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Project Appraisal

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Executive Summary:

This report give the analysis, feasibility study & the impact of launching a Ecommerce website & an mobile application on an fertiliser and cattle feed shop which is located at chimanganj mandi Ujjain (MP)

Objective:The purpose of this report is to understand and review the current practices of the store and to provide a more workable solution to expand their market and discover new opportunities.

Bansal & Company, a multifaceted agricultural supply shop, offers cattle feed, fertilisers, Tudki, and Churi. The shop emerges from a vision to serve the agricultural community by providing essential supplies. The strategic importance lies in catering to diverse farming needs, enhancing productivity, and sustaining crop quality as they are established from 1980 & has a high percentage of market capitalization.

The problem i found was there are **no shops till date that accept credit cards & debit card payment** and very few shops use paytm, phonepay or any other UPI payments and the other problem is that 20% of the **farmers do not have their own vehicle** so they need to hire a rented one so i am solving this problem by providing then home delivery. So to solve this problem I'm **launching a mobile app and eCommerce website** bridging two crucial gaps for farmers. Now, they can effortlessly **purchase agricultural supplies using debit/credit cards and enjoy doorstep delivery**, simplifying access to essential goods.

Significance of E Commerce website:

1. **Accessibility:** Provides easy access to fertilisers and cattle feed for farmers in Ujjain and surrounding areas, eliminating the need for physical stores and travel.
2. **Convenience:** Enables farmers to browse, compare, and purchase products conveniently from anywhere, anytime, simplifying their procurement process.
3. **Diverse Choices:** Offers a wide range of fertilisers and cattle feed options, allowing farmers to explore and select products that best suit their needs and budgets.
4. **Online Payment:** Facilitates secure transactions through various payment modes, including debit and credit cards, easing financial transactions for farmers.

5. **Home Delivery:** Ensures doorstep delivery, saving farmers time and effort, and ensuring timely access to essential agricultural supplies.

Capital budgeting focused on optimising resources for inventory management, ensuring adequate stock of various agricultural supplies. This organisation has been runned by a single owner name **Mukesh Bansal** Under which there are 2 managers & 8 workers. There is one shop & 1 storage house in which all the goods are kept which are located within 50 metres.

Introduction:

For 43 years, Bansal and Company has helped farmers with top-grade fertilisers and cattle food. They offer more than 8 types of oil cake, more than 5 types of fertiliser, more than 10 types of cattle feed, more than 5 types of churi, and more than 4 types of Tukdi & Kapas. Their solid dedication has won them a striking 60% market share. **This shows the trust and quality they offer.** Bansal and Company have made strong bonds over the years. They offer products that boost crop growth. This helped many farmers and became an essential part in Ujjain's farming world. The rate of **customer return to their shop is 90%**. Their business is growing at 20% per annum but in recent years their growth rate has declined due to pandemics and some other factors. So to solve this problem and boost their sales we have decided to launch a mobile app and eCommerce website bridging two crucial gaps for farmers. Now, they can effortlessly purchase agricultural supplies using debit/credit cards and enjoy doorstep delivery, simplifying access to essential goods. So in this project we will find the solution of this project upon the following factors:

- Strategic Importance
- Idea Generation
- Feasibility Study
- Capital Funding
- Capital Budgeting
- Inventory Management
- Organisational Structure
- Risk Management
- Stakeholder Analysis
- Conclusion
- References

Following are the cost of one bag goods:

Fertiliser: 480-1200 Rs

Cattle feed: 1000-1300 Rs

Cotton Seed Oil Cake: 2100-2600 Rs

Churi: 800-1200 Rs

Tukdi: 1000-1200 Rs

About the Product:

1. Fertilisers: Fertiliser, natural or artificial substance containing the chemical elements that improve growth and productiveness of plants. Fertilisers enhance the natural fertility of the soil or replace chemical elements taken from the soil by previous crops. Fertiliser.

2. Cattle Feed: Cattle feed contains protein, energy, minerals and vitamins required for the growth, maintenance and milk production of animals. It is advantageous to feed extra cattle to pregnant animals for proper development of the foetus. It increases reproductive efficiency, milk production as well as fat content of milk.

Government Guidelines:

- The feed manufacturer must procure the BIS licence from the Bureau of Indian Standards (ISI Mark).
- Cattle feed is one such category that falls under the purview of the FSSAI.
- A licence from the State Department of Agriculture or the State Department of Agriculture Marketing.
- The dealer and wholesale licence for fertilisers is a pivotal step for your business.
- There is fixed rate of selling Fertilisers, no one can sell above MRP.

