DEPARTMENT-RELATED PARLIAMENTARY STANDING COMMITTEE ON SCIENCE AND TECHNOLOGY, ENVIRONMENT AND FORESTS

ONE HUNDRED AND NINETY FOURTH REPORT ON

THE COMPENSATORY AFFORESTATION FUND BILL, 2008

(PRESENTED TO THE RAJYA SABHA ON THE 22ND OCTOBER, 2008)
(LAID ON THE TABLE OF THE LOK SABHA ON THE 22ND OCTOBER, 2008)

RAJYA SABHA SECRETARIAT
NEW DELHI
OCTOBER, 2008/ASVINA, 1930 (SAKA)
PARLIAMENT OF INDIA
RAJYA SABHA

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COMMITTEE ON SCIENCE AND TECHNOLOGY,
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MEMBERS OF THE DEPARTMENT-RELATED PARLIAMENTARY
STANDING COMMITTEE ON SCIENCE AND TECHNOLOGY,
ENVIRONMENT AND FORESTS (2008-09)

1. Dr. V. Maitreyan — Chairman

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2. Shri Suryakantbhai Acharya
3. Shri Bhagirathi Majhi
4. Shri Kamal Akhtar
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25. Shri Kirti Vardhan Singh
26. Dr. Rampal Singh
27. Shrimati Jayaben B. Thakkar
28. Shri Aruna Kumar Vundavalli
29. Shri Akhilesh Yadav
30. Shri Mitrasen Yadav
31. Shri Sita Ram Yadav

*Shri Babubhai K. Katara ceased to be a member of the Committee consequent upon his expulsion from the membership of the Lok Sabha w.e.f. 21st October, 2008.
SECRETARIAT
Shrimati Agnes Momin George, Joint Secretary
Shri S. Jason, Joint Director
Shri V.S.P. Singh, Deputy Director
Shri S. Rangarajan, Assistant Director
PREFACE

I, the Chairman of the Department-related Parliamentary Standing Committee on Science and Technology, Environment and Forests, having been authorised by the Committee to present the Report on its behalf, present this One Hundred and Ninety-forth Report of the Committee, which relates to the Compensatory Afforestation Fund Bill, 2008.

2. In the meetings of Committee held on the 30th May, 6th June, 3rd, 14th, 29th July and 12th August, 2008 Secretaries/representatives of the Ministry and various other organizations/experts/individuals etc. having knowledge and expertise in the field tendered oral evidence on the various aspects related to the Compensatory Afforestation Fund Bill, 2008.

3. The Committee expresses its thanks to the Officers of the Ministries/Departments and representatives of the various organizations for rendering their valuable views/clarification sought by the Members of the Committee.

4. The Committee considered the Bill clause-by-clause in its meeting held on 21st August, 2008 and adopted the draft Report at its meeting held on 3rd October, 2008.

DR. V. MAITREYAN

NEW DELHI;
October 3, 2008

Chairman,
Department-related Parliamentary Standing Committee on Science and Technology, Environment and Forests.
REPORT

The Chairman, Rajya Sabha in consultation with the Speaker, Lok Sabha in pursuance of Rule 270 (b) of the Rules relating to the Department-related Parliamentary Standing Committees, referred* the Compensatory Afforestation Fund Bill, 2008 (Annexure-I) as introduced on 5th May, 2008 in Lok Sabha and pending therein, to the Standing Committee on Science and Technology, Environment and Forests for examination and Report.

2. The Committee held its first meeting with the representatives of Ministry of Environment and Forests, for a general discussion on the various provisions of the Bill. The Committee then decided to issue a press Communique in leading national dailies in English, Hindi and other regional languages inviting memoranda on the subject matter of the Bill from the interested organizations/institutions/individuals having knowledge and expertise in the field. The Committee also decided to give wide publicity to the contents of the Press Communique through All India Radio and Doordarshan. Accordingly, a press communiqué was issued on 4th June, 2008.

3. In all 13 memoranda containing comments/suggestions on the various provisions of the Bill were received by the Committee from various organizations and individuals, etc. (A list of individuals/organisations is at Annexure-II), which were sent to the Ministries of Environment and Forests and Law and Justice for their comments/observations. As the Bill has a bearing on State Governments the views/suggestions of the State Governments and Union Territories were also sought. In all seven State Governments responded and placed their views before the Committee. (A list of the State Governments which placed their views/suggestions before the Committee is at Annexure-III). The Committee also heard the views of four experts on the subject on 6th June and 3rd, 14th and 29th July, 2008 (Names of experts at Annexure-IV). The Committee then took up clause-by-clause consideration of the ‘Compensatory Afforestation Fund Bill, 2008’ in its meeting held on the 21st August, 2008. Finally, the Committee adopted the report at its meeting held on the 3rd October, 2008.

BACKGROUND

4. The Compensatory Afforestation Fund Bill, 2008 owes its genesis to the interim order of the Supreme Court delivered in T.N. Godavarman Thirumalpad vs. Union of India [Writ Petition (C) No. 202 of 1995] on 29th October, 2002. As the Ministry of Environment and Forests did not come up with a plan for utilization of Compensatory Afforestation Fund, the Supreme Court in its interim order directed *inter-alia that a Compensatory Afforestation Fund be created in which all the monies received from the user agencies towards Compensatory Afforestation, additional Compensatory Afforestation, penal Compensatory Afforestation, Net Present Value of the diverted forest land, Catchment Area Treatment Plan, etc. shall be deposited and also that Government of India shall frame comprehensive rules regarding creation of a body and management of Compensatory Afforestation Fund. Accordingly, Ministry of Environment and Forests issued an order on 23rd April, 2004 constituting a body for the management of Compensatory Afforestation Fund known as Compensatory Afforestation Management and Planning Authority (CAMPA). But owing to non-operationalisation of CAMPA even after two years, the Supreme Court on 5th May, 2006 directed that an ad hoc Compensatory Afforestation Fund Management and Planning Authority (CAMPA) be constituted till such time as regular CAMPA comes into operation and also that the money recovered on behalf of CAMPA but lying with States/UTs be centrally pooled into it. In accordance, with the above direction over Rs. five thousand crores as collected by the State

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*Rajya Sabha Parliamentary Bulletin Part-II dated the 12th May, 2008
Governments and Union Territories have been placed under the ad hoc CAMPA and deposited in the nationalized Banks.

OBSERVATIONS OF THE COMMITTEE

5. The Committee enquired as to when the Forest (Conservation) Act, 1980 and Forest (Conservation) Rules, 2003 provided for Compensatory Afforestation and also for creation of Special fund by State/UT Government to which the user agency will make its deposits for Compensatory Afforestation and its utilization by competent agency, what prompted the Supreme Court to issue directions for creation of CAMPA? It was informed that from 1980 to 2001, State Governments used to collect money to take up Compensatory Afforestation works from the user agencies and it was found from the data available that only approximately 30 per cent of the fund collected was utilized for the purpose. Forestry had been a low priority area in most of the States and some State Governments had even gone to the extent to use the fund so collected for non-forestry purposes and that is why the Supreme Court had to intervene.

6. The Committee sought the names of the States and the extent to which diversion of fund was resorted to by them. The Ministry of Environment and Forests, based on checks conducted by State Accountant Generals to ascertain diversion of funds, misappropriation and other related issues could furnish the list of only five such States (Annexure-V) namely: Andhra Pradesh, Maharashtra, Haryana, Punjab and Karnataka. The total alleged diversion in these States amounted roughly to Rs.475/- crores. The nature of such diversion ranged from loss of interest by not keeping the funds in fixed deposits; non-recovery of amounts due from user agencies; diverting of amount to Government Accountant; remitting of amount into treasury instead of keeping in fixed deposits to depositing of an amount of Rs.197.79 crores collected during 1993-94 to 2004-05 as Karnataka Forest Development Fund. The Ministry submitted — “these are the few examples available. Further detailed audit is required to be done to ascertain the complete picture.” The Committee is, therefore, of the view that the Ministry had not presented the real and complete picture of diversion of funds before the Supreme Court or before this Committee, nor did it take pains to suitably defend the case. The Ministry also admitted that at some stage or the other the directions of the Supreme Court should have been contested, but the same had not been contested.

7. The Committee is not inclined to accept that the extent and proportion of diversion of Compensatory Afforestation Funds by States was so huge and so alarming as to warrant a sweeping change in the mechanism which was in existence for over twenty years — 1980 to 2002. Firstly, because between 1980, when the Forest (Conservation) Act, came into existence till 2003, the user agencies were required to pay at the rate of Rs.20,000/- per hectare to Rs.45,000/- per hectare for compensatory afforestation and the amount as such was not very huge. Secondly, the Committee was informed that till the creation of CAMPA in 2004, whatever fund was collected for Compensatory Afforestation was being properly utilized by States as per the laid down rules and regulations. It was also informed that out of Rs.75.36 crores collected by Karnataka Government from 1980 to April, 2004 from Wind Energy Companies Rs.72.41 had been utilized covering 38,347 hectares (Annexure VI). The Committee was further informed that besides Karnataka, Andhra Pradesh, Maharashtra, Tamil Nadu, Gujarat – most other States had done reasonably well. Thirdly, diversion is not a phenomenon peculiar only to Compensatory Afforestation Fund but common to various other schemes implemented by States with the assistance of Central Government. Moreover, it is ultimately the State Governments who have to implement Compensatory Afforestation Schemes by the fund routed through CAMPA. It is the DFO, the ranger, the forester or the Guard of concerned State Governments who would be utilising the fund. The only difference lies in the fact that by creating a superbody in the name of CAMPA, an attempt
is being made to centralize control in the Central Government which is not supported by the federal character of our Constitution.

8. The Committee feels that the establishment of the proposed new Authority would prolong and delay the process of Compensatory Afforestation as the amount collected by State/Union Territories Governments will have to be pooled in a Central fund and then devolved back to them as per whatever formulae worked out by the Central Authority. It is therefore of the view that as the States generate the funds and also utilise the same, an instrument to facilitate utilization needs to be put in place at the State level.

9. The Committee is of the view that this is a case of negligence and laxity on the part of the Ministry of Environment and Forests and that this bill was prepared without examining all aspects of the matter and alternatives available under the Forest (Conservation) and the Environment (Protection) Acts.

10. The Committee is of the view that in order to address the issue of alleged diversion of Compensatory Afforestation Fund by State/UT Governments the Ministry of Environment and Forests should have, instead of waiting for direction from Supreme Court taken proactive administrative measures by issuing necessary directions or taking such other steps as it deemed appropriate in the matter. The Committee is constrained to observe that the Ministry has badly failed to explore other administrative and persuasive measures at its command to settle the issue.

