

Financial assistance from the National  
Cooperative Development Corporation  
for Development of Fisheries -  
Adoption of the -

GOVERNMENT OF MAHARASHTRA,  
Agriculture and Cooperation Department,  
Resolution No. NDC-2787/7271/CR-42/Fish-2,  
Mantralaya Annexe,  
Bombay-32, 28th March, 1988..

- READ :-**
- 1) Government Resolution, Agriculture and Cooperation Department No. FDX-4275/18284/12-ADF, dated the 2nd February, 1978.
  - 2) Government Corrigendum, Agriculture and Cooperation Department, No. FDX-4278/2948/12-ADF, dated the 15th May, 1978.
  - 3) Letter No. NCDC-1-1/87-Fish, dated the 16th February, 1987 from the National Cooperative Development Corporation, New Delhi.
  - 4) Letter No. NCDC-1-1/87-Fish, dated the 16th March, 1988 from the National Cooperative Development Corporation, New Delhi.

**RESOLUTION :-** The National Cooperative Development Corporation, New Delhi has been providing financial assistance to the State Government for the development of inland and marine fisheries in the Cooperative Sector. This assistance is provided to fishery co-operatives at the apex, regional and primary level for various activities such as production, processing, storage and marketing as well as for developing the infrastructural facilities. The Government had accepted the National Cooperative Development Corporation's pattern of assistance vide Government Resolution, No. FDX-4275/18284/12-ADF, dated the 2nd February, 1978 and accordingly the financial assistance was granted to the fisheries cooperative societies for mechanisation of fishing crafts, establishment of ice plants, cold storages, purchase of surface transport vehicles, construction of godowns for storage of fish products, nets, boats and other equipments etc.

Sr. No.	Purpose	Assistance					
		From NCDC to State Govt.	From State Govt. to Societies	Subsidy	S.C.	S.R.S.C.	Loan
1)	Mechanisation of fishing crafts and establishment of ice plants, cold storages etc.	20%	60%	20%	5%	20%	55%
2)	Purchase of surface transport vehicles and construction of godowns etc.	25%	50%	50%	-	-	50%

contd. 2/-

2. The National Cooperative Development Corporation has now informed the State Governments under their letter No. NCDC-1-1/87-Fish, dated the 16th February, 1987 that they will not provide any subsidy in the cooperatively developed States but they will continue to provide total funds by way of loan at the present level. The modified pattern of assistance as intimated under their letter No. NCDC-1-1/87-Fish, dated the 16th March, 1988 is as under :

Sr.No.	Purpose	Assistance	
		From NCDC to State Govt.	From State Govt. to Society
1.	Mechanisation of fishing crafts and establishment of ice plants, cold storages etc.	80% Loan	55% loan. Balance 45% Loan or S.C. or Subsidy or combination of these depending on viability.
2.	Purchase of transport vehicles.	75%	50% loan, 25% subsidy Balance 25% either loan or S.C. depending on viability.
3.	Construction of godowns.	75%	50% Loan. Balance 50% subsidy or S.C. or loan or combination of these depending on viability.

3. The question of adoption of modified pattern was under consideration of Government for some time past. After careful consideration of this question, the Government is pleased to accept the following pattern from the year 1987-88.

Sr. No.	Purpose	Assistance	
		From NCDC to State Govt.	From State Government to Societies.
1.)	Mechanisation of fishing crafts and establishment of ice plants, cold storages etc.	80% Loan	75% Loan 20% Special redeemable Share Capital 5% Share Capital
2.)	Purchase of surface transport vehicles and construction of godowns etc.	75%	75% Loan 25% Subsidy

4. The procedure as indicated in the appended explanatory note should be followed in regard to grant of financial assistance for mechanisation of fishing crafts. As regards establishment of ice plants, cold storages, purchase of surface transport vehicles, the terms and conditions prescribed under Government letter No. FDX-4179/15238/12-ADF, dated the 23rd January, 1980, will remain unaltered. Similarly, in regard to construction of godowns, the terms and conditions prescribed under Government Resolution No. NDC-2783/24120/ADF-12, dated the 3rd May, 1985 remain unchanged.

contd. 3/-

5. This Government Resolution issues with the concurrence of the Planning Department and Finance Department vide Finance Department's un official reference No. CR-518/EXP-1, dated the 28th March, 1988.

