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Supdt. II-27—37,006—12-11-37

E&PH (1946) Department.

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MS. SERIES.

G.O. No. 2304 Edn

Dated 30.11.1946.

[Despatch Abstract.]

Suit – High Court, Madras – C.S. No. 124 of 1945 – Sri Venkateswara Hostel, Triplicane – Compromise – Papers – Recorded.

Back Papers.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	

Further Papers.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

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Education DEPARTMENT.

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6330

ASST. SECRETARY TO GOVERNMENT
17 FEB 1944
EDUCATION AND PUBLIC HEALTH DEPT.

Received 17 FEB 1944 19 Registered 19 .

ASST. SECRETARY TO GOVERNMENT
17 FEB 1944
EDUCATION AND PUBLIC HEALTH DEPT.

Subject.

Sri Venkateswara Students' Hostel, Triplicane--Management of.

***

E SP.H. Depth.

G.Os required for the file have been called for from M.R.O. Chittoor. The receipt of the G.os may be awaited till 25.2.44.

18/2/44.

18/2/44.

18/2/44

Enclosures.

No.

Spare copies

R. C. No. 1021-D/43

Station Madras, Dated the 15th February 1944.

From (Name) Sir R.M. Statham, M.A., C.I.E., I.E.S.

(Designation) Director of public Instruction.

To The Secretary to the Government of Madras,

Education and Public Health Department.

Fort St. George, Madras.

Sir,

In submitting herewith the letter No. A.340, dated 26th January 1944 from the Registrar, University of Madras, together with its enclosures, on the subject cited above, I have the honour to state as follows:-

2. In 1920, Government sanctioned a grant not exceeding Rs. 1,11,300/- towards the cost of construction of the Sri Venkateswara Students' Hostel, Triplicane, for the students reading in various schools and colleges in the city of Madras--vide G.O.No.975, Home(Education), dated 25th August 1920. Government in their Order No.1396, Law (Education) dated 23rd September 1921, raised the maximum grant to Rs. 1,66,130/- towards the above scheme. A grant of Rs. 8,125/- was also sanctioned towards the purchase of the site for the location of the hostel in G.O.No.505, Law(Education) dated 5th April 1923. The total grant sanctioned from provincial funds towards the purchase of the site and the construction of Sri Venkateswara Students Hostel thus amounted to Rs. 1,74,255/-. The work was, however completed at a cost of Rs. 1,64,892/- and a half grant thereon i.e. Rs. 82,445/- was sanctioned for payment under the provisions of the Grant-in-Aid Code. A mortgage deed for Rs. 1,74,255/- was executed by Sri V. Ranganadham Chettiar, the donor.

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3. One of the conditions stipulated in G.O.No.975 Home Education, dated 25th August 1930 was that the management of the Hostel should be entrusted to a Committee composed as follows:-

1. Sri V.Ranganatham Chettiar .. President
2. One member to be nominated by Mr.Chettiar during his life time.
3. One member to be nominated by the Director of Public Instruction, Madras
4. One member to be nominated by the Syndicate of the Madras University
5. One member to be nominated by the principal, Presidency College, Madras.

In accordance with the above orders, the Director of Public Instruction was nominating a member to the Board of Trustees – vide copy of the Trust Deed enclosed.

4. It will, however, be observed from the report of the Audit of the accounts of Sri Venkateswara Hostel for the years ended 30th June 1941, 1942 and 1943 and from the report of the representative of the Madras University that many financial irregularities were going on for a number of years. The audit of the accounts was not conducted regularly, at least once annually, as contemplated in the Trust deed. The last audit was after a period of three years. pp 12-14 infra

It may be mentioned in this connection that the Trust monies were lent out on pronotes. This in itself is objectionable. A sum of Rs. 3,000/- was lent out on a pronote to Messrs. Venkateswar & Co., whose proprietor was the Donor's own nephew, who was for sometime one of the trustees. Some years ago the Donor came forward with the proposal that this amount should be written off in part or in whole, as the nephew was in straightened circumstances. The proposal was objected to by a member of the Trust Board on the ground that nothing could be done so long as the debtor was one of the trustees. He thereupon resigned and subsequently died. The purchasers of the firm of Messrs. Venkateswar & Co., renewed the pronote, but have not repaid the money so far. Attention is solicited to the auditor's remarks under the head "Loan on pronotes". p 12 infra

5. The Donor disbursed certain charities out of income from room rent received from the inmates of the hostel, instead of utilising this in the manner set forth in the Trust Deed. The balance of money were retained by him without being invested in any security or deposited in any bank. On 30th June 1935 the Donor had on hand a sum of Rs. 5,258-0-3. It increased every year and on 30th June 1943 a sum of Rs. 9,482-10-8 was said to be available with him. When questioned by the trustees, the Donor confessed that he had used it up, but proposed to make good the amount by transferring some houses. But nothing has been done so far. It will thus be seen that the Donor misappropriated the collections. p 16

6. Besides, large sums of caution money were kept on hand by the warden of the Hostel instead of depositing this into a bank and opening a separate banking account. According to the Auditor's report the collection under caution money and the actual cash on hand with the Warden are as follows:-

		Caution money	Cash on hand with the Warden.
30th June 1942	..	Rs. 497-12-0	Rs. 494-13-3
30th June 1943	..	Rs. 804-12-0	Rs. 708-8-8

As caution money is in the nature of Trust money and as it should be made available on demand, only a reasonable balance according to the exigencies of business should be kept on hand and the balance deposited in a bank and drawn on when necessary. This was not done. The instructions in Section 18 of the Trust deed which deals with the moneys of the Trust were thus violated. p 46 infra

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(3) 3

7. According to the accounts for the year ending 30th June 1943, there ought to be a surplus of Rs. 24,082-4-9 after utilising the income in the manner indicated in Section 19 of the Trust Deed. But a sum of Rs. 13,956-5-0 alone is available. The balance remains unaccounted for. This reveals the fact that the Donor can no longer be trusted with the moneys of the Trust. p 68 infra

8. On 3rd December 1943, it was decided at the meeting of the University of Madras that neither the Director of Public Instruction nor the University should nominate a member on the Board of Trustees until the serious financial irregularities have been brought to the notice of Government and set right.

9. In the circumstances, I request that the Government may be pleased to issue necessary orders in the matter.

I have the honour to be,
Sir,
Your most obedient servant,

16.2.44
For Director of Public Instruction.

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1021.D/a3

UNIVERSITY OF MADRAS

University Buildings,
Chepauk, Madras,
26-1-1944

N A. 340.

(4)

Fr m
THE REGISTRAR, University of Madras.

To
The Secretary to Government,
Education and Public Health Department,
Fort St. George, MADRAS.

Through
The Director of Public Instruction, Madras.

D

DIRECTOR OF PUBLIC INSTRUCTION
26 JAN 1944
Re.1021.D/a3
MADRAS

Sir,

Sub: Management of Sri Venkateswara Students' Hostel, Triplicane, Madras.

I have, by direction, to inform you that the Syndicate while considering the question of nomination of a representative of the University on the Board of Trustees of the Hostel has had to examine the question of the administration and financial position of the Hostel. It was found that, on a perusal of the annual and audit reports, and on a note submitted to the University by its representative on the Board, the accounts were not properly maintained, & the Donor did not account for certain amounts kept with him by the Trust Board. The Syndicate resolved that it could not nominate its representative on the Trust Board now in view of the unsatisfactory nature of the management and the financial position of the Hostel and that the matter be reported to Government for necessary action.

pp 7-9 CF

A copy of the note submitted by the University representative and a file containing the audited accounts for the years 1941, 42 and 43 forwarded by

P.T.O.

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the President (Founder) are sent herewith which may be returned after perusal.

I have, therefore, to request you to be so good as to place the matter before Government and take necessary action in the matter of setting right the administration and finances of the hostel.

REGISTRAR

TRB/25-1.

UNIVERSITY OF MADRAS

(5) 7

Note by Mr. S.Govindarajulu, representative of the University on the Governing Body of Sri Venkateswara Students' Hostel.

In 1933 I was appointed by the Syndicate to the Governing Body of the Hostel for a period of three years and in 1936 I was reappointed for a second period of three years and without noticing that my term had expired I continued till 1941. Soon after I joined the Governing Body, the Donor, Rao Bahadur V.Ranganatham Chetty by a registered deed created a trust for the better adminsitration of the hostel and all the properties were transferred to this Trust and the members of the Governing Body became its Trustees. I naturally started with complete faith in the Donor who had spent his own money to found the hostel. It took me sometime to understand the complicated accounts and even then I did not suggest any changes as Mr. Saunders who was my fellow-trustee and had been there for some years before me seemed to be fully satisfied. As a new comer I kept to my place. Without any undue haste and with the respect due to the Founder of the hostel, I later made suggestions for improvement which after some years had to be more insistent and finally in 1941 the Trustees took some definite steps to secure the interests of the hostel and some more were pending when the Donor suddenly remembered that my term of office as a Trustee had expired and invited the University to nominate a representative. He pointed out that I had already been there for two terms. When the question came before the Syndicate in 1941 I stated that there were certain matters about the management of the hostel that the Syndicate ought to know and it might best be considered by a Committee. I am informed that the Committee is going to meet on the 3rd December 1943 and this note is for the information of that Committee.

The Donor has hit upon the unusual idea of disbursing certain charities out of income (largely room-rent) received from the inmates of the hostel. According to his trust deed the room rent received is to be utilised as follows:-

(a) 40% for the maintenance of the building
(b) 15% for foreign scholarships
(c) 30% for giving scholarships to poor students
(d) 10% for lectures on Visishtadwaita Philosophy
((e) 5% for a Sanskrit Scholarship at Sriperumbudur ~~and~~ - Prizes and Medals.

The 40% reserved for maintenance of the building is usually used up, but the portions of the income set apart for other purposes are not fully spent and nothing has been spent for foreign scholarships and monies set apart for these were accumulating. These balances are to be invested for the benefit of these funds and this was done up to a certain time. According to the earliest balance sheet in my possession (relating to the year ending with 30th June 1935), there were Rs.849-13-1 in the Building Fund (a), Rs.9533-9-7 in the Foreign Scholarship Fund (b), and Rs.10,040-10-9 in the students' scholarship, Philosophy lectures, Prizes etc. (c, d and e). These balances together total Rs.20,424-1-5. These were invested in Government Promissory Notes purchased for Rs.8,400-14-5 and loans given to certain persons on pronotes amounting to Rs.5,285-9-0 and there was Rs.7,487-7-1 in cash making a total of Rs.21,173-14-6. Out of this cash of Rs.7,487-7-1 a sum of Rs.5,258-0-3 was said to be with the donor and not invested in any security or deposited in any bank. In the beginning I had no doubt whatsoever that this money was perfectly safe with the donor and with some hesitation, for fear of being impolite, I suggested that it might be invested in some safe security so that it might earn some interest and he readily promised to do so. In the audit report for the year 1935, the auditors suggested that the money should be invested. The Board of Trustees meets only once a year and each year

A had a right to use the stair case of B for access to the first floor of a other room. The first floor is destroyed in 1916. A claim that he is entitled to the right way to use the building. The demand made by A is not tenable for he has acquired an easement only to go to the upstairs of the first floor. ~~He has not after the~~ no right ~~on the right~~ He has no right to use his premises right even after the destruction of the first floor on account of the fact being hardly additional burden upon the servient tenement. He must acquire it by way of prescription, grant, contract or by necessity

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the donor promised to invest the money but nothing was done but the cash said to be with the donor steadily grew as follows:-

on 30-6-35	it was	Rs.5258-0-3
30-6-36	"	Rs.6225-10-11
30-6-37	"	Rs.7680-6-7
30-6-38	"	Rs.8526-3-11
30-6-41	"	Rs.9426-9-1
30-6-42	"	Rs.9482-10-8
30-6-43	"	Rs.9482-10-8

The Trustees thus noticed that every year the money said to be with the donor was increasing by a thousand rupees. Also after the need for politeness had disappeared and he was pressed for payment, he confessed that he had used it up and was proposing to make it good by transferring some houses. But nothing has been done so far. In 1941 with a view to preventing further loss to the Trust, the Trustees decided that all ~~monies~~ monies collected should be paid into the Bank to the account of the Trust and that all securities should be left in the safe custody of the Bank. The first has been done and I do not know if the second has been done. I also proposed that in view of the loss that had already taken place the donor should not be permitted to operate ~~[illegible]~~ on the banking account. The donor ruled it out on the ground that it was opposed to the terms of the trust deed. I agreed and indicated that I proposed reporting to the University and moving the Court for getting the trust deed suitably modified. It was at this stage that he discovered that my term had expired and I do not know what has happened since 1941. The following are some of the errors that require to be set right:-

(1) The donor has used up for his own purpose or some purpose other than a legitimate one a sum of Rs.9482-10-8. According to the accounts for the year ending with 30th June, 1943 there ought to be Rs.24082-4-9 in all the five funds referred to before, but there is now available only Rs.13956-5-0.

(2) It was bad enough to have lent out trust monies on pronotes but the largest out of these (for Rs.3000/-) was to Venkateshwar & Co., whose proprietor was the Donor's own nephew, who was also one of the Trustees. Objectionable as this was, some years ago the Donor came forward with the proposal that the amount may be written off in part in whole as the nephew was in reduced circumstances. This is another instance of lack of sense of trusteeship on the part of the donor. I objected to anything being done so long as the debtor was one of the trustees. He thereupon resigned and he died soon after. The purchasers of the firm of Venkateshwar & Co. have renewed the promissory note but have not so far repaid the money.

(3) Until 1941 the Donor freely mixed the Trust monies with his own and it has still to be shown that he has ceased to do so.

(4) It has still to be shown that the securities were deposited in the bank.

(5) The last audit was after a period of three years. The accounts are maintained in a most confusing way. This requires to be simplified and systematised.

(6) The donor can no longer be trusted with the monies of the trust.

According to law, every trustee is responsible for breach of trust committed by a fellow trustee unless he has

1 The object of the Settled Land Act of 1925 is to improve the condition of tenant for life and other limited owners in respect of their power of disposition. The first change introduced by the above Act, is in the matter of power of sale of the tenant for life. For example, suppose property is ~~[illegible]~~ transferred to A for life and remainder to B on the death of A. In such a case under the above Act, A is given the power of sale but subject to certain conditions. namely, that the best market price available to the property must be got, that the proceeds of sale must be handed over to the trustees appointed for that purpose.

A tenant in life is given the power to exchange the property in which he takes his limited estate provided, the property which is taken in exchange for the estate of the tenant for life, is situated within England.

The third point is, that the above Act has conferred the rt of lease. Leases fall divided into ~~two~~ three kinds, agricultural, non agricultural, and building & leases.

taken reasonable steps to safeguard the interests of the trust. To allow the donor any longer to be in charge of funds will be an act of negligence.

The following are among the courses open to the University:-

(1) It may refuse to nominate a representative on the ground that according to the balance sheet a large amount remains in other hands than those of the Trustees.

(2) It may inform the donor that it will appoint a representative if the defects pointed out are removed.

(3) It may appoint a representative and give him legal assistance to remove the defects.

The heirs of A cannot succeed, since it is a life estate. Then the first person who takes the property is called the General occupant, unlike the Special occupant - the heirs of A.

The tenancy pur autre vie disappeared with the passing of the Law of Property Act of 1925.

(ii) Livery of Seisin is delivery of possession of immovable property to the lessee. ~~Form~~ In English Law two conditions must be fulfilled ~~before~~ for a tenancy. ~~or~~ Livery of Seisin is important since without the livery of Seisin the tenant possesses only a bare right of entry which is called interesse termini.

In India Law, Registration completes the livery of Seisin. If there is no Registration then, possession must be given to the tenant

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No 6330-1B Edn of 16-3-44

(S) B 10/~~88~~

27/3

Reminded

28/8/44

(R)

GOVERNMENT OF MADRAS.
Education and Public Health Department.
Telephonic message, by post, dated the 16th March 1944.

From: The Assistant Secretary to Government, Edn. and P.H. Department.
To: The Deputy Director of Instruction, Madras.

Ref:- Director's letter R.C.No.1021-D/43, dated 15-2-1944.

Please send for reference the mortgage deed executed by the Committee of management of Sri Venkateswara Students' Hostel, Triplicane, in favour of Government. Please also furnish information on the following points:-

(1) Is there a manager or warden in the hostel who makes the collections and whose duty it is to remit them to the Imperial Bank?

(2) If there is no such manager, could not one be appointed (with a deposit of security stipulated) so that apart from the Donor merely having to issue cheques, the actual handling of the moneys may be with such a manager?

(3) Has the Donor in fact been drawing moneys from the Bank after they had been deposited by the manager (if one is working now) and utilizing them for purposes other than those for which they were ostensibly drawn?

10/ 16/3/44

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OFFICE OF THE DIRECTOR OF PUBLIC INSTRUCTION,
MADRAS.
R.C.1021 D/43, dated 24-3-1944.

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SUB: Sree Venkateswara Students' Hostel, Triplicane Management.

Ref:- Your Post Copy of Telephone Message No.6330- 1B. Edn., dated 16-3-1944.

Ed PH(B)
The further report may be awaited till 10-4-44
29/3
30-3-44

I have the honour to state that the question is under correspondence with the Registrar, University of Madras and the information on the points raised in your Telephone Message will be submitted as early as possible.

(R)

2. The mortgage deed excuted by the committee of management of Sree Venkateswara Students' Hostel, Triplicane in favour of Government is herewith submitted for reference and return.

27.3.44
For Director of Public Instruction.

To
The Assistant Secretary to Government,
Education and Public Health.

KP. 26/3.
27/3

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Education Department.

(10)

From

Sir R.M. Statham, M.A., C.I.E., I.E.S.,
Director of Public Instruction, Madras

To

The Assistant Secretary to the Government of Madras,
Education and Public Health Department,
Fort St. George, Madras.

ASST. SECRETARY TO GOVERNMENT
15 APR 1944
EDUCATION AND PUBLIC HEALTH

R.C.No. 1021-D/43 dated 11th April, 1944.

Sir,

Sree Venkateswara Students' Hostel, Triplicane--Management of.

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With reference to the Post copy of your telephonic message No.6330-1B Edn., dated 16.3.1944 and in continuation of this office letter R.C.No.1021-D/43 dated 24.3.1944, I have the honour to forward herewith a copy of the note sent by the former University representative on the Governing body of the Sri Venkateswara Students' Hostel which answers the queries raised by you.

I have the honour to be, Sir,
Your most obedient servant,

14.4.44

For Director of Public Instruction.

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'Ormesdale' Kilpauk, Madras
3rd April 1944.

Sub:-Sri Venkateswara Students' Hostel.
Ref:-Letter No.R.C.1021-D/43 dated the 24th March 1944 from the Director of Public Instruction, Madras, to the Registrar, University of Madras.

The Donor kept the financial management of the hostel so much in his own hands and produced the accounts in such a complicated form that it is likely that there are various details about it still not known to me. I ceased to be the University's representative nearly two and a half years ago and therefore I do not know of anything that has happened since then. The information now given by me is to be taken subject to these two qualifications.

Question I:- Is there a Manager or Warden in the Hostel who makes collections and whose duty it is to remit them to Imperial Bank?

Answer: YES, that was the arrangement which after long struggl I secured in the last year of my Trusteeship.

Relevant notes:- The Warden in 1941 was Mr.V.Narayanaswami of the Education Department. There were two bank accounts, one at the Indian Bank in the name of the hostel and the other at the Imperial Bank in personal name of the Donor. The amount collected from the members was divided into two parts by the warden and dealt with differently. (a) part consisting of the mess, lighting and establishment charges was into the Indian Bank and was mostly used up in the month of collect (b) The second part consisting of room rent was either paid into th account at the Imperial Bank or was handed over to the Donor; till it made no difference which course was adopted as the account at t Imperial Bank was in the personal name of the Donor and not of the No reference was made to the Imperial Bank balance either in the ac or in the Balance sheet. The money that ought to have been there was shown as cash with the Donor. It was increasing year after year and it is this amount that the Donor is now unable to account for or repay. It was only in 1941 after considerable pressure that the Donor opened an account in the name of the hostel at the Imperial Bank. The order of the Trustees then was that all rent collections should be paid into this account and the securities should be handed over to the Bank for safe custody. But by that time considerable mischief had been done.

