

**THE MADRAS HINDU RELIGIOUS AND CHARITABLE ENDOWMENTS (KARNATAKA
AMENDMENT) ACT, 1963.**

ARRANGEMENT OF SECTIONS

Sections :

1. Short title.
2. Amendment of section 76.
3. Insertion of Chapter IX.

* * * * *

STATEMENT OF OBJECTS AND REASONS

Act 25 of 1963.- The Madras Hindu Religious and Charitable Endowments Act, 1951, came into force from 28th August 1951. Section 76(1) of the said Act envisaged the levy of contribution by Government on all religious institutions. In Sri Lakshmindra Theertha Swamiar vs. Commr. H.R.E., Madras (A.I.R. 1952 Madras 613), the High Court of Madras held section 76(1), among some other sections, as invalid and beyond the competence of the State Legislature. The levy of the contribution as a result of this judgment was deferred. The Supreme Court also upheld the judgement of the Madras High Court regarding this section. The Madras Government thereafter got the 1951 Act amended by Madras Act XXVII of 1954. The amended Act came into force from 22nd September 1954. Before the amendment Act came into force, Bellary District was separated from Madras State and merged with Mysore State when Andhra State was formed in 1953. Hence, the Madras Amendment Act of 1954 is not applicable to Bellary District. Section 76 (1) of the amended Act has been held as valid by the Madras High Court in a subsequent decision and section 76(2) has not been invalidated at any time. For services rendered by the Government and their officers, every religious institution has to contribute from its fund to the Government annually such amount not exceeding 5 per cent of its income as may be prescribed. Under section 76 (2), every religious institution whose income is not less than Rs. 1,000 shall pay to the Government annually for meeting the cost of auditing its accounts, such further sum not exceeding 1 1/2 per centum of its income as the Commissioner may determine. The main change effected to section 76(1) of 1951 Act by the amended Act of 1954 was that while in the 1951 Act the contribution under section 76(1) was payable to the Government, the contribution under section 76(1) under the amended Act of 1954 is payable to the Commissioner of the Department. Under section 80 of the amended Act, the Commissioner of the Department has been made a Corporation Sole and under section 81, a separate fund called the 'Madras H.R. and C.E. Administration Fund' was created. The fund is vested in the Commissioner. Under section 81(2) of the amended Act, the Commissioner shall out of the said fund, repay to the Government sums paid by the Government under section 76(4) towards the pay, allowance, pensions, etc., of the officers of the Department.

In view of the above decision of the High Court of Madras dated 9th December 1955, holding section 76(1) of the amended Act as valid, contributions under section 76(1) of the amended Act are being levied from all major institutions in the Madras area. It is therefore proposed to amend the Madras Act as in force in Bellary District on the lines of amendments made by Madras Act

XXVII of 1954 to enable similar contributions being levied in respect of institutions in Bellary District also.

Hence this Bill.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2A dated 22-3-1963 as No. 39 at pages 3-4)

* * * * *

¹[KARNATAKA]¹ ACT No. 25 OF 1963.

(First published in the ¹[Karnataka Gazette]¹ on the Tenth Day of October, 1963)

**THE MADRAS HINDU RELIGIOUS AND CHARITABLE ENDOWMENTS
(¹[KARNATAKA]¹ AMENDMENT) ACT, 1963.**

(Received the assent of the Governor on the Third Day of October, 1963)

An Act to amend the Madras Hindu Religious and Charitable Endowments Act, 1951, as in force in Bellary District.

WHEREAS it is expedient to amend the Madras Hindu Religious and Charitable Endowments Act, 1951 (Madras Act XIV of 1951), as in force in Bellary District ;

BE it enacted by the ¹[Karnataka]¹ State Legislature in the Fourteenth Year of the Republic of India as follows :-

1. Short title.- (1) This Act may be called the Madras Hindu Religious and Charitable Endowments (¹[Karnataka]¹ Amendment) Act, 1963.

2. Amendment of section 76.- In section 76 of the Madras Hindu Religious and Charitable Endowments Act, 1951 (hereinafter referred to as the principal Act),-

(i) for sub-sections (1) and (2), the following sub-sections shall be substituted, namely :-

"(1) In respect of the services rendered by the Government and their officers and for defraying the expenses incurred on account of such services, every religious institution shall, from the income derived by it, pay to the Commissioner annually such contribution not exceeding five per centum of its income as may be prescribed.

(2) Every religious institution, the annual income of which for the fasli year immediately preceding as calculated for the purposes of the levy of contribution under sub-section (1), is not less than one thousand rupees, shall pay to the Commissioner annually for meeting the cost of auditing its accounts, such further sum not exceeding one and a half per centum of its income as the Commissioner may determine."

(ii) at the end of the section, the following explanation shall be added, namely :-

"Explanation.- Any religious institution the annual income of which is less than two hundred rupees, shall not be liable to pay any contribution to the Commissioner as required by sub-section (1)",.

3. Insertion of Chapter IX.- After Chapter VIII of the principal Act, the following Chapter shall be inserted, namely :-

"CHAPTER IX

ENDOWMENTS ADMINISTRATION FUND

80. Commissioner to be corporation sole.- The Commissioner shall be a corporation sole and shall have perpetual succession and a common seal and may sue and be sued in his corporate name.

81. Religious and Charitable Endowments Administration Fund.- (1) There shall be established a fund to be called the Hindu Religious and Charitable Endowments Administration Fund. The Fund shall vest in the Commissioner.

(2) The contribution payable under sub-section (1) of section 76 and the further sums payable under sub-section (2) of section 76 shall, when realised, be credited to the said Fund. It shall be lawful for the Commissioner to accept to the credit of the said Fund grants or loans from the Government and grants from any private person. The Commissioner shall, out of the said Fund, repay to the Government sums paid by the Government under sub-section (4) of section 76 and loans received from the Government."

* * * *

1. Adapted by the Karnataka Adaptations of Laws Order 1973 w.e.f. 01.11.1973.