



Agenda for the 80thGCM – 02 and 03 February 2019 held at Ballygunge Radisson Hotel, Kolkata

Day 1 – 02 February 2019

Time(hrs)	Item #	Agenda
0900	1	Lighting of the Lamp
0905	2	Safety briefing
0910	3	President's Welcome address & observance of a minutes' silence as a mark of respect for those members who have passed away.
0920	4	Adoption of Agenda for 80 th GC
0925	5	Granting of Leave of Absence
0930	6	Adoption of Minutes of 79 th GCM
0945	7	Resolution on election consent forms/ SCI CMD comments / response on INMARCO
1100	8	Sub Committee meetings
	9	<u>Sub Committee Activity report</u> –from 01 July 2018 to 31 December 2018. Financials: 01 July 2018 to 31 Dec 2018 against budget and proposed budget for the year 2019-2020.ATR as per the 79 th GCM final minutes.
1200	9A	BLFSC
1220	9B	CD Sub Committee
1240	9C	Examination and Certification Sub Committee
1300-1400		LUNCH
1400	9D	Publication and Editorial Board Sub Committee
1420	9E	Public and International Sub Committee
1440	9F	Marine Consultancy Sub Committee
1500	9G	Admission / Membership Sub Committee (Including ratification of new membership / Transfer of grade& deletion of members)
1520	9H	ALFSC
1540	9I	Grievance Cell
1600	9J	Benevolence Fund
1620	9K	Quality Assurance Sub Committee
1640		Close

Day2 – 03 February 2019

Time(hrs)	Item #
	10 <u>Branch Activity report</u> – Financials: 01 July2018 to 31 December 2018against budget for the same period & Proposed Budget for the year 2019-2020. ATR as per the 79 th GCM final minutes
0900	10A Mumbai
0930	10B Pune
0945	10C Goa
1000	10D Chennai
1030	10E Vizag
1045	10F Kolkata
1100	10G Delhi
1115	10H Kochi
	11 Report on External Bodies
1200	11A IRS
1235	11B IMS Goa
1240	11C ECI
1245	11D BIS
1250	11E BES
1300	11F WMTC
1315 - 1415 hrs	LUNCH
	12 Subcommittee & Branch level as well as Organizational level financial report
1415	13 Report on the Maritime Museum Dufferin Trust
1445	14 Amended in ORP
1500	15 Summary and Resolutions
1515	16 Venue & date for next GC & AGM
1530	17 Any other matter with permission of the Chair
1600	18 Close with vote of thanks: Vice President

Attendees at the 80th Governing Council Meeting held on 02 and 03 February 2019. at Kolkata

Sr. No.	Name	Branch	Designation	02 February 2019	03 February 2019
1	Mr. C V S Rao	----	President	P	P
2	Mr. Uday Kumar Purohit	----	Vice President	P	P
3	Mr. Krishna K Nair	-----	Hon. General Secretary	P	P
4	Mr. Rajeev Nayyer	Mumbai	Chairperson	P	P
5	Mr. Y Nath	Mumbai	GC Member	P	P
6	Ms Suneeti Bala	Mumbai	GC Member	P	P
7	Mr. Chitta R Dash	Mumbai	GC Member	P	P
	Mr C Sriramamurthy	Vizag	Chairman	P	P
8	Mr. Voona L. Rao	Vizag	GC Member	P	P
9	Mr N M C Nair	Kochi	Chairperson	P	P
10	Mr. K Krishnan	Kochi	GC Member	P	P
11	Mr. Kushal Roy	Chennai	Chairperson	P	P
12	Mr K Shankar	Chennai	GC Member	P	P
13	Mr. Pradip K Biswas	Kolkata	Chairperson	P	P
14	Mr. Abhijeet Banerjee	Kolkata	Vice Chairman – Nominee in lieu of Mr. Subimal Chakraborty	P	P
15	Mr. Sanjeev Ogale	Pune	Chairperson	P	P
16	Mr. Balbir S Mathur	Goa	Chairperson	P	P
17	Mr. Dilip Mehrotra	----	Immediate past President	P	P
18	Mr. V. K Jain	----	Immediate past Vice President	P	P

Leave of Absence

	Name	Branch	Designation
1	Mr. S.P. Arora	Delhi	GC Member
2	Mr. Sanjay Sadhu	Delhi	Chairperson
3	Mr. Subimal Chakraborti	Kolkata	GC Member



MINUTES OF THE 80thIME(I)GOVERNING COUNCIL MEETI

2. Safety briefing: The Safety Officer from Ballygunge Radisson, Kolkata briefed the GC Members in respect of Fire & Safety norms, emergency evacuations, assembly point and availability of medical attention, should this be required.

3. Welcome address by the President:

The President, Mr. C V Subba Rao, chairing the meeting, welcomed the Governing Council Members to the meeting.

Prior to commencing the proceedings, the President requested the Members to observe a one-minute silence as a mark of respect and prayer for Members who had passed away since the last GC meeting, namely Mr. Anil Soman, Mr. P C Jain, Mr. C P Gopinath, Mr. B K Biswas & Mr. R C Bansal

The President delayed his address, closer to lunch, as a few members could not arrive in time for the meeting. The President used the aid of a video clip of a Nagaland speaker and a trainer, Dr. Kevichusa, speaking on Naga day. The President suggested we have lessons that we could imbibe from Dr Kevichusa's speech, who identifies, with great clarity, the different people living in a society, namely, "tribal", "warriors" and "citizens". He felt that IME(I) and its members must work together for the common good as citizens of this great institution and help it flourish

4. Adoption of Agenda:

The previously circulated Agenda for the 80th GCM was adopted by the GC.

5. Granting leave of absence:

Leave of absence was granted to GC members who had previously conveyed their inability to attend the GC Meeting.

6. Adoption of Minutes of 79thGCM:

The GC members adopted the Minutes of the 79th GC which were circulated earlier

Resolution No. 80.06.01

"RESOLVED that the minutes of the 79th GC meeting, as presented, are approved.

Proposed by Mr. K Shankar & Seconded by Mr. S D Ogale

7. Resolution on election consent forms/ SCI CMD comments / response on INMARCO

The matter was deliberated upon and it was decided to insert suitable wordings in the Letter of Consent in the Election Nomination Form, with the text to be circulated and agreed upon by a resolution passed by circulation.

Comments from CMD, SCI: The President shall constitute a Special Committee to review and report on the matter

INMARCO: The President acknowledged the stellar work of Mumbai Branch Chairman, Office Bearers of the Mumbai Branch, INMARCO Chairman and its Committee Members for the immense success of the event. Rich compliments were also paid by other GC members.

Feedback from supporting organisations, exhibitors, advertisers et al were also discussed by GC members and the outcomes duly noted for the future IME(I) seminars and conferences.

