THE GAZETTE OF INDIA : EXTRAORDINARY [PART II—SEC. 3(II)]

MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

(SURVEY AND UTILIZATION DIVISION)

RESOLUTION

NEW DELHI, THE 11TH NOVEMBER, 2016

S.O. 3456(E).—In compliance of directions contained in the Order dated October 5th, 2015 of the Hon'ble Supreme Court of India in Writ Petition (Civil) No. 202 of 1995 in the matter of T.N. Godavarman Thirumulpad versus Union of India and others, the Ministry of Environment, Forest and Climate Change, Government of India is pleased to make the following guidelines, namely-

THE GAZETTE OF INDIA : EXTRAORDINARY [PART II—SEC. 3(II)]

MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

(SURVEY AND UTILIZATION DIVISION)

RESOLUTION

NEW DELHI, THE 11TH SEPTEMBER, 2017

***S.O. 3000(E).**—In compliance of directions contained in the Order dated October 5th, 2015 of the Hon'ble Supreme Court of India in Writ Petition (Civil) No. 202 of 1995 in the matter of T.N. GodavarmanThirumulpad versus Union of India and others, the Ministry of Environment, Forest and Climate Change, Government of India vide Resolution dated 11th November, 2016 had issued Wood Based Industries (Establishment and Regulation) guidelines, 2016. Based on comments/observations received from various stakeholders, including State governments/UTs on these guidelines, the Government of India has decided to amend the guideline as under:-*

1. Short Title and commencement.

(i) These guidelines shall be called the Wood-Based Industries (Establishment and Regulation) Guidelines, 2016

(ii) These shall extend to whole of India.

(iii) These shall come into force from the date of their publication in the official gazette.

States/UTs shall conform their rules according to these guidelines.

2. Definition.

(i) In these guidelines, unless the context otherwise requires –

(a) **'Furniture unit'** mean plants and machinery and the premises including the precincts thereof in which or in any part thereof wood based finished products are manufactured using sawn timber, cane, bamboo, reed, plywood or any other wood based product, except a round log, outsourced from licensed wood based industrial units or other legitimate sources and operating without a band saw or re-saw or circular saw of more than thirty centimeter diameter.

(b) **'Industrial Estate'** means areas notified by the State Government or Union territory Administration for establishment of wood based industrial units.

Amended as :-

***'Industrial Estate'** means areas notified by the State Government or Union Territory establishment of wood based industries.*

(c) **'License'** means a license granted under these guidelines.

Amended as :-

'License' means a license granted under the rules notified by a State/UT in

pursuance of these guidelines.

(d) **'Principal Chief Conservator of Forests'** means the Principal Chief Conservator of Forests (Head of ForestForce) in the State and it will also include an officer designated as Head of Department in State/UT where no post in therank of Principal Chief Conservator of Forests exists.

Amended as :-
'Principal Chief Conservator of Forests' *means a Forest officer of the rank of Principal Chief Conservator of Forests in a State/UT and it also includes an officer designated as Head of Forest Department in a State/UT where no post in the rank of Principal Chief Conservator of Forests exists.*

(e) **'Round log'** means a piece of wood in its natural form, having mid girth of thirty centimeter or more under barkand it and will include such round log even after its bark has been removed or its surface has been dressed, manually orby using a band saw or any other machine or equipment to make its cross section square or near to square for the purposeof ease in its transportation and or storage.

Amended as :-
'Round log' *means a piece of wood in its natural form, having mid girth of thirty centimeter 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 bands or any other machine or equipment to make its cross section square or near-square for the purpose of ease in its transportation and/or storage.*

(f) **'Saw Mill'**, means plants and machinery in a fixed structure or enclosure,for conversion of round logs into sawnsizes.

Amended as :-
'Saw Mill', means plants and machinery in a fixed structure or enclosure, for conversion of round logsintosawntimber,

(g) **'Sawn Timber'** means beams, scantlings, planks, battens and such other product obtained from sawing of a roundlog.

Amended as :-
'Sawn timber' *means beams, scantlings, planks, battens and such other product obtained from sawing of a round log.*

(h) **'State Level Committee'** means a Committee Constituted by the State Government under Para 3 (2) of theseguidelines.

