WHAT EVERY TRUSTEE OUGHT TO KNOW

A

HAND BOOK

TO THE

Bombay Public Trusts Act, 1950

नहि कल्याणकृत्कश्चिद्दुर्गतिं तात गच्छति

—अध्याय ६ श्लोक ४०.

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INTRODUCTION

The three strings that sustain the souls of frail human beings are : Faith, Hope and Charity. These God-given gifts form the main props of man's existence.

When man fails to find solace in things that are material, he is inclined to turn to God, he bows down to that intangible spirit which turned sinners into saints. Faith : It is Faith that makes man believe that "more things are wrought by prayer than this world dreams of".

Hope is another guiding star in man's eternal struggle on earth. It makes the morrow interesting and the future worth waiting for—for its eternal abode in the human heart.

Charity is the most cherished of these heavenly gifts. It is not merely pity or giving of alms, or dealing out doles. It is compassion, fellow-feeling, love for humanity, eagerness to help others in distress. Like mercy it blesseth him that gives and him that takes.

Those who give are convinced that money is useful in so far as it is put to the best use and ungrudgingly part with it saying "Your need is greater than mine". They are rich in bounty ; they are munificent ; they are more than human. Such sympathetic souls relieve human suffering.

The best type of Charity is that which is given out of an impulse to give, without any expectation of return, something given to the deserving, and given at the right time, place and to the right person. It embraces the whole of humanity, is not confined to the limits of narrow caste, creed or community and is as broad as outdoors.

The notions of Charity vary with different people and at different times. With the advancement of education, change in social conditions and the outlook on life, this is bound to happen. But whatever the shape, the spring of Charity flows eternally, to relieve the ailing humanity be it out of a desire to prepetuate one's name, to earn a place in heaven or attain *Moksha.*

The notions of Charity are imbedded in the human heart, ever since the advent of civilization. The earliest written record of Charity is to be found in Egypt in "The Book of the Dead". (4000 B.C.)

With the advance of time charities required to be controlled. In India such control was exercised prior to 300 B.C. Ashoka even appointed *Dharmamahamantra* (censors of the law of Piety). Royal control continued and the Peshwas, in some cases prescribed the actual quantities of articles for worship in temples. The Britishers also for some time in the beginning, exercised control and passed, for instance Regulation XVII of 1827 under which the Collectors were given some visitorial powers. Then came the policy of non-interference. The Bombay Public Trusts Act, 1950, recognizes once again the duty of the State to control, supervice and look after public trusts and their administration. After its nine years' working in the State formerly the Bombay and now the Maharashtra and the Gujarat State—it could safely be said that it has proved its utility.

Dated 30th October, 1960.
Ahmedabad.

Sumant C. Bhat,
Charity Commissioner,
Gujarat State, Ahmedabad.

BOMBAY PUBLIC TRUSTS ACT, 1950.

It is not necessary to go into the previous history of the present law of public trusts. It was different for different communities. Suffice it to say that the Bombay Public Trusts Act, 1950, has brought uniformity and now all trusts in the State. Religious, Religious and Charitable and Charitable and of all communities Hindu, Parsi, Muslim and others,—are governed by one law.

It is the duty of the trustees to respect the wishes of the author of the trust. It is his trust, and the trustees should not try to saddle their views or twist the trust, out of its objects. The Legislature has kept this in mind and has tried to avoid interference with the carrying out of the objects of the trust unless the object has failed. In the beginning after the Act was passed, it was apprehended that the provisions of the Act were likely to interfere with the working of trusts ; but experience of the working of the Act for nearly ten years has shown that the apprehension was unfounded.

It is necessary for every trustee to know what the Bombay Public Trusts Act, 1950, is, and what are his duties and obligations as a trustee.

A trust arises out of confidence reposed in and accepted by another,—who is called a trustee.

Trust

No one can be compelled to become a trustee but having once accepted the office of a trustee, he owes a duty both moral and legal to one who has put his confidence in him. If, after having undertaken to discharge the duties of a trustee, he fails to do so, he will be answerable both to the person who reposed his confidence in him and to the public. Law expects him to deal with and take care of the trust property, as he would take care of his own property. He must act like a prudent man. A trustee after accepting office as a trustee cannot afford to neglect the trust.

Trustee

What then are the duties of a trustee ? One who has accepted trusteeship and undertaken to administer the trust, should know what is expected of him. He must in the first instance examine and study the instrument of trust. A trust is created by a deed of trust, or by a Will or by a Scheme framed by a Court or by a Written constitution. A trustee must know what the instrument of trust requires him to do. He has to carry out scrupulously the terms of the trust. If he fails or neglects to carry out these terms he commits a breach of trust. Trustees, sometimes, believe that a breach of trust is committed only if the trustee has misappropriated trust property. It is not so. It is, therefore, essential that trustees should see that the directions in the instrument of trust are properly given effect to. Another notion under which trustees, sometimes, labour is that, they are not liable for the mismanagement, misappropriation, defalcations made or loss caused to the trust, if they were not a party to or directly instrumental in causing such mismanagement, misappropriation, defalcation or loss. They must not however forget that the liability of all the trustees is joint and several. Law holds all of them equally liable unless the instrument of trust gives them protection and provides otherwise. The trustees are expected to act jointly. It often happens that trustees do not agree or they quarrel *inter se* and some of the trustees cease to take part in the management. If any of the trustees leaves the management to one or the other of the trustees and keeps himself away therefrom he cannot escape liability by saying to himself; 'It is the other trustee who has mismanaged; where have I taken part in the management?' That is not correct. Where there is disagreement, it is better to resign them to continue and take no part or interest in the management of the trust. It gives a premium and facility to fraud or mischief. If a trustee finds that the other trustee or trustees are committing breaches of trust or are causing a loss to the trust, it is his duty to take steps to get the other trustee or trustees removed. If he fails in his duty he might have to suffer, sometimes, for no fault of his.

Every trustee must see that the property of the trust is preserved. If the trust owns immovable property, its title-deeds should be preserved and the property should be insured adequately against fire; he should keep the property in repairs. If the trust owns moveable property, he should make a complete inventory thereof, invest trust funds in accordance with law or keep the money of the trust in a schedules Bank or Postal Savings Bank. He should not authorise the withdrawal of the trust funds blanked in his or joint names by the co-trustee alone. If he does, he does so at his risk. He should see that expenses incurred are not extra-vagant; he may employ servants but he should carefully supervise their work.

Instances occur of trustees and their relatives taking free services of doctors employed for the trust dispensary or hospital and the servants of the trust, doing the private work of trustees even during the hours when such servants are supposed to be on duty at the trust premises. Advantage of the trusts and its property is very often taken by the trustees, their friends and relatives, particularly in case of sanatoria, where it is, at times difficult for others to get benefit thereof. Trustees must always remember that they are the trusted once and their conduct should be absolutely above board.

Trustees are accountable for their management of the trust property. They should be honest and their accounts should be clear. It is the right of the beneficiaries to know how the trust is managed.

Under certain circumstances, the beneficiary may be allowed inspection of the accounts of the trust. Often trustees resist giving inspection of account Books. If the trustee has managed the trust properly and kept proper accounts., there should be no objection in inspection of the accounts being taken.

