

GOVERNMENT OF KERALA

Abstract

Forests contracts for working down timber- withholding of 10% of Kolevila for avoiding loss condition in the agreement – liberalization orders issued.

Agriculture (forest B) Department

G.O.Rt. 1965/61/ Agri.

Dated, Trivandrum 24th Nov.61.

Read:- Letter No.02-34385/61 dated 11-10-'61 from the chief Conservator of forests.

ORDER

The Chief conservator of forests has reported that with the introduction of fixed system of payment of Kolevila, some difficulties arose when certain logs worked down to the depot did not fetch amount equal to Kolevila plus seignior. A condition was therefore introduced in agreements providing for withholding 10 % of the Kolevila due to the contractors for payment at the time of final settlement of the liabilities. This was a measure adopted to ensure that no loss sustained by Government by the sale of the logs. But the Department used to release the 10% of the dues withheld, when the logs are sold out when it was known that there was no loss. By so doing, it is reported, that government sense, a slight deviation from the existing condition. This was therefore objected to in audit.

In pursuance of this objection, orders were issued to desist from making payment of the withheld amount till the liabilities are settled. The chief conservator of Forests has brought to the notice of Government that this has given room for untold hardships and financial difficulties to the contractors in that huge amounts are held up which are leg timely due to the contractors and which can be utilized with advantage for executing the work. The Chief conservator of forests states that the release of 10% is only after the sale of the logs and he assured that if there is any loss such loss will be released. He has therefore recommended that condition 27 of the agreement which he enjoy the retention of the 10% Kolevila amount till the completion of the work modified as retention till the logs are sold out. By this modification, he states that no interest of Government will be endangered and the contractors too will be in a better position to execute there in works.

As the Chief Conservator of forests has stated that the interests of Government will be fully safeguard and that no loss to Govt. will be occasioned by adopting this procedure suggested, Govt. sanction the release of the 10% of the Kolevila after the sale of the particular lot of timber in cases where there is no loss to government by the sale of such logs. The condition in the agreement will also be suitably modified.

Sd/-

Secretary to Government.

Endt. On 62-34285/61 from C.C.F

Copy forwarded to the Conservator of Chalakudy Divl. Forest Officer, for information and attention. He will please submit a draft condition modified as per the above G.O so that govt. approved may be obtained.

Endt. on ML. 24849/61 dt. 14-12-1961.

Copy to all D.F.O's for information and attention. Copy to stock file Circular file book contract sections, A1 and A2 sections and Mgr. and Head Accountant.

Sd/- For chief Conservator of forests

Conservator's Office,
Chalakudy 14-12-1961

True copy

By Order
MANAGER