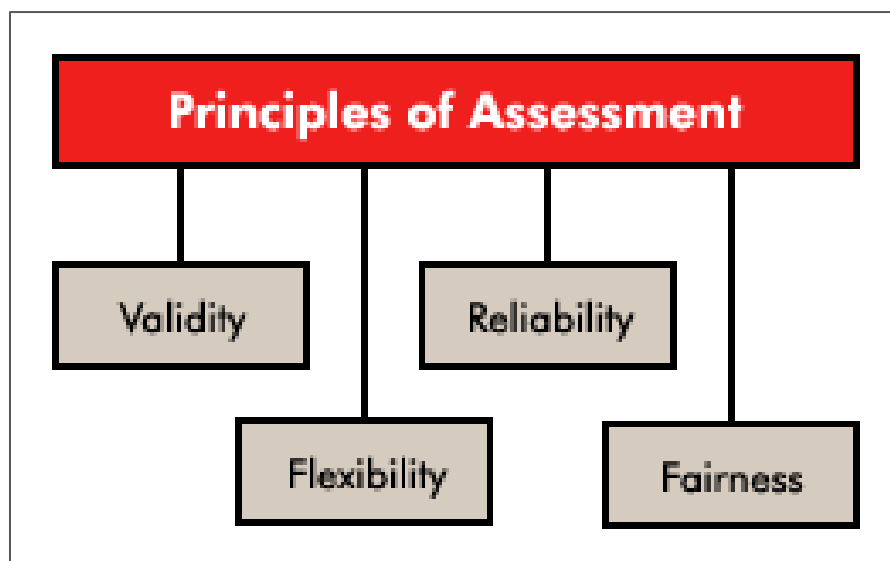
Feedback Should be Objective

Avoid Feedback Overload

Check that the Feedback is Understood

Evaluation of Training Program and Competency Based Assessment

Competency includes the following elements:



Rules of Evidence

Validity	Sufficiency	Authenticity	Currency
The assessor is assured that the learner has the skills, knowledge and attributes as described in the module or unit of competency and associated assessment requirements.	The assessor is assured that the quality, quantity and relevance of the assessment evidence enables a judgement to be made of a learner's competency.	The assessor is assured that the evidence presented for assessment is the learner's own work.	The assessor is assured that the assessment evidence demonstrates current competency. This requires the assessment evidence to be from the present or the very recent past.

Notes:

Learning Style Inventory

Directions: Circle the letter before the statement that best describes you.

1. If I have to learn how to do something, I learn best when I:

- (V) Watch someone show me how.
- (A) Hear someone tell me how.
- (K) Try to do it myself.



2. When I read, I often find that I:

- (V) Visualize what I am reading in my mind's eye.
- (A) Read out loud or hear the words inside my head.
- (K) Fidget and try to "feel" the content.

3. When asked to give directions, I:

- (V) See the actual places in my mind as I say them or prefer to draw them.
- (A) Have no difficulty in giving them verbally.
- (K) Have to point or move my body as I give them.

4. If I am unsure how to

- (V) Write it in order to determine if it looks right.
- (A) Spell it out loud in order to determine if it sounds right.
- (K) Write it in order to determine if it feels right.



5. When I write I:

- (V) Am concerned with how neat and well spaced my letters and words appear.
- (A) Often say the letters and words to myself.
- (K) Push hard on my part or pencil and can feel the flow of the words.

6. If I had to remember a list of items, I would remember it best if:

- (V) Wrote them down.
- (A) Said them over and over to myself.
- (K) Move around and used my fingers to name each item.



7. I prefer teachers who:

- (V) Use a board or overhead projector while they lecture.
- (A) Talk with lots of expression.
- (K) Use hands-on activities.

8. When trying to concentrate, I have a difficult time when:

- (V) There is a lot of clutter or movement in the room.
- (A) There is a lot of noise in the room.
- (K) I have to sit still for any length of time.



9. When solving a problem I:

- (V) Write or draw diagrams to see it.
- (A) Talk myself through it.
- (K) Use my entire body or move objects to help me think.



10. When given written instructions on how to build something, I:

- (V) Read them silently and try to visualize how the parts will fit together.
- (A) Read them out loud and talk to myself as I put the part together.
- (K) Try to put the parts together first and read later.

11. To keep occupied while waiting, I:

- (V) Look around, stare, or read.
- (A) Talk or listen to others.
- (K) Walk around, manipulate things with my hands, or move/shake my feet as I sit.

12. If I had to verbally describe something to another person, I would:

- (V) Be brief because I do not like to talk at length.
- (A) Go into great detail because I like to talk.
- (K) Gesture and move around while talking.



13. If someone were verbally describing something to another person, I would:

- (V) Try to visualize what he/she was saying.
- (A) Enjoy listening but want to interrupt and talk myself.
- (K) Become bored if her/his description got too long and detailed.

14. When trying to recall names, I remember:

- (V) Faces but forget names.
- (A) Names, but forget faces.
- (K) The situation where I met the person rather than the person's name or face.

Scoring instructions: Add the number of responses for each letter and enter the total below. The area with the highest number of responses is your primary mode of learning.

