

THE CHARITABLE ENDOWMENTS ACT.

[INDIA ACT VI, 1890.] (1st October, 1890.)

1. * * * *

2. In this Act, "charitable purpose" includes relief of the poor, education, medical relief and the advancement of any other object of general public utility, but does not include a purpose which relates exclusively to religious teaching or worship.

3. (1) The President of the Union may appoint an officer of the Government by the name of his office to be Treasurer of Charitable Endowments.

(2) Such Treasurer shall, for the purposes of taking, holding and transferring moveable or immoveable property under the authority of this Act, be a corporation sole by the name of the Treasurer of Charitable Endowments, and, as such Treasurer, shall have perpetual succession and a corporate seal, and may sue and be sued in his corporate name.

4. (1) Where any property is held or is to be applied in trust for a charitable purpose, the President of the Union, if he thinks fit, may, on application made as hereinafter mentioned, and subject to the other provisions of this section, order, by notification in the Gazette, that the property be vested in the Treasurer of Charitable Endowments on such terms as to the application of the property or the income thereof as may be agreed on between the President of the Union and the person or persons making the application, and the property shall thereupon so vest accordingly.

(2) When any property has vested under this section in the Treasurer of Charitable Endowments, he is entitled to all documents of title relating thereto.

(3) The President of the Union shall not make an order under sub-section (1) for the vesting in the Treasurer of Charitable Endowments of any securities for money, except the following, namely:—

- (a) promissory notes, debentures, stock and other securities of the Government of India or Pakistan or the Government of the Union of Burma, or of the United Kingdom of Great Britain and Ireland;
- (b) bonds, debentures and annuities charged or secured [* * *]¹ on the revenues of the Union of Burma or of the [Government of India or Pakistan;]²
- (c) stock or debentures of, or shares in, railway or other companies, the interest whereon has been guaranteed by the Secretary of State for India in Council;

¹ Omitted by the Union of Burma (Adaptation of Laws) Order, 1948.

² Substituted *ibid.*

(d) debentures or other securities for money issued by or on behalf of any local authority in exercise of powers conferred by an Act of a legislature established in India or Pakistan or the Union of Burma;

(e) a security expressly authorized by any order which the President of the Union may make in this behalf.

(4) An order under this section vesting property in the Treasurer of Charitable Endowments shall not require or be deemed to require him to administer the property, or impose or be deemed to impose upon him the duty of a trustee with respect to the administration thereof.

Schemes for
administration
of property vested
in the Treasurer.

5. (1) On application made as hereinafter mentioned, and with the concurrence of the person or persons making the application, the President of the Union, if he thinks fit, may settle a scheme for the administration of any property which has been or is to be vested in the Treasurer of Charitable Endowments, and may in such scheme appoint, by name or office, a person or persons, not being or including such Treasurer, to administer the property.

(2) On application made as hereinafter mentioned, and with the concurrence of the person or persons making the application, the President of the Union may, if he thinks fit, modify any scheme settled under this section or substitute another scheme in its stead.

(3) A scheme settled, modified or substituted under this section shall, subject to the other provisions of this section, come into operation on a day to be appointed by the President of the Union in this behalf, and shall remain in force so long as the property to which it relates continues to be vested in the Treasurer of Charitable Endowments or until it has been modified or another such scheme has been substituted in its stead.

(4) Such a scheme, when it comes into operation, shall supersede any decree or direction relating to the subject-matter thereof in so far as such decree or direction is in any way repugnant thereto, and its validity shall not be questioned in any Court, nor shall any Court give, in contravention of the provisions of the scheme or in any way contrary or in addition thereto, a decree or direction regarding the administration of the property to which the scheme relates.

(5) In the settlement of such a scheme effect shall be given to the wishes of the author of the trust so far as they can be ascertained, and, in the opinion of the President of the Union, effect can reasonably be given to them.

(6) Where a scheme has been settled under this section for the administration of property not already vested in the Treasurer of Charitable Endowments, it shall not come into operation until the property has become so vested.

Mode of
applying for
vesting
orders and
schemes.

