Unit- 4 Project report preparation

The sequence of standard format which should be followed while preparing new business project report:

- Background of the business.
- Customer's profile.
- Long- and short-term Corporate Objectives.
- Market Analysis.
- Financial Assessment.
- Marketing Assessment.
- Operational Plan.
- Financial Plan.

Project report preparation is very important because it provide very useful information for better business decision. It works like a written plan for forward work. It includes the aim of business project. It also includes the total written budget of project. We have to prepare it systematic way.

There are lots of type of projects. With single example, you can learn the steps and you can apply it on your own project. For example, you have to open big retail shop in your city. For this, you are investing own capital. But you have not sufficient fund. This is your project, you need bank loan. For this, you have to show your project through your project report. Following will its main steps.

Following are its main steps

1. Write the Proposal on the Top of Report

You have to give clear proposal to bank through your project report. You can write, I have own property in commercial area whose value is Rs. 50,00,000. I am investing same in retail shop. Except this, I have Rs. 10,00,000. But this is not sufficient. I need

Rs. 40,00,000 for construction the showroom and adding stocks in the big shop. For, this, I give the proposal. Either, you can give me loan or you can become the partner of 40% in my business. You are bank. You can open your showroom also or you can give me the loan on current market rate. For this, I am ready to give property registry as security to you.

2. Write the Main Aims of Project

After writing proposal, you should write the main aim of project. For example, you can write, your aim is to provide basic needed products to final consumers at very cheap rate.

3. Write the Total Budget of Project

In this section, you have to write the budgeted cost of each part of your proposal. For example, you have to construct the shop building. Write the budgeted cost of builders. For example, you have 20 foot X 100 foot place and if the current market cost of builder service is Rs. 100 per square feet, you can write the correct budgeted cost of this. Like this, you have to write the budgeted cost of construction material. Except this, you have to also show the budgeted cost of products which you have to show in this shop.

4. Show the Data of Employees who is working on the Project

You have to show whole staff detail who is working on same project.

5. Highlight of Report

You should highlight the estimated sales and earning if your project will clear.

6. Complete Report with Recommendations

If your CA is making your report, you can write his recommendations in same project report. For this, he will verify your project and then write recommendations. For this, he can make your projected income statement and balance sheet. He will also satisfy that you are following different laws applying on your project. He will also calculate projected accounting ratios like debt-equity ratio and current ratio.

What is project report and its utility?

The project report is **the business plan of action** and clearly describes its goals and objectives. It helps in transforming the business idea into a productive venture without any confusion as it defines strategies for project execution. Project reports are important tools to both project teams and stakeholders.

What is compliance in financial institutions?

Financial services compliance is **when a business follows the federal and state rules, laws, and regulations that govern financial institutions**. ... Failing to comply means your business could face legal issues, penalties, fines, and damage to their brand's reputation.

Why is compliance so important in a financial institution?

A healthy, positive compliance culture within the firm **minimizes the risk of regulatory failure** and the resultant sanctions and damage to its reputation. Training is essential to ensure that the employee is able to perform his job in a compliant way.

What is the compliance regulation for financial?

Financial compliance is **the regulation and enforcement of the laws and rules in finance and the capital markets**. It ranges through the entire financial spectrum, from investment banking practices to retail banking practices.

What are the role of financial institutions in entrepreneurship development?

Entrepreneurs shape **financial destiny of nations by creating wealth and employment**. ... There is today a large number of financial institutions like Industrial Development Bank of India, Small Industries Development Bank of India, and various commercial banks provides financing needs of entrepreneurs.

What is a financial compliance report?

Financial Reporting and Compliance manages **the year-end audit process, updates the investment portfolio and the endowments**, maintains the chart of accounts, processes journals (including internal debit notes-IDNs), advises on relocation claims, prepares the annual TRAC return and HESA Financial Record.

What are the 7 functions of financial institutions?

Terms in this set (12)

- seven functions of the global financial system. savings, wealth, liquidity, risk ,credit, payment, policy.
- savings function. ...
- wealth. ...
- net worth. ...
- financial wealth. ...
- net financial wealth. ...
- wealth holdings. ...
- liquidity.

What are the main roles of financial institutions in the financial system?

Financial institutions, like insurance companies, **help to mobilize savings and investment in productive activities**. In return, they provide assurance to investors against their life or some particular asset at the time of need. In other words, they transfer their customer's risk of loss to themselves.

What are the three main roles financial institutions play?

The primary role of financial institutions is to provide liquidity to the economy and permit a higher level of economic activity than would otherwise be possible. According to the Brookings Institute, banks accomplish this in three main ways: **offering credit, managing markets and pooling risk among consumers**.

Techno commercial feasibility

TECHNO ECONOMIC FEASIBILITY STUDIES

Introduction: Objective of Techno-Economic Feasibility Studies/ Detailed Project Reports is to determine the technical feasibility and financial viability of the project, assess the risks associated with the project and enumerate imminent actions that are required to be taken. It helps a client get a detailed evaluation of a project.