It is common experience that persons agree to act as trustees—sometimes they aspire for it—but being once appointed or elected as trustees they take no interest in the trust ; they do not attend the trust meetings, nor look after the trust, its property or its management and yet they would not vacate their office as trustees. They take pride in being on the Board of Trustees of several trusts, but they hardly take active interest in any of them. They would not make room for others who have more time to spare and ability to work. Such trustees do more harm than good to charity. A trustee is an honorary, voluntary worker, but he must work and make himself useful to the institution.

What is a Public Trust ?

"A trust is an obligation annexed to the ownership of property and arising out of a confidence reposed in and accepted by the owner or declared and accepted by him for the benefit of another or of another and the owner". In other words a trustee is a person to whom the property of some one else is entrusted for a particular object or purpose. A trust may be public or private. The Bombay Public Trusts Act, 1950, is not concerned with private trusts, in which the beneficial interest is of one or more ascertained or ascertainable individuals. The Act governs only public tursts. A public trust has as its beneficiaries members of an unascertained or unascertainable body and the trust is more or less of a permanent character. A public trust is a trust for either a public religious or charitable purpose or both and includes a temple, a Math, a Wakf, a Dharmada or any other religious or charitable endowment. (1.) It also includes a society formed for a religious or charitable purpose or both and registered under the Societies Registration Act, 1860. Thus if a society registered under the Societies Registration Act, 1860, has for its purpose or object, a religious, or charitable object or both, it is also liable to be registered as a public trust. A charitable purpose, includes (i) relief of poverty or distress, (ii) education, (iii) medical relief and(iv)the advancement of any other object of general public utility. (1) It does not. however, include a purpose which relates exclusively to sports. Thus societies exclusively for games or sports may not be liable to be registered under the Bombay Public Trusts Act, 1950. A Wakf is, a public trust unless it is a Wakf-al-aulad, i.e. a Wakf which is for the time being for the benefit of the settlor or his family or his descendants. "Wakf" means a permanent dedication by a person professing Islam of any moveable or immoveable

(1.) See Section 2 (13)

(1) See Section 9

property for any purpose recognised by the Islamic law as pious, religious or charitable and includes a Wakf by user but does not include a wakf such as is described in Section 3 of the Mussalman Wakf Validating Act, 1913, under which any benefit is for the time being claimable for himself by the person whom the Wakf was created or by any member of his family or descendants. (2)

Before the Bombay Public Trusts Act, 1950, was enacted a public trust in which the purpose or object of the trust was uncertain, e.g. where 'A' set apart Rs. 50,000 for being used in *Dharmada* or for *Sarakam* without mentioning the specific object of charity, was invalid for uncertainly and the trust would fail. Thus the object of the author of the trust was defeated because he did not express himself in clear express terms. But it is not so now, under the present Act, for no trust would fail for uncertainty or on the ground that the persons or objects for the benefit of whom or for which the trust is created are unascertained or unascertainable.(3)

For the enforcement of this law of trusts, Government has set up an organisation, known as the Charity Organization, at the head of which is the Charity Commissioner; under him there are Deputy or Assistant Charity Commissioners.

Regions

For the purposes of the Act, the State Government may form regions and sub-regions and may prescribe and alter limits of such regions and sub-regions.(1) The State is devided into a number of Regions, each region comprising about four to six districts. At the head of each region is a Deputy or an Assistant Charity Commissioner.

Following are the regions with the districts comprised therein ;

Regions		*Districts in the Region.*
1. Ahmedabad	..	Ahmedabad, Mehsana, Banaskantha and Sabarkantha.
2. Baroda		Baroda, Kaira and Panchmahals.
3. Rajkot	..	Jamnagar, Rajkot, Surendranagar, Bhavnagar Junagadh and Amreli.

The following are the sub-Regions with the districts comprised therein.

Sub-Regions		*Districts in the Sub-Region*
1. Surat	...	Surat, Dangs and Broach.
2. Kutch	...	Kutch.

(1) See Section 14
(2) See Section 2(19)
(3) See Section 10.

The Act casts a duty upon the trustee of every public trust to get the trust registered. He should make an application to the Deputy or Assistant Charity Commissioner of the Region within the limits of which the trustee has an office or the trust property or a substantial portion of the trust property is situated. Such an application should contain the name or the designation by which the trust is known, the names and addresses of the trustees and/or the manager, the mode of succession to the office of trustee, objects and particulars of instrument of trust, if any, particulars of the property of the trust and its value, gross average annual income annual expenditure, the address to which any communication to the trustee or manager in connection with the trust may be sent and other particulars prescribed. (1) A form of an application for registration together with the instructions for filling up the same is appended herewith Marked 'A' in this hand book. Every application for registration has to bear Court Fee Stamp of Rs. 2-00. The application for registration is to be signed by the trustee or trustees and subscribed on Solemn affirmation before the Deputy or Assistant Charity Commissioner, or any Officer authorised by the Deputy/ Assistant Charity Commissioner to administer oaths, a Justice of Peace, a Magistrate or before any Officer of Court empowered to administer oaths. The prescribed fee for registration should accompany every application for registration in cash. If, however, a trust has been already registered under the provisions of any of the Acts which were in force, before the Bombay Public Trusts Act, 1950, came in force, i. e. the Bombay Public Trusts Registration Act, 1935, The Parsee Public Trusts Registration Act, 1936 and the Mussalman Wakf Act, 1923 (as amended by Bombay Act XVIII of 1935) the trust is deemed to be registered under the Bombay Public Trusts Act, 1950 and need not be registered again. (2)

Registration of Public Trusts

As stated above a trust could be registered in the Regional Office of the Deputy or Assistant Charity Commissioner where the trust property or a substantial portion of its property is situated or where the trustee has an office for the administration of the trust. Thus, if a trust, which runs a school at Jamnagar and has its office at Ahmedabad, is to be registered, it could be registered either at the Office of the Deputy Charity Commissioner, Ahmedabad or at the Office of the Deputy Charity Commissioner, Rajkot. But there are several cases where trusts having their properties or a substantial portion of their properties in the Gujarat State have been registered in Bombay. There are trusts registered in Bombay, which have properties in the present Gujarat State and in the Maharashtra State. In such cases, to the extent that they have properties in the Gujarat State they will be deemed to be registered in the Office of the Deputy or Assistant Charity Commissioner within whose region

(1) See Section 18
(2) See Section 28

they are situated ; and such trusts will be under the Charity Commissioner, Maharashtra as well as the Charity Commissioner, Gujarat. But a trust which has been registered, say, in Ahmedabad, *only because*, it has the trust office at Ahmedabad, and its entire property is in Bombay, it can shift its office to Bombay and get the trust deregistered in Gujarat. Similarly a trust registered in Bombay for similar reasons could be deregistered in Bombay. Otherwise difficulty may arise and the trustees of the same trust will be under two Charity Commissioners.

If the trustee fails to make an application for registration within three months from the date of the coming into force of the Act or from the date of the creation of the trust he is liable to penalty. (1) If the trustee of a public trust fails to apply for the registration of a trust, any one interested in the trust, trust can also apply for its registration, or a Deputy or an Assistant Charity Commissioner may institute an inquiry for the registration of a public trust *suo motu* if it comes to his knowledge that a public trust which ought to have been registered is not registered. (2)

If a public trust is created by a Will, the executor of such Will shall have to make an application in the prescribed form for the registration of such trust within one month from the date on which the probate of the Will is granted and/or within six months from the date of the testator's death, whichever is earlier. (3) The period prescribed for making such application for registration may be extended, for sufficient reasons by the Deputy or Assistant Charity Commissioner.

