

**PROCEEDINGS OF 26<sup>th</sup> GOVERNING COUNCIL MEETING OF H.P. AQUACULTURE, FISHING AND MARKETING SOCIETY, BILASPUR HELD ON 30<sup>th</sup> NOVEMBER, 2019 UNDER THE CHAIRPERSONSHIP OF DR. PURNIMA CHAUHAN, IAS, SECRETARY (FISHERIES) TO GOVT. OF H.P. IN HER OFFICE CHAMBER IN H.P. SECRETARIAT AT SHIMLA.**

Following officers participated in the meeting

#	Name & Designation	Position in the Society
1	Ms. Jagtamba Deputy Secretary (Fisheries) to the Govt. of H.P.	Member
2	Sh. Susheel Janartha, Deputy Director Fisheries, Trout Farm Patlikuhl, Distt. Kullu (H.P.)	Member
3	Sh. Jai Singh, Assistant Director Fisheries, PongDam Distt. Kangra (H.P.)	Member
4	Sh. Khem Singh Thakur, Assistant Director Fisheries, Mandi Distt. Mandi (H.P.)	Member
5	Sh. Shyam Lal, Assistant Director Fisheries, Bilaspur Distt. Bilaspur	Member
6	Sh. Bhupinder Kumar, Assistant Director Fisheries, Chamba Distt. Chamba (H.P.)	Member
7	Sh. Satpal Mehta, Director-cum-Warden of Fisheries- cum-Chief Executive Officer, HP, Aquaculture, Fishing & Marketing Society, Bilaspur (H.P)	Member Secretary

At the outset, Chairman welcomed all the participating members of Governing Council in the meeting and asked member secretary to take up agenda items for discussion. Thereupon, the following items were discussed and decision taken are shown as below:

**Item # 1:**

**CONFIRMATION OF THE PROCEEDINGS OF 24<sup>th</sup> GOVERNING COUNCIL MEETING.**

Member Secretary informed that minutes of 25<sup>th</sup> Governing Council Meeting of H.P. Aquaculture, Fishing and Marketing Society, Bilaspur held on 21<sup>st</sup> February 2019 were circulated to all the members and no comments has been received from any of the member, as such the item was put up for confirmation by the Governing Council.

**Since no comments were received from any member hence proceedings of 25<sup>th</sup> Governing Council meeting were confirmed.**

- (i) **UTILIZATION OF FUNDS (918.00 LAC) SANCTIONED UNDER NMPS- A COMPONENT OF RKVY, FOR INITITATING CAGE CULTURE SCHEME, IN STATE RESERVOIRS AND AQUACULTURE DEVELOPMENT, DURING 2012-13.**

**This scheme has two components as detailed below:-**

- a) **FUNDS AMOUNTING TO Rs. 668.00 LAC RECEIVED UNDER NMPS – A COMPONENT OF RKVY FOR INITIATING CAGE CULTURE SCHEME, IN STATE RESERVOIRS DURING 2012-13.**

Member Secretary informed that funds to the tune of Rs. 668.00 lac received under NMPS- a component of RKVY during 2012-13 for 'Cage Culture' by the Department of Fisheries which were to be utilized in Society mode for the upgradation/expansion of fish seed farm Deoli (Gagret) Distt. Una and the works are being executed through HPSIDC and engineering wing of HPAFMS, which are completed. Detail of works sanctioned, funds utilized, funds in balance is given at **Annexure-A**.

Member Secretary has submitted that necessary sanction for utilization of balance amount of Rs. 604277/- on workshops, mela & seminar etc, has already obtained from competent authority and this amount will be utilized fully in near future accordingly.

**After detailed discussion worthy Chairperson has desired utilization of this amount during current financial year on workshops, mela & seminar etc.**

**Action: DWF/CEO**

- (b) **Aquaculture Development through Integrated Approach:**

Member Secretary informed that as per approval of SLSC, a sum of Rs. 250.00 lac sanctioned under this scheme during 2012-13 have been utilized in districts Una, Solan and Kangra which has been clubbed with

the same quantum of funds received under this scheme during 2013-14. Detail of the funds amounting to Rs. 500.00 lac (2012-13 & 2013-14) is given at **Annexure-B**.

