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Common Facility Centre for Jute

- *Raw Material Bank*
- *Fabric Dyeing Unit*
- *Fabric Lamination Unit*
- *Digital & Rotary Printing Unit*
- *Testing Facilities*
- *Skilled Development Centre*
- *Product Research & Development Centre*

[NPCS/5100/23450]

Introduction

Jute is a natural and eco-friendly vegetable bast fibre extracted from plants whose stems are used as renewable energy resource and for other diversified uses. The products of Jute fibres are reusable, sustainable and bio-degradable and with environmental protection becoming a non- negotiable issue, jute is fast becoming a preferred fibre across the world.

Jute is used for producing a huge variety of utility products like gunny bags, hessian, ropes, strings, carpets, rugs and clothes, tarpaulins, upholstery and decoration pieces. In recent time jute fibre is also used to manufacturing men's shirting materials and women's sarees, salwar-khameez material, after making softness process of the fibre. Linen fabrics are now a days introduced in the textile market of India

The Jute industry occupies an important place in the national economy of India. The Common Facility Centre for development and promotion of jute diversified products will generate self-employment opportunities for people and benefit the peoples in rural areas formed under various state, providing forward linkage with the market for value added products. Jute industry plays an important role in the development and promotion of jute & jute products, processes, marketing and commercialization of technologies for the manufacture of all jute products including jute-diversified and jute technical textiles products and creating awareness of the use of this natural fibre in non-conventional applications.

Objectives of setting up Common Facility Centres (CFCs):

- **Engaging established manufacturers, exporters, institution & agencies for making interventions for product identification, skill development programmes, imparting training to member artisans of WSHGs, supply of raw material and finally marketing of finished products.**
- **Providing modern machinery to the WSHGs required for bulk production;**
- **Arranging space for undertaking bulk/regular production;**
- **Arranging space for proper stocking of finished products;**

- **Provide funds for tool kits to individual beneficiaries through direct bank transfer;**
- **Provide facilities for online E-marketing/E-Commerce;**
- **Priority in participation in the fairs organized by NJB;**
- **Participation in the Design Development workshops;**
- **Diverting bulk requires, if any, to WSHGs for executions;**
- **Promoting WSHGs on NJB's website and other online media;**
- **Encouraging the formation of Federation of WSHGs for taking charge of operation of CFC.**

Raw Material Bank for Exports

The Jute industry occupies an important place in the national economy of India. It is one of the major industries in the eastern region, particularly in West Bengal. Jute, the golden fibre, meets all the standards for safe‘packaging in view of being a natural, renewable, biodegradable and eco-friendly product.

Raw jute crop is an important cash crop to the farmers. Cultivation of raw jute crop provides not only fibre which has industrial use, but jute stick which is used as fuel and building material by the farming community.

- **Raw material bank for raw jute should be setup for export requirements. The raw jute available from the Raw Material Bank would be at a competitive price, as raw jute will be procured in bulk quantity during the peak season. Most of the raw jute should be procured during the peak season (e.g. August to October) of availability of jute, from farmers/mukams sufficient to support exports for the entire year.**
- **Exporters/manufacturers will be able to procure jute from the Raw Material Bank only for exports, on providing the purchase order from the client initially and the bill of lading once the shipment is done.**
- **The raw material bank will help in removing fluctuation in jute prices and enable exporters to quote stable prices to their customers and also improve their production planning and forecasting. This will further increase the trust and reliability of Indian products among the customers.**

Market Outlook

Jute is the second most important vegetable fiber after cotton due to its versatility. It is 100% biodegradable and eco-friendly fiber and do not pollute our environment like plastic products and poly bags. Day by day the demands of jute goods are increasingly rapidly. The India jute industry is an integral part of the Indian Textile Industry. India jute industry is an old industry and it is predominant in the eastern part of India.

Jute Goods

Demand : Past and Future	
Year	(In '000 Metric Tonne)
1990-91	1400
2000-01	1625
2001-02	1601
2002-03	1622
2003-04	1571
2004-05	1613
2005-06	1480
2006-07	1250
2007-08	1280
2008-09	1250
2009-10	1300
2010-11	1353
2011-12	1550
2012-13	1610
2013-14	1575
2014-15	1625
2015-16	1645
2016-17	1675
2017-18	1710
2018-19	1790
2019-20	1850
2024-25	2010

The jute textile market in India is expanding in spite of rising competition from synthetic fibres. To push growth in the jute industry, the government of India passed a stricture that at least 90 per cent of the production of food grains and sugar should be packed in jute. Such attempts by the government to revive the jute industry have helped in the consistent growth of jute textile. Jute is predominantly used as a packing material in form of gunny bags but jute fibre applications have a range of uses from home decor like carpets, to fashion accessories, geo-textiles and floor mats.

