

S. No.	Preliminary Project Report	Detailed Project Report
1.	It is a brief summary of project describing the expected inputs and outputs.	It is detailed and voluminous work on project.
2.	It is prepared in pre-investment phase.	It is carried out after investment phase.
3.	It is restricted to 10 – 15 pages.	It is in a book form.
4.	It is to make initial investigations and comparisons between various options available for products, production, finance etc.	It is prepared to get all the guidelines and schedules for the implementation of project.
5.	It is required for registration purposes from DICs and financial institutions.	It is required more for an entrepreneur himself and his team.
6.	It is generally prepared by the entrepreneur himself.	It is prepared with the help of experts of different fields.
7.	It considers just two phases of project viability <i>i.e.</i> technical and economical.	It considers all the phases of project viability.

8. **Plant, Machinery and Equipments :** This should disclose details of the following :
- (a) Machinery required for the project
 - (b) Capacity of each machine and power required for them, technical details and specifications
 - (c) Details of suppliers
 - (d) Price of each machine
 - (e) Procurement time and availability in the market
 - (f) Spare parts required and their availability
 - (g) Lists of imported machinery if required
 - (h) Instruments for inspection
 - (i) Various equipments for laboratories
 - (j) Arrangements for water supply
 - (k) Machinery if not available, other options are considered.
9. **Location :** Actual site selected for the project, overall plot plan along with the building plan should be devised. This should also provide information regarding :
- (a) The total area and cost of the land required
 - (b) Covered and uncovered areas
 - (c) Estimate of building including utilities such as water, electricity and other infrastructure facilities
 - (d) Schedule of construction.
10. **Raw materials :** This should give details of :
- (a) Various raw materials required
 - (b) Specifications, availability, names of suppliers, source, whether quota, non-quota or imported items
 - (c) Price at which they are available
 - (d) Procurement time
 - (e) Minimum order quantity
 - (f) Terms and conditions offered by suppliers.
11. **General management and technical staff :** This should provide information on :
- (a) Management
 - (b) Staff requirements (skilled, semi-skilled or unskilled)
 - (c) Salary or wages
 - (d) Incentives, bonus etc.,
 - (e) Organisational structure.

4. **Promoters** : The details of promoters and other key personnel should be furnished. The bio-data must give details on their

- (a) Education
- (b) Jobs held
- (c) Business activities undertaken.

5. **Product** : This should contain information on the following :

- (a) Description of the product to be manufactured
- (b) Types of products to be manufactured
- (c) Specifications (design, shape and size)
- (d) Standards (dimensional, raw material, performance and symbols, code of practices)
- (e) Chemistry of product
- (f) Quality
- (g) Applications and uses of final products.

6. **Market potential** : This should disclose information on general :

- (a) Market trends
- (b) Predicted demand of product
- (c) Market segments proposed to be covered
- (d) Projected sales for first three years
- (e) Extent of competition prevailing in the market
- (f) Details of own showrooms
- (g) Sales force, middlemen and terms and conditions offered to them
- (h) Pricing policy
- (i) Prospects for export
- (j) Information regarding import of raw material (if required).

Manufacturing process and know-how : This should provide details about the following :

- (a) Process flow chart
- (b) Sequence of the operations
- (c) Time taken for each operation
- (d) Input-output ratios between material and finished products
- (e) Selection of suitable know-how for the project
- (f) Prospective collaborator and terms and conditions.

▪ 8.3. DETAILED PROJECT REPORT (D.P.R.)

Detailed project report is nothing but a complete document for investment decision making, approval, planning, whereas feasibility study report is a base document for investment decision making. Detailed project report is a base document for planning the project and implementing the project. While, preparing detailed project report, an entrepreneur may take the help of experts to do the job. Preparation of detailed project report requires a lot of time. Detailed analysis of each and every item is necessary in a detailed project report. Detailed project reports are also available with the consultants and can be purchased by an entrepreneur.

A detailed project generally covers the following aspects :

1. **Introduction** : Brief introduction of the proposed project :
 - (a) Objective of report
 - (b) Scope of report.
2. **Need** : Need for deciding the setup of the project.
3. **Unit** : Constitution of the unit indicating proprietorship, partnership, corporate body etc.

■ 8.1. PROJECT REPORT

Having decided upon the product and organization, the entrepreneur has to put his ideas and other information sought in black and white. This should be done so efficiently that it provides all the required information in reference to the project. The details gathered from feasibility studies are presented in various tables ; reports and statements are consolidated into one master report, which is called as 'Project report'. This report contains the background information about the industry to which the project belongs and the enterprise submitting the report. The main objective of preparing the report is to provide information for the project appraisal.

The project report preparation encompasses information under various heads. Necessary documents, quotations and enquiry should be attached with the details under the given heads to form a project report. The project report should be prepared by the entrepreneur himself, as it saves his money and clarifies many doubts and makes him more optimistic of the success of the project. However, a detailed project report may be commissioned with the help of well known consultants in the field.

Project report is also compulsory for the registration of small scale industry. This is formed at two levels.

(a) Preliminary Project Report (PPR) : Preliminary project report is a simple data sheet made for registration before the starting of project, which gives the brief outline of the project that tells about the viability of the project so as to help the entrepreneur to decide whether it is worth pursuing further or not.

(b) Detailed Project Report (DPR) : Once the project is approved by requisite authorities, detailed project report is prepared by the entrepreneur with the help of experts like economist, marketing personnel, techno-engineers etc.

■ 8.1.1. Preliminary Project Report

Preliminary project report is a simple data sheet that gives an insight into the following :

- (a) How much manpower, material and money would be required to set up the project ?
- (b) What types of machines would be required ?