



BUSINESS PLAN · INDIA

Jewellery Retail Showroom

Certified, crafted jewellery with trust, transparency and value

RETAIL

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

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This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out a **Jewellery Retail** business in India — a retail jewellery showroom (gold, diamond & silver jewellery, in traditional & contemporary designs) selling BIS-hallmarked jewellery with making charges, exchange, schemes & certified diamonds. It earns margins via making charges & value-addition on very high-value inventory, monetising India's deep cultural & investment demand for gold & jewellery — a high-value, working-capital- & gold-financing-intensive business.

Jewellery is a large, culturally & investment-driven category in India, anchored by weddings, festivals, gifting & gold-as-savings. Mandatory BIS hallmarking has raised trust & formalisation, favouring organised & compliant retailers. Margins come from making charges & value-addition (gold itself is largely pass-through), so profitability rests on volume, making-charge realisation, design, trust & efficient gold/working-capital financing (GML, exchange, schemes) against very high inventory value & gold-price risk.

This is a retail business with a distinctive high-WC, gold-financing profile — funded by promoter equity plus bank finance including **Gold Metal Loan (GML)/CC** against inventory. This plan models a showroom requiring **₹1.5 crore** (₹50 lakh promoter + ₹1 crore bank/GML finance), targeting **₹6 crore** revenue in Year 1 and **₹10 crore** by Year 3. (*Jewellery retail; very high-WC, gold-financing-intensive, making-charge/value-addition margins.*)

2. Business Description, Vision & Legal Structure

Concept: A trusted, BIS-hallmarked jewellery showroom offering gold, diamond & silver jewellery, design, exchange & schemes - value, trust & craftsmanship.

Vision: To be the most trusted jewellery destination in its region.

Mission: Deliver certified, beautifully crafted jewellery with trust, transparency & value.

Legal structure options

- **Proprietorship / Partnership** — possible but high-value inventory favours a company.
- **Private Limited / LLP** — recommended (for GML/bank finance, scale, governance & trust).

Regulatory anchor: jewellery retail is highly regulated — **mandatory BIS hallmarking (HUID)**, BIS licence, GST, Shops & Establishments, PAN/PMLA/KYC on high-value cash (₹2 lakh cash limit; PAN thresholds), hallmarking-centre tie-ups, and weights-and-measures. Trust, BIS compliance, making-charge realisation, design, gold financing & inventory/price-risk management determine success; very high-WC & gold-price-sensitive.

3. Promoter & Ownership

Led by a promoter with jewellery-trade experience, artisan/supplier relationships & local trust (often a family trade). The team includes sales, karigars/design, billing & KYC, security & store ops. Trust, design, gold financing & compliance are the operating backbone. Ownership & stakes are editable inputs.

4. Market Analysis — India

India is one of the world's largest gold & jewellery markets, driven by weddings, festivals (Akshaya Tritiya, Dhanteras), gifting, gold-as-savings/investment, and cultural affinity. Mandatory BIS hallmarking has formalised the sector, shifting share to organised, trusted, compliant retailers. Demand spans traditional & contemporary, gold & diamond, with

rising diamond & lightweight/daily-wear segments. The market rewards trust, design, compliance, financing & inventory management; it is gold-price- & WC-sensitive.

Demand drivers

- **Weddings, festivals & gifting.**
- **Gold-as-savings/investment.**
- **Hallmarking, trust & formalisation.**
- **Diamond & daily-wear** growth.
- **Schemes, exchange & design.**

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Jewellery market in India	Very large
SAM	Region/catchment demand	Substantial
SOM (Yr 1-3)	Showroom customers	Scaling

Target segments

- Wedding & occasion buyers.
- Festival & gifting buyers.
- Investment/savings buyers.
- Daily-wear & diamond buyers.

5. Competition & Competitive Advantage

Landscape: national chains (Tanishq, Kalyan, Malabar, Senco), regional & family jewellers, and online (CaratLane etc.). The showroom competes on trust, BIS compliance, design, making-charge value, schemes & service.

The showroom's edge

- **Trust, transparency & BIS/HUID.**
- **Design & craftsmanship.**
- **Competitive making charges & exchange.**
- **Schemes & certified diamonds.**
- **Local relationships & service.**

6. Products & Revenue Model

Stream	Model	Basis
Gold jewellery	Gold (pass-through) + making charges	Core margin = making
Diamond jewellery	Value-addition margin (higher)	Margin
Silver & other	Margin	Basket
Exchange / old-gold	Refining spread	Footfall/margin

Savings schemes	Advance collections	Cash flow/lock-in
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On gold, the metal is largely pass-through; margin is **making charges & value-addition** (diamonds carry higher margin). Blended net margins are thin on turnover (~3-6%) but on very high ticket sizes. Making-charge realisation, diamond mix, volume, gold financing & inventory/price management drive economics — the decisive jewellery-retail levers.