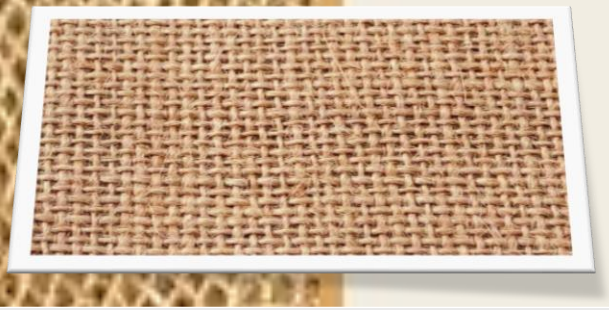
The India jute industry is an integral part of the Indian Textile Industry. India jute industry is an old industry and it is predominant in the eastern part of India. The jute industry in India engages around 2.6 lakh workers directly and around 1.4 lakh workers indirectly in the allied sectors.

Exports of Jute Goods

Qty: In 000' M. Tons Value: Rs / Crores						
(April / March)	Hessian	Sacking	CBC	Others	Total	Value
1996 - 97	76.3	6.7	15.4	5.6	155	572.3
1997 - 98	103.5	17.9	13.5	9.7	240	694.7
1998 - 99	65.3	8	15.3	12.9	171	582.3
1999 - 00	57.4	5.6	6.3	15.8	169	571.5
2000 - 01	61.4	17.3	5.9	11.5	181.4	646.3
2001 - 02	36.8	12.2	4.4	13.7	146.1	567.5
2002 - 03	77.4	37.5	3.8	22.5	229.2	916.6
2003 - 04	157.1	33.4	5.2	24.1	310.4	1051.88
2004 - 05	153.7	31.2	1.5	15	321.8	1146.9
2005 - 06	171.6	33.2	0.9	11	285.8	1186.24
2006 - 07	122.2	31.6	0.1	10.6	242.8	1055.16
2007 - 08	67.8	30	N.A	14.4	204.3	1143.57
2008 - 09	53	53.2	N.A	10.7	199.8	1216.16
2009-10	31.3	26.5	N.A	8.3	110.5	859.46
2010-11	53.9	40.6	N.A	10.4	199.3	1363.29
2011-12	58.3	81.1	N.A	8.2	201.1	1502.14
2012-13	51.2	103.8	N.A	59	214	1598.05
2013-14	51.4	109.4	N.A	55.3	216	1880.63
2014-15 (Till Dec.)	27	31.1	N.A	7.4	88.6	1006.4

Currently, there are 83 composite jute mills in India. West Bengal leads the list with 64 jute mills, followed by Andhra Pradesh, which has seven. Bihar and Uttar Pradesh have three mills each. These mills contribute to a diverse range of jute products from gunny bags to home decor items including economical and eco-friendly twill bags, geo-textiles that do not allow easy water penetration, carpets and floor rugs.

India, Bangladesh, China, Myanmar, Nepal and Thailand are at present the major producers of Jute, Kenaf and Roselle fibres. India, Bangladesh and China are the large producers. Jute is a natural fiber popularly known as the golden fiber. It is one of the cheapest and the strongest of all natural fibers and considered as fiber of the future. Jute is second only to cotton in world's production of textile fibers. India, Bangladesh, China and Thailand are the leading producers of Jute. It is also produced in southwest Asia and Brazil. The two main types of jute, white jute (Corchorus Capsularies) and dark jute or tossa (Corchorus Olitorius) are grown in India, Bangladesh, Thailand, China and south Asian countries.



Global Production of Raw Jute

Country	2009-10	2010-11	2011-12	2012-13	2013-14
Bangladesh	923500	923464	1523315	1452044	1391000
Myanmar	1024	1331	2508	2300	2400
China	43500	40000	43500	39400	35500
India	2021500	1799100	1960380	1912000	1944000
Nepal	17658	20965	14418	14424	15500
Zimbabwe	1700	1995	2298	2500	2500
Viet Nam	6068.05	12447.9	8304.26	3227.88	1202.53
World	3045089	2828533	3583156	3455719	3422665

Machinery Photographs

Fabric Dyeing Machine

Bleaching

Fabric Lamination Machine

Cooling Tower

Project at a Glance

COST OF PROJECT				MEANS OF FINANCE			
Particulars	Existing	Proposed	Total	Particulars	Existing	Proposed	Total
Land & Site Development Exp.	0.00	50.00	50.00	Capital	0.00	1198.67	1198.67
Buildings	0.00	1676.00	1676.00	Share Premium	0.00	0.00	0.00
Plant & Machineries	0.00	2252.46	2252.46	Other Type Share Capital	0.00	0.00	0.00
Motor Vehicles	0.00	30.00	30.00	Reserves & Surplus	0.00	0.00	0.00
Office Automation Equipments	0.00	186.00	186.00	Cash Subsidy	0.00	0.00	0.00
Technical Knowhow Fees & Exp.	0.00	50.00	50.00	Internal Cash Accruals	0.00	0.00	0.00
Franchise & Other Deposits	0.00	0.00	0.00	Long/Medium Term Borrowings	0.00	3596.02	3596.02
Preliminary& Pre-operative Exp	0.00	15.00	15.00	Debentures / Bonds	0.00	0.00	0.00
Provision for Contingencies	0.00	212.00	212.00	Unsecured Loans/Deposits	0.00	0.00	0.00
Margin Money - Working Capital	0.00	323.23	323.23				
TOTAL	0.00	4794.70	4794.70	TOTAL	0.00	4794.70	4794.70

