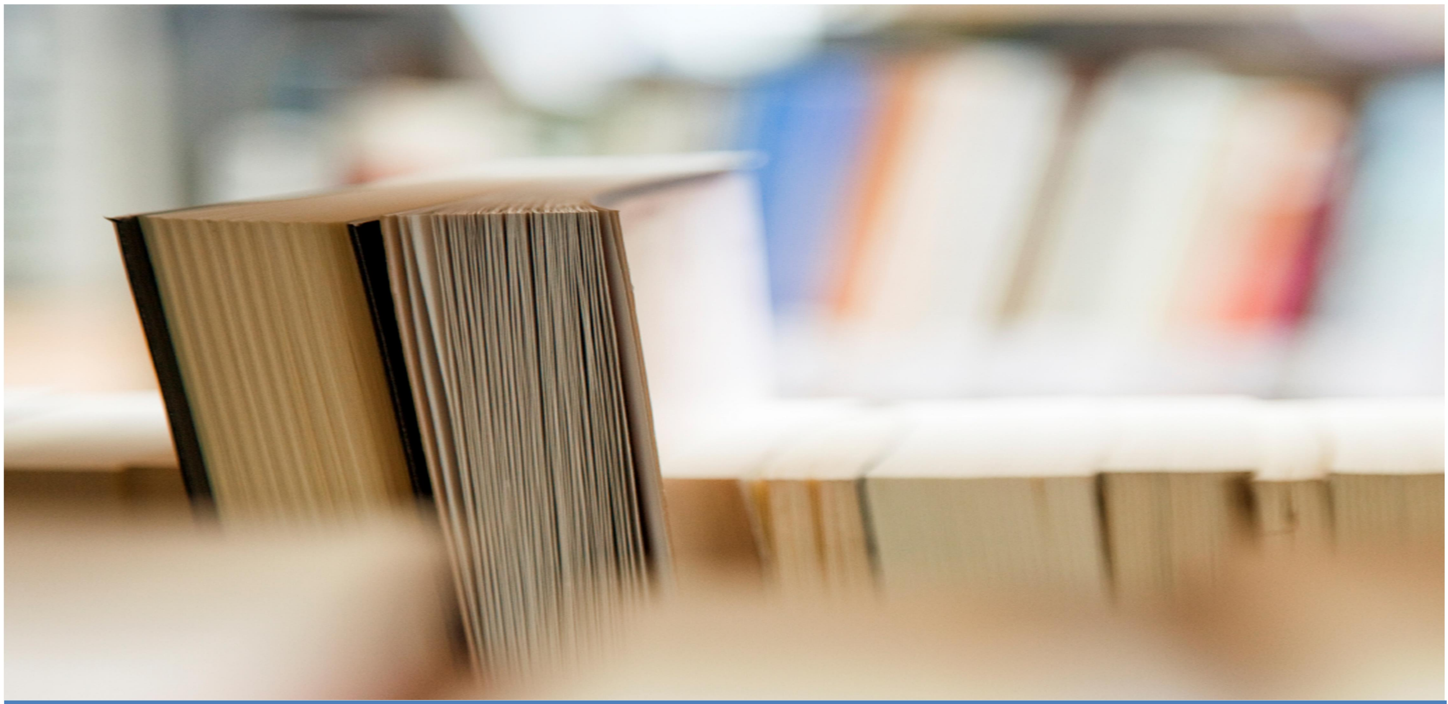


Participant Handout

Platform Skills - Training of Master Trainers Program

TOT Program organized by

In Association With

Food Industry Capacity and Skill Initiative

E3 Consultancy and Services

CONTENT

Introduction

Introduction

SECTOR/S: Management, Entrepreneurship & Professional Skills
SUB-SECTOR: Training and Assessment
OCCUPATION: Training Delivery
QP Name & Code: Trainer(MEP/Q2602)

Brief Job Description: The master trainer conducts trainer development as well as sessions that require advanced facilitation skills. They have a key role in assuring the quality of end to end training services and providing recommendations for continuous improvement of training effectiveness. They customize training programs as per the specific needs of the target audience and to enhance effectiveness.

Personal Attributes: The individual must have expertise in the technical/vocational domain of instruction. They must have strong communication, organizational and interpersonal skills. They must be quality focused, well organized and encourage learner engagement. Additionally, they should remain abreast with the latest
trends in their domain and upgrade their facilitation skills.

APPLICABLE NATIONAL OCCUPATIONAL STANDARD (NOS)

S.No	QP Code
1	MEP/N2605: Evaluate trainers and training programs and provide recommendations for improving training effectiveness
2	MEP/N2606: Plan and facilitate trainer development
3	MEP/N2607: Conduct trainings that require advanced facilitation skills
4	MEP/N2608: Customize training program as per special requirements of learners and local environment
5	MEP/N2609: Identify new programs for training
6	MEP/N9911: Apply health and safety practices applicable in a training and assessmentenvironment
7	MEP/N9912: Apply principles of professional practice at the workplace

Commonly used Terminology:

1.**Sector** is a conglomeration of different business operations having similar business and interests. It may also be defined as a distinct subset of the economy whose components share similar characteristics and interests.

2**. Sub-sector** is derived from a further breakdown based on the characteristics and interests of its components.

3. **Occupation** is a set of job roles, which perform similar/ related set of functions in an industry.

4**. Occupational Standards(OS)** specify the standards of performance an individual must achieve when carrying out a function in the workplace, together with the knowledge and understanding they need to meet that standard consistently. Occupational Standards are applicable both in the Indian and global contexts.

6. **Qualifications Pack (QP):** QP comprises the set of OS, together with the educational, training and other criteria required to perform a job role. A QP is assigned a unique qualifications pack code.

PROGRAM OBJECTIVES

At the completion of this program, the participants will be able to:

- Elucidate on the job role
- Evaluate learning environment, delivery requirements and modify session plans
- Facilitate training session in a suitable environment
- Delivering competency based, instructor led sessions as per session plan
- Demonstrate formative and summative assessment
- Organize and impart training of work skills on-the-job environment
- Evaluate health and safety practices
- Demonstrate a disciplined and ethical behavior

MODULE I: FUNDAMENTALS OF TRAINING

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Explain the importance of training and development for individuals, organisations and society.
- ❖ Describe the concept of competency.

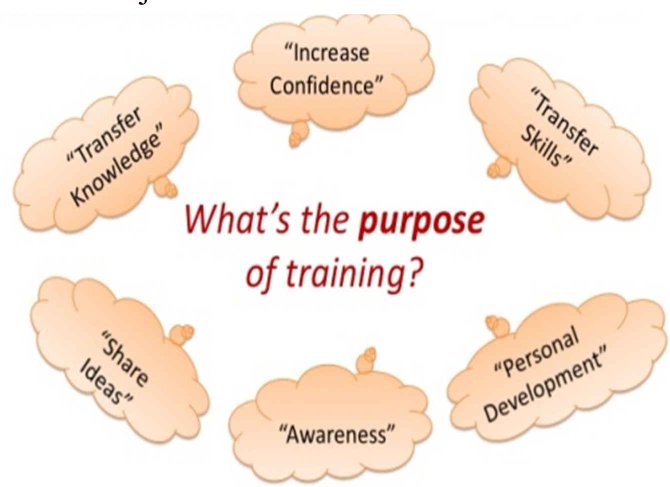
1. What Is Training?

- Training is an organized activity aimed at imparting information and/or instructions to improve the recipient's performance or to help him or her attain a required level of knowledge or skill.

- Training is about developing people as individuals and helping them to become more confident and competent in their lives and their jobs.

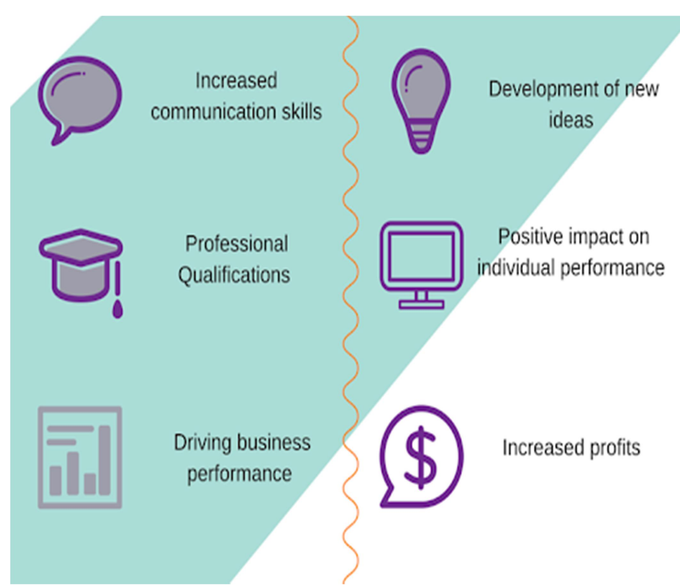
2. Purpose of Training

- To create a change
- To make certain behaviors automatic
- To enable the trainee/learner to apply as is to real-world situations
- To enable learners to produce learned behavior with fewer errors, greater speed and under more demanding conditions.
- To focus ONLY on what is the performance outcome desired



3. Benefits of Training

- Increased job satisfaction and morale among employees
- Increased employee motivation and hence reduced employee turnover
- Increased efficiencies in processes, resulting in financial gain
- Increased capacity to adopt new technologies and methods
- Increased innovation in strategies and products
- Enhanced company image, e.g., conducting ethics training
- Risk management, e.g., training about sexual harassment, diversity training



4. Defining Competency

Competency describes a cluster of related **knowledge, skills** and **attitudes** that are **observable and measurable**, necessary to perform a work activity independently at a prescribed proficiency level.

- Individual characteristics of a person which result in an effective and superior performance in a job

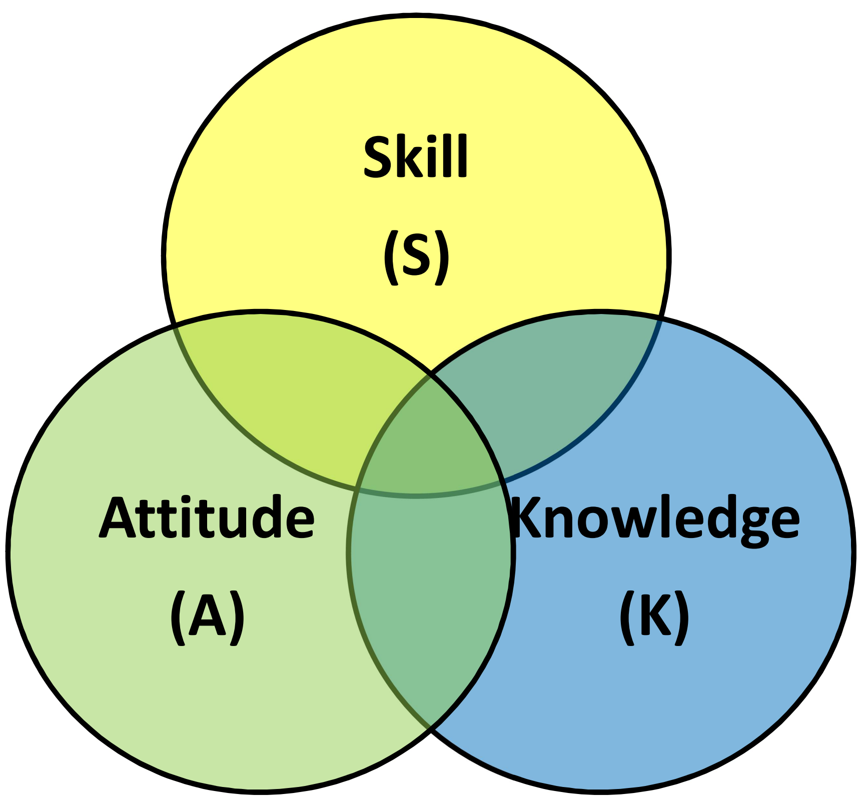
The idea behind competencies

Every job has a requirement of specific set of competencies to undertake it efficiently, and the individuals who would perform the job need to be laced with those competencies. One of the interesting and worth mentioning aspect of this term is that it focuses not only on what a person can do but also on what a person can learn. This forward looking approach makes it quite popular amongst training providers and recruitment experts.

Competencies with their specific behavioral indicators facilitate the demonstration of appropriate skills and behaviors, it is not a set of tasks performed like a robot neither it is an underlying capacity which is never demonstrated.

Competency also includes motivation and self-knowledge, a desire and willingness to demonstrate effective performance

5. Components of competency



6. Competency Based Training

- Given sufficient time and appropriate training, learners can master the required knowledge and skills for the jobs.
- How well the person can do after mastering the learning.

MODULE II: PROFESSIONAL CONDUCT OF TRAINERS

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Explain the importance of training and development for individuals, organisations and society.
- ❖ Describe the overall training and development functions in an organisation.
- ❖ Describe the role and responsibilities of a trainer.
- ❖ Display appropriate professional appearance for the workplace.
- ❖ Demonstrate appropriate professional appearance and behaviour at the workplace.
- ❖ Complete duties accurately and systematically in accordance to organisational guidelines/policies within the required timeframe.

1. Duties of a Trainer in Skill Development

- Organization's quality assurance, policies and procedures such as:
    - ❖ Enrolment and induction/orientation,
    - ❖ Complaints, grievances and appeals,
    - ❖ Assessment, including skills recognition, pre- assessment and appeals,
    - ❖ Training support requirements, for example, language, literacy, numeracy and disability needs
    - ❖ Issuance of qualifications,
    - ❖ Risk management,
    - ❖ Continuous improvement,
    - ❖ Health Safety and Environment,
    - ❖ Staff disciplinary procedures,
    - ❖ Financial and records management,
    - ❖ Management processes for learning resources and learning materials etc.
- Maintaining learning records according to organizational policy and procedure
- Manage work and work relationships and work effectively in the workplace
- Effectively use established communication systems and protocols in the workplace
- Plan and undertake work collaboratively
- Protect the rights of the client/leaner when delivering services
    - ❖ Client –
        - ▪ Client information
        - ▪ Internal challenges faced and shared by the client.
        - ▪ Employee information.
        - ▪ Results informed/ shared by employees as a result of application of the learning.
    - ❖ Learner –
        - ▪ Evaluation data (Restricted to HR, if applicable)

- Information shared by learner on personal basis
- Personal and professional challenges shared by learner in a personal conversation

- Recognize potential ethical issues in the workplace and discuss with an appropriate person.
- Determine professional development needs and prepare development plan
- Organize and check training facilities and aids
- Conduct training session
- Undertake formative assessment
- Collect and review learner feedback
- Undertake post- training activities
- Identify support needs of learners
- Provide support to learners to meet identified needs, within scope of role
- Support individual participants with additional needs in the training session
- Provide coaching and motivation

2. Skills in a successful skill development Trainer

To be a successful skill development trainer, one needs a combination of both core/generic skills and professional skills.

- **Core/generic Skills:** Core skills are those that apply across a variety of jobs and life contexts such as writing skills, reading skills, communication skills, technology skills etc. They are also known by several other names, including key skills, essential skills, key competencies, necessary skills, transferable skills and employability skills.

- **Professional Skills:** Professional skills are career competencies that often are not taught (or acquired) as part of the coursework as Decision Making, Planning and Organizing, Customer Centricity, Problem Solving, Analytical Thinking, Critical Thinking, and are value-added skills essential to any career.

3. Trainer Ethics

- Practice upholding the rights of the client
- Practices of confidentiality
- Reporting suspected unethical conduct
- Demonstrating probity in all areas of responsibility
- Modeling organizational/professional codes of conduct
- Reinforcing ethical conduct in interactions with others
- Showing sensitivity and respect for individual diversity and culture
- Recognizing and utilizing difference to develop individuals
- Fostering a culture of inclusiveness

4. Qualities Of a Superb Trainer

- Focused on performance improvement
- Ability to relate to different cultures and situations
- A willingness to learn
- Ability to create a safe learning environment
- Ability to motivate
- Willingness to use a variety of styles
- Willingness to shift focus as needs change

5. Trainer Appearance/ Dress Code

- Formal clothes (formal shirt, pant/trouser with leather belt)
- Neatly combed hair
- Shave, trim your moustache and beards regularly
- Clean finger nails
- Clean formal shoes with socks matching the color of trouser
- No paan stained teeth
- No body odour
- No loud makeup and strong perfume

6. How to Have a Successful Training Program?

- Be Concise
- Be Focused
- Keep Schedule
- Use Experts
- Use Visuals
- Encourage Questions

7. Professional Conduct During Online Session

- Be Very Well Prepared
- Keep the Schedule
- Wear The Proper Attire
- Avoid Fidgeting And Sudden Movements
- Be Attentive
- Eliminate Noise

MODULE III: PRINCIPLES OF ADULT LEARNING

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Explain the assumptions about adult learners.
- ❖ Describe the characteristics of adult learners.
- ❖ Describe the three domains of learning objectives i.e. psychomotor, cognitive and affective in relation to learning and assessment.
- ❖ Distinguish between learner-centered training and trainer-centered training.
- ❖ Identify the features of a conducive environment for learning.

The Adult Learning Theory - Andragogy

Malcolm Shepherd Knowles (1913 – 1997) was an American educator well known for the use of the term **Andragogy** as synonymous to **adult education**. According to Malcolm Knowles, **andragogy** is the art and science of adult learning, thus andragogy refers to any form of **adult learning**. (Kearsley, 2010).

The term **andragogy** can be supposedly equivalent to the term pedagogy. Andragogy in Greek means man-leading in comparison to pedagogy, which in Greek means child-leading.

Knowles' 5 Assumptions of Adult Learners

In 1980, **Knowles** made 4 **assumptions** about the **characteristics of** adult Learners (**andragogy**) that is different from the assumptions about child learners (pedagogy). In 1984, **Knowles** added the 5th assumption.

1. **Self-Concept**

As a person matures his/her self-concept moves from one of being a dependent personality toward one of being a self-directed human being.

2. **Adult Learner Experience**

As a person matures he/she accumulates a growing reservoir of experience that becomes an increasing resource for learning.

3. **Readiness to Learn**

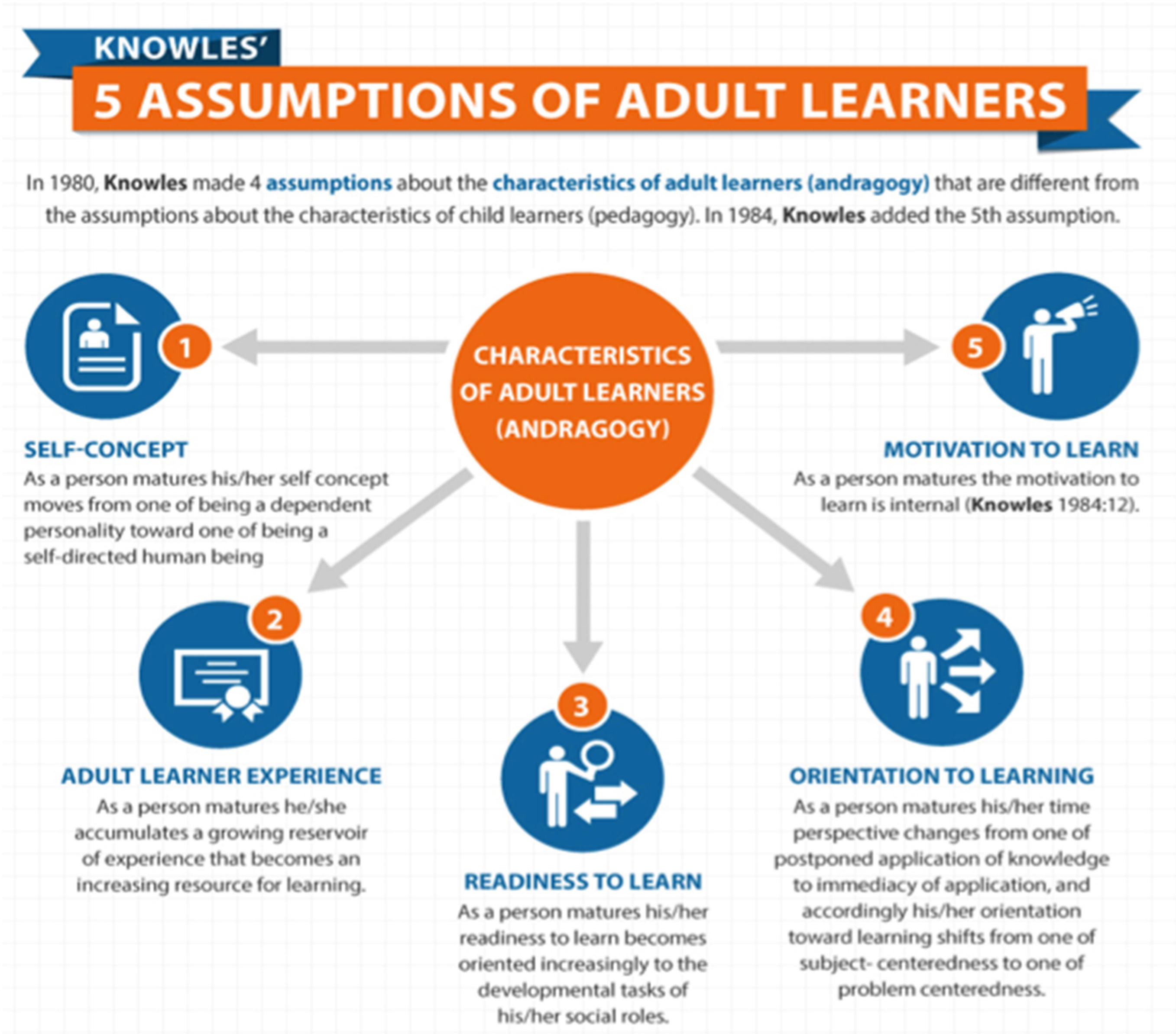
As a person matures his/her readiness to learn becomes oriented increasingly to the developmental tasks of his/her social roles.

4. **Orientation to Learning**

As a person matures his/her time perspective changes from one of postponed application of knowledge to immediacy of application. As a result his/her orientation toward learning shifts from one of subject- centeredness to one of problem centeredness.

5. **Motivation to Learn**

As a person matures the motivation to learn is internal (**Knowles** 1984:12).

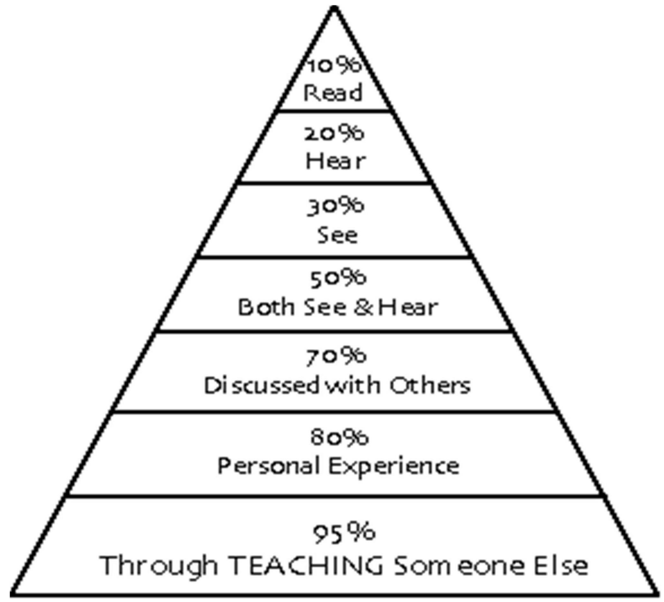


Adult Learning Principles

Adult learning principles are:-

- Training needs to be learner-centered to engage learners
- Adults have a need to be self-directing and decide for themselves what they want to learn
- Adults have a range of life experience, so connecting learning to experience is meaningful
- Adults have a need to know why they are learning something
- The learning process needs to support increasing learner independence
- Emphasis on experimental and participative learning
- The learning process should reflect individual circumstances

Cone of Learning- Role of Senses in Learning



Of what we learn, we retain approximately:

- 10% of what we read
- 20% of what we hear
- 30% of what we see
- 50% of what we hear and see
- 70% of what we say – discussed with others
- 90%-95% of what we say and do The greater the combination of our senses that are stimulated in learning, the more successful learning is likely to be

<u>Different Learning Styles (Learners) and their handling strategies</u>

1. **<u>Visual Learners:</u>**
    - They learn by seeing and visualizing.
    - They tend to be fast talkers.
    - They exhibit impatience and have a tendency to interrupt.
    - They use words and phrases that evoke image.

    <u>Dealing Strategy</u>
    The use of demonstration and visually pleasing material and efforts should be made to paint mental pictures.

2. **<u>Kinesthetic Learners</u>**
    - They learn by doing and solving real-life problems.
    - They like hands-on approaches to things and learn through trial and error.
    - They use all their senses to engage in learning.
    - They tend to be slowest talkers of all.

    <u>Dealing Strategy</u>
    Use hands-on demonstrations and case examples to be discussed and solved. The training strategy should be learning by doing.

3. **<u>Auditory Learners</u>**
    - They learn by listening and verbalizing.
    - They prefer to have things explained to them verbally.

- They like to think in a linear manner.

Dealing Strategy

Sound good, clear and the training should be planned and delivered in form of an organized conversation.

4. **Read- Write Learners**
   - They enjoy reading and writing in all forms.
   - They emphasize text-based input and output.
   - They prefer for information to be displayed in writing such as list of ideas

Dealing Strategy

Writing out key words in list form. Learners will learn by reading or rewriting the notes repeatedly; writing ideas in their own words. Organizing any diagrams, graphs, other visual depictions into statements (eg. “The trend is…”) and putting reactions, diagrams, etc. into words.

Application of Adult Learning Principles in Online Training

Adult learning principles can be applied during the design of online courses, assignments and learning activities.

During online training activities or assignments that don’t appear to have a purpose, don’t require critical analysis, don’t appear to align with course learning objectives, or don’t have real world application can lead to dissatisfaction in the mind of the learner as their need is not fulfilled or their time is not valued.

During an online training session it is beneficial to explain the purpose of an assignment, to describe how it will further learning and be of value, or be applicable later in the course.

MODULE IV: TRAINING PROCESS

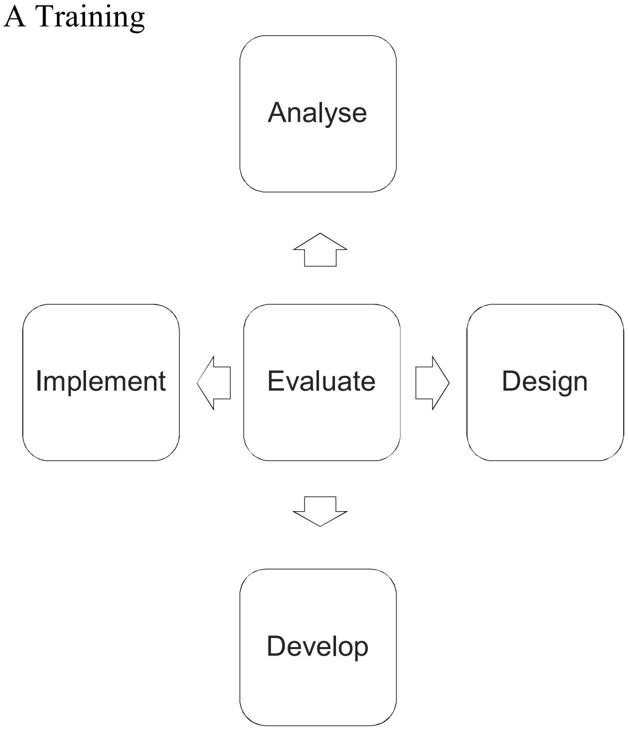
Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- Describe the key features of a training organization.
- Describe the main stages of the training cycle.
- Explain the objectives and learning outcomes of the training program.
- Describe the use of session delivery plans and facilitation guides for the implementation of a training program.
- Explain the process of evaluating the effectiveness of the training program.

Training Process

A = Analysis of Training Needs
D = Design of Training
D = Development of Training Materials
I = Implementation in A Classroom
E = Evaluation of A Training



Analyze Phase

In this phase, we clarify the current situation and the desired outcomes from the program. At the end of this phase we should know changes desired as a result of training program.

Some sample questions that can be asked during this phase are:

- Who are the participants?
- What is the expected level of knowledge, skills and attitude?
- What is the current level of knowledge, skills and attitude? Why is it important for this gap to be bridged?
- What tools can we use to measure knowledge, skills and attitude:
  - Written assessments
  - Psychometric assessments
  - Knowledge based interview
  - Task based skill assessment
  - Peer feedback
  - Role-plays

- What are the current changes that the industry/organization is going through? How can training prepare the participants better for it?
- What are some of the constraints/ challenges we can foresee?

We can use 5 W's and an H to answer some critical questions in analysis phase:

- Why is there a need for training?
- Who is the participant?
- What areas need to be addressed? (Knowledge, Skills, Habits, Attitude, Up skilling)
- How can we accomplish this?
- When will it happen? (Time and duration)
- Where will it take place? (Geographical area, other considerations)

Note:- For e-learning, app- based and blended learning during the analysis phase following points should be taken care of:-

- If the trainer and participants has initial skills related to the online learning;
- If the trainer has prior experience and educational resources (content, activities, assessments, etc.) consistent with online learning usage
- If the training center, trainer and participants (for online learning) has a high-quality technological infrastructure (IT and telecommunications) necessary to manage the online learning (participant equipment, public Wi-Fi access, etc)
- If the training team has clearly defined the objectives to be achieved, planned the actions to be carried out and identified the resources to be mobilized;
- If the project team has specified the roles and attributions of each of the members involved in supporting the online learning.

Design Phase

In this phase, we make practical decisions about how to utilize the knowledge acquired from the previous phase to formulate delivery strategy.

Some sample questions that can be asked during this phase are:

- What are the key objectives for the program?
- What are the various delivery methods and duration?

- What are the key concepts/modules that need to be delivered?
- Can we have a prototype for the program? How can we test it before developing the entire program?
- What tools can be used to supplement classroom learning:
  - Assessments
  - On-the-job training
  - On field demonstrations
  - On-field observation with feedback

Note:- For e-learning, app- based and blended learning during the design phase following points needs attention:

1. While designing online learning solutions for adults, one must consider:- :
   - Motivate the learners.
   - Provide a sense of control.
   - Outline clear learning objectives.
   - Keep the information relevant and contextual.
   - Present the content using a problem-solving approach.
   - Use engaging methodologies to present the content.
   - Allow the learners to practice through assessments, quizzes, tests and so on.
   - Provide descriptive analogies, visual aids and mind maps to enable retention of learning.
   - Distinguish between 'nice-to-know' and 'must-know' information.

2. While designing online learning solutions for adults, one must avoid:
   - Long course duration
   - Condescending and preachy tone
   - Unnecessary and ambiguous information
   - Distracting the learner from the objectives
   - Big paragraphs or chunks of information

Develop Phase

This is where we create learning material based on the output from design phase. Since the core of the content has already been decided in the design phase, this phase calls for focus on content details and delivery. We also chose the methodology for delivering the content with a detailed lesson plan in this stage.

Some sample questions that can be asked during this phase are:

- What are the different tools/models that can be used to achieve module and program outcomes?
- What is the best way to present the key concepts/tools?
- How will the concepts apply to a specific participant type or industry?

- What methodology can we use to deliver these concepts?

    - Lecture Method
    - Case Studies
    - Quiz
    - Activities and Group Tasks
    - Questionnaires

- How can we test the material? Can there be a pilot test?
- Which stakeholders can we involve to seek inputs at this stage?

Note:- For e-learning, app- based and blended learning during the developing phase the content can vary considerably, depending on the available resources. For example, e-learning content may consist of only simpler materials (i.e. those with little or no interactivity or multimedia, such as structured PDF documents) which can be combined with other materials (e.g. audio or video files), assignments and tests. In that situation, storyboard development and the development of media and electronic interactions would not be conducted.

The development of multimedia interactive content is comprised of three main steps:

- **Content development:** writing or collecting all the required knowledge and information;
- **Storyboard development:** integrating instructional methods (all the pedagogical elements needed to support the learning process) and media elements. This is done by developing the storyboard, a document that describes all the components of the final interactive products, including images, text, interactions, assessment tests; and
- **Courseware development:** developing media and interactive components, producing the course in different formats for CD-Rom and Web delivery and integrating the content elements into a learning platform that learners can access.

Implement Phase

This is the phase where all the participants get to experience the program and is the 'moment of truth' for most programs. In this phase the trainer needs to demonstrate the ability to be structured and flexible at the same time.

Some of the areas that the trainer needs to focus on during this phase are:

- Facilitation
- Participation by trainees
- Share constructive and motivational feedback
- Engage with activities
- Check for understanding

Note:- For e-learning, app- based and blended learning during the implementation phase the courseware is installed on a server and made accessible for learners. In facilitated and instructor-led courses, this stage also includes managing and facilitating learners’ activities.

Evaluate Phase

In order to understand the efficacy of any process, measurement and evaluation plays an integral part and training is no different. It is important for the content team as well as the trainer to have a clear understanding of what needs to be evaluated and which tools do we need to leverage.

Some sample questions that can be asked during this phase are:

- How will we measure participants' reaction to the program? Which factors do we need to evaluate? o How can we assess the knowledge level of participants after the training? Do we want to compare the final scores with the pre training scores or with a defined score to clear the assessment?
- How can we measure if the participant is applying the learning at workplace?
- How can we measure the improvement in productivity or cost reduction?

Since we might not be able to evaluate all the parameters, it is important to have a clear understanding of what needs to be evaluated in the initial phases.

Note:- For e-learning, app- based and blended learning during the evaluation phase various onlne methods are used pre, post and during the program.

MODULE V: CONDUCTING A TRAINING NEEDS ANALYSIS

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Understand Training Need Analysis
- ❖ Identify different steps of Training Need Analysis
- ❖ Identify various components under steps of Training Need Analysis
- ❖ Understand various competencies that are required to be developed for effective Training Need Analysis

1. What is Training Need Analysis?

- A training needs analysis is a systematic approach for determining what training needs to take place.
- A training needs analysis ensures training is targeting the correct competencies, the correct employees and is addressing a business need.

2. 7 steps of Training Need Analysis

➢ **Step 1: Determine Desired Outcomes**

- Clarify goal of the training and expected business outcomes
- Training goal should correspond to a business objective

➢ **Step 2: Link Desired Outcomes with Employee Behavior**

- Identify the competencies (behaviors, skills, qualities and knowledge) that are linked to desired outcome.
- Collect information and data from subject matter experts to determine which competencies are critical to achieving the outcomes.
- What skills does one need to achieve this goal?
- What information is necessary to meet this objective?
- Which behavior is critical to completing this task?

➢ **Step 3: Identify Trainable Competencies**

- Evaluate the critical competencies and determine if they are: Abilities one should possess prior to job entry or Abilities that can be leaned on the job.

➢ **Step 4: Evaluate Competencies and Determine Performance Gaps**

- Evaluate current competencies and identify where there are gaps between current ability and desired ability.
- To evaluate current competency level use: Performance evaluations, Tests, Surveys, Self assessments, Interviews, Customer feedback.

➢ **Step 5: Prioritize Training Needs**

- Identify the percentage of employees who need training on the competencies.
- Consider the importance of the competencies to the business objectives.

- Together, the need and the importance will allow you to identify training priorities.

- **Step 6: Determine How to Conduct Training**
  - Consider adult learning theory and best practices in training on the particular competencies.
  -
  - Training methods can range from: On the job training (OJT), Mentoring and coaching; Classroom / lecture, Web-based / e-learning, Reading / books, Conferences, Academic programs
- **Step 7: Conduct a Cost Benefit Analysis**
  - Consider the costs associated with the training methods, the extent to which the training will address the performance gap, and the impact on business.
  - Cost factors include: Training time, Content development time (if designed in-house), Training provider evaluation (if purchased from vendor), Training content delivery method, Lost productivity from time spent in training, Travel and logistical expenses.

FACTOR TO BE CONSIDERED	WHY IS IT IMPORTANT?
Region or geographic area in which learners reside.	This is needed to define language and cultural issues and to inform choices between synchronous and asynchronous tools (learners located in different time zones will have difficulty communicating in real time).
Kind of organization or institution in which learners work and their professional role(s) within them.	This will help to identify specific learning objectives for each target audience group.
Learners' previous knowledge and expertise on the subject.	In general, learners with a lot of prior knowledge do not need the same kind or level of training support as novices.
Learners' computer skills and technical expertise.	This will help to define the complexity of the computer-based interactive activities.
The amount of time available for e-learning and the learning context .	This information influences the amount of content to be provided and the need for chunking the content into small units.
The location where learners will participate in e-learning and from where they can access the Internet; can they study at home, at work or in e-learning centres?	This determines how much connection time is required for the course and whether learners can download plug-ins from the Internet.
Network bandwidth.	Bandwidth limitations may slow application performance and decrease user productivity. In certain situations, low bandwidth applications may be preferred since they take less time to transmit.
Computer and software capabilities, such as screen size, number of colours they can display, sound playback, RAM (amount of memory), processor type and speed .	Technical requirements, including multimedia capabilities, influence the selection of the media mix and plug-ins.

MODULE VI: DESIGNING A TRAINING PROGRAM

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Understand basic elements of an effective training design
- ❖ Learn various Steps in Designing a Training Program
- ❖ Learn how to make Course Outline or Course Map

The design phase deals with learning objectives, assessment instruments, exercises, content, subject matter analysis, lesson planning, and media selection.

➢ **The basic elements of an effective training design are**: –

- o It is learner-focused
- o It should be based on identified needs
- o It has measurable objectives
- o It is goal oriented
- o It is time bound
- o It has taken into account the resource constraints and availability.

➢ **5 Steps in Designing a Training Program**

- Identify your training goals and target audience
- Know your learning objectives
- Prepare your course outline or map
- Prepare an in-depth session flow.
- Research and design training methods/resources/activities

❖ **Target audience**

- Who needs the training in the Organization?
- What attitudes will the trainees likely hold towards the training?
- What knowledge, skills and abilities do the trainees already possess?
- What specific knowledge, skills and abilities would you want the trainees to obtain?

❖ **Learning Objectives**

A learning objective is a statement that tells what learners should be able to do after they have completed a segment of instruction.

Learning objectives serve as the basis for the design of the whole instructional plan, including determining appropriate training content, methodology, resources needed. They are used in assessing training outcomes and they are used to facilitate active learning.

