

GOVERNMENT OF ANDHRA PRADESH

**ABSTRACT**

RED SANDERS – Disposal of 8584.1363 MTs. Red Sanders wood in log form out of confiscated / seized stock for which Government of India have accorded permission – Permission accorded to dispose about 4160 MTs. of red sanders wood in first spell by e-tender-cum-e-auction – Certain clarifications - issued.

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ENVIRONMENT, FORESTS, SCIENCE AND TECHNOLOGY (Section.II) DEPARTMENT

**G.O.RT.No. 344**

**Dated. 21 -10-2014.**

**Read the following:-**

1. From the DGFT, Department of Commerce, Ministry of Commerce and Industry, GoI, Notification No.47 (RE-2013)/2009-2014, dated.24.10.2013.
2. Go. Rt. No.276, EFS&T (Section.II) Dept. dated.25-7-2014.
3. Go. Rt. No.277, EFS&T (Section.II) Dept. dated.25-7-2014.
4. Go. Rt. No.278, EFS&T (Section.II) Dept. dated. 25 -7-2014
5. The PCCF, A.P, Lr No.35556/2013/V.2, dated. 12-8-2014
6. Go. Rt. No.313, EFS&T (Section.II) Dept. dated. 10-9-2014.
7. Go. Rt. No.322, EFS&T (Section.II) Dept. dated. 19-9-2014.
8. From PCCF, A.P, Lr Rc.No.35556/2013/V.2, dated: 8-10-2014.

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**ORDER:-**

The Director General of Foreign Trade, Department of Commerce, Ministry of Commerce and Industry, Government of India in the Notification 1<sup>st</sup> read above, have accorded permission to Government of Andhra Pradesh, to export 8584.1363 MTs. of Red Sanders wood in log form out of the confiscated /seized stock available with the Government of Andhra Pradesh.

2. In the G.O. 2<sup>nd</sup> to 4<sup>th</sup> read above, the Government have accorded permission to dispose about 4000 MTs. of red sanders wood by e-tender-cum-e-auction in first spell out of 8584.1363 MTs. by engaging the M/s MSTC Ltd. a Government of India, enterprise, for conducting sale of red sanders through e-tender cum e-auction and by appointing the Andhra Pradesh Forest Development Corporation Ltd. (APFDC Ltd) as export agency and sale proceed realization agency for disposal of Red Sanders respectively. Further in the reference 6<sup>th</sup> read above, certain other instructions have been issued to maintain transparency and neutrality in the whole process of finalization of tender. Government in the reference 7<sup>th</sup> read above have constituted a committee to fix reserve price (upset price) for the sale of Red Sanders wood in log form through e-tender cum e-auction under the Chairmanship of Principal Secretary to Government., Environment Forests, Science & Technology Department.

3. Government vide G.O.Rt. No.3077, General Administration. (SC.E) Dept., dt.6-9-2014 have permitted Sri A.V. Joseph, I.F.S., The Principal. Chief Conservator of Forests (Head of the Forest Force) and Sri P.K. Jha, I.F.S., Additional Principal Chief Conservator of Forests (Production) to conduct road show cum pre-bid meetings in Beijing and Xianyou in China and Tokyo in Japan from 11<sup>th</sup> to 21<sup>st</sup> September, 2014. The Principal. Chief Conservator of Forests, Andhra Pradesh, in the reference 8<sup>th</sup> read above, have submitted proposals on the suggestions made by the prospective international buyers during the discussions held on road show cum pre-bid meetings.

4. The Government after careful examination of the proposal of the Principal Chief Conservator of Forests, Andhra Pradesh in the reference 8<sup>th</sup> read above, have decided that the prospective buyers have to deposit pre-bid deposit and additional pre-bid deposit as already approved. After completion of e-tender-cum-e-auction, the MSTC Ltd.

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will send e-mails to highest bidder (H1) only if the rate quoted by him is higher than the reserve price or upset price fixed by the Government. The e-mail sent by MSTC Ltd. will only assist the highest bidder (H1) to be in readiness to remit the amount as and when confirmed by the Government. After completion of e-tender cum e-auction on the final day, the MSTC limited shall furnish the highest bid quoted for each lot in e-tender-cum-e-auction whichever is higher without disclosing the name and identity of the purchaser. On receipt of the list of such highest bids without name of the bidders, the list shall be furnished to the Government by the Principal Chief Conservator of Forests (Head of the Forest Force) within (2) days and the Government shall confirm such bids or otherwise within (1) week of receipt of the list from the Principal Chief Conservator of Forests as already ordered in the Go.Rt.No.313, dated.10-9-2014. After confirmation of highest bids by the Government, the MSTC Ltd. would disclose the names of the highest bidders and they will be informed about confirmation of sale and direction to pay 25% of the bid amount within (10) days of confirmation and to enter into agreement with Andhra Pradesh Forest Development Corporation Ltd. Remaining amount of 75% shall be paid within (30) days of confirmation of sale as already approved under special terms and conditions without affecting the overall payment schedule of revenue to the Government. Further, both 25% and 75% of the sale amount have to be remitted to the account of Andhra Pradesh Forest Development Corporation Ltd. by the purchaser for proper accounting in place of existing arrangement of 25% payment to MSTC Ltd. and 75% to Andhra Pradesh Forest Development Corporation Ltd. The MSTC Ltd. would transfer pre-bid deposit and additional pre-bid deposit to the Andhra Pradesh Forest Development Corporation Ltd. after confirmation of sale by the Government. The above proposed methodology will not only address the problem of remittance of foreign exchange after receipt of confirmation order from the Government, but it will also address the problems associated with refund of 25% of the bid amount in case of rejection of bid by the Government. Regarding adjustment of excess pre-bid deposit, it is agreed to adjust the same against 25% of the sale amount.

5. Government also clarify that the Andhra Pradesh Forest Development Corporation Ltd. shall assist the buyers in arranging insurance for material for transport from depot to the port through some Indian insurance company on the request of purchaser and on the payment by the purchaser. But, the purchaser, being the owner of the produce after handing over the material, shall make arrangement for insurance of the wood from Indian port to the port of destination.

6. The Principal Chief Conservator of Forests, Andhra Pradesh, Hyderabad is requested to take further necessary action in the matter accordingly.

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

**S.P. SINGH**  
**PRINCIPAL SECRETARY TO GOVERNMENT.**

To  
The Principal Chief Conservator of Forests,  
Andhra Pradesh, Hyderabad.

**Copy to:-**

M/s MSTC Limited  
A Government of India Enterprise  
225-C, A. J. C. Bose Road, Kolkata - 700 020, India.  
The Vice Chairman & Managing Director,  
Andhra Pradesh Forest Development Corporation Ltd. Hyderabad  
P.S to Hon'ble Chief Minister.  
OSD to Hon'ble Minister for Forests, Environment, Science & Technology.  
P.S. to Chief Secretary.

// FORWARDED :: BY ORDER //

SECTION OFFICER.