

# **The M.P. Fishermen's Co-Operative Federation (Financial Assistance) Rules, 1969**

MADHYA PRADESH

India

## **The M.P. Fishermen's Co-Operative Federation (Financial Assistance) Rules, 1969**

### **Rule**

### **THE-M-P-FISHERMEN-S-CO-OPERATIVE-FEDERATION-FINANCIAL-AS of 1969**

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The M.P. Fishermen's Co-Operative Federation (Financial Assistance) Rules, 1969Published vide Notification No. 2293-A-655-14-Vety., dated 11-7-1969In exercise of the powers conferred by Section 95 of the Madhya Pradesh Co-operative Societies Act, 1960 (17 of 1961) read with sub-section (2) of Section 45, the State Government hereby makes the following Rules, namely:-

#### **1. Short title, extent and commencement.**

(1)These rules may be called The Madhya Pradesh Fishermen's Co-operative Federation (Financial Assistance) Rules, 1969.(2)They shall extend to the the whole of Madhya Pradesh and shall come into force with effect from the date of their publication in the "Madhya Pradesh Gazette".

#### **2. Definitions.**

- In these rules, unless the context otherwise requires,-(a)"Act" means the Madhya Pradesh Co-operative Societies Act, 1960.(b)"Director" means the Director of Fisheries, Madhya Pradesh;(c)"Fishing apparatuses" means a craft, tackle, net, yarn, Hook, Winch, Line hauler and any other contrivance used for fishing;(d)"Marketing Equipment" means a Cold Storage, Transport, Fish Stall, Ice Plant and Fish Landing sheds and other articles required for fish marketing;(e)"Form" means an application form appended in these rules;(f)"Federation" means a fishermen Co-operative Federation organised by the Fishermen Co-operative Societies, registered under the laws relating to Co-operative Societies for the time being in force in the State of Madhya Pradesh.

### 3. Eligibility for financial assistance.

(1) Government may provide financial assistance in the form of share capital, loan and subsidy under these rules. (2) The contribution towards share capital by the State Government shall be regulated under the terms and conditions as may be prescribed by the State Government.

### 4. Purpose for which loans or subsidies may be granted.

- Loans and subsidy or both may be granted to the Federation eligible for Government assistance under these rules for the purpose and to the extent as indicated below:-

Purpose	Loans	Subsidy
(1)	(2)	(3)
A. Fishing Apparatuses,-	Rs.	
(i) For purchase of fishery Craft and Tackle.	20,000	25% of the actual cost price only.
(ii) For purchase of Yarn, Net, material for nets etc. hooks, winches and line hauler.	15,000	33 ⅓% of the net cost only.
B. Marketing equipments,-		
For purchase of conveyance, transport, establishing fish stall, Cold Storages and Ice Factory etc.	80,000	
C. Others,-		
(i) For purchase and stocking of fish seed	5,000	50% of the net cost.
(ii) For repairs of ponds and tanks	10,000	
(iii) Lease of pond/tanks	5,000	No subsidy
		Rs. 10,000 or actual cost in the first year,
D. For management	No loan	75% of it in the second year and 50% of it in the third year.

N.B. - Subsidies granted for the purchase of items A (i) & (ii) and B will either be passed on for its member societies or will be utilised for their marketing business. Subsidy for management to the member societies will be Rs. 200 for small societies not employing full time manager and 50% of the actual cost subject to the maximum of Rs. 500 in the case of bigger societies.

### 5. Application for Loan or subsidy.

(1) Every application for a loan or subsidy shall be presented to the Deputy Director of Fisheries within whose jurisdiction the registered office of Federation is situated. It shall be made in form 'A' and shall be duly supported by a resolution of the Board of Directors of the Federation. (2) The federation making an application under sub-rule (1) shall furnish to the satisfaction of the officers scrutinising the application such other information as such officer may require.