Learning objective:

- Identify when the knowledge or skill is to be demonstrated
- Identify who is going to be able to demonstrate the KSA
- Provide a description of the expected performance
- Describe how well the performance must be demonstrated

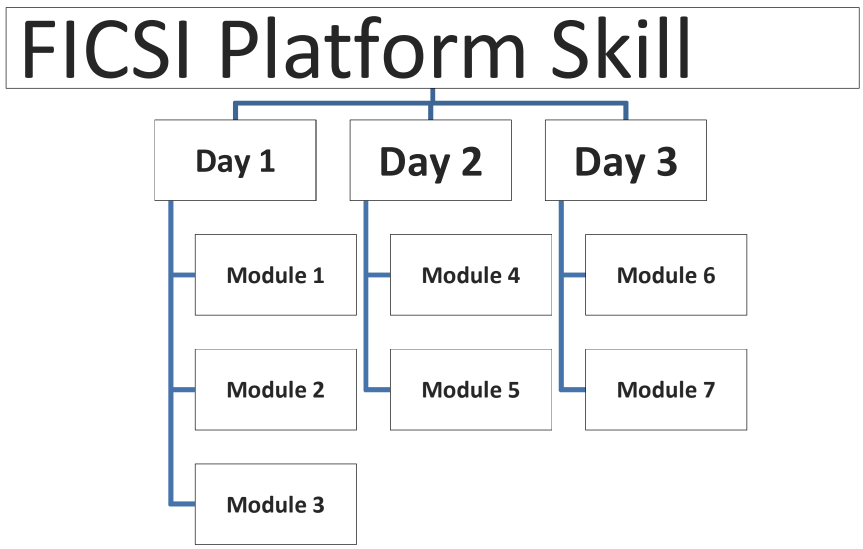
- **Caselet:** Write the learning objectives for the proposed training per the TNA conducted in previous chapter.

❖ What is a Course Outline or Course Map?

Having completed the training analysis and having written the objectives, we now have to have a good idea of what is going to be included in the training. The next step is to outline the information you plan to present and develop the course map.

A course map lists in hierarchical order the modules within the units**.**

Course Map Example



- **Case let:** Prepare the course map for the proposed training per the TNA conducted in previous chapter.

When designing the content for e-learning, app- based and blended learning, one must keep following points in mind w.r.t the content :

- **Learner-centred content**
  eLearning curriculum should be relevant and specific to learner's needs, roles and responsibilities in professional life. This kind of content like skills, knowledge and all kind of learning media provided to keep the focus on learner's end.
- **Engaging content.**
  Instructional methods and techniques should be used creatively to develop an engaging and motivating learning experience. It depends upon developing the storyboard that has to be based on a very engaging way of learning programs.
- **Interactive content.**

Frequent learner interaction is needed to sustain attention and promote learning. Scenario based learning is a good example for this kind of learning media.

- **Personalization.**
  Self-paced courses should be customizable to reflect learner’s interests and needs; in instructor-led courses, tutors and facilitators should be able to follow the learners’ progress and performance individually.

Based on the schedule a training design of an e-learning, app- based and blended learning course will involve using a combination of the following instructional methods:

- **Synchronous Methods**
- **Asynchronous Methods**

Based on the learning objective a training design of an e-learning, app- based and blended learning course will involve using a combination of the following instructional methods:

- **Expositive methods**
- **Application methods**
- **Collaborative methods**

MODULE VII: PREPARING A SESSION PLAN

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- Identify effective training methods.
- Demonstrate various types of group introduction activities.
- Identify differences between instructor-led training and learner-led training.
- Demonstrate various training methods such as lecture, group discussion & presentation, group activities, role-plays, demonstration and practice, field trips, case studies, self-study.
- Demonstrate various training processes such as connecting to previous learning, delivering information in a step by step fashion, explanation with examples, two-way interactions, step by step demonstration, guide learner practice and recap/consolidation to optimise learner experience.
- Select the appropriate training delivery method and learning material according to adult learning needs.
- Identify various measures that can be taken to ensure the training environment is conducive to learning.
- Identify various technology tools for learning
- Explain the importance of monitoring participants closely while they perform the training activities.
- Demonstrate how to plan an appropriate training debrief.
- Demonstrate how to provide constructive feedback to individuals and groups

What Is a Training Session Plan?

A training session plan – also called a learning plan/ training delivery plan – is an organized description of the activities and resources you'll use to guide a group toward a specific learning objective.

It details the subject matter that you'll teach, how long each section should take, the methods of instruction for each topic covered, and the measures you'll use to check that people have learned what you needed them to learn.

It can be as simple as a brief outline, or more complex, with scripts, prompts, and lists of questions that you plan to ask.

Most session plans share 4 common elements

- Objectives for that particular lesson
- Important areas of information to be covered
- Method of training to be used
- Materials or training aids to be used in that lesson

Why Use a Training Session Plan?

It takes time to plan a good training session. However, you and your trainees will benefit from this preparation.

As you plan, you visualize each step of the class. This helps you ensure that you've thought about everything that you need to say, and that you present information in a logical order. You'll also be able to prepare for points that people might find difficult to understand.

After your session, you can use your plan to work out what went well – and what didn't – so that you can adapt it for future lessons.

Last, a training session plan will be invaluable for a substitute instructor, if you can't make it to class.

How to Develop a Session Plan

To develop a session plan, it's useful to use a standard training plan template. This helps you organize material consistently over sessions, and avoid duplicating topics.

Session Flow Example

FICSI TTT Program

Day 1

Module 1: Fundamentals of Training

Time Topic 1 Objectives Methods

Materials Time Topic 2 Objectives Methods

Materials Time Topic 1 Objectives Methods

Materials

Note: For developing the session plan for e-learning, app- based and blended learning course the format is same as that for on-site/classroom training.

Identify Training Methods/ Resources/Activities

The training method is the vehicle for carrying your content to your participants. In broad terms, methods can either be passive/didactic for the participant such as readings, lectures, speeches or talks or they can be active/experiential such as games, role plays, simulations and case studies.
Passive methods are those in which the participants simply listen or watch some training activity.
Active methods are those in which the participants take part in or perform some part of the training activity.

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**

  - **Stories and Analogies:** Analogies and stories are one of the most powerful speech strategies available to a presenter. An analogy is saying something is like something else to make some sort of explanatory point. An analogy or story anchors a complex idea to a concept or idea that an audience already understands. When you use an analogy, you are using the audience's prior knowledge and understandings to explain your concept. This is a much deeper form of learning because it is anchored to something that was already in their brain. As a result, the retention of concepts explained with analogies can be much higher.
    Stories can be used to illustrate all sorts of themes and lessons, and most stories are extremely flexible.
  - **Case Studies:** The case study is a method which provides descriptive situations which stimulate trainees to make decisions. The purpose of the case method is to make trainees apply what they know, develop new ideas to manage a situation or solve a problem. The focus is more on the approach the trainee uses rather than on the solution. As a training tool, the case study method can be used to develop decision-making skills, enhance team spirit, better communication and interpersonal skills and strengthen the analytical skills of trainees.
  - **Activities:** Different activities can be used during training to increase motivation, team building, improve productivity, increased collaboration, encourage creativity, positive reinforcement, improved communication and various other purposes.
  - **Role plays:** Role Play, allows a learner to assume the role or tasks of a job by practicing or simulating real working conditions. The objective of role playing is to learn, improve or develop upon the skills or competencies necessary for a specific position.
  - **Quiz:** Quizzes encourage learners to recall information that they have learned and can help them to better retain this information in the future. These also benefit trainer by helping them assess what the trainees has learned and what still needs to be taught.
  - **Self Assessments:** Self-assessment is the ability to examine oneself to find out how much progress one has made. It is a skill that helps individuals monitor their own work or abilities, find out what their weaknesses and strengths are, and self-diagnose relevant solutions. The purpose of self-assessment is to help the learner know the extent of his abilities and to improve upon them.
  - **Simulations:** Simulation method of training is the creation of a true-to-life learning environment that mirrors real-life work and scenarios. Trainees can put real knowledge and skills into practice not just by reading books on theory or listening to lectures, but through physical, hands-on activity.
    This type of training is so effective as it takes into account several of the learning styles preferred by different learners. Not everyone learns visually, or through auditory materials, and simulation-based training also considers the needs of kinesthetic learners who flourish through practical exercises.
  - **Presentation:** A presentation is a means of communication that can be adapted to various speaking situations, such as talking to a group, addressing a meeting or briefing a team**.** When used during training mostly audio visual aids are used to make training effective.
  - **Group Discussions:** Group discussion is formed by combining two different words i.e. group and discussion. Here, group means a number of people or things that are put together considered as a unit whereas the word 'discuss' is derived

from the Latin ‘discutere’, which means to shake or strike. Thus ‘discussion’ refers to examine the topic thoroughly to reach a conclusion. Collectively, it is called Group discussion which means the exchange of ideas by learners on a specific subject or topic. The whole concept is to bring collectively a unit of learners on a common platform to share their ideas. Group discussion as a training method can help learners enhance critical thinking, improve learning, help learners to understand a topic or concept deeply which will stay for a long time in their minds, improve communication skills of the learners to become more confident in speaking up and asking questions and may improve interest of learners in training sessions.

- **Demonstration and practice:** Demonstration of work skills is one of the most important methods during the skill development training as it enhances the participation and understanding of the learner towards the topic.
  Demonstration involves showing by reason or proof, explaining or making clear by use of examples or experiments. Put more simply, demonstration means 'to clearly show'
- Field trips
- Self-study
- Videos
- Pictures
- Lecture

➢ **Support Requirement Checklis**t

- Reproductions (notebooks, CDs, etc.)
- Gifts/Prizes
- Laptop/Computer
- Evaluation Forms

Training Methods for e-learning, app- based and blended learning

Based on the schedule a training design of an e-learning, app- based and blended learning course will involve using a combination of the following instructional methods:

- **Synchronous Methods**

  Synchronous learning is any type of learning that takes place in real-time, where a group of people are engaging in learning simultaneously. Although learning occurs at the same time, learners don't have to be there in-person, or even in the same location. Synchronous learning enables learners to ask questions and receive answers on-the-spot, while also collaborating freely with their co-learners.

  For employee training, synchronous learning is a popular choice. It's a method that lends itself well to learning about updated company policies or new software that's being rolled out. When done right, it's also useful for customer and partner training as it creates an invaluable feedback loop.

  Some examples of synchronous learning include:

  - Live webinars
  - Video conferencing
  - Virtual classrooms
  - Instant messaging

  Pros of synchronous Learning:

  - Because of the social nature of synchronous learning, learners can easily interact with instructors and other learners, making group activities possible.
  - Synchronous learning takes place in real-time, which means learners can get immediate feedback. Ideas and opinions can also be promptly shared with fellow learners.
  - Similarly, if your learners are having trouble with any of the course content, synchronous learning allows them to ask questions and get instantaneous answers.

  Cons of synchronous Learning:

  - Synchronous learners have to be online at a certain time, and therefore their learning has to adhere to a specific training schedule. Learners can't access content where and when they like. To accommodate your learners and offer more flexibility, you could provide a webinar recording of the training session through your LMS.
  - Due to the group dynamic of real-time synchronous learning, some learners may feel they're not receiving the individual attention they need. This is especially true if there's any part of the training they do not fully understand. To bypass this, try checking in on the progress of your learners by setting aside time during training for one-to-one or group Q&A sessions.
  - The effectiveness of how well your learners understand the course content depends more on the quality of the instructor than the learners themselves. To overcome this, ensure your instructors receive relevant training so they're fully prepared for their role. Requiring instructors to plan their sessions ahead of time will also ensure they'll deliver a great learning experience for your learners.

- **Asynchronous Methods**

Asynchronous methods are time-independent. Asynchronous learning is more learner-centered. It enables your learners to complete courses without the constraints of having to be in a certain place at a certain time. In essence, asynchronous learning doesn't hinder learners by place or time. Asynchronous learning happens on your schedule. While your course of study, instructor, or program will provide materials for reading, lectures for viewing, assignments for completing, and exams for evaluation, you can access and satisfy these requirements on your own schedule, so long as you meet the expected deadlines. A self-paced course is an example of Asynchronous Learning because online learning takes place at any time.

Although not taking place then and there, asynchronous learning still allows the opportunity for feedback. Learners are free to share thoughts and questions with instructors and fellow learners, though they may not receive an immediate response.

Some examples of asynchronous learning include:

- Online courses
- Email
- Blogs
- Pre-recorded video lessons or webinars
- Online forums and discussion boards

Pros of asynchronous Learning:

- Asynchronous learning offers lots of flexibility. Although there's usually a deadline in sight, asynchronous learners can progress at their own pace and access their course at any time they choose and from any place.
- It's a cost effective way to train learners that are based in varying locations. Asynchronous learning means your learners can engage in courses regardless of their time zone or location.
- With asynchronous learning, learners have significantly more time to reflect on the material they are learning, which means they are likely to understand it more thoroughly.
- Additionally, asynchronous learning lends itself better to a fast-growing business. If you've hundreds or thousands of learners to train across the world, you can get them up to speed without the need for face-to-face training.

Cons of asynchronous Learning:

- Although learners may have access to an instructor, contact through asynchronous learning may be limited. Answers to queries cannot be given instantly (for example, learners may need to wait for an answer to an email). This can be overcome by ensuring you choose an LMS that makes communication as easy as possible.
- The lack of interaction with instructors and fellow learners leaves some individuals feeling isolated. This could lead to a lack of motivation and engagement in courses. So, combat learner isolation by focusing on creating great course content.
- Asynchronous learning is learner-centered, so those taking courses in this way need self-discipline and focus to be successful in completing the required course work. Using tools like Gamification or a Forum helps to keep your learners engaged.

Based on the learning objective a training design of an e-learning, app- based and blended learning course will involve using a combination of the following instructional methods:

- **Expositive methods**
- **Application methods**
- **Collaborative methods**

Expositive methods

Expositive methods require learners to listen and read or observe. A instructor delivers knowledge on a given topic, which can be complemented by tests and exercises to evaluate learners' memorization and/or understanding of the content.

Expositive methods are used for acquiring information, but they can be combined with other methods to create different types of learning courses. In those courses, the expositive component is normally used to provide orientation and basic concepts before going into more practical and complex stages.

Presentations, especially in video formats, can also be used to sensitize and influence learners' attitudes toward specific subjects.

Expositive methods include:

- Presentations: organized information on a specific topic
- Case studies: real, significant cases related to the topic
- Worked examples: examples of the topic with comments and explicit reference to the theory
- Demonstrations: illustrations of how a task can be performed

Application methods

Application methods involve the learners in practical activities which can range from simple exercises (such as the demonstration-practice method) to more complex methods like simulations or research activities.

When using these methods, it is helpful to have a tutor or instructor to provide guidance and facilitate reflection for learners.

Demonstration-practice method

This method is used to teach a procedure – usually a software procedure, such as how to generate a map using geographic information system (GIS) software – using directive learning. A procedure is first demonstrated by an expert or instructor, and then learners are asked to practice the procedure by interacting with the system or software.

EXPOSITIVE METHODS	APPLICATION METHODS	COLLABORATIVE METHODS
Presentations Case studies Worked examples Demonstrations	Demonstrations -practice methods Jobs aids Case-based exercises Role plays Simulations and serious games Guided research Project work	Online guided discussion Collaborative work Peer tutoring

Each method can be delivered in different formats, using different types of media and communication tools. For example, a presentation can be delivered as a Power Point file or as a recorded (or live) video presentation. An online discussion can be carried out in a discussion forum or through a Skype call.

Delivery formats are selected based on additional factors related to learners, technological and organizational constraints (e.g. budget) and available time.

The following table summarizes the main uses and the pros and cons of the various instructional methods. Most courses combine two or more e-learning methods, using different types of e-learning formats.

	Method	Used to	Delivery formats	Pros	Cons
Expositive methods	Presentations, case studies, worked examples, demonstrations	Facilitate knowledge acquisition (mainly conceptual and factual knowledge), orientation, motivation, attitudinal change	Simple learning resources (documents and PPT presentations)	Quick to develop	No interactivity-passive learning
			Interactive e-learning lesson	Flexible: allows the use of various instructional techniques	Low/ medium interactivity-risk of passive learning Correct use of instructional techniques and media elements is needed to avoid this risk
			Webcasting (video lessons and podcasts)	Quite easy to develop	No interactivity-passive learning Need to consider available learners' Internet connection
			Webinars (video conference, audio conference, chat-based)	Allows interaction between instructor and learners Requires low effort to convert materials	The instructor must be prepared to teach online and use adequate supporting materials. Need to consider available learners' Internet connection
			Virtual classroom		

	Method	Used to	Delivery formats	Pros	Cons
methods	Demonstration -practice method	Develop procedural skills	Combination of animation and operational simulation	Allows learners to practice	Mainly used for software and simple medical procedures
			Virtual classroom (using application sharing)		Need to consider available learners' Internet connection
	Job aids	Provide just-in-time information and guidance	Printed documents such as checklists, technical glossaries, templates, manuals	Promote transfer of learning to workplace performance	Sophisticated expert systems require complex design
			Online help and expert systems		
	Case-based exercises	Develop job-specific cognitive skills	Interactive e-learning lesson	Good level of interactivity	Quite time-consuming to design
			Electronic simulation based on branched scenarios	Highly interactive	Time-consuming to design Multimedia simulations can be costly to produce Need support of an online tutor or instructor
			Individual tutored activity	Highly interactive + personalised feedback	Time-consuming to design Need support of an online tutor or instructor Need to consider available learners'

					Internet connection
			Online group activity	Highly interactive + social dimension	Time-consuming to design Need active support of an online facilitator Need to consider available learners' Internet connection
	Role plays	Develop interpersonal skills Stimulate attitudinal change	Interactive e-learning lesson	Good level of interactivity	Quite time-consuming to design
			Electronic simulation based on branched scenarios	Highly interactive	Time-consuming to design Multimedia simulations can be costly to produce
			Online group activity	Highly interactive + social dimension	Time-consuming to design Need for considering available learners' Internet connection Need active support of an online facilitator

	Method	Used to	Delivery formats	Pros	Cons
Application methods	Simulations and serious games	Develop deep understanding of complex system	Symbolic simulations	Highly interactive Allow to practice high cognitive performance level (apply, analyse)	Time-consuming and costly to design and produce Need active support of an online tutor
			Learning games	Highly interactive Allow to practice high cognitive performance level (apply, analyse)	Time-consuming and costly to design and produce Need appropriate design to be effective Need active support of an online tutor
	Guided research	Active knowledge construction	Discussion forum, e-mail, chat, audio and video conference Wiki, blog, shared documents	Allow to practice high cognitive performance level (analyse, create)	Need active support of an online facilitator to provide help and feedback
	Project work	Active knowledge Construction	Discussion forum, e-mail, chat, audio and video conference Wiki, blog, shared documents	Allow to practice high cognitive performance level (analyse, create)	Need active support of an online facilitator to provide help and feedback
Collaborative methods	Online guided discussion	Stimulate critical	Discussion forum,	Allows for reflection,	Less effective than

		thinking and reflection Facilitate communication among learners Develop interpersonal skills Stimulate attitudinal change	e-mail, chat, audio and video conference	socialization and knowledge sharing	collaborative project work to achieve learning objectives Need to consider available learners' Internet connection
	Collaborative work	Stimulate critical thinking and reflection Develop problem solving skills Develop interpersonal skills Stimulate attitudinal change	Discussion forum, e-mail, wiki, blog, chat, audio and video conference, shared documents	Allows learners to make their knowledge explicit through argumentation	Need active support of an online facilitator to provide help and feedback Need to consider available learners' Internet connection
	Peer tutoring	Stimulate critical thinking and reflection Develop interpersonal skills Stimulate attitudinal change	Discussion forum, e-mail, wiki, blog, chat, audio and video conference, shared documents	Good for train-the trainer projects	May need to be facilitated Need to consider available learners' Internet connection

MODULE VIII: TRAINING MATERIALS FOR LEANERS

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Understand various type of training materials
- ❖ Understand various Sources of Training Content
- ❖ Understand various guidelines for preparation of various type of training materials

1. Some examples of materials developed for training are:

- Participant Manual
- Instructor Manual
- PPT/Overhead Visual
- Charts
- Handouts

2. Sources of Training Content

- Observing and Listening
- Surveys
- Interviews
- Tests
- Reviewing Company Records
- Experts
- Internet
- Journals

3. Guidelines for Preparing Instructor Guide

- Include expected outcomes/objectives
- State course timing
- Include topics covered
- Add instructions for conducting class
- Use visual aids

4. Guidelines for Preparing Overhead Visuals

- Use simple content
- Include simple graphics
- Make easy to read
- Insert one topic per visual
- Use seven +/- two items of information

5. **Guidelines for Preparing Charts**

- Write legibly
- Avoid light-colored markers
- Prepare ahead of time or build with learners
- Use for small-group work
- Use multiple colors
- Add graphics
- Keep words and phrases simple
- Place key topic in center of chart

Different Types of Training Materials used in e-learning, app- based and blended learning

- User manuals and technical documentation;
- Classroom course handouts and lecture notes;
- Presentations, such as PowerPoint slide shows;
- Documented case studies;
- Photographs, images, graphs, tables and other illustrative materials;
- Training materials, such as self-study guides, web guides and other distance learning materials; and
- Reference materials, such as specialized thesauri and glossaries.

When creating content/training/ instructional material for e-learning, app- based and blended learning following techniques can be used:-

- Story telling;
- Scenario-based approach;
- Toolkit approach; and
- Demonstration-practice method.

Storytelling

What is storytelling?

Storytelling provides information through a story narrative which places content in a realistic context and illustrates actions and decisions of one or more characters. It can use illustrations, pictures or video sequences.

When should storytelling be used?

The storytelling technique can be useful when you need to:

- Provide job-specific knowledge;
- Describe complex processes, where different actors perform different actions. The story can

clarify who does what and helps learners follow the flow of events;
- Add a human aspect to the lesson, since learners can follow the stories of real people; and
- Highlight the usefulness of the knowledge, because through storytelling you can show how this knowledge can be integrated into a real situation.

Tips for using Storytelling

- Create a realistic and credible context. This is very important for motivating learners, as it enables them to identify with the characters in your story. Learners need to feel that the story is similar to their own experience, and that the challenges faced by the characters could also happen in real life. This will help them appreciate the usefulness of the knowledge that you are presenting.
- Characters do not need to be present in every screen. “Story screens”, which show characters’ actions and dialogue, can be alternated with “theory screens” – i.e. screens providing concepts and guidelines. Story screens can be used to focus learners’ attention on specific issues. For example, you can use them to:
    - Introduce a new topic: a story screen can introduce a topic (e.g. a specific task or a new problem that characters have to address) which is then followed by two or three theory screens to illustrate the topic; then, a story screen can be used again to introduce the next topic;
    - Illustrate critical actions or decisions – a story screen can describe important actions and decisions which often lead to common mistakes and doubts;
    - Develop practice exercises – a story screen can be used to ask the learner to answer questions about the story, applying guidelines to that specific situation.
- Be careful about gender and cultural issues when developing your characters. Know your target audience to better define the story characters’ geographic provenience, names and style of dress. Dialogue among characters should be gender- and culture-sensitive.
- Try to make dialogue realistic by keeping sentences short and using informal language. Complex explanations should be provided in theory screens rather than included in a dialogue

Scenario-based approach

What is a scenario-based approach?

Lessons using this approach are built around a scenario. Typically, the scenario is a challenging situation in which learners are required to make decisions by choosing among different options. Learners are provided with all the information required to make the right decisions.

Feedback is provided to the learners for each option to explain why their choices are correct or incorrect. The feedback can also show the consequences of their decisions.

When should a scenario-based approach be used?

This approach allows learners to learn strategic principles by applying them to a concrete situation and observing the consequences of their decisions.

The scenario-based approach can be useful when you need to:

- Develop problem-solving or interpersonal skills;
- Teach strategic principles rather than conceptual and factual knowledge; or
- Develop an interactive exercise at the end of a conceptual unit, i.e. as a practice lesson following a set of lessons which provide underlying concepts and principles.

Tips for using Scenario-based approach

- Create a scenario. Think about how learners will use the information in the lesson, and build the scenario around it. Involve an expert to ensure that the scenario is relevant and credible.
- Work with the experts to understand which decisions a person would make in that scenario. Experts can share different experiences and possible outcomes.
- Provide learners only with the information required to make decisions. This can be given as part of the scenario description; as part of the feedback to learners' responses; or as part of information available on demand (e.g. through a "more information" link to additional information).
- Define possible choice options for each critical decision. Choices should not be obvious.
- Each choice generates a consequence; provide detailed feedback for each option by showing its consequences.

Toolkit

What is a toolkit lesson?

An e-lesson can take the form of a toolkit which allows learners to select from among a set of independent topics, rather than follow a sequential approach. Learners are invited to choose the topics that interest them the most.

When should a toolkit lesson be used?

Toolkit lessons are a good option when you have to present short pieces of content which belong to the same category, but are quite independent from each other. The content pieces can be descriptions of tools, steps of a procedure, stages of a process or frequently asked questions on a given topic.

Learners are invited to navigate the toolkit in a non-linear fashion, since a logical order is not necessary and learners might be interested only in some of the tools.

Tips for using Toolkit

- Provide an introduction before the menu page with an overview of the various tools to orient learners in selecting the menu options.

- Present each tool in a systematic way, such as by providing the same categories of information (e.g. description; purpose; example; strengths; weaknesses) for each tool.

Demonstration-practice method

What is the demonstration-practice method?

The demonstration-practice method is used to teach a procedure. You first demonstrate the procedure, and then you ask the learner to practice the procedure by interacting with the system.

When should the demonstration-practice method be used?

This method can be used to teach procedures, typically software procedures

Tips for using Demonstration-practice method

- You can use an animation (e.g. a flash animation) to demonstrate the procedure. This should be accompanied by a detailed verbal explanation, in the form of written text or audio comment.
- Allow the learner to control the animation by providing play, pause, stop and reload buttons.
- Develop an operational simulation to have learners practice the procedure.
- The operational simulation allows the learner to perform a number of actions (e.g. selecting options or typing text). If the learner does a wrong action, the system provides an error message, and if the learner does the right action, the system allows the learner to go to the next step until the end of the procedure.

MODULE IX:TRAINING DELIVERY

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- State the various stages of a training session and the activities involved at each stage.
- Conduct introductions and ice-breakers at the start of training sessions. within allocated time and with active participation of the learners.
- Inform learners about the objectives and structure of the training session.
- Gather learners' expectations in line with the objectives of the course.
- Conduct the training using a range of training methods and training processes as specified in trainer's guide and/or session plan.
- Use training resources as per the selected training method.
- Manage inappropriate behaviour in a training session professionally in line with organisational policy/guidelines.
- Conduct the closure activities such as summarizing key learnings, evaluating learning retention, obtaining feedback from trainees, securing the equipment effectively and within the allocated time.
- Evaluate the progress of learners in achieving the learning outcomes using various techniques.
- Explain the importance of documenting learning progress of the learners and providing them constructive feedback.

Training Delivery

Delivery is the presentation of discussions, demonstrations, and exercises or activities that will help the learners gain the required knowledge and skills for performing a task or learning a subject.

Three factors must be in place for a successful learning experience to take place:

1. **Knowledge:** The instructor must know the subject matter, provide leadership, model the desired behavior, and adapt to the learners' needs and preferences.

2. **Environment:** The instructor must have the tools to transfer the subject matter to the learners, find adequate classroom space, and ensure the courseware, such as lesson plans and training aids, are on hand. He or she fuses the training tools with the needs of the learners to make learning flow naturally, rather than trying to force it.

3. **Involvement Skills:** The trainer must knows the learners. What are their real goals for being in the classroom? What tools do they need to help them succeed? What are some of the affective-tools that will help your learners succeed in the learning environment? Trainer must also coach the learners to become self-directed, intrinsically motivated, goal oriented, and open to learning.

Key Focus Points to make Training Delivery Effective

1. Communication skills
2. Facilitation skills
3. Presentation skills

4. Training implementation
5. Apply health and safety practices
6. Demonstration of work/ practical skills
7. Training evaluation

All these points have been discussed in details in upcoming modules.

MODULE X: COMMUNICATION SKILLS
(LISTENING AND SPEAKING SKILLS)

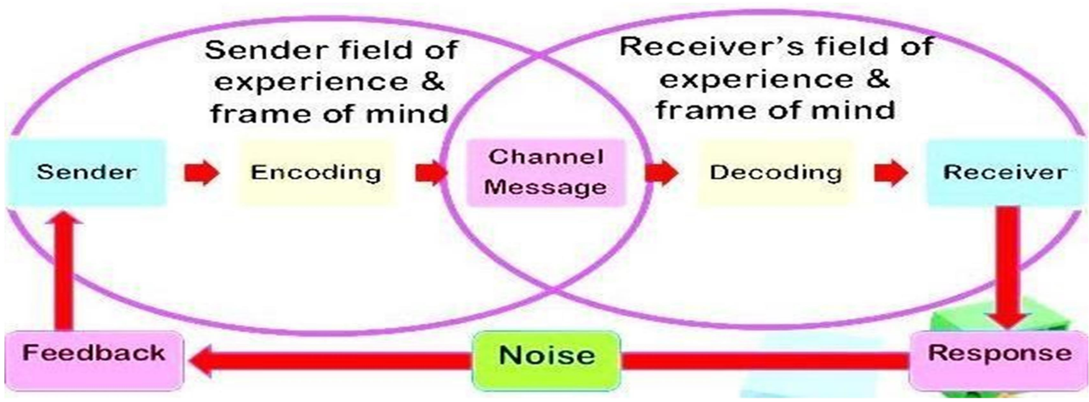
Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Understand Communication Skill
- ❖ Understand Communication Model
- ❖ Understand Barriers to Communication
- ❖ Understand Listening Skills

Communication Model

Communication is the imparting or exchanging of information by speaking, writing, or using some other medium.



The effectiveness of communication is the response that we generate, Nothing More Nothing Less

1. **Barriers to Communication**

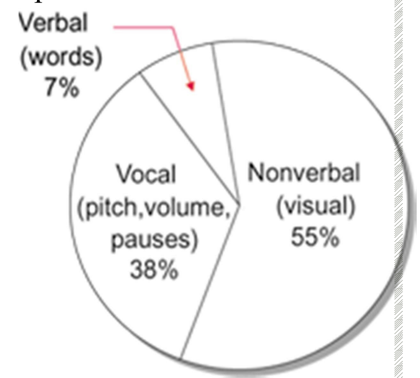
A **communication barrier** is anything that prevents you from receiving and understanding the messages others use to convey their information, ideas and thoughts.
Examples of barrier to communication are physical barriers, perceptual barriers, cultural barriers, language barriers, gender barriers, interpersonal barriers and many more.

2. **Points to remember for effective communication**

- During communication your main aim is to: Connect with the audience, Put across your views and Ensure complete comprehension of your message.
- You will achieve it when you use simple language and not jargon, use examples and logic to explain a topic, use different ways to put across the same point.
- Evaluate understanding through: Questions and Exercises.

3. **Importance of Body Language in Communication.**

Body Language plays an important role in communication. During communication the words, tone and body language should be equally taken care of and if not then impact of words can go down up to 7%, vocal to 38% and body language impact to about 55%.



Some points to remember for impactful body language are:-

- Maintain eye contact and have smile on your face.
- Balance your stance. You have 2 legs. Use them both.
- Use your hands above the waist.
- Let your hands fall to your sides after using them.
- Match your facial expressions with the words and feelings.
- Don't move around or pace around without a purpose.
- Don't lock your hands in front / in back / in your pockets.
- Don't fiddle with objects - pen, papers, your glasses

Pitch, Tone and Pace in communication

To make communication effective trainer must emphasize on several other aspects like tone, pitch and pace along with pauses

Pitch is the degree of highness or lowness with which one speaks.

Tone refers to the emotion that is conveyed in the voice. Tone can show anger, impatience, joy, humor etc.

Pace refers to the speed of speaking.

Apart from these there are many other factors which impact the effectiveness of the communication like power of voice, accent, dialect, vocabulary, clarity of voice etc.

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4. **Listening Skills**

❖ **Pretend Listening**
Pretend listening happens when you pretend that you are listening but your focus is somewhere else.

❖ **Selective Listening**
During selective listening we pay attention to the speaker as long as they are talking about things we like or agree with. If they move on to other things we slip down to pretend listening or ignore them altogether.

❖ **Attentive/Active Listening**
Attentive listening occurs when we carefully listen to the other person and respond accordingly.

❖ **Empathetic Listening**
The fifth level of listening is **Empathetic Listening.** Empathic listening is the top level of listening. Discipline yourself to see it through the eyes of the user. This is called empathic listening.

5. **Application of Listening Skills**

•Appropriate brief encouragers
• Reflection of feelings /thoughts, behaviors and experience (content)
• Hearing the learner's concerns
• Paraphrasing (reflection of content)
• Using open and closed questions to expand or clarify understanding
• Understanding the learner's context
• Summarizing and closure

6. **Questioning Skills**
   During communication, we mostly use two types of questioning skills, which are:-
   - ✓ ***Open Ended Questions***
     - Solicit more than a one word response
     - Aim to get someone to talk
     - Are useful when you want someone to "Open Up"
   - ✓ ***Closed Ended Questions***
     - Solicit Yes, No or a one word response
     - Aim to control direction of conversation
     - Are useful when you want specific information

7. **Different Communication systems used by trainer at workplace are** email, telephone Calls, memorandums, internal website, management information systems, conference calls, video conferencing meetings and notice boards etc.

Using communication tools for e-learning, app based learning and blended learning

E-learning activities can be realized by using a range of communication tools – both synchronous and asynchronous.
Some of these tools, such as wikis, blogs and chats, are called "social media" or "Web2" tools, because they have a strong social component and allow people to work together to create products, such as a project document. The most common tools are:

- E-mail based tools
- Discussion forums
- Wikis and other shared writing/editing tools
- Blogs
- Webcasting
- Chat and instant messaging (IM)
- Polling
- Whiteboard and screen-sharing tools
- Application sharing
- Audio and video conferences

MODULE XI: FACILITATION SKILLS

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Understand Facilitation skill
- ❖ Appreciate the benefits and applications of facilitation in the training.
- ❖ Be able to differentiate between process and content facilitation.
- ❖ Identify the core practices and skills required for effective facilitation.
- ❖ Understand how to stimulate group participation and positively handle conflict.

1. What Is Facilitation?

Facilitation is a technique in which a facilitator helps a group of people to understand their common objectives and assists them to plan how to achieve these objectives. In doing so, the facilitator remains "neutral", meaning he/she does not take a particular position in the discussion.

2. Why Do You Need It?

Facilitation is needed to increase participation, increase ownership, collective thinking, problem solving, and conflict management.

3. Role of a Facilitator during Facilitation

- Every individual has an opportunity for participation and input including drawing out the quiet participants and controlling the domineering ones
- Ground rules are established
- Group cohesion is maintained
- Information is captured in people's own words
- Instructions are given clearly and briefly
- Appropriate communication skills are modelled: listening; repeating and summarizing
- Behaviors being taught are modelled
- Time and pace are taken care of to ensure content is covered
- Discussion is kept on track and balanced among participants by monitoring time spent
- Disrupters are managed effectively
- Behavior that puts others at risk is observed, interpreted and addressed
- Discussion and group interaction are enhanced

4. Basic Facilitation Techniques

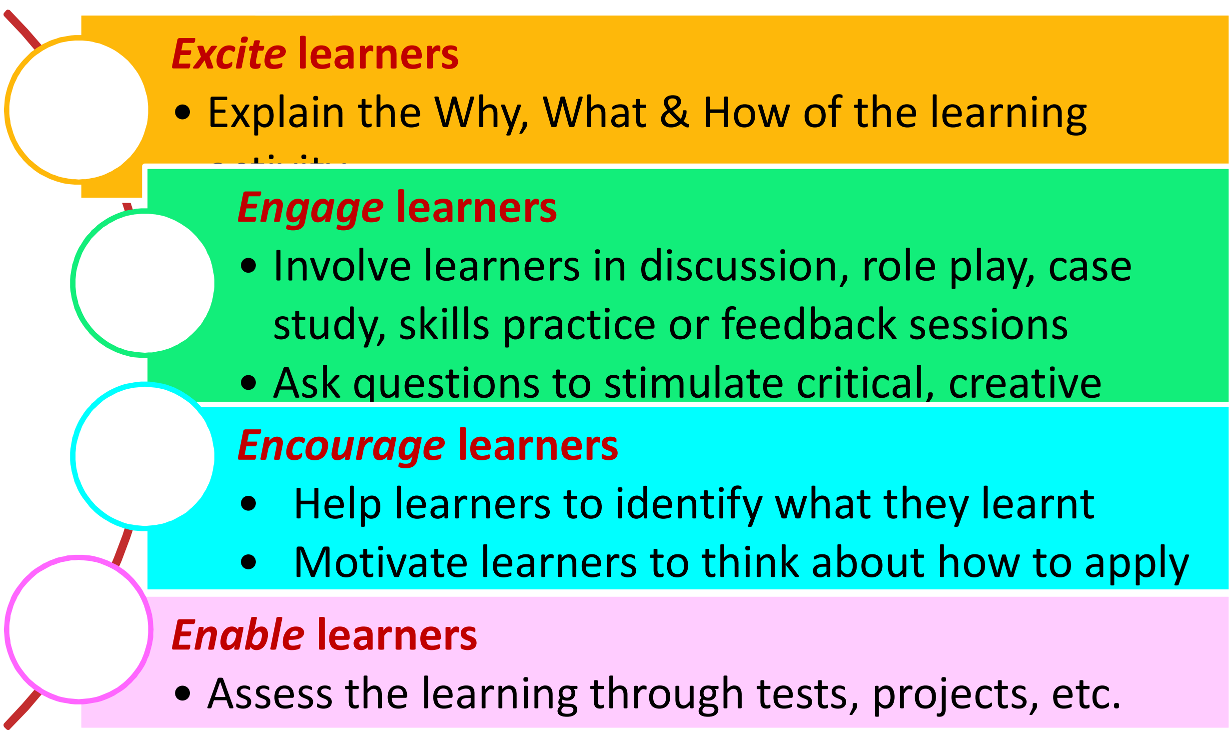
- Active listening
- Questioning
- Brainstorming
- Setting ground rules

- Encouraging participation
- Not criticizing
- Use existing knowledge in the group effectively

5. Facilitating Training Sessions

- Explain the objectives of the training session and how it would benefit the trainees.
- Gather learners' expectations and modify the session plan to incorporate the valid ones in the delivery which were not covered
- Ensure effective participation and group management by using basic facilitation techniques
  Basic facilitation techniques: active listening, questioning, brainstorming, setting ground rules, encouraging participation, not criticizing, use existing knowledge in the group effectively
- Apply learning principles to make reasonable adjustments to delivery – and session plans if required - according to individual and group learner needs
- Create and maintain a positive learning environment
- Be polite and courteous with all learners at all times
- Manage inappropriate behavior professionally as per established organizational policy.
- Take measures to ensure that learning can take place in a safe and comfortable environment

6. Facilitating Skills (The 4E's Method)



Facilitating learners' activities for e-learning, app- based and blended learning

In collaborative online-learning, a group of participants creates synergy around common learning goals. The online facilitator is responsible for ensuring that this process is organized, stimulating and efficient. The online facilitator performs the following tasks:

- Provides information on tasks, deadlines and places to upload or download files;
- Accompanies participants during their work by checking workflow and individual or group results, composing working groups and interfering if necessary into group dynamics in case of conflicts or production blockades;
- Provides summaries at the end of units or phases;
- Answers questions concerning tasks, deadlines or use of learning tools;
- Motivates participants to produce, reflect, animatedly exchange ideas and initiate discussions;
- Assures links to other partners in the process (e.g. Administrator, subject matter expert, technician); and
- Organizes the final evaluation of the e-learning event.

