(*b*) where there is no Executive Officer.

(*i*) the trustee, if there is a single trustee ; or

(*ii*) the Chairman of the Board of the Trustees, if the number of trustees exceeds one.

No transfer of lease of any property or right belonging to a religious institution shall be approved by the executive authority without the prior sanction of the Commissioner.

3. Period and terms of lease.—(1) The trustee shall in the meeting or in circulation, decide the period for which a lease shall be given, the terms and conditions of the lease, such as the security to be furnished by the lessee, whether the rental is to be in kind or in cash, the date on, and the place at, which the rent is to be given, the penalty, if any, to be imposed for default in payment of rent, the division of the lands into convenient blocks, the time, date and the conditions of the auction. Such meeting shall be held or circulation made atleast two months before the expiry of the period of lease.

(2) The auction of all leases shall be conducted within one month from the date of the decision of the Board of Trustees.

4. Auction notice.—(1) The notice of auction of all leases shall be published, at least 15 days before the date fixed for auction, by affixture —

(*a*) on the notice board or in the case of a specific endowment, on the notice board or front door of the religious institution to which the specific endowment is attached ;

(*b*) on the notice board of the office of the Municipal Council or the Corporation of Chennai or the Panchayat or the Panchayat Union or the village chavadi in the places where the properties are situate ; and

(*c*) on the notice board of the office of the Assistant Commissioner having jurisdiction over the area in which the properties are situate.

(2) The executive authority shall also give publicity to the notice in the language of the locality, by circulating or distributing

copies thereof or announcing its content by beat of tom tom in the area or by publishing it in a newspaper in the language of the locality having circulation in the area.

(3) Where the auction is conducted by the Executive Officer, a copy of the auction notice shall also be sent to the trustees at least 3 days before the date fixed for auction.

5. Particulars to be furnished in the auction notice.—The auction notice shall, among others, specifically state—

(*i*) that the earnest money shall be deposited before participating in the auction ;

(*ii*) that the lease shall be subject to the terms and conditions specified in the auction notice ;

(*iii*) that the successful bidder shall furnish such security as may be specified within the time fixed by the trustee ;

(*iv*) that the lease shall be liable to be cancelled and re-auctioned at the risk of the lessee, if he —

(*a*) fails to furnish security and execute the lease deed within the time fixed ;

(*b*) commits default in the payment of rent on the date fixed ; or

(*c*) acts contrary to the terms and conditions of the lease and against the interest of the religious institution ;

(*d*) that it shall not be open to the lessee to transfer the lease or sub-lease the property ;

(*v*) that the lessee, shall execute a lease deed in the form specified by the executive authority of the religious institution ; and

(*vi*) that the lease, the annual rental of which is Rs. 1,000/- or more or its equivalent in kind, shall be subject to veto by the Commissioner.

6. Authority to conduct the auction.—(1) The auction shall be conducted by—

(*a*) the executive officer ordinarily ; or

(*b*) when there is no executive officer —

(*i*) by any other trustee duly authorised by the Chairman of the Board of Trustees ; or

(*ii*) by a person duly authorised by a hereditary trustee ; or

(*iii*) by any other officer specially authorised by the Assistant Commissioner or the Deputy Commissioner or the Joint Commissioner, as the case may be.

(2) Where the lease is in respect of property or rights of a religious institution, the rental of which for the previous fasli year did not exceed Rs. 200/-, the auction may, with previous permission of the Joint Commissioner or Deputy Commissioner, as the case may be, be conducted by an employee of the religious institution concerned specially deputed for the purpose by the executive authority. Such deputation of an employee shall not absolve the executive authority of his responsibility for the proper conduct of the auction of the lease.

7. Earnest money.—The executive authority shall, before allowing anybody to participate in the auction, collect the earnest money payable by him. A person who is in arrears to the religious institution shall not be permitted to bid at the auction.

8. Grant of lease.—(1) Lease shall ordinarily be given to the highest bidder, but in special cases, for reasons to be recorded in writing, a bid other than the highest bid may be accepted.

