

**GOVERNMENT OF ANDHRA PRADESH
FOREST DEPARTMENT**

Ref.no.12949/2019/Prod.3,
Dated:**16/08/2020**

O/o of the Prl. Chief Conservator of Forests
& Head of Forest Force,
Andhra Pradesh, Aranya Bhavan, Guntur.

Sri N. Prateep Kumar, I.F.S.,
Principal Chief Conservator of Forests
& Head of Forest Force

Sub: APFD – SLC Meeting – 9th S.L.C. meeting held on 15.07.2020 in the
- Conference Hall, O/o the PCCF & HoFF, Andhra Pradesh, Guntur –
Regarding.

Ref:- 1. Minutes of 9th SLC meeting held on 15.07.2020.

2. Prl.CCF & HoFF, A.P., Guntur Rc.no.36409/2011/Prod.3, dt.05.08.2020.

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Adverting to the subject cited, the Circle Heads and the Divisional Forest Officers are requested to take necessary action on the issues, as resolved in the 9th S.L.C. The minutes of the meeting held on 15.07.2020 in the Conference Hall, O/o the PCCF & HoFF, Andhra Pradesh, Guntur are communicated herewith.

Regarding the case of 56 sawmills established post 30.10.2002, the DFOs shall furnish latest information along with recommendation through their Circle Heads concerned as called for in the proforma communicated in the reference 2nd cited, for communicating further orders in this regard.

Encl:(As above)

N.PRATEEP KUMAR
PRINCIPAL CHIEF CONSERVATOR
OF FORESTS
& HEAD OF FOREST FORCE

To
The Circle Heads, Visakhapatnam, Rajahmundry, Guntur, Anantapuram, Kurnool,
WLM Tirupati and FD,PT, Srisailam,
Copy to all Divisional Forest Officers (T) and (WL) in A.P.

Minutes of the meeting of the State Level Committee (SLC) on

Wood Based Industries (Establishment & Regulation), Rules, 2018
constituted vide G.O Ms. No. 48, E,F,S&T Dept., Government of
Andhra Pradesh, dated 08.05.2018, held on 15.07.2020

The 9th meeting of the SLC was convened on 15.07.2020 at 11.00 a.m. in the Conference Hall, O/o the PCCF & HoFF, Andhra Pradesh, Guntur to consider various proposals of saw mill renewals, transfers, relocations and other related matters as per Andhra Pradesh Wood Based Industries (Establishment and Regulation) Rules, 2018.

Following members participated in the meeting:

1	Sri N. Prateep Kumar, IFS, PCCF & HoFF	Chairman
2	Sri Sanjay Gupta, IFS, PCCF (WP), O/o PCCF&HoFF	Member
3	Sri R.Hemanth Kumar, IFS, Deputy Director General of Forests (Central), R.O., Chennai	Member
4	Dr. R.P. Khajuria, IFS, APCCF (Production), O/o PCCF & HoFF	Member
5	Smt. M. Revathi, IFS, CGM, APFDC Ltd., Guntur	Member
6	Sri A. Siva Rama Krishna, Assistant Secretary, CCLA	Member
7	Smt. D.Prameela, Director, ATMA, Guntur	Member
8	Sri P.S. Srinivasa Sastry, IFS., CF, Guntur	Member
9	Sri Dwara Ramakrishna, General Secretary, Andhra Pradesh Federation of Timber Merchants, Sawmillers&Allaid Industries, Vijayawada.	Member

At the outset, Sri N. Prateep Kumar, IFS, Prl.CCF&HoFF, welcomed all the members present in the meeting and Sri R. Hemanth Kumar, IFS, Dy.Director General of Forests, Chennai, who took part in the meeting through video conferencing in view of his inability to attend the meeting in person due to COVID-19 situation.

The Addl.PCCF (Production) briefed the SLC members about the Agenda items listed for the 9th SLC as follows:

S.no.	Agenda
1	ATR on the MoM of 8th SLC held on 28.11.2019.
2	Sub-committee on lapsed licenses proposals

3	Proposals for Transfer of ownership
	a. by Succession (Annexure I) b. by Sale (Annexure II) c. along with relocation of saw mill (Annexure III)
4	Relocation of saw mills (Annexure IV)
5	Renewal of lapsed licenses (Annexure V)
6	Amendments proposed to the GO MS 48 of EFS&T dated 08.05.2018.
7	Case of (56) Saw Mills established post 30.10.2002 (Annexure VIII)
8	Additional capacity/ New saw mills (Annexure VI, VII and IX)
9	IWST, Bangalore study and Wood balance status in AP
10	Any other items with the permission of the Chair

With the permission of the Chair, agenda items were taken up one by one for discussions and deliberations.

