

**Tripura Micro & Small Enterprises Facilitation
Council Rules,2006**

TRIPURA GAZETTE



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PART-I-- Orders and Notifications by the Government of Tripura,
The High Court, Government Treasury etc.

Rules of Micro & Small Enterprises Facilitation Council
(MSEFC) under

The Micro, Small and Medium Enterprises Development Act, 2006 (27 of
2006)

NOTIFICATION

NO.F.1-2(47)/DI/SSI/MSMEFC/2007/3874 Dated, the 03.03.2010

In exercise of the powers conferred by section 30 read with sub-section (3) of section 21 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) the Government of Tripura hereby makes the following rules, namely :-

Preliminary

1. Short title and commencement:

- 1) These rules may be called the Tripura Micro and Small Enterprises Facilitation Council Rules, 2006.
- 2) They shall come into force with effect from the 1st February 2007.
- 3) They shall extend to the whole of Tripura.

2. Definitions: In these rules, unless the context otherwise requires-

a) "Act" means the Micro, Small and Medium Enterprises Development Act 2006 (27 of 2006)

b) "Section" means a section of the Act;

c) "Arbitration and Conciliation Act" means the Arbitration and Conciliation Act, (26 of 1996);

d) "Council" means the Micro and Small Enterprises Facilitation Council, established by the State of Tripura under section 20 of the Act;

e) "Institute" means any institution or centre providing alternate dispute resolution services referred to in sub-section(2) and (3) of section 18 of the Act;

f) "Chairperson" means the Chairperson of the Council appointed under clause (i) of sub-section 21 of the Act;

g) "Member" means a member of the Council;

h) "Government" means the Government of Tripura.

i) The words and expressions used and not defined, but defined in the Act shall have the meanings assigned to them in the Act.

3. Manner of appointment, etc,

- a) The Government shall appoint the representatives, specified in clause (ii), (iii) or (iv) of sub-section (1) of section 21, as member of the Council.
- b) When a member of the council dies or resign or is deemed to have resigned or removed from office or becomes incapable of acting as a member, the Government may by notification in the official gazette appoint a person to fill that vacancy.
- c) A member, other than the Chairperson, shall hold office for a period not exceeding two years from the date of his appointment.
- d) A member appointed under clauses (ii), (iii) or (iv) of sub section (1) of section 21 shall cease to be a member of the council if he ceases to represent the category or interest from which he was so appointed.
- e) Any member of the Council may resign from the Council by tendering one months notice in writing to the Government. The power to accept the resignation of a member shall vest in the Government.
- f) The Government may remove any member from office:
 - i) if he is of unsound mind and stands so declared by a competent court; or
 - ii) if he becomes bankrupt or insolvent or suspends payment to his creditors, or
 - iii) if he is convicted of any offence which is punishable under to Indian Penal Code (Act XLV of 1860); or
 - iv) if he absents himself from three consecutive meetings of the council without the leave of the Chairperson, and in any case from five consecutive meetings; or
 - v) acquires such financial or other interest as is likely, in the opinion of the Government, to affect prejudicially his functions as a member.

4. Procedure to be followed in the discharge of functions of the Council:-

- i) The Council shall meet at least once in every three months.
- ii) The quorum for any meeting of the Council shall be two.
- iii) At lease seven days' notice shall ordinarily be given for any meeting. However, in case of urgency a meeting may be called at such shorter notice as the Chairperson may consider sufficient.
- iv) The Council may appoint/or engage the services of one or more experts in terms of section 26 of the Arbitration and Conciliation Act, 1996.
- v) The Council, or a party to the dispute with a approval of the Council, may apply to the court under section 27 of the Arbitration and Conciliation Act, 1996, for assistance in taking evidence.
- vi) The reference/application of the aggrieved micro or small enterprise supplier shall contain full particulars of the supplier

and its status, supplied goods or service, terms of payment, if any, agreed between the supplier and buyer, actual payment received with date, amount due and the interest duly calculated under section 16 of the act, supported by an affidavit, with necessary court fee stamp affixed thereon. The Chairperson of the Council may require any petitioner to provide further particulars of the claim or any relevant documents in support of the claim as he may consider necessary for the purpose of the proceedings. If the petitioner fails or omits to do so within fifteen days of receipt of such communication or within such further time as the Chairperson may, for sufficient cause, allow, the Council may terminate the proceedings without prejudice to the right of the petitioner to make fresh reference if he is otherwise entitled so to do. The petitioner shall also simultaneously send a copy of the reference to the buyer or buyers against whom the reference is directed.

- vii) All the reference/application of the aggrieved micro or small enterprise supplier submitted on or before 31st January 2007 under consideration of the Department of Industries and Commerce, Government of Tripura shall be automatically transferred to the Council.
- viii) The reference/application shall be acknowledged forthwith if it is delivered as the office of the Council. Where the reference/application is received by registered post, its receipt shall be acknowledged on the same day. The Chairperson shall cause the buyer to furnish his detailed response to the reference within fifteen days of receipt of the reference by the buyer or within such further time not exceeding fifteen days, as he may, for sufficient cause, allow.
- ix) On receipt of a reference under section 18 of the Act, the Chairperson of the Council shall cause the reference and the buyers response thereto to be examined and, on being satisfied with the reference making a prima facie case of delayed payment, cause the reference to be placed before the Council at its next immediate meeting for consideration. The Chairperson shall also ensure that each reference received within two weeks of the date of the last preceding meeting of the Council is examined and, if found in order, is placed for consideration of the Council at its next immediate meeting.
- x) The Council shall either itself conduct conciliation in each reference placed before it or seek the assistance of any institute or center providing alternate dispute resolution services by making a reference to such an institution or center, for conducting conciliation. The provisions of sections 65 to 81 of the Arbitration and Conciliation Act, 1996 shall apply to such a reference as if the conciliation was initiated under Part III of that Act.
- xi) The Council or the institute to which it has been referred for conciliation shall require the supplier and the buyer concerned to appear before it by issuing notices to both parties, in this behalf. On the appearance of both parties, the Council or the institute

- shall first make efforts to bring about conciliation between the buyer and the supplier. The institute shall submit its report to the Council with in fifteen days of reference from the Council or with in such period as the Council may specify.
- xii) When such conciliation does not lead to settlement of the dispute, the Council shall either itself act as an Arbitrator for final settlement of the dispute or refer it to an institute for such arbitration, in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The supplier or the buyer may, either in person or through his lawyer registered with any court, present his case before the Council or the institute during the arbitration proceedings. The institute shall submit its report to the Council with in such time as the Council may stipulate.
 - xiii) Any decision of the Council shall be made by majority of its members present at the meeting of the Council.
 - xiv) The Council shall make a arbitral award in accordance with section 31 of the Arbitration and Conciliation Act 1996 and within the time specified in sub-section(5) of section 18 of the Act. The award shall be stamped in accordance with the relevant law in force. Copies of the award shall be made available within seven days of filing of an application.
 - xv) The provisions of sections 15 to 23 of the Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force.
 - xvi) The Chairperson or any other officer authorized by the Chairperson shall maintain all records, convene meetings, maintain all records, discharge all other functions including forwarding the proceedings of every meeting of the Council including annual progress report of the Council to the Member-Secretary of the Advisory Committee constituted under sub-section (3) of the section 7 of the Act.

5. Power to remove difficulties.

- i) If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty.

Provided that no order shall be made under this section after the expiry of two years from the commencement of this rule.

- ii) Every order made under this section shall, as soon as may be after it is made, be laid before House of the State Legislature.

5. Power to amend and relax /repeal any or all Provisions of the Act

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Notwithstanding anything contained in any of the provisions of the rules, the State Government may at any time:

- i) make any amendment to this rule or repeal it.
- ii) make any relaxation in each case as the State Government may consider necessary and appropriate.
- iii) may issue instructions and guidelines to facilitate implementation, remove anomalies and to clarify the interpretations of the provisions of the rule.

7. Clarification and Interpretation

In case of any doubt or dispute regarding the provisions of the rules, only the State Government shall be competent to clarify or interpret these and such clarification or interpretation shall be final and binding on all concerned.

By the Order of the Governor of Tripura


(V.G. Jenner)

Addl. Secretary
Department of Industries & Commerce,
Govt. of Tripura