

**GOVERNMENT OF ANDHRA PRADESH
FOREST DEPARTMENT**

Ref.No: 56114/2005/V3 Office of the Prl. Chief Conservator of
Forests, Aranya Bhavan, Saifabad,
Date : 07.05.2013 Hyderabad.

**Sri B.S.S Reddy, I.F.S.
Prl. Chief Conservator of Forests (HOFF)**

Sub:- Orders of the Hon'ble Supreme Court in W.P.No.202/1995 in T.N.Godavaram Vs. Union of India – CEC – Compilation of Instruction – Reg.

Ref:- PCCF Rc.No.56114/2005/V3, dt.06.05.2013 (**Circular No.7/2013**).

All the circle heads are informed that, important communication pertaining to Saw Mills, Wood Based Industries like SLC recommendation, Minutes of meeting of SLC, order of CEC are complied and enclosed as a circular No.7/2013.

It is further informed that during the meeting of all the circle heads on 30.04.2013, the important material on this subject including correspondence of PCCF, CEC and SLC Minutes and CEC orders compiled in a (398) pages spiral binding book was handed over to circle heads . Conservator of Forests are requested to make sufficient copies and communicate this booklet to DFO (T) & (WL) including Flying Squad divisions under intimation to this office.

It is requested to acknowledge the receipt of the same as below.

Sd/- P.K Jha
for Prl. Chief Conservator of Forests

To

All Addl. Prl. Chief Conservator of Forests / Chief Conservator of Forests /
Conservator of Forests (T&WL).

Copy to all Divisional Forest Officer (T&WL).

Copy to "Z" Section O/o PCCF.A.P. Hyd.

Acknowledgment

Received PCCF Rc.No.56114/2005/V3, dt.07.05.2013 along with its enclosure (**Circular No.7/2013**).

Date

Signature

Office seal

//t.c.b.o//

Superintendent

**GOVERNMENT OF ANDHRA PRADESH
FOREST DEPARTMENT**

Ref.No:- 56114/2005-V.3,
Dated:- 06.05.2013.

O/o Prl. Chief Conservator of Forests (HOFF)
A.P. "Aranya Bhavan", Saifabad, Hyderabad.

**Sri B.S.S. REDDY, I.F.S.,
Prl. Chief Conservator of Forests
(Head of Forest Force)**

CIRCULAR NO. 7/2013

Sub:- Orders of the Hon'ble Supreme Court in W.P.202/1995 in T.N. Godavarman Vs. Union of India – C.E.C. – Compilation of Instructions - Reg.

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All the Officers are aware of orders issued by the Hon'ble Supreme Court in W.P.No.202 of 1995 on 30.10.2002 in respect of sawmills and other wood based industries. The Hon'ble Supreme Court has appointed Central Empowered Committee (C.E.C.) to monitor implementation of the orders. In pursuance of directions of the C.E.C., the State Government have constituted a State Level Committee (S.L.C.), under the chairmanship of Prl. Chief Conservator of Forests and D.I.G., Wildlife, M.O.E.F., G.O.I., and Spl. Secretary to Government, E.F.S. & T. Dept., as members to scrutinize and recommend proposals to be placed before C.E.C. for their approval.

State Level Committee (S.L.C.), has already conducted (15) meetings from 06.06.2006 to 24.09.2012 and gave their comments / recommendations to the C.E.C. The S.L.C., in their 4th meeting held on 20.01.2007, categorized sawmills and other wood based industries into (17) sub-categories starting from A-1 to A-17 depending upon nature of the issues involved along with specific recommendations. Abstract of the recommendations of the S.L.C. in respect of (17) identified sub-categories of sawmill / wood based industries and other related issues examined and recommended in different meetings of S.L.C. and orders of the C.E.C., issued from time to time has been tabulated as given below. For details, the Conservator of Forests / Divisional Forest Officers are requested to go through the specific recommendation of the S.L.C. and orders of the C.E.C. as mentioned in the table.

S.L.C. Category/Su b-category	Issues raised in S.L.C.	Instructions of C.E.C.
Sawmills established before 30.10.2002:		
A-1	Sawmills which are in existence before 30.10.2002 and whose licenses were lapsed due to various reasons for which renewal fee was paid subsequently with	Eligible for consideration by the C.E.C. provided documentary proof for payment of renewal fee and other subsidiary requirements

