

# **A.P. Wood Based Industries (Establishment And Regulation) Rules, 2018**

ANDHRA PRADESH

India

## **A.P. Wood Based Industries (Establishment And Regulation) Rules, 2018**

### **Rule**

### **A-P-WOOD-BASED-INDUSTRIES-ESTABLISHMENT-AND-REGULATION of 2018**

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A.P. Wood Based Industries (Establishment And Regulation) Rules, 2018Published vide Notification No. G.O. Ms. No.48, Environment Forests Science & Technology (Section-II) Department, dated 8.5.2018 and Published in the A.P. Gazette, Extraordinary, dated 11.5.2018G.O. Ms. No.48. - 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 12.3.1969, the Governor of Andhra Pradesh hereby makes the following rules to regulate the location and functioning of wood based industries in the State of Andhra Pradesh and in pursuance of the guidelines issued on wood based Industries by Government of India, the following rules are made for implementation in the State of Andhra Pradesh.

### **1. Short title and commencement.**

(1)These rules may called the Andhra Pradesh Wood Based Industries (Establishment and Regulation) Rules, 2018.(2)These rules shall extend to the whole State of Andhra Pradesh.(3)These rules shall come into effect from the date of publication in Andhra Pradesh Gazette.

### **2. Definitions.**

- In these rules, unless the context otherwise requires-(a)'Industrial Estate' means areas notified by the State Government for establishment of wood based Industries.(b)'Licence' means a licence granted under these rules.(c)'Licensing Authority' means the Divisional Forest Officer having

jurisdiction over the place of establishment of wood based industry.(d)'Principal Chief Conservator of Forests' means a Forest Officer of the rank of Principal Chief Conservator of Forests (Head of Forest Force) in the State.(e)'Round log' means a piece of wood In its natural form, having mid girth of thirty centimetre or more under bark and it includes such round log even after its bark has been removed or its surface has been dressed, manually or by using a band saw or any other machine or equipment to make its cross section square or near to square for the purpose of ease in its transportation and/ or storage.(f)'Saw Mill' means a mechanical contrivance for sawing, cutting or conversion of timber with the aid of electrical or mechanical power and includes the premises as approved in the licence but does not include a contrivance operated solely by manual power.(g)'Sawn Timber' means beams, scantlings, planks, battens and such other product obtained from sawing of round log.(h)'State Level Committee' means a Committee constituted by the State Government under these rules.(i)'Wood Based Industry' means any industry which processes wood as its raw material such as saw mills/veneer/plywood or any other form of wood.Words and expressions used but not defined under these rules but defined in the Andhra Pradesh Forest Act, 1967 shall have the meaning assigned to them in such Act.

### **3. No wood based industry without licence.**

(1)No person shall install, erect or operate a Wood Based Industry for cutting, converting or sawing of limber without obtaining a licence for such installation from the Licensing Authority.(2)No Licence for setting up fresh wood based industry within a distance of 5 KMs., from the boundary of any forest under control of Forest Department whether notified or not shall be granted except when it is required for Departmental use.(3)The distance of 5 KMs., shall be computed from topo sheets as of Survey of India as aerial distance as crow flies.(4)The distance restriction as mentioned in sub-rule (2) above will not be applicable to a wood based industry' established in an industrial Estate or a Municipal area.

### **4. Application for Licence.**

(1)Any person desiring to install or erect or operate a wood based industry shall make an application in Form-I enclosing copies of the following documents:(a)Tide deeds or lease deed of the premises or an undertaking by the applicant that the premises of wood based industry are on lease from the land owner.(b)Copy of Factory Licence, if any,(c)Copy of GST Registration(d)Copy of Pan Card(e)Copy of Aadhar Card of applicant(f)Copy of location sketch of the premises(g)Statement indicating the sources of supply of round wood, species and quantity(2)If the applicant desires to obtain a common licence for wood based industry and depot, he should indicate the same in the application form in Form-II.(3)Every Proprietor of an existing wood based Industry shall obtain a licence from the Licensing Authority within sixty days from the date of publication of these rules and any existing wood based Industry should not be operated beyond sixty days from the date of publication of these rules without a valid licence under these rules.(4)Every application shall be accompanied by annual fees as detailed below and as revised by the Government from time to time:

Type of fee (Annual)	Amount as per approved annual capacity of sawmill/wood based industry
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	Upto 1000 cubic meters	Beyond 1000 cubic meters
Licences fees/renewal fee	Rs.5000/-	Rs. 10,000/-
<p>Explanation. - If the licence is needed for five years, a licence fee/renewal fee would be five times of annual fee and if it is for lesser period the licence fee/renewal fee would be proportionately reduced.(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 in favour of the licensing authority to secure compliance to the provisions of Andhra Pradesh Forest Act, 1967 and rules made there under:</p>		
Type of fee	Amount as per approved annual capacity of sawmill/wood based industry	
	Upto 1000 cubic meters	Beyond 1000 cubic meters
Security Deposit	Rs. 10,000/-	Rs.20,000/-

(6)The Licence fee or other penalties imposed on wood based industry should be deposited in the account of State Level Committee as may be indicated by the Licensing Authority.(7)The Licence once granted or renewed will be valid up to five years, as the case may be, from the date of sanction of licence to the 31st December of the last year of licence.(8)On receipt of an application, the Licensing Authority shall grant a Licence/Renewal in Form II of these rules, after obtaining prior approval of State Level Committee.

## 5. Constitution of the State Level Committee.

(1)The State shall constitute a State level Committee to perform the functions stipulated in these rules.(2)The State Level Committee shall consist of the following:

- |     |   |                  |
|-----|---|------------------|
| (a) | Principal Chief Conservator of Forests/Head of Forest Department                                  | Chairman         |
| (b) | A representative of the Regional Office of the Ministry of Environment, Forest and Climate Change | Member           |
|     | A representative of the State Forest Department not below the rank of                             |                  |
| (c) | Conservator of Forests dealing with the preparation of Working Plans/Working Schemes              | Member           |
| (d) | Director/Additional Director of Department of Industries  | Member           |
| (e) | Representative of the Forest Development Corporation  | Member           |
| (f) | An officer not below the rank of Conservator of Forests working in the Forest Head Quarters       | Member-Secretary |
| (g) | An officer from Territorial wing of the Forest Department not below the rank of CF                | Member           |
| (h) | An officer from Agriculture Department not below the rank of Additional Director                  | Member           |

- |     |  |         |
|-----|--|---------|
| (i) | An officer from the Revenue Department not below the rank of Deputy Secretary              | Member  |
| (j) | Two representatives from the State Level Timber Merchants Wood based Industries Federation | Members |

(3) The State Level Committee shall meet at least once in three months. (4) The quorum of the State Level Committee meeting shall be at least fifty percent of members. (5) In case of exigencies, the Chairperson of the State Level Committee may take a decision which will be ratified by the State Level Committee in its next meeting following the date of such decision.

## **6. Powers and functions of the State Level Committee.**

- The State Level Committee shall: (i) Assess the availability of timber in the State by way of appropriate study on demand and supply as and when it decides. The Committee shall devise suitable mechanism for sustainable use of timber in a way that does not affect the forests of the area adversely. (ii) Approve the name of wood based industries which may be considered for grant of fresh licence or enhancement of the existing licenced capacity in case the Committee is satisfied that timber is available legally for the said new Wood Based Industries from sources such as Trees outside forest, Private Forests. (iii) Ensure that the amount collected or recovered from Wood Based Industries and deposited in the account of State Level Committee is utilized for the purpose of afforestation only. (iv) Examine and make appropriate recommendations or any other matter referred by the State Government.

## **7. Estimated annual consumption of timber by wood based industries.**

- For the purpose of assessing the timber requirement of the Saw mills, they may be divided into (a) Saw mills upto 10 HP (b) Saw mills between 15 and 20 HP (c) Saw mills between 20 HP to 40 HP (d) Saw mills between 40 to 60 HP and (e) Saw mills above 60 HP. The annual requirement of round log for Saw mills of different capacities may be fixed by the committee based on the technical data or as per the formula given below :- (a) Saw mills of 10 HP and below: 540 cu.mt. (base value) (b) Saw mills between 10 to 20 HP: 810 cu.mt. (1.5 time the base value) (c) Saw mills between 20 to 40 HP 1080 cu.mt. (2 times of the base value) (d) Saw mills between 40 to 60 HP 1620 cu.mt. (3 times of the base value) (e) Saw mills above 60 HP 2160 cu.mt. (4 times the base value)

## **8. No Licence required for the following categories of wood based industries.**

(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: (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. (2) The above named Industries shall register themselves by providing the details in Form-I and should abide by the provisions of Andhra Pradesh

Forest Act, 1967 and rules made thereunder.