Inquiry for registration

The inquiry before the Deputy or Assistant Charity Commissioner is held with the aid of assessors, who in the case of a public trust which is for the benefit of the members belonging to a particular religious denomination would, as far as practicable, be persons belonging to that religious denomination. After holding an inquiry the Deputy or Assistant Charity Commissioner decides whether the trust is a public trust or not : If he holds that *it is a public trust* he registers the same and a certificate in the prescribed form is issued to the trustee. Every trustee of a public trust should preserve the certificate so issued.

The office of the Deputy or Assistant Charity Commissioner maintains a Register of public trusts. It is a public document of which inspection could be taken and certified copies obtained by any one on payment of the prescribed fees. An application for a copy of

(1) See Section 18 Read with Section 86

(2) See Section 19

(3) See Section 29

an entry for the Register of Public Trust is to be affixed with a Court Fee Stamp of 0-20 nP. and the copying fees are annas four (0.25 nP.) for every 100 words or fraction thereof plus additional fee of one anna (0.06 nP.) for every 100 words or fraction thereof for comparing plus the paper and postal charges. The Register of Public Trusts thus serves a double purpose. The Organization maintains a complete list of public trusts registered within the State and the public can easily know which public trusts are registered and whether a particular trust is registered or not. The Organization has published Directories of Public Trusts of all the Districts in the Old Bombay State before Re-organization. Such Directories are sold at a nominal price and are available at the various Regional Officers, at the Government Sales Depot, Institute of Science Building, Fort, Bombay and at the Government Book Depot, Charni Road Gardens, Bombay--4 (only for orders from mofussil and abroad).

There is a tendency to claim trust property as private, particularly in case of temples. It is the duty of every civic minded citizen to inform the Deputy or Assistant Charity Commissioner of the region or the Charity Commissioner when it comes to his notice that a public trust is not registered. Any one interested can at a glance at these Directories ascertain whether a public trust is registered or not and he may move the authorities for registration of a trust which though liable to be registered he finds not to have been registered.

Appeal

Against an order passed by the Deputy or Assistant Charity Commissioner holding a particular trust to be a public trust or not or a particular property to be the property of a public trust or otherwise an appeal to the Charity Commissioner is provided for. Such an appeal should be filed within 60 days from the date of such order. (1)

Change Report

If after a trust is registered any change occurs in any of the entries recorded in the register, as for example by the death of a trustee or the appointment of a new trustee or an additional property being acquired for the trust. Such change is to be reported in the prescribed form appended herewith marked 'B' in this hand book, bearing a Court Fee Stamp of Rs. 1 by the trustees within 90 days from the date of the occurance of such change to the Deputy or Assistant Charity Commissioner, concerned, who after making the necessary inquiry will record the change. (2) The change report is as far as possible to be signed by all the trustees and to be accompanied by a true copy of the instrument or a resolution effecting the change. If the change consists of deletion or addition of trustee, the report should be signed by the retiring as well as the incoming trustees. If the deletion is due to the death of a trustee or a manager the date of death and the

(1) See Section 70

(2) See Section 22

death certificate should also accompany the report. In the case of change regarding immoveable property all the particulars, such as survey numbers, area, etc., should accompany. If all these particulars are given it would save considerable time and inconvenience. An appeal lies to the Charity Commissioner against the order passed by the Deputy or Assistant Charity Commissioner in this respect. (1) The period of limitation is 60 days. Failure to report a change is an offence. (2)

Submission of accounts and audit

A trustee is expected to administer the trust like a prudent man. A duty is cast upon every trustee of a public trust to keep accounts. Such accounts are to be balanced each year on the 31st day of March or on such other day as may be fixed by the Charity Commissioner. The other three dates fixed by the Charity Commissioner are (i) 31st December, (ii) 30th June, (iii) Aso Vad 30 (Diwali). It is open to the trustees to follow any of the four accounting dates, Such accounts are to be audited by a Chartered Accountant unless the gross annual income of such trust is less than Rs. 1,000. (3) In case where the gross annual income is Rs. 1,000 or less, accounts may be got audietd by a Chartered Accountant or by a person authorised by the State Government to audit accounts. Travelling Auditors are also approvea by the Organization in some of the Regions to help trustees of public trusts having a gross annual income of Rs. 1,000 or less in getting their accounts audited. Trustees of public trusts having a gross annual income of Rs. 500 or less are not required to get their accounts audited by auditors. They should prepare and furnish to the Deputy or Assistant Charity Commissioner a full and true statement of the income and expenditure in the prescribed form signed and verifiith by all trustees. A copy of the prescribed form is appended herewith to this hand book and Marked 'C'. Trustees of trusts having a gross annual income upto Rs. 300 need not get accounts of the trust audited nor furnish any statement of accounts to the Deputy or Assistant Charity Commissioner, Public Trusts administered by Government through its officers are, subject to certain conditions, exempt from the provisions regarding audit.

Special Audit

Either on the application of a trustee or a person interested or *suo motu* the Charity Commissioner may direct a special audit of accounts of any public trust if he thinks special audit is necessary. (4) He may direct the payment of fee for such special audit. Such fee is to be fixed by the Charity Commissioner but in no case shall

(1) See Section 70

(2) See Section 66

(3) See Section 33 Read with Rule 17

(4) See Section 33 (4)

such fee exceed $2\frac{1}{2}\%$ of the gross annual income of the trust or be less than Rs. 50. The Charity Commissioner may order the deposit of such amount as would in his opinion be sufficient to meet the cost of special audit.

Duties of auditors

It is the duty of every auditor doing the work of auditing the accounts of a public trust to prepare a balance sheet and income and expenditure account and to forward a copy of the same along with his report to the Deputy or the Assistant Charity Commissioner, within a fortnight of the date of audit. He should submit alongwith his report to the Deputy or Assistant Charity Commissioner a statement in the form of Schedule IX-C, to the Rules, showing the gross annual income, the amounts admissible as deductions and the income liable to contribution. He should show in his report all cases of irregularities, of irregular, illegal or improper expenditure or failure or omission to recover moneys or other properties belonging to the public trust or of loss or waste of money other property thereof and state whether such expenditures, failure, omission, loss or waste, was in consequence of a breach of trust or misapplication or any other misconduct on the part of the trustee. (1) The settlor or the donor has reposed his confidence in the trustee. The Charity Organization reposes its confidence in the auditor, who is expected to place before it a correct picture of the affairs and the administration of the trust. As an expert in accounting and the audit of accounts he can find out the true state of things. He is in a position to ascertain whether the trust is being administered properly legally and faithfully. It is his duty not to windowdress or try to screen the short comings, the faults and defalcations or acts of omission or commission of the trustee who primarily pays him for his work. He should acquaint the authorities with the real state of things, It is on him that the authorities rely.

Charity Commissioner's power of Inspection and Supervision

The Charity Commissioner has the power of general Superintendence of the administration and carrying out the provisions of the Act. The Charity Commissioner, the Deputy or Assistant Charity Com- missioner or any officer the authorised by State Government shall have power after reasonable notice to enter on or inspect or cause to be entered on or inspected any property of a public trust, to call for or inspect any proceedings of the trustees or any book of accounts, or to call for any return, statement, account or report which the deems necessary. (2) It is the duty of every trustee to offer all reasonable facilities and to comply with the order made. Not to do so is an offence.

