

**CIRCULAR No. 201**

**SUBJECT-** *Maintenance of Registers of Deposits and Advance in the Offices of the Charity Organization.*

The following kinds of deposits are received from parties by various offices in this Organization and are to be separately classified as deposits in the Register of Receipts as per columns 9 to 13 :-

- (a) Copying fee deposits (col.9 of receipt register).
- (b) Process fee, deposits for witness allowance, fees for payment to experts (Col.10).
- (C) Fees for Court expenses publication charges (Col. 11).
- (d) Fees for special audit (Col.12)
- (e) Miscellaneous other deposits not covered by the above.

2. Though these amounts are primarily credited to the Public Trusts Administration Fund, these are not the final receipts of the Public Trusts Administration Fund and have to be cleared either by making payments out of such deposits for services rendered or by refund of residual balance to the deposit holders, thus clearing the balances of deposits. The payments out of these deposits are usually to be exhibited in the Register of payments in columns as indicated below:-

- (a) The payments out of the copying fee deposits are made as under:-
  - (i) To the copyists for work done by them (Col.4 of the Register of Payment)
  - (ii) Comparing charges creditable to Public Trusts Administration Fund (col.5 of the Register of payments.)
  - (iii) Paper charges and postage creditable to Public Trusts Administration Fund (col. 6 of the Register of payments).
  - (iv) Residual balance of deposit refunded to the depositor (col. 12 of R/P).
- (b) Process fee,-- Out of the process fee deposits recovered under the provisions of rule 9 of the Bombay Public Trusts Rules, the expenses accrued are an use of service postage stamps used for serving summons by post. Similarly the Travelling expenses of the process server are intended to be met out of such deposits. No adjustments of the costs on account of use of service postage stamps

or the cost of travelling expenses of the process server have been carried out in the post.

Deposit for witness allowance-- The payments to the witness is to be ordered by the Enquiry Officer under provisions of Rule 10 of the Bombay Public Trusts Rules and made out of the deposits recovered for the purpose. Such payments are exhibited in Col. No.8 or 9 of the Register of payments. The payments which are to be adjusted against the deposits received only can be made by the Regional Officers. The payment of witness allowances in suo-motu proceedings which are a final charge to the Public Trusts Administration Fund cannot be made without sanction of Government as contemplated in Section 60 of the Bombay Public Trusts Act.

(c) Fees for court expenses or for publication charges.-- The payments out of these deposits will appear in Col.11 or 12 of the Register of payment.

(d) Fees for special Audit.-- The fees of the Special Auditor are paid by the Head Office. These would appear in Col. 10 of the Register of payments.

3. Though the deposits are primarily credited to the Public Trusts Administration Fund, it is liability to the fund and has to be liquidated as early as possible. It is, therefore, necessary to keep separate accounts of such deposits and reconcile their balances every year. No. Procedure for maintenance of the deposit accounts and its monthly reconciliation was prescribed in the past. To streamline the procedure of maintenance of deposit accounts in this organization following orders are issued.:-

(i) The following revised procedure should be implemented from 1st April 1976.

(ii) Deposits not exceeding five rupees unclaimed for one whole account year, balances not exceeding five rupees of deposits partly repaid during the year then closing and all balances unclaimed for more than three complete years shall, at the close of March in each year, be credited finally to the Public Trusts Administration Fund. Thus all the balances of deposits which are older than 3 years as on 1st April 1976, i.e. those received prior to 31st March 1973, shall be considered to have lapsed to the Public Trusts Administration Fund. Similarly the item of deposits not exceeding five rupees remained unclaimed for more than a year from the date of its credit, as also the balances not exceeding five rupees of deposits partly repaid during the year closing on 31st march 1976 should lapse to the Public Trusts Administration Fund.

The payments out of such lapsed deposits will have to be made directly out of the Public Trusts Administration Fund. The Regional Officers should not

therefore make any such payments themselves but should refer such cases to the Charity Commissioner for arranging payment out of the Public Trusts Administration Fund. While referring the cases to the Charity Commissioner the Regional Officers should prepare vouchers for refund and submit it to the Head Office along with the application of the claimant. The voucher should invariably bear the following certificate recorded under signature of the Regional Officer.

"Certified the balance proposed to be refunded was actually received and credited to the Public Trusts Administration Fund as per Receipt No..... dated..... and that this amount was not refunded before. It is further rectified that the notes of refund have been recorded against the original entry in the Register of Receipt and on the counterfoil of the Receipt and that the original receipt has been obtained from the claimant and destroyed."

