

## Unit 5<sup>th</sup>

### ➤ **Project report: -**

Project report is a formal written document where general information of the project is written down. It is a statement of how and when project objectives are to be attained by presenting the main products, operations, milestones and resources needed on the project. Project report serves as a big roadmap to reach that destination determined by entrepreneur. It is a guide or course of action of what entrepreneur's hopes to achieve in his business and how he is going to achieve. It is a guide both to project execution and project control. Project report contains detailed information about land and building required, manufacturing capacity per annum, machinery and equipment along with their prices and specifications, requirement of power and water etc.

### ➤ **Significance of project report: -**

1. Development tool for organizational founder: - project report is important as it serves as a development tool for organisational founder. It is like a road map. It describes the direction in which enterprise is going, what its goals are, where it wants to be and how it is going to get there. It helps entrepreneur to know that he is proceeding in the right direction.
2. Vision and mission: - Mission of the enterprise informs about short-term goals and vision conveys long-term goals. Every organization has its vision and mission to become and look like. Project report keeps the enterprise on right direction and help in achieving this vision and mission.
3. Tool for securing financial resources: - Project report attracts lenders and investors. For small enterprise, it is not necessary to prepare project report but if they need financial history from financial institutions, the preparation of the report is essential.

In most cases, the quality of firm project report weighs heavily on the decision to lend or

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invest funds in the enterprise.

4. Foresees requirements: – a project report enables an entrepreneur to realize what he/she needs for implementing the project well in advance. It gives a general idea of various requirements like material, manpower, finance, and infrastructure. Hence, it enables an entrepreneur to foresee requirements in advance and helps him to take suitable decisions accordingly.

5. Help in decision-making: crucial decisions have to be made at various stages of production like how much to produce to achieve break-even point, how to fix the repayment schedule etc. such important decisions can be taken with the help of project report prepared well in advance.

6. Project report also helps entrepreneurs to identify risks.

7. it's a great way for project managers to keep track of project's progress.