**PROJECT**

**Business Case**

Gabu Maniram Uday Kiran

**PROBLEM STATEMENT**

1. The prices of gold in the present market had been increasing from 1950 to 1960 at 99 rupees for every 10 grams to 48,651 rupees for every 10 grams in the span of 2010-2022.
2. The demand for gold in the market kept increasing. This resulted in high supply needs.
3. The cost of gold kept increasing drastically and the statistics are given below.
4. The traditional form of usage of gold led to more making charges for the gold ornament and also some percentage of wastage charges.
5. Once the ornament is bought, there is no guarantee of safety of that ornament.
6. The ornaments are made of 22k gold and are not that affordable to change or buy every now and then.

**SOLUTION TO THE PROBLEM**

Hence, we are working on developing an application/website where the user can buy gold in the digital form and keep the gold as mortgage and take an ornament from the seller that is of the same value and pay the rent for the ornament once it is returned and get the digital gold back.

**BENEFITS**

**Merchant side**

1. The merchant is benefited by renting the ornament and getting a rent for the ornament.
2. Merchant also gets an additional benefit of using the profit of the digital gold till the time of the return of the gold.
3. Merchant gets to sell the ornament if the customer wants to keep the product
4. Merchant has a benefit of still getting a part of the rent on the top of the MRP of the ornament.
5. There is no possibility that the merchant will be under loss if the physical ornament is stolen as the digital gold is 24k gold whereas the gold given to the customer is 22k gold.
6. In case of any damage or tampering with the product, the merchant will also be paid for the damages accordingly.

**Customer side**

1. The customer can buy digital gold which is pure 24k gold for as less as Rs.100.
2. The customer gets to save the digital gold and buy it or sell it whenever he/she wants.
3. The customer also has the flexibility to get the digital gold completely converted to physical gold whenever they want.
4. The customer gets to choose any design in the mortgaged price range and will not be charged any making charges unlike physical gold.
5. Returns on digital gold assets held for less than 36 months are not strictly taxable. In the case of long-term capital gains, customer would have to pay a 20 percent tax on the whole amount, plus a surcharge and a 4% cess with indexation benefits.
6. The customer gets to pay only for the rent and provide the digital gold as a mortgage till the physical gold item is returned and verified for any damage or losses.

**RISKS**

1. The usage of gold ornaments might get decreased as the trend changes.
2. The rent of the jewelry needs to be altered at regular intervals to maintain equity of the price and the rent.
3. Security of the digital transactions are needed to be checked and verified to avoid false payment alerts or any kind of misuse of the transaction.

**ASSUMPTIONS**

1. The scope of the project may be altered due to some future conditions and all the government rules and policies.
2. There might be some additional aspects that are needed to be added like transactions for gold and buying or renting them in the future.
3. There might be a lot of requirements of skilled workers who are having in-depth knowledge of the cyber security, business research (especially in gold market sales ) and many other branches of the computer networking and security.
4. Technological advancements and success in the market is a major assumption.
5. Assuming the economic and political stability in the future market system.
6. The interest rates & exchange rates may vary in the future.

**AGILE METHOD STEPS TO FOLLOW**

1. User stories for stating all the scenarios of the users that are involved in each stage.
2. User acceptance tests to let all the scenarios outlined in the user stories.
3. Workflow will be maintained along the whole project.
4. Wireframes and testing is an important part of the project and must be done again if the testing has bugs, immediately.

**ANY OTHER INFORMATION THAT IS NEEDED WILL BE UPDATED IN THE NEW DOCUMENT.**