(1) See Sertion 34 Read with Rule 1ⁿ,

(2) See Section 37.

When a report of the auditor is received by the Deputy or Assistant Charity Commissioner, he may if he finds any illegality, irregularity or misconduct, require the trustee or any other person concerned to submit an explanation (1) and on considering such report, he may, after holding an inquiry, if he is satisfied that the trustee or such other person has been guilty of gross negligence, breach of trust, misapplication or misconduct which has caused loss to the public trust report the matter to the Charity Commissioner. (2) The Charity Commissioner on receipt of such report, after hearing the party concerned and holding such inquiry as he deems fit, will determine the amount of loss caused to the public trust, whether such loss was due to any breach of trust, misapplication or misconduct on the part of such person, whether any of the trustees or any other person was responsible for such loss and the amount of such loss, if any. (3) If the Charity Commissioner decided that any person is liable to the trust for any amount for the loss caused to the trust he may direct that the amount shall be surcharged on the person and such amount shall be recovered from him as arrears of land revenue. (4) No suit or execution proceeding is necessary. Thus when a loss is caused to a public trust on account of misappropriation, misapplication or misconduct of a trustee, without under going the long process of a civil suit, in which a preliminary decree for accounts may be passed and then the final decree and then the execution of the decree, not to speak of appeals, such amount could be speadily recovered and made good to the trust. Such inquiry by the Charity Commissioner is to be held with the aid of assessors.

Surcharge proceedings

A trust is a permanent settlement. It is the primary duty of the trustee to preserve the trust property or the corpus, the income of which is to be used for all times,. The corpus and the moneys of the trust should, therefore, be invested in the safest possible manner. The safest investment would be in Government Paper. The Bombay Public Trusts Act, 1950, enjoins that the trust property which consists of money and which cannot be applied immediately or at an early date to the purpose of the public trust should be deposited in any Scheduled Bank or in Postal Savings Bank or in a Co-operative Bank approved by Government either in call or fixed deposits or in current or savings bank account or to invest it in public securities Such money could also be invested in the first mortgage of immoveable property if the property is not a lease hold property for a term of years and if the value of the property exceeds by ½ the amount advanced. (5) A list of Scheduled and Co-operative Banks approved by Government

Investments

(1) See Section 38.
(2) See Section 39.
(3) See Section 40.
(4) See Section 41. Read with Section 77.
(5) See Section 35.

is appended herewith in this hand book and Marked 'D'. Investments in National Savings Certificates and Postal Cash Certificates are permitted.

The Charity Commissioner can by general or special order permit the trustee of any public trust to invest the money in a manner otherwise then as provided above ; but the Charity Commissioner usually does not encourage investments other than those mentioned above.

Permission of the Charity Commissioner is not required in cases where the trust funds are proposed to be invested in furtherence of the trust objects, e. g. construction of school building, hostel, library building, hospital, dispensary, dharmashala, etc. Similarly, permission of the Charity Commissioner is not required if the trust funds are proposed to be invested for futherance of the objects in deadstock apparatus and other moveable not yielding income.

The provision regarding investment of trust fund was amended on 29-10-1954., the effect of which was that the trustees were debarred from investing trust funds in a manner otherwise than as stated above even though they were authorised to do so under the directions contained in the instrument of trust. However, investments made in accordance with such directions before 29-10-1954 were protected but this does not mean that investments made before 29-10-1954 in case of public trust having no instrument of trust are also protected.

Trustees contravening the provisions regarding investments are liable to a fine which may extend to Rs. 1,000/- (1).

Alienations

Though the instrument of trust so provides, no trustee without the previous permission of the Charity Commissioner can sell, mortgage or exchange or give in gift any immoveable property of the trust nor lease agricultural land for more than 10 years, or a building or non-agricultural land for more than three years. (2) The trustee must make an application for such permission. The particulars to accompany an application for such permission are shown in the appendix to this hand book Marked 'E'. The trustees very often ignore this provisions of law and effect sales and leases without the previous permission of the Charity Commissioner. Trustees must first approach the Charity Commissioner and take his permission for such a sale, gift, lease or mortgage and *than only* enter into such transactions. Otherwise if an alienation is first effected and permission is sought afterwards the alienation will not be valid.

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(1) See Section 66.
(2) See Section 36.

A new trustee could be got appinted by any person interested in a public trust or by the Charity Commissioner or an application to the Court for the appiontment of a new trustee when any trustee of such trust 1. disclaims or dies, 2. is for a continuous period of six months absent from India, 3. leaves India for the purpose of residing abroad, 4. is declared insolvent 5. desires to be discharged, 6. refuses to act as a trustee, 7. becomes in the opinion of the Court unfit or physically incapable to act in the trust or accepts a position which is inconsistent with the trust and 8. is notavailable to administer the trust. (3) Such an application could be made only if such trustee was the sole trustee or if by the vacation of office by one or more trustees on account of any of the said reasons the minimum number of trustees required by the instrument, Scheme or order or decree of the Court is reduced.

Appointment of new trustee.

Before the Bombay Public Trusts Act, 1950, was passed if a trustee committed a breach of trust or misappropriated the trust money or did not render accounts or a Trustee was to be removed or a Scheme framed or directions of the Court were necessary, any two persons interested in the trust could file a suit with the sanction of the Advocate General or the Collector. The Advocate General could also file such a suit. The Advocate General represented charities for that purpose under the Act, the Charity Commissioner represents charities so such a suit could now be filed either by the Charity Commissioner himself or with the sanction of the Charity Commissioner by any two or more persons interested in the trust. (1) Instructions for making an application for the consent of the Charity Commissioner for filing a suit are as per appendix to this hand book marked 'F' appended herewith. Formerly no appeal was provided for, against the order of the Advocate General granting or refusing such a sanction but now an appeal is provided before the Revenue Tribunal if an application for sanction to file such a suit is refused by the Charity Commissioner. (2) Against the order granting such a sanction no appeal is provided because the matter is finally going to be decided in a Civil Court.

Sanction of Charity Commissioner for filing a suit.

If the Charity Commissioner has reason to believe or if two or more persons interested in the trust, make an application, for framing or settling a Scheme, if it is in the interest of the trust the Charity Commissioner could, after hearing the trustees, settle a Scheme for the management or administration of the trust. Thus power is given to the Charity Commissioner; to frame a scheme, without a suit being filed. Before this provision

Framing of Scheme by the Charity Commissioner

(1) Sectiod 50.

(2) See Section 51 (2).

(3) See Section 47.

was made in the Bombay Public Trusts Act, 1950 if a scheme was required to be framed, and there were and are many religious trusts which run without any constitution, rules and regulations or scheme a suit had to be filed. It look years before a Scheme could be framed and nobody would be prepared to file such suits, with the result that a number of trusts are run at random, arbitrarily by Mahants who invariably are the sole trustees. Now, Scheme could be framed speedily and at a much lesser cost. The Charity Commissioner is also given the power to amalgamate two or more public trusts, if it is in the interest of the trusts by framing a common scheme. A Party dissatisfied with the Scheme or a common scheme so framed by the Charity Commissioner can file an application, it is a sort of appeal-to the District Court. (1).

