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Part IV—Section 1

Tamil Nadu Bills

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**BILLS INTRODUCED IN THE LEGISLATIVE ASSEMBLY OF THE
STATE OF TAMIL NADU**

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 5th July, 2018 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 32 of 2018

A Bill to amend the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-ninth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants (Amendment) Act, 2018.

Amendment
of section 2.

2. In section 2 of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017 (hereinafter referred to as the principal Act),—

Tamil Nadu
Act 42 of 2017.

(1) for clause (a), the following clause shall be substituted, namely:—

“(a) “agreement” or “tenancy agreement” means the written agreement executed by the landlord and the tenant as required under this Act and shall include a sub-tenancy agreement and sub-lease agreement;”;

(2) for clause (c), the following clause shall be substituted, namely:—

(c) “landlord” means a person, who for the time being is receiving, or is entitled to receive, the rent of any premises, on his own account, if the premises were let to a tenant, and shall include his successor-in-interest:

Provided that where a person is receiving rent for any premises is entitled to so receive, on account of, or on behalf of, or for the benefit of, any other person who cannot enter into a contract (such as minor, person with unsound mind, etc.), whether as a trustee, guardian or receiver, then, the said trustee, guardian or receiver shall also be a landlord for the purposes of this Act;”;

(3) in clause (f), for the expression “except for industrial use”, the expression “except the premises registered under the Factories Act, 1948 (Central Act LXIII of 1948)” shall be substituted;

(4) for clauses (i) and (j), the following clauses shall be substituted, namely:—

“(i) “Rent Authority” means an officer appointed under section 30;

(j) “Rent Court” means a Rent Court constituted under section 32;”;

(5) for clause (l), the following clause shall be substituted, namely:—

“(l) “Rent Tribunal” means the Rent Tribunal constituted under section 35;”.

3. For section 4 of the principal Act, the following sections shall be substituted, namely:— Substitution
of section 4.

“4. Tenancy Agreement.—(1) Notwithstanding anything contained in this Act or any other law for the time being in force, no person shall, after the commencement of this Act, let or take on rent any premises except by an agreement in writing.

(2) Where, in relation to a tenancy created before the commencement of this Act, no agreement in writing was entered into, the landlord and the tenant shall enter into an agreement in writing with regard to that tenancy within a period of ninety days from the date of commencement of this Act:

Provided that where the landlord or tenant, fails to enter into an agreement under this sub-section, the landlord or tenant shall have the right to apply for termination of the tenancy under clause (a) of sub-section (2) of section 21.

(3) Every agreement referred to in sub-section (1) and sub-section (2) and any tenancy agreement in writing already entered into before the commencement of this Act, shall be registered with the Rent Authority by the landlord or tenant, by making an application in the Form specified in the First Schedule within such time as may be prescribed.

(4) On receipt of application under sub-section (3), the Rent Authority shall, within a period of thirty days, register the agreement subject to the provisions of this Act and the rules made thereunder, and provide a registration number.

(5) The Rent Authority shall reject the application submitted under sub-section (3) for reasons to be recorded in writing, if such application does not conform to the provisions of this Act or the rules made thereunder:

Provided that no application shall be rejected unless the parties have been given an opportunity of being heard.

(6) The Rent Authority shall upload the name of the parties, details of the premises and tenure of the tenancy of all tenancies along with the registration number to be provided under sub-section (4), in the form and manner as may be prescribed, on its website within fifteen days from the date of registration.

4-A. Effect of non-registration.—No document required to be registered under sub-section (3) of section 4 shall, unless it has been registered,—

- (a) affect any immovable property comprised therein, or;
- (b) confer any power to adopt, or
- (c) be received in evidence of any transaction affecting such property or conferring any right.”.

4. In section 5 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:— Amendment
of section 5.

“(3) If a tenancy for a fixed term ends and has not been renewed or the premises have not been vacated by the tenant and where the landlord has not demanded possession of vacant premises at the end of such tenancy, the tenancy shall be deemed to be renewed on a month-to-month basis on the same terms and conditions as were in the expired tenancy agreement, for a maximum period of six months.”.

Amendment of section 6.

5. In section 6 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely.—

“(2) In the event of the death of a tenant, the right of tenancy of residential and non-residential premises shall devolve for the remaining period of tenancy to his successors-in-interest in the following order:—

(a) spouse;

(b) sons, daughters or daughters-in-law being the widow of a pre-deceased son;

(c) either or both of the surviving parents:

Provided that the successor had been ordinarily living or working in the premises with the deceased tenant upto his death.”.

Substitution of section 8.

6. For section 8 of the principal Act, the following section shall be substituted, namely:—

“8. **Rent payable.**— The rent payable in relation to a premises shall be,—

(a) in case of new tenancies entered into after the commencement of this Act, the rent agreed to between the landlord and the tenant at the commencement of the tenancy;

(b) in case of tenancies entered into before the commencement of this Act, where no agreement was executed between the parties, the rent agreed to between the landlord and the tenant in the agreement executed between them under sub-section (2) of section 4 ;

(c) in case of tenancies entered into before the commencement of the Act, where an agreement in writing was already entered into, the rent agreed to between the landlord and the tenant in such agreement.”.

Amendment of section 9.

7. In section 9 of the principal Act, sub-sections (5), (7) and (8) shall be omitted.

Substitution of section 10.

8. For section 10 of the principal Act, the following section shall be substituted, namely:—

“10. **Rent Authority to fix or revise rent.**—The Rent Authority, on an application made by the landlord or tenant, shall fix or revise, as the case may be, the rent and other charges payable by the tenant and also fix the date from which the revised rent becomes payable, in accordance with the tenancy agreement entered into between the parties.”.

Amendment of section 11.

9. In section 11 of the principal Act, in sub-section (2), for the expression “within one month after vacation of the premises”, the expression “at the time of taking over of possession of the vacant premises by the landlord” shall be substituted.

Substitution of section 12.

10. For section 12 of the principal Act, the following section shall be substituted, namely.—

“**12. Agreement to be given to the tenant.**—The landlord shall give one original signed and registered agreement to the tenant within fifteen days of the agreement being registered with the Rent Authority.”.

11. In section 13 of the principal Act, after sub-section (2), the following proviso shall be added, namely:— Amendment of section 13.

“Provided that where the rent or other charges have been paid by the tenant to the landlord through electronic medium, the bank acknowledgement shall be considered as proof of payment.”.

12. In section 14 of the principal Act, sub-section (5) shall be omitted. Amendment of section 14.

13. In section 15 of the principal Act,— Amendment of section 15.

(1) for sub-sections (3) and (4), the following sub-sections shall be substituted, namely:—

“(3) In the event of tenant’s refusal to carry out the scheduled or agreed repairs, the landlord shall get the repairs done and the tenant shall be liable to pay the same to the landlord within a period of one month from the date of issue of notice by the landlord.

(4) In case the landlord refuses to carry out the scheduled or agreed repairs, the tenant can get the work done and deduct the same from rent:

Provided that in no case such deduction from rent shall exceed fifty per cent of the agreed rent for one month.”.

14. In section 20 of the principal Act, in sub-section (4), for the expression “as may be prescribed”, the expression “incurred but shall not be more than rupees five thousand” shall be substituted. Amendment of section 20.

15. In section 21 of the principal Act, in sub-section (2),— Amendment of section 21.

(1) for clause (a), the following clause shall be substituted, namely:—

“(a) that the landlord and tenant have failed to enter into an agreement under sub-section (2) of section 4.”;

(2) for clause (g), the following clause shall be substituted, namely:—

“(g) that the premises let for residential or non-residential purpose are required by the landlord for occupation for residential or non-residential purposes for himself or for any member of his family or for any person for whose benefit the premises were held.”.

16. In section 22 of the principal Act,— Amendment of section 22.

(1) in sub-section (1), for the expression “two months”, the expression “three months” shall be substituted;

(2) in sub-section (2), for the expression “the Rent Court may levy a penalty on the landlord which may extend to ten thousand rupees”, the expression “he shall be liable to penalty imposed by the Rent Court, which shall not be more than twenty five thousand rupees” shall be substituted;

(3) after sub-section (2), the following sub-section shall be added, namely:—

“(3) Where a landlord has acquired any premises by sale, gift, lease or exchange, no application for recovery of possession of such premises shall lie under clause (g) of sub-section (2) of section 21 until the period specified in the tenancy agreement, in respect of the tenancy created before such transfer, has elapsed:

Provided that if prior to such transfer, the tenant had not entered into a tenancy agreement with the previous landlord, then the landlord and the tenant shall enter into such agreement in the manner and within the period specified in sub-section (2) of section 4.”.

Amendment of section 24.

17. In section 24 of the principal Act, in sub-section (2), for the words “simple interest”, the word “interest” shall be substituted.

Substitution of Chapters VI and VII.

18. For Chapters VI and VII, the following Chapters shall be substituted, namely:—

“CHAPTER VI.

APPOINTMENT OF RENT AUTHORITIES, THEIR POWERS AND FUNCTIONS.

30. *Appointment of Rent Authority.*— The Collector shall, with the previous approval of the Government, appoint an officer, not below the rank of Deputy Collector to be the Rent Authority for the area within his jurisdiction to which this Act applies.

31. *Power and procedure of Rent Authority.*— The Rent Authority shall have the same powers as are vested in Rent Court under this Act, in any proceeding under sections 9, 10, 14, 15 and 20 of the Act. The procedure as laid down in section 36 and 39 of the Act shall be followed in disposal of such applications.

CHAPTER VII.

RENT COURTS AND RENT TRIBUNALS.

32. *Constitution of Rent Court.*— (1) The Government may, by notification, constitute such number of Rent Courts in as many urban areas as may be deemed necessary by it:

Provided that where there already exists a Rent Court, the Government may designate the same as the Rent Court under this Act:

Provided further that where there does not exist any Rent Court, the Government may designate any other Court established under any other law as the Rent Court under this Act.

(2) Where two or more Rent Courts are constituted for any urban area, the Government may, by general or special order, regulate the distribution of business among them.

(3) A Rent Court shall be headed by a Presiding Officer to be appointed by the Government in consultation with the High Court.

(4) No person shall be eligible to be appointed as Presiding Officer of the Rent Court unless he is a member of the State Judicial Service.

(5) The Government may, in consultation with the High Court, authorize the Presiding Officer of one Rent Court to discharge the functions of the Presiding Officer of another Rent Court also.

33. Appeals.— (1) An appeal shall lie against the order of the Rent Authority made under this Act to the Rent Court having territorial jurisdiction.

(2) An appeal under sub-section (1) shall be preferred within thirty days from the date of the order made by the Rent Authority.

34. Jurisdiction of Rent Court.—Notwithstanding anything contained in any other law for the time being in force, in the areas to which this Act extends, only the Rent Court and no Civil Court shall have jurisdiction, except the jurisdiction of Rent Authority under section 31, to hear and decide the applications relating to disputes between landlord and tenant and matters connected therewith and ancillary thereto under this Act:

Provided that the Rent Court shall, in deciding such applications relating to tenancies and premises, give due regard to the provisions of the Transfer of Property Act, 1882, the Indian Contract Act, 1872 or any other substantive law applicable to such matter in the same manner, in which such law would have been applied had the dispute been brought before a Civil Court by way of suit.

Central Act IV
of 1882.
Central Act IX
of 1872.

35. Constitution of Rent Tribunals.— (1) The Government may, by notification, constitute such number of Rent Tribunals at such places as may be deemed necessary by it and notify a Rent Tribunal as Principal Rent Tribunal, where more than one Tribunal is constituted:

Provided that where there already exists a Rent Tribunal, the Government may designate the same as the Rent Tribunal under this Act:

Provided further that where there does not exist a Rent Tribunal, the Government may designate any other Tribunal established under any other law as the Rent Tribunal under this Act.

(2) The Rent Tribunal may consist of one or more benches, with each bench being headed by an Appellate Member. The senior most Appellate Member of the Rent Tribunal shall function as the Principal Appellate Member. The Principal Appellate Member may, on application, transfer appeal cases from one bench of the Rent Tribunal to another. Similarly, the Principal Rent Tribunal may, on an application, transfer appeal from one Rent Tribunal to another Rent Tribunal, and all the members of Rent Tribunal shall be appointed by the Government in consultation with the High Court.

(3) No person shall be eligible to be appointed as an Appellate Member of the Rent Tribunal unless he is from State Higher Judicial Servi

36. Procedure of Rent Court and Rent Tribunal.— (1) Subject to any rules that may be made under this Act, the Rent Court and the Rent Tribunal shall not be bound by the procedure laid down by the Code of Civil Procedure, 1908, but shall be guided by the principles of natural justice and shall have power to regulate their own procedure, and the Rent Court shall follow the following procedure, namely:—

Central Act V
of 1908.

(a) the landlord or tenant may file an application before the Rent Court accompanied by affidavits and documents, if any;

(b) the Rent Court, then, shall issue notice to the opposite party, accompanied by copies of application, affidavits and documents;

(c) the opposite party shall file a reply accompanied by affidavits and documents, if any, after serving a copy of the same to the applicant;

(d) the applicant may file a rejoinder, if any, after serving the copy to the opposite party;

(e) the Rent Court shall, then, fix a date of hearing and may hold such summary inquiry as it deems necessary.

(2) In every case, before the Rent Court and the Rent Tribunal, the evidence of a witness shall be given by affidavit. However, the Rent Court and the Rent Tribunal, where it appears to it that it is necessary in the interest of justice to call a witness for examination or cross-examination, such witness can be produced and may order attendance for examination or cross examination of such a witness.

(3) The provisions of the Code of Civil Procedure, 1908 regarding service of summons shall be applicable *mutatis mutandis* for service of notice by the Rent Court or Rent Tribunal.

Central Act V
of 1908.

(4) Every application or appeal, shall be, as far as possible, in the forms as may be prescribed.

(5) The Rent Court shall not ordinarily allow more than three adjournments at the request of a party throughout the proceedings and in case it decides to do so, it shall record the reasons for the same in writing and order the party requesting adjournment to pay the reasonable cost.

(6) (a) All applications under clauses (a), (b), (c), (e), (f) and (h) of sub-section (2) of section 21 shall be decided within 90 days of filing of application to the Rent Court;

(b) Applications under clauses (d) and (g) of sub-section (2) of section 21 shall be decided within 30 days of filing of application to the Rent Court.

37. Powers of Rent Court and Rent Tribunal.— (1) The Rent Court and the Rent Tribunal, for the purpose of discharging their functions under this Act, shall have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 for the purposes of,—

Central Act V
of 1908.

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of documents;

(c) issuing commissions for examination of the witnesses or documents;

- (d) issuing commission for local investigation;
- (e) receiving evidence on affidavits;
- (f) dismissing an application or appeal for default or deciding it *ex-parte*;
- (g) setting aside any order of dismissal of any application or appeal for default or any other order passed by it *ex-parte*;
- (h) execution of its orders and decisions under this Act without reference to any civil court;
- (i) reviewing its orders and decisions; and
- (j) any other matter as may be prescribed.

(2) Any proceedings before the Rent Court or Rent Tribunal shall be deemed to be a judicial proceedings within the meaning of sections 193 and 228, and for the purpose of section 196, of the Indian Penal Code, 1860 and the Rent Court and the Rent Tribunal shall be deemed to be a civil court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

Central Act XLV
of 1860.

Central Act 2
of 1974.

(3) For the purpose of holding any inquiry or discharging any duty under this Act, the Rent Court may—

(a) after giving not less than twenty-four hours notice in writing, enter and inspect or authorize any officer, subordinate to him, to enter and inspect, any premises at any time between sunrise and sunset;

(b) by written order, require any person to produce for his inspection such books or documents relevant to the inquiry, at such time and at such place as may be specified in the order.

(4) The Rent Court may, if it thinks fit, appoint one or more persons having special knowledge of the matter under consideration as an assessor or valuer to advise it in the proceeding before it.

(5) Any clerical or arithmetical mistake in any order passed by the Rent Court or any other error arising out of any accidental omission may, at any time, be corrected by the Rent Court on an application received by it in this behalf from any of the parties or otherwise.

(6) The Rent Court may exercise the powers of a Judicial Magistrate of First Class for the recovery of the fine under the provisions of the Code of Criminal Procedure, 1973 and the Rent Court shall be deemed to be a Magistrate under the said Code for the purposes of such recovery.

Central Act 2
of 1974.

(7) An order made by a Rent Court or an order passed in appeal or revision, or review under this Chapter shall be executable by the Rent Court as a decree of a civil court and for this purpose, the Rent Court shall have the powers of a civil court.

(8) The Rent Court may set aside any order passed *ex-parte* if the aggrieved party files an application and satisfies it that notice was not duly served or that he was prevented by any sufficient cause from appearing when the case was called for hearing.

(9) Save as otherwise expressly provided in this Act, every order made by the Rent Court shall, subject to decision in appeal, be final and shall not be called in question in any original suit, application or execution proceedings.

38. Appeal to Rent Tribunal.— (1) From every final order passed by the Rent Court, an appeal shall lie to the Rent Tribunal, within the local limits of whose jurisdiction the premises is situated and such an appeal shall be filed within a period of thirty days from the date of final order along with a copy of such final order.

(2) The Rent Tribunal, upon filing an appeal under sub-section (1) shall serve notice, accompanied by copy of appeal to the respondent and fix a hearing not later than thirty days from the date of service of notice of appeal on the respondent and the appeal shall be disposed of within a period of one hundred and twenty days from the date of service of notice of appeal on the respondent.

(3) Where the Rent Tribunal considers it necessary in the interest of arriving at a just and proper decision, it may allow documents at any stage of the proceedings in appeal, however, this facility would be available to the applicants only once during the hearing.

(4) The Rent Tribunal may, in its discretion, pass such interlocutory order during the pendency of the appeal, as it may deem fit.

(5) (a) While deciding the appeal, the Rent Tribunal, after recording reasons therefor, confirm, set aside or modify the order passed by a Rent Court;

(b) The decision of the Rent Tribunal shall be final and no further appeal or revision shall lie against the order.

(6) On application of any of the parties and after notice to the parties and after hearing such of them as have desired to be heard, or of its own motion without such notice, the Principal Rent Tribunal may, at any stage, transfer any case from one Rent Court to any other Rent Court for disposal.

(7) Where any case has been transferred under sub-section (6), the Rent Court to whom the case has been transferred subject to any special direction in the order of transfer, proceed from the stage at which it was transferred.

39. Execution of the order.— (1) The Rent Court shall, on application of any party, execute in the manner as may be prescribed, a final order of any other order passed under this Act by adopting any one or more of the following modes, namely:—

(a) delivery of possession of the premises to the person in whose favour the decision has been made;

(b) attachment and sale of the movable or immovable property of the opposite party;

(c) attachment of any one or more bank accounts of the opposite party and satisfaction of the amount of order to be paid from such account;

(d) appointing any advocate or any other competent person including officers of the Rent Court or local administration or local body for the execution of the order.

(2) The Rent Court may take the help from the local government or local body or the local police for the execution of the final orders:

Provided that the help of police shall be obtained subject to payment of such cost by the litigants as may be decided by the Rent Court.

(3) The Rent Court shall conduct the execution proceedings in relation to a final order or any other order passed under this Act in summary manner and dispose of the application for execution made under this section within 30 days from the date of service of notice on opposite party.”.

19. For section 43 of the principal Act, the following section shall be substituted, namely:- Substitution of section 43.

“43. Officers and other employees of the Rent Court, Rent Tribunal and the Rent Authority.— (1) The Government may, in consultation with the Rent Court or the Rent Tribunal or the Rent Authority appoint such officers and employees as it considers necessary for the efficient discharge of their functions under this Act.

(2) The salary and the allowances payable to, and the other terms and conditions of service, of the officers and of the employees of the Rent Court or the Rent Tribunal or the Rent Authority, as the case may be, appointed under sub-section (1) shall be such as may be prescribed:

Provided that where there already exists a Rent Court or the Rent Tribunal or the Rent Authority, the Government may designate the existing officers and employees as the officers and employees of the Rent Court or a Rent Tribunal or a Rent Authority, as the case may be, under this Act.”.

19. For the First Schedule of the principal Act, the following Schedule shall be substituted, namely:— Substitution of First Schedule.

“THE FIRST SCHEDULE

[See section 4(3)]

APPLICATION FOR REGISTRATION

To
The Rent Authority,
.....
..... (Address)

- (1) 1. Name and address of the landlord *including* email id and contact details (optional):
- (2) 2. Name and address of the Property Manager (if any), *including email id and contact details (optional)*:
- (3) 3. Name(s) and address of the tenant *Including email and contact details (optional)*:
- (4) 4. Description of premises let to the tenant including appurtenant land, if any:
- (5) 5. Date from which possession is given to the tenant:
- (6) 6. Rent payable as in section 8:

- (7) 7. Furniture and other equipment provided to the tenant (if any):
- (8) 8. Other charges payable:
- (a) Electricity:
- (b) Water:
- (c) Extra furnishing, fittings and fixtures:
- (d) Other services:
- (9) Duration of tenancy (Period for which let):
- (10) Attach original executed Tenancy agreement:
- (11) 9. ID Proof of landlord submitted:
(PAN / Aadhar / Voters ID / Passport / Driving License)
- (12) ID Proof of tenant submitted:
(PAN / Aadhar / Voters ID / Passport / Driving License)

Name and Signature of landlord:

Photograph of
landlord

Name and Signature of tenant:

Photograph of
tenant

Encl.:

1. (1) Tenancy Agreement
2. (2) Copy of the self-attested ID proof of landlord
- (3) Copy of the self-attested ID proof of tenant.”.

STATEMENT OF OBJECTS AND REASONS

Based on the recommendations of the Government of India and by taking into account the Model Tenancy Act, 2015 sent by the Government of India, the Government enacted the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017 (Tamil Nadu Act 42 of 2017) by repealing the Tamil Nadu Buildings (Lease and Rent Control) Act, 1960 (Tamil Nadu Act 18 of 1960) and the said Act has not yet been brought into force. Subsequently, the Government of India has sent another Model Tenancy Act, 2017 which is different from the earlier Model Tenancy Act, 2015. Hence, in order to make provisions in tune with the Model Tenancy Act, 2017 sent by the Government of India, Government have decided to amend the said Tamil Nadu Act 42 of 2017 suitably.

2. The Bill seeks to give effect to the above decision.

O. PANNEERSELVAM,
Deputy Chief Minister.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Section 4, 32, 36, 37 and 43 proposed to be substituted by clauses 3, 18 and 19 of the Bill authorizes the Government to make rule or to issue notification or order, as the case may be, for the purposes specified therein.

2. The powers delegated are normal and not of an exceptional character.

O. PANNEERSELVAM,
Deputy Chief Minister.

K. SRINIVASAN,
Secretary.

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 5th July, 2018 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 33 of 2018

A Bill to provide for the regulation of recognized private schools in the State of Tamil Nadu.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-ninth Year of the Republic of India as follows:—

CHAPTER – I.

PRELIMINARY.

1. (1) This Act may be called the Tamil Nadu Private Schools (Regulation) Act, 2018.

Short title, extent, application and commencement.

(2) It extends to the whole of the State of Tamil Nadu.

(3) It applies to all private schools whether aided or unaided in the State of Tamil Nadu.

(4) It shall come into force on such date as the Government may, by notification, appoint.

2. In this Act, unless the context otherwise requires,—

Definitions.

(a) “academic year” means the period commencing on the first day of June to the 31st day of May of the succeeding year or such other period as may be specified by the respective Educational Boards;

(b) “affiliation” means formal enrolment of a school with the respective Board of Examination for the purpose of following approved courses of studies and for preparing students according to the approved courses for the examinations;

(c) “aided school” means a school receiving any aid as grant out of the State funds to meet its expenses;

(d) "appellate authority" means any authority, officer or person authorised by the Government to perform the functions of the appellate authority under this Act;

(e) "The Code of Conduct" means the code of conduct formulated by the Government;

(f) "competent authority" means any authority, officer or person authorized by the Government to perform the functions and discharge the duties of the competent authority under this Act for such area, for such purposes or in relation to such classes of private schools, as may be prescribed;

(g) "Director" means,—

(i) The Director of School Education in respect of all aided and partly aided High and Higher Secondary Schools including Anglo-Indian Schools;

(ii) The Director of Elementary Education in respect of all aided and partly aided Primary Schools and Middle Schools;

(iii) The Director of Private Schools in respect of all self financing private Schools, affiliated to the State Board of School Education, Central Board of Secondary Education, Indian Certificate of Secondary Education, International Baccalaureate and such other boards;

(iv) The Director of State Council for Educational Research and Training in respect of all Teacher Training Institutes imparting education or training, whether receiving grant from the Government or not;

(h) "educational agency" means a Company registered under section 8 of the Companies Act, 2013 or a Society registered under the Societies Registration Act, 1860 or the Tamil Nadu Societies Registration Act, 1975 or a Trust created under the Indian Trust Act, 1882 which has established or proposes to establish a private school;

Central Act 18 of
2013.
Central Act XXI of
1860.
Tamil Nadu Act 27
of 1975.
Central Act 2 of
1882.

(i) "Government" means the State Government;

(j) "grant" means any sum of money paid as aid out of the State funds to any private school;

(k) "minority school" means a private school of its choice established and administered by any such minority whether based on religion or language as has the right to do so under clause (1) of Article 30 of the Constitution and so declared by the State Government or by the National Commission for Minority Educational Institutions;

(l) "notification" means any notification issued by the Government under this Act and published in the *Tamil Nadu Government Gazette*;

(m) "private school" means a Play School, Nursery and Primary, Primary, Middle, High and Higher Secondary School or Teacher Training Institute imparting education and training, whether receiving grant from the Government or not, established and administered or maintained by an educational agency and recognized by the competent authority under this Act, but does not include a school or an institution,—

- (a) established and administered or maintained by the Central Government or the State Government or any local authority; or
- (b) imparting religious instruction alone, but not any other instruction;
- (n) "prescribed" means prescribed by Rules made under this Act;
- (o) "recognised school" means a private school recognised by the competent authority under this Act;
- (p) "recognition" means a formal certification granted by the competent authority to run a school that conforms to the standards and conditions laid down under this Act;
- (q) "school committee" means the school committee constituted under section 14;
- (r) "secretary" means the secretary referred to in section 14;
- (s) "staff" means and includes both teaching and non-teaching employee of a private school.

CHAPTER – II.

PERMISSION AND REGISTRATION TO ESTABLISH AND RECOGNITION TO ADMINISTER PRIVATE SCHOOLS.

3. (1) No private school shall be established and administered otherwise than in accordance with the provisions of this Act and the rules made thereunder.

Power to
regulate school
education.

(2) The Government or any competent authority as may be prescribed in this behalf, shall have power to,—

- (a) regulate the different stages of education and courses of instruction including curriculum, syllabus in private schools;
- (b) permit an educational agency to establish and administer a school in accordance with the conditions as may be prescribed;
- (c) grant recognition to any private school;
- (d) withdraw the recognition of any private school or impose penalty or take criminal action against such private school if it contravenes any of the provisions of this Act and the rules made thereunder;
- (e) specify from time to time the norms or guidelines for safety and security of the pupil;
- (f) regulate the admissions, collection of fees and conduct of examinations;
- (g) prescribe the minimum qualification of the staff;
- (h) proscribe certain books or published materials or electronic materials that threaten the sovereignty, communal harmony and secular nature of the Nation and that are found inappropriate as per the moral and cultural standards of the Nation and have an undesired impact on the psyche of the pupil by any private school;
- (i) take such other action as may be deemed necessary and expedient in the interest of the pupil and the school education.

Private school to obtain permission. **4.** No educational agency shall, without prior permission in writing of the competent authority and except in accordance with the terms and conditions specified in such permission, establish any private school.

Application for permission. **5.** Every application to the competent authority seeking permission to establish a private school shall be in such form, accompanied by such fees and such documents as may be prescribed.

Grant of Permission. **6.** On receipt of an application under section 5, the competent authority shall,—

(a) after verifying the documents submitted along with the application, take a decision either to grant permission or refuse to grant permission and communicate its decision to the applicant adducing reasons therefor, within a period of three months from the date of receipt of the application:

Provided that the permission to establish the private school shall not be refused unless the applicant has been given an opportunity of making representation; and

(b) where permission to establish a private school is refused, the applicant shall within thirty days from the date of receipt of such communication, appeal to the appellate authority in such manner as may be prescribed and the decision of the appellate authority thereon shall be final.

Application for certificate of recognition. **7.** (1) Every educational agency shall, within a period of three years from the date of receipt of order of permission under section 6, apply to the competent authority for issue of certificate of recognition in such form accompanied by such fees and such documents as may be prescribed.

(2) Where no application for certificate of recognition is received within the period specified in sub-section (1), the permission granted under section 6, shall be deemed to have been lapsed on and from the date of expiry of the period specified in sub-section (1).

Grant of certificate of recognition. **8.** (1) On receipt of an application for grant of certificate of recognition, the competent authority may, inspect or cause to be inspected the site to ensure that,—

(a) proper arrangements have been made for the maintenance of academic standards in the school; and

(b) the provisions of this Act and the rules made thereunder have been complied with, and issue the certificate recognising the private school for the purposes of this Act, for such period, as may be prescribed.

(2) The competent authority shall, before passing orders on an application for recognition under sub-section (1), also take into consideration the following factors, namely:—

(a) the adequacy of the schools already existing in the locality;

(b) the need for the private school in the locality;

(c) the proposed number of pupil;

(d) the extent of the playground available to the pupil and the adequacy of the playground with reference to the strength of the pupil in the school;

(e) the amenities available to the pupil and the teachers;

(f) the equipment, laboratory, library and other facilities for instruction; and

(g) such other factors as may be prescribed.