11. The Committee feels that Ministry of Environment and Forests has not made adequate efforts before 2002 to effectively handle the funds accumulated by State Governments and the same remained unutilized. The damage or loss caused this way is far more serious than the alleged diversion of Compensatory Afforestation Funds by a few States.

12. The Committee is of the opinion that the Bill in its current form gives the impression that it is a step in the direction of legitimatising monetary compensation for diversion of forest land for non-forest purposes. It is based on the assumption that collection of more and more monetary compensation and tree plantation is the answer to forest conservation. But this assumption proves to be totally false if seen in the light of pace of diversion of forest land for non-forest purposes which has gained momentum since 2002 when the Supreme Court direction came. A comparative analysis of the statement showing cases (State-wise) approved for diversion of forest land during the period from 1.11.2002 to 31.07.2008 and 25.10.1980 to 31.10.2002 (Annexure-VII) suggests that while within a period of six years, seven thousand nine hundred ninety six cases of diversion were approved, only nine thousand eight hundred twenty four cases were approved in the previous twenty years. During the former period pace of diversion was 30,997.34 hectare per year while during the latter it had been 20,639.99 hectare per year.

13. While the Committee is aware of the necessity of economic development, however, at the same time it underlines the need for protection and preservation of forests/forest eco-systems which are unique endowment and our natural heritage and hence feels that reckless, indiscriminate and avoidable use of forest land should be discouraged because degradation of forest has an adverse impact on various systems such as water resources, agriculture, biodiversity, environment, climate and human health besides upon subsistence living of tribal and other communities. It takes hundreds of years to create green cover and compensation in terms of its compensatory mechanism over that period is never envisaged. The Committee is of the opinion that no amount of compensation, howsoever, hefty it may be is condign enough to compensate the irreparable loss caused to forests. And all this stands in stark contrast to the commitment of achieving 25% forest and tree cover by 2007.
and 33% by 2012 made by Government. The main thrust of the proposed Bill, therefore, should have been on checking the indiscriminate diversion of pristine forest land while striking a fine balance with developmental activities which was at the heart of the Forest (Conservation) Act, 1980.

14. Functions of General Body of the proposed CAMPA bill as outlined in Chapter-IV, Clause 11 surprisingly does not include Compensatory Afforestation as one of the components which must have been there as the caption of the Bill - Compensatory Afforestation Fund Bill, 2008 signifies. Instead clause 11, sub-clause I (i) includes overseeing programme known as ‘Green India’ for massive afforestation of the degraded forest land of the country. There is a difference between Compensatory Afforestation and massive afforestation. Compensatory Afforestation is an afforestation exercise undertaken to undo the damage caused due to diversion of forest land for non-forest purposes and it carries certain conditions. Broadly, these conditions include:

(i) Compensatory afforestation shall be done over equivalent area of non-forest land;

(ii) As far as possible, the non-forest land for compensatory afforestation should be identified contiguous to or in the proximity of Reserved Forest or Protected Forest to enable the Forest Department to effectively manage the newly planted area;

(iii) In the event that non-forest land of compensatory afforestation is not available in the same district, non-forest land for compensatory afforestation may be identified anywhere else in the State/UT as near as possible to the site of diversion, so as to minimize adverse impact on the micro-ecology of the area;

(iv) Where non-forest lands are not available or non-forest land is available in less extent to the forest area being diverted, compensatory afforestation may be carried out over degraded forest twice in extent to the area being diverted or to the difference between forest land being diverted and available non-forest land, as the case may be; and

(v) The Compensatory Afforestation should clearly be an additional plantation activity and not a diversion of part of the annual plantation programme.

15. The Green India Programme through which massive afforestation is envisaged does not contain any of the above conditionalities. This is also not altogether a new programme as it was there in the Tenth Plan named as National Afforestation Programme. No assessment of the National Afforestation Programme has been carried out and presently a new programme is proposed.

16. The Committee is, therefore, of the view that Green India Programme may be run separately by the Ministry of Environment and Forests out of the Budget allocated by Planning Commission and if required by mobilizing additional resources by way of assistance/borrowing from financial institutions/international agencies with appropriate legislation in place. The fund collected for Compensatory Afforestation should exclusively be used for that particular purpose only. Otherwise, judicial scrutiny of the diversion of funds for deviation from the direction of the Supreme Court cannot be ruled out.

17. While diversion of forest land in certain cases may be justified for the development of the country but there could be no justification, in the opinion of the Committee for diversion of money collected for Compensatory Afforestation as mentioned in Clause 11 (1) (x) and sub-clauses (ii), (iii), (iv) and (v) of Clause 4 of the Bill, which provide for incurring of expenditure on such heads respectively as communication, social mobilization, monitoring and evaluation and salary and allowances payable to officers and employees, etc. of the proposed CAMPA.

18. When the Committee enquired as to whether funds collected from individual States shall be given back to the respective States, the Ministry answered in the affirmative and drew the attention
of the Committee to Sub-clause (i) of Clause 6 of the Bill, which provides that the fund shall be utilized in States and UTs having regard to land in respect of which such payments have been received. But the Committee finds that Sub-clause (ix) of Clause 11 (1) provides that the Governing Body of CAMPA shall adopt a principle of allocation to States and UTs and that it shall formulate a broad policy framework including the allocation formula to States and the UTs. Such provisions in the bill create doubts in the mind of the Committee that the Central Government will play a major role in the allocation of funds collected from States and the possibility of States suffering in the process cannot be ruled out.

19. The Committee is of the opinion that the establishment of such a fund, in the manner proposed in the bill, will allow the Central Government to exercise hegemony through concentration of financial power with the Central Government and encroach upon the normal powers and functions of the State Governments. The Committee also expresses its serious concern over the fact that the Central Government may completely bypass the duly elected State Governments and the various State bodies and provide funds directly to the Joint Forest Management Committees, for the implementation of the afforestation programmes of the States, thereby undermining the very concept of federalism which is enshrined in our constitution. The role of local bodies such as Gram Panchayats/Gram Sabhas etc. has been completely ignored in the Bill.

20. The Committee further notes that the collection of the Net Present Value (NPV) in addition to the already existing Compensatory Afforestation, started in 2004, only on the directions of the Supreme Court, based on the recommendations of the Central Expert Committee and the NPV is being collected merely on the basis of a guideline to that effect, issued by the Ministry of Environment and Forests without approval of Cabinet. The Committee expresses its serious concern at the fact that no legislation or rule has been formulated so far and placed before the Parliament, regarding the collection of NPV. The Committee is of the opinion that the collection of NPV has no legal sanction.

21. The proposed Authority (CAMPA) as provided in Clause 7 (3) of the Bill in itself is a top heavy superbody. It consists of four groups—Governing body, Executive body, Monitoring Group and Administrative support mechanism. The Governing Body consists of five Ministers including the Minister of Environment and Forests as its Chairperson, Deputy Chairman Planning Commission and five Secretaries to the Government of India besides 10 other officials and eminent non-Government organization experts. How best and how far this body would be able to engage itself in clearing hundred of proposals for utilization of compensatory funds received from States and UTs could be anybody’s guess. The proposed body shall meet at least once in six months as proved in sub clause (3) of Clause 11. In such a situation the Committee is of the view that its functioning will not serve the intended purpose.

22. Further, Sub clause (viii) of Clause 12 (1) of the proposed Bill provides that on being satisfied that the funds released to a particular State or UT are not being properly utilized, the Executive Body shall withhold or suspend the release of funds. The malady i.e., diversion of funds that led to the origin of the Bill, still remains where it was and as it was. The problem of diversion of funds by States is not addressed in the present bill. So, the question arises—why this bill and authority, if the ills are not remedied?

23. The Committee observes that the issue of displacement of forest-dwellers and tribals/adivasis has found no mention in the Bill. The Committee is of the opinion that forest is a source of food and livelihood for a large number of forest-dwellers and adivasis who live in forests and depend on forest produce like fruits, food items, saleable tendu/kendu leaves, fuelwood, medicinal herbs, etc. In addition forests also contain water bodies, grazing areas, common lands and other areas that people depend on for their livelihood. Diversion of forest land as well as any large scale
afforestation programme on acquired land, would result in the further displacement and thereby the livelihood of these forest-dwellers and tribes/ adivasis would be adversely affected.

24. The Committee is of the view that acquiring, of the forests land for afforestation purposes would deprive forest dwellers and tribals/adivasis of some or all of their lands and adversely impact their livelihoods and basic needs— for which they are neither informed, nor consulted, nor compensated. The Committee understands that, the Bill in its present shape does not take into account the loss to the forest-dwellers and tribals/adivasis on account of compensatory afforestation and does not provide any monetary compensation to these people. In the Bill there is no mention of the Ministry of Tribal Affairs or the experts/non-government organisations who are involved in the betterment of these people. **The Committee expresses its concern at the fact that the work of Afforestation has been entrusted to the Joint Forest Management Committees without any involvement of forest dwellers, etc.** The Committee is of the view that diversion of forest land whenever necessary should be done through a democratic process and local people should always be involved in that. **The Gram Sabha should be the key body and should be consulted and involved both during forest diversion and during afforestation.** The rights of people under the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act should be adhered to.

25. The Committee is also of the view that the existing contradiction and conflict between the tribal community and the State shall further sharpen as the Compensatory Afforestation Fund Bill, 2008 will lead to erosion of traditional tribal rights and command of tribals over common resources such as forests, pastures, water resources, etc. on which they depend to meet their basic survival needs. The present Bill gives fillip to the tendency to see all such resources as sources of profit at the cost of the poor who are being deprived and denied of whatever access they traditionally had to such natural resources. The Committee in the context of the present bill expresses its serious concern over the fact that forest conservation has found a strange companion in industrial forestry. While the rights of forest dwellers are severely curtailed on the pretext of forest conservation, forests are increasingly shaped to suit the needs of industry. Displacement of tribal people thus caused lead to multidimensional trauma-physical, occupational, cultural, etc. with far reaching impacts which can not easily be compensated. According to an unofficial estimates while the tribals constitute 8.08% of the total population they are 40% of the total displaced/affected persons. Their rehabilitation and resettlement record is very dismal. **The Committee is of the view that development devoid of and insensitive to the cause of those affected and displaced is no development in true sense of the term and such developments would never herald the country in peace, prosperity, harmony and social and economic progress.**

26. The Committee strongly feels that States’ involvement in the process of formulation of this bill should have been ensured, so that their interest could have been taken care of. But no such effort seems to have been made by the Central Government. The Committee, therefore, feels that the Bill is an exercise aimed at centralization of power and funds at the cost of the interests of the States and the people.