MODULE XII: PRESENTATION SKILLS

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Use a structured presentation methodology to prepare presentation material and effective visual aids
- ❖ Determine and develop personal presentation style
- ❖ Find ways to overcome nervousness for presentation
- ❖ Recognize presentation weak spots and areas for improvement
- ❖ Learn, practice and acquire the skills necessary to deliver effective,presentation with clarity and impact

1. Ingredients of Successful Presentation

STRUCTURE

CONTENT

DELIVERY

2. Analyzing Your Audience

- ❖ Demographic Analysis involves:
  - Age
  - Gender
  - Culture
  - Ethnicity
  - Race
  - Religion, And
  - Educational Level

- ❖ Attitudinal Analysis involves:
  - Attitudes
  - Beliefs
  - Values

- ❖ Environmental Analysis involves:
  - Seating arrangement, lighting, equipment and facilities

3. How to make a Presentation Engaging and Relevant

- Speaking with appropriate tone and pitch
- Using language appropriate to audience
- Presenting in a confident and enthusiastic manner
- Demonstrates a sound knowledge of the subject matter
- Delivering information in a clear, concise, and logical manner
- Encouraging and dealing appropriately with questions
- Using active listening techniques such as paying attention, observing behavior and body language, interpreting body language, paraphrasing, reflecting and respectful responding
- Effectively using various audio-visual media to enhance presentations
- Revise the points discussed at regular intervals
- Involve every participant in some activity by rotation

4. If you are not getting a positive response from your audience there are things you can do:

- Try to talk more to the audience
- Tell a story.
- Use an example.
- Remind your listeners of the motivation.
- Eliminate some boring facts or statistics.
- Use appropriate humor.
- Pause for dramatic effect.
- Ask for feedback or ask questions.

5. How to Open a Session?

- Get positive attention swiftly
- Lead naturally into your presentation
- Build rapport goodwill
- Create points of agreement
- Ask a question or start with a polling question
- Tell a story
- Give good news or compliment

6. How to Pack Your Message?

- Use simple language
- Help your audience visualize what you are saying
- Organize your thoughts before speaking
- Narrow down and recap your key ideas

7. How to Close Your Message?

- Leave a positive lasting impression
- Persuade with logic
- Inspire with emotion
- Be brief
- Build to a crescendo so your last words have impact

8. Objection Handling

- ❖ Never argue.
- ❖ Allow your prospect to answer his or her own objections
- ❖ Don't interrupt an objection.
- ❖ Feed the objection back.
- ❖ Ask for more detail.
- ❖ Provide the answer.

9. Handling Difficult Situations/Classroom Disruptors

- ❖ Ask for ground rules at the beginning of the session
- ❖ Break into smaller groups
- ❖ Use go-arounds. Go around the circle and everyone can speak in turn. This emphasizes the need to wait one's turn and to listen carefully.
- ❖ Invite the disrupter to speak privately with you or your co-facilitator, if you have one.
- ❖ Ask the group for help in addressing the problem

Note: How to foster integration and build motivation within the group of learners in virtual classrooms

- **Trained trainers/instructors in online learning.**

  Many instructors are subject matter experts but they aren't trained in adult education or online learning. You can't just transfer an in-person learning experience to an online platform. The course's curriculum, content and delivery must be designed specifically for online learning. An online instructor must understand not only how learners learn but also how to leverage technology to help them take in and retain information.

  Even if an instructor has scored well on conference evaluations, an online environment requires a new skillset. Instructors have to practice being themselves on camera—an attention-holding, confident and personable self.

  An online learning experience can become an isolating experience unless the instructor knows how to and makes time to support participants and encourage them to interact with peers.

- **Give participants a sense of ownership and control.**

  People are more motivated and engaged when they know they have some say in what they're doing. Give participants some choice in assignments. They may lean toward diving deeper into specific topics or may prefer one delivery method over another. Self-assessments provide another opportunity for taking control over one's learning destiny. If a participant believes a lesson is too basic, allow them to skip over it or dive deeper based on their self-assessment or quiz results.
  Give Participants an opportunity to make their voice heard by asking for feedback on the learning experience and content. Don't wait for the end of the course to find out about adjustments you can make along the way. For example, you may think participants will enjoy group projects, but find out they actually dread the idea.

- **Plan for delivery diversity.**

  Engage learners' brains by using a mix of content delivery methods—video, text, audio, and presentations. Bring in guest instructors and speakers so they don't get tired of seeing the same face and hearing the same voice. Keep the element of surprise alive. Don't ignore the effect of audio: when someone talks into our ear, it's strangely more intimate and we're more likely to connect with that person and what they're saying.

- **Be a storyteller.**

  We love good stories—emphasis on good. We especially love reading or hearing stories that we can relate to in some way.
  Stories tap into emotions, so we're apt to remember information delivered in stories. If you're reading something difficult, you're more likely to "get it" if the writer uses an example to illustrate what they're trying to get across.
  Assign stories (or case studies) to read, or have participants watch someone tell a story about how they applied a principle or practice in real life. Use stories to illustrate the impact of what they're learning—an additional motivator.
  Don't be afraid to use video. A cheesy video of instructors and members acting out a story may elicit some uncalled for grins but the point will be made and remembered Stories are a good opportunity to make your course timely too, our next topic.

- **Regularly update course content.**
  The course you deliver in 2018 should not be the same course you delivered in 2016. One way to differentiate your online course is to update the content with the latest:

  - Research and developments
  - News
  - Articles, videos, podcast episodes and conference session recordings
  - Policies and regulations
  - Opinions
  - Emerging trends and practices
  - Make it obvious that you're not delivering a stale program. Keep your course relevant, timely, and current and you'll be more likely to pique participant interest and hold their attention.

- **Assign success coaches.**

  Success coaches take your online learning program to the next level. This value-add won’t be expected but proves your association is investing in learners’ professional growth.
  Online learning can be a lonely experience. The more you can make it personal by connecting in some way with learners, the more likely they’ll stay engaged and become a raving fan.
  Coaches can proactively reach out to participants at specific course milestones. They can also be part of the intervention effort when a participant is at risk.

- **Encourage accountability.**

  Leverage the email notification feature on your learning management system. Schedule and send automated emails to participants who don't log in for a certain number of days or don’t complete an assignment on time. Or, you can set it up so the instructor receives the notification instead and they reach out personally to participants to see what’s going on with them.
  Remind participants they’re not alone and not being ignored by having instructors and coaches check in with them periodically. These check-ins are a good time to get feedback too.
  Study groups can also act as accountability reminders—just like meeting friends at the gym. Participants need to feel a sense of inner accountability too. And you can help with that—our next topic.

MODULE XIII: TRAINING IMPLEMENTATION

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- Understand trainer delivery requirements
- Learn room styles and arrangements
- Understand techniques to create and maintain a positive learning environment
- Use of ice breakers
- Learn empowering processes used by trainer during training
- Understand strategies to deal with client issues and emotions
- Understand housekeeping responsibilities and ownership as trainers

Trainer Delivery Requirements

As we have seen, training requires a lot of planning in every stage and training delivery is not any different. As a trainer we need to consider a lot of factors to make sure that we are prepared and the participant experience is not compromised.

We need to focus on some of the following key factors while planning any training factors:

Venue Location

- The training venue should be located in an area that is convenient to everyone
- It should preferably have an easy access to public transport
- It should preferably be in an area which had a medical shop and stationary in close proximity
- If the participants are likely to drive to the venue, there should be adequate parking arrangements

Room Access

- The building should be easily accessible to wheelchair users
- If the training room is on 1st floor or above, it should be accessible by lift
- The training room should have enough space for the wheelchair to move without any obstruction
- There should be indoor and outdoor breakout spaces depending on the activities planned

Space

- The room needs to comfortable seat all the participants, trainers and observers.
- There should be space for indoor activities and group discussions
- There should not be any wires/objects which might lead to the participants tripping over or falling
- Room shape should be conducive for group discussions to occur. Square rooms are the best for this purpose

Lighting and HVAC (Heating, Ventilation and Cooling)

- Training room should have sufficient daylight with blinds to block sunlight when using a projector
- The air conditioning should be adjustable with easy access to thermostat
- In case the room is not air conditioned, there should be sufficient cross ventilation. The fans should not be noisy as they can make it difficult for the trainer and participants to be heard
- The ventilation should be good even with the room being filled with participants
- If the session is being conducted in peak winters, it is a good idea to look for a room with wooden or carpeted flooring

Equipment and stationary

Here is a sample list of equipment and stationary. As a rule always check the equipment to ensure that it is working properly before starting the training for the day:

- Whiteboard and permanent markers (Most basic training pre-requisite and very important)
- Projector
    - Audio arrangements
    - Slide changer/clicker (if needed)
    - Any equipment required for demonstration/ evaluation purpose
    - Enough power point sockets
    - Wi-Fi and internet access where needed
    - Laptop/ Personal computer where the training content has been saved
    - Flipchart, flipchart stand, whiteboard, whiteboard stand
    - Chart papers
    - Notepads and pens for participants
    - Name Tags if needed

Food and Beverage

- There should be a separate eating area as far as possible
- Drinking water should be replenished frequently
- Specific dietary consideration like vegan diet, any allergies etc. should be taken into account

Safety

- Ensure that the floors are not slippery
- Staircases should have guardrails to prevent fall
- There should be no lose wires running across the floor
- In case the training is happening at site or in a plant location, participants and trainer should wear personal protection equipment
- In case of on-site training, safety instructions should be given to the participants

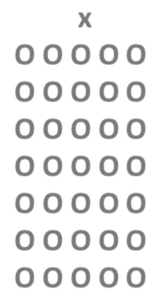
and trainer
- Emergency evacuation instructions should be given in the beginning of the training

Outdoor Activity Area

- Outdoor activity area should be safe and free from any obstructions and sharp objects
- The ground should have a uniform level to prevent any falls
- Weather conditions should be taken into account while performing outdoor activities
- While conducting outdoor activities on the roof, ensure that the participants are away from the railing at all times

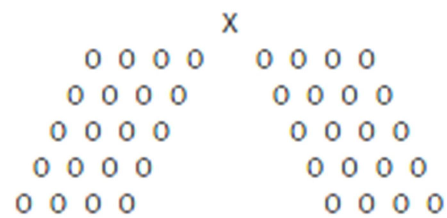
ROOM STYLES AND ARRANGEMENTS

THEATRE STYLE OR Traditional Seating



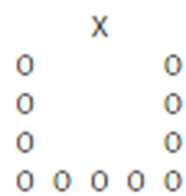
- Best used for short lectures to large groups
- Communication tends to be one way
- Trainer cannot see the learners in the back

Modified Traditional Seating



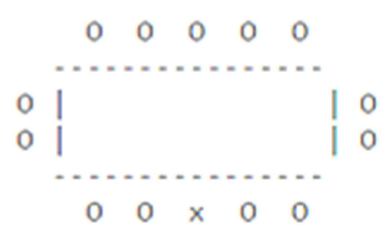
- There is more participation
- Allows the trainer to see all the learners
- Reduces space between trainer and learners as trainer can move up aisle
- Best used for short lectures to large groups

HORSE-SHOE Seating



- Non-verbally encourages participation by allowing eye contact between the trainer and all the learners
- The trainer is able to move closer to each learner
- Works well when all learners must be able to see a demonstration
- Works good when learners will be involved in large group discussions

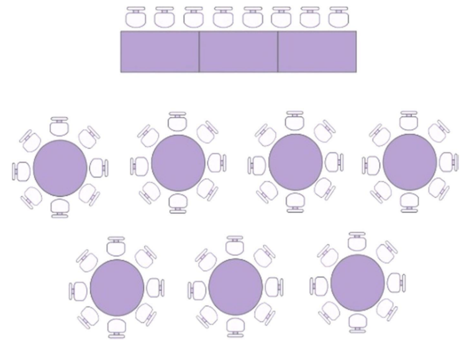
CONFERENCE OR RECTANGLE Seating



- Suitable for meetings and has a business atmosphere
- The seats at the short dimensions of the table are often seen as leadership positions
- If used, the learners should be forced to take distinctly different positions every now and then

(i.e. randomly shift the name cards)

BANQUET-STYLE Seating



- Learners can work in small groups on exercises and projects
- Communication between trainer and learners is more difficult
- Trainer must move between groups during lectures and activities
- Good for courses that require a lot of group work

Trainer's Space

- Is the area from where you will speak neat and looking professional?
- Is the distance between you and the learners appropriate?
  - If too near = intimidating
  - If too far = lacking in warmth

Tips

Stand in front of the room and draw an imaginary line from the learner on your left to the learner on your right. You should stand no more than 3 feet behind the line.

Techniques to create and maintain a positive learning environment

- Encouraging learner participation.
- Using interactive learning approaches to transfer skills and knowledge to learners.
- Using the diversity of the group as a resource to support learning.
- Using facilitation skills to ensure effective participation and group management.
- Using presentation skills to convey understanding of key concepts and central ideas.
- Monitoring non-verbal and verbal communication of participants.
- Using learning resources to enhance the learning experience for all learners.
- Create low stressed environment where it is safe to make mistakes yet expectation of success is high.
- Ensure the subject is relevant.
- Use humour, offer encouragement, provide regular breaks, show support for their efforts
- Engage left as well as right brain
- Challenge them to think through and explore what is being taught and to make personal sense of the subject matter
- Delivering at appropriate pace.

- Ensuring and encouraging two-way communication including provide opportunities for learners to seek clarification on central ideas and concepts, and adjust the presentation to meet participant needs and preferences.
- Summarizing key concepts and ideas at strategic points to facilitate learner understanding.
- Monitoring learner progress with tasks and learning.
- Activities based on session plan.
- Measuring the achievement of learning outcomes by formative assessment

Use of Ice Breakers

- Ice breakers are aimed at setting the pace of any training session.
- This is the first formal interaction between the trainer and all the participants.
- Ice breakers generally are short and `fun' activities where the participants get an opportunity to introduce themselves.
- Example of Ice Breakers:-
  - You may arrange participants according to their birthdays/ the actor of their choice/pet that they would like to won, pair them up and ask them to introduce each other.
  - Tell us your name and three humorous things about yourself;
  - Describe yourself with an adjective that begins with the same letter as your name
  - Give a number from (1-4) to each individual and then team up all the members with the same number. Let each team then give themselves a name and introduce their team in the most unique manner.

Empowering processes used by trainer during training

- Active listening
- Identifying and affirming learner strengths and opportunities
- Reframing, summary and closure
- Helping contain overwhelming feelings to facilitate coping
- Using questions and concreteness to focus the learner on identifying immediate needs and concerns
- Setting realistic achievable goals for the support session
- Brainstorming consequences
- Exploring options and informed learner choices
- Identify achievable tasks to be addressed after the session

Strategies to deal with client issues and emotions

- Managing tone, pitch and pace of voice
- Externalise learner emotions
- Awareness of personal vulnerabilities which may be triggered during a support session
- Containment skills
- Supervision and debriefing

Housekeeping responsibilities and ownership as trainers

The role of the trainer is not just limited to knowledge transfer. The trainer needs to assume complete responsibility of events that take place in the training room before, during and after the workshop.

Depending on the kind of intervention and the kind of training facility, each trainer should have a checklist to ensure that these critical aspects are not overlooked. Here are some of the parameters that can be included in the checklist.

Before training

- Arrive at the training venue at least 45 to 60 minutes in advance.
- Ensure that the seating arrangement is as per the plan and there is enough room for the participants to move around. Sometimes seating arrangement needs to be changed to create more room for the activity.
- Check to ensure that all the training material is in place and the participant material is neatly placed on the table.
- Check all the equipment to ensure that it is working fine. Ensure that laptop, speaker and projector are working fine
- In case there is any damage to any equipment, furniture or premises bring it to the notice of the appropriate person.
- Know where the light switches are as the light in the room would need to be dim while playing videos or while projecting slides and more during the activities/discussions.
- Know the location of fire exits and rest rooms.
- Identify any potential safety hazards in the environment and ensure that they are removed.

During training

- Share information about break timings and break areas.
- Set ground rules for use of mobiles, laptops, cross conversations and expectations from the participants/ trainer.
- Explain how and when you would want the questions to be addressed - anytime during the session or during dedicated question answer sessions.

- In case participants need to move out of the room during the session for any reason, advise them to use the rear door so that it does not disturb the session.
- Identify if there is any participant with special needs. Inform the appropriate person/ facility supervisor in case he/she might need any assistance.
- Be mindful of the language in case there are learners with special needs. For example, if there is a learner who is visually impaired, avoid using terms like 'As we can see', 'Let's look at our training manuals'.
- Check with the learners if they are comfortable with the air conditioning, food etc.

After training

- Handover unused material to the person concerned or arrange for it to be transported to office
- Have the facility supervisor confirm that the equipment is in order and that there have been no damage to equipment or facility
- Check if any learner has left the material/ personal belongings and hand those over to the person concerned as per the organizational guidelines
- Complete learning records like post training assessment and feedback form accurately and inform the relevant stakeholders.

MODULE XIV: APPLY HEALTH AND SAFETY PRACTICES

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- ❖ Explain and demonstrate Health Safety and Environment (HSE) practices.
- ❖ Identify relevant Occupational Health and Safety (OHS) regulations and procedures.
- ❖ Identify relevant statutory legislation and environmental legislation applicable to the organisation and the area of operation.
- ❖ Explain school/centre health, safety and emergency procedures, techniques and practices.
- ❖ Identify the different health and safety emergencies that may occur at the workplace.
- ❖ Take required actions promptly within the scope of responsibilities
- ❖ Comply with school/centre health, safety and emergency procedures, techniques and practices.
- ❖ Adhere to evacuation and reporting procedures in case of a fire.
- ❖ Seek assistance promptly from colleagues and/or other authorities where/when appropriate.
- ❖ Assist with the general care and wellbeing of learners, including attending to learners with minor illnesses.
- ❖ Assist learners in need of minor first aid in accordance with school or centre procedures.

Healthy and Safety Practices

Apply relevant health and safety practices in a training / assessment environment by

- Promoting a safe working environment and adhere to risk management strategies for clients, colleagues and others who enter the workplace
- Identify, control and report health and safety issues relating to immediate work environment according to procedure
- Apply appropriate personal protective equipment (PPE) where required and document safety records.
- Explain and demonstrate Health Safety and Environment (HSE) practices.
- Explain school/Centre health, safety and emergency procedures, techniques and practices.
- Identify relevant Occupational Health and Safety (OHS) regulations and procedures.
- Identify relevant statutory legislation and environmental legislation applicable to the organization and the area of operation.

Maintain a safe environment by

- Recognizing health and safety related hazards in the training and assessment area
- Follow procedures and instructions for dealing with hazards
- Comply with Centre health, safety and emergency procedures, techniques and practices.
- Document and report all hazards, accidents and near-miss incidents
- Provide guidance and support to learners on the safe use and care of equipment and resources
- Take appropriate steps, if required, to maintain personal safety of self and others

Maintain a healthy and hygienic environment by

- Maintaining the training and assessment area in a clean and tidy condition
- Responding appropriately to learners who require assistance with personal care or hygiene
- Ensure all learners or candidates follow personal hygiene and grooming standards as required
- Provide assistance with the general care and wellbeing of learners, including attending to learners with minor illnesses
- Assist learners in need of minor first aid in accordance with school or Centre procedures
- Select different types of waste and various types of colour coded bins/containers used for disposal of waste.
- Discuss the appropriate process of categorization, disposal, transportation, and treatment of waste and its significance.

Deal with emergency situations by

- Identify the different health and safety emergencies that may occur at the workplace.
- Recognizing emergency and potential emergency situations promptly and take required actions
- Following emergency procedures correctly
- Adhere to evacuation and reporting procedures in case of a fire.
- Seeking assistance promptly from colleagues and/or other authorities where appropriate
- Take required actions promptly within the scope of responsibilities.
- Reporting details of emergency situations accurately, and including accurate completion of accident and incident report forms

Respiratory hygiene, Hand-washing practices and Social distancing Practices

A trainer must follow following points to promote respiratory hygiene, hand-washing practices and social distancing practices during his training:

- Discuss the concept of disease outbreak, epidemics, and pandemics and their impact on society at large.
- Explain the significance of following prescribed rules and guidelines during an epidemic or a pandemic.
- Differentiate between self-quarantine and self-isolation and their significance.
- Discuss the significance of social distancing and alternate ways of carrying out everyday tasks (use of e-payment gateways/online learning/virtual meetings, etc.) during a pandemic.

- Discuss and demonstrate the significance of conforming to basic personal and workplace hygiene practices such as washing hands, using alcohol-based hand sanitizers, examining office supplies/deliveries and their sanitization, etc.
- List various surfaces that may serve as potential fomites at workplace.
- Identify and display the correct way for PPE such as face masks, hand gloves, face shields, PPE suits, etc. to be used during training and workplace and the process of donning, doffing, and discarding them
- Discuss the importance and process of identifying and reporting symptoms to the concerned authorities.
- Discuss organizational hygiene and sanitation guidelines and ways of following them and reporting breaches/gaps if any.
- Explain the importance and mechanism of proper and safe disposal, transportation, and treatment of waste.
- Discuss the ways of dealing with stress and anxiety during a disease outbreak.
- Show how to sanitize and disinfect one's work area regularly.
- Demonstrate appropriate social and behavioral etiquette (greeting and meeting people, spitting/coughing/sneezing, etc.).
- Prepare a list of relevant hotline/emergency numbers.
- Explain the importance of incident reporting.
- Discuss the ways of risk assessment and management.
- Discuss the ways of dealing with stress and anxiety and providing support during an epidemic or a pandemic

Respiratory Hygiene

The following measures to contain respiratory secretions are recommended for all individuals with signs and symptoms of a respiratory infection.

- Cover your mouth and nose with a tissue when coughing or sneezing;
- Use in the nearest waste receptacle to dispose of the tissue after use;
- Perform hand hygiene (e.g., hand washing with non-antimicrobial soap and water, alcohol-based hand rub, or antiseptic handwash) after having contact with respiratory secretions and contaminated objects/materials.

A trainer should ensure the availability of materials for adhering to Respiratory Hygiene/Cough Etiquette in classrooms for participants and visitors.

Provide tissues and no-touch receptacles for used tissue disposal.

Provide conveniently located dispensers of alcohol-based hand rub; where sinks are available, ensure that supplies for hand washing (i.e., soap, disposable towels) are consistently available.

During periods of increased respiratory infection activity in the community (e.g., when there is increased absenteeism in training centre and work settings and increased medical office visits by persons complaining of respiratory illness), offer masks to persons who are coughing. Either procedure masks (i.e., with ear loops) or surgical masks (i.e., with ties) may be used to contain respiratory secretions (respirators such as N-95 or above are not necessary for this purpose). When space and chair availability permit, encourage coughing persons to sit at least three feet away from others in common waiting areas.

Social distancing Practices

Social distancing, also called "physical distancing," means keeping a safe space between yourself and other people who are not from your household.

To practice social or physical distancing, stay at least 6 feet (about 2 arms' length) from other people who are not from your household in both indoor and outdoor spaces.

Social distancing should be practiced in combination with other everyday preventive actions to reduce the spread of any kind of infection.

Tips for Social Distancing

When going out in public, it is important to stay at least 6 feet away from other people and wear a mask to slow the spread of infection. Consider the following tips for practicing social distancing when you decide to go out.

- **Know Before You Go:** Before going out, know and follow the guidance from local public health authorities where you live.
- **Prepare for Transportation:** Consider social distancing options to travel safely when running errands or commuting to and from work, whether walking, bicycling, wheelchair rolling, or using public transit, rideshares, or taxis. When using public transit, try to keep at least 6 feet from other passengers or transit operators – for example, when you are waiting at a bus station or selecting seats on a bus or train. When using rideshares or taxis, avoid pooled rides where multiple passengers are picked up, and sit in the back seat in larger vehicles so you can remain at least 6 feet away from the driver. Follow these additional tips to protect yourself while using transportation.
- **Limit Contact When Running Errands:** Only visit stores selling household essentials in person when you absolutely need to, and stay at least 6 feet away from others who are not from your household while shopping and in lines. If possible, use drive-thru, curbside pick-up, or delivery services to limit face-to-face contact with others. Maintain physical distance between yourself and delivery service providers during exchanges and wear a mask.
- **Choose Safe Social Activities:** It is possible to stay socially connected with friends and family who don't live in your home by calling, using video chat, or staying connected through social media. If meeting others in person (e.g., at small outdoor gatherings, yard or driveway gathering with a small group of friends or family members), stay at least 6 feet from others who are not from your household. Follow these steps to stay safe if you will be participating in personal and social activities outside of your home.
- **Keep Distance at Events and Gatherings:** It is safest to avoid crowded places and gatherings where it may be difficult to stay at least 6 feet away from others who are not from your household.

If you are in a crowded space, try to keep 6 feet of space between yourself and others at all times, and wear a mask. Masks are especially important in times when physical distancing is difficult. Pay attention to any physical guides, such as tape markings on floors or signs on walls, directing attendees to remain at least 6 feet apart from each other in lines or at other times. Allow other people 6 feet of space when you pass by them in both indoor and outdoor settings.

- **Stay Distanced While Being Active:** Consider going for a walk, bike ride, or wheelchair roll in your neighborhood or in another safe location where you can maintain at least 6 feet of distance between yourself and other pedestrians and cyclists. If you decide to visit a nearby park, trail, or recreational facility, first check for closures or restrictions. If open, consider how many other people might be there and choose a location where it will be possible to keep at least 6 feet of space between yourself and other people who are not from your household.

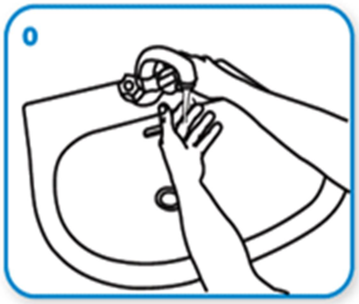
Hand-washing practices

Clean hands protect against infection. Protect yourself by:-

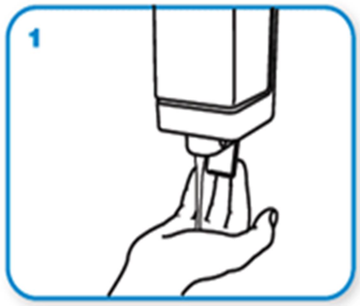
- Clean your hands regularly.
- Wash your hands with soap and water, and dry them thoroughly.
- Use alcohol-based handrub if you don’t have immediate access to soap and water.

How to wash hands properly?

Washing your hands properly takes about as long as singing "Happy Birthday" twice, using the images below.

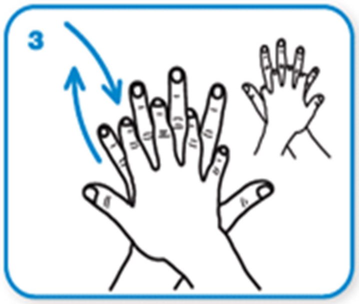


Wet hands with water

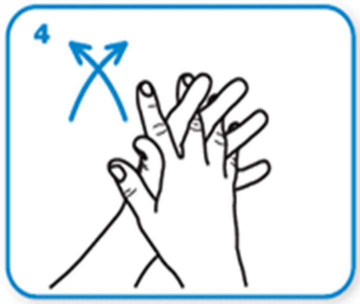


apply enough soap to cover all hand surfaces.

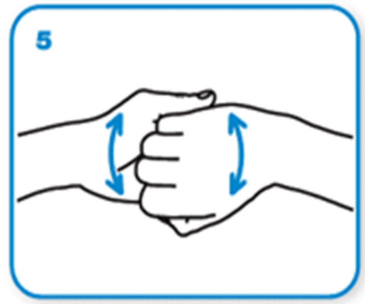
Rub hands palm to palm



right palm over left dorsum with interlaced fingers and vice versa



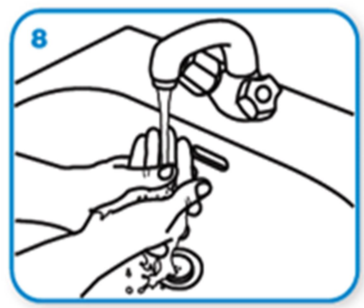
palm to palm with fingers interlaced



backs of fingers to opposing palms with fingers interlocked

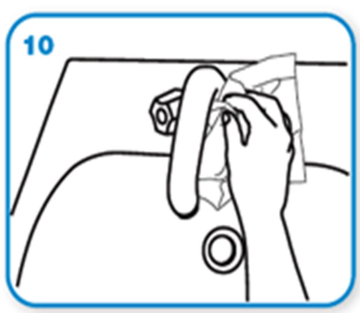
rotational rubbing of left thumb clasped in right palm and vice versa

rotational rubbing, backwards and forwards with clasped fingers of right hand in left palm and vice versa.

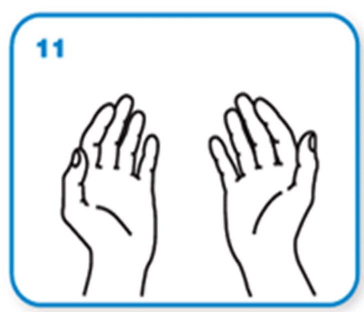


Rinse hands with water

dry thoroughly with a single use towel



use towel to turn off faucet



...and your hands are safe.

MODULE XV: DEMONSTRATION OF WORK/ PRACTICAL SKILLS

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

Introduction to Practical Skills Training

- Explain the importance of practical skills training.
- State the advantages and disadvantages of demonstration and practice as a skills training tool.
- Describe the difference between on-the-job training and training in a simulated environment.
- Describe key characteristics of effective demonstrations such as purposefulness, clarity, completeness, speed and duration optimization, correct sequencing, freedom for errors and cost optimization.
- Describe how to effectively structure demonstrations and practice sessions.
- Describe the factors that are likely to prevent learning during demonstration and practice sessions and how to overcome them.

Prepare for Work-Skills Demonstrations

- Explain the importance of planning how to conduct a demonstration and rehearsing it before the actual demonstration.
- State the preparatory activities to be conducted before starting a demonstration.
- Identify the purpose and topics of the demonstration, time allowed for the demonstration and location and facilities where the demonstration will take place.
- Develop the order or sequence of the demonstration, for overall coverage of topic(s) as well as coverage of each task within the topic, to ensure ease of understanding for audience and the efficient use of resources.
- Confirming that all materials, tools and equipment are present and in working order, including safety equipment for the demonstration.
- Rehearse the demonstration without the audience and identify areas that need specific attention.

Delivery of Work Skills Training

- Brief the audience on each activity with respect to it's purpose, procedure and site and safety precautions before the demonstration.
- Ensure all learners have access to necessary equipment and materials for practicing on and learning the work skills.
- Explain each step in the task or procedure
- Perform all the steps of the demonstration skillfully and in proper sequence and in a pace and manner that is easy for learners to follow.
- Provide opportunity for each learner to practice each step in the task or
- procedure required to be learnt, immediately after the demonstration.
- Provide opportunities for participants to correct mistakes during practice.
- Ensure steps are taken to protect the participant as he or she performs each step of the procedure from hazards.
- Conduct a review and summarization of activities as required.
- Collect feed-back that will benefit future demonstration planning.
- Ensure that the equipment and tools are secure after the demonstration in accordance with appropriate procedures.

Introduction to Practical Skills Training

Learners must continuously reconstruct their skills and be able to apply their theoretical knowledge in actual work. The development of expertise in skills is a long process, during which theoretical and practical elements of learner's knowledge are integrated into a coherent whole. It is important to foster learner's learning and integration of theoretical knowledge in practice during training. One tool for this is to pay more attention to practical knowledge in the theoretical part of the curriculum. After many studies and researches it has been found that the practical training increases learner's understanding of theoretical knowledge and their motivation to study.

The two most effective and common methods for practical skills training are:

- **On- the Job Training**

  On the job training is a form of training provided at the workplace. During the training, trainees/ employees are familiarized with the working environment they will become part of. Trainees/ employees also get a hands-on experience using machinery, equipment, tools, materials, etc. Part of on-the-job training is to face the challenges that occur during the performance of the job. An experienced employee or a manager are executing the role of the mentor who through written, or verbal instructions and demonstrations are passing on his/her knowledge and company-specific skills to the new employee. Executing the training on at the job location, rather than the classroom, creates a stress-free environment for the employees. On-the-job training is the most popular method of training. Its effectiveness is based on the use of existing workplace tools, machines, documents and equipment, and the knowledge of specialists who are working in this field. On-the-job training is easy to arrange and manage and it simplifies the process of adapting to the new workplace. On-the-job training is highly used for practical tasks. It is inexpensive, and it doesn't require special equipment that is normally used for a specific job. Upon satisfaction of completion of the training, the employer is expected to retain participants as regular employees.

  For trainees/ employees, on-the-job training is beneficial because it allows them to learn a new skill or qualification within their field of work in a timely matter. During on-the-job training, they are engaged in the real process instead of the simulated learning process. On-the-job training leads to more opportunities to grow

- **Training in a Simulated Environment**

  Simulation training is the creation of a **true-to-life learning environment** that mirrors real-life work and scenarios. Trainees can put real knowledge and skills into practice not just by reading books on theory or listening to lectures, but through physical, hands-on activity.

This type of training is so effective as it takes into account several of the learning styles preferred by different learners. Not everyone learns visually, or through auditory materials, and simulation-based training also considers the needs of kinesthetic learners who flourish through practical exercises.
Simulation-based training is a highly effective way of transferring key skills to trainees in a cost-effective manner. It provides an optimum way for employers to assess how well their trainees are putting skills into practice, and the decisions they are making in front of simulated real life situations. Learning in a safe and managed environment provides essential hands-on experience that integrates key theoretical concepts with interactive, simulated situations.
It provides learning "just like the real thing." Simulation-based training can be applied across many different fields..

Intorduction to Demonstration

Demonstration of work skills is one of the most important methods during the skill development training as it enhances the participation and understanding of the learner towards the topic.

Demonstration involves showing by reason or proof, explaining or making clear by use of examples or experiments. Put more simply, demonstration means 'to clearly show'

Demonstration = words (audio) + performance (visual information)

Characteristics of effective demonstrations

- Purposefulness
- Clarity
- Completeness
- Speed and duration optimization
- Correct sequencing
- Freedom for errors
- Cost optimization

Advantages of demonstration as a method of training

- The ability for participants to see, feel and participate directly in the learning process and the enhanced learning ability of those being instructed.
- It makes the pupils familiar with the nature and use of tools/ equipment.
- Experiments requiring special skill will merely be shown by the trainer. In this method no time is wasted.
- This method proves more useful if the trainees are told beforehand about it.
- It helps in involving various sense to make learning permanent

- It develops interest in the learners and motivates them for their active participation
- It helps in achieving psychomotor objectives
- Any simple or complex skill becomes easy to understand
- Only the attention of the learners is invited towards the activity demonstrated. They are not free to discuss about it
- Participants can pay their attention and follow along with the learning process.

Disadvantages of demonstration as a method of training

- There is danger of participants being dishonest when trainer has to play the main role in the discussion and demonstration of the topic.
- There is a risk of too many participants being involved and a potential shortage of time, resources and facility space, which limits the hands-on opportunities of the participants.
- Some participants may feel left behind when others advance at a faster rate, which decreases participant morale in the classroom.
- Trainers may be tempted to lecture rather than to demonstrate.
- Participants are not allowed to ask questions or start discussions during the demonstration.
- Only technical and training skills can be taught this way.
- Trainers may also not be able to assist all participants due to time and space limitations, which is also considered a disadvantage.
- Oral discussion may not be encouraged, since it will go to restrict the demonstration experiment.

Steps involved in a Successful Demonstration

1. **Identify audience for work skills demonstration**

    - Identify characteristics of audience to customize demonstration as per their needs
    - Confirm numbers and, if possible, names of individuals to ensure that all are present
    - Identify purpose of the demonstration
      Purpose: To training the audience, to generate awareness, to demonstrate competence, etc.
    - Identify time allowed for demonstration
    - Identify location and facilities where demonstration will take place

2. **Prepare for Work-Skills Demonstrations**

- Identify topic/s for demonstration
- Research topic/s and clarify doubts with subject matter expert
- Develop order or sequence of demonstration, for overall coverage of topic/s as well as coverage of each task within the topic to ensure ease of understanding for audience and efficient use of resources
- Rehearse the demonstration without the audience and identify areas that need specific attention
- Confirm all materials, tools and equipment is present and in working order, including safety equipment for the demonstration

3. **Delivery of Work Skills Training /Conduct demonstration**

- Conduct a site and safety briefing
- Conduct a group introduction session for names and stories of participants
- Clarify the planning of sessions for the audience
- Clarify each activity with respect to purpose, precautions and procedure before performing it
- Conduct the demonstration while adapting to audience needs and ensuring that the purpose of the demonstration is being achieved
- Ensure that all audience members can see the demonstration and hear the instructions and explanations clearly
- Perform all the steps of the demonstration skillfully and in proper sequence
- Ensure that the demonstration is accurate and realistic.
- Provide opportunity for each learner to practice each step in the task or procedure required to be learnt, immediately after the demonstration.
- Provide opportunities for participants to correct mistakes during practice.
- Ensure steps are taken to protect the participant as he or she performs each step of the procedure from hazards.
- Conduct review and summarization of activities as required
- Work safely at all times, complying with health and safety, environmental and other relevant regulations and guidelines
- Collect feed-back that will benefit future demonstration planning.
- Ensure that the equipment and tools are secure after the demonstration in accordance with appropriate procedures.

