



ABSTRACT

Fisheries – To provide subsidized / Sales Tax exempted Industrial Kerosene at the rate of Rs.25/- per litre to the owners of motorized traditional crafts run in kerosene through Tamil Nadu State Apex Fisheries Co-operative Federation Limited (TAFCOFED) in Thoothukudi and Thirunelveli Districts and the fishermen in Kanniyakumari District through Tamil Nadu Fisheries Development Corporation Limited, Chennai at a quantity of 250 litre kerosene per craft / per month for the year 2014-15 sanction of Rs.80,41,50,000/- - Orders – Issued.

Animal Husbandry, Dairying and Fisheries (FS-3) Department

G.O.(3D)No.18

Dated:18.12.2014

Maargazhi-03

Thiruvalluvar Aandu 2045

Read:

1. G.O.(3D) No.11, Animal Husbandry, Dairying and Fisheries Department, dated 03.11.2010
2. G.O(3D)No.8, Animal Husbandry, Dairying and Fisheries (FS-3) Department, dated 20.06.2012.
3. G.O.(3D)No.3, Animal Husbandry, Dairying and Fisheries (FS-3) Department, dated 10.10.2013
4. From the Director of Fisheries Letter Rc.No.6072/ J4/2014, dated.24.2.2014.

ORDER:

In the Government Order first read above, orders were issued for supply of industrial kerosene at Rs.25/- per litre to the Country Boats driven by kerosene in Thoothukudi, Thirunelveli and Kanniyakumari Districts at the rate 200 litres per boat per month with Tamil Nadu Fisheries Development Corporation Limited and Tamil Nadu State Apex Fisheries Cooperative Federation Limited as the agents for distribution. The differential cost of sales tax exempted kerosene (i.e.) the difference in cost between the procurement cost and sale cost when the supply is made at Rs.25/- per litre was borne by the Government.

2. In the Government Order second read above, orders were issued to accord sanction for a sum of Rs.47,60,25,000/- (Rupees Forty seven crore sixty lakh and twenty five thousand only) during the year 2012-2013 for implementing for supply of subsidized / Sales tax exempted kerosene at the rate of Rs.25/- per litre to the 5,500 number of country crafts in Thoothukudi, Tirunelveli and Kanniyakumari Districts at a

quantity of 250 litre kerosene per craft / month in the same manner as orders were issued in the Government order first read above. The Government accord sanction to enhance the quantity of Industrial kerosene supplied to the traditional craft per month from 200 litres sanctioned in the Government Order first read above to 250 litres per month. The Government also permit to supply upto 100 litres of Industrial kerosene per month in addition to the above 250 litres at the original cost (market rate) to the fishermen to Thoothukudi, Tirunelveli and Kanniyakumari Districts.

3. In the Government Order third read above, orders were issued for sanctioning a sum of Rs.53,87,25,000/- (Rupees Fifty three crore eighty seven lakh and twenty five thousand only) for release of subsidy amount i.e., differential cost between procurement and selling cost of the Industrial Kerosene during the year 2013-2014 for supply of subsidized / Sales Tax exempted kerosene at the rate of Rs.25/- per litre to the 5,500 number of Country crafts in Thoothukudi, Thirunelveli and Kanniyakumari Districts at a quantity of 250 litre kerosene per craft/ per month and permit the Director of Fisheries to release the differential cost as subsidy amount. If the procurement cost of the industrial kerosene increases even then, the sales tax exempted industrial kerosene will be supplied only at the rate of Rs.25/-. Subsidized / Sales tax exempted industrial kerosene @ 250 litres/per country craft /per month will be distributed to the fishermen of 28 villages in Thoothukudi and Thirunelveli Districts through Tamil Nadu State Apex Fisheries Co-operative Federation Limited and the fishermen of 42 villages in Kanniyakumari through Tamil Nadu Fisheries Development Corporation Limited, Chennai and these two organizations be fixed as wholesale dealers for the supply of industrial kerosene to fishermen. The Government also permitted the Director of Fisheries to supply upto 100 litres of Industrial Kerosene per month at the original cost (market rate) to the fishermen of Thoothukudi, Thirunelveli and Kanniyakumari Districts. The Government also permitted to the Director of Fisheries to release the total differential cost as subsidy amount to the Tamil Nadu State Apex Fisheries Co-operative Federation Limited and Tamil Nadu Fisheries Development Corporation Limited on quarterly basis and on receipt of the claims of subsidy amount towards the actual quantity of sales tax exempted industrial kerosene supplied to the fishermen of Thoothukudi, Thirunelveli and Kanniyakumari District.