7. Go-to-Market — Marketing & Sales

- **Trust & word-of-mouth** (referrals, family, community).
- **Festival & wedding** campaigns & collections.
- **Schemes & exchange** offers.
- **Design, certification & transparency.**
- **Digital, catalogue & omnichannel.**

Sales approach

Build trust & footfall (referrals, festivals, weddings, schemes) → convert with design, certification, transparency & making-charge value → drive exchange & scheme lock-in → retain via trust & service. Trust, design, making-charge realisation & schemes build sustainable business on high tickets.

8. Operations Plan

- **Showroom & inventory:** secure, well-located showroom; certified, hallmarked inventory; karigar/supplier network; strong security & insurance.
- **Process:** source/craft (karigars) → hallmark (HUID) → display & sell (KYC/billing) → exchange/refine → schemes & service.
- **Gold financing:** GML/CC against inventory; hedging/price management; exchange & scheme cash.
- **Compliance:** BIS hallmarking/HUID, BIS licence, GST, PMLA/KYC (cash/PAN limits), weights-and-measures, security.
- **Capacity:** scale via inventory (financed), design, schemes & additional showrooms; manage WC/price tightly.

Jewellery-retail workflow

Stage	Activity	Metric
Source	Karigar/supplier, GML	Cost/financing
Hallmark	HUID/BIS	Compliance
Sell	KYC/billing	Making/margin
Exchange	Old-gold/refine	Footfall/spread
Retain	Schemes/service	Repeat/cash

9. Regulatory, Licences & Compliance (India)

- **Hallmarking:** mandatory BIS hallmarking with HUID; BIS licence; hallmarking-centre tie-up.
- **Registration & tax:** Pvt Ltd/LLP; Shops & Establishments; GST; PAN/TAN; Udyam.

- **KYC & PMLA:** ₹2 lakh cash-transaction limit; PAN thresholds; PMLA/KYC on high-value; reporting.
- **Other:** weights-and-measures; consumer-protection; insurance & security; import (if any) via authorised channels.

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Promoter / showroom head	1	1	2
Sales & design consultants	6	9	14
Billing, KYC & accounts	2	3	5
Karigars / design (own/tie-up)	2	4	6
Security, admin & support	3	4	6
Total	14	21	33

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0–4	Showroom, BIS licence, GML, inventory, security, launch
Ramp	Month 4–9	Trust, footfall, schemes, exchange, festivals
Traction	Month 9–12	Making-charge realisation & volume; ₹6cr revenue
Expand	Year 2	Diamond mix, design, schemes, digital
Scale	Year 3	₹10cr revenue; second showroom

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. They are not projections of guaranteed results. Jewellery retail; very high-WC, gold-financing-intensive; margins on making charges/value-addition; gold-price-sensitive.

12.1 Project cost & means of finance

Capital requirement	₹
Showroom fit-out, security & interiors	30,00,000
Opening inventory (gold/diamond, part GML)	1,05,00,000
Systems, KYC, hallmarking tie-up & equipment	5,00,000
Launch, deposits & pre-operative	5,00,000
Working-capital margin	5,00,000
Total project cost	1,50,00,000
Promoter contribution	50,00,000

Bank finance (GML/CC + term)	1,00,00,000
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12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
Gold jewellery sales	4,60,00,000	6,00,00,000	7,20,00,000
Diamond & silver sales	1,20,00,000	1,90,00,000	2,50,00,000
Exchange, schemes & other	20,00,000	30,00,000	30,00,000
Total revenue	6,00,00,000	8,20,00,000	10,00,00,000
COGS (gold/diamond, net making)	5,34,00,000	7,25,00,000	8,80,00,000
Rent, security & utilities	18,00,000	21,00,000	24,00,000
Salaries & staff	18,00,000	26,00,000	38,00,000
Marketing & operations	10,00,000	14,00,000	18,00,000
Interest (GML/CC) & overheads	12,00,000	15,00,000	18,00,000
Total expenses	5,92,00,000	8,01,00,000	9,78,00,000
Net profit (before tax)	8,00,000	19,00,000	22,00,000
Net margin	1.3%	2.3%	2.2%

12.3 Unit economics & break-even

- **Margin source:** gold is pass-through; profit is making charges & value-addition (diamonds higher). Net margins are thin on turnover but on very high tickets & volume.
- **Gold financing & price risk:** GML/CC fund inventory; gold-price moves affect inventory value & margin — hedging/exchange & disciplined pricing manage it.
- **Break-even:** at monthly turnover covering fixed costs + financing; reached within Year 1 given high tickets, though net margins stay thin.