Coverage:

Techno-Economic Feasibility Studies/ Detailed Project Reports cover the following based on the client's requirement:

- **Markets:** It covers estimated future sales revenue of the project based on estimated sales volumes and price.
- **Raw Materials & Fuel:** It estimates the adequacy of the quality and quantity of the raw materials and fuel for the project, make an estimate of its cost.
- **Plant Siting, Location & Infrastructure:** It assesses the existing infrastructure and actions required to develop the infrastructure necessary to set up the project.
- **Project Technical Concept:** This is core deliverable of the project and covers plant capacity, equipment sizing, storages, plant auxiliaries, system engineering, electrical engineering, civil engineering, Control & Automation engineering, Quality Control & Assurance, Captive Power Plant and Waste Heat recovery system (WHR) based on the project requirement.
- **Logistics:** Inbound and outbound logistics and logistics planning.
- **Environment:** Applicable Regulatory Framework and Environmental Impact of Project.
- **Implementation Planning**.
- **Human Resources:** Requirement and cost.
- **Investment Cost:** Fund requirement.
- **Operating Cost:** It covers cost of raw material, utilities, overheads, etc.
- **Financial Appraisal:** It covers project profitability, IRR, NPV, payback, etc.
- **Risks & Mitigation**.

Methodology:

Broad methodology of execution involves:

- Data collection
- Data analysis
- Report and Project formulation

Benefits:

It helps a client make an investment decision based on:

- Technical feasibility of the project.
- Financial viability of the project.
- The risks associated with the project.
- Actions required for risk mitigation.

Capital investment:

Capital investment is **the amount invested in a company to enhance its business objectives**. Also, the individual/entity can earn an income or recover the invested capital from earnings generated by the company over the years.

Understanding Capital Investment

Capital investment can be explained in two different ways:

1. A capital investment can be made by the executives of the company in their business by purchasing long-term securities/assets of the company. In such cases, the capital can be physical assets which could improve the business performance by a significant margin.
2. An individual or an entity can make a capital investment in a particular business in the form of a loan. The investor can also choose to earn an income in the form of repayments or profits from the invested business.

More About Capital Investments

Capital investment can come from various sources, such as financial institutions, angel investors, and venture capitalists, among others. Generally, startups and new companies are the ones who seek capital investments.

However, after having received investments, the invested amount must be utilised to develop and push the business ahead. In the same line, if a company announces to go public, the large amount of funds pooled in from the investors is also considered as a form of capital investment.

product report format

The process of establishing a new business is preceded by the resolution to select entrepreneurship as an occupation. This calls for recognizing lucrative business ideas upon a meticulous evaluation of the entrepreneurial prospects. Creation of business ideas is not sufficient, they must be tested on techno-fiscal, economic and authorized viewpoints.

A project report for new business conducts a profound road map for effectual business venture. It discusses whether the business requires finance or not, the challenging risks, several problems en route, etc. Hence it becomes vital for every new business to prepare a project report, to acquaint them on forewarning issues.

Project report for New Business - Format

Below is the sequence of standard format which should be followed while preparing new business project report:

1. Background of the business
2. Customer's profile
3. Long and short term Corporate Objectives
    - To perform a viability assessment of the proposed new business ideas in terms of marketability, technical feasibility, financing and authorities
    - To be able to prepare a relevant business plan
    - To recognize fundamental startup issues
4. Market Analysis
    - Brief discussion on the type of market, chief influencers, players, etc
    - Market description
    - Reasons for starting business in a particular market
    - Target clients
    - Advantages of the services offered by the new business
    - Market consumption patterns
    - Past and existing supply location
    - Production prospects and limitations
    - Exports and Imports
    - Price structure
    - Flexibility of demand
    - Client behavior, purposes, intentions, impetus, approaches, inclinations and needs
    - Supply network and marketing rules formulated by the government
    - Government and technical limitations imposed on the promotion of the product
5. Financial Assessment
    - Investment expenditure and value of the entire project
    - Methods of investment
    - Anticipated productivity
    - Money flows of the project report
    - Investment value evaluated in context of different points of merit
    - Estimated financial ranking
6. Marketing Assessment
    - Product
    - Price
    - Place
    - Promotion
7. Operational Plan
    - Business models
    - Production of goods and services
8. Financial Plan
9. Management Structure
10. Business structure (Ownership, staff, etc)
11. SWOT Analysis
    - Significant Success aspects depending on Strengths, Weaknesses, Opportunities and Threats to be faced by the firm in future
12. Appendices
    - Break-Even Assessment
    - Profit and Loss Synopsis
    - Fund Flow Summary

Tips for designing an effectual Project report for New Business

While designing a project report for new business it is vital to keep the following points in consideration:

Target Market:

While making a new business project report it is significant to keep in mind the target market. For instance, if you are preparing a report on debt financing, the focus should be on the assurance that the debt can be reimbursed by the company and not on the huge revenues that the firm has accrued.

Market approach:

The first approach towards preparing business report should be developing and assisting powerful business strategy. The report should describe the economic trends, clients and players. It should also explain on how to perform the chosen approach, the marketing of its products and functional competence.

Market Rivalry:

An industrialist should recognize at what point of time the firm will perform similar activities and when it will do things another way, in order to identify its strength and drawbacks. Concentrate on strategies which present you differently from your competitors, market products differently using various channels, etc.

Be practical:

Catalog realistic plans, for there are many unanticipated expenses, price overruns, issues that have been neglected, etc. Hence, predict future trends realistically to make a powerful project report.