(2) In the case of religious institution having more than one trustee, if all the trustees are not present at the auction, the final acceptance of the bid shall be made by the trustees at a meeting or in circulation, within 10 days from the date of auction. The trustees shall satisfy themselves as to the solvency of the successful bidder, before accepting the bid.

9. Security.— The executive authority shall take reasonable security from the successful bidder. In the case of lease of more than one year, such security shall be in a sum equal to at least one year's rental but, the Deputy or Joint Commissioner may, in special cases, for reasons to be recorded in writing, permit the trustee to accept security of less than one year's rental in value.

10. Extension.—No provision for extension of the lease shall be made in the lease deed.

11. Lease otherwise than by public auction.— (1) The Commissioner on an application, made to him by the executive authority of a religious institution, may permit the lease of any property or any right otherwise than by public auction, if he is satisfied that the interest of the institution will not suffer by dispensing with the public auction.

12.*(1)* When a lease is granted for a period of less than five years, any further extension of lease upto a period of five years from the date it was originally granted shall be made only with the previous sanction of the Commissioner. Leases exceeding five years shall be made in accordance with the provisions contained in section 34.

(2) Report to be made to the Commissioner.— Lease stipulating an annual rental or contract amount of Rs. 1,000/- or more or its equivalent in kind shall be reported to the Commissioner and also to the Assistant Commissioner or to the Deputy Commissioner or to the Joint Commissioner in whose jurisdiction the religious institution lies by the executive authority of the institution within one week from the date of auction or acceptance of the offer by the trustees.

13. Veto by Commissioner.—The Commissioner shall have the power to veto such lease for reasons to be recorded in writing after giving a reasonable opportunity to the parties concerned to make their representations, if any.

14. Confirmation.—If no such order exercising the powers of veto is received by the executive authority of the institution within 60 days from the date of auction, the executive authority shall confirm the lease.

15. Remission.—Remission of rent shall not ordinarily be granted. But when, owing to adverse seasonal conditions and other factors beyond the control of the lessee, there is a remission in the gross produce to the extent of more than 25 per cent, remission may be granted by the authorities specified in column (1) of the

table below upto the monetary limits specified in the corresponding entries in column (2) thereof or their equivalent in kind.

THE TABLE

Authority	**Maximum limit upto which remission may be granted in each individual lease in a year**
(1)	**(2)**
1. Assistant Commissioner	Remission not exceeding Rs. 500/- (Rupees five hundred only) as regards religious institution under his control.
2. Joint Commissioner / Deputy Commissioner	(*a*) Remission exceeding Rs. 500/- (Rupees five hundred only) and not exceeding Rs. 1,000/- (Rupees one thousand only) as regards religious institutions within the jurisdiction of the Assistant Commissioner. (*b*) Remission not exceeding Rs. 1,000/- (Rupees one thousand only) as regards all listed religious institutions within his jurisdiction.
3. Commissioner	Remission exceeding Rs. 1,000/- (Rupees one thousand only) and not exceeding Rs. 5,000/- (Rupees five thousand only) as regards any religious institution.
4. Government	Remission exceeding Rs. 5,000/- (Rupees five thousand only) as regards any religious institution.

16. Rules not to apply.—(1) The provisions of these rules relating to lease by public auction and remission shall not apply to lands coming under the purview of the Tamil Nadu Public Trusts (Regulation of and Administration of Agricultural Lands) Act, 1961 (Tamil Nadu Act 57 of 1961).

(2) These rules shall not apply to maths and specific endowments attached to maths.

(Substituted by G. O. Ms. No. 117, T.D.C. & R.E., dated 25th April, 2000)

17. Fixation of fair-rent to buildings belonging to the religious institutions.—Fair-rent to the site and buildings belonging to the religious institutions shall be revised periodically atleast once in three years by a committee constituted for each Deputy/Joint Commissioner's division by the Commissioner. If there is an Executive Officer appointed for the religious institution, he shall also be associated with the work of the Committee. If there is no Executive Officer appointed for the religious institution, the trustee or Chairman, Board of Trustees shall be associated with the work of the Committee. The fair-rent shall be fixed in accordance with the market value of the land and the cost of building worked out as per the code of Public Works Department.

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* Original rules published in *Part V of the Fort St. George Gazette*, dated 6th December 1961.

THE MANNER OF AUDIT OF ACCOUNTS RULES.*

(G. O. Ms. No. 4065, Revenue dated 26th September 1961 as amended by G. O. Ms. No. 200, C.T. & R.E., dated 30th May 1996)

1. Short title.—These rules may be called The Manner of Audit of Accounts Rules.

2. Place of audit.—The audit of the accounts of a religious institution under sub-section (2) or (3) of section 87 shall be made in the office of the institution concerned or at such other place as the Commissioner may, by special order, direct.

3. Auditor to verify the cash balance.—The auditor shall verify the cash balance and state in the report whether the cash was readily forthcoming for verification.

4. Items to be verified by the Auditor.—The auditor shall, in the course of audit, verify the debentures, share certificates, Government bonds and other securities and the bank pass books belonging to the institution and report whether they were found correct. The auditor shall also verify whether an inventory register

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* Original rules published in Part V of the *Fort St. George Gazette*, dated 6th December 1961.

for the jewels and valuables belonging to the institution and an appraisement register are maintained and if so, whether it is being periodically inspected by such officers as may be appointed by the Commissioner and whether any loss referred to in the appraisement register of the verification officer was due to neglect, fraud or theft and if so, whether the loss has been made good.

5. Contents of the audit report.—The auditor shall report, among other points arising in audit —

(*a*) whether the accounts and registers required by the Commissioner to be maintained are kept and whether entries are made regularly and properly by the persons responsible for the preparation of bills, challans, subsidiary registers, etc., and duly checked by the executive authority in charge of the institution ;

(*b*) whether all the immovable properties and rights such as fishery rights, right to long grass in village tanks and the right to the usufruct of trees not used by the institution for its purposes have been leased out in the prescribed manner and to the advantage of the institution and lease deeds have been taken and adequate securities taken in all cases : and if in any case such properties have not been leased or lease deeds have not been taken, what such cases, are ;

(*c*) whether the various items of income amounts due to the institution have been realised at the proper times and whether due steps to recover amounts overdue have been taken and, if not, in which cases such auction has not been taken and the avoidable defects or otherwise noticed.

(*d*) whether any claims have become barred by the law of limitation and if so, what such cases are ;

(*e*) whether all collections have been brought into account without delay ;

(*f*) whether any claims have been written off and if so, to what extent and under what authority and whether such authority is competent for the purpose.

(*g*) whether the expenditure is in accordance with the sanctioned budget and if there are deviations from such budget, what those deviations are ;

(*h*) whether every item of expenditure has been sanctioned by the authority competent in that behalf and is supported by a proper voucher.

(*i*) whether there is any item of expenditure which in the opinion of the auditor is *prima facie*, extravagant ;

(*j*) whether there has been any diversion of funds or properties for purposes other than those of the institution ;

(*k*) whether advances made have been recouped or adjusted without delay ;

(*l*) whether moneys not required for immediate expenditure have been deposited or lodged in banks as per rules and surplus funds have been invested properly ;

(*m*) whether all donations or offerings in kind are accounted for ;

(*n*) whether in respect of building works check-measurement was done before final payment was made and whether the necessary subsidiary accounts and registers such as measurement books, stock books, muster rolls, tenders and agreements are kept ;

(*o*) whether in the case of supplies, tenders have been called for, wherever needed and scrutinised and accepted or confirmed as per relevant rules ;

(*p*) whether securities have been obtained from the staff in charge of collections or valuables and security bonds got executed ; and

(*q*) whether there has been any violation of any of the scheme provisions, if the institution is governed by a scheme or of the rules framed under notification, if the institution has been notified.

6. Appendices to audit report.—The auditor shall append to his report —

(*a*) a statement of receipts and charges under the budget heads ;

(*b*) a statement of receipts and charges of paddy and other grains ;

(*c*) abstract of audited accounts ;

(*d*) consolidated statement of demand, collection and balance of all items of revenues or decrees both arrears and current outstandings in cash and in kind.

(*e*) statement of debentures, share certificates, Government bonds and other securities ;

(*f*) consolidated statement of assets and liabilities.