By order and in the name of the Governor of Maharashtra,

( K. V. Patil )

Under Secretary to Government.

To,

- The Director of Fisheries, Maharashtra State, Bombay-2 (5 Copies)
- All Collectors and Member Secretaries of District Planning and Development Councils,
- All Regional Deputy Directors of Fisheries,
- The Assistant Directors of Fisheries, Bombay/Thane (Palghar)/Raigad (Alibag)/Ratnagiri/Sindhudurg/Malwan/Bhandara/Chandrapur.
- All District Fisheries Development Officers (excluding Bombay/Thane/Raigad/Ratnagiri/Sindhudurg),
- The Fisheries Development Officers, Gondia (District Bhandara/Brahmapuri (District Chandrapur),
- All Divisional Joint Registrars of Cooperative Societies,
- All District Deputy Registrars of Cooperative Societies,
- The Accountant General, Maharashtra I, Bombay,
- ~~The Accountant General, Maharashtra II, Nagpur,~~
- The Accountant General, Maharashtra II, Nagpur,
- The Pay and Accounts Officer, Bombay,
- The Resident Audit Officer, Bombay,
- All District Treasury Officers,
- Sub-Treasury Officers, Palghar (District Thane)/Malvan (District Sindhudurg),
- The Planning Department (PRG-5),
- The Finance Department (EXP-1),
- The Managing Director, National Cooperative Development Corporation, 4 Siri Institutional Area, Hauz Khas, New Delhi-110 016,
- The Regional Director (West), National Cooperative Development Corporation, 17 M.G. Road, 3rd Floor, Pune,
- The Section Officers, Fish-1/ADM-4 of Agriculture and Cooperation Department,
- The Select File.

Accompaniments to Government Resolution, Agriculture and Co-operation Department No. NDC-2787/7271/CR-42/FISH-2, dated the 28th March, 1988.

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Scheme for mechanisation of fishing craft with the assistance of National Co-operative Development Corporation to be implemented in Maharashtra State.

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#### EXPLANATORY NOTE

1. Under the scheme 100% financial assistance for construction of a mechanized fishing boat is available to the groups of fishermen sponsored by the fisheries co-operative societies and to the sponsoring fisheries co-operative societies. Amount equal to 25% of the cost of the mechanized boat will be granted as share capital to the sponsoring society which it will invest in the mechanized boat of the fishermen group. Out of this, 20% of the share capital will be special redeemable share capital which will be converted into subsidy after the entire loan is repaid. The remaining 5% share capital is granted to the society which it should advance to the fisherman group as loan to be recovered in 12 years. The State Government will grant loan to the extent of 75% to the fisherman group and the society and will get the amount reimbursed to the extent of 80% from the NCDC (75% granted as loan and 5% ordinary share capital).
2. No member of a group who applies for assistance under this NCDC pattern should have availed of the financial benefit by way of subsidy/S.R.S.C. in the past under the scheme "Mechanisation of Fishing Craft".
3. The entire finance will be routed through the State Government i.e. Department of Fisheries, Government of Maharashtra. The assistance will be sanctioned jointly in the name of the sponsoring society and the group.
4. Though the assistance would be sanctioned jointly in the name of the society and group, the responsibility of repayment of loan and interest will be only with the group members jointly and severally. Repayment of loan will commence three months after the amount of loan is sanctioned and disbursed to the group.
5. Entire loan amount will be repayable in twelve years, in equal monthly instalments as per present practice. No instalments will be recovered in the months of June, July, August and September.
6. The rate of interest charged by NCDC varies from year to year. The State Government would charge interest @ 2% more than the NCDC rate of interest ruling in the concerned year. The State Government would also charge penal interest @ 3% over and above the effective rate of interest, for any defaulted instalment of loan and interest for the period of default.

