

Nov 16 2016 : The Times of India (Bangalore)

Now, you can buy affordable timber online through govt's e-auction

ManuAiyappa Kanathanda

Bengaluru:

If you have been looking for vintage rosewood or teak wood to design the interiors of your house or apartment, then here's your chance to buy original stuff at affordable prices without getting duped by unscrupulous timber merchants.



The initiative aims at making the auctioneering process transparent and putting an end to corrupt practices. The e-auction will also lead to a considerable increase in the number of timber bidders

The state forest department has launched an e-auction of wood. To take part in the auction, people can register themselves online and look up the list of products for sale on ka.remsl.in of Rashtriya e-Market Services (REMS), a joint venture of the government of Karnataka and NCDEX Spot.

“Until now, the merchant class would form cartels and artificially keep the bid prices low. Now, with the auction going online, these timber merchants will be denied the chance to form rings or cartels. As a result, timber prices will reflect the demand. Moreover, the e-auction will allow private individuals to participate in the bid. They can then directly approach the department to buy timber. They'll be assured of quality wood at affordable prices,” said MD and CEO of REMS, Manoj Rajan, who conceived this project.

Rajan said they decided on this initiative to make the auctioneering process transparent and put an end to corrupt practices. The e-auction will also lead to a considerable increase in the number of timber bidders and is expected to break the stranglehold of the merchant cartels on timber sales, he said.

Sources said some forest officials who were hand-in-glove with the timber mafia had been opposing the online system tooth and nail, saying the demand would go up and dry up forest

resources quickly . “Opposing the idea of e-auction shows some state forest officials are working to promote the timber mafia's interest and perpetuate their unholy nexus,” they added.

The forest department has four major timber divisions across the state and each has one timber depot functioning under it. This includes Mangaluru, Kodagu, Belagavi and Dharwad. On September 16, the department introduced e-auction of Dandeli timber on an experimental basis and earned a record Rs 3.32 crore.

WIN-WIN FOR ALL

The government said taking the process online will increase revenue from sales by at least 25%, which is around Rs 300 crore annually . Sources said the forest department has around 50,000 hectares of teak, rosewood and other major plantations. Trees that are over 60 years old are systematically felled before replanting. Every year, the department earns around Rs 250-500 crore through sale of a variety of forest wood, including teak, rosewood and mahogany . While the public and timber merchants can buy wood online after paying Rs 20,000 per auction, the forest department will not put teak and rosewood under the e-hammer immediately . It plans to do so after assessing the success rate of the new process by first selling cheap domestic wood.

After getting the bid, the buyer will have to deposit the money at the state treasury or pay through the e-treasury facility and produce the receipt at the timber depot to get hold of the stock. The next e-auction will be held in Mangaluru (November 21 and December 1), Kodagu (December 4), Belagavi (December 10) and Dharwad (December 26).