Competitive Analysis:

- Currently in the market there are around 300 shops, all are almost selling the same thing but of different brands.
- There is no one in Ujjain market who is selling Fertilisers & Cattle feed online.



Strategic importance:

Taking a fertiliser and cattle feed business online holds significant strategic importance in the modern market. Here are some key points:

- **Expanded Market Reach:** Going online allows access to a wider audience beyond local geographical boundaries, enabling the business to reach national or even global markets.
- **Enhanced Visibility and Brand Awareness:** Online presence through websites, social media, and e-commerce platforms boosts visibility, attracting more potential customers and increasing brand recognition.
- **Customer Convenience:** Offering products online provides customers with convenience and flexibility to browse, compare, and purchase from anywhere at any time, improving overall customer experience.
- **Data-Driven Insights:** Online platforms allow for data collection and analysis, offering valuable insights into customer behaviour, preferences, and market trends, enabling better-informed business decisions. This will also help us to get new leads as we will get customer contact numbers and mail ID.
- **Cost Efficiency:** Operating online does not require a large amount of money but we can get a huge return from it as it's the first time that farmers will be able to buy fertiliser & cattle feed online.
- **Diversification and Innovation:** Online platforms provide opportunities to diversify product offerings, introduce new products.
- **Adaptation to Changing Trends:** With the growing preference for online shopping, particularly post-pandemic, an online presence ensures the business remains aligned with changing consumer habits.
- **Customer Engagement and Feedback:** Online platforms facilitate direct communication with customers, enabling feedback collection, fostering engagement, and allowing for improved customer service.

Idea Generation

- ❖ The issue at hand identified revolves around convenient payment options and transportation barriers that farmers lack when purchasing agricultural inputs.

Existing stores are less likely to adopt digital payment methods, leaving customers who rely on cashless transactions worried. In addition, a large proportion of farmers who do not own their own vehicles rely on rental cars, further complicating the purchasing process.

- ❖ To address these challenges, I am introducing a comprehensive **solution through a mobile app and e-commerce website**. This initiative aims to fill this gap by providing easy, cashless transactions facilitated by popular debit/credit card and digital payment methods such as bank transfer Paytm, Phonepe, google pay, UPI transactions & Furthermore, by providing home delivery services, the platform ensures access to agricultural products without the need for personal vehicles. This innovation not **only streamlines the procurement process** but also **increases both convenience and efficiency for farmers**, thus creating a dramatic change in their access to critical inputs.

A feasibility study is an evaluation of the performance of a proposed program or project. Feasibility studies examine the feasibility of a project and determine whether the project or project has the potential for success. The survey has also been conducted to identify issues and problems that may arise during operation. Such surveys help businesses determine how to grow. They will learn more about how to operate, potential barriers, who the competitors are, and what the market is.

Capital Funding

Capital finance is important in the evaluation of the project because it provides the financial resources needed to implement and sustain projects. Adequate capital funding ensures that businesses have the necessary financial support for initial investments, operating expenses, and possible future expansion. It plays a vital role in the success of the project by enabling timely execution of services, procurement and effective management. **Lack of capital can lead to delays, poor quality, and even project failure.** Thus, in order to realise the envisaged benefits, it is necessary to generate sufficient funds to meet the objectives given in the project evaluation.

Bansal & Company to conduct their business online. Costs include such as hardware, software, and implementation costs. While talking to Mr. Mukesh Bansal, we were aware of their current capital position and financial position. Bansal & Co. can ensure the availability of internal capital for expansion.

Operating cost = 15,000 Rs (Fixed Cost)
5,000 Rs (Variable Cost)

Total initial Investment = 20,000 Rs

Capital Budgeting (1year)

Budget allocation in capital budgeting involves distributing financial resources to different areas or projects within a company, So for Bansal & Co. to take their business Online the budgeting will be as followed:

Domain: 1,000 Rs

Logo Creation: 1,000 Rs

Website Creation: 8,000 Rs

Digital Marketing: 8,000 Rs

Hosting platform: 2,000 Rs

Total Budget Required = 20,000 Rs

Techniques: (NPV, Payback Period)

Net Present Value:

- Net present value (NPV) is the difference between the present value of cash inflows and the present value of cash outflows over a period of time.
- NPV is the result of calculations that find the current value of a future stream of payments using the proper discount rate. In general, projects with a positive NPV are worth undertaking, while those with a negative NPV are not.