## **9. Appeal against the decision of the State Level Committee.**

(1) Any person aggrieved by any decision taken by the State Level Committee may prefer an appeal to the Regional Office, Ministry of Environment, Forests & Climate Change, Chennai, Tamil Nadu. (2) The Head of the Regional Office shall within 60 days of filing the appeal pass the appropriate order.

## **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 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. (3) When renewal application is made, the Licence holder should enclose proof of submission of abstract of timber accounts, and if the accounts are not furnished, the renewal application shall not be considered by the Licensing Authority. (4) When renewal application is submitted to the Licensing Authority and till renewed Licence is received, the acknowledgement given by the Licensing Authority shall be treated as Licence by inspecting officers. (5) The licensing authority shall renew the licence after the receipt of permission/authorization for renewal from the State Level Committee.

## **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 5 KMs., of forest area shall be allowed within 5 KMs., 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 the licence for band saw cannot change to peelers or slicer etc., and vice-versa. (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.(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.

## **12. Records to be maintained by wood based industries.**

(1)Registers as given in Form-III(A) and III(B) of these rules shall be maintained by every Licence holder for accounting fully and properly the timber received excluding the exempted species under transit rules in the saw mill/wood based industry for conversion, and its disposal. The registers should be made available at any time to all inspecting officers alongwith permits/ invoices in original within the saw mill/wood based industry premises.(2)A yearly abstract of receipts of disposal with the balance of unconverted stock on hand shall be submitted before the 10th of the January next to the Licencing Authority concerned failing which the licensee shall be liable to pay a sum of Rs.5000/- for every month of default Variations of 5% in round timber in figures in between the register and ground stock in measurements is permissible and variation in excess of the above should be explained.(3)All the timber, sawn sizes and wood waste shall be properly stacked in the saw mil premises.(4)Timber for sawing and conversion shall not be accepted unless-(a)It bears property marks; and(b)It is covered by a transit permit or such other document indicating the origin of the timber, and for this purpose all timber lying within and adjacent to saw mil premises upto a distance of five meters shall be taken into consideration:Provided that the licence holder shall immediately report to the nearest Forest Officer the timber without property marks, and u?e timber not claimed by others.(5)When timber is brought for conversion to wood based unit, the licence holder should retain the original permit and issue "Form-II permit" or 'Form-IV' under Andhra Pradesh Forest Produce Transit Rules, 1970 as the case may be to the timber owner alongwith a photo copy of original permit.(6)A licensee shall not operate the Wood Based Industry or any machinery within the wood based industry premises during the period of 22.00 hours to 06.00 hours of next day except in Municipal Corporation/Municipalities/Industrial Estate. However, in special circumstances, the Divisional Forest Officer concerned on application made to him may consider relaxation of the above timing for a period to be specified by him. And any such relaxation order obtained by the licence holder shall be displayed in a conspicuous place for verification by inspecting officers.

## **13. Inspecting Officers.**

- All officers of the Forest Department above the rank of a Forest Beat Officer having jurisdiction shall have the power to enter into any wood based unit for the purpose of inspection and securing compliance with these rules.

## **14. Revocation of licence.**

(1)Notwithstanding anything in the foregoing rules, the Licensing Authority may, where he has reason to believe that a licensee is operating a wood based unit in contravention of the provisions of the Andhra Pradesh Forest Act, 1967 or any rules made thereunder at any time, revoke the licence

granted under these rules, after giving the licensee an opportunity of being heard.(2)(a)For any violation of the provisions of the Andhra Pradesh Forest Act, 1967 or any rules made thereunder by the licensee, the Licensing Authority or the Divisional Forest Officer, Flying Squad Party shall be competent to seize and confiscate forest produce together with whole or portion of the plant, machinery, implements and equipments which have been used in the commission of the offence;(b)In case of violations, where it is not proposed to either revoke the licence or seize and confiscate the plant, machinery etc., the Licensing Authority shall be competent to impose a penalty of a sum upto the limit of available security deposit. If the amount of penalty so levied exceeds Rs. 5000/-, an appeal against such imposition shall lie with the Conservator of Forests having territorial jurisdiction over the area, and his decision, thereon shall be final. The appeal should however, be preferred within fifteen days from the date of receipt of the order imposing the penalty.(c)All penalties levied shall be paid by the licensee within fifteen days from the date of receipt of the order or the notice of demand for payment. In case of failure to pay the penalties in time, the same will be adjusted from the security deposit, which shall be replenished immediately so as to keep it always full and complete. Tine licence shall be deemed to be inoperative, until such time, the licensee replenishes the adjustments in the security deposit.(3)In the event of revocation of licence under sub-rule (1) or seizures and confiscation of forest produce together with whole or any portion of the plant, machinery, implements and equipments under sub-rule (2) the Licensing Authority shall be competent and shall be at liberty<sup>7</sup> to forfeit security deposit in part or whole.

