

Religious Institutions (Custody, Investments and Lending or Borrowing of Moneys) Rules, 1963

TAMILNADU

India

Religious Institutions (Custody, Investments and Lending or Borrowing of Moneys) Rules, 1963

Rule

RELIGIOUS-INSTITUTIONS-CUSTODY-INVESTMENTS-AND-LENDING- of 1963

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Religious Institutions (Custody, Investments and Lending or Borrowing of Moneys) Rules, 1963
Published vide Notification No. G. O. P. No. 3584, Revenue, dated 24th December 1963
Original rules published in Part V of the Fort St. George Gazette, dated 22nd April 1964.

1. Short title.

- These Rules may be called the Religious Institutions (Custody, Investments and Lending or Borrowing of Moneys) Rules, 1963.

2. Custody of moneys.

- Subject to the provisions of any scheme settled or deemed to have been settled for a religious institution, the moneys received by a math shall be in the trustee of the math or such officer of the math as the trustee may appoint in this behalf and the moneys received by other religious institutions shall be in the custody of the trustee or in the custody of the Chairman of the Board of Trustees, where there is a Board of Trustees.

3. Investment of moneys required for current expenses.

(1) Out of the moneys received by a trustee or the Chairman of the Board of Trustees, as the case may be, moneys required by the trustees or the Chairman for expenses for a period of three months shall be lodged in any one of the banks specified below in the current account or in the savings bank

account and drawn upon by the trustee or the Chairman as and when required, -(i) a Scheduled bank as defined in the Reserve Bank of India Act, 1934 (Central Act 2 of 1934); or (ii) the Tamil Nadu State Co-operative Bank Limited; or (iii) a Post Office Savings Bank; or (iv) such Central District Co-operative Bank as have been approved by the Registrar of Co-operative Societies for the investment of funds of local bodies; or (v) Co-operative Urban Banks in the State of Tamil Nadu, which maintain fluid resources and which are approved by the Registrar of Co-operative Societies for this purpose. (2) Moneys required for current expenditure within the fasli, over and above the amount specified above, shall be lodged in seasonal or fixed deposits for periods less than one year in any one of the banks specified in sub-rule (1). Moneys in excess of that required for expenditure within the fasli shall be invested in the manner laid down in rule 7.

4. Moneys received as deposits.

(a) Any money received as deposits shall be lodged separately and not withdrawn unless required for being refunded or adjusted. (b) Any money realised by sale of immovable properties shall be deposited separately in one or other of the securities mentioned in rule 7(a) to (d) and shall not be withdrawn without the previous permission of the Commissioner: [Provided that the Commissioner may, for reasons to be recorded in writing, also permit the withdrawal and utilization of such amounts for construction of new buildings, repairs to old buildings and for other purposes connected with the religious institution.] [Added by G. O. Ms. No. 560, Revenue, dated the 2nd March 1965.]

5. Moneys how to be lodged.

- Lodging of moneys under rule 3 or rule 4 shall be made in the name of the institution.

6. Withdrawals.

(1) Subject to the provisions of any scheme settled or deemed to have been settled for a religious institution or any order under section 67, the trustee of the institution or the Chairman of the Board of Trustees, as the case may be, shall have the power to withdraw such deposits or any part thereof and operate on the bank accounts. (2) No money shall be withdrawn from the bank unless it is required for immediate payment for the purposes of the religious institution.

7. Investment of moneys other than those referred to in rules 3 and 4.

(1) Any moneys belonging to religious institutions, other than those referred to in rules 3 and 4 shall be invested, -(a) in one or other of the following securities, namely: -(i) promissory notes, debentures, stock or other securities of the Central Government; (ii) [promissory notes, N.S.Cs., N.P.S. cs., stock or other securities of the State Government;] [G.O. Ms. No. 3246, Revenue, dated 19th December 1972.] (iii) stock or debentures of, or shares in, companies, the interest wherein shall have been guaranteed by the Central or the State Government; (iv) debentures of the Tamil Nadu Co-operative Central Land Mortgage Bank Limited, so long as the interest thereon is guaranteed by the State

