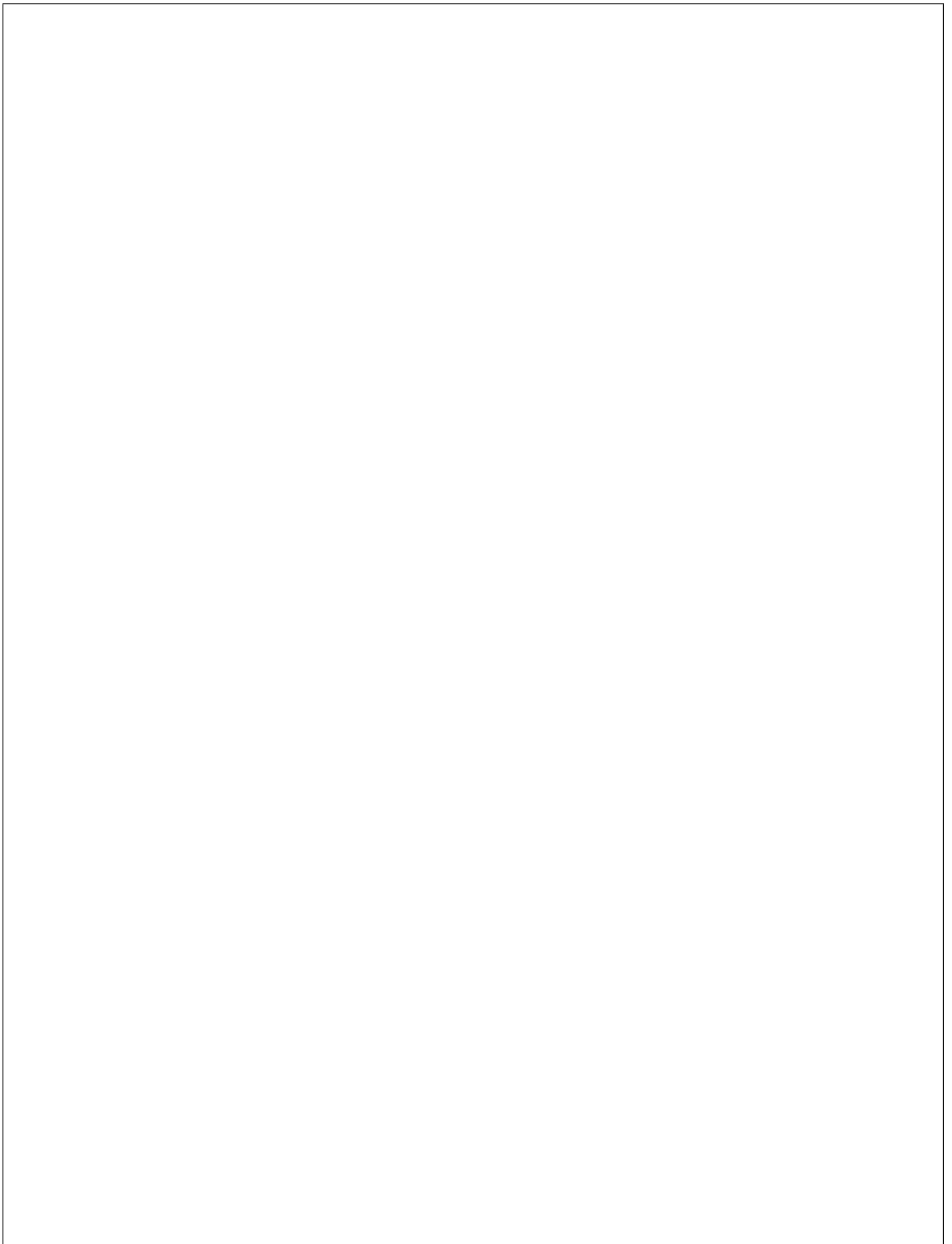


SCARCE RAW MATERIALS

COMPENDIUM OF NOTES, CIRCULARS, MEMOS AND INSTRUCTIONS

**DIRECTOR OF INDUSTRIES,
INDUSTRIES & COMMERCE DEPT
CHIRAG ALI LANE, ABIDS, HYDERABAD**



Director of Industries- Scarce Raw Materials Wing-Circulars,Memos and Instructions as on 06.12.2024

S.No	Letter/Circular/ Memo No	Date	Issuing State	Gist	Pertaining to Coal/ Alcohol	Page No
1	Notes on Scarce Raw Materials			Notes on Scarce Raw Materials	Both	Pg 1-53
2	Meeting minutes of Line departments	18.03.2008	AP	Streamlining the procedure for allotment of Scarce Raw materials	Both	Pg 55-59
3	Circular Memo No. 11-1-5-0006	21.06.2008	AP	Streamlining the procedure for allotment of Scarce Raw materials	Both	Pg 60-64
4	Circular Memo No. 11-3-5-0006 (Main File)	06.09.2008	AP	Allotment of Coal -Regular allotment 2 years and Ad Hoc allotment 6 months	Coal	Pg 65
5	Circular Memo No. 11-1-2005-0006	20.07.2010	AP	Allotment of Coal -Regular allotment 2 years and Ad Hoc allotment 1 year	Coal	Pg 66
6	Memo No. 11-1-5-0006006/FD	27.06.2011	AP	Streamlining the procedure for allotment of Scarce Raw materials	Both	Pg 67-70
7	Circular Memo No. 11-2-2005-0006-0006	04.04.2012	AP	Calculation of Coal requirement. Coal/Alcohol allotment restricted to CFO capacity	Both	Pg 71
8	Memo No. 21C/3/JD/MSME-FD	02.05.2015	TG	Coal/Alcohol restricted to CFO Capacity	Both	Pg 72
9	Circular Memo No. 27/2/2016/Raw material guidelines/FD	02.07.2016	TG	Procedure for processing of scarce raw material allotment in the absence of DIPC Approval	Both	Pg 73-74
10	Lr.No. 27/2/2016/22552/357 08	23.02.2017	TG	Joint inspection for assessment of Alcohol requirement	Alcohol	Pg 75-76
11	Memo No. 27/2/2016/22552/225 52/ID	12.06.2017	TG	Nomination of OU Professor as Member in Joint Inspection	Alcohol	Pg 77-78
12	Memo No. 21/2018/53817/FD	24.09.2018	TG	Online filing of application of Scarce Raw Materials	Both	Pg 79
13	Memo No. 21/2018/53817	09.06.2021	TG	Coal allotment -Regular allotment 2 years -Ad Hoc allotment 1 year Alcohol allotment -Regular allotment 1 year -Ad Hoc allotment 3 months	Both	Pg 80-81

14	Lr.No.21/2024/RMTR/12/2024	16.10.2024	TG	Nomination of Principal, University College of Technology, Osmania University or his nominee in the team of Joint Inspection committee for assessing the quality of Raw materials to Industrial enterprises for a period of 2 years from the date of nomination	Both	Pg 82
15	Circular Memo No. 21/2024/426144/1	27.11.2024	TG	Certain Guidelines for processing Scarce Raw Materials files	Both	Pg 83
16	Circular Memo No. 21/2024/426144/2	27.11.2024	TG	Tracking facility for Scarce Raw materials files	Both	Pg 84
17	Circular Memo No. 21/2024/426144/2	06.12.2024	TG	Time lines for processing of Scarce Raw materials files	Both	Pg 88

NOTE ON SCARCE RAW MATERIALS

(DESK : 11)

ALLOTMENT OF SCARCE RAW MATERIALS:

- The Industries Department is recommending for allotment of Coal, Alcohol, Methanol, Denatured and Rectified Spirit to the industrial unit in the State by verifying number of parameters about the functioning of a unit, like the validity of CFO, Boiler Certificate and Drug Licence, wherever applicable. Generally, the allotment is being made only if the unit is having valid CFO, Boiler Certificate and Drug Licence and the allotment is recommended for the validity period of CFO, Boiler Certificate and Drug Licence.

- **ALLOTMENT OF COAL — Flag ①**

ADHOC BASIS

REGULAR BASIS

- **ALLOTMENT OF ALCHOL — Flag - ②**

ADHOC BASIS

REGULSR BASIS

DLPC approved. Ltr. no. 11-1-5-0006 dt. 2-6-2011
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MISUTILIZATION OF SCARCE RAW MATERIAL

- In the event that it comes to the notice of the Industries or Vigilance Department that the allotted Scarce Raw Materials have been used for commercial benefit instead of being utilized for the manufacturing activities / process the unit holder / allottee shall be liable to pay the difference between the rate of allotment and the prevailing market rate, apart from being liable to be black listed for future supplies of the scarce raw material which shall also make the unit holder / allottee ineligible for allotment of the scarce raw materials.
- The General Manager, DICs are regularly Monitoring the industrial units and when it is observed any misutilization of Scarce Raw Material by the Industrial units, then the General Manager, DIC should give report directly to SCCL or COI to stop or cancel the allotment of scarce raw material immediately to that industrial units.

ALLOTMENT OF COAL

- The GM, DICs will arrive the correct assessment of the quantity of Coal being recommended, duly verifying the requirement of raw material as per actual norms based on installed capacity, the actual consumption of coal, the actual production, Boiler rating etc., with proper justification.
- The GM, DICs are authorised to recommend the units directly to M/s. SCCL, upto 100 MTs and in case of above 100 MTs of coal requirement, the unit will be recommended to Commissioner of Industries with the approval of District Industrial Promotion Committee chaired by the District Collector. The Commissioner of Industries will recommend the units to M/s SCCL, Hyderabad for supply of Coal which requires above 100 MTs per month of Coal.
- Power generation, Captive power plant, cement, sponge iron and paper industries are classified as core sector by the Ministry of Coal, Government of India. Power, Cement and Sponge Iron Plants can obtain coal linkage from Ministry of coal. Accordingly, these industries would be encouraged to apply directly to SCCL and Ministry of coal for coal linkage. Commissioner of Industries will also recommend to SCCL for coal linkage for core sector Industries such as captive power, Cement and Sponge iron as and when applications are received. In turn, SCCL will recommend to the Ministry of coal for coal linkage.

Flag

③

Annexure
①

- Generally, Industries Department does not make any recommendation for allotment of Coal to power plants, which is made directly by plants/ APGENCO to SCCL.

Allotment of Coal on Adhoc basis:

- While recommending for allotment of coal to new industrial units which are ready for commencement of production or commenced production, for the first time of allotment, the General Managers should ensure Industries having IEM registration/SSI registration with Industrial line of activity and the unit is having valid CFO issued by APPCB, valid boiler certificate or acknowledgement for renewal with fees paid prior to the expiry of boiler licence and other statutory approvals as applicable, before recommending to central office and shall recommend initially for allotment of coal on adhoc basis for a period of one year only vide This office Circular Memo No: 11-1-5-0006-0006/FD, Dated: 27.06.2011. "

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(4)

Assessment of Coal:

- The meeting has been held on 19.07.2007 and 06.09.2007 between the officials of Industries Department and M/s.SCCL to discuss the procedure for further streamlining the allotment and supply of coal to the Industries in the State of Andhra Pradesh. After detailed discussions, the technical norms for Core sector (Industries using boilers), Non core sector (Industries using boilers), Non core sector (Industries using Kiln and furnace) are mentioned at Annexure-I.

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- Vide this office Circular Memo No: 11-2-2005-0006-0006, dated: 04.04.2012, the requirement of Coal should be calculated as per the following options and lowest of the options should be recommended

1. Installed Capacity
 2. Operating Capacity
 3. Boiler Rating
 4. Technical Norm
 5. Actual Consumption and actual production
 6. CFO capacity
- The minimum of the above alternative should be recommended for allotment.

Allotment of Coal on Regular basis

- Flag (4)
- Once the adhoc allotment of coal is made as per guidelines, Coal usage by the new unit should be reviewed every month for a period of one year. After lapse of 6 months time from the starting of the lifting of coal quota, the GMs may recommend for allotment of Coal on regular basis as per the guidelines shown in this office circular Memo No: 11-1-2005-0006-0006-FD, dated: 27.06.2011.

- Flag (6)
- Vide this office circular Memo No: 11-1-2005-0006, dated: 20.07.2010, a decision has taken by the M/s.SCCL and Commissioner of Industries in the meeting held on 19.05.2010, that the regular allotment of coal shall be a period of two years.

- Vide This office Circular memo No:11-1-5-0006-0006-FD, dated: 27.06.2011, While applying for allotment of coal to General Manager on regular basis the General Managers has to obtain production particulars in the RG-1 Register /sales tax records, tax paid particulars, coal receipts from M/s.SCCL and other sources, consumption of coal particulars etc., every month. Further, GM has to verify the records and submit the utilization certificate in the prescribed proforma every month and report to the Commissioner of Industries. Further unit holder is advised to submit monthly return on production and coal utilization directly to GM, DIC and to the Commissioner of Industries wherever the coal allotment is more than 100MTs/month.

APPLICATION FOR ALLOTMENT OF COAL (IN TRIPLICATE)

1	Name & Address of the Industry	
	A) Factory Address	
	B) Office Address	
2	PMT SSI Regn./IEM/E.M No. & Date	
3	Date of Commencement of Production	
4	Line of Manufacture:	
5	Employment	
6	CAPITAL INVESTMENT: A) land: B) Building C) Machinery	
7	A) Installed Production Capacity (PA / PM) B) Present Operating Capacity (PA/PM)	
8	Details of furnace / boilers etc., where coal / fire wood/rice husk to be used. A) Type of equipment with Technical details: B) Its rated capacity C) Consumption for Coal per shift:	

9. Production and Sales particulars for the last three years:

Year	Production		Sales turnover over (Rs)	Excise duty paid (Rs)	APGST/ CST paid (Rs.)
	Quantity (MTS)	Value in (Rs.)			

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Contd..2.

-2-

10. Receipts and Consumption of coal for the last three years (in MTs):

Receipts	Year :	Year :	Year :
i) From Singareni Collieries Co.Ltd.			
ii) Other sources - Imported Coal / Indegenous Coal			
iii) Other sources - fire wood / rice husk / other fuels			
B) Consumption of Coal and other fuels.			
C) Consumption of Coal for unit production			

11. Quantity of Coal applied per month:

SIGNATURE OF THE APPLICANT

With unit's Seal.

Encl: Required documents.as per check slip.

INSPECTION PROFORMA FOR ASSESSMENT OF COAL REQUIRED TO INDUSTRIAL CONSUMER

1	Name & Address of the unit.	
2	SSI/IEM /EM No. & Date.	
3	Date of Commencement of Production	
4	Line of manufacture	
5	Investment (Rs)	
	A) Land and Building	
	B) Machinery	

6. Past performance for the last three (03) years:

Year	Production (in MTs)	Coal Received		Consump tion of coal (in MTs.)	Wood / Husk		Consump tion of coal per Ton of Produ- ction. (MTs)
		M/s SCCL (Mts)	Other sources (Mts)		Receiv ed (MTs)	Consump tion (MTs)	

7	Purpose for which Coal is used.	
8	Details of equipment such Kiln / Boiler/furnace etc.,	
	A) Type of equipment with technical specifications.	Quantity Rated capacity of the equipment
	B) Whether used in single shift / 2 shifts / 3 shifts.	
	C) Whether process is batch / continuous.	

Contd..2.

9. Assessment of Coal:

9. Assessment of Coal:

A) Installed production capacity PA / PM :

B) Present operating capacity PA / PM:

C) Capacity as per CFO of APPCB PA / PM

D	Consumption of Coal per unit production for processing (Take due care for batch / continuous process etc.)	
	i) As per manufacturers specifications of the equipment.	
	ii) As per the technical norms	
	iii) As per the actual consumption.	
E	Lowest among (D) (i) (ii) & (iii)	
F	Requirement of coal by the unit per month / per year.	
	i) As per installed capacity: $9 (A) \times 9 (E)$	
	ii) As per operating capacity: $9 (B) \times 9 (E)$	
	iii) As per capacity furnished at CFO of APPCB : $9 (C) \times (E)$	
10	Requirement of coal basing on boiler rating on 100 % efficiency PA / PM	
	A) for single shift basis = 1.3	

	x boiler rating.	
	B) for two shift basis = 2.3 x boiler rating.	
	C) for three shift basis = 3.2 x boiler rating	
11	Whether the industry working on seasonal, if so the requirement of coal per month (indicate the period of working season in a year)	

12. Remarks and Recommendations:

Encl: Check slip along with attested copies of documents.

General Manager,
District Industries Centre

ALLOTMENT OF ALCOHOL

Allotment of Alcohol on Adhoc basis

- The GM, DICs will arrive the correct assessment of the quantity of alcohol being recommended, duly verifying the requirement of alcohol as per actual norms based on installed capacity, the actual consumption of the alcohol as per the actual production etc., with proper justification.
- While recommending for allotment of alcohol to new industrial units which are ready for commencement of production or commenced production, for the first time of allotment, the General Managers should ensure Industries having IEM registration/SSI registration with Industrial line of activity and the unit is having valid CFO issued by APPCB and other statutory approvals as applicable before recommending to central office and shall recommend initially for allotment of alcohol on adhoc basis for a period of 3 months only vide This office Circular Memo No: 11-1-5-0006-0006/FD, Dated: 27.06.2011.

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Allotment of Alcohol on Regular basis:

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➤ Vide this office Circular Memo No: 11-1-2005-0006-0006-FD, dated: 27.06.2011, The allotment of Alcohol on regular basis is based on the report furnished by the Joint inspection committee report (-i.e Members of Committee from Prob & Excise Dept, IICT, Hyderabad and General manager, DICs). It is decided that in case of proposals for regular quota of alcohol, the requirement will be assessed by the technical committee for the first time of regular allotment and there is no need for joint inspection of the technical Committee again for renewal for existing regular allotment of the alcohol.

5

APPLICATION FOR ALLOTMENT OF ALCOHOL / RS/ DS/ ETHANOL:

1. Name of the applicant with Designation: :
2. Name of the Industry :
3. Address of the factory :
4. Address of Registered office if any :
5. Is the premises in which the unit is
Located rented or own, if rented please
State the rent per month
:
6. Description of goods manufactured and
Showing the installed capacity for annum :
7. Purpose and quantity for which Alcohol / RS / DS required P.M:

8. Details of the production and alcohol consumption for the preceeding 3 years:

Year	Production	Sales	Receipt of Alcohol/RS/DS	Consumption of Alcohol/RS/DS

9. Is the application referred under the Category
of Tiny / Small Medium and whether acknowledged
under MSMED Act.

If so, the EM Acknowledgement Part: I / II No:

Allotted by the State Directorate of Industries.