Salient suggestions included:

1. Design of IME(I) stalls and displays to be standardized, as far as possible, though relevant to the event. It was suggested by the VP that we should list down basic requirements for IME(I) stalls and ensure compliance going forward.
2. Stalls to include information about the benefits of membership.
3. Means to attract students to enroll as members to be included, such an on the spot quiz contest.
4. With a view to increasing foot falls, information in respect of the stalls in the exhibition hall ought to be displayed via suitable signage, at the hotel's conference entrance as well as outside the conference rooms to guide visitors to the exhibition venue (which is often outside the main venue complex.)

8. Sub Committee meetings: These meetings were held by members of the Committees to discuss their Sub Committee activity reports, action plans and proposed budget for the FY2019 -2020.

9. Sub Committee Activity Report – Sub Committee Chairpersons presented their reports and status updates for the period 01 July 2018 to 31 December 2018. These presentations included actual revenue and expenditure from 01 April 2018 to 31 December 2018 against budget for the same period & ATR as per the 79th GCM final minutes.

9A BLFSC:

The Chairperson of the Sub Committee presented, for discussion, a MIS report for the Sub Committee.

S.No	Matter	Action to be taken
1	OC for the Third floor of IMEI House - NMMC engineer, visited the site on 13July 2018 for inspection.	OC received on 05 th September, 2018
2	Apportioning of expenses towards regular operating expenses such as property tax, water charges, Repairs and Maintenance to the various sub committees such as BLFSC, CDSC. EC&ALFSC	Expenses apportioned to various sub committees and reported at the GCM
3	The VP informed the GC that a lady Class II student took up residence in the IMEI hostel for the first time; hitherto not allowed.	No update provided

	The GC decided that the one room ought to be allocated (reserved) for women in every batch and released for occupation to male students should there be no demand for same. It was suggested that this be advertised in the MER. GC requested Ms.Suneeti Bala to obtain the feedback from the first off lady hosteler	
4	Exhibiting a fire plan, in the colour, at all floors	No update provided.
5	Solar Power 30kW plant for installation at IMEI house	Solar Power- Of the 07 received quotes, four have been short listed- Need to undertake a Technical Evaluation of these shortlisted proposals
6	Utilization of third floor - Chairperson -- CD Subcommittee, Director Training & Chairperson of the BLFSC to decide upon the matter of optimum utilization of rooms – BLFSC subcommittee will forward a copy of minutes to the GC	Plans are underway to remodel the entire third floor as per DGS requirements. The Full Mission Engine Room Simulator is expected to be commissioned by 25 February 2019. Initial architect plans have been made available to the BLFSC Chairperson to take the matter forward. Necessary budget approvals were obtained during this GCM
7	Completion of the work of laying Rubber paver blocks, interior furnishing and partition work. Repairs to make good wear and tear.	Work Pending
8	Revision of Hostel tariff every year --	Will be carried out by the end of March 2019
9	GC suggested that the waterproofing work on the terrace area be completed prior to the next monsoons	A comprehensive survey has been carried out by Pidilite (Dr Fixit), basis which quotations have been obtained from certified Dr Fixit applicators. This was conveyed to the GC and budget approvals obtained

Activity reports; budgets and actual figures YTD 31.12.2018 of BLFSC; capital expenditure such as expenses for the Third floor Simulator room, Re-modeling of the First-floor class room(s) partitions for conformance with DGS requirements, Board Room, Director's room, faculty & staff rooms, Vishakhapatnam Branch construction work & Goa Branch extensions were discussed

It was decided that the Vishakhapatnam Branch should follow the procedure as per the ORP along with the HVC

The following work carried out at IMEI House was reported.

- Ground floor – Renovation of both Gents and Ladies' toilets carried out.
- Fire and safety audit by Jainex Fire carried out for obtaining OC for the third floor
- Painting of second floor all hostel rooms with passages and toilets area carried out in response to complaints from the students
- Second and Third floor ducts are provided with wooden doors and locking systems

- AMC continued towards Pest control, Fire extinguishers, Fire Hydrant Systems and bed bugs treatment
- Door Handles of all Ground floor and Third floor rooms –changed.
- Door polishing work carried out.
- One room of third floor is being used for regular classes
- Other regular maintenance work carried out as per the complaint register

9B CD Sub Committee:

ATR from the 79th GCM

Matter	Action to be taken / taken
Report on potential opportunities for co-operation with IMarEST for our training activities.	The CD Sub Committee has circulated letters to all Training Institutes describing as to how their students could benefit from being members of the IMarEST, including free access to their training material, e- books etc. The same has been circulated to all IME(I) branches. Our website contains a link to the IMarEST website detailing steps to become its Member. Every issue of the MER carries a free advert for the IMarEST – No update provided
Technical session conducted at IME(I)	As on date 27 Technical sessions have been conducted at IME(I), HO. Technical session on webinar – Mumbai Branch is working on this project & shall share the details of same with the HGS.
Question Bank for the DGS	Mr. S Kannan will forward around 4000 questions, with answers, to the CD Sub Committee. – No update provided
Cross reference of ORP & Quality Manual	Completed.
Utilization of third floor	Covered under BLFSC

ATS Tar Book:

Matter	Action to be taken / action already taken
2 ½ years ATS Tar Book – CSSM- Tasked to: Mr. Rajeev Nayer/ Mr B S Mathur	Draft ATS Tar Books have been finalized by Mr. B S Mathur and forwarded to Mr Rajeev Nayer for necessary action.
It was updated that clarity from DGS is awaited for the same – No further update provided	

The Chairperson of the Sub Committee presented, for discussion, a MIS report for the Sub Committee. This included:

1. Installation of the Full Mission Engine Room Simulator at IMEI house on schedule.

- Assemblies expected to arrive, at Mumbai, by 06 February 2019.
- Customs Clearance and transport to IMEI House by 10 February.
- Site Installation: 20 – 24 February 2019
- Training of Faculty: 25 -28 February 2019.
- Course Development and DGS Approval to follow.

2. Strengthening of Fulltime Faculty:

One fulltime faculty member (Mr. Rajesh Malhotra) was appointed during the said period.

3. Proposed New Courses

FMER Simulator – Operational level and Management Level.

High Voltage Safety and Switch Gear - Operational level and Management Level

Revalidation Course for Engineer Officers (3 days)

4. Compliance with DGS Order 05_2016: BLFSC Budget includes costs for Class Room resizing, Reconstruction required. Engineering Drawing Room (with requisite furniture)

5. Need to maintain a Competitive Pricing :

Class I (Including FMERS): LBS and OERC

Class II : LBS, Anglo Eastern and OERC

It was decided that the course fees be revised in line with that charged by other Training Institutes and average market fee(s).

