

FOREST DEPARTMENT - Departmental Extraction Scheme (DET) - Utilisation of funds for extraction of Bamboo Industrial Cuts (BIC) to supply to various Paper Mills - Modification of Financial Procedure - Orders - Issued.

ENVIRONMENT FORESTS SCIENCE & TECHNOLOGY (FOR.III) DEPARTMENT

G.O.Ms.No.151.

Dated: 25th November, 2006

Read the following:-

From Prl.CCF, Hyd. Ref.No.54667/05/V1, dt.8.12.2005 and 26.8.2006.

ORDER:-

The Forest Department utilises around Rs.8 to 10 crores annually, under Departmental Extraction Scheme to carry out the works relating to Harvesting of matured plantations extraction of long bamboo for supply to the Burood Co-operative Societies, victims of natural calamities and public auction in depots to meet local demands and extraction of dry and high bamboo industrial cuts for supply to the paper mills. As per the existing procedure the Government releases the funds under DET scheme every year for the same. Around 50-60% of the expenditure is incurred on extraction of dry and high bamboo industrial cuts for supply to the Paper Mills.

2. The Principal Chief Conservator of Forests, Hyderabad in his letter read above has reported that under the existing system the department is facing problems in the form of late release of funds, answering the clarifications sought by the PAOs on the bills sent to them and as a result the bamboo forests are not cleared and its productivity is declining. Further all this is resulting in delay in the payment of the extraction charges to the poor labour, who are engaged in the extraction works of forest produce and ultimately the Government revenue is adversely affected. Hence, the Prl.Chief Conservator of Forests, Hyderabad has proposed a new system for smooth working of harvest of bamboo industrial cuts and also to facilitate immediate payment of wages to the poor labour engaged in the extraction works, and generation of revenue to the State exchequer, after holding the discussions with the Vice-Chairman & Managing Director, Andhra Pradesh Forest Development Corporation Limited. In this connection, he has stated that the Andhra Pradesh Forest Development Corporation Limited (APFDC) will function as an agent for Forest Department by charging 2% of the total extraction charges incurred by the Department in a particular year towards the service charges rendered by them. He has further informed that if the said procedure is adopted, Government need not make budgetary provision for the harvest of bamboo industrial cuts to that extent.

3. Hence, the Principal Chief Conservator of Forests, Hyderabad has requested the Government to accord permission to adopt the new procedure and modify the financial procedure for smooth running of the scheme.

4. Government after careful examination of the matter and keeping in view of the problems faced by the Forest Department such as late release of funds and delay in payment of wages to the labourers who are engaged in extraction works of bamboo etc. and realisation of less revenue to the State, have decided to modify the existing financial procedure relating to DET Scheme for smooth working of harvest and extraction of industrial cuts and long bamboo to supply to Burood Societies etc. by adopting the new system proposed by the Prl.Chief Conservator of Forests, Hyderabad.

5. Government have also decided to appoint the Vice-Chairman & Managing Director, Andhra Pradesh Forest Development Corporation Limited as an agent for the Forest Department routing the funds remitted by paper mills towards extraction charges and back to the Department for extraction of bamboo industrial cuts by paying a commission of 1.5% of the total extraction charges.

P.T.O.

Handwritten notes:
A. 28/11/06
SPP/CCF (P)
CCF (P)
See 28/11
Dis. sent to
with spec
Pl. circular
to all CCFs
and DFOs
for info
28/11/06
Suptd. U.

120170

6. Accordingly, Government hereby permit the Principal Chief Conservator of Forests, Hyderabad to follow the following procedure, for drawal of funds to harvest the bamboo and extraction of industrial cuts, long bamboo etc. for supply to the paper mills and others:

- (a) On the demand made by the Divisional Forest Officer for reimbursement of extraction charges of bamboo industrial cuts, long bamboo etc. from the paper mills and others will furnish DD to the Divisional Forest Officers drawn in favour of APFDC for the demanded amounts.
- (b) In turn the DFO forwards the DDs to the VC&MD, APFDC.
- (c) On the request made by Pri.CCF and depending upon the requirement of the DFOs, the APFDC will release funds in the form of DDs to the DFOs.
- (d) The DFOs will remit the money to the Government account in the form of challans and will send a copy of challan to the Pay & Accounts Officer for issue of authorisation.
- (e) In turn, the Pay & Accounts Officer authorise the DFO to issue cheques for drawal of funds for the harvest of bamboo industrial cuts from out of the funds so deposited.
- (f) The accounts and vouchers for the harvest of bamboo industrial cuts be furnished to the Pay & Accounts Officer like in the case of funds under DET Scheme.

7. In respect of the bamboo industrial cuts supplied to the Paper Mills :

- (a) The respective DFOs raise demand notices for payment of cost of industrial cuts at the rates ordered by the Government from time to time as per the AP Forest Produce (Fixation of Selling Prices) Act, 1989.
- (b) The DDs received from the paper mills towards the cost of bamboo industrial cuts will be forwarded to the APFDC Ltd.
- (c) The APFDC after deducting the 1.5% commission from out of the amount reimbursed by the paper mills towards extraction charges and refund the balance amount to the respective DFOs for depositing into Government account as revenue.

8. The Pri.Chief Conservator of Forests, Hyderabad is directed to take necessary action accordingly.

9. This order issues with the concurrence of Finance (Exp.M&F) Department vide their U.O.No.25341/271/Expr.M&F/A2/06, dt.7.10.2006.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

JANAKI R.KONDAPI
PRINCIPAL SECRETARY TO GOVERNMENT

- To
- The Pri.Chief Conservator of Forests, AP, Hyderabad.
- The Vice-Chairman & Managing Director,
A.P.Forest Development Corporation Limited, Hyderabad.
- The Accountant General, AP, Hyderabad.
- The Pay & Accounts Officer, Hyderabad.
- Finance (Exp.M&F) Deptt.
- Sf/Sc.

// FORWARDED : : BY ORDER //

P. Vijayalakshmi
SECTION OFFICER.

Worship Accounts