4. **Undertake post Demonstration activities**

- Collect feed-back information and address any issues identified
- Use feed-back in future demonstration planning
- Secure equipment and tools in safe places and leave them in good condition in accordance with procedures
- Complete demonstration records accurately and submit or process and in the required timeframes

5. Assessment of Workplace Performance

- Identify performance criteria or indicators that are to be used as benchmarks for assessment.
- Identify assessment methods and assessment tools to evaluate learners while they work on-the-job or in a simulated environment.
- Develop a checklist for the conduct of the assessment.
- Arrange identified material and physical resource requirements according to assessment specification.
- Conduct an audit of the assessment site.
- Carry out assessment in between the training modules applying the principles of assessment and rules of evidence.
- Collect evidence of performance for each competency based on the rules of evidence.
- Evaluate the collected evidence to check whether it reflects the evidence required to demonstrate the competence.
- Use judgment to conclude whether competence has been demonstrated, based on the available evidence and in line with the agreed assessment procedures and plan.
- Record the assessment decision accurately with respect to the competency mentioned in the assessment criteria being achieved or not.
- Identify areas of improvement in the performance of each learner.
- Share feedback on learner performance with management as per organizational procedure and to the learner to support his/her continuous learning and development.

MODULE XVI: TRAINING EVALUATION

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- Understand importance of Training evaluation
- Learn different Ways to Evaluate Training Effectiveness

1. **Why Evaluation Matters?**

   Evaluations may help:

   - Measure results of the training
   - Measure the trainer's effectiveness
   - Monitor learner progress in terms of skill and knowledge against program and session objectives
   - Create development plan for further learning
   - Measure the actual application of training to the job
   - Evaluate level of competence
   - Evaluate learning retention
   - Assess learning styles
   - Assess learning styles and soft skills of Learners
   - Identify learner learning needs against required curriculum
   - Provide feedback to learners on progress
   - Measure the effectiveness of the design of the course

2. **Ways to Evaluate Training Effectiveness**

   - Feedback Survey
   - Commitment Sheet
   - Skills Assessment
   - Success Case

3. **Levels of Evaluation**

   There are four standard levels of evaluation
   - Trainee reactions to the training
   - Trainee learning
   - Trainee on-the-job behavioral changes
   - Results of the training for the organization

Donald Kirkpatrick's (1975) 4 Levels of Evaluation		
Level	**Measures**	**Key Methodologies**
1. Reaction	Satisfaction	• Course evaluation sheet • Questionnaires • Learners' comment
2. Learning	Knowledge, skills, attitudes	• Pre-test and post test • Observations • Self-assessment
3. Behaviours	Transfer of learning	• Assessment • Observations
4. Results	Impact	• Job performance measurements • Focus group • Structured interview • Questionnaires

MODULE XVII: COMPETENCY BASED ASSESSMENT

Learning Objectives of the Module

At the end of this module, the trainee will be able to:

Introduction to Competency based Assessment

- Explain the purpose of formative assessment and when is it undertaken.
- Explain how competency-based assessment differs from other types of assessment.
- State the range of assessment purposes and assessment contexts, including Recognition of Prior Learning (RPL).
- Explain the principles of assessment
- Explain rules of evidence
- State the distinction between assessment methods and assessment instruments/tools.
- Describe different assessment methods, including their suitability for gathering various types of evidence, their suitability for the content of units, and resource requirements and associated costs.
- Describe instruments to be used for gathering evidence, such as profile of acceptable performance measures; templates and proformas; specific questions or activities; evidence and observation checklists; checklists for evaluating work samples; candidate self-assessment materials; etc.
- Describe procedures, information and instructions for the assessor and candidate relating to the use of assessment instruments and assessment conditions.
- Explain the purpose and process of making reasonable adjustments and when they are applicable.

Prepare for Assessment of Competence

- Schedule assessments in between the training schedule as per requirement of the training plan.
- Identify units of competency that are to be used as benchmarks for assessment.
- Identify assessment methods and assessment tools to evaluate the knowledge and domain skills of a learner.
- Develop a checklist for the conduct of an assessment.
- Arrange identified material and physical resource requirements according to assessment specification.
- Conduct an audit of the assessment site.

Conduct Assessment of Competence

- Carry out assessment in between the training modules applying the
- principles of assessment and rules of evidence.
- Collect evidence of performance for each competency based on the rules of evidence.
- Evaluate the collected evidence to check whether it reflects the evidence required to demonstrate the competence.
- Use judgement to conclude whether competence has been demonstrated, based on the available evidence and in line with the agreed assessment procedures and plan.
- Use technology while conducting assessment activities such as video evidence of skills/performance, recording of oral evidence, computerbased/ on-line testing; etc.
- Check and authenticate the video recordings and other evidences to see if there are no shortcomings, else retake the recording and evidences.
- Record the assessment decision accurately with respect to the competency mentioned in the assessment criteria being achieved or not.
- Document the results on paper templates as well as online forms and templates as prescribed accurately.
- Complete candidate records accurately in the required time frame.
- Secure, label and pack the evidences accurately as per standard procedures adopted by the training organisation.
- Provide clear and constructive feedback to the participant regarding the assessment decision.
- Develop a development plan for the learner based on formative assessment results.

Assessment of Workplace Performance

- ❖ Identify performance criteria or indicators that are to be used as benchmarks for assessment.
- ❖ Identify assessment methods and assessment tools to evaluate learners while they work on-the-job or in a simulated environment.
- ❖ Develop a checklist for the conduct of the assessment.
- ❖ Arrange identified material and physical resource requirements according to assessment specification.
- ❖ Conduct an audit of the assessment site.
- ❖ Carry out assessment in between the training modules applying the principles of assessment and rules of evidence.
- ❖ Collect evidence of performance for each competency based on the rules of evidence.
- ❖ Evaluate the collected evidence to check whether it reflects the evidence required to demonstrate the competence.
- ❖ Use judgement to conclude whether competence has been demonstrated, based on the available evidence and in line with the agreed assessment procedures and plan.
- ❖ Record the assessment decision accurately with respect to the competency mentioned in the assessment criteria being achieved or not.
- ❖ Identify areas of improvement in the performance of each learner.
- ❖ Share feedback on learner performance with management as per organizational procedure and to the learner to support his/her continuous learning and development.

1. Defining Assessment

Assessment is a systematic method of gathering data under standardized conditions and reaching a conclusion regarding the knowledge, qualification and potential of an assessed. Assessment can be broadly divided into two categories.

Formative Assessment: Formative assessment refers to a variety of assessment procedures that provides the required information, to adjust training, during the learning process.
The formative assessment (FA) is conducted during the learning process. It is a continuous process that observes participant's needs and progress, in the learning process. It aims at enhancing and monitoring participant learning.
Summative Assessment: Summative assessment is defined as a standard for evaluating learning of participants. The summative assessment (SA) is undertaken only at the end of the course or unit.
It aims at learners' competency and evaluates his learning. As an assessor you will be doing summative assessment.

2. Introduction to Competency Based Assessment

Competency Based Assessment is a process where the assessor observes the assesse for evidence of competence to be compared with the benchmarks. It is a system of using a variety of assessment methods to assess candidate's current ability and compare it to a set of competency standards.

3. Characteristics of Competency Based Assessments

- Competency Based Assessments are criterion based: Assessment is done based on a number of criteria compared with benchmark to establish candidate's competency

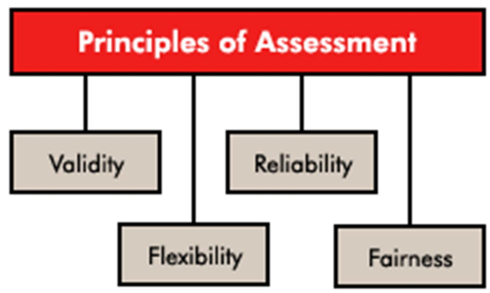
- Competency Based Assessments are evidence based: Competency based assessments are not based on subjective evaluation and are instead based on observable factors. The evidence based nature of these assessments ensures that the results do not vary a lot with a change in assessors.

- Competency Based Assessments are participatory: Rather than just taking a test, participants are involved with the assessor in the competency based assessments.

4. Purpose of Competency Based Assessments

- Give the trainee a nationally recognized qualification
- Contribute to the objective approach of developing the skills of candidates and identifying competencies that need to be worked on
- Reduce personal bias in the evaluation process
- Focus on progressive skill development for the candidates to bridge the gap from where they are to where they need to be focus on developing a detailed national criterion based on the needs of different industries and different job profiles.

5. Principles of assessment



There are four principles of assessment:

- Fairness
- Flexibility
- Validity
- Reliability

Fairness

The assessment system must be transparent. Trainee/candidates shall be aware of how they will be assessed, when and by whom, what the National Standards are and what they will be assessed against.

Flexibility

The assessment system shall be flexible enough not to disadvantage trainee/candidates on grounds of:

- Physical or intellectual disability;
- Socio-economic background;
- Religion;
- Ethnicity;
- Gender;
- Age.

This shall involve making reasonable adjustments to assessment techniques for individual trainee/candidates. Trainee/candidates still supply the same evidence of competence, but it may be gathered in different ways.

Validity

A competency based assessment system must be based upon clear benchmarks. For an assessment to be valid, the assessment methods and the resources has to reflect the skills, knowledge, attitude and the standard of performance as benchmarked by the National Occupational Standards.

Reliability

The assessment outcomes should be consistent and accurate. That is, the assessment could provide similar outcomes for trainee/candidates with equal competence at different times or places, regardless of the assessor conducting the assessment.

Apart from above principles assessment must be cost effective for both the institutions and for trainee/candidates. Costs to be considered include:

- Materials for assessments;
- Assessor's fees;
- Fees for the assessment center including any calculated overhead;
- Remuneration to support staff, if any;
- Trainee/candidate's time;
- Assessor's time;
- Time taken to reach an assessment decision.

6. Rules of evidence

There are four rules of evidence:

- Validity
- Sufficiency
- Authenticity
- Currency

Validity

The evidence collected must be valid. For an evidence to be valid, the evidence has to reflect the skills, knowledge, attitude and the standard of performance as benchmarked by the National Occupational Standards.

In reviewing evidence, assessors should consider the following questions:

- Does the evidence relate to the unit of competency?
- Does the evidence reflect the different dimensions of competency?
- Does the evidence address the key competencies?

Sufficiency

Assessors must collect sufficient evidence of competence from trainee/candidates so that the assessors can reach an assessment decision. Sufficiency shall be defined as collecting enough evidence to determine that the trainee/candidate can:

- Perform task skills;
- Perform task management skills;
- Perform contingency management skills;
- Perform according to specific workplace environments.

In reviewing evidence, assessors should consider the following questions:

- Does the evidence cover the full range of performance identified in the unit of competency?
- Does the evidence show competence over a period of time?
- Does the evidence show competence in different contexts?

Authenticity

Authenticity means that the evidence provided for assessment is really the work of the trainee/candidate.

In reviewing evidence, assessors should consider the following questions:

- Is the evidence the candidate's own work?
- Are the qualifications, references and licenses presented by the candidate authentic documents?

Currency

Currency means that the evidence presented for assessment is most recent. In reviewing evidence, assessors should consider the following questions:

- Does the evidence show that the candidate can currently perform the competency while working?
- Is the evidence benchmarked against the current version of the industry competency standards?

7. Process of competency based assessment

There are five steps for competency based assessment:

- Prepare (plan and organize) for assessment of competence
- Conduct assessment of competence (of vocational skills, knowledge and understanding as per set standards of performance)
- Undertake post assessment activities

Prepare (plan and organize) for Assessment of Competence

- Schedule assessments in between the training schedule as per requirement of the training plan.
- Identify the standards/criteria to be used for assessment
- Read and interpret the assessment strategy
- Review and identify details of the assessment job like list of candidate s who

have to be assessed, location/venue, date/time/duration of assessment, contact person and contact details, standards on which assessment has to be conducted, assessment tools and methods required for to be taken along for employing during assessment, types and sufficiency of evidence required (of performance in the work environment, of knowledge and/or understanding); location and resources required for the assessment; specific learner needs and any support required

- Plan how to manage the assessment process and how to record assessment processes and decisions
- Check contact venue, materials, physical resources and other details of the assessment are in place and report any discrepancy to relevant personnel
- Amend assessment plan if required in discussion with instructional design and co- ordination team
- Review assessment tools and instruments to check what is the evidence requirements and assessment criteria
- Ensure tools and equipment required for observing and recording evidence is in order
- Reach venue for the assessment at appropriate date, time with relevant materials, questionnaires tools, recorders etc.
- Develop a checklist for the conduct of an assessment.
- Conduct an audit of the assessment site.

Conduct assessment of Competence (as per set standards of performance)

- Communicate the purpose, requirements and processes of assessment to learners
- Instruct the candidates at the start of the assessment regarding duration of the assessment, rules to be followed, entire process and penalties for breaking of the rules
- Mark attendance as per the standard practice
- Gather required documents from learners
- Manage assessments of vocational skills, knowledge and understanding to meet assessment requirements
- Follow procedures for the confidentiality of assessment information
- Carry out assessment in between the training modules applying the principles of assessment and rules of evidence.
- Collect evidence of performance for each competency based on the rules of evidence.
- Evaluate the collected evidence to check whether it reflects the evidence required to demonstrate the competence.
- Use judgment to conclude whether competence has been demonstrated, based on the available evidence and in line with the agreed assessment procedures and plan.
- Use technology while conducting assessment activities such as video evidence of skills/performance, recording of oral evidence, computer based/ on-line testing; etc.
- Check and authenticate the video recordings and other evidences to see if there are no shortcomings, else retake the recording and evidences.
- Record the assessment decision accurately with respect to the competency mentioned in the assessment criteria being achieved or not.
- Document the results on paper templates as well as online forms and templates as prescribed accurately.
- Complete candidate records accurately in the required time frame.
- Secure, label and pack the evidences accurately as per standard procedures adopted

by the training organization.
- Provide clear and constructive feedback to the participant regarding the assessment decision.
- Develop a development plan for the learner based on formative assessment results

Undertake post assessment activities

- Monitor the cleanliness and tidiness of the assessment area
- Notify any special housekeeping requirements, maintenance requirements or training equipment repair requirements to appropriate personnel
- Secure the equipment and tools used during assessment while ensuring that they are in good condition

And lastly, it would be interesting to know how even the most seasoned assessors sometimes fall into the trap of common biases. Some of those biases are:

- **The hallow effect:** In this case, one or two characteristics decide the entire perception abut a person. So, it might be a good behavior displayed during one assessment exercise or a negative behavior displayed which may then keep influencing other assessments as well.
- **Contrast Errors:** It happens so when assessor starts contrasting the performance of one assesse with another instead of referring to the competencies and defined performance criteria.
- **Recency Bias:** The assessor considers the most recent performance to rate the assesse.
- **Leniency and Severity Bias:** This happens when the assessor refrains from objectively evaluating and giving an honest rating and instead gets generous in scoring. Severity is exactly opposite, where the assessor restrains from scoring a behavior displayed as highly effective despite of concrete examples.

8. Assessment of Workplace Performance

The performance evaluation is a review based upon an individual's job performance and assigned duties. A supervisor typically looks at an employee's skills and accomplishments during a specific time period and tracks whether the employee has lived up to expectations, exceeded them or failed to meet desired results.

Ideally, performance evaluations provide a stepping-stone for the employee and supervisor to identify and discuss areas where performance can be improved. It can also be an important opportunity for employee and manager expectations to be reinforced or clarified

Evaluations are often seen as documentation of past performance. Some businesses are even using them as a vehicle for reviewing employee development. Completed properly, they can lead to an improved understanding of personal and professional goals. This approach can also help ensure employees are recognized for their work and are being provided the right training opportunities to acquire further skills, which can be beneficial for both the employee and the business.

For working professionals, review processes can come in all varieties, with direct supervisors or upper-level managers involved. Sometimes, other co-workers can be added into the process, and they can give management a peer-review of the employee. Overall, the review process can be broken down into four different methods.

- **Top-down Review:** This approach puts the direct supervisor in charge of the process, although business unit managers or executives can also be involved. The direct supervisor's involvement is important given their working relationship with employees, often making him or her more knowledgeable on assessments and feedback.
- **Peer Review:** In this case, employees are evaluated by other co-workers. The benefit with this type of review is that co-workers at the same level of the employee may understand the job, its challenges and how it's being performed on a day-to-day basis better than higher-level management. However, there may be a risk with this type of method, as work rivalries and jealousy can cause some co-workers to review others more critically, particularly if they are in competition for a raise or promotion
- **The 360-Degree Review:** This process solicits reviews from all perspectives – superiors, peers, subordinates and sometimes even customers. Typically overseen by the HR department, these reviews are often done anonymously. The risk with the 360-degree review is that anonymous input can lead to excessive negative criticism and be counterproductive for the employee.
- **Self-Assessment:** Allowing employees to assess their own performance can also be a beneficial review method. Not only can this provide a clue to managers as to some areas where employees feel they can improve and expand, but it may make it easier for employees to accept constructive criticism from managers. However, if employees and managers diverge substantially in their performance reviews and perspectives, this process can present challenges.

Steps for Assessment of Workplace Performance

- Identify performance criteria or indicators that are to be used as benchmarks for assessment.
- Identify assessment methods and assessment tools to evaluate learners while they work on-the-job or in a simulated environment.
- Develop a checklist for the conduct of the assessment.
- Arrange identified material and physical resource requirements according to assessment specification.
- Conduct an audit of the assessment site.
- Carry out assessment in between the training modules applying the principles of assessment and rules of evidence.
- Collect evidence of performance for each competency based on the rules of evidence.
- Evaluate the collected evidence to check whether it reflects the evidence required to demonstrate the competence.
- Use judgement to conclude whether competence has been demonstrated, based on the available evidence and in line with the agreed assessment procedures and plan.
- Record the assessment decision accurately with respect to the competency mentioned in the assessment criteria being achieved or not.
- Identify areas of improvement in the performance of each learner.
- Share feedback on learner performance with management as per organizational procedure and to the learner to support his/her continuous learning and development.

9. Assessment methods and tools

The different types of assessment methods used during assessment are:

Direct observation

- Real work/real time activities at the workplace
- Work activities in a simulated workplace environment

Structured activities

- Simulation exercises and role-plays
- Projects
- Presentations
- Activity/job sheets

Questioning

- Written questions
- Interviews
- Self-assessment
- Verbal questioning
- Questionnaires
- Oral or written examinations

Portfolios of evidence

- Collection of work samples compiled by candidate
- Product with supporting documentation
- Historical evidence
- Journal or log book
- Information about life experience

Review of products

- Testimonials and reports from employers and supervisors
- Evidence of training
- Authenticated prior achievements
- Interview with employer, supervisor, or peer

Observation allows a chance to view the learner's skills and knowledge and allows recording the authentic video evidence of the learner demonstrating their understanding verbally/physically.

The drawback of this method would be the need to supplement the observation with additional evidence which can be time consuming. The nature of observation and subsequent need to link the evidence to a witness testimony eg. Written/ witness authentication is essential for audit trail as well as assessors own clarification to their peers/organization.

Work Product is a useful way to assess at the end of a project in a summative grade. The finished product eg. A mushroom produced or honey collected, can provide the assessor with evidence/culmination of a learners understanding of the unit.

The end product can be difficult to assess in and of itself so an accompanying pre-production/ making of portfolio is often necessary to contextualize and evidence individual learners contribution (particularly in group tasks) whilst showing the process. This can be time-consuming on the learner and the Assessor if not prepared correctly with clear, well-defined bench-marks for the project at each key stage of the production.

Structured Interviews are another popular method which are open ended questions asked to the candidate which help explore a particular job related competency better. It happens by asking very specific questions regarding a past performance, cited as example for a competency by the candidate and the observer tries to establish the competency by asking questions about it.
The list of questions can be long but the observer has to essentially bring out the fact that if a competency or behavior is displayed, there is a well-defined intent behind it as well.

Role Play- Using role play in simulation exercises reveals a great deal of information regarding the behaviors. The role play may have a little situation described which is given to the participant and similar information is provided to the observer however the observers are provided with certain leading questions which help to elicit the behaviors to be observed. It is also a good idea to video record the role play which can be played later during washouts with other observers to clearly identify specific behaviors. In some conservative organizations, instead of role plays verbatim are written which also serve the similar purpose of recording the behaviors for later reference.

Case Study- A case studies for the assessment sake can be defined as detailed information regarding the different aspects of an organization, person or situation depending upon the competencies to be judged and has some problem themes running through it. The candidate is required to carefully analyze various relevant aspects of the problems and issues and reach a conclusion regarding the same with a logical reason to support his/her decisions

Simulation can provide invaluable practice of work place situations that the learner will need to learn in a safe and patient environment before progressing to a real work place scenario. The stakes can be high but the margin for error allows the breathing space and understanding necessary to learn practical skills in the context they are being trained for.

The key drawback to this can be learners having a limited inauthentic experience of the full realistic scenario they are being trained for and may therefore not take the situation as seriously.

Witness testimony is an invaluable way of capturing evidence of learners engaged in practical tasks and can be evidenced with video of the learner using skills and reflecting on their practice. This needs to be coupled with written/ witness authentication cross-referenced with the criteria the activity is addressing.

A drawback is the amount of work needed (statements/ videos etc.) to prove the learners understanding. The subsequent difficulty in standardizing the assessment evidence can be troublesome as different learners may struggle to demonstrate verbally that they understand the task.

Projects provide great ways to set the assessment in a professional/ vocational context while allowing the learners to gain work experience in their field. The beginning, middle, end structure of the assessment provides clear stages for formative feedback, reflection, and a chance to develop team-work skills.

It is important to recognize the learner's prior learning/ occupational performance so as to differentiate tasks and ensure that every one is engaged at all stages of the project.

Written provides a learner with a chance to convey understanding in text format. This is a traditional form of assessment that many learners will be familiar with and is a comfortable way to demonstrate learning. This provides clear knowledge based evidence that can be easily mapped across to criteria.

Learners with dyslexia and other difficulties can struggle with written tasks so it is important to break Assignments in to small chunks and offer guidance with regards to structure and shaping of a Report.

Audio is a useful and time-efficient way to store and record feedback of a participant's work that can be played back on headphones as the participant looks back over and reflects on their work.

Video is a useful way to speak to the learner in a personal way down the lens that engages and focuses the learner on the targets at hand. The Assessor can be direct, specific, detailed, and thorough by replicating the 1-1 feedback in class in a way that can be saved, reviewed, revisited, paused and used whenever it suits the learner.

Psychometric assessments/Aptitude Tests are another popular method for not just assessing the competencies but also understanding the strengths, personality types and motivation of the candidates. There are psychometric tests which measure specific competencies like teamwork, sales orientation, emotional quotient etc. Cognitive ability tests provide great information regarding the aspects like conceptual problem solving, business and financial acumen etc.

10. **Tools and Equipments used in Assessmen**t

- Recorders and speakers
- Cameras and video camera
- Flip charts with markers
- Templates and proformas
- Specific questions or activities
- Evidence and observation checklists

- Checklists for evaluating work samples
- Candidate self-assessment materials
- Whiteboard and whiteboard markers
- Question paper (In hard copy or soft copy)
- Other tools and equipments

11. Assessment tools are used to:

- Collect and review learner feedback.
- Distribute feedback forms to learners and encourage learners to complete them without undue influence
- Collect and review feedback forms to identify any implications for own practice
- Summarise the feedback and transmit all forms and the summary to supervisor / evaluation or instructional design team
- Maintain learner confidentiality according policies and procedures.
- Evaluate own planning and delivery skills

12. Giving Feedback

Providing participants with feedback during the course of a training programme is an important way of reinforcing learning and correcting misunderstandings, but remember:

- Must be specific
- Timely
- Don’t publicly humiliate
- Constructive

13. How do we go about?

Giving feedback can be done through verbal and non-verbal means:

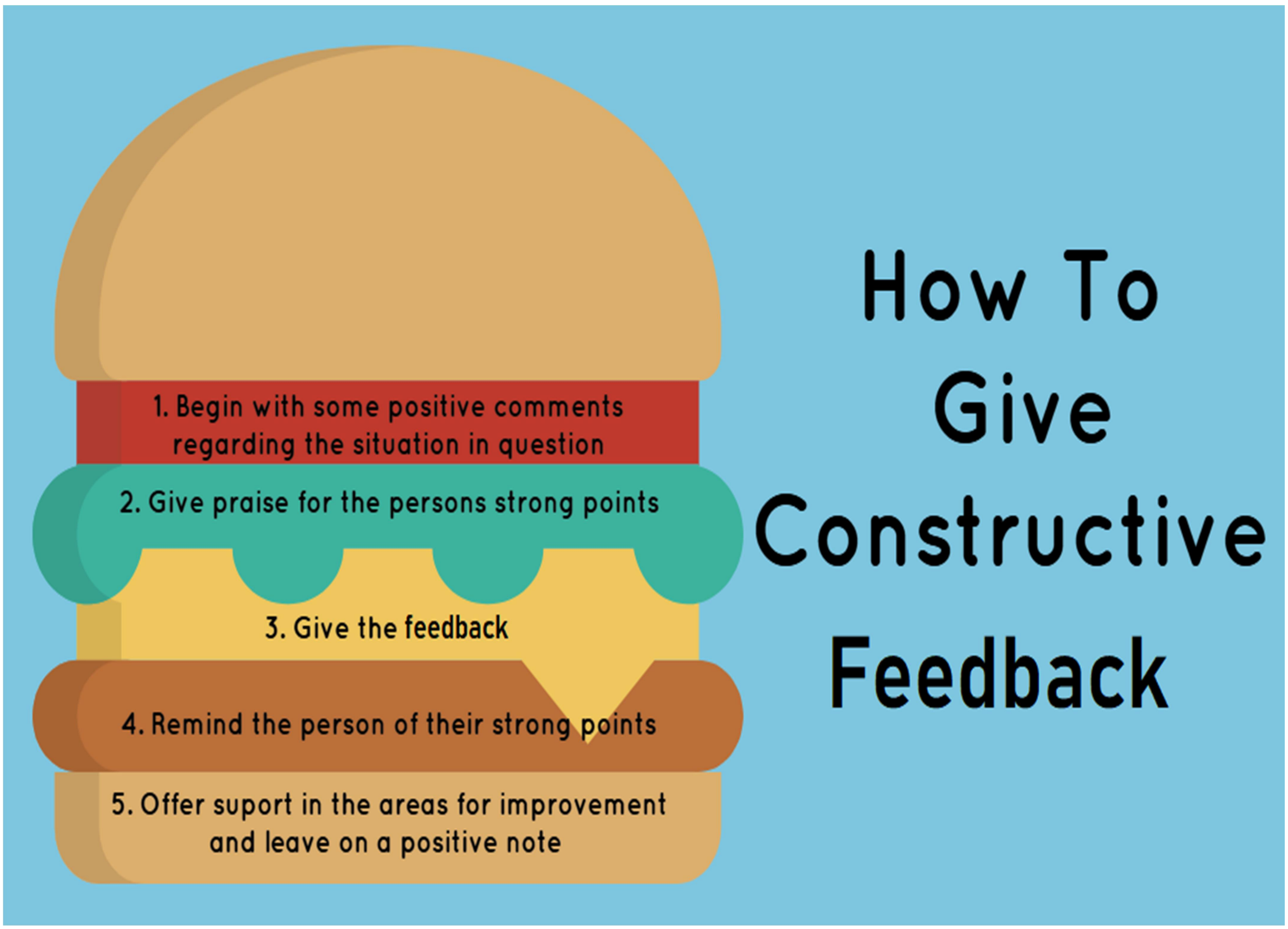
a. Supporting an idea made by a group member
b. Praise
c. Written information on assessment papers
d. Smiles
e. Eye contact

14. Constructive Feedback

Constructive feedback is providing useful comments and suggestions that contribute to a positive outcome, a better process or improved behaviors. It provides encouragement, support, corrective measures and direction to the person receiving it.
Constructive feedback can be positive (letting someone know they're doing well), negative (letting people know about ways in which things could be improved), or neutral (just an objective observation).

There are two main elements that make feedback constructive;

1. The content of the feedback: Constructive feedback is specific, issue-focused (rather than a value judgment about the individual) and based on what is observable (rather than assuming anything about the person's attitude or motivation). It also includes some specific direction on how to make improvements (where needed).
2. How the feedback is delivered: To be constructive, feedback should not be delivered in a way that provokes hurt feelings, shame, defensiveness, resistance or a sense of failure. Honest does not mean tactless.



Online assessment methods and their application

A variety of methods may be used online to assess learners in the following areas:

• Critical thinking (essays, reports, reflective journals)
• Problem solving (multimedia or text-based scenarios, simulations using CD-ROM, videoconferencing)
• Demonstrating techniques (videoconferencing, verification by workplace mentor, site monitor)
• Self-management (journal, autobiography, portfolio, learning contract)
• Information access/management (database development, bibliography, problem solving)
• Demonstrating knowledge (written exam with local proctors, quick feedback through multiple choice, true/false matching, short answer tests)
• Designing, creating (portfolios, projects using video or the Web)
• Communicating (debate, role play, PowerPoint presentation, report journal, essay)
• Teamwork and collaboration (e-mail, listserv, or conferencing discussions/debates)

Few other method of online assessment can be:

1. Task-Based Simulations

Simulations test practical and experiential knowledge. Online learners must use all of their resources and skills to complete the task in a safe virtual environment. Thus, you can assess proficiency without taking any real world risks. The simulation must be as realistic as possible to obtain accurate results. This includes background sounds, relevant images, and immersive eLearning characters. If the task requires software or equipment, these tools should also be involved. You need to be able to mimic every aspect of the eLearning experience so that you can assess their performance in context. For example, how they would perform under pressure.

2. Branching Scenarios

Branching scenarios involve multiple decision points that lead online learners down different paths. Every choice brings them one step closer to the outcome, which highlights the negative or positive repercussions of their actions. They must utilize their skills and talents to navigate the situation and overcome common obstacles. Since there are many branches involved, it's wise to create a detailed eLearning storyboard beforehand. This allows you to keep track of all the decision paths and maintain consistency.

3. Online Group Collaboration Projects With Feedback

You can also use peer-based eLearning feedback to gather qualitative data. Ask your online learners to divide into groups and assign them a topic or prompt. They must work together to solve the problem or create a finished product, such as an online presentation or eLearning video. What sets this apart from other online group collaboration projects is the peer observations. Provide online learners with a checklist or questionnaire they must complete during the eLearning assignment. Encourage them to assess the performance of their peers.

- Is there a specific group member who stood out?
- What were their strengths and areas for improvement?

To ensure that everything goes smoothly, develop group guidelines in advance and let them know they're being assessed.

4. Open-Ended Questions

Open-ended questions are one of the most simple and straightforward qualitative eLearning assessment methods. However, they also allow for the most creative freedom. There are no right or wrong answers. Instead, online learners must reflect on the topic and draw their own conclusions. They may even discover that their current assumptions or beliefs are holding them back. The only caveat is that open-ended questions are challenging to grade. However, you can develop a rubric in advance to streamline the process and compile accurate data.

5. Problem-Solving Case Studies

Problem-solving, as a qualitative eLearning assessment technique, turns online learners into detectives so that they can solve the problem and display their knowledge. It all starts with a case study or real world example. Remove the ending to leave it on a cliffhanger, then ask online learners to brainstorm solutions. They must also explain how they arrived at the conclusion and why they feel it's the best approach. It's not about the solution, itself, but the thought process. Which skills did they use in their strategy? How did they put their knowledge into action?

6. eLearning Blogs

Encourage your online learners to set up an eLearning blog and post on a daily or weekly basis. Develop a posting schedule that includes prompts or questions, minimum word count, and upload deadlines. Review the blogs periodically to assess online learner progress and identify areas for improvement. There are a variety of free blogging platforms to choose from. Thus, you should to set some ground rules and provide a list of suitable tools. You can also create online tutorials or walkthroughs for new bloggers to minimize the learning curve.

7. Online Interviews

Face-to-face interviews aren't possible in eLearning environments. However, you can still conduct interviews with the help of Video Conferencing tools. This is usually more feasible for smaller groups or one-on-one mentoring. Prepare a list of questions and schedule an online interview for each online learner. Offer online learners the opportunity to address their concerns and provide eLearning feedback. For example, encourage them to identify their strengths and weaknesses, then recommend supplemental eLearning resources. In lieu of online interviews, host live webinars where online learners can interact with their peers and discuss the topic. You can even ask questions directly to see who knows their stuff and who needs to refresh their knowledge.

8. Forums And Online Discussions

eLearning forums give online learners the ability to share ideas, explore topics, and improve their comprehension. Meaningful online discussions naturally occur and learners reveal their level of understanding. Online instructors and facilitators even have the power to guide the online discussion by posting prompts and thought provoking questions. For example, asking online learners about the decisions they made during an eLearning scenario. Their explanations reveal why they made the choices they did and what they'd do differently in the future. The most effective way to assess qualitative knowledge in eLearning forums is careful monitoring. Make a note of online learners who participate frequently and those who sit on the side lines. You also have the option to conduct online learner surveys after the fact to get their input.

Qualitative eLearning assessments measure the level of comprehension so that you can create personalized eLearning experiences. This also allows to intervene and offer supplemental resources for online learners who are struggling.

MODULE XVIII: CONTINOUS PROFESSIONAL DEVELOPMENT

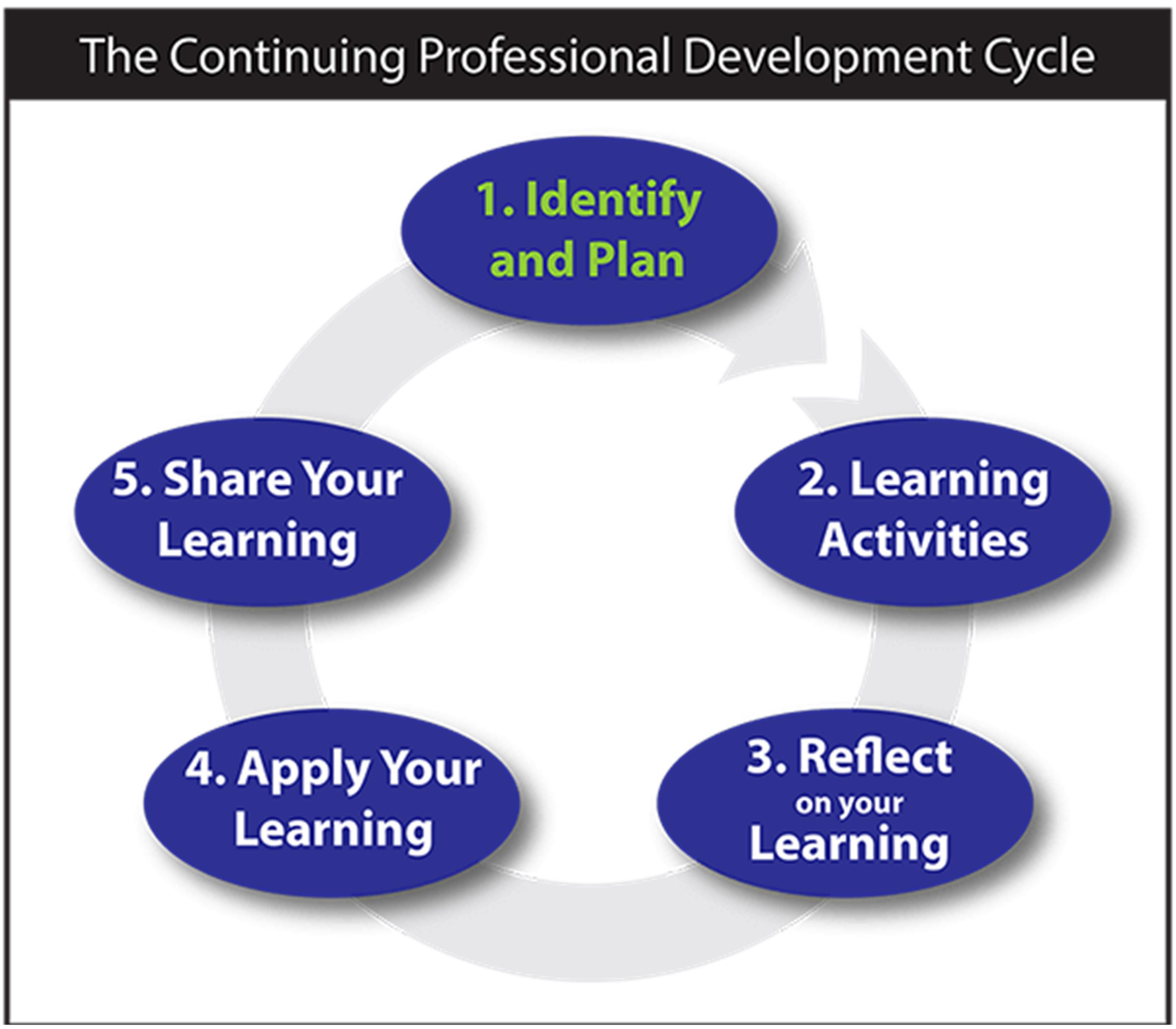
Learning Objectives of the Module

At the end of this module, the trainee will be able to:

- Explain the importance of continuous professional development for trainers
- Develop year-on-year personal and professional goals and objectives.
- Evaluate one's own capacity to meet these goals and objectives.
- Identify techniques for continuous professional development.
- Develop a professional development plan to enhance professional capabilities.

Continuing professional development, or CPD, is the ongoing process of developing, maintaining and documenting your professional skills.
These skills may be gained formally, through courses or training, or informally, on the job or by watching others.

The process of CPD is designed to help you identify and act on your own development needs.
The Continuous Professional Development Cycle (see figure) shows that professional development is, like much other learning, best thought of as a circular series of activities. The process moves from identifying your development needs through planning and then carrying out your learning activities, to reflecting on your learning, and then applying it and sharing it with others.



Perhaps the most important thing about CPD is that it is personal.
Each individual is expected to identify their own needs, organize their own training, and learn for themselves. Part of being a professional is taking responsibility for your own skills and recognizing when they need to improve.

1. Identifying Your Needs

There are a number of ways in which you can identify development needs.
For example, you can carry out a skills audit or by doing the SWOT analysis. You may receive feedback from colleagues or your line manager about an area in which you are weaker. Alternatively, you may have an interest in a particular area and want to develop your knowledge.
You may find our page on Identifying Areas for Development helpful here.
Once you have identified your key areas for development, you then need to plan your activities.

2. Planning and Carrying Out Development Activities

Development activities may be either:

- Formal, such as training courses or particular qualifications.
- Informal learning, including side-by-side learning, video training, shadowing, mentoring, coaching or reading on the subject.