## **15. Refusal to renew or revoke Licence.**

- Where the Licensing Authority refuses to renew or revoke a licence granted under these rules or seizes and confiscates the plant, machinery, implements and equipment under Rule 14, he shall do so by an order communicated to the applicant or the Licence holder, as the case may be by giving reasons in writing for such refusal or revocation, or seizure and confiscation.

## **16. Appeal against order of Licensing Authority.**

- Any person aggrieved by an order made under Rule 15, may within thirty days of service of the order, prefer an appeal to the Conservator of Forests having jurisdiction, who shall hold, or cause to be held such enquiry as he deems fit and after giving an opportunity of making a representation to appellant, pass a speaking order, which shall be final.

## **17. Electric connection.**

- Notwithstanding anything contained in any enactment relating to electricity for the time being in force, no electric energy shall be consumed and no electric connection shall be installed for the purpose of a wood based unit, unless such wood based unit is duly licensed or deemed to be licensed in accordance with the provisions of these rules, and such connection shall be continued so long as the wood based unit operates under a valid licence granted or deemed to be granted under these rules. A communication from the Licensing Authority in this regard shall be enough authority for the concerned Power Distribution Company of Andhra Pradesh to comply with the provisions. Form I Application for setting/renewal/shifting/upgrading of Saw Mill/Wood Based Industry(See Rule 4

of Andhra Pradesh Wood Based Industries (Establishment and Regulation) Rules, 2018)

1. Name of Applicant 2. Father's/Husband's name      Photograph of Applicant

**3. Address of applicant**

**4. Place where the Wood Based unit is to be located**

**5. Whether setting up Depot in the same premises**

**6. Details of machinery to be used/used, Type of Machinery, Number of machines, capacity (in H P)**

**7. Details of fee paid**

**8. List of Enclosures**

Date: Place: Signature of applicant Government of Andhra Pradesh Forest Department Form  
II Licence for Establishment/Renewal of Wood Based Industry/ Wood Based  
Industry-cum-Depot (See Rule 4 of Andhra Pradesh Wood Based Industries (Establishment and  
Regulations) Rules, 2018)..... Forest Division..... District licence No.

Valid Upto..... DFO File Number:      Photograph of Applicant

**1. Name of the Licensee:**

**2. Address of Licensee:**

**3. Details of approval of the unit by SLC**

**4. location of the Wood Based Industry**

**5. Details of Machinery:**

Type of Machinery      Number of Machines      Capacity (in HP)

**6. Details of Forest Produce to be stored**

(a) In Wood Based Unit (b) in Depot



**7. The licensee shall abide by all the terms and conditions stipulated in Andhra Pradesh Wood Based Industries (Establishment & Regulation) Rules, 2018 and maintain the registers stipulated therein and submit accounts accordingly.**

Date: Divisional Forest Officer and Licensing Authority..... Forest Division Form III-A (See Rule 12 of Andhra Pradesh Wood Based Industries (Establishment and Regulation) Rules, 2018) Form of Register showing Receipts of Forest Produce in Wood Based Industry and Depot

Date of Receipt	Details of Forest Produce received	Species Teak/Non-Teak	Issued by		
	Source	TP No	Date		
(1)	(2a)	(2b)	(2c)	(2d)	(3)

Quantity of Forest Produce (Class/Nos in Case of Poles, Bamboos, Plywood etc. And Tonnes in case of Fuelwood)	Quantity of Sawn Sizes or other finished products obtained	Remarks
Nos	Cubic Meters	Nos/Cmt
(4a)	(4b)	(5) (6)

FORM III-B (See Rule 12 of Andhra Pradesh Wood Based Industries (Establishment and Regulation) Rules, 2018) Form of Register showing the disposal of Forest Produce in the Wood Based Industry and Depot

Date of Disposal	Species	Details of Forest disposed	Produce	To whom disposed (Destination and Address)	Remarks (Cash Bill No. etc)
		Nos.	CMT	Permit No.	
(1)	(2)	(3a)	(3b)	(3c)	(4) (5)