

## Summary of Important Provisions of Bombay Public Trust Act

The Bombay Public Trust Act, 1950 (BPT Act) is the governing law in Maharashtra which is applicable to the trusts. Summary of provisions are as follows –

### A) Provisions relating to maintenance of records by the Trusts -

Applicable Section & Rule	Particulars	Important points / Details –
Sec 32 Rule 17	Maintenance of accounts	The trust is expected to keep regular accounts of - <ul style="list-style-type: none"> <li>• All receipts and movable and immovable property</li> <li>• All encumbrances created on trust property</li> <li>• All payments made and alienations made on behalf of public trust</li> <li>• All other particulars that will facilitate preparation of Balance Sheet &amp; Income and Expenditure in prescribed form (i.e. Sch. VIII and IX) and income liable to contribution in Sch, IX-C</li> </ul>
Sec 36B Rule 24A	Register of movable and immovable properties	<ol style="list-style-type: none"> <li>1) Format of register is prescribed by Sch. X-AA</li> <li>2) Details of all movable assets with their description, weight and estimated value to be maintained.</li> <li>3) The register shall show the jewels, gold, silver, precious stones, vessels and utensils etc.</li> <li>4) To be prepared within 3 months from expiry of relevant accounting year.</li> <li>5) Trustees to sign the register after verification.</li> <li>6) Changes to be reported to Deputy or Asst Charity Commissioner every year.</li> </ol>

### B) Routine procedures / compliances prescribed under BPT Act -

Applicable Section & Rule	Particulars	Time period	Form No. / other remarks
Sec 22 Rule 13	Reporting of change in the particulars noted in the register under sec 17	90 days from the date of change	In case of change in Immovable Property, changes to be informed in the format as per Schedule III-A, while in case of any other change it is in Format as per Schedule III  “Change” refers to change in the trustees, movable or immovable property etc.  Election of new trustees after AGM / death or

			resignation of trustee is also covered.
Sec 31A Rule 16A	Filing of Budget	To be filed at least one month before the commencement of each accounting year	Schedule VII-A  Applicable for trusts having annual income exceeding Rs. 10,000 (Rs. 5,000 for public religious trusts)
Sec 33	Balancing of accounts	31 <sup>st</sup> March every year or such other date as may be fixed by Charity Comm.	
Sec 34 & 58 Rule 19 & 32	Preparation of Balance Sheet and Income & Exp Account	6 months from the date of balancing of accounts.	Balance Sheet to be prepared in format as per Sch.VIII, while Income & Exp A/c as per Sch. IX, Lastly, Income liable to contribution – Sch. IX-C
Sec 34 Rule 19 & 21	Audit of accounts and Submission of Audit report	6 months from the date of balancing of accounts. Audit report to be submitted within fortnight of the audit.	Contents of Audit Report as per Rule 19  Trusts having annual income of Rs. 15,000 or less is exempt from audit

**C) Important Matters requiring permission of Charity Commissioner -**

Applicable Section & Rule	Particulars	Important points / Details –
Section 36 Rule 24	Alienation of immovable property	Prior Permission is required for – 1) Sale, exchange or gift of immovable property 2) Lease for a period of 3 years or more (10 years for agricultural land)
Section 36A	Borrowing of money for or on behalf of trust	Prior permission of charity commissioner for borrowing (whether on mortgage or otherwise) is necessary

D) Other matters -

Applicable Section & Rule	Particulars	Important points / Details –
Section 35	Investment of public Trust Money	Permissible modes of Investments are – <ol style="list-style-type: none"> <li>1) Scheduled Bank as defined in RBI Act, 1934</li> <li>2) Postal saving bank</li> <li>3) Co-operative banks approved by State Govt</li> <li>4) Central / State Govt Securities</li> <li>5) First mortgage of immovable property situated in India provided the property is not leasehold for a term of 99 years and the value of the property exceeds by one half of the mortgage money</li> <li>6) Any other investment permitted by charity commissioner not exceeding 50% of total investment</li> </ol>
Section 58 Rule 32	Contribution by Public Trusts	<ul style="list-style-type: none"> <li>• Contribution payable @ 2 %</li> <li>• Following trusts are exempt from payment of contribution –               <ol style="list-style-type: none"> <li>1) Public trusts having annual income of Rs. 25,000 or less</li> <li>2) Public trusts exclusively for advancement / propagation of secular education / medical relief / veterinary treatment</li> <li>3) Recognized public libraries and reading rooms</li> <li>4) Public trusts exclusively for the purpose of relief of distress caused by natural calamity</li> </ol> </li> </ul>