Dharmada commonly known as Laga.

According to the definition of 'trust' a Dharmada is also a public trust; where any amount is charged to any party according to the custom or usage of any business or trade or the agreement between the parties relating to any transaction as being intended to be used for a charitable or religious purpose such amount (Dharmada) shall vest in the person charging or collecting the same as a trustee and such a person has to submit within three months from the expiration of the year for which his accounts are ordinarily kept, an account in the prescribed form to the Deputy or Assistant Charity Commissioner who may make an inquiry as to the correct-ness of the amount submitted. (2) He may pass order for the disposal of the amount in the manner prescribed. The provisions of the Trusts Act regarding registration, change reports, audit, etc., do not apply to Dharmada.

Cypres.

It very often happens that the original object for which a puplic trust is created fails or the object for one reason or another could not be fulfilled. No trust fails on account of the failure of the object. But where the object has failed directions of the Court have to be otbained for using the income of the trust for an object similar to the original object.

For instance if an amount is set apart in trust for being given to a particular hospital or school in a particular village or town and if that school or hospital has ceased to exist the trustees of that trust, ought not to keep with themselves the amount but they have to seek directions from the Court for using the amount for a similar object and the Court will give directions to the trustees to use the amount for some other Hospital or School in the village or town or in a neghbouring village or town. If the trustees fail to take direc-

(1) See Section 50 (A)

(2) See Section 54

tions from the Court, the Charity Commissioner would direct them to do so and if even then they fail to do so within a particular time the Charity Commissioner himself would make an application to the Court for the purpose. Similarly where the income or the surplus balance of any trust is not utilised or is not likely to be utilised for the object of the trust the Charity Commissioner may direct the trustees of a public trust to take directions from the Court for the use thereof. If the trustees fail to do so the Charity Commissioner himself can make such an application to the Court for the purpose. (1) Some trusts have a large income and all the income is not required to be spent for the objects of the trust. The result is that every year there is a surplus and this surplus accumulates. Where such surplus is not utilised or is not likely to be utilised the Charity Commissioner issues a notice to the trustee to use the same for the objects of the trust or for secular education or medical relief. After obtaining directions of the Court.

There is a tendency amongst trustees to heard and accumulate the income of trusts. They in the first instance often try to avoid using the income when called upon to do so by the Charity Commissioner. Sometimes the trustees honestly believe that if they have on hand a fairly large amount they may be able to use it for some purpose which they may have in view. But the general tendency is to avoid spending the surplus balance and it very often happens that when a notice for using the surplus balance or the income is issued by the Charity Commissioner some imaginary, unnecessary or uncalled for purposes for spending the amount are put forth. The amount set apart for a particular trust or its income, as the case may be, must primarily be used for the object of the trust. The trustees would be failing in their duty if they were slow or negligent in spending the amount for the objects for which they hold the same. If the object has failed it is their duty to take directions from the Court at the earliest opportunity. Similarly, if the objects of the trust do not require all the income or the corpus they should see that the income or the surplus of the corpus not required is used for a similar object as directed by the Court. If all the income of a trust is required to be used for a particular object named in the instrument of trust the trustees see that it is so used. It is not correct to spend only a part of the income and accumulate the rest. There are numerous objects in the field of education, medical relief, relief of poverty and for the advancement of public utility and countless institutions which badly required aid. It is, therefore, assential that moneys should not be allowed to be accumulated but spent properly.

Whenever a trustee finds any difficulty in the proper running

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(1) See Section 55

of a trust. He may, in matters which are not complicated approach the Court for opinion, advice or directions and the Court may give such opinion, advice or directions and a trustee noting in good faith upon such opinion, advice and directions shall be deemed to have discharged his duty. (1).

Directions from Court.

Every public trust having a gross annual income of more than Rs, 1,000 has to pay annually to the Public Trusts Administration Fund a contribution at the rate of 2 % of its gross annual income. There are, however, two kinds of public trusts which are exempted from the payment of contribution. These are public trusts (*i*) exclusively for secular education, (*ii*) exclusively for medical relief. (2)

Contribution.

For calculating the contribution payable, gross annual income means gross income from all sources in a year and includes income from donations. However, donations given or offerings made with a specific direction that they shall form part of the corpus of the public trust are not to be treated as income. These are calculating the contribution payable, the following deductions are allowed : (3)

(*i*) amount spent on secular education ;

(*ii*) amounts spent on medical relief ;

(*iii*) donations received from any source ;

(*iv*) grants received from Government or local authorities ;

(*v*) allowance for annual repairs at 8 ⅓ % of the estimated gross annual rent of building of the trust not rented out and yielding no income ;

(*vi*) interest on depreciation fund for replacement of buildings ;

(*vii*) interest on sinking fund for repayment of loans ;

(*viii*) out of income or receipts from lands used for agricultural purposes ;

(*a*) land revenue and local fund cess,

(*b*) land rent payable be superior holder,

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(1) See Section 56(A)

(2) See Rule 32

(3) See Rule 32(3)

(*c*) the cost of production,

(*ix*) out of income or receipts from lands (including buildings) used for non-agricultural purposes.

(*a*) assessment, ceases and other Government dues and Municipal and other taxes, payable by the trust ;

(*b*) ground rent payable to the superior landlord.

(*c*) insurance premia, if any, in respect of the buildings ;

(*d*) allowance for annual repairs at 8-1/3 % of the gross rent of buildings ;

(*e*) allowance for cost of collection at 4% of the gross rent of buildings ;

(*x*) allowance for cost of collection of income or receipts from securities, stocks, shares and debentures, at 1% of such income.

If a public trust conducts a business or trade the net annual profits of such business or trade is to be treated as the gross annual income of the business or trade.

On receipt of the statements of accounts from the auditor, the contribution payable is assessed by the Deputy or Assistant Charity Commissioner and a notice of demand is sent to the trust. (1) The amount has to be paid within one month of the receipt of the notice. If the contribution assessed exceeds Rs. 200 the amount can be paid in the equal instalments. The first instalment must be paid within one month and the second within four months of the notice. If the amount is not so paid the trust will be treated as a defaulter and the amount can be recovered as an arrear of land revenue through the Collector. (2) It can also be recovered by an order passed by the Deputy or Assistant Charity Commissioner from any moneys belonging to the public trust lying with any bank or any person. The failure to pay contribution also makes the trustee liable to prosecution and to fine upto Rs. 1,000 (3).

If the trust has any objection to the amount assessed, the trustee can file an objection within 15 days of the receipt of the notice of demand. (4) The objection filed are not required to bear any court fee stamp but must state the grounds of objections. No objection shall be entertained unless the amount of demand as required by the notice has been first deposited.

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(1) See Rule 33 Section 58

(2) See Section 77

(3) See Section 59 and 65

(4) See Rule 33(2)

The Deputy or Assistant Charity Commissioner then hears the trustee. After hearing the trustee, he can pass such order as he deems fit but has to record his reasons in writing. (1) If the trustee is dissatisfied with the order passed by the Deputy or Assistant Charity Commissioner he can apply to the Charity Commissioner within 30 days from the date of the order passed by the Deputy or Assistant Charity Commissioner for revising such order. (2) The application to the Charity Commissioner is to be made on a Court Fee Stamp of rupee one. The application is to be in the form of a memorandum signed by the applicant or his pleader and has to state the grounds of objection. The Charity Commissioner after hearing the applicant or his pleader may either confirm or modify the order passed by the Deputy or Assistant Charity Commissioner. (3) There is no further appeal against the order of the Charity Commissioner.

