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PART-I

INDUSTRIES & COMMERCE DEPARTMENT

Karachi, dated the **OCTOBER 1, 2020**

NO. SO I (IND) misc /1 In exercise of powers conferred by section 118 of the Sindh Trust Act, 2020, the Government of Sindh are pleased to make the following rules, namely:-

1. **Short Title and commencement.**- (1) These rules may be called The Sindh Trust Rules, 2020.

(2) They shall come into force at once.

(3) It will extend to whole of the Province.

2. **Definitions.**- (1) In these rules, unless there is anything repugnant in the subject or content,

(a) "Act" means the Sindh Trust Act, 2020;

(b) "Member" means any natural person associated with the Trust such as Author, Trustee, Beneficiary, and any other natural person exercising ultimate effective control over the trust;

(c) "Public Trust" means a Trust whose beneficiaries include the public at large and the number of beneficiaries are temporary and keeps on changing;

(d) "Private Trust" means a Trust whose beneficiaries include families or individuals and are pre-determined at the time of registration of Trust;

(e) "Schedule" means Schedule appended to the Rules;

(2) The words and expressions used but not defined in these rules shall have the meanings assigned to them in the Act.

3. **Trust Deed, Memorandum of Association (MOA) and Trust Property:**

a. **Trust Deed:** A Trust Deed on stamp papers of value of rupees two thousand (Rs.2000) or Secretary may fix from time to time is legal evidence of the existence of the Trust and it contains the governing classes of the trust. The trust deed must contain title of the trust, life of the trust, arbitration clause and affidavit by member of the trust to obey the provisions of the trust Act and rules made there under. This document shall also contain byelaws regarding the

changes, removal or addition of the trustees, co-trustee(s) and beneficiaries or any other clause the author deems necessary for operation of the trust in a smooth manner. Each paper of the trust deed should be signed by the author, trustee(s), any other person associated to the trust and attested by notary public.

- b. **Memorandum of Association (MOA):** Memorandum of Association (MOA) shall define the relationship of the author with the trustee(s) and specify the objectives to which such the trust is formed. Such a document shall contain the name, addresses, cell numbers, occupations and designations of all members of the trust along with their signatures in the presence of two witnesses duly attested by Notary Public.
- c. The trust property shall also be registered under the Registration Act, 1908.

4. **Documents to be presented to the Director for Registration:**

The following documents should be submitted to the Director by the Assistant Director or trustee(s).

- (a) **Memorandum of Association:** containing name of the trust, main office address of the trust, objectives of the trust and the Author (s) of the Trust **Schedule-I**.
- (b) **Trust Deed:** It is the legal evidence of trust's existence and contains rules and regulations of the trust. It shall be presented to the Director in original as well as an attested copy, the original should be returned to the trustee after registration. These documents shall contain byelaws regarding powers/duties of the trustees and procedure pertaining to the changes, removal or addition of trustees, co-trustee(s) or beneficiaries or any other person exercising ultimate effective control over the trust. It shall also contain procedure for amendment in the trust deed, dissolution of the trust and duties and responsibilities of the members of the trust.
- (c) Affidavit as required under the Section 10 (2) of the Act on **Schedule-II**.
- (d) Attested copies of CNICs or passports copies of members of the trust.
- (e) Proof of the registered office address of the trust (Electricity/Sui Gas bill or rent agreement, mutation or any other proof).
- (f) No objection letter signed by the landlord.
- (g) Affidavit on **Schedule-III**, attesting that that neither any member of the trust nor the trust itself is involved in any criminal activities and no legal proceeding against any of above is under trial in any court of law.
- (h) Bank challan of rupees ten thousand and five hundred (Rs.10,500/-) credit to the provincial government under the head of accounts **C-03818**.
- (i) Any other documents as Director may require.
- (j) Trust members' details on **Schedule-IV**.
- (k) It is mandatory for the author as well as two other witnesses to be physically present along with their identity proof at the time of registration

5. Documents Verification. (1) The Director shall examine the documents received pursuant to the rule 4 above and if found incomplete, the same shall be returned to the trustee for completion. The documents if found in order/complete shall be verified through Assistant Director and Special Branch Police.

(2) The concerned Assistant Director shall verify the following:-

- (i) Office of the trust and its related documents.
- (ii) Property of the trust.
- (iii) Members of the trust.
- (iv) Any other documents for which he has been asked.