House felt satisfaction over the progress of this project and worthy Chairman has desired immediate utilization of balance amount earmarked for training purpose.

**Member secretary has informed the house that necessary training to all concerned of Fisheries Societies and Departmental officials again provided at their respective units from 11-11-2019 to 23-11-2019. He further submitted that remaining amount which is near about 1.50 lac will be spent in near future on training to Departmental officers/officials through CIFT Cochin. House satisfied with the action of Department.**

**Action: DWF/CEO**

- (ii) Purchase of Fish Federation Building property in Bilaspur Town for Fisheries Department by H. P. Aquaculture, Fishing and Marketing Society.**

Member Secretary informed that consequent upon the decision taken by worthy Chairman HPAFMS-cum-Principal Secretary (Fisheries) to the Govt. of Himachal Pradesh in connection with a court case of Fish Federation Bilaspur for the clearance of dues of its employees, a building of Fish Federation situated in Bilaspur town was purchased after depositing Rs. 12.00 lac as advance money and for rest of payment value was to be assessed by HPPWD, for which Society had already deposited sum of Rs. 26,39,000/- with the Liquidator-cum District Inspector Cooperative Societies Bilaspur but Liquidator had returned the cheque of Rs. 14,39,000/- back to the Society. He neither handed over the possession of said building to the Department nor refunded the advance of Rs, 12.00 lac with interest as well as evaluation charges of Rs 23,900/- paid to HPPWD despite of issuance of several notices. Now it has also come into the notice of Department that the ownership of land and building

in question is with HP Govt. and not with federation and Liquidator of the Gobind Sagar Fisheries Cooperative Marketing & Supply Federation Limited Bilaspur has sought NOC of the same in his favour from the Govt.

**After detailed deliberation on this account Hon'ble Chairperson has desired to know possessing agency of the property and the house has decided that an undertaking/affidavit to the effect that as and when this property will be finally disposed off by the federation the advance of Rs. 12.00 lac given by the Society will be returned, may be obtained from liquidator and only after a conditional NOC may be issued in favour of federation.**

**Action: DWF-cum-CEO**

**(iii) Audit Paras pertaining to the formation of H. P. Aquaculture, Fishing and Marketing Society.**

Member Secretary informed that Accountant General Himachal Pradesh had raised audit paras in the Department of Fisheries pertaining to the formation of H. P. Aquaculture, Fishing and Marketing Society and its functioning. These paras are mainly on the deposition of income of activity centres of the Society into Society account and deposit of fisheries development funds being received from HEP's into Society account. Consequent upon the service of a notice from Income Tax Department, Society has applied for exemption under section 10 (46) of Income Tax Act.

In order to take action on these issues, a committee was constituted under the Chairmanship of Special Secretary (Fisheries) to the Govt. of Himachal Pradesh and based on the recommendations of this committee, a decision was taken at Govt. level that income of the activity centres of the Society i.e. trout farm Patlikuhl, Barot and fish farm Deoli (Bilaspur) be deposited into Govt. Treasury instead of HP AFMS accounts but fisheries

development funds being received from HEP's for the mitigation of fisheries losses caused due to the construction of Hydrel Projects which has stopped fish migration for their breeding and feeding both, shall be continued to be deposited in the Society account and this decision has been implemented from October 2015.

In the 22nd meeting, Chairperson felt that decision of depositing income of activity centres of the Society into Govt. Treasury needs re-consideration since Society is doing important work for the strengthening of the Department and its developmental schemes. Participating in the discussion Special Secretary (Finance) to the Govt. of HP was also of the same view and he proposed that in case complete income of these centres is not deposited in the Society then at least 50% part of the income of these activity centres can be deposited in the Society to keep its working smoothly as has happened in some other cases also. DWF HP and other members also pointed out that since these funds are being received from the HEP's for the mitigation of fisheries losses being caused by the construction of dams across state rivers, and these funds are meant for compensating fisheries losses hence funds should be deposited in Society account. Chairperson was also of the same view that fisheries development funds should not be deposited in the Treasury as these funds are required to be utilized for mitigating fisheries losses in the state.

