CHAPTER XX

DISPOSAL OF FOREST PRODUCE

The powers of Forest Officers to execute deeds, contracts and other instruments are regulated by the rules given in the Appendix of Volume I. Where new agreements or contracts have to be entered for which the standard forms are unsuited, the draft deed must be referred to the Law Department for approval before it is executed.

The exercise of these powers is subject to the following rules:

A—Contracts for Forest Produce

1. No timber or other forest produce may be ordinarily sold except on cash payment in full at the time of delivery. Payment instalments may, however, be considered as payment in full at the time of delivery provided that there is a clause in the agreement to the effect that when the Divisional Forest Officer considers that the value of any forest produce removed by the purchaser equals or exceeds the amount of purchase money paid by him up to that time, the Divisional Forest Officer may stop further removal until the purchaser has paid such further sum, as in the opinion of the Divisional Forest Officer, may be sufficient to cover the excess value of the forest produce removed or about to be removed.

2. Contracts for forest produce may not be given for a period exceeding one year without obtaining sanction of Government.

B—Contracts for Work

3. As regards contracts for read making, building work, the construction of tanks, felling and extraction of timber etc., the powers of the Chief Conservator, Conservators and Divisional Forest Officers are limited as to period to the same extent as in the case of contracts for forest produce.
Contracts should only be executed for works for which funds have been provided.

4. Contracts and other instruments connected with the lease, sale, transfer or exchange of Government forest land or relating to any right or interest therein will be executed by the Chief Conservator of Forests or the Conservator of Forests as the case may be.

5. An officer who has the power to execute a lease or contract or other deed on behalf of Government may terminate the same for breach of any of the conditions thereof.

The following instruments will remain exempted from stamp duty:—

(i) Agreement and Security Bonds required to be executed under the rules to regulate appointments and promotions in the Gazetted and Subordinate Forest Services by a student and his surety previous to entry into Forest Colleges.

(ii) Instrument in the nature of a conveyance by the Government of standing trees or any other forest produce in a Government forest.

Note:—Bonds executed by sureties of forest produce should, however, be duly stamped as provided by Article 57 of Schedule I of the Stamp Act, 1899.

DISPOSAL OF TIMBER AND FUEL.

Sale Mark:  

Logs and scantlings when sold a depot must be marked with a Sale Mark.

SALES AND CONTRACTS.

The usual method of disposing of forest produce is by sale, by auction or lump sum under agreement with the contractors who make their own arrangements for removing the produce.

Printed notices of the forthcoming auctions are prepared by the Divisional Forest Officers, usually between 15th May and
15th June, and distributed to the prospective purchaser and various offices. Auctions are held annually by the Divisional Forest Officers for major forest produce between the 15th July and 30th September, the actual dates being arranged by the Conservators.

Sale Rules prescribed by Government are reproduced in Volume I.

Before any body is permitted to bid in an auction he is required to register his name and deposit the prescribed earnest money. Immediately after the auction of a coupe is completed the purchaser is required to deposit 1/4th of the bid as security deposit and sign an agreement deed. The sales are finalised when sanction of the competent authority is obtained.

The competent authority as prescribed by Government under G. O. No. F. 6(9)FDA(Rules) 1958 dated 19. 6. 58 is as follows:

(i) For contracts over Rs. 15,000/- Government.
(ii) For contracts above and upto Rs. 5,000/- Chief Conservator Rs. 15000/- of Forests.
(iii) For contracts above and upto Rs. 1,000/- Conservators of Rs. 5,000/- Forests.
(iv) For contracts upto Rs. 1,000/- Divisional Forest Officers.

The security deposit is acceptable in any of the following forms:

1. Security refundable to the purchaser from his previous contracts.
2. Cash.
3. Demand Drafts on:
   (i) State Bank of India.
   (ii) The Bank of Rajasthan Limited.
(iii) State Bank of Bikaner Limited
(iv) State Bank of Jaipur Limited
(vi) The Central Bank of India Limited.

(4) Post Office Cash Certificates.

(5) National Plan Certificates.

(6) National Savings Certificates.

(7) Treasury Bonds pledged to the Divisional Forest Officer.

Earnest money is acceptable only in cash.

The sale price of contracts above Rs. 250/- is acceptable in instalments. Sale price of lots sold between Rs. 250/- and upto Rs. 1,000/- is recoverable in two instalments. The sale price of 1st above Rs. 1,000/- is recoverable in 4 instalments. All instalments are payable before the 30th June following the month of sale. The first instalment is payable before the possession of the lot is taken, the second instalment by the 15th January, the third instalment by 15th February and the fourth instalment by 31st March.

For lots sold after 1st November the dates of payment of instalments are determinable by the Divisional Forest Officer before the auction is held. Interest is recoverable @ Rs. 12% per annum at the discretion of the Divisional Forest Officer for late payment of instalments, 3/5th of the security deposit is adjustable in the last instalment, 2/5th being kept in deposit until a completion certificate is obtained from the Rang Officer.

If the Divisional Forest Officer considers that the value of the forest produce removed by the contractor exceeds the amount of instalments paid by him upto that time he may stop the removal of the forest produce until the purchaser has paid such amount of further instalments as in the opinion of the Divisional Forest Officer may be sufficient to cover the value of the forest produce removed or to be removed.
Contracts of forest produce may not be given for a period exceeding one year without obtaining sanction of Government.

In the case of agreements of commercial nature with a private company which provides for certain concessions to the company, in view of which the State Government is entitled to a share in its profit, it is necessary to have the terms of agreement scrutinised by the Finance Department who might consult the Accountant General, if necessary. With a view to enable them to decide whether the terms of the contract are sound the opinion of the Accountant General should be invited. To safeguard the interest of the Government it may be necessary to reserve the right of securing an independent audit of the accounts of the Company, either by the Government Auditor or by professional Accountants employed by Government for the purpose. As far as possible the power should be generally imposed on such contracts. As an additional protection of the interest of Government it may also be necessary to have a Government official as Director of the Company with whom a contract is entered on profit sharing terms. Definite recommendations in respect of this point should be made when referring such cases to the Finance Department.

All instalments will be paid into a Government Treasury and not in cash. If the instalments are smaller than the security furnished by the Range Officers it may be accepted in cash in the Range office, but not in the Divisional Office and immediately on receipt entry should be made in the Cash Book. On receipt of payment of revenue by Treasury Challan or by cash receipt must be issued to the payer in the prescribed Form No. Ga-55; a sample of which is attached in the Appendix.

For petty sales, which are usually made by the Nakedars; a receipt must be issued in the prescribed form immediately the payment is received. A sample of the prescribed form is given in the Appendix.

All money received during the day must be entered in the cash book as soon as possible and before the close of transactions of the day.
No Nakedar is permitted to keep more than one hundred rupees cash in hand. As soon as the collection is about Rs/100—the entire amount should be taken to the Range Office and deposited with the Range Officer, or with the Range Clerk if the Range Clerk has been duly authorised by the Range Officer to receive cash in his behalf. Whoever receives the cash in the Range Office, he must issue a receipt in the prescribed form to the payer and must make an entry in the cash book. If the Naka is at a long distance from the Range Office, the Nakedar should remit the money to the Range Officer by money order; the Money Order Commission being charged to the advances received by him from the Range Officer for this purpose.

Soon after the annual auctions and as soon sanction is received from the competent authority the Divisional Forest Officer will prepare a statements of Instalments of contracts sold in each range in the prescribed form and send it to the Range Officer. If any subsequent sale is made a separate form should be prepared and sent to the Range Officer. The Range Officer will prepare a copy of this form which will serve as record in his officer. The amount of instalments will be written in red ink in the appropriate column in the appropriate month. As soon as the amount of instalments is fully recovered, either by instalments or in lump sum the red ink entry should be encircled with ink other red ink.

The original copy of the form will be submitted by the Range Officers to the Divisional Office once every month with the monthly account of the Range. Entries in this copy will be checked in the Divisional Office with the revenue receipts and treasury challans and as soon as the range account has been admitted and incorporated in the Divisional account, the form must be returned to the Range Officer. If any payment of instalment is made between the period of the submission of the form to the Divisional Office and its return back to the Range Office, necessary entry should be made in the form of the Range copy and subsequent entry should be made in the Divisional copy when received.

Grazing fees will be realised in cash before permits are issued and no credit will be given. As soon as fees are received permits will be issued in the prescribed form.
The currently used Form is not of much help and, therefore, a new form, a sample copy of which is attached herewith is hereby prescribed. The form must be introduced immediately in the Divisional and Range Offices commencing from contracts of 1958-59.

(b) the following instructions must be strictly followed in preparing and maintaining the form.

(i) For each Range, This form should be prepared separately in the Divisional Office in respect of all the contracts of that Range and sent to the Range Officer. If any subsequent sale is made, a separate form should be prepared and sent to the Range Office.

(ii) The Range Officer will prepare a copy of this form which will serve as a record in his office. The original copy will be submitted to the Divisional Office once every month with the monthly accounts of the Range. Entries in this copy will be checked in the Divisional Office; with the revenue account and the treasury chalans, and as soon as the Range account has been admitted and incorporated in the Divisional Account it must be returned to the Range Office. If any payment of instalments is received during the period between the submission of monthly accounts to the Divisional Office and the receipt of the form back in the Range Officer necessary entries must be made in the Range copy, and the receipt of the form back in the Range copy, the circulation Copy being posted on receipt from the Divisional Office.

(C. C. F's No Accts. X (47) 55-56/43276-91 dated 1.12.58)
<p>| S. No | Name of purchaser | Description of produce | Security sale price | Due, August, 1955 | Payment during the months made | November, 1955 | Payment during the months made | December, 1955 | Payments during the months made | January, 1956 | Payments during the months made | February, 1956 | Payments during the months | March, 1956 | Payments during the months made | April, 1956 | Payments during the months made | May, 1956 | Payments during the months made | June, 1956 | Payments during the months made | July, 1956 | Payments during the months made | August, 1956 | Payments during the months made | September, 1956 | Payments during the months made | October, 1956 | Payments during the months made | November, 1956 | Payments during the months made | December, 1956 | Payments during the months made | January, 1957 | Payments during the months made | February, 1957 | Payments during the months made | March, 1957 | Payments during the months made | April, 1957 | Payments during the months made | May, 1957 | Payments during the months made | June, 1957 | Payments during the months made | July, 1957 | Payments during the months made | August, 1957 | Payments during the months made | September, 1957 | Payments during the months made | October, 1957 | Payments during the months made | November, 1957 | Payments during the months made | December, 1957 | Payments during the months made | January, 1958 | Payments during the months made | February, 1958 | Payments during the months made | March, 1958 | Payments during the months made | April, 1958 | Payments during the months made | May, 1958 | Payments during the months made | June, 1958 | Payments during the months made | July, 1958 | Payments during the months made | August, 1958 | Payments during the months made | September, 1958 | Payments during the months made | October, 1958 | Payments during the months made | November, 1958 | Payments during the months made | December, 1958 | Payments during the months made | January, 1959 | Payments during the months made | February, 1959 | Payments during the months made | March, 1959 | Payments during the months made | April, 1959 | Payments during the months made | May, 1959 | Payments during the months made | June, 1959 | Payments during the months made | July, 1959 | Payments during the months made | August, 1959 | Payments during the months made | September, 1959 | Payments during the months made | October, 1959 | Payments during the months made | November, 1959 | Payments during the months made | December, 1959 | Payments during the months made |</p>
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**Note:** As soon as a contract is sanctioned and the instalments are fixed entries should be made on this form, the amount of instalments being written in **red ink** in the appropriate columns and the appropriate months. As soon as the amount of the instalment is fully recovered either in one lump sum or by instalments, the red ink entries should be encircled with ink other than **red ink**.

**Example:**—Price of Lot A is 22,000/- is payable in four instalments of 5500/- each in October, December, March and May. The instalment due in October is paid in three instalments, 2300/- in October, 2300/- in November and 900/- in December. The red ink entry of 5500/- for October, should thus be encircled in December. When the entire amount of 5500/- has been fully recovered.
Rules for the allotment of forest coupes, fixation of price of coupes, supervision and sale of forest produce by the Forest Cooperative Societies have been sanctioned by Government under G. O. No. P. 15(249) Rev. A/55 dated 7. 12. 57 and reproduced in Volume I of the Manual. The following instructions are issued for the guidance of the Divisional Forest Officers:

(1) The Range Officer concerned will be in the over all charge of the working in the forest.

(2) The Society may appoint any outsider on wages as a Secretary. The Secretary so appointed will not be a member of the Managing Committee.

(3) All sale proceeds will be deposited in the Bank. All money required for expenditure will be withdrawn from the Bank as and when required. For day to day expenditure an imprest may be sanctioned.

(4) Any member of the Society who may be engaged as a labourer of the Society will be paid the wages settled with him. This will be entirely separate from the Profit and Loss Account of the Society.

(5) With regard to the payment of security the following rule will be followed:

If the Cooperative Society had not borrowed funds from the Cooperative Bank and other resources up to the maximum limit and there was some between difference borrowed amount and the M.C.L. they may be exempted to that extent from the payment of the earnest money (Security) on furnishing a certificate by the Assistant Registrar, Cooperative Societies. The earnest money (Security) of it is not in excess of that amount may be required to be deposited in cash. Thus, if for a particular contract a sum of Rs. 3,000/- is required as earnest money (Security) and the M.C.L. of the Society is Rs. 10,000/- while they have borrowed from the various sources to the extent of Rs. 8,000/- the Society should pay Rs. 1,000/- in cash as earnest money (Security) and the Assistant Registrar, Co-operative Societies should furnish a
certificate that the total amount borrowed until then by the Society is less than M. C. L. by Rs. 2,000/- and the Society will not be allowed to borrow funds to that extent.


Grazing Rules

Grazing year will be from 1st July to 30th June each year.

2. No cattle will be allowed inside a forest unless covered by grazing permit. The system of Panri and Khata should be stopped.

3. Grazing permits will be issued only on payment in cash.

4. All felled coupes, plantations and areas under re-generation will remain closed to grazing for a period of 8 to 10 years. Grass cutting may, however, be allowed after the first year.

5. Grazing will be allowed on a rotational basis under which each grazing unit will be divided into two blocks, one block being opened alternately every year.

6. Grass Birs, Jors and other grass reserves, meant for grass cutting will remain closed to grazing every year until the grass has been cut.

7. Whenever the demand on grazing unit exceeds its carrying capacity under the prescribed limiting incidence and closures, agricultural stock and non-agricultural but essential stock, should receive first preference for admittance.

8. To prevent leakage of grazing revenue surprise grazing checking should be carried out as frequently as possible.

9. As the forests in most of the concomitantly States had not been demarcated or classified, the Forest Department has hitherto been realising grazing fees for cattle grazing in all un-occupied lands. With the demarcation of forests and their constitution into reserved and protected classes the Department should confine its activities only to the reserved and protected areas under its
control. The issuing of grazing permits, if any, or the recovery of grazing fees for grazing in un-occupied lands outside the control of the Forest Department should be stopped by the Department.

Quite a large number of forest areas have since come under the control of Forest Department as a result of Jagir Resumption under the Rajasthan Jagir Resumption Act, 1955. These Resumed Jagir Forests are now a part of the State Forests like any other areas and the rules will mutatis mutandis also apply to them.