3. Reflecting on Your Learning

Reflecting on what you have learned is a vital part of continuing professional development. Learning does not emerge only from activities that you designated as ‘development’, and you may find that you are learning at least as much from your day-to-day activities. It is a good idea to keep a ‘learning log’ or diary. Make a habit of writing in it at least once a week, if not each day (if you leave it any longer, you probably won’t remember). For each event or activity that you find useful, make a note of:

- The situation;
- What you learned;
- What you will do differently as a result.

This diary can be used to assess your progress against your development goals.

For any formal or informal but designated development activity, you should record the activity, what you found useful or not useful about it, and what you have learned. In each case, make sure that you are clear about how it will change what you do in future (how you apply your learning). You may find our page on Reflective Practice helpful in developing good habits in this area.

4. Applying Your Learning

Going on training courses or watching videos is only the start. You then have to apply what you have learned to your own job. This can be quite a clumsy process, especially at first. The competence theory of learning sets out that we move through four stages when we learn:

- Unconscious incompetence – not knowing what we don’t know;
- Conscious incompetence – knowing where we need to develop and watching other people do

it, but still unable to do it ourselves with any skill;

- Conscious competence – being able to do something reasonably well, provided we concentrate; and
- Unconscious competence – being able to do something almost instinctively, without needing to focus on it.

When you have done some training or other development activity, you will probably be somewhere between conscious incompetence and conscious competence, depending on how much you have been able to practice.
You therefore need to spend time applying your learning and practicing to move to a stage of unconscious competence.

5. Sharing Your Learning with Others

Some commentators add a fifth stage to the competence cycle – being able to teach others. It is certainly true that being able to articulate and share your learning is an important part of making sure that you have fully internalized it.
TOP TIP!
It is a good idea to get into the habit of discussing your learning with your colleagues on a regular basis. Sharing each other's learning can be a really good development tool, and can help you identify new areas for development, or ideas for other development activities, as well as helping to refine what you have learnt in your mind.

Recording Your Development

An important part of continuing professional development is being able to demonstrate it.You should therefore keep a folder or portfolio of all your development activities, drawing on your learning diary. The aim of this is to be able to show how your skills and knowledge have developed over a period.

You should therefore:

- Keep a note of your development needs and goals, and make a regular (quarterly, six-monthly or annual) assessment of your progress against them;
- Record any training courses attended, with a copy of any certificates or qualifications obtained. Keep a record of the date, provider, aims of the training, and your thoughts on what you learned from it;
- Make a note of any shadowing, video-assisted training or similar. In each case, record the provider, the aims, and your thoughts about what you learned;
- For any coaching or mentoring sessions, make a note of the date, the person you were with, what you discussed, and what you intend to do differently as a result;
- For any reading and other informal development that you do, make a note of the book or website, and what you have learned and will do differently as a result;
- If you are involved in any critical incidents, or make particular mistakes from which you learn, record the details of the incident, what you learned, and what you will do differently as a result.

And finally…
Continuing professional development is an ongoing process, as well as a cycle. You are likely to continue to learn throughout your professional life.

Case Study

- **Case Study-1**

Prateek works with KRITASH Enterprises, a pioneer in selling food products. He often has to make presentations to the employees on new products developed. He also meets HR of various corporate companies presenting Kritash's products. Though he is technically very competent, and he makes the presentation prepared by his boss, he finds it difficult to highlight the uniqueness of the products developed. His boss often needs to intervene to convince the sales team to sell the product. Prateek is unable to understand the reason behind his inability to train the employees well. Prateek boss decided to speak to all the employees that Prateek is currently working with to find out their satisfaction level.
The feedback from them served as an eye opener for both the boss as well as Prateek. Almost all of them felt that Prateek was unable to explain the product to them well. Prateek, however, is using the presentation as is exactly been given to him. He greets them and runs them through the slides explaining the content.
Where do you think Prateek was going wrong?

- **Case Study -2**

Suresh, has been working as a trainer with ABC Bakers for the past 2 years. He has conducted various training with their young leaders and knows his products very well. His biggest challenge in conducting the session is to address the problems of each one of them. Also, many a times, he has realised that few of the participants, discuss topics that may be not relevant for all the participants. How can you help Suresh?

- **Case Study- 3**

Abhishek is explaining the how to get loan from the bank for the expansion of the business to the participants. Abhishek realises that the participants are thoroughly confused and cannot understand the process at all. Since they are unable to understand, they are scared and Abhishek can feel a sense of fear in them. As a trainer, he is considering it as his failure.
Can you help Abhishek?

- **Case Study- 4**

It is Christmas time and people are all in a festive mood. As a part of PMKVY sessions, John has to complete an important training on a new module on entrepreneurship. The assessments are scheduled immediately after the Christmas break. John is all geared up to talk about the interesting topic and the way it can improve the overall results. He has spent about 1 week to understand the topic well. However, when he meets all the audience, he realises that they are not very keen on attending the session and are in a hurry to wind up. 2 of the participants are refusing to allow John speak since he is young. What should John do?

- **Case Study- 5**

Manoj is training a group of 30 people in one of the PMKVY sessions. They have gathered to know more about the entrepreneurship development process. As Manoj starts talking, he is constantly interrupted by a few participants who are asking Manoj all unrelated questions.
Manoj is unable to proceed with his discussion. He also realises that it is upsetting other participants and some are enjoying this conversation.
What should Manoj do?

- **Case Study- 6**

Farhan is training a group of 30 people on legal compliances for a business. He has to complete the PMKVY sessions by the end of this week. It is about 9.00 in the morning. The participants are sitting at the training hall and look very excited. Farhan starts showing the presentation to the participants and when he suddenly hears one of the participants speaking on the phone. Farhan continues with his presentation, despite this. After a while he heard the conversation getting louder.
What should Farhan do?

- **Case Study- 7**

How will you handle the following concerns of your participants:-

- Sir, I understood the topic that you just discussed. But I don’t know how to speak when someone asks me these questions.
- Madam, you explained everything very nicely. But these things cannot be applied in real life.
- Sir, I am getting a call from my house repeatedly. Can I go and come back in half an hour? I will have to take the call.
- Madam, what if the government changes the rule on this product? What will I do?

- **Case Study- 8**

Suchitra has to make her class interactive. She is conducting a session on `

Entrepreneurship as a way towards financial strengthening'. How will she involve the class in the brainstorming session?

- **Case Study- 9**

Srikant has to train a batch of 30 people on Entrepreneurship. They are all already in successful entrepreneurs and feel that the course content is extremely basic. When in the class, they either seem disinterested or look for reason to miss the training. They are attending the class because of certification.
How do you think Srikant can make the class interesting for the participants?

- **Case Study- 10**

Arvind has to train a batch of 30 participants on leadership skills The participants are highly interested and want to know more than is included in the course content. Arvind wants to tell them more than is required, but organizational policies would not allow him to go beyond the course content.
What should Arvind do to retain the interest of the participants?

EDP Training Programme

for

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, Sonepat, Haryana, India

Contents

1. Business Opportunity Identification

Sarika Yadav

Business Opportunity Identification

How do you identify the right business opportunity?

Business opportunity is a favorable situation for doing business. It is important for an entrepreneur to recognize and exploit those opportunities. There are various approaches to identify right business opportunities, some of them are as follows:

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

  Example: - **Udemy** online learning platform for students and working professionals. Gagam Biyani started reading blogs like tech crunch and got sucked into the startup culture.

Source: https://productmint.com/the-udemy-business-model-how-does-udemy-make-money/ Retrieved on 17/12/20 at 17:15

Gagan Biyani, Eren Bali and Caglar founder of Udemy found a promising opportunity in changing dimensions of education sector. This platform enables anyone to create courses online. They differentiated the online learning experiences by giving access to the students to interact amongst each other and their instructors. Students have a flexibility to learn on their own free time.

Source: https://yourstory.com/2010/08/gagan-biyani-founder-udemy?utm_pageloadtype=scroll Retrieved on 17/12/20 at 17:09

The best way is:

- Go where the problems are/ identify the problems
  Any business opportunity that comes to your way just look at the problem that have created those opportunities. Figure out if you can solve those problems.
  Example: - **Paper boat** could understand that there are many players who offer variety of drinks/ juices to the consumers. So, the basic problem here is not the availability of juices rather it is something else. They came to know that people miss their childhood, they wish to connect with those memories again. They wish to live with those memories. It was the moment when they thought to offer not only a drink to the people rather a moment to connect with their childhood memories.

Source: http://www.paperboatdrinks.com/fb-albums Retrieved on 17/12/20 at 17:35

- Go to the people
- Live with them
- Listen to them
  Example: - **In motion** is a Lucknow, UP based startup founded by Durgesh Nandan and Saurabh Jaiswal. These two entrepreneurs initially thought to help auto

rikshaw drivers by starting auto rikshaw hiring service. They decided to stay with them to understand their problems. During their conversation with them they realized that the problem is related to the financial eco system not hiring facility. They started a business to build a financial eco system for daily wage-earning communities specially auto rikshaw drivers. They created a technology-based platform to solve their financial, healthcare and educational problems through Bachat Mitra kiosk across Delhi.

- Learn from them
- What are the existing solutions?
- Study the competitors
- Review the ideas which are getting huge funding
- Check out ideas from successful entrepreneurs
- Look at your own problems
- Look at existing businesses and try removing a step from the process (Online payment system e.g., Paytm)
- Be quick (windows of opportunities)

  Be quick but never rush as it can leads to big mistakes and poor work.

Source: - www.startupcommons.org Retrieved on 17/12/20 at 17:40

http://ryanluedecke.com Retrieved on 17/12/20 at 17:40

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:

- Viable idea creates significant value to the end user
- It solves a significant problem and meet the unmet need or wants of the customers
- This idea has a strong market and potential to make money
- It is a good fit with the founders and management team of the organization, and in the marketplace, and with the risk and reward balance.

Opportunity identification/recognition process:

1. **Preparation:** Preparation is the first stage where entrepreneurs brings past experiences 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 idea might emerge. In this process an entrepreneur is contemplating an idea or a problem. Entrepreneurs consider various options and possibilities through unconventional style. They rely on their intuition for finding ways to the solutions.

3. **Insight:** Insight refers to the "eureka" moment. At this point the answer or the solution strikes suddenly or spontaneously. The problem is solved at this stage or the idea becomes available.

In this process three different types of insights may occur:

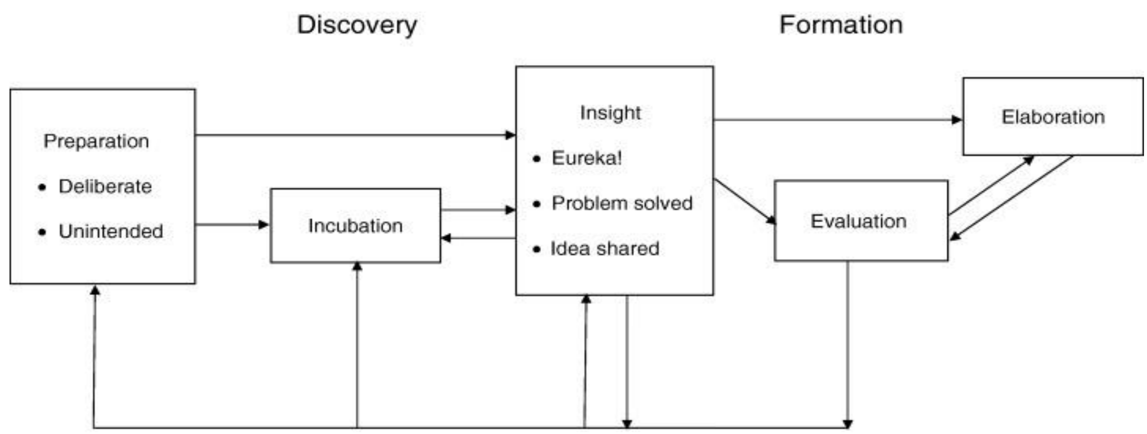
i. Experience of spontaneous identification of business opportunity. Prior research suggests that entrepreneurs often have the experience of being immediately confident that an idea will work (Hills, 1995).

ii. An occasion when a person gets the idea to solve the problem.

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. Insights are assessed for the viability of the concept.
5. **Elaboration:** Assuming that a business idea is viable, entrepreneur start working on detailing of those ideas. They can begin business planning and venture creation process. Various plans and programs can be decided to execute the business idea.

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 know the followings:**

- Your potential customer
- Customer's need and want
- Time/ frequency to buy the product
- Willingness to pay the price

The second step is to conduct **competitor analysis and SWOT 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.

SWOT analysis can be used to identify and assess internal factors (our own strengths and weaknesses) and external factors (opportunities and threats) which are present in the environment.

For example, **Chai point, a startup was founded by Amuleek Singh a business graduate from Harvard University**

There is no one out thinking about chai and customers would love it so there would be acceptance. Tea is an important beverage of Indians but no one could think of lack of clean and authentic place to have tea/chai. Amuleek Singh saw this an opportunity and started chai point.

Source: https://www. businessalligators.com Retrieved on 18/12/2020 at 14:58

Another example could be **second shadi.com and IITIIM shadi.com** who clearly differentiated themselves from the existing co**. shadi.com** by offering different services to the customers.

Source: https://www.iitiimshaadi.com **retrieved on 18/12/20 at 17:02**

Source: https://www.**second**shaadi.com **retrieved on 18/12/20 at 17:04**

Next step is to conduct **Industry analysis** to understand attractiveness of that particular industry and intensity of competition within the industry. Five forces model can be used to analyze a particular industry.

In addition, we need to look at broad guidelines and regulations that affect the industry.

Once we analyze 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.

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

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

Why Businesses fail:

- Lack of prior experience
- Lack of a team (can't do it alone)
- Lack of finances
- Product can fail in the market if they do not reach the customers
- Distraction from the core objective (They should be focused and up to date about policies etc.)

  Example: - Doodhwala, a startup founded in 2015 by Akash Agarwal and Ebrahim Akbari could not succeed. They could not follow their dream due to lack of clear vision and perseverance.

Best opportunities are all around us, learn to recognize them

Naukri.com

Mr. Sanjeev Bikhchandani, 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 advertise**

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 Nauktri.com with 1,000ads taken out of various magazines.

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

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1. Thinking Entrepreneurial Venture: Some Insights to Take Care

Nowadays, the field of entrepreneurship is lucrative for everyone because of numerous reasons like startup 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 fulfillment of campaign "ATAM NIRBHAR BHARAT". While thinking about entrepreneurial venture, one should take care of few aspects which are briefly explained below:

1.1 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 **a**chievement of task assigned within the given resources. Usually, people having managerial thinking approach work upon the cause and effect relationship to take any decision. For example: make or Buy decision in production. As for this type of decision, cost –benefit analysis needs to be done which requires cause and effect relationship.

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. People with entrepreneurial thinking approach always follow empathy approach for its consumers. They work upon:

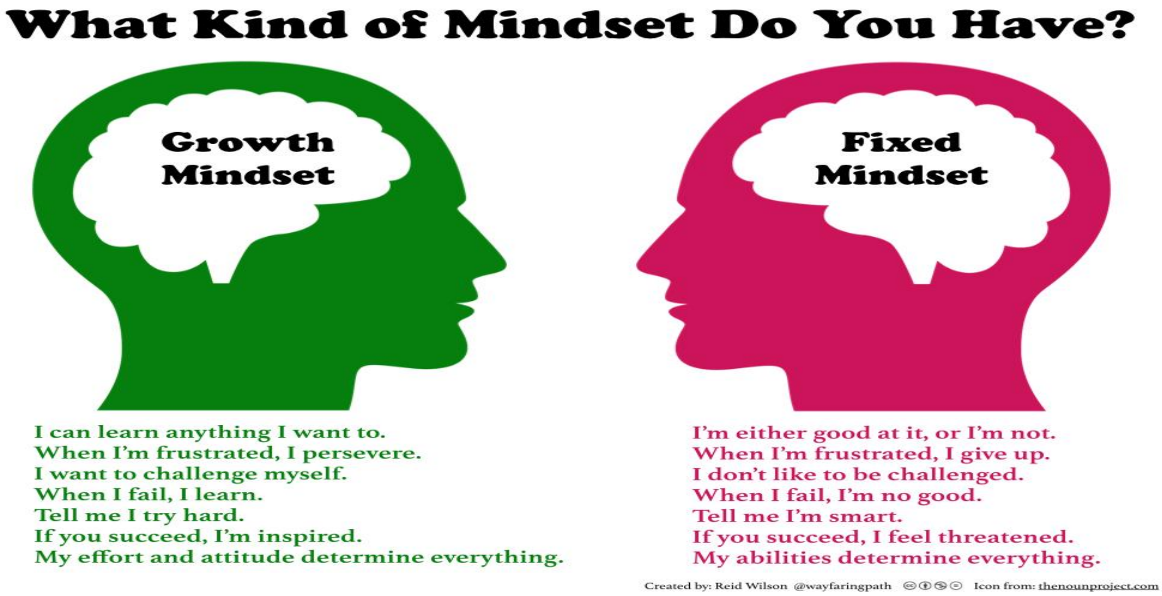
- ✓ Who they are?
- ✓ What they are?

- ✓ To whom they know?
- ✓ What they know?

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.

1.2 What is Mind-set?

It is the established set of attitudes held by someone. The person's mindset plays a great role while addressing any problems or hindrances in life. It's the person's mindset who keeps him on right track. There are two types of mindset proposed by Carol Dweck, Psychologist at Stanford University- Fixed mindset and Growth Mindset. The entrepreneurial mindset can be said as the ability to quickly sense, observe, analyze, take action and get organized under uncertain conditions.



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

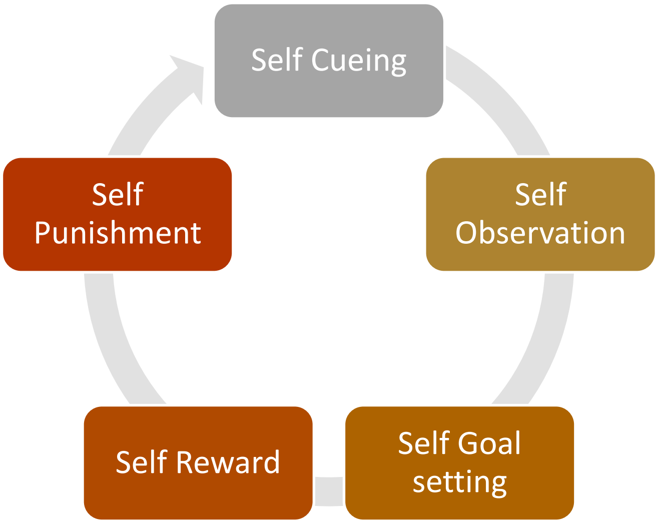
Fixed Mindset: such people have assumption that their talents and abilities are as set traits. They take constructive criticism of their capabilities very personally and give other persons success as luck or biased decision or unfair advantage. They also admit themselves that they are not good at certain things to avoid challenges, failure or looking dumb. In short, their learning attitude is also low. Over praising to a kid can also lead to develop a fixed mindset for that kid which may hamper in near future to him.

Growth Mindset: Such people have assumption that their abilities can be developed with hard work, willingness, determination and dedication. They tend to learn the things wherever they get opportunity. Even if they fail, they tend to learn again without any hesitation. They have belief in their efforts. They think that brains and talents are the starting point of any getting success but not the key for lifelong success.

1.3 Habits of Entrepreneurs

Habit of Self Leadership: The process in which people understand themselves in deeper way and control their own behavior, action to achieve self direction and self motivation to build your entrepreneurial venture.

Elements of self Leadership:



Adapted from Entrepreneurship – The Practice and Mindset

Habit of Creativity: It's very difficult to define creativity as it covers lots of things. Still, creativity can be defined as producing or making new things using your own skills and imagination. Each entrepreneur must develop this habit as to create uniqueness in their product / service/ process and so on. Creativity is not something which we are born with. It can be developed or sharpen with practices and dedication. Sometimes, product based on creativity can change the life for example – post it stamps, flags, paper clips, Velcro etc.

Habit of Improvisation: It's the art of spontaneously creating something without preparation. It helps in development of cognitive skills to rapidly sense and act as well as change direction quickly which further leads to attitude formation. Usually it append with musicians and other artists while performing on stage. Each entrepreneur should develop this habit as to make better its products and services by sensing the customer needs and desires and providing the Products or services accordingly.

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…….

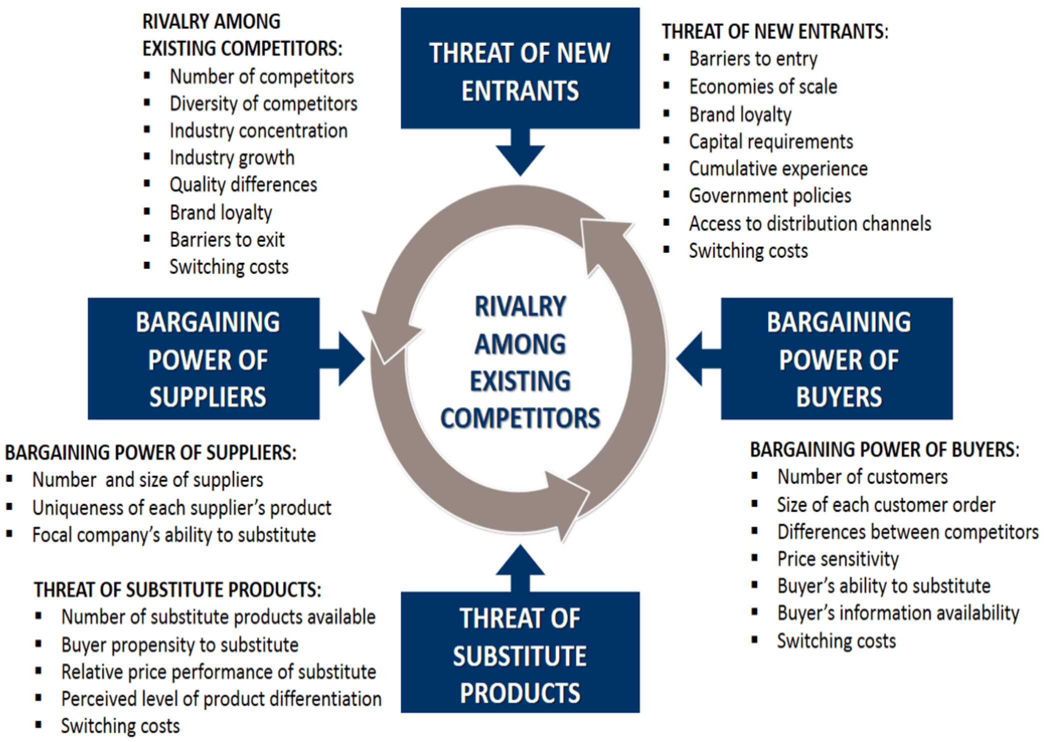
B) Buying Intention Survey:

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?

1.2 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.businesstoyou.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

Subset of your Market:

Total Addressable Market (TAM): it is the total market that can create demand for your product or service. It includes all the possible customers who can buy your product or service.

Total Serviceable Market (SAM): It is the part of total addressable market to which you are able to provide your service or cater the needs of them. It is more specific to TAM. It is the segment of your customer to whom you can reach.

Share of your Market (SOM) – It is the part of total serviceable market and more realistic. This is the segment of your customer to whom actually you are selling your product or service. Each entrepreneur try to maximize the circle of SOM as this part generate revenue for your business.

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. This feasibility conveys about the viability of potential business – "Can this business generate adequate profits or not". The whole estimation needs revision if any case, we change the scale of production from small scale to medium or medium to large.

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. Business Model Canvas

Business Model Canvas (BMC) is a visual description using nine components to provide a thorough understanding of your 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. The BMC was introduced by Alexander Osterwalder in 2008.

3.1 Components of Business Model

Basically business model is based on four building blocks which further are bifurcated into a total of nine components. The main parts of the business model are:

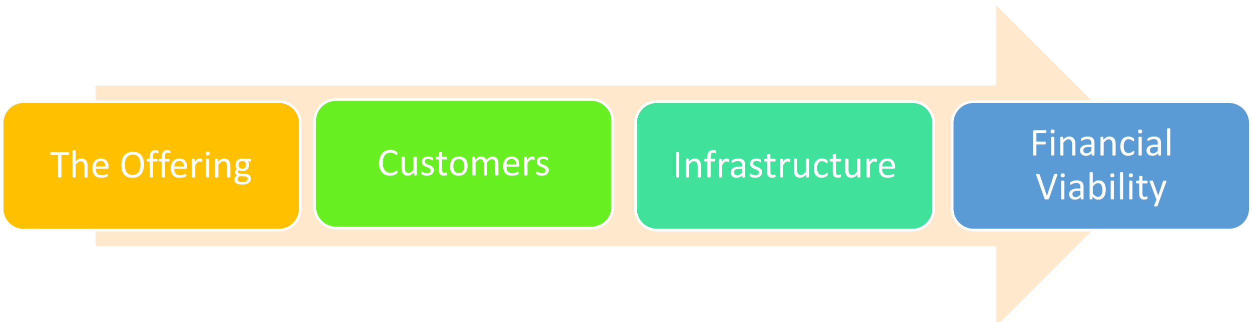


Figure 1: The Parts of Business Model

I. **The Offering:** Which product or services you are going to offer to your customer. It includes value proposition.

a. Types of Value Propositions

Good – It's based on all benefits approach. Entrepreneur put their focus on all the possible benefits of the products and services they can offer regardless of customer needs or desires. They are also not focusing about the competitors.

Better – this approach focus on stronger value proposition as it compares with competitors products and services. Entrepreneur tries to put differentiation and uniqueness of their product in comparison to their competitors.

Best – This approach is based on resonating focus and tries to identify the product –market fit. Whatever needs have the consumers are, accordingly products are being promoted or presented. This approach focus on customer needs what they want and from their product, which needs are to be satisfied. What problems that consumers are facing and how you are going to resolve with your product?

II. **The Customer:** The segmented market you are going to address and providing your products or services. It is related to customers and covers customer segments, Channels, Customer relationships.

a. **Customer Segments:** Its group of the customer having similar needs. Like some people wants gluten free products or lactose free dairy products because of intolerance for gluten or lactose respectively. There could be many types of customer segments like mass market, niche markets, segmented market etc.

b. **Channels –** How do you reach to your customer to communicate them? It's your sales channel, communication and distribution. Nowadays, it requires more attention as social media is another source which an entrepreneur can use to reach its customers.

c. **Customer relationships:** in order to make customer identity, customer relationships needs to be maintained. How do you establish and maintain relationship with your customer so that they should get a feeling of personal attachment with your business.

III. **Infrastructure:** Resources which you are going to use to reach your customer i.e. supply chain, partners, technology etc. It includes key activities, key resources and key partners.

a. **Key activities –** what are the important activities that entrepreneur need to put more focus. These activities may include products designs, stock management and sales management.

b. **Key resources –** what are the resources need to create products or services, develop your business and delivering of value proposition. It may have people, raw material, production system, financial resources, information, and technology and so on. Actually these are required to maintain other components of business model canvas.

c. **Key Partners –** Entrepreneurs can't do each and every activity by himself. They need to do collaboration with other parties. Key partners include those parties who support to complete the value chain till consumers. It consists of your suppliers, distributors, associates who help you out to deliver value proposition to your customers with efficiency.

IV. **Financial Viability:** What are the cost drivers and revenue streams for your business? It includes cost structure and revenue streams.

a. **Revenue Streams –** for each business, revenue generation is must to sustain in the market. Basically, revenue is based on price and volume. How many customers are willing to pay and how much they will pay for your products or services. It will come under revenue head. Either more customers or more prices will exaggerate the revenue. The total revenue streams are based upon the revenue model which entrepreneur has decided to go with.

b. **Cost Drivers –** It includes all the aspects which will generate the cost to business. All expenses incurred to execute and deliver the value to its customer would be considered in this component only. Each entrepreneur must know about its cost center and its proportion in total cost. He must try to minimize the cost in order to get more margins from the market.

3.2 Critical factors to Take Care

4. Business Plan

4.1 What is Business Plan and why it is prepared?

A written document covering each and every aspect of business like mission & vision of the business, what are the products or services, pricing strategies, distribution network, marketing plan, operation plan, financial projections, management team – their members, experience and other profile inputs etc.

The business plan helps entrepreneur to keep on track from idea to launch of their business. It works as battery of tools as covering each aspect of business.

Basically, it's being prepared to attract investor and lenders. Therefore, business plan must be prepared according to investor needs so that it can gauge attention from them and attract funding.

4.2 Structure of Business Plan

1) Title page and table of Contents
2) Executive Summary
3) Industry Analysis
4) Company's Description
5) Market Analysis
6) Marketing plan
7) Product or Service design and Development Plan

8) Operational Plan

9) Management Team and Company Structure

10) Overall Schedule

11) Financial Projections

Appendix

Relationship between Business Model canvas, Feasibility Study and Business Plan

Plan	Target audience	Purpose	Output
Business Model Canvas	Team Mates	To identify the gaps and creation of linkages between different components	More clarity about venture and business model
Feasibility Study	Team mates and early investor	To check the viability of the project	Feasibility report
Business Plan	Potential Investors, Banks	To get funding	Complete document to keep the business on track

Executive Summary: It's a brief summary of whole business plan. The executive summary is like a trailer to a movie. If Trailer is good, then audience will take interest into that. In the similar way, executive summary should be written so that it can gauge the interest of lenders and investors.

Industry Analysis: The business plan begin with industry insights in which our business comes, its size, major factors, rules and regulations to take care, competitors, major players etc.

The Company's Description: the information related to our company will come under this head. It includes Vision and Mission of the company, its tagline, history. While explaining mission and vision, one should take care of realistic goals as well as latest trends.

Market Analysis: industry analysis provides the description of that particular industry in which our business is associated whereas market analysis put focus on the specific segment that our business is focusing upon. It's done through market segmentation and also put concentration on competitor's analysis.

Marketing Plan: It deals with each aspect which explained how the business will market and sell its products. This consists of details of product, price, place and promotion. How do you position your product into market and by which channel and on what prices, these all should be included into that.

Product or Service design and Development Plan: if your product is unique, then this part must be included into business plan. For that, prototype may be given for better explanation. It may be virtual prototype or physical.

Operational Plan: How you will operate your business and the production process. While explaining this section, one must be very careful that too much explanation is not required however; complete detail must be understood by the readers.

Management Team

It includes description of the all the members of team and their detailed profile. Who all are the members in advisory group and details about their experiences?

Overall Schedule: This section includes all the major events / activities to be done for successfully launching of your business. It also highlights the major milestones and events of the business.

Financial Plan: It's a detail description of all the estimates of your business financials. This is one of the important aspects which potential investor and banker look for deciding the amount of investment.

1) Capital Requirements
    a) Seed Capital
    b) Fixed Assets
    c) Working capital
2) Estimated Earnings
    a) Projected Sales

3) Return on Investment
    a) EBIT analysis
    b) PBT Analysis
4) Financial Control
    a) Managing Cash Flow
    b) Managing Inventory
    c) Managing costs and Profits
    d) Managing Fixed Assets
5) Projected Financial Statements
6) Break Even Analysis
7) Loan or Investment Proposals
8) Evaluation of Creditworthiness
    a) Capital
    b) Capacity
    c) Collateral
    d) Character
    e) Conditions

4.3 Points to take care while writing Business plan:

Do's

- ✓ Be Realistic
- ✓ Present your Business Model, Product and Market Dynamics
- ✓ Be Clear, Crisp and Concrete
- ✓ Use Visuals
- ✓ Be Sensible for the Facts and Figure of your Business
- ✓ Be very specific on your Strategy to tackle Competition and risk.

Don'ts

- ✓ Dismissal of the Competition
- ✓ Focusing Too Much on one Point
- ✓ Too Much Content
- ✓ Avoid Technical words or Jargons
- ✓ Don't make false and unrealistic claims
- ✓ Don't Hide Weaknesses if any

Intellectual Property Rights (IPRs) for Entrepreneurs

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. Following chapter discuss about meaning and different types of IPRs, procedure for filling, validity period and other related details.

What are IPRs

IPRs are the rights granted to the inventors of intellectual property. The way there are physical property rights which are owned and protected 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. With the help of IPRs, the inventor or creator of an intellectual property can protect the property from theft or unauthorized use. 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 non 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 process or a product 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 Act, 1970. These two sections deal with exceptions for the subject matter to be got patented.

Conditions for "NEW"

For an invention to be considered as new or novel for the grant of patent, following conditions are necessary to be met:

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

Although, Indian Patent Act,1970 provides few provisions for allowing exceptions for filing patent application despite public disclosure of the invention. Few of such exceptions may be stated as follows:

a. Anticipation by previous publication (Section 29): If the applicant can prove that someone derived the patent information from the applicant, without his/her consent and published that.
b. Anticipation by previous communication to the government (Section 30 of Indian Patent Act): If the applicant had submitted the application to government or any representative of government, purely for the purpose of investigation.

c. Anticipation by public display (Section 31 of Indian Patent Act): If the application is submitted within 12 months of public display in any special exhibition (as per instant section of GoI) or before a learned society.

d. Anticipation by public working (Section 32 of Indian Patent Act): If the nature of the invention required public trial, then application should be filed within 12 months of that properly justified public trial.
e. Anticipation by use and publication after provisional specification (Section 33 of Indian Patent Act): If after filing of provisional application, the invention was brought in use or published.

(Source: www.ipindia.nic.in)

Conditions for "INVENTIVE STEP"

The invention to be considered for grant of patent must have an 'Inventive Step' in the invention. The conditions for proving the inventive step may be stated as follows:

a) The step should involve technical advance as compared to the existing knowledge
   or
b) It should have economic significance
   or both, and also
c) It should make the invention not obvious to a person skilled in the art

Difference between Novelty and Inventive Step:

S.No	Novelty	Inventive Step
1	Novelty deals with that whether the invention is new as compared to prior art.	The inventive step helps in determining the amount of improvement which is sufficient for a patent.
2	If in any single document, the exact citation is there which is similar to the claimed invention, then novelty is considered to be violated.	Obviousness is claimed, even if there are citations in multiple documents and not in a single document.

For determining the inventive step, in the innovation, following points need consideration:

a) What problem will be addressed by the invention?
b) Is the problem existing since long?

c) How impactful the problem looks?
d) Which other solutions were presented for the problem in that period?

Examples reflecting lack of inventive step in an invention:

a) When there are only the equivalents of known art in the proposed invention.
   Example- Proposed use of digital motor in place of already existing electric motor in a pump
b) When the Invention tries to fill the existing gap in prior art, but the proposed invention becomes obvious to the skilled person.
   Example- Suppose the patent is claimed for a building structure which is made from Aluminum and the prior art already shows such a structure which is made up of a light weight material, only the name Aluminium is missing.

Few Examples from Food Sector:

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

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

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

In India, the Patent rule says:

Its **'First to File'** who will get the patent, while in some countries, its **'First to Invent'** who gets the patent

Patenting Process in India

a) An applicant may file patent application in any of the designated patent offices, lying in his or her territorial jurisdiction of residence or work place.
b) Applicant may find the information related to patent application form and details of fee etc. at the IPR website viz. www.ipindia.nic.in
c) The website also provides all the relevant guidelines for applicants.

Provisional Specification (Section 9)

If in case an applicant feels that his or her invention is almost ready to be presented but not completely final, then he may file a provisional specification application to the patent office, disclosing his or her invention in the form of a written description.

But the condition is that after filing of provisional application, the complete specification need to be submitted within a period of 12 months of filing the provisional one.

The Provisional Application needs to be submitted in Form 2. The first page of the Form 2 should contain-

(a) Title of the invention, (within 15 words)

(b) Name, address and nationality of each of the applicants for the patent

(c) Preamble to the description

- A provisional specification is not a rough draft or a skeleton of the complete specification.
- A provisional specification application does not replace the latter.
- Rather both are permanent and separate documents.

The Provisional Specification should have a mentioning about:

a) The field of invention and contain the background of the invention,
b) The object of the invention,
c) The statement of the principle underlying the invention and general statement of the actual invention

Complete Specification

The Complete specification is a techno-legal document which fully and particularly describes the invention and discloses the best method of performing it. Complete specification is filed to patent office as the main document for grant of patent. The application containing complete specification need to be drafted with due care and need to give complete and accurate details

The Complete Specification should have the following components:

a) Field of Invention

b) Use of Invention: A brief statement of the advantages of the invention
c) Prior Art related to the invention
d) Problem to be solved.
e) Object of Invention (may be more than one)
f) General statement of invention
g) Detailed Description of Invention (with reference to drawings, if any)
h) Best method /example of working of the invention
i) Statement of claims
j) Signature with date
k) Drawings
l) Abstract

((Source: www.ipindia.nic.in)

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

<u>Exceptions for Patents as per section 3 and 4 of Indian Act 1970</u>

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

a) The invention is a frivolous invention
b) Invention is contrary to the well established natural laws
c) 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
d) Genetically modified organizations (GMOs)

e) Mere discovery of a scientific principle, abstract theory or discovery of any living thing or non–living substance, microorganisms present in nature

f) By mixing of two or different already existing components in such a manner so that a new substance is obtained by just aggregation only

g) 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	just do it. i'm lovin' it
3.	Symbols or Logos	
4.	Designs	PEPSI

Trademark Protections

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

Trade secrets may relate with any of such information:

a) Technical and scientific information
b) Financial information
c) Commercial information
d) Negative information

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.

Three essential legal requirements for Trade Secrets are:

a) The information must be a secret
b) Being a secret, it should have some commercial value
c) Some reasonable steps should have been taken by the owner to protect and maintain it as a secret.

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	Alphanso Mango 
2.	Darjeeling Tea 
3.	Basmati Rice 

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.

Few Examples from the category of original piece of work, which may be protected through copyrights, may be mentioned as follows:

S. No	Category	Examples
1	**Literary works**	Poems, books, song lyrics, research papers, user manuals, business models, newspaper articles and exam papers.
2	**Dramatic works**	Stage plays, drama, ballet, dance.
3	**Artistic works**	Drawings, paintings, photographs, maps, sculptures, architecture work and any craftwork
4	**Musical works**	Recorded original songs, advertisements, soundtracks, instrumental music

5	**Films**	Cinema films, home videos or DVDs of television programmes
6	**Typographical arrangements**	A published edition of a literary, musical or dramatic work, for example a banner or movie poster or book cover.
7	**Broadcasts**	Transmitted images, sounds or information that can be received by members of the public
8	**Sound recordings**	Recordings of sound recorded in either CDs, MP3s etc.