(3) The certificate of recognition under sub-section (1) shall be issued in such form and within such period as may be prescribed.

(4) If the competent authority is of the opinion that the application for grant of certificate of recognition does not satisfy any of the provisions of sub-sections (1) and (2), the competent authority shall refuse to grant recognition and communicate its decision with reasons therefor to the applicant within a period of three months from the date of receipt of the application:

Provided that the grant of recognition shall not be refused unless the applicant has been given an opportunity of making representation.

(5) Where recognition is refused by the competent authority, the applicant shall within thirty days from the date of receipt of the order of refusal to grant recognition, appeal to the appellate authority in such manner as may be prescribed and the decision of the appellate authority thereon shall be final.

(6) The application for renewal of certificate of recognition issued under sub-section (3), shall be submitted within a period of three months before the date of expiry of the period of recognition in such form accompanied by such fees and such documents as may be prescribed. The provisions in this section for grant of recognition shall *mutatis-mutandis* apply to such renewal of certificate of recognition.

(7) No child shall be admitted in any school which has not been granted with the certificate of recognition or renewal of certificate of recognition, as the case may be.

9. No educational agency, shall without getting certificate of recognition of the competent authority under section 8, apply for affiliation to the State Board of School Education or any other Board.

Affiliation.

10. The competent authority may, at any time, for reasons to be recorded in writing, by an order withdraw permanently the recognition of any private school, which does not comply with any of the provisions of this Act, or the rules or the directions issued thereunder in so far as such provisions of this Act, the rules or directions are applicable to such private school:

Withdrawal of recognition by the Competent Authority.

Provided that no order of withdrawal of recognition under this section, shall be passed by the competent authority unless the educational agency has been given an opportunity of making representation:

Provided further that the order of withdrawal of recognition under this section, if made during the course of an academic year, such order shall take effect only at the end of the academic year:

Provided also that no order of withdrawal of recognition under this section, shall be made without making necessary arrangements for the continuance of the instruction of the pupil of that private school in any other recognised school.

Effect of withdrawal of recognition.

11. Consequent on withdrawal of recognition, the educational agency of such school shall,—

(a) cease to run the school;

(b) in so far as aided school is concerned, hand over all the movable and immovable properties such as land, buildings and any other material which were provided or funded by the Government; and

(c) hand over all the records and documents of the school within a period of one month from the date of withdrawal of the recognition to the officer authorized by the competent authority in this behalf.

CHAPTER – III.

EDUCATIONAL AGENCY AND SCHOOL COMMITTEE.

Educational agency.

12. Where an educational agency of a private school, established and maintained on or before the date of commencement of this Act, is an individual or body of persons or any other entity, such individual or body of persons or such entity shall, within a period of six months from the date of commencement of this Act, form a Society registered under the Tamil Nadu Societies Registration Act, 1975 or a Company registered under section 8 of the Companies Act, 2013 or a Trust under the Indian Trust Act, 1882, to look after the affairs of the educational agency and thereafter such Society or Company or Trust alone shall be treated as educational agency for the purposes of this Act.

Tamil Nadu Act 27 of 1975.
Central Act 18 of 2013.
Central Act 2 of 1882.

Change in the constitution of Educational Agency or transfer of Educational Agency.

13. (1) (a) Whenever there is any change in the constitution of an educational agency or amendment to the bye laws or memorandum of association of the educational agency shall submit all relevant documents relating to all such changes or amendments to the competent authority within fifteen days therefrom;

(b) Whenever an educational agency of any private school proposes to transfer the management of the school to another educational agency having similar objectives, such educational agency should apply to the competent authority for necessary approval;

(c) An application under clause (b) shall be in such form accompanied by such documents as may be prescribed.

(2) On receipt of an application under clause (b) of sub-section (1), the competent authority shall, after making such inquiry, as it deems fit, and if it is satisfied that the educational agency of the transferee school will maintain and manage the private school so transferred in accordance with the provisions of this Act, or the rules or the directions issued thereunder, approve the transfer, subject to such conditions as it may impose and communicate its decision to the applicant within a period of one month from the date of receipt of such application.

Constitution of School Committee.

14. (1) Every educational agency of a private school shall constitute a school committee as may be prescribed:

Provided that where an educational agency has established and is administering or maintaining more than one private school, such educational agency may, with the prior permission of the competent authority, have a common school committee.

(2) The School Committee shall meet at such times and places and shall observe such rules of procedure as may be prescribed in regard to transaction of business at its meetings:

Provided that the school committee shall meet at least once in every three months.

(3) The school committee shall, subject to the provisions of this Act and the rules made thereunder, perform the following functions, namely:-

(a) carry on the general administration of the private school;

(b) appoint staff of the private school, fix their pay and allowances and define their duties and the conditions of their service; and

(c) take disciplinary action against the staff of the private school.

(4) Every school committee shall have a secretary who shall be appointed by the educational agency and shall exercise such powers and perform such functions as may be prescribed.

15. (1) For the purposes of this Act, any decision or action taken by the school committee in respect of any matter over which the school committee has jurisdiction shall be deemed to be the decision or action taken by the educational agency.

Responsibility of
the Educational
Agency.

(2) Where the competent authority is satisfied that the secretary or any member of the school committee of a private school is responsible for any lapse or irregularities in managing the affairs of the school, the educational agency shall take such action against the person concerned as it may deem fit.

(3) The competent authority may, for reasons to be recorded in writing, by an order declare the secretary or any member of the school committee as unfit to hold the office and direct the educational agency to remove the secretary or such member of the school committee, as the case may be:

Provided that no order under this sub-section shall be made, unless the person holding the office of the secretary or any member of the school committee, as the case may be, is given an opportunity of making representation.

(4) On receipt of a direction from the competent authority under sub-section (3), the educational agency shall, notwithstanding anything contrary to the rules or the code of conduct, remove forthwith the person concerned from the office of the secretary or the member of the school committee and appoint any other eligible person in his place.

(5) Notwithstanding anything contained in sub-section (4), and without prejudice to the provisions contained in section 31, if the educational agency willfully disobeys or willfully fails to comply with any direction issued under sub-section (3), the competent authority may, by order in writing, remove forthwith such person from the office of the secretary or the member of the school committee of that private school.

CHAPTER – IV.**SPECIAL PROVISIONS FOR MINORITY PRIVATE SCHOOLS.**

- Right to establish a minority private school. **16.** (1) Any educational agency belonging to religious or linguistic minority shall have the right to establish and administer a private school of its choice primarily for the benefit of such minorities.
- (2) Every such educational agency claiming minority status for a private school shall apply to the Government in such form along with such documents as may be prescribed.
- (3) On receipt of the application under sub-section (2), the Government after verifying the documents submitted by the applicant and after affording the applicant an opportunity of being heard, if need be, shall decide whether or not to grant or continue minority status to the private school within such time as may be prescribed.
- Status of a minority school on transfer to other educational agency. **17.** The minority status of a private school shall be retained only where the management of such private school has been transferred to another educational agency of the same minority with the prior approval of the Government.
- Appointment of Special Officer to a minority school. **18.** Where the management of any minority school is suspended under sub-section (1) of section 31, the competent authority shall appoint a person belonging to that minority as the Special Officer which has been administering the said minority school, immediately preceding such suspension.
- Exemption of minority schools. **19.** The Government shall have the power to exempt minority schools from such provisions of this Act or the rules or orders issued thereunder which may impinge upon the minority character of such minority schools.

CHAPTER – V.**CONTROL OF PRIVATE SCHOOLS.**

- Safety and security of the pupil. **20.** (1) Every educational agency shall take all possible measures to ensure the safety and security of the pupil including protection from mental harassment or physical injury or sexual abuse.
- (2) Every educational agency shall ensure that the conditions as prescribed or any specific direction as may be issued by the Government or any competent authority as authorised by the Government, pertaining to safety and security of the pupil are strictly complied with.
- Ensuring quality education. **21.** (1) Every private school shall strictly adhere to the curriculum, syllabus, learning outcomes and the guidelines prescribed for various stages of education in conformity with the respective board of affiliation.
- (2) Every private school shall ensure that there is a judicious mix of curricular, co-curricular and extracurricular activities.
- (3) Every private school shall follow the pattern of evaluation as prescribed by the Board concerned for various stages of education.
- Conduct of Examinations and Valuation of answer sheets. **22.** (1) Every private school shall place its building, furniture and other infrastructure at the disposal of the board authorities for the conduct of any board examinations and valuation of answer sheets, free of charge on specific requisition by the authorities concerned.

(2) Every private school shall depute its teachers on duty for the conduct of any board examinations and valuation of answer sheets on specific requisition by the authorities concerned.

(3) No private school shall prevent any pupil on its roll from appearing for any board examinations on account of poor academic performance.

(4) Every private school shall abide by the conditions as may be prescribed to prevent unhealthy competition among the private schools.

23. Every private school shall, atleast thirty days prior to the commencement of admission in each academic year, publish on its notice board, website, if any, or in any other form, general information concerning the school as may be prescribed.

Disclosures to be made by private schools at the time of admission.

24. Every private school shall constitute a Parent-Teacher Association in such manner and to perform such functions as may be prescribed, to encourage participation of the parents in improving the quality of education and learning environment.

Parent – Teacher Association.

25. (1) Every private school shall furnish any information sought for by any person or authority as authorised by the Government, particularly during the conduct of census or election or any survey including the National Achievement Survey or the State Level Learning Survey.

Furnishing of information to authorised person or authority and deployment of staff.

(2) Every private school shall also deploy its staff for carrying out the work of census or election or any survey, if required.

26. No private school shall collect any other charge or receive any other payment by whatever name called, except the fee fixed by the Fee Determination Committee constituted under the Tamil Nadu Schools (Regulation of Collection of Fee) Act, 2009.

Fees Tamil Nadu Act 22 of 2009..

27. All the money collected, grants received and other property held by or on behalf of a private school shall be utilized for the purposes for which they are intended and shall be accounted for by the educational agency in such manner, as may be prescribed.

Utilisation of funds and property of private school.

28. (1) The competent authority shall have the right to cause an inspection of any private school by such person authorised in this behalf.

Inspection and Inquiry.

(2) The competent authority may also cause an inquiry to be conducted in respect of any matter, connected with the affairs of the private school, wherever such inquiry is considered necessary.

(3) The competent authority shall communicate to the school committee, the views of the authority with reference to the results of such inspection or inquiry and the action to be taken thereon.

(4) The school committee shall report to the competent authority, the action taken if any, or proposed to be taken on the findings of such inspection or inquiry, within a period of two months.

(5) Where the school committee fails to take action within the period specified under sub-section (4), to the satisfaction of the competent authority, the competent authority may, after considering the explanation furnished or the representation made, issue such directions as that authority may deem fit and the school shall comply forthwith such directions.

Closure of private school or class or course.

29. (1) No private school or class or course or medium of instruction started in the private school shall be closed without obtaining the prior approval of the competent authority and without making such arrangements as may be prescribed for the continuance of the instruction of the pupil of that private school or class or course or medium of instruction, as the case may be.

(2) No prior approval under sub-section (1), shall be granted by the competent authority unless the educational agency in writing has given a prior notice to the competent authority in an academic year within such period, in such form and in such manner as may be prescribed.

(3) On receipt of the notice under sub-section (2), and after considering the same,—

(a) the competent authority may either grant prior approval for the closure of the private school or class or course or medium of instruction, as the case may be, subject to such conditions as it may impose; or

(b) if the competent authority notices that,—

(i) the notice given under sub-section (2) is defective; or

(ii) no arrangement has been made as required under sub-section (1), for the continuance of the instruction of the pupil of that private school or class or course or medium of instruction, as the case may be, for the period of study for which the pupil have been admitted; or

(iii) the reasons given for the closure of the private school or class or course or medium of instruction, as the case may be, are directly attributable to the mismanagement or maladministration on the part of the educational agency; or

(iv) the reason adduced for the closure of the private school or class or course or medium of instruction, as the case may be, is lack of finance even though factually the educational agency has adequate financial resources; or

(v) the reasons given for the closure of the private school or class or course or medium of instruction, as the case may be, are not bonafide; or

(vi) the closure of the private school or class or course or medium of instruction, as the case may be, shall adversely affect the educational opportunity available to the pupil of the local area in which that private school is situated,

it may by an order in writing, refuse to grant prior approval for the closure of the private school or class or course or medium of instruction, as the case may be, adducing reasons therefor:

Provided that the competent authority shall not refuse to grant prior approval unless the educational agency has been given an opportunity of making representation in this behalf.

(4) (a) The competent authority shall communicate its decision on the notice given under sub-section (2) as expeditiously as possible and in any case not later than three months from the date of receipt of the notice;

(b) Where the competent authority refuses to grant prior approval for the closure of the private school or class or course or medium of instruction, as the case may be, the educational agency shall continue to run the private school or class or course or medium of instruction, as the case may be;

(c) Where the competent authority grants approval for the closure of the private school or class or course or medium of instruction, as the case may be, during the course of an academic year, such closure shall take effect only after the expiry of the said academic year. The recognition of such private school shall be deemed to have been lapsed with effect from the date of approval for the closure of the private school.

30. (1) No educational agency shall, except with the prior permission in writing of the competent authority, transfer the property of a private school by way of sale, exchange, mortgage, charge, pledge, lease, gift or in any other manner whatsoever.

Restriction on alienation of property of private school.

(2) The competent authority may, on receipt of an application for such transfer, if it is satisfied that such transfer is for the furtherance of the object of the private school and that the proceeds resulting from such transfer are to be wholly utilized in furtherance of the said object, grant prior permission:

Provided that no permission applied for under sub-section (1) shall be refused by the competent authority unless the applicant has been given an opportunity of making representation;

(3) (a) The competent authority shall pass an order, either granting permission or refusing to grant permission, within a period of sixty days from the date of receipt of the application;

(b) The competent authority when granting such permission, may impose such conditions as it may deem fit.

(4) Any transaction made in contravention of sub-section (1) shall be null and void.

CHAPTER – VI.

APPOINTMENT OF SPECIAL OFFICERS IN CERTAIN CIRCUMSTANCES.

31. (1) Where the competent authority is of the opinion that the school committee of any private school,—

Appointment of Special Officer in certain circumstances.

(a) is responsible for the maladministration, misappropriation of funds and properties or lapses or irregularities, in such private school; or

(b) has wilfully failed to prevent unlawful activities in such private school or has been engaged in such activities affecting the security, sovereignty or integrity of the State or has given protection or aid to any group or organisation banned by the Government; or

(c) has wilfully failed to discharge any of the duties imposed on or to perform any of the functions entrusted to such school committee by or under this Act, or any rule or order made there under, the competent authority shall, after giving such school committee an opportunity of making representation, for reasons to be recorded in writing, by an order suspend the school committee and appoint a person as special officer till the reconstitution of the school committee, in the interest of the pupil. The competent authority may also suspend the financial powers of the office bearers as an immediate measure, if it is deemed necessary.

(2) Where the appointment of a special officer is pending consideration of the Government, the competent authority may resort to direct payment.

(3) Where a special officer is appointed under sub-section (1),—

(a) the school committee shall cease to discharge the duties imposed on and to perform the functions entrusted to it; and

(b) the special officer shall take all such steps as may be necessary to efficiently manage and run the school in accordance with any law applicable to the private school in so far as such law is not inconsistent with this Act.

Explanation.— For the purposes of this section, the expression “law” includes any bye-law, rules, regulations, or instrument having the force of law.

CHAPTER – VII.

APPOINTMENT OF STAFF AND THEIR CONDITIONS OF SERVICE.

Appointment of staff of schools and their conditions of service.

32. (1) Subject to the provisions of this Act and the rules made thereunder, the school committee of a private school may appoint such staff as may be considered necessary for the efficient functioning of the school.

(2) The qualifications and the strength of the staff of the private school shall be such as may be prescribed:

Provided that the qualifications prescribed under this sub-section shall not apply to any person who, on or before the date of commencement of this Act has been employed in any private school whose appointment has been made in accordance with the qualifications in vogue at the time of such appointment.

(3) The salary and allowances shall be truly reflected in the expenditure statement towards salary and other allowances of the staff submitted by such school to the Fee Determination Committee constituted under the Tamil Nadu Schools (Regulation of Collection of Fee) Act, 2009.

Tamil Nadu Act 22 of 2009.

(4) The pay and allowances of the staff of every private school shall be paid on or before such date of every month and in such manner as may be prescribed.

(5) Every private school shall enter into an agreement with its staff with regard to the terms and conditions of service as may be prescribed:

Provided that, where no agreement of service has been entered into with the staff already in service on the date of commencement of this Act, such agreement of service shall be executed within a period of six months from the date of commencement of this Act.

33. No person who does not possess the minimum qualifications as prescribed under sub-section (2) of section 32 shall be appointed in any private school.

Minimum qualifications for appointment of staff in private schools.

34. Every staff of a private school shall be governed by such Code of Conduct as may be formulated by the Government.

Staff of private school to be governed by Code of Conduct.

35. (1) The Government may prescribe the mode of appointment, cadre strength and conditions of service including promotion, pay, allowances, leave, pension, gratuity, provident fund, insurance and disciplinary matters of the staff of any school which is receiving aid from the Government.

Terms and Conditions of staff of private aided schools.

(2) No process of recruitment of teaching and non teaching staff of any aided school shall be initiated without the prior permission of the competent authority.

CHAPTER – VIII.

PAYMENT OF GRANT TO AIDED SCHOOLS.

36. (1) The Government may, subject to such conditions as may be prescribed, continue to pay grant to the private school which has been already receiving grant from the Government, before the date of commencement of the academic year 1991-1992 at such rate and for such purposes as may be prescribed.

Payment of grant.

Explanation:— For the purposes of this sub-section, private school which has been receiving grant from the Government shall also include a private school receiving grant from the Government only in respect of any class or course or medium of instruction, as the case may be.

(2) The Government may withhold permanently or for any specified period, the whole or part of any grant referred to in sub-section (1) in respect of any private school,—

(a) which does not comply with any of the provisions of this Act or the rules made or directions issued thereunder in so far as such provisions, rules or directions are applicable to such private school; or

(b) in regard of which the pay and allowances payable to any teacher or other person employed in such private school are not paid to such teacher or other person in accordance with the provisions of this Act or the rules made thereunder; or

(c) which contravenes or fails to comply with any such condition as may be prescribed:

Provided that before issuing an order withholding the grant under this sub-section, the competent authority shall give the educational agency an opportunity of making representation.

Prohibition of payment of grant to new private schools, class or course or medium of instruction.

37. Notwithstanding anything contained in this Act or in any other law for the time being in force or in any judgment, decree or order of any court or other authority, no grant shall be payable to,—

(a) any private school established and any class, or course or medium of instruction opened in such private school, on or after the date of commencement of the academic year 1991 – 1992;

(b) any private school in existence on the date of commencement of the academic year 1991 – 1992 to which no grant has been paid by the Government immediately before the date of such commencement;

(c) any class or course or medium of instruction in a private school in existence on the date of commencement of the academic year 1991 – 1992 to which no grant has been paid by the Government immediately before the date of such commencement; and

(d) any class or course or medium of instruction opened on or after the date of commencement of the academic year 1991 – 1992 in a private school in existence on the date of such commencement.

Explanation:— For the purposes of this section, private school includes a minority school.

Absorption of staff on retrenchment in private aided schools.

38. Where any retrenchment of any teacher or other person employed in any private school is rendered necessary consequent on any order of the Government relating to education or course of instruction or to any other matter or consequent on the reduction in strength of the pupil studying in any such private school, it shall be competent for the Government or the school committee of any private school, to appoint such teacher or other person in any school or institution maintained by the Government or in such private school, as the case may be.

Explanation:— For the purposes of this section, the fixation of strength of the staff of any aided school shall be done following the norms as may be specified by the Government from time to time.

Penalty for not giving information or giving false information.

39. If any person who is required by any authority under any of the provisions of this Act or the rules made thereunder to furnish any information, willfully fails to furnish such information or knowingly furnishes false information, he shall be punishable with fine which may extend to ten thousand rupees.

Penalty for acting in contravention of any of the provisions of this Act.

40. (1) Any person who wilfully contravenes, or attempts to contravene, or knowingly abets the contravention of any of the provisions of this Act other than sections 8(7), 20(2), 22(3) and 22(4) or any of the rules made thereunder, shall be punishable with fine which may extend to one lakh rupee and in the case of a continuing contravention, an additional fine which may extend to ten thousand rupees for each day during which such contravention continues.

(2) Any person who wilfully fails to comply with the provisions of sections 8(7), 20(2), 22(3) and 22(4) or any of the rules made thereunder shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to five lakh rupees or with both.

(3) Any person who wilfully obstructs any authority, officer or person, from entering any private school in the exercise of any power conferred on it or on him by or under this Act, or the rules made thereunder or any direction issued by the appropriate authority under any law for the time being in force, shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to one lakh rupee, or with both.

CHAPTER – IX.

APPEAL AND REVISION.

41. Any person aggrieved by any order, decision or direction of the competent authority made under any of the provisions of this Act, or the rules made thereunder, may within a period of one month from the date of receipt of such order, decision or direction, prefer an appeal to the appellate authority as may be prescribed.

Appeal against orders of Competent Authority.

42. (1) No appeal against any order, decision or direction of the competent authority made under any of the provisions of this Act or the rules made thereunder shall be entertained after the expiry of the period specified under section 41.

Powers of the Appellate Authority and disposal of appeal.

(2) The appellate authority may at its discretion, allow further time not exceeding one month for preferring the appeal under section 41, if it is satisfied that the appellant had sufficient cause for not preferring the appeal in time.

(3) The appellate authority may, pending the exercise of its powers, pass such order as it deems fit.

(4) On receipt of any such appeal, the appellate authority shall, after,—

- (i) giving the parties an opportunity of making representation;
- (ii) making, if necessary, such inquiry as it deems fit; and
- (iii) considering all the circumstances of the case,

make such order as it deems just and equitable within a period of two months from the date of receipt of the appeal.

43. (1) The Government may either *suo-motu* or on an application from any person aggrieved, call for and examine the records of any authority or officer in respect of any proceedings issued under this Act or the rules made thereunder, to satisfy themselves as to the correctness, legality or propriety of any order made or decision taken therein and if in any case, it appears to the Government that any such order or decision should be modified, annulled, reversed or remitted back for reconsideration, the Government may pass orders accordingly.

Revision.

(2) No order prejudicial to any person shall be passed under sub-section (1) unless such person has been given an opportunity of making representation.

(3) The Government may, pending decision under sub-section (1), pass such other order as they may deem fit.

CHAPTER – X.

ACCOUNTS AND AUDIT.

Annual audit of
Accounts.

44. (1) Every private school shall maintain such accounts and records in such manner as may be prescribed.

(2) (a) The accounts of every private school receiving aid as grant shall be audited at the end of every financial year by such authority, officer or person as may be prescribed;

(b) The authority, officer or person, prescribed under clause (a) shall send a copy of the report on the audit of the accounts to the competent authority which shall forward the same to the school committee of the private school;

(c) The school committee shall take such action as may be specified by the competent authority to rectify the defects, if any, disclosed consequent on the audit or inspection and submit a report together with its comments thereon to the competent authority within such time as may be specified.

(3) In the case of private unaided school, the accounts should be audited at least once in every year by the qualified auditors. The management of the school has to furnish the audit report at the time of making application for the renewal of recognition to the competent authority.

Furnishing of
returns, etc.

45. The school committee of every private school shall, within such time, as may be specified by the competent authority in this behalf, furnish to the competent authority such returns, statistics and other informations as the competent authority may, from time to time, require.

CHAPTER – XI.

MISCELLANEOUS.

Recovery of any
amount due to
the Government
as arrears of
land revenue.

46. Any amount required to be paid to the Government due to non-implementation of any scheme or misuse or non-utilisation of grants, may be recovered from the person concerned as if it were an arrear of land revenue under the provisions of the Tamil Nadu Revenue Recovery Act, 1864.

Tamil Nadu Act II
of 1864.

Powers of
Government to
give directions.

47. The Government may, subject to other provisions of this Act, direct the competent authority to make such enquiry as they may deem fit. The competent authority shall conduct the enquiry and report to the Government the result of the enquiry within such period as may be prescribed.

Delegation of
powers.

48. The Government may, by notification, delegate all or any of the powers vested in them under this Act or the rules made thereunder, except those powers conferred upon them by sections 16, 17, 19, 34, 35, 43, 47, 49, 57, 58 and 60 to any officer or authority subject to such conditions and to such control and revision by the Government or by such authority as may be specified in the notification and in the like manner withdraw any power so delegated.

Office or authority
subordinate to
the Government
to perform the
functions of
the Competent
Authority.

49. The Government may, by notification, direct that any of the functions of the competent authority under this Act or the rules made thereunder, shall in relation to such matters and subject to such conditions, be performed also by such officer or authority sub-ordinate to the Government, as may be specified in the notification.

Central Act XLV of 1860.	<p>50. Every competent authority and every officer duly authorized by the Government or the competent authority as the case may be, to discharge any duty imposed on it or on him under this Act shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code.</p>	Competent Authority etc., to be public servant.
	<p>51. (1) No Court inferior to that of a Metropolitan Magistrate or a Judicial Magistrate shall take cognizance of any offence punishable under this Act.</p> <p>(2) No Court shall take cognizance of any offence punishable under this Act except on a report in writing of the fact constituting such offence made by an authority or officer authorized by the Government in this behalf.</p>	Cognizance of offences.
	<p>52. No Civil Court shall have jurisdiction to decide or deal with any question which is by or under this Act required to be decided or dealt with by any authority or officer mentioned in this Act.</p>	Bar of jurisdiction of Civil Courts.
	<p>53. Save as otherwise provided in this Act, the provisions of this Act shall be in addition to, and not in derogation of, any other law for the time being in force.</p>	Operation of other laws.
	<p>54. No suit, prosecution or other legal proceedings shall be instituted against the Government or any officer, authority or person empowered to exercise the powers or perform the functions by or under this Act for anything which is in good faith done or intended to be done under this Act or the rules or orders made thereunder.</p>	Protection of acts done in good faith.
	<p>55. Any order made, decision taken or direction issued by any authority or officer in respect of any matter to be determined for the purposes of this Act, shall, subject only to appeal or revision if any, provided under this Act, be final.</p>	Finality of orders, etc, passed under this Act.
	<p>56. (1) Notwithstanding anything contained in section 52, whenever any dispute as to the constitution of any educational agency, or as to whether any person or body of persons, is an educational agency in relation to any private school, or as to the constitution of a school committee, or as to the appointment of the secretary of the school committee, arises, such dispute may be referred by the persons interested or by the competent authority to the civil court having jurisdiction, for its decision.</p> <p>(2) Pending the decision of the civil court on a dispute referred to it under sub-section (1), or the making of an <i>interim</i> arrangement by the civil court for the running of the private school, the Government may nominate an officer to discharge the functions of the educational agency, the school committee or the secretary, as the case may be, in relation to the private school concerned.</p>	Settlement of dispute as to Educational Agency, etc.
	<p>57. (1) The Government may make rules to carry out the purposes of this Act.</p> <p>(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—</p> <p>(a) all matters expressly required or allowed by this Act to be prescribed by, or specified in the rules;</p> <p>(b) the form of applications under this Act and the particulars which such application shall contain;</p> <p>(c) the establishment and maintenance of private schools;</p>	Power to make rules.

(d) the giving of grants to private schools;

(e) the grant of permission under section 6;

(f) the admission of pupil in private schools including special provision for the advancement of weaker section and disadvantaged group, socially and educationally backward classes of citizens and the Scheduled Castes and the Scheduled Tribes.

Explanation:— For the purposes of this clause, ‘Scheduled Castes’ and ‘Scheduled Tribes’ shall have the same meaning as in the Constitution;

(g) the manner in which accounts books, registers and records shall be maintained in private schools and the authority responsible for such maintenance;

(h) the submission of returns, statements, reports and accounts by the educational agencies of private schools;

(i) the standards of education and teaching and courses of instruction in private schools;

(j) the purposes for which the premises of the private school may be used and the conditions subject to which such premises may be used for any other purpose;

(k) the regulation of the use of textbooks, maps, plans, instruments and other laboratory and sports equipment;

(l) the conditions subject to which donations or contributions from the public may be accepted for the private schools and the naming of private schools;

(m) the conferment of minority status to private schools.

(3) All rules made and notifications issued under this Act shall be published in the *Tamil Nadu Government Gazette* and, unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

(4) Every rule made or notification issued under this Act, shall, as soon as possible, after it is made or issued, be placed on the table of the Legislative Assembly and if, before the expiry of the session in which it is so placed or the next session, the Legislative Assembly makes any modification in any such rule or notification or the Legislative Assembly decides that the rule or notification should not be made or issued, the rule or notification shall thereafter have effect, only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

Exemption.

58. The Government may, by notification and for reasons to be specified therein, exempt any private school from the operation of all or any of the provisions of this Act, or the rules made thereunder, subject to such conditions as they may deem fit and in the like manner vary or cancel such exemption.

Repeal and Savings.

59. (1) The Tamil Nadu Recognised Private Schools (Regulation) Act, 1973 (herein after referred to in this section as the said Act), is hereby repealed.

Tamil Nadu Act 29 of 1974.