1. Action Taken Report of the 8th SLC meeting:

ATR on the decisions of the 8th SLC was placed before the SLC and the same was approved by the SLC.

2. Sub-committee Report on lapsed sawmill licenses:

The Addl.PCCF (Prodn.) informed that a sub-committee was constituted in 8th SLC to examine the saw mills whose licenses had lapsed and submit its report to SLC to take further call. The sub-committee had met on 30th June, 2020 and accordingly its report was placed before the SLC for further course of action.

The SLC after considering the sub-committee report, deliberated upon all the cases and accordingly following decisions were taken on the lapsed sawmill licenses placed before the SLC.

(i) Transfer of ownership by succession of lapsed WBIs:

The (7) sawmill cases, placed before the committee, were examined by the members. The details of the cases are provided herein as under:

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Nellore	Vadlapudi Gopalakrishna Setty & Sons	2.50
2	Krishna	Kanaka Durga Wood Based Industry	4.10
3	Visakhapatnam	M/s. Sri Krishna Sawmill	4.74
4	Visakhapatnam	M/s. Sri Lakshmi Sawmill	2.90
5	Visakhapatnam	M/s. Lakshmi Venkateswara Sawmill	2.85

6	Visakhapatnam	M/s. Sri Venkateswara Sawmill	2.25
7	Visakhapatnam	M/s Sri Lakshmi Narasimha Sawmill	1.80

The SLC after discussions approved all the (7) cases as the saw mills are already existing and Transfer of ownership is by way of succession on the same title and location and permissible under Rule 11 (1).

(ii) Transfer of ownership by sale:

There are (2) cases pertaining to this category. The SLC approved Transfer of ownership for both cases under Rule 11 (1).

S.No.	Division	Sawmill	Distance from Forest (Km.)
1	Eluru	M/s Sri Veerabrahmmendra Saw Mill	3.43
2	Krishna	Sri Krishnaveni Saw Mill	0.81

(iii) Decision pending with the department:

The list of (4) saw mill cases in this category, placed before the Subcommittee, were examined by the members and approved for renewal of the cases under Rule 4 (8) and 10 (5).

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Chittoor (W)	M/s New Modern Saw Mill	4.20
2	Giddalur	Sri Srinivasa Sawmill	1.83
3	Giddalur	Sri Vengamamba Sawmill	4.40
4	Eluru	Sri Vijaya Lakshmi Saw-mill.	27.66

(iv) Court Cases:

There are (6) cases in the category. Since the matters are sub-judice, no final decision can be taken by the SLC. However, all these cases may be examined individually duly seeking further reports from the field officers, if necessary, and take action for their disposal in the courts.

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Srikakulam	Sri Jagadeeswara Sawmill	8.49
2	WLM, Tirupati	M/s. Sree Lakshmi Venkateswara Saw Mill	1.75

3		M/s. Ramakrishna Sawmill	3.86
4		M/s. K.G.N. Sawmill	2.04
5		M/s. Annapoorneswari Timbers	2.15
6		M/s. Sri Gayatri Sawmill & Timber Merchant	1.96

(v) Saw Mills involved in violations:

There are (5) cases under this category wherein different violations have been done by the saw mill owners and licenses were cancelled by the licensing authorities. Some of the saw mills are running on court orders. The SLC observed that, since the Licensing Authorities have taken action as per rules, there is no further decision required by the SLC. However, if the saw mill owners wish to continue their business, they may apply afresh to the Licensing Authority as per rules.

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Markapur	Sri Anjaneya Sawmill	7.68
2	Markapur	Ambica Sawmill	5.40
3	Markapur	M/s. Sri Sai Saw Mill and Timber Depot	2.00
4	WLM, Tirupathi	M/s. P.S.M Saw Mill	
5	Proddatur (WL)	M/s. Sri Lakshmi Saw Mill	5.50

(vi) License issued by the Industries dept. :

The list of (3) sawmill cases in this category, placed before the committee were examined by the members. It was observed that these saw mills were in lapsed state since long, as such they can be granted Fresh license on application to the Licensing Authority under Rule 10 (2), clubbed with Rule 3 (2) and 3 (4).