It was decided that DWF-cum-CEO will get a note from Chartered Accountant of the Society indicating rational of Society being under the purview of Income Tax and status of the case filed for Income Tax exemption under section 10 (46) of Income Tax Act. Further, a note shall be prepared and submitted by DWF regarding audit paras raised by AGHP pertaining to the formation of HP AFMS and deposit of income of activity centres into Govt. Treasury instead of Society account and paras raised regarding fisheries development funds of HEP's also for further discussion with Principal AGHP/concerned quarter. As per decision taken

in the last meeting a brief note on account of exemption of Society under section 10(46) of Income Tax was obtained from the Chartered Accountant which was later on submitted to Chairperson, HPAFMS-cum-ACS (Fish.) to the Govt. of H.P. (copy enclosed). Further, a note prepared by DWF regarding audit paras raised by AGHP pertaining to the formation of HPAFMS has also been submitted to the Govt. Time for the meeting was sought from AGHP which could not materialize till today.

After detailed discussion, it was decided that CEO will pursue the Income Tax case with concerned through Chartered Accountant. Since accounts of the Fisheries Development Funds received/being received from HEP's are maintained by HPAFMS, hence it was unanimously decided that 50% amount of the interest accrued on these funds be utilized by HPAFMS for its activities/programmes, henceforth.

**After discussion on this item worthy chairperson has desired to know present status of income tax exemption case initiated under section 10(46) on income tax. In this regard Member Secretary has informed the house that no final decision has been received from concerned Income Tax authorities and matter is being pursued/attended by Chartered Accountant of the Society as and when any query or information is received from concerned income tax authorities the same is attended on priority basis. Hon'ble house was satisfied with the submission made by Member Secretary and pursued the exemption case vigorously with concerned income tax authority. A gentle D.O. letter in this regard is also desired to be issued to Income Tax authorities at Govt. level.**

**Action: CEO**

- (iv) Regarding increase in honorarium of staff engaged on honorarium basis in the Society.**

Member Secretary informed that it was decided in the 22nd meeting of HPAFAMS that 5% annual increase will be provided to staff engaged in Society on honorarium basis which was provided only to engineering staff

from 01-10-2016. Further a fisherman was also engaged on honorarium basis of Rs. 5000/- (Rupees five thousand) only per month in the Society whose honorarium has also been increased from Rs. 5000/- to Rs. 6300/- per month with effect from after obtaining necessary approval of Governing Council in its meeting held on 25th July, 2017. An Office Manager has also been engaged on honorarium basis w.e.f. 1st July 2014 @ Rs. 15000/- per month. Every honorarium paid employee of Society have got increase in honorarium while no increase in honorarium is given to this Office Manager, so 5% increase is also recommended to Office Manager.

After detailed discussion on this point Hon'ble house has approved proposed increase of 5% in the honorarium of Office Manager who is engaged in July, 2014.

**Member Secretary has informed the house that 5% honorarium of Office Manager has been increased w.e.f. 1<sup>st</sup> March, 2019 as per decision of Hon'ble House. Hence this item dropped from the agenda.**

**Action: CEO**

**(v) Regarding regularization of two employees of the Society engaged on contract basis and one daily wager.**

Member Secretary informed that there are two employees who were appointed in the Society on contract basis after completing all the codal formalities who have completed more than nine years of service in the Society. Detail of these employees is as under:-

1. Sh. Madan Singh, Driver w.e.f. 25-06-2009
2. Sh. Suneel Sharma, Clerk w.e.f. 02-09-2009

As per policy of the state Govt. contract employees who have completed three years of services on contractual basis are to be regularized. These employees more than nine years service on contract basis in the Society and as per prevailing Govt. policy/decision they are also become eligible for regularization against their respective designation. Therefore the matter is submitted for consideration and decision of hon'ble Governing

council. Member Secretary further informed the house that one sh. Hari Singh has been engaged on daily wages at Trout farm Patlikuhal and he has also completed more than ten years continue service on daily wages. As per H.P. Govt. approved policy a daily wager who have completed five years continue service on daily wages with minimum 240 days in a calendar year has become eligible for regularization. As such this daily wages also fulfills this criteria of regularization.

After detailed discussion on this point it is decided that as and when post becomes vacant matter may be refer to the Govt. and seek approval for regularization of these incumbents against such posts as special case.