Mr Kushal Roy and Mr NMC Nair volunteered to work with the CD subcommittee Chairman on this matter. (Target within three months)

9C: Examination and Certification Sub Committee:

The Chairperson of the EC Subcommittee presented, for discussion an MIS report for the examination and all facilities centers.

The following issues were also placed before the GC:

- (i) Examination Room – Need to have an independent room to cater to higher number of candidates independent of the simulator room.
- (ii) Controller of Examination Room relocation if present room is demolished.
- (iii) Inspection, by MMD, of the Kolkata FC

NCV Examinations:

- At present all NCV examinations are conducted on tablets. Since the month of April 2017 Naval Architect and Ship's construction of NCV MEO class III, SEO Part B were conducted on Tab and since the month of Aug 2017 NCV class IV EK General was conducted on Tab, except the drawing part of the same paper.
- Details of the candidates who appeared for Tab Based exams from 01/07/2018 to 31/12/2018 were stated.
- Examination process followed by all concerned satisfactorily - including DG Shipping.
- This year the total number of candidates who appeared for examination stood at 139 (July to December 2018)
Total Students Appeared = 582 (Nov. 2016 to December 2018)
- Total No. of Papers conducted on Tab – 431 (July to December 2018)
- Total No. Of Papers conducted on Paper – 292nos. (NCV Cl. III Part A, NCV CL. III Part B and NCV Cl. IV) Machine Drawing Etc. (Nov. 2016 to December 2018)
- Total no of papers conducted on Paper – 65nos. (NCV Cl. III Part A, NCV Cl. IV) Machine Drawing. (July to December 2018)
- Next NCV Examination is planned from 05 February 2019

- Contract between MTT and IME(I) in respect of supporting the TAB based Examination extended till 31 March 2019. MTT is being approached for renewal of same as well as supporting the capex needed to continue.
- Procured backup router with more capacity.
- Need to procure own Server Setup for effectiveness of examination.
- Feasibility study of TAB based examination for FG candidates made by Mr. Brajnandan Kumar, Principal Consultant of National Institute for Smart Government (NISG), final outcome of the same is awaited

Facilitation Centre:

1. MMD Mumbai has carried out an Audit of FC at HO Nerul, and subsequently FC has submitted the closure report of audit to MMD.
2. Issuance of WKC and AB COP by Kolkata FC has been discontinued, upon instructions from MMD Kolkata.

All Branches were reminded to prepare a separate, standalone, break up of income and expenses for their FC center(s) for clarity of the financial indices in the operation of FCs.

9D: Publication and Editorial Board Sub Committee

The Chairperson of the Sub Committee presented, for discussion, a MIS report for the Sub Committee

Reduction in revenue was attributed to a fall in :

- a) income from MER subscriptions -It was suggested that the Monthly Journal (MER) be priced at INR 100/- per issue.w.e.f.01 May 2019
- b) income from advertisement in journal and website

An update on the ATR from the 79th GCM and 80th GCM:

Matter	Action to be taken / taken
The agreement with Seaborne Communications has been concluded to circulate the link to their journal to IME(I) members	Action taken. MEM is being received every week and is being forwarded, via mass, mail to all Members. --- No further action deemed necessary.
Data that ought to be available on our website & iConnect is to be listed /documented in the ORP	This information should be sent by the concerned Sub-Committee / Branches to the Sub-Editor under copy to HGS, Editor and Chairman, Publications Sub-Committee The Sub-Editor, after due approval from HGS / Editor / Chairman, Publications Sub-Committee shall post this on the website. – No update provided
Conversion of the soft copy of the MER from a static publication to a dynamic one giving links to pages from the “Contents” page	The process of obtaining and evaluation of quotes for this is underway.
Communication to members thru social media e.g. Facebook, twitter, linked in, etc.	Recommended that the maintenance of IME(I) social media outsourced- No Further update

Digitalization of IME(I)Publications	WIP. No further update
Update of database of membership - with addresses and their email, contact nos. through the outside agency by obtaining the quotations	WIP. No further update
Digitalisation of on-board Tar Book – it was decided that the proposal should be sent to DGS within the 6 months with deployment of some resource. Involvement of Mr V K Jain was suggested and accepted	No further update
Link in website for question & answer bank.	While questions bank is already available on web site, answer bank is yet to be developed – No update provided
Donation of ₹ 1,00,000 for Library in memory of Sri. K.K. Goel not received in 2017-18 from Rochem Separation Pvt Ltd as in the previous years.	HGS will follow up the same

The proposal for sharing of our journal, MER, via a link on Seaborne Communication, website MEM (Marine Engineers Messenger) did not find consensus within the GC.

9E Public & International Sub Committee

Mr. K Krishnan, on behalf of Chairperson of the Sub Committee presented, presented for discussion, an MIS report

The following information update was provided and debated

Welcome Kit:

- 120 nos. had been despatched in December 2018 to the Goa branch for distribution to new Student members at IMS Goa.
- 67 nos. of T-shirts sent to IMI Noida for student members as a welcome gift.
- 3 nos. of T shirts sent to B Tech student members of KM School of Marine Engineering in the month of November 2018.
- GC members informed that the welcome kit was distributed only amongst Graduate grade members from the Training Institutes.
- Mr. K Krishnan said that more welcome kits would be required since not all MTI's were covered. He cited the example of the 120 + trainees per year at CSL- METI, Kochi. It was agreed that branch office(s) would collate their requirement & indent quantities required for distribution.

Other matters:

- GLOMARS 2019 to be promoted nationally through our branches & Chapters and Member "*INDIA – Emerging Global Maritime Power*" on 16th & 17th August 2019 at Visakhapatnam, Taj Gateway Hotel.
- Support was solicited from all branches and chapters to bring about a greater level of awareness and to persuade students to seek membership.
- Promotional material can be made available to branches and chapters on request.
- During exhibition the sale of items ~~was~~ low.
- Some items were distributed free of cost, particularly the older lots.

ATR from the 79th GCM & 80th GCM:

Matter	Action to be taken /
Promotional material should be displayed in a show case at the entrance area of IMEI House & also at Branches	--No further update
Exhibitions display materials and the short film on IME(I) is to be updated as per the actual scenario of the IME(I) with the help of the all Branch Chairman -	(For action -- from the 80 th GCM)
Maintenance of accurate stock inventory with the consumption of promotional and welcome kits	(For action -- from the 80 th GCM)
Proposal to open a chapter in Dubai	--No further update
New promotional material to be introduced and distributed to all branches in lieu of mementoes (at technical meeting / seminar etc.) Branches will pay for the same.	(For action -- from the 80 th GCM)
Quiz on Marine Industry / technology to be developed and deployed at seminars and conference to attract participation, especially amongst students	(For action -- from the 80 th GCM)

9F: Marine Consultancy Sub Committee:

The Chairperson of the Sub Committee presented, for discussion, a MIS report for the Sub Committee

ATR from the 79th GCM and 80th GCM:

Matter	Action to be taken / Action already taken
Update provided to GC regarding plan of action to achieve stated objectives of Marine Consultancy Services.	Advertisements continue to be published every month in the MER (commenced Dec 2016) calling upon subject experts to empanel themselves with IME(I) to undertake Marine Consultancy work. The said Advertisement in MER to be discontinued for the time being
It was decided that where applications for empanelment to the IME(I) consultancy panels were accepted, in the past, a letter ought to be issued to each such individual acknowledging the inclusion of the applicant's name in IME's list of consultants and the specific area(s) of expertise empaneled for. The letter should also list the Terms and Conditions of this professional association.	– No further update
The Chairperson of Marine Consultancy would provide the terms of reference for Marine Consultancy Services by the end of March 2018	– No further update
GC suggested Marine consultancy have to build it up within the subcommittee instead of hiring of outsourcing.	– No Further Update

The Marine Consultancy Sub Committee Chairman presented the following:

How to make this Sub Committee more relevant and beneficial to the Member community?

- Obtain legal advice.
- Firm decision on opportunities (Surveying of small crafts/Management System Consultancy/Use of Simulator) as possible revenue
- Leasing out space in HO, to Consultants (members only)/Empanelment with maritime boards & Ports).
- Appoint Director, Consulting, after Legal Clearance (next slide)
- Can we rename this SC, to focus on more relevant current issues, which would benefit the Institute?
- Governance plan
- Marketing Plan
- Execution Plan
- Empanelment with various bodies
- Empanelment of Associates
- Business Plan (with expected earnings/profitability)
- Timeline for completion of various deliverables
- Progress report (monthly)
- GC Agreement for employment (initial period of six months)
- Selection of the individual, provide office space in HQ
- Lack of vision/clarity going forward

INR 1 Lakh was sanctioned for the sundry/ miscellaneous expenses.

GC suggested that the Marine Consultancy Committee should go ahead with only such type of consultancy work where there is no risk of liability.

9G Admission Sub Committee:

The Chairperson of the Sub Committee presented, for discussion, a MIS report for the Sub Committee.

ATR from the 79th GCM and the 80th GCM

Matter	Action to be taken / Action already taken
The Admission Membership Sub Committee shall send, to each Branch, a monthly report detailing Membership position as on date / transfers of grade / new members. –	Membership subcommittee Chairman agreed to send the same from the next month onwards.
The Admission Subcommittee shall put forward a proposal to the GC to incorporate a change in the eligibility criteria for a ‘direct’ election to a grade of a Fellow – for tabling at the AGM. –	– No further update

The Chairman of the Admissions Sub Committee presented the following information

- A proposal to digitize and bring on line the Membership Services and sought an approval for the estimated costs of implementing the said system.
- A list of 1074 new members, 87 members for transfer of grade & 5 deleted members were presented to the Governing Council and ratified.
- On average 3000 TMEs graduate from MTIs year on year and our annual target should be minimum 2000 student members & 500-750 Student to Graduate members.
- 2017-2018 - 950 student members / 142 Student to Graduate grade / 167 direct Graduate grade & 96 new Life members.
- 2018-19 - 581 student members / 123 graduate members up to 5 years validity / 82 new life members / iConnect - AMC charges - Kaizen Infotech – INR. 60000/-
- 2019-2020 - 1400 student members –INR. 7,00,000 / 100 new Life members – INR 5,40,000 / 300 student to graduate grade – INR 3,00,000/-. Total collections in 2019 -2020 – INR 15,40,000/.
- Announcements through Shipping times /Marex/ Sagar Sandesh / FM radio / Shipping TV channels etc., calling for maritime engineering professionals to register their identity with IME(I) Nerul to propagate membership– especially Marex full page once every four months.
- Short film presentation to attract the student and graduate grade members from various training institutes with the advantage / benefits from membership – target within 2 months
- Life Membership fees is to be revised as per the consumer Price Index.

9H: ALFSC Sub Committee

The ALFSC Chairperson presented a consolidated Revenue and Expenditure budget for the fiscal 2019 -2020.

An update on the ATR from the 79th GCM was provided:

Matter	Responsibility	Action to be taken/
Terms and Conditions of Contract and Permanent employees (part of HR policy) is to be incorporated in the QM as an annex. It was decided that it was not necessary to include it in the ORP	HGS/ MR	A revised set of Terms and Conditions of Contract and Permanent employees have been included in the Quality Manual – No further action required.
Sale proceeds of existing Premises - Proposal, Legal Opinion, Valuation report, tax flow, reinvestment plan, procedure to be followed as per Rules and regulation of Charity Commissioner	The Chairperson of the Kochi Branch, HGS, BLFSC, HVC	The GC was informed that following the 79th GCM at Hyderabad, an advertisement was placed in the local newspapers / MER, and one single offer for INR 76.25 lakhs was made by a local Buyer. This offer was short of all the three valuations obtained by the Branch from Govt approved Valuers. Therefore, the GC queried if the Buyer was willing to offer a value closer to the valuation (say within 15% of the lowest valuation).

Summary Status of IT cases: Please refer to Annex 1.

Status of cases with the Charity Commissioner:

Matter		Action Taken	Status
Change of Movable Properties	2007-2008	Resubmitted documents as per the advice from Advocate Mr. Sameer Gupte	Date of hearing not yet received
Change of Movable Properties	2015-2016	Resubmitted documents as per the advice from Advocate Mr. Sameer Gupte	Date of hearing not yet received
Immovable Property ACC-I/1575/08	IME(l) Goa, Kochi and Nerul Phase II extension	Preparation of affidavit & documentation under process –List of documents received from the advocate to resubmit the same. – it is under process	Date of hearing not yet received
Changes of Trustees	2017-2019 - Change in the Governing Council from the last election i.e. council elected for the period from 1.10.2017 to 30.09.2019		Change report submitted to CC. - Date of hearing not yet received

The ALFSC Chairperson informed the GC that the ALFSC Subcommittee had agreed to invest the maturity proceeds of Bank of Maharashtra FD in the IndusInd Bank @ rate 8%. GC accepted the proposal to invest in the IndusInd Bank subject to clarification with regard to the requirements of the Charity Commissioner in this regard. The clarification is available as at Annex 2 of this document.

Value of Mutual Funds as at 23 January 2019

	Scheme	Invested Amount (INR)	Current NAV (INR)
Equity Fund	Aditya Birla Sun Life Equity Fund	17,50,000	17,53,177
	SBI Magnum Equity ESG	17,50,000	17,92,834
	UTI Equity Fund	16,25,000	16,53,695
	Franklin India Focused Equity Fund	25,00,000	24,86,332
Liquid Fund	Aditya Birla Sun Life Liquid Fund	7,50,000	7,98,585
	SBI Magnum U/S Duration	7,50,000	8,03,741
	UTI Treasury Advantage Fund	8,75,000	9,28,805
TOTAL		INR 1,00,00,000	INR 1,02,17,169

Followings resolutions were sought by the IndusInd Bank to process the opening of a Savings Bank Account and Fixed Deposit account.

Resolution No 80.9H .01 :

“RESOLVED that a Trust Savings Account (Account) be opened with IndusInd Bank Limited, CBD Belapur Branch in the name of The Institute of Marine Engineers (India) and the Institute does hereby accepts such terms, regulations, conditions and / or stipulations as laid down by IndusInd Bank Limited for this purpose.

RESOLVED further that the Account shall be opened and operated by jointly by any two of the following trustees for and on behalf of the Trust.

Name	Designation
1. Mr C V Subba Rao	Honorary President
2 Mr Udaykumar Shivram Purohit	Honorary Vice President
3 Mr Krishna Kumar Nair	Honorary General Secretary

RESOLVED further that the following persons (Authorised Signatories) are hereby authorised to do all such acts, deeds and things necessary and to sign, execute and submit all such documents as are necessary in connection with opening and operation of the said Account with IndusInd Bank Limited.

Name	Designation
1. Mr C V Subba Rao	Honorary President
2 Mr Udaykumar Shivram Purohit	Honorary Vice President
3 Mr Krishna Kumar Nair	Honorary General Secretary

RESOLVED further that IndusInd Bank Limited be and is hereby authorised to honour all Cheques, Drafts, Bills Of Exchange, Promissory Notes and any others drawn, made, accepted, endorsed or lodged for collection on behalf of the Trust by and under the signatures of any two **Jointly** of the following Authorised Signatories and to act on any Instructions so given relating to operation of the Account which shall be binding on the Trust.

RESOLVED further that the Authorised Signatories are hereby authorised to do all such acts, deeds and things necessary and to execute all such deeds, documents and other writings as are necessary or required to comply with all formalities as prescribed by IndusInd Bank Limited for carrying out such changes and modifications pertaining to the Account and / or to comply with the terms and conditions as may be suggested by IndusInd Bank Limited from time to time.

RESOLVED further that the Resolution be communicated to IndusInd Bank Limited and shall remain in form until notice in writing through Board Resolution of their withdrawal or cancellation/change is given to IndusInd Bank Limited by the Trust under the signatures of any two of the existing trustees /authorised officials and accepted by IndusInd Bank Limited.”

Vice President informed GC about the unutilised Research and Development fund which was created from the surplus funds in 2016-2017 INR 20Lakhs

Insurance for Members: Star health Insurance, Mr V K Jain will take the fresh/ revised quotations for the same and he will forward the same to the ALFSC Chairman

9I: Grievance Sub Committee

Past President Mr. Dilip Mehrotra reported that no grievances were received during the review period.

9 J: Benevolence Fund

The minutes of the Benevolence Fund Committee meeting were read & approved.

Following updates were provided:

Beneficiaries as on 01 January 2019

1. Mr.Sunil Hemant Vadgaonkar– Since April 2018 the following sums have been disbursed: INR 1,25, 000 pm for the first 4 Months & INR 1,00,000 pm from 5th Month onwards. This shall continue up until March 2019 whereupon it shall be reviewed.
2. Mr.P K Biswas–INR 1,00,000 pm since August2018
3. Ms.Rashmi Nagpal -INR12,000 pm. Since July 2018
4. Ms. Sadhana Singh INR 14,000/- Annually since 2009

Cash Flow:

Op Balance as at 01 April 2018	INR 74,88,125/-
Interest on S/B& FD	INR 4,01,450/-
Disbursements	INR 16,39,000/-
Closing Balance31 December 2018	INR 62,50,575/-

No applications from members are pending as on 1.1.2019

Status of disbursements to beneficiaries reviewed during the subcommittee meeting in GC at Kolkata and it was decided to continue disbursements up until March 2019 for Mr PK Biswas and Mr Sunil Hemant Sunil Vadgaonkar.

The Benevolence Committee Chairman will forward an approval from Benevolence Subcommittee for further disbursements. It was suggested that, if possible, every year end a certain portion of the surplus funds should be transferred to the Benevolence fund such that its corpus stands between INR-1crore and INR 75 lakhs at the beginning of every financial year . these transfers could be based upon IME(I)'s ability to fund.

Further donations from the Ocean Sparkle Limited should be requested for after submission of the disbursement statement to them.

Resolution No. 57.9J.01:

Resolved that the circulated review / status and the activities of the 56thBenevolence Fund Committee meeting is hereby approved.

Proposed by:Mr.Sanjeev Ogale. Seconded by Mr. B S Mathur

9K. Quality Assurance Sub Committee:

The Chairperson of the Sub Committee presented, for discussion, a MIS report for the Sub Committee. He informed following:

The Internal audit of all branch and chapters including HO Function were concluded on 10th of January 2019.

There were no NCs & Observations were 10 in number.

Quality Management System was amended in the month of September and December 2018 after the last amendment in June 2018.

Regularly collecting of Activity reports and the response period has been improved

Emphasis on capturing grievances/Complains and recording it.

Differentiating between Grievances/Complains and Feedback/requested.

Member secretary's role and responsibility need to be specified such that the concerned person is aware about his job description towards Member Secretary.

Suggested that a person should be appointed as a Member Secretary for one subcommittee only since we have sufficient full time faculty members.

MR should also be designated as Member Secretary Quality (MR to MS).

Following suggestion by the GC:

1. Individual Sub Committees Audit function should also be included, and this be described in the ORP as well as in the Quality manual.
2. MRM should, preferably be held along with the GC at HO

10. Branches –

Branch Chairpersons presented:

1. Branch Activity report – from 01 July 2018 to 31 December 2018.
2. Financials: Actual 01 April 2018 to 31December2018 against budgeted;
3. Proposed Revenue and Expense budget for the FY2019 -2020&
4. ATR as per the 79th GCM final minutes.

10A: Mumbai Branch

The Chairperson of the Branch presented the branch activity report, ATR & financials: Actual revenues and expenditure from 01 April 2018to 31 December 2018 V/s Budget figure and the proposed budget for the FY 2019-2020.

Other updates / suggestions provided by Mumbai Branch in their EC meeting:

- Lack of support from HO in the organization of the INMARCO 2018– Going forward Mumbai Branch will submit the list / kind of support expected from the HO
- Update /Maintenance of IME(I) website, iConnect app and other issues. – matter noted and shall be reviewed by the Publication Sub Committee Chairman.
- Relevance of Consultancy Subcommittee and Consultancy activities. –
- Patenting INMARCO Logo – GC agreed with this suggestion and that the Head Office would progress the matter of registering and patenting of the HO, INMARCO, GLOMARS and WMTC logos
- Lack of clear action in addressing email allegations leveled by a Member at some senior Members of the Institute – Refer agenda point no 7
- Participation (or lack of, unclear structure towards nominations/alternate nominations) by Institute in external conferences like WMTC, IMO committees, Technical committee's/Shadow committees – noted
- INMARCO 2018 was concluded with very good feedback from the industry
- INMARCO 2018 ended with a surplus of INR 1 Crore which was a very admirable achievement considering the difficult market situation
- White paper document is under preparation outlying the key recommendations and outcome of the conference to the Government and other relevant stakeholders.

Gujarat Chapter Technical Meetings: Nil

Proposed Activities for the next 6 Months: It shall be the endeavor of the Branch and its Chapters to hold regular technical presentations and talks.

10B Pune Branch –

The Chairperson of the Branch presented the branch activity report, ATR& financials: Actual revenues and expenditure from 01 April 2018to 31 December 2018 V/s Budget figure and the proposed budget for the FY 2019-2020.

Other updates were provided such as Mentoring activities undertaken, organisation of an International Seminar with TMI in 2020, setting standards for Affiliating Marine Educational Institutions to IME(I) &Tolani Maritime Institutes proposal as a partner towards the research activities

TRANSTECH '19: 8-9 March2019, to be held at Tolani Maritime Institute, Induri, Pune

Details of Fixed Deposits as at December 2018 (Pune Branch)

Sr.No.	Amount (INR)	Date	Maturity Date	Maturity Value(INR)
1	30,665.00	19-10-2013	19-10-2023	30,665.00
2	30,665.00	19-10-2013	19-10-2023	30,665.00
3	30,665.00	19-10-2013	19-10-2023	30,665.00
4	30,665.00	19-10-2013	19-10-2023	30,665.00
5	100,000.00	11-05-2018	11-05-2028	100,000.00
6	100,000.00	11-05-2018	11-05-2028	100,000.00
7	100,000.00	11-05-2018	11-05-2028	100,000.00
8	100,000.00	11-05-2018	11-05-2028	100,000.00
9	100,000.00	11-05-2018	11-05-2028	100,000.00

It was suggested that the Pune Branch keeps sufficient funds with them to meet their operational requirement & transfer the remaining surplus funds to HO.

Proposed Activities for the next 6 Months - One Technical Meeting every three months.

10C: Goa Branch -

The Chairperson of the Branch presented the branch activity report, ATR & Financials: Actual revenues and expenditure from 01 April 2018to 31 December 2018 V/s Budget and the proposed budget for the FY 2019-2020.

Mr Mathur He proposed the construction of one room along with bath and toilet, on the premises, for the Caretaker as his presence is required for 24 hours. The GC approved the estimated expense of INR1.52.0lakhs.

Mentorship programme for the IMS students was reported.

10D:Chennai Branch -

The Chairperson of the Branch presented the branch activity report, ATR & Financials: Actual revenues and expenditure from 01 April 2018 to 31 December 2018 V/s Budget figure and the proposed budget for the FY 2019-2020.

The Chairperson stated the following:

- Mails were sent to members whose memberships had lapsed requesting them to renew their membership. The benefits from a membership with IME(I) were highlighted.
- Training institutes were requested to encourage their students to upgrade their membership as soon as they graduate and take up a career at sea.
- The reduction in the student membership is being investigated.
- It was opined that the Membership application process and payment process was not user friendly and that this needed to be simplified – matter now rests with the Admission Sub committee
- Branches are not being notified of new Member(s) admission, attached to the Branch and therefore these Members could not be kept informed of Branch activities. –for action by the Admission Sub Committee.
- Applicants were reluctant to pay transfer fee(s) right up to Life Member Grade at the time of admission. It was suggested IME(I) offer other payment alternatives.
- The Chennai Office shall examine the viability of commencing preparatory classes for CoC exams

Proposed Activities for the next 6 Months.

- Enhancing Membership forthwith,
- Conduct of Technical meeting, -- once in two months.
- Conduct of Executive Committee Meeting every month 3rd Friday.
- Conducting of Technical Seminar and Mariners Nite on 16th Feb 2019 at Hotel Crowne Plaza, Chennai.
- Proposal to form a Ladies Committee to build an inner circle of IME(I) members

10 E: Visakhapatnam Branch –The Chairperson of the Branch presented the branch activity report, ATR & Financials: Actual revenues and expenditure from 01 April 2018 to 31 December 2018 V/s Budget figure and the proposed budget for the FY 2019-2020

He touched upon the following additionally:

- Obtaining quotes for renovation / construction of the premises at Vizag,
- Reactivation of the Hyderabad Chapter's Bank account

10F: Kolkata Branch-

The Chairperson of the Branch presented the branch activity report, ATR& financials: Actual revenues and expenditure from 01 April 2018 to 31 December 2018 V/s Budget figure and the proposed budget for the FY 2019-2020.

10G: Delhi Branch –

Branch activity report, ATR& financials: Actual revenues and expenditure from 01 April 2018 to 31 December 2018 V/s Budget figure and the proposed budget for the FY 2019-2020 were presented. No significant activities were reported from the Chandigarh Chapter

Delhi Branch was reminded that they are required to present a separate set of accounts for FC activities

Mr S Arora (over a speaker phone) provided clarification about the queries raised by GC on expenses, incurred for the AGM, travelling & conveyance.

He was informed that FC income and expenses ought to be shown separate from other income and expenses.

10H: Kochi Branch –

The Chairperson of the Branch presented the branch activity report, ATR& financials: Actual revenues and expenditure from 01 April 2018 to 31 December 2018 V/s Budget figure and the proposed budget for the FY 2019-2020

The following information was also provided

- Kochi office had decided to apply to DGS for an approval to conduct revalidation-courses for engineers (3 days) and proposal is under preparation.
- Approval of MEO Class I preparatory course & CIP,
- Encouraging and improving the activities of the Karnataka Chapter.

11. Update from ex- officio nominees from External bodies (Including BES) – IRS, BIS, ECI, IMS, WMTC -

(External Bodies reports were discussed and updated to the GC members except IRS & IMS Goa)

It was decided that the dates of External Bodies (including NMDCC) meeting and number of Meetings attended by the IME(I) representatives should be maintained and it should be reported to GC

12. Subcommittees & Branch level as well as organizational level financial reports: were presented by the ALFSC Subcommittee

Resolution No. 80.12.01

Consolidated budgets are hereby approved unanimously.

13. Update on the Maritime Dufferin Trust:

Mr. Rajeev Nayyer informed the GC about the plan for closure of the Trust as the study had found the building and maintaining the Museum not a viable proposition.

