

## **Notification for operating Jute Raw Material Bank (JRMB) Scheme**

The Secretary, National Jute Board, Ministry of Textiles, Govt. of India invites applications from bonafide agencies have sound financial background to act as an Operating Agency (OA) hereinafter referred as OA for operation of the JRMB.

### **1. Introduction**

National Jute Board, Ministry of Textiles, Govt. of India has developed large numbers of clusters of Women Self Help Groups (WSHGs), artisans and entrepreneurs throughout the country engaged in manufacturing of various types of Jute Diversified Products (JDPs) ranging from ordinary shopping/fancy bags, braided handicrafts, handloom products, jute footwear, jute wall hangings, floor coverings etc. through trainings, design development & disseminations and supplying machines. Now, there is an urgent need of establishing jute raw material supply chains for ensuring uninterrupted supply of jute raw materials for making jute products by these beneficiaries. With a view to this setting up of Jute Raw Materials Bank near those clusters and production units has become inevitable.

The JRMBs shall be established near the clusters and the production units so that jute raw material is supplied to them regularly at economic rates i.e. mill gate price plus actual transportation cost, to help them manufacture high value products, both for domestic and international markets. This will be a sustainable process to increase the production base for JDPs and to increase the employments in rural masses particularly the women for which competent organizations/agencies having well established backward and forward linkages will be required to be collaborated with. The JRMBs will also act as a complement to the training & skill development efforts being made by the JDCs in their respective regions to develop new WSHGs, artisans & entrepreneurs in addition to serving the existing WSHGs, artisans & entrepreneurs. Different agencies, hereinafter referred to as Operating Agencies (OA) will be engaged by inviting applications to run each of the JRMBs.

### **2. Objectives**

The following objectives are envisaged for the JRMB Schemes:

1. To assist more and more number of production units in the small, medium and micro sector for use of jute as raw material in order to expand the production base for the diversified jute products.
2. To assist by providing jute raw materials at their locations to the number of existing skilled workforce as well as the new artisans/entrepreneurs/WSHGs for production of jute diversified products in the decentralized sector.
3. To help create employment for the rural masses in the newly established JDP production units.
4. To increase demand for consumption of raw jute for producing JDPs, thereby ensuring continuous market for the produce of jute farmers.
5. To build up supply chains for certain and smooth supply of jute raw materials to the production units in the small, medium and micro sector at an economic price at which the materials are available at the source of supply.

### **3. Jute Raw Materials to be procured and sold by the JRMB**

The raw materials to be procured and sold through JRMB include:

- a) Raw Jute for braided products
- b) Jute yarn or jute blended yarn
- c) Laminated jute or jute union fabric (jute or jute blended)
- d) Bleached or dyed jute/jute union fabric (jute or jute blended)
- e) Non-laminated jute union fabric (jute or jute blended)
- f) Dyes, chemicals and other accessories, e.g. :
  - i) Bag handles made of cane/bamboo/plastic
  - ii) Jute or cotton rope for bag handles
  - iii) Bag stitching thread - cotton, PP, plastic, synthetic
  - iv) Tape - cotton, PP, synthetic.
  - v) Any other materials required for making JDPs

For the purpose of Jute and Jute Blended yarn/fabric/products etc., the standard definition for such products adopted by NJB will only be considered.

The OAs shall procure the materials from the authentic manufacturer and suppliers of the products / raw materials at their declared price and sell the products to the production units only by adding the transportation costs. NJB will bear the operational costs of the JRMBs, at the rates prescribed. The sources of different raw materials could be different and efforts will be made to arrange supply to the production units at the most economic rates. e.g. Raw jute will be procured from farmers or agencies like JCI and not from the middle men. Similarly, the jute mills' products like, yarn, fabrics, etc will have to be procured from the jute mills.