Visual

Auditory

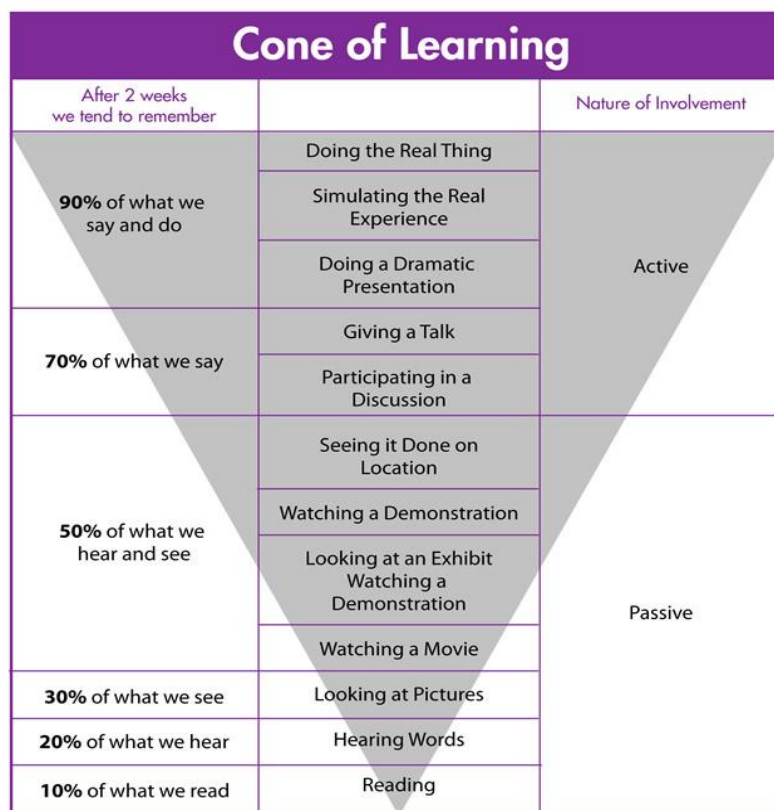
Kinesthetic

V = _____

A = _____

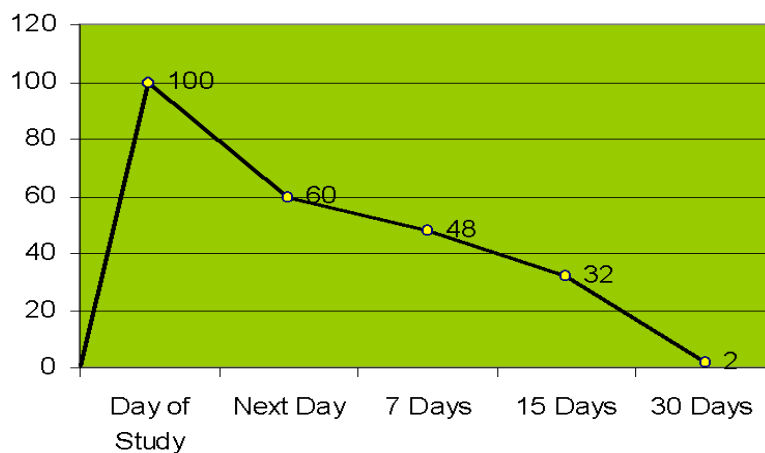
K = _____

Adult Learning Science & Principles



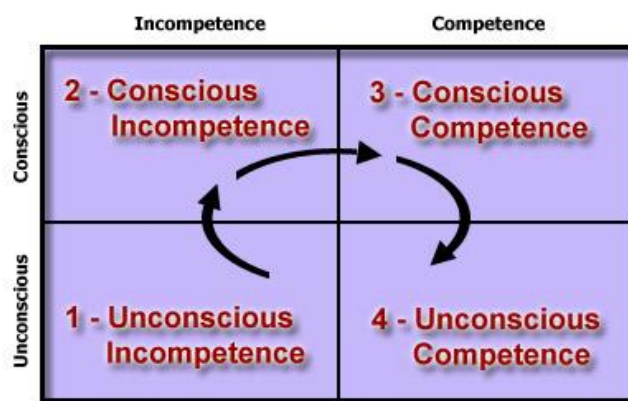
Source: Cone of Learning adapted from (Dale, 1969)

Human Memory Graph



Eight Adult Learning Principles

1. Principle of Active Learning
2. Principle of Problem Centric
3. Principle of Previous Experience
4. Principle of Relevance
5. Principle of Emotional Connection
6. Principle of Self Learning
7. Principle of Alignment
8. Principle of Fun



Conscious Competence Learning Matrix

Common Assessment Errors

Halo Effect
Recency Effect
Stereotyping
Similar to Me
Central Tendency
Leniency or Severity

Notes:

Action Plan

This is a super-simple work-sheet. Based on the training you attended, fill the details below...

Firstly, what is your goal - how would you like things to be different?

.....

.....

Now answer the 5 easy questions below:

- Identify AT LEAST 3 answers for each question to move you closer to your goal above
- Don't THINK, just read the question, stick pen to paper and WRITE!

1. What could you STOP doing?

.....

2. What could you do LESS of?

.....

3. What could you do MORE of?

.....

4. What could you CONTINUE doing?

.....

5. What could you START doing?

.....

So, what actions will you take now to empower yourself, get unlocked and get moving? Choose actions that are **easily do-able** and write them in the space below!

1st Action - something you can do **Now!** (right away or by the end of today) _____

2nd Action _____ **By when** _____ (this week)

3rd Action _____ **By when** _____ (this month)

"When you're stuck in a spiral, to change all aspects of the spin you only need to change one thing." Christina Baldwin



Contributors	
DOMAIN TRAINING	
	Dr. Sanjay Bhayana
	Dr. Vimal Pant
	Dr. Anupama Panghal
	Dr. Sapna
	Dr. R. Prasanth Kumar
	Dr. Sarika Yadav
	Dr. Aman Dua
	Mr. Mayank Singhal
PLATFORM TRAINING	
	M/s. VATS Consulting

**Formatting by Mr. Sunil Kumar*

Department of Food Business Management & Entrepreneurship Development

Phone: +91 130 228 1251

Email: fbmed.niftem@gmail.com