

FISHERMEN'S CO-OPERATIVE SOCIETY  
LIMITED KARACHI

FISH HARBOUR, WEST WHARF



**BYE-LAWS**

o f

The Society as Corrected upto 12th June, 1969.

KARACHI.

Director  
Marine Fisheries Department  
Government of Pakistan

# BYE-LAWS

## OF THE

### FISHERMEN'S CO-OPERATIVE SOCIETY

### LIMITED KARACHI

#### I. GENERAL

1. The Society is registered under the Co-operative Societies Act 1925 and shall be called "Fishermen's Cooperative Society Ltd., Karachi." Name and Registration.

2. In these Bye-Laws, unless there be something in the subject or context inconsistent therewith :— Definitions.

(a) "The Society" means Fishermen's Cooperative Society Ltd., Karachi.

(b) "The Act" means the Cooperative Societies Act 1925.

(c) "The Board" means the Board of Directors of the Society.

(d) "Month" means calender-month.

(e) Words importing the masculine gender also include the feminine gender.

3. The Area of operation of the Society shall extend to Municipal Port Trust limits of Karachi and the Islands of Baba, Bhit, Shams and the sea coast of Karachi Division upto Hawksbay (Bulleji), Sonmiani, Damb and other coastal areas of West Pakistan. Fishermen's Cooperative Societies beyond this area can also become members of the Society and in that case the area of operation will extend to the whole of Pakistan. Area of Operation.

4. The registered office of the Society shall be at Fish Harbour, Karachi. In the event of change, notice shall be given to the Deputy Registrar, within 14 days and Published in a local newspaper. Registered office.

5. The first General Meeting of the members after registration shall have the same powers as are herein given to the Annual General Meeting. First General Meeting.

#### ii. OBJECTS

6. The objects of the Society are :—

(a) to improve the condition of fishermen, who are its members, by encouraging thrift, self-help and cooperation among them. Aims and Objects of the Society.

- (b) to raise funds by means specified hereafter to be utilised in the business of the Society.
- (c) to grant advances or loans to members for necessary purchases at a moderate rate of interest but this kind of business will only be done after the approval of the Deputy Registrar has been received in writing.
- (d) to purchase and hold improved fishing appliances and crafts and/or to be sold or to be hired to members.
- (e) to obtain direct leases of fisheries from Government or local bodies.
- (f) to arrange for the disposal of the catches of the members when necessary and to establish its own purchase and sale centres if and when required.
- (g) to disseminate the knowledge of the latest improvements in Fishing Industry and to encourage its members to adopt them and also to enforce on members of the Society the adoption of such latest methods and devices.
- (h) to assist its members in obtaining the materials required in the fishing industry such as Marine Diesel Engines, Spare Parts, Yarn, Wood, Salt, Life Saving Equipments and other requirements of fishing gear at reasonable rates by arranging purchase at whole-sale rates.
- (i) to sell to its members and other consumers all articles of consumption bought by it or manufactured by it either by itself or in combination with other consumers' societies.
- (j) to own or hold on lease or otherwise buildings or immovable properties for the purpose of doing its business.
- (k) to purchase stock and sell it on its own account.
- (l) to establish or assist fishing or processing industries : and
- (m) to do such other things as are incidental or conducive to the attainment of the above objects.

### III. FUNDS

#### Raising of Funds.

7. Funds may be raised by :—
- (a) Issue of shares—
  - (b) Receiving deposits—

Directors at their discretion.

- (i) Application for admission shall be submitted on the prescribed Form ;
- (ii) An admission fee of Rs. 5/- shall be charged from each member.

Applications for shares shall be made in writing and signed by the applicants and shall be disposed of by the Board at its first meeting after the application is received or as soon thereafter as is practicable. Every application must be supported by two bonafide members.

Note—For the purpose of this clause a Bonafide Fisherman is a person who is born in the family of persons engaged in the catching of fish by profession. Whenever the question arises whether a particular person is a Bonafide Fisherman or not, the decision of the Board of Directors on the point shall be final and conclusive.

Members who signed the original application for registration are exempt from Bye-Law No. 11 (c) and (d).

Undertaking  
by Members.

12. Every member shall sign a declaration undertaking thereby to abide by the Bye Laws of the Society and to accept the rights, obligations and responsibilities of membership, as laid down in these Bye Laws and abide by the decision of the Board.

Expulsion of  
a Member.