(3) The Special Branch Police shall verify the following:-

- (i) The criminal record of the members of the trust.
- (ii) Background of the members.
- (iii) Any other verification they deem necessary.

(4) The concerned officers shall report within fourteen days of receiving of request of the Director. In case a foreigner is a member of the trust then his or her credentials shall be verified through the embassy of Pakistan in that country and the above time limit shall not apply in such case.

6. Issuance of Registration Certificate: The Director may, after fulfillment of all legal requirements, register the trust and issue registration certificate to the trust as per **Schedule-V** or may refuse the registration, for any of the reasons set out in the Act or for the following reasons:-

- (a) If the Director deems that the trust or any of its members is involved or likely to be involved in spreading of hatred, militancy, money laundering or threat to national security and harmony.
- (b) The members of the trust failed to provide complete personal details/information or provided any incomplete/false information or provided fake/forged documents.

7. Maintenance of accounts. A trustee or each trustee, as the case may be, is bound to -

- (a) keep clear and accurate accounts of the trust property and its income;
- (b) at all reasonable times, at the request of the beneficiary, to furnish him with full and accurate information as to the amount and state of the trust-property;
- (c) update information within five days of any change in members of the trust or its assets or any other change and provide the same to the Director;
- (d) get accounts audited by a third party at least once in a year;
- (e) submit financial reports to the Director and concerned Assistant Director in every financial year;
- (f) ensure that the information is accurate and up to date;
- (g) keep records of the information provided to the registry, including the information as set out in subsections (a) to (f) for at least five years after their involvement with the trust ceases.

8. Renewal of Registration: (1) The registration of the trust shall be renewed yearly, in this regard the trustee shall submit certified copies of the following documents to the Director for annual renewal of registration thirty days prior to expiry of registration:-

- (a) details of all members on **Schedule-VI**. The Schedule-VI form shall also be submitted by a trustee for updating the information of trust from time to time as required by section 26 of Act;
- (b) Bank challan of Rs.3,000/- evidencing payment of fee for renewal of registration;
- (c) audited statement of accounts from a Chartered Accounts for preceding financial year;
- (d) budget estimated and activities plan for the next financial year;
- (e) up-to-date bank account statement;
- (f) details of any new member of the trust.

(2) **Verification:** The trustee(s) shall submit a soft record of information at the time of registration and during annual renewal and whenever required from time to time in accordance with section 26 of the Act.

(3) The Director shall check the information so provided against the record available in his office. If he found any change he shall verify with the manner as mentioned in rule "5".

(4) The Director may summon any or all member of the trust for any query.

(5) Director after receiving verification report(s) if deems necessary may send the case to any other Investigation Agency for further verification.

(6) The Director after fulfillment of all legal requirements may grant annual renewal certificate to the trust as per **Schedule-VII** or may refuse annual renewal, in case of any violation of the Act or Rule:

9. Maintenance of Register of Trusts: (1) The Director shall maintain register of the trust at provincial level and he should provide a copy of the same to concern Assistant Director to keep record at district level as well.

(2) The Director shall make necessary arrangements for the development of the register of trust on the Charity Commission Web Portal, including defining the internal procedures for its management, and operation, access to its information and other conditions through which its administration will be carried out.

(3) Until the commissioning of the online registration under section (b), the trustee shall use manual forms as provided in Schedules.

(4) Register of the trust shall contain the following information:

- (i) Trust name;
- (ii) Main office address of the trust along with branch office address if any or in case there is no office of the Trust, then the office address of the Trustee that is managing the Trust.
- (iii) Purpose of the Trust.
- (iv) Duration of the Trust.
- (v) Registration number and date of registration.
- (vi) Identity of the trustees.
- (vii) Identity of all other members of the trust.
- (viii) Details of the members of trust, including residential address Cell numbers and email addresses.
- (ix) Trust assets details.
- (x) Change in property and members if any.
- (xi) Annual renewal status.
- (xii) Details of inquiry conducted/under process against the trust or any of its members.
- (xiii) Remarks/Signature of Director.

(5) The register of the Trust will be available on the Charity Commission Web Portal and information as required under subsection b (i) to (vi), (ix) and (x) will be made publicly available upon registration in the web Portal.

(6) Competent authorities and reporting entities may request access to the register information as provided in sub section (d)

10. Power to Inspect and Seize Record: (1) The Director or Assistant Director may require any information for any purpose at any time related to the trust or members of the trust from the trustee(s) and the trustee(s) should provide the same in soft and hard form or as asked for within five days of the request. The Director can take over property of the trust or freeze an asset of the trust under section 17 (f) of the Act.