(2) Notwithstanding such repeal, any act or thing done under the said Act shall be deemed to have been done under this Act and may be continued and completed under the corresponding provisions of this Act.

(3) Notwithstanding anything contained in this Act, all rules, orders, notifications, Grant-in-aid Codes, appointments, schemes, bye-laws, regulations, official memoranda-circulars or any other orders made or issued before the commencement of this Act and in force on the date of such commencement providing for or relating to any of the matters for the furtherance of which this Act is enacted shall continue to be in force and effective as if they are made under the corresponding provisions of this Act unless and until superseded by anything done or any action taken under this Act.

60. If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the *Tamil Nadu Government Gazette*, make such provisions not inconsistent with the purposes of this Act, as appears to them to be necessary or expedient for the purpose of removing the difficulty:

Power to remove difficulties.

Provided that no order shall be made after the expiry of a period of two years from the date of commencement of this Act.

STATEMENT OF OBJECTS AND REASONS

The Tamil Nadu Recognised Private Schools (Regulation) Act, 1973 (Tamil Nadu Act 29 of 1974) was enacted by the Government to govern and regulate the recognized Private Schools functioning in the State of Tamil Nadu. It was announced on the floor of the Legislative Assembly on 18.4.2012 to constitute an Expert Committee to suggest a new Comprehensive Act to govern all the private schools, in the light of the Tamil Nadu Uniform system of School Education Act, 2010, and the Right of Children to Free and Compulsory Education Act, 2009.

2. Accordingly, an Expert Committee was constituted to suggest a new Comprehensive Act. The Committee taking into account all the Acts, Rules, Codes, Government Orders and Guidelines in force, has submitted the draft Act Legislation for consideration of the Government.

3. Based on the draft legislation submitted by the Committee, the Government have decided to enact a comprehensive legislation. The Bill lays emphasis on safety and security of children in private schools. It also proposes to ensure quality education in private schools by ensuring basic minimum standards and norms in private schools and to regulate the admissions, collection of fee and conduct of examinations in private schools. It would also prevent commercialization of education in future and would lay foundation for a strong value system for building a vibrant society. It specifically prohibits the admission of a child in any school which has not been granted with certificate of recognition. It makes a mandatory provision prohibiting the educational agency to run the school consequent on withdrawal of recognition. To protect the interest, of students, the Bill empowers the Government to impose severe penalty, if any pupil is prevented from appearing for the board examination on account of poor academic performance or for any other unhealthy reason. The Bill also seeks to make Special provisions for the minority private schools including exemption from the provisions of the Act and Rules, which may impinge upon the minority character of such minority schools,

4. The Bill seeks to achieve the above objects.

K.A. SENGOTTAIYAN,
Minister for School Education.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clauses 1(4), 2, 3, 5, 6, 7, 8, 13, 14, 16, 19, 20, 22, 23, 24, 27, 29, 32, 34, 35, 36, 41, 43, 44, 47, 48, 49, 56, 57, 58 and 60 of the Bill authorize the Government to issue Notifications or orders or to make rules, as the case may be, for the purposes specified therein.

The Powers delegated are normal and not of an exceptional Character.

K.A. SENGOTTAIYAN,
Minister for School Education.

K. SRINIVASAN,
Secretary.

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 5th July, 2018 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 34 of 2018

A Bill to regulate the establishment of Private Law Colleges in the State of Tamil Nadu.

WHEREAS, in consonance with the spirit of Article 41 of the Constitution of India, the Government have taken a policy decision to establish adequate number of Government law colleges in the State in a phased manner, to impart legal education at affordable cost;

AND WHEREAS, the past experience revealed that private persons are not able to provide legal education at affordable cost to the economically and socially weaker sections and also not able to continue to run the law colleges;

AND WHEREAS, the Tamil Nadu Establishment of Private Law Colleges (Prohibition) Act, 2014 (Tamil Nadu Act 13 of 2014) was enacted to prohibit private persons from establishing any law college or institution providing any course of study or training in law for admission to the examination for law degrees, diplomas or other academic distinctions of the University;

AND WHEREAS, the Madras High Court, has ruled that there cannot be a total prohibition to start law colleges by private persons;

AND WHEREAS, the Bar Council of India has passed a resolution requesting all the State Governments to restrict the number of granting No Objection Certificates to start law colleges for three years;

NOW, THEREFORE, the Government have decided to regulate the establishment of private law colleges in Tamil Nadu by laying down certain norms for grant of permission to start law colleges by private persons;

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-ninth Year of the Republic of India as follows:-

Short title and commencement.	<p>1. (1) This Act may be called the Tamil Nadu Establishment of Private Law Colleges (Regulation) Act, 2018.</p> <p>(2) It shall come into force on such date as the State Government may, by notification, appoint.</p>	
Definitions.	<p>2. In this Act, unless the context otherwise requires,-</p> <p>(a) "competent authority" means the Director of Legal Studies;</p> <p>(b) "Government" means the State Government;</p> <p>(c) "Law College" means any college or institution providing any course of study or training in law for admission to the examination for law degrees, diplomas or other academic distinctions of the University;</p> <p>(d) "prescribed" means prescribed by rules made under this Act;</p> <p>(e) "private person" means,-</p> <p style="margin-left: 40px;">(i) a company, whether incorporated or not;</p> <p style="margin-left: 40px;">(ii) a registered society;</p> <p style="margin-left: 40px;">(iii) a registered trust;</p> <p>(f) "University" means the Tamil Nadu Dr.Ambedkar Law University established under section 3 of the Tamil Nadu Dr.Ambedkar Law University Act, 1996.</p>	Tamil Nadu Act 43 of 1997.
Establishment of Law College.	<p>3. No private person shall, on or after the date of commencement of this Act, establish a law college without the permission of the Government and except in accordance with the terms and conditions specified in such permission.</p>	
Application for permission.	<p>4. (1) Every private person who proposes to establish a law college shall make an application to the competent authority.</p> <p>(2) Before making an application under sub-section (1), the private person shall create an Endowment for rupees thirty lakh for establishment of a law college. The amount shall be invested in a Nationalised Bank or Government of India or Government of Tamil Nadu Undertaking.</p> <p>(3) The private person shall produce either a Bank Guarantee for a period of five years to the tune of rupees twenty lakh or a solvency certificate for the said amount obtained from the competent revenue authority.</p> <p>(4) Every such application shall, -</p> <p style="margin-left: 40px;">(a) be in the prescribed Form;</p> <p style="margin-left: 40px;">(b) be accompanied with a challan for having remitted a fee of rupees twenty five thousand (non-refundable) into the Government Treasury;</p> <p style="margin-left: 40px;">(c) contain the following particulars, namely:-</p> <p style="margin-left: 80px;">(i) the name of the law college;</p> <p style="margin-left: 80px;">(ii) the degrees and the courses for which the law college prepares, teaches or guides its students to grant or confer such degree;</p> <p style="margin-left: 80px;">(iii) the amenities available or proposed to be made available to students;</p> <p style="margin-left: 80px;">(iv) the library, moot court and other facilities for instructions;</p>	

(v) the number of students to be admitted to each course of study;

(vi) the situation and the description of the buildings in which the law college is proposed to be established;

(d) contain such other particulars as may be prescribed.

5. (1) On receipt of an application under sub-section (1) of Section 4, the competent authority shall verify the particulars and after making such enquiry as it deems necessary, forward the application to the Government along with his recommendations for grant of permission. The Government may grant or refuse to grant the permission for establishment of a law college taking into consideration the particulars contained in the application and also the rules, guidelines, instructions issued by the University Grants Commission, the Bar Council of India and the Tamil Nadu Dr.Ambedkar Law University: Grant of Permission.

Provided that the permission shall not be refused under this section unless the applicant has been given an opportunity of making his representations.

(2) No person shall be granted permission under sub-section (1) to establish a law college in Districts where a law college has already been established by the Government.

(3) On receipt of the permission granted under sub-section (1), for establishment of a law college, the private person shall apply to the University and other appropriate authorities for permission or affiliation, as the case may be, as required under the relevant laws.

(4) Notwithstanding anything contained in any other law for the time being in force, or in any judgment, decree or order of any court, every private person who has applied for No Objection Certificate from the Government or for affiliation from the University and whose application is pending with the Government or the University, as the case may be, on the date of commencement of this Act, shall apply for permission under the provisions of this Act.

6. The provisions of this Act shall be in addition to, and not in derogation of the provisions of any other law for the time being in force. Application of other laws not barred.

7. (1) The Government may, by notification, make rules to carry out all or any of the purposes of this Act. Power to make rules.

(2) All rules made under this Act shall be published in the *Tamil Nadu Government Gazette*, and unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

(3) Every rule made under this Act shall, as soon as possible after it is made, be placed on the table of the Legislative Assembly, and if, before the expiry of the session in which it is so placed or the next session, the Legislative Assembly makes any modification in any such rule or the Legislative Assembly decides that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

STATEMENT OF OBJECTS AND REASONS

The Tamil Nadu Establishment of Private Law Colleges (Prohibition) Act, 2014 (Tamil Nadu Act 13 of 2014) was enacted so as to prohibit private persons from establishing any Law College or institution providing any course of study or training in law for admission to the examination for law degrees, diplomas or other academic distinctions of the University.

2. In view of the orders of the High Court, Madras in W.P.No.29536/2014 dated 26.10.2016 that there cannot be a total prohibition to start Law Colleges by private persons, the Government have decided to regulate the establishment of Private Law Colleges in the State, instead of totally prohibiting establishment of Private Law Colleges. Accordingly, the Government have decided to bring out a new legislation to regulate the establishment of Private Law Colleges in the State.

3. This Bill seeks to give effect to the above decision.

C.Ve. SHANMUGAM,
Minister for Law, Courts and Prisons.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clauses 1(2), 4(4)(a), 4(4)(d), and 7(1) of the Bill authorize the Government to issue notifications or to make rules, as the case may be, for the purposes specified therein.

2. The powers delegated are normal and not of an exceptional character.

C.Ve. SHANMUGAM,
Minister for Law, Courts and Prisons.

K. SRINIVASAN,
Secretary.

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 5th July, 2018 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 35 of 2018

A Bill to establish and incorporate in the State of Tamil Nadu a University of unitary nature in private sector by SSN Trust to promote, conceptualise and bring about a paradigm shift through development of outstanding leadership, research, knowledge and ideas for education and allied development sectors.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Shiv Nadar University Act, 2018.

Short title and commencement.

(2) It shall come into force at once.

2. In this Act, unless the context otherwise requires,—

Definitions.

(a) “Academic Council” means the Academic Council of the University constituted under section 22;

(b) “Chancellor”, “Vice-Chancellor” and “Pro-Vice-Chancellor” means, respectively, the Chancellor, the Vice-Chancellor and the Pro-Vice-Chancellor of the University;

(c) “Deans and Directors” means the Head of Department or an Institution, a Centre or a School, or the person appointed for the purpose to act as such in his absence;

(d) “Department” means a Department of Studies of the University and includes a Centre of Studies and Research;

(e) “Employee” means any person appointed by the University, and includes a teacher or any other member of the staff of the University;

(f) “Executive Council” means the Executive Council of the University constituted under section 21;

(g) “Faculty” means a Faculty of the University;

(h) “Governing Council” means the Governing Council constituted under section 20;

(i) “Government” means the State Government;

(j) “hostel” means a unit of residence for students of the University maintained or recognized by the University;

(k) “Institution” means a college or an institution established or maintained by or associated or constituent to the University in accordance with this Act and the Statutes;

(l) "Management Committee" means the committee constituted by the Trust for the purposes of this Act;

(m) "prescribed" means prescribed by Statutes and Ordinances;

(n) "Records and Publication" means the Records and Publication of the University;

(o) "Registrar" , "Controller of Examinations", "Finance Officer" means, respectively, the Registrar, the Controller of Examinations, the Finance Officer of the University;

(p) "Statutes" and "Ordinances" means respectively, the Statutes and the Ordinances of the University;

(q) "Student" means a student enrolled in the register of the University;

(r) "teachers of the University" means persons appointed by the University to give instruction on its behalf;

(s) "Trust" means the SSN Trust registered under the Indian Trusts Act, 1882;

Central Act 2
of 1882.

(t) "University" means the Shiv Nadar University established under section 3.

Establishment
of the Uni-
versity.

3. (1) There shall be established a University by the Trust by the name Shiv Nadar University, with its principal seat at Kalavakkam.

(2) The University shall be a body corporate, shall have perpetual succession and a common seal and shall sue and be sued by the said name.

(3) The University shall be of the unitary type.

(4) The University may establish constituent colleges, regional centres, additional campuses and study centres at such places in the State as it deems fit subject to the norms of University Grants Commission and other national accreditation bodies.

Conditions for
the estab-
lishment of
the Univer-
sity.

4. For the purposes of establishing the University under this Act, the Trust shall fulfill the following conditions, namely:—

(a) possess contiguous land of not less than one hundred acres earmarked for the University;

(b) construct on the land referred to in clause (a), buildings and establish infrastructure and install necessary equipments in offices and laboratories as per the standards laid down by the University Grants Commission and other statutory authorities;

(c) appoint teachers for the purposes of teaching as per the standards laid down by the University Grants Commission;

(d) such other conditions as may be required by the Government to be fulfilled before the establishment of the University.

Commence-
ment of the
University.

5. (1) The University shall commence to exercise its function on such date as the Government may, by notification, specify in this behalf.

(2) The Government shall issue a notification under sub-section (1) only after receipt of an affidavit along with documents from the Trust to the effect that all conditions referred to in section 4 have been fulfilled and after the Government is satisfied in this behalf.

6. The University shall be a self-financing University and shall neither make a demand nor shall be entitled to any maintenance, grant-in-aid or any other financial assistance from the Government:

Grants and
Financial
Assistance.

Provided that this shall not prohibit the University from applying for research projects or any other academic projects which may or may not entail financial grant or financial support from any other source.

7. The objects of the University shall be to disseminate and advance knowledge and skill by providing instructional, research and extension of facilities in such branches of learning as it may deem fit and the University shall endeavour to provide to students and teachers the necessary atmosphere and facilities for the promotion of—

Objects of the
University.

(a) innovations in education leading to restructuring of courses, new methods of teaching, training and learning including on-line learning, blended learning, continuing education and such other modes and integrated and wholesome development of personality;

(b) studies in various disciplines;

(c) inter-disciplinary studies;

(d) national integration, secularism, social equity and engineering of international understanding and ethics.

The University shall have the following powers, namely:—

Powers of the
University.

(a) to provide for instructions in such branches of learning as the University may, from time to time, determine and to make provisions for research and for the advancement and dissemination and application of knowledge and skills;

(b) to impart and promote the study of arts and science, engineering and technology, Management, Law, medical and allied sciences and any other professional courses through in campus, off-campus, and satellite centres or by distant educational programmes;

(c) to honour educational stalwarts and persons of academic eminence with the decoration of professor Emeritus;

(d) to grant, subject to such conditions as the University may determine, diplomas or certificates to, and confer degrees or other academic distinctions on the basis of examinations, evaluation or any other method of testing on persons, and to withdraw any such diplomas, certificates, degrees or other academic distinctions for good and sufficient cause;

(e) to confer honorary degrees or other distinctions in the manner prescribed;

(f) to provide education and training including correspondence and such other courses, to such persons who are not members of the University, as it may determine;

(g) to institute Directorships, Professorships, Associate Professorships, Readerships, Assistant Professorships, Lecturerships and other teaching or academic posts required by the University and to make appointments for the same;

(h) to create administrative, ministerial and other posts and to make appointments thereto;

(i) to appoint or engage persons of eminence working in any other University or Organisation permanently or for a specified period;

(j) to co-operate, collaborate or associate with any other University or Authority or Institution in India and abroad in such manner and for such purpose as the University may determine;

(k) to establish and maintain schools, centres, specialised laboratories or other units for research and instructions as are in the opinion of the University, necessary for the furtherance of its objects;

(l) to institute and award fellowships, scholarships, studentships, medals and prizes;

(m) to establish and maintain and supervise residences, hostels within the University and promote the health and general welfare activities for students and staff;

(n) to make provisions for research and consultancy, and for that purpose to enter into such arrangements with other institutions or bodies as the University may deem necessary;

(o) to declare a centre, an institution, a department, or school, as the case may be, in accordance with the Statutes;

(p) to determine standards for admission into the University, which may include examination, evaluation or any other method of testing;

(q) to prescribe, demand and receive payment of fees and other charges;

(r) to make such arrangements in respect of the residence, discipline and teaching of women and other disadvantaged students as the University may deem fit;

(s) to regulate and enforce discipline amongst the employees and students of the University and take such disciplinary measures in this regard as may deem necessary by the University;

(t) to make arrangements for promoting the health and general welfare of the employees of the University;

(u) to receive donations and to acquire, hold, manage and dispose through sale or lease or rent of any property, movable or immovable for the welfare of the University;

(v) to borrow, by way of hypothecation or mortgage against the property of the University with the approval of the Trust;

(w) to appoint either on contract or otherwise, visiting professors, emeritus professors, consultants, fellows, scholars, artists, course writers and such other persons who may contribute to the advancement of the objects of the University;

(x) to organise and to undertake extra-mural studies and extension service;

(y) to do all such other acts and things as may be necessary, incidental or conducive to the attainment of all or any of the objects of the University.

Admission and Standards.

9. (1) The University shall, subject to the provisions of this Act and the relevant Statutes and Regulations of the University Grants Commission and other statutory authorities, as the case may be, be open to all persons.

(2) Nothing contained in sub-section (1) shall require the University,—

(a) to admit to any course of study any person who does not possess the prescribed academic qualification or standard;

(b) to retain on the rolls of the University any student whose academic record is below the minimum standard required for the award of a degree or other academic distinction; or

(c) to admit any person or retain any student whose conduct is prejudicial to the interest of the University or the rights and privileges of other students and teachers.

(3) Subject to the provisions of sub-sections (1) and (2) and the standard admission process of the University as may be prescribed, the University shall reserve thirty-five percentage of seats in each course of study for Resident students of Tamil Nadu.

(4) Admission of students to thirty-five percentage of seats reserved for resident students of Tamil Nadu under sub-section (3) shall be made following the reservation as per law in force.

Explanation.— For the purpose of this section “Resident student of Tamil Nadu” means,—

(i) a student who or either of whose parents has resided in the State of Tamil Nadu for a period of not less than five years preceding the qualifying examination; or

(ii) a student who has studied in any one of the educational institutions in the State of Tamil Nadu for a period of not less than five years leading to the qualifying examination.

10. The following shall be the officers of the University, namely :—

Officers of the
University.

- (a) the Chancellor;
- (b) the Vice-Chancellor;
- (c) the Pro-Vice-Chancellor;
- (d) the Registrar;
- (e) the Deans and Directors;
- (f) the Finance Officer;
- (g) the Controller of Examinations; and

(h) such other persons as may be declared by the Statutes to be officers of the University.

11. (1) The Chancellor shall be appointed by the management committee of the Trust for a period of three years, as may be prescribed.

The
Chancellor.

(2) The Chancellor shall, by virtue of his office, be the Head of the University and shall constitute an interim Executive Council. The interim Executive Council so constituted shall cease to exist on the constitution of the Executive Council under section 21.

(3) The Chancellor may in writing under his hand addressed to the Management Committee of the Trust, resign his office.

12. (1) The Vice-Chancellor shall be appointed by the Chancellor in such manner as may be prescribed, for a period of three years.

Vice-
Chancellor.

(2) The Vice-Chancellor shall exercise such powers and perform such other functions as may be prescribed.

- Pro-Vice-Chancellor. **13.** (1) The Pro-Vice-Chancellor shall be appointed by the Executive Council in such manner as may be prescribed.
- (2) The Pro-Vice-Chancellor shall exercise such powers and perform such other functions as may be prescribed.
- Registrar. **14.** (1) The Registrar shall be a whole-time salaried officer of the University. The terms of appointment and conditions of services shall be such as may be prescribed.
- (2) The holder of the post of Registrar shall possess the qualifications prescribed by the University Grants Commission.
- (3) The Registrar shall have the power to enter into agreements, sign documents and authenticate records on behalf of the University and shall exercise such other powers and perform such other functions as may be prescribed.
- (4) The Registrar shall be the *ex-officio* Secretary of the Executive Council and the Academic Council.
- Deans and Directors. **15.** Every Dean and every Director shall be appointed in such manner and shall exercise such powers and perform such duties as may be prescribed.
- Finance Officer. **16.** (1) The Finance Officer shall be appointed in such manner and shall exercise such powers and perform such functions as may be prescribed.
- (2) The Finance Officer shall be the *ex-officio* Secretary of the Finance Committee.
- Controller of Examinations. **17.** (1) The Controller of Examinations shall be a whole-time officer of the University appointed for such period and on such terms and conditions as may be prescribed.
- (2) The Controller of Examinations shall exercise such powers and perform such duties as may be prescribed.
- Other Officers. **18.** The manner of appointment and powers and duties of the other officers of the University shall be such as may be prescribed.
- Authorities of the University. **19.** The following shall be the authorities of the University,—
- (a) the Governing Council;
 - (b) the Executive Council;
 - (c) the Academic Council;
 - (d) the Finance Committee;
 - (e) the Planning Board;
 - (f) such other authorities as may be declared by the Statutes to be authorities of the University.
- The Governing Council. **20.** (1) The constitution of the Governing Council and the term of office of its members shall be as may be prescribed.
- (2) Subject to the provisions of this Act, the Governing Council shall have the following powers and functions, namely:—
- (a) to review from time to time, the broad policies and programmes of the University and suggest measures for the working, improvement and development of the University;

(b) to consider and pass resolutions on the Annual Report and Annual Accounts of the University and Audit Report of such accounts;

(c) to advise the Chancellor in respect of any matter which may be referred to it for advice; and

(d) to perform such other functions as may be prescribed.

21. (1) The Executive Council shall be the chief executive body of the University. The Executive Council.

(2) The Executive Council shall consist of not more than ten members of whom two members shall be, --

(a) The Secretary to Government in-charge of Higher Education Department, *ex-officio*;

(b) The Director of Collegiate Education, *ex-officio*.

(3) The powers and functions of the Executive Council, shall be such as may be prescribed.

22. (1) The Academic Council shall be the principal academic body of the University and shall subject to the provisions of the Statutes, the Ordinances and the applicable regulations, co-ordinate and exercise general supervision over the academic policies of the University. The Academic Council.

(2) The constitution of the Academic Council, the term of office of its members and its powers and functions shall be such as may be prescribed.

23. (1) The Finance Committee shall be the principal financial body of the University to take care of the financial matters. The Finance Committee.

(2) The constitution of the Finance Committee, the term of office of its members and its powers and functions shall be such as may be prescribed.

24. (1) The Planning Board shall be the principal planning body of the University. The Planning Board shall ensure that the infrastructure and academic support system meets the norms of the applicable statutory authorities. The Planning Board.

(2) The constitution of the Planning Board, the term of office of its members and its powers and functions shall be such as may be prescribed.

25. The constitution, powers and functions of the Boards of Faculties, the Admission Committee, the Examination Committee and of such other authorities of the University which may be declared by the Statutes to be authorities of the University shall be such as may be prescribed. Board of Faculties, Admission Committee, Examination Committee and other Authorities of the University.

26. (1) The Executive Council shall make the Statutes for carrying out the purposes of this Act, subject to the approval of the Management Committee. Power to make Statutes.

(2) Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely:—

(a) the constitution, powers and functions of the authorities of the University, as may be constituted from time to time;

(b) the appointment and continuance in office of the members of the said authorities, filling up of vacancies of members and all other matters relating to those authorities for which it may be necessary to provide;

(c) the appointment, powers and duties of the officers of the University and their emoluments;

(d) the appointment of teachers of the University and other academic and administrative staff and their emoluments;

(e) the appointment of teachers and other academic and administrative staff working in the University or Institution for specific period for undertaking a joint project;

(f) the conditions of service of employees including provisions for retirement benefits, insurance and provident fund, the manner of termination of service and disciplinary actions;

(g) the principles governing seniority of service of employees;

(h) the procedure for settlement of disputes between employees or students and the University;

(i) the procedure for appeal to the Executive Council by any employee or students against the action of any officer or other authority of the University;

(j) the conferment of honorary degrees;

(k) the withdrawal of degree, diploma, certificate and other academic distinction;

(l) the institution of fellowships, scholarships, studentships, medals and prizes;

(m) the maintenance of discipline among the students;

(n) the establishment and abolition of Department, Centres and other institutions;

(o) the delegation of powers vested in the authorities or officers of the University; and

(p) all other matters, which may by this Act are to be or may be prescribed.

(3) The Executive Council shall not make, amend or repeal any Statute affecting the powers or constitution of any authority of the University until such authority has been given an opportunity of expressing an opinion in writing on the proposed changes, and any opinion so expressed shall be considered by the Executive Council.

Statutes, how made.

27. (1) The Executive Council may, from time to time, make statutes and amend or repeal the statutes in the manner hereinafter provided in this section.

(2) A statute or an amendment to, or repeal of, a statute passed by the Executive Council shall be submitted to the Management Committee who may assent thereto or withhold its assent. A statute or an amendment to, or repeal of, a statute passed by the Executive Council shall have no validity until it has been assented to by the Management Committee.

Power to make Ordinances.

28. Subject to the provisions of this Act and the Statutes, the Ordinances shall be made by the Executive Council, subject to the approval of the Management Committee, which may provide for all or any of the following matters, namely:—

- (a) the admission of students to the University and their enrolment as such;
- (b) the courses of study to be laid down for all degrees, diplomas and certificates of the University;
- (c) the medium of instruction and examination;
- (d) the award of degree, diploma, certificate and other academic distinctions, the qualification for the same and the matters to be taken relating to the granting and obtaining of the same;
- (e) the fees to be charged for courses of study in the University and for admission to the examinations, degrees, diplomas and certificates of the University;
- (f) the conditions for the award of fellowships, scholarships, studentships, medals and prizes;
- (g) the conduct of examinations, including the term of office and manner of appointment and the duties of examining bodies, examiners and moderators;
- (h) the conditions of residence of the students of the University;
- (i) the special arrangements, if any, which may be made for the residence, discipline and teaching of women students and prescribing of special courses of studies for them within the University;
- (j) the appointment and emoluments of employees other than those for whom provision has been made in the Statutes;
- (k) the establishment of Centre of Studies, Boards of Studies, Interdisciplinary Studies, Special Centres, Specialised Laboratories and other Committee;
- (l) the manner of co-operation and collaboration with other Universities and authorities including learned bodies or association;
- (m) the creation, composition and functions of any other body which is considered necessary for improving the academic mileage of the University;
- (n) the remuneration to be paid to the examiners, moderators, invigilators and tabulators;
- (o) such other terms and conditions of service of teachers and other academic staff as are not prescribed by the Statutes.

29. (1) In making Ordinances, the Executive Council shall consult the Management Committee. Ordinances,
how made.

(2) All Ordinances made by the Executive Council shall have effect from such date as it may direct.

30. (1) The annual report of the University shall be prepared under the direction of the Executive Council and shall be submitted to the Governing Council on or after such date as may be prescribed and the Governing Council shall consider the report in its annual meeting. Annual
Report.

(2) The Governing Council shall submit the annual report to the Chancellor along with its comments, if any.

31. (1) The annual accounts and balance sheet of the University shall be prepared under the directions of the Executive Council and shall, once at least every year and at intervals of not more than fifteen months, be audited by an experienced and qualified firm of Chartered Accountant of repute. Annual
Accounts.

(2) A copy of the annual accounts, together with the audit report thereon, shall be submitted to the Governing Council and the Chancellor along with the observations of the Executive Council.

Conditions of service of employees.

32. (1) Every employee of the University shall be appointed or engaged as per the provisions of the Statutes.

(2) Any dispute arising between the University and any of the employees appointed substantively, shall be referred to the Vice-Chancellor who shall decide the dispute after affording an opportunity to the employee within three months from the date of its reference.

(3) The aggrieved employee may file an appeal against the decision of the Vice-Chancellor to the Chancellor. The decision of the Chancellor in such an appeal shall be final.

(4) Any dispute in respect of any employee engaged temporarily or on ad-hoc or part-time or casual basis shall be heard and decided finally by the Head of the Department concerned.

Admission to University Courses and Examinations.

33. (1) (a) No person shall be admitted to a course of study in the University for admission to the examinations for degrees, titles or diplomas of the University unless he,—

(i) has passed the examination prescribed therefor; and

(ii) fulfills such other academic conditions as may be prescribed.

(b) Every candidate for a University examination shall, unless exempted from the provisions of this sub-section by a special order of the Executive Council made on the recommendation of the Academic Council, be enrolled as a member of the University. Any such exemption may be made subject to such conditions as the Executive Council may think fit.

(2) No candidate shall be admitted to any University examination unless he is enrolled as a member of the University, and has satisfied the requirements as to the attendance required for the same or unless he is exempted from such requirements of enrolment or attendance or both by an order of the Executive Council passed on the recommendation of the Academic Council. Exemptions granted under this section shall be subject to such conditions as the Executive Council may think fit.

(3) Any student or candidate for an examination, whose name has been removed from the rolls of the University by the orders or recommendation of the Academic Council or Controller of Examinations, as the case may be, and who has been debarred from appearing at the examinations for more than one year, may within ten days of the date of receipt of such order, appeal to the Vice-Chancellor to nullify the decision of the aforesaid authorities.

(4) Any decision taken by the Vice-Chancellor in this regard shall be final.

Employees provident fund and pensions.

