



**Khadi and Village Industries Commission Mumbai**

**Project Profile on CRICKET BATS**

**Introduction :**

The game of cricket is one of the most popular sports of common wealth countries. The demand for cricket bats and other ancillary items is increasing day by day both in home and export markets. Raw materials required for Cricket Bats are willow clefts, cane, aple wood, mango, rejain and bejain woods. Others are twine, synthetic glue, rubber grip, duco paint, terry cloth, hydrogen peroxide, cane handle, nylon strap, polythese sheets etc.

**Process of Manufacture:** The willow clefts are first shaped in the desired shape and sizes. The willow clefts are sorted for finishing in plain bats, which has no marks on grain side. The defective clefts having knots are selected for finishing of terryarmoured for parchmented. After shaping the clefts by hand, the cane handle made of cane with insertion of rubber sheet is fixed with synthetic glue. The bats after finishing are pressed in maching. The pain bats are bleached with hydrogen peroxide and liquid ammonia. Some plain unbleached bats are dipped in linseed oil for oiling to give strength to wood. The defective ones are covered with poplin cloth and then duco paint is applied on it. Others is wrapped with twine and fixed with parchment and dried. Cane handle is covered with twine after finishing, rubber grip is fixed on handle with cello tape. The stickers are applied on doth sides of bats and then packed for despatch. **Market Potential :** Sports goods industries is one of the major export-oriented industries in the country. This industry is expanding day by day.

**1 Name of the Product : CRICKET BATS**

**2 Project Cost :**

a Capital Expenditure

|                   |   |  |     |           |
|-------------------|---|--|-----|-----------|
| Land              | : |  | Rs. | Own       |
| Workshed in sq.ft | : |  | Rs. | -         |
| Equipment         | : |  | Rs. | 60,000.00 |

Band Saw machine, Bat processing machine power operated with revrse year 3 H.P., Bat finishig machine power operated with one H.P. Motor, Wookd working lathe with 1 H.P. motor (power operated), tools and equipments

|                             |            |                   |
|-----------------------------|------------|-------------------|
| Total Capital Expenditure   | Rs.        | 60,000.00         |
| b Working Capital           | Rs.        | 275,000.00        |
| <b>TOTAL PROJECT COST :</b> | <b>Rs.</b> | <b>335,000.00</b> |

**3 Estimated Annual Production Capacity:**

(Rs. in 000)

| Sr.No.       | Particulars  | Capacity in No./Q. | Rate        | Total Value    |
|--------------|--------------|--------------------|-------------|----------------|
| 1            | CRICKET BATS | 48000.00           |             | 1663.40        |
| <b>TOTAL</b> |              | <b>48000.00</b>    | <b>0.00</b> | <b>1663.40</b> |

**4 Raw Material : Rs. 1,200,000.00**

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

**6 Wages (1-Skilled & 1-Unskilled) : Rs. 144,000.00**

**7 Salaries (MANAGER-1) : Rs. 120,000.00**

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|           |                                    |          |            |                     |
|-----------|------------------------------------|----------|------------|---------------------|
| <b>8</b>  | <b>Administrative Expenses</b>     | <b>:</b> | <b>Rs.</b> | <b>40,000.00</b>    |
| <b>9</b>  | <b>Overheads</b>                   | <b>:</b> | <b>Rs.</b> | <b>50,000.00</b>    |
| <b>10</b> | <b>Miscellaneous Expenses</b>      | <b>:</b> | <b>Rs.</b> | <b>40,000.00</b>    |
| <b>11</b> | <b>Depreciation</b>                | <b>:</b> | <b>Rs.</b> | <b>6,000.00</b>     |
| <b>12</b> | <b>Insurance</b>                   | <b>:</b> | <b>Rs.</b> | <b>600.00</b>       |
| <b>13</b> | <b>Interest (As per the PLR)</b>   |          |            |                     |
|           | <b>a. C.E.Loan</b>                 | <b>:</b> | <b>Rs.</b> | <b>7,800.00</b>     |
|           | <b>b. W.C.Loan</b>                 | <b>:</b> | <b>Rs.</b> | <b>35,750.00</b>    |
|           | <b>Total Interest</b>              |          | <b>Rs.</b> | <b>43,550.00</b>    |
| <b>14</b> | <b>Working Capital Requirement</b> | <b>:</b> |            |                     |
|           | <b>Fixed Cost</b>                  |          | <b>Rs.</b> | <b>208,400.00</b>   |
|           | <b>Variable Cost</b>               |          | <b>Rs.</b> | <b>1,454,750.00</b> |
|           | <b>Requirement of WC per Cycle</b> |          | <b>Rs.</b> | <b>277,192.00</b>   |

**15 Cost Analysis**

| Sr.No.   | Particulars                 | Capacity Utilization(Rs in '000) |         |         |         |
|----------|-----------------------------|----------------------------------|---------|---------|---------|
|          |                             | 100%                             | 60%     | 70%     | 80%     |
| <b>1</b> | <b>Fixed Cost</b>           | 208.40                           | 125.04  | 145.88  | 166.72  |
| <b>2</b> | <b>Variable Cost</b>        | 1455.00                          | 873.00  | 1018.50 | 1164.00 |
| <b>3</b> | <b>Cost of Production</b>   | 1663.40                          | 998.04  | 1164.38 | 1185.22 |
| <b>4</b> | <b>Projected Sales</b>      | 2000.00                          | 1200.00 | 1400.00 | 1600.00 |
| <b>5</b> | <b>Gross Surplus</b>        | 336.60                           | 201.96  | 235.62  | 269.28  |
| <b>6</b> | <b>Expected Net Surplus</b> | 331.00                           | 196.00  | 230.00  | 263.00  |

- Note :
1. All figures mentioned above are only indicative.
  2. If the investment on Building is replaced by Rental then
    - a. Total Cost of Project will be reduced.
    - b. Profitability will be increased.
    - c. Interest on C.E.will be reduced.