Copy may be furnished.

10. Date of commencement of production:

10. Date of commencement of production:

Cond..2.

-2-

11. Capital Investment Existing (Rs. in lakhs)

A) Land & Building:

B) Machinery

C) Working Capital

12. Particulars of machinery and Equipment erected /

Proposed for which firm orders placed.

13. Give brief description of the process involved

In the manufacture of the product & requirement
of Alcohol / RS / DS.

14. Are any imported raw materials required, if so;

any import licence was obtained.

15. Is the machinery operated by electricity,

State contracted and connected land in H.P:

16. Is there any allotment previously, if so; the details

of quantity allotted, utilised and production

are to be enclosed here with for the preceeding 3 years:

Period	Name of the raw material	Quantity allotted	Quantity utilised	Production

17.. Quantity of Alcohol / RS / DS required per month.

18. Date of establishment of industry

19. Details of branches or associated companies if any

and their quota of Alcohol/RS/DS if allotted already

20. Whether Drugs Licence obtained, if so photostat

Copy may be enclosed

21. Sales Tax / VAT Registration No.

22. Turnover and Sales Tax / VAT and Central Excise Duty paid for the last 3 years

Year	Sales Tax Tax paid	VAT paid	Central Excise Duty
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Cond..3.

-3-

We hereby declare that the particulars furnished above are true and correct to the best of our knowledge and belief. We understand that any Alcohol / RS / DS quota granted to us on the basis of the information above is liable to cancellation in addition to any other penalty that the Government may impose having regarding to the circumstances of facts therein are incorrect or false.

We hereby declare that the quota of Alcohol/RS/DS granted to us will be utilized only for consumption in our unit for the specific purpose mentioned in the above application and that no portion thereof will be sold or permitted to be utilised by any other party.

Place :

Date : _____

Signature of the applicant.

With firm seal.

Encl: Required documents as per check slip.

**INSPECTION REPORT WITH WHICH THE DEPARTMENTAL OFFICERS FORWARD EACH APPLICATION FOR
ALLOTMENT OF ALCOHOL FOR THE PERIOD.**

(Note: Quantity of Alcohol / Methanal should be given in Bulk Litres).

1. Name and address of the Firm :
2. IEM / EM Part-I / EM Part-II/ SSI No. & date :
3. A) Line of manufacture :
- B) Process discription (Briefly) :
4. Annual Production capacity with quantity based on a single Shift or 8 hours work per day :
 - A) If machinery supplied by a Special Manufacturer, capacity specified by the Machinery manufacturer :
 - B) If supplied by several manufacturers the lowest capacity indicated :
 - C) If locally fabricated, the capacity at the Bottleneck stage (Give full details) :
5. -Whether the unit has gone into production :
If so, from what date? If not, when the unit is likely to commence production.
6. Production during the three proceeding years (In terms of quantity and value):

Year	Description of product	Quantity (MTs)	Value (Rs in laks)

7. Details of machinery and equipment :

(a)

Existing	Description	Cost
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Contd..2.

-2-

(b)

Proposed	Description	Whether from orders placed and confirmed by the suppliers.
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(List enclosed)

8. Existing or proposed Fixed Capital Investment in Rs. Existing Proposed

1. Machinery and Equipment : Rs.
2. Land & Building rent or own premises : Rs.

3. Whether the Plant & Machinery:
Have been erected and the unit is in a
Position to commence production /
Commenced production

9. No. Of workers employed. This should Exclude
Menials like watchman and others :

10. No. Of shifts in force. :

11. Have the firm got :

A) Excise Licence :

B) Municipal Licence / Panchayathi Licence :

C) CFO from APPCB :

12. Monthly requirements of Alcohol / Methanol as
per present operating capacity. : B.Ls / Month

13. Consumption during the proceeding 3 years if allotted earlier :

Item	2004-05	2005-06	2006-07
1.	B.Ls.	B.Ls.	B.Ls.

14. If the Alcohol / Methanol recommended,
is to be released from the Government Alcohol
Factory, Bodhan, please State the Reasons. If not,
State the distillery from which Alcohol / Methanol is
Required.
Required.

Contd..3.

15. Stocks (Quantity of Alcohol / Methanol in the
Factory at the time of Inspection).

16. Is the factory having electrical service connections :

at the time of inspection. If so, State.

A) Contracted and connected load (HP) :

B) No. of electrical units consumed during the last year:

17. Is the firm maintaining the following account Books to show the stocks of raw materials received, Consumed and finished products, made and sold. :

A) Register showing receipts and issues of Alcohol / Methanol:

B) Bills / Invoice Book to show sales :

18. Has the Inspection Officer checked the stock books referred above and attested intoken of having checked the same and whether proper utilisqtion is made by the firm in respect of the past draws of Alcohol / Methanol.

19. In the case of new units for which Alcohol / Methanol is Recommended.

A) whether suitable premises for factory with scope of getting electric power is available.

B) Whether preliminary arrangements for construction of building or taken on rent are made.

20. Value of business conducted in preceeding 3 years.

Year

Year

Year

A) Turnover :

B) Sales Tax assessed and paid :

C) Central Excise assessed and paid :

D) Income Tax assessed and paid :

E) Cost price and sale price of production:

Year Name of the product Cost of production per unit (Rs) Taxes / Excise Duty etc., Sales Price (Rs)

Year	Name of the product	Cost of production per unit (Rs)	Taxes / Excise Duty etc.,	Sales Price (Rs)	Others (Rs)	Profit per Kg. (Rs.)

Contd...4.

21. Details of Alcohol / Methanol recommended for allotment (also specify the use of alcohol / Methanol recommended for allotment per month).

22. Date of receipt of application from the unit :

23. Date of inspection by the Departmental Officer :

24. Name and Designation of Inspecting Officer :

25. Seal of the office of the recommending authority :

26. REMARKS:

Encl: Check slip along with attested copies of documents.

General Manager,
District Industries Centre.

Procedure for further streamlining the supply of Coal to Industries

Meeting has been held on 19-07-2007 and 06-09-2007 between the officials of Industries Department and M/s.SCCL to discuss the procedure for further streamlining the allotment and supply of coal to the Industries in the State of Andhra Pradesh. After, detailed discussions, the following decisions were taken for further streamlining the procedure.

1. CORE SECTOR:

- 1.1 Power, Captive Power, Cement, Sponge Iron and Paper Industries are classified as Core Sector by the Ministry of Coal, Government of India. Power, Cement and Sponge Iron Plants can obtain Coal Linkage from Ministry of Coal. Accordingly, these industries would be encouraged to apply directly to SCCL and Ministry of Coal for Coal Linkage. Commissioner of Industries will also recommend to SCCL for Coal Linkage for the Core Sector Industries such as Captive Power, Cement and Sponge Iron as and when applications are received. In turn, SCCL will recommend to the Ministry of Coal for Coal Linkage.
- 1.2 Generally, Industries Department does not make any recommendation for allotment of Coal to Power Plants, which is made directly by the Plants/ APGENCO to SCCL.
- 1.3 For the calculation of coal requirement by Captive Power Plants, Cement/Mini Cement Plants and Sponge Iron Plants, the procedure followed by Coal India Limited as communicated by SCCL through Lr.No.HYD/MKT/C/006/565, Dated:25-07-2007, shall be adopted.

The scale and grade is as follows:

Category	Quantity	Grade..
Sponge Iron Plants	2400 Tonnes /month of C/D Grade Coal and 1600 MTs of other Lower (E/F) Grade Coal for 100TPD capacity of Sponge Iron Plant.	C/D
Cement/Mini Cement Plants	18Tonnes for Modern and new plants and upto 22 Tonnes for Older Plants per 100Tonnes of Clinker production	C/D
Captive Power Plants	Normative quantities are fixed based on capacity of Power Unit and GCV of coal being used. The table is enclosed in Annexure A.	F/G

- 1.4 The GM DICs will follow the existing checklist for filling up the coal requirement by the Core Sector Industries.
- 1.5 In so far as the calculations for Sponge Iron and Cement Plants are concerned, lot of emphasis will be placed on verifying the capacity of the unit as the coal requirement is based on the capacity of the unit. Accordingly, GM DICs

would verify the (i) Installed Capacity and (ii) Actual production closely. In so far as the installed capacity of the equipment/machinery is concerned, equipment specifications will be verified closely. Actual production will be verified with respect to the statement of production figures given by the Company, Quantity sold as per CST/VAT returns and Quantity produced as per Central Excise returns. These columns will be explicitly provided in the Inspection Report of the GM DIC.

- 1.6 In so far as Captive Power Plants are concerned, similar procedure will be followed and the (i) installed capacity of Machinery/equipment will be verified and the (ii) actual generation of electricity will be verified. These columns will be explicitly provided in the checklist of the GM DIC.
- 1.7 All existing units falling under the Core Sector for which Commissionerate of Industries has already recommended for coal allotment, coal requirement calculation will be verified and proposals will be sent to SCCL for recommending coal linkage.

2. NON CORE SECTOR (Industries using Boilers)

- 2.1 The existing procedure, as communicated by SCCL through Lr.No.H/MRKTG/ID/34, Dated:09-01-1997 will be adopted for calculation of coal requirement. The calculation used for calculating the coal requirement as provided in the checklist of GM DIC will be based on the lowest requirement among the following three parameters.

(a) Based on Boiler Capacity

Monthly requirement of coal for 25 days working for 1 Sq.Mt.Boiler rating is fixed as follows for 1,2 and 3 shifts working

- Single Shift - 1.3 tonnes of coal X Boiler Rating per month.
- Two Shifts - 2.3 Tonnes of coal X Boiler Rating per month.
- Three Shifts - 3.2 Tonnes of coal X Boiler Rating per month.

The Boiler Rating will be closely verified by the GM DICs.

Similarly, GM DICs will closely verify the number of shifts/hours that the boiler is in operation every day by verifying records of the unit and local enquiry during inspection.

- (b) As per Technical Norms : Coal required per unit production as per technical norms fixed by the State Level Technical Committee as communicated by SCCL vide Lr. No.H/MRTKG/ID/34 dt.9.1.97. The scale and grade are as follows:

Sl. No	Category	Quantity of Coal (in Tonnes)	Grade	Details of finished product
I	PAPER&PAPER PRODUCTS			
1	Paper & Pulp	1.2-2.0	D	1 Tonne Paper
2	Straw & Wood Particles	1.1-1.3	E	1 Tonne Straw Board
3	Laminations	2.0-2.8	E	1000 Sq.mts of Laminations
4	Packing & Paper Products	0.3-0.4	D	1000 Trays
II	OILS AND SOLVENT EXTRACTION			

would verify the (i) Installed Capacity and (ii) Actual production closely. In so far as the installed capacity of the equipment/machinery is concerned, equipment specifications will be verified closely. Actual production will be verified with respect to the statement of production figures given by the Company, Quantity sold as per CST/VAT returns and Quantity produced as per Central Excise returns. These columns will be explicitly provided in the Inspection Report of the GM DIC.

- 1.6 In so far as Captive Power Plants are concerned, similar procedure will be followed and the (i) installed capacity of Machinery/equipment will be verified and the (ii) actual generation of electricity will be verified. These columns will be explicitly provided in the checklist of the GM DIC.
- 1.7 All existing units falling under the Core Sector for which Commissionerate of Industries has already recommended for coal allotment, coal requirement calculation will be verified and proposals will be sent to SCCL for recommending coal linkage.

2. NON CORE SECTOR (Industries using Boilers)

- 2.1 The existing procedure, as communicated by SCCL through Lr.No.H/MRKTG/ID/34, Dated:09-01-1997 will be adopted for calculation of coal requirement. The calculation used for calculating the coal requirement as provided in the checklist of GM DIC will be based on the lowest requirement among the following three parameters.

(a) Based on Boiler Capacity

Monthly requirement of coal for 25 days working for 1 Sq.Mt.Boiler rating is fixed as follows for 1,2 and 3 shifts working

Single Shift - 1.3 tonnes of coal X Boiler Rating per month.

Two Shifts - 2.3 Tonnes of coal X Boiler Rating per month.

Three Shifts - 3.2 Tonnes of coal X Boiler Rating per month.

The Boiler Rating will be closely verified by the GM DICs.

Similarly, GM DICs will closely verify the number of shifts/hours that the boiler is in operation every day by verifying records of the unit and local enquiry during inspection.

- (b) As per Technical Norms: Coal required per unit production as per technical norms fixed by the State Level Technical Committee as communicated by SCCL vide Lr. No.H/MRTKG/ID/34 dt..9.1.97. The scale and grade are as follows:

Sl. No	Category	Quantity of Coal (in Tonnes)	Grade	Details of finished product
I	PAPER&PAPER PRODUCTS			
1	Paper & Pulp	1.2-2.0	D	1 Tonne Paper
2	Straw & Wood Particles	1.1-1.3	E	1 Tonne Straw Board
3	Laminations	2.0-2.8	E	1000 Sq.mts of Laminations
4	Packing & Paper Products	0.3-0.4	D	1000 Trays
II	OILS AND SOLVENT EXTRACTION			

As the technical norms are based on the production quantity of finished product, the GM, DICs will closely verify the actual production with reference to the production particulars furnished by the unit, quantities sold as per CST/VAT returns and quantity of production as per Central Excise statements. The technical norms mentioned as above will be used to arrive approximate coal consumption as per production. These columns will be explicitly provided in the inspection report of the GM, DIC.

(c) As per actual coal consumption:

The actual consumption statements will be verified by the GM DICs.

The quantity of coal consumption arrived from the calculations in para (b) will also be verified with reference to the actual consumption to see whether the two figures correspond to each other. These Columns will be explicitly indicated in the Inspection Report of the GM DIC.

3. NON CORE SECTOR { Using Kiln and Furnace }

3.1 The existing procedure, as communicated by SCCL through Lr.No.H/MRKTG/ID/34, Dated:09-01-1997 will be adopted for calculation of coal requirement. The calculation used for calculating the coal requirement as provided in the checklist of GM DIC will be based on the lowest requirement among the following three parameters.

(a) Based on KILN/ Furnace:

Requirement of Coal Shall be calculated based on capacity of Kiln/Furnace to the extent feasible by the GM, DIC.

(b) As per Technical Norms:

Coal required per unit production as per technical norms fixed by the State Level Technical Committee as communicated by SCCL vide Lr. No.H/MRKTG/ID/34 dt. 9.1.97. The scale and grade are as follows:

Sl. No	Category	Quantity of Coal (in Tonnes)	Grade	Details of finished product
I	LIME			
	Lime	0.4-0.5	E	1 Tonne of Lime
II	MINERAL BASED INDUSTRIES			
1	Ceramics & refractory	1.3-3.5	C	1000 ltrs jars
2	Bricks	12-20	F	1 lakh bricks
3	Tiles	50-90	F	1 lakh tiles
4	Crucibles	0.5-1	D	1 ton of crucibles
5	Mineral processing & Pulverizing	0.3-6	C/D	1 ton of finished product
6	Glass	1.2-3	C	1ton of glass
7	Sodium Silicate	0.9-1	D	1ton of silicate
III	ENGINEERING			
1	Steel Re-Rolling	0.25 - 0.6	C	1 T of Steel
2	Smithy & Foundry	0.12 - 0.15	E/F	1 T of Casting
3	Metals & Alloys	0.3 - 0.4 0.4 - 0.5 2.5 - 3.2	C/D	Aluminium Forging Ferro Vanadium

GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES :: HYDERABAD

Circular Memo. No. 11-1-5-0006, dated 21-06-2008.

Sub: Allotment of Raw-materials to Industrial units - Streamlining the procedure for allotment - Certain guidelines issued - Reg.

- Ref: 1) Inspection Proforma for allotment of Raw Materials.
2) This office Circular Memo. No. 11-1-5-0006, dated 06-10-2007.
3) This office Circular Memo. No. 11-1-5-0006, dated 13-11-2007.
4) Minutes of the meeting with the officials of APPCB, Boiler Department and Drug Control Administration held on 18-03-2008 (copy enclosed).

The attention of all the General Managers, District Industries Centres in the State is invited to the references 1st and 3rd cited, wherein certain instructions / guidelines were issued for allotment of raw-materials. In order to streamline the procedure for allotment of rawmaterials to the Industrial units, a meeting was convened on 18-03-2008 with APPCB, Drug Control Administration and Boilers Department. Certain decisions were taken in the above meetings vide reference 4th cited for streamlining the procedures for allotment of raw materials. Accordingly, the following guidelines / instructions are issued for processing and recommending the applications for allotment of raw materials to Industrial units.

- 1) Whenever a unit is recommended for allotment of raw materials, it is the primary responsibility of the concerned General Manager, District Industries Centre to verify whether the unit is a genuine working unit having genuine consumption of the raw materials like Coal, Alcohol etc. being recommended for allotment as per the Technical norms. It is also the responsibility of the GM, DIC to arrive at the correct assessment of the quantity of raw material being recommended, duly verifying the requirement of raw material as per technical norms based on installed capacity, the actual consumption of the raw material as per actual production, Boiler rating etc. with proper justification. The Inspection Report indicated in reference 1st cited already takes care of the major check points and the GM, DICs should fill-up each and every column carefully and submit the report with full justification of the requirement of raw materials.
- 2) New Units :
 - (a) While recommending for allotment of raw material to New Industrial Units which are ready for commencement of production, the General Managers should ensure that the unit has valid CFO issued by APPCB, Boiler Certificate and Drug Licence as applicable before recommending to Central Office and shall recommend for allotment of raw material on adhoc basis for 6 months only initially.

