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Now, FDCM to foray into sawn timber marketing

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Nagpur: Forest Development Corporation of Maharashtra (FDCM), a state government enterprise engaged in commercial extraction of teak, plans to mop up revenue of around Rs100 crore by foraying into sawn timber marketing business. Sawn timber is the timber that is cut from logs into different shapes and sizes. Presently, the corporation is into selling round teak logs and bamboo only.

Sawn timber will be produced from its existing production for which FDCM will avail sawmills on lease in Nagpur, Bhandara, Gondia, Bramhapuri (Chandrapur), Kinwat (Nanded). On May 20, the FDCM has invited expression of interest (Eoi) for the same. The last date to submit offers is June 7.

“Sawn timber has a good market and hence the FDCM board decided to enter into this trade. In Allapalli, five sawmills owned by the forest department have been allotted to us, but the production here can only fulfill 5% of the requirement. Hence, we need more sawmills at strategic locations and therefore Eoi has been invited,” said N Vasudevan, managing director, FDCM.

The FDCM produces 50,000 cubic metres of teak annually. Of this, initially, it plans to convert 5,000 cubic metres into sawn timber. It will be later increased to 25,000 cubic metres. The corporation’s teak is of good quality and hence can fetch good price.

“We will increase the output gradually. Apart from generating revenue, our aim is to offer service to society by supplying authentic material. Presently, the market has attained dubious distinction by not supplying genuine teak,” said Vasudevan.

As per officials in the field, on an average, one sawmill produces 300 cubic metres of sawn timber per year. The FDCM will have to take at least 20 sawmills on lease to meet the target of 5,000 cubic metres. The expected gross revenue target will be between Rs75-Rs100 crore.

Officials said at present, states like Gujarat and Karnataka are selling sawn timber and making good profits. Being a government enterprise, the FDCM will also be able to tap supplies with the government departments.

Vasudevan says, “We will also go for online selling of the material. In future, we may consider making teak furniture and also plan to make home deliveries of the material.”

Source:<https://timesofindia.indiatimes.com/city/nagpur/now-fdcM-to-foray-into-sawn-timber-marketing/articleshow/83186961.cms>