Amended as :-
'State Level Committee' *means a committee constituted by the State Government under Para 3 (2) of these guidelines.*

(i) **'Net Inter-State Import of a timber for Wood Based Industries'** means three years moving average of the netquantity of such timber actually imported in the State during the latest three calendar years.

(j) **'Veneer Mill or Plywood Mill'** means plants and machinery and the premises in which or in any part thereof,conversion into required size, slicing, peeling, fashioning

or seasoning of timber/ wood, including preservation andtreatment thereof either by mechanical or chemical process with the aid of electrical or mechanical power or manually iscarried out.

(k) **'Wood Based Industry'** means any industry which processes wood as its raw material (Sawmills/veneer/plywood/pulp or any other form such as sandal, katha wood etc.). It includes a mill but does not include afurniture unit.

Amended as :-

'Wood Based industry' *means any industry which processes wood as its raw material (Saw mills/veneer/plywood or any other form such as sandal, katha wood etc.).*

(l) **'Year'** means a financial year from 1st day of April to 31stday of March of the following year.

(ii) Words and expressions used but not defined under these guidelines and defined in the Indian Forest Act, 1927 or therelevant local Forest Act as applicable in a State, and the rules framed there under shall have the meaning assigned tothem in such Act or Rules.

(iii) In case of any dispute regarding interpretation of any word or expression, the decision of the Ministry Environment, Forest and Climate Change shall be final.

3. Constitution of the State Level Committee:

(i) Each State shall constitute a State Level Committee to perform the functions stipulated in these guidelines.

(ii) The State Level Committee shall consist of the following:

a)	Principal Chief Conservator of Forests/Head of Forest Department Chairperson	Chairperson
b)	A representative of the Regional Office of the Ministry of Environment, Forest andClimate Change	Member
c)	A representative of the State Forest Department not below the rank of a Conservator ofForests dealing with preparation of Working Plans/Working Schemes	Member
d)	Director/Additional Director of Department of Industries	Member
e)	Representative of the each Autonomous District Council constituted in accordance withthe provisions of the Sixth Schedule to the Constitution, in case any such Council exists Inthe State	Member
f)	Representative of the Forest Development Corporation, i any such Corporationexists in the State.	Member
g)	An officer not below the rank of Conservator of Forests w in the Forest Head Quarters	Member Secretary

(h) The State Level Committee may nominate any other officer working in territorial wing of the Forest Department not below the rank of CF.

Amended as

The State Level Committee may co-opt an officer from Territorial wing of the Forest Department not below the rank of CF and officers from Department of Agriculture and Department of Revenue of the concerned State/UT.

(iii) Such State where the composition of State Level Committee already constituted is different from as stipulated inthese guideline, shall, within one year from the date of publication of these guidelines, re-constitute the State LevelCommittee. The reconstitution of the State Level Committee will be without any prejudice to the recommendations madeor the decisions taken by the existing State Level Committee till its re-constitution.

(iv)The State Level Committee shall meet at least once in three months.

(v) The quorum of the State Level Committee meeting shall be at least fifty percent of permanent members.

(vi) SLC will invite one representative of the industry nominated by the saw-mill association as a special invitee to eachand every meeting of the State Level Committee.

4. Powers and functions of the State Level Committee.

The State Level Committee shall:-
(i) Assess the availability of timber for wood based industrial units in the State/UT every five years.

(ii) Assess quantity of different raw material requirement for wood based industrial units which may be sustainablyharvested from trees outside forest areas in the State/UT.
(iii) Assess annual requirement of timber and other forest produce in the domestic markets in the State.
(iv) Maintain a database of timber and other raw materials utilized by each wood based industrial unit permitted toestablish and operate in the State/UT during each financial year.
(v) Approve appropriate locations for setting up of wood based industrial units.
(vi) Approve the name of wood based industrial units which may be considered for grant of fresh license or
enhancement of the existing licensed capacity in case the committee is satisfied that timber is available legally for the
said new Wood Based Industries (such as Trees outside forest, Forests etc.).
(vii) The State Level Committee will ensure that the amount lying with the respective State Forest Departments(recovered from Wood Based Industries) will be utilized for the purpose of afforestation only.
(viii) Examine and make appropriate recommendations on any other matter referred by the State Government or theMinistry of Environment, Forest and Climate Change.