27. The Committee is of the view that the purpose of the Bill seems to be to make use of the money which the Ministry has accumulated for Compensatory afforestation.

28. The Committee, therefore, is of the considered opinion that this is an ill-conceived exercise and the purposes proposed to be achieved through this bill should be achieved by making enabling amendments in the Forest (Conservation) Act, 1980. **The Committee, therefore, recommends that the present bill be withdrawn.**

29. In order that the fund accumulated in CAMPA be utilized in right earnest and the States are not made to further suffer, the Committee suggests an alternative mechanism for consideration:—
1. National Afforestation and Eco-development Board (NAEB) in the Ministry of Environment and Forests, should be made the single Nodal agency for dealing with the CAMPA funds.

2. All the funds collected so far and to be gathered in future, shall go into a single account under the NAEB with the authority to draw, disburse and maintain accounts of the CAMPA fund.

3. The CAMPA funds collected so far and to be collected in future should be divided into two separate units of accounting:
   
   3.(a) The first part consisting of amounts gathered from the user agencies under the provisions of the Forest (Conservation) Act 1980 and Forest (Conservation) Rules 2003, consisting of the (a) compensatory afforestation deposits, (b) the penal compensatory afforestation deposits, (c) catchments area treatment works fund, (d) the buffer zone development, (e) soil and moisture conservation, and (f) the protection of diverted areas etc. and the second part consisting of amounts collected from user agencies for the net present value and the partial use of nature preserves, like wildlife sanctuaries, national parks, tiger reserves etc.

   3.(b) Funds collected through first part be transferred to the State forest departments from whom they have been collected, for the purposes they have been collected.

   3.(c) Funds collected through second part should be placed at the disposal of Special Purpose Vehicles (SPV) created under the Environment (Protection) Act 1986 as a major Public Undertaking as a conservation/eco-development society established for each State. This SPV will be registered as an eco-development society to deal with afforestation of identified degraded forests and past poorly stocked plantations, at twice to four times the extent of forest area diverted. Rules be made under section 26 of the Act and this same be brought before Parliament for approval.

   Such an arrangement would not only take care of the funds collected already but future collections also.

   The SPV should be under the control of the State Government and should consist of representatives from the various areas affected by forest destruction. It should release and spend the money in accordance with plans suggested by the Panchayats affected by the forests destruction and operationalised through the Gram Sabha (or, in the case of Schedule V and VI areas, the traditional institution).

   The Committee is also of the view that the existing system of forest diversion is non-transparent and undemocratic and that merely levying higher monetary charges through NPV has not served as an effective method of protecting forests. On the contrary, it enables the powerful to buy the right to destroy the most pristine forests simply because they have the financial resources. The Committee suggests that the Ministry should overhaul the system to ensure that forest diversion is decide through a rigorous democratic processes in which local adivasi and forest dweller communities are empowered to be part of decision-making. This process should also decide how environmental damage can best be mitigated in each case, rather than simply assuming that afforestation is a remedy for all forest destruction.
ANNEXURE
The Compensatory Afforestation Fund Bill, 2008

A BILL

to provide for the establishment of a fund and crediting thereto the monies received from the user agencies towards compensatory afforestation, additional compensatory afforestation, penal compensatory afforestation, Net Present Value and all other amounts recovered from such agencies under the Forest (Conservation) Act, 1980; constitution of an Authority for administration of the Fund and to utilise the monies so collected for undertaking artificial regeneration (plantations) assisted natural regeneration, protection of forests, infrastructure development, Green India Programme, wildlife protection and other related activities and for matters connected therewith or incidental thereto.

Whereas the Supreme Court in Writ Petition (C) No. 202 of 1995-T.N. Godavarman Thirumalpad Vs. Union of India and others has observed that a Compensatory Afforestation Fund be created in which all the monies received from the user agencies towards compensatory afforestation, additional compensatory afforestation, penal compensatory afforestation, Net Present Value of the diverted forest land or Catchment Area Treatment Plan shall be deposited;

And whereas it has also been observed that the money received from the user agencies in cases where forest land diverted falls within Protected Areas, that is areas notified under the Wild Life (Protection) Act, 1972 for undertaking activities related to protection of bio-diversity or wildlife shall also be deposited in this Fund;
AND WHEREAS the Court as directed that besides artificial regeneration (plantations), the Fund shall also be utilised for undertaking assisted natural regeneration, protection of forests, infrastructure development, wildlife protection and other related activities and an independent system of concurrent monitoring and evaluation should be evolved and implemented through the Compensatory Afforestation Fund to ensure effective and proper utilisation of funds;

AND WHEREAS in its direction dated the 5th May, 2006, the Supreme Court had directed that since the Government had not constituted a Compensatory Afforestation Fund Management and Planning Authority, (CAMPA), an ad hoc CAMPA should be constituted till CAMPA becomes operational and directed to centrally pool the money recovered on behalf of CAMPA lying in the States and Union Territories into the ad hoc CAMPA;

AND WHEREAS in compliance of the directions of the Supreme Court including its order dated the 5th May, 2006, over rupees five thousand crores as collected by the State Government and Union Territories have been placed under the ad hoc CAMPA, and deposited in the Nationalised Banks;

NOW, THEREFORE, based on the above orders, directions and observations of the Supreme Court, it is proposed to create a Compensatory Afforestation Fund Management and Planning Authority by an Act of Parliament under Entry 17A of the Concurrent List of the Seventh Schedule to the Constitution, to implement the directions of the Supreme Court to create a Fund namely, Compensatory Afforestation Fund, to bring all the funds so far collected under this Fund, and to create the Compensatory Afforestation Fund Management and Planning Authority.

Be it enacted by Parliament in the Fifty-ninth Year of the Republic of India as follows:—

CHAPTER-I

PRELIMINARY

1. (1) This Act may be called the Compensatory Afforestation Fund Act, 2008.

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

(3) Save as otherwise provided in this Act, it shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

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

(a) “Authority” means Compensatory Afforestation Fund Management and Planning Authority constituted under section 7;
(b) “Chairperson” means the Chairperson of the Authority;

(c) “compensatory afforestation” means afforestation done in lieu of the diversion of forest land for non-forestry use under the Forest (Conservation) Act, 1980;

(d) “environmental services” means—

(i) provision of goods such as wood, non-timber forest products, fuel, fodder, water and provision of services such as grazing, tourism, wildlife protection and life support;

(ii) regulating services such as climate regulation, disease control, flood moderation, detoxification, carbon sequestration and health of soils, air and water regimes;

(iii) non-material benefits obtained from ecosystems, spiritual, recreational, aesthetic, inspirational, educational and symbolic;

(iv) supporting such other services necessary for the production of ecosystem services, biodiversity, nutrient cycling and primary production;

(e) “Fund” means the Compensatory Afforestation Fund established under sub-section (1) of section 3;

(f) “Green India Programme” means locating a land area of one acre or more of degraded forests or other land for reforestation projects or such other afforestation projects as may be determined by the Central Government in this regard and planting the area by trees or other woody plants by utilising the Compensatory Afforestation Fund having regard to the conservation of ecology and environment;

(g) “Net Present Value” means the quantification of the environmental services provided for the forest area diverted for non-forestry uses, as may be determined by an expert Committee appointed by the Central Government from time to time in this regard;

(h) “penal compensatory afforestation” means afforestation work to be undertaken over and above the prescribed compensatory afforestation under the Forest (Conservation) Act, 1980, in lieu of the extent of area over which non-forestry activities have been carried out without obtaining prior approval of the competent authority under the Forest (Conservation) Act, 1980;

(i) “prescribed” means prescribed by rules made by the Central Government;
(j) “user agency” means any person, organisation or company or Department of the Central or State Government making a request for diversion or de-notification of forest land for non-forest purpose or using forest land for non-forest purpose in accordance with the provisions contained in the Forest (Conservation) Act, 1980 and the rules and guidelines issued thereunder.

CHAPTER-II

ESTABLISHMENT, MANAGEMENT AND UTILISATION OF COMPENSATORY AFFORESTATION FUND

3. (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be established for the purposes of this Act, a special Fund to be called the “Compensatory Afforestation Fund” under public account of India.

(2) The Fund shall be under the control of the Central Government and managed by the Compensatory Afforestation Fund Management and Planning Authority in such manner as may be prescribed.

(3) On the date of the establishment of the Fund, all monies collected by the State Governments and Union Territories, which, has been placed under the ad hoc Compensatory Afforestation Fund Management and Planning Authority and deposited in the Nationalised Banks, under the management of the Central Government, in compliance of the directions of the Supreme Court dated the 5th May, 2006, shall be credited in the Consolidated Fund of India, which shall be transferred to the Fund under the Public Account of India.

(4) There shall be credited into the Fund —

(i) receipt of all monies from user agencies towards compensatory afforestation, additional compensatory afforestation, penal compensatory afforestation, Catchment Area Treatment Plan or any money for compliance of conditions stipulated by the Central Government while according approval under the provisions of the Forest (Conservation) Act, 1980;

(ii) the unspent funds already realised by the States or Union Territories and not transferred to the Compensatory Afforestation Fund Management and Planning Authority for crediting into the Fund by the respective States or Union Territories from user agencies within six months from the date of commencement of this Act and any compensatory afforestation funds which have not yet been realised shall be realised by the States and Union Territories and transferred to the Authority for crediting into the Fund;
(iii) the funds recoverable from the user agencies in cases where forest land diverted falls within the protected areas, that is, areas notified under sections 18, 26A or 35 of the Wild Life (Protection) Act, 1972 for undertaking activities relating to the protection of biodiversity and the wildlife to be maintained under a separate head; and

(iv) Net Present Value of the forest land diverted for non-forestry purposes, collected under the Forest (Conservation) Act, 1980, and the rules and the guidelines issued thereunder and in pursuance of the judgment of the Supreme Court dated the 29th October, 2002 from the user agencies.

(5) The monies received in the Fund shall—

(a) be an interest bearing fund under public account of India; and

(b) the balance in the Fund shall be non-lapsable and get interest as per the rate declared by the Central Government on year-to-year basis.

4. The Fund shall be utilised for meeting—

(i) development, maintenance and protection of forests and wildlife and the Green India Programme;

(ii) the non-recurring as well as recurring expenditure for the management of the Authority including the salary and allowances payable to its officers and other employees by utilising a part of the income by way of accrued interest on the funds invested by the Authority excluding income from the funds recoverable from the user agencies in cases where forest land diverted falls within the protected areas, that is, areas notified under section 18, 26A or 35 of the Wildlife (Protection) Act, 1972 for undertaking activities related to protection of biodiversity and the wildlife;

(iii) the expenditure incurred on monitoring and evaluation;

(iv) disbursement on such other projects relating to afforestation as the Central Government may prescribe.

