

PROJECT PROFILE ON THE MANUFACTURE OF CRICKET BATTING GLOVES



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MANUFACTURE OF CRICKET BATTING GLOVES

PRODUCT CODE: NIC 2004: 36939
ASICC: 93138

QUALITY AND STANDARDS: IS 3800 Batting Gloves

PRODUCTION CAPACITY: Qty: 60,000 Pairs (per annum)
Value: Rs.1,32,00,000

MONTH AND YEAR
OF PREPARATION: December, 2011.

PREPARED BY: LEATHER DIVISION,
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INTRODUCTION

The Cricket Batting Gloves are used as safety guards by the players while playing cricket to save the hand from any injury being caused by the cricket ball and these gloves also absorb the shock caused by hitting the ball, thus also helps to keep the hand in comfortable condition during the play for longer period by absorbing the perspiration, etc. Initially, Batting Gloves were manufactured of leather but due to fast changing technology, the new synthetic material has been developed which is suitable, more durable and cheaper than the leather material. The process of manufacturing the Batting Gloves is the same as for other industrial gloves. The only difference is that for the safety of fingers, pads are used made out of woolen rug or foam attached on the upper side of the gloves.

MARKET POTENTIAL

Due to the growing interest among younger generation and Government of India's interest to develop Cricket, some Cricket Academies in some States have come up and many more may come up. In addition, there is great demand from overseas, market also. This industry can earn a lot of foreign exchange by way of exporting the cricket gloves. Due to frequent change in design, it is advised to manufacture quality synthetic gloves.

BASIS AND PRESUMPTIONS

The production envisaged is based on the single shift basis of 8 hours a day and 25 working days a month.

- Five years period for achieving full capacity utilization.
- Labour on monthly salary basis.
- Rate of interest – 15%
- Margin Money – 25%
- Pay back period 8 to 10 years.
- Land and building rented @ Rs.10,000 p.m.
- Covered area – 2500 sq. ft.
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IMPLEMENTATION SCHEDULE

It is anticipated that all the formalities will be completed within 6 – 8 months of period before starting the commercial production.

(4)

TECHNICAL ASPECTS

(i) Production Details & Process of Manufacture:

As per graded pattern, the components are clicked manually or by clicking process:

- Pre or post printing of monogram log, etc is carried out. This depends upon the price of the product agreed upon.
- Components are stitched together and padding is attached separately over the post-bed stitching machine.
- Fixing of buckle and button, etc.
- Finishing, i.e., excess thread/material or oily matter etc is removed.
- Inspection and signing of Tag with full description, etc.
- Packing as per buyer's instruction.

(ii) Quality Specification: IS 3800 Batting Gloves

(iii) Production Capacity:

Cricket Batting Gloves : 60,000 pairs (per annum)

Value : Rs.1,32,00,000

(iv) Motive Power : 3 HP (approx.)

(v) Pollution Control:

This industry does not create any pollution, therefore, State Pollution Control Board's permission is not binding to start the industry.

(vi) Energy Conservation:

There is no scope of energy conservation in this unit.

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FINANCIAL ASPECTS:

1. Fixed Capital:

2500 sq. ft. covered area rented @ Rs.12,000 (per month) : Rs.12,000

2. Machinery and Equipment:

Sl No.	Description	Imp/Ind	Qty.	Rate (Rs.)	Value (Rs.)
1.	Cylinder bed compound, Feed Machine (JUKI) No.MS-335	Imp.	2	85,000	1,70,000
2.	Post bed Lock Stitching Machine (Juki No.MS-810)	„	2	85,000	1,70,000
3.	Electrification and installation charges @ 10%				40,000
4.	Tools and equipment				25,000
5.	Cost of furniture and fixture				50,000
	Total				4,55,000

3. Pre-operative Expenses Rs. 20,000

Total Fixed Capital (2 + 3) Rs.4,75,000

WORKING CAPITAL (per month)

(i) **Personnel/Technical (per month)**

Sl No.	Description	No.	Salary (Rs.)	Total (Rs.)
1.	Manager	1	10,000	10,000
2.	Supervisor	1	6,000	6,000
3.	Skilled Worker	5	5,000	25,000
4.	Accountant/Clerk	1	6,000	6,000
5.	Peon/Chowkidar	1	3,500	3,500
6.	Sweeper/Helper	1	3,500	3,500
	Total			54,000
	Add perquisites @ 20% on salary			10,800
	Total			64,800

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(ii) **Raw Materials** (per pair)

