

Temple Income, Budget and Funds

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1. Temple income and how funds are used (Section 57)
2. Budget and the sanctioning authorities
3. Accounts and audit

1 Temple income and how funds are used (Section 57)

A temple lives on hundi offerings, seva and ticket fees, rents and interest; Act 30 of 1987 abolishes private shares in that money (S.144), tells every budget what to fund first (S.57), and takes fixed payments from it into three state-level funds: the Endowments Administration Fund (S.69), the Common Good Fund (S.70) and the Archakas Welfare Fund (S.161).

Core facts

- **Where the money comes from: hundi** (offerings in cash and kind), arjitha seva, darshan, archana and **tonsure** tickets, fees for marriages and upanayanam, **prasadam** sales, **rents and leases** of lands and shops, **interest** on deposits, donations and endowments, Government **tasdik** (annual allowance), and grants such as **Dhoopa Deepa Naivedyam**.
- **S.144: shares in hundi and other rusums abolished.** No trustee, archaka, mirasidar or other servant may claim a share in the hundi, the harati plate, ticket fees, prasadam or service lands. As amended by **Act 33 of 2007**, this applies to institutions whose annual income exceeds **₹5 lakh**.
- **The chapters on money:**

Chapter	Sections	Subject
VI	56 (only)	Dharmadayam
VII	57–64	Budget, accounts and audit
VIII	65–71	Financial provisions: contribution, audit fee, two funds
IX	72–74	Surplus funds and funds of defunct institutions

- **How every budget must use the income** (S.57(2)(a), in this order; details in HC-TF-02):

Clause	Use of funds	Statutory share
(i)	Maintenance, daily services, dittam	Staff salaries at most 30% of income
(ii)	Liabilities and continuing contracts	—
(iii)	Working balance	—
(iv)	Pilgrims' health, safety, convenience	At least 40% of what is left after (i)–(iii), if income above ₹20,000
(v)	Reserve Fund	10% of that same remainder
(vi)	Buildings: construction, repairs, renovation	At least 30% of what is left after (i)–(iv), if income ₹1 lakh or more

- **Key definitions: S.2(11) Dittam** = the scale of articles for daily **dhoopam, deepam, naivedyam**, pujas, sevas and utsavams; **S.2(7) Common Good Fund** = the fund under **S.70**; **S.2(12) Endowments Administration Fund** = the fund under **S.69**; **S.2(1A) Archakas Welfare Fund** = the fund under **S.161**.
- **The money an institution pays out by law:**

Payment	Section	Rate / rule	Goes to
Annual contribution	65(1)	Income above ₹50,000 ; rate fixed by Government	Endowments Administration Fund
Audit fee	65(4)	1½% of annual income	Endowments Administration Fund
Salary fund share	65-A	Prescribed rate of income	Fund vested in the Commissioner
Common Good Fund share	57(2)(b), 70	Income above ₹50,000 ; 9% by a 2015 G.O.	Common Good Fund
Welfare fund share	161	3% of annual income	Archakas Welfare Fund

- **Who holds which fund:** Endowments Administration Fund **vests in the Commissioner (S.69(1))**; the S.65-A salary fund **vests in the Commissioner**; the **Common Good Fund vests in a Committee constituted by the Government (S.71)**.
- **TTD** is outside the general S.65(1) rule. Since **Act 30 of 2021** (from **1-9-2021**) it pays **7% of income or ₹5 crore, whichever is higher** (S.65(2)), **₹40 crore** a year to the Common Good Fund (S.70(4)) and **₹5 crore** to the welfare fund (S.161), each fixed sum rising **10% every five years**.
- **EO's salary** is paid first from the State's Consolidated Fund and recovered from the **Endowments Administration Fund (S.69(3)(i))**; the 2023 key called it the **"Section 69 fund"**.

Explained

Dharmadayam (S.56, Chapter VI).

- A dharmadayam is money collected from traders or the public for a religious or charitable purpose (a levy on goods sold, for instance).
- **S.56(1):** the person collecting it holds it **as a trustee**.
- **S.56(2):** accounts of each financial year's collection and spending go to the **Commissioner before 15 May**; the Commissioner may check them.
- **S.56(3):** the Commissioner may direct its use, but money collected for **a particular religious purpose** may be spent only on **that purpose**.
- **S.56(5):** not sending accounts even after the Commissioner fixes a time = **fine up to ₹1,000**.