| Years | Value | PVF | New Value | Total Value |
|-------|--------|-----|-----------|------------------------------------------|
| 1 | 20,000 | 10% | 18,000 | NPV After 5 year Will Be 73,000 Rs |
| 2 | 20,000 | 10% | 16,400 | |
| 3 | 20,000 | 10% | 15,000 | |
| 4 | 20,000 | 10% | 12,400 | |
| 5 | 20,000 | 10% | 11,200 | |

Payback Period:

- Payback period is defined as the number of years required to recover the original cash investment. In other words, it is the period of time at the end of which a machine, facility, or other investment has produced sufficient net revenue to recover its investment costs.
- The payback period will be used to compare projects and derive the number of years it takes to get back the initial investment. The project with the least number of years usually is selected.

| S. No. | Yearly Value | Compounded Value |
|--------|--------------|------------------|
| 1 | 20,000 | 20,000 |
| 2 | 20,000 | 40,000 |
| 3 | 20,000 | 60,000 |
| 4 | 20,000 | 80,000 |
| 5 | 20,000 | 1,00,000 |

Payback Period = 3 Year 4 Month & 6 Days

Feasibility Study

A feasibility study is an evaluation of the performance of a proposed program or project. Feasibility studies examine the feasibility of a project and determine whether the project or project has the potential for success. The survey has also been conducted to identify issues and problems that may arise during operation. Such surveys help businesses determine how to grow. They will learn more about how to operate, potential barriers, who the competitors are, and what the market is.

Technical Feasibility:

In this we will require a website which should be user friendly, Device friendly, which can perform good when traffic is there, it should have all Ecommerce features like payment gateway, wishlist, cart, Etc. We will be promoting your application from the website itself. We will be doing digital marketing in which we will target your customers.

Economic Feasibility:

An economic benefit analysis involves analysing the costs and benefits of a project. Instrument Under this feasibility study, a detailed analysis is conducted to determine what the project will cost for development including all necessary costs such as software resource requirements, design and development costs and operations costs etc. for final development. Then, it is analysed whether the project will benefit the organisation financially or not. So in your case we have a **total operating cost = 20,000 Rs which will be recovered in 1 year** so it is a very good project for the organisation.

Operational Feasibility:

The business feasibility study assesses whether your organisation can accomplish this task. This includes staffing needs, organisational structure, and any applicable legal requirements. At the end of the performance assessment, your team will get a feel for whether you have the resources, skills and competencies to complete this task. But in your case we will just require a logistic person who can deliver your product that too demand based so we can easily afford that.

Market Feasibility:

Market feasibility assesses a product or service's potential success in a specific market. It involves analysing demand, competition, marketing and sales, and financial viability to determine if there is sufficient demand at a profitable price. So I came to the conclusion that there are people that have the need for your service. We have interviewed them and they have agreed to use your website & it is operating at a low rate so it is market feasible.

BANSAL & COMPANY WEBSITE

SWOT ANALYSIS

A SWOT analysis helps you understand your business's strengths, weaknesses, opportunities, and threats. Fill in the following sections:

| STRENGTHS | WEAKNESSES |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• SAVINGS IN LOCAL COSTS• GEOGRAPHIC REACH• DATA COLLECTION• CONVENIENCE AND FLEXIBILITY | <ul style="list-style-type: none">• REMOTE CUSTOMER SERVICE• DELIVERY TIMES• TECHNOLOGICAL BARRIERS• FRAUD RISK |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none">• E-COMMERCE EXPANSION• POPULARITY OF HOME DELIVERY• USE OF IA AND AUTOMATION• MORE PERSONALIZED OFFER | <ul style="list-style-type: none">• COMPETITIVE SECTOR• LOGISTICAL PROBLEMS• ECONOMIC UNCERTAINTY• CHANGES IN TREND |

Market Feasibility Analysis:



Inventory Management

- Inventory management helps companies know who and how much stock to order at a given time. It tracks inventory from purchase to sale. The process identifies and responds to trends to ensure that there is always sufficient stock to meet customer orders and appropriate shortage alerts.
- Once sold, the inventory becomes revenue. Prior to sale, inventories (even if reported as assets on the balance sheet) tie up cash, So excess stock costs money and reduces cash flow.
- Inventory management is critical to the health of a company because it helps ensure that there is rarely too much or too little inventory, reducing the risk of inventory outages and record failures. The truth subsides: Some inventory management systems use chemistry and analysis to develop inventory management. Others rely on products.
- All methods aim to improve accuracy. The method used by a company depends on its needs and available resources.
- The ways which are used by **Bansal & Company** are mentioned below:
 1. **ABC Analysis:** This method works by identifying the most and least popular types of stock.
 2. **Demand Forecasting:** This form of predictive analytics helps predict customer demand.
 3. **Economic Order Quantity (EOQ):** This formula shows exactly how much inventory a company should order to reduce holding and other costs.
 4. **Safety Stock:** An inventory management ethos that prioritises safety stock will ensure there's always extra stock set aside in case the company can't replenish those items.
 5. **Simulation:** This technique ensures to remind you to order for a particular product after it reaches a certain number.