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Nellore	M/s. Srinivasa SawMill	7.86
2	Nellore	Jayaram Enterprises	3.50
3	Krishna	Dhanalakshmi Saw Mill	28.25

(vii) Late payment of renewal fee:

The list of (9) sawmill cases in this category, placed before the committee were examined by the members. Since these Saw Mills have not paid the due amounts in time, the SLC approved Fresh licenses for these saw mills under Rule 10 (2) clubbed with Rule 3 (2) and 3 (4).

S.no.	Division	Sawmill	Distance from Forest
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			(Km.)
1	Giddalur	Veerabrahmendra Sawmill	21.00
2	Guntur	Sri Vijaya Lakshmi Saw Mill	6.25
3	Eluru	Vijaya Sawmill	39.38
4	Eluru	M/s Vijaya Maruthi Sawmill	38.76
5	Eluru	Sri Veera Brahmendra Sawmill	7.54
6	Eluru	M/s Nethaji Sawmill	7.08
7	Eluru	Sri Kanakadurga Sawmill	1.41
8	Krishna	Sri Sai Venkateswara Sawmill	4.50
9	Kakinada	M/s. Sri Lakshmi Ganapathi Sawmill	6.17

(viii) Non-payment of renewal fee:

The list of (8) sawmill cases, placed before the committee were examined by the members and it was decided to reject the renewal of Saw Mill licenses in view of non-compliance of Rule 4 (4) and 4 (5) by the Saw Mills.

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Giddalur	M/s. Srinivasa Saw Mill,	1.25
2	Kakinada	M/s.Kondala Rao Sawmill	21.54
3	Kakinada	M/s Sri Kanakadurga Lakshmi Saw mill	15.09
4	Kakinada	M/s Sri Rama Veera Venkata Satyanarayana Saw Mill	18.73
5	Kakinada	M/s Sri Krishna Saw Mill	32.72
6	Kakinada	M/s Sri Sitharamanjaneya Saw Mill	12.39
7	Visakhapatnam	M/s. Satya Sai Mahalxmi Saw Mill	3.10
8	Visakhapatnam	M/s. Sivani Timbers & Furniture works	1.90

Further, it was decided that the Licensing Authorities may be suitably advised not to put up such incomplete proposals to the SLC in future.

(ix) Late remittance of enhanced fee:

The list of (2) sawmill cases in this category, placed before the committee were examined by the members and approved renewal of these Saw Mills subject to appropriate action by the Licensing Authorities under Rule 14 (2)(b).

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Krishna	Anasurya Sawmill	10.20
2	Krishna	Vijaya Durga Sawmill	19.50

Further, while renewing/transferring/granting fresh licenses as approved

by the SLC herein, the Licensing Authorities shall;

Ensure that all the due payments are realized in complete and full shape along-with other mandatory documents/ timber accounts as per rules and

Such saw mills are not involved in any offence/violation of AP Forest Act, 1967 or any act /rule made there under.

3. Proposals on transfer of ownership:

The SLC reviewed and deliberated upon the proposals received from the field, in detail, after segregating them in various categories and decided for each category as detailed below:

a. Transfer of ownership by succession:

The list of (6) sawmill cases of Transfer of ownership by succession, placed before SLC, were examined by the members of the Committee and agreed to transfer the ownership under Rule 11 (1).

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Guntur	Sri Sajid Saw Mill & Timber Depot	11.30
2	Ananthapuram	M/s. Rayalaseema Saw Mill	6.20
3	Chittoor West	M/s. Murugan Saw Mill	2.60
4	Kurnool	M/s. Maistry Saw Mill	1.84
5	Chittoor West	M/s. Bharat Sawmill	7.76
6	Chittoor West	M/s. Madeena Saw Mill	5.30

b. Transfer of ownership by Sale:

The list of (2) sawmill cases of Transfer of ownership by sale, placed before SLC, were examined by the members of the Committee and agreed to transfer the ownership under Rule 11 (1).

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Guntur	Sri Srinivasa Saw Mill	0.42
2	Nellore	Sri Venkateswara Saw Mill	4.25

c. Transfer of ownership along with relocation of saw mill:

The lone proposal of Transfer of ownership along with relocation of saw mill, placed before SLC, has been examined by the members of the Committee and agreed to the proposal under Rule 11.

Sl.no.	Division	Sawmill	Distance from Forest (Km.)
1	Nandyal	Khader Vali Saw Mill cum	10.45

		Depot	
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4. Relocation of saw mills:

The list of (3) sawmill cases of Relocation, placed before SLC, were examined by the members of the Committee and agreed to the proposals under Rule 11.