Application for assistance will have to be submitted



The Assistant Director of Fisheries after scrutinising the application will obtain clearance from the cooperative department and then send it to the Regional Deputy Director of Fisheries with his remarks. The Regional Deputy Director of Fisheries will after getting himself satisfied that the application is complete in all respects, forward it to the Director of Fisheries with his recommendations. The Director of Fisheries in turn will forward the project to Government in Agriculture and Co-operation Department for getting the clearance from the N.C.D.C.

8. After getting clearance from NCDC, the society and the group will then be informed to go ahead with boat construction work.

9. The State Government will not be involved in any financial commitment till the project is cleared and financial provision is assured by NCDC and provision in the State Government's budget is adequate enough to meet the demand. The applicant should not, therefore, enter into any financial commitment till clearance is given by the State Government.

10. The assistance for boat will be released only when its construction is certified to be completed by the Assistant Director of Fisheries and the V.R.C. is drawn in the name of the society and the group leader.

11. Assistance for engine or winch will be paid, after the construction of boat is complete, direct to the engine/winch supplier, when the engine or winch as the case may be is delivered by it to the group. The group and the society will have to submit to the Department of Fisheries an authority to make the payment direct to the Supplier and advance separate stamped receipts for the amounts of loan share capital and SRSC.

12. The group shall select any engine from those on the approved list maintained by Government. The engine shall be below 100 H.P. recommended by the Department of Fisheries.

13. The society shall not claim any share in the profits and not bear any share in the operational charges.

14. Government SRSC will be dividend free.

15. The society will get executed from the group a separate agreement regarding repayment of its loan.

16. The members of the group should be members of the sponsoring cooperative society.

17. The group will have to include at least one member who has received training at the Fisheries Training Centre run by the Department of Fisheries.

18. Security for the loan : The mechanised boat unit constructed out of the finance provided by the NCDC and State Government will be accepted as security for the loan. In the first charge of Government on it.

In addition to this Government will have charge on all the landed and movable properties of any of the group members, for the purpose of recoveries of any dues as recovery of ~~an~~ arrears of land revenue.

Government  
Insurance  
Fund

19. Insurance : The mechanized boat should be insured to cover the outstanding loan amount with the ~~and~~ the policy should be endorsed in the name of the Governor of Maharashtra till the entire loan with interest thereon is repaid in full. The policy should be renewed from year to year. To facilitate payment of insurance premium in time, the Department of Fisheries will make payment of the annual insurance premium to the Government Insurance Fund and recover the amount from the group of fishermen as loan in one or more instalments. In case of non-payment, it will be recovered as arrears of land revenue.

20. Hypothecation deed : The group and the society will have to execute a hypothecation deed in the form prescribed by Government.

21. Use of the mechanised boat : The mechanised boat unit will be utilised by the group and the society for the purposes of capture and transport of fish and not for any other activities, especially the illegal activities.

22. Maintenance of boats : The group and society will maintain the boat in proper condition and carry out timely repairs and renewals at their cost.

23. Periodic inspection : The Assistant Director of Fisheries concerned may inspect the mechanised fishing unit any time, giving a period notice to the group and the society. The group will have to keep the vessel ready for inspection on the scheduled day.

24. Sale of the mechanized boat unit or any part thereof. The group and the society shall not sell, give on hire, transfer or handover possession of the mechanized boat unit or any part thereof to any other person for persons, or remove it save with the express written permission from the Department of Fisheries.

25. Penalties : The Department of Fisheries may impose on the group penalties for irregularities as under :

(1) Non-insurance of mechanized boat unit, continued default in payment of instalments of loan and subsidy, use of the boat unit for illegal activities :

Recovery of the entire amount of loan outstanding plus amount of share capital plus interest on both. The amount thus recoverable will be treated as ~~xxxx~~ arrears of land ~~xxx~~ revenue and will be recovered by application of rules and procedure in vogue for recovery of such dues.

(2) Sale, transfer, hire or parting with the mechanized boat unit or part thereof without the prior approval of the Fisheries Department.

Recovery of the entire amount of loan, and interest as stated in 1 above and by applying the procedure mentioned therein plus a fine equivalent to half the cost of the mechanized boat.