**Member Secretary has informed the house that case for regularization of these two contractual and one daily wager employees of Society was sent to Govt. for approval but the Govt. has considered and rejected the same and retreated that the same things happened two-three times earlier also. He further submitted that these three employees have been completed more than 10 years of service in the Society and getting their salaries around about Rs. 12000/-. While their counterpart in the Department are getting time scale of post after putting merely three year service on contractual basis and five year as daily wager. In view of these facts he has also made submission to the Hon'ble House to allow remuneration at par with initial scale of regular employees of these categories.**

**After detailed deliberation on this point house considered the proposal of Member Secretary for giving remuneration to these employees at par of initial scale of employees of these categories and approved by Hon'ble Council in single voice.**

**Action: CEO**

**(vi) Approval for preferring appeal in Hon'ble High court of H.P. against decision of Presiding Judge Labour court-cum-Industrial Tribunal Kangra at Dharamshala in reference No. 157/2014.**

Member Secretary informed that the services of Sh. Ramesh Chand as chowkidar-cum-cook and Sh. Rimple Kumar as helper were outsourced from M/S Anvesh Enterprises, 81-B Main Market Bilaspur by the Society for the



period 16-01-2011 to 15-01-2012 at Angler lodge Pongdam Distt. Kangra (H.P.). this service providing agency had withdrawn the services of Sh. Ramesh Chand w.e.f. 01-01-2012. He approached Labour Department in first instance and later on submit a petition before Presiding Judge Labour court-cum-Industrial Tribunal Kangra at Dharamshala who have passed each and every liability of petitioner upon the Society. This is a partial decision and being agitated before the Hon'ble High Court of H.P. through an appeal for which a private Advocate is to be engaged. Approval of worthy Chairman, HPAFMS. For the same has also been obtained.

**Member Secretary has informed the house that necessary appeal has been filed in Hon'ble High court through an Advocate engaged for this purpose and operation of impugned order of Labour Tribunal Dharamshala has been stayed by the Hon'ble High Court of H.P. No hearing so far been fixed in this appeal. As and when such date is fixed by the Hon'ble High Court the Advocate engaged by the Society for this purpose will defend the case on our behalf.**

**Hon'ble House felt satisfaction with the action taken by Society in this regard and desired necessary follow up of the case with Hon'ble High court.**

**Action: CEO**

- (vii) Regarding providing furniture to newly constructed Angling hut at Bharmour Distt. Chamba (H.P.).**

Member Secretary informed that a pre-engineered (pre-fabricated) Angling hut has been got constructed out of HEP funds at Bharmour Distt. Chamba. Assistant Director of Fisheries, Chamba has intimated that due to non availability of required furniture this angling hut is not put in use so far. He has also sent detail of furniture required in this Angling Hut. The society has proposed to procure required/essential furniture to this angling hut out of society funds which costing approximately Rs. 4.10 lac. Hon'ble

council is requested to give his approval for the same. (Enclosed Quotations).

Hon'ble Council has considered and rejected the proposal. It further directed to prepare legitimate norms to select site plans for the construction of Angling hut in the state and after that case may be referred to competent authority for his consideration and further direction.

**Member Secretary has informed the house that a considerable amount near about Rs. 65.00 lac has been spent for erecting this Angler Lodge and to keep this infrastructure un-functional this huge amount will be unfruitful. He requested the house to approve purchase of adequate furniture for this Angler Lodge to put it in operation and will be a suitable facility to visitors. The expenditure on this account will be approximately Rs. 5.00 lac and proposed to be met out of Society funds after completing codal formalities.**

**After detailed discussion on this point Hon'ble House has approved the proposal given by Member Secretary.**

**Action: CEO**

**(viii) Regarding sanction of expenditure expected on Income tax appeal.**

Member Secretary informed that the Society is merely custodian of funds pertaining to HEP & NMPS of fisheries Department and handle these funds on the direction of DWF. During financial year 2016-17 & 2017-18 on the direction of DWF some amounts out of NMPS and HEP's funds were transferred to HPSIDC by the Society. Income Tax department Mandi had issued show cause notices to the Society for not deducting TDS on the same. Necessary reply of show cause notices was submitted to ITO (TDS) Mandi within time given by them. Later on without intimating the Society proceedings passed against us and demand notice of Rs. 295714/- and Rs. 639349/- issued with the direction to deposit these amounts within 30 days or if intend appeal be made before Income Tax Commissioner (appeal). In fact these notices were not received in this