(iii) The Regional Officers should open up following four subsidiary deposit Receipt Accounts and get them rewritten from the Register of Receipts commencing from 1st April 1973.

- (1) Copying fee deposit account.
- (2) Process fee and witness allowance deposit account.
- (3) Publication charges and Court expenses deposit account and
- (4) Miscellaneous deposit Account.

These deposit Accounts should be maintained in the Registers supplied in the Regional Officers under this office letter No.E/16303, dated 30th May 1974 as from 1st April 1973 and postings made in Col. Nos.1 to 4 thereof, from the entries recorded in the Registers of Receipts. The total of Col. No,4 of the deposit Register should be struck every month and reconciled with the figures shown in the monthly abstract of the Receipt Register.

(iv) The payments made out of these deposits should be shown in Col. Nos.6 to 13 of the deposit Register with full details. At the end of each quarter ending 30th June, 30th September, 31st December and 31st March of the concerned financial year. The totals of the relevant columns viz., Col. No.7,9,11 or 13, as the case may be should be struck and got reconciled with the abstracts of payments drawn in the Register of payments. At the close of the financial year balance outstanding at the end of the year against each item of deposit should be shown in Col. No.14 of the deposit Register. The total of Col.14 should tally with the total of Col. No.4 minus totals of Col. Nos.7,9,11 and 13. This balance should then be carried over as Opening Balance for the succeeding year. In addition, at the end of

each financial year an abstract should be drawn, for the sake of audit, as under which should be signed by the Regional Officer.

#### Abstract

1. Opening Balance .. Rs.

2. Add receipts during the year .. Rs.

3. Less payments made, refunds Rs.

or adjustments during the year.

4. Closing balance as on 31st March Rs.

Regional Officer

(v) On 31st March of each year such amounts of balance of deposit as are considered to have lapsed in terms of the procedure prescribed in para II above should be credited finally to the Public Trusts Administration Fund as lapsed deposit by preparing a suitable voucher for adjustment after making necessary remarks against original entries of credit in the Register of Receipts.

4. The deposit Account of fees for special audit should be maintained in the Head Office. Similarly the amounts deposited by parties/trustees under orders of the Court or under orders of the Charity Commissioner pending finalization of a Litigation, should be transferred to the Head Office, where the deposit account will be maintained. As the finalization of the Court proceedings usually take a very long time these sums will be invested by the Head Office in Fixed Deposit Receipts of Schedules Banks for a suitable terms at the description of the Charity Commissioner. The balance in such separately invested accounts should not ordinarily lapse to the Public Trusts Administration Fund, unless the Charity Commissioner so directs by a special order.

5. The above procedure should be implemented at once and re-writing of deposit registers completed by end of May 1976 without fail and compliance reported this office.

6. A Register of Advance has also been supplied to the Regional Officers. normally there would be no occasion for a Regional Officer to pay advances out of the Public Trusts Administration Fund. However, in certain cases e.g. Suo-Motu inquiries under section 18 payment of application charges are made by the Regional Officers out of the in such cases the payments should be allocated to the "Advances" and entries taken in the Register of advances. After the enquires are completed the enquiry officer should determine from whom the cost of publication

already incurred should be recovered and make a suitable order. Thereafter proper steps should be taken to recover these charges and credit to the Public Trusts Administration Fund. A note of recovery should then appear in the Register of Advances thus clearing the item in the Advance Register. Where it is ordered that the recovery is not to be effected from any party but is to be finally debited to the Public Trusts Administration Fund such cases may be referred to the Head Office for obtaining ex-post facto sanction of Government. At the end of the financial year an abstract of the advances outstanding should be drawn up as under:-

#### Abstract

1. Opening balance Rs.
2. Add Advances paid during Rs.  
in years.
3. Deduct recoveries effected Rs.  
and amounts written off
4. Closing balance as on Rs.  
31st March.

7. As the advances are to be finally recovered or adjusted under orders of Government the Registers of advance should be opened up from the inception of the office with reference the items in the Registers of payments. The advances subsequently adjusted by recovery should be posted with reference to the entries in the Register of Receipt and yearly abstracts drawn as per para 6 above. About the outstanding advances speedier steps should be taken to see that recoveries are effected forthwith and no claim should be allowed to be barred by time. The up-to date position of advances should thus be worked out and communicated to this office for information.

8. As regards the necessity of treating the process fee as an item of deposit the matter is separately under consideration. For the present while rewriting the Deposit Register No.II, as mentioned in para 3(III) above, the items of process fee should be omitted.

V.G.NIRGUDE,

Dated :

Charity Commissioner,

Maharashtra State, Mumbai