34. The University may constitute for the benefit of its employees such pension or welfare schemes or provident fund or provide such insurance schemes as it may deem fit in such manner and subject to such conditions as may be decided by the Executive Council.

- 35.** If any question arises as to whether any person has been duly nominated or appointed as or is entitled to be a member of any authority or other body of the University, the matter shall be referred to the Chancellor whose decision thereon shall be final.
- Disputes as to the constitution of Authorities and bodies.
- 36.** Where any authority of the University is given power under this Act or the Statutes to constitute Committees, such Committees shall as otherwise provided, consist of the members of the authority concerned and of such other persons as the authority in each case may think fit.
- Constitution of Committees.
- 37.** All vacancies among the members of any authority or other body of the University shall be filled as soon as may be convenient by the person or body who appointed or nominated the members whose place has become vacant for the remaining term for which he has been appointed or nominated.
- Filling up of the Vacancies.
- 38.** No act or proceeding of any authority or other body of the University shall be invalidated merely by reason of the existence of a vacancy or of any defect or irregularity in the nomination of a member of any authority or other body of the University or of any defect or irregularity in such act or proceeding not affecting the merits of the case or on the ground that the authority or other body of the University, did not meet at such intervals as required under this Act.
- Proceedings of University authorities and bodies not to be invalidated by vacancies.
- 39.** (1) The Executive Council may, remove by an order in writing made in this behalf, any person from membership of any authority of the University by a resolution passed by a majority of the total members of the Executive Council and by a majority of not less than two-thirds of the members of the Executive Council present and voting at the meeting, if such person has been convicted by the Court for an offence which in the opinion of the Executive Council involves moral turpitude.
- Removal from membership of University.
- (2) The Executive Council may also by an order in writing made in this behalf remove any person from the membership of any authority of the University if he becomes of unsound mind or has been adjudicated as an insolvent.
- (3) No action under this section shall be taken against any person unless he has been given a reasonable opportunity to show cause against the action proposed to be taken.
- (4) A copy of every order made under sub-section (1) or sub-section (2), as the case may be, shall as soon as may be after it is so made, be communicated to the person concerned in the manner prescribed.
- 40.** A copy of any receipt, application, notice, proceeding, resolution of any authority or Committee of the University or other documents in possession of the University, if certified by the Registrar, shall be received as prima facie evidence of such receipt, applications, notice, order, proceeding or resolution, documents or the existence of entry in the register and shall be admitted as evidence of the matters and transaction therein where the original would, if produced have been admissible in evidence.
- Mode of proof of University records.
- 41.** (1) The Trust shall establish a permanent endowment fund of at least rupees fifty crores.
- Permanent Endowment Fund.
- (2) The University shall have the power to invest the permanent endowment fund in such manner as may be prescribed.

(3) The University may transfer any amount from the general fund or the development fund to the permanent endowment fund.

(4) Any amount exceeding the minimum amount specified in sub-section (1) may be withdrawn from the permanent endowment fund by the University for the purposes of development of the University.

General Fund.

42. (1) The University shall establish a general fund to which the following amount shall be credited, namely:—

- (a) all fees which may be charged by the University;
- (b) all sums received from any other source;
- (c) all contributions made by the Trust; and
- (d) all contributions made in this behalf by any other person or body which are not prohibited by any law for the time being in force.

(2) The moneys credited to the general fund shall be applied to meet all the recurring expenditures of the University.

Development Fund.

43. (1) The University shall also establish a development fund to which the following moneys shall be credited, namely:—

- (a) development fees, which may be charged from students;
- (b) all sums received from other sources for the purpose of the development of the University;
- (c) all contributions made by the Trust;
- (d) all contributions made in this behalf by any other person or body which are not prohibited by any law for the time being in force; and
- (e) all incomes received from the permanent endowment fund.

(2) The moneys credited to the development fund from time to time shall be utilised for the development of the University.

Maintenance of Fund.

44. The funds established under sections 41, 42 and 43 shall subject to general supervision and control of the Governing Council, be regulated and maintained in such manner as may be prescribed.

Power of Government to call for information and records.

45. (1) It shall be the duty of the University or any authority or officer of the University to furnish such information or records relating to the administration or finance and other affairs of the University as the Government may call for.

(2) The Government, if it is of the view that there is a violation of the Act or the Statutes or Ordinances made thereunder, may issue such directions to the University under section 49 as it may deem necessary.

Dissolution of University.

46. (1) If the University proposes its dissolution for any reason, it shall give at least six months written notice to the Government.

(2) On receipt of notice referred to in sub-section (1), the Government shall make such arrangement for administration of the University from the date of dissolution of the University and until the last batch of students in regular courses of studies of the University complete their courses or studies in such manner as may be prescribed.

47. (1) The expenditure for administration of the University during the process of its dissolution under section 46 shall be met out from the permanent endowment fund, the general fund and the development fund.

Expenditure of the University during dissolution.

(2) If the funds referred to in sub-section (1) are not sufficient to meet the expenditure of the University, such expenditure may be met by disposing of the properties or assets of the University by the Government.

48. (1) Where the Government receives a complaint with material and substantial allegation that the University is not functioning in accordance with the provisions of this Act, it shall require the University to show cause within such time, which shall not be less than two months referring a copy of the complaint as to why the University should not be derecognised.

De-recognition of the University by the Government.

(2) If, upon receipt of the reply of the University to the notice given under sub-section (1), the Government is satisfied that a prima facie case of mismanagement or violation of the provisions of this Act in the functioning of the University is made out, it shall order such enquiry as it deems necessary.

(3) For the purposes of an inquiry under sub-section (2), the Government shall by notification, appoint an officer or authority as the enquiring authority to enquire into the allegations of violation of the provisions of this Act.

(4) Every inquiring authority appointed under sub-section (3) shall while performing its functions under this Act have all the powers of Civil Court under the Code of Civil Procedure, 1908 trying a suit and in particular in respect of the following matters, namely:—

(a) summoning and enforcing the attendance of any witness and examining him on oath;

(b) requiring the discovery and production of any document;

(c) requisitioning any public record or copy thereof from any office;

(d) receiving evidence on affidavits;

(e) any other matter which may be prescribed.

(5) If, upon receipt of the inquiry report, the Government is satisfied that the University has violated any provisions of this Act, it shall direct the University to make necessary improvement and suggest for proper implementation of the provisions of this Act.

(6) If it is observed that the University is violating the Act continuously for three times, the Government may, by notification, derecognise the University with prior approval of the University Grants Commission and other statutory authorities.

(7) During the process of derecognition under sub-section (6), the Government may utilise the permanent endowment fund, the general fund or the development fund for the purpose of the management of the affairs of the University. If the funds of the University are not sufficient to meet the requisite expenditure of the University, the Government may dispose of the assets or the properties of the University to meet the said expenses.

49. The Government may issue such directions, from time to time, to the University on policy matters not inconsistent with the provisions of this Act as it may deem necessary. Such directions shall be complied with by the University.

Power of the Government to issue directions on policy matters.

Status of
Assets,
Liabilities on
Dissolution
or
de-
recognition.

50. All assets and properties including permanent endowment fund, general fund, development fund or any other fund and also the liabilities of the University shall belong to the Trust in case of dissolution or derecognition of the University.

Power to
remove
difficulties.

51. (1) If any difficulty arises as to the constitution or reconstitution of any authority of the University or in giving effect to the provisions of this Act, the Government may, by notification, make such provision, not inconsistent with the provisions of this Act, as may appear to them to be necessary or expedient for removing the difficulty:

Provided that no such notification shall be issued after the expiry of two years from the date of commencement of this Act.

(2) Every notification issued under sub-section (1) or under any other provisions of this Act shall, as soon as possible after it is issued, be placed on the table of the Legislative Assembly, and if, before the expiry of the session in which it is so placed or the next session, the Assembly makes any modification in any such notification or the Assembly decides that the notification should not be issued, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification.

STATEMENT OF OBJECTS AND REASONS

During the Global Investors Meet, 2015 held on 9th & 10th September 2015 at Chennai, Electronics Corporation of Tamil Nadu Limited on behalf of the Government of Tamil Nadu executed a Memorandum of Understanding with M/s. HCL Corporation Private Limited, New Delhi for the establishment of a Private University in the State of Tamil Nadu. Accordingly, SSN Trust has submitted a proposal for establishment of a Private University in the name of Shiv Nadar University. As per the University Grants Commission Regulations 2003, each Private University shall be established by a separate State Act. Therefore, to give effect to the above Memorandum of Understanding, the Government have decided to establish a new Private University in the name of Shiv Nadar University by undertaking Legislation.

2. The Bill seeks to give effect to the above decision.

K.P. ANBALAGAN
Minister for Higher Education

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clauses 5, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, 28, 30, 33, 39, 41, 44, 46, 48, 49 and 51 of the Bill authorize the Government, authorities of the University to prescribe manner and method of giving effect to certain provisions of the proposed Act, when enacted and brought into operation, by issuing suitable notifications, statutes or ordinances, as the case may be.

2. The powers delegated are normal and not of an exceptional character.

K.P. ANBALAGAN,
Minister for Higher Education.

K. SRINIVASAN,
Secretary.

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 5th July, 2018 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 36 of 2018

A Bill to establish and incorporate in the State of Tamil Nadu a University of unitary nature in private sector by Sai Education, Medical, Research and Charitable Trust to promote, conceptualise and bring about a paradigm shift through development of outstanding leadership, research, knowledge and ideas for education and allied development sectors.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Sai University Act, 2018.

Short title and commencement.

(2) It shall come into force at once.

2. In this Act, unless the context otherwise requires :—

Definitions.

(a) “Academic Council” means the Academic Council of the University constituted under section 22;

(b) “Chancellor”, “Vice-Chancellor” and “Pro-Vice-Chancellor” means, respectively, the Chancellor, the Vice-Chancellor and the Pro-Vice-Chancellor of the University;

(c) “Deans and Directors” means the Head of Department or an Institution, a Centre or a School, or the person appointed for the purpose to act as such in his absence;

(d) “Department” means a Department of Studies of the University and includes a Centre of Studies and Research;

(e) “Employee” means any person appointed by the University, and includes a teacher or any other member of the staff of the University;

(f) "Executive Council" means the Executive Council of the University constituted under section 21;

(g) "Faculty" means a Faculty of the University;

(h) "Governing Council" means the Governing Council constituted under section 20;

(i) "Government" means the State Government;

(j) "hostel" means a unit of residence for students of the University maintained or recognized by the University;

(k) "Institution" means a college or an institution established or maintained by or associated or constituent to the University in accordance with this Act and the Statutes;

(l) "Management Committee" means the committee constituted by the Trust for the purposes of this Act;

(m) "prescribed" means prescribed by Statutes and Ordinances;

(n) "Records and Publication" means the Records and Publication of the University;

(o) "Registrar" , "Controller of Examinations", "Finance Officer" means, respectively, the Registrar, the Controller of Examinations, the Finance Officer of the University;

(p) "Statutes" and "Ordinances" means respectively, the Statutes and the Ordinances of the University;

(q) "Student" means a student enrolled in the register of the University;

(r) "teachers of the University" means persons appointed by the University to give instruction on its behalf;

(s) "Trust" means the Sai Education, Medical, Research and Charitable Trust registered under the Indian Trusts Act, 1882;

Central Act 2 of
1882.

(t) "University" means the Sai University established under section 3.

Establishment of
the University.

3. (1) There shall be established a University by the Trust by the name Sai University.

(2) The University shall be a body corporate, shall have perpetual succession and a common seal and shall sue and be sued by the said name.

(3) The University shall be of the unitary type.

(4) The University may establish constituent colleges, regional centres, additional campuses and study centres at such places in the State as it deems fit subject to the norms of University Grants Commission and other national accreditation bodies.

Conditions for the
establishment
of the
University.

4. For the purposes of establishing the University under this Act, the Trust shall fulfill the following conditions, namely:—

(a) possess contiguous land of not less than one hundred acres earmarked for the University;

(b) construct on the land referred to in clause (a), buildings and establish infrastructure and install necessary equipments in offices and laboratories as per the standards laid down by the University Grants Commission and other statutory authorities;

(c) appoint teachers for the purposes of teaching as per the standards laid down by the University Grants Commission;

(d) such other conditions as may be required by the Government to be fulfilled before the establishment of the University.

5. (1) The University shall commence to exercise its function on such date as the Government may, by notification, specify in this behalf.

Commencement
of the
University.

(2) The Government shall issue a notification under sub-section (1) only after receipt of an affidavit along with documents from the Trust to the effect that all conditions referred to in section 4 have been fulfilled and after the Government is satisfied in this behalf.

6. The University shall be a self-financing University and shall neither make a demand nor shall be entitled to any maintenance, grant-in-aid or any other financial assistance from the Government:

Grants and
Financial
Assistance.

Provided that this shall not prohibit the University from applying for research projects or any other academic projects which may or may not entail financial grant or financial support from any other source.

7. The objects of the University shall be to disseminate and advance education, knowledge and skill by providing instructional, research and extension of facilities in such branches of learning as it may deem fit and the University shall endeavour to provide to students and teachers the necessary atmosphere and facilities for the promotion of :—

Objects of the
University.

(a) innovations in education leading to restructuring of courses, new methods of teaching, training and learning including on-line learning, blended learning, continuing education and such other modes and integrated and wholesome development of personality;

(b) studies in various disciplines;

(c) inter-disciplinary studies;

(d) national integration, secularism, social equity and engineering of international understanding and ethics.

8. The University shall have the following powers, namely:—

Powers of the
University.

(a) to provide for instructions in such branches of learning as the University may, from time to time, determine and to make provisions for research and for the advancement and dissemination and application of knowledge and skills;

(b) to impart and promote the study of arts and science, engineering and technology, Management, Law, medical and allied sciences and any other professional courses through in-campus, off-campus, and satellite centres or by distant educational programmes;

(c) to honour educational stalwarts and persons of academic eminence with the decoration of professor Emeritus;

(d) to grant, subject to such conditions as the University may determine, diplomas or certificates to, and confer degrees or other academic distinctions on the basis of examinations, evaluation or any other method of testing on persons, and to withdraw any such diplomas, certificates, degrees or other academic distinctions for good and sufficient cause;

- (e) to confer honorary degrees or other distinctions in the manner prescribed;
- (f) to provide education and training including correspondence and such other courses, to such persons who are not members of the University, as it may determine;
- (g) to institute Directorships, Professorships, Associate Professorships, Readerships, Assistant Professorships, Lecturerships and other teaching or academic posts required by the University and to make appointments for the same;
- (h) to create administrative, ministerial and other posts and to make appointments thereto;
- (i) to appoint or engage persons of eminence working in any other University or Organisation permanently or for a specified period;
- (j) to co-operate, collaborate or associate with any other University or Authority or Institution in India and abroad in such manner and for such purpose as the University may determine;
- (k) to establish and maintain schools, centres, specialised laboratories or other units for research and instructions as are in the opinion of the University, necessary for the furtherance of its objects;
- (l) to institute and award fellowships, scholarships, studentships, medals and prizes;
- (m) to establish and maintain and supervise residences, hostels within the University and promote the health and general welfare activities for students and staff;
- (n) to make provisions for research and consultancy, and for that purpose to enter into such arrangements with other institutions or bodies as the University may deem necessary;
- (o) to declare a centre, an institution, a department, or school, as the case may be, in accordance with the Statutes;
- (p) to determine standards for admission into the University, which may include examination, evaluation or any other method of testing;
- (q) to prescribe, demand and receive payment of fees and other charges;
- (r) to make such arrangements in respect of the residence, discipline and teaching of women and other disadvantaged students as the University may deem fit;
- (s) to regulate and enforce discipline amongst the employees and students of the University and take such disciplinary measures in this regard as may deem necessary by the University;
- (t) to make arrangements for promoting the health and general welfare of the employees of the University;
- (u) to receive donations and to acquire, hold, manage and dispose through sale or lease or rent of any property, movable or immovable for the welfare of the University;
- (v) to borrow without security or by way of hypothecation or mortgage against the property of the University with the approval of the Trust;
- (w) to appoint either on contract or otherwise, visiting professors, emeritus professors, consultants, fellows, scholars, artists, course writers and such other persons who may contribute to the advancement of the objects of the University;
- (x) to organise and to undertake extra-mural studies and extension service;
- (y) to do all such other acts and things as may be necessary, incidental or conducive to the attainment of all or any of the objects of the University.

9. (1) The University shall, subject to the provisions of this Act and the relevant Statutes and Regulations of the University Grants Commission and other statutory authorities, as the case may be, be open to all persons. Admission and Standards.

(2) Nothing contained in sub-section (1) shall require the University:—

(a) to admit to any course of study any person who does not possess the prescribed academic qualification or standard;

(b) to retain on the rolls of the University any student whose academic record is below the minimum standard required for the award of a degree or other academic distinction;

(c) to admit any person or retain any student whose conduct is prejudicial to the interest of the University or the rights and privileges of other students and teachers; or

(d) to retain on rolls of the University any student who fails to remit necessary fees as prescribed for the course.

(3) Subject to the provisions of sub-sections (1) and (2) and the standard admission process of the University as may be prescribed, the University shall reserve thirty-five percentage of seats in each course of study for Resident students of Tamil Nadu.

(4) Admission of students to thirty-five percentage of seats reserved for resident students of Tamil Nadu under sub-section (3) shall be made following the reservation as per law in force.

Explanation :— For the purpose of this section “Resident student of Tamil Nadu” means :—

(i) a student who or either of whose parents has resided in the State of Tamil Nadu for a period of not less than five years preceding the qualifying examination; or

(ii) a student who has studied in any one of the educational institutions in the State of Tamil Nadu for a period of not less than five years leading to the qualifying examination.

10. The following shall be the officers of the University, namely :—

(a) the Chancellor;

(b) the Vice-Chancellor;

(c) the Pro-Vice-Chancellor;

(d) the Registrar;

(e) the Deans and Directors;

(f) the Finance Officer;

Officers of the University.

(g) the Controller of Examinations; and

(h) such other persons as may be declared by the Statutes to be officers of the University.

The Chancellor. **11.** (1) The Chancellor shall be appointed by the management committee of the Trust for a period of three years, as may be prescribed.

(2) The Chancellor shall, by virtue of his office, be the Head of the University and shall constitute an interim Executive Council. The interim Executive Council so constituted shall cease to exist on the constitution of the Executive Council under section 21.

(3) The Chancellor may in writing under his hand addressed to the Management Committee of the Trust, resign his office.

Vice-Chancellor. **12.** (1) The Vice-Chancellor shall be appointed by the Chancellor in such manner as may be prescribed, for a period of three years.

(2) The Vice-Chancellor shall exercise such powers and perform such other functions as may be prescribed.

Pro-Vice-Chancellor. **13.** (1) The Pro-Vice-Chancellor shall be appointed by the Executive Council in such manner as may be prescribed.

(2) The Pro-Vice-Chancellor shall exercise such powers and perform such other functions as may be prescribed.

Registrar. **14.** (1) The Registrar shall be a whole-time salaried officer of the University. The terms of appointment and conditions of services shall be such as may be prescribed.

(2) The holder of the post of Registrar shall possess the qualifications prescribed by the University Grants Commission.

(3) The Registrar shall have the power to enter into agreements, sign documents and authenticate records on behalf of the University and shall exercise such other powers and perform such other functions as may be prescribed.

(4) The Registrar shall be the ex-officio Secretary of the Executive Council and the Academic Council.

Deans and Directors. **15.** Every Dean and every Director shall be appointed in such manner and shall exercise such powers and perform such duties as may be prescribed.

Finance Officer. **16.** (1) The Finance Officer shall be appointed in such manner and shall exercise such powers and perform such functions as may be prescribed.

(2) The Finance Officer shall be the ex-officio Secretary of the Finance Committee.

Controller of Examinations. **17.** (1) The Controller of Examinations shall be a whole-time officer of the University appointed for such period and on such terms and conditions as may be prescribed.

(2) The Controller of Examinations shall exercise such powers and perform such duties as may be prescribed.

Other Officers. **18.** The manner of appointment and powers and duties of the other officers of the University shall be such as may be prescribed.

Authorities of the University. **19.** The following shall be the authorities of the University :—

(a) the Governing Council;

(b) the Executive Council;

(c) the Academic Council;

- (d) the Finance Committee;
- (e) the Planning Board;
- (f) such other authorities as may be declared by the Statutes to be authorities of the University.
- 20.** (1) The constitution of the Governing Council and the term of office of its members shall be as may be prescribed. The Governing Council.
- (2) Subject to the provisions of this Act, the Governing Council shall have the following powers and functions, namely:—
- (a) to review from time to time, the broad policies and programmes of the University and suggest measures for the working, improvement and development of the University;
- (b) to consider and pass resolutions on the Annual Report and Annual Accounts of the University and Audit Report of such accounts;
- (c) to advise the Chancellor in respect of any matter which may be referred to it for advice; and
- (d) to perform such other functions as may be prescribed.
- 21.** (1) The Executive Council shall be the chief executive body of the University. The Executive Council.
- (2) The Executive Council shall consist of not more than twelve members of whom two members shall be : --
- (a) The Secretary to Government in-charge of Higher Education Department, ex-officio;
- (b) The Director of Collegiate Education, ex-officio;
- and the remaining members may be appointed in such manner as may be prescribed.
- (3) The powers and functions of the Executive Council, shall be such as may be prescribed.
- 22.** (1) The Academic Council shall be the principal academic body of the University and shall subject to the provisions of the Statutes, the Ordinances and the applicable regulations, co-ordinate and exercise general supervision over the academic policies of the University. The Academic Council.
- (2) The constitution of the Academic Council, the term of office of its members and its powers and functions shall be such as may be prescribed.
- 23.** (1) The Finance Committee shall be the principal financial body of the University to take care of the financial matters. The Finance Committee.
- (2) The constitution of the Finance Committee, the term of office of its members and its powers and functions shall be such as may be prescribed.
- 24.** (1) The Planning Board shall be the principal planning body of the University. The Planning Board shall ensure that the infrastructure and academic support system meets the norms of the applicable statutory authorities. The Planning Board.

(2) The constitution of the Planning Board, the term of office of its members and its powers and functions shall be such as may be prescribed.

Board of
Faculties,
Admission
Committee,
Examination
Committee
and other
Authorities of
the University.

25. The constitution, powers and functions of the Boards of Faculties, the Admission Committee, the Examination Committee and of such other authorities of the University which may be declared by the Statutes to be authorities of the University shall be such as may be prescribed.

Power to make
Statutes.

26. (1) The Executive Council shall make the Statutes for carrying out the purposes of this Act, subject to the approval of the Management Committee.

(2) Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely:—

(a) the constitution, powers and functions of the authorities of the University, as may be constituted from time to time;

(b) the appointment and continuance in office of the members of the said authorities, filling up of vacancies of members and all other matters relating to those authorities for which it may be necessary to provide;

(c) the appointment, powers and duties of the officers of the University and their emoluments;

(d) the appointment of teachers of the University and other academic and administrative staff and their emoluments;

(e) the appointment of teachers and other academic and administrative staff working in the University or Institution for specific period for undertaking a joint project;

(f) the conditions of service of employees including provisions for retirement benefits, insurance and provident fund, the manner of termination of service and disciplinary actions;

(g) the principles governing seniority of service of employees;

(h) the procedure for settlement of disputes between employees or students and the University;

(i) the procedure for appeal to the Executive Council by any employee or students against the action of any officer or other authority of the University;

(j) the conferment of honorary degrees;

(k) the withdrawal of degree, diploma, certificate and other academic distinction;

(l) the institution of fellowships, scholarships, studentships, medals and prizes;

(m) the maintenance of discipline among the students;

(n) the establishment and abolition of Department, Centres and other institutions;

(o) the delegation of powers vested in the authorities or officers of the University; and

(p) all other matters, which may by this Act are to be or may be prescribed.

(3) The Executive Council shall not make, amend or repeal any Statute affecting the powers or constitution of any authority of the University until such authority has been given an opportunity of expressing an opinion in writing on the proposed changes, and any opinion so expressed shall be considered by the Executive Council.

27. (1) The Executive Council may, from time to time, make statutes and amend or repeal the statutes in the manner hereinafter provided in this section.

Statutes, how made.

(2) A statute or an amendment to, or repeal of, a statute passed by the Executive Council shall be submitted to the Management Committee who may assent thereto or withhold its assent. A statute or an amendment to, or repeal of, a statute passed by the Executive Council shall have no validity until it has been assented to by the Management Committee.

28. Subject to the provisions of this Act and the Statutes, the Ordinances shall be made by the Executive Council, subject to the approval of the Management Committee, which may provide for all or any of the following matters, namely:—

Power to make Ordinances.

- (a) the admission of students to the University and their enrolment as such;
- (b) the courses of study to be laid down for all degrees, diplomas and certificates of the University;
- (c) the medium of instruction and examination;
- (d) the award of degree, diploma, certificate and other academic distinctions, the qualification for the same and the matters to be taken relating to the granting and obtaining of the same;
- (e) the fees to be charged for courses of study in the University and for admission to the examinations, degrees, diplomas and certificates of the University;
- (f) the conditions for the award of fellowships, scholarships, studentships, medals and prizes;
- (g) the conduct of examinations, including the term of office and manner of appointment and the duties of examining bodies, examiners and moderators;
- (h) the conditions of residence of the students of the University;
- (i) the special arrangements, if any, which may be made for the residence, discipline and teaching of women students and prescribing of special courses of studies for them within the University;
- (j) the appointment and emoluments of employees other than those for whom provision has been made in the Statutes;
- (k) the establishment of Centre of Studies, Boards of Studies, Interdisciplinary Studies, Special Centres, Specialised Laboratories and other Committee;
- (l) the manner of co-operation and collaboration with other Universities and authorities including learned bodies or association;

(m) the creation, composition and functions of any other body which is considered necessary for improving the academic mileage of the University;

(n) the remuneration to be paid to the examiners, moderators, invigilators and tabulators;

(o) such other terms and conditions of service of teachers and other academic staff as are not prescribed by the Statutes.

Ordinances, how made.

29. (1) In making Ordinances, the Executive Council shall consult the Management Committee.

(2) All Ordinances made by the Executive Council shall have effect from such date as it may direct.

Annual Report.

30. (1) The annual report of the University shall be prepared under the direction of the Executive Council and shall be submitted to the Governing Council on or after such date as may be prescribed and the Governing Council shall consider the report in its annual meeting.

(2) The Governing Council shall submit the annual report to the Chancellor along with its comments, if any.

Annual Accounts.

31. (1) The annual accounts and balance sheet of the University shall be prepared under the directions of the Executive Council and shall, once at least every year and at intervals of not more than fifteen months, be audited by an experienced and qualified firm of Chartered Accountant eligible for conducting audit as per the provision of the Chartered Accountant Act, 1949.

(2) A copy of the annual accounts, together with the audit report thereon, shall be submitted to the Governing Council and the Chancellor along with the observations of the Executive Council for their approval.

Conditions of service of employees.

32. (1) Every employee of the University shall be appointed or engaged as per the provisions of the Statutes.

(2) Any dispute arising between the University and any of the employees appointed substantively, shall be referred to the Vice-Chancellor who shall decide the dispute after affording an opportunity to the employee within three months from the date of its reference.

(3) The aggrieved employee may file an appeal against the decision of the Vice-Chancellor to the Chancellor. The decision of the Chancellor in such an appeal shall be final.

(4) Any dispute in respect of any employee engaged temporarily or on ad-hoc or part-time or casual basis shall be heard and decided finally by the Head of the Department concerned.

Admission to University Courses and Examinations.

33. (1) (a) No person shall be admitted to a course of study in the University for admission to the examinations for degrees, titles or diplomas of the University unless he :—

(i) has passed the examination prescribed therefor; and

(ii) fulfills such other academic conditions as may be prescribed.

Central Act
XXXVIII of
1949

(b) Every candidate for a University examination shall, unless exempted from the provisions of this sub-section by a special order of the Executive Council made on the recommendation of the Academic Council, be enrolled as a member of the University. Any such exemption may be made subject to such conditions as the Executive Council may think fit.

(2) No candidate shall be admitted to any University examination unless he is enrolled as a member of the University, and has satisfied the requirements as to the attendance required for the same or unless he is exempted from such requirements of enrolment or attendance or both by an order of the Executive Council passed on the recommendation of the Academic Council. Exemptions granted under this section shall be subject to such conditions as the Executive Council may think fit.

(3) Any student or candidate for an examination, whose name has been removed from the rolls of the University by the orders or recommendation of the Academic Council or Controller of Examinations, as the case may be, and who has been debarred from appearing at the examinations for more than one year, may within ten days of the date of receipt of such order, appeal to the Vice-Chancellor to nullify the decision of the aforesaid authorities.

(4) Any decision taken by the Vice-Chancellor in this regard shall be final.

34. The University may constitute for the benefit of its employees such pension or welfare schemes or provident fund or provide such insurance schemes as it may deem fit in such manner and subject to such conditions as may be decided by the Executive Council.

Employees
provident fund
and pensions.

35. If any question arises as to whether any person has been duly nominated or appointed as or is entitled to be a member of any authority or other body of the University, the matter shall be referred to the Chancellor whose decision thereon shall be final.

Disputes as to
the constitution
of Authorities
and bodies.

36. Where any authority of the University is given power under this Act or the Statutes to constitute Committees, such Committees shall as otherwise provided, consist of the members of the authority concerned and of such other persons as the authority in each case may think fit.

Constitution of
Committees.

37. All vacancies among the members of any authority or other body of the University shall be filled as soon as may be convenient by the person or body who appointed or nominated the members whose place has become vacant for the remaining term for which he has been appointed or nominated.

Filling up of the
Vacancies.

38. No act or proceeding of any authority or other body of the University shall be invalidated merely by reason of the existence of a vacancy or of any defect or irregularity in the nomination of a member of any authority or other body of the University or of any defect or irregularity in such act or proceeding not affecting the merits of the case or on the ground that the authority or other body of the University, did not meet at such intervals as required under this Act.

Proceedings
of University
authorities and
bodies not to
be invalidated
by vacancies.

39. (1) The Executive Council may, remove by an order in writing made in this behalf, any person from membership of any authority of the University by a resolution passed by a majority of the total members of the Executive Council and by a majority of not less than two-thirds of the members of the Executive Council present and voting at the meeting, if such person has been convicted by the Court for an offence which in the opinion of the Executive Council involves moral turpitude.

Removal from
membership of
University.

(2) The Executive Council may also by an order in writing made in this behalf remove any person from the membership of any authority of the University if he becomes of unsound mind or has been adjudicated as an insolvent.

(3) No action under this section shall be taken against any person unless he has been given a reasonable opportunity to show cause against the action proposed to be taken.

(4) A copy of every order made under sub-section (1) or sub-section (2), as the case may be, shall as soon as may be after it is so made, be communicated to the person concerned in the manner prescribed.

Mode of proof
of University
records.

40. A copy of any receipt, application, notice, proceeding, resolution of any authority or Committee of the University or other documents in possession of the University, if certified by the Registrar, shall be received as prima facie evidence of such receipt, applications, notice, order, proceeding or resolution, documents or the existence of entry in the register and shall be admitted as evidence of the matters and transaction therein where the original would, if produced have been admissible in evidence.

Permanent
Endowment
Fund.

41. (1) The Trust shall establish a permanent endowment fund of at least rupees fifty crores.

(2) The University shall have the power to invest the permanent endowment fund in such manner as may be prescribed.

(3) The University may transfer any amount from the general fund or the development fund to the permanent endowment fund.

(4) Any amount exceeding the minimum amount specified in sub-section (1) may be withdrawn from the permanent endowment fund by the University for the purposes of development of the University.

General Fund.

42. (1) The University shall establish a general fund to which the following amount shall be credited, namely:—

(a) all fees which may be charged by the University;

(b) all sums received from any other source;

(c) all contributions made by the Trust; and

(d) all contributions made in this behalf by any other person or body which are not prohibited by any law for the time being in force.

(2) The moneys credited to the general fund shall be applied to meet all the recurring expenditures of the University.

Development
Fund.

43. (1) The University shall also establish a development fund to which the following moneys shall be credited, namely:—

(a) development fees, which may be charged from students;

(b) all sums received from other sources for the purpose of the development of the University;

(c) all contributions made by the Trust;

(d) all contributions made in this behalf by any other person or body which are not prohibited by any law for the time being in force; and

(e) all incomes received from the permanent endowment fund.

(2) The moneys credited to the development fund from time to time shall be utilised for the development of the University.

Maintenance of
Fund.

44. The funds established under sections 41, 42 and 43 shall subject to general supervision and control of the Governing Council, be regulated and maintained in such manner as may be prescribed.

- 45.** (1) It shall be the duty of the University or any authority or officer of the University to furnish such information or records relating to the administration or finance and other affairs of the University as the Government may call for.
- (2) The Government, if it is of the view that there is a violation of the Act or the Statutes or Ordinances made thereunder, may issue such directions to the University under section 49 as it may deem necessary.
- 46.** (1) If the University proposes its dissolution for any reason, it shall give at least six months written notice to the Government.
- (2) On receipt of notice referred to in sub-section (1), the Government shall make such arrangement for administration of the University from the date of dissolution of the University and until the last batch of students in regular courses of studies of the University complete their courses or studies in such manner as may be prescribed.
- 47.** (1) The expenditure for administration of the University during the process of its dissolution under section 46 shall be met out from the permanent endowment fund, the general fund and the development fund.
- (2) If the funds referred to in sub-section (1) are not sufficient to meet the expenditure of the University, such expenditure may be met by disposing of the properties or assets of the University by the Government.
- 48.** (1) Where the Government receives a complaint with material and substantial allegation that the University is not functioning in accordance with the provisions of this Act, it shall require the University to show cause within such time, which shall not be less than two months referring a copy of the complaint as to why the University should not be derecognised.
- (2) If, upon receipt of the reply of the University to the notice given under sub-section (1), the Government is satisfied that a prima facie case of mismanagement or violation of the provisions of this Act in the functioning of the University is made out, it shall order such enquiry as it deems necessary.
- (3) For the purposes of an inquiry under sub-section (2), the Government shall by notification, appoint an officer or authority as the enquiring authority to enquire into the allegations of violation of the provisions of this Act.
- (4) Every inquiring authority appointed under sub-section (3) shall while performing its functions under this Act have all the powers of Civil Court under the Code of Civil Procedure, 1908 trying a suit and in particular in respect of the following matters, namely:—
- (a) summoning and enforcing the attendance of any witness and examining him on oath;
 - (b) requiring the discovery and production of any document;
 - (c) requisitioning any public record or copy thereof from any office;
 - (d) receiving evidence on affidavits;
 - (e) any other matter which may be prescribed.
- (5) If, upon receipt of the inquiry report, the Government is satisfied that the University has violated any provisions of this Act, it shall direct the University to make necessary improvement and suggest for proper implementation of the provisions of this Act.
- 6) If it is observed that the University is violating the Act continuously for three times, the Government may, by notification, derecognise the University with prior approval of the University Grants Commission and other statutory authorities.

(7) During the process of derecognition under sub-section (6), the Government may utilise the permanent endowment fund, the general fund or the development fund for the purpose of the management of the affairs of the University. If the funds of the University are not sufficient to meet the requisite expenditure of the University, the Government may dispose of the assets or the properties of the University to meet the said expenses.

Power of the Government to issue directions on policy matters.

49. The Government may issue such directions, from time to time, to the University on policy matters not inconsistent with the provisions of this Act as it may deem necessary. Such directions shall be complied with by the University.

Status of Assets, Liabilities on Dissolution or derecognition.

50. All assets and properties including permanent endowment fund, general fund, development fund or any other fund and also the liabilities of the University shall belong to the Trust in case of dissolution or derecognition of the University.

Power to remove difficulties.

51. (1) If any difficulty arises as to the constitution or reconstitution of any authority of the University or in giving effect to the provisions of this Act, the Government may, by notification, make such provision, not inconsistent with the provisions of this Act, as may appear to them to be necessary or expedient for removing the difficulty:

Provided that no such notification shall be issued after the expiry of two years from the date of commencement of this Act.

(2) Every notification issued under sub-section (1) or under any other provisions of this Act shall, as soon as possible after it is issued, be placed on the table of the Legislative Assembly, and if, before the expiry of the session in which it is so placed or the next session, the Assembly makes any modification in any such notification or the Assembly decides that the notification should not be issued, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification.

STATEMENT OF OBJECTS AND REASONS

The Founder and Managing Trustee of Sai Education, Medical, Research and Charitable Trust has submitted a proposal for establishment of a private University in the name of Sai University in the State of Tamil Nadu to provide Higher Education. As per the University Grants Commission Regulations 2003, each private University shall be established by a separate State Act. Therefore, the Government have decided to establish a new private University in the name of Sai University by undertaking Legislation.

2. The Bill seeks to give effect to the above decision.

K.P. ANBALAGAN,
Minister for Higher Education.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clauses 5, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, 28, 30, 33, 39, 41, 44, 46, 48, 49 and 51 of the Bill authorize the Government, authorities of the University to prescribe manner and method of giving effect to certain provisions of the proposed Act, when enacted and brought into operation, by issuing suitable notifications, statutes or ordinances, as the case may be.

2. The powers delegated are normal and not of an exceptional character.

K.P. ANBALAGAN,
Minister for Higher Education.

K. SRINIVASAN,
Secretary.

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 5th July, 2018 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 37 of 2018

A Bill to regulate the price of sugarcane purchased by the sugar factories from the farmers in the State of Tamil Nadu.

WHEREAS it is expedient to regulate the price of sugarcane purchased by sugar factories from the farmers in the State of Tamil Nadu, to offer better realization of price for the sugarcane sold by the farmers to the factory of the reserved area and to provide for matters connected therewith or incidental thereto.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Sugarcane (Regulation of Purchase Price) Act, 2018. Short title and commencement.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

2. (1) In this Act, unless the context otherwise requires,— Definitions.

(a) “audit committee” means the committee appointed by the Board under section 13;

(b) “bagasse” means the final fibrous residue from a milling train or from the dewatering mills of diffusion plant;

(c) "Board" means the Sugarcane Control Board constituted under section 3;

(d) "Commissioner" means the Commissioner of Sugar and Cane Commissioner or any officer designated in this capacity by the Government;

(e) "factory" means any premises including the precincts thereof in any part of which sugar is manufactured by vacuum pan process and at its own option, ethanol either directly from sugarcane juice or from molasses, including B-Heavy molasses, or both, as the case may be, is manufactured;

(f) "Fair and Remunerative Price" means the minimum price fixed for sugarcane by Central Government under clause 3 of the Sugarcane (Control) Order, 1966 for the sugarcane year;

(g) "Financial Year" means the year commencing on the first day of April and ending with the thirty first day of March in the succeeding year;

(h) "free will area" means area not covered under the reserved area;

(i) "Government" means the State Government;

(j) "molasses" means mother liquid left over after recovery of sugar in the final stage of manufacturing by the vacuum pan process;

(k) "occupier of factory" means the person, who has control over all the affairs of a sugar factory and where the said affairs are entrusted to a director, partner or administrator, such director, partner or administrator, as the case may be;

(l) "person" includes individual, a co-operative society, Hindu Undivided Family, a company or firm or an association or a body of individuals, whether incorporated or not;

(m) "prescribed" means prescribed by rules;

(n) "reserved area" means, any area where sugarcane is grown and reserved for a factory under sub-clause (1) (a) of clause 6 of the Sugarcane (Control) Order, 1966;

(o) "revenue sharing based sugarcane price" means the price of sugarcane arrived at for each factory separately in accordance with section 9 of this Act and this price when realised shall be equal to or over and above the Fair and Remunerative Price for the respective season;

(p) "State" means the State of Tamil Nadu;

(q) "sugarcane" means sugarcane intended for use in a factory;

Tamil Nadu Act
30 of 1983.

(r) "sugarcane grower" means a person who cultivates sugarcane intended for sale to a factory whether by himself or by his servants or by hired labour or by members of his family or his tenants, and includes a Co-operative Society registered under the Tamil Nadu Co-operative Societies Act, 1983;

(2) Words and expressions used but not defined in this Act shall have meanings assigned to them in the Sugarcane (Control) Order, 1966.

3. (1) The Government shall, by notification, constitute a Board to be called as the Sugarcane Control Board to exercise such powers and to perform such functions assigned to it under this Act.

Constitution of
Sugarcane
Control
Board.

(2) The Board shall have perpetual succession and have a common seal and shall, by the said name, sue and be sued.

(3) The Board shall consist of the following members, namely:—

- (a) Chief Secretary to Government, who shall be the Chairperson, ex-officio;
- (b) Secretary to Government, Finance department, ex-officio;
- (c) Secretary to Government, Industries department, ex-officio;
- (d) Agricultural Production Commissioner and Secretary to Government, Agriculture Department, ex-officio;
- (e) Director of Agriculture, ex-officio;
- (f) Director, Sugarcane Breeding Institute, Coimbatore, ex-officio;
- (g) Chief Accounts Officer, Tamil Nadu Sugar Corporation, ex-officio;
- (h) three representatives of the factories in the State to be nominated by the Government, out of which,—
 - (i) one member shall be from Tamil Nadu Co-operative Sugar Federation; and
 - (ii) two members from private sugar factories in the State;
- (i) four representatives of sugarcane growers cultivating sugarcane regularly in the State and supplying sugarcane to the factories, to be nominated by the Government, out of which,—
 - (i) two members shall be sugarcane growers supplying sugarcane to co-operative or public sector sugar factories; and
 - (ii) two members shall be growers supplying sugarcane to private sugar factories in the State;
- (j) Commissioner, Member Secretary, ex-officio;

(4) The headquarters of the Board shall be at Chennai.

Terms and conditions of appointment of nominated members of the Board.

4. (1) A nominated member shall hold office for a period of two years from the date of his nomination and he is eligible for re-nomination:

Provided that a nominated member shall not be re-nominated to the Board, without completion of a cooling off period of two years between the two terms.

(2) A nominated member may, by writing under his hand addressed to the Government, resign his office, but he shall continue to hold office until his resignation is accepted by the Government.

(3) When the office of a nominated member becomes vacant by resignation, death, removal, disqualification or otherwise, the Government shall nominate within three months a new member to fill such vacancy.

(4) The Government may remove a nominated member from his office, if he incurs any one of the disqualifications specified below, namely:—

(a) becomes an un-discharged insolvent; or

(b) is convicted and sentenced to imprisonment for an offence which, in the opinion of the Government, involves moral turpitude; or

(c) becomes of unsound mind and stands so declared by a competent court.

(5) The nominated members shall be eligible to draw such rate of sitting fee and travelling allowance, as may be prescribed.

Meetings of the Board.

5. (1) The Board shall meet, as often as may be necessary, at such time and place and observe such rules of procedure as may be prescribed:

Provided that the Board shall meet at least twice in a year.

(2) The Chairperson shall preside over the meeting of the Board.

(3) In the absence of the Chairperson by reason of leave or illness or for any other reasons, the Chairperson may authorise any of the other members of the Board to function as Chairperson and he shall preside over the meeting.

(4) No act or proceeding of the Board shall be invalid by reason only of the existence of any vacancy in, or any defect in the constitution of, the Board.

(5) Notice of the meetings of the Board, the place, quorum and procedures regarding transactions of the business of the Board shall be such as may be prescribed.

Functions of the Board.

6. The Board shall discharge the following functions, namely:—

(a) decide the revenue sharing based sugarcane price payable to the sugarcane growers, by the concerned sugar factories;

(b) offer advice on any matter referred by the Government, especially in respect of the regulation of the purchase of sugarcane;

(c) bring to the notice of the Commissioner, cases of breach of any of the provisions of the Act and the rules made thereunder, and to make suggestions for the prevention of the same;

(d) inquire into any matter in discharge of its functions including matters relating to revenue and expenditure, books of accounts of the factory, etc.;

(e) consider the report of the audit committee on the revenue realisation for determination of revenue sharing based sugarcane price; and confer on it any powers as it deems fit;

(f) nominate any officer or committee to look into specific issues pertaining to the implementation of the provisions of the Act; and

(g) perform such other functions as may be prescribed.

Central Act V of
1908.

7. (1) The Board shall, for the purpose of any inquiry, have all the powers of a civil court while trying a civil suit under the Code of Civil Procedure, 1908 and, in particular, in respect of the following matters, namely:—

Powers of the
Board.

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavits;

(d) requisitioning any public record, or copy thereof from any court or office or factory;

(e) issuing summons for the examination of witnesses and documents;

(f) to enquire into a complaint regarding fixation of revenue sharing based sugarcane price;

(g) any other matter as may be prescribed.

(2) Where the Board finds after enquiry that the allegation contained in any complaint is without any substance, it may, by an order, direct the complainant to pay to the opposite party an amount specified in the order by way of cost.

(3) Where the allegation contained in any complaint is about the loss to the sugarcane grower, the Board may, during enquiry, collect evidence, determine the loss and direct in its order, the amount to be realised from the person responsible.

(4) If the amount payable under sub-section (2) or sub-section (3) is not paid within the period specified in the order, the same shall be recovered as if it were an arrear of land revenue under the Tamil Nadu Revenue Recovery Act, 1864.

Tamil Nadu Act II
of 1864.

Powers of the Government to declare revenue sharing based sugarcane price.

8. On receipt of the recommendations of the Board, the Government may, by notification, declare the revenue sharing sugarcane price payable to the sugarcane growers by the concerned sugar factories.

Calculation of revenue sharing based sugarcane price and payment.

9. (1) The revenue sharing based sugarcane price shall be the higher value among the following, namely:—

(i) the sugarcane price arrived at as a sum equal to seventy per cent of the ex-factory basic value of sugar and the primary by-products such as bagasse, molasses and press mud; or

(ii) the sugarcane price arrived at as a sum equal to seventy five per cent of the ex-factory basic value of sugar alone.

(2) Upon declaration of the revenue sharing based sugarcane price by the Government, the cane grower is eligible to receive the difference between the revenue sharing based sugarcane price and the Fair and Remunerative Price as additional price in addition to the full Fair and Remunerative Price for the cane purchased from the cane grower in the reserved area of the factory for the financial year under consideration.

Power to declare any variety of sugarcane to be unsuitable for use in factories.

10. The Government may, on the recommendation of the Board, declare any variety of sugarcane as an unsuitable variety, and no factory shall grow or purchase such sugarcane variety as so declared.

Prohibition of distribution of certain varieties of seeds.

11. The occupier of a factory or any other person acting on his behalf, shall not distribute to any sugarcane grower in any area or shall not plant sugarcane seed of any variety in his own factory area if the same has been declared by the Government as unsuitable under section 10.

Purchase of sugarcane in reserved area.

12. (1) A sugarcane grower shall sell sugarcane only to the factory to which the area has been reserved. The sugarcane grower in a free will area is at liberty to choose the factory of his choice, but if he has entered into an agreement with a factory, the sugarcane shall be sold to that factory only.

(2) The factory shall enter into an agreement with the sugarcane grower in such form, by such date on such terms and conditions as specified in clause 6 of the Sugarcane (Control) Order, 1966 for the purpose of purchasing the sugarcane offered in accordance with sub-clause (1) of clause 6 of the said Order.

(3) No person other than the factory aforementioned shall purchase or enter into an agreement to purchase sugarcane grown by the sugarcane grower except in accordance with the agreement made under sub-section (1).

13. (1) For ascertaining revenue realisation in a sugar factory and to advise the Board on the determination of revenue sharing based sugarcane price, there shall be an audit committee appointed by the Board consisting of,—

Audit committee for the calculation of revenue realisation.

- | | | |
|--|---|-----------|
| (a) Commissioner | — | Chairman; |
| (b) Managing Director, Tamil Nadu Co-operative Sugar Federation | — | Convenor; |
| (c) Director, Co-operative Audit | — | Member; |
| (d) Chief Accounts Officer, Tamil Nadu Sugar Corporation | — | Member; |
| (e) Chief Sugar Chemist, Tamil Nadu Sugar Corporation | — | Member; |
| (f) An Independent Auditor (to be nominated by the Chairperson of the Board) | — | Member; |

The Board or the Chairman of the audit committee with the permission of the Board may appoint technical experts to the audit committee as and when required.

(2) The audit committee shall, after publication of annual report of each factory after closure of the financial year, have the power to inspect any sugar factory so as to ascertain the realisation of revenue in each sugar factory.

(3) The audit committee after inspection of the sugar factory shall submit a report to the Board.

14. The Board, while deciding revenue sharing based sugarcane price, shall take into consideration the following factors, namely:—

Factors to be taken into consideration by the Board for deciding revenue sharing based sugarcane price.

(a) The recorded weight of the sugarcane delivered by the sugarcane growers, actual revenue realized from production of sugar and by-products namely bagasse, molasses, press-mud; and accounting sugarcane juice or B-Heavy Molasses directly utilised for production of ethanol in terms of sugar.

Explanation.— For the purpose of this section, revenue realised from sugarcane crushed during the financial year shall include actual production of sugar and by-products, namely, bagasse, molasses, press-mud, and sugarcane juice or B-Heavy molasses directly utilised for production of any other produce, if any, which are suitably valued considering the sales, opening and the closing stock though they may not have been sold. The revenue realised through sale of white sugar or refined sugar and molasses produced from raw sugar purchased from outside sources and also from the white sugar or refined sugar and molasses produced from the raw sugar accounted for revenue sharing based sugarcane price calculated during the previous financial year shall not be included for calculation of the revenue sharing based cane price for the financial year under consideration.

(b) The report of the audit committee shall be taken into consideration for the determination of revenue sharing based sugarcane price.

Payment to
sugarcane
growers.

15. (1) As soon as the sugarcane is supplied to the occupier of factory, he shall be liable to pay the Fair and Remunerative Price fixed under the Sugarcane (Control) Order, 1966 within fourteen days from the date of receipt of sugarcane.

(2) The payment shall be made on the basis of the recorded weight of the sugarcane at the factory. The price of the sugarcane to be payable shall be calculated to the nearest rupee.

(3) An occupier of factory shall be liable to make all payments due for the sugarcane purchased by him and if he fails to make payments, he shall be responsible for making such payment with interest as per clause 3 of the Sugarcane (Control) Order, 1966 from the date when such payment falls due.

(4) (a) The cost of transportation of sugarcane from the field to factory shall be paid by the occupier of factory over and above the Fair and Remunerative Price;

(b) The payment of cost of transportation by the occupier of factory over and above the Fair and Remunerative Price shall be reviewed after completion of every four years from the date of commencement of this Act.

(5) (a) After the payment of Fair and Remunerative Price, further price realised by revenue sharing as determined by the Board, shall be paid within fourteen days from the date of publication of yearly ex-mill revenue sharing based sugarcane prices and values. All other conditions for sugarcane purchase payment shall be as per the provisions of the Sugarcane (Control) Order, 1966.

(b) Every payment made by the occupier of factory under this Act shall be paid to sugarcane growers through bank account only and not in cash.

(c) For recovery of the dues with respect to Fair and Remunerative Price, the provisions of the Sugarcane (Control) Order, 1966 shall mutatis-mutandis be applicable for recovery of arrears of price realised by revenue sharing.

Offences and
penalties.

16. (1) Any person contravening any of the provisions of this Act shall be punishable with fine which may extend to fifty thousand rupees.

(2) Any occupier of factory who refuses to pay for any sugarcane purchased by him the price payable in accordance with this Act or makes any deduction from such price in contravention of this Act, shall be punishable with imprisonment which may extend to six months or with fine which may extend to fifty thousand rupees or with both.

Offences by
companies.

17. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1) where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be proceeded against and punished accordingly.

Explanation.— For the purposes of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

(b) “director” in relation to a firm means a partner in the firm.

18. No court shall take cognizance of any offence punishable under section 16, except upon a complaint made by an officer authorized by the Commissioner. Cognizance of offence.

19. (1) Any offence punishable under section 16 may, either before or after the institution of the prosecution, be compounded by the Commissioner or such other officer as may be authorised in this behalf by the Commissioner, on payment, for credit to the State Government, of such sum as the Commissioner or such other officer may specify: Compounding of offences.

Provided that such sum shall not, in any case, exceed the maximum amount of fine which may be imposed under this Act for the offence so compounded.

(2) Where an offence has been compounded under sub-section (1), no proceeding or further proceeding, as the case may be, shall be taken against the offender, in respect of the offence so compounded and the offender, if in custody, shall be discharged forthwith.

20. The Commissioner, the members of the audit committee and every officer appointed under this Act shall, when acting or purporting to act in pursuance of the provisions of this Act, be deemed to be public servants within the meaning of section 21 of the Indian Penal Code. Commissioner and officers to be public servants.

21. No suit, prosecution or other legal proceedings shall lie against the audit committee, Board, Government or its officer for anything which is in good faith done or intended to be done under this Act or any rule or order made thereunder. Protection of action taken in good faith.

22. (1) The Government may, in the public interest, by order, direct the Board to make an enquiry into any case specified in the order, and the Board shall report to the Government the result of the enquiry made by it within such period as may be prescribed. Power of Government to give direction.

(2) On receipt of the report from the Board, the Government shall give such direction as they deem fit and such direction shall be final and binding.

Power to make rules.

23. (1) The Government may, by notification in the Tamil Nadu Government Gazette, make rules for carrying into effect the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing provisions, such rules may provide for,—

(a) the allowances payable to the nominated members of the Board, the manner in which casual vacancies among them shall be filled and the procedure for the conduct of its business in discharging its functions under this Act;

(b) the correct weighment of sugarcane, the provision of facilities for weighment and for checking weighments and timings of weighments;

(c) the method of determining the percentage of recovery of sugar from sugarcane;

(d) the form of the records to be kept and of the returns to be made, and the information to be furnished by persons liable to pay the revenue based sugarcane price;

(e) the form in which any notice required shall be given;

(f) any other matter which is to be or may be prescribed under this Act.

(3) Except when the rules are made for the first time, all rules made under this Act shall be subject to the condition of previous publication.

(4) Every rule made or notification or order issued under this Act shall, as soon as possible, after it is made or issued, be placed on the table of the Legislative Assembly, and if, before the expiry of the session in which it is so placed or the next session, the Legislative Assembly makes any modification in any such rule or notification or order or the Legislative Assembly decides that the rule or notification or order should not be made or issued, the rule or notification or order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification or order.

Power to remove difficulties.

24. If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the Tamil Nadu Government Gazette, make such provisions, not inconsistent with the provisions of this Act as appears to them to be necessary or expedient for removing the difficulty.

Provided that no order shall be made after the expiry of a period of two years from the date of commencement of this Act.

STATEMENT OF OBJECTS AND REASONS.

During the Budget Speech for the year 2018-19, it has been announced that the State has decided to switch over to the revenue sharing price fixation model from the current season under which farmers will be assured of Fair and Remunerative Price and will also receive a share in the profits over and above the Fair and Remunerative Price and in order to facilitate this transition, the State Government will protect the interests of farmers, by assuring them of the present State Advised Price excluding transportation cost by paying the difference between present State Advised Price and the price received under new revenue sharing formula as transitional production incentive directly to the farmers. To give effect to the above decision, the Government have decided to undertake legislation accordingly.

2. The Bill seeks to give effect to the above decision.

R. DORAICKANNU,
Minister for Agriculture.

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clauses 1(2), 2 (m), 3(1), 4(5), 5(1) and (5), 6 (g), 8, 22(1), 23 and 24 of the Bill authorise the Government to make rules or to issue notifications or to pass orders, as the case may be, for the purpose specified therein.

2. The powers delegated are normal and not of an exceptional character.

R. DORAICKANNU,
Minister for Agriculture.

K. SRINIVASAN,
Secretary.

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 5th July, 2018 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 38 of 2018

***A Bill further to amend the Tamil Nadu Land Reforms
(Fixation of Ceiling on Land) Act, 1961.***

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Amendment Act, 2018. Short title and commencement.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

Tamil Nadu Act 58 of 1961. Amendment of section 3.

2. In section 3 of the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961 (hereinafter referred to as the principal Act), after clause 21, the following clause shall be inserted, namely:—

“(21-A) “investment” means the investment as defined in the Tamil Nadu Industrial Policy, from time to time;”.

3. In section 5 of the principal Act, in sub-section (1),— Amendment of section 5.

(1) in clause (a), for the expression “sub-sections (3-A), (3-B), (3-C), (4) and (5)”, the expression “clause (e), sub-sections (3-A), (3-B), (3-C), (4) and (5)” shall be substituted;

(2) after clause (d), the following clause shall be added, namely:—

“(e) the ceiling area in the case of every industrial or commercial undertaking, which invests more than twenty crores of rupees, shall be thirty standard acres:

Provided that such land shall be dry land and the industrial or commercial undertaking shall utilise the land for industrial or commercial purposes within such period as may be prescribed and shall continue to use the said land for industrial or commercial purpose.”.

STATEMENT OF OBJECTS AND REASONS.

Under the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961 (Tamil Nadu Act 58 of 1961) as amended by the Tamil Nadu Land Reforms (Reduction of Ceiling on Land) Act, 1970 (Tamil Nadu Act 17 of 1970), the ceiling area under section 5 for every person is 15 Standard Acres. 'Person' as defined under section 3(34) includes any company, family, firm, society or association of individuals, whether incorporated or not. Under section 37-A of the Act, no industrial or commercial undertaking which has been approved by the Government under clause (iv) of section 73 before the date of the publication of the Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Second Amendment Act 1972 (Tamil Nadu Act 20 of 1972) in the Tamil Nadu Government Gazette, shall be entitled to hold or acquire land in excess of the ceiling area unless such industrial or commercial undertaking has obtained the permission of the Government under that section in respect of such excess land. Further the exemption would be applicable only in respect of those lands specified in the order granting permission. Consequent to this, the ceiling of lands of an Industrial or Commercial undertaking is 15 Standard Acres and for holding lands over and above this for Industrial or Commercial purpose, the permission of Government is required under section 37-A.

2. The Water (Prevention and Control of Pollution) Act, 1974 (Central Act 6 of 1974), the Air (Prevention and Control of Pollution) Act, 1981 (Central Act 14 of 1981), the Environment Protection Act, 1986 (Central Act 29 of 1986) and related Rules seek to prevent, control and abate the pollution of air, water, soil and protect natural resources including flora and fauna. The importance of preserving ecology, environment, and dealing with issues of climate change has brought greater focus on the necessity to provide green area, appropriate waste water treatment, with maximum possible reuse and recycle by Industries. Industries have to necessarily set up such facilities and provide such area in order to be permitted to operate as per the provisions of Acts, Rules and Government guidelines thereunder. There is increased requirement of land for such provision.

3. The existing ceiling area applicable to an industry examined in this current context is found to require an increase. While there is provision under section 37-A, under which Industries can be permitted by the Government to hold lands in excess of ceiling, it would be in the interest of promoting industry in the State, if the ceiling limit is increased. This increase would also be in line with the ease of doing business, as it would obviate the necessity for such industries to obtain permission on the land owned by them. The Government also seeks to preserve the wet lands for agriculture purpose and better utilise dry lands (punjai) to provide greater returns to the people.

