

GOVERNMENT OF ANDHRA PRADESH
FOREST DEPARTMENT.

Ref.No. 97455/78-D2,
Dated: 22-4-1981.

Office of the Chief Conservator of
Forests, Andhra Pradesh, Hyderabad.

Sri A. Ramakrishna, IFS.,
Chief Conservator of Forests.

CIRCULAR NO. 13/81

Sub:- FORESTS-Supply of Fuelwood to Tobacco barns,
Khandasari units Use of coal in lieu of fuelwood
Change over-Regarding.

Ref:- G.O.Ms.No. 319 Forests & Rural (For.III) Department
dated 27-6-1980.

The Tobacco barns and Khandasari units use large quantities of wood as fuel. At present one lakh tons of fuelwood is supplied by the Forest Department for tobacco barns. When wood being source of cellulosic raw material which is becoming scarce we have to think seriously of every possible measure to conserve it and put it to either industrial use as raw material or fuelwood in domestic sector. The Government after careful examination of this matter issued orders in the above G.O. (Enclosed) suggesting that coal can easily be used as fuel and the wood thus saved can be diverted as raw material for paper mills. It was also reported by the Government that it is technically possible to change the fuel from wood to coal which will necessitate certain modification in the boilers and probably effect the economics of the process. In view of the above the Conservator of Forests and Divisional Forest Officer should impress upon the users of fuel wood viz., Tobacco barns and Khandasari units the immediate need to change over to coal from fuel wood considering the acute shortage of supply of fuelwood to tobacco barns and Khandasari units. They must be advised to restrict their demand during 1980-81 to 50% of supply during 1980-81.

Sd/- A. Ramakrishna,
Chief Conservator of Forests.,

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

FORESTS-Supply of raw material to wood-based industries and approval of package of concessions-orders-issued.

FORESTS & RURAL DEVELOPMENT FOR.III) DEPARTMENT

G.O.Ms.No. 319.

Dated: 27-6-1980.

- Read:-
1. From M/S Andhra Pradesh Rayons Ltd. Ref. Comml/12.11/281/78-etc. dated: 14.2.78, 25.3.1978, 10.5.78, 11.5.78, 27-11-1978.
 2. From the Chief Conservator of Forests, Lr.No. 61788/75-D4, dt. 8.3.1978 and 18.5.1978.
 3. From the Chief Conservator of Forests, Lr.No. 97455/78-D3, dt. 27-3-1979 and 26-4-1979.
 4. From the Chief Conservator of Forests, Lr.No. 8095/80-D2, dt. 12.2.1980.
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ORDER:

The existing wood based industries and those that are coming up have been requesting the Government for increased raw material allocation for expansion as well as for their existing operations. The new industries have also, been representing for various concessions in the rate of royalty on wood, bamboo, eucalyptus and also on other items.

- iii) There would be nominee/nominees of the State Government on the Board of Directors of the Company as per share-holding.
 - iv) The Personnel Manager of the Company would be from Andhra Pradesh, subject to availability of suitable candidates.
 - v) Government would have the right to convert the amount equivalent to royalty as equity in the company, if Government so desires at any state.
 - vi) The industries would participate in plantation programme or in the financing of the plantation projects taken up by Andhra Pradesh Forest Development Corporation (Referred to in para-2 iii) (a) above.
 - vii) Forest based industries would liberally contribute to the proposed Forest Research Fund, which will ultimately help such industries.
 - viii) Forest-based industries should practice extension forestry on high priority to attain self-sufficiency in raw materials.
- (e) II. The Government in the Industries and Commerce Dept. would also take the following steps for better utilisation of cellulosic materials:-
- i) At present, one lakh tonne of wood is being supplied by the Forest Dept. for tobacco bars every year. Coal can easily be used as fuel and the wood thus saved can be diverted as raw material for industry. The change over to coal should be achieved in a phased manner.
 - ii) Similarly, sugar factories and Khandasari units use considerable quantities of wood as fuel. The change over from wood to coal is technically feasible by modification of boilers. The technology for conversion is being considered by Govt. in consultation with the Chairman, Andhra Pradesh State Electricity Board, who has offered to advise on this.
 - iii) Government may enact legislation by which all sugar factories and Khandasari unit located within a certain radius of paper mills should be obliged to give the bagasse to these mills at reasonable rates which would take care of the costs in changing over to coal instead of wood and bagasse as fuel.
3. In this connection, Government would like to make it clear that the approval of the above arrangements are subject to :-
- a) the companies participating actively with 80% equity along with the Andhra Pradesh Forest Development Corporation for raising industrial plantations from which raw material should be supplied and
 - b) the companies shall actively undertake Extension Forestry outside reserve forest areas.