Annual contribution and audit fee (S.65).

- **S.65(1):** every institution **other than TTD** pays a yearly contribution **for the services of the Government and its employees** in administering institutions. It applies only where annual income **exceeds ₹50,000** (raised from **₹5,000** by **Act 33 of 2007**, which also dropped the old 15% ceiling).
- **S.65(2):** TTD's own rule (above). Before 2021 TTD paid a lump sum of **₹50 lakh**.
- **S.65(3):** paid **once a year** into the Endowments Administration Fund.
- **S.65(4):** an extra **1½%** of annual income as **audit fee**.
- **S.65(5)(a):** for a **dharmadayam**, annual income = the **whole amount collected** in the year.

- **S.65(5)(b):** for other income, these are deducted first: kist and cess paid to Government, local taxes and licence fees, direct **cultivation** costs (seed, manure, cattle, implements, wages; capped at **10%** of that land's income), **minor repairs** of rented buildings (**10%** of the rent or actual cost, whichever is less), **rent-collection** staff (up to **10%** of rents collected), and sale proceeds of immovable property reinvested.
- **Not income (Explanation 1):**
 - advances, deposits and **loans**;
 - **security deposits** of staff, tenants and contractors;
 - **withdrawals** from banks or investments;
 - amounts recovered under court decrees;
 - sale of religious books for propagation;
 - sale of jewels, vehicles or cattle;
 - **capital donations**;
 - voluntary contributions for a specific service, spent on it;
 - **recoveries pointed out in audit.**
- **Seva ticket fees, hundi, rents** are ordinary income.
- **Explanations 2–4:** a **profit-making subsidiary** counts only its **net profit**; grants, donations and student fees of non-profit schools, hospitals and orphanages are not income. Offerings **in kind** count at the **sale proceeds on the date of sale**; produce of the institution's land counts at **market value on the day received**.

Assessment and payment (Ss.66–68).

Step	Section	Rule
Assessment	66(1)	Commissioner assesses and notifies the trustee
Escaped assessment	66(1) proviso	Notice within 3 years from the end of that year; pay within 15 days
Limit on arrears	66(2)	Not more than 3 years before the year of notice
Legal costs	67	Costs of Government, Commissioner, DC, AC in a case are paid from that institution's funds (same 3-year / 15-day rule if not notified)
Objection	68(1)	In writing to the Commissioner within 15 days , on liability or amount
Payment	68(2)	Within 30 days of the notice, or of the order on the objection

Fund for archakas' salaries (S.65–A). Inserted by **Act 33 of 2007** (from **3-1-2008**). A separate fund, **vested in the Commissioner**, pays the salaries and allowances of archakas, office-holders and staff in **sanctioned posts**. Each institution pays into it at a prescribed rate of its S.65 income.

Endowments Administration Fund (S.69).

- **Credited (S.69(2)):** balances due under the old **1966 Act**; the **S.65(1) contribution and audit fee**; amounts recovered under **S.30**; **grants or loans** from Government or others.

- **Paid out (S.69(3)):** (i) salaries, allowances and **pension** of persons serving under the Act (departmental EOs), first paid by Government; (ii) Government's other costs of administering institutions; (iii) Government loans; (iv) **journals, manuals, account forms and literature on Hindu religion**; (v) costs of committees under the Act.
- **S.70(2):** what is left after S.69(3) payments may be **transferred to the Common Good Fund** on Government's order.

Common Good Fund (Ss.70–71).

- **S.70(1)(a):** the Commissioner constitutes **two** funds: one for **Hindu** charitable and religious institutions, one for **other** charitable institutions.
- **Uses of the Hindu fund (S.70(1)(b)):**

Clause	Purpose	Minimum share
(i)	Dhoopa-deepa-naivedyam, renovation, preservation, maintenance, archakas' pay, propagation in needy temples	25% of last year's receipts (Act 33 of 2007)
(ii)	Veda pathashalas and schools for archakatvam, adhyapakatvam, Veda parayanam, sculpture	20% of last year's receipts
(iii)	New temples and kalyana mandapams	Added by Act 26 of 1990

- The 25% and 20% are shares of the **whole fund**, not grants per temple.
- **S.70(3):** the Commissioner issues a **demand notice** to each institution on the basis of the CGF provision in its **budget**.
- **S.57(2)(b):** budgets of institutions with income **above ₹50,000** must provide for the CGF "in the prescribed manner" (Act 33 of 2007 removed the fixed rate from the section).
- **The 9% rate is not in the Act.** A **2015 Government order** raised the CGF share from **5% to 9%** for **6(a) and 6(b)** temples and exempted **6(c)** temples.
- **S.71:** the fund **vests in a Committee constituted by the Government**.