(Source: http://www.copyrighthub.org/copyright-resources/introduction-to-copyright/)

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 60 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 his or her original creation and the owner can authorize/ prevent:

a) Reproduction in various forms
b) Distribution of copies
c) Public performance
d) Broadcasting and other communication to the public
e) Translation to other languages
f) Adaptation

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.

For example: Suppose if the copyright owner sells the economic rights associated with his or her original creation of painting and if the buyer writes any derogatory statement on the painting and displays that then the original creator has moral rights to stop the buyer to do that.

Copyrights protects only the form of expressions of Ideas and does not protect unexpressed Ideas. For example, the copyright in owned for the famous Mickey Mouse character. But in that only the specific features of that particular cartoon character are copyrighted, and not the general idea of creating talking mice or talking animals related artistic works.

The items which cannot be copyrighted are:

a) The unexpressed Ideas, concepts, discoveries
b) Titles, short phrases, names or slogans
c) Any type of improvised speech or dance. The works which are not fixed in a tangible form i.e. not documented or recorded
d) The information which is commonly available and lacks originality

4. Creation of Enterprise

Kanika Gupta

Executive Summary

In this session, various types of organizational structures have been explained in detail. To start your business, the first step is to "**CREATE IDENTITY OF YOUR DREAMS**".

So, to accomplish the purpose, following points need to be considered during Session: -

- ✓ What are the basic requirements to fulfill
- ✓ What are the different types of organisations in India?
- ✓ How to select as per your perception
- ✓ Where to proceed for the formation of Enterprise
- ✓ What are the other registrations which are required by Enterprise?

To better understand the whole concept, Topic has been divided into four segments: -

I. **Understanding Basic Ingredients for Business**
II. **Types of Organisation Structures in India**
III. **Other Legal registrations –To Start Business**
IV. **Practical Session- Online Demo with Your Query – Our Solution**

In present scenario of Digital India concept, many Govt. Departments have already converted their registration procedure through online mode, even some are still continuing on Physical mode basis especially on district/ State Level.

Latest information's for related websites of registration have also been inserted in last page of this Write-Up.

I. Understanding Basic Ingredients For Business

"I MET MONEY ONE DAY….   I SAID – YOU ARE JUST A PIECE OF PAPER

MONEY SMIELD & SAID- YES, I AM JUST A PIECE OF PAPER, BUT I HAVE NEVER SEEN MYSELF IN A DUSTBIN IN MY LIFETIME. "

This is the importance of money, which can never be denied. Earning money through a proper way is main objective for better upliftment of life. A person needs to analyses on various factors like – Risk Taking Capacity / Own Financial Sources/ Experience in particular area etc. When a person becomes mentally prepared to do business, role of basic requirements to start come into the picture, which are illustrated below:-

i. **Product/ Service Selection**: To start business, the very first step is to decide about Product/ Service.

BUSIENSS

SALE OF PRODUCT — TRADING, MANUFACTURING, EXPORT

SERVICE PROVIDER — INTRA-STATE, INTER-STATE, EXPORT

ii. **Selection of Name of proposed Enterprise**: While deciding name of Enterprise, it is required to check with specific trademark class (and in case of formation of Company/ LLP, need to be check with Ministry of Corporate Affairs, Govt. of India)

iii. **Place & Main Business Object of Enterprise**: Next step is to decide on registered office address of proposed Enterprise. There are some check points while selection of place in case of manufacturing business like White/ Green/ Orange category Enterprises. (Supporting Documents required- Latest Utility Bill at selected place/ Rent Agreement or Registry Copy of proposed place of business)

Also to finalise clear business objects of Enterprise whether to trade/ manufacture/ export-import etc. (Note- Not more than one business objects should be selected to form an Enterprise)

iv. **Capital Amount to Invest into Business:** A ruff idea should be taken about availability of own funds which can be introduced into business as Seed Capital to start the Enterprise. ***Capital is the Blood for any kind of business.*** However, for different- different organization structures- minimum capital contribution changes accordingly. Its largely depends upon the Vision of Entrepreneur about his/ her Business.

II. Types Of Organisation Structures In India

In India, Enterprise can be formed in any of the following organisationsal Entities as mentioned below:-

- ✓ **SOLE PROPERITORSHIP/ INDIVIDUAL**
- ✓ **PARTNERSHIP FIRM**
- ✓ **COMPANY**
- ✓ **LIMITED LIABILITY PARTNERSHIP**

OTHER NOT FOR PROFIT ORGANISATION SET-UPS:-

- ✓ **NGO---- SOCIETY/ CO-OPERATIVE SOCIETY/ TRUST/ SECTION 8 COMPANY**
- ✓ **ASSOCIATION OF PERSONS**
- ✓ **BODY OF INDIVIDUALS**
- ✓ **ARTIFICIAL JUDICIAL PERSON**

Above bifurcation of business entities has been given on the basis of Definition of Person under Income Tax Act, which earns income in India. Except them, no other legal business entity exists in India, let us understand each business formation in detail:-

1. **SOLE PROPERITORSHIP- Following** are main characteristics to consider to form an Enterprise as Sole Proprietorship-

SR. NO.	CHECK- POINT	SOLE-PROPRITORSHIP
1.	Governing Act	Shop & Establishment Act 1958
2.	Registration	Not Mandatory
3.	Concerned Department	Labour Department
4.	Mode of registration (online/offline)	State-wise
5.	No. of Persons reqd.	Only 1

6.	Minimum Capital reqd.	Not specified
7.	Documents reqd.	KYC, Latest Utility Bill of proposed address/ rent agreement or registry copy

2. **PARTNERSHIP FIRM-** Following are main characteristics to consider to form an Enterprise as Partnership Firm-

SR. NO.	CHECK- POINT	PARTNERSHIP FIRM
1.	Governing Act	Indian Partnership Act 1932
2.	Registration	Not Mandatory
3.	Concerned Department	Registrar of Firms of related State
4.	Mode of registration (online/offline)	State-wise
5.	No. of Persons reqd.	Min. 2 – Max- 20
6.	Minimum Capital reqd.	Not specified
7.	Informations reqd.	P&L Ratio between partners/ Capital contribution by each partner/ Authorised partner for registration process
8.	Documents reqd.	Draft of Partnership Deed/ KYC, Latest Utility Bill of proposed address/ rent agreement or registry copy

3. **COMPANY-** Following are main characteristics to consider to form an Enterprise as Company-

SR. NO.	CHECK- POINT	COMPANY
1.	Governing Act	Indian Companies Act 2013
2.	Registration	100% Mandatory
3.	Concerned Department	Registrar of Companies of related State
4.	Mode of registration (online/offline)	www.mca.gov.in
5.	Type of Company	✓ One Person Company ✓ Private Limited ✓ Public Limited
6.	No. of Persons reqd.	For OPC- Min.- 1 Only Max.- N.A. For Pvt Ltd- Min.- 2 Max- 200 For Public Ltd Min- 7 Max- No-limit

7.	No. of Directors reqd.	For OPC- Min.- 1 Only Max.- 15 For Pvt Ltd- Min.- 2 Max- 15 For Public Ltd Min- 3 Max- 15
8.	Minimum Capital reqd.	Not specified for OPC & Pvt Company Rs. 5,00,000/- in case of Public Company
9.	Informations reqd.	No. of shares to be held by each shareholder/ 2 proposed name of Company/ Objects of company/ minimum authorized capital/ Authorised partner for registration process
10.	Documents reqd.	Draft of MOA & AOA/ KYC, Latest Utility Bill of proposed address/ rent agreement or registry copy/ Latest utility bill of proposed directors and so on

4. **LIMITED LIABILITY PARTNERSHIP-** Following are main characteristics to consider to form an Enterprise as LLP-

SR. NO.	CHECK- POINT	LIMITED LIABILITY PARTNERSHIP
1.	Governing Act	Limited Liability Partnership Act 2008
2.	Registration	100% Mandatory
3.	Concerned Department	Registrar of Companies of related State
4.	Mode of registration (online/offline)	www.mca.gov.in
5.	No. of Persons reqd.	Min. 2 – Max- No Limit
6.	Minimum Capital reqd.	Not specified
7.	Informations reqd.	P&L Ratio between designated partners/ Capital contribution by each partner/ Authorised partner for registration process / objects of LLP
8.	Documents reqd.	Draft of LLP Agreement/ KYCs, Latest Utility Bill of proposed address/ rent agreement or registry copy

IV. Other Legal registrations –To Start Business

Just after completing formation process of Enterprise, there are certain mandatory/ recommended registrations with other concerned departments to Start business in India, which are summarized as below:-

1. **Registration with Tax Authorities-**

   ✓ **Income Tax Department-**

   In any formation of business, this is the essential requirement to obtain PAN Card from concerned department. It can be easily applied directly through Income Tax website through online mode.

   ✓ **Goods & Service Tax Department-**

   From 1st July, 2017- GST registration is required to do business subject to specified limit as mentioned below:-

   - For Inter- State Supply of Goods or Services
   - For every business – where turnover of Supply of Goods amount exceed Rs. 40 Lakhs / Supply of Services amount exceeds Rs. 20 Lakhs

2. **Obtaining Registration/ License from concerned Trade- Ministry-**

   There are around 51 Ministries in Govt. of India mechanism, which specially deal with a particular Segment, (For example: Ministry of Ayush specially deals with medical sector, Ministry of Steel specially deals with Steel industry as well as Ministry of Food Processing Industries specially deals with food and related stuff segment).

   As per specific business, some specific requirements may be there as per related Laws, which can be easily checked from concerned ministry website.

   For Example- To Start A Food Restaurant business- FSSAI is mandatory. Specially, if alcohol is also served- Bar & Liquor License is compulsory.

3. **Obtaining MSME Registration (UDYAM Registration) for value addition-** It is not mandatory to take, but is highly recommended for ease of doing business (like Finance preference from Banks & Financial Institutions/ Product, Marketing, Technical Assistance/ Subsidised business opportunities etc.) to get registered as MSME Unit, in whatever business (Manufacturing & Service Enterprises Only) you are into. Specific Criteria-

MICRO	SMALL	MEDIUM
Investment *upto* 1 Cr.	**Investment *upto* 10 cr.**	**Investment *upto* 50 Cr.**
Turnover *upto* 5 Cr.	**Turnover *upto* 50 Cr.**	**Turnover *upto* 250 Cr.**

4. **Obtaining IEC Code for International Business-**

   In case of Business is proposed to be started across India, it is mandatory to obtain IEC Code (Import-Export Code) from Director General of Foreign of Trade under Ministry of Commerce & Industry. It's the entry gate for Import & export transactions, which can be applied through online mode.

Important Website Links for Registrations

TRANSACTION	LINK
For Trademark Search of Name	https://ipindiaonline.gov.in/tmrpublicsearch/frmmain.aspx
For Company Registration	http://www.mca.gov.in/
For LLP Registration	http://www.mca.gov.in/
For PAN Card application	https://tin.tin.nsdl.com/pan/index.html https://www.pan.utiitsl.com/PAN/index.
For Food License	https://foodlicensing.fssai.gov.in/index.aspx
For MSME Registration	https://udyamregistration.gov.in/Government-India/Ministry-MSME-registration.htm
For IEC Code	https://www.dgft.gov.in/CP/

IV. Practical Session- Online Demo with Your Query – Our Solution

Let's Create Enterprise... let's Fly with your Dreams...

New Product Development (NPD)

Bringing New Product to the market is crucial in today's competitive environment as market leadership, healthy market share and sustained growth are all enabled through the process of developing and launching new product and services.

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

E.g. : A drug firm invest 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 now a days. For e.g. the following are the varieties 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

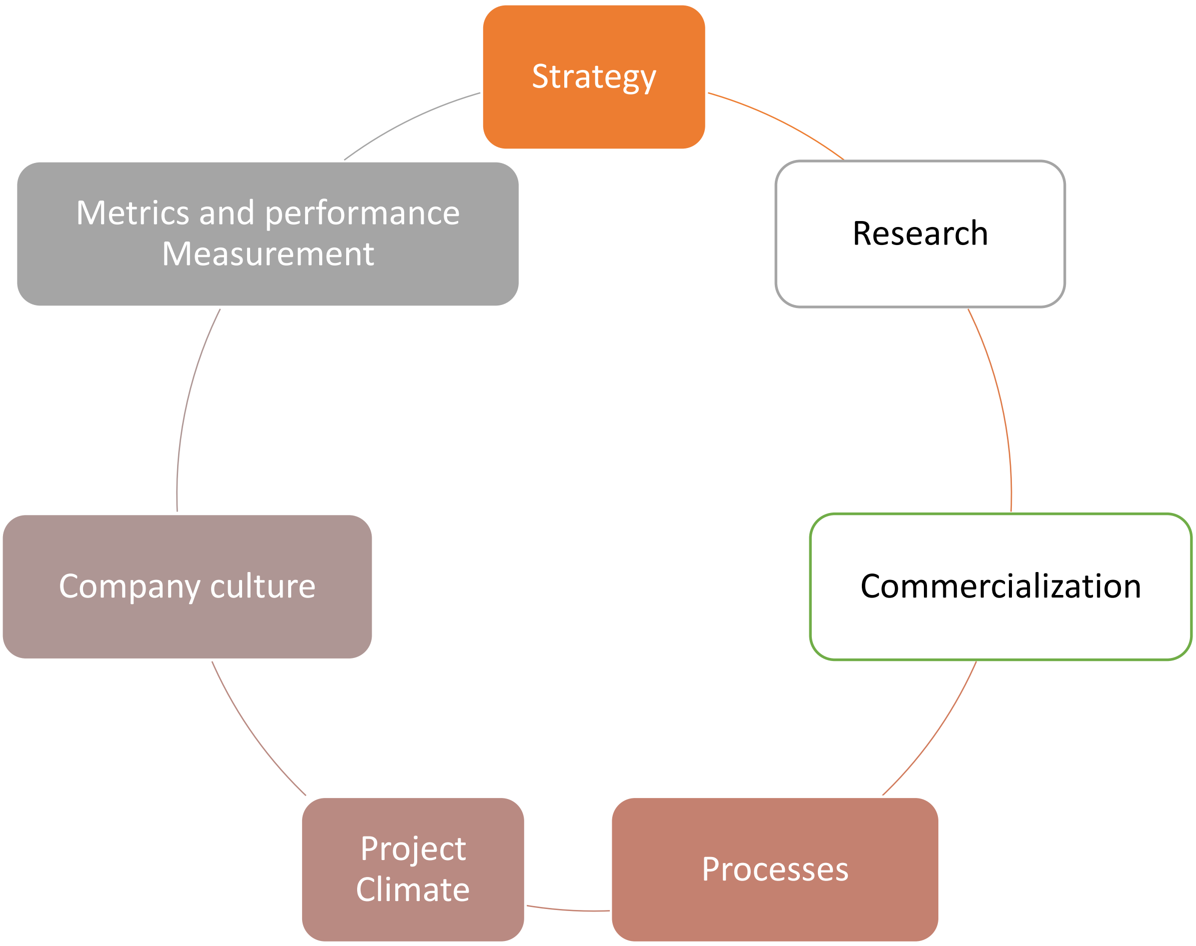
It may be a mature business like automobiles or consumer electronics or the dynamic segments like e-Portal. New product development motivates the best people or individual to enhance the company ability to recruit new people and welcome and develop and cash on new ideas.

What it is?

It is a method to bring new product to the market place. This is applicable for new products, innovation and modification in existing market. The seven stages of new product development are:

1. Concept
2. Feasibility study and design
3. Design and Development
4. Testify and verification
5. Validation
6. Manufacturing
7. Improvements

Like many development processes, NPD has also various aspects. Commonly accepted seven dimensions of new product development are:



These dimensions are quite broad and encompasses variety of elements. For each of them some practices are required to inculcate these into culture of an organization. New product development (NPD) practitioners are therefore keen to benchmark NPD practices because identifying a practice, whether a technique, method, process, or activity, that is able to more efficiently and/or effectively deliver a new product could spell the difference between success and failure in terms of vitality for both the product and company.

The best practices for each dimension is written in following tables:

Best practices for strategy

S. No.	Best Practices
1	Clearly defined and company-visible NPD goals
2	The company views NPD as a long-term strategy
3	Mission and strategic plan help define strategic arenas for new opportunities
4	NPD goals are clearly aligned with company mission and strategic plan
5	NPD projects and programs are reviewed on a regular basis
6	Opportunity identification is ongoing and can redirect
7	the strategic plan in real-time to respond to market forces and new technologies
8	There is a ranking or prioritization of projects
9	There is keen consideration for balancing the number of projects and available resources

Best practices for research

S. No.	Best Practices
1	Concept, product, and market testing are consistently undertaken and expected with all NPD projects
2	Customer/user is an integral part of the NPD process
3	Results of testing (concept, product, market) are formally evaluated

Best practices for Commercialization

S. No.	Best Practices
1	The launch team is cross-functional in nature
2	Cross-functional teams make decisions concerning manufacturing, logistics, marketing, and sales
3	A project post-mortem meeting is held after the new product is launched
4	Logistics and marketing work closely together on new product launch
5	Customer service and support are part of the launch team
6	A standard protocol for planning a launch exists within the company

Best practices for processes

S. No.	Best Practices
1	A common NPD process cuts across company groups
2	Go/No-Go criteria are clear and pre-defined for each review gate
3	The NPD process is flexible and adaptable to meet the needs, size, and risk of individual projects
4	The NPD process is visible and well-documented
5	An IT infrastructure with appropriate hardware, software, and technical support is available to all NPD personnel
6	A clear NPD process exists

Best practices for project climate

S. No.	Best Practices
1	Each project has a core cross-functional team which remains on the project from beginning to end
2	Each project has a clearly identifiable project leader
3	NPD activities between functional areas are coordinated through formal and informal communication

Best practices for Company culture

S. No.	Best Practices
1	Top management supports the NPD process
2	The company actively works with customers to develop new solutions

Best practices for Performance Measurement

S. No.	Best Practices
1	No standard criteria exist for evaluating NPD projects
2	No standard criteria exist for evaluating the overall NPD effort
3	One person does all NPD project evaluations
4	Projects are never killed

Product Life-Cycle and Data Management

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

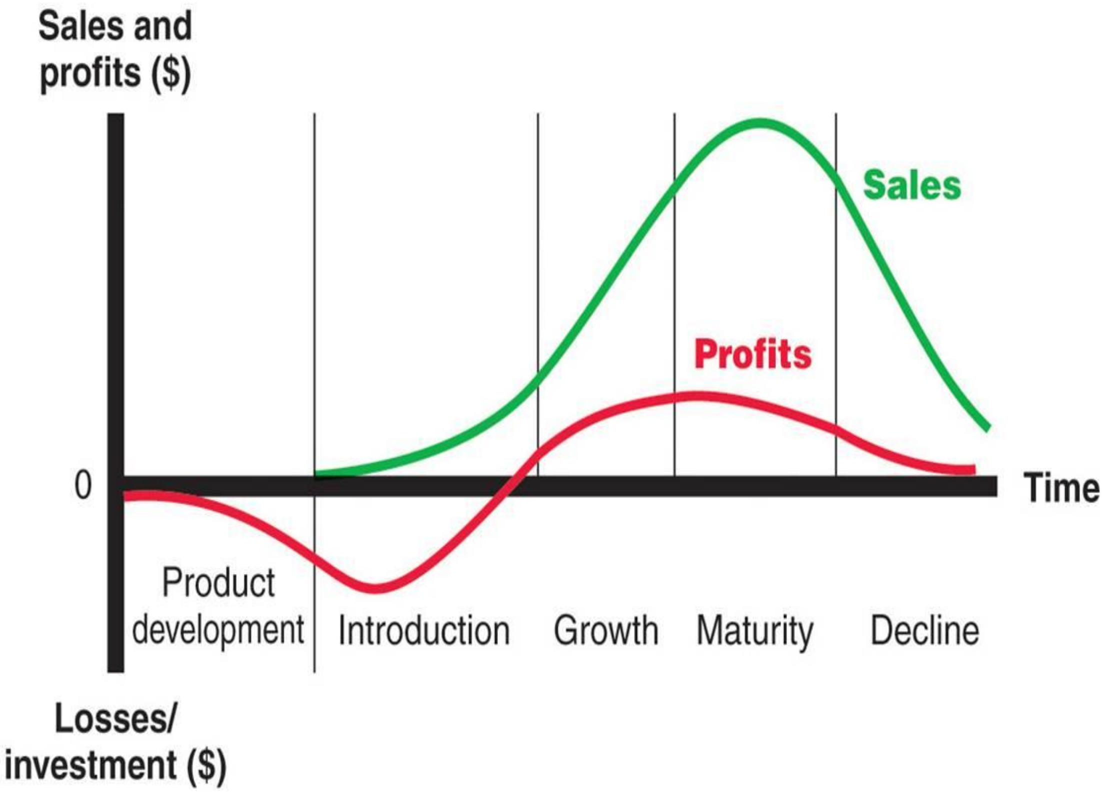
1. **Introductory Phase:** the product is still being fine tuned for market as are their production techniques. The usual expenditures are, for research product development, Process modification enhancement and supplier development.

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 make 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.

It is a knowledge Management orientation. A number of mind and stakeholders are required to develop a product. It is basically software version of an knowledge management techniques. 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

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 over phone or email. 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 influences 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 goes ahead/moves after the selling and distribution of goods also.
- ✓ Marketing is the process of identifying the need and wants of customers so that accordingly products can be manufactured.
- ✓ Marketing is basically 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.
- ✓ Marketing involves those efforts which are directed towards satisfying customer needs.
- ✓ Marketing is a broad term which includes a set of activities that starts with the market research and ends with consumer satisfaction.

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 the 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

Marketing is different from Sales

Difference between sales and marketing depicted in the below mentioned table.

Sr. No	Basis of Difference	Sales	Marketing
1	Definition & Meaning	Sales refer to the transfer of ownership from seller to buyer.	Whereas marketing is about understanding the needs and wants of the customers.
2	Scope	Narrow (It includes only Selling of the product.)	Broader (Whereas marketing includes Advertisement, Sales, Research, Customer satisfaction, After sales services etc.)
3	Skills required	Selling skills	It required analytical skills
4	Orientation needed	Focus on Product	Focus on Customer
5	Objective	Prompting buyers in such a way that they turn out as buyers.	Main objective of the marketing is to identify the needs of customers and create products as per their requirement to satisfy those needs.
6	Goal	Maximizing profit through sales maximization.	Maximizing profit via increased consumer satisfaction and market share.

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.

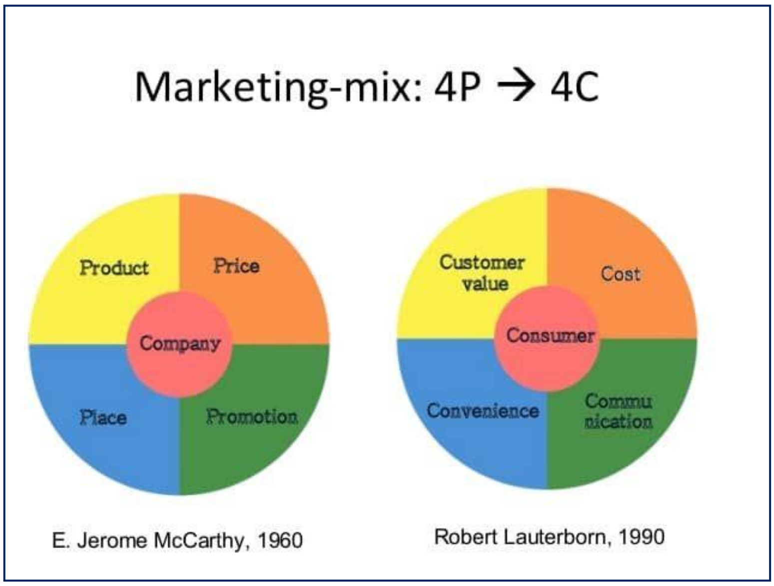
Marketing Mix/Four pillars of Marketing

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

a) **Product**
b) **Price**
c) **Promotion**
d) **Place**

The term marketing mix first appeared in the article entitled 'The Concept of Marketing Mix' (1948) written by Neil Borden, a professor of marketing and advertising at Harvard Business School.

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.

Some of the important activities covered under product mix element are:

- **Variety of the product**
- **Quality**
- **Features**

- **Design**
- **Brand name**
- **Warranties**
- **Size**
- **Packaging**
- **After sales Services**
- **Returns**

(b) Price Mix:

Fixing monetary value of the product termed as Pricing. At the time of fixing the price of the product managers consider generally few factors such as cost of the product, legal framework available, prices charged by competitors and the prices that consumers are willing to pay. Managers must price the product in such as way so that he may able to recover the costs and earn a reasonable return on capital.

Activities covered under price mix element are as follows:

- **Product list price**
- **Discounts related to product**
- **Payment period given to parties**
- **Structure of the Credit terms**

(c) Promotion Mix:

Company's communication with the consumers regarding the product and other things consider under the umbrella of promotion mix. Promotion helps and motivates consumers to buy the goods. **These includes various tools 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:

Another tool of the marketing mix is place mix. Place mix identifies the way through which products 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.

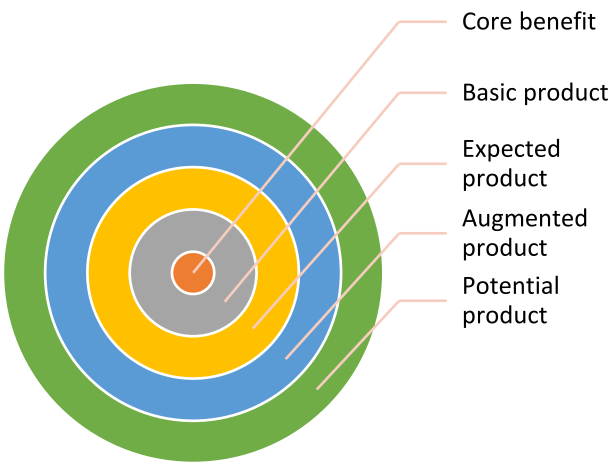
A glimpse of the activities covered in Marketing Mix showed in the figure 02

<u>An overview of each element of Marketing Mix is given in the forthcoming paragraphs.</u>

❖ Meaning of Product

It can be described as bundle of utilities which a marketer offers to the consumer for a price.

Levels of Product: There are Five levels of product as shown in Figure: 03



(i) Core Benefits:

Core benefit is the fundamental need or wants that the customer satisfies when consumer buys the product. For example, the core benefit of a hotel is to provide somewhere to rest or sleep when away from home.

(ii) Basic/ Generic Product:

It is a basic version of the product made up of only those features necessary for it to function. For example, in a hotel, this could mean a bed, towels, a bathroom, a mirror, and a wardrobe.

(iii)Expected Product:

The expected product is the set of features that the customers expect when they buy the product. For example, clean sheets, some clean towels, Wi-fi, and a clean bathroom.

(iv)Augmented Product:

The augmented product refers to any product variations, extra features, or services that help differentiate the product from its competitors. Marketer augments the product, by adding an extra facility or an extra feature to the product. For example, a free map of the town in every room

(v) Potential Product:

It includes all augmentations and transformations the product might undergo in the future. In simple language, this means that to continue to surprise and delight customers the product must be augmented. In the example of a hotel, this could mean a different gift placed in the room each time a customer stays. It could be some chocolates on one occasion.

- **Price**

Economic value of the product articulated in money form is called as price. While fixing the price of any product company should keep number of factors in his mind viz. competitions tendency towards charging price for similar product, consumer's willingness to pay, government limitations etc. Prices have to set in such a manner so that it should not hamper demand on the one side and profitability on the other side.

The following decisions cover under the Price Mix

- Decision on variable and fixed costs of the product
- Analyzing pricing policies and strategies of the related competitors
- Credit terms and conditions offered to customers
- Scanning those factors impacting pricing decisions
- During different product life cycle stages pricing strategies
- Level of margin of profits

Pricing Strategies

Skimming	Initially the high price is charged. Example: Apple mobile phones
Penetration	Price is set low to get market share. Example: Reliance Mobile
Demand	On the basis of consumer demand of a product or services.
Psychological	A minor difference in the product, creates huge difference in the mind of customers. Example: A product has been list at 99/- instead of 100/- Rs.
Competitive	In this method, prices set by the competitors are used. Called as strategic pricing also.
Cost Plus	Under this method all type of costs viz. raw material, production, overhead costs + profit margin has been added and the price has been fixed.
Discount	Products are offered at reduced price.
Geographical	Different prices are charged with different geographical locations
Price Bundling	When two or more products or services are priced together as a package, with a single price.

❖ Promotion

With regard to marketing, promotion refers to 'marketing communication' i.e., communication by the company to consumer about the product. In layman language, it is a process of informing, influencing and persuading a consumer about the products' choices available in the market.

Decisions/ activities related to the promotion mix element are;

- Sales promotion
- Public relations
- Advertisement
- Personal selling
- Marketing Commutation Budget

❖ Place

Goods are manufactured by the company so that it may be sold to the customers and further it may be made available to the consumers at their convenient places. So, place provides that utility and includes various types of distribution channels (direct/indirect) under this.

So, the important thing is that the organization has to decide whether the product will be sold to consumer directly or through various intermediaries.

Under the direct channel method, the manufacturer directly sells the goods to the customers. There is no involvement of intermediaries in this distribution. It is also called "zero level distribution. On the other hand, Indirect distribution channel may be divided into 3 types according to the usage of intermediaries or channel methods - one level, two level and three level channel. In one level channel manufacturer sells the goods directly to a retailer. Mostly this channel is used by expensive watches and FMCG products. In the two level channel, the manufacturer sells the goods to a wholesaler, the wholesaler to a retailer and then to the customer. The wholesales purchases large volumes from the manufacturer and then distribute them to retailers in small volumes. This channel is mainly used to sell soaps, sugar, cigarette etc. In the three level channels, one more level is added to two level channel in the form of agents. These agents reduce the distance between the manufacturers and wholesaler. This is suitable for very big companies like Toyota, Pepsi etc.

Channel management decisions involve the following:

Analyzing type of distribution channels and channel members

Selecting suitable channel of distribution

Decision on Physical distribution (transportation, communication, warehousing, inventory control, insurance, banking etc.)

There are various types of intermediaries' available viz. wholesaler, retailer, agents, dealers, distributors for the marketer.

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 focus 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 location** 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 an so 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 tool 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.

Scope of Branding

Physical Products/Goods	Reynold Pens, Hyundai: Santro
Services	Air India, SBI
Store	Reliance, Easy day, MI, Dell
Person	Amitabh Bachan, Deepika Padukon
Place	Gujrat Tourism, Incredible India
Organization	The Rolling stones

Few important Concepts related to the Marketing

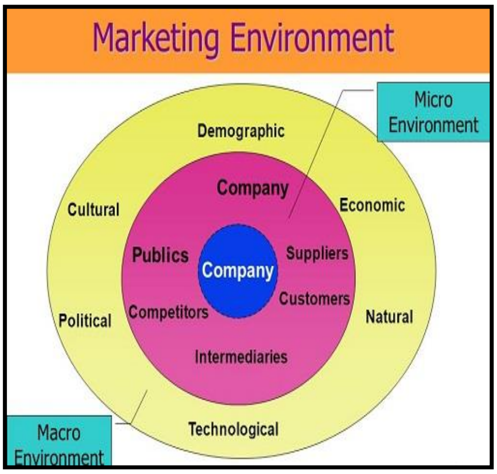
 # Environmental Scanning:

Scanning of the business environment is very important for every business. When an entrepreneur is involved in business/ marketing activities he should also consider and focus on environmental scanning aspect. It includes study of those forces which impacts the business in a big way. These are called as controllable and uncontrollable factors.

Controllable factors generally called as internal factors whereas uncontrollable are termed as external factors.

Controllable	Uncontrollable
Company	Demographic
Suppliers	Economic
Customers	Cultural
Policies	Political
Competitors	Technological
Intermediaries	Legal

(A glimpse of the marketing Environment has been depicted in Fig.)



Usefulness of Environmental Scanning:

- ✓ It helps in taking major strategic decisions
- ✓ Scanning helps a company to act upon rather than reach to opportunities and threats.

A case in point:

Demographic shifts cause changes in marketing strategies

According to census 2001 data, about 7.7 crore people above 60 years. (7.2%). This is an increase from 6.8% in 1991. According to WHO, there are going to be significant change in 2021(around 15 crore). In this case marketers will have to repackage their services as per their suitability.

Example: Himalaya drug company‘s pure herbs Shallaki (used to prevent/control joint pains, portrays an elderly man having fun with his grandson. Similarly, SBI life ads for pension plan, feature the elderly and portray them as being free from financial worries.

Marketing Research

Another important tool which has been actively used by the marketer regarding providing the inputs for marketing mix planning is marketing research. Marketing research can be conducted via various ways (depending upon the resources availability with the company). These ways are:

- Marketing department of the company
- Marketing Research Department
- Field work
- Outsources marketing research agency

Utility of the Marketing Research

- It facilitates organization to collect information to understand customers, competitors and the environment in a better way.
- It helps in strengthening customer relationships.

Tools used for Marketing Research

1. Managing internal information sources

2. Rely upon secondary market research

3. More closer to primary research

    - Online surveys
    - Telephone surveys
    - Direct mail surveys
    - Focus groups Observation

R. Prasanth Kumar

UNDERSTANDING FINANCIAL STATEMENTS

Introduction

Sometimes, finance is not about money. Rather to create curiosity to answer the following questions:

- How it will take a customer to buy your product?
- How much cash flow you need reach milestone?
- How much to be spent on marketing to generate revenues?
- How to manage day today business?
- How is your firm?
- How was your firm?
- How will be your firm?

Finance is an Art

- Art of understanding business numbers
- Art of Revenue & Cost Structure
- Art of making Business Plan
- Art of Decisions Making

Financial Statements

- What does your company own, and what does it owes 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 Limited for the period ended 31 March 2020

	Particulars	Amount
I	Revenue From Operations	
II	Other Income	
III	Total Income (I+II)	
IV	EXPENSES	
	Cost of materials consumed	
	Purchases of Stock-in-Trade	
	Changes in inventories of finished goods,	
	Stock-in -Trade and work-in-progress	
	Employee benefits expense	
	Finance costs	
	Depreciation and amortization expense	
	Other expenses	
	Total expenses (IV)	
V	Profit/(loss) before exceptional items and	

	tax (I- IV)	
VI	Exceptional Items	
VII	Profit/(loss) before tax	
	(V-VI)	
VIII	Tax expense:	
	(1) Current tax	
	(2) Deferred tax	
IX	Profit (Loss) for the period from	
	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)	
	Other Comprehensive Income	
	A (i) Items that will not be reclassified to	
	profit or loss	
	(ii) Income tax relating to items that will	
XIV	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)	
	Earnings per equity share (for continuing	
	operation):	
XVI	(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	
	(2) Diluted	

Information from Income Statement

- Product / Service Revenues
- Cost of Goods Sold

- Gross Profit
- Selling, General & Administrative Costs
- Operating Income
- Other Income
- Other Expenses
- Income tax expense
- Income from continuing operations
- Net income
- Extraordinary items

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:

Assets = Liabilities + 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 Limited as at 31 March 2020

Particulars	Amount
(1) ASSETS	
Non-current assets	
(a) Property, Plant and Equipment	
(b) Investment Property	
(c) Other Intangible assets	
(d) Financial Assets	
(i) Investments	
(ii) Trade receivables	
(iii) Loans	
(iv) Others (to be specified)	
(e) Deferred tax assets (net)	
(f) Other non-current assets	
(2) Current assets	
(a) Inventories	
(b) Financial Assets	
(i) Investments	
(ii) Trade receivables	
(iii) Cash and cash equivalents	
(iv) Bank balances other than (iii) above	4607472
(v) Loans	
(vi) Others (to be specified)	
(c) Current Tax Assets (Net)	
(d) Other current assets	
Total Assets	
EQUITY AND LIABILITIES	
Equity	
(a) Equity Share capital	
(b) Other Equity	
LIABILITIES	
Non-current liabilities	
(a) Financial Liabilities	
(i) Borrowings	
(ii) Trade payables	
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	
(b) Provisions	
(c) Deferred tax liabilities (Net)	
(d) Other non-current liabilities	
Current liabilities	
(a) Financial Liabilities	
(i) Borrowings	
(ii) Trade payables	

(iii) Other financial liabilities (other than those specified in item (c)	
(b) Other current liabilities	
(c) Provisions	
(d) Current Tax Liabilities (Net)	
Total Equity and Liabilities	

Information from Balance Sheet

- Assets = Liabilities + Equity
- Balance (Value) of Assets
- Balances (Value) Liabilities (Any loan against asset?)
- Growth of Equity
- Funding Advice
- Liquidity (Working Capital)
- Debt Solvency

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.

4.1 Components of Cash Flow Statement

- **Operating Activities**: The principal revenue-generating activities of an organization and other activities that are not investing or financing; any cash flows from current assets and current liabilities
- **Investing Activities**: Any cash flows from the acquisition and disposal of long-term assets and other investments not included in cash equivalents
- **Financing Activities**: Any cash flows that result in changes in the size and composition of the contributed equity capital or borrowings of the entity (i.e., bonds, stock, dividends)

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

Particulars	31st March, 2020	31st March, 2019
Cash Flow from Operating Activities		
Net Profit Before Tax		
Adjustment for :		
Depreciation & Amortization		
Extra Ordinary Items		
Interest / Dividend Income		
(Profit) / Loss on sale on Fixed Assets		
Financial Costs		
Operating Profit before Working Capital Changes		
Adjustment for :-		
(Increase) / Decrease in Inventories		
(Increase) / Decrease in Trade Receivables		
Increase / (Decrease) in Trade Payables		
Increase / (Decrease) in Short Term Provisions		
Increase / (Decrease) in Other current liabilities		
(Increase) / Decrease in Other Non Current Assets		
Increase / (Decrease) in Other long term liabilities		
(Increase) / Decrease in short term loans & Advances		
(Increase) / Decrease in other Current Assets		
Cash Generated from Operations		
Direct Taxes Paid		
Net cash from /(used in) operating activities (A)		
Cash Flow From Investing Activities		
Purchase of Fixed Assets (Incl CWIP)		
Sale of Fixed Assets		
Profit / (Loss) on sale of Fixed Assets		
Other non Current Investments		
Purchase / Sale of Investments		
Interest / Dividend Income		
Net cash from/(used in) Investing activities (B)		
Cash Flow From Financing Activities		
Proceeds From issue of share capital (including Premium)		
Proceeds From issue of Debenture capital (including Premium)		
Share Application Money		
Increase/(Decrease) in Long Term Borrowing		
Increase/Decrease in Long Term Loans & Advances		
Increase/(Decrease) in Short Term borrowing		

Financial Costs		
Net cash from/(used in) financing activities (C)		
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)		
Cash and cash equivalents at beginnings of year		
Cash and cash equivalents at end of year		

Information from Cash flow statement

- Actual Cash Position
- How much Cash comes in?
- How much Cash goes out?
- How much Cash at the end?