Sl No.	Description	Qty	Rate(Rs.)	Amount (Rs.)
1.	Single Thick Cloth	0.10 kg	170 per kg.	17.00
2.	PVC (fingers)	0.12 meter	100 per meter	12.00
3.	Sweat Band	0.50 meter	80 per meter	40.00
4.	PVC for quirk	0.02 meter	100 per meter	2.00
5.	Thread No.50	0.1 Reel	200 per pc.	20.00
6.	Gusset-Nylon tape	0.050 kg.	500 per kg.	25.00
7.	Velcro 2' H/L	0.40 meter	50 per meter	20.00
8.	Thimbla		Rs.2.00	2.00
9.	Logo/Monogram Printing	L.S.		15.00
10.	Packing and forwarding			10.00
	Total			163.90
	Say			163.00
	(per month 124 x 200 x 25)			8,15,000.00

(iii) **Utilities** (per month)

Sl No.	Description	Amount (Rs.)
1.	Power	5,000
2.	Water	1,000
	Total	6,000

(iv) **Other Contingent Expenses** (per month)

Sl No.	Description	Amount (Rs.)
1.	Rent	12,000
2.	Postage and Stationery	2,000
3.	Repair and Maintenance	2,000
4.	Transportation	6,000
5.	Advertisement and publicity	3,000
6.	Insurance	1,000
7.	Consumable Stores	2,000
8.	Other contingent expenses	4,000
	Total	32,000

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(v) **Total Recurring Expenditure** (per month)

Sl No.	Description	Amount (Rs.)
1.	Raw Materials	8,15,000
2.	Staff and Labour	64,800
3.	Utilities	6,000
4.	Other contingent expenses	32,000
	Total	9,17,800 Say 9,18,000

(vi) **Working Capital for 3 months:**

9,18,000 x 3 27,54,000

(vii) **Total Capital Investment**

Sl No.	Description	Amount (Rs.)
1.	Fixed Capital	4,75,000
2.	Working Capital	27,54,000
	Total	32,29,000

FINANCIAL ANALYSIS

(i) **Cost of Production** (per year)

Sl No.	Description	Amount (Rs.)
1.	Total recurring cost	1,10,16,000
2.	Depreciation on machinery @ 10%	34,000
3.	Depreciation on tools and equipment @ 25%	6,250
4.	Depreciation on furniture and fixtures @ 25%	12,500
5.	Interest on Total Capital Investment @ 16%	5,16,640
6.	Total	1,15,85,390
	Say	1,15,85,000

(ii) **Turnover** (per year)

Sl No.	Description	Qty	Rate	Amount (Rs.)
1.	Cricket Batting Gloves	60,000 pairs	220 per pair	1,32,00,000

	Total			1,32,00,000
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(iii) **Net Profit** per annum

Turn over	1,32,00,000
Cost of Production (-)	1,15,85,000
Net Profit	16,15,000

(iv) **Net Profit Ratio:**

$$= \frac{\text{Net Profit per year} \times 100}{\text{Turnover per year}}$$

$$= \frac{16,15,000 \times 100}{1,32,00,000}$$

$$= 12.23\%$$

(v) **Rate of Return on Total Investment**

$$\frac{\text{Net Profit per year} \times 100}{\text{Total Investment}}$$

$$= \frac{16,15,000 \times 100}{32,29,000}$$

$$= 50.02\%$$

BREAK EVEN ANALYSIS:

(i) **Fixed Cost**

Sl No.	Description	Amount (Rs.)
1.	Rent	1,44,000
2.	Total Depreciation	52,750
3.	40% of salary and wages	3,11,040
4.	40% of other contingent expenses	96,000
5.	Total Interest	5,16,640
6.	Total	11,20,430

BREAK EVEN POINT

$$\text{B.E.P.} = \frac{\text{Fixed cost} \times 100}{\text{Fixed cost} + \text{Net Profit}}$$

$$= \frac{11,20,430 \times 100}{11,20,430 + 16,15,000} = 40.96\%$$

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Addresses of Machinery & Equipment Suppliers:

1. M/s Jay Cee Enterprises Ltd, 6, South Model Gram,
Dutta Building, Ludhiana.
2. M/s J.C. enterprises, E-357, Greater Kailash – II, New Delhi
3. M/s Singer Sewing Machine Co., Anna Salai,
Chennai – 600 002.
4. M/s Leather Packaging Machinery Corporation,
1/23B, Asaf Ali Road, New Delhi 110002
5. M/s Srinivasan, No.32, Bishop Garden, Chennai – 600 028
6. M/s Apparel & Leather Technics Pvt Ltd,
515, Avanashi Road, Tirpur – 641 602

Addresses of Raw Material Suppliers:

1. M/s Global Enterprises, Kotwali Bazar,
Jalandhar (Punjab).
2. M/s Kerala Rubber House, Kotwali Bazar,
Jalandhar (Punjab).
3. M/s Rasulbhai Adamji and Co., 163, Near Basoo Street,
Mumbai – 3
4. M/s Bharani Agencies, 126, Thumbu Chetty Street,
Chennai 600 001
5. M/s Synthokem Industries,
Hindi Prachar Sabha Street, Chennai 600 017