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Question II;- If there is no such manager, could not one be appointed (with a deposit of security stipulated) so that apart from the Donor merely having to issue cheques, the actual handling of the money, may be with such a manager?

Answer:- There is already a warden and the proposal is feasible but not safe with the present Donor in view of what he has already done. If he i allowed to draw cheques, he can keep the Pass Book in his own hands and if he continues to have the present power of management the Trustees w

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(35)

The Rajah's High School. Nileshwar

Certificate of attendance

This is to certify that the Rajah's High School Nileshwar had an average daily attendance of not less than 45 pupils in forms I to III and also in forms IV to VI during 1933-34.

have no ... edge of any new shortage of funds until the audited accou... presented which may be one year after the event or as in t... of the last audit three years afterwards. When the sho... discovered the Trustees will be in no better position to ... with it than they are now and the Donor will be in no ... position than at present.

ant notes:- It is not likely that the Donor will replace the that are missing. For years he has been making promises but ng has come of them. It is also unlikely that he would co-operate effort t reforem the present management. I got as far as ng him to open an account in the name of the hostel and when I ted to safeguard the finances a little more he started obstructing ll be seen by a copy of the correspondence enclosed. A safe on would be to give the Warden the same powers as those of the arden of the Victoria Hostel or if that is not possible, the native is to transfer the powers of the Donor to a new president Board of Trustees who may be the Director of Public Instruction nominee. There may be no objection to permit the Donor to of the Trustees but he should not be the President or have ng to do with the finances. As the present constitution is fixed a Trust deed, it cannot be altered except by sanction of the court which however will not be difficult to obtain in view of what has happened. I do not know what the powers of the Government are arising out of the grant-in-aid. This might provide a short-cut. If the Government have power to take over the hostel, they can then write on a clean sheet and give the hostel a safe constitution. The Donor's scheme of providing for a number of charities out of the room-rent paid by members leaves too little money for proper supervision and improvement of the hostel.

uestion III:- Has the Donor in fact been drawing moneys from the Bank after they had been deposited by the manager (if one is working now) and utilizing them for purposes other than those for which they were ostensibly drawn?

r:- The answer to this is contained in the other answers. As the nt was in the Donor's personal name it is difficult to say whether articular amount drawn by him from the Bank was hostel money or An examination of his pass book might show particular times at which oney to the credit of his account was hostel money. But the nly tees know nothing of his withdrawals from the Bank. All that they that he is unable to account for large sums which reached his directly or through the Bank.

I am always at the service of the Director of Public ruction for any further information that may be wanted.

/True copy/.

Sec. 92 CPC 14/85

In the case of any alleged breach of any express or constructive Trust created for public purposes of a charitable or religious nature or where the direction of the Court is deemed necessary for the administration of any such trust, the Advocate-General or two or more persons having an interest and having obtained the consent of the Advocate General may institute a suit in the principal civil Court

x

Education and Public Health Dept.

MEMORANDUM No. 63308/44-4 Edn DATED 19-6-1944.

PUBLIC TRUSTS - Filing of a suit under Section 92 of the Civil Procedure Code.

Read : --

From the Director of Public Instruction, R.C. 1021 D/43, dated 15th Feb. 1944 and 11th April 1944.

A copy of a note by Mr. S.Govindarajulu, a representative of the University on the Governing Body of the Sri Venkateswara Students Hostel is furnished to the Advocate-General. The report shows that there is serious mismanagement of the Trust. The Advocate-General is requested to take steps to file a suit under Section 92 of the Civil Procedure Code for obtaining the removal of the President of the Board of Trustees ~~in the~~ from office and for obtaining a direction from the Court for the proper administration of the Trust.

2. The following documents are also furnished for reference:

(i) mortgage deed of the ~~20th~~ 3rd July 1923- Original - Executed

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ASSISTANT SECR
23 AUG 193
LEGAL D

Government

LOCAL ADMINISTRAT

G.O. No. 2830,

Rule—Qualifications of officers and ser
published.

READ—the following paper :—
G.O. No. 4448, L. & M., d

Order—No. 2830, L.A., dated 17th July 1939

The appended notification will be publ

(By order of His Exc

To all Presidents of District Boards with copies
Valparai Panchayat Board.
,, all Collectors (except Madras).
,, the Inspector of Municipal Councils and Lo
,, the Examiner of Local Fund Accounts.
,, the Director of Public Instruction.
,, the Director of Public Health.
,, the Surgeon-General.
,, the Superintending Engineer, Public
Department).
,, the Public Department.
,, the Education and Public Health Depar
,, the Legal Department.

~~Sg~~ No

executed by Rao Bahadur Mr. V.Ranganatham Chetty.

(2) A copy of the Trust Deed relating to the hostel in question. ~~pp 56-70 g~~

(3) A copy of the Report on the Audit of the Accounts of the Institution for three years ending June 1943. ~~pp 1-55 g~~

The Director of Public Instruction is requested to furnish the Advocate General with such further records or information as he may require.

To the Govt. Solicitor. (with enclosures)
Copy to the D.P.I.

✓ Copy issued by [illegible] 21/6/44

Parcel 132

3/ The Govt. do not consider ~~that~~ it would be proper or in the interests of the hostel to refrain from filling vacancies on the Board of Trustees of the hostel, ~~pending~~ until the affairs of the Trust are set right. The D.P.I. is requested to arrange for filling the existing vacancies ~~[illegible] to~~ and also to advise the Bd. to ~~appoint~~ entrust the collection of hostel dues & their remittance to the Bank to a paid manager or warden after taking a reasonable security from him.

E 20.6.44

B (13) 17/~~8~~

R.C.No. 1021 D/43.

Office of the Director of Public
Instruction, Madras 31--8--1944

From
Sir R.M.Statham M.A., C.I.E.,
Director of Public Instruction, MADRAS

To
The Secretary to Government,
Education and Public Health Dept.,
MADRAS.

ASST. SECRETARY TO GOVERNMENT
2 SEP 1944
EDUCATION AND PUBLIC HEALTH DEPT.

43610

Sir,

Sub: Sree Venkateswara Students Hostel, Triplicane.

With reference to Government Memo 6330 B/44-4 Edn., dated 19th June 1944, I have the honour to forward herewith a copy of letter dated 25th August 1944 from the Warden, Sri Venkateswara Students' Hostel, Triplicane, on the question of entrusting the collection of hostel dues and their remittances to a Bank.

2. As required in para 3 of the Memo cited above, I have nominated one of my Deputies as a member on the Governing Body of Sri Venkateswara Students' Hostel, Triplicane.

I have the honour to be,
Sir,
Your most obedient servant,

For Director of Public Instruction

P.R.K. 1/9/44.

Sd/ 1/9

pp 88 ct

pp 91-92

Presumed that the College & the University have nominated members

SIR VENKATESWARA STUDENTS' HOSTEL, TRIPLICANE.

25..8..1944.

From
The Warden, Sri Venkateswara Students' Hostel,
Triplicane, Madras.

To
The Director of Public Instruction,
Madras.

Sir,

Ref:-Your R.C.No.1021-D/44 dated 2..8..1944.

In pursuance of the resolutions of the Board of Trustees passed in its meeting held on 20.8.'44, I beg to submit the following report on the system followed in the Hostel with regard to (1) collection of Hostel dues from the members (2) remittances of such collections of money to the Bank.

2 The Warden, whose office is honorary, is assisted by a full-timed manager, who is appointed by the Warden, subject to the confirmation of the Board. The manager maintains the accounts of the hostel and is paid Rs. 32-8-0 per month including dearness allowance and his salary (including salary for the vacation) is debited to the Establishment charges and are borne by the members of the hostel.

3 The manager is entrusted with the collection of all the hostel dues from the members. Such of the collections as are made by him in the morning are handed over to the Warden who resides in the Warden's lodge situated adjacent to the Hostel. Similarly all the collections made in the afternoon are paid to the Warden in the evening who attends the office daily and checks all the accounts with the counterfoils. So nothing of the day's collections over and above the imprest money of Rs.20/- is allowed to remain with the manager. The Warden has been provided with an Iron safe by the Board and all the collections are kept in it. - Formerly all collections were paid into a current account in the Imperial Bank of India, Mount Road, which was in the personal name of the President. But in view of the failure of the President to account for cash balances, the Board adopted the following system from September 1941.

4 The Hostel maintains two separate current accounts with the
Imperial Bank of India, Mount Road, Madras, viz. (1) Sri Venkateswar
Students' Hostel No.1 account (2) Sri Venkateswara Students' Hostel
No.II account. All the collections made by the Warden from the memb
are deposited in No.1 account and all the monies of the trust
including rent, interest on securities repayment of loans are pai
into No.II account. Both the accounts can be operated upon only by
the President of the Board though the account books relating to
are maintained by the Warden. The President has the sole right
operate on the current account unless clause 18 of the Trust
deed is amended. The Trustees have also opened a post office
bank account which is also to be operated upon by the Presid
Trustees resolved to leave all the securities in the safe c
of the Imperial Bank but the Bank refused to accept them a
18 of the Trust deed requires that they should be in the c
of the President.

5 The Collections of the hostel dues including rent a
remitted to the Imperial Bank of India No.1 account thro
manager who has got to sign in a register for the money
takes to the bank. Payments by members in the form of ch
are drawn in favour of the Sri Venkateswara Students' Ho
are deposited in No.1 account. Beyond a minimum daily ca
balance of about Rs.200/- which is maintained by the Ward
daily expenses paid on cash basis, all other daily coll
sent to the Bank No.1 account.

6 On the first of every month, the Warden intimates to the President the amount that has been collected under rent item in the preceeding month, and which has been remitted to No. I account along with other collections. This amount is transferred from No. I account to No. II account. At the same time all the monthly and fortnightly bills payable by the hostel to the suppliers, passed by the Warden, are sent to the President who issue the necessary cheques on No. 1 account. Such cheques are sent to the respective parties concerned, through the Warden who obtains the necessary receipts from them.

7 The expenditure connected with the annual repairs is met out of ~~the~~ rent fund and is paid by cheques issued on No. II account. But any unforseen expenditure caused by breakages etc. and debitable to No. II account is first met by Warden out of daily cash balance. Such items of expenditure are placed before the Board for necessary sanction and are then transferred from No. II account to No. I account.

8 With regard to proper security being obtained from the Manager the Board of Trustees has also resolved to take a cash security of Rs. 250/- or a fidelity Bond from the Manager.

I beg to remain,
Sir,
Your most obedient servant,

sd. x x x x x x
Warden.

/True copy/.

6330-5 B Edn Dt 27/9/44

142
12.9.

Memo

Public Trusts - The Sri Venkateswara Students' Hostel, Triplicane Madras - Filing a suit under Sec. 92 of the Civil Procedure Code

The Govt. Solicitor is requested to report [illegible] information of [illegible] the action taken [illegible] to Memo [illegible]/B-44-1, [illegible] [illegible] on the subject [illegible]

[illegible] 10.44

Govt. Solicitor

D.M.
18/10

To the Dr. D. P. I.

Ref.: Dist. letter

Will you kindly arrange to send for a ref.: a copy of the Trust deed relating to the Sri Venkateswara Hostel, Triplicane.

The copy ~~already~~ previously sent is now with the Govt. Solicitor, having been sent to him as encls. with Memo No. 6330 B/44-1, Dt. 19.6.44

POST COPY OF THE TELEPHONE MESSAGE DATED 14-9-44.

(15) 20

From
The Director of Public Instruction, Madras.

To
The Assistant Secretary to Government,
Education and Public Health Department.

ASST. SECRETARY TO GOVERNMENT, EDUCATION & PUBLIC HEALTH DEPT. 1944

Reference: Your Telephone Message dated 7-9-44 regarding supply of a copy of Trust deed relating to Sri Venkateswara Students' Hostel, Triplicane.

6920

45668

A printed copy of the Trust Deed will be sent with the Post Copy of this Telephone Message.

FOR DIRECTOR OF PUBLIC INSTRUCTION.

kp. 15-9.

PROCEEDINGS OF THE DIRECTOR OF PUBLIC INSTRUCTION, MADRAS.
R.C.No. 409-F/44 dated 8th September 1944.

***

SUBJECT.

CONFERENCE - Indian History Congress - Seventh Session - Education Officers permitted to attend:

READ - the following:

G.O.No.MS. 1266, Education and Public Health, dated 28th August 1944.

ORDER:

Education and Public Health Department.

(C)

C.NO.6330-C/44.

pp 1-3 cf

From the D.P.I., R.C.No.1021-D/43, dated 15-2-1944.

---

(16)

Sri Venkateswara Students' Hostel, Triplicane - Mismanagement by the President of the Trust Committee.

Please see the letter from the D.P.I. on pages 1-3 C.F.

p 1 cf — The Sri Venkateswara Students' Hostel, Triplicane, was constructed at a cost of Rs.1,64,892 and a half grant of Rs.82,445 was given by Government under the Grant-in-Aid Code and the other half of the expenditure was met by Sri Rao Bahadur V. Ranganadhan Chettiar. Sri Ranganadhan Chettiar, the donor, had executed a mortgage deed to Government under the Grant-in-Aide Code for Rs.1,74,255.

p 1 cf — The hostel has to be managed by a ~~trust~~ committee of five members (as shown on page 2 C.F.) the donor being the President of the Committee.

pp 12-14 cf

A

pp 7-9 cf

The audit reports of the hostel for the years 1941, 1942 and 1943 and the report of the representative of the Madras University on the Trust Committee have brought to light serious irregularities in the management of the hostel. The mortgage deed executed by Sri Chettiar has sufficiently secured Govt.'s interests in the matter. The Director's letter and the report of the University representative on the Committee show that the Trust Committee has not functioned properly and that the Committee members took little interest in the management of the hostel. The question now is what action has to be taken against the President of the Committee for acting in violation of the ~~terms~~ provisions of the trust deed. Legal may be requested to advise in the matter.

pp 1-9 cf

10/8/44.

10/8/44

S

'A'. It is the report of the University representative that has set out the facts properly. The Audit report, on the other hand, strikes me as being of a 'white-washing' nature. It shows, in the statements, the amount of Rs 9000 & odd

2/

Cash with the donor, does not state that the cash (as was obviously the case) was not actually put to [illegible], B I merely mention (at p. 13) the Donor's proposal to transfer to the Bd. three properties instead; & it makes no comment on the point that the cash had accumulated because moneys had not been spent or invested according to the terms of the trust.

A I should like the point to be examined whether action cannot be taken against this Auditor over this.

Papers [illegible]
[illegible]

2 The other members of the Committee, other than the donor, had obviously not been showing constant & timely interest: even an annual audit had not been enforced.

3 I am not able to gather why & how the moneys collected went into the hands of the donor at all. Is there a manager or warden who makes the collections & whose duty is to remit them to the Imperial Bank? Rule 18 empowers the President to operate on the account & not necessarily to receive collections & disbursements. If there is no such Manager should not one be appointed (with a deposit of security [illegible])

3

17

Is that apart from the Donor merely having the charge, the actual handling of the moneys may be with such a Manager? Has the donor in fact been drawing moneys from the Bank after they had been deposited by the Manager (if one is working now) & utilising them for purposes other than those for which they were ostensibly drawn?

4 Where is the mortgage deed? What action, if any, is contemplated there in the event of the Donor and/or the Committee being guilty of mismanagement?

A

[illegible]
14/3

Transferred to [illegible] on 13-3-44 under [illegible]'s orders.

With reference to "A" the D.P.I. who keeps the Mortgage deed may be asked to send it. The T.N. below is put up for appd. After it is received, the points raised in the Secretary's note may be examined.

Information on the points raised in para 3 of the Secy's note may also be obtained. Issue T.N. below.

[illegible]
16/3/44

[illegible]
15/3

[illegible]
16.3

Pl. draft p.e. T.N.
[illegible]
16/3

[illegible]
17.3.44

~~P80CF~~

[T. N. to the D.P.I. d. 16-3.44]

C No. 14387B ~~P81CF~~ / 1166

Letter from the D.P.I., No. 6330-1B d. 16-3.44.

The mortgage deed has been obtained from the D.P.I.

(Removed)

and is at "R". There is no provision in the deed for taking action against the donor or the committee for mismanagement.

Information from the D.P.I. on the other points raised by the Secretary is awaited.

I.B.M.,　　M.V.S.,
30-3-44.　　31-3-1944.

p12 cf
~~pp83-84 cf~~

C.No.17492. From the D.P.I., R.C.No.1021-D/43, dated 11-4-44.

The points raised by the Secretary in his notes on pages 1-3 ante are answered in the letter on pages 83-84 C.F.

(y) 30-31

2. One of the conditions subject to which a grant was given for the construction of the hostel was that the management of the hostel should be entrusted to a committee constituted on the lines proposed by the D.P.I. The committee of management for the hostel consists of five members including the donor and a nominee of the donor. The D.P.I., the Syndicate of the Madras university and the Principal, Presidency College, have to nominate one member each. In para 8 of the letter on page 3 C.F. the D.P.I. has not stated anything about the nomination of a member to be made by the Principal of the Presidency College.

p2 cf

pp 31-32 cf
~~pp 67-68 cf~~

3. Rules 18 and 19 of the rules and regulations relating to the administration of the trust property deal with the application of the moneys of the trust. In rule 18, it is expressly stated that all moneys should be kept in a bank in the name of the hostel. From the D.P.I.'s report on pages 1-3 cf it will be seen that the President of the Board has been retaining the collections and depositing them in his own name in the Imperial Bank along with his private money. Under rule 14, the general powers of maintenance and administration of the trust properties vest in the Board of Trustees, but it is doubtful whether under the rules as they stand the Board can be held responsible for any irregularities and whether it can take action against the President for breach of trust or other financial irregularities apart from calling on him to render a correct account. However under ~~Under~~ paragraph 2 of the trust deed, the moneys of the trust can be used only for specified purposes. The use of the moneys for purposes other

Please see also ~~pp83-84~~ 12-13 cf

~~p65 cf~~ p29 cf

pp 5-6 cf
(removed)

than those specified in this paragraph will, it seems, amount to breach of trust and perhaps the President can be proceeded against under xx this paragraph. Legal may advise as to the best method of putting the affairs of the management of the hostel on a satisfactory basis. As already pointed out, there is no provision in the mortgage deed executed by the donor for taking action against him or the committee for mismanagement. Under rule 56 of the Grant-in-Aid Code, as long as the building is used for hostel purposes, it is not open to Government to call upon the donor to refund any portion of the grant paid towards the construction of the building.

Please see the notes under question II on p84 cf.
p4 ante
(R)

p12 of Book No. 40

4. As regards the defects in audit and the responsibility of an auditor in respect of matters referred to in para 1 of the Secretary's note on pages 1-2 ante, it is submitted that there is no provision in the Grant-in-Aid Code for an audit of the accounts of an institution which receives only a building grant. Development may be consulted as to whether action can be taken against the auditor in respect of ~~the~~ material omissions, if any, noticed in his audit reports.

5. The file may be sent to Development and Legal.

25328

BJM
27/4/44

28/4/44 Dev/Legal

E&PH no. 6330-2 B&A
28/4/44

To U.S.

The file has been sent to this dept Dev Dept with reference para 4, of E&PH Dept's note at p5 above. Under Rule 14(1) of the Auditors certificate Rules 1932, the Central Govt may remove permanently or temporarily from the Register of Accountants the name of any person whom the Central Govt have declared not to be a fit and proper person by reason of any act of negligence, misconduct or dishonesty committed in his professional capacity

p3 of Auditors Certificate Rules pamph

B

or of any breach of professional propriety. If EP&H considers that the auditor is responsible for any material and wilful omissions in his audit report, the Govt of India, Dept of Commerce may be addressed for taking suitable against the auditor. With the above remarks, the file may be passed on to Legal.

Ab 1/5. ~~AS~~ 1-5-44

Legal.