The Charity Commissioner can also *suo motu* review the order passed by a Deputy or Assistant Charity Commissioner. But if he proposes to pass an order enhancing the amount of contribution assessed by the Deputy or Assistant Charity Commissioner he must give an opportunity to the trustee of being heard in the matter (4).

In an inquiry regarding registration of public trust or regarding the change in the entries of the register of public trusts, the Deputy or Assistant Charity Commissioner will be helped by assessors; similarly in an inquiry regarding loss caused to a public trust on account of the conduct of a trustee the Charity Commissioner will be helped by assessors.

Inquiry with the aid of assessors.

If a trustee or an executor fails to make an application for the registration of a trust, within the time prescribed or a trustee fails to report a change or to keep regular accounts or invest money in public securities or pay contribution he will be liable to be prosecuted. If an assessor fails to attend the office of the Charity Commissioner, Deputy or Assistant Charity Commissioner to help him in an inquiry he is also liable to be prosecuted. Whoever fails to comply with the other provisions of the Act or the Rules is also liable to be prosecuted.(5)

Penalty.

Against the order of a Deputy/Assistant Charity Commissioner regarding registration of the trust, the change in entries in

(1) See Rule 33(3)

(2) See Rule 33(4)

(3) See Rule 33(5)

(4) See Rule 33(6)

(5) See Section 66 & 67.

Appeals, Applications and Revisional Powers.

the Trust Register. The disposal of a Dharmada, an appeal lies to the Charity Commissioner. Such appeal is to be filed within sixty days from the date of the order. (2) Against the order of the Charity Commissioner an application can be made to the Court, i.e. to the District Court in the moffusil within sixty days from the date of the order. (3) Against the order of the Charity Commissioner surcharging a trustee or any person for loss caused, an application can be made to the Court as shown above.

The Charity Commissioner has also the Revisional powers to call for an examine the record and proceedings of such case before any Deputy or the Assistant Charity Commissioner. (4) Against the order passed by the Charity Commissiner exercising his revisional powers, an application can be made to the 'Court' as mentioned above.

Against the order passed by the 'Court' an appeal could be filed to the High Court. (5)

Government managed trusts.

Special provisions as regards religious and charitable institution and endowments which vest in, or the management of which vests in, the State Government have been recently inserted in the Bombay Public Trusts Act, 1950. In several Indian States which merged into the State of Bombay, temples and Durgahs were managed by the Governments of the said States as State institutions or as puplic institutions. Some of them were taken over by these Governments on account of mismanagement. In some of those States there were also certain charitable funds held by such States. After the merger of these Indian States in the State of Bombay, these religious and charitable institutions and funds vested in or were managed by the Bombay State Government.

After the Bombay Public Trusts Act, 1950, came in force, the Government got most of these institutions and fund registered as public trusts.

The Government had been considering for a long time that the management of public trusts which were managed by Government should be left to the public and that Government should be divested of the management, of such public trusts. With this object in view, these provisions have been inserted in this Act.

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(2) See Section 70

(3) See Section 72

(4) See Section 72 (A)

(5) See Section 72 (4)

The main provisions are as follows:—

Government will appoint one or more committees of management for each District and transfer the management of the public trusts at present managed by Government to such committees. On such transfer, each committee shall be the trustee of the public trusts transferred to it. Each committee shall be a body corporate and consist of not less then five and not more than seven persons. In case of religious trusts, the members of the committee shall be appointed from amongst persons professing the religious or belonging to the religious denomination for the benefit of which such trust exists. The members of the committee shall as far as possible be appointed in accordance with the wishes of those who are interested in the administration of those public trusts. Certain disqualifications for membership of such a committee have been laid down. For example a person is disqualified if he has directly or indirectly interest in a lease or any other transaction relating to the property vesting in the committee or is a paid servant of the committee or has any share or interest in a contract for the supply of goods to committee etc. Each committee is to be appointed for a period of five years and on the expiry of this period, Government has to appoint new committee. If any member of the committee dies or resigns, Government can appoint a new member. Government can appoint from the members of a committee, a Chairman and a Treasurer. The Chairman, Treasurer and others members of a committee shall be paid such honorarium or fees or allowances and from such fund as may be prescribed by Government. Government shall also appoint a secretary to the Committee. He shall be a paid servant. The committee can appoint such other officers or servants as it thinks necessary for the performance of its duties and functions. The salary and allowances of the secretary, officers and servants of a committee shall be paid out of such funds as may be prescribed by Government.

It shall be the duty of a committee to manage and administer the public trusts the management of which has been transferred to the committee. It shall be the duty of the committee to see that each public trust under its management is properly administered and the income thereof is duly applied to the objects for which it is meant. The committee will have to keep separate accounts for each such trust and perform other duties and functions that a trustee of a public trust has to perform. For the better management or administration of any such public trust, Government can, from time to time, issue directions to a committee. The Charity Commissioner is also empowered to require the committee to perform any duty which a committee is bound to perform. If Government finds that a committee is unable to perform or has persistently made default in duties or has abused its powers, Government can supersede the committee. It can thereafter appoint a new committee.

Large cities have many wealthy persons and institutions that donate to charities in the cities. But there are smaller towns, villages in the interior and undeveloped or underdeveloped areas in the State and beyond, that are in bad need of funds for schools, hospitals, dispensaries and various other charitable objects. The hand of charity is required to be extended to such far off places and institutions which are doing yoeman's service to humanity in their own humble way which blossom unseen but which may either for want of nourish ment. Any opportunity to help them should not be lost; and charity may begin at home; but let it travel to other parts of the State and the Country without distinction of caste and creed.

FORM OF APPLICATION FOR REGISTRATION OF A PUBLIC TRUST

'A'

SCHEDULE II (*vide* Rule 6).

To

THE DEPUTY/ASSISTANT CHARITY COMMISSIONFR,

..................................Region/Sub-Region.

In the matter of Public Trust*..................................

....

I, ...

trustee of the abovenamed public trust, hereby apply under section 18 of the Bombay Public Trusts Act, 1950, for the registration of the said public trust.

2. I submit the following necessary particulars :—

(*ai*) The designation by which the public trust is or shall be known (Name of the Public Trust).

(*i*) Names of the trustees and managers with their adresses.

(*ii*) Mode of succession to the trusteeship and managership.

(*iii*) Objects of the trust.

*Give full name and address of the trust.

(*iv*)(*a*) Particulars of documents creating the trust (attach copies).

(*b*) Particulars other than documents about the origin or creation of the trust. ..

(*v*) Particulars of the scheme, if any relating to the trust (attach copy).

(*vi*) Movable property with estimated value of each class of such property. (*Note:—Entries should be made by broad description of classes of such property, e.g., furniture, books, etc. rather than of each individual article. Entry regarding cash should be made only if such cash forms part of the capital of the trust. In the case of scripts give particulars of each security, stock, share and debenture including the number which it bears*). ....

(*vii*)(*a*) Details of immovable property showing the village or town where situate, along with C. S., Municipal or Survey No., area assessment or Judi and description of the tenure on which held (attach certified copies of the entries in the Record of Rights, city survey record or municipal record relating to the properties).
1.
2.
3.