### **4. Eligibility of the Operating Agency for submitting proposals**

- A. The Agency and its functionaries should be bonafide Indian agencies and Indian Citizens and shall be eligible to carry commercial transactions;
- B. Any agency engaged in the Product identification, Bulk Production, Skill Trainings and marketing of Raw materials for production of Jute Diversified Products or other natural fibres and their products, at least for the last three years.
- C. The applicant Operating Agency (OA) should have annual turnover of over Rs. 10.00 lakhs in each of the last three financial years.
- D. The OA should have its own office-shop (at least 200 sq. ft.) must be preferably located on the Main Roads, easily accessible with sufficient parking place and well connected to the Transportation network , should have storage facility, Landline Telephone/Mobile/ Internet access, Computer facility etc. for operating the Jute Raw Material Bank.
- E. Agencies who Operate the NJB funded JIDCs or who have experience in running NJB's JSC/JRMB/CDAs in the past may also apply.
- F. Above requirements are not applicable for PSUs, TRAs, WSHGs, CFCs and Other State owned organizations related to Jute and JDPs, they can apply directly.

## 5. Procedure for submission of Proposals

The agencies interested to operate JRMBs will submit proposals in response to this notification inviting in the manner described hereinafter.

The proposal shall be made in the prescribed format enclosed at Annexure I and will have to be furnished alongwith the following documents:

1. Ownership Document ( MoA and AoA, in case of Company / Registered deed of partnership / Registration in case of Societies, Trade License, Adhaar Card and address proof , photo id proof of the authorized representative of the agency).
2. Income Tax Return for last financial year along with PAN number;
3. Details of PAN, Service Tax, Sales Tax /VAT payment returns for last financial year.
4. Annual Reports for last three financial years.
5. Audited financial statements for last three years .
6. Any other documents establishing the credential of the agency (Project experience certificates, etc.)
7. Other supporting documents (Profiles of the Master Trainers, if available, proposed to be engaged, project experience certificates etc.).
8. Recommendation of the District Magistrate / District Collector .
9. Details of experience in Trainings, Designing/Product development, Production and Marketing of JDPs including award won and details of its creativity, work done in the past in connection to the scope of the work suggested.
10. Proof of Experience and handling relevant activities mentioned;
11. Any other supporting documents relevant to the selection criteria as per Annexure –I
12. An Approach note/Concept paper highlighting the need for setting up of a JRMB in their region, highlighting.
  - i. Executive Summary
  - ii. Concept Note for the services to be offered
  - iii. The agency composition and background including total experience in Jute Diversified Sector
  - iv. Detailing of key activities with timeline
  - v. Manpower planning including organization chart
  - vi. Marketing and market promotion plans
  - vii. Deliverables with objectively measurable targets
  - viii. Expected Socio–economic benefits of the cluster

All bank statements may be duly certified and original copies shall be submitted. The proposals are to be submitted in a sealed cover and all the documents should have page no., total pages and signature of the authorized persons from the agency on all pages of the documents with Seal.

## **6. Dates for Submission of the applications**

This scheme is open ended, there is no last date. However applications received are evaluated on Monthly basis. The applications received during the month shall be evaluated in subsequent Month.

All the applications in sealed envelope should be sent by Registered Post addressed to The Secretary, National Jute Board, Govt. of India, Ministry of Textiles, 3A&3B Park Plaza, 71, Park Street, Kolkata – 700016. The sealed envelope should be clearly marked “Proposal for JRMB- Name of Operating Agency and location”.

## **7. Agency Selection Criteria**

The Operating agencies interested to operate JRMBs will submit proposals in response to the notification issued by NJB, in the manner prescribed therein. The proposals will be examined by the committee constituted by The Secretary, National Jute Board. Operating agency cannot operate more than one JRMB. The committee to evaluate as per Annexure-I Operating agency evaluation criteria minimum marks for eligibility shall be 60. The NJB / committee reserve the right to recommend amendments in the proposals. The selection in that case will be subject to incorporation of those amendments. Eligible agencies would be called for a presentation before the committee if required. As per NJB Annual Action plan 2015-16 , approx 10 JRMBs are envisaged.

There is no restriction for PSUs, TRAs, WSHGs, CFCs and other state owned organizations subject to the approval of AMAC for operating JRMBs.

