SMEs the Backbone of Economic Growth:

Drawing attention of Indian entrepreneurs to explore opportunities

The Small Scale Industry is an enterprise whose employee count and revenue falls below certain levels. Small Scale Industries in India provide job opportunity to more than 65 million people. Internationally SMEs report for 98% of business statistics and are accountable for triggering originality and competition. Small scale industry in India is renowned for its socio economic growth factors and even industrial expansion. One of the unique features of small scale industry is that its growth has generated better job prospects helping free enterprise and inculcation of expertise besides guaranteeing better utilization of limited fiscal reserves and technology. Additionally, they play an important part in attaining the economic targets and sociopolitical aims.

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Establishing a small scale enterprise requires detailed project report so that promoters can understand that in how many years the endowments can be forfeited. Project Report for Small Scale Industry helps in identifying the product line and target market of the sector, besides evaluating the level of skill and accuracy. Hence, a small scale industry project report must contain 5-7 years evaluations in context of revenues, expenditures, cash flows and outflows, balance sheet of legal responsibilities and assets in hand, and reimbursement agendas of working capital and long-term loans, etc. In this way the endorsers can make use of the estimations provided by the firm in the project reports and compare it with the real performance and accordingly take remedial steps ainst the negative disparities.

The promoters establishing their commercial enterprises without considering the project reports are taking a big risk as they are equipped with any measuring units to assess the firm's performance. In the competitive market ambiance, industrialist must not make a foray into a new sector or set up a new business without preparing Project Reports.