	a gap of one year (for the sawmills lapsed after 28.02.1999) and two years (for the sawmills lapsed after 30.10.2002). As per Section 6 (1), 6 (2) and 6 (3) of A.P. Sawmill Rules, the licensed sawmills which do not file renewal application in time or do not provide timber account are deemed to have license lapsed and required to apply for fresh license.	under Rules are met and D.F.O./A.C.F. conducts personal inspection. (3 rd S.L.C. dt.23.08.2006, C.E.C. File No.2-21/CEC/SC/2006-Pt II, dt.18.10.2006). Time for payment of renewal fee with penalty extended upto 30 th April which was earlier 28 th February. (14 th S.L.C., dt.13.01.2012)
A-3-1	Sawmills established prior to 30.10.2002, but come under deemed lapse of license on account of not filing renewal application in time, not paying renewal fee in time and not furnishing timber account as per Section 6 (1), 6 (2) and 6 (3) of A.P. Sawmill Rules. D.F.O., did not recommend to sanction license for the reason of A.P. Sawmills Rules read with Hon'ble Supreme Court orders prohibits sanction of fresh license.	Eligible for consideration by the C.E.C. (4 th S.L.C., dt.20.01.2007, C.E.C. File No.2-21/CEC/SC/2006-Pt.II, dt.09.05.2007)
A-3-2	Sawmills established prior to 30.10.2002, but come under deemed lapse of license on account of not filing renewal application in time, not paying renewal fee in time and not furnishing timber account as per Section 6 (1), 6 (2) and 6 (3) of A.P. Sawmill Rules. D.F.O., did not recommend to sanction license for the reason the matter is subjudice in a court of law.	Eligible for consideration by the C.E.C. (4 th S.L.C., dt.20.01.2007, C.E.C. File No.2-21/CEC/SC/2006-Pt.II, dt.09.05.2007)
A-3-3	Sawmills established prior to 30.10.2002, but come under deemed lapse of license on account of not filing renewal application in time, not paying renewal fee in time and not furnishing timber account as per Section 6 (1), 6 (2) and 6 (3) of A.P. Sawmill Rules. D.F.O., did not recommend to sanction license for the reason the sawmill was seized as they were running without license renewal using legal timber.	Eligible for consideration by the C.E.C. (4 th S.L.C., dt.20.01.2007, C.E.C. File No.2-21/CEC/SC/2006-Pt.II, dt.09.05.2007)
3-4	Sawmills established prior to 30.10.2002, but come under deemed lapse of license on account of not filing renewal application in time, not paying renewal fee in time and not furnishing timber account as per Section 6 (1), 6 (2) and 6 (3) of A.P. Sawmill Rules. D.F.O., did not recommend to sanction license for the reason the sawmills were seized when they committed an offence while cutting illegally procured timber.	Not eligible for consideration by the C.E.C. (4 th S.L.C., dt.20.01.2007, C.E.C. File No.2-21/CEC/SC/2006-Pt.II, dt.09.05.2007)
A-4	Sawmill cases which are similar to deemed lapsed license as discussed under category A-1 except that license fee has not been paid within a gap of one year (sawmill that lapsed before	Eligible for consideration by the C.E.C. irrespective of payment of license fee within one or two years as provided under category A-1 provided it meets other conditions

	30.10.2002 or 2 years (sawmills that lapsed after 30.10.2002).	prescribed by C.E.C./S.L.C., under category A-1. (6 th S.L.C., dt.07.07.2007, C.E.C. File No.2-21/CEC/SC/2007-Pt.II, dt.16.01.2008).
A-5	Sawmills, which were established under Rule 4-1-a of A.P. Sawmills (Regulations) Rules, 1969, and were in existence prior to 30.10.2002, for which license fee was paid before 30.10.2002 but licenses were not issued. As per Rule 4-1-a, if license for establishment of new sawmill is not granted by the D.F.O. within (2) months of receipt of application by the D.F.O. or there is no communication from the D.F.O., the applicant may proceed to establish and run a sawmill.	Eligible for consideration by the C.E.C., provided D.F.O., certifies a) Unit was established prior to 30.10.2002, b) License fee and/or renewal of license fee was received prior to 30.10.2002, c) Unit existed on ground prior to 30.10.2002 and d) It is not involved in any forest offence case to use illicit timber. (5 th S.L.C., dt.07.07.2007, C.E.C. File No.2-21/CEC/SC/2007-Pt.II, dt.16.01.2008).
A-6	Sawmills, which were established under Rule 4-1-a of A.P. Sawmills (Regulations) Rules, 1969, and were in existence prior to 30.10.2002, for which license fee was paid before 30.10.2002 but license was issued after 30.10.2002 and cancelled in view orders of Hon'ble Supreme Court.	Eligible for consideration by the C.E.C., provided D.F.O., certifies a) Unit was established prior to 30.10.2002, b) License fee and/or renewal of license fee was received prior to 30.10.2002, c) Unit existed on ground prior to 30.10.2002 and d) It is not involved in any forest offence case to use illicit timber. (5 th S.L.C., dt.07.07.2007, C.E.C. File No.2-21/CEC/SC/2007-Pt.II, dt.16.01.2008).
A-7	Sawmill license was issued to the lapsed sawmill before 30.10.2002, but as per the request of previous licensee, fresh license was issued after 30.10.2002, by the D.F.O., (1) at a different place, (2) in a different owner's name at the same place, (3) at a different place with a different owner's name.	Eligible for consideration by the C.E.C. on case to case basis. (6 th S.L.C., dt.07.07.2007, C.E.C. File No.2-21/CEC/SC/2007-Pt.II, dt.16.01.2008).
A-8	Sawmills established before 30.10.2002 without a license but was running previously without informing to the Forest Dept.	Not eligible for consideration.
Sawmills established after 30.10.2002:		
A-12	License was issued to the sawmill after 30.10.2002, but before communication of the order of the Hon'ble Supreme Court to the D.F.Os.	Eligible for consideration by the C.E.C., provided Rs.10,000/- is deposited for vertical saw and Rs.1.50 lakhs for horizontal band saw and such deposit to be kept in fixed deposit in a nationalized bank and to be used as per the guidelines of Hon'ble Supreme Court to be issued. Cases of 185 sawmills are pending for approval by the Hon'ble Supreme Court. (Minutes of Meeting of C.E.C.,