## **8. Duration of the Scheme**

Initially 1 year, renewable subsequently on the basis of successful performance of physical and financial targets. If OAs are not operating satisfactorily during the period, these are liable for termination.

## **9. Monitoring of the JRMBs and their Activities**

The Activities and performance of the JRMBs will be monitored by the Marketing Division through the Regional Officer/Head of Marketing Div.(HO) in their respective regions. They will make physical inspections of these JRMBs and their activities on quarterly basis . The JRMBs will disclose and present/give all the relevant information and documents relating to the activities, beneficiaries, funds, VAT details etc. For this a suitable proforma will be devised by the NJB and will be given to JRMBs whenever the inspections are carried out. The performances of the JRMBs and renewal terms will be reviewed periodically by the Monitoring Committee (MC) and Apex Monitoring and Approval Committee (AMAC) as per Scheme.

## **10. Rights of National Jute Board**

The National Jute Board reserves the right to accept /reject the proposals received without assigning any reasons whatsoever, or may call for any additional information/ clarification, if so required.

**11. Operating Agency Evaluation Criteria : Total Marks = 100**

Sl. No.	Major Components	Description	Criteria for point allotment	Maximum points
1	Agency Experience (Max. Points - 60)	1) Proven and demonstrable experience in JDP sector in Trainings, design development / disseminations, Production and retailing/sales& Marketing	>10years = 15 7-10 Years=12 4-7years = 10 < 4 years = 5	15
		2) Details of number of activities and beneficiaries given Trainings, Designing, Creativity, Production, Sales of different Product portfolios	> 100 activities / 2500 beneficiaries = 15 50 to 100 activities / 1250 beneficiaries = 10 < 25 activities / 625 beneficiaries = 5	15
		3) Similar Projects implemented with Govt. organizations/agencies	>5 projects = 15 2-4 projects = 10 < 2 projects = 5	15
		4) Details/Extent of project funding received from the various Govt. sources in the past for similar projects	> Rs. 5 crores = 15 Rs. 2 cr. -5 cr. =12 Rs.1 cr. - 2 cr. = 10 < Rs. 1 cr. = 5	15
2	Key Personnel (Max. Points – 15)	Educational Qualification: Marks will be granted by the selection committee on evaluation of the profiles of the team leader and other team members and their relevant experience.	Team Leader to have expertise in similar activities with credential; Category wise >10years = 10 5-8 years = 8 <5years = 5 + for good profiles of team members (at least 2 members) = 5	15
3	Project Methodology, approach note for services to offered and work plan. (Max. Points – 15)	Concept Note , Approach and methodology, workplan, measurable targets and benefits to the WSHGs, artisans, entrepreneurs etc in the area of operation	OA to provide approach methodology and concept note, details of the services to be offered, work plan and benefit to the WSHGs, artisans, entrepreneurs, etc in their area of operation – To be judged on qualitative terms by the Selection Committee	15
4	Proximity of JRMB location proposed , E-Marketing modes, Inventory / Storage space etc			10
<b>TOTAL MARKS</b>				<b>100</b>

Above criteria's are not applicable for PSUs, TRAs, WSHGs, CFCs and other state owned organizations. The decision of AMAC and MC shall be final.

## 12. Area of Operation of the Scheme

The Scheme will be implemented in the whole of India for Indian citizens wherever the scope of undertaking JDPs activities is existing / potential as per the available records / survey reports or the surveys to be conducted in future.

## 13. Activities to be undertaken by the JRMB

- 1) To survey and identify the existing as well as the potential clusters, where JDPs activities can be undertaken for production of JDPs through WSHGs/Artisans/Entrepreneurs etc. on sustainable basis;
- 2) To create awareness among the targeted beneficiaries about the JDPs, their applications and utilities;
- 3) To assess the requirements of jute materials by the WSHGs/Artisans/Entrepreneurs etc. for manufacturing JDPs as per the market trend demand;
- 4) To undertake regular updating of jute production units such as WSHGs, artisans, entrepreneurs in their respective areas and maintain a data base for the same;
- 5) To tie up and pursue with Operating Agencies of NJB i.e. JIDCs for the present and JSCs/CDAs of the past to get detailed data of the JDPs production units assisted by them;
- 6) To encourage and support WSHGs/artisans/entrepreneurs etc. for bulk production of quality JDPs through regular supply of required quality and quantity of jute raw materials at economic rates as per the mechanism to be devised in consultation with NJB;