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

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 tradeoff 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

As already explained above, the DPR is a comprehensive document made with the purpose of establishing the credit-worthiness of a firm. It contains details about the following components of the project and the firm.

Promoters' Details

This is the basic information as it introduces the customer to the bank. This part would normally include the following details:

Promoter's qualification: This gives an idea about the academic or professional background of the promoter. If a borrower is technically qualified, it always adds weight to his credentials

Experience: Having experience in similar lines of business is a great asset which gives confidence to the lender. The DPR should highlight all the details about the past experience of the applicant with all key details.

Legal history: The legal identity of the business and how it has evolved over the time should be mentioned. If it is a new firm, then the organization form should be clearly mentioned along with the promoter details. In case there are any litigation issues with the firm, the banker/lender may enquire about them also.

Ownership: The ownership of the business with personal details about the promoters (proprietor, partners, shareholders etc) should be clearly spelt out in this section. The bank will ask for the Net Worth of all the promoters which would be determined on the basis of their assets and liabilities. Their personal creditworthiness may also be looked into and any adverse record of past financial transactions may hamper the possibility of funding.

Past performance: For an existing business, the past performance becomes a critical measure of evaluation for a new credit facility. The DPR should highlight the key past achievements of the business financially as well as in other parameters like R&D, distribution network, market share, strategic advantages etc.

Technical Details

This section of the DPR would explain all the technical details about the following aspects:

Product: This section should describe the product in detail- the technical details as well as its utility. It should also state why it has been chosen i.e. whether the firm enjoys any USP related to the product.

Manufacturing Process & Technology: The DPR should have a detailed explanation about the manufacturing process including sourcing of raw material, machinery used, plant layout and the technology used. It is required to furnish other details regarding the machinery proposed to be used along with its sourcing.

Market & Industry Details

This is an important segment as bankers will look at this in great detail. The market research based upon authentic secondary data should be placed in this section.

Size of the industry: The industry size determines the opportunities available in a market while the growth rate for the last few years will indicate the future prospects. Based upon these inputs, an estimation of long term growth prospects should be mentioned.

Market segmentation: The customer segment for the product needs to be defined to enable the lender to assess the product positioning. In case there are multiple segments for the product based upon a differentiator like price, then the segment of this market targeted by the firm needs to be described.

Competition: The report should indicate the present level of competition in the product along with the names of competitor and their market share. The firm's competitive advantage, if any, should be explained.

Project Cost and Finance Structure

This part is the introduction to the financial component of the project. At the outset, we describe the project in a nutshell indicating the total cost of the project and its sources.

Capital Expenditure: This relates to information about the amount of investment in fixed assets or long term assets like building, plant & machinery, furniture and fixtures, vehicles etc. This investment has to be made out of term loans from the bank.

Working Capital: This relates to requirement of revolving fund or funds for the short term like purchase of raw material, financing of debtors (arising out of credit sales), holding of stock etc. The bank will sanction a cash credit limit for the purpose.

Sources of Funding: After we have estimated the total cost of the project, we need to disclose the proposed source of funds for the same. The bank will usually ask for a margin to the extent of 20% to 25% for both the term loan and working capital. The source of margin money needs to be mentioned for sake of clarity.

Financial projections and ratios

This segment is crucial as the lending decision and the quantum of financing is dependent on the figures mentioned here. By projections we mean estimates about future periods.

These should be based on certain assumptions which also need to be presented as assumptions for calculation.

Projected Income Statement: The income statement is a record of all items of revenue and expenses and is a critical statement showing profitability of the business at various levels. It is also called as Profit and Loss account. The projected income statement shows the future estimates of revenue and expenses. The future sales figure is a key indicator of the firm's ability to pay the debt so this has to be made very carefully. Similarly all the direct and indirect expenses should be estimated. The projections are to be made for the entire period of the loan repayment.

Projected Balance Sheet: The Balance Sheet shows the scale of a business and has a record of all assets and liabilities. As the business grows, the size of the balance sheet increases. It shows the source of funds and their utilization. This statement is also very significant and the projected balance sheets are to be shown in DPR for the entire term of the loan.

Projected Cash Flows: The cash flow statement are important to find the outflow and inflow of cash under various types of activities and is a good measure of how a business manages cash and hence pays for its operating expenses as well as periodic debt repayments. This statement is also required for the entire projection period.

Key Ratios: The financial ratios are indicators of the financial health of a company. They are derived from the income statement and balance sheet. These ratios are used to comment on the profitability, liquidity, operating efficiency and long term solvency of the firm. The ratios are normally compared to industry averages to find whether they are under acceptable limits. Some of these key ratios have been discussed later in this chapter.

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

Sensitivity analysis

This is a risk assessment technique where an investigation regarding impact of change in key variables in future is observed. For this we look at various probable scenarios in future where either there is a decline in revenue or increase in expenses (like unexpected increase in the cost of raw material). Based upon these, we see how sensitive the return on investment is due to change in any of these critical factors.

Risk analysis and mitigation

The report should contain a section on risk assessment which has details on the risk exposure to the business. The risks may be financial, operational or economic depending upon the nature of the industry. Along with the probable risks, the strategy to manage those risks should be explained.

Competitive analysis

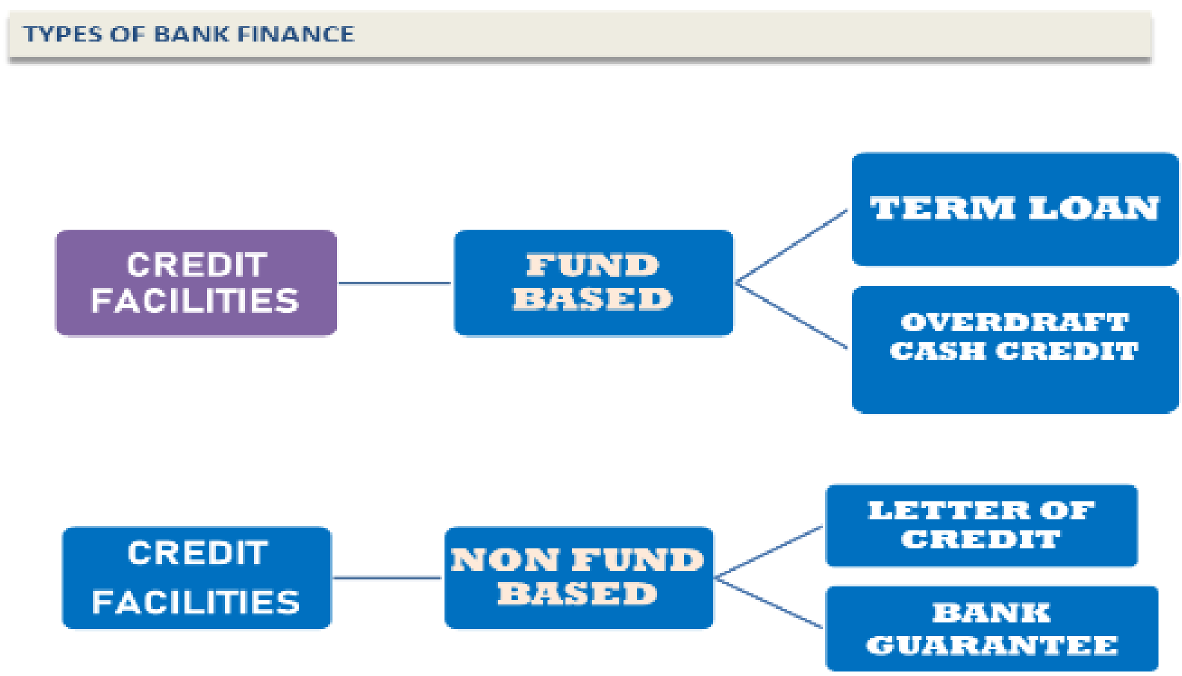
In big projects, there might be a section on competitor analysis which describes present and possible competitors, impact of competition and strategy to face it.

SWOC Analysis

Strengths, Weaknesses, Opportunities and Challenges related to the business may be explained in this section. This is also prepared only in case of large projects.

TYPES OF BANK CREDIT

Bank provides credit facilities under two broad categories- fund and non fund as under:



The fund based facilities are those which involve transfer of fund to the borrower. On the other hand, non fund based facilities are those in which the bank provides undertakings on behalf of the borrower.

The fund based facilities are normally of the following types:

a. **Term Loan:** As the name suggests, it is a credit facility granted for a term. It is used to finance fixed or long term assets like building, plant & machinery, furniture and fixtures, vehicles etc. The bank will ask for price quotations from a reliable source to verify the cost. The useful life of the asset will determine the tenure of the loan. The bank will fix the repayment schedule as per the nature of business which usually is on a monthly basis. Delayed repayment may invite penal interest as well as change the classification of loan. The disbursement of the loan will be by way of direct fund transfer in the name of the seller of the concerned asset. The asset ownership will remain with the bank as primary security in the form of hypothecation or mortgage. The borrower has to bear the cost of insurance.
   - Term Loan assessment is done on the basis of projected cash flows which are dependent on earning capacity and life of the asset
   - Loan period is between 5 to 7 years which in some cases may go up to 10 years.
   - The decision is based upon calculation of Debt Service Coverage Ratio (DSCR) whose value should ideally lie between 1.5 to 2. This ratio has been discussed later in this chapter.

b. **Cash Credit:** This facility is used to fund the working capital requirements of the firm like purchase of stock, holding of finished goods, financing of debtors (credit sales) etc. The amount of working capital will be fixed on the basis of operating cycle, Normally it is taken as maximum of three months except in seasonal businesses or where there are heavy fluctuations. The limit is fixed and the borrower is allowed multiple debit (withdrawal) and credit (deposit) transactions within the sanctioned limit. The funds should be used only for authorized purposes and should not be diverted elsewhere. Interest is charged by the bank on the utilized amount only. It is a short term credit facility and needs to be renewed every year where you can request for enhancement or curtailment of the limit as per needs of the business. The goods or debtors are hypothecated as primary security.

- Limits up to Rs.5 crores are normally assessed on the basis of turnover method.
- This method assumes CC limit requirement as 25% of the annual turnover.
- Bank will finance 80% of the assessed limit while the remaining 20% would be provided as margin. For example if the annual turnover is Rs.100 lacs, then the working capital required is Rs. 25 lacs. Of this Rs. 20 lacs would be provided by the bank as CC limit while the remaining Rs. 5 lacs will be brought in by the borrower as working capital margin.
- Operating Cycle may be used in case of seasonal businesses. (Operating Cycle refers to the time taken to complete one cycle from cash used to purchase raw material to cash realized from sales. Longer the duration of operating cycle, higher will be the working capital requirement.)

c. **Overdraft:** Sometimes, the borrower is in need of urgent funds and a formal sanction of additional funds through normal appraisal process may take a lot of time. In order to meet such exigencies banks allow withdrawal of funds beyond the sanctioned limit purely on the basis of merits of the case, past track record of the borrower and availability of security to cover the additional exposure. However, interest rates for this facility are high and it should be adjusted in short period of time.

The bank charges fee for non fund based facility (unlike interest for fund based facility) and collateral of equivalent amount needs to be provided. The most popular non fund based facilities are as under:

a. **Letter of Credit:** It can be described as a kind of guarantee of payment to the seller by the buyer's bank. It is issued by the bank on the buyer's request as its customer. This is used greatly in international transactions as the buyer and seller belong to different jurisdictions and to avoid risk of payment default, the seller demands it from the buyer. The bank will process this facility similarly like the fund based facility and demand security.

b. **Bank Guarantee:** This is a guarantee issued by the bank to cover the loss caused due to the default on part of the borrower. This default relates to non fulfillment of terms and conditions of the contract. It is normally sought from the bank by customers who are participating in any tendering process wherein bank guarantees are required to be furnished for being eligible to win the contract. It is similar to letter of credit except that while the LC is mostly used in international trade, BG is issued to the beneficiary as guarantee of performance while handling a contract.

THREE CRITICAL TESTS OF FINANCIAL HEALTH

In order to judge the financial health of a business, the lenders normally focus on three critical indicators- Liquidity, Profitability and Solvency.

1. **Liquidity**- This refers to the ability to convert assets into cash in order to meet financial obligations. It is mainly measured by the following ratios which are calculated from the Balance Sheet:

   a. Current Ratio: It is a measure of the number of times a firm owns current assets in proportion to its current liabilities. Current assets refer to those assets which would be converted into cash within a short period of time which is not more than one year. Examples include stock and debtors. On the other hand, the current liabilities relate to those financial obligations which are repayable within a year like trade creditors. Higher value for this ratio indicates higher liquidity. Normally banks demand a current ratio of over 1.20.

Current Ratio = (Current Assets/Current Liabilities)

b. Quick Ratio: This is just another version of current ratio. However, we do not include inventory or stock as current assets in this case as sometimes; the stock might not be liquid enough (would be difficult to sell it on demand) and hence may not reflect the true liquid position of the business. A quick ratio of 1 is considered to be satisfactory by the banks.

Quick Ratio = (Current Assets less Stock/Current Liabilities)

2. **Profitability-** This refers to the ability to generate profit from operations. This is important as the business should have the capacity to generate sufficient profits to meet its obligations and generate returns for the investors. It is mainly measured by the following ratios calculated from the Income Statement and the Balance Sheet:

   a. Net Profit Ratio: Also called as Net Margin, this ratio compares the amount of net profit (profit after tax) with total sales. It can be derived from the Income statement or the profit and loss account. The higher the ratio, the wider is the margin for the business and hence a higher return on investment. The minimum accepted level is the industry average.

   Net Profit Ratio= (Net Profit/ Sales)

   b. Return on Assets: This is another version of profitability ratio which looks at profits from the investment point of view and hence equates profit with total assets employed in the business.

Return on Assets = (Net Profit /Total Asset)

3. **Solvency** – This refers to long term stability of the business and is reflected by optimal mix of debt and equity in the capital**.** This is important to find out the capability of the business to honour its long term debt obligations. The two key solvency ratios are as under:

   a. Debt - Equity Ratio: This ratio describes the proportion of long term outside liabilities to the equity contributed by the owners. Since debt has to be repaid irrespective of how the business is performing, very high levels of debt are considered risky for long term sustainability of the business.
   Debt - Equity Ratio = (Total debt / Total Equity)

   b. Debt Service Coverage Ratio [DSCR]: This is one of the most important parameter used by the banks to decide upon the financial strength of a credit proposal. The term loan assessment depends upon this. In plain simple terms, it is a measure of how sufficient are the earnings of a firm with respect to its debt repayment obligations. Obviously, the higher the ratio the better are the prospects of the proposal being accepted by the bank.
   DSCR = (Net Operating Income /Total Debt Obligation)

KEY VARIABLES FOR BANK DECISION

After receiving the application for bank credit along with the DPR and supportive documents, the bank takes its decision to sanction or reject a credit proposal depending upon the merits of the case. The bigger the project, the more detailed is the appraisal process. Some of the key factors taken into consideration for taking the credit decision are outlined as under:

- **Prima Facie Acceptability**

This is the first step of due diligence undertaken by the bank. It involves looking at the application in light of Bank's / RBI / Government Rules and regulations, credit report on the firm as well as the promoters by looking at various Defaulter's List issued by RBI and the exposure norms with respect to various sectors. Along with this the constitution of the applicant in terms of its legal structure, and obtaining of various regulatory licenses – like the Pollution Clearance Certificate is also checked. The application should also be accompanied with all required KYC documents. The bank may also collect market report about the existing businesses.

- **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

- **Managerial Competence**

In banking parlance the basic credit appraisal is centered around what are known as the 4Cs- Character (the track record and image of the borrower), Capacity (experience of running business & expertise in the concerned industry), Capital (the amount of capital being contributed by the promoter of the business and its sources) and the Collaterals (the amount and type of security on offer i.e. its value & acceptability).

- **Pre Sanction Inspection & Market Report**

The bank officials make a visit to the residential and office addresses of the applicants and guarantors where they verify their personal assets and liabilities which help them to arrive at their net means. They also collect inputs from the market which has a bearing upon the decision to sanction the credit facility.

IMPORTANT TIPS FOR BANK OPERATIONS

While dealing with the bank, many times business owners are either not aware of certain issues or become negligent due to which they might face problems in smooth banking operations. The following are few of the issues which should be taken into consideration:

Cash Credit Accounts

- The business should try to route maximum sale proceeds through account only which means that majority of the sale proceeds should be credited in the CC account. Even if cash sales are made, the same should be deposited in the account as it will provide evidence of sales and help you in putting your case for limit enhancement at the end of the year.
- Self drawn cheques are not allowed in Cash Credit Accounts.
- Do not overestimate your limit requirement in order to remain flush with funds. This may not be helpful; because underutilization of limit will lead to commitment charges being debited in the account.
- Cash Credit limit is assessed annually and it can be increased or decreased depending upon the sales and state of the business. Since renewal takes time for the bank officials as they have to process the entire application based upon the past year performance, it is advised to present all related documents well before expiry of the limit. This will ensure timely renewal.
- Audited financials are required for businesses with turnover more than Rs. 1crore. So, it is necessary to get the accounts audited before submitting to the bank.
- The business should maintain the books of stock updated all the time as the business premises are subject to inspection by the bank periodically. Upon inspection, if the stocks do not tally with the records, the bank may seek an explanation regarding the same.
- Debtors more than three months old are generally not accepted so the business unit should try to reduce their collection period. At the same time the record of debtors should be kept up to date.
- 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 reduces the

chance of enhancement of limit in the following years and also often assumed as diversion of funds by the bank. Hence, the transactions in the CC account should be carefully undertaken.

Current Accounts

- If you have a existing current account in another bank then obtain an NOC from the former to open a new current account in another bank.
- Apply for the 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

As already discussed earlier, the scope of the DPR depends upon the scale of project. If the project is small, the DPR may be accepted by the bank with some bare essentials. However, if the scale of the project is big, the DPR needs to be made on an exhaustive basis as per the contents explained earlier. Some of the sample DPRs (for small projects) can be seen at**:**

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

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

9. Legal Aspects & Compliances

Kanika Gupta

Introduction:-

Legal Aspects refers to an Enterprise to run its business in accurate pathway as per applicable rules/ regulations/ Acts/ laws on it. To better understand the legal responsibilities of organisation, this Session has been framed. The main objective is to make attentive Enterprise to carry on its business activities in lawful manner and to ensure timely compliances to avoid any delay fees/ penalty provisions.

However, when an Enterprise is being formed, there are various parameters like-

- ✓ Environment Protection
- ✓ Customer Satisfaction
- ✓ Manpower Rights
- ✓ Casualty Precautions
- ✓ Taxation Deadlines
- ✓ Retirement Benefits
- ✓ Female Security
- ✓ Corporate Social Responsibility
- ✓ Cyber Protection

These are needed to focus on priority basis in order to smooth functioning of business activities. To strictly follow all abovementioned purposes, Govt. makes Acts and updates required amendments therein on time to time basis. ***Perfect Legal Framework Makes Business Perfect***.

To quickly understand Indian Legal Framework for an Enterprise Set Up, this Session has been designed with four parts:-

I. Main Applicable Laws/ Acts on Micro Enterprises in India
II. Legal Framework of Business Enterprise (from Inception to Running Phase)
III. Latest Compliance Calendar for an Enterprise (monthly/ quarterly/ half-yearly / yearly basis)
IV. Practical Session- Case Studies on legal Consequences

Compliance calendar has been given in last page of this Write- up, which is as per current Laws and Acts governing in India. Any amendments in checklist can be seen from their respective department websites.

Let's understand in detail about Enterprise's Legal & Compliance Structure-

III. Main Applicable Laws/ Acts on Micro Enterprises in India

While India is often criticized for its intricate Legal Mechanism, even in some cases, these laws & regulations are easier than many developed country laws. Main characteristic is that almost all these regulations are consistent across the country.

In general, there are more than 1000 Acts applicable on any business set-up in India, here we will be discussing on most important Legal Regulations applicable on any ordinary organisation. Even it depends upon proposed Enterprise structure, that whether it is going to start business activity in India – as Trading concern/ Manufacturing Concern/ Service Providing Concern. Most crucial way to start business is setting up of manufacturing concern, as major regulations are there; the Enterprise needs to take care of.

Following Check-points can provide a thorough Idea to start Business Venture of Manufacturing Concern under Legal Framework-

- ✓ Get Industrial Land- use approvals
- ✓ Factory License from local Authority
- ✓ NOC from Deputy Commissioner of Industries
- ✓ NOC from Pollution Control Board
- ✓ NOC from Fire Department
- ✓ Electricity Connection from State Electricity Board
- ✓ Water Connection from State Water Board
- ✓ After Factory setup- register for EPF/ ESI

Main Applicable Acts on abovementioned (trading/ manufacturing/ service providing) segments are as follows:-

For Any Business Concern-

		GOVERNING ACT
For Enterprise Registration	Sole – Proprietorship	Shop & Establishment Act, 1958
	Partnership	Indian Partnership Act, 1932
	Company	Indian Companies Act, 2013
	LLP	Limited Liability Partnership Act, 2008
For Name/ Logo/Word mark Registration		Trademarks Act, 1999
For Income Tax Registration		Income Tax Act, 1961
For GST Registration		Goods & Services Tax Act, 2017
For Factory License		Factories Act, 1948
For Employees future protection		Employees Provident Fund & Miscellaneous Provisions Act, 1952
For Casualty Cases		Employees State Insurance Act, 1948
For Employees Wages Security		Minimum Wages Act, 1948
For Bonus provisions		Payment of Bonus Act, 1965
For Online Transactions		Information technology Act, 2000
For Financial Transactions		Banking Regulation Act, 1949
For any business contract		Indian Contract Act, 1872
For E commerce activities		Consumer protection (E Commerce) Rules, 2020

II. Legal Framework of Business Enterprise (from Inception to Running Phase)

To do business in legal way, it is very much required to understand composite framework of every Legal prospective applicable on a particular Enterprise from starting business to running it in WIN- WIN situation.

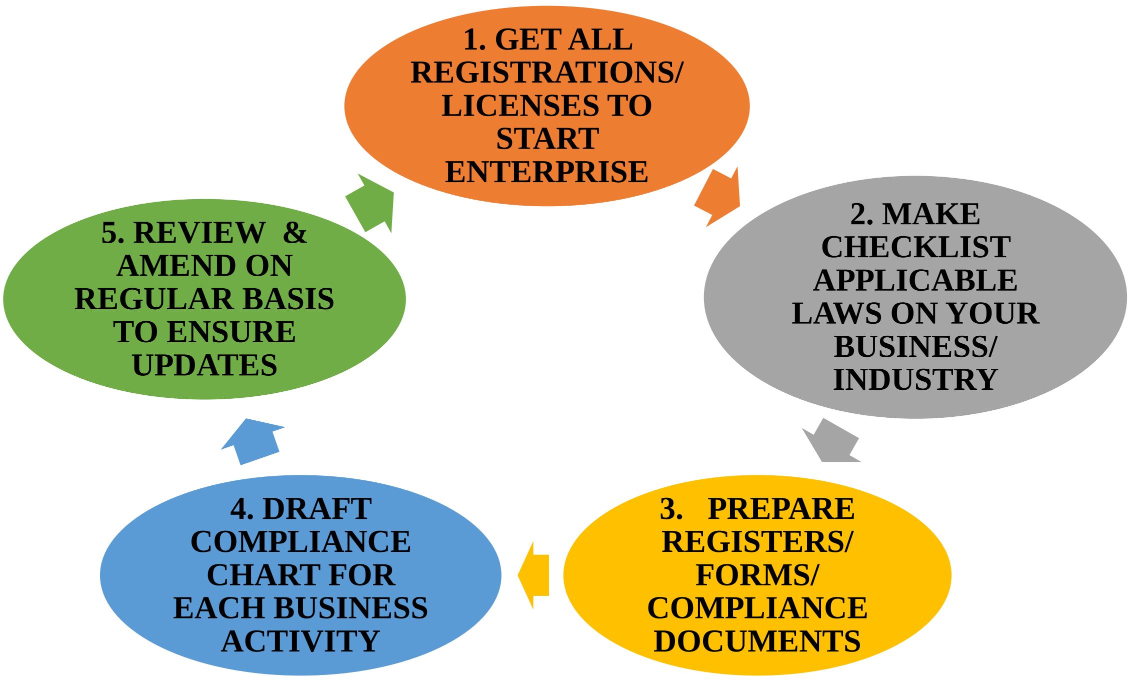
The steps which are required to take are summed up in a brief way to start and run a Micro Business Enterprise in legal way:-

INCEPTION PHASE

- Register your Business Organisation with Unique name and valid registered address
- Register in IT, GST, MSME, Open Bank A/c
- Get License as per Industry Law
- In case, export-oriented business– get IEC Code from DGFT/ License from DGFT
- Get approval from Water & Electricity Board
- Register in PF (If 20 or more persons are employed in Enterprise)

- Register in ESI (If 10 or more persons are employed in Enterprise & salary not more than 21000 p.m.
RUNNING PHASE - Pay Employees Salary/Wages/ Bonus/ Perquisites as per related Compliance Acts - Pay monthly/ quarterly / yearly tax amounts/ file returns on time - Export goods/ services as per Indian Customs - Check Business Turnover/ no. of employees/ capital/ expansion of Enterprise on quarterly basis (as some Acts becomes applicable on reaching a specific limit)

A collaborative strategy of drafting Road- Map of all compliances plays a vital role here. Let's understand this Road- Map of an Enterprise to make it LEGALLY WISE-



III. Latest Compliance Calendar for an Enterprise (monthly/ quarterly/ half-yearly / yearly basis)

In order to become prompt for every business activity compliance, following Compliance Calendar has been drafted to follow by an Enterprise-

SPECIFIC HEAD	PERIOD	DUE DATE
INCOME TAX -		
TDS/TCS Payment	Monthly basis	7th of Following Month (30TH April for TDS/TCS Payment till 30th march of F.Y.)

TDS Return Filing	Quarterly basis	31^{st} of Following Quarter (31^{st} May for Last Quarter of F.Y.)
TCS Return Filing	Quarterly basis	15^{th} of Following Quarter (15^{TH} May for Last Quarter of F.Y.)
Income Tax Return	Yearly basis	31^{st} July of A.Y.- Individual/ HUF
		30^{TH} September of A.Y. – For other persons
Advance Tax Payment	Quarterly basis	15 days before end of Quarter (Installment – wise)
GST-		
GSTR-1	Monthly basis	10^{th} of Following month
GSTR-3/3B	Monthly basis	20^{st} of Following month
GSTR-9	Yearly basis	31^{st} December of following year
GSTR-7-TDS DECUCTOR	Monthly basis	10^{TH} of Following month
EPF-		
PF Payment	Monthly basis	15^{th} of Following month
PF Return	Monthly basis	25^{th} of Following month
PF Return Annual	Yearly basis	25^{th} April of Following year
ESIC-		
ESIC Payment	Monthly basis	21^{st} of Following month
ESIC Return	Half-yearly basis	-12^{th} November (April-September)
		- 12^{th} May (October – March)
ROC -		
Filing of Annual Accounts	Yearly basis	31^{st} October of Following year
Filing of Annual Return	Yearly basis	30^{th} November of Following year
Director KYC Verification	Yearly basis	30^{th} April of Following year
LLP-		
Filing of Annual Accounts	Yearly basis	31^{st} October of Following year

It can be please considered that due dates for current financial year has been totally extended due to COVID Condition as we can say this year as abnormal one. Above list has been prepared for a Standard year basis.

There are also other parameters of due dates related to different laws, which need to be checked through their respective regulations, for example Trademark registration need to be renewed at every 5^{th} year. Application can be filed on or before 6 months of expiry of registration.

VI. Practical Session- Case Studies on legal Consequences

It will be discussed during the Session in order to interact with participants.

Hari Shankar Shyam

Digital Marketing and Lead Generation for Micro and Small Businesses

Introduction

Digital Marketing has gained importance globally in the second decade of 21^{st} century. It has reduced promotion cost of organizations drastically and increased their reach to the remotest corner of the world given the condition that the consumer is connected with an internet facility. Eventually, digital marketing proved to be boon for the small and micro enterprises as they can operate now at a global level. Gradually, several small and micro companies are developing their websites and social media pages to promote their products and services to the society even though, there are not many small and micro enterprises are adhering to the trends of digital marketing , hence the significance of such training programs increases like never before. Indian Prime Minister Shri Narendra Modi has emphasized to promote the self reliance of the country at global level through Aatmanirbhar Bharat Programme, through promoting our Small and micro businesses at Pan India level and across the world. One of the major solutions to promote the products and services of micro and small businesses in India is to convert them digitally or convert at least some of their processes.

Digital Marketing and Internet-Based Marketing Channels

Digital marketing is a kind of advertising or preferably marketing communication delivered through various online and digital channels. These channels are email, search engines, social media, websites mobile, affiliate marketing, video marketing, influencer marketing etc. With the advent of digital marketing we have witnessed that our traditional marketing system requires an overall change in their approaches and now there is a requirement of the right blend of traditional vs. digital marketing. To understand this more we can understand this difference with this table;

Table 1 Tools of Traditional and Digital Marketing

Traditional Marketing	Digital Marketing
Unmeasurable	Real-Time
High Budget	Measurable
Professional Contents	User Generated Content
Unassured Reachability	Low Cost
Limited Audience	Reachability
Poor Analytics	Deep Analytics

From Table 1, one can observe the interesting differences between traditional marketing and digital marketing. The ability to analyse information in digital marketing is going to help us in formulating our future marketing strategies. For the promotion through digital marketing and especially internet-based channels of digital marketing, micro and small organizations need to understand the following digital marketing channels;

- Search Engine Optimization
- Email Marketing
- Social Media Marketing
- Search Engine Marketing
- Content Marketing
- Affiliate Marketing
- Mobile Marketing

There are several other channels but the above-mentioned channels are the major digital marketing channels. They provide the right set of promotion tools with the right strategy that can help the organizations to generate ample number of business leads.

Search engine optimization (SEO) is a technique for enhancing the website traffic quantity and quality mainly through organic search engine results. Selection of keywords becomes very important in SEO.

Email marketing is a form of *marketing* where bulk and customized mails can be sent to the target audience. In email marketing one can see the complete analytics which can help us to redesign our campaign for email marketing. It also helps in communicating some announcements, new product arrivals, discounts and other services.

Social media marketing is the promotion of an organization's products and services through different social media platforms. The key social media platforms are Facebook, Whatsapp, Linkedin, Twitter, Instagram, Youtube, Pinterest etc. This is one of the fastest ways to connect with the target audience. This also helps in generating many quality leads.

Search engine marketing is also like SEO but the only difference is that here we are getting traffic on the website or landing page through paid advertisements. By this method one can come very fast on the top searches on search engines. Companies or organizations can get a lot of paid leads by using search engine marketing.

Content marketing is a strategic marketing approach and gained significant importance in the last couple of years. This marketing organization has to create online contents like videos, images, creatives, blogs etc. to promote the product and services of any organization. In content marketing the purpose is to stimulate interest of the target audience for the desired action by the marketer.

Affiliate Marketing is growing very fast and attracting lots of youngsters to become affiliate marketers. These Affiliate Marketers earned good commission by registering themselves to some affiliate marketing sites or they can directly promote some organization's products and services by becoming affiliate marketer. These marketers promote through their contents and try to drive the audience to the landing page created by the organization.

Mobile Marketing is growing quite big and one can experience from their mobile that now promotion is not only limited to sms, mms or other mobile messaging but promotion in In-App advertising, web advertising etc. It has a very fast reach to the target audience.

Lead Generation

Lead generation is one of the biggest challenges for micro and small organization and digital marketing can help them to generate fast leads. But there is also a need to have a very strong strategy to get the right leads otherwise one may generate many leads but many of the leads will be bad leads.

Following are the Reasons for not able to find good leads

- Not able to find Relevant Target Audience – while running the digital campaign for lead generation the organization or agency went for wrong targeting like any company was making herbal beauty products for females but targeted everyone for the lead generation.

- Poor Need Analysis – The need analysis of consumer and consumer segments is critical. If the need analysis is not properly placed, marketer may end up promoting undesirable products or services to uninterested consumer segments. Social Media is one such platform where people express their affinity and desires. Traditional modes of marketing often fall into the trap of poor need analysis.

- Low Quality Content:- Pitching the relevant content to the consumers based on their socio-economic status is important for the lead generation. This can be explained through various examples in the Automobile sector to the food processing sector where right content is important for lead generation.

- Poor Use of Analytics or No Analytics:- Often in the traditional mode of marketing there is almost no use of analytics. While assessing the consumer need small and micro enterprises depend on guess work which may incur wastages or inventory. Digital marketing tools provide analytics with precision.

- Instable Online Presence:- A significant proportion of youth and educated consumers rely on internet based information whereas the majority of small and micro enterprises are having negligible presence on the internet and very little presence on social media.

- No Customer Journey Mapping:- Besides all the above mentioned tools of consumer segmentation and assessment the role of customer journey mapping is very important for small and micro enterprises. All the previously mentioned approaches are based on past behaviours of the consumer while the consumer journey mapping indicates towards behavioural advancement. Customer journey mapping can only be possible if we can draw information from more than one source and try to match and predict further behaviour of the consumer.

This is how one organization can avoid poor lead generation and enhance their leads by adopting above mentioned approaches. In the next segment the details of lead generation are being explained.

Generation of good quality leads is important for business development and realizing the sales potential of their products. Following are the fundamentals of Lead Generation;

I. Defining Buyer Persona:- The digital marketing can be very effective in knowing and defining buyer persona. There are obvious advantages of digital mode of identification, targeting and classification.

II. Developing Target Audience:- With identification of the consumer and their behaviours targeting becomes more effective.

III. Identifying effective channels:- Once the consumer segments are identified and differentiated it becomes easier to select effective channels for approaching and communicating with them.

IV. Creating a Lead Funnel:- As explained in figure 1 the Lead funnel can be created by accommodating – awareness to marketing qualified leads, sales qualified leads, to the right set of consumers.

V. Developing Content Materials:- Digital tools are very supportive to development of content material to reach our potential consumers.

VI. Effective Lead Nurturing:- Consumers in this segment can be easily attended and nurtured through the internet. The mode can be direct or indirect.

VII. Strong Customer Relationship Management:- With the help of the internet a customized plan of relationship management can be maintained.

VIII. Developing Target Audience:- Digital tools are relatively easier to target audiences irrespective of their sizes or geographical location.

IX. Geographic:- The Internet with GIS and GPS services easily categorise consumers in geographic categories.

X. Sociographic:- The Internet can easily classify in social and economic categories of consumers based on their previous choices and activities.

XI. Psychographic:- Social media posts are very handy in assessing consumers psychographically.

XII. Demographic:- Most of the demographic indicators and variables are easily available on the internet which can be used in lead generation.

XIII. Behavioural:- A right mix of demographic and choice based information can construct behavioural profile of consumers.

The Digital marketing channels are explained in previous sections. Once the fundamental processes of Lead generation are being followed thoroughly then it can be merged with their respective channels of digital marketing.

Identifying Effective Channels for the Lead Generation (Online)

The detailed description of the channels of lead generation is mentioned in previous sections. The idea of presenting these channels is to identify and match them with their right set of lead generation approaches.

- Social Media
- Search Engines
- PPC Ads
- Surveys
- Coupon Registrations
- Event Registrations
- Referrals

Creating a Lead Funnel

Figure 1 Creating a Lead Funnel

A lead funnel can be created as mentioned in the figure from creating awareness to capturing lead, prospect building and segregating MQLs. First four stages belong to the marketing while the bottom three approaches of the funnel belong to the sales; Sales Qualified Leads (SQLs), Opportunity Leads and Final Consumer.

Developing Content Material for Lead Generation

Following are the checklists for the content materials.

- Product Brochures
- Graphic Posts
- Offer Pamphlets
- Product/Service Videos
- Customer Testimonials
- Product/Service Video Manuals
- Festive Promotional Posts
- Loyalty Offers
- Influencer Connect

The above mentioned categories of materials need to be prepared in digital formats. Participants can use them as a checklist for content creating for lead generation.

Effective Lead Nurturing

Lead nurturing is equally important with lead generation. In case of digital marketing following are the steps of lead nurturing. The term will be discussed in detail while the usual meaning of the terms are given below.

- Email Follow-ups :- Regular or Periodic Emails
- Retargeting & Life Time Value Creation:- Sequential and Periodic Retargeting and Creating Values for Life Time. The Meaning of the terms are almost same as in case of traditional mode of marketing however, the tools used in these approaches are different.
- Ad Personalization:- Personalized advertisement for geographical location, language dubbing and others.
- One to One Face Interaction:- Digital Media provides opportunities to interact with consumers in one to one interaction.
- Customer Surveys as part of need analysis:- There are various tools for consumers which are convenient for both parties. These surveys help the organizations to find out new areas of lead generation.

Lead Generation Foundation Model

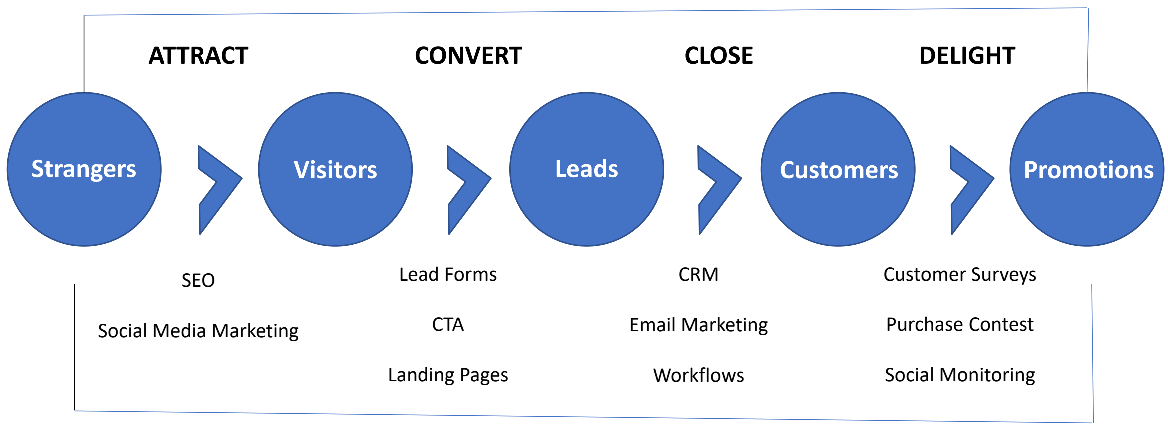


Figure 2 Lead Generation Foundation Model

Lead Generation Foundation Model moves from strangers to promoters. It works with attract, convert, close and delight. In the figure 2, the tools are also mentioned below as they are being used at various stages of the lead generation foundation model.