14. Amendments to ORP--No Changes in the ORP in the 79th GCM (Note: updated ORP up to 78th GCM reported in the 35th AGM)

15. Summary of Resolution: Will be circulated along with the Minutes

16. Venue for next GC / AGM: To be finalized and communicated in due course.

17. Any other matter with the permission of Chair:

17.1 Sub Committee meetings: It was decided that at least 3 Subcommittee meetings should be held between the two GC meeting i.e. one month after GC and one midway and one month prior to the GC. It was recommended that this be incorporated into the ORP

17.2 Sub Committees: Name with their contact nos., and emails ids should be circulated again by end March 25, 2019

17.3 All Branches will forward their Membership strength for the previous year and the current year to compare the increase or decrease in same

17.4 The need to patent the IME(I), INMARCO and GLOMARS logos – to be taken up by HO.

Following pending ATR from the 79th GCM:

Activation of Chapters at various Branch Level – It was decided that the Branch Chairperson(s) of Vishakhapatnam and Kolkata, within the next 3 months, should get in touch with the Hyderabad & Patna Chapter members for the Nomination of the Office Bearers for the term 2019-2021 & to continue to encourage the running of the activities at their respective Chapters – all in line with the stated Objects of IME(I).

18. Vote of thanks

The meeting ended with vote of thanks to the Chair. The Vice President Mr.Uday Purohit thanked all the members and contributors who had enabled the smooth proceedings of the GC.

-----End of MoM-----

Annex 1: Summary of the status of Income Tax Cases:

The following table lists the status of payments with respect to IT cases as at 05 December 2017

Sr	Assessment Year	Demand Amount	Penalty amount	Position of Case	20% Demand amount payable	Amount Paid for Demand	Amount paid for penalty
1	2009-2010	69.96	70.04	Appeal filed with CIT(A)	14	90.3	
2	2010-11			No case	0		
3	2011-2012	71.76		Appeal to Tribunal - case date 08/01/2018	14.35	NIL	
4	2012-2013	35.79		CIT(A) has directed the AO to follow observation given by ITAT	7.16	4.7	
5	13-14	39.42		Appeal filed with CIT 11.4.2016	7.9	NIL	
6	14-15	11.16		CIT 31.01.2017	2.23	NIL	
7	15-16			No case			
8	16-17			AO			
	TOTAL (in Rs. Lakhs)	228.09	70.04	Demand Payable =	45.64	95.00	0

Assessment Year	Status	Comments	Remarks
2008-2009	CIT(A)	Appeal disposed in our favour - effect of the order not yet given - letter dated 23.09.2011 submitted to ITO	CIT order and previous covering letter forwarded to M/s B K Khare &Co . to follow up the matter with AO.
2009-2010	Tribunal Decision - date of hearing 21.4.2016 & date of order 29.04.2016	The matter is restored to the file of the Assessing Officer.	INR 90.3 Lakhs Income Tax Paid. Due for refund
		Hearing date with AO 25.09.2017 – Resubmitted whole set of documentations AO on 25.9.2017	ITO rejected our appeal disregarding the concept of our Educational activities. Revised Demand INR 69.96 Lakhs and Penalty of INR 70.04Lakhs. CIT appeal filed on 14.11.2017
2009-2010		Penalty INR 68 Lakhs (not Paid)	The CIT(A) has considered the importance of the ITAT order and also the written submissions and oral arguments presented during the hearing and has Struck it down
<p>AY 2009-10 – Contested by the IME(I) before the tribunal vide ITA No. 4762/Mum/2013 order dated 29.04.2016 where the matter was remitted back to the file of AO with certain directions. AO rejected this again - The AO's contentions were that the types of service(s) provided by the Assesses are professional in nature and it constitutes beneficiary services rendered and has nothing to do with charity. Assesse works as a professional advisor or facilitator for conducting various courses, works as a professional body, engaging with a particular segment related to Marine Engineers, it is not a university nor is it an Institution affiliated to any recognised University in India ;Assesse is charging fees and is making profits and for which the assesse is expected to pay tax ; Subscription and other fees received from the members and type of experience and training which the member are benefiting suggests that these activities are in the nature of business or profession and not of a charitable Institution. The members have contributed only for the purpose of their own benefit and for acquiring certain amenities. Appeal filed to CIT again on 14 .11.2017</p>			
2010-2011	No dispute	No Case	
2011-2012	At Tribunal Level	Tribunal Hearing scheduled for 08/01/2018 Show cause Notice received on 08.02.2017 - u/s271 (1) (c) - for explanation - why penalty	I Tax Demand INR 71.76 Lakhs (Not Paid) Replied on 22.02.2017 to ITO

		should not be levied in this case - Notice forwarded to M/s B K Khare & Co for reply - Reminder given on 17.02.2017 for reply	
AY 2011-12 - ITAT order dated 17.01.2018 – Restored this case back to the file of CIT(A) with a direction to decide the same as per the law after considering the directions of the Tribunal as given in AY 2009-10			
2012-2013	Appeal to Commissioner of Income Tax filed on submitted on 29.04.2015	08.11.2016 - the additional submission was done before the CIT(A) about a) IME(I)'s capabilities in providing Maritime education, b) actual activities of IME(I) in the educational realm and c) plea to the CIT(A) not to treat the activities such as publications sale, advertisement income, seminar fees and so on, as being motivated by profit, but rather dovetail into the overarching objects of the IME(I) which are 'education' and 'relief to the poor'.	<p>Income tax Demand 35.79 out of which INR 4.7 Lakhs paid CIT (Appeals) Mumbai -1 date of order 11.11.2016 Appeal No CIT(A)-I/E-2 (155)/2015-16</p> <p><u>CIT(A) has directed the AO to follow the observations and directions given by the Hon'ble ITAT in IME(I)'s own case for AY 2009-10.</u></p> <p>ITO (E)(4) appeal to I Tax Tribunal – Appeal no 846/Mum-2017 dated 06.02.2017 – appeal has been fixed for hearing for directions at Mumbai on 06.02.2019.</p> <p>Ground of Appeal –</p> <ol style="list-style-type: none"> 1. Whether on the facts and in the circumstances of the case and in law, the LD CIT(A) erred in allowing the appeal of the assess be relying on the decision of the Hon'ble ITAT in assessee's own case for AY 2009-10 ignoring the fact that the Hon'ble ITAT set aside the order of Ld CIT(A) and restored the matter to the file of AO is not finalized. 2. The appellant prays that the order of the Commissioner of Income