13. A member of the Society may be expelled by a vote of the two-thirds of the members present at the General Meeting:—

- (a) if he is a persistent defaulter or ;
- (b) if he wilfully deceives the Society by false statements or ;
- (c) if he is bankrupt or legally disabled or ;
- (d) if he intentionally does any act likely to injure the credit of the Society.

In such cases, the vote shall be by ballot and expulsion may involve the forfeiture of all the shares held by him. Such forfeiture shall be decided upon by a vote of two thirds of the members of the General Body. No expelled member shall be re-admitted except by a vote of two thirds of the members present and voting at a General Meeting on a motion of which notice has been given.

Membership  
when ceases.

14. A person ceases to be a member:—

- (a) on death ;

- (b) when his shares have been transferred with the sanction of the Board ;
- (c) on expulsion or
- (d) on forfeiture of all the shares held by him.

15. The liability of a member shall not exceed the amount, of subscribed shares for the debts of the Society for which he or his estate is liable .

Liability of member.

16. No member or person shall be permitted to transfer his shares or create a charge in respect of the same in favour of another person except with the previous sanction of the Board.

Transfer of share or creation of charge thereon.

17. A member may transfer his share or shares, after holding them for one year to another person or member with the approval of the Board. The transfer is not complete until the name of the transferee has been entered in the share transfer register. The transfer fee shall be Re. 1/- per share.

Limitation on Transfer.

18. A member may be entitled to a certificate under common seal of the Society, specifying the share or shares held by him. If such certificates are lost or worn out they may be renewed on applicant's executing an indemnity bond guaranteed by two respectable persons preferably members and on payment of a fee of Re. 1/- per share.

Share Certificates.

19. In the event of membership ceasing under bye-Law No. 14 (c) the par value of the shares held by a member after deducting any amount due by him to the Society shall be paid to him within six month from the date of cessation of membership.

Payment of Share money.

20. (a) Each member of the Society on admission shall nominate a person or persons to whom his shares or interest in the Society should be transferred in the event of his death ;
- (b) If more than one nominee is appointed, the ratio on which the share or interest of the member is to be transferred should also be specified. Invariably more than one nominee will be permissible only when the member holds more than one share ;
- (c) If the nominee is a minor, the member should appoint a guardian legally competent to transact his business with the Society. He can change his nominee or the guardian whenever he likes.

Nomination.

- (d) No fee shall be charged for recording such nomination or appointment of a guardian for the first time but for each subsequent revocation or variation, a fee of Paisas Twenty-five shall be charged.

Death of member and payment of share money to his heir.

21. On the death of a member, the amount standing to his credit by way of shares, deposits, dividends, bonus, profits or interest shall subject to a deduction on account of his liabilities, be paid to the person nominated by him or in the absence of such nominee to such person as may appear to the Board to be entitled to receive the amount as heir or legal representative of the deceased member, on his executing a deed of indemnity to the Society. The Board has the right of demanding a Succession Certificate if it deems necessary. The deposit of the deceased member may be withdrawn by such heir only if the period of deposit has expired.

#### V. GENERAL MEETING

Voting.

22. The supreme authority of the Society shall be vested in the General Body consisting of all the share holders of the Society. All such share holders present at the General Meeting shall have each one vote only irrespective of number of shares held by any such share holder. The voting shall be by show of hands unless otherwise decided by Board of Directors. General Meeting shall be of two kinds, Annual and Special. On all questions, the decision of the majority shall be final unless otherwise provided for.

Business to be transacted in Annual General Body Meeting.

23. The Annual General Meeting shall be held within three months from the date of closing of the year fixed under the rules. The functions of the Annual General Meeting are :—

- (a) To elect Directors for three years as in Bye-Law 32 (a) and (b).
- (b) To appoint Auditor to audit the accounts of the Society during the ensuing year and to fix their remuneration.
- (c) To receive and consider the Annual Report and the statement of accounts prepared by the Board and to review the work of the Society during the past year.
- (d) To sanction the distribution of profits and to declare dividend.
- (e) To fix the maximum amount upto which the Board may raise funds under Bye-Laws No. 7 and 9.

- (f) To consider any communication or audit memo that may have been received from the Deputy Registrar.
- (g) To consider any other business for which due notice has been given 15 days before the General Meeting.

