

KVIC- PMEGP

PROJECT PROFILE ON GEM CUTTING AND POLISHING

Introduction

Since the dawn of civilization man has manufactured gems, and then the demand for fine quality natural gems have been increasing day by day. The creation of Gem in Laboratories has been a goal of scientists and entrepreneurs for many years. Today most of them are synthesized or manufactured from raw material so as to enable the common man to reach it due to its cheap price. The most successful innovation of synthetic gem is cubic zirconia as American Diamond. Cutting and Polishing of these diamonds to different sizes have a best use in jewellery.

1 **Name of the Product :** **GEM CUTTING AND POLISHING**

2 **Project Cost :**

a Capital Expenditure

Land

:

Own

Work shed sq.mtrs

0

Rs.

Equipment

:

Rs.

420,000.00

1) Synthetic Gem Slicing cum performing machine with electrical & standard 2) Synthetic Gem faceting and Polishing Machine 3) Cutting Lap 4) Polishing Lap 5) Dop Sticks 6) Plastic Dop Sticks Stand 7) Eye Glass 8) Machine Table & Stool 9) Spirit Lamp 10) Washing Vessel 11) Tawa, Bucket, Water Tubes, Nose plier etc.

Total Capital Expenditure

Rs.

420,000.00

b Working Capital

Rs.

1,200,000.00

TOTAL PROJECT COST :

Rs.

1,620,000.00

3 **Estimated Annual Production Capacity:**

(Rs. in 000)

Sr.No.	Particulars	Capacity in tons	Rate	Total Value
1	GEM CUTTING & POLISHING	120000.00	63.00	7541.80
TOTAL		120000.00	63.00	7541.80

4 **Raw Material** : **Rs.** **6,700,000.00**

5 **Labels and Packing Material** : **Rs.** **25,000.00**

6 **Wages (2-Skilled & 2-Unskilled)** : **Rs.** **432,000.00**

7 **Salaries -1 manager** **Rs.** **60,000.00**

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8	Administrative Expenses	:	Rs.	75,000.00
9	Overheads	:	Rs.	25,000.00
10	Miscellaneous Expenses	:	Rs.	10,000.00
11	Depreciation	:	Rs.	42,000.00
12	Insurance	:	Rs.	4,200.00
13	Interest (As per the PLR)			
	a. C.E.Loan	:	Rs.	54,600.00
	b. W.C.Loan	:	Rs.	156,000.00
	Total Interest		Rs.	210,600.00
14	Working Capital Requirement	:		
	Fixed Cost		Rs.	203,800.00
	Variable Cost		Rs.	7,338,000.00
	Requirement of WC per Cycle		Rs.	1,256,967.00

15 Cost Analysis

Sr.No.	Particulars	Capacity Utilization(Rs in '000)			
		100%	60%	70%	80%
1	Fixed Cost	203.80	122.28	142.66	163.04
2	Variable Cost	7338.00	4402.80	5136.60	5870.40
3	Cost of Production	7541.80	4525.08	5279.26	5299.64
4	Projected Sales	8500.00	5100.00	5950.00	6800.00
5	Gross Surplus	958.20	574.92	670.74	766.56
6	Expected Net Surplus	916.00	533.00	629.00	725.00

Note : 1.All figures mentioned above are only indicative.
2.This is model project profile for guidance
3.Cost of Project, and its prioifility will be changed depends on the area, availability of raw Material, man power, power requierement and various other factors etc..