4. In the letter fourth read above, the Director of Fisheries has requested to issue orders for sanction a sum of Rs.80,41,50,000/- towards the differential cost between procurement and selling cost of the supply Industrial kerosene to the fishermen of Thoothukudi, Thirunelveli and Kanniyakumari District enhancing the supply of kerosene (250 litre per boat / month) at the subsidy rate of Rs.25/- per litre / boat per month during the year 2014-15 and also has proposed to supply of additional quantity of upto 100 litre of kerosene per month per boat at the original cost.

The quantity of Sales Tax Exempted Industrial Kerosene to be released during this year 2014-2015 is as follows:-

1.	The No. of country crafts presumed to be benefited in Thoothukudi, Thirunelveli and Kanniyakumari Districts	5,000 (approximately)
2.	Quantity of Kerosene required per month/ craft	250 Litres
3.	Quantity of Kerosene required for 5,000 country crafts per month (5,000 x 250 L.)	1250 KL.

One litre cost of sales tax exempted industrial kerosene including Transportation Charges of oil Companies is	Rs.76.61
Less: Selling rate of 1 litre kerosene @ subsidized rate	(-) Rs.25.00
Balance	Rs.51.61
Add: Transport Charges / Service charges of the dealers (approximately Rs. 2/- per litre)	Rs.2.00
Total	Rs.53.61
If the selling rate of 1 litre kerosene fixed at Rs.25/- the differential cost as subsidy to be borne by the Government is	Rs. 53.61
For 1250 KL. at the rate of Rs.53.61 per litre / per month	Rs.6,70,12,500/-
Total expenditure for 1 year	Rs.80,41,50,000/-

5. The Director of Fisheries has further informed that as per the prevailing cost of Industrial Kerosene as on 24.02.2014, the sales tax exempted industrial kerosene if supplied at the rate of Rs.25/- per litre, a total subsidy amount could be Rs.80,41,50,000/- (Rupees eighty crore, forty one lakh and fifty thousand only) but while taking into the consideration of the facts, the cost of the industrial kerosene may be hiked at frequent intervals or by every month, the differential cost as subsidy per litre of Rs.53.61 may be vary in the ensuing months.

6. The Director of Fisheries has requested the Government to sanction a sum of Rs.80,41,50,000/- and to issue orders, permitting him to release the differential cost as subsidy amount as and when the procurement cost of the industrial kerosene increased, by supplying the sales tax exempted industrial kerosene at the rate of Rs.25/- only. The Director of Fisheries has also requested the Government that the subsidized / Sales Tax Exempted Industrial Kerosene @ 250 Litres/ per country_craft / per month, may be distributed to the fishermen in Thoothukudi and Thirunelveli Districts through Tamil Nadu State Apex Fisheries Co-operative Federation Limited and the fishermen of in Kanniyakumari District through Tamil Nadu Fisheries Development Corporation and these two organizations may be fixed as wholesale dealers for the supply of industrial kerosene to fishermen. In addition to the above, Director of Fisheries may be permitted to supply upto 100 litres of Industrial Kerosene per month at the original cost (market rate) to the fishermen of Thoothukudi, Thirunelveli and Kanniyakumari Districts if demand arises. He has also requested the Government that the total differential cost as subsidy amount should be released to the Tamil Nadu State Apex Fisheries Co-operative Federation Limited and Tamil Nadu Fisheries Development Corporation on quarterly basis, and on receipt of the claims of subsidy amount towards the actual

quantity of sales tax exempted industrial kerosene supplied to the fishermen of Thoothukudi, Thirunelveli and Kanniyakumari Districts, since, it has been decided to seek funds from Government including the VAT/ Sales Tax amount @ 25% on the cost of Kerosene.

