

Pre - Feasibility Report

on

Business School



Cygnus

Business Consulting & Research Pvt.Ltd.

Knowledge Partner for Profitable Growth

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Preface

As per CLSA, the size of Indian Private MBA market is worth US\$ 731 million & is expected to reach US\$ 1463 million by 2012. According to Cygnus estimates, the demand for MBAs in the year 2006-07 was 310,000, whereas the supply was 165,000. The demand increased by 6.45% to 330,000 in 2007-08, while the supply increased to a minuscule 175,900. The cumulative short supply during the period, 2006-08, reached about 299,100. Although there may be slight decline in the demand in 2008-09, it is expected to rebound from 2011-12 onwards. The cumulative demand for MBAs during the period, 2008-12, is expected to be about 1,340,000, but the potential number of MBA pass outs during this period is expected to be about 740,000, i.e., a gap of 600,000 MBAs is expected to build up in 4 years time. To tide over this short supply, there is an immediate need for more than 1,500 new business schools in the country.

The Pre-feasibility Report on Business School is prepared taking into account the immense potential for business schools offering post graduate level management education in the country. This report is structured into five chapters consisting of Education System in India, Higher Education in India, Overview of Management Education in India, Project Concept & Details and Conclusion. The report provides an overview of Indian higher education & management education, demand & supply scenario, industry structure and growth drivers. It also gives insight into the procedure for setting up a business school, guide to getting investors, procedure for getting bank loan, capital outlay, profitability, payback period, internal rate of return and other project-related analysis. Financial model of the project in MS Excel format is also provided along with the report. Potential buyers may customise the calculations in this user-friendly model and check the viability of their projects.

The report will be useful to business people or entrepreneurs planning to set up business schools, banks offering loan services to business schools, interested foreign investors, overseas business schools, and independent management and financial consultants.

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