PTO

- 6) APPCB will communicate to Commissionerate of Industries by 1st week of every month, a list of units which are closed due to APPCB orders for 3 months continuously, so that action be taken for cancelling the recommendation made for the allotment of rawmaterial. Accordingly, the GM, DICs shall take necessary action as and when a copy of the closure order is received from APPCB.
- 7) While recommending for allotment of Coal, the General Managers should ensure and clearly indicate the type of the Boiler as mentioned in the Boiler Certificate i.e. whether it is a Coal fired, Husk fired or Oil fired, in the respective column of the Inspection Report. [In the meeting cited in 4th reference, it was decided that the Boilers Department will indicate in the Boiler Certificate whether it is Coal fired, Husk fired or Oil fired].
- 8) The Director of Boilers will communicate a copy of condemnation order issued under Section 8 (VI), whenever issued, to the Commissionerate of Industries, with a copy to concerned GM, DIC, so that Coal supply to a unit relating to that Boiler can be stopped. The General Managers, District Industries Centres shall take necessary action as and when a copy of the condemnation order is received from the Director of Boilers.
- 9) Whenever Drug Licence of the any unit is cancelled, the Director, Drug Control Administration will communicate a copy of such order to Commissioner of Industries, so that action can be taken for cancelling the recommendation made for the allotment of rawmaterial. The General Managers, DICs shall take necessary action for stoppage of rawmaterial whenever such order of cancellation of Drug Licence is received from Drug Control Administration.
- 10) **General Instructions :**
The General Manager, District Industries Centres shall mention in each Inspection Report whether the unit has any linkage of Coal other than SCCL i.e. such as CIL / Imported Coal. The particulars of quantity of such Coal and utilisation and production particulars shall also be furnished in their report.
- 11) **Standard Terms & Conditions of allotment :**
 - (a) Further, a set of standard Terms and Conditions to be stipulated at the time of recommendation by the Industries Department for allotment of Coal by the SCCL to the industrial units so as to avoid misutilisation, is communicated herewith to all the General Managers, District Industries Centres in the State and they are instructed to strictly stipulate the above Terms and Conditions on the overleaf of the recommendation letters issued by them to the SCCL for allotment of Coal upto 100 M.Ts. per month to the industrial units.

STANDARD TERMS & CONDITIONS

For Units :

1. The unit holder shall be responsible to ensure that allotted Coal through this recommendation letter is directly received from SCCL to the unit premises and is not diverted to any other location. Further, the Coal shall be utilised by the unit only for the production for which it is released.
2. The unit holder should sign in full on the back side of the Delivery Challan and Way Bills which are to be furnished to SCCL at the time of next allotment and also attach proof of production like production particulars, power consumption, tax paid etc. which will be verified by SCCL.
3. The unit holder shall not hand over this recommendation letter to any other person like Dealer / Transporter / other industrial units under any circumstances.
4. The unit holder shall be held solely responsible for any diversion / misutilisation of Coal and this recommendation is liable for cancellation and SCCL shall stop allotment of Coal to the unit.
5. The unit holder shall obtain all valid licenses, approvals, clearances under relevant statutes for running their unit.
6. Mere recommendation of Coal allotment does not amount to any approval / permission. The unit holder is responsible to have a valid CFO, valid Boiler Certificate, valid Drug Licence & other valid permissions as may be required.

For SCCL:

1. To avoid diversion of Coal, the SCCL should issue Way Bill directly from Mines to the factory location mentioned in the recommendation letter. Under no circumstances, should Way Bill be issued for any other location.
2. Under no circumstances, SCCL should issue Delivery Challan / Way Bill in any other name other than what is mentioned in the recommendation letter. Similarly, Delivery Challan / Way Bill shall not be issued in more than one name.
3. SCCL shall issue Delivery Challan for the next month allotment only after submission of Delivery Challan and Way Bills of previous month's allotment duly countersigned by the recipient unit along with the Company seal by the unit to the SCCL.
4. SCCL shall verify the documents submitted by the unit holder regarding production details, tax paid, electricity bill.
5. The SCCL shall not issue the Way Bill in the name of transporter, trader / dealer or any other such person. The Way Bill shall be issued only in the name of the Unit duly mentioning the location.
6. SCCL shall mark a copy of the annual allotment made to the industrial unit to the Commissioner of Industries and concerned GM, DIC.

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GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES :: HYDERABAD

Circular Memo. 11-3-5-0006 (Main File), dated 06-09-2008,

Sub: Raw Material - Allotment of Coal - Certain Guidelines - Communication - Reg.

Ref: 1) Circular Memo. No. 11-3-5-0006, dt. 21-06-2008.

2) Lr. No. HYD/MKT/C/006/467, dated 28-06-2008 of the CMD, SCCL, Hyd.

Vide reference 1st cited, guidelines were issued with regard to allotment of Raw Materials to the industrial units wherein it was instructed that the recommendation for regular allotment of Raw Materials shall be made for one year.

Vide ref. 2nd cited, the CMD, SCCL requested that the recommendation for allotment of Coal be made for 2 years so that SCCL can enter into FSA with the industrial consumers as per New Coal Distribution Policy.

In view of the above, all the GMs, DICs are requested that whenever the recommendation for allotment of Coal is to be made on Regular basis, it is to be made for a period of 2 years to the industrial units so as to enter into FSA with the SCCL as per New Coal Distribution Policy.

The recommendation for Adhoc allotment for the New units and Expansion units shall be made for 6 months only as per Circular cited in reference 1st cited, so as to arrive at correct assessment of Coal after watching the utilisation.

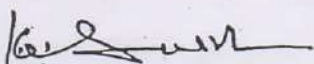
All other guidelines issued through the reference 1st cited holds good.

Sd/- Neerabh K. Prasad,
COMMISSIONER OF INDUSTRIES

To
General Manager,
District Industries Centre,
.....

Copy to S.F. / Spare.

// Attested //


Deputy Director (SIDIC)



GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES :: HYDERABAD

CIRCULAR INSTRUCTIONS

Circular Memo No. 11-1-2005-0006 dt. 20-7-2010

Sub:- Processing of Scarce Raw-material applications - Certain Instructions for allotment of Coal - Issued - Reg.

Ref: This Office circular memo No. 11-1-05-2006 dated 21-6-2008.

A decision has been taken by the M/s. SCCL and Commissioner of Industries in a Meeting held on 19-5-2010, that the adhoc allotment to the Coal consuming units shall be a period of one year instead of six months as decided earlier and for the regular allotment it shall be a period of two years. However the proposals for regular allotment shall be forwarded to the Commissioner of Industries after completion of six months and before one year of adhoc allotment to avoid break in supply of coal for continuity of production. Hence, all the General Managers requested to take necessary action accordingly.

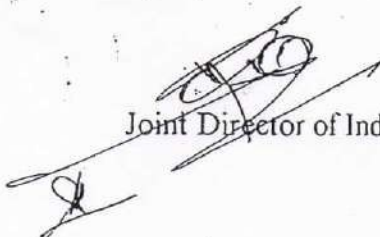
All the General Managers are also requested to send the coal allotment proposals in full shape with all necessary documents enclosures with attestation. For regular allotment all General Managers are requested to send the proposals with correct assessment basing on actual the coal consumption of the previous year.

More over, all the General Managers are requested to furnish the status of the units along with utilisation reports every month without fail to take necessary action.

Sd/- B. Suresh Babu,
Additional Director of Industries (B),
O/o Commissioner of Industries.

To
All General Managers, District Industries Centres in the state.
Copy to COIs Peshi / Addl. Director (B) Peshi.
Copy to SF

// Attested //


Joint Director of Industries (PM&FM)

GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES: HYDERABAD.

Circular Memo No.11-1-5-00060006/fd, Dated :27-06-2011.

Sub: Allotment of Raw materials to industrial units -streamlining the procedure for allotment -certain guidelines – Reg.

Ref: 1) This office circular No 11-1-5-0006 date 21-06-2008.

2) Minutes of the meeting with the officers of APPCB, Boiler Department, M/s SCCL Ltd., and members of the BDMA, A.P.

The attention of all the General Managers, District Industries Centers in the State is invited to the reference 1st cited, where in certain instructions / guidelines were issued for allotment of raw materials. In order to streamline the procedure for allotment of raw materials to the industrial units, a meetings was convened on 20-01-2011 and 1-4-2011 with the officials of APPCB, Boiler Department, M/s SCC Ltd and Members of the Bulk Drug Manufacturers Association (BDMA), Andhra Pradesh. In the meeting after delebrations certain decisions were taken vide reference 2nd cited for streamlining the procedure for allotment of scarce raw materials. Accordingly, the following revised guidelines / instructions are issued for processing and recommending the applications for allotment of raw materials to industrial units.

Whenever a unit is recommended for allotment of raw materials, it is the primary responsibility of the concerned General Manager, DIC to verify whether the unit is a genuine working unit having genuine consumption of the raw materials like Coal, Alcohol.. etc., while recommending for allotment as per the guidelines. It is also the responsibility of GM, DIC to arrive at the correct assessment of the quantity of raw materials being recommended, duly verifying the requirement of raw materials per unit production as per technical norms and as per the actual consumption of the raw material (whichever less is to be considered). With this factor the requirement of raw materials can be calculated as per actual production for the latest period, boiler rating, installed capacity, capacity mentioned in CFO of APPCB whichever is less with proper justification.

The inspection report which is communicated here with already takes care of the major check points and the GM, DICs should fill-up each and every column carefully and submit the report along with necessary documents(list enclosed) with full justification of the requirement of raw materials.

Contd./2.

2) Units for fresh allotment:

(a) While recommending for allotment of raw materials to new industrial units which are ready for commencement of production or commenced production for the first time for allotment, the General Managers should ensure that the unit has valid CFO issued by APPCB, valid boiler certificate or acknowledgement for renewal with fees paid prior to the expiry of Boiler licence and drug licence and other statutory approvals as applicable before recommending to central office and shall recommend initially for allotment of alcohol on adhoc basis for a period of 3 months and coal on adhoc basis for a period of one year only.

(b) Once the adhoc allotment is made as per the guidelines stated supra raw material usage by the new unit should be reviewed every month for a period of one year. After a lapse of 6 months time from the starting of the lifting of coal quota, GMs may recommend for allotment on regular basis as per the following guidelines.

i) General Manager has to process the proposals for regular allotment in full shape (with required documents as done for adhoc allotment) as per guidelines of the Commissioner of Industries issued from time to time including enclosing the valid boiler licence, CFO from APPCB / acknowledgement for renewal obtained by the unit holder prior to the expiry of the concerned licence.

ii) After applying for allotment to General Manager on regular basis the General Manager has to follow up with the unit holders to obtain production particulars on the RG-1 Register / Sales Tax records, tax paid particulars, coal receipts from M/s. SCCL and out sources, consumption of coal particulars etc., every month. Further, GM. has to verify the records and submit the utilization certificate in the prescribed proforma every month and report to the Commissioner of Industries. Further, the unit holder is to be advised to submit monthly return on production and coal utilisation to directly submit to GM, DIC and to Commissioner of Industries wherever the coal allotment is more than 100 MTs / month.

iii) If the unit fails to submit the above information for consecutive (3) months, the GM has to address M/s. SCCL for stoppage of coal from the 4th month onwards under copy marked to the unit holder and to Commissioner of Industries and similar action will be taken at Head office level in respect of units allotted coal for more than 100 MTS/month..

iv) Whenever the details are submitted to GM. they should submit utilization report with in one month from the receipt of the details from the unit holder to the COI.

(3) Expansion Units:-

(a) While recommending for allotment of raw materials to industries which have expanded and are applying for additional coal/alcohol/other raw materials, GM should ensure the unit furnishes CFO for the expansion. Recommendation for allotment of raw materials for the expansion should be the same as done in case of fresh allotment.

(b) Once the adhoc allotment has made to the expansion units as per the guidelines at para 3(a) and recommendation for allotment is to be made on regular basis as per the guidelines at para-2(b).

(4) General Instructions:-

a) It is also decided to consider the requirement of coal for multiple/forced evaporation systems by considering it as part of production and restrict the coal assessment to the extent of boiler rating or actual consumption whichever is lower.

b) Further it is decided that in case of proposals for Alcohol allotment there is no need for joint inspection of the technical committee again for renewal of existing regular allotment of the alcohol as the requirement already assessed by the technical committee at the time of first regular allotment.

c) The General Manager, DICs in the state should mention in each inspection report whether the unit has any linkage of coal other than M/s.SCC Ltd such as CIL/importers/other indigenous agencies. The particulars of quantity of such coal and utilization and production particulars along with proofs (copies of bills/invoices) of purchases from out side sources

d) Further, the GM, DICs are also responsible to ensure that the correct factory address where raw material is to be delivered, is mentioned in the recommendation letter. So that the same can be incorporated in the way bill by M/S SCCLtd.

e) The General Managers, District Industries Centers shall also download the allotments made by the SCCL to industrial units of their districts concerned from the SCCL web site regularly and shall monitor the utilization of coal by the respective industrial units.

f) The GM, DICs shall send the utilization reports of all units once in a quarter with out fail

g) In the quarterly reports, the GM, DICs shall verify the month wise coal receipts, the consumption and verify whether the consumption is commensurate with production as per actual production and as per RG1 register/sales tax returns. This is to ensure proper utilization of coal by all units recommended by GM, DICs.

h) The General Manager, DICs shall specifically certify whether the unit utilized coal properly or not after duly verifying concerned registers/data while recommending the proposals for regular allotment along with attested copies of bills/invoices for the out side purchases of coal, husk, fire wood..etc.,

Contd...4.

5 Standard terms & conditions:

(a) Further, a set of standard terms and conditions to be stipulated at the time of recommendation by the industries department for allotment of coal by M/s. SCCL to the industrial units so as to avoid misutilisation, is communicated herewith to all the General Managers, District Industries Centres in the state and they are instructed to strictly stipulate the above terms and conditions on the overleaf of the recommendation letters issued by them to the M/s. SCCL for allotment of coal up to 100 MTS/per month to the industrial units.

Encl:1.Application form for coal/Alcohol..
2. Inspection Proforma for coal/Alchol.
3. Check slip.

Sd/- Karikal Valaven,
Commissioner of Industries

//Attested//

Joint Director (PM& FM).

To

The all General Manager, District Industries Centres in the State.

Copy to the Joint Director (PM & FM) / Deputy Director (PM) / Asst. Director (CM) for information .

Copy to Peshi of Commissioner of Industries / Additional Director of Industries (B) for information.

Copy to SF / Spare.

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GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES :: HYDERABAD

Cir. Memo No. 11 - 2 - 2005 -0006- 0006 - FD , dated : 04-04-2012.

Sub:- Allotment of Raw-material to Industrial units - Streamlining the procedure for allotment - Certain revised guidelines issued - Regarding.

Ref:- 1) This office Cir. Memo. No. 11-1-5-0006-0006/FD., dated: 27-06-2011.
2) Minutes of the meeting with the officials of APPCB, Boiler Department held on 01-04-2011 (copy enclosed).

In the reference 1st cited, Certain instructions / guidelines were issued to all the General Managers, District Industries Centres in the State to follow the guidelines while recommending the coal / Alcohol to the Industrial units. In the above instructions, it was clearly mentioned that the requirement of coal should be calculated as per the following options and lowest of the coal requirement of all the options should be recommended based on:

- 1) Installed Capacity
- 2) Operating Capacity
- 3) Boiler Rating
- 4) Technical Norm
- 5) Actual Consumption and actual production
- 6) CFO Capacity.

The minimum of the above alternatives should be recommended for allotment.

In the reference 2nd cited APPCB also suggested that Coal / Alcohol allotment should be restricted to the CFO Capacity only, so as to reduce the pollution and save the environment.

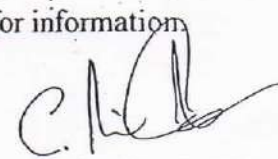
In spite of the clear instructions, some of the General Managers, District Industries Centres in the State are repeating the same error in recommendation. Hence all the GM, DICs are once again instructed to follow the guidelines without any deviation.

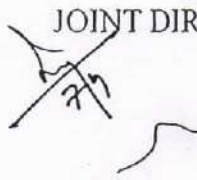
Sd/- R. Madhusudhana Rao,
Additional Director of Industries (R),
O/o Commissioner of Industries.

To
All the General Managers,
District Industries Centres in the State.

Copy to the Peshi of Additional Director of Industries (R) for information
Copy to SF.

//Attested//


JOINT DIRECTOR (PM&FM)



New Delhi, the 18th October, 2007

OFFICE MEMORANDUM

Subject: New Coal Distribution Policy

In supersession of existing coal distribution policy for core and non-core sector and other instructions issued in this regard from time to time, the Government is pleased to approve the New Coal Distribution Policy. The new policy is as follows.

1. Classification of Consumers

The existing classification of consumers into Core & Non-core has been reviewed and it has now been decided to dispense with the same. Instead, each sector/consumers would be treated on merit keeping in view, inter-alia, the regulatory provisions applicable thereto and other relevant factors.

2. Distribution and Pricing of coal to different consumers/sector(s):-

2.1 Requirements of defence sector and Railways will be met in full at notified price, as at present.

2.2 Power Utilities including Independent Power Producers (IPPs)/ Captive Power Plants (CPPs) and Fertilizer Sector

100% of the quantity as per the normative requirement of the consumers would be considered for supply of coal, through Fuel Supply Agreement (FSA) by Coal India Limited (CIL) at fixed prices to be declared/notified by CIL. The units/power plants, which are yet to be commissioned but whose coal requirements has already been assessed and accepted by Ministry of Coal and linkage/ Letter of Assurance (LOA) approved as well as future commitments would also be covered accordingly.

2.3 Other consumers

75% of the quantity as per the normative requirement of the consumers/actual users would be considered for supply of coal through FSA by CIL at notified prices to be fixed and declared by CIL. The balance 25 % of

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G. Viswanathan

coal requirement of the units will be sourced by them through e-auction / import of coal etc., as per their preference. The units which are yet to be commissioned but whose coal requirement has already been assessed and accepted by Ministry of Coal and linkage/LOA approved as well as future commitment finally made would also be covered accordingly.