Sl.no.	Division	Sawmill	Distance from Forest (Km.)
1	Nandyal (WL)	Rayalaseema Saw Mill	9.30
2	Chittoor East (WL)	M/s. Sri Venkateswara Saw Mill & Timber Traders	10.00
3	Krishna	M/s. Vijaya Krishna Traders	9.94

5. Lapsed Saw Mill licenses:

The list of (15) sawmill cases placed before SLC, have been examined by the members of the Committee. It was observed that two cases at S. No. 1 and 2 have not paid the license renewal fee since 1996. As such the renewal is rejected by the SLC for these two saw mills.

For (9) cases at S. No. 3 to 6 and S. No. 11 to 15, the SLC observed that since the saw mills have not paid the enhanced License fee within the (60) days mandatory time, the saw mills licenses are renewed subject to appropriate action by the Licensing Authorities under Rule 14 (2)(b). For the balance (4) cases from S. No. 7-10, the CF Guntur may be asked to find out the original License details and make specific recommendation for further action by the Prl.CCF & HoFF under Rule 5(5).

S.no.	Division	Sawmill	Distance from Forest (Km.)
1	Giddalur	Sri Venkateswara Sawmill	3.5
2	Guntur	M/s. Lakshmi Venkata Ganapathi Timber Depot and Sawmill	12.67
3	Guntur	Sri Ankammatalli Wood works & Sawmill	8.88
4	Guntur	Sri Venkateswara Saw Mill	0.987
5	Guntur	M/s. Venkata Rama Saw Mill	5.00
6	Guntur	Sri Lakshmi Padmavathi Saw Mill Cum Timber Depot	19.1
7	Guntur	Madina Wood Works and Sawmill	8.89
8	Guntur	Sri Sarada Timber and Sawmill	8.54
9	Guntur	Sri Srinivasa Sawmill	8.86
10	Guntur	Sri Vengamamba Sawmill cum Timber Depot	8.61
11	Kurnool	M/s. Noor Sawmill	3.892
12	Kurnool	M/s. Jameel Basha & Bros' Sawmill	6.549
13	Kurnool	M/s. RR Timbers & Sawmill	5.342

14	Kurnool	M/s. Andhra Furniture Works Sawmill	7.933
15	Kurnool	M/s. A.K. Timber Depot & Sawmill	7.93

6. Amendments proposed to the Go MsNo 48 of EFS&T Deptt. dated 08.05.2018:

The amendments proposed to the Wood Based Industries (Establishment & Regulation) Rules, 2018, issued in G.O.Ms.No.48, EFS&T Deptt., dated 08.05.2018 (Published in Gazette on 11th May, 2018) have been deliberated and finalized as follows:

Existing	Proposed
Notification In exercise of the powers conferred by section 29 read with section 68 of the Andhra Pradesh Forest Act, 1967 (Act 1 of 1967), and in supersession of Andhra Pradesh Saw Mills (Regulation) Rules, 1968 issued in G.O.Ms.No.457, Food & Agriculture (Legn) Department, dated.12-03-1969,	Notification In exercise of the powers conferred by section 29 read with section 68 of the Andhra Pradesh Forest Act, 1967 (Act 1 of 1967), and in supersession of Andhra Pradesh Saw Mills (Regulation) Rules, 1968 issued in G.O.Ms.No.457, Food & Agriculture (Legn) Department, dated.12-03-1969, and amendments thereof,
2- Definitions -	Insert after (2) (i) as follows: (j) 'agro-forestry species/agricultural crops mean the species as notified or may be notified in future by the Government of Andhra Pradesh from time to time.
3- No Wood Based Industry without license -	The following may be incorporated as Sub-rule (5) (5) The distance restriction as mentioned in sub-rule (2) is applicable only to those Wood Based Industries which require license.
4- Application for Licence- (c) Copy of GST registration	The existing words may be substituted by 'Copy of GST Registration, as applicable.
4(2)If the applicant desires to obtain a common licence for woodbased industry and Depot, he should indicate the same in the application form in Form-II.	The existing 'Form-II' in the sub-rule may be substituted by 'Form-I'.
4(5) The applicant shall pay a security deposit as given below and as revised by Government from time to time in the form of National Savings Certificate	The applicant shall pay a security deposit as given below and as revised by Government from time to time in the form of 'Fixed Deposit Receipt from

