

CIRCULAR No.50

SUBJECT : Verification of numbers of securities lodged with Banks.

A question has been raised as to what procedure should be followed to obtain numbers of a securities belonging to a public trust when they are deposited with a Bank in a safe custody account.

2. The form of application for registration i.e. Schedule-II, requires trustees to give details of securities, debentures, etc. including their register numbers. When securities are lodged with a Bank for safe custody and collection of interest, they lose their identity and it is not possible for the trustees to furnish the requisite particulars. In such cases, Regional Officers should not insist on particulars such as register numbers of securities in the application for registration and ask the trustees merely to produce a certificate from their bankers that the securities are lodged with them for safe custody and collection of interest.

3. In Order to prevent such scripts from being used for personal gain through unauthorized selling and/or buying, Regional Officers should, by an order under Section 37 of the Bombay Public Trusts Act,1950, call upon such public trusts to submit annually an abstract of their Safe Custody Account, showing deposits and withdrawals of scripts during the year, duly certified by their bankers. While scrutinizing the annual accounting returns, the certified abstract should be checked against Schedule VIII (balance sheet) for a corresponding change under the head 'Investments' on the Assets side.

Dated : 24<sup>th</sup> March, 1953

D.R.PRADHAN  
Charity Commissioner, Bombay.