2/5/44

3125

Dev U.O 25326-A/44-1 2/5/44

ASSISTANT SECRETARY 3-MAY 1944 LEGAL DEPARTMENT

Legal Department

It is seen from the report at pages ~~83-84~~ 12-13 c.f. that the President of the Board of Trustees of the Hostel who is also the donor has not been keeping proper accounts of the Hostel Funds and there has been a clear failure of the observance of the rules especially regarding investment of surplus amounts. It is also reported that things are not likely to improve under the president's management. His removal from the office of president seems to be the only way of putting the affairs of the management of the Hostel on a satisfactory basis. According to paragraph 5 (b) read with paragraph 6 (b) of the Trust deed, the donor will continue to be the president till his death or retirement. There is no provision in the trust deed for the removal of the president. In the absence of any such provision, his removal from office can be effected only by a suit under section 92, Civil Procedure Code. In such a suit, the direction of the Court may also be obtained for the proper administration of the trust.

25/5/44. S

26/5/44

A p. ~~83 c.f.~~ 12

B p. ~~84 c.f.~~ 13 cf

~~[illegible]~~ [illegible]

~~pp 58-73 c.f.~~

To be filed by Adv. Genl in Madras & Collector in mofussil

(27) 0

Legal U.O 3125-1 26/5/44

E&PH(B) 26854

EP&H

ASST. SECRETARY TO GOVERNMENT 29 MAY 1944

The notes from page 4 above may be read.

2. With reference to the Secretary's remarks at 'A' on p. 2 ante, it is for consideration whether action should be ~~taken~~ against the Auditor and if so whether the Govt. of India

---

may be addressed as suggested by Development on p. 7 ante.

3. With reference to Legal's note on p. 6 ante, the suit under Sec. 92 of the Civil Procedure Code has ~~[illegible]~~ to be filed by the Advocate General. It is for orders whether he may be requested to take necessary steps in the matter.

4. Please see para 8 of the D.P.I's letter on p. 3 cf. regarding nomination of members to the Board of Trustees. He may be informed that pending the filing of a suit, the nomination of ~~a~~ members may be made as usual as otherwise the donor will be free to misuse the collections. It may also be suggested that the D.P.I should ~~tell~~ advise the Board of Trustees that a warden should be appointed after taking sufficient security from him and that the rules and regulations relating to the administration of Trust should be strictly observed.

5. For orders.

31/5/44

1/6/44

Perhaps the Bd: of Rev: shd: move the Adv. Genl.

31.5.44

I suggested this because the Bd: is in general charge of endowments. The Bd: is apparently functioning now with 2 or 3 members.

31/5

With reference to the Secretary's query at 'A' above, it has been ascertained from Legal that the Advocate-General can file the suit in the City Civil Court, Madras.

2. Two drafts are submitted for appl. Home may see for acceptance of Draft II.

3/6

T.P. 6.6.44

8.6.44

Home

E&P Wng 8581 6330-38 12-6-44

ASST SECRETARY TO GOVERNMENT 13 JUN 1944 HOME DEPARTMENT

Home dept

Please see Legal dept's note on p. 6 ante and para 3 of EP&H dept's note above and also 'A' above.

Under Sec. 92 Civil Procedure Code, institution

B

18524 F/44

of a suit as proposed can be made only by the Advocate-Genl or ~~[illegible]~~ by two or more persons having an interest in the trust, after obtaining the Advocate-Genl's consent.

Draft memo put up may be accepted in this dept and the case returned to E&P.H. dept.

(pp 15-16 cf)
Draft II

16-6-44 16-6-44 Home U.O. 18524 F. 17-6-44. 16/6/44

Home U.O. 18524 17-6-44

E&PH.

Ed PH (B).

19/6

ASST. SECRETARY TO GOVERNMENT
17 JUN 1944
EDUCATION AND PUBLIC HEALTH DEPT.

For orders as to ~~whether~~ the two drafts may issue.

17.6.44 19/6/44

31958 17/6 17.6.44

Draft II approved.
Draft I is premature. It shd await disclosures during the suit.

A3

SECRETARY, EDN. AND P. H. DEPT.
19 JUN 1944
GOVERNMENT OF MADRAS

~~pp 87-88 cf~~ p15cf
~~pp 89-90 cf~~ p17cf
p88cf

[Memo. 6330 B/44-4 Edn dt 15-6-44]

From the D.P.I. RC No. 1021 D/43 dt 31-8-44

Para 1 of the D.P.I.'s reply

The intention of the Govt is that there should be a paid Manager or Warden and not both who should be entrusted with the collection of hostel dues. The Warden's letter on pp ~~91-92~~ 18-19 cf shows that besides himself, whose office is honorary there is a manager who is paid Rs. 32-8-0 p.m and from whom it is proposed to take a security of Rs. 250/-. It is for orders whether the arrangements proposed in the warden's letter may be allowed to continue.

16
A ~~p 86 cf~~
This is not of much moment
23.8.44
p 19 cf
p 97 cf

Para 2 of the D.P.I.'s reply

Please see para 8 of the Director's letter in p. 37. There is no information whether the University has nominated a member. There is also no information whether the member from the Presidency College is continuing on the Board. No further report need perhaps be called for.

Pl obtain a copy of the Trust deed. Send T.M.

p 84 cf
17 cf
p92

5/9/44

(20)

p92cf [T.M. to the D.P.I. dt 7-9-44]

From the D.P.I. in T.M. dt 14-9-44

Submd. [The D.P.I. has forwarded the warden's report on pp 91-92 cf without any remarks). For orders on the notes on p. 8 ante.

19/9 21-9-44

The two accounts refd. to in para 4 - p. 91 c.f. - cannot be of much use so long as the Pt. is free to operate on both by virtue of clause 18 of the Trust deed. This clause will not apparently permit a differentiation between income on the Trust property alone and ~~the~~ receipts on account of the boarding charges of hostel inmates.

23.9.44

See if anything further can be done now.

25/9/44

p31cf
~~p 136 cf~~

A reminder may be sent to the Govt. Solicitor to Memo. No. 6330 B/44-4 Edn dt 19-6-44. The reminder put up is for signature.

p87cf

13/10 13/10/44

Better use the Memo I have drafted. c.f. 92

14.10.44

p42cf ~~p 92 cf~~ [Memo. 6330-5 B Edn dt 17-10-44]

p41cf ~~p 114-118 cf~~ C No. 50584, From the Govt. Solicitor No 2771 dt 20-10-44

~~It is for orders whether the papers may be recorded,~~ ~~[illegible]~~ May be added to the file.

23/10/44 28.10.44

S (for perusal of 117-8 c.f.)

1/11/44

p43cf

C No. 55514, From the Govt. Solicitor, No. 3146 dt 21-11-44.

It is understood from Legal that the expenditure in filing the suit has to be met from

from "Contingencies" in the first instance. The Court will no doubt pass orders relating to costs. ~~and recovered from the Trust later on.~~ The D.P.I may be authorised to pay a sum of Rs. 150/- ~~Rs~~ to the Govt. Solicitor. The draft on p. 120 cf is for appl. Finance may see.

26/11 · 28-11-44

28-11-44

Fin (Pen)

Fin: u/o

E & P.H. No. 6330-6 B Ed 29-11-44

The Govt. Solicitor has not given ~~statistics in support of~~ details of his requirement ~~of a sum of Rs. 150/-~~ He has only stated that the amount is necessary to meet stamp duty and other charges. E & P.H. may be requested to satisfy themselves that the amount asked for is really necessary before authorising the D.P.I. for payment.

ASST. SECRETARY TO GOVERNMENT
30 NOV 1944
FINANCE DEPARTMENT

p 115 cf.

63236

1-12-44 · 1.12.44

Through Exp. A
1.12.44

The draft Memo. on p. ~~120~~ 44 CF. may be accepted.

2.12.44.

It is suggested that Fin. Dept. might have seen the file before the draft at p 87 cf was circulated. Draft at p 120 cf 44 is accepted.

5.12.44

Fin. No. 63216 ... 5.12.44

Education & P.H. Dept. (B)

ASST. SECRETARY TO GOVERNMENT
6 DEC 1944
EDUCATION AND PUBLIC HEALTH DEPT.

Ed & PH

The draft ~~order~~ Memo on p.120 44 cf may issue 6.12

(the draft at p.87 ~~...~~ did not sanction the actual filing of the suit. It was thought that the Govt. Solicitor would make ~~a further~~ refn. to Govt. as to the maintainability of a suit and consultation of Finance was reserved accordingly to that stage)

8/12/44 · 8/12/44

57397

16.12.44

[Issued as Govt. Memo 6330/B-7 Ed., d. 20.12.44] p. 120

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(21)

p 42 cf

From the DPI RC. no 1021 D/43 dated 6-8-45

---

p 15 cf

In Memo no 6330/44-4 Edn dated 19.6.44, the Advocate-General was requested to take steps to file a suit under Sec. 92 of the Civil Procedure Code for obtaining the removal of the President of the Board of Trustees of the Sri Venkateswara Students Hostel, Triplicane, from office and for obtaining a direction from the Court for the proper administration of the trust. A suit has accordingly been filed in the High Court. Sri. T. Suryanarayana, (Deputy D.P.I.) who was nominated by the DPI as a member of the Governing Body of the hostel with reference to para 3 of the memo cited above, has been summoned to appear before the Court on (instant) 14.8.45. He has apparently been included as a defendant in the above suit along with other trustees. His defence at public expense may be sanctioned.

p 17 cf

p 16 cf

p 41 cf

Mr. 'defence' do we expect him to put up the plea ... [illegible]

2. As the Advocate-General will be the formal Plaintiff in the above suit ~~and~~ he may require the (services of the) Govt Pleader Madras, It is therefore for consideration whether Mr. T. Suryanarayana, Deputy DPI, may be permitted to ~~instruct~~ engage a private Advocate to appear on his behalf at the Court. Legal may be consulted now. They may be requested to issue the necessary orders in consultation with Finance.

orders in regard to Legal assistance are generally issued in that dept vide (Q)

7.8.45

8.8.45

It is known that as Govt. Servant Mr. T. Suryanarayana cannot contest the suit. The word "defence" was used as derived from the word "defendant" and all that was meant was that Mr. Suryanarayana may be given Legal Assistance and not that he should contest the suit. If Govt. ~~...~~ cannot appropriate so that, the officer will probably appear before the court and make a statement that he

C

chooses to remain ~~exparte~~ exparte to D. P. I. accordingly.

8.8.45

O/ Suggn. ex-parte remain ever from the Sect. [illegible] D.o. may be sent Legal my advice.

S

W 8/8/45.

Legal.

Legal Department.

2 8/8

E&PH. U.O. No. 6330-B/45-8 Edn. 9/8/45

2.30 p.m.

4654

ASSISTANT SECRETARY I
8 - AUG 1945
LEGAL DEPARTMENT.

The suit has presumably been filed only for the removal of the President of the Board of Trustees and for a direction from the court for the proper administration of the trust, and Mr.T.Suryanarayana could only have been brought on record as a defendant as he is one interested in the management of the trust properties. No relief could have been asked for as against him and if he should appear in court it would only be with a view to support the allegations made in the plaint. It may not under the circumstances be necessary for him to appear. A copy of the plaint may if necessary be obtained to see if any allegations are made against Mr.Suryanarayana and if it would be necessary for him to resist any portion of the claim made in the suit. If no relief has been asked for as against him, he may as well remain ex parte.

35692

Legal U.O. 4654-1 8-8-45

8 AUG 1946

8.8.45 E&PH

E&PH(B)

A copy of the plaint may be obtained from the Govt Solicitor. A draft T.M is submitted below for approval

8.8.45

W 8.8.45

T.M to the Govt Solicitor dated 8.8.45

~~T.M~~ From the Govt Solicitor No 1887 d 10.8.45.

From the copy of the plaint furnished by the Govt Solicitor, it is observed that Mr Suryanarayana has been impleaded as the 3rd defendant in the suit and no relief has been ~~[illegible]~~ claimed against him

p 48 cf

~~It is true that no relief~~

p 50 cf

p 57 cf

P.L.: See below

The DPI may now be informed that the Govt do not consider it necessary to sanction legal assistance to Sri T. Suryanarayana and that he may remain ex-parte.

A draft so to the DPI is submitted below for approval.

11.8.45

W 11.8.45

4748C

ASSISTANT SECRETARY I
11 AUG 1945
LEGAL DEPARTMENT.

It is true that no relief has been claimed against Defendants, 2, 3 & 4. All of them are however Govt. Servants and the suit prays for an enquiry into the conduct of Defendant 1. In that connection Ds 2, 3 & 4 may be examined. It is not quite clear whether that situation would require or justify the provision of legal assistance for them and if so, whether it should be by Govt. The cost of providing the assistance, if any, will probably be a charge on the Trust property.

I do. W. [illegible]

May Legal see for advice.

11.8.45

S W 11/8/45. Legal

E&PH. No. 6330-B/45-Edn. 11/8/45

Legal Department.

The plaint discloses certain irregularities only on the part of the 1st defendant and it has also been made clear in paragraph 4 of the plaint that no relief is prayed for as against the other defendants and that they are merely brought on record as they happen to be trustees. It does not under the circumstances seem necessary that the 3rd defendant should appear in court. Even if defendants 2, 3 and 4 are likely to be examined as witnesses in order to support the allegations in the plaint with regard to the acts of mismanagement of the 1st defendant, it would not be necessary for them to put in their appearance as defendants and file any statements.

11.8.45

E & P.H.

~~Draft Dis. for appl:~~
write F/c

11.8.45 S

11/8/45

E & PH

Legal memo 4748C-1
11.8.45

Asst. Secretary to Govt. Education and Public Health Dept.
AUG 1945

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(23)

p 65

E No 2515/46. From the DPI Rc. No 1021-D/43 d 9.1.46

Please see the resolution passed by the Board of Trustees of the Sri Venkateswara Students' Hostel Triplicane in connection with the suit pending in the High Court on pp 67-68 cf and the remarks of the DPI thereon on p 65 cf. The Govt may agree with the DPI that the question of amending the trust deed may be taken up after the case is disposed of.

A draft memo is submitted below for approval. Legal may perhaps see before issue.

19.1.46

21/1/46 S

21/1/46

Legal.

22/1/46

E & PH U.O. No. 6830-B/45-1 Edn
23/1/46.

526

LEGAL DEPARTMENT.

B The Government Solicitor may be requested to consider whether, and if so, to what extent, relief in the matter of amending the Trust Deed on the lines desired at pp.67-68 c.f. may be obtained in the suit now pending before the High Court.

A It is presumed that E.& P.H. have no objection to any of the amendments being carried out.

K.R. 23/1/46
S

23.1.46

E & PH

ASSISTANT SECRETARY
23 JAN 1946
LEGAL DEPARTMENT.

Legal u.o. 526-1
23-1-46

Asst. Secretary to Government Education and Public Health
24 JAN 1946

4069

p 65 cf

E & PH (B)

With reference to A in Legal Deptt's note above, the question whether the amendments proposed are objectionable or not has not been considered as the DPI has not offered his remarks thereon & has suggested that they may be taken up later after orders are passed by the High Court. In view of the suggestion of Legal at B above, it is for consideration whether the Govt Solicitor may be asked to consider, in consultation with the DPI, to what extent relief in the matter of amending the trust deed may be obtained in the suit now pending before the

High Court. If so. the revised draft memo is for approval.
The case may be circulated to A2 before issue.

28.1.46

26/1/46 S

28/1/46 A2.

28/1/46

28/1

28 JAN 1946

E&PH (B) Depl.

[Memo No. 6330-B/13-45 Edn dated 28/1/46]

pp 65-66 cf

From the Govt. Solicitor, No. 612, dated the 1st March 1946.

Please see the letter from the Govt. Solicitor on p. 73 cf. He requests the further instructions of the Govt. in the light of the terms of Compromise proposed by the Advocate for the Plaintiffs. The DPI may be Consulted in the matter. A draft memo is submitted below for approval.

6/3/46.

6/3/46 S

8/3/46

6/3/46

[Memo no 6330 B1/45-14 Edn dated 8.3.46]

8.06

CNO 34747/46. From the DPI. Rc. no 269 K./46 d 27.6.46

The case relates to the suit pending in the High Court for the removal of the President of the Board of Trustees of the Sri. Venkateswara Students Hostel Triplicane and for a direction from the Court for the proper administration of the trust. The Advocate-General is the plaintiff in the suit. The ~~Advocate~~ for the plaintiff has proposed compromise of the suit + has suggested the terms of the compromise. The DPI who was consulted in the matter reports that it is necessary to pursue the proceedings already initiated to remove the President as otherwise it is not possible for Govt servants to be on the Trust Board. In view of the DPI's opinion

it is for consideration whether the Advocate-General may be asked to proceed with the suit.

2. The Trust Board has made certain Suggestions for the modification of the trust deed for the better management of the hostel. The Advocate-General is of opinion that a direction of the Court may be obtained in connection with the present suit only in respect of matters mentioned in clauses (5) & (6) of the terms of Compromise on p. 79 cf. The DPI recommends that the sanction of the Court may be obtained by judgment. He is in favour of the other changes proposed + suggests that the Advocate-General may be asked to take necessary action by an amendment of the plaint filed in the suit or by a fresh suit. The latter course seems preferable. Perhaps action in this regard may be taken after the present suit is disposed of

pp 68-69 cf

p 86 cF

Legal may advise
5.7.46
p 89 cf

3. The suit stands posted to 8th July. The Advocate-General wants orders of Govt as to whether they desire that the suit should be proceeded with or whether the Compromise proposals may be accepted. As it may not be possible to consult the legal Dept and then obtain ~~the~~ orders in circulation (before the 8th inst.), the Govt Solicitor may be asked to apply for an adjournment on the 8th July.

5.7.46

A draft memo is submitted below for approval. After issue, the file may be sent to Legal no. for remarks.

4.7.46

5/7/46

5.7.46

4735

[Issued as Memo 6330 B1/45-15 Edn d 5.7.46]

Legal (a.i)

Eand PH (B)
no - 6330 B1/46-16
6/7/46

ASSISTANT SECRETARY
6 - JUL 1946
LEGAL DEPARTMENT.

Ap to legal at once

7/7

LEGAL DEPARTMENT.

Considering the allegations in the plaint and the nature of the reliefs claimed it seems advisable to accept the terms of the compromise suggested by the plaintiff's Advocate. The reliefs claimed in the plaint are an enquiry into the conduct of the first defendant, directing him to render account of the trust moneys in his hands, payment of the amount found due, and for his removal, if necessary. Though the first prayer is described as an enquiry into the conduct of the first defendant, the allegations in the plaint regarding his conduct relate only to retention of trust moneys in his hands and mixing them with his own funds. No other conduct, such as, wasting or misappropriation of trust funds, mismanagement or other acts rendering it unsafe to continue him to be the President of the Board of Trust are alleged. Even as regards the sum of Rs.9402-10-8 the bulk of it is covered by advances to two charities and it is seen that as per a resolution passed by the Board of Trustees an application was made to the High Court for permission to take over the management of the said charities and it was allowed. The balance comes to Rs.1918 and odd. Even if the Court holds that the first defendant is guilty of breach of trust in lending this amount on promissory notes to Venkateswar & Co., it is very doubtful whether the Court would also hold that the breach of trust is so serious as to necessitate his removal. As matters now stand, the chances of getting the first defendant removed do not appear to be very bright. If it is considered desirable that the suit should be proceeded with, with a view to get the first defendant removed, it would become necessary to have the plaint amended by adding allegations to show that he is unfit to continue as trustee. It is doubtful whether the Court would allow such an amendment, involving as it does, detailed allegations regarding the conduct of the first defendant ever since the inception of the Trust Board with a view to show that he is no longer fit to continue in the Board of Trustees. In this view the proposals put forward by the plaintiff's Advocate seem to be reasonable as they secure almost all that is asked for in the resolutions of the Trust Board at pp.67-69 c.f. If both sides agree, the Court may accept the terms set forth in the terms of compromise and pass a decree accordingly. I would suggest only one modification to proposal No.1 in the terms of compromise, namely, that the first defendant should make good within one month the amount due from Venkateswar & Co. instead of his merely undertaking personal liability for it.

p 53 cf

p 75 CF

p 76 cf

p 78 cf A

Under the circumstances the compromise proposals which are supported by the Advocate-General may be accepted.

Kon?
9/7/46 E&PH

Legal No. 4735-1
9.7.46.