office. After that Joint Commissioner of Income Tax (TDS) range for non compliance of said order of ITO(TDS) Mandi has imposed penalty of equal amounts on the society and ITO (TDS) Mandi has issued demand notice of Rs. 266410/- and 608900/- to the Society and directed to deposit the same within 30 days or prefer appeal before above said appellate authority. The decision of Income Tax department is not a just decision and being agitated by making an appeal to appellate authority of income tax department i.e. Commissioner at Palampur. An approximate expenditure on the appeal will be Rs. 60000/- as per consent to file the appeal received from Chartered Accountant of the Society.

The Hon'ble council has consider the decision of income tax department for levying tax upon the amounts transferred to HPSIDC during 2016-17 & 2017-18 as partial and approve appeal against the same and expenditure expected on this account.

**Member Secretary informed the house that necessary appeals against the demand issued by Income Tax Officer (TDS) Mandi upon the Society for the year 2016-17 & 2017-18 on account of funds transferred to HPSIDC have been preferred by the Chartered Accountant of Society before Commissioner Income Tax (Appeal) Palampur. Certain information/record were called by said commissioner from the Society which has stand mailed to his office. No hearing yet been fixed in these appeals. As and when any intimation is received in this regard from Income Tax Office Palampur C.A. will be deputed to defend the case on scheduled date. Outcome of these appeal will be placed before Hon'ble Council during future meeting. House felt satisfaction with the action taken by the Society and desired pursuance of these appeals vigorously.**

**Action: CEO**

**(ix) Regarding waiving off 10% compensation imposed on contractor for delay in completion of work.**

Member Secretary informed that a work named restoration of damages to weir across river Tirthan and protection work provided to protect public property was awarded to Sh. Shri Chand contractor and three months time was stipulated for its completion which was to be over on 15-05-2017. This contractor could not complete this job within stipulated period so 10% compensation amounting to Rs. 3,96,718/- (Rupees three lac ninety six thousand seven hundred eighteen) only i.e. 10% of awarded amount. This matter has thoroughly been examined at Society level and it is seen that no pecuniary loss is caused to the Society on this account rather contractor has suffered a huge financial loss due to time and again engagement and disengagement of manpower as well as machinery. Now the contractor has requested to worthy chairman for waiving off said compensation on the grounds that delay in completion is caused due to natural calamity and not on his part.

The Hon'ble council had considered the submission made by Member Secretary. After detailed deliberation on this account council approved waiving off 8% compensation instead of 10%.

**Member Secretary has informed the house that 8% amount of compensation has been refunded to the contractor concerned and work has also been finalized. Since nothing is pending in this regard and requested for dropping the item from agenda.**

**Hon'ble House is satisfied with the said version of Member Secretary and approved this item dropped from agenda.**

**Action: CEO**

**(x) Regarding sanction for engagement of Data Entry Operator.**

Member Secretary informed that a Data Entry Operator was deployed through the NIELIT Shimla in Directorate of Fisheries for the last three years under Agrisnet project of Agriculture Department. Now this project is going to be closed and the services of Data Entry Operator will be discontinued after 28-02-2019. This Data Entry Operator is deployed in

Web cell of Directorate. Due to shortage of staff it is not practicable to spare other official to handle work in web cell. In view of these facts Department proposed to continue the services of present incumbent in web cell for six months.

**Member Secretary has informed the house that approval for engagement of a Data Entry Operator in webcell office of Directorate Fisheries for six months i.e. 01-03-2019 to 31-08-2019 was accorded by the Hon'ble Council in its previous meeting. Accordingly a Data Entry Operator was engaged in Directorate office and on completion of said period services stand terminated.**

**House felt satisfaction with the action taken in this regard and approved deletion of this item from agenda.**

**Action: CEO**

### **New item:**

**(i) Expenditure statement of the Society for the financial year 2018-19.**

Member Secretary has placed the accounts of Society for financial year 2018-19 which has been audited by the Chartered Accountant of the Society alongwith balance sheet before the honorable Governing council for consideration and approval.