(v) expenses of the Authority in the discharge of its functions having regard to the purposes for which such grants or loans as are received and for matters connected therewith or incidental thereto;

(vi) expenses on objects and for purposes authorised by, or under, this Act.

5. The Central Government may, by rules, prescribe an accounting procedure to regulate the manner of crediting the monies already collected, to the Fund as provided in 35 sub-section (3) of section 3, crediting of all future receipts in the Fund as provided in sub-section (4) of section 3 and for transferring the fund to the Authority for the purpose of utilisation as contained in sub-section (4) of section 3 in a year.
6. (1) Save as otherwise provided in this Act, the Fund shall be utilised in States and Union Territories having regard to lands in respect of which such payments have been received.

(2) The Authority shall accomplish the afforestation for which money is deposited in the Fund within a period of one year or two growing seasons after project completion, as may be appropriate, after receipt of the money.

(3) The money received towards compensatory afforestation, additional compensatory afforestation and penal compensatory afforestation may be used as per the site specific schemes received from the States and Union Territories along with the proposals for diversion of forest land under the Forest (Conservation) Act, 1980.

(4) The money received in the Fund towards Net Present Value shall be used for artificial regeneration (plantation), assisted natural regeneration, forest management, protection, infrastructure development, Green India Programme, wildlife protection and management, supply of wood and other forest produce saving devices and other allied activities.

(5) All monies realised from the user agencies in accordance with the decision taken by the Standing Committee of the National Board for Wild Life constituted under section 5A of the Wild Life (Protection) Act, 1972 or the orders of the Supreme Court involving cases of diversion of forest land in protected areas shall form the corpus and the income therefrom shall be used exclusively for undertaking protection and conservation activities in protected areas of the States and the Union Territories and in exceptional circumstances, a part of the corpus may also be used subject to prior approval of the Authority.

(6) The Authority shall release monies to the concerned State and Union Territory in predetermined instalments through the State Management Committee as per the annual plan of operation finalised by the concerned State and the Union Territory.

(7) The monies received in the Fund from a State or Union Territory as specified in sub-section (4) and the income earned thereon after deducting the expenditure incurred by the Authority on its establishment, monitoring and evaluation on a pro rata basis, shall be used only in that particular State or Union Territory and in cases of trans boundary forestry or environmental implication of diversion of forest land for non-forestry purposes in a particular State or Union Territory, if found expedient and necessary by the Authority, the monies received from that particular State or Union Territory may be used, in such proportion as may be determined by the Authority for the purpose, in the adjoining State or Union Territory to mitigate transboundary adverse impact on forest or environment.

(8) All work at the ground level shall be executed through Joint Forest Management Committee except in matters where the nature of work demands execution by any other agency.
7. **With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be constituted an Authority to be called as the “Compensatory Afforestation Fund Management and Planning Authority”,**

(2) The Authority shall be responsible for the management of the Fund and its utilisation for the purposes of the Act.

(3) The Authority shall consist of a Governing Body and shall be assisted by an Executive Body, Monitoring Group and administrative support mechanism.

(4) The Governing Body of the Authority shall consist of the following, namely:

- (i) Minister of Environment and Forests — Chairperson;
- (ii) Minister of Finance — Member;
- (iii) Minister of Science and Technology — Member;
- (iv) Minister of Rural Development — Member;
- (v) Minister of Panchayati Raj — Member;
- (vi) Deputy Chairman, Planning Commission — Member;
- (vii) Secretaries of the Ministries of Environment and Forests, Finance (Department of Expenditure), Science and Technology, Rural Development, Panchayati Raj, Government of India — Members;
- (viii) Director General of Forests and Special Secretary, Ministry of Environment and Forests, Government of India — Member;
- (ix) Additional Director General of Forests (Wild Life) Ministry of Environment and Forests, Government of India — Member;
- (x) Financial Advisor, Ministry of Environment and Forests, Government of India — Member;
- (xi) three Principal Chief Conservator of Forests, one from six regions, to be nominated every year by the Ministry of Environment and Forests on rotation basis — Member;
- (xii) Inspector General of Forests (Forest Conservation), Ministry of Environment and Forests, Government of India — Member;
- (xiii) three eminent non-Government organization experts, one each in the field of forestry, wildlife and ecology, for a period of two years subject to not more than two consecutive terms — Member.
(5) The Central Government may appoint an officer of the rank of an Inspector General of Forests as the Chief Executive Officer who shall be the Member-Secretary of the Governing Body and the Executive Body.

8. (1) The Governing Body of the Authority shall, in performance of its functions and powers under the Act, be assisted by the Executive Body and the Monitoring Group.

(2) The Executive Body shall consist of the following, namely:—

(i) Director General of Forests and Special Secretary, Ministry of Environment and Forests, Government of India — Chairperson;

(ii) Additional Director General of Forests (Wild Life) Ministry of Environment and Forests, Government of India — Member;

(iii) Inspector General of Forests (Forest Conservation), Ministry of Environment and Forests, Government of India — Member;

(iv) Financial Advisor, Ministry of Environment and Forests, Government of India — Member;

(v) A representative each of the Ministries of Finance (Department of Expenditure); Science and Technology; Rural Development and Panchayati Raj, Government of India — Members;

(vi) Chairman, National Bank for Agriculture and Rural Development — Member;

(vii) three non-official experts, one each from the field of forestry, forest economy development and wildlife — Members;

(viii) Chief Executive Officer of the Authority — Member Secretary.

(3) The Monitoring Group shall consist of six experts in the field of environment, economics, wildlife, forests and social sector.

(4) The following officers shall be appointed by the Authority for a period not exceeding five years, to assist the Executive Body in performance of its functions and powers under the Act:—

(i) Joint Chief Executive Officer of the rank of Conservator of Forests;

(ii) Financial Advisor and Chief Accounts Officer of the rank of Director in the Government of India; and

(iii) Deputy Chief Executive Officers of the rank of Deputy Conservator of Forests.

9. The terms of office and other conditions of the service of the members of the Authority, Executive Body, Monitoring Group shall be such as may be prescribed.

10. A person shall be disqualified for being appointed as a member of the Authority, Executive Body, Monitoring Group, if he—
(i) has been convicted and sentenced to imprisonment for an
offence which, in the opinion of the Central Government,
involves moral turpitude; or

(ii) is an undischarged insolvent; or

(iii) is of unsound mind and stands so declared by the
competent court; or

(iv) has been removed or dismissed from the service of the
Government or organisation or undertaking owned by the
Government; or

(v) has in the opinion of the Central Government, such
financial or other interest in the Authority as is likely to affect the
duties discharged by him of his functions as a member.

CHAPTER-IV
POWERS AND FUNCTIONS

11. (1) The functions of Governing Body of the Authority shall
inter alia, include:

(i) overseeing programme known as Green India for massive
afforestation of the degraded forest land of the country, utilising
financial resources, partly provided under the Fund and the
remaining fund mobilised from the market, development partner
associations, carbon credits, income from tree felling at ecologically
appropriate intervals and to augment funds, and service debts;

(ii) overseeing watershed development of forest conservation
works within forest areas undertaken and financed under the
Fund;

(iii) maintaining a separate account in respect of the funds
received under the provisions referred to in clause (iii) of sub-
section (4) of section 3 and allocate the earmarked funds for
wildlife protection as well as to provide funds for activities
approved by the National Board of Wildlife;

(iv) laying report each year in Parliament on the progress of
the Green India programme and other works under the Fund as
well as present it as a Report to the Public;

(v) creating transparency for Green India and mobilise
citizens support therefor;

(vi) mobilising additional resources to scale up the activity
under Green India programme;

(vii) enlisting assistance from Financial Institutions for
afforestation;

(viii) working towards making the Authority eligible for
international assistance under the climate change agenda;
(ix) adopting a principle of allocation to States and Union territories based on the share contributed by them and having regard to the Supreme Court orders;

(x) earmarking at least five per cent of the funds for communication, social mobilisation, monitoring and evaluation.

(2) The Governing Body of the Authority shall—

(i) formulate the broad policy framework including the allocation formula to States and the Union territories;

(ii) approve the rules for the management of Compensatory Afforestation Fund, to be notified by the Central Government;

(iii) monitor the progress of the utilisation of funds released by the Authority;

(iv) approve the annual report and audited accounts of the Authority;

(v) review reports on decision taken by Executive Body including investment decisions and Monitoring, Group.

(3) The Governing Body of the Authority shall meet at least once in six months.

(4) The Governing Body, Executive Body and the Monitoring Group of the Authority shall meet at such places and shall observe such rules and procedures in regard to transaction of business at its meetings (including the quorum thereat) as may be prescribed.

12. (1) The Executive Body shall decide:

(i) approval of work plans and deployment of funds;

(ii) deployment of staff on contractual basis or on deputation;

(iii) financial procedure;

(iv) delegation of financial or administrative powers;

(v) other day-to-day working in respect of receipts of funds

(vi) investment of funds;

(vii) expenditure on establishment and other overheads including office accommodation subject to the approval of the annual budget by the Governing Body;

(viii) on being satisfied that the funds released to a particular State or the Union territory are not being utilised properly, the Executive Body shall have the power to withhold or suspend the release of remaining funds or part thereof provided that reasons shall be recorded on such action and submit the same to the Governing Body for approval;

(ix) to present its decisions to the Governing Body for information;
(x) maintain and update a public information system on the Authority and present all information on its transaction in the public domain.

(2) The Executive Body shall meet at least once in every three months.

13. (1) The Monitoring Group shall—

(i) evolve independent system for concurrent monitoring and evaluation of the works implemented in the States and Union territories utilising the funds released by the Authority to ensure effective and proper utilisation of funds by utilising the services of the Regional Offices of the Central Government in the Ministry of Environment and Forests;

(ii) monitor and evaluate the implementation of the Green India programme;

(iii) inspect and undertake financial audit of works executed by utilising the funds released by the Authority in the States and Union territories;

(iv) devise measures for transparency and accountability.

(2) The Monitoring Group shall meet at least once in three months.

CHAPTER-V

FINANCE, ACCOUNTS, AUDIT AND ANNUAL REPORT

14. (1) The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Authority grants and loans of such sums of money as that Government may consider necessary, which shall be credited to the Fund to be utilised for the purposes of this Act.

(2) There shall also be credited to the Fund—

(a) grants or aid received;

(b) any loan taken by the Authority;

(c) any other sums received by the Authority by way of benefaction, gift or donations.