<p>in favour of the licensing authority to secure compliance to the provisions of Andhra Pradesh Forest Act,1967 and rules made there under.</p>	<p>any Nationalised Bank pledged to' the licensing authority to secure compliance to the provisions of Andhra Pradesh Forest Act,1967 and rules made there under.</p>
<p>8. No License required for the following categories of Wood Based Industries:</p> <p>1)The Following industries/processing plants not using round logs of domestic origin or operating without a band saw or re-saw or circular saw of more than thirty centimeter diameter shall not require licence. Industries/processing plants which use:</p> <ul style="list-style-type: none"> a. Sawn timber, cane, bamboo, reed, plywood, veneers or imported wood, procured from legitimate sources b. block board, MDF or similar wood-based products, procured from legitimate sources c. round log / timber from species declared as agro-forestry/ agricultural crops and/or exempted from the purview of the Andhra Pradesh Forest Produce Transit Rules,1970. 	<p>8. No License required for the following categories of Wood Based Industries:</p> <ul style="list-style-type: none"> 1) Industries/processing plants not operating with a band saw or re-saw. 2) Industries/processing plants operating with a circular saw up to thirty centimetre diameter. 3) Industries/processing plants not using round logs of domestic origin. 4) Industries/processing plants which use: <ul style="list-style-type: none"> a. Sawn timber, cane, bamboo, reed, plywood, veneers or imported wood, procured from legitimate sources. b. block board, MDF or similar wood-based products, procured from legitimate sources. c. using round logs of species notified as agricultural produce and/or exempted from the regime of felling and transit regulations in the state shall not require license, irrespective of size and type of saw.
<p>10. Conditions of Licence, Renewal, Transfer etc. (1) The Licensee should submit renewal application within three months prior to the expiry of existing Licence. (2) If no renewal application is submitted to the Licensing Authority upto 31st December, a late fee of Rs.2000/- shall be levied upto February succeeding year, irrespective of duration of delay. If renewal application is not submitted</p>	<p>10. Conditions of Licence, Renewal, Transfer etc. (1) The Licensee should submit renewal application within three months prior to the expiry of existing Licence. (2) If no renewal application is submitted to the Licensing Authority upto 31st December, a late fee of Rs.2000/- shall be levied upto February succeeding year, irrespective of duration of delay. If renewal application is not submitted</p>

<p>before the end of February it will be deemed that the licence has lapsed and the wood based industry owner should apply for fresh licence. The security deposit available with the Licensing Authority shall stand forfeited.</p>	<p>before the end of February it will be deemed that the licence has lapsed and the wood based industry owner should apply for fresh licence, to be issued as per Rule 3 of the Andhra Pradesh WBI (Est & Regulation) Rules, 2018. The security deposit available with the Licensing Authority shall stand forfeited.</p>
<p>11. Transfer of licence on sale succession and relocation of any wood based industry. (1) On receipt of an application for such transfer of licence / relocation of wood based industry, the licensing authority shall make such enquiry as he deems fit, and after satisfying himself, whether or not there would be any objection to grant permission for transfer of license/ relocation of a wood based industry applied for, having regard to safeguard the timber in any reserved, protected, proposed, or private forest, number of wood based industries existing in the area may submit to the Principal Chief Conservator of Forests, through the Circle Head with remarks, to place before the State Level Committee. (2) No relocation of wood based industries shall be allowed into the area prohibited under these rules. However shifting will be allowed from within the 5 Kms of forest area to outside as approved by the State Level Committee. (3) No relocation of Wood Based Industry located within 5kms of forest area shall be allowed within 5kms radius of the forest area. (4) Total number of machines used before relocation (for example number of the horizontal saws, Vertical saws, peelers, slicer, and chipper) shall not be increased. (5) The annual capacity of saw mill/ or saw mill inside the wood based industry for conversion of timber shall not be increased. (6) The machine type should not be changed from one type to another. For example wood based industry having</p>	<p>11 (a) Transfer of licence on Sale/Succession of any wood based industry. (1) Every owner of a WBI may file Nominee details with the Licensing Authority. Such Nominee would be eligible for transfer of the license in his/her name in the event of demise of the said owner. (2) In case Nominee details are not made available to the Licensing Authority, then legal heir of the owner shall be eligible for transfer of the license in his/her name in the event of demise of the said owner. (3) Any buyer of an existing WBI would be eligible for transfer of the license in his/her name on production of valid documents of such sale before the Licensing Authority. 11 (b) Relocation of a Wood Based Industry On receipt of an application for such relocation of wood based industry, the licensing authority shall make such enquiry as he deems fit, and after satisfying himself, whether or not there would be any objection to grant permission for relocation of a wood based industry applied for, having regard to safeguard the timber in any reserved, protected, proposed, or private forest, number of wood based industries existing in the area may submit to the Principal Chief Conservator of Forests, through the Circle Head with remarks, to place before the State Level Committee. No relocation of wood based industries shall be allowed into the area</p>