— All the existing linkage holders of erstwhile core and non core sector and not having FSAs would be required to enter into FSA with coal companies. At present small and tiny consumers in non core sector, whose annual consumption is less than 500 metric tonnes are eligible to get coal through State nominated agencies/NCCF etc. The scope of coverage through State nominated agencies is now being increased upto 4200 tonnes per annum. It means that now the distribution of coal to units whose requirement is upto 4200 tonnes per annum will be done through the agencies nominated by State Government. Units whose requirement is more than 4200 tonnes per annum will take coal directly from Coal India Limited/Subsidiary companies through FSAs. As far as the linked consumers of erstwhile non core sector, whose annual requirement is less than 4200 tonnes are concerned, they would be given the option to either entering into FSA with the coal company as per the terms and conditions, including satisfaction level applicable to the other consumers or they may opt out of FSA regime and access their coal requirement through agencies nominated by State Governments.

2.4 Coking Coal to Integrated Steel plants:

Supply of coal to Steel plants would be based on Fuel Supply Agreements (FSAs). The price of coal would be on the basis of import parity pricing with suitable adjustment for quality. This system is already in vogue.

3. Consumers in small & medium sector

3.1 The State Governments are requested to work out genuine requirement of such units in small and medium sector like Smokeless fuel, brick kiln, coke oven units etc. on a transparent and scientific basis and distribute coal to them accordingly. The State Governments may take appropriate steps to evaluate the genuine consumption and monitor use of coal. The present cap is also enhanced to 4200 tonnes per annum for the targeted consumers under this category. In order to meet the enhanced cap fixed for such consumers, the quantity earmarked for distribution to these agencies would also be increased to 8 million tonnes annually, to start with. This quantity would be allocated for distribution to those units/consumers in small and medium sector across the country whose requirement is less than 4200 tonnes per annum and are otherwise not having any access to purchase coal or conclude Fuel Supply Agreement (FSA) for coal supply with coal companies.

G. Srinivasan

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The earmarked quantity would be distributed through agencies notified by the State Governments. These agencies could be State Govt. Agencies / Central Govt. Agencies (National Co-operative Consumer Federation[NCCF]/ National Small Industries Corporation[NSIC] etc) or industries associations, as the State Govt. may deem appropriate. The agency so notified will continue to distribute coal until the State Govt. chooses to denotify it.

The agency /association so notified by the State Govts., would be required to enter into FSA with coal company to be designated by the Coal India limited. The FSA will continue to remain in force till either the State Govt. denotifies the agency/association or CIL shifts the obligation to some other coal company due to production, transportation logistics etc,. In the latter case, a fresh FSA would be signed with the new coal company. The FSA would be based on firm commitment and compensation for default in performance on either side. These State Government/Central Govt. agencies would be free to devise their own distribution mechanism. However, the said mechanism should inspire public confidence and should result in distribution of coal in a transparent manner.

The price charged to such agencies would be same notified price as applicable to other consumers entering into FSA. The agency would be entitled to charge actual freight and upto 5% margin as service charge, over and above the basic price charged by the coal company, from their consumers. The concerned State Governments and Central Govt. Deptt. having administrative control over the agencies would be responsible to ensure that coal allotted for targeted consumer is distributed in a fair and transparent manner and appropriate action taken to prevent its misuse.

3.2 The quantity to be allocated to this sector may be reviewed on the basis of their performance in the beginning of every year. Allocation of this quantity amongst the states would be done on the basis of their consumption pattern in the past.

4. Replacement of Linkage System by Fuel Supply Agreement (FSAs)

The linkage system will be replaced with a more transparent bilateral commercial arrangement of enforceable FSAs. All the existing valid linked consumers whose linkage/MPQ during the year 2006-07 was 4200 tonnes or more would have to enter into FSAs with coal companies not later than six months from a date to be notified by CIL. The other valid linked consumers will have the option to opt out of FSA regime or enter into FSA within six months. On opting out, they may access their coal requirement through various channels like e-auction, distribution network of State nominated agencies etc. Failure to enter into FSA will result in discontinuation of supplies at fixed prices. All existing

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FSAs, as prevailing on the date of introduction of this policy, will continue. However, they would need to be modified in view of the new provisions.

5. Policy for New Consumers

5.1 The Letter of Assurance (LoA) to be issued now pursuant to the new policy will have a validity of 24 months for consumers/applicants of Power Utilities, CPPs & IPPs and 12 months for other consumers instead of 30 months as earlier. The allottee of LoA would be required to fulfill certain stipulated conditions and meet the milestones within this period and there upon approach coal companies for entering into FSA. Such FSA would be completed within three months. Further, with a view to ensure that only serious and committed consumers approach for LoA, they would be required to furnish an "Earnest Money Deposit" (EMD). EMD can be in the form of Bank Guarantee and would stand discharged once FSA is concluded within the stipulated period. However, on failure, the EMD will be forfeited. The amount of EMD could be initially kept at 5% of the value of Annual coal requirement. However, CIL may decide a different level, based on various relevant facts, with the approval of Board of Directors of Coal India Limited.

5.2 For new commitments including short-term tapering commitment to consumers having captive coal block, Power Utilities, CPPs, IPPs, Fertilizer units, and others would be issued an enforceable Letter of Assurance for supply of coal and thereafter they would be entitled to enter into FSA within a stipulated time subject to fulfillment of certain conditions to be stipulated therein. For Power Utilities including Independent Power Producers (IPPs) and Captive Power Plants (CPPs), cement sector and sponge iron sector, the present system of linkage committee at the level of Government would continue. CIL will issue LoA after approval of applications by the Standing Linkage Committee (Long-term). However, for other sectors the task of issuing letter of assurance, will be the responsibility of CIL.

In order to meet the domestic requirement of coal, CIL may have to import coal as may be required from time to time, if feasible. CIL may adjust its overall price accordingly. Thus, it will be the responsibility of CIL/Coal companies to meet full requirement of coal under FSAs even by resorting to imports, if necessary.

6. Letter of Assurance for New Consumers

6.1 New consumers from State/Central power utilities, CPPs, Independent Power Producers (IPPs), Fertilizer, Cement and Sponge Iron units may be issued LOA, based on prevailing norms and recommendation of Administrative Ministry, which may inter alia have regard to LoA/Linkage already granted

..5/-

G. Srinivasan

to the consumer of specific sector, existing capacity, requirement for capacity addition during a plan period etc.

6.2 All other consumers may be issued LOA by CIL, based on the prevailing norms and on the recommendation of the administrative ministry. CIL may also engage an independent Govt. or recognized agency/ institution, if required, for the purpose of processing/certification of coal requirement of individual consumers, if there is no prevailing norm for such category of consumers/sector.

6.3 LOA will be issued by the CIL to the applicant consumers consequent upon payment of EMD to the coal company. The amount of EMD could be initially kept at 5% of the value of annual coal requirement. However, CIL may decide a different level, based on the various facts, with the approval of Board of Directors of Coal India Limited.

6.4 LOA will be valid for a period of 12/24 months as applicable, during which the applicant consumer will be required to achieve the milestones pertaining to his projects/ plant as stipulated in the LOA, failing which LOA will stand terminated automatically and the EMD would be forfeited.

7. FSAs with New Consumers

7.1 On successfully achieving the milestones stipulated in LOA coal companies would execute FSA with the applicant consumer covering commercial arrangement for supply of coal. FSAs would be, inter-alia, based on 'Take or Pay' principle.

7.2 The FSAs would cover 100% of normative coal requirements of the Power Utilities, including Independent Power Producers (IPPs) and Captive Power Plants (CPPs), Fertilizer units and 75% of normative coal requirement of other consumers.

7.3 As and when Fuel Supply Agreements come into existence, both parties viz. coal companies and consumers would endeavour to enter into Fuel Supply and Transport Agreement (FSTA) which would be a tripartite agreement involving the coal supplier, the coal consumer and the logistic provider i.e. railways. The FSTA may firstly be made applicable to major consumers like power, cement and steel sector and could be extended to other consumers in a phased manner.

8. Role of Standing Linkage Committee

The existing SLC (LT) will continue to recommend issuing of LoA in respect of Power Utilities including CPPs & IPPs, Cement and Sponge iron

G. Sivasan ..6/-

including steel, as is being done at present. It may also perform other functions as per its terms of reference for coal sector as a whole. The issuance of LoA to consumers of other sectors will be directly dealt with by CIL on the basis of recommendation of nodal Ministry.

9. Discipline and economy in coal use

Coal is no longer an essential commodity but it is still considered a scarce fuel and hence it must be used efficiently and economically. The consumers getting coal through FSA would be expected to use it efficiently so as not to waste this scarce resource and hence norms and efficiency compliance should be carried out diligently by the concerned designated authority/agencies. This would also require that coal supplied should not be misused or diverted by FSA holder to others. The existing norms, wherever being made applicable for deciding linkage quantity etc., would be reviewed in consultation with the nodal Ministry concerned, and revised norms would be made applicable for working out the satisfaction level, wherever applicable.

10. E-auction of Coal

Coal distribution through e-auction was introduced with a view to provide access to coal for such consumers who are not able to source coal through the available institutional mechanisms for reasons like the seasonality of coal requirement, limited requirement of coal not warranting long-term linkage etc. In the long run, it is expected that e-auction may help in creating spot as well as future market of coal in the country.

Thus, a fresh scheme of E-auction will be introduced subject to, inter-alia, following conditions:-

- (i) Any buyer will be entitled to buy coal under e-auction
- (ii) There shall not be any "Floor Price" in e-auction. However, coal companies may be allowed to fix an undisclosed Reserve Price not below the notified price.
- (iii) Programme of e-auction should be announced well in advance and be given wide publicity to all consumers who intend to participate.
- (iv) At the beginning of the financial year, CIL shall declare a programme on sale of coal through e-auction indicating the quantity and quality of coal to be made available through auction during all the four quarters from different coal companies/coalfields.

G. Subramaniam ..7/-

- (v) In order to address the concerns of such industrial consumers who wish to have an assured supply over a long period, say one year, under e-auction so as to plan their annual production etc., CIL will earmark a fixed quantity which will be provided to highest bidder/bidders as per bidder's requirement over the period of the bid.

Based upon above guidelines and modalities, a revised e auction scheme would be introduced by CIL within one month. Around 10% of estimated annual production of CIL would initially be offered under e-auction and the quantity to be offered under e-auction would be reviewed from time to time by Ministry of Coal.

11. Transitional provisions and implementation schedule

The new distribution policy envisages implementation of revised distribution policy in which there will be departure from the existing policy of distribution based on inter-alia norms, FSAs, price, distribution mechanism, administrative allocation etc. As these modalities will have to be tailor made accordingly to the new distribution policy, transitional provisions have been made for implementing new coal distribution policy and to avoid any disruption in coal distribution to various categories of consumers, as under:

Para Number	Implementation schedule	Transitional provisions
Para 2	Upto Six months	Distribution as per existing FSA/SLC(ST). For non core linked consumers the present system of offer by CIL.
Para 3	Upto Six months	The existing system of allocation of coal to State nominated agencies and NCCF to continue. However, recommendations regarding enhancement of cap to 4200 tonnes per annum will be given immediate effect.
Para 4	Six months	Allocation in terms of existing FSA/SLC(ST). For non core linked consumers the present system of offer by CIL.

G. Sivarani

Para 5 & 6	a) Two months	For power utilities/IPP's LoA to be recommended by SLC(LT) subject to deposit of applicable EMD and modified LoA containing stipulated terms and conditions. For other categories similar interim/conditional LoA can be issued by CIL, if required.
	b) One Year (For meeting the requirement of FSA commitment through import, if required.)	Existing system of meeting the FSA quantity would continue.
Para 7.1	Two months	
Paras 10	One month	E-booking to be extended in the interim.

Verification of erstwhile non core sector consumers

CIL would undertake verification of such consumers of erstwhile non-core sector consumers; in a time bound manner, either directly or through an agency, so as to check the veracity of their claim of being bonafide consumers of coal and thereafter act accordingly. This exercise should be carried out keeping in view the observations and directions of Hon'ble Supreme Court in the case of M/s. Ashoka Smokeless Coal India Limited and Ors. In respect of those consumers who are not found to be bonafide, Coal companies can cancel their allocation.

The above policy guidelines will also be applicable to distribution of coal from Singareni Collieries Company Limited (SCCL).

CIL/SCCL/Coal Companies are advised to take further appropriate action for implementation of this policy in respect of provisions relevant to them.

G. Srinivasan

(G.Srinivasan)

Under Secretary to the Government of India
Tele. No. 2338 4285

To

1. Shri Ashok Khurana, Addl. Secy., Ministry of Power, Shram Shakti Bhawan, New Delhi.

..9/-

2. Dr. Surya Sethi, Principal Advisor, Planning Commission, Yojana Bhawan, New Delhi.
3. Shri Arvind Mayaram, Joint Secretary, Ministry of Economic Affairs, Ministry of Finance, North Block, New Delhi.
4. Shri K.A. Singh Deo, Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi.
5. Shri Shashi Ranjan Kumar, Director, Deptt. Of Industrial Policy and Promotion, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi.
6. Shri P.K.Malhotra, Joint Secretary & Govt. Counsel, Deptt. Of Legal Affairs, Ministry of Law, Shastri Bhawan, New Delhi.
7. Shri Chandan Saha, Director, O/o Development Commissioner, Ministry of Small Scale Industries, Udyog Bhawan, New Delhi.
8. Shri P.S. Bhattacharyya, Chairman, CIL, 10-NS Road, Kolkata.
9. Shri S. Ghoshdury, CMD, CMPDIL, Ranchi.
10. Shri K. Ranganath, Director (Marketing), 15-Park Street, Kolkata.
11. Shri Narsing Rao, CMD, SCCL, Kothagudem, Hyderabad (AP).

Copy for information to:

- a) CMDs of BCCL, ECL, CCL, SECL, MCL, WCL, NCL.
- b) PS to MoS (Coal) (c) Sr. PPS to Secretary (Coal)
- (d) PS to AS (Coal) (e) PS to AS (LA)

Copy also for information and necessary action to : All Chief Secretaries of all State Governments/Union Territories

Copy also for information to: Shri Ashish Gupta, Director, PMO, South Block, New Delhi.

Copy to NIC, Ministry of Coal with a request to place this on the website of Ministry of Coal for wide publicity.

G. Srinivasan

CERTIFICATE FOR CENTRAL EXCISE DUTY EXEMPTION: -

As per Govt. of India Notification No.88/1988-CE, dated:01.03.1988, states that "Central Excise Duty is exempted to certain specified goods" manufactured in rural areas by Co- operatives /KVIC etc., Provided that these goods are manufactured by women in rural areas duly certified by Tahsildar under the line of activity manufacturing of Electronic voltage stabilizers. Such units were recommended by the GM,DIC concerned to the Commissioner of Industries for onward recommendation to the Deputy /Assistant Commissioner, Central excise Department, to issue eligibility certificate.

Notification No. 88/1988-CE Dated 1/3/1988

Certain specified goods manufactured in rural areas by Co-operatives/K.V.I.C., etc.- In exercise of the powers conferred by sub-rule (1) of rule 8 of the Central Excise Rules, 1944, the Central Government hereby exempts goods of the description specified in column (3) of the Table hereto annexed and falling under Chapter No. or Heading No. of the Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) specified in the corresponding entry in column (2) of the said Table, from the whole of the duty of excise leviable thereon, which is specified in the said Schedule:

Provided that such goods are manufactured in rural areas by registered co-operative societies, or by women's societies, or by institutions recognized by the Khadi and Village Industries Commission or the State Khadi and Village Industries Boards or by units run with the cash assistance from District Rural Development Agencies under the Integrated Rural Development Programme (IRDP):

Provided further that -

(i) the exemption in respect of goods specified in serial numbers 5 to 16, 21, 22, 24 and 25 shall be applicable only if individual components of such electronic goods are assembled in rural areas by such societies, or by institutions recognized by the Khadi and Village Industries Commission or the State Khadi and Village Industries Boards or by units run with the cash assistance from District Rural Development Agencies under the Integrated Rural Development Programme (IRDP) and a certificate to this effect from the Department of Electronics of the Government of India or the State Electronics Development Corporation of a State or the Directorate of Industries of a State, is submitted to the Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise within three months from the date of commencement of production of such electronic goods or within such extended period as he may allow;

(ii) the exemption in respect of goods specified in serial numbers 17, 18, 19, 20 and 23 shall be applicable only if individual components of such goods are assembled in rural areas by such societies, or by institutions recognized by the Khadi and Village Industries Commission or the State Khadi and Village Industries Boards or by units run with the cash assistance from District Rural Development Agencies under the Integrated Rural Development Programme (IRDP) and a certificate to this effect from the Directorate of Industries of a State, is submitted to the Assistant Commissioner of the Central Excise or Deputy Commissioner of Central Excise within three months from the date of commencement of production of such goods or within such extended period as he may allow.

TABLE

S. No.	Chapter No. or Heading No.	Description of goods
(1)	(2)	(3)
01	20	Preparations of vegetables and fruits; pickles
02.	21	Sauces and Ketchup
03.	34	Laundry and carbolic soaps
04.	64.01	Footwears
05.	84	Calculators
06.	85	Radios
07.	85	Cassette players or recorders, whether or not fitted with radios
08.	85	Black and White T.V. sets
09.	85	Audio cassettes
10.	85	Loudspeakers
11.	85	Electronic fan regulators
12.	85	Battery eliminators/adapters
13.	85	Inverters/converters
14.	85	Mechanical T.V. tuners
15.	85	Gang condensers

16.	86	Trimmer capacitors
17.	85	Electric irons
18.	85	Electric toasters
19.	85	Electric heaters
20.	96	Electric gas lighters
21.	85 or 90	Electronic lanterns/torches
22.	91	Electronic clocks and electronic alarm time-pieces
23.	85 or 90	Voltage stabilisers
24.	91	Digital/analogue electronic watches
25.	85	RF / IF coils
26.	34.02	Synthetic detergents
27.	53,56, 57 or 63	Jute yam, jute fabrics and jute manufactures.
28.	1 to 96	All goods consumed in the manufacture of goods specified at S. Nos. 1 to 27 above-
		(i) whether within the factory of production of such goods; or
		(ii) in any other factory of the same manufacturer where exemption under this notification is availed;

Explanation. - In this notification, -

For the purposes of this notification, the expression "rural area" shall have the meaning assigned to it in clause (ff) of section 2 of the Khadi and Village Industries Commission Act, 1956 (61 of 1956).