(*b*) Estimated value of each immovable property:
1.
2.

(*viii*) Sources of income of the trust.

(*ix*) Average gross annual income ...

(*x*) Average annual expenditure ...

(*xi*) Amount of average annual expenditure ..

(*a*) on remuneration to trustees and manager ..

(*b*) on establishment and staff ..

(*c*) on religious objects ..

(*d*) on charitabte objects ..

(*e*) on miscellaneous items ...

(*xii*) Particulars of encumbrances, if any, on trust ...

(*xiii*) Particulars of title deeds pertaining to trust property and the names of trustees in possession thereof...

(*xiv*) Remarks, if any ..

3. Fee of Rs. .... (..............................) accompanies.

4. Any communication to the trustee or manager in connection with the trust may be sent to the following address;—

Name..

Address..
....

Signature of applicant ....

Date..............................

I, the above named ....of.................... inhabitant, residing..............do solemnly affirm and say that what is stated in the above application is true to the best of my information and belief.

Solemnly affirmed at................ aforesaid this.........day of............ 196 . } (Signature)......................

Before me,

Instructions for filling up the Application Form for Registration of a Public Trust

(1) Please give full particulars in every paragraph.

(2) If there are no particulars to enter in any paragraph, please write "Nil" or "Does not arise" but do not leave any paragraph blank.

(3) Please attach certified copies of documents required in paragraphs 2 (*iv*) and (*v*) of the form.

(4) Please give the present market value in paragraphs 2 (*vi*) and (*vii*).

(5) Please give average of three years prior to 21st January 1952 in paragraphs 2 (*ix*), (*x*) and (*xi*). Ift he trust has not been in existence for three years before 21st January 1952, please give average of such number of years as have been completed before the date of application.

(6) Please give full description of the documents in paragraph 2 (*xiii*), namely the heading of the document, the date of the document, and the parties to the document.

(7) *Court Fee.*—Please affix a Court fee stamp of Rs. 2 to the application.

(8) *Registratton Fee.*—Please pay registration fee in cash in the Public Trusts Registration Office or send it by Money Order.

The registration fee is payable at the following rates:—

Market value of the trust property		Registration fee
		Rs.
Not exceeding Rs. 2,000	...	3
Exceeding Rs. 2,000 but not exceeding Rs. 5,000	...	5
Exceeding Rs. 5,000 but not exceeding Rs. 10,000	...	10
Exceeding Rs. 10,000 but not exceeding Rs. 25,000	...	20
Exceeding Rs. 25,000	...	25

(9) *Who should sign the application.*—The application may be signed by all the trustees or by any of the trustees on behalf of all trustees, or by the manager, "Manager" means any person (other than a trustee) who for the time being either alone or in association with some other person or persons administers the trust

property of any public trust, and includes—

(*a*) in the case of a math, the head of such math.

(*b*) in the cace of wakf, a mutawalli of such wakf, and

(*c*) in the case of a society registered under the Societies Registration Act, 1860 its governing body if the property of the society is not vested in a trustee.

The application can also be signed by any agent authorised by the trustee (s).

(10) *Solemn Affirmation.*—Every application requires to be solemnly affirmed, Please solemnly affirm the application before the Deputy or Assistant Charity Commissioner a Justice of the Peace, a Magistrate, or before any Officer of Court empowered to administer oaths under section 139 of the Code of Civil Procedure, 1908.

(11) *The Public Trust Registration Office to which the application should be sent.*—Please send the application to the Deputy or Assistant Charity Commissioner of the Region within the limits of which the trust office or the trust property or substantial portion of the trust property, is situated.

The limits of the various regions and sub-regions are given below :—

REGIONS

Regions		Districts in the Region
1. Ahmedabad	...	Ahmedabad. Mehsana, Banaskantha and Sabarkantha.
2, Baroda	...	Baroda, Kaira, and Panchmahals.
3. Raikot	...	Rajkot, Jamnagar, Surendranagar, Bhavnagar, Junagadh and Amreli.

SUB—REGIONS

Sub-Regions,		Districts in the Sub-Region
1. Surat	...	Surat, Dangs and Broach.
2. Kutch	...	Kutch.

(12) If the printed form(s) supplied to you by the Public Trusts Registration Office is spoiled or if you run short of printed forms, you may apply on ordinary paper after reproducing all the particulars mentioned in the prescribed form.

(13) If you doubt that the Bombay Public Trusts Act, 1950, applies to your case, you may apply "under protest" and without prejudice to your contentions which may be clearly mentioned in the remarks column.

Public Trusts Registration Office,

.....................................Region,

....

Deputy/Assistant Charity
Commissioner.

SCHEDULE III. 'B'

[*Vide* Rule 13 (I)]

Report of Changes that have occurred or are desired in the particulars recorded in the Register of Public Trustee Registered No. and name of Public Trust..........................

Nature of change.	Reasons for the change.	Remarks, if any
1	2	3

Date..............................

Signature and address
of the reporting trustee.

SCHEDULE IX-A

(*Vide* Rule 17)

Statement of income for the year ending..............................

Name and registered number of public trust..........................

Income from immovable Property	
1. Particulars of property ...	
2. Arrears of income at the end of the previous year ...	
3. Demand of rent fixed for the current year	
4. Amount realised during the year	
5. Arrears outstandidg with details of the year to which they belong	
Income from other property including securities (if any)	
6. Description of property ..	
7. Arrears of income at the end of the previous year ...	
8. Amount to be recovered during the current year ..	
9. Amount realized during the year.	
10. Arrears outstanding ...	
Total realization and outstandings	
11. Total amount recovered during the year	
12. Total arrears outstanding ..	
13. Remarks	

SCHEDULE IX-B

(*Vide* Rule 17)

Statement of expenditure for the year ending..............................

Name and registered number of public trust...................................

1. Assessment cesses and other Government dues.. ..	
2. Municipal and other taxes ...	
3. Charges incurred for maintenance and necessary improvement of property iucluding repairs	
4. Remuneration to managers and/or trustees	
5. Pay and allowances of servants.	
6. On religious objects ..	
7 On charitable objects ...	
8. Miscellaneous expenses (including contribution)... ..	
9. Total expenditure.. ...	
10. Total income	
11 Balance	
12. Remarks	

List of Scheduled Banks :—As defined in the Reserve Bank of India Act, 1934, section 2 (*e*), it means a bank included in the Schedule given below :—