			<p>Tax (Appeals)-1, Mumbai be set aside and that of the Assessing Officer be restored.</p> <p>3. The Appellant craves leave be amend or alter any ground or add a new ground which may ne necessary.</p> <p>ITAT Hearing held on 20.06.2018 as per letter dated 25.05.2018</p>
<p>In the ITAT –I Bench order dated 20.06.2018 – Consistent with the view taken by the tribunal while deciding assesses appeal for assessment order 2011-12(supra). We restore the issue back to the learned Commissioner (Appeals) with similar direction.</p>			
2013-2014	<p>Appeal to Commissioner of I Tax - Appeal filed on 11.04.2016</p>		<p>Income tax Demand INR 39.42L (Not Paid)</p> <p>Date of hearing not yet received</p>
2014-2015	<p>AT Income Tax officer level</p>	<p>Hearing attended with submission 29.09.2015, 12.02.2016, 15.02.2016 & 20.10.2016</p> <p>a) Presented the AO with an overview of IME(I)</p> <p>b) Explained the Institute’s objects and how they dovetailed into the definition of ‘education’ and ‘relief to the poor’</p> <p>c) Enumerated the educational apparatus and submitted the supporting and evidences</p> <p>d) Explained the activities & financials and how they fit into the objects of the Institute</p> <p>e) Corroborated the contentions above with the help of suitable judicial precedents including the Hon’ble ITAT’s order in IME(I)’s own case for AY 2009-10,</p>	<p>Appeal filed with CIT on 31.01.2017</p>

		<p>wherein the Court had set-aside the CIT(A) order and ordered the AO to decide the matter afresh as to whether IME(I)'s activities were in the nature of education.</p> <p>The AO gave a patient hearing to the contentions put forth by us, on behalf of IME(I). He has assured that he'll go through the submissions and assess suitably. The indications are that, he would close the assessment proceedings for AY 2014-15. We may expect the assessment order, in a month or so.</p>	
2014-15	ITO	Penalty INR 11,16,320/-	<p>Appeal to CIT on 30.01.2017 & letter submitted to ITO on dated 22.02.2017</p> <p>Date of hearing not yet received</p>
2016-2017	ITO	Hearing date 21.07.2017	<p>Hearing attended, and documents submitted as per requirements</p> <p>Further hearing date not yet received – refer below AO order dated 27.12.2018</p>
2016-2017	CIT		Form no 35 submitted towards CIT appeal on 08.01.2019
<p>Date of Hearing 21/07/2017, 19/04/2018, 25/07/2018, 07/12/2018 Section/Sub-section under which assessment is made 143(3)</p> <p>Date of Order 27/12/2018</p> <p>ASSESSMENT ORDER</p> <p><i>The assessee has given an elaborate note on the activities carried out to justify that they are imparting education. The whole submission made by the assessee is summarized as under:-</i></p> <ul style="list-style-type: none"> • <i>IMEI is running an Educational campus replete with classrooms, library, hotel and other such facilities.</i> • <i>IMEI is actively engaged in Maritime Education in India as evidenced from various educational and support activities enumerated and described above. It is also organizing various technical training discussions and seminars and also publishes periodic journals and thought-leadership publications in the field of Marine engineering.</i> • 			

The DG(S) which is the Apex regulator of Marine engineering in India, continues to place more onerous responsibilities on IMIE in its endeavour and mission to regulate Maritime education in India. In fact, the DG(S) looks upon IMEL as its partner in this noble cause.

•
For the reasons enumerated above, the activities of IMEL during the relevant period ought to qualify under education and 'relief of poor' limbs of section 2(15) and does not attract the ambit of the first proviso, which is restricted only to the residuary limb viz; any other object of general public utility'.

3.2 The explanation offered by the assessee has been carefully perused and considered and the same is dealt as under:

1.

The assessee's claim of imparting education cannot be accepted, in view of LokaShikshana Trust case in as much as there is no normal activity of schooling leading to the award of any degree. From the activities / objects of the assessee, it is clear that it is a professional body which provides support and services to its members. Such activities are clearly in the nature of activities advancing objects of the assessee. The activities carried out show that it is a professional body which provide support and services to its members. Such activities are clearly in the nature of activities advancing objects of general public utility. 2.

with effect from A.Y. 2009-10, the law governing exemption to trust with having objects of general public utility has undergone a sea-change with the introduction of proviso to Section 2(15) of the Act. This proviso stipulates that any trust/institution which carried out any activity in the nature of trade, commerce or business or provides any services in the nature of trade, commerce or business then notwithstanding that the surplus is utilized for its object, will not be eligible for exemption. So the crucial question to be seen is whether the assessee's activities fall under this definition. Income from sale of publications, and magazines and professional development fees would be regarded as services in the nature of trade, commerce or business.

3.

The mere fact that it is registered with Charity Commissioner would not be a ground to claim exemption. The issue of exemption has to be seen in terms of provision of the Income-tax Act especially in view of amendment to Section 2(15) of the Act. Similarly, income from sale of publications, and magazines and professional development fees would be regarded as services in the nature of trade, commerce or business in as much as they are systematically and regularly organized. 4.

The decision of the Hon'ble Supreme Court in the case of Surat Art Silk would not apply to the facts of the case.

3.3 In the above context, it is now pertinent to refer to the amended provisions of section 2(15) of the I.T. Act, applicable w.e.f. 01.04.2009 which reads as under:

"(15) "charitable purpose" includes relief of the poor, education, [yoga] medical relief, [preservation of environment (including watersheds, forests and wildlife) and preservation of monuments or places or objects of artistic or historic interest,] and the advancement of any other object of general public utility:

Provided** that the advancement of any other object of general public utility shall not be a charitable purpose, if it involves the carrying on of **any activity in the nature of trade, commerce or business, or any activity of rendering any service in relation to any trade, commerce or business, for a cess or fee or any other consideration,

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irrespective of the nature of use or application, or retention, of the income from such activity, unless

–

1.

Such activity is undertaken in the course of actual carrying out of such advancement of any other object and 2.

The aggregate receipts from such activity or activities during the previous year, do not exceed 20% of the total receipt of the trust or institution undertaking such activity or activities of that previous year.

3.4 Since the assesses activities are treated as commercial in nature, the exemption claimed u/s.11 will not apply as per Section 13(8) of the I.T. Act which reads as under:

“Nothing contained in Section 11 or 12 shall operate so as to exclude any income from the total income of the previous year of the person in receipt thereof if the provisions of the first proviso to clause 15 of section (2) become applicable in the case of such person in the said previous year.”

In view of the above discussion the exemption claimed u/s.11 of the I.T. Act is hereby denied.

Annex 2: Clarification with respect to investment of surplus funds.

Charity Commissioner’s directive.

Surplus fund of the Charitable entities should be invested as per forms and modes prescribed u/s 11(5) of Income Tax Act.

1. Investment in savings certificates as defined in clause (c) of section 2 of the Government Savings Certificates Act, 1959 (46 of 1959), and any other securities or certificates issued by the Central Government under the Small Savings Schemes of that Government.

2. Deposit in any account with the Post Office Savings Bank.

3. Deposit in any account with a scheduled bank or a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank.)

4. Investment in units of the Unit Trust of India established under the Unit Trust of India Act, 1963 (52 of 1963).