<p>the licence for band saw cannot change to peelers or slicer etc., and vice-versa.</p> <p>(7) Multiple licenses should not be given from a single license by splitting the license. For example, if the wood based industry is having a license for 2 horizontal saws, it cannot be relocated to different places with 1 horizontal saw each.</p> <p>(8) The wood based industry machinery and premises shall not be leased to any person without intimation to the Licensing Authority. For any acts of omission of lessee, licence holder shall be held responsible.</p>	<p>prohibited under these rules. However shifting will be allowed from within the 5 Kms of forest area to outside as approved by the State Level Committee.</p> <p>(3) No relocation of Wood Based Industry located within 5kms of forest area shall be allowed within 5kms radius of the forest area.</p> <p>(4) The distance restriction as mentioned in sub-rule (2) & (3) above will not be applicable for relocation of Wood Based Industry in an Industrial Estate or Municipal area.</p>
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7. Case of (56) Saw Mills established post 30.10.2002:

A presentation was made to the members regarding the background of old (56) Saw Mills on the following lines:

- SC order dated 30.10.2002, provided that "No license for a saw mill can be granted without obtaining prior permission from the CEC."
- However, 306 saw mills were granted licenses by the APFD post 30.10.2002 and subsequently cancelled by the APFD when it was found to be in violation of the SC order.
- (50)saw mill owners aggrieved by above action of the APFD filed IAs in SC.
- SC in its' order dated 25-10-2010 directed the Centrally Empowered Committee (CEC) to consider the applications filed by the Applicants before the CEC for grant of Saw Mill Licenses.
- CEC constituted State Level Committee (SLC) for AP to consider the above issue and recommend to CEC.
- The SLC in its meeting dated 14.09.2011 observed that there were actually (197) saw mills that were granted licenses post 30.10.2002 and subsequently cancelled by the deptt.
- Out of (197), (12) saw mills were found to be involved in some forest offences, leaving a balance of 185 saw mills which included (45) Applicants saw mills.
- The SLC in its report to GoAP vide Ref No. 36409/2011-V3 dt. 17.09.2011 recommended to seek orders from the SC as per decision of the CEC in its meeting on 10.12.2008 at New Delhi with the APFD officials.
- The GoAP in its letter 2239/For.III/2009 dated 17.10.2011 to CEC requested necessary permission for renewal of (185) saw mill licenses as recommended by the SLC.
- The CEC further submitted its report to SC dated 23.03.2012 for further orders.
- The CEC recommended to the SC that it may consider permitting renewal of saw mill licenses granted in favour of (185) saw mills including 45 Applicant saw mills as per the recommendations made by the SLC and

- GoAP in its letter dated 17.10.2011.
- Out of this (185), (56) saw mills pertain to the residuary state of AP post-bifurcation.
 - CEC had recommended that **"in view of broad availability of raw material, these saw mills may be considered subject to one time payment of Rs10,000/- per vertical band saw and Rs 1.5 lakh per horizontal band saw, as has been done in Haryana, Punjab, UP and Uttrakhand.**
 - Provided that the concerned saw mill is not found to be involved in any forest offence related to the use of illegal timber and /or timber transported without a valid transit pass. The saw mills involved in such forest offences will not be eligible for grant/renewal of saw mill licenses.
 - And the saw mill is not located in an area where establishment/operation of the saw mill is prohibited under the AP Saw Mills Rules and/or under the notifications/guidelines issued by the competent authority.
 - The Supreme Court in its order dated 05.10.2015 while disposing the IAs "authorised the SLC to take decisions regarding grant of license/permission to WBIs as per the guidelines to be issued by the MoEF in view of conformation with orders and directions issued by this court."
 - As such, the matter has been pending with the SLC.