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

B.K. RAO,
SECRETARY TO GOVERNMENT

All these questions have been gone into in their entirety with a view to drawing up of a "Package of Concessions" so that, the position is clear both to the Department as also to the Industry.

2. Government have considered these requests carefully in the light of discussions held with the representatives of these industries and officers of the concerned departments and have decided as follows:-

1) BHADRACHALAM PAPER BOARDS LIMITED:

The several concessions so far allowed to M/s. Bhadrachalam Paper Boards Limited, on par with other local industries, shall be continued

2) ANDHRA PRADESH RAYONS LIMITED:-

- a) The period of 50% concession in the rate of royalty of wood to be supplied by Government to this industry shall be extended from 5 to 10 years, subject to review of the rate of royalty after 5 years, on par with the other newly developing industries. The orders issued earlier in G.O. Ms. No. 992, Forests & Rural Development Department, dt. 22.12.77, shall be deemed to have been modified to this extent.
- b) It is not possible to concede the request of the company to extend 50% concession in the rate of royalty of plantation eucalyptus wood also.
- c) The quantity of mixed wood assured to this company may be increased from 75,000 tonnes to 1,10,000 tonnes per annum. But, it is considered not possible to increase the quantity of eucalyptus wood from 10,000 tonnes to 14,000 tonnes per annum.

(3) PACKAGE OF CONCESSIONS:-

- a) Keeping in view the limited availability of Forest resources viz. of bamboo and wood) Government have decided that no more forest based industries would be permitted in the State for the present.

However, the existing commitments can be honoured, provided funds of the order of about Rs 28 crores as equity contribution over period of 15 years are invested in plantations for wood and bamboo by State Government; and, therefore, the industries would also have to invest in these plantations, by contributing 80% of the equity capital required for each plantation, meant for each industry, so as to ensure supply of raw material required by them. (Action in this regard is being pursued separately).

- b) The surplus of about 10,000 tonnes of bamboo likely to arise in the year 1980, may be used for meeting the short-fall in the raw material requirements for the operations of the existing mills, at the present level of production.
- c) The concession in the rate of royalty of forest produce shall be only for the wood obtained from natural forests.
- d) Regarding sanction of interest free sales tax loans and other concessions asked for by several wood based industries under the 'Incentives Scheme' of the Industries and Commerce Department they will issue separate orders in the matter after consulting the industries concerned.
- e) I. the approval of the "Package of Concessions" to the industries shall be subject to the industrial units fulfilling the following obligations on their part:
 - i) The industry would adopt all instructions of Government for employment of local personnel.
 - ii) The rule of reservation for purposes of appointment would be followed, as in the case of Government.

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Government of Andhra Pradesh
Forest Department.

Ref.No.20569/81-A1
Dated:21.4.1981.

Office of the Chief Conservator
of Forests, Andhra Pradesh, Hyd.

Sri A.Ramakrishna, I.F.S.,
Chief Conservator of Forests.

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CIRCULAR NO.14/81(A)

The President of India has promulgated an order called " the Andhra Pradesh Administrative Tribunal Order, 1975" whereunder, the Andhra Pradesh Administrative Tribunal, came to be formed; and thereafter all matters pertaining to appointment, promotion, seniority and all other conditions of service of the State Government employees are being heard and disposed off by the Honourable Tribunal.

2. The Administrative Tribunal framed rules which are called the "Andhra Pradesh Administrative Tribunal Rules, 1980". These rules mainly deal with the procedure of filling Representation petitions and counters in opposition of the Representation Petitions.

3. A copy of the Andhra Pradesh Administrative Tribunal Order, 1975 together with the rules made by the A.P.Administrative Tribunal and an extract of Article 371-D of the Constitution of India(with a list of contents) is forwarded herewith. The Officers are requested to carefully go through the provisions of the Order and the rules as well as those of Art.371-D of the Constitution of India and adhere to the stipulations made therein. They are also requested to carefully preserve the booklet for their reference.

The receipt of the Circular may please be acknowledged in the proforma enclosed.

Sd/-A.Ramakrishna,
Chief Conservator of Forests.