Notification No. 88/88-CE, dated 1-3-1988 as amended by Notifications No. 281/88-CE, dated 16-11-1988; No. 287/88-CE, dated 1-12-1988; No. 13/90-CE, dated 20-3-1990; No. 80/91-CE, dated 25-7-1991; No. 23/92-CE, dated 1-3-1992; No. 35/93-CE, dated 28-2-1993; No. 4/95-CE, dated 6-1-1995; No. 96/95-CE, dated 26-5-1995; No. 35/97-CE, dated 13-6-1997; No. 7/98-CE, dated 2-6-1998; No. 7/99-CE, dated 28-2-1999 and No. 5/2000-CE, dated 21-2-2000.

Authority - Notification No. 88/1988-CE

**THE
KHADI AND VILLAGE INDUSTRIES COMMISSION ACT,
1956
(NO. 61 OF 1956)
(As amended upto 22nd March 2006)**

An Act to provide for the establishment of a Commission for the development of khadi and village industries and for matters connected therewith.

Be it enacted by Parliament in the Seventh Year of the Republic of India as follows:

CHAPTER I

PRELIMINARY

1.(1) This Act may be called the Khadi and Village Industries Commission Act, 1956. Short title and extent

(2) It extends to the whole of India except the State of Jammu and Kashmir.

2. In this Act, unless the context otherwise requires,

Definitions

(a) "the Board" means the Board constituted under section 10;

(b) "Chairman" means the Chairman of the Commission;

(c) "Commission" means the Khadi and Village Industries Commission established under section 4;

¹(cc) "fixed Capital Investment" includes investment in plant and machinery and land and building of an industry;

(d) "Khadi" means any cloth woven on handlooms in India from cotton, silk or woollen yarn handspun in India or from a mixture of any two or all of such yarns;

(e) "member" means a member of the Commission and includes the Chairman²;

(f) "Prescribed" means prescribed by rules made under this Act;

¹ Inserted by Act 12 of 1987, S.2 (a) (w.e.f. 24.07.1987)

² The words "and the Vice-Chairman" omitted by Act 12 of 1987, S.2 (b) (w.e.f. 24.07.1987)

¹(ff) "Rural Area" means the area comprised in any village, and includes the area comprised in any town, the population of which does not exceed ²[twenty thousand] or such other figure as the Central Government may specify from time to time;

³(g)

⁴(gg)

⁵(h) "village Industry" means -

(i) any industry located in a rural area which produces any goods or renders any service with or without the use of power and in which the fixed capital investment per head of an artisan or a worker does not exceed ⁶[one lakh rupees] or such other sum as may, by notification in the Official Gazette, be specified from time to time by the Central Government;

Provided that any industry specified in the Schedule and located in an area

other than a rural area and recognised as a village industry at any time before the commencement of the Khadi and Village Industries Commission (Amendment) Act, 1987 shall, notwithstanding anything contained in the sub-clause, continue to be a village industry under this Act;

⁷Provided further that in the case of any industry located in a hilly area, the provisions of this sub-clause shall have effect as if for the words "one lakh rupees", the words "one lakh and fifty thousand rupees" had been substituted.

(ii) any other non-manufacturing unit established for the sole purpose of promoting, maintaining, assisting, servicing (including mother units) or managing any village industry.

⁸3.

CHAPTER II

THE KHADI AND VILLAGE INDUSTRIES COMMISSION

4.(1) With effect from such date as the Central Government may, by notification in the Official Gazette, fix in this behalf, there shall be established a Commission to be called the Khadi and Village Industries Commission which shall be a body corporate having perpetual succession and a common seal, with power to acquire, hold and dispose of property and to contract, and may by the said name sue and be sued;

Establishment
and
Constitution
of the
Commission

⁹(1A) Save as otherwise provided under this Act and the rules made thereunder, the exercise of all powers and discharge of all functions under this Act, including general superintendence, direction and management of day-to-day affairs of the Commission, shall vest in the Commission.

1 Inserted by Act 12 of 1987, S.2 (c) (w.e.f. 24.07.1987)

2 Substituted by Act 10 of 2006, S.2 (i) for the words "ten thousand" (w.e.f. 15.05.2006)

3 Clause (g) deleted by Act 12 of 1987, S.2 (d) (w.e.f. 24.07.1987)

4 Clause (gg) deleted by Act 12 of 1987, S.2 (e) (w.e.f. 24.07.1987)

5 Substituted by Act 12 of 1987, S.2 (f) (w.e.f. 24.07.1987)

6 Substituted by Act 10 of 2006, S.2 (ii) (A) for the words "fifteen thousand rupees" (w.e.f. 15.05.2006)

7 Inserted by Act 10 of 2006, S.2 (ii) (B) (w.e.f. 15.05.2006)

8 Section 3 deleted by Act 12 of 1987, S. 3 (w.e.f. 24.07.1987)

9 Inserted by Act 10 of 2006, S.3 (a) (w.e.f. 15.05.2006)



1995--

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(5)

GOVERNMENT OF ANDHRA PRADESH
INDUSTRIES & COMMERCE (IF.CELL) DEPARTMENT

Memo No. 27834/IF.Cell/A2/2002-1.

Date. 1-1-03.

Sub:- Order dated 29-10-2002 of Hon'ble Supreme Court in Writ Petition
(Civil) No. 202/1995 - Reg.

Ref:- From the Addl. Director General of Forests, GOI No.4-10/2002-SU,
dt.2-12-02.

A copy of the reference cited is herewith sent to the Commissioner of Industries
Hyderabad, for taking necessary action.

C. KASTURI LOKA BABU
DEPUTY SECRETARY TO GOVERNMENT

To
The Commissioner of Industries,
Hyderabad (we).

// FORWARDED BY ORDER //

M-P. D. S. R. S. R.
SECTION OFFICER

B

No. 12583/CSP/Com/17

1997---

No. 4-10/2002-SU

भारत सरकार
पर्यावरण एवं वन मंत्रालय
GOVERNMENT OF INDIA
MINISTRY OF ENVIRONMENT & FORESTS

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Dated 2nd December 2002

To,

The Chief Secretary,

Govt of Andhra Pradesh.

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Pl. Antup
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J.F. all
[Signature]

Doc No.	027834
Date	31-12-02
Section	IPCE
Signature	

Subject:- Order dated 29.10.2002 of Hon'ble Supreme Court in Writ Petition (Civil) No. 202/1995.

Sir,

GI

I am directed to reproduce below the extracts of the orders of the Hon'ble Supreme Court dated 29.10.2002 in Writ Petition (Civil) No. 202/95:

"No State or Union Territory shall permit any unlicensed saw-mills, veneer, plywood industry to operate and they are directed to close all such unlicensed unit forthwith. No state Government or Union Territory will permit the opening of any saw-mills, veneer or plywood industry without prior permission of the Central Empowered Committee. The Chief Secretary of each State will ensure strict compliance of this direction. There shall also be no relaxation of rules with regard to the grant of licence without previous concurrence of the Central Empowered Committee.

It shall be open to apply to this Court for relaxation and or appropriate modification or orders qua plantations or grant of licences."

It is requested that the State Government may kindly comply with the orders of the Apex Court strictly in letter and spirit...

Yours faithfully,

[Signature]

(N.K. Joshi)

Addl. Director General of Forests

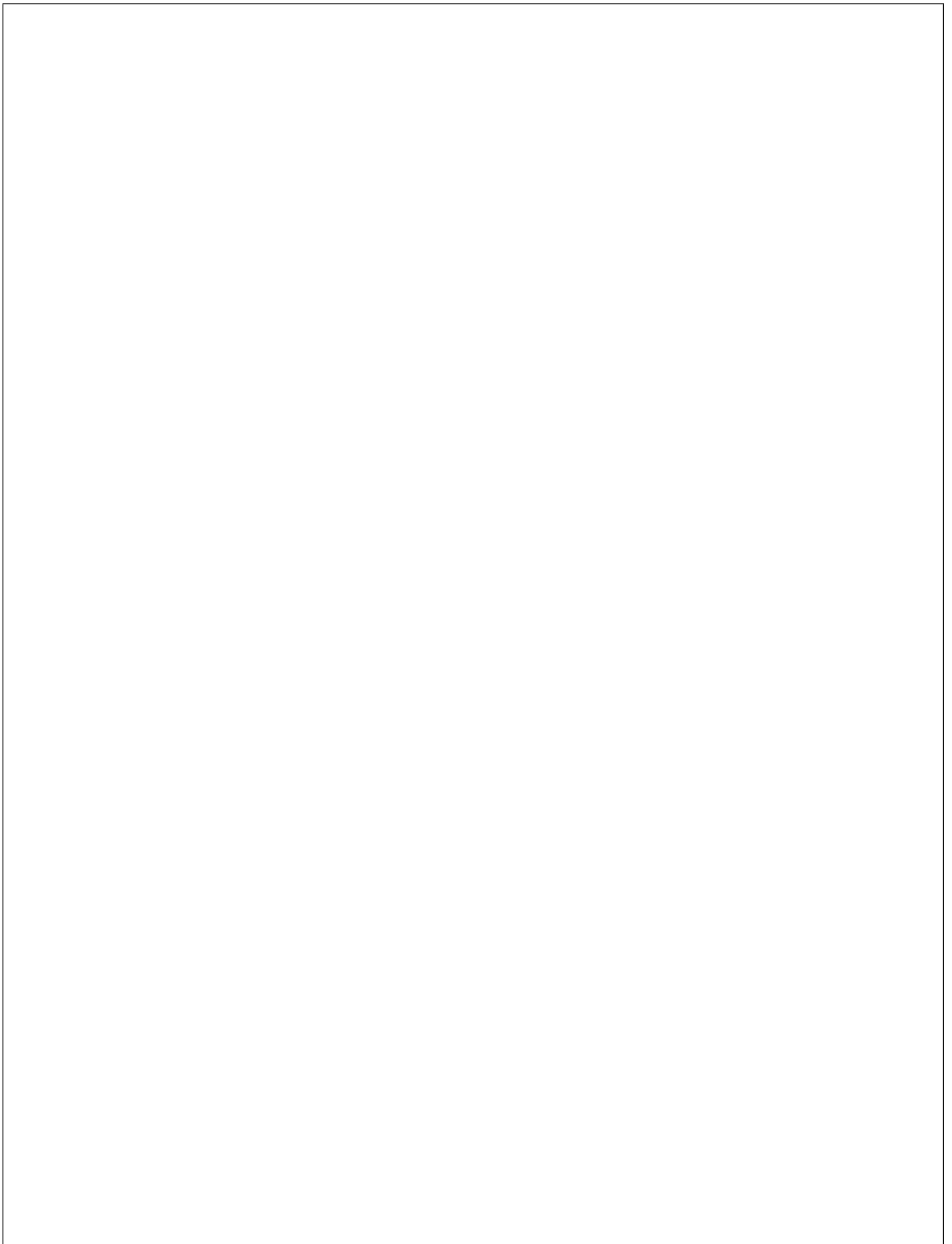
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पर्यावरण भवन, सी. जी. ओ. कॉम्प्लेक्स, लोदी रोड, नई दिल्ली-110003
PARYAVARAN BHAVAN, C.G.O. COMPLEX, LODHI ROAD, NEW DELHI-110003

Copy



Minutes of the Meeting held on 18-03-2008 with regard to streamlining the procedure for allotment of Raw-materials to industries.

The following have attended the meeting :

1. Sri Neerabh K. Prasad, Commissioner of Industries.
2. Sri M. Vijaya Kumar, Director of Boilers.
3. Sri R. Ranga Rao, Director, Drug Control Administration, A.P., Hyderabad.
4. Sri A. Arun Kumar, Joint Chief Environmental Engineer, APPCB, Hyderabad.
5. Sri R. Madhusudhan Rao, Addl. Director of Industries.
6. Sri K. Krishna Rao, Joint Director (SIDIC).

Issues relating to the running of industries and recommendation for allotment of rawmaterials like Coal and Alcohol was discussed in the meeting.

It was noted that at present, Industries Department is recommending for allotment of Coal and Alcohol (including Molasses) to the industrial units in the State by verifying a number of parameters about the functioning of a unit, including the validity of CFO, Boiler Certificate and Drug Licence, wherever applicable. Generally, the allotment is being made only if the unit has valid CFO, Boiler Certificate and Drug Licence and the allotment is recommended for the validity period of CFO, Boiler Certificate and Drug Licence. As and when an industry gets their Certificates renewed by the concerned Departments, the allotment of raw-materials is being extended accordingly.

In this regard, the members noted that the Industries have represented that time is being taken in the renewal of CFO, Boiler Certificate and Drug Licence of the Industries by concerned Departments and linking of allotment of raw-material with the above certificates is causing lot of hardship to the industries to meet their raw-material requirement in the transition period which is hampering their production. They have also represented that, the APPCB, the Director, Boilers and the Director, Drug Controller anyway carry out their own inspection to verify the validity of their certificates viz., CFO, Boiler Certificate and Drug Licence and it may not be necessary to link the allotment of raw-material to these certificates.

Contd. p.2.

The Joint Chief Environmental Engineer, APPCB informed that renewal of CFO involves detailed processing in the APPCB and submission of renewed CFO Certificate be not insisted upon for further allotment of rawmaterials to unit. Otherwise, there is unnecessary pressure put on the APPCB for the renewal. He suggested that only for the new units coming into production for the first time, CFO should be insisted upon as no unit can start production without obtaining CFO from APPCB. The Joint Chief EE also informed that for new units they give CFO for first time for one year period and there after, if the unit meets all the requisite norms, CFO is renewed for 3/4/5 years depending upon the red, orange, green category of the industry. The APPCB follows similar procedure for granting CFO for units where expansion takes place. He also informed that the APPCB through its field functionaries continuously monitor that each and every industrial unit has the necessary valid CFO and is complying with the environmental norms prescribed.

On the issue of supply of rawmaterial to the units temporarily closed by the APPCB, the Joint Chief EE, APPCB informed that the APPCB issues closure and revoke orders as the case may be ranging from few days to few months. In majority of these cases, there is no need to stop supply of rawmaterials as the closure duration is very small, generally few days or weeks. However, in case a unit is closed for more than 3 months, it was felt that rawmaterial allotment, especially of Coal should be stopped, so as to avoid diversion. Accordingly, it was decided that APPCB will communicate to Commissioner of Industries by 1st week of every month, a list of industries which are closed for 3 months continuously under APPCB orders, so that allotment of rawmaterial can be stopped to such industries. Allotment can be restored to such units only on further report of APPCB.

The Director of Boilers informed that their Department will initially issue Boiler Certificate to industries on Provisional basis which is valid for 6 months. And there after, if all conditions are met, regular Boiler Certificate valid for one year will be issued. He has further informed that there exists various types of Boilers like Coal fired, Husk fired, Oil fired etc., The

Commissioner of Industries suggested that the details of the type of Boiler i.e. whether it is a Coal fired, Husk fired, Oil fired may be mentioned in the remarks column of the Boiler Certificate issued through Form - VI, for which the Director of Boilers agreed. The Director of Boilers also informed that the Boiler Inspectors and other field functionaries carryout the necessary inspections as per the statutory provisions. Further, the industrial units are also bound by the law to inform the Director of Boilers in case of any drawback. He has also informed that through his field functionaries they continuously monitor the validity of the Boiler Certificate and proper functioning of the Boilers. Wherever a fault is found, instructions are immediately issued to the industrial units for taking corrective measures. In this process, the proper functioning of the Boilers is totally monitored by the Boilers Department and there is no need to link raw material allotment with renewal of Boiler Certificate.

The Director of Boilers also informed that when a Boiler becomes totally unfit for use, it is condemned under Section 8 (VI) and he communicates a copy of the condemnation letter to all the Coal Companies. The Commissioner of Industries requested that a copy of the condemnation orders should also be sent to Commissionerate of Industries. The Director of Boilers agreed that the information regarding condemned Boilers under Section 8 (VI) will be intimated to Commissioner of Industries, so as to effect stoppage of Coal supply to such Boilers / units using those Boilers.

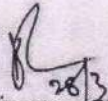
The Director, Drug Control Administration informed that Drug Licence issued by them has validity for 5 years and basically it is issued by checking the facilities of the industries to produce quality product. He has informed that the Director of Drug Control Administration and his field functionaries do not verify the rawmaterial requirement like Alcohol and Coal and it is for each unit to procure the rawmaterials as per their requirement. He had also stated that the Director of Drug Control Administration monitors whether the unit has a valid Drug Licence for manufacturing of the Drug and there is no need to link raw material allotment with renewal of Drug Licence. The Certificates are issued for a period of 5 years. Cancellation of any Drug Licence is extremely rare. He has informed that information regarding the cancellation of Drug Licence to industries will be intimated to Commissioner of Industries for necessary action in case such an action is taken.

After detailed discussions on the above issues, to simplify the procedure of rawmaterial allotment to the industrial units it is decided as follows :

1. Industries department while recommending for allotment of raw-material to industries, will insist for valid CFO, valid Boiler Certificate and valid Drug Licence only in case of
 - (a) new industries applying for first time.
 - (b) Industries which have expanded capacity and are applying for additional Coal / Alcohol / other raw material.
2. Further, while recommending for allotment of rawmaterial to an industrial unit,
 - a) renewal of CFO,
 - b) renewal of Boiler Certificate.
 - c) renewal of Drug Licencewill not be insisted upon by the Industries Department as they will be monitored by respective Departments.
3. The Industries Department will initially recommend for allotment of raw-materials for 6 months (as Provisional Boiler Certificate has validity for 6 months) on adhoc basis so that the actual assessment of the raw-material can be made. Based on the allotment and usage of rawmaterials for these 6 months, assessment will be made for regular allotment.
4. Thereafter based on the assessment of the requirement of regular allotment recommendation for raw-material will be made on regular basis for a period of one year. As per New Coal Marketing Policy, the SCCL would be entering into an agreement for one year. Request can be made to the Excise Department also to follow a similar procedure.
5. Any time, if the APPCB or the Director of Boilers or Director of Drug Control Administration feel that there is a case for stopping allotment to an Industry and the raw-material should not be recommended, they will immediately send a letter to the Commissioner of Industries along with reasons with a copy to concerned General Manager, District Industries Centre and a copy to SCCL in case of Coal supplies and Commissioner, Prohibition and Excise in case of Alcohol allotment.
6. APPCB will communicate to Commissionerate of Industries by 1st week of every month, a list of units which are closed due to APPCB orders for 3 months continuously, so that action be taken for canceling the recommendation made for the allotment of rawmaterial.
7. The Director of Boilers will issue necessary instructions that in the remarks column of the Boiler Certificate in Form VI the details about the type of Boiler i.e. whether it is a Coal fired Boiler, Oil fired Boiler, Husk fired Boiler or other type be mentioned while issuing the Boiler Certificate.