Archakas and Other Employees Welfare Fund (S.161). Inserted by **Act 33 of 2007**, following Supreme Court directions. Every institution **except TTD** whose S.65 income reaches **₹25 lakh** a year sets apart **3%** of its income for the fund; TTD pays **₹5 crore** a year (2021 amendment; earlier an amount fixed by Government). The fund is run as a registered trust for archakas' and employees' welfare (ex gratia, medical aid, loans, scholarships).

Surplus funds (S.72, Chapter IX). Only after S.57(2) allocations are met may the trustee apply for permission to spend a surplus on: propagation of the institution's tenets; schools for archakas, adhyapakas and Veda parayanikas; institutions and libraries for Hindu religion, philosophy, shastras and temple vastu; help to needy Hindu institutions; hospitals and dispensaries for pilgrims; **choultries** and rest houses; water and sanitation; buying land; roads and lighting; orphanages and homes for the poor and disabled; homes for leprosy patients; payment to the **Common Good Fund**. **S.72(3):** money may also be given for **Hindu marriages** of needy persons. A **math** may use surplus for purposes of its own tradition (S.72(2)).

Defunct institutions (Ss.73–74). The Commissioner, DC or AC traces the properties and funds of an institution that has ceased to function and uses them first to revive it, otherwise for the purpose nearest the founder's intention.

AP angle

- **Dhoopa Deepa Naivedyam Scheme (DDNS)**, paid from the Common Good Fund under **S.70(1)(b)(i)**: guidelines by **G.O.Ms.No.665 (19-05-2007)**; ₹2,500 → ₹5,000 a month by **G.O.Ms.No.639 (08-07-2015)**; ₹10,000 a month by **G.O.Ms.No.216 (03-10-2024)**: ₹7,000 archaka's remuneration + ₹3,000 puja and naivedyam costs, credited online to the archaka's account.
- Coverage: about **5,500** temples when the 2024 rise was announced; **6,170** temples per the Endowments Minister (May 2026).
- **CGF Committee guidelines** (not in the Act): rural and heritage temples first; temples with gross income above ₹5 lakh or inside **municipal limits** get no grant; no second grant within **5 years**. **Matching contribution** from the temple or public: **20%** in backward Rayalaseema and North Coastal Andhra, **30%** elsewhere.

Common traps

✗ "Section 57 lists the sources of a temple's income." ✓ S.57 is the **budget** section; S.144 deals with hundi shares.

✗ "The Common Good Fund vests in the Commissioner." ✓ It vests in a **Committee constituted by the Government** (S.71); the **Administration Fund** (S.69) vests in the Commissioner.

✗ "The Common Good Fund is under S.69." ✓ **S.70**; S.69 is the Endowments Administration Fund.

✗ "The Act fixes the CGF share at 9%." ✓ The Act says "prescribed"; **9%** comes from a **2015 G.O.**

✗ "TTD pays ₹50 lakh under S.65(2)." ✓ That was the pre-2021 lump sum; now **7% or ₹5 crore, whichever is higher**.

✗ "TTD pays ₹40 crore to the Administration Fund." ✓ ₹40 crore goes to the **Common Good Fund** (S.70(4)); the Administration Fund gets ₹5 crore.

✗ "The audit fee is 1%." ✓ **1½%** (S.65(4)).

✗ "Dharmadayam accounts are due by 31 March." ✓ **Before 15 May** (S.56(2)).

✗ "The welfare fund threshold is ₹20 lakh." ✓ The Act's text says **₹25 lakh** (some guides print ₹20 lakh).

✗ "Withdrawals from the bank count as income." ✓ They are excluded (Explanation 1 to S.65).