15. (1) The Authority shall prepare in such form and at such time in each financial year as may be prescribed, its budget for the next financial year showing the estimated receipts and expenditure of the Authority and forward the same to the Central Government.

(2) The Authority, with the prior approval of the Central Government, shall adopt financial regulations and procedures, in particular the procedure for drawing up and implementing the Authority’s budget.

16. The Authority may invest its funds (including any reserve fund) in the securities of the Central Government and in scheduled banks in such manner as may be prescribed:
Provided that the grants received from the Central Government shall not be invested and shall be utilised for the purpose and in the manner attached to it.

17. (1) The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Authority shall be audited by the Comptroller and Auditor-General at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Authority to the Comptroller and Auditor-General.

(3) The Comptroller and Auditor-General and any other person appointed by him in connection with the audit of the accounts of the Authority shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books accounts connected vouchers and other documents and papers and to inspect the office of the Authority.

(4) The accounts of the Authority as certified by the Comptroller and Auditor-General or any other person appointed by him in this behalf together with the audit report thereon, shall be forwarded annually to the Central Government by the Authority.

(5) The Comptroller and Auditor-General may, within a period of six months from the date of commencement of this Act, audit the accounts of the Fund for a period comprising of the date of its inception, that is, the 29th October, 2002 and the date of commencement of this Act and shall submit the report to the Central Government under this section.

(6) The Central Government shall have the power, to conduct the special audit or performance audit of the Fund and of the Authority through the Comptroller and Auditor-General.

18. (1) The Authority shall prepare in such form and at such time for each financial year, as may be prescribed its annual report, giving a full account of its activities during the previous financial year and forward a copy thereof to the Central Government.

(2) The annual report shall, inter alia, provide for—

(i) the number and location of each reforestation, afforestation and construction activity subject to the requirements of this section;

(ii) the amount and location of lands in acres cleared, conserved and planted in connection with the activity; and

(iii) the amount of afforestation money collected and expended.
19. The Central Government shall cause the annual report together with a memorandum of action taken on the recommendations contained therein and the audit report to be laid as soon as may be after the reports are received before each House of Parliament.

CHAPTER VI
MISCELLANEOUS

20. (1) The Central Government may, in consultation with the States and the Union territories, by notification in the Official Gazette, make rules for constituting the State Management Committee, State Steering Committee and Joint Forest Management Committee, their composition, powers and functions for carrying out the provisions of this Act.

(2) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act and such rules may provide for all or any of the following matters, namely:

(a) manner of management of Fund by the Authority under sub-section (2) of section 3;

(b) the disbursement of fund for such other projects relating to afforestation under clause (iv) of section 4;

(c) the accounting procedure regulating the manner of crediting the monies under section 5;

(d) terms of office and conditions of service of members of the Authority, Executive Body, Monitoring Group under section 9;

(e) rules for the transaction of business at meetings of the Governing Body, Executive Body and the Monitoring Group of the Authority under sub-section (4) of section 11;

(f) the form and time of preparing budget under section 15;

(g) the manner of investment of fund under section 16;

(h) the form of annual statement of accounts to be maintained by the Authority Under sub-section (1) of section 17;

(i) the form and time of preparing annual report under section 18;

(j) any other matter which is required to be or may be prescribed.

(3) Every rule made under this Act shall be laid, as soon as may be after it is made before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall, thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.
21. (1) Without prejudice to the foregoing provisions of this Act, the Authority shall in exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy, as the Central Government may give it in writing from time to time.

(2) The decision of the Central Government, whether a question is one of policy or not, shall be final.
STATEMENT OF OBJECTS AND REASONS

As the diversion of forest land for non-forestry purposes was causing loss to the valuable forests, the Forests (Conservation) Act, 1980 was enacted to maintain a rational balance between the objectives of conservation and development. Briefly, the Forests (Conservation) Act, 1980 makes provision for conservation of forests and provide for the basic framework for regulating indiscriminate diversion or use of forest for the developmental needs of a State. It intends to harmonize development with that of conservation of forests and forest eco system. The compensatory afforestation envisages additional plantation activities by utilizing the money deposited by the user agency for the purpose.

2. The Supreme Court in its order dated 29th October, 2002 in T.N. Godavarman Thirumalpad Vs. Union of India [Writ Petition (C) No. 202 of 1995] observed that a Compensatory Afforestation Fund may be created in which all the monies received from the user agencies shall be deposited. The Court directed that the Fund shall be utilized for plantations, protection of forests, wildlife protection and other related activities. Presently, in compliance with the direction of the Supreme Court, all monies collected under the scheme has been placed under an adhoc CAMPA and deposited in the nationalised banks.

3. During the years, a substantial amount of monies have been deposited in this regard by the user agencies towards compensatory afforestation, additional compensatory afforestation, penal compensatory afforestation, Net Present Value of the diverted forest land or Catchment Area Treatment Plan. The Government intends to articulate its one of the objectives and undertake a massive afforestation programme called “Green India” which precisely envisages massive afforestation of the degraded forest land of the country by utilizing the financial resources available in the Fund and other sources such as mobilisation from market, developmental partners associations, carbon credit etc. Accordingly, it is proposed to enact a legislation, namely the Compensatory Afforestation Fund Bill, 2008 to provide for the establishment of a statutory Fund and a Management Authority, who shall be responsible for the management of the Fund and administer the programme of afforestation.

4. The Authority constituted under the Bill shall consist of a Governing Body and be assisted by an Executive Body, Monitoring Group and administrative support mechanism. The duties, powers and functions of Authority shall inter alia, include:—

(a) overseeing programme known as “Green India” for massive afforestation of the degraded forest land of the country, utilizing financial resources, partly provided under the Fund and the remaining fund mobilised from the development partner associations, carbon credits;

(b) overseeing watershed development or forest conservation works within forest areas undertaken;

(c) keep Parliament abreast of the progress of the “Green India” programme through laying of reports;
(d) creating transparency for “Green India” and mobilise citizens support therefor;

(e) adopting a principle of allocation to States and Union Territories based on the share contributed by them and having regard to the Supreme Court orders;

(f) to invest its funds in the securities of the Central Government and in such Scheduled banks; and

(g) to maintain proper accounts and relevant records and prepare an annual statement of accounts, prepare its annual report giving full account of its activities.

5. The Bill will provide the required legal backing to the scheme and put in place the “Green India” programme throughout the country.

6. The Bill seeks to achieve the above objectives.

NEW DELHI; S. REGUPATHY

The 25th April, 2008.
FINANCIAL MEMORANDUM

Sub-clause (1) of clause 3 of the Bill provides for the establishment of the Compensatory Afforestation Fund. Sub-clause (3) provides that all monies collected by the State Governments and Union Territories, which has been placed under the ad hoc Compensatory Afforestation Fund Management and Planning Authority (Authority) and deposited in the nationalised banks, shall be credited into the Consolidated Fund of India, which shall be transferred to the Fund under the public account of India. Sub-clause (4) provides for the details of the receipts of monies credited into the Fund. Sub-clause (5) makes out the purposes for which the Fund shall be utilized.

2. Sub-clause (1) of clause 7 of the Bill provides for constitution of the Authority and sub-clause (3) thereof provides that the Authority shall be assisted by an Executive Body, Monitoring Group and administrative support mechanism to guide, direct and oversee the activities of the Authority. Sub-clause (5) provides for appointment of an officer of the rank of Inspector General of Forests as the Chief Executive Officer who shall be the Member-Secretary of the Governing Body and the Executive Body.

3. Sub-clause (4) of clause 8 provides for the appointment of a Joint Chief Executive Officer of the rank of Conservator of Forests, a Financial Adviser and Chief Accounts Officer of the rank of Director in the Government of India and two Deputy Chief Executive Officers of the rank of Deputy Conservator of Forests to assist the Executive Body in performance of its functions and powers for a period not exceeding five years.

4. The Bill, if enacted and brought into operation, would involve from the Fund a recurring expenditure of rupees one crore seven lakhs fifty thousand per annum and a non-recurring expenditure of rupees twenty eight lakhs fifty thousand.
MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (2) of clause 3 of the Bill empowers the Central Government to make rules providing for the manner of regulation of the Fund by the Compensatory Afforestation Fund Management and Planning Authority. Clause 4 authorises the Central Government to utilize the Fund for the purposes specified therein and to prescribe the other projects of afforestation.

2. Sub-clause (1) of clause 20 of the Bill empowers the Central Government to make rules in consultation with the States and the Union Territories for constituting the State Management Committee, State Steering Committee and Joint Forest Management Committee, their composition, powers and functions for carrying out the provisions of the Bill. Sub-clause (2) enumerates the provisions of the Bill which authorises the Central Government to frame rules for different specified purposes.

3. The rules framed under the Bill shall be laid, as soon as may be, after they are made, before each House of Parliament.

4. The matters in respect of which rules may be made are generally matters of procedure and administrative details and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.
### ANNEXURE-II

**A LIST OF INDIVIDUALS/ORGANISATIONS WHO HAVE SENT THEIR VIEWS ON THE COMPENSATORY AFFORESTATION BILL, 2008**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name/Address of Persons who have sent views on the Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dr. N.S. Adkoli IFS (Retd.) Treelands Development Services (P) Ltd., C/o Bamboo Society of India, Vana Vikas Building, 18th Cross, Malleswaram, Bangalore-560003</td>
</tr>
<tr>
<td>2</td>
<td>Dr. Archana Prasad, Reader Centre for Jawahar Lal Nehru Studies, Naom Chomsky Complex, Maulana Mohamed Ali Jauhar Marg, Jamia Millia Islamia, New Delhi</td>
</tr>
<tr>
<td>3</td>
<td>Shri Shankar Gopalakrishnan, Campaign for Survival and Dignity, Q-1, Hauz Khas Enclave, New Delhi 110016.</td>
</tr>
<tr>
<td>4</td>
<td>Shri Amar Prasad, Chief Executive Officer, Gramin Vikas Trust, 5th Floor, A-Wing, Kribhco Bhawan, A-10, Sector-1, Noida (U.P.) 201301.</td>
</tr>
<tr>
<td>5</td>
<td>Shri Ashok Kumar, Vice-Chairman, Wildlife Trust of India.</td>
</tr>
<tr>
<td>6</td>
<td>Shri S.B.S. Chauhan, Adviser, Federation of Indian Mineral Industries, 301, Bakshi House, 40-41, Nehru Place, New Delhi-110019</td>
</tr>
<tr>
<td>7</td>
<td>Dr. Seema Purushothaman, Convener, Ashoka Trust for Research in Ecology and Environment, No. 659, 5th Main, Hebbal, Bangalore-560024.</td>
</tr>
<tr>
<td>8</td>
<td>G. Venkateswarlu, S.O. (G) SERC, CSIR Campus, Taramani Chennai-113</td>
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<tr>
<td>9</td>
<td>Shri Sharafuddeen, Shannovre, Mele Vettipuram, Pathanmthitta P.O., Kerala-689645</td>
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<tr>
<td>10</td>
<td>Shri Sachidanand Samanta P.O. Paschimbhilka, P.S. Panskura, Distt. Purba Medinipur, West Bengal</td>
</tr>
<tr>
<td>11</td>
<td>Orissa Krushak Mahasangha, 585, Saheed Nagar, Bhubaneswar-7</td>
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<td>12.</td>
<td>Shri Shiv Kumar Diwedi,</td>
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<tr>
<td></td>
<td>A-10, Janta Colony, 1st Floor,</td>
</tr>
<tr>
<td></td>
<td>Near Deendayal Circle, Jaipur, Rajasthan</td>
</tr>
<tr>
<td>13.</td>
<td>Shri Har Pal Singh, President,</td>
</tr>
<tr>
<td></td>
<td>Gram Vikas Manch Thengora, Block-Arneia, Bulandshahr, U.P.</td>
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ANNEXURE-III