## **6. Disposal of application.**

(1) On receipt of the application under sub-rule (i) of Rule 5, the Deputy Director of Fisheries shall cause such enquiry as deemed fit to verify the claims and shall forward the application to the Deputy Registrar, Co-operative Societies concerned for his scrutiny. The Deputy Registrar shall cause such enquiry as he thinks fit to be made into the constitution, working and financial condition of the Federation and forward the application to the Deputy Director of Fisheries with his recommendation, who shall forward the application with his report and recommendation to the Director.

## **7. Authority by whom loans or subsidies may be granted.**

(1) Loans may be granted by the Director to the extent for the items as indicated below, in such instalments as he considers proper. (2) The loans and subsidies granted to the Societies shall be channelised through the Local Co-operative Central Bank and will be operated under the joint signature of Deputy Director of Fisheries or any Officer authorised by the Director and the President of the Federation.

(i) For purchase of Boats	Rs. 10,000
(ii) For purchase of Nets and Yarn etc.	Rs. 5,000
(iii) For purchase of transport, Gutboard and Inboard Engines	Rs. 15,000
(iv) For installing fish stalls and miscellaneous	Rs. 2,000

(3) The second and subsequent instalments shall be paid only on receipt of a certificate to the satisfaction of the sanctioning authority that the first instalment or instalments already drawn have been properly utilised. (4) The loans granted should be fully utilized within a period of 3 months from the date of disbursement of first instalment of the loan. In case the amount has not been so utilized, special permission shall be obtained from the sanctioning authority. (5) No loan may be granted unless the authority granting the loan is satisfied of the sufficiency of the security with a margin of safety. (6) The loans granted under these rules shall bear interest at such rate as may be fixed by the State Government from time to time.

## **8. Loans how secured.**

(1) Every loan granted to the Federation shall be secured by a mortgage of the assets and the articles purchased under fishing apparatus or marketing equipments for which loan is advanced to the Federation subject to any encumbrances existing at the time when the loan is granted and by such collateral security, if any, as the authority competent to grant loan may prescribe. (2) The purchase which are to be effected against the loan advanced, shall be conducted under the supervision of the Director or any officer empowered by him in this behalf. (3) The Federation shall not mortgage, charge, sell or otherwise transfer the articles mortgaged already with the Government except to its member societies until the loan with interest is repaid in full.

## **9. Account of the Loan to be maintained.**

- A "Registrar of Loans and Register of securities received and returned", shall be maintained by the Deputy Director of fisheries, Incharge of the Division in their offices for the loans granted under these rules in such forms as may be prescribed by the Director.

## **10. Repayment of Loan.**

(1) Every loan granted under these rules shall repayable within a period of 3 years in the case of perishable articles like nets, yarn, hooks and 5 years in the case of articles like Boat, winches, line hauler. The period of recovery can be extended under special case by the Director for the items involving block capital. (2) The loan shall be recovered in such instalments as may be fixed by the Director and shall bear interest at such rate as may be fixed by the Government. (3) In the case of apparatuses like transport, Cold Storage and Ice Plant, the repayment shall be governed under the following terms and conditions, namely: (i) The amount of loan shall be recoverable in annual instalments not exceeding ten and the first instalment will fall due on the expiry of a full year from the date on which the transport was purchased or Cold Storage and Ice plant established. (ii) The rate of interest on the loan shall be charged as prescribed by the Government from time to time. (iii) In the event of non-payment of instalments of a loan on due dates, the Federations shall be charged a penal rate of interest at the rate of 2 ½% per annum above the normal interest, on the over due instalments, of repayments of loan. (iv) In case of breach of any of these rules or failure on the part of Federation to comply with the orders passed by the Registrar or the Director the assets created out of the loan so granted to the Federation will revert to the Government.

## **11. Submission of reports and returns.**

- (i) The Federation shall keep regular account of the amounts spent and shall produce them for inspection and audit whenever required by the Registrar, Co-operative Societies or any officer authorised by him. (ii) The Federation shall furnish such information and submit such returns as the Government or the Director or Registrar may call from time to time. (iii) The Federation shall submit a certificate of utilization of the loan immediately after the period as laid down under Rule 7 (3). The certificate shall be furnished in such forms as may be prescribed by the Director.