		dt.10.12.2008, communicated vide C.E.C., File No.2-21/CEC/SC/2007-Pt.III, dt.11.12.2008).
A-13	Established after 30.10.2002 as per Rule 4-1-a of A.P. Sawmills (Regulations) Rules, 1969, and paid security deposit, renewal fees but no license were issued to them by the D.F.O.	Not eligible for consideration.
A-14	Established as per Rule 4-1-a of A.P. Sawmills (Regulations) Rules, 1969, and paid security deposit, renewal fees etc., but license was issued by the D.F.O. after 30.10.2002.	Not eligible for consideration.
A-15	Fresh application are received for sanction of new sawmill license.SLC did not recommend such cases.(4 th SLC Dt.20.1.2007)	Not eligible for consideration.
Other wood based industries		
A-9	Wood based industries other than the traditional sawmill that is given permission by the Factories Department/Industries Department prior to 30.10.2002, but not obtained sawmill license from the Forest Dept., as sawmill rules were not enforced on them.	Eligible for consideration by the C.E.C., provided required evidence/documents/certificates are produced in support of running such wood based industry prior to 30.10.2002 from sister departments like Industries, Factories, D.T.C.P., Commercial Tax, Sales Tax, Municipality, Gram Panchayat etc., as prescribed in the check-slip. (12 th S.L.C., dt.18.04.2011, File No.2-21/CEC/SC/2007-Pt.IV, dt.17.07.2012).
A-11	Wood based industries established after 30.10.2002, that are given permission by the Factories/Industries Department but not obtained sawmill license from the Forest Dept., as sawmill Rules were not enforced on them.	Not eligible for consideration by the C.E.C. and to be closed. May be considered in future after finalization of report on timber availability in Andhra Pradesh by the C.E.C.
A-10	Bio-mass power plants established before 30.10.2002 that are given permission by Factories/Industries Department , but not obtained sawmill license from the Forest Department as Sawmill Rules were not enforced on them.	Sawing machine to be closed and unit have to file affidavit in the Hon'ble Supreme Court indicating the date from which the sawmill has been physically closed (C.E.C. Minutes of Meeting, dt.26.05.2006).
A-17	Wood based industries and other industries which uses secondary wood products like prelaminated particle boards, partial value added products of wood that does not come under the definition of timber as defined in the A.P. Sawmill Rules.	S.L.C. recommended for general exemption in the 4 th meeting dt.20.01.2007, but C.E.C. refused to give general exemption and informed that a decision can be taken by C.E.C. only after recommendation in specific cases are received from S.L.C. vide their File No.2-21/CEC/SC/2006/Pt.II, dt.09.05.2007.