LIST OF STATE GOVERNMENTS WHO HAVE SENT THEIR COMMENTS/VIEWS ON THE COMPENSATORY AFFORESTATION BILL, 2008

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of States who have sent views on the Bill</th>
</tr>
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<tbody>
<tr>
<td>1.</td>
<td>Gujarat</td>
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<td>2.</td>
<td>Chhattisgarh</td>
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<td>3.</td>
<td>Himachal Pradesh</td>
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<td>4.</td>
<td>Madhya Pradesh</td>
</tr>
<tr>
<td>5.</td>
<td>Bihar</td>
</tr>
<tr>
<td>6.</td>
<td>Tripura</td>
</tr>
<tr>
<td>7.</td>
<td>Arunachal Pradesh</td>
</tr>
<tr>
<td>Sl. No.</td>
<td>List of Experts</td>
</tr>
<tr>
<td>--------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>1.</td>
<td>Shri Shankar Gopalakrishnan, Campaign for Survival and Dignity, New Delhi.</td>
</tr>
<tr>
<td>2.</td>
<td>Shri Amar Prasad, Chief Executive Officer, Gramin Vikas Trust, Noida.</td>
</tr>
<tr>
<td>3.</td>
<td>Dr. Archana Prasad, Reader Centre for Jawahar Lal Nehru Studies, Jamia Millia Islamia, New Delhi.</td>
</tr>
<tr>
<td>4.</td>
<td>Dr. N.S. Adkoli, IFS (Retd.) Treelands Development Services (P) Ltd., Bangalore.</td>
</tr>
</tbody>
</table>
LIST OF STATES WHICH HAD DIVERTED/UTILIZED FUNDS FOR THE PURPOSE OTHER THAN THE COMPENSATORY AFFORESTATION

The following details are based on the checks conducted by the State Accountant Generals to ascertain the diversion of funds, misappropriation and other related issues.

**Andhra Pradesh**

Diversion of CAMPA Fund of Rs.25.19 lakhs in one case and in another case Rs.5 crores towards compensatory afforestation was diverted to Government Accountant instead of keeping in specially created fund.

**Maharashtra**

Loss of interest of Rs.15.48 lakhs in one case and Rs.6.75 lakhs in other case.

**Haryana**

Loss of interest of Rs.8.96 lakhs by remitting an amount of Rs.83.38 lakhs received from User Agencies in to Treasury instead of keeping in fixed deposits. In another case amounts to the tune of Rs.78.72 lakhs and Rs.26 lakhs is due for recovery from the user agency.

**Punjab**

Loss of interest of Rs.31.03 lakhs by not keeping the funds in Fixed deposit accounts.

**Karnataka**

An amount of Rs.197.79 crores as on 14th December, 2004 collected for compensatory afforestation during 93-94 to 2004-05 was deposited as Karnataka Forest Development Fund.

These are the few examples available. Further detailed audit is required to be done to ascertain the complete picture.
ANNEXURE-VI

PAYMENT OF NET PRESENT VALUE (NPV) FROM WIND ENERGY COMPANIES IN KARNATAKA

<table>
<thead>
<tr>
<th>(A) Amount received from 1980 till April 2004 (Rs. in crores)</th>
<th>Amount spent (Rs. in crores)</th>
<th>Area treated (in ha.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>For compensatory afforestation</td>
<td>Up to April 2004</td>
<td>Up to April 2004</td>
</tr>
<tr>
<td>75.36</td>
<td>56.60</td>
<td>34,492.58</td>
</tr>
<tr>
<td>For Net Present Value</td>
<td>From May 2004 to</td>
<td>From April 2004 to</td>
</tr>
<tr>
<td>–</td>
<td>15.81</td>
<td>3,854.75</td>
</tr>
<tr>
<td>For other works (apprx.)</td>
<td>31.3.2008</td>
<td>March 2008</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>75.36</td>
<td>TOTAL: 72.41</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>38,347.33</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(B) Amount received from April 2004 to till date (Rs. in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>For compensatory afforestation</td>
</tr>
<tr>
<td>For Net Present Value</td>
</tr>
<tr>
<td>For other works (apprx.)</td>
</tr>
<tr>
<td>TOTAL:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(C) Amount transferred to CMPA fund at New Delhi Rs. in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>For compensatory afforestation</td>
</tr>
<tr>
<td>For Net Present Value</td>
</tr>
<tr>
<td>For other works (apprx.)</td>
</tr>
<tr>
<td>TOTAL:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(D) Amount received for CA Area treated (ha.) after transfer to funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>-- Nil --</td>
</tr>
</tbody>
</table>
**ANNEXURE-VII**

**STATEMENT SHOWING CASES (STATE-WISE) APPROVED FOR DIVERSION OF FOREST LAND UNDER FOREST CONSERVATION ACT, 1980**

During the period: 01.11.2002 to 31.07.2008

<table>
<thead>
<tr>
<th>State/UT</th>
<th>No. of cases</th>
<th>Area diverted in (ha.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andaman and Nicobar Island</td>
<td>18</td>
<td>147.10</td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>198</td>
<td>10172.49</td>
</tr>
<tr>
<td>Arunachal Pradesh</td>
<td>44</td>
<td>4811.02</td>
</tr>
<tr>
<td>Assam</td>
<td>108</td>
<td>1651.95</td>
</tr>
<tr>
<td>Bihar</td>
<td>59</td>
<td>1053.09</td>
</tr>
<tr>
<td>Chandigarh</td>
<td>8</td>
<td>14.22</td>
</tr>
<tr>
<td>Chhattisgarh</td>
<td>180</td>
<td>19787.00</td>
</tr>
<tr>
<td>Daman and Diu</td>
<td>1</td>
<td>3.95</td>
</tr>
<tr>
<td>Delhi</td>
<td>6</td>
<td>16.54</td>
</tr>
<tr>
<td>Goa</td>
<td>24</td>
<td>421.23</td>
</tr>
<tr>
<td>Gujarat</td>
<td>414</td>
<td>11311.84</td>
</tr>
<tr>
<td>Haryana</td>
<td>1039</td>
<td>693.60</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>725</td>
<td>3594.10</td>
</tr>
<tr>
<td>Jammu and Kashmir</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Jharkhand</td>
<td>96</td>
<td>8764.93</td>
</tr>
<tr>
<td>Karnataka</td>
<td>278</td>
<td>9999.39</td>
</tr>
<tr>
<td>Kerala</td>
<td>36</td>
<td>10204.44</td>
</tr>
<tr>
<td>Lakshadweep</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>213</td>
<td>47920.07</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>282</td>
<td>16648.02</td>
</tr>
<tr>
<td>Manipur</td>
<td>7</td>
<td>291.60</td>
</tr>
<tr>
<td>Meghalaya</td>
<td>16</td>
<td>5.55</td>
</tr>
<tr>
<td>Mizoram</td>
<td>3</td>
<td>66.47</td>
</tr>
<tr>
<td>State</td>
<td>No. of Diverted Ha</td>
<td>Developmental Projects Diverted</td>
</tr>
<tr>
<td>-------------------</td>
<td>--------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>Nagaland</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Orissa</td>
<td>131</td>
<td>8884.80</td>
</tr>
<tr>
<td>Pondicherry</td>
<td>1</td>
<td>0.96</td>
</tr>
<tr>
<td>Punjab</td>
<td>1905</td>
<td>67138.36</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>200</td>
<td>8847.34</td>
</tr>
<tr>
<td>Sikkim</td>
<td>146</td>
<td>978.85</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>68</td>
<td>562.77</td>
</tr>
<tr>
<td>Tripura*</td>
<td>83</td>
<td>360.51</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>366</td>
<td>28601.12</td>
</tr>
<tr>
<td>Uttaranchal</td>
<td>1263</td>
<td>31570.80</td>
</tr>
<tr>
<td>West Bengal</td>
<td>15</td>
<td>862.87</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>7996</strong></td>
<td><strong>295411.29</strong></td>
</tr>
</tbody>
</table>

* Diversion of 2,95,411.28 ha. includes 65,670.26 ha. diverted under Punjab Land Preservation Act (PLPA), 2,770.1947 ha. for Regularization of Encroachment and 40,986.81 ha. for conversion of Forest villages into Revenue villages. Therefore, total forest land diverted for Developmental Projects is 1,85,984.00 ha. during the period, which is 30,997.34 ha. per year.

