

**The Tamil Nadu Panchayats (Grant of remission of rent to lessees and Contractors) Rules, 1999**

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**(G.O. (Ms) No.204, Rural Development (C4), dated 28<sup>th</sup> September, 1999)**

In exercise of the powers conferred by clause (xxvi) of sub-section (2) of Section 242 of the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) and in supersession of the Rules relating to grant of Remission of Revenue to Lessees and Contractors, the Governor of Tamil Nadu hereby makes the following Rules :-

**RULES**

**1. Short title.-** These Rules may be called the Tamil Nadu Panchayats (Grant of Remission of Rent to Lessees and Contractors) Rules, 1999.

**2. Adherence of terms and conditions by the Lessees.-** All Lessees of Village Panchayat and all persons who have entered into contracts with Village Panchayat shall be held strictly the terms and conditions of their leases or contracts and no remission of lease rent shall be granted to them except in accordance with the provisions of Rules 3 and 4.

**3. Restrictions and control.-** The grant of remission of lease rent to Lessees and Contractors shall be subject to the following restrictions and control namely:-

(a) Remission of lease rent shall be granted only in cases in which the Lessee or Contractor is prevented from carrying out his part of the lease or contract by reason on the occurrence of some extraordinary extrinsic cause which could not reasonably anticipated, for example, the compulsory closing, on account of the outbreak of an epidemic or the act of God like heavy flood or storm, of a market or the site or any workspot which has been leased out or where the work is to be carried out;

(b) The amount of remission of lease rent granted shall not exceed the proportionate amount payable under the lease or contract for the period for which the Lessee or Contractor was prevented from carrying out his part of the lease or contract on account of such extraordinary cause as referred to in clause (a); and

(c) When the amount remitted exceeds five hundred rupees, the previous sanction of the Inspector shall be obtained.

**4. Penalties.-** Penalties provided in the lease or contract shall be strictly enforced in accordance with the terms of the lease or contract. Penalties for late payment of the amount due to the Village Panchayat Under the lease or contract

shall not be remitted except in cases where the payments of instalments of the amount due are in the opinion of the Village Panchayat fairly regular and the whole amount due to the Village Panchayat under the lease or contract is paid before the end of the period to which the lease or contract relates:

Provided that when the amount remitted exceeds Rs.500 in each case, the previous sanction of the Inspector shall be obtained.

**RAMESH CHANDRA PANDA**  
SECRETARY TO GOVERNMENT