Quick revision

- Income: hundi, seva and tonsure tickets, prasadam, rents, interest, tasdik, grants.
- S.144: hundi and rusum shares abolished (income above ₹5 lakh, 2007).
- Ch. VI = S.56 dharmadayam; Ch. VII = 57–64; Ch. VIII = 65–71; Ch. IX = 72–74.

- S.56: held as trustee; accounts before 15 May; fine ₹1,000.
- S.65: income above ₹50,000; for Government's services; audit fee 1½%; TTD 7% or ₹5 crore.
- S.66: 3 years, 15 days; S.68: object in 15 days, pay in 30 days.
- S.69 Administration Fund vests in Commissioner; pays EO salary and pension.
- S.70 two CGFs: 25% for needy temples, 20% for Veda schools; S.71 Committee by Government.
- S.161: 3% to archakas' welfare fund; TTD ₹5 crore; TTD ₹40 crore to CGF.
- DDNS ₹10,000 a month (₹7,000 + ₹3,000), G.O.Ms.No.216 of 2024.

2 Budget and the sanctioning authorities

Under Section 57 (Chapter VII) the trustee sends a budget of probable income and expenditure 90 days before the year ends, to the officer fixed by the institution's Section 6 class; every budget must first fund daily services, liabilities, a working balance, 40% pilgrim amenities, a 10% reserve and 30% buildings, and nothing may be spent without a sanctioned budget.

Core facts

- **Section 57 = budget**; it opens **Chapter VII "Budget, accounts and audit"** (Ss.57–64). A budget is an **advance plan** of the coming year's **probable receipts and expenditure**, not last year's accounts.
- **Who submits**: the **trustee** (S.57(1)); the EO prepares it and carries it out (S.29). **When**: **90 days before the end** of every financial year. **Form**: as directed by the **Commissioner**.
- **To whom (S.57(1), as amended by Act 33 of 2007)**:

Section 6 class	Budget goes to
6(a) and 6(d) (maths)	Commissioner
6(b)	Deputy Commissioner
6(c)	Assistant Commissioner

- **Section 6 classes today (G.O.Ms.No.268, 12-11-2024)**: 6(a) income ₹50 lakh or more; 6(b) ₹15 lakh to below ₹50 lakh; 6(c) below ₹15 lakh; 6(d) maths, whatever their income; 6(e) specific endowments, whatever their income. **Act 36 of 2023** (from 26-06-2023) let the Government notify these limits in the Gazette.
- **Departmental sanctioning authorities (budget rules, asked in 2026)**:

Institution	Sanctions the budget
6(c), income below ₹15 lakh	Assistant Commissioner
6(b), ₹15 lakh–₹50 lakh	Deputy Commissioner
6(a), ₹50 lakh–₹1 crore	Regional Joint Commissioner
Above ₹1 crore, up to Deputy Commissioner cadre temples	Additional Commissioner
Joint Commissioner cadre temples	Commissioner
6(d) maths	Commissioner
TTD	Government (S.116)

- **Online through FAS** (Financial Accounting System): budgets of institutions under the **Commissioner, Additional Commissioner, Regional Joint Commissioner and Deputy Commissioner**.
- **Compulsory allocations (S.57(2)(a), in order)**:

Clause	Item	Rule
(i)	Maintenance, daily services , dittam in force	Staff salaries not over 30% of S.65 income
(ii)	Liabilities and continuing contracts	—
(iii)	Working balance	—
(iv)	Health, safety, convenience of pilgrims and worshippers	Income above ₹20,000 : not less than 40% of income left after (i)–(iii)
(v)	Reserve Fund	10% of the income left after (i)–(iii)
(vi)	Construction, repairs, renovation of buildings	Income ₹1 lakh or more: not less than 30% of income left after (i)–(iv)

- **S.57(2)(b)**: income **above ₹50,000** → provide for the **Common Good Fund** in the **prescribed** manner.
- **Rules of the department**: **no expenditure without budget sanction**; with a **non-hereditary trust board**, the **board must approve** the budget before it goes for sanction; the **EO cannot encash a Fixed Deposit (FDR)**.

Explained

Altering, revising and exceeding the budget.