Project at a Glance

Year	Annualised		Book Value	Debt	Dividend	Retained Earnings		Payout	Probable Market Price	P/E Ratio	Yield Price/ Book Value
	EPS	CEPS	Per Share		Per Share	Per Share				No.of Times	
	`	`	`	`	`	%	`	%	`		%
1-2	4.61	9.31	14.61	24.00	0.00	100.00	4.61	0.00	4.61	1.00	0.00
2-3	7.19	11.26	21.80	18.00	0.00	100.00	7.19	0.00	7.19	1.00	0.00
3-4	9.73	13.28	31.53	12.00	0.00	100.00	9.73	0.00	9.73	1.00	0.00
4-5	12.21	15.30	43.74	6.00	0.00	100.00	12.21	0.00	12.21	1.00	0.00
5-6	14.61	17.30	58.36	0.00	0.00	100.00	14.61	0.00	14.61	1.00	0.00

Project at a Glance

Year	D. S. C. R.			Debt / - Deposits Debt	Equity as-Equity	Total Net Worth	Return on Net Worth	Profitability Ratio					Assets Turnover Ratio	Current Ratio
	Individual	Cumulative	Overall					GPM	PBT	PAT	Net Contribution	P/V Ratio		
	(Number of times)			(Number of times)		%	%	%	%	%		%		
Initial				3.00	3.00									
1-2	1.35	1.35		1.64	1.64	2.09		25.70 %	14.14 %	10.65 %	3850.43	74.15 %	0.97	1.00
2-3	1.61	1.48		0.83	0.83	1.17		30.01 %	21.09 %	14.22 %	3952.69	65.24 %	1.08	1.39
3-4	1.92	1.61	1.92	0.38	0.38	0.65		32.91 %	25.98 %	16.85 %	4504.52	65.06 %	1.12	1.86
4-5	2.30	1.76		0.14	0.14	0.36		34.88 %	29.48 %	18.79 %	5056.35	64.91 %	1.10	2.40
5-6	2.75	1.92		0.00	0.00	0.18		36.18 %	31.99 %	20.24 %	5608.17	64.80 %	1.05	4.69

Project at a Glance

BEP	
BEP - Maximum Utilisation Year	5
Cash BEP (% of Installed Capacity)	43.29%
Total BEP (% of Installed Capacity)	49.03%
IRR, PAYBACK and FACR	
Internal Rate of Return .. (In %age)	25.23%
Payback Period of the Project is (In Years)	2 Years 3 Months
Fixed Assets Coverage Ratio (No. of times)	3.553

Major Queries/Questions Answered in the Report?

1. What is Common Facility Centre ?

2. How has the Common Facility Centre performed so far and how will it perform in the coming years ?

3. What is the Project Feasibility of Jute Common Facility Centre ?

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5. What is the structure of Jute Common Facility Centre?

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Tags

#Common_Facility_Centre_for_Jute, #Common_Facility_Centres_(Cfcs), Setting up of Common Facility Center (Cfc) for Jute, Jute Industry, Raw Material Bank for Exports, #Raw_Material_Bank, #Fabric_Dyeing_Unit, Fabric Lamination Unit, Digital & Rotary Printing Unit, Testing Facilities, Skilled Development Centre, Product Research & Development Centre, #Jute_Common_Facility_Centre, Jute Industry, #Jute_and_Jute_Textile_Industry, Jute Sector, Jute Production, Jute Industry in India, Jute Textiles Industry in India, #Common_Facility_Centre_Pdf, Dyeing of Jute Fabric, Jute Raw Material Bank, Jute Dyeing, Laminated Jute Fabric, Digital & Rotary Printing Unit for Jute, Digital Jute Print Fabric, Skill Development Centre for Jute Industry, #How_to_Start_Jute_Business, Jute Sector in India, Jute Business Opportunity in India, Jute Business in India, Detailed Project Report on Common Facility Centre for Jute, Project Report on Common Facility Centre for Jute, #Pre_Investment_Feasibility_Study_on_Common_Facility_Centre_for_Jute, Techno-Economic feasibility study on Jute Raw Material Bank, Feasibility report on Common Facility Centre for Jute, #Free_Project_Profile_on_Common_Facility_Centre_for_Jute, Project profile on Jute Raw Material Bank, #Download_free_project_profile_on_Common_Facility_Centre_for_Jute

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