Bansal & Company currently operates with a large inventory management system, purchasing stock once a week from major cities like Dhar, khav gao, Chikaltara, Ujjain, Agar, Calcutta, and Meerut. They rely on suppliers to maintain adequate stock levels, simplifying inventory management but potentially limiting responsiveness to sudden demand changes.



Organisational Structure

The management of Bansal & Company is a straightforward organisational structure owned and run by one person, Mukesh Bansal.

Risk Management

- Risk management is the process of identifying, analysing, and controlling threats to an organisation's capital, revenue, and operations.
- These risks come from a variety of sources, including economic uncertainty, legal liabilities, technical issues, procedural errors, accidents, and natural disasters Risk mitigation refers to planning and developing alternative strategies and tactics to reduce threats to a project's objectives.
- The Board may use risk mitigation strategies to identify, monitor and assess risks inherent in the completion of a particular project.
- Risk mitigation also includes actions taken to address project-related issues and impacts.
- Risk management is a continuous process that evolves and changes over time.
- Repeated and ongoing inspections can help assure maximum coverage for known and unknown risks.

Points I have covered in the risk Matrix:

- Inflation
- Competitor
- Sales
- Privacy
- Software
- Strike
- Weather
- Technology
- Server

| | Livelihood | | | | | |
|----------------------------|--------------|-------------|-----------|----------|----------|-------------|
| I M P A C T | | Rare | Unlikely | Possible | Likely | Very Likely |
| | Catastrophic | Competitors | Server | | Software | Technology |
| | Significant | | | | | Privacy |
| | Moderate | | | Sales | | |
| | Low | | Inflation | | Weather | |
| | Negligible | | Strike | | | |

Risk Mitigation

Risk mitigation is the process of planning for disasters and having a way to lessen negative impacts. Although the principle of risk mitigation is to prepare a business for all potential risks, a proper risk mitigation plan will weigh the impact of each risk and prioritise planning around that impact. In this we will know the solution of the risk identified above:

1. **Strike:** We will Accept it as it will not make a significant impact on your website.
2. **Inflation/Weather:** We Will Avoid this risk and will get on it at the time of problem.
3. **Sales/Privacy:** We will Accept it and then try to implement a suitable strategy so that this impact can be minimised.
4. **Server/Software/Technology:** We will take action against it & will fix it.

Stakeholder Analysis

The management of Bansal & Company is a straightforward organisational structure owned and run by one person, Mukesh Bansal so there are no other stakeholders.

Conclusion

This research report thoroughly provides a detailed analysis of the topic, taking into consideration various factors such as market dynamics, comparable sales, relevant situation, etc. The appraised value reflects a fair estimate and is made precisely based on the current real estate situation. Any suggestions for improvement or future consideration are underlined. This report is a valuable tool for informed decision making and budgeting. The move to expand in the market is a milestone for **Bansal & Co. as they seek to maintain their success and drive growth**. By embracing growth, they are well positioned to win customers, increase their market share and further enhance their brand esteem. Go next endeavour selling fertiliser & castle food online; That includes restructuring Bansal & Company's business and unlocking future opportunities. **Harnessing the power of technology**, they can continue to bring joy and laughter to children for generations to come. The proposed expansion ideas are technically and economically feasible. It has market value and operational value. Based on needs and requirements, capital budgeting and budgeting has been done. Stakeholder surveys have also been conducted because effective stakeholder management is important for the successful launch and sustainability of the online marketplace. By understanding the interests and engagement of each stakeholder group, using effective communication strategies, and building relationships early, the store can build trust and cohesion , **mitigate potential risks**, and ensure project success. Ultimately, this will help ensure long-term sustainability and growth. This project review by Bansal & Co. helped us to understand the matter more fully and to be more accurate. We were able to apply the knowledge learned in this course and provide sustainable solutions to **Mr. Mukesh Bansal** for expansion as well.

References

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Glimpse Of Project:

