

CSR & Social Governance

(Chapter 11)

(Total= 20 marks)

Time - 1 Hr

Answer the following question.

Case Study 1

The concept of societies is not new to India. In ancient period, societies were the breeding ground for like-minded intellectuals to discuss important developments in the fields of arts, sciences, or for recreational purposes. In India, societies existed in the form of religious or charitable conventions dispensing relief to the needy. After the Constitution of India came into force, the Societies Registration Act 1860, (the main Act) has continued to be in force in all the States by virtue of Article 372 of the Constitution. A registered society is a legal entity but it is not a body corporate (Board of Trustees v. State of Delhi AIR 1962 SC 458). It is separate from its members. It can own properties. It is capable of suing or being sued. The position of a society is comparable with an incorporated company under the Companies Act 1956. Hence, a Company Secretary has an important role to play in registration and management of a registered society.

The main Act has been continuing to be applicable in all the States with some amendments made by almost all the States in operation, administration and management of societies within the respective States.

Questions:

(5 marks each)

1. What following documents are required to be filled with the Registrar of societies for registration of a society under the main Act or corresponding Acts of various State Governments.
2. The members of governing body is collectively responsible and accountable to comply with the statutory provisions of the Act for carrying out the functions of the society to achieve its objective(s) for which it is set up. Explain any 10 duties.

Case Study 2

A Society registered under the Act is a legal entity. It is capable of suing and be sued in the name of the president, chairman or principal, secretary or trustees as determined by the rules and regulations. If there is no such prescribed determination then in the name of such person as appointed by the governing body for the occasion. If no such person is nominated by the governing body on an application made to it, then a person having a claim against society may sue the president or chairman or secretary or trustee.

No suit or proceeding in any Civil Court shall abate or discontinue if the person in whose name the suit has been brought has died or ceased to fill the character. Such suit shall be continued in the name of or against the successor of such person.

The section is merely an enabling provision and does not take away the right of society to sue or be sued in its own name (Govind Prasad v. Laxminarain 1960 MPLJ 145).

The provisions contained in Sections 6 and 7 are not mandatory.

Questions:

(3 marks each)

1. Explain the division of the society and also mention the procedure and following actions which are to be complied with.
2. Difference between: Trust and Bailment.

Q3. **(4 marks)**
A trust may be created (i) by every person competent to contract, and (ii) with the permission of a Principal Civil Court of original jurisdiction, by or on behalf of a minor (Section 7). Thus, generally any person competent to contract and competent to deal with the property can create a trust. Every person capable of holding property may be a trustee. But if the trust involves the exercise of discretion, he cannot execute it unless he is competent to contract. Explain the Rights, powers and Disabilities of trustees.

BEST OF LUCK