** Diversion of forest land Pre 1980 is 41,35,000.00 ha., which is 1,37,833.33 ha. per year between 1951-1980.
STATEMENT SHOWING CASES (STATE-WISE) APPROVED FOR DIVERSION OF FOREST LAND UNDER FOREST CONSERVATION ACT, 1980

During the period: 25.10.1980 to 31.10.2002

<table>
<thead>
<tr>
<th>State/UT</th>
<th>No. of Cases</th>
<th>Area Diverted In (ha.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andaman and Nicobar Island</td>
<td>64</td>
<td>2618.02</td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>319</td>
<td>27230.84</td>
</tr>
<tr>
<td>Arunachal Pradesh</td>
<td>85</td>
<td>39345.61</td>
</tr>
<tr>
<td>Assam</td>
<td>129</td>
<td>5710.20</td>
</tr>
<tr>
<td>Bihar</td>
<td>25</td>
<td>1328.91</td>
</tr>
<tr>
<td>Chandigarh</td>
<td>14</td>
<td>34.48</td>
</tr>
<tr>
<td>Chhattisgarh</td>
<td>232</td>
<td>68360.37</td>
</tr>
<tr>
<td>Dadar and Nagar Haveli</td>
<td>134</td>
<td>263.17</td>
</tr>
<tr>
<td>Daman and Diu</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Delhi</td>
<td>2</td>
<td>3.59</td>
</tr>
<tr>
<td>Goa</td>
<td>67</td>
<td>1234.88</td>
</tr>
<tr>
<td>Gujarat</td>
<td>794</td>
<td>55148.35</td>
</tr>
<tr>
<td>Haryana</td>
<td>350</td>
<td>7924.64</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>514</td>
<td>7535.93</td>
</tr>
<tr>
<td>Jammu and Kashmir</td>
<td>8</td>
<td>1500.09</td>
</tr>
<tr>
<td>Jharkhand</td>
<td>133</td>
<td>6016.83</td>
</tr>
<tr>
<td>Karnataka</td>
<td>427</td>
<td>32846.65</td>
</tr>
<tr>
<td>Kerala</td>
<td>182</td>
<td>30775.53</td>
</tr>
<tr>
<td>Lakshadweep</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>679</td>
<td>342739.58</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>1202</td>
<td>74438.14</td>
</tr>
<tr>
<td>Manipur</td>
<td>16</td>
<td>869.35</td>
</tr>
<tr>
<td>Meghalaya</td>
<td>75</td>
<td>392.53</td>
</tr>
<tr>
<td>Mizoram</td>
<td>22</td>
<td>25148.79</td>
</tr>
<tr>
<td>Nagaland</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>State</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>-------------------</td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>Orissa</td>
<td>310</td>
<td>34739.34</td>
</tr>
<tr>
<td>Pondicherry</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Punjab</td>
<td>535</td>
<td>9827.84</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>408</td>
<td>16144.75</td>
</tr>
<tr>
<td>Sikkim</td>
<td>132</td>
<td>1247.58</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>341</td>
<td>4314.43</td>
</tr>
<tr>
<td>Tripura*</td>
<td>162</td>
<td>7506.83</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>222</td>
<td>13157.52</td>
</tr>
<tr>
<td>Uttarakhand</td>
<td>2174</td>
<td>29280.25</td>
</tr>
<tr>
<td>West Bengal</td>
<td>67</td>
<td>3165.85</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td>9824</td>
<td>850850.85</td>
</tr>
</tbody>
</table>

* Diversion of 8,50,850.85 ha. includes 1,19,984.69 ha. diverted for Regularization of Encroachment and 31,192.34 ha. for mutation of Zudpi Jungle in Maharashtra State. Therefore, total forest land diverted for Developmental Projects is 699673.82 ha. during the period, which is 31803.36 ha. per year.

# Diversion of 6,99,673.82 ha. also includes 2,45,660.097 ha. of forest land diverted for Regularization of Encroachment (approval accorded finally instead of Stage-I approval during the period) therefore, total land diverted for developmental project is 4,54,013.73 ha. during the period which is 20,636.99 ha. per year.

** Diversion of forest land Pre 1980 is 4135000.00 ha., which is 137833.33 ha. per year between 1951-1980.
MINUTES
XXIII
TWENTY THIRD MEETING

The Committee met at 11.00 A.M. on Friday, the 30th May, 2008 in Committee Room ‘A’, Ground Floor, Parliament House Annexe, New Delhi.

PRESENT
1. Dr. V. Maitreyan — Chairman

RAJYA SABHA
2. Shri Bhagirathi Majhi
3. Shri Kamal Akhtar
4. Shri Saman Pathak
5. Shri D. Raja
6. Dr. Ejaz Ali

LOK SABHA
7. Dr. Sujan Chakraborty
8. Shri Francis Fanthome
9. Shri A. Venkatesh Naik
10. Shri Brahmanand Panda
11. Shrimati Neeta Pateriya
12. Shri Jayasingrao Gaikwad Patil
13. Shri Bachi Singh ‘Bachda’ Rawat
14. Shri K.C. Singh “Baba”
15. Shri Aruna Kumar Vundavalli
16. Shri Mitrasen Yadav
17. Shri Sita Ram Yadav

SECRETARIAT
Shrimati Agnes Momin George, Joint Secretary
Shri S. Jason, Joint Director
Shri V.S.P. Singh, Deputy Director
Shri S. Rangarajan, Assistant Director

WITNESSES

Representatives of the Ministry of Environment and Forests
1. Shri G.K, Prasad, Additional Director General (FC)
2. Shri Ansar Ahmed, Inspector General of Forests (FC)
4. Dr. Dalip Kumar, Controller of Accounts
3. The Chairman informed the Members that the Committee had decided to hear the views of
the Secretary, Ministry of Environment and Forests in connection with the “The Compensatory
Afforestation Fund Bill, 2008”. However, the Secretary had written that due to some prior
commitments, she could not appear before the Committee and had deputed Shri G.K. Prasad,
Additional Director General of Forests, Ministry of Environment and Forests on her behalf for a
presentation on the said subject.

4. The Chairman then welcomed Shri Prasad, Additional Director General of Forests and other
representatives of the Ministry of Environment and Forests and requested him to make a
presentation on the aspects related to “The Compensatory Afforestation Fund Bill, 2008”. He made
a visual presentation on the subject and explained the reasons for the introduction of the said Bill
and its salient features. The Members then sought clarifications on the points arising out of the
presentation and the witnesses replied to them.

The officials then withdrew.

A verbatim record of the proceedings was kept.

5. The Committee then decided to hear the views of the representatives of a NGO namely
Campaign for Survival and Dignity, New Delhi on the aspects relating to aforesaid Bill in its next
meeting to be held on the 6th June, 2008.

6. The Committee also decided to invite written memoranda containing suggestions/views/
comments of individuals/institutions/organizations interested in the subject matter of the Bill.

7. The Committee then adjourned at 12.40 p.m. to meet again at 11.00 a.m. on 6th June, 2008.

*** Relates to other matters.
XXIV
TWENTY FOURTH MEETING

The Committee met at 11.00 A.M. on Friday, the 6th June, 2008 in Committee Room ‘A’, Ground Floor, Parliament House Annexe, New Delhi.

PRESENT
1. Dr. V. Maitreyan — Chairman

RAJYA SABHA
2. Shri Bhagirathi Majhi
3. Shri Jabir Husain
4. Shri D. Raja
5. Dr. Ejaz Ali

LOK SABHA
6. Dr. Sujan Chakraborty
7. Shri Francis Fanthome
8. Shri Babubhai K. Katara
9. Shri Brahmananda Panda
10. Shrimati Neeta Pateriya
11. Shri Jayasingrao Gaikwad Patil
12. Shri Bachi Singh ‘Bachda’ Rawat
13. Shri Mitrasen Yadav
14. Shri Sita Ram Yadav

SECRETARIAT
Shrimati Agnes Momin George, Joint Secretary
Shri S. Jason, Joint Director
Shri V.S.P. Singh, Deputy Director

WITNESSES

Representatives of the Campaign for Survival and Dignity, New Delhi
1. Shri Shankar Gopalkrishnan, Secretary
2. Ms. Priya Srinivasan
3. Shri Vijay Bhai
4. Shri George Monipally

2. The Chairman welcomed Shri Gopalkrishnan, Secretary and other representatives of the Campaign for Survival and Dignity and requested him to present his views on the Compensatory Afforestation Fund Bill, 2008. Shri Gopalkrishnan made a presentation on the subject. The Members then sought clarifications on the points arising out of the presentation and the witnesses replied to them.
The witnesses then withdrew.

A verbatim record of the proceedings was kept.

3. The Committee then adjourned at 12.40 p.m. to meet again at 11.00 a.m. on 13th June, 2008.
XXVI
TWENTY SIXTH MEETING

The Committee met at 11.00 A.M. on Thursday, the 3rd July, 2008 in Committee Room ‘C’, Ground Floor, Parliament House Annexe, New Delhi.

PRESENT
1. Dr. V. Maitreyan — Chairman

RAJYA SABHA
2. Shri Bhagirathi Majhi
3. Shri Kamal Akhtar
4. Shri Saman Pathak
5. Shri D. Raja
6. Dr. Ejaz Ali
7. Shri Nandamuri Harikrishna

LOK SABHA
8. Dr. Sujan Chakraborty
9. Shri Francis Fanthome
10. Shri Babubhai K. Katara
11. Shri Brahmananda Panda
12. Shrimati Neeta Pateriya
13. Shri Pratik P. Patil
14. Shrimati Jayaben B. Thakkar
15. Shri Mitrasen Yadav
16. Shri Sita Ram Yadav
17. Shri Akbar Ahmad Dumpy

SECRETARIAT
Shrimati Agnes Momin George, Joint Secretary
Shri S. Jason, Joint Director
Shri S. Rangarajan, Assistant Director

WITNESSES

Representatives of the Gramin Vikas Trust, Noida
1. Shri Amar Prasad, Chief Executive Officer
2. Shri K.S. Sandhu, Zonal Programme Manager
3. Shri V.K. Viz, Zonal Programme Manager
4. Shri Arun Joshi, Head NLRI
5. Shri S. Bhattacharyya, Sr. Programme Officer.
3. The Chairman then welcomed Shri Amar Prasad, Chief Executive Officer and other representatives of the Gramin Vikas Trust and requested him to present his views on “The Compensatory Afforestation Fund Bill, 2008”. Shri Prasad made a presentation on the subject. The Members then sought clarifications on the points arising out of the presentation and the witnesses replied to them.

The witnesses then withdrew.

A verbatim record of the proceedings was kept.

5. The Committee then adjourned at 12.20 P.M. to meet again at 11.00 A.M. on 14th July, 2008.
XXVII
TWENTY SEVENTH MEETING

The Committee met at 11.00 A.M. on Monday, the 14th July, 2008 in Committee Room ‘B’, Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

1. Dr. V. Maitreyan — Chairman

RAJYA SABHA
2. Shri Bhagirathi Majhi
3. Shri Kamal Akhtar
4. Shri Saman Pathak
5. Shri D. Raja
6. Dr. Ejaz Ali

LOK SABHA
7. Dr. Sujan Chakraborty
8. Shri Thupstan Chhewang
9. Shri Francis Fanthome
10. Shri Brahmananda Panda
11. Shrimati Neeta Pateriya
12. Shri Jayasingrao Gaikwad Patil
13. Shri Bachi Singh ‘Bachda’ Rawat
14. Shri K.C. Singh “Baba”
15. Shri Aruna Kumar Vundavalli
16. Shri Mitrasen Yadav
17. Shri Sita Ram Yadav
18. Shri Akbar Ahmad Dumpy

SECRETARIAT
Shrimati Agnes Momin George, Joint Secretary
Shri S. Jason, Joint Director
Shri V.S.P. Singh, Deputy Director
Shri S. Rangarajan, Assistant Director

WITNESS
Dr. Archana Prasad, Reader, Centre for Jawaharlal Nehru Studies, Jamia Millia Islamia, New Delhi.

