

CIRCULAR No.68

SUBJECT : Prosecution for failure of submission of audited accounts.

Sub rule (1) of rule 21 of the Bombay Public Trusts Rules, 1951 lays down that the trustees shall get the accounts audited within 6 months of the date of balancing the accounts under sub section (1) of Section 33 of the Bombay Public Trusts Act, 1950. The aforesaid Act has been applied to all public trusts in the State with effect from 21st January, 1952 and by this time two accounting returns for each public trust should have been received by each Regional Officer irrespective of the date adopted by the trustees for balancing the accounts. It is, however, observed that many trustees have not submitted even the first accounting returns. It appears that time has now come to take serious notice of cases of willful failure to submit audited accounts. The following procedure is suggested :

2. The Regional Officers should in the first instance select for prosecution those cases where the following conditions co-exist.

a) the trusts has been registered or if an inquiry is pending the application has not been filed under protest :

b) the corpus of the trust or the contribution due from it is large;

c) the trustees have shown persistent and willful negligence in filing the accounts or paying advance contribution.

3. In order to maintain uniformity, the accompanying Form of Notice should be issued by the Regional Officers before finally launching prosecution for failure of submission of accounts.

4. The Regional Officers are further advised that the Charity Commissioner's permission under section 83 should invariably be obtained before finally prosecuting a trustee.

D.R.PRADHAN

Dated : 19th march, 1954.

Charity Commissioner, Bombay