E&PH (Bn)

Notes from page 16 ante may be perused. The point for decision now is whether the suit filed in the High Court under sec.92 of the Civil Procedure Code for the removal of the President of the Board of Trustees of the Sri Venkateswara Students Hostel, Triplicane from office and for obtaining a direction from the Court for the proper administration of the trust should be proceeded with or whether the terms of compromise suggested by the plaintiffs' Advocate and agreed to by the Advocate General (the plaintiff in the case) may be accepted with the modification to proposal No I suggested by the Legal Deptt above. The DPI is in favour of proceeding with the suit but the Legal Deptt consider it advisable to accept the terms of compromise so that the Court may pass a decree accordingly. It is for consideration whether the suggestion of the Legal Deptt may be accepted

The file may be circulated to H.M. (Edn).

p 78 cf

p 74 cf

pp 85-87 CF

may be accepted

P.K.

and HM (Law) for orders

KSK
9.7.46

9/7/46

9.7.46

34747

c.10/7/46.

TSR
11-7-46

H.D. (Edn)

H.D. (Law) Under the circumstances it is better to accept the compromise. If necessary, a fresh suit may be filed later to remove the Trustee if he commits any fresh breach of trust.

10.7.46

11 JUL 1946

A draft memo is submitted below for approval.

KSK
11.7.46

12/7/46

12.7.46

[Memo 6330 B1/46.77 Edn d 12-7-46] p 91 cf

~~cor~~ From the Govt Solicitor No 1900 d 3.8.46 p 94 cf

The second defendant in the suit Mr. S. Govindarajulu Vice-Principal Law College Madras has suggested certain modifications to the terms of the compromise accepted by Govt. It is for consideration whether the suggestions should be accepted. If the terms of compromise are modified with reference to those suggestions, it is doubtful whether the first defendant will agree to the terms and the matter will drag on. The remarks of Legal may be invited as

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The Govt Solicitor wants a reply before Tuesday next

KSK
3/8/46

3/8/46 Legal

[Secy has left office]

E.&P.H.D. No. 6330-B1/46-1 Edn
3/8/46.

Legal c.no. 5560.
3/8/46

4.59 p.m

pp 95-96 cf

ASSISTANT SECRETARY
4 - AUG 1946
LEGAL DEPARTMENT.

Legal No. 5560-1
5.8.46.

Legal Department.

The suggestion made in paragraph 1 of Mr.Govindarajachari's letter at page 95 c.f. seems to be reasonable and may be accepted. It only gives effect to the modifications to the terms of compromise already suggested in the note of this Department at A on page 19 ante.

2. The other suggestions ~~by~~ of Mr.Govindarajachari contained in paras 2 and 3 of his letter do not appear to be necessary. It is very doubtful whether the first defendant will accept them and the matter will drag on. Paragraph 3 may involve an amendment of the Trust Deed.

5.8.46 S

KSR
5/8/46

E&PH.

5 AUG 1946

ESPDH(B1)

Please see the Legal Deptt's note above for orders. In view of the opinion expressed by them, the suggestion made in paragraph 1 of Mr Govindachari's ~~letter~~ letter at page 95 cf alone may be accepted. The file may be circulated to HM (Law) & HM (Edn) for very urgent orders.

5.8.46

KSK
5.8.46

5/8/46

5.8.46

H.D. (Law)

H.D. (Edn)

[The Govt Solicitor wants orders by Tuesday]

The suggestion made in paragraph 1 of Mr. Govindarajachari's letter at page 95 c.f. may be accepted. As regards paragraph 2 and 3 the first defendant or his pleader may be communicated with at once and it may be ascertained whether he agrees to any one or both of them. If he accepts, well and good. If he does not accept, I would advise the compromise (with addition of paragraph 1 only) being accepted. I may mention in this connection that paragraph 3 is an innocuous provision made for the safe custody of the security lies ~~proposed~~ and the first defendant may agree.

6-8-1946.

TSA
6-8-46

6 - AUG 1946
GOVERNMENT OF MADRAS

E & PH (B1) Dept.

A draft memo to the Government Solicitor is submitted below for approval.

6/8/46
6/8/46 & 6-8-46

6/8/46

3/8/46

[Memo no 6330 B1/45- 19 Edn d 6.8.46]

p 99 cf

CNo 48291/46. From the Govt Solicitor no 2059 d 22-8-46

p 101 cf

Please see the letter from the Govt Solicitor on pp 101-102 cf. and the memorandum of compromise on p 105 CF. The amount due from Messrs Venkateswar & Co has been repaid in full and the 1st defendant has guaranteed the repayment of the loans given to Rukmani Ammal and Perundevi Ammal charities in case they are not recovered in the manner already provided for. The memorandum of compromise may be approved by Govt.

23.8.46

Legal may see prior to circulation

23/8/46 & 23.8.46

23-8-46

E&PH No. 6330-B1/46-20 Edn
23/8/46

Legal

ASSISTANT SECRETARY
23 AUG 1946
LEGAL DEPARTMENT.

6325

B-1

LEGAL DEPARTMENT.

Seen in Legal. The terms of compromise which are supported by the Advocate-general may be accepted.

23/8/46 S. 23/8/46 E&PA

Legal No. 6325-1
23.8.46.

Edn (B-)

Notes from page 22 ante may be perused.

A draft memo is submitted below for approval. The file may be circulated to HM (Law) & HM (Edn) for orders. The suit has been adjourned to 30th inst. - The Govt Solicitor requests orders urgently

23.8.46

24/8/46 & 24-8-46

26-8-46 H.M (Law)

H.M (Edn)

TSA
29-8-46

24/8/46

2 - SEP 1946

p 107 cf

pp 113-117 cf

[Memo no. 6330-B1/44.21 Edn d 2/9/46]
From the Government Solicitor, no 2884 dated 13.11.46.

24 B1

~~[illegible] is submitted below for approval.~~

Please see the letter from the Govt Solicitor on pd 3 cf. A draft memo acknowledging the receipt of the copy of the Court ~~decree~~ is submitted below for approval. After issue the papers may be recorded after perusal by Legal.

KSK
16-11-46

18·11·46 Legal

E&PH U.O. no.
6330-B1/44-22 Edn
18/11/46.

0·9482

Legal dept

Seen in Legal

22.11.46

ASSISTANT SECRETARY
19 NOV 1946
LEGAL DEPARTMENT.

S.

KOOR
23/11/46

Legal u.o. 9482-i
23/11/46.

E&PH

ASSISTANT SECRETARY TO GOVERNMENT
72284
1946
AND PUBLIC HEALTH DEPARTMENT

E&PH(BO)

The draft memo may be issued. The papers may be

Order no 230 d. Edn Dt 30/11/46

Recorded

26.11.46

KSK
25-11-46

Abstract.

Suit - High Court, Madras - C.S. no. 124 of 1945 - Sri Venkateswara Hostel, Triplicane - Compromise - Papers - Recorded.

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22 ~~26~~

(28)

COPY OF THE TRUST DEED.

Sri Venkateswarar Students' Hostel
Triplicane, Madras.

24 B1

~~[illegible] is submitted below for approval.~~

Please see the letter from the Govt Solicitor on pp13 cf. A draft memo acknowledging the receipt of the copy of the Court ~~decree~~ is submitted below for approval. After issue the papers may be recorded after perusal by Legal.

KSR
16-11-46

W
18.11.46 Legal

C.No 26883 [illegible]/46

E&PH U.O. no. 6330-B1/44-22 Edn 18/11/46.

0.9482

Legal dept

Seen in Legal
M
22.11.46

ASSISTANT SECRETARY
19 NOV 1946
LEGAL DEPARTMENT.

S.
Koot
23/11/46

Legal u.o. 9482-1 23/11/46.

E&PH

72284
1946

E&PH(Edn)

The draft memo may be issued. The papers may be

Order no 2304 Edn Dt 30/11/46

Recorded

KSR
25-11-46

W
26.11.46

Abstract.

Suit - High Court, Madras - C.S. no. 124 of 1945 - Sri Venkateswara Hostel, Triplicane - Compromise - Papers - Recorded.

28

25/115

COPY OF THE TRUST DEED.

Sri Venkateswarar Students' Hostel
Triplicane, Madras.

THE INDENTURE OF TRUST made at Madras this 20th day of October 1933 BETWEEN Rao Bahadur VEMUR RANGANADHAM CHETTY, son of the late Vemur Venkatakrishnama Chetty Garu, Vysia, Merchant of the age of about 54 years, residing at No. 7, South Mada Street, Triplicane, Madras (HEREINAFTER called " THE DONOR ") of the First Part and :—

(1) Rao Bahadur Vemur Ranganadham Chetty, the Donor.

(2) V. A. Keshab Chandra Chetty, Proprietor Venkateswar & Co, Loane Square, Madras.

(3) R. M. Statham, Esq., M.A.C.I.E., Principal Presidency College, Madras.

(4) S. Govindarajalu Naidu Garu. B.A., B.L., L L.B., Bar-at-Law, Vice-Principal, Law College, Madras.

(5) H. F. Saunders, Esq,, M.A., I.E.S., Inspector of European Schools, of the second part :—

WHEREAS the Donor by an Instrument of conveyance dated 31st day of August 1917 and registered in the office of the Sub Registrar of South Madras as No. 2327 of 1917 of Book 1 Volume 446 Page 191 purchased the plot of land situate in the High Road, Triplicane, Madras and more fully described in the Schedule A hereto annexed, and erected thereon at considerable cost out of his own funds, buildings and founded in the said plot of land and buildings (hereinafter referred to as " the said immovable property "), a hostel for the use and benefit of Hindu students under the name of "Sri Venkateswara Students' Hostel" AND WHEREAS the said Donor being the sole and absolute owner in possession of the said immoveable property free from any encumbrance, subject however to an interest therein reserved to the Government of Madras for 40 years as provided for in the Grant-in-Aid Code, is desirous of conveying the same in trust for the advancement and education and benefit of Hindu Students and for other charitable purposes as HEREINAFTFR setforth and the parties hereto of the second part have with the sanction of the Government of Madras agreed to act as Trustees, NOW THIS INSTRUMENT WITNESSETH as follows that is to say :—

1. The Donor as settler hereby conveys and transfers unto the parties hereto of the second part and their successors all the said immoveable property being the piece of land situate in the High Road, Triplicane together with the buildings thereon and more fully described in the Schedule A hereto annexed and all the rights title and interest thereon and thereto of the Donor TO HOLD the same unto and to the use of the parties hereto of the second part absolutely and for ever.

2. The parties hereto of the second part and the

survivors and survivor of them or other the Trustees or Trustee of the time being of these presents (all of whom are hereinafter included in the expression " the Board of Trustees) shall hold the said immoveable property and the rent and profits thereof and any other property which may hereafter be vested in them upon trust to be appropriated and used in perpetuity under the name of The Sri Venkateswara Students' Hostel in conformity with these presents for the use and purposes set out hereunder :—

(*a*) To maintain and improve the said immoveable property and use the same as a Hostel for Hindu students, of the male sex ;

(*b*) To use the rents and profits arising out of the Trust properties for Educational and other Charitable purposes of a like nature such as :—

(1) To found, establish, construct, provide, maintain, and conduct in the City of Madras hostels for the use of persons studying in the Educational Institutions in Madras and by preference for the use of those whose parents or guardians reside in the Mofussil.

(2) To grant scholarships to poor and deserving students ;

(3) To grant loan scholarships to deserving students who desire to obtain higher education whether in India or outside India.

(4) To give prizes and medals to deserving students ;

(b) To provide for remuneration to learned men for lecturing on Vishistadvaita philosophy ;

(c) To dispense such additional benefactions as may be placed at its disposal by the Founder and in such manner as he may direct.

3. The property held of the Board of Trustees and its income from whatever sources shall be applied solely towards the purposes mentioned hereunder and no portion thereof shall be transferred or paid directly or indirectly by way of dividend bonus or otherwise by way of profits to the persons who at any time are or have been members of the Board of Trustees or to any of them or to any person claiming through or any of them provided that nothing herein shall prevent the payment in good faith or remuneration to any officer or servant of the Trust or to any member of the Board of Trustees or other person in return for any services actually rendered to the Trust.

RULES AND REGULATIONS

4. **Administration of the Trust Property** :—The administration of the Trust property hereby conveyed and the rents and profits thereof and any property which may hereafter be acquired or received by the Trustees shall vest in the Board of Trustees.

5. Constitution of the Board of Trustees :—

(*a*) The Board of Trustees shall consist of five members one of whom shall be styled the President.

(*b*) **Of the Five Members**:—(1) The Donor shall continue to be one until his death or retirement. Thereafter the person appointed by him shall be a member and such appointee shall have power to appoint his successor and so on. The person so appointed shall be a member of the family of the Donor.

(2) One member shall be nominated by the Donor and after the Donor's death' by the President for the time being.

(3) One member shall be nominated by the Director of Public Instruction of the Government of Madras.

(4) One member shall be nominated by the Syndicate of the University of Madras.

(5) One member shall be nominated by the Principal of the Presidency College.

(*c*) The parties hereto of the second part shall constitute the first Board of Trustees.

6. President.

(*a*) The President shall always be chosen out of the members of the family of the Donor.

(*b*) The Donor shall be the First President.

(*c*) The Donor shall have power to nominate the next president and each President shall thereafter nominate his successor, in accordance with clause (*a*) hereof.

(*d*) In default of such nomination the other members of the Board of Trustees for the time being shall nominate the President in accordance with clause (*a*) hereof.

7. Term of Office.

(*a*) Save as otherwise expressly provided, every member of the Board other than the President shall be entitled to hold office for a term of three years from the date of the communication to him of his appointment.

(*b*) One member of the present Board of Trustees other than the Donor shall retire at the end of three years and one at the end of every subsequent four months.

(*c*) The members to retire shall be selected by lot.

(*d*) A retiring Trustee may be reappointed.

8. Vacancy in the Board of Trustees.

A vacancy in the membership of the Board shall be deemed to have occurred:—

(1) By death ;

(2) By resignation as and when it takes effect as herein provided ;

(3) By the expiry of the term of office ; and

(4) By incapacity to act as Trustee.

9. Resignation of Trustees.

A member of the Board may resign his office by giving one month's notice in writing to the Board ; but the resignation shall not take effect until a new member has been elected in his place and until such election the retiring member shall continue in his office.

10. Filling up vacancy.

On the occurrence of a vacancy in the Office of a member of the Board or on the receipt of his resignation, the Board shall promptly communicate the same to the body or person who is entitled to nominate a successor in his place and the Board shall take all steps as may be necessary to see that the vacancy is filled with all promptitude.

11. Vesting of Property.

On the appointment of a new Trustee or Trustees the Trust property shall vest in him or them and he or they be entitled to act in the Trust and no conveyance or assignment shall be necessary.

12. Act of the Board not to be invalidated by Informality.

No act of the Board or of any person acting as President or member of such Board shall be deemed to be invalid by reason only of a defect in the establishment or constitution of such Board or on the ground that any member of such Board was disqualified or had ceased to hold such office or by reason of such act having been done during the period of any vacancy in the Office of the President or member of such Board.

(13) On the occurrence of any vacancy or vacancies the surviving or continuing members of the Board shall have all the rights and be liable to discharge all the duties of the Board until such vacancy or vacancies is or are filled up.

14. General Powers of the Board of Trustees.

The Board of Trustees may do all things which are reasonable and necessary to ensure that all the moveable and immoveable property vested in the Trustees is properly maintained and that all the Trusts created by these presents are properly administered and the income and profits thereof duly appropriated and utilised for the purposes for which they are founded.

15. Receipt of Endowments.

The Board of Trustees may receive any property moveable or immoveable as a donation or an endowment for any educational or charitable purpose of a like nature to be administered in terms of these presents.

16. Appointment of Committees.

The Board may from to time delegate any of its powers and duties to any Committee or Committees consisting of such of the Trustees as the Board may appoint for the purpose.

17. Ordinary Powers and Duties.

The Board shall without prejudice to the general powers conferred on it have power to do the following things:—

(*a*) To appoint, remove, suspend, and punish its employees and prescribe their duties;

(*b*) To make provision for the remuneration lodging or gratuity of its employees;

(*c*) to enter into contracts for the supply of articles.

(*d*) To carry out repairs, to improve, to add to of alter any of its property;

(*e*) To mortgage its immoveable property to Government.

(*f*) To let or take on lease, any immoveable property.

(*g*) To invest its moneys in the purchase or the first mortgage of immoveable properties;

(*h*) To bring, conduct, defend, compromise, or refer to arbitration, or abandon any suit claim or other proceedings; and do all such things as are necessary or incidental thereto;

(*i*) To insure the property held by the Board against fire or other risk and to insure the fidelity of its employees and the life of its beneficiaries.

(*j*) To regulate its procedure and that of its committees including the conduct of meetings and the recording of minutes and proceedings and issue of notices;

(*k*) To review, rescind, or vary its resolutions;

(*l*) To appoint, remove, or change lecturers or Pandits for carrying out any of the objects of the Trust and to prescribe their duties and remunerate their services.

(*m*) To make rules and regulations for the inmates of the hostel;

(*n*) To grant scholarship to students, whether free or by way of loan and make rules for the selection of the recipients and for the regulation of their conduct and for the repayment of the loans.

(*o*) From time to time to make, vary, add or annul the Rules and Regulations in regard to all or any of the matters aforesaid;

18 **Moneys of the Trust and their Application.**

(*a*) All moneys belonging to the Trust required for current expenditure shall be deposited in the Imperial Bank of India in the name of the Sri Venkateswara Students' Hostel and shall be operated upon by the President for the time being. But provision may be made by the Board of Trustees for keeping imprest moneys in the hands of its employees for meeting immediate and daily needs. All surplus funds shall be invested in the name of Sri Venkateswara Students' Hostel and all documents securities and other papers relating to the Trust shall be secured in the Office of the Board of Trustees and shall be in the custody of the President.

19. Application of this income.

(*a*) The Board of Trustees shall from and out of the income of the Trust property reserve 40 per cent,

(1) for payments of all rents, taxes and assessments and other public dues and charges relating to the Trust property and incidental to the administration and maintenance thereof;

(2) for the payment of such sums of money as the Board of Trustees may deem necessary for the purpose of keeping the immoveable property or properties vested in them in good substantial or tenantable condition.

(*b*) The Board of Trustees shall also reserve and pay 30 per cent of the said income for the maintenance and education, college or school, technical or general of poor boys and girls of promising character and good conduct, preference being given to students of the Vysia caste to which the Donor belongs.

(*c*) The Board of Trustees shall also reserve and utilise 15 per cent of the said income to grant scholarship to students intending to go to foreign countries to specialise in art, industries, and science.

(*d*) The Board of Trustees shall further reserve and utilise ten per cent of the said income as remuneration for lectures on Vishistadvaita Philosophy as presented hereafter.

(*e*) Out of the balance of five percent the Board of Trustees shall award a scholarship of at least Rupees ten per mensem to a student reading for the Siromani

Diploma in the Sanskrit College, Sriperumbudur and shall utilise the remainder of the five per cent for awarding gold medals and prizes in the name of the Donor as set out in Schedule B hereunder, of such values as the Board of Trustees may think fit and according to the scales provided for thereunder, provided always that, if owing to any cause or circumstance anyone or other of the above mentioned payments cannot be made in the opinion of the Board of Trustees, or if after the said payments have been made any surplus in the said income remains in the hands of the Board of Trustees, such surplus income shall be utilised in such manner and for such purposes, as the Board of Trustees may determine consistent with the objects and uses above mentioned.

Students intended to be sent to foreign countries shall be selected by the Board of Trustees on the recommendation of the Principal or Head of the institution in which he has studied. The Board of Trustees may also insure the life of the recipients to the extent they may think fit and provide for the transfer of the life policy to the recipients, in case he should pay up with reasonable interest all the premia advanced out of the Trust Fund, unless in the mean-time the Board of Trustees think fit to sell the Policy or to discontinue it. This should be given effect to when the accrued funds amount to Rs. 15,000-0-0 on this heading.

21. Lecturers their appointment & duties.

(*a*) The Board of Trustees shall appoint a competent person as lecturer, preferably a Thengalai Sri Vaishnava Brahmin, to give lectures on Vishistadvaita Philosophy in simple and lucid language with a view to spread moral and spiritual education among the masses.

(*b*) The lecturer's pay shall not be more than Rs. 50 per mensem and he shall also be given his actual travelling expenses. He must go round important centres such as Srirangam, Tirupati, Conjeevaram, Thirukkannapuram. Sriperumbudur, Alwar Tirunagiri, Srivilliputtur, Sri Jagannatham, Bhadrachalam, Simhachellam and such other places as may be directed from time to time by the President of the Board of Trustees and deliver lectures there at on Vishistadvaita Philosophy during festival times and not halting for more than fifteen days at a time at any one place.

(*c*) The lecturer may hold his appointment for a period of three years provided he gives satisfaction to the Board of Trustees and at the end of three years a new person must be appointed, provided further that in the absence of any other suitable person, the same person may be asked to continue for a further period of three years only.

(*d*) The lecturer shall be answerable to the Board of Trustees and shall be amenable to the rules regulations and conditions framed by the Board for its employees.

(*e*) The lecturer must have his headquarters at Sriperumbudur or at such other place where a Sanskrit School or College is established and maintained as the Board of Trustees may fix and during the time when he is not on tour he shall give instructions to and train such of the students in the said School or College as may be available, on the art of lecturing.

(*f*) The Lecturer must maintain a daily diary for the work done by him and he must submit the same to the Board of Trustees once a week.

22. With the consent of the Donor during his life-time the Board of Trustees shall have power to make such alterations and amendments in the Scheme given in paragraph 19 to 21 as may in its opinion be desirable to carry out effectually the objects and purposes of the Trust.

23. Accounts.

The Board of Trustees shall keep and maintain proper accounts for all moneys received and spent. The books of account shall be kept in the English Language and shall be examined and passed by the Board at their first ordinary meeting in the ensuing year.

24. Audit.

The accounts of the Board shall be audited at least annually (or at such short intervals as may be prescribed) by a duly qualified Auditor appointed for the purpose by the Board on such remuneration as may be agreed to.

25. Balance Sheet.

The Board shall prepare every year a balance sheet of the assets and liabilities and of the receipts and expenditure and shall publish copies of the same in such manner as the Board may prescribe.

26. Office of the Board of Trustees.

The Office of the Board of Trustees shall at present be located in the hostel premises at No. 363, Triplicane High Road, Triplicane, Madras. But the Board shall be at liberty to change or alter the same from time to time.

27. Procedure.

(*a*) The Board shall transact all business and determine all questions by resolutions to be passed by the Board either at meetings or on circulation of papers.

(*b*) Any Trustee may require any matter referred for disposal on circulation to be decided at a meeting.

28. Meetings.

(*a*) The ordinary meeting of the Board shall be held on the first Friday of every month except in May, June and July when it may not be necessary to have meetings.

(*b*) The Board shall however be at liberty to hold meetings from time to time at such times and places as may be prescribed.

(*c*) The President or any two members may at any time summon a special meeting.

29. Chairman.

At the meetings of the Board the President shall preside as Chairman. In the absence of the President the senior member in order of appointment shall preside as Chairman.

30. Quorum.

Three members of the Board shall form a quorum.

31. Voting.

Every matter shall be determined by the majority of the members present and voting on the question. When the votes are equal, the Chairman shall have an additional or casting vote.

32. Minutes of the Meetings.

(*a*) All discussions shall be conducted in such manner as the President or Chairman for the time being shall direct.

(*b*) The Board of Trustees shall cause proper minutes to be made of all ordinary meetings of the Board and also of all appointments of officers and of the proceedings of all special meetings of the Board of Trustees and Committees, and of the attendances there at and all business transacted at such meetings.

(c) Any such minute of any meeting, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be conclusive evidence without any further proof of the facts therein stated.

SCHEDULE A.

Description of the immoveable property.

All that piece of land with the buildings erected thereon known as Sri Venkateswara Students' Hostel Old No. 99, New No. 1/96 High Road, Triplicane bounded on the North by Survey No. 1342 Corporation Model School on the South by Survey No. 937 N. F. No. 4151 a Mosque and No. 936 N. J. B. No. 3672 Sharaffuddin Sahib's ground, on the East by Triplicane High Road, on the west by Survey No. 936 N. B. No. 3672 Sharaffuddin Sahib's ground, Collector's certificate No. 315 bearing Old Survey No. 937, Resurvey No. 1340 containing by measurement 16 grounds and 1362¼ square feet more or less and situated in the Sub-Registration District of Triplicane, Madras (valued at Rs. 100000-0-0 Rupees one hundred thousand only.)

SCHEDULE B.

The Medals and prizes referred to in clause (e) section 19.

(*a*) One gold medal to be awarded to the student who secures the highest number of marks in the Siromani Examination in the University of Madras preferably to a student who takes up Vishishtadvaita Philosophy as his subject.

(*b*) One gold medal to be awarded to the student who secures the highest number of marks in Sanskrit as his B.A Honours subjeet in the Presidency College.

(*c*) One gold medal to be awarded to the best Telugu student in the B.A. class in the Rajahmundry College, Rajahmundry.

(*d*) One gold medal to be awarded to any Vysia Student of the Pachayappa's College who produces the best essay in Philosophy in the B. A. class.

(*e*) One gold medal to be awarded to the best student who takes an M.A. or B.A. Degree in Canarese in the University of Mysore.

(*f*) One gold medal to be awarded to the best Scholar in Sanskrit in the Hindu University of Benares.

(*g*) One gold medal to be awarded to the best student who takes a degree in Tamil in the Government College, Kumbakonam.

(*h*) Books to the value of Rs. 25/- to be awarded to the best student in Ubhaya Vedanta Pravarthana Sabha at Melkottah.

(*i*) Books to the value of Rs. 25 to be awarded to the best student in the Sanskrit College Sriperumbudur.

(*j*) Books to the value of Rs. 25/- to be awarded to the best student in the Sanskrit College, Melcottah.

(*k*) Books to the value of Rs. 25/- to be awarded to the best student in the Sanskrit College, Tirupati.

(*l*) Books to the value of Rs. 25/- to be awarded to the best student in the Sanskrit School at Tirumalisai.

(*m*) Books to the value of Rs. 15/- to be awarded to the best student in the Sanskrit School at Conjeevaram.

(*n*) Books to the value of Rs. 15/- to be awarded to the best student in the Sanskrit School at Srirangam.

In case the allotment is not sufficient to meet the above prizes and gold medals, the Board of Trustees is empowered to use their discretion in the selection of places suitable to the funds available.

In witness whereof the Donor above named has hereunto set his hand name and seal the day and year first above-written.

Signed, Sealed and Delivered by RAO BAHADUR VEMUR RANGANADHAM CHETTY the Donor above named in the presence of.

Witnesses,

1. T. R. SAMBASIVA IYER,
2. P. ANANDANAYAR.

Champion Press, Madras.

B (40) 41 #7

G.F. 33.

In reply, please quote number, date and short title.*

SECRETARY TO GOVERNMENT
21 OCT 1944
EDUCATION AND PUBLIC HEALTH DEPT.

_______________ DEPARTMENT.

50584

Received _______________ *Registered* _______________

From (Name) H.M. Small Esq., O.B.E., M.A., LL.B.,

(Designation) Government Solicitor,

Post Box _______, (Station) Madras.,

Telegraphic Address _______________

To

The Secretary to the Govt. of Madras,
Education & Public Health Department,
Madras.

No. 2771, *dated* 20th October 1944.

Sir,

* Public trusts - The Sri Venkateswara Students' Hostel, Triplicane, Madras - Filing of a suit under Section 92 of the Civil Procedure Code. b/f 92 ante

Enclosures _______

Spare Copies _______

I am in receipt of your memorandum No.6330-5B. Edn., dated 17th instant.

The plaint drafted by me has since been approved by the Advocate-General, Madras. It is however necessary to make all the other trustees defendants. I have therefore

-2-

addressed the Director of Public Instruction, Madras, for the names and addresses of the other trustees. Further action will be taken on receipt of information from the Director of Public Instruction.

N+

CG/RV

for Government Solicitor.

E&PH(B)

C.F. 22.

In reply, please quote number, date and short title.*

______ DEPARTMENT

55514

Received ______ Registered ______

From (Name) H.M. Small Esq., O.B.E., M.A., LL.B.,

(Designation) Government Solicitor,

POST BOX ______, (STATION) Madras.

Telegraphic Address ______

ASST. SECRETARY TO GOVERNMENT
22 NOV 1944
EDUCATION AND PUBLIC HEALTH DEPT.

To The Secretary to Government,
The Education & Public Health Dept.,
Fort St. George, Madras.

No. 3116, dated 21st Novr. 1944

Sir,

ENCLOSURES ______

SPARE COPIES ______

* Public Trusts - The Sri Venkateswara Students' Hostel, Triplicane, Madras - Filing of a suit under section 92 of the Civil Procedure Code.

In connection with the proposed suit against the trustees of the above Hostel I requested the Director of Public Instruction, Madras, to send me the sum of Rs.150/- to meet stamp duty and other charges for filing the same. The Director of Public Instruction has written to me saying that he cannot send me the amount and has asked me to write to you. The draft plaint has been settled by the Advocate-General of Madras and on receipt of the amount from you I shall file the same in Court. Please

120

44

-2-

send me this amount at an early date.

CD/AKR.

C Devashay
for Government Solicitor.

Edn.-B

Public Trusts - Sri Venkateswara Students hostel, Triplicane - Suit under Sec. 92 of the Civil Procedure Code - ~~Expenditure in filing~~ Law charges. Authorised

---

C No 5355-14, from the Govt. Solicitor, Madras No. 3116 d/21-11-44.

~~Code~~ As

Memo No 6330-B-7-Edn., ~~dated~~ 20-12-44

A copy of the letter from the Govt. Solicitor read above is communicated to the D.P.I. He is authorised to pay a sum of Rs. 150/- required by the Govt. Solicitor to meet the Stamp duty & other charges relating to the proposed suit.

2. The expenditure should be met from the provision under "other contingencies" under "37-0. Education - General - Direction."

29.11.44

P 115 al

P 115 al

Rs 5500/-
P 215 budget

24
20/12

To the D P I (with end.)
" ~~A G~~ Fin
" Govt Solicitor

DPI with E 21/12
26/12
28-11-44

B.

1084

45

(42)

14993

15 APR 1945
EDUCATION AND PUBLIC HEALTH DEPT.

H.M. Small Esq., O.B.E., M.A., LL.B.,
Government Solicitor,
Madras.

Director of Public Instruction,
Madras.

12th April 45

Public trusts - Sri Venkateswara Students Hostel, Triplicane - Suit under section 92 of the Civil Procedure Code - Law Charges.

With reference to your proceedings Rc.No.1021 D/43 of the 2nd January 1945 the plaint in the proposed suit against the trustees of ~~the~~ Sri Venkateswara Students Hostel has been filed in Court by me yesterday. The printed copy of the trust deed sent to me has also been filed in Court with the plaint. As some copies of the trust deed are necessary for the use of the

82

46

learned Advocate-General, the Counsel appearing for him and for myself, please send me four copies of the trust deed.

The sum of Rs.150/- sent by you was used for the stamp on the plaint and a further sum of about Rs.22/- has been spent by me for further charges. | P.

C. Dorasamy
for Government Solicitor.

CD/AKR.

1085 Copy for information to

The Secretary to Government,
Education & Public Health Dept.,
Fort St. George, Madras.

Subd. for perusal. This is only a copy of the letter addressed to the DPI ~~and~~ He will furnish to the Govt. Solicitor copies of the trust deed required & appln to the Govt. for sanction to the expre at P above

KSR
19-4-45

21.4.45

S (for [illegible])
22-4-45

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43 47

R.C.NO. 1021-D/43

35371

Office of the
Director of Public Instruction,
Madras, Dated 6-8-1945.

ASST. SECRETARY TO GOVERNMENT
[illegible] - AUG 1945
EDUCATION AND PUBLIC HEALTH DEPT.

From

Dr. B. B. Dey, D.Sc. (Lond.), F.R.I.C.
Offtg. Director of Public Instruction, Madras.

To

The Secretary to Government,
Education and Public Health Department.

Sir,

Sub: Public Trusts - Sri Venkateswara Students Hostel - Triplicane - Suit under section 92 of the Civil Procedure Code - Summons to Sri T. Suryanarayana - Legal Assistance.

- - -

M15-16 ante

I have the honour to state that according to the instructions contained in Government Memo. No.6330-B/44-4 Edn. dated 19-6-44, a suit was filed by the Government Solicitor on 11-4-45 for the removal of the President of the Board of Trustees from office and for obtaining a direction from the court for the proper administration of the trust; and while doing so the latter on the advice of the Advocate-General impleaded other trustees of the hostel also in the case. One of the Trustees is Sri T. Suryanarayana, Deputy Director of Public Instruction, who was nominated by the Director to represent him on the board of management. Vide Para 2 of my letter RC. 1021-D/43, dated 31-8-44. (H8 ante -) Summons have been issued to Sri T. Suryanarayana also for appearance before the High Court on the first day after 2 weeks after service of the summons, the latter having been served on 31-7-45. He has now requested that arrangements may be made for an appearance to be entered on his behalf at the court. I, therefore, request that arrangements may be made for an appearance to be entered on his behalf at the court.

2. This reference may be kindly treated as urgent.

6.8.45
for Director of Public Instruction.

RVR 6/8/- Sd 6/8

GRS

23/a/8

T.M.

48
(44)

E+PH (B)

From.

The Secretary E+PH Dept

To

✓ The Govt Solicitor, Madras.

8/8/45
9

Despd
KM
9-8-45

p46 cf

Ref. Correspondence ending with your End no 1085 d/ 12.4.45 regarding the suit under section 92 of the Civil Procedure Code against the trustees of Sri Venkateswara Students Hostel, Triplicane

Please furnish, if possible by a special messenger ~~very urgently~~ ~~for reference~~ a copy of the plaint filed in Court in the above suit, for reference and return.

8.8.45

Issued
OAG
9/8/45

USR
8.8.45

C.F. 28

In reply, please quote number, date and short title.*

Urgent. DEPARTMENT

Received ________ *Registered* ________

ASST. SECRETARY TO GOVERNMENT
10 AUG 1945
EDUCATION AND PUBLIC HEALTH DEPT.

From (Name) H. Maitland Jones Esq.,

(Designation) Ag. Government Solicitor,

Post Box ________, (Station) Madras.

Telegraphic Address ________

36045

To

The Secretary to Government,
Education & Public Health Dept.,
Fort St. George, Madras.

No. 1887, *dated* 10th August 1945.

Sir,

*Public Trusts - Sri Venkateswara Student's Hostel - Triplicane, Madras - Suit under sec. 92 of the Civil Procedure Code -

With reference to your telephone message of yesterday's date I send herewith a copy of the plaint filed in the above suit, which may please be returned to me when no longer required by you.

Enclosures ________
________ 1
____

Spare Copies ________

CD/AKR.

C. Doraiswamy
for Ag. Government Solicitor.

IN THE HIGH COURT OF JUDICATURE AT MADRAS.

Ordinary Original Civil Jurisdiction.

C. S. No.   of 1940.

BETWEEN:

The Advocate-General of Madras,   Plaintiff,

AND

1. Rao Bahadur Vemur Ranganadham Chetty,
2. S. Govindarajulu Naidu,
3. P. Suryanarayana,
4. K. Swaminathan, and
5. V. Jayaram Chetty,   Defendants.

PLAINT UNDER SECTION 92 OF THE CIVIL PROCEDURE CODE.

The plaintiff abovenamed states as follows:-

1. The plaintiff is the Advocate-General of Madras and his address for service of all notices and process is that of the Crown Solicitor, High Court Buildings, Madras.

2. The 1st defendant is a merchant and resides at No. 7 South Mada Street, Triplicane, Madras.

The 2nd defendant is the Vice Principal, Law College and resides at No. 9 Cross Road, Kilpauk.

The 3rd defendant is a Deputy Director ~~of Directo~~ of Public Instruction, Madras and resides at No. 125 Lloyds Road, Gopalapuram.

The 4th defendant is the Additional Professor of English, Presidency College, Madras and his address for service is the same, and

The 5th defendant is a merchant and resides at No.5 Muniappan Street, George Town, M a d r a s.

3. By an indenture of trust made at Madras on the 20th October 1933 (hereinafter called "the trust deed") the defendant, as the Donor, settled the properties more particularly described in schedule A to the said document in trust for the advancement, education and benefit of Hindu students, and for other charitable purposes more particularly set forth in the trust deed, and conveyed the said properties so and subject to the said trusts to himself and four other trustees. A true copy of the said document is herewith filed. The trust deed also contains the rules and regulations for administration of the trust properties. The first defendant is constituted one of the five trustees of the trust and provision is made for his continuance in such office until his death or retirement.

4. The plaintiff states that the trust so created is a trust created for public purposes of a charitable nature.

5. The plaintiff states that taking advantage of his position as the Donor and the provisions in the Deed of Trust conferring on him the power to operate upon the monies belonging to the trust, the 1st defendant has been retaining in his hands large amounts of monies belonging to the trust without investing them in approved securities and without even depositing them with an authorised bank. The accounts reveal that the monies so retained by the 1st defendant steadily grew from a sum of Rs.6250-0-3

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on 30-6-1939 to Rs.9402-10-8 on 30-6-1943. The plaintiff charges that by reason of such improper retention of large sums of money belonging to the trust in his hands the trust has sustained loss of interest. The plaintiff understands that the 1st defendant has mixed up monies belonging to the trust with his own monies. The 1st defendant is therefore guilty of breach of trust.

The plaintiff further states that the 1st defendant has been instrumental in lending out trust monies on unsecured loans merely evidenced by promissory notes and the largest of such loans was to Messrs. Venkateswar & Co., whose proprietor happened to be the 1st defendant's own nephew and also one of the trustees. Defendants 2, 3, 4 and 5 are the present trustees of the said trust and hence have been impleaded as defendants. No relief is claimed against them.

8. The plaintiff therefore submits that it is necessary that an enquiry should be made into the conduct of the first defendant and also that an account should be taken of the trust monies that have from time to time been received by the 1st defendant and unlawfully retained or invested by him. The plaintiff further submits that by reason of the breach of trust abovementioned the 1st defendant is no longer entitled to occupy the office of trustee and is liable to be removed by this Honourable Court.

6. The plaintiff xxxxxx states that the reliefs sought in the suit for purposes of jurisdiction is incapable of valuation and xxxxxxxxx xxxxx so pays a Court-fee of Rs.225/-.

7. The cause of action for this suit arose at Madras within the local limits of this Honourable

53

Court where the indenture referred to in paragraph 3 above was executed and where the subject matter of the trust -- is situate.

8. The plaintiff therefore prays that this Honourable Court may be pleased to

(a) direct an enquiry into the conduct of the 1st defendant in regard to his part in the management of the trust;

(b) direct the 1st defendant to render an account of the trust monies from time to time received by and unlawfully retained by him or mixed with his private monies;

(c) direct repayment of monies as found due to the trust;

(d) remove, if necessary, the 1st defendant from the office of Trustee and appoint another fit and proper person as trustee;

(e) award the costs of the plaintiff,

and

(f) give such further or other reliefs and pass such further or other orders as the nature of this case may require and this Honourable Court may deem fit.

(Sd) P. V. Rajamannar

Plaintiff.

I, P.V. Rajamannar, Advocate-General, Madras, do hereby declare that the facts stated in paragraphs 3 to 6 are stated on information which I believe to be true.

Dated at Madras this 28th day of March 1946.

(Sd) P V Rajamannar

Plaintiff.

(Sd) H M Smith

CROWN SOLICITOR,
Attorney for the Plaintiff.

54

(48)

HIGH COURT
MADRAS.

ORDINARY ORIGINAL CIVIL JURISDICTION.

O.S. No. of 1946.

The Advocate-General of Madras, Plaintiff,

-: Vs. :-

Rao Bahadur V. Ranganadham Chetty & Others, Defendants.

PLAINT.

NOS.

THE CROWN SOLICITOR,
Attorney for the Plaintiff.

Education and Public Health Department.

D.O.No. 6330 8/45-9 Edn Fort St. George,
11th August 1945.

Dear Dr. Dey,

Sri Venkateswara Students' Hostel, Triplicane - Suit under section 92, C.P.C. - Summons to Sri T. Suryanarayana - Legal assistance.

Ref:- Your letter R.C.No.1021-D/43, dated 6-8-1945.

The plaint, a copy of which was obtained from the Government Solicitor for perusal, discloses certain irregularities only on the part of the 1st defendant and it has also been made clear in paragraph 4 of the plaint that no relief is prayed for as against the other defendants and that they are merely brought on record as they happen to be trustees. Under the circumstances, it is not necessary that the 3rd defendant, Sri T. Suryanarayana, should appear in court. Even if defendants 2, 3 and 4 are likely to be examined as witnesses in order to support the allegations in the plaint with regard to the acts of mismanagement of the 1st defendant, it would not be necessary for them to put in their appearance as defendants and file any statements.

Yours sincerely,

(o/c.)

11.8.45

To D.P.I. (by name). F/c below

56 2068 (50)

8 - SEP 1945

SEP 1945

Maitland Jones Esq.,
Ag. Government Solicitor,
Madras.

29630

Director of Public Instruction,
Madras.

1st September 45

Public Trusts - Sri Venkateswara Students' Hostel, Triplicane, Madras - Suit under sec. 92 of the Civil Procedure Code - C.S.No.124 of 1945.

In the above suit all the defendants except defts. 4 & 5 (K. Swaminathan & V. Jayaram Chetty Garu) have been served. The summons sent to these two defendants has been returned unserved. I am taking steps for the issue of fresh summons to them.

The 1st defendant has filed a written statement in which he has generally denied all the allegations in the plaint. The 2nd defendant Mr. S. Govindarajulu has filed a statement supporting the plaintiff's case. The case

E & P H.(B)

This is only a copy of the letter addressed to the DPI. May be filed.

19/9/45

4/9/45

Government of Madras

FINANCE DEPARTMENT

G.O. No. 162, 19th June 1941

Fundamental Rules—Rule 106—Subsidiary rule 11—Joining time admissible when vacation or holidays preceding it intervene—Amendment issued.

READ—the following paper :—

From the Registrar, High Court, Madras, dated 17th April 1941,
R.O.C. No. 2035/1941-B-2.

Order—No. 162, Finance, dated 19th June 1941.

In exercise of the powers conferred by paragraph (*b*) of sub-section (2) of section 241 of the Government of India Act, 1935, His Excellency the Governor is pleased to direct that the following amendment shall be made to the Fundamental Rules and subsidiary rules thereunder, namely :—

AMENDMENT.

In subsidiary rule 11 under Fundamental Rule 106, for the words " When vacation begins during ", the words " When vacation begins, or holidays immediately preceding vacation begin, during or immediately after the expiry of " shall be substituted.

(By order of His Excellency the Governor)

J. P. L. SHENOY,
Deputy Secretary to Government.

To the Accountant-General.
,, Departments of the Secretariat.
,, Heads of Departments.

Copy to the Superintendent, Government Press, for publication in the *Fort St. George Gazette.*
,, Secretary to the Government of India, Finance Department (with C.L. and 2 copies).
,, Secretary to the Governor-General (Public) (with C.L. and 2 copies).

will be posted before Court only after all the defendants have been served and their written statements before court.

In the meanwhile please let me know who is going to instruct me in the counter to the suit. The officer who will instruct me should be well acquainted with the accounts, working, etc., of the Venkateswara Hostel.

C Narasimham

for Ag. Government Solicitor.

CD/AKR.

2069 Copy for information to the Secretary to Government,
Education & Public Health Dept.,
Fort St. George, Madras.

O.F. 32.

ASST. SECRETARY TO GOVERNMENT, EDUCATION & PUBLIC HEALTH DEPT.
22 DEC 1945

Department

Received Registered

From (Name) H.M. Small Esq., O.B.E., M.A., LL.B.,
Designation Government Solicitor,
Station Madras.

To
The Secretary to Government,
Education and Public Health Department,
Fort St. George,
Madras.

Enclosures:

No. 3156 dated 21st December 1945.

Sir,

High Court, Madras - C.S.No.124 of 1945 - The Advocate-General of Madras vs. Rao Bahadur V. Ranganatham Chetty and others.

58457

Issues were settled in the suit yesterday and the parties have been directed to file their respective affidavits of documents within six weeks from yesterday.

Only the 1st, 2nd and 5th defendants have filed their written statements in the suit and defendants 3 and 4 remained ex parte. Of these, the 2nd defendant, Mr. S. Govindarajulu Naidu, has, in his written statement, fully supported the case of the plaintiff while defendants 1 and 5 are opposing the suit.

All the documents which Government proposes to rely on to prove the allegations in the plaint have to be disclosed in an affidavit of documents and copies of these documents should be prepared.

(p.t.o.)

59 pp15-16 ante

In your memorandum No.6330.B/44/4.Education, dated 19th June 1944 you have requested the Director of Public Instruction to furnish the Advocate-General with such further records or information as he may require. I am of opinion that the warden of Sri Venkateswara Students' Hostel would be most competent to file the affidavit of documents and to give me instructions in the suit. He may be directed to see me at my office by appointment on any working day before the 8th proximo.

H. M. Orr[illegible]

CD/AKR.

Government Solicitor.

3157. Copy for information to the Director of Public Instruction, Madras.

Edn(B)

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60 (52) Edn(B)

SPECIAL.

Issue to-day
[illegible]
22/12/45.

despatched
[illegible]

pp 58-59

Suit - Sri Venkateswara Students' Hostel, Triplicane, Madras CS no 124 of 45 - High Court Madras - Advocate General vs. Rao Bahadur V Ranganatham chetty & others

Crno 58457. From the Govt Solicitor no 3156 d 21.12.45

Memo. 58457-1-B/45-Edn. 22.12.45

The DPI is requested to offer his remarks immediately on the suggestion made by the Govt Solicitor in his letter cited, a copy of which has been sent to him.

[illegible]
22/12/45

[illegible]
22/12/45

To
The DPI.

61

Edn. & P.H. Department (B).

SPECIAL.

53

TELEPHONIC MESSAGE.

C.No. 6330 Pr/45

To

The Deputy Director of Public Instruction,
Office of the D.P.I., Madras.

Despd
KM
3-1-46

Sub: SUIT - Sri Venkateswara Students' Hostel, Triplicane, Madras - C.S.No. 124 of 45 - High Court Madras - Advocate-General vs. Rao Bahadur V. Ranganathan Chetty and others.

Issued
PAG
3/1/46

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p.60 95

Ref: Government Memo No.58457-1B/45-Edn., dated the 22nd December 1945.

Please expedite your reply to the Government Memo referred to above as the Warden of the Sri Venkateswara Students' Hostel has to see the Government Solicitor on any working day before the 8th ~~proximo~~ inst.

p 59 95.

3/1/46

P.C. to go.

3/1/46

3.1.46

Government of Madras

EDUCATION AND PUBLIC HEALTH DEPARTMENT

(Public Health)

G.O. No. 3215, 6th September 1939

Establishment—Medical institutions—Local fund and municipal—Training of nursing orderlies in institutions of Indian Medicine—Orders passed.

READ—the following papers :—

From the Principal, Indian Medical School, dated 8th March 1939, No. 10713.

From the Principal, Indian Medical School, dated 29th July 1939, No. 22973.

Order—No. 3215, P.H., dated 6th September 1939.

The Principal, Indian Medical School, has recommended that the Indian Medical School Hospital and all the dispensaries now recognized as centres for the training of compounders in Indian Medicine, may be recognized as centres for the training of nursing orderlies, for employment in institutions of Indian Medicine under the control of local bodies. He has proposed that the training may be given subject to the following conditions :—

(i) Candidates selected and deputed by district boards and municipal councils only should be admitted for training.

(ii) Each candidate should be given a stipend of at least Rs. 8 a month by the local body concerned.

(iii) The candidate selected should possess the minimum educational qualification prescribed by Government for nursing orderlies, viz., a pass in the V standard

Minister did not at all visit their School, which the Minister is alleged to have done according to his own version at Ellore.

Regarding the training in Midewifery, the Minister is reported to have stated that he could not provide for training in a single hospital for about 600 students of the School. But the students in their reply to the Minister have stated that they are altogether 424 on rolls of which only 132 students are to be trained for Midewifery.

During the last Budget Session of the Assembly, Dr. Rajan deplored that the School was working without any syllabus for the teaching of the subjects from the very inception of the School for about 12 years. But the Principal of the School refuted the statement of the Health Minister and explained clearly in the last annual gathering of the students that the syllabus had been prepared and was being followed.

I do not understand which of the above controversial statements is correct. It was reported on March 16 that the Health Minister visited the School and inspected nearly for an hour. The public will be very much obliged if the Minister is pleased to inform the public about the real situation after his inspection through a Press communique so that the perplexedconception of the public about theSchool may be dispelled. Then the public may decide, whether to send their boys and girls to the School or not. If the School is working as badly as the Minister has remarked, would it not be better to abolish the School and save the money of the public than by wasting it in training imperfect Medical Practitoners?

I am disappointed with the Press communique issued on April 26 by the Hon. Minister for Public Information, as nothing is mentioned about the existing condition of the School.

Gudiyatham, 9th June '39 } K. SIVAMOORTHI,
Secretary,
The AlumniAssociation, Municipal High School.

22.6.39.

E&PH Depd

Sub. for perusal

[illegible] m/6 Sec

~~M/PH~~

[illegible] 9/6 [illegible]

62

B

(54)

R.C.NO.1021-D/43.

OFFICE OF THE DIRECTOR OF PUBLIC INSTRUCTION, MADRAS, DATED 3-1-46.

From
Dr. S.R.U.Savoor, M.A., D.Sc., I.E.S.,
Director of Public Instruction, Madras.

To
✓ The Secretary to Government,
Education and Public Health Department.

ASST. SECRETARY [illegible]
4-1-[illegible]
EDUCATION [illegible]

Sir,

Sub:- Sri Venkateswara Students Hostel, Triplicane - Management - Removal of the President - suit.

p.6.0 ante

With reference to Government Memo. No.58457-1.B./45. Edn. dated 22-12-45, I have the honour to submit herewith a copy of my letter to the Government Solicitor and to state that the present Warden is willing to furnish the Government Solicitor with all the information, he has about the hostel.

p63 cf

591

I am also sending a communication to the Warden of the Hostel requesting him to meet the Government Solicitor at his Office by appointment on any working day before the 8th January 46.

3.1.46

FOR DIRECTOR OF PUBLIC INSTRUCTION.

Copy to:
The Government Solicitor with reference to his letter 3157, dated 21-12-45.

KP.3-1.

EPH (B)

Sd
3.1.46

Pl. see the DPI's letter above. No action seems necy. May be filed.

[illegible] 5/1/46

Sd
5/1/46

63

COPY of Director's letter Rc.1021-D/43, dated 17-10-45.

Sri Venkateswara Students hostel - Triplicane -
Management - Removal of the President. - Suit. 55

With reference to your letter No.2068, dated 1-9-1945, I have the honour to state that the financial irregularities of the hostel were brought to the notice of the Government only from the report made by Sri ~~S.Govindarajulu~~ S.Govindarajulu Naidu Bar-at-law, Vice Principal, Law College, Madras and that he is willing to instruct you in the counter to the suit.

Sri V.Narayanaswami, Assistant Professor, Presidency College and the present Warden of the Hostel and Sri V.Venkatarama Iyer, Professor and former warden of the hostel are also willing to furnish you all the information they have about the hostel.

3.1.46

for Director of Public Instruction.

64 B (56)

C.F. 32.

Department

From (Name) H.M. Small Esq., O.B.E., M.A., LL.B.,

Designation Government Solicitor,

Station Madras.

Received Registered

To

The Secretary to Government,
Education & Public Health Dept.,
Fort St. George,
Madras.

ASST. SECRETARY TO GOVERNMENT
9 JAN 1946
EDUCATION AND PUBLIC HEALTH DEPT.

Enclosures :

No. 74 dated 8th January 1946.

Sir,

High Court, Madras - C.S.No.124 of 1945 - The Advocate-General of Madras -Vs- Rao Bahadur V. Ranganatham Chetty & others.

1428
EPH(B)
May be filed.

= With reference to the letter R.C.No.1021-D/43 of the 3rd instant from the Director of Public Instruction to you, a copy of which was sent to me, Mr. V. Narayanaswamy, Warden of the Venkateswara Students Hostel, saw me yesterday at my office. I have requested him to furnish me with all the documents required and he has promised to do so in a few days.

10/1/46
15/1/46
11/1/46

H. M. Small
Government Solicitor.

CD/AKR.

75

✓ Copy for information to the Warden, Sri Venkateswara Students Hostel, Triplicane, Madras. He is requested to send the documents asked for within one week.

7/28/1 29/1

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Revised draft ⑸⑺

E&PH(B)

Sri Venkateswara Students Hostel. Triplicane - Management - Amendment of the Trust deed

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p66 cf From the warden Sri Venkateswara Students Hostel Triplicane d/ 16.12.45

p65 cf Endt of the DPI Rc no 1021-D/43 d/ 9.1.46

Memo. 6330-B/13-45 Edn d/ 28/1/46.

The letter from the warden, Sri Venkateswara Students' Hostel, Triplicane, together with the Endt of the DPI thereon, is forwarded to the Govt Solicitor, Madras, and he is requested to consider in consultation with the DPI, whether, and if so, to what extent relief in the matter of amending the trust deed on the lines desired in the resolutions of the Trust Board may be obtained in the suit now pending before

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the High Court.

26.1.46

26/1/46

1/8

To
the Govt Solicitor
Madras

Despd

30-1-46

Encl. despatched
on 1/2/46.

1/2/46

67

Copy of letter Rc.No.1021-D/43 dated 9-1-1946 from the Director of Public Instruction.

(58)

Sree Venkateswara Students Hostel, Triplicane - Management Trust deed - Amendment.
Letter dated 16-12-45 from the Warden, Sri Venkateswara Students Hostel, communicating the Resolution of the Board of Trustees.

...

Submitted.

2. Action on the resolution of the Trust Board may be taken after orders are passed by the High Court on the above case with reference to Govt. Memo.No.6330-B/44-4 dated 19-6-1944.

Copy of letter dated 16-12-45 from the Warden, Sri Venkateswara Students' Hostel.

I have been directed by the Board of Trustees to communicate the resolution of the Board of Trustees dated 30/10/45. The copy of the resolution is enclosed herewith.

Resolved to communicate to the Govt. Solicitor the following resolutions of the Trust Board in connection with O.S.No.124/45......

Resolved to request the Govt. Solicitor that in addition to such orders as the Court may pass after examining, the accounts of the trust. it is desirable for the efficient management of tht Trust in future, that the trust deed should be amended with regard to the following

matters:

matters:-

(1) para 6. The method of choosing the President is not only undemocratic but is likely to lead to inefficiency and conflict.

(2) para 17 (g) This clause restricts investment of funds to purchase of or first mortgage-loan on immoveable **property**. The trustees should have a wider choice of investments in accordance with the Indian Trust Act.

(3) para 18. This paragraph is **responsible** for many difficulties:

(a) the public debt office will not accept Sri Venkateswara Hostel as the holder of Government paper.

(b)The obligation that the Bank account should be operated upon only by the President and that all documents and securities should be in the custody of the President has prevented the trust board from effectively performing its duty under paragraph 14.

(4) para 19.--Two questions have to be considered with regard to this.

First the equity of distributing in this manner 60% of rents received from a students' hostel for the construction of which a grant-in-aid has been received from Government.

Secondly the allotment of 40% only of the rents is not adequate for the maintenance of the hostel and for giving the members the amenities that are provided in other hostel. The least that requires to be done is to empower the trustees to vary from year to year the percentage allotted for the different objects according to requirements bearing in mind that the first consideration of the Trustees is provision for the reasonable comfort of the members of the hostel.

(5) With a view to recovering Rs.7563-14-6 out of the Trust monies in the **Hands** of the Donor, the Board of Trustees had by a resolution agreed to take over the management of Jaladu Perundevi Ammal Charities and P.Rukmani Ammal charities and that was accordingly ordered by the High Court in O.P.24/44. ....

The properties of these trusts consist of houses in George Town and the obligations of these trusts are to conduct festivals in a few small temples not far from Madras. The trust board constituted for looking after a students hostel is hardly suitable for temple festivals. At the time when the Trust Board agreed to accept control of these charities two out of the five places on the trust board were vacant. These two were the representatives of the Syndicate of the Madras University and the Director of Public Instruction. The Board of Trustees must be relieved of the responsibility of managing these two charities while securing the repayment of the money due to Sri Venkateswara Hostel.

Chief Secretary.

To the Superintendent, Government Press, for publication in the *Fort St. George Gazette.*
,, the Development Department.
,, other Departments of the Secretariat (all sections).
,, the Accountant-General, Madras.

Copy to the Government of India, Department of Industries and Labour, with reference to paragraph 3 of their letter No. S. 500, dated 7th May 1937 [with C.L. and a copy of G.O. No. 648, Public (Reforms), dated 1st April 1937].

6105 ~~70~~ B U (60)

C.F. 32 (*a*).

Department — Received — Registered

From (Name) H.M. Small Esq., O.B.E., M.A., LL.B.,
Designation Government Solicitor,
Station Madras.

To
The Secretary to Government,
Education & Public Health Dept.,
Fort St. George, Madras.

Enclosures :

No. 298 dated 29th January 1946.

Sir,

High Court, Madras - C.S.No.124 of 1945 - The Advocate-General of Madras -Vs- Rao Bahadur V. Ranganatham Chetty & others.

p64 ante

With further reference to my letter No.74 of the 8th instant I have the honour to state that the warden of the Venkateswara Students' Hostel saw me this morning in connection with the above suit and has informed me that the balance sheets and the auditor's reports from 1935 to 1941 were with the donor and in spite of his request to return the same they have not yet been returned by the donor. Similarly with regard to the minutes books containing the proceedings of the trustees, these also appear to be in the personal custody of the donor. In the circumstances no documents are available to be disclosed in the affidavit of documents. As today is the last date for filing the documents my clerk is deposing to an affidavit stating that the plaintiff has not in his possession any documents concerning the matter in dispute in the suit.

As the documents with the donor, however, are necessary to

71

prove the allegations in the plaint, I shall apply to the Court for a summons to be issued to the donor for production of the necessary documents.

H. M. Small
Government Solicitor.

CD/AKR.

Copy for information to

299 The Director of Public Instruction,
Madras.

ASST. SECRETARY TO GOVERNMENT
8 1 JAN 1946
EDUCATION AND PUBLIC HEALTH DEPT.

E&PH (B) Dept.

Please see pp. 70 and 71 above the letter from the Govt. Solicitor. No action seems necessary. May be filed.

1/2/46.

1/2/46

2/2/46

V/ 72/ (61)

G.F. 32.

..........Department	Received B ....Registered ....
From (Name) H.M. Small Esq., O.B.E., M.A., LL.B.;	To
Designation Government Solicitor,	The Secretary to Government, Education & Public Health Dept., Fort St. George, Madras.
Station Madras.	

6508

ASST. SECRETARY TO GOVERNMENT
2 FEB 1946
EDUCATION AND PUBLIC HEALTH DEPT.

Enclosures:

No. 350 dated 31st January 1946.

Sir,

Sri Venkateswara Students Hostel, Triplicane - Management - Amendment of the Trust Deed.

pp65-66 ante.

With reference to your memorandum No.6330-B/13-45-Edn. of the 28th instant the letter from the Warden, Sri Venkateswara Students Hostel, Triplicane, together with the endorsement of the Director of Public Instruction thereon has not been sent to me. Please send the same to me at your earliest convenience.

H. M. Small
Government Solicitor.

AKR.

E&PH (B)

The letter from the warden, Sri Venkateswara Students Hostel, Triplicane was sent to the Govt. Solicitor on 1/2/46.
(Pl. see p. 66 ante for despatch entry).

4/2/46

4/2/46

5/2/46

73 B1

(62)

C.F. 32 (a).

..........Department

From (Name) H.M. Small Esq., O.B.E., M.A., LL.B.,
Designation Government Solicitor,
Station Madras.

Received.......... Registered..........

To
The Secretary to Government,
Education & Public Health Dept.,
Fort St. George, Madras.

ASST. SECRETARY TO GOVERNMENT
4 - MAR 1946
EDUCATION AND PUBLIC HEALTH DEPT.

No. 612 dated 1st March 1946.

Sir,

Sri Venkateswara Students Hostel, Triplicane - Management - C.S.No.124 of 1945 - High Court, Madras.

12566

p74/95

I have the honour to forward herewith a letter in original M.S.No.62 dated 28th ultimo from the Advocate General with its enclosures, and shall be glad to have your further instructions in this matter at an early date especially in the light of the terms ~~and~~ x compromise suggested by Mr. D. Narasaraju on page 4 of his note.

x of

pp75-79/95 + (Y)

p78/95

Please acknowledge receipt of the enclosures and return me the same when sending your instructions.

H. M. Small
Government Solicitor.

CD/AKR.

879

Copy of letter Ms.No.62 dated 28-2-1946 from the Advocate-General, Madras, to the Crown Solicitor, High Court Buildings, Madras.

C.S.No.124 of 1945, High Court, Madras -
Your letter No.386, dated 6th February 1946.

I forward herewith a note addressed to me by Mr. D. Narasaraju, Advocate for the Plaintiff, as also a letter from Mr. K.E. Rajagopalachari, Advocate for the 1st Defendant, together with its enclosures.

I agree in the main with Mr. Narasaraju's note. But I do not see how there can be a modification of the scheme even in respect of the matters mentioned in Clauses (3) and (4) of the resolutions of the Trust Board as they do not relate to the suit within the meaning of Order 23, r.3, C.P.C.

All the papers may kindly be sent to the Government for instructions.

(Sd.) K. Rajah Ayyar,
Advocate-General.

Enclosures: 1. Sri D.Narasaraju's note.
2. Sri K.E.Rajagopalachari's letter with its enclosures
(To be returned).

63

Copy of letter Ms.No.62 dated 28-2-1946 from the Advocate-General, Madras, to the Crown Solicitor, High Court Buildings, Madras.

C.S.No.124 of 1945, High Court, Madras -
Your letter No.386, dated 6th February 1946.

I forward herewith a note addressed to me by Mr. D. Narasaraju, Advocate for the Plaintiff, as also a letter from Mr. K.E. Rajagopalachari, Advocate for the 1st Defendant, together with its enclosures.

I agree in the main with Mr. Narasaraju's note. But I do not see how there can be a modification of the scheme even in respect of the matters mentioned in Clauses (3) and (4) of the resolutions of the Trust Board as they do not relate to the suit within the meaning of Order 23, r.3, C.P.C.

All the papers may kindly be sent to the Government for instructions.

(Sd.) K. Rajah Ayyar,
Advocate-General.

Enclosures: 1. Sri D.Narasaraju's note.
2. Sri K.E.Rajagopalachari's letter with its enclosures
(To be returned).

Madras, 27-2-1946.

D. Narasaraju, M.L.,
Advocate.

Re:- C.S.No.124 of 1945, High Court.

65

Note by the Counsel.

I have gone through the proposal made by the 1st defendant in the above suit as also the resolution of the Trust Board communicated through the Government Solicitor.

The reliefs claimed in the suit are:

(1) An enquiry into the conduct of the 1st defendant;

(2) An account of the trust monies to be rendered by the 1st defendant, and

(3) Removal, if necessary, of the 1st defendant from his office of trustee.

The main ground alleged in the plaint is that the 1st defendant detained in his own hands sums of money which on 30-6-1943 aggregated to Rs.9482-10-8. The further allegation is that the trust monies are lent out on unsecured loans to persons, one of whom was Venkateswar & Co.

The 1st defendant in his written statement denies the suggestions of breach of trust and states that the sum of Rs.1940-12-2 of the trust fund was advanced to P. Rukmani Ammal's charities and a sum of Rs.6218-7-6 was also advanced to Jaladu Perundevi Ammal's charities. For the purpose of repayment of these loans, the Trust Board has resolved to take over the management of these two charities and recovering the loans advanced to these charities by taking over a fixed percentage of the nett income every year. In that manner a sum of Rs.7,563-14-6 has been accounted for. The balance of Rs.7563-14-6 has been accounted for. The balance of Rs.1918-12-2 was lent on promissory notes and was realised in full. There is now no amount to be accounted for by the 1st defendant. As regards the loan to Venkateswar & Co., it is stated by the 1st defendant that only a sum of Rs.1408-13-9 was still due and that there was no difficulty about the recovery of same. He states that at the worst it is nothing but a case of an error in judgment. He further states that he has endowed a sum of Rs.1,25,000 to the Trust and that he proposes to endow an additional sum of Rs.80,000/- which intends to hand over to the Trustees after his lifetime, earmarked for religious advancement.

It appears that in O.P. 24 of 1944, High Court, filed by the 1st defendant in his capacity as President of the Trust Board, the High Court by its order dated 2-3-1944 approved of the proposal to take over the two aforesaid charities under the management of the Trust Board and recover the sums due. A copy of the order has been furnished by the 1st defendant. In the face of that order, it is not possible to state that the 1st defendant committed a breach of trust in taking over the management of the two said charities for the purpose of recovering the amounts due from them. Except the balance of the amount due from the Venkateswar & Co., there is no other amount remaining unaccounted for by the 1st defendant even on the basis of plaint allegations. If the facts stated in the written statement are true, no case for the removal of the 1st defendant has been made out and the only other relief asked for, viz., directing the 1st defendant to render an account becomes unnecessary. The only point that may be stated is that the 1st defendant should make himself personally liable in respect of the balance of loans due from Venkateswar & Co., and also guarantees the repayment by the 2 charities on the assumption that the percentage of the income would not be sufficient or that it will take a number of years before the debt is discharged in the manner already mentioned.

The resolution of the Trust Board communicated through the Government Solicitor makes a number of suggestions which appear to fall outside the scope of the present suit. There is no prayer in the plaint that the deed of trust or its provisions should be altered or that a new scheme for its administration be made. The first resolution of the Trust Board relates to paragraph 6 of the Trust ~~Board~~ Deed entitling the first defendant to be the president of the Board during his life-time and to nominate his successor from the members of his family. There is nothing in the suit which can have the effect of modifying the provisions of the Trust deed in this behalf and it is a matter to be agitated in a separate application for alteration of the provisions of the Trust Deed. It may be a point for consideration whether the 1st defendant's right to nominate his successo from the members of his own family is consistent. There are other consideration such as the first defendant's intention to make a further donation of Rs.80,000/-

after his life-time in addition to the existing one, viz., Rs.1,25,000/-. It may well be that his right to nominate his successor may be made dependent upon his carrying out his promised intention of making the further contribution to the Trust as aforesaid.

Resolution No.2 relates to the investment of the trust funds referred to in paragraph 17(g) of the Trust Deed so as to permit investment authorised under the Indian Trusts Act. There can be no serious objection to this and the 1st defendant may be asked whether he does not agree to this modification. Even here, it may be a question whether it falls within the scope of the suit.

Resolution No.3 relates to paragraph 18 of the Trust Deed. It is difficult to see what connection can there be between the 1st defendant operating on the account as President and the public debt office refusing to accept the Venkateswara Hostel as drawyer. It is suggested that the right of the President to operate on the account effectively interferes with the other trustees performing their duty. The President is bound to carry out the decisions of the Trust Board and if he refuses to do so, that may be a good ground for asking modifications in the said provisions.

Resolution No.4 relates to paragraph 19 of the Trust Deed about the distribution of the rents for various objects. This again is a matter involving a modification of the Trust Deed. The 1st defendant may be asked what objections he would have to this modification.

Resolution No.5 relates to taking over of the management of the charities mentioned supra. Of course, the Trust Board cannot be compelled to take up the management of other institutions even for purposes of recovering the loans advanced to them and the Trust Board may be justified in asking to be relieved of this responsibility. But this is done in pursuance of an order of the High Court and it would require a fresh order for this purpose after giving notice to the concerned charities to find some other person willing to take over their management.

It appears therefore that all the matters mentioned in the Resolution of the Trust Board fall outside the scope of the suit. I suggest that subject to the sanction of the Court, the following terms of compromise may be considered:

1. The 1st defendant makes himself personally liable for the amount of outstanding loans from Venkateswar and Co.
2. He guarantees the repayment by the two charities of the loans advanced to them.
3. Modifying the provisions of para 17(g) of the Trust deed so as to enlarge the power of investment of the Trust funds on investments authorised under the Indian Trusts Act.
4. Modification of para 19 of the Trust Deed so as to vary the percentage of the rents to be allotted to the maintenance of the hostel and providing amenities.
5. Giving liberty to move the High Court to vary its previous order in O.P.26 of 1944, relieving the Venkateswara Hostel Trust Board of the management of the charities mentioned above.
6. The Bank account to be operated by the President and another member of the Trust Board selected for this purpose.
7. For proportionate costs.

(Sd.) D. NarasaRaju,
Counsel for the Plaintiffs.

To the Advocate-General, Madras.

/True copy/

9/9/3 17/9/3 80

E&PH (B1). Dept.

(65)

C.No.6330 B1/46.

Sri Venkateswara Hostel, Triplicane - Management - Amendment of the Trust deed.

-

From the Government Solicitor, no. 612. dated the 1st March 1946.

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p73 cf

Memo No. 6330-B1/45-14 Edn dated 8/3/46.

A/8/3/46

A Copy of the letter from the Government Solicitor, cited above, with enclosures, is forwarded to the Director of Public Instruction and

2 ~~75~~ 81

and he is requested to offer his remarks, at an early date, on the terms of Compromise proposed by the Advocate for the Plaintiff.

2 The Govt Solicitor is informed that the enclosures to his letter cited above have been received.

USK
6.3.46

7/3/46

8/3/46.

To

The D.P.I. (with enclosure to be retd with reply.

pp74 to 79 c/f} in and ⑥

The Govt solicitor o/c only

11-3-46 with Encl

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82 ~~76~~

C.F. 32.

B 1 12276 (66)

.......Department

Received .... Registered ....

From (Name) H.M.Small Esq., O.B.E., M.A., LL.B.,

Designation Government Solicitor,

Station Madras.

To The Director of Public Instruction,
The Madras.

0 MAR 1946

Enclosures :

No. 893 dated 28th March 194 .

Sir,

Sri Venkateswara Students Hostel, Triplicane - Management - O.S.No.124 of 1945 - High Court, Madras.

pp74-75 ante

I invite your attention to Memorandum No.6030-B1/45-14-Edn. dated the 8th March 1946 and request you to send me your instructions in regard to the proposed compromise of the above suit at a very early date. The suit is likely to be posted before court for trial very soon.

H. M. Small
Government Solicitor.

894

CR/MRV
Copy for information to the Secretary to Government, Education & Public Health Department, Fort St.George, Madras.

E&PH (B1)

No action seems necy. May be ~~lodged~~ filed.

1/4/46 USK 1/4/46

2/4/46

~~77~~/83 B

(67)

G.F. 32.

From (Name) H.M.Small Esq., C.I.E., M.A., LL.B.,
Designation Government Solicitor,
Station Madras.

Department
Received
Registered

To
The Director of Public Instruction
Madras.

12 MAY 1946

Enclosures:

No. 1290. dated 9th May 1946.

25439

Sir,

Sri Venkateswara Students Hostel, Triplicane - Management - C.S.No.124 of 1945 - High Court, Madras.

I invite your attention to my letter of the 28th March last and to my telephone message of the 10th ultimo and your reply thereto and request that your instructions in regard to the proposed compromise of the suit be expedited. If the proposed settlement is not acceptable then it is necessary to file an application for directions to the 1st defendant to produce the documents in his possession and this should be done before the Court reopens. In the circumstances please send me your complete instructions urgently. This has been pending with you for two months.

H. M. Small
Government Solicitor.

CD/MRV

TC

PTO

2.

1291 Copy for information to The Secretary to Government, Education & Public Health Department, Fort St.George, Madras.

Filed.

[This is only a copy of the reminder sent to the DPI]

15/5/46

14.5.46

C.F. 30.

EDUCATION **DEPARTMENT.**

ASST. SECRETARY TO GOVERNMENT
29 JUN 1946
EDUCATION AND PUBLIC HEALTH DEPT.

Received 29 JUN 1946 19 . *Registered* .... 19 .

Subject.

34747 Sri Venkateswara Students Hostel, Triplicane – Removal of the President.

ENCLOSURES.
No.
Spare copies

R.C. No. 269-K/46.

Station Madras, *Dated the* 27th June 1946.

From (Name) Dr. S.R.U. Savoor, M.A., D.Sc., I.E.S.,

(Designation) Director of Public Instruction.

To The Secretary to the Government of Madras,

EDUCATION AND PUBLIC HEALTH Department.

Sir,

180 ante

REF: Government Memorandum No. 6330B1/45-14-Education, dated 8--3--46.

With reference to Government Memorandum cited above, I have the honour to state that the matter was referred to Mr. S. Govindarajulu, Vice-Principal, Law College, Madras and University representative on the Trust Board. I furnish below Extracts from his letter containing remarks on the terms of compromise proposed and to state that I agree with the views expressed therein.

"The learned advocate's note deals with two separate questions - first with the merits of the suit already filed under instructions from Government for accounts and removal of the 1st Defendant and secondly with certain suggestions made by the Trustees for the modification of the Trust Deed for the better management of the hostel.

page....2

TC

Taking the second of these first, the learned advocate for the plaintiff states in the last para that "all the matters mentioned in the resolution of the Trust Board fall outside the scope of the suit. I suggest that subject to the sanction of the Court, the following terms of compromise may be considered." Then he mentions seven items of which Nos.3 to 6 deal with the contents of the Trustees' resolutions. The Advocate-General while agreeing in the main with the advocate's note, doubts if there can be a modification of the scheme even with regard to matters mentioned in clauses 3 and 4. That leaves only clauses 5 and 6. If matters mentioned in clauses 5 and 6 alone can be urged in this suit, the Advocate-General may be requested to get the court's sanction for this by a judgment of the court and not as a compromise for reasons to be stated later. As for the other changes required by the Trustees, they are desired by the Trustees because by their experience they find them necessary for the better management of the hostel and the greater security of its funds. If Government concur in that view, Government may instruct the Advocate-General to take the necessary steps whether by amendment of the plaint in the present suit or by a fresh suit.

p78 ante

?

I next come to the first part of the learned advocate's note namely, the reliefs claimed in the present suit, His view is that all claims have been satisfied and therefore Government may agree to the compromise suggested in the last para of his note; the advocate-general states that he agrees in the main with him. If the first defendant is charged with breach of trust and is said to be unfit to be in charge of trust funds, I can see no room for compromise. The learned advocate would appear to have come to the conclusion without being adequately appraised of the facts. I am sure he and the advocate-general will not mind reconsidering their view when the full facts are put before them.

It is seen that the learned advocate for the plaintiff bases his opinion exclusively on (i) the plaint (ii) the first defendant's written statement and (iii) the proposal of the first defendant's advocate dated 30th Jan. 1946. He seems to be wholly unacquainted with the note prepared by me on 3-12-43 for consideration by the University and but it forwarded to Government; also what evidence is proposed to be let in regarding the 1st defendant's conduct was not before him. On the basis of the three documents mentioned above the learned advocate rightly starts by stating that "if the facts stated in the written statement are true, no case for the removal of the 1st defendant has been made out and the only other relief asked for viz., directing the 1st defendant to render an account becomes unnecessary". This conditional clause with regard to the truth of the contents of the 1st defendant's statements is not referred to again and the advocate's note continues and condludes on the assumption that the written statement is true. I have appended to this a three column analysis containing the statement of the 1st defendant's lawyer on 30-1-1946, the learned advocate's view thereon and my statement of the relevant facts. This along with the note prepared by me on 3-12-43 will give a fairly full picutre.

copy at ① pp 7-9 ante

ⓔ

It will be unfortunate if a simple issue gets drowned in legal technicalities. I may therefore state very briefly for consideration by Government two rules of law and their violation by the 1st defendant. A cardinal rule of the law of trusts is that it is breach of trust to utilize trust funds for any purpose other than that of the trust. Secondarly if a trustee so utilizes trust funds for other purposes or keeps them in his hands uninvested for an unreasonably long time, he is liable to pay not only the principal amount but also any profit made by him thereby or 6% compound interest.

The first defendant in this case has been keeping in his hands from some date prior to 1933 trust monies, increasing from year to year, until by 1941 they amounted to Rs.9426-9-1. He ignored the request to invest them and finally confessed inability to pay. Hence this suit and because of it, in a way arrangements have been made to repay the principal amount. It was in 1943 that for the first time he stated that out of the money for which he was answerable he had lent Rs.7563-14-6 to two other charities subject to his sole management. An arrangement was then made to recover this amount from these charities in small instalments spread over some 25 years and interest was payable only from 1944. The loan to these charities, even if true, was wholly without the knowledge or approval of the trustees. The first defendant must continue to be responsible for the repayment of this amount and for the many years prior to 1944 he has to pay 6% compound interest.

The balance of Rs.1918-12-2 seems to have been paid only sometime this year, nearly one year after filing the suit. The 1st defendant seems to have used this money for lending on promissory notes bearing interest. Here again he has to hand over to the trust either the interest collected by him or 6% compound interest for these many years.

Thus the liability to render accounts still remains as he has to pay interest for ten years and more on monies unlawfully kept by him.

Apart from what has happened in the past, the most important point for consideration is the future. Can a person who has dealt with trust-monies in this manner, be allowed to continue in charge of them? The representatives of the Director of Public Instruction and of the Principal of the Presidency College and other government servants on the trust board can never feel safe if the trust money continues to be in the 1st defendant's hands. The 1st defendant has also adopted an attitude of complete defiance of the resolutions of Trustees. If Government servants are to be on the Trust Board, it is necessary to pursue the proceedings already initiated to remove the President."

Muhammad.
28.6.46
for Director of Public Instruction.

RR.28/6.

Sd/
28/6.

35501

89/101

From
Sri.K.Rajah Iyer,
Advocate-General,
Madras.

To
The Secretary to Govt.
Education & Public Health
Fort.St.George,Madras.

SECRETARY TO GOVERNMENT
4 - JUL 1946
EDUCATION AND PUBLIC HEALTH DEPT.

SPECIAL

Ms.No. 351-) dated 3rd July 1946.

70

Sir,

Public Trusts - Sri Venkateswara Students' Hostel, Triplicane, Madras - Suit (C.S.124 of 1945, High Court, Madras) under Section 92, C.P.C. - Instructions - Requested.

The defendant in the above suit, Mr.Ranganatham Chetti, submitted a proposal for compromise, which was forwarded to Government with the remarks of the Counsel for the plaintiff together with my note thereon. As no reply was received from the Government before the High Court closed for summer vacation, a representation was made to Mr.Justice Clark that the proposal for compromise was pending consideration with the Government and that the suit might be adjourned till after the vacation. The Judge made a note of the request and posted the suit to the reopening date, viz., 8th July 1946.

No instructions have been received so far in the matter. It is not known whether Government desire that the suit should be proceeded with or accept the compromise proposals. If it is proposed to go on with the suit, there must be evidence to place before the Court, documentary and oral. No affidavit of documents have been filed, no witnesses have been summoned and it would almost be impossible to go along with the suit, should the Judge desire to proceed with the suit on the reopening date. This may be treated as special and instructions given as to the conduct of the suit.

K Rajah Iyer
Advocate-General.

~~88~~ 90

(71)

E&M.H (?37)

Suit - High Court Madras - C.S. No 124 of 1945.
Sri Venkateswara Students' hostel - Management

Pp 83-84 cf

From the Govt Solicitor no 1290 d/ 9.5.46
From the DPI. Rc no 269-K/46 d/ 27.6.46
From the Advocate General Mo. no 351-1
dated 3.7.46

Memo. 6330. Poy/ 45 - 15 Edn d/ 5/7/46

The Govt Solicitor is informed that the remarks of the DPI have been obtained on the proposed compromise of the suit and the matter is under the consideration of Govt. As it will not be possible to come to a decision in the matter before the 8th instt. he is requested to apply for adjournment on the reopening date

Dafmel
5/7/46

To
The Govt Solicitor
Madras.
Copy to DPI.

5/7

KSK
4.7.46.

RM
5/7/46

5.7.46

Edn (B1)

Suit - High Court Madras. C.S no 124 of 1945
Sri Venkateswara Students' Hostel, Triplicane
Management

p73 cf — **Read** From the Govt Solicitor no 612 d/ 1-3-46
p89 cf From the Advocate-General Ms no 351-1 d/ 3-7-46
p90 cf Memo no 6330 - B1/45 - 15 Edn d/ 5-7-46

Memo 6330 B1/46 Edn 17. dated 12/7/46.

The Govt solicitor is informed that the Govt accept the terms of compromise proposed by Mr. D. Narasaraju Advocate for the Plaintiff subject to the modification of proposal no 1 in the terms of comp~~osal~~mise as shown below

" The 1st defendant shall make good within one month the amount of the outstanding loans due from Venkateswara co

12/7/46

2

92

The enclosures received with Letter no 612 d 1-3-46 – p 73 c/

are returned herewith

KSR
11.7.46

OSM
12/7/46

12.7.46

To

The Govt Solicitor
with enclosures & copy
of enclosure (1) to be
taken for file &
copy to the DPI only

p 74 c/

12.7

(1) Letter from Advocate General to the Crown Solicitor
Ms no 62 d 28-2-46

(2) Note by Mr D. Narasimha Raju d 27.2.46

(3) Letter from Sri K E. Rajagopalachari – Advocate for 1st Defendant with its enclosures

pp 75–79 –

(Copy to be taken retained in file)

OSM

12.7.46

B1 93

(73)

G.F. 32.

......Department	Received...... Registered......
From (Name) H.M. Small Esq., O.B.E., M.A., LL. B., Designation Government Solicitor, Station Madras.	To The Secretary to Government, Education & Public Health Department, Fort St. George, Madras.

Enclosures:

No. 1713 dated 16th July 1946.

DEPUTY SECRETARY TO GOVERNMENT
17 JUL 1946
38860
EDUCATION AND PUBLIC HEALTH DEPARTMENT

Sir,

Suit - High Court, Madras - C.S.No.124 of 1945 - Sri Venkateswara Students' Hostel - Management.

pp 91-92 ante

I have the honour to acknowledge receipt of your memorandum No.6330-B.1/46, Education-17 of the 12th instant with its enclosures. I have informed the learned Advocate General and Mr. D. Narasa Raju of your approval of the proposed compromise.

CD/AKR.

C. Jagaswamy
for Government Solicitor.

SR
17/7/46

No action seems necessary now
May be filed

18/7

27/7/46

OSM
27/7/46

AS2

16.7.46.

Encl.
[illegible]
Edn. Dept.
Madras

C.F. 32. Very urgent Department

From (Name) H.M. Small Esq., O.B.E.,
M.A., LL.B.,
Designation Government Solicitor,
Station Madras.

Received .... Registered ....

To

The Secretary to Government,
Education & Public Health Dept.,
Fort St. George,
Madras.

ASST. SECRETARY TO GOVERNMENT, EDUCATION AND PUBLIC HEALTH DEPT.
8 - AUG 1946

Enclosures:

No. 1900 dated 3rd August 1946.

Sir,

Suit - High Court, Madras - C.S.No.124 of 1945 -
Sri Venkateswara Students' Hostel - Management.
pp 91-92 ante

With reference to the above suit and your memorandum No. 6330-B.1/46 Education-17 of the 12th ultimo I have the honour to enclose a copy of letter dated 31st ultimo received from Mr. V. Govindarajachari in which he has suggested certain alterations to the compromise proposed by the 2nd defendant. The Counsel for the Advocate General has written to me today requesting me to get instructions from Government before Tuesday next. A copy of his letter to me is also enclosed.

H. M. Small
Government Solicitor.

CD/AKR.

Recd
3.35 pm

~~95~~

(Copy)

Govindarajachari,
Advocate.

White House,
Luz, Mylapore, Madras,
31st July 46.

(75)

To
The Advocate General,
Madras.

Dear Sir,

re. C.S.No.124 of 45.

With reference to the draft memo of compromise sent to my client by the Government Solicitor in the above ~~ma~~ matter, my client desires to make the following suggestions so that you suitably modify the said memo.

1. The amount that the 1st defendant has to pay may be ascertained from the audited accounts and specified in the memo. If the amounts lent by the 1st defendant earned any interest or were payable with interest, the amounts still due should be made repayable by him with interest.

2. Although the amounts unauthorisedly lent by the 1st defendant to the Perundevi Ammal and Rukmani Ammal's estates may have been condoned by the High Court in O.P.No.24 of 44, the other loans on pronotes were unauthorised and not covered by any order of Court. The costs of the plaintiff and my client should not, therefore,

be made to come out of the trust funds but should be made payable by the 1st defendant. The fact that those loans may have been realised in part or in full now, after the lapse of so many years, does not affect the question. Further, I wish to suggest that my client's costs may also be fixed at Rs.500/-.

3. The securities of the trust must be kept in the safe custody of some one of the scheduled Banks and not left in the custody of the 1st defendant. This was so decided by the trustees in 1941 but has not apparently been put to practice.

After you send me a revised or modified memo of compromise, I shall have it signed by my client.

Yours faithfully,
Sd. V. Govindarajachari.

(Copy)

D. NARASARAJU,
Advocate.

32 Lloyds Road,
Royapetta, Madras,
2nd Aug. 1946.

Ms.No.351-4.

To
The Crown Solicitor,
High Court Bluidngs,
Madras.

Sir,

C.S.No.124 of 1945 - High Court, Madras - Sri Venkateswara Students' Hostel - Management.

I enclose a letter (in original) received by the Advocate General from the senior Counsel for the 2nd defendant, Sri V. Govindarajachari, in the suit. Please take urgent steps to communicate the modifications proposed to the 1st defendant and ascertain his views in the matter. So far, I have had no communication from you as to the 1st defendant's reply to the draft memorandum of compromise.

The suit is likely to get into the list on Tuesday and I shall be obliged to have instructions from you regarding the conduct of the suit. In the state of things obtaining now regarding the compromise, I feel it is safer for us to get ready for the trial.

Yours faithfully,
Sd.
Advocate for Plft.(Advocate General)

98

99

Edn. & P.H. Department (B1). 77

Cn 6330 B1/46

special

p 94-95

SUIT -High Court, Madras - C.S.No.124 of 1945 - Sri Venkateswara Hostel, Triplicane.

From the Government Solicitor, No.1900 dated the 3rd August 1945.

MEMO NO. 6330-19 / B1/45-19 Education, dated 6/8/46.

6/8/46

The Government Solicitor is informed that the suggestion made in para 1 of Mr. Govindarajachari's letter dated the 31st July 1946 is acceptable to Government. In regard to the suggestions made in paras 2 and 3, the first defendant or his pleader may be communicated with at~~x~~ once and it may be ascertained whether he agrees to any one or both of them. If he does not accept, the compromise proposals already approved by Government may be modified by adding the suggestion made in para 1 of the letter from the Advocate to the second defendant referred to above.

6/8/46

Despd.
6/8/46.

To
The Government
Solicitor.
Copy to the DPI with copy of Mr Govindarachari's letter pp 95-96 cf

6.8.46

6/8/46

6.8.

100

5/2 B1 101 (78)

VERY URGENT - PER CYCLE MESSENGER.

C.F. 32.

..........Department

From (Name) H.M.Small Esq., O.B.E., M. A.,LL.B.,

Designation Government Solicitor,

Station Madras.

Received .... Registered ....

To The Secretary to Government,
~~The~~ Education & Public Health Dept.,
Fort St.George,
Madras.

ASST. SECRETARY TO GOVERNMENT
23 AUG 1946
EDUCATION AND PUBLIC HEALTH DEPT.

Enclosures:

No. 2059 dated 22nd August 1946

48291

Sir,

Suit - High Court, Madras - C.S.No.124 of 1945 -
Sri Venkateswara Students' Hostel - Management.

With reference to the above suit I have the honour to state that since the 1st and 2nd defendants made counter proposals when the proposed compromise approved by Government was sent to them I arranged for a meeting between the Counsel for the 1st and 2nd defendants and the Advocate-General and this took place on the 20th instant. The learned Advocate-General after perusing the account books produced by the 1st defendant and after a full discussion of all the matters arising in the suit has sent me a memorandum of compromise a copy of which is enclosed.

The suit has been adjourned to the 30th instant before which date the compromise, if approved by Government, must be engrossed, the signatures of the parties obtained thereon and filed into Court. I shall therefore be glad if you

102 ~~2.~~

will approve the compromise and return the same to me urgently.

The amount so far expended [redacted] by Government is Rs.207/1/- which will also be included as the amount recoverable from and out of the trust estate besides the fees payable to the Advocate-General and myself.

A copy of the D.O. letter sent to me by the Advocate-General is also enclosed.

H. M. Small

Government Solicitor.

CD/MRV

19584

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103 (79)

D.O.No.351-6

20th August 1946

My dear Mr. Small,

C. S. No.124 of 1946.

In continuation of the draft memorandum of compromise previously sent to you by Sri D.Narasaraju, Counsel for the 1st and 2nd defendants as also the 1st defendant met me this afternoon and I had afull discussion in respect of all matters arising in the suit. I have also examined all the necessary records. The memorandum of compromise sent herewith embodies the terms agreed upon betweee the various parties and I am satisfied that it can be put through. Please get the memo signed by the respective parties.

Yours sincerely,

(Sd) K. Rajah Iyer

To H.M.Small Esq., O. B.E,M.A.,LL.B.,
Government Solicitor,
Madras.

IN THE HIGH COURT OF JUDICATURE AT MADRAS
ORDINARY ORIGINAL CIVIL JURISDICTION

C.S. NO. 124 of 1945.

The Advocate-General of Madras — Plaintiff

Vs.

1. Rao Bahadur Vemur Ranganadham Chetti
2. Govindarajalu Naidu
3. Suryanarayana
4. Swaminathanane
5. Jayaram Chetty

Defendants.

Memorandum of compromise.

1. The plaintiff after examining the accounts and the proceedings of the Board of Trustees accepts the account rendered by the Ist defendant in respect of the monies referred to in paragraph 5 of the palint.

2. The amount due from Messrs Venkateswar & Co., has been repaid in full and hence no fufther relief is necessary.

3. The Ist defendant hereby guarantees the ultimate repayment by the two charities, Rukmani Ammal's Charities and Perundevi Ammal's Charities, of the loans advanced from out of the funds of Venkateswar

PTO

109/B1

(82)

ASST. SECRETARY TO GOVERNMENT
5 - SEP 1946
EDUCATION AND PUBLIC HEALTH DEPT.

C.F. 32.

Department

From (Name) H.M.Small Esq., O.B.E., M.A., LL.B.,

Designation Government Solicitor,

Station Madras.

Received Registered

To

The Secretary to the Govt. of Madras
Education & Public Health Dept.,
Fort St. George,
Madras.

Enclosures :

No. 2175 dated 2nd September 1946.

5C063

Sir,

Suit - High Court, Madras - C.S.No.124 of 1945 -
Sri Venkateswara Students' Hostel - Management.

As desired by you over the telephone this morning when the above suit came up before the learned judge I reported that the same has been settled and requested time till the 9th instant to file a formal memorandum of compromise and the suit stands adjourned to the 9th instant.

CD/RV

H. M. Small

Government Solicitor.

E&PH (B1) Dept.

Maybe filed.

6/9/46

6/9/46

6/9/46

Seen
7.9.46

ASST. SECRETARY TO GOVERNMENT
C.F. 32.
12 SEP 1946
EDUCATION AND PUBLIC HEALTH DEPT.

Department
From (Name) H.M.Small Esq., O.B.E., M.A., LL.B.,
Designation Government Solicitor,
Station Madras.

Received Registered
To
The Secretary to Government,
Education & Public Health Dept.,
Fort St. George,
Madras.

Enclosures:

No. 2258 dated 9th September 1946.

53143

Sir,

High Court, Madras - C.S. No.124 of 1945 - Sri Venkateswara Students' Hostel - Management. p109 ante

Further to my letter No.2175 of the 2nd instant I filed into Court a Memorandum of Compromise embodying the terms supported by the Advocate General and a decree has been passed in terms thereof. The Advocate General also filed an affidavit into Court that the terms of the compromise are beneficial to the trust. A copy of the decree, for which I have applied, will be sent to you on receipt of same from Court.

EPH(B1)

H. M. Small
GOVERNMENT SOLICITOR.

CD/VPK.

May be filed.
13/9/46.
13.9.46
13/9/46

112

B1 113

(84)

G.F. 32

Department	Received Registered
From (Name) H.M.Small Esq., O.B.E., M.A., LL.B.,	To
Designation Government Solicitor,	The Secretary to the Govt. of Madras, Education & Public Health Dept., Fort St. George, Madras.
Station Madras.	

Enclosures :

No. 2884 dated 13th November 1946.

15 NOV 1946

69657

Sir,

High Court, Madras - C.S.No.124 of 1945 - Sri Venkateswara Students' Hostel - Management.

I enclose court copy of the decree in the above suit, receipt of which please acknowledge.

CD/RV

H. M. Small
Government Solicitor.

2885 Copy for information to The Director of Public Instruction, Madras, with a true copy of the decree.

114

I

Edn. JPH (B1)

(85)

C no. 6330 B1/46. 58/28/11 29/11 Suit - High Court, Madras - C.S. No. 124 of 1945. Sri Venkateswara Hostel, Triplicane - Management - ~~Terms of Compromise~~. Court degree

Draft for [illegible]

20 on p. 24 nf please

pp 113-117 cf

From the Government Solicitor, no. 2884 dated 13.11.46.

~~to the~~ Memo. no. 6330-B1/46-23 Edn. ~~dt~~ 27/11/1946.

The Government Solicitor is informed that the Court copy of the decree sent with his letter cited above has been received.

[illegible] 29/11

To
The Govt.-Solicitor,
Madras.

16/11/46

16/11/46

18.11.46

I

11/Re

Suit- High Court Madras- C.S. No 124 of 1945- Sri. Venkateswara Students' Hostel - Management- Court decree- communicated- to the DPI

~~Court Decree~~

From the DP.I. RC No 1021 D/43 d/ 15-2-44 — p 1 cf

From the Govt Solicitor No 2884 d/ 13-11-46 — p 13 cf

Order
Ms.

A copy of the decree of the High Court, Madras in C.S. No 124 of 1945 relating to the management of the Sri. Venkateswara Students' Hostel, Triplicane, is communicated to the DPI for information necessary action.

16-11-46

11/

To

The DPI
with copy of
Court decree

86

In the High Court of Judicature at Madras.

Ordinary Original Civil Jurisdiction

Monday, the 9th day of September 1946

The Honourable Mr. Justice Clark

George VI, by the Grace of God, of Great Britain, Ireland and the British Dominions beyond the seas, King, Defender of the Faith, Emperor of India.

C.S. No. 124 of 1945

Between:

The ~~Administrator~~ Advocate General of Madras. ... Plaintiff.

Do

and

(1) Rao Bahadur Vemur Rangamadham Chetty, a merchant residing at No.7 South Mada Street, Triplicane, Madras.

(2) S. Govindarajulu Naidu, Vice Principal, Law College and residing at No.9 Ormes Road, Kilpauk,

(3) T. Suryanarayana, Deputy Director of Public Instruction, Madras and resides at No.135, Lloyds Road, Gopalapuram,

(4) K. Swaminathan, an Additional Professor of English, Presidency College, Madras.

(5) V. Jayaram Chetty, a merchant, residing at No.5, Muniappan Street George Town, Madras ... . Defendants.

Suit (a) for directing an enquiry into the conduct of defendant 1 in regard to his part in the management of the trust created by the Trust Deed dated 20-10-1933, for the advancement, education and benefit of Hindu Students and for other charitable purposes more particularly set out in the said trust deed (b) for directions to the said defendant 1 to render an account of the trust monies from time to time received by and unlawfully retained by him or mixed with his private monies (c) for directing payment of monies so found due to the trust (d) for ~~reeve~~ removing if necessary defendant 1 from the office of Trustee and appoint another fit and proper person as trustee and (e) for costs of this suit.

This suit coming on this day before this Court for reporting settlement in the presence of Mr. D. Narasaraju, Advocate instructed by the Crown Solicitor, Attorney for the plaintiff Mr. K. S. Rajagopalachari, Advocate for Defendant -1 and Mr. V. N. Shama Rao, advocate for Defendant-2 and defendants 3 to 5 not appearing in person or by pleader and upon reading the Memorandum of compromise entered into between the plaintiff and Defendant-1 and signed by the Attorney for the Plaintiff and the Advocate for Defendant -1 and the affidavit of the plaintiff solemnly affirmed on 5th and filed this day stating that the terms of the aforesaid compromise are in the interests of and beneficial to to the Trust, and the advocate for Defendant-2 stating ~~the~~ that he does not oppose the disposal of the suit in terms of the compromise and it appearing from the aforesaid compromise (a) that the plaintiff after examining the accounts and the proceedings of the Board of Trustees accepts the account rendered by defendant-1 in respect of the monies referred to in paragraph 5 of the plaint (b) that the accounts due from Messrs. Venkateswar and Co., has been repaid in full and hence no further relief is necessary and (c) that defendant 1 guarantees the ultimate repayment by the two charities Rukmani Ammal's charities and Perundevi Ammal's Charities, of the loans advanced from and out of the funds of Venkateswar Hostel in case the said loans are not recovered in the manner provided for in the order of the High Court in O.P.No. 24 of 1944, this Court Doth record the said compromise and doth in terms thereof order and decree that the trustees of the suit trust [illegible]m and out of the said trust pay (a) to the plaintiff rupees two hundred and ~~seven and anna one (Rs.307--1--0)~~ 15/5/47 X eighty two and anna one (Rs 282-1-0) as and for costs in suit (b) to the Advocate for the plaintiff rupees five hundred (Rs.500/-) as and for his fee. 15-5-47

(c) to the Crown Solicitor Rupees One hundred and seventy-five (Rs. 175/-) as and for his fee and

---

(d) to ~~respondents~~ Defendants 1 and 2 rupees three hundred and fifty (Rs.350/-) and Rupees three hundred (Rs.300/-) for their respective costs of suit.

Witness the Honourable Sir Sidney Wadsworth, Offg., Chief Justice at Madras aforesaid, this 9th day of September 1946.

(Sd) K. C.Nambiar, 20--9--46
First Assistant Registrar.

Certified to be a True Copy
Dated this 24th day of October 1946

Bench Clerk O. S.

11/9/46

Ready 25/X/46

21/X

X Amended as per order of Court dated 25th April 1947 in application No 1221 of 1947
(Sd) J. Subbaswamy 1 May 1947
Second Assistant Registrar OS.

Amendment certified to be true copy
Dated this 15th day of May 1947
M.Vedantachari 15/5/47
Bench Clerk OS.

118

C. S. No.124 of 1945

One copy by 21st

19/5/47

Decree dated 9th Sep. 1946

Not to A B 8/3

(88)

From

H.M.Small Esq., O.B.E.,
M.A., LL.B.,
Government Solicitor,
Madras.

To

The Asst. Secretary to the
Government of Madras,
Education Public Health Dept.,
Fort St. George, Madras.

ASST. SECRETARY TO GOVERNMENT
22 MAY 1947
EDUCATION AND PUBLIC HEALTH DEPT.

No. 1347 dated 19th May 1947.

Sir,

High Court, Madras - C. S. No.124 of 1945 -
Sri Venkateswara Students' Hostel, Madras.

43525

The Court copy of the decree sent to me with your endorsement dated 10th instant is returned herewith, the amendment in the decree having been carried out by Court.

Please acknowledge receipt.

CD/RV

H. M. Small

Government Solicitor.

(V) 24

May be filed with G.O.No. 2204 Edn. 30/11/46 (Ed. & P.H. (B))

A draft memo ~~is submitted~~ acknowledging the receipt of the decree is submitted below for approval.

28/5 28/5/47

E&PA(B7)

High Court, Madras - C.S. No. 124 of 1945
Sri Venkateswara Students' Hostel, Madras

From the Govt. Solicitor, No. 1347 dt 19/5/47.

pass 1 Cf
9/5
24

Memo. 43525/47-B7. 1 Edn. dt 28/5/47.

The Govt. Solicitor is informed that the court copy of the ~~cited~~ decree sent with his letter ~~cited above~~ read above has been received.

2-4 Cf
28/5

28-5-4

Desp'd
30/5

27/5

28/5/47

To
The Govt. Solicitor Madras