Hing is one of the essential ingredients in Indian recipes. It is widely used almost in all dishes along with other spices used for preparation of various vegetable, dal, sambar, etc. and other regional dishes. Good quality product demand is always increasing. Project generate substantial profit margin also.

1. Name of the Product: Compound Asafoetidia (Hing)

2. Project Cost:

(a) Capital Expenditure

Land: Own

Building Shed 600 Sq.ft: Rs. 120000.00

Equipment: Rs. 300000.00
(Mixer, Drier, Pulveriser, Utensils, Packing M/c, etc..)

Total Capital Expenditure: Rs. 420000.00

(b) Working Capital: Rs. 200000.00

TOTAL PROJECT COST: Rs. 620000.00

3. Estimated Annual Production of Asafoetidia:

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Particulars</th>
<th>Capacity</th>
<th>Rate</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Compound Asafoetidia (Hing)</td>
<td>74 Quintal</td>
<td>12500.00</td>
<td>922.80</td>
</tr>
</tbody>
</table>

TOTAL: 74 12500.00 922.80

4. Raw Material: Rs. 450000.00
5. Labels and Packing Material : Rs. 100000.00  
6. Wages (Skilled & Unskilled) : Rs. 90000.00  
7. Salaries : Rs. 78000.00  
8. Administrative Expenses : Rs. 20000.00  
9. Overheads : Rs. 75000.00  
10. Miscellaneous Expenses : Rs. 25000.00  
11. Depreciation : Rs. 36000.00  
12. Insurance : Rs. 4200.00  
13. Interest (As per the PLR)  
   (a) Capital Expenditure Loan : Rs. 54600.00  
   (b) Working Capital Loan : Rs. 26000.00  
Total Interest : Rs. 80600.00  
14. Working Capital Requirement  
   Fixed Cost : Rs. 181800.00  
   Variable Cost : Rs. 741000.00  
   Requirement of Working Capital per Cycle : Rs. 200700.00  
15. Estimated Cost Analysis

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Capacity Utilization (Rs. in l000)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>1.</td>
<td>Fixed Cost</td>
<td>181.80</td>
</tr>
<tr>
<td>2.</td>
<td>Variable Cost</td>
<td>741.00</td>
</tr>
<tr>
<td>3.</td>
<td>Cost of Production</td>
<td>922.80</td>
</tr>
<tr>
<td>4.</td>
<td>Projected Sales</td>
<td>1199.64</td>
</tr>
<tr>
<td>5.</td>
<td>Gross Surplus</td>
<td>276.84</td>
</tr>
<tr>
<td>6.</td>
<td>Expected Net Surplus</td>
<td>241.00</td>
</tr>
</tbody>
</table>

Note:

1. All figures mentioned above are only indicative and may vary from place to place.

2. If the investment on Building is replaced by Rental Premises-
   (a) Total Cost of Project will be reduced.  
   (b) Profitability will be increased.  
   (c) Interest on Capital Expenditure will be reduced.