Sub-section	What happens	Officers
57(3)	Officer may make alterations, omissions or additions after notice to the trustee and considering his reply	Commissioner, Additional Commissioner, Joint Commissioner , DC, AC
57(4)	Trustee sends a supplementary or revised budget during the year; items (ii) and (iii) cannot be disturbed	Commissioner, DC, AC
57(5)	Every spending over the allotment is reported forthwith with reasons by the trustee ; the officer may approve it	Commissioner, Additional Commissioner, Joint Commissioner, DC, AC

- The words "Additional Commissioner, Joint Commissioner" were **inserted** into S.57(3) and (5) by amendment. The **District Collector** has no budget power.
- **Ratification later**: per the 2026 key, excess spending not covered by a supplemental sanction in the same year **can still be ratified in a later financial year** by the competent authority.

Reading the percentages (worked example). A temple with income above ₹1 lakh has **₹10 lakh** left after items (i)–(iii):

- pilgrim amenities (iv): at least **40% = ₹4 lakh**;
- Reserve Fund (v): **10% = ₹1 lakh**;

- buildings (vi): at least **30%** of what is left after (i)–(iv).

Dittam and the budget. Item (i) funds the **dittam currently in force** (S.2(11): the scale of articles for daily dhoopam, deepam, naivedyam, pujas and utsavams). For temples it is fixed under **S.25** and **reviewed once every three years**; for maths it is fixed under **S.49**.

Section 6 class decides the officer.

- Before the 2024 G.O., the Act's text read: 6(a) above **₹25 lakh** (raised from ₹5 lakh by Act 33 of 2007), 6(b) **₹2 lakh–₹25 lakh**, 6(c) **below ₹2 lakh**.
- **Proviso to S.6:** if an institution's income stays outside its class for **three consecutive years**, the **Commissioner** may move it to the right class; its budget authority changes with it.
- Budget (S.57) has **no clause (e)**; audit reports (S.59) go to the Commissioner for **6(a), 6(d) and 6(e)** (see HC-TF-03).

The EO and the budget (S.29).

- Under **S.29(3)(b)** the EO **arranges collection of income and incurs expenditure** as per the budget, remits cash to the bank or treasury, and signs cheques.
- **Emergency:** the EO may get urgent work done to protect property or pilgrims, but must **report it forthwith to the trustee** with reasons.
- A **Fixed Deposit Certificate** of any scheme or specific endowment **shall not be encashed under any circumstances**.
- **S.24:** the trustee must produce budget, accounts and returns whenever the Commissioner, DC or AC asks.

TTD budget (S.116).

- The **EO** prepares it and gives it to the **Executive Committee by 15 January**; the Committee places it before a **special Board meeting within 15 days**; the Board passes it and sends it to the **Government**, which **sanctions** it with any changes.
- If not sanctioned by the **end of March**, the Committee may spend **1/12** of each head's provision a month for **April and May**.
- **Re-appropriation** between heads without prior sanction: up to **15%** of the head's allotment.
- The same six allocations apply (40% amenities, 10% reserve, 30% buildings). Since **Act 30 of 2021** the TTD budget must also provide **₹5 crore** (Administration Fund), **₹40 crore** (Common Good Fund) and **₹5 crore** (archakas' welfare fund).

Common traps

✗ "The budget is in Chapter VIII." ✓ **Chapter VII** (Ss.57–64); Chapter VIII starts at S.65.

✗ "Budget is submitted 60 days (or 30 days) before the year." ✓ **90 days before** the end of the financial year.

✗ "6(b) budgets go to the Assistant Commissioner." ✓ To the **Deputy Commissioner**; 6(c) goes to the AC.

✗ "Mutts' budgets go to the Deputy Commissioner." ✓ **6(d) maths** → **Commissioner**.

✗ "6(a) means income above ₹25 lakh." ✓ Since **G.O.Ms.No.268 (2024)**: **₹50 lakh or more**.

✗ "TTD's budget is sanctioned by the Commissioner." ✓ By the **Government**.

✗ "Pilgrim amenities get 40% of total income." ✓ 40% of what is **left after (i)–(iii)**, only where income exceeds ₹20,000.

✗ "A revised budget may cut the working balance." ✓ Items **(ii) and (iii)** cannot be touched (S.57(4)).

✗ "The welfare fund contribution is one of the S.57(2)(a) items." ✓ It comes from **S.161**.

✗ "An EO may encash an FDR in an emergency." ✓ **Never**; the 2026 key says the EO has no such power.