## **12. Effect of non-payment of installment.**

- If the Federation, to whom the loan has been paid under these rules makes default in the repayment of the installments due with interest thereof, the Registrar, Co-operative Societies will take action under the Madhya Pradesh Co-operative Societies Act, 1960 and Rules, 1962 framed, to recover the amount to full with interest due thereon at an 2 ½% above the normal interest as penal interest per annum on the installments defaulted for the period of default.

### **13. Duty to maintain apparatuses and equipments etc. under good condition.**

- The Federation to whom a loan has been granted shall maintain and cause to be maintained in good condition, the fishing apparatuses and marketing equipments and all other properties of any kind mortgaged to the State Government as security for the loan.

### **14. Power to inspect Premises.**

- The Federation to whom a loan and/ or Subsidy has been granted or paid under these rules shall be bound to permit the Director or any other person authorised by him in this behalf to inspect the premises, fishing apparatuses, stock in hand, cash in hand etc. and account of the Federation and to grant facilities for all or any of these purposes.

### **15. Penalty.**

- In the event of the federation to whom a loan and/or subsidy has been granted or paid under these rules, committing a breach of any of these rules or of any conditions laid down in the instrument regarding the grant of loan or subsidy, the Registrar, Co-operative Societies may order recovery of the whole amount of the loan outstanding with interest accrued thereon for such period as he may direct.

### **16. Settlement of Disputes.**

- All disputes, differences and questions which may at any time arise between the Federation and the Director touching or arising out of the instruments regarding the loan or subsidy or any other connected matter shall be referred to Registrar whose decision thereon shall be final and binding on the Federation. Form 'A' (See Rule 5) Application for the grant of Loan/Subsidy

1. Full name of the Fishermen's Co-operative Federation. (That name to be given which is mentioned in the bye-laws of the Federation and registered) .....
2. Its registered address with the name of the Tehsil and the District concerned. ....
3. Its Registration number with date .....
4. Its present activities .....
5. Names of tanks, with details in which fishery rights have been purchased with an amount of such lease and duration of such lease .....
6. Number of its members .....
7. Please furnish balance sheet and profit and loss account statement of the Federation of the preceding year .....
8. Future plan, if any, for expansion of the activities of the Federation .....
9. Amount of loan and/or subsidy applied for. ....
10. Purposes for which such loan or subsidy is required .....

11. Number of instalments in which the loan with interest may be recovered .....  
If the Federation has secured any loan from any other source then give details
12. under the following heads- .....  
  - (i) From whom the loan has been taken .....
  - (ii) Date of taking the loan .....
  - (iii) Purpose or purposes for which the loan has been taken .....
  - (iv) Security given for the loan .....
  - (v) Amount of the loan .....
  - (vi) Total amount of instalment already paid back .....
  - (vii) Balance amount of the loan to be paid .....
13. Attach true copy of Board of Directors' resolution in support of application for loan and/or subsidy and acceptance of the rules governing the grant thereof .....  
along with latest R/D

Declaration We..... hereby solemnly declare that we have read the Madhya Pradesh Fishermen's Co-operative Federation (Loans and Subsidies) Rules, 1969 and we hereby agree and declare for and on behalf of the above mentioned Federation to bind the said federation with the provisions of the said rules and further hereby solemnly state and declare that the statements made and information given above to secure the loan/subsidy applied for are true to our knowledge and belief.

Signature of Witnesses 1. : 2. : Signature of the President of the Federation.

Signature of Witnesses 1. : 2. : Signature of the Managing Director of the Federation.

