

MEMORANDUM OF ASSOCIATION OF THE SOCIETY AND ITS RULES AND REGULATIONS UNDER THE SOCIETIES REGISTRATION ACT, 1860

[This is the second article in the series of articles dealing with the various aspects of the Societies Registration Act, 1860.]

As stated in the previous article, a society can be formed by "Any Seven or more persons associated for any literary, scientific or charitable purpose, or for any such purpose as described in Section 20 of this Act, may, by subscribing their names to a memorandum of association, and filing the same with registrar of joint stock companies (or as amended by respective state acts) form themselves into a society under this Act.

In other words the memorandum is the charter of the society. It is the document depicting and describing the objects of its existence and its operations.

The memorandum as per the Principal Act (Section 2) and Acts passed by various state governments should contain the:

Name of the Society

The objects of the Society

The names, addresses and occupation of the members of the governing body

The place of the registered office of the Society

The memorandum should be a neatly typed document on good quality durable paper with serially numbered pages since these documents are to be kept as permanent records. Also, there should be a one and a half margin on left side of each sheet of paper while typing and it should be typed on one side only.

The memorandum should also contain the names, addresses and full signatures of the seven and more persons subscribing their name to the memorandum of association. The signatures should be duly witnessed and attested. A sample format of the memorandum of association is given as an annexure at the end of this article.

Along with the memorandum of association, a certified true copy of the Rules and Regulations of the Society signed by atleast three of the members of the first governing body should be filed.

Rules and Regulations:

The rules and regulations of the society are framed to guide the members of the governing body or the persons entrusted with management of the society to regulate the functions of the society and for its internal management.

These rules and regulations help in achieving the objects of the society and are binding on its members.

A copy of the rules and regulations certified to be correct by not less than three members are required to be filed with the registrar along with the other documents at the time of the registration of the society.

The rules and regulations also lay down the rules for the meetings. The rules should normally contain guidelines for meetings, quorum, proxy, minutes, and resolutions.

It cannot be presumed that a society is duly registered under the Act by just obtaining the certificate of registration from the registrar, but it is presumed to be registered by the copies of the Rules and Regulations and the Memorandum of Association being certified under Section 19 of the Act.

Every society registered under the Act may sue and be sued in the name of the President, Chairman or Principal Secretary or Trustees as determined by the rules and regulations of the society. A sample format of the rules and regulations is also given as an annexure at the end of this article.

Member(s) in the memorandum shall be a person(s) who has been admitted according to the rules and regulations of the society and should have paid the subscription and signed the list of members. No person shall be entitled to vote or be counted as a member in any of the proceedings of the society whose subscription has been in arrears for a period exceeding three months.

The rights and duties of these members are:

Rights:

- # Right to receive notices
- # Right to vote
- # Right to receive copies of the bye laws
- # Right to receive statement of accounts
- # Right to attend general meetings

Duties and Liabilities:

- # To work towards attainment of the objectives of the society
- # To attend the meetings regularly and exercise their democratic right as and when necessary.
- # A society may act against the members for:
 - recovery of arrears of membership subscription
 - recovery of any retained property or damages to the property caused by the members
 - for mis-utilisation/ mis-appropriation of funds of the society
 - forging any deed, document, money receipt etc., causing loss of fund or loss of credibility of the society.

Governing Body:

Governing Body under the Act can be said to be consisting of the Governor's Council, Committee, Trustees or some other body by whatever name called to whom or to which by the rules and regulations of the society the management of its affairs is entrusted. Property belonging to the society registered under the Act is deemed to be vested in the Governing Body of the society if not vested in trustees.

General Body:

General Body comprises all the members who have subscribed to the memorandum of the society. In certain NGOs, there is no distinction between the General Body and the Governing Body. It is permissible to have common members among both the General Body and the Governing Body. However for good governance, sometimes there are more members in the general body from which the Governing Body is elected in the Annual General Meeting

Meetings:

General Meetings: Annual General Meeting (AGM) is a meeting of the general body i.e., of all the members who have subscribed to the memorandum of the society normally held once in a year to discuss and approve the important matters like review of yearly activities, approval of audited accounts, and appointment of auditor. The AGM is to be conducted within six months of the end of the financial year since the annual activities and accounts are adopted in this meeting.

Other general meetings can also be called during the year to discuss certain matters of importance if required. Such meetings are called the Extraordinary General Meeting (EGM).

All members of the society have a right to participate in the meeting.

Board Meetings / Governing Body Meetings: The meetings of the Governing Body are held to take administrative decisions for the organisation. These meetings are held as per the time interval specified in the rules and regulations of the society. They can also be held more frequently if need arises for them. Generally the meetings should be held at least in an interval of three months if the time interval for holding the governing body meetings is not specified in the rules and regulations. These meetings are important for an organisation since in these meetings the matters related to management of the organisation is taken in collective manner.

Notice: A notice for every meeting should be given to all the members according to the time limit as mentioned in the bye-laws and the time limit for issue of the notice for any meeting should be provided in the bye laws. The notice for the meetings has to be given in writing. Generally a 21 days notice should be given for a general meeting and 7 days notice for a governing body meeting.

Agenda: Along with the notice for the meeting, the 'Agenda' for the meeting should be enclosed which provides the details regarding the relevant items to be discussed during the meeting.