4. The Government have decided to increase the ceiling area for an Industrial or Commercial undertaking from 15 Standard Acres to 30 Standard Acres and the entire 30 Standard Acres shall be only of dry land (punjai). The Industrial or Commercial undertaking to be covered would be that which has an investment of not less than Rs. 20 Crores and the ceiling area must be put to industrial use. The Government have, therefore, decided to amend the said Tamil Nadu Act 58 of 1961 suitably for the purpose.

5. The Bill seeks to give effect to the above decision.

R.B. UDHAYAKUMAR,
*Minister for Revenue and
Disaster Management Department.*

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 1 (2) and clause (e) of sub-section (1) of section 5 proposed to be inserted by clause 3 of the Bill authorise the Government to issue notification or make rules, as the case may be, for the purposes specified therein.

2. The power delegated are normal and not of an exceptional character.

R.B. UDHAYAKUMAR,
*Minister for Revenue and
Disaster Management Department.*

K. SRINIVASAN,
Secretary.

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 5th July, 2018 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 39 of 2018

A Bill to provide for protection and maintenance of the public charitable trusts and endowments created and administered by the persons or organisations of Vanniyakula Kshatriya community in the State of Tamil Nadu and for matters connected therewith or incidental thereto.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-ninth Year of the Republic of India as follows:—

CHAPTER I.

PRELIMINARY.

1. (1) This Act may be called the Tamil Nadu Vanniyakula Kshatriya Public Charitable Trusts and Endowments (Protection and Maintenance) Act, 2018. Short title, extent and commencement.
 (2) It extends to the whole of the State of Tamil Nadu.
 (3) It shall come into force on such date as the Government may, by notification, appoint.
2. This Act shall apply to all public charitable trusts and endowments created and administered by the persons or organisations of Vanniyakula Kshatriya community. Application of the Act.
3. In this Act, unless the context otherwise requires,— Definitions.
 - (a) “*Administrative Officer*” means an officer appointed by the Board under sub-section (1) of section 34;
 - (b) “*beneficiary*” means a person or an institution for whose benefit a trust or endowment is created and includes charitable objects and any other objects of public utility;
 - (c) “*Board*” means the Board constituted under section 8;
 - (d) “*Chief Administrative Officer*” means the officer appointed under sub-section (1) of section 19;
 - (e) “*Chairperson*” means the Chairperson appointed under clause (a) of sub-section (1) of section 9;
 - (f) “*charitable purpose*” includes relief of the poor, education, medical relief, advancement of any other object of utility or welfare or the like purposes to the general public or a section thereof;
 - (g) “*Court*” means,—
 - (i) in relation to a property of the trust and endowment situated in the city of Chennai, the Chennai City Civil Court;
 - (ii) in relation to a property of the trust and endowment situated elsewhere, the Court of Civil Judge (Senior Division) having jurisdiction over the area in which the property of the trust and endowment is situated, or if there is no such Court, the District Court having such jurisdiction;

(iii) in relation to a property of trust and endowment situated within the ambit of two or more Courts, any Court which would have jurisdiction as aforesaid in relation to either all or any of such properties;

(h) "endowment" means all property given or endowed for the benefit of, or used as of right by, the Vanniyakula Kshatriya community or any section thereof for the support or maintenance of objects of utility to the said community or section, such as rest-houses, choultries, patasalas, schools and colleges, houses for feeding the poor and institutions for the advancement of education, medical relief and public health or other objects of a like nature; and includes the institution concerned;

(i) "Government" means the State Government;

(j) "hereditary trustee" means the trustee of a charitable trust, the succession to whose office devolves by hereditary right or is regulated by usage or is specifically provided for by the founder, so long as such scheme of succession is in force;

(k) "member" includes the member, ex-officio; Member Secretary and Chairperson of the Board;

(l) "person interested" means any person who is entitled to receive any pecuniary or other benefits from the trust or endowment and includes a person who is entitled to attend or is in the habit of attending the performance of service or charity connected with the institution or who is entitled to partake or is in the habit of partaking in the benefit of any charity or the distribution of gifts thereat;

(m) "prescribed" means prescribed by rules;

(n) "Survey Officer" means an officer appointed under sub-section (1) of section 4;

(o) "Trust" means a trust created by a person or group of organisation belonging to Vanniyakula Kshatriya to fulfill charitable purposes as envisaged by the author of the trust;

(p) "trustee or administrator" means any person appointed to manage or administer any trust or endowment;

(q) "Vanniyakula Kshatriya" means the community of Vanniyakula Kshatriya (including Vanniyar, Vanniya, Vannia Gounder, Gounder or Kandar, Padayachi, Palli and Agnikula Kshatriya), as notified by the Government under the Tamil Nadu Backward Classes, Scheduled Castes and Scheduled Tribes (Reservation of seats in Educational Institutions and of appointments or posts in the services under the State) Act, 1993.

Tamil Nadu
Act 45 of 1994.

CHAPTER II.

LISTING OF PROPERTIES OF

TRUST AND ENDOWMENT.

Preliminary survey of properties of trusts and endowments.

4. (1) The Government may, by order, appoint a Survey Officer not below the rank of Tahsildar for surveying the properties belonging to the trust and endowment existing within such area as may be specified in such order on the date of the commencement of this Act.

(2) The Survey Officer shall, after making such enquiry as may be necessary, submit his report in respect of the properties of trust and endowment to the Board containing the following particulars, namely:-

Central Act V
of 1908.

- (a) the number of trusts and endowments available in the area;
- (b) the nature and object of the formation of each trust and endowment;
- (c) the gross income from each trust and endowment;
- (d) the amount of land revenue, charges and taxes payable in respect of each trust and endowment;
- (e) the expenses incurred by each trust and endowment; and
- (f) such other particulars relating to each trust and endowment as may be prescribed.

(3) The Survey Officer shall, while making any enquiry, have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 in respect of the following matters, namely:-

- (a) summoning and examining any witness;
- (b) requiring the discovery and production of any document;
- (c) requisitioning any public record from any Court or office;
- (d) issuing commissions for the examination of any witness or accounts;
- (e) making any local inspection or local investigation;
- (f) such other matters as may be prescribed.

(4) If, during any such enquiry, any dispute arises as to whether a particular trust or endowment is a private trust or endowment or public trust or endowment and there are clear indications in the deed of trust or endowment as to its nature, the dispute shall be decided on the basis of such deed.

(5) The Government may, by order, direct the Survey Officer to make a second or subsequent survey of trust and endowment properties in any area and the provisions of sub-sections (2),(3) and (4) shall apply to such survey as they apply to a survey directed under sub-section (1):

Provided that no such second or subsequent survey shall be made until the expiry of a period of twenty years from the date on which the report in relation to the immediately previous survey was submitted under sub-section (2).

5. The Board shall examine the report submitted to it under sub-section (2) of section 4 and publish in the *Tamil Nadu Government Gazette*, a list of properties of each trust and endowment in the State.

Publication
of list of
properties
of trust and
endowment.

6. (1) If any question or dispute arises whether a particular property specified in the list of properties belongs to a trust or endowment, any person interested therein may institute a suit in a Court for the decision of the question or dispute:

Disputes
regarding
properties
belonging
to trust and
endowment.

Provided that no such suit shall be entertained by the Court after the expiry of one year from the date of the publication of the list of properties belonging to trust and endowment.

(2) The Survey Officer shall not be made a party to any suit under sub-section (1) and no suit, prosecution or other legal proceeding shall lie against him in respect of anything which is done in good faith or

intended to be done in pursuance of this Act or any rules made thereunder.

(3) The list of properties belonging to a trust or endowment shall, unless it is modified in pursuance of a decision of the Court under sub-section (1), be final and conclusive.

Recovery
of cost of
survey.

7. (1) The total cost of making a survey including the cost of publication of the list of properties belonging to trust and endowment under this Chapter shall be borne by the respective trust or endowment in proportion to the net annual income of the trust or endowment as assessed by the Chief Administrative Officer.

(2) Notwithstanding anything contained in the deed or instrument by which the trust or endowment was created, the trustee or administrator thereof may pay from the income of the properties of the trust or endowment any sum due from the trust or endowment under sub-section (1).

CHAPTER III.

ESTABLISHMENT OF VANNIYAKULA KSHATRIYA PUBLIC CHARITABLE TRUSTS AND ENDOWMENTS BOARD AND ITS FUNCTIONS.

Incorporation.

8. (1) With effect from such date as the Government may, by notification, appoint in this behalf, there shall be established by the name "Vanniyakula Kshatriya Public Charitable Trusts and Endowments Board" or in such other name as may be specified in the notification.

(2) The Board shall be a body corporate having perpetual succession and a common seal with power to acquire and hold property and to transfer any such property subject to such conditions and restrictions as may be prescribed and shall, by the said name, sue and be sued.

Composition
of the Board.

9. (1) The Board shall consist of, -

(a) a Chairperson, who shall be a person belonging to the Vanniyakula Kshatriya community;

(b) the following members who shall belong to the Vanniyakula Kshatriya community, namely:-

(i) one person from among the retired Judges of the Supreme Court or High Court or District Court;

(ii) one person from the All India Service;

(iii) two persons from among the Member of the Legislative Assembly;

(iv) one person from among the trustees of trusts and administrator of the endowments;

(v) one person representing Vanniyakula Kshatriya community organizations;

(vi) two eminent persons having good reputation in the field of legal profession, auditing, business, education, engineering and Industry;

(vii) two women who have served the cause of Vanniyakula Kshatriya community ;

(c) the following *ex-officio* members, namely:-

(i) Secretary to Government, Backward Classes, Most Backward Classes and Minorities Welfare Department; and

(ii) Commissioner or Director of Most Backward Classes and Denotified Communities Welfare Department:

Provided that it shall not be necessary that the *ex-officio* members belong to Vanniyakula Kshatriya Community.

(d) the Member-Secretary.

(2) Subject to the provisions of this Act, the Government shall, by notification, constitute or re-constitute the Board, appointing the Chairperson and the members from such date as may be specified therein.

10. The Chairperson and every member of the Board shall hold office for such period, not exceeding three years, as may be specified by the Government in this behalf.

Term of office.

11. A person shall be disqualified for being appointed, or for continuing, as member of the Board other than the *ex-officio* members referred to in clause (c) of sub-section (1) of section 9, if,-

Disqualification for being appointed, or for continuing as, a member of the Board.

(i) he is less than twenty-one years of age;

(ii) he is found to be a person of unsound mind;

(iii) he is an un-discharged insolvent;

(iv) he has been convicted for an offence involving moral turpitude and such conviction has not been reversed or he has not been granted full pardon in respect of such offence;

(v) he has been on previous occasions,-

(a) served as a Chairperson or member of the Board for two terms.

Explanation.- For the purpose of computing the period of two terms referred to in this clause, the period during which a person held office either as a Chairperson or member or as both shall be taken into account;

(b) removed from his office as a member or as a trustee or administrator of any trust or endowment which is in the purview of the Board; or

(c) removed by an order of a competent Court from any position of any trust or endowment either for mismanagement or for corruption.

12. (1) The Board shall meet for the transaction of business at such time and place as may be prescribed by regulations.

Meetings of the Board.

(2) The Chairperson, or in his absence, any member chosen by the members from amongst themselves, shall preside at a meeting of the Board.

(3) Subject to the provisions of this Act, all questions which come before any meeting of the Board shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairperson or, in his absence, any other person presiding shall have a second or casting vote.

13. The quorum for any meeting of the Board shall be not less than fifty per cent of members including Chairperson, but excluding the number of vacancies.

Quorum.

Committee of the Board.	<p>14. (1) The Board may, whenever it considers necessary, constitute either generally or for a particular purpose or for any specified area, committees for supervision of the property of trust or endowment;</p> <p>(2) The constitution, functions and duties and the terms and conditions of office of such committees shall be determined by the Board:</p> <p>Provided that it shall not be necessary for the members of such committees to be members of the Board.</p>
Resignation of Chairperson and members.	<p>15. The Chairperson or any other member, other than ex-officio member may, at any time, by writing and addressed to the Government, resign from the office of the Chairperson or member, as the case may be but shall continue in office until his resignation is accepted.</p>
Removal of Chairperson and member.	<p>16. The Government may, by notification, remove the Chairperson of the Board or any member thereof, other than ex-officio member, if he-</p> <p>(i) is or becomes subject to any disqualification specified in section 11; or</p> <p>(ii) refuses to act or is incapable of acting or acts in a manner which the Government, after hearing any explanation that he may offer, considers to be prejudicial to the interest of trust or endowment; or</p> <p>(iii) fails, in the opinion of the Board, to attend three consecutive meetings of the Board without sufficient excuse.</p>
Filling of a vacancy.	<p>17. When the seat of Chairperson or a member becomes vacant by his removal, resignation, death or otherwise, a new Chairperson or a new member shall be appointed in his place and the Chairperson or such member shall hold office so long as the Chairperson or member, whose place he fills would have been entitled to hold office, if such vacancy had not occurred.</p>
Vacancies, etc., not to invalidate proceedings of the Board.	<p>18. No act or proceeding of the Board shall be invalid by reason only of the existence of any vacancy amongst its members, or any defect in the constitution thereof.</p>
Appointment of Chief Administrative Officer and his term of office and other conditions of service.	<p>19. (1) There shall be a Chief Administrative Officer of the Board not below the rank of Deputy Secretary to Government who shall be a person belonging to Vanniyakula Kshatriya community, and shall be appointed by the Government in consultation with the Board.</p> <p>(2) The term of the office and other conditions of service of the Chief Administrative Officer shall be such as may be prescribed.</p> <p>(3) The Chief Administrative Officer shall be the Member- Secretary of the Board and shall be under the administrative control of the Board.</p>
Officers and other employees of the Board.	<p>20. (1) For efficient performance of the functions of the Board under this Act, the Board may appoint such number of officers and other employees as may be necessary, with the permission of the Government.</p> <p>(2) The appointment, term of office and conditions of service of officers and other employees shall be such as may be provided by the regulations.</p>
Duties and powers of Chief Administrative Officer.	<p>21. (1) Subject to the provisions of this Act and of the rules made thereunder and the directions of the Board, the functions of the Chief Administrative Officer shall include-</p>

(i) to investigate carefully the nature and extent of the properties of trust and endowment and whenever necessary to call for an inventory of properties of trust and endowment and to call for accounts, returns and informations from the trustee and administrator;

(ii) to inspect or to cause inspection of property of trust and endowment and accounts, records, deeds or related documents;

(iii) to do generally such acts as may be necessary for the control, maintenance and superintendence of trust and endowment.

(2) In exercising the powers of giving directions under sub-section (1) in respect of any trust or endowment, the Board shall act in conformity with the directions found in the deed of the trust or endowment.

(3) Save as otherwise expressly provided in this Act, the Chief Administrative Officer shall exercise such powers and perform such duties as may be assigned or delegated to him under this Act.

22. (1) Where the Chief Administrative Officer considers that an order or resolution passed by the Board-

- (i) has not been passed in accordance with the law; or
- (ii) is in excess of, or is an abuse of, the powers conferred on the Board by or under this Act or by any other law; or
- (iii) if implemented, is likely to-

(a) cause financial loss to the Board or to the concerned trust or endowment; or

(b) lead to a riot or breach of peace; or

(c) cause danger to human life, health or safety; or

(d) is not beneficial to the Board or to trust or endowment generally,

he may, before implementing such order or resolution, place the matter before the Board for its re-consideration.

(2) The Board may constitute a committee under section 14 to consider the aspects pointed out by the Chief Administrative Officer and on the suggestions of the committee, the Board may reconsider the matter or refer the matter to the Government along with the committee's report, Chief Administrative Officer's remarks and the order or resolution of the Board and the decision of the Government thereon shall be final.

23. The Board may, by a general or special order in writing, delegate to the Chairperson, any other member, or any other officer or employee of the Board or any committee subject to such conditions and limitations as may be specified in the said order, such of its powers and duties under this Act, as it may deem necessary.

24. (1) Subject to the provisions of this Act and of the rules made thereunder, the Chief Administrative Officer may,-

(a) exercise all or any of the powers conferred on him by or under this Act with the previous approval of the Board through the Collector of the District in which the concerned trust or endowment is situated or through any other responsible officer whom the Collector may appoint for such purpose;

(b) delegate, from time to time, any of his power to any Collector or any such officer appointed by him; and

(c) revoke at any time the delegation so made by him.

Power of Chief Administrative Officer in respect of orders or resolutions of the Board.

Delegation of powers of the Board.

Chief Administrative Officer to exercise powers through Collectors, etc.

	<p>(2) Where any delegation of powers is made by the Chief Administrative Officer under sub-section (1), the person to whom such delegation is made, may exercise those powers in the same manner and to the same extent, as if they have been conferred on him directly by this Act and not by way of delegation.</p>	
Powers of Chief Administrative Officer to inspect records, registers, etc.	<p>25. The Chief Administrative Officer or any officer of the Board duly authorized by him, shall subject to such conditions and restrictions as may be prescribed and subject to the payment of such fees, if any, levied under any law for the time being in force, be entitled at all reasonable time to inspect, in any public office, any records, registers or other documents relating to a trust or endowment or movable or immovable properties which are trust or endowment properties or are claimed to be properties of trust or endowment.</p>	
Inspection of records.	<p>26. (1) The Board may allow inspection of its proceedings or other records in its custody and issue copies of the same on payment of such fees and subject to such conditions as may be prescribed.</p>	
	<p>(2) All copies issued under this section shall be certified by the Chief Administrative Officer of the Board in the manner provided in section 76 of Indian Evidence Act, 1872.</p>	Central Act I of 1872.
	<p>(3) The powers conferred on the Chief Administrative Officer by sub-section (2) may be exercised by such other officer or officers of the Board as may either generally or specially be authorized in this behalf by the Board.</p>	
Powers and functions of the Board.	<p>27. (1) Subject to any rules that may be made under this Act, the general superintendence of all trust and endowment shall vest with the Board and it shall be the duty of the Board to exercise its powers under this Act, as to ensure that the trust and endowment under its superintendence are properly maintained, controlled and administered and the income thereof is duly applied to the objects and for the purposes for which such trust and endowment were created or intended:</p>	
	<p>Provided that in exercising its powers under this Act, in respect of any trust or endowment, the Board shall act in conformity with the directions of the trust deed or the documents through which the property was dedicated to charitable purposes.</p>	
	<p><i>Explanation.-</i> For the removal of doubts, it is hereby declared that in this sub-section, trust or endowment includes a trust or endowment in relation to which any scheme has been made by any Court of law, whether before or after the commencement of this Act.</p>	
	<p>(2) Without prejudice to the generality of the foregoing power, the functions of the Board shall be-</p>	
	<p>(i) to maintain a record containing information relating to the origin, income, object and beneficiaries of every trust and endowment;</p>	
	<p>(ii) to ensure that the income and the property of trust and endowment are applied for the objects and for the purposes for which such trust and endowment were intended or created;</p>	
	<p>(iii) to give directions for the administration of trust or endowment;</p>	
	<p>(iv) to settle schemes for management of trust and endowment:</p>	
	<p>Provided that no such scheme shall be settled without giving an opportunity of being heard to the affected parties;</p>	
	<p>(v) to scrutinize and approve the budgets submitted by the trustee or administrator and to arrange for auditing of accounts of the trust or endowment;</p>	

(vi) to appoint and remove the trustees and administrators in accordance with the provisions of this Act;

(vii) to take measures for the recovery of lost properties of any trust or endowment;

(viii) to institute and defend suits and proceedings relating to property of any trust or endowment;

(ix) to sanction any transfer of immovable property of any trust or endowment by way of sale, gift, mortgage, exchange or lease in accordance with the provisions of this Act:

Provided that no such sanction shall be given, unless at least two thirds of the total members of the Board vote in favour of such transaction;

(x) to administer the Vanniyakula Kshatriya Public Charitable Trusts and Endowments (Protection and Maintenance) Fund;

(xi) to call for such returns, statistics, accounts and other informations from the trustees or administrators with respect to the property of trust or endowment as the Board may, from time to time, requires;

(xii) to inspect or cause inspection of the property of trust and endowment, accounts, records or deeds and documents relating thereto;

(xiii) to investigate and determine the nature and extent of trust and endowment and its property and to cause, whenever necessary, a survey of the property of such trust and endowment;

(xiv) to direct-

(a) the utilization of the surplus income of a trust and endowment consistent with the objects of trust and endowment;

(b) in what manner the income of a trust or endowment, the objects of which are not evident from any written instrument, shall be utilized for the benefit of poor Vanniyakula Kshatriya Community for their economic, social, educational upliftment and livelihood activities.

(c) in any case where any object of trust or endowment has ceased to exist or has become incapable of achievement, that so much of the income of the trust or endowment as was previously applied to that object shall be applied to any other object which shall be similar, or nearly similar or to the original object or for the benefit of the poor Vanniyakula Kshatriya Community for their economic, social, educational upliftment and livelihood activities:

Provided that no direction shall be given under this clause without giving opportunity of being heard to the affected parties;

(xv) generally do all such acts as may be necessary for the control, maintenance and administration of trust and endowment.

(3) Where the Board has settled any scheme of management under clause (iv) or given any direction under clause (xiv) of sub-section (2), any person interested in the trust or endowment or affected by such settlement or direction may institute a suit in a Court for setting aside such settlement or directions and the decision of the said Court thereon shall be final.

(4) Where the Board is satisfied that any land belonging to trust or endowment offers a feasible potential for development as a shopping centre, market, housing flats and the like, it may serve upon the trustee or administrator of the concerned trust or endowment a notice requiring him to convey its decision whether they are willing to execute such development as may be specified in the notice within such time, but not less than sixty days, as may be specified in the said notice.

(5) On consideration of the reply, if any, received to the notice issued under sub-section (4), if the Board is satisfied that the trustee or administrator is not willing or is not capable of executing the works required to be executed as specified in the notice, the Board may, with prior approval of the Government, take over the property, clear it of any building or structure thereon, and execute such works from the funds of the trusts or endowments or by raising funds on the security of the concerned trust or endowments property and control and manage the properties, till such time as all the expenses incurred by the Board together with interest thereon, the expenditure on maintenance of such works and other legitimate charges incurred on the property are recovered from the income derived from the property:

Provided that the Board shall compensate annually the trustee or administrator of the concerned trust or endowment to the extent of the average annual net income derived from the property during the three years immediately preceding the takeover of the property by the Board.

(6) On recouping all the expenses as detailed in sub-section (5), from the income of the developed property, the developed property shall be handed over to the trustee or administrator of the concerned trust or endowment.

Powers of inspection by Chief Administrative Officer or persons authorized by him.

28. (1) The Chief Administrative Officer with the prior approval of the Board either himself or any other person authorized by him in writing in this behalf, may inspect all movable and immovable properties, which are property of trust or endowment and all records, correspondences, plans, accounts and other documents relating thereto, for the purpose of examining whether, by reason of any failure or negligence on the part of the trustee or administrator in the performance of his administration or administrative duties, any loss or damage has been caused to the property of trust or endowment.

(2) Whenever any such inspection as referred to in sub-section (1) is made, the concerned trustee or administrator and all officers and other employees working under him and every person connected with the administration of trust or endowment shall extend all such assistance and facilities as may be necessary and reasonably required by the person making such inspection to carry out his work, and shall also produce any movable property or documents relating to trust or endowment as may be called for by the person making the inspection and furnish to him such information relating to trust or endowment as may be required by him.

(3) Where after any such inspection, it appears that the trustee or administrator or any officer or other employee who was working under him had misappropriated, misapplied or fraudulently retained, any money or property of trust or endowment, or had incurred irregular, unauthorized or improper expenditure from the funds of trust or endowment, the Chief Administrative Officer may after giving reasonable opportunity to the trustee or administrator to show cause as to why an order for recovery of the amount or property, should not be passed against him, after considering such explanation, if any furnished by him, determine the amount or the property, which has been misappropriated, misapplied or fraudulently retained, or the amount of the irregular, unauthorized or improper expenditure incurred by such person and make an order directing such person to pay the amount so determined and to restore the said property to the trust or endowment, within such time as may be specified in the order.

(4) The trustee or administrator or other person aggrieved by such order may, within thirty days of the receipt of order by him, make an appeal to the Court:

Provided that no such appeal shall be entertained by the Court unless the appellant first deposits with the Chief Administrative Officer, the amount which has been determined under sub-section (3) as being payable by the appellant and pending disposal of appeal, the Court shall have no power to make any order of stay of the operation of the order made by the Chief Administrative Officer under sub-section (3).

(5) The Court after taking evidence as it may think fit, may confirm, reverse, or modify the order made by the Chief Administrative Officer under sub-section (3), or may remit either in part, or in whole, the amount specified in such order and may make such orders as to cost as it may think appropriate.

(6) The order made by the Court under sub-section (5) shall be final.

29. Where any trustee or administrator or other person who has been ordered under sub-section (3) or sub-section (5) of section 28 to make payment or restore possession of any property, omits or fails to do so within the time specified in such order, the Chief Administrative Officer with the prior approval of the Board, shall take such steps, as he may think fit, to recover possession of the property aforesaid and shall also send a certificate to the Collector of the district in which the property of the trustee or administrator or other person situate, stating therein the amount that has been determined by Chief Administrative Officer or by the Court, as the case may be, under section 28, as being payable by the trustee or administrator or other person, and thereupon, the Collector shall recover the amount specified in such certificate, as if, it was an arrear of land revenue and on the recovery of such amount, pay the same to Chief Administrative Officer who shall credit the amount to the funds of the concerned trust or endowment.

Recovery of the amount determined under section 28.

CHAPTER IV.

REGISTRATION OF TRUST AND ENDOWMENT.

30. (1) Every trust and endowment, whether created before or after the commencement of this Act, shall be registered at the office of the Board.

Registration of trust and endowment.

(2) Application for registration shall be made by the trustee or administrator of trust or endowment:

Provided that such application may be made by trust or endowment or a beneficiary of it or the descendants of the testator or any person belonging to Vanniyakula Kshatriya community.

(3) An application for registration shall be made in such form and in such manner and at such place as the Board may by regulation provide from time to time and such application shall contain the following particulars:-

(a) description of trust or endowment sufficient for identification thereof;

(b) annual gross income from property of trust or endowment;

(c) the amount of land revenue, cesses, rates and taxes payable annually for the property of trust or endowment;

(d) an estimate of the expenses annually incurred in realization of the income from the property of trust or endowment;

(e) the amount set apart for the following:-

(i) the salary and other allowances to the officers and other employees of trust or endowment,

(ii) for charitable purposes,

(iii) for the beneficiaries, and

(iv) for such other purposes;

(f) any other particulars as may be prescribed by the Board by regulation.

(4) Such application shall be accompanied by a copy of trust deed or will, or if no such deed has been executed or a copy thereof cannot be obtained, shall contain the particulars as far as they are known to the applicant, of the origin, nature and object of the trust or endowment; and particulars regarding beneficiaries, if any.

(5) Such application made under sub-section (2) shall be signed and verified by the applicant in the manner provided in the Code of Civil Procedure 1908, for the signing and verification of the pleadings.

(6) The Board may require the applicant to supply any further particulars or information that the Board may consider necessary.

(7) The Board may, on receipt of application for registration, make such enquires as it thinks fit in respect of genuineness and validity of the application and correctness of the particulars therein and when the application is made by any person other than the person administering the trust or endowment, and shall hear him if he desires to be heard.

(8) In the case of trust or endowment created before the commencement of this Act, every application for registration shall be made, within three months from such commencement and in the case of trust or endowment created after such commencement, within three months from the date of creation of trust or endowment.

Central Act V
of 1908.

Register of
trust and endowment.

31. The Board shall maintain a register of trust and endowment, with such particulars as may be provided by regulations.

Decision
as to whether
a property is
trust or
endowment.

32.(1) Where the Board has reason to believe that any property of any trust or endowment, is a Vanniyakula Kshatriya Public Charitable Trust or Endowment, the Board may, notwithstanding anything contained in any Act, hold an enquiry in regard to such property and, if after such enquiry, the Board is satisfied that such property is trust or endowment property, call upon the trust or endowment, as the case may be, either to register such property under this Act as Vanniyakula Kshatriya Public Charitable Trust or Endowment or show cause why such property should not be so registered:

Provided that in all such cases, notice of action proposed to be taken under this sub-section shall be given to the authority by whom the trust or endowment had been registered.

(2) The Board shall, after duly considering such cause as may be shown in pursuance of notice issued under sub-section (1), pass such orders as it may think fit and the order so made by the Board shall be final, unless it is revoked or modified by a competent Court under this Act.

Power
to cause
registration
of trust and endowment
and to amend
the register.

33. The Board may direct the trustee or administrator to apply for the registration of trust or endowment and to supply any information regarding a trust or endowment or may itself cause the trust or endowment to be registered or may at any time amend the register of trust and endowment.

CHAPTER V.

ADMINISTRATION OF TRUST AND ENDOWMENT.

34. (1) Notwithstanding anything contained in this Act, the Board may, if it is of the opinion that it is necessary so to do in the interests of trust or endowment, appoint an Administrative Officer, on whole time or part-time basis with salary or in honorary capacity, with such terms and conditions as may be specified therefor:

Board to appoint Administrative Officer for trust or endowment.

Provided that the person to be chosen as Administrative Officer should be a person from Vanniyakula Kshatriya Community.