8. The Director of Boilers will communicate a copy of condemnation order issued under Section 8 (VI), whenever issued to the Commissionerate of Industries, with a copy to concerned GM, DIC, so that Coal supply to a unit relating to that Boiler can be stopped.
9. Whenever Drug Licence of any unit is cancelled, the Director, Drug Control Administration will communicate a copy of such order to Commissionerate of Industries, so that action be taken for cancelling the recommendation made for the allotment of rawmaterial. (A/c of)
10. A set of standard terms and conditions be devised and attached with each recommendation for allotment of raw-material, which clearly specifies that the unit shall be responsible to have a valid CFO, Boiler Certificate and Drug Licence and it shall be the responsibility of the concerned unit to maintain the same.
11. It is clarified in the meeting that it is the responsibility of the concerned Departments to monitor the validity of the CFO, Boiler Certificate and Drug Licence.

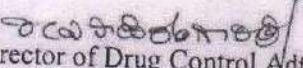
It was felt that the above mechanism would simplify the procedure and help in speedy allotment of raw-material and there by assist the industries to carryout their production without any difficulty.

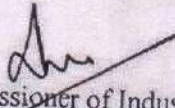

Joint Director (SIDIC)


Director of Boilers


Jt. Chief Environmental Engineer
of APPCB


Addl. Director of Industries


Director of Drug Control Administration


Commissioner of Industries
2/3.

GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES :: HYDERABAD

Circular Memo. No. 11-1-5-0006, dated 21-06-2008.

Sub: Allotment of Raw-materials to Industrial units - Streamlining the procedure for allotment - Certain guidelines issued - Reg.

Ref: 1) Inspection Proforma for allotment of Raw Materials.

2) This office Circular Memo. No. 11-1-5-0006, dated 06-10-2007.

3) This office Circular Memo. No. 11-1-5-006, dated 13-11-2007.

4) Minutes of the meeting with the officials of APPCB, Boiler Department and Drug Control Administration held on 18-03-2008 (copy enclosed).

The attention of all the General Managers, District Industries Centres in the State is invited to the references 1st and 3rd cited, wherein certain instructions / guidelines were issued for allotment of raw-materials. In order to streamline the procedure for allotment of rawmaterials to the Industrial units, a meeting was convened on 18-03-2008 with APPCB, Drug Control Administration and Boilers Department. Certain decisions were taken in the above meetings vide reference 4th cited for streamlining the procedures for allotment of raw materials. Accordingly, the following guidelines / instructions are issued for processing and recommending the applications for allotment of raw materials to Industrial units.

- 1) Whenever a unit is recommended for allotment of raw materials, it is the primary responsibility of the concerned General Manager, District Industries Centre to verify whether the unit is a genuine working unit having genuine consumption of the raw materials like Coal, Alcohol etc. being recommended for allotment as per the Technical norms. It is also the responsibility of the GM, DIC to arrive at the correct assessment of the quantity of raw material being recommended, duly verifying the requirement of raw material as per technical norms based on installed capacity, the actual consumption of the raw material as per actual production, Boiler rating etc. with proper justification. The Inspection Report indicated in reference 1st cited already takes care of the major check points and the GM, DICs should fill-up each and every column carefully and submit the report with full justification of the requirement of raw materials.
- 2) New Units :
 - (a) While recommending for allotment of raw material to **New Industrial Units** which are ready for commencement of production, the General Managers should ensure that the unit has valid CFO issued by APPCB, Boiler Certificate and Drug Licence as applicable before recommending to Central Office and shall recommend for allotment of raw material on adhoc basis for 6 months only initially.

PTO

- (b) Once the adhoc allotment is made as at para 2 (a), the raw material usage by the new unit should be reviewed every month, for a period of 6 months. After elapse of time of the adhoc allotment, recommendation for allotment of raw materials on regular basis can be made for a period of one year, based on the actual assessment of the requirement after verifying the actual production as per RG-I Registers, actual consumption of raw material and other relevant records.

3) Expansion Units :

- (a) While recommending for allotment of raw materials to Industries which have expanded and are applying for additional Coal / Alcohol / other raw material, the General Manager should ensure that the unit furnishes CFO for the expansion. The recommendation for allotment of raw materials for the expansion shall be on adhoc basis for 6 months only.
- (b) Once the adhoc allotment was made to the expansion units as at para 3 (a), the raw material usage by the new unit should be reviewed every month for a period of 6 months. After elapse of time of the adhoc allotment, recommendation for allotment of raw material on regular basis can be made for a period of one year based on the actual assessment of the requirement after verifying the actual production as per RG-I registers, actual consumption of raw material and other relevant records.

4) Running Units :

Once the regular allotment was made to a new unit, for one year, the same may be recommended for running units in the subsequent years on annual basis subject to the condition that the unit is running and the unit has utilised properly the previous allotment of scarce raw material. Based on the correct utilisation, the GM, DIC may recommend the quantity of allotment for next one year. For running units, the GM, DIC should not withhold the recommendation for allotment of raw materials for want of renewal of CFO, Boiler Certificate and Drug Licence as the case may be, but it should be ensured that the validity period of above Certificates / Licences be mentioned in the respective columns of the Inspection Report while recommending and forwarding the proposals for allotment of raw materials and also that the unit holder furnishes acknowledgement from concerned Department that their application has been submitted for renewal.

- 5) It was decided in the meeting in the reference 4th cited, that any time, if the APPCB or the Director of Boilers or Director of Drug Control Administration feel that there is a case for stopping allotment to an Industry and the raw-material should not be recommended, they will immediately send a letter to the Commissioner of Industries along with reasons with a copy to concerned General Manager, District Industries Centre and a copy to SCCL in case of Coal supplies and Commissioner, Prohibition and Excise in case of Alcohol allotment. Accordingly, the GM, DICs shall take necessary action for stoppage of rawmaterial allotment as and when a letter for stopping of rawmaterial is received from APPCB, Director of Boilers and Director of Drug Control Administration.

- 6) APPCB will communicate to Commissionerate of Industries by 1st week of every month, a list of units which are closed due to APPCB orders for 3 months continuously, so that action be taken for cancelling the recommendation made for the allotment of rawmaterial. Accordingly, the GM, DICs shall take necessary action as and when a copy of the closure order is received from APPCB.
- 7) While recommending for allotment of Coal, the General Managers should ensure and clearly indicate the type of the Boiler as mentioned in the Boiler Certificate i.e. whether it is a Coal fired, Husk fired or Oil fired, in the respective column of the Inspection Report. [In the meeting cited in 4th reference, it was decided that the Boilers Department will indicate in the Boiler Certificate whether it is Coal fired, Husk fired or Oil fired].
- 8) The Director of Boilers will communicate a copy of condemnation order issued under Section 8 (VI), whenever issued, to the Commissionerate of Industries, with a copy to concerned GM, DIC, so that Coal supply to a unit relating to that Boiler can be stopped. The General Managers, District Industries Centres shall take necessary action as and when a copy of the condemnation order is received from the Director of Boilers.
- 9) Whenever Drug Licence of the any unit is cancelled, the Director, Drug Control Administration will communicate a copy of such order to Commissioner of Industries, so that action can be taken for cancelling the recommendation made for the allotment of rawmaterial. The General Managers, DICs shall take necessary action for stoppage of rawmaterial whenever such order of cancellation of Drug Licence is received from Drug Control Administration.
- 10) **General Instructions :**
The General Manager, District Industries Centres shall mention in each Inspection Report whether the unit has any linkage of Coal other than SCCL i.e. such as CIL / Imported Coal. The particulars of quantity of such Coal and utilisation and production particulars shall also be furnished in their report.
- 11) **Standard Terms & Conditions of allotment :**
 - (a) Further, a set of standard Terms and Conditions to be stipulated at the time of recommendation by the Industries Department for allotment of Coal by the SCCL to the industrial units so as to avoid misutilisation, is communicated herewith to all the General Managers, District Industries Centres in the State and they are instructed to strictly stipulate the above Terms and Conditions on the overleaf of the recommendation letters issued by them to the SCCL for allotment of Coal upto 100 M.Ts. per month to the industrial units.

- (b) Further, the GM, DICs are also responsible to ensure that the correct factory address, where raw material is to be delivered, is mentioned in the Recommendation letter, so that the same can be incorporated in the Way Bill by the SCCL.

12) **Monitoring :**

The General Managers, District Industries Centres shall also download the allotments made by the SCCL to Industrial units of their concerned Districts from the SCCL Web site every week on Monday and shall monitor the utilisation of Coal by the respective industrial units.

13) **Quarterly Report :**

The GM, DICs shall send the Quarterly Inspection Reports of the units which are allotted raw materials to the Head Office without fail.

- 14) In the Quarterly Reports, the GM, DICs shall verify the month-wise Coal receipts, the Coal consumption and verify whether the consumption is commensurate with production as per technical norms. This is to ensure proper utilization of Coal by all units recommended by GM, DICs.

- 15) The General Manager, DICs shall specifically certify whether the unit utilised Coal properly or not after duly verifying concerned registers / data in the Quarterly Report.

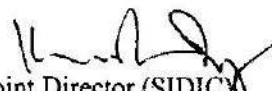
The General Manager, DICs shall scrupulously follow the above guidelines.

Encl: Terms & Conditions.

Sd/- Neerabh K. Prasad,
COMMISSIONER OF INDUSTRIES.

To
All the General Managers,
District Industries Centres in the State.
Copy to S/F / Spare. ✓

// Attested //


Joint Director (SIDIC)



STANDARD TERMS & CONDITIONS

For Units :

1. The unit holder shall be responsible to ensure that allotted Coal through this recommendation letter is directly received from SCCL to the unit premises and is not diverted to any other location. Further, the Coal shall be utilised by the unit only for the production for which it is released.
2. The unit holder should sign in full on the back side of the Delivery Challan and Way Bills which are to be furnished to SCCL at the time of next allotment and also attach proof of production like production particulars, power consumption, tax paid etc. which will be verified by SCCL.
3. The unit holder shall not hand over this recommendation letter to any other person like Dealer / Transporter / other industrial units under any circumstances.
4. The unit holder shall be held solely responsible for any diversion / misutilisation of Coal and this recommendation is liable for cancellation and SCCL shall stop allotment of Coal to the unit.
5. The unit holder shall obtain all valid licenses, approvals, clearances under relevant statutes for running their unit.
6. Mere recommendation of Coal allotment does not amount to any approval / permission. The unit holder is responsible to have a valid CFO, valid Boiler Certificate, valid Drug Licence & other valid permissions as may be required.

For SCCL:

1. To avoid diversion of Coal, the SCCL should issue Way Bill directly from Mines to the factory location mentioned in the recommendation letter. Under no circumstances, should Way Bill be issued for any other location.
2. Under no circumstances, SCCL should issue Delivery Challan / Way Bill in any other name other than what is mentioned in the recommendation letter. Similarly, Delivery Challan / Way Bill shall not be issued in more than one name.
3. SCCL shall issue Delivery Challan for the next month allotment only after submission of Delivery Challan and Way Bills of previous month's allotment duly countersigned by the recipient unit along with the Company seal by the unit to the SCCL.
4. SCCL shall verify the documents submitted by the unit holder regarding production details, tax paid, electricity bill.
5. The SCCL shall not issue the Way Bill in the name of transporter, trader / dealer or any other such person. The Way Bill shall be issued only in the name of the Unit duly mentioning the location.
6. SCCL shall mark a copy of the annual allotment made to the industrial unit to the Commissioner of Industries and concerned GM, DIC.

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GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES :: HYDERABAD

Circular Memo. 11-3-5-0006 (Main File), dated 06-09-2008,

Sub: Raw Material - Allotment of Coal - Certain Guidelines - Communication - Reg.

Ref: 1) Circular Memo. No. 11-3-5-0006, dt. 21-06-2008.

2) Lr. No. HYD/MKT/C/006/467, dated 28-06-2008 of the CMD, SCCL, Hyd.

Vide reference 1st cited, guidelines were issued with regard to allotment of Raw Materials to the industrial units wherein it was instructed that the recommendation for regular allotment of Raw Materials shall be made for one year.

Vide ref. 2nd cited, the CMD, SCCL requested that the recommendation for allotment of Coal be made for 2 years so that SCCL can enter into FSA with the industrial consumers as per New Coal Distribution Policy.

In view of the above, all the GMs, DICs are requested that whenever the recommendation for allotment of Coal is to be made on Regular basis, it is to be made for a period of 2 years to the industrial units so as to enter into FSA with the SCCL as per New Coal Distribution Policy.

The recommendation for Adhoc allotment for the New units and Expansion units shall be made for 6 months only as per Circular cited in reference 1st cited, so as to arrive at correct assessment of Coal after watching the utilisation.

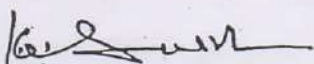
All other guidelines issued through the reference 1st cited holds good.

Sd/- Neerabh K. Prasad,
COMMISSIONER OF INDUSTRIES

To
General Manager,
District Industries Centre,
.....

Copy to S.F. / Spare.

// Attested //


Deputy Director (SIDIC)



GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES :: HYDERABAD

CIRCULAR INSTRUCTIONS

Circular Memo No. 11-1-2005-0006 dt. 20-7-2010

Sub:- Processing of Scarce Raw-material applications - Certain Instructions for allotment of Coal - Issued - Reg.

Ref: This Office circular memo No. 11-1-05-2006 dated 21-6-2008.

A decision has been taken by the M/s. SCCL and Commissioner of Industries in a Meeting held on 19-5-2010, that the adhoc allotment to the Coal consuming units shall be a period of one year instead of six months as decided earlier and for the regular allotment it shall be a period of two years. However the proposals for regular allotment shall be forwarded to the Commissioner of Industries after completion of six months and before one year of adhoc allotment to avoid break in supply of coal for continuity of production. Hence, all the General Managers requested to take necessary action accordingly.

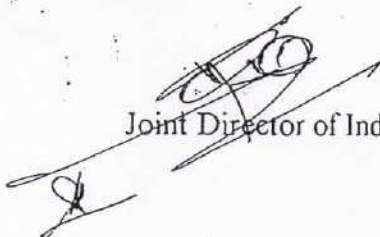
All the General Managers are also requested to send the coal allotment proposals in full shape with all necessary documents enclosures with attestation. For regular allotment all General Managers are requested to send the proposals with correct assessment basing on actual the coal consumption of the previous year.

More over, all the General Managers are requested to furnish the status of the units along with utilisation reports every month without fail to take necessary action.

Sd/- B. Suresh Babu,
Additional Director of Industries (B),
O/o Commissioner of Industries.

To
All General Managers, District Industries Centres in the state.
Copy to COIs Peshi / Addl. Director (B) Peshi.
Copy to SF

// Attested //


Joint Director of Industries (PM&FM)

GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES: HYDERABAD.

Circular Memo No.11-1-5-00060006/fd, Dated :27-06-2011.

Sub: Allotment of Raw materials to industrial units -streamlining the procedure for allotment -certain guidelines – Reg.

Ref: 1) This office circular No 11-1-5-0006 date 21-06-2008.

2) Minutes of the meeting with the officers of APPCB, Boiler Department, M/s SCCL Ltd., and members of the BDMA, A.P.

The attention of all the General Managers, District Industries Centers in the State is invited to the reference 1st cited, where in certain instructions / guidelines were issued for allotment of raw materials. In order to streamline the procedure for allotment of raw materials to the industrial units, a meetings was convened on 20-01-2011 and 1-4-2011 with the officials of APPCB, Boiler Department, M/s SCC Ltd and Members of the Bulk Drug Manufacturers Association (BDMA), Andhra Pradesh. In the meeting after delebrations certain decisions were taken vide reference 2nd cited for streamlining the procedure for allotment of scarce raw materials. Accordingly, the following revised guidelines / instructions are issued for processing and recommending the applications for allotment of raw materials to industrial units.

Whenever a unit is recommended for allotment of raw materials, it is the primary responsibility of the concerned General Manager, DIC to verify whether the unit is a genuine working unit having genuine consumption of the raw materials like Coal, Alcohol.. etc., while recommending for allotment as per the guidelines. It is also the responsibility of GM, DIC to arrive at the correct assessment of the quantity of raw materials being recommended, duly verifying the requirement of raw materials per unit production as per technical norms and as per the actual consumption of the raw material (whichever less is to be considered). With this factor the requirement of raw materials can be calculated as per actual production for the latest period, boiler rating, installed capacity, capacity mentioned in CFO of APPCB whichever is less with proper justification.

The inspection report which is communicated here with already takes care of the major check points and the GM, DICs should fill-up each and every column carefully and submit the report along with necessary documents(list enclosed) with full justification of the requirement of raw materials.

Contd./2.

2) Units for fresh allotment:

(a) While recommending for allotment of raw materials to new industrial units which are ready for commencement of production or commenced production for the first time for allotment, the General Managers should ensure that the unit has valid CFO issued by APPCB, valid boiler certificate or acknowledgement for renewal with fees paid prior to the expiry of Boiler licence and drug licence and other statutory approvals as applicable before recommending to central office and shall recommend initially for allotment of alcohol on adhoc basis for a period of 3 months and coal on adhoc basis for a period of one year only.