## 14. Performance- Physical and Financial Targets for Operating Agency of JRMB :

The flow of activities, expenditure and the physical targets estimated are given in the following statement:

S. No.	Name of the component/ Activity	Unit cost for an activity with numbers of activities proposed	Total cost for this head/ component	Explanation / justification for the Component of the Scheme
1.	Annual Target for Sale of Jute Raw Materials in Bulk	Maximum 8 MT/ Month@ Rs. 80,000/- Per MT (approx.) i.e. Rs. 6,40,000/- PM OR Jute Raw Materials & ancillary materials valued upto Rs. 6,40,000/- Per Month	Maximum 96 MT / Annum Rs.76,80,000 /- Per Annum or Jute Raw Materials & ancillary materials valued upto Rs.76,80,0000/- Per Annum	The targets indicated are average for successful running of a Jute Raw Material Bank. The Maximum Incentive Cap (including operational cost) for a Jute Depot will be Rs. 15.12 Lakhs in a Financial Year. All Jute entrepreneurs, Artisans/units, Weavers, WSHGs, CFCs, NGO, societies, etc. are eligible for purchase of jute raw materials from the Jute Raw Material Banks.

S. No.	Name of the component/ Activity	Unit cost for an activity with numbers of activities proposed	Total cost for this head/ component	Explanation / justification for the Component of the Scheme
2.	Incentive to the Operating Agency for JRMB	<p>15% of the total sales value (for first 2 years) of Jute Raw Materials sold by JRMB.</p> <p>The rate of incentive will be reduced to 12 % for third year and to 10% after four years onwards.</p>	Rs. 11,52,000 Per JRMB / for first 2Year	<p>JRMB is expected to operate in the areas where existing jute units/ artisans/ entrepreneurs/ WSHGs/ NGO Societies etc. are producing JDPs. Since NJB aspires for increasing and expanding the number of beneficiaries/ artisans/ entrepreneurs/ WSHGs, the JRMBs are supposed to cater to the requirements of the beneficiaries/ units/ entrepreneurs developed or existing. The JRMBs are aimed at maximizing the sale of jute raw materials thereby increasing the consumption of jute, the annual target for each JRMB should be broad based.</p> <p>However, it will be binding upon the JRMB to sell the Jute Raw Materials at the cost not exceeding the actual purchase cost + transportation paid (proportionate to Rs./KG). For JRMBs in NER States other Hilly Areas, J&amp;K, Uttarakhand , Himachal Pradesh, Andaman &amp; Nicobar Islands and Lakshadweep Islands, transportation cost will also be reimbursed subject a ceiling of Rs. 1.50 per kg.</p>
3.	Operational Cost (Manpower and godown rent)	Rs. 30,000/- Per Month Or 15% of the annual turnover (whichever is less)	Rs. 3,60,000/- Per Year	JRMB is required to hire Godown/ warehouse, pay raw material handling cost/ manpower, telephone/fax /postal/insurance for raw material. However, for being eligible to run a JRMB, minimum sale worth Rs. 6.40 lakhs per annum has to be generated. No JRMB will be considered for continuation below this threshold limit. JRMB will not sell jute raw materials over 15% of its total annual turnover to a single unit/ WSHG/ Entrepreneur for the purpose of availing the scheme's incentive. However, it can sell beyond this limit without NJB support/incentive.