(2) The Administrative Officer so appointed under sub-section (1) shall exercise such powers and discharge such duties pertaining to the administration of the property of trust or endowment for which he has been appointed and shall exercise those powers and discharge those duties under the direction, control and supervision of the Board.

(3) The salaries and allowances of the Administrative Officer and his staff shall be fixed by the Board having due regard to the income of the trust or endowment and the nature of the duties of the Administrative Officer and his staff.

(4) The salaries and allowances of the Administrative Officer and his staff shall be paid by the Board from its fund and if the trust or endowment generates any additional income due to the appointment of the Administrative Officer, the Board may claim reimbursement of the amount spent towards the salaries and allowances from the fund of the concerned trust or endowment.

(5) The Board may, for sufficient reasons and after giving a reasonable opportunity of being heard to the Administrative Officer or a member of his staff, remove or dismiss the Administrative Officer, or a member of his staff from his post.

(6) Any Administrative Officer or a member of his staff who is aggrieved by any order of removal or dismissal made under sub-section (5) may, within thirty days from the date of communication of the order, prefer an appeal against the order to the Court and the Court may, after considering such representation as the Board may make in the matter, and after giving a reasonable opportunity to the Administrative Officer or a member of his staff of being heard, confirm, modify or reverse the order.

35. (1) The Board shall, if it is satisfied that the objects or any part thereof, of a trust or endowment have ceased to exist, where such cessation took place before or after the commencement of this Act, cause an inquiry to be held by the Chief Administrative Officer, in the prescribed manner, to ascertain the property and funds pertaining to such trust or endowment.

Board to cause enquiry in relation to trust or endowment.

(2) On receipt of the enquiry report of the Chief Administrative Officer, the Board shall pass an order-

(a) specifying the property and funds of such trust or endowment;

(b) directing that the property and funds of such trust or endowment which have been recovered shall be applied or utilized for the renovation of trust or endowment and when there is no need for making any such renovation or where the utilization of the funds for such renovation is not possible, be appropriated, to any of the purposes specified in sub-clause (c) of clause (v) of sub-section (2) of section 27.

(3) The Board may, if it has reason to believe that any building or other place which was being used for charity has, whether before or after the commencement of this Act, ceased to be used for that purpose, make an application to the Court for an order directing the recovery of possession of such building or other place.

(4) The Court may, after making such enquiry as it may think fit and satisfied that such building or other place,-

(a) is the property of trust or endowment;

(b) has not been acquired under any law for the time being in force relating to acquisition of land or is not under any process of acquisition under any such law, or has not vested in the Government under any other law for the time being in force relating to land reforms; and

(c) is not in the occupation of any person who has been authorized by or under any law for the time being in force to occupy such building or other place, make an order,-

(i) directing the recovery of such building or place from any person who may be in unauthorized possession thereof, and

(ii) directing that such property, building or place be used for charitable purpose or instruction as before, or if such use is not possible, be utilized for any purpose as given in sub-clause (c) of clause (v) of sub-section (2) of section 27.

Change in the management of trust and endowment to be informed.

36. (1) In case of any change in the management of a registered trust or endowment due to death or retirement or removal of the trustee or administrator, the incoming trustee or administrator shall forthwith, and any other person, may cause notice of the change to the Board.

(2) In case of any other change in any of the particulars mentioned in section 30, the trustee and administrator shall, within three months from the date of occurrence of the change, cause notice of such change, to the Board.

CHAPTER VI.

BUDGET OF TRUST AND ENDOWMENT.

Budget of trust or endowment not under direct management of Board.

37. (1) Every trustee or administrator of trust or endowment shall prepare a budget for the next financial year showing the estimated receipts and expenditure in such form as may be specified.

(2) Every trustee or administrator of trust or endowment shall submit such budget at least ninety days before the beginning of the financial year to the Board and shall make adequate provision for the following:-

(i) for carrying out the objects of the trust and endowment;

(ii) for the protection and maintenance of the properties of trust and endowment;

(iii) for discharge of all liabilities and subsisting commitments binding on the trust or endowment under this Act or any other law for the time being in force.

(3) For making alterations, omissions or additions in the budget as it may deem fit, the Board may give such direction consistent with the objects of the trust or endowment and the provisions of this Act.

(4) If in the financial year, the trustee of trust or administrator of endowment finds it necessary to modify the provision made in the budget in regard to the receipt or to distribution of the amount to be expended under the different heads, he may submit to the Board a supplementary or a revised budget and the provision of sub-section (3) shall, as far as may be, apply to such supplementary or revised budget.

38. (1) Budget showing the estimated receipt and expenditure for the next financial year for each of trust and endowment under direct management of the Board, shall be prepared by the Chief Administrative Officer in such form and at such time as may be prescribed and the same to be submitted by him to the Board for its approval.

Budget of trust and endowment under direct management of the Board.

(2) The Chief Administrative Officer shall submit statement of details of increase of income, if any, for each trust and endowment under the direct management of the Board and the steps taken for its better management during the year, while submitting the budget under sub-section (1).

(3) The Chief Administrative Officer shall keep regular accounts and be responsible for the proper management of every trust and endowment under the direct management of the Board.

(4) Every budget submitted by the Chief Administrative Officer under sub-section (1) shall comply with the requirements of section 37 and, for this purpose, references therein to the trustee of trust or administrator of endowment shall be construed as reference to the Chief Administrative Officer.

(5) The audit of accounts of trust and endowment under the direct management of the Board shall be undertaken by the State Examiner of Local Funds or any other officer appointed by the Government for this purpose, irrespective of the income of the trust and endowment.

(6) The provisions of sub-sections (2) and (3) of section 40 and the provisions of sections 41 and 42 shall, in so far as they are not inconsistent with the provisions of this section, apply to the audit of accounts referred to in this section.

(7) Where any trust or endowment is under the direct management of the Board, such administrative charges, as may be specified by the Chief Administrative Officer, shall be payable by the trust or endowment to the Board:

Provided that the Chief Administrative Officer shall not collect more than ten per cent of the gross annual income of the trust or endowment under the direct management of the Board as administrative charge.

CHAPTER VII.

ACCOUNTS OF TRUST AND ENDOWMENT.

39. (1) Every trustee and administrator shall keep regular accounts of all transactions relating to the trust and endowment.

Submission of accounts of trust and endowment.

(2) In every year, every trustee and administrator shall prepare and furnish to the Board a full and true statement of accounts, in such form and containing such particulars as may be provided by regulations of the Board, of all the monies received or expended by the trustee or administrator on behalf of the trust or endowment during the period of twelve months ending on the thirty-first day of March and thereafter the same shall be submitted to the Board on or before thirtieth day of April:

Provided that the date on which the annual accounts are to be closed may be varied at the discretion of the Board.

40. (1) The accounts of trust and endowment submitted to the Board under section 39 shall be audited and examined in the following manner, namely:-

Audit of accounts of trust and endowment.

(a) In the case of a trust or endowment having no income or a net annual income not exceeding ten thousand rupees, the submission of a statement of accounts shall be a sufficient compliance with the provision

of section 39 and the accounts of ten per cent of such trust and endowment shall be audited annually by an auditor appointed by the Board;

(b) The accounts of the trust or endowment having net annual income exceeding ten thousand rupees shall be audited annually, or at such other intervals as may be prescribed, by an auditor appointed by the Board from out of the panel of auditors prepared by the Government and while drawing up such panel of auditors, the Government may specify the scale of remuneration of auditors;

(2) The Government may, at any time, cause the account of any trust or endowment audited by the State Examiner of Local Funds or by any other officer designated for that purpose by the Government.

(3) The auditor shall submit his report to the Board and the report of the auditor shall, among other things, specify all cases of irregular, illegal or improper expenditure or of failure to recover money or other property caused by neglect or misconduct and any other matter which the auditor considers it necessary to report; and the report shall also contain the name of any person, who, in the opinion of the auditor, is responsible for such expenditure or failure and the auditor shall, in every such case, certify the amount of such expenditure or loss as due from such person.

(4) The cost of the audit of the accounts of a trust or endowment shall be met from the funds of that trust or endowment:

Provided that the remuneration of the auditors appointed from out of the panel drawn by the Government in relation to trust and endowment having a net annual income of more than ten thousand rupees but less than fifteen thousand rupees shall be paid in accordance with the scale of remuneration specified by the Government in clause (b) of sub-section (1):

Provided further that where the audit of the accounts of any trust or endowment is made by the State Examiner of Local Funds or any other officer designated by the Government in this behalf, the cost of such audit shall not exceed one and a half per cent of the net annual income of such trust or endowment and such costs shall be met from the funds of the trust or endowment concerned.

Board to pass orders on auditor's report.

41. (1) The Board shall examine the auditor's report, and may call for the explanation of any person in regard to any matter mentioned therein, and shall pass such orders as it thinks fit including orders for the recovery of the amount certified by the auditor under sub-section (3) of section 40.

(2) The trustee or administrator or any other person aggrieved by any order made by the Board may, within thirty days of the receipt of the order by him, apply to the Court to modify or set aside the order and the Court may, after taking such evidence as it may think necessary, confirm or modify the order or remit the amount so certified, either in whole or in part, and may also make such order as to costs as it may think appropriate in the circumstances of the case.

(3) No application made under sub-section (2) shall be entertained by the Court unless the amount certified by the auditor under sub-section (3) of section 40 has first been deposited in the Court and the Court shall not have any power to stay the operation of the order made by the Board under sub-section (1).

(4) The order made by the Court under sub-section (2) shall be final.

(5) Every amount for the recovery of which any order has been made under sub-section (1) or sub-section (2), shall, where such amount remains unpaid, be recoverable in the manner specified in section 28 or section 29 as if the said order were an order for the recovery of any amount determined under sub-section (2) of section 42.

42. (1) Every sum certified to be due from any person by an auditor in his report under section 40 unless such certificate is modified or cancelled by an order of the Board or of the Court made under section 41, and every sum due on a modified certificate shall be paid by such person within sixty days after the service of a demand for the same issued by the Board.

Dues recoverable as arrears of land revenue.

(2) If such payment is not made in accordance with the provisions of sub-section (1), the sum payable may, on a certificate issued by the Board after giving the person concerned an opportunity of being heard, be recovered in the same manner as an arrear of land revenue.

CHAPTER VIII.

MANAGEMENT OF TRUST AND ENDOWMENT.

43. It shall be the duty of every trustee and administrator-

Duties of trustee and administrator .

(i) to carry out the directions of the Board in accordance with the provisions of this Act or of any rule or order made thereunder;

(ii) to furnish such returns and supply such information or particulars as may, from time to time, be required by the Board in accordance with the provision of this Act or of any rule or order made thereunder;

(iii) to allow inspection of trust and endowment properties, accounts or records or deeds and documents relating thereto by the Board;

(iv) to discharge all public dues; and

(v) to do any other act which he is lawfully required to do so by or under this Act.

44. Notwithstanding anything contained in the trust or endowment deed, every trustee or administrator may pay from the income of the property of trust or endowment any expenses properly incurred by him for the purpose of enabling him to furnish any particulars, documents or copies under section 30 or any accounts under section 39 or any other information or documents required by the Board or for the purpose of enabling him to carry out the directions of the Board.

Trustee and administrator entitled to pay certain costs from income of the property of trust or endowment.

45. (1) Notwithstanding anything contained in the trust and endowment deed, any gift, sale, exchange or mortgage of any immovable property of trust and endowment, shall be void unless such gift, sale, exchange or mortgage is effected with the prior sanction of the Board.

Alienation of property of trust and endowment without sanction of Board to be void.

Explanation.- If any *inam* property was granted to the trust, and included in the trust property, the provision under sub-section (1) above shall apply for any alienation of that property.

(2) The Board may, after publishing in the *Tamil Nadu Government Gazette*, the particulars relating to the transaction referred to in sub-section (1) and inviting any objections and suggestions with respect thereto and considering all objections and suggestions, if any, that may be received by it from the concerned trustee or administrator or any other person interested in the trust or endowment, accord sanction to such transaction, if it is of opinion that such transaction is,-

(i) necessary or beneficial to the trust or endowment;

(ii) consistent with the objects of the trust or endowment;

(iii) the consideration thereof is reasonable and adequate:

Provided that the sale of the property sanctioned by the Board shall be effected by public auction and shall be subject to confirmation by the Board within such time as may be prescribed:

Provided further that the Court may, on the application of the aggrieved trustee or administrator or other person, for reasons to be recorded by it in writing, permit such sale to be made otherwise than by public auction, if it is of opinion that it is necessary so to do in the interest of the trust or endowment.

(3) The utilization or investment of the amount realized by sale or exchange, mortgage of any property shall be made by the trustee or administrator subject to the approval of the Board, and where any amount has been raised by mortgage of any such property, the trustee or administrator or other person shall make repayment of the mortgage-debt and obtain a discharge of the mortgage-debt from the mortgagee within such reasonable time as the Board may specify.

(4) Every approval given by the Board under sub-section (3) shall be communicated to the trustee or administrator and shall also be published in the manner prescribed.

(5) The trustee or administrator or any other person having an interest in the trust and endowment, who is aggrieved by the decision given under sub-section (3), may within ninety days from the date of communication to him of such decision or the publication of the decision, as the case may be, prefer an appeal to the Court against such decision, and thereupon, the Court may, after giving the appellant and the Board, a reasonable opportunity of being heard, confirm, modify or set aside such decision.

(6) Where, before the commencement of this Act, any sale, exchange, or mortgage of any immovable property belonging to any trust or endowment was effected, without the prior sanction from appropriate authority or Court detriment to the interest of the trust or endowment, such transaction shall be null and void and shall be deemed never to have been effected and accordingly no right or title in such property shall vest in any person acquiring the property by such transaction and any such property shall be deemed to be the property of the trust or endowment concerned and any person in possession of such property shall be deemed to be an encroacher and thereafter the provisions of sections 51 and 52 shall apply.

Recovery of property of trust and endowment transferred in contravention of section 45.

46. (1) If the Board is satisfied, after making any inquiry in such manner as may be prescribed, that any immovable property of a trust or endowment entered as such in the register of trust and endowment maintained under section 31, has been transferred without the previous sanction of the Board in contravention of the provision of section 45, it may send a requisition to the Collector within whose jurisdiction the property is situated to obtain and deliver possession of the property to it.

(2) On receipt of a requisition under sub-section (1), the Collector shall pass an order directing the person in possession of the property, to deliver the property to the Board within a period of thirty days from the date of the service of the order.

(3) Every order passed under sub-section (2) shall be served-

(i) by giving or tendering the order, or by sending it by post to the person for whom it is intended; or

(ii) if such person cannot be found, by affixing the order on some conspicuous part of his last known place of abode or business, or by giving or tendering the order to some adult male member or servant of his family or by causing it to be affixed on some conspicuous part of the property to which it relates:

Provided that where the person on whom the order is to be served is a minor, service upon his guardian or upon any adult male member or servant of his family shall be deemed to be the service upon the minor.

(4) Any person aggrieved by the order of the Collector under sub-section (2) may, within a period of thirty days from the date of the service of the order, prefer

an appeal to the Court within whose jurisdiction the property is situate and the decision of the Court on such appeal shall be final.

(5) Where an order passed under sub-section (2) has not been complied with and the time for appealing against such order has expired without an appeal having

been preferred or the appeal, if any, preferred within that time has been dismissed, the Collector shall obtain possession of the property in respect of which the order has been made, taking such police assistance, as may be necessary for the purpose and deliver it to the Board.

(6) In exercising his functions under this section, the Collector shall be guided by such rules as may be prescribed.

47. Notwithstanding anything contained in a trust and endowment deed, no immovable property shall be purchased for or on behalf of any trust or endowment from the funds of any trust or endowment except with the prior sanction of the Board, and the Board shall not accord such sanction unless it considered that the acquisition of such property is necessary or beneficial to the trust or endowment and that the price proposed to be paid therefor is adequate and reasonable:

Restrictions on purchase of property on behalf of trust or endowment.

Provided that before such sanction is accorded, the particulars relating to the proposed transaction shall be published in the *Tamil Nadu Government Gazette* inviting objections and suggestions with respect thereto and the Board shall, after considering the objections and suggestions that may be received by it from the trustee or administrator or any other person interested in the trust and endowment make such orders as it may deem fit.

48. (1) A lease for any period exceeding three years of any immovable property which is property of trust or endowment shall, notwithstanding anything contained in the deed or instrument of trust or endowment or in any other law for the time being in force, be void and of no effect.

Restriction on power to grant lease of the properties of trust or endowment.

(2) A lease for a period exceeding one year and not exceeding three years of any immovable property which is the property of trust or endowment shall, notwithstanding anything contained in the deed or instrument of trust or endowment or in any other law for the time being in force, be void and of no effect unless it is made with the previous sanction of the Board.

(3) The Board shall, in granting sanction for lease or sub-lease or renewal thereof under this section, review the terms and conditions on which the lease or sub-lease is proposed to be granted or renewed and make its approval subject to the revision of such terms and conditions in such manner as it may direct.

(4) Every trust and endowment shall inform the Board about the lease of its property and obtain permission to continue the lease and for grant of sanction for lease or renewal thereof, subject to provision of this section.

49. No trustee or administrator shall spend any money out of the funds of the trust or endowment of which he is the trustee or administrator, for meeting any costs, charges, or expenses which are or may be, incurred by him, in relation to any suit, appeal or any other proceeding for, or incidental to, his removal from office or for taking any disciplinary action against himself.

Trustee or administrator not to spend any money belonging to trust and endowment for self-defence.

50. (1) Where any trustee or administrator or committee of management has been removed by the Board in accordance with the provision of this Act, or of any scheme made by the Board, the trustee or administrator or the committee so removed from the office (hereinafter in this section referred to as the removed trustee or administrator or committee) shall hand over charge and deliver possession of the records, accounts and all properties of the trust and endowment (including cash) to the successor trustee or the successor committee, within one month from the date specified in the order.

Duties of trustee or administrator or committee to deliver possession of records, etc.

(2) Where any removed trustee or administrator or committee fails to deliver charge or deliver possession of the records, accounts and properties (including cash) to the successor trustee or administrator or committee within the time specified in sub-section (1), or prevents or obstructs such trustee or administrator or committee, from obtaining possession thereof after the expiry of the period aforesaid, the successor trustee or administrator or any member of the successor committee may make an application accompanied by a

certified copy of the order appointing such successor trustee or administrator or committee, to any Judicial Magistrate within the local limits of whose jurisdiction any part of the trust or endowment property is situate and, thereupon, such Judicial Magistrate may, after giving notice to the removed trustee or administrator or members of the removed committee, make an order directing the delivery of charge and possession of such record, accounts and properties (including cash) of the trust or endowment, to the successor trustee or administrator or the committee, as the case may be, within such time as may be specified in the order.

(3) Where the removed trustee or administrator or any member of the removed committee, omits or fails to deliver charge and possession of the records, accounts and properties (including cash) within the time specified by the Judicial Magistrate under sub-section (2), the removed trustee or administrator or every member of the removed committee, as the case may be, shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to ten thousand rupees, or with both.

(4) Whenever any removed trustee or administrator or any member of the removed committee omits or fails to comply with the orders made by the Judicial Magistrate under sub-section (2), the Judicial Magistrate may authorize the successor trustee or administrator or committee to take charge and possession of such records, accounts, properties (including cash) and may authorize such person to take such police assistance as may be necessary for the purpose.

(5) No order of appointment of the successor trustee or administrator or committee shall be called in question in the proceedings before the Judicial Magistrate under this section.

(6) Nothing contained in this section shall bar the institution of any suit in a Court by any person aggrieved by any order made under this section, to establish that he has right, title and interest in the properties specified in the order made by the Judicial Magistrate under sub-section (2).

CHAPTER IX.

REMOVAL OF ENCROACHMENT.

Removal
of encroach-
ment from the
property of
trust and
endowment.

51. (1) Whenever the Chief Administrative Officer considers whether on receiving any complaint or on his own motion that there has been an encroachment on any land, building, space or other property, which is the property of trust or endowment and, which has been registered as such under this Act, he shall cause to be served upon the encroacher a notice specifying the particulars of the encroachment and calling upon him to show cause before a date to be specified in such notice, as to why an order requiring him to remove the encroachment before the date so specified should not be made and shall also send a copy of such notice to the concerned trustee or administrator.

(2) The notice referred to in sub-section (1) shall be served in such manner as may be prescribed.

(3) If, after considering the objections, received during the period specified in the notice, and after conducting an inquiry in such manner as may be prescribed, the Chief Administrative Officer is satisfied that the property in question is property of trust or endowment and that there has been an encroachment on any such property of trust or endowment, he may, by an order, require the encroacher to remove such encroachment and deliver possession of the land, building, space or other property encroached upon, to the trustee of the trust or administrator of the endowment, within such time as may be specified in the order.

(4) Nothing contained in sub-section (3) shall prevent any person aggrieved by the order made by the Chief Administrative Officer under that sub-section from instituting a suit in a Court to establish that he has right, title or interest in the land, building, space or other property:

Provided that no such suit shall be instituted by a person who has been let into possession of the land, building, space or other property as a lessee, licensee or mortgagee by the trustee of the trust or administrator of the endowment or by any other person authorized by him in this behalf.

52. Where the person, ordered under sub-section (3) of section 51 to remove any encroachment, omits or fails to remove such encroachment, within the time specified in the order or, as the case may be, fails to vacate the land, building, space or other property to which the order relates, within the time aforesaid, the Chief Administrative Officer may apply to the Judicial Magistrate within the local limits of whose jurisdiction the land, building, space or other property is situate for evicting the encroacher, and, thereupon, such Judicial Magistrate shall make an order directing the encroacher to remove the encroachment, or as the case may be, vacate the land, building, space or other property and to deliver possession thereof to the concerned trustee or administrator and in default of compliance with the order, remove the encroachment or, as the case may be, evict the encroacher from the land, building, space or other property and may, for the purpose, take such police assistance as may be necessary.

Enforcement of the order made under section 51.

(2) (a) Any person who, on or after the commencement of this Act, continues to be in occupation, otherwise than by a lawful possession of a land belonging to a charitable trust or endowment shall be guilty of an offence under this Act.

(b) Whoever contravenes the provisions of clause (a) shall, on conviction, be punished with imprisonment for a term which shall not be less than six months but which may extend to five years and with fine which may extend to five thousand rupees.

(c) No Court shall take cognizance of an offence punishable under clause (b) except on the complaint in writing of the Chief Administrative Officer.

(d) No offence punishable under clause (b) shall be inquired into or tried by any Court inferior to that of a Judicial Magistrate of the first class.

CHAPTER X.

POWER OF BOARD IN THE ADMINISTRATION OF TRUST OR ENDOWMENT.

53. (1) Where a trustee or administrator refuses to pay or fails to pay any revenue, charges or taxes due to the Government, any local authority or any statutory Board or any Government Company, the Board may discharge the dues from the Board Fund and may recover the amount so paid from the trust or endowment property and may also recover damages not exceeding twelve and a half per cent of the amount so paid.

Power of Board to pay dues in case of default by trustee or administrator.

(2) Any sum of money due under sub-section (1) may, on a certificate issued by the Board after giving the trustee or administrator concerned an opportunity of being heard, be recovered in the same manner as an arrear of land revenue.

54. For the purpose of making provision for the payment of rent, land revenue, charges and taxes due to the Government or any local authority or any statutory board or any Government Company for the discharge of the expenses of the repair of the property of trust and endowment and for the preservation of the property of trust and endowment, the Board may direct the creation and maintenance, in such manner as it may think fit, of a reserve fund from the income of a trust and endowment.

Creation of reserve fund

Extension of time.	<p>55. The Board may, if it is satisfied that it is necessary so to do, extend the time within which any act is required to be done by the trustee and administrator under this Act.</p>	
Penalties.	<p>56. (1) If a trustee or administrator fails to-</p> <ul style="list-style-type: none"> (i) apply for the registration of the trust or endowment; (ii) furnish statements of particulars or accounts or returns as required under this Act; (iii) supply information or particulars as required by the Board; (iv) allow inspection of the properties of trust and endowment, accounts, records or deeds and documents relating thereto; (v) deliver possession of any trust and endowment property, if ordered by the Board or Court; (vi) carry out the directions of the Board; (vii) discharge any public dues; or (viii) do any other act which he is lawfully required to do by or under this Act, <p>he shall, unless he satisfies the Board or the Court that there was reasonable cause for his failure, be punishable with fine which may extend to five thousand rupees.</p> <p>(2) Notwithstanding anything contained in sub-section (1), if-</p> <ul style="list-style-type: none"> (a) a trustee or administrator omits or fails, with a view to concealing the existence of a trust or endowment, to apply for its registration under this Act,- <ul style="list-style-type: none"> (i) in the case of a trust or endowment created before the commencement of this Act, within the period specified therefor in sub-section (8) of section 30; (ii) in the case of any trust or endowment created after such commencement, within three months from the date of the creation of the trust or endowment; or (b) a trustee or administrator furnishes any statement, return or information to the Board, which he knows or has reason to believe to be false, misleading, untrue or incorrect in any material particular, <p>he shall be punishable with imprisonment for a term which may extend to six months and also with fine which may extend to fifteen thousand rupees.</p> <p>(3) No Court shall take cognizance of an offence punishable under this Act save upon a complaint made by the Board or an officer duly authorized by the Board in this behalf.</p> <p>(4) No Court inferior to that of a Metropolitan Magistrate or a Judicial Magistrate of the First Class shall try any offence punishable under this Act.</p> <p>(5) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the fine imposed under sub-section (1), when realized, shall be credited to the fund specified under section 70.</p> <p>(6) In every case where offender is convicted of an offence punishable under sub-section (1) and sentenced to a fine, the Court shall also impose such term of imprisonment in default of payment of fine as is authorized by law for such default.</p>	Central Act 2 of 1973.
Power to appoint Administrative Officer in certain cases.	<p>57. When there is a vacancy in the office of the trustee and administrator of a trust and endowment and there is no one to be appointed under the terms of the deed of the trust and endowment, or where the right of any</p>	

person to act as trustee or administrator is disputed, the Board may appoint any person belonging to Vanniyakula Kshatriya community to act as Administrative Officer for such period and on such condition as may be prescribed.

58. (1) Notwithstanding anything contained in any other law or the deed of trust or endowment, the Board may remove a trustee or administrator from his office if such trustee or administrator-

Removal of trustee and administrator.

(a) has been convicted for an offence punishable under section 56; or

(b) has been convicted of any offence of criminal breach of trust or any other offence involving moral turpitude, and such conviction has not been reversed and he has not been granted full pardon with respect to such offence; or

(c) is of unsound mind or is suffering from other mental or physical defect or infirmity which would render him unfit to perform the functions and discharge the duties of a trustee; or

(d) is an undischarged insolvent; or

(e) is proved to be addicted to drinking liquor or other spirituous preparations, or is addicted to the taking of any narcotic drugs; or

(f) is employed as a paid legal practitioner on behalf of, or against, the trust or endowment; or

(g) has failed, without reasonable excuse, to maintain regular accounts for two consecutive years or has failed to submit, in two consecutive years, the yearly statement of accounts, as required by sub-section (2) of section 39; or

(h) is interested, directly or indirectly, in a subsisting lease in respect of the property of the trust or endowment, or in any contract made with, or any work being done for the trust or endowment, or is in arrears in respect of any sum due by him to such trust or endowment; or

(i) continuously neglects his duties or commits any misfeasance, malfeasance, misapplication of funds or breach of trust in relation to the trust or endowment, or in respect of any money or property of trust or endowment; or

(j) willfully and persistently disobeys the lawful orders made by the Government, Board under any provision of this Act or rule or order made thereunder; or

(k) misappropriates or fraudulently deals with the property of the trust or endowment.

(2) The removal of a person from the office of the trustee shall not affect his personal rights, if any, in respect of the property of the trust or endowment either as a beneficiary or in any other capacity.

(3) No action shall be taken by the Board under sub-section (1), unless it has held an inquiry into the matter in a prescribed manner and the decision has been taken by a majority of not less than two-thirds of the members of the Board.

(4) A trustee, who is aggrieved by an order passed under any of the clauses (c) to (i) of sub-section (1), may, within one month from the date of the receipt by him of the order, appeal against the order to the Court and the decision of the Court on such appeal shall be final.

(5) Where any inquiry under sub-section (3) is proposed, or commenced, against any Administrator or Trustee, the Board may, if it is of opinion that it is necessary so to do in the interest of the trust or endowment, by an order suspend such trustee or Administrator until the conclusion of the inquiry:

Provided that no suspension for a period exceeding ten days shall be made except after giving the trustee Administrator a reasonable opportunity of being heard against the proposed action.

(6) Where any appeal is filed by the trustee to the Court under sub-section (4), the Board may make an application to the Court for the appointment of a receiver to manage the Trust or endowment, pending the decision of the appeal, and where such an application is made, the Court shall, notwithstanding anything contained in the Code of Civil procedure, 1908, appoint a suitable person as receiver to manage the trust or endowment, and direct the receiver so appointed to ensure that the customary rights of the trustee and of the trust or endowment, are safeguarded.

Central Act V
of 1908.

(7) Where a trustee or administrator has been removed from his office under sub-section (1), the Board may, by order, direct the trustee or administrator to deliver possession of the property of trust or endowment, to the Board or any officer duly authorized in this behalf or to any person or committee appointed to act as the trustee of the trust or administrator of the endowment.

(8) A trustee or administrator of a trust or endowment removed from his office under this section shall not be eligible for re-appointment as a trustee of the trust or administrator of an endowment, for a period of five years from the date of such removal.