7. Publication of the abstract.—One copy of the abstract of audited accounts shall be forwarded by the Assistant Commissioner, Joint Commissioner, Deputy Commissioner or the Commissioner, as the case may be, to the trustee of the religious institution for publication. The trustee shall, on receipt thereof, publish the abstract on the notice board of the institution or other conspicuous place in the premises of the institution. Where the institution is a specific endowment the abstract shall be published on the notice board or other conspicuous place of any one of the maths or temples as the Assistant Commissioner, Joint Commissioner, Deputy Commissioner or the Commissioner, as the case may be, determine. The Commissioner may, in the case of an institution, the accounts of which are subject to concurrent audit under sub-section (3) of section 87, direct that the abstract of audited accounts shall, in addition, be published in any newspaper or in any other manner.

THE FURNISHING OF SECURITY BY OFFICERS AND SERVANTS RULES.*

(G.O. No. 4055, dated 23rd September 1961)

1. Short title.— These rules may be called the Furnishing of Security by Officers and Servants Rules.

2. Executive Officer to furnish security.—Every Executive Officer appointed either temporarily in the place of any other Executive Officer or otherwise for a religious institution under any of the provisions of the Act or in pursuance of any scheme settled or deemed to be settled thereunder shall furnish security and execute a security bond in the name of the Governor of Tamil Nadu :

Provided that the Government may, on the recommendation of the Commissioner (*i*) exempt subject to such conditions as the Government may fix, any person appointed or proposed to be appointed as such Executive Officer from furnishing the whole or any part of the security or (*ii*) permit any other person to furnish his immovable property as security on behalf of the person

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* Original rules published in Part V of the *Fort St. George Gazette*, dated 25th October 1961. (Page 1077)

appointed or proposed to be appointed as Executive Officer subject to the condition that such other person executes jointly with the person appointed or proposed to be appointed as Executive Officer, a security bond in the name of the Governor of Tamil Nadu.

3. Amount of security to be furnished.—The amount of security to be furnished by an Executive Officer shall be regulated by the income of the institution to which he is appointed and be at the rate specified in the Appendix.

4. Period within which security is to be furnished.—(1) No Executive Officer holding office on the date of the coming into force of these rules, shall continue to hold office, if he does not furnish security before the expiry of three months after these rules have come into force.

(2) No person first appointed to any post for which security has to be furnished shall assume office unless he furnishes the security fixed for the post within fifteen days of the receipt of the order of appointment or unless he is exempted under the proviso to rule 2.

(3) When a person holding a post for which he has furnished security is appointed to another post for which the prescribed security is higher than the amount of security already furnished by him or is appointed to an additional post for which security has been fixed he shall not continue in the new post if he does not, within three months of his assumption thereof, furnish the required additional security.

5. Government may extend the time for furnishing the security.—Notwithstanding the provisions of rule 4, the Government may extend the time for furnishing the security or the additional security.

6. Form of security.—The security to be furnished by a person may be in the form of—

(*a*) cash ; or

(*b*) promissory notes of the State Government or any other State Government or the Union Government or Municipal Debentures or Port Trust bonds ; or

(*c*) stock certificates of the State Government or any qther State Government or the Union Government ; or

(*d*) post office Savings Bank Deposits ; or

(*e*) post office cash certificates and National Savings Certificates ; or

(*f*) Deposit receipt of Madras Provincial Co-operative Bank, a Central Co-operative Bank, approved by the Registrar of Co-operative Societies, Chennai, for deposit of the funds of Local Boards and Municipalities or a Scheduled Bank as defined in the Reserve Bank of India Act, 1934 ; or

(*g*) Unencumbered immovable property :

Provided that in the case of Executive Officers not belonging to the Scheduled Caste, the security to be accepted may be in the form of fidelity bond :

Provided further that in the case of an Executive Officer belonging to the Schedules Caste, security shall be accepted in the form of a fidelity bond, if such officer is unable to furnish security in any one of the forms referred to above :

Provided also that the security may, with the previous permission of the Commissioner, be furnished partly in one and partly in another of the forms specified above.