Lead Generation Tools

- Google Maps Results :- Google Map can be used in marking and de-marking the areas for lead generation.
- Email Marketing Local Database:- E-mail collections are the easiest way to approach high potential consumers.
- Whatsapp Marketing:- What's app marketing provides a personalized and interactive platform for lead generation.
- Hunter:- There are various tools available for identification of consumers directly, such tools are known as Hunters.
- Email Extractor for Chrome :- Google Chrome being one of the most popular browsers in the world can extract email based on location and various other demographic variables.
- Lead Ads on Google and Social Media:- Google Ads, Facebook Ads and other popular modes can be handful in directly generating leads online.
- Unbounce:- Tools which prevents mis-targeting.
- Send In Blue:- Personalized and customized tool for lead generation.
- Hubspot:- Multiple avenues of lead generation from a single source.

Besides the popular tools there are several innovations which are taking place in digital marketing such as; Catchy Headline, Good Pictures or Videos, Guarantee for Authenticity, Lead Form, Engaging Content about the Product, Active Call to Action, Simple yet Attractive Design, Point of Direct Contact, Persuasive Call to Action, Customer Centred Page Planning etc.

INTRODUCTION TO FOOD SAFETY

I. Food Safety means assurance that food is acceptable for human consumption according to its intended use.

II. Food Safety Management System means the adoption of Good Manufacturing Practices, Good Hygienic Practices, Hazard Analysis and Critical Control Point and such other practices as may be specified by regulation, for the food business.

III. Food Safety Hazard means biological, chemical or physical agent in food, or condition of food, with the potential to cause an adverse health effect. There are majorly four types of hazards

Food Hazards

a. Physical Hazards

Any foreign object (inanimate) found in the food or a naturally occurring object (metal, hard plastic), that poses a hazard is called a 'Physical Contamination or Hazard'.

Common Physical Hazards include:

- Glass
- Chipped pieces from equipment
- Metal shavings from equipment's, cans, foils etc.
- Stapler pins
- Blades
- Plastic or chipped pieces of disposables
- Lint and threads
- Band- aids
- Hair
- Finger nails
- Jewellery pieces

b. Chemical Hazards

Naturally occurring and process induced chemical substances that can cause a food borne illness are called a 'Chemical Contaminant or Hazard'.

Natural Chemical Contaminants include:

- Biological toxins
- Mycotoxins (aflatoxin, ochratoxin etc.)

Process Induced Chemical Contaminants include:

- Toxic metals in the processing set up or supply chain
- Pesticides, Colorants
- Cleansing products and sanitizers
- Equipment lubricants
- Chemical Food Additives, Preservatives
- Packaging materials-migration of residues from packaging material to oil.
- Adulteration with other oils or mineral oil

c. Biological Hazards

Biological hazards are organisms, or substances produced by organisms, that pose a threat to human health. They are a major concern in food processing because they cause most food borne illness outbreaks. Major biological hazards include –

- Bacteria ex: Salmonella spp., Enterohaemorrhagic Escherichia coli, Listeria monocytogenes, Staphlococcus aureus, Clostridium botulinum,
- Yeast &Mold ex: Candida, Aspergillus sp., Helicosporium

Biological Hazards Causes -

1. Food Borne Infections – This result when a person consumes food containing pathogens; which grow in the human intestine and cause discomfort or disease. Typical symptoms of a 'food borne Infections' do not appear immediately.
2. Food Borne Intoxications - This result when a person consumes food containing toxins in it; that cause discomfort or disease. Typical symptoms of a 'food borne Intoxication' appear quickly. Food Borne toxin are mediated infections, that result when a person consumes food containing toxins produced by the pathogens in it; which grow in the human intestine and produce toxins that cause discomfort or disease.

Conditions favouring growth of Microorganisms

FAT TOM Conditions	Definition
Food	Food borne Microorganisms draw nutrients from Potentially hazardous foods
Acidity	Food borne Microorganisms grow well between the pH range of most foods
Temperature	Microorganisms grow well between the temperature range of 5^0C – 60^0C, most commonly known as the 'Danger Zone'
Time	Microorganisms need sufficient time to grow; when exposed to the 'Danger Zone'
Oxygen	Microorganisms require oxygen in free or combined state; to favor their growth
Moisture	Microorganisms require moisture to grow and is measured in the form of 'Water Activity (Aw)'

FOOD SAFETY REGULATIONS

To provide assurance of food safety, Food businesses must implement an effective Food Safety Management System (FSMS) based on Hazard Analysis and Critical Control Point (HACCP) and suitable pre- requisite programmes by actively controlling hazards throughout the food chain starting from food production till final consumption

As per the condition of license under FSS (Licensing & Registration of Food Businesses) Regulations 2011, every food business operator (FBO) applying for licensing must have a documented FSMS plan and comply with Schedule 4 of this regulation. Schedule 4 introduces the concept of FSMS based on implementation of Good Manufacturing Practices (GMP) and Good Hygiene Practices (GHP) by food businesses.

Schedule 4: Part-II

General Requirements on Hygienic and Sanitary Practices to be followed by all Food Business Operators applying for License

The establishment in which food is being handled, processed, manufactured, packed, stored, and distributed by the food business operator and the persons handling them should conform to the sanitary and hygienic requirement, food safety measures and other standards as specified below.

It shall also be deemed to be the responsibility of the food business operator to ensure adherence to necessary requirements

1. LOCATION AND SURROUNDINGS

Manufacturing / processing / packaging premises shall be located away from sources of pollution like open drains, garbage yards, industries that emit fumes or gases and dense vegetation.

In order to avoid contamination from external sources such as odor, pests, dust etc., appropriate measures shall be taken to protect the processing area from environmental contamination. Processing area shall not have direct access to any residential area.

2. LAYOUT & DESIGN OF FOOD ESTABLISHMENT PREMISES

a) Outside the food production premise

Layout & Design of the food production unit should be uni directional to prevent backward flow of materials during processing. This is required in order to prevent cross contamination.

b) Inside the food production premise

1. Floors, ceilings and walls of the establishment must be made of impervious material. They should be smooth and easy to clean with no flaking paint or plaster and maintained in a sound condition to minimize accumulation of dirt, condensation & growth of moulds
2. The doors in the establishment shall be made of smooth and non-absorbent surfaces and they shall be easy to clean and disinfectant. Doors can be fiited with automatic closing spring, strip or air curtain.
3. The floor shall have adequate and proper drainage with appropriate slope and they should be easy to clean and disinfect. The drainage shall flow in a direction opposite to the direction of food preparation area to avoid contamination.
4. The drains should be covered to prevent insects and rodents from entering the processing area.
5. The windows, doors & all other openings to outside environment in the establishment shall be well screened with wire-mesh or insect- proof screen to protect the premise from pests. The doors shall be fitted with automatic closing

springs to keep them closed at all times and also the mesh should be easy to remove & clean to avoid accumulation of dust & dirt.

3. EQUIPMENT & CONTAINERS

During preparation / handling / processing / storage of food products like flour, sugar, dairy based products, spices, bakery ingredients, dry fruits, cereals & grains, oilseed, refined oil, etc. certain equipment's e.g. scoops, spoons, cooking vessels, containers, tanks, silos, hoppers, pipes, packaging machines, filters, etc. come into contact with food. All these food contact surfaces shall be:

- made up of non-corrosive / rust free material
- smooth, free from any grooves
- easy to clean and maintain
- non-toxic and non-reactive
- of food grade quality

Generally, food grade stainless steel or galvanized iron material is preferred as it complies with the above requirements.

- All the equipment's used during food preparation, handling &packaging (if any) shall be designed, located and fabricated to facilitate easy cleaning and shall be kept away from impure air and dust.
- Every utensil or container containing food products shall at all times be either provided with a properly fitted cover/lid or with a clean gauze net or other material of texture sufficiently fine to protect the food completely from dust, dirt and flies and other insects.
- No utensil or container used for the manufacturing of food items shall be kept in any place in which such utensil or container be contaminated and thereby render the food noxious.
- All equipment shall be kept clean, repaired and maintained in sound condition all the time.
- All measuring instruments / equipment like temperature gauges, pressure gauges, weighing balances, etc. shall be calibrated periodically for correct measurement.

4. FACILITIES

6. Water Supply: Water used in cleaning of equipment's / containers / cooking vessels shall be potable and shall not introduce any hazards or contaminate the food products. Clean and safe water storage facilities shall be provided. Steam, if used for heating of any food material shall be generated from potable water. If non-potable water is used anywhere in cleaning of containers / areas which are not in use for food processing / handling / storage, then the concerned pipeline shall be identified as such or differentiated from potable water.
7. Drainage and waste disposal: Waste generated during processing like spillage of products, bleaching earth, spent wash, de-gummed oil, ash from boiler, etc. shall be collected regularly and such collected waste shall be stored in such a manner that it will not contaminate the food process and storage area inside / outside the environment of the premises. Waste generated in processing area shall be collected in dustbins and dustbins shall be provided with lid, identified to a specific area and cleaned regularly.

   Collected waste shall periodically be handed over to a local waste-collecting body or disposed of in an appropriate manner that will not cause any hazards.

   An Effluent treatment plant if required shall be set up as per the Environment Pollution Control Board.
8. Personnel facilities and toilets: Personal facilities include hand washing and drying system with potable water supply, adequate and separate lavatories and changing facilities. Hand wash facilities shall be provided with hot or cold running water with self-closing / or elbow operated tap, soap solution, hand drying system / towel and disinfectant. Adequate number of separate clean toilets for males and females, refreshment rooms and changing rooms shall be provided at suitable locations and these shall not have direct access to the process / storage area.

   To generate awareness in food handlers, display boards for 'Do and Don't', personal hygiene, personal behavior and good manufacturing practices shall be put up at prominent places with pictorial information and instructions in an understandable language or the local language.

9. Air quality and ventilation system shall be designed and constructed so that air does not flow from contaminated areas to clean areas. Ventilation is especially important at workstations devoted to raw-material handling, processing, storage, etc.

10. Lighting: Adequate lighting facility shall be provided to enable the food handlers to operate in a hygienic manner. Lighting shall be protected / covered to prevent contamination due to accidental breakages.

CLEANING AND MAINTENANCE OF EQUIPMENT

Cleaning & Sanitation of Equipment and Premises

Detailed cleaning program shall be developed indicating specific areas to be cleaned, cleaning frequency, procedure, equipment, cleaning material and method

- Equipment and containers that come in contact with food products and used for its handling, storage, processing & packaging shall be made of corrosion free materials which do not impart any toxicity to the food material and should be easy to clean and /or disinfect (other than disposable single use types). MS (Mild Steel powder coated) Tanks and pipelines should be preferably avoided and replaced with SS (Stainless Steel).
- Equipment and utensils used in the food product manufacturing shall be kept at all times in good order and repair and in a clean and sanitary condition. Such utensil or container shall not be used for any other purpose.
- Equipment shall be so located, designed and fabricated that it permits necessary maintenance and cleaning functions as per its intended use and facilitates good hygiene practices inside the premise including monitoring and audit.
- Appropriate facilities for the cleaning and disinfecting of equipment's and instruments and wherever possible cleaning in place (CIP) system shall be adopted.
- CIP (cleaning in place) facilities can be adopted for cleaning and disinfecting of equipment and instruments. For cleaning of disassembled equipment, utensils

and containers, a separated and identified cleaning area shall be provided with adequate potable water supply, drainage system and cleaning agents.

- Equipment and containers for waste, by-products and inedible or dangerous substances, shall be specifically identifiable and suitably constructed.
- Containers used to hold cleaning chemicals and other dangerous substances shall be identified and stored separately to prevent malicious or accidental contamination of food.
- If required, a waste water disposal system / effluent treatment plant shall be put in place.
- All items, fittings and equipment's that touch or come in contact with food must be kept in good condition in a way that enables them to be kept clean and wherever necessary, to be disinfected.
- Lubricants and heat transfer fluids shall be food grade where there is a risk of direct or

Dos and Don'ts

- Never store chemicals near food, food storage areas or any tools or equipment that will touch food. Keep them under lock in a designated area only for cleaning tools and chemicals.
- Never leave chemicals on or near a food preparation area. That includes on top of counters, stoves, etc.
- Do not store chemicals above food prep areas, kitchen sinks or drain boards.
- Store chemicals in their originally labelled containers and make sure they are closed properly.
- Never use food storage containers to store, transport or mix chemicals.
- Always read the instructions on the label before use, even if it's a product you use regularly. You don't want to accidentally use the product in the wrong area or use it incorrectly.
- Use safety posters or graphics to warn employees about chemical safety precautions. In businesses where language barriers could be a problem, create materials that are either bilingual or use pictures that don't require further descriptions.

- Always spray chemicals holding the spray nozzle away from you.
- Never mix two different chemicals together.
- Always wear protective gloves and goggles when recommended.

Preventive & Corrective Maintenance

Preventive maintenance programmes shall be in place.

- The preventive maintenance programmes shall include all devices used to monitor and/or control food safety hazards
- Corrective maintenance shall be carried out in such a way that production on adjoining lines or equipment is not at risk of contamination
- Maintenance requests which impact product safety shall be given priority.
- Temporary fixes shall not put product safety at risk. A request for replacement by a permanent repair shall be included in the maintenance schedule.
- Lubricants and heat transfer fluids shall be food compatible where there is a risk of direct or indirect contact with the product.
- The procedure for releasing maintained equipment back to production shall include clean up, sanitizing, where specified in process sanitation procedures, and pre-use inspection.
- Local area PRP requirements shall apply to maintenance areas and maintenance activities in process areas.
- Maintenance personnel shall be trained in the product hazards associated with their activities

5. FOOD OPERATIONS & CONTROL

Procurement of raw materials

While procuring and receiving the raw material, the food handler shall ensure that –

1. Raw materials shall be purchased from reliable and known suppliers. As per Condition of license, every manufacturer, distributor or supplier selling an article

of food to manufacturing shall give either separately or in the bill, cash memo or label a warranty in Form E. i.e. Form of Guarantee.

2. It shall conform to all the Regulations and standards laid down under the Food Safety& Standard Act, 2006.
3. Records of raw materials & source of procurement shall be maintained in a register for inspection.
4. All raw materials should be checked for visible deterioration & off- odour and for any foreign matter.
5. If material is received in tankers (for e.g. milk, oil, water, etc.), it should be checked for seal integrity and mostly dedicated tankers shall be used.
6. No raw material or ingredient thereof shall be accepted if it is known to contain parasites, undesirable micro-organisms, pesticides, veterinary drugs or toxic items or decomposed or extraneous substances, which would not be reduced to an acceptable level by normal sorting and/or processing.
7. Raw materials should be purchased in quantities that correspond to storage/preservation capacity of the establishment.
8. Packaged raw material must be checked for 'expiry date'/ 'best before'/ 'use by date, packaging integrity and storage conditions.

STORAGE OF RAW MATERIALS & FOOD

After receiving and accepting the raw material, there comes the need of storage. The storage facilities shall be designed and constructed to avoid cross - contamination during storage, permit adequate maintenance and cleaning and shall avoid pest access and accumulation. Cold Storage facility shall be provided for food that requires being stored below 5°C.

While designing the storage room, segregation shall be there for raw, processed, packaging, rejected, returned or recalled food items, allergen material & distinguishably marked and secured products (hardware & cleaning chemicals). The storage area for raw food shall be separate from the area of work-in-progress, processed, cooked and packaged products.

Also, the containers made of non-toxic materials shall be provided for storage of raw materials, work-in-progress and finished / ready to serve products.

While procuring and receiving the raw material, the food handler shall ensure that –

1. Storage instructions over food packaging should be followed.
2. Temperature and humidity requisite for respective food materials / products shall be maintained, to enhance shelf life.
3. FIFO (First In First Out) & FEFO (First Expire First Out) stock rotation system as applicable, shall be followed in storage areas, work-in-progress and processed/cooked or packaged food products.
4. The food materials shall be stored on racks / pallets, well above the floor level and away from the wall.

Production

A detailed food safety plan & hygiene requirement to be followed for the manufacturing / processing of different food products.

Transportation

1. Transportation vehicles, tankers, conveyances, and containers shall be maintained in a state of good repair, cleanliness, and condition consistent with requirements given in relevant specifications.
2. Where the same vehicles, conveyances, and containers are used for food and non-food products, cleaning shall be carried out between loads & No petroleum or hazardous chemicals tankers shall be engaged for Food items transportation.
3. Bulk containers shall be dedicated to food use only. Where required by the organization, bulk containers shall be dedicated to a specified material.
4. Bulk tankers, deliveries tankers shall be sealed with plastic / metal seals with numbered seals & thread or lead seals should be restricted.

Conveyances and / or containers used for transporting / serving foodstuffs shall be non-toxic, kept clean and maintained in good condition in order to protect foodstuffs from any contamination.

6. MANAGEMENT & SUPERVISION

A detailed Standard Operating Procedure (SOP) for the processing of food as well as its packing, dispatch and storage shall be developed. A standard operating procedure, or SOP, is a living document showing technical instructions of how to perform a routine or repetitive task. SOPs aim to achieve efficiency, quality output and uniformity of performance, while reducing miscommunication and failure to comply with establishment requirements. The SOP should be based on 5W's & 1H (i.e. why, when, what, where, who & how)

A good standard operating procedure –

- Should provide all information necessary to perform a task
- It is usually specific to the equipment used for the procedure
- Should be detailed
- Should be standalone
- Should provide quality information
- Should provide references

The technical managers and supervisors shall have appropriate qualifications, knowledge and skills on food hygiene principles and practices.

As per the condition of FSSAI license – The Food Business Operator shall employ at least one technical person to supervise the production process.

The person supervising the production process shall possess at least a degree in science with Chemistry/ Bio-chemistry/ Food and nutrition/ Microbiology or a degree or diploma in Food Technology/ Dairy Technology/ Dairy Microbiology/ Dairy chemistry/ Dairy engineering/ Oil technology/ Veterinary science / Hotel management & technology or any degree or diploma in any other discipline related to the specific requirement of the business from a recognized university or institute or equivalent.

It should be ensured that SOPs help handle, store, and process, prepare and display the food products safely and correctly and that the lot or batch can be easily traced and recalled if necessary.

7. FOOD TESTING FACILITY

A well-equipped laboratory for physical, microbiological and chemical analysis shall be in place inside the premise of establishment. In case of any suspicion or possible contamination, food materials shall be tested before dispatch by the Food Business Operator.

If there is no in house laboratory facility, then regular testing shall be done through an accredited lab notified by FSSAI. In case of complaints received and if so required, the company shall voluntarily do the testing either in the in-house laboratory or an accredited lab or lab notified by FSSAI. As per the condition of FSSAI license – Food Business Operator shall ensure testing of relevant chemical and/or microbiological contaminants in food products in accordance with these regulations as frequently as required on the basis of historical data and risk assessment to ensure production and delivery of safe food through own or NABL accredited /FSSA notified labs at least once in six months.

FOOD TESTING

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8. AUDIT, DOCUMENTATION & RECORDS

1. A periodic audit of the whole system according to the SOP shall be done.
2. Appropriate records of raw material receipt, stock of existing RM, production, storage, distribution, service, laboratory test results, cleaning and sanitation, pest control and product recall shall be kept.
3. The records shall be retained for a period of one year or till the shelf-life of the product, whichever is more.

9. SANITATION AND MAINTENANCE OF ESTABLISHMENT PREMISES

PEST CONTROL

A pest is any living organism that causes damages or discomfort, or transmits or produces diseases.

1. The establishment shall have a nominated person to manage pest control activities and/or deal with appointed expert contractor.
2. Pest management programmes shall be documented and shall identify target pests, and address plans, methods, schedules, control procedures and, where necessary, training requirements.
3. Programmes shall include a list of chemicals which are approved for use in specified areas of the establishment to be get listed in agreement.
4. Food establishment, including equipment and building shall be kept in good repair to prevent pest access and to eliminate potential breeding sites. Holes, drains and other places where pests are likely to gain access shall be kept in sealed condition or fitted with mesh / grills / claddings or any other suitable means as required and animals, birds and pets shall not be allowed to enter into the food establishment areas/ premises.
5. Food materials shall be stored in pest-proof containers stacked above the ground and away from walls.
6. Pest infestations shall be dealt with immediately and without adversely affecting the food safety or suitability. Treatment with permissible chemical, physical or biological agents, within the appropriate limits, shall be carried out without posing a threat to the safety or suitability of food. Records of pesticides / insecticides used along with dates and frequency shall be maintained.

7. Animals, birds and pets shall not be allowed to enter into the food establishment areas/ premises.
8. In order to control the settlement of pests in the surroundings (i.e. not to provide them place of refuge and feed resources) it is necessary to maintain a non-attractive environment which includes:
   - Isolated storage of unutilized materials, pallets and machines, without contact with the walls and buildings.
   - Design and maintenance of external spaces, including:
   - Elimination of holes and spaces in waste land with high vegetation.
   - Regular cutting of grass lawns
   - The elimination of stagnant water.
   - The absence of rags, papers, plastic films and other detritus abandoned on the ground.
9. Tidying and cleaning of technical buildings (machine shop, boiler room, refrigeration rooms, and electrical cabinets) to avoid rodent settlement.
10. Mosquito nets at window and suitable screens on access doors.
11. Rigorous management of waste containers, which include:

MONITORING AND DETECTION

Pest-monitoring programmes shall include the placing of detectors and traps in key locations to identify pest activity. A map of detectors and traps shall be maintained. Detectors and traps shall be designed and located so as to prevent potential contamination of materials, products or facilities.

The Major Pest includes – (Informative purpose)

12. Cockroaches
13. Rodents (mice, rats, squirrels etc.)
14. Flies
15. Stored product pests (Flour beetle, sawtooth grain beetle, cigarette beetle, Indian meal moth etc.)

10. PERSONAL HYGIENE

No personnel suffering from a disease shall be allowed to enter into any food handling area. Any person suffering from a disease shall immediately report illness to the management and medical examination of a food handler shall be carried out immediately.

All personnel shall be medically examined once in a year and a record signed by a registered medical practitioner shall be maintained. All the personnel shall be compulsorily inoculated against the enteric group of diseases and a record shall be maintained. In case of an epidemic, all workers are to be vaccinated irrespective of the scheduled vaccination.

Medical examination to be concluded –

1. Physical examination
2. Eye Test
3. Skin examination
4. *Compliance with schedule of vaccine to be inoculated against enteric group of diseases
5. Any test required to confirm any communicable or infectious disease which the person suspected to be suffering from on clinical examination

Note - * Vaccine to be inoculated against enteric group of diseases, shall be decided by the medical practitioners according to the list as declared by the municipal corporation of that area.

BEHAVIOURAL & PERSONAL CLEANLINESS

Personal cleanliness of food handlers is the most important link in preventing foodborne illness. These personal hygiene habits shall become a part of their behaviour.

1. All food handlers shall wear suitable clean protective clothing, head covering, face mask, gloves and footwear.
2. Food handlers shall always wash their hands with soap and clean potable water, disinfect their hands and then dry with hand drier or clean cloth towel or disposable paper.
3. Food handlers shall always wash their hands at the beginning of food handling activities immediately after handling raw food or any contaminated material,

tools, equipment or work surface, where this could result in contamination of other food items or after using the toilet.

4. No Food handlers shall be engaged in smoking, spitting, chewing, sneezing or coughing over any food and eating in food preparation and food service areas.
5. The food handlers should trim their nails and hair periodically.
6. Food Handlers shall avoid certain hand habits such as scratching nose, running finger through hair, rubbing eyes, ears and mouth, scratching beard, scratching parts of bodies etc. When unavoidable, hands should be effectively washed before resuming work after such actions.
7. Street shoes inside the food preparation area should not be worn while handling & preparing food.
8. Food handlers should not handle soiled currency notes/cards to avoid cross contamination.

Visitor Management

1. Generally, visitors should be discouraged from going inside the food handling areas.
2. Visitors when entering food manufacturing, cooking, preparation and storage or handling areas shall wear protective clothing, footwear.
3. Visitors shall adhere to the personal hygiene provisions as mandate for food handlers.

11. PRODUCT INFORMATION AND CONSUMER AWARNESS

All packaged food products shall carry a label and requisite information as per provisions of FSS Act, 2006 and Regulations made there under. (Please refer

http://www.fssai.gov.in/home/fss-legislation/fss-regulations.html

Labelling General Requirement –

Every pre-packaged food shall carry a label containing information as required hereunder unless otherwise provided, namely -

1. The particulars of declaration required under these Regulations to be specified on the label shall be in English or Hindi in Devanagari script; Provided that nothing

herein contained shall prevent the use of any other language in addition to the language required under this regulation.

2. Pre-packaged food shall not be described or presented on any label or in any labelling manner that is false, misleading or deceptive or is likely to create an erroneous impression regarding its character in any respect.
3. Labels in pre-packaged foods shall be applied in such a manner that they will not become separated from the container.
4. Contents on the label shall be clear, prominent, indelible and readily legible by the consumer under normal conditions of purchase and use.
5. Where the container is covered by a wrapper, the wrapper shall carry the necessary information or the label on the container shall be readily legible through the outer wrapper and not obscured by it.
6. License number shall be displayed on the principal display panel in the following format

Labelling of Pre-packaged Foods

In addition to the General Labelling requirements specified above every package of food shall carry the following information on the label, namely -

- Name of the food
- List of ingredients in descending order
- Nutritional information
- Declaration regarding veg or non-veg
- Declaration regarding food additives
- Name and complete address of manufacturer or packer
- Net content by weight or volume
- Date of Manufacture / Packing
- Lot / Code / Batch identification
- Best Before Date
- Instructions for use
- Importer details and Country of origin for imported products

12. TRAINING

1. All food handlers shall be aware of their role and responsibility in protecting food from contamination.
2. Food handlers shall have the necessary knowledge and skills which are relevant to food processing / manufacturing, packing, storing and serving.
3. All food handlers shall be trained in food hygiene and food safety aspects along with personal hygiene requirements.
4. Periodic assessments of the effectiveness of training, awareness of safety requirements and competency level shall be made.
5. Training programmes shall be routinely reviewed and updated wherever necessary.

FSSAI STANDARDS & REGULATIONS

Section 92 (1) of Food Safety and Standards Act, 2006 empowers the Food Authority to make regulations/standards in consistent with this Act and Rules made there under. After the enactment of the FSS Act, 2006 FSSAI has drafted six principal regulations through extensive consultation and deliberations/ meetings with various stakeholders. These regulations have been notified in the gazette of India on 1st August, 2011 and came into force on 5th August, 2011.

The Food Safety & Standards Act 2006 is Act to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India for laying down science based standards for articles of food and to regulate their manufacture, storage distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto.

1. Prevention of Food Adulteration Act, 1954
2. Fruit Products Order, 1955
3. Meat Food Products Order, 1973
4. Vegetable Oil Products (Control) Order, 1947
5. Edible Oils Packaging (Regulation) Order, 1988,

6. Solvent Extracted Oil, De-oiled Meal and Edible Flour (Control) Order, 1967
7. Milk and Milk Products Order, 1992
8. Any order under Essential Commodities Act, 1955 relating to food.

Total 21 Regulations.

Six principal regulations were notified in the gazette of India on 1st August, 2011 and came into force on 5th August, 2011.

5 New regulations were notified in 2016 & 2017.

Another 11 regulations were added between 2018 & 2020.

Regulation-1

Licensing and Registration of Food Businesses (Regulation, 2011)

- This regulation came in force on 5th August, 2011
- Subject to Regulation, no person shall commence any food business unless he possesses a valid license
- Sanitary and hygienic requirements for food manufacturer/ processor/handler

Regulation-2

Licensing and Registration of Food Businesses (Regulation, 2011)

- This standard describes product and provide specification of every ingredient.
- This regulation provides detailed standards of various food products, It prescribes the limits of various food additives used across different food groups; and lays down microbiological requirement for different foods. It essentially consists of physical, chemical and microbiological standards of different foods.

Regulation-3

Prohibition and Restriction of Sales (Regulation, 2011)

- This regulation gives a guidelines defined which product has restriction for sale or not allowed to sale.

Regulation-4

Packaging and Labeling (Regulation, 2011)

- This standard is about packaging and labeling requirement.
- Mandatory printing articles.
- With the growing concern over the health risks that are involved in the consumption of packaged food, the FSSAI is now stringent on the regulatory norms related to FSSAI packaging and labelling requirements.

Regulation-4

Contaminants, Toxins and Residues (Regulation, 2011)

- This regulation provide information on maximum residual limits of Contaminants, Toxins and Residues.
- Prescribes that the chemicals as described in the monograph of Indian Pharmacopoeia when used in food shall not contain metal contaminants beyond the limit prescribed therein.

Regulation-5

Contaminants, Toxins and Residues (Regulation, 2011)

- This regulation provide information on maximum residual limits of Contaminants, Toxins and Residues.
- Prescribes that the chemicals as described in the monograph of Indian Pharmacopoeia when used in food shall not contain metal contaminants beyond the limit prescribed therein.

Regulation-6

Laboratory and Sampling Analysis (Regulation, 2011)

- This regulation provide procedure of sampling and analysis along with sample size of various article of food.

Regulation-7

Food or Health Supplements, Nutraceuticals, Foods for Special Dietary Uses, Foods for Special Medical Purpose, Functional Foods and Novel Food, (Regulations, 2016)

- These regulations cover eight categories of Functional foods, namely, Health Supplements, Nutraceuticals, Food for Special Dietary Use, Food for Special Medical Purpose, Specialty food containing plant or botanicals, Foods containing Probiotics, Foods containing Prebiotics and Novel Foods.

Regulation-8

Food Recall Procedure (Regulation, 2017)

- These regulations shall apply to the food or food products that are determined or prima facie considered unsafe and/or as may be specified by the Food Authority from time to time.
- Recall can be defined as an action to remove food products from market at any stage of the food chain, including that possessed by consumer, which may pose a threat to the public health or food that violate the Act, or the rules or regulations made there under.

Regulation-9

Import (Regulation, 2017)

- This regulation describe about Licensing of Food Importers.
- Clearance of Imported Food by the Food Authority.
- Section 25 of the Food Safety & Standard Act, 2006, stipulates that all imports of articles of food are subject to the provisions of the Act. Selective sampling & testing of food articles on the basis of risk profiling done by FSSAI is implemented at the Customs ICEGATE.

Regulation-10

Approval for Non-Specific Food and Food Ingredients (Regulation, 2017)

This regulation describe process for approval of novel food, food not having specification laid down in FSSR, 2011.

In the new regulation, FSSAI has defined Non-specified food as "any food other than proprietary food or food ingredients, including additives, processing aids and enzymes for which standards have not been specified in any regulation made under the Act."

Regulation-11

Organic Food (Regulation, 2017)

- These Regulations recognizes two systems of certification i.e. Participatory Guarantee System (PGS) implemented by Ministry of Agriculture and Farmers
- Welfare and National Programme for Organic Production (NPOP) implemented by Ministry of Commerce and Industry.
- These regulations ensure integrity of the Organic Food products, and help in controlling unscrupulous practices in the market.

Regulation-12

Alcoholic Beverages (Regulation, 2018)

- Specifying the standards for Alcoholic beverages namely Distilled Alcoholic Beverage, Wines and, Beer.
- It also specifies the specific requirement for labelling of Alcoholic Beverages in addition to the labelling requirements of FSS (Packaging and Labelling) Regulations, 2011.
- The specific labelling requirements are declaration of alcohol content, labeling of standard drink, not to contain any nutritional information, no health claim, restriction on words 'non-intoxicating' or words implying similar meaning on label of beverage containing more than 0.5 per cent alcohol by volume, Labelling of wine, Allergen warning, statutory warning etc.

Regulation-13

Fortification of Food (Regulation, 2018)

- Food Fortification is a scientifically proven, cost-effective, scalable and sustainable global intervention that addresses the issue of micronutrient deficiencies.
- This regulation is for fortifying staples namely Wheat Flour and Rice (with Iron, Vitamin B12 and Folic Acid), Milk and Edible Oil (with Vitamins A and D) and Double Fortified Salt (with Iodine and Iron) to reduce the high burden of micronutrient malnutrition in India.
- The '+F' logo has been notified to identify fortified foods.

Regulation-14

Food Safety Auditing (Regulation, 2018)

- To strengthen the food safety surveillance system, FSSAI has envisaged audits of Food Business Operators through Private Auditing Agencies.
- In order to cultivate and foster the growth of compliance culture, FSSAI is enabling compliance through private recognised Auditing Agencies.
- Food Safety Audits will reduce the regulatory Food Safety Inspections conducted by Central or State Licensing Authorities.
- Satisfactory Audits will lead to less frequent regulatory inspections by Central or State Licensing Authority except the regulatory sampling. This will strengthen food safety surveillance system and encourage self-compliance while at the same time assuring safe food to the consumers.

Regulation-15

Recognition and Notification of Laboratories (Regulation, 2018)

- Food Testing and analysis is an essential part of the food safety ecosystem to assure that the food is safe to consume.
- For the same, FSSAI recognizes and notifies NABL accredited food laboratories under Section 43 of FSS Act, 2006.
- FSSAI is also recognizing foreign laboratories to reduce the time in clearance of food consignments at ports.
- FSSAI approved notified laboratories as National Reference Laboratories (NRLs) and as ancillary facility of NRLs (ANRLs) for specific purpose.

Regulation-16

Advertising and Claims (Regulation, 2018)

- These regulations are aimed at establishing fairness in claims and advertisements of food products and make food businesses accountable for such claims /advertisements so as to protect consumer interests.
- As per these regulations, firms running food businesses cannot use words or phrases such as natural, fresh, original, traditional, authentic, genuine, real on the food labels, barring some exceptions.
- Such restrictions are primarily aimed at restricting an open-ended use of these words by food businesses on frivolous grounds

Regulation-17

Packaging (Regulation, 2018)

- The General Requirements have been laid down regarding packaging materials used for packing food.
- The Regulations lay down specific requirements regarding the materials and substances that are intended to come in contact with food products.
- This describes the specification of material which can be used as a packing material of food article.

Regulation-18

Recovery and Distribution of Surplus food (Regulation, 2019)

- To establish a uniform national regulation to protect organizations and individuals when they donate food in good faith.
- To encourage the donation of food and grocery products to non-profit organizations for distribution to needy individuals.
- This describes about how surplus food can be distributed, considering both food safety and food wastage.

Regulation-19

Safe food and balanced diets for children in school (Regulation, 2020)

- It provides the fundamental idea and makes clear what foods are healthy and what is not healthy for school children to consume.
- Responsibilities of School Authority to ensure safe food and balanced diets on school premises.
- Promotion of safe food and balanced diet in and around school campus.
- Food marketing and advertisement and selling to children in school.

Regulation-20

Foods for Infant Nutrition (Regulation, 2020)

- This regulation include standards for Infant formula for special medical purpose especially food for infants inborn with Errors of Metabolism (IEM).
- Standards for Premature infant milk substitutes, Lactose-free and Lactose and sucrose free infant milk substitutes under infant formula for special medical purposes.
- There are also standards for food for infants based on traditional food ingredients.

Regulation-21

Labelling and Display (Regulation, 2020)

- These regulations prescribe the labelling requirements of pre-packaged foods and display of essential information on premises where food is manufactured, processed, served and stored.
- Food service establishments with central license or outlets at 10 or more locations will have to mention the calorific value (in kcal per serving and serving size) against the food items displayed on the menu cards or boards or booklets.
- Proposed colour-coded labelling which was intended to enable consumers to identify products that are high in fat, salt and sugar (HFSS) products.
- Functional classes for food additives shall be declared together with the specific name(s) or recognized International Numbering System (INS) as specified in FSS (Food Product Standards and Food Additives) Regulations, 2011 in the list of the ingredients.

WEIGHTS & MEASURES ACT

The Standard of Weights and Measures Act, 1976 was enacted to establish standards of weights and measures, to regulate inter-state trade or commerce

in weights, measures and other goods which are sold or distributed by weight, measure or number, and to provide for matters connected therewith or incidental thereto.

- The Legal Metrology Act 2009 has come into effect after its publication in the Official Gazette on the 14th January 2010.
- It replaces The Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985.
- Appointment of Government approved Test Centers for verification of weights and measures.
- Companies to nominate a person who will be held responsible for breach of provisions of the Act
- simplified definition of "Packaged Commodity"
- More stringent punishment for violation of provisions are some of the new features of the Act.

The Legal Metrology (Packaged Commodities) Rules, 2011

Rule 2(h) of Packaged Commodities Rules 2011 defines "Principal Display Panel" in relation to a package, means the total surface area of the package where the information required under these rules are to be given in the following manner, namely;

- all the information could be grouped together and given at one place; or
- the pre-printed information could be grouped together and given in one place and on line information grouped together in other place;

Mandatory declarations

- Name and address of the manufacturer/ packer/ importer;
- Common or generic name of the commodity:
- Net quantity;
- Month and year of manufacture/ pack/ import
- Retail sale price in the form of Maximum Retail Price Inclusive of all taxes;
- Consumer care details;
- Country of origin.

Packaged Commodities covered under the Rules

While certain provisions are applicable for all packaged commodities there are certain rules that do not apply to certain kinds of commodities. Chapter II of the Rules, for example, deal with packages that are meant for retail sale, these provisions would not be applicable to certain kind of commodities.

Beyond the obvious, these rules would not be applicable for products meant for institutional or industrial consumers, i.e. those institutions who directly purchase from the manufacturer for use by the said institution OR consumers who buy the products directly from the manufacturer for use in that industry.

For example, a hospital buying packaged paint directly from paint company would amount to an institutional consumer, and the products would not require the declarations that otherwise are required had the products been sold in retail market.

Further, commodities which contain quantity of more than 25 kg or 25 litres (50 respectively in case cement and fertilizers) are exempted from the specific requirements of retail packages.

Additionally, the Rules do not apply to certain packages even if they satisfy all other criteria if:

1) The package is sold by weight or measure and amounts to less than 10 ml or 10 gm (provided the product is not tobacco); or
2) Package contains fast food items and is packed by hotels/restaurant/similar body; or
3) Contains scheduled drugs and non-scheduled drugs covered by the Drugs (Price Control) Order, 1995; or
4) Agricultural farm produce in packages above 50 kgs; or

Thread which is sold in the form of coil to handloom weavers.