List of Scheduled Banks

1. Ajodhia Bank
2. Allahabad Bank
3. American Express Co. Inc.
4. Andhra Bank
5. Bank of Baroda
6. Bank of Behar
7. Bank of Bikaner
8. Bank of China
9. Bank of India
10. Bank of Indore
11. Bank of Jaipur
12. Bank of Karnatak
13. Bank of Maharashtra
14. Bank of Mysore
15. Bank of Nagpur
16. Bank of Patiala
17. Bank of Poona
18. Bank of Rajasthan
19. Bank of Tokyo
20. (Bank) Bareilly Corporation
21. Belgaum Bank
22. Benares State Bank
23. Bharatha Lakshmi Bank
24. British Bank of the Middle East.
25. Canara Bank
26. Canara Banking Corporation
27. Canara Industrial & Banking Syndicate
28. Central Bank of India
29. Chartered Bank
30. Comptoir National D' Escompte de Paris.
31. Devkaran Nanjee Banking Co.
32. Eastern Bank
33. First National City Bank of New York.
34. Gadodia Bank
35. Habib Bank
36. Hindustan Commercial Bank
37. Hindustan Mercantile Bank
38. Hongkong & Shanghai Banking Corporation
39. Indian Bank
40. Indian Overseas Bank
41. Indo-Commercial Bank
42. Ratnakar Bank
43. Jodhpur Commercial Bank
44. Karnani Industrial Bank
45. Karnataka Bank
46. Karur Vysya Bank
47. Rotayam Orient Bank
48. Krishnaram Baldeo Bank
49. Kumbakonam Bank
50. Lakshmi Commercial Bank
51. Lakshmi Vilas Bank
52. Laxmi Bank
53. Loyds Bank
54. Metropolitan Bank
55. Mercantile Bank
56. Miraj State Bank
57. Mitsui Bank
58. Nadar Bank
59. Narang Bank of India
60. National and Crindlays Bank
61. National Bank of Lahore
62. National Bank of Pakistan
63. Nedungadi Bank
64. Ne.herlands Trading Society
65. New Bank of India
66. New Citizen Bank of India
67. Oriental Bank of Commerce
68. Palai Central Bank

69. Pandyan Bank
70. Prabhat Bank
71. Pratap Bank
72. Presidency Industrial Bank
73. Punjab & Sind Bank
74. Punjab Co-operative Bank
75. Punjab National Bank
76. Sangli Bank
77. Southern Bank
78. South India Bank
79. South Indian Bank
80. State Bank of Hyderabad
81. State Bank of India
82. State Bank of Saurashtra
83. Tanjore permanent Bank
64. Traders' Bank
85. Travancore Bank
86. Travancore Forward Bank
87. Union Bank of India
68. United Bank of India
89. United Commercial Bank
90. United Iudustrial Bank
91. United Western Bank
92. Universal Bank of India
93. Vijaya Bank
94. Yysya Bank

NOTE :—The list is up to the date of 20th November 1959. (Letter of Reserve Bank of India, Bombay No. Sch. 8901/32-59, dated 20th Nov. 1959). The list is subject to changes, due to the inclusion of banks in or exclusion from the schedule. The changes are notified in the Gazatte of India, Part III Section 4.

List of Co-operative Banks approved by Government :—In Exercise of the powers conferred by Sub-Section (I) of Section 35 the Government of Bombay hereby approves the co-operative banks specified in the schedule hereto annexed for the purpose of the said Sub-Section (I).

SCHEDULE

1. The Ahmedabad Central Co-operative Bank Ltd., Ahmedabad.
2. The Baroda Central Co-operative Bank Ltd., Baroda.
3. The Barsi Central Co-operative Bank Ltd., Barsi.
4. The Belgaum District Central Co-operative Bank Ltd., Belgaum.
5. The Bijapur District Central Co-operative Bank Ltd., Bijapur.
6. The Bombay State Co-operative Bank Ltd., Bombay.
7. The Broach Co-operative Bank Ltd., Broach.
8. The Kaira District Central Co-operative Bank Ltd., Nadiad.
9. The Kanara District Central Co-operative Bank Ltd., Sirsi.
10. The Karnatak Central Co-operative Bank Ltd., Dharwar.
11. The North Satara District Central Co-operative Bank Ltd., Satara.
12. The Panchmahals District Co-operative Bank Ltd., Godhra.
13. The Poona Central Co-operative Bank Ltd., Poona.
14. Deleted.

15. The Surat District Co-operative Bank Ltd., Surat.
16. Amreli District Central Co-opearative Bank Ltd., Amreli.
17. The Mehsana District Central Co-operative Bank Ltd., Mehsana.
18. The East Khandesh Central Co-operative Bank Ltd., Jalgaon.
19. The Sholapur District Central Co-operative Bank Ltd., Sholapur.
20. The Satara South District Central Co-operative Bank Ltd., Sangli.
21. The Kodinar Taluka Co-operative Banking Union Ltd., Kodinar.
22. The Kolhapur District Central Co-operative Bank Ltd., Kolhapur.

'E'

No. of 196

Office of the Charity Commissioner,
Gujarat State,
Shanti-Sadan, Mirzapur, Ahmedabad,

Date:

To

....

....

....

Sub:—Application No. of 196 under Section 36 of the Bombay Public Trusts Act, 1950.

Sir,

Reference your application dated

2. You are requested to furnish the following information within a fortnight :—

(1) What is the necessity of the proposed alienation ?

(2) How the proposed alienation is in the interest of the public trust?

(3) Valuation report either of an expert or Panchas showing the present market value of the property proposed to be alienated.

(4) What is the present net annual income from the property proposed to be alienated?

(5) The name of the person(s) or institution(s) to whom the property is to be alienated and their connection with the trust or the trustees, if any.

(6) Are all the trustees unanimously in favour of the proposed alienation: If so, send a copy of resolution in suppport of this.

(7) In what manner will the sale-proceeds be utilised?

(8) Whether the trustees are prepared to invest the sale proceeds in National Savings Certificates or in 4% 10 year Treasury Savings Deposit Certificate if permission to alienate trust property is granted and whether they are willing to give undertaking to this effect.

(9) What is the Cadestral Survey or Municipal number and area of the property proposed to be alienated?

(10) A Court fee stamp of (i) Rs. 2/- only the value of the property involved does not exceed Rs. 2,000/- (ii) Rs. 5/- only if the value of the property involved exceed Rs. 2,000/- but does not exceed Rs. 10,000/- (iii) Rs. 10/- only in any other case.

Yours faithfully,

for Charity Commissioner,
Gujarat State, Ahmedabad.

'F'

Instructions for making an Application under section 51 of the Bombay Public Trusts Act, 1950, for Charity Commissioner's Consent for Institution of a suit under Section 50.

(1) Court Fee Stamp of Rs. 10/- should be affixed to the application.

(2) The application should be made by two or more persons having interest in the public trust.

(3) The application should set out concisely the material facts and contain inter alia the particulars mentioned herein-under as required under Rule 27 of the Bombay Public Trusts Rules, 1951:—

(a) Names, occupation and addresses of the applicants.

(b) Name and description of the trust and its office address.

(c) Number of the trust on the Register of Public Trusts, if registered.

(d) Approximate annual income of the trust.

(e) Approximate value of the trust properties.

(f) Names and addresses of the trustees and managers.

(g) Object of the trust.

(h) Nature of the applicants' interest in the trust.

(i) Cause of action and substance of evidence in support of it and nature of the relief sought in the proposed suit.

(j) List of documents relied on.

(k) How the applicants propose to meet the costs of the suit.

(l) Particulars of applications, if any under Section 92 of the Civil Procedure Code, 1908, in regard to the trust made earlier by the applicants or to their knowledge by other persons, and the result thereof.

(4) The application should as far as possible, be accompanied by copies of all the relevant documents.

(5) The application should be accompanied by a draft plaint proposed to be filed.

(6) If the application is made through a pleader, Vakalatnama on a Court fee Stamp of Re. 1/- should be filed.

(7) The applicants are required to send as many copies of their application as there are apperents and pay into the office process fee at the rate of 0.30nP. per opponent in order to enable this office to serve the opponents.

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