24. A Special General Meeting can be summoned by a resolution of the Board or on a written order from the Deputy Registrar or upon a written requisition from fifty or one-fifth of the total number of share holders whichever be less. It shall be the duty of the Chairman to call such a meeting within one month of the receipt of the requisition.

Special Meeting.

25. No resolution can be brought for cancelling a previous resolution of the General Body unless three clear months have expired after passing of the original resolution.

Notice for bringing Resolution cancelling a previous one.

26. A Special General Meeting shall not transact any business other than mentioned in the requisition or notice convening it, as the case may be.

Business to be transacted in Special General Meeting.

27. In case of an Annual General Meeting 15 days clear notice and in case of a Special General Meeting 7 day clear notice shall be given. The notice shall specify the date, hour and place of the meeting and business to be transacted. If a member has to bring a matter before an Annual General Meeting, he shall give a notice to the Chairman on or before 31st July, but any matter involving the modification of a Bye-Law must be sent to the Chairman before the 15th of July.

Notice for Annual General Meeting.

28. With the permission of the two thirds of the members present at an Annual General Meeting at which there is a quorum, any member may bring forward a proposal not mentioned in the notice convening the meeting provided that such proposal does not relate to the expulsion of a member or the alteration of a Bye-Law.

Bringing a proposal not in Notice.

29. At all the General Meetings, the Chairman of the Society shall preside. In the absence of the Chairman, the Vice-Chairman will do so. In the absence of both, the members present shall elect one of the Directors to preside. In the absence of all the Directors, the members present shall elect one of themselves to preside.

Presiding over the General Meeting.

30. The presiding authority shall have a casting vote in addition to his ordinary vote in the event of equality.

Casting Vote.

31. Two-fifths of the total number of members or fifty (whichever be less) shall form a quorum at a General Meeting. If within half an hour and from the time appointed for an Annual or Special General Meeting quorum is not obtained, the Chairman shall, if the meeting has been called on the re-

Quorum of General Body.

quisition of members dissolve it, in other case he shall postpone the meeting to the next day and the business transaction at such postponed meeting shall be the same as already proposed at the original meeting. If at such postponed meetings there is still no quorum, resolutions may be carried by a majority of those present.

#### VI. BOARD OF DIRECTORS

Composition of  
the Board.

32. The Management of the business and affairs of the Society (subject to the General Control of the General Body) shall be entrusted to a Board of Directors which shall consist of not more than 15 Directors as under: —

- (a) Six Directors shall be elected from amongst the Bonafide Fishermen by all the Share Holders of the Society assembled at the Annual General Meeting.
- (b) One Director shall be elected from amongst Members admitted according to Bye-Law 11 (aa) by all the Share Holders of the Society assembled at the Annual General Meeting.
- (c) Eight Directors will be nominated by the Government.

Presiding over  
the Board  
Meeting.

33. The Meetings of the Board of Directors shall be presided over by the Chairman or in his absence by the Vice-Chairman. In the absence of both, the Directors present shall elect a Director from among themselves for the occasion. The Chairman shall have the casting vote in addition to his ordinary vote.

Election of  
Chairman and  
Vice-Chairman.

34. The Board of Directors at its first meeting shall elect from amongst themselves a Chairman and a Vice-Chairman.

Removal of  
Director.

35. An Elected Director may be removed from office at any time by resolution carried by two-thirds of the votes given thereon at a Special General Meeting called for this purpose with the previous approval of Deputy Registrar.

Quorum of Board.

36. Five Directors shall form a quorum at a meeting of the Board.

Qualifications of  
Elected Directors.

37. No member of the Society shall be elected as Director and shall cease to be as such if:—

- (a) he has not been a member of the Society for at least one year prior to the date of the Annual General Meeting; or
- (b) he was in arrear for any un-authorized or authorised dues of the Society, either as a principal borrower or as a surety to the Society at the time of the election; or

- (c) he becomes a defaulter during the term of the Directorship on the Board ; or

NOTE : Defaulter shall mean and include the principal borrower as well as surety who is in arrears whether authorised or un-authorised of three or more instalments and declared by the Deputy Registrar to be a persistent defaulter.

- (d) he has been sentenced by a criminal court to imprisonment or whipping for an offence punishable with imprisonment for a term exceeding six months, or to transportation, such sentence not having been subsequently reversed or quashed, if, and so long as such sentence has not expired ; or
- (e) he has been removed from office under Rule 48 of Cooperative Societies Rules, 1927, unless he has an order which the Deputy Registrar is hereby empowered to make in this behalf, has been relieved from the disqualification arising on account of such sentence or removal from office ; or
- (f) he is less than 21 years of age ; or
- (g) he is of unsound mind ; or
- (h) he is an uncertified or certified bankrupt or is an undischarged insolvent or legally disabled to contract ; or
- (i) he is a servant or officer and at the same time a borrower of the Society ; or
- (j) he is interested, directly or indirectly in any contract or employment with or by, under or by or on behalf of the Society ; or
- (k) he does not hold shares of the paid up value of atleast Rs. 200/- Provided however, that a person referred to in this clause may appeal to the Government for the removal of the disability operating in his case ; or
- (l) he tenders his resignation in writing ; or
- (m) he absents himself without the permission of the Board for atleast 3 consecutive meetings ; or
- (n) he is, for sufficient cause, removed by the majority of two-thirds of votes at a Special General Meeting called for the purpose.

38. The Directors shall hold office for three years or until new Board is elected by the Annual General Meeting after the expiry of the term of three years. But such elec-

Tenure of  
Directors.

tion shall not be delayed more than six months after the expiry of the term of three years.

General power.

39. Subject to the Bye-Laws and the resolutions passed at the General Meeting, the Board shall have full authority to carry on the business of the Society. It shall meet at least once a month.

Delegation of power.

40. The Board may delegate to the Chairman or any Director or Directors or any other responsible officer of the Society or a Sub-Committee, constituted from amongst the Directors any or all of its powers for the proper and efficient conduct of the business of the Society.

Filling of vacancies.

41. Vacancies in the Board occurring through death, retirement or other reasons of elected Directors be filled in by the remaining Directors by co-option and in the case of nominated Director by the nominating authorities. Co-opted or newly nominated Director shall hold office for the remaining term of the Board.

Disability of a Director in certain matters.  
Powers of Board of Directors.

42. No Director shall take part in any matter in which he has a personal interest.

43. The powers and duties of the Board of Directors shall be:—

- (a) To dispose of applications for membership.
- (b) To raise funds or borrow money on such rates of interest as provided in the Bye-Laws, subject to the limit approved by the General Body.
- (c) To appoint, suspend, punish or dismiss such salaried or non-salaried officers and other employees as seem necessary.
- (d) To receive, disburse and invest or deposit money.
- (e) To hear and deal with complaints.
- (f) To sanction working and Misc. expenses.
- (g) To consider cases of arrear and default of loans and dues held by the members of the Society and allow extension, concession and to write off where conditions warrant such action.
- (h) To prepare annual statements of account and annual report.
- (i) To institute, contract, define, compromise, refer to arbitration or abandon legal and other proceedings and claims by or against the Society.
- (j) To draw make, give, account discount, negotiate, endorse, pledge, sell, purchase, transfer, or otherwise deal with such bills of exchange, promissory

- notes, Government or other securities or other similar obligations on behalf of the Society.
- (k) To grant power of attorney to any office-bearer or any responsible officer of the Society.
  - (l) To administer, purchase, sell, mortgage or manage movable and immovable properties of the Society and to do every thing necessary for the purpose and to enter into contracts or authorise any Director or Directors or Officer to execute contracts for and on behalf of the Society.
  - (m) To examine and check accounts and verify balance.
  - (n) To test the scales, weights and measures and to ascertain that there is no adulteration.
  - (o) To determine and approve qualifications, amount and nature of security if any, to be furnished by the employees or the staff members.
  - (p) To frame subsidiary rules for the conduct of business of the Society in accordance with the Act, Rules, Bye-Laws.
  - (q) To check and examine the stock Register; to verify the stocks received and stocks disposed of and to determine selling price of the stocks.
  - (r) To dispose of applications for loans, advances and extension subject to Bye-Law No. 6 (c).
  - (s) To purchase improved machinery, implements, other stocks and gear necessary for finishing industry to be sold or to be hired out to its members.
  - (t) To arrange for the disposal of the catches of its members on commission basis directly or indirectly or otherwise and to manage fisheries.
  - (u) To generally conduct the business of the Society.
  - (v) To frame, alter or amend Rules regarding the Provident Fund Scheme and Gratuity for the benefit of the permanent employees of the Society and contribute to such fund,
  - (w) To arrange and provide sufficient funds for spreading education, health, hygiene, supply of drinking water and other amenities for the welfare, wellbeing and uplift of the fishermen.

- (x) To Install plants for processing, canning fish and to arrange disposal and export of the same.
- (y) To Install and manage Cold Storage, Ice Plant, Curing Yards, etc., for the use of members of the Society.
- (z) To trade in the purchase, sale, export of fish, fishing gear and other necessities for the Development of Fishing Industry.

Acts done in good faith.

44. All acts done in good faith by the Board or any person acting as a Director shall notwithstanding that it is afterwards discovered that there was some defect in the appointment of such Board or persons; be as valid as if the Board and every such person had been duly appointed.

#### VII. CHAIRMAN

Powers of the Chairman.

45. The powers of the Chairman shall be :—
- (a) To preside and conduct the Board's meetings.
  - (b) To call the special meetings, of the Board.
  - (c) To preside and conduct the meetings of the General Body.
  - (d) To adjourn the meeting of the Board if it becomes unruly for not more than a week.
  - (e) To give rulings on the points of order.
  - (f) To bring or permit any proposal he considers necessary for discussion by the Board.
  - (g) To supervise and look after the general administration of the Society.
  - (h) To exercise casting vote in case of equality of votes in addition to his ordinary vote.
  - (i) To call the meetings of the Board as and when necessary, subject to any resolution of the Board.
  - (j) To frame the Agenda for Board's meeting.
  - (k) To control the salaried staff of the Society and assign or take work from them.
  - (l) To see that minutes of the meetings of the Board or of General Body are properly recorded in the Minute Book.

#### VIII. VICE CHAIRMAN

Powers of Vice Chairman.

46. He shall exercise all the powers of the Chairman in his absence and function as such.

## IX. MANAGER

47. His powers and duties shall be :—

Powers and duties  
of Manager.

- (a) To control the salaried staff of the Society and assign or take work from them as approved by the Chairman.
- (b) To supervise and inspect the accounts, check stocks and record maintained by the staff.
- (c) To watch arrears and recoveries and report the cases of default to the Board.
- (d) To supervise the conduct of sales, measurements, weighments and proper storing of articles of consumption and other commodities etc.
- (e) To be responsible for the General Administration and proper management of the affairs of the Society.
- (f) To test the scales, weights; measures, etc. of the Society
- (g) To maintain cleanliness in the Society's premises i. e. Jetty, Ice Plant & Cold Storage at Fish Harbour and other Buildings and Installations situated outside Fish Harbour.
- (h) To prepare a list of trustworthy brokers or merchants through or to whom the produce may be disposed of and get it approved by the Board.

## X. LOANS AND ADVANCES

48. Any member wishing to obtain a loan shall forward to the Chairman an application, stating the amount required, purpose, sureties or security offered, period of repayment desired and any other information required by the Board.

Application  
for loan.

49. A loan may be granted in kind or in cash to any member at the discretion of the Board, provided necessary security has been furnished and the member has no liability.

Grant of loan  
discretionary.

50. In the case of all loans the period of repayment will be fixed by the Board, but shall be lesser than the period of loan given to the Society.

Period of  
repayment.

51. The loan due to the Society with interest shall be the first charge on the sale price of the catches of the members.

Loan to be a first  
charge on catches.

52. Loans may be allowed to a member against the security of his fixed deposits with the Society to the extent of 90% of the amount of such fixed deposits upto the unexpired

Loan against  
Fixed Deposits.

periods at a rate of Interest atleast 1% above than the pre-vailing Bank rates.

Limit of Loan.

53. A member may be allowed loan over and above the limits of Rupees ten thousand under special circumstances. Loans exceeding Rupees ten thousand will be allowed on the approval of the Deputy Registrar.

Rate of Interest.

54. The rate of interest to be charged on loans to members shall be nine percent per annum.

Declaration by applicant for loan.

55. Any member who makes an application for loan to the Society shall have to sign a declaration that he is not indebted to any other Cooperative Society or Bank and on this clear understanding his application for loan will be entertained. In case his declaration is subsequently found to be incorrect he will be prosecuted under Section 420 P.P.C. for the offence of cheating.

Mortgage Deed and/or Agreement to be drawn.

56. For every loan, mortgage deed and/or agreement shall be executed stating the rate of interest, the period of loan and the nature of security and personal sureties with their full particulars.

Instalments of Loan and default thereof.

57. When the payment of instalment of loan is not received regularly, the Chairman within 14 days of default shall in writing require the borrower and each of his sureties to pay, and in the event of payment being delayed for one month from the date, the Board shall take steps to recover the amount due with interest by referring the matter to arbitration, unless it is satisfied that the borrower had shown sufficient cause for non-payment.

Non payment of dues.

58. If no sufficient reason is advanced for non-payment of the dues or the Board is not satisfied with the reason given, it may demand immediate payment of entire dues with interest within 30 days of its decision. The decision of the Board in such cases shall be final. The Board can demand penal interest at the rate of two percent per annum.

Misapplication of loan amount.

59. When a loan obtained by a member for a specific purpose, is mis-applied, the Board shall have power to recall the loan with interest due upto the date of repayment within a month of service of the notice of recall and in case of default of the debtor it shall take steps to recover the loan. The decision of the Board as to the mis-application shall be final.

Power of Board to call back loan.

60. The Board shall have power to call back at any time before the due date the entire amount of loan inclusive of interest, in case the Board is satisfied that the principal borrower and the sureties' financial stability is in danger and that the security offered for the loan has depreci-

ated or is likely to be depreciated and in case they have called upon the parties to pay up the whole amount or to furnish further security and the parties fail to do so within three days time or any such time as may be determined by the Board.

61. When a person who has stood as surety for loan dies or become insolvent or in the opinion of the Board is not sufficiently safe, they may by a notice through the Manager require the borrower to find another surety to the satisfaction of the Board within 30 days of its decision. If the borrower fails to find another surety when so required to the satisfaction of the Board, the loan shall be repayable immediately with interest to the date of payment and in case of default of the debtor it shall take steps to recover the entire loan. The estate of the original surety shall, however, remain liable until a substitute has been accepted by the Board.

Death or insolvency of surety.

62. The Board shall have power to set off the amount of share money, deposits, dividends, bonus or interest payable to a member against any liabilities outstanding against him, either as a principal borrower or as a surety for debt borrowed from the Society.

Set-off of share money.

63. A penal interest of two percent will be charged in addition to the ordinary rate of interest on all repayments of loans from the date of default on the amount defaulted if not paid within one month from the due date. The Board may waive the condition in a suitable case.

Penal interest.

## XI. PURCHASES AND SALES

64. Every member of the Society shall be bound to sell his catches in the sale and disposal centres established by the Society through persons authorised by the Society and shall pay commission on such sales as may be fixed by the Board from time to time. Non observance of this Bye-Law shall make the defaulting member liable for such action as may be decided by the Board including stoppage of all facilities of that member by the Society, penalties etc.

Members bound to sell catches through Societies sale and disposal centres.

## XII. CASH BALANCE

65. All the unused funds of the Society shall be deposited in the apex Cooperative Bank, Central Cooperative Bank or any other Bank approved by the Deputy Registrar.

Deposit of unused Funds.

66. A cash balance not exceeding Rs. 3,000/- may be maintained for office use which shall remain with the responsible officers of the Society. All payments as far as possible be made by cheques.

Cash Balance for office use.

## XIII. DEPOSITS

Fixed and Advance  
Deposit Accounts.

67. Deposits may be received at any time within the limits fixed by Bye-Laws No. 9 and 43 (b) in fixed and Advance Deposit Accounts only.

Rules dealing  
with Deposits.

68. The Board shall frame rules dealing with the deposits of the kinds mentioned in Bye-Law No. 67 and amend them from time to time as the circumstances require in conformity with the Bye-Laws and any resolution that the General Body may pass in respect thereof but these shall come into force after the approval of the Deputy Registrar.

Amount and period  
of Deposit and  
interest thereon.

69. The Board may from time to time fix the minimum amount which may be accepted as a fixed deposit and fix the rate of interest on such deposits for various periods and allow special rate of interest in special cases for charitable purposes.

## XIV. DISTRIBUTION OF PROFITS

Gross Profits  
deduction.

70. At the Annual General Meeting the gross profits earned in the previous year shall be announced and the following deductions shall be made :—

- (a) Interest payable on deposits and loans ;
- (b) Losses ;
- (c) Depreciation on stock, buildings and other wasting assets.
- (d) Rebate to members when considered necessary on sale and purchase of their catches and fishing gear.

The balance remaining after these deductions shall be treated as Gross Profits with the following charges on it :—

- (i) Provision for Reserve for bad and doubtful debts, minimum of 5% of profits or more if required ;
- (ii) Provision for Reserve for over-due interest.

Net Profits and  
distribution  
thereof.

71. The balance remaining after these deductions shall be treated as Net Profits and shall be distributed as under:—

- (1) A sum not less than 25% of the net profits shall first be carried to the statutory reserve fund ;
- (2) A sum not exceeding 40% of the net profit shall be distributed as Dividend and carried to Dividend Equalization Fund provided Dividend is not paid during that year exceeding 10% on the paid up share capital and provided amount not

exceeding 2% of the paid up share capital is credited in that year to the Dividend Equilization Fund until the total amount in such fund amounts at 6½% of the paid up share capital, except for the purpose of paying the Dividend no withdrawal from the Dividend Equilization Fund shall be made without the the previous written sanction of the Deputy Registrar.

- (3) A sum not exceeding 10% of the net profits shall be distributed as Bonus to the employees of the Society provided such bonus not exceed two months salary of each employee.
- (4) A sum not exceeding 10% of the net profits shall be carried over to the Building Godown Reserve.
- (5) A sum not exceeding 2% of the net profits shall be set apart for Co-operative Propaganda and Education and spent either directly or through the Co-operative Union.
- (6) A sum not exceeding 10% of the net profits shall be set apart and utilized from time to time for contribution to any public or cooperative purpose or for a charitable purpose as defined in Section 2 of Charitable Endowment Act of 1890, with the permission of Deputy Registrar.
- (7) The balance if any, shall be carried to next year's account.

72. All Dividends unclaimed for 5 years from the date of the declaration thereof succeeding the year to which they relate shall be forfeited and credited to the Reserve Fund of the Society provided that before the Dividend is forfeited, one month's notice shall be given to the party concerned.

Forfeiture of Dividends.

#### XV. RESERVE FUND

73. In addition to the sum realised under Section 39 of the Act all admission fees and receipt of account of forfeited shares, fines, penal interest and donations shall be credited to the Reserve Fund.

Admission fee and amount of forfeited shares.

74. Any loss occurring as the net result of the year's working with the previous sanction of the Deputy Registrar, be made good from the Reserve Fund but this amount must be restored to the Fund from the profits of the next year.

Loss be made good from Reserve Fund

## XVI ACCOUNTS BOOKS

Maintenance of  
Accounts and  
Records.

75. Accounts and records shall be maintained in the forms prescribed with such additions and modifications as the Board may think necessary. All documents, cheques and receipts etc. passed or issued on behalf of the Society shall be signed by the Manager or any other officer for the time being who may be duly authorised by the Board by power of Attorney signed by the Directors authorised by the Board. But any documents creating a charge or obligation on the Society shall be signed by the Chairman or the Vice-Chairman and the Manager with one Director of the Board and shall bear the common seal of the Society.

Share money paid  
after 5th day of  
a month.

76. Share money paid before the close of fifth date of a month shall earn Dividend for the whole of that month, but that after the fifth shall earn no Dividend for that month.

Inspection of  
Register or  
record by a  
member.

77. Any member of the Society may by previous arrangement inspect any of the registers of records during office hours as he is entitled to inspect under the Act, subject to any Resolution of the General Body in this behalf.

Annual Statement  
of Account.

78. Before 31st July annually, the Board shall draw statements showing the receipts and expenditure, assets and liabilities and profit and loss for the previous year. A copy of these statements shall be supplied to the Government Auditors, and placed before the General Body.

## XVII ALLOWANCE TO DIRECTORS

Directors'  
Allowance.

79. The services of all the Directors shall be gratuitous. They will, however be entitled to draw travelling expenses for attending meetings, according to a schedule fixed by the Board from time to time. The Board may sanction a reimbursement of medical charges incurred by a Director on his person. For any special assignment entrusted to a Director or Directors, the Board may sanction adequate honorarium.

## XVIII. SECURITY FROM STAFF

Certain employees  
to furnish  
security.

80. Every person holding any office touching the receipts or charge of monies of the Society shall before entering on the execution of his office furnish such securities as the Board require and approve, for rendering a full and true accounts of all monies received or paid by him on account of the Society or determined and directed by Deputy Registrar.

## XIX. AMENDMENTS TO BYE-LAWS

81. Subject to the Act and Rules framed by the Local Government thereunder, none of the Bye-Laws herein contained shall be altered or revised and no Bye-Laws shall be added unless two third of the members present at a General Meeting approve the same provided that notice of such alterations and additions has been given to the Deputy Registrar and the Members 14 days prior to the Meeting. Amendment shall come into effect after being registered under section 16 (3) of the Act.

Method for Amending the Bye Laws.

82. A copy of the Bye-Laws shall be supplied free to the members only at the time of their enrolling themselves as members, after which they shall be supplied on receipt of Re. 1/- only as fee for the same.

Supply of copy of Bye-Laws to members.

83. In cases where a notice is to be given posting or delivery of the notice at the registered address of the member shall be deemed sufficient.

Service of Notice.

## XX. ARBITRATION

84. Any dispute concerning the business of the Society shall be referred to the Deputy Registrar in accordance with law on the subject.

Disputes be referred to Deputy Registrar.

## XXI. LIQUIDATION

85. Winding up will be done according to the Act and Rules.

Winding up.

## XXII. AUDITORS

86. In addition to the Government audit, the Society shall appoint at its Annual General Meeting an officer who shall audit the accounts of the Society to be prepared by the Board as herein before provided and shall examine the annual returns and verify the same with accounts relating thereto and shall either sign the same as found by him to be correct, duly vouched and in accordance with law or specially report to the Society in what respects he finds them incorrect, unvouched and not in accordance with law.

Appointment of Auditors.

87. The Auditor shall be entitled to call for and examine any paper or document etc. belonging to the Society and shall make a special report to the Society upon any matter connected with the accounts which appear to him to require notice.

Auditors to make special Report to Society.

XXIII. AFFILIATION

Membership of  
K.C.U. Ltd./  
W.P.C.U.

88. The Society shall be a subscribing member of the  
Karachi Co-operative Union/West Pakistan Co-operative Union.

Registered

Sd/- Deputy Registrar  
Cooperative Societies  
Karachi

Karachi 12-6-69

# BYE-LAWS

## OF THE

### FISHERMEN'S CO-OPERATIVE SOCIETY LIMITED KARACHI

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# Fishermen's Cooperative Society Ltd., Karachi.

## P R E F A C E

The Society was established in 1945 under the name of Karachi Fishermen's Cooperative Purchase & Sale Society Ltd., and registered with the Registrar Cooperative Societies, Karachi. Its first promoters were :—

1. Haji Mohammed s/o Ismail.
2. Mohammed Ayoob Haji Abdullah.
3. Mohd Yakub Haji Abu Bakar.
4. Mohammed s/o Issa.
5. Abu Bakar Mohd Siddik.
6. Hassan s/o Mohd.
7. Haji Ali Haji Usman.
8. Mohammed Ahmed.
9. Ali Mohammed Ismail.
10. Yousuf Mohammed.
11. Yakub Mohd Siddik.
12. Khalid Bin Ali.
13. Jamote Wali Mohd.
14. Mr. Dad Mohd Mubarak.

In the first instance the office of the Society was established in a small room at Khadda. Later on it was shifted to Serai Road and at the time of evention of Fish Harbour, the same was shifted to its present place at Fish Harbour. The objectives of the Society were to take measures for the welfare and benefit of the poor fishermen and to supply daily requirements at reduced rates.

Its first Chairman was Mr. Mahmood A. Haroon, (Now Minister of Agriculture and Works, Government of Pakistan), who worked till 1948. Then Hakim Mohd. Ahsan (Now Ambassador of Pakistan to Afghanistan) took over and continued till 1951. Later on Mian Mohammed Shafi became the Chairman. He devoted his time, health and everything for the cause of fishermen community. He died in 1960. Since then Mr. G. S. Kehar, S.Q.A., is the Chairman of the Society.

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In 1956 only 6 boats were mechanized with the help of I.C.A. and now our fishermen have a fleet of 1,000 mechanized boats which earn foreign exchange more than Rs. 8 crores annually.

The Bye Laws of the Society have passed through various stages. The Bye Laws were overhauled and corrected in 1957, 1961 and 1967. The present shape of Bye Laws is the outcome of the good efforts of Mr. Mushtaq Ahmed, Deputy Registrar, Cooperative Societies, Karachi and Mr. Ghulam Mohammad Noorudin, an elected Director, who completed this job on the request of the Board of Directors.

(Mohammad Hussain)  
Director.