The members agreed that further decision can be taken to revive these saw mills in view of the recommendations of the CEC to the SC. As presented in the wood balance study, these saw mills require annually 50-60 thousand cum based on the calculations done as per Rule 7. The existing saw mills require maximum 20 lakh cum. The supply, as per the most conservative estimate, based on FSI estimation of Industrial round wood projections for AP in 2017 is 25 lakh cum. If it is fully ascertained how many of them really want to start the operations as it has been too long a period since licenses of these saw mills were cancelled by the FD in 2006, then estimate of the requirement of raw material for the saw mills willing to restart operations out of the (56) saw mills can be made and which would be less than 50 thousand cum. Therefore broadly raw material is available for these saw mills. As such sufficient supply exists for these saw mills. The SLC agreed to renew these licenses as recommended by the CEC and Hon'ble Supreme Court.

8. New saw mills /Additional capacity:

(13) applications for new licenses and (30) applications for sanction of Additional capacity in existing saw mills were received and placed before the SLC as given in following tables.

Proposals for New Saw Mills:

S.no.	Name of the Division	Sawmill	Distance from Forest (Km.)
1	2	3	4
1	Srikakulam	Sri Majji Gowri Sawmill & Timber Depot	18.70

2	Srikakulam	Sri Majji Gowri Sawmill & Depot	25.20
3	Srikakulam	Sri Uma Maheswari Sawmill	26.00
4	Vizianagaram	M/s. Sri Sampath Vinayaka Sawmill	7.98
5	Vizianagaram	Sri Rama Sawmill	15.73
6	Vizianagaram	Sri Vinayaka Sawmill	5.25
7	Vizianagaram	Sri Brahmangari Sawmill	5.20
8	Vizianagaram	Sri Om Siva Gowri Simhadri Sawmill & Depot,	15.3
9	Nuzivid	M/s. Prabhu Wood Based Industry	5.65
10	Krishna	Srinivasa Wood Based Industry	5.70
11	Krishna	M/s Sai Wood Based Industry	5.90
12	Rajahmundry	Ravichadnra Industries	20.84
13	Visakhapatnam	M/s. Timber Treat	0.43

Proposals for additional machinery in existing Saw Mills:

S.no.	Name of the Division	Sawmill	Distance from Forest (Km.)
1	2	3	4
1	Chittoor West	M/s Gurumurthy Sawmill	1.40
2	Ananthapuram	Sri Venkateswara Wood Work Unit	9.00
3	Markapur	M/s Raja Sawmill & Timber Depot	5.00
4	Markapur	Sri Satya sai Sawmill	5.30
5	Markapur	Sri Srinivasa Sawmill & Timber Depot	1.31
6	Kurnool	M/s. Sri Sreenivasa Sawmill	4.56
7	Kurnool	M/s Madeena Saw Mill	3.29
8	Kakinada	M/s Lakshmi Venkateswara Sawmill	17.70
9	Kakinada	M/s. Sri Lakshmi Sawmill	7.85
10	Kakinada	M/s. Durga Ganeswara Sawmill	6.91
11	Kakinada	M/s. Devi Sri Sawmill	5.50
12	Kakinada	M/s.Goldsmith Co- operative Cottage Industrial Society Ltd.,	5.26
13	Kakinada	M/s. Lakshmi Prasanna Sawmill Cum Timber depot	4.48
14	Kakinada	M/s. Sri Vijaya Lakshmi Sawmill	4.46

15	Krishna	Sri Lakshmi Venkateswara Wood & Cutting Machine	3.35
16	Krishna	M/s. Sri Annapurna Saw Mill & TD	5.47
17	Krishna	M/s. Star Saw Mill	1.15
18	Krishna	Uma Pack tech	5.71
19	Krishna	Sri Vidya TD & SM	36.63
20	Chittoor East	M/s. Srinivasa Sawmill & Dhruthi Timber Depot	7.80
21	Narsipatnam	M/s. Sri Satyanarayana Sawmill	7.49
22	Visakhapatnam	M/s. Sri Sri Nookambica Enterprises	6.15
23	Narsipatnam	M/s. Sri Satyarama Wood Products	5.93
24	Visakhapatnam	M/s. Sri Venkateswara Sawmill	5.92
25	Narsipatnam	M/s. Sri Karuna Sawmill	4.33
26	Visakhapatnam	M/s. Vijayalakshmi Sawmill	3.12
27	Viziangaram	Sri Lakshmi Sawmill	13.40
28	Ananthapuram	Sri Danalakshmi Saw mill	6.12
29	Ananthapuram	M/s. Jai Ganesh Saw Mill	14.60
30	Ananthapuram	Sri Ganesh Saw mill	5.96

Further, it was brought before the SLC that (104) saw mills are using the additional Horizontal saws as per High Court orders.

