

M.P. RAJYA VAN VIKAS NIGAM LTD.

PROJECT FOR

RAISING COMMERCIAL PLANTATIONS - PHASE IX

1. INTRODUCTION

- 1.1 On the basis of recommendations made in Interim Report "**Production Forestry – Man Made Forests 1972**" of National Commission on Agriculture ; M.P.Rajya Van Vikas Nigam Ltd., a Govt. of M.P. undertaking was established on 24th July 1975. The main objectives of the Nigam is to accelerate and increase forestry production by creating plantations of fast growing species, species of higher economic value and species capable of diversified use for industrial and commercial purposes. To achieve this objective, the Nigam has undertaken the phased execution of the project for raising commercial plantations of Teak, Bamboo and mixed miscellaneous species.
- 1.2 Up to the year 1986-87, plantations were raised under what can be called "Concentrated regeneration method". This method entailed clear felling of existing natural forests, called Crop-I, with the reservation of certain number of trees per ha. either scattered throughout the cleared area and /or along the periphery of the plantations. Concentrated regeneration method enables 2500 Teak or 625 Bamboo or 1667 mixed species clumps/plants per ha. From the year 1987-88 and onwards, the Nigam has switched over to "Supplementary Regeneration Method" due to decision taken by GOMP regarding stoppage of clear felling in order to preserve existing natural tree cover to the maximum extent possible. The planting activities has been confined to the intervening blanks without resorting to extensive clear felling of the existing natural tree growth. The implication of this changed strategy was to select predominantly blank and under stocked areas i.e. areas with density of stocking being 0.4 and below both in the horizontal and vertical directions of forest floor. Under this method, the planting of teak was done diffusedly in blanks. In concentrated regeneration method, 2500 plants of teak were planted on one hectare of forest land but under supplementary regeneration method about 1000 to 1250 plants per hectare were planted.
- 1.3 Due to change in Govt. policy of imposing ban on clear felling and taking only understocked and open areas for plantations, the areas transferred to Nigam after 1986 were degraded with poor site quality. Most of them are not having minimum level of productivity status and are not capable of supporting financially viable plantation projects. The silvicultural requirements of teak are deep and rich soil, good drainage and exposure to open sun light but the areas available were having compact soil due to degradation and biotic interference and without openings. The natural crop created shade over teak plants. These factors could not match with the silvicultural requirements of teak. Due to above facts, the plantations raised under phase IV and V have not shown much promising results. That's why most of these plantations were allotted to plantation improvement working circle in subsequent working plans.