Quick revision

- S.57 budget, Chapter VII; trustee submits 90 days before year-end, Commissioner's form.
- 6(a), 6(d) → Commissioner; 6(b) → DC; 6(c) → AC.
- 2024 limits: 6(a) ₹50 lakh+, 6(b) ₹15–50 lakh, 6(c) below ₹15 lakh.
- Delegation: RJC ₹50 lakh–₹1 crore; Addl. Commissioner above ₹1 crore (DC cadre); JC cadre and mutts → Commissioner.
- FAS: Commissioner, Addl. Commissioner, RJC, DC institutions.
- Order: daily services → liabilities → working balance → pilgrims → reserve → buildings.
- 30% salary cap; 40% pilgrims (₹20,000+); 10% reserve; 30% buildings (₹1 lakh+).
- S.57(4) supplementary budget spares (ii), (iii); S.57(5) excess reported forthwith.
- No spending without sanction; board approves first; EO never encashes an FDR.
- TTD: EO → Committee by 15 January → Board in 15 days → Government.

3 Accounts and audit

The EO keeps the accounts (S.58); the institution's income decides the audit (concurrent above ₹25 lakh, yearly from ₹2 lakh, a departmental officer below that); the report goes to the Commissioner, DC or AC by Section 6 class (S.59), the EO rectifies the defects (S.61), and only the Commissioner can surcharge a trustee, whose dues are then recovered as arrears of land revenue (S.148).

Core facts

- **Chapter VII (Ss.57–64): budget, accounts and audit.** S.57 budget; **S.58–64 accounts and audit**; Chapter VIII (finance) begins at **S.65**.
- **S.58(1):** the **Executive Officer** keeps regular accounts of all receipts and payments for each financial year, in the form the **Commissioner** specifies.
- **Three audit slabs (S.58(2)),** by the S.65 income of the **immediately preceding** financial year:

Annual income	Kind of audit	Done by
Above ₹25 lakh	Concurrent audit (as and when transactions happen)	Agency named by Government under S.63
₹2 lakh up to ₹25 lakh	Once a year (shorter intervals if the Commissioner directs)	Agency under S.63
Below ₹2 lakh	Once a year	Officer subordinate to the Assistant Commissioner

- **Old limits (before Act 33 of 2007, from 3-1-2008):** concurrent audit above **₹1 lakh**; the ₹2 lakh line was **₹5,000**.
- **Who gets the audit report (S.59):**

Section 6 class	Report sent to
6(a), 6(d), 6(e)	Commissioner
6(b)	Deputy Commissioner
6(c)	Assistant Commissioner

- **Section map of the chapter:**

Section	Subject
58	Accounts and audit; the three slabs
59	Authority to whom the audit report is submitted
60	Contents of the audit report
61	Rectification of defects disclosed in audit; surcharge

Section	Subject
62	Defects found by the Commissioner himself
63	Agency for audit (named by Government)
64	Duty of trustee and staff to assist the auditor

- **Audit fee: 1½%** of annual income (**S.65(4)**), credited with the contribution to the **Endowments Administration Fund** (S.69(2)(a)(iii)).
- **TTD (S.117)**: accounts kept by the **Financial Adviser and Chief Accounts Officer**; audited **once a year** (or oftener if Government directs) by an **auditor appointed by the Government**, who reports **to the Government**.

Explained

What the auditor must point out (S.60).

- **Illegal, irregular or improper expenditure.**
- **Failure to bring to account** money or property due to the institution.
- **Loss or waste** of money or property caused by **negligence, misconduct, misapplication, collusion, fraud, breach of trust or misappropriation** by the trustee or anyone else.
- **S.60(2)**: any other particulars that are prescribed or that the **Commissioner, DC or AC** directs.
- The report looks back at past transactions; proposals for the next budget are not its business (that is S.57).
- **S.59** covers a report on a **financial year, a shorter period, or any single transaction or series**.

Rectification and surcharge (S.61).

