

## Circular No.44/74

Sub: Auction sale of timber at depots – loss recovery of – rates below seigniorage plus working charges.

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In G.O.Ms.No.815/61/AD dated 19-6-1961 it was ordered that only logs which will fetch approximately seigniorage plus working charges and above would be arranged to be worked down to depots. Based on the above, Circular No.30/37 dated 11-3-1967 was issued from this office with instructions to the effect that the difference between the sale proceeds of the logs and the seigniorage plus working charges would be recovered from the registering officers, when logs are sold for prices less than the seigniorage plus working charges. Subsequently Government have in G.O.(Rt)20/73/AD dated 4-1-73 issued revised orders to the effect that the registering officers need not be held liable for the difference between the sale proceeds and seigniorage plus working charges in respect of the saplings obtained from Silvicultural operations and delivered at the Depots and sold in auction. In the case of timber other than saplings, it was ordered therein to deal with it individually on its merits by the department and to take disciplinary action against the officers responsible for registering poor quality logs.

2. Government have in G.O.(Rt) No.1038/74/AD dated 25-4-74 revised the seigniorage rate for timber and firewood based on average market rate. Consequent on this enhancement it has become difficult to obtain seigniorage plus working charges for all categories of logs sold in auction. There are contracts for delivery of timber at Depots which were fixed before the seigniorage rate was revised. In view of this position and the directions contained in G.O.20/73 dated 4-1-73 explained in para above this office Circular order No.30/67 dated 11-8-1967 is being withdrawn subject to the following conditions.

- (1) Only sound logs of marketable species need be worked down to Depots.
- (2) Demand for a particular specie during particular period should not be the criterion for bringing it under depot supply category. On the other hand the species should have a more or less steady market. The responsibility in the selection of species will vest the Divisional Forest Officer.
- (3) The Depot Officer concerned should keep a close watch over the logs delivered at the Depots and if any unsound log or spilt log is delivered he will immediately draw up descriptive mahazar on such logs and forward it to the Divisional Forest Officer concerned. The Divl. Forest Officer concerned should examine the mahazar and if he is convinced of the same appropriate action should be taken by him against the registering officer concerned or the contractor as the case may be.
- (4) If any log is found defective due to the delay in disposing the logs at the Depot, the Depot Officer concerned be held responsible and appropriate action taken against him.

(5) In case the logs coming under items (iii) and (iv) above do not fetch approximately seigniorage plus working charges or average market rate for that class of timber during the previous year, the difference should be recovered from the officer found responsible for the lapses.

(6) The above condition will not be applicable to teak and rosewood since all teak and rosewood including billets are to be worked down to Depots.

3. The above instructions will apply to only agreements executed after revision of seigniorage rates and in the case of agreements executed prior to 25-4-1974, old seigniorage rate alone will apply. Circular No.30/67 also apply in such cases.

Sd/-

Chief Conservator of Forests.

To

All Conservators of Forests

All Divl. Forest Officers.

(copy)

for Conservator of Forests,

Trichur.

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