(2) The Director may share any information about any trust, including the trust assets, trust proceeds, or members of the trust with the Competent Authorities upon written request through Home Department. The requisite information should be provided by the trustee(s).

12. Access to Information: (1) The Department and Director through Assistant Director or directly may at any time may ask the trustee(s) for any information relating to the trust or any member of the trust and the trustee shall be bound to provide the requisite information within 10 days of the request in both soft and hard forms or as required.

(2) The Competent Authorities at any time, for the purpose of domestic or international cooperation, may ask for any information related to the trust or any of its members from the trustee and the trustee should provide the information within 07 days of the request in both soft and hard forms or as required in the manner asked for. Both the request of competent authorities and response of trustee should be routed through Home Department in the manner required by the Home Department.

(3) The reporting entity through Home Department may ask for any information at anytime and in any manner, the trustee(s) are bound to provide the details of trust assets, residential address and details of the member of the trust in the manner as asked for within 07 days of the request in both soft and hard forms or as required.

12. Complaint and Penalty: (1) If a trustee or co-trustee is found to have violated the rules 10(1)(2) and 11(1), the Director upon intimation by the Assistant Director or by his own motion may impose financial penalty up to rupees one million but not less than rupees 0.1 million.

(2) In case of failure to pay penalty under rule 12, the Director may file a complaint in the court of Magistrate First Class on **Schedule-VIII** against the trustee responsible for incompliance under the Rules. The court may on conviction, award imprisonment which may extend to six months but not be less than one month. The imprisonment granted under this rule shall be in addition to the financial penalty already imposed by Director under rule 12(1).

(3) In case of violation of rule 11(1) (2) (3), the trustee shall also be liable for imprisonment of minimum three months and maximum six months by the court of Magistrate First Class on the complaint of Director if the trustee(s) failed to provide timely information as asked by Director or Assistant Director for sharing the same under Rules 11 (2) (3).

(4) The Director may authorize any of his sub ordinate officers on his behalf for lodging complaint in the court of magistrate first class against the trustee(s) or Co-trustee(s) as the case may be for any violation of the Act or Rules.

13. Meeting Justice Demand: No order under rule 12(1) (2) (3) shall be passed unless the trustee(s) or any other relevant person is given opportunity of defense and being heard.

14. **Appeal:** Appeal against the order passed under the rules 11 and 12 shall be made in the following manner, namely: -

- (a) Appeal against the order of Director shall be made before the Secretary within thirty days of the date of the order of Director; and
- (b) Appeal against the order/judgment of Magistrate First Class shall be made before Session Judge of the District where main office of the trust is situated within thirty days of the date of the order of Magistrate First Class.
- (c) The Secretary while reviewing order of the Director shall consider -
 - (i) flaws in inquiry conduction highlighted by the Trustee (s);
 - (ii) whether penalties imposed are based on facts or otherwise;
 - (iii) whether order of the Director is based on facts or otherwise;
 - (iv) after above consideration, he may send the case back to the Director for re-inquiry or may issue order.

15. **Power to obtain trust registration record.-** The Department shall approach the Revenue and Estate Department Government of Sindh for the record of trusts registration immediately after commencement of these rules and obtain the same record within a period of sixty days.

SECRETARY TO GOVT. OF SINDH

SCHEDULE-I

(See rule 4(a))

Memorandum of Association (MOA) under Rule 4(a) of the SINDH Trust Rules, 2020.

Name of the Trust _____

Main office address of the Trust _____

Any other sub office address of the Trust if available _____

Objectives of the Trust _____

Author's Name and address (Present & Permanent) _____

CNIC and Cell No. _____

The details of Trustees and beneficiaries are to be provided in the Schedule-IV

Witness (1) _____

Witness (2) _____

Attestation

Schedule-II

(See rule 4(c))

Acceptance Certificate by the trustee(s).

R/O

I, _____ S/O _____
bearing CNIC No. _____

solemnly affirm that I have read and understood the duties, responsibilities and liabilities of the trustee as mentioned in Chapter-IV of the SINDH Trust Act, 2020.

I, hereby accept the offer of the author of trust namely _____ situated at _____ to be its trustee. I will abide by the provision of the SINDH Trust Act, 2020 and SINDH Trust Rules, 2020 and will discharge my duties honestly and with the best of my abilities.