6. (1) The application referred to in the two last foregoing sections must be made.—

(a) if the property is already held in trust for a charitable purpose, then by the person acting in the administration of the trust, or,

where there are more persons than one so acting, then by those persons or a majority of them ; and

(b) if the property is to be applied in trust for such a purpose, then by the person or persons proposing so to apply it.

(2) For the purposes of this section the executor or administrator of a deceased trustee of property held in trust for a charitable purpose shall be deemed to be a person acting in the administration of the trust.

7. * * * *

8. (1) Subject to the provisions of this Act, the Treasurer of Charitable Endowments shall not, as such Treasurer, act in the administration of any trust whereof any of the property is for the time being vested in him under this Act. Bare trusteeship of Treasurer.

(2) Such Treasurer shall keep a separate account of each property for the time being so vested in so far as the property consists of securities for money, and shall apply the property or the income thereof in accordance with the provisions made in that behalf in the vesting order under section 4 or in the scheme, if any, under section 5, or in both those documents.

(3) In the case of any property so vested other than securities for money, such Treasurer shall, subject to any special order which he may receive from the authority by whose order the property became vested in him, permit the persons acting in the administration of the trust to have the possession, management and control of the property, and the application of the income thereof, as if the property had been vested in them.

9. The Treasurer of Charitable Endowments shall cause to be published annually in the Gazette, at such time as the President of the Union may direct, a list of all properties for the time being vested in him under this Act and an abstract of all accounts kept by him under sub-section (2) of the last foregoing section. Annual publication of list of properties vested in Treasurer.

10. (1) The Treasurer of Charitable Endowments shall always be a sole trustee, and shall not, as such Treasurer, take or hold any property otherwise than under the provisions of this Act, or, subject to those provisions, transfer any property vested in him except in obedience to a decree divesting him of the property, or in compliance with a direction in that behalf issuing from the authority by whose order the property became vested in him. Limitation of functions and powers of Treasurer.

(2) Such a direction may require the Treasurer to sell or otherwise dispose of any property vested in him, and, with the sanction of the authority issuing the direction, to invest the proceeds of the sale or other disposal of the property in any such security for money as is mentioned in section 4, sub-section (3), clause (a), (b), (c), (d) or (e), or in the purchase of immoveable property.

(3) When the Treasurer of Charitable Endowments is divested, by a direction of the President of the Union under this section, of any property, it shall vest in the person or persons acting in the administration thereof and be held by him or them on the same trusts as those on which it was held by such Treasurer.

Provision for continuance of office of Treasurer in certain contingencies.

11. If the office held by an officer of the Government who has been appointed to be the Treasurer of Charitable Endowments is abolished or its name is changed, the President of the Union may appoint the same or another officer of the Government by the name of his office to be such Treasurer, and thereupon the holder of the latter office shall be deemed for the purposes of this Act to be the successor in office of the holder of the former office.

12. * * * *

13. (1) * * * *

Power to make rules.

(2) The President of the Union may make rules consistent with this Act for—

- (a) prescribing the fees to be paid to the Government in respect of any property vested under this Act in the Treasurer of Charitable Endowments;
- (b) regulating the cases and the mode in which schemes or any modification thereof are to be published before they are settled or made under section 5;
- (c) prescribing the forms in which accounts are to be kept by the Treasurer of Charitable Endowments and the mode in which such accounts are to be audited; and
- (d) generally carrying into effect the purposes of this Act.

Indemnity to Government and Treasurer.

14. No suit shall be instituted against the Government in respect of anything done or purporting to be done under this Act, or in respect of any alleged neglect or omission to perform any duty devolving on the Government under this Act, or in respect of the exercise of, or the failure to exercise, any power conferred by this Act on the Government, nor shall any suit be instituted against the Treasurer of Charitable Endowments except for divesting him of property on the ground of its not being subject to a trust for a charitable purpose, or for making him chargeable with or accountable for the loss or misapplication of any property vested in him, or the income thereof, where the loss or misapplication has been occasioned by or through his wilful neglect or default.

Saving with respect to Official Trustee and Attorney-General.

15. Nothing in this Act shall be construed to affect the provisions of the Official Trustees Act or section 92 of the Code of Civil Procedure.