7. The provisions of the Tamil Nadu Financial Code to apply to security.—(1) Where security is furnished in any of the forms mentioned in clauses (*b*) to (*f*) of rule 6, the provisions of the Tamil Nadu Financial Code relating to the conditions subject to which such form of security shall be accepted, shall apply to such security.

(2) Where security is furnished in the form of cash, it shall be invested in any of the forms of securities mentioned in rule 6 as the person furnishing securities desires, and the interest derived from such investment shall be paid to him. No interest shall become in any event payable till the security amount is actually invested.

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* Now the Tamil Nadu State Co-operative Bank.

APPENDIX

Class of Institutions	Annual income of the Institution	Amount of security in any form mentioned in clauses (*a*) to (*f*) of rule 6.	Value of immovable property, if security is offered under clause (*g*) of rule 6
(1)	(2)	(3)	(4)
I	Over Rs. 1,50,000	Rs. 4,000	Rs. 8,000
II	From Rs. 75,001 to Rs. 1,50,000	Rs. 2,000	Rs. 4,000
III	From Rs. 30,001 to Rs.75,000	Rs. 1,000	Rs. 2,000
IV	From Rs. 10,001 to Rs. 30,000	Rs. 500	Rs. 1,000
V	Less than Rs. 10,000	Rs. 250	Rs. 500

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THE MANAGEMENT AND PRESERVATION OF PROPERTIES OF RELIGIOUS INSTITUTIONS RULES.*

(G.O.P. No. 1837, Revenue, dated 10th July 1964 as amended by G.O. Ms. No. 506, C.T. & R.E., Dept., dt.13th December 1991, G.O. No. 275 C.T. & R.E., Dept., dated 16th July 1997 G.O. Ms. No. 249, Tamil Development Culture and Religious Endowments, dated 22nd October 2001)

1. Short title.—These rules may be called the Management and Preservation of Properties of Religious Institutions Rules.

2. Definitions.— In these rules —

(*i*) "appropriate authority" means—

(*a*) the Government in relation to religious institutions published under sections 46 (*i*), 46 (*ii*) and 46 (*iii*) of the Act, if the estimated cost of the works exceeds Rs. 50,00,000/- ;

(*b*) the Commissioner in relation to religious institutions not published under section 46 and religious institutions included in the list published under section 46 (*i*) and 46 (*iii*) of the Act, if the estimate cost of the works exceeds Rs. 5,00,000 ;

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* Original rules published in Part V of the *Fort St. George Gazette*, dated 21st October 1964.

(*c*) Omitted.

(*d*) The Joint Commissioner subject to revision or cancellation by the Commissioner in relation to all religious institutions included in the list published under sections 46 (*i*), 46 (*ii*) and 46 (*iii*) of the Act and in respect of all the institutions not published under section 46 of the Act, if the estimated cost of the works exceeds Rs. 25,000 but does not exceed Rs.5,00,000. In case of donors without adding any other fund and subject to the conditions that no alterations or additions to the existing structure shall be made, the estimate of which are upto Rs.10,00,000/-.

(G. O. Ms. No. 252, dated 5th November, 2001).

(*e*) The Executive Officer concerned, subject to revision or cancellation by the Commissioner in relation to religious institutions having an Executive Officer in the cadre of Joint Commissioner, if the estimated cost of the works does not exceed Rs. 5,00,000/-.

(*f*) in relation to religious institutions having an Executive Officer in the cadre of Deputy Commissioner, if the estimated cost of the work does not exceed Rs. 2,00,000/- :

The Assistant Commissioner having jurisdiction subject to revision or cancellation by the Commissioner.

(*g*) in relation to religious institution not published under section 46 if the estimated cost of the work does not exceed Rs. 25,000/- :

Provided that the Assistant Commissioner or the Executive Officer concerned can permit the works upto Rs. 2,00,000, if it is undertaken by the donor without aid of any other fund subject to the condition that no alteration, addition or demolition of any existing structure is done.

The Executive Officer concerned subject to revision or cancellation by the Commissioner.

(*h*) in the case of religious institutions having an Executive Officer in the cadre of Assistant Commissioner if the estimated cost of work does not exceed Rs. 25,000/- :