

Majority of the forest-based industries is in the private sector. The organised industries, such as paper and pulp, ply and veneering, particle board and fibre board, to a limited extent, get their raw material supplies from the State Governments at pre-determined prices under long-term agreements. Other industries obtain their raw material from government auctions/sales or intermediaries. In general, there is a scarcity of forest-based raw material and a large number of units are not in a position to obtain their full requirements. Important forest-based industries with their installed capacity and availability of raw materials are given in Table 4.2.

TABLE 4.2
Major Forest Based Industries with their Installed Capacity,
Raw Material Requirement and Production per annum

Sl. No.	Name of Industries	No. of Units Registered	Installed Capacity per annum	Requirement of Raw material per Annum	Production per Annum
1.	Paper and Paperboard	271	2.65 million tons	3.45 million tons	1.50 m. tons
2.	Newsprint	4	0.28 million tons	0.52 million tons	0.27 m. tons
3.	Rayon Grade Pulp	4	0.18 million tons	NA	NA
4.	Paper Grade Pulp	1	0.04 million tons	NA	NA
5.	Plywood, Regd. with DGTD	51	172.50 m sq.m.	0.95 m cu.m.	80.08 m sq.m.
6.	Veneering	10	25.76 m sq.m.	0.25 m cu.m.	7.10 m sq.m.
7.	Fibreboard & Particle board	12	0.12 million tons	1.01 m cu.m.	0.05 m tons
8.	Match:				
	(i) Regd with DGTD	5	5000 million boxes	0.44 m cu.m.	4100 m boxes
	(ii) Small Scale	1,000	NA	NA	NA
	(iii) Collage Level	10,000	NA	NA	NA
9.	Sports Goods	1,500	NA	0.031 m cu.m. (Canes 0.5 m mtr)	NA
10.	Saw Milling	25,220	27.18 m. cu. m.	13.14 m. cu. m.	NA
		(1978)	(1978)	(Available domestic resources)	

4.2 Gap Between Demand and Supply

In the absence of any reliable estimates of demand and supply of timber an attempt to estimate the same is seriously flawed. Even then, the FSI (1981) placed the gap between demand and supply of industrial timber as over 15 million cu. m. This does not include firewood. The current gap between demand and supply of firewood is estimated at 195 million cu. m. There is not doubt that the gap is increasing due to short supply of timber from forest areas. It is not possible to estimate with any precision the category-wise shortage.

4.3 Demand Projections for the Future

The National Commission of Agriculture, way back in 1976, projected the timber requirement in year 2000 between 47 million cu. m to 64 million cu. m, see Table 4.3. This is the most intensive study thus far on the subject.

However, in the recent years, the Government of India has resorted to wood substitution wherever possible. For example, concrete railway sleepers have brought down the requirement of wooden sleepers from 3 million in 1985 to only 400,000 in 1990. Wooden packing cases are being replaced by Corrugated Fibre Board cartons. Nevertheless, due to population growth demand for wood will continue to grow.