- 1.4 The Phase VI of the Project was started from the year 2000. At this time, the Working Plans of all Project divisions of the Nigam were got sanctioned by GOI w.e.f. 1998-99 with the provision of retaining only 70-80 middle aged trees per ha., so as to facilitate the required level of opening as per the silvicultural requirement of the Teak. This situation favored success of Teak plantations raised under Phase VI, VII & VIII.
- 1.5 High Tech (Irrigated) Teak Plantations were also raised in Phase V and VI on experimental basis. Likewise High input Teak Plantations were also taken up in Phase VI of the Project. The preliminary reports of these types of plantations indicate that some of these plantations have not reflected the results as envisaged in the project. Due to this reason, these types of plantations were not proposed in Phase VII of the Project.
- 1.6 In the VIIIth phase of project Teak, Bamboo, Khamer & Aonla plantation were raised. Preliminary reports of these plantations indicate that some of rootshoot teak plantation raised on refractory sites do not show promising growth as expected. Bamboo & Khamer Plantation have not reflected the result as envisaged in the project, due to excessive biotic pressure. High tech teak plantation raised during the VIIIth phase were found to be satisfactory.
- 1.7 Now taking into consideration our past experiences & present situations like availability of less productive areas, climate change, the enactment of forest rights Act, leading to honey combing in the forest area, provisions of working plans & local conditions prevailing in the project area, it is proposed in IXth phase project to undertake commercial plantation of teak, bamboo & mixed miscellaneous species (including species of medicinal & aromatic value) by providing site specific inputs in comparison to phase VIIIth plantations so as to create the balance between financial returns from the project & fulfillment of silvicultural requirements of planted species & social liabilities.
- 1.8 Based on the experience of VIIIth phase plantation it is proposed to have polypot teak plantations with digging of pits in 10% of the area on experimental basis in IXth phase. Due to increasing tendency for encroachments, heavy grazing & increased biotic pressure it is proposed to fence the area by digging CPT in sensitive places as per the requirement of the area.
- 1.9 Taking into the consideration the decision of National Green Tribunal central zone bench Bhopal in OA No. 44/2014 (CZ) judgment dated 8 may 2014 the zonation plan for conservation of biodiversity, demarcation & management of ecologically fragile zones, NTFP propagation etc. should be prepared before commencing the treatment for the forest area. The ecologically fragile zones should be protected against all decimation factors.
certain percentage of the gross forest area, may be about 3 to 5%, may be earmarked for treating under biodiversity conservation plan and for NTFP propagation giving emphasis on planting of NTFP species of villagers' choice and another 3 to % of the forest area may be reserved for wildlife management activity including the management of riparian zones around the water bodies, rivers, streams, canals.
- 1.10 Specific inputs will be provided according to the soil test report analyzed by SFRI Jabalpur.
- 1.11 The Phase IX of the project shall be implemented through financial resources available with Nigam supplemented with institutional finance if required. The creditability of the Nigam in respect to payment of Interest and repayment of loans is very good. The Nigam has made all payments of interest and repayment of loan within prescribed time period as stated below :-

(Rs. in Lakhs)

Phase of the Project	Loan Drawn by Nigam	Prescribed period to complete Repayment	Repayment completed Year	Remark
1	2	3	4	5
I	195.39	1986-87	1986-87	
II	369.40	1987-88	1987-88	
III	1224.24	1998-99	1998-99	
IV	1729.43	2002-03	2000-01	Paid up well before the due date
V	1046.14	2006-07	2003-04	--"--
VI	900.00	2014-15	2005-06	--"--
VII	200.00	2019-20	2007-08	--"--
VIII	Nil	Nil	Nil	Nil

1.12 On the basis of above discussions, the project report of phase IX of the project for raising commercial plantations of teak is proposed to be implemented by the Nigam. The detailed technical and financial provisions along with financial viability analysis is described in following paragraphs.

2 OBJECTIVES

The objectives of Phase IX of the project shall be as follows :-

- 2.1 To improve the ecological status of the area by enrichment of forest cover.
- 2.2 To convert low valued/degraded/poor site quality forests in to high valued man made forests to obtain quality produce for diversified use as commercial, industrial and domestic forest produce.
- 2.3 To increase the bio diversity of the area & mitigate climate change effect.
- 2.4 To realize maximum production and financial returns in minimum possible time period by adopting intensive management practices.
- 2.5 To improve socio-economic condition of local people by generating sustainable employment.

3 PROJECT AREA

Project area of 11 existing Project Divisions of the Nigam will be the project area for phase IX of the project. The list of existing Project Divisions constituting the project area is given below :-

S.No.	Name of Project Division	Division H.Qr.	Revenue Districts Covered
1	Rampur Bhatodi	Betul	Betul, Hoshangabad.
2	Chhindwada	Chhindwada	Chhindwada
3	Vidisha-Raisen	Bhopal	Vidisha, Raisen & Bhopal
4	Khandwa	Khandwa	Khandwa, Dewas, Indore
5	Sehore	Sehore	Sehore
6	Kundam	Jabalpur	Jabalpur, Katni
7	Mohgaon	Mandla	Mandla, Dindori
8	Umaria	Umaria	Umaria, Anuppur, Shahdol,
9	Sidhi	Sidhi	Sidhi, Rewa, Singrouli
10	Lamta	Balaghat	Balaghat
11	Barghat	Seoni	Seoni