Particle Boards/M.D.F./Paper Mill	
<p>In 7th S.L.C., dt.26.05.2008, it was informed that in I.A.No.1640/2006 in W.P.No.202/1995 in case of M/s G.V.K. Novopan Ltd., (Particle Board), the C.E.C., suggested to confine "wood availability and demand study in A.P." to the "sawmills, plywoods, veneer, units only" and to be delinked from other wood based industries like particle board, M.D.F., Paper Mills.</p> <p>8th S.L.C., dt.21.08.2008 recommended to delink from wood availability study report and for the time being recommended to take-up 15 units on first-cum-first service basis on following conditions.</p> <ol style="list-style-type: none"> Rs.30.00 lakhs deposit for particle board or M.D.F., Rs.50.00 lakhs for composite unit having both particle board and M.D.F. Purchase of land or taking land on lease within (6) months and Ownership of unit will not be transferred. 	<p>Approval of C.E.C. vide Lr.No.File No.2-21/CEC/SC/2007-Pt.III, dt.25.07.2008 and till now (11) Particle Board/M.D.F./Composite Units have been approved.</p>
New carpentry units:	
<p>8th S.L.C., dt.21.08.2008, did not recommend new carpentry units established after 30.10.2002 and recommended to follow due procedure.</p>	<p>Acceptance of S.L.C. recommendation by C.E.C., vide File No.2-21/CEC/SC/2006-Pt.III, dt.01.10.2008.</p>
Peeling/Veneer Units in existing sawmills:	
<p>12th S.L.C., dt.08.04.2011 and 14th S.L.C. meeting dt.13.01.2012, recommended peeling units established before 30.10.2002 along with sawmill, but sawmill license was given deleting peeling machine because department was not enforcing sawmill rules on veneer/peeling machine and documentary evidence from sister departments including yearwise veneer/plywood produced and sold, sale tax paid etc., were furnished in support of claim of establishment of veneer/peeling machine prior to 30.10.2002.</p>	<p>C.E.C. approved one such unit by name M/s Anjaneya Sawmill, West Godavari Dist., vide File No.2-21/CEC/SC/2007-Pt.IV, dt.17.07.2012.</p>
Shifting of Sawmill:	
<p>2nd S.L.C., dt.06.06.2006 examined and approved guidelines for shifting of sawmills and transfer of ownership as recommended by (3) Members Committee.</p>	<p>The Government have finalized guidelines on transfer and shifting of sawmills by issuing orders vide G.O.Ms.No.91 of E.F.S.&T. (For.III) Dept., dt.11.07.2006, as per the Minutes of Meeting of C.E.C., held on 26.05.2006.</p>
Plywood Units without peeler unit established prior to 30.10.2010:	
	<p>The C.E.C., in Minutes of Meeting, dt.26.05.2006, recommended to favourably consider for grant of sawmill license for such plywood units established prior to 30.10.2002 and which do not have a peeler or a slicer for production of veneer but are having only pasting facility.</p>
Plywood, Veneer, Blockwood, Particle Board, M.D.F. Unit etc:	
	<p>The C.E.C., in their Minutes of Meeting dt.26.05.2006, clarified that as per Section 2(b) of the A.P. Sawmills (Regulations) Rules, 1969, the sawmill includes a unit, which uses a mechanical contrivance for sawing, cutting or conversion of timber with the aid of electrical or mechanical power. In</p>

	view of the above, all plywood, veneer, block wood, particle board, M.D.F. Units, etc., requires a sawmill license. All such units working without a valid sawmill license are therefore required to be closed in terms of Hon'ble Supreme Court, dt.30.10.2002 read with the provisions of the A.P. Sawmills (Regulations) Rules, 1969.
Plywood units (pressing/pasting unit) without veneer unit after 30.10.2002:	
	The C.E.C., in the Minutes of Meeting dt.26.05.2006, ordered that plywood units without veneer manufacturing facility i.e., Pasting Unit established after 30.10.2002 will be closed as such units have been established/Operation in violation of Hon'be Supreme Court orders. Issuance of sawmill license will be considered by the C.E.C., after finalization of report on timber availability in Andhra Pradesh.
Plywood units (pressing/pasting unit) without veneer unit using rubber or imported timber.	
	The C.E.C., in the Minutes of Meeting dt.26.05.2006, clarified that plywood units without veneer manufacturing facilities, commonly known as pasting units which claims to be operating exclusively on veneer made out of rubber or imported timber will not be considered favourably by C.E.C., until Hon'ble Supreme Court orders are complied with and the units are not closed down immediately.
Authority Competent to grant sawmill license to any type of wood based industries after 30.10.2002.	
	The C.E.C., in the Minutes of Meeting dt.26.05.2006, has clarified that "before granting a sawmill lines to a wood based industries pursuant to any direction given by any authority other than the Hon'ble Supreme Court, permission from the C.E.C., will be required. For this purpose appropriate application giving details of wood based industry and orders passed by the concerned authority may be filed before the C.E.C.". As such only C.E.C./Supreme court is the competent authority to accord permission for sanction of sawmill license to wood based industries including sawmill for which valid sawmill.

All the Officers are aware that the orders issued by the Hon'ble Supreme Court / C.E.C., will super-cede executive instructions given by any other authority and as such any instructions issued by any executive authority or the provisions contained in the A.P. Sawmill (Regulations) Rules, 1969, which contradicts or violates the Judgements delivered by the Hon'ble Supreme Court in W.P.No.202/1995 and all its related Interlocutory Applications (IAs) shall not be implemented and brought to the notice of Prl. Chief Conservator of Forests for further instructions/guidance.

Sd/- B.S.S Reddy
Prl. Chief Conservator of Forests
(Head of Forest Force).

To,
All the Chief Conservator of Forests/Conservator of Forests.
Copy to all the Divisional Forest Officers, for information and necessary action.

//t.c.b.o//

Superintendent