Amended as :-

3. The entries under Para- 4 of these guidelines are substituted with the following:—
The State Level Committee (SLC) shall: —

i. assess the availability of timber in the state by way of appropriate study on demand and supply as and when it decides. SLC 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 license or enhancement of the existing licensed capacity in case the SLC is satisfied that timber is available legally for the said new Wood Based Industries (such as Trees outside forest. Forests etc.).

iii. ensure that the amount lying with the respective State Forest Departments (recovered from Wood Based Industries) is utilized for the purpose of afforestation only.

iv. examine and make appropriate recommendations or any other matter referred by the State Government to the Ministry of Environment. Forest and Climate Change.

5. Assessment of the availability of timber for Wood Based Industrial Units:

(i) The quantity of timber likely to be available for utilization of Wood Based Industries of different types in a State/UT
shall be assessed as by commissioning study, preferably in collaboration with institutes/ universities of repute, once in
five years. The study will take into account the following:- :-
(a) The quantity of such raw material that may be sustainably harvested from the forest areas as per the workingplans/working schemes/ management plans duly approved by the competent authorities.
(b) The quantity of such raw material that is available from the trees outside forest areas, including the privateplantations, agro-forestry plantations and plantations raised on non-forest government lands etc.
(c) Net inter-state import of such timber; and
(d) Net international import of such timber.

Amended as :-

The entries under Para 5 of these guidelines are omitted.

6. Estimated annual consumption of timber by wood based industries.
For the purpose of assessing the timberrequirement of the Saw mills, they may be divided into (a) Saw mills up to 10 HP (b) Saw mills between 10 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 thetechnical 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)
(ii) The Timber requirement for various units as assessed by Indian Plywood Industries Research and Training Institute(IPIRTI), Bangalore is given in Annexure I.

7. Restriction on location of wood based industries.

(i) In the North Eastern States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim the wood based industries shall be permitted to be established within the industrial estates.
(ii) In the States other than the afore-mentioned North Eastern States, wood based industries shall ordinarily be not allowed to be established within ten kilometers aerial distance from the boundary of nearest notified forests and protected areas. The State Level Committee for the reasons to be recorded in writing and after obtaining prior approval of the Central Government in the Ministry of Environment, Forest and Climate Change may permit to establish/operate a wood based industry at an aerial distance less than 10 kilometers from the boundary of a notified forest or a protected area.

Amended as :-

The entries under Para-7 (II) of these Guidelines are substituted with the following: —
(a) In the States/UTs (other than North Eastern States), in respect of distance from the boundary of nearest notified forests or protected areas, wood based industries shall be allowed to operate as per state-specific order/approval of the Hon'ble Supreme Court/ Hon'ble High Court of the concerned state/Central Empowered Committee:

Or, beyond ten kilometers of aerial distance from the boundary of nearest notified forests or protected areas, excluding roadside/railway side/canal side plantations, whichever is less.
(b) A Wood Based Industry can be established in an Industrial Estate or a Municipal area, irrespective of the aerial distance from the boundary of nearest notified forest or protected area.

8. Grant, renewal and revocation of a license to a wood based industry:

(i) No license to a wood based industrial unit shall be granted or renewed without obtaining prior approval of the StateLevel Committee.

(ii) No wood based industrial unit shall be established/ operate in a State except under and in accordance with the licensegranted by an officer authorized by the State Government in this regard (Preferably DCF/DFO or equivalent).

(iii)The State Level Committee may maintain a separate list of wood based industries working solely on the timber imported from international market. The license to such industries shall specifically contain a condition to the effect that such units shall not be allowed to use timber produced in country. If in future, the said units want to use timber produced in the country on account of abundant availability they will seek specific permission from SLC to do so.The SLC will ensure that the interests of the units using domestic produce are protected. Fresh licenses can be granted by the Committee for units which operate solely on imported raw material irrespective of the result of wood availability assessment in the State/UT.

