

O.W.No.Jud./3632/2025
O/o. Charity Commissioner,
Maharashtra State, Mumbai.
2nd Floor, Sasmira Building,
Worli, Mumbai-400 030
Date – 21-07-2025.

CIRCULAR No. 619 DATED 21-07-2025

1. Whereas section 35 of the Maharashtra Public Trusts Act ('the Act', for short) requires the trustee to deposit the Trust money, when the same cannot be applied immediately or at any early date to the purposes of the Public Trust, in any Scheduled Bank as defined in the Reserve Bank of India Act, 1934 or in the Postal Savings Bank or in a Co-operative Bank approved by the State Government for the purpose or to invest it in the public securities as defined in section 2(12) of the Act;
2. And whereas second proviso to the said section 35 empowers the Charity Commissioner to permit, by a general or special order, the trustee of any Public Trust or classes of such Trusts to invest money in any other manner;
3. And whereas the Parliament amended section 20 of the Indian Trusts Act, 1882, vide The Indian Trusts (Amendment) Act, 2016, to permit the trustee to invest Trust money in any of the securities or class of securities as specified by the Central Government, by notification in the Official Gazette;

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4. And whereas the Ministry of Finance (Department of Economic Affairs) of the Central Government has, in pursuance of section 20 of the Indian Trusts Act, 1882, issued a Notification dated 21st April, 2017 and specified the securities contained therein for the purposes of the said section;

5. And whereas the trustee of the Public Trust cannot invest Trust money in the securities specified by the Central Government in the Notification dated 21st April, 2017 without seeking permission of the Charity Commissioner under second proviso to section 35 of the Act;

6. And whereas it is expedient and in the interest of the Trust that the trustee be permitted to invest certain amount of Trust money in the securities specified by the Central Government without requiring him to every time file an application before the Charity Commissioner;

7. Now therefore, the Charity Commissioner of Maharashtra State, Mumbai, in exercise of the powers conferred by section 35 of the Act, hereby issues a general order and permits the trustee of the Public Trust to invest upto fifty percent (50%) of the Trust money in the following securities, and subject to the conditions specified by the Central Government in the Notification dated 21st April, 2017, namely -

(a) Government securities;


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- (b) securities, the principal whereof and the interest whereon is fully and unconditionally guaranteed by the Central Government or any State Government;
- (c) units of debt mutual funds regulated by the Securities and Exchange Board of India established by section 3 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- (d) listed (or proposed to be listed on exchange in case of fresh issue) debt securities issued by any body corporate, including a bank and a public financial institution as defined in clause (72) of Section 2 of the Companies Act, 2013 (18 of 2013), which have a minimum residual maturity period of three years from the date of investment;
- (e) Basel III Tier-I bonds issued by a scheduled commercial bank under guidelines issued by the Reserve Bank of India, which are either listed or are proposed to be listed on an exchange;
- (f) the infrastructure related debt instruments listed or proposed to be listed in case of fresh issue :-
 - (i) debt securities issued by a body corporate engaged mainly in the business of development or operation and maintenance of infrastructure, or development, construction or finance of low cost housing;

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- (ii) securities issued by an infrastructure debt fund operating as a non-banking financial company and regulated by the Reserve Bank of India; or
- (iii) units issued by an infrastructure Debt Fund operating as a Mutual Fund and regulated by the Securities and Exchange Board of India;
- (g) shares of body corporates listed on any recognized stock exchange which has a market capitalization of not less than five thousand crore rupees as on the date of investment;
- (h) units of mutual funds regulated by the Securities and Exchange Board of India, which have minimum sixty-five per cent of their investment in shares of body corporates listed on a recognized stock exchanges; or
- (i) exchange traded funds or index funds regulated by the Securities and Exchange Board of India which replicate the portfolio of the Bombay Stock Exchange Sensex Index or the National Stock Exchange Nifty Index, or those constructed specifically for disinvestment of shareholding of the Government of India in a body corporate;

Provided that the investment under clauses (d), (e) and (f) shall be made only in such securities which have minimum AA rating or equivalent in the applicable rating scale from at least two credit rating agencies registered with the Securities and Exchange Board of India

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under the Securities and Exchange Board of India (Credit Rating Agency) Regulations, 1999;

Provided further that in case of investment under sub-clause (ii) of clause (f), the ratings shall relate to the non-banking financial company and for that sub-clause, the ratings shall relate to the investment in eligible securities rated above investment grade of the scheme of the fund;

Provided also that if the securities or entities have been rated by more than two rating agencies, the two lowest of all the ratings shall be considered.

This Circular is issued in exercise of powers conferred upon the undersigned by section 35 r/w section 3 of the Act. It shall come into force with immediate effect.

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(Amogh S. Kaloti)
Charity Commissioner,
Maharashtra State, Mumbai.

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2. Charity Bar Associations, Mumbai.
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