

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Forest Department – Proposal of the Principal Chief Conservator of Forests for having funding arrangement with A.P. Forest Development Corporation Limited, Hyderabad for the Departmental Extraction Scheme – Orders – Issued.

ENVIRONMENT, FORESTS, SCIENCE & TECHNOLOGY (FOR.II) DEPARTMENT

G.O.Ms.No. 68

Dated:03-04-2010

Read the following:

From the Prl. CCF, A.P., Hyderabad Letter No.56981/2009/V4,
dt.05.01.2010.

ORDER:

The Principal Chief Conservator of Forests, Hyderabad in the letter read above has submitted that under Departmental Extraction Scheme (DES), the Forest Department takes up harvesting of matured plantations, thinnings, harvesting of bamboo and salvaging of the material from the Forests etc. The funds required for Departmental Extraction Scheme are provided by the Government under non-plan budget. The budget allotted for this work is generally found to be insufficient every year; as a result the department is not in a position to harvest the plantation and bamboo coupes to the extent required and to the full potential.

2. The Principal Chief Conservator of Forests, A.P., Hyderabad has further stated that the revenue targets are not achieved under Departmental Extraction Scheme due to shortage of funds. It is also noticed that even though the budget is sanctioned under non plan for DES work, the same is not released in time. Even after the budget is released by the Government, there is considerable delay in making the fund available to the Divisional Forest Officers due to procedural delays in getting authorization from Director of Treasuries and Accounts to the PAOs in the Districts. Since, the forestry operations are time bound in nature and seasonal, it is absolutely necessary that adequate fund is made available to the field staff for executing these works and completing it in time, so that the targeted revenue is achieved, and timely supply of raw material to the industries and supply of long bamboo to Burood Societies is ensured. Further, if the plantations and bamboo coupes are not harvested in time and the cultural operations like thinning, cleaning etc. are not done in the season when due, the productivity of forests suffers.

3. The Principal Chief Conservator of Forests, A.P., Hyderabad has, therefore, proposed to involve A.P. Forest Development Corporation Ltd., Hyderabad for facilitating funding arrangements in the similar lines as is being done for implementation of Beedi Leave Scheme to get over the problem of getting adequate and timely budget releases

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so that the department will be assured of getting adequate and timely fund for harvesting; as a result DES works can be done in time. This will also ensure better management of forest areas and increase of revenue to the State under forestry sector and timely supply of raw material to the industries and supply of long bamboos to the Burood Societies. The Principal Chief Conservator of Forests has, therefore, requested the Government to approve the above proposal for implementation of the scheme from the Financial Year 2010-11.

4. In view of the above circumstances reported by the Prl. Chief Conservator of Forests, Government, after careful examination, hereby approve the proposal of the Prl. Chief Conservator of Forests for having funding arrangement with the A.P. Forest Development Corporation Limited, Hyderabad for implementation of the Departmental Extraction Scheme (DES) from the financial year 2010-11, as explained below, subject to the conditions that A.P. Forest Development Corporation Ltd. shall operate the scheme by way of raising bank loan without Govt. guarantee, on strength of its assets and repay the loan without involving Govt. any manner:

1. The fund required for implementation of DES shall be raised as loan from the Banks by A.P. Forest Development Corporation, as is being done in case of Beedi Leaf Scheme.
2. The A.P. Forest Development Corporation Ltd. shall be advancing funds to the concerned DFOs for implementation of the D.E. Scheme in their area. The funds released by A.P.F.D.C. to the DFOs shall be kept under civil deposit head of the Government and to that extent the PAOs in the Districts will authorize the DFOs to issue cheques to the extent of LOC given by PAOs for execution of works and get the works done as per the departmental procedure and render accounts to PAOs intime.
3. The amount realized by way of sales of the forest produce shall be deposited in the account of A.P. Forest Development Corpn. Ltd., Hyderabad.
4. A.P. Forest Dev. Corpn. Ltd., Hyderabad will repay the loan with interest to the Banks out of the sale amount deposited with A.P.F.D.C.
5. A.P.F.D.C. shall be paid 2% commission on the amount advanced towards providing its services to Forest department.
6. A.P.F.D.C. will remit the balance sale amount after adjusting all expenses incurred for running the scheme including principal and interest, to the Bankers and commission of A.P.F.D.C., to the Government account as revenue.

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7. The department will prepare a departmental extraction scheme every year and obtain the approval from the Government for implementing it through the funds provided by A.P.F.D.C.
5. The Prl. Chief Conservator of Forests, A.P., Hyderabad is requested to take further necessary action in the matter accordingly.
6. This order issues with the concurrence of Finance Department vide their U.O. No.3461/28/A2/Expr.(M&F)/10, Dated.23-03-2010.

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

JANAKI R.KONDAPI
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Prl. Chief Conservator of Forests, A.P., Hyderabad.
The Vice Chairman & Managing Director, A.P. Forest Development Corporation Ltd., Hyderabad.
The Accountant General, A.P., Hyderabad.
The Director of Treasuries & Accounts, A.P., Hyderabad.
The Pay & Accounts Officer, A.P., Hyderabad.
Copy to:
The Finance (Expr.MA&UD & EFS&T) Dept.
SF/SC

// FORWARDED :: BY ORDER //

SECTION OFFICER