(iv) The license granted to a wood based industry shall remain valid for five years, from the date of such issue or renewalof License. However, notwithstanding anything contained in these guidelines, the Licensing Authority may, where thereare reasons to believe that the Licensee is operating the wood based industry in contravention of the provisions of theseguidelines or conditions of License or any Rules framed by the State Government or is in activities prejudicial to theinterest of forest conservation or public interest, at any time after giving one month notice, revoke the license granted tosuch wood based industry.

(v) Application for renewal of license granted to a wood based industrial unit shall be made at least three (3) monthsbefore the expiry of validity period.

(vi) Transfer of license on sale/succession etc shall be done only with the approval of State Level Committee.

Amended as :-

The entries under ***Para- 8*** *of the Guidelines are substituted with the following:—*

i. *No license to a wood based industry shall be granted or renewed without obtaining prior approval of the SLC. However, a SLC may delegate the power of renewal of license to a wood based industry to the Divisional Forest officers of the concerned Forest Divisions.*
ii. *Following industries/processing plants not using round logs of domestic origin or operating without a hand saw or re-saw or circular saw of more than thirty centimeter diameter shall not require license.*

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 jelling and transit regime in the concerned state/UT, and procured from legitimate sources*

However, SLC of the concerned State may allow installation of circular saw of diameter upto 60 centimeter in such industries having specialized requirement.

Such industries shall be registered with the Forest Department of the concerned state/UT and shall be regulated, details of which are to be prescribed by the concerned state/UT.

iii. Transfer of license on sale/succession etc shall be done only with the approval of SLC.

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

(i) Any person aggrieved by any decision taken by the State Level Committee may file an appeal before the concernedRegional Office of the Central Government in the Ministry of Environment, Forest and Climate Change seekingappropriate relief within 60 days' time.

(ii) Head of Regional Office shall within 60 days of filing the appeal pass the appropriate Order.

(iii) If, for any reason, any person is aggrieved by the orders so passed in the appeal,he may prefer an appropriatepetition/application/appeal to the DGF&SS/MoEF&CC.

Amended as :-

The entries under Para-9 (iii) of the Guidelines are substituted with the following:— If,for any reason, any person is aggrieved by the orders so passed in the appeal, he may prefer an appropriate petition/application/appeal in the High Court having jurisdiction over the concerned State/UT.

10. Conditions governing operation of furniture units.

(i) The Establishment and operation of a furniture unit shall not require a Licence.
(ii) A furniture unit:
(a) shall not use any band saw, or rip saw or a circular saw having more than thirty centimeter diameter
(b) shall not convert round logs
(c) shall use only sawn timber sourced from licensed sawn mills or any other legitimate source.
(d) In case the furniture unit is located within the premises of any wood based industry, approval of the Committee and
the license for operation of furniture unit is required.
(e) may use bamboos, reeds and canes.
(f) shall maintain such records as may be stipulated by the State Forest Department.

Amended as :-

The entries under Para-10 of these Guidelines are omitted.

11. Records to be maintained by wood based industries.

(i) Each wood based industry shall maintain and regularly update records as given in schedule to these guidelines.

Amended as :-

Each wood based industry shall maintain and regularly update records as per the formats, which may be prescribed by the concerned State/UT.

The Schedule to the Guidelines is deleted.

MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

(Survey and Utilization Division)

RESOLUTION

New Delhi, the 11th September, 2017

Subject: Amendment in Wood Based Industries (Establishment and Regulation) Guidelines, 2016.

S.O. 3000(E).—In compliance of directions contained in the order dated October 5th, 2015 of the Hon'ble Supreme Court of India in Writ Petition (Civil) No. 202 of 1995 in the matter of T.N. GodavarmanThirumulpad versus Union of India and others, the Ministry of Environment, Forest and Climate Change, Government of India vide Resolution dated 11th November, 2016 had issued Wood Based Industries (Establishment and Regulation) Guidelines, 4

2016. Based on the comments/observations received from various stakeholders, including State Governments/UTs on these guidelines, the Government of India has decided to amend the guidelines as under:—

1. The entries under Para–**2 (i)** of the Guidelines are substituted with the following:

(i) In these guidelines, unless the context otherwise requires:—

(a) 'Industrial Estate' *means areas notified by the State Government or Union Territory Administration for establishment of wood based industries.*