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹)	Q1	Q2	Q3	Q4
Opening balance	5,00,000	5,20,000	5,50,000	6,00,000
Collections (incl. schemes)	1,20,00,000	1,40,00,000	1,60,00,000	1,80,00,000
Purchases, financing & operating	1,19,80,000	1,39,70,000	1,59,50,000	1,79,20,000
Closing balance	5,20,000	5,50,000	6,00,000	6,80,000

Very high-value inventory ties up large WC (part-funded by GML/CC); festivals/weddings drive seasonal peaks; schemes bring advance cash. Gold financing, scheme collections, exchange, hedging & the WC margin manage cash & price risk; over-holding gold at high prices is the key exposure.

12.5 Key Performance Indicators to Monitor

- **Sales:** revenue; tickets; volume (grams/pieces); diamond mix.
- **Margin:** making-charge realisation; value-addition; net margin.
- **WC/finance:** inventory value & turns; GML utilisation; gold-price exposure.
- **Trust:** repeat; scheme enrolment; referrals; HUID compliance.

13. Funding Requirement & Bankability

Total ask: **₹1 crore bank finance** (Gold Metal Loan/CC against inventory + term for fit-out) against ₹50 lakh promoter contribution. Bankability rests on turnover, making-charge realisation, inventory (financeable gold) & compliance; GML is a standard, well-understood jewellery facility secured by inventory. Strong topline supports servicing; disciplined price/inventory management protects margins & repayment.

13.1 Funding utilisation

Use of funds	₹	% of total
Opening inventory (gold/diamond, part GML)	1,05,00,000	70%
Showroom fit-out, security & interiors	30,00,000	20%
Systems, KYC, hallmarking & equipment	5,00,000	3.3%
Launch, deposits & pre-operative	5,00,000	3.3%
Working-capital margin	5,00,000	3.3%
Total	1,50,00,000	100%

14. Risk Analysis & Mitigation

Risk	Mitigation
Gold-price volatility (inventory value)	GML (natural hedge), exchange, hedging, disciplined pricing & turns
Very high working capital	GML/CC; scheme cash; exchange; inventory turns; WC margin
Compliance (BIS/HUID/PMLA/KYC)	BIS licence & HUID; strict KYC/cash limits; systems & audits
Security & theft	Security, safes, CCTV, insurance, controls
Competition (chains/online)	Trust, design, making-charge value, schemes & service

15. SWOT Analysis

Strengths Deep cultural/investment demand; high tickets; GML financing; trust & design; scheme cash flow.	Weaknesses Very high-WC; thin margins on turnover; gold-price-sensitive; heavy compliance & security needs.
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Opportunities Formalisation (hallmarking); diamond & daily-wear; schemes; digital/omnichannel; second showroom.	Threats Gold-price swings; national chains & online; regulatory/KYC tightening; economic cycles.
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16. Recommended AiSevak Tools for This Business

This jewellery showroom would use AiSevak's Retail vertical tools in delivery:

- **Retail ops:** POS/inventory (grams/HUID), scheme/exchange, KYC/billing and CRM tools.
- **Compliance:** BIS-hallmarking/HUID, GST, PMLA/KYC (cash/PAN limits) and Shops-&-Establishments tools (with Legal & Finance verticals).
- **Practice:** Business Plan, making-charge/margin and gold-financing/Break-even tools to model the showroom.

17. Key Assumptions & Notes

- Jewellery retail; gold pass-through, profit from making charges & value-addition (diamonds higher); high tickets, thin net margins.
- Very high-WC, gold-financing-intensive (GML/CC); gold-price-sensitive; schemes/exchange aid cash & footfall.
- Mandatory BIS hallmarking/HUID + BIS licence; GST; PMLA/KYC (₹2L cash limit, PAN thresholds); security & insurance.
- Trust, making-charge realisation, financing & inventory/price management are decisive; figures illustrative, exclude GST.

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