2. The Chairman welcomed Dr. Archana Prasad and requested her to present her views on The Compensatory Afforestation Fund Bill, 2008. Dr. Archana made a presentation on the subject. The Members then sought clarifications on the points arising out of the presentation and the witness replied to them.
The witness then withdrew.

A verbatim record of the proceedings was kept.

3. The Committee then adjourned at 11.50 A.M.
XXVIII
TWENTY EIGHTH MEETING

The Committee met at 11.30 A.M. on Tuesday, the 29th July, 2008 in Room No. ‘139’, First Floor, Parliament House Annexe, New Delhi.

PRESENT
1. Dr. V. Maitreyan — Chairman

RAJYA SABHA
2. Shri Bhagirathi Majhi
3. Shri Saman Pathak
4. Shri D. Raja
5. Shri Nandamuri Harikrishna

LOK SABHA
6. Dr. Sujan Chakraborty
7. Shri Pankaj Chaudhary
8. Shri Francis Fanthome
9. Shri Brahmananda Panda
10. Shrimati Neeta Pateriya
11. Shri Jayasingrao Gaikwad Patil
12. Shri Aruna Kumar Vundavalli
13. Shrimati Jayaben B. Thakkar
14. Shri Mitrasen Yadav
15. Shri Rampal Singh

SECRETARIAT
Shrimati Agnes Momin George, Joint Secretary
Shri S. Jason, Joint Director
Shri V.S.P. Singh, Deputy Director
Shri S. Rangarajan, Assistant Director

WITNESS
Shri N.S. Adkoli, IFS (Retd.), Chairman, Treelands Development Services (P) Ltd., Bangalore.

2. The Chairman welcomed Shri N.S. Adkoli and requested him to present his views on The Compensatory Afforestation Fund Bill, 2008. Shri Adkoli made a detailed presentation on the subject. The Members then sought clarifications on the points arising out of the presentation and the witness replied to them. The Chairman also requested him to send any further suggestion relating to the Bill.

The witness then withdrew.

A verbatim record of the proceedings was kept.

3. The Committee then adjourned at 1.10 P.M.
I
FIRST MEETING

The Committee met at 11.00 A.M. on Tuesday, the 12th August, 2008 in Committee Room ‘B’ Ground Floor, Parliament House Annexe, New Delhi.

PRESENT
1. Dr. V. Maitreyan — Chairman

RAJYA SABHA
2. Shri Bhagirathi Majhi
3. Shri Kamal Akhtar
4. Shri Saman Pathak
5. Shri Jabir Husain
6. Shri D. Raja

LOK SABHA
7. Dr. Sujan Chakraborty
8. Shri Thupstan Chhewang
9. Shri Pankaj Choudhary
10. Shri Akbar Ahmad Dumpy
11. Shri Francis Fanthome
12. Shri A. Venkatesh Naik
13. Shri Brahmananda Panda
14. Shrimati Neeta Pateriya
15. Shri Jaysingrao Gaikwad Patil
16. Shri Pratik P. Patil
17. Shri K.C. Singh ‘Baba’
18. Shri Aruna Kumar Vundavalli
19. Shri Mitrasen Yadav

SECRETARIAT
Shrimati Agnes Momin George, Joint Secretary
Shri V.S.P. Singh, Deputy Director
Shri S. Rangarajan, Assistant Director

WITNESSES

Representatives from the Ministry of Environment and Forests
1. Shri Vijai Sharma, Secretary
2. Shri P.R. Mohanty, DGF & SS
3. Shri G.K Prasad, ADG (FC)
4. Shri Ansar Ahmed, IGF (FC)
5. Shri K.B. Thampi, IGF (NAEB)
6. Shri C.D. Singh, Sr. AIGF
7. Shri B.K. Singh, Sr. AIGF

Representatives of the Ministry of Law and Justice (Legislative Department)
1. Dr. Sanjay Singh, Joint Secretary and Legislative Counsel
2. Shri K.V. Kumar, Assistant Legislative Counsel

2. He stated that in connection with The Compensatory Afforestation Fund Bill, 2008, the Committee had already heard the views of the Ministry of Environment and Forests, some experts and NGOs connected with the subject. He further stated that the suggestions/views received from the experts/NGOs and comments of the Ministry of Environment and Forests on the various points raised by them have been circulated to the Members. He informed the Members that the Secretary, Ministry of Environment and Forests and the representatives of Ministry of Law and Justice have been called to the meeting of the Committee to seek further clarifications on the said Bill.

3. He then welcomed the Secretary and other officials of the Ministry of Environment and Forests and representatives of the Ministry of Law and Justice (Legislative Department). Thereafter, the Chairman requested the Secretary, Ministry of Environment and Forests and Joint Secretary and Legislative Counsel, Ministry of Law and Justice to make a brief presentation on the aspects related to “The Compensatory Afforestation Fund Bill, 2008”. Both of them made a presentation on the subject and explained the reasons for the introduction of the said Bill and its salient features. The Members then sought clarifications on the points arising out of the presentation and the witnesses replied to them.

The witnesses then withdrew.

A verbatim record of the proceedings was kept.

4. The Committee then adjourned at 1.20 P.M. to meet again at 11.00 A.M. on 21st August, 2008.
II
SECOND MEETING

The Committee met at 11.00 A.M. on Thursday, the 21st August, 2008 in Committee Room ‘D’, Ground Floor, Parliament House Annexe, New Delhi.

PRESENT
1. Dr. V. Maitreyan — Chairman

RAJYA SABHA
2. Shri Bhagirathi Majhi
3. Shri Kamal Akhtar
4. Shri Saman Pathak
5. Shri Jabir Husain
6. Shri D. Raja
7. Shri Nandamuri Harikrishna

LOK SABHA
8. Dr. Sujan Chakraborty
9. Shri Thupstan Chhewang
10. Shri Francis Fanthome
11. Shri Brahananda Panda
12. Shrimati Neeta Pateriya
13. Shri Jaysingrao Gaikwad Patil
14. Shri Pratik P. Patil
15. Shri Bachi Singh ‘Bachda’ Rawat
16. Shri K.C. Singh ‘Baba’
17. Shri Aruna Kumar Vundavalli
18. Shrimati Jayaben B. Thakkar
19. Shri Mitrasen Yadav

SECRETARIAT
Shrimati Agnes Momin George, Joint Secretary
Shri S. Jason, Joint Director
Shri V.S.P. Singh, Deputy Director
Shri S. Rangarajan, Assistant Director

WITNESSES
Officials of the Ministry of Law and Justice (Legislative Department)
1. Dr. Sanjay Singh, Joint Secretary and Legislative Counsel
2. Shri K.V. Kumar, Assistant Legislative Counsel
2. The Chairman welcomed the officials of the Ministry of Law and Justice (Legislative Department) and requested Members to express their views on the various provisions of “The Compensatory Afforestation Fund Bill, 2008” one by one. Thereafter, the official of the Ministry of Law and Justice gave his clarifications to the various issues raised by Members.

The officials then withdrew.

3. *

4. The Committee then adjourned at 1.00 P.M. to meet again at 11.00 A.M. on 29th August, 2008.

*** Relates to other matters.
IV
FOURTH MEETING

The Committee met at 3.00 p.m. on Friday, the 5th September, 2008 in Committee Room ‘A’, Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

1. Dr. V. Maitreyan — Chairman

RAJYA SABHA

2. Shri Bhagirathi Majhi
3. Shri Kamal Akhtar
4. Shri Saman Pathak
5. Shri Jabir Husain
6. Shri D. Raja

LOK SABHA

7. Shri Jasubhai Dhanabhai Barad
8. Dr. Sujan Chakraborty
9. Shri Thupstan Chhewang
10. Shri Francis Fanthome
11. Shri Brahmananda Panda
12. Shrimati Neeta Pateriya
13. Shri Jaysingrao Gaikwad Patil
14. Shri Pratik P. Patil
15. Shri Mitrasen Yadav
16. Shri Akbar Ahmad Dumpy

SECRETARIAT

Shrimati Agnes Momin George, Joint Secretary
Shri S. Jason, Joint Director
Shri V.S.P. Singh, Deputy Director
Shri S. Rangarajan, Assistant Director

2. At the outset, the Chairman commended the Secretariat for preparing an excellent report on “The Compensatory Afforestation Fund Bill, 2008” by including all the concerns expressed by the Members of the Committee on the various issues of the Bill. The Committee then took-up for consideration its draft One Hundred Ninety-fourth Report on the said Bill. After discussions the Committee decided to incorporate a para from a Report of an Expert Group to Planning Commission on the suggestion given by a Member. It was also decided that the modified version of the report be given to the Members at its next meeting.
3. The Committee further decided to hold its next meeting on 12th September, 2008 to consider its future programme.

4. The Committee then adjourned at 4.10 P.M. to meet again at 11.00 A.M. on 12th September, 2008.
VI
SIXTH MEETING

The Committee met at 3.00 P.M. on Friday, the 3rd October, 2008 in Committee Room ‘A’, Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

1. Dr. V. Maitreyan — Chairman

RAJYA SABHA

2. Shri Suryakantbhai Acharya
3. Shri Bhagirathi Majhi
4. Shri Saman Pathak
5. Shri Jabir Husain
6. Shri D. Raja
7. Shri Nandamuri Harikrishna

LOK SABHA

8. Dr. Sujan Chakraborty
9. Shri Francis Fanthome
10. Shri Brahmananda Panda
11. Shrimati Neeta Pateriya
12. Shri Bachi Singh ‘Bachda’ Rawat
13. Shri Aruna Kumar Vundavalli
14. Shrimati Jayaben B. Thakkar
15. Shri Mitrasen Yadav

SECRETARIAT

Shrimati Agnes Momin George, Joint Secretary
Shri S. Jason, Joint Director
Shri V.S.P. Singh, Deputy Director
Shri S. Rangarajan, Assistant Director

2. The Committee took up for consideration its draft One Hundred Ninety-fourth Report on “The Compensatory Afforestation Fund Bill, 2008”. After some discussion the Committee adopted the report with certain additions/modifications.

3. * * *

4. The Committee then adjourned at 3.45 P.M. to meet again at 11.30 A.M. on 13th October, 2008.

*** Relates to other matters.