Quorum: The bye-laws of the organisation should also specify the quorum required for different meetings. 'Quorum' implies the minimum number of

members who must be present in the meeting to make the proceedings of the meeting valid. If the required quorum is not present then the meeting is generally adjourned to the same day of the next week, at the same time and the same place. In case the quorum is still not present in the adjourned meeting then the meeting can be taken as a valid meeting. However proxies are not considered as part of the quorum.

Proxy: A member entitled to attend and vote in a meeting can appoint a proxy on his behalf who can attend and vote in the meeting who is referred to as the Proxy. A proxy form has to be filled up and submitted at least 2 days before the date of the meeting of the society.

Minutes: It is important to record the minutes of the meetings since they are the formal record of the proceedings of the meetings. The minutes can be recorded on loose sheets chronologically prepared and bound together or a bound register. The pages of the minutes should be serially numbered.

The minutes of the previous meeting are to be read and confirmed at the beginning of a meeting. Thereafter the minutes are signed by the chairman and subsequently they cannot be altered or corrected.

The members are required to sign the attendance register during the meeting.

In case of a combined general body and governing body meeting, care should be taken to write separate minutes for the General Body meeting and the Governing Body meeting. Also care should be taken to maintain the required quorum as required for the type of meeting being conducted Resolutions: For any decisions taken at the meetings by the members, to formally apply the decisions, a resolution stating the decision taken has to be passed in writing. It is required for the organisation to mention the decision taken during the meeting in the shape of a resolution along with the number of votes in favour and against the decision While framing the rules and regulations the number of members required to pass a resolution is to be mentioned in the rules and regulations.

(To be continued)

Sample Format for Memorandum of Association

1. Name of the Society:

The name of the society shall be.....

2. Registered Office:

Registered office of the society shall remain in the (Mention the state) and at present it is at the following address:

3. Aims and Objects:

The aims and objects for which the society is established is as under:

- (a)
- (b)
- (c)

(d) and so on.....

4. Governing Body:

The names, addresses, occupation and designation of the present members of the governing body to whom the management of the society is entrusted as required under Section 2 of the Societies registration Act, 1860 ,are as follows:

S.No.	Name (full in capital)	Addresses	Occupation	Designation in the society
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- (1)
- (2)
- (3)
- (4)
- (5)
- (6)
- (7) and so on

5. Desirous person

We the undersigned are desirous of forming a society namely "....." under the Societies Registration Act,1860 in pursuance of this Memorandum of Association of the Society.

S.No.	Name and	Addresses	Age	Occupations	Signatures
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- (1)
- (2)
- (3)
- (4)
- (5)
- (6)
- (7) and so on

Note:

1) The memorandum should close here.

2) Following paragraph should be added as last paragraph:
" All the incomes, earnings, movable or immovable properties of the society shall be solely utilised and applied towards the promotion of its aims and objects only as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred directly by way of dividends, bonus, profits or in any manner whatsoever, to the present or past members of the society or to any person claiming through any one or more of the present or the past

members. No member of the society shall have any personal claim on any movable or immovable properties of the society or make any profit, whatsoever, by virtue of his membership

Attested the signatures
from No. 1 to 7 (or more)

Signatures of two witnesses other
than the members of the society
with addresses

Signatures of the Attesting Officer with
Official Seal

(1)
(2)

Certified that this is the true
and correct copy of the Memorandum

Signatures of any three members of the Governing Body

President

Secretary

Treasurer

STANDARD FORMAT OF RULES AND REGULATIONS OF A SOCIETY

1. Rules and Regulations
 - i) Name of the society
 - ii) Membership defined
 - iii) Admission and qualification of the members
 - iv) Subscription
 - v) Cessation of membership
 - vi) Rights and privileges of membership
 - vii) Code of Conduct
2. General Body:
 - i) General body defined
 - ii) Powers and duties/functions of the general body
 - iii) Quorum and notice of meeting and periodicity of meetings
3. Managing/Governing Body/Executive
 - i) Managing/Governing Body/Executive Committee defined
 - ii) Composition
 - iii) Minimum and maximum strength including office bearers
 - iv) Election and its mode
 - v) Term of the office of the Governing Body
 - vi) Powers/duties/functions of the Managing/Governing Body/Executive
 - vii) Powers and duties of the office bearers
 - viii) Quorum and notice of the meetings
 - ix) Filling up of casual vacancies

4. Sub-Committee if any,
 - i) Formation
 - ii) Composition
 - iii) Duties and functions
5. Sources of Income and Utilisation of Funds
6. Financial Year
7. Audit of Accounts
8. Operation of Bank Accounts
9. Annual List of Managing/Governing Body (Sec 4 of the Act)
10. Legal proceedings(Sec. 6 of the Act)

The society may sue or be sued in the name of the President/Chairman/Secretary as per the provisions laid down under Section 6 of the Societies registration Act,1860

11. Amendments/Alteration,

extension or abridgement of 'purposes' aims and objects or change of name, Section 12 and 12A of the Societies Registration Act.The amendment shall be made under this section

12. Dissolution and adjustment of affairs

If the society needs to be dissolved, it shall be dissolved as per provisions laid down under Section 13 and 14 of the Societies Registration Act, 1860

13. Application of the Act:

All the provisions under all the sections of the Societies Registration Act, 1860 shall apply to this society

14. Certificate:

Certified that this a true and correct copy of the rules and regulations of the society

Sd/-
(President)

Sd/-
(Secretary)

Sd/-
(Treasurer)

Pooja Bagga
FMSF