(b) Once the adhoc allotment is made as per the guidelines stated supra raw material usage by the new unit should be reviewed every month for a period of one year. After a lapse of 6 months time from the starting of the lifting of coal quota, GMs may recommend for allotment on regular basis as per the following guidelines.

i) General Manager has to process the proposals for regular allotment in full shape (with required documents as done for adhoc allotment) as per guidelines of the Commissioner of Industries issued from time to time including enclosing the valid boiler licence, CFO from APPCB / acknowledgement for renewal obtained by the unit holder prior to the expiry of the concerned licence.

ii) After applying for allotment to General Manager on regular basis the General Manager has to follow up with the unit holders to obtain production particulars on the RG-1 Register / Sales Tax records, tax paid particulars, coal receipts from M/s. SCCL and out sources, consumption of coal particulars etc., every month. Further, GM. has to verify the records and submit the utilization certificate in the prescribed proforma every month and report to the Commissioner of Industries. Further, the unit holder is to be advised to submit monthly return on production and coal utilisation to directly submit to GM, DIC and to Commissioner of Industries wherever the coal allotment is more than 100 MTs / month.

iii) If the unit fails to submit the above information for consecutive (3) months, the GM has to address M/s. SCCL for stoppage of coal from the 4th month onwards under copy marked to the unit holder and to Commissioner of Industries and similar action will be taken at Head office level in respect of units allotted coal for more than 100 MTS/month..

iv) Whenever the details are submitted to GM. they should submit utilization report with in one month from the receipt of the details from the unit holder to the COI.

(3) Expansion Units:-

(a) While recommending for allotment of raw materials to industries which have expanded and are applying for additional coal/alcohol/other raw materials, GM should ensure the unit furnishes CFO for the expansion. Recommendation for allotment of raw materials for the expansion should be the same as done in case of fresh allotment.

(b) Once the adhoc allotment has made to the expansion units as per the guidelines at para 3(a) and recommendation for allotment is to be made on regular basis as per the guidelines at para-2(b).

(4) General Instructions:-

a) It is also decided to consider the requirement of coal for multiple/forced evaporation systems by considering it as part of production and restrict the coal assessment to the extent of boiler rating or actual consumption whichever is lower.

b) Further it is decided that in case of proposals for Alcohol allotment there is no need for joint inspection of the technical committee again for renewal of existing regular allotment of the alcohol as the requirement already assessed by the technical committee at the time of first regular allotment.

c) The General Manager, DICs in the state should mention in each inspection report whether the unit has any linkage of coal other than M/s.SCC Ltd such as CIL/importers/other indigenous agencies. The particulars of quantity of such coal and utilization and production particulars along with proofs (copies of bills/invoices) of purchases from out side sources

d) Further, the GM, DICs are also responsible to ensure that the correct factory address where raw material is to be delivered, is mentioned in the recommendation letter. So that the same can be incorporated in the way bill by M/S SCCLtd.

e) The General Managers, District Industries Centers shall also download the allotments made by the SCCL to industrial units of their districts concerned from the SCCL web site regularly and shall monitor the utilization of coal by the respective industrial units.

f) The GM, DICs shall send the utilization reports of all units once in a quarter with out fail

g) In the quarterly reports, the GM, DICs shall verify the month wise coal receipts, the consumption and verify whether the consumption is commensurate with production as per actual production and as per RG1 register/sales tax returns. This is to ensure proper utilization of coal by all units recommended by GM, DICs.

h) The General Manager, DICs shall specifically certify whether the unit utilized coal properly or not after duly verifying concerned registers/data while recommending the proposals for regular allotment along with attested copies of bills/invoices for the out side purchases of coal, husk, fire wood..etc.,

Contd...4.

5 Standard terms & conditions:

(a) Further, a set of standard terms and conditions to be stipulated at the time of recommendation by the industries department for allotment of coal by M/s. SCCL to the industrial units so as to avoid misutilisation, is communicated herewith to all the General Managers, District Industries Centres in the state and they are instructed to strictly stipulate the above terms and conditions on the overleaf of the recommendation letters issued by them to the M/s. SCCL for allotment of coal up to 100 MTS/per month to the industrial units.

Encl:1.Application form for coal/Alcohol..
2. Inspection Proforma for coal/Alchol.
3. Check slip.

Sd/- Karikal Valaven,
Commissioner of Industries

- 1107 -

GOVERNMENT OF ANDHRA PRADESH
COMMISSIONERATE OF INDUSTRIES :: HYDERABAD

Cir. Memo No. 11 - 2 - 2005 -0006- 0006 - FD , dated : 04-04-2012.

Sub:- Allotment of Raw-material to Industrial units - Streamlining the procedure for allotment - Certain revised guidelines issued - Regarding.

Ref:- 1) This office Cir. Memo. No. 11-1-5-0006-0006/FD., dated: 27-06-2011.
2) Minutes of the meeting with the officials of APPCB, Boiler Department held on 01-04-2011 (copy enclosed).

In the reference 1st cited, Certain instructions / guidelines were issued to all the General Managers, District Industries Centres in the State to follow the guidelines while recommending the coal / Alcohol to the Industrial units. In the above instructions, it was clearly mentioned that the requirement of coal should be calculated as per the following options and lowest of the coal requirement of all the options should be recommended based on:

- 1) Installed Capacity
- 2) Operating Capacity
- 3) Boiler Rating
- 4) Technical Norm
- 5) Actual Consumption and actual production
- 6) CFO Capacity.

The minimum of the above alternatives should be recommended for allotment.

In the reference 2nd cited APPCB also suggested that Coal / Alcohol allotment should be restricted to the CFO Capacity only, so as to reduce the pollution and save the environment.

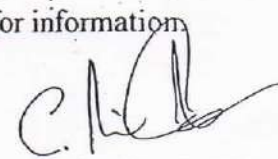
In spite of the clear instructions, some of the General Managers, District Industries Centres in the State are repeating the same error in recommendation. Hence all the GM, DICs are once again instructed to follow the guidelines without any deviation.

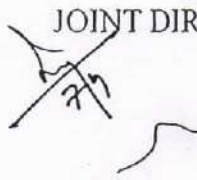
Sd/- R. Madhusudhana Rao,
Additional Director of Industries (R),
O/o Commissioner of Industries.

To
All the General Managers,
District Industries Centres in the State.

Copy to the Peshi of Additional Director of Industries (R) for information
Copy to SF.

//Attested//


JOINT DIRECTOR (PM&FM)



GOVERNMENT OF TELANGANA
COMMISSIONERATE OF INDUSTRIES::HYDERABAD

Memo No.21C/3/JD/MSME-FD

Dated: 02.05.2015

Sub: Raw Material - Allotment - Streamlining the procedure for allotment of raw material to Industries - Certain instructions - Issued - Regarding.

Ref: Minutes of the meeting held on 1.04.2011 for Streamlining the procedure for allotment of Raw Material to Industries.

Kind attention is invited to the reference cited, wherein the Environmental Engineer, Pollution Control Board suggested that Coal/Alcohol allotment should be restricted to CFO Capacity. If the unit submits application along with requisite fees to Pollution Control Board for renewal and submits acknowledgement, it will be valid for one year as the renewal from Pollution Control Board is a time consuming process and allotment of Scarce Raw material may be restricted for one year.

If the acknowledgement for renewal with prescribed fee is more than one year old then the unit should not be given any allotment of Coal and Alcohol as the process of CFO renewal will not be taken more /than one year in normal Cases.

The Pollution Control Board will communicate the list of Industries which are closed for more than three months continuously under Pollution Control Board Orders, so that the allotment of Raw Materials can be stopped to such industries.

With regard to the boiler certificate, if an application for allotment of coal is received during the validity of certificate or within a period of two months from the date of expiry of certificate, the application may be considered to avoid inconvenience to the genuine boiler users.

In view of the above, all the **General Managers**, District Industries Centre, Telangana State are requested to follow **the above instructions** scrupulously while recommending the allotment of Raw Material.

Sd/- R. Madhusudhan Rao.,
Additional Director of Industries
O/o Commissionerate of Industries.

To
The General Manager,
District Industries Centre.

//Attested//

Deputy Director (MSME)



GOVERNMENT OF TELANGANA
COMMISSIONERATE OF INDUSTRIES, HYDERABAD

Circular Memo. No.27 / 2 / 2016 / Raw Material Guidelines / FD, Dated.02-07-2016

Sub: Allotment of Raw Materials to Industrial Units – procedure for allotment certain cases - guidelines issued – Regarding.

Ref: Circular Memo. No.11-1-5-0006 / 0006 /FD, Dated.27-06-2011.

The attention of all the General Managers, District Industries Centres in the State is invited to the reference cited, wherein certain instructions were issued for streamlining the procedure for allotment of Raw materials.

The General Managers, District Industries Centres shall not accept any application manually in office in regard to allotment of raw materials and to process the applications which were received through online only website <https://ipass.telangana.gov.in> as instructed earlier vide COI's Note No.COI Peshi/05/2016, dated.30-04-2016.

Further, it is noticed that the DIPC Meetings are not being conducted in all the Districts on time due to various reasons and the claims of the Industrial Units for allotment of Raw Materials are being delayed. Due to which, the manufacturing units are facing hardship without raw materials and incurring huge production losses. To overcome this problem, the Commissioner of Industries is hereby instruct all the GM, DICs to recommend the proposals of the units for allotment of Raw Material in the following cases.

1. In absence of DIPC approval:

The proposals of the units that have been already allotted Coal / Alcohol earlier and has applied for renewal which are in full shape and having all statutory approvals duly attested by concerned officer and inspection report with the following conditions.

- a. The unit should possess valid CFO Certificate.
- b. Valid Boiler Certificate.
- c. The unit should be working and to furnish proof of running the unit such as power bills.
- d. The unit holder should furnish the indemnity bond stating that the unit will pay the difference of premium amount as on the day of lifting of coal to M/s. SCCL, Hyderabad in case the DIPC rejects / reduces the allotment of coal.

2. In case of unit holders not availing Auto renewal of CFO from TSPCB due to non compliance of Bank guarantee (except units going for expansion/diversification or inclusion of new products) and units applied for renewal of CFO and having proof of renewal Acknowledgement from TSPCB such units can be recommended for allotment of Coal for a period of 3 months on regular basis to avoid the discontinuation of supply of Coal to the units thereby the production of units is not affected and this is in line with the minutes of the GMs conference held on 26.02.2016.

....Contd....2....

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- a. The unit should be working and to furnish proof of running the unit such as power bills.
- b. Valid Boiler Certificate.
- c. The unit holder should furnish indemnity bond stating that the unit will pay the difference of premium amount to M/s. SCCL, Hyderabad at the time of lifting of coal, when the DIPC rejects the coal proposal of the unit.

In view of the above, all the General Managers, District Industries Centres are directed to follow the above guidelines scrupulously.

Sd/- K.Manicka Raj,
Commissioner of Industries.

To
All the General Managers,
District Industries Centres in the State.

Copy to the Peshi of Commissioner of Industries / Additional Director of Industries
for information.

Copy to Stock File / Spare.

// Attested //


Joint Director (MSME)

9849536529
Sd/-, Principal
241-
OCT,

GOVERNMENT OF TELANGANA
COMMISSIONERATE OF INDUSTRIES :: HYDERABAD

From The Commissioner of Industries, Chirag Ali Lane, Abids, Hyderabad.	To The Principal / Head of the Department, College of Technology, Osmania University, Hyderabad.
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Letter No. 27 / 2 / 2016 / 22552 / 35708 / FD, Dated.23-02-2017

Sir,

Sub: Allotment of Raw Materials – Department of Industries – Request for Nominating faculty member for participation in Joint Inspection for assessing the requirement of alcohol to the needy Industries in the State – Regarding.

Kind attention is invited to the subject cited. It is to inform that, hitherto the scarce raw materials i.e., / Ethanol / Absolute Alcohol required by the Industries, is to be recommended to Prohibition & Excise Department by conducting a Joint Inspection by the following members of the Committee.

- i) A representative from the Commissioner, Prohibition & Excise Department not below the rank of Assistant Commissioner.
- ii) A representative from the Indian Institute of Chemical Technology (IICT), Hyderabad.
- iii) An Officer from District Industries Centre of the concerned District.

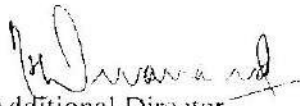
The Joint Inspection Team will visit the Industry and verify the Plant and Machinery available, study the manufacturing process and assess the requirement of Ethanol / Absolute Alcohol for purification / Reactions and submit the report to this office for onward recommendation to Prohibition and Excise Department.

The Authorities of IICT have expressed their inability in continuance of their participation in the Joint Inspections because of their busy Research Works. Hence, it is desired, to request you to kindly nominate a faculty member from your esteemed Organisation for participation as member of the Joint Inspection Team.

It is therefore, requested to kindly nominate the faculty member, whenever the General Managers of District Industries Centres request for Joint Inspection for assessing the quantity of raw materials (Alcohol) required by the Industry.

Awaiting for your favourable reply and acceptance in the matter.

Yours faithfully,


Additional Director,

O/o the Commissioner of Industries.





243-

UNIVERSITY COLLEGE OF TECHNOLOGY(A)
OSMANIA UNIVERSITY, HYDERABAD-500 007 Telangana, INDIA
Website: www.ouct.ac.in e.mails: uctou1969@gmail.com
Phones : 27098901/ 27682291 Extn:200/201 Fax: 040-27098472

To
The Commissioner of Industries,
Chirag Ali Lane,
Abids,
Hyderabad.

Date: 01-6-2017

Sub: Faculty member for joint Inspection for the assessment of quality of raw materials Req-reg.

Ref: Letter No.27/2/2016/22552/35708/FD, Dated.23-02-2017.

Sir,

With reference cited above, I suggest the name Prof. R. Shyam Sunder, professor & Head Dept. of Technology to include in the Team of Joint Inspector committee as a member for assessing the quality of raw materials required by the Industries.

Thanking you,

Yours sincerely

PRINCIPAL

PRINCIPAL
UNIVERSITY COLLEGE OF TECHNOLOGY
(AUTONOMOUS)
OSMANIA UNIVERSITY, HYDERABAD 500 007

JD (HSM)

pl. put up

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GOVERNMENT OF TELANGANA
COMMISSIONERATE OF INDUSTRIES, HYDERABAD

Memo No. 27 / 2 / 2016 / 22552 / 22552 / ID, Dated.12-06-2017

Sub: Raw Materials – Department of Industries – Inclusion of name and utilization of services of Prof. R.Shyam Sunder, Professor and Head of the Department of Technology, University College of Technology, Osmania University, Hyderabad as a member of Joint Inspection Committee for assessing the quality of raw materials required by the Industries – Regarding.

Ref: 1) Lr. No.49/RM/YDB/2016, dated.09-02-2017 of the General Manager, District Industries Centre, Yadadri Bhuvanagiri District.
2) This office Letter No.27/2/2016/22552/35708/FD, dt.23-02-2017 addressed to Principal, University College of Technology (Autonomus), Osmania University, Hyderabad.
3) Letter dated.01-06-2017 of the Principal, University College of Technology (Autonomus), Osmania University, Hyderabad.

The attention of all the General Managers, District Industries Centres in the State is invited to the references cited. Through the reference 1st cited, the General Manager, District Industries Centre, Yadadri Bhuvanagiri District has informed that the authorities of IICIT have expressed their inability for continuation of their participation in the Joint Inspections because of their busy Research Works. As such, this office has addressed a letter to the Principal, University College of Technology (Autonomus), Osmania University, Hyderabad vide reference 2nd cited, requesting to nominate the faculty member, whenever the General Managers of District Industries Centres requests for Joint Inspection for assessing the quantity of raw materials (Alcohol) required by the Industry.

2. In response, the Principal, University College of Technology (Autonomus), Osmania University, Hyderabad vide reference 3rd cited, suggested the name of Prof. R.Shyam Sunder, Professor & Head of the Department of Technology, University College of Technology, Osmania University, Hyderabad to include in the Team of Joint Inspection Committee as a member for assessing the quality of raw materials required by the Industries.

...Contd....2...

:: 2 ::

3. In view of the above, all the General Managers, District Industries Centres in the State are requested to include the name of Prof. R. Shyam Sunder, Professor & Head of the Department of Technology, University College of Technology, Osmania University and invite / utilize his services as a member of Joint Inspection Committee for assessing the quantity of raw materials required by the Industries.

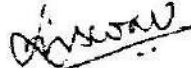
4. This has the approval of Commissioner of Industries.

Sd/- R.B. Devanand
Additional Director,
O/o the Commissioner of Industries.

To
All the General Managers,
District Industries Centres in the State.

Copy to the Commissioner, Prohibition and Excise Department, Government of Telangana,
Nampally Station Road, Nampally, Hyderabad for information.

// Attested //


Assistant Director (MSME)

**GOVERNMENT OF TELANGANA
COMMISSIONERATE OF INDUSTRIES: HYDERABAD**

Memo No. 21 /2018/53817/FD Dt: 24 /09/2018

Sub:- MSME – Department of Industries – Allotment of Coal and Alcohol by introducing online system for recommending the allotments to Prohibition & Excise department, A.P. and Singareni Collieries – Requested - Regarding .

Ref:- Lr.No.Nil, dated: 17-07-2018 of Executive Director for Bulk Drug Manufacturers Association (India), Hyderabad.

The attention of all the General Managers, District Industries centre is invited to the subject and reference cited. It is informed that the online system for processing of applications of Scarce Raw Material is made live. The link for the same is [http:// industries.telangana.gov.in/Login.aspx](http://industries.telangana.gov.in/Login.aspx) . The user – id and password are same as that of incentives link.

Further, it is requested to inform all the associations of concerned districts for filing of applications of Scarce Raw Material online.

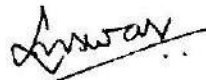
No offline applications are to be accepted from 26.09.2018

In view of the above, the General Managers of the District Industries Centre are therefore requested to take necessary action for implementing online system.

Sd/- R.B.Devanand
Additional Director
O/o Commissioner of Industries

To
All the General Managers,
District Industries Centre
Telangana State

//Attested//



Assistant Director (MSME)

-18

GOVERNMENT OF TELANGANA
COMMISSIONERATE OF INDUSTRIES - HYDERABAD

Memo No 21/2018/53817, dt.09.06.2021.

Sub:- MSME - Department of Industries - Allotment of Coal and Alcohol
by introducing online system - Reg.

Ref: This Office Memo No.21/2018/53817/FD, Dt.24.09.2018.

& & &

The attention of all the General Managers, District Industries Centers in the State is invited to the reference cited, it is to inform that the Commissioner of Industries has taken many steps to streamline and simplify the process not only under TS-iPASS but also incentives and Raw Material applications. The online system of Raw Material applications was made live and informed to all GM, DICs. vide reference cited.