Assumption
of direct
management
of certain trust
and endowment,
by the Board.

59. (1) Where no suitable person is available for appointment as a trustee or administrator of a trust or endowment, or where the Board is satisfied, for reasons to be recorded by it in writing, that the filling up of the vacancy in the office of trustee or administrator is prejudicial to the interests of the trust or endowment, the Board may, by notification, assume direct management of the trust or endowment, for such period or periods, not exceeding five years in the aggregate, as may be specified in the notification.

(2) The Government, may, on its own motion or on the application of any person interested in the trust or endowment, call for the records of any case for the purpose of satisfying itself as to the correctness, legality or propriety of the notification issued by the Board under sub-section (1) and pass such orders as it may think fit and the orders so made by the Government shall be final and shall be published in the manner specified in sub-section (1).

(3) As soon as possible after the close of every financial year, the Board shall send a detailed report to the Government in regard to every trust and endowment, under its direct management, giving therein-

(i) the details of the income of the trust and endowment for the year immediately preceding the year under report;

(ii) the steps taken to improve the management and income of the trust and endowment;

(iii) the period during which the trust and endowment has been under the direct management of the Board and explaining the reasons as to why it has not been possible to entrust the management of the trust and endowment to the trustee or administrator or any committee of management during the year; and

(iv) such other matters as may be prescribed.

(4) The Government shall examine the report submitted to it under sub-section (3), and after such examination issue such directions or instructions to the Board as it may think fit and the Board shall comply with such directions or instructions on receipt thereof.

Supervision and
supersession of
committee of
management.

60. (1) Whenever the supervision or management of trust or endowment is vested in any committee appointed by the trust deed, then, notwithstanding anything contained in this Act, such committee shall continue to function until it is superseded by the Board or until the expiry of its term as may be specified by the trust deed, whichever is earlier:

Provided that such committee shall function under the direction, control and supervision of the Board and abide by such directions as the Board may issue, from time to time:

Provided further that if the Board is satisfied that any scheme for the management of a trust or endowment, by a committee is inconsistent with any provision of this Act or of any rule made thereunder or with the directions of the trust deed, it may, at any time, modify the scheme in such manner as may be necessary to bring it in conformity with the directions of the trust deed, or of the provisions of this Act and the rules made thereunder.

(2) Notwithstanding anything contained in this Act and in the deed of the trust or endowment, the Board may, if it is satisfied for reason to be recorded in writing, that a committee, referred to in sub-section (1) is not functioning properly and satisfactorily, or that the trust or endowment, is being mismanaged and that in the interest of its proper management, it is necessary so to do, by an order, supersede such committee, and, on such supersession, any direction of trust deed, in so far as it relates to the constitution of the committee, shall cease to have any force:

Provided that the Board shall, before making any order superseding any committee, issue a notice setting forth therein the reasons for the proposed action and calling upon the Committee to show cause within such time, not being less than one month, as may be specified in the notice, as to why such action shall not be taken.

(3) Every order made by the Board under sub-section (2) shall be published in the prescribed manner and on such publication shall be binding on the trustee or administrator and all persons having any interest in the trust or endowment.

(4) Any order made by the Board under sub-section (2) shall be final:

Provided that any person aggrieved by the order made under sub-section (2) may, within sixty days from the date of the order, appeal to the Court.

(5) The Board shall, whenever it supersedes any committee under sub-section (2), constitute a new committee of management simultaneously with the order made by it under sub-section (2).

(6) Notwithstanding anything contained in the foregoing sub-sections, the Board may, instead of superseding any committee under sub-section (2), remove any member thereof if it is satisfied that such member has abused his position as such member or had knowingly acted in a manner prejudicial to the interests of the trust or endowment, and every such order for the removal of any member shall be served upon him by registered post:

Provided that no order for the removal of the member shall be made unless he has been given a reasonable opportunity of showing cause against the proposed action:

Provided further that any member aggrieved by any order for his removal from the membership of the committee may, within a period of thirty days from the date of service of the order on him, prefer an appeal against such order to the Court and the Court may, after giving a reasonable opportunity to the appellant and the Board of being heard, confirm, modify or reverse the order made by the Board and the order made by the Court in such appeal shall be final.

61. (1) Whenever the Board is satisfied, whether on its own motion or on the application of not less than five persons interested in any trust or endowment, that it is necessary or desirable to frame a scheme for the proper administration of the trust or endowment, it may, by an order, frame such scheme for the administration of the trust or endowment after consultation with the trustee or administrator or the applicant in the prescribed manner.

Power of Board to frame scheme for administration of trust or endowment.

(2) A scheme framed under sub-section (1) may provide for the removal of the trustee and administrator of the trust and endowment, holding office as such immediately before the date on which the scheme comes into force:

Provided that where any such scheme provides for the removal of any hereditary trustee, the scheme shall also provide for the appointment of the person next in hereditary succession to the trustees removed, as one of the members of the committee appointed for the proper administration of the trust or endowment.

(3) Every order made under sub-section (2) shall be published in the prescribed manner. Such publication shall be final and binding on the trustee and administrator and all persons interested in the trust or endowment:

Provided that any person aggrieved by an order made under this section may, within sixty days from the date of the order, prefer an appeal to the Court and after hearing such appeal, the Court may confirm, reverse or modify the order:

Provided further that the Court shall have no power to stay the operation of the order made under this section.

(4) The Board may, at any time by an order, whether made before or after the scheme has come into force, cancel or modify the scheme.

(5) Pending the framing of the scheme for the proper administration of the trust or endowment, the Board may appoint an Administrative Officer to perform all or any of the functions of the trustee or administrator thereof and to exercise the powers, and perform the duties, of such trustee or administrator.

Inquiry relating to administration of trust and endowment

62. Any person interested in a trust or endowment, may make an application to the Board supported by an affidavit to institute an inquiry relating to the administration of the trust or endowment, and if the Board is satisfied that there are reasonable grounds for believing that the affairs of the trust or endowment, are being mismanaged, it shall take such action thereon as it thinks fit.

Manner of holding inquiry

63. (1) The Board may, either on an application received under section 62, or on its own motion,-

(a) hold an inquiry in such manner as may be prescribed; or

(b) authorize any member of the Board in this behalf to hold an inquiry into any matter relating to a trust or endowment, and take such action as it thinks fit.

(2) For the purposes of an inquiry under this section, the Board or any member of the Board authorized by it in this behalf, shall have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 for enforcing the attendance of witnesses and production of documents.

Central Act V of 1908.

CHAPTER XI.

**POWER OF THE GOVERNMENT TO APPOINT OR REMOVE
A TRUSTEE OR ADMINISTRATOR IN CONSULTATION WITH BOARD.**

64. Where a deed of trust or endowment, or any decree or order of a Court or any scheme of management of any trust or endowment provides that a Court or any authority other than a Board may appoint or remove a trustee or administrator or settle or modify such scheme of management or otherwise exercise superintendence over trust or endowment, then, notwithstanding anything contained in such deed of trust or endowment, decree, order or scheme, such powers aforesaid shall be exercisable by the Government:

Power of appointment and removal of trustee or administrator when to be exercised by the Government.

Provided that where a Board has been established, the Government shall consult the Board before exercising such powers.

CHAPTER XII.

FINANCE OF THE BOARD.

65. The Government may pay to the Board by way of grants such sums of money as the Government may think fit.

Grants by the Government

66. (1) The trustee or administrator of every trust or endowment, the net annual income of which is not less than ten thousand rupees, shall pay annually, out of the net annual income derived by the trust or endowment, such contributions, not exceeding ten per cent of such annual income, as may be prescribed, to the Board for the services rendered by such Board to the trust or endowment.

Annual contribution payable to Board.

Explanation 1. - For the purposes of this Act, "net annual income" shall mean the gross income of the trust or endowment, from all sources, including donations which do not amount to contribution to the corpus of the trust or endowment in a year, after deducting therefrom the following, namely:-

- (i) the land revenue paid by it to the Government;
- (ii) the charges, taxes and licence fees, paid by it;
- (iii) expenditure incurred for all or any of the following purposes, namely:-
 - (a) maintenance of, or repairs to, irrigation works, which shall not include the capital cost of irrigation;
 - (b) seeds or seedlings;
 - (c) manure;
 - (d) purchase and maintenance of agricultural implements;
 - (e) purchase and maintenance of cattle for cultivation;
 - (f) wages for ploughing, watering, sowing, transplanting, harvesting, threshing and other agricultural operations:

Provided that the total deduction in respect of all expenditure incurred under this clause shall not exceed twenty-five per cent of the income derived from lands belonging to the trust or endowment;

(iv) expenditure on sundry repairs to rented buildings, not exceeding ten per cent of the annual rent derived therefrom, or the actual expenditure, whichever is less;

(v) sale proceeds of immovable properties or rights relating to, or arising out of, immovable properties, if such proceeds are re-invested to earn income for the trust or endowment:

Provided that the following items of receipts shall not be deemed to be income for the purposes of this section, namely:-

- (a) advances and deposits recovered and loans taken or recovered;
- (b) deposits made as security by employees, lessees or contractors and other deposits, if any;
- (c) withdrawals from banks or of investment;
- (d) amounts recovered towards costs awarded by Courts;
- (e) donations in cash or kind made by the donors as contributions to the corpus of the trust and endowment:

Provided that the interest on income, if any, accruing from such donations shall be taken into account in calculating the gross annual income;

(f) voluntary contributions received in cash or kind for a specified service to be performed by the trust and endowment, and expended on such service;

(g) audit recoveries.

Explanation II. - In determining the net annual income for the purposes of this section, only the net profit derived by any trust or endowment, from its remunerative undertaking, if any, shall be taken as income, and in respect of its non-remunerative undertakings, such as, schools, colleges, hospitals, poor homes, orphanages or any other similar institutions, the grants given by the Government or any local authority or donations received from the public or fees collected from the pupils of educational institutions shall not be taken as income.

(2) The trustee or administrator of a trust or endowment, may realize the contributions payable by him under sub-section (1) from the various persons entitled to receive any pecuniary or other material benefit from the trust or endowment, but the sum realizable from any one of such persons shall not exceed such amount as shall bear to the total contribution payable the same proportion, as the value of the benefits receivable by such person bears to the entire net annual income of the trust or endowment:

Provided that if there is any income of the trust or endowment, available in excess of the amount payable as dues under this Act, other than the contribution under sub-section (1), and in excess of the amount payable under the deed of such trust and endowment, the contribution shall be paid out of such income.

(3) The contribution payable under sub-section (1) in respect of a trust or endowment, shall, subject to the prior payment of any dues to the Government or any local authority or of any other statutory first charge on the property of trust or endowment, or the income thereof and shall be recoverable, on a certificate issued by the Board after giving the trustee or administrator concerned an opportunity of being heard, as an arrear of land revenue.

(4) If a trustee and administrator realizes the income of the trust or endowment and refuses to pay or does not pay such contribution he shall also be personally liable for such contribution which may be realized from his person or property in the manner aforesaid.

(5) Where, after the commencement of this Act, the trustee of a trust or administrator of the endowment, fails to submit a return of the net annual income of the trust or endowment, within the time specified therefor or submits a return which, in the opinion of the Chief Administrative Officer is incorrect or false in any material particular, or which does not comply with the provisions of this Act or any rule or order made thereunder, the Chief

Administrative Officer may assess the net annual income of the trust and endowment, to the best of his judgment or revise the net annual income as shown in the return submitted by the trustee and administrator and the net annual income as so assessed or revised shall be deemed to be the net annual income of the trust or endowment, for the purposes of this section:

Provided that no assessment of net annual income or revision of return submitted by trustee or administrator shall be made except after giving a notice to the trustee or administrator calling upon him to show cause, within the time specified in the notice, as to why such assessment or revision of the return shall not be made and every such assessment or revision shall be made after considering the reply, if any, given by the trustee or administrator.

(6) Any trustee or administrator who is aggrieved by the assessment or revision made by the Chief Administrative Officer under sub-section (5) may prefer an appeal to the Board within thirty days from the date of the receipt of the assessment or revision of return and the Board may, after giving the appellant a reasonable opportunity of being heard, confirm, reverse or modify the assessment or revision of the return and the decision of the Board thereon shall be final.

(7) If, for any reason, the contribution or any portion thereof leviable under this section has escaped assessment in any year, whether before or after the commencement of this Act, the Chief Administrative Officer may, within five years from the last date of the year to which such escaped assessment relates serve upon the trustee or administrator a notice assessing him with the contribution or portion thereof which had escaped assessment, and demanding payment thereof within thirty days from the date of service of such notice, and the provisions of this Act and the rules made thereunder, shall, as far as may be, apply as if the assessment were made under this Act, in the first instance.

67. (1) Notwithstanding anything contained in any other law for the time being in force, the Chief Administrative Officer, if he is satisfied that it is necessary and expedient so to do, make an order directing any person with whom any money belonging to a trust or endowment, is deposited, to pay the contribution, leviable under section 66, out of such money, as may be standing to the credit of the trust and endowment, by way of deposit, or in any other manner and on receipt of such orders, such person, shall, where no appeal has been preferred under sub-section (3), comply with such orders or where an appeal has been preferred under sub-section (3), shall comply with the orders made by the Court on such appeal.

Power of Chief Administrative Officer to direct any person to make payments.

(2) Every payment made by a person in pursuance of any order made under sub-section (1), shall operate as a full discharge of the liability of such person in relation to the sum so paid.

(3) Any person who is ordered under sub-section (1) to make any payment may, within thirty days from the date of the order, prefer an appeal against such order to the Court and the decision of the Court on such appeal shall be final.

(4) Every person who fails, without any reasonable excuse to comply with the order made under sub-section (1) or, as the case may be, under sub-section (3), shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to eight thousand rupees, or with both.

Power of Board to borrow.

68. (1) For the purpose of giving effect to the provisions of this Act, the Board may, with the prior sanction of the Government, borrow such sum of money and on such terms and conditions as the Government may determine.

(2) The Board shall repay the money borrowed, together with any interest or costs due in respect thereof, according to the terms and conditions of the loan.

Trustee and administrator not to lend or borrow moneys without sanction

69. (1) No trustee, administrator or other person in charge of the administration of a trust or endowment, shall lend any money belonging to the trust or endowment, or any property of trust or endowment, or borrow any money for the purposes of the trust or endowment, except with the prior sanction of the Board.

(2) The Board may, while according sanction, specify any terms and conditions subject to which the person referred to in sub-section (1), is authorized by him to lend or borrow any money or lend any other property of trust or endowment.

(3) Where any money is lent or borrowed, or other property of trust or endowment, is lent in contravention of the provisions of this section, it shall be lawful for the Chief Administrative Officer,-

(i) to recover an amount equal to the amount which has been so lent or borrowed, together with interest due thereon, from the personal funds of the person by whom such amount was lent or borrowed;

(ii) to recover the possession of the property of trust or endowment, lent in contravention of the provisions of this Act, from the person to whom it was lent, or from person who claim title to such property through the person to whom such property was lent.

Vanniyakula Kshatriya Public Charitable Trusts and Endowments Protection and Maintenance Fund.

70. (1) All moneys received or realized by the Board under this Act and all other moneys received as donations, benefactions or grants by the Board shall form a fund to be called the Vanniyakula Kshatriya Public Charitable Trusts and Endowments (Protection and Maintenance) Fund and vest with the Board.

(2) All moneys received by the Board, as donations, benefactions and grants for the purposes of the Board shall be deposited and accounted for.

(3) The fund specified under sub-section (1) of this section shall be applied to,-

(a) repayment of any loan borrowed by the Board and payment of interest thereon;

(b) payment of the cost of audit of the Fund and the accounts of trust and endowment;

(c) payment of the salary and allowances to the officers and staff of the Board;

(d) payment of travelling allowances to the Chairperson, members of the Board and officers and staff of the Board;

(e) payment of all expenses incurred by the Board in the performance of the duties imposed, and the exercise of the powers conferred by, or under this Act;

(f) payment of all expenses incurred by the Board for the discharge of any obligation imposed on it by or under any law for the time being in force.

(4) If any balance remains after meeting the expenditure referred to in sub-section (4), the Board may use any portion of such balance for the preservation and protection of the properties of trust and endowment, or for such other purpose as it may deem fit.

CHAPTER XIII.

BUDGET, ACCOUNTS AND AUDIT OF THE BOARD.

71. (1) The Board shall, in every year, prepare, in such form and at such time as may be prescribed, a budget for the next financial year showing the estimated receipts and expenditure during that financial year and forward a copy of the same to the Government.

Budget of Board.

(2) On receipt of the budget forwarded to it under sub-section (1), the Government shall examine the same and suggest such alterations, corrections, or modifications to be made therein as it may think fit and forward such suggestion to the Board for its consideration.

(3) On receipt of the suggestions from the Government, the Board may make written representations to the Government with regard to the alterations, corrections or modifications suggested by the Government and the Government shall, after considering such representations, communicate, within a period of three weeks from the date of receipt thereof, to the Board its final decision in relation to the matter and the decision of the Government shall be final.

(4) On receipt of the decision of the Government under sub-section (3), the Board shall incorporate in its budget all the alterations, corrections, modifications finally suggested by the Government and the budget as so altered, corrected or modified, shall be the budget which shall be passed by the Board.

72. The Board shall cause to be maintained such books of account and other books in relation to its accounts in such form and in such manner as may be prescribed.

Accounts of Board.

73. (1) The accounts of the Board shall be audited and examined annually by such auditor as may be appointed by the Government.

Audit of accounts of Board.

(2) The auditor shall submit his report to the Government and the report of the auditor shall, among other things, specify whether the accounts of every trust or endowment, under the direct management of the Board have been kept separately and whether such accounts have been audited annually by the State Examiner of Local Funds and shall also specify all cases of irregular, illegal or improper expenditure or of failure to recover money or other property caused by neglect or misconduct and any other matter which the auditor considers it necessary to report; and the report shall also contain the name of any person who, in the opinion of the auditor is responsible for such expenditure or failure and the auditor shall, in every such case, certify the amount of such expenditure or loss as due from such person.

(3) The cost of the audit shall be paid from the fund specified under section 70.

74. The Government shall examine the auditor's report and may call for the explanation of any person in regard to any matter mentioned therein, and shall pass such orders on the report as it thinks fit.

Government to pass orders on auditor's report.

75. (1) Every sum certified to be due from any person by an auditor in his report under section 73, be paid by such person within thirty days after the service of a demand notice by the Board.

Dues of Board to be recovered as arrears of land revenue.

Appointment of a Receiver in certain cases.	(2) If such payment is not made in accordance with the provisions of sub-section (1), the sum payable may, on a certificate issued by the Board, after giving the person concerned an opportunity of being heard, be recovered as an arrear of land revenue.	Central Act V of 1908.
	76. Notwithstanding anything contained in the Code of Civil Procedure, 1908, or in any other law for the time being in force, where any suit or other legal proceeding is instituted or commenced-	
	<p>(i) by or on behalf of a Board-</p> <p>(a) to set aside the sale of any immovable property, which is the property of trust or endowment, in execution of a decree or order of a Court;</p> <p>(b) to set aside the transfer of any immovable property, which is the property of trust or endowment, made by the trustee or administrator thereof, whether for valuable consideration or not, without or otherwise than in accordance with, the sanction of the Board;</p> <p>(c) to recover possession of the property referred to in clause (a) or clause (b) or to restore possession of such property to the trustee or administrator of the concerned trust or endowment; or</p> <p>(ii) by a trustee or administrator to recover possession of immovable property, which is the property of trust or endowment, which has been transferred by a previous trustee or administrator whether for valuable consideration or not, without otherwise than in accordance with the sanction of the Board, and which is in the possession of the defendant, the Court may, on the application of the plaintiff, appoint a receiver of such property and direct such receiver to pay from time to time to the plaintiff, out of the income of the property, such amount as the Court may consider to be necessary for further prosecution of the suit.</p>	
Bar to the enforcement of right on behalf of unregistered trust or endowment.	<p>77. (1) Notwithstanding anything contained in any other law for the time being in force, no suit, appeal or other legal proceeding for the enforcement of any right on behalf of any trust or endowment, which has not been registered in accordance with the provisions of this Act, after its commencement, or where any such suit, appeal or other legal proceeding had been instituted or commenced, before such commencement, no such suit, appeal or other legal proceeding shall be continued, heard, tried or decided by any Court after such commencement unless such trust or endowment, has been registered, in accordance with the provisions of this Act.</p> <p>(2) The provision of sub-section (1) shall apply, as far as may be, to the claim for set-off or any other claim made on behalf of any trust or endowment, which has not been registered in accordance with the provisions of this Act.</p>	
Notice of suits by parties against Board.	78. No suit shall be instituted against the Board in respect of any Act purporting to be done by it, in pursuance of this Act or of any rules made thereunder, until the expiration of two months next after notice in writing has been delivered to, or left at, the office of the Board, stating the cause of action, the name, description and place of residence of the plaintiff and the relief which he claims; and the plaint shall contain a statement that such notice has been so delivered or left.	
Notice of suits, etc., by Courts.	79. (1) In every suit or proceeding relating to a title to or possession of property of trust or endowment, or the right of a trustee or administrator or beneficiary, the Court shall issue notice to the Board at the cost of the party instituting such suit or proceeding.	

(2) Whenever any property of trust or endowment, is notified for sale in execution of a decree of a Court or for the recovery of any revenue, charges or taxes due to the Government, any local authority, any statutory Board or any Government Company, notice shall be given to the Board by the Court, Collector or other person under whose order the sale is notified.

(3) In the absence of a notice under sub-section (1), any decree or order passed in the suit or proceeding shall be deemed to be void, if the Board, within one month of its coming to know of such suit or proceeding, applies to the Court in this behalf.

(4) In the absence of a notice under sub-section (2), the sale shall be deemed to be void, if the Board, within one month of its coming to know of the sale, applies in this behalf to the Court or other authority under whose order the sale was held.

80. In any suit or proceeding in respect of a trust or endowment, or any property of trust or endowment, the Board may appear and plead as a party to the suit or proceedings.

Board to be party to suit or proceeding.

81. No suit or proceeding in any Court by or against the trustee or administrator of a trust or endowment, relating to title to property of trust and endowment, property or the rights of the trustee or administrator shall be compromised without the prior sanction of the Board.

Bar to compromise of suit by or against trustee or administrator.

CHAPTER XIV.

MISCELLANEOUS.

82. (1) If the Government is of opinion that the Board is unable to perform or has persistently made default in the performance of its duty, or abused its powers, or has willfully and without sufficient cause failed to comply with any direction issued by the Government or if the Government is satisfied on consideration of any report submitted after annual inspection, that the Board's continuance is likely to be injurious to the interests of the trust or endowment, the Government may, by notification, supersede the Board for a period not exceeding six months:

Power to supersede Board.

Provided that before issuing a notification under this sub-section, the Government shall give a reasonable time to the Board to show cause why it should not be superseded and shall consider the explanations and objections, if any, of the Board.

(2) Upon the publication of a notification under sub-section (1) superseding the Board-

(a) all the members of the Board shall, as from the date of supersession, vacate their offices as such members;

(b) all the powers and duties which may, by or under the provisions of this Act, be exercised or performed by or on behalf of the Board shall, during the period of supersession, be exercised and performed by such person or persons as the Government may direct; and

(c) all property vested in the Board shall, during the period of supersession, vest in the Government.

(3) On the expiration of the period of supersession specified in the notification issued under sub-section (1), the Government may-

(a) extend the period of supersession for such further period as it may consider necessary; or

(b) reconstitute the Board in the manner provided in section 9.

Protection of
action taken
in good faith.

83. No suit or other legal proceeding shall lie against the Board or Chief Administrative Officer or any other person duly appointed under this Act, in respect of anything which is in good faith done or intended to be done under this Act.

Chairperson, Members
Survey Officer,
Chief Administrative Officer
and officers of
the Board
deemed to be
public servants

84. (1) The Chairperson and members of the Board, Survey Officer, Chief Administrative Officer, every officers, including auditor and every other person duly appointed to discharge any duties imposed on him by this Act or any rule or regulation or order made thereunder, shall be deemed to be public servants within the meaning of Section 21 of the Indian Penal Code.

Central Act
XLV of 1860

(2) Every trustee or administrator of a trust and endowment, whether appointed under the provisions of this Act or under any deed of trust or endowment, every Administrative Officer and every person holding any office in a trust or endowment, shall also be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code.

Power of Board
and Chief Administrative Officer to
require copies of
documents, etc.,
to be furnished.

85. Notwithstanding anything contained in any law for the time being in force, it shall be lawful for the Board or the Chief Administrative Officer to require any person having the custody of any record, register, report or other document relating to a trust or endowment, or any immovable property, which is property of trust and endowment, to furnish subject to the payment of necessary cost, copies of, or extracts from, any such record, register, report or document and every person to whom such a requisition is made, shall furnish, as soon as may be practicable, to the Board or Chief Administrative Officer copies or extract from the required record, register, report or other document.

Central Act 36
of 1963 not to
apply for recovery
of properties of trust
or endowment.

36. Nothing contained in the Limitation Act, 1963 shall apply to any suit for possession of immovable property comprised in any trust or endowment, or for possession of any interest in such property.

Central Act
36 of 1963.

Power to
make rules.

87. (1) The Government may make rules to carry out the purposes of this Act.

(2) (a) All rules made under this Act shall be published in the *Tamil Nadu Government Gazette* and unless they are expressed to come into force on a particular day shall come into force on the day on which they are so published.

(b) All notifications issued under this Act, shall, unless they are expressed to come into force on a particular day, come into force on the day on which they are so published.

(3) Every rule made or notification or order issued under this Act shall, as soon as possible after it is made or issued, be placed on the table of the Legislative Assembly and if, before the expiry of the session in which it is so placed or the next session, the Assembly makes any modification in any such rule or notification or order, or the Assembly decides that the rule or notification or order should not be made or issued, the rule or notification or order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification or order.

88. (1) The Board may, with the previous sanction of the Government, make regulations consistent with this Act or the rules made there under, for carrying out its functions under this Act.

Powers to make regulations by the Board.

(2) No regulation or its cancellation or modification shall have effect until the same have been approved by the Government.

(3) The Government may, by notification, rescind any regulation made under this section and, thereupon, the regulation shall cease to have effect.

(4) All regulations made under this Act shall be published in the *Tamil Nadu Government Gazette* and unless they are expressed to come into force on a particular day, shall come into force on the day on which they are so published.

89. (1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order, not inconsistent with the provisions of this Act, do anything which appears to be necessary or expedient for the purpose of removing the difficulty:

Power to remove difficulties.

Provided that no such order shall be made after the expiry of two years from the date of commencement of this Act.

(2) The order made under this section shall be laid, as soon as may be after it is made, before the Legislative Assembly.

90. The Government may, from time to time, issue such directions to the Board, as it may deem fit, for giving effect to the provisions of this Act and it shall be the duty of the Board, to comply with such directions.

Power of Government to give directions

91. Save as expressly provided in this Act, any other law in force immediately before the commencement of this Act shall cease to apply to public charitable trusts or endowments created by persons belonging to Vanniyakula Kshatriya Community,-

Overriding effect of Act.

(i) with respect to any matter for which provision is made in this Act; and

(ii) in so far as the provisions of such other Act, is inconsistent with any of the provisions, contained in this Act.

STATEMENT OF OBJECTS AND REASONS

A number of philanthropists belonging to Vanniyakula Kshatriya community have dedicated their properties for various charitable purposes by creating trusts or endowments. The properties endowed for various charitable purposes were, in most cases, neither utilized for the said purposes nor were maintained in good condition. Several such endowed properties were either sold or encroached upon and thereby the testators' wishes were left unfulfilled.

2. Many representations were received by the Government to constitute a separate Board to save the properties of such trusts and endowments, to fulfil the wishes of the testators by providing good administration to such trusts and endowments and thereby facilitate the trusts and endowments to achieve the objects for which they were created, without any hindrance. The Government after careful consideration have decided to constitute a Board to safeguard the properties of such trusts and endowments created by persons or organisations of Vanniyakula Kshatriya Community and to enact a separate law for the purpose.

3. The Bill seeks to give effect to the above decision.

S. VALARMATHI,
*Minister for Backward Classes,
and Minorities Welfare.*

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clauses 1(3), 4(2), 4(3), 12(1), 19(2), 20(2), 30(3)(f), 31, 35(1), 38(1), 39(2), 45(2), 45(4), 46(6), 51(2), 51(3), 57, 59(1), 59(3), 63(1)(a), 71(1), 72, 87(1), 88(1), 88(3) and 89(1) of the Bill authorise the Government or the Vanniyakula Kshatriya Public Charitable Trusts and Endowments Board to issue notifications or orders or to make rules or regulation, as the case may be, for the purpose specified therein.

2. The powers delegated are normal and not of an exceptional character.

S.VALARMATHI,
*Minister for Backward Classes,
and Minorities Welfare.*

FINANCIAL MEMORANDUM

Clause 65 of the Bill provides for the payment of money by way of grants to the Vanniyakula Kshatriya Public Charitable Trusts and Endowments Board as the Government may think fit. Hence, the Bill when enacted and brought into operation would involve expenditure from the Consolidated Fund of the State.

2. It is not possible at this stage to estimate with any degree of accuracy the expenditure to be incurred from the Consolidated Fund of the State as a result of the proposed legislation.

S. VALARMATHI,
*Minister for Backward Classes and
Minorities Welfare.*

K. SRINIVASAN,
Secretary.