Terms and Conditions for Regulating the Grant of Share Capital Contribution and Managerial Subsidy to Fishermen's Co-Operative Federation

**1. The amount of share capital contribution by the Government towards authorised share capital of Fishermen's Co-operative Federation shall not exceed 8% of its total paid up share capital subject to this limit, the Director of Fisheries may fix up the actual amount of the share capital contribution and disburse it in such instalments as he may consider proper.**

**2. Under special circumstances, the share capital contribution shall be considered up to 50% of the authorised share capital or up to Rs. 5,000/- whichever is less.**

**3. The rate of dividend on share capital to the Government shall be the same as in the case of other promoters and share holders of the Federation.**

- 4. The Federation shall appoint a Managing Director to be deputed by the Director of Fisheries under the approval of the State Government. The Managing Director will be allowed to exercise such powers as the Director of Fisheries will prescribe from time to time in addition to those provided by the Federation's Bye-laws.**
- 5. The Federation shall also be bound to get some of its staff trained as per provision of Madhya Pradesh Co-operative Societies Act, 1960 or as required by the Director of Fisheries to conduct the business successfully.**
- 6. The Director of Fisheries shall depute technical staff from the department to initially bring the working of the institution to the desired level under terms and conditions laid by the Government.**
- 7. The amount of share capital will be released through Central Co-operative Bank under a joint account of the federation and representative of Director of Fisheries.**
- 8. The Registrar shall have the rights if he desires to nominate member not exceeding 3 on the Board of Directors.**
- 9. The Federation shall agree to carry out such instructions as the Registrar may issue and such suggestions as Registrar may give for the amendment of its bye-laws and procedure for election, etc.**
- 10. The retirement of share capital contribution by the federation shall be in accordance with the orders of the State Government issued in this behalf from time to time.**
- 11. The Federation shall be granted managerial subsidy on the basis of actual expenditure on the staff and management reported by the federation under the seal of Managing Director.**
- 12. The Federation shall market its entire surplus catch left over after meeting out the local requirement of fish in its areas to the Central Fisheries Corporation Ltd., Calcutta. The Director of Fisheries may however relax this condition if loss in business is suffered with Corporation by the Federation.**

**13. The period of Managerial subsidy to be granted to the Federation shall not exceed three years from the date of subsidy for the first time and shall be applicable according to the following scales under the limitation fixed under the Rules framed for financial assistance-**

(i) 100% of the entire expenditure on the staff of the Federation for the first year. (ii) 75% of the entire expenditure on the staff of the Federation for the 2nd year. (iii) 50% of the entire expenditure on the staff of the federation for the 3rd year.

**14. The Director of Fisheries will be authorised to grant the managerial subsidy as laid down under Rule 13 for a period of three years.**

**15. The subsidy shall be paid either in lump sum or in instalments as the Director of Fisheries may decide.**

**16. The Federation shall make an application for the grant of subsidy in the application form 'A' appended which shall be duly scrutinised and recommended by the Deputy Registrar, Co-operative Societies who will forward the same to the Director of Fisheries.**

**17. The Registrar will supervise the working of the Federation and will call for quarterly balance sheets or any other returns for knowing the exact financial position of the federation. If the Registrar feels that the working of the Federation is not carried out to achieve the objectives as laid down in its bye-laws, he shall exercise powers given to him under the Act and Rules framed thereunder and take over the Management till such period as he considers necessary.**

Form 'A' Application for the Grant of Managerial Subsidy to be Made to the Director of Fisheries, Madhya Pradesh

1. Registered name of Fishermen's Federation and its address. ....
2. Its Registration number with date .....  
3. (a) Authorised share capital .....  
(b) Paid up share capital .....
4. Present activities of the Federation .....
5. Total strength of the staff .....
6. Value of the Assets of the Federation .....
7. Total expenditure on the staff for the year .....



8. Balance sheet and profit and loss account statement to be attached .....  
 9. Amount of managerial subsidy applied for .....  
 10. Attach true copy of Managing Committee's resolution in support of demanding managerial subsidy. ....

Declaration We..... hereby solemnly declare that the details furnished above to receive Managerial subsidy applied for are correct and true to our knowledge and belief. Date..... Signature of the President of the Federation..... Signature of the Managing Director of the Federation. Forwarding Officer The expenditure incurred by the Federation in its management for the year..... was checked and found to..... Rs..... np..... and the..... Federation..... is recommended for managerial subsidy as per terms and conditions framed in this respect by the Government. Date..... Signature of Deputy Registrar.