S. No.	Name of the component/ Activity	Unit cost for an activity with numbers of activities proposed	Total cost for this head/ component	Explanation / justification for the Component of the Scheme
4.	Total Average cost per JRMB per year		Rs. 15,12,000/- Per Year (for first 2 years)	
5.	Total No. of JRMB targeted to be operational in each year is 10 JRMB		Rs. 15.12 lakhs x 10 JRMB = 151.00 lakhs per Annum ( 1.51 Crores)	Total estimated quantitative target for sale through these JRMBs will be 960 MT/Annum or Rs. 7.68 cores for 10 JRMBs

**However, for being eligible to run a JRMB, minimum sale worth Rs. 6.40 lakhs per annum has to be generated. No JRMB will be considered for continuation below this threshold limit. JRMB will not sell Jute Raw Materials over 15% of its total annual turnover to a Single unit/ WSHG/ Entrepreneur for the purpose of availing the scheme's incentive. However, it can sell beyond this limit without NJB support/incentive.**

#### **15. Role and support of NJB for running the JRMBs:**

In order to supplement the efforts needed by the Operating agency, NJB will also involve the cluster in various NJB's ongoing activities like;

1. Publicizing the location, activities and facilities of the JRMBs;
2. Informing and diverting WSHGs/artisans/entrepreneurs etc for purchase of jute raw materials from the JRMBs;
3. Arranging tie-ups of JRMBs with the Mills for interrupted and desired quantity and quality of jute raw materials to the NJB supported JRMBs without fluctuation of prices.
4. To support by supplying Booklets, leaflets, catalogues etc. on JDPs in local and other languages for publicity etc. to the JRMBs;
5. To financially support for putting up required quantity/quality/sizes of sign boards for the JRMBs.

#### **16. Payments Terms:**

Payments for incentives and the operational cost will be released on quarterly basis based on the approved annual action plan as under;

- (i) The JRMBs will submit their quarterly claims supported by all original bills/vouchers, VAT/CST returns and certified by the CA
- (ii) 100% will be released on assessing and passing of the bills by NJB on quarterly basis;



## **17. Guidelines for utilization of Funds**

1. Separate accounts will be maintained by the agency for the funds released by NJB which shall be subject to audit by NJB or its authorized agencies.
2. The agency will help the cluster by ensuring regular supply of jute raw materials in the desired quantity and qualities;
3. The agency will submit quarterly progress report highlighting the performance/development for the quarter with details of the measurable targets in prescribed format with details of the beneficiaries of the Operating Agency.
4. The agency shall be bound to ensure health & safety standards in work place. It shall also comply with Social, Ethical , Quality and environmental compliance standards;
5. The agency will ensure Proper identification of their beneficiaries in the form of registration and issuing ID Cards. For this purpose, help from the NJB supported JDCs/JSCs/CDAs can be availed of;
6. The agency is required to achieve the measurable minimum targets on quarterly basis as mentioned above.

## **18. Court Jurisdiction**

This shall be subject to the exclusive jurisdiction of Kolkata High Court.

## **19. Miscellaneous**

In case any further clarification or information is required, visit [www.jute.com](http://www.jute.com) and may approach Regional Office or Head Office, National Jute Board, as per their jurisdiction.

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**ANNEXURE – II**

**20. APPLICATION FORMAT FOR OPERATING AGENCY OF JRMB SCHEME**

1.	Name of the Applicant Proprietor / CEO / Authorised Representative	
2.	Name of the Agency	
3.	Address of Operating Agency	
4.	Telephone No.	Landline :                      Mobile :
5.	E-mail ID & Website [if any]	E-mail :                      Website :
6.	Photo ID Proof Document	
7.	Address Proof Document	
8.	Ownership Documents attached :	
	(A) Name of the Document	
	(B) Regn. No. & Date	
	(C) PAN Card No. of the Agency	
9.	Work Experience [Last 3 years]	
10.	Details of the On-going Projects with Name & Address of the Nodal Agency	
11.	Annual Turnover [Last 3 years]	
12.	Fixed Assets	
	A. Land & Building	
	B. Machinery & Equipment	
	C. Others	
13.	Bankers' details	( Copy of the Pass book to be attached)
14.	List of Documents attached	

SL	NAME OF THE DOCUMENT	NO. & DATE	VALIDITY	REMARKS