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Establishing an Industrial Project

- Collect maximum information about the project or products proposed to be manufactured
- For the purpose, collect/prepare a project profile which would outline brief information on the project or products to be manufactured
- Decide location where the project is likely to set up keeping in view road connectivity, availability of power infrastructure, skilled man power, availability of water and incentives under the schemes of state/central Govt.
- Learn about the procedures and formalities required to be completed before taking up physical implementation of the project

Get a detailed project report prepared which interalia should include following components

- Market potential of the products to be manufactured
- Characteristics of the Location
- Land and building requirements
- Requirements and availability of Plant and Machinery
- Requirement of other utilities namely power, water, steam etc.
- Assessment of Working Capital requirements
- Technology tie-up
- Raw materials with specifications
- Manpower requirements
- Schedule of Implementation
- Estimates of Project Cost
- Tie up of means of finance
- Cost of Production and profitability
- Break even Point
- Internal Rate of Return
- Cash flow
- Debt service Coverage Ratio to establish financial viability
- Economic Benefits