Step	Sub-section	Rule
Report to EO	61(1)	Commissioner, DC or AC sends the report to the EO ; the EO must rectify the defects and report back
Commissioner's cases	61(2)	For reports received under S.59(i) (6(a), 6(d), 6(e)) the Commissioner enquires, issues show cause , then orders payment
DC/AC cases	61(3)	For 6(b) and 6(c), the DC or AC finds the default and informs the Commissioner , who issues show cause and orders payment
Communicating	61(4)	Order with reasons sent by registered post
Wilful delay	61(6)	If the person is disposing of or removing property: security or conditional attachment

- A **surcharge** is an order that the trustee or other person **pays personally, not from institution funds**, the money spent illegally or the value of property lost, **within the time fixed** in the order.
- **Only the Commissioner** passes a surcharge order; the DC and AC only report the default.

- A loss beyond the trustee's control is not a ground; negligence, misconduct, fraud or misappropriation is.

Commissioner's own action (S.62). "Without prejudice to S.61" (that is, in addition to it), the Commissioner, **on his own motion** or on the report of a **DC, AC or any other officer**, after enquiry and a chance to make a **representation**, may:

1. order **conditional attachment** of the person's property;
2. **institute criminal proceedings**;
3. call for the audit report and order **payment**.

Duty to help the auditor (S.64). The **trustee**, and every officer, servant and agent under him and anyone connected with management, must produce the **accounts, correspondence, plans, money and other property** and give all information the auditor needs.

Recovery as land revenue (S.148).

- **S.148(1):** an unpaid **surcharge** is recovered by the **RDO or Deputy Commissioner** in whose area the person's property lies, **on the Commissioner's request, as arrears of land revenue**, and paid **to the institution**.
- **S.148(2):** unpaid **contribution and other dues to Government** are recovered the same way from the institution.
- **S.148(3):** a notice gives **15 days** to pay; then the amount with costs is recovered as land revenue.
- **S.148(4):** arrears due to Government are first taken from the **tasdik** or other allowances Government pays the institution.
- **S.148(5):** no action against **temples, tanks, festival grounds, idols, vahanams, jewels** and articles used in worship and processions.
- **S.148(6):** instead of a sale, a **receiver** may be appointed to collect the property's income until the arrears are paid.

Audit-linked income rule. Recoveries made at the instance of audit are **not income** when computing annual income under S.65 (Explanation 1(j)); they only restore money already lost.

Common traps

✗ "The trustee keeps the accounts." ✓ The **Executive Officer** does (S.58(1)); the trustee submits the **budget** (S.57).

✗ "Concurrent audit applies at ₹25 lakh exactly." ✓ Income must **exceed ₹25 lakh**; at exactly ₹25 lakh it is the yearly audit.

✗ "Concurrent audit starts above ₹1 lakh." ✓ That was the pre-2007 limit; now **above ₹25 lakh**.

✗ "The Commissioner names the audit agency." ✓ The **Government** does (S.63).

✗ "6(e) audit reports go to the Deputy Commissioner." ✓ **6(a), 6(d), 6(e) → Commissioner** (S.59(i)).

X "The Deputy Commissioner can order a surcharge." ✓ Only the **Commissioner**; the DC or AC reports to him.

X "A surcharge is paid from temple funds." ✓ The defaulter pays **personally**.

X "Surcharge must be paid within 15 days of the order." ✓ Within the **time fixed in the order; 15 days** is the S.148 recovery notice.

X "Section 60 deals with rectification." ✓ S.60 = **contents** of the report; S.61 = **rectification**.

X "Recovery can extend to a temple's vahanams and jewels." ✓ **Barred** by S.148(5).

Quick revision

- Chapter VII = Ss.57-64; S.58 accounts kept by the EO in the Commissioner's form.
- Above ₹25 lakh: concurrent audit; ₹2 lakh-₹25 lakh: yearly; below ₹2 lakh: officer under AC.
- S.63: Government names the audit agency (for the first two slabs).
- S.59: 6(a), 6(d), 6(e) → Commissioner; 6(b) → DC; 6(c) → AC.
- S.60: illegal spending, failure to recover, loss by fraud or negligence.
- S.61: EO rectifies; only the Commissioner surcharges after show cause; registered post.
- S.62: Commissioner suo motu: attachment, criminal case, payment order.
- S.64: trustee and staff must help the auditor.
- S.148: land revenue arrears via RDO/DC; 15-day notice; idols, jewels, vahanams exempt.
- TTD S.117: FA and CAO keeps accounts; Government's auditor, yearly.