
Preparation of a Bankable Project Report

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ABSTRACT

The objectives of the case study are to introduce the students to the preparation of a bankable credit proposal and to dispense an insight of what does a bank observe into a credit proposal? This case study is composed to comprehend and converse the preparation of a credit proposal based on industry data furnished in the case initially; moreover, how to put forward the proposal to the bank and get sanctioned it. Furthermore, the case also fosters to grasp and debate the appraisal of such credit proposals by budding banker based on the policy of the bank and the questions that are drafted at the windup of this case as a teaching note. The author of this case has served the banking industry and confronted with plenty resembling cases, while dealing with the loan proposals. This case can only be considered as a representative case of frequent real life proposals that come to the banks every day.

KEYWORDS: Term loans, Working capital finance, Inventory turnover ratio, Debt equity ratio, Current ratio, Debt-service coverage ratio (DSCR), Operating profit margin, Fixed and variable expenses, depreciation.