After the introduction of the system, only online processing applications have been followed. In order to further streamline the process, make the system more users friendly and bring all the processes online, the following changes have been made.

1. Recommendation / Allotment letter addressed to Singareni Collieries / Prohibition and Excise Department which hitherto was generated manually is now made available for download on entrepreneur Dashboard.
2. Recommendations were made till validity of statutory approvals. Hence-forth following system will be followed.

Coal Allotment: Recommendation will be made for a maximum period of 1 year for adhoc allotment of coal and 2 years for regular allotment of coal.

Alcohol Allotment: Recommendation will be made for a maximum of 3 months for Adhoc allotment and for a period of 1 year for Regular allotment.

3. Where eligible regular quota is more than adhoc quota made earlier, regular quota was restricted to the adhoc quota and over and above that quota was recommended as adhoc quota. As this was causing confusion, now the unit will be recommended for the full regular quota recommended by DIPC for regular allotments provided that they are eligible.
4. Online provision is being made for the unit to submit coal / alcohol utilisation every month. General Managers will inspect all those units every month that have not submitted their utilisation online. The units utilising coal / alcohol are mandated to submit their utilisation reports 25th of every month. If the unit fails to submit their utilisation certificate by 25th, then within two weeks, the General Managers will inspect and submit their reports on-line only.

In view of the above, all the General Managers, District Industries Centre in the state is requested to take necessary action in the matter.

This has the approval of Additional Director of Industries.

Sep 16/21
Joint Director (MSME),
O/o Commissioner of Industries.

To
All the General Managers,
District Industries Centres in the State.

File No.COI-MSME/RMTR/12/2024-O/o Joint Director (MSME) - COI
GOVERNMENT OF TELANGANA
DIRECTORATE OF INDUSTRIES :: HYDERABAD

From,
The Director of Industries,
Govt. of Telangana,
Chirag Ali Lane, Abids,
Hyderabad.

To,
The Principal,
University College of Technology,
(Autonomous),
Osmania University, Hyderabad

Lr. No. 21/2024/ RMTR/ 12/2024 , Dated: 16-10-2024.

Sir,

Sub: Raw Material – Directorate of Industries -I & C Department – Faculty Member for Joint Inspection for the assessment of quality of raw materials – Nomination - Reg

Ref:1) This office Lr No.27/2/2016/22552/35708/FD, Dt.23.02.2017 addressed to the Principal, University College of Technology, (Autonomous) Osmania University, Hyderabad.

2)Lr.Dt. 01.06.2017 of the Principal, University College of Technology, (Autonomous), Osmania University, Hyderabad.

3) Lr No. Nil, Dt.27.08.2024 of the Principal, University College of Technology, (Autonomous), Osmania University, Hyderabad

With reference to the subject and reference 2nd cited, the Principal, University College of Technology, (Autonomous), Osmania University, Hyderabad has suggested the name of Prof. R. Shyam Sunder, Professor and Head of the Deptt. of Technology, University College of Technology, Osmania University, Hyderabad in reply to ref 1st cited, accordingly he was appointed as a member in the Joint Inspection Committee for assessing the quantity of raw materials like Alcohol, Methonol etc to industrial enterprise and who has since retired.

In the reference 3rd cited, the Principal, University College of Technology, (Autonomous), Osmania University, Hyderabad has suggested to include the name of Prof. Chintha Sailu, Principal & Senior Professor, Department of Chemical Engineering to include in the team of the Joint Inspection Committee as a member for assessing the quantity of raw materials required by the Industries Deptt.

Therefore, The Principal, University College of Technology, (Autonomous), Osmania University, Hyderabad (OR) his nominee, who is having technical knowledge is hereby nominated as member in the team of the Joint Inspection Committee for assessing the quantity of raw materials to industrial enterprises for a period of two years from the date of nomination.

Yours faithfully,
Sd/-G.Malsur
Director of Industries.

Copy to the Commissioner of Prohibition & Excise Department, Nampally Station Road, Hyderabad for kind information.

Copy to all the General Managers, District Industries Centre in the State for information and taking necessary action

//Attested//


Assistant Director (MSME)

GOVERNMENT OF TELANGANA
DIRECTORATE OF INDUSTRIES::HYDERABAD

Circular Memo No. 21/2024/426144/1, Dt. 27.11.2024

Sub: Raw material-Allotment of Raw materials- Certain guidelines-
Communication-Reg

- Ref: 1) This office Memo No.21C/3/JD/MSME-FD, Dt. 02.05.2015
2) This office Circular Memo No. 27/2/2016/Raw Material
guidelines/FD, Dt. 02.07.2016
3) This Office Lr.No. 27/2/2016/22552/35708, Dt. 23.02.2017
4) This Office Memo No. 27/2/2016/22552/22552/ID, Dt.
12.06.2017
5) This Office Memo No. 21/2018/53817/FD, Dt. 24.09.2018
6) This Office Memo No. 21/2018/53817, Dt. 09.06.2021

With reference to the subject cited above, the following guidelines are issued for streamlining the procedure of allotment of Scarce raw materials(SRMs).

1. Applications pertaining to allotment of Coal upto 100 MTs per month are delegated to the GM,DICs who shall forward the proposal to M/s. SCCL Ltd after approval from the DIPC.
2. Applications pertaining to allotment of Coal above 100 MTs shall be sent to the Office of the Director of Industries after approval from the DIPC.
3. Applications above 100 MTs and upto 350 MTs of coal allotment shall be processed at the Additional Director of Industries level and applications above 350 MTs of coal allotment shall be circulated to the Director of Industries for approval.
4. Applications pertaining to Alcohol, Ethanol, Methanol etc shall be continued to be circulated to the Director of Industries for approval.
5. All files shall be processed online through TG-iPASS Portal/Industries department portal wherein the application can be tracked at each stage.

In view of the above, all the General Managers, District Industries Centres are requested to follow the above guidelines in processing of Scarce raw materials (SRM) files scrupulously without any deviation.

Sd/- Dr. G. Malsur
Director of Industries

To

- 1) All the General Managers, District Industries Centres in the state for information
- 2) Copy to all the Program Officers in Central Office for information
- 3) Copy to the Peshi of the Director of Industries for information
- 4) Copy to the Peshi of the Additional Director of Industries for information

// Attested//


Joint Director(INF,IP&FP, RM&DEET)

**GOVERNMENT OF TELANGANA
DIRECTORATE OF INDUSTRIES::HYDERABAD**

From
The Director of Industries,
Chirag Ali Lane, Abids, -
Hyderabad

To
M/s. CMS Computers Ltd,
Lake Road, Centre, 70,
Kaycee Indl Compound,
Bhandup (W), Mumbai-78

Sir,

Lr. No.21/2024/426144/2. Dt. 27.11.2024

Sub: Raw material-Allotment of Raw materials- Certain guidelines-
Communication-Reg

- Ref: 1) This office Memo No.21C/3/JD/MSME-FD, Dt. 02.05.2015
2) This office Circular Memo No. 27/2/2016s/Raw Material
guidelines/FD, Dt. 02.07.2016
3) This Office Lr.No. 27/2/2016/22552/35708, Dt. 23.02.2017
4) This Office Memo No. 27/2/2016/22552/22552/1D, Dt.
12.06.2017
5) This Office Memo No. 21/2018/53817/FD, Dt. 24.09.2018
6) This Office Memo No. 21/2018/53817, Dt. 09.06.2021

With reference to the subject and references cited above, the following instructions/guidelines are to be incorporated in the TG-iPASS/Industries department portal for processing of Raw materials.

1. Applications pertaining to allotment of Coal upto 100 MTs per month are delegated to the GM, DICs who shall forward the proposal to M/s. SCCL Ltd after approval from the DIPC.
2. Applications pertaining to allotment of Coal above 100 MTs shall be sent to the Office of the Director of Industries after approval from the DIPC.
3. Applications above 100 MTs and upto 350 MTs of coal allotment shall be processed at the Additional Director of Industries level and applications above 350 MTs of coal allotment shall be circulated to the Director of Industries for approval.
4. Applications pertaining to Alcohol, Ethanol, Methanol etc shall be continued to be circulated to the Director of Industries for approval.

Further, all files shall be processed online through TG-iPASS/Industries department portal wherein the application can be tracked at each stage.

The existing and proposed flow charts are attached for your ready reference.

In this regard, you are requested to make the necessary changes in the TG-iPASS/Industries department portal for the implementation of above changes immediately.

Sd/- Dr. G. Malsur
Director of Industries

Encl: As above

Copy to the Joint Director (IIPC, II&IISP) for information and necessary coordination with M/s. CMS Computers Ltd

// Attested //

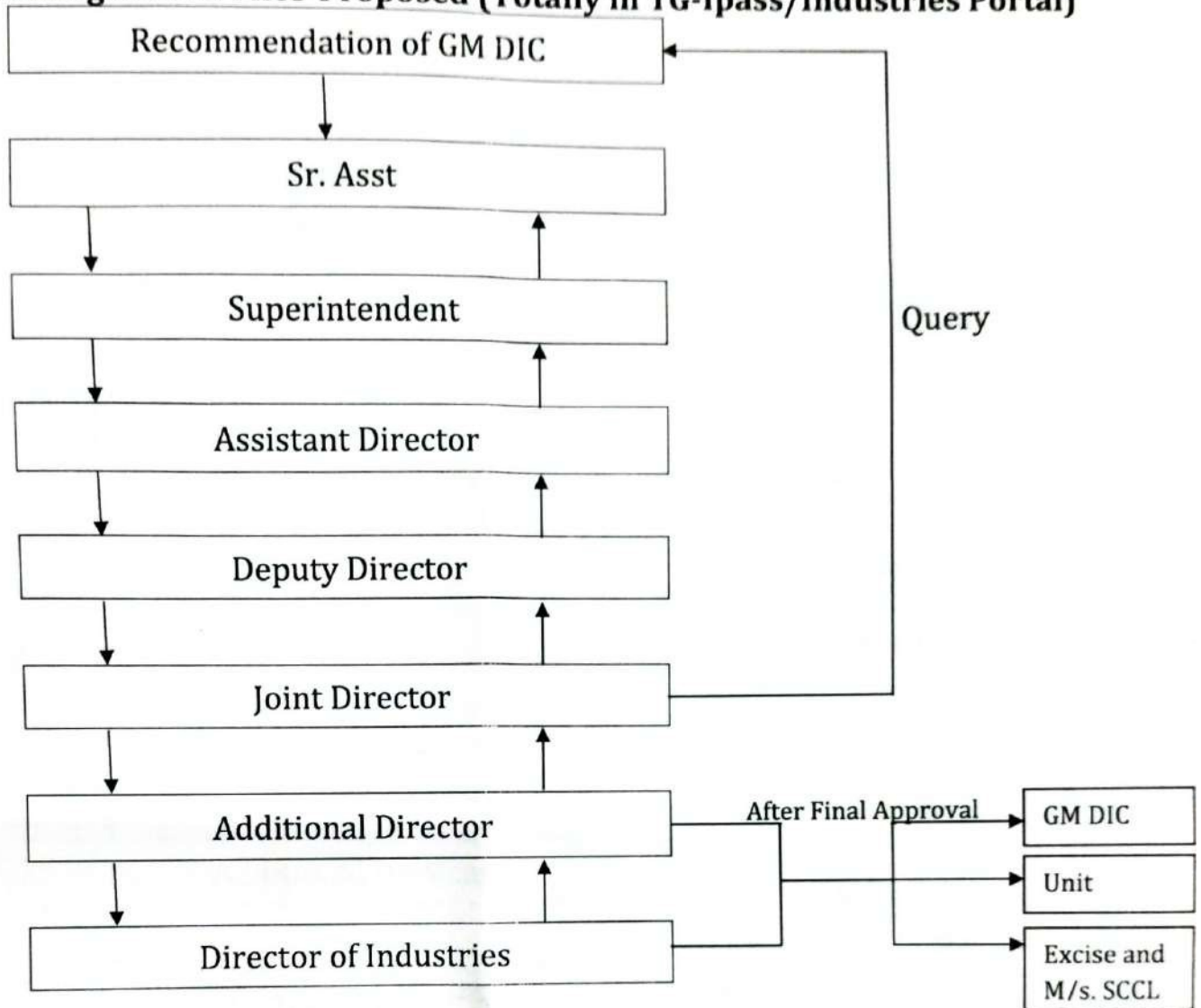
Joint Director (INF, IP & FP, RM & DEET)

Received
by
Madhavi (TL)
27/11/24

9c

Annexure-II

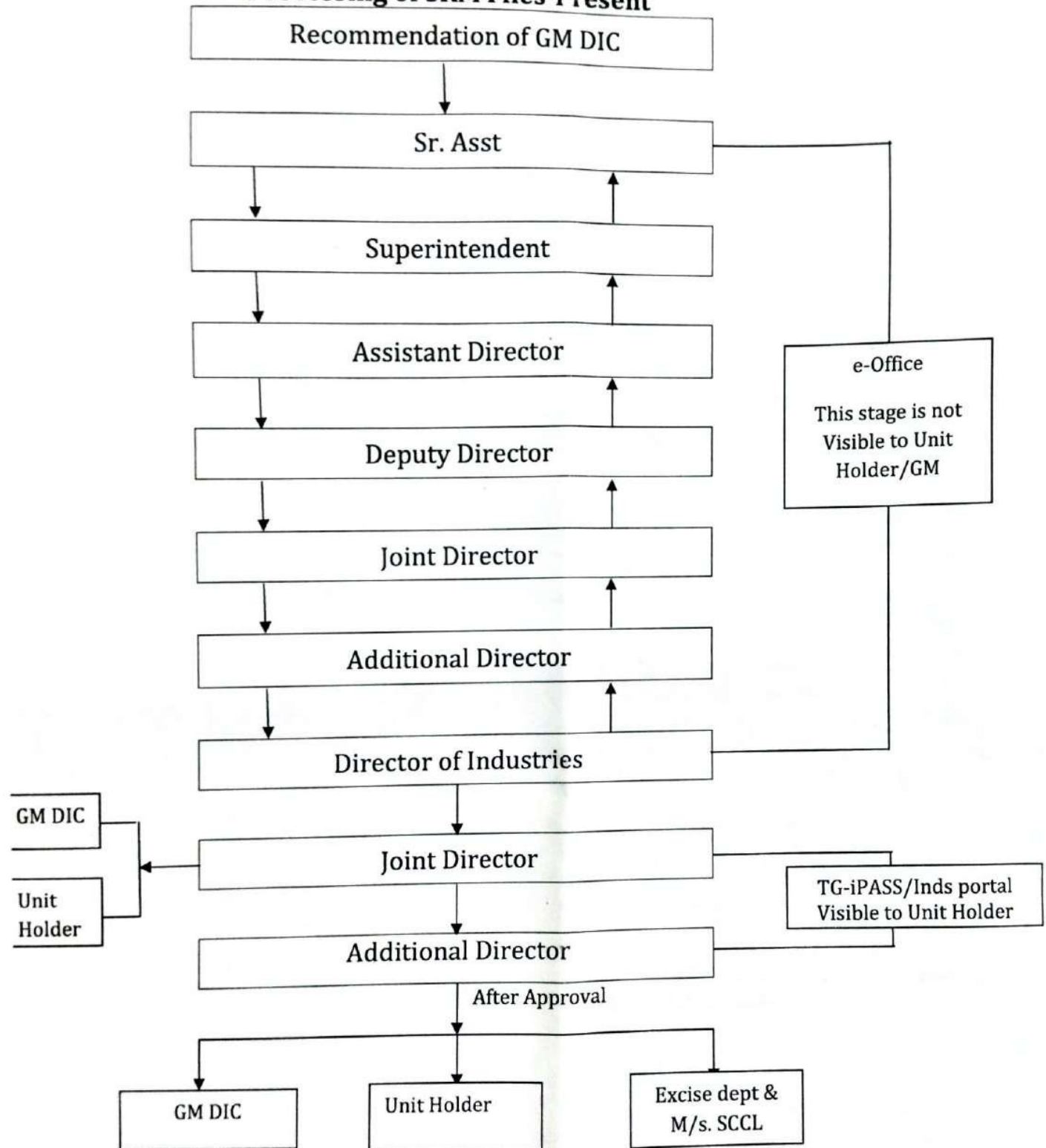
Processing of SRM Files-Proposed (Totally in TG-Ipass/Industries Portal)



29-7
27/11/2014
Er. J. RAJESHWAR REDDY
Mt. Tech
Joint Director

Annexure-I

Processing of SRM Files-Present



29-11-2024
Er. J. RAJESHWAR REDDY
M.Tech
Joint Director

**GOVERNMENT OF TELANGANA
DIRECTOR OF INDUSTRIES:: HYDERABAD**

Circular Memo No. 21/2024/426144/2, Dt. 06.12.2024

Sub: Raw material-Allotment of Scarce Raw Materials-Communication of
Timelines for processing the Scarce raw materials files-Reg

The attention of the General Managers, District Industries Centre in the state is invited to the subject cited above and it is informed that specific timelines are fixed for processing of Scarce Raw Material (SRM) applications online as mentioned below

Timelines fixed for processing of Scarce Raw Material (SRM) Applications		
S.No	Activity	Timeline
1	Verification of application and calling of short fall documents	4 days
2	Assigning to inspecting officer after submission of shortfall documents	2 days
3	Inspection of the units	7 days
4	Placing of proposal in the DIPC meeting/Circulating to the District Collector	7 days
5	Recommending from DIC to COI	3 days
6	Processing of file at COI level	7 days
Total		30 days

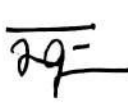
In view of the above, all the General Managers, District Industries Centre are requested to strictly follow the above timelines in processing of Scarce Raw Materials (SRM) files scrupulously.

Sd/- Dr. G. Malsur
Director of Industries

Copy to

1. All the General Managers, District Industries Centres in the State for information and necessary action
2. Copy to all the Program officers in Central Office for information
3. Copy to the Peshi of the Director of Industries for information
4. Copy to the Peshi of the Additional Director of Industries for information

//Attested//


Joint Director (FP&IP,INF&DEFT)