The Hon'ble High Court of Andhra Pradesh in its orders dated 19.09.2018, analyzed the Andhra Pradesh Wood Based Industries (Establishment and Regulation) Rules, 2018 and felt that the State Level Committee constituted under the new Rules can dispose the grievance of petitioners, and disposed writ petitions in a batch of cases, with the following direction:

"In the circumstances, all these Writ Petitions are disposed of, granting liberty to the petitioners to submit their applications in Form-I to the Licensing Authority within four weeks from today. Thereupon, the Licensing Authority shall process the same within a period of three (3) months thereafter. Till such time, the petitioners shall be entitled to continue to run their wood based industries".

In view of foregoing discussion, proposals for the New sawmills, for Additional Machinery and proposals of all those saw mills which are operating additional horizontal saws on HC orders are deferred.

9. IWST, Bangalore study and Wood balance status in

A.P:

A presentation was made to the SLC regarding IWST, Bangalore wood balance study findings and recommendations:

- IWST was assigned the job of preparing the wood balance study in the state of AP through an Agreement between the APFD and IWST on 20.09.2017.
- The report was supposed to be submitted within (4) months time. However, the same has not been finalized till now and IWST asked for another (6) months time in February, 2020 to submit the final report.
- It is observed that IWST has not done any field inventory nor collected any Primary data.
- It has relied on APFD existing data as well as FSI, Dehradun statistics from the ISFR of 2017.
- No species-wise/district-wise exercise has been done.
- As such the report does not meet the Objectives for which it was taken up.

An estimation of Demand for the **Existing** saw mills, as well as the **old (56)** saw mills, saw mills asking permission for **Additional capacity** and requesting permission for **New** saw mills, as prescribed under Rule 7 of the Andhra Pradesh Wood Based Industries (Establishment and Regulation) Rules, 2018.

Max. Demand estimated as per capacity (m cum)

Existing	(56) SMs	Addl. Cap.	New	Total
1.98	0.05	0.02	0.01	2.07

Supply status as per various sources (m cum)

Category	Basis				
	WPs	FSI, SFRs			APFD ToF study, 2010-14
		2015	2017	2019	NA
Forest	0.20 (annual)	NA	NA	NA	
ToF- Plntns	NA	64.28	62.34	67.68	35.49
		Annual	2.49	NA	3.5 (@ 10% of above)

As can be seen, FSI source says at least 2.49 m cum material is available annually from the ToF plantations whereas the APFD study provides an estimate of about 3.5 m cum from the ToF plantations. In addition, the forests can supply 0.20 m cum. So a very conservative estimate implies that $2.49+0.20=2.69$ m cum material is available broadly.

After discussions on all aspects, the SLC members agreed for the need to take up a holistic view and come up with district-wise and species-wise availability of the raw material as well as the demand of existing WBIs. For this the APFD ToF study conducted in 2010-14 may be finalized with a clear picture of wood availability.

10. Special items:

With the permission of the Chair, following (2) items were taken up by the SLC under this category:

(i) Streamlining the modalities for Registration of the WBIs that do not require license from the forest department as per Rule 8.

After detailed discussions, the SLC agreed that APFD may introduce an effective online Registration and Reporting process so as to ensure ease of doing business for such units as well ensure transparency in their functioning.

(ii) Setting up Imported Timber Processing Zone (ITPZ) in AP:

A brief presentation was made to the SLC on the need for setting up an ITPZ in Krishnapatnam or any other suitable port of AP on the lines of Gandhidham ITPZ in Kandla port. It holds 70% share of the India market. There are about 2000-2400 wood processing units and (84) Plywood units with annual turnover of Rs 30, 000 crores. It imports close to 4 million cubic meters of wood. It directly employs 35000 and indirectly employs 65000 persons. Even 6000 persons from AP also work there. As such, it was impressed upon to establish similar ITPZ in AP and tap the huge market potential. All the members found the idea very promising and agreed that the APFD may initiate further action in this regard, finalise the modalities with concerned departments and come up with the progress in next SLC.

The meeting concluded with the Prl.Chief Conservator of Forests & Head of Forest Force thanking all the members for participating and providing valuable inputs.

**N.PRATEEP KUMAR
PRINCIPAL CHIEF CONSERVATOR OF
FORESTS
& HEAD OF FOREST FORCE**

Signature Not Verified

Digitally signed by Prateep
Kumar Nelli
Date: 2020.08.16 19:27:57 IST
Reason: Approved