Trustee Signature _____

Witness (1) _____

SCHEDULE-III**(See rule 4(g))****Affidavit****(Non-Judicial Stamp Papers of Rs.100/-)**

We the founding members of trust

namely _____ situated at _____

declare and affirm that:

1. No trust is registered in the name of _____ under the SINDH Trust Act/Rules, 2020.
2. We are not involved in any criminal activity.
3. The trust deed and memorandum of association of the trust do not contain any clause / section against the provision of SINDH Trust Act/Rules, 2020.
4. The information provided in the submitted documents and this affidavit is true to the best of our knowledge and belief.

(Signed by members of the trust in presence of two witnesses and attested by Notary Public)

Schedule-IV**Details of Trust and Members of the Trust and Any other natural persons exercising control over the trust (if any)**

S.No.	Details Required
1.	Trust assets details
2.	Values of Trust assets
3.	Author Bio Data
4.	Author assets details
5.	Trustees Bio Data
6.	Trustees Dependents Bio data
7.	Trustees and Co-trustees' dependents assets at the time of trust formation.
8.	Assets details of any other person or legal person(s) associated to the trust.
9.	Annual activities detail of the trust.
10.	Any other information as the authority or Government required from time to time.
11.	Bio data and assets details of beneficiaries (In case of private trust)
12.	Bio data of beneficiaries only (In case of public trust)

Schedule-V

(See Rule 6).

No. _____

Date _____

IN THE OFFICE OF THE DIRECTOR INDUSTRIES AND COMMERCE, SINDH,

TRUST REGISTRATION CERTIFICATE

I hereby certify that M/s _____

situated at _____

has this day been registered under Section 16 of the SINDH Trust Act, 2020.

Given under my hand and seal at _____

this _____ day of _____

_____ and _____

Seal

DIRECTOR
Industries & Commerce,
SINDH

Fee Rs. _____

Schedule-VISee Rule 8(1)(a).**Annual Details of Trust and Members of the Trust and any other natural person exercising control over the trust (if any)**

S.No.	Details Required
1.	Trust assets details gained during preceding year.
2.	Value of Trust assets gained during preceding year.
3.	Author assets gained during preceding year.
4.	Trustees and Co-trustees' dependents assets gained during preceding year.
5.	Annual assets details of trust, trustees and trustees' dependents gained during preceding year.
6.	Assets details of any other natural person or legal person(s) associated to the trust gained during preceding year.
7.	Annual activities detail of the trust of this year.
8.	Any other information as the authority or Government required from time to time.
9.	Assets details of beneficiaries gained during preceding year (In case of private trust).
10.	Bio data of beneficiaries (In case of public trust).

Schedule-VII

See rule 8(4).

No. _____

Dated. _____

IN THE OFFICE OF THE DIRECTOR INDUSTRIES AND COMMERCE, SINDH,

TRUST ANNUAL RENEWAL CERTIFICATE



FOR THE YEAR ENDING DECEMBER 31, _____

I hereby certify that the annual renewal to M/s _____

situated at _____

has this day has been granted under Section 17 of the SINDH Trust Act, 2020 with the following trustee(s) and Co-trustee(s).

Given under my hand and seal at _____
this _____ day of _____
and _____

Seal

DIRECTOR
Industries & Commerce,
SINDH

Fee Rs. _____

Schedule VIIIComplaint FormUnder the Rule 12(2) of SINDH Trust Rules, 2020.

Case
NO. _____ Dated _____
In the Court of _____
Tehsil _____ District _____
State through Director/Assistant
Director _____ Complainant _____
Versus _____
Accused Name _____ S/o _____
CNIC NO _____ Phone _____
No _____
Address _____
Trust Name with
Address _____

Respectfully submits complaint under Section 18(5)(7) of the SINDH Trust Act, 2020 and rules 10(4) of the SINDH Trust Rules, 2020.

That the Director:

- a) Received documents from _____ dated _____
b) Examined / enquired the above mentioned documents
_____ and found the following violations

Brief on the case is _____

Details of enquiry if any:

A violation punishable under rule 10(2)(3) of the SINDH Trust Rules, 2020. Enclosures:

1. _____
2. _____
3. _____

Signature & Seal of the
Officer

Secretary to Government
of the SINDH
Industries & Commerce
Department.