Government;(v)debentures of other securities for money issued by, or on behalf of, any municipal body under the authority of any Act of a Legislature established in India; or(b)[in fixed deposits for periods not less than twelve months and not exceeding one hundred and twenty months in - [G.O. Ms. No. 1305, C. T. & R. E., dated the 24th November 1982.](i)a Scheduled bank as defined in the Reserve Bank of India Act, 1934 (Central Act 2 of 1934); or(ii)the Tamil Nadu State Co-operative Bank Ltd.; or(iii)such Central District Co-operative Banks as have been approved by the Registrar of Co-operative Societies for the investment of the funds of local bodies; or(iv)Co-operative Urban Banks; orExplanation. - Institutions are bound to deposit not less than 50% of their surplus funds in Co-operative Banks in long term deposits.(v)Co-operative Agricultural Banks and Rural Banks which are maintaining fluid resources and which are recommended by the Deputy Registrar up to a limit of Rs. 3,000;(vi)the Tamil Nadu Co-operative Central House Mortgage Bank Limited, Chennai, so long as the principal and interests are guaranteed by the Government; or(vii)the Tamil Nadu Industrial Investment Corporation Limited; or](viii)[the State Industries Promotion Corporation of Tamil Nadu Limited;] [G.O. Ms. No. 784, C. T. & R. E., dated the 8th June 1976.](ix)[The Tamil Nadu Transport Development Finance Corporation Limited;] [G.O. Ms. No. 370, C. T. & R. E. dated the 2nd March 1977.](c)in a Post Office Savings Bank; or(d)with the previous sanction of the Commissioner, in the purchase or in the first mortgage of immovable property provided that the property is not a lease-hold for a term of ten years and that the value of the property exceeds by one-half of the mortgage money; or(e)in loans on promissory notes to needy, but solvent religious institutions; or(f)[Units issued by the Unit Trust of India.] [G.O. Ms. No. 394, C. T. & R. E., dated the 12th April 1982.](2)The lending of moneys to religious institutions referred to in (e) of sub-rule (1) and the borrowing of money by them shall be, subject to the following conditions, namely:-(a)The trustee may lend moneys of a religious institution to another religious institution with the express prior sanction of the competent authority.(b)No trustee shall lend moneys of a religious institution to its employees or other individuals or bodies.(c)The trustee of a religious institution may, with the previous approval of the competent authority, borrow money on behalf of the religious institution from any other religious institution or private individuals including the trustee or an employee of the religious institution.(d)Every application seeking sanction to raise a loan shall be made to the competent authority and shall contain the following particulars:-(i)Necessity and urgency for raising a loan.(ii)Amount of loan required.(iii)From whom it is proposed to borrow.(iv)Financial position of the religious institution on the date of application.(v)Period by which loan could be repaid.(vi)Number of instalments and the amount of such instalment.(vii)Probable income and anticipated expenditure during the intervening period.When the amount is sought to be borrowed from the trustee or an employee of the religious institution or from any other individual, his consent in writing to lend the required money shall also be sent.(e)The competent authority shall, before according sanction to a religious institution to lend money, satisfy himself as to its capacity to lend and before according sanction to a religious institution to borrow money, satisfy himself as to its capacity to repay.(f)The competent authority shall specify the time by which the loan shall be repaid, stipulate the number of instalments, if necessary, and fix the rate of interest payable on the loan, if any:Provided that in the case of lending or borrowing of moneys from one religious institution to another, the competent authority may waive the recovery of interest either in whole or in part.(g)The trustee of a borrowing institution shall execute a promissory note in favour of the trustee of the lending institution or individual.(h)The competent authority to sanction the lending and borrowing of moneys shall

be-(i)The Assistant Commissioner up to a limit of Rs. 5,000 (Rupees five thousand only) in respect of the institutions under his jurisdiction, subject to approval by the Commissioner;(ii)The Deputy Commissioner or the Joint Commissioner, as the case may be, up to a limit of Rs. 10,000 (Rupees ten thousand only) in respect of the institutions under his jurisdiction, subject to approval by the Commissioner; and(iii)The Commissioner in respect of non-listed notified temples and in all other cases.

8.

The investments made under rule 7(1)(a) and (b) above shall not be pledged, encashed or withdrawn without the permission of the Commissioner.