7. The Government, after careful consideration of the proposal of Commissioner of Fisheries, at para-6 above decided to accept and accord sanction for a sum of Rs.80,41,50,000/- (Rupees Eighty crore forty one lakh and fifty thousand only) for release of subsidy amount i.e., differential cost between procurement and selling cost of the Industrial Kerosene during the year 2014-2015 for supply of subsidized / Sales Tax exempted kerosene at the rate of Rs.25/- per litre to the 5,000 number of Country crafts in Thoothukudi, Thirunelveli and Kanniyakumari Districts at a quantity of 250 litre kerosene per craft/ per month and permit the Commissioner of Fisheries to release the differential cost as subsidy amount. If the procurement cost of the industrial kerosene increases even then, the sales tax exempted industrial kerosene will be supplied only at the rate of Rs.25/-. Subsidized / Sales tax exempted industrial kerosene @ 250 litres/per country craft /per month will be distributed to the fishermen in Thoothukudi and Thirunelveli Districts through Tamil Nadu State Apex Fisheries Co-operative Federation Limited and the fishermen in Kanniyakumari through Tamil Nadu Fisheries Development Corporation Limited, Chennai and these two organizations be fixed as wholesale dealers for the supply of industrial kerosene to fishermen.

8. The Government also permit to the Commissioner of Fisheries to supply upto 100 litres of Industrial Kerosene per month at the original cost (market rate) to the fishermen of Thoothukudi, Thirunelveli and Kanyakumari Districts.

9. The Government also further permit the Commissioner of Fisheries to release the total differential cost as subsidy amount to the Tamil Nadu State Apex Fisheries Co-operative Federation Limited and Tamil Nadu Fisheries Development Corporation Limited on quarterly basis on receipt of the claims of subsidy amount towards the actual quantity of sales tax exempted industrial kerosene supplied to the fishermen of Thoothukudi, Thirunelveli and Kanniyakumari Districts.

10. The expenditure shall be debited to the following Head of Account:-

2405 - 00 - Fisheries – 103 Marine Fisheries – Schemes in the Twelfth five year plan – II.State Plan – JV Grants to Commercial based kerosene to the Fishermen – 09 Grants –in- Aid – 03 Grants for Specific Schemes
(DPC. 2405 – 00- 103 – JV – 0937)

11. Necessary additional funds will be provided in RE/FMA 2014-2015 to meet the expenditure sanctioned in para-7 above. Pending provision of such funds in RE/FMA 2014-2015, the Commissioner of Fisheries is authorized to draw and disburse the amount sanctioned in para-7 above and also to deposit the same in Personal Deposit Account to release to Tamil Nadu Fisheries Development Corporation / Tamil Nadu State Apex Fisheries Co-operative Federation Limited on quarterly basis and implement all the activities indicated in para-7 above. This should be brought to the notice of Legislative Assembly by specific inclusion in the supplementary estimates

2014-15. The Commissioner of Fisheries is requested to include this expenditure sanctioned above while sending budget proposal for RE/FMA 2014-2015 and also to send necessary Explanatory Notes for including the above expenditure in the supplementary Estimates 2014-2015 to Finance (BG-I/AH&F) Department without fail.

12. The Commissioner of Fisheries is also instructed that subsidy should be revised as and when the Indian Oil Corporations pricing structure of SKO (NON PDS) are revised.

13. The Commissioner of Civil Supplies is requested to allot the kerosene to the motorized traditional crafts District wise.

14. This order issues with the concurrence of Finance Department vide its U.O.No.68005/Finance(AH&F)/14, dated.18.12.2014 and with Additional Sanction Ledger No.1832(One thousand eight hundred and thirty two)

(BY ORDER OF THE GOVERNOR)

S. VIJAYAKUMAR
SECRETARY TO GOVERNMENT.

To

The Commissioner of Fisheries, Chennai-6.
The Commissioner, Civil Supply and Consumer Protection, Chennai-5.
The Accountant General, Chennai-18/18 (By Name).
The Pay and Accounts Officer (South), Chennai-35.
The Resident Audit Officer, O/o. Principal Accountant General, Chennai-9

Copy to:

Finance (AH&F/ BGI/B.G.II/) Department, Chennai-9
Co-operation Food and Consumer Production Department, Chennai-9.
Commercial Tax and Rural Development, Chennai-9
Office of the Hon'ble Chief Minister, Chennai-9
The Senior Personal Assistant to Hon'ble Minister (Fisheries), Chennai-9.
The Private Secretary to Secretary to Government,
Animal Husbandry, Dairying and Fisheries Department, Chennai-9.
The National Information Centre, Chennai -9.
Stock File / Spare Copies

// Forwarded By Order //

(A.KAMALAKANNAN)
Under Secretary to Government