

**1. PROJECT COST**

Initial cost of the project has been estimated as follows.

<b>Project Cost</b>	
<b>DESCRIPTION</b>	<b>COST (USD)</b>
Plant, Machinery and Equipment	\$ 14,00,000
Mine development expenses	\$ 2,00,000
Building and civil works	\$ 60,000
Furniture and Fixtures	\$ 12,000
Vehicles	\$ 13,000
<b>NET INITIAL WORKING CAPITAL</b>	\$ 3,15,000
<b>PROJECT COST</b>	<b>\$ 20,00,000</b>

**2. MACHINERY REQUIREMENT**

S.No	Machinery Details for Model Quarry	Quantity	Unit Cost	Total Cost
1	Excavator 350 HP (with operational & maintenance manuals and part books) 350 & 480 Ton	3	\$ 3,00,000	\$ 9,00,000
2	Diamond Wire Saw (with operational & maintenance manuals and part books & toolkit) – 60 HP	2	\$ 8,000	\$ 16,000
3	Diamond Wire Saw (with operational & maintenance manuals and part books & toolkit) – 40 HP	8	\$ 6,000	\$ 48,000
4	Diamond Wire Saw (with operational & maintenance manuals and part books & toolkit) – 20 HP	10	\$ 4,000	\$ 40,000
5	Generator 180 KVA Prime Power (with operational & maintenance manuals and part books) Complete with Canopy and Trolley	2	\$ 14,000	\$ 28,000
6	Compressor 400 -150 CFM (with operational & maintenance manuals and part books)	4	\$ 3,500	\$ 14,000
7	Core Bore Machine	1	\$ 32,000	\$ 32,000
8	Many Other Misc. tools for required Mining Operations			\$ 3,22,000
	<b>Total</b>			<b>\$ 14,00,000</b>

### 3. BUILDING AND INFRASTRUCTURE

Following is the detail of building and civil works

Detail of Building and Civil Works			
DESCRIPTION	COVERED AREA SQUARE FEET	RATE	COST
Offices/Prefabricated Containers			\$ 25,000
Residential Setup /Prefabricated Containers			\$ 22,000
Bath Rooms			\$ 3,000
<b>Total</b>			<b>\$ 60,000</b>

Following is the detail of furniture, fixtures & Office Equipment's

Detail of Furniture, Fixtures & Office Equipment's			
ITEM	QTY	UNIT COST	TOTAL COST
Beds , Mattress and Blankets	20	\$ 250	\$ 5000
Chairs	8	\$50	\$400
Tables	4	\$ 50	\$ 200
Cabinets	4	\$ 500	\$ 2, 000
Office equipment's including Computers	2	\$ 600	\$ 1,200
Printer , Photo Copier, Scanner, Camera, Fridge,	4	\$ 300	\$ 1,200
<b>Total</b>			<b>\$ 12,000</b>

Following is the Detail of Vehicles

Detail of Vehicles		
VEHICE	QTY	COST
Tripper Truck	1	\$ 8,000
Bykes	7	\$ 5,000
<b>Total</b>		<b>\$ 13,000</b>

BN: Include mine development costs

### 4. WORKING CAPITAL ASSUMPTIONS

Net Initial Working capital is calculated on the basis of following assumptions: **\$ 3, 15,000**

Operating Expenses – \$ 2, 70,000

Administration Marketing and Other Expenses – \$ 45,000

Accrued Expenses

Accounts Receivable

**5. OPERATING EXPENSES.**

<b>Salaries</b>				
<b>S.No</b>	<b>STAFF</b>	<b>NO. OF EMPLOYEES</b>	<b>SALARIES PER MONTH</b>	<b>ANNUAL SALARIES</b>
1	Quarry Master	1		\$ 7,000
	<b>Engineers</b>			
2	Mining	2		\$ 5,700
3	Mechanical	2		\$ 5,700
	<b>Supervisors and others</b>			
4	Compressor operator	2		\$ 5,000
5	Excavator Operator	3		\$ 8,000
6	Drill/Chain / Wire saw operator	10		\$ 21,000
7	Heavy duty drivers	1		\$ 2000
8	Store Keeper	1		\$ 1700
9	Electrician	1		\$ 1700
10	Labor's	28		\$ 48,000
	<b>Total</b>	<b>51</b>		<b>\$ 1,05,800</b>

Salaries are increased @ 10% per annum.

**A).FUEL POWER AND LUBRICANT**

<b>Fuel Power and Lubricant</b>						
<b>ITEM</b>	<b>Liters/Kgs Consumption Per annum</b>	<b>Price Per Liter/kg</b>				
		<b>Years</b>				
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Capacity Utilization</b>	<b>100%</b>	<b>50%</b>	<b>60%</b>	<b>80%</b>	<b>90%</b>	<b>95%</b>
<b>Diesel</b>	1,35,000 Liter per annum			USD 1.21 per Liter		
<b>Lubricant oil</b>						
<b>Hydraulic oil</b>						
<b>Grease</b>						

Salaries are increased @ 10% per annum

Stores spares and loose tools

The Plant will be maintained and spares and stores are consumed for

Carriage outwards

Carriage outwards is taken as ..... per ton.

Repair and maintenance

Cost of repair and maintenance is assumed @ ..... % of fixed assets excluding land and plant and

machinery with .....% increase in coming years

**Water charges**

Water charges are assumed at a lump sum amount of

**Insurance**

Insurance will be necessary to cover in case of accidents etc

**Excise duty and Royalty**

Excise duty is

**Contingencies**

Contingencies are assumed to be

**6. ADMINISTRATION MARKETING AND OTHER EXPENSES**

Salaries are increased @ 10% per annum

<b>Salaries</b>				
<b>S.No</b>	<b>STAFF</b>	<b>No. of Employee s</b>	<b>Monthly Salaries</b>	<b>Annual Salaries</b>
1	Project Manager	1		\$ 15,000
2	Accounts Officer	1		\$ 7,000
3	Marketing Officer	1		\$ 8,000
4	Drivers	1		\$ 1,800
5	Peon	1		\$ 1,700
6	Security Guards	4		\$ 7,000
	<b>TOTAL</b>	<b>9</b>		<b>\$ 40,500</b>

- *Electricity*
  - Electricity needs will be catered from Generator cost already accounted for in Operating Expenses.
- *Communication*
  - Communication includes telephone, telex and fax charges of office and managers.
- *Printing & Stationary*
  - Printing and stationery includes leaflets, cards, and stationery required by administration staff.
- *Vehicle up – keep*
  - Fuel, repair and maintenance of vehicles
- *Legal and Professional Charges*
  - These include audit, tax and consultancy charges.
- *Newspapers and Periodicals*
- *Entertainment*
- *Bank Charges*

**7. DEPRECIATION ON ASSETS**

Depreciation on the assets has been charged at the following rates:

Plant and Machinery -20%

Building - 5%

Furniture & Fixtures - 10%

Vehicles - 20%

## 8. PRODUCTION SCHEDULE AND PRICING

Sale price per ton has been taken AT **USD \$ 200 per MT and USD \$ 500 per MT** for large medium and small squared blocks respectively.

Quarry at 100% efficiency will produce following tons.

Sale Price		
	Production (tons)	Sales price per ton
Squared Blocks (Large)	1400	\$ 500
Squared Blocks (Medium)	2800	\$ 300
Squared Blocks (Small)	7800	\$ 200
<b>Total Production</b>	<b>12000</b>	

PRODUCTION SCHEDULE						
Description		Year s				
		1	2	3	4	5
Capacity Utilization	<b>100%</b>	<b>50%</b>	<b>60%</b>	<b>80%</b>	<b>90%</b>	<b>95%</b>
Production per year	12000	6000	7200	9600	10800	11400
Squared Blocks (Large)	1400	700	850	1150	1300	1350
Squared Blocks (Medium)	2800	1400	1650	2250	2500	2650
Squared Blocks (Small)	7800	3900	4700	6200	7000	7400

## 9. TAXIATION

Taxation assumptions, allow for depreciations. – As per Govt. Policies