**Chairperson while going through balance sheet pointed out that there is a difference between FDR's amount appearing on 1<sup>st</sup> and 2<sup>nd</sup> page of balance sheet. Member Secretary submitted in this behalf that the matter has been discussed with C.A of the Society who has informed that in 1<sup>st</sup> page of balance sheet FDR amounting to Rs. 211931979/- is the closing balance of financial year 2018-19 while FDR amount Rs. 201931979/- is closing balance of financial year 2017-18 and opening balance of 2018-19. The difference is due to**

preparing a FDR of Rs. 1.00 crore out of Society funds (saving account) during the financial year 2018-19.

Hon'ble House considered the expenditure statement of the Society for the financial year 2018-19 as well as submission of Member Secretary and approved the same in single voice.

Action: CEO

- (ii) **Purchase of one vehicle for engineering wing of HPAFMS with engagement of Driver on outsource basis and one vehicle for Assistant Director Fisheries Palampur.**

Member Secretary informed that a number of renovation/construction works of the department are being executed through engineering wing of the Society. To maintain quality and expeditious execution of the same regular visits of engineers are required at site but due to non availability of vehicle for engineering wing with the Society required visit at site is not being provided by them. Further Director-cum-Warden Fisheries sent the case of vehicle for Assistant Director Fisheries, Palampur (Enclosed Annexure-E) as vehicle already deployed in his division by the department has been run about **five lac km** and outlived its life. He has also requested to provide a new vehicle to his division. In the events of purchase of vehicle is approved services of a Driver will have to be outsourced in the Society for vehicle of engineering wing.

**Member Secretary further informed the house that purchase of two Bolero vehicles from Gem Portal i.e. one for Society and one for Assistant Director of Fisheries, Palampur in view of the facts stated above is extreme essential. He further submitted that services of one Driver for the vehicle proposed to be acquired to Society will have to be outsourced.**

**After due deliverance on the submission made by Member Secretary Hon'ble House approved this proposal in single voice in the public as well as Govt. interest.**

Action: CEO

**(iii) Regarding enhancement of honorarium.**

Member Secretary informed that persistent requests are being received from retiree who have been engaged in the Society on honorarium basis for enhancement of their honorarium atleast upto 10%. There will be a lump sum annual expenditure of Rs. 1.10 lac on this account. Keeping in view limited resources of income of the Society the matter is submitted for further consideration and decision of Hon'ble council.

**Member Secretary has submitted in this regard that retiree who have engaged on honorarium basis in the Society have requested for enhancement of their honorarium atleast upto 10% of honorarium being paid to them per month. He further submitted that except 50% interest of FDR of Fisheries Development Fund no other source of income is with the Society for the present.**

**Hon'ble House has considered and rejected this item keeping in view the income sources of Society and dropped the item from agenda.**

**Action: CEO**

**(iv) Regarding engagement of one Junior Engineer (Civil) on outsource basis.**

Member Secretary informed that a numbers of renovation/construction works worth in crores of Fisheries Department are being executed through engineering wing of HPAFMS all over the state. There are only two Junior Engineers (Civil) of Department who are deployed with this wing for execution and supervision of these works in addition to their Departmental work. It has become very difficult to them to pay regular check over the quality of these works throughout the state. He further submitted that services of a J.E.(Civil) was also outsourced earlier by the Society but he has got some better employment in the month of February 2019 and left the job from the Society. To maintain quality of all ongoing works and to be commenced in future, services of a Junior Engineer (Civil) is very essential to be outsourced immediately. Besides, one Sh. Nagender Singh Thakur

whose services were regularized in HPPWD from Daily wages to regular work inspector w.e.f. 01-01-1994 and later promoted to that post of Junior Engineer in the year 2006 has also made a request to the Society for his engagement. (Enclosed Annexure-F)

**Member Secretary has requested the house for approval to engage/outsorce services of one Junior Engineer (civil) in the interest of Govt. development works as stated above.**

**After detailed deliberation on the version of Member Secretary and keeping in view the present deployment of two J.E. (Civil) with the Society house approved the proposal subject to condition to engage a qualified J.E. on outsources or proper transparent selection process basis only.**

**Action: CEO**

**Meeting ended with vote of thanks to the chair.**