(b) 'License' *means a license granted under the rules notified by a State/UT in pursuance of these guidelines.*

(c) 'Principal Chief Conservator of Forests' *means a Forest officer of the rank of Principal Chief Conservator of Forests in a State/UT and it also includes an officer designated as Head of Forest Department in a State/UT where no post in the rank of Principal Chief Conservator of Forests exists.*

(d) 'Round log' *means a piece of wood in its natural form, having mid girth of thirty centimeter 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-square for the purpose of ease in its transportation and/or storage.*

(e) 'Saw Mill'*, means plants and machinery in a fixed structure or enclosure, for conversion of round logs into sawn timber.*

(f) 'Sawn timber' *means beams, scantlings, planks, battens and such other product obtained from sawing of a round log.*

(g) 'State Level Committee' *means a committee constituted by the State Government under para 3 (2) of these guidelines.*

(h) 'Wood Based Industry' *means any industry which processes wood as its raw material (Saw mills/veneer/plywood or any other form such as sandal, katha wood etc.).*

2. The entries under **Para- 3 (h)** of these guidelines are substituted with the following:—

The State Level Committee may co-opt an officer from Territorial wing of the Forest Department not below the rank of CF and officers from Department of Agriculture and Department of Revenue of the concerned State/UT.

9. The entries under **Para- 4** of these guidelines are substituted with the following:—

The State Level Committee (SLC) shall: —

i. assess the availability of timber in the state by way of appropriate study on demand and supply as and when it decides. SLC 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 license or enhancement of the existing licensed capacity in case the SLC is satisfied that timber is available legally for the said new Wood Based Industries (such as Trees outside forest, Forests etc.).

iii. ensure that the amount lying with the respective State Forest Departments (recovered from Wood Based Industries) is utilized for the purpose of afforestation only.

iv. examine and make appropriate recommendations or any other matter referred by the State Government to the Ministry of Environment, Forest and Climate Change.

4. The entries under **Para- 5** of these guidelines are omitted.

5. The entries under **Para-7 (ii)** of these Guidelines are substituted with the following: —

(a) In the States/UTs (other than North Eastern States), in respect of distance from the boundary of nearest notified forests or protected areas, wood based industries shall be allowed to operate as per state-specific order/approval of the Hon'ble Supreme Court/Hon'ble High Court of the concerned state/Central Empowered Committee;

II (ii) 5

Or, beyond ten kilometers of aerial distance from the boundary of nearest notified forests or protected areas, excluding roadside/railway side/canal side plantations, whichever is less.

(b) A Wood Based Industry can be established in an Industrial Estate or a Municipal area, irrespective of the aerial distance from the boundary of nearest notified forest or protected area.

6. The entries under **Para- 8** of the Guidelines are substituted with the following:—

i. No license to a wood based industry shall be granted or renewed without obtaining prior approval of the SLC. However, a SLC may delegate the power of renewal of license to a wood based industry to the Divisional Forest officers of the concerned Forest Divisions.

ii. 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 license.

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 felling and transit regime in the concerned state/UT, and procured from legitimate sources

However, SLC of the concerned State may allow installation of circular saw of diameter upto 60 centimeter in such industries having specialized requirement.

Such industries shall be registered with the Forest Department of the concerned state/UT and shall be regulated, details of which are to be prescribed by the concerned state/UT.

iii. Transfer of license on sale/succession etc shall be done only with the approval of SLC.

7. The entries under Para-**9 (iii)** of the Guidelines are substituted with the following:—

If, for any reason, any person is aggrieved by the orders so passed in the appeal, he may prefe r an appropriate petition/application/appeal in the High Court having jurisdiction over the concerned State/UT.

8. The entries under **Para-10** of these Guidelines are omitted.

9. The entries under **Para-11 (i)** of the Guidelines are substituted with the following:—

Each wood based industry shall maintain and regularly update records as per the formats, which may be prescribed by the concerned State/UT.

10. The **Schedule** to the Guidelines is deleted.

[F. No. 3-3